

Aligning Employment and Financial Conversations in American Job Centers

Introduction

This quick reference guide provides information and resources to help American Job Center (AJC) workforce staff and partners discuss financial and employment goal setting with disabled jobseekers. You do not need to be a financial counselor or expert to have these conversations. With the information that follows, you will have the tools you need to have successful conversations that align the money and employment goals of your jobseekers.

Topics in this guide include:

- Providing financial empowerment support
- Starting the conversation about money
- Budgeting and good credit (why it's important)
- Referring an individual for financial education services
- Building financial empowerment capacity

Several tools and resources in this guide will assist AJC staff working with disabled jobseekers to help them meet their short-term goals, such as paying bills on time or developing a plan to pay down debt. They can also assist with long-term goals, such as buying a home or putting a child through college.

How do we provide financial empowerment support?

[The Workforce Innovation and Opportunity Act \(WIOA\)](#) supports the financial empowerment of people with disabilities. This is why some workforce systems today are including financial health assessments in AJC resource centers for all jobseekers and have established financial capability workshops and other supports for individuals as they engage in other career services. People with disabilities have the right to manage their money and benefits to achieve financial goals. Aligning employment activities and having conversations about money can help jobseekers understand the connection between working, earning income, and setting and achieving financial goals.

Discussing financial empowerment with disabled people from historically underserved groups is especially important since [Black, Latin, indigenous, and other people of color face systemic barriers that create additional difficulties in achieving their financial goals](#). Regardless of a person's background or whether they have short- or long-term financial goals, everyone has different beliefs, values, and experiences when it comes to money. People with disabilities from

underserved communities may view financial education and empowerment differently. For example, there may be familial barriers to work through before reaching their economic goals.

Important skills to have or learn, regardless of a person's financial goals or background include:

- Creating a spending plan
- Managing a budget
- Understanding the value of good credit
- Managing credit cards and other debt
- Understanding savings options (including savings accounts that fund disability expenses)
- Investing wisely

It's also important to know where to go for more information and education to make informed financial decisions, such as opportunities under WIOA or through the state workforce system.

How do we start the conversation about money?

Most of us can agree that money is not an easy topic to talk about, yet it is an integral part of a person's employment journey. How can we have better conversations about money and setting financial goals? It helps to be comfortable in sharing your own experiences.

One way to start is to think about your relationship with money. Ask yourself:

- What is your first memory of money?
- Who has taught you the most about money?
- Were you taught to spend or save?
- Did you have to earn your money or was it given to you?
- Did you talk about money when you were young or were you told it is not something to be discussed?

Everyone will answer these questions differently, and that is okay. Asking yourself these questions will help you understand your own beliefs and values about money. While it is true that you do not need to be a financial counselor or expert to talk about money with others, it is a good idea to become comfortable with your own feelings to avoid unintentional bias, which are beliefs that can affect our actions in a discriminatory fashion.

The [Rate Your Financial Practices](#) tool can help you, as a workforce development professional, become comfortable with your own financial practices. There are no right or wrong answers to the questions that the tool contains. Rather, this tool is meant to help you learn more about your own financial habits.

How is budgeting and good credit important in setting earnings and employment goals?

Developing a budget or spending plan helps people make the most of the money they have and prioritize spending in the future. A budget can help an individual seeking employment understand how much money they need to earn to cover their expenses, such as rent or mortgage payments, utilities, transportation, food, and entertainment. Additionally, the savings they may need for unexpected circumstances. Unfortunately, many people do not have a budget or spending plan and do not know how much money they need to earn a living.

A budget or spending plan can help an individual create a roadmap to monitor their financial needs and goals. For example, once someone knows how much they are spending on certain items, such as restaurants and entertainment, they may decide to cut back to save for a specific financial goal. The [National Disability Institute's \(NDI\) My Spending Plan tool](#) helps jobseekers to look at all of their income in order to make the most of the money they have and to create a plan that prioritizes their spending in the future. *Once you get comfortable with it, you can share it with jobseekers as well!*

Some employers review a credit score or credit report to help identify responsible and reliable employees, which they may associate with good credit. Federal laws do not prevent employers from asking about financial information. However, federal EEO laws *do prohibit* employers from illegally discriminating when using financial information to make employment decisions. It's also important to note that an employer might have to make an exception to a financial requirement for a person who cannot meet the requirement because of a disability. [The Equal Employment Opportunity Commission's guidance on pre-employment inquiries and financial information](#) is a valuable resource on the topic to share with jobseekers.

A bad credit score may also mean that a person pays more for insurance, car loans (through high interest rates), and even utilities. Luckily, we can all take some simple steps to improve our credit scores:

- Check your credit report and correct any errors.
- Consistently pay your bills on time.
- Pay more than the minimum on your credit card balances, and ideally pay the entire balance to avoid interest charges.
- Keep credit card balances as far below your credit limit as possible.
- Only open new credit accounts when absolutely necessary.

[The Federal Deposit Insurance Corporation's \(FDIC\) Money Smart financial education program](#) has information on credit and various other financial topics, including banking, borrowing, and building a financial future.

When should we refer an individual for financial education services?

There are often many free financial coaching opportunities in a community. Once you have talked to jobseekers about their financial goals, budgeting, and the importance of good credit, you may want to refer them to a community agency that provides free coaching. Such as:

- **[United Way](#)** – The United Way is a nonprofit organization engaged in nearly 1,800 communities in more than 40 countries and territories worldwide. The nonprofit organization focuses on creating community-based and community-led solutions that strengthen the cornerstones for a good quality of life, including health, education, and income stability. Locate your [local United Way Center](#).
- **[211](#)** – United Way also supports 211, a free confidential service that helps people across the country find local resources to address their financial, domestic, health, and disaster-related needs.
- **[National Foundation for Credit Counseling \(NFCC\)](#)** – The NFCC is a nonprofit financial services counseling organization that helps people overcome financial challenges at nearly every stage of life, from leaving the nest to retirement. It helps people create plans to pay off debt, preserve or achieve homeownership, and understand bankruptcy options. NFCC also connects people with certified financial counselors through their [agency finder tool](#).
- **[Financial Empowerment Centers](#)** – These centers offer professional, one-on-one financial counseling as a free public service to enable residents to address their financial challenges and needs as well as plan for their futures.

How can the workforce system build financial empowerment capacity?

- **Leveraging bank resources to improve employment outcomes** – These [frequently asked questions](#) (FAQs) are for workforce development boards and their staff members, community colleges, and others who provide workforce services. They highlight how workforce systems can leverage bank resources to improve economic self-sufficiency and employment outcomes for low- and moderate-income individuals. Additionally, they provide answers to common questions about workforce system–bank partnerships.
- **Participating in financial capability initiatives** – AJCs participate in financial capability initiatives in different ways. Some implement a single service, such as tax preparation, while others establish a comprehensive approach. For example, the [Illinois workNet Center](#) in Arlington Heights, Illinois, incorporates financial capability into their youth program “boot camp,” by including financial questions on the intake form so career counselors can provide referrals to needed services. They also include financial goals on individual employment plans, provide self-paced financial education software on resource room computers, and access to a tax coach to assist customers using free tax filing services.

- **Holding financial reality fairs** – In Connecticut, the Northwest Region workforce area collaborated with the workforce development workgroup of the [Waterbury Public School's Bridge to Success program](#) to offer financial [reality fairs](#). These fairs provide a hands-on experience to students that have selected a career choice to use a budget sheet where they map out how they will live within their monthly salary, while paying for basics such as housing, utilities, transportation, clothing, and food. These interactive events provide important lessons on money management.
- **Hosting free taxes services** – [MyFreeTaxes](#) helps people file their federal and state income taxes at no charge. AJCs can be the host site for MyFreeTaxes events, where taxpayers can receive free in-person assistance from IRS-certified tax coaches.
- **Using financial assessments** – AJCs can serve a critical role by identifying the financial capability needs of their customers and then either provide information directly or refer them to appropriate community organizations. In Broward County, Florida, [CareerSource](#) used financial health assessments and worksheets for its customers with disabilities as part of a grant initiative.
- **Holding financial capability workshops** – AJCs have hosted financial capability workshops on Social Security work incentives, [Achieving a Better Life Experience \(ABLE\) accounts](#), and [FDIC's Money Smart program](#). In some workforce areas, these collaborative activities have led to participation in the [America Saves Week campaign](#).
- **Bridging the gap between the financial, workforce, and disability communities** – One way to increase outreach and service to individuals with disabilities is by building collaborative relationships with key entities within the financial, asset building, and disability communities through a local "Asset Summit". The summits provide an opportunity for members of these communities to meet and learn about each other's role in improving the lives of low-wage workers with disabilities. They also create greater awareness of the options disabled individuals in the public workforce system have for achieving economic self-sufficiency through integration of asset-building strategies. As a result of these summits, local areas often hold "Financial Fitness Fairs" and create state- and local-level asset building coalitions.
- **Holding a financial fitness fair** – Financial fitness fairs connect low-income workers, including individuals with disabilities, with local programs and services to support them in increasing their economic self-sufficiency through work. Additionally, these fairs provide workers with access to financial literacy, consumer protection services, asset building programs, and other anti-poverty efforts.

Resources of Interest

The Department of Labor's [Office of Disability Employment Policy](#) and [Employee Benefits Security Administration](#) developed the [Secure Your Financial Future Toolkit](#). The online toolkit guides people with disabilities to strive for or maintain employment and achieve financial stability. The toolkit provides tools and resources to address common financial concerns and is organized around five key stages of the employment lifecycle:

- Preparing for a job,
- Starting a job,
- Maintaining a job,
- Changing or losing a job, and
- Planning for retirement.

NDI offers a tool called [Creating an Inclusive Environment for Your Financial Education Program](#), that includes a checklist to help organizations, like AJCs, remove barriers and create inclusive environments, so that disabled individuals can get the most from your services.

Living with a disability can be associated with significant extra costs. Financial capability strategies can assist individuals with disabilities to become employed, accrue assets, and escape poverty. For example, individuals and families can now contribute to [ABLE accounts](#). These tax-advantaged savings accounts can fund disability-related expenses. Individuals with disabilities may have an easier time finding and retaining competitive integrated employment when they leverage ABLE accounts and WIOA-funded employment and support services.

Rate Your Financial Practices

This tool is designed to help you learn more about your own financial habits, and there are no right or wrong answers. As you start having money conversations during career planning, you can share the tool with your customers who show interest in learning more about their own financial practices. Based on how they respond and the financial goals they identify for themselves, you can also share the applicable tools in this guide with them.

Instructions: For each statement in Rows 1 through 12, place an X in the column that best describes your own financial practices.

#	Financial Practice Statement	Always	Sometimes	Never
1	I pay my bills on time.			
2	I have a checking account with direct deposit of my paycheck from work.			
3	I balance my checkbook monthly.			
4	I track my expenses monthly.			
5	I have a spending plan/budget and review it quarterly.			
6	I follow a savings plan.			
7	I save a specific dollar amount weekly.			
8	I plan and set goals for my financial future.			
9	I build my savings.			
10	I review my credit report.			
11	I pay my credit card balances in full each month.			
12	I invest money in more than one type of investment.			