WVU Temporary Furlough* 
COVID-19 Financial Literacy 
The Center for Financial Literacy & Education 
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* A temporary furlough is defined as a temporary reduction in force with an expectation of returning to work.
Missed Payments

• Employees who are affected by the temporary furlough will miss benefits deduction payments since they will not be receiving a paycheck from WVU.

• The effective date of the temporary furlough period is May 24, 2020.
  ▪ Return to work June 28 the following paychecks will be missed during the temporary furlough period:
    o June 19
    o July 3
    o July 17 - one week of pay missed
  ▪ Return to work June 28 the following paychecks will be missed during the temporary furlough period:
    o June 19
    o July 3
    o July 17
    o July 31 (deduction holiday)
    o August 14 - one week of pay missed
Budgeting 101

• Most families do not have a budget
• Budgeting aids in:
  ▪ Planning for controlling cash inflows and outflows
  ▪ Allocating dollar amounts for different spending categories
  ▪ Controlling consumption and increasing savings
Step 1: Determining Sources of Income

- Estimate anticipated income from all sources:
  - Income or cash inflows:
    - Wages, salary, bonuses, tips, commissions before tax or automatic investments
    - Other sources: family income, government payments (veterans benefits, welfare, unemployment), investment income
  - Subtract federal, state, social security taxes from earnings to calculate your take-home pay
- View your ‘Pay Statement’ at portal.wvu.edu under the ‘MyHR’ tab to see your bi-weekly income
- Use paycheckcity.com to estimate your take home pay while furloughed
Step 2: Historical Analysis

- Estimate fixed and variable expenses
  - Compile one year’s worth of bank and credit card statements
  - Create a spreadsheet of all expenditures by month and by category
    - TIP: Most credit card companies do this for you and can be downloaded from your online account
- Once the dollar amounts are determined by category and month, calculate these as a percentage of gross income
  - Analyze each category to budget for future expenses
Strategies for Budgeting

- Adjusting the timing of cash inflows and outflows
- Analyze your budget, picking out specific expenditure categories that you can control
  - Utilities
  - Telephone/cell phone
  - Cable
  - Food
  - Clothing
  - Entertainment
How Americans Spend Their Money

- Housing: 35%
- Transportation: 15% - 20%
- Food: 10% - 20%
- Debt Payments: 5% - 15%
- Personal & Discretionary: 5% - 10%
- Medical: 3%
- Clothing: 3% - 5%
- Utilities: 5%
- Savings: 5% - 10%
Morgantown Utility Providers

- MonPower
  - Suspending all service shutoffs for past-due accounts.
  - They will NOT resume normal collections or shut-off activity until at least July 1, 2020
  - If you have trouble paying your bill, there are various payment options available

- Morgantown Utility Board (MUB)
  - Discontinuing all water shutoffs and Late fees will not be applied
  - Reconnecting all customers who experienced a disconnection due to late payments without charge
  - There will be no interest fees charged to late accounts
  - What is I’m unable to pay my MUB bill? Call MUB and let them know as soon as possible
    - [https://mub.org/pages/covid19](https://mub.org/pages/covid19)

- Dominion Energy
  - Will not disconnect your service for nonpayment
  - Reconnecting residential customers whose services were recently shut off.
  - If you’ve fallen behind on your bill, you can contact them about setting up a payment arrangement
  - With more people working from home, it is import to save energy to reduce high bills.
    - Tips for saving energy while working from home
    - [https://www.dominionenergy.com/company/coronavirus](https://www.dominionenergy.com/company/coronavirus)
Debt Relief: What Questions Can I Ask?

1. Can I skip or defer a payment?
2. Will you waive my late fee?
3. Will you lower my interest rate?
4. Will you increase my credit limit?
5. Will you refund the points or miles I used to book a canceled trip?
Debt Relief

- Companies have implemented assistance programs for customers who would like to request debt relief
- These companies have created COVID-19 support pages that offers advice on how to manage your accounts online
  - Visit their website to see if you are eligible to request relief
  - A great resource to directly link you to company’s COVID support pages:
Managing Debt

• Change payment dates to align with income inflows
• Make minimum payments
• Familiarize yourself with the interest rates on any outstanding balances
  – Can you refinance or consolidate to lower your payments?
  – Focus on paying off debt with higher interest rates
Federal Student Loans

- Your payments will automatically stop March 13, 2020, through Sept. 20, 2020
  - Federal student loan borrowers are automatically being placed in an administrative forbearance, which allows you to temporarily stop making your monthly loan payment
  - If you want to continue making payments, contact your loan servicer to opt out of the administrative forbearance, and your auto-debit payments will resume
- Interest is being temporarily set at 0% on federal student loans
- [https://studentaid.gov/announcements-events/coronavirus](https://studentaid.gov/announcements-events/coronavirus)
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