

# 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:
    - June 19
    - July 3
    - July 17 - one week of pay missed
  - Return to work June 28 the following paychecks will be missed during the temporary furlough period:
    - June 19
    - July 3
    - July 17
    - July 31 (deduction holiday)
    - 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](http://portal.wvu.edu) under the 'MyHR' tab to see your bi-weekly income
- Use [paycheckcity.com](http://paycheckcity.com) to estimate your take home pay while furloughed

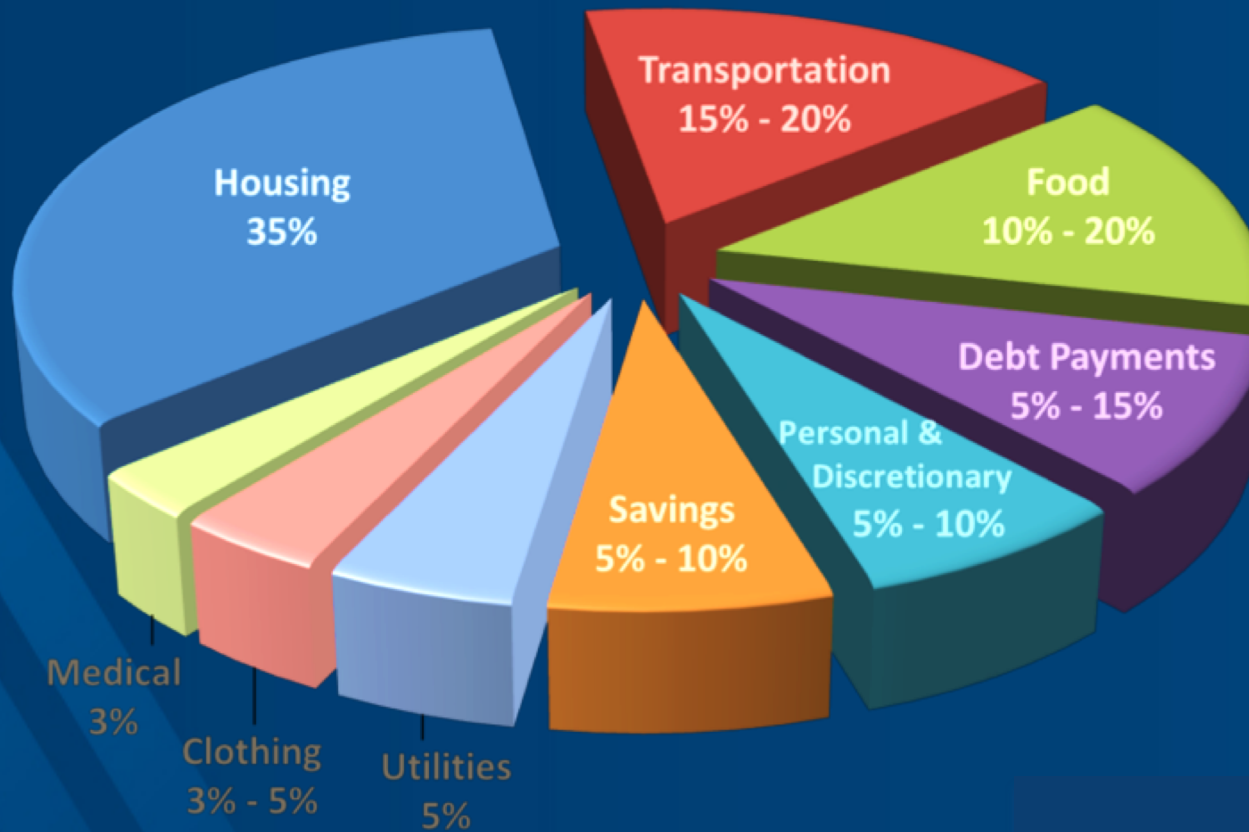
# Step 2: Historical Analysis

- 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



# 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
  - <https://www.firstenergycorp.com/help/safety/coronavirus.html>
- **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 if I'm unable to pay my MUB bill? Call MUB and let them know as soon as possible
  - <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 important to save energy to reduce high bills.
    - Tips for [saving energy while working from home](#)
  - <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:
    - <https://www.experian.com/blogs/ask-experian/covid-19-resource/>

# 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>

# Contact Info

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