



Harvard
FEDERAL CREDIT UNION



GreenPathTM
financial wellness

Options for Dealing with Debt

Today's Webinar

Reducing Background Noise

We've muted all attendees to help with audio quality.

Using the "Q&A" Feature

Submit questions at any point. Let's test it!

Presentation & Recording

This presentation is being recorded and will be posted on our YouTube channel to re-watch.

Post-Workshop Survey

Take our post-workshop survey and let us know how we did.

Meet Your Hosts



Ty Robinson

Community Engagement
Specialist



Jen Fries

Community Engagement
Manager



Terrence Bazile

Community Engagement
Specialist

Not-For-Profit Banking at Harvard FCU



Community Focused

Harvard FCU is dedicated to empowering our community at Harvard and beyond. Once a member, always a member, even if you leave your job. When you join membership extends to all family members.



Products & Services

Free access to ATMs nationwide. Credit cards with cash back rewards. Home loans for purchases and refinancing, student loans and refinancing options, auto loans and more.



Access Anywhere

Convenient locations and Online Banking. Mobile Banking and Digital Wallet ready. Access to the nationwide CO-OP Shared Branching Network.

Meet the Presenter

Amber Miller

Amber Miller is a Partner Experience Manager with GreenPath Financial Wellness, a nationwide nonprofit organization.



GreenPath Financial Wellness

is a nationwide non-profit that provides financial education and tools to empower people to lead *financially healthy lives.*



Today's Agenda:

01 Getting Prepared to Tackle Your Debt

02 Options to Pay Off Debt

03 Tips to Stay on Track



Getting Prepared to Tackle Your Debt



Getting Prepared to Tackle Your Debt

Steps to take:

- Get a clear understanding of your current financial situation



Getting Prepared to Tackle Your Debt

Steps to take:

- Get a clear understanding of your current financial situation
 - List all income and current account balances



Getting Prepared to Tackle Your Debt

Steps to take:

- Get a clear understanding of your current financial situation
 - List all income and current account balances
 - Detailed list of all expenses



Getting Prepared to Tackle Your Debt

Steps to take:

- Get a clear understanding of your current financial situation
 - List all income and current account balances
 - Detailed list of all expenses
 - Full list of **all** debt owed



Getting Prepared to Tackle Your Debt

Steps to take:

- Get a clear understanding of your current financial situation
 - List all income and current account balances
 - Detailed list of all expenses
 - Full list of **all** debt owed
 - Balances, interest rates, current monthly payments



Getting Prepared to Tackle Your Debt

Steps to take:

- Get a clear understanding of your current financial situation
 - List all income and current account balances
 - Detailed list of all expenses
 - Full list of **all** debt owed
 - Balances, interest rates, current monthly payments
 - Pull your credit reports to have a complete list of all debts at [AnnualCreditReport.com](https://www.annualcreditreport.com)



Options to Pay Off Debt



Options to Pay Off Debt

5 options we'll cover today:

- On Your Own
- Debt Consolidation Loan
- Debt Settlement
- Bankruptcy
- Debt Management Plan



Options to Pay Off Debt



On your own:



Options to Pay Off Debt



On your own:

- Debt snowball



Options to Pay Off Debt



On your own:

- Debt snowball
- Debt avalanche



Options to Pay Off Debt



On your own:

- Debt snowball
- Debt avalanche
- Creditor hardship programs or internal promotions



Options to Pay Off Debt



On your own:

- Pros:
 - No cost to you



Options to Pay Off Debt



On your own:

- Pros:
 - No cost to you
 - Typically no application or underwriting requirements



Options to Pay Off Debt



On your own:

- Pros:
 - No cost to you
 - Typically no application or underwriting requirements
 - Typically no credit impact



Options to Pay Off Debt



On your own:

- Considerations:
 - Self-accountability to follow the plan



Options to Pay Off Debt



On your own:

- Considerations:
 - Self-accountability to follow the plan
 - Time commitment



Options to Pay Off Debt

Debt Consolidation Loan:



Options to Pay Off Debt

Debt Consolidation Loan:

- Unsecured



Options to Pay Off Debt

Debt Consolidation Loan:

- Unsecured
- Secured



Options to Pay Off Debt

Debt Consolidation Loan:

- Pros:
 - One fixed monthly payment, typically for a fixed term



Options to Pay Off Debt

Debt Consolidation Loan:

- Pros:
 - One fixed monthly payment, typically for a fixed term
 - Ideally lower interest rate and/or monthly payment



Options to Pay Off Debt

Debt Consolidation Loan:

- Pros:
 - One fixed monthly payment, typically for a fixed term
 - Ideally lower interest rate and/or monthly payment
 - Credit accounts may not be closed



Options to Pay Off Debt

Debt Consolidation Loan:

- Considerations:
 - Approval requirements



Options to Pay Off Debt

Debt Consolidation Loan:

- Considerations:
 - Approval requirements
 - Impact to credit



Options to Pay Off Debt

Debt Consolidation Loan:

- Considerations:
 - Approval requirements
 - Impact to credit
 - Collateral securing loan is at risk



Options to Pay Off Debt



Debt Settlement:



Options to Pay Off Debt



Debt Settlement:

- Negotiation to pay back a lesser portion of the debt than the total balance owed



Options to Pay Off Debt



Debt Settlement:

- Negotiation to pay back a lesser portion of the debt than the total balance owed
- Can also be an “on your own” option



Options to Pay Off Debt



Debt Settlement:

- Pros:
 - Potentially saves you money



Options to Pay Off Debt



Debt Settlement:

- Pros:
 - Potentially saves you money
 - Potentially lower monthly payment



Options to Pay Off Debt



Debt Settlement:

- Pros:
 - Potentially saves you money
 - Potentially lower monthly payment
 - Can help resolve collection balances quicker



Options to Pay Off Debt



Debt Settlement:

- Pros:
 - Potentially saves you money
 - Potentially lower monthly payment
 - Can help resolve collection balances quicker
 - Can be a way to avoid last resort options like non-payment or bankruptcy



Options to Pay Off Debt



Debt Settlement:

- Considerations:
 - Up to the creditor's discretion if willing to negotiate a settlement



Options to Pay Off Debt



Debt Settlement:

- Considerations:
 - Up to the creditor's discretion if willing to negotiate a settlement
 - If accounts are current, they will typically fall past due



Options to Pay Off Debt



Debt Settlement:

- Considerations:
 - Up to the creditor's discretion if willing to negotiate a settlement
 - If accounts are current, they will typically fall past due
 - Credit impact
 - Balances owed increase
 - Potential to be sent to collections/legal action



Options to Pay Off Debt



Debt Settlement:

- Considerations:
 - Up to the creditor's discretion if willing to negotiate a settlement
 - If accounts are current, they will typically fall past due
 - May actually cost you more over time



Options to Pay Off Debt



Debt Settlement:

- Considerations:
 - Up to the creditor's discretion if willing to negotiate a settlement
 - If accounts are current, they will typically fall past due
 - May actually cost you more over time
 - Potential tax liability



Options to Pay Off Debt

Bankruptcy:



Options to Pay Off Debt

Bankruptcy:

- Legal process typically seen as a last resort



Options to Pay Off Debt

Bankruptcy:

- Legal process typically seen as a last resort
- Two main types:
 - Chapter 13



Options to Pay Off Debt

Bankruptcy:

- Legal process typically seen as a last resort
- Two main types:
 - Chapter 13
 - Chapter 7



Options to Pay Off Debt

Bankruptcy:

- Pros:
 - May stop adverse action



Options to Pay Off Debt

Bankruptcy:

- Pros:
 - May stop adverse action
 - May pay out less to creditors than with other options



Options to Pay Off Debt

Bankruptcy:

- Considerations:
 - Upfront expenses



Options to Pay Off Debt

Bankruptcy:

- Considerations:
 - Upfront expenses
 - Income and assets can impact what you are eligible for



Options to Pay Off Debt

Bankruptcy:

- Considerations:
 - Upfront expenses
 - Income and assets can impact what you are eligible for
 - Some types of debt cannot be discharged in a bankruptcy



Options to Pay Off Debt

Bankruptcy:

- Considerations:
 - Upfront expenses
 - Income and assets can impact what you are eligible for
 - Some types of debt cannot be discharged in a bankruptcy
 - Credit impact for up to 10 years



Options to Pay Off Debt



Debt Management Plan:



Options to Pay Off Debt



Debt Management Plan:

- Offered by non-profit credit counseling agencies



Options to Pay Off Debt



Debt Management Plan:

- Offered by non-profit credit counseling agencies
- Structured repayment plan that creditors agree to



Options to Pay Off Debt

Debt Management Program

\$161.00

On average, the Debt Management Program saves \$161 in monthly minimum payments.

An infographic with a dark blue background and light green accents. It features a rounded rectangle containing the text 'Debt Management Program' in a white pill-shaped box. Below this, the amount '\$161.00' is displayed in large white font. Underneath, a paragraph states: 'On average, the Debt Management Program saves \$161 in monthly minimum payments.' To the right of the text is a circular inset image of a smiling woman with curly hair. The background is decorated with various geometric shapes like plus signs and circles in light green and orange.

Options to Pay Off Debt

Debt Management Program

\$25,327

On average, DMP clients save \$25,327 in interest.

The infographic features a dark blue background with decorative elements including green and orange plus signs and circles. A circular inset on the right shows a smiling woman with a young girl on her shoulders, set against a background of colorful bokeh lights.



Options to Pay Off Debt

Debt Management Program

**DEBTS ARE PAID
OFF 6 YEARS
SOONER ON
AVERAGE WITH A
DMP.**

A graphic advertisement for a Debt Management Program. The background is dark blue with decorative elements like green and orange plus signs and circles. On the right, a circular inset shows a smiling man with glasses in an orange shirt looking at a tablet. On the left, white text reads 'Debt Management Program' in a rounded box, followed by 'DEBTS ARE PAID OFF 6 YEARS SOONER ON AVERAGE WITH A DMP.' The word 'SOONER' is highlighted in a green box.

Options to Pay Off Debt



Debt Management Plan:

- Pros:
 - No minimum credit score/"approval" requirements



Options to Pay Off Debt



Debt Management Plan:

- Pros:
 - No minimum credit score/"approval" requirements
 - Balances are typically paid in full within 5 years



Options to Pay Off Debt



Debt Management Plan:

- Pros:
 - No minimum credit score/"approval" requirements
 - Balances are typically paid in full within 5 years
 - One consolidated payment



Options to Pay Off Debt



Debt Management Plan:

- Pros:
 - No minimum credit score/"approval" requirements
 - Balances are typically paid in full within 5 years
 - One consolidated payment
 - Creditor concessions



Options to Pay Off Debt



Debt Management Plan:

- Considerations:
 - Accounts included will be closed (which may actually be a pro!)



Options to Pay Off Debt



Debt Management Plan:

- Considerations:
 - Accounts included will be closed (which may actually be a pro!)
 - Possible initial credit impact



Options to Pay Off Debt



Debt Management Plan:

- Considerations:
 - Accounts included will be closed (which may actually be a pro!)
 - Possible initial credit impact
 - Not all creditors will agree to work with a Debt Management Plan



Options to Pay Off Debt



Debt Management Plan:

- Considerations:
 - Accounts included will be closed (which may actually be a pro!)
 - Possible initial credit impact
 - Not all creditors will agree to work with a Debt Management Plan
 - Typically a small setup and monthly maintenance fee



Tips to Stay on Track



Tips to Stay on Track

Best practices:

- Develop a budget/spending plan



Tips to Stay on Track

Best practices:

- Develop a budget/spending plan
- Track your spending closely to make sure you are on track



Tips to Stay on Track

Best practices:

- Develop a budget/spending plan
- Track your spending closely to make sure you are on track
- Develop an emergency savings account



Tips to Stay on Track

Best practices:

- Develop a budget/spending plan
- Track your spending closely to make sure you are on track
- Develop an emergency savings account
- Look for opportunities to reduce expenses and/or increase income



Tips to Stay on Track

Best practices:

- Develop a budget/spending plan
- Track your spending closely to make sure you are on track
- Develop an emergency savings account
- Look for opportunities to reduce expenses and/or increase income
- Set realistic goals and know your **“why”**



GreenPath Financial Wellness

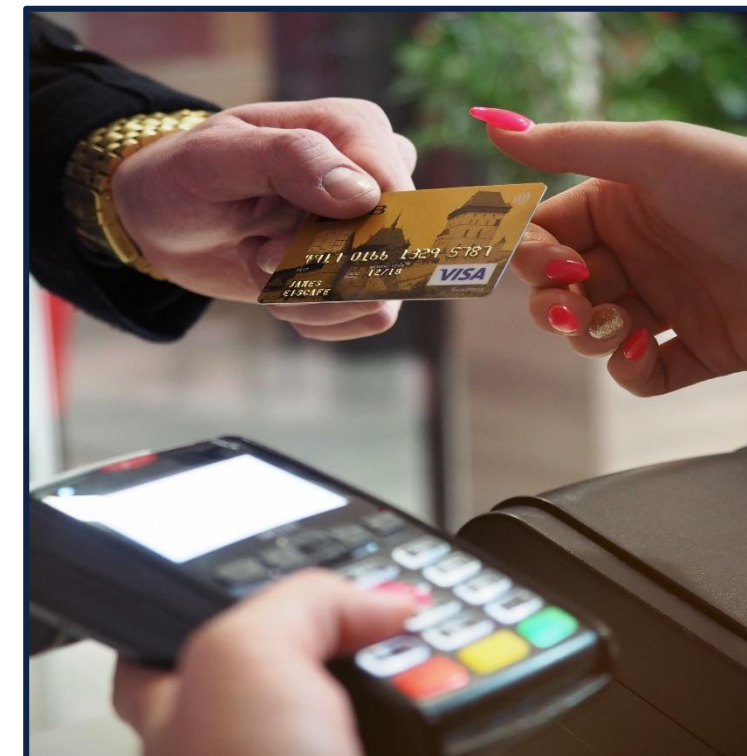
Free, confidential financial assessments:



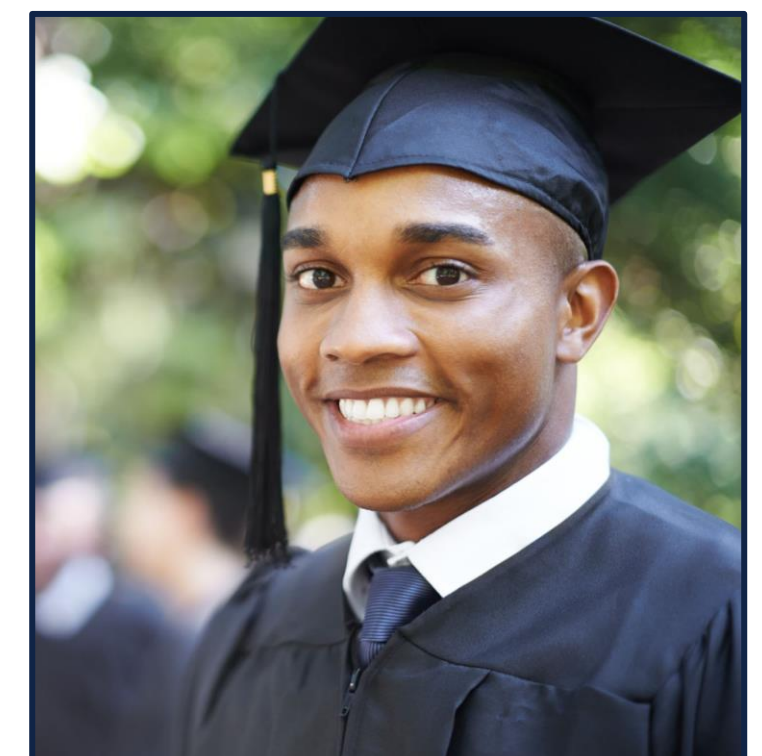
***Budget and Credit
Report Reviews***



***Rent, Mortgage, and
Homebuyer Counseling***



***Options to deal
with debt***



***Student Loan
Counseling***



GreenPath Financial Wellness

- **Speak with a Financial Wellness Expert:**
877-337-3399
- **Learn more at:**
GreenPath.com/HarvardFCU



Questions?



