

Job Loss Financial Issues
WRAK Radio Interview with Kathy Thomas
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Job lay-off - Steps to help navigate this difficult time:

- Temporary or permanent layoff
- Severance pay, including accumulated sick and vacation pay
- Health insurance continuation (COBRA rules)
- Apply for unemployment benefits immediately
 - Taxable – option for federal tax withholding at 10%
 - Eligibility issues

Budget

- Income Replacement Options
 - Part-time employment/other family members
 - Use savings as needed
 - Borrow against cash value of life insurance
 - Avoid cashing-out retirement accounts if possible due to penalties and taxation
- Expenses, consider necessary vs. discretionary
 - Reduce expenses - small amounts add up
 - Call creditors to reduce payments while protecting credit rating
 - Review insurance coverage, increase deductibles to reduce cost
 - If college student in household, visit financial aid office for assistance

Job search/Training

- Update your resume and interview skills
- Network for job opportunities
- Utilize Career Link resources

Possible future lay-off

- Control expenses
- Build emergency fund
- Obtain a line of credit for emergency use

Resources

- PICPA Money & Life
- 360 Degrees of Financial Literacy