

DO YOU HAVE A GAME PLAN?



TIPS FOR MAINTAINING FINANCIAL HEALTH

THE FINANCIAL SERVICES ROUNDTABLE 

*my* **MONEY**  
MANAGEMENT

[www.MyMoneyManagement.net](http://www.MyMoneyManagement.net)

Hello Friends,

Congratulations! You are to be commended for deciding to chart a positive course of action for your financial health. Understanding your current financial situation is the first step to maintaining financial security.

Financial education is a top priority for the lending industry. A well-informed consumer is the best customer. Studies show that people who seek financial advice are more likely to be in excellent financial shape long-term. I believe earlier choices and better choices are the key to strong financial health. If you have a financial plan in place, you will be giving yourself more and better choices for your future.

Trusted resources like [www.MyMoneyManagement.net](http://www.MyMoneyManagement.net) and 888-995-HOPE are there to help. MyMoneyManagement.net is a unique industry-wide effort to provide comprehensive information to help consumers with financial information and direct them to Department of Justice-approved non-profit credit counselors. 888-995-HOPE is available 24/7 to any homeowner in America having trouble paying their mortgage. Homeowners receive free foreclosure prevention counseling by expert counselors at HUD-approved agencies.

By using the tips in this guide and visiting the website you can be on your way to better money management and financial health.

Sincerely,

*Steve Bartlett*  
*President and CEO*

THE FINANCIAL SERVICES ROUNDTABLE



## START WITH A PLAN



### 1. ESTABLISH GOALS

Where do you want to be?



### 2. CREATE A BUDGET

Determine your current situation. Where are you today?



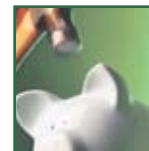
### 3. SAVE

Save your way to a more secure future.



### 4. CONSERVE

Spend sensibly; pay wisely.



### 5. TAKE ACTION

Implement your plan.

**A GOAL WITHOUT A PLAN IS JUST A DREAM**

Need help in setting your financial goals or creating your budget? Find a Credit Counselor at [www.MyMoneyManagement.net](http://www.MyMoneyManagement.net).

## SET REALISTIC GOALS

When you think about your future and what you want to achieve, it's helpful to establish goals. A goal is a very specific result you intend to work toward. When you are realistic about your goals, it's easier to achieve them.

### A REALISTIC GOAL IS SMART:

- **SPECIFIC**  
Smart goals are specific enough to suggest action.
- **MEASURABLE**  
You need to know when you have achieved your goal, or how close you are.
- **ATTAINABLE**  
The steps toward reaching your goal need to be reasonable and possible.
- **RELEVANT**  
The goal needs to make common sense. You don't want to struggle or work toward a goal that doesn't fit your plan.
- **TIME-RELATED**  
Set a definite target date for completion.



### TIP:

Budgeting without a clearly defined goal usually doesn't work.

## SET A BUDGET

THE MAIN PURPOSES OF A BUDGET ARE TO HELP YOU:

- Live within your income
- Spend your money wisely
- Reach your financial goals
- Prepare for financial emergencies
- Develop wise money management habits
- Decrease stress

### IT IS IMPORTANT TO KNOW EXACTLY WHERE YOUR MONEY IS GOING:

#### STEP 1



Add Up Your  
Income

#### STEP 2



Estimate Your  
Expenses

#### STEP 3



Figure Out the  
Difference

#### STEP 4



Maintain it  
Monthly -Track,  
Trim and Target

NEED HELP? FIND A CREDIT COUNSELOR AT  
[www.MyMoneyManagement.net](http://www.MyMoneyManagement.net).

### WHERE DO I START?

Use our budget worksheet on [www.MyMoneyManagement.net](http://www.MyMoneyManagement.net).

## EVERYDAY TIPS FOR SAVINGS



### PAY YOURSELF FIRST

You must decide to make saving a priority. Before paying any bills, decide on an amount of your paycheck (say 5-10%) to direct deposit into a savings account. What you don't see, you don't spend.



### JOIN A 401(K) PLAN OR START A ROTH IRA

Sign up for your company's retirement savings plan. Your contribution avoids current taxes and accumulates tax deferred. Also, companies often match some of your contributions - essentially free money to you. If your company does not offer a 401(k), talk with your bank or other financial services institution about opening a Roth IRA account.



### SHOPPING FOR THE RIGHT SAVINGS ACCOUNT

Not all savings accounts are created equal. Shop around for an account type that is right for you. Accessibility, interest rates, and benefits received should be key factors considered.



### THE POWER OF \$50 A MONTH

Paying down your credit card bills can give you real "savings". Paying the minimum due each month can be deceiving. Here's a look at what \$50 can do:

If you have a credit card with a \$3,000 balance at an annual interest rate of 18% and pay only the 2% minimum monthly payment of \$60 per month, it would take you 8 years to pay off your bill.

However, if you pay an additional \$50 per month on that debt, for a total payment of \$110 a month, you would pay off the debt in 3 years and save over \$1,800 in interest payments. Imagine what you could do with that "extra" money!



### TIP:

Forgo your daily latté. If you save just \$1 a day and invest at 5%, you'll have saved \$4,720 on that coffee over the next 10 years.

### FOR MORE INFORMATION

on developing a savings plan, visit [www.MyMoneyManagement.net](http://www.MyMoneyManagement.net).

## SPEND WISELY



### PAY WITH CASH

Paying with cash whenever possible helps you spend less than if you had charged the purchase. You'll avoid credit card interest charges and check-cashing fees.



### DO YOUR RESEARCH

When you choose to apply for a credit card, shop carefully. Watch out for “teaser” rates that offer low rates initially but increase dramatically soon after.



### PAYING OFF DEBT

Get rid of debt by attacking the balance with the highest interest rate first. Pay double, or triple, the minimum payment required. Continue paying your bills even in times of financial distress; any late payment may affect your credit score. If you get into trouble, contact your lender.



### MAKE EVERY DOLLAR COUNT

Above all, you must distinguish between your “wants” and your “needs.” By thinking about where you spend money, you can save and buy the things that are important to you.

## TAKE ACTION!



### IMPLEMENT YOUR PLAN

Once you have a financial plan in place, it's time to take action and put your plan to work.



### ASSESS YOUR PLAN

Give your plan some time to work, then see how you're doing. Were you able to meet your savings goals? If so, stick with it. If not, look for opportunities to cut back spending and increase savings.



### ADJUST IF NECESSARY

Evaluate your plan every three months and make adjustments as needed. If you're not saving enough to meet your monthly goals, you may need to spend less.



### ESTABLISH AN EMERGENCY FUND

An emergency fund can help cushion you against unexpected financial blows such as losing your job. You should plan to save enough to cover your living expenses for three to six months.



### TIP:

Start slowly and cut expenditures gradually.

## MAKE YOUR MONEY WORK HARDER FOR YOU!

For more ideas, please visit [www.MyMoneyManagement.net](http://www.MyMoneyManagement.net).



## TEACH YOUR CHILDREN

Family financial planning is not just for parents. It's never too early to educate your child about the importance of saving and how money grows over time.

There are many online resources parents can go to for ideas and activities for teaching their child about financial literacy, including:

1. [www.MyMoneyManagement.net](http://www.MyMoneyManagement.net)
2. Wells Fargo's Hands on Banking  
[www.HandsOnBanking.com](http://www.HandsOnBanking.com)
3. Visa's Practical Money Skills  
[www.practicalmoneyskills.com](http://www.practicalmoneyskills.com)
4. Citi's Financial Education Curriculum  
<http://curriculum.financialeducation.citigroup.com>

## ABOUT THE FINANCIAL SERVICES ROUNDTABLE:

The Financial Services Roundtable represents 100 of the largest integrated financial services companies providing banking, insurance, and investment products and services to the American consumer. Member companies participate through the Chief Executive Officer and other senior executives nominated by the CEO.

Roundtable member companies provide fuel for America's economic engine, accounting directly for \$65.8 trillion in managed assets, \$1 trillion in revenue, and 2.4 million jobs.

### ABOUT

#### MYMONEYMANAGEMENT.NET:

MyMoneyManagement.net is a unique industry-wide effort to provide consumers with comprehensive financial education resources to help guide their personal finance decision making process. The goal of the website is to provide consumers with sound tools and resources from a variety of sources, including financial services companies, advocacy organizations, and personal finance experts.

### SUPPORTING PARTNERS:

- American Express Company
- American General Finance Corporation
- Bank of America
- Citicards
- Discover Financial Services Inc.
- Ford Motor Credit Company
- General Electric Company
- HSBC North American Holdings Inc.
- JPMorgan Chase
- MasterCard Worldwide
- Providian Financial
- The Bear Stearns Companies
- Toyota Financial Services
- TSYS (Synovus)
- VISA
- Wachovia
- Wells Fargo



### TIP:

Start your child on an allowance around age 5 so they can learn the value of money.

### FOR ANY QUESTIONS ABOUT MYMONEYMANAGEMENT.NET

please contact Karen Embrey, CMP at 202-589-2430 or [CCF@fsround.org](mailto:CCF@fsround.org).



*Many Americans are concerned about their finances at one time or another. But studies show those who actively seek help for their finances consider themselves to be in great financial shape in the future.*

Please visit  
[MyMoneyManagement.net](http://MyMoneyManagement.net).  
for a DOJ-certified credit counselor.

THE FINANCIAL SERVICES ROUNDTABLE



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**COUNCIL ON  
CONSUMER FINANCE**  
THE FINANCIAL SERVICES ROUNDTABLE

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