



Top 10 Steps to Financial Empowerment

1. Create a budget that supports your personal financial goals—and stick to it. Be sure to account for both fixed and variable expenses on a monthly basis and set budget limits for “nice-to-have” expenses like dinners out and other forms of entertainment.
2. Set a goal to pay off all debt, other than a home mortgage. Make debt payments a part of your budget until paid off.
3. Plan in advance for big expenses, both short- and long-term. For expenses expected in the current calendar year, create a line item for these in your monthly budget (examples: holiday spending and vacations). Setting aside money for future expenses, like weddings, is also advised.
4. Save, save, save. Put away funds each month to build an emergency savings account. Build a reserve of three- and then six-months of living expenses to guard against job loss or unexpected expenses. Automatically deduct savings from your income and you likely won’t even know it’s gone.
5. First, take advantage of company-sponsored 401(k) plans and/or other retirement vehicles at least up to any company match. Then, utilize 529 savings plans and education funds, because a little put away today can mean a lot is available tomorrow.
6. Limit uses of credit vehicles like credit cards and high interest cash advances. Spend only what you have. Pay off credit cards by due dates each month.
7. Manage your financial life. Regularly manage and monitor your accounts and statements, including balancing your debit/checking account and investment accounts.
8. Keep an eye on your credit score. Making timely payments is one of the best ways to maintain good credit for future lending. Automatic payment systems like online banking can be beneficial.
9. Protect your money and identity by setting up Identity Theft Protection on your financial accounts, regularly changing online and mobile passwords, and safeguarding your financial statements.
10. Ensure that you and your spouse openly communicate around your family’s financial position, including short- and long-term goals. Teach your children the power of saving and budgeting to put them on the path to a successful financial future.