



# MAKING WISE FINANCIAL DECISIONS

Creating Peace of Mind, Now and for the Future

Learning to be a good manager of your financial life can be challenging, but putting your best financial foot forward is possible! Arm yourself with education and the right skills by doing your homework, then take small steps each year to meet your financial goals. Check out <http://www.mymoney.gov>. The site, organized around five key principles of money management, was created by the U.S. government to help individuals gain the knowledge and tools necessary to become financially secure and have adequate retirement savings. The site also features on-line calculators, budget worksheets, and planning checklists for making wise financial decisions.

## The Five Principles of Money Management

**EARN** – Make the most of what you earn by understanding your pay and benefits. The Earn principle is about more than the amount you are paid through work. This principle is about knowing the fine print and details of your paycheck, including deductions and withholdings.

**SAVE & INVEST** – It's never too early to start saving for future goals such as a house or retirement, even if you are only able to put aside a modest amount. Saving is a key principle; people who make a habit of saving regularly, even small amounts, are well on their way to success.

**PROTECT** – Take precautions about your financial situation. This includes accumulating emergency savings, having the right insurance, and keeping a close eye on your credit record. Watch out for fraud and scams, and maintain accurate personal financial records.

**SPEND** – Make sure you are getting a good value, especially on big purchases, by shopping around and comparing prices and products. Track your spending habits, make a budget or plan for using your money wisely, and set maximum amounts — then stick to your plan and live within your means.

**BORROW** – Borrowing money can enable essential purchases and build credit, but interest costs can be expensive. If you borrow too much, you will have a large debt to be repaid. If you need to borrow for major purchases like an education, a car, a house, or to meet unexpected expenses, make sure you understand the loan and its Annual Percentage Rate (APR). Your ability to get a loan generally depends on your credit history, so make sure to keep it strong by paying your bills on time, every time, and by keeping your balances low in proportion to your overall credit limit.

**Your Employee Assistance Program can help! We will direct you to the resources you need to get and keep your financial life in order. Call 800-451-1834 today!**

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HEALTH RESOURCES

