

# Wake Up!

Special Edition for Young Adults

January 2012

## 10 Ways to Turn Your Financial Resolutions Into Reality!

Happy New Year! Welcome to the 2012 Special Edition of Wake Up!

If you resolved to get fiscally fit for 2012, here are a few easy tips to get you on track.

**1. Create a Budget** - Tired of living paycheck to paycheck? Feel like you never have enough money to save at the end of the month? Assess your income and expenses and create a reasonable budget to control your spending.



*Tip: Instead of buying a new pair of shoes or going out to eat with your friends regularly, make practical purchases and try hosting dinner parties.*

**2. Save, Save, Save!** - Now that you have created a budget, you should have identified areas where you can save a little money. Put that “extra” money to work in a savings account. Save at least 10% of your monthly income and watch your account grow! We recommend high yield, FDIC insured, savings accounts. Your money is secure and you gain a little interest on what you save. (Recommendation: [ING DIRECT](#))



### 3. Manage Your Accounts in One Place

Having trouble keeping tabs on all of your accounts? No worries! Now is the time to start using free online services to assist you with managing your finances. These are great tools that help you with saving, budgeting, and keeping track of various accounts all from one source -- and it's FREE! (Recommendation: [mint.com](#) & [pncvirtualwallet.com](#))



**Special Tip**  
Need help with managing your finances? Hire a financial advisor. Advisors can be great, qualified professionals with expertise to help you reach your financial goals. To find an affordable, fee-only financial advisor, get a referral from the National Association of Personal Financial Advisors.

### 4. Check Your FICO Credit Score

It's always good practice to check your credit score at least once a year to ensure that there aren't any errors that are negatively affecting your credit. Remember, good credit goes a LONG way. For more information on what a FICO credit score is, [click here](#).



### 5. Manage Your Debt

If you are currently knee deep in credit card debt, now is the time to create a plan to dig your way out. Start by paying off and canceling department store credit cards (they normally carry the highest interest rates). Additionally, make sure to pay more than the minimum monthly payments- this will expedite the process of becoming debt free. Also, aim to get your “available credit” up to at least 70% of your total credit outstanding by June.



## Financial Resolutions Guide Cont.

**6. Start Investing** - Want something a little more advanced than a savings account? Time to build a portfolio by investing in stocks, ETFs, bonds, and REITs. Try our favorite online broker [ING DIRECT ShareBuilder](#), primarily because they have no minimum account balances and low transaction fees. You can use [www.treasurydirect.gov](http://www.treasurydirect.gov) to purchase all U.S. Treasury securities and Savings Bonds. Remember, you are a long term investor NOT a “day trader”!

\*We also recommend [TradeKing](#) as an alternative, low-cost online brokerage.



**7. Start Preparing for Retirement, NOW**

Still not saving for retirement? Well, now is the time to start. Enroll in your company sponsored 401(k) or 403(b) plan, if applicable, or open an IRA retirement account and begin saving for the future. Remember, the earlier you start, the more money you will have to live comfortably during your golden years. Inquire within your company’s human resources department for more information on 401(k) plans.



**8. Shop For Deals!**- Impulse buying is the worst way to shop and guarantees that you will overpay for things. Utilize mobile apps that let you compare prices for items, we recommend “Save Benjis” and “Shopsavvy”.



*Tip: Use online deal websites like [Livingsocial](#) and [Groupon](#) for great daily savings on almost anything you can imagine including for that Friday night date! These sites are perfect for financially savvy socialites. Log on, sign up, and SAVE!*



**9. Start Saving for School TODAY** - Are you planning to attend graduate school in the next 3-5 years? Do you have a child or family member that will need money for educational expenses (i.e. college, private school, etc.) someday? A [529 Savings Plan](#) is a great way to save for those educational expenses. You can contribute up to \$5,000 per year, per individual or up to \$10,000 per married couple. You can also have extended family or non-family members contribute to the plan. And it can be written off on your taxes! (Criteria varies by state of residence.)



**10. Do Your Own Taxes** - Why pay an accountant when you can do it yourself using [TurboTax](#) or an equivalent online tax service? If you have a simple tax return then this is a great option! Following simple step-by-step directions, you can file your taxes and save money at the same time!

*Reminder: Tax Day is April 17th! Make sure to file your taxes before the deadline. If you owe the government money, be sure to submit those payments immediately. If you are lucky enough to get a tax return, be smart, save or invest 10-15% of that money!*



**Special Tip: Donate!** Give to a charitable organization of your choice. (Pssst! It’s also a tax write-off)



**Thank you for reading.  
We hope you enjoyed it!**

## Financial Resolutions Guide

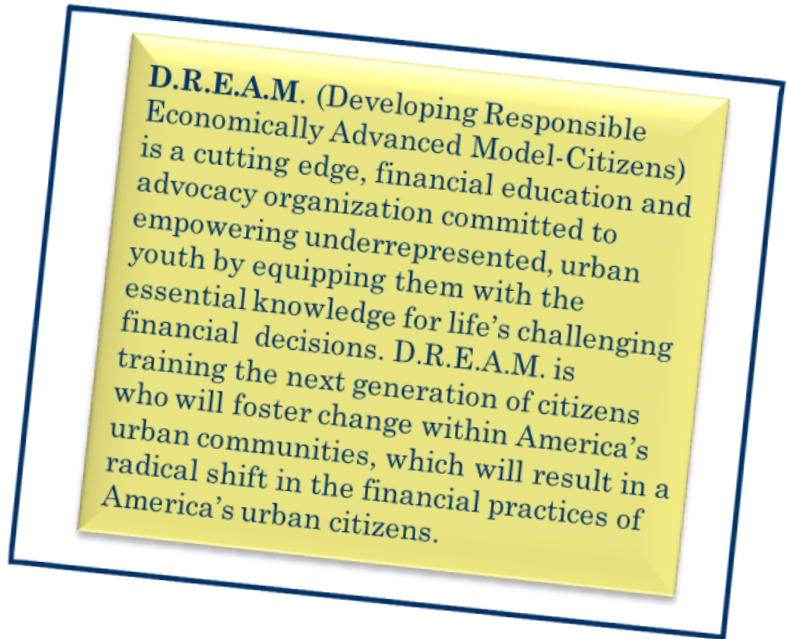
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*Stay in the D.R.E.A.M. LOOP!*



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**“Leading Youth to Financial Empowerment”**