



Personal Credit

Win the Credit Race!

Presented to WaMu employees

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Audrey Hue

ahue@bcc.ctc.edu

Business Division

Bellevue Community College

www.bellevuecollege.edu/financialeducation

Financial Behavior Evaluation

The goal of all financial education is to get you to adopt important behaviors that will ensure your financial security. Check all the financial behaviors that you engage in. Do this inventory every year. Your goal is to adopt all these behaviors.

Check all that you do now.

Pay all my bills and loan payments on time.

Have a recordkeeping system for my financial affairs.

Balance my checkbook and monitor all my financial transactions monthly.

Track all my expenses.

Use a spending plan or budget.

Have an emergency savings fund.

If yes, how many months of expenses: 1-3 months ____ 4-6 months ____

Save or invest money from every paycheck. If yes, percent paycheck saved __%

Save for long-term goals. If yes, which goals: (Check any that apply.)

Education ____ Car ____ Home ____ Home upgrade ____ Vacation ____

Plan and set goals for financial future.

Have money in more than one type of investment. If yes, check any that apply:

Individual stocks ____ Mutual Funds ____ Bonds ____ Real Estate ____

Treasury bills or CDs ____ International ____ Commodities ____

Calculated net worth in the past two years.

Participate in employer's retirement plan. 401(k) ____ 403 (b) __ Other: ____

Have insurance to protect my loved ones. If yes, check any that apply:

Health ____ Life ____ Property ____ Auto ____ Disability ____ Umbrella ____

Put money into other retirement plan:

Roth IRA ____ Traditional IRA __ SEP or SIMPLE IRA __

Review my credit report annually.

Pay credit card balances in full each month.

Research and compare offers before applying for a credit card or loan.

Do my own taxes.

Read about personal money management to improve how I'm doing.

List your financial dreams

List your financial nightmares

Planning Financial Strategies for a Lifetime

| | Twenties | Thirties | Forties | Fifties | Sixties | Retirement |
|---|--|---|--|--|--|---|
| Protect your financial dreams | <p>Set exciting goals Establish good credit habits and history Make a spending plan Create a record-keeping system Comparison shop and get adequate auto, health, disability and property insurance Establish 401k account</p> | <p>Own a home Have a good credit score Review and get adequate property, life and liability insurance. Create wills Start education funds for children Create monitoring system for finances. Learn about investments Form a financial team with your partner Start IRAs</p> | <p>Expand sources of income Upgrade home Asset allocate education fund to meet time horizon Diversify and monitor savings against retirement goals Teach children about money management Create a plan to financially survive a job change situation</p> | <p>Pay for college for children Expand investment portfolio and asset allocate Renew retirement plans Set estate plans with family Plan for care of aging parents Explore and evaluate options for long-term care</p> | <p>Corral all sources of income for retirement Asset allocate for adequate retirement income Explore part-time or volunteer work Plan housing for retirement Comparison shop for gap health insurance Have independent and financially successful children</p> | <p>Be debt free Have adequate health insurance coverage Have steady stream of income to cover retirement Have options for care if disabled Obtain reliable assistance to managing financial affairs in the event of disability Fine-tune estate plan Keep current on investment fraud</p> |
| Avoid these financial nightmares | <p>Excessive credit card debt Taking too much student loans Spending too much on a car Victimized by identity theft No financial skills Focusing on short-term satisfaction and not long-term needs</p> | <p>Unrealistic personal or family goals Too much mortgage and other debt No emergency fund or savings Not enough insurance Not involving family in financial affairs Spending raises or windfalls and not taking advantage of the time value of money to save for retirement Taking loans on 401k</p> | <p>No savings for major replacements Drawing home equity to spend Neglecting to update insurance coverage Excessive trading on investments Lack of diversification in portfolio Not taking advantage of the time value of money by saving early</p> | <p>Not saving enough for retirement Not enough for college for kids Children wanting excessive assistance Not rebalancing portfolio or revisiting asset allocation Drawing home equity to spend Not anticipating decrease in income Not anticipating medical or health expenses Bankruptcy</p> | <p>Not having enough retirement funds Too much debt to pay down before retirement Having an out-of-date will Failing to explore health care alternatives before retirement No long term care insurance to protect estate</p> | <p>Not using resources Not developing an estate plan Not enough income for retirement Not adjusting spending to retirement income Inadequate health coverage Victimized by fraud because of lack of education</p> |

Credit Card Account Comparison Worksheet

Use this Credit Card Account Comparison Worksheet to compare the fine print on credit cards you're considering as well as keeping track of the terms you agree to with the credit card company.

| Features | Card: | Card: | Card: |
|-------------------------------------|-------|-------|-------|
| Issuer: | | | |
| Credit limit: | | | |
| Interest rate for: | | | |
| Purchases | | | |
| Penalty for late payment | | | |
| Cash advances | | | |
| Balance transfers | | | |
| Fees: | | | |
| Annual | | | |
| Late payment | | | |
| Over-credit limit | | | |
| Account Set Up | | | |
| Cash advance | | | |
| Rewards program | | | |
| Finance charges: | | | |
| One-cycle or two-cycle billing | | | |
| Minimum finance charge | | | |
| Interest calculated: | | | |
| Fixed, variable or tiered basis | | | |
| Grace period (# of days): | | | |
| If you carry a balance | | | |
| If you pay off the balance monthly | | | |
| For cash advances | | | |
| Type of card: | | | |
| Secured, regular , student, rewards | | | |
| Perks and rewards: | | | |
| Rebates | | | |
| Points | | | |
| Frequent flier miles | | | |
| Cash back | | | |
| Insurance | | | |
| Other | | | |

Identify Debts to Pay Down - Reduce High-Cost Debt

Fill out the **Debt Worksheet** to identify all debt owed and work out a payment plan

- Get rid of and avoid payday loans– interest rates over 300%+
- Pay off higher credit card debt ~ sometimes 25%+
- Do not borrow to spend
- Create a spending plan that includes your debt repayments
- Automatically deduct from your pay check to an account for your debt
- If your debt is very high, consider selling assets (Craig’s list or ebay are good places to sell) that you don’t need to pay down debt
- Consider working more to pay down debt more quickly
- Don’t delay, act now

| Debt Worksheet | | | |
|-------------------------------|----------------|------------------------|--------------|
| Debt owed | \$ Amount owed | Owed to whom? | Action taken |
| Taxes | | (federal and/or state) | |
| Alimony | | Ex-spouse | |
| Child support | | Ex-spouse | |
| Credit cards | | | |
| Credit cards | | | |
| Personal loan (such as a car) | | | |
| Personal loan | | businesses | |
| Personal loan | | family members | |
| Personal loan | | friends | |
| Back rent/ mortgage | | | |
| Other debts | | | |
| | | | |
| | | | |
| | | | |

Develop a Debt Reduction Plan

Make several copies of this worksheet—one for each company or credit card company to which you owe money. Then, list the interest rate, how much money you owe to each creditor, and how much you will pay off each month.

Using a Debt Reduction Plan you will soon see the amount you owe decrease, as you make steady payments. It will shrink even faster if you pay something extra whenever you can.

- Put your worksheets in order with the highest interest rate first. You will pay down your debts faster and reduce your interest charges, if you pay more on the debt with the highest interest first.
- Or you can pay the creditor with the smallest balances first to get rid of them to see progress in the number of creditors you owe. This is like a stair-step to financial success.

When you've paid off one debt, congratulations! Celebrate your progress, and then start using that money to pay off another debt.

| Interest Rate and Debt Payment Worksheet | | | | |
|--|-------------|-----------------|------------------|----------------------|
| Creditor: | | | Debt is for: | |
| Interest rate | Amount owed | Monthly payment | Payment due date | Amount paid and date |
| | | | | |
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Net Worth

The key with managing your net worth is to increase your wealth through savings early and investing early and later in your career. It is also important to reduce debt. Remember, interest on debt can only be paid if you are working. As you move towards retirement age, debt should be whittled down to nothing. This takes a lifetime of planning, saving and investing.

Some planners use financial ratios to determine how much you should have in savings and debt. Here is one financial planner's recommendation for savings and debt. At age 30 this financial planner recommends that you have 0.1 or 10% of your income in your savings. So if you are a couple making \$60,000 a year, you should have \$6,000 in your saving accounts. Your debt to income will be at the highest point when you are starting your career. His recommendation is that you take on maximum debt of 1.7 times. For the same couple making \$60,000, this would be \$102,000. This may have to adjusted in some metropolitan areas such as Seattle where mortgages will be a higher percent of income. As you reach the end of your working life at age 65 and let's assume you now make \$50,000, you should have 15 times or \$750,000 in your nest egg and no debt.

| Age | Savings to Income | Debt to Income | Savings Rate |
|-----|-------------------|----------------|--------------|
| 30 | 0.1 | 1.7 | 12% |
| 35 | 0.9 | 1.5 | 12% |
| 40 | 1.7 | 1.25 | 12% |
| 45 | 3 | 1 | 12% |
| 50 | 4.5 | 0.75 | 12% |
| 55 | 6.5 | 0.5 | 12% |
| 60 | 8.8 | 0.3 | 12% |
| 65 | 12 | 0 | 12% |

Source: Journal of Financial Planning, January 2006
 Personal Financial Ratios: An Elegant Road Map to Financial Health and Retirement by Charles J. Farrell, J.D., LL.M.

The online series *Understanding and Controlling Your Finances*, by Marshall Brain, contains [a number of calculators](#) that help you to see how different financial decisions will affect you over time. It also contains [a large collection of links](#) to other financial resources on the web. When you complete this series, you should be well on your way to "controlling your finances." You will be able to look at your financial situation, understand it, plan a strategy for the future based on your needs and goals, and then implement it. You can start at the beginning and work through the material sequentially, or you can bounce around.

<http://www.bygpub.com/finance/finance0.htm>

The New York Times article, "Psst: Want to Know My Net Worth?" by Elizabeth Harris, describes another tool for tracking your finances and growing your net worth which are social personal finance (blog) websites.

http://www.nytimes.com/2005/09/18/business/yourmoney/18blog.html?_r=1&oref=slogin

Financial blog websites, such as the NetWorthIQ™ or Andrew Tobias' websites are examples. These websites allow people to see and compare others financial information as well as ask questions and comment on the financial information.

<http://www.networthiq.com/>

<http://andrewtobias.com/>

Calculate Your Net Worth

To calculate your net worth collect copies of your bank/credit union statements, investment and life insurance statements, and information on the current value of your assets and debts.

Fill in your information on the Net Worth Worksheet. Here is a sample worksheet.

| NET WORTH WORKSHEET | | | |
|---|----|------------------------------------|------------------------------------|
| Name: | | | Date: |
| Assets (What You Own) | | | Liabilities: (What You Owe) |
| Cash: | \$ | Current Debt: | \$ |
| Cash on hand | | Unpaid Household bills | |
| Checking accounts | | Unpaid Medical bills | |
| Savings accounts | | Insurance premiums | |
| Money market accounts | | Unpaid utility bills | |
| Other | | Unpaid taxes | |
| Total Cash | | Unpaid legal | |
| | | Other unpaid bills. | |
| | | Total Current Debt | |
| | | | |
| Investments: (Market Value) | | Credit/Charge Card Balances | |
| Savings bonds | | Credit cards | |
| Certificates of deposit | | Department Store Cards | |
| Stocks | | Other | |
| Bonds | | Other | |
| Mutual funds | | Total Credit Card Debt | |
| Cash value of life insurance | | | |
| Retirement plans | | Loans: | |
| Pension/profit-sharing | | Home mortgage balance | |
| IRAs | | Second mortgage or | |
| 401(K), 403 (B) plans | | Home Equity loan balance | |
| Annuities | | Other Real Estate loan balances | |
| Other investments | | Bank/Finance Company loan | |
| Total Investments | | Bank /Finance Company loan | |
| | | Automobile(s) loans | |
| | | Education loans | |
| Personal Property: (Present Value) | | Boat/ RV loans | |
| Home ((Market Value) | | Life insurance loans | |
| Automobiles (Blue Book value) | | Retirement fund loans | |
| Other property | | Personal loans from family or | |
| Furnishings and other Personal | | friends | |
| property | | Other loans | |
| Boat, RVs (Blue Book value) | | Other | |
| Collections | | Other | |
| Furs, jewelry | | Total Loans | |
| Other | | | |
| Total Personal Property | | | |
| TOTAL ASSETS | | TOTAL LIABILITIES | |
| = Total Cash + Total Investments | | = Total Current Debt | |
| + Total Personal Property | \$ | + Total Credit Card Debt + Total | |
| | | Loans | \$ |
| Net Worth Calculation: | | | |
| Total Assets | | | |
| - Total Liabilities | | | |
| NET WORTH | \$ | | |

Once you know your net worth, evaluate where you are. If your liabilities are more than your assets, resolve to control spending and increase investments. Seek credit counseling to see if you can work out a plan to reduce your debt. Keeping *more* of what you make is the key to increasing your net worth. **Evaluate your net worth every year to see if it is growing adequately.**

Money Saving Tips

| Expenses | |
|---|---|
| <p>Put savings as the top priority on your spending plan</p> | <p>Set aside money by taking full advantage of your employer match on 401Ks and using automatic deposit into your saving account. Don't touch this money. Let it work for you.</p> <p>In addition to your retirement accounts, create a saving account that is just for saving for financial goals. Don't spend the money on other needs or wants.</p> <p>Take every opportunity to save. Put all loose change into the bank. Set aside \$5 from your wallet every week in a safe place and then put it in the bank every month.</p> <p>When you get a raise, increase your automatic savings so you can't spend your raise.</p> <p>Put your tax refund into your saving account.</p> <p>Cash out gift certificates and put the money in the bank. (40% of gift certificates are not redeemed.)</p> |
| <p>Fees and finance charges</p> | <p>A Consumer Federation Association (CFA) study estimated that a typical family earning \$20,000 a year can expect to spend between \$86 and \$500 a year for check-cashing services. In contrast, a bank would offer the same services for approximately \$30-60 annually. Avoid high-cost financing such as pay day loans and check cashing services by maintaining a bank account and a small line of credit. Maintain a small emergency fund (\$2000 will cover most emergencies). Get your bank to automatically set aside \$20 every paycheck for this fund.</p> <p>Keep credit cards to a minimum (two) and this will keep you from spending. To save even more, use cash for everyday expenses.</p> <p>Credit card companies and banks charge all kinds of fees. Avoid these by keeping on top of each of your accounts. If you cannot reconcile every account you have, you need to reduce the number of accounts you have. Check every single transaction and put in place safeguards to stop any fees or finance charges from being assessed.</p> <p>Pay all credit card balances on time. If you do have a balance, make sure that you are paying the lowest interest rate you can. Comparison shop other credit cards to see if you can lower it.</p> <p>Call and ask for a reduction in any fees that you pay.</p> <p>Keep a good credit rating so you can save on insurance, interest rates, and look good to potential employers.</p> <p>Talk to your banker regularly to see how you can get higher interest rates.</p> |
| <p>Food at home</p> | <p>Most folks consider food at home a need that can't be cut, but US families throw away \$590 in food a year. Also the obesity epidemic (65% of Americans are overweight) and typical food servings now are three times that of 1955 says that we can cut down on food. A good suggestion is to half everything. Cook half as much food, use half the amount of salad dressing, etc. This is a good way of cutting down.</p> |

| | |
|--|--|
| | <p>Don't shop on an empty stomach. Shop with a list and buy only items on the list. Buy sale items.</p> <p>Families who are able to live on less take the time to plan out their meals. Some plan for the whole month. This allows them to shop less (once a week or once a month), buy food in bulk, and take advantage of sales. Planning meals also is a better way of controlling what you eat. Saving money and improving your health can go hand in hand.</p> |
| Food away from home | <p>Food away from home costs three times or more than food at home, therefore cutting out any meals away from home saves you money. Start with lunch at work. Bring your lunch. It's a good way to make use of food you might have thrown away. Buy a coffee maker and make your own coffee.</p> <p>When you do eat out, use coupons or discounts. Cutting everything in half also works with food away from home. Share a meal with someone else. If no one wants to share with you, be sure to box your leftovers and take them home for another meal.</p> |
| Alcoholic beverages and tobacco | <p>Alcoholic beverages and tobacco are considered discretionary expenses and should be reduced when possible.</p> |
| Housing | <p>Putting an extra payment to your mortgage each year may not seem like a way to save money but doing so on a 30-year \$400,000 mortgage will allow you to pay off the mortgage 7 years early and save \$100,000 in finance charges.</p> <p>By making your house more energy efficient with fluorescent bulbs and such, you may be able to save on energy costs and be more friendly to the environment. Switch off all lights that you don't use and unplug electronics you are not using.</p> <p>Look carefully at telephone bills (comparison shop your cell phone provider) and evaluate whether you need both cell and land line. Cancel your cable and comparison shop your internet provider or advocate for free wifi in your community.</p> <p>Review your tax assessment every year and protest if you think the assessment is too high.</p> <p>For any major appliances or furniture, shop during the off season (July).</p> <p>Learn how to do repairs by yourself rather than paying someone to do them.</p> <p>Swap plants rather than buy them.</p> <p>Ask your friends to help with large jobs and help them in return.</p> |
| Apparel | <p>Americans throw out 68 pounds of clothing per person per year. This doesn't include the 7 billion pounds that we donate or sell in a year. We've moved from a society that used to mend and hand down clothing to one that engages in disposable clothes. Studies have already shown that most people wear 20% of their clothes 80% of the time. Resist the urge to buy more clothes. Most likely, the new piece of clothing is completely unnecessary.</p> <p>Other people reduce clothing costs by buying used clothing, shopping at the end of the season for bargains, and shopping at discount stores. Arrange for clothing swaps when children outgrow their clothing.</p> |
| Transportation | <p>The US has more motor vehicles than the rest of the world combined. Motor vehicles are expensive forms of transportation. Families who switched from cars to walking or biking save significant money and gain health benefits. A switch from cars to public transportation can also save significant money (the Seattle Times estimates \$8500 per year). When your child goes to college, leave the car at home.</p> <p>Reducing the amount of driving by car pooling can also save money.</p> |

| | |
|---|---|
| | Maintain your car properly to save money on repairs and comparison shop insurance. Drive safely to keep your insurance costs down. |
| Healthcare | Prevention is always better than the cure. Save money on healthcare by taking care of your health. Eat properly (and less) and exercise (more). For other savings, use generic drugs instead of brand names. Taking care of yourself can help save on life and health insurance as well. |
| Entertainment | Entertainment is discretionary. Cutting out expenses doesn't mean that you won't have fun. There are lots of low cost ways of enjoying yourself including taking hikes and visiting museums on the "free" days. Patience is a huge helper in saving money. Instead of seeing the movie, wait for the video. Don't rent or buy videos when they come out. Wait and borrow your videos from the library. Patience can also help you save money on electronics. Electronics prices go down 18% in a year. The more patient you are, the more you will save on any purchase. |
| Education (For college students) | <p>Saving for education with a tax-advantaged saving plan is much cheaper than taking out a student loan.</p> <p>Take out only what you absolutely need in student loans.</p> <p>Look for work study or grant opportunities (Perkins) to reduce tuition.</p> <p>When shopping for textbooks, start early and check online for used copies. This can be much cheaper than buying them new.</p> <p>Draw up a spending plan. Use cash instead of credit cards. Take full advantage of college meal plans and facilities to save money.</p> <p>Contribute any earnings to a Roth IRA.</p> <p>Keep organized records as they may be important for applying for aid or saving on taxes.</p> <p>Pay all your bills on time. This will save you finance charges and give you a good credit score start.</p> |
| Gifts | Instead of gifts for kids, give contributions to college funds. Consider giving a service rather than buying an item. If you must buy items, buy them out-of-season such as after Christmas, at the end of summer or end of winter during clearance sales. |
| Taxes | <p>It is estimated that about \$1 billion of earned income credits are not claimed by eligible taxpayers. Earned income credit is a refundable credit meaning even if you don't pay taxes, you are entitled to get it as a refund from the government. Check with a tax preparer to see if you qualify.</p> <p>Fill out W-4 withholding forms correctly so you don't over withhold taxes or pay too little taxes.</p> <p>Keep good records so you don't miss out on any deductions.</p> <p>Pay your taxes on time so you aren't hit with tax penalties or interest.</p> |

Protecting your wealth

- Check and balance all credit card, bank, and investment statements every month. Make sure that they are correct. Report any errors right away.
- Be careful with your personal information, credit card numbers and account numbers. Keep your financial records locked away.
- Do not disclose your social security number unless it is absolutely necessary.
- Shred or burn any financial statements that you want to discard. Do not just throw them into recycle or the garbage.
- Delete emails that ask you for personal information. Keep your computer secure with anti-virus software. Do not store any financial information on web-based storage that can be hacked into.
- Keep all passwords to your bank and brokerage secure and change them at least every six months.
- Check your credit report at least once a year. Go to annualcreditreport.com.
- Opt out of credit card offers by going to optoutprescreen.com 1-888-567-8688.
- Sign up at the do not call registry at donotcall.gov 1-888-382-1222.
- If you have been a victim of fraud, report it immediately to www.dfi.wa.gov 1-877-RING-DFI.

Keeping good records

| What financial records to keep and for how long? | | |
|---|--------------------------------|--|
| Type of record | Length of Time | Reason to Keep |
| Bills | One-year to permanently | <p>Review your bill statements once a year.</p> <p>For most cases, when the canceled check from a paid bill was shown on your checking statement (or the canceled check has been returned with your statement), you can shred or burn the bill.</p> <p>However, bills for large purchases, such as appliances, furniture, cars, jewelry, computers, rugs, collectibles, antiques, etc., should be kept in an insurance file for proof of their value in the event of loss, damage, flood, or fire.</p> |
| Credit card receipts and statements | 45 days to seven years | <p>Keep your original receipts until you get your monthly statement.</p> <p>Shred or burn the receipts if the receipts match the monthly statement, and if they are not a large purchase listed above to keep the receipt.</p> |
| Bank records | One-year to permanently | <p>Go through your checks each year and keep those related to your taxes, business expenses, mortgage payments and home improvements.</p> <p>Shred or burn those that have no long-term importance.</p> |
| Paycheck stubs | One year | <p>Keep all your paycheck stubs until you receive your annual W-2 form from your employer, make sure the information matches the stubs and W-2.</p> <p>If it does match, shred or burn the stubs.</p> <p>If it does not match, request a corrected form, known as a W-2c.</p> |
| <p>Taxes</p> <p>Tax returns (forms) filed with IRS</p> <p>Receipts/canceled checks (charitable contributions, mortgage interest, alimony and retirement plan contributions)</p> <p>Records for tax deductions you took on your tax</p> | Seven years | <p>The IRS has three years from your tax filing date to audit your tax returns, if it finds questionable good faith errors.</p> <p>The three-year deadline also applies if you discover a mistake in your return and decide to file an amended tax return to claim a refund.</p> <p>The IRS has six years to challenge your return if it thinks you under-reported your gross income by 25% or more.</p> <p>There is no time limit if you failed to file your return or filed a fraudulent tax return.</p> |

| | | |
|--|---|---|
| forms | | |
| IRA contributions | Permanently | If you made a non-deductible contribution to your IRA, keep your records indefinitely to prove that you paid tax on this money when it comes time for you to withdraw from your IRA account(s). |
| Retirement/ Savings plan statements | One year to permanently | Keep the quarterly statements from your 401(k) or other plans until you receive the annual summary statement. If it matches up, then shred or burn the quarterly statements. Keep the annual summary statements until you retire or close the account. |
| Brokerage statements | Until you sell the securities | Keep the purchase confirmations or sales slips from your brokerage or mutual fund to prove whether you have capital gains or losses at tax time. |
| House/ condominium records | Six years to permanently | Maintain deeds, mortgage documents, title, cost of improvements, and closing statements in a safe place permanently. Keep tax, rental agreements, rental receipts and repairs for 7 years. Keep records of the expenses incurred in selling and buying the house/property, such as legal fees and your real estate agent's commission, for six years after you sell your house. Keeping these records is important because any improvements you make on your house, as well as expenses in selling it, are added to the original purchase price or cost basis. This adds up to a greater profit (also called capital gains) when you sell your house. Therefore, you lower your capital gains tax from the sale of your house. |
| Loan agreements | When outstanding | Keep copies of all outstanding loan agreements and most recent statements indicating how much you have repaid |
| Insurance policies | Long term care and life insurance – permanently Others one year after expiration | Keep your insurance cards in your cars as required by law. Keep copies of your most recent homeowners, auto, and umbrella insurance policies so that claims can be made easily and efficiently. Keep both long-term care and life insurance in a safe place and let a responsible person know how to find them. Create and update an annual inventory of all personal property. Include appraisals or receipts. Keep a copy of this in a safe place outside of your home. |
| Health care expenses | One year to seven years | Keep your original receipts to file health insurance and flexible spending account claims Keep medical receipts for deductions that you claimed on your tax return |

Important talks about money management

What would you discuss with your significant other about money management?

In addition to being one of the signposts of your emotional life, marriage is also one of the most significant events in your financial life. What will you discuss with your significant other when you are entering into marriage? What is it important to have agreement on? What can you disagree or be separate on?

What would you teach your children about money management?

Experts believe that most habits are formed by the time children are 13 years old. Studies have shown that children with thrifty parents end up with more wealth. Similar to a will that outline your wishes for your children, what are the most important financial lessons you want to pass onto your children? When would you start teaching them these concepts?

What should you discuss with your parents?

Most of us look to parents to take care of us but the relationship does change as parents age. What should you discuss with your parents regarding their money management? It's important to have this worked out as parents can become disabled or their ability to make clear decisions may become blurred as they age.

Helpful websites:

www.money.cnn.com – personal finance

www.practicalmoneyskills.com- good financial info

www.dfi.wa.gov - good consumer protection info

www.oprah.com –Debt Diet and Jean Chatzky

www.bankrate.com - Recent CD and bond rates plus plenty of financial calculators

<http://www.myfico.com/CreditEducation> - info about FICO scores

http://www.freddiemac.com/corporate/buyown/english/preparing/credit_and_homeownership/ - info on how credit affects the home buying process