

10 Tips to Organize Your Financial House

1 Create a budget



A budget is the starting point for helping you reach your financial goals. First, calculate the money you have coming in versus the money you have going out for both essential items (shelter, food, etc.) and “wanted” items (a 60-inch flat screen). Next, determine if there are ways to cut your expenditures. Finally, set savings goals that take into account your financial objectives.

2 Make a financial plan



Be realistic and specific when determining your short-term (buying a new car next year) and long-term (retirement in 10 years) goals. Reassess your plan at least annually. If your objectives have changed since you implemented the plan, decide if you need to rethink your strategies.

3 Review your credit report



You are entitled to one free credit report every 12 months. Visit www.annualcreditreport.com

4 Establish an emergency fund



How would you pay your bills if you lost your job? An emergency fund is meant to be a readily accessible stash of cash to use only in the case of an emergency. How much is enough? It depends whom you ask. The general rule is to have enough money on hand to cover your bills for up to three months.

5 Check your balances



Gains and/or losses in investment accounts can skew your asset weightings. Check your balances at least annually to determine whether you need to reallocate your assets.

6 Rollover retirement plan assets into an IRA



Did you recently leave a job? If so, what are your plans for your retirement account? Now may be a good time to rollover your retirement plan assets into an IRA.

7 Verify your beneficiaries



Have your life circumstances changed since you selected your beneficiaries (marriage, divorce, new child)? Make sure the beneficiaries named to your retirement account(s) reflect the change.

8 Fully fund your IRA



Don't forget to fully fund your IRA each year. Instead of writing one big check at tax time, remember you always have the option to make smaller contributions throughout the year.

9 Know the interest rates on your credit cards, savings account, etc.



Shop around to determine whether you are getting the best rates available.

10 Clean out your file cabinet



Get rid of old statements and receipts that are taking up space in your file drawers, but don't just throw them in the trash. Be sure to shred sensitive documents.