CFP BOARD

CERTIFIED FINANCIAL PLANNER BOARD OF STANDARDS, INC.

CFP Board Ambassadors' Tips for a Financially Fit 2017

Create a Budget:

- "The purpose of a budget is not to restrict, but to illuminate. A budget lets you tell your dollars where to go, instead of leaving you wondering where they went. When people see clearly their spending patterns and how that spending can hurt them in the long run, they will instinctively begin to change that behavior on their own, without feeling pushed into doing it by a budget." – ***Mark DiGiovanni*, CFP®**
- "Reconcile [the] previous year [as well as] discuss with [your] spouse [about] where and why you went over budget. [You should also] plan for better communications." – ***William Schretter* , CFP®**
- "Set a savings goal and stick to it. For example – I'm going to put $200/month into my emergency savings account. It doesn't matter what you spend the rest of your money on, as long as you make the savings every month you are living within your means." – ***Jeanne J. Fisher*, CFP®**
- "I like to convince my friends and family to have a 'cheap month'. Give themselves a budget of $100/week and see if they can make it work. Write down everything they spend and watch how they are able to transform or focus on the things they really 'need' vs what they 'want.'" – ***Brad Ledwith*, CFP®**

Put Yourself First:

- "Put yourself first: many men and women are putting their futures at risk by spending too much on their adult children, parents and other family members. Prioritize your savings and be judicious in helping family members." – ***Carina S. Diamond*, CFP®**
- "Raise fiscally smart kids by involving them in family financial planning. My parents used to say that money didn't grow on trees. Now we tell our kids that money doesn't come from plastic cards and machines. So where does it come from? You don't need to tell your children everything about your income, but it's helpful to equate work with income and then discuss the concept of budgeting and making good choices." – ***Lynn Ballou*, CFP®**

Maximize Benefits:

- "If you are in individual funds, REBALANCE. Reports show every year that only a few people rebalance their 401(k) account. Making sure your investment risks match your investment goals is key for long-term performance." – ***Spencer Betts*, CFP®**
- "[O]pen an account and establish a dollar cost averaging arrangement. For example, this could be a Roth IRA or 529 plan. Start small, but take advantage of tax free compound growth. Small amounts can make a huge difference in wealth accumulation." – ***Marguerita Cheng*, CFP®**
- "Make sure you are taking full advantage of any match given by your company. According to the Society for Human Resource management, 25 percent of the people eligible for a matching contribution miss out on receiving the full company 401(k) match." – **Spencer Betts, CFP®**

Know Yourself:

- "If you know that credit card debt is bad, then don't use your credit cards. If you know you need to start spending less so you can save more, then start tracking where you are spending your money so you can figure out what you can live without or at least cut back on. If you know you need to start saving for your short term or longer term goals, then open an account and start putting money into it. Many of us know what we need to do, we just never do it!" – ***Steve Repak*, CFP®**
- "[If necessary,] cut up [or] hide credit cards. [If you] don't have them, [you] won't use them. [You should also] keep an emergency $30 stash of cash in your car for fuel." – ***William Schretter*, CFP®**
- "Round up debt payments to the nearest whole number. For example, if your mortgage payment is $1115, round up the payment to $1200. Or if your car payment is $375 round up to $400." – ***Jeanne J. Fisher*, CFP®**