

# Managing Your Finances



## What's Happening

If you feel like your finances are out of control, you are not alone! Many people worry about money. While common, a daily struggle to pay bills creates stress that can harm your family life and your child's well-being.

## What You Might Be Seeing

Your family is said to have “financial stability” if you have:

- The ability to pay bills on time
- A manageable amount of debt
- A 3–6 month emergency fund to protect you against loss of income

## What You Can Do

No matter what your situation, you can take steps to move your family toward greater financial stability.

- **Know where your money goes.** Track your family's spending for a month, and balance your checkbook regularly. These steps will help you feel more in control and will help you create a realistic budget.
- **Get organized.** Make sure you know how much each person in your household gets paid and when. Know which bills need to be paid out of each paycheck. Keep all bills in one place so they don't get lost, and review your finances often.
- **Spend only what you make.** Put away credit cards and use cash instead. This will help ensure that you buy only what you really need and want.
- **Get a bank account.** Check-cashing services and payday loans charge high fees. One program that helps people access free or low-cost checking accounts is Bank On: <http://joinbankon.org/about/>

- **Build your emergency fund.** Keep unexpected expenses (car repairs, medical bills) from becoming crises. Include savings in your monthly budget, even if it's a small amount.
- **Maximize your tax refund.** Many people qualify for free tax help. Volunteers can help you receive all credits and deductions you are entitled to, including the Earned Income Tax Credit. Visit the Internal Revenue Service (IRS) website: <http://www.irs.gov/pub/irs-pdf/p4935.pdf>
- **Improve your credit.** A good credit score earns you lower interest rates and makes it easier to get a job or rent an apartment. Ask for a free copy of your credit report from [www.annualcreditreport.com](http://www.annualcreditreport.com). Then, create a plan to correct wrong information and pay any past-due bills.
- **Get help if you need it.** A credit counselor can help you pay down debt, create a budget, and save for your future. Find a credit counseling agency here: [http://www.nfcc.org/FirstStep/firststep\\_01.cfm](http://www.nfcc.org/FirstStep/firststep_01.cfm)
- **Seek new employment opportunities.** Work readiness, vocational training, job placement, and career counseling programs can help you find and qualify for new opportunities that may pay better and move you toward greater security.

### Remember:

*It is possible to achieve financial stability, even after a setback. The steps you take today will help create a brighter future for your family!*

Acknowledgment: National Foundation for Credit Counseling (<http://www.nfcc.org/>).