Financial Literacy

UNIV1000: The First Year Experience
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Without Sharing Your Own Financial Situation, How Much Do You Know About Personal Finance? How Comfortable With Managing Your Finances Are You?

The Basics of Personal Finance

Budgeting

- Begin by tracking your income on a monthly basis
- Then, list all of your monthly expenses
    - Bills
    - Living expenses
    - Fluff funds
- From here, you can really determine how much money you have left to save
- It's vital that you spend within your means so that you are able to save/keep yourself afloat

Saving

- Though you may not have anything to save for right *now,* there are many things in life that you will have to save for eventually,
  - A house/apartment rent
  - A vehicle
  - Paying off school loans
  - Travel
- It's also vital to save what I like to call "fluff funds," or "In Case of Emergency" funds...
  - Car repair/maintenance
  - Replacement of lost/broken technology
  - Health emergencies

Managing Debt

- There are two main types of debt you will likely encounter
  - Short-term
    - Running balances on Credit Cards
  - Long-term
    - Car loans
    - Mortgages
    - Student loans
- There are obviously more ways we accumulate debt, but these are just intended to serve as some examples
- In order to manage this debt, it's vital that you create a payment plan for "unexpected" debt, so that you pay it off while eliminating any unnecessary interest
- In order to best do this, it's important to save as much as you can prior to the initiation of repayment periods, and include it as an expense when tracking your monthly expenses.

Financial Literacy Tools

Financial Literacy Tools

- Experian - can keep track of your credit score, and assists in ways to manage debt, build credit and stay on top of your finances
- Bank apps/websites - many major banks now have apps or websites that will provide a credit score at no cost, can formulate pay-back plans on major debts, and even provide various rewards
  - If you are thinking of applying for a credit card, it's vital that you evaluate which is best for you in terms of the rewards based on your spending habits and what you plan to use the card for