



# Practice Financial Wellness

## CHALLENGE

Learn to manage your money

### How much do you know about spending, saving, and managing your money?

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- Do you have a budget and track all of your monthly expenses?
- Do you spend less than 25 percent of your income on rent or mortgage?
- Do you have an emergency fund to cover at least 1 to 3 months of expenses?
- Are you paying credit card balances in full every month?
- Are you saving for retirement?

If you answered “No” to any of these questions, you may benefit from learning more about financial wellness. A recent Gallup poll found that only 32 percent of adults follow a monthly budget.<sup>6</sup> And many people aren’t saving for retirement. Learn to make smart money decisions. It can reduce stress, improve your health, and build your savings account.

## Requirements to complete this HEALTH CHALLENGE™

1. Read “Practice Financial Wellness.”
2. Create and follow a daily, weekly, and monthly plan to help you manage your money.
3. Keep a record of your completed health challenge in case your organization requires documentation.

Whether you’re rich or poor, or somewhere in between, money is the leading cause of stress for most adults. And that’s a problem that can affect your health and your life.

People who have money stress are 33 percent more likely to have a heart attack.<sup>1</sup> Money matters are also the leading cause of divorce and separation among couples.<sup>2</sup>

Stressed out about your bank account balance?

Do you panic a little just thinking about a car repair, college costs, or retirement?

That’s pretty normal for most people. But instead of just worrying, make a choice to do something about it. Take some time to assess your finances. Learn to make smarter decisions about spending and saving. And you’ll improve your health and your life. Take the month-long Health Challenge to *Practice Financial Wellness*.

## Financial Fitness Matters

Want to be a millionaire? Researcher Dr. Thomas Stanley interviewed ordinary people with a net worth of more than \$1 million to find out how they did it.<sup>3</sup>

His goal was to identify their habits and attitudes about money to create a formula for building wealth. But it turned out to be pretty simple:

- Spend less than you earn.
- Don’t buy overpriced cars, property, products, and services.
- Learn to make smart investments.
- Practice financial wellness consistently.
- Save for a rainy day.

### How’s YOUR financial fitness?

**34%** of adults have up to \$1,000 in savings

**34%** of adults have ZERO savings

**70%** of adults live from paycheck to paycheck

**\$15,983** average household credit card balance in the U.S.

**\$499** average monthly car payment in the U.S.

**\$13,797** amount of money you could save over 10 years by not buying a daily coffee.

People in deep debt are likely **3x** times more likely to experience fatigue, illness, and mental health problems like anxiety and depression.

## Here are 10 ways to Plan for Financial Wellness:

### 1 Spend less than you earn

Are you living paycheck to paycheck? Take a closer look at where you're spending your money. Find ways to save, like going out to eat less. For example, the average American spends about \$3,000 a year on dining out. Could you use that money for something else?

**Tip:** Create a budget to help you spend less than you earn. It's one of the best ways to help you reach your financial goals.

Create a budget  
[tinyurl.com/785vmyx](https://tinyurl.com/785vmyx)

### 2 Pay off credit card debt

The average U.S. household has \$15,983 in credit card debt. If you paid the minimum of \$611 a month and never charged anything else, it would take you more than 15 years to pay it off. Interest can range from 18 to 30 percent.<sup>4</sup> Credit cards are usually the most expensive form of debt.

**Tip:** Pay off your balance every month, or at least plan to pay more than the minimum.

### 3 Pay yourself first

About 34 percent of U.S. adults don't have any money in savings. And that's a problem if you want to save for retirement or have money on hand in case of an emergency or unexpected expense.

**Tip:** Budget for saving a little money every month, just like you would to pay a bill.

### 4 Save a few months of living expenses

You can't predict a job loss, illness, or injury that could put a stop to your income. But it happens to people all the time.

**Tip:** Set aside enough cash to cover six months of living expenses. Sound impossible? Start by saving enough to cover one month of living expenses.

### 5 Complete a will

This is a basic rule of financial wellness for all adults, especially if you have dependents. However, more than half of U.S. adults die without a will.

**Tip:** If you want to protect your family and financial assets, get help from an attorney to help you complete a will.

Retirement planning for older workers  
[tinyurl.com/y8pnlwgg](https://tinyurl.com/y8pnlwgg)

### 6 Ask an expert

Making big decisions about buying a home, investing, and saving for retirement can be tough to do on your own.

**Tip:** Get help from a financial planner to help you be informed. The decisions you make will affect your future.

### 7 Save for retirement

How much do you need to save for retirement? Census data says that more than 62 percent retire with less than \$10,000 in savings. But you'll need at least four times that to

enjoy your senior years and cover medical costs.<sup>5</sup>

**Tip:** Start saving for retirement early. Take advantage of any tax-deductible contributions you can make through payroll deduction to grow your 401(k).

### 8 Plan for major expenses

Is buying a house, getting a new car, or sending a kid to college in your future? Set money aside to make those costs easier to handle. And be sure to budget for insurance. Protecting your health, assets, and family is also an important part of financial wellness.

### 9 Keep on learning

Learn all you can about money matters. It will help you make better decisions about financial management, investing, spending, and saving. You can also learn new skills that can help you increase your income.

### 10 Give your financial health a check-up

Review your credit report at least once a year. Take some time to evaluate your budget, debts, and investments. Review your goals. Adjust as needed to stay on track.

Making decisions about money isn't always easy. But if you take the time to Plan for Financial Wellness, you'll be happier, healthier, and better off as you age.

Retirement calculator:  
Are you saving enough?  
[tinyurl.com/o3s8vt9](https://tinyurl.com/o3s8vt9)

Check your credit report  
[tinyurl.com/l27e9fw](https://tinyurl.com/l27e9fw)

## References

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2. Dew, J., et al. (2012). Examining the relationship between financial issues and divorce. *Family Relations*, 61(4):615. DOI: [doi:10.1111/j.1741-3729.2012.00715.x](https://doi.org/10.1111/j.1741-3729.2012.00715.x)
3. Stanley, T., et al. (2010). *The Millionaire Next Door: The Surprising Secrets of American's Wealthy*. Lanham, M.D.: Taylor Trade Publishing.
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# Practice Financial Wellness



## CHALLENGE

Learn to manage your money

### Instructions

1. Post this calendar where you will see it daily (bathroom, kitchen, bedroom, etc.).
2. Record the number of days you make smart money decisions.
3. Use the calendar to record the actions and choices you make to help financial wellness become a regular part of your life.
4. At the end of the month, total the number of days you made smart decisions about your money. You must do this on at least 22 days this month to complete this challenge. Then keep up this practice for a lifetime of best health.

MONTH:							HC = Health Challenge™	ex. min. = exercise minutes
SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY	Weight & weekly summary	
HC [ ] ex. min. _____	HC [ ] ex. min. _____	HC [ ] ex. min. _____	HC [ ] ex. min. _____	HC [ ] ex. min. _____	HC [ ] ex. min. _____	HC [ ] ex. min. _____		
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\_\_\_\_\_ Number of days this month I practiced financial wellness

\_\_\_\_\_ Number of days this month I exercised at least 30 minutes

### Other wellness projects completed this month:

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Name \_\_\_\_\_ Date \_\_\_\_\_