

2023 · WHAT ISSUES SHOULD I CONSIDER WHEN STARTING OUT FINANCIALLY?

THRESHOLD ISSUES	YES	NO
<p>Do you need to understand the basics of personal finance? If so, consider the following:</p> <ul style="list-style-type: none"> ■ Review a balance sheet to understand the difference between assets, liabilities, and net worth. ■ Review a cash flow statement and recognize different sources of income and expense categories. ■ Understand the factors used when projecting financial models (e.g., inflation, growth, yield assumptions, etc.). 	<input type="checkbox"/>	<input type="checkbox"/>
<p>Do you need to differentiate various types of assets and forms of ownership?</p>	<input type="checkbox"/>	<input type="checkbox"/>
<p>Do you need to identify and prioritize your financial goals? If so, consider using SMART goals (i.e., Specific, Measurable, Attainable, Relevant, and Time-based).</p>	<input type="checkbox"/>	<input type="checkbox"/>
<p>Do you need to compare funding strategies to meet the time horizon of your goals?</p>	<input type="checkbox"/>	<input type="checkbox"/>

CASH FLOW ISSUES	YES	NO
<p>Do you receive income? If so, consider the following:</p> <ul style="list-style-type: none"> ■ Manage your spending so that it aligns with your income amounts and intervals. ■ If you have earned income, review your pay stub to understand how your total earnings are reduced to net pay. See the "Pay Stub Review" flowchart. 	<input type="checkbox"/>	<input type="checkbox"/>
<p>Are you expecting any gifts or other financial windfalls?</p>	<input type="checkbox"/>	<input type="checkbox"/>
<p>Do you need to create and monitor a budget? If so, consider the following:</p> <ul style="list-style-type: none"> ■ Organize spending categories, prioritizing necessary recurring expenses over discretionary expenses. ■ Use software or apps to help track your cash flow. 	<input type="checkbox"/>	<input type="checkbox"/>
<p>Do you need to distinguish your financial wants and needs?</p>	<input type="checkbox"/>	<input type="checkbox"/>
<p>Do you need to establish an emergency fund? If so, consider saving enough cash to cover at least three to six months of expenses. (continue on next column)</p>	<input type="checkbox"/>	<input type="checkbox"/>

CASH FLOW ISSUES (CONTINUED)	YES	NO
<p>Do you need to save for college and/or a major purchase/expense (e.g., car, first home, wedding)?</p>	<input type="checkbox"/>	<input type="checkbox"/>
<p>Are you able to start saving for retirement? If so, consider saving in the following order: contribute to your employer's retirement plan to take advantage of any employer match, max out HSA contributions (if participating), max out employer retirement and IRA contributions (if applicable), and save in taxable accounts.</p>	<input type="checkbox"/>	<input type="checkbox"/>
<p>Do you need to understand different payment methods? If so, consider the following:</p> <ul style="list-style-type: none"> ■ Review the use of cash, checks, debit cards, and credit cards, and understand when each form of payment may be prudent. ■ Compare the timing and any fees associated with different forms of payment. 	<input type="checkbox"/>	<input type="checkbox"/>
<p>Do you have charitable goals?</p>	<input type="checkbox"/>	<input type="checkbox"/>

TAX ISSUES	YES	NO
<p>Do you need to review the tax policies and rules that apply to you? If so, consider the following:</p> <ul style="list-style-type: none"> ■ Review the basics of the federal and state income tax systems. ■ Identify other common types of tax, such as sales, property, and payroll taxes. 	<input type="checkbox"/>	<input type="checkbox"/>
<p>Do you have employment or investment income (e.g., interest, dividends, capital gains)? If so, you may need to pay tax and file federal and state income tax returns. These payments and filings are generally due by April 15th, unless extended or you are subject to making estimated payments.</p>	<input type="checkbox"/>	<input type="checkbox"/>
<p>If you are able to save, are you looking for strategies to reduce your income tax liability? If so, maximizing deductible savings into tax-advantaged accounts (e.g., 401(k), 403(b), 457, traditional IRA, HSA, and/or FSA, etc.) can help reduce your taxable income.</p>	<input type="checkbox"/>	<input type="checkbox"/>

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ASSET & DEBT ISSUES	YES	NO
Do you need to open a bank account? If so, compare your options and choose a bank that is easily accessible and offers competitive features. You may need a parent to co-sign.	<input type="checkbox"/>	<input type="checkbox"/>
Do you need an introduction to investing?	<input type="checkbox"/>	<input type="checkbox"/>
Do you need a credit card? If so, consider the following: <ul style="list-style-type: none"> Compare fees and points features of your various options, and understand the rate and application of interest. The minimum age to open an account is generally 18, but if you are 20 or younger you will face stricter verification requirements and may need a parent to co-sign. Have a plan to repay credit card debt before incurring it. 	<input type="checkbox"/>	<input type="checkbox"/>
Do you need to understand and monitor your credit score?	<input type="checkbox"/>	<input type="checkbox"/>
Do you need to establish good credit? If so, consider the following: <ul style="list-style-type: none"> Make regular payments on any existing credit accounts. Use a reporting service to have rent and utilities payments reported. Become an authorized user on someone else's account (e.g., your parents or other close relative). Consider a secured credit card if you have no credit history. 	<input type="checkbox"/>	<input type="checkbox"/>
Are you considering borrowing funds to finance a major purchase/expense (e.g., a car or college tuition)? If so, consider the following: <ul style="list-style-type: none"> Review and compare potential lenders and payment terms. Review a full amortization schedule in order to understand your total obligations over the life of the loan, in addition to assessing your periodic payment obligations. 	<input type="checkbox"/>	<input type="checkbox"/>

RISK MANAGEMENT ISSUES	YES	NO
Do you need an introduction to personal liability insurance?	<input type="checkbox"/>	<input type="checkbox"/>
Are you prepared to assume your own automobile insurance coverage?	<input type="checkbox"/>	<input type="checkbox"/>
Do you need a plan for future health insurance? If so, consider the following: <ul style="list-style-type: none"> Generally, you are eligible to be covered under your parents' health insurance until age 26. Thereafter, insurance may be available from your educational institution or your (or your spouse's) employer, or you can seek coverage through the Health Insurance Marketplace. You may also qualify for free coverage under Medicaid if you meet certain requirements. 	<input type="checkbox"/>	<input type="checkbox"/>
Do you need renter's insurance?	<input type="checkbox"/>	<input type="checkbox"/>
Do you need disability insurance?	<input type="checkbox"/>	<input type="checkbox"/>
Should you explore life insurance coverage while you are young and healthy?	<input type="checkbox"/>	<input type="checkbox"/>

MISCELLANEOUS ISSUES	YES	NO
Do you have appropriate emergency contacts on record?	<input type="checkbox"/>	<input type="checkbox"/>
Do you need an introduction to estate planning basics? If so, review and consider executing basic estate planning documents (e.g., Will, Trust, Power of Attorney, Living Will), and ensure that your assets are titled appropriately and you have beneficiaries designated for your non-probate accounts.	<input type="checkbox"/>	<input type="checkbox"/>
Do you need to take steps to protect your identity or freeze your credit?	<input type="checkbox"/>	<input type="checkbox"/>
Do you need a contingency plan regarding your digital assets?	<input type="checkbox"/>	<input type="checkbox"/>

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Traditional IRA account owners have considerations to make before performing a Roth IRA conversion. These primarily include income tax consequences on the converted amount in the year of conversion, withdrawal limitations from a Roth IRA, and income limitations for future contributions to a Roth IRA. In addition, if you are required to take a required minimum distribution (RMD) in the year you convert, you must do so before converting to a Roth IRA.

This information is not intended to be a substitute for specific individualized tax advice. We suggest that you discuss your specific tax issues with a qualified tax advisor. may apply.

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