



## Effective Strategies for Saving

The following recommendations are designed to help you establish and or grow your personal savings.

1. **Pay Yourself First.** When you pay your monthly bills, write a check to yourself, first and put it in your savings account.
2. **Don't Borrow Additional Money to Pay off Debts or Bills.**
3. **Cut Expenses.** Get this number by analyzing your budget and determining where reductions can be made (e.g., eating out, buying snacks and lunch at work, going to the movies, etc.). Once you have determined how much you plan to cut, use this "found" money to pay down the balances on your debts.
4. **Optimize Your Monthly Payment.** Pay the maximum amount towards your highest interest rate debts. Pay the minimum amount on all other debts.
5. **Ask for Reduced Interest Rates.** Some creditors, especially credit card companies, will reduce your interest rates if you just call and ask. If you receive offers for other credits cards with lower interest rates in the mail, use those offers as leverage when you are re-negotiating your rates with your current creditors.
6. **Ask for Revised Billing Due Dates.** Some merchants and creditors, especially credit card companies, will change the regular billing due date if you just call and ask. Evaluate when you receive your paycheck and when bills are due and try to schedule billing due dates so that you have money each pay period to cover your bills. For example, if you are paid on the 1<sup>st</sup> and 15<sup>th</sup> of each month, you may try to schedule half of your bills to be due on the 3<sup>rd</sup> day of the month and the other half to be due on the 17<sup>th</sup> day of the month. That way, you have your bills evenly distributed and you have a few "grace" days in case your paycheck deposit is delayed for some reason.
7. **Set Goals and Priorities.** Determine what's important. When you prepare to buy something ask yourself if this purchase is in line with the priorities you have set and will it help you reach your goal or delay it.
8. **Check out the website: website [http://download.cnet.com/Debt-Reduction-Calculator-for-Excel/3000-2057\\_4-10770226.html?part=dl-DebtReduc](http://download.cnet.com/Debt-Reduction-Calculator-for-Excel/3000-2057_4-10770226.html?part=dl-DebtReduc)** This site provides a free download Debt Reduction Calculator that allows you to determine the amounts you should be paying towards each of your debts and calculates the money you will save by paying your debts in the recommended order. Additionally, the program tells you when each of your debts will be paid off.