



Establish your goals

Clearly defined goals will help you make choices with your money. In the spaces below list some of your goals for one, five, 10 and 30 years. For instance, if you'd like to buy a house in five years and need to save \$25,000 for a down payment, list that under five-year goals. If you're planning on retiring in 30 years with \$3 million squirreled away, put that down as a long-term goal. (Check out Bankrate's calculators to see how much you need to save on a monthly basis to reach your goals.)

1 year goals

5 year goals

10 year goals

30 year goals

Ask yourself these questions before spending

With your goals firmly in mind, ask yourself some of these questions before plunking down any hard earned money on questionable purchases.

1. Do I really need this?

If the answer is no, the item is a "want" instead of a need, and you should ask yourself the following questions. If the purchase is a necessity, then go on to the next set of questions.

2. Can I afford it?

3. How am I going to pay for this?

If using credit – how long is it going to take me to pay this off?

4. How does this fit in with my goals?

5. What am I giving up to buy this right now and is it worth it?

Necessities

1. How am I going to pay for this?

2. What is my plan to replenish savings or pay back the credit card company?

3. Is there a less expensive alternative?