

# Managing Your Finances

*For the Modern Gentleman!*

*Prepared for the Brothers of Gamma Tau*



# Overview

- Creating a Budget
- Managing Credit Cards
- Paying Off Debt
- Using Credit Unions
- Credit Scores and what they mean

# Why This is Important

- Having good credit shows maturity and that you are a good steward of your own finances. People with good credit have an easier time renting an apartment, getting a mortgage on their first house, and procuring promising employment leading to greater financial success.

# Creating a Budget

- The purpose of creating a budget is to realize how much money is coming in and how much money is going out. If you have less money coming in than what's going out you will have financial problems until you create a budget and realize what you can spend.

# Creating a Budget

- Three pieces of information are needed when Creating a budget.
  1. Net income (Monthly)
  2. Fixed monthly costs, i.e. electric, water, rent, food.
  3. Debts

*Refer to the example of a budget that was handed out*

# Paying Off Debt

- Debt is something that we all get into at one time or another in our life. The key is to know how to get out of debt and how to effectively use credit to your advantage.

# Credit Unions

- Credit Unions are financial institutions that anyone can join or you need to work for a company to become part of some credit unions. They are wonderful for small short term loans, and car loans in my experience.

# Credit Scores

- According to the Motley Fool the following is how financial institutions evaluate credit.
  - A. Super Prime 740 and above
  - B. Prime 680 – 739
  - C. Near Prime 620 – 679
  - D. Subprime 619 and lower
- Credit scores can range from 300 - 850