

Money Management Skills

Transition Skills, Tips & Tools

Managing Money, Budgeting and Setting Up Credit



As you transition to adulthood, you can begin to manage (or co-manage) your own money.

1. **Start a checking account** (or a joint account). Regular deposits show responsibility. Learn how to track your spending and deposits and compare them with your bank's records. Balancing your account is among the best money management habits you can keep. You may find this online tool helpful: mappingyourfuture.org/money/checkbook.cfm.
2. You should establish good credit to help you receive financial assistance, such as a car loan or a credit card, in the future. (Here are helpful tips to improve your credit score: www.creditloan.com/credit-scores/how-finance-works/.)

No credit history can lead to the same set of problems as a bad credit history. These steps can help you achieve a good credit history:

- **Establish a Joint Account.** Your parents can add you to their account. The credit history is reflected on both your account and your parents'.
 - **Start a Savings Account.** Regular deposits with limited withdrawals can create a line of credit.
 - Check with your local bank or department store if they report the credits to the credit bureau. **Consider applying for a small loan at the bank or a credit card from the local department store.** You will need a co-signer if you are younger than 18. It is better to find a loan with terms you can meet without undue financial strain.
3. **Creating a budget** is a good way to manage your money. It helps you track your spending and make sure you're using your money how you want. (You may find this tool helpful: mappingyourfuture.org/money/budgetcalculator.cfm.)

There are three steps to make a budget:

- Identify how you're spending money now.
- Gauge your current spending and set long-term financial goals.
- Track your spending.

4. You can get help with applying for benefits and making a budget at your local **Center for Independent Living**. To find a center, go to www.incil.org/locate/. You can also call toll-free at **(800) 587-1227**.
5. **Explore your career options early and while in high school.** Finding gainful employment is an important part of adult life. Unemployment can lead to poverty, lower health status and dependency on government programs.
6. **When you begin earning your own income, you will need to file income taxes.** Your Center for Independent Living may know of a free resource in your community to help you complete and file taxes.



We're here to help.

To learn more about the Division of Specialized Care for Children's programs and services, check out our website at: dscc.uic.edu

