



## Joy of Money Worksheet

# CHOOSING YOUR RETIREMENT ACCOUNTS AND INVESTING

You'll need your monthly budget and basic financial info. This worksheet helps you figure out how much you can invest each month and where to put it. Use it to create your personal retirement investment plan.

### Step 1: Figure Out How Much You Can Invest Every Month

- **Review your budget and look for savings.** You know this drill—people look at shopping, eating out, gambling, and entertainment to see where they can trim to put money aside for retirement. Review the savings tips and tricks in the appendix. Aim for a minimum of 15 percent of your income (before taxes), if you can.
- **Okay, now—how much can you put away every month?** Write that number here—this is your **Monthly Retirement Contribution**: \$\_\_\_\_\_

### Step 2: Choose Your Retirement Account.

- **If you have a 401(k), etc., confirm your match and decide between a traditional or Roth account.**
  - Reach out to your benefits folks and confirm you're enrolled and contributing at least enough to get your full employer match. That's free money you don't want to miss.
  - Ask them to confirm the maximum you are allowed to contribute (over age fifty, you may be able to contribute extra). Write that here, and make sure you don't go over that annual limit: \$\_\_\_\_\_



- **If you don't have a workplace retirement plan, choose the retirement account that is right for you.**
- **If you're confused at all about the rules or regulations of these accounts, talk with a representative of the institution you'll pick in the next step or an accountant/advisor.** Getting guidance often costs less than you think (usually nothing for basic questions), and it's worth every penny when it helps you avoid costly mistakes.

**Step 3: If You Aren't Investing Through a Workplace Retirement Plan, Pick a Brokerage Firm or Financial Institution.**

- **Pick what you like best . . .** Charles Schwab, Fidelity Investments, the Vanguard Group, USAA, Wells Fargo Advisors, your local bank or credit union. Write which account at what firm or institution you want to go with: \_\_\_\_\_
- Look for low-fee or no-fee accounts.

**Step 4: Set up an Automatic, Recurring Transfer of Your Monthly Retirement Contribution**

- **If your retirement account is managed through work, reach out to your benefits folks** and make sure your Monthly Retirement Contribution is what you want it to be.
- **If you have opened your own retirement account, set up an automatic, recurring transfer from your checking account to this retirement account.** Do it on payday, or any day when you usually have enough money in your account. When does your transfer happen?

**Write the date here:** \_\_\_\_\_



### **Step 5: Invest Your Money.**

- **If your retirement is through work, make sure your investment portfolio is set up the way you want it to be.** Is your money invested? Is it in a target-date fund, or a mix of stocks and bonds that you think makes sense?
- **If you are opening your own retirement account:**
  - Choose from the list of investments offered—remember, you have to put the money in a specific investment, not just leave it in the account without as signing it to an investment.
  - Many people do great starting with target-date funds.
  - Don't be afraid to call and ask questions of your investment firm or bank.
  - Set up a calendar reminder to invest your *Monthly Retirement Contribution* after it is deposited into your account.

**What investment did you make? Write your answer here:**