## **Chapter 28 Managing Personal Finances** Section 28.1 Personal Financial Planning

## Section Summary with Key Terms and Academic Vocabulary

**Personal Financial Planning** Everyone must make financial decisions. Identifying your financial goals and planning how to get the most from your money are part of personal financial planning. If you plan well and carry out those plans, you can reach your financial goals. To create a financial plan, you need to determine your financial situation; develop your financial goals; identify possible courses of action; evaluate your alternatives; implement a financial plan of action; and review and revise your plan. Often financial planning means you must research options so that you can evaluate risk and make wise choices.

## Key Terms \_\_\_\_

**personal financial planning** Spending, saving, and investing money to assure a certain kind of lifestyle as well as financial security

goals Things to be accomplished

**opportunity cost** What you give up when you make one choice instead of another, sometimes called a tradeoff

## Academic Vocabulary

source One that provides information

achieve To carry out successfully; accomplish

revise Look over again in order to correct or improve