Operator: Hello, everyone, and welcome to The Basics of Growing, Maintaining, and Protecting Your Money, featuring Tiffany "The Budgetnista" Aliche. Today's web seminar is being recorded, and you're currently in a listen-only mode.

Before we get started, I'd like to acquaint you with some of the ways you can participate today. The ON24 room you are in allows you to adjust and resize all panels that appear on your screen. To resize any of these panels, all you have to do is click on the lower right corner of that panel and drag to adjust. To move a panel, click the top title bar and drag it anywhere within the console.

We will have a question-and-answer session at the end of today's presentation. The Q&A panel is available to you on the left-hand side of your screen. Just type your question into that window and hit Submit, and your question will be logged into the queue, and we'll take as many questions as we have time for.

Please note closed captioning is available by clicking on the CC button on the lower right corner of the media player within your console. You can resize the media player to any size you'd like to read that closed captioning easier.

And finally, if you experience any technical difficulties during today's event, first try refreshing your browser by hitting F5 on your keyboard or clicking the Reload button on the top left corner of your browser to reset your connection. And if it doesn't work, you can enter a question into the Q&A panel stating your technical issue, and we'll be more than happy to assist you.

Now without further delay, let's begin The Basics of Growing, Maintaining, and Protecting Your Money. It is my pleasure to hand things over officially to Tiffany "The Budgetnista" Aliche. Tiffany, you have the floor.

Tiffany Aliche: Hey, hey, hey. My name is Tiffany Aliche, aka The Budgetnista. I like to call myself America's favorite financial educator, so you can, too. And I'm super excited to talk to you about money today.

So before I became The Budgetnista, I don't know if you know, but I used to be a schoolteacher. So what that means is I hope you brought something to take notes with. I stay with a notebook, a pen. I literally stay with two notebooks. So get a notebook and a pen. Maybe you're taking notes on an iPad; that's fine. But I want to help you get you on the path to making more money and managing your money.

Today we're talking about The Basics of Growing, Maintaining, and Protecting Your Money. Everybody wants to be rich. But what does it look like to truly manage your money and boss up? That's what we're going to learn today. Your money basics will provide you with the right financial foundation. I like to call my financial foundation "financial wholeness." Isn't that a cool term? So that's what we're really going to focus on today.

So what is financial wholeness? It really is your economic foundation. So financial wholeness is when all aspects of your financial life are working together for your greatest good, your biggest benefit, and your richest life. Financial wholeness is another way of saying financial wellness, because if you don't have the right foundation, what will you build your financial house on? So that's what we're going to focus on today. Because if you can build the right foundation, you can really build your house anywhere.

So it's the economic foundation of financial wholeness and financial wellness on which the rest of your goals and dreams are built. It's the plan for every area of your financial life--for example, your money mindset, budgeting, savings, debt and credit. There are specific steps to financial wholeness, and today we are going to discuss those steps. But before--I see you see my slide--it is time for a pop quiz. You thought I was playing? I told you I used to be a teacher. We're going to have quizzes, we're going to have homework, we're going to do it all.

So pop quiz. Here's the pop quiz. I have a question. It's a real easy pop quiz, so don't get nervous. What's your financial nickname? As you might have guessed, mine is The Budgetnista, for obvious reasons, because I'm just out here budgeting. So I want you to tell me yours. Write it down, type it to me. What is your financial nickname? I want you to choose your financial nickname by thinking of your relationship with money and pick a fun nickname that illustrates what that is, so ship that in the chat.

I'll give you some examples of some fun financial nicknames that I've heard. One of my friends, she told me that her financial nickname was called Treadmill because she said she felt like although she was running toward her financial goals, she was staying in one place. No bueno, we don't like that. I've known some folks who've told me that their financial nickname is maybe Spend Too Much or Credit Card Girl. If I had to think about--I have a bonus daughter, Alyssa--if I had to think about her financial nickname, Fancy Pants, because there's nothing fancy that this girl does not want. She's 15 going on 16, and so she's definitely Fancy Pants. So what is your financial nickname? Let me know in the comments, in the chat. All right.

So we're going to go step by step today. If you want to take a screenshot of my presentation, do so. If you're taking your notes, awesome. I want you to write down, "Step 1: Money Mindset." This is what I want you to take away from Step 1. I want you take away, "I have an open and curious mindset around money." Because oftentimes we feel scared or nervous or frustrated around money, but we want to adopt a curious and open mindset about money. A money mindset is about training yourself to look at your finances and financial choices differently.

So let's do a few practice exercises, so not like exercises on the ground. We want to exercise our minds. So here's a practice exercise that my mom actually taught me because Moms be great and all. So she taught me something about becoming a paper towel person. So what does that mean? When I was--actually, I've got my, look, paper towel person. When I was younger, I spilled something. I was always spilling stuff, I’m not going to lie. I was pretty clumsy, still to this day. And my father sometimes would fuss and be like, "Oh, my goodness, Tiffany. You're always spilling something. You have to be more careful."

But this is what my mom did, and she really never fussed when I spilled something. Instead, she would hand me a paper towel. And so I learned that even after the fussing, everyone still has to go get a paper towel. So how do I attach that to your money mindset? So it's best that even if you make a mistake with your money--maybe you've overspent, maybe you've spent money on something instead of the thing that you really needed and now you don't have enough--that certainly you can get mad at yourself and you can fuss at yourself. But guess what you have to go get at the end of the day after you spill something? A paper towel--basically, a solution. So if you focus on the solution and get to the solution first and foremost, you can cut out that fussing, because at the end of the day, we've all got to go get a paper towel.

So we're going to practice this money mindset of we're going to be paper towel people. When you make a financial mistake, ask yourself, "What's the paper towel?" Okay.

Two, need it, love it, like it, want it. That's the second exercise I want you to take mentally. So you might see I'm always wearing my Budgetnista bracelets because on them, they are a physical reminder, it says, "Need is greater than loves, loves is greater than likes, like is greater than wants." Those are your four priorities you have to think about when you're spending money. Need it, love it, like it, want it. Before you buy anything, practice chanting these words internally. Need it, love it, like it, want it.

So your needs really are things that help to maintain your health and safety. They have to come first. So give me some examples in the chat. What's a need? Food; like shelter, a house, someplace safe to live; medicine, like I'm experiencing a little asthma these days--I had childhood asthma and I still have it--and so like my inhaler is going to be a need. What else? Water, transportation. So needs are the things you must have to be healthy and safe.

Second most important are your loves. And here's how you identify your loves. These are purchases that are going to bring you joy one year from now, meaning if you look around a year from now, "Am I still going to be happy that I got that thing?" Like for example, my beautiful plant--see, it's real, and I've kept it alive all this time. I bought this plant when I moved into this house, and that was like 3 or 4 years ago. And the plant is still here, and it still brings me joy. So this would qualify as a love because a year later, it does still bring me joy. Absolutely, it does. Those are your loves. Loves bring you long-lasting joy.

Likes bring you joy about 6 months from now. So 6 months from now, am I still going to be like, "Oh, my gosh, another notebook!" That's me and notebooks. Past 6 months, I'm probably not going to find joy in my notebook because I'll have moved on. So likes bring you temporary joy.

And wants, they don't bring any joy at all. It's just temporary satisfaction. That's like me and my lip gloss. If I get one more lip gloss--I buy it and I typically lose it and I move on to another one.

So we want to make sure that we take care of our needs first, and then really focus on our loves, the things that are going to bring us lasting joy. And that's how you shift your mindset to be able to make the most of your money. I hope that makes sense. So if you focus more on spending on your needs and loves versus your likes and wants, you'll make the most out of your spending. All right, got it? So if you got it, just tell me "Good." Or I'll tell you good. You got it, you say, "Got it," and I'll tell you, "Good." Got it? All right, got it. It's good.

So three when it comes to mindset, I'm going to talk about accountability partners. So what does that mean? Your accountability partner is someone who's invested in your financial success. So it could be your bestie, it could be your parents, a guardian, it could be a partner, it could be your cousin, your sibling, you know what I mean, your neighbor. So having someone you trust and like work through your financial journey with you is a good way to stay on track.

Because honestly, personal finance is a team sport. It's like basketball. You've got to pass the ball, you've got to check each other, you've got to, "You good? You got it?" So working through one of the biggest mindset mistakes that people make is that they try to work through their finances by themselves. And working through your personal finances by yourself is really not the way. You want to make sure that you have people alongside with you, and the number-one person is going to be your accountability partner. I hope that makes sense. Got it? All right, got it! Good.

All right, Step 2. Are you taking your notes? You should have Step 1, Mindset; Step 2, Budget Building. As you might expect I love budgeting. I do! I know it's like, "Budgeting?" Can I tell you a secret? I know a lot of people think like your budget is there to tell you no. They're wrong. Your budget is your say-yes plan. It's there to say yes if, yes and.

I want you to remember back when you were like a little kid and you wanted to go outside to play. Maybe whoever's raising you--your guardian, grandma, grandpa, mom, dad, whoever--and you were like, "Can I go outside to play?" And you had actually got back from school, and they would say, "Yes, if you finished your homework." "Yes, and take your sibling with you." "Yes, when you have dinner." That is what your budget is here to say.

"Budget, can I buy this new pair of sneakers?" "Yes, if you save." "Budget, can I get that shirt that I really want?" "Yes, when you pay that person that owe back." You see what I mean? Your budget is your say-yes plan, but it's there to create a plan for you that's sustainable so you can maintain the money that you have. So your budget's not there to tell you no; it's there to give you a safe yes, just like whoever raised you, the person that cared about you and raised you, they're there to give you the safe yes.

So here's what I want you to take away from budget building. I want you to take this part away. "I have a written personal budget," it has to be written or typed somewhere. It can't just be in your head, basically. "I have a written personal budget. I have the necessary checking and savings accounts to support my budget." Got it? Okay. Because having a budget without the proper savings and checking accounts is not really having a budget at all.

So here's a quick and down-and-dirty way to create a budget. Are you ready with your notebook? Write these things down. Step 1--we're creating a budget in four steps.

Step 1, list everything you spend money on. We call this your money list. Okay? List everything you spend money on. That's Step 1.

Step Dos--oh you see me. I'm here speaking Spanish, o papito. My Spanish teacher from sixth grade would be like, "Tiffany. Stop this. It's okay."

Step 2: Write down what you spend monthly on each item on your money list. Because here's the critical part about a budget. I want you to understand that a budget is money in, money out, money in, money out, typically within a 1-month span. So you're going to write down everything you spend money on, Step 1, and then you're going to say how much I spend each month on these things on my money list. Does that make sense?

So let's talk about some things that might be on your money list. Like me, I have lots. So I get my locks twisted every 3 months or so, and it costs me about $90, so on my budget I wouldn't put $90 because I get it every 3 months. So I have to do $90 divided by 3. See the math? There's math in it. So that means $30 a month is what I spend on getting my locks retightened. You see? Okay, so Step 2, write down everything you spend monthly on each thing on your money list.

Step 3, add up the expenses on your money list. So you're going to add up, like, I don't know if you have, maybe you have a gym membership, maybe, like I said, your grooming--whatever those expenses are, you're going to add up all--maybe you have bills you have to pay, maybe it's your cell phone bill. So add up that money list.

And then Step 4, subtract how much you're spending a month from what you make each month. How much are you actually bringing in each month? Maybe you have a job, maybe you have someone that sends you money every month or gives you money every month. Whatever that is, whatever you're making monthly, subtract what you're spending each month. And there you have a budget.

Okay, you have your say-yes, say-yes, say-yes plan. Okay. Now that you have your numbers, let's start a budget without actually budgeting. So this is one of my favorites. I call it "split it before you get it." You can tell that I think I'm like on a Broadway show. I love singing, even though I don't sing well.

Split it before you get it. So now you have your numbers, because you have to have your numbers first before you can split it before you get it. I'll explain what "split it before you get it" means. You're going to split your money into three bank accounts--uno, dos, tres. Two checking, one savings. Two checking, one savings.

And if you can't do it now, remember that when you do get your first job, or if you have a job now, see if that job will allow you to put aside money for retirement. I know you're super young, but still. And if the job doesn't have--maybe you're working part time and you don't have that option--that's okay, because you can still put money aside for retirement after. Like I told you, my stepdaughter Alyssa is 15 going on 16, and so she works for me. She's my TikTok manager. Isn't that crazy? People get paid for anything these days. But she's good. She's my TikTok manager for real. And do you know, when I pay her--it took her a while to get used to this--but when I pay her, some of her money has to go into a retirement account. She's like, "But I'm like only 15." I'm like, "Yes, but one day you won't be 15, God willing." And so she gets some of her money upfront for herself--she's an employee--and then some goes into her retirement account. So just keep that in mind. It doesn't matter how young you are, that you want to set aside retirement, first and foremost if you have a job. So I think that she put in our--no, she actually has an external one. So she doesn't even qualify, really, to put it in my company's retirement account. But she has her external one. So you can do that. As long as you work, even if you're 15, 16, 17, that can happen. So split it before you get it.

Here are the three bank accounts I want you to have. You're going to have two checking, one savings. Checking number 1 is your spending account. So what does that mean? That means when you get paid, you'll leave some money in the first checking account for spending. So maybe you help out with groceries, you get your hair done, grooming, maybe you get a haircut, entertainment, hanging out, so you just keep your spending money in that first checking account.

The second checking account, if you contribute to the bills in your household, I like to have a separate checking account for bills. I like to keep my spending and my bills separate.

Now here's the thing. For my bills account, I don't really like to have a debit card attached to the bills account, because here's why. I don't want, when I--actually, I have a real wallet here. Isn't this wallet so cute? It's so cute. It was made in Tibet. Although I've never been to Tibet, that's what the lady told me. Let's hope she was bring truthful. So I don't want, when I go to my favorite store--obviously, this is not, this is like, again, a business card--I like to be like visual, if you haven't noticed, all right? So I'm like, "This is a business card." I don't want to accidentally grab my debit card that's for my bills, and then I'm swiping away and I'm like, "Wait a minute. Was that my bill money?" So I don't like to get a debit card for my bills checking. But I do have one for my spending account, my checking account for spending, which is great, because that's what it's for. I'm going to spend everything. And then I don't get a debit card for my bills. Instead, I like to go into my checking account and pay my bills from there. Or if you really want to get funky with it, I like to pay my bills automatically from that account, so that way I don't have to think about it. Okay? So checking number 1, spending; checking number 2, bills.

And savings, a short-term/emergency fund, because emergencies happen. So you want to have a savings account that you set aside for emergencies. Does that make sense? Got it? Good. Got it? Good!

Step 3. Let me out of here, because I'm going to get this running my mouth. Step 3, save like a squirrel. All right, save like a squirrel. Here's what I want you to take away from Step 3. "I have a savings plan that helps to fuel my personal goals." Okay, great. So now that you know how to create a budget, it's time to save. So why do I say, "Save like a squirrel"? I'll tell you that in a minute.

So there are two savings categories. I like to save for emergencies because emergencies happen, and I like to save for goals. So goals, like maybe you want to purchase a car or maybe you want to set aside money for school, maybe you want to set aside money for an outfit or a concert or whatever. That's separate savings from emergencies. Emergency savings is set up for if something happens that you were not expecting. Oh-oh! You'll be able to pull from that account, then goal savings, I like to have a separate, that money separate.

So if you have a job, you want to start to set aside each month for emergency savings. This money is for when something unexpected pops up, because these things happen. Your emergency savings is going to help you pay for those expenses that you might not otherwise have budgeted for. So goal savings, like I said, is all about when you set aside money for something in the future. Like maybe you, like I said, school clothes, car.

So here's the thing. Your goal savings is going to help you get the things that you want. Remember, I said your budget is your say-yes plan that's going to help you get the things you want in a responsible way. And to save like a squirrel--I said I was going to bring it on back to the squirrel, and maybe this is your financial nickname from the pop quiz, you should focus on saving in times of abundance, like squirrels in the fall. So like I live in New Jersey, and when it's fall, there's lots of acorns around, and those squirrels be going crazy. They're outside. Do you ever see squirrels? I don't know where you're from that if you see squirrels, but the squirrels go crazy because it's like Acornapalooza. There's acorns everywhere, and squirrels know that this time's not going to last, and it's not always going to be acorns in abundance. So that's when they save the most and work the hardest. And then when financial winter hits or when their winter hits, because we get winters here, and it's snowing or whatever, guess what squirrels do? They lay up in their little trees with all the acorns from the good times.

And so that's the goal for savings, is that you're going to lean into your savings when times are lean, like the squirrels in the winter, and then you're going to work as hard as you can and save as much in the fall like squirrels in the fall. Does that make sense? You're going to save like a squirrel. Save the most when you're making the most, and live off that when you're not. Got it? Got it!

All right, moving on to Step Cuatro. I don't know how to say "step" in Spanish. You would think I would know. I took Spanish all through, even through college. [Inaudible].

So Step 4, dig out of debt. Does anybody have debt here? There's no shame, no shame, because I certainly had debt as a result of my college student loans and I had credit cards when I was going to college. So if you have debt and you feel like sharing, you can say, "I do," because we're going to talk about digging your way out of debt. So here's what I want you to take away from digging your way out of debt. I want you take away that, "I have identified the best plan for me to pay down my debt." Okay, here's one of my go-to debt paydown plans. Are you ready? Are you set? Let's go.

The avalanche method, and here's how the avalanche method works. It prioritizes paying off the debt with the highest interest rate first, no matter the balance. So how? Here's how you're going to do the avalanche method. Like I said, if you have debt, you might want to lean in and get your pen ready. So here's how. You're going to list your debt from highest interest rate to lowest interest rate.

So the interest rate is the fee that you pay the institution or the person as it relates to debt, anyway. So we're talking about interest rates as it relates to debt, because there's interest in other ways, but we're talking about interest rates as it relates to debt is the fee that you pay to borrow the money. Because nothing's free, right? Nothing's free. So if you borrow money, the institution or the person might say, "Yes, you can borrow money, but it's going to cost you 2%." "You can borrow money, but it's going to cost you 5%." Whatever that interest rate is--it should be listed on whatever debt you borrow--you're going to list them from highest interest rates to lowest interest rates. Why? Because we're going to focus on paying off the debt with the highest interest rates first.

Here's why. Because that's your most expensive debt. Remember, that's the fee you pay to borrow. So the higher the fee, the more expensive it is to pay back. So we want to get rid of the expensive things first. Does that make sense? So you're going to list highest to lowest interest rate for your debt, and you're going to apply--this is why a budget and savings is so critical--because you're going to look at your budget, "Hey, say-yes plan," and you're going to say, "I need a little bit of extra money to pay off my debt." So maybe you could find an extra $25 or $50, because you should be paying at least the minimum already to that debt, ideally at least, and you're going to get that little extra from your budget--maybe you'll pull some from your savings and say, "Hey, I know I was saving $50 a month, but I'm going to now save $25 a month, and I'm going to put that toward my highest interest rate debt plus its minimum." So you're going to be paying that highest interest rate debt like two payments in one. It's minimum plus that extra money. Let's just say it's $25.

So you'll be paying it, paying it. Even better, automate. If you can automate it, it's even better, but if not, you can pay it every month. You can go into your computer, pay it. Go in your phone--you know, these smart phones are super smart. Go in your phone, pay it, and then once that debt is paid off--this is the really important part--you're going to look at the second-highest interest rate debt on your list, and you're going to roll over the full payment there. You're not going to say, "Woo hoo, it's paid off! Now that minimum payment and that $25 I was giving it, I get to keep that for myself!" No, you're going to give it to the second-highest debt on your list, so the second-highest interest rate debt is going to get almost three payments in one. It's going to get its minimum that you were already giving it all this time, it's going to get the first debt's minimum that you just paid off, and that extra money that you've got in your budget, so that $25. So it's going to get minimum, minimum, $25. Minimum, minimum, $25.

And as you pay it off, pay it off, pay it off, guess what? You're going to say, "Woo-hoo!" and then you're going to roll it over to the next debt until you're debt-free like me. Did you know I'm debt free? I don't have any debt. So this is awesome. And so what I love about not having debt is that when my money comes to me, certainly I have to pay bills, but I don't owe anybody, and it feels great to be debt-free. And so the benefit of doing it this way is that you pay off your most expensive debt first. Does that make sense? Got it? Got it! Good.

Moving right along, Step 5, score high. So [coughs] asthma, you're not going to win today. If anybody has asthma, you already know the struggles.

Score high. We're talking about credit, don't forget it. So here's the takeaway I want you to have from Step 5. "I know what a FICO score is, and I know how to make it grow,

grow, grow." Okay? Now here's things to consider when it comes to learning the language of credit. There's three things. I want you to know that your credit score is like your financial GPA. Basically, it's your grade about how you manage your money. Two, your credit report is like your transcript, so all of your academic business is out there, same thing about your financial business. It's on your credit report. And then three, the credit bureaus are like your teachers. So the main credit bureaus are Experian, Equifax, TransUnion. They give you your score. So if you know those three things, we're good to go.

Now we focus on FICO scores because it's the most commonly used credit scoring system, and that score ranges from 300, which is like an F minus minus minus, to an 850, which is an A plus plus plus. But here's the thing. Just like there's a range to get an A, like a 90 and 100, all the way through, that's all an A, it's the same thing with your credit score. So if you get a 740, you're still getting an A. So anywhere from a 740 to an 850, you're in the A range. So I tell people it's great to get 850, but aim for at least that 740. This is for--you might not even be ready for credit yet, but it's good to know these things.

Now something else to consider is there are five components to your credit score. We're going to run through them quickly. Get your notebooks out.

Component 1, inquiries. That means anybody who is not you looking at your credit score with your permission, and you typically give your permission by sharing your Social Security number or the last four digits. Like if you go to a store and they say, "Would you like to save 20% off today?" by getting a credit card for that store, that's an inquiry. Say no, no, no, you want to save your inquiries for when things are important, like purchasing a house eventually or getting a car or even getting a loan for school.

Number 2, 10% type of debt. You don't have to do anything here. The older you get, you'll have different types of debts that will just enter into your life. You'll have revolving, which is credit cards; you'll have installment loans, which is like a student loan or a car loan. You don't have to do anything; just know that's 10% of your score.

Third component of your credit score is length of credit history. That's 15% of your score. Just the longer you live, the longer your credit history is going to be. I like to keep my oldest credit card open that I got in college to keep that credit history going there. So you just continue to use your credit wisely. If you want to keep your first credit card open, you can do that.

30% of your score is something called utilization or amounts owed. So what does that mean? That means--I'll give you an example. I'll show you. So if you have a credit card and it's $100 for the limit--that's what they've given you--and you put on $50 on this card, your utilization is 50%. That's too high. They want to see utilizations, keep it under 30% on average. Under 30% means you're going to be able to raise your score or keep your score solid. That means no more than $30 on a $100 card. That's 30% of your score.

35% of your score is just payment history. That's just do you pay your credit card or whatever or whoever you owe on time, and do you pay them exactly what they ask for or more? So if it was me and you're someone who is like, "Okay, Tiffany, I don't even have no credit right now." That's fine, but if you do have credit, you're using credit cards, if you borrowed money, I would focus on utilization and payment history to raise your score. Remember utilization is how much your limits are versus how much your balances are. Payment history is just a record of do you pay your debt on time or not.

If you want to make your score jump, then I would put a small little bill on that credit card every month. Let's just say you have $10 gym membership. Put it on this credit card every month. Remember that checking account for bills that we talked about earlier?

Then have that checking account pay that $10 every month on your credit card. If you do that every month, that means 12 times a year your credit score gets to jumping because that's what we're wanting. We're wanting to show that time and time again, we make good financial choices, month after month after month. Does that make sense? I hope it does because credit is going to be a critical component of your life.

Let's move on to the next step. Next on the docket is learning to earn, aka increase your income. Money, money, money, money! This is about getting your money on. Here's what I want you to take away. "I've identified ways I can earn an income by working." So the best place to start making money is at your current job. Do you have a job right now? Are you working? Let me know on the comments. So here are some ways to make sure you're making the maximum you can in your position. Are you ready, especially you working folks out here? You ready? Okay.

So one, I want you to do your research. How much does the job you're interested in pay? Use Google and ask friends with similar jobs about the pay and the workload. Because one of the worst things that people do is that they take a job and they don't even know what the pay range is, so they take the first thing that they're offered, not knowing that maybe there was extra $5.00 an hour on the table or whatever. So do your research.

Two, check your time. If you're still in school--so I got my first job, I got my working papers. You have to go to high school and get papers that say that I'm allowed to work. I think you can get them at 14 or 15. So if you're still in school, will you have time to work and how many hours?

So I got my working papers, but my parents did not let me work during the school year. I got them so I could work in the summer. Because you want to check your time, because if you're in school, you want to make sure that you're really giving the lion's share of your time--I never understood what the lion's share meant. I guess the biggest part, but I mean like why? My dad used to always say that, so I'm going to say it. You're going to give the lion's share of your time toward school. And so you want to make sure, "Do I have time to work and how many hours?" before you go looking for a job.

Three, you're going to create a brag book. I like to call this your, "Go, me!" file or document. So what is that? This is when you've got to write down how you've contributed to the company you work for. And when you're ready to ask for a raise, you can bring proof of the value you brought to the table. So say, for example, you work at, I don't know, a retail store. And because of the way you fixed the stockroom, it makes it more efficient and they're selling more sneakers. And you're like, "Oh, my gosh, as a result, we sold an extra $5,000 worth of more sneakers this month." Now, because you can quantify it, baby, you're going to write that down in your "Go, me!" "Helped make company $5,000 this month."

Or maybe you took a shift for somebody so they didn't have to close the store. "Took a shift so store did not have to close." Write down always what--you should be doing this from now until, until, until, until. Because that "Go, me!" file, when you go to say, "You know, I've been working here for 6 months," or whatever, "I really enjoy working here. I would just love to talk about what does it look like to expand and grow, and I'm seeking a raise and here's why. Here are all the ways that I've brought value to the company." Financial value, but then just also just like value in general. So create a "Go, me!" file. So that's number 3.

Number 4, always negotiate new job offers. I made this mistake. I did it, but you're not going to make this mistake. Never just take what a job offers to pay you. Ask what the pay range is, and you'll know what you should be making because you've done your research. So I made a mistake my first job out of college. I remember I was teaching preschool, and this childcare center, they told me how much I was going to make. I think it was like $36,000, $32,000 or something like that. And I said, "Okay," because what do I know? It was $32,000 and I said okay. So then I told my dad and I said, "Oh, Dad, I got this job at a school. I'm going to be teaching at this childcare center." I was going back to school for my master's in education. And he was like, "How much are they going to pay you?" I said, "$32,000." He said, "Uh-uh, boo-boo," because where he worked, they had childcare centers and they were paying $39,000. And I'm not a mathematician, but I do know that $39,000 is more than $32,000. I was like, "Say [inaudible]." When that's not in the league you say, hey, now here's the thing.

When I met with that lady, she showed me a chart. She said, "Here is the pay chart, Tiffany." She had an official chart. I'll never forget it. She said, "Here's how many years of experience you have, zero." I said, "This is true." "Here's your education. Bachelor's." I said, "But I'm working on a master's." She said, "Working on is not happening." I said, "Okay." "So here's what the chart says. This is the chart from the state. $32,000 is what you're making." I said, "Okay." At the time I was 21. I was like, "Well, the chart says $32,000." So my dad told me $39,000. I said, "Woo-hoo, he must have a different chart over there." So I went back to her. I said, "Hey, lady with the chart. Thank you so much for the offer. I'm actually going to take this job over here." And do you know what she said? "No!" because she loved me, because you see how wild and crazy I am. She knew the kids were going to love me. This is me now, super grown. Imagine when I was 21. I had even more energy. And she was like, "No." She had a son who she wanted to put in my classroom, because she was like, "You seem so fun. I want you to be my son's teacher." And I was like, "Yeah, but--" She was like, "Can I ask why?" I said, "Well, the new place is going to pay me $39,000."

And she said, "How about we could pay you $36,000?" And I remember being like, "I don't understand. The chart says $32,000." And she said, "Yeah, but we can pull money from here." I said, "Oh, sneaky, sneaky!" I didn't say that; I was thinking it. "Oh, sneaky, sneaky." And that was when I realized, "People be having money." But what it taught me is that you have to negotiate. And so I had left money on the table because I was intimidated by the chart. You can always negotiate, chart or not. Okay? So I ended up going for the $39,000, because $39,000 is still more than the $36,000 that she was offering. So boo-hoo for her.

Moving right along, Step 7--ooh, we rounded the corner. Invest. Okay, invest. "I have identified"--this is what I want you to come away with. "I have identified the areas of investment I want to learn about." I know you might be thinking, "I'm too young to worry about retirement." The truth is, as soon as you start working, like Alyssa, my bonus daughter, she's 15. She's working now. You should start thinking about setting aside for the day that you don't have to work anymore. Because Alyssa is starting at 15, she's starting at 15, so maybe by the time she's 25 after graduating college, maybe even 30, if she does what I tell her to do--if I could just get her to clean her room--but if she does what I tell her to do, then she might not have to work in her 40s and 50s and 60s. That would be amazing.

So there are two types of investing I want you to at least start to think about, even if you don't do anything about it. Think about it. One, investing for retirement, and here's how it's different from the other type of investing. Investing for retirement, I want you to be able to say, "I know how to take care of my future self by investing consistently and automatically into a retirement account." Don't worry if you're like, "I don't have a retirement." I just want you to start thinking about that there's investing for retirement, which is to take care of your one day future self, consistently and automatically so you don't have to worry about working one day.

And then there's luxury lifestyle investing. For that, it's, "I know how to improve the quality of living now while leaving something for later." So the reason why it's two separate, and you have to prioritize investing for retirement first, because you have to take care of your future self first and foremost. Once you start to get some money going toward your future self, then you can start investing for living good now. And so there's nothing wrong with that, but you want to invest for protecting your future self via retirement and then once you get that going and you're maxing that out, then you can start investing for a luxury lifestyle, meaning like you get to improve the way you live now and leave something for later. You want that private yacht? Before you get that private yacht, make sure your future self is taken care of.

So if you're not working, you don't have to do these things right now, so don't worry about it, but it's good to know what's coming up. So if you have a job, here's what to consider for those of you who are working. Working 9-to-5--you're all too young for that. Start with investing for retirement, and I say the purpose is to maintain your current lifestyle even when you're no longer working. That's the key for investing for retirement. "I'm not working, but I can still live the way I've been living." If you have a job, you will likely have access to like a 401(k)--that's what they call it--or a 403(b) if you work for a nonprofit or school. This is a retirement account typically offered from your job. Whatever you choose, choose to start now. So if you have a job and you're like, "I don't know," go to HR tomorrow or whenever work opens back up again, and I want you to say, "Hey, do I have a 401(k) here? Am I eligible?" Start now. As I said, Alyssa's only 15, and I've already got her started. So you're going to set aside money for your older self. It's your younger self's job to look after your older self.

So actually, I like to name my older self. So my older self, her name is Wanda. Wanda is sassy. Wanda be like, "You know what? What we're not going to do, Tiffany, is spend up all the money now so I don't have any for later." So I like to think about my older self and give her a name so when I'm making financial choices, I'm making sure that the choices I'm making are going to look after Wanda and Tiffany. But it's Tiffany's job to take care of Wanda.

So what's your older self's name? What's your older self's name? Let me know in the comments. Okay? Okay. All right.

So investing for a luxury lifestyle, that's the second part of investing. The purpose is to improve your current lifestyle and leave something for later. One of the most common places to invest is the stock market. The stock market is a place where people buy and sell shares or little parts of a company. So if this is a company--let's pretend these are all shares. So the company looks like this is a share, this is a share, this is a share. People buy and sell these shares, your parts of a company.

So here are three different ways to invest in the stock market. Does anybody invest now in the stock market? I'm curious. Let me know in the comments.

So three different ways to invest in the stock market is to buy one share of one company. The stock can be bought and sold throughout the trading day. So that means the stock market is open during the week, and so during that trading day, you can, like, buy the share, sell the share, buy the share of this one company. Let's make up a company and call it The Budgetnista, me. So let's just say this is Company Budgetnista, and you buy my shares. That's individual stocks.

A mutual fund is actually a collection of baskets of stocks in multiple companies. And unlike stocks, mutual funds cannot be bought and sold throughout the day. They can be purchased once daily after the market closes. So I have multiple businesses. I have Budgetnista, I've got an online school called the Live Richer Academy, I've got this children's book thing called Mali More. So imagine that instead of the Budgetnista business, it's like a basket of Budgetnista--my podcast, Brown Ambition, Mali More, Live Richer Academy--so you're literally going to buy a basket of some of those stocks. And the reason why some people like to get that basket is that if one stock goes bad, the other stocks in the basket hopefully will still keep that basket fresh. Because if you buy an individual stock, just Budgetnista, the Budgetnista goes down, then there goes your money. And there's no right or wrong; it's just so you know. Mutual fund is a basket.

And then there's another type of investment when it comes to the market that you can try. It's called an ETF. It's similar to a mutual fund. It's like a mix of stocks in a fund, but it's a basket that can be traded like individual stocks. Remember that mutual fund, you can only get that basket at the end of the trading day, one time? Well, with an ETF, it's a basket that you can buy and sell. So think about the ETF like a mix between stocks and mutual funds together.

So don't worry if you're like, "What?" But it's good to just know these things. So although you might not be ready to invest today, that's okay. It's never too early to at least start to learn the language and to start to learn about investing. Remember, a really good investor is an educated investor. Invest time in learning the language of money, and this may include taking courses as necessary. That's why you're here. And so that's just really important for you to keep in mind. All right? Ready, let's go.

Now let's talk about Step Ocho, insurance. And I understand that insurance might not be something you're thinking about, but I want you to take this part away. "I understand what insurance is and why I might need it in the future." So here's some insurance to keep in mind.

Health insurance. All of us need health insurance, so your options are when it comes to health insurance is to stay on your parents' plan. If you're a student and you're under the age of 26, you have this option to stay on your parents' plan, your parents' health plan. And if you're going to select this option, it's going to be a really good idea to contact the insurance company to get details about what does that coverage entail.

Then also they have student plans. Many schools offer coverage, so this could be a good option. Just contact your school. They should be able to give you details about that.

And last but certainly not least, there's the Health Insurance Marketplace. So here is an option where you could actually purchase health insurance from the marketplace, and you might be able to qualify and receive financial help from the government to pay for your plan. You might even qualify for something called Medicaid.

There are other insurances to think about outside of health insurance, like life insurance. This is the money that you would leave someone that you're taking care of financially when you're no longer here. There's disability insurance. It's typically low-cost and it's provided typically by your employer, that when you're not able to work--let's just say you get hurt in a car accident--disability insurance will pay you some money to keep paying your bills while you're out of work.

There's property and casualty insurance. This is just a fancy way of saying homeowner's or car insurance. This also could include your apartment. If you have your own place, you definitely want to get renter's insurance. It's typically pretty inexpensive, so get renter's insurance. And there's extra insurances like pet insurance, for example. A friend of mine had a cat and it was pretty sick, and she had a huge bill, but now all of her animals have pet insurance to keep those vet bills down. That's what insurance is for. Got it? Good. We be coming round the mountain when we come. We're on the last one, okay!

This is all about money team. So your money team, aka your financial pros. So I want you to think about this. Although you might not need them now, I want you to say, "I know who will one day be on my money team." So your money team is people that will help to affect or are affected by your financial choices, so meaning like people who are going to help you make the choices or people whose choices that you're going to affect their lives. So it's important to know that your money team is not just people who are going to help you but people who your choices are going to matter to them. So having access to the right people can help make your money go kung-fu.

If you have your pen and pad out, like I said, let's write down some potential team members. One, your accountability partner. Everyone needs at least one. Remember, we talked about this earlier. They will help to encourage you and hold you accountable to your money goals. So remember, they don't have to be a financial expert. They're just there to say, "Go, team, go! Go, team go!" while also working on their goals, too, so you could say, "Go, team, go! Go, team, go!" Accountability partner.

Two, a Certified Financial Planner, often called a CFP. This is like a financial adviser. You don't likely need one now, but one day as you make more money, honey, and make bigger and bigger financial choices, having expert advice is really going to help, or may really help, depending on the situation you're in. As much as I know, I have a CFP financial adviser. And sometimes when I'm like, "Wait. Should I do that? Wait, what about this?" I call Angelie. "Angelie! Girl, what about this, this, this, and this?" And so we talk and then she helps me to make the best choices for myself and my family. So that's two, a Certified Financial Planner. You don't need one now, likely, but it's good to note for the future.

Something else to note for the future, a Certified Public Accountant, a CPA. If you have a job, you will likely have to file taxes. For the most part, you could use tax software to do basic taxes for now, which is fine. But as you get older and you make more, a good CPA can help you manage the tax process and can maybe help you save money. But if you have just basic taxes, just you, yourself, and you, you don't have maybe dependents, you don't have children, you don't have property, whatever, basic tax software is fine. I used that up and through my 20s, and that's fine. It wasn't until I started having the business and all the more complicated financial things that I thought, "You know what? It's time to get a CPA," which I do. Shout-out to you, Angie! It's different for Angelie; this is Angie. And so she helps to make sure that I'm making all the right moves, and she does help to save me money by not letting me make tax mistakes.

And four, an insurance broker. This is your money team. If you plan on driving or owning a home one day, having someone help you choose the best insurance can save you money and help you get paid in case of an accident. So insurance broker is just someone who's going to help you--remember all those insurances that I listed prior to this for Step 8? An insurance broker can help you navigate, navigate. Navigate, navigate. And help you elevate, too.

So these are some people to consider for your money team one day. I know you might think, "I don't need none of those people," but it's still good to know one day you might need them.

Whoa, child! I feel good! How do you feel? Okay, so today you've learned nine steps that will help you manage your money now and in the future. These nine steps will help you work toward financial wholeness/financial wellness. So I hope today's presentation was helpful and fun, because I had a good time. And you're looking good [inaudible].

But before you go, I have some homework for you, because I told you I was a teacher. So we're going to have some homework. And so here's some of your homework. So I want you to choose one step to work on in the next 24 hours. That's it. And you're like, "Oh, what's the homework?" No. Are you going to just work on your budget, credit, debt? Are you going to look into your insurance because maybe you are a renter? Are you going to talk or think about investing? Maybe you're going to take an investment class. Are you going to ask for that raise or start your "Go, me!" file? Choose one step and choose one thing that you're going to do within 24 hours.

It's important to practice taking action--simple and soon action--and that's just really critical. It's a skill set I want you to practice because it's going to help you the rest of your life. So your homework is super simple and soon.

You can find me, and we're going to take some questions in a moment--you can find me, I'm The Budgetnista of all the things. I'm on IG at The Budgetnista; TikTok, I told you Alyssa is getting my TikTok life together as my visual augmenter. I'm on TikTok, The Budgetnista; I'm on Twitter, The Budgetnista. And so yes, this is actually my book, Get Good with Money. It's a New York Times bestseller. But yes, so let's take some questions. Are you guys ready to take some questions?

Excelente. Let's take some questions. Don't be shy. Yes, let them pour in. If you enjoyed the presentation, my love language is words of affirmation. I love, "Good job, Tiffany." It never hurts to get a, "Good job, Tiffany." So words of affirmation.

Okay, here are some questions. Great. Okay. Question 1: "Should you be paying the minimum amount on your student loans to have more money in your pocket now or pay off as much as possible to shorten the lifespan of the loan and reduce the interest?" The accumulated interest, because interest builds up over time. So here's my answer. So typically, student loan interests are low, typically, especially if they're federal student loans. And if your interest is under 10%, if it were me, I would pay the minimum and use the excess to invest because the stock market, honestly, on average gives an average return of 10%. So do you understand, meaning like if the interest is costing you less than 10%, I might as well go make 10% in the market so I can have more and then I can pay, you know, making more while also managing, like, you know, because you want to definitely pay your minimum so it's not delinquent. But if your interest is over 10% for your student loans, then it's costing you more than what you'll likely make in the market. So if your debt--this is just in general--if debt is going to cost you more than what you're going to make in the market, pay the debt. If debt's going to cost you less than what you're going to make in the market, pay the minimum plus a little something, but then focus on earnings.

Numero dos question. Let's see, okay, "How should students prepare for post-graduation living costs while still in college?" This is great, because so many people graduate, they're like, "Yeah, I've graduated. Wait, where am I going to live? What am I going to do?" So here's my advice. Start budgeting now. Start working on your credit now. Identify potential realistic income by using sites like Indeed. You can literally go on and say, "Based upon I'm going to be a teacher, I'm going to be a," I don't even know. "I'm going to be a paralegal," whatever it is you're going to be, price out in your area what you're likely to make and how much it's going to cost. You might even start looking for roommates. Maybe you like your roommate from college, and you're like, "Sis, when we graduate, let's live together if you're going to stay here in this state or wherever you're going to go." So start pricing out your college life and pricing out what you're likely to make so you can start setting aside money now. Because you're going to want to buy things. You might want to get a car because you might need one. You might want to get some furniture and things. So start budgeting now, especially if you're a junior or a senior.

Three, "Is it more beneficial for your credit score to leave a credit card open or close it if you want to stop using it?" Okay, this is a good question. So should I keep your credit card open or should I keep it closed?" Now the answer to this, it really depends. If closing your card is going to--remember we talked about utilization? So utilization is also an average. Let me show you. So we're going to pretend we have two cards. One card has $100 and the other card has $100. So we have two credit cards here. One card has a $100 limit, one card has $100 limit. As it is right now, let's just say I'm using $100 on one of these cards. Actually, let's just say I'm using $50 on it. So I have a $50 balance on one of these cards. What about the use of fractions? So altogether, I have $200 available to me, but I'm only using $50 of the $200 totally, collectively available to me. So as it is right now, it actually may be $100, but actually, that just makes it easier. Makes it easier for the man. So let's just say I'm using $100 out of $100, which we know maxing out is not good, but just for the sake of math. You have $200 available, and you're using $100 of it that's available to you. So really, of all that's available, you're using 50% of the available limit available to you. 50% is still too high.

Well, what if you said to yourself, "I haven't used this card. She's out of here." Guess what: you went from 50% utilization, which was already high, to now 100% utilization, which is super high. So now your credit score's going to go down, down, down, down, down to the ground. So you're going to want to do the math and ask yourself, "Before I close this card, will it bring my utilization over 30%?" If it will, keep that bad boy open. If it won't, if you'll still--let's just say you have a card and instead of having $100 utilization, you only have $10. So closing this, you'll only still be 10% utilization instead of 5% utilization, if that makes sense. So closing this card, if you only have $10 on one card, is not going to make a difference as far as your utilization because you're still going to be well under 30%. So only close a card that will help keep your utilization under 30%.

All right, what else? Questions, question, question. Okay. "So where is the best place to start learning about investing for wealth, i.e., individual stocks, mutual funds, ETFs, et cetera?" Okay. I'm glad you asked this question because remember what we said before, a smart investor's an educated investor? Honestly, the best place would honestly be to find a really good podcast like mine, Brown Ambition, listen. Also, honestly, Get Good with Money, my book, certainly. But also, too, what I love is that you can lean into banks like PNC. They often have classes to teach you about investing, because the earlier you could start--I wish I would have started when I was like 15, Alyssa's age--because what! I'm going to stop working at 30, okay?

Okay, another question. "Is it smart to stay a part of a joint bank account with your parents when you graduate from college or is it more beneficial to start your own?" Okay, now it depends for you. If your parents are still helping you out financially, then it's okay to stay, but you do eventually want to have your own. I did this with my sister, the baby. She's not a baby anymore, but when she was in college, I had a good job. We had a joint account and I was putting money in there to help her out. And now she has her own, even though she still asks me for money because she's still the baby, even though she's grown.

All right, what else? "Having a savings account is great, but is it bad if it's just sitting there? Should you be investing that money elsewhere? If so, where should you start?" So this is the thing. I see this all the time when people are like, "Savings is a waste," until your car breaks down. "Savings is a waste," until you have to buy that thing you totally forgot about, and you have to have it, some essential thing. Savings is a safety net. You should set aside a specific fund to invest. Remember, savings are for two things: for emergencies and safety and then savings is also for goals. And one of those goals is to invest. That's two separate things for savings. So you don't want to risk a safety net in the market. So should you be setting aside some savings to invest? Yes.

But it's really important that you have savings set aside for safety only. It's not meant to grow money. We know that's not going to make no money, and that's okay. It's not meant for that. It's meant for, "Oh, my goodness. This thing happened. What should I do? Thank goodness for my savings." Because imagine that you put it in the market and the market is down. And you go, "Oh, my goodness, this thing's happened. I have my savings. Oh, my goodness, it's in the market and the market is down. I don't have my savings for safety." So have savings for two separate things.

I have some good questions. Okay, I'm going to take a few more. Take a few more. Okay. "How should you balance paying off debt, contributing to a savings account, making investments and contributing to a retirement plan when you plan to go back to school, like graduate school, gap year, and will potentially take on more debt?" Okay, so one, if I was prioritizing, I always want to prioritize over time at first. And here's why. I know it's hard to conceptualize when you're older, but I want you to think about, like do you know an older person in your life--your grandma, your grandpa, someone, maybe an elderly neighbor, that they can't go as hard as you can. And so it is your job, always, to look after your grandma/grandpa self. And so I would prioritize retirement first. I'm going to take care of my Wanda first. Then I would be managing debt, then savings, then investing. So retirement, debt, savings, then investing.

Number 8. "What is the best age to open a credit card and are there certain types best suited for young adults?" Okay, so the best age to open a credit card is when you have a job. If you're 20 and you don't have a job, you don't need a card. If you're 40 and you don't have a job, you really don't need a card. When you have a job, that's the best age. And the best credit card I like to start with, especially when you're younger and you're first starting off, is a secured card. A secured card is basically a credit card with training wheels. You know how normally when you have a credit card, it's backed by the bank, so you're literally borrowing money. Every time you swipe your card, it's basically taking out a loan. You're borrowing money and then you have to pay it back or the bank is like, "Hello, what are you doing?" With a secured card, you actually put the money up yourself for the security, anywhere from like $300 to like $600. You put the money up, and whatever money you put up, that's the limit for your bank account. You know what I mean? And so like--not for your bank account, for your card. So if you put up, say, $400 for the secured card, then your limit is $400. And let's just say for whatever reason you don't pay that card back, they're going to get that money from that account. So a secured card is a credit card with training wheels. It's a good place to start for people who are rebuilding their credit or building it from scratch.

All right, what else? "If you only want to contribute to one type of retirement plan, is a 401(k) or Roth IRA the best option?" Okay, I like this question. So a 401(k), if your company offers a match, is the best place to start. So a match is this. I used to work for a place where they matched me 3%. And that meant if I put in 1% of my income into my retirement account, they'd put in 1%. If I put in 2%, they'd put in 2%. If I put in 3%, they'd put in 3%. If I put in 4%, they put in 3%. If I put in 5%, they put in 3%. A match is they will match you up to whatever that number's agreed upon. If your company has a match, get your match. They call that free money. I don't know if it's free money, but certainly, go get your match, because 3% now becomes 6% when you have a match.

Now if they don't have a match, I would start with something called a Roth IRA. This is what I have a list of doing. A Roth IRA is a retirement account that you put money after taxes and things in, so you put that money into a retirement account after you've paid--basically with your take-home pay. And what's great about Roth IRA is that when you go to retire later, as long as you wait until you're 59 1/2 to withdraw that money, you don't have to pay any fees. And because you put the money that's already been taxed from the take-home pay in it, you get to withdraw it tax free, including the growth, which is pretty awesome.

All right, I think this is going to be our last question. All right, let's make it good. Let's make it good. Okay, "Should you focus on paying off student debt before you consider buying a home?" Okay, let's see. Well, I say paying off student debt is typically a long process. So I didn't pay off my student loan when I bought my first, I bought a condo when I was 25. I still had student loan debt. I bought the house I love in now, like 4 or 5 years, but I was able to pay off my student loan debt maybe like a year or so before. But a student loan, honestly, paying it off is usually a long process, and you can add them to the management of your money. I would just learn to manage it, but make my other financial goals my priority.

Because if you make a debt a priority, then that's what you get--debt freedom. If you make growing, like making money and your other goals, financial wellness a priority, you get everything. Because I have a nephew. He doesn't have student loans, he doesn't have a car note, he doesn't have a mortgage. He's debt-free, but Roman just turned 7. So what are we saying? Like debt freedom is cool, but he's 7. Because debt freedom is not just a goal, or else your baby sister or brother, baby cousin, would have one up on you. Debt freedom is not the goal; financial wellness and financial wholeness is the goal. And when you focus on that, you get debt freedom and everything else.

Okay! I say we had a good time today. I hope you really enjoyed it. Your questions were really insightful. Yeah. Hopefully, I'll see you on the social media streets, say hi. Tag a sister! Oh, let me know if you enjoyed it, but thank you all so much.

Operator: Okay, great, Tiffany. Thank you so much once again for your presentation, and thanks to all of you for joining us today. We hope you found today's presentation useful and informative. Thank you once again, and have a great rest of your day.