

EPISODE 889

“RO: Money has always been something that you struggle with, right? I always say, money wasn’t something that we managed in our home. It was something we didn’t have, right? When we talked about money, it was always for my deprivation on place. It was always about how do we get more? How do we hustle with what we have?”

[INTRODUCTION]

[0:00:57.6]

FT: Our guest today is Ramona Ortega. She is the Founder and CEO of My money My Future, Mi Dinero Mi Futuro. It's a mission-driven financial technology company that empowers Latinas to manage their money with confidence and the company creates culturally-relevant financial content that connects their audience to curated financial products.

One of the most important aspects of personal finance is that it's personal. There's no such thing as a one-size-fits-all approach and that's especially true when it comes to teaching different communities and cultures about personal finance. Ramona is making waves in the world of personal finance, by helping the Latino community gain access to important financial education.

She built the company as a solution to an overarching problem in our community, which is the fact that the community doesn't have access to quality and trustworthy financial advice. Through her grit and determination, she built the company step-by-step fundraising, applying to accelerators, overcoming numerous obstacles along the way. Ramona and I talked about as you just heard, her childhood, growing up poor, her role as a single mother and entrepreneur. How does she do it all?

Here's Ramona Ortega.

[INTERVIEW]

[0:02:17.5]

FT: Ramona Ortega, welcome to So Money. It's so nice to have you on the podcast. How are you?

[0:02:23.5]

RO: I'm great. I'm so excited to finally be on this podcast. Been a big fan of yours for a long time. This is going to be a great conversation.

[0:02:31.2]

FT: Once I learned about what all that you're up to, I was like, "Got to have you on the show. Got to have you come through Stacks House." You're the CEO and founder of My Money My Future, and forgive my Spanish, Mi Dinero Mi Futuro.

[0:02:44.5]

RO: Yes.

[0:02:45.1]

FT: I studied French in school, so this is my best Spanish accent.

[0:02:50.6]

RO: That was great.

[0:02:51.4]

FT: Thank you. This is really a mission-driven financial tech company that empowers Latinas to manage their money with confidence. Your background is actually law. Let's start with the pivot, what transitioned you to this startup, what was the impetus?

[0:03:10.0]

RO: Sure. Yeah, so even law school is actually a pivot from my previous career. I spent about, maybe it was 12, 13 years doing international human rights work. I was actually working in the policy realm and particularly around the issues of economic justice, gender justice and those intersections. I worked on the convention on the elimination of racial discrimination. I think it squarely sets me up to be doing the work that I'm doing now. When I was doing that work, I realized at a meeting on finance that all of the men on the other side of the table were the ones wielding power. It was because they're the ones with the deep pockets.

I said to myself, we have to change this. If we're going to make big change, we have to also understand how money flows. We have to understand how capital markets work and how this really results in the kinds of policies that we want to see and change that we want to see in the world. I decided at that point to go to law school. My point was – I was like, “I'm only going to take corporate law classes. I'm going to focus all I can on understanding –” Well, understanding the money. Not even taking down, but really just being at the table. I wanted us to be at the table.

I did that and I ended up – my first year I worked in chapter 11 bankruptcy, with structuring of very big companies in the Southern District. That was an amazing experience, because you really see the full lifecycle of a company. We'll talk a little bit about that, because that was actually part and parcel of some of the work that I'm doing now around shame and money.

Then I ended up going to work with the SEC in the asset management unit. That was right after Dodd-Frank. It was a great time to be there, because it was really when people was starting to look at how do you regulate hedge funds and private equity funds. I got a really good look at how money was moved around, how do you make investments, who was making them, what vehicles were they using.

I realized that all of these things, they're not complicated, but there's a lot of moving pieces. I started thinking about why didn't I have this wealth? Why do I not see women, people of color? Even in working in that world, I just didn't see that many of me represented. I started asking

myself, why was it that we weren't represented? Why didn't we have hedge funds? Why were we not sitting at these tables with large amounts of money, essentially?

I thought, "Okay, what would I had told my 20-year-old self," right? Because I've been working forever. I started working when I was probably 13, 14-years-old cleaning houses, cleaning offices. I've made money. I know how to make money, but somewhere along the way, I didn't get the information that I needed clearly to build wealth.

I started working in litigation. We worked on Madoff, you're probably familiar with him. I've worked in securities litigation for a couple of years, and I started talking to women in my cohort, other Latinas who were lawyers. I would ask them what they were doing with their portfolios and how they were managing their money. Overall, the answer was, "Oh, I don't know anything about that, or I don't take care of that, or I think, I mean, I put money in my retirement, but I don't really watch it."

I thought, "Wow, how interesting that some of the smartest women I know have this confidence gap around money." It was at that point where it clicked to me and I said, "You know what? Why don't I do a newsletter that's focused on my community of women?" At that point in time, we were focused on Latina women, but we've actually now pivoted to more of a multicultural audience. We decided that we would start with a newsletter. Then when we had an event, we had a very big event in LA. We had 250 women come out on a Saturday for a financial boot camp. It was that aha moment where I said, "This is more than a newsletter. This is actually something. People are hungry for this information and we need to build something that is curated around their very particular needs as women of color." That's when I started to pivot. I left in 2016. I left the firm and launched My Money My Future.

[0:07:44.3]

FT: That's quite the turnout, 250 people on a Saturday.

[0:07:47.9]

RO: Right. Exactly.

[0:07:50.7]

FT: You'd mentioned about a lot of little things that keep us behind getting ahead with our finances. One of them I think, especially for women is the emotional – just the emotions around money and the cultural influences that we have. I think there are stories that we grow up in our heads, things that tell us we're not good with money, money is a man's domain, you shouldn't have to worry about money, money is too complicated. What are some of the cultural influences that you discover within your community, in particular with Latina women? What are the false stories that they're harboring, that's keeping them from being confident? You mentioned the confidence gap.

[0:08:33.3]

RO: Yeah, absolutely. I think, one of the things that's really important and one of the reasons that we actually pivoted to encompass women of color generally was that black and Latino communities have a long history of real structural discrimination in terms of money, right? Redlining, credit, you name it, right? We know that that exists and we know that there's a huge racial wealth gap.

For our communities, money has always been something that you struggle with, right? I always say, money wasn't something that we managed in our home. It was something we didn't have, right? When we talked about money, it was always from my deprivation place. It was always about how do we get more? How do we hustle with what we have?

When I look around, one of the things that came up for me and I'm working on a book right now that's focused on shame and money and it's *No Shame In The Money Game: A Broke Girl's Guide to Building Wealth*. That is really about how do we take those things that we – those markers that we've heard, which is you're not budgeting – basically, you're poor because you don't know how to spend your money the right way, you don't know how to save, you don't know how to do – you spend money on things that you don't need. There's a lot of shaming from the outside world around how poor people spend their money, or seemingly don't know how to save, or manage their money.

[0:10:02.8]

FT: If you have shame and then you have no education, that's a double whammy.

[0:10:06.8]

RO: That's exactly right. For example, a lot of women that I've spoken with, I asked them about their retirement and their match. So many people from our communities don't take the match, because they're embarrassed to ask about what it is. They know, but they're embarrassed to ask questions. That's a cultural thing, right? They're like, "Oh, I don't want to feel stupid. I don't want to feel like I don't know, especially since I'm in this job and I want to feel smart and I want to feel empowered." They don't ask and then they don't take advantage of so many things, even in bankruptcy, I see them circling back.

What I realized is that so many companies restructure their debt in Chapter 11. This is just part of their long-term financial plan, right? This is just how things are done. Yet, so many families are shamed when they file for chapter 7, which is personal bankruptcy. It was like, "You didn't manage your money, you didn't pay your bills." It's interesting to see how the system can work for some people and there's not shame involved with it, but for others there is. I think that's key is understanding how it works and then being able to use the tools that are out there and the products that are out there to work for you. That's learn what the products are and then take advantage of the benefits of them.

[0:11:28.0]

FT: What has been a money mindset that has helped you navigate your financial life, given also that you are a member of this community?

[0:11:36.1]

RO: Yeah. I think one of the first ones was not having shame, once I understood this what were the mistakes that I made and why did I make them. I felt less guilt about them and then was

able to be more empowered to fix them. That's really key, right? I was, "Okay. I get it. I screwed up. I had terrible credit and there's a lot of reasons why that happened, but now I'm going to fix it."

I think that one of the key things for me was there's always a reset button with money, right? You can always fix it. You can always go back and say, "Okay, I'm going to make this right. I'm going to this next year, or this next month, or this next week, I'm going to be better with my money. I'm going to figure out how I want to prioritize my spending. I want to make more money." Then changing my – I think change is my understanding around abundance. Because I grew up poor, because there was deprivation, I always felt like, "Oh, there's not enough. There's not enough. I have to go and I have to work a million jobs, so I'm never poor again," right?

That actually, we see that now with a lot of women of color, especially around the side hustles. It's not about leaning in. We're leaning in so far that we're falling over. We've got five different side hustles. We have a job, we have kids. I think a lot of that has to do with I have to get money, I have to get mine. I have to make sure that I don't go backwards.

Part of it is really realigning your time and your worth with abundance and being like, "Okay, what is it that I need to make to make me feel safe and sound and to not feel I'm running myself to the ground?"

[0:13:17.6]

FT: Here's a really big question and I don't think that we all have the answer yet, which is why it's still complicated. You've got two forces at play, or rather two recommendations, two schools of thought. On the one hand, there's the school of thought that if you're financially behind, that it's the system's fault. Taking on personal accountability only works to some extent. Then there's the other school of thought, which is that what are you going to do? Wait for the system to change? You control your financial destiny, get with the program, hustle, work, get literate, all the things.

I'm more leaning towards that second school of thought, which is that I want to still hold institutions accountable and I want to still have that conversation and that debate. I think that to

tell individuals that there's a limit to how much you can personally improve your financial life, I don't think that's true. I think that we have more control than we think and I want to empower people to believe that and to mobilize people to do that.

[0:14:24.7]

RO: We are about empowerment, education, transparency and giving people the resources and tools that they need to do the right thing, right? For their families and their communities. It's not an either/or. I think that we have to recognize that there's structural imbalance. I mean, we're talking about there is a huge racial wealth gap. I mean, so there are things that are in particular to our communities that we have to do, to help solve that. That's actually why I started the company.

I worked for many years on the policy side things, like the baby bonds, things like the minimum wage. There were a lot of things on the policy side that need to get done and hopefully, they'll get done. What I decided was that well, there's a lot of things that you can do on the personal level, right? This is going back to what you're saying. There are things that I can do to make my situation better, to plan better, things like life insurance. I'm a single mom. I bought life insurance early on, because I was like, "If I don't leave anything to my son, at least I leave this," right?

That was a very distinct decision about how can I start to build wealth in my family. I think, it's not an either/or, but I think it's a recognition, because when we don't – at least, I think in communities of color when we don't recognize that, we feel you're judging me and yet, you're not recognizing that all these other things are also at play.

[0:15:58.8]

FT: We cannot have a conversation about what needs to happen in order for there to be financial equality, if we're not going to include all the players, right? It's not just the individual, but it's institutions, it's our society, it's cultural expectations and cultural influences and all of that. Yeah, you're absolutely right, it's not either/or.

What would you say, Ramona, was your number one money moment? I know that it's been a real climb to build My Money My Future. You've gone through various accelerators and you raised money from either from a business standpoint, or even a personal standpoint, what would you consider to be some of your biggest financial win to date?

[0:16:41.0]

RO: Oh, wow. Oh, God. I don't know if there's bragging moments. I mean, I think as for the company, there were – I'll say this, I think the bragging rights for at least the company, as a woman of color in building a tech company in the ecosystem of Silicon Valley, surviving as long as we have is the wing. I think, now we're at a point where we're like, "Okay, we get the game. We understand all of the rules and what we got to do." Being able to even secure that first check.

I wouldn't have even dreamt in a million years that as a young girl living in Napa Valley, that I that I would be able to even raise any money for a tech company. It just wasn't even in my wildest dream. I think that was a – as a real moment for us to be able to get angel investors and to have people say, "I believe in what you're doing." Then being part of the backstage fund, I think is a real win for us. I mean, it's very important for me to align myself, also with what [inaudible 0:17:52.9] mission is as a fund, and supporting folks of color and entrepreneurs and in tech. That was a big one.

Then I think the other piece was for me to make decisions around my retirement and say, I'm going to invest in myself and in my company. Being able to have that opportunity to do so and bootstrap for as long as I did, I think was a real vote of confidence in myself that I was like – I was able to save this money. I was able to amass this investment, so that I can make in myself. It's going to pay me in 10X returns. I think that was a real opportunity for me to feel proud of what I'm doing.

[0:18:39.1]

FT: Yeah. Sometimes things like retirement and the future, they're just so abstract. A lot of this is taking a leap of faith, right? Especially when it comes to investing.

[0:18:47.9]

RO: That's right. I would also say, one of the things I noticed and this is across – this I would say women generally, we're not as – I wouldn't say we're risk adverse, but we're definitely more cautious. I think that that's something that and especially in the markets, right? It's all about risk and it's risk reward. At the end of the day, nothing is safe even if you put your money in bonds. I mean, if you take a look at what happened with Puerto Rico and other safe investments, I mean, things happen all the time in the markets, right? I mean, even property is not necessarily safe. It can go underwater. Whenever you're moving big chunks of your own money, it's always a risk. I think that we need to be more comfortable understanding risk assessing risk for our own lives.

[0:19:36.8]

FT: Studies show that women are on the long-run better investors than men. One of the thoughts behind that is because when they look at the activity in the portfolios, men are much more on average, the ones who are making a lot of frequent moves, they do it for the excitement. They like the I don't know, the thrill of investing. Whereas women, we're really goal-oriented like you mentioned. I always like to say that, because I feel we need all that data to further our confidence, right, in ourselves.

[0:20:10.1]

RO: That's right. I think it's great that we are cautious in our risk assessment, right? I call it the calculated risk. We're not just using risk as an adrenaline rush, which is what you see a lot of men in the market doing. For the women of color that I have been working with though, I do think there's a little bit less understanding about how risk – what is risk? What does that mean in the financial markets?

For example, I've seen a lot of women who have put their money pretty much just sitting in cash inside an investment account, right? I'm like, "Oh, okay." I was like, "Well, but yes. It can sit there, but you also wanted to make some money and here's some strategies to do that," right?

That's still safe enough, right? Again, it's really for people to get a better understanding of what does that risk assessment mean for you.

[0:21:08.7]

FT: Our sponsor, Chase, is curious to ask guests, what is one thing you wish you had learned about money when you graduated from college? Is there a lesson that you wish someone had told you, or something hooked to that, who could have prepared you better for your financial life in that moment?

[0:21:27.9]

RO: Oh, yeah. There's so many things. You know you have to pay it back, but I don't think that there is a really good exit program, right? I think that would have been very helpful for me. We've been actually talking to some schools about this and supporting almost like a class that happens your last semester, to really go over how you can start to look at your loans and what is repayment look like, what his forbearance look like, what are all of the terms? I mean, because so much of this is understanding the terminology, right?

Refi, the forbearance and all of these things that most people don't understand. I definitely did not understand. I didn't understand that my loans were in many different places, right? You got some federal loans, you got private loans. I didn't understand the weight of it really. I just knew, I was like, "Okay, I got to get job. I got to start paying these back." I think a more formal approach that breaks down the actual process of paying back your loans and what that looks like over time is really important.

[0:22:49.2]

FT: I think that this needs to be institutionalized at colleges, universities, because if you are promoting something like a student loan to your graduates and then not educating them as they leave school to be able to be responsible with these loans, that's I think you have some responsibility there. I think heads are rolling. There are schools that are in a lot of heat, because

they're indebting a lot of their students and then not getting – at the very minimum, not really helping them with job placement to be able to make the money to pay back the loans.

I think just something like you said, just a simple certificate program, or it's a one credit requirement. I had to take a bunch of stupid requirements at my college that aren't servicing me now, but I would have loved to have known more about budgeting and just how banking works and what comes out of my paycheck every month, or every week. Those basics I think that you only learn in the school of hard knocks.

[0:23:53.8]

RO: Right, exactly, exactly.

[0:23:55.9]

FT: Why not learn it at the institution where you're actually getting into a lot of debt?

[0:24:02.2]

RO: Right. Again, it's an easy excellent requirement. This is something that is totally doable and not that complicated. I think that's the key thing that especially with student loans, it is overwhelming, because there are so many players, especially if you have multiple loans.

[0:24:22.1]

FT: Exactly. All right, let's do some So Money fill-in-the-blanks, Ramona. This is where I start a sentence and then you just finish it.

[0:24:29.8]

RO: Okay.

[0:24:30.8]

FT: All right, one thing I like to spend on that makes my life easier or better is?

[0:24:35.1]

RO: Oh, I'm a Lyft girl. That's my guilty pleasure. I don't go get my nails done. I don't really get my waxing done. I do everything at home, because when I'm tired and I'm like need to go home, I need to go home.

[0:24:51.3]

FT: You mean you don't enjoy the subway commute? I don't understand. What's wrong with you?

[0:24:57.6]

RO: I consider it part of my mental health plan. I don't go crazy, but I'm definitely like, "No, that's where – " If I'm going to spend and splurge, it's going to be like, I got to go home.

[0:25:09.6]

FT: All right. Although recently, I've discovered Lyft pool. I mean, I've always known it existed, but I was a little hesitant to use it, but often –

[0:25:16.9]

RO: That's great.

[0:25:17.8]

FT: Yeah, but when I use it, it's often me just riding in the car.

[0:25:21.3]

RO: Oh, yeah. I use Lyft Pool all the time. I don't care that I'm – even if it takes me an hour, as long as I'm sitting and I'm like, “Okay, I know I'm just going to go home. I don't have to deal with the subway.”

[0:25:33.4]

FT: You can work on your laptop or your phone or whatever, so it's multi – it's effective. Okay, when I donate, I like to give to blank, because?

[0:25:43.9]

RO: Oh, this is a good one. One, I don't really donate anymore because I'm putting my money where my mouth is and I invest in equity crowdfunding to support entrepreneurs.

[0:25:54.7]

FT: Fantastic. Wow. All right, and last but not least, I'm Ramona Ortega. I'm so money because?

[0:26:02.6]

RO: I'm Ramona Ortega. I'm so money, because I've made lots of money mistakes. I've learned from them and then I created a company to help other people not make those mistakes.

[0:26:13.1]

FT: Like you said, you can always improve your life financially. There's always another day.

[0:26:18.7]

RO: Yes. There's always a reset.

[0:26:20.4]

FT: There's always a reset. I love that. I'm going to let make that my money mantra for the week. There's always a reset. Ramona, thank you so much for the work that you do, for the impact that you're making. You're changing lives in a really important way and we really appreciate you.

[0:26:35.2]

RO: Thank you so much. I appreciate getting on the show. It's been great talking to you.

[END]