

EPISODE 818

[ASK FARNOOSH]

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FT: Welcome to So Money everybody. It's Friday December 7th, how was your week? I'll give you some highlights from my end. Tuesday, I did a really cool tapping over at the Dr. Oz show on something that's not so cool I guess, online shopping addiction. Yeah. There were actually two women who came on the show, admittedly have online shopping addictions, disorders. Like these are women who spend thousands of dollars a month buying stuff they don't need. A lot of times because they are alone, feeling stressed, feeling anxious, isolated in some cases and of course, it's not easy when you're online and you're getting targeted adds and you're on Instagram and you've got targeted adds and all your friend's feeds with all the fun stuff they're doing and you want to do it too.

So it just becomes this sort of tsunami effect I suppose where then you just like feel out of control and you hit buy and you hit purchase. PS, also, there's like an actual dopamine surge that happens when you shop. A lot of us know this but we don't remember that that's actually what's happening and why we love to spend and it can ultimately become an addiction for so many people.

Very grateful to the Oz team for inviting me to kind of bring this to light a little bit, talk about a lot of the leading causes, talk about some solutions and especially grateful for the women who came on the show who were open and honest about their struggles with this and the episode is going to air later this month so stay tuned, I will be putting that on social media for sure.

Also, this week on Thursday, I had a great time in the morning on Thursday, attending a breakfast for Dress for Success, which is a very important cause for me, helping women feel great. When you feel great, you do great and what's better than helping women achieve their career goals and you know, to the extent that I can support Dress for Success? I do. It's a great breakfast, learning more about the organization and it was at the Rainbow Room, Rockefeller Plaza, which is a really cool place if you've never checked it out, old school for sure.

All right, today, we have a very special guest. You know her, Brittney Castro. She is a Certified Financial Planner, founder of Financially Wise Women and she's here to help us answer your money questions of course but also in the beginning, we're going to spend a good bit of time talking about the finances of running a business.

Brittney is the founder of Financially Wise Women, as I mentioned, and it's something that she really built from the ground up in her 20's. I know a lot of us listening, it's important to us especially as we look at the new year, we're kind of reassessing our careers, maybe making that transition to starting a business or growing our existing business, I thought this would be a good time of year to give you some tips.

Brittney is a fellow Chase ambassador and she's here on behalf of Chase Inc. to share some insights into running that business successfully. How to find the right mentors for growing your business It's important to find the right financial mentors and sponsors to help make the financial aspects of your business simpler.

Also, how to manage the money in your business and in your personal life at the same time. This is a hot question, right? How do I create boundaries, how do I create systems, how do I not dip into my personal savings to fund my venture? Of course, we also have your So Money questions, questions like how to afford supporting adult children? Yeah, it's really hard to afford children like babies, childcare, it adds up and it's really a lot for new parents but then, you know, the kids grow up and you find yourself still footing the bill even though they're in their 20's for things like school and graduate school. So we're going to help a parent out on that end.

Also, how to retool your savings after paying down student loans. So if you're somebody who is near the end of paying off student loans and you're looking forward to it because you're going to have better cash flow, what do you do with that cash flow now? How do you kind of reinvest that money and also, leveraging social media to promote your brand and your business.

We cover a lot of ground, stay tuned, here is Brittney Castro.

[INTERVIEW]

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FT: Brittney Castro, welcome to So Money. At this point, I mean, I could just say, it just be So Money with Brittney and Farnoosh, I mean, you've been on the show so many times, we love having you on. How are you, how's your December going?

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BC: Hi, I'm so stoked to be on, I know, it feel like what? This is our fifth or sixth time now?

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FT: At least, yeah.

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BC: I know, December's going well. Super sunny here in Los Angeles so.

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FT: Believe it or not, it's sunny here in Brooklyn today, which is a rarity.

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BC: Yeah, a few weeks ago, when it started snowing, the first snow of the season.

[0:05:32.1]

FT: Wait, what does don't know what we're going to get ever? We take it in stride. Excited to have you on the show today, we're going to answer some listener's questions as it's Friday, Ask Farnoosh and Brittney. I thought it would also be cool to sort of go down memory lane a little bit with you. It's been a while since you've come on the show to talk about your career and your

business and how it came to fruition. I think that you're someone that we can learn so much from. As a fellow Chase ambassador, I know you have some really great tips for those of us who want to start businesses or were in the thick of it and we want to tap into some good instruments, resources, financial advice to get us to the next level.

We'll start with that and then we'll you know, we'll transition to some of our So Money questions. But first, I mean, give us a little bit of background, we've had you on the show now a lot, I think a lot of us know you as you know, the financial expert extraordinaire, founder of Financially Wise, you're everywhere but it wasn't always this way, right? You built this from scratch. So take us back to how you basically started and what triggered it?

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BC: Basically, I studied business economics in college and when I was leaving, I sat down with my career counselor and I said, "What am I supposed to do now?" I got a job offer from a financial planning company and it was for a financial adviser position and I told her about it and he said, "I have no idea what this is, what do you think?" She said, "Well, I think you should try it, give it a shot and see if you like it." That's basically what I did.

I didn't know what a financial adviser was, I mean, it wasn't like I had this dream to be a financial planner by any means but I always had an idea that I would have a business. That, I remember being something in my childhood just like very clear, I wanted a business.

So I started when I was 22 years old at the financial company and I was there for about five years and it was, perfect timing actually because there was a lot of training that was still going into new advisors like literally we had a model week and we had sessions every morning like classes about how to be a financial adviser, how to communicate with clients, how to market yourself, like, how to run a business. I feel grateful that the timing was right because I know that's tricky and hard to find these days.

After about five years there, I started to realize I wasn't thriving. I would look up and just kind of feel like, "Okay, I'm one of the only women here, I don't really feel like I belong in this financial world. I do enjoy working with people, I do enjoy helping them but I don't know if I could stay

within the more corporate model.” I had a lot of ideas about what I wanted to like do and how to work with clients and so I left that company in 2010 and I went to an independent company and this was in Los Angeles. So I just had to like rebuild my book of business because those clients didn’t go with me.

Then I got my CFP designation so I was 26 years old that the CFP started to learn and study online marketing and branding and how to create a niche for myself within this industry and I think at that time, focusing on women was very just like appropriate because being a woman in finance like I said, I kind of felt like I didn’t belong and I stood out. But also, when I would talk to all these clients, the women would always ask me just like life questions about money, “Is this going to be enough to take care of my family? Am I going to be an old bag lady?”

So the concerns and the questions women had weren’t necessarily about standard deviation of their portfolio or beta. You know, like the things that your kind of trained to talk about with clients, they were more concerned about how is my money going to help you live the life that I envision and take care of myself, my family and my community?

I really just started to learn that, study that, see how my own experiences were very similar and focused on being a financial planner for women. So I niched myself, I started a blog called Financially Wise Women, just try to create content about women and money and promote myself as a speaker to teach workshops about women and money, and rebuilt my book of business and after about a few two and a half years there, I left and started my own company which is what I have now.

So it is a registered investment advisory and the purpose of that Farnoosh was because I didn’t want just to be a traditional financial planner. I wanted to become the speaker, I wanted to become more of like an advocate like a thought leader in this industry and use those other talents that I had with speaking and just connecting with people to spread the message on financial literacy on the mass level and so six years later, here I am. We do financial planning and then we also, like I said, do a lot of the speaking, working with Chase, and get to do fun things like this.

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FT: Going back to your start, it sounds like you didn't have it all figured out, which I kind of love because I get listeners writing in sometimes, women who want to become financial advocates. They want to make a career transition, they're inspired by people like you and other women in the finance space and they want to also support other women in the world of money. They don't know where to start. They're like, "Okay, should I get the CFP, do I start a blog first?" And to hear your story, it almost sounds like you can't have it all figured out, the most important thing is that you stay curious, you do nichify at some point, that's important. But you sort of just have to just throw yourself into it, right? Does that sound like a good way to approach it or are there certain things that you have to have in place?

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BC: Totally. No, I think you're spot on and I think now more than ever, having that entrepreneur mindset, whether you're working for somebody or working for yourself is extremely important because the world is changing so quickly and work is not what it used to be. So I think for me, I never had it figured out. Honestly, I don't think anyone really does, I think that's a myth, right? But you show up every day, you do good work and you have an idea of where you want to go but also you stay open to life and the possibilities that come your way.

You know, where I am now, I put in — of course, I had a vision but I couldn't have guessed all the things in the stepping stones that happened to get here. Even moving forward, you know? Especially going into a new year and I'm thinking about what do I want for myself, what do I want for this business? I still experience those feelings of, "Crap, I don't know, I don't know." Like, you know, doubt. I think that's part of the process and I think the best thing I could tell anybody is to just do something. Because the counselor who told me, "Just do it, see if you like it or not and then it will lead you somewhere and you'll get more information." Like you said, stay curious and then you could course correct.

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FT: You have some really good advice round creating systems, financial systems for your business and for your personal life. This is also I think an area that a lot of people, whether

they're looking to start a financial advisory or any business, right? There are some good practices that really helped to steer your business as you're also protecting and growing your personal finances.

How do you build that division? What do you do in your personal and business life?

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BC: One thing I tell every small business owner, which I know sounds pretty basic but there is definitely so important to separate your business and personal finances. Obviously, when you're a business, you know, you have so many things that you need to do and worry about getting clients, pay roll, systems, admin, legal, tax. But honestly, separating out and making sure those systems are super clean will help you get more clear about your business finances and how they can support your personal financial goals as well.

Then, another thing that I really learned is just credit as a business owner, you know, getting a business credit card, that actually helps streamline a lot of your finances so you can run all your expenses on a credit card, take advantage of reward points or whatever you get through that credit card. Like for example, I have Chase Inc. so I love it. Then also, build credit for the business. So if there is a need for me to go and want more, like a line of credit to expand or whatever it might be, then I have already that history on my business credit history to help me further grow this company.

So I think, you know, I'll just tell you too, I'm a financial planner and I thought I knew a lot of these things about business finances, but also, there's something to be said about experiencing it and learning by experience and they think that's also part of it. Like forgiveness and course correct, because technology is constantly changing and it's like constantly finding ways to make it better and more efficient. So the moment you can really just dive in, into those business finances and not be scared of them, I think the more profitable you can make your business or you can have more time off because now you're making the money you need and you don't have to stress more. So there's a lot of value from taking charge and control of it.

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FT: It can feel overwhelming and so looking back, you know, I guess there's like what we talked about earlier, there's no way to know everything ahead of time, especially when it comes to all the financial intricacies involved in your business. But there are certain, I think, like definitions and certain areas of your business financial life, your business finances that are worth learning about and getting really aware of things like cash flow, asset management, asset acquisition.

You know, I wrote a story once like okay, a lot of just want to bury our heads in the sand when it comes to money and I get that. Some days I feel like that too. But at the minimum, you have to know these things, right? When it comes to your business and money, what are the minimum things you have to know?

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BC: Yeah, that's such a good one. I think you definitely have to know your cash flow and you know, looking at your profit and loss statement for the company is so valuable because you can see for the month, for the quarter, for the year, where's the money coming from, where is it going? If there's expenses that need to be cut back, you can make those changes if you need to make more revenue to make your business more profitable, you can see what that number needs to be so that you can pay yourself a salary that you want, pay your business expenses, pay your business taxes and you know, still run a positive cash flow.

So that one's huge and I think, when you think of a profit and loss statement, it's simply just like a budget for your business. I think there is a lot of need to overcomplicate things but really, it's not that complicated, just look at it like a business budget and see, "Okay, profit and loss, what is it saying, what is it telling you about your business?" You can really leverage that if you know that certain times of the year are better in terms of sales or whatever it is and you can know that for next year. So it's so great to see that.

That's one and I would say just another one is just like kind of what we already talked about but making sure you have business credit because I think the reality of getting loans, especially if you're just starting a business is very difficult, it's not easy. It can be done of course. But even simply starting with getting a business credit card like, you know, just like you would for your

personal credit. It helps you build the history so that when it is time to go and ask for a line of credit or a loan, you know, the bank can see that and see that you've been paying your bills on time and you have that credit line under your business EIN number or like entity number.

[0:17:58.8]

FT: Well, thank you. That was a really good summary. I think that's a really good crib sheet. Listeners, go back, rewind, play that part out again, I know I will be and we also have the transcript at So Money Podcast, so don't stress it.

I know that mentorship is also really critical wherever you are in your life, whatever your goals are but particularly as a female entrepreneur, having other women, especially vouch for you, mentor you, guide you, is critical. I've been really grateful to be on the receiving end of so much advice and support from women and men.

What's been the case for you? You know, and how do you go about finding a mentor? Some of us feel like, "I work from home, starting my business from my garage, you know, I'm so bogged down with the minutia of starting a business. I don't have time to go out there and network and meet people. Who do I actually tap to be a mentor?" Sometimes we also feel like, are we bothering people when we reach out for help? I sort of feel like you have to get over that, right? People will actually help you. You'll be surprised.

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BC: Yeah, I think that's actually for women, a hard thing to ask for help and receive it. But I'll tell you, when I started, I mean, I've always had mentors and men and women I think it's so valuable. Business, you know, none business, mentors, just helping me probably live a better life or, you know, get through a specific stage of my life and learn from them.

When I started this company, I was actually, and I'm still this way. I get super focused on, "Who do I need to help me at this stage?" and then I go out and look for them. I remember specifically when I was starting this company. I didn't want financial mentors per se, I needed marketing mentors. So I was part of like organizations, one was Step Up women's organization. There was

actually a formal mentor program and I remember there was one woman, Liz Sanders, she's still a friend of mine and she was like a branding specialist, specifically for women entrepreneurs. I made sure like I submitted my application. I went to the event she was speaking at. Went up and talked to her, told her exactly, "Liz, I submitted an application for this mentorship program and I want you as my mentor," and then I told the people who were organizing that like partnering, "I want Liz," because there's also another financial planner and I thought they would probably want to pair me with her.

I made it known, I was almost like a stalker in a way and then what happened? She became my mentor. It's not as hard as we often make it think. I think it's very flattering a lot of times and if you show up and like ask for help and you're very respectful of people and you value them, they're willing to do it and also, I've had a lot of – I call them virtual mentors but just books, like you Farnoosh, I remember reading your books and then you know, then we became like colleagues and now friends.

I just feel like I've learned so much just by reading people's stories and reading their books and their expertise and kind of hearing their journeys. Even if I don't know them per se, I've learned a ton and I think that's super easy these days just because the amount of content that's out there. Then, just like in a more like practical way. I've had a solid business attorney, a good CPA to help me manage my business finances, help guide me.

I remember in the beginning. I think it was in my first year of running the business I sat down with my CPA and it was just so overwhelming. I'm a financial planner, right? But it was just this like, new area of money I was learning and she was going over so much and even though I kind of knew it in theory, all the things, talking about SEP IRA and deductions and all this stuff. I was just like so overwhelmed about P&L's and balance sheets but then it was like, "Okay I just have to learn and she would teach me the things I needed to learn."

Having a good person at the bank when I opened my Chase bank accounts, I remember the person being really helpful and building a partnership with your bank person is really good because again, they are going to be your advocates and you just need people to really help you and understand you and your story. Because I think when it comes time to asking for help, they

are going to vouch for you or fight for you. They are not just going to see you as a number and I think just having a personal connection really goes a long way.

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FT: You know I actually just reached out to Chase because I am starting a new side business in the New Year and it is going to be fun. Stay tuned! Stay tuned, Los Angeles coming to you in April with a really fun experience. Brittney you're invited obviously because you will be around the corner. I don't even think I told you about it. I have been very cryptic about this. But I have been very open to my Chase account partners there. We have a business account with and you know they respond so quickly. We need to take out a line of credit like it has been really great. So I know what you mean.

We live a very fast paced technology driven world where everything is automated and that's on the one hand fantastic but what you really need things like a loan or feedback on your taxes like you can't go to AI for that. You need a real human being who cares. So it is nice to know that our society hasn't sped up too quickly and speaking of the New Year, a lot of us are looking ahead and thinking about turning that side hustle into a legit biz. Like quitting our jobs and starting that company.

What's your best tip for productivity? I want to focus a little bit for how to implement some good practices to help you streamline because I know time is limited for all of us. It is kind of the common denominator, right? I mean we all have great ideas and the time of it of how to execute with all that you want to do is really difficult because we've got families, we've got other things going on so what's worked for you?

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BC: Yeah, I had so many here and this is something actually I've been looking at again myself because this is just the time of the year. But I think one thing is just to simplify especially as business owners. Like I said, we all know there's so much that we're doing just within the business alone let alone all our personal parts of our lives; family, relationships. So simplify.

Sometimes you know we make it too complex. Like write down the most important things that you need to do in the day like five of them and feel good about doing that. Have as many systems as possible. Like I think technology is great so whatever your business is, how can you automate scheduling meetings, how can you automate just different aspects of your business using even like automating your business finances by using a credit card and separating out your business finances. Having whatever accounting software, having regular meetings with your CPA to review all of that. Like that can be a simple automation or map it out in the calendar.

Another thing that I really do I create a model week for myself and I try to stick to it as much as possible. Of course life happens and you've got to work around it but for example, on Mondays and Thursdays I don't see client meetings at all. It is non-negotiable and I have been doing that for six years. So it helps me just to know that on Mondays it's like one of my talks with the team and I am doing business admin or development stuff. Thursdays is usually more like my day whether it is creating content or just taking care of things that I need to take care of in my life to feel good and be a business owner and help clients and be in my life. So I learned that actually when I first started my career to have a model week and it's a game changer.

[0:26:25.2]

FT: Creating boundaries. That's kind of what you're saying. Like create a framework, create boundaries, non-negotiables. I like the sound of that. It sounds maybe like you are limiting yourself but truly you're freeing yourself up and giving yourself room for other things, which is so important. Staying as involved in your personal life as you are in your business even though maybe 24/7 is all you are thinking about business. It is very easy to get into that state of mind where you are just obsessed about the business and then you wake up in July and then you are all alone. So it is important to just keep that in mind, thanks for bringing that up.

Listeners, we're going to transition now to some So Money questions before we do, I want you to know that all of Brittney's tips as well as credit card solutions for your business can be found at chase.com/ink. It's easy to remember, ink, and you have been doing some really great work for that division Brittney I know. So thanks for that.

All right, so ready for some questions from the audience? There are — a lot of these came from Instagram.

[0:27:33.8]

BC: Ooh love it.

[0:27:35.7]

FT: Britney you have a really awesome Instagram handle. So everybody follow Brittney on Instagram but Magda, this is actually related to small business asks, I love this, she finally built up the courage to quit her job and start her business and she wants to know, do we have any tips on how to gain momentum on Instagram and social media as a female in finance? Her business seeks to bring financial education classes to employees and business to teach them why it is critical to start investing early.

So you're the queen of Instagram. You have a beautiful feed, it is super inspirational, tell us a little bit about your secrets.

[0:28:15.7]

BC: Yeah, I guess one thing I would say is just have an editorial calendar. Map out all your content. I mean, ours is very systematized. Very rarely do we just post in the moment and I mean, there is a part of that like on the story of course, it is more like live stuff but if you are really focused on creating content around this specific area and wanting to bring education classes, I think you've got to just make sure your content is speaking that and people know that is what you do.

So I am just thinking like sharing tips would be great or quotes and then like making sure that you have somewhere every now and then that you offer these types of services so that people are aware and then like I said, just having the calendar so you know every week when you're posting, what you're posting and that will just help you not be so overwhelmed by it.

[0:29:13.3]

FT: Yeah, I would just add to that and this is something that I have to work on myself a little bit better is being consistent. Just like any – Treat Instagram like any other piece of content that you are putting out there that you want to continue to attract followers, engage with your community whether it is a blog or a podcast. Social media is really a platform just like anything else and the more you are consistent so people know.

Like every day there is going to be a fresh quote or maybe your cadence is twice a day or once every other day. Figure that out, you kind of eluded to that Brittney with the editorial calendar but staying consistent I think is of the utmost because if you go a week and you'd go on vacation you don't have anything, I think that you're going to lose people and the whole point is to grow and to reach as many people as possible.

So that is something that I admit too, I have a hard time with that. I don't have an editorial calendar. I am much more like, I kind of fly by the seat of my pants on Instagram.

[0:30:13.1]

BC: Oh no, your Instagram is great and that's another key point though Farnoosh is everybody is different. So just because I do this version doesn't mean everybody else does. So I think that is also knowing yourself and how you work best and just acknowledging it that's great.

[0:30:29.5]

FT: All right, thanks for the advice and good luck Magda, congratulations. I am really excited for you. Keep us posted. Okay Gemma on Instagram wants to know, she is preparing to go back to school full-time for a career change in a little over a year. She's 30, she is trying to save money to cover her living expenses during that time to pay for tuition but also at the same time looking to take on a good chunk of debt.

Her question is, should I stop or reduce my retirement contribution to save money? She currently contributes 8% of her income and she gets an additional 6% match from her employer

regardless of whether she contributes. So combined that's 14% or at minimum 6%. So I think she could dial it down a bit and save some money, transfer some of that into a savings bucket to then use for school so that she can come out of school with as little debt as possible. Any other tips?

[0:31:26.7]

BC: Yeah, I would agree. I mean, if they are going to give you 6% no matter what, that's amazing. So yeah, look at your budget. See what the difference is going to be or maybe even if you just say, "Oh I am going to save a few hundred bucks by lowering the contribution slightly during this time period like you said then you could put that money in a savings account to then be used to pay down the debt later. So I mean I think the 6% is –

[0:31:55.8]

FT: Yeah, I mean we always talk about on the show and you probably have heard it elsewhere. I know Brittney as a financial planner you would agree with this that especially, you know, she is 30 so she doesn't have a lot of time until retirement. Unless you want to retire at 40, which I don't think that – I didn't get that from her question but you know there are some people who are a little bit more aggressive. She would benefit probably from saving up to 10% of her income while she has an income.

I assume she is going back to school full-time, her income is going to come to a halt for a while. So to the extent, Gemma that you can save up to 10% a year of your income in retirement and also 6% is already done for you. So for you that is just 4%. If you can do 4% and still focus on saving to cover your living expenses during grad school, I think that is a win-win scenario but look, 6% is still great.

I wouldn't say it's going to be the best percentage until you retire. I think after you graduate from school and then you're making another salary, try to maybe play a little catch up. So if you have been cruising at 6% before school for a year or so maybe when you graduate up until 12 or 15% for a little bit and then you can maybe go back down to 10. But again, there are a lot of calculators out there. I am just speaking generalities but there are a lot of calculators that can

give you more specific allocation percentage based on what your goals are in retirement. So I would really encourage you to check out some of those free online calculators for retirement. You can get a much more specific assessment there, would you agree?

[0:33:38.8]

BC: Yeah, I think so too and like you said, the reality is you are still young. This is a short term shift of focus and it doesn't mean that you are always going to do this amount for a 401(k) but maybe for the next few years you do less and then go back when you are making more money. So hopefully you are going to get more money after you go back to school, right?

[0:34:01.4]

FT: I hope so, get an ROI. All right, good luck to you Gemma. Good luck in school, stay with us here. We've got lots of advice for everybody including people who are in school. Okay this person's IG, Instagram handle is called @boringwallflower. I hope that's a joke. It sounds like you have quite the personality though boring wallflower. She says, "I am contributing 12% of my income to retirement now."

I love this. I love that our audience is so on top of things, 25 years old. I was not doing this at 25. I don't know about you Brittney but I was definitely not contributing 12% of my income to retirement at that age. So kudos to you boring wallflower. She says, "I've finally paid off my medical school debt and I want to absorb part of what I was putting towards that into my fun money and then the rest, I don't know. Savings? Investments? Should I put the rest in retirement? Bonds, cash?"

So I guess her question is how do I create a plan, she's just paid off her medical school debt. So I imagine she's got a nice chunk of change left at the end of every month now that would have otherwise gone to debt. Now she's like, "What do I do with this?" I think she should reward herself and use some of that as fun money for sure but then the rest, I don't know. She's doing pretty decent with her retirement investments.

Maybe she puts it in a bucket that is like a goal oriented bucket for the next five years if you want to buy a house, buy a car, go on mad trips for the next five years like tour the world. I feel like there are a lot of things she could do with this money and it's her choice, right?

[0:35:36.2]

BC: Definitely, I think just to keep in mind we say 20% of your net income is what you should be saving for your different goals. So if you are putting 12% in retirement and maybe there's now left over money, if you want to capture just whatever, 8% and allocate it into short term savings for your cushion, for travel, for a home, I think that would be great. I don't know if you have a cushion already but we always recommend that. Because there is so many things that will happen between now and retirement that you need cash for and then agreed. Definitely allow yourself to have some of that money and just enjoy it on whatever brings you most joy in life. So I think the 20% is a good range.

[0:36:21.7]

FT: Yeah and I was reading something about women and financial planning and kind of you mention this earlier like women aren't coming necessarily like sometimes men do and go, "You know, what's the beta on this portfolio?" I mean, those are good questions to ask but we are also concerned about achieving goals. You know we have a lot of things we want to afford. A family, a house, school, a business.

And so I think this is a fun exercise for you boring wallflower is like think about what you want to accomplish in the next two to five years and how can your money get you there? And if it something that is an immediate goal I would say before five years, I would not put that in the stock market necessarily. That is a little too high risk. Put that in something a little more "safe". Bonds? Maybe it is just cash especially if you want this in the next couple of years.

The goal is really just to shore that money up rather than earn an interest rate on it so that you can execute quickly on that goal. So I am not worried about you, good luck. Keep us posted, I want to know what you end up doing. Don't be shy boring wallflower.

Okay, last but not the least, we have a question from TD Richards, also on Instagram. This is about parenting and, “How does one manage through the phases of financial parenting?” is the question. So lots of focus on new parenting and daycare but not a lot about when they’re in college or just out of college. This person says, “We did save a lot in a 529 plan but we are still cash flowing college and now we have a 23 year old in post grad. The kids are trying to stay debt free but it is putting a lot of stress in us parents.”

Oh I hear this a lot. There’s a lot of emotion at play here, right Brittney? Parents want to feel like they’re setting their kids off in the right path and many parents, their hope and dream is to be able to send their kids to school debt free. That is one of our goals as well. Education is of the utmost in our families. So I get it, but if it is really putting a stress on your budget and finances and deterring your ability to retire well and on time I think you have to really do a reality check like an assessment check. Your kid is 23, it may be time to assume some financial responsibility.

[0:38:38.2]

BC: Totally and I mean it is a lot of pressure these days, right? I mean, with daycare and then you feel the pressure to save for their college but I always tell parents too in terms of priority I think you should always make sure that you’re taken care of financially by getting your cash cushion, making sure your retirement is set up and funded.

Because, you know, while you want to save for school and help your kids with school, I mean, there’s loans for that and as much as we don’t want loans, reality is you can at least help them pay off those loans but it’s – to me, a better gift to leave your kids like your financial security and independence so they don’t have to worry about you later in life because I do see that.

If you’re giving everything to your children and then you have nothing, well then, later down the road, they’re almost like financially responsible for you and that’s not a good feeling either. Obviously, everybody is different and if you can do it all, yes, by all means. But I think focus on your own personal financial plan and then also don’t forget, the gift of just educating your own kids about money is great too, you know?

Making sure they're understanding credit and how to pay off those loans in the most efficient way or how to setup a savings account and manage their budget. I mean, these are all things that will be valuable long term for them so even if financially give them the money or help them with those school costs, you know, educating them is key.

[0:40:15.0]

FT: I'll just wrap by offering a little bit of an anecdote and I kind of was in the same boat as your 23 year old at one point where I graduated from Penn State debt free and that was intentional, go to a state school where I wouldn't have to take out loans. My parents really were insistent upon that. They didn't want to have me be in debt and, you know, they didn't have the money either necessarily to send me to a private school like a fancy private school. State school was our compromise and it ended up being a wonderful choice, a lot of ROI.

I always knew I wanted to go to graduate school, which was going to be another expense and at that point, my parents said to me, "Look, get into the school that you want but it's on you. We will help you to the extent that we can," and the way that they helped you was by giving you a monthly stipend for things like food and rent.

Even then, I found a very cheap apartment, it was rent controlled, less than \$600 a month in New York City, which is unheard of. I really did my research because even though I knew my parents were going to support me, I just – you know, I wanted to be reasonable as well with them about it. That for me, you know, yes, I had debt coming out at 23, \$30,000 worth of student loan debt.

But I think it was important for me to really feel that accountability and to have some skin in the game. It all worked out, it took me some times to pay it off but I really prioritized it and it did inherently teach me a lot about being financially responsible. In some ways, I'm very thankful that that's the way things worked out. Would it have been easier if my parents paid for everything? Probably.

But I think I would have gotten a later start on really becoming more accountable with my own money. So just a story to share and to pass on you, maybe that will give you some food for

thought. Thank you for the question and keep them coming. I love that everybody is using Instagram as a way to reach out, @farnooshtorabi is how to do it. Brittney, tell us how we can get more connected to you.

[0:42:19.1]

BC: Yeah, for everything, I think the best thing is come over to financiallywiseinc.com.

[0:42:23.4]

FT: We will do it. We'll put that on the website as well and also, chase.com/ink. Thank you for supporting us for this episode and everybody, I hope your weekend is So Money.

[END]