

EPISODE 1911

“CA: Moms are so good at so many different things. They’ve seen a lot of ingenuity in this pandemic as well.”

[INTRODUCTION]

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FT: Welcome to So Money, everybody. April 26, 2021. I’m your host, Farnoosh Torabi. We’re going to spend some time today with my friend and author, Catherine Cat Alford, who has a new book out called *Mom’s Got Money: A Millennial Mom’s Guide to Managing Money Like a Boss*. I know she has been working on this book for years and has not given up on this concept of writing her story and giving her advice on how to navigate motherhood and managing money at the same time. Catherine, I know helped her husband go through medical school. She is the mother to twins. All the while, she’s run her own business, managed the budget, paid all the bills, helped build wealth in her family. She speaks from the heart and from the front lines. *Mom’s Got Money* is a mother’s guide, an instructional manual to help us use the skills we already possess to become extraordinarily confident managers of our money.

If you’re listening and you’re not a mom, and you’re about to tune off, I encourage you to stick with us. Her advice can help all of us, whether you’re taking care of a kid, or just taking care of yourself, or taking care of parents. If you have people you consider your family that you take care of, your motherly. I would love for you to share in this conversation with us. Here is Catherine Alford.

[INTERVIEW]

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FT: Catherine Alford, welcome back to So Money. So many years later, we’re catching up. You’ve got some big news, namely a book, *Mom’s Got Money: A Millennial Mom’s Guide to*

Managing Money Like a Boss. I know this has been a labor of love, years in the making. Firstly, congratulations.

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CA: Thank you so much. It feels fitting that you're my first interview on the book tour. You were there when it all started.

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FT: I knew you back then. I mean, we want to get into all of your advice for mothers who want to "have it all." What does that even mean now? And your advice for encouraging women to pursue life as leaders in their professional lives, in their personal lives. You're doing it, so pulling a lot from your own experiences. Take us back to why you wanted to write this in the first place and I know that this is very true to your journey and very much like your narrative. But writing a book takes a lot of work as you know. I know that you had to really push for this concept, even though it seems like we need this stuff more than ever. What was the resistance about?

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CA: Well, I was really committed to writing a book for moms specifically. I felt like my life changed completely. I gave birth to twins in 2014 and I just felt like a lot of the advice geared towards moms was like, "Hey! Look on Pinterest to save money on your grocery bill" or like, "Clip coupons" but I didn't see a lot of high-level advice for really ambitious moms. When I pitched this book over many years, I had some publishers say like, "Well, we'll consider it, but make it for all women." I've kind of changed it and then, all these different things happen. But in the end, I felt like I got to write the book I wanted to write. I was just really committed to having a money book that was very specific to the motherhood journey.

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FT: Yeah. Actually, in reading the first few pages of the book, I was delighted to see that what I was reading was what I read, five, six years ago your first draft. I don't know if the whole — obviously, the whole book isn't like this. You didn't have the whole book back then, but the personal story that you tell in the beginning about discovering, at age 26 are carrying twins and the shock that that sent for your entire body, and the initial fears that came because of that. That is still very much the opening story. That narrative in all these years has remained the sort of turning point for you. I want to just read a little bit from that section. Here you are in the hospital, discovering you're having twins. You write, "In that moment when the tech showed me my twins, I felt a healthy dose of shock. Much as my husband and I were trying to start a family, I did not once expect to be staring at a screen with two little dots on it. I went at home in the days, holding the long sheet of ultrasound pictures with little lines pointing to the dots that said Twin A and Twin B. I felt different. I just couldn't believe it. I had two extra people with me. The responsibility felt enormous, but from that moment forward, it was clear I had to prepare and plan. After that, I went and vomited in the trashcan of course."

Very real, and I think what this makes me think about is the preparation and the planning that you were prompted to do is not the next step for a lot of women. Well, a lot of us hold onto those fears as a result, continue to feel stuck. That's my sense of things, but is that also what you think is true.

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CA: I think a lot of people they feel stuck, especially now, like I mean, my kids just turned seven and I can't even imagine having a kid now, just the influx of information and baby gears, and gadgets, and like, if you don't buy this car seat. Like the influx and the feelings of like inadequacy, and anxiety and not knowing if your plan is the right plan. That's sort of the overall theme of this book, to encourage moms to sort of step into that power, and let them know, you know what's right for your family. Financially, you have all the skills already because you are a mom. Because you've already made all these decisions. It's just a lot of women don't realize that they're making powerful financial choices for their moms. They already have it. It's just sort of about growing those skills and fine tuning them, and applying it more directly to their financial lives.

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FT: Yeah. I couldn't agree more. We are equipped with all of the essential skills, and then some to be bosses in our lives in all realms. Your book covers so much territory from mindset, to budgeting, to figuring out cashflow, saving, credit, earning. It's such an important piece of the equation. Child care, paying for that. The art and joy of giving. Tell me, when you were first thinking of this book five, six years ago versus when you actually wrote it for publication, I assume in a different climate, right. You were probably writing this a little bit at least in the pandemic, a little bit maybe in this recession. What was the pivot if any given the climate that the changes that we've experienced over the last five or six years, political changes, all the things?

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CA: I think that's a great question and I actually signed this book contract two days before picking up my kids from spring break in school being like, "That's it." For me and my husband as people will learn in the book is a physician, so he was not home, he was frontline. So I had the twins, kindergarten, Zoom. Finally, after so many years of fighting for it, I get the book deal. I spent seven months of the quarantine being the kindergarten teacher, and writing this book, and it absolutely informed how I wrote, it informed how I wrote, it informed how I thought about things. I think the biggest impact is that all of us collectively were so emotionally wrought that the book came out a lot more raw than I expected. I was a lot more vulnerable than I was planning on being, because mental health was such a big factor, Black Lives Matter was a big factor, women's rights. All of these things, everything is really coming to a head during this quarantine. I wanted to write a book that was very inclusive of everyone and it wasn't just a narrative only for certain type of moms.

I really tried hard to be inclusive, and every single chapter starts with a personal story. I touch on some stuff. There's some stuff in there. I think that what makes me so nervous about it, coming out is like, "Oh, man! Did I really need to share all that? Well, it fit to the printer."

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FT: What is something that you revealed that qualifies as that? Like, “Oh my God! I can’t believe I went there.” Tell us something. Come on. Tell it.

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CA: I had very severe postpartum depression after having my kids. I’ve talked about that a little bit over the years, but I really got into the very nitty-gritty of it and what it felt like, and all those intrusive thoughts that a lot of women experience when they first have kids. I kind of went through it in a chapter where I’m saying you have to be vulnerable; you have to tell people both when you want to win with money, and when you’re struggling with money. Struggling alone is only going to make your mental health worse, so I use that story about that, to sort of illustrate we have to reach out. Reaching out is a risk, because you’re going to have some people don’t really like that you’re trying to like pay off your debt, and some people are going to judge you for having so much that, whichever path you’re on, but in the process to sort of find your tribe.

I kind of have a whole chapter about relationships and kind of share some stories from readers about dealing with her mother-in-law, and friends who spend too much. It’s kind of a relationship chapter, but it starts with that.

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FT: How about single moms. I know that you think your husband in the beginning of the book as simply the person who in your life, if not for him, the book wouldn’t exist, let alone the family unit that you, let alone so many things. But there are so many millennial moms who are doing this solo, and I wonder how do they create their tribe or what advice you have for then when it comes to building those relationships to support your ambitions.

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CA: Yeah, that’s a great question. I made sure to mention single moms throughout the book too, because in fact, one of my chapters, the only chapter story that is not about me is about a friend of mine who is a single mom who like forgot to pay her Nordstrom credit card and she freaks out about it. I kind of helped her through it, but I really acknowledge that single moms have a bigger

burden. Especially in the childcare chapter, I discussed and acknowledged that they have a harder time, and it's going to be more challenging for them to build their tribe, and to reach out. But again, the overarching message is to let moms know that it's okay to ask for help, it's okay to be vulnerable, and finding other moms and finding people that they can rely on.

I kind of bring up, find your buddy at work who's like going to be your sit down and have the bag lunch with you at work. There is some advice and definitely a nod to single moms out there, lots of respect for sure.

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FT: The book is called *Mom's Got Money*, but yet, there are many moms, many who in the last 12 months or so lost their source of income because they had to leave their jobs, or were fired in the recession and pandemic. What is your advice for women who might have to rebuild their earnings potential in their revenue streams? I know for you; you've always had this sort entrepreneurial spirit and you have designed your career independently. But most people were within the confines of a company and are vulnerable to that. That comes in its own set of risks and rewards. What's your advice for the traditional working mom who may have lost her job in the last 12 months?

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CA: Sure. The very beginning of the book kind of breaks it down to the nitty-gritty of encouraging people to run the numbers and see where you start. I make sure to stay in the book like if you're starting with a negative number, running this net worth calculation like no biggie, it's just going to — your chart is going to look awesome at the end. It's going to have a way bigger graft. I teach people how they do their net worth calculation first before I even get to the budget meetings. Because I want people to know that this is what work we're aiming toward. We're not trying to nickel and dime our budget. We're aiming for an overall growth of wealth. There is a chapter on negotiating and earning extra money, and I address stay-at-home moms and working moms, some moms like maybe a combination of the two, depending on the day. I sort of teach them how to earn extra money. I give different examples and I teach the moms, the

working moms in traditional jobs some advice about negotiating. Of course, when it comes to earning investing.

But for the moms that have totally, they're starting from zero, I think my advice — someone who's a friend, someone's who's applied to a ton of jobs, I would encourage that sort of entrepreneurial mindset. Again, moms are so capable, moms are so good at so many different things. I've seen a lot of ingenuity in this pandemic as well.

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FT: What are you looking most forward in a post-pandemic world as a working mom besides the fact that your kids will be may be in school full-time, and out of the house and everybody will have their space back.

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CA: In a post-pandemic world, I'm honestly looking forward to some family time. I feel like my husband's been working the whole time and he's not taken a day off and I'm looking forward to being like a normal family who plans a vacation and looks forward to it. Especially in the beginning of the pandemic when none of us really knew what was happening, there's so much fear and anxiety. Him going to work and coming home, sleeping in a different part of the house all these different things that I've kind of blocked from my memory. We've been kind of lacking in the family time, so that's what I'm mostly looking forward to.

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FT: I love following you on social media, on Instagram where you share a lot about your day-to-day, and sometimes the funny things your kids will say. I remember a moment, a day when it might have been your daughter, or your son, or both of them were wondering why your house was too small or something. I just thought what your response to them and then also to your community online was so on point. So you get to share that with us, because I think there's a lot to learn in that moment. So many teachable moments with. "Thank you kids for bringing that out of us."

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AC: Oh my gosh! One part made it into the book where my kids asked why their friend had a dreamhouse and we didn't. It's so hard to like say the right thing in the right moment, and I sort of brought a bad example in the book. My husband kind of disagreed with my answer in that instance and we talked about it later. But yes, they think our house is too small, and so I reminded my son that it's a privilege that your parents own a home. There are so many people in the world who are homeless, there are so many children who are not in the care of two parents, and it takes a long time, and a lot of hard work, and a lot of saving in order to buy a home. Then I took them on a drive to the neighborhood and showed them houses that were smaller than ours. I just kept pointing it out. "That one is smaller. That one is smaller. Oops! That one is bigger. We're right in the middle, and mom and dad are working hard. Trust me, no one wants more space than me, all right?" That's just what I try to impart. It's hard.

Their worldview is so limited, and like I said, they just turned seven, so they only know our little friends they go to school with, and our neighborhood. They haven't really been doing a ton of traveling, their bubble is small.

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CA: Did your husband think of that? Did he disagree with that?

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FT: No, he was good with that. When I was talking about why his friend had a dreamhouse, this house discussion has been coming up. I guess we're all cooped up. I said that his friend's parents worked really hard. Actually, that friend's dad was an entrepreneur, and sold his business and I was like, his friend's parents worked really hard and my husband — I always attach hard work to money and my husband said, "There are so many hard-working people out there, there are some jobs that are grueling and will never have a house like that. But it's really hard to explain like, "Well, son, you can create all this passive income, and when you invest, when you sell your company, you can have a house like that." I would just kind of like, "You

know, if you keep reading your books and doing your math homework, then you know you can get there.” My husband was in residency, 80 hours a week, he’s like, “No one works harder than me and I’m paid like a resident.” That hard work thing. There was some disagreement over that.

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FT: Yeah. I think you handled it really well. I think you’re right. Your husband is right. It is hard to distill this for a six-year-old or a seven-year-old. It is not the full answer to say, “Well, they worked hard certainly. But your direction where you took them to other parts of your town to show all the different sizes of homes. I think at the end of the day, to put the focus back on what you have as opposed to like you don’t have and not make this about a comparison, but everybody makes choices. We’ve chosen this home, we love it. Everybody gets their own room. It’s small but then we get to be closer to one another. You can spin it.

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CA: You can spin it however you want, exactly.

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FT: But you are [inaudible 00:19:01] up for a bigger home, I also learned in the Instagram story.

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CA: Yeah, for sure. Either that or renovating. I don’t know. I really want to stay married, so I might just buy a different house instead of trying to renovate. I don’t know if we can deal with that. I don’t know.

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FT: Well, if you can, then you’re never getting divorced. That is a test of a true marriage.

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CA: Do we need any more test, though. You know what I mean? So yeah, I am. My husband after 10 years of residency, med school residency and fellowship, he's starting his first attending job in July. Definitely, it's nice to have the other income coming in and starting this year. I'm not going to upgrade my entire life slowly, little rewards along the way. Yeah, I think — our house has one bathroom, that's been the biggest thing. It's just a tiny, cute little bungalow and we're all feeling it, but [inaudible 00:19:58] it like I said.

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FT: Absolutely. To more things I want to touch on. One is that, I know that you have been the breadwinner in your marriage as your husband's been going to medical school and residency. Now, is there going to be a flip in so far as you making less him, making more. Where's the shift and what do you think about it?

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CA: Well, we are in a friendly little competition. I don't know. I might remain the breadwinner. Probably more likely this year, he will be. We'll see how it goes. We're in a friendly competition. Whoever wins, we both win, right? I think it's great. I think he will have more of say things that he has in the past. He has had his head down and he's been working and he's been letting me make most of the financial decisions, even like refinancing his loans, his med school, all these different things I've been doing just like, "By the way, that's why I'm here." And I'm just taking care of all these different things. He's going to have more of a say, which his good.

I tend to be much more frugal, I'll let things go. He tends to be like, "Work hard, play hard. Go big, go home." I think we just need to have some nice compromises in the middle. I don't know what's going to happen, but definitely some of these early conversations of like, "Do you need a new house? Your car has lots of lights coming on." I'm trying to like slow the roll, and then pay off the med school loans. He's like, "Whoa!" He's so excited.

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FT: Well, it sounds like you're all are talking a lot, and having the conversations, and it's front of mine. Maybe you don't have all the answers yet, but you'll figure it out. That's healthy.

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CA: Sometimes being the breadwinner, it's a lot of pressure sometimes. So I'm not going to sit back and eat bonbons, but I'm grateful for the additional income.

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FT: Who is sitting back and eating bonbons this day?

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CA: I mean, I don't know.

[00:22:01]

FT: I need to find these people and bring them on the show and talk about what —

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CA: See what it like.

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FT: — are they up to. You dedicate this book to the millennial mom. Millennials are getting up there. They're turning 40.

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CA: Yeah, exactly. There are nine million millennial moms out there.

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FT: It's a big range. It's everyone from like 28 to 40, or 25 to 40 right now listening. Very different life stages potentially. Why millennials, other than the fact that you're among them? But do you still think that they're underserved in this department. I feel like everything has been catered to millennials. All the money advices for the millennials.

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CA: Yeah, I think millennials are just in a really interesting pinch. I graduated from college in 2009 with the first recession. They have student loans, but they're having children now on each end of the spectrum. They're starting to think about children. They're starting to either sell their first home, but their first home. There's this interesting like pinch in this exact moment, where there's a lot of different financial decisions going on, a lot of millennials worrying that they're behind, and the expensive kids as well, the eight million extracurriculars that we all got a break from. All these different things, I wanted to sort of cater to this unique moment for millennial moms. Maybe there's a ton of it out there, but now, there's another book.

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FT: No, you're right. It's a continuum, and everything is evolving. As the world changes, the advice shifts. I think that's a good thing. I mean, you've been in this personal finance scheme your entire career. Tell us about some of the changes you've implemented in a way that you give advice, or the ways that you think about money that may have come about because of changes in the world. I think for me, for example, last summer like for all of us with the Civil Rights Movements, and Black Lives Matter, and even going back before then, like Me Too. That movement really lit a fire under me, so that has really informed so much of where I choose to spend my time researching, and sharing advice, and investing my time in helping women, and helping people of color, but that's me. What has been something like that for you?

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CA: I think that when I first started, I kind of called myself like a family finance expert, used to talk a lot about the family unit. I used to encourage people like, you need to be on the same team as your husband, you need to join bank account so that you can be whole. But like the longer I did this and the more people I talk to, and the more people reached out to me, I started to realize that cookie-cutter advice is not going to work. In the book I'm like, "We do it this way, but maybe you were in the past relationship where things went really wrong financially, and you have this past experience, and you want to have your own bank account. Fantastic. Or maybe you want to do it some other way. There's lots of different ways to do it, but I just encourage the open communication.

I still focus on the family, but I really leaned in hard to the moms, because I still find even after all of this Me Too, even after all of these emphasis on female empowerment, that when it comes to money, research still keeps showing that women are not confident with their money. Even in my day-to-day conversations with friends. I had a friend the other day who has a degree in math call herself a dumb housewife. Her husband just does all the investing. I was like, "Sis, you cannot say those words in front of me." There's still some work to be done, and I just wanted to play a part in helping moms realize the power and skills they already have. I think I was super nice, like, "Yay! Family money stuff in the beginning." Now I'm like, "Take a seat at the table girl. Ask the hard questions. Let's go." I think I've gotten more outspoken as the years have gone on.

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FT: Yeah. See, everything in good time. It's good. Everything, it happens when it's supposed to. You can't force a book.

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CA: Clearly this was when I was meant to write it, after so many nose, and years and so much trying, this was supposed to be the moment for whatever reason. I guess we'll find out.

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FT: Yeah. The growing pains have all informed the words. Cat Alford, thank you so much. Moms, go get that money, get her book, *Mom's Got Money: A Millennial Mom's Guide to Managing Money Like a Boss*. It's out everywhere and we thank you so much for sharing your day with us.

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CA: Thanks, Farnoosh for having me.

[END OF INTERVIEW]

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FT: Thanks so much to Catherine for joining us. You can learn more about her at catherinealford.com. Cat is also the co-founder of millennialhomeowner.com and her book, *Mom's Got Money* is available everywhere. Thanks for tuning in, everybody. On Wednesday, you don't want to miss it. We have Rachel Rodgers on the show. She is a dear friend, been on the show multiple times, this time to ring in the launch of her new book, *We Should All Be Millionaires*. It's a good one. Thanks for tuning in, everybody. I hope your day is so money.

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