

**EPISODE 950**

[ASK FARNOOSH]

[0:00:34.7]

**FT:** You're listening to So Money everybody, welcome to the show, it is our favorite day of the week, Friday, and I know this because the Ask Farnoosh episodes tend to get more listens than my interviews. I'm pretty excited about that only because well, you know, it makes me feel good, it makes me feel good knowing that you like to, that you're okay just hearing my voice for 30 minutes.

Although today, we do have a special cohost and I will be introducing her in just a moment but let's catch up first, let's talk about what's been going on this last week, some of you, many of you know, last weekend, I was at Pen State University as the grand marshal for the 100<sup>th</sup> homecoming event at Pennsylvania state university.

I graduated there, my husband graduated there, this was a really special trip for our family, we got to bring the whole brood, we had relatives fly or you know, drive in. We had very close friends come in for the game, it was really spectacular to experience football from my point of view which was to be in the parade, I got to bring Evan with me. We got to be at the – basically, on the football field as they announced the homecoming court which included me and many of the students who were you know, awarded a homecoming court and I tell you, I thought to myself, I totally did college wrong, I went to this university that of course is known for its football.

I was a little resistant to that to be honest when I was a student. I thought, well, whatever, I'm not into football and I don't know, what can I say, I liked being different but I'm realizing now what I missed out on which was weekends and weekends of excitement and fun and camaraderie and I was spoiled going back this time of course, having the perspective that I did being able to go on the field and meet football players and be so close to the Penn State Blue Band.

It was really unique and special but still, I was like Farnoosh, you were just – if I could go back in time, I would tell myself to just go to a few more games and loosen up a little bit. I was pretty uptight in college. But just want to thank the Penn State community, thank the homecoming alumni association, everybody for bringing me back and the warm reception, we had a fantastic time and then came back to New York and just had been going a hundred miles per hour.

On Monday I attended this incredible event called Women on the Move, which is a leadership conference sponsored by JP Morgan Chase for their female employees and clients and as you know, I'm a financial ambassador for Chase so I was really excited to be invited to go and hear all these incredible speakers from Abby Wambach who as many of us know, she is a U.S soccer superstar, we heard from Gwyneth Paltrow, Dian Von Furstenberg was there, Condoleezza Rice, my gosh, I was in the third row and it was jaw dropping in terms of the caliber of people that were coming on stage to give us advice, super inspiring.

I also lost my cellphone at the radio city music hall but not to worry, if anyone goes there and loses their cellphone, they will find it in like five minutes. I was like really skeptical of going to lost and found when I lost my cellphone and they had it and it was I think 15 minutes had passed since I had remembered finding like having my phone. Thank you to the radio city music hall security for allowing me to continue with my life because you know, we all know, if we lose our cellphone, it's pretty desperate times.

Also, I want to tell you okay, I want to tell you about an important correction. On a couple of episodes recently, I have been talking about income based repayment and this report that I read that I thought said that only 1% of applicants qualify. Well, I was wrong, I think I read the article or the report too quickly and confused income based repayment with public service loan forgiveness. A couple of listeners wrote in, kindly telling me that the difference and I know the difference, I think I just conflated the terms when I was reading it and to be honest, I was repeating what I thought was the report.

I thought to myself, that sound really crazy because if only income based repayment is pretty straight forward, you can qualify, if you have federal student loans and your income is very low compared to your debt load, you punch in a few numbers, calculator will tell you if you qualify or

not and your payments are adjusted to be no more than 10 or 15% of your income. That's pretty straight forward and I'm shocked that only 1% of people are qualifying? That's not true.

The reality is that only 1% of people are qualifying for public service loan forgiveness, that is where the government makes the promise to student loan borrowers who work in public service for 10 years and are making valid loan payments for that timeframe that the department of education would forgive the leftover balance on the loan, that's public service loan forgiveness.

Now, in income based repayment, if you are making these payments for 20 years and you still have a balance, in that case, also, that remaining balance is forgiven. There is this idea of forgiveness with both IBR and public service loan forgiveness and I think that's where my brain's wires crossed. Thank you to the couple of people and I'm sure more out there who listened to me and they were like double take? Triple take? What's that?

I like when my audience keeps me honest and real. I will be the first to correct myself when I know. Now, it's Friday and I want to go to know the iTunes review section and pick our winner this week who will receive a free 15-minute money session with me, this is now I don't know, we're doing these every week until I say we stop and so far I'm having a blast, I don't see us stopping in the near future.

We're at 982 reviews. Let's get to a thousand guys. We're going to say thank you to Loren Coaster who left review on October 5<sup>th</sup> for saying that the podcast is – well, she says that I am like a big sister sharing all the secrets. I really appreciate that review.

She says, "Farnoosh is like the big sister I never had, giving me money and career advice in tone that feels empowering and not shaming. I love that she gives focus to women and entrepreneurs and in her ask Farnoosh episodes, she answers questions, I don't even know I had."

A great listen wherever you are on your financial journey. Loren, thanks so much. This was funny/touching and I really appreciate this review. Get in touch, you can email me, [farnoosh@farnoosh.tv](mailto:farnoosh@farnoosh.tv) or connect with me on Instagram, direct message me there, let me know that you are the Loren who left the review and we will set up a time to chat.

All right, now. I want to talk about who is cohosting with me today. For everybody who is listening and thinking, I'd love to connect with Farnoosh, I don't know if I have a money question for her but I really love finance and I really love to talk about people's other people's questions. Send me a note, let me know you'd like to cohost just like our guest today did.

Her name is Chelsea Silveira Burgos and she is a personal finance enthusiast. She is pursuing financial independence with her husband and three-year-old daughter. She lives in central California, she and her husband own their home, they save for retirement and college and they're working towards becoming debt free. Chelsea has her master's in education and works with young children with developmental delays and she's an avid podcast listener, this is also some fun facts about Chelsea. She's an essential oil devotee and the friend you definitely want at the party.

Chelsea, welcome to So Money.

[0:08:42.7]

**CSB:** Hi, so excited to be here.

[0:08:45.3]

**FT:** Essential oils, how'd you get on that road?

[0:08:48.4]

**CSB:** I always mocked my mom for being really like crunchy granola hippie and then as I got older, I'm turning into her. So I think it's just genetics, got me into essential oils and it's kind of sad but I love them so what are you going to do?

[0:09:03.4]

**FT:** Hey, if you're on the show and ask you what's your guilty pleasure, what's the splurge that you know, unapologetically spend on? I think we have our answer.

[0:09:12.6]

**CSB:** Yes, exactly.

[0:09:15.1]

**FT:** Is it also in your DNA you think to be financially conscientious?

[0:09:19.7]

**CSB:** Yes, my dad is, it's so fun, he always said growing up, let's go to Mario's money management school for a minute and we would talk about finances so I'm a hippie and financial enthusiast by blood, yes.

[0:09:33.9]

**FT:** What's your greatest memory of money growing up as a kid? What was like the one lesson that really stuck?

[0:09:39.2]

**CSB:** I think how he explained compound interest like I think it stuck but it didn't come back to me until my late 20s but I was like that's how retirement savings work, I remember talking about this. He was CalPERS and I was CalPERS for a while, he retired through the state in California retirement pension and once I got on to the CalPERS calculator, I was like this is what my dad was talking about. This is cool.

[0:10:10.0]

**FT:** Yeah, see, that kind of was my experience too. My father, I remember in my teens, we talked about like workplace benefits and retirement and 401(k) and I just kind of parked that somewhere in the back of my head, forgot about it but then when I got the job and they mentioned it, I wasn't a deer in headlights. I kind of felt like I had some background on this, of course, still needed to learn a lot more but just a PSA to parents, you know, your kids will – they'll shelf a lot of this knowledge but at least then they have the reference points and they won't feel kind of –

They'll have a little bit of confidence I think as they step into some of these bigger financial moves as they get older.

[0:10:55.2]

**CSB:** Definitely. Totally agree.

[0:10:57.7]

**FT:** Now, when you became a mom, a parent, how did you and your husband navigate that transition on a lot of people ask me on the show and in real life, you know. I'm thinking about having a kid or I'm pregnant now and I'm just really concerned about having my financial ducks in a row. How did you guys navigate that or are continuing to navigate it?

[0:11:18.0]

**CSB:** We made sure that we had enough cash saved up to – for me to take the maternity leave that I wanted to. I had really great benefits and maternity leave available but we needed to, towards the end of it, I took about five months towards that last month and a half, we needed to have cash saved up so we did that and then in the long term, when I went back to school, the goal was to get to a spot where I could work part time if I wanted to in the future.

Like when she's a little bit older. If I want to be home during the afternoons or something to have an income that would be sufficient even if I was part time. So the field I went in to the behavior analysis has a lot of opportunities like that. Plus it's my passion so that was kind of lucky.

We're kind of long term planners, we save for her college, we didn't do anything, I'm not sure if you can be financially prepared because especially first parents, you need the diaper warmer or the wipes warmer and you know, and four Moby baby carriers in case they throw up on one of them and then when we got into it I was like okay, we got a lot of gear that we don't need but it's good to have it because it helps the anxieties but I don't know, I think that's trial and error, what do I need and then you have a garage full of stuff you didn't use.

[0:12:41.4]

**FT:** Yeah, I want to jump to a question that kind of dove tails what you've been talking about which is you know, long term planning and how to sort of get yourself through and thrive during these life transitions and we have a guest or rather a listener who wrote in a question about a lot of things going on in her life and they do want to have a child and start family planning but that's only some right now adding to a lot of the stress.

This is from an anonymous question asker and she says, "Hey Farnoosh, I love your podcast. Got a question related to a few life changes recently and I'm struggling to figure out my financial priorities." Here's the situation Chelsea. She bought a house in February and she's turning the basement into an accessory dwelling unit so she can rent it out and earn some extra money. I like the sound of that.

She's also getting married in a month, she and her spouse or she and her partner are both in their early 30s and they don't want to wait more than a couple of years to have kids. Now, back to that basement renovations, she said, it's costing more than they thought. They spent all the money that they've allotted for it, they probably need to spend another \$8,000 to finish it but that's going to mean draining their emergency account.

PS, her fiancée is in graduate school with tuition expenses of only of about \$8,000 a year. Because her fiancé is in grad school, he isn't earning a lot of money right now, he brings in \$30,000 a year. She earns like more than double that, she earns \$76,000 a year plus an additional \$25,000 a year from her side business so about a hundred grand and they both contribute about 13% of their income to 401(k)'s.

They don't have Roth IRA's, she say, I know we should but fortunately, no debt from student loans, they just have this mortgage which is about \$260,000. Goes on a little bit more and I promise to get to the question, she says, her fiancé should be able to earn a lot more after he graduates in two years but in the meantime, this is the question.

What do we do? It feels like everything is urgent, she's got grad school for her fiancé, the basement renovation, retirement savings, kids, she's working crazy hours with two jobs and then of course, our fiancé is working full time and going to school. She says, we're so tired, it doesn't seem like there's enough money for all of our goals so not sure what can go and what should stay. Any advice?

Now, okay, let's take a breath. I think that I want to first say to this woman that you guys are doing great. I think that you're on the right track and yes, there are a lot of competing forces here, there's a lot of push, pull but from where I sit and I'd love to get your perspective as well Chelsea but like from where I sit, just knowing what I know from your details here.

You have both combined incomes of about \$130,000. That's before taxes but still, \$130,000, that's a great place to be in. Over six figures, you've just started your life together, you haven't even gotten married yet, there's no debt except for this mortgage. You're contributing a really fantastic amount to your 401(k)'s, 13% is if that's each of you, I think that's really solid. More than the recommended 10%.

So I think you're doing great in that department. Don't worry so much about the Roth IRA's, you're in a good retirement place. I think if there was extra to go around, yeah, we could talk about our Roth IRA. They're just kind of in a messy middle right now. I think that there is this desire often to have it all but you can't have it all at the same time. I think that if there is sort of a hierarchy here for you to focus on.

It would be to continue earning, continue saving for retirement, continue paying down grad school and then save for the future which it would not mean investing it, actually starting a rainy day account, you said you have emergency savings but how robust is that because if you are thinking about family planning, you know, you'd mention this Chelsea like you got to plan it but



you also got to plan for the finances. I think you might want to sit down at some point and just sketch out what life might look like for the two of you in terms of your careers, your time commitments, your family planning and what can you actually afford.

What realistically, how much time of can you take, if you want to take time off. That would be a good exercise in a conversation and you might realize that this is where you want to put extra money. I wouldn't worry about renovating the basement with all the bells and whistles. At this point, it will be nice to have that extra income but I think it's not a priority given all these other things on your plate. What do you think Chelsea?

[0:17:53.9]

**CSB:** That's exactly the hierarchy I had in my mind too. I think per piggy backing on all of that. Kids require a ton of time and energy and sleepless nights are going to have a really hard time with her working 60 to 70 hours. I think it's perfectly in line if they want to have kids in a couple of years and her fiancé is done with school in a couple of years and is going to earn more.

I think that's beautiful. Yeah, basement, not all the bells and whistles are necessary especially since they already make good income, they can – they don't necessarily need the extra money right now to survive so that could go on a back burner.

And then, the kids will come exactly where the timeline looks like he's going to finish school in two years, they want kids in the next couple of years and then when he earns more, potentially, she could cut back on one of her jobs as far as how many hours she's working.

I think they probably feel very overwhelmed. But it looks really good form the outside.

[0:19:00.5]

**FT:** Yeah, I mean, when you're in it, it's a whole different scene but I will say, now is the time to work your tail off before the kids come. You know, work as many hours as your body will allow, bring in all the money you can because there will be a period where you will have a much bigger

priority and you know, sleep deprivation is a real thing when you have children that first year. You may realize that you will benefit from having someone come in and help you out.

Sometimes you need all hands on deck and two people is sufficient but sometimes having a third person, if don't have the family member. I mean, we hired a night nurse for a few weeks because my daughter wasn't sleeping at all at night and I was technically going back to work.

[0:19:50.5]

**CSB:** I was also thinking about her side business potentially as she gets more established in streamlining that in preparation for maybe working less with kids. Maybe take advantage of some of the virtual assistant services to streamline some of it, I don't know what the side business is, I don't have the info but she might be able to not spend as many hours at her side business for a reasonable payoff to pay someone to do some of the time consuming but rope stuff.

[0:20:21.9]

**FT:** Yeah, I mean, I would not survive without outsourced support. I wish you guys a lot of luck, it sounds like you have a vision, you have goals, you're planning and I think eventually when you get married. As parting advice, I would recommend that you do sit down with a financial planner even if it's just for one or two meetings. Initially, just to kind of make sure that you guys have a plan that you're both aligned, that you're automating everything that you should be automating.

That if kids are going to be coming in to the picture soon, that you're working towards also those kinds of savings. And it can't hurt to have a third party. I think when you get married and you're obviously in the honeymoon phase you don't really want to talk about money but you know you have to, getting someone else that is a professional who can level the playing field and be someone as someone as can be like a sounding board for the two of you might be really, really helpful in those early years.

[0:21:22.0]

**CSB:** Absolutely.

[0:21:23.1]

**FT:** Okay, we have a question from a very ambitious 19 year old, Derek. Derek is in college and get this, he has saved \$20,000. Now this question rings familiar to me. I think I might have answered this way long ago but it popped up in my feed again. Derek said I never answered his question so I am taking the benefit of the doubt and answering his question but I feel maybe I just have a lot of 19 year olds who saved \$20,000 that have been telling me this on Instagram.

I don't know but maybe I dreamt it, maybe I manifested this. I don't know but if anyone is listening and they're like, "Oh this question again?" Let me know because I will know I am not crazy but let's tackle this together. So he's got \$20,000 and he is wanting to know what he should do with this money. He is thinking he should invest it but he is anxious with all the talk of the impending recession.

So he is wondering should he wait until after the recession to start investing. Should he put it in something safer than the stock market? His financial goal, his primary financial goal is to buy a house in the next six to eight years and have the money for a down payment. So that is his question for us. Now look, do you remember what your goals were when you were 19, Chelsea?

[0:22:46.7]

**CSB:** Oh my gosh, I wanted to go to Sta. Cruz as much as possible like just to relax on the beach. I did not have \$20,000.

[0:22:54.8]

**FT:** I had like negative \$200.

[0:22:56.8]

**CSB:** I had 12 cents and I had big dreams but I did not have cash to back it up. I'm so proud of him and his cash flowing college too. The cash flow in college is just fantastic.

[0:23:10.0]

**FT:** And he says P.S. He doesn't get any financial support from his parents. He is a sophomore in college. He is paying off school as he goes. He says he is taking the cheaper route, which is local junior college then to a local state school so that he doesn't have any debt. That is brilliant Derek.

[0:23:26.7]

**CSB:** Just fantastic, he is setting himself up for such a great future, just amazing.

[0:23:31.3]

**FT:** Here is what I would say to Derek — \$20,000 if he plans on not earning any more money and he's got two more years left in college, if this is all the money he anticipates having upon graduation I wouldn't invest all of this. I would want to be sure that he's graduating with a little bit of startup cash. You are starting your life, you are going to need a lease probably they will rent an apartment, you are going to move somewhere.

You are going to get some clothes for the new job and so I would want to make sure that he's got at least \$5 -10,000 parked in a liquid account for that purpose so that let's say he got a great job opportunity but requires moving across the country or you know what, he decides he wants to take three months off and travel because he has been so diligent with school that he hasn't really "explored" enough and I think that is really smart sometimes to take a little bit of a gap a few months, a year before you jump into working for the rest of your life.

But I think having liquid cash when you graduate is really important. Now I say this thinking maybe this is all the money you're going to have when you graduate. If you're going to have let's say, another \$20,000 when you graduate let's say \$40,000 then I'd say, okay well with this

\$20,000 that we have now, let us think about investing it but rule of thumb here maybe is like whatever money you're going to have 50% invest it, 50% have it liquid.

With the 50% you're going to invest starting maybe today, I wouldn't put it all in the market right now. Do this thing called dollar cost averaging which is that you take let's say 10% of that or \$500 a month and you invest it every month in an index fund, in a basket of ETF's, which by the way you can start these portfolios on a number of different platforms out there, Robin Hood, Wealthfront, Charles Schwab, Ellevest, there is a ton of options for you out there to do this digitally and really simply.

The nice thing about dollar cost averaging is, well two things, one it allows you to gradually get into the market without sort of betting all of it at once and the residual benefit of that is that if the market does tank even though over the long run historically speaking, you will make up for that loss and then some but in that moment, your stomach won't be in your throat. You know some people can't take it to see their portfolio drop by 10%, 20% in a day.

So if that is you, if you are risk averse then I would say do it gradually by putting in like \$500 a month or a thousand dollars a month on a schedule so that you have all of that money invested over the next year or two but the reality is, is that studies show it doesn't really matter in terms of whether you dollar cost average it or lump sum invest over the long run. The returns are pretty much the same. It is just more a matter of like how would you feel is the market plummeted.

And if you are really depressed by that then you might not want to put all of your money in right now and it also gives the opportunity to sort of course correct along the way. So if you do have a six month period where stocks are falling that actually wouldn't be a time to pull back. That would be a time I would recommend to get in even more. So you might want to dial up your investing over those down months to get in cheap if that makes sense.

Your question was about what to do. So I think I have answered that. Where do you put this money? I think you would get it in a low fee index fund or ETF. You could open up any of those portals that I mentioned and continue earning. It sounds like you're really good at making money Derek, keep doing that. I think that you'll be way far, further ahead than your peers when you

graduate. I mean I know it because you are not going to have student loan debt. Chelsea you mentioned that you have, you and your spouse are working on paying down debt, is that student loans?

[0:27:41.3]

**CSB:** Yeah, the majority is student loans. We only have our car and one medical bill of consumer debt technically and then we got \$40,000 of my student loans. So I am just so excited for him.

[0:27:55.2]

**FT:** Yeah, Derek.

[0:27:56.1]

**CSB:** He is doing great.

[0:27:58.1]

**FT:** I hope this was helpful. All right, I want to help out Christopher now because he is such a sweetheart. He says that his wife recently decided she wants to start a blog focusing on being a physically responsible mom. Their anniversary is coming up and he wants to get her something to get her started with that, any suggestions. I love this question, it is so thoughtful.

[0:28:21.3]

**CSB:** It's so sweet yeah.

[0:28:23.2]

**FT:** Way to go to your wife for wanting to document her advice and helping other moms along the way. I mean I think if I were to think of what I would have needed back all of those years ago

when I was starting my first digital content series, I would say that it would be really nice Christopher to get your wife a photo session where I assume she is going to be starting a website and it will need to have her photo and as she is writing and she is inserting herself in a lot of these posts to have a stock folder of photographs of her.

Doing her day to day stuff that she can use to reference some of the content. So you know, with the kids, working at her desk, going out for coffee. You know getting a photographer to come to the house and kind of storyboard her day out and take snapshots of her day throughout so that she ends with say a 100 or maybe that is a lot like 50 really different and colorful vibrant photographs that she can use to populate the website overtime.

I would make sure that one of those photos is a really great headshot or glam shot, on the move shot where she can use on the homepage to really capture her essence, a photo of the family with her and you and her and the kids and you know, you get the picture right? So I think this is stuff that these are assets that she will definitely benefit from on the website. So getting her hair and makeup done, a photographer really do it up for her I think that would be really, really special.

And these of course are photos that you will have forever and then I would also think about getting her maybe a gift card to an outsourcing website like an Upwork or Fiverr because along the way maybe she'll want graphics made, maybe she'll need some technical support. She will want some copy writing done, she will want you know I don't know image, photo shopping and so with a gift card to these sights that will give her a little bit of a budget to hit the ground running.

To get some of this fun stuff out of the way and make of course her life easier so that she can concentrate on the writing part and she can have the satellite team that is doing all the insularly work. I love this question and I wish more husbands would ask me how to make their wives happier. I think I would have a lot of suggestions. What do you think though Chelsea, is there anything else?

[0:30:57.3]

**CSB:** The only thing I thought, I have a friend who is doing a planning blog, a planner blog, she like a certain planner and she likes to do that Instagram account for her planning and lighting equipment for doing photos of her planner has been challenging. So I don't know what kind of – what the wife wants to blog about but if she is going to be making videos or some things or taking stills then maybe having like a lighting set up for her desk.

[0:31:29.2]

**FT:** That is a great idea. Yeah, if she plans to do and video is very – it is a very successful strategy for people who want to blog like having dynamic content so it is not just content print but maybe there is some supplementary video and of course anything visual goes a very long way. So you are having just a beauty lamp, a beauty light you can get this circular, all the fashion bloggers and vloggers use them.

And I am going down that rabbit hole myself right now because I am looking to get myself equipped for YouTube going next week to be B&H, which is this super store in New York of electronics and everyone who works there is really knowledgeable but I just want to go with some information.

[0:32:14.5]

**CSB:** And know what you want first?

[0:32:16.6]

**FT:** Yeah because it is like going into a car lot without any idea of what you want to buy like you need to go in there with a sheet of like bulleted items and so I am currently doing a lot of research on what do I actually need. Last question here is from Becca, she has been listening to every episode for the last six months. Wow, that's awesome. She's 26 years old and she is hoping to finish her PHD in biomedical science later this year, rock on.

Currently looking for positions and have been talking to a company recently about a job that, "I think I would really enjoy," she says. She says they recently disclosed the salary for the position



and it was a lot lower than what I was expecting. The retirement benefits however are really great. They contribute 9% of your salary to a retirement account regardless of her contribution; but here is the question.

She says, “Farnoosh I am worried about starting at a lower salary and how that is going to impact my earnings for the rest of my career because I am worried about what future employers are going to believe that I am worth.” She is not sure if other similar positions will offer more because this is the first position that she has been given and has been given a salary estimate. So what is my advice and what is my advice specifically for people looking for their first job and the importance of salary versus other benefits? So I have a lot of thoughts on this, can you imagine?

[0:33:52.2]

**CSB:** Me too.

[0:33:53.2]

**FT:** Okay, so let’s talk about this Chelsea because I just want to first though mention the first thing she stated as a concern was, okay let’s say I take this job. It is not the salary that I want. I think it is lowballing me and that is going to have a domino effect when I go for this next job somewhere else and they’re going to see what I made and low ball me again. Well here is the thing, I don’t know what state she lives in.

But there is a growing movement to legalize a ban, banning employers from asking job seekers to reveal their salary history. So I know this is true in New York. I know it is true in Michigan, in Wisconsin, there is about 15 states, a lot of localities that have some sort of law against asking perspective employees about their salary history. So you do know that there is a good chance that you are protected and so I would just go online and see if your state is one of those states.

And if it is not yet, I am sure it will be soon. So I just want to announce that for everybody listening and I am so glad that this is a movement that is happening because it is right. You shouldn’t be lowballed based on what your previous employer paid you because there is all

sorts of things. There is pay discrimination and we don't want to perpetuate those systems, systematic problems. Okay so that is the first thing.

The next thing is this is just the beginning of a negotiation. You know I don't know what kind of employer this is. It doesn't sound like this is a federal employer where a lot of times the salary is the salary until you get promoted you don't go into the next salary bracket but it sounds like this is maybe just the beginning of a negotiation and I think if I do have advice for anybody on the first job search is you've to be ready armed with knowing your worth.

It sounds like Becca has a feeling at least that she is worth more but can you back it up with actual data. Can you go out and see what other employers are offering starting employees with this position. If you find out that it is more elsewhere that is information to go back to this employer and say, "Actually I was thinking that we could start me out at this salary because that is actually where I have done my research. I find that these other companies in your category are giving first time employees." So it sounds like you might want to do a little more research, go on sites like glassdoor.com, gosh who else? Pay Scale.

[0:36:28.2]

**CSB:** I think Indeed.

[0:36:29.0]

**FT:** Indeed, Comparably, look at and you can talk to maybe your classmates who are also getting job offers and be very candid with one another. I think that that's part of the problem is that we don't talk about salaries with one another. It is very taboo but if you can navigate that, talk to your professors, a lot of them have a foot in the industry or know and have connections. They might be able to get some research for you.

I do that benefits goes a very long way. I think you have to really assess the totality of the offer. So maybe the salary is not great but 9% of your salary to retirement account, I mean that is basically assumed that you are making 9% more right? If they are offering you \$100,000, well

actually you're getting a \$109,000 but 9,000 of that is going into the 401(k). That is \$9,000 that you don't have to invest on your own. What do you think Chelsea?

[0:37:30.0]

**CSB:** I think that is absolutely correct and I like that she said that she think that she would really enjoy this position because negotiating your salary is just part of getting a job and especially with her level of education, you want the work that you do to be something that you enjoy not to be something that is closer to what you thought you would get paid for your first job. So negotiate as much as possible but your first job out of school should offer you valuable experience as well as many because you take that into every negotiation subsequently after that.

So enjoying the work is beautiful and then look up, do your research. I once talked to a headhunter in my field just to compare salaries in this areas because it is really difficult, people don't want to talk about their money, which is something I talk about all the time because I want to make sure that my peers know that salaries can be negotiated and that we are empowered especially woman but I just think that if this is something she is going to enjoy and she is going to learn a lot from and she can negotiate more, do that absolutely.

[0:38:48.2]

**FT:** Yeah and thank you for bringing that up about making sure that that first job is going to be a great foundation for you as you climb up in your career that you are also not just talking about money and benefits but what are my responsibilities. What kind of autonomy can I have here to take leadership with some of the initiatives and projects that I have in mind and who will be mentoring me? And talk to people who have been there for a few years.

And ask them about their experience. Not the people that have been there for 20 years but people who are a couple years in like, "Okay, so are you happier here? Anything you would advise me to do?" I will end with this quote from Condoleezza Rice who spoke at the conference I was talking about in the very beginning on the Women on the Move event that I attended where I lost my cellphone but she was the last speaker that I heard speak.

And she teaches at Stanford and she said that a lot of the students, men and women, come to her and they say, “You know I just want to find a really meaningful job when I graduate” which is really admirable but she said and she jokes and she was like, “Your first job out of college isn’t going to be “meaningful” in all the ways that you want it to be.” It is not going to basically check off all the boxes. What is meaningful about it is that someone is willing to pay you for first time at doing anything.

And that of course everybody laughed in the audience but it is true. I mean I think back to myself, I wanted my first job to be a dream job and I think you can go in with that expectation, you’re going to be disappointed. That is not to say that your first job can’t be great and can’t be pivotal and can’t be a learning experience but it is not going to be the end all. You have a very long career ahead of you.

So as long as it is checking off a few of the boxes and to your point Chelsea, it is giving you the opportunity to learn and grow, I think that is invaluable and that is really what you need at this point in your career but don’t hesitate to negotiate either. All right Chelsea, thank you so much for joining me. This has been a lot of fun and I really much prefer cohosting so anyone out there who wants to connect, I again encourage you to reach out and I really wish you and your family the best Chelsea. Thanks for listening, let’s keep in touch.

[0:41:17.3]

**CSB:** Yes, thank you for such amazing content. I love everything you do, so relatable and accessible and actionable like right now.

[0:41:25.4]

**FT:** Thank you and everybody listening. I hope your weekend is So Money.

[END]