

clever girl finance

How to create a financial plan that works for you!

+ tips for uncertain times



About Bola



- **Certified Financial Education Instructor and Money Expert**
- **Best-selling author** of the Clever Girl Finance book series
- **Founder of Clever Girl Finance**, a free financial wellness platform for women offering over 30+ completely free courses & more.

Before you dive into building your plan, you first need to establish a wealth mindset.

How to establish a wealth mindset

- Focus on adjusting your thoughts: No shame, no judgment
- Appreciate what you have
- Open your mind and heart to embrace change
- Be proactive and create a plan
- Get out of your comfort zone and get to work
- Know that you can be successful; you have what it takes
- Understand that money is simply a tool

Money blocks to eliminate starting right now

- Limiting beliefs
- Negative self-talk
- Non-specific goals
- Emotions and grudges
- Holding on to money mistakes
- Avoiding your finances
- Worshiping money

Having A Financial Plan Includes Having The Following:

- A budget
- A plan for paying down debt
- Building and maintaining your credit
- A plan to invest
- The right kind of insurance

To Get Started You Need To Know:

- Where you stand financially
- How much you own
- How much you owe
- Where you want to get to

Your Budget

A Budget is Essential To Your Financial Success

- It allows you accurately determine how much money you have available to spend and to save.
- It helps you understand the flow of your income and your expenses.
- Keeps you on track to spend LESS than you earn.

Call it something fun!

Budget Categorization Example

Your budget can be broken out into the following categories:



Tips For Success With Your Budget

- Include your income & estimate your expenses; Know the difference between the two.
- Monitor your spending patterns.
- Do weekly and monthly comparisons; See where you can cut expenses and readjust your budget accordingly.
- Don't forget to set dates around specific goals you are budgeting for.

During Times Of Uncertainty

- Prioritize your core essentials.
- Create a plan for emergency savings.
- Cut back on non-essential spending.

Emergency Savings

How to Build Your Emergency Savings

Your emergency savings is to help you weather unplanned life circumstances or emergencies so you don't have to rely on credit or take on new debt.

- Determine your basic living expenses and plan to save 3 then 6 months of those expenses.
- Build your savings into your budget.
- Keep your emergency fund accessible and liquid.
- Avoid the temptation to spend it e.g. Keep it at a different bank, no checks or debit card.

Your Debt

Credit Card Debt & Loans

- Decide you are done with debt once and for all. Stop all spending on credit.
- List everything you owe - Create a payoff plan
 - *Highest interest rate first or smallest balance first*
 - *Pay more than the minimum*
- Consider consolidating your debt into one payment
 - *If you can get a lower interest rate AND the fees to consolidate make sense*
- If you have debt in collections, negotiate a payment plan

Student Loans

- Make sure you are aware of all your student loans.
- Factor your loan payments into your budget.
- Consider consolidating your loans to a lower rate.
- Don't skip loan payments, don't default.
- Prioritize by interest rates.
- Pay more than the minimum.

During Times Of Uncertainty

- It's ok to make minimum payments to prioritize saving for emergencies.
- You can ramp back up on your accelerated debt repayment plans once you have a plan for uncertain times in place.
- If you are unable to make payments be sure to communicate with your lenders and service providers. Don't assume they know your situation.

Your Credit

What To Know About Your Credit

- **Your credit history:** The history of how (well) you've paid your bills in the past.
- **Your credit report:** Documentation of your credit history from various sources e.g. credit card companies, banks, collection agencies etc, your total debt and your available credit.
- **Your credit score:** A grading given to you by the credit bureaus based on your credit history from your credit report and is used to help lenders determine or predict how well you will pay your bills in future.

The 3 main credit bureaus are: Equifax, Experian & Transunion

Tips To Maintain Or Rebuild Credit

- **Check your credit report at least once a year** with all 3 credit bureaus. (*annualcreditreport.com*)
- **Pay your credit bills on time.**
- Aim to pay credit cards **in full each month.**
- **Catch up on your payments;** Call creditors make payment arrangements.
- If your credit card is lost or stolen **report it to the credit bureaus immediately.**
- **If your credit report has errors contact the credit bureaus immediately** in writing with proof as soon as you obtain your report.

Tips To Protect Your Credit

- **Shred** any document with personal information.
- Keep your Social Security card, passport, license, and other valuable personal information **hidden**.
- **Be careful** who you provide your social security information or private contact information to over the phone.
- **Don't carry** your credit or debit card PIN in your wallet or write it on your card.

Investing

Investing gives you options

Investing allows you to grow your money and depending on your investment rate, you can accelerate your timeline to:

- Retire early (FIRE)
- Work at a reduced schedule
- Take a sabbatical
- Leave a job that does not serve you
- Help your family and community
- Create generational wealth

Avenues To Invest

1. The Stock Market (Stocks, funds, bonds etc)

Tax Advantage Retirement Plans e.g.

- *401K, 403b etc*
- *IRAs (Traditional, Roth, Rollover)*

Non-Retirement Accounts / Self Set-up

2. Real Estate

- *Rental or commercial property*

3. Small Business

- *Your own or investing in the business of others*

4. Digital currencies and assets

- *Cryptocurrency, NFTs etc*

Major Investing Mistakes

Investing

- Not having clear objectives.
- Not knowing your risk tolerance.
- Trying to time the market.
- Investing on emotion.
- Not doing the necessary research.

Investing is a long-term play

During Times Of Uncertainty

- It's ok to pause making investments until you have emergency savings in place or feel more comfortable.
- Keep your objectives and risk tolerance in mind.

Insurance

Insurance: Your Financial Backup

- Having insurance can potentially save you a ton of money in the event of an emergency or unplanned life occurrence.
- Having insurance means you can protect yourself without having to impact your money plan.

**Remember:
Life Happens**

Types Of Insurance

Personal insurance you should have:

- Health Insurance
- Auto Insurance
- Renters or Homeowners Insurance

Other Insurance you should seriously consider:

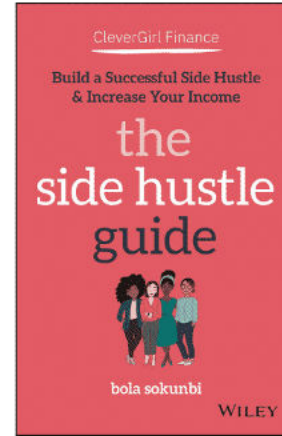
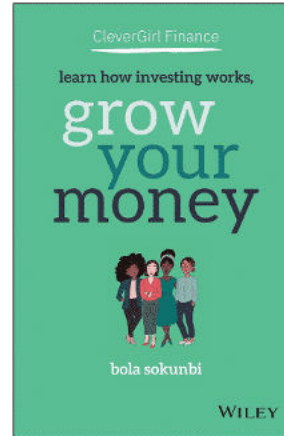
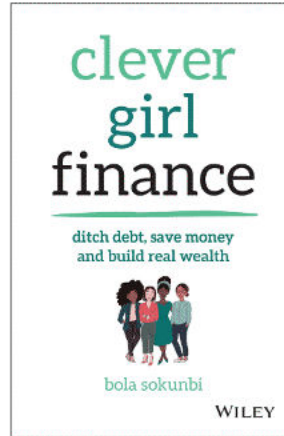
- Life
- Disability
- Personal property
- Home warranties
- Business

Finally...

Remember:

1. You are taking ownership of your finances and your life.
2. It will not always be easy but you can do it.
3. Not everyone will understand your journey, and that's ok.
4. Accountability is key; Your circle of influence matters.
5. Gratitude always; because gratitude brings abundance.

Thank you!



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