

An aerial photograph of a winding asphalt road that curves through a dense, green forest. The road is light gray and contrasts with the dark green trees. The forest covers a hillside, and the road appears to be a two-lane road with a white line on the edge. The overall scene is serene and natural.

PERSONAL FINANCE 101

TABLE OF CONTENTS

01

INTRODUCTION

Course Overview

02

BUDGETING BASICS

Explanation of Budgeting
Strategies

03

BANKING & SAVING

Checking vs Savings Accounts,
Money Markets, CDs

04

DEBT

Loans, Mortgages, Advantages
and Disadvantages of Debt

05

INVESTING I

Stocks & Bonds

TABLE OF CONTENTS

06

INVESTING II

Mutual Funds, ETFs, REITs, Alts

07

RETIREMENT ACCOUNTS

Roth IRAs, Roth 401ks, 401ks

08

TAX PREPARATION

Using IRS FreeFile/TurboTax

09

REAL ESTATE

Renting vs Buying

10

JOB APPLICATIONS

Resumes and Unemployment

TABLE OF CONTENTS

11

INSURANCE

Health Insurance, Life Insurance

12

ASSET PROTECTION

Scam Avoidance, Password
Managers

13

MEDICAL BILLS

Negotiation, Bill Reduction
Strategies

14

STUDENT FINANCIAL AID

FAFSA, Loan Forgiveness, Career
Selection

15

LOVE & MONEY

Pre-nuptial Agreements, Shared
Accounts



INTRODUCTION

01

DISCLAIMER

The information presented in this personal finance course is for educational purposes only and should not be considered as professional legal or financial advice.

For specific advice tailored to your individual circumstances, please consult a qualified attorney or financial advisor.

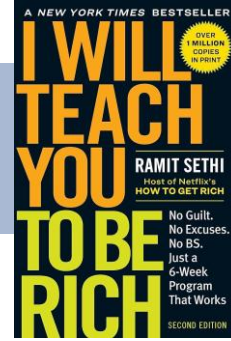
AI Disclaimer: This presentation contains AI-generated images.



RECOMMENDED READING

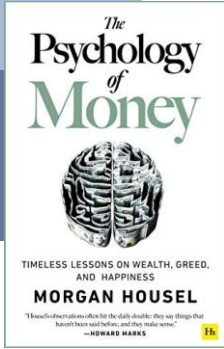
I Will Teach You To Be Rich

by Ramit Sethi



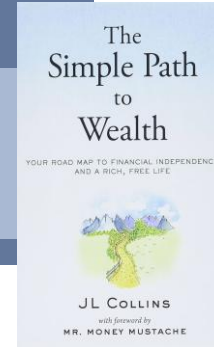
The Psychology of Money

by Morgan Housel



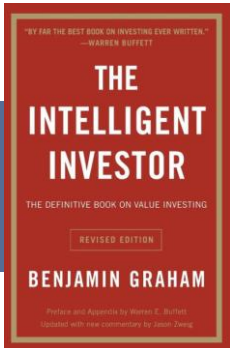
The Simple Path to Wealth

by JL Collins



The Intelligent Investor

by Benjamin Graham



RECOMMENDED APPS



Empower Financial

Best for Account Aggregation



You Need A Budget

Best for Budgeting & Money Management



Acorns

Best for Hands-Off Investing



Credit Karma

Best for Improving Credit Scores

The background image is a dark, atmospheric landscape. It features a calm body of water in the foreground, reflecting a bright light source from above. In the distance, there are rolling hills and mountains under a hazy sky. A small beach is visible on the left side. Numerous sailboats are anchored in the water. A semi-transparent blue rectangle is centered over the image, containing the text 'BE WARY OF FINANCE GURUS' in white, bold, sans-serif capital letters. There are also some solid blue geometric shapes in the corners: a square in the top right and a rectangle in the bottom left.

**BE WARY OF
FINANCE GURUS**

YOUTUBE CHANNELS



The Plain Bagel by
Richard Coffrin

Common Sense
Investing by Ben
Felix



RECOMMENDED PODCASTS



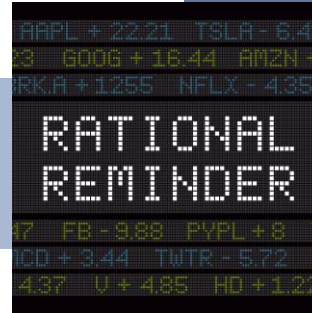
The Money Guy

Best for Clear, Actionable Advice



Planet Money

Best for Entertaining Economics



Rational Reminder

Best for Long-Form Complex Topics



I Will Teach You To Be Rich

Best for Stories About Personal Finance

R/PERSONALFINANCE



For a comprehensive, open-source, step by step guide on the **basics of personal finance**. Use as a reference – ‘The Flowchart’ is an excellent graphical version of the basics & steps necessary.



COURSE OBJECTIVE

To provide you with the tools to succeed financially, regardless of salary, background, or financial situation.

WHAT IS PERSONAL FINANCE?

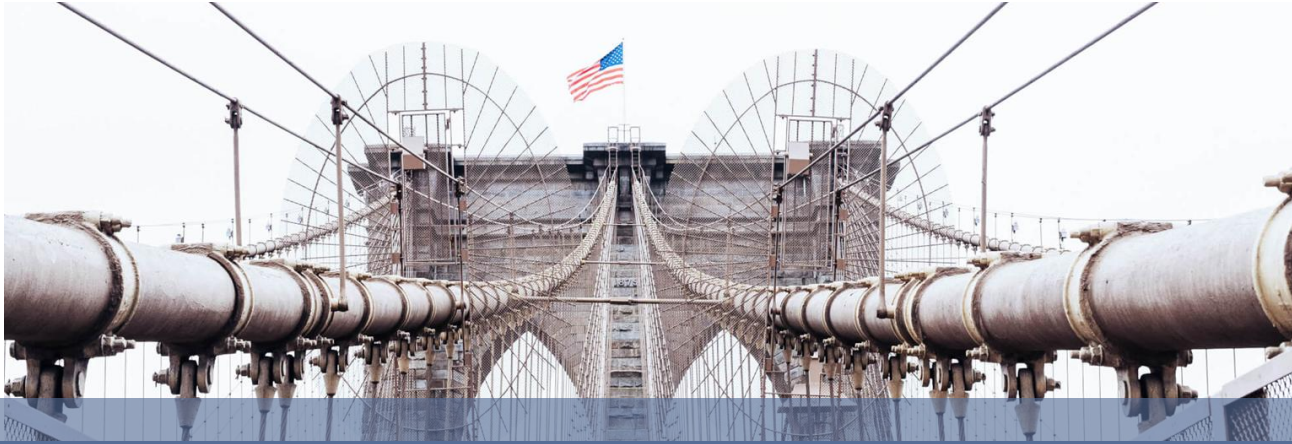
Personal finance is the strategies and principles people use to manage their money, make informed financial decisions, and plan for their short-term and long-term financial goals.





ON FINANCIAL PESSIMISM

REASONS PEOPLE DON'T CARE



TOO COMPLEX

"It's all too much information to handle, how can I possibly understand it all?"

IRRELEVANT

"I don't have a job, so I don't need to know any of this."

WHY BOTHER

"Because of the system, I'll never get rich anyway. So why bother?"

WHY IS THIS IMPORTANT?

FINANCIAL INDEPENDENCE

Understanding personal finance empowers individuals to take control of their financial future, reducing reliance on others and enabling autonomy in decision-making.

EFFECTIVE MONEY MANAGEMENT

Knowledge in personal finance aids in budgeting, saving, and investing wisely, optimizing resources and ensuring financial stability in both the short and long term.

MITIGATING FINANCIAL STRESS

Having a grasp of personal finance helps individuals navigate unexpected expenses, manage debt efficiently, and build emergency funds, reducing stress and anxiety related to financial uncertainties.

GOAL ACHIEVEMENT

With sound financial knowledge, individuals can set and achieve various life goals, whether it's buying a house, retiring early, starting a business, saving for education, or planning for retirement.

BUDGETING

02

BUDGET



≤ 33% RENT



*After Tax Income

NEEDS VS WANTS



NEEDS

Shelter, food, clothing, and healthcare are essential for survival and well-being. They encompass basic necessities required for daily living and maintaining health.



WANTS

Items like luxury goods, entertainment, and leisure activities enhance quality of life but aren't essential for survival. Wants encompass non-essential items or experiences that provide pleasure or enjoyment but are not crucial for daily living.



DEFINE YOUR LIFESTYLE

Develop a sentence to describe the things you enjoy in life and are willing to spend money on. Examples include...

- I like to go out with my friends whenever they ask, and having a nice living space is very important to me.
- I love traveling to visit my family in Peru, and my goal is to hike all mountains in the Rockies.
- I'm passionate about trying new musical instruments and lessons to cultivate my love for playing music.



DEFINE YOUR FINANCIAL GOALS

Create a sentence to describe the things you want to make big life decisions on that require a lot of money. Examples include...

- Save \$20,000 for a down payment on a house within 3 years.
- Replace my old beat-up Prius with a Tesla.
- Retire early, at 45 instead of 65.

CREATE CATEGORIES



RENT

The amount you pay each month for rent/mortgage.



UTILITIES

Heat, Air Conditioning, Natural Gas, Electricity, Wifi



GROCERIES

Meals, snacks, drinks, coffee, etc



GYM

If you want to stay fit



SUBSCRIPTIONS

For the couch inclined: Netflix, Hulu, HBO Max, Spotify



INSURANCE

Car insurance, medical expenses, copays

MONTHLY BUDGETING METHODS



ENVELOPE

Physical or virtual envelopes represent specific spending categories (groceries, entertainment).

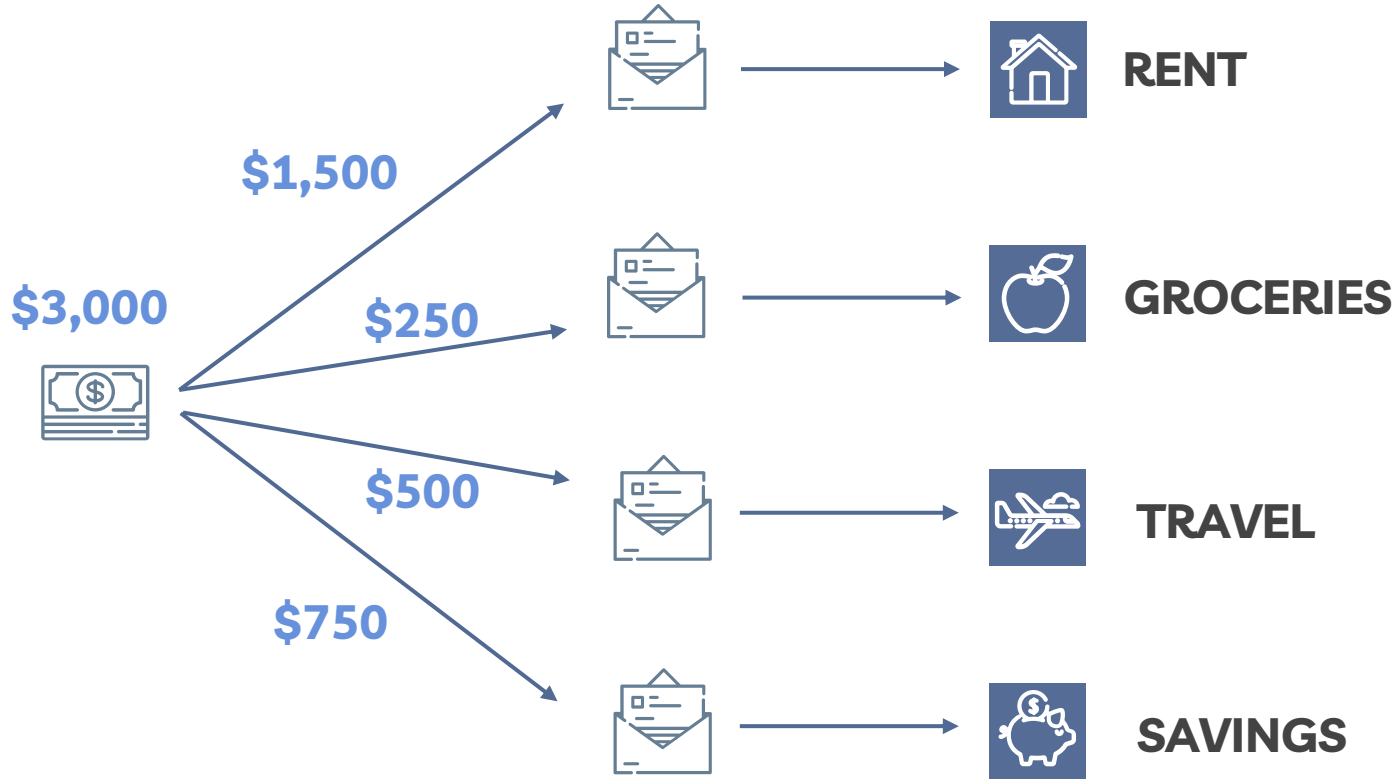
ZERO-BASED

Every dollar of income is allocated to expenses, savings, or debt repayment, ensuring that income minus expenses equals zero.

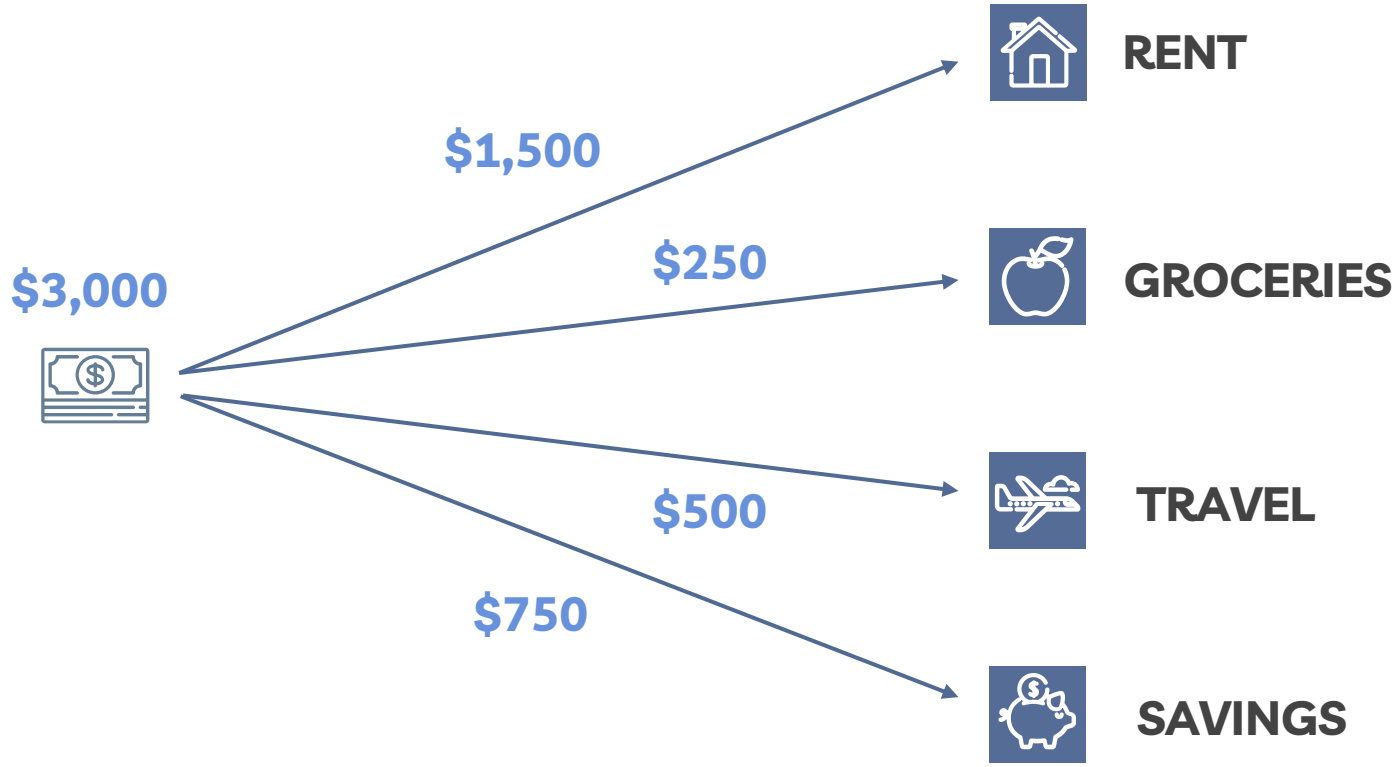
PAY YOURSELF FIRST

Prioritize savings by allocating a portion of income directly to savings or investments before covering expenses.

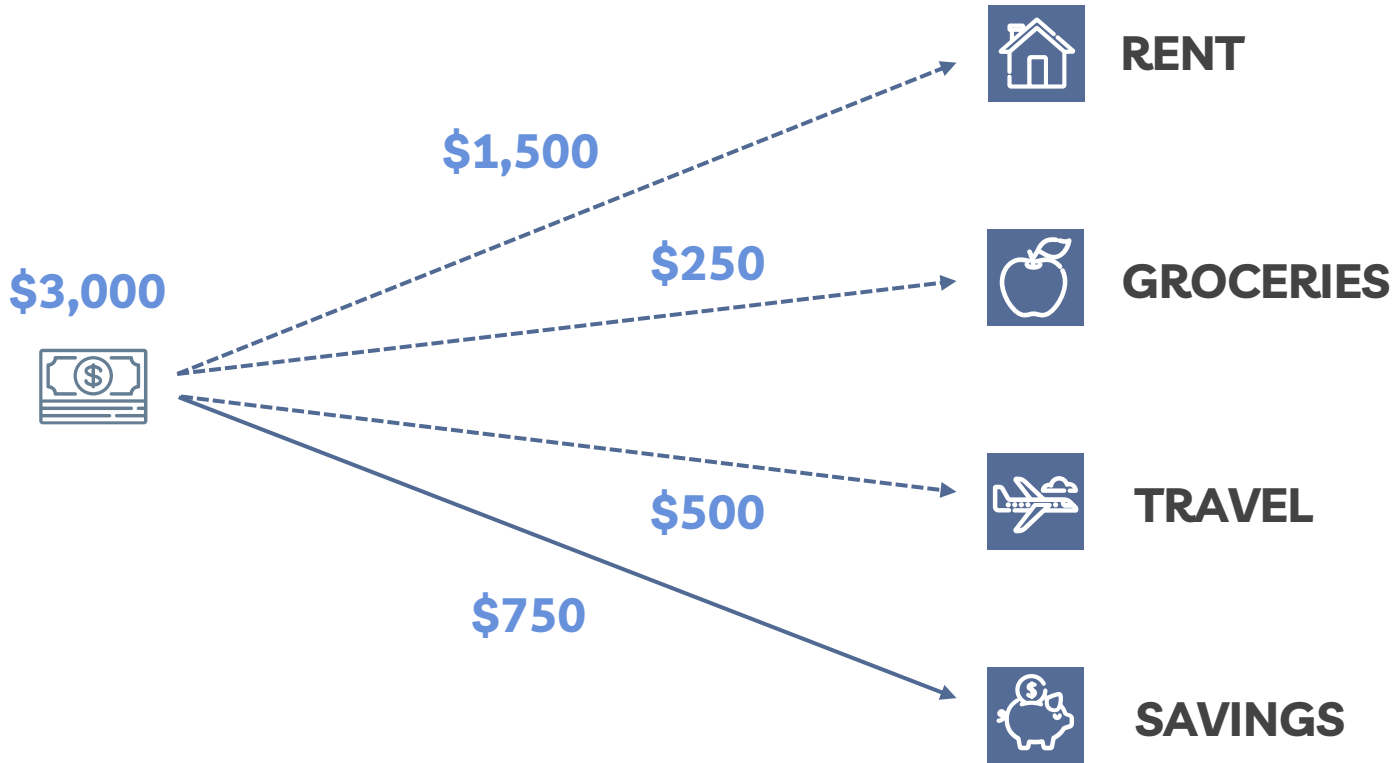
ENVELOPE METHOD



ZERO BASED BUDGETING



PAY YOURSELF FIRST





BANKING & SAVING

03

CHECKING VS SAVINGS



CHECKING

Accessibility: ATM Access

No Withdrawal Limits: There are usually no limits on the number of transactions

Limited Interest: Checking accounts usually offer minimal or no interest.



VS

SAVINGS

Interest Earnings: Savings accounts offer interest on the deposited funds.

Limited Access: Savings accounts might have limitations on the number of withdrawals allowed per month.

CHECKING ACCOUNT SELECTION



Use this tool to determine the best checking accounts based on overdraft fees, monthly fees, and ATM access.

- **Overdraft Fees:** Want as LOW as possible
- **Monthly Fees:** Want as LOW as possible
- **ATM Access:** Want lots of locations / LOW ATM Fees

SAVINGS ACCOUNT SELECTION

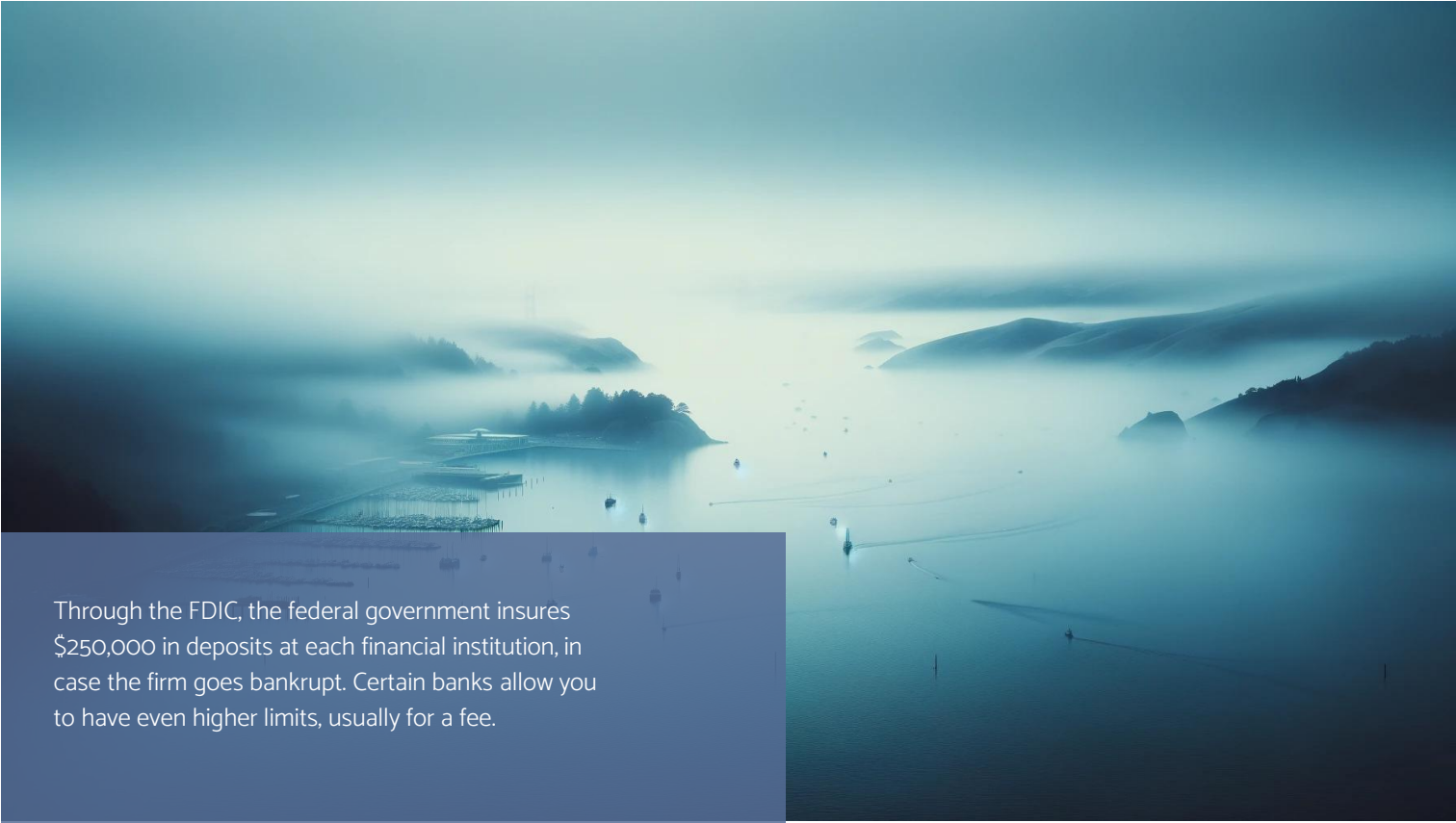


Use this tool to determine the best savings rates based on APY, monthly fees, and sign up benefits.

- **APY:** Want as HIGH as possible
- **Sign On:** Want as HIGH as possible
- **Fees:** Want as LOW as possible

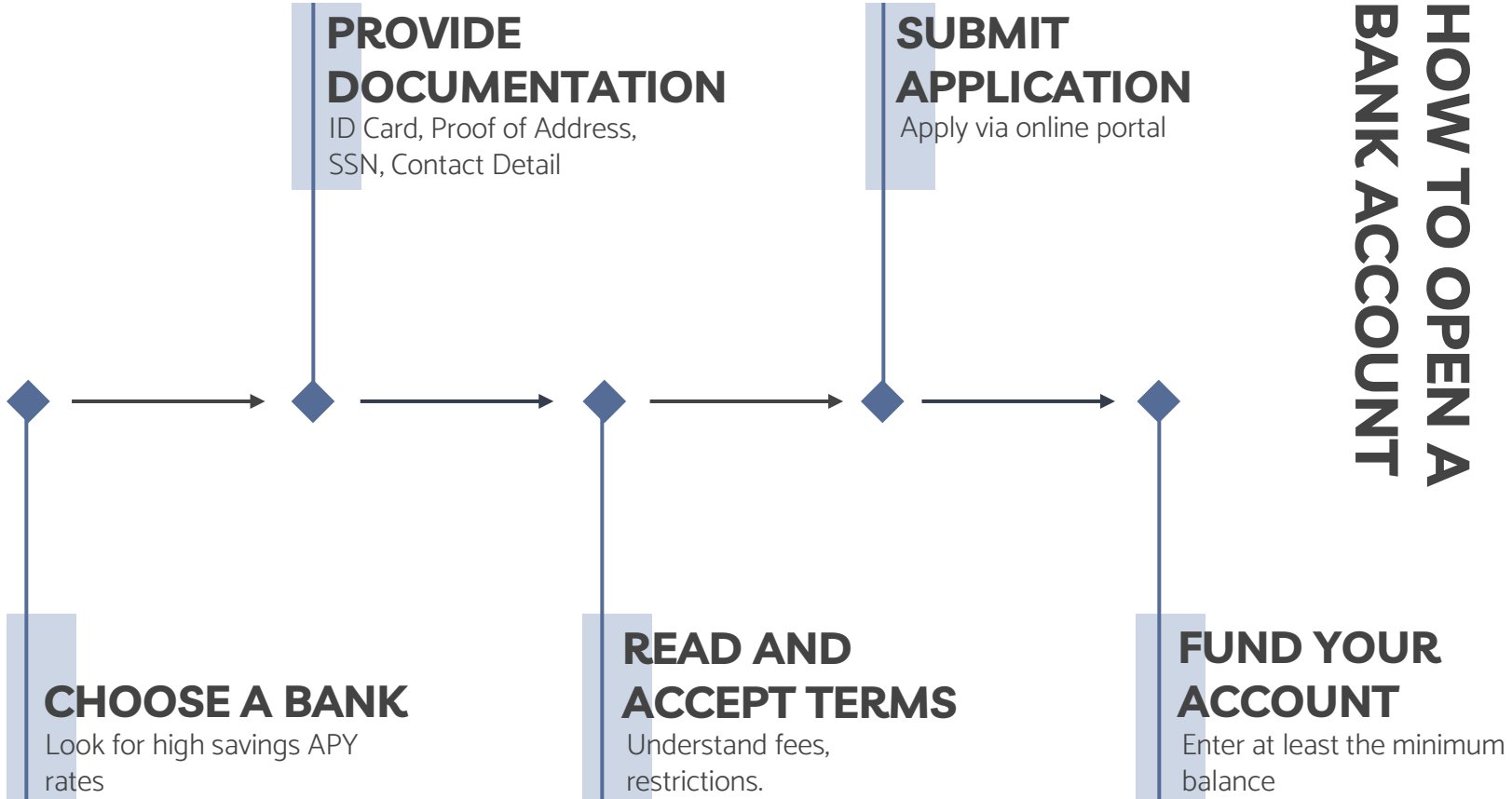


FEDERAL DEPOSIT INSURANCE CORP

A wide-angle, misty landscape of a bay, likely San Francisco Bay, with a marina in the foreground and hills in the background. The scene is bathed in a teal or cyan light, creating a serene and atmospheric mood. The water is calm, reflecting the light, and several small boats are visible. The hills in the distance are shrouded in mist, adding to the ethereal quality of the image.

Through the FDIC, the federal government insures \$250,000 in deposits at each financial institution, in case the firm goes bankrupt. Certain banks allow you to have even higher limits, usually for a fee.

HOW TO OPEN A BANK ACCOUNT





EMERGENCY FUND

Emergency fund is a **financial safety net** designed to cover unforeseen and urgent expenses that fall outside of routine budgeting. This fund serves as a buffer against unexpected events like **medical emergencies, job loss, car repairs, or home maintenance**. Unlike regular savings, an emergency fund **is easily accessible** and usually kept in liquid, low-risk accounts like a savings account or a money market fund.

REGULAR SAVINGS



Regular savings typically encompass funds **set aside for planned expenses**, future goals, or discretionary spending. These savings might be earmarked for **buying a house, taking a vacation, investing**, or other planned financial endeavors. They are essential for achieving medium to long-term financial goals and are often part of a structured savings plan, such as saving for retirement, education, or a major purchase.

EMERGENCY FUND VS SAVINGS



“An emergency fund converts a crisis into an inconvenience.”

– AIM FOR 3-6 MONTHS OF EXPENSES IN YOUR EMERGENCY FUND

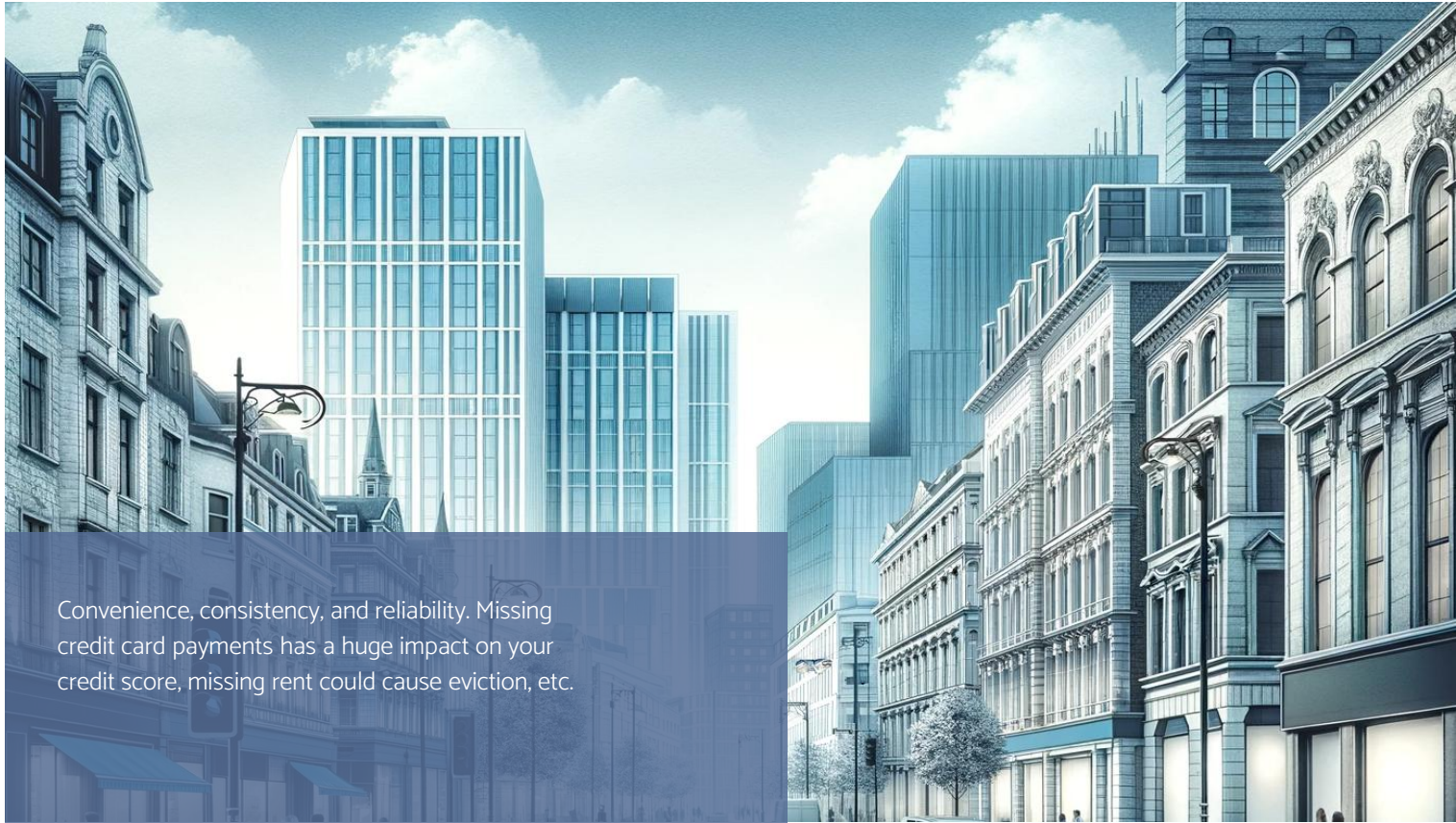
SET UP AUTOMATIC TRANSFERS

Send the amount allocated to savings directly to your savings account each month via direct deposit. This guarantees the money is out of sight for spending.

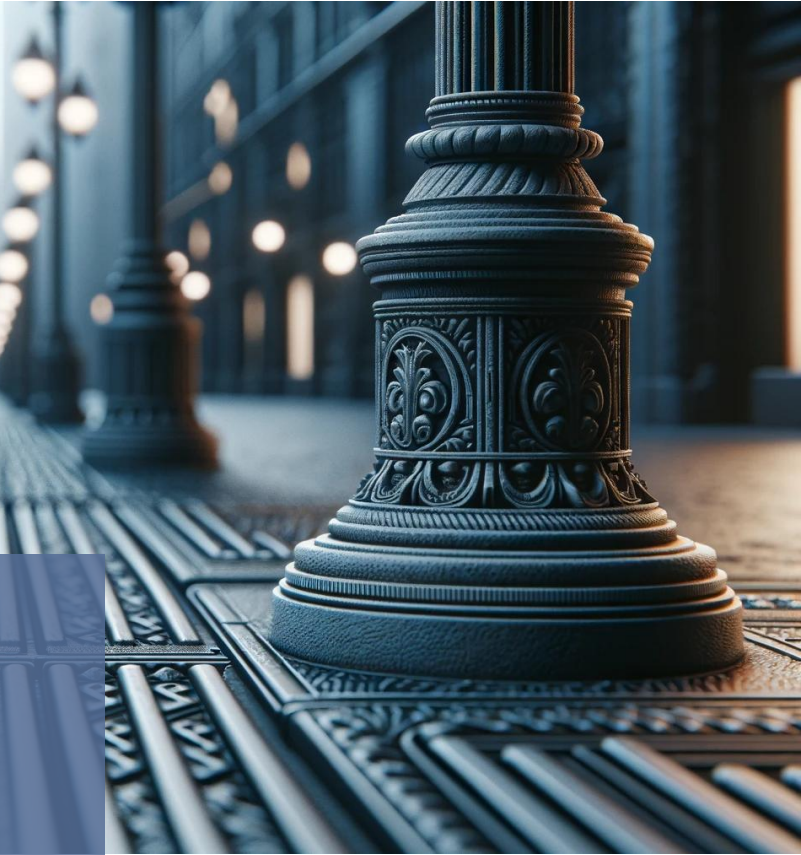



SET UP AUTOMATIC PAYMENTS

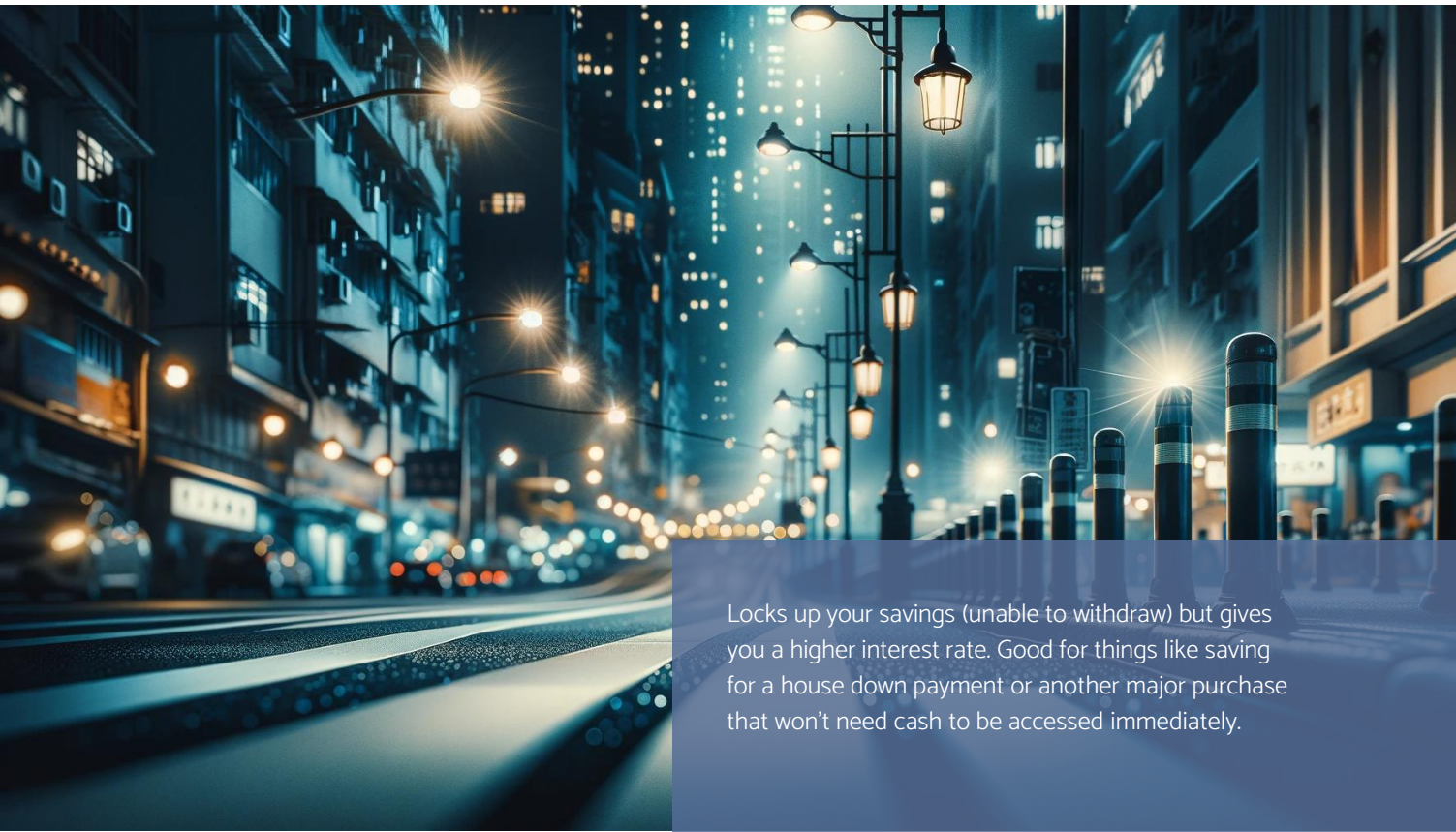
Convenience, consistency, and reliability. Missing credit card payments has a huge impact on your credit score, missing rent could cause eviction, etc.



GOAL SPECIFIC SAVING



Make sure that you have set specific goals for your saving, based on your long-term financial goals. Some banks even let you create sub-accounts, so you can specifically earmark the money.



Locks up your savings (unable to withdraw) but gives you a higher interest rate. Good for things like saving for a house down payment or another major purchase that won't need cash to be accessed immediately.

CDs

CREDIT UNIONS

Credit unions are **non-profit financial institutions** that are owned and operated by their members, rather than shareholders. They often offer **better interest rates** on savings and **lower fees** on loans compared to traditional banks. Membership in a credit union is typically based on **specific eligibility criteria**, such as geographic location, employer, or membership in certain organizations.



CREDIT UNION TYPES



MILITARY

For active-duty service members, veterans, and their families.



GOVERNMENT

For State or Federal government employees and their families.



EMPLOYEES

For employees of certain companies (*these are rare*).



EDUCATORS

For teachers, professors, and other education-related fields.



RELIGIOUS

For members of certain churches and religious groups.



COMMUNITY

For families living in certain communities.



DEBT

04

GOOD DEBT VS BAD DEBT



GOOD DEBT

Good debt involves borrowing for investments that have the potential to increase in value or generate future income.

- Mortgage
- Student Loans*
- Business Loans

VS



BAD DEBT

Bad debt involves borrowing for non-essential items, depreciating assets, or high-interest debt used for unnecessary expenses.

- High-Interest Credit Card Debt
- Consumer Loans for Depreciating Assets
- Payday Loans / Cash Advances
- Buy Now Pay Later

**APY = ANNUAL
PERCENTAGE YIELD**

**ROR = RATE OF
RETURN**

**30-10%
APY**

**10-7%
APY**

**12-7%
ROR**

**5-1%
APY**

**5-1%
ROR**

**HIGH INTEREST
DEBT**

Credit Card Debt

**MEDIUM INTEREST
DEBT**

Private Student Loans, Car
Loans

**LOW INTEREST
DEBT**

Federal Student Loans

**INVESTMENTS
/ RETIREMENT**

S&P 500

SAVINGS

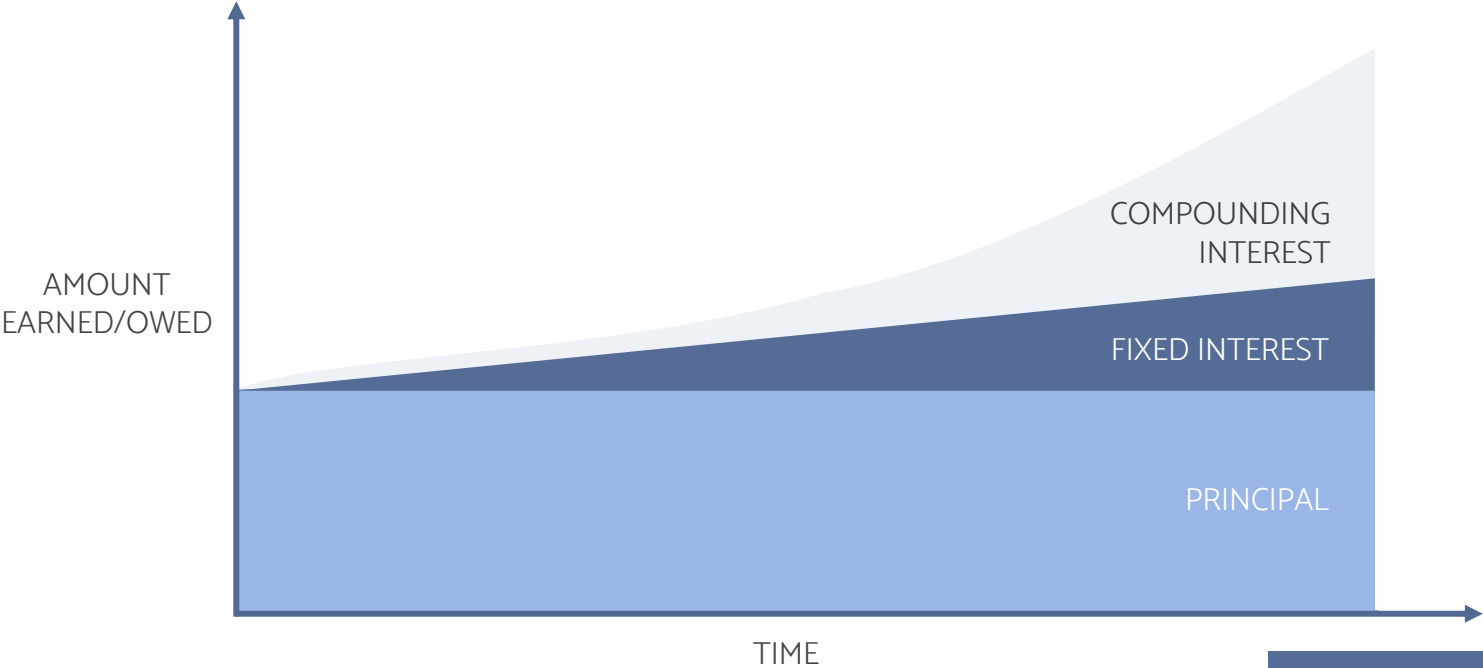
In high-yield account

PAYOFF PRIORITY



COMPOUNDING

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 10
Principal	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000
Total Interest <i>(Fixed @ 10%)</i>	\$500	\$1,000	\$1,000	\$1,500	\$2,000	\$5,000
Total Interest <i>(Compounding @ 10%)</i>	\$500	\$1,050	\$1,655	\$2,321	\$3,053	\$7,969



DEBT PAYOFF STRATEGIES



MOST REWARDING **SNOWBALL**

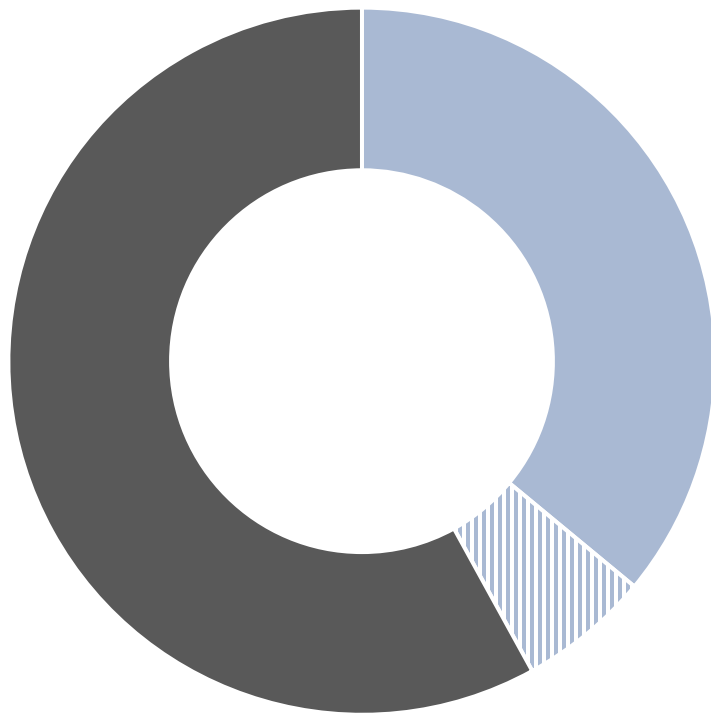
The snowball method involves paying off debts from smallest to largest balance, regardless of interest rate, gaining momentum as each balance is paid off ("snowballing"). This method can be motivating due to the psychological benefit of quickly clearing individual debts.



MOST EFFICIENT **AVALANCHE**

The avalanche method prioritizes debts with the highest interest rates first, moving to those with lower rates after the higher-rate debts are paid off. This approach can be more cost-effective in the long run, as it minimizes the total interest paid.

MONTHLY SALARY*



*BEFORE Tax Income

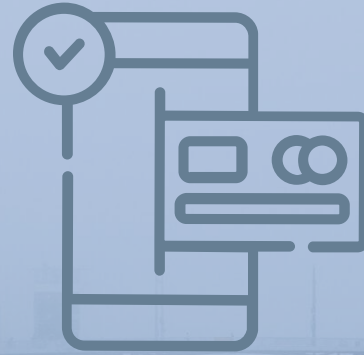
DEBT TO INCOME RATIO

MAXIMUM DEBT **36-42%**

REMAINING INCOME **64-58%**

CREDIT CARDS

Credit cards are a convenient tool in personal finance, useful for building credit and managing cash flow when used responsibly. However, they can lead to debt and high interest charges if misused. It's important to use them wisely by spending within means and paying off balances in full each month to maintain financial health.



RISKS VS REWARDS



REWARDS

Credit cards are a common financial tool in personal finance, offering both convenience and the opportunity to build credit. When used responsibly, they can be beneficial for managing cash flow, earning rewards, and building a credit history, which is crucial for future financial activities like securing loans or mortgages. Some benefits include:

- Building Credit Score
- Sign-Up Bonuses
- Rewards & Perks
- Extra Insurance
- Convenience
- Emergency Fund




RISKS

Misuse of credit cards can lead to high interest and debt, negatively impacting financial health and credit scores. It's important to use credit cards wisely by spending within your means, paying off balances in full each month, and keeping track of your expenses to avoid overspending.

- Incredibly High Interest Rates
- Debt Accumulation
- Credit Score Impact
- Potential for Fraud
- Encourages Overspending

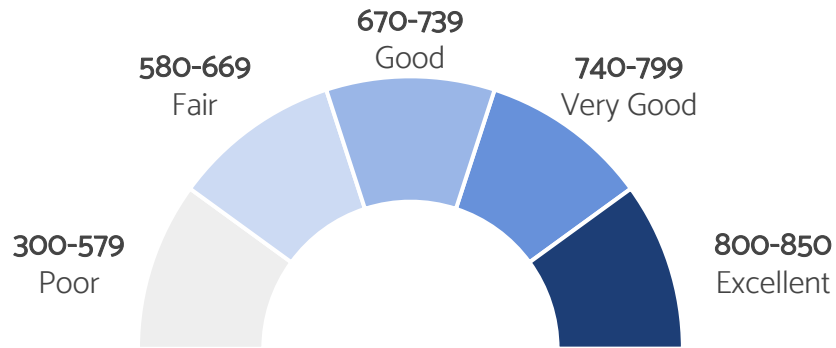
WHAT IS CREDIT SCORE

A blurred city street at night with lights and a decorative metal post in the foreground.

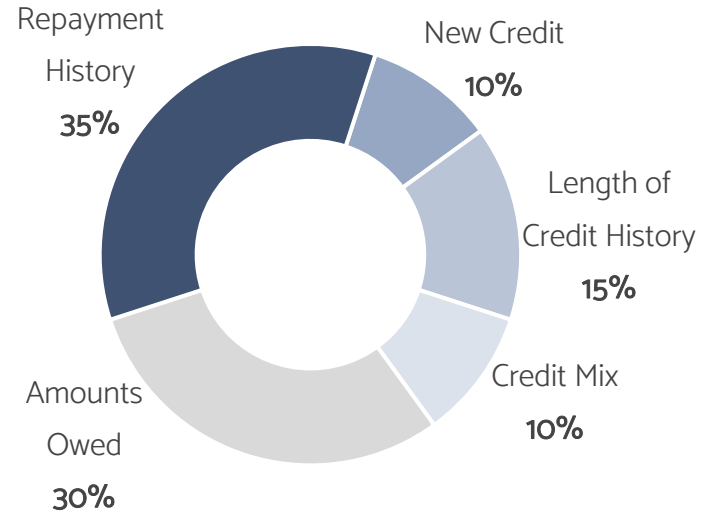
A credit score is a measure of an person's creditworthiness based on credit history (debt levels, repayment history, length of credit history). Higher scores indicate lower lending risk, improving loan terms, credit card approvals, insurance rates, and even employment.

CREDIT SCORE

SCALE



CALCULATION



A low-angle, upward-looking perspective of several modern skyscrapers with glass facades, creating a sense of height and scale. The buildings are arranged in a circular pattern, converging towards the center of the frame. The sky is a pale, hazy blue. A semi-transparent blue rectangular box is centered over the image, containing the text.

**DO NOT GO INTO
CREDIT CARD DEBT**

WHY TO AVOID CREDIT CARD DEBT



CREDIT CARD DEBT

FEES

Going above the credit limit **incurs fees**, often \$25-\$50/month.

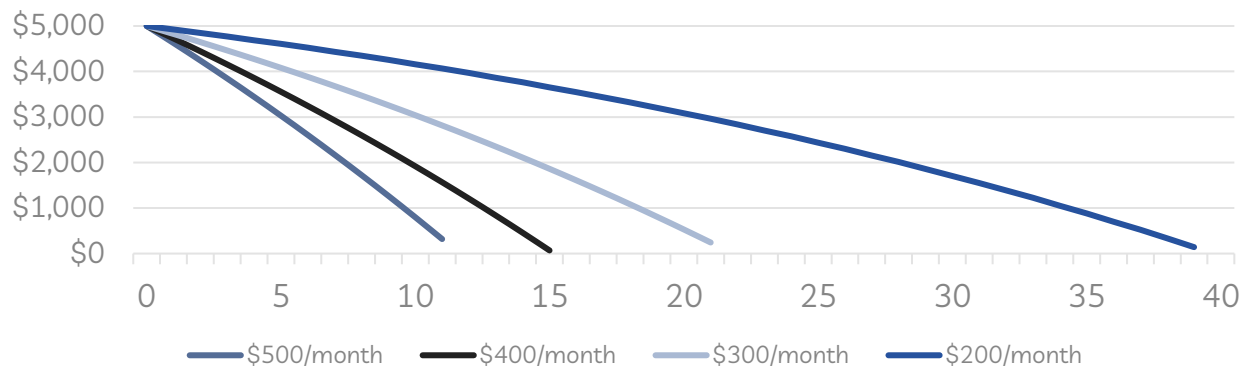
INTEREST

Credit cards have **extremely high interest rates**, meaning you'll end up **paying far more than you spent**.

CREDIT SCORE

Having a high 'utilization' (*spending \$4k on a card with a \$3k limit*) will **harm your credit score**, making it **harder and more expensive to get a house, car, etc.**

\$5,000 BALANCE @ 30% APY



Monthly Payment	Time to Pay Off	Interest Paid	Total Paid	Savings vs Minimum
\$200/mo (<i>minimum</i>)	40 months	\$2,945	\$7,945	-
\$300/mo	22 months	\$1,285	\$6,285	\$1,660
\$400/mo	16 months	\$1,070	\$6,070	\$1,875
\$500/mo	13 months	\$718	\$5,718	\$2,227

IMPORTANCE OF PAYING
OFF CREDIT CARD DEBT

TYPES OF CREDIT CARDS



CASH BACK

Cash back credit cards provide a percentage of cash back on purchases, offering a simple and straightforward way to earn rewards. They are well-suited for those who prefer receiving direct monetary benefits from their spending, without the specific focus on travel.



TRAVEL

Travel reward credit cards offer points or miles for each dollar spent, which can be redeemed for travel-related expenses like flights, hotels, and car rentals. These cards often come with additional travel benefits, making them ideal for frequent travelers looking to earn rewards for their spending.

ALTERNATIVES TO CREDIT CARDS



DEBIT CARD

Debit cards provide **direct access to funds in a checking or savings account**. Since the money is withdrawn directly from the account at the time of the transaction, debit cards are a good choice for individuals who prefer to **avoid interest charges or want to stick to a budget**. Unlike credit cards, they do not generally offer rewards, but they help in **maintaining financial control** by only allowing spending within available funds.

CHARGE CARD

Charge Cards offer the flexibility to make purchases without a pre-set spending limit, but they require **full repayment** at the end of each billing cycle. These cards do not allow for carrying a balance, making them ideal for individuals that consistently pay off their spending in full each month. In return, they often offer premium rewards and perks, but they also sometimes come with **higher annual fees**.

CREDIT CARD SELECTION



Use the following tool to **review and select credit cards** based on your goals, typical spending habits, and credit score. Knowing what you spend money on and where you plan to travel is crucial to getting the right card for you.

A wide-angle landscape photograph of a river meandering through a deep mountain valley. The river is a light, milky blue color, contrasting with the dark green and brown tones of the surrounding mountains and forests. The mountains are layered, creating a sense of depth and scale. In the upper left, a semi-transparent blue rectangle contains the title text. The sky is filled with soft, white clouds.

INTRO TO INVESTING I

05

WHAT IS INVESTING?

Investing is the act of allocating resources, such as money or time, into assets or ventures with the expectation of generating returns or achieving specific financial goals over the long term.



WHY INVEST?



\$36,000

\$100 saved per month, 0% return (cash), for 30 years.



\$81,538

\$100 saved per month, 5% return (bonds), yearly compounding, for 30 years.



\$206,284

\$100 saved per month, 10% return (S&P 500), yearly compounding, for 30 years.

WHY INVEST NOW?



\$19,986

\$100 saved per month, 10% return (S&P 500), yearly compounding, for 10 years.

\$71,826

\$100 saved per month, 10% return (S&P 500), yearly compounding, for 20 years.



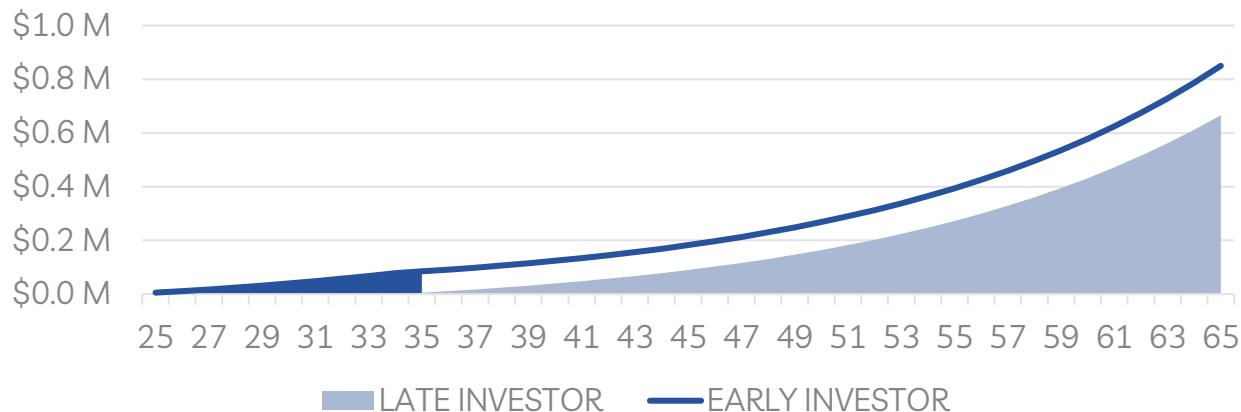
\$206,284

\$100 saved per month, 10% return (S&P 500), yearly compounding, for 30 years.



WHY INVEST NOW?

	EARLY INVESTOR	LATE INVESTOR
Investment Start Age	25	35
Investment End Age	35	65
Years Spent Investing	10	30
Investment Amount per Year	\$5,000	\$5,000
Total Invested	\$50,000	\$150,000



LATE INVESTOR
invests 3x more and 3x
longer, but still earns
less than EARLY
INVESTOR

RULE OF 72

$$\frac{72}{X\%} = \text{Years to Double}$$

Rate of return

$$72 / 5\% = 14.4 \text{ YRS}$$

$$72 / 7\% = 10.3 \text{ YRS}$$

$$72 / 10\% = 7.2 \text{ YRS}$$

RISK VS RETURN



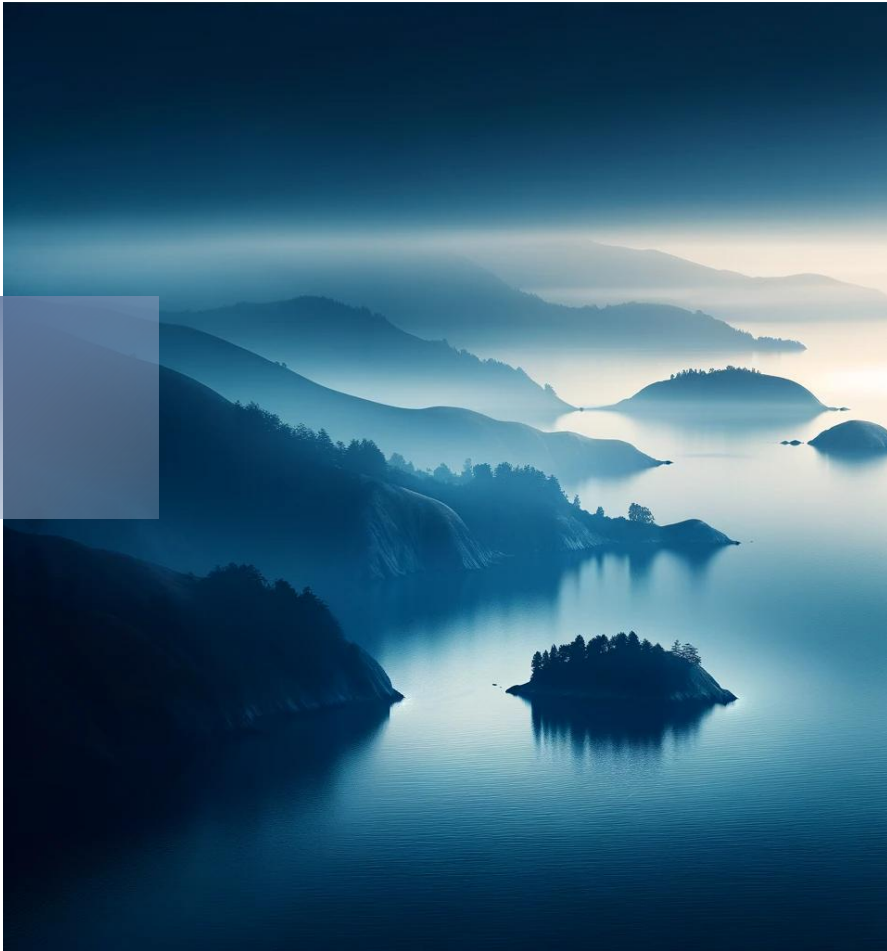
RETURNS

Financial gain or loss on an investment that can be positive (profits) or negative (losses), measured as a percentage of investment value.

VS

RISK

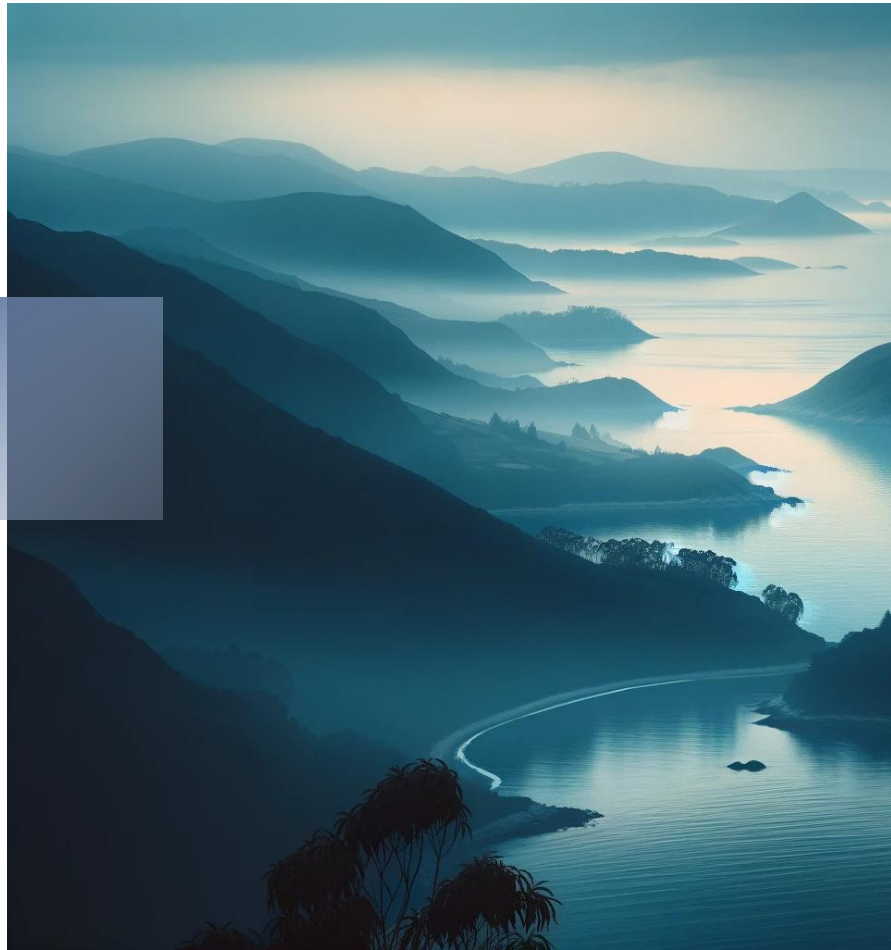
Risk refers to the uncertainty or potential of losing some or all of the invested money. It includes income received from dividends, interest, or capital appreciation



STOCKS

Stocks (or *equities*) represent **ownership** shares in a company. When you buy a stock, you own a small portion of that company and may have voting rights and access to **dividends**.

- Growth vs Value
- Dividends
- Categories



BONDS

Bonds (or *fixed income*) are a type of debt instruments where investors lend in return for periodic interest payments and the return of the **principal** amount at **maturity**.

- Maturity and Term Duration
- Interest Rate (or *Yield*)
- Credit Ratings
- Types:

- Corporate
- Municipal*
- Government
- Treasury

MOST RISK
↓
LEAST RISK

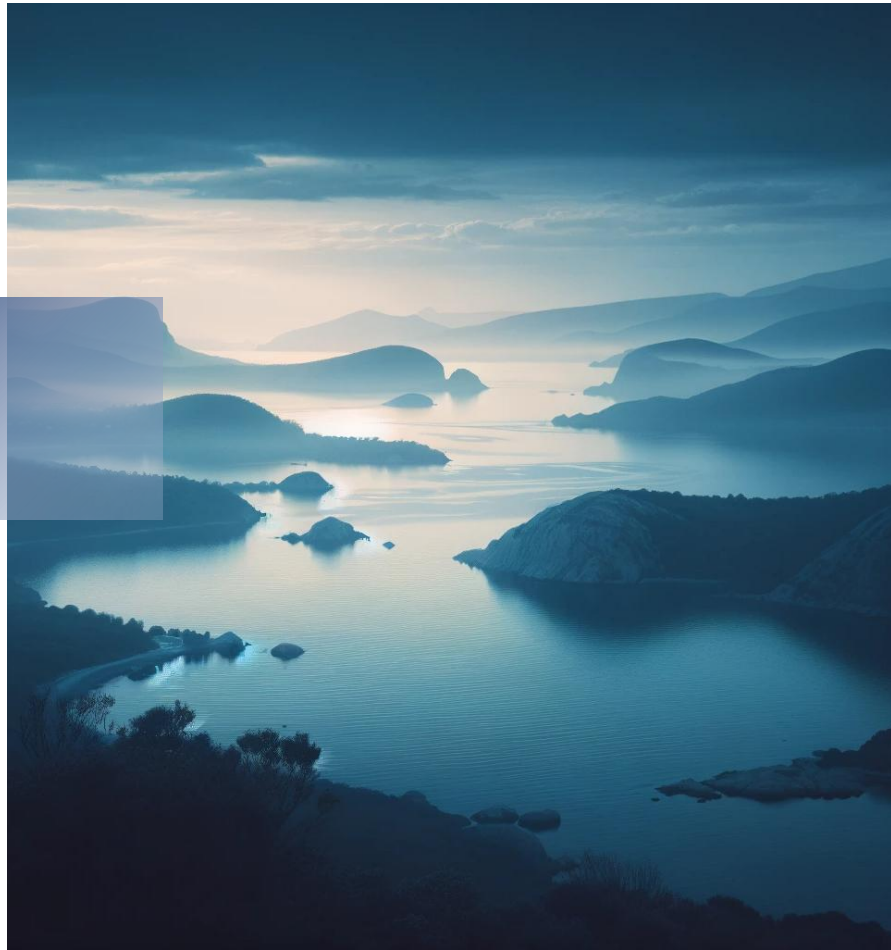
*Tax Exempt



COMMODITIES

Commodities are raw materials or primary goods that are **interchangeable** with other goods of the same type, such as natural resources, agricultural products, or physical substances like **oil, gold, corn, or copper**.

- Supply and Demand
- Physical Assets
- Global Impact



ALTERNATIVES / ALTS

Investments that **don't fit into traditional categories**. Examples are real estate, cryptocurrency, foreign exchange, private equity, and hedge funds, among others.

- Generally more risk
- Less Correlation = Diversification
- Extremely complex
- Often less liquidity

AVERAGE INVESTMENT RETURN

STOCKS

7-10%

Stocks represent ownership in a company. Stockholders may benefit from capital appreciation (the stock's value increasing) and dividends (a share of the company's profits).

BONDS

3-5%

Bonds are debt securities where investors lend money to governments or corporations. In return, they receive periodic interest payments and the return of the bond's face value when it matures.



2-8%

Commodities are raw materials or agricultural products, such as gold, oil, wheat, or coffee. Investors often trade commodities to diversify their portfolios or protect against inflation or market volatility.

COMMODITIES

10-30%

Assets other than stocks, bonds, or cash; such as crypto, private equity, hedge funds, or options. They often have less liquidity and can behave differently from traditional investments.

ALTS

σ = VOLATILITY

INVESTMENT RISK & VOLATILITY

STOCKS

The prices of stocks can fluctuate significantly in response to factors such as market conditions, economic news, company performance, investor sentiment, and other options.

15% σ

BONDS

Less risky as they provide fixed interest payments and return the principal amount at maturity. However, bond prices can still fluctuate due to changes in interest rates, credit ratings, and economic conditions.

σ 5%



Exhibit moderate to high volatility, and are influenced by factors like supply and demand dynamics, geopolitical events, weather conditions, and currency fluctuations.

4% σ
to
40%

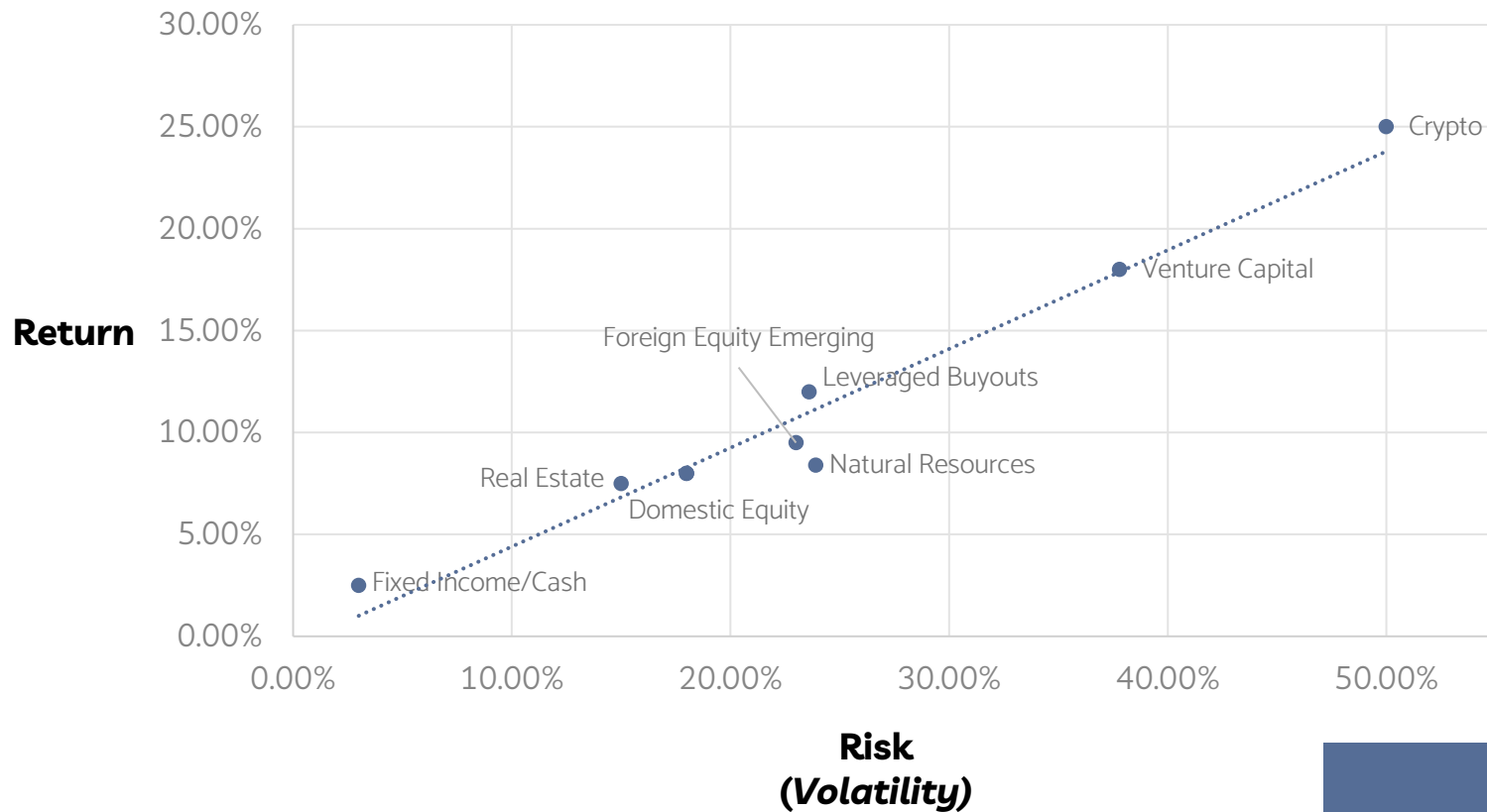
COMMODITIES

Vary widely in terms of volatility. Some alternative investments, like certain hedge fund strategies, can be highly volatile due to their complex investment approaches.

σ 20%
to
200%

ALTS

THEORETICAL RISK VS RETURN



EXPECTED VALUE

$$\text{EXPECTED VALUE} = \sum (\text{chance of something happening}) * (\text{value if that happens})$$

$$\text{EXPECTED VALUE} = (\$50 * 20\%) + (-\$50 * 80\%) = -\$30$$

$$\text{EXPECTED VALUE} = (\$50 * 20\%) + (-\$10 * 80\%) = -\$2$$

$$\text{EXPECTED VALUE} = (\$50 * 60\%) + (-\$50 * 40\%) = \$10$$



INTRO TO INVESTING II

06

EQUITY INVESTMENT STRATEGIES



BUY AND HOLD INVESTING

Purchase a stock for a good company, and hold until it hits a target price.



VALUE INVESTING

Identifying undervalued stocks by analyzing fundamentals such as earnings, dividends, and financial health.



DOLLAR COST AVERAGING

Investing a fixed amount of money at regular intervals, regardless of market conditions.



PASSIVE INVESTING

Replicating the performance of a market index by investing in index funds or exchange-traded funds (ETFs) that track the index.



GROWTH INVESTING

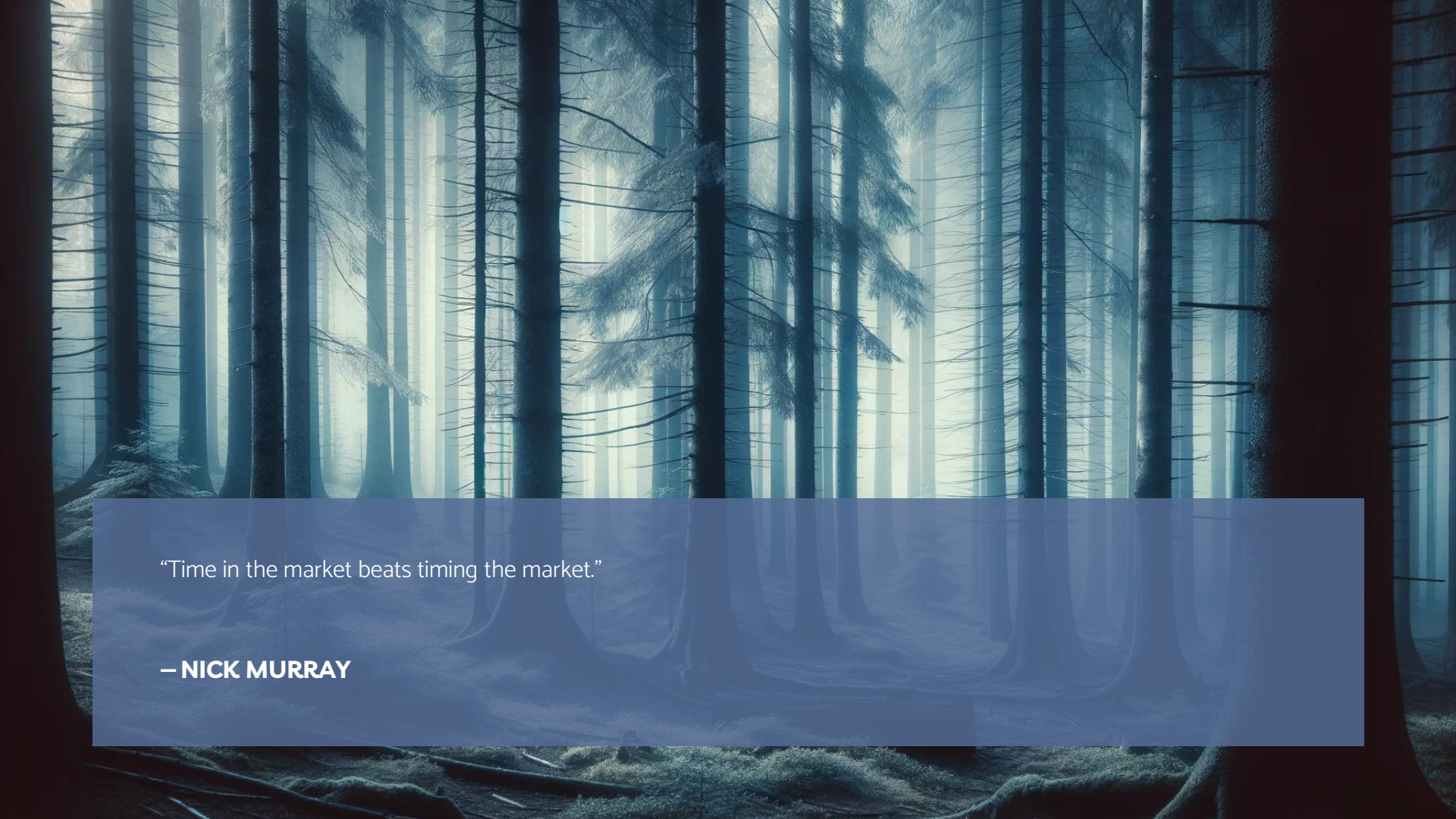
Focusing on stocks or assets with the potential for above-average growth in earnings and revenues.



DIVIDEND INVESTING

Prioritizing stocks that pay regular dividends to get a steady income stream and compound returns by reinvesting dividends.

RECOMMENDED

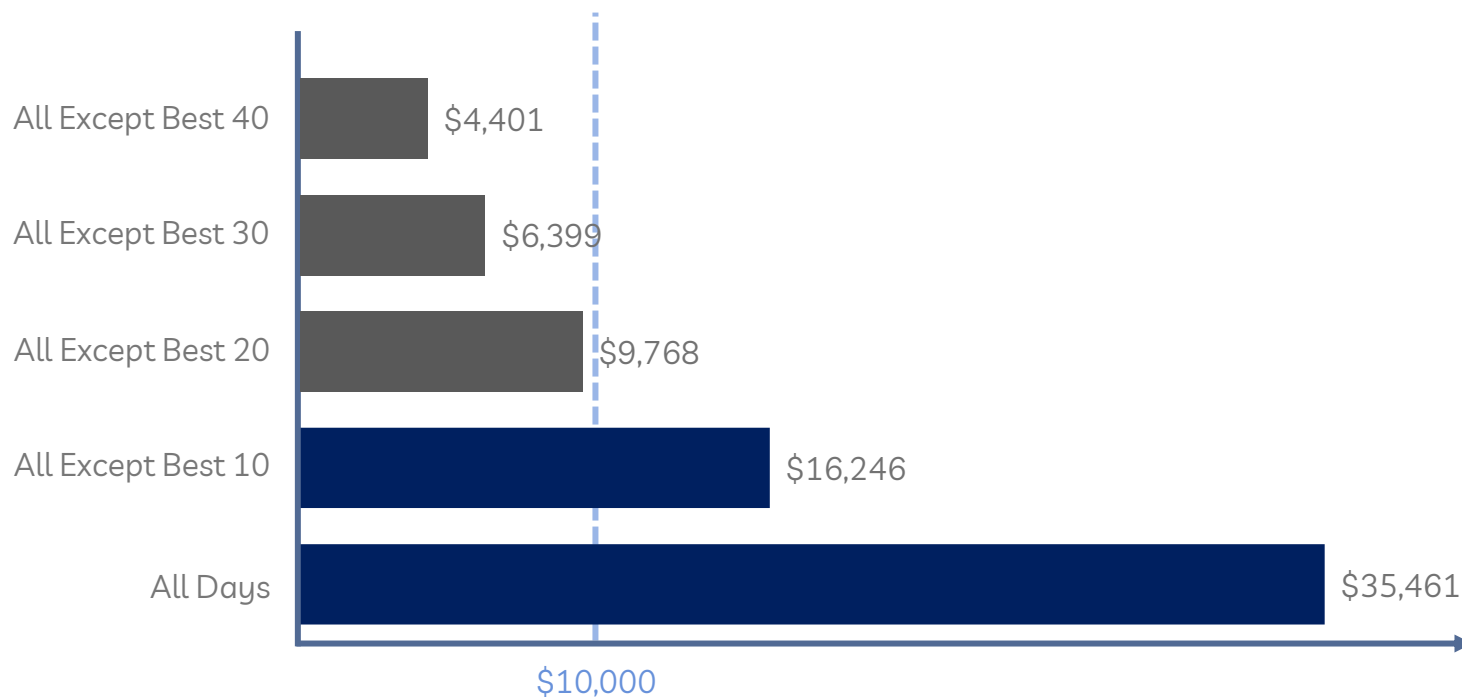
A misty forest scene with tall, thin trees and a blue-tinted overlay. The image is a vertical composition of a dense forest. The trees are tall and slender, with their trunks creating a rhythmic pattern of vertical lines. The foliage is sparse, and the ground is covered in a layer of moss and fallen branches. A semi-transparent blue overlay covers the lower half of the image, providing a background for the text.

“Time in the market beats timing the market.”

— NICK MURRAY

\$10,000 IN S&P FOR 15 YEARS

BENEFITS OF DOLLAR COST AVERAGING

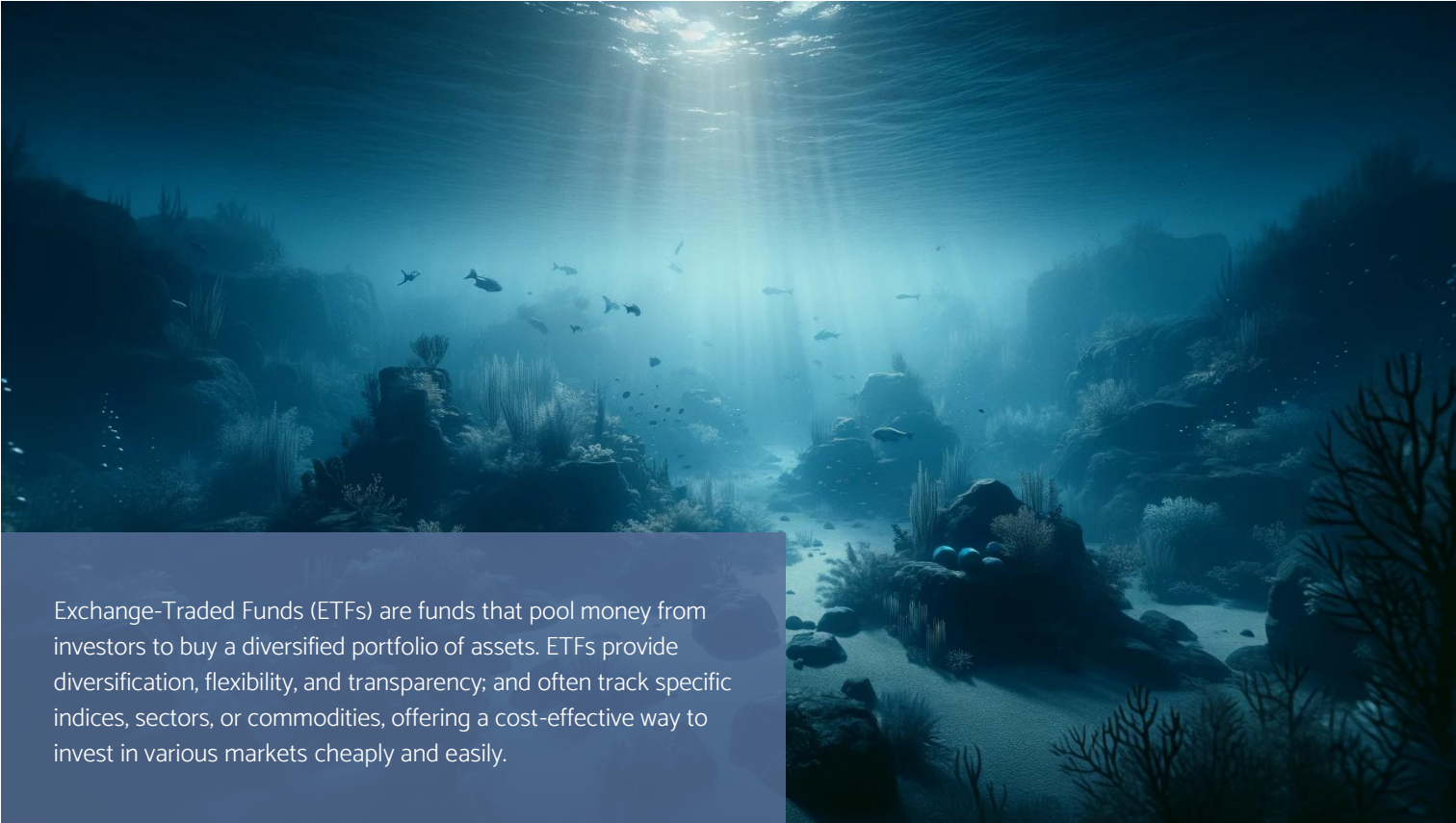


Dollar Cost Averaging **ensures you don't miss out on the best days** of the stock market

An underwater photograph of a vibrant coral reef. The scene is dominated by large, flowing, and ruffled coral structures in shades of blue, green, and white. Numerous small, dark fish are scattered throughout the water, swimming in various directions. Sunlight filters down from the top, creating a bright, hazy glow. A semi-transparent, light blue rectangular box is centered over the image, containing the text "USE ETFS" in white, bold, sans-serif capital letters. The overall composition is dynamic and visually appealing, emphasizing the beauty and complexity of the underwater ecosystem.

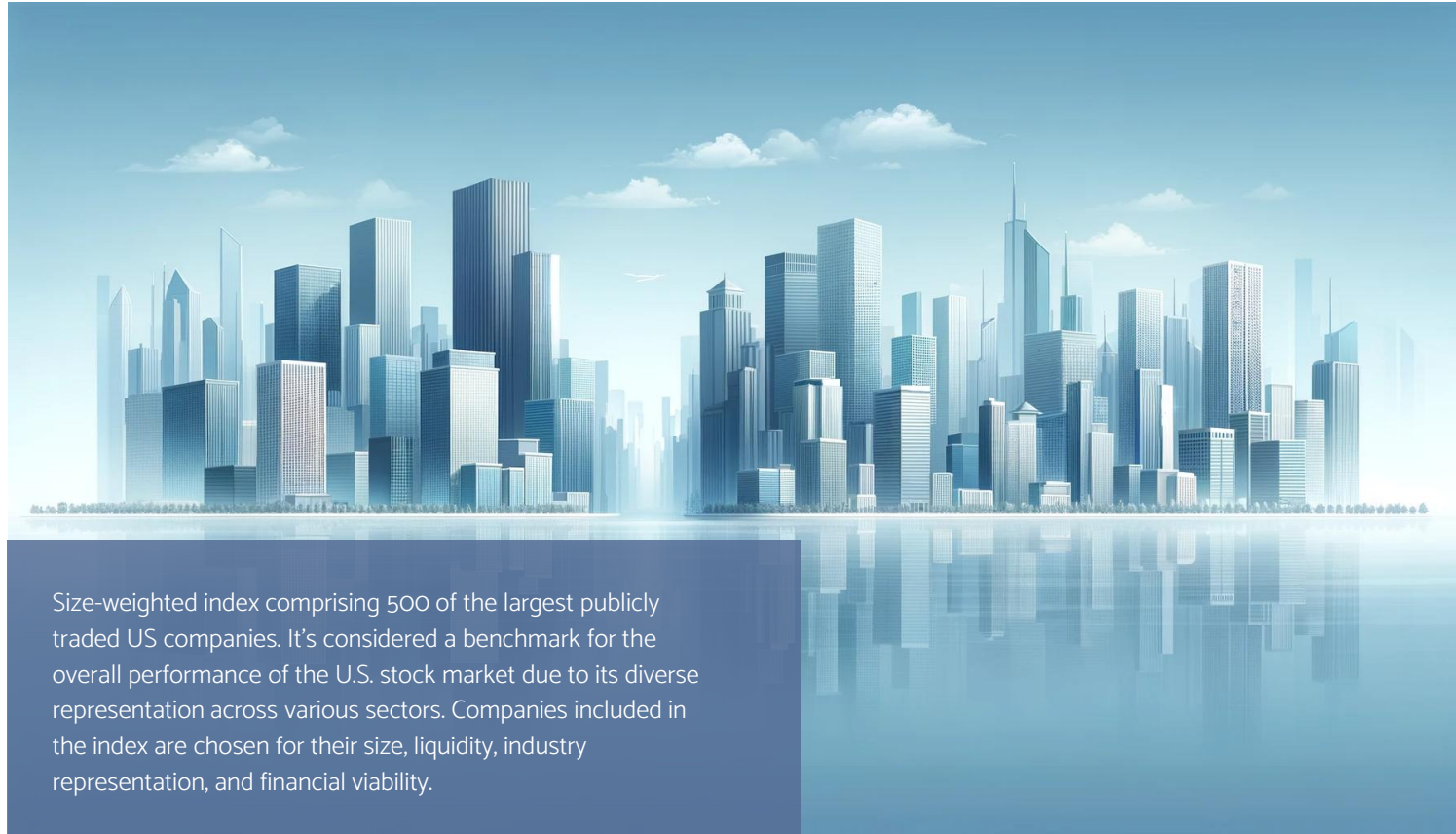
USE ETFS

WHAT ARE ETFs?

A deep blue underwater scene with sunlight rays filtering down from the surface. Several fish are swimming in the water, and the seabed is covered with rocks and coral. The overall atmosphere is serene and mysterious.

Exchange-Traded Funds (ETFs) are funds that pool money from investors to buy a diversified portfolio of assets. ETFs provide diversification, flexibility, and transparency; and often track specific indices, sectors, or commodities, offering a cost-effective way to invest in various markets cheaply and easily.

S&P 500



Size-weighted index comprising 500 of the largest publicly traded US companies. It's considered a benchmark for the overall performance of the U.S. stock market due to its diverse representation across various sectors. Companies included in the index are chosen for their size, liquidity, industry representation, and financial viability.

OTHER COMMON INDICES



NASDAQ

NASDAQ Composite tracks the performance of over 2,500 stocks traded on the NASDAQ stock exchange, mainly comprising technology and growth-oriented companies




DOW JONES

Dow Jones Industrial Average (DJIA) is a price-weighted index composed of 30 large U.S. companies across various sectors.



RUSSELL 2000



Russell 2000 is a size-weighted index that represents the performance of around 2,000 small-cap stocks in the United States, providing insight into the smaller segment of the equity market.

ETF SELECTION



Use this tool to research and compare index funds if you want to do your own research.

- **Expense Ratio:** Want as LOW as possible
- **Alpha/Sharpe Ratio:** Want as HIGH as possible
- **Minimum Investment:** Want as LOW as possible

IMPACT OF EXPENSE RATIOS

	Low	Mid	High
Expense Ratio	0.00%-0.05%	0.05%-0.50%	0.50%-1.00%

Expense Ratios have a *guaranteed* negative impacts on return. Therefore, it's important to **pick ETFs with low expense ratios**.

30 YEARS

\$1.0k @ **10%** Rate of return
Expense Ratio = 0.00%

= \$17.5k

\$1.0k @ **9%** Rate of return
Expense Ratio = 1.00%

= \$13.3k

\$4.2k

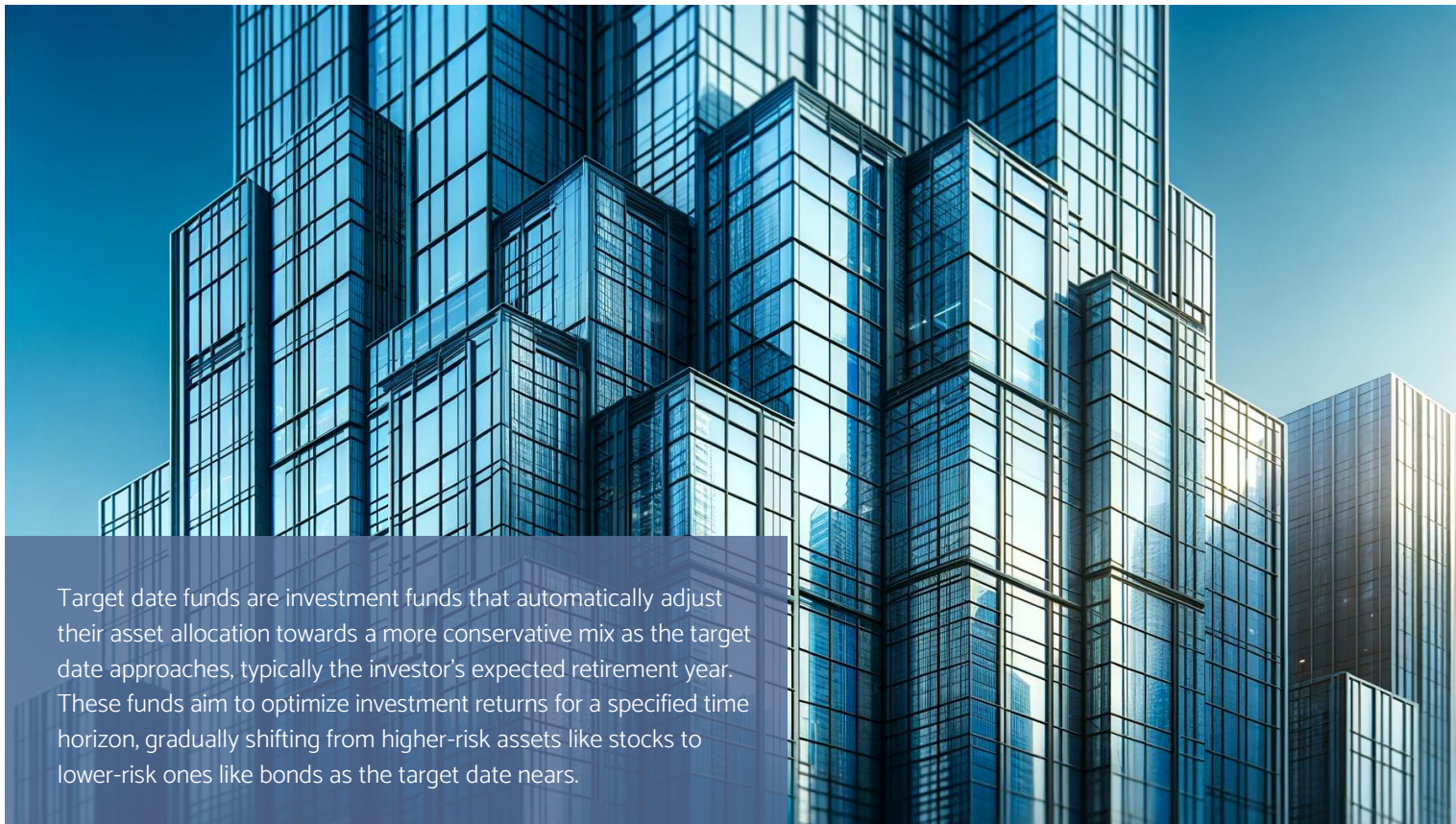
32% DIFFERENCE

A low-angle, upward-looking perspective of several modern skyscrapers with glass facades, creating a sense of height and architectural grandeur. The sky is visible at the top, and the buildings converge towards the center. A semi-transparent blue rectangular box is centered over the image, containing the text.

BUY THE S&P

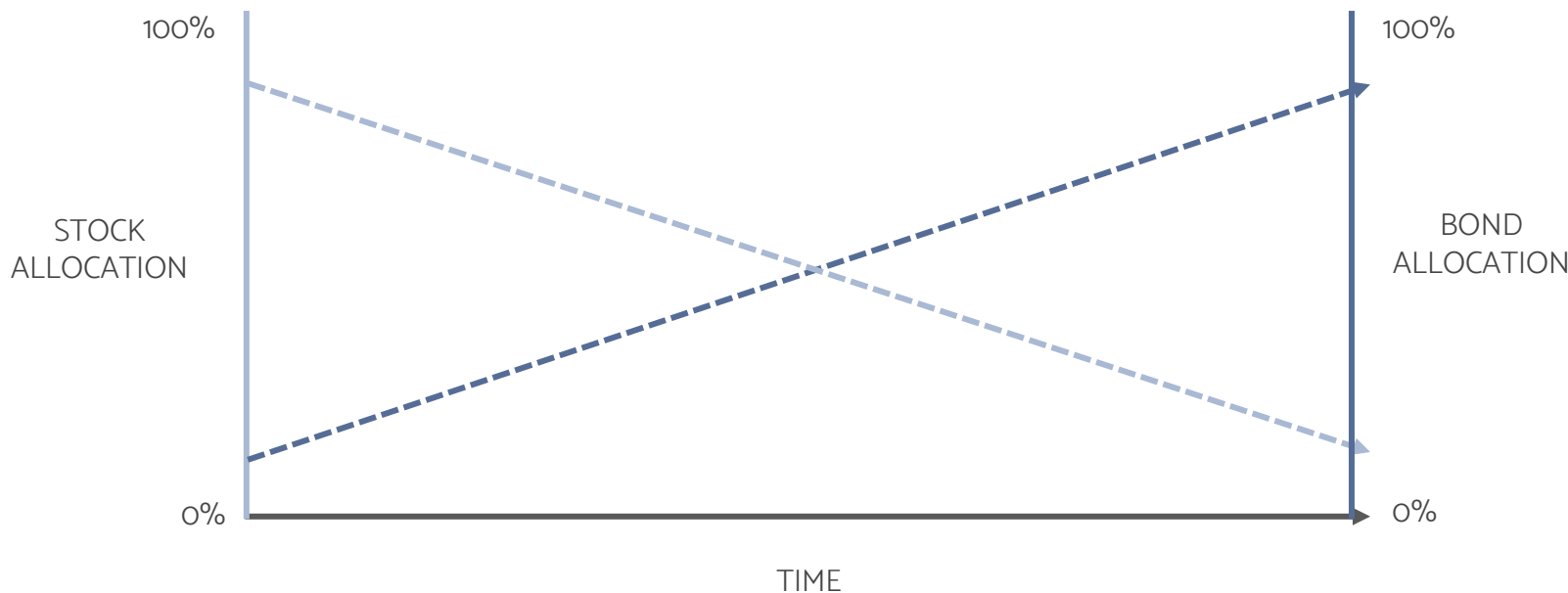
TARGET DATE FUNDS

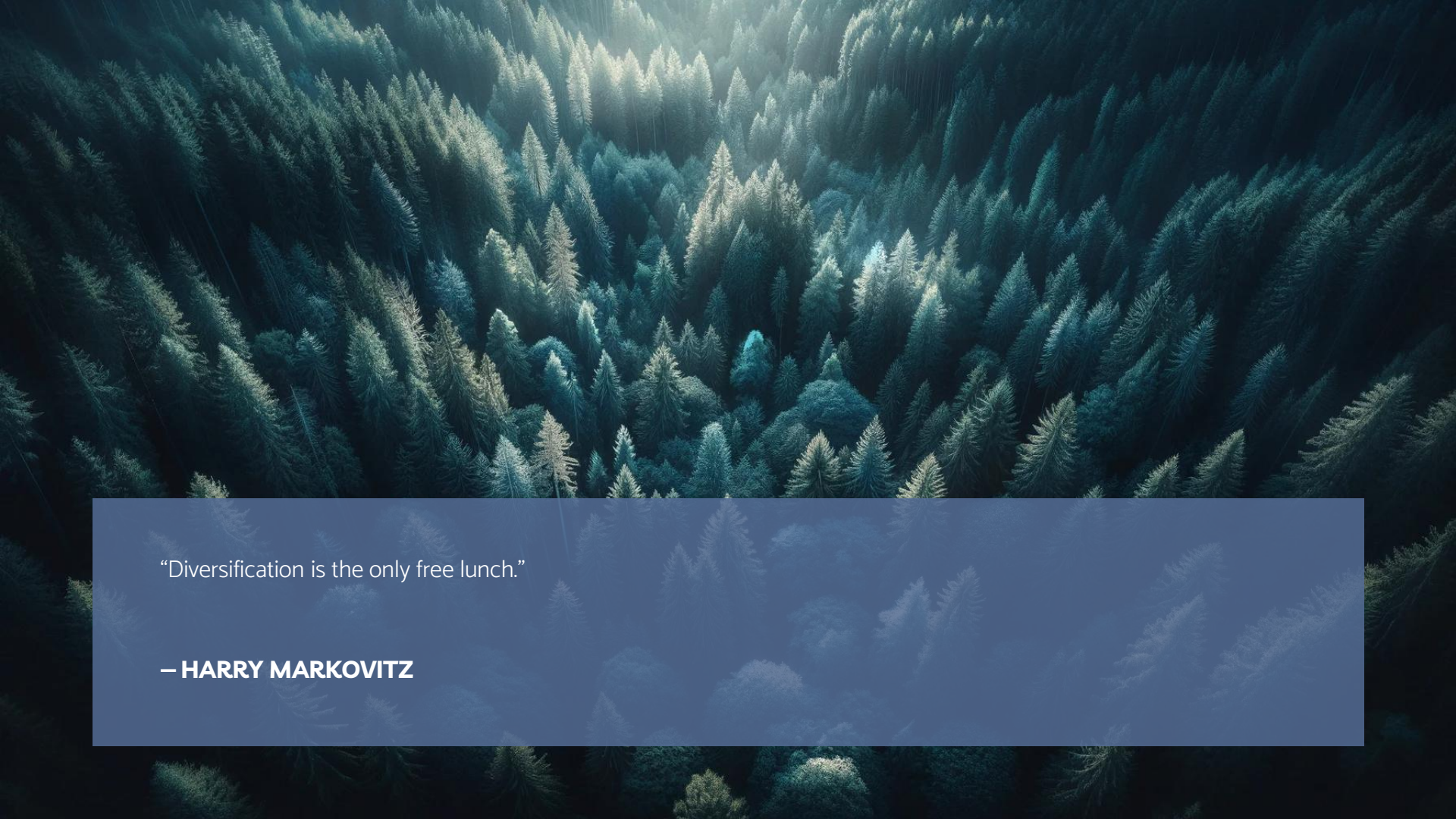
Target date funds are investment funds that automatically adjust their asset allocation towards a more conservative mix as the target date approaches, typically the investor's expected retirement year. These funds aim to optimize investment returns for a specified time horizon, gradually shifting from higher-risk assets like stocks to lower-risk ones like bonds as the target date nears.



TARGET DATE FUND ALLOCATION

Target Date funds **start with high ↑ allocation to stocks** (riskier, higher returns) and **low ↓ allocation to bonds** (less risk, lower returns). Over time, Target Date funds allocate **less to stocks and more to bonds** to **protect existing wealth** and ensure safer assets during retirement.

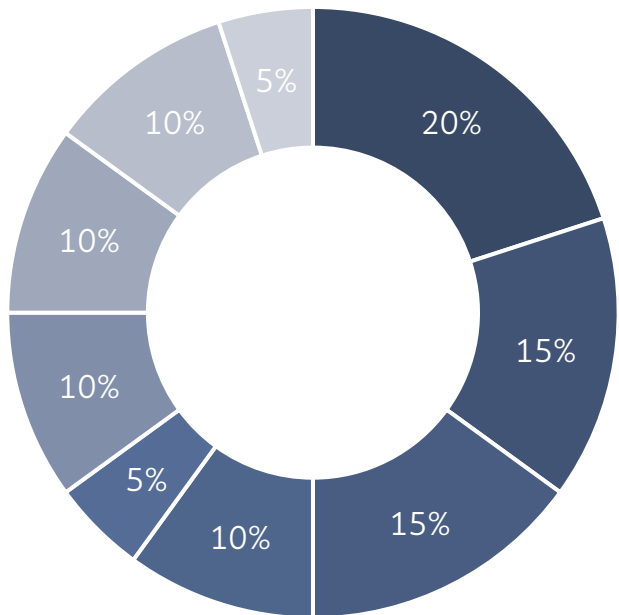




“Diversification is the only free lunch.”

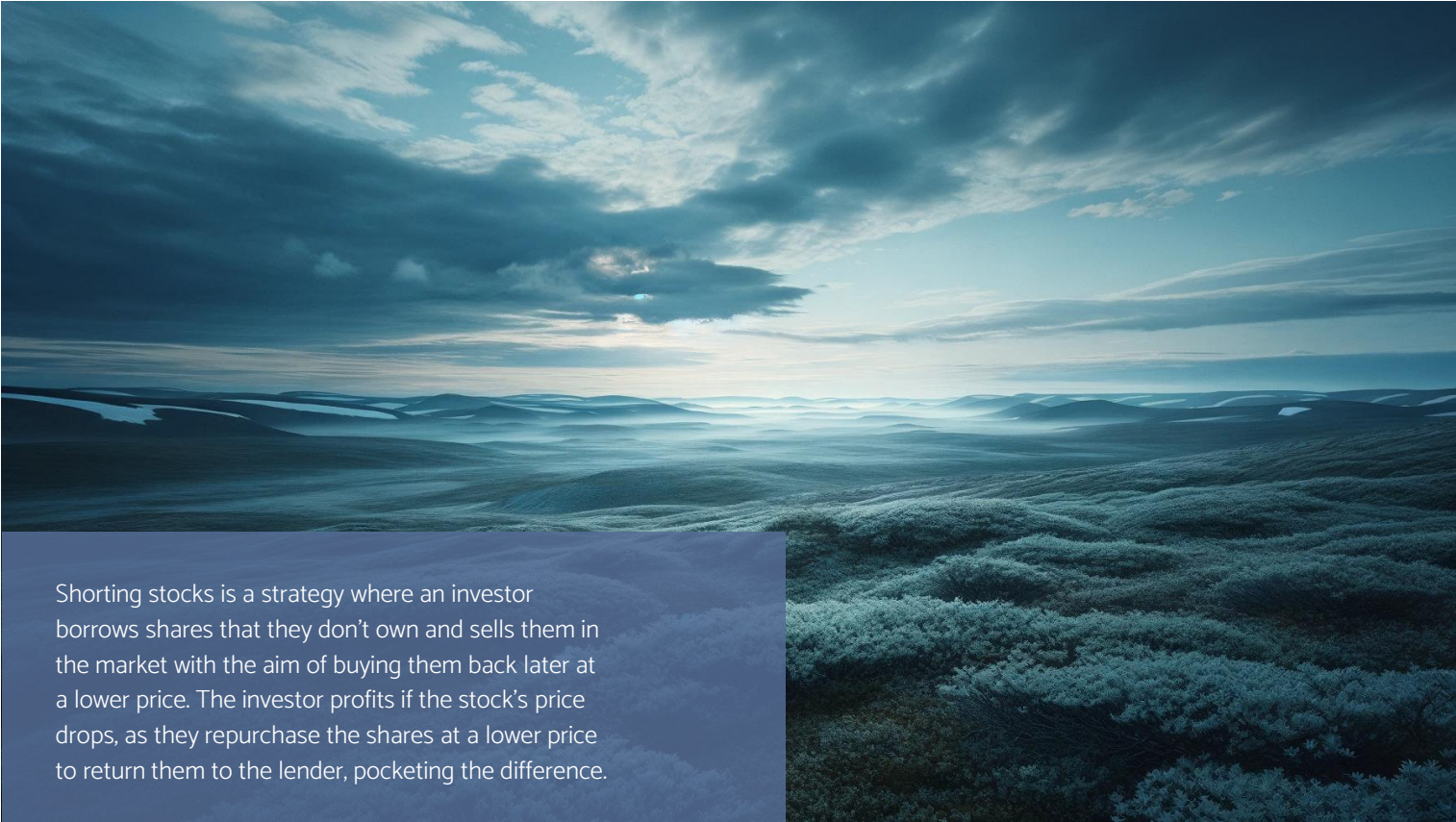
— HARRY MARKOVITZ

TYPICAL ETF DIVERSIFICATION



TECHNOLOGY	20%
HEALTHCARE	15%
CONSUMER DISCRETIONARY	15%
FINANCIAL	10%
INDUSTRIALS	5%
CONSUMER STAPLES	10%
ENERGY	10%
MATERIALS	10%
TELECOM	5%

SHORTING STOCKS



Shorting stocks is a strategy where an investor borrows shares that they don't own and sells them in the market with the aim of buying them back later at a lower price. The investor profits if the stock's price drops, as they repurchase the shares at a lower price to return them to the lender, pocketing the difference.



RETIREMENT PLANNING

07

WHY SAVE FOR RETIREMENT?

Financial Independence. Retirement savings provide a source of income when you're no longer working. It ensures financial independence without relying on dwindling Social Security.



CALCULATE RETIREMENT TARGETS

12X

Your **final*** annual income
**salary in the last year before you retire*

$$\$100,000 * 12 = \$1.2M$$

25X

Your **annual expenses**

$$\$65,000 * 25 = \$1.6M$$

4%

Of your **retirement savings***
**to find yearly retirement spending allowance*

$$\$2.0M * 4\% = \$80,000$$

80%

Replacement percentage of
your **pre-retirement income**

$$\$80,000 / 4\% = \$2.0M$$

15%

Of your **annual income** each
year times total years worked

$$\$100,000 * 15\% * 40\text{yrs} =$$

\$0.6M	Flat amount
\$1.1M	Amount @ 7% return

RETIREMENT SAVINGS CALCULATOR



Online calculators can give you an estimate of **what you'll need to save** to be well prepared for retirement. Other methods for calculation retirement savings include sophisticated methods such as a **Monte Carlo Simulation** or future investment growth model.

TYPES OF RETIREMENT ACCOUNTS

	CONTRIBUTION LIMIT	INCOME LIMIT*	TAX BREAK	CONTRIBUTION DOLLARS	AGE FOR DISTRIBUTION
ROTH IRA	\$6,500*	< \$138,000	LATER	POST-TAX	59 ½
TRADITIONAL IRA	*\$6,500*	≥ \$138,000	NOW	POST-TAX	59 ½
401K	\$22,500	NONE	NOW	PRE-TAX	59 ½

* \$7,500 if you're over 50

OTHER COMMON RETIREMENT ACCOUNTS



403b

Available to employees of certain **non-profits**, schools, and government entities.



457b

For state and local **government employees** and some non-profit workers.

OTHER IMPORTANT NOTES

ROTH IRA

TRADITIONAL
IRA

401k

Must **invest your money yourself**. If you do not invest the money, you **miss out on tax-free returns**.

Potential for **employer match**, where employer 'matches' whatever you put in (*up to a certain percentage*). Should **almost always do this before any other saving/spending/investment**, as it is a free 100% return.

HSA & FSA



HSA

Healthcare Savings Account: Pre-tax investment account, where withdrawals for medical expenses are not taxed.



VS

FSA

Flexible Spending Account: Pre-tax investment account, where withdrawals for medical expenses are not taxed. Usually have a 'use it or lose it' clause.

PENSIONS AND SOCIAL SECURITY

SOCIAL SECURITY

Social Security is a **government-run program** in designed to provide financial assistance to individuals during retirement. You “**pay-in**” by contributing a portion of your salary via taxes, then receive monthly payments past ‘**retirement age**’ (62-70). The benefit is **greater the longer you wait** to take them.

VS

PENSIONS

Pension funds are **retirement plans** typically **set up by employers** to provide employees with a steady income after they retire, of which there are 2 types. **Defined Benefit** plans give a **guaranteed amount** to employees regardless of investment performance, while **Defined Contribution** plans let you **pick your own investments** and give you return based on that.





DOING YOUR TAXES

8

FEDERAL VS STATE TAXES



FEDERAL TAX

Uses standard forms (Form 1040) to send your taxes to the federal government. Rates are determined by income and set by federal law. Applies to all Americans regardless of circumstance.

VS



STATE TAX

Uses state-specific forms to send your taxes to the state government. Rates are determined by income bracket and set by state law. Not universal: certain states (eg FL, TX) have no income tax.

WHAT YOU'LL NEED*



INCOME FORMS

W2 for standard employment,
1099 for contract employment.
Comes from **employers**.



INTEREST FORMS

1099-INT for interest income,
1099-DIV for dividends
Comes from **banks**.



INSURANCE COVERAGE

1095A, B, or C showing
appropriate insurance coverage*.
Comes from **insurance provider**.



PERSONAL DOCUMENTS

Social Security Number (SSN) or
Tax Identification Number (TIN)
Comes from **you**.



DEDUCTIONS

Deductions/Tax Breaks including
property tax, charity, mortgage fees.*
Comes from **you**.



RETIREMENT DOCUMENTS

5498 for IRA contributions, as well
as details from 401ks or HSAs.
Comes from **banks**.

*Sometimes

FREE FILING SOFTWARE



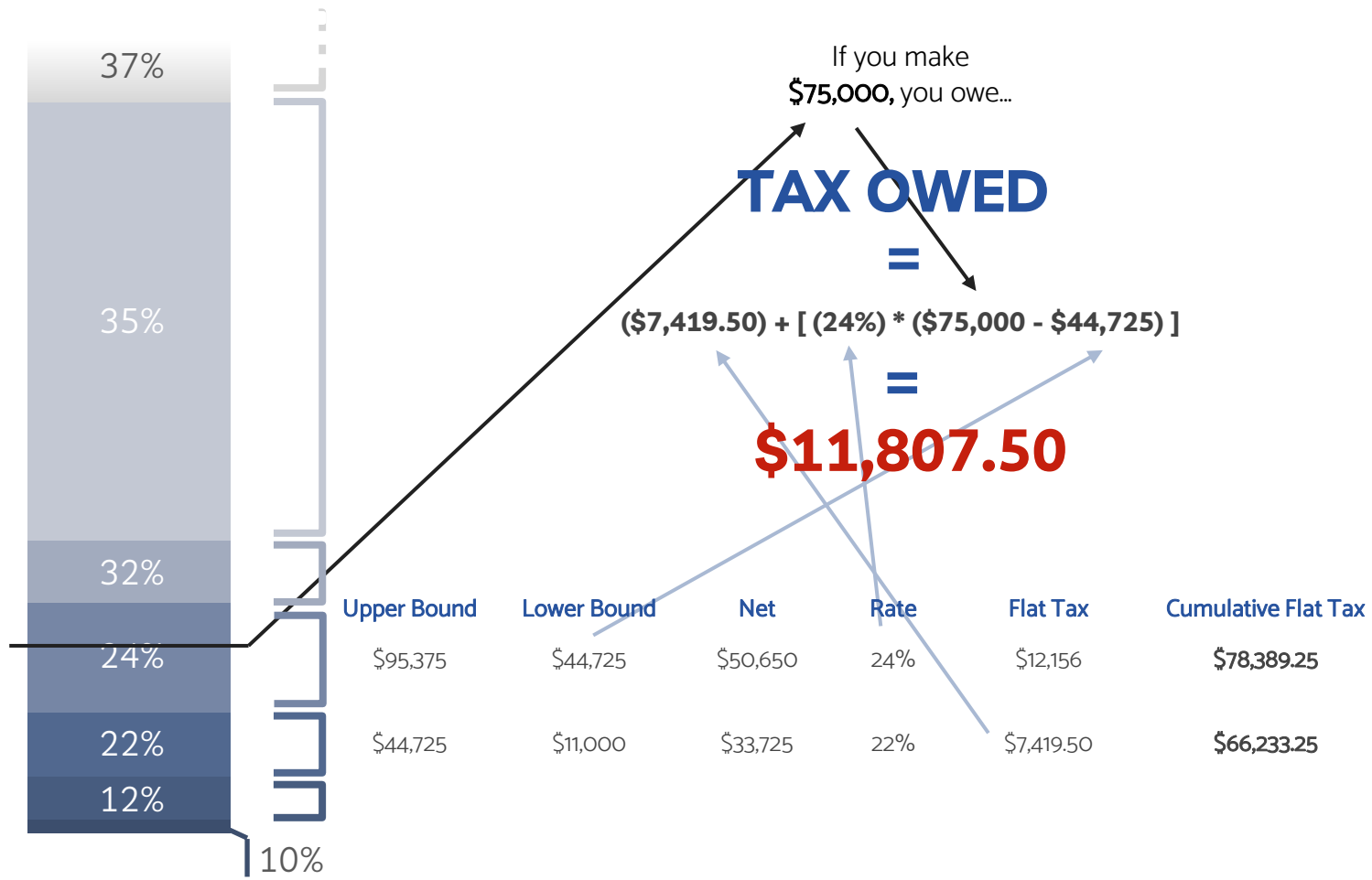
IRS FreeFile: Software developed by the tax software industry and government to provide **free tax return software** to Americans. FreeFile is available to all making < \$73,000 per year, and is an IRS program run through independent tax software firms.

FEDERAL TAX BRACKETS*



* Assuming single filing

FEDERAL TAX BRACKETS*



* Assuming single filing



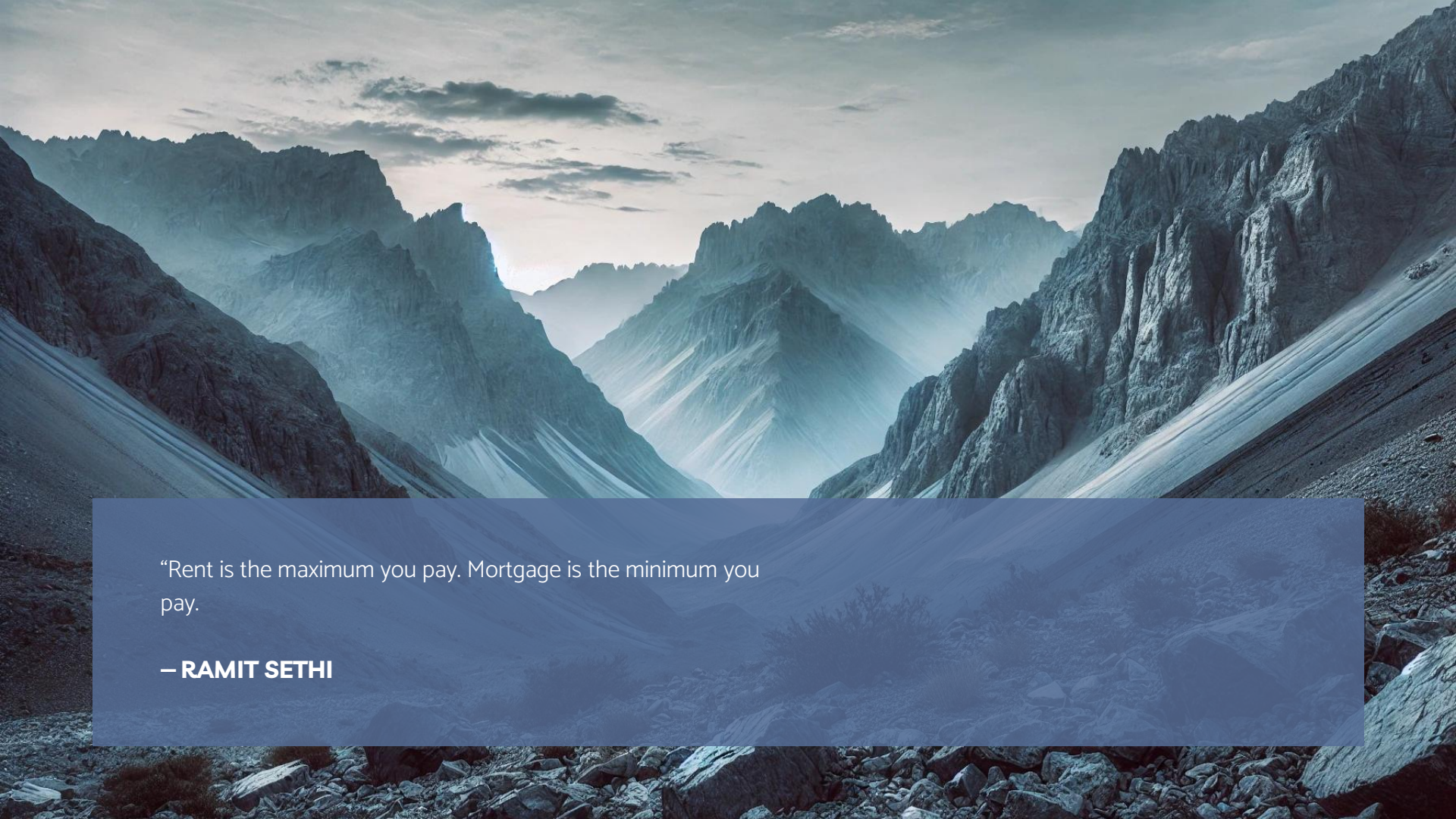
REAL ESTATE

60

RENTING VS BUYING

	RENTING	BUYING
FLEXIBILITY	HIGH	LOW
MAINTENANCE	LOW	HIGH
PROPERTY TAXES	NO	YES*
STABILITY	LOW	HIGH
INVESTMENT	NO	YES
UPFRONT COSTS	NO	YES

* Potential income tax breaks based on mortgage payments.



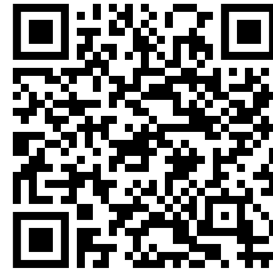
“Rent is the maximum you pay. Mortgage is the minimum you pay.

— **RAMIT SETHI**

RENT VS BUY CALCULATOR



Before deciding to rent or buy, do research about the area you want to live and the costs of renting vs buying. Most people forget that there are significant costs associated with home ownership, and it is important to understand all the costs you will be incurring.



RENTING VS BUYING RETURNS

RESIDENTIAL RETURNS

S&P 500 RETURNS

PAST 5 YEARS 9.66%

10.45%

PAST 10 YEARS 7.65%

12.39%

PAST 20 YEARS 4.53%

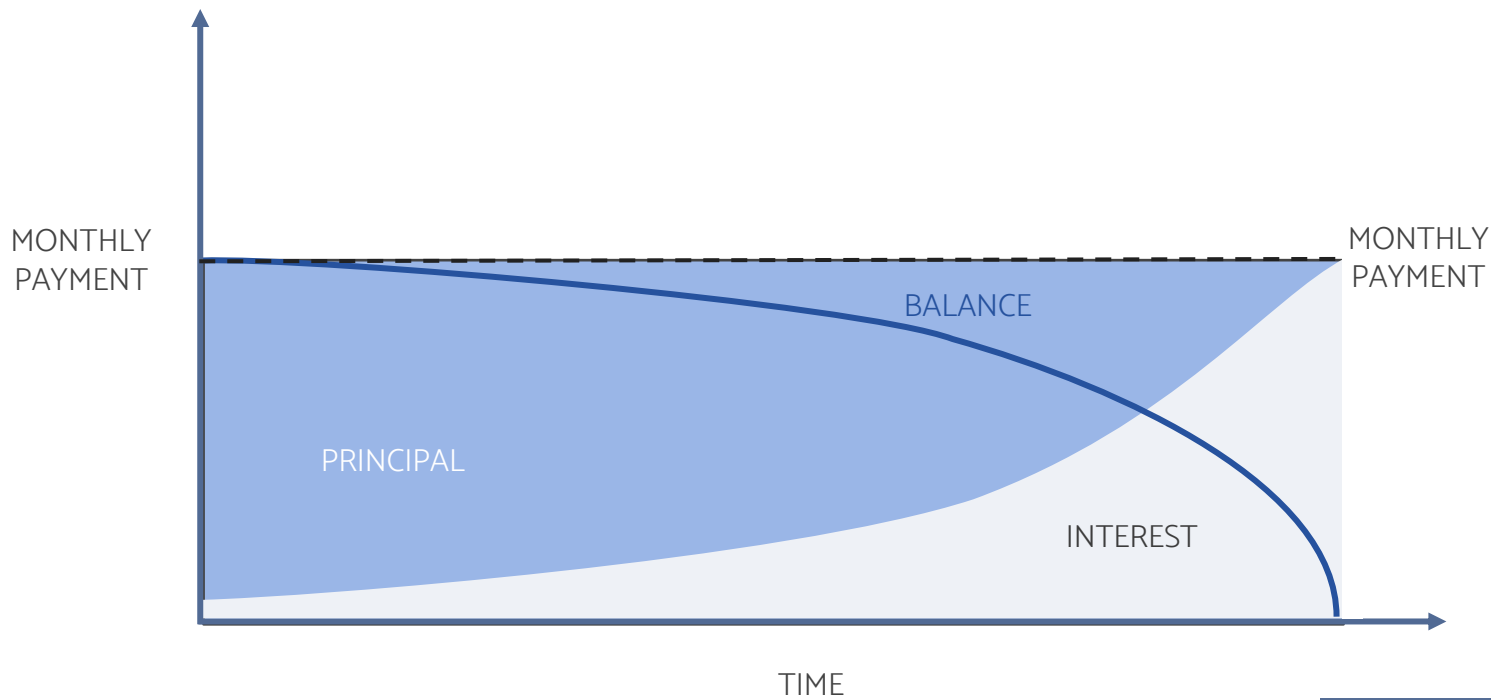
9.66%

PAST 30 YEARS 4.55%

9.90%

* Source: [FHFA HPI Index, 2023](#)

MORTGAGE PAYMENTS



LOAN ASSISTANCE PROGRAMS



FHA LOANS

For First-Time Homebuyers: FHA has lower down payment requirements (as low as 3.5%) and more lenient credit score requirements



HOMEPATH

For First-Time Homebuyers: Fannie Mae program provides up to 3% in closing cost assistance after completing an educational course.



USDA LOANS

For Rural Homebuyers: U.S. Department of Agriculture (USDA) offers loans with zero down payment and reduced mortgage insurance premiums.



TAX CREDITS

For First-Time Homebuyers: Federal/State tax break in the year you buy your house – check with state guidelines for specifics.



VA LOANS

For Veterans & Service Members: U.S. Department of Veterans Affairs (VA) offers loans with potentially no down payment, no private mortgage insurance, and low rates.

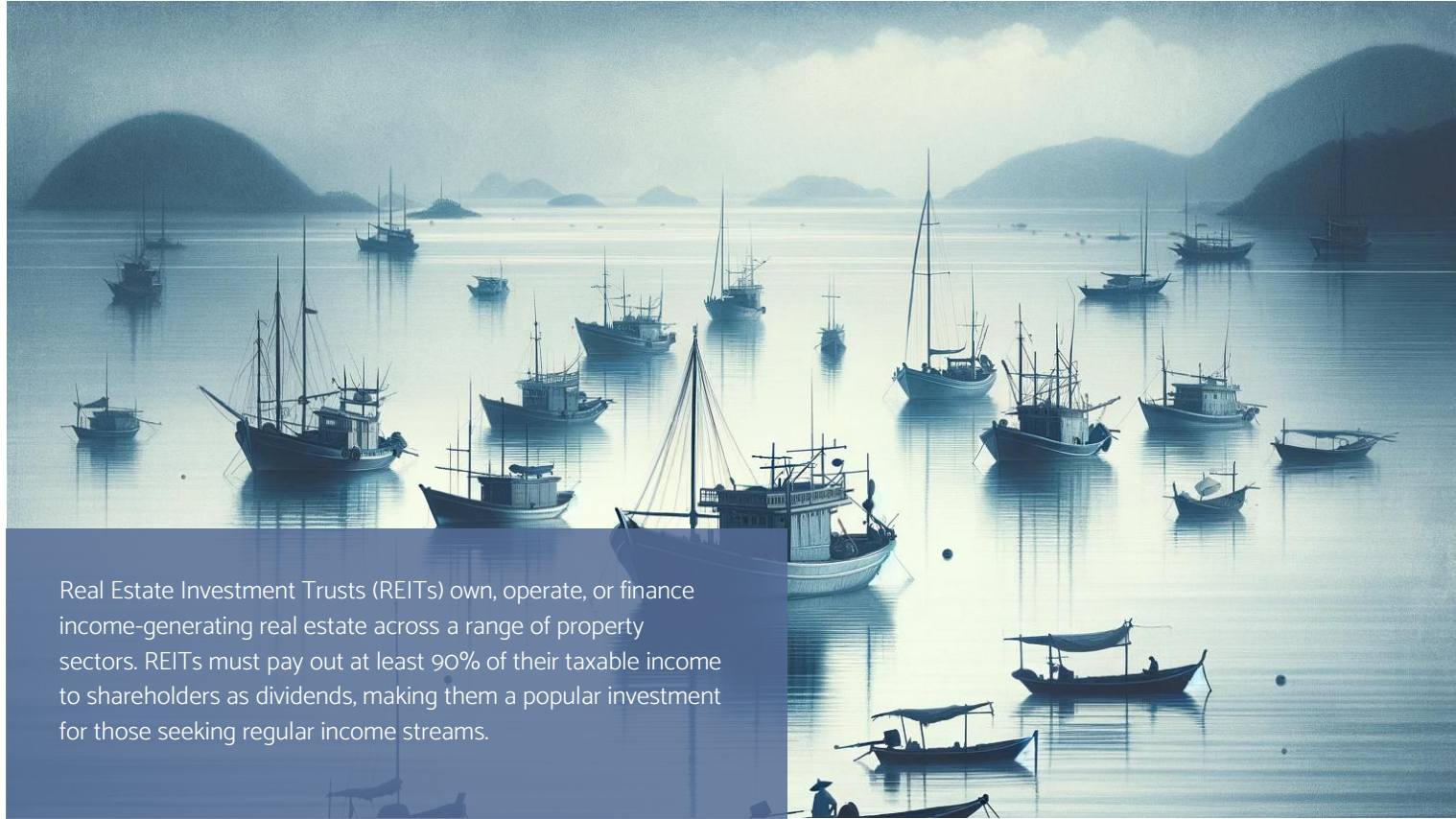


STATE/LOCAL PROGRAMS

For First-Time Homebuyers: Many states and local governments provide grants, low-interest loans, and assistance with down payments and closing costs.

REITS

Real Estate Investment Trusts (REITs) own, operate, or finance income-generating real estate across a range of property sectors. REITs must pay out at least 90% of their taxable income to shareholders as dividends, making them a popular investment for those seeking regular income streams.



JOB APPLICATIONS

An aerial photograph of a coastal harbor, likely San Francisco, showing a large number of sailboats moored in the water. A bridge is visible in the background, and a road runs along the shore. The image has a blue and teal color palette.

10

JOBS & JOB APPLICATIONS

Applying to jobs can be a difficult and stressful process. Using certain techniques and strategies can make this process easier, and make you stand out to potential employers.



RESUME FORMAT

Basic contact
information

YOUR NAME

123 Main St \ New York, NY 01234
(248) 434-5508 \ youremail@gmail.com

EDUCATION

Dec. 2021 **YOUR COLLEGE**
YOUR SCHOOL/PROGRAM
Your degree.

CITY, STATE
GPA: 4.00

Can take off
GPA after first 1
or 2 jobs

Certifications,
Certifications,
or Credentials

CERTIFICATIONS

Dec. 2022 **CERTIFICATION TITLE**
Brief description.

CITY, STATE

EXPERIENCE

2022 – Present **COMPANY**
Job Title

CITY, STATE

- Lead a team of 10 in developing new software applications, resulting in a 20% productivity increase.
- Implemented a customer feedback system that improved customer satisfaction by 30%.
- Organized and managed an international conference with 500+ attendees, enhancing the firm's global presence.
- Streamlined internal processes, reducing project completion times by 25% and increasing team efficiency.
- Designed a successful marketing campaign that increased brand awareness and sales by 15% in six months.

Usage of action
words

2021 – 2022 **COMPANY**
Job Title

CITY, STATE

- Developed a training program for new hires that decreased onboarding time by 40%.
- Negotiated with suppliers to reduce material costs by 10%, saving the company \$200K annually.
- Implemented a new IT system that reduced system downtime by 35% and increased user satisfaction.
- Conducted market research that identified new business opportunities, leading to a 10% revenue increase.
- Managed a budget of \$1M, ensuring all projects were completed within financial constraints.
- Enhanced website SEO, resulting in a 50% increase in online traffic and customer engagement.

	2021 – 2022	<div><div>COMPANY</div><div>CITY, STATE</div></div> <div><div>Job Title</div><div><ul style="list-style-type: none">Developed a training program for new hires that decreased onboarding time by 40%.Negotiated with suppliers to reduce material costs by 10%, saving the company \$200K annually.Implemented a new IT system that reduced system downtime by 35% and increased user satisfaction.Conducted market research that identified new business opportunities, leading to a 10% revenue increase.Managed a budget of \$1M, ensuring all projects were completed within financial constraints.Enhanced website SEO, resulting in a 50% increase in online traffic and customer engagement.</div></div>	
Provide relevant roles and titles	2020 – 2021	<div><div>COMPANY</div><div>CITY, STATE</div></div> <div><div>Job Title</div><div><ul style="list-style-type: none">Formulated complete startup valuation for purposes of capital acquisition, resulting in purchase by VC.Spearheaded a customer service initiative that reduced call wait times by 20% and improved customer ratings.Optimized supply chain logistics, improving delivery times by 30% and reducing costs by 15%.</div></div>	
	Summer 2019	<div><div>COMPANY</div><div>CITY, STATE</div></div> <div><div>Job Title</div><div><ul style="list-style-type: none">Led a successful rebranding effort, which increased brand recognition in key markets by 25%.Automated data entry processes, saving 200 hours of staff time per month.</div></div>	
	2017 – 2018	<div><div>COMPANY</div><div>CITY, STATE</div></div> <div><div>Job Title</div><div><ul style="list-style-type: none">Taught students complex Excel functions and high-level Microsoft Office techniques.Designed and developed VBA Macros for analysis of student assignments.</div></div>	
	<div><div>VOLUNTEERING</div><div><div>Volunteer Role 1: Description of services</div><div>Volunteer Role 2: Description of services</div></div></div>		Describe any volunteer opportunities
Interests present opportunity for conversation with interviewer	<div><div>ADDITIONAL</div><div><div>Skills: Skill 1, Skill 2, Skill 3, Skill 4</div><div>Interests: Interest 1, Interest 2, Interest 3, Interest 4</div></div></div>		

HOW TO STAND OUT



COVER LETTERS

Use ChatGPT to write cover letters – paste the job description, company overview, and your resume into the software and get a custom cover letter.



VOLUNTEER

Volunteer in things you're passionate about, or things relevant to your industry.



WORK SAMPLES

Anything related to your industry – from online reports, to art, to physical products, to programs.



NETWORK

Reach out to people at the company to chat, talk with friends who might work there.



CERTIFICATION

Getting certifications and credentials related to your industry can make you unique.



WRITE THANK YOU

Thanking your interviewer via an email can be a unique action that not many candidates take.

JOB APPLICATION TOOLS



AI TOOLS

ChatGPT, Kickresume, Rezi, and Skillroads use AI to help draft and format your resume.



JOBSCAN

Jobscan includes an ATS resume checker, resume builder, and a career change tool designed to increase your chances of landing interviews.



CAREERFLOW

CareerFlow offers tools including a detailed resume review service and AI Cover Letter Generator. To make personalized content and optimize your documents.



HUNTR

Helps you organize and track applications, interviews, contacts, and other job search-related details; also has a job search engine.



JOB INFO SITES

Glassdoor, Monster, and CareerBuilder offer various resources, including company reviews, salary comparisons, and job listings..



JOB BOARDS

Indeed, LinkedIn, Monster, Google for Jobs, Ziprecruiter are all sites that aggregate opportunities for you.

FILING FOR UNEMPLOYMENT



If you are ever laid off, are fired, or (in certain cases) quit your job, the **first thing you should do is file for unemployment**. This will provide you with income while you look for a job and is relatively easy to acquire from your state government.

INSURANCE

An aerial photograph of a coastal town, likely San Francisco, featuring a harbor filled with sailboats, a marina, and a bridge in the background. The image is overlaid with a semi-transparent blue rectangle containing the word "INSURANCE".

WHAT IS INSURANCE?

Insurance is a financial product that provides protection against potential future losses. By paying fixed rate each month, individuals transfer the risk of a loss to the insurance company, which in return promises to cover financial losses within the terms of the policy.



INSURANCE TYPES



AUTO

Required when buying a car – provides coverage for injury and property, as well as collision and theft



HOMEOWNERS

Required when owning a home – provides coverage against damage/destruction, personal property, and liability



RENTERS

Used when renting – covers theft / damage of your property within the rental, as well as liability

HEALTH INSURANCE

	DEDUCTIBLE	PREMIUMS	FLEXIBILITY	COMPLEXITY
HEALTH MAINTENANCE ORGANIZATION	NONE	LOW	LOW	LOW
PREFERRED PROVIDER ORGANIZATION	LOW	HIGH	MEDIUM	HIGH
HIGH DEDUCTIBLE HEALTH PLAN	HIGH	LOW	HIGH	MEDIUM

NOT AN INVESTMENT

LIFE INSURANCE



TERM LIFE

Provides coverage for a specific term. If the insured person passes away during the term, the beneficiary receives a death benefit.



WHOLE LIFE

Offers lifetime coverage and includes an investment component. Premiums are typically higher, but the policy builds cash value over time.



UNIVERSAL LIFE

Combines a death benefit with a flexible savings component. Policyholders can adjust premiums and death benefits within certain limits.

ASSET PROTECTION

An aerial photograph of a coastal harbor, likely San Francisco, featuring a large bridge in the background, a marina filled with sailboats, and a coastal road. The scene is shrouded in a thick fog, creating a serene and atmospheric setting. The image is used as a background for a presentation slide.

12

AVOIDING FINANCIAL SCAMS

Scams often prey upon trust and lack of knowledge. Scammers often create a false sense of urgency, threaten consequences, or pretend to be from reputable sources.



COMMON SCAMS



PHISHING SCAMS

Scammers send messages that appear to be from banks or governments, to trick you into providing information.



PONZI SCHEMES

Anything that guarantees return is a guaranteed scam



PYRAMID SCHEMES

Participants earn money primarily by recruiting new participants, not by selling products or services.



INVESTMENT SCAMS

These scams falsely promise high returns from investments in things like penny stocks, precious metals, or real estate.



TIME SHARES

Misleading sales tactics, hidden and escalating costs, inflexibility in usage, and difficulty in resale.



IRS

IMPERSONATION

Scammers posing as tax authorities demand immediate payment for unpaid taxes and threaten legal action or arrest.

PASSWORD MANAGERS



Software tool that helps users securely **store, manage, and generate passwords** in a database accessible through one master password. This allows users to maintain **strong, unique** passwords without needing to memorize dozens of passcodes.

MEDICAL BILLS

A scenic view of a harbor at dawn or dusk, with a bridge in the background and many sailboats in the water. The scene is misty and calm, with a soft light reflecting on the water's surface. The harbor is filled with numerous sailboats, and a bridge is visible in the distance. The overall atmosphere is peaceful and serene.



**MEDICAL DEBT MAKES
UP 66.5% OF ALL U.S.
BANKRUPTCIES**

NEGOTIATING MEDICAL BILLS

Medical debt is the leading cause of bankruptcy in the United States. Most people don't know that medical bills can be negotiated to get significant reductions in cost.



NEGOTIATION STRATEGIES



SETTLEMENT AMOUNT

Saying you don't have the money to cover the full amount, but could pay for some of it right away, can often get the bill down by up to 50%.

ITEMIZED RECEIPT

Asking for an itemized receipt, and requesting that extraneous & overpriced items are removed, can result in significant savings.

CHARITY CARE

If you go to a nonprofit hospital, they are often required to give you care if you meet a certain threshold. Usually ~300% of the federal poverty guideline, or about \$45,180 as of 2024.

An aerial photograph of a coastal harbor, likely San Francisco, featuring a large number of sailboats in the water, a bridge in the background, and a coastline with a road and buildings. The image is overlaid with a semi-transparent blue rectangle containing the text "STUDENT FINANCIAL AID".

STUDENT FINANCIAL AID

FAFSA APPLICATIONS

Free Application for Federal Student Aid (FAFSA) is a form that students use to apply for financial aid from the federal government.

Students can use the FAFSA to apply for grants, scholarships, work-study, and loans to help pay for college



FAFSA INFORMATION



ID NUMBER

Social Security Number (SSN) or
Alien Registration Number (ARN)



CHILD INCOME RECORDS

Tax returns, W-2 forms, Form
1040, 1099 Records



PARENT INCOME RECORDS

Tax returns, W-2 forms, Form
1040, 1099 Records



INVESTMENT RECORDS

1099 INT, 1099 DIV, 401k balances



CHILD BANK STATEMENTS

Standard banking forms per your
financial institution



PARENT BANK STATEMENTS

Standard banking forms per your
financial institution

LOAN FORGIVENESS PROGRAMS



PSLF

Public Service Loan Forgiveness forgives remaining balance on Direct Loans after 120 qualifying payments while working for government or nonprofit organizations.



TEACHER FORGIVENESS

Teachers who work in low-income schools may get up to \$17,500 in loan forgiveness on Direct Subsidized and Unsubsidized Loans after five years of service.



IDR

Income-Based Repayment (IBR), Pay As You Earn (PAYE), Revised Pay As You Earn (REPAYE) offer forgiveness after 20 or 25 years of qualifying payments.



FEDERAL PERKINS

Teachers, nurses, military personnel, and other public service professionals may be eligible for Perkins Loan cancellation based on their occupation.



NHSC

National Health Service Corps program is for healthcare professionals (doctors, dentists, and mental health providers), can receive loan repayment assistance in exchange for service in underserved areas.



STATE PROGRAMS

Standard banking forms per your financial institution

RETURN ON INVESTMENT (ROI)

$$\text{ROI}^* = \frac{\text{Average Yearly Income} * 10}{\text{Total Cost of Degree} * 100}$$

STUDENT AID ESTIMATOR



COLLEGE ROI RANKINGS



*Simplified ROI calculation method

RETURN ON DEGREE INVESTMENT

	COST OF DEGREE	YEARLY SALARY		ROI
Engineer	\$30K	\$100K	=	0.33
Teacher <i>(public university)</i>	\$10K	\$63K	=	0.63
Welder	\$10K	\$50K	=	0.50

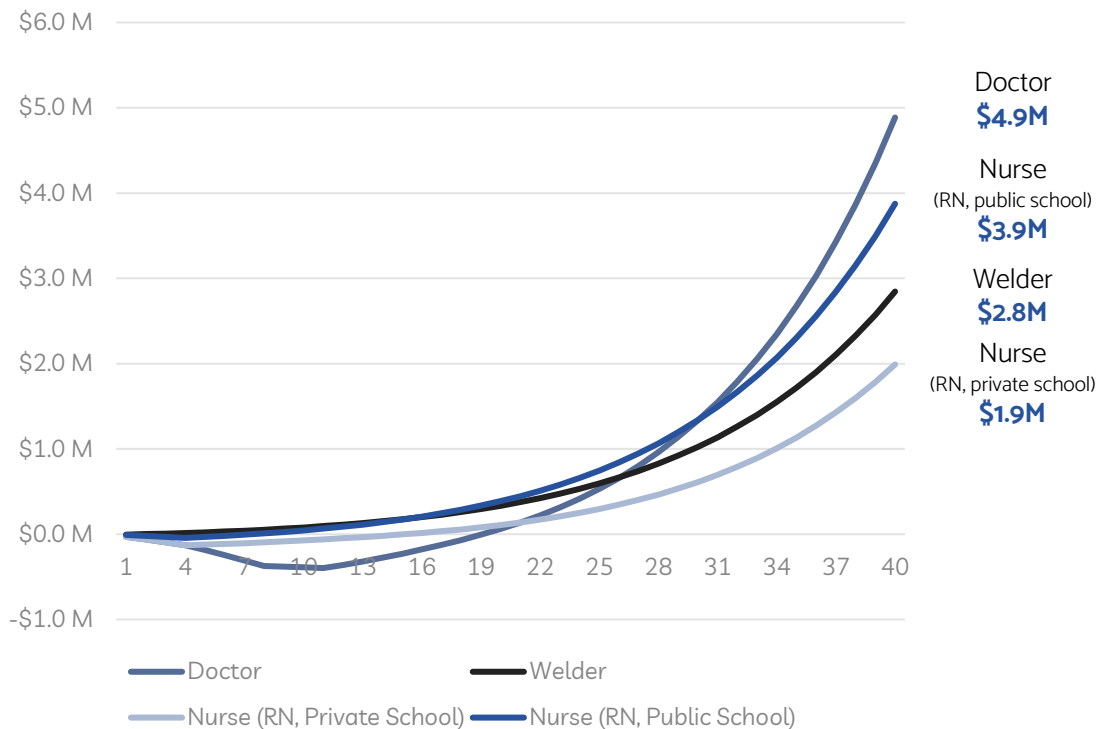
1. <https://www.bls.gov/oes/current/oes172199.htm>

2. <https://worldpopulationreview.com/state-rankings/teacher-pay-by-state>

3. <https://www.bls.gov/oes/current/oes514121.htm>

	Student Loans	Salary
Doctor (MD, private school)	-\$40k/yr 8 Years	\$300k/yr 32 Years
Welder	-\$5k/yr 1 Year	\$50k/yr 39 Years
Nurse (RN, private school)	-\$30k/yr 4 Years	\$85k/yr 36 Years
Nurse (RN, public school)	-\$10k/yr 4 Years	\$85k/yr 36 Years

Assuming each professional invests 10%
of their income at 10% RoR



GRANT/SCHOLARSHIP FINDER



Scholarship finder allows you to **easily locate grants, scholarships, and aid opportunities** that you would otherwise not know about. It is best to prioritize ones that are the **most unique to you**/that you have the best chance at, rather than the ones with the most money.

An aerial photograph of a coastal town at sunrise. The scene is dominated by a large harbor filled with numerous sailboats. A winding road or path runs along the left side of the harbor, leading towards a small building or structure in the water. The sky is a mix of soft blues and yellows, indicating the sun is low on the horizon. The overall mood is serene and peaceful.

LOVE & MONEY

15

INDIVIDUAL VS JOINT ACCOUNTS

There are both good reasons for joining together your finances – and good reasons for keeping them apart. What's right for you depends on a number of factors and the specifics of your relationship.



JOINT VS INDIVIDUAL ACCOUNTS

JOINT

HIGH

HIGH

HARD

EASY

LOW

HIGH

SEPARATE

LOW

HIGH

EASY

HARD

HIGH

LOW

TRANSPARENCY

EASE OF ACCESS

EASE OF
SEPARATION

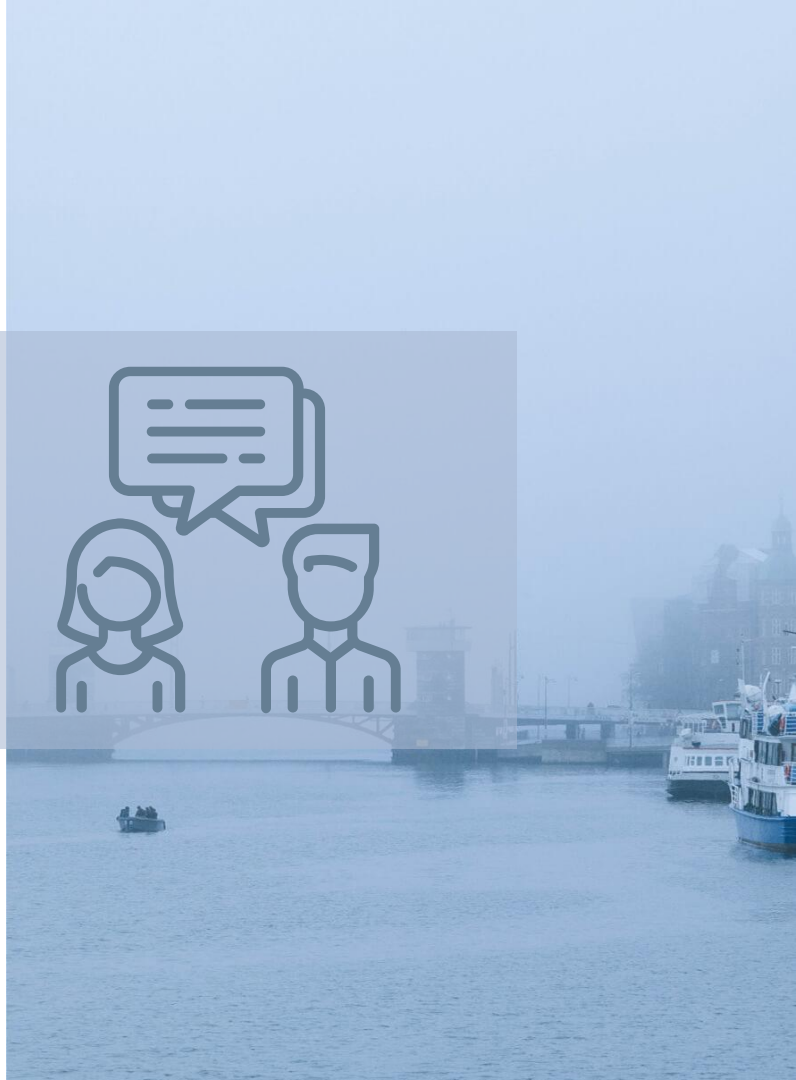
EASE OF BILL
MANAGEMENT

AUTONOMY

VULNERABILITY

SIGNING A PRENUP AGREEMENT

Prenuptial agreements, commonly known as prenups, are contracts signed prior to marriage that can be used in the event of a divorce to protect relevant party's assets.



PRENUP BENEFITS



ASSET PROTECTION

Ensuring that each party is able to protect the assets that they care about in case of death/divorce.



DEBT PROTECTION

In case of accident or death, protects your partner from assuming your debt



CLARITY

Makes sure both parties understand what they are entitled to, and what they are not.



CONFLICT REDUCTION

Reduces stress when dividing assets during divorce proceedings, saving money on legal fees and making life easier for all parties.



FINANCIAL PLANNING

Encourages upfront discussions about financial matters and long-term financial planning.



INFIDELITY CLAUSES

Adds extra protection in case of marital infidelity, and ensures that partners are compensated for their faithfulness.

FINANCIAL BENEFITS OF PRENUPS

~50%

Marriages that **end in divorce**

\$1,000

Average cost of a pre-nup

\$20,400

Average cost of a **contested divorce**

ESCAPE FUND

Financial advisors and social workers recommend having an ‘escape fund,’ particularly if you are a woman. This account, separate from other finances and not accessible by your partner, is designed to cover essential expenses in case of domestic abuse, giving individuals the financial freedom to exit an abusive relationship. Having an escape fund empowers those in vulnerable circumstances to prioritize their safety and well-being.



BUYING OR LEASING A CAR

Cars are a crucial part of modern society, and enable you an immense amount of freedom.

Whether it's better to lease or buy a car depends on your individual financial situation, lifestyle, and preferences.



BUYING VS LEASING



BUYING

Buying a car requires a car loan, which has higher payments but allows you to build equity and have a long term asset. You trade flexibility for financial gain.



LEASING

Leasing a car results in lower monthly payments, but you don't own the car you drive. This improves flexibility in car selection, but may limit you with other terms typical of car leases, such as mileage limits or wear-and-tear penalties.

LEASING VS BUYING

PAYMENTS
MAINTENANCE
CUSTOMIZATION
MILEAGE
INVESTMENT
COMMITMENT

LEASING
LOWER
NO
NO
LIMITED
NO
SHORT

BUYING
HIGHER
YES
YES
UNLIMITED
YES
LONG

RECAP



FLOWCHART

INVESTING

SAVINGS

RETIREMENT

DEBT

DECISION

BUDGET

SPEND

ESSENTIALS

CREATE BUDGET

PAY RENT

BUY GROCERIES

PAY ESSENTIALS
Power, Water, Heat

BUILD EMERGENCY
FUND
In high-yield savings account

MAKE MINIMUM
DEBT PAYMENTS

PAY
HEALTHCARE

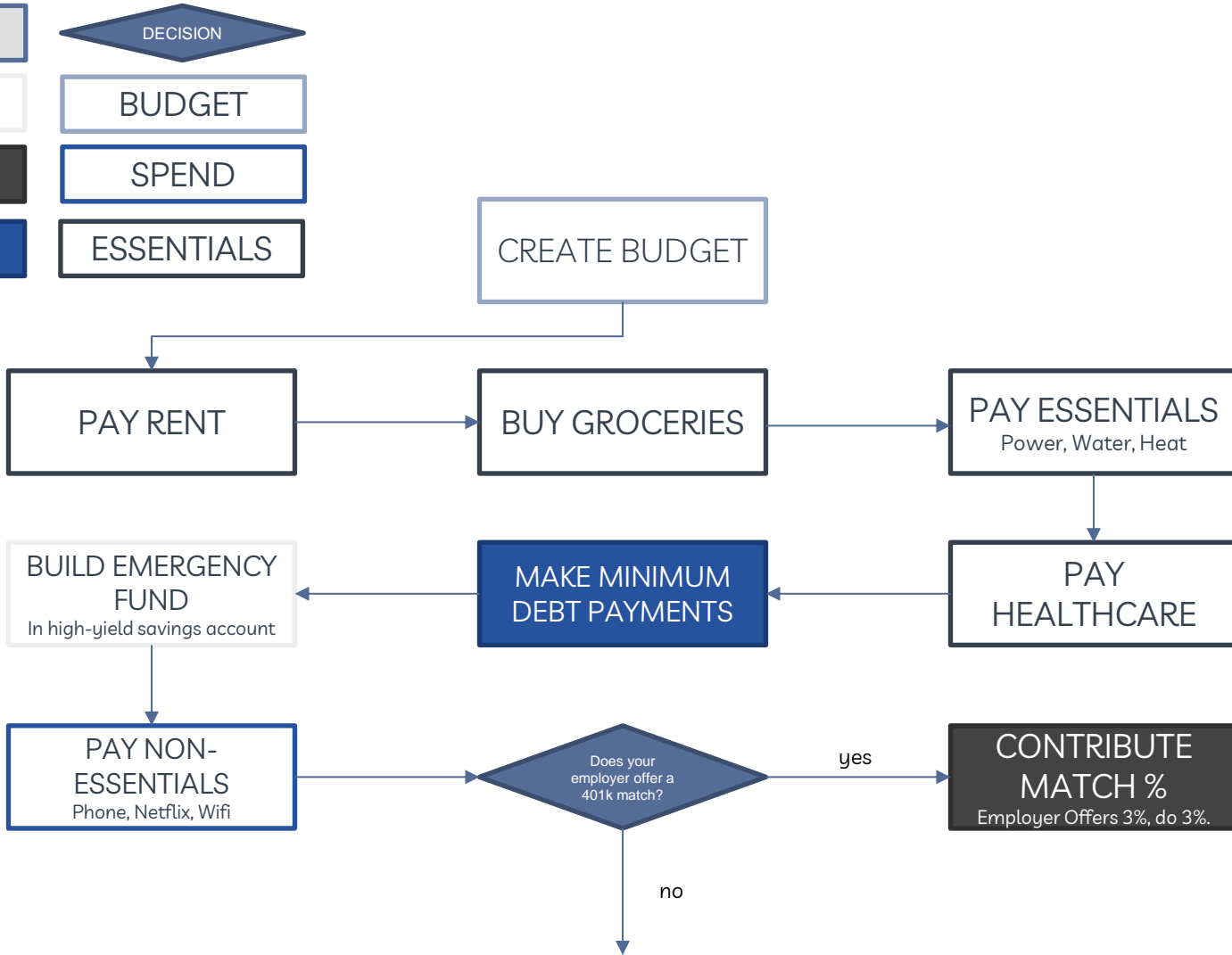
PAY NON-
ESSENTIALS
Phone, Netflix, Wifi

Does your
employer offer a
401k match?

yes

CONTRIBUTE
MATCH %
Employer Offers 3%, do 3%.

no



FLOWCHART

INVESTING

SAVINGS

RETIREMENT

DEBT

DECISION

BUDGET

SPEND

ESSENTIALS

Do you have any
high-interest
(>10%) debt?

yes

no

**PAY OFF HIGH-
INTEREST DEBT**

Avalanche vs Snowball Method

**INCREASE
EMERGENCY FUND**
to 3-6mos Expenses

Do you have any
moderate-interest
(>5%) debt?*

no

yes

**MAXIMIZE IRA
CONTRIBUTIONS**
Roth IRA vs Traditional IRA

**PAY OFF MID-
INTEREST DEBT**

Avalanche vs Snowball Method

Do you have any
large, *necessary*
purchases?

yes

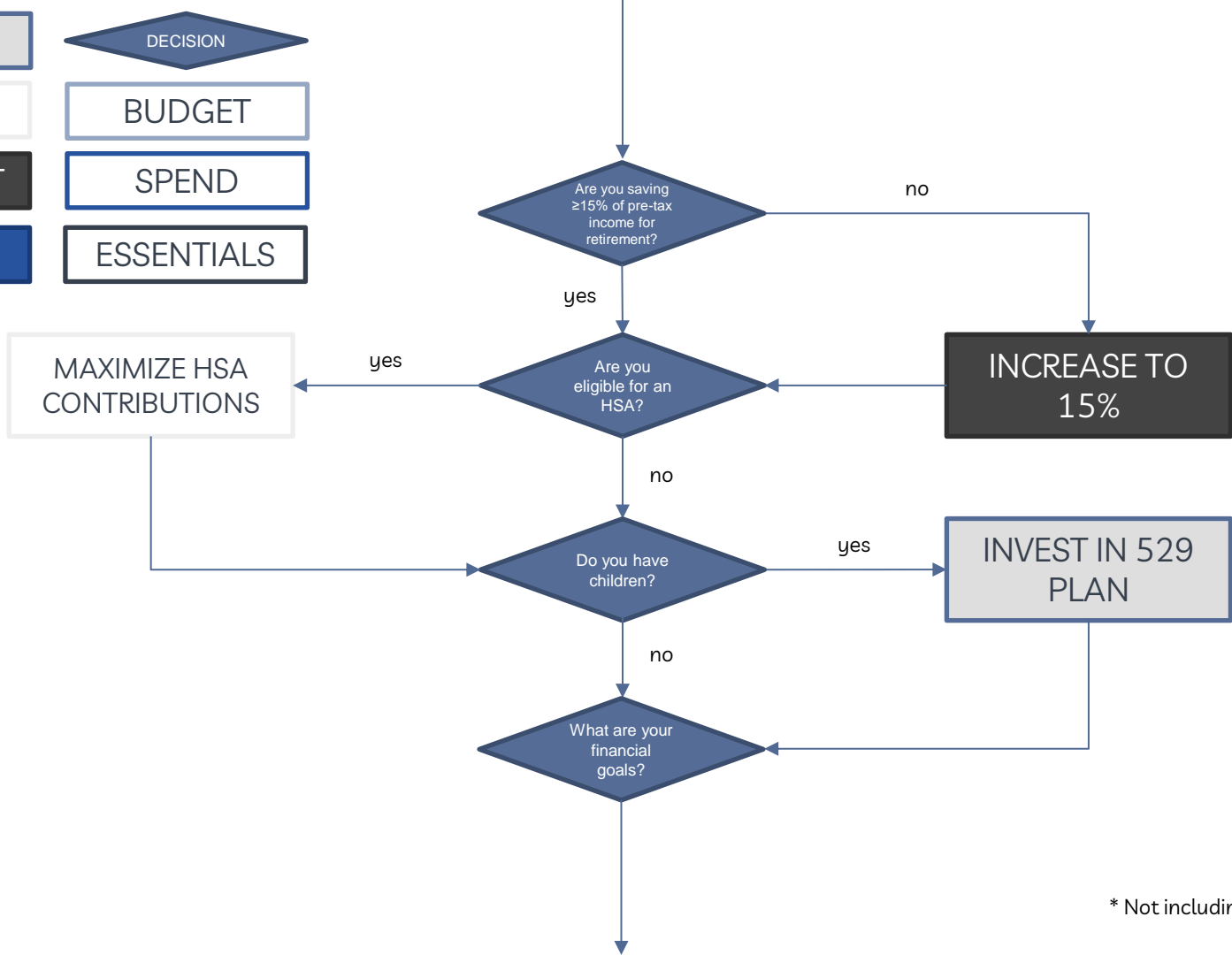
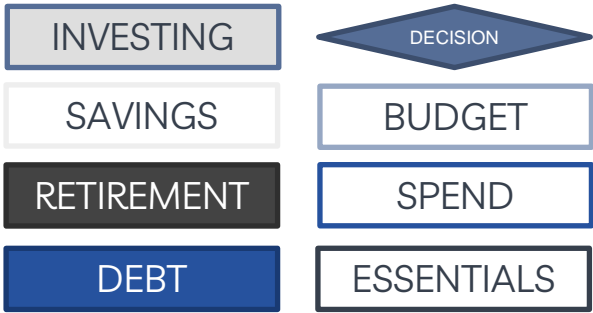
no

**SAVE FOR THESE
PURCHASES**

* Not including Mortgage

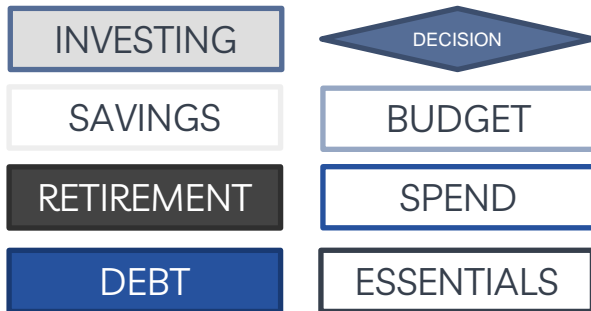
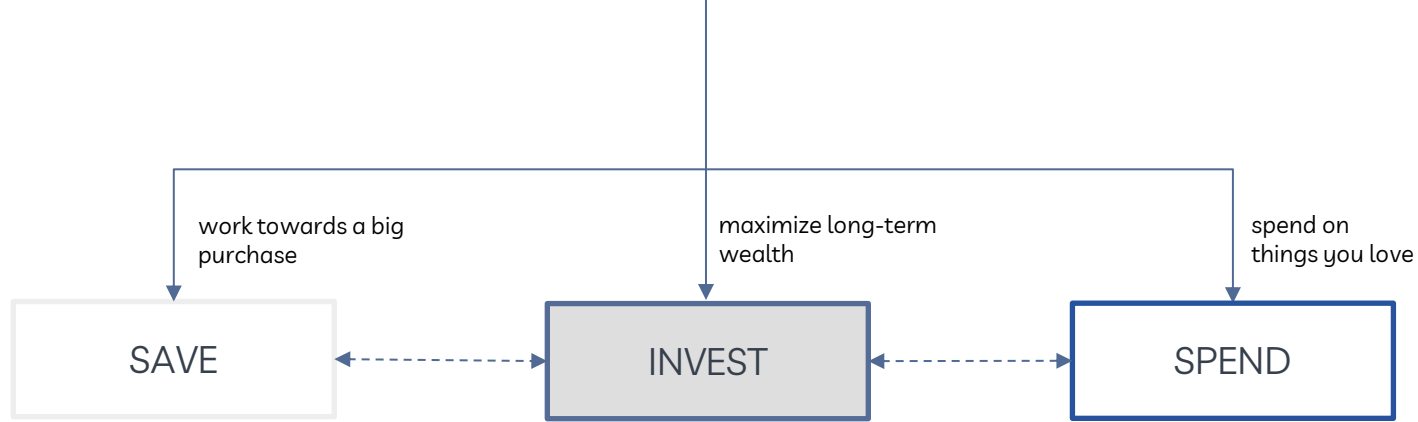


FLOWCHART



* Not including Mortgage

FLOWCHART



Use Lifestyle Definition at this step. Determine what is important to you and what is not, and that informs what you do with the remaining spend.

Remember that **personal finance is a means to an end**, and every situation is different. If you can't complete all these steps; that's ok, do what you can.

THANKS

Feel free to reach out with any questions

Harrison Fish, MSF
(315) 608-1551
harrisonfish.com

