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3.1 Earn

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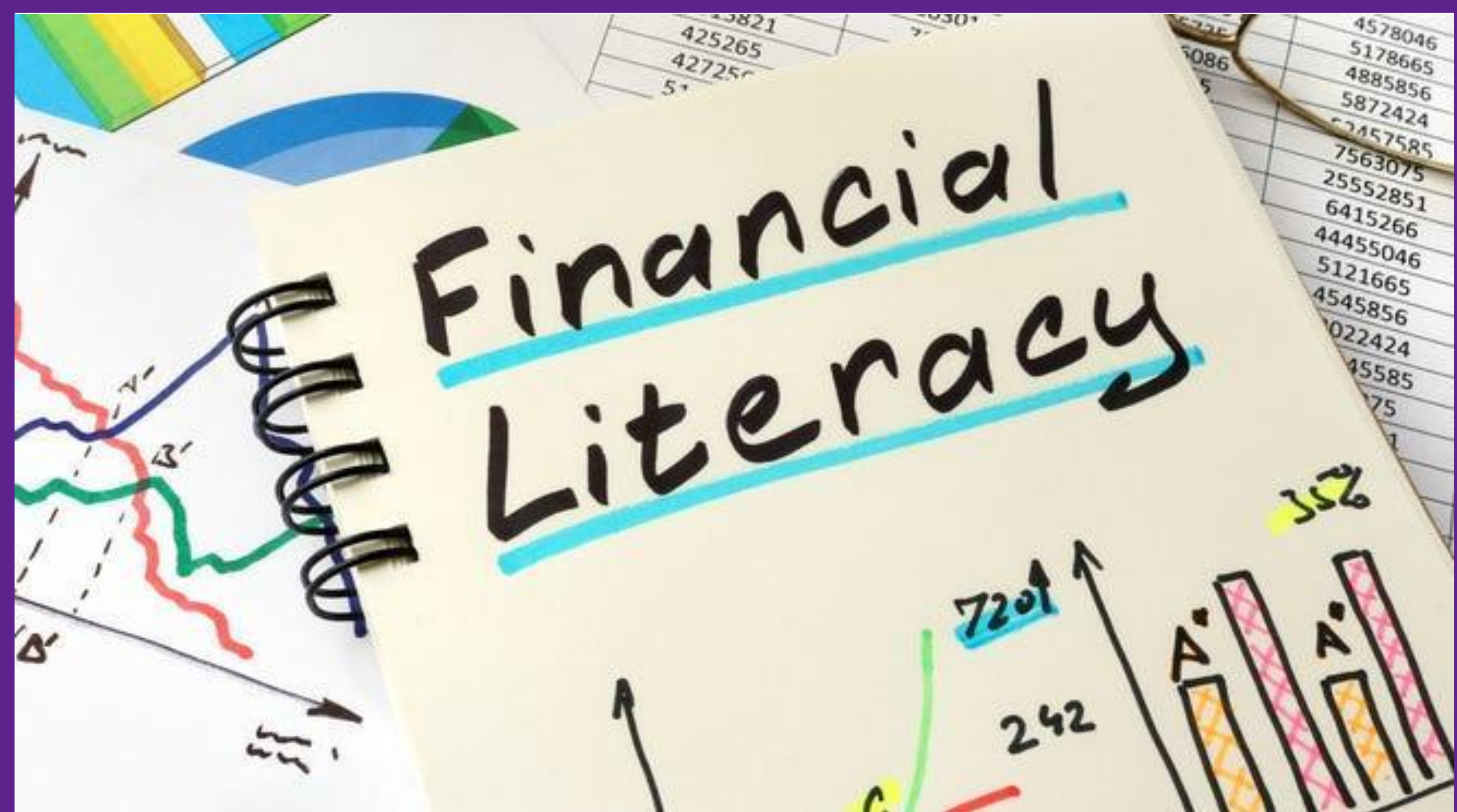
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Financial Literacy



5 PRINCIPLES OF FINANCIAL LITERACY

EARN: Generate Income

SPEND: Develop a Budget

SAVE: Prepare for the Future

BORROW: Leverage other people's Money

PROTECT: Secure Insurance



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**EARN
MONEY**

At the heart of financial literacy lies the principle of **earning**. It's about developing skills, pursuing education, and securing employment that enables you to generate a steady income. Increasing your earning potential opens doors to financial stability and growth. Your income is the foundation upon which your financial stability rests. To empower your earnings, **adopt these strategies:**



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1. Diversify your skills

In today's ever-changing job market, diverse skill sets are invaluable. Invest in learning new skills or expanding your expertise. The more versatile you are, the more opportunities you'll have to earn.



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2. Negotiate your worth

Don't shy away from negotiating your salary or rates. Research market standards and present your achievements confidently. Negotiating effectively can significantly boost your income over time.



3. Side hustles

With the continual development of new technologies, the possibilities for side hustles are endless. Whether it's freelance work, online tutoring, or starting a small business, a side hustle can supplement your income and accelerate your financial progress.



Diversify Your Skills

Why Extracurriculars Are Essential for Your Career



The Benefits of Diversifying Your Skillset

In today's rapidly changing job market, having diverse skills is more important than ever. A diverse skillset makes you more valuable as an employee and opens up a more comprehensive range of job opportunities. Furthermore, it helps you stay ahead of the curve in your current role and makes you more adaptable to changes in your industry.



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Increases Your Marketability

When you have diverse skillset, you become more attractive to potential employers. This is because you can bring a broader range of knowledge, experience, and expertise to the table. For example, if you have both technical and interpersonal skills, you would be a great fit for a role requiring technical proficiency and excellent communication skills. By diversifying your skillset, you increase your chances of landing your dream job and standing out from other applicants who may only have one or two skills.



Helps You Stay Relevant in Your Industry

In today's fast-paced job market, staying ahead of the curve and being aware of new technologies and trends in your industry are essential. Diversifying your skillset helps you stay current and relevant, which is especially important if you want to advance your career. For example, if you work in the tech industry, you must be familiar with new programming languages and technologies. By constantly updating your skillset, you stay ahead of the curve and remain an asset to your employer.



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Increases Your Earning Potential

Having a diverse skillset can also increase your earning potential. This is because you become a more valuable employee to your current employer or potential employers. For example, if you have both marketing and graphic design skills, you could command a higher salary than someone with only marketing skills. By diversifying your skillset, you increase your chances of landing higher-paying jobs and earning a better income.



Helps You Stay Adaptable

In today's job market, it's essential to be adaptable and ready to take on new challenges. By diversifying your skillset, you become more adaptable to changes in your industry. For example, if you have both programming and project management skills, you could easily transition to a project management role if the need arises. This adaptability is valuable to your employer and can help you stay employed even during tough economic times.



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Increases Your Confidence and Self-Esteem

Finally, diversifying your skillset can increase your confidence and self-esteem. When you are knowledgeable and skilled in multiple areas, you feel more confident in your abilities and more capable of taking on new challenges. This increased confidence and self-esteem can translate into better performance at work, making you a more valuable employee.



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Digital badges are a great way to showcase your skills and achievements to potential employers. A digital badge is an online representation of a certification, skill, or achievement. It is like an electronic version of a traditional certificate and is easily shareable on your resume, LinkedIn profile, or portfolio. Digital badges provide potential employers with a quick and easy way to see what skills and achievements you have earned without having to spend a lot of time reviewing your resume or portfolio.

By earning digital badges, you demonstrate your commitment to your career and willingness to invest time and effort into developing new skills. Digital badges also show that you are up-to-date on the latest trends!



HOW TO NEGOTIATE YOUR WORTH



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Do you struggle to negotiate your worth? Have a tendency to lose confidence and accept less than what you want? Whether want a promotion, pay-rise or job offer, you must know your value and how to communicate it with confidence.

Follow these six simple tips to get exactly what you want!



TIP #1 — KNOW WHAT YOU'RE WORKING TOWARDS

How does your employer measure success? What are the performance expectations? Are there specific targets?

It sounds simple, yet so many mid-career professionals I work with lack clarity on this. They *assume* it's hitting certain financial or performance targets — but a lot of people haven't ever asked! So, they could be correct, or completely off track.

Don't leave this to chance!

If you don't know what you're working towards, *how* do you know you're meeting expectations? If you're not reaching all required criteria, you'll struggle to negotiate what you want.

Starting a new role? Make sure you're clear on performance expectations upfront.



TIP #2 — GET FEEDBACK NOW

A lot of individuals are basing their performance on very vague feedback. 'I *think* they're happy with me.' 'My boss was grateful for the work I did on X project.'

To be in a strong negotiating position, you must know *exactly* how you're tracking against performance objectives. Knowing this information also allows you to bridge any gaps ahead of a negotiation discussion.

Get specific, meaningful feedback NOW. Do this *before* your next salary negotiation, career conversation or performance review.





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TIP #3 — RECOGNISE YOUR WORTH

Effective negotiation is about putting yourself in the other person's shoes. You need to be able to answer: *Why* do you deserve this promotion or pay-rise?

For salary negotiations, do your research. Understand pay rates for your role and level of experience and use this to back-up what you're asking for. Salary surveys, job adverts, recruiters, external colleagues and mentors are all good sources.

Whether you want a pay rise or promotion, collecting evidence of your success is critical. Gather specific examples of your results including personal fees generated or clients introduced. Also consider demonstrated leadership experience or costs saved (for the business or clients). If you believe you're bringing in 70% of your own workload — what evidence do you have of this? Always use metrics, data and exact examples to support what you're saying.



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TIP #4 — CLARIFY WHAT YOU WANT

Before any career negotiation, start by getting clear on your ultimate goal. What is the ideal outcome you want? Then, your bottom-line — or the minimum you're willing to accept.

Also, write down the different outcomes you're after. This gives you room to negotiate and increases your chances of getting what you want.

Say your goal is a \$30K pay-rise and your walk-away point is \$10K. In this case, a \$20K or \$15K increase may be the various levels you're happy to agree to. Also, don't forget to consider and ask for any other benefits that are important to you.



TIP #5 — SEEK TO UNDERSTAND

It's natural to feel nervous about negotiation discussions. But always remember, negotiations are a two-way conversation. Ask open-ended questions to understand your manager's position.

If they decline or counter your salary increase request, get curious. How did you calculate this? This opens up the discussion and reveals if there's room to negotiate further.

What are the opportunities for progression (a promotion or raise, how much and when)?

Take a long-term view, especially if this is your first conversation. You may decide to negotiate a review in 3-6 months based on performance to close any gaps identified.



TIP #6 — NEVER ACCEPT THE FIRST OFFER

Never accept the first offer presented to you! Ask lots of questions to keep the conversation going. Stay focused on what you're after and the different levels of outcomes you're comfortable with.

It can be easy to lose confidence in a negotiation and accept less than what you want. If you're feeling under pressure, request a follow-up discussion in 24-48 hours. It's perfectly acceptable to ask for time to consider any offer.

This gives you time to reset and refocus on what you want. Then, continue the conversation from a clear, confident position.



SIDE
HUSTLE



Side hustles have become a popular strategy for those working toward a savings goal, paying down debt, building an emergency fund, or just padding the budget. In fact, half of millennials and more than half of Gen Zers have a side hustle in 2023, according to a recent survey.

Like any sort of job, side hustles come in all kinds of shapes and sizes, potential incomes, costs, and time investments. Some are quick, low-effort, and tend to generate less money. Others can be built into real money-makers but require some up-front investment or additional time and effort.



What is a side hustle?

A side hustle is work that provides supplementary income in addition to the money earned through one's main job. Essentially, a side hustle is a second (or third, or fourth) job. Side hustles can include anything from gig work, like driving for Uber or Amazon Flex, to flipping houses or furniture, to freelancing using your professional skills.

Many people with side hustles use the internet, apps, or their professional networks to find opportunities; some go so far as to build small businesses around their side work. The amount of work and potential income earned through your side hustle will depend on what type of work you pursue and how much time you can devote to it.



What is a “legitimate” side hustle?

A legitimate side hustle is one where you provide the product or service required and can trust that you’ll get paid what you expect. There are many scammers on the internet, though, and it isn’t surprising that they sometimes target those looking for side hustles. Keep an eye out and stay safe while looking for side hustles to protect your time, income, and personal information. If an opportunity seems too good to be true, it likely is. Here are a few tips for checking the legitimacy of a money-making opportunity:

- Screen potential freelance or contract work clients to ensure they’re legitimate businesses.
- Look at reviews and web forums for any apps or websites you’re using to find work.
- Never pay a fee to apply to work for an individual or company.
- Beware of opportunities that require you to purchase products upfront to resell to others or require you to invest money in training materials.
- Guard your personal information. Review a company’s website and talk to someone directly before providing anyone with your personal information



Here are five broad categories to consider:

- **Freelance or contract work:** This work requires an existing level of skill, and many people use the professional skills they rely on for their primary job to pick up freelance work in the same industry.
- **Gig economy jobs:** Gigs are temporary and part-time positions in which independent contractors fulfill some services provided by a company, such as making deliveries for a food-delivery service.
- **Online side hustles:** Online side hustles are generally not jobs so much as tasks. Online roles are generally quick, easy, and attainable, but relatively low-paying.



- **Small businesses:** Some hustlers turn their side work into small businesses, whether that's selling a skill or a product. These roles are often more time- and cost-intensive but consist of building a brand and potentially turning their small business into their main job.
- **Passive income:** Passive income can come in several different forms but generally consists of investing in something or renting something out, resulting in repeating income that requires little ongoing effort. There may be a fair amount of work up-front, but the goal is to earn a regular income once set up.



Generally, these side hustles are hourly or project-based and require some level of skill or expertise. Freelance and contract work can be found through numerous apps like Fiverr, Upwork, Steady App, and many more. You might also find these opportunities through your network, family, and friends, or by building a public or industry reputation. Freelance and contract work require an investment in your own expertise, and your income generally depends on the amount of time you put into the work and your experience level.

Some examples of freelance work include: Handywork/landscaping, Writing, Graphic design , Bookkeeping , Editing, Website development, Social media, Tutoring, Administrative work





Gig work is a specific type of contract work based on flexible, temporary, or freelance jobs generally managed online or through an app. In the gig economy, everyone is an independent contractor, so people generally don't have regular schedules or get benefits from employers. Instead, you get the flexibility to work when you want to.

Pet sitting or dog walking

If you're an animal lover, you can find opportunities to take care of pets for some extra cash. The amount of time and potential income is dependent on how much work you take on, where you live, and the reputation you build.

House sitting

If you like to travel, house sitting might be a good fit for you. Using websites dedicated to sourcing house sitters, you can find opportunities to make some money in exchange for staying at someone's home, watering their plants, grabbing their mail, and other domestic tasks. House sitting comes with the side benefit of helping with your travel budget since your accommodations are free. You might also find opportunities where you live if you're interested in this kind of work but don't want to travel.



Ridesharing

Rideshare driving is a popular side hustle these days. You'll need to have a relatively new car in good condition, as well as a good driving record. Some people enjoy the chance to travel around the city and meet new people, as well as the chance to earn more money through tips.

Delivering food through apps

You'll need reliable transportation to pick up gigs delivering food; most people rely on a car, but some deliver by bike. You'll usually earn money for each delivery in the form of payment from the company and tips from customers.

Delivering packages

Amazon and other businesses hire flex drivers in hour blocks to deliver packages. If you have three to five hours free, you can sign up for a flex block, pick up packages, and deliver them in your area.



Unlike most gig work, online side hustles can usually be done from home. These jobs often require a lower time investment, with a wide range of potential incomes.

Participating in online surveys

Market research companies often pay participants to share their thoughts, opinions, and experiences. With these websites, you'll take surveys in exchange for a small amount of money. The more surveys you take, the higher your income. Watch out for potential scams, such as websites that require payment to join their panel of participants; check reviews before signing up to be sure the website is reputable.

Participating in user testing

You can also test apps, websites, or platforms. Testers are often asked to click through a mockup of a website or sort cards so web developers can learn more about user behavior. These can earn more income than surveys on a per-task basis, but generally require a higher time investment.





Transcribing videos, calls, or recordings

Some sites hire transcribers to turn audio recordings into text. Those who can transcribe quickly can earn a fair amount of money this way, as you're often paid per audio minute or per file.

Virtual assistant

Many businesses need some help but don't need a full-time executive assistant. That's where a virtual assistant comes in. Often managed completely online, a virtual assistant can perform executive assistant-type tasks contractually.

Starting a podcast, social media, or YouTube channel

Are you an expert on something, or do you have something you're passionate about? Viral social media content comes in many forms, and if you can build an audience and you're good at it, you may be able to generate income from a podcast or social media. It can take time to build a large enough audience to monetize your endeavor, but the effort can also be fun and rewarding.



Selling used clothes or items

Those who are good at thrifting or garage sales can often find items at a relatively low price and resell them for a higher price via online marketplaces. The amount of income you can earn varies widely, but you could do well if you're knowledgeable about niche items that have a high value on the secondary market. It's possible to get started without investing too much money upfront if you can find good deals on used items; you could even start by selling items you own but no longer want.





A small business is your opportunity to create a brand and sell something you're good at, whether that's a product or a service. These are often high-effort, higher-potential income opportunities.

Selling crafts or art

Do you draw, paint, work with wood, or otherwise create a physical product? These products can be sold at fairs, markets, shows, and through online marketplaces to make some money. Work like this requires some up-front budgeting for materials, websites, booths, or other business investments, as well as the time required to create things to sell. But building a brand can turn your side hustle into your full-time hustle.

Refurbishing furniture

Another small business opportunity is refurbishing and reselling furniture. With the right supplies, you can update or fix up old or damaged furniture found online, through garage sales, or even on the street for some extra income. This takes an investment in skills and supplies, as well as the time to dig up good finds you can restore.



Small business

Creating and selling art

Art doesn't have to be physical to sell. If you have skills with platforms like Photoshop, you can create original digital art you can sell online. Because it doesn't require physical supplies, this can be less expensive than physical art. Many people take commissions to increase opportunities to make money.

Coaching or teaching classes

If you have expertise in something, you can share your expertise by offering online classes, either through your own website or an online platform. This avenue can also provide repeatable income if you sell the same recorded course many times.



Passive income

Passive income is different than active income. Broadly, this is income that you can generate without requiring daily participation. While passive income usually requires an initial investment, you may be able to earn dividends for years from that investment.

Renting

Whether you're renting a spare room in your home, or you've invested in a rental property, you can generate regular and predictable extra income monthly. Investing in rental properties will often require a hefty investment, so spend time researching options and budgeting before making such a significant decision.

Renting out your car

All this requires is having a car and not needing it while it's being rented out. There are platforms dedicated to these types of rentals and a significant time investment isn't usually involved.



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Passive income



Affiliate marketing

Affiliate marketing requires an audience, but once you have one, you can promote content through blogs, videos, or social media and collect ongoing income from your audience's purchases.

Investing in bonds

While this isn't exactly a side hustle, it's an opportunity for passive income that some people overlook. Investing in bonds is a relatively low-risk way to use the savings you have to get a guaranteed return, and there are long and short-term bonds available to fit your timeline.

Opening a high-yield savings account or CD

While they also aren't side hustles, both high-yield savings accounts and CDs are ways you can use your existing savings to make more money. Both of these accounts offer short-term opportunities to earn interest for storing your cash.



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How side hustles can help your financial health

What you do with the money you make from your side hustle is dependent on your unique financial journey. It can help you balance your budget, put money aside toward retirement, or save up to buy something you really want. Relying on side hustles to pay your monthly bills can be risky because they often don't guarantee consistent income, but a side hustle can help you:

- Build an emergency fund
- Save more toward your goals
- Pay down debt
- Invest in the stock market
- Build your retirement account
- Treat yourself



Tax implications of side hustles

Remember, any income you make has implications for your taxes. Many first-time contractors and side hustlers find themselves shocked when they realize at the end of the year that they have to pay taxes on that income. Unlike money from your regular paycheck, taxes aren't withheld from the money you make through a side hustle.



How to choose the best side hustle for you

Here are some questions to consider when selecting the best side hustle for your unique situation.

- What existing skills and experience do you have?
- How much time can you put into this work?
- How much income do you need to make from a side hustle?
- What resources do you already have available?
- What opportunities would bring you the most joy?

Remember that side hustles don't have to be huge commitments. You can try something to see if you like it before investing a lot of money or time.





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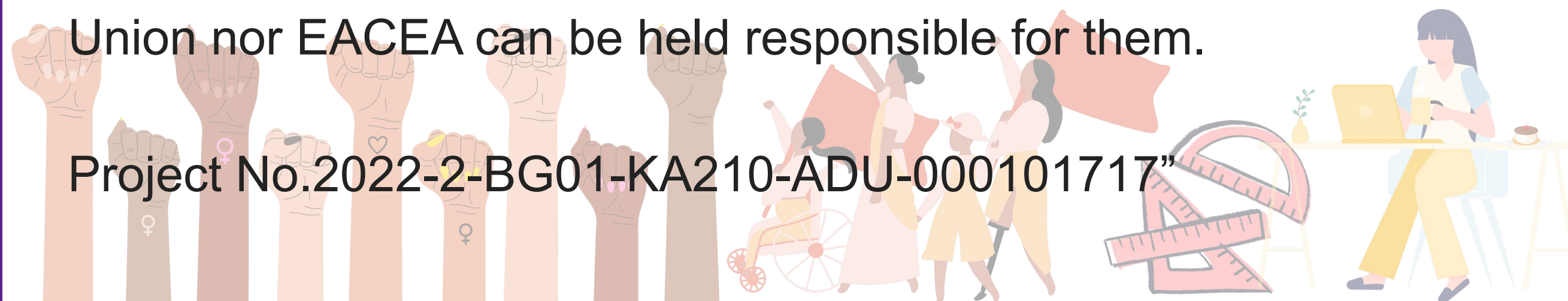
SAVE AND INVEST

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Creation of an emergency fund

- An emergency fund is essential to your financial security, protecting you from unexpected or lost income. It provides peace of mind and helps you recover more quickly from financial shocks.



SAVE YOUR MONEY

What is an emergency fund?



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- An emergency fund is a reserve of money specifically set aside for unexpected expenses or financial crises. It covers expenses like car repairs, medical bills or loss of income that helps you avoid going into debt.



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Why You need an emergency fund

- Without savings, even minor financial hardships can set you back and lead to long-term debt. An emergency fund provides a reserve against unexpected expenses that allows you to maintain financial stability.





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How much do you need in an emergency fund?

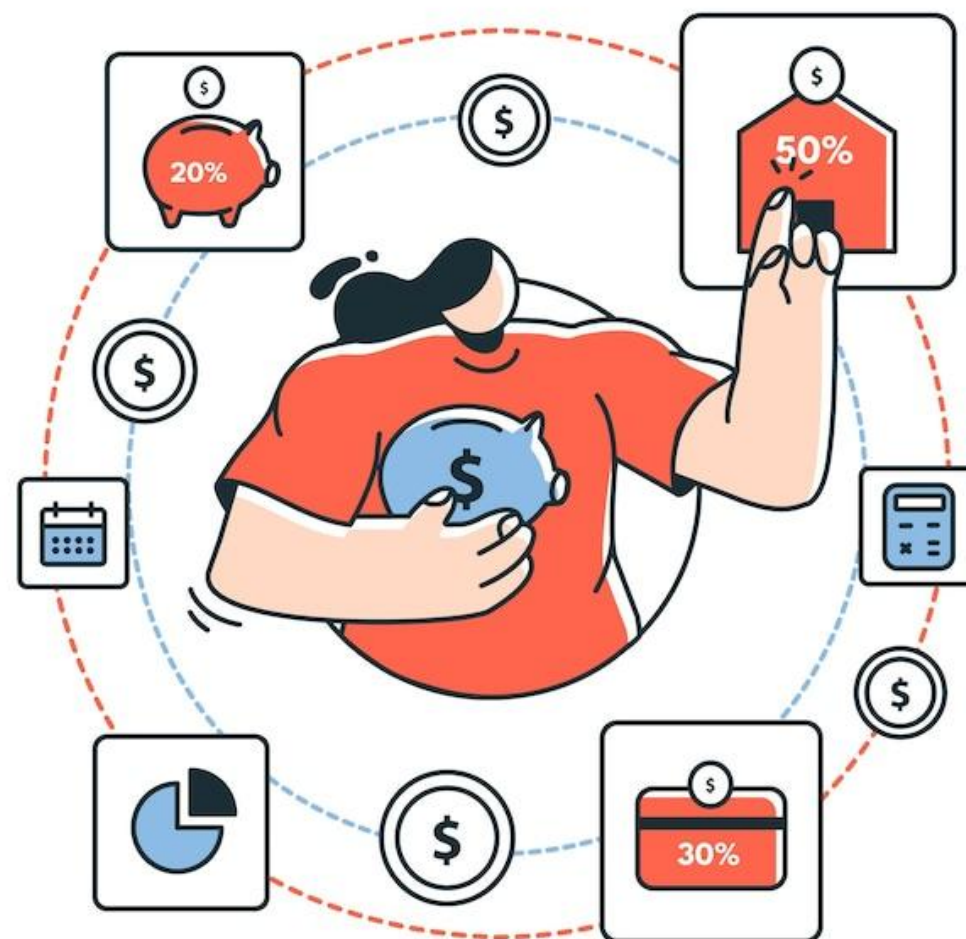
- The amount needed for an emergency fund varies depending on individual circumstances. Consider your past unexpected expenses to set a realistic goal. Even saving a small amount can provide financial security.



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Strategies for building your emergency fund

- There are different strategies for starting your savings, tailored to different financial situations. From creating a savings habit to managing your cash flow, find the approach that works best for you.



Where to store your emergency fund

- Choose a safe and accessible place for your emergency fund. Options include bank accounts, prepaid storage cards, or cash at home. Make sure you're easily accessible but not too tempting to take out.





When to use your emergency fund

- Set guidelines for what is considered an emergency. While not every unexpected expense is an emergency, avoid relying on credit cards or loans. Replenish your emergency fund if you've used it and note the reason for using it to refine your savings plan.



EMERGENCY FUND

How to grow your emergency fund

- Continuously saving and growing your emergency fund over time is key to financial security. Explore opportunities to increase your income, such as additional income streams or profitable investing.



Challenges in Creating an Emergency Fund

- Saving for an emergency fund can face a variety of challenges, such as budget mismatches, unexpected expenses, or low interest rates. Identify the potential pitfalls and create strategies to overcome them.



Benefits of the contingency fund

- An emergency fund provides financial security and covers unexpected expenses, helping to avoid debt and financial stress. It gives you peace of mind, allowing you to deal with unexpected circumstances.



How to start investing?

- Start investing by determining your investment objective, risk profile and explore investment options. Consider meeting with a financial advisor for personalized advice and guidance.



What is the budget?

- A budget is a plan for managing your finances. It includes projected income and expenses for a specific period of time, usually a month or a year. A budget helps you determine how to allocate your money to meet your needs and goals."



Importance of the budget

- A budget is an essential tool for managing your finances. It helps you plan and control your spending by giving you a framework for saving and investing. Without a budget, it's harder to achieve financial stability.



How to create a budget?



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- Creating a budget is an important process that requires an analysis of your income, expenses and goals. Start by recording all your income and expenses, then determine your priorities and create a plan to manage your finances.



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Importance of keeping a budget

- Maintaining a budget is key to your financial stability and success. Reviewing your budget regularly helps you stay on track with your financial goals and make adjustments when necessary. It gives you control over your finances and helps you avoid unforeseen financial problems.



Questions and answers



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Q&A



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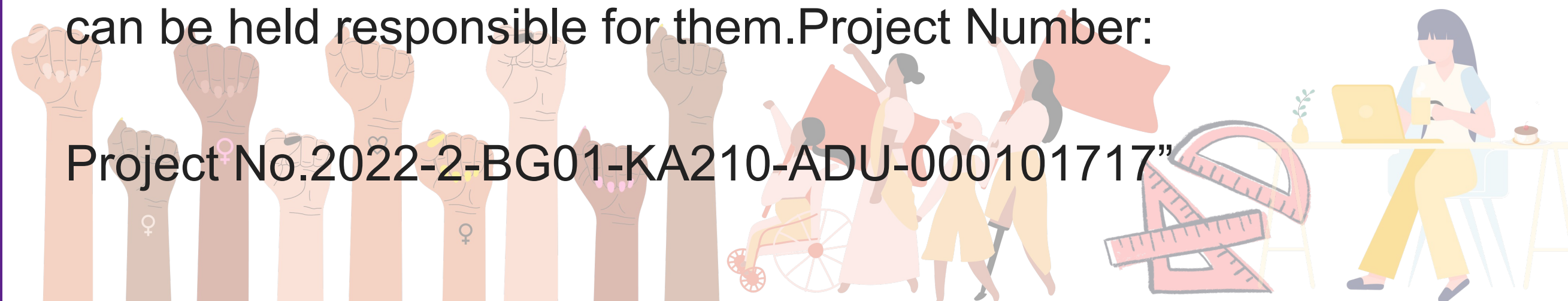
BORROW

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Managing credit cards wisely

- It's crucial to manage credit cards wisely to avoid financial pitfalls.

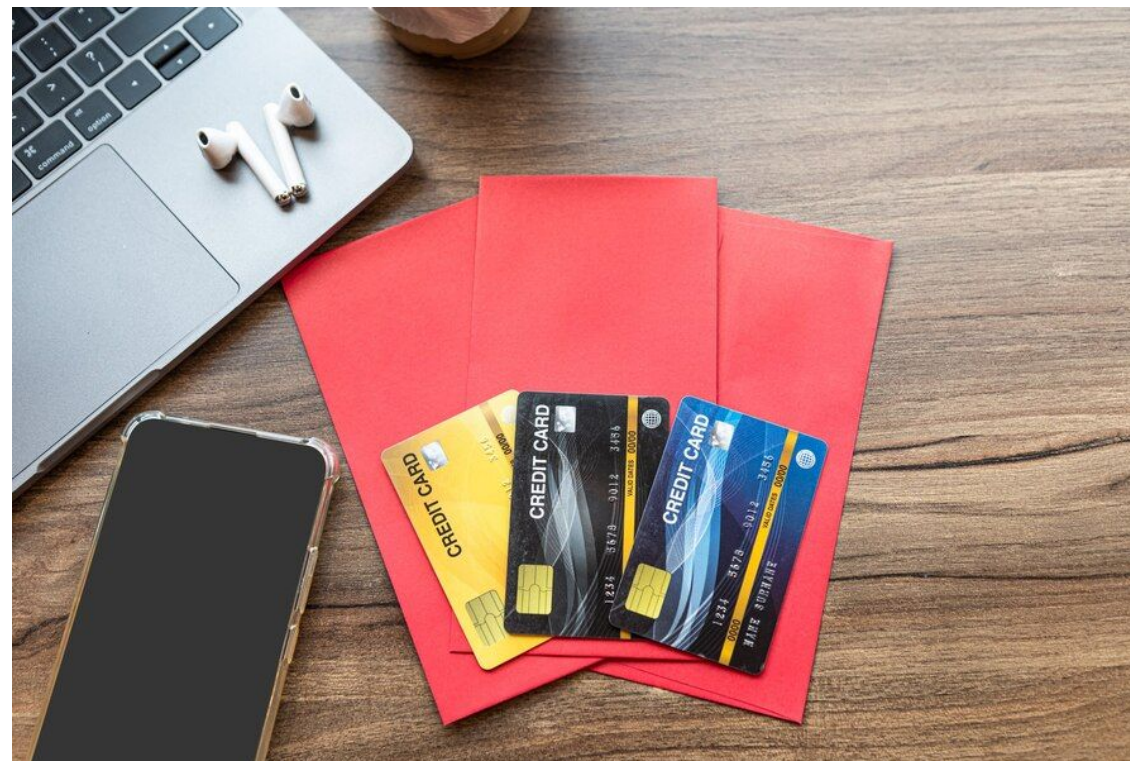
Here are key practices:

- Pay credit card bills on time to maintain good standing.
- Avoid penalty charges by settling balances promptly.
- Exercise restraint to prevent overspending.
- Maintain open communication with your bank for any concerns or disputes.



Tips for managing credit cards

- Let's delve deeper into effective credit card management with these practical tips:
- Paying bills promptly ensures you avoid late fees and interest charges.
- Regularly check your statement of account for accuracy and due dates.
- Stick to a budget to prevent overspending and accumulating debt.
- Keep your bank informed of any changes in contact details to facilitate smooth communication.



Dos and don'ts

Dos:

- Complete a personal budget plan to track expenses accurately.
- Communicate with creditors honestly and maintain promised payments.
- Keep records of conversations and agreements with creditors.

Don'ts:

- Ignore debts, as they will worsen over time.
- Panic; instead, seek solutions and follow the provided tips.



Safely shopping online

Shopping online with credit cards requires caution:

- Verify website security by checking for "https" and a padlock icon.
- Prefer reputable websites and avoid clicking on suspicious links.
- Safeguard your credit card details to prevent fraud and identity theft.



Strategic debt overview

- Strategic debt arises from discrepancies between planned and actual strategic outcomes.
- It results from rigid strategic planning in a dynamic business environment.
- Accumulated strategic debt threatens organizational relevance and sustainability.



Traditional vs digital era

- Traditional management relied on static, long-term strategic plans.
- In the digital era, rapid change demands adaptive and iterative strategy execution.
- Failure to adapt creates strategic debt, hindering organizational agility and innovation.



Resolving strategic debt

To resolve strategic debt:

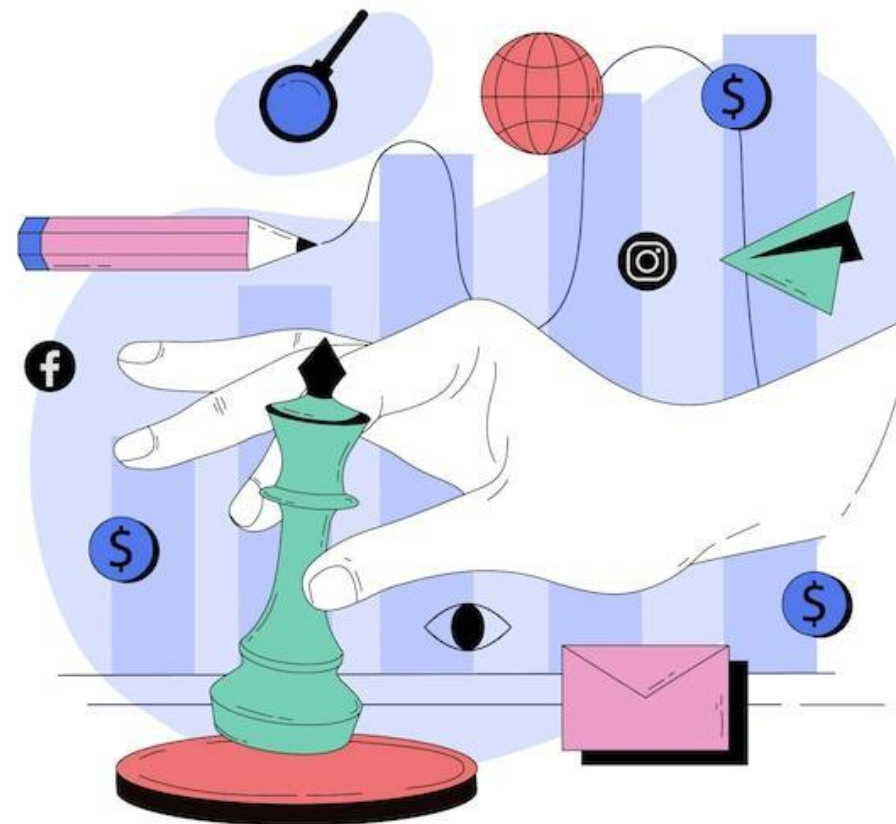
- Adopt an iterative approach to strategy execution.
- Use statements of intent to guide flexible and adaptive strategies.
- Embrace continuous learning and adjustment to align strategy with evolving realities.



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Illustration of strategic intent

- Strategic intent serves as a guiding beacon for organizational strategy.
- Unlike rigid goals, statements of intent provide flexibility and adaptability.
- They empower organizations to navigate uncertainties and seize emerging opportunities.



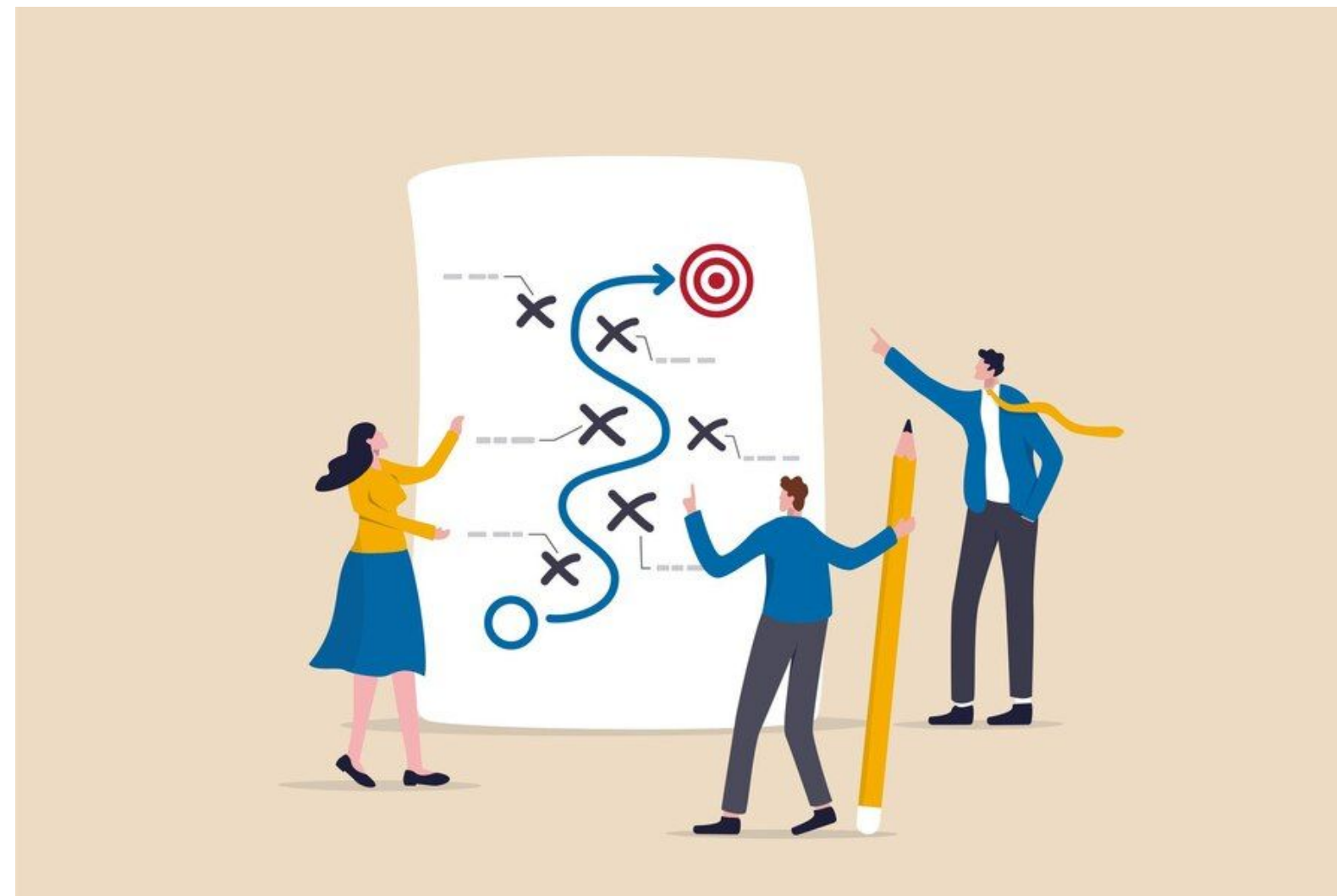
Realized strategy

- Realized strategy comprises deliberate actions and emergent responses to changing circumstances.
- It acknowledges the dynamic nature of strategy execution and the importance of adaptability.



Conclusion

- Managing credit cards wisely and addressing strategic debt are critical for financial health and organizational success.
- By adhering to best practices and embracing adaptive strategies, individuals and organizations can navigate challenges effectively.



Questions and answers



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Q&A



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Topic 3: Financial Literacy

3.4 Spend

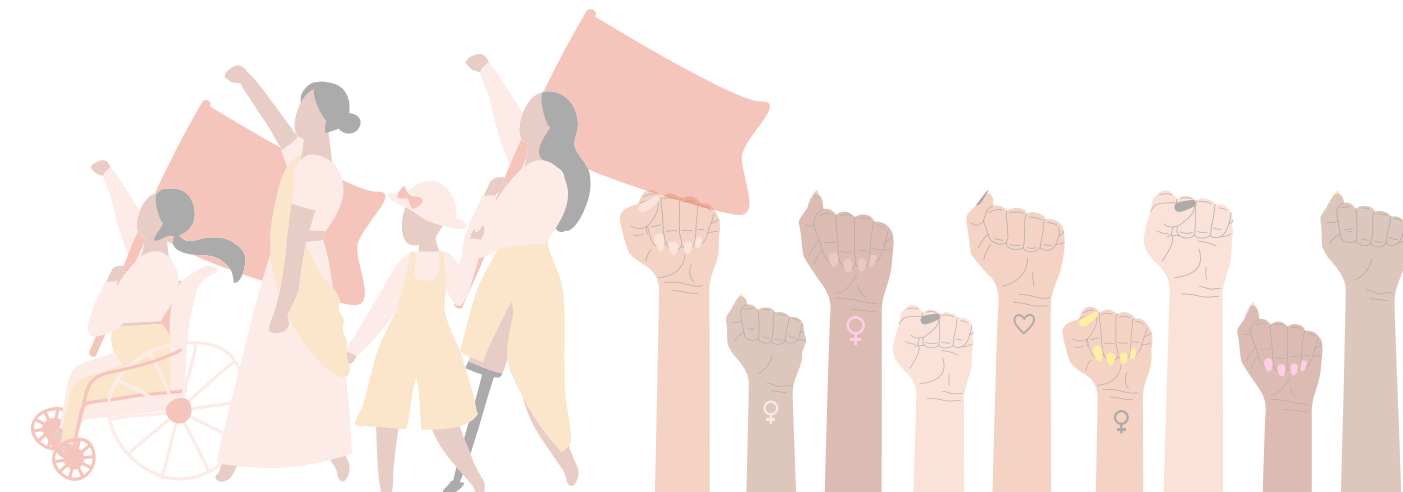
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Workshop Objectives

- Understand the difference between needs and wants in financial decision-making.
- Learn strategies for prioritizing quality over quantity when making purchases.
- Explore methods for tracking spending to maintain financial awareness and control.
- Gain practical tips for making wise spending decisions aligned with personal financial goals.



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What is Wise Spending?

Making thoughtful decisions about where and how to allocate financial resources. It involves prioritizing **needs over wants**, seeking value and quality in purchases, and tracking spending to stay within budget.



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Why is it important?



- **Financial Stability:** Wise spending habits contribute to financial stability and security by ensuring that resources are allocated effectively.
- **Debt Management:** Making informed decisions helps to avoid unnecessary debt and reduces financial stress.
- **Goal Achievement:** It supports the achievement of financial goals, such as saving for retirement, emergencies, or major purchases.



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Needs Vs Wants

A need is something that is necessary to live and function like shelter, water and food. A want is something that can improve your quality of life but is not essential like designer clothing, luxury vacations or eating out at restaurants.



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Tips on Wise Spending



- 1. Differentiate Needs & Wants:** Prioritize spending on essential needs before indulging in discretionary wants to ensure financial stability.
- 2. Set a Budget:** Establish a realistic budget as soon as you get paid each month. Allocate funds for necessities, savings, and discretionary spending.
- 3. Prioritize Quality over Quantity:** Invest in high-quality items that offer durability and long-term satisfaction, rather opting for cheaper alternatives.



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Tips on Wise Spending



4. Track your Spending: Maintain a record of all expenses to identify spending patterns, avoid unnecessary purchases and stay within budget constraints.

5. Avoid Impulse buying: Pause and Think before making impulsive purchases and ask yourself if the item is a genuine need or just a fleeting desire.

6. Plan Ahead for Major Expenses: If you anticipate future expenses, such as big weddings or holidays, set aside funds accordingly to avoid financial strain.



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Expense Tracking

It involves monitoring and **recording all financial transactions**, including purchases, bills and other expenditures. It gives you insight into your **spending habits** and helps you maintain better control over your personal finances.



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Ways to track Monthly Expenses



1. Categorize your Expenses: By categorizing your expenses you not only track how much money you're spending, but also see where your money is going.

Some Personal Finance Websites or Credit Cards do this automatically and label your transactions as “Gas”, “Department store” etc.

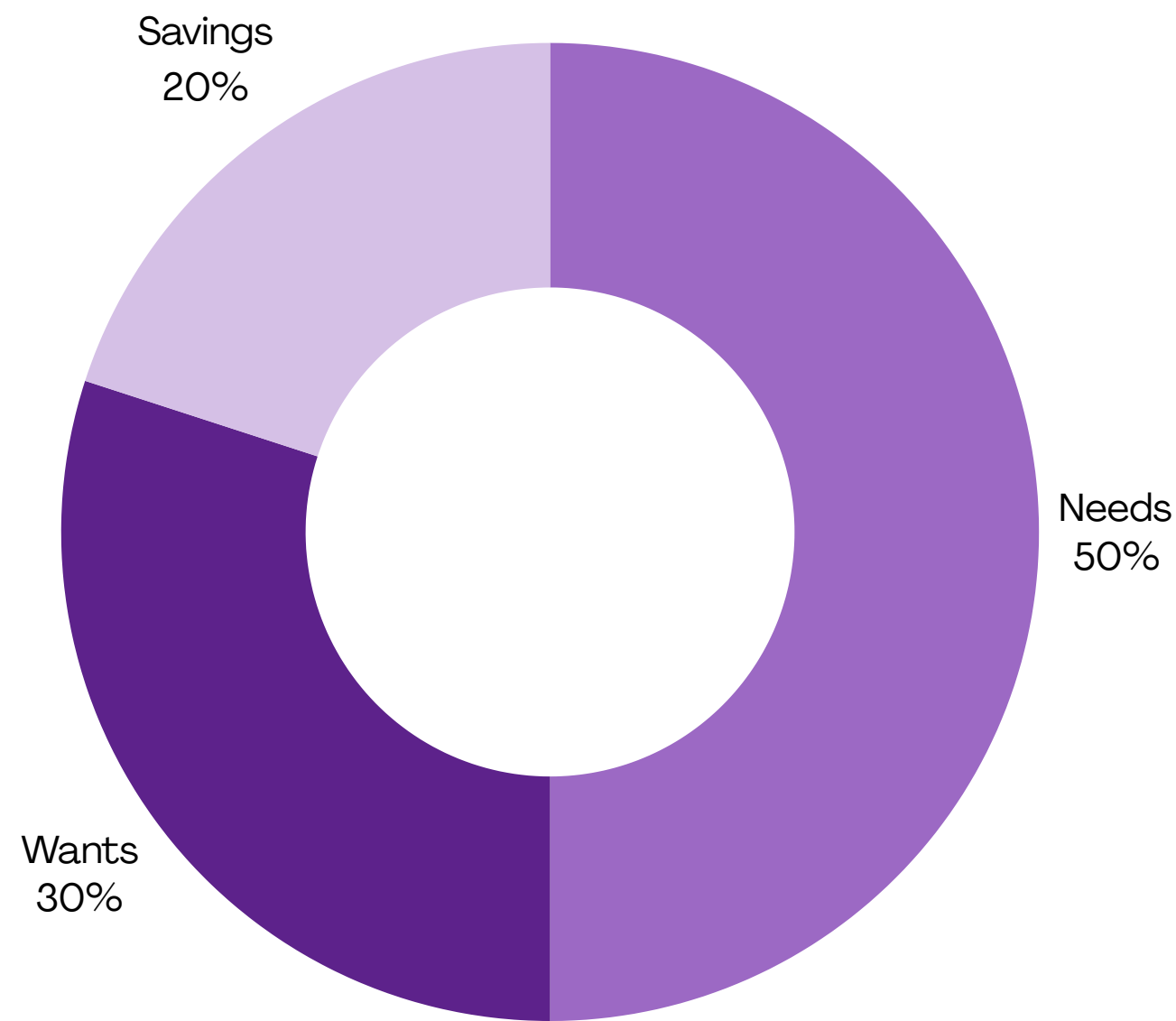


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Ways to track Monthly Expenses



2. Build a budget that works for you: Creating a budget will help you reduce your spending where necessary.



Needs: Housing, Transportation, Health care, Insurance, Utilities, Groceries

Wants: Jewelry, Dining out, Designer Clothing

Savings: Emergency Fund, Savings Account, Other Investments



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Ways to track Monthly Expenses



3. Excel Template

Offers a clear and detailed overview of your financial activity, providing several benefits.

Excel can help you spot spending trends and identify areas where you can save money. Its ability to create visual aids like charts and graphs also makes it easier to interpret and present your financial data effectively.

Available templates on Etsy and you can create your own:

<https://create.microsoft.com/en-us/learn/articles/organize-and-track-expenses-excel>

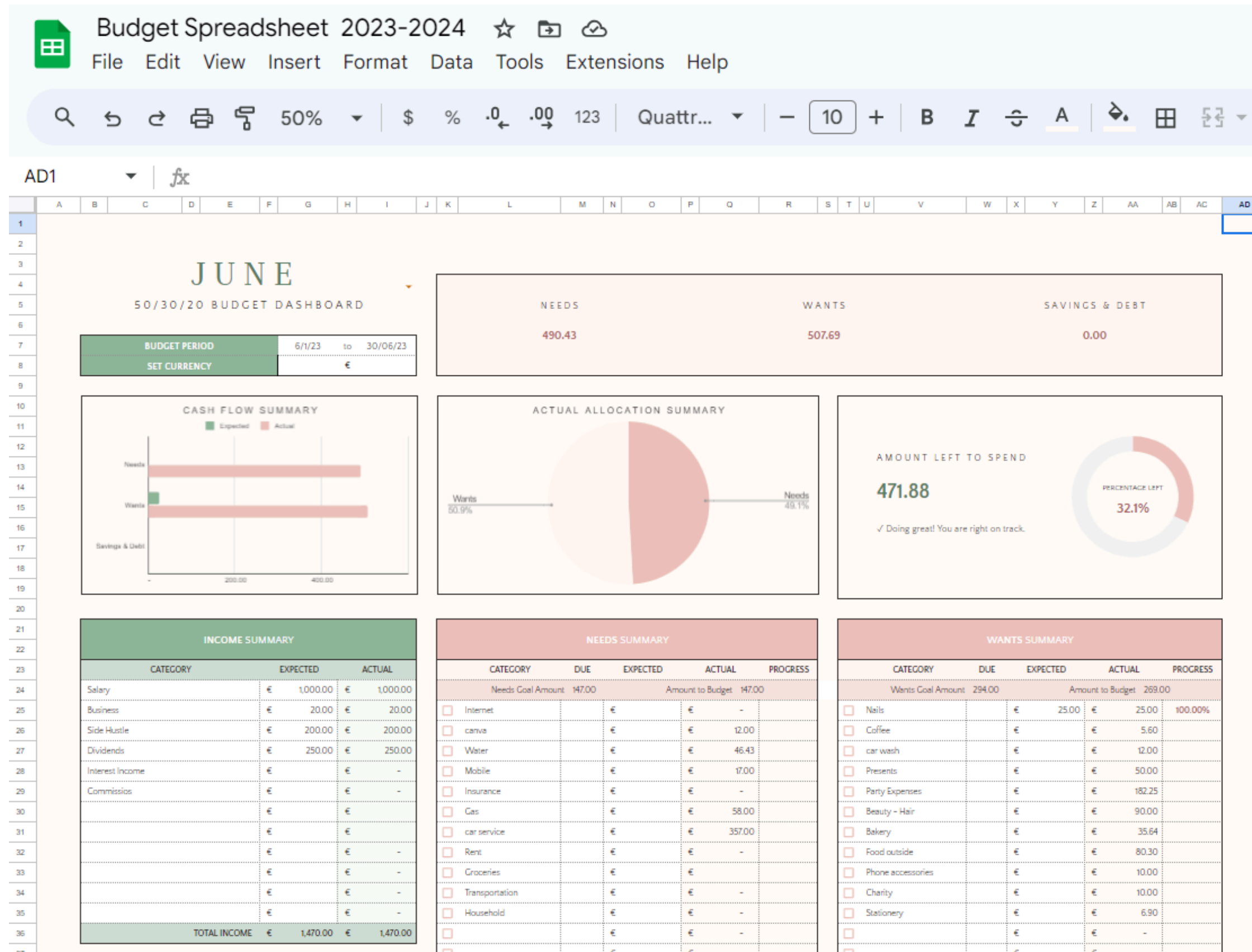


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Expense Tracking Excel



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Ways to track Monthly Expenses



4. Use budgeting or expense-tracking apps: These apps let you allocate a fixed amount of income each month (depending on your salary). In order for them to work, you have to log all your purchases and stick to your budget.

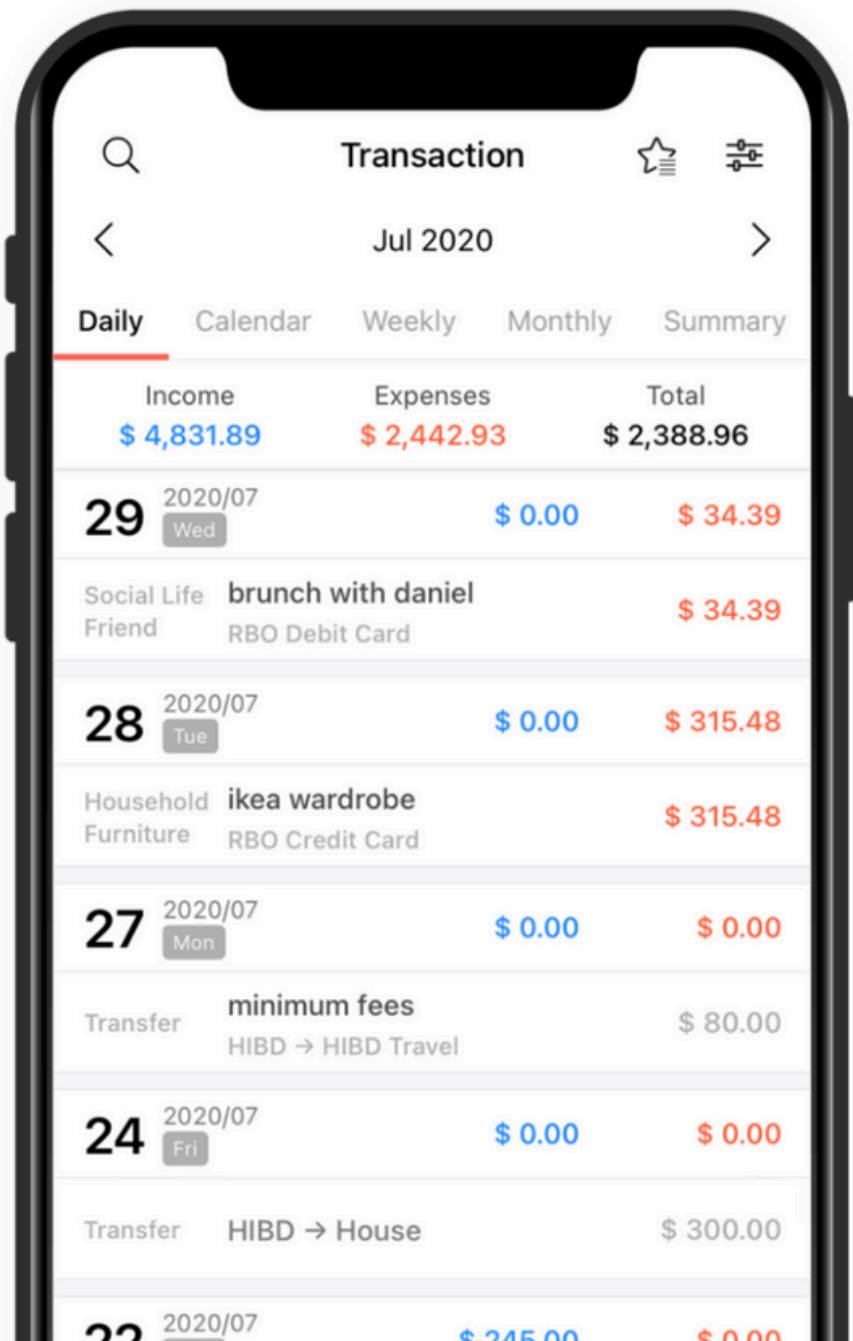


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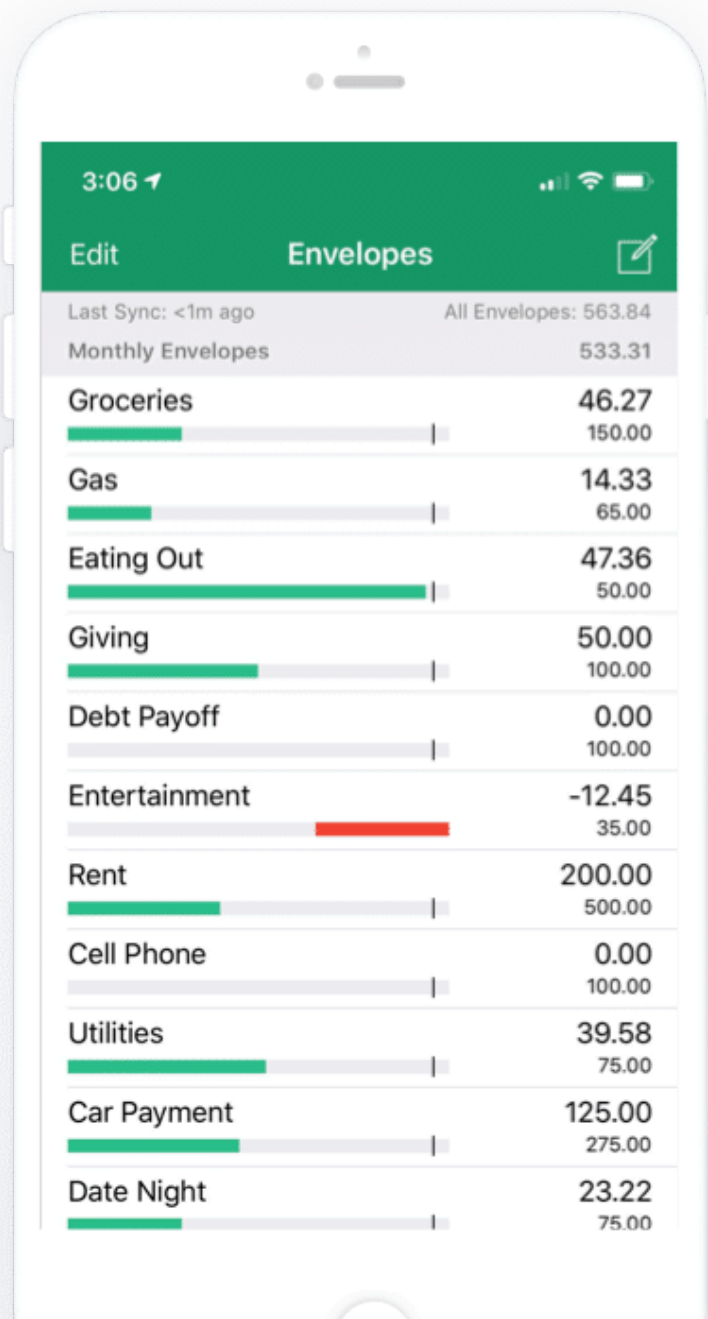
Expense Tracking Applications



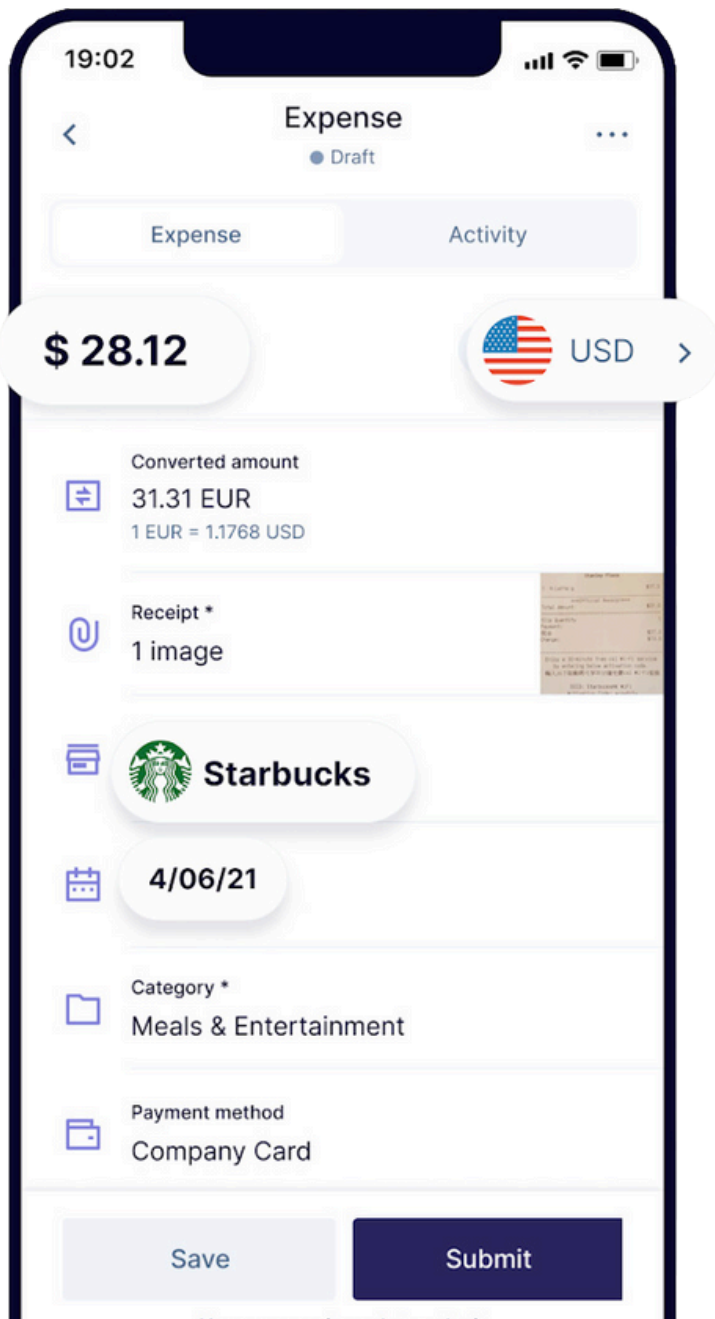
Money Manager



Good Budget



Rydoo



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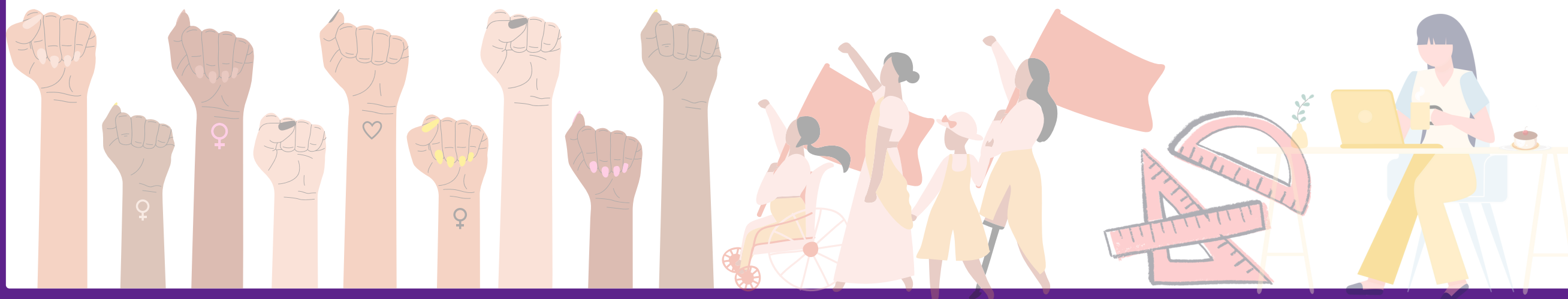
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Empowering women, driving growth.



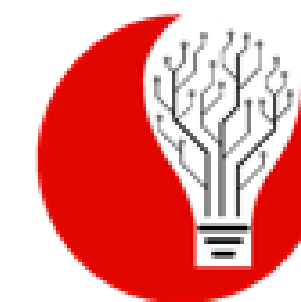
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Protect

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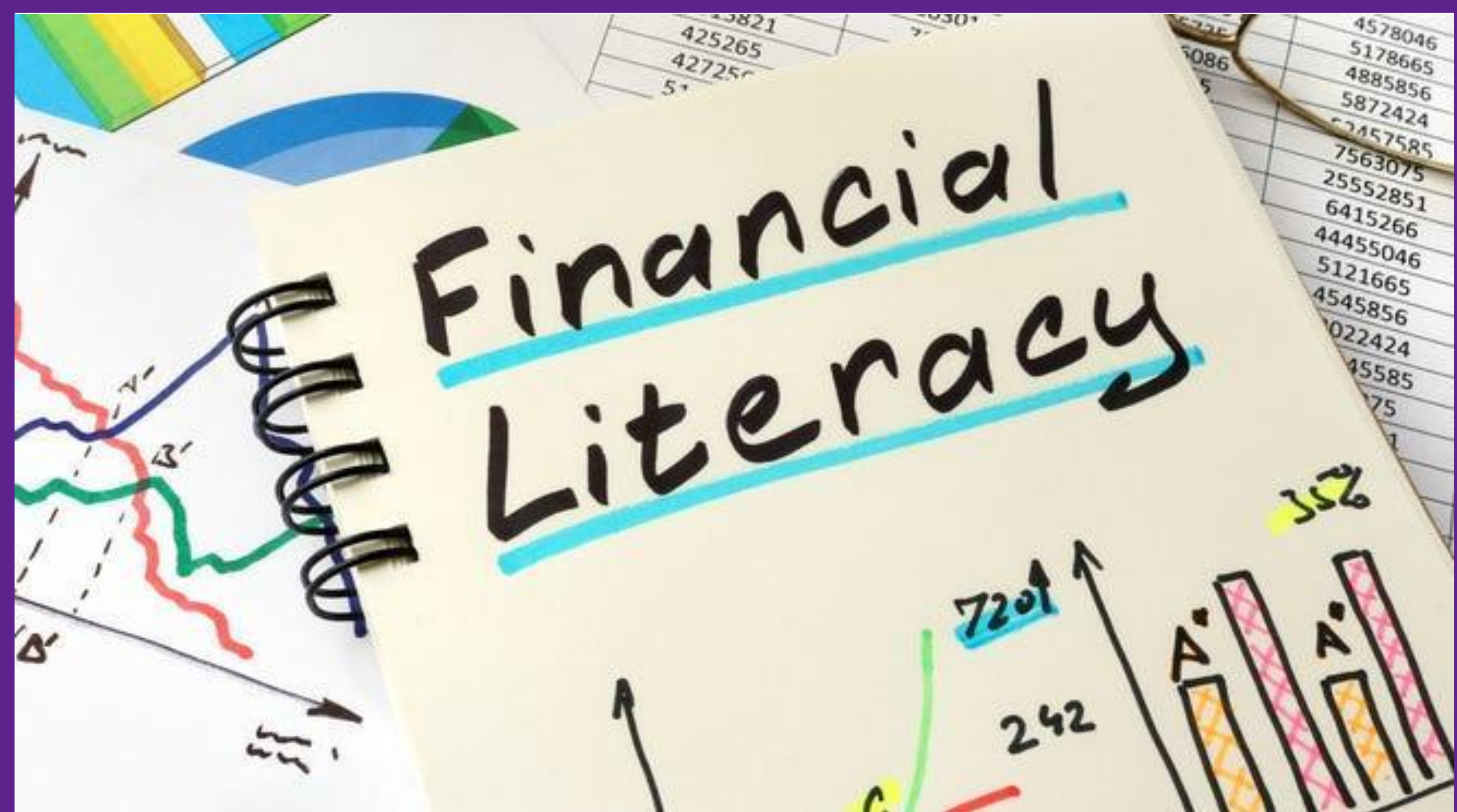
Digital Idea
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Financial Literacy



5 PRINCIPLES OF FINANCIAL LITERACY

EARN: Generate Income

SPEND: Develop a Budget

SAVE: Prepare for the Future

BORROW: Leverage other people's Money

PROTECT: Secure Insurance



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Life is full of uncertainties, but you can safeguard your financial well-being through proper protection measures. Prioritize the following steps:

- **Insurance coverage:** Different types of coverage, like health, life, and disability insurance, are essential to protect you and your loved ones from unforeseen expenses and loss of income.
- **Estate planning:** Regardless of age, having a will and an estate plan ensures your assets are distributed according to your wishes and minimizes potential conflicts.
- **Identity theft prevention:** Safeguard your personal and financial information by using strong passwords, regularly monitoring your accounts, and being cautious about sharing sensitive data online.

Planning for retirement is a key element of financial literacy and should be taken seriously.





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Insurance coverage is the amount of risk or liability that is covered for an individual or entity by way of insurance services. Insurance coverage, such as auto insurance, life insurance—or more exotic forms, such as hole-in-one insurance—is issued by an insurer in the event of unforeseen occurrences.



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- Insurance coverage refers to the amount of risk or liability that is covered for an individual or entity by way of insurance services.
- The most common types of insurance coverage include auto insurance, life insurance and homeowners' insurance.
- Insurance coverage helps consumers recover financially from unexpected events, such as car accidents or the loss of an income-producing adult supporting a family.
- In exchange for insurance coverage, the insured person is responsible for paying premiums to the insurance company.

KEY
TAKEAWAYS



Understanding Insurance Coverage

Insurance coverage helps consumers recover financially from unexpected events, such as car accidents or the loss of an income-producing adult supporting a family. In exchange for this coverage, the insured person pays a [premium](#) to the insurance company. Insurance coverage and its costs are often determined by multiple factors.

Premiums are a way for the insurance company to manage risk. When there's an increased possibility that an insurance company may have to pay out money toward a claim, they can offset that risk by charging a higher premium.

For example, most insurers charge higher premiums for young male drivers, as insurers deem the probability of young men being involved in an accident to be higher than, say, a middle-aged married man with years of driving experience.



Main Types



Auto insurance can protect you in the event of an accident. This includes both bodily injury liability coverage and property damage liability coverage. Bodily injury liability coverage pays for the medical expenses of another person if they're injured in an accident for which you are at fault. Property damage liability coverage pays for damages to someone else's property when you're at fault in an accident.

Main Types

Depending on where you live, you may also be required to have:

- Uninsured/underinsured motorist coverage
- [Comprehensive coverage](#)
- Collision coverage
- Medical payments coverage
- [Personal injury protection \(PIP\)](#)

Auto insurance premiums typically depend on the insured party's driving record. A record free of accidents or serious traffic violations may result in a lower premium. Drivers with histories of accidents or serious traffic violations may pay higher premiums. Likewise, because mature drivers tend to have fewer accidents than less-experienced drivers, insurers typically charge more for drivers below age 25.



Main Types

If a person drives his car for work or typically drives long distances, he generally pays more for [auto insurance](#) premiums, because his increased mileage likewise increases his chances for accidents. People who do not drive as much pay less.

Because of higher vandalism rates, thefts and accidents, urban drivers pay higher premiums than those living in small towns or rural areas.

Other factors varying among states include the cost and frequency of litigation, medical care and repair costs, the prevalence of auto insurance fraud, and weather trends.





LIFE INSURANCE



Life insurance is designed to provide a measure of financial security for your loved ones if you pass away. These policies allow you to name a [primary beneficiary](#) and one or more [contingent beneficiaries](#) to receive a death benefit should you pass away.

[Term life insurance covers](#) you for a set time period. For example, you may choose a 20- or 25-year term policy. [Permanent life insurance](#) covers you as long as your premiums are paid, which can effectively translate to lifetime coverage. Permanent life insurance can also allow you to build cash value over time that you could borrow against if necessary.



Types of permanent life insurance include:

- Whole life
- Universal life
- [Variable life](#)
- Variable universal life

With either type of life insurance (i.e. term or permanent), you can choose the [death benefit](#) amount you would like your beneficiaries to receive, i.e. \$500,000, \$1 million or even more. Between term life and permanent life insurance, term life tends to offer lower premium costs since you're only covered for a set period of time.



Premiums can depend on the age of the insured party and their gender. Because younger people are less likely to die than older people, younger people typically pay lower life insurance costs. And since women tend to live longer than men, women tend to pay lower premiums.

Health is another important factor in determining life insurance costs. People in good health typically pay lower life insurance premiums. For example, the risk of dying for a person with a 30-year policy is greater than the risk of dying for a person with a 10-year policy.

A history of chronic disease or other potential health issues with an individual or family, such as heart disease or cancer, may result in paying higher premiums. Obesity, alcohol consumption, or smoking can affect rates as well. An applicant typically goes through a medical exam to determine whether he has high blood pressure or other signs of potential health issues that may result in premature death for the applicant and increased risk for the insurance company.



HOMEOWNERS INSURANCE



Homeowner's insurance is designed to protect against financial losses associated with covered incidents involving your home. For example, a typical homeowner's insurance policy covers both the home and its contents in the event of:

- Fire
- Theft/vandalism
- Lightning
- Hail
- Wind



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Your policy can pay for repairs to your home or in extreme cases, to rebuild the home. Homeowner's insurance can also pay to replace lost or damaged belongings as well as replacement or repairs for associated structures, such as a garage or storage shed.

Homeowner's insurance premiums can depend on the value of the home, policy coverage amounts and where the home is located. For example, you may pay more to insure a home that's located in an area prone to hurricanes or tornadoes.

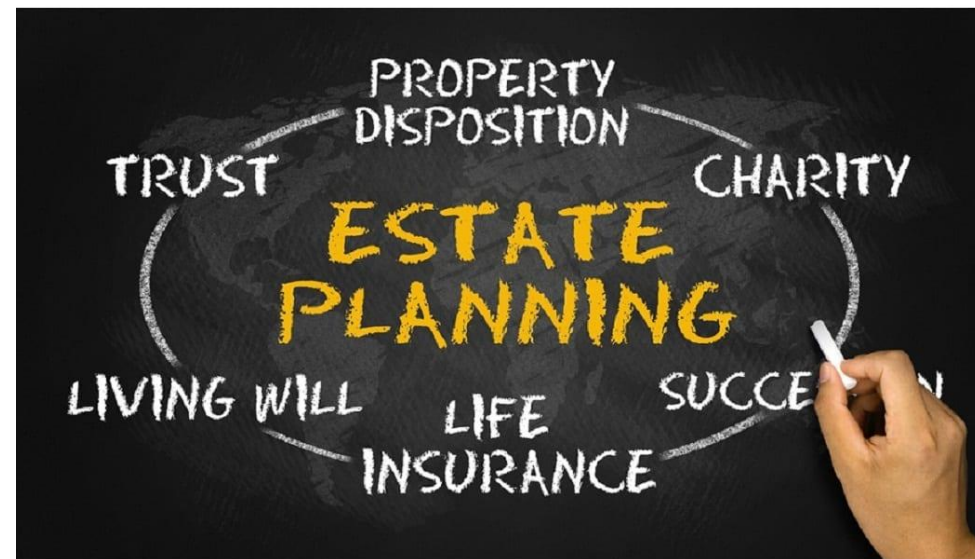





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The term estate planning refers to the preparation of tasks that serve to manage an individual's financial situation in the event of their incapacitation or death. The planning includes the bequest of assets to heirs and the settlement of estate taxes and debts, along with other considerations like the guardianship of minors and pets. Most estate plans are set up with the help of an attorney experienced in estate law. Some of the steps included in estate planning typically include listing assets and debts, reviewing accounts, and the writing of wills.



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KEY TAKEAWAYS



- Estate planning involves determining how an individual's assets will be preserved, managed, and distributed after death or in the event they become incapacitated.
- Estate planning tasks include making a will, setting up trusts and/or making charitable donations to limit estate taxes, naming an executor and beneficiaries, and setting up funeral arrangements.
- A will is a legal document that provides instructions on how an individual's property and custody of minor children (if any) should be handled after death.
- Various strategies can be used to limit taxes on an estate, from creating trusts to making charitable donations.
- Estate planning can and should be used by anyone—not just the ultra-wealthy.



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The Estate Planning Process

Estate planning involves determining how an individual's assets will be preserved, managed, and distributed after death. It also takes into account the management of an individual's properties and financial [obligations](#) in the event that they become incapacitated. Contrary to what most people believe, this isn't a tool meant just for the ultra-wealthy. In fact, anyone can and should consider estate planning.

Assets that could make up an individual's estate include houses, cars, [stocks](#), artwork, [life insurance](#), pensions, and debt. Individuals have various reasons for planning an estate, such as [preserving family wealth](#), providing for a surviving spouse and children, funding children's or grandchildren's education, or leaving their legacy behind for a charitable cause.



The most basic step in estate planning involves writing a **will**.

Other major estate planning tasks include the following:

- Limiting estate taxes by setting up trust accounts in the names of beneficiaries
- Establishing a guardian for living dependents
- Naming an executor of the estate to oversee the terms of the will
- Creating or updating beneficiaries on plans such as life insurance...
- Setting up funeral arrangements
- Establishing annual gifting to qualified charitable and non-profit organizations to reduce the taxable estate
- Setting up a durable power of attorney (POA) to direct other assets and investments



Writing a Will

A will is a legal document that provides instructions on how an individual's property and custody of minor children (if any) should be handled after death. The individual expresses their wishes and names a trustee or executor that they trust to fulfill their stated intentions.

The will also indicates whether a trust should be created after death. Depending on the estate owner's intentions, a trust can go into effect during their lifetime through a living trust or with a testamentary trust after their death.



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The authenticity of a will is determined through a legal process known as [probate](#). Probate is the first step taken in administering the estate of a deceased person and distributing assets to the beneficiaries. When an individual dies, the custodian of the will must take the will to the probate court or to the [executor](#) named in the will within 30 days of the death of the testator.

The probate process is a court-supervised procedure in which the authenticity of the will left behind is proved to be valid and accepted as the true last testament of the deceased. The court officially appoints the executor named in the will, which, in turn, gives the executor the legal power to act on behalf of the deceased.





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Identity theft



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Identity theft happens when someone uses your sensitive data to pose as you or steal from you. Identity thieves may drain your bank and investment accounts, open new credit lines, get utility service, steal your tax refund, use your insurance information to get medical treatments, or give police your name and address when they are arrested.

Frequent data breaches mean your information may already be exposed. In this new reality, it's smart to take steps to prevent malicious actors from using your personal information and ruining your financial life.



7 types of identity theft

1. Credit identity theft

Credit identity theft happens when a criminal uses your personal information, such as birthdate and Social Security number, to apply for a new credit line.

Warning signs: You might see an unexpected change in your credit scores or an account you don't recognize on your credit reports. You may get debt collection notices or a court judgment against you. The best way to prevent it is to freeze your credit.



7 types of identity theft

2. Child identity theft

Criminals [steal a child's identity](#) and apply for credit in that child's name. Often it is not discovered until the victim applies for college loans or other credit.

Warning signs: If your child is getting offers of credit cards or phone calls about late payments or debt collections, investigate. You can [freeze your child's credit](#) to prevent it.



3. Synthetic identity theft

Synthetic identity theft is when criminals use a patchwork of identity details to construct a fictitious consumer, using a Social Security number — often one of a minor child or one that is simply made up — that is not yet in the credit bureaus' database and combining it with a name and address. They then apply for loans and credit cards, often making payments for years as the credit limits grow. Then comes a "bust out," when cards are maxed out and the criminals disappear.

Warning signs: If you try to freeze your child's credit and discover their Social Security number is already in use. Often it is not discovered until the child is applying for student loans. It is not always preventable, because sometimes criminals make up and use a Social Security number even before it's assigned.



4. Taxpayer identity theft

Sometimes fraudsters use a Social Security number to file a tax return and steal your tax refund or tax credit.

Warning signs: You may be unable to e-file because someone else has already filed under that Social Security number, you get an IRS notice or letter referencing some activity you knew nothing about or IRS records suggest you worked for an employer that you did not. [Filing early](#) can help you beat criminals to filing in your name, and some states offer six-digit identity protection PINs (after a rigorous verification) with additional security.



7 types of identity theft



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5. Medical identity theft

Using someone else's identity to get health care services is medical identity theft. It's particularly dangerous because it can result in medical histories being mixed, giving doctors and hospitals wrong information as they are making health care decisions.

Warning signs: Claims or payments on your insurance explanation of benefits that you do not recognize can suggest that someone is using your health care benefits. If you've fallen victim, you'll need to both report it to your insurance company and inform your health care team to be sure information in your health care records is actually yours.



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7 types of identity theft

6. Account takeover

Criminals use personal data to access your financial accounts, then change passwords or addresses so that you no longer have access.

Warning signs: An email, letter or text from your financial institution that refers to an action (like a password or email change) or transaction you don't recognize.



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7 types of identity theft

7. Criminal identity theft

Criminal identity theft occurs when someone gives law authorities someone else's name and address during an arrest or investigation. This is often done with false identification, such as a fake driver's license.

Warning signs: You may be detained by a police officer for reasons that are unclear to you or be denied employment or a promotion because of something found in a background check.



11 ways to prevent identity theft

- 1. Freeze your credit**
- 2. Safeguard your Social Security number**
- 3. Be alert to phishing and spoofing**
- 4. Use strong passwords and add an authentication step**
- 5. Use alerts**
- 6. Watch your mailbox**
- 7. Shred, shred, shred**
- 8. Use a digital wallet**
- 9. Protect your mobile devices**
- 10. Check your credit reports regularly**
- 11. Monitor financial and medical statements**



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10 ways identity theft happens

- 1. Lost wallet**
- 2. Mailbox theft**
- 3. Using public Wi-Fi**
- 4. Data breaches**
- 5. SIM card swap**
- 6. Phishing or spoofing**
- 7. Skimming**
- 8. Phone scams**
- 9. Looking over your shoulder**
- 10. Malware**



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