



Personal Financial Plan of Haley

Date: Fall 2019

MBA620/Fin418 Personal Financial Plan

Table of Contents

Email:

I. Introduction (use Introduction LT01-01): 2%
Organize with a new 3 ring clear-cover binder, typed tabs and heading, picture, text, and in the required format
P&S: Include paragraph which explains who wrote this Plan, who helped (spouse, parent, or friend), what will happen if not followed, and how most benefit?

II. My Plan for Life (Vision/Goals LT01-02): 40%
Share your vision for your life, including VMV statements
Explain what God wants you to be or do, your mission
Share your top three major goals
Make plans and strategies detailed, specific, complete
Include your epitaph and numbered pages
P&S: Short-term plans and strategies? Self-evaluation of Goals ___/40
Medium-term plans/strat. (2-10 years)
Long-term plans/strat. (10-80 years)

III. Financial Statements (Financial Statements LT01-03): 3%
Show a current situation and action plan for each below:
Show two months data with comparisons and explanations
a. First/last month's Balance Sheets (Net Worth)
b. First/last month's income statements (Spending)
c. First/last month's Ratios (Liquidity, debt, savings)
P&S: What can you do to improve these in the future (a-c)?

IV. Saving, Income and Expense Plans (Budgets LT01-04): 10%
Include coversheet by month (3) of what you did well, what you can improve on, and action plan for the month
Include forecast, actual, and differences
Include a twelve-month SIE Budget (by month)
P&S: What are your saving, income and expense plans?

V. Tax Plan (Tax Planning LT01-05): 2%
Include your Federal and state tax form numbers
Include marginal and average tax rates
P&S: What are your tax plans and strategies?

VI. Cash Management Plan (Cash LT01-06): 2%
Explain your current cash management framework
P&S: What are your cash management plans and strategies?

VII. Credit Plan (Credit LT01-07): 4%
Explain what type of credit card user you are
Include your credit cards, rates and fees
Get one Credit Report and Credit Score, and give provider, score, and ranking. Do not include the full report
Check and make sure the Credit Report is correct
P&S: What are your credit plans and strategies?
What will you do to improve your card use?

VIII. Consumer Loans and Debt Plan (Debt LT01-08): 2%
List all consumer/mortgage/student loans outstanding
List your interest rates, costs, points/other fees
P&S: What are your loans and debt plans and strategies?

IX. Insurance Plan (Insurance LT01-09): 5%
a. Life, b. Health, c. Disability, d. Auto, and e. Home Owner's/Renter's. For each type of insurance answer:
Do you have it? Do you need it? What are the types, costs, coverage, and discounts for your coverage?
Include *CLUE report, health summary and LT29*
P&S: What are your insurance plans and strategies (a-e)?

X. Family Financial Plan (Money LT21): 4%
Discuss and evaluate how your family viewed finances
How did they handled their finances and teach you?
How will you handle and teach your family finance?
P&S: What are your family plans and strategies?

XI. Investment Plan (Investment Plan LT5A): 15%
Include your Investment Plan which covers:
i. Objectives, ii. Constraints, iii. Investment Policy, and iv. Portfolio Monitoring and Evaluation
P&S: *Proposed investments* and allocations (4 minimum)
Includes *LT13, LT27*, and 4 (EF, core, and Diversification) *mutual fund pages* from Morningstar (investment plans and strategies are included above)

XII. Retirement Plan (Retirement LT01-12): 4%
Develop your retirement planning vision and goals with strategies for accumulation, retirement, and distribution
Includes *LT06* and *Social Security statement first page*
P&S: What are your retirement plans and strategies?

XIII. Advance Plan (Wills and Estate LT01-13): 3%
Develop and include your estate planning strategy
Include *your holograph will* and spouse's will (if married)
Include your signed *Advanced Medical Directives (LT14)*
P&S: What are your advance plans and strategies?

XIV. Giving Plan (Giving Plan LT01-14): NG
Develop a giving strategy for institutional and direct giving
P&S: What are your giving plans and strategies?

XV. Education, Mission, Home and Auto/Toy Plans (Education Mission Home Auto LT01-15): 4%
What are your plans and strategies for these areas?
P&S: What is your housing/auto plans and strategies?
If you choose to help, what are your plans for preparing for your children's education and mission?

XVI. Individual Experiences (Other Items LT01-16):
Experience/Teaching Assignments write ups (5): ___/50
Finance Journal Take Aways (LT38) for the class Yes/No
Other materials you would like to share?

Overall Grade: PFP: ___/100
Note: P&S are your Plans and Strategies, Constraints, and Accountability. In the interest of safety, please do not include any account information in this Plan. If you have other privacy concerns, please see me.

I. Introduction

Haley

Personal Financial Plan

Fin 418 Fall 2019

This financial plan was created by myself, Haley, in the fall of 2019 right before I graduate from BYU in the spring of 2020 with my bachelors and masters degree in accounting. I am writing this plan not only because it is an assignment, but also as a guide and source of direction to help me with my financial future. I have filled out this plan with as much detail as possible to insure a secure financial future for myself and future family. President Ezra Taft Benson counseled, "Plan your financial future early; then follow the plan." I am excited to have this financial plan to look at monthly to help me make wise financial decisions now and in the future. By reviewing the plan monthly, I can evaluate how I am following the plan and identify changes I need to make to better secure a safe financial future. I plan to update sections of my financial plan as my life changes. I hope this plan can help me accomplish my life goals and objectives, develop and implement a budget, pay the Lord first and learn to give.

I love the quote by Ezra Taft Benson, "Plan your financial future early; then follow the plan." There will be changes to this plan over time as our circumstances, demands and necessities change, but now that I have a foundation to build off of, it will be easy to update.

II. Your Plan for Life

Vision, Goals, Plans and Strategies, Constraints, and Accountability

Haley
Personal Financial Plan
Fin 418 Fall 2019

Your Plan for Life: Personal (and Family) Vision, Goals and Goal Planning

Vision Statement: Ultimate Idea

The objectives that guide my vision statement are as follows: (1) return to live with Heavenly Father, (2) become my best self, (3) create a righteous family, and (4) be a positive force for good.

My Spiritual Vision

My spiritual vision is to be a daughter of God who understands her value and worth and is ready to enter the celestial kingdom whenever God calls her home. This does not mean I am perfect, but that I am always striving to improve to be the best version of myself daily. I am consistently living gospel habits. Gospel habits include daily individual scripture study and prayer, daily family prayer, partaking of the sacrament weekly along with the study of Come Follow Me, keeping the sabbath day holy, monthly temple attendance, frequent ministering, fulfilling my calling, and regular Christ and family centered activities. My spiritual vision is crucial and foundational for the other visions that I have.

My Temporal Vision

My temporal vision is to be my best self. No matter what I am participating in or involved in including work, church, school, family, community, etc. I want to do a quality job. I want to be physically, mentally, and emotionally invested and present. Nobody can tell me whether I am my best self or not, but rather I know myself that I have given everything I have. I want people to know that if I am involved or on their team, everything will go well and successfully.

My Family Vision

My family vision is to have a righteous family. This is important and challenge hard work. This is a 24/7 job that includes the spirituality of me, my future spouse and my future children. For me to be a good example and spiritual disciple leader in my home, I need to develop spiritually myself. I must be reading my scriptures, saying my prayers and deepening my relationship with Christ. The greatest desire in my heart must be a righteous family. President Nelson said, "When you reach up for the Lord's power in your life with the same intensity that a drowning person has when grasping and grasping for air, power from Jesus Christ will be yours." My home will be a place of spiritual and

physical safety. My home will be a place of teaching, where my children can develop their testimonies of Christ and his plan for us.

My Individual Vision

My individual vision is to be a positive force for good in the world. This This means I will contribute everything with which the Lord has blessed me. This includes my time, energy and talents. My vision is to fulfill to the best of my ability any calling the Lord gives me. I want to look out for and take care of my family, friends and others in my neighborhood and community. I want to teach my family to be a positive force for good and they can help me in my efforts.

Mission Statement

My mission statement is the slogan that I follow each day as I go about my activities. I constantly ask myself if my actions are in line with my mission statement. If they are not, I stop what I'm doing and reevaluate. Often, my statement gives me purpose, motivation and strength. The foundation of the strategy for my life is built upon my mission statement. My mission statement is as follows: I make everyday a great day as I work diligently towards successfully accomplishing my goals, strengthening my relationship with God and family, and contributing to the good in the world.

My Spiritual Mission

My spiritual portion of my overall mission statement is to strengthen my relationship with God. As I focus on my relationship with God, I will have a greater desire to fulfill God's commandments. For example, I will strive to be obedient by reading my scriptures with purpose, living worthy of the companionship of the spirit, and go to the temple to seek opportunities to spend time with God and to receive revelation from him. I will look for opportunities to serve and love my neighbor as myself.

My Temporal Mission

My temporal portion of my overall mission statement is to make everyday a great day as I seek excellence while I diligently to accomplish my goals. I believe a lot of how our day goes depends on how we choose to view the things that happen to us, verses what actually happens to us. This is where make everyday a great day comes in. I will choose to make every day a great day by responding positively to the day's events. I also believe very few things in life just happen by chance. I need to plan how I am going to accomplish this each day and then do it.

My Family Mission

I want my family to know that I love them, am fiercely loyal to them and want what is best for them. I want to be a trusted advisor and confidant to my children, so I must gain their trust and love. I want them to have every opportunity possible to get to know God.

Therefore, I must ensure that they know I love them, so I can teach them the gospel, so they know God loves them.

My Individual Mission

The individual portion of my overall mission statement is to contribute to the good of the world. I will pray for opportunities to encounter individuals who need my help that day. I will build my career mindfully so I can develop my talents and have the financial means to give while striving to live a balanced life consistent with the teachings of the gospel. I will listen to the Spirit throughout the day to help me identify anyone who needs kindness and help. The spirit will also help direct my path to know what course corrections I need to make to better contribute to the greater overall good of the world.

Statement of Values

The strategic plan for my life is shaped by the values I deem most important. The list of these values along with a description of what they mean to me are listed below.

- Discipline: embracing determination, maintaining self-control, acting consistently, living orderly
- Reliability: taking on obligations, keeping commitments, following through, being dependable, accounting for actions, staying loyal
- Integrity: acting with honesty, speaking truthfully, maintaining transparency
- Diligence: providing quality work, striving for excellence, acting professionally, giving my best always
- Charity: staying humble, acting kindly, giving of my time and talents generously
- Righteousness: following God's commandments, living a clean life, doing God's will, live in constant praise and thanks to God

My vision, mission statement and statement of values are tools to help me as you follow a prophet's counsel to "*Plan your financial future early, then live your plan.*"

Goals: Destination

I was taught from a young age in my home to set goals, write them down, put them on my mirror and do everything in my power to work to accomplish them. I've put my Dad's teachings into practice at different points in my life. As I look back, I realize how much more I accomplished and my potential that I reached during these times of goal setting. Elder M. Russell Ballard said:

I am so thoroughly convinced that if we do not set goals in our life and learn how to master the techniques of living to reach our goals, we can reach a ripe old age and look back on our life only to see that we reached a small part of our potential. When one learns to master the principles of setting a goal, he will then be able to make a great difference in the results he attains in this life.

I believe I can master the principle of goal setting as I write my goals down, put them in a spot where I see them often, and then work hard each day to achieve those goals. I believe goals are the guiding light to help me reach my full potential in this life. I believe that everything that is good in life pertains to the gospel and our Father in heaven's plan for us. His plan for us is to come to this Earth, develop our talents, be tried and tested, have joy and happiness and ultimately become more like him.

I truly believe God will support me in my righteous desires and help me work beyond my own natural ability to reach my goals. When I set goals, I think, "Will this make God and me happy?" As I ponder whether my goals will make God and me happy, I have created a list of goals to remind me what the Lord would have me accomplish during this life.

What Heavenly Father Wants Me to Become

There are many conference addresses where the prophet and apostles have outlined what the Lord needs me to be as (1) an individual and (2) as a mother. Heavenly Father wants me to:

1. Be a good citizen
 - a. As I will discuss throughout this paper, my Heavenly Father has made it clear to me that I need to serve in the church and within the community. The only way to do this is making it a priority in my life to set aside time for church functions and activities and becoming involved in the community I live in. To be a good citizen means to show respect and have a good attitude. One of the top ways I can be a good citizen is to, first, make sure all is well within my family. I want to fulfill my responsibilities as a wife and mother so when the church or community needs my help, I have the support of my wife and children to go and serve. It also means that when I commit to help or be present, I am there and fully engaged in whatever is needed.
2. Support my Spouse
 - a. Loving my husband and showing that love continually are two of the best things I can do for my children and wife. I need to take time and proactively ask my husband what I can do to help him. Taking the time to help and support my husband with whatever he stands in need of will help create a happier home. I want my husband to know that I support him in his career and church endeavors. If he needs to stay at work late, I support him. If someone from the ward calls and needs a blessing, I support that too. I am always there to love and help him.
3. Support my family in love and righteousness
 - a. This statement is from The Family Proclamation and it is one of my responsibilities to make sure I assist my family by teaching them to "walk in the ways of truth and soberness" and "love one another and serve one another." Even after coming home from a long hard day at work, I need to show continual love and support to my children and husband. I will also need to make an assertive effort to teach my children righteousness.

Especially with the recent home centered church study, it is my and my husband's responsibility to understand what our children are going through and teach them accordingly.

4. Nurture my children
 - a. I want to work equally with my husband to make sure our children are loved and cared for. As stated in The Family Proclamation I will help "to provide for their [children's] physical and spiritual needs, teach them to love and serve one another, observe the commandments of God and be law-abiding citizens wherever they live."
5. Be a member missionary
 - a. Because of my lineage, I believe that I have a responsibility to share the gospel with others. Heavenly Father loves all of His spirit offspring and desires that they return to Him. I believe it is my responsibility as a member of the house of Israel to share the gospel within my sphere of influence. I know that as I live my gospel standards, I will help bring others to the truth. This is very important as my blessing says, "You have had numerous opportunities to influence the lives of your friends, associates, and , indeed, people around the world who have become acquainted with life principles to which you adhere and goals that you desire to achieve. ...Your influence upon these individuals has opened the door to their receiving gospel teachings at some point in time." I believe these are the last days and the Lord needs strong, faithful members of the church who are going to stand for what is right, even when it is not popular in the eyes of the world.

Top Three Goals

I believe some of my top goals would be some of the above-mentioned sections of what my Heavenly Father wants me to become. I believe that as I align my goals with God, He is more willing to help me. With that said, my top three goals clearly outline what I know my Father in Heaven wants of me and what I want of myself. I heavily relied on my patriarchal blessing in this portion as I believe the blessing contains direct revelation and guidance as to what I am to accomplish in this life as I live righteously and stay close to the spirit.

Great Wife and Mother

First off, even though I am a bit skeptical about the whole eternal marriage thing, I do believe it is important and a successful eternal marriage is a vital part to returning to live with my Heavenly Father. My life-long goal is to always have a strong relationship with my husband and not let anything get between us. I desire open, honest communication. I desire to be spiritually worthy and support my spouse in his priesthood responsibilities and callings.

As I am currently not married, I studied my patriarchal blessing. In my blessing it specifically states I will have lots of friends during my studies and among my friends will

be young men who are faithful in the church and might be worthy to become my eternal companion. The blessing continues, "Choose a young man who will treat you with kindness and respect, honor your woman hood, and love you and help you in everyway to accomplish your goals as you work to help him accomplish his. Be certain that he is worthy to escort you to the House of the Lord to be sealed for time and eternity by the Holy Spirit of promise thus opening the door to exaltation, an eternal family and choice blessings that will come to you as a result." To attract a young man with those attributes, I must also currently be living a righteous life. I will pray for kindness, study about eternal marriage and the blessings eternal marriage brings and that the Lord will help me cross paths with the right person for me to marry.

Once I marry, to keep my relationship strong, I plan to go on weekly dates with my spouse and a monthly temple visit. We will also try to take quarterly weekend getaways and a trip just us two every 12-18 months depending on what is going on in our lives and the stage we are at.

The strengths that will help me keep a strong relationship with my husband include reliability, open communication, prioritization, time management, patience, and kindness. The weakness that could keep me from accomplishing this goal is over committing or a natural tendency to be quick to anger.

Secondly, I want a good relationship with my kids, and I won't have that unless I invest the time into them. My patriarchal blessings talk about motherhood and my future kids. The document states, "It will be your responsibility as a mother to help teach those little one's principles of righteousness. Some of them will be strong, challenging spirits who desire to do things their own way. Some of this will be frustrating to you, but I bless you with the ability to respond calmly and to provide stability so that each of you can achieve worthy goals in this life. Work together with your husband to provide an atmosphere of love, kindness and appreciation." I know that each child will be different and have different interests. I will pay attention to their interests and spend time with them, helping them develop whatever talents they want to. I will go to their school and sport events to show that I support them. We will make daily morning and evening family prayer a priority as this will help teach my children faith in God and to rely on Him as well as bring the spirit into our home. On a regular basis, I will take each child on a date/outing one-on-one, so that I can talk with them and understand what's gong on in their life. Finally, I will take frequent family vacations to strengthen our family bond and enjoy each other's company.

The strengths I posses that can help keep a strong relationship with my kids include contributing at home, teaching correct principles, prioritization, sympathy and kindness. The weaknesses that could keep me from accomplishing this goal is a tendency to be quick to anger, impatience and wanting to control their agency instead of letting them also learn on their own.

To hold myself accountable I will have one-on-one discussions with my spouse and children to ensure I am meeting their needs. Unfortunately, there are some events in life

that are unpredictable (i.e., losing a job, getting injured, etc.). If a circumstance such as this arises and I am unable to hold my duties as outlined above, I will discuss the appropriate steps with my spouse to ensure our children are well protected and taken care of.

Be Active in the Gospel and Fulfill My Life's Mission

As stated above, my patriarchal blessing is a helpful guide of what my Father in Heaven would like me to do while in this life. It is crucial for me to have a deep testimony of and conversion to the Gospel of Jesus Christ to reach my full potential. I have a goal of living the gospel of Jesus Christ throughout my life. At times, it can be difficult to live the gospel because of all the distractions and temptations in the world. I have been counseled, "The Holy Ghost will protect you from the pitfalls of evil, particularly the temptations of Satan, for Satan is also aware of you and knows of your goodness. He knows that you are a capable, strong spirit. He will strive to use those qualities to lead you astray." Further, this goal is not one that can be checked off the list but is a constant life-long goal. Therefore, I have established a framework to keep myself anchored to the gospel.

First, I want to establish a regular pattern of personal study and prayer. I want to listen to one conference talk a day on my phone while getting ready in the morning or going to work. I want to have family home evening on Sunday evenings to have my family grounded in the principles of the gospel. I will establish a pattern of prayer with the whole family in the morning before everyone starts their day to invite the spirit into our day and ask Heavenly Father to help guide our day. We will end the day with a family prayer to thank Heavenly Father for blessing our day and the many blessings we have received. In addition, church attendance is a priority and expectation as partaking of the sacrament is the most important and sacred time of the week.

Second, I will personally set aside time to study the scriptures and pray in the morning and evening. This will be difficult for me to do when I get really stressed and busy with work, but I know the influence of the Holy Ghost is more important than those 10 extra minutes of sleep.

Third, I will magnify my church calling. I will fulfill the calling to the best of my ability. There will be times when I am given a calling that I am not good at. In those times, I will humble myself and seek the Lord's help in gaining a desire to do the calling and an ability to do it well. My blessing mentions that I will have the opportunity to teach the gospel principles to others and that I have the ability to excel in this capacity. Furthermore, it states that callings will give me the opportunity to help my sisters in the gospel achieve their potential as I achieve mine. I will help provide for their spiritual and temporal needs and find happiness in their life. In this way, I also hope to magnify my calling to fulfill my divine potential.

Fourth, I will attend the temple monthly and when I get married, I will attend the temple monthly with my spouse. Attending the temple is a great way to receive revelation and

strengthen my relationship with God and my spouse while also receiving the blessings of heaven.

Unfortunately, with most goals some constraints can get in the way. One that may interfere with remaining active in the gospel and fulfilling my life's mission is Satan. Satan does not want us to be happy and the point of the Gospel of Jesus Christ is to bring us happiness now and for eternity. If I remain active, he does not win. He also does not want me to fulfill my life's mission because I will have the opportunity to help and bless the lives of others as I stay active in the gospel. I will also strive to teach my children how to return to live with their Heavenly Father which is also something Satan does not want. He will do everything in his power to prevent me from accomplishing my goals.

In addition to Satan, I believe that time is a factor that could prevent me from achieving this goal. Like the analogy of fitting a lot of different things (big rocks, medium rocks, small rocks, sand and water) into a jar – if the various items are put in the jar in an incorrect order, they don't fit. If you put the big rocks in first, then follow the big rocks with the medium and small rocks, etc. everything will fit into the jar. Like this analogy I need to ensure I am making the gospel a big rock (top priority). Everything else will fit within the space of time if I put the right things first rather than last.

Successful in My Career Endeavors

My patriarchal blessing also mentions the importance of establishing a career (which is ironic because my grandfather gave me my blessing and he is VERY pro stay at home Moms. He is also like 90 though so lol). Later in my blessing after I establish my career, get married and my family is underway, my priority is to establish a home where I can rear my children in righteousness and then my career. There is a very clear line that says, "your career will provide you with a sense of security in the event your husband is unable to support the family." I have known since I received my blessing 5 years ago that gaining a useful education and a career are vital to my life's mission.

Many people talk about the long and intense hours the Big 4 have their accountants go through during busy seasons. Although these long hours will take me away from my social life, spouse and children during the four months of busy season, I will work regular hours the other 8-months. While I may not have balance in my life all the time while establish my career, I desire to have overall balance. This means that during the other 8 months of the year my spouse and children will be a top priority. This will be possible through 6 weeks of paid time off which will allow me time to spend with my family and serve in the church and community.

To be successful as an auditor at EY, I plan to continually learn. Every morning I want to continue learning about audit. I will look for additional opportunities to be involved with my work (i.e. go on recruiting events). By volunteering to do more than just my normal day job, I can get to know current and future accountants as well as look for opportunities to enhance the firm. By involving myself in these ways, and many others, I will be more prepared for a promotion. Promotions will help me get to where I want to be as I work

my way up into and land into a desirable career role. I will know this role as I audit different types of company's and network the spirit will guide me to know when I should leave public accounting and where I should go.

Of course, I could lose my job which would greatly constrain me from achieving this goal. I could get injured and not be able to function at the capacity I currently function at. I also may need to move to assist my wife with her career achievements. Various circumstances could arise and alter my current goal. Whatever the situation, if I lose my job and need to find a new one, I want to be successful at that job. If I get injured, then I want to find a job that I can be successful at. If my family needs to move from my husband's job, then I want to transfer to a different office or find a different job that I can be successful in. I will always be accountable to myself to be successful, but I will especially be accountable to my future family who will be the primary beneficiaries of my hard work.

Plans and Strategies: How I will get to my destination

The goals listed below are not in any particular order. There are also many other future goals that can and will be made as I graduate, establish my career, get married and start my own family. As for now, this is a great list of what is on the forefront of my mind, and what I am always talking about and working towards.

Short-term Goals: (>= 1 year)

1. Graduate in April 2020
 - a. I have been in college since the fall of 2014 with 18 months taken off for a mission. I reflect upon my time at BYU and I am grateful for my experiences, the lessons I have learned and the knowledge I have gained. I have put in my time and am ready to graduate! I have worked hard and am on track to graduate in April with my Bachelor's and Master's degree in Accounting with a 3.8 GPA.
2. Complete CPA Exams
 - a. Prior to starting with EY in October 2020, I want to complete and pass all four exams to obtain my CPA license. EY reimburses all study material and exams fees. The current goal is to take Business Environment and Concepts at the end of March, then Financial Accounting and Reporting at the end of May. June is a dead month (meaning there aren't any tests offered this month), at the beginning of July I will take Regulation and finish Audit at the end of August/beginning of September. This schedule will allow me to take about a month of study time for each exam. I want to finish all the exams prior to starting so I can receive the \$5,000 bonus.
3. Start working for EY
 - a. After many hours of attending recruiting events and a busy season internship, I have landed a job with EY! In October of 2020 I will start as an audit staff for EY in Salt Lake City.
4. Purchase a Car
 - a. I currently drive the family kid car. I will use the family car until my sister comes home from her mission in December 2020. I will need to purchase

a safe, reliable, economic vehicle. I have started budgeting now to be able to purchase this type of car in cash or possibly a small payment that I will pay off as soon as possible. Ideally, the car will be a gently used one to three year-old car with low mileage for \$15,000 or less (and I will only purchase a Honda, Toyota, or Nissan for longevity and maintenance reasons).

5. Attend the Temple Monthly
 - a. This next year of my life has a lot of changes. There are lots of goals I want to accomplish with many unknowns and changing variables including what teams I am on at EY, passing the CPA Exam, dating, etc. By attending the temple at least once a month, I will be able to maintain perspective, receive revelation, and rely on Heavenly Father's guiding hand for comfort and direction to accomplish what He would have me do. I find peace in Elder Jeffrey R. Holland's words, "God expects you to have enough faith and determination and enough trust in Him to keep moving, keep living, keep rejoicing. In fact, He expects you not simply to face the future (that sounds pretty grim and stoic); He expects you to embrace and shape the future—to love it and rejoice in it and delight in your opportunities. God is anxiously waiting for the chance to answer your prayers and fulfill your dreams, just as He always has. But he can't if you don't pray, and He can't if you don't dream. In short, He can't if you don't believe." I believe as I attend the temple monthly in the next year I will continue to develop the faith and determination necessary to trust in God's guiding hand in my life.

Medium-term Goals: (2-10 years)

1. Get Married
 - a. I need to more diligently seek out and prepare spiritually to find an eternal companion. My parents don't have a great marriage so to me marriage has never been too big of a priority. I have a view of marriage as an obligation and taking on liabilities rather than butterflies, rainbows and unicorns like most people here in Utah. I will pray daily for perspective and a desire to get married and make those covenants with Heavenly Father. I know that getting married is an essential step to returning to live with our Father in Heaven. I also know that marriage will help me to become more like God and reach my goals and vision in this life. I will actively prepare myself spiritually by developing patience and kindness and praying to find someone who will help me reach my potential as I help them reach theirs. I will go out socially and be involved in my single's ward to put myself in situations to meet other singles.
2. Get CMA Certificate
 - a. After completing my first year at EY, I would like to start studying and preparing to take the CMA exams. Once I pass the exams, I must complete the hours to obtain the certificate. I will complete the necessary hours after 2 years of work experience with EY. I believe the CMA should be a

priority and obtaining the certification will be beneficial when I start to consider leaving public accounting. Getting my CMA is a way to increase my qualifications and potential income in the future.

3. Become an EY Manager
 - a. When I start with EY, I will ask to receive a coach. A coach is someone more senior in the firm, usually manager or above. I will tell my coach that my goal is to stay until I become manager, and that I would like assistance advancing that far in my career. Receiving my coach's advice and guidance will be critical to my progression. While taking advantage of guidance and assistance from my coach, I will also earn the promotion by setting myself apart from my peers. Each morning before work, I plan to get up early and read EY publications, auditing standards, financial accounting standards, and information about the companies I am auditing. I will spend time becoming proficient with all of EY's auditing tools and develop relationships with my peers and the leaders in the Salt Lake City office.
4. Buy a house
 - a. I have a goal of paying 20% down on a house that I purchase, so I do not have to pay private mortgage insurance premiums. After I pay cash for a car and am putting enough money into retirement for my company match, I will save aggressively for a down payment on a modest home, maybe even a condo or townhome. I figure I will need about \$50,000-\$60,000.
5. Have 1 *maybe* 2 kids
 - a. I am not the most caring or "homemaker" type, but I do believe it is my divine role to be a mother and care for some of God's most precious children. Sheri Dew has said, "It is no wonder that Satan has declared war on motherhood. He understands full well that those who rock the cradle can rock his earthly empire." I want to fulfill my divine calling from God.
6. Always live on a budget
 - a. Especially during my first decade out of college, a budget is vital to my future financial success and my ability to serve others. I want to live like others won't the first 10 years out of school so the next 10 years I can live like others can't. I will track my expenses and income weekly. Monthly, I will review where I am at with that year's budget, analyze what went well and didn't go well that month, and make detailed plans to change.
7. Go on a yearly vacation
 - a. To help avoid burn out and still find joy and happiness in life, I will take a yearly trip in September. This trip will be somewhere fun and adventurous. It will be 7-days long and with my spouse or friends or children or who even knows. It depends on my stage of life at the time. It may be to a beach, Europe, a small nearby town, etc. The destination will depend on that year's budget and circumstances. The point of the trip though is to remember the things that bring me joy in life – travel and my relationships with others.

Long-term Goals: (10-80 years)

1. Establish a career
 - a. This goal is not as specific because I'm not sure if I will be married or have kids at this point in life. Ideally, I will, but you never know. If I am able to follow my career as I would like, I would love to work in real estate or be a CFO. This happens by being hungry for knowledge and turning in quality work to develop a great reputation. I must also always be networking and meeting new people. I would like to jump around to different companies within these industries until I am a CFO, which I could see taking around 15 years. To prepare myself to be a CFO, I will obtain a broad understanding of accounting and finance, as well as polish my leadership and management skills. If I do have a family at this time, they will be my top priority. I always want to keep my foot in the door working. I may take on a part time role at a smaller accounting firm or teach accounting at a small community college. I will see what opportunities come along.
2. Maintain home and family as a first priority
 - a. It is easy to get caught up in the distractions of life and put family on the back burner and wake up in 20 years only to realize I wasted precious time with those that matter most. I want to prioritize a weekly date with my spouse and bi-monthly family activities, whether it is a hike, game night, fun restaurant, etc. In this way, we as a family will be spending quality time together forming relationships and bonds that go into the eternities.
3. Retire by the age of 65
 - a. By the time I am 65 years old in 2061, I would like to be in a position financially where I could retire if I wanted to. By the time I am 65 years old, to sustain \$60,000 of spending each year until I die at age 100, assuming a 5% return on my investments, I will need to have about \$3 million saved. There are several vehicles that I can utilize to hit \$3 million. I will contribute at least 6% of my salary to 401 (k) plans with my employer, taking advantage of any match the employer offers. Second, I will contribute the maximum amount annually (\$5,500) to my Roth IRAs. Third, I will invest 5% of my net pay into mutual funds (specifically index funds at my desired investment risk tolerance). To save these funds I will budget and carefully watch my expenses. Some other tools that will help me reach my retirement goal include real estate and strategic alliances. Over the years, I would like to obtain rental real estate, whether I enter a partnership with a few other investors and buy an apartment complex or purchase single-family homes. This additional cash will increase the amount I am saving for retirement. I will also form important business relationships to ensure I am making financially sound decisions and that my retirement is protected. Those relationships will be with individuals like real estate agents, attorneys, CPAs, bankers, investment managers, insurance agents and estate planners.
4. Have 3 to 5 children total

- a. This goal starts with the medium-term goal section and then continues into the long-term goal section, because it is a major part of my life, and will be an ongoing process for many years. I'm not sure how many children I want or how often I want to be popping those suckers out, so this will have an "it depends" kind of answer. One thing I do know, is that I will have kids over the long-term and will work toward creating the family our Heavenly Father wants us to have.
5. Remain debt free
 - a. I do a great job with working hard and spending my money wisely. I have purchased anything I don't need and have been cautious regarding what avenues I use to invest/save my money. I am hoping to only go into debt for my first home, and then remain debt free the rest of my life. This will be difficult, as the world encourages us to get the net biggest and greatest thing, but this is not the wisest decision. By not making rash decisions in purchasing, especially with big purchases, I will be able to maintain and reach this goal. Plus, this goal will help me with the other goals I have set out to accomplish in this life.
6. Serve a mission with my spouse
 - a. I loved my mission and experiences. I know I want to serve a mission with my spouse together. I must first save the money to make this happen. With the expenses that I will have starting out on my own, I won't be able to start saving immediately. I plan to put money away as soon as I am able to have a great retirement cushion, but also money to do the things I desire to with my spouse – i.e., serving at least one senior couple mission.
7. Be involved in church
 - a. Ever since my mission, I have seen the difference between those families that not only attended church but were involved with church versus those who were not. There is a different kind of spirit in the home and a great joy that is felt by all who enter your home when you are doing that which aligns with the Gospel of Jesus Christ. I want this forever! I especially want my future home to be a safe place for my children – a dwelling that they look forward to returning to after a long day. This can only be done if we are continually doing the things that we are supposed to be doing – i.e. attending regular church meetings and serving those around us. I also want my family to constantly be praying for missionary opportunities. I had a couple friends join the church in high school and I loved seeing lives changed on my mission because of the gospel. I know a big part of my testimony has come from seeing the gospel change my friend's lives and I want this for my future family and children's testimonies.
8. Live in a fun, safe area with many friends
 - a. President Nelson said, "Daughters of Heavenly Father are mothers by their divine destiny and through their spiritual gifts, each has the power to set a standard that will change the world for the better...The gathering of Israel is the greatest challenge, cause and work on the earth, it cannot be done without the mothers of Israel. My dear sisters, we need you! We need your strength, your conversion, your conviction, your ability to lead, your

wisdom, and your voices.” I feel that as I live in a fun and safe area, I will be a positive force for good. I can use my spiritual gifts to influence those around me and I will be uplifted at the same time.

9. Maintain a healthy lifestyle
 - a. Always stay active, get outdoors, eat healthy, be in good physical shape. It is one thing to live to be 90 or 100, it is another to live to be 90 or 100 and still be active with a sharp brain and capacity to truly live life to the fullest. I will do this by being active 30 – 60 minutes a day by going to the gym 5 times a week. I have always loved working out, so I don’t see this as an issue. I will also eat healthy, natural, non-processed foods and avoid sweets and sugar except for special occasions. I will also avoid eating after 8 p.m. I am from Polynesian heritage (my Dad is ½ Samoan and was born and raised in Samoa until his family came to Utah). I’ve seen how others have lived and I want to be the exact opposite with taking care of my body, because I know my body is a temple and a gift from God.

Again, each of these goals are not in any order and are able to be adjusted at any point in time. All these goals are very important to me and will help me ultimately become the person my Heavenly Father wants of me. I will look over these goals often to remind myself of the things I want to accomplish in this life. My goals will also help me make big decisions!

Constraints

Many of my goals have a few common constraints that consistently come up including:

1. Satan
 - a. Satan does not want me to accomplish my life’s mission or what Heavenly Father has planned for me. In fact, he will do anything and everything in his power to prevent me from accomplishing what I need to do. He will create issues that will cause me to exercise more effort than usual. I must be constantly aware of this so when extra effort is necessary, I am willing to put in the work to accomplish whatever it is I am trying to complete instead of becoming bitter, angry, and lazy.
2. Time
 - a. Many times, I commit to do and volunteer for more things than I have time to do. While this provides me with opportunities to serve, develop my talents and meet new people, there are also times when this is not good for me. As I get stretched too thin, my quality goes down and my temper explodes. When I get too busy, I don’t have time for meaningful family relationships and friendships, and I am unable to give 100-percent effort to each event I’m involved with. I need to be vigilant with what is going on in my life and understand that it is okay to say, “No!” Dallin H. Oaks said, “Many breadwinners worry that their occupations leave too little time for their families. There is no easy formula for that contest of priorities. However, I have never known of a man who looked back on his working life and said, ‘I just didn’t spend enough time with my job.’”

3. Injury/Sickness

- a. This is not really something I can plan for, but I can strive to stay healthy through exercise and good eating to prevent sickness from occurring. I also strive to stay away from dangerous activities (i.e. paragliding) and look for ways to stay safe (i.e. always wearing a seatbelt). Also, all of my current and future goals are surrounding my work. If I got sick or injured, I would need to change my goals depending on the situation I am facing. One way to help combat this constraint, is through really great insurance (life, disability, homeowners, etc.)

4. Pride

- a. It is easy to rely on our own strength and forget the power of God when times are going well. It is easy to receive all the recognition for accomplishments instead of also giving glory to God. I hope to commit to daily repentance to help me keep a humble heart and rely God's guiding hand. Dale G. Renlund said, "A repenting sinner draws closer to God than does the self-righteous person who condemns that sinner."

Although these constraints could get in the way of some of my goals, I constantly reassess my short-term goals weekly/monthly and long-term goals bi-annually and annually. I will make alterations to my goals then if needed to make sure that I stay on track.

Accountability

I am very aware that Heavenly Father wants to help us achieve our goals and knows what we are capable of doing. I want His help in everything I am doing, and, in the things, I am trying to accomplish. If there is something I am working towards, I want to include the goal in my prayers so He is ware of what I am doing, and I can be accountable to him. I also want to pray and ask for guidance and help if the goal is becoming harder to accomplish, so He can direct me. God is all knowing, and I have complete faith that He will help me do the things I need and want to do.

When I am married and my own family is underway, I pray my spouse and I will be humble enough to be accountable to each other. I want to speak often of the goals I have for myself and the goals my husband has for himself and the goals we have as a couple and for our children and our future. As my future spouse and I take the time to talk each night and each week, we will plan and report to each other on our thoughts for the week. If there is a main goal we are trying to achieve at the time, we will review and see if we are able to accomplish it. If there is something we are working toward that month or that year, we will review together and as a family to ensure we are on the right path to accomplish whatever the goal is.

Epitaph:

An epitaph is a short text commemorating a deceased person that is inscribed on a plaque or tombstone. After much thought, I came up with the following:

*Turns out Sudweeks really did save
me that \$1 million dollars after all..*

Just kidding..here is the real one (:

*A Loving Wife and Mother
Kind, Giving, Diligent
Lived to serve others
'til we meet again*

I want to be known to my family as one who was loving and fulfilled my sacred duties and obligations. I want to be known to my friends and acquaintances around me that I was confident and had self-respect. Not only did I have these traits, but I helped others see them and develop them within themselves. Ultimately, I want to be an inspiration to those around me – not by what my name is, but what I did for individuals, and how it made them feel. By reaching people at that level, individuals reach out to others to help them feel the same way. They also never forget this person, because of the feeling they received. . .feelings last forever! I hope to reach people on a level where they feel my love for them by what I do and say, and how I act!

III. Financial Statements

Haley
Personal Financial Plan
Fin 418 Fall 2019

a. Balance Sheets

Current Situation

Currently, I am trying to build up my saving's account to buy a car once I graduate college and start working full time. I will be using the family car I drive now (2011 Nissan Altima) until December 2020 when my little sister comes back from her mission. I am looking at buying a car in the \$10,000-\$15,000 range. I believe I will be able to pay down at least \$5,000 as a conservative number but hoping and saving to pay down the full amount (aka pay for the car in cash.).

The reason I earned so much money in October was because I was paid for a week of work, I did for EY in Florida over the summer. This was expected.

I do not have many assets. I don't own a house. I don't have a car. I have a little bit of money in a Roth IRA account. I do have about \$8,000 worth of assets between my designer purses, technology, jewelry and clothes, etc.

I do not have any liabilities. I do not have any debt, which is the way I like it.

Comparison

Not much changed from September to October. There was no change in the value of my personal property. My savings balance went up because of the extra \$1000+ from my paycheck from EY.

Action Plan

My action plan is to keep saving 20% or more every month. As I keep saving, the value of my CD's and investments will continue to increase. Once I buy a car, I will have an asset addition in the asset category. With the purchase of a car possibly some debt will follow. If I do have to finance a portion of the car, I will pay off the car as soon as possible while keeping an emergency fund. After the down payment, I won't have as many current assets anymore, so I will have a big focus on building up my emergency fund again. I will then start seriously saving for a down payment for a house while still saving for retirement. I will put enough money into my retirement account to get my company match, and then I will save the rest of my money in a savings account until I have enough for a down payment. I will put this money (down payment money) into CDs to help my savings keep up with inflation. If/when I do get a credit card, I will pay off the credit card monthly. I will never have a balance on my credit card.

b. Income Statements

Current Situation

September Income: My income is very inconsistent. It depends on how many hours I work a week as an accounting 200 TA, which often varies greatly. The amount taken out of my paycheck as a percent for taxes also varies greatly. I swear it is not consistent. It is hard to know what to plan on every month, so I usually figure about \$1,000. I got a \$4/hour pay raise at work the second week of school. I'm running some data through excel for the department which apparently "makes me more valuable." I am super grateful for the pay raise.

September Expenses: It was my birthday in September aka I spent lots more on personal money which I budgeted for. I love to spend money on my hair, nails, make-up etc. It is super fun and it was my birthday so #noshame and #birthday\$\$\$forthewin but still an added expense. I also love diet dr. pepper but I didn't go out of control this month so #yayme. I also went grocery shopping at the end of August so those expenses were pretty low this month. I had a few prescriptions I had to refill so that added to the grocery expenses. I also had some textbook expenses that I don't always have. It is the beginning of the semester so sometimes during September and November these expenses really do come up!

September Savings: I try to save as much as I can every month for being a college student. I live as frugally as I can while still trying to enjoy life and participate in fun activities!

October Income: My income this month was FAT. Hallelujah! I forgot in the middle of this month I would be paid for going to Florida with EY back in July. It was a nice boost. I also have been working almost a full 20 hours at work lately. It is exhausting but the paycheck is niceeee.

October Expenses: My roommate never forwarded me my portion of the utility bill even though I asked for it at least three times; therefore, I did not pay utilities last month. I also paid for my real estate textbook which is not necessarily consistent every month, just at the start of the semester. I bought some more make up with my birthday money so that increased the miscellaneous expense. It was for fun and I wasn't planning on spending that money this month, but the money did not necessarily come out of my savings. I have a separate account at the bank of just spending money from birthdays, holidays, etc. that I keep separate from everything. I also spend a bit too much on my diet coke addiction, but what can I do? Sometimes that is just the price of sanity. I could probably start budgeting in miscellaneous expenses, because unexpected expenses are bound to happen. The two highlighted items are products I bought for a Relief Society Activity at church. I just barely turned in my reimbursement. I will delete these items from my expenses once I get reimbursed.

October Savings: I try to save as much as I can every month for being a college student. I live as frugally as I can while still trying to enjoy life and participate in fun activities all while staying out of debt!

Comparison

Comparing the two months, I made more income in October than September because I worked a full month at my job at BYU plus the income from this past summer at the EY Florida Conference. This means my tithing amount in October also increased. My expenses were higher in October because I had to buy groceries and I did some more fun things! In October my utility bill was non-existent because my roommate did not give me the bill. I would say most of these changes were expected and nothing too drastic happened.

Action Plan

September: I learned this month that I don't really need to budget every month for clothes. I don't really like shopping, and I like the clothes that I have enough. I want to see how October's budget goes first before I start making crazy changes. I want to see what type of expenses consistent verses are too high. My Mom also visited in September so that cut down a bit on expenses for groceries, food and fun.

October: I have learned that it is difficult to stay within a budget because a lot of things happen that I forget to take into consideration when I make my budget. I did my best to stay within my budget despite unforeseen circumstances. I also need to budget for gas in the future. I finally got the car back from my sister, so I will need to budget for that.

I will continue doing my best to meet my budgets and cut my costs while increasing my income. This will be the best way to improve my income statement.

c. Financial Ratios

Current Situation/Comparison

My ratios look really good right now. I don't have a current ratio because I have no liabilities. I have 48.86 times my living expenses in savings. My debt ratio is 0 because I have no debt. I'm confused about where my long-term debt payment is coming from because I don't have any debt. Haha. Huh. I have a net savings ratio of 22.3% and a gross savings ratio of 20.4%. In October the ratios changed a bit because of the higher income. I still don't have a current ratio. I can cover my monthly expenses 498.94 times. I don't have any debt so there is no data for my debt ratio. I'm still confused about my long-term debt coverage ratio because I don't have any debt. Haha. I have a net saving's ratio of 23.8% and 20%. I am proud of the fact that I save at least 20% of my income. I hope to do that for as many months as I can while still keeping up with paying tithing (Pay the Lord first), school and living expenses.

Action Plan

Sometimes we have good months financially and sometimes we have bad months. Things will change when I buy a car and establish a solid emergency fund right after I start working. I want to make sure that I can keep some liquidity and pay as much as I can in cash for the car. I will not have any type of rolling balance on a credit card if I do choose to get a credit card one day. I will also continue to save at least 20% religiously.

Balance Sheet (LT4B) for Haley
September 30, 2019

Directions: Fill in the green cells with your data. Be careful not to modify the blue cells. Key inputs for ratios comes from your budget and income statements for the month. Frequency: **Monthly**
 Month: September Day 30 Year: 2019

Assets		Liabilities or Debts	
Current or Monetary Assets		Current Liabilities	
Cash, Checking, Saving	10,243	Unpaid Other Balances	
Other Monetary Assets		Unpaid Credit Cards	
A. Total Monetary Assets	10,243	Other Credit Cards	
Investments & Retirement Plans		I. Total current liabilities	-
B. Mutual Funds, securities		Housing Loans	
C. Qual./Ind. Retirement Plans	2,500	Mortgage Outstanding	
Total Investments (B+C)	2,500	Other Housing Debt	
Housing		J. Total Housing	-
Primary Residence		Vehicle Loans	
Other Housing		Automobiles	
D. Total Housing (at market value)	-	Other vehicle loans	
Vehicles		K. Total Automobile Loans	-
Automobiles		Other Loans	
Other vehicles, ATVs, RVs, etc.		Students Loans	
E. Total Automobiles	-	Other borrowings	
Personal Property & Other Assets		L. Other Loans	-
Personal Property	8,000	M. Total Debt/Liabilities	-
Other assets		Net Worth	
Other miscellaneous assets		N. Total Assets	20,743
F. Personal Property & Other	8,000	O. Less: Total Debt	-
H. Total Assets (A+B+C+D+E+F)	20,743	P. Equals: Net Worth	20,743

Monthly Financial Ratios for Haley

As of September 30, 2019

Q. Savings - Monthly	180
(How much did you save this period? - IS)	
R. Living Expenses - Monthly	210
(What were your living expenses? - IS)	
S. Income less Taxes - Monthly	806
(What was your income less taxes? - IS)	
T. Long-term debt payments - Monthly	423
(Sum of all LT debt payments? - IS)	
U. Gross Income - Monthly	880
(How much did you make this period? - IS)	

6 Key Ratios Differences

1. Current Ratio (%):	-
(Mon. Assets (A)/Current Liabilities(I))	
2. Month's Living Exp. Cov. Ratio (x):	48.86
(Mone. Assets (A)/Living Exp. (Q))	
3. Debt Ratio (%):	No Data
(Total Liabilities (M)/Total Assets (N))	
4. Long-term Debt Coverage Ratio (x):	1.91
(Inc. after Taxes (S)/LT Debt Pmts (T))	
Debt Service Ratio (1/ LTDCR)	52.4%
5. Net Saving's Ratio (%):	22.3%
(Savings (Q)/Inc. after taxes (S))	
6. Gross Savings Ratio (%)	20.4%
(Savings (Q)/Gross Income (U))	

Note: Inputs Q, R, S, T, U are from your budget/LT4C

Balance Sheet (LT4B) for Haley

October 31, 2019

Directions: Fill in the green cells with your data. Be careful not to modify the blue cells. Key inputs for calculating your ratios comes from your budget and income statement Frequency: Monthly
 Month: October Day: 31 Year: 2019

Assets	Liabilities or Debts
Current or Monetary Assets	Current Liabilities
Cash, Checking, Saving 12,058	Unpaid Other Balances
Other Monetary Assets 	Unpaid Credit Cards
A. Total Monetary Assets 12,058	Other Credit Cards
Investments & Retirement Plans	I. Total current liabilities -
B. Mutual Funds, securities 	Housing Loans
C. Qual./Ind. Retirement Plans 2,500	Mortgage Outstanding
Total Investments (B+C) 2,500	Other Housing Debt
Housing	J. Total Housing -
Primary Residence 	Vehicle Loans
Other Housing 	Automobiles
D. Total Housing (at market value) -	Other vehicle loans
Vehicles	K. Total Automobile Loans -
Automobiles 	Other Loans
Other vehicles, ATVs, RVs, etc. 	Students Loans
E. Total Automobiles -	Other borrowings
Personal Property & Other Assets	L. Other Loans -
Personal Property 8,000	M. Total Debt/Liabilities -
Other assets 	Net Worth
Other miscellaneous assets 	N. Total Assets 22,558
F. Personal Property & Other 8,000	O. Less: Total Debt -
H. Total Assets (A+B+C+D+E+F) 22,558	P. Equals: Net Worth 22,558

Monthly Financial Ratios for Haley

as of October 31, 2019

Q. Savings - Monthly 518 (How much did you save this period? - IS)
R. Living Expenses - Monthly 290 (What were your living expenses? - IS)
S. Income less Taxes - Monthly 2,180 (What was your income less taxes? - IS)
T. Long-term debt payments - Monthly 150 (Sum of all LT debt payments? - IS)
U. Gross Income - Monthly 2,589 (How much did you make this period? - IS)

6 Key Ratios Differences

1. Current Ratio (%): (Mon. Assets (A)/Current Liabilities(I))	-
2. Month's Living Exp. Cov. Ratio (x): (Mon. Assets (A)/Monthly Living Exp. (Q))	498.94
3. Debt Ratio (%): (Total Liabilities (M)/Total Assets (N))	No Data
4. Long-term Debt Coverage Ratio (x): (Inc. after Taxes (S)/LT Debt Pmts (T))	14.53
Debt Service Ratio (1/ LTDCR)	6.9%
5. Net Saving's Ratio (%): (Savings (Q)/Inc. after taxes (S))	23.8%
6. Gross Savings Ratio (%) (Savings (Q)/Gross Income (U))	20.0%

**Differences Between Balance Sheet 2 and Balance Sheet 1 for
September 30, 2019 and October 31, 2019 for Haley**

Directions: Fill in the green cells with your data. Be careful not to modify the blue cells. Key inputs for ratios comes from your budget and income statements for the month. Frequency:

Month: September Day: 19 Year: 2017

Assets		Liabilities or Debts	
Current or Monetary Assets		Current Liabilities	
Cash, Checking, Saving	1,815	Unpaid Other Balances	-
Other Monetary Assets	-	Unpaid Credit Cards	-
A. Total Monetary Assets	1,815	Other Credit Cards	-
Investments & Retirement Plans		I. Total current liabilities	-
B. Mutual Funds, securities	-	Housing Loans	
C. Qual./Ind. Retirement Plans	-	Mortgage Outstanding	-
Total Investments (B+C)	-	Other Housing Debt	-
Housing		J. Total Housing	-
Primary Residence	-	Vehicle Loans	
Other Housing	-	Automobiles	-
D. Total Housing (at market value)	-	Other vehicle loans	-
Vehicles		K. Total Automobile Loans	-
Automobiles	-	Other Loans	
Other vehicles, ATVs, RVs, etc.	-	Students Loans	-
E. Total Automobiles	-	Other borrowings	-
Personal Property & Other Assets		L. Other Loans	-
Personal Property	-	M. Total Debt/Liabilities	-
Other assets	-	Net Worth	
Other miscellaneous assets	-	N. Total Assets	1,815
F. Personal Property & Other	-	O. Less: Total Debt	-
H. Total Assets (A+B+C+D+E+F)	1,815	P. Equals: Net Worth	1,815

Monthly Financial Ratios for Haley

as of September 19, 2017

Q. Savings - Monthly (How much did you save this period? - IS)	338
R. Living Expenses - Monthly (What were your living expenses? - IS)	80
S. Income less Taxes - Monthly (What was your income less taxes? - IS)	1,374
T. Long-term debt payments - Monthly (Sum of all LT debt payments? - IS)	(273)
U. Gross Income - Monthly (How much did you make this period? - IS)	1,709

6 Key Ratios Differences

1. Current Ratio (%): (Mon. Assets (A)/Current Liabilities(I))	0
2. Month's Living Exp. Cov. Ratio (x): (Mon. Assets (A)/Monthly Living Exp. (Q))	450.08
3. Debt Ratio (%): (Total Liabilities (M)/Total Assets (N))	#VALUE!
4. Long-term Debt Coverage Ratio (x): (Inc. after Taxes (S)/LT Debt Pmts (T)) Debt Service Ratio (1/LTDCR)	12.62 -45.5%
5. Net Saving's Ratio (%): (Savings (Q)/Inc. after taxes (S))	1.5%
6. Gross Savings Ratio (%): (Savings (Q)/Gross Income (U))	-0.4%

Haley

Simple Monthly Saving, Income and Expense Plan (LT4C)

For the month of September, 2019

9/18/19

Description	Monthly Budget	Income Statement	Difference (+ is good)	Running Balance
<u>Gross Income (U)</u>	1,000.00	897.89	(102.11)	897.89
Taxes	122.90	91.45	31.45	806.44
<u>Income less Taxes (S)</u>	877.10	806.44	(70.66)	
Pay the Lord	120.00	101.00	(19.00)	705.44
Pay Yourself (Saving #1)	200.00	179.58	(20.42)	525.86
Income for Living Expenses	557.10	525.86	31.24	
Expenses - Fixed				
<i>Fixed Long-term Debt Payments</i>				
Mortgage		-	-	525.86
Consumer/Auto Loan pmts		-	-	525.86
Student Loan Pmt		-	-	525.86
<u>Long-term Debt Payments (T)</u>	-			
<i>Fixed Other Expenses</i>				
Rent	395.00	395.00	-	130.86
Utilities	30.00	27.80	2.20	103.06
Insurance: Auto, Renters		-	-	103.06
Weekly Date		-	-	-
		-	-	103.06
		-	-	103.06
Total Fixed	425.00	422.80	2.20	
Expenses - Variable				
Food	125.00	41.56	83.44	61.50
Eating Out	50.00	16.86	33.14	44.64
Clothing	30.00	-	30.00	44.64
Entertainment	30.00	11.27	18.73	33.37
Gas		-	-	33.37
Books and Fees	50.00	37.52	12.48	(4.15)
Personal Money	100.00	102.41	(2.41)	(106.56)
Miscellaneous		-	-	(106.56)
Total Variable	385.00	209.62	175.38	
<u>Living Expenses - Total (R)</u>	810.00	632.42	177.58	
Saving #2 - Remaining Income	(252.90)	(106.56)		(106.56)
Saving #1	200.00	179.58		179.58
<u>Savings - Total (Q)</u>	(52.90)	73.02		73.02
Savings Percent	-5.3%	8.1%		

Haley

Simple Monthly Saving, Income and Expense Plan (LT4C)

For the month of October, 2019

10/18/19

Description	Monthly Budget	Income Statement	Difference (+ is good)	Running Balance
Gross Income (U)	1,000	2,589	1,589	2,589
Taxes	122.90	409	(286)	2,180
Income less Taxes (S)	877.10	2,180	1,303	
Pay the Lord	120.00	282	162	1,898
Pay Yourself (Saving #1)	200.00	518	318	1,380
Income for Living Expenses	557.10	1,380	823	
Expenses - Fixed				
<i>Fixed Long-term Debt Payments</i>				
Mortgage		-	-	1,380
Consumer/Auto Loan pmts		-	-	1,380
Student Loan Pmt		-	-	1,380
Long-term Debt Payments (T)	-			
<i>Fixed Other Expenses</i>				
Rent	395.00	395	-	985
Utilities	30.00	-	30	985
Insurance: Auto, Renters		-	-	985
Weekly Date		-	-	-
		-	-	985
		-	-	985
Total Fixed	425.00	395	30	
Expenses - Variable				
Food	125.00	87	38	898
Eating Out	50.00	49	1	849
Clothing		-	-	849
Entertainment	30.00	18	12	831
Gas		-	-	831
Books and Fees	100.00	70	30	761
Personal Money	15.00	11	4	750
Miscellaneous		55	(55)	695
Total Variable	320.00	290	30	
Living Expenses - Total (R)	745.00	685	60	
Saving #2 - Remaining Income	(187.90)	695		695
Saving #1	200.00	518		518
Savings - Total (Q)	12.10	1,213		1,213
Savings Percent	1.2%	46.9%		

Haley

Simple Monthly Saving, Income and Expense Plan (LT4C)

For the month of November, 2019

11/18/19

Description	Monthly Budget	Income Statement	Difference (+ is good)	Running Balance
Gross Income (U)	1,000.00	1,435	435	1,435
Taxes	122.90	177	(54)	1,258
<u>Income less Taxes (S)</u>	877.10	1,258	381	
Pay the Lord	120.00	144	24	1,114
Pay Yourself (Saving #1)	200.00	287	87	827
Income for Living Expenses	557.10	827	270	
Expenses - Fixed				
<i>Fixed Long-term Debt Payments</i>				
Mortgage		-	-	827
Consumer/Auto Loan pmts		-	-	827
Student Loan Pmt		-	-	827
<u>Long-term Debt Payments (T)</u>	-			
<i>Fixed Other Expenses</i>				
Rent	395.00	395	-	432
Utilities	30.00	66	(36)	366
Insurance: Auto, Renters		-	-	366
Weekly Date		-	-	-
		-	-	366
		-	-	366
Total Fixed	425.00	461	(36)	
Expenses - Variable				
Food	125.00	89	36	276
Eating Out	30.00	46	(16)	230
Clothing		20	(20)	210
Entertainment	30.00	16	14	194
Gas	100.00	75	25	119
Books and Fees		-	-	119
Personal Money	15.00	37	(22)	82
Miscellaneous	30.00	43	(13)	39
Total Variable	330.00	327	3	
<u>Living Expenses - Total (R)</u>	755.00	788	(33)	
Saving #2 - Remaining Income	(197.90)	39		39
Saving #1	200.00	287		287
<u>Savings - Total (Q)</u>	2.10	326		326
Savings Percent	0.2%	22.7%		

IV. Saving, Income and Expense Plan (Budgets)

Haley
Personal Financial Plan
Fin 418, Fall 2019

I. Overall Saving, Income and Expense Plan

Vision

My vision for finances is that they are there to help support me in my other goals and mission in life. The focus of my existence is not to make as much money as I can or to become as rich as I can, but it is to prepare to live with God again. I want to keep that perspective and remember that money is a means to an end, not an end in and of itself. Therefore, I want to be in charge of my finances; and not let my finances be in charge of me. If I focus on trying to make more and more money, I am going to miss the point of life and could miss enjoying the gospel and my family.

Saving. My vision is to save at least 20% of my income. I will do my best to save even more if possible. The savings will allow me to retire and accomplish other goals and even help my children accomplish their goals.

Income. My vision for income is that I will try to increase it, but it won't be my sole focus. I like doing a good job, so I will work hard at my job. However, I will be careful not to let work become the only priority. I believe that as I work hard, I will be recognized, and my income will increase over time.

Expense. My vision is to keep expenses as low as possible. I do want to own a home, a place where I can raise a family in righteousness, so I am willing to incur the expenses that come with that. However, I will try to live in such a way where I am frugal and do not incur too many expenses in other areas. Just the necessities of life and nothing extravagant.

Goals

Saving. My goal is to save 20% or more of my income. 15% will be for retirement and 5% will be for other savings. This amount will continue to increase over time as I make more money. My goal is to have the amount of money listed in my retirement plan by the time I retire. This is a lofty goal, but I believe I can do it.

Income. My goal is to have my income increase over time. I will work hard at my job, but I won't make my job the sole focus of my life.

Expense. My goal is to live a frugal lifestyle. I would like to keep my expenses to be consistent over time. Of course, I plan on getting married and having kids one day, so

expenses will increase in that way. But as for a standard of living, I want to stay where I will be at expense-wise once I buy a home in 4-5 years.

Plans and Strategies.

Saving. To make it easier on myself to save, I will set up automatic payments to deduct my savings from my income. I will save at least 20% with 15% going to retirement and 5% going to other savings. I will put my savings into vehicles and assets that I talk about in my investment plan. In this way, I won't risk losing a large amount of my savings because of risky investments.

Income. As my income increases, I will increase the amount that I save and pay down on my (future) house. I want to be able to live on the same amount of income on a consistent basis and put anything that I make above what I am living on towards saving or paying down my mortgage. In this way, it will be like a savings and debt reduction snowball, where the rate will continue to accelerate over time.

Expense. When I am married, I would like to have a system in place with my spouse where we talk to each other every time we make a purchase larger than \$20. I can do this now but not buying anything over \$20 without thought and consideration. This process will help me process if the purchase is really something I need or not. I will always be thrift in my purchasing and I will do my best to save money where I can.

Constraints

The main constraint that I face is getting distracted by the things of the world. It's easy, as you start making more money, to think more and more about what you can buy. As I mentioned, I want to keep the perspective that money is a means to an end not the end itself. I need to remember that money is only a tool to help me in this life. Another constraint is if I have a serious medical problem that makes it so I can't work or help take care of my future kids. That would put my spouse in charge of doing everything for the household. In the insurance section I discuss how I will get life insurance when I start working and that I will also get disability insurance as soon as I start working.

Accountability

When I am married, I will be accountable to my spouse. I will sit down on Sundays with my spouse to discuss our finances and this will be a perfect time to be honest to ourselves about how I am doing in the different areas of saving, income and expense. If something needs to change, then we will reevaluate and take the necessary action. I will also get my kids involved with helping my spouse and I keep a budget. I will probably tell them areas of the budget so that they know what we are working with and they can help us stay in budget. I will also go to the Lord to help me stay accountable. I will pray for his guidance and direction as life changes and as I potentially need to change my goals and vision.

- Who will you be accountable to for these things?

II. Monthly Saving, Income and Expense Plans

Please see the following pages for the cover page and data sheet for my monthly saving, income, expense plans for September, October, and November. The cover page includes my current situation discussing what I did well and where I could have improved. I also describe my action plan for improvement based on the results of each month. The data sheet included with each month is screenshots of my income, expense, and saving spreadsheet that I keep. The numbers discussed in the coversheet can be found in that data. In the data I show budgeted spending, actual spending and the difference for each category.

III. Annual Saving, Income and Expense Plan

The Annual Saving, Income, and Expense Plan can be found after the Monthly Saving, Income and Expense Plans. The annual saving, income and expense plan is my best forecast for what is going to happen the rest of this year and next year.

IV. Saving, Income and Expense Plan (Budgets)

First Month - September

Haley

Personal Financial Plan

Fin 418 Fall 2019

II. Monthly Saving, Income and Expense Plans: First Month - September

Cover Page.

Current Situation.

Income: My income is very inconsistent. It depends on how many hours I work a week as an accounting 200 TA, which often varies greatly. The amount taken out of my paycheck as a percent for taxes also varies greatly. I swear it is not consistent. It is hard to know what to plan on every month, so I usually figure about \$1,000. I got a \$4/hour pay raise at work the second week of school. I'm running some data through excel for the department which apparently "makes me more valuable." I am super grateful for the pay raise.

Expenses: It was my birthday in September aka I spent lots more on personal money which I budgeted for. I love to spend money on my hair, nails, make-up etc. It is super fun and it was my birthday so #noshame and #birthday\$\$\$forthewin but still an added expense. I also love diet dr. pepper but I didn't go out of control this month so #yayme. I also went grocery shopping at the end of August so those expenses were pretty low this month. I had a few prescriptions I had to refill so that added to the grocery expenses. I also had some textbook expenses that I don't always have. It is the beginning of the semester so sometimes during September and November these expenses really do come up!

Savings: I try to save as much as I can every month for being a college student. I live as frugally as I can while still trying to enjoy life and participate in fun activities!

Action Plan.

I learned this month that I don't really need to budget every month for clothes. I don't really like shopping, and I like the clothes that I have enough. I want to see how October's budget goes first before I start making crazy changes. I want to see what type of expenses are consistent verses are too high. My Mom also visited in September so that cut down a bit on expenses for groceries, food and fun.

Data Sheet.

See the next two pages.

Saving, Income and Expense Planning

Description	Monthly Budget	Income Statement	Difference (+ is good)	Running Balance
Gross Income (U)	1,000.00	897.89	(102.11)	897.89
Taxes	122.90	91.45	31.45	806.44
Income less Taxes (S)	877.10	806.44	(70.66)	
Pay the Lord	120.00	101.00	(19.00)	705.44
Pay Yourself (Saving #1)	200.00	179.58	(20.42)	525.86
Income for Living Expenses	557.10	525.86	31.24	
Expenses - Fixed				
<i>Fixed Long-term Debt Payments</i>				
Mortgage		-	-	525.86
Consumer Auto Loan pmts		-	-	525.86
Student Loan Pmt		-	-	525.86
Long-term Debt Payments (I)		-		
<i>Fixed Other Expenses</i>				
Rent	395.00	395.00	-	130.86
Utilities	30.00	27.80	2.20	103.06
Insurance: Auto, Renters		-	-	103.06
Weekly Date		-	-	-
		-	-	103.06
		-	-	103.06
Total Fixed	425.00	422.80	2.20	
Expenses - Variable				
Food	125.00	41.56	83.44	61.50
Eating Out	50.00	16.86	33.14	44.64
Clothing	30.00	-	30.00	44.64
Entertainment	30.00	11.27	18.73	33.37
Gas		-	-	33.37
Books and Fees	50.00	37.52	12.48	(4.15)
Personal Money	100.00	102.41	(2.41)	(106.56)
Miscellaneous		-	-	(106.56)
Total Variable	385.00	209.62	175.38	
Living Expenses - Total (R)	810.00	632.42	177.58	
Saving #2 - Remaining Income	(252.90)	(106.56)		(106.56)
Saving #1	200.00	179.58		179.58
Savings - Total (Q)	(52.90)	73.02		73.02
Savings Percent	-5.3%	8.1%		

Saving, Income and Expense Planning

	Date	Reason	Amount		Revenue		
					Date	Reason	Amount
1	9/2/2019	September Rent	395				
2	9/3/2019	Wendy's Salad w Jackie	5.62		9/13/2019	TA Payche	183.72
3	9/3/2019	Prescription Toothpast	13.71		9/27/2019	TA Payche	623.36
4	9/4/2019	Amazon Book Boundari	9.65				807.08
5	9/5/2019	School Supplies	3.87		9/27/2019	Mom\$\$x2	100
6	9/7/2019	Nails	10				
7	9/7/2019	Chickfila w Nathan	5.89				
8	9/7/2019	Macc Lounge Snacks	5.35				
9	9/12/2019	Glory Lim Party Food	10				
10	9/12/2019	Tithing	19				
11	9/17/2019	Fast Offerings	10				
12	9/14/2019	Smith's Fruit	14.4				
13	9/15/2019	Earing Cuff	10				
14	9/15/2019	diet coke	0.92				
15	9/18/2019	util ities	27.8				
16	9/19/2019	Smith's RS Tablecloth	4.28				
17	9/20/2019	Chinese Textbook	24				
18	9/21/2019	Hair at Aveda (conditic	24				
19	9/22/2019	icloud	0.99				
20	9/25/2019	Tithing	72				
21	9/26/2019	Choir Concert ticket w/	6				
22	9/27/2019	Pumpkin Muffins w Kal	2.04				
23	9/28/2019	diet coke	0.92				
24	9/28/2019	birthday makeup!!	58.41				
25	9/30/2019	October Rent	395				
26			1128.85				

Saving, Income and Expense Planning

A	B	C	D	E	F	G
Description	Monthly Budget	Income Statement	Difference (+ is good)	Running Balance		
Gross Income (U)	1,000.00	2,589	1,589	2,589		
Taxes	122.90	409	(286)	2,180		
Income less Taxes (S)	877.10	2,180	1,303			
Pay the Lord	120.00	282	162	1,898		
Pay Yourself (Saving #1)	200.00	518	318	1,380		
Income for Living Expenses	557.10	1,380	823			
Expenses - Fixed						
<i>Fixed Long-term Debt Payments</i>						
Mortgage		-	-	1,380		
Consumer/Auto Loan pmts		-	-	1,380		
Student Loan Pmt		-	-	1,380		
Long-term Debt Payments (T)		-	-			
<i>Fixed Other Expenses</i>						
Rent	395.00	395	-	985		
Utilities	30.00	-	30	985		
Insurance: Auto, Renters		-	-	985		
Weekly Date		-	-			
		-	-	985		
		-	-	985		
Total Fixed	425.00	395	30			
Expenses - Variable						
Food	125.00	87	38	898		
Eating Out	50.00	49	1	849		
Clothing		-	-	849		
Entertainment	30.00	18	12	831		
Gas		-	-	831		
Books and Fees	100.00	70	30	761		
Personal Money	15.00	11	4	750		
Miscellaneous		55	(55)	695		
Total Variable	320.00	290	30			
Living Expenses - Total (R)	745.00	685	60			
Saving #2 - Remaining Income	(187.90)	695		695		
Saving #1	200.00	518		518		
Savings - Total (Q)	12.10	1,213		1,213		
Savings Percent	1.2%	46.9%				

Saving, Income and Expense Planning

6	9/30/2019	October Rent	395			
7			1128.85			
8						
9	Date	Reason	Amount		Revenue	
0	10/1/2019	Macc Lounge Snack	3.35		Date	Reason Amount
1	10/1/2019	Fast Offerings	10		10/11/2019	TA Payche 629.98
2	10/2/2019	Real Estate Textbook	70		10/15/2019	EY Florida 1042.49
3	10/3/2019	Scooter Rides	10		10/25/2019	TA Payche 629.98
4	10/3/2019	Chickfila	4.1			2302.45
5	10/4/2019	Smith's Groceries	25.47		10/25/2019	Mom \$\$\$ 100
6	10/4/2019	Hot chocolate w Kayla	3.41			
7	10/5/2019	dc at south end	0.92			
8	10/6/2019	Ramen w Mission frien	10.77			
9	10/10/2019	DC from vending missi	1.85			
0	10/10/2019	Tithing	72			
1	10/12/2019	Brick Oven Pizza	4.32			
2	10/12/2019	Smith's Groceries	19.31			
3	10/15/2019	Tarte Make-up	54.06			
4	10/16/2019	Wendys	4.33			
5	10/17/2019	Smiths RS Activity	55.22	still need to be reimbursed		
6	10/17/2019	Michaels RS Activity	18.51	still need to be reimbursed		
7	10/18/2019	BYU Cornbelly's ticket	4			
8	10/18/2019	Tithing (EY Paycheck)	128			
9	10/18/2019	Halloween Costume	4			
0	10/19/2019	Diet Coke	0.92			
1	10/19/2019	Nails	11			
2	10/20/2019	Smiths groceries	11.22			
3	10/21/2019	Rebecca Sodalicious (g	5			
4	10/22/2019	icloud storage	0.99			
5	10/29/2019	Tithing	72			
6	10/29/2019	Wendy's	4.33			
7	10/30/2019	Blue Line Soup	5.51			
8	10/30/2019	Smiths	21.38			
9	10/31/2019	Walmart-family dinner	9.6			
0			645.57			

IV. Saving, Income and Expense Plan (Budgets)

Third Month - November

Haley

Personal Financial Plan

Fin 418 Fall 2019

II. Monthly Saving, Income and Expense Plans: Third month - November

Cover Page.

Current Situation.

Income: My income this month was what my income should typically be about. I worked 20 hours each week for \$18/hour. I didn't miss any days and there were no holidays. I am only scheduled to work 18 hours a week though. Because of this, I will know how to better budget for my income. In the future I will probably budget about \$1300 a month until I graduate.

Expenses: I was reimbursed from the RS activity expenses from last month. My roommate finally gave us the utility bill for the past 2.5 months. It was about \$67. That makes me want to throw up. I went out to eat a lot more with friends or because I did not have the time to grocery shop, so my dining out expenses were a bit high. It is fine to go out to eat with friends and catch up, especially when I need more balance in my life or with friends I have not seen in forever, but this should all be done in balance. I finally got the car from my sister. I spend about \$25 a week in gas, because I have to go up to Salt Lake pretty frequently to spend time with family. I'd rather not spend the time or gas money doing this but there is only so much I can do. I spent some money buying pics of Christ and missionary things for my favorite sister Jess on a mission. She is having a hard time and I think she really needed it. Another chunk of my expenses was made up of hair care, nails and these shoes I LOVE. Since all this money came out of my spending account from birthday/Christmas gifts, I think it was great I utilized the money!

Savings: I try to save as much as I can every month for being a college student. I live as frugally as I can while still trying to enjoy life and participate in fun activities. I am proud of myself for saving over 22 percent this month while still paying for school and living expenses. I hope to save more as time progresses to meet my goals like buying a car in cash and not working over the summer to focus on taking and passing the CPA exam.

Action Plan.

I have noticed that I love spending money on cute gifts and fun things for friends and family. This is a great way to spend money if I feel fulfilled doing it, but only within reason. I have decided to put a \$30 limit on this amount a month. This is a reasonable amount for my stage of life that I can also afford and budget for.

Data Sheet.

See the next two pages.

Saving, Income and Expense Planning

	Date	Reason	Amount	Revenue		
1	11/1/2019	November's Rent	395			
2	11/1/2019	Walmart groceries	9.77			
3	11/1/2019	Preworkout/Smiths c	32.39			
4	11/2/2019	vending machine	2.5			
5	11/2/2019	maverick hc	1.71			
6	11/3/2019	ministering treats	2.04			
7	11/4/2019	gas	25			
8	11/5/2019	dc	0.92			
9	11/8/2019	Wendy's	4.33			
0	11/8/2019	Tithing	71.5			
1	11/9/2019	Middle School Grinc	5			
2	11/9/2019	Lunch at the Cougar	5.14			
3	11/9/2019	Sprouts	10.53			
4	11/9/2019	Walmart groceries	10.11			
5	11/10/2019	Smiths	7.19			
6	11/10/2019	McDonalds	1.08			
7	11/10/2019	Lunch w TC Friends	9.71			
8	11/12/2019	Slab w Menzie and l	5.41			
9	11/13/2019	Sprouts	3.16			
0	11/14/2019	utilities	66.4			
1	11/15/2019	New fitbit band	6.42			
2	11/16/2019	Dry cleaning	5.31			
3	11/16/2019	Macc snacks	2.85			
4	11/16/2019	Brick Oven Pizza	3.78			
5	11/16/2019	Gas	25			
6	11/16/2019	Sprouts	5.5			
7	11/16/2019	Walmart groceries	10.78			
8	11/17/2019	dc	0.92			
9	11/17/2019	Haircut	27			
0	11/20/2019	Wendy's	4.33			
1	11/20/2019	Friendsgiving	11.13			
2	11/20/2019	Jessica Mission pac	11.99			
3	11/22/2019	Tithing	72.5			
4	11/22/2019	Gas	25			
5	11/22/2019	icloud	0.99			
6	11/23/2019	treat	3.46			
7	11/23/2019	parking for ey lunch	2			
8	11/23/2019	Nails	10			
9	11/24/2019	London	14.39			
0	11/29/2019	Shoes that I LOVEE	20			
1			932.24			
2						

Saving, Income and Expense Planning

Haley Erickson				
<i>Simple Monthly Saving, Income and Expense Plan (LT4C)</i>				
For the month of November, 2019				11/18/19
Description	Monthly Budget	Income Statement	Difference (+ is good)	Running Balance
Gross Income (U)	1,000.00	1,435	435	1,435
Taxes	122.90	177	(54)	1,258
Income less Taxes (S)	877.10	1,258	381	
Pay the Lord	120.00	144	24	1,114
Pay Yourself (Saving #1)	200.00	287	87	827
Income for Living Expenses	557.10	827	270	
Expenses - Fixed				
<i>Fixed Long-term Debt Payments</i>				
Mortgage		-	-	827
Consumer/Auto Loan pmts		-	-	827
Student Loan Pmt		-	-	827
Long-term Debt Payments (T)		-		
<i>Fixed Other Expenses</i>				
Rent	395.00	395	-	432
Utilities	30.00	66	(36)	366
Insurance: Auto, Renters		-	-	366
Weekly Date		-	-	-
Total Fixed	425.00	461	(36)	
Expenses - Variable				
Food	125.00	89	36	276
Eating Out	30.00	46	(16)	230
Clothing		20	(20)	210
Entertainment	30.00	16	14	194
Gas	100.00	75	25	119
Books and Fees		-	-	119
Personal Money	15.00	37	(22)	82
Miscellaneous	30.00	43	(13)	39
Total Variable	330.00	327	3	
Living Expenses - Total (R)	755.00	788	(33)	
Saving #2 - Remaining Income	(197.90)	39		39
Saving #1	200.00	287		287
Savings - Total (Q)	2.10	326		326
Savings Percent	0.2%	22.7%		

Haley
12 Month Saving, Income and Expense Plan
For the Year Beginning December, 2019

Description	December Budget	January Budget	February Budget	March Budget	April Budget	May Budget	June Budget	July Budget	August Budget	September Budget	October Budget	November Budget	Yearly Total
Gross Income (U)	1,300.00	1,300.00	1,300.00	1,300.00	1,300.00	-	-	-	-	-	2,000.00	4,000.00	12,500.00
Taxes	156.00	156.00	156.00	156.00	156.00	-	-	-	-	-	240.00	480.00	1,500.00
Income less Taxes (S)	1,144.00	1,144.00	1,144.00	1,144.00	1,144.00	-	-	-	-	-	1,760.00	3,520.00	11,000.00
Pay the Lord	140.00	140.00	140.00	140.00	140.00	10.00	10.00	10.00	10.00	10.00	210.00	410.00	1,370.00
Pay Yourself (Saving #1)	260.00	260.00	260.00	260.00	260.00	-	-	-	-	-	400.00	800.00	2,500.00
Income for Living Expenses	744.00	744.00	744.00	744.00	744.00	(10.00)	(10.00)	(10.00)	(10.00)	(10.00)	1,150.00	2,310.00	7,130.00
Expenses - Fixed	-	-	-	-	-	-	-	-	-	-	-	-	-
Long-term Debt Payments	-	-	-	-	-	-	-	-	-	-	-	-	-
Mortgage	-	-	-	-	-	-	-	-	-	-	-	-	-
Consumer/Auto Loan pmts	-	-	-	-	-	-	-	-	-	-	-	-	-
Student Loan Pmt	-	-	-	-	-	-	-	-	-	-	-	-	-
Long-term Debt Payments (T)	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Fixed Expenses	-	-	-	-	-	-	-	-	-	-	-	-	-
Rent	395.00	395.00	395.00	395.00	395.00	-	-	-	-	-	-	-	1,975.00
Utilities	30.00	30.00	30.00	30.00	30.00	-	-	-	-	-	-	-	-
Insurance: Auto, Renters	12.00	12.00	12.00	12.00	12.00	-	-	-	-	-	-	-	-
Weekly Date	-	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Fixed	437.00	437.00	437.00	437.00	437.00	-	-	-	-	-	-	-	1,975.00
Expenses - Variable	-	-	-	-	-	-	-	-	-	-	-	-	-
Food	125.00	125.00	125.00	125.00	125.00	125.00	125.00	125.00	125.00	125.00	125.00	125.00	1,500.00
Eating Out	30.00	30.00	30.00	30.00	30.00	30.00	30.00	30.00	30.00	30.00	30.00	30.00	360.00
Clothing	20.00	20.00	20.00	20.00	20.00	20.00	20.00	20.00	20.00	20.00	20.00	20.00	240.00
Entertainment	30.00	30.00	30.00	30.00	30.00	30.00	30.00	30.00	30.00	30.00	30.00	30.00	360.00
Gas	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	1,200.00
Books and Fees	-	100.00	-	-	-	-	-	-	-	-	-	-	100.00
Personal Money	15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00	180.00
Miscellaneous	5,795.00	20.00	20.00	20.00	20.00	20.00	20.00	20.00	20.00	20.00	20.00	20.00	6,015.00
Total Variable	6,115.00	440.00	340.00	340.00	340.00	340.00	340.00	340.00	340.00	340.00	340.00	340.00	9,955.00
Living Expenses - Total (R)	6,552.00	877.00	777.00	777.00	777.00	340.00	340.00	340.00	340.00	340.00	340.00	340.00	(15,790.00)
Saving #2 - Remaining Income	(5,808.00)	(133.00)	(33.00)	(33.00)	(33.00)	(350.00)	(350.00)	(350.00)	(350.00)	(350.00)	810.00	1,970.00	(5,010.00)
Saving #1	260.00	260.00	260.00	260.00	260.00	-	-	-	-	-	400.00	800.00	2,500.00
Savings - Total (Q)	(5,548.00)	127.00	227.00	227.00	227.00	(350.00)	(350.00)	(350.00)	(350.00)	(350.00)	1,210.00	2,770.00	(2,510.00)
Savings Percent	-426.8%	9.8%	17.5%	17.5%	17.5%	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	60.5%	69.3%	-20.1%

V. Tax Plan

Haley
Personal Financial Plan
Fin 418, Fall 2019

Needs to include
marginal/average tax
rates

Vision

My vision for taxes is to always be honest when I am filing out my tax forms and to pay the taxes that I owe, but not a penny more. I have taken several tax classes in my time here at BYU, which will greatly benefit me throughout my life. I will plan and forecast all throughout the year to make sure we are paying just the right amount of tax during the year. I will seek help completing my taxes every other year to make sure I am staying current with my tax knowledge and not paying too much.

Goals

I want to pay the government every penny that I owe and nothing more. I want to show by my actions that I have integrity by being honest in all my dealings, including with the government. I want to use my taxes strategically in developing my retirement plans. I want to maximize all after-tax cash flows.

I know I am 23 years old, and I have taken multiple tax classes, but my parents did my taxes for me last year. We have a tax accountant in Dallas that my parents use to do our taxes. This tax person also did my taxes. Because I did not do the taxes or overlook the process (I was in Utah and in the middle of my busy season internship with EY). According to my records, this year I had a tax refund of \$427, \$124 which was state income tax and \$303 which was federal income tax. I know form 1040 was probably used for US individual income tax return. I earned 4629.82 in gross income in 2018. I ended up not paying any taxes because I'm a student without investments. If I did pay taxes, I would calculate my marginal tax rate (how much tax I would pay on the next dollar of income) and average tax rate.

Plans and Strategies – Before Retirement

I plan to always maximize my deductions by (1) using my home as a tax shelter, (2) shifting and bunching my deductions to get maximum benefit in a specific year, (3) continuing to give with tithes and offerings, and (4) keeping good records of health, charitable and moving expenses, including mileage and in-kind donations. I also plan to be organized with my record keeping. I want to have a folder that I put all my tax receipts into for tax time (and keep it current).

I love working. I plan on always working and building a career. Starting salary at EY is in SLC is \$52,000, but I believe my career has a higher than average income potential. This means I will be paying a higher amount in tithing and state and local taxes. Coming out of college, I won't have the funds to immediately purchase a home, but I plan to save

for a down payment. Once I purchase a home I will have a mortgage. I will be paying mortgage interest and property taxes as well.

For charitable contributions, once I am able I will pay for tithing with appreciated stock to avoid paying capital gains taxes on the appreciation. I will keep my portfolio balanced by donating assets that I have too much of to the church. I will spend the money that I would have paid in tithing to buy assets to balance the portfolio to my liking. This way I will have balance and diversity in my account as I prepare for retirement. Balanced in my investment portfolio meaning I have an investment portfolio with taxable, tax-deferred and tax eliminated accounts. I am tax-efficient in my investment strategy.

I don't have kids, but hope to one day! When I get to that point, I plan on taking advantage of the Child Tax Credit and the Child Care Expense Credit. I will always have insurance through my employer, so I should not have to deal with the health care individual responsibility penalty. I plan to utilize either an HSA or FSA, which will allow me to pay for medical expenses before-tax.

For investments, I plan to contribute to my Roth IRA every year through Fidelity. I plan to maximize my contribution to my Roth account every year when I graduate from college and have sufficient funds to contribute. I also plan to take advantage of 529 plans (when the time comes) and invest in mutual funds. In the future if my investments could potentially result in additional taxable income, I plan on paying estimated payments to avoid paying penalties.

I plan to strictly follow two tax principles: (1) keeping documentation and (2) not being too aggressive on my taxes. In addition, every December I do tax harvesting aka reduce gains.

Plans and Strategies – After Retirement

Because I will have invested in my Roth IRA in my younger years, this amount will not increase my taxable income in my post-retirement stage of life. This is beneficial because I will have income from my investments and potential rental properties.

I could potentially be in a lower tax bracket at this stage of life compared to when I will be making my highest salaries. I will save on taxes in that manner. I also plan on taking advantage of my charitable contributions that I make for a later mission, etc. as part of my itemized deduction.

Constraints

If tax rates keep increasing in the future then I might consider switching from investing in Roth accounts to Traditional accounts to avoid paying the really high tax rates. As the tax code continues to change, I will study and familiarize myself with all of the changes to make sure that we are only paying the taxes we owe and not a penny more. I will seek help completing my taxes every other year, so the taxes do not get too complicated and I

ensure I am maximizing my tax savings. I will be more worried about how I look to God than how I look to others so I do not get caught up in the things of the world making it difficult to save. With proper planning and withholding of taxes, there is nothing that will keep me from attaining my vision.

Accountability

I am accountable to myself and to the Lord. I will share my tax plan with my spouse when my life comes to that stage.

VI. Cash Management Plan

Haley
 Personal Financial Plan
 Fin 418 Fall 2019

My vision for cash management is to always have enough liquid assets to meet our typical or emergency needs and to have the rest invested in assets that earn a better return. I understand that small earnings build up over time, and I don't want my money to lose purchasing power because of inflation. I want to make sure I am getting the best return for the level of risk and liquidity we are seeking.

Current Situation

Liquid Assets (09/29/2019)	Amount	Rates
Checking Account	1,143.77	N/A
Savings Account	9,201.50	0.35%
Roth IRA	2,528.83	Depends

The money in my Roth IRA is not there in my eyes. I won't tap into this money unless I am facing very extreme circumstances. I do not plan on contributing to my Roth IRA until I start working for EY next fall in Salt Lake. The cash I do have on hand I am planning to use for upcoming education and living expenses until I graduate in the Spring. I am not exactly sure how much I will need (my parents are go with the flow as far as giving us money so I want to make sure I have enough cash on hand in cash I need it). In high school I often kept my savings account in CDs for a year at a time. I would start a new CD every month to ensure I would always have more cash available every month if needed.

Action Plan

Once I start working for EY next fall, I plan to use better cash management strategies. I have a goal to have three months of living expenses in savings and to have another three months in near cash investments. I will spend the first few months working to reach these levels. I will first focus on getting my emergency fund where I want it before I start focusing more on investing for retirement.

Once my emergency fund is set, I will set up automatic payments from my checking account to be deposited into my Roth IRA. I will contribute enough to my Roth 401 (K) to make sure that I am getting the full match. Overtime, I plan to increase the percentage I am contributing to my 401 (K) over time. I will make sure that my Roth IRA and Roth 401 (K) is set up so that the accounts will adjust to the level of their risk as I get older. I hope to eventually contribute the maximum to my Roth 401 (K) and Roth IRA every year and putting even more into other mutual funds.

In the future when I am saving for shorter term goals, I will keep this money in high-yield savings accounts, CD's, or Money Market Accounts. I will focus on making sure my money is getting the best return for the level of liquidity I am seeking. To make sure I am getting the best return, I will have to understand all of the options that are available to me. Once I hit this point, I may need to utilize a financial advisor at Fidelity or Charles Schwab or the like.

Constraints

In order to have money to save for my emergency fund and retirement investments, I need to live on a budget. A budget will help me avoid over spending and wasting all of my income on things I don't need. I also need to diversify the assets I am invested in so I am not as much at risk if one type of investment starts to have loses. I will diversify with CDs, different bonds, different stocks, real estate, etc. There will be times when I am tempted to withdraw from my retirement funds early (as life's challenges hit), but I will do everything I can to avoid this to keep that money for later in life when I will need it.

Accountability

I am very dedicated to living on a budget and using wise money management strategies. When I get married, I will find someone with the same budget and money management strategies as me, so it will make it easier to plan together for our vision and goals for cash management. I will also include the Lord in my plans to seek his help to reach my goals.

Cash Management Asset Summary Sheet 2019
MBA 620/Fin418/Fin200 Financial Planning (9/20/19)

Assets:	Traditional				Short-term Mutual Funds		Government Bills and Savings Bonds		
	Checking	Savings	Money Market (or MMDA)	Certificate of Deposit	Money Market Mutual Fund	Short-term Bond Funds	US Treasury Bills	EE Bonds	I bonds
Description:	Deposits held at a financial institution that allows withdrawals by checks and deposits on demand; hence, it is also called a demand account.	Deposits held at a financial institution that earn interest. Internet savings rates generally higher	A savings account that typically earns rates and that pays interest based on current money market interest rates. These have higher minimum balances.	Savings certificates with fixed maturity and interest rate, and can be issued in any denomination. Access to the funds is restricted until maturity date	An open-end mutual fund that invests in very short-term debt securities such as US treasury bills, municipal bonds, or commercial paper.	An open-end mutual fund that invests in short-term corporate bonds, municipal bonds, or Treasury securities with maturities less than one year.	Short-term US government debt obligations sold with different maturities and issued at a discount from par. Investors receive interest at maturity.	US government savings bonds where the interest rate is set every 6 months and tied to current market interest rates.	US government savings bonds with interest rates linked to US inflation and which rates are set every 6 months
Liquidity:	Very liquid, daily	Very liquid, daily	Very liquid, daily	Fixed maturity on CDs	Somewhat liquid, get money in 3 days	Somewhat liquid, get money in 3 days	Somewhat liquid depending on maturity	After 12 months redeem at any bank	After 12 months redeem at any bank
Required Minimum Balances:	None	Low to none	Higher required minimum balances	Higher required minimum balances	Depends on mutual fund requirements	Depends on mutual fund requirements	Higher minimum balances	May purchase in denominations from \$25 to \$10,000	May purchase in denominations from \$25 to \$10,000
Interest Rates:	.05% - 2.5%	.05% - 2.0%, Internet .3% - 2.5%	.2% - 2.0%	1M: .11%, 3M: .20%, 6M: .35%, 1Yr: .62%, 5 Yr: 1.26%	Higher than MMA, .25-.5% depending on market conditions	Higher than MMMF, .35-.8% depending on market conditions	1M: 2.41%, 3M: 2.43%, 6M: 2.51%; 1Y: 2.58%, 5Y: 2.56, 10Y: 2.74%	Rates are reset every 6 months and are 0.1% through Oct. 31, 2019	Rates are reset every 6 months and are 1.90% through Oct. 31, 2019
Taxes:	Federal and State	Federal and State	Federal and State	Federal and State	Bonds - all taxable; Muni bonds - Fed. tax-free, if from your state - all tax free; US Treasuries - State tax free	Bonds - all taxable; Muni bonds - Fed. tax-free, if from your state - all tax free; US Treasuries - State tax free	State tax free	State tax free. If principle and interest used to pay for college tuition, then both Federal and State tax free	State tax free. If principle and interest used to pay for college tuition, then both Federal and State tax free
Safety:	FDIC insured	FDIC insured	FDIC insured	FDIC insured	Not FDIC insured but very short-term (<30 days)	Not FDIC insured but very short-term (< 1 year)	Not FDIC insured but a US debt obligation	Not FDIC insured but a US debt obligation	Not FDIC insured but a US debt obligation
Early Withdrawal Penalties:	None	None	None	Yes	None	None	Yes	Must hold 12 months then 3 months interest penalty before 5 years	Must hold 12 months then 3 months interest penalty before 5 years
Other features:	None	None	May have limited check writing	None	May have limited check writing	None	None	If proceeds used for tuition, then state and federal tax free	If proceeds used for tuition, then state and federal tax free
How to invest:	Contact a bank or other financial institution	Contact a bank or other financial institution	Contact a bank or other financial institution	Contact a bank or other financial institution	Contact a no-load mutual fund company to invest	Contact a no-load mutual fund company to invest	Purchase from www.treasurydirect.gov, banks and brokers	Purchase from www.treasurydirect.gov, \$10,000 per year plus \$5,000 from tax refund. Income limits apply	Purchase from www.treasurydirect.gov, \$10,000 per year plus \$5,000 from tax refund. Income limits apply

VII. Credit Plan Cards, Reports and Scores

Haley
Personal Financial Plan
Fin 418 Fall 2019

Vision

I will always manage my credit wisely. My vision for credit card use is to maximize the points and rewards I get when using them, but to always pay off the balance that I owe. I will never purchase anything on my credit card that I can't afford to pay off right away. This will help me avoid paying the high interest associated with these cards. My vision is to always have my credit scores increasing so that I can get even better preferential treatment later in life.

Goals

My goals for credit use align with my vision. I am a convenience credit card user, meaning that I want to maximize the points and rewards that come from using credit cards and have all my purchases in one place, but I always pay my credit card balances off so that I don't have to pay the interest.

I currently don't have a credit card. My vision and goals listed above are what I plan to do once I get a credit card. I plan on getting a credit card for a personal experience.

Please fill in this Table for each Card (bold is required information)

I have left the table here to fill out once I get a credit card

Annual Percentage Rate for Purchases (fixed or variable)	%
Annual Fee	
Credit Limit	
Date Opened (if available)	
Cash Advance APR (fixed or variable)	%
Balance Transfer APR (fixed or variable)	%
Overdraft Advance APR (fixed or variable)	%
Minimum Finance Charge	
Late Payment Fee	
Over-the-Credit-Limit Fee	

Plans and Strategies

My first strategy is to know and remember myself, vision and goals. I will see, receive, and act on the spirit's guidance regarding how I use my credit. The overarching goal is to pay myself instead of paying others. To meet this goal the best I can, I need good credit

and I need to use my credit wisely. If I have problems, I will perform “plastic surgery” and cut up the cards.

Credit Cards

There are many strategies I am going to follow to wisely use my credit card (s). I will stay up to date with all of my card payments. To keep my card balances at a manageable level, I won't spend money that I don't have, I will be wise and have self-control, and I will only make planned purchases that are in my budget. I won't buy anything with credit unless I know I have the money to pay it off. Any cars or toys that I buy, I will pay for in cash.

I will focus on getting cards that don't have annual fees and that have the best rewards. On a yearly basis, I will call my credit cards and ask them to increase my credit limits and reduce my interest rates. I want to mitigate the need for me to have debt, and I hope that as I advance in my career, I will need credit less and less. Finally, I am going to keep managing my liabilities weekly to make sure I never have a late payment.

Credit Report

I don't have a credit card so Professor Sudweeks said don't worry about this part.

*I am leaving this information here for reference. When I get a credit card I want this info to be able to fill out about my credit report.

- Get a copy of your credit report from one of the three main providers (we have no preference) at www.annualcreditreport.com. Instructions are in the book and PowerPoints.
- State the provider of the credit report
- Check whether you found mistakes or not, as you do not need to include the entire report (for safety purposes).
 - Work to correct any mistakes.
- What are your strategies of the things you think you should be doing to ensure your credit reports are correct.
- How often will you review your credit reports from each of the three main credit suppliers?

In order to make sure my credit report says accurate, I will download a free credit report from one of the providers every four months. I will scan for any errors each time I download. I have a goal of improving my credit over time, so I don't want false information to hurt my credit report in any way.

Credit Score

I don't have a credit card so Professor Sudweeks said don't worry about this part.

*I am leaving this information here for reference. When I get a credit card I want this info to be able to fill out about my credit report.

Credit Card Summary 2019
MBA 620/Fin418/Fin200 Financial Planning (10/08/19)

Assets:	Credit Cards				Debit Cards		
	Standard	Reward	Charge	Secured	Debit Cards	Prepaid Debt Card	Electronic Benefits Transfer
Description:	Simply extends a line of credit to the users.	Offer cash back, travel points, or other benefits to users who pay off their cards in full	Have no spending limits, but require balances to be paid off each month	Users pay an initial deposit that is held by the issuer as collateral	Good tool to limit overspending as you use only funds you have	Prepaid cards which do not require a bank account or credit history.	Prepaid cards which the state government puts money for specific purposes
Source of Funds	Money is borrowed from the credit issuer up to the credit limit	Money is borrowed from the credit issuer up to the credit limit	Money is borrowed from the credit issuer up to the credit limit	Users must put a specific amount into the card before it can be used	Money is drawn from customers account	Money is put on the card initially	Money is put on the card by the state government each month
Credit Limit:	Limited by the credit issuer	Limited by the credit issuer	Limited by the credit issuer	Limited by the amount the customer has placed with the issuer	Limited by the amount of funds in the account	Limited by the amount of funds put on the card	Limited by the amount of funds put on the card
Key Benefits	Line of credit	Line of credit plus rewards for credit use. May also provide additional warranties or insurance for items purchased	Unlimited credit limit. May also provide additional warranties or insurance for items purchased	Good card for those who have little or no credit. Often is a first card before getting a standard card	No additional benefits	Does not require a bank account	Does not require a bank account
Signature versus PIN	Signature	Signature	Signature	Signature	PIN	PIN	PIN
Fees	May include annual, activation, usage, or other fees	May include annual, activation, usage, or other fees	May include annual, activation, usage, or other fees	May include annual, activation, usage, or other fees	Generally the fewest fees as users are using their own funds	May include activation, usage, or other fees	May include activation, usage, or other fees
Impact on Credit Scores	If used properly, may be useful to build credit	If used properly, may be useful to build credit	If used properly, may be useful to build credit	Credit bureaus cannot differentiate between a regular and secure card, so can be used to improve credit scores	Does not build credit and will not improve credit scores	No impact on credit scores	No impact on credit scores
Liability for Lost or Stolen Cards	If reported promptly, maximum liability is \$50	If reported promptly, maximum liability is \$50	If reported promptly, maximum liability is \$50	If reported promptly, maximum liability is \$50	If reported in 48 hours, \$50, 48 hours to 60 days, \$500; afterwards unlimited liability.	If reported in 48 hours, \$50, 48 hours to 60 days, \$500; afterwards unlimited liability.	If reported in 48 hours, \$50, 48 hours to 60 days, \$500; afterwards unlimited liability.
Grace Period	Usually 14-28 days	Usually 14-28 days	Usually 14-28 days	Usually 14-28 days	No grace period, as money is moved immediately	No grace period, as money is moved immediately	No grace period, as money is moved immediately
Disputing Transactions	Users can dispute unauthorized purchases with card issuer.	Users can dispute unauthorized purchases with card issuer.	Users can dispute unauthorized purchases with card issuer.	Users can dispute unauthorized purchases with card issuer.	Users cannot dispute unauthorized purchases except with merchant	Users cannot dispute unauthorized purchases except with merchant	Users cannot dispute unauthorized purchases except with merchant
How to Get	Contact your bank or credit card provider	Contact your bank or credit card provider	Contact your bank or credit card provider	Contact your bank or credit card provider	Contact your bank	Contact your bank	These are generally set up by the government

- You will need to get a copy of your credit score. I recommend a FICO score, as it is the score used by over 80% of the users (and will likely be used by your mortgage lender when you buy a house), but you can get another score if you would like.
 - Include your score provider, score, and ranking in your current situation. For privacy, do not include the full report.
 - Add your action plan or future strategies of things you will do to improve your credit score.
 - The goal is likely to have a credit score of 760 and above, which is considered top tier by many institutions.
 - What are the things you plan to do to improve your credit score?

I will make payments on time and keep my utilization as low as possible to increase my credit score. I want to strive for exceptional utilization and payment history.

Constraints

My constraints with using credit wisely include spending on things we do not need and if an emergency comes up. I want to avoid spending for that which I do not need and stick to my budget. I have to be careful of spending on the little things. To mitigate the risk of emergencies causing me to use my credit. I will strive to keep an emergency fund with 10,000 in it. This way I will never need to have a balance on my credit cards.

In regard to my credit report and score, a constraint of taking care of it is neglecting to check it. I will check each on a consistent basis to ensure there is no false information that is hurting my credit score.

Accountability

I am accountable to myself for my use of credit. I don't want to pay interest to anyone else. I want to mitigate the interest I pay and maximize what I pay to myself. Therefore, if I am tempted to use credit to get something I don't need, I will try to reflect on my goals and vision to not buy it. I will also turn to the Lord to strengthen and help me with my goals.

VIII. Consumer Loans and Debt Plan

Haley
Personal Financial Plan
Fin 418 Fall 2019

Current Situation

My vision for loans and debt is to use as little as possible while still achieving my goals. Some of my goals that I want to accomplish involve debt including buying a home. My vision is to never go into debt for vehicles, furniture and appliances or future schooling. I will diligently save my money for these expenses so when the time comes, I don't have to have any debt. My vision also includes only entering mortgages on property that I can afford to pay. In this way, debt will never be a problem for me, and I will not be at risk for defaulting. I believe debt is a tool that I should have control of, it should not control me.

I have no debt outstanding, so I have no consumer, mortgage, or student loans to list. I plan to finish school debt free. I plan on working for at least 5 years when I graduate. I plan to save at least 20 percent of my gross income. After 3 years of working, I plan to look at different housing options and possibly investing in buying my own home.

I view productive debt as a tool to help me reach my financial goals. I have a goal to always avoid unproductive debt.

Ezra Taft Benson said, "The Lord desires his Saints to be free and independent in the critical days ahead. But no man is truly free who is in financial bondage."

J. Reuben Clark mentioned debt in a conference address. He said, "It is a rule of our financial and economic life in all the world that interest is to be paid on borrowed money. . . Interest never sleeps nor sickens nor dies; it never goes to the hospital; . . it never visits nor travels; it is never laid off work; it never works on reduced hours; it never pays taxes; it buys no food, it wears no clothes. . . Once in debt, interest is your constant companion every minute of the day and night; you cannot shun it or slip away from it; you cannot dismiss it; . . and whenever you get in its way or cross its course or fail to meet its demands it crushes you. So much for the interest we pay. Whoever borrows should understand what interest is, it is with them every minute of the day and night."

I will strive to stay humble and realize that I need to put Heavenly Father first in my life and realize everything is His. I must remember that how I look to God is more important than how I look to others.

Action Plan

The overarching principle that will guide my action plan is to live within my means and minimize the amount of interest that I pay. Before entering debt, I will consider if using

the debt is bringing me closer to my goals or pushing me further away. I will ask myself if whatever we are purchasing with debt is considered in our budget. Even if it costs more to use my own funds to pay for consumer purchases instead of financing them, I am still going to use my own funds to keep my goal of not taking out those types of loans.

Consumer Loans Strategy

My goal is to never take out a consumer loan in my life. I plan to save towards purchases I want to make, such as a new living room set or a new car. I won't purchase something unless I know I can afford it and it is within my standard of living. By not taking on consumer loans, I will minimize the amount of interest that I pay to others. I will avoid instant gratification and impulsiveness and in return, I will essentially pay myself all the interest I will save.

I plan to separate my needs from my wants. I will defer all my wants until I can pay cash for them. I will pay off all my credit cards monthly. I will make sure to keep a 6-month emergency fund and rebuilt it quickly once it is drawn down.

Student Loan Strategy

Because of hard work and budgeting (plus scholarships and my parent's help), I will graduate debt free in April. I am not planning on getting more schooling after my MAcc (i.e. MBA), so I don't anticipate needing student loans for anything else. If by chance I change my mind and decide to go back to, my parent's will give me an interest free loan I will repay ASAP. I will only take out a loan from my parent's after seeking as much scholarship money as possible. I will only spend this loan money on education and defer all my wants until I can pay cash for them and I have paid off all my student loans to my parents.

Debt Reduction Strategy

I plan to rent for my first few years after college until I save enough for a down payment. I plan on buying a home 3-5 years after graduation depending on my financial situation and the real estate market. I will have a 20 percent down payment to eliminate PMI. I will mostly likely take out a 30-year loan but hope to pay back the loan closer to 15 years. I will do this by making extra payments. I will make sure the additional payment goes toward reducing principle and not prepaying interest. I will make sure there is no prepayment penalty, if possible. How much extra I will pay on my loan will depend on the size of house I buy, my income and my circumstances in life at that time. I will not borrow against equity in my home. I will also make sure I go into retirement without mortgage debt.

The main principle I will follow with my mortgage vs. saving money is to look at the interest payment. If there are investment vehicles that I can make a higher percentage of interest, dividends and gains that I am paying with my mortgage, I will invest instead of paying down my mortgage. I will also focus on the debt payment that has the highest

interest. If I did have some type of loan with a higher interest payment, I would pay that one down first.

Constraints

The constraint to my plan is income. Money is not infinite. When I first start my career, I won't be making as much compared to what I will be making down the road. I will really need to budget so I won't break my goal of taking out any consumer loans. I know I can do it, but I need to have the self-control to follow through.

Accountability

I am committed to having as little debt as possible. I hate the idea of paying interest to someone else. This mindset will help keep me accountable when it is tempting to buy something beyond our means. I will also seek the help of God to give us strength to accomplish these goals.

2019 Consumer Loan Comparisons
MBA 620/Fin418/Fin200 Financial Planning (10/2/19)

Loan:	Type:		Security:		Rate Type:			Home Related:		Specialty:		
	Single Payment	Installment	Secured	Unsecured	Fixed Rate	Variable Rate	Convertible	Home Equity	HELOC	Student	Auto	Payday
Description:	Loan paid off in one payment. It may also be a balloon or other loan used to finance a purchase until more permanent financing is available.	Loans that are repaid at regular intervals, i.e., each month. Payment includes interest for the period plus some principal, which increases each period	Loans that are secured by a tangible asset, such as a car or boat, that will be sold if the loan is not repaid. Because it is secured by the asset, interest rates are less.	Loans that are not secured by any asset and are based on the credit worthiness of the borrower.	Loans that maintain a constant interest rate for the entire term of the loan.	Loans that have an interest rate that is tied to an index and that can change depending on market conditions and a spread.	Loans in which the interest rate structure can change, from a fixed or variable rate loan to the opposite.	Second mortgages which use the equity in your home to secure the loan. Borrowers use these for consumer purchases	Loans secured by the equity in a home for a specific amount and term. Generally used like a credit card with a revolving line of credit.	Loans by students to pay for higher education costs and may have Federally subsidized interest rates. AVOID PRIVATE EDUCATION LOANS	Loans secured by the vehicle the consumer is purchasing. Because it is secured, interest rates are lower.	Short-term loans of 1-2 weeks secured by a post-dated check, and the worst kind of borrowing. AVOID THESE LOANS LIKE THE PLAGUE
Annual Percentage Rate (APR):	5-20% depending on where you borrow, your income and your credit	4-20% depending on where you borrow, your income and your credit	4-12% depending on the secured asset, your income and credit	12-25+% depending on who you borrow from, your income, loan use and your credit	4-20% depending on where you borrow, use of the proceeds and your credit	4-20% depending on where you borrow, use of the proceeds and your credit	4-20% depending on where you borrow, use of the proceeds and your credit	3-6% depending on equity in the home, your income and the your credit	3-6% depending on equity in the home, your income and the your credit	6.8% for subsidized loans, and 10-24% for unsubsidized loans depending on where you borrow	5-14% depending on the type of auto, who you borrow from, how long, and your income and credit	500-700% APR depending on your credit, income, where you borrow and for how long
Amount owed doubles every "x" Years (at highest rate):	Doubles every 3.5 years	Doubles every 3.5 years	Doubles every 6 years	Doubles every 3 years	Doubles every 3.5 years	Doubles every 3.5 years	Doubles every 3.5 years	Doubles every 12 years	Doubles every 12 years	Doubles every 10 years	Doubles every 7 years	Doubles every 1 month
Rate Type:	Variable or Fixed	Generally Fixed	Variable or Fixed, generally installment	Variable or Fixed, generally installment	Fixed Rate, can be either installment or single payment	Variable Rate, can be either installment or single payment	Variable or Fixed, generally installment	Variable or Fixed, generally installment	Variable or Fixed, generally installment	Fixed for subsidized and fixed or variable for unsubsidized, installment	Variable or Fixed, generally installment	Fixed, single payment
Cost Calculations:	[(Interest + fees)/years]/avg. borrowed	Amortization table	Amortization table	Amortization table	Can be either installment or single payment	Can be either installment or single payment	Can be either installment or single payment	Amortization table	Amortization table	Amortization table	Amortization table	[(Interest + fees)/years] / avg. borrowed

IX. Insurance Plan

Haley

Personal Financial Plan

Fin 418, Fall 2019

Vision

My goal for insurance is to pay as little as possible while maintaining the coverage that I desire. There are a lot of unknowns and things I can't control in life. There is no way to know when or how disaster is going to strike. For this reason, it is important to me that I have sufficient insurance coverage so that I am not worried about what could happen each day. By having insurance, I am transferring many of my risks away from me to other organizations. This will allow me to rest easy and have more of a carefree life than I would otherwise.

Life Insurance

Goals

My goal for life insurance is to have enough coverage so when I am married my surviving spouse will (1) be able to pay off our house in full and (2) be able to spend time with the kids while being a single working parent (part-time or flexible work). If both of us die, the goal is that the funds will pay all of the future kids' living expenses through when they graduate from college (tuition included). This type of coverage will enable the surviving spouse or the children to accomplish all of their goals despite a tragic death occurring in the family.

Plans and Strategies

I do have life insurance, and I do believe that I need it. My parent's have a life insurance policy for me. While I don't know the details, my parents say it is enough. Once I am more financially on my own and settled with my own family, I would like to get my own life insurance policy. I want my future family to have a good life and be able to accomplish their goals, not having to be as concerned about money.

I would like my life insurance to replace my income in the case that I die. I will probably settle on a term policy. My future starting income salary is \$52,000 before considering any bonuses. I believe a \$1,000,000 policy would be nice. This would allow any of my surviving family to have enough money to take care of their needs and get on their feet before kids/spouse can make money for themselves.

I would like to find the cheapest policy. I should qualify for preferential health status. By being in good health, I should get a discount on my life insurance. My plan should be a bit cheaper because I don't have any medical conditions, I don't smoke or drink, or do

dangerous activities. The amount of coverage I should get is found in LT29B at the end of this section. Please see screenshots of the tool at the end of this document.

As I get older and time goes on and my circumstances change and I increase my earning capacity, I will continue to add to my life insurance policy. Getting a life insurance policy through work is another great way to get a discount, as my employer will pay for some of it and being in a plan with a lot of other employees helps reduce costs. I will mostly add my life insurance policy through my employer. I will also look into getting a convertible plan when married, so I have the option to convert to whole life if something happens to me or my spouse.

Health Insurance

Goals

My goal for health insurance is to get the best coverage when I can for the situation, I am in for the least amount of money possible. I want to mitigate my common doctor and medical expenses while also protecting against catastrophic health issues that might arise. This type of coverage will protect us from the crushing financial burden of large medical issues while also providing some benefit with everyday medical costs.

Plans and Strategies

I do have health insurance and I believe that I do need it. Currently, I have certain coverage under my Mom's plan, United Health Care, and my Dad's plan, Cobra. I plan to stay under my parent's insurance until I am 26. The family deductible is \$4,500. Once my family reach's the deductible, our copay is 20 percent of whatever the bill is.

When I turn 26 and I am no longer covered under my parent's plan, I will look into my employer, Ernst & Young, different health care insurance options.

I have several strategies to keep my medical expenses low and to get discounts on health insurance: I will live a healthy lifestyle, I will take advantage of yearly checkups, I will go to the doctors in network (I will call my provider if I am not sure), I will always take advantage of group health plans through my employer (once I have a family), and I will use HSAs and FSAs as they are available. I will probably stick mostly with FSA accounts. I usually don't have large medical expenses occurring given my history. In the future I won't want to risk losing a large amount of unused money at the end of the year. Therefore, when using an FSA account, I will take a risk that I will have to spend after-tax dollars on medical expenses, but that's a risk I'm willing to take to avoid losing money at the end of the year. When I start working for EY and have my own insurance plan (not on my parents) I would like to look into if EY will also pay into my FSA or HAS plans.

Disability Insurance

Goals

My goal for disability insurance is to have enough so that if something happens to me it wouldn't be a financial emergency.

Plans and Strategies

I do not currently have disability insurance, but it is something that I think is important, and I plan on getting policies when I start working full-time in the near future. Once I start my job, I will get a short-term disability and a long-term disability plan through EY.

I will get my disability plan through my employer because it will be cheaper doing it that way then getting a policy myself. I am not sure what the costs and fees will be under EY. I haven't looked at it too closely yet because it will still be a year before I take out this policy. When the time comes for me to get these plans, I will add that information here. From my initial research, it looks like I could pay anywhere between \$20-\$50 for short-term disability and \$15-\$40 for long-term disability. Other discounts than doing the plan with my employer include being healthy currently and not having a history of disability in your family.

Auto Insurance

Goals

My goal for auto insurance is to have a sufficient amount so that if any type of accident were to occur I would have sufficient coverage and I would not be hurt financially.

Plans and Strategies

I am currently under my parent's auto insurance. I am not sure what the details are. When I take over my own auto insurance when I graduate, I would like to apply what I learned in class. I would like to use the 100/300/100 recommended level. If I ever feel like there is a cheaper option for insurance out there, I will shop around to see what I can find. It helps to have discounts on auto insurance by keeping a clean driving record. If/When I get a ticket, I plan on going to traffic school. When I have kids, I plan on increasing my insurance levels to 250/500/100, and I will have my kids connected to the oldest vehicle I have.

Homeowners/Renters Insurance

Goals

My goal for homeowners/renters insurance is to have the value of my home, or the assets in my home, covered so that I can get the items replaced with new assets of the same type if some terrible event occurs. Most of the possessions that I own can be found in the place that I live. I do not want to lose everything that I have worked for requiring me to start over.

Plans and Strategies

I currently live in an apartment in Provo, and I do not have renter's insurance. I plan on getting renters insurance for an individual experience. I believe it is important to have renter's insurance in case my apartment is ever broken in to or if a fire took place. When I get renters insurance, I will add the details of my policy here:

Before I get renter's insurance, I plan on taking an video of the inventory of my assets and talking about everything I have. I will base my policy on the assets I own. I would like the policy to cover both the contents of my apartment and a personal liability portion in case someone gets hurt while they are at my apartment. I also understand that renter's insurance covers any items that could be stolen out of my car. As rule of them, I do not have any items worth stealing in my car. EVER.

I would also like to get renter's insurance through the same place I get my car insurance if a discount is offered.

Umbrella Policy

Once I purchase a home in the future (after working a few years), I plan on purchasing an umbrella policy for even more protection against any unforeseen event that could arise. After having all of this insurance in place, I will be able to rest easy knowing that I am covered. I will make sure any toys I acquire in the future are under this umbrella plan.

Constraints

I understand the importance of having insurance, so I will make it a priority to make sure all my plans are current and in effect. However, constraints to our plan include not realizing that my policy expired or running into hard times and not being able to pay our insurance bills. To mitigate these constraints, I set reminders for myself to renew my policies when they come due. I will also have an emergency fund established, so that even if I am facing hard economic times for a few months, I will still have enough to pay for insurance.

Accountability

I am accountable to myself in regard to insurance. I need to be on board with having plans in all of these areas and paying attention to when my policies need to be renewed. On a regular basis (4-6 months) I should evaluate if I need to expand my policy, I am also accountable for my insurance needs to the Lord. If I am ever unsure what to do in a situation, I can pray for advice and help. I can also seek assistance from competent insurance agents. I will share my plan with insurance agents to make sure I can accomplish the goals I am seeking.

Life Insurance Need Calculation

Six Methods of Calculating Life Insurance Needs (LT29B)			
Finance 200 Personal Finance			
10/14/2019			
Current Age	23	Nominal Return on Earnin	5.0%
Current (or needed) Salary	52,000	Marginal Fed & State Tax	17%
Years to Replacement Income	35	Estimated Inflation Rate	2.0%
Current Annuity Interest Rates		Real Return after Taxes	2.11%
Payment Period Desired (1 = B	1	Mortgage Remaining:	300,000
Spouse and Number of Childre	-	Final Expenses (funeral, b	20,000
Current Life Insurance	-	Debt and other Needs (cc	-

- 1. Multiples of Income: 1. 12-15 Times Income**

Multiple:	10 x
Current Salary	52,000
Twelve times salary	624,000
Fifteen times salary	780,000
Average of Twelve and Fifteen Times Salary	702,000
Total Required for Life Insurance Needs	520,000

Formula = Average of 12 times or \$624,000 and 15 times or \$780,000 or \$520,000
- 2. Multiples of Income: 2. Eight times Income plus Mortgage, Final, and Other Expenses**

Current Salary	52,000
Eight times Salary	416,000
Add:	
Mortgage	300,000
Final Expenses	20,000
Debts and Other Needs	-
Total Required for Life Insurance Needs	736,000

Formula = 8 times salary of \$52,000 or \$416,000 plus final expenses of \$320,000 or \$736,000
- 3. Multiples of Income: 3. DIME (10-12 times income+Debt, Income, Mortgage and Exp.)**

Ten times salary	520,000
Twelve times salary	624,000

Insurance Plan

Formula = 8 times salary of \$52,000 or \$410,000 plus final expenses of \$320,000 or \$330,000

3. Multiples of Income: 3. DIME (10-12 times income+Debt, Income, Mortgage and Exp.)

Ten times salary	\$20,000
Twelve times salary	\$624,000
Mortgage	300,000
Final Expenses	20,000
Debts and Other Needs	-
Total Required for Life Insurance Needs	\$92,000

Formula = Average of \$520,000 and \$624,000 plus final expenses of \$320,000 or \$892,000

4. Desired Income Method

Desired Income Level	\$2,000
Nominal Rate of Return	5.00%
Taxes	17.00%
After-tax rate of return	4.15%
Expected Inflation	2.00%
Real Rate of Return	2.11%

Desired Income Insurance Needed 2,466,977

Formula = Desired income of \$52,000 divided by real return of 2.1% or \$2,466,977

5. Human Life Value Method

Amount Needed each Year	\$2,000
Years to replace income	35
Nominal Rate of Return	5.00%
Taxes	17.00%
After-tax rate of return	4.15%
Expected Inflation	2.00%
Real Rate of Return	2.11%

Human Life Value Method (uses begin mode) 1,305,153

Formula = PV(2.1% real rate, 35 years, -52,000 earnings, 1 begin) or \$1,305,153

6. Earnings Multiple Approach (Detailed)

a. Adjust Salary Downward

Current Salary	\$2,000
Percentage Adjustment to Salary (or needed salary)	#N/A

Formula = PV(2.1% real rate, 35 years, -52,000 earnings, 1 begin) or \$1,305,153

6. Earnings Multiple Approach (Detailed)

a. Adjust Salary Downward

Current Salary	\$2,000
Percentage Adjustment to Salary (or needed salary)	#N/A
Salary to be Replaced	#N/A

b. Determine the Income Stream Replacement

Salary to be Replaced	#N/A
Number of Years to Replace Salary	35
After tax Return (R _{AT} *(1-tax))	4.15%
Nom. return:	5.00%
Real Return ((1+R _{AT})/Inflation)	2.11%
Inflation:	2.00%
Payment Period (1 = Beg.)	1

Present Value of this Net #N/A
 Earnings Multiple of Needed Annuity #N/A x

c. Subtract Current Life Insurance and Earning A -

d. Calculate Additional Life Insurance Needs

Present Value of Needed Annuity #N/A

Total Additional Life Insurance Needs #N/A
 Earnings Multiple of Needed Annuity after current Life Insurance #N/A x

Summary Results	
1. Multiples of Income: Twelve to Fifteen Times Gross Income	
Total Required for Life Insurance Needs	520,000
2. Multiples of Income: 8 times Income plus Mortgage, Debts, Final Expenses, and other Sp	
Total Required for Life Insurance Needs	#N/A
3. DIME Method (Debt, Income, Mortgage and Final Expenses)	
Total Required for Life Insurance Needs	592,000
4. Human Life Value Method	
Total Required for Life Insurance Needs	1,305,153
5. Desired Income Method	
Desired Income Insurance Needed	2,466,977
6. Earnings Multiple Approach	
Total Required for Life Insurance Needs	#N/A
Average of the Above 6 Approaches	
Average of the Above Approaches	#N/A
Annual Salary (From 1 - Multiples Tab)	52,000
Multiples of Earnings (Average divided by Annual Salary)	#N/A
Average of Above Approaches less Maximum and Minimum Values	#N/A
Multiples of Earnings (Average divided by Annual Salary)	#N/A

Clue Report

I do not have any claims on my policies, and as such, I do not have a CLUE report.

Health Insurance Summary 2019

Fin200/Fin418/MBA620 (2/18/19)

Description	Group Private Health Plans					Flexible	Non-group and Individual Health Plans			Government Health Plans		
	Fee for Service	HMOs	PPOs	POSs	EPOs	Spending Account	Individual Plans	High Deductible	HSA	Workers Comp.	Medicare	Medicaid
Description	Fee for Service Plans are plans where the doctor bills the patient directly, and the patient is reimbursed, to a specific percentage, by the insurance company	Health Maintenance Organizations are prepaid insurance plans which entitle members to the services of specific doctors, hospitals and clinics who work for the HMO	Preferred Provider Organizations are plans which are a cross between the traditional fee-for-service and an HMO, where in-plan providers fees are covered, and out-of-plan providers results in higher fees	Point of Service Plans have attributes of HMOs, PPOs, and indemnity plans, with the point at which benefits are received determines the amounts of benefits paid	Exclusive Provider Organizations are plans similar to an HMO, but operate through an insurance company and services are covered only if you use doctors and specialists in the plan's network	FSA's are not a health plan but a benefit provided by many Group Private Plans where a specific amount of money can be set apart to pay for qualified medical expenses (deductibles, eye glasses, etc.) with pre-tax dollars.	Individual Plans are plans which cover individuals on a case-by-case basis and are traditionally a most expensive type of coverage	A High Deductible Health Plan (HDHP) is a plan with lower premiums and higher deductibles. It is a form of catastrophic coverage, intended to cover catastrophic illnesses.	Health Savings Accounts are a high deductible health plan with special tax saving characteristics. Can be used as an individual plan or as part of a work plan	Workers Compensation is a state program that provides wage replacement and medical benefits to employees injured in the course of employment. These are state laws, and claims are handled by administrative law judges.	Medicare is a national health care program that provides health insurance to those age 65 and older, as well as to younger people with some disability status.	Medicaid is a joint Federal and State program that helps with medical costs for those with limited income and resources, as well as offers benefits not normally covered by Medicare, like nursing home care and personal services
Key Issues	A health model where services are unbundled and paid for separately. It leads to greater choice for the insured, but may lead to dependence on the quantity of care, rather than quality.	Using only network doctors and hospitals can significantly reduce overall costs. However, when patients are shielded from cost sharing by health insurance, they may welcome any service that might do some good.	Using only network doctors and hospitals can reduce overall costs, and having higher costs for out-of-network visits incentivized fewer outside visits.	The POS offers lower medical costs in exchange for more limited health choices. Enrollees are required to choose a primary care physician, their "point of choice" who is in essence a medical gatekeeper	EPOs are a network of medial care providers who contract with the insurance company to offer reduced cost services, the assumption being a lower revenue per person but a higher number of insured visits	FSAs require the planning of possible health expenses. Allows the payment of medical expenses with pre-tax dollars; however, if you fail to use it each year you will lose it.	It is more difficult for comprehensive coverage for individuals, as the insurance companies cannot spread the risks over a broader population, so costs significantly higher	Imprudent choices by consumers may be avoided by a HDHP if they are held financial responsible through high copayments and deductibles.	HSA consumers can allocate their medical expenses better if they are held financially responsible. HSAs can not only be used for health care, but after age 59.5, for retirement expenses as well.	Injured employees get wage replacement and medical coverage in exchange for the employee giving up their right to sue	Medicare is funded by a payroll tax, beneficiary premiums, and US Treasury revenue. However, as medical costs increase and individuals live longer, this is getting increasingly expensive	The largest source of funding for health care related services for low income individuals
Advantages	These provide the greatest flexibility for choosing doctors and hospitals. They define the percent of each claim the preventive policy will cover and the insured must pay before a claim is eligible for reimbursement	HMOs offer a system of doctors and hospitals for a flat fee, and emphasize preventive medicine, with a small co-pay for services rendered	PPOs provide health care at a discount to fee-for-service plans, and provide a group of doctors which work at reduced costs to participants, with additional fees to a non-member doctor or center	POSs may include HMO, PPO, and indemnity type programs.	EPOs are funded through an insurance company, with health care provided by contracted providers and offers lower cost to insured. No primary care provider is required, although you must have preauthorization.	Allows the payment of medical expenses (deductibles, copays, prescriptions, etc.) with pre-tax dollars; however, if you fail to use it each year you will lose it.	Individual plans provide a custom policy to the purchaser	HDHPs offer lower premiums than traditional plans. It is also a requirement for having an HSA.	HSA contributions offer a triple benefit: tax deductible contributions, tax-free growth, and tax-free withdrawals for qualified medical expenses. Can be used to pay your expenses before you reach your deductible limits	These supposedly limit the need for litigation and provide monetary awards to cover loss of wages and compensate for permanent physical impairments and medical expenses	Covers 80% of the allowable charge for medical expenses for those age 65 and older.	Offers health insurance coverage to those who would normally not be able to afford such coverage. It also offers benefits such as nursing home care and personal services
Disadvantages	Plans are expensive and require significant paperwork	HMOs offer little choice of doctors or hospitals, and service may be less than at other facilities. Referrals sometimes difficult to get. They generally won't cover out-of-network care except in an emergency	PPOs are more expensive than HMOs and use of non-PPO providers results in higher costs	POS plans require you to get a referral from your primary care doctor in order to see a specialist. For patient visits outside the network, the patient is responsible to fill our forms, send bills for payment, and keep all receipts.	Only care received from contracted providers and hospitals is covered (unless in an emergency situation). It may be quite restrictive, so make sure you understand the contract	If you fail to use your FSA set apart amount each year for qualified expenses, you lose that money that you did not spend each year.	Individual plans are expensive, usually 15% - 60% more expensive than a group policy and may require subscribers to pass a medical exam	High Deductible individual plans must have a deductible of \$1,350 and family of \$2,700. The maximum out-of-pocket expenses are \$6,650 individual and \$13,300 family. There are concerns that patients may delay care due to high costs.	HSA deductibles are high (see left column), not for the seriously ill, and if distributions not for medical expenses, 10% penalty and considered income	Insured give up their right to sue their employers. Employees are a specific list, and may not include all workers. Only covers injuries sustained on the job	Beneficiaries must come up with the remaining 20% of costs, and significant out-of-pocket costs, including deductibles and copays; costs of uncovered services, i.e., dental, hearing, and vision care; and costs related to Medicare's lifetime and per-incident limits	Eligibility is categorical, one must be a member of a specific category defined by statute, which are defined state to state.
Sources of Information:	www.healthcare.gov as well as your company's HR department	www.healthcare.gov as well as your company's HR department	www.healthcare.gov as well as your company's HR department	www.healthcare.gov as well as your company's HR department	www.healthcare.gov as well as your company's HR department	Work with your as well as your company's HR department	www.healthcare.gov Look on the web for specific plans	www.healthcare.gov Look on the web for specific plans	www.healthcare.gov Look up HSA administrators on the web	Utah: www.laborcommission.utah.gov	Federal www.medicare.gov	Utah and Federal: www.medicaid.utah.gov , and www.medicaid.gov

X. Family Financial Plan
Personal Financial Plan
Haley
Fin 418, Fall 2019

I. How You Were Brought Up

The purpose of this Learning tool is to help you understand how money and other financial topics were handled in your family growing up and to describe your vision for your family going forward. Our experiences and background can help much in understanding the sources of our habits and knowledge. The following questions relate to how money and finances was handled in your family in the past and how you/we intend to handle money in the future.

Budgeting

1. How was money generally handled in your family growing up? Who handled the checkbook? The savings? How was budgeting handled? What budgeting method did they use? How should it be handled in your family?
 - I love the idea of teaching my children from the beginning how to allocate money. I would like to talk about finances openly with my spouse so my children can see and hear how certain aspects are being handled. I would always like to live on a budget and be frugal. I think mad money is essential to having successful budgeting in marriage.
2. What kind of lessons regarding money did your parents try to teach you? What methods did they use to teach you? How are you planning to teach your children?
 - From when I was super little, each of my sisters and I had a pink piggybank. We would always save our money in there from our birthdays or when we visited my grandpa and he gave us \$0.25 to buckle our seatbelt. My parents also had a bank account for each of us when we were born that they would be \$30 a month into for our future education. When I was 11 and started babysitting, my Dad talked about paying tithing and saving our money. From when I started babysitting I would always pay 10% tithing, 20% spending and the rest (70%) into savings. My parents would always be super happy and willing to take us to the bank to deposit

our cash or check from babysitting and encouraging us to save our money and not worry as much about material things. I am very grateful for the frugal spending habits my parents instilled in me. I feel like I really understand the value of the dollar and the importance of saving and being frugal with my money. I would also buy a lot of designer clothes/purses when I was younger. I regret spending so much money on such expensive clothes that I obviously no longer wear, but I am grateful my parents let me make this “mistake.” I never went over my 20% of spending to save for these items, but by buying the designer items and regretting it a year later, I was able to learn for myself without digging too deep of a hole. My Dad also helped me open up a Roth IRA a couple of years ago. He regretted not doing so when he was younger, and he wanted to help me for my future. I am grateful for parents who love and value helping their children with their financial future without enabling us.

-I want to teach my children how to manage money like my parents. I would like to save for my children’s education, get my kid’s piggybanks, have a bank account with their name on it and teach my children from the age they start making money the importance of saving. I would also like to buy my kid’s clothes, give them *occasional* fun money, and be open about finances with them so they will be open with me and together we can strengthen one another.

3. Did your family have a family theme, motto, or mission statement? Did part of it relate to finances? If you were to put one together, what would it be?

-My Dad always told me when he would drive me to school on his way to work in elementary and middle school that “Today is gonna be a great day!” and he would make me repeat it. Or he would say, “It is great to be great on a great day!” We never had a family mission statement per se. As I have grown older, I appreciate my dad’s positive affirmations and desire for us to start the day off on the right foot!

-If I were to put a family motto or theme together, it would be “Good is the enemy of great” or “Return with honor”. I always want my kids to be proactive, high achieving, hard working with a desire to do amazing things and reach their full potential. I never want my kids to settle for less than what they deserve. I like return with honor because it stresses a clean life, a life of service and goodness and courage and patience in all situations to all people.

Cash Management/Savings

4. How was savings/cash management handled with your family? Which savings/cash management vehicles did your parents use? What savings/cash management vehicles will you use?

- I would like to use the cash management strategies learned in this account. I would like to utilize CD's and high-interest savings accounts and always have 6-months of an emergency fund on hand.

Debt

5. How was debt handled in your family? What was the view on debt? How was repayment of debt handled?

-My parents do not like debt. We always stayed out of debt. They have a mortgage payment right now. If it were up to my Mom, we wouldn't have a mortgage payment, but what can I say? My father is quite stubborn. He just wants the cash on hand "just in case." Oh wait, just kidding! I think my parent's had student loan debt when I was really little, and my Dad was in law school and they had 3 kids. Both of my parents were working at the time and they had a house. I know they paid off the student loans as quickly as possible. I vaguely remember the day they paid the student loans off because I remember it was a bigger amount and they were happy about it. My parent's always pay cash for cars. I still remember when I was super little my parent's drove this beater blue van with one door, no tinted windows in text, torn clothe seats, peeling paint and all, but at the time, my family couldn't afford anything else.

Investments and Attitudes

6. What kinds of financial things cause you to lose sleep at night? How can you alleviate those concerns?

-I have always lived out of debt and haven't had to worry about not having enough. I never want to have debt. I also have a hard time with change. So putting change and debt into the same picture or scenario, I could see myself, literally, losing sleep at night.

-Living frugally, especially when I first graduate, and living on a budget is really important to me. I need to remember to have fun occasionally. Spending a little bit of money after achieving a goal is okay! Once I am more financially established, my concerns will go down dramatically.

7. Regarding investments, what do the words "risky" or "conservative" mean to you? Have those words changed over time? Will education and experience change their meanings?

-Risky = investing in individual stocks: Conservative = bonds and cash-on-hand

-These words have changed to me as I now understand what they mean and how to avoid either perspective

-I don't think education and experience changed over time. What is risky will always be risky, while what is conservative will always be

conservative. What I think may change is someone's monetary ability, or inability, to invest more in stocks versus bonds. This may be the only cause for any individual to see different meanings with these two perspectives.

8. Assuming that your portfolio needs to grow at a 6-8% rate in order to meet your goals, would you be happy with that kind of return?

-I would love to have a 6-8% return, BUT I would not be willing to invest in super risky assets to achieve it. I would be willing to settle for a lower return if it meant less risk. If I needed to achieve that kind of return, maybe I need to be putting away more money for longer, so I don't have to achieve such a high return.

9. Have you ever done anything strange or excessive with your investments? What were those things? What did you learn from those experiences?

-I have not done anything strange or excessive. I did put a little bit of money away in a Roth IRA, but nothing crazy. I am glad I did because I have received a decent amount of money (comparatively speaking, rather than just having the money in savings), but I still get nervous that I could lose it all...even though I know it doesn't quite work like that.

-Throughout this semester, I have learned that it is a great idea to invest, as I can receive a lot of money from doing so. I also have learned that you can invest in different ways to best help you "sleep at night." Luckily, my Roth IRA does not have too much money in it and even though the two funds my money is in are both aggressive accounts, each account is quite diversified. I hope to change my Roth IRA to an index fund, so I don't have to worry about drastic fluctuations in my investments.

10. How have you felt when you've "made a killing", i.e., the investments returned a very high return? How have you felt when you've "taken a bath," i.e., lost money in an investment? What did you learn?

-Just like most people, I love when the market is doing well and I'm making more money on my investments. However, this is two sided. If you are making a killing that means you might take a bath other time. I get concerned when my investments start performing poorly. That's why I like staying somewhere in the middle, so I'm not experiencing too much one way or another. I'm afraid of losing a ton of money through investing, so I plan to try to always stick with index funds/accounts. This way my highs are still high and my lows are still low, but nothing too drastic compared with the market.

11. Talk with your parents or an older, trusted friend. What do they wish they would have done differently in regards to managing money and investing?

-They wish they would have started earlier. Also, it's good to be consistent with what you invest. Investing an amount here and there isn't as good as

constantly investing an amount every month. Another thing is to not invest in assets that are too risky or individual stocks.

12. Regarding your current holdings, what are you most pleased about and what are your greatest concerns?

-I am happy with the money I have made in my current Roth IRA. I have really enjoyed seeing the stock market do well, especially because DT (good 'ole Donald Trump) has been in office, but I know that spike will die down – as it always does.

-My greatest concerns are the unexpected. I like knowing I have that money set aside, but I don't like the idea that it is locked away. This is honestly a personal problem, but I am sure I will be less concerned about this when I start working full-time, have a steady income, and am more established and on my feet.

Retirement

13. How did your parents save for their retirement? What do they wish they had done differently?

-I know my parents signed up for their companies 401(k) plans, but they haven't done much other investing.

-My parents wish they would have had a greater understanding of investments and started earlier.

14. How are you going to save for your retirement? What is your goal to save each month for retirement? What investment vehicles will you use (i.e., Roth 401k, IRAs, 403b, etc.)?

-Right now, I am going to save for retirement by using investment vehicles provided by the companies I will work for. I will get the free money by signing up for the company's 401(k) plan. I have set up a Roth IRA already with a good chunk of money. The amount I put in will vary in the beginning, as I have a few other needs and conservative wants. After I purchase my first home, and get everything else built-up, then I will contribute a greater amount.

Education and Missions

15. How did your parents save for your education and missions? What do they wish they had done differently? How are you going to save for your children's missions and education if you choose so to do?

-My parent's always put away \$30/month for my education/personal use. My Dad always told us if we are involved and do well in high school, he would pay for all of our mission. He wanted us to be a kid in high school, be involved and not work for \$7.25 an hour at taco bell to pay for a mission. He said it wasn't worth our time and we were doing and becoming so much more by developing our talents and learning to study.

-For school, my parents always told us we would pay for our own education. This motivated me to save my money when I was younger and to work hard for good grades and to develop my talents for scholarships. This taught me how to work hard, the value of money and to be independent. While I sometimes wish college was a bit easier for me by not working and just getting a check from daddy at the beginning of the month to cover all my needs, I look back now and I am so grateful. I feel like I have learned and grown so much more during my time at college. Granted, my parents told us they would never let us go in debt for college and would help us out. They have paid for my rent for a couple of spring/summer terms or when they come in town, they will fill up the car with gas and take us grocery shopping etc. My parents have not left me high and dry by any means.

-I will pay for my children's mission like my parent's did for mine. For education, I will save for my kid's education and cover certain expenses like tuition or part of room and board. If my kid's get a scholarship, they get to take their portion of what I would have covered. More information with exact amounts can be found in my mission and education portion of the financial plan.

16. If you choose to help, develop an "Education Plan" for your children. How will you save for your children's education? How much will you save each month? How much of that will go to retirement, education, missions, etc.? What are the key education investment vehicles you will use (i.e., Education IRA, 529 Savings Plan, EE/I Bonds, etc.). Include this plan in section LT01-15 as your Education and Mission Plan (use Template 15).

-My vision is to help my children with their education, while also requiring them to work hard to earn it. I don't want to hinder my children by making their education path easy for them, but I do want to help. In this way, I plan to pay for the equivalent of tuition, books and some living expenses for a semester if the child attends BYU. If my child goes to another university, this money will go toward their tuition and the child will be on their own to cover the rest and pay for books and housing. By helping in this way, I am trying to provide the incentive for my kids to get scholarships and push them to attend BYU (their money will go further this way). As I mentioned, I also want to help them get their education, but don't want to hinder them by making life too easy for them. I want my kids to work, but I will reward them if they do work.

-To achieve this vision, I will need to start saving now. I will need to save around \$25,000 per child considering how tuition will rise over the next 25-30 years. Assuming a 5% return on the money that I invest for these education payments, I will need to pay \$900 a year starting when the child is born and for 18 years until the child starts college. This will in turn provide each child with \$6,250 per year for four years. In this way, it also encourages my child to finish college in four years and not waste time. As I mentioned, the purpose of these funds is to help my kids get an education

because I believe that is one of the most important things. I also want to encourage my children to work hard by paying the rest of their education expenses. The help will just be for while my child is in college. If my child does not go to college, the money could go towards a trade school, but they can't have the money if they aren't going to school.

-In order to save the \$900 a year for each child, I will start 529 plans. I will possibly get a financial advisor at a place like Edwards Jones to talk about my options. I will need to check the state I live in at the time my children are born, because different states have different benefits. For example, in Arizona the 529 plan will get a tax credit in Arizona for the amount also saved. This is in addition to not having the money taxed on a federal level. The 529 is the vehicle that I will use to save and I will use a diversified mixture of assets in line with my investment plan to within the 529. I will need to save \$75 a month per child. I will have this amount automatically pulled out.

17. If you choose to help your children with their missions and education, develop a "Mission Plan" for yourself and your children. How will you save for your and your children's missions? How much will you save each month? How much of that will go to retirement, education, missions, etc.? What is your strategy for saving for your family's missions (i.e., use appreciated securities, etc.) Include this plan in section LT01-15 as your Education and Mission Plan (use Template 15).

-My vision is to pay for my kids' missions. As a future parent I know it would bring me so much joy to see my children willing to sacrifice their time and energy to try to give back to the Lord a small portion of how he has blessed my life. I want my kids to have a good experience on their mission and not be deterred from going because of monetary reasons.

-Currently the total cost of the monthly payments of a mission equals \$9,000 - \$12,000 (\$500/month). This does not include all the items that have to be purchased in preparation for going on a mission like clothes, supplies, medical work that needs to be done, etc. I will cover all these expenses. In this way, I can be there for my children throughout the preparation process helping with everything, so they don't feel like they are on their own. I will save an addition \$2000 to cover clothes and medical expenses.

-I will save this money in normal investment accounts because I cannot use a retirement account or a 529 to save for this. I will invest in assets according to my investment plan, so that they are diversified. In order to have the \$11,000-\$14,000 saved by the time my kids are 18, starting when they are born, at a rate of 5%, I would need to save around \$400 a year or around \$35 a month for each child. I will have this amount automatically withdrawn from my accounts each month.

Giving

18. How did your parents give to the family, community and others? Be sensitive in asking this question as to not appear judgmental. How will you choose to give back and serve and bless others?

-I know my parents always paid a full and honest tithe with a very generous fast offering. I also know every Christmas we would do a Christmas Jar and give it to a family in the community that was struggling financially.

-One of the reasons I want to be financially well off is to give back to the church, community, and anyone else in need. I try to help as much as I can afford without sacrificing my financial security and still reaching my long term goals. I plan to continue living this way. The Lord said, "When you are in the service of your fellow beings, you are only in the service of your God." He also told us that everything we have is his essentially, so we might as well give as we are blessed in great abundance. I hope by my example and by inviting my children to participate, they will see the importance and choose to do the same as they grow older.

Going Forward

19. How will you treat your spouse? What does it mean to be equal partners? What things will you do each day, week, and year to keep the relationship alive? What will you do each period to make sure they know they are the most important person to you? What are the key principles you will follow? What are the key doctrines you will live to make your relationship eternal?

-I am not married. Lol. I have a goal to give my spouse the utmost respect and love and sacrifice everything I need to make sure we have a successful marriage and family. Equal partners mean each person giving 110% in every aspect of our life and recognizing that a marriage is give and take. I have a life-long goal to always have a strong relationship with my spouse once I get married and not let anything get between us including finances and communication issues. I want to make sure I get to spend time (even if it is only 10 minutes) with my spouse each day to talk about what's going on and plan for the next day or week.

-To keep my relationship strong once I get married, I would like to go on a date every week, like a Friday night. Every quarter I would like to go on a weekend getaway or short trip to spend time together. Once year I would like to go on a whole family vacation to make memories and spend time with my spouse and kids and everyone together and leaving our worries and responsibilities at home.

-I want to share the workload of taking care of the household and raising kids. We will each handle different chores and split the workload so that one of us isn't overwhelmed. I will make my relationship eternal with my spouse by continuing to live the gospel and encourage each other to be better spiritually.

20. How will you handle finances in your family? What are the key principles you will follow? What is your savings goal?

-In my family we will talk openly about money. We shared ideas in class, and I love the idea of teaching our children from the beginning how to allocate money. I will have financial talks with my spouse out in the open so our children can see and hear how certain aspects are being handled.

-I will make sure to be on the same page as my spouse when it comes to finances. I won't make any expensive purchases without the consent of my spouse, and I would hope my spouse would do the same thing. I want to be honest and open in my spending.

-My savings goal is 20% just like I learned in class. 15% will be to retirement and 5% will be savings for anything else. This is after I have an emergency fund, I'm completely out of debt (possibly for a car), and a down payment on a house (all while putting money in retirement and getting my company match).

21. How will you follow, document, and report on finances (i.e., what type of budgeting methodology will you use)? What is your family goal on budgeting and savings? When will you have your weekly "Stewardship Meeting" when you report on finances to each other?

-I want to set aside time weekly, usually on Sunday's, to track my expenses and see where I am regarding the monthly budget I thoughtfully planned out. It is easy to see where I am at when I track every expense and see the total spent versus the budget I set. From there, I can decide what potential changes I need to make to stay within my budget. I track all of this information in an excel spreadsheet that I update with the weeks' worth of financial transactions each time I look over my finances on Sundays.

22. How will you determine whether you are on track to reach your financial goals? What tools will you use?

-Currently, my main goal is to stay out of debt. I've been fortunate to receive a couple scholarships that have helped pay for part of my Master's program. I have also paid close attention to my monthly spending as I plan on buying a car soon after I start working full-time. By constantly checking in to see if I have the correct amount in my bank account to pay for the essentials, and still the right amount for the down payment on my house, I will remain on track for my current financial goals.

-In the near future, when I start working, I will start keeping track of the money I save for retirement a lot more closely. The goal is 20% of my income put away. I will utilize the 401(k) with my employer to do this.

23. How will you teach your children fiscal responsibility? Will you give an allowance? What things will you do and what principles will you follow to teach them responsibility?

-I'm not sure what I want to do in raising my children. I was never given an allowance, so I don't agree with allowances. My parents were always willing to give us money to go do fun things, but I don't think *I* ever took advantage of this (my sisters on the other hand, definitely). I feel there is not a definitive answer to this question, so I will wait to see what I will ultimately decide to do in the future.

Many of these questions were adapted from "12 Psychological Questions," Jason Payne, Payne Financial Management, Orem, Utah, February 8, 2005, and "These 7 Questions can Save Your Marriage (Even before it starts)," Faith Sutherland Blackhurst, at <https://www.lds.org/ensign/2018/03/these-7-questions-can-save-your-marriage-even-before-it-starts?lang=eng>, Ensign, March 2019.

II. Creating Your Family Financial Plan

Vision:

My vision is to have an eternal family. An eternal family means that we love each other, live the gospel in this life, and prepare as a family for the next life. I need to prioritize finding an eternal companion. I could start by praying for this. Once I get married, I can begin developing an eternal relationship with my spouse and kids in this life because we are going to be together forever. Money and worldly matters will come second to my family. Money is there as a tool to help teach my children and help other people.

Goals:

I want to always have a strong relationship with my husband. To do this, I need to spend quality time with him and talk about anything going on in our lives. I will discuss in more detail what I will do to accomplish this goal in the plans and strategies section.

I want to always have a strong relationship with my kids. To do this, I will need to spend time with them and make my children a priority. I want to be someone they can trust and always go to with concerns. I will discuss in more detail what I will do to accomplish this goal in the plans and strategies section.

I have a goal of living the gospel of Jesus Christ throughout my life. At times, it can be difficult to live the gospel because of all the distractions and temptations in the world. Further, this goal is not one that can be checked off the list, but is a constant, life-long goal. Therefore, I have established a framework to keep myself anchored to the gospel.

First, I want to have a regular pattern of family home evening, scripture study, prayer and church attendance. On Sunday nights, I will block out my schedule, and encourage my future children to do the same, so that we can have a gospel lesson and spend time together as a family. I will establish a pattern of prayer and scripture study in the morning before everyone starts their daily activities. I can start this habit now, by diligently studying my scriptures every morning before I start my day. I will also end the evening

with prayer (one of my favorite childhood memories). In addition, I will make church attendance an expectation for my family, a regular habit and the most vital part of the week.

Second, I will personally set aside time to study the scriptures and pray in the morning and evening. This will be difficult for me to do. When I get really busy, personal prayer and scripture study are sometimes areas that I cut down on to save time. Not my best habit. :/ To encourage myself to keep these righteous habits, I will hold myself accountable to the Lord and when I get married, my spouse.

Third, I will magnify my church calling. Over my life I will have different callings in the church, but no matter what the calling is, I will fulfil it to the best of my ability. There will be times when I am given a calling that I am not good at. In those times, I will humble myself and seek the Lord's help in gaining a desire to do the callin gnad an ability to do it well.

Fourth, I attend the temple monthly. When I am married, I will attend the temple monthly with my husband. I understand that attending the temple frequently is one of the ways I can keep my relationship with God and Heavenly Father and my future spouse strong, while also receiving the blessings of heaven. I will set aside the third Saturday of each month to go, so I can establish a regular pattern.

The strengths I posses that can help me always live the gospel include diligence, hard work, reliability, organization, responsibility, prioritization, desire to do well, and individualization. The weaknesses that could keep me from accomplish this goal include over committing and procrastinating.

Plans and Strategies: Spouse

I want my spouse to be my most important ally. My life-long goal is to always have a strong relationship with my husband and not let anything get between us. From observing my friends' and familys' marriages, I have discovered that communication is key. It is important to talk things out and understand what the other is thinking. To have these conversations, I will need to spend time with my husband. Each evening after we get home from work and get the kids to bed, I will set a side time to discuss the day, talk about what's going on, and plan for the next day or week.

To keep our relationship strong, we will also go on a date night ever Friday. I will make sure we have a good network of babysitters that are well compensated to love my children and take great care of them. Occasionally, I hope my spouse and I will take time off work and go on a short trip.

My husband and I will share the workload of taking care of our household and raising kids. We will each handle different chores and split the workload so that one of us isn't overwhelmed. We will make our relationship eternal by continuing to live the gospel and encourage each other to be better spiritually.

The strengths that can help me keep a strong relationship with my husband include contributing at home, reliability, responsibility, loyalty and prioritization. The weaknesses that could keep me from accomplishing this goal is over committing, and lack of patience and kindness.

Plans and Strategies: Children

I want to have a good relationship with my kids, and I won't have that unless I invest the time into them. I understand that each child will be different and have different interests. I will pay attention to their interests and spend time with them, helping them develop whatever talents they want to. I want them to be the best they can be at whatever talent(s) they choose to develop. I will go to their school and sport events to show that I support them. On a regular basis, I will take each child on a date/outing one-on-one, so I can talk with them and understand what's going on in their life. Finally, we will take frequent family vacations to strengthen our family bond and enjoy each other's company.

The strengths I possess that can help keep a strong relationship with my kids include contributing at home, teaching correct principles, reliability, responsibility, prioritization and kindness. The weakness that could keep me from accomplishing this goal is over committing and lack of patience.

Constraints:

The things that could keep me from accomplishing my vision and goals are mainly focused around losing the spirit in my home and the motivation to teach my children. If there is not the spirit in the home, then all of the family members will have a hard time loving each other and working together to learn and grow. It is also important to talk out disagreements so everyone can move past them.

Accountability:

I will share this plan with my future spouse and children. Together as a family, I will make sure to keep my family financial plan. I will go over my plan in our family financial meetings, I will pray to God to make sure I am doing what He wants us/me to do.

Digital Only

These 7 Questions Can Save Your Marriage (Even before It Starts)

By Faith Sutherlin Blackhurst

“We’re in love, so we must be compatible!” You may not hear many people say that out loud—but a lot of people think it, if only subconsciously.

When you’re in a relationship that could lead to marriage, it’s easy to assume (or blindly hope!) that your standards and goals will blend flawlessly to create a happy family. But sometimes it’s not that simple. You would benefit from a good Q&A session with yourself, your boyfriend or girlfriend, or a newlywed spouse about what you truly want and the vision you have for your future family.

For the soon-to-be (or recently) married: Answer the questions below with your significant other to discover if you are on the same page and discuss how to become more united in your goals.

If you’re not currently serious enough with anyone to do this together, don’t worry; the questions still apply to you! By developing your own vision now, you will recognize more quickly if your plans align with a future potential spouse.

Consider and discuss the following questions:

1. What is our overall vision for family life and our eternal family? What is most important to each of us?
2. What goals could we set that will help us achieve this vision?
3. Are there any conflicts between the two visions we have for family life? Why do they exist? Are either of us willing to compromise?
4. How will we support each other through our academic, professional, and family life?
5. How will we share and/or divide household labor?
6. What are we willing to sacrifice for our families?
7. How can we play different roles in the family but still maintain an equal partnership?

Your vision doesn't have to match up perfectly with your companion's, but take time to talk through the differences you see. By working toward a shared vision, you can become more united in your relationship.

Discover More

- Use your journal or the study tools on LDS.org or in the Gospel Library app to record your answers.
- Find more insights on how to have a lasting, happy marriage and retain a strong, eternal family by reading the article "Family: The Fountain of Happiness" in the *Ensign*.

Money and Marriage Suggestions

“By small and simple things are great things brought to pass” (Alma 37:7)

Small suggestions for a happily married life
that have made a big difference in our lives

February 1, 2018

Obedience to God’s commandments is an expression of our love for Heavenly Father and Jesus Christ. The Savior said, “If ye love me, keep my commandments.”¹ He later declared: “If ye keep my commandments, ye shall abide in my love; even as I have kept my Father’s commandments, and abide in his love.”²

I believe that the principle is “obedience” with the doctrine of “continuing revelation.” As we obey the commandments, we put ourselves in a position to hear the promptings of the Spirit to guide us in our lives and families. Dallin H. Oaks reminds us “We are taught many small and simple things in the gospel of Jesus Christ. We need to be reminded that in total and over a significant period of time, these seemingly small things bring to pass great things.”³ The Spirit can guide us to bring to pass great things.

My wife Anne and I have put together a list of seemingly little things that we do that have made a big difference in our lives. These ideas were taken from a document we share with each of our future sons- and daughters-in-law. I would encourage you to develop your own suggestions that you can share with your children and their future spouses.

Spiritual

- Remember who you are, a child of the Most High God
- Strive to be like your Savior Jesus Christ
- Attend the temple as often as you can, with a minimum of once a month
- Budget and learn to give now when you are poor and have nothing
- Memorize your Patriarchal Blessing, the “Proclamation on the Family”, “The Living Christ,” and other scriptures that are important to you. Ours include D&C 121:34-46, D&C 11:7, Jacob 2:18-19, Alma 37:32-37 and Alma 7:22-24

Temporal

- Remember “Life is Good.” Be glad for the blessing of living.
- Live within your means
- Be honest in all your doings--hide no assets or liabilities from each other
- Have weekly “Companionship Meeting” each week (at a specified time and day)
 - Discuss your budget, financial situation, and other key concerns with your spouse each week during this Companionship Meeting
 - Learn to save and invest wisely
 - Never go into debt except for education, a modest home, and perhaps a first car
 - Save 20% gross of every dollar you earn after school, with 15% for retirement

Family

- Develop your own family vision, goals and plans together, and then work together to accomplish them
- Develop your vision of what it means to be a success in life. Have it confirmed by the Spirit
- Be equal in all things—both have the responsibility for finances and spirituality.
- In the process of daily living, make sure you make memories each day
- Have Family Home Evening each week
- Have companionship prayer each night
 - On even days of even years the spouse says the prayer
- Have family prayer each night before dinner and morning before breakfast
- Have family scripture study each weekday
- Plan a Family service project each quarter
- Invest in each other
 - Go on a date each week (budget a certain amount each week)
 - Go on a weekend-out date each quarter
 - Go on a week vacation each year (just the two of you)
 - Wives will likely outlive their husbands, so make sure both spouses know about all finances and assets
- Invest in your children
 - PPI's with children each Fast Sunday
 - Time with Parents each Monday (budget a certain amount each week)
 - Teach your children about Personal Finance in the home.
 - Help children build their own Personal Financial Plan

Individual

- Get great and use Quicken, Mint.com or other personal finance software program
 - It will save you lots of time and money in the future
- Leave your father and mother and be one – it's more fun
- Invest in yourself
 - Read your scriptures individually every day
 - Do those things necessary to exercise and stay healthy
 - Continue to build your skills and talents, consistent with your budget
- Be active in your ward and community
- Serve diligently in whatever calling you have – magnify it well
- Learn to always assume the best, be kind, and forgive quickly

*If you live like most people won't for the first ten years after school,
You will live like most people can't for the years after that*

¹ [John 14:15.](#)

² [John 15:10.](#)

³ Dallin H. Oaks, "Small and Simple Things," Ensign, May 2018.

XI. Investment Plan

Haley
Personal Financial Plan
Fin 418, Fall 2019

I. Introduction and Purpose

A. Introduction. This Investment Plan, also called an Investment Policy Statement or IPS, serves as the framework for the Investment Management Team of Haley, as constructed by Haley on November 10, 2019. Haley is currently 23 years old.

B. Purpose. This Plan describes in detail how the assets of the Team are to be managed and invested, consistent with the Team’s *Personal Financial Plan* section *II. Vision, Goals and Plans* and section *XII. Retirement Planning*. This Investment Plan acknowledges the Risk and Return Objectives of the Team; discusses the Constraints and Guidelines they will follow; describes the specific Investment Policy used; and covers the ongoing Evaluation and Modification that will occur.

C. Principles. This is a principles-based Investment Plan, based on understanding the investment Team, including their vision, goals, plans, budget and tolerance for risk; understanding their savings, investment, retirement, education, mission and giving vision and goals; and using principles-based investing to accomplish those goals. Key principles include:

- Understanding and managing risk
- Being diversified at all times
- Investing low-cost and tax efficiently
- Investing long-term
- Knowing what they invest in
- Monitoring portfolio performance
- Not trying to beat the market, and
- Working only with high-quality individuals and institutions.

II. Investment Goals and Objectives

This section details the Plan’s investment vehicles, time frames, and the risk and return objectives.

A. Objectives. The objective of this Investment Plan is to help the Team understand their vision, set goals and plans to accomplish that vision, understand constraints, and share information as necessary with others.

B. Investment vehicles. The Investment Plan proposes the creation and use of multiple sub-accounts to accomplish that vision. These include taxable accounts, including bank, brokerage and mutual fund accounts, including 401k, IRA, Roth IRA, SEP IRA, S-IRA, SIMPLE Plans (if have self-employment income), education accounts, including Education IRAs, college 529 Savings Plans, US Savings bonds; and mission accounts, including mutual fund, bank, brokerage, and custodial accounts. Retirement, mission and education accounts and goals

are discussed in the vision and goals, retirement and family sections of the Team's PFP. The Team follows the "free money," "tax-advantaged money," and "tax efficient and wise investing" framework in selecting investment vehicles.

C. Time-frames. This Plan supposes two distinct time frames from which to view the Team's investment objectives. Stage 1 is between now and the Investment Team's 60th birthday, is expected to last 37 years and is considered the time before retirement. During this stage, the Team's primary objective is for my salary to grow from 52,000 a year to 125,000 a year. For all my investment and savings plans I will lean more towards conservative growth accounts even though I scored in the aggressive growth strategy. Stage 2 is between the Team's 61th and 91st birthday, is expected to last 30 years and is considered the period during retirement. During this stage, the Team's primary objective will be to remain cautious with my spending and savings habits. I will make every effort possible to visit family, and graciously serve and give gifts – not to my own detriment though. From my investments, I plan on having an empire of real estate, so I hope that will provide a nice income, and I also hope to continue growth within my 401(k) plan, Roth IRA, Mutual and Index fund accounts, and any other account I choose to open.

D. Returns. The Team are not full-time investment professionals and after taking the risk tolerance test, the team was found to be a moderate investor with 28 points. Their return objective is to make a return consistent with the return on a diversified portfolio of acceptable asset classes and assets, which consist mainly of the return on portfolios of mutual funds that follow stocks, bonds, and cash, consistent with the asset allocation targets discussed in Section IV.C.1 and IV.C.2.

1. Stage 1. The Team is seeking a 6.5% return, net of fees for Stage 1. This return is consistent with the historical average of the following portfolio, which has a historical return of 9.1% (see Exhibit 1: Expected Return Simulation and Benchmarks (LT27):

A 25% US bond portfolio, as measured by the Barclays Aggregate Bond Index; a 35% US large cap portfolio, as measured by the S&P 500 index; a 25% US small cap portfolio, as measured by the Russell 2000; a 10% international portfolio, as measure by the EAFE Index; and a 5% US REIT portfolio, as measured by the S&P REIT Index.

2. Stage 2. The Team is seeking a 5.5% return, net of fees, for Stage 2. This return is consistent with the historical average of the following portfolio, which has a historical return of 8.3%:

A 60% US bond portfolio, as measured by the Barclays Aggregate Bond Index; a 20% US large cap portfolio, as measured by the S&P 500 index; a 15% US small cap portfolio, as measured by the Russell 2000; and a 5% international portfolio, as measure by the EAFE index.

E. Risk. From a risk perspective, the Investment Team are moderate investors. Consistent with their return objectives, the Team accepts the risk of its weighted benchmarks in both Stage 1 and Stage 2 (See exhibit 1: Teaching Tool 16 – A Risk Tolerance Test score for Haley).

1. Stage 1. The Team is comfortable with the risk of the weighted benchmark during Stage 1, which is:

A 25% US bond portfolio, as measured by the Barclays Aggregate Bond Index; a 35% US large cap portfolio, as measured by the S&P 500 index; a 25% US small cap portfolio, as measured by the Russell 2000; a 10% international portfolio, as measure by the EAFE Index; and a 5% US REIT portfolio, as measured by the S&P REIT Index.

2. Stage 2. The Team is also comfortable with the risk of the weighted benchmark during Stage 2, which is:

A 60% US bond portfolio, as measured by the Barclays Aggregate Bond Index; a 20% US large cap portfolio, as measured by the S&P 500 index; a 15% US small cap portfolio, as measured by the Russell 2000; and a 5% international portfolio, as measure by the EAFE Index.

III. Investment Guidelines and Constraints

Investment guidelines and constraints covers specific items that are unique to this Investment Team and relate to the specific goals and objectives of the Team. These are covered in detail in the “Vision and Goals” section of the PFP.

A. Guidelines. The Team follows a principles-based approach to investing, discussed in I.C. above.

1. Stage 1. During Stage 1, management of accounts during this period will be for capital appreciation and the growth of assets. The majority of the assets invested during this stage should be considered long-term assets, and will likely not be needed for many years. Exceptions to this are the likely purchase of a home in 5 years or when the children leave for college or missions, which is likely to begin in year 2044.

2. Stage 2. During Stage 2, management of accounts during this period will be mainly for income generation and capital preservation with a secondary goal of building assets that will allow the Investment Team to enjoy retirement, go on missions, prepare for increased health costs, pass on to their heirs assets allocated evenly to my children consistent with the Investment Team’s long-term goals and values. Major funding needs during this Stage are likely to be for missions, financial aid for grandkid’s missions and education, funding for travel, costs associated with any unforeseen health issues, and other reasons.

B. Constraints. Key constraints for the Investment Team based on their specific needs are liquidity, time horizon, taxes, and special needs.

1. Liquidity: Liquidity constraints are likely for purchase of a home, education and missions for the children, missions, travel when retired. These goals should be planned for in the Investment account. Constraints will vary depending on the account type. Key liquidity concerns will be for a home purchase in 5 years, mission and education spending in 35+ years. At no point in time with the Team’s Emergency Fund be less than 5-6 months’ income.

2. Time horizon: Time constraints will vary depending on account type. Assets invested in taxable accounts will have a 37-year time horizon, except for the portion used for the purchase of their first home in 5 years. Assets invested in retirement accounts, i.e., 401k, IRA, Roth IRA, and retirement plans will have a minimum of a 37-year time horizon or until retirement. Assets invested in education and mission accounts the 529 Savings Plans will have a minimum time horizon of 25 years considering the Team's oldest child is nonexistent on Earth right now and still in the spirit world and will be going to college at age 18. Assets invested in the Investment account and custodial accounts will have a shorter time horizon, as these will be used to for a purchase of a home and/or possible future education like graduate school.

3. Taxes: Taxes should be taken into account when considering the most attractive assets to purchase. The Team is in the 12% marginal federal tax bracket and in the 5% marginal Utah state tax bracket of filing single in 2019. The Team's average federal and state tax rate on taxable income is 0% in 2019.

4. Unique needs: Constraints are constraints unique to the investment team including 10% of gross income to tithing and additional monthly fast offerings.

IV. Investment Policies, Plans and Strategies

Investment policy covers how the portfolios will be managed, and include acceptable and unacceptable asset classes, investment benchmarks, asset allocation strategy, investment strategy, funding strategy, and new investment strategy.

A. Acceptable investments. Initially, the Investment Team will invest in mutual funds, index funds, and ETFs, which invest in bonds and cash, stocks, and other asset classes. The Investment Team will invest in no-load mutual funds, with an emphasis on funds that have no-loads, low management fees, low turnover, and cost minimization.

1. Acceptable Asset Classes. Acceptable asset classes and assets include the following

a. Bonds and Cash. The portfolios will contain bond mutual funds, bond index funds and bonds including corporate bonds, Treasury bonds, and municipal bonds, particularly as the Team's tax bracket rises. The Team will also likely invest in cash funds as well. Cash will usually mean money market funds, short-term commercial paper, and other short-term debt instruments. Initially, the bonds and bond mutual funds and cash allocation will be considered the Team's Emergency Fund.

b. Stocks. The portfolios will include stock mutual funds, stock index funds, and stocks including US stocks, ADRs, international stocks, and emerging market stocks. These stock funds will be managed in a diversified manner, spread across countries, industries and companies. The team plans on paying low management fees for someone else to take care of and ensure diversification.

c. Other Assets. Portfolios may also include other assets, which would typically mean Real Estate Investment Trusts (REITS), which, in an asset class sense, are not viewed as "stocks" because of their unique nature.

2. *Unacceptable Asset Classes.* The Team will not invest in asset classes or assets where the Team has no discernable specific advantage, i.e. derivatives, collectibles, foreign currencies, options, futures, etc. The only slightly possible, but highly unlikely exception to this case would be the use of the options or futures as a means to increase incremental earnings on assets the Team already owns.

3. *Debt.* The Team will not invest in activities that require debt, i.e., the borrowing of cash or securities, such as buying on margin or short selling, as these add significant risk to the portfolio. Leverage will not be used in the portfolio.

4. *Total Assets.* Not until the portfolio reaches \$1,000,000 will the Team invest in any single company, stock, or individual investment. Until then the Team will invest in broad market mutual funds, or index funds.

B. Investment Benchmarks. The Investment Team’s investment benchmarks are:

1. *Stage 1.* The weighted investment benchmark for Stage 1 is:

A 25% US bond portfolio, as measured by the Barclays Aggregate Bond Index; a 35% US large cap portfolio, as measured by the S&P 500 index; a 25% US small cap portfolio, as measured by the Russell 2000; a 10% international portfolio, as measured by the EAFE Index; and a 5% US REIT portfolio, as measured by the S&P REIT Index.

2. *Stage 2.* The weighted investment benchmark for Stage 2 is:

A 60% US bond portfolio, as measured by the Barclays Aggregate Bond Index; a 20% US large cap portfolio, as measured by the S&P 500 index; a 15% US small cap portfolio, as measured by the Russell 2000; and a 5% international portfolio, as measured by the EAFE Index.

C. Asset Allocation Strategy. Asset allocation is the key determinant of returns. As such, the following are target, minimum, and maximum allocations for each of the asset classes by stage. We include minimum and maximum allocations to limit turnover in the portfolios.

1. *Stage 1.* Until retirement, assets are invested mainly for appreciation. They will be managed for stable growth, with a goal of maximizing after-tax returns. The portfolios will have the following targets:

	Target	Minimum	Maximum	
Equities/	US & Intl:	70%	60%	80%
Bonds and Cash:	25%	15%	35%	
Other (REITs):	5%	0%	5%	

2. *Stage 2.* After retirement, the asset allocation will be as follows:

Investment Plan

	Target	Minimum	Maximum	
Equities/		US & Intl:	40%	30% 6%
Bonds and Cash:	60%	50%	70%	
Other (REITs):	0%	0%	5%	

D. Investment Strategy. The Investment Team are not full-time investment professionals. As such, they have the following investment strategy.

1. Active versus passive. The Team’s investment strategy is a blend of active and passive management. Approximately 50-70% of the Account assets will be managed in a passive strategy, with an emphasis on very low-cost indexing. The remaining 30-50% will be invested in assets that have a proven record of adding value over and above the stated benchmarks. Assets will be invested to minimize current taxes, realize long-term capital gains, and to defer, as much as possible, long-term capital gains until retirement.

2. Individual Assets. While trading in individual assets is not recommended, after the total portfolio exceeds a threshold amount of 1,000,000, the Team may invest in individual assets. Should the Team want to be more active in its trading strategy, this will be done through tax-deferred or retirement, rather than taxable accounts. In this manner, the overall portfolio will not be impacted by taxes resulting from increased turnover.

3. New Investments. Key for the Investment Team is to maintain a diversified portfolio that will aid in the achievement of the Team’s personal vision and goals. These will include:

a. New Investments. The Team will invest not more than 7.5% (preferably closer to about 1%) of the total portfolio amount in any new or individual asset or investment. Index funds, mutual funds and ETFs do not fall under this category unless they have portfolios with less than 50 assets.

b. Investments in Company Stock. The Team will ensure that at no time will the investments in company stock in the Team’s retirement plan (401k) account for more than 5% of the Team’s total retirement assets.

c. Unlisted Investments. If the Team decides to invest in assets not listed on recognized stock exchanges (and the professor recommends against this), this allocation will be limited to 0.5% of the total portfolio amount (0% recommended).

4. Current Investment Strategy. Currently the Investment Team is in Stage 1 of the investment process. The investments and allocations for this Stage are listed in Exhibit 2: Investment Process Worksheet (LT13). These include for each asset, the asset class, benchmarks, and financial asset that will give exposure to the asset class.

The Team has reviewed the specific assets that have been invested in and have ensured they are acceptable by reviewing each assets category, size, diversification, costs, tax efficiency, turnover, un-invested cash, style drift, tracking error, performance, and other factors from the Mutual Fund Selection Worksheet (LT7B). For the team’s international fund it is decided that they wanted a global fund, instead of completely international.

Other Principles of Investing from Class. We know our risk tolerance, we know why we are investing, and we have goals for investing. Our priorities are in order and we are square with the Lord, we have adequate auto, health and life insurance, we are out of high-interest debt, and we have our personal vision and goals written down. Our goal is to have our emergency fund ready before we invest in other assets because then we can take on more risk. WE prefer index funds over mutual funds because the expenses are lower. Mutual funds with very little turnover are fine as well. We will be wise and not super risky. We understand our risk tolerance, know who to invest with, how to monitor performance, and that we should invest long-term with a buy and hold strategy (because we know the more you trade the more you lose). WE will never invest in something we can't afford to lose. WE have a plan and we will be diversified. We understand the give things we can change with investing: We can (1) control the risk that we have by our asset allocation (do our age in bonds in our portfolio), (2) control how much we put into the market, (3) control costs by doing no load funds and funds with low turnover to create fewer taxable events (returns are uncertain, costs are forever), (4) control taxes by what we invest in and how we invest, (5) control how long we keep assets (it is important to stay in the market). We understand the investment pyramid: (1) emergency fund and food storage, (2) large cap equity, (3) diversify equity. We will investigate total market funds because they are already diversified in all areas. We will pay for future kid's missions with appreciated securities.

5. Tax Strategy. The Team will utilize retirement vehicles that diversify taxes, i.e., they will not all be taxed the same time. A rough goal will be to have 25% in tax-deferred vehicles (i.e., traditional 401k, IRA, SEP-IRA, etc.), 25% in taxable assets (i.e., taxable brokerage and bank accounts, etc.), and 50% in tax eliminated accounts (i.e., Roth 401k, Roth IRA, etc.). With these targets, the Team has targeted a Federal tax rate of 12% in retirement.

E. Funding Strategy. Funding of accounts will be consistent with the "priority of money" discussed in the Personal Finance class, namely, first, free money; second, tax advantaged money; and third, tax efficient and wise investing.

The Investment Team will fund the above strategy through monthly direct deposits to their retirement plans and monthly direct deposits to their investment accounts. The Team has a goal to pay the Lord first, 10% plus other offerings, the Team second, 20%, and then to budget and live on the remainder. This account should grow, consistent with a 20% gross allocation of the Team's salary each month.

V. Investment Monitoring, Rebalancing and Accountability

Investment monitoring and evaluation covers how the portfolios will be monitored and evaluated, including portfolio monitoring and reporting, portfolio rebalancing, and portfolio communication.

A. Monitoring. The portfolio will be monitored quarterly, or more often as the need requires.

1. Portfolio monitoring method. The Portfolio will be reviewed weekly in a meeting held with the Investment Team on Sunday at 7:00 p.m. to discuss financial matters including

budgets, cost reduction, other topics, and the portfolio. This is the most critical financial meeting of the Investment Management Team.

B. Rebalancing. The portfolio will be rebalanced on an annual basis. Rebalancing will attempt to minimize transactions costs and turnover through using new money to rebalance portfolios and by using charitable donations of appreciated assets to reallocate assets between asset classes. Cost and tax minimization remain a key area during rebalancing during stages 1 and 2.

1. Portfolio rebalancing method. The portfolio will be rebalanced using periodic-based rebalancing.

C. Accountability. Haley will ensure good communication in several ways: the Investment Team will receive trade confirmations as they happen; a monthly statement from the custodian; and write an annual report. Success will be measured by the achievement of the Goals and Objectives, as stated above.

1. Portfolio accountability method. In addition to the weekly monitoring, the Investment Team will review performance annually to ensure investment performance is consistent with plans. Investments are evaluated on a rolling 12-month basis.

D. Plan Revisions. This Investment Plan may be modified at any time by mutual consent of the Investment Team based on changes in Team's objectives or circumstances. The amount of the monthly deposit to the 401k, retirement, and investment accounts will also be evaluated from time to time, but at no point will fall below the 20% recommended goal.

E. Team Signatures:




Investment Plan

VI. Exhibits

Exhibit 1: Expected Return Simulation and Benchmarks (LT27). This details your process in determining your expected return and risk. You only need to include one sheet, generally of your expected return during Stage 1. You will include your target asset allocation in this sheet. Note that your expected return does not have to be the same as what is on LT27, and will likely be less.

Asset Class 1: US T-bond	
Asset Class:	US T-bond
Period:	50
Weight:	25%

Mean	8.0%
Stdev	11.3%
Suggested Benchmark:	Barclays Aggregate US Aggregate (BofA) US Investment Grade (Citigroup)

Asset Class 3: US Small Cap	
Asset Class:	US Small Cap
Period:	50
Weight:	25%

Mean	11.0%
Stdev	21.2%
Suggested Benchmark:	Russell 2000 S&P 600 Russell Sm. Cap Completeness

Optional	
Asset Class 5: US REIT	
Asset Class:	US REIT
Period:	10
Weight:	5%

Mean	7.4%
Stdev	39.1%
Suggested Benchmarks:	Dow Jones REIT MSCI US REIT S&P REIT

Asset Class 2: US Large Cap	
Asset Class:	US Large Cap
Period:	50
Weight:	35%

Mean	9.7%
Stdev	15.0%
Suggested Benchmark:	S&P 500 Russell 200 Russell 1000

Asset Class 4: International	
Asset Class:	International
Period:	25
Weight:	10%

Mean	6.9%
Stdev	16.0%
Suggested Benchmark:	MSCIEAFE S&P 1500 MSCI World Free Ex-US

Optional	
Asset Class 6: Emerging Markets	
Asset Class:	Emerging Markets
Period:	25
Weight:	

Mean	8.0%
Stdev	22.4%
Suggested Benchmarks:	S&P/IFC Emerging Markets Free MSCI Emerging Markets Free S&P/IFC Emerging Markets Global

Total Portfolio Weight	100%
-------------------------------	-------------

Weighted Return using Historical Data	9.2%
Recommended Expected Return: This return or	7.0%

Caution:
 If your Expected Return is > than 7.5%,
 I recommend you use a Return
 Objective of 7.0% (maximum)
 or less for your Investment Plan.

Investment Plan

Exhibit 2: Investment Process Worksheet (LT13). This details your current asset allocation strategy and which assets you will invest. Include your asset allocation before retirement, and include the names of each of the mutual funds you have chosen (these will be in Exhibit 3).

Exhibit 2. The Investment Process Worksheet (LT 13) Panels I & II: Asset Allocation Targets and Current Holdings										
<p>Directions: Fill in the light green cells with your data. This includes your annual salary (H11), Emergency Fund goal (H14), Portfolio Choice (L11), and your asset classes that you select (D23:D38). Fill in the darker green areas with your proposed/existing holdings in the 1. Target Allocations section (E24:E40) consistent with asset classes, as well as your Fund tickers (D24:D40). Type in your proposed allocation targets in the Taxable and Retirement columns. Finally, add your actual holdings to the green part of Panel 2. Actual Holdings (K52:L68). Panel 3 will be where you should be investing based on your asset allocation targets (K84:L100).</p>										
Annual Salary				52,000	Portfolio Choice:		Next Portfolio Target			
Emergency Fund (3-6 months of annual salary)		3 months	6 months		Initial Target Portfolio \$ Goal		100,000			
Emergency Fund Goal		13,000	26,000		Next Target Portfolio \$ Goal		400,000			
				25,000	Current Portfolio Value		2,500			
Following are your Target Allocations. These should come from your Investment Plan										
Panel I. Asset Allocation Targets				1. Target Allocations From your PFP (Note 1)						
These are from Section IV.C. of your Investment Plan				In Percent			In Dollars			
Phase	Asset Class	Investment Ticker	Benchmark / Fund Name	Taxable			Retirement			Total
I. Emergency	Bonds/Cash	FNSOX	Fidelity Short-Term Bond Index	25%		25%	100,000	-	100,000	-
						0%	-	-	-	-
II. Core:	Large Cap	FZROX	Fidelity ZERO Total Market Index	5%	15%	20%	20,000	60,000	80,000	80,000
				5%	10%	15%	20,000	40,000	60,000	60,000
III. Diversify 1:	Small Cap	SWSSX	Schwab Small Cap Index Fund	10%	15%	25%	40,000	60,000	100,000	-
						0%	-	-	-	-
Diversify 2:	International	MDIIX	MSCI EAFE International Index	5%	5%	10%	20,000	20,000	40,000	-
						0%	-	-	-	-
Diversify 3:	REIT	FSRNK	Fidelity Real Estate Index Fund	5%		5%	20,000	-	20,000	-
						0%	-	-	-	-
IV. Opportunistic (Optional)				0%		0%	-	-	-	-
						0%	-	-	-	-
Total Target Allocations				55%	45%	100%	#####	180,000	400,000	-
Note: The Total box must add up to 100%.										
Following are your Current Holdings. These should come from your brokerage/mutual fund report										

Investment Plan

Following are your Current Holdings. These should come from your brokerage/mutual fund report

Panel II. Current Holdings from your Financial Reports **2. Actual Holdings from your bank/broker Reports (Note 2)**
 These are from your brokerage reports **In Percent** **In Dollars**

Phase	Asset Class	Financial Asset	Taxable Retirement			Total		
			In Percent	In Percent	Total	In Dollars	In Dollars	Total
I. Emergency F	Bonds/Cash	Barclay's Aggregate	0%	0%	0%			-
			0%	0%	0%			-
II. Core:	Large Cap	S&P 500 Index	0%	50%	50%		1,250	1,250
	FBGRX	Fidelity Blue Chip Growth	0%	50%	50%		1,250	1,250
	FPURX	Fidelity Puritan						
III. Diversify 1:	Small Cap	Russell 2000 Index	0%	0%	0%			-
			0%	0%	0%			-
Diversity 2:	International	MSCIEAFE Index	0%	0%	0%			-
			0%	0%	0%			-
Diversity 3:	REIT	S&P REIT Index	0%	0%	0%			-
			0%	0%	0%			-
IV. Opportunistic (Optional)			0%	0%	0%			-
			0%	0%	0%			-
Total Actual Holdings			0%	100%	100%		2,500	2,500

Teaching Tool 13 - The Investment Process

Panel III: Target Less Actual Differences

Panel III. Target Holdings Differences from Plan **3. PFP Targets less Actual (Differences) (Note 3)**
 These are what you still need to buy or (sell) to reach your targets **In Percent** **In Dollars**

Phase	Asset Class	Financial Asset	Taxable Retirement			Total		
			In Percent	In Percent	Total	In Dollars	In Dollars	Total
I. Emergency F	Bonds/Cash	Barclay's Aggregate						
	FNSOX	Fidelity Short-Term Bond Index	25%	0%	25%	100,000	-	100,000
			0%	0%	0%	-	-	-
II. Core:	Large Cap	S&P 500 Index						
	FZROX	Fidelity ZERO Total Market Index	5%	15%	20%	20,000	58,750	78,750
			5%	10%	15%	20,000	38,750	58,750
III. Diversify 1:	Small Cap	Russell 2000 Index						
	SWSSX	Schwab Small Cap Index Fund	10%	15%	25%	40,000	60,000	100,000
			0%	0%	0%	-	-	-
Diversity 2:	International	MSCIEAFE Index						
	MDIIX	MSCIEAFE International Index	5%	5%	10%	20,000	20,000	40,000
			0%	0%	0%	-	-	-
Diversity 3:	REIT	S&P REIT Index						
	FSPNX	Fidelity Real Estate Index Fund	5%	0%	5%	20,000	-	20,000
			0%	0%	0%	-	-	-
IV. Opportunistic (Optional)			0%	0%	0%	-	-	-
			0%	0%	0%	-	-	-
Total Left to Buy (Sell) to Reach Target			55%	45%	100%	#####	177,500	397,500

- Notes:**
1. Target Allocation percentages come from your Investment Plan section III.C.1. and are your allocations for until retirement. Once you multiply these allocations times your Initial Target Portfolio \$ Goal, it will give you your initial goal for your portfolio. If done correctly, your target allocation for your Emergency Fund times your initial target portfolio \$ goal should give your Emergency Fund goal.
 2. These are your actual holdings from your bank statements, brokerage reports, or other software. These are your current holdings you have in your investment or savings accounts. If you have nothing invested yet, these areas should be blank. This program will automatically calculate your current allocation percentages.
 3. This is your Personal Financial Fund targets less your Actual Holdings, or your differences between your goals of what you want and what you have. Notice that this is calculated automatically. These are the amounts you need to buy or sell.

Investment Plan

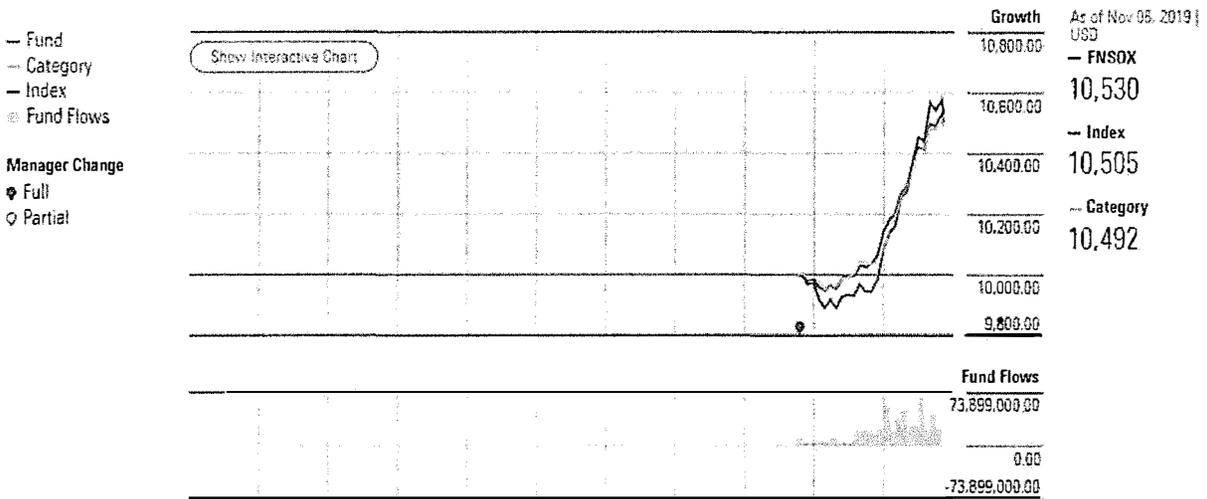
Exhibit 3: Financial Asset Pages (Data or Snapshot Pages from Morningstar (preferred) or from other financial websites such as YahooFinance, GoogleFinance, etc.) This details your financial assets which will give you exposure to your chosen asset classes.

Fidelity® Short-Term Bond Index Fund FNSOX

NAV / 1-Day Return 10.06 / -0.09%	Total Assets 559.8 Mil	Adj. Expense Ratio 0.030%	Expense Ratio 0.030%	Fee Level Low	Load None
Category US Fund Short-Term Bond	Credit Quality / Interest Rate Sensitivity High/Limited	Minimum Initial Investment 0	Status Open	SEC Yield 1.72%	Turnover 83%

USD | NAV as of Nov 08, 2019 | 1-Day Return as of Nov 08, 2019, 3:53 PM MST

Growth of 10,000



Total Return %	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	YTD
Fund	—	—	—	—	—	—	—	—	—	1.13	4.37
+/- Category	—	—	—	—	—	—	—	—	—	0.21	0.19
+/- Index	—	—	—	—	—	—	—	—	—	-0.47	0.82
Quartile Rank	—	—	—	—	—	—	—	—	—	III	III
Percentile Rank	—	—	—	—	—	—	—	—	—	47	39
# of Funds in Cat.	432	432	405	413	458	524	559	522	513	530	572

YTD Fund as of Nov 08, 2019 | Category Short-Term Bond as of Nov 08, 2019 | Index: BbgBarc US Govt/Credit 1-3 Yr TR USD as of Nov 08, 2019 | Italics indicate Extended Performance. Extended performance is an estimate based on the performance of the fund's oldest share class, adjusted for fees.

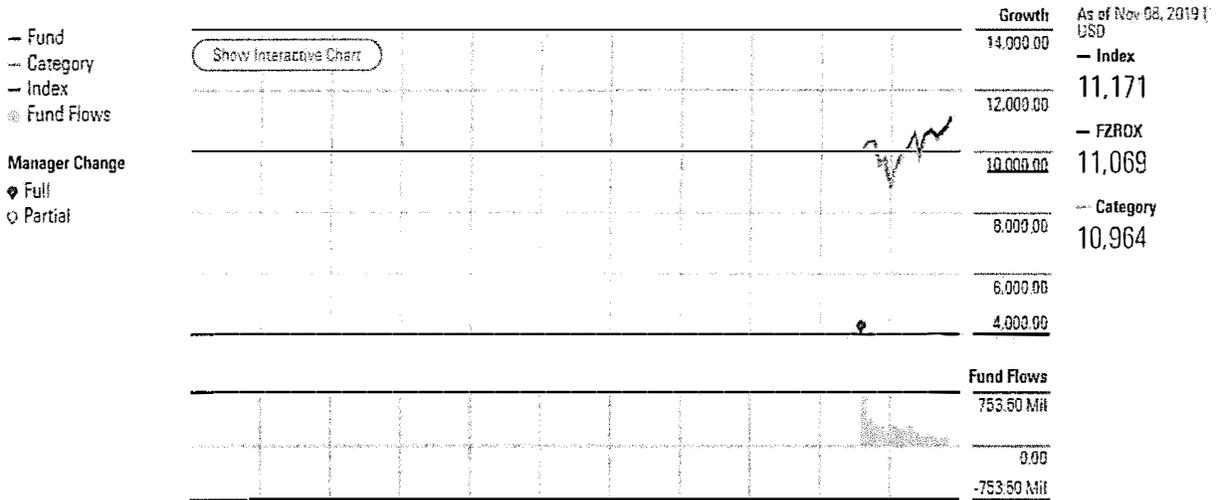
Investment Plan

Fidelity ZERO Total Market Index Fund FZROX

NAV / 1-Day Return 10.93 / 0.27%	Total Assets 4.2 B	Adj. Expense Ratio —	Expense Ratio —	Fee Level Low	Load None
Category US Fund Large Blend	Investment Style Large Blend	Minimum Initial Investment 0	Status Open	TTM Yield 0.51%	Turnover —

USD | NAV as of Nov 08, 2019 | 1-Day Return as of Nov 08, 2019, 3:53 PM MST

Growth of 10,000



Total Return %	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	YTD
Fund	—	—	—	—	—	—	—	—	—	—	25.17
+/- Category	—	—	—	—	—	—	—	—	—	—	1.66
+/- Index	—	—	—	—	—	—	—	—	—	—	-0.28
Quartile Rank	—	—	—	—	—	—	—	—	—	—	III
Percentile Rank	—	—	—	—	—	—	—	—	—	—	37
# of Funds in Cat.	2,027	2,010	1,786	1,686	1,559	1,568	1,606	1,409	1,396	1,402	1,395

YTD Fund as of Nov 08, 2019 | Category: Large Blend as of Nov 08, 2019 | Index: Russell 1000 TR USD as of Nov 08, 2019 | Italics indicate Extended Performance. Extended performance is an estimate based on the performance of the fund's oldest share class, adjusted for fees.

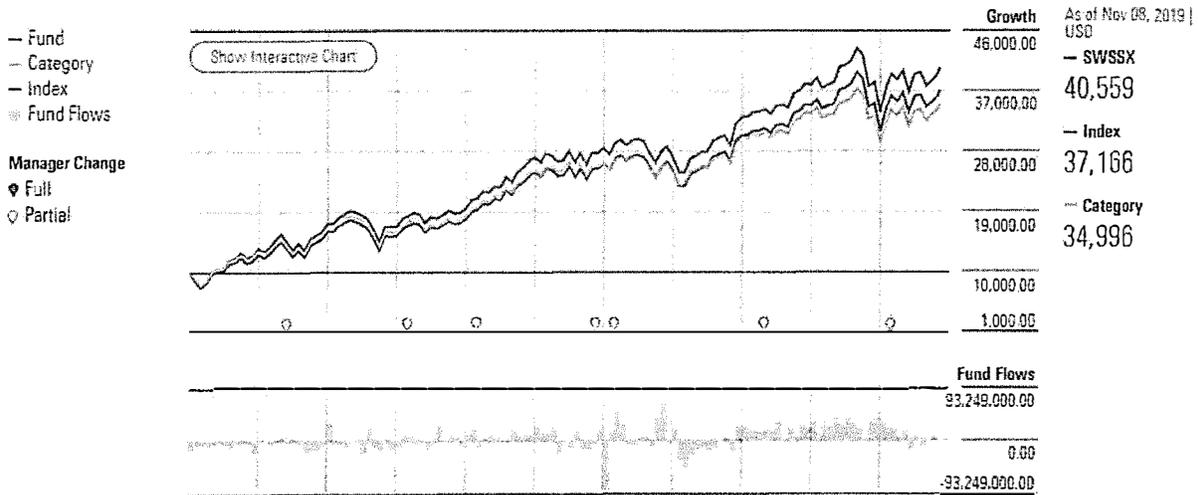
Investment Plan

Schwab Small Cap Index Fund® SWSSX ★★★★★ Bronze

NAV / 1-Day Return 29.53 / 0.31%	Total Assets 4.3 Bil	Adj. Expense Ratio ⓘ 0.040%	Expense Ratio 0.040%	Fee Level Low	Load None
Category US Fund Small Blend	Investment Style  Small Blend	Minimum Initial Investment 0	Status Open	TTM Yield 1.28%	Turnover 17%

USD | NAV as of Nov 08, 2019 | 1-Day Return as of Nov 08, 2019, 5:34 PM MST | Analyst Rating as of Jul 02, 2019, 5:00 AM ⓘ

Growth of 10,000



Total Return %	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	YTD
Fund	35.70	27.34	-2.62	16.45	38.69	4.97	-4.41	21.33	14.68	-10.95	20.04
+/- Category	3.89	1.74	1.44	0.98	1.30	1.17	0.97	0.55	2.40	1.77	0.73
+/- Index	8.52	0.49	1.55	0.10	-0.13	0.07	0.00	0.02	0.14	0.07	0.08
Quartile Rank											
Percentile Rank	28	30	41	34	36	43	46	43	24	34	45
# of Funds in Cat.	649	649	650	662	681	737	760	750	802	769	723

YTD Fund as of Nov 08, 2019 | Category: Small Blend as of Nov 08, 2019 | Index: Russell 2000 TR USD as of Nov 08, 2019

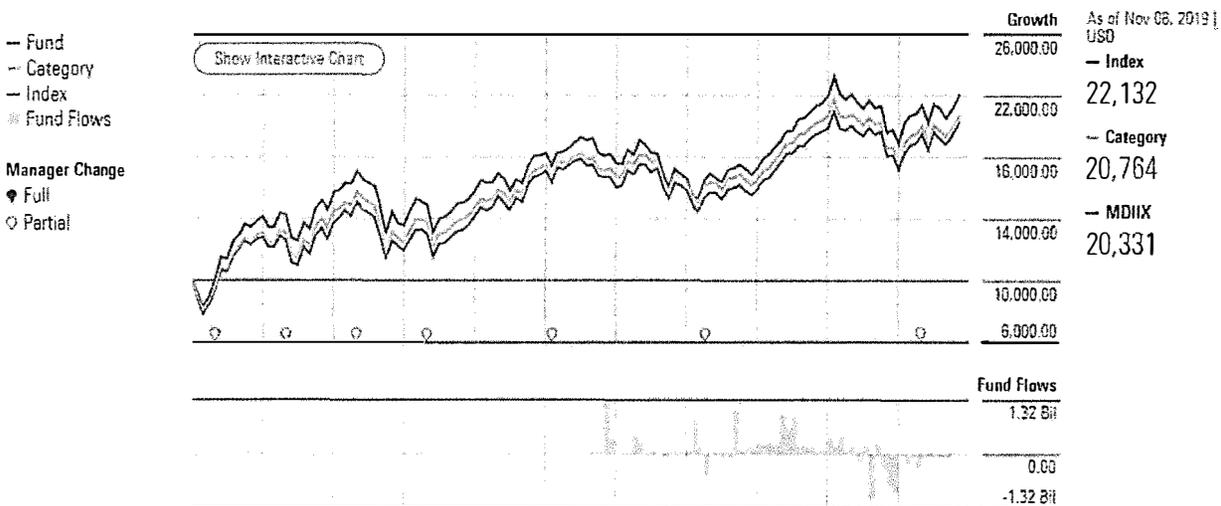
Investment Plan

iShares MSCI EAFE International Index Fund Investor A Shares MDIIX ★★★ Bronze

NAV / 1-Day Return 13.81 / -0.29%	Total Assets \$ 2 Bil	Adj. Expense Ratio  0.360%	Expense Ratio 0.360%	Fee Level Low	Load None
Category US Fund Foreign Large Blend	Investment Style  Large Blend	Minimum Initial Investment 1,000	Status Open	TTM Yield 3.59%	Turnover 43%

USD | NAV as of Nov 11, 2019 | 1-Day Return as of Nov 11, 2019, 2:45 PM MST | Analyst Rating as of Dec 13, 2018, 8:06 AM 

Growth of 10,000



Total Return %	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	YTD
Fund	28.00	7.02	-12.84	18.33	21.20	-6.45	-1.14	0.78	24.84	-13.57	18.14
+/- Category	-3.24	-3.21	1.12	0.04	1.76	-1.46	0.45	-0.01	-0.28	1.02	0.63
+/- Index	-13.45	-4.13	0.87	1.50	5.91	-2.58	4.52	-3.71	-2.35	0.63	0.99
Quartile Rank											
Percentile Rank	65	78	35	47	34	72	50	50	59	30	40
# of Funds in Cat.	823	829	817	786	791	750	788	762	756	741	731

YTD Fund as of Nov 08, 2019 | Category: Foreign Large Blend as of Nov 08, 2019 | Index: MSCI ACWI Ex USA NR USD as of Nov 08, 2019

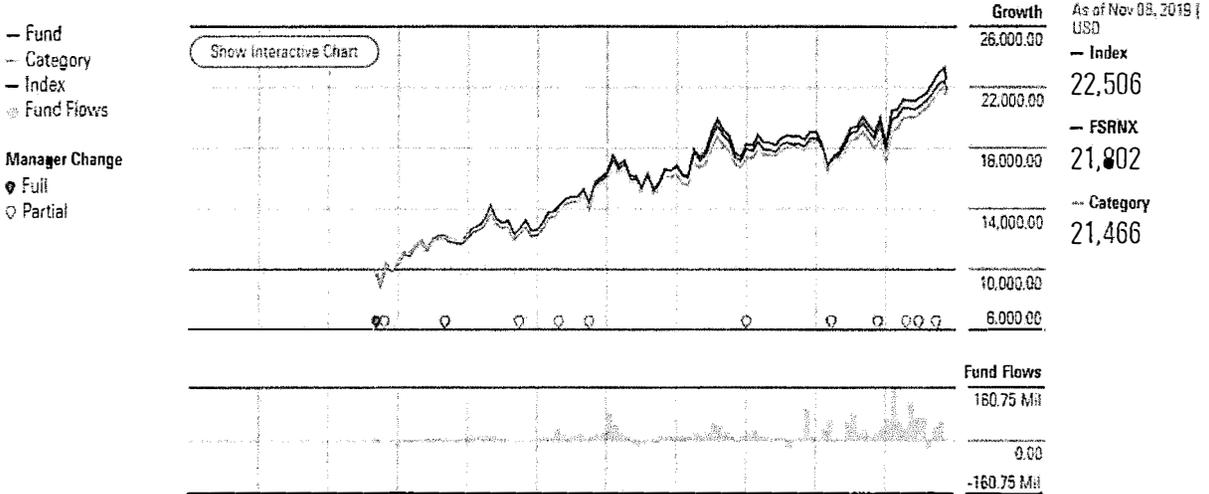
Investment Plan

Fidelity® Real Estate Index Fund FSRNX ★★★

NAV / 1-Day Return 17.06 / -0.41%	Total Assets 2.5 Bil	Adj. Expense Ratio ⓘ 0.070%	Expense Ratio 0.070%	Fee Level Low	Load None
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Category US Fund-Real Estate	Investment Style Mid Blend	Minimum Initial Investment 0	Status Open	TTM Yield 2.95%	Turnover 10%
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USD | NAV as of Nov 06, 2019 | 1-Day Return as of Nov 06, 2019, 4:16 PM MST



Total Return %	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	YTD
Fund	—	—	—	17.11	1.37	31.58	4.39	6.60	3.75	-4.21	22.06
+/- Category	—	—	—	-0.49	-0.19	3.55	1.98	-0.29	-2.48	1.76	-2.63
+/- Index	—	—	—	-0.67	-1.03	1.31	1.85	-1.89	-0.58	-0.42	-0.81
Quartile Rank	—	—	—	III	III	III	III	III	III	III	III
Percentile Rank	—	—	—	40	57	11	15	41	75	28	81
# of Funds in Cat.	262	267	242	263	259	274	282	267	257	251	263

YTD Fund as of Nov 06, 2019 | Category: Real Estate as of Nov 06, 2019 | Index: S&P United States REIT TR USD as of Nov 06, 2019 | Italics indicate Extended Performance. Extended performance is an estimate based on the performance of the fund's oldest share class, adjusted for fees.



Investment Vehicle Summary Sheet 2019
MBA620/Fin418/Fin200 Financial Planning



Purpose Plan Name	Retirement				Education				Other Investing Taxable Account
	Large Business		Small Business		Individual		Individual/Family		
	Traditional 401(k)/403(b)/457	Roth 401(k)/403(b)	SEP	Simple IRA/401(k)	Traditional IRA	Roth IRA	Education IRA	529 Savings	
Investment Vehicle Features	Employee funded with possible company match. Traditional has employees contribute pre-tax dollars which reduce current taxable income. Traditional converts LT capital gains to ordinary income	Employee funded with possible company match. Roth employees contribute after-tax dollars, but all future earnings and dividends are tax-free.	Employer funded, easy to establish and maintain. Minimal IRA filings and paperwork for employer. Converts long-term capital gains into ordinary income for tax purposes	Employer funded, easy to establish and maintain. Minimal IRA filings and paperwork for employer. Mandatory employer contributions. Converts long-term capital gains into ordinary income for tax purposes	Individual contributions are tax deductible if within individual income guidelines. Can be used in conjunction with other retirement plans. Converts long-term capital gains into ordinary income for tax purposes	Individual contributions enjoy tax-free growth and distributions if within individual income guidelines. Non-deductible contributions may be made after age 70.5. Can be used in conjunction with other retirement plans	Individual contributions are after-tax, but earnings enjoy tax-free growth if principle and earnings are used for qualified educational expenses	These are state plans set up to help families save for education. Contributions are after tax, but earnings and principle are tax free if used for qualified educational expenses.	This is a fully taxable account, that should be invested very tax efficiently.
Tax Benefits	Contributions and company match are all tax deferred, and not taxed until money is taken out in retirement.	Contributions are after-tax dollars, but earnings and principle are all tax-free at retirement. Company match is in a traditional vehicle	Contributions are all tax deferred, and not taxed until money is taken out in retirement.	Contributions and company match are all tax deferred, and not taxed until money is taken out in retirement.	Contributions are tax deferred, and not taxed until money is taken out in retirement.	Contributions are after-tax dollars, but earnings and principle are all tax-free at retirement	Contributions are after-tax dollars, but earnings and principle are all tax-free if used for qualified educational expenses	Contributions are after-tax dollars, but earnings and principle are all tax-free if used for qualified educational expenses. Some State 529 Plans give tax credits for contributions	No tax benefits, and earnings and dividends are taxed each year. Appreciated securities may be donated for charitable contributions.
Contribution limits	Employees can contribute up to \$19,000 of annual salary, with a \$6,000 catch up if over age 50	Employees can contribute up to \$19,000 of annual salary, with a \$6,000 catch up if over age 50	Employee can contribute 25% of compensation up to \$56,000 annually.	Employee can contribute \$13,000 with a \$3,000 catch up if over age 50. Employer must match dollar for dollar up to 3% of compensation.	Individual can contribute annually up to \$6,000 or 100% of compensation, whichever is less, with a \$1,000 catch up if over age 50	Individual can contribute annually up to \$6,000 or 100% of compensation, whichever is less, with a \$1,000 catch up if over age 50	Annual contributions up to \$2,000 per year per child	All contributions combined can be up to \$484,000 per child total	No tax benefits and no limits to contributions
Who contributes	Employer and employee	Employer and employee	Employer	Employer and employee	Individual	Individual	Any person, individual, parents, grandparents	Any person, individual, parents, grandparents	Individual or spouse
Vesting	100% for employee contributions, and vesting schedule for employer contributions	100% for employee contributions, and vesting schedule for employer contributions	100% immediate	100% for employee contributions, and vesting schedule for employer contributions	100% immediate	100% immediate	100% immediate	100% immediate	100% immediate
Loan Privileges	Yes	Yes	No	No	Yes	Yes	No	No	No
Distributions	Distributions before age 59.5 subject to a 10% penalty tax, and ordinary income. Required minimum distributions at age 70.5 for traditional plans	Distributions before age 59.5 subject to a 10% penalty tax, and ordinary income. Required minimum distributions at age 70.5 for traditional plans	Distributions before age 59.5 subject to a 10% penalty tax, and ordinary income. Required minimum distributions at age 70.5	Distributions before age 59.5 subject to a 10% penalty tax, and ordinary income. Required minimum distributions at age 70.5	Distributions before age 59.5 subject to a 10% penalty tax, and ordinary income. Required minimum distributions at age 70.5	Distributions before age 59.5 subject to a 10% penalty tax, and ordinary income. No Required minimum distributions	If not used for education expenses, subject to a 10% penalty tax, and withdrawals become ordinary income.	If not used for education expenses, subject to a 10% penalty tax, and withdrawals become ordinary income.	All distributions subject to taxes
Where to Buy:	Set up and managed by your company	Set up and managed by your company	Set up and managed by yourself through banks or mutual fund or brokerage companies	Set up and managed by your company	Set up and managed by yourself through banks or mutual fund or brokerage companies	Set up and managed by yourself through banks or mutual fund or brokerage companies	Set up and managed by yourself through banks or mutual fund or brokerage companies	Set up and managed by a State Plan, and individuals choose specific options for investing	Set up and managed by yourself through mutual fund or brokerage companies

XII. Retirement Plan

Haley
Personal Financial Plan
Fin 418, Fall 2019

Vision

The vision for my retirement is to have enough so that after I retire, I will be able to live comfortably and have the means to serve missions and help others. I enjoy working, and so retirement is not escaping from work, but it is an opportunity to shift focus toward serving, helping others, family history, and spending time with my family. The longevity games indicate that I will live into my 80's (longevity quiz said 91, but I don't believe it. Lol). Life expectancy is getting longer and longer as medicine improves. This means that I need to plan for even more years than I think I will live in the off chance that I live beyond the expectations.

Right now, I am thinking of retirement around 65, but maybe as time goes on retirement age will get pushed back later. My retirement will depend large part on my health. If I can tell my health is deteriorating, then I would retire earlier so I can enjoy life to the fullest before our time is over. If I am healthy, I could potentially work into my 70's and then retire and fulfill my retirement goals.

Retirement for me could be as long as 20 years. I want to retire some place that is warm and inexpensive. I would not mind retiring in Arizona where it is warm and relatively inexpensive to live. As I mentioned above, retirement will be full of service in the church and to others and spending time with our family.

Goals

I can live frugally if I need to. I do, however, want to have a comfortable retirement. To me this means having around \$60,000 a year to live off. This will allow me to cover my expenses while having enough to pay for missions and visiting family. With the assumptions that it will be 40 years until we retire and that I can get a return of 6% while inflation is only 2% with an estimated tax rate in retirement of 17% and with only a small amount of income from social security of \$5,000 a year, I will need to save about \$2,920,833. That's a lot of money, but I believe that if I make it a goal, I can do it.

To prepare for retirement so far, I have started a Roth IRA that has about \$2,500. When I start my job, I will also utilize a Roth 401(k) and contribute 6% to get EY's match of 1.5%. EY has a smaller match on 401(k) because they also offer a defined benefit plan. I hope to stay at EY for at least five years. As time goes on, I will continue to increase the percentages being contributed to my 401(k) until I reach the limits that I can contribute. At that point, I will continue investing in other accounts because I will mostly likely be

beyond the threshold for contributing to IRA's. If I can contribute to IRA's I would do that as well.

As mentioned above, I have already started saving for retirement, but I will get more serious about it in the next few years once I get out of school and start work full-time. Based on the calculation I was describing above, I need to save \$18,798 a year or \$1,467 a month to get to the \$2,920,833. I need to save for retirement. That's a lot of money to save, but I know that I can do it if I am behind the goal. For the detailed information on these numbers, see LT06, which is at the end of this section.

Plans and Strategies.

Accumulation. I plan to make retirement savings as easy as possible. I will automate the deductions from my wage and the withdrawals from my bank accounts so that I will not miss the money. I will continue to increase the percentages and amounts that I am saving for retirement each year as time goes on. I will max out my contribution to my 401(k) before investing in other vehicles. I will invest at least 20% and this number will increase over time.

Retirement. When retirement comes, I will investigate the possibility of doing an annuity with the funds that I have. If that is something I decide to do, then I will work with a financial advisor to make sure that I get good terms. I will wait to take social security until three years after retirement date so that I can get the maximum payouts. Again, I am not planning on getting much social security, so anything that I get would be a bonus.

Distribution. When it is time to begin taking distributions from my retirement accounts, I will utilize a few strategies. I will pay my tithing from my required distributions from my traditional accounts. In this way, the minimum distributions will never even be counted in our AGI. I will also begin rolling traditional accounts to Roth IRA's because I will be at a lower tax level. This will allow me to move my money to an account where I can let it continue to grow and I will not have to pull it out. I will take distributions from my Roth accounts as I am required and as the funds are needed. These accounts will have no tax consequences to me, which will be nice. If I do have social security, because I am keeping my AGI low with these strategies, I am hoping that not much of our social security will be subject to tax.

I have grown up my whole life hearing that social security will run out long before I retire, so it's not even something that I will factor in to my retirement. I will keep tabs on my projected benefit that I would receive; however, I will not factor this amount in at all. If I end up receiving any amount of social security, it will be an added benefit that I am not expecting. Like I said, it will be important to keep track of, however, so I created an account on ssa.gov and downloaded my social security statement. Please see it attached at the end of this section.

Constraints

There are a few main constraints with our retirement plan. The main constraint is not having the discipline to save large amounts on a regular basis. The temptation is to spend everything that I make now and worry about the future later. To combat this urge, I will set up automatic transfers from my wage and from my bank accounts so I won't consciously have to make the decision to save, it will happen automatically.

Another constraint is the temptation to dip into my retirement funds if times start getting tough. We will have to remember the potential penalties and set back that will incur in our retirement savings. I need to put the money in and leave it there. That's why I want to simply have sleep-easy investments in my retirement so that I can put the money in and then forget about it. I don't want risky assets that I will be watching all the time because then it will be more likely that I just pull the money out.

The other main constraint is living a lifestyle that I would not be able to sustain on retirement funds. Not only will a lifestyle like this make it hard to save, but it would also make it difficult to live on a modest retirement. I need to learn now to live a frugal lifestyle and we need to make sure we are out of debt before we retire.

Accountability

I am accountable to make sure that I am saving as much as I can for retirement, with 15% of my income being the minimum. I will one day have a financial planner follow up with me to make sure that I am saving the amount needed to help me accomplish my goal. I can also stay accountable to God. I can pray for guidance and strength as I save for retirement. I know that God will help me accomplish my retirement goals as I stay disciplined and involved in my retirement plan, because I have a righteous desire to serve a mission later in life and I need to have my retirement in place before I do so.

Retirement Plan

Determining Your Retirement Needs Worksheet (LT06.2) - Detailed

More Detailed After Tax Analysis

Personal Finance: Another Perspective

Directions: Fill the green cells with your data. Be careful not to modify the blue cells. Percentages must be must be converted to decimal form. Be careful with before- and after-tax amounts.

Key Data:

Amount Needed and Expected Annually

1. Desired before-tax Amount of Money Needed at Retirement	\$60,000
2. Before-tax Money expected at retirement (SS, DBP, earnings)	\$0

Pre-retirement Information

3. Number of Years till retirement	40
4. Estimated Average Growth Rate of Investments Until Retirement	6.00%
5. Estimated Average Annual Rate of Inflation Until Retirement	2.00%

Retirement Information

6. Number of Years In Retirement	25
7. Estimate Growth Rate of Investments During Retirement	5.00%
8. Estimated Annual Rate of Inflation During Retirement	2.00%
9. Estimated Tax rate in Retirement	17%

Step 1: Estimate Your Annual Needs at Retirement Annually

- A. After-tax present level of your living expenditures in today's dollars
 - B. Percentage of income you want to replace (e.g., 80% in decimal form)
 - C. After-tax base replacement level retirement expenditures in today's dollars
 - D. Anticipated annual change in living expenditures after retirement
 - E. After-tax annual living expenditures at retirement in today's dollars
 - F. Your current tax rate (from above)
 - G. Before-tax income necessary for retirement in today's dollars
 - H. Before-tax income necessary at retirement in future dollars after inflation
- The calculation is $PV = \$78,313$, $N = 40$, $I = 2.00\%$ inflation, Solve for FV

60,000
200%
60,000
5,000
65,000
17.0%
78,313
\$172,313

Step 2: Estimate Income Annually from Social Security and Pensions at Retirement

- A. Projected annual Social Security benefits (in today's dollars)
- B. Projected annual defined-benefit pension (in today's dollars)
- C. Projected total pension benefits in today's dollars for all vehicles
- D. Estimated average growth factor in percent
- E. Estimated number of years until you retire (from above)
- F. Anticipated Social Security and Pension income in future dollars

\$5,000
-
5,000
2.0%
40
\$51,040

Step 3: Estimate your total Retirement Needs After Inflation at Retirement

- A. Target Annual retirement income in future dollars (from line 1.H)
 - B. Combined Social Security and Pensions in future dollars (from line 2.F)
 - C. Target Annual Income Needed from Investments, in future dollars (A+B)
 - D. Number of Years in retirement (from above)
 - E. Expected interest rate in retirement (from above)
 - F. Expected inflation rate in retirement (from above)
 - G. Inflation adjusted return. It is $(1+\text{nom. ret.})/(1+\text{inflation})-1$, or $(1+0.05)/(1+0.02)-1$
 - H. Total inflation adjusted Annuity required to give annual income (beginning of period) (PV)
- The calculation is $PMT = \$172,919$, $N = 25$, $I = 2.94\%$, Type = 1 (begin mode), Solve for Present Value

\$ 172,313
51,040
121,273
25
5.00%
2.00%
2.94%
\$172,919

Retirement Plan

Step 4. Determine how much have you Accumulated so far in Today's and Future Dollars		
A. Current value of taxable investment and savings account assets		2,800
B. Current value of Retirement account assets (401K, IRAs, SEPs, etc.) in today's dollars		52,800
C. Total Value of Taxable and Retirement Accounts		55,600
D. Number of years till retirement	(from above)	40
E. Estimated growth rate in investments until retirement	(from above)	6.00%
F. Estimate annual rate of inflation until retirement	(from above)	3.00%
G. Inflation adjusted return	(1+nominal return)/(1+inflation)-1	3.92%
H. Projected value of current savings at retirement in future dollars		117,637
Step 5. How much will you draw from home equity?		
A. Current value of your home in today's dollars		90
B. Estimated growth in your home's market value (may be different from inflation)		1.00%
C. Number of years to retirement	(from above)	40
D. Estimated value of your home at retirement in future dollars		
E. Mortgage remaining at retirement (should be negative)		
F. Price of new home at retirement (should be negative)		
G. Home's estimated contribution to total investment needed in future dollars		
Step 6. How much more do you need to save?		
A. Preliminary Total Investment needed in future dollars for annual income	(from 3.J)	2,997,833
B. Current savings in future dollars	(from 4.H)	11,839
C. Contribution from home equity in future dollars	(from 5.G)	
D. Total Investment Shortfall in future dollars for annual income		2,985,994
E. Number of years until retirement	(from above)	40
F. Estimated growth rate in investments until retirement	(from above)	6.00%
G. Total Investment Amount needed monthly to reach your monthly goal in today's dollars		\$1,481
The calculation is $FV = \$2,909,194$, $N = 40 * 12$, $I = 6.00\% / 12$, Solve for Payment		
H. Total Investment Amount needed annually to reach your annual goal in today's dollars		\$18,798
The calculation is $FV = \$2,909,194$, $N = 40$, $I = 6.00\%$, Solve for Payment		
Step 7. Start saving now!!!!!!!		
This spreadsheet was adapted from the article in Kiplinger's, dated March 2001, by Marv Beth Franklin.		

Include a copy of your Social Security Statement from ssa.gov.

*I tried to print off a copy of my Social Security Statement. For some reason, I was blocked. I tried multiple ways, multiple times. While I wish I could include the statement, I feel it is okay not to include it since I am not planning to have to rely on social security at all (I am assuming there won't be any).

Social Security Benefits Summary 2019
MBA 620/Fin418/Fin200 Financial Planning

Recipient:	Retirement	Disability	Survivors	Medicare	Medicaid	Notes:
Worker 5 years or less under Full Retirement Age (FRA)	Benefit is determined by PIA and when you take distributions. Worker gets reduced PIA before FRA (see note 1) if worker is fully insured (see note 7)	100% of PIA if worker was fully insured (see Note 7)	N/A	N/A. However, you should apply for Medicare benefits 3 months before your 65 birthday or it may cost you more	Eligibility is categorical, that is, you must be a member of the categories defined by State statute: low income children, pregnant women, parent of Medicaid eligible children disabled, low income seniors	1. Benefit is reduced by 5/9% per month for the first 36 months that the worker is under FRA (6.67% per year or 20% for 3 years) and (when FRA exceeds 65) 5/12% per month over the next 24 months (5% per year)
Worker at or over FRA	Worker gets 100% of PIA at FRA if worker is fully insured (see note 7)	Disability benefits cease, retirement benefits begin. Worker receives 100% of PIA if worker is fully insured (see Note 7)	N/A	You qualify for Medicare when you turn 65, based on employment record or that of your spouse (see Notes 4-6)	If low-income seniors, Medicaid payments may be used to offset the premiums, deductibles, and co-payments incurred with Medicare.	2. Reduced by 25/36% per month for first 36 months spouse is under FRA (8.33% per year or 25% for 3 years) and (when FRA exceed 65) by 5/12% per month over the next 24 months
Spouse, age 60 or 61	No benefit unless caring for children under 16-18 or disabled (see below)	No benefit	100% of PIA if worker was fully insured (see Note 7), but reduced (see note 3)	N/A until age 65	N/A until age 65. For low-income seniors those whose income is up to 133% of the poverty line.	3. Reduced by 19/40% per month widow(er) is under FRA when benefits commence (benefits are 71.5% of deceased PIA at age 60 and 82.9% at age 62). When FRA changes, benefit at 60 will remain 71.5% of PIA and reduction factor will change
Spouse, age 62 to FRA	Spouse gets the higher of their PIA or 50% of worker's PIA if worker is fully insured (see note 7), and amount is reduced for payments before FRA (see note 2)	50% of PIA if worker was fully insured, but reduced depending on when you take distributions (see Note 2)	100% of PIA if worker was fully insured (see Note 7)	N/A until age 65	Eligibility is categorical, that is, you must be a member of the categories defined by State statute.	4. Medicare Part A is compulsory and covers all hospital related expenses, such as bed and board, operating room costs, and lab tests. Patient pays a deductible and coinsurance payment
Spouse at FRA	Spouse gets the higher of their PIA or 50% of worker's PIA at FRA if worker is fully insured (see note 7)	Spouse gets the higher of their PIA or 50% of worker PIA if worker was fully insured (see Note 7)	100% of worker PIA if worker was fully insured (see Note 7)	You qualify for Medicare when you turn 65, based on employment record or that of your spouse (see Notes 4-6)	N/A until age 65. For those whose income is up to 133% of the poverty line.	5. Medicare Part B is voluntary, with a monthly charge. It covers doctors' fees and other outpatient treatment. Patient pays a premium, deductible, and 20% of approved charges
Spouse, any age, caring for a child under age 16 or disabled	Spouse gets the higher of their PIA or 50% of worker's PIA if worker is fully insured (see note 7)	50% of PIA if worker was fully insured (see Note 7)	75% of PIA if worker was fully insured (see Note 7)	Parents of children with disabilities have additional benefits	Eligibility is categorical, that is, you must be a member of the categories defined by State statute. Low-income children receive help for medical services	6. Medicare Part C (Medicare Advantage) provides three program alternatives: coordinated care plans, private fee-for-service Medicare, and health savings accounts (HSAs)
Unmarried child under age 18 (19 in High School) or any age if disabled before age 22	Child gets 50% of worker's PIA, subject to the family maximum	50% of PIA, subject to the family maximum if worker was fully insured (see Note 7)	75% of PIA if worker was fully insured (see Note 7)	Parents of children with disabilities have additional benefits	Eligibility is categorical, that is, you must be a member of the categories defined by State statute. Low-income children receive help for medical services.	7. To be "currently insured", you must have at least 6 quarters of coverage in the previous 13 quarter period. Currently insured is adequate for eligibility for survivor benefits paid to children and for a surviving spouse caring for a qualifying child. Eligibility for other benefits generally requires fully insured status or 40 quarters of coverage

Retirement Plan Comparison 2019
MBA620/Fin418/Fin200 Financial Planning (11/06/19)

Type of Plans:	Government	Defined Benefit		Defined Contribution: Discretionary and Employee				Small Business			Individual	
	Social Security	Defined Benefit	Cash Balance	Profit Sharing	Money Purchase	Roth/Trad. 403(b)	Roth/Trad. 401(k)	SEP	Keogh Profit Sharing/Money Purchase	Simple IRA/401(k)	Traditional IRA	Roth IRA
Plan Features	Plan funded by the government and is planned to cover less than 40% of retirement income. Amount at retirement is based on the highest 35 years of earnings (AIME) and age of when you begin taking distributions.	Plan funded by employer and payout is a "promise." There is no funding by the employee. Payout is a function of the company factor, years of service, and average salary	Plan funded by the employer contributes 4-7% each year which grows at a predetermined rate. There is no contribution by the employee	Plan funded by employer and generally based on firm profitability. Allows employer restricted coverage and control over when the money will be withdrawn	Plan funded by employer where employer funds a percentage of salary each year regardless of firm profitability. Allows employer restricted coverage and control over when the money will be withdrawn	Plan funded by employee with possible company match. Traditional has employees contribute pre-tax dollars which reduce current taxable income, while Roth employees contribute after-tax dollars. Traditional converts LT capital gains to ordinary income	Plan funded by employee with possible company match. Traditional has employees contribute pre-tax dollars which reduce current taxable income, while Roth employees contribute after-tax dollars. Traditional converts LT capital gains to ordinary income	Plan funded by employer which is very easy to establish and maintain. Minimal IRA filings and paperwork for employer. Converts long-term capital gains into ordinary income for tax purposes	Plan funded by employer, easy to establish and maintain. Minimal IRA filings and paperwork for employer. Converts long-term capital gains into ordinary income for tax purposes	Plan funded by employer, easy to establish and maintain. Minimal IRA filings and paperwork for employer. Converts long-term capital gains into ordinary income for tax purposes	Plan funded by individual where contributions are tax deductible if within individual income guidelines. Can be used in conjunction with other retirement plans. Converts long-term capital gains into ordinary income for tax purposes	Plan funded by individual where contributions enjoy tax-free growth and distributions if within individual income guidelines. Non-deductible contributions may be made after age 70.5. Can be used in conjunction with other retirement plans
Contribution limits	No contribution by the employee. Amount at retirement is based on the highest 35 years of earnings and when taking distributions	No contribution by the employee. Employer IRS contribution limits apply	No contribution by the employee. Employer IRS contribution limits apply	Employer may contribute 25% of compensation up to \$56,000. Contributions are discretionary by the employer within IRS limits	Employer may contribute 25% of compensation up to \$56,000. Employer contributions are percentage of annual salary determined in plan documents	Employees can defer up to \$19,000 of annual salary, with a \$6,000 catch up if over age 50	Employees can defer up to \$19,000 of annual salary, with a \$6,000 catch up if over age 50	Employer can contribute 25% of compensation up to \$56,000.	Employer can contribute 25% of compensation up to \$56,000. Employer gives the same percentage to each employee	Employees can contribute \$13,000 with a \$3,000 catch up if over age 50. Employer must match dollar for dollar up to 3% of compensation.	Annual contributions of up to \$6,000 or 100% of compensation, whichever is less. If age 50 or over, can contribute \$1,000 catch up contribution	Annual contributions of up to \$6,000 or 100% of compensation, whichever is less. If age 50 or over, can contribute \$1,000 catch up contribution
Who contributes	Government	Employer	Employer	Employer	Employer	Employer and employee	Employer and employee	Employer	Employer	Employer and employee	Individual	Individual
Vesting	You must have 40 quarters of contributions above a specific level to be fully insured	No vesting unless stay with the company until retirement		Vesting schedules allowed	Vesting schedules allowed	100% for employee contributions, and vesting schedule allowed for employer contributions	100% for employee contributions, and vesting schedule allowed for employer contributions	100% for Employer	100% for employer	100% for both employer and employee	100%	100%
Loan Privileges	No	No	No	No	No	Yes	Yes	No	No if solo	No	Yes	Yes
Distributions	Distributions increase by 8% for every year beyond full retirement age, and are reduced for years before full retirement age.	No distributions until retirement	No distributions until retirement	Distributions before age 59.5 subject to a 10% penalty tax, and ordinary income. Required min. distributions at age 70.5	Distributions before age 59.5 subject to a 10% penalty tax, and ordinary income. Required min. distributions at age 70.5	Distributions before age 59.5 subject to a 10% penalty tax, and ordinary income. Required min. distributions at age 70.5 for traditional plans	Distributions before age 59.5 subject to a 10% penalty tax, and ordinary income. Required min. distributions at age 70.5 for traditional plans	Distributions before age 59.5 subject to a 10% penalty tax, and ordinary income. Required min. distributions at age 70.5	Distributions before age 59.5 subject to a 10% penalty tax, and ordinary income. Required min. distributions at age 70.5	Distributions before age 59.5 subject to a 10% penalty tax, and ordinary income. Required min. distributions at age 70.5	Distributions before age 59.5 subject to a 10% penalty tax, and ordinary income. Required min. distributions at age 70.5	Distributions before age 59.5 subject to a 10% penalty tax, and ordinary income. No Required min. distributions for Roth plans

XIII. Advance Planning

Haley

Personal Financial Plan

Fin 418, Fall 2019

Vision

I have a vision of passing out of this life without a worry and concern. I will spend the time planning now so my family and I do not have to worry later. The longevity games suggest that I will live into my late 80's or early 90's (91 to be exact). I discussed my retirement goals in the retirement section. If I live that long, there might not be much left to pass on to my future children, but you never know. That's why I will have wills and an estate plan in place to make things easier. My vision is that medical decisions made on my behalf will be easier as well as there won't be fighting between any family members.

Goals

My goals include leaving any assets remaining after I pass to my children, the church and BYU. I have a goal of paying as little estate tax as possible. Finally, if I have the assets, I might provide a scholarship fund to future descendants to help accomplish my goals and vision even after I die.

Plans and Strategies

I like planning ahead, and this is one area where I think advance planning is very important. I want to make things easy on my family members and I don't want to leave them wondering what my intentions were. In this way, I have plans and strategies for my wills, advanced medical directives and my estates.

Wills

I have a holographic will. I do not have a lot of assets right now, but I want to make sure that there is a clear and organized way distributing my assets when I do pass one day hopefully a longways away. Once I graduate and move up to Salt Lake, I will meet with a lawyer and have a more generic will created. I want to make the will generic enough so that I don't have to go in and get it updated as I get married, start a family and my assets increase. I plan to leave everything to my parents or sister, Jessica, until I one day get married and have my own family. When I have my own family, I plan to leave everything to my kids, the church and BYU. Please see the end of this section for my holographic will.

Advance Medical Directives

Advance Plan

I do not have an Advance Medical Directive. I have filled out LT 14, Advanced Medical Directives, which is attached at the bottom of this section. When I am more established after I have graduated, started working for EY and married, I will have an official advance medical directive. Additionally, as time goes on, I will update this document if any changes are necessary.

Estate Taxes

I don't ever foresee myself having to worry about the estate tax, but you never know! If it starts to look like I might go over the estate limit of \$11.4 million for single limits in 2019, then I will see a capable estate attorney to start planning out strategies so I can avoid paying as much estate tax as possible. Currently, my current estate is less than the roughly \$11.4 million single limits for 2019 (\$22.8 million MFJ). I will continue to monitor gifts to ensure the gifts are not over the annual limits.

Constraints

The main constraint to my advance plan is not keeping these items up to date. I have laid the foundation now by completing this plan, but time changes things, and I will want to update these documents as time goes on. Many people put off this kind of planning because it is depressing or it is a daunting task, but I know that it is important, so I will not put it off.

Accountability

I will be accountable to myself that I have my advance plan in place. I don't want to leave a mess for my family to clean up. I want my family members to be able to celebrate my life in peace and not have to worry about what's going to happen to all our stuff once the funeral ends. I will work with my financial advisor on all these things as well. My financial advisor can hold me accountable to make sure I have everything arranged properly as well. I will also be accountable to my future family, to make sure they (spouse and kids) understand the importance of us having an advance plan in place to make life easier for them. Finally, I will be accountable to the Lord and I will involve Him in the decisions that I make.

11/20/2019

I, Haley on, being over 18 years of age, of sound mind and not acting under duress, declare this is my last will and testament, revoking all prior wills and codicils. I am single with no children. I intend to dispose of all my property at the time of my death through this will.

Utah Advance Health Care Directive

Instructions
and
Forms

UTAH
COMMISSION
ON AGING

Utah Advance Health Care Directive

Pursuant to Utah Code Sections 75-2a-100 et seq.

- Part I:** *Allows you to name another person to make health care decisions for you when you cannot make decisions or speak for yourself.*
- Part II:** *Allows you to record your wishes about health care in writing.*
- Part III:** *Tells you how to revoke or change this directive.*
- Part IV:** *Makes your directive legal.*

My Personal Information

Name: _____

Address: _____

Address: _____

Telephone: (_____) _____ Cell Phone: (_____) _____

Birth Date: _____

Part I: My Agent (*Health Care Power of Attorney*)

A: No Agent

If you do not want to name an agent, initial the box, below, then go to Part II; do not name an agent in B. or C. below. You are not required to name an agent, and no one can force you to name an agent.

I do not want to choose an agent.

B: My Agent

Agent's Name: _____

Street Address: _____

City, State, Zip: _____

Home Phone: (____) _____ Cell Phone: (____) _____ Work Phone: (____) _____

C: My Alternate Agent

This person will serve as your agent if your agent is unable or unwilling to serve

Agent's Name: _____

Street Address: _____

City, State, Zip: _____

Home Phone: (____) _____ Cell Phone: (____) _____ Work Phone: (____) _____

Part I: My Agent (continued)

D: Agent's Authority

If I cannot make decisions or speak for myself, my agent has the power to make any health care decision I could have made, such as, but not limited to:

- Consent to, refuse, or withdraw any health care. This may include care to prolong my life, such as food and fluids by tube, antibiotics, CPR (cardiopulmonary resuscitation), and dialysis, and mental health care, such as convulsive therapy and psychoactive medications. This authority is subject to any limits in paragraph F of this section and in Part II of this directive.
- Hire and fire health care providers.
- Ask questions and get answers from health care providers.
- Consent to admission or transfer to a health care provider or facility, including a mental health facility, subject to the limits in paragraphs E or F of this section.
- Get copies of my medical records.
- Ask for consultations or second opinions.

My agent cannot force health care against my will, even if a physician has found that I lack health care decision making capacity.

E: Other Authority

My agent has the powers below ONLY IF I initial above "YES" next to the statement. I authorize my agent to:

Get copies of my medical records at any time, even when I can speak for myself.
YES NO

Admit me to a licensed health care facility, such as a hospital, nursing home, assisted living, or other facility for long-term placement other than convalescent or recuperative care.
YES NO

F: Limits/Expansion of Authority

I wish to limit or expand the powers of my health care agent:

G: Nomination of Guardian

Even though appointing an agent should help you to avoid a guardianship, a guardianship may still be necessary. Initial above "YES" if you want the court to appoint your agent to serve as your guardian, if a guardianship is ever necessary.

I, being of sound mind and not acting under duress, fraud, or other undue influence, do hereby nominate my agent, or, if my agent is unable or unwilling to serve, I nominate my alternate agent to serve as my guardian in the event that, after the date of this instrument, I become incapacitated.
YES NO

H: Consent to Participate in Medical Research

I authorize my agent to consent to my participation in medical research or clinical trials, even if I will not benefit from the results.
YES NO

Box I: Organ Donation

If I have not otherwise agreed to organ donation, my agent may consent to the donation of my organs for the purpose of organ transplantation.
YES NO

Part II: My Health Care Wishes (*Living Will*)

I want my health care providers to follow the instructions I give them when I am being treated, even if my instructions conflict with these or other advance directives. My health care providers should always provide health care to keep me as comfortable and functional as possible.

Choose only one of the following options by placing your initials before the numbered statement. **Do not initial more than one option.** If you do not wish to document end-of-life wishes, initial Option 4. You may draw a line through the options that you are not choosing.

Option 1	
<div style="border-bottom: 1px solid black; width: 100%;"></div> Initial	<p>I choose to let my agent decide. I have chosen my agent carefully. I have talked with my agent about my health care wishes. I trust my agent to make the health care decisions for me that I would make under the circumstances.</p> <p>Other: _____</p> <p>_____</p>

Option 2	
<div style="border-bottom: 1px solid black; width: 100%;"></div> Initial	<p>I choose to prolong life. Regardless of my condition or prognosis, I want my health care team to try to prolong my life as long as possible within the limits of generally accepted health care standards.</p> <p>Other: _____</p> <p>_____</p>

Option 3	
<div style="border-bottom: 1px solid black; width: 100%;"></div> Initial	<p>I choose not to receive care for the purpose of prolonging life, including food and fluids by tube, antibiotics, CPR, or dialysis being used to prolong my life. I always want comfort care and routine medical care that will keep me as comfortable and functional as possible, even if that care may prolong my life.</p>
<p><i>If you choose this option, you must also choose either (a) or (b), below.</i></p>	
<div style="border-bottom: 1px solid black; width: 100%;"></div> Initial	<p>(a) I put no limit on the ability of my health care provider or agent to withdraw life-sustaining care. <i>Go to next page. Do not choose options below.</i></p>
<div style="border-bottom: 1px solid black; width: 100%;"></div> Initial	<p>(b) My health care provider should decline to provide life-sustaining care if at least one of the initialed conditions is met: <i>You must initial at least one of the options below. You may choose more than one condition.</i></p>
Option 3 Part (b)	<div style="border-bottom: 1px solid black; width: 100%;"></div> I have a progressive illness that will cause death
	<div style="border-bottom: 1px solid black; width: 100%;"></div> I am close to death and I am unlikely to recover
	<div style="border-bottom: 1px solid black; width: 100%;"></div> I cannot communicate and it is unlikely that my condition will improve
	<div style="border-bottom: 1px solid black; width: 100%;"></div> I do not recognize my friends or family and it is unlikely that my condition will improve
	<div style="border-bottom: 1px solid black; width: 100%;"></div> I am in a persistent vegetative state
Other: _____ _____	

Option 4	
<div style="border-bottom: 1px solid black; width: 100%;"></div> Initial	<p>I do not wish to express preferences about health care wishes in this directive.</p> <p>Other: _____</p> <p>_____</p>

Additional instructions about your health care wishes:

Part III: Revoking or Changing a Directive

I may revoke or change this directive by:

1. Writing "void" across the form, burning, tearing, or otherwise destroying or defacing this document or directing another person to do the same on my behalf;
2. Signing a written revocation of the directive, or directing another person to sign a revocation on my behalf;
3. Stating that I wish to revoke in the presence of a witness age 18 years of age or older, who will not be appointed agent in a substitute directive and who will not become a default surrogate if the directive is revoked, and who signs and dates a written document confirming my statement; or
4. Drafting a new directive. *(If you sign a new directive, the most recent directive applies.)*

Part IV: Making the Document Legal

I sign this directive voluntarily. I understand the choices I have made, and declare that I am emotionally and mentally competent to make this directive. My signature on this form revokes any living will or power of attorney form naming a health care agent that I have completed in the past.

Date

Signature

City, County, and State of Residence

I have witnessed the signing of this directive, I am 18 years of age or older, and:

1. I am not related to the declarant by blood or marriage;
2. I am not entitled to any portion of the declarant's estate according to the laws of intestate succession of this state or under any will or codicil of the declarant;
3. I am not the beneficiary of a life insurance policy, trust, qualified plan, property or accounts held in POD, TOD, or co-ownership registration with the right of survivorship;
4. I am not financially responsible for the declarant's support or medical care;
5. I am not a health care provider who is providing care to the declarant or an administrator at a health care facility in which the declarant is receiving care; and
6. I am not the appointed agent or alternate agent.

Signature of Witness

Printed Name of Witness

Street Address

City

State

Zip

If the witness is signing to confirm a spoken directive, describe below the circumstances under which the directive was made.

Giving Plan

XIV. Giving Plan

Haley

Personal Financial Plan

Fin 418, Fall 2019

Vision

The vision I have for giving can be described by the following line from a hymn, "Because I have been given much I too must give." I have been very blessed by the Lord financially, and I know that it is because he is enabling me to continue to build His kingdom. My vision is to always pay my tithing and to give a generous fast offering. I will give back to BYU and other church programs to make a difference for those who need it. I will focus most of my giving efforts on the church and related organizations. Even though life is busy, my vision is to always be willing to give freely of my time and energy.

Goals

I have a goal of serving a mission after I retire. In this way, I will be giving my time to the Lord and to building the kingdom. I also have a goal of paying tithing my entire life. I already pay tithing first thing right after I get paid and I pay \$10 in fast offerings each month. As time goes on and I make more money, the amounts that I pay will increase substantially.

I also want to be involved in my community and in my future kids' schools. I will donate and contribute where needed to make a difference in those locations. I will keep an eye out for families around me who are in need and I will do my best to help them. It is my goal to rely on the whisperings of the Spirit so that I know who is in the most need of my help.

Every year growing up at Christmas time my family would leave a Christmas jar full of change and cash on someone's doorstep in the community who was in financial distress on Christmas eve. I have a goal to continue this tradition in my own family. This one activity helps bring the spirit of joy and Christmas every year and is always a highlight.

Plans and StrategiesCurrent Situation

Currently, I give a little more than I am able. I really enjoy giving my friends gifts or money to celebrate birthdays, marriages, and special occasions. I really enjoy helping when asked for church, even if it is over budget. I also make sure to give, at least, \$10 for fast offerings each month. I would not say that I have a specific method to use in giving, I just do it as frequently as possible. As I get in the habit now, I will be able to stay in the habit when I have more income flowing in.

Giving Plan

I also give my time regarding church callings. I go to church every week. I make time to go to the temple twice a month- iniatories and endowment. I hold a calling within my ward- I am in charge of monthly relief society activities. I take time every month to make invitations, get supplies, plan a fun activity and host an event. In addition, I try to actively minister to three sisters in my ward by making time to support each one in their activities or social events.

I always make sure to pray every morning and night, and I find ways to serve others throughout my day. I try to call home at least weekly to stay in touch with my parents and sisters.

Action Plan

I always like to be an outsider looking in. I often look at the apartment I live in, the car I am able to drive, the food in my pantry, and the clothes in my closet and just feel so overwhelmed with gratitude for everything I have been blessed with. I strive to thank our Heavenly Father everyday for everything we have, and I strive to take really good care of my possessions (i.e. weekly deep clean, putting away items after taking them out, etc.).

I strive to give back to others by serving whenever I can. If I ever hear of a friend that needs to talk or a ride someplace, I do my best to help. If I hear of a family/friend in need, I try to go and purchase something that will help them out just a bit.

I truly believe in the art of giving. Giving freely is one of the best things my Mom has taught me and one of the ways I feel the love of the Savior. I hope I can teach my children mainly by example, like my Mom did for me. I will always invite my children to come and help me serve whenever they can. I will also use Family Home Evening as teaching moments to help my children see how important serving is to God, the person they are helping and ultimately themselves. I will also teach my children to do little activities related to serving their own siblings.

Constraints

The main constraint to my service plan is not living in a manner that will allow me to serve and give freely in life. This could be a problem with spending, getting obsessed with my earthly careers and not wanting to leave them, or feeling selfish and not wanting to give. To avoid this, I will stay focused on the purpose of life. Another constraint could be health. As mentioned, I want to go on missions and serve in the church, but I won't be able to do that if I get sick or pass away. I will monitor my health as I get closer to retirement and if I am getting sicklier, I will retire earlier to make sure I accomplish my other goals.

Accountability

The Lord will be involved in this plan. He has given me so much and the least I can do is give back to Him by paying tithing, a generous fast offering, and paying towards other

church programs. I also want to donate my time in serving a mission. I will rely on Him to help me feel when the time is right to do that. I know that the righteous goals I have, the Lord also has for me. I know I can work together with Him to accomplish my giving goals. I will be accountable to myself as well.

XV. Education, Mission, Home and Auto/Toy Plans

Haley

Personal Financial Plan

Fin 418, Fall 2019

1. Education Plans

Current Situation

Vision

My vision is to help my children with their education, while also requiring them to work hard to earn it. I don't want to hinder my children by making their educational path easy for them, but I do want to help. In this way, I plan to pay the equivalent of BYU's tuition payment for each year, plus books and maybe some living expenses for a semester. I plan to slowly have my children start to pay for their own living expenses as they progress each year in college. By helping in this way, I am trying to provide the incentive for my kids to get scholarship sand also push them to attend BYU (the money will go further this way). As I mentioned, I also want to help them get their education, but don't want to hinder them by making life too easy for them. I want them to work, but I will reward them if they do work.

Goals

To achieve this vision, I will need to start saving now. I will need to save around \$25,000 per child consider how tuition will rise over the next 25-30 years. Assuming a 5% return on the money that I invest for these education payments, I will need to pay \$900 a year starting when they are born and for 18 years until they start college. This will in turn provide each child with \$6,250 per year for four years. In this way, it also encourages them to finish college in four years and not waste time. As I mentioned, the purpose of these funds is to help my kids get an education because I believe getting an education is one of the most important things. I also want to encourage them to work hard by paying the rest of their education expenses. The help will just be for while they are in college. If they decide not to go to college, it could go towards a trade school, but they can't have the money if they aren't going to school.

Action Plan

Plans and Strategies

In order to save the \$900 a year for each child, I will start 529 plans. The 529 money will not be taxed on the federal level. The 529 is the vehicle that I will use to save, and I will use a diversified mixture of assets in line with our investment plan to within the 529. I

will need to save \$75 per month per child. I will have this amount automatically pulled out.

Constraints

As I mentioned, the child has to go to college or a trade school to get the money. If the child decides not to do this, the money will continue to sit in the plan until they decide to go to college or their kids will get to split the money equally if they decide to go to college. In order for my kids to get the second, third, and fourth payment of \$6,250 I will need to see a report of their grades at the end of each year. If the kid goes below a 3.00 GPA then they will not get any more money from me.

Accountability

As my children start middle school and high school, I will tell them of this opportunity for them, so they will be motivated to do well in high school and get scholarships to help pay for the rest of their college expenses. I will go through all the rules with them from the beginning, so that way they will understand, and it will not be a surprise. I will share this plan with the Lord, my future spouse and a potential future financial advisor. I will also seek inspiration from God to make sure I am doing what I should be.

2. Mission Plans

Current Situation

Vision

My vision is to pay for my kids' missions. My parents paid for my mission and I feel like it is the least I can do for my kids to help support them in their decision to serve the Lord. I am doing this because I want my kids to have a good experience and not be deterred from going because of monetary reasons. My parents always told me if I didn't work in high school, they would pay for my mission. The reason being my parents wanted me to develop my talents and get good grades in high school (they knew we were hard workers) instead of working for \$7.25 an hour to save for a mission.

Goals

Currently the total cost of the monthly payments of a mission equals \$9,000 to \$24,000 (\$500/month) depending on whether the missionary is a sister or elder. This does not include all the items that have to be purchased in preparation for going on a mission like clothes, supplies, medical work that needs to be done, etc. I will also pay for all of these expenses. In this way, I am there for them all through the preparation process helping with everything, so they don't feel like they are on their own. Assuming that the cost of a mission increases to around \$15,000, I will need to save \$15,000 for the mission plus another \$2,500 for clothes and supplies.

Action Plan

Plans and Strategies

I will save this money in normal investment accounts because I cannot use a retirement account or a 529 to save for this. I will invest in assets according to my investment plan, so that the investment portfolio is diversified. In order to have the \$16,000 saved by the time my future kids are 18, starting when they are born, at a rate of 5%, I would need to save around \$325 a year or around \$27 a month for each child. I will have this amount automatically withdrawn from my account each month.

Constraints

This money is just for our children and if they decide not to go on a mission, it will be split evenly between that child's children for which ever of them decide to go on a mission. The only thing that my kids would have to do to get this assistance is decide to go on a mission, live worthy to go, and actually go into the mission field. If the child comes home from their mission early, they won't get any of the remaining money that I was willing to pay on their mission. The remaining money will again go towards that child's children to pay for their mission if they decide to go. The child will still be eligible to get help paying for college if they don't go on a mission or decide to come home early.

Accountability

I will teach my kids from the beginning that the plan is to go on a mission and that I will help pay for all of it if they work hard in high school to have good grades and develop their talents. That will always be the expectation and understanding growing up. This will help them understand that they will need to still work hard, but there is more to life than working and to always enjoy the little things. I will share this plan with my future spouse, my future children and I will seek guidance from God to make sure I am going about it in the right way.

3. Housing Plan

Current Situation

Vision

I am planning on buying and moving into my first home within 3-5 years (depending on the market and my savings) after I start working in the Fall of 2020. My vision is to get something that is big enough for my needs, but also within the price range that I can afford. I would like a three-to-four-bedroom house around \$300,000. I do not want to pay Property Mortgage Insurance on my house, so I will have a down payment of 20% saved to avoid this. I really want a place of my own so that my future kids can grow up with stability and an environment that they feel comfortable in. If I am not married and/or do

not have kids when I buy this home, it will be a place I can rent out the individual rooms to some friends as a part rental property. I always want the Spirit to be there, and I want friends and family to feel good when they come to visit. I will take out a 30-year mortgage on the loan, but I would like to pay it off in 20 or sooner. I would like to pay more than required on my mortgage every month, but I also understand that I should be saving for retirement instead of throwing all my money at my mortgage.

Goals

In order to achieve my vision, I need around \$65,000 saved to pay for 20% down on a \$300,000 home and to pay all of the costs and fees with closing. I want to make sure I won't run out of money during the process. I obviously have not saved anything for this yet, but the plan is that after I graduate, buy a modest, reliable car, and have a 6-month emergency fund, I will start seriously saving for a down payment on a house. Half of all my bonuses will go towards my down payment. While I am saving for a down payment, I will still do my company match, but the rest of my 20% in savings will probably go towards a down payment until I buy the house. I will save all of my down payment funds by investing in CD's or by using other cash management strategies, because I don't want to risk any of the money as buying a house is a relatively short time frame goal. I will reassess how I save these funds as my savings starts getting bigger and the time gets closer. I foresee myself spending around \$2,000 a month on a mortgage payment and the utilities for the type of house I would be looking at.

Action Plan

Plans and Strategies

I have several plans and strategies for purchasing, maintaining, and owning a home. I will list them here. I always plan to live in a modest home and this will ease the mortgage payments that will hang over my head for a good portion of my life. I will do a 30-year mortgage, but I want to pay the mortgage off in 20 years or less. I will avoid spending more than 25 to 40% of my take home pay on housing. Take home pay to me meaning after taxes and tithing. I am willing to pay more for a nice house that is in a safe and secure home in a good neighborhood with quality schools, but I don't want the house to keep me from reaching my other goals.

As I mentioned, I will pay down the house faster, but I won't put all my savings into the house. Instead, I will save for retirement and I will hopefully get a deduction for the interest. I plan on staying in my home for a long period of time, so I will go with a fixed rate; however, if I will be there a shorter amount of time, I will investigate other loan types. I might even consider purchasing points if I know I am going to be in the house long-term. I understand that if I do points, if I don't live in the house that long then my effective rate is a lot higher. I want to get estimates from three different mortgage brokers to make sure I am getting the best deal. When working with the banks, I will make sure I am getting pre-approved, not pre-qualified.

When purchasing my home, I will understand my limits, and I will make sure that the house fits my budget, and I will need to take into account lifestyle change. I will not buy the house in haste. I will put an offer contingent on the home inspection. Then, if I find something in the home inspection that I don't like, then I can pull the offer. I will make sure I know what the HOA fees are, what the CCRs are, and what the utility cost over the last month are.

I will negotiate to get the best deal. My Dad is really good at this. I will go back to my favorite lender and say, "Can you drop this fee or drop the rate by 1/8 or 1/4 of a percent? I will go with you if you do." I will make sure I don't feel like I have to go with the mortgage broker, and I will make sure I am not paying the mortgage broker too much. Make sure you get loan estimates, not a summary sheet.

To take care of my home, I will have it professionally cleaned a few times a year. I will have the home dedicated when I move in to invite the Spirit there. I want people to be excited to visit and my friends and my future kids' friends excited to come over. I will raise a righteous family in my home. I will make sure I save for and spend 1-2% of the value of the home on repairs and upkeep. I want to get my kids involved in taking care of the house. An example of this is the children will work for 2 hours each week on home repair and maintenance and doing all of our own yardwork. This will be a great opportunity for them to learn how to work and learn how to take care of something.

Constraints

If the market gets a lot more expensive and mortgage rates keep increasing, I will not be able to afford a home, and I will have to stay renting a room or modest apartment instead. Because economic conditions are out of my hands, all I can do is keep saving as much as I can and watch the market to see what happens. I also don't want to buy a home if there is a risk that the market is about to collapse.

Accountability

I will share this plan with my future spouse. I will also share this plan with God to make sure that I am doing what he would have me do. I will also work with a real estate agent to make sure that I can stay within the amount that I can pay.

4. Auto/Toy Plan

Current Situation

Vision

My vision for autos and toys is to only have what I need. I will have a vehicle, and as I have kids and they get older, they will need one too. I hope that I can keep it to just one kid vehicle though and never have more than three vehicles at one time. I also want to have as few toys as possible. I don't think I would use toys as often as I would like or

have time for, so I will just rent them when I do decide to do a family trip or outing involving a certain type of toy. In this way, I won't tie up a lot of my money buying toys that I don't use very often. For my vehicles, I have a vision of taking good care of them so that I don't have to pay for costly repairs or have to replace them very often. As I mentioned, I need a job to get to work at different client sites in the valley. The vehicle will get me to my job and help me accomplish all the other household duties I have. I have decided I will not use any debt to finance vehicles (besides *maybe* a first car) or toys.

Goals

Right now, I drive the family "kid" car at BYU, a 2011 Black Nissan Altima aka the black beauty to be exact). I will drive this car through December 2020 when Jess gets home from her mission. Next December I will buy my own car and be on my own insurance. I hope to buy a modest, gently used vehicle that is safe and reliable. I hope to have that car last me 10 years. I will take my car in about every few months to get the oil changed and nay other work that comes up. Sometimes expensive maintenance will come up, but I would rather pay this than deal with problems down the road. I don't plan on buying another vehicle until the car is 10 years old, obtains 200,000 miles or I need more room (like a bigger vehicle). When I do buy a new car, it will most likely be a newer used vehicle. I would hope to pay less than \$30,000 for an SUV and less than \$20,000 for a mid-size 4-door sedan. I will save for a new vehicle a few years before it is time to purchase the it. I will hopefully have a few more raises before that time, and I will put any bonuses towards paying for it. I would like to keep any vehicles until they don't work any longer.

Action Plan

Plans and Strategies

I have many plans and strategies for vehicles and toys. I will include them here. I won't let self-image, signals, or statements become more important than my personal vision and goals. I will remember that a vehicle is really just a tool to get me from point A to point B. I will make sure I understand all the costs of making the vehicle last. I will do whatever I can, however, to minimize all costs for purchase, fuel, repair, taxes, insurance, depreciation, and resale.

Regarding purchasing a car, I understand the difference between MSRP and invoice price (price the dealer paid for the car). We will make sure that we ask what the out the door price is which includes taxes, tags, licenses, fees. To get the best deal I can, I will send an email to four different dealerships and ask what is your best deal out the door? Then I will take in the best offer email to my favorite dealership and ask if they can beat it. I will make sure not to say the price I am willing to pay. I will buy when dealerships are flipping car inventory (end of the month, end of the quarter, end of the year is the best time to buy). Cash is a good negotiator and I will pay cash for vehicles.

As mentioned before, my vision for toys is just to rent them when I want to use them. If I factor together the cost of buying, maintaining and upkeep of toys and the amount of use that I will get out of them, it makes better financial sense to rent the toys when I/my family would like to use them. If I ever do change my mind down the road, I will insist on paying cash for all toys. Toys will be last on the priority list and must fit within the budget as not to cause financial constrain.

Constraints

As stated, I might have to buy another car sooner if I have a get in a car accident or my car majorly breaks down sooner than expected. Constraints to actually buying a vehicle include only paying cash for it. I will need to plan in advance for when I will buy one so that I can save for it.

Accountability

I will be accountable to myself about this plan. I will also go over it with the Lord to make sure I am making the right choices. I will give my future kids one of my older vehicles to use when it comes time to drive. When the time comes for them to drive, I will give loving guidance and make sure they agree to that loving guidance.

Education and Mission Savings Plans Comparison Chart 2019

MBA620/Fin418/Fin200 Financial Planning (12/7/19)

	Education or Mission: No Tax Benefits		Education Saving: With Tax Benefits			
	Taxable Account	Custodial Account (UGMA/UTMA)	Series EE/I	Education IRA	529 Prepaid Tuition	529 Savings Plan
Highlights:	Can be opened by anyone	Can be opened by anyone for a child, although NOT RECOMMENDED as assets become the child's generally at age 18.	Can be considered a cash management, savings, and educational vehicles by contributor.	An investment account available to contributors who earn less than \$110K (for single filers) and \$220K (for joint filers)	Contributions today are guaranteed to cover tuition costs in the future.	A state-sponsored investment account for the benefit of anyone -- your child, your cousin, your neighbor, yourself
Offered by:	Brokerages, mutual fund companies, banks	Brokerages, mutual fund companies, banks	US Government	Brokerages, mutual fund companies, banks	States (usually with help from a financial services companies)	States (usually with help from a financial services companies)
Contribution limits:	None	None	\$10,000 per year for EE and I bonds and \$5,000 more if use tax refund	\$2,000 per student per year	Depends on plan -- Up to \$485,000 max per student	Depends on plan -- Up to \$485,000 max per student
Income limits:	None	None	Income limits apply if earnings are above limits in the year cashed MFJ \$119.55-149.55k	Contribution limits phase out if income exceeds MFJ \$190-220k	No income limits	No income limits
Returns:	Depends on what type of investments the account uses to invested. We recommend wisely investing in low-cost and tax-efficient mutual/index funds.	Depends on what type of investments the account uses to invested. We recommend wisely investing in low-cost and tax-efficient mutual/index funds.	EE bonds are 0.1% and I bonds are 2.83% for the 6 month period ending April 2019.	Depends on what type of investments the account uses to invested. We recommend wisely investing in low-cost and tax-efficient mutual/index funds.	These are invested by the College and guarantee tuition is fully paid upon the child's admittance.	Depends on the choice of assets and the allocation of those assets. Most state Plans give you options on how the funds are invested; however, you cannot invest outside given options.
Tax-deductibility:	None. However, wisely investing assets in low-cost and tax-efficient mutual/index funds can reduce taxes substantially	None. However, wisely investing assets in low-cost and tax-efficient mutual/index funds can reduce taxes substantially	Contributions are already taxed, so earnings and capital gains are state tax-free. However, if principle and interest are used for eligible education expenses, then both federal and state tax free.	Contributions are already taxed. If earnings and principle are used for eligible education expenses, then earnings are both federal and state tax-free.	Contributions are after-tax. Some states give a tax deduction for contributions to a certain limit. If principle and interest is used for qualified expenses, then earnings are both state and federal tax free.	Contributions are after-tax. Some states give a tax deduction for contributions to a certain limit. If principle and interest is used for qualified expenses, then earnings are both state and federal tax free.
Effect on financial aid:	Considered to be an asset of the parent, which means the assets will be considered in the financial aid calculation	Considered to be an asset of the student, which means a large portion of the assets will be considered in the financial aid calculation	Assets are considered to be property of the account owner, which unless the owner is also the beneficiary means only a small portion of the assets will be considered in the financial aid calculation	Considered to be an asset of the student, which means a large portion of the assets will be considered in the financial aid calculation	Considered to be the student's resource and thus reduces financial aid dollar-for-dollar	Assets are considered to be property of the account owner, which unless the owner is also the beneficiary means only a small portion of the assets will be considered in the financial aid calculation
Investment flexibility:	Assets can be invested in stocks, bonds, mutual funds, and cash equivalents available from the financial institution. Investments can be bought and sold as often as desired.	Assets can be invested in stocks, bonds, mutual funds, and cash equivalents available from the financial institution. Investments can be bought and sold as often as desired.	Bonds must be held at least 5 years for full interest. An interest penalty of 3 months will be assessed on all bonds cashed before 5 years.	Assets can be invested in stocks, bonds, mutual funds, and cash equivalents. Investments can be bought and sold as often as desired within the financial institution.	Plan administrators invest all assets.	Assets are professionally managed. Depending on the plan, participants can choose from two to almost 30 mutual fund-type investments. Investment choice may be changed once every 12 months.
Qualified expenses:	None	None	Tuition, fees, supplies and special needs. Room and board are not qualified expenses. Qualified expenses are reduced by scholarships and other aid.	Tuition, room, board, fees, supplies, and special needs related to the attendance of a qualified elementary, secondary, or post-secondary institution	Tuition at a college within the plan (some plans will also cover room and board)	Tuition, fees, room, and board at qualified higher-education institutions
Ability to transfer account:	Very flexible	Very flexible	None	Account may be transferred to other brokerage or mutual fund, or to a 529 plan, subject to fees and penalties.	Depends on plan	May transfer to another 529 plan once every 12 months
Interaction with Hope and Lifetime Learning Credits:	None	None	None	Credits can be claimed in the same year as tax-free withdrawal provided that the distribution is not used for the same expenses for which a credit is claimed.	Credits can be claimed in the same year as tax-free withdrawal provided that the distribution is not used for the same expenses for which a credit is claimed.	Credits can be claimed in the same year as tax-free withdrawal provided that the distribution is not used for the same expenses for which a credit is claimed.
Control of the account:	Contributor has full control of the assets	In most states, account assets become property of the student at age 18 so NOT RECOMMENDED.	In most states, control of account will always remain with contributor.	In most states, account assets become property of the student at age 18.	In most states, control of account will always remain with contributor.	In most states, control of account will always remain with contributor.
Must use funds by:	No age limit	No age limit	No age limit	Age 30	Varies by plan	Varies by plan
Assignability to other relatives:	Can be assigned to others	Cannot be assigned to others	Cannot be assigned to others	Immediate family, including cousins, step-relatives, and in-laws	Immediate family, including cousins, step-relatives, and in-laws	Immediate family, including cousins, step-relatives, and in-laws
Penalty for non-qualified withdrawals:	None	None	Selling before 5 years results in a 3 month interest penalty	Earnings are taxed as ordinary income to contributor, plus a 10% penalty	Earnings are taxed as ordinary income to account owner, plus a 10% penalty	Earnings are taxed as ordinary income to account owner, plus a 10% penalty
Contribution deadline:	None	None	None	Tax-filing deadline for the year of the contribution	Depends on the plan	Depends on the plan
Sources of Information:	Schwab.com, vanguard.com or other mutual fund company	Schwab.com, vanguard.com or other mutual fund company	Treasurydirect.gov	www.irs.gov	my529.org	my529.org

XIV. Individual Experience

Renter's Insurance

Haley

Fin 418, Fall 2019

I. What did you want to accomplish?

This past semester I have had the opportunity to learn about the option and importance of renter's insurance. From class I learned that renter's insurance repairs or replaces my rental property's contents from specific perils or accidents including fire, theft, storms, water damage, etc. Renters insurance also provides liability insurance against accidents caused by me or a member of my family. Since I am responsible for my contents and the liability risk that I bring, I thought I would look into getting renters insurance.

II. What was the result of that experience?

I was able to look into three different insurance companies online to get quotes. First was Geico for about \$13.50 a month. Second was Allstate for \$19 a month. Third was State Farm for \$10.42 a month. I've attached screenshots at the bottom of the document of each quote from the insurance company.

If I were to move forward, I would go with State Farm. The company charged the least amount per month, but ironically had the most coverage and the same deductible as the other two.

In the end, I decided to not get renter's insurance. I weighed the cost of paying renter's insurance including the deductible amount and coverage with how much my belongings are worth and what my possessions mean to me. I decided at this time, it is better to proceed without renter's insurance. I am grateful I learned about the process of getting renter's insurance. In the future, I believe getting renter's insurance may be a very worthwhile option for me.

III. What worked well and what didn't?

It was hard to get started, but once I did, I realized how easy it was. The process was basically painless, and I am glad I know how to find/get renters insurance (or in the future homeowner's insurance) when I feel the time is right for me.

IV. What would you change?

It was all pretty easy. I wouldn't change much. I guess I would discuss the decision more with my parents. I would also call a local insurance agent for each company and ask about any student discounts or discounts that come with or I can get by adding renter's insurance.

V. What were your 2-3 most important things you learned?

Following were my three key things I learned:

-
1. Always check with multiple companies (at least 3) to get quotes and compare coverage.
 2. Renter's insurance is very important and needed, but you should also assess your current situation.
 3. Make sure to look at what your renter's insurance fee every month covers. Each company is different with different benefits and coverage. Some better than others.

VI. Attachments

GEICO | PORTFOLIO

Save on Renters Insurance with the GEICO Insurance Agency

Did you know you could start a renters policy with a down payment of only **\$26.68**? It's true! And your 10 remaining payments will be right around \$18.34.

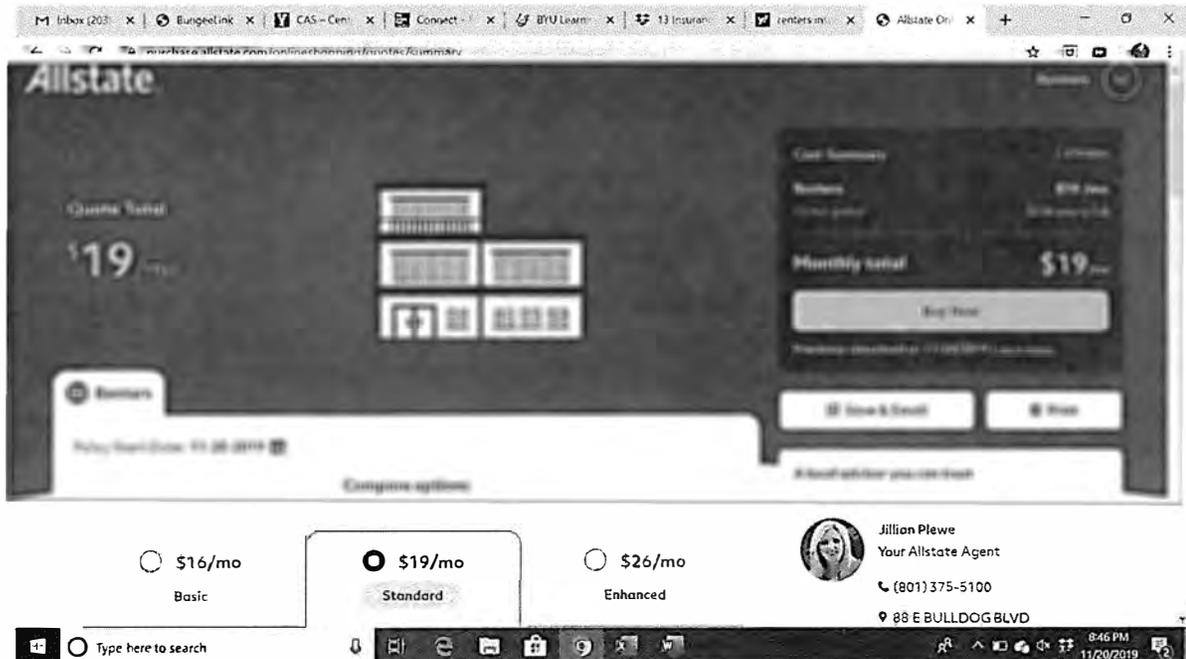
Or take advantage of our one-time payment option and pay just **\$160.00** for a 12 month policy.

[GET STARTED NOW](#)

Retrieve your saved quote [online](#) or, if you prefer, call **1-800-568-1518** and reference number: **R401679998**

Sincerely,

Your GEICO Agency Team



Allstate

Quote Total: **\$19**/mo

Monthly total: **\$19**/mo

Buy Now

Policy Term Expires: 03-28-2019

Compare options

\$16/mo
Basic

\$19/mo
Standard

\$26/mo
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Get Protected

Purchase today and you'll be covered for most of what life throws at you - with low premiums and minimal out-of-pocket expenses.

Contents	Personal Liability	Deductible
\$20,000	\$100,000	\$500

\$10.42 /mo OR
\$125.00 annually

get this policy for
\$9.58 /mo



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Coverage Details



Personal Belongings Coverage
 You've already given us an idea of what your personal property is worth. Since this is the amount of coverage you selected, you'll want to make sure it's right. You can also adjust the deductible to a level that works for you.

Contents Amount Estimate value
[More Info](#)

Total Applied Discounts
\$12.00 annually
 Based on the following:
 Claims Free
 Fire/Smoke Alarm
 Fire Extinguisher
 Deadbolt Locks

XIV. Individual Experience

Paying Fast Offerings

Haley

Fin 418, Fall 2019

I. What did you want to accomplish?

At the beginning of the semester I decided I wanted to start paying my own fast offerings every month. Typically, once my sisters and I have gone to college, my parents still just paid fast offerings for us every month. My parents didn't want us to feel pressure to pay fast offerings when in college because they were slowly trying to get us to be financially independent. Plus, in their words, we were poor college students. I can't find the direct quote in Professor Sudweek's powerpoint slides, but in one of the first days of class he said, "If you can't give when you are poor, what makes you think you'll be able to give when you are rich?" I decided then that I better learn how to budget for fast offerings and develop the habit now.

II. What was the result of that experience?

Every first Sunday of the month I have written in my planner to pay fast offerings. I would not say there has been any huge miracle or great happening because I started paying fast offerings besides the feeling of self-fulfillment when you do something you say you will do.

I had an opportunity to put "things" in a correct perspective. Neal A. Maxwell said, "The submission of one's will is really the only uniquely personal thing we have to place on God's altar. The many other things we 'give,' brothers and sisters, are actually the things He has already given or loaned to us. However, when you and I finally submit ourselves, by letting our individual wills be swallowed up in God's will, then we are really giving something to Him! It is the only possession which is truly ours to give!" I am grateful for the opportunity to use my agency to follow the Lord's commandment to pay tithes and offerings.

Clayton Christensen in the article, "How Will You Measure Your Life" said, "I have a pretty clear idea of how my ideas have generated enormous revenue for companies that have used my research... But as I've confronted this disease, it's been interesting to see how unimportant that impact is to me now. I've concluded that the metric by which God will assess my life isn't dollars but the individual people whose lives I've touched. I think that's the way it will work for us all. Don't worry about the level of individual prominence you have achieved; worry about the individuals you have helped become better people. This is my final recommendation: Think about the metric by which your life will be judged and make a resolution to live every day so that in the end, your life will be judged a success." One of the great things about the gospel is that I get to make the critical decisions that determine whether my life will be judged a success or not. By making the decision to pay fast offerings, I believe I will touch more individual people's lives so in the end, I will be able to judge my life a success.

III. What worked well and what didn't?

It was all pretty easy. I just must set a reminder to pay fast offerings the first Sunday of every month. The hardest part was getting started.

IV. What would you change?

If I would have changed anything, it would have been to pay my own fast offerings sooner. Not only was I missing out on more personal blessings, but I realized I was on a slippery slope that I didn't know I was even on. At first, I was reluctant to pay the extra money every month instead of seeing my bank account savings go up. It hit me how much harder it would be to initially see that money go every month if I had just started working full-time and was trying to pay off a car, save for a down payment on a house, or get on my feet with saving money for retirement.

V. What were your 2-3 most important things you learned?

Following were my three key things I learned:

1. I need to remember to be diligent in "seeking the Kingdom of God first," serving the one and the only true master, and "laying up treasures in Heaven." Keep my priorities straight.
2. I can pay fast offerings, a full tithe, save 20%, and still have money for groceries and fun. You can afford what you want to in life!
3. Don't take short cuts. There are not shortcuts to financial security. The little things make a big difference.

XIV. Individual Experience
Opening a CD and Investing \$1000
Haley
Fin 418, Fall 2019

I. What did you want to accomplish?

I wanted to put money into a CD as part of a personal cash management goal to get a better return on my savings. I only put a \$1000 into the CD for 6 months at 1.01% interest. I wanted to just try out a CD and see how the experience is before I commit more money for a longer period. I realize that at other banks there are higher than 1% returns for just a savings account, but if I were to switch banks my parents would flip shiz. I realize I can make my own decisions, but you gotta pick your battles, ya know?

II. What was the result of that experience?

I went online to the delta community credit union and opened up the CD online. It only required about 5 pieces of information and 15 minutes, and it was relatively easy to do. I had the choice between a 6 mo., 1 yr., 2 yr., 3 yr., and 5 yr. CD. The CD will pay a fixed rate of interest for a fixed period.

The main point in me doing this as a personal experience was to just try out a cash management strategy, so I can start to see what I feel is the best option to manage cash in the future. I like CDs because they are FDIC insured and can be fairly liquid, as is in my case. There is a penalty for early withdrawal, but I don't plan on needing any of this money within the next 6 months.

I'm glad I had this experience, because I am learning to allocate my time better so I can reach my future financial goals. In the book, *The Millionaire Next Door*, it says, "People who become wealthy allocate their time...in ways consistent with enhancing their net worth. They allocate nearly twice the number of hours per week to planning their financial investments as those who do not become wealthy do."

III. What worked well and what didn't?

It was all pretty easy. You just needed to have the money and time to set it up. The hardest thing was just to get started.

IV. What would you change?

It was all pretty easy. I wouldn't change much. Well, I guess I should probably put my savings with a bank that earns more interest and then also use CDs as an investment strategy with that bank.

V. What were your 2-3 most important things you learned?

Following were my three key things I learned:

1. Unless I am spending 1-2 hours a week on my financial planning and reporting

(i.e. budget, investing, retirement process, etc.), it may be difficult to reach my financial goals. Make the decision now to spend the time!

2. Cash management strategies are pretty dang easy! Of course, there is more to learn, but the basics are pretty dang simple.
3. “A penny saved is a penny earned”

XVI. Service Teaching

Meeting with Jackie Miller

Haley

Fin 418, Fall 2019

I. Who

I talked one of my best friends Jackie Miller, from high school, about budgeting. She is always looking for ways to save and be frugal. We both used to always wonder about the best way to budget and save money. I thought that sharing with her about budgeting would be a great way to reinforce what I learned in class and do a service teaching experience.

II. Results

I went over to her house on a Saturday afternoon, and I was able to talk to her about the basics of budgeting. She was really intrigued, and we spent the majority of our time on saving 20% and what I use to track my income and expenses (excel).

She said she is careful with her money but does not use program to track her expenses (besides the usual bank statement). I suggested quicken, mint or excel. I was able to show her my excel spreadsheet that I use to track my expenses. We also discussed the importance of continually improving our qualifications and credentials to increase our income potential.

As a result of the teaching experience, I was able to help her set up her own excel spreadsheet to track her expenses. In addition, we are going to follow-up next month to go over how tracking her revenues and expenses for one-month have gone.

III. What Worked Well

I prepared a PowerPoint presentation (edited presentation from Professor Sudweek's class) for the meeting, and it was useful as a tool to share quotes and main ideas. I emailed her the slides after the meeting so that she can refer to them in the future. However, the slides made it more difficult to be flexible in our conversation topics, and occasionally she asked me questions that appeared later in the slide show, so I had to jump around a little bit.

IV. What I Would Change

If I were to change anything for next time, I would try to not be so focused on covering all the information on my slides and focus more on her questions as they come up during our

conversation. With that said, I know that she really appreciated the time we spent together, and she is planning on coming back in a few weeks with more questions.

It was a great experience to be able to share the principles I have learned in this class and see them benefit another person. The PowerPoint Slides I created follow this page.

V. Lessons Learned

The key lesson learned is that I enjoy doing this, and it is not that hard. I am surprised that I know so much more than I thought I did.

This stuff is not rocket-science, but is simple, 9th grade math. The principles are not difficult to comprehend and the principles make a huge difference in the long-run on individual's financial success.

VI. Attachments

Measuring Your Financial Health and Saving, Income and Expense Planning

Personal Finance: Another Perspective

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Personal Finance: Another Perspective

Saving, Income and Expense
Planning:
Giving Every Dollar a Name

Updated 2019-09-10

1

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Your Personal Financial Plan

2

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A. Family Record Keeping

- In planning budgeting and measuring your financial health, record keeping is critical
 - Here are some insights that may help
 - What records should be keep forever and update as needed?
 - What records do you keep as long as in force or you are the owner?
 - What financial records should you save for at least 7 years?
 - Where should you store your records?



3

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Family Record Keeping (continued)

- 1. What records should be keep forever and update as needed?
 - Advance directives (living wills)
 - Family and personal journals
 - Family and personal photos, videos, audio recordings
 - Household inventory (via video)
 - Life histories (Family Search)
 - Password list
 - Powers of attorney
 - Safe deposit box inventory
 - Social security statement (current year)
 - Vaccination records and Wills



4

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Family Record Keeping (continued)

- 2. What records do you keep as long as in force or you are the owner?
 - Contracts
 - Home purchase and improvement records
 - Life insurance policies
 - Loan documents
 - Real estate deeds
 - Receipts for items under warranty
 - Receipts for large purchases
 - Service contracts and warranties
 - Stock and bond certificates
 - Vehicle titles



5

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Family Record Keeping (continued)

- 3. What financial records should you save for at least 7 years?
 - Anything that could be used in an I.R.S. audit
 - Tax deductible receipts (e.g., end-of-year contribution receipt given to you by ward clerk)
 - Donation receipts from Deseret Industries
 - Access to bank statements
 - Access to credit card statements
 - Medical receipts
 - W-2 forms
 - Other documents for deductions

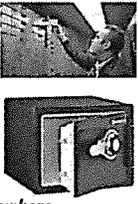


6

Measuring Your Financial Health and Saving, Income and Expense Planning Personal Finance: Another Perspective

Family Record Keeping (continued)

- 4. Where should you store your records?
 - Safe deposit box
 - Fireproof storage safe
 - Digital copies (with back up)
 - **Secure** online storage
 - Cloud
 - Multiple hard copies to relatives (copies of the estate).
 - *If it is not replaceable have a copy somewhere else!*



7

B. Understand the Principles of Successful Saving, Income and Expense Planning and Methods

- Why saving, income and expense planning, and not just budgeting?
 - Too many people when they think of budgeting think only of expense planning—they leave out a critical parts of a saving and income strategy

8

SIE Plan Principles (cont)

Savings Strategy

- What is your savings plan and strategy?
 - Developing a saving strategy is critical. Ideas include:
 - My purpose is to save, not just record expenses
 - I will save 20% of every dollar, with 15% for retirement (How Much Should I Save, Sudweeks 2018)
 - I will automate my savings, with ___% to my 401k and \$200 to my favorite index fund (taxable) monthly
 - I will not make the mistake of not having a saving strategy (6 Investing Mistakes the Ultra Wealth Do Not Make, Investopedia, 08/2018)
 - I know my vision and goals, and have plans and strategies in place to save for them

9

SIE Plan Principles (continued)

- What is your income plan and strategy?
 - Having an income strategy is important. Ideas include:
 - I will invest in myself through increased education, i.e., associates, bachelors, masters, etc. and certification, i.e., CPA, CFP, CFA, etc.
 - I will increase my ability to do the job better, through spending time and getting help
 - I will improve my attitude toward my work
 - I will pray daily to "work beyond my abilities"
 - I will increase my ability to work faster, through thought, automation and computerization
 - I will "go the extra mile" and do more than expected
 - I will improve my resume each year

10

SIE Plan Principles (continued)

- What is your expense strategy?
 - Having an expense strategy is critical. Ideas include:
 - I will record every dollar that I earn and spend
 - I will minimize fixed expenses, and keep them low
 - I will only spend on things in my SIE Plan
 - I will ensure the cares of the world will not impact spending and hence reduced saving
 - I will have patience and save for purchases instead of going into debt
 - I will not make large purchases that are not in our SIE Plan and not without prayer and fasting
 - I will not sell my birthright for a mess of pottage

11

SIE Plan Principles (continued)

From obedience to consecration

- We are children of Heavenly parents with an unlimited potential (identity); living worthy of the Spirit (obedience), trying to be wise stewards over the things that God has blessed us with (stewardship), and planning for and keeping good records of our saving, income and expenses. This way we can save for our long-term goals, minimize our payments to others (accountability); use a method that most meets our needs (stewardship); so we can accomplish what God would have us do, including attaining our personal mission and our personal and family and vision goals.

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Measuring Your Financial Health and Saving, Income and Expense Planning Personal Finance: Another Perspective

SIE Plan Methods and Process (continued)

Spencer W. Kimball said:

- Every family should have a budget. Why, we would not think of going one day without a budget in this Church or our businesses. We have to know approximately what we may receive, and we certainly must know what we are going to spend. And one of the successes of the Church would have to be that the Brethren watch these things very carefully, and we *do not spend that which we do not have* (italics added, Conference Report, April 1975, pp. 166-167).



13

Your SIE Plan

- What is a Saving, Income and Expense Plan (budget)?
 - It is the single most important tool in helping you attain your personal financial goals
 - The process is:
 1. Know what you want to accomplish—*set your savings goal*
 2. Track your saving, income and expenses
 3. Develop your cash budget (plan)
 4. Implement your saving, income and expense plan
 5. Pay the Lord first, and yourself second
 6. Compare it to actual saving, income and expenses and make changes where necessary to *achieve your goals*

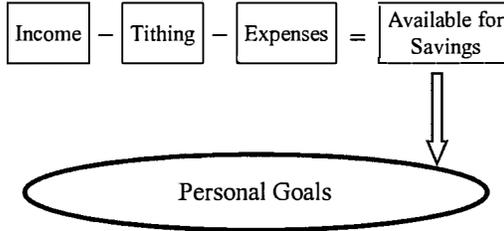
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Your SIE Plan (continued)

- 3. Develop your Cash Budget (the better way)
 - What is a Cash Budget?
 - A plan for controlling cash, inflows and outflows
 - Income:
 - Examine last year's after-tax total income and make adjustments for the current year.
 - Expenses:
 - Identify all fixed ("must have") and variable ("would be nice to have") expenditures
 - Look for ways to reduce your variable and fixed expenses

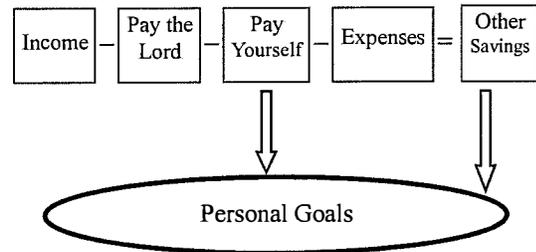
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Budgeting: The Old Way

$$\text{Income} - \text{Tithing} - \text{Expenses} = \text{Available for Savings}$$


16

Budgeting: The Better Way

$$\text{Income} - \text{Pay the Lord} - \text{Pay Yourself} - \text{Expenses} = \text{Other Savings}$$


17

Your SIE Plan (continued)

- 4. Implement your Cash Budget
 - Try the budget for a month
 - Record all saving, income and expenses in the proper category by date
 - Sum all days or columns
 - Note how much you have available in each category at the end of each week
 - Adjust the plan or expenses as necessary to maintain the plan
 - Try to be as financially prudent as possible

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Measuring Your Financial Health and Saving, Income and Expense Planning Personal Finance: Another Perspective

Your SIE Plan (continued)

5. Pay the Lord first, and yourself second

L. Tom Perry said:

- After paying your tithing of 10 percent to the Lord, you pay yourself a predetermined amount directly into savings. That leaves you a balance of your income to budget for taxes, food, clothing, shelter, transportation, etc. It is amazing to me that so many people work all of their lives for the grocer, the landlord, the power company, the automobile salesman, and the bank, and yet think so little of their own efforts that they pay themselves nothing (L. Tom Perry, "Becoming Self-Reliant," *Ensign*, Nov. 1991, 64).



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Your SIE Plan (continued)

- 6. Compare budget to actual saving, income and expenses
 - Compare your budget to actual saving, income and expenses to actual
 - Adjust the plan or your expenses as necessary to maintain the plan and keep saving
 - Don't reduce payments to the Lord or yourself

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Your SIE Plan (continued)

Marvin J. Ashton stated:

- Some claim living within a budget takes the fun out of life and is too restrictive. But those who avoid the inconvenience of a budget must suffer the pains of living outside of it. The Church operates within a budget. Successful business functions within a budget. Families free of crushing debt have a budget. *Budget guidelines encourage better performance and management* (italics added, Marvin J. Ashton, "It's No Fun Being Poor," *Ensign*, Sept. 1982, 72).



21

Creating your SIE Plan (continued)

Goals

- *Savings.* I will keep monthly records of my saving, income and expenses, along with a 1 year annual plan and will save 20% gross of my income
- I will never purchase anything unless it is in my Plan
- *Income.* I will grow my income by 1% above inflation after 1 through hard work and careful study and prayer
- I will work to be the best employee I can be
- *Expenses.* I will be a wise steward over my resources and will work to minimize fixed and other expenses
- I will not spend more than \$20 with out my spouse's approval

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Creating your SIE Plan (continued)

Plans and Strategies

Savings

- Pay the Lord first
- Pay myself second with 20% of earnings
- Save automatically through monthly deposits to mutual funds
- Save 20% of income, 15% for retirement, 2% for children's missions/education, and 3% to pay down my mortgage
- Separate bank accounts for specific goals and children
- Start saving in Roth IRA as soon as possible as it maximizes spendable retirement income

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Creating your SIE Plan (continued)

Plans and Strategies

Income

- Get as much education as possible
- Gain accreditation (CFA, CFP, CPA) to keep more marketable in my field
- Read 2 books a month to increase skills
- Pray each day to work beyond my natural abilities so I can be more effective at work
- Expand skills so my employer will want to pay me more to keep me
- Continue to network in your area of expertise
- Keep resume current and improve it monthly
- Find other ways to make money

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Measuring Your Financial Health and Saving, Income and Expense Planning

Personal Finance: Another Perspective

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Creating your SIE Plan (continued)

Plans and Strategies

Expenses

- Live cheap and have \$20 mad money each month (wife gets \$40). If married, discuss any spending over \$25
- Divide expenses into fixed (those that cannot be changed except over long periods) and variable expenses
- Limit fixed expenses by not going into debt
- Do not buy anything not included in your annual Saving, Income and Expense Plan
- Barter for services with others in your same condition
- Keep an annual record of saving, income and expenses
- Remember that happiness is not bought with money but with right living

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Noah Garrett's email

Creating your SIE Plan (continued)



Constraints

- Losing the Spirit is the worst possible constraint
- Focusing on the things of the world instead of what is really important
- Being impatient and not saving for big-ticket purchases
- Not being careful with the little things, the pennies

Accountability

- I will share my vision, goals and plans and strategies with God each day
- I will share my goals in and my spouse and children

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Creating your SIE Plan (continued)

- Joseph B. Wirthlin commented:
 - I advise you to be patient in financial matters. Avoid rash or hurried financial decisions; such decisions require patience and study. Get-rich-quick schemes seldom work. Beware of debt. Be especially careful of easily obtained credit even if the interest is tax deductible. You young couples should not expect to begin your married lives with homes, automobiles, appliances, and conveniences comparable to those your parents have spent years accumulating (“Patience, a Key to Happiness.” *Ensign*, May 1987, 30.)



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Assets: What you own

- There are four different types of assets
 - Income-generating assets (portfolios, real estate)
 - These assets generate income or capital gains
 - Appreciating assets (home, education)
 - These are assets which may or which have historically appreciated in value.
 - Depreciating assets (vehicles, RVs, toys, electronics)
 - These are assets which depreciate (often, the minute you take ownership)
 - Income-consuming assets (vehicles, RVs, toys)
 - These are assets perhaps listed above which require a constant infusion of cash

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29

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Review

- A. Do you understand family record keeping?
- B. Do you understand the principles of successful budgeting and the methods and process of successful budgeting?
- C. Can and will you calculate your net worth (wealth) using a balance sheet?
- D. Can and will you develop a personal income statement and use it to analyze your spending?
- E. Can and will you develop and implement a budget?

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XVI. Service Teaching

Meeting with Jackie Miller

Haley

Fin 418, Fall 2019

I. Who

I decided to teach one of my best friends from high school about cash management. Her family is really into finances and I really needed to complete this assignment.

II. Results

She came over on a Saturday afternoon, and I was able to talk to her about cash management. We focused on just this one topic because she is in the military, she has a good chunk of savings.

Jackie still has several years of school left and about 4 more years in the reserves. We discussed different possible places to put her money to try to keep up with inflation. After talking to her I was able to suggest some possible ideas, and I was able to refer her to locations where she can find more information (including personalfinance.byu.edu). I also gave her a printout of the cash management summary sheet.

As a result of the teaching experience, she is planning on transferring her savings to another bank with a higher interest, like Barclays. In addition, we talked about the possibility of CDs.

III. What Worked Well

I prepared a PowerPoint presentation for the meeting based off of Professor Sudweek's in class power points, and it was useful as a tool to share quotes and main ideas. I emailed her the slides after the meeting so that she can refer to them in the future. The cash management summary sheet was super useful. She loved referencing the sheet and having the information in a short, useful, to the point format.

IV. What I Would Change

If I were to change anything for next time, I would try to not be so focused on covering all the information on my slides and focus more on her questions as they come up during our conversation. With that said, I know that she really appreciated the time we spent together.

It was a great experience to be able to share the principles I have learned in this class and

see them benefit another person. The PowerPoint slides I used follow this page.

V. Lessons Learned

The key lesson I learned is I enjoy doing this, and I learned/reinforced so much knowledge by teaching these principles to other people. Because of this shared teaching experience, I have a better understanding of cash management than I did before.

VI. Attachments

Cash Management

Personal Finance: Another Perspective



Personal Finance: Another Perspective

**Cash Management:
Making the Pennies Count**

Updated 2019/09/20

1



A. Understand the Importance and Principles of Cash Management

- What is cash management?
 - The management of cash and liquid assets to help you meet your personal goals
 - It is “a penny saved is a penny earned” as guided by Benjamin Franklin
 - It is the process of “we take care of the pennies, and the dollars will take care of themselves” (Anonymous)

2



Importance and Principles (continued)

- What is an Emergency Fund?
 - It is a resource that can be used to meet unexpected needs for cash
 - The traditional rule of thumb is for it to be sufficient liquid assets to cover 3-6 months of expenses (I changed it to be the larger of expenses or income to take into account the needs of students)
 - You need an emergency fund so you won't need to tap into long-term money to meet current expenses

3



Importance and Principles (continued)

From obedience to consecration

- I am a child of Heavenly Parents (identity), living as I know how (obedience), using the talents and skills I have been blessed with (stewardship). I have a Plan to be wise stewards over our short-term finances (agency), particularly the small things which can add up over time (accountability), so that I can accomplish my personal mission and my individual and family vision and goals

4



Financial Institutions (continued)

- Choosing a Financial Institution—the three Cs
 - The Cost Factor
 - Monthly fees, minimum balance, check charges, balance-dependent scaled fees, rates on savings
 - The Convenience Factor
 - Location (branches, ATMs), safety deposit boxes, overdraft protection, stop-payment ability
 - The Consideration Factor
 - Personal attention, advice, attention to detail, FDIC insured, allow Quicken direct-connect
- Note that whatever institution you choose, it is your responsibility to make sure they do what they say

5



Spending Time (continued)

- From the book, the Millionaire Next Door it states:
 - People who become wealthy allocate their time . . . in ways consistent with enhancing their net worth. [They] allocate nearly twice the number of hours per week to planning their financial investments as [those who do not become wealthy] do. (Thomas Stanley and William Danko, The Millionaire Next Door, Pocket Books, 1996, p. 71)
- Unless you are spending 1-2 hours a week on your financial planning and reporting (i.e., budget, investing, retirement process, etc.), it may be difficult to reach your goals
 - Make the decision now to spend the time!

6

Cash Management

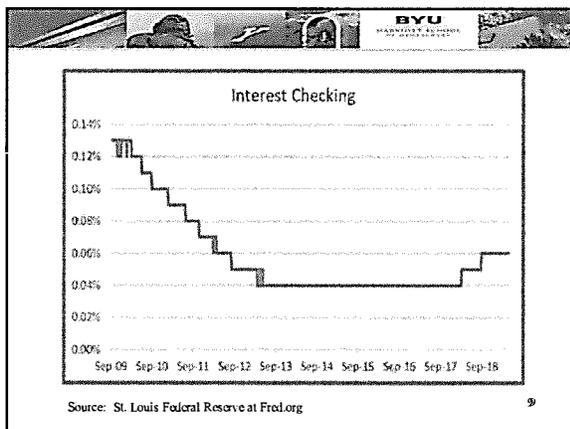
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C. Understand Your Cash Management Alternatives

- There are lots of alternatives, each of which has their benefits and costs
 - Traditional cash management assets
 - Checking accounts
 - Savings accounts
 - Money market accounts
 - Certificates of deposit
 - Less traditional assets
 - Money Market and short-term bond Mutual Funds
 - U.S. Treasury bills
 - U.S. Savings bonds (Series EE/I)
- Note: Graphs are from FRED.org as of 2019/09/20

Cash Management (continued)

- Traditional Cash Management Instruments
 - Checking accounts (interest bearing)
 - Liquidity: Very liquid, daily
 - Required minimum balances: low
 - Interest rates: Fixed, but minimal, currently .05% to 2.0%
 - Safety and Taxes: FDIC insured, all taxable
 - Penalties for early withdrawal: No
 - Source of information: Bloomberg, banks and credit unions, bankrate.com
 - How to invest: contact a bank or other financial institution to set up an account

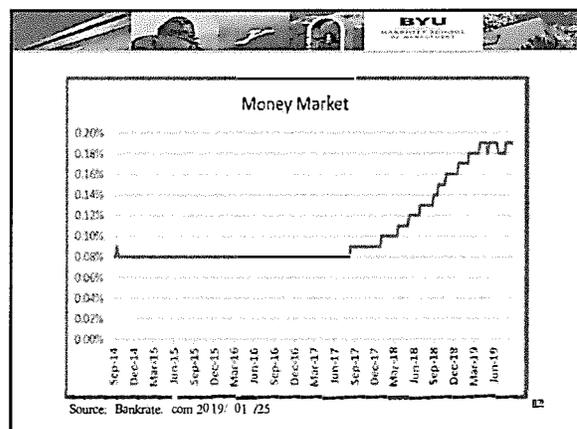


Cash Management (continued)

- Savings accounts
 - Liquidity: Very liquid, daily
 - Required minimum balances: Low
 - Interest rates: Fixed, but minimal, currently 0.05% to 2.0%
 - Safety and Taxes: FDIC insured, all taxable
 - Penalties for early withdrawal: No
 - Source of information: traditional and internet banks, savingsaccounts.com
 - How to invest: Contact a bank or other financial institution to set up an account

Cash Management (continued)

- Money Market Accounts (MMA)
 - An alternative to a bank's savings account
 - Liquidity: Very liquid, daily
 - Required minimum balances: Higher
 - Interest rates: Variable, but higher than savings, 0.25% - .60%
 - Safety: Very – FDIC insured
 - Safety and Taxes: FDIC insured, all taxable
 - Other features: Limited check writing
 - Penalties for early withdrawal: No
 - Source of information: WSJ, Credit Markets
 - How to invest: contact a financial institution

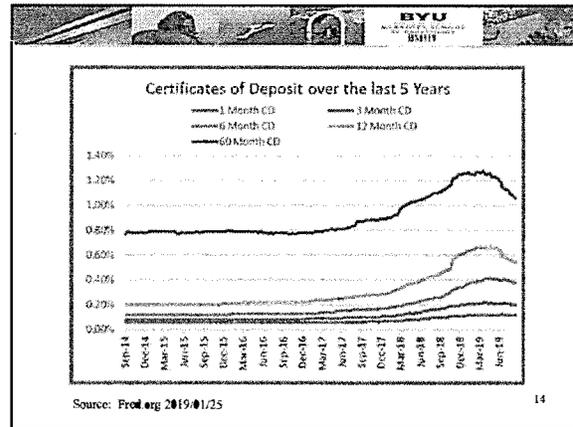


Cash Management

Personal Finance: Another Perspective

Cash Management (continued)

- Certificates of Deposits (CDs)
 - Pays a fixed rate of interest for a fixed period of time
 - Liquidity: Less liquid, generally monthly, depending on maturity
 - Required minimum balances: Higher
 - Interest rates: Higher rates, 1m .12%, 3m .20%, 6m .38%, 1 year 0.54%, 5 year 1.06%
 - Safety: Very – FDIC insured
 - Other features: None
 - Penalties for early withdrawal: Yes
 - Source of information: WSJ Bankrate.com, FRED.org
 - How to invest: Contact a financial institution to purchase a CD



Cash Management (continued)

- Money Market Mutual Funds (MMMFs),
 - Pool funds from many investors to buy higher yielding debt securities
 - Liquidity: Very, daily
 - Required minimum balances: Much higher
 - Interest rates: Slightly higher than MMAs
 - Safety and Taxes: Not FDIC insured, all taxable
 - Other features: Limited check writing, charge administrative fees, bought by the share
 - Penalties for early withdrawal: No
 - Source of information: Brokers, Bankrate.com
 - How to invest: contact a mutual fund company to set up an account and purchase a fund

Cash Management (continued)

- Short-term Bond Mutual Funds
 - Pool funds from many investors to buy higher yielding debt securities, less than 1 year maturity
 - Liquidity: Very, daily
 - Required minimum balances: Much higher
 - Interest rates: Slightly higher than MMMFs
 - Safety and Taxes: Not FDIC insured, all taxable
 - Other features: Limited check writing, charge administrative fees, bought by the share
 - Penalties for early withdrawal: No
 - Source of information: Brokers, Bankrate.com
 - How to invest: contact a mutual fund company to set up an account and purchase a fund

Cash Management (continued)

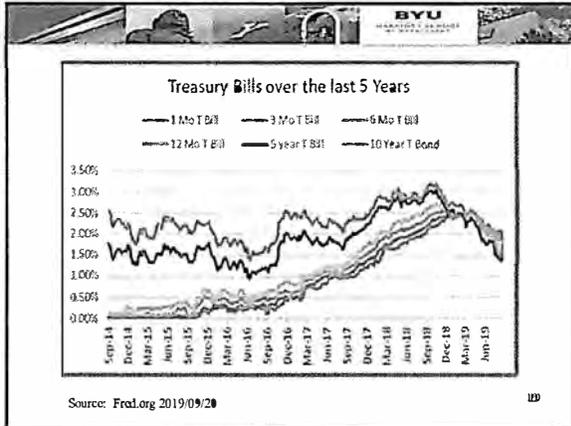
- Note that MM/Short-term Bond Mutual Fund returns may be either taxable or tax-free depending on the type of securities and location of the securities the mutual fund (MF) invests in.
 - If the MF invests in only government securities, the interest (not capital gains) is state tax free
 - If the MF invests in only municipal securities, the interest is federal tax free
 - If the MF invests only in municipal securities from your state, the interest may be both federal and state tax free as well (for states that have state taxes)

Cash Management (continued)

- U.S. Treasury Bills
 - Short-term, less-than 12 months, government debt
 - Liquidity: Somewhat, monthly
 - Required minimum balances: Much higher
 - Interest rates: Higher, currently 4W 2.01%; 13W 1.96%, 26W 1.89%, 1Y 1.81%, 10Y 1.76%
 - Safety: Very, guaranteed
 - Other features: state and local income tax exempt on interest, and purchased at a discount, but don't accrue periodic interest payments
 - Penalties for early withdrawal: Yes
 - Source of information: FRED database 2019/09/20 <http://www.wsj.com/public/page/news-fixed-income-bonds.html>
 - How to invest: 3 or 6 month bills can be purchased from www.treasurydirect.gov, banks and brokers

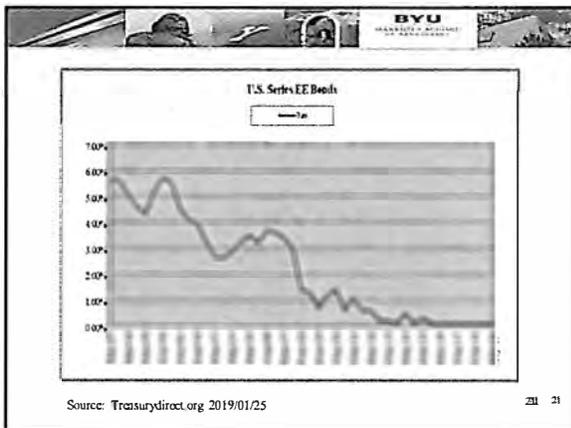
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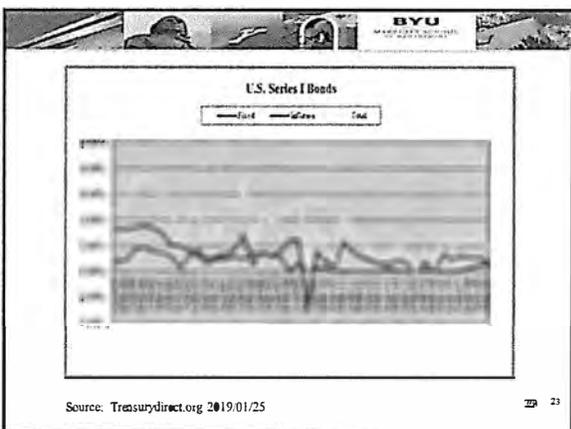
Cash Management (continued)

- U.S. Series EE Savings Bonds
 - US government savings bonds
 - Liquidity: Only after 5 years. Must hold 1 year
 - Required minimum balances: Higher
 - Interest rates: Previous rates were variable. Now they are fixed at 0.1% through October 2019
 - Safety: Very
 - Other features: State and local income tax exempt, interest tax-free if spent on eligible college tuition, sold in \$25 to \$10,000 bonds
 - Penalties for early withdrawal: 3 month before 5 years
 - Source of information: www.savingsbonds.gov
 - How to invest: Purchase via website, \$10,000/year plus \$5,000/year paper bonds from your IRS tax refund



Cash Management (continued)

- U.S. Series I Savings Bonds (inflation linked)
 - US government savings bonds
 - Liquidity: Very, after 5 years. Must hold at least 1 year
 - Required minimum balances: Minimal (\$25)
 - Interest rates: inflation linked, 1.90% until October 2019
 - Safety: Very, guaranteed
 - Other features: Taxed only in year cashed, interest tax-free if spent on eligible college tuition, interest income free from state and local taxation, sold in \$25 to \$10,000 bonds
 - Penalties: Yes, 3 month penalty before 5 years
 - Source of information: www.treasurydirect.gov
 - How to invest: Purchase via website, \$10,000/year plus \$5,000/year in paper bonds from your IRS tax refund



US Series EE/I Bond Income Limits

- If your Modified Adjusted Gross Income is above specified limits in the year bonds are cashed, you cannot exclude the interest income from your income taxes. The limits are:
- Year Filing Single Married Filing Jointly
- 2015 \$77,200-92,199 \$115,751-145,749
- 2016 \$77,550-92,550 \$116,300-146,300
- 2017 \$78,150-93,150 \$117,250-147,250
- 2018 \$79,700-94,700 \$119,550-149,550
- 2019 \$81,100-96,100 \$121,600-151,600
- Your modified Adjusted Gross Income is your adjusted gross income adding back certain items such as foreign income, foreign-housing deductions, student-loan deductions, IRA-contribution deductions and deductions for higher-education costs (see IRS Form 8815)

Cash Management

Personal Finance: Another Perspective



Comparing Alternatives (continued)

Your choice of cash management asset depends on:

- 1. Your goals and risk tolerance
 - What is the purpose for this money?
- 2. The type of asset preferred
 - CDs, MMA, MMMF, Savings bonds?
- 3. Your tax situation
 - What is your marginal tax rate?
- 4. The location of the financial assets
 - Muni's from your state?
- 5. Your use of the funds
 - Used for tuition at a qualified school?

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D. Understand and Create Your Cash Management Plan

- How to develop a Cash Management Plan?
 - 1. Decide how many months of expenses you want
 - Generally, 3 to 6 months is recommended (which is the time it takes to get another job)
 - 2. Decide how you will divide your investments between the various cash management assets
 - Using a month's expenses is a good guide
 - 3. Diversify your cash management assets based on risk and return
 - Try to get the highest return at your level of liquidity, safety, and risk
 - Using additional assets discussed can help

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Review of Objectives

- A. Do you understand the importance and of good cash management and how it can help you achieve your goals?
- B. Do you understand the different types of financial institutions, and the need to spend the time each week on your finances?
- C. Do you understand the different cash management alternatives and how to compare them?
- D. Do you understand and can you create your Cash Management Plan?

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- Implications
 - It is very difficult to do much more than keep up with taxes and inflation with liquid assets.
 - Only the amount needed to meet immediate emergency needs and short-term goals should be here.
 - You should diversify your cash management assets as well as other assets
 - The final returns are even lower when you factor in the fact that you pay tithes on your increase, i.e. charitable giving.

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Cash Management Asset Summary Sheet 2019
MBA 620/Fin418/Fin200 Financial Planning (9/20/19)

Assets:	Traditional				Short-term Mutual Funds		Government Bills and Savings Bonds		
	Checking	Savings	Money Market (or MMDA)	Certificate of Deposit	Money Market Mutual Fund	Short-term Bond Funds	US Treasury Bills	EE Bonds	I bonds
Description:	Deposits held at a financial institution that allows withdrawals by checks and deposits on demand; hence, it is also called a demand account.	Deposits held at a financial institution that earn interest. Internet savings rates generally higher	A savings account that typically earns rates and that pays interest based on current money market interest rates. These have higher minimum balances.	Savings certificates with fixed maturity and interest rate, and can be issued in any denomination. Access to the funds is restricted until maturity date	An open-end mutual fund that invests in very short-term debt securities such as US treasury bills, municipal bonds, or commercial paper.	An open-end mutual fund that invests in short-term corporate bonds, municipal bonds, or Treasury securities with maturities less than one year.	Short-term US government debt obligations sold with different maturities and issued at a discount from par. Investors receive interest at maturity.	US government savings bonds where the interest rate is set every 6 months and tied to current market interest rates.	US government savings bonds with interest rates linked to US inflation and which rates are set every 6 months
Liquidity:	Very liquid, daily	Very liquid, daily	Very liquid, daily	Fixed maturity on CDs	Somewhat liquid, get money in 3 days	Somewhat liquid, get money in 3 days	Somewhat liquid depending on maturity	After 12 months redeem at any bank	After 12 months redeem at any bank
Required Minimum Balances:	None	Low to none	Higher required minimum balances	Higher required minimum balances	Depends on mutual fund requirements	Depends on mutual fund requirements	Higher minimum balances	May purchase in denominations from \$25 to \$10,000	May purchase in denominations from \$25 to \$10,000
Interest Rates:	.05% - 2.5%	.05% - 2.0%, Internet .3% - 2.5%	.2% - 2.0%	1M: .11%, 3M: .20%, 6M: .35%, 1Yr: .62%, 5 Yr: 1.26%	Higher than MMA, .25-.5% depending on market conditions	Higher than MDMF, .35-.8% depending on market conditions	1M: 2.41%, 3M: 2.43%, 6M: 2.51%; 1Y: 2.58%, 5Y: 2.56, 10Y: 2.74%	Rates are reset every 6 months and are 0.1% through Oct. 31, 2019	Rates are reset every 6 months and are 1.90% through Oct. 31, 2019
Taxes:	Federal and State	Federal and State	Federal and State	Federal and State	Bonds - all taxable; Muni bonds - Fed. tax-free, if from your state - all tax free; US Treasuries - State tax free	Bonds - all taxable; Muni bonds - Fed. tax-free, if from your state - all tax free; US Treasuries - State tax free	State tax free	State tax free. If principle and interest used to pay for college tuition, then both Federal and State tax free	State tax free. If principle and interest used to pay for college tuition, then both Federal and State tax free
Safety:	FDIC insured	FDIC insured	FDIC insured	FDIC insured	Not FDIC insured but very short-term (<30 days)	Not FDIC insured but very short-term (< 1 year)	Not FDIC insured but a US debt obligation	Not FDIC insured but a US debt obligation	Not FDIC insured but a US debt obligation
Early Withdrawal Penalties:	None	None	None	Yes	None	None	Yes	Must hold 12 months then 3 months interest penalty before 5 years	Must hold 12 months then 3 months interest penalty before 5 years
Other features:	None	None	May have limited check writing	None	May have limited check writing	None	None	If proceeds used for tuition, then state and federal tax free	If proceeds used for tuition, then state and federal tax free
How to invest:	Contact a bank or other financial institution	Contact a bank or other financial institution	Contact a bank or other financial institution	Contact a bank or other financial institution	Contact a no-load mutual fund company to invest	Contact a no-load mutual fund company to invest	Purchase from www.treasurydirect.gov , banks and brokers	Purchase from www.treasurydirect.gov , \$10,000 per year plus \$5,000 from tax refund. Income limits apply	Purchase from www.treasurydirect.gov , \$10,000 per year plus \$5,000 from tax refund. Income limits apply

Personal Finance Journal
MBA620/Fin418 Financial Planning
2019-2020

The purpose of this Personal Finance Journal is to allow you to document the critical things you have taken away from the discussions in class. Remember that the most important things are what the Spirit tells you, and may not necessarily be what we talked about on that day.

Day 1 Objectives: Building a Strong foundation: Another Perspective on Wealth

- A. Understand how to bring Christ into your finances
- B. Understand the importance of perspective and our perspective for this course.
- C. Understand our framework for learning: doctrines, principles and application
- D. Understand the implications of that learning framework
- E. Remember that "Life is Good."

Day 1 Take Aways:

1. OUR CONDUCT ON OUR JOURNEY IS AS IMPORTANT AS OUR DESTINATION
2. INCREASED VISION = INCREASED MOTIVATION
TURN TO THE LORD DAILY AND STRIVE TO STAY ON THE COVENANT PATH

Day 2 Objectives: Your Personal Financial Plan: Planning Your Financial Future

- A. Understand the importance of planning your financial future and the process of creating your Personal Financial Plan (PFP)
- B. Understand how to create your "Plan for Life"
- C. Understand how to catch your vision of what you want to accomplish in life and the different types of goals
- C. Understand and apply the principles of effective goal setting.

Day 2 Take Aways:

1. Don't let the urgent get in the way of the important
2. Life pays you what you ask for
most ppl in life aren't frustrated b/c they aim too high and miss, but b/c they aim too low and hit. where is your benchmark?
Don't major in the minor things in life

Day 3 Objectives: Saving, Income and Expense Planning: Giving Every Dollar a Name

- A. Understand family record keeping
- B. Understand the principles, methods and levels of successful saving, income and expense planning (budgeting) and its methods and process
- C. Calculate your net worth using a personal balance sheet
- D. Develop a personal income statement and use ratios to analyze your spending
- E. Understand and create your Saving, Income and Expense Plans (budget)

Day 3 Take Aways:

1. Pay yourself 20% of your gross income
2. Don't forget to reward yourself once you reach your goals! Go on a vacation, go to a nice restaurant... do something that you want so denying your goals becomes more exciting.

Day 4 Objectives: Debt: Avoiding Debt Like the Plague

- A. Understand our leader's counsel on debt
- B. Understand the principles of using debt wisely
- C. Understand how to develop and use debt-reduction strategies
- D. Understand plans and strategies for debt reduction

Day 4 Take Aways:

1. Pray to work beyond your natural ability
2. Live like a student the first 10 yrs after school, then you can live like a professional after
3. You run into debt, but you crawl out of it.

Day 5 Objectives: Taxes: Paying All You Owe and not a Penny More

- A. Understand how tax planning can help you attain your personal goals and the principles of tax planning
- B. Understand the Federal tax process
- C. Understand the major tax features of the U.S. tax system and tax strategies to help you lower your taxes (legally and honestly)
- D. Understand and create your Tax Plan

Day 5 Take Aways:

1. We learn by study, faith and experience
2. Maximize your after tax savings

Day 6 Objectives: Cash Management: Making the Little Things Count

- A. Understand the importance and principles of cash management
- B. Know the different types of financial institutions the need to spend time each week to effectively manage your finances
- C. Understand the different cash-management alternatives and how to compare them
- D. Understand and create your Cash Management Plan.

Day 6 Take Aways:

1. Spend 1-2 hrs/week managing your finances to reach lifetime financial goals
2. Don't worry about the dollars. Worry about the pennies and the dollars will take care of themselves.

Day 7 Objectives: The Auto Decision

- A. Understand key areas and principles of car ownership
- B. Understand how to buy or lease a new car
- C. Understand the lease versus buy decision
- D. Understand and create your auto and adult toy plan

Day 7 Take Aways:

1. Make your car fit your budget - not your budget fit your car
2. Buy used vehicles until your networth > 750,000
3. When deciding on a car look at your goals, preferences and budget

Day 8 Objectives: Credit: Understanding and Using it Wisely

- A. Understand credit bureaus, credit reports, and credit scoring and the principles of using credit wisely
- B. Understand the correct uses of credit cards

C. Learn how credit cards work and how to manage open credit

5. Understand and create your Credit Plan.

Day 8 Take Aways:

1. Ideally you want credit utilization below 15%.
2. COMMIT to always spend less than I make
3. review credit/FICO score every year

Day 9 Objectives: Loans: Avoiding Consumer and Minimizing Student/Mortgage Loans

A. Understand consumer loans, principles, characteristics and costs

B. Understand mortgage loan types, characteristics, and costs

C. Understand the key relationships for borrowing

D. Understand and create your Consumer Loans and Debt Plan

Day 9 Take Aways:

1. All that is glitter is not gold; True financial independence is real gold
2. Always get your company 401K match and save for retirement
3. pay off HOME BEFORE retirement

Day 10 Objectives: The Housing Decision I: The Process

A. Understand our leaders guidance and the principles of home buying and ownership

B. Understand the process of buying a home

Day 10 Take Aways:

1. Once you realize how hard it is to save, it will help you not spend too much
2. With increased information comes increased inspiration

Day 11 Objectives: The Housing Decision II: Comparing Loans and Creating Your Plan

A. Understand your options in the housing decision

B. Understand how to compare different types of loans with different fees and points

C. Understand and create your Housing Plan.

D. Answer questions on the housing decision

Day 11 Take Aways:

1. Best loans have the lowest effective interest rate ← after all costs & fees are taken into account
2. Use 12 of all, money & put toward paying down principal (after emergency fund)
unexpected
3. Don't buy a home on two incomes when you know you are going to one income in the future

Day 12 Objectives: Insurance 1: Basics and Insurance 2: Life Insurance

Insurance 1: Basics

A. Recognize the importance of insurance

B. Understand what leaders have said regarding insurance and the key principles of insurance

C. Understand and create your Insurance Plan.

Insurance 2: Life Insurance

A. Understand the benefits of life insurance and the five key questions

B. Understand the different types of term life insurance

- C. Understand the different types of permanent life insurance
- D. Determine which type of insurance is best for you and know the steps to buying life insurance
- E. Understand plans and strategies for life insurance

Day 12 Take Aways:

1. You're investing in financial security, not life insurance
2. As you get older in life, your retirement plan becomes your life insurance. Plan now so you can retire comfortably later.

Day 13 Objectives: Insurance 3: Health Insurance and Insurance 4 Auto and Home Insurance

Insurance 3: Health Insurance

- A. Understand how health insurance relates to your Personal Financial Plan and basic health insurance coverage and provisions
- B. Understand the key areas of disability insurance
- C. Understand the key areas of long-term care insurance
- D. Understand how to control your health-care costs
- E. Understand plans and strategies for health insurance

Insurance 4: Auto and Home Insurance

- A. Understand the key areas of auto insurance and know how to reduce your costs
- B. Understand the key areas of homeowner's and renter's insurance and know how to reduce your costs
- C. Understand the key areas of personal liability insurance
- D. Understand plans and strategies for asset protection

Day 13 Take Aways:

1. Insurance is necessary, but be wise stewards, Every \$ save on insurance, a \$
2. Move towards other goals
2. ALWAYS, ALWAYS speak up for yourself

Day 14 Objectives: Investments 1: Before You Invest and Investments 4: Understanding Bond Basics

Investments 1: What to do Before You Begin

- A. Know what to do before you invest
- B. Recognize the principles of successful investing
- C. Understand the major asset classes and their risk and return history

Investments 4: Understanding Bond Basics

- A. Explain the benefits, risks, terminology and types of bonds
- B. Understand how bonds are valued and the costs of investing in bonds
- C. Understand plans and strategies for bonds.

Day 14 Take Aways:

1. "Always invest for the long term." - Warren Buffett → * take a long term view, odds are in your favor
2. Investing is not a goal, but a means to a goal
3. \$ saved is more than \$ earned

Day 15 Objectives: Investments 2: Your Investment Plan and Investments 2: Securities Market Basics

- C. Understand what makes a good mutual fund and the big deal about index funds
- D. Understand how to pick the mutual/index/exchange traded funds
- E. Understand plans and strategies for picking financial assets

Day 17 Take Aways:

1. IF you don't know what you're looking for, how will you know when you've found it.
2. Indexing is a time-efficient and cost-effective way to invest
3. Theory is good, but theory changes so keep your principles solid.

Day 18 Objectives: Investments 9: Portfolio Reporting and Rebalancing and Investments 10: Behavioral Finance

Investments 9: Portfolio Reporting

- A. Understand portfolio rebalancing
- B. Understand the importance of portfolio management and evaluation
- C. Calculate risk-adjusted performance measures

Investments 10: Behavioral Finance

- A. Understand behavioral finance
- B. Understand learn behavioral finance
- C. Understand other alternatives to traditional finance
- D. Understand how behavioral finance can help us

Day 18 Take Aways:

1. Blend is both growth and value
2. TF, index, target date = all mutual funds, can get through brokerage accounts

Day 19 Objectives: Investments 11: Questions and Answers

- A. Answer additional questions on investing

Day 19 Take Aways:

1. Don't live in the past or live for the future, but live in the hour and give it everything you have. At the end of the hour, check with the lord, how did I do?
2. God loves us no less when we struggle than when we triumph. Rejoice in who you are. Since you were born, you have been told you were special. The adversary just to tell you that you aren't, but too bad. You are. You can't do anything about it so just rejoice in it.

Day 20 Objectives: Retirement Planning 1: Basics

- A. Understand why retirement planning is critical and the principles of successful retirement planning
- B. Understand the steps, stages and payout options at retirement
- C. Understand one method of monitoring your retirement-planning progress
- D. Understand and create your Retirement Plan

Day 20 Take Aways:

1. Changes in inflation can have a drastic effect on your retirement planning. Watch it.
2. Review my progress towards my retirement goals and evaluate my performance annually (at least). Make changes as necessary.

Day 21 Objectives: Retirement Planning 3: Understand Employer Qualified Plans and Retirement Planning 4: Understanding Individual and Small Business Plans

Retirement Planning 3: Understanding Employer Qualified Plans

- A. Understand employer-qualified retirement plans
 - B. Understand defined-benefit plans
 - C. Understand defined-contribution plans
 - D. Understand plans and strategies for employer qualified plans.
- Retirement Planning 4: Understand Individual and Small business plans

- A. Understand individual retirement accounts
- B. Explain when it is beneficial to convert a traditional IRA to a Roth IRA
- C. Describe retirement plans designed for small businesses and individuals who are self-employed
- D. Understand plans and strategies for individual and small business plans.

Day 21 Take Aways:

1. You don't retire from doing the Lord's work so do his work joyfully.
2. Before I retire I should answer these 4 questions:
 1. What are my passions?
 2. What is my purpose?
 3. How to replace the stimulation of work?
 4. What is my role at home?

Day 22 Objectives: Retirement Planning 2: Social Security and Retirement Planning 5: Wrap Up and Q&A

- A. Describe how the Social Security program works and the benefits of the Social Security program
- B. Answer frequently asked questions about Social Security and the future of Social Security
- C. Understand plans and strategies for Social Security

Retirement Planning 5: Wrap Up and Q & A

- A. Understand events and impact on finances
- B. Answer remaining questions on Retirement

* Righteousness won't save me from uncertainties, but it will save me from sin
* Might as well enjoy life because you will never get out alive.
* Live like most people won't, so you can live like most people can't.

Day 22 Take Aways:

1. Live on a budget. Keep my priorities. Save 20%. I will make money and be okay in retirement.
2. What is my relationship to money? What is my relationship to wealth? Everything is His. Be humble. Be teachable. Don't judge others. The world has a different pattern for all of us.
3. Spend more time in the temple. It helps keep priorities straight & in order & you can't spend

Day 23 Objectives: Estate Planning: Taking Care of Those You Love Yourself to financial security.

- A. Understand the principles, importance and the process of estate planning
- B. Know how trusts can be used to your advantage in estate planning
- C. Understand the importance of wills and probate planning
- D. Understand how to create your advance plan.

Day 23 Take Aways:

1. Live like you were dying → Die like you were living
2. We always talk about taking care of our families while we're living, but we also need to take care of our family after we have passed on. Planning can save my family a lot more money.

Day 24 Objectives: Money and Marriage

- A. Understand the key changes in decision making once you are married and the principles of money and marriage
- B. Understand why money may be an issue in relationships and share a few recommendations for money and marriage
- C. Understand and create your family financial plan.

Day 24 Take Aways:

1. Always assume your spouse is doing the best they know how with the knowledge base they have.
2. There are always roadbumps and unexpected expenses/events arise. If you and your spouse are kind to each other, these setbacks become 100% more bearable and help increase each other's confidence.

Day 25 Objectives: Family 2: Teaching Children Finance and

Family 2: Teaching Children Financial Responsibility

- A. Understand the importance of your family vision and teaching your children
- B. Understand the principles of teaching children financial responsibility
- C. Know when to teach children financial responsibility
- D. Understand some plans and strategies for teaching your children.

Family 3: Preparing for your Children's Education and Missions

- A. Decide how education relates to your vision and goals and principles of financing education and missions
- B. Understand the process of selecting investment vehicles for financing education and missions for your children
- C. Understand how to save for your children's education and missions and how to reduce the cost of education and apply for aid
- D. Understand and create your mission and education plans.

Day 25 Take Aways:

1. Education is expensive but the price of ignorance is higher.
2. If I don't teach my children, no one else will.

Day 26 Objectives: Understand Careers in Financial Planning

- A. Understand Financial Planning: Fee only financial planning versus commission

Day 26 Take Aways:

1. The vast majority of your friends living the lifestyle you want are living it in debt... live in the opposite mindset.
2. Put enough money into your 401(k) to receive the match, then dump the rest of your money into paying off your home. Once you have accomplished paying off your home, deposit the same amount of money into your investment vehicle or other forms of equity.

Day 27 Objectives: Learning to Give

- A. Understand giving and the myths and realities of giving
- B. Understand the principles of wise giving
- C. Understand how to give effectively
- D. Understand how to create your individual/family giving plan.

Day 27 Take Aways:

1. Giving does not make us more poor. In fact, people who give more tend to have more.
2. We have received so many blessings from our Heavenly Father, we need to return the favor by giving to others.

Day 28

1. The five predictors of happiness are: faith, work, marriage and family, charity and freedom
2. The keys to financial success are as follows: understand the doctrines, principles and application and then to have your priorities in order, to understand the difference between income and wealth, to follow the commandments of Jesus Christ, and to live like millionaires - be frugal in all you do.