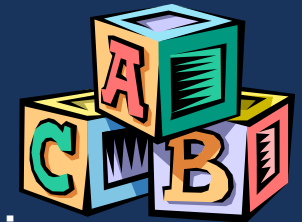


# In the Spirit of Improving Financial Awareness & Financial Literacy

## Welcome and Introduction



- KLS Legacy Foundation
- USC Emeriti Center & College
- The Improving Financial Awareness Foundation
- The Improving Financial Awareness & Financial Literacy Movement
- Building Blocks to Successful Financial Planning Series



**The Foundation to Personal Finance Knowledge**



**KLS  
Legacy  
Foundation**

Scholarships ♥ Mentorships ♥ Internships

**USC Emeriti Center**

Colleagues for Life



Dedicated to Significantly  
Improving Financial Awareness &  
Financial Literacy



# Agenda

- **Welcome**
- **Introductions**
  - KLS Legacy Foundation
  - USC Emeriti Center & College
  - The Financial Awareness Foundation
- **The Movement**
  - A VERY BIG SOCIAL PROBLEM – **Before COVID-19 – Solutions?**
  - Improving Financial Awareness & Financial Literacy Movement
- **Building Blocks To Successful Financial Planning Presentation Series**
  - A System to Better Manage Your Personal Finances
- **Closing Comments**



## Today's Presentation – An Educational Improving Financial Awareness & Financial Literacy Community Gift and Service

The general information contained in this presentation provided by KLS Legacy Foundation, USC Emeriti Center and The Financial Awareness Foundation and our distinguished presenters as an educational – improving financial awareness & financial literacy service.

It is not intended to serve as specific tax, legal or any other kind of professional advice applicable to any particular person or matter.

Every effort has been made to offer you the most current, correct and clearly expressed information possible. Nonetheless, inadvertent errors can occur, and tax rules and regulations often change.

Participants are encouraged to consult with their own financial service professionals for advice concerning specific matters before making any informed financial decisions. The presenters, authors, publishers disclaim any responsibility for positions or actions taken by attendees individually or for any misunderstanding on their part.

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USC Emeriti Center

USC EMERITI CENTER  
Colleagues for Life  
<http://emeriti.usc.edu/>



**KLS  
Legacy  
Foundation**

## About Us

Established in 2019, the Professor Kendall L. Simmonds, Sr. Legacy Scholarship provides critical support to low-income African-American USC students concentrating in the fields of finance and/or accounting.

Becoming a *Simmonds Scholar* means connection to our program's trifecta of **Scholarship**, **Internship** and **Mentorship** with the resources to pursue your passion and advance into exceptional careers.





The **FINANCIAL AWARENESS** Foundation

*Improving Financial Awareness & Financial Literacy™*

## Background & Mission

**The Financial Awareness Foundation** as a nonpolitical “financial awareness advocate” for We The People – general public, financial service and nonprofit professionals, their companies and associations, educational institutions, employers, municipalities, **and news media.**

### 1. A 501(c)(3) nonprofit organization

### 2. **Mission:** Significantly improving financial awareness & financial literacy

### 3. **Believes that creating financial awareness & teaching financial literacy** & sharing the essential principles to smart personal financial management–the foundation to personal finance knowledge-is VERY important

### 4. Taking an active leadership role uniting

- Financial service & nonprofit associations and their members
- Financial service & nonprofit professionals and their companies
- Technology companies
- Employers
- Educational institutions
- Government entities
- News media

to participate in **The Improving Financial Awareness & Financial Literacy Movement** and take part in a concentrated personal finance content media blitz every six months during the strategic campaign venues of

- Financial Literacy Month in April
- Estate & Gift Planning Awareness Month in October

### 6. Developing and delivering high quality educational content for the general public and professionals

### 7. **Assisting financial service & nonprofit professionals** and their organizations, employers, academia to provide high-quality, financial education and cost-effective financial services



*Helping to make this a better world...*



# Dr. Janette C. Brown



## Dr. Janette C. Brown

Executive Director Emeriti Center  
Vice Provost Emeriti College  
USC Davis School of Gerontology Adjunct Faculty  
Executive Director Association of Retirement  
Organizations in Higher Education

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835 W. 34th Street, URC 103  
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<https://emeriti.usc.edu/>

- Dr. Janette Brown is the Assistant Vice Provost for the USC Emeriti Center and Emeriti College
- Adjunct faculty at the USC Davis School of Gerontology
- Serves as volunteer Executive Director for AROHE.org (Association of Retirement Organizations in Higher Education)
- Leads and designs, develops, implements, manages, and administers programs and services for the USC retiree community and for pre-retirees on USC campuses
- Distinguished Co-Honorary Chair for Improving Financial Awareness & Financial Literacy Movement (2018- 2019)
- USC Academic Honors Convocation Committee & Lifetime Achievement Award Committee Coordinator (2015-Present)
- USC Deans of Faculty Council (2006-present)
- Authored numerous research reports, articles and chapters and is a frequent conference presenter



# Professor Simmonds



**Kendall L. Simmonds, Sr.**  
**Chief Financial Officer**  
**KLS Legacy Foundation**  
**Professor Emeritus of Clinical Accounting**  
**Leventhal School of Accounting**  
**Marshall School of Business**

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<https://klslegacyfoundation.org/>

- ❑ Chief Financial Officer KLS Legacy Foundation
- ❑ Professor Emeritus of Clinical Accounting Leventhal School of Accounting & Marshall School of Business
- ❑ Three decades+ as professor of clinical accounting at USC Leventhal
- ❑ Established in 2019, Kendall L. Simmonds, Sr. Legacy Scholarship that provides critical support to low-income Black/African-American students entering USC primarily in the field of accounting, and secondarily, finance or business.
- ❑ The Simmonds Scholarship recipient is granted a connection to our program's trifecta of Scholarship, Internship and Mentorship with the resources to pursue their passion and advance into exceptional careers.
- ❑ 2003, Simmonds founded Leventhal's Summer Leadership Program (SLP) with the Big Four Accounting Firms and AT&T as program sponsors
- ❑ Faculty advisor for 10 student organizations over the years, including the Accounting Society for 10 years and the Black Business Students Association (BBSA) for eight years.
- ❑ Golfing and biking



# Karla Simmonds



## Karla Simmonds

Executive Director KLS Legacy Foundation

Medic-NREMT/Emergency Prep Consultant  
Joffe Emergency Services  
HQ: Santa Monica, Ca

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<https://klslegacyfoundation.org/>

- ❑ Executive Director KLS Legacy Foundation
- ❑ Medical Health Specialist
- ❑ Department Director of Event Safety and Emergency Response Team; NREMT; Emergency Preparedness Consultant; CPR Instructor; Health Coordinator
- ❑ Karla has earned her Bachelor's in Environmental Science and Biology, and a Masters in Forensic Science
- ❑ Worked with students and staff on organization leadership in nonprofit organizations and programs.
- ❑ Interested in community service and volunteer work



# Jamelle Nelson



**Jamelle Nelson**  
**Financial Representative**  
**Primerica**  
**Financial Services Investments**  
6100 Center Dr, Ste 1160  
Los Angeles, CA 90045  
323-893-4009

[jamelleanthonymelson@primerica.com](mailto:jamelleanthonymelson@primerica.com)

[www.primerica.com/janelson](http://www.primerica.com/janelson)

- ❑ Board member of the KLS Legacy Foundation
- ❑ Studied Accounting at the University of Southern California
- ❑ Big 4 Accounting audit experience
- ❑ Corporate Accounting & Finance Consultant
- ❑ Financial Representative with Primerica Financial Services
- ❑ Financial Literacy Director for Alpha Esquires (Non-Profit Organization for male youth)
- ❑ High School student and participant in the inaugural 2003 Leventhal's Summer Leadership Program (SLP)
- ❑ Interests include golf, playing drums, BBQ grilling and spending time with family



# Valentino Sabuco



**Valentino Sabuco**  
**Executive Director**  
**The Financial Awareness Foundation**

A 501(c)(3) Nonprofit Dedicated to Significantly  
Improving financial awareness & financial literacy...  
959 Golf Course Drive, #273, Rohnert Park, Sonoma  
County, CA, USA 94928  
Office 707.586.8620 | Direct 707.322.1597

[v.sabuco@TheFinancialAwarenessFoundation.org](mailto:v.sabuco@TheFinancialAwarenessFoundation.org)

[www.TheFinancialAwarenessFoundation.org](http://www.TheFinancialAwarenessFoundation.org)

- ❑ Executive Director and Publisher of The Financial Awareness Foundation
- ❑ Career long advocate for improving the public's financial awareness and financial literacy while pioneering "fee-only" financial planning
- ❑ Authored consumer personal finance books, syndicated columnist, speaker on the essential principles of smart money management and Improving Financial Awareness & Financial Literacy
- ❑ Instrumental in initiating the creation of Congressional legislation that resulted in the passing of H Resolution 1499 on September 27, 2008, proclaiming henceforth the third full week in October to be known as National Estate Planning Awareness Week
- ❑ Founded and managed a financial publishing and technology company that developed retail software for Kiplinger/H & R Block, architected and developed one of the first personal financial website portals to bring financial planning to the public
- ❑ Very Early Certified Financial Planner (CFP®)
- ❑ Bachelor of Science Business Administration from the University of San Francisco (USF)
- ❑ Enjoys golf and tennis, lives in Sonoma County with wife and daughters



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**Are you managing your  
finances or are they  
managing you?**



Some Questions to Ponder...

## Your Personal Financial Check-Up

*Yes or No...*

### PAPERWORK

- 1 In an emergency, could someone in your family quickly find your important papers; birth certificate, bank account records, health care and insurance policies, credit card records, will, etc.?
- 

### NET WORTH

- 2 Do you know your current net worth and how you hold title to your various assets?
- 

### CASH FLOW MANAGEMENT

- 3 Do you have enough cash available (in bank accounts or easily cashed securities) to cover you and your family for at least 6 months of no work?
- 

### BUDGET

- 4 Do you and your family have a useful, written monthly budget?
- 

### EXPENSES

- 5 Do you think you will be able to pay all your bills on time every month for the next 12 months without a paycheck?

Some Questions to Ponder...

## Your Personal Financial Check-Up

*Yes or No...*

6

### EMPLOYMENT BENEFITS

Do you understand and if appropriate utilize all your employment benefits to your advantage?

---

7

### GOALS

Do you know what's really important to you; and have you written your personal and financial goals for yourself and your family?

---

8

### FINANCIAL INDEPENDENCE / RETIREMENT

Do you know when you expect to be able to retire / be financially independent?

---

9

### FINANCIAL INDEPENDENCE / RETIREMENT

Do you know how much income and assets you will need to enjoy your retirement years, to live out a quality life including any special gifts or bequests to family and nonprofits?

---

10

### FINANCIAL INDEPENDENCE / RETIREMENT

Have you calculated the amount of money required to reach your financial goals?

Some Questions to Ponder...

## Your Personal Financial Check-Up

*Yes or No...*

### MAJOR EXPENDITURES

**11**

Have you thought about and made a list of major expenditures you can expect over the next 5 years, and where the money will come from to pay for these major expenditures?

---

### INVESTMENTS

**12**

Do you think your current investment plan(s) will meet your retirement needs?

---

### TAX DEFERAL

**13**

Do you think you are making the best use of tax-deferred investment plans for retirement?

---

### TAXES

**14**

Do you know your federal, state and local income tax rates on your last earned dollar?

---

### INSURANCE / RISK MANAGEMENT

**15**

Do you think you have the right amount of insurance – auto, home/renter's, life, health, etc. – not too little, but not too much?

---

Some Questions to Ponder...

## Your Personal Financial Check-Up

*Yes or No...*

**16**

### ESTATE & GIFT PLANS

Do you (and your family) have a current will?

---

**17**

### POWER OF ATTORNEY

Do you and your family have a current Power of Attorney?

---

**18**

### ADVANCE HEALTH CARE DIRECTIVE

Do you and your family have a current Advance Health Care Directive?

---

**19**

### CHARITABLE

Are nonprofits included in your estate plan for a bequest, planned gift, or as a primary or alternate beneficiary for life insurance or retirement plans?

---

**20**

### TRUSTS

Do you know about the advantages and disadvantages of using trusts?

---

# How did you do?

How many times did you answer “Yes”?

**16-20**

**Consider yourself financially astute.**  
*The timing may be right for fine tuning.*



---

**11-15**

**You are financially concerned.**  
*You are ready to take the next step.*

---

**6-10**

**You are not current with your finances.**  
*Information is available to help you catch up.*

---

**Under 6**

**Your finances are managing you.**  
*You can begin to take charge with information available to you.*

---



# We Have A VERY Big Problem – **Before COVID-19**

- **Over 50% of adults don't have nor understand the importance of having a current financial, estate & gift plan** to protect themselves and their family's assets.
- **The Majority of those reaching age 70 are nearly out of money.**
- **Excessive debt is destroying individuals, families and businesses.** Student loan debt exceeds \$1.3 trillion and is the 2<sup>nd</sup> largest class of consumer debt after mortgages
- **Members of the class of 2020 graduated** with an AVERAGE of \$35,000+ in student loan debt. Those with graduate degrees are significantly greater.
- **People are making critical life decisions** based on information gained from non-experts and fragmented out-of-date sources.
- This creates a **HUGE** social challenge for families and friends, employers, nonprofits, and the ultimate safety-net the government.
- We have entered into the **greatest wealth transfer in history**, an estimated \$59 trillion - divided among heirs, charities, estate taxes and estate closing costs - will be transferred from 116 million American households from 2007 to 2061.
- **Without some forward planning / effort a significant amount of these assets will be wasted.**
- **Remaining assets may not go to the right person(s) / organization(s), and not used as intended.**



# How does this alarming consumer financial data affect you?



- The class of 2020 average student loan debt is <sup>1</sup>
- Number of Student Loan Borrowers in default <sup>1</sup>
- The number of Americans over 65 is <sup>2</sup>
- The percentage of Americans over 65 that are dependent on Social Security is <sup>2 & 3</sup>
- The amount the average retired couple receives from Social Security in 2020 is <sup>4</sup>
- For persons reaching 65, their average life expectancy is <sup>5</sup>
- Americans that don't have an estate & gift plan is <sup>6</sup>

\$35,397

3 million+

50+ million

90%

\$30,372

19+ years

120 million+

**Most Americans who reach age 70  
are almost out of money!!!<sup>2</sup>**

What's in your financial future ?

1. Department of Education
2. US Census Bureau
3. CRS Report for Congress RL33387
4. Social Security
5. Statista
6. H.Res. 1499



# ‘What IF’ There Is A Real Solution?

## There’s a real solution to this lack of financial awareness & the financial illiteracy epidemic

It revolves around educating and motivating YOURSELF, The People - general public, educators, financial service and nonprofit professionals and their organizations to the essential principles to smart money management while taking appropriate actions to get & keep their financial house in order by having a current financial, estate & gift plans.



*Helping to make this a better world...*

**Together we have the potential to help solve a major social challenge by advancing and contributing to one of the most broad-based, multifaceted Moments for improving financial awareness and financial literacy while advancing philanthropy.**



# Master Plan & How Everyone Benefits!

## First – The Goals

- Substantially Improve Financial Awareness & Financial Literacy
- Touch EVERY adult, Man, Women & Child
- Alert the General Public - **why having a current and up-to-date financial, estate and gift plans are an important financial responsibility not only to themselves but to your families and loved ones**
- Inform and Educate the General Public, in an entertaining way
- Motivate the General Public to take appropriate actions
- Educate Financial Service & Financial Product Providers



# Master Plan & How Everyone Benefits!

## How Are We Going To Accomplish This?

**Touch every adult, man, woman and child** and every financial service and nonprofit professional at least twice a year through a concentrated personal finance content media blitz built around the strategic campaign venues of:

- **Financial Literacy Month (April)**
- **Estate & Gift Planning Awareness Month (October)**

with educational and motivating content, reminders and tools for making wise informed lifelong financial decisions and to get and keep your financial house in order by having current financial, estate and gift plans.

**This is a massive undertaking.  
But can be accomplished through leading**

- Financial service associations and their members
- Nonprofit associations and their members
- Financial service and nonprofit professionals and their companies
- Educational Institutions / Government Entities
- Technology Companies / Employers
- News Media





# Sampling of what others are doing?



The Report & Magazine

Click on **The Improving Financial Awareness & Financial Literacy Report & Magazine** or the link below to see a sampling of the community participation

<http://www.thefinancialawarenessfoundation.org/pdf/TFAF-FallCampaignReport&Magazine.pdf>

## Some fun & interesting links from participating organizations

### Financial Literacy Art Contest with \$9,500 in scholarships

<http://www.theoaklandpress.com/general-news/20180417/7th-annual-financial-literacy-art-contest-rewards-students-with-9500-in-scholarships>

### Financial Literacy Tour by the Gooding Band

<https://www.goodingmusic.com/for-good/financial-literacy-tour/>

### Urban Fu\$e

<https://urban-fuse.com/latest-financial-music>

### Citizens Bank Announces More Than \$1.5 Million In Financial Literacy Charitable Contributions

<https://www.citizensbank.com/community/financial-literacy.aspx>

### Financial Literacy Month – Utah Money Moms

<https://www.utahmoneymoms.com/home/financial-literacy-month-2020>

### American Academy of Attorney-CPAs

<http://www.multibriefs.com/briefs/aaacpa/AAACPA041818.php>

### National Association of Charitable Gift Planners

<https://charitablegiftplanners.org/news/press-release-cgp-partners-promote-financial-literacy-month-april>

### The City of Monterey and its Public Library









[http://www.thefinancialawarenessfoundation.org/pdf/Monterey-FPFlier\\_2018-031518.pdf](http://www.thefinancialawarenessfoundation.org/pdf/Monterey-FPFlier_2018-031518.pdf)



<http://www.monterey.org/library/Events/Financial-Awareness-Workshops>



# Fun Ways to Participate

1.   **Something to share with your family, employees and clients during the semi-annual campaigns**
  - \* A financial literacy quiz - Some Questions to Ponder  
<http://www.thefinancialawarenessfoundation.org/pdf/TFAF-USC-KLS-Quiz-SomeQuestionsToPonder.pdf>
  - \* TFAF-12 Month Financial Fitness Plan  
<http://www.thefinancialawarenessfoundation.org/pdf/TFAF-KLS-USC-12MonthFinFitnessCalendar.pdf>
2.  **Place financial, estate & gift planning editorial content** into your website, newsletters, social media groups, your chapters local newspapers & radio/television/web-based shows and ads, in support of Financial Literacy Month & Estate & Gift Planning Awareness Month.
3.  **Add an 'Improving Financial Awareness & Financial Literacy Page' to your website.**  
<http://www.monterey.org/library/Events/Financial-Awareness-Workshops>
4.  **Host / present / participate in a 'general public' or 'professional' national webinar** or local seminar built around financial, estate and gift planning during the months of April & October
5.  **Circulate improving financial awareness movement and campaign materials** to colleagues and associates; encourage them to support & actively participate in these important events.  
<http://www.thefinancialawarenessfoundation.org/pdf/TFAF-AdvisorsSupport-ImprovingFinancialAwareness-CanIncreaseYourBottomLine.pdf>
6.  **Ask your State Governor** and other local political contacts to provide supporting proclamations for The Improving Financial Awareness & Financial Literacy Movement.  
<http://home.thefinancialawarenessfoundation.org/pdf/DraftImprovingFinancialAwareness-NFLM-NEPAW-Proclamation.pdf>
7.  **Add a "We Support Improving Financial Awareness & Financial Illiteracy" icon** to your website or social media.

If you need free content, tools, or ideas visit our website [www.TheFinancialAwarenessFoundation.org](http://www.TheFinancialAwarenessFoundation.org)

# Why do this?



## Who REALLY benefits from this?



### You benefit by

- being recognized as a thought leader
- generating goodwill that attracts new patrons and retain existing ones
- receiving personal financial and estate and gift planning materials
- receiving a powerful campaign and program to use to generate new revenues



### Families benefit by

- learning the essential principles to smart money management
- being empowered to make better informed productive everyday financial decisions
- saving time and money with their financial advisors and service providers
- having the best possibilities to reach and maintain their personal and family financial dreams
- enjoying a financially secure debt free future, pass on values, knowledge and assets to future generations to make their lives and this world a better place



### Financial advisors and their organizations benefit by

- acquiring new business from more informed and motivated clients



### Nonprofits and fundraisers benefit by

- increased donations, planned gifts and bequests from more informed and motivated donors and volunteers

### Universities / Colleges benefit by

- having alumni, faculty and staff who are less stressed, happier and more productive and more philanthropic.





# Why do this? Who benefits?



## **Employers** benefit by

- having less stressed and happier more productive employees



## **Philanthropists** benefits by

- helping to solve a major social problem that leads to a better world



## **News media** benefits by

- from bringing important timely content to its audience



## **Municipalities** benefit by

- having happier and financially successful constituents, and a reduced strain on social welfare services

**Everyone actually benefits** with a stronger and financially sound economy



**Please join and actively participate in The Improving Financial Awareness & Financial Literacy Movement (The Movement)**



**This is a great business development opportunity while helping to solve a major social challenge**

# To Learn More About The Improving Financial Awareness & Financial Literacy Movement

Building Blocks to Successful  
Financial Planning



## About The Movement & Complimentary Downloads

- Supporting Improving Financial Awareness & Financial Literacy Is A Winning Opportunity For All  
<http://www.thefinancialawarenessfoundation.org/pdf/TFAF-PublicSupportfortheImprovingFinancialAwareness.pdf>
- For Financial Service / Nonprofit Advisors – How Improving Financial Awareness & Financial Literacy Increases Your Bottom Line  
<http://www.thefinancialawarenessfoundation.org/pdf/TFAF-AdvisorsSupport-ImprovingFinancialAwareness-CanIncreaseYourBottomLine.pdf>
- Serving as a Strategic Partner, Ambassador or Volunteer  
<http://home.thefinancialawarenessfoundation.org/pdf/TFAF-Ambassador-Volunteer-Overview.pdf>
- The Improving Financial Awareness & Financial Literacy Movement Report & Magazine  
<http://www.thefinancialawarenessfoundation.org/pdf/TFAF-FallCampaignReport&Magazine.pdf>

## Programs

- The Financially Green Organization Certification Program™ Executive Summary & Overview  
<http://www.thefinancialawarenessfoundation.org/pdf/TFAF-FinanciallyGreenOrganizationCertProgramOverview.pdf>
- The Your *financial* PARTNER University / College Program™ Executive Summary & Overview  
<http://www.thefinancialawarenessfoundation.org/pdf/TFAF-YourFPUniversityProgramOverview.pdf>  
<https://emeriti.usc.edu/resources/financial-literacy/>
- The City of Monterey and its Public Library (The oldest in California) made this presentation to their patrons and the Greater Monterey Bay Area Residents as a Community Gift  
<http://www.thefinancialawarenessfoundation.org/pdf/TFA-Monterey-FinLiteracyFlier-Spring2018.pdf>  
<http://www.monterey.org/library/Events/Financial-Awareness-Workshops>



USC Emeriti Center





# Agenda

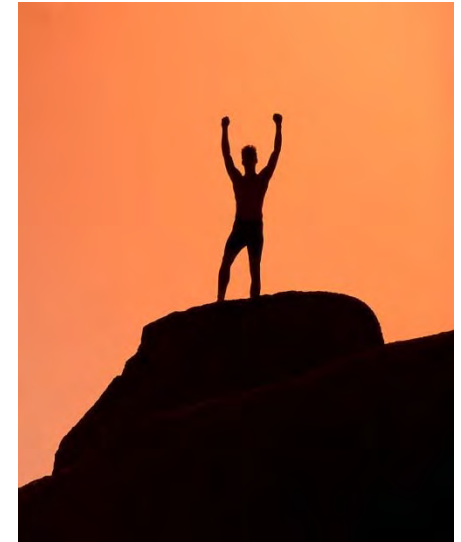
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# Personal Finance Knowledge



**You don't need  
special talents or skills  
to manage your finances  
just some missing knowledge**

**Preview of what you'll be learning in  
the coming presentations**



- Building Blocks to Successful Estate & Gift Planning – **October 2020**
- Building Blocks to Successful Financial Planning
  - Getting Financially Organized – **April 2021**
  - Essential Principles to Smart Money Management – **April 2021**



# Which area of your personal finances frustrates you the most?

**Dealing with debt**

Paying bills      Financial paperwork      Financial calculators

Financial education      Student loans      **Tracking your Net Worth**

Making financial decisions      **Banking services**

**Finding the right kind of work**      Cash flow statements & bookkeeping

**Consumer financing management**      **Investment research**

Gift planning      Asset allocation

Insurance & risk management

**Estate planning**      **Tax preparation**      **Where to keep important documents**

Financial advisory services on call when needed

**Funding education**      **How much can I give?**      **Educating children about finances**

**Asset management**      **Dealing with eldercare issues**



# Are you gambling with your future?





# Would you benefit from using a systematic approach?

- ❑ Making the best informed financial decisions
- ❑ Having the best chances for a secure financial future
- ❑ Knowing the secrets to smart money management





# Getting Organized - Why get & stay organized?

Why get organized and put your financial house in order?

Quick –

- ❑ When's your auto registration due?
- ❑ What's your Net Worth?
- ❑ Where's Your Money going?
- ❑ Where's your Durable Power of Attorney?
- ❑ Where's the deed to your house or your parent's?
- ❑ Who are your back up executors & trustees?
- ❑ Where are your important login's and passwords?

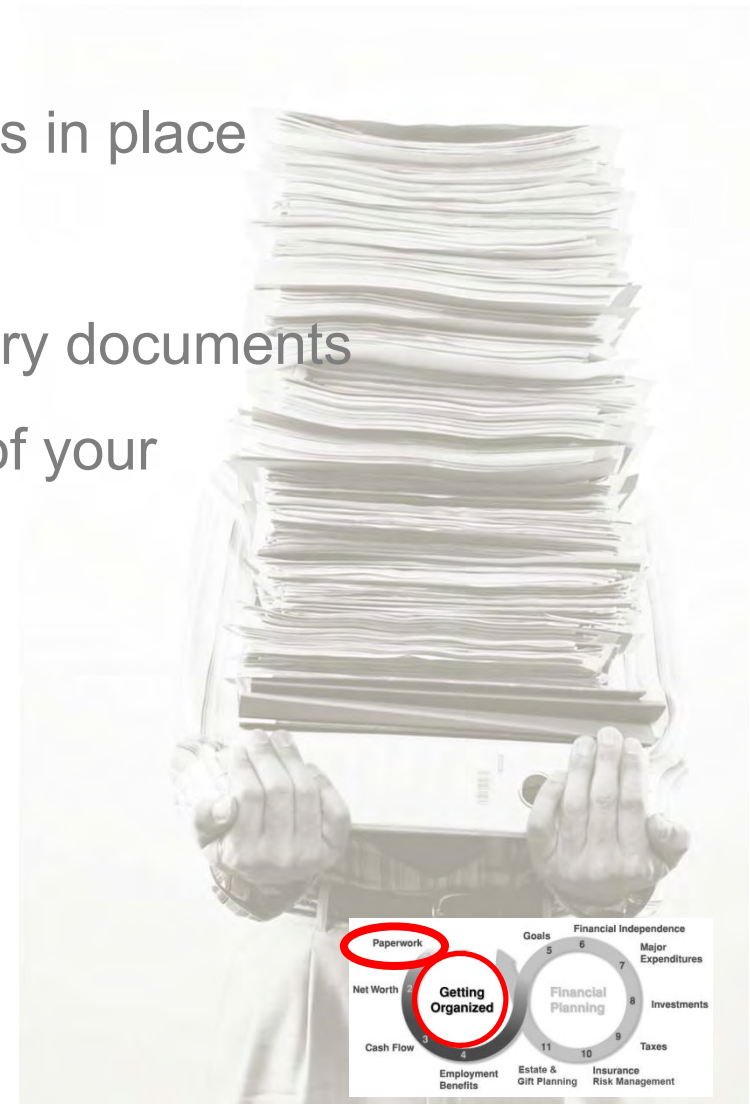




# 1. Paperwork - Why pay attention to it?

- ❑ Life's great when your paperwork is in place
- ❑ Where do I put important papers?
- ❑ Use a financial organizer for primary documents
- ❑ Set up a filing system for the rest of your paperwork & digital files
- ❑ Why get a credit report?

My credit is good!!! I think





## Who are your financial advisors & financial product providers? Do I really need them?

- ❑ Their knowledge can greatly affect YOUR financial future
- ❑ Important criteria for selecting
- ❑ How are they compensated?
- ❑ Questions to ask





## 2. Net Worth – What do you own and owe?


- ❑ Do you know what you own & how much you owe?
- ❑ Why you should know your net worth?
- ❑ Why annually track it?



# Some Fundamentals

## Net Worth Statement





### Net Worth Statement

---

NAME James and Anne Sullivan DATE OF STATEMENT 12/31/19

PERSONAL ASSETS & LIABILITIES	ASSETS	LIABILITIES	OWNERSHIP	SCHEDULES
Personal Cash	\$ 24,000		JT	1
Real Estate	240,000	\$	JT	7
Personal Property	50,000		CP	12
Loans		150,000	CP	14
Credit Cards		4,000	CP	15
Other Debts		1,000	CP	16
<b>SUBTOTAL</b>	<b>\$ 314,000</b>	<b>\$ 155,000</b>		

INVESTMENTS ASSETS & LIABILITIES	ASSETS	LIABILITIES	OWNERSHIP	SCHEDULES
Investment Cash	\$ 5,000		JT	1
Stocks & Stock Mutual Funds	18,000	\$	JT	2
Bonds & Bond Mutual Funds	8,000		JT	3
Stock Options	2,000		CP	4
Retirement Plans	125,000		JS&AS	5
Notes Receivable	1,000		JT	6
Real Estate				7
Partnerships	2,000		JT	8
Business Interests	5,000		JT	9
Annuities	5,000		AS	10
Cash Value of Insurance				11
Other Investment Property	2,000		CP	13
Loans				14
Credit Cards				15
Other Debts				16
<b>SUBTOTAL</b>	<b>\$ 173,000</b>	<b>\$ —</b>		


  

<b>TOTAL PERSONAL AND INVESTMENT ASSETS &amp; LIABILITIES</b>	<b>\$ 487,000</b>	<b>\$ 155,000</b>	
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<b>NET WORTH</b>	<b>\$ 332,000</b>	
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**TIPS & IDEAS**

Forms of Ownership:  
Community Property (CP), Joint Tenancy (JT), Separate (S), Tenancy-in-Common (TIC), Tenancy by the Entirety (TE), Trust (T)

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### 3. Cash Flow – Do you know how your cash flow flows?


- ❑ How's your cash flowing?
- ❑ Where does your money come from?
- ❑ Where does it go?
- ❑ Finding the balance that works for you





# Some Fundamentals

## Cash Flow Planner



### Cash Flow Planner

PAYMENT PERIOD	Monthly x 12	Quarterly x 4	Semi-Annual x 2	Annual x 1	Budget Total =	Average Monthly
<b>INCOME</b>						
<b>Employment</b>						
Salary	4,000				48,000	4,000
Salary	2,200				26,400	2,200
Business Interest						
<b>Investments</b>						
Interest/Dividends	88				1,056	88
Notes Receivable						
Other Investments						
Real Estate				500	500	42
Partnerships				200	200	17
<b>Pensions/Other</b>						
Social Security						
Retirement Plans						
Other Income						
<b>TOTAL INCOME</b>	<b>\$ 6,288</b>	<b>\$</b>	<b>\$</b>	<b>\$ 700</b>	<b>\$ 76,156</b>	<b>\$ 6,346</b>
<b>EXPENDITURES</b>						
<b>Taxes</b>						
Federal Taxes	805				9,660	805
Social Security Taxes	474				5,688	474
State Taxes	133				1,596	133
Property Taxes			1,000		2,000	167
Other Taxes	78				175	15
<b>Household</b>						
Advisors			450		900	75
Charitable Donations	75				900	75
Childcare/Education	325				3,900	325
Clothing/Personal Care	325				3,900	325
Dues/Publications	25				300	25
Entertainment/Recreation	709				8,508	709
Food & Household	725				8,700	725
Gifts/Holidays		350			1,400	117
House Maintenance/Improvement	350				4,200	350
Other Household						
Travel/Transportation	175				2,100	175
Utilities	175				2,100	175
<b>Insurance &amp; Health Care</b>						
Life Insurance						
Health/Disability Insurance						
Property & Liability Insurance	80				960	80
Vehicle Insurance			600		1,200	100
Other Insurance						
Medical/Dental Expenditures	100				1,200	100
<b>Loans &amp; Leases</b>						
Home Loans/Lease	998				11,976	998
Home Improvement Loans						
Auto Loans/Leases	299				3,588	299
Other Loans/Leases						
<b>TOTAL EXPENDITURES</b>	<b>\$ 5,851</b>	<b>\$</b>	<b>\$ 2,050</b>	<b>\$</b>	<b>\$ 74,955</b>	<b>\$ 6,246</b>
<b>SAVINGS/MAJOR EXPENDITURES</b>						
FIR	100				1,200	100
Education						
Auto						
Planned Giving						
Other Major Expenditures						
<b>TOTAL SAVINGS/MAJOR EXPENDITURES</b>	<b>\$ 100</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$ 1,200</b>	<b>\$ 100</b>
<b>TOTAL EXPENDITURES SURPLUS/(SHORTAGE)</b>	<b>\$ 5,951</b>	<b>\$</b>	<b>\$ 2,050</b>	<b>\$</b>	<b>\$ 76,155</b>	<b>\$ 6,346</b>
	<b>\$ 337</b>	<b>\$</b>	<b>\$ (2,050)</b>	<b>\$</b>	<b>\$ 1</b>	<b>\$ 0</b>

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## 4. Employment Benefits – Do you have a hidden paycheck?


- ❑ Employment Benefits are your hidden paycheck
- ❑ Which medical/dental plan is right for me?
- ❑ Who's the beneficiary of my group life & retirement plans?
- ❑ Am I using my benefits to my full advantage?





## Some Fundamentals

## Employee Benefit Summary

 <b>Employment Benefits Summary</b> <span style="float: right;">(1 of 2)</span>			
<b>NAME</b>	First: <u>James R. Sullivan</u> Last: _____		
<b>EMPLOYER</b>	<u>Acme Media</u> <b>DATE EMPLOYMENT BEGAN</b> <u>2/4/95</u>		
	<b>BENEFIT(S) PROVIDED TO YOU</b>	<b>BENEFIT(S) PROVIDED TO SPOUSE/CHILD</b>	<b>ANNUAL PERCEIVED VALUE BY YOU</b>
<b>SALARY</b>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>48,000</u>
<b>LIFE INSURANCE</b>			
Term Life	Yes - \$ 100,000		300
Dependent Life			
Split-Dollar Life			
<b>HEALTH CARE</b>			
Major Medical/HMO	Yes		3,600
Dental Care/Vision Care	Yes/Yes	Yes	2,000
Long-term Care	Yes	Yes	1,300
<b>TAX-DEFERRED COMPENSATION</b>			
Qualified Retirement Pension	-		
Qualified Profit-Sharing Plan	-		
401(k) Plan	Yes - Matching 3%		1,500
Non-Qualified Deferred Compensation			
Stock Bonus Plan			
Employee Stock Purchase Plan			
Stock Options			
<b>OTHER BENEFITS</b>			
Auto	-		
Cash Profit Sharing/Bonus	Yes		
Vacation/Holidays	2 weeks until 2001, then 3 weeks		2,000
Sick Pay	Yes, 1 week		1,000
Disability Income	Yes, 1 year		500
Tax & Financial Planning	Yes		400
Education Reimbursements	-		
Flexible Benefit Plan	Yes		
Employer's FICA	Yes		3,500
Unemployment Insurance	Yes		
Credit Unions	Yes		
Employee Assistance Programs	Yes		
Group Discounts	Yes		1,000
Childcare	-		
Other	-		
<b>TOTAL</b>			
	\$ <u>-</u>	\$ <u>-</u>	\$ <u>65,100</u>

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# Will Financial Planning Be **Your Key** to a Secure & Successful Financial Future?





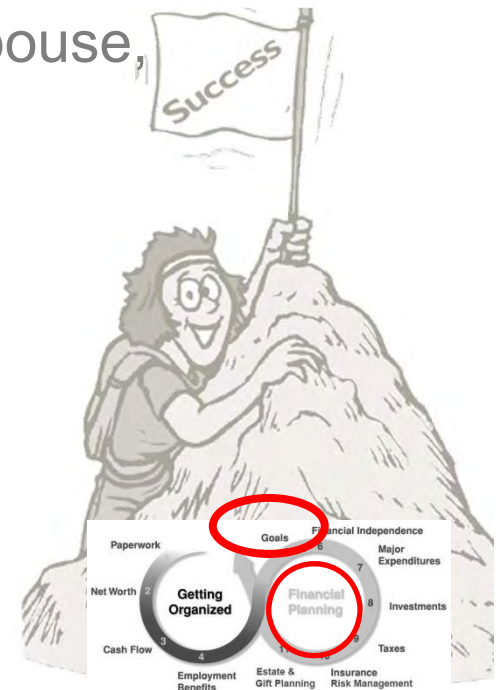
# 6 Easy Steps to a Better Financial Future





## 5. Goals – What really matters to you?

- ❑ What's **really important** to you?
- ❑ What type of work do you **really enjoy** doing?
- ❑ Where do you want to live in 3 years, 5 years, 20 years?
- ❑ Where do you want to be financially in 3 years, 5 years, 20 years?
- ❑ How much time should you give to work, kids, spouse, yourself, interests, your community...?
- ❑ When will you retire from your current work?
- ❑ What are your gift and legacy plans?
- ❑ What are your real dream situations...?





## 6. Financial Independence / Retirement –

When will yours start?

- ❑ At what age will you reach your financial independence / retirement?
- ❑ When can you stop working & still maintain your lifestyle?
- ❑ For how long?
- ❑ What rate of return do you require on your assets to reach & maintain your personal and family goals?





## Some Fundamentals

### The Numbers!

How long will it take for your principle to double?

Divide 72 by your rate-of-return

At 8% it will take 9 years

$$(72/8 = 9 \text{ years})$$





# Understanding the power of “time value of money” and “compounding”

Question: Which would you rather have right now; today?

1. A check for \$1 million?
2. A check for a penny doubled each day for 30 days?

Day 1: \$0.01	Day 2: \$0.02
Day 3: \$0.04	Day 4: \$0.08
Day 5: \$0.16	Day 6: \$0.32
Day 7: \$0.64	Day 8: \$1.28
Day 9: \$2.56	Day 10: \$5.12
Day 11: \$10.24	Day 12: \$20.48
Day 13: \$40.96	Day 14: \$81.92
Day 15: \$163.84	Day 16: \$327.68
Day 17: \$655.36	Day 18: \$1,310.72
Day 19: \$2,621.44	Day 20: \$5,242.88
Day 21: \$10,485.76	Day 22: \$20,971.52
Day 23: \$41,943.04	Day 24: \$83,886.08
Day 25: \$167,772.16	Day 26: \$335,544.32
Day 27: \$671,088.64	Day 28: \$1,342,177.28
Day 29: \$2,684,354.56	<b>Day 30: \$5,368,709.12</b>



## 7. Major Expenditures – What's your next major expenditures?

- ☐ Have you prioritized your major expenditures?
- ☐ Does a new or used car work in your plans?
- ☐ Would buying a house work for you plans?
- ☐ Are you funding your child's or grandchild's college costs?





## 8. Investments – Which investments are critical to your future?

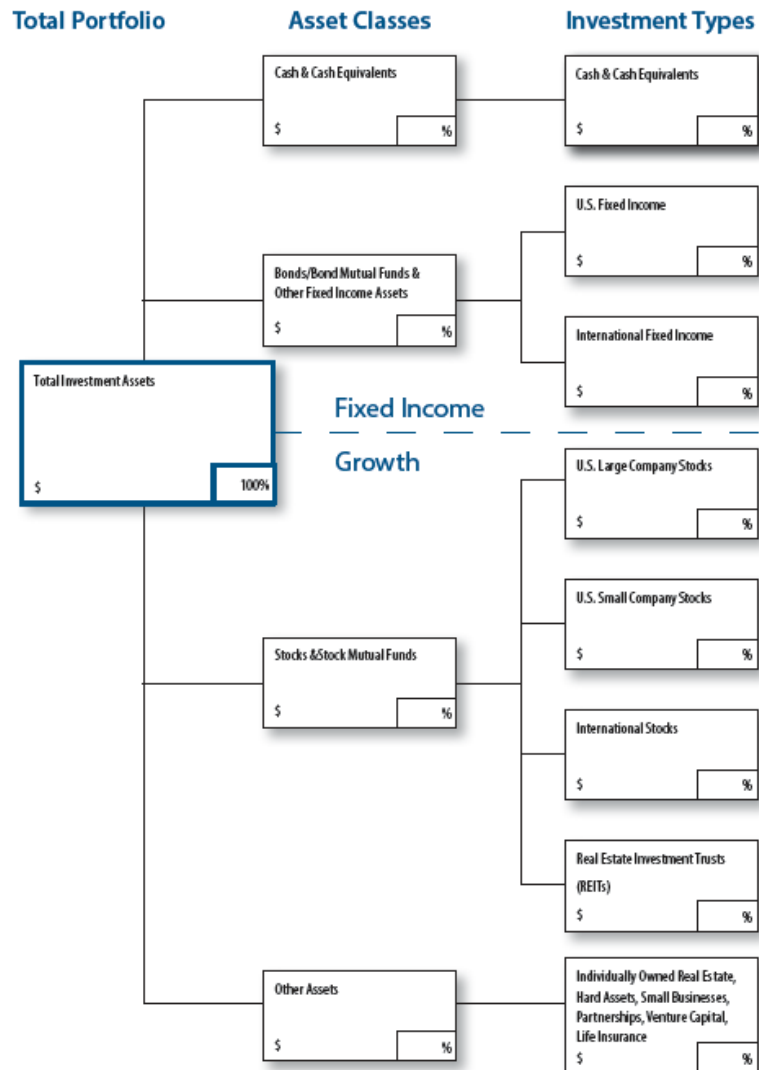
- ❑ Wise investing is a lifelong task
- ❑ How do investments earn money?
- ❑ What are some good investment strategies?
- ❑ Do you have an Investment Policy Statement and Plan? Why not?





# Some Very Important Investment Terms

## Asset Allocation Flowchart



1. Asset Allocation
2. Asset Classes
3. Diversification
4. Investment Risks
5. Target Rate of Return





## 9. Tax Planning – How can it benefit you?

- ❑ Taxes are an inevitable part of life
- ❑ Are you paying more than your fair share?
- ❑ What the opportunities for minimizing tax obligations?
- ❑ Can year long tax planning really can save money?
- ❑ Always ask:
  - What's the tax consequences of this transaction?  
**Before completing it?**





# 10. Insurance & Risk Management –

How you can minimize surprises & maximize protection?

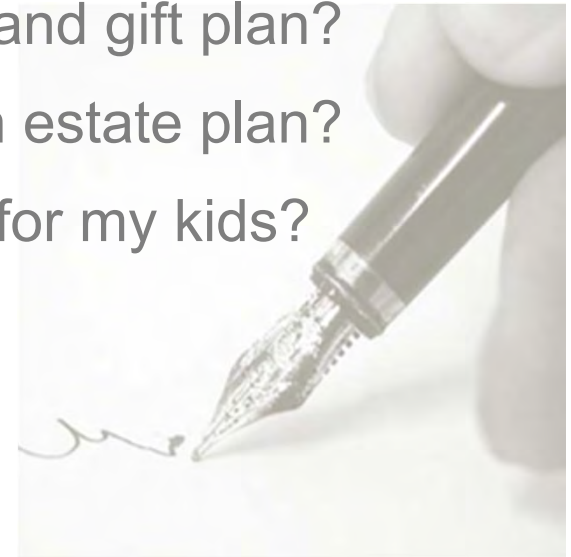
- ❑ What can you afford to loose?
- ❑ Do you need life insurance? How much is enough?
- ❑ Are you paying too much for car insurance?
- ❑ Do you have too much or too little insurance?
- ❑ What are the various kinds of insurance?





## 11. Estate & Gift Planning – Do you have your financial house in order?

- ❑ Do you have an up-to-date estate and gift plan to protect you & your family?
- ❑ It's not like I'm a Mark Zuckerberg or Bill Gates or Prince or Aretha Franklin. Why do I need an estate and gift plan?
- ❑ How do we tactfully find out if mom has an estate plan?
- ❑ Does it make sense to create a trust fund for my kids?
- ❑ How can I make a lasting difference?





# Agenda

- **Welcome**
- **Introductions**
  - KLS Legacy Foundation
  - USC Emeriti Center & College
  - The Financial Awareness Foundation
- **The Movement**
  - A VERY BIG SOCIAL PROBLEM – Before COVID-19 – Solutions?
  - Improving Financial Awareness & Financial Literacy Movement
- **The Building Blocks To Successful Financial Planning Series**
  - A System to Better Manage Your Personal Finances
- **Closing Comments**



# Getting & Staying Organized & Financial & Estate & Gift Planning - Are Very Important Lifelong Processes

- ❑ When should I start?
- ❑ Get started now, as you will never have more time
- ❑ Get a “Round Tuit”





# **Our Special Gift of Personal Finance Knowledge to YOU!**



As financial  
planning is a  
lifelong process  
we'll share with you

## A 12 Month Financial Fitness Plan

to simplify the  
process and help  
you to get and keep  
your financial house  
in order.



Download the [12 Month Financial Fitness Calendar](http://www.thefinancialawarenessfoundation.org/pdf/TFAF-KLS-USC-12MonthFinFitnessCalendar.pdf) at

<http://www.thefinancialawarenessfoundation.org/pdf/TFAF-KLS-USC-12MonthFinFitnessCalendar.pdf>

## TFAF—The Personal Finance Publication Set



Your financial PARTNER  
Overview—Essential Principles to Smart



Your financial PARTNER  
Guidebook—The Personal Financial



Your Estate & Gift Planning Organizer  
The Life Long Planning Tool

### Discover all the secrets of personal finance so you can

- ✓ Make better informed everyday money decisions so you can
  - ✦ Life a quality life without outliving your wealth
  - ✦ Watch your personal / family dreams become a reality
  - ✦ Make decisions about your lifestyle without financial worry
  - ✦ Enjoy a financially secure debt free future
- ✓ Work with financial professionals & product providers to get the best results from the time & money
- ✓ Pass on your values, knowledge and assets to future generations to make their lives and this world a better place

These are not just books, they are a **Powerful Systematic Approach**  
To better managing your & your family's  
Financial, Estate & Gift Planning  
over your entire lifetime

To get your complimentary copy of these special publications, visit

KLS - <https://klslegacyfoundation.org/>

Emeriti Center / College - <https://emeriti.usc.edu/resources/financial-literacy/>

TFAF – [www.TheFinancialAwarenessFoundation.org](http://www.TheFinancialAwarenessFoundation.org)

***We believe having better personal finance knowledge  
changes your world and the world around you... FOREVER!***

# The Movement

## *The Improving Financial Awareness & Financial Literacy Movement & Campaigns*

**Are you are looking for a meaningful and much needed cause to support with your time or money or both?**



**Help us touch the vast majority** of the general public and financial service and nonprofit professionals at least twice a year with a growing concentrated personal finance content media blitz campaign built around the strategic venues of:

- **Financial Literacy Month (April)**
- **Estate & Gift Planning Awareness Month (October)**

**KLS** - <https://klslegacyfoundation.org/>

**Emeriti Center / College** - <https://emeriti.usc.edu/resources/financial-literacy/>

**TFAF** – [www.TheFinancialAwarenessFoundation.org](http://www.TheFinancialAwarenessFoundation.org)

USC Emeriti Center

USC EMERITI CENTER  
Colleagues for Life  
<http://emeriti.usc.edu/>



**KLS  
Legacy  
Foundation**

## About Us

Established in 2019, the Professor Kendall L. Simmonds, Sr. Legacy Scholarship provides critical support to low-income African-American USC students concentrating in the fields of finance and/or accounting.

Becoming a *Simmonds Scholar* means connection to our program's trifecta of **Scholarship**, **Internship** and **Mentorship** with the resources to pursue your passion and advance into exceptional careers.





The **FINANCIAL AWARENESS** Foundation

*Improving Financial Awareness & Financial Literacy™*

## Background & Mission

**The Financial Awareness Foundation** as a nonpolitical “financial awareness advocate” for We The People – general public, financial service and nonprofit professionals, their companies and associations, educational institutions, employers, municipalities, **and news media**.

### 1. A 501(c)(3) nonprofit organization

### 2. **Mission:** Significantly improving financial awareness & financial literacy

### 3. **Believes that creating financial awareness & teaching financial literacy** & sharing the essential principles to smart personal financial management—the foundation to personal finance knowledge-is VERY important

### 4. Taking an active leadership role uniting

- Financial service & nonprofit associations and their members
- Financial service & nonprofit professionals and their companies
- Technology companies
- Employers
- Educational institutions
- Government entities
- News media

to participate in **The Improving Financial Awareness & Financial Literacy Movement** and take part in a concentrated personal finance content media blitz every six months during the strategic campaign venues of

- **Financial Literacy Month in April**
- **Estate & Gift Planning Awareness Month in October**

### 6. Developing and delivering high quality educational content for the general public and professionals

### 7. **Assisting financial service & nonprofit professionals** and their organizations, employers, academia to provide high-quality, financial education and cost-effective financial services



*Helping to make this a better world...*

**We believe having better personal finance knowledge changes your world and the world around you... FOREVER!**  
**Help us do more with a generous donation!**



We are hard at work to become **YOUR 'foundations of choice'** for

**Improving Financial Awareness & Financial Literacy** and for **Providing Lifelong Learning**

If you found this presentation valuable and would like to assist us financially so we can do more

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Thanks for your consideration

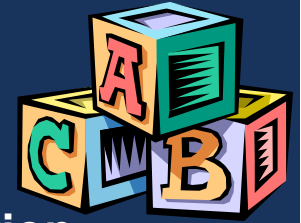
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Become a FA Supporter Today

# Thank you for joining us!



- KLS Legacy Foundation
- USC Emeriti Center & College
- The Improving Financial Awareness Foundation
- The Improving Financial Awareness & Financial Literacy Movement
- Building Blocks to Successful Financial Planning Series



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Today's Presentation Is an Educational Improving Financial Awareness & Financial Literacy Community Gift and Service

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