

PRAGMATIC PROSPERITY

The Art of Living Rich



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90 Day Plan for your path to Pragmatic Prosperity

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I. Rationale:

This course has been constructed to give the basic structure and organization to gaining wealth. It fits for anyone struggling with financial issues, or who is finally looking forward to getting organized and out of debt.

II. Plan Objectives:

Aims: Following this course, the student should have:

1. A solid financial foundation
2. An understanding of the flow of money
3. An organizational plan for managing money
4. A better understanding of prosperity thought
5. A game plan for structuring spending based on percentages
6. A debt reduction plan

Specific Learning Outcomes:

The student will work to have a prosperity mindset and understand what lack and abundance thought is. They will also understand basics of a spending journal, budgeting, as well as living on percentages. They will leave the course organized financially and ready to take on wealth growth.

Welcome to Pragmatic Prosperity!

This is going to be a GREAT journey! The next 90 days we are going to be working through this together to help you get the financial footing needed to create the wealth in your life and take it to the next level.

It is very important that you follow through with the assignments in this track. I really want you to accept this challenge.

By the time you complete this course you will be blown away at how organized you are and how much different your mentality is and your approach to money is. It is really going to help you!

REMEMBER TO:

1. Listen to my podcast “Unlocking the Secret of Living Rich” each Wednesday.
2. Print this workbook out.
3. Work this track at a desk in a nice peaceful environment just as if you were in school.
4. Keep a journal. This will be the home place to keep your notes, ideas and thoughts. You can use a physical notebook or one online like Evernote, whichever works best for you. You will have 2 journals: your other journal for notes and your spending journal.
5. Buy and read *Think and Grow Rich* by Napoleon Hill.

WEEK 1 – KNOWING YOUR WHY

1. Change is uncomfortable.
2. The first thing we are going to work on is your why.
3. Without a clear and compelling WHY you will revert back to your old habit before this course is finished.
4. Your first assignment is to write out a very clear picture of what you consider financial freedom.
5. Now you need to define your personal definition of wealth. You will see through this course that you *can* start building wealth.
6. Now write out your WHY as to why you are seeking the financial freedom you defined above. Do this in your journal. It should take you at least 30 minutes to think this through and write it down. Take your time – do this well. It is a **foundational step** of this process.
7. Do you have a picture of financial freedom? Do you have a compelling WHY? Now look forward 1 and 3 years write in your journal what your life will look like if you quit this program and keep doing what you are doing now.
8. Which future would you prefer – financial freedom and wealth building OR more of what you have today?

That's what I thought FREEDOM!

WEEK 2 – ASSESS THE CURRENT STATE

You can't know where you are going if you don't know where you are.

1. List all of your credit cards
 - a. balances
 - b. interest rate
2. List all of your bank accounts with balance in each.
3. List all of your other debt (loans),
 - a. number of payments left
 - b. balance
 - c. interest rate
4. List all of your other obligations:
 - a. Rent
 - b. Food
 - c. Child Support
 - d. IRS Payments
 - e. Insurance
 - f. Gas
 - g. Utilities
 - h. Kids expenses (school, books, sports, etc)
 - i. Medical costs
 - j. Etc
5. Now let's look at your income. List all current sources of income –
 - a. job
 - b. tax refund
 - c. child support
 - d. gifts
 - e. etc

Put this information in a spreadsheet or your journal. Do not get discouraged at the amount of debt or outflow you have. This is the base of the plan to get you out of debt and on the path to build wealth!

WEEK 3 – ASSESS YOUR SPENDING HABITS

Start keeping a spending journal.

1. You will need to get, and keep, a spending journal.
2. If you are just getting started in building your wealth and organizing this for the first time, this can be tough for some people.
3. Do not lose the focus. Stick with this for 60 days minimum.
4. It is important that we spend at least an entire month understanding our spending. You may carry this on throughout this whole course because it is so powerful and will really change your thoughts.
5. The reason we are doing this is that we are trying to find the excess or emotional spending patterns.
6. We are trying to get control and see where our money is going.
7. Use a notebook for this, or whatever is more convenient for you.
8. For your columns you will need:
 - a. Date - the date of the spending
 - b. S Amount - the amount of the spending
 - c. Description - the feeling that the spending gave you. Were you excited, happy, sad, depressed, or exhilarated? Describe it here.
 - d. Notes - these are notes of why you spent the money
9. This way you are evaluating every single penny that is flowing in your life.
10. I want you to learn to respect your money and start to track it.

WEEK 4 – DEVELOP A PROSPERITY MINDSET

SIX STEPS FOR CREATING BURNING DESIRE

Taken from Chapter 1 – *Think & Grow Rich*

These steps are extremely important.

1. Fix your mind on the exact amount of money you desire. It is not sufficient to say, "I want a lot of money." You must be **definite** as regards the amount, and there are metaphysical reasons for this.
2. Determine **exactly** what you intend to give in time or talent for the money you desire. Remember, there's no such thing as something for nothing
3. Establish a **specific date** you intend to possess the money you desire
4. Create a **specific date and plan** for carrying out your desire. It is important that you begin at once - right this very moment - whether you are ready or not to put this plan into action.
5. Write out a **clear and concise plan** of the amount of money you intend to acquire. Name the **time limit** for its acquisition, state what you intend to give in return and describe clearly the plan to which you intend to accumulate it.
6. Read your written statement aloud twice daily.
 - a. Read once before bed and once in the morning.
 - b. As you read it, see it, feel and imagine yourself already in possession of the money.
 - c. It's important to **really build up the belief that is inside of you.**

WEEK 5- PATHWAY TO PROSPERITY

This is something I teach in order to get you to a place where you can make a real difference in your life.

1. In order for us to be able to do the things we want to do when we want to do them, we must get our baseline balance under control.
2. The baseline balance is the bare minimum you need each month to live on. It is a subset of all the times you listed in WEEK TWO as necessary:
 - a. Food
 - b. Shelter
 - c. Transportation
 - d. Health Care
3. Minimum payments on debt obligations
4. In order to create the pathway you must **lower your spending or increase your income** to cover the baseline balance; and then you have freedom!
5. This is about understanding what you are spending, so we can locate any leaks.
6. Your spending journal (now 30 days in) should have shown you ways you can reduce your spending and create some money to pay down your debt.
7. My formula:
 - a. 70% of income is spent on baseline balance (if your baseline is currently more than 70% you will have to make some hard decisions on what is deemed “necessary” or find ways to bring in more money)
 - b. 10% of income is spent on fun – fun is always taken out and spent as cash. If you are saving for a trip or big fun event, put the cash in a safe place. NEVER co -mingle fun money with other money.
 - c. 10% of income is put into savings account (you should always have a minimum of 3 months baseline expenses in your savings account).
 - d. 10% of income is on personal growth or creating other sources on income.
 - e. When you are trying to get out of debt, the savings and personal growth are reduced to 5% each and 10% is spent toward debt.

WEEK 6 – DEBT REDUCTION

1. STOP USING CREDIT CARDS NOW. Cut up all cards with a balance that you do not pay the balance in full each month.
2. Keep one emergency card and put it in a baggie of water in the freezer. Only thaw it out if you have a true emergency.
3. Let's revisit the debt exercise from WEEK TWO.
4. We will take the list and look at balance and interest rate as well as any required monthly payments.
5. We will first see if we can transfer debt from high interest rate credit cards to lower rate cards (be very careful about getting a new card for this as the fine print can cost you thousands of \$)
6. We will now focus on the highest interest rate cards and put all of our extra 10% on this balance.
7. We will make minimum payments on debt for the other debt items.
8. When the first card is paid off congratulate yourself and do something fun.
9. Then, look at the next most expensive credit card and start paying on that one.
10. It will take time, but if you stop accumulating balances on your debt and begin to make extra payments you will get them paid off.

Don't feel overwhelmed or discouraged because we are just starting out on this journey! We are laying our foundation!

WEEK 7 - TRACKING

1. Starting now Pick one day per week to become your “money day” – I use Sunday. This means you will begin to get up to date with everything.
2. This will be the day that you look at your money, you understand your money and you know what is going on with your money.
3. Get Quickbooks Online and link your bank accounts and credit card accounts to it. You can use any other app - but make sure it links to your bank and credit card accounts automatically!
4. On the day you picked, download the transactions and see where you are with your spending.
5. Re-evaluate and shift as necessary to keep the 70-10-10-10 rule.

Now that you have this knowledge of the inflow and outflow - It's time to get organized!

WEEK 8 - BUDGETING BASICS

1. Make sure you have downloaded a budgeting app. I use “You Need a Budget”, but there are many out there like “Mint” or “Wally”.

THIS IS A CRITICAL STEP

2. The last day of every month we will use this app to review our monthly spending.
3. The goal here is to gain a snapshot of what is happening in your financial life.
4. This is extremely simple, yet very powerful and will organize you financially.
5. Once you get this set up it should take about 30 minutes a week to do.
6. You can change this to fit you - just remember there are some formulas in some of the cells.
7. If you have any issues or need some help with your app please send me an email at cindy@cindybbrown.com
8. The purpose of this is so we are aware of our:
 - a. Expenses
 - b. What is in the bank
 - c. Our income

This is so we can see what is coming in, what is going out and what is left over to build our wealth!

WEEK 9 - TAXES

1. If you are an entrepreneur, you are able to write things off as a business expense. It's important that you understand what you can write off and what you can't.
2. Do your research and learn about the tax rates where you live and about any tax withholdings. Use your CPA for advice, but also talk to other entrepreneurs, do some online research to stay current on these deductions.
3. You MUST pay your taxes, but understand your tax bracket. It's time to take control of your finances.
4. We want to understand taxes and understand how they work.
5. Understand what you are paying and make sure you set enough aside. Entrepreneurs do receive quite a few breaks so if you are able to structure yourself as a business you can may some tax benefits.
6. You must understand the idea of having a business and then writing things off. As well as understanding certain withholdings.
7. Begin to understand the taxes where you live: understand what you are paying and what you can write off so start to research this.

Pay to Caesar what is Caesar's is a changed mindset.

Pay your bills on time!

WEEK 10 – START A BUSINESS

Think about starting a small business - something you do on the side - something that can bring in a little revenue that you can use as a tax vehicle for you.

1. What are your options to do something on the side that could bring in some extra revenue for you?
2. List some examples of what different things can generate revenue - if you need help just go online and type in “side hustle ideas”.
3. Then it is about earning enough to cover your 70%.
4. Focus on what you can do to create residual and passive income streams to cover the nut balance.
5. Once you have residual and passive income streams you are free to do whatever you like.
6. The more specialized knowledge that you have the more opportunity you have which allows you to create wealth.
7. There are literally thousands of things you can do to make extra money – dog walking, pet sitting, using your core expertise to teach someone else, etc

WEEK 11 - INVESTING VERSUS SPENDING MINDSET

1. What is an investment mindset – where your money works for you!
2. I understand that before I purchase something I need to have a plan for it to make me money, and I need to invest in it and it needs to make a return on investment to me.
3. You don't want to just spend, spend, spend - look at it as a return on investment.
4. You have to see your money as a tool and then understand that what you are spending it on is either going to come back to you or push money away.
5. You need to educate yourself on investing.
 - a. Buy some stocks and learn how to trade. Open an E-Trade or Scottrade account and put a little money in it.
 - b. Learn about investing, learn about real estate, start educating yourself and start to act wealthy. Doing so will help you start to understand your financial acumen.
 - c. Surround yourself with resources like the *Wall Street Journal*, *Kiplinger's*, etc., so that you can learn about money. It's crucial you learn how to handle your money.
6. Be very cautious about who you have on your financial team. You need to know the game so you can make changes, don't just rely on your financial planner to manage your money. Listen to Tony Robbins podcast "Unshakeable" – invaluable information.
7. No one will be a better caretaker of your money than you will!
8. Plan ahead when making purchases and know the difference between an impulse buy.
9. Start to treat yourself like you are already a billionaire; that is the mentality that we need to have.

WEEK 12 – MULTIPLE STREAMS OF INCOME

1. You need to develop multiple streams of income.
 - a. Active – your job or business where you spend your time
 - b. Passive (makes money on your money, interest, rental property, etc)
 - c. Residual (dividends, stocks, etc)

2. We are looking to build wealth in both the residual and passive areas.

3. In order to build that we must have the right strategy and plan.

4. You must get one stream going.
Find one thing going for you - which means you might have to try a few.

5. Anyone can become an entrepreneur it just takes some time and some learning of the basics of business.

6. If you don't know what you are passionate about, then we've got to find that out so we can build a stream of income based on that, which will start to build some wealth for you.

7. You can do this!

8. Pray with your feet moving

RECAP

CONGRATULATIONS – You Did It!!!!

1. Start by getting out of DEBT.
2. Begin creating multiple streams of INCOME, and living a life that you deserve; one filled with freedom, energy and financial security.
3. Get and stay organized about your finances Create a BUDGET! Use an app to make it easy to track all you spending.
4. TRACK everything Even though it can be tough at times, it is critical that you do this especially in those times. If you can't do it now with the small funds you have, how will you do when you have a million or more? The more money you make, the more complicated it is to keep track of it.
5. Live within the SYSTEM. Get you fixed monthly expenses to 70% of your income – wither by cutting expenses or making more money.
6. Understand what is going on in your life and in your business – with your money. EXECUTE this program.
7. Recognize that this does not happen overnight, but it will happen if you get organized and structured.

Time to start building WEALTH so we can

#LiveRich