

Money Management Tips To Live By

By: Sarah Hjelle-Bjorgaard, Future Executive Senior Director

- **Begin Looking at your business on a weekly basis!**
 - When you set your goals monthly, break them down to a weekly goal.
 - You want to pay yourself WEEKLY, not monthly right?
 - You need to fill out your appropriate paper work & PAY YOURSELF WEEKLY!
- **Deposit ALL sales in a business Checking Account the day after you collect it.**
 - The more you have “loose” money laying around the more tempted you’ll be to use it with the mindset that “you’ll pay your money bag back”. Not so.
- **Business Checking should be linked to it’s own check debit card with adjustable limit.**
 - Deposit only Mary Kay Money into this account & nothing else.
 - All expenses & wholesale orders will come out of this account.
 - “Cash in Cash out” account. Probably will never carry a high balance.
- **Understand Profit Level Inventory & Importance of. (\$3600)**
 - How many filled roll up bags do you have on your shelf!
 - It’s easier and LESS hassle to sell them when you have them!
 - Your business can only grow as large as your inventory allows you too!
 - Remember that product is an investment! You make money on it! Debt is classified as something you do not make money on!
- **Set up Business Checking on “livable” percentage of division.**
 - Understand the more you re-invest if you are below profit level, the faster you will make more money, the faster you will build your inventory, and the faster you will repay your product investment!

Sally Sell Allot ~ All The Way To Profit

- Charges/Loans Out \$3600+ For Inventory
- 100% of all sales are deposited in checking
- 55-60% is left to place order
- 0-5% is left to cover section #2 and shipping
- 40% is deposited into your personal checking unless you have some projected expenses.
- Payment for Credit Card is taken from personal checking or payment can be left in business account and paid directly from there.
- If she uses Credit Card to purchase products she must have full amount to cover her purchase from her business checking PLUS make her monthly credit card payment on her product from her personal checking.

Wendy Wanna Be ~ On Profit Level

- Begins with \$600 inventory.
- Must first decide if she can live with no profit until her business is on profit level. If not—Wendy will need to decide how much profit she can live on. Suggestion ***no more than 20%***.
- 100% of all sales are deposited in checking
- 75% is left to place order
- 0-5% is left to cover section #2 and shipping
- 20% is deposited into your personal checking
- Product should be rotated as fast as possible to build to \$3600 on shelf. Inventory should be taken each month.
- Loan or credit card payment must come from the 20% profit or from personal checking.

- EVERY Consultant begins her business differently. It’s important for both you and your spouse to **SEE** where you money is going. **WRITE YOURSELF A WEEKLY PAYCHECK!**

Money Management Tips To Live By Cont.

- In order to keep your finances straight it is necessary for you to work with 2 important tools.
 - Weekly Accomplishment Sheet
 - Finance Binder
 - These two items will keep your tax records straight and it will make it easy and quick for you at year end!
- **Let's talk about your Weekly Accomplishment Sheets:**
 - Easiest done on-line but be sure to print them out for your finance binder.
 - Be sure that you click on the appropriate week. Dates should end on Saturdays.
 - Once you submit them on a weekly basis your Director can best support you!
 - Remember this is an easy "tax" record so you fill them in even if it's \$0!
 - Sales should be recorded in the appropriate column less tax.
 - Skin care classes/facials, on the go, website order, show/collection preview, pcp/reorders/misc sale.
 - Record any section 2 gift you gave to your hostess.
 - Don't forget to include section 2 items for all your skin care class guests like roll up bags.
 - Record all product given away at suggest retail for hostess gifts & and be sure to add any product give away to guests at special prices. Ex. Roll up bag.
 - Personal use, demo, & gifts should be recorded as Product Given away at suggested retail **NOT** as a sale.
 - Non-recovered Sales tax is for retail product only—not section 2.
 - Bring all of your totals to the end.
 - I suggest using your year to date totals for Jan-Dec for easy tax preparation.
- **Now let's talk about your Finance Binder:**
 - This is one organized place to keep all of your financial records.
 - You'll need a 2-3" spine binder, Jan-Dec tabs, & sheet protectors.
 - Behind each month you'll keep the following:
 - 4 Weekly Accomplishment Sheets
 - Sheet protector with your Sales tickets for the month.
 - Commission Statements (if you are recruiting)
 - Expense tracking register
 - Sheet protector with all of receipts for the month. **KEEP EVERYTHING.**
 - Packing Slips from product
 - At the end of each month you add up your expense tracking register and at tax time you'll only have to add up 12 totals! **EASY & FAST!**
 - Be sure to record your check # on the top of each receipt you collect or record if it was a charge and on what card or if it was cash.

Money Management Tips To Live By Cont.

- Also if you are eating out or your receipt looks like something you might not remember 12 months down the road, be sure to right an explanation at the top!
- **Expense Tracking Form (handout)**
 - Should give you an idea of what you should be keeping track of via receipts!
- **Closing Thoughts....**
 - You've got to become disciplined with your money!
 - Credit cards are NOT ALWAYS the answer—if you are not disciplined
 - The average American has \$9200 in credit card debt.
 - ONLY 30% of people who put things on no interest/no payments until... pay off the bill before the interest is charged to them.
 - 70% of Americans are living paycheck to paycheck and are only 3 weeks away from bankruptcy.
 - Only 10 % of 65 year olds would have the money to write a check for \$600 at any given time.
 - God will only “give” more to those that can handle “more”. Did you know that the first area that the Bible says that we must become disciplined is in our finances before additional blessings are rewarded?
 - If you keep getting the same lesson over and over—chances are this is a divine message to wake up!
 - Doing the same thing over and over but expecting different results is the definition of INSANITY!
 - On your goals should be to become DEBT free! What's your plan?
 - Never say you can't afford it!! NEVER!! You are affirming what you don't want to happen and what you don't want to continue!
 - You will have support from your husband when he sees you deposit money into your joint checking account form your MK account!
 - **What or WHO are you serving? You will become a servant to whatever consumes your mind!**