

## Karla Interview Podcast Transcript

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**00:03 Rebecca:** Financial wellness is just like anything else, it takes a little discipline and some good advice. At Golden 1 Credit Union, we're here to help. As a not-for-profit member-owned credit union, our main goal is to help you reach your goals. Providing financial advice and education is another way of doing just that. Whether you're trying to make a major purchase, start an investment fund, or just have some piece of mind, Golden 1 is your financial partner. And together, we can be golden.

**00:31 Martin:** Hello and welcome to the Golden 1 Financial Wellness podcast. My name is Martin and I'm here today with Karla. Karla, how are you today?

**00:42 Karla:** Hi, Martin. I'm doing great, thank you. How are you?

**00:45 Martin:** I'm doing very well. Thanks for asking. Karla, why don't you tell our listeners a little bit about yourself?

**00:51 Karla:** Yeah, definitely. My name is Karla. I am Golden 1 Credit Union's community and financial education specialist, but I'm also a full-time student at the moment. I am also a dog lover and a pug mom.

**01:06 Martin:** Ah, a dog lover. Something that we have in common. I've got two of them sleeping right next to me right now. So this week, Karla, we are talking about all things college and getting ready for college financially and how to basically live as a financially responsible college student, which is one of the reasons I wanted to sit down and talk with you, because you are just about to graduate, aren't you?

**01:34 Karla:** Yes, this Saturday, it's supposed to be my graduation day, but it's okay. It's not gonna

take away from all the hard work that I did, right?

**01:43 Martin:** That's right, you're still gonna get that degree and just because you can't walk across the stage right now, it doesn't take away from anything, don't worry about that. I know all of us here at Golden 1 are very proud of you.

**01:54 Karla:** Thank you.

**01:57 Martin:** So Karla, obviously, I'm talking to you because I believe you to be a very financially responsible college student. Otherwise, you wouldn't have a lot of advice to give to our listeners. So let's go back a little bit into your history. Who was it that taught you how to be responsible with your money?

**02:15 Karla:** My mom is the one who taught me how to be responsible with my money. But let me tell you, even though she taught me the best lessons, it took me quite a few years to get to the point where I'm at today.

**02:31 Martin:** It sounds like you might have been in some stumbling blocks along the way. Do you wanna go into more detail about that?

**02:38 Karla:** Yes, my mom was the one that helped me establish my credit, taught me about budgeting, taught me about being financially responsible. My first credit card, I would make a small purchase and paid it off in full, which was great, right? That's the way you're supposed to use them. But as I got older, started college, I had more freedom, there was so many opportunities for me to apply for more credit cards. And they were so easy to apply for and obtain that I ended up getting into a little bit of credit card debt while I was going to school, and it did cause a hindrance in my college career.

**03:18 Martin:** Yeah, that's always a danger. When you start college, usually you're 18 years old and those credit card companies come with offers that are very hard to resist at that age, because you're out of the house, you can do your own thing, you can buy the things that you want, and having a credit card feels like it gives you the power to do that. Am I right?

**03:45 Karla:** Yeah, that's exactly how it was. I was in my 18, early 20s. I had the ability to buy anything that I wanted, and yeah, you know you have to pay it back, but because at the moment, you don't have to pay for it from your account, you don't think about "Later on, how am I gonna pay all this back?" So it was just that ease of access to anything that I wanted, basically.

**04:10 Martin:** So tell us a little bit about your experience being a full-time student and working full-time. How did you handle that?

**04:20 Karla:** It's all about managing your time. And it was not easy at all. At first, it was overwhelming. You would either put on hold homework because you had to work and you got home late and you were tired, and the last thing you wanna do is do homework. So it took a while for me to understand that balance and figure out the balance that works for me. Setting a schedule was so helpful and sticking to that schedule ensured that I started getting things done on time.

**04:53 Martin:** What do you think today's college student or somebody who's about to start college

in the fall, what do you think they need to know going into school, being an 18-year-old away from home? Of course, there's a lot going on in the world that was not going on when you first started college. So college might look different. Do you have any idea what they can expect, or do you have any advice for them?

**05:21 Karla:** Yeah, I can definitely tell you that college is not gonna be the same this fall for many students. It's probably gonna involve more online school, it's gonna be quite a bit of a different challenge, but here's the thing. Those lessons and those obstacles they're still gonna happen. Maybe just a little bit differently. You're still gonna be able to start your credit, so why not do it correctly? You're still gonna have that time management issue because you're at home and you'd rather maybe play some video games or video chat with your friends and do your school work. So those challenges, although are now facing us in a different way, still exist. So my advice is sit down, have the schedule, make sure you get informed with proper ways to financially pay for school, how to properly start credit, set a budget, because even though you're at home, you're still gonna receive that financial aid check, you're still gonna wanna spend it. So budgeting, all of those great tools that will help you be successful no matter the climate or circumstances.

**06:28 Martin:** Tell me about one of the lessons that you learned from your mom that you were able to utilize after you started recovering from your credit card debt. And how did her advice help you recover?

**06:42 Karla:** So the first thing that I remember her telling me when I got my first credit card was just make a small purchase and pay it off right away. It should just be used to establish credit. Well, I didn't follow that advice, it got me into trouble. It led me to have to refinance everything into a personal loan. And now, my credit card, I do use it the way she taught me. I just make one purchase whether it be usually gas or something for food. Usually, the purchase that gives me the rewards and the cash back, and I'll pay it off right away. And it has helped me maintain a good credit score but I really do wish I would have started using my credit cards and kept using them that way the entire time and not have to go through those bumps and now start using them that way.

**07:29 Martin:** That's great advice. In the fall, a lot of students might be doing remote learning and investing in a comfortable desk chair or an ergonomic desk, and a good computer to access their classes is gonna be important and more important than ever, so being smart with your credit and being able to start making good decisions about what you're able to pay off, I think is gonna be really important now more than ever. Karla, because you work in financial education, can you tell us about some resources that are available?

**08:09 Karla:** Yes, definitely. So I think the most important one is learning and understanding how to budget. You're gonna have money coming in, whether it be through grants, financial aid, federal student loans, your parents, wherever, right? So learning how to budget that money wisely and understanding where your money is going, that your expenses shouldn't exceed your income and your money coming in, is vital. So we have great budgeting workshops, podcast, webinars, and I definitely recommend looking at different tools that we offer on our financial wellness portal that will help you how to budget.

**08:44 Martin:** Karla, you mentioned that you started college when you were 18. You're a little older than that now. I don't need to tell our listeners how old, but was there ever a time where you felt like you just wanted to give up, like school wasn't the thing for you, and what was it that

brought you back and made you more determined than ever to get that degree?

**09:11 Karla:** Yeah, I definitely took some time off, and there was two biggest factors that led me to taking the time off. The first one was unfortunately, my mother passing away. And then the second one was the outstanding financial debt that I was in. So not only was I going through personal stuff, but I was also financially in a very bad place. I didn't think I could afford it anymore, I took time off so my financial aid was running out. I was about to obtain student loans but I wasn't even sure if that was gonna be able to fit in my budget. So being in a negative financial place was a big burden on my college but it wasn't until I figured all of that out and use the tools and resources available to me, that really led me to going back, even if it was a little later in life. It's never too late and doing it correctly the second time.

**10:07 Martin:** So you mentioned that, unfortunately, your mother passed away, so you were unable to go to her for advice. Did you find somebody else during this time that you could talk to about your finances, about student loans and how to make college work?

**10:24 Karla:** Yeah, I actually did, and you're absolutely right. I wasn't able to go to her anymore. And I'm gonna be honest, there's not a lot of people my age that use money as wisely as they should, at least in my circle of friends. So I did. I went to my credit union and I sat down with someone and I asked those questions that at first I was too afraid to ask, but once I did, I was so relieved because it helped me get out of debt and see a light at the end of the tunnel. And I also went to fellow mentors that maybe had gone through that in the past and recovered, and asked them, "How did you get out of this debt?" But I think the biggest one was just going to my local credit union, sitting down with someone who was knowledgeable and understanding finances better.

**11:11 Martin:** Don't forget, there's always the counselors and the financial aid department at your school. Of course, every school has those departments, and believe it or not, they want you to succeed, they want you to be a student at their school and they're gonna try to make it work for you no matter what. So going to them and talking to them can get you a long way towards making college more affordable.

**11:34 Karla:** Yeah, that's absolutely correct. When I had questions about student loans and how to go about them, because federal student loans are offered differently than the private loans that maybe financial institutions offered. I did go and turn to my financial aid advisors at my local school, and they were so helpful and so knowledgeable and helped guide me and understand the loans that I was getting into, understand the fact that I had to repay them back and how they worked. So there are so many great resources for students out there at their local schools as well.

**12:09 Martin:** Well, Karla, thank you so much for sitting down and chatting with me today about this very important topic. I think that it's important for our listeners to understand how credit works, that credit is a tool when used properly, it can help you build your future essentially. Another great piece of advice would be to go out and seek help, talk to your credit union, talk to your financial aid office, talk to your fellow students, sit down and just discuss what they did and how they make it work, and they might have some really good advice for you to get through these times. And the last thing that you mentioned earlier is that college is going to look different in the fall of 2020. That's just an unfortunate fact, but being smart with money, creating a budget, understanding how credit works, all of those things are still relevant. We have resources available for you online at [golden1.com/financial-wellness](https://golden1.com/financial-wellness). As Karla mentioned, we have videos, we have podcasts, we have a

learning lab full of educational modules that can help you with nearly any financial question that you have. Karla, what would be one piece of advice that you would give someone in a similar situation to yourself, working full-time but driven to complete a degree?

**13:42 Karla:** I would definitely tell everyone that no matter how difficult times may be or how bleak the outcome looks, things will be okay. We are going to make mistakes and that's okay, but don't forget to ask for help when needed. Use those amazing resources that are out there for us, and as always, just keep pushing, maintain good habits. And when you notice that you need help, just ask for the help, but all in all, graduation will come and it will be great.

**14:16 Martin:** Thank you so much, Karla. And thank you for listening, please don't forget to subscribe to us on Apple, Google, and Spotify Podcasts. And tune in for next week's topic, which is family and finances. I'll be sitting down with Rebecca and Manny. Manny, who has just started a family and Rebecca, who has an established family, to talk to them about how this current crisis has affected their family finances and what they're doing to get through it. Again, thanks for listening. This has been Martin for Golden 1 Credit Union financial wellness, reminding you all to stay happy and healthy, and of course, as always, to stay Golden.

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