

Being a Part of the Family Business

I am the daughter of a third-generation farmer. Working with the land and livestock is a part of who I am, it is a part of my heritage, and something I am deeply proud of. Along with my parents and brother, I have continued the family tradition of raising livestock. When I was five, my older brother bought his first bucket calf. I remember watching him spend long hours with his calf, nurturing and loving it. I longed for the day that I would be able to do the same. Two years later, when that day finally arrived, I was filled with both a sense of pride and responsibility. While caring for my new calf, I gained valuable insight into what it takes to raise livestock. Along with putting forth the time and effort to care for an animal, I also learned that raising a calf takes significant financial responsibility. As a seven-year-old, I made my first “business deal” with my parents. I would work extra hours for them in exchange for the items my calf needed. With this exchange, I also learned to keep detailed records of costs and work hours to ensure I was meeting my financial responsibilities.

The responsibilities of managing and caring for my first calf taught me many valuable lessons that I will use throughout my life. After raising my first bucket calf into a steer I sold it, and with that profit I reinvested that money and purchased my second calf. With the remaining profits, I opened my first checking account in order to pay for future livestock expenses. Since my first bucket calf, I have grown my herd to ten cattle, and I have partial ownership of a bull. This success could not have been possible if I had not learned the important money-management skills I gleaned from raising my first calf. Of these skills gained, the most significant to my life and future have been: setting a budget, anticipating future expenses, creating savings for college, and creating savings for unexpected expenses.

I will continue to utilize these skills as I navigate through college and take on the financial expenses that come with it. My financial philosophy is do not spend what you do not have. Guidance from my parents, and my previous experiences with budgeting has helped shape this philosophy for me. It is crucial that I do not burden my future self with a large amount of debt. This means being frugal and purchasing necessities instead of focusing on wants. As I budget for college, I know that along with tuition, room and board is also very costly. By understanding my financing options, such as avoiding secondary loans and prioritizing subsidized loans, I will be able to lessen the impact of my student debt during college. My family traditions and upbringing have allowed me to establish a solid financial philosophy early in life, and for that I am forever thankful to be the daughter of a third-generation farmer.

Part 2: Real World Application

Throughout my life, I have been able to take part in numerous events that have taught me about finances. Each of these experiences have taught me invaluable lessons that will prepare me for my future. As I continue my education through college, the lessons I learned from raising cattle, my interviews, and the financial literacy courses will help me prepare for my future endeavors and the financial costs that come with it.

Not only did my cattle business provide me with savings for college, it also gave me valuable insight into handling my finances. After selling my first steer, I earned my first paycheck, which I immediately deposited into an account for the future expenses of a second calf. As my business took off, I began to not only save for the cost of raising a calf but also to buy additional cattle for my herd, to pay for both expected and unexpected bills, and above all, to save for college. While the thought of college seemed extremely distant to my young self, I made a conscious decision to save the extra money. By saving from every paycheck, even if it was just a little, I built up a balance that helped prepare me for the inevitable unexpected expenses of life, as well as save for college.

A business move that I am most proud of was investing my savings to purchase an additional cow/calf pair. Our neighbor had a cow who was bred late. He decided he didn't find it viable to keep her since it didn't line up with his calving season. I negotiated with my neighbor to buy her at a reduced price. This lined up perfectly with my own cattle schedule, so I jumped at the opportunity to purchase the cow/calf pair without having to take out a loan. I could not have done this without the savings I had already built up for unexpected expenses. This in turn became a solid investment, as I was able to make my money back on the cow within two years.

Raising cattle also taught me how to cope with financial loss when I lost three calves right before they were to go to market. Through these experiences, I have a deeper understanding and appreciation of the importance of saving money. I know first-hand that I must budget, save, and plan for future expenses such as college, buying a home, starting a family, and retirement.

Throughout high school, I've been fortunate to take part in multiple financial literacy courses. One of these courses was EVERFI. I took the course to learn more about basic finances and to prepare me for my future. This includes the basics of banking, managing credit and debt, insurance, and financing higher education. Lately, the financing higher education lesson has become especially prevalent in my life. College can be costly, and there are a variety of ways to deal with this, including loans, scholarships, and jobs. Each of these options for financing college offer both positive and negative aspects.

First, loans present students with an easier way to pay for college. Students can quickly file for a loan, whether federal or private, and use it to pay for tuition, books, and living expenses. This option, however, can be dangerous if students continually take out massive loans putting themselves in immense debt. "Among the Class of 2019, 69% of college students took out student loans, and they graduated with an average debt of \$29,900" ("U.S. Student Loan Debt Statistics for 2020"). This debt can leave students with massive financial burdens that take years to pay off. Student loans, however, are not all bad. If the student pays their loans off on time, this will boost their credit score, which in turn helps them when they apply for loans in the future.

Another option to help pay for college is getting a job. Bringing in a paycheck can help lessen the financial burden of costly tuition rates; however, working while in college takes extreme time-management skills and effort. On-campus jobs are a great opportunity to work

while going to school because they provide more flexibility with a student's academic schedule, as well as provide valuable connections that will further a student's success.

Lastly, a third option for financing college is scholarships. Scholarships provide worthy students with funds to help further their education. Most scholarships take little time to fill out compared to the monetary amount awarded; therefore, they are extremely beneficial to students willing to put forth the effort to seek them out.

With the knowledge I gained from EVERFI on financing my higher education, I have set out my plan on paying for college expenses. First, I'm filling out an abundance of scholarships to help cope with these costs. I'm also continuing to save money through my herd of cattle. Lastly, I plan on covering the remaining costs with federal loans, using subsidized loans. I'll try to avoid private loans because of the higher interest rates. EVERFI also gave me valuable lessons on other financial topics that will appear in my future. With the ever-increasing use of credit cards, avoiding this kind of debt is crucial. It is also imperative that I begin saving for my retirement as soon as I graduate from college and get my first job. EVERFI explained the basics of saving for retirement, so this will be a less daunting task for me when I begin getting a paycheck. Financial education, such as EVERFI's, will provide me with great benefits and fiscal advantages in the future.

I have also gained financial literacy through my participation in the Stock Market game in my Agribusiness course. This hands-on game taught me more about economics, investing, and personal finance. Simulating a wide variety of circumstances, this lesson illustrated the correlation between unexpected events, both local and world-wide, and how they impact the economy. It also taught me how to handle the ups and downs that inevitably occur in the stock market and in life. This financial literacy course led me to pursue the commodities side of my

future major, Agricultural Economics. I will pair this with a degree in mathematics, thus raising my marketability and earning potential.

Graduating seniors in Agricultural Economics have a 98% job placement rate and an average starting salary of \$47,000 according to “Agricultural Economics.” As previously stated, the average student loan debt was over \$29,000 in 2019. One way I can decrease my personal student debt is by taking dual credit classes in high school. Throughout my high school career, I have taken a total of twenty credit hours through Highland Community College. I also plan to earn four more through AP classes. This will reduce the amount I spend at Kansas State and reduce the time I take to graduate, ensuring I will be done in four years. Because of my savings and previous classes, I plan to have debt that is less than the average stated above. My goal is to pay off my remaining college debt within ten years of graduating, while also saving for my retirement at the same time. This will be possible through my continuance of smart financial planning and attaining a higher earning job with a dual degree.

I also gained new information about Agricultural Economics and dealing with the costs associated with obtaining this degree from my interview with LaVell Winsor. After graduating from Colorado State, Winsor worked for Cargill. She is now working as a contractor with Kansas State’s Farm Analyst Program. As a contractor, Winsor gives financial advice to farmers. This advice includes reviewing budget sheets to help them gain positive cash flows. One of the ways she managed the cost of college was through scholarships. “There’s a lot of opportunities with scholarships to help with the cost. Filling out as many as possible can greatly impact the amount you have to pay yourself” (Winsor). She also explained the importance of networking while in college because the more students put themselves out there, the more opportunities and connections they will gain through this. These valuable connections help students to be

successful in their coursework or to obtain internships and future jobs. “While dealing with the cost of college, internships can be a very important part. They not only provide you with experience but also financial support” (Winsor). These experiences, however, can also lead to jobs in the future. “If you are a college graduate and you are working at a paid internship, a new study shows, 60% of the time, that internship will turn into a job offer” (Adams). With this in mind, I plan on obtaining summer internships.

My cattle business, financial literacy course, and interview each provided me with different fiscal learning opportunities. As I look into my future at Kansas State University and my career beyond that, I know that the invaluable financial lessons I’ve learned through these events will help propel me into a financially stable future.

Works Cited

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