

ST. LOUIS TRUST
& Family Office

Valuable Advice for New Graduates – Practical and Life Lessons

Top Tips for High School and College Graduates

It is hard to believe it is that time of year again. The next class of high school and college seniors will soon don their caps and gowns and embark on the next chapter of their lives. That said, it is the opportune time to impart our best advice for these two groups of graduates. The following lists include both practical suggestions in the areas of career and finances, as well as general words of wisdom we would offer younger versions of ourselves given what we have learned over the years.

High School Graduates

Establish credit

Obtaining your own credit card and other activities such as setting up utilities in your name will help establish credit. This becomes essential as you get older and seek to borrow money from a bank to purchase big ticket items like a car or a house. Also checking your credit report on a regular basis is a good habit to ensure it is accurate and you have not been a victim of identity theft. Once you have a credit card, it is important to pay the full balance each month. Carrying a balance will eventually have a negative impact to your credit score and you will pay a large amount of unnecessary interest costs.

Learn to budget

In high school when you need money for gas or a night out with friends, you can ask your parents for cash. In college, that option no longer exists. Learning to budget your funds over a longer period of time is an important life skill. Initially a monthly budget may be a good start – consider your funds available each month, then subtract out your fixed monthly expenses like rent, utilities, gas and groceries and then, based on the leftover amount, determine a reasonable weekly amount for your discretionary expenses like eating out and other entertainment.

Be punctual

Figure out the best form of a calendar (electronic or paper) based on your preferences and use it to stay organized. Make a habit of being on-time, or early, to class and other activities. Learning to be

ST. LOUIS TRUST

& Family Office

punctual now will serve you well post-college, especially in the professional world.

Basic planning documents

Once you reach the age of majority (18 in most states), you are responsible for your health care decisions and financial matters. In the unforeseen situation where you are unable to handle these matters because of illness or incapacity, you can and should name trusted adults, most likely your parents, to act on your behalf. A health care power of attorney names the individual(s) that you appoint to make medical decisions. Similarly, a financial power of attorney allows the named agent(s) to handle your financial matters (i.e. pay bills, file tax return, etc.). If you have significant assets in your individual name, it may also be appropriate to execute two additional documents, a will and revocable trust, so you can direct what happens to your assets if you were to pass away. An estate planning attorney should be consulted to draft these basic planning documents for you. It can be daunting to think about these types of situations, especially at a relatively young age, but this is very important.

Seven years of networking

In college you will have the opportunity to network with a broad group of people including fellow students, professors, and alumni. Remember to broaden your reach beyond students your year; as a freshman you will have the opportunity to interact with people three grades above you and during your final year, you will share experiences with students three years behind you. Developing relationships across this seven-year span of fellow students, as well as professors and other professionals, will be helpful as you grow older and embark on new ventures in different locations.

Create and maintain your resume

It is never too early to begin populating your resume. A resume tells your story through your past accomplishments, experience, and skills in the areas of academics, employment, community service, and activities. It is generally required when applying for an internship, full-time job, graduate school, and the like. Your resume may initially seem sparse but will quickly expand over time. Be sure to update your resume often to ensure it reflects your latest achievements.

Manage online profiles

Be aware of your social media profile. Monitoring your own profile should start in high school and continue throughout college. Universities and employers will explore your various social media accounts and take note of inappropriate photos and/or comments.

ST. LOUIS TRUST

& Family Office

Try new things

For most people, you only go to college once. While there you should explore your interests, take different types of classes that appeal to you, and try new activities. Chances are you will discover interest in an occupation and/or hobby that you did not know much about or even existed!

College Graduates

The items listed above for high school graduates are also applicable to college graduates; however, leaving the confines of a campus for the real world introduces a new set of opportunities and challenges. Once you are out of college, everything counts. Going to class and studying will be replaced with your first job and additional independence. Figuring out how to navigate what's next is both daunting and exciting.

Continue to budget

Budgeting is so important that it makes both lists! Similar to budgeting as a young college student, you should continue managing your inflows and outflows post-college. And post-college you should add a new category to your budget: savings. Each month set aside a certain amount to save and invest. No matter the amount, the habit of putting aside money each week/month is extremely important to build a reserve for the future. Mint.com is one of many useful apps to help track your expenses.

Take advantage of employer benefits

Learn about and take advantage of the benefits your employer offers such as health insurance, 401k retirement plans, continuing education tuition reimbursement, etc. The importance of health insurance cannot be overstated to cover both routine and unexpected medical expenses. Also start contributing immediately to your 401k retirement plan. While the amount may seem small at first, the power of compounding will enable that amount to grow significantly between your twenties and retirement.

Manage online profiles, Part 2

Continue to monitor your social media profile, while at the same time focusing more on cybersecurity. Consider using a password management app and subscribing to an identity theft

ST. LOUIS TRUST

& Family Office

protection service. Also create a professional profile on LinkedIn. As your professional network expands, the site's expansive connectivity will likely prove beneficial at some point in the future.

Continue learning through experiences

Even though your formal learning may have just ended, life is a constant learning process. It is important to continue to gain skills and knowledge outside of classroom and/or office. Whether it is a cooking class, tennis lessons, trip to a new destination, or volunteering for an organization, these experiences can be enjoyable and fulfilling opportunities to learn and make your story more interesting.

Your first job will not be your last job

Many of your grandparents, and maybe even your parents, worked for one company their entire adult lives. That is very rare nowadays. You'll likely have multiple jobs before you settle into a specific career or with one employer. With each job you will gain additional knowledge and experience. Most important is to be sure you are passionate about what you are doing and who you are doing it for.

St. Louis Trust & Family Office is an independent, multi-family office and trust company that advises clients on more than \$13 billion of investment assets and more than \$15 billion of total wealth. Founded in 2002, St. Louis Trust & Family Office provides holistic, high-touch client service including customized, independent investment management and a full range of family office and fiduciary services. The firm serves a limited number of clients with substantial wealth in order to maintain very low client-to-employee ratios. Visit stlouistrust.com to explore how the firm manages complexity with unmatched expertise and focuses on Family, Always.