GREAT ADVICE FOR GRADS 2025

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Congratulations!

Whether you're finishing your final semester or have recently walked across the stage, you're stepping into an exciting new chapter — one filled with opportunities, choices, and, let's be honest, a few financial challenges.

Navigating life after college comes with a lot of firsts: first job, first paycheck, first apartment, and maybe even first major financial decisions. With so much changing at once, it's easy to feel overwhelmed. That's why we've put together this guide — to help you make smart financial moves right from the start.

You might be surprised that it is not all about saving, all of the time. You can successfully manage your money with less stress and some spending. You're looking for a healthy balance. What's working today, may not work tomorrow. So, here are some strategies on saving, spending and achieving the financial zen you need.

The Do's and Don'ts of Using AI to Manage Your Finances: You may be considering using one for your financial decisions. Perhaps you already are. It's important to understand the risks and opportunities of using AI to manage your money.

When to Splurge and When to Save: Deciding when to splurge on an expensive purchase can be tricky, sometimes it's ok, but you need the benefit to outweigh the spending.

How to Create a Spending Plan: Saving is important – no one will ever say it's not, but it's only part of the financial equation. Understanding how you spend and plan for spending is key to financial awareness and stability.

Low Buy, Big Impact: How I Cut Spending and Stress: Here's a strategy to find your balance or at least create some experimentation in your financial self. Read this journey on managing the popular financial challenges in your favor.

It's all about the balance and evolution of your saving and spending habits. Mastering your finances is ever-evolving.

Find your $$$ zen!

Michelle

Inceptia

The Do's and Don'ts of Using AI to Manage Your Finances

ELIZABETH AYOOLA

Juggling budgeting, debt management and investing for retirement can be overwhelming, but artificial intelligence may be able to help with the balancing act. There are many AI-driven tools you can use to manage personal finances, such as chatbots, robo-advisors, apps, financial assistants and search engines.

As the list of AI-driven tools continues to grow, you may be considering using one for your financial decisions. Perhaps you already are.

It's important to understand the risks and opportunities of using AI to manage your money.

DO: SEEK BASIC FINANCIAL EDUCATION

AI can be useful if you want to get a better understanding of financial topics, says Molly Nelson, a certified financial planner from Missoula, Montana, who runs The Money Coven, a financial community for women.

"I think when you're looking for basic education, it's a great tool to use to clarify financial concepts or financial definitions for yourself," Nelson says.

Basic education may include understanding how budgeting, estate planning or insurance work.

Nelson adds that ChatGPT — an AI tool that provides responses to prompts you input — can be used for financial education. For instance, you could ask multiple questions about a financial topic you don't understand and ask it to adapt those answers to your learning style or provide real-life examples.

One of the benefits of chatbots is you can engage in two-way conversations. In other words, the chatbot can be a sounding board or thought partner you use alongside other resources, such as a finance professional, books or vetted content produced by financial platforms.

Even if you're using AI tools just for general education, verify the information you're getting.

DON'T: ASK FOR INVESTMENT ADVICE

Most people can probably agree that investing can be intimidating. For this reason, it might be tempting to use AI tools for advice such as the best performing stocks to invest in, or the best cryptocurrency to buy. However, that probably isn't the best idea, Nelson says.

She says people should be leery about using AI for investment advice because it could end up giving blanket information. This could especially be the case if you're not well-versed in forming prompts, which are the questions you ask the bots.

The prompts you use can affect the quality of the answers you get. The more specific and descriptive your prompt, the better the quality your answers are likely to be.

"They're not going to take into account a person's other assets, financial implications or implications related to their debt payouts or income. That is where talking to a real person can be the most helpful," Nelson says.

People may be wondering whether robo-advisors are the exception to the rule since they help with investing and use AI. The answer: It depends.

Robo-advisors can be a good option for some, because they often cost much less than a human financial advisor and can put together an investment portfolio for you quickly based on your answers to questions. But robo-advisors don't take your entire financial picture into account, and don't offer personalized financial advice in the same way a human advisor would.

DO: GET BUDGETING HELP

Budgeting can be time-consuming, especially when you haven't yet established a system that works for you. AI can help automate some of the tedious aspects of budgeting such as sorting through transactions, says Anthony DiMaggio, co-founder of Candlestick AI, an AI-powered investment platform in New York.

"AI can be used to automate that process and sift through that information for you," DiMaggio says. "So it's reducing the effort outputted on your part, still getting that same result and helping you manage that budget or look at your finances or just get a better sense of things."

There are multiple tools that use AI to help with budgeting needs. For instance, Cleo is an AI budgeting app that can provide a budget plan, send payment reminders and track your spending. Some general budget apps have started incorporating AI, too — through chatbots, for instance — to make their tools more efficient.

Apps aside, AI chatbots can be helpful when it comes to elements of budgeting, such as analyzing spending habits, identifying areas for improvement and providing recommendations. Be mindful of the latter, considering AI tools may be better at providing quantitative data than qualitative data, says Nelson. Qualitative data is an important part of budgeting because it takes personal values and triggers into account, she adds.

"If someone were to just hand their budget over to AI without knowing the person, it might just slash certain expenses that really for the person are non-negotiable," Nelson says.

DON'T: HAVE UNREALISTIC EXPECTATIONS

If you're a hands-on investor, AI may be able to help you save time when it comes to researching and analyzing assets. But, you'd probably still want to verify any information given before taking action.

The bottom line is that AI can be a helpful partner in managing some aspects of your finances, but it likely can't provide the level of personalization needed to help you achieve your goals.

The article The Do's and Don'ts of Using AI to Manage Your Finances originally appeared on NerdWallet.

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When to Splurge and When to Save

KIMBERLY PALMER

Sometimes, even budgeting experts say it's OK to splurge.

For Jen Smith, co-host of the "Frugal Friends Podcast" and co-author of "Buy What You Love Without Going Broke," responsible splurging meant buying costly hurricane-proof windows for her home in St. Petersburg, Florida, an area with a history of bad storms.

"It's for the safety of our home, and we saved for it," she says.

Deciding when to splurge on an expensive purchase can be tricky, and even Smith admits she initially felt guilty about it.

Her podcast co-host and book co-author, Jill Sirianni, explains that part of the challenge of splurging is that "we've been sold a binary that you're either a saver or a spender, but in reality, we all spend and we should all be saving."

The trick, Sirianni says, is knowing when to embrace each tendency.

If you're trying to decide when to save or splurge, here are some questions to ask yourself first to help you make an optimal decision:

DOES THE PURCHASE FIT IN YOUR BUDGET?

"Starting with a budget will increase our awareness around spending money," says Gerald Grant, Jr., a financial advisor with Equitable Advisors in South Florida.

Grant suggests keeping the budget simple, with categories for essentials as well as "wants," and then tracking spending closely to make sure it aligns with your financial goals. If you have a budget, it's easier to decide whether or not to splurge on something because you can check to see if it fits into your larger plan.

WILL SPLURGING SAVE YOU TIME?

If spending extra money can save you time or energy, the payoff can be worth the cost.

For example, in addition to her recent window purchase, Smith also decided to hire a home cleaning company once a month. Cleaning her house, along with the rental property she operates, had become overwhelming.

"I am finally ready to spend this money and take this off my plate, and it feels good," Smith says.

ARE YOU PAYING FOR QUALITY OVER QUANTITY?

In some cases, such as with clothing or toys, purchasing a low-cost option can translate into a lower quality product that doesn't last long, Sirianni says. Paying more can mean the item lasts longer, ultimately saving you money.

"We love to aim for quality over quantity," Sirianni says, even if that means paying a little extra upfront.

WHAT ARE YOUR SPENDING TRIGGERS?

Certain triggers can push us to spend more than we planned, and Sirianni says studying those triggers can help us avoid them. That way, we can make more intentional choices when it comes to the save-or-splurge decision.

"Do a 90-day transaction inventory. Collect bank statements, credit card statements. Get it all in one place," she suggests.

From there, figure out where you are spending the most money. What time of day does the spending happen? Who are you usually with? Does spending happen in a common location?

If you find you're often making regrettable splurges late at night, for example, try avoiding shopping in the evening.

"Figure out the patterns and habits, then make a plan," Sirianni says.

DOES THE PRODUCT OR SERVICE ALIGN WITH YOUR VALUES?

When Smith is trying to decide whether or not to buy something, she often tries to look at the decision through a non-financial filter: her values. For example, she wants to support local, women-owned small businesses, and the cleaning service she hired fits that category, so moving forward was an easier choice.

"I'm putting money back into the community versus stress-shopping on Amazon, which takes money out of my community," she says.

CAN YOU SAVE UP BEFORE THE SPLURGE?

Like Smith with her windows, Sirianni also saved up before her big splurge, which was on a European vacation with her husband and friends.

"We spent more money than my younger self would be OK with, but I had set this money aside," she says.

She used a "sinking fund" — a dedicated, regularly-funded savings account — to save up for the trip.

"We had about $5,000 set aside for this trip, so we were able to spend that without guilt or shame," she says.

Grant advocates for the same savings-first approach when it comes to splurges. Saving in this purposeful way can be part of an overall budgeting plan.

He suggests creating separate savings accounts outside of normal savings so it's easier to track the purpose of different accounts.

Otherwise, you could end up spending that money before you need it for the vacation.

"It's not extra money, but money you're putting aside for expenses that haven't yet occurred," Grant says.

The article When to Splurge and When to Save originally appeared on NerdWallet.

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How to Create a Spending Plan

KIMBERLY PALMER

We hear a lot about the importance of saving money, but what if learning how to spend is just as important?

Michael Hunsberger, a certified financial planner and owner of Next Mission Financial Planning in St. Charles, Missouri, says many of his clients struggle with the spending side of the financial equation, and he wants them to get better at it.

"You built all this money and now you don't want to spend it," he says.

Retirees, for example, are often reluctant to spend money when they are no longer earning and know that the money has to last the rest of their lives.

But Hunsberger says coming up with a spending system can help ensure you enjoy those later years.

HERE ARE FIVE WAYS TO DEVELOP A SPENDING PLAN:

ENSURE YOUR SAVINGS ARE SOLID

Before you start spending, it's a good idea to make sure you have enough saved to meet some of your short-term and long-term goals, says Aja Evans, a financial therapist and author of "Feel Good Finance."

"Come up with an amount you would feel 'safe' with,'" she says — whether it's $5,000 or $50,000 — for your emergency fund.

Then, once you hit that number, create a plan that includes spending.

INVESTIGATE YOUR MONEY WORRIES

If you grew up in a household where your parents were very frugal or there was scarcity, it can be harder to embrace the art of spending as an adult, says Molly Ward, a CFP and certified divorce financial analyst with Equitable Advisors based in Houston, Texas.

"We all have money baggage and it helps to check your money mindset. Where are you coming from?" Ward asks.

Evans says she sees clients with spending aversions resort to "hoarding money because they are either worried, fearful or concerned that something catastrophic is going to happen where they don't have enough money," she says.

People struggling with this worry may be overly cautious and put excessive amounts of cash in low-interest accounts where it's safe, but not earning much interest.

That type of behavior, Evans says, is often associated with people who have experienced financial trauma or hardship as children.

"They never want to be back in that situation," she says.

"I'm not telling people to spend their savings, but I don't want it just sitting in an account. Sometimes you need to take a small risk so it can grow," she says.

CONSIDER PROFESSIONAL HELP, IF NEEDED

In some cases, Evans says, financial therapy can help explore patterns of behavior you want to change, such as buying more clothing than you could possibly wear or avoiding travel spending.

"Consider getting some extra support," she says. "A lot of this behavior may be coming from a deep-rooted anxiety."

If you're looking for a financial therapist, you can use the Financial Therapy Association to find one.

BUILD YOUR SPENDING MUSCLES

- Making well-intentioned purchases that are carefully planned and budgeted for — such as getting a massage or treating your family to dinner — can help people get accustomed to spending in a thoughtful way, Evans says.
- "You're starting to build the muscle and savings habit in a way that makes spending feel safe and comfortable," Evans says.
- That might look like finally buying a plane ticket or booking a hotel reservation for a dream vacation, for example.

- Ward says developing spending systems can help make the process feel more controlled.
- She likes making lists of potential splurges outside of her monthly budget and then reviewing them all at the end of each quarter before deciding whether or not to buy the item. That way, she's not constantly spending excessive amounts on unplanned items.
- "It makes it more special. You've waited for the item, and you're rewarding yourself," she adds.

DEVELOP A SUSTAINABLE SPENDING SYSTEM

Establishing certain habits, such as reviewing your spending regularly and cutting back in areas that have crept upward, such as subscriptions, can be a helpful way to create a sustainable balance of spending and saving, Ward says.

"Maybe you have a roommate, spouse or friend and you can learn together or share savings tips once a month," Ward says. "Instead of a book club, have a money-saving tips club. We can learn so much from each other."

"I've seen success when people have systems for their paychecks and they build in some fun money into that system," she adds.

For example, perhaps 10% of your paycheck can go toward a discretionary category that allows for some splurges.

And if you receive a windfall in the form of a tax refund, bonus or inheritance, Ward suggests applying the same concept.

"Give yourself permission to spend up to 10% on something you love that's meaningful to you," she says.

The article How to Create a Spending Plan originally appeared on NerdWallet.

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Low Buy, Big Impact: How I Cut Spending and Stress

AMANDA BARROSO

If you're anything like me, your social media feeds were full of people doing low-buy or no-buy challenges at the beginning of the year. They were sick of overconsuming, so they set rules for themselves to spend much less — or nothing at all — on nonessential expenses.

Scrolling through those videos got me thinking about my spending habits and what goals I wanted to set for myself in 2025: less financial stress, a more thoughtfully curated life and the freedom to plan new experiences without guilt.

So I decided to start my own low-buy experiment in January and asked experts for their perspectives.

GET REAL ABOUT YOUR SPENDING

The goal of a low-buy or no-buy challenge is to break the cycle of overconsumption by cutting nonessential spending for a set period.

"Social media has made it trendy to do no-buy or low-buy, but to be honest, as a financial expert, over the last 10 years, this is a phenomena that happens every single year," says Bola Sokunbi, a certified financial education instructor and founder of Clever Girl Finance in Bridgewater, N.J.

With a low-buy challenge, people reflect on what they bought last year and set rules based on their biggest financial struggles, she says. The purpose is to redirect saved money toward meaningful financial goals and move toward underconsumption.

IDENTIFY PAIN POINTS

This challenge is about rethinking your spending, particularly if you tend to buy stuff that winds up cluttering your home and stressing you out. To identify purchases to cut back on, locate areas of your home or life that overwhelm you, says Amanda Rakoczy, a Florida-based content creator who says she paid off $50,000 in credit card debt last year.

If you're tripping over kids' toys or can't find storage for unused home decor, for example, those types of expenses are likely worth trimming.

New clothing was becoming a budget breaker for me. My closet felt like a mashup of passing trends, cheap clothes I'd buy online and postpartum necessities that didn't reflect my personal style.

For Rakoczy, beauty products were her vice. "Before I know it, I have 20 lip glosses by four different brands," she says.

Rakoczy is now tackling a low-buy challenge with her family.

PERSONALIZE YOUR RULES

Practicality and realism are keys to success. "Most people fail the no-buy or low-buy because the rules don't work for them," Sokunbi says.

I know not buying any clothes for a whole year isn't realistic for me. So I am allowing myself to buy secondhand clothes, but only those that are made of better quality than what I already own — think 100% cotton, wool, cashmere, silk, denim.

I did break my rules once to buy a pair of shoes I'd been eyeing for months — but they were deeply discounted, and the purchase didn't feel impulsive or unplanned. I leaned into the new consumption habits I'm trying to form, and this one purchase didn't open the floodgates to more spending.

Your rules can also be tailored to the season of life you're in.

Rakoczy and her husband decided to divide their low-buy year into quarters. Each quarter has different rules that align with seasonal expenses and help the challenge fit better into their lives with two young children.

This quarter they're focusing on saving money at the grocery store. "We felt like we had a lot of waste, and so we were able to reduce our grocery bill by almost $400 for the month," she says. They simplified shopping trips, allowing kids to pick one snack for the week rather than many.

There's another benefit of breaking a longer low-buy challenge into smaller parts: the chance to start fresh. If you slip up, the whole experiment hasn't failed.

TRACK YOUR PROGRESS

In those early low-buy or no-buy days or weeks, Sokunbi recommends using a spending journal, spreadsheet or smartphone note to track what you buy, or even what you didn't buy. Noting what triggers your spending can help you understand your habits and make better choices.

I track my no-spend days in my paper calendar and keep a note on my phone where I list all the things I wanted to buy but didn't. At the end of the month, I tally up the cost to get a sense of what I've saved.

Dawn Abernathy, a certified financial planner, suggests using a budgeting app to categorize spending and provide insights.

"It gives you real-time understanding about how you're spending," says Abernathy, who's based in Chesterfield, Missouri. "Then you're able to adjust your behavior or learn about what you're really doing — not what you think you're doing."

REMEMBER YOUR 'WHY'

For some, a low-buy or no-buy challenge is a way to achieve financial goals, such as paying off debt or saving for a down payment on a house or car.

A low-buy or no-buy challenge can also be a great way to build an emergency fund, Abernathy says. Having three to six months of necessary expenses can offer financial security and a sense of control, she says.

Reducing consumption can also decrease your financial stress.

"I was worried about another emergency happening, or another layoff happening, or something was going to happen and destroy this house of cards that I felt like I lived in," Rakoczy says.

But things feel different now. "I am buying things to live a life that I want to live. I feel like I'm in charge and back in the driver's seat," she says.

The challenge has also improved her marriage, adding more accountability and teamwork, she says. Her kids are catching on, too. Her son asked for a family trip instead of a birthday party with presents. It feels like a culture shift in their family.

Focusing on your "why" can be the motivation you need to stick to your goals, Abernathy says.

"It can be really easy to say, 'Oh, I want to save for the future.' But when you have a cause behind why you're doing it, then it has a greater meaning to you, and then it makes it much easier to implement," she says.

My "why" becomes clearer every day. I have less financial stress and have easily managed a few unexpected costs that would have tripped me up before.

I'm watching my savings grow, and I'm becoming less easily influenced. I'm making space for more conscious consumption practices while leaning into contentment. I can't wait to see what the rest of the year brings.

The article Low Buy, Big Impact: How I Cut Spending and Stress originally appeared on NerdWallet.

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TACKLING STUDENT LOAN REPAYMENT DOESN'T HAVE TO BE HARD!

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With Inceptia's money mascot — **the Knowl** — as a trusty guide, graduates can use our Student Knowledge Headquarters to find answers, calculators, resource guides and more to prepare for and successfully enter into repayment.

Getting started is easy. Head to HeroKnowl.org to explore our free tools and information.

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