

Freedman Financial Associates Scholarship Program – Essay
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What does personal financial responsibility mean to you?

In today's economically unstable world, it becomes more important than ever before to be financially responsible. Unfortunately, we live in a nation that measures its debt in trillions of dollars. A trillion is a number followed by 12 zeros. A trillion is so large, it is used to measure the distance from earth to planets in outer space. One trillion seconds of clock time equals 31,546 years! The economic impact of Japan's devastating earthquake and tsunami on March 15, 2011 is estimated in trillions of yen. It is a number so large, the impact is unfathomable. Yet, our national debt is measured in the trillions of dollars. To me, this is not financial responsibility.

So, what is personal financial responsibility? To me, personal financial responsibility is knowing the difference between necessity and desire. It is setting a budget and staying within that budget. Personal financial responsibility is being educated and informed in economics. It is having a reserve set aside for the unexpected. It is me having a plan that will ensure financial stability and comfort for myself and my family. As an individual, it is my responsibility to be frugal, informed and accountable for all financial actions and strategies that affect me. A nation also has the same responsibility.

Since I was a little girl, I have had responsibilities around my home and have received an allowance. My mother tells me, when I went to the store, I always needed to know two things: How much I could buy and how much would be left over? When determining what colleges to apply to, I asked the same questions. How much can we afford? And, how much will be left over? My parents and I discussed finances early in the decision making process. Knowing that I did not want to graduate from college with debt, I chose to apply to "good value" schools. All were under \$30,000 per year. I am working and saving as much money as possible during my vacations. And, I am applying for scholarships which are based upon merit and those that meet my qualifications. For me, as an individual, it is about being disciplined in my spending and making sure there is always money left over.

We must all stop over spending and be happy living within our means. The first step to personal financial responsibility is to stop living on credit. If you don't have it, simply do not spend it. It is imperative as an individual, as a family, as a nation and as a world to accept ownership and accountability for our economic sustainability and survival.