



## Managing your Mary Kay Money:

By Carrie Eddings-Foster

- 1. Open a separate personal checking account** for your Mary Kay business. *(Not a business account, a personal checking with a debit card. Label it Mk Account, This account is where you are going to put your MK Money only).*
- 2. Use a separate credit or debit card** for placing orders or for other Mary Kay expenses. Ideally, after your first initial inventory investment, you should be paying with all your orders by cash from the orders you are receiving. Keeping this money separate from your other monies is very important.
- 3. Make as large as possible investment in your inventory** so you will save time and make more money - there is no risk with your buyback guarantee! Be sure to invest in a package in your first two months of business for the maximum in free products.
- 4. Follow rules of reinvestment and restocking inventory.** Do not embezzle from your business. You make 50% not 100%. The object of inventory is to restock and resell (if you sell all you have and don't restock it you will be out of business). If you spend all the money you are bringing in on other things you will not be able to place your orders. *Tip always put all the money in your account before you spend it or do anything else with it.*
- 5. Use the 60/40 Split in handling your money.** It's important to know you are in business for yourself, therefore, you need to treat as so. All businesses have expenses to run. Handling these expenses and making profit at the same time is what the 60/40 does.
  - **How it works:** For example: 100% is brought in (along with tax), **50% always** goes to restocking your inventory. **10%** should be allocated for business expenses (this can include meeting dues, section 2 supplies, etc.) That gives you 40% left. (60/40) This 40% is what you

profit in a smart not hard business sense.

- It's from the 40% that you will either pay off your inventory (some people take 20% until it's paid off) and or beef up your inventory if you did not come in with the desired amount of inventory you wanted...
- >>Here some people take an additional 5% to pay for Preferred Customer Program and another 5% to save for events like Career Conference or Seminar.
- >> Some take another 5% to pad their business to help them stock up on more items around our 4 quarters in Mary Kay, to be able to get new previewing products, our new limited edition products.
- \*Remember your taxes; don't spend the portion you collected for sales tax. The money you collect for taxes will go back into repurchasing the product so you don't have to come up with the tax money.

Simple Bank register would look like this:

Deposit 100% + tax amount	100%	Tax amount	50% restock, inventory	10% business	40% profit	
If I collected \$100 w/ 6% Sales tax  \$106.00	\$100.00	\$6.00	\$50.00	\$10.00	\$40.00	
<b>If I have a loan or want to make sure I am saving for PCP or travel like seminar &amp; career conference</b>						
\$106.00	\$100.00	\$6.00	\$50.00	\$10.00	I make 40 Profit but I want to divide this	
					5% PCP	5% Events Gives me 30% Profit
<b>If I wanted to make sure my Inventory Investment loan was being handled this same way I would do something like this</b>						
\$106.00	\$100.00	\$6.00	\$50.00	\$10.00	I make 40 Profit but I want to divide this	
					5% PCP	5% Events 20% Inventory Leaving me with 20% profit my inventory is paid off

- ***Paying your inventory investment some people divide a portion of their profits to pay it. Others take their first class of every month and take the entire 40% and pay it to their inventory investment loan. It's simpler this way, giving you more room with your profit on all your other classes. Key is to book classes.***

**6. Get an expandable accordion file divided into categories and place expense receipts in it daily.** Total at end of each quarter and then put the totals for each category on the business expense tracking register. Keep receipts for everything - **these are your tax deductions!**

**7. Complete a Weekly Accomplishment Sheet through Mary Kay Intouch** online every Sunday PM. Send a copy to me through the internet. Keep a copy for yourself in an expandable accordion file divided into months and staple the applicable weekly sales receipts to it.

**8. Have a sales goal for yourself each week, than PAY YOURSELF at the end of the week. There is something gratifying in knowing you are paying yourself, and writing yourself a paycheck.** (*Remember to only pay yourself the 40%*)

**9. Have a goal beyond paying bills.** Have a goal of something that you are going to get yourself at the end of the month or end of the quarter. From your hard work you are going to pay for it by your MK Profits. ***It's a proven fact that we will work harder for something fun than paying a bill. It's in the process of working for this something fun that you get the extra to pay the bills***

10. We've been talking PROFIT from your Sales; **however, don't forget there are also commission checks you can earn by moving up the Career path.** Always know where you are on the career path, what the next level is and what you have to do to get to that level. Moving up the career path has been proven to give you an income that keeps coming when you continue to build your team.

**11. It's in your Daily Activity that you will receive your long term goals.** Be willing to create the daily disciplines, the weekly efforts and work to get the appointments on your books, to achieve your goals. Never miss training, trainings help us become emotionally healthy in our business as well as develop our skill, which in turn helps us make more money.

- *If you are running your business on emotions I will show you a bank account with a big fat zero in it. Show me a woman, who daily goes out and does her daily activity, stays focused and consistently puts herself out there, and going to trainings I will show you a person who will achieve her goals. Is happier and has a positive perspective on her business. I will also show you person who is on the datebook and is making month (never fall off the datebook)*

### **Read good books like:**

- “Think and Grow Rich” (by Napoleon Hill)
- “The Mary Kay Biography” (by Mary Kay Ash)
- “Rich Dad Poor Dad” (by Robert T. Kiyosaki)
- People Management (by Mary Kay Ash)
- Three feet from Gold (by Sharon L. Lechter CPA, Greg S. Reid and Mark Victor Hansen)
- The Dream Giver (by Bruce Wilkerson)
- The Prayer of Jabez (by Bruce Wilkerson)
- The 4.8 Principle (by Tommy Newberry)
- How to Win Friends and Influence People (by Dale Carnegie)
- "The Power of Positive Thinking". (by Dr. Norman Vincent Peale)
- The Greatest Salesman in the world (by Og Mandino)

**I have found our money and how much we make is a direct reflection of how we think and what we are thinking.** It's important to always keep a positive, expectant attitude. To be filling yourself with positive books that help you make shifts in your thinking.

Don't let the little upsets that come discourage you. We all get cancellations, we all have appointments that sometimes don't go as well as we would like; however, those are far and few when you are working your business consistently and with a positive mind frame. *Mary Kay used to always say you get what you think about. What are you thinking?*

**12. Profit is it in your plans? Your efforts to carry out the plans and to keep yourself on the datebook are vital here. The 3+3+3 plan.** Three skin care classes a week, three career chats a week HELD (not booked, you have to book 5-6 to get 3 to hold) and striving for a \$300 PROFIT week. That's a great weekly plan to strive for! It's also an average of \$600 in sales! Work by the 3+3+3 Plan and stick to it. Do whatever you have to do to keep it and you will not only be making money, you will also be moving up!

**13. Face to face we go place to place.** The indication of how fast you will move up and how many times you will be collecting cash ***is found in the time between each of your appointments!*** (Don't let too much time go in between your appointments).

## Helping even further:

- A great leader in money Management is Dave Ramsey. I encourage you to find a financial peace course near you (churches mostly will be holding these). This is a great course in household finances. Understand handling your household money is different than handling your business money (*another reason to have a separate account*). He teaches the snowball effect to paying down debt and the envelope concept to “spending your money on purpose” or having a place named for where all your money goes” it’s amazing, I recommend it to everyone.
  - *On a side note: in personal finances I like to go by the 10/10/80 rule 10% of my PROFIT/Commissions/bring home pay goes to thieving, 10% to saving and live on the 80 percent.*
- Some great programs to help you can be Ascend Financials money program for consultants. It divides up your money in an envelope system (one Dave Ramsey teaches on and how we showed you to divided your MK money above) in a computer program.
- You can also go to thepinkplan.com. This is a site designed for consultants to put together a business plan (from Ascend Financials). They also have program for consultants called Pink Office it helps with inventory and customer management.
- MainStsoftware.com has a program called BLVD, it’s a software program for Consultants it helps with receipt, inventory and customer management (it is the one I use).
- Or you can go to Unitwise.com this is an online bases support system.
- Have a good tax accountant (***no regular CPA or Tax preparation place will do***). Make sure they are equipped in the laws of stay at home businesses. Because having a stay at home business is amazing and can yield some great tax deductions and help with taxes at the end of the year.

Keep in mind what Mary Kay used to always say “**nothing happens until someone sells something**” You have an honorable position, one of a sales person. People are always buying or selling something, and here you get to offer a service to women of making them feel better about themselves, showing amazing products and sharing this amazing marketing plan. **The more you ask the more you share the more you will make.** The more you follow up, the more you follow through, and the faster you will

grow.

Understand it's not a position that makes things better; its how you lead yourself that makes things better. Lead yourself well here and you will be given more to lead.

It's all up to you. And it's all within you! I believe in you Carrie!