

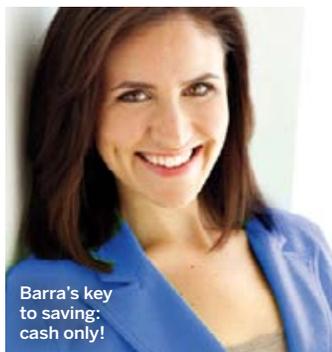


Cold, hard cash

Don't have any? These three women can show you how to make more, save more and stress a helluva lot less. **By Jenny Deam**

“I’m saving half my salary to pursue my dream.”

Stacie Barra, 32, Chicago, administrative assistant and actress



Barra's key to saving: cash only!

I may earn a living in a cubicle, but I don't really *live* until I step onto a stage or in front of a camera. For nine years, I've supported myself with an office job while trying to build an acting career—rushing to auditions during lunch breaks and slogging through workdays after late performances the night before. I accepted my split-

personality life until one day in 2010, when I took a day off work to shoot a TV commercial, then acted in a play that night. It took a lot of long hours, yet I felt exhilarated, and it dawned on me: I needed to find a way to pursue acting full-time.

I decided to live on half my income and squirrel away the rest so that I could eventually quit my job to act, take classes and audition at a moment's notice. To start, I tracked every penny of my \$3,200 monthly take-home pay. Writing it all down helped me separate my needs from my wants and form a plan.

Next, I began moving half of every paycheck into savings. Doing that leaves enough to pay my rent, utilities and gym

membership with \$700 to spare, which I keep in cash. The idea: If I don't have money in hand, I can't spend it. The first month, I had to dip into my savings for an extra \$200 to pay for a parking ticket, contact lenses and a few gifts. But I got right back on track, and living on cash has now become second nature. I shop my closet, have friends over for dinner instead of eating out and scout out discounted theater or movie tickets.

In about 30 months I've saved more than \$45,000. The crazy thing is, I don't feel deprived. I compare my financial reinvention to finding ways to make a decadent recipe taste just as good with fewer calories. I know the time to quit my day job is coming. I don't ever want to wonder, What if I'd lived my dream? And now, I won't.

Nix the splurge urge

Barra's big challenge: resisting the impulse to rob her nest egg every time she wants to shop or go on a vacay. Christine Parker, a certified financial planner in La Plata, Maryland, suggests asking yourself these three questions before any purchase.

1 WHAT'S MY GOAL? Know exactly what you're saving for—leaving your job, say, or buying a car. Write it on a piece of paper, keep it in your wallet and pull it out when you falter.

2 IS THIS IN MY BUDGET? Use an app like iSpending Deluxe (\$3; iTunes) to do a cash flow reality check before you try on and fall in love with those sweet suede booties.

3 HOW DO I FEEL? If you answer “grumpy” or “frustrated,” back away from that cash register. We make smarter, more consistent choices when we're in a clear state of mind.

“I quit spending cold turkey to ditch my massive debt.”

Anna Newell Jones, 33, Denver, court clerk and part-time photographer



I admit it, I like buying *stuff*—pretty bed linens, cute sweaters, killer heels, you name it. Problem was, my job paid modestly, and I was spending way beyond my means. By age 30, I was \$23,600 in debt.

On New Year’s Day 2010, I vowed not to drop a dime on anything but rent, food and utilities—nonessentials were non-negotiables. I called it my Spending Fast. After a month of fasting, I had \$500 left from my \$2,600 take-home pay, which I put toward paying off my debt.

I became the Queen of No—no movies, no eating out, no shopping. I also started a blog called *AndThenWeSaved.com*, which I used as a place to vent about my struggles and share my successes. Going public kept me accountable. When I tried to rationalize giving myself a small allowance, my readers urged me to stay strong. Sometimes not spending really sucked, but I wanted to get out of the hole more than I wanted whatever it was I was tempted to buy.

Within 16 months I was debt-free. Today I’m no longer on a Spending Fast; I simply focus on making smart choices about money. And my blog is now a personal-finance site that helps readers get, and *stay*, out of debt.

Get in the black

Newell Jones’s dig-out plan is hard-core and may not work for everyone. Amanda Clayman, a money coach in New York City, grades her methods.

DIVIDE AND CONQUER. Staring down the big lump sum can be paralyzing. Newell Jones tackled her debts one at a time, starting with those with the highest interest rates, to feel more in control.	GRADE A
BLOG YOUR PROGRESS. Sharing your goals in the cybersphere can drum up lots of support. But you can’t rely solely on readers to bolster you. Keep tabs on whether the process is working for you.	B+
SAVE EVERY CENT. Cutting <i>all</i> discretionary spending is easy in a way: You don’t have to make any buying decisions—you just say no! But it’s tough to sustain long-term. Budget in some fun.	C
GO IT ALONE. Newell Jones didn’t discuss her plan with her husband. They’re happy now, but it strained their marriage at the time. Keep your loved ones in the loop; their support is crucial.	D



“I turned my hobby into a major moneymaker.”

Elle Green, 34, Memphis, owner of Chef Elle Green & Co.

My journey to owning my own business began when my 12-year-old Toyota sputtered to a halt on a busy highway in 2007. Clearly, I needed a new car, which meant raising some extra cash outside my catering

months after my car broke down, I bought a new one for \$14,000.

I wondered if I was on to something with my little business, but I was also beat. I woke up at 4 A.M., worked all day, then rushed home to bake. Every dollar I earned went back into my fledgling company or into the bank. I spent virtually nothing on myself. No cable, because who had time to watch? No clothes, because I lived in a chef’s uniform. I whined to my sister that it wasn’t worth it. Her response: Stop crying and keep baking.

job. That’s when my sister suggested selling my homemade sweets.

I love to bake, and I always took my desserts to parties, but at the next gathering, I taped a card to the cake box announcing that this was my last freebie. The starting rate for my chocolate or sweet potato cheesecake would be \$45 each. I was sure everyone would be mad. Instead, my phone started ringing. Nine

In six months, I went from selling about 35 desserts a month to more than 350 a month. In 2010, I decided to go out on my own with just under \$70,000 in savings. We’re breaking even now and looking to expand! I always tell people: Never underestimate your skills and hobbies. That’s how I found my true calling.

Be a mini-mogul

Aside from her kick-butt baking skills, Green attributes her success to setting specific daily, monthly and yearly goals. Manisha Thakor, CEO of MoneyZen.com in Santa Fe, lays out a few that might work for your small business.	DAY ONE Set up an easy way to monitor your spending and revenue by using a service like QuickBooks.com. Track everything!	MONTH ONE Focus on refining your product. Consider giving away samples to potential buyers to build buzz and gather testimonials.	MONTH SIX By now, you should consult advisors, like a lawyer (junior partners may charge less), so you’ll be prepared for future growth.	YEAR ONE Consider a rewards program for your top clients—20 percent of the customers can drive 80 percent of the revenue in many businesses.
--	---	---	--	--