

Rachael DeLeon

Welcome to Real Money, Real Experts, where we bring you interviews with leading financial professionals, sharing their stories, their challenges, and their advice for helping people manage money in the real world. I'm your host, Rachel DeLeon, Executive Director of the Association for Financial Counseling and Planning Education, or AFCPE.

Dr. Brandy Baxter

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And I'm your co-host, Dr. Brandy Baxter, Accredited Financial Counselor, AFCPE member, and your 2025 AFCPE Board President. On every episode, we take a deep dive into the topics and stories that you care about the most, helping clients, building community, and growing in your work and your career.

Rachael DeLeon

00:50

Derek Brainard is a nationally recognized financial educator and speaker dedicated to helping individuals, particularly in the legal and higher education communities, achieve financial well-being. As the Director of Financial Education at Access Lex Institute, he develops research-backed programs to empower law students and professionals to make informed financial decisions. A certified financial planner professional, accredited financial counselor, and chartered retirement planning counselor, Derek has a diverse background in military service, financial advising, higher education, and nonprofit leadership. Known for his engaging and down-to-earth communication style, he has delivered hundreds of presentations nationwide on topics like student loan management, debt reduction, and retirement planning. And he is passionate about making complex financial topics accessible and actionable for all. And fun fact, Derek was a trumpet player in the Navy for seven years. Welcome, Derek.

Dr. Brandy Baxter

01:58

Okay, so I'm going to jump right in, Derek. When we were chatting earlier, you said, I am a money nerd. So I want you to know you are amongst friends. We are all money nerds here.

Derek Brainard

02:10

I'm in the right place. That's good.

Dr. Brandy Baxter

02:11

Yes, you are totally in the right place. But I was listening to your intro that Rachel just read, and you have spent a lot of time investing in knowledge and education and skill development. And I think that's great. But you're also known for making complex financial topics accessible. What was it about your own personal story that sparked this passion for you?

Derek Brainard

02:36

Oh, man, I love that question as a way to kick things off, Brandy. And thank you both for having me again. I love being with my tribe here, the Money Nerds Unite. At our team, we have a hashtag that we like to throw out there a lot. It says hashtag let's get nerdy. So So with that, let's get nerdy. Yeah. So so so I will not delay in bringing the nerd to the conversation. So you ask, you know, you know, one of my is truly one of my passions. And I think one of the things that I've been able to do for most of my working life is to take something that's very complex, complicated, layered. and nuanced and break it down into digestible bite-sized pieces. And I think that goes back to my career as a musician, to be honest. Rachel mentioned my fun fact was I was a trumpet player in the Navy for over seven years. And when you're in that position and that is your focus and, you know, music is a very complex, very complicated and very nuanced skill. And when you have something that that takes daily practice and muscle building and muscle memory and breaking it down and how to be the best and most efficient player you can be, that really built in me this idea of you can break this down into digestible bite-sized steps. And as long as you focus on those daily small things, they grow into big. And so honestly, when I think about like where that where my predisposition to that came from, I really have to go back to my musical roots. And that was echoed by for sure. After married my wife, she also joined in military music. And we spent our first few years of marriage working together to systematically, slowly, but steadily pay down all of our debt, like our student loan debt. in all of our loans, credit card, anything we had, you name it, car loans, right? We had all of it. And we applied that same level of, if you look at the overarching goal or problem, it's extremely overwhelming. Just like if I say, well, I want to be one of the best trumpet players in the world. That's a really nice aspiration, but it doesn't break down practically into steps we can take to actually move the needle. And when we were working together in the Navy to do that, pay down our debt and start to manage our money together with a plan, it was that same level of discipline and breaking down the complexity of the goal into bite-sized pieces that I was able to build, apply. And after that, it sort of made finance, financial services, personal finance management and coaching and counseling easier. It was sort of a natural career change because I had done a lot of this. It's the same. It's a similar skill. It was just about the knowledge gain, Brandy, that you mentioned. And thankfully, there's just tons of places to get that knowledge. It's about the underlying skill of change coaching and change management to align our money management with our life goals. That is so fundamental. So... told you, I wasn't going to hesitate bringing in the nerd to the conversation. So there's the so but that's a great question. And I love it.

Rachael DeLeon

06:05

I love what you said about life goals. And I think you were really drawn to personal finance and money and really found an aptitude for it. But I think for a lot of people out there, it's a means to an end. And you know, we have to learn about money because it just what you said, it helps us achieve those life goals and those dreams that we want to get to. So I You know, I think when you can break

those down into bite-sized pieces for people and tie it back to those life goals, it becomes really meaningful for everyone.

Derek Brainard

06:36

Yeah, yeah. You have to start with, it's that age-old sort of coaching 101. If you want to, you know, center coaching and counseling around goals, you start with goals because goals are necessary. They're good to have, but goals in and of themselves don't motivate you. We always talk about, you know, James Clear's book, Atomic Habits, and a lot of the education that we do at our center, the Center for Education and Financial Capability here at Access Lex. It's one of our go-to books that we refer to folks. And he says, you know, you don't rise to the level of your goals. We fall to the level of our habits. And so it's good to start with goals because we have to have some end in mind. But what people so often do, you know, when we do our coaching, through our service, we primarily work with law students, right? We work with thousands of law students across the country through our coaching platforms. And what we find is people have this idea in their mind that we have to start with a financial goal, a number goal. Okay, I need to have \$500 in a savings account, or I need to borrow X number of dollars or try to keep it under a certain borrowing number, or I need to have a monthly payment of X when I graduate from law school and start working or I need to, you know, those types of goals. But the problem is numbers don't motivate the same way as tying them to the life goal initially. And so it's a, I need to have a payment under X number of dollars a month after graduation so that I can qualify for a mortgage and start my life. Or I need to have an emergency fund of \$500 so that if I need to replace my tire or my laptop on my way to school one day, I can and I can still make class and persist academically so that I can do my dream job. So this is what I always come back to this, you know, financial goals are really just life goals that require financial action. You have to start with the why, why, you know, light and tie it to your real life and then back it up with the numbers and then reverse engineer those numbers into daily actionable steps and activities.

Dr. Brandy Baxter

08:50

Okay, so Derek, you and I are totally speaking the same language. Little known fact to our listeners, I too played an instrument, not while I was in the military, but I did play an instrument when I was in high school. And as you were talking about breaking things down into smaller bite-sized pieces so that it's more manageable and then kind of compounding it, if you will.

Derek Brainard

Nice.

Dr. Brandy Baxter

09:13

Thank you. To the bigger goal, I think that's a really important thing for us to remember as financial professionals, especially when dealing with our clients, but also when dealing with ourselves. And I noticed in your bio that you also talked about having this interest in student loan management and you shared how you and your wife kind of had a plan and tackled this yourself. What do you think is important for financial professionals working with clients who are dealing with a lot of the changes that we see happening in financial services, including student loans? What do you think is important for us to remember? Give us that bite-sized piece we can start with.

Derek Brainard

09:51

Yeah, it is a very important question, Brandy. And it's one that I recognized years back in my first sort of foray into financial services when I was a licensed financial advisor and stockbroker. And what always struck me about that was actually the lack of education or the lack of integration that there was at the time with student loan management into overall financial planning. And I always thought that that was a huge disservice and just honestly, frankly, quite shocking because we know that student loans are such a huge percentage of consumer debt, a growing percentage in this country. I mean, throw them up there with mortgage debt, right, as the top two, I think, nowadays. And it's a... Yeah. And so to not include those into a more holistic financial planning conversation to me was just didn't make any sense at all. So what I think and it's become even more apparent since then, just how important student loans are in the conversation. And they are sneaky because they've been dormant for the past several years due to covid. The CARES Act put student loans on pause for federal loans. And so it's one of these things that's always been sort of lurking under the surface of financial households. And now it's waking up. And now it's going to start rearing its ugly head for so many folks. And that's why you see delinquencies and even in student defaults skyrocketing on student loans in the Fed data. And that's really important to pay attention to if you're a financial coach or financial counselor. So first things first, you got to build an awareness about the problem, the issue, and be a student of how student loans actually work if you're a financial coach. Because I guarantee if it's not impacting your client that you're working with right now, it's probably impacting someone that they love or someone in their network. And those people are going to need help. They're going to need help. If they don't need it already, they will soon. So number one for financial coaches, financial counselors out there, become a student of student loans. You don't necessarily need to be an expert, but you do nowadays more than ever have to keep pace with student loan news the same way that you keep pace with any other financial news, personal finance news. If you're keeping tabs on what the Fed is doing with interest rates, if you're keeping tabs on the stock market indexes, if you're keeping tabs on other economic events like tariffs, et cetera, trade talks, et cetera. You've got to add student loan news to the mix because this is something, you know, as of this recording, there's a lot of policy talks going on around what is the future of income driven repayment and what is the future of grad plus borrowing look like? What's the future of subsidized student loan borrowing look like? And if you have folks coming in with student loan debt and this is the first time they've ever had to face it in conjunction with the rest of their consumer debt, you want to just be equipped at the very least to know where to direct them

for the most up-to-date vetted information. So one of the places we always refer folks to, of course, is studentaid.gov. You know, that is obviously a treasure trove of information there. So studentaid.gov and also keeping tabs on what's going on in Congress and everything moving with the current budget talks.

Rachael DeLeon

13:27

That's great advice. You're absolutely right. And student loans is definitely one of those ever-changing, ever-evolving changes around policy that we have to keep up to date on. But it feels like the landscape as of late is changing in a number of different areas. And so what would you say... to other financial counselors and their clients, like what are some different ways that we can make sure we can stay up to date on a lot of these changes?

Derek Brainard

13:53

Yeah, no, great question. [Studentaid.gov](https://studentaid.gov) is the official source, right, of information there, but also then keeping an eye on whenever you see headlines, news articles on policy or certainly interpretations of policy, try to look in that article. It's okay to grab some surface information from those articles channels that you're used to and that you read frequently. But make sure you're looking for links in those articles to the original text, to the full text and or a summary page for that text, because that is where you're actually going to see what you're reading there is somebody's usually interpretation of what's happening. And you need to remove that that buffer between yourself and the actual information. And if you're a financial coach or counselor, that's what's going to be important. Right. your clients don't necessarily come to you for your editorializing on current events or public policy or for you to tell them what to do, right? You're there to link them up with the information that they need, walk through scenarios based on their inputs into the conversation, their goals, their needs, their situation, which you should be helping them uncover with open-ended questions, et cetera, et cetera. So linking them back to the official sources of information, I think is so super helpful. And then any, sort of proven vetted networks that you have in your community, local professionals that can help them with tax questions about student loan forgiveness, for example, or because that can vary by state, right? How it's treated on the state level, even though stuff like public service loan forgiveness might be federally tax-free. There are things that they're gonna need to still leverage other professionals in your area. So making sure that you have those on your speed dial and you know that they're giving out information that is up-to-date and accurate is so huge. And student loans, honestly, are just one example of the potential impact we have as financial coaches and counselors in that if you give somebody a piece of information and they perceive it as you're making a recommendation or they perceive it as that is the thing that everybody's doing, so I should do it, the way you're giving of the information to them has to be, you have to be strategic and thoughtful about how you're phrasing things and what resources you're providing and when, because we really have to go back to, I know this is a medical phrase, but do no harm. Like if you get, so for example, you know, if somebody gets a, we get this all the time,

questions about refinancing student loans into a private loan. And so somebody comes as well, should I refinance everybody at my, that my employer, my new employer is refinancing into private loans and it makes a lot of sense because my interest rate can go down. I can get a better interest rate. So it seems like the smart thing to do. I love that question because they're asking us before they've done it. And so it's one of those things where it's, if you don't exactly know the ripple effect of the advice or the information that you're giving, make sure that you are positioning it and being clear about that really upfront. And student loans are a great example of that because there are so many layers right now going on between income-driven repayment shifts and aggregate and annual loan caps that Congress is talking about that the information that we give has to be disclaimed with, okay, make sure you're vetting this with this website. Make sure you're checking back with us here in a few weeks and so on and so forth.

[Dr. Brandy Baxter](#)

17:31

That is great. And thank you so much for just sharing those very specific resources and how our listeners can empower themselves with accurate, reliable information as they are working to serve their clients. And I definitely loved your comment about doing the extra work of going back to the original source of data, not just reading someone else's summary. There is a lot happening in the financial lives of everyday people. And as I'm listening to you talk, Derek, I just can't help but wonder, what are some of the hot topics that you see popping up in the midst of so much change in our economy these days. We talked about student loans, but is there anything else that maybe is on your radar?

[Derek Brainard](#)

18:18

The hot topic, right? The buzzword, whenever you, whenever, word association for financial coaches 101, whenever you hear economy, what are we thinking? We're probably thinking about inflation, right? We're probably thinking about inflation, what the Fed has done or is talking about or not doing in regards to the latest political landscape. And so that is something that we have seen More and more, of course, the past few years, we got so used to we did as consumers and certainly our clients and the students that we serve are not immune to this. We got so used to a low interest rate environment that it was it was disincentivizing in a lot of ways, saving right and incentivizing borrowing, which led to this. Consumer debt going up since the Great Recession and so on and so forth. And now we've flipped the script in just the last few years after such a period of not being used to that, that people weren't necessarily educated, equipped, or confident about how to deal with rising prices in food and gas, primarily. Food, gas, and housing, honestly. So it's like the big three. So we do run into that a lot. We've run in... I've been hearing more and more of that in the conversations that we've been having over the... the last year about just concern about being able to handle daily expenses. And that is something, of course, that needs attention. It goes back to what position are folks in from a coaching standpoint, right? Is it remedial, preventive, or productive? So in a lot of cases, people were moving from an environment that was preventive and

in some cases productive, but it's, you know, you don't necessarily jump through the middle, right? You're going to move one-to-one. So a lot of ways people were moving from a preventive financial management style to a remedial because all of a sudden groceries went up like crazy, right? And gasoline went up like crazy. And housing is another huge topic when it comes to inflation is the housing market. When we saw the squeeze during COVID on supply and the demand remained the same, if not more, all of a sudden these prices have sort of level set at a higher rate now. And even though there is this sort of disinflation where it's like sort of slowed down in the inflation, they're still not going down, right, in a lot of areas. So that's impacting a lot of first-time homebuyers. And coupling that with now this higher interest rate environment, we are seeing more. I've been seeing a lot more of that in our conversations with our callers and the folks that we serve. So real estate, daily expenses. And then the other thing is just uncertainty about the future, right? Whenever you have, it doesn't matter what administration you have and what way they lean, whenever you have change, right? At any level, markets don't love that. And people, it's hard for people to manage their money, not exactly knowing where things are going. And especially in a high change sort of environment, you sort of resort back to, are we, building up a cash cushion? Are we moving our more risk-exposed investments to safer ones? What are we doing about career changes? And so part of the work that we do at AccessLikes Institute is we do talk to younger professionals, and we've partnered with the ABA to do surveys of young lawyers and how student loan debt has impacted their early career. And a lot of the things that we've found in those surveys are things like debt load impacts delaying? It causes young professionals to delay life decisions like starting a family or buying a house, whether it's because they quite literally can't qualify for a mortgage or they have a they're very debt adverse. So having a high debt to income ratio, there's a perception that they can't or shouldn't buy a house. Right. They're delaying those decisions. And then they're also making career decisions based on it. moving into maybe a higher paying private type of employment versus a public service employment where their passions really lie, not necessarily knowing too much about public service loan forgiveness or not trusting that it's going to be around, right? Because it's sort of been thrown in the mix with a lot of these, especially with the Department of Ed negotiated rulemaking going on around that. So there's a lot of that too. So there's uncertainty. inflation, all of these things have come together to build this perfect storm where consumers right now are just, I think there's a lot of trepidation around that. But then you couple that with the habits that we've had over the last decade of sort of being able to getting accustomed to lower prices and lower interest rates. And it's become this, it's sort of a paradigm shift.

Rachael DeLeon

23:12

I was going to pivot, but I actually think this topic hits right in the vein of uncertainty and newness and even just understanding resources and where they come from. But wanted to talk a little bit about tech and AI, which I'm sure working with students and Heck, most of us use AI in some way, shape or form in our lives right now. It's everywhere. What would you say? How can people use AI responsibly when it comes to making financial decisions?

Derek Brainard

23:42

Well, and so we can throw that in. And even with, you know, Brandy's last question of like, what is what are some of the new things we're seeing? And we cannot discount the acceleration of technology and its impact on our economy. lives, daily lives, but also our future outlook. And that is adding to the uncertainty, right? When you have a technology that is so disruptive, I mean, you go back to the printing press, and then you go back and then you fast forward to, you know, radio, and then you fast forward to TV. And now you fast forward to AI. It's a seismic shift in how we interact with each other. And it's a seismic shift in how we interact with information. on a large scale. And that, and we're already seeing that. Of course, like you said, Rachel, if we all use AI in some capacity, whether or not we know it or like it, we are using it, okay? I'm telling you, I went up, we just went up to a lake, a cabin on a lake, took the kids up there for a couple of days of fishing and just getting out of town for a couple of days. And you think that you're unplugged. Well, guess what? I turned, the second day we were in this little cabin in the woods, I looked over and there was an Alexa device I was like, are you kidding me? I was like, we can't even get out of it.

Dr. Brandy Baxter

25:02

But no, it's like, you just can't escape it. I knew he was going to say a smartwatch. I'm guilty of the smartwatch.

Derek Brainard

25:09

Yeah, right? If you have a smartwatch, you're never alone, right? But no, seriously, it's just now, it's at a very accelerated pace becoming interwoven in the fabric of all of our lives and our clients' lives. And so it goes back to be when I was saying be a student of student loans. We also have to be a student of how and where our clients are getting information. And so as a coach and counselor, sometimes there is a natural sort of resistance sometimes. to new technology and or new financial platforms because we think and we know there are there are time tested, like proven concepts and platforms that we can be using to help people manage their money. But so if I'm just sticking with a pen or paper, one of the favorites of mine and actually a lot of people we work with is still Excel, right? Spreadsheets still rule the day in a lot of ways. But if we're not aware of the type of technology that our clients are using to gain information and access information, then we really are sort of doing them a disservice because we at least want to know what they're experiencing and why they're hearing the things we're hearing and where they're getting it from so that we can speak to it in an informed way and not a biased way. If you have some sort of perspective on technology, that says, just because you heard it from social means it's probably not right or accurate. Well, that's not necessarily true, right? Some things in social media can be useful if applied in a strategic, practical way in the right situation. And the same thing with AI, like it has a function. So to build an awareness around it and understand, okay, you know what? If you wanna search like a general financial question on ChatGPT, that's a great start. And you're gonna get some awesome

information You can get a really deep search, some nice research there. And it's a great starting point. I think about it as a funnel of sort of financial coaching. If you want to start at the top of the funnel by asking AI or chat GPT or a robo advisor a question, right? And getting a bunch of information just thrown at you at once to sort of get you in the ballpark of knowledge. Great. Now... Go further down the funnel. Don't just stop there and make a decision right now. Go further down the funnel. Attend a webinar. Read a book. Listen to a podcast to refine that knowledge and information. And then when you're ready and you've developed some specific application questions for your situation, talk to a coach. Talk to a counselor. And that's at the bottom of the funnel because there you're moving from global... to specific. You're moving from universal to practical and tactical. So that coach is going to be the one that's going to give you that organic feedback. And that's a phrase I've been throwing out a lot lately, this organic versus artificial interaction in money counseling. Yeah, it's really interesting because remember, what is one of the tenets of good financial counseling is is open-ended questions right open-ended questions help somebody sort of they lead them down a path of self-discovery even if you kind of know what's the best outcome for them if you're asking them open-ended questions they're going to get there by themselves which of course will translate to a higher percentage chance of them actually acting on it so an ai can't do that it may be able to ask some like clarifying feedback questions as of right now right clarifying feedback questions on some inputs that the users put in, but it's not going to have that same level of organic interaction that we do. So in a lot of ways, remember where we stand as a value proposition to our clients is we are the organic bottom of the funnel.

Rachael DeLeon

29:02

I love that. And I think I like that angle of it. And as our kids go through school and, you know, this new generation is entering life directly with this kind of technology. It's just learning how to use it as a tool that actually works for you because it is helpful if a client comes with some knowledge of concepts because they can ask better questions and you're not just educating, but now you're taking it a little deeper and letting them better understand how to apply that knowledge to their own situation.

Derek Brainard

29:33

Totally. 100%.

Rachael DeLeon

29:35

Love that.

Dr. Brandy Baxter

29:36

I love it too, because it also, as a financial counselor coach, what I'm hearing is I've got to get out of my own way and think that I have to have all the information and really partner with the client in their own financial journey. So excellent. Love it. All the things. Thank you so much, Derek. Okay, one of the things that Rachel and I have done, we like to ask our guests to give their two cents. So we've been kind of building this bank of knowledge, if you will. So Derek, what two cents would you like to add to our knowledge bank?

Derek Brainard

30:12

Yeah, I would just say be a student. It goes back to sort of this common theme that we have been talking about through this whole conversation, which is be a student of your client's perspectives. learn about the world that they live in and where they're getting the information from and why they're seeking the information the way they are and what are their actual life goals, right? At the end of the day, it's good to know the latest interest rates and the latest tax brackets and the latest capital gains tax rates and the latest student loan policy. But if you don't know your clients or the people that you're serving and what's driving their pain or their needs, then none of that information is going to be aligned properly. So my two cents is just to the most effective financial counselors and the most effective financial coaches at the end of the day are really students of their clients and understanding what's driving them.

Rachael DeLeon

31:10

Dara, thank you so much for coming and sharing. your journey and your two cents with us today. For all our listeners out there, where can they connect with you?

Derek Brainard

31:19

Absolutely. So, Access Lex Institute, we have our main website, accesslex.org, that is filled with every service and program that we offer to the, again, the almost 200 ABA accredited law schools that we serve across the country as our member schools. And one of the primary tools and services that our specific team uses to service our student of law, our population of law students that we serve, is Access Connects. And this is a free financial coaching service where folks can go on the website. It's open and open to anybody that wants to use it. And it is at [accesslex.org slash access connects](https://accesslex.org/accessconnects), all one word, A-C-C-E-S-S-C-O-N-N-E-X. And that again, that's free. 30-minute financial coaching call with our staff. And our staff are all, as I know that you know, and you'll be happy to hear; they're all accredited financial counselors. It's one of the things that we make sure of before they're taking calls and talking to folks. But a lot of folks also on our staff have specific passions and credentials that really drive them, stuff they love to talk about. But at the end of the day, it's a It's a very it's one of the I think the most valuable things that we can offer to the students we serve is that coaching service.

Rachael DeLeon

32:42

Fantastic. We'll make sure that is in our show notes. Derek, thank you so much.

Derek Brainard

32:46

Thank you both for having me.

Rachael DeLeon

32:48

Brandy, this was a fun one. I feel like Derek covered so much in a short amount of time. And I think, you know, a lot of us right now, you know, are counselors. Our coaches out their deal with clients that are really struggling with a lot of the change that's happening all around us. And I think his advice about being a student really hits the spot on. And when I think of the AFC community and the community that listens to our podcast, I think of them as lifelong learners. They become AFCs because they want to make sure that they're raising the standards and for their clients and really staying up to date on things. But I think he also reminded us that we cannot know everything. And so, understanding what resources are out there and the way we deliver information to our clients is important.

Dr. Brandy Baxter

33:39

Yes, indeed. I love that. A community of learners. I totally agree that our listeners fit that description. As a financial coach myself, I totally was like, embracing everything he said about how we are with our clients and how we ask right questions and the importance of being careful of how we communicate and what we communicate so that we're not accidentally sounding as if this one way is the only way or this one source is the only source. And he summed it up beautifully with the comment from the medical community where he said, do no harm. And I know and several coaching programs that I've been a part of, that's been really a key takeaway is that as a coach, you just want to have that in your mind that you don't want to accidentally harm your client. And the best way to do that, like you said, is to be a student of the topic so that you know what you're talking about. My other favorite takeaway was when he said, hey, it's great to read some of the content that you're already reading online and pull in some information but dig a little bit deeper. Go back to the original source. Go back to the original article and really educate yourself. I just think that that's going to make all of us head and shoulders above where we are currently if we do that layer of work so that we can best serve our clients. I agree with you, Rachel. Another great episode. It was super fun chatting with Derek. And I think our audience will find this one as a keeper.

Rachael DeLeon

35:11

The opinions of our podcast guests are their own, which means that their stories, views, or lived experiences may differ from yours or mine. However, the one thing you will always find on this show is a common thread. Our guests are passionate about helping people with their money to improve their lives, and they believe in upholding high standards for the clients and the communities that they serve. We encourage you to tune in to Real Money, Real Experts with open curiosity. Why? Because it's oftentimes in conversations where viewpoints or stories differ from our own that we learn the most.