

THE GIFTS THAT KEEP ON GIVING

In last quarter's **The Financial Literacy Teacher**, I explained that a personal finance course is essentially a course in "adulting". Soon, your Gen Z students (born 1995 or later) will be dealing with adult issues like salary and compensation, taxes, employee benefits, retirement projections, 401Ks, saving and investing, renting or buying a home, and much more.

A good financial education program teaches students not just the underlying principles of money management and wealth building. A good program also helps them adopt healthy financial habits and behaviors they will carry into adulthood.

How do we tap into our GenZ students' psyches to create lifelong savers, investors, budget makers, and intelligent consumers?

GenZ is truly a mobile-first generation, so our financial literacy instruction must reach students "where they live" so to speak. That means finding and introducing them to digital tools and resources that make it natural — nearly effortless — for them to adopt and maintain good financial behaviors. Thankfully, an insane amount of personal finance digital resources are available to do this.

In the spirit of the holidays, I have selected 7 of my favorite personal finance and money management digital tools and resources as **The Gifts That Keep On Giving**. Incorporating these mobile apps and websites into your financial literacy program can help students master personal finance and stay on the path to financial security for their lifetime.

ACORNS

Go ahead, ask your students when they'll become investors. They'll likely point to some vague point far in the future when they think they'll finally have enough money to buy stock or make other investments. For too many Americans, that day never comes.

For one thing, it's hard to save the two or three thousand dollars required to open a brokerage account. Others are intimidated by the investment process and continue to believe it's a privilege reserved for the wealthy. Many of those who do eventually invest lose valuable wealth-building years because they don't start until midlife. Bottom line is, investing has long been out of reach for regular folks.

Acorns has changed all that. Acorns is a *micro-investing roundup app* that removes these obstacles by making investing cheaper and nearly painless. All it takes is three easy steps and — boom! — you're an investor:

1. Download the Acorns app and make an account
2. Link your Acorns app to your debit card.
3. Let Acorns "round up" the cost of your purchases to the nearest dollar and invest the change for you.

Acorns' goal is to make it easy for younger investors to enter the stock market by removing traditional entry barriers such as high fees and buy in prices. Every time a purchase is made on the linked card, it's rounded up to



the nearest dollar and the difference is invested. That means your students can start investing as soon as they turn 18. They can also link a bank account and authorize a recurring investment, such as \$20 or \$30 per month.

Students may think investing a small rounded up charge isn't worth the effort, but if they make a monthly investment of just \$50 beginning at age 18, they could have over \$14,000 when they turn 33.

One of the great things about Acorns is that you decide how your money is invested, selecting between five fund types, ranging from conservative to aggressive. This gives the young investor an opportunity to learn a bit about the market and actively

participate in building their personal wealth. Acorns account holders also have access to *Grow*, Acorns' made for GenZ online magazine.

Acorns is free to college students and charges only \$1 per month to pretty much everyone else. This app is a no-brainer way for GenZ students to start building wealth and get excited about investing.

CREDITCARDS.COM

When, if ever, do you think your students will be mature enough to responsibly own a credit card? Almost certainly not any time soon. But no matter how many times you preach credit card abstinence or at least delay, your students are going to get a credit card — probably more than one — and sooner than you think. They are just too tempting. The best you can do is arm them with the knowledge and skills to manage those little beasts.

As a financial literacy teacher, you need to turn your students into credit card mini-experts. The more they know about credit cards, the easier it will be for them to see through their tricks and resist their lure — or at least keep them under control when they do get one. Creditcards.com is the perfect site for this.

The first thing your students should know is that a credit card is a *product*. Like any other product, they can shop and compare to find the one that best fits their needs and budget. Creditcards.com is the go-to site for comparing different credit card products. They can compare credit cards by features, such as cards with the lowest APR, or cards with the best travel or cash back rewards, or the best cards for students without much of an income.

Even though this is basically a credit card promoting website, it contains a ton of useful information. Articles such as "The 10 Worst Credit Card Mistakes You Should Never Make", "How to Use the Grace Period to Avoid Paying Interest," and "8 Key Things to Know About Credit Card Debt" make excellent supplemental reading for your course. The credit card glossary of terms is another one of its useful features.

Credit cards have a language of their own. The more students learn to speak that language, the better they will be at managing them.

VENMO

Instagram, Snapchat, Facebook... If ever there were a generation of over-sharers, it's GenZ. They also prefer to rely on cards rather than carry cash, which makes it harder when it comes time to split the bill.

Venmo simplifies money transfers between individuals without the use of cash. After linking a credit card, debit card or checking account, Venmo users can easily pay back people in their network. They can make payments, charge friends or receive money in the blink of an eye. The Venmo balance can be reserved for future transactions or immediately transferred to a bank account.

Venmo helps make sure your friends pay you back without the need to have the uncomfortable "Hey, when are you going to pay me back for dinner?" conversation face to face. Simply send a Venmo request!

Banks are starting to create their own instant payment apps but they often require all users to be part of their banking system. Venmo's clear focus, strong execution and universal access make it one of the best overall mobile-payment systems. It's my top pick for mobile-payment apps.

BANKRATE.COM

Bankrate.com isn't sexy or exciting, it's just incredibly useful. It's a kind of one-stop-shop for finding and comparing rates from different institutions on financial products like mortgages, credit cards, car loans, savings accounts, certificates of deposit, checking and ATM fees, home equity loans and banking fees.

Bankrate.com also has a stash of 40 plus financial calculators preloaded with formulas which enable you to estimate the value or cost of just about every financial product you might need, factoring in variables as interest, fees, and taxes.

This site takes the guesswork out of financial transactions. Bankrate.com also provides advice on such topics as taxes, real estate, IRAs, credit scores, and debt management. And you can check your credit score and credit report each month for free through this website.

MINT (OR YNAB)

Students may not realize it now, but when they begin their career working for a business, government agency, or any other organization, it's all about the budget. There are company budgets, department budgets, client budgets and project budgets. There are monthly, quarterly, and annual budgets. Budgets are omnipresent in almost any profession.

Knowing how crucial budgets are in our business lives, it's a mystery why they rarely find their way into our households. They're as important for managing our own money as they are for managing business finances.

A great benefit of having a personal budget is that it enables you to control your money instead of being controlled by it. It enables you to stalk your money — know where it goes, what it does, and if it's doing what it's supposed to be doing.

In the old days, making a budget was an onerous task. Every single receipt had to be saved. Checkbooks had to be painstakingly balanced. Fortunately, GenZ students don't have to make a pen and paper budget because there are some awesome budgeting apps out there. Two popular apps your students should know about are Mint and You Need a Budget. Both of these awesome programs make it easy to create and maintain a personal budget.

In a survey, Mint vs. YNAB came out pretty even-steven as the best budgeting apps. Both Mint and YNAB guide users through the process of creating their first budget and make it easy to update their budget. You can also link your budget to your bank account to import account data and track your expenses automatically.

The differences? Mint takes a more hands-off approach to budgeting. After forecasting your monthly income, you can budget how much money you want to go to each category. It sorts your spending into categories and sends you a notification when you approach your monthly budget. This way you don't have to check your budget after each transaction.

YNAB prefers users to be more actively engaged in their budget, requiring them to account for and categorize every dollar they spend. This may appeal to those who want to understand more about their spending habits and get at the root of their financial stress.

Unlike Mint, YNAB isn't free (about \$4.00 per month) but its nice graphics, easy-to-follow design, free workshops, podcasts, support and newsletters will appeal to GenZ.

KIPLINGER

Every adult needs a financial publication they can consult on a regular basis to help them understand personal finance terms and concepts and make sense of financial trends. Kiplinger fills that bill perfectly.

Kiplinger is a Washington, D.C.-based publisher of business forecasts and personal finance advice. Old school and traditional, Kiplinger has been around and reliable since the 1920s.

There's so much GenZ-relevant information published by Kiplinger every day, it's hard to overstate its usefulness. From tips to tools and articles, there's both a personal finance app and website. I prefer the website because there's more information and it's easily navigable.

For teachers, Kiplinger is an incredibly useful in-class instructional resource. It has hundreds of short videos on a wide range of personal finance topics such as *The Five Worst College Majors for a Career*, *Tricks to Make your Car Last 200,000 Miles* or *7 Ways to Earn Extra Cash*. For a fun anticipatory set activity, check out Kiplinger's Quiz Gallery. There are dozens of short online quizzes from the fun "Do You Have

What it Takes to be a Millionaire?" to the more serious "Test Your Knowledge of Everyday Actions that Affect your Credit Score."

COMPARISON SHOPPING ENGINES (CSEs)

GenZ loves to shop and 74% of them use a smartphone, mobile device, tablet, or a computer to do it. Annually, their shopping contributes about \$44 billion to the American economy! Why shouldn't they get the most for their money?

Being financially literate includes being a smart consumer. After all, saving money on purchases preserves wealth. Your students need to understand that *price and value are not the same things*. For example, many retailers may be selling the same product for the same price, but one retailer offers free shipping, which makes it a better value. Or different TV brands may have the same basic features and cost about the same, but one is more energy efficient, comes with a better or extended warranty, free delivery and set up.

To be competent consumers, students should learn to shop by value, not by the price tag alone! Since value is relative, it requires comparison, so it's worth incorporating into your instruction a few comparison shopping engines (CSEs). Teaching students how to quickly compare prices, whether from the couch or at the store, can save quite a bit of cash by making sure they always know where to find the best prices for the items they want.

As a fun class activity, assign students or pairs of students to an item to pretend-shop for. It could be a TV, washing machine, or laptop — any fairly big budget item. Then, turn your students loose on any (or all) of the following CSEs and CSE-related sites:

PC Magazine: This is your go-to site to find the best electronics — from laptops and desktops to cameras and smartphones. Use their Best Picks pages to find the best value at the best price and read their reviews to make sure it's the right pick for you.

Appliance Buyer's Guide: When buying small or big household appliances, you need to check out this site. It has inclusive lists and reviews on the best appliances, including refrigerators, washing machines, and espresso machines.

The Better Business Bureau: Their core mission is to help consumers find business and service providers they can trust. They have lists of ethical business in several sectors — from plumber and electricians to distributors of appliances.

Ripoff Report: This site informs consumers about current scams and provides them with a directory of verified business in their area. Their categories include automotive, dining, computers and electronics.

ShopSavvy (iOS, Android): Comparison shopping with the ShopSavvy app is easy! Scan an item's barcode by using the button at the bottom of the screen and you'll instantly see both online and local retailers who are selling the item. You can also use the search tool to search for specific things that you're looking for if you don't have the barcode.

Yelp: Who better to give you advice about a place than someone who has been there? Find out what other customers are saying about businesses, retailers and restaurants near you.

I hope your students enjoy **The Gifts That Keep on Giving!** More and more digital tools and resources come on line all the time. It's easier than ever for students to become wealth builders and to develop and maintain healthy financial behaviors and habits.

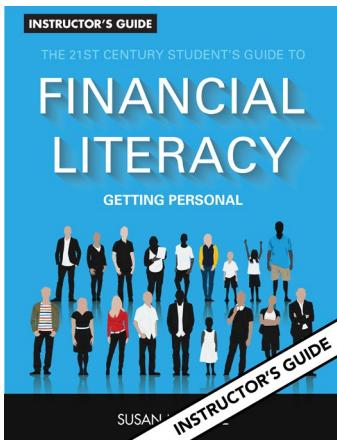
From all of us at c21/Tween Publishing, we wish you and your students a happy healthy, and prosperous New Year!



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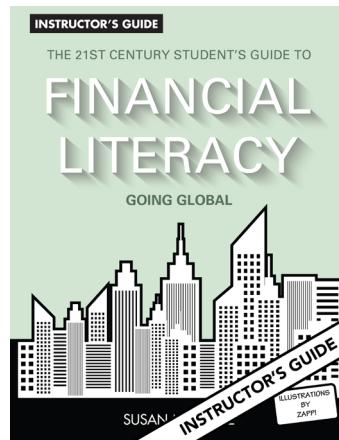
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WHAT'S ON THE CALENDAR?

January 2018: With the New Year, we will be rolling out a new digital subscription plan for **The 21st Century Student's Guide to Financial Literacy — Getting Personal.** This is a multi-tiered membership e-book rental program compatible across all platforms. Watch our website at www.financialliteracylessons.com for details!

February 2018: February is Valentines month! **The Financial Literacy Teacher** newsletter will discuss the risks of co-ownership and non-spousal joint debt. Your students will enjoy the **Faux Fiancé Fun** couples financial compatibility classroom activity.

NEWS! NEWS! NEWS!

c21 Publishing Makes Partner!

We are proud to announce that the Board of Directors for the Jump\$tart Coalition for Personal Financial Literacy named c21 Publishing (us!) a National Partner. Our resources are listed in the Jump\$tart Clearinghouse.

Uh-oh! Grades Have Posted

Champlain College's Center for Financial Literacy has published its annual report card grading 50 states and D.C. on their efforts to produce financially literate high school graduates. Overall, the grades clearly show we have a long way to go before America is a financially literate nation. We've posted the report on our website at www.financialliteracylessons.com/national-standards-financial-literacy.

THE FINANCIAL LITERACY TEACHER

Susan Mulcaire, aka The Financial Literacy Teacher, is a banking attorney turned teacher. She is the president of c21 Student Resources/Tween Publishing and author of **The 21st Century Student's Guide to Financial Literacy — Getting Personal** and **The 21st Century Student's Guide to Financial Literacy — Going Global**, financial literacy programs for grades 7-12.