

CLOSING
THE FINANCIAL
LITERACY GAP



TURNING PASSION
INTO ACTION



BNY MELLON | PERSHING

IN RESEARCH

TABLE OF CONTENTS

3 Note from *InvestmentNews*

4 Financial literacy: by the numbers

6 How to help improve financial education levels: the first step is finding your focus

8 For advisor volunteers: ways to get involved

10 IN FOCUS: Elementary school students—how the ABCs of personal finance can open new doors

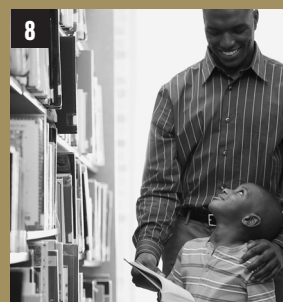
11 IN FOCUS: High school students—financial literacy lessons through (drum roll) music

12 An evolving success story—one high school, two teachers and a dedicated donor

13 A high-tech financial literacy curriculum that's ready to go

14 IN FOCUS: College students—maximizing the value of mentorship

16 Resources/organizations



NOTE FROM *INVESTMENTNEWS*

The majority of adults in the U.S. are not capable of passing a financial literacy test.¹

Large—and growing—portions of the population are carrying notable credit card and student loan debt.

One-in-three adults have saved nothing for their retirement.

The numbers speak for themselves. But, it has now added up to a problem that is too large for the financial advice community to ignore.

Without a concentrated effort, financial literacy levels—and ultimately the financial health of millions—will continue to decline. There are, of course, broad economic risks and implications that have been widely discussed and well documented. But importantly, there are also risks that the quality of life for people of all ages will deteriorate if only a limited portion of the population is able to take control of their financial futures.

Improving the overall financial education of the U.S population is a massive, long-term undertaking, **but it is one that financial advisors are uniquely positioned to course-correct.**

That is precisely why *InvestmentNews* has committed to a range of financial literacy initiatives and authored this industry paper. We recognize not only the importance of improving financial IQs, but the role that advisors can play in creating a more stable and financially literate society.

Small amounts of your time can spur major progress.

This paper, based on a unique survey, think tank meetings and dozens of interviews, highlights the contributions and efforts of a number of advisors and industry thought leaders who have found a way to move the needle. We've structured the paper to focus on how you can help to improve financial literacy levels with any age group, starting as early as grade school when money memories and personal finance concepts are first formed.

In addition, it provides a framework for “turning energy into action,” which is a set of guidelines for finding the right organization or effort to work with – and we have also included information on a number of existing groups that partner with thousands of advisors on a range of financial education initiatives.

We are grateful to every individual who has contributed to this project, many of whom are featured throughout the report. We are also thankful to have a partner as thoughtful as BNY Mellon's Pershing, which is committed to this critical issue and to providing advisors with resources that can help solve the financial literacy crisis.

As an advisor, your individual expertise presents you with an opportunity to educate and help solve financial problems for a number of individuals. As a profession, your combined contributions can actually help close the widening financial literacy gap in our culture.



Suzanne Siracuse

Suzanne Siracuse
CEO/Publisher
InvestmentNews



Mark Bruno

Mark Bruno
Managing Director/Associate Publisher
InvestmentNews

¹ National Financial Capability Study, Finra Foundation, 2016.

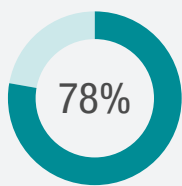
FINANCIAL LITERACY: BY THE NUMBERS

Study after study, as well as experts representing several disciplines and a cross-section of political views, all agree that Americans are woefully uninformed about the basics of personal finance and unprepared to face the challenges of the future.

But financial advisors are in a position to dramatically improve financial literacy and education levels—and appear poised to make a greater contribution in the coming years, according to *InvestmentNews* research.¹


A FEW FAST FACTS ABOUT FINANCIAL ADVISORS AND FINANCIAL LITERACY:

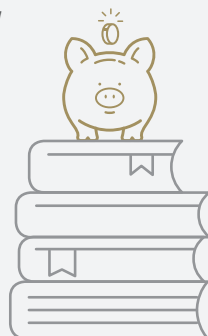
Financial literacy levels are a major problem:



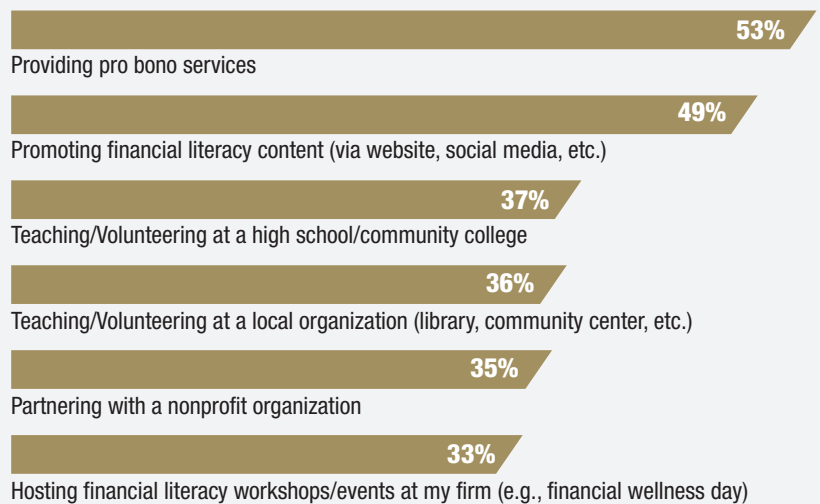
of advisors surveyed strongly agree with the statement “Financial literacy is an issue in our country”

Just 41% of advisors surveyed are currently involved in an initiative related to improving financial literacy.

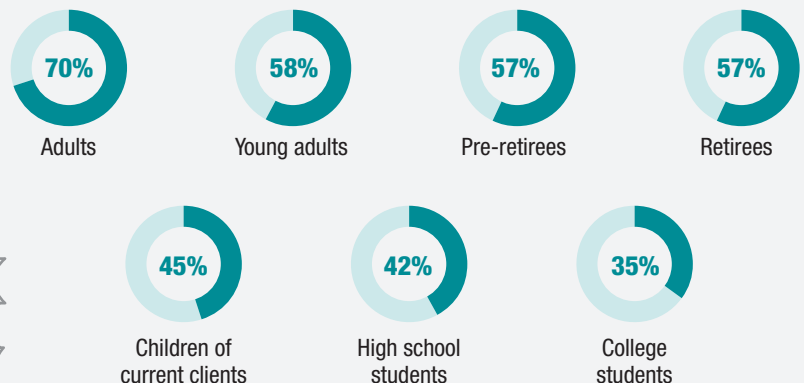
 Of those who aren’t currently involved, 43% are interested in getting involved, and 46% might be interested in playing a direct role in improving financial literacy. Many advisors expressed that they don’t know how to take the first step and put their energy into action. That is one of the primary objectives of this paper: To help inform advisors about the range of opportunities to make a meaningful contribution.



What are the types of financial literacy initiatives advisors are involved in? Pro bono tops the list:



Individual advisors are currently helping with financial literacy, but most of their efforts are targeted at adults:



¹ *InvestmentNews* Research: Advisors and financial literacy, a survey of 269 advisors conducted in September 2018.



While advisors are focused on closing the financial literacy gap, there is a significant amount of work to be done to move the needle and show true progress:



63%

of consumers who could not correctly answer at least four out of five questions on a financial literacy quiz conducted by FINRA that covered topics such as interest rates, inflation, bond prices, mortgages and financial risk — up from 58% in 2009.

Source: Financial Industry Regulatory Authority's National Financial Capability Study



1 in 6

The proportion of U.S. students who do not reach the baseline of financial literacy.

Source: Council for Economic Education



13%

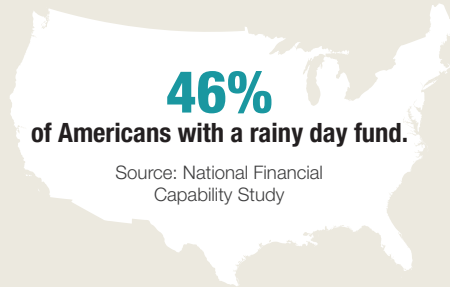
of Millennials (18-34) who have debts in collection.

Source: 2018 Consumer Finance Literacy Survey for the National Foundation for Credit Counseling



More than 50% of Americans over 30 who participate in a 401(k) plan but who could not explain what it is.

Source: Consumer survey by Grapevine, a service that matches investors to financial advisors



46%

of Americans with a rainy day fund.

Source: National Financial Capability Study

About 1/3

Proportion of Americans who pay just the minimum due on their credit card accounts each month.

Source: National Financial Capability Study

Maine

The most financially literate state, based on 15 metrics covering residents' credit scores; spending, saving and borrowing habits; and education.

Source: Analysis by WalletHub, a financial website

Tennessee

The least financially literate state.

Source: Analysis by WalletHub, a financial website

17

The number of states that require high school students to take a class in personal finance — a number that hasn't changed in the past four years.

Source: Council for Economic Education

\$1.48 trillion

The level of U.S. student debt.

Source: Global Financial Literacy Excellence Center



56%

of consumers concerned about running out of money in retirement.

Source: National Financial Capability Study



45%

of Americans without any retirement account assets.

Source: National Institute on Retirement Security

Nearly 25%

of Americans are not able pay all of their current month's bills on time.

Source: Federal Reserve System's "Report on the economic Well-Being of U.S. Households in 2016"



44%

of American adults who either could not cover an emergency expense of \$400 or would cover it by selling something or borrowing money.

Source: Federal Reserve System's "Report on the Economic Well-Being of U.S. Households in 2016"

HOW TO HELP IMPROVE FINANCIAL EDUCATION LEVELS: THE FIRST STEP IS FINDING YOUR FOCUS

Chloe McKenzie is founder, president and CEO of BlackFem, a New York-based non-profit organization created to empower girls and women of color, from age three through adulthood, by creating financial stability and sustainability for themselves.

Ms. McKenzie, a former mortgage finance and training analyst at J.P. Morgan, also heads BlackFem Enterprises, a New York-based non-profit that creates accessible financial materials for women and girls of color.

Drawing on her experience, Ms. McKenzie says it's critical for an individual who wants to help improve financial education and literacy levels to have a clear focus and intent. Below are six key questions that every advisor who is looking to make an impact can ask themselves before joining forces with an existing group, or potentially starting your own effort:

1 Who is the specific group or type of individual that you are most passionate about educating?

Some advisors want to help very young children because they believe it is important to help create a good foundation early. Others feel more of a desire to help high school students, who may be having their first "grown-up" experiences with money and on the verge of entering the workforce, going to college or into the military or seeking other types of training. Still, others look to help college students and young people just entering the workforce. The need is great among all age groups and populations, so consider carefully which one you want to help.

"We decided to start at the pre-kindergarten level, for example, because we want to influence mindsets and behaviors, and focus on molding, rather than re-teaching," she said, regarding the emphasis at BlackFem.

"We decided to start at the pre-kindergarten level, for example, because we want to influence mindsets and behaviors, and focus on molding, rather than re-teaching."

Chloe McKenzie
Founder, president and CEO
BlackFem



2 How can your personal experiences help?

Draw on your own personal experiences, not just the part of you that is an advisor. Think about the most impactful times of your lives. Where did you struggle most and why? When did you learn a big financial lesson? Did you make money as a kid? How? What did you do with the money, and how did that change the way you think about money? Recalling what you learned, where you stumbled and how you came through could help you identify the age group you wish to help or the specific kinds of help you wish to provide.

3 Is there an existing program that aligns with your experience, interests and goals?

Often, financial literacy programs or efforts may be underway in an advisor's community of which he or she is unaware. Before volunteering through a group, however, check out its curriculum and determine whether it aligns with your beliefs, as well as what you would like to accomplish.

"Better yet, go see it in action," Ms. McKenzie suggests. "Listen in when a volunteer is giving a presentation or talk and picture yourself in their place. Would you feel comfortable delivering a similar message? How do you feel being on the receiving end of the message?"

4 Should you do your own thing?

Creating and delivering a financial literacy program you devise yourself appeals to many advisors. But curriculum writing is difficult, as is "selling" your program to a local school and incorporating it into a school's programming. If you are still determined to do it yourself, reach out to local elected officials, school administrators and PTAs, to find out how and where what you want to do could work. Sometimes a one-time speaking engagement can be enough to generate interest in what you would like to accomplish, sparking further discussions and a possible ongoing role.

5 Have you considered being a teacher of parents?

Sometimes, an indirect route to the goal of financial literacy can be just as effective as a direct route. Specifically, that could mean using your skills as a financial advisor to inform and describe to parents how they can discuss financial matters at home. In effect, you would be reaching many more children indirectly by helping their parents become financial educators. To do that, consider developing a parent-oriented workshop and then working with school administrators and PTAs to offer it.

6 Do you have time to do pro bono planning?

Financial literacy efforts need not take the form of group education; one-on-one assistance can be effective as well. Advisors with the time and inclination may wish to start with financial literacy efforts aimed at the children and grandchildren of clients. You also may decide to volunteer through local financial planning and other groups that provide pro bono advice to families in need.



Financial literacy efforts need not take the form of group education; one-on-one assistance can be effective as well.

Chloe McKenzie
Founder, president and CEO
BlackFem

FOR ADVISOR VOLUNTEERS: WAYS TO GET INVOLVED

The nation's financial literacy gap is so broad and so far-reaching that advisors can make a contribution in many ways. In fact, the need is so great that the process of deciding how to help itself can be confusing. Since a good first step in volunteering—as Ms. McKenzie suggests—is to determine the age group with which an advisor would most like to work, this guide is structured so that advisors can find information and resources based on the age of those an advisor may wish to help. The guide also provides examples of how advisors have helped children, teens and adults become more financially literate.

Below, using input from hundreds of industry volunteers based on their suggestions and experiences, is a high-level overview of how an advisor can get involved in a financial literacy effort that is personally satisfying.

FOR YOUNG CHILDREN

Join an existing elementary school program

Since creating a financial literacy program and integrating it into an elementary school can be so difficult in this era of core curriculum mandates, many advisors suggest joining an existing and proven program rather than starting a new one. Many successful programs are eager for new volunteers.

Work through a local library

Public libraries are an often-ignored, but vital, component of our educational infrastructure. What's more, libraries tend to be more open to new ideas and community involvement in programming than schools, and often are very receptive to educational efforts aimed at children and other segments of the population that may be underserved.

FOR TEENAGERS/HIGH SCHOOL STUDENTS

Take part in a "Career Day"

Find out when local high schools conduct such an event to introduce high school students to possible careers—or suggest that such an event be held—and participate to introduce students to the idea of financial advice as a career as well as discuss the importance and content of personal finance.

Teach a financial literacy course

Use one of the many financial literacy courses designed by educational groups, or design your own, and offer to teach a short course in a high school.

Hold a one-day "Reality Fair"

Work with a school to hold an event for high school seniors that focuses on the real-world aspects of living as an adult. Specifically, the school would assign each student a fictitious job with a defined salary, after which the student would develop a plan on how to live on that salary. Topics to be covered would include budget-building, interest rates, credit, savings, compound interest, credit scores and the need for retirement planning. Advisors can become involved by teaching some of the material and/or working with teachers to present the material.



Public libraries are an often-ignored, but vital, component of our educational infrastructure.

FOR COLLEGE STUDENTS

Conduct two “Intro Day” events

Follow the example of the University of South Florida’s College of Business, and encourage a local college that offers a financial planning program to hold two pizza-fueled events when incoming freshman arrive on campus: the first for all students and their parents, and the second smaller event for 50 or 60 students that, effectively, is a mini-course in personal finance. The first event at USF brings together students, their parents and the faculty and administration of the financial planning program, which often leads to parents seeking out a financial planner. The second features a financial advisor who discusses their daily work and how they help recent college graduates, the newly married, and those planning for retirement.

Offer to be a pro bono advisor

Contact the alumni office of the college from which you graduated and offer to serve as a pro bono advisor to students who need financial advice regarding student loans, car leasing, credit, insurance, saving and job benefits. Advisors who were members of a fraternity or sorority at college could offer similar pro bono services to current fraternity and sorority members.

Create paid internships for peer-to-peer literacy counselors

Since peer-to-peer learning often is better received than lectures from older experts, consider creating a paid internship program for interested local college students that would teach them how to become financial literacy trainers for their classmates.

Offer to include a financial literacy component in wellness programs

Many campuses offer wellness programs that promote physical and mental wellbeing. Contact a local college that offers such a program and volunteer to teach a financial wellness component that would cover the basics of saving, spending, credit and investing.



FOR ADULTS

Consider an “add-on” program

Whether their favorite program is aimed at young children, teens or collegians, many advisor volunteers note one common response from attendees and program administrators alike: “Wouldn’t it be great if this program were made available to parents?” To meet what seems to be such a compelling demand, consider creating a companion program for parents in addition to whatever program is being presented to their children.

IN FOCUS

ELEMENTARY SCHOOL STUDENTS

HOW THE ABCS OF PERSONAL FINANCE CAN OPEN NEW DOORS



“We make what we’re saying relevant to Jersey City and the children’s own experiences.”

Michael Partnow
Director of product management
BNY Mellon’s Pershing

Michael Partnow wanted to help disadvantaged children get a better handle on money.

Mr. Partnow, director of product management at BNY Mellon’s Pershing, has young children of his own and a wife who operates a pre-school. He knew from personal experience that if he could reach children as early as possible with a basic financial education program, he would be helping them to make sound money-related decisions throughout their lives.

What he came up with four years ago, along with colleague Andrea Madden, was a financial literacy program for youngsters at an elementary school in urban Jersey City, N.J. The program serves the school’s 60 eighth-graders and delivers a curriculum of financial basics taught in four, 60- to 90-minute interactive sessions over the course of the school year to two groups of 30 students each. Volunteers at Pershing developed the curriculum, and four to six volunteers from the firm take part in each session at the school.

Topics covered by the program—which aims to show the importance of living

within one’s means—include budgeting, saving in general, saving for college or trade school, the value of compound interest, how banks make money, interviewing skills, and how to apply for college scholarships.

“We make what we’re saying relevant to Jersey City and the children’s own experiences,” Mr. Partnow said. “We talk about local restaurants, stores and banks, and the kinds of jobs, such as babysitting, that many of them have had.”

At the end of the school year, there is an assembly in the school auditorium, followed by lunch at Pershing headquarters, at which senior executives speak.

“Many of the eighth graders are immigrants or children of immigrants, and some of them handle finances for their family including depositing money, writing checks and filling out tax forms,” Mr. Partnow said. Because of the community’s needs, the school has asked if Pershing would consider expanding its efforts to include siblings and guardians, which Mr. Partnow would like to do.

INSIDER’S TIP

- If possible, work with a group that already has a relationship with a school. “We built on the credibility of the local Big Brothers/Big Sisters group, which worked with the school. Without them, we couldn’t have gotten this off the ground,” Mr. Partnow said.
- In working with others based on his experience in Jersey City, Mr. Partnow has learned that schools often can be slow to make decisions and to implement even the ideas they like. His advice: Be patient and persistent.
- If working with disadvantaged children, remember that the financial basics you are teaching them will also help their network (family, friends, neighbors, etc.), and that your efforts will expose them to a world of possibilities and opportunities they never knew were available.

IN FOCUS

**HIGH SCHOOL STUDENTS
FINANCIAL LITERACY LESSONS THROUGH (DRUM ROLL) MUSIC**



“Four years ago, I got involved with a then-new non-profit group, Funding the Future, whose goal is to increase financial literacy among high school and middle school students.”

Sacha Millstone
Partner
Millstone Evans Group of
Raymond James & Associates

For high schoolers, sitting through a lecture on personal financial could be as mind-numbing as Ben Stein’s snooze-inducing drone in “Ferris Bueller’s Day Off.”

So what about taking a radically different approach and make financial literacy interesting, and even cool, through music? And what if the message came from real rockers, hip-hoppers and country singers? Sacha Millstone explains.

“Four years ago, I got involved with a then-new non-profit group, Funding the Future, whose goal is to increase financial literacy among high school and middle school students,” said Ms. Millstone, a partner in the Millstone Evans Group of Raymond James & Associates in Boulder and Denver, Colo., and Washington, D.C.

“The group has a unique delivery mechanism—music bands. We sponsor three bands with different types of music: Gooding, which is a rock band; ReMINDers, a hip hop group; and Me Like Bees, a country group,” she said. “After each band plays at a school, the lead performer comes out and talks about their own experience, which includes financial obstacles and successes that touch on what we’re trying to teach.”

Ms. Millstone said that the prepared talks go on to cover the importance of having a budget and saving, how credit cards work, what a credit score means, loans and their relationship to interest rates, and compound interest—which students learn can work to their advantage when saving, but can be very burdensome when paying off debt. Also covered is predatory lending and student loans. After the prepared discussion, the performers answer questions from the audience.

The tours, which are conducted throughout the country, are paid for through the generosity of donors, which include Ms. Millstone’s firm, Raymond James, The United Way and First Interstate Bank. Included is a curriculum guide for teachers with discussion questions.

“I don’t believe in huge, complicated curriculums,” said Ms. Millstone, who devotes “a lot” of time to Funding the Future. “It’s basic finance, and covers what to do, what not do and what to completely avoid. We’re filling a gap because personal finance doesn’t get talked a lot about at home since parents either aren’t comfortable with it or don’t know enough themselves.”

INSIDER’S TIP

- Advisors looking to work with schools may find many challenges. “Every state and school district is different,” Ms. Millstone says, so even instituting something that worked elsewhere can be difficult.
- Since “a ton” of successful existing programs exist, she suggests not reinventing the wheel and aligning with a program that is already working at a school.
- Volunteering is vital, but donations to worthy programs also are important in the drive to improve financial literacy.

AN EVOLVING SUCCESS STORY ONE HIGH SCHOOL, TWO TEACHERS AND A DEDICATED DONOR

The small town of Gladstone, Mich., on the state's remote and economically hard-pressed Upper Peninsula probably would not be anyone's first guess as an incubator of innovation in financial literacy education. But thanks to the creativity and hard work of two dedicated teachers at the town's 500-student high school and the patient generosity of a successful alumnus, Gladstone High School has created programs that may become models for financial education efforts around the country.

Erika Fix, an economics and government teacher at Gladstone High School who runs the program with a team of teachers from her school district, said it began when Susan Beranek, who retired from the school in 2010, decided her students desperately needed to know the basics of personal finance.

"She developed a curriculum from scratch that covers areas including budgeting, credit, insurance, taxes and saving," Ms. Fix said. "When she needed money for materials, she reached out to Mark Tibergien, who graduated from Gladstone High."

Mr. Tibergien, chief executive officer of Pershing Advisor Solutions, paid for the materials, which began a lasting relationship with the program.

"When I stepped in at Sue's retirement, I contacted him and we became partners," Ms. Fix said. "He has contributed many ideas, as well as funds, and is continuing to support efforts to take what we've done so it can be spread to other schools around the country."

The Gladstone program started with a full-year class for high school seniors. It was able to be worked into the curriculum, Ms. Fix said, because Michigan sets rigorous requirements for high



Erika Fix
Econ. & Gov't.
Teacher
Gladstone
High School



Mark Tibergien
CEO
Pershing Advisor
Solutions

school graduation, including a mandate for four years of math. "Our personal finance course counts as a math elective, and since there aren't many electives in math, about 60% of the graduating class take the course," said Ms. Fix, who is its sole teacher.

Throughout the program, input and suggestions from students were always encouraged.

"One of the biggest ideas was a suggestion that we conduct a summer financial literacy camp, which we started three years ago," Ms. Fix said. "It now has levels for elementary, middle and high school students, who come to school for a week of training on financial literacy concepts."

In ways that are appropriate for the three age groups, the camp curriculum covers much of the practical material in the course. Parents are required to take part in a two-hour-long training course that includes information on savings and retirement planning. When a child completes the camp program, he or she receives a contribution to their 529 savings plan, courtesy of Mr. Tibergien, whose role in the school's efforts has taken many forms, aside from generous donations.

"The biggest surprise that came from my involvement with the school's efforts is that the students so eagerly embraced the program," Mr. Tibergien said. "A couple of years ago when my wife and I decided to grant more funds to the school, Erika asked me to come to Gladstone to hear teams of students make recommendations on how best to use the money. Three of the teams suggested that we do a program like this for their parents."

Whether the students who complete the program go to college, become financial advisors or simply are able to take control of their financial lives, "they will be smarter consumers, better clients to advisors, and possibly financial professionals themselves who will have a chance to impact their communities once they start working," he said.

INSIDER'S TIP

- Developing quality financial literacy curriculums takes time, Ms. Fix says, because the process requires testing elements in real-world settings and incorporating what works and jettisoning what doesn't.
- Developing standards for financial literacy and training a sufficient number of teachers should be priorities, she said, simply because "there aren't enough of us."
- Getting schools to include personal finance in their curriculums will require persuading state education departments and local school boards that the education is vital. Ms. Fix said that financial advisors and their firms can be extremely helpful in that effort.

A HIGH-TECH FINANCIAL LITERACY CURRICULUM THAT'S READY TO GO



“We’re competing for teachers’ time, and they’re bombarded by free and paid resources.”

Ryan Swift
VP of financial education
EverFi

The curriculum for Pershing’s Adopt a School literacy program, as well as the high-tech, interactive way that curriculum is presented to students, is the work of EverFi, a 10-year-old digital education company based in Washington, D.C.

EverFi, which also has developed programs in life skills, character-building, STEM careers, and alcohol and drug education, created an online personal finance course aimed at students from kindergarten through high school.

“In our courses, students can go through different modules at their own pace where they are introduced to a range of topics,

from how to complete a FAFSA (Free Application for Federal Student Aid) form to using credit cards,” said Ryan Swift, the firm’s vice president of financial education. “We use gamification to make real-world situations come to life, all while tracking knowledge gained through pre- and post-course assessments. We are extremely proud of our track record with teachers in our network, who value our content and the support we provide by helping their students to learn critical skills.”

EverFi says that the 150 former educators on its staff understand the pressure under which teachers operate in order to meet state education mandates,

leaving little opportunity to add any non-required subject material.

“We’re competing for teachers’ time, and they’re bombarded by free and paid resources,” Mr. Swift said. “But teachers value our content, which has a proven track record, and the support we provide, including helping to determine the proper place for the program in a school’s overall curriculum.”

EverFi, which provides its content free to schools through the generosity of sponsors who pay the license fees, says it works with all of the nation’s 50 largest school districts.

IN FOCUS

COLLEGE STUDENTS
MAXIMIZING THE VALUE OF MENTORSHIP



“The relationship is a two-way street: What mentees get out of having a mentor is a function of their involvement and interest. “Some don’t follow up, so the relationship ends.”

Lori Silverthorne
Director of advisor partnerships
Facet Wealth

Lori Silverthorne, director of advisor partnerships at Facet Wealth in Baltimore, Md., has more than a decade of experience serving as a mentor to college students.

When she was with Charles Schwab, she became close to the financial planning faculty at Virginia Tech, in Blacksburg, Va., and developed a mentoring program for the school’s students that focused on financial planning basics.

Her current involvement in mentoring came about after she met Jessica, a student at Utah Valley University in Orem, Utah, at the Pershing/InvestmentNews financial literacy think tank. Jessica, who has entered her junior year, is enrolled in the financial planning program at the school and attended the Pershing INSITE conference as an intern.

“We had a formal exchange at the meeting in June, and have spoken several times since,” Ms. Silverthorne said. “We discussed what her goals should be in connection with her summer internship at a local RIA firm, and I suggested two. The first was building her expertise in one particular financial planning area, and then

demonstrating that expertise through a presentation to the professionals at the firm and asking for their feedback on how she could improve.”

The second suggestion was to have Jessica ask if she could participate in a meeting with one of the firm’s clients.

“She was able to get the firm to agree to that, and I think the meeting gave her some valuable perspective,” said Ms. Silverthorne, who also helped Jessica update her resume and wants to stay connected with her. The two plan to speak in the near future.

“I would love to help a couple of students a year; I enjoy hearing what they think and what they know,” she said.

Currently, Ms. Silverthorne’s firm is considering the sponsorship of a financial literacy program at one or two high schools in the Baltimore area. She also said she would like to continue devoting about two to five hours a month to mentoring a student or students enrolled in a financial planning program at a nearby college, and is seeking out such an opportunity.

INSIDER’S TIP

- Mentorship is most helpful when the guidance provided is specific.
- The relationship is a two way street: What mentees get out of having a mentor is a function of their own involvement and interest. “Some don’t follow up, but for the ones who take the feedback and make it actionable, it becomes a win-win-win for all involved,” Ms. Silverthorne said.
- Good relationships continue. “I’m still in touch with more than dozen of the mentees I helped at Virginia Tech,” she said.



Luke Dean
Associate
professor of
finance
Utah Valley
University

WHAT COLLEGE STUDENTS DON'T KNOW

If even Utah students need help understanding personal finance — having been educated in one of the few states that mandates a course in personal finance at the high school level — imagine what the majority of the nation's college students need.

“A lot of college students make foolish decisions early that can take a decade to dig out from,” said Luke Dean, associate professor of finance at Utah Valley University in Orem, Utah, and director of the school's financial planning program, which he says is the largest undergraduate CFP-training program in the nation.

Mr. Dean believes that college is a good time to teach financial literacy basics because it is the time when “real life starts hitting” young people.

“In high school, a lot of the subject matter goes over their head since mom and dad are taking care of everything,” he said. “In college, they're closer to taking on adult responsibilities, and they can understand warnings about payday lenders and the dangers of credit card interest.”

Mr. Dean said he welcomes the real-world input of financial advisors in his personal finance classes, whether

those classes are for financial planning majors or for students in general, and encourages any of their public education efforts.

“I love to see advisors guest lecture in their community and teach the basics, as well as go to local colleges and share their expertise,” he said. “We have advisors who come in for a semester as an adjunct to teach basic money management and financial literacy, and in a four-month course they teach a ton.”

INSIDER'S TIP

- A simple 30- or 40-minute talk can go over some of the bad things people should avoid and how to get started saving and budgeting.
- Americans are very reticent when the topic is money, Mr. Dean said. Just talking about it openly is helpful.
- Investing may be the sexy part of financial planning, but the nuts and bolts of saving, budgeting and avoiding consumer debt are where most people need education and help, he said.



Oliver Schnusenber
Professor of
finance
University of
North Florida

YOUR LOCAL COLLEGE WANTS YOU

Advisors who want to get involved in helping young adults improve their understanding of personal finance are likely to find a welcome embrace at a local college or community college, says Oliver Schnusenber, professor of finance at the University of North Florida (UNF) in Jacksonville, and director of its financial planning program.

“Most schools that have any type of personal finance course would welcome an advisor who wants to talk about basic budgeting, whether as part of a class, as a special event or perhaps as a one-on-one with some students,” he said.

Mr. Schnusenber said that when he took over the financial planning program two years ago, he made a lot of curriculum changes and created affiliations with financial planning professional organizations, leading companies in the financial services industry and with a wide array of advisors.

Last year, at the suggestion of the president of the student financial planning club, five advisors from all channels of the industry took part in a discussion explaining the differences between RIAs and brokerage

firms in how they are structured, their training methods and how advisors are compensated.

“The real-world input was extremely informative,” he said.

With a desire to have all students come out of UNF being financially literate, Mr. Schnusenber sees a growing need for input from financial advisors. As a result, UNF is hosting its first financial literacy symposium, which will feature several local financial advisors.”

INSIDER'S TIP

- Personalize financial planning basics with real-life stories of how people got into trouble and how they have been helped.
- If developing or teaching a course is too much of a commitment, consider offering a one-time visit to explain what a financial planner/advisor does, while at the same time imparting some financial planning basics as part of the presentation.
- Consider internships as a way to teach financial planning in a real-world setting.

RESOURCES/ORGANIZATIONS

In addition to their information, education and advocacy efforts, many of the organizations below offer financial literacy curriculums and course guides, as well as materials for teachers and volunteer lecturers. Some also can refer volunteers to local financial literacy organizations.

360 Degrees of Financial Literacy

American Institute of Certified Public Accountants
220 Leigh Farm Road
Durham, N.C. 27707-8110
888-777-7077
<https://www.360financialliteracy.org/>

Council for Economic Education

122 East 42nd Street, Suite 2600
New York, N.Y. 10168
212-730-7007
<https://www.councilforeconed.org/>

Financial Literacy and Education Commission

U.S. Treasury
<https://home.treasury.gov/policy-issues/consumer-policy/financial-literacy-and-education-commission>
<https://www.mymoney.gov/Pages/default.aspx>

Financial Services Institute

1201 Pennsylvania Ave., NW, Suite 700
Washington, D.C. 20004
888-373-1840
<http://fsi.centsables.com>
<https://financialservices.org/financialfreedom>

Finra Investor Education Foundation

1735 K Street, NW
Washington, D.C. 20006-1506
202 728-8362
<https://www.finrafoundation.org/>

Foundation for Financial Planning

1425 K Street NW, Suite 750
Washington, D.C. 20005
202-864-5183
<https://foundationforfinancialplanning.org>

Funding the Future

5704 Ashfield Road
Alexandria, Va. 22315
571-331-4663
<http://fundingthefuturelive.org/>

High School Financial Planning Program National Endowment for Financial Education

1331 17th Street, Suite 1200
Denver, Colo. 80202
303-741-6333
<https://www.nefe.org>

JumpStart Coalition for Personal Financial Literacy

1001 Connecticut Ave. NW, Suite 640
Washington, D.C. 20036
202-846-6780
jumpstart.org

Junior Achievement USA

One Education Way
Colorado Springs, Colo. 80906
719-540-8000
<https://www.juniorachievement.org/web/ja-usa/near-you>

Moneythink

100 S State Street
Chicago, Ill. 60603
<https://moneythink.org>

National Endowment for Financial Education

1331 17th Street, Suite 1200
Denver, Colo. 80202
303-741-6333
<https://www.nefe.org>

New Jersey Coalition for Financial Education

308 W. State Street
Trenton, N.J. 08618
609-306-3810
www.njcfef.org

Next Gen Personal Finance

510 Waverley Street
Palo Alto, Calif. 94301
www.ngpf.org

Office of the Comptroller of the Currency Financial Literacy Resource Directory

<https://www.occ.gov/topics/community-affairs/resource-directories/financial-literacy/index-financial-literacy.html>

SIFMA Foundation

120 Broadway
New York, N.Y. 10271
212-313-1200
<https://www.sifma.org/about/sifma-foundation/>

Smart investing@yourlibrary

American Library Association/Finra Investor Education Foundation
1735 K Street, NW
Washington, D.C. 20006-1506
202 728-8362
smartinvesting.ala.org

Wise

227 East 56th Street
New York, N.Y. 10022
212-421-2700
www.wise-ny.org

Young Americans Center for Financial Education

3550 East First Avenue
Denver, Colo. 80206
303-321-2265
<https://yacenter.org/about-us/>