

Youth Financial Capability Resources

Maine JumpStart Training | May 11, 2018



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Visit our Youth Webpage for downloadable materials:

consumerfinance.gov/youth-financial-education

Visit Money as You Grow to subscribe to our email newsletter:

consumerfinance.gov/money-as-you-grow

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Background on the Bureau

Who we are

The Bureau: Mission and Vision

MISSION

To regulate the offering and provision of consumer financial products or services under the Federal consumer financial laws and to educate and empower consumers to make better informed financial decisions.

VISION

Free, innovative, competitive, and transparent consumer finance markets where the rights of all parties are protected by the rule of law and where consumers are free to choose the products and services that best fit their individual needs.

Consumer Education and Engagement Division

Financial Education

- Provide targeted education content
- Identify and provide effective financial education practices

Consumer Engagement

Create interactive, informative relationship with consumers

Servicemembers

- Improve financial protection
- Monitor complaints
- Coordinate with Department of Defense and other service organizations
- Audience: 2.2 million military personnel and 22.6 million veterans

Older Americans

- Protect against financial abuse
- Improve financial literacy
- Help planning for life events
- Audience: 50 million aged 62+

Students

- Increase awareness of debt in college choice
- Monitor complaints
- Build campus awareness
- Audience: 22-28 million (age 16-26)

Financial Empowerment

- Empowering economically vulnerable consumers to make informed financial decisions
- 68 million unbanked or underbanked
- Work with non-profit, public, and private organizations
- Audience: 33% of Americans earn less than twice the poverty line

How we support youth financial education

We're here to support the teachers, parents, caregivers, administrators, and community leaders who help youth build financial knowledge, skills, and habits



www.consumerfinance.gov/youth-financial-education
www.consumerfinance.gov/money-as-you-grow

What is financial well-being?

- **Financial well-being:** a state of being wherein a person can fully meet current and ongoing financial obligations, can feel secure in their financial future, and is able to make choices that allow them to enjoy life.
 - It is not how much you earn, it is about being able to make decisions with the money you have to allow you to experience peace of mind.

Financial capability is the capacity, based on knowledge, skills, and access, to manage financial resources effectively

The four elements of financial well-being

- The Bureau created a first ever consumer-driven definition of personal financial well-being for adults
- Our research suggests that there are four elements of financial well-being:

	Present	Future
Security	Control over your day-to-day, month-to-month finances	Capacity to absorb a financial shock
Freedom of choice	Financial freedom to make choices to enjoy life	On track to meet your financial goals

The Bureau's financial well-being scale

Questions	Response Options
<p>How well does this statement describe you or your situation?</p> <ol style="list-style-type: none"> 1. I could handle a major unexpected expense 2. I am securing my financial future 3. Because of my money situation, I feel like I will never have the things I want in life 4. I can enjoy life because of the way I'm managing my money 5. I am just getting by financially 6. I am concerned that the money I have or will save won't last 	<ul style="list-style-type: none"> • Describes me completely • Describes me very well • Describes me somewhat • Describes me very little • Does not describe me at all
<p>How often does this statement apply to you?</p> <ol style="list-style-type: none"> 1. Giving a gift for a wedding, birthday or other occasion would put a strain on my finances for the month 2. I have money left over at the end of the month 3. I am behind with my finances 4. My finances control my life 	<ul style="list-style-type: none"> • Always • Often • Sometimes • Rarely • Never

The Bureau's financial well-being scale score

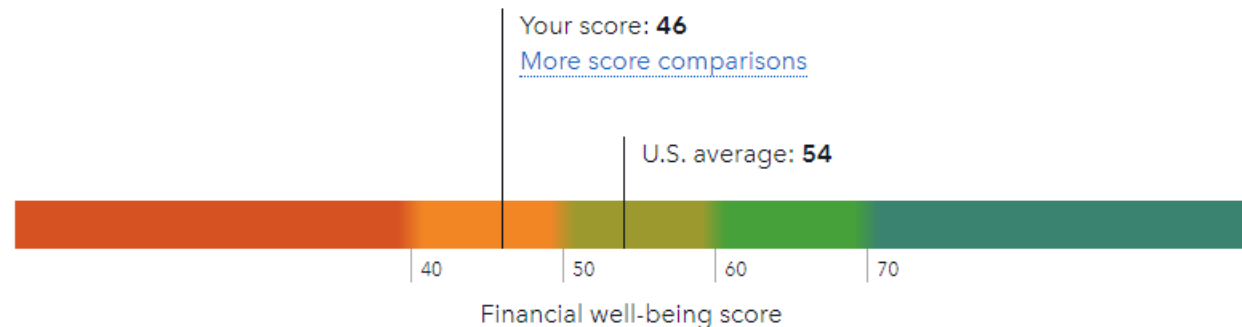
Find out your financial well-being

Answer ten questions to measure your current financial well-being and see steps you can take to improve it.



The result shown here is an example of a score calculation.

Your result



Your score is based on the answers to the financial well-being questionnaire. If you'd like to be able to answer the questions differently next time, see our suggestions and next steps.

[Review your answers](#)

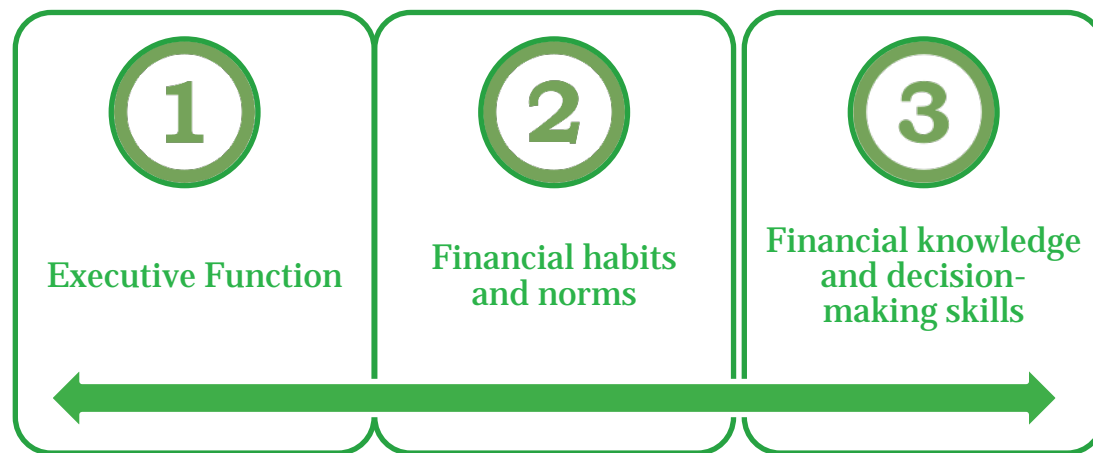
[Show +](#)

www.consumerfinance.gov/consumer-tools/financial-well-being/

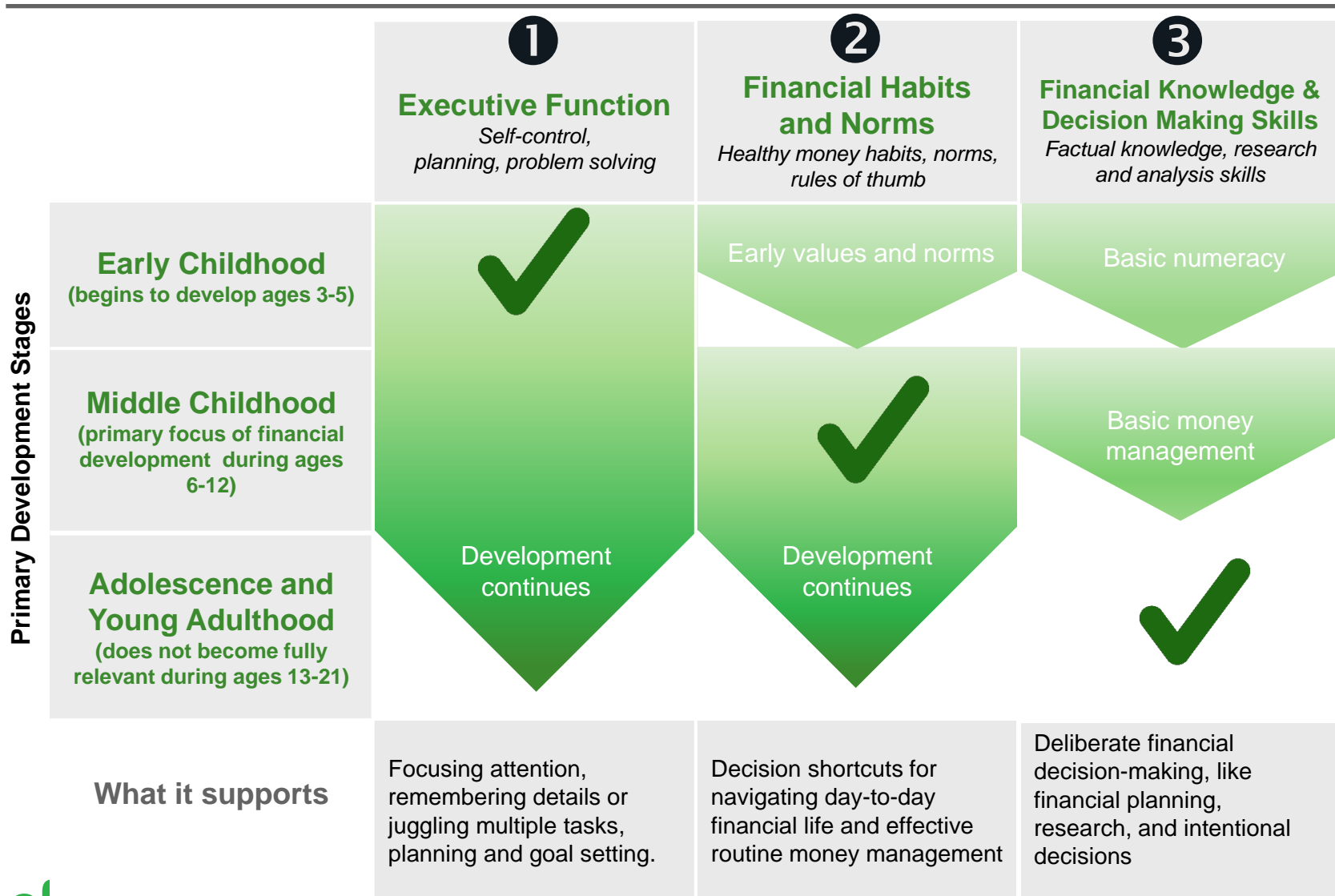
Where and when during childhood and adolescence do people acquire the foundations of financial capability?

- We researched the childhood origins of financial capability and well-being
- We have identified how, when, and where youth acquire critical attributes, abilities, and opportunities that support the development of financial well-being
- We have created a developmentally informed, skills-based model

Three Building Blocks of Financial Capability



Three Building Blocks of Youth Financial Capability



Building Block 1: Executive Function

What it is

Self-control, planning,
problem- solving

Future orientation,
perseverance, planning
and goal setting, general
cognitive flexibility

**What it
supports in
adulthood**

**Examples of
financial
application in
adulthood**

Saving, setting financial
goals, developing and
executing budgets

develops ages 3-21

Building Block 2: Financial Habits & Norms

What it is

**Healthy money
habits, norms,
rules of thumb**

Decision shortcuts for
navigating day-to-day
financial life and effective
routine money management

**What it
supports in
adulthood**

**Examples of
financial
application in
adulthood**

**Having a system
to pay bills on
time**

**primary focus of financial
development during ages 6-12**

Building Block 3: Financial Knowledge and Decision Making Skills

What it is

Factual knowledge,
research and
analysis skills

Deliberate financial
decision-making, like
financial planning, research,
and intentional decisions

**What it
supports in
adulthood**

Examples of
financial
application in
adulthood

Effective
comparison
shopping

**becomes fully relevant
during ages 13-21**

Youth Personal Finance Pedagogy

Opportunities to teach personal finance

Financial Education Pedagogy

Our **Personal Finance Pedagogy** is a guide to teach personal finance skills to children.

The four (4) part pedagogy:

- Improve executive functioning skills such as planning and problem solving
- Create and encourage positive financial habits and effective money management
- Build financial research skills to compare and contrast options
- Design safe opportunities for youth to practice financial decision making

http://files.consumerfinance.gov/f/documents/092016_cfpb_PedagogyModel.pdf

Money as You Grow: For parents and caregivers

Resources for parents and caregivers

Children learn from watching you earn, shop, save, and borrow – you're the top influence on their financial lives. And you don't need to be a money expert to help them start out strong.



Developing executive function



Building money habits and values



Practicing money skills and decision-making

Make it easy for parents and caregivers to find tools, activities, and information

- New home for the popular moneyasyougrow.org site
- And more: blog posts, social media outreach, and e-mail

consumerfinance.gov/money-as-you-grow

Money as You Grow book club



Alexander, Who Used to Be Rich Last Sunday, by Judith Viorst



A Chair for My Mother
by Verna Williams



A Bargain for Frances
by Russell Hoban



Count on Pablo
by Barbara deRubertis



The Berenstain Bears & Mama's New Job
by Stan and Jan Berenstain



Curious George Saves His Pennies
by Margaret and H.A. Rey



The Berenstain Bears Trouble with Money
by Stan and Jan Berenstain



Just Shopping with Mom
by Mercer Mayer



My Rows and Piles of Coins
by Tololwa M. Mollel



Lemonade in Winter
by Emily Jenkins



Ox-Cart Man
by Donald Hall



The Rag Coat
by Lauren Mills



Sheep in a Shop
by Nancy Shaw



Those Shoes
by Maribeth Boelts



The Purse
by Kathy Caple



Tia Isa Wants a Car
by Meg Medina

Money as You Grow book club: Parent Guides



What's inside the guides:

- The story
- Key ideas
- Something to think about
- Before you read
- Something to talk about
- Something to do (age specific)

consumerfinance.gov/money-as-you-grow/book-club/

Money as You Grow book club: Start your own!



consumerfinance.gov/money-as-you-grow/book-club/

Money as You Grow book club: Piloted in 2017



What are the building block milestones?

- The building block milestones outline specific competencies for each building block and each developmental stage.
- Sample milestones include:
 - Does the child begin to demonstrate self-regulation, persistence, and focus? (Executive function)
 - Does the child begin to show a positive attitude toward saving, frugality, planning, and self-control? (Financial habits and norms)
 - Can the teen identify trusted sources of information and process that information? (Financial knowledge and decision-making skills)

Goal: To provide a wide range of stakeholders the means to assess young people's progress toward achievement of the building blocks milestones.

Our Youth Financial Education webpage

[Consumer Tools](#)[Educational Resources](#)[Data & Research](#)[Policy & Compliance](#)[About Us](#)

Youth financial education

We're here to support the teachers, administrators, and community leaders who help students build financial knowledge, skills, and habits. The tools and resources listed here show recommended policies and practices for K-12 financial education.

★ Featured

Nurturing financial capability

Learn how you can help young people acquire the three "building blocks" of financial capability to navigate the financial marketplace.

[Read blog post](#)

About us

The CFPB is an independent federal agency built to protect consumers. We write and enforce rules that keep banks and other financial companies operating fairly. We also educate and empower consumers, helping them make more informed choices to achieve their financial goals.

STAY INFORMED

Sign up to be notified about upcoming webinars and other financial education resources.

Email Address

[View Privacy Act statement](#)[Sign Up](#)

OTHER RESOURCES FOR PROFESSIONALS

Find tools and thinking on consumer financial behavior and effective financial education practices.

[Resources for financial educators](#)

Personal finance teaching tool

Identify teaching techniques and learning strategies to address the three building blocks that influence the development of lifelong personal finance decision-making skills.

[Learn about this research-based model](#)[Get started using the teaching tool](#)[Using the tool to teach high school students](#)

Curriculum review tool

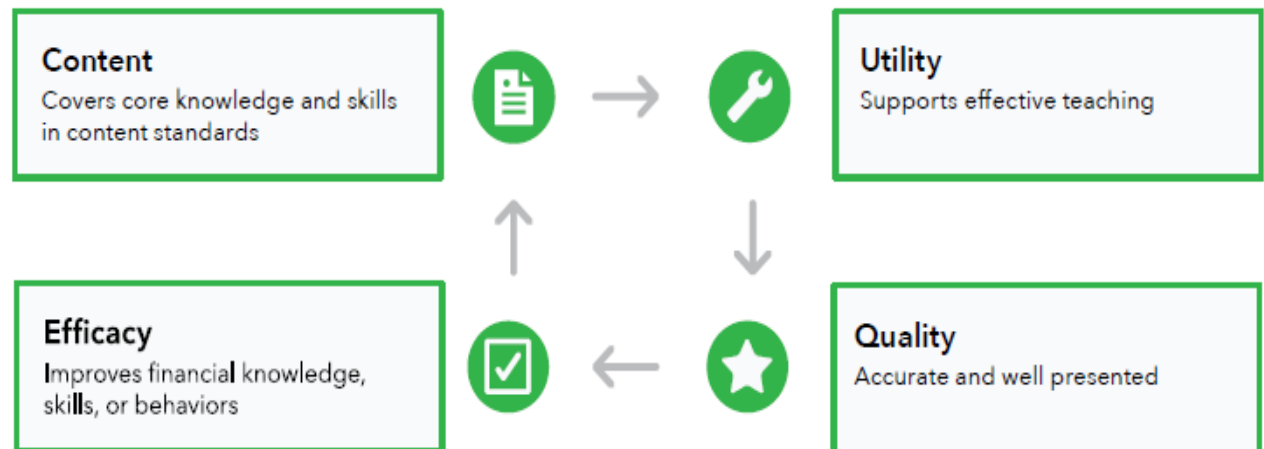
Our Curriculum Review Tool helps you review and compare financial education curricula across four key dimensions, so you can select the most promising ones for your classroom.

[Read the report](#)[Conduct a review](#)

www.consumerfinance.gov/youth-financial-education

What's is the Curriculum Review Tool?

- You can use this resource to select curricula that are:
 - ✓ Accurate and unbiased
 - ✓ Demonstrably effective
 - ✓ Informed by existing financial education content standards & curriculum frameworks
 - ✓ Designed to help students develop a range of financial knowledge, skills, and capabilities.



Ask CFPB

Ask CFPB

We offer clear, impartial answers to hundreds of financial questions. Find the information you need make more informed choices about your money.

Credit cards

Whether you're shopping for a new card or managing an existing card, it helps to have the facts. From late fees to lost cards, get answers to your credit card questions.

What is your question about?

- ☐ Applying for a credit card
- ☐ Receiving credit card offers
- ☐ Interest rates
- ☐ Understanding a credit card bill
- ☐ Paying a credit card bill

Filter results by audience or topic

☐ Fees

Search for answers

☐ Other credit card questions

Servicemembers (8)

Students (3)

Older Americans (45)

See the most common questions up front

I got my free credit reports, but they do not include my credit scores. Can I get my credit score for free too? [Read answer](#)

What is a credit card interest rate? What does APR mean? [Read answer](#)

consumerfinance.gov/askcfpb

Money transfers

- What is a remittance transfer? [Read answer](#)
- What are the new federal protections for consumers who send money internationally? [Read answer](#)

[See all money transfers questions](#)

Mortgages

- What is the difference between a fixed-rate and adjustable-rate mortgage (ARM) loan? [Read answer](#)
- What is private mortgage insurance? [Read answer](#)

[See all mortgages questions](#)

Prepaid cards

- What is the difference between a debit card and a prepaid debit card? [Read answer](#)
- How do I check my prepaid debit card balance? [Read answer](#)

[See all prepaid cards questions](#)

Student loans

- What are the main differences between federal student loans and private student loans? [Read answer](#)
- Are there any student loan breaks for public service? [Read answer](#)

[See all student loans questions](#)

Topics Older Americans (45)

Parents (21)

Servicemembers (67)

Students (96)

Don't see what you're looking for?
Search for your question.

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The central mission of the Consumer Financial Protection Bureau (CFPB) is to make markets for consumer financial products and services work for Americans-whether they are applying for a mortgage, choosing among credit cards, or using any number of other consumer financial products.

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Moving Your Checking Account Checklist



A 10-step checklist for closing your current checking account and opening a new checking account.

[View this publication >](#)

Do You Know If You Have Opted in for Debit and ATM Overdraft

What you must know about debit

Know your overdraft options

Act Fast if You Can't Pay Your Credit Cards

Three steps to take when you don't have enough money

Act fast if you can't pay your credit cards

SEARCH

FEATURED PUBLICATIONS

- [Parent Guide: Alexander, Who Used to Be Rich Last Sunday](#)
- [Parent Guide: Just Shopping with Mom](#)
- [Parent Guide: The Berenstain Bears & Mama's New Job](#)
- [Parent Guide: Sheep in a Shop](#)
- [Parent Guide: The Ox Cart Man](#)

pueblo.gpo.gov/CFBPubs/CFBPubs.php

Questions?

facebook.com/cfpb

The screenshot shows the Facebook profile of the Consumer Financial Protection Bureau. The cover photo features the CFPB logo and the text "Consumer Financial Protection Bureau Government Organization". The page has 34,724 likes. A recent post from July 29, 2014, mentions securing \$92 million in debt relief for servicemembers. Another post from July 21, 2014, is an infographic titled "Three years of standing up for consumers". The left sidebar includes sections for "PEOPLE", "ABOUT", and "PHOTOS".

LinkedIn

The screenshot shows the LinkedIn group page for "CFPB Financial Education Discussion Group". The group has 632 members. The page includes a "Join our group" section with a description of the group's purpose: to share the latest news and best practices from across the country and around the world. There is also a "Top Contributors in this Group" section featuring Irene Skolot, Senior Financial Education Program Analyst. The page has tabs for "Discussions", "Members", "Search", and "Manage".

twitter.com/CFPB

The screenshot shows the Twitter profile of the Consumer Financial Protection Bureau (@CFPB). The profile has 862 tweets, 48 photos and videos, 6 followers, and 39,346 following. The "Tweets and replies" section shows several tweets, including one about joining the millions to discover your benefits, another about submitting a complaint, and a tweet about virtual currencies. The "Who to follow" section lists several accounts, including The Economist, PBS Parents, and @ConsumerReports. The "Trends" section shows a trend for "#ConsumerReports".