

Teaching Youth Financial Capability

CFPB FinEX webinar | February 21, 2019



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About the Bureau

The Consumer Financial Protection Bureau regulates the offering and provision of consumer financial products and services under the Federal consumer financial laws, and educates and empowers consumers to make better informed financial decisions.

Financial Education Exchange (CFPB FinEx)

An online and in-person opportunity to access Bureau tools and resources, and connect with the Bureau and your peers engaged in financial education.

Our goal is to help you improve the financial well-being of the people you serve.

Regional convenings:

- Dallas, TX
- Fort Worth, TX
- Maryland
- Denver, CO
- Kansas City, MO
- Atlanta, GA
- Sacramento, CA
- Madison, WI
- St. Louis, MO
- Tacoma, WA
- Nashville, TN
- Boston, MA

Monthly e-newsletters

Annual surveys



Number of financial educators signed up for CFPB FinEx: **3539 Members!**


Monthly webinars include:

- Fraud prevention for older adults
- Disaster recovery and preparedness
- Resources for servicemembers
- Accessing credit scores
- Managing spending
- Debt collection resources
- Credit card spending
- Libraries as Financial Education Resources
- Financial Coaching
- Financial Education Programs Serving Immigrant Populations
- Federal Financial Education Resources
- Take Control of Your Auto Loan
- Financial Rules to Live By
- Resources for Parents
- Tips for Strengthening Financial Education Curriculum
- Resources for Parents and Caregivers
- Resources for Financial Caregivers
- Measuring Financial Well-Being
- Owning a Home
- Tax Time Savings
- Your Money, Your Goals Toolkit

Resources for financial educators webpage

Financial education for adults


We help you help the people you serve. For adult financial educators, the tools here show our latest thinking on consumer financial behavior and effective financial education practices.

 Featured event

Free webinar about paying bills

Thursday, Dec. 13, from 2-3 p.m. ET

[View details and enroll](#)



About us

We're the Consumer Financial Protection Bureau (CFPB), a U.S. government agency that makes sure banks, lenders, and other financial companies treat you fairly.

[Learn how the CFPB can help you](#)

CONNECT WITH US

Join the CFPB Financial Education Exchange (CFPB FinEx) to get the latest news, invitations to webinars, and to learn from your peers.

Email address

The information you provide will permit the Consumer Financial Protection Bureau to process your request or inquiry.

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Tools and resources to use with the people you serve



www.consumerfinance.gov/practitioner-resources/adult-financial-education/

CFPB FinEx Resources

Bureau Resources for Financial Educators webpage:
consumerfinance.gov/adult-financial-education

To sign up for the Financial Education Exchange:
CFPB_FinEx@cfpb.gov

To sign up for the Financial Education Discussion Group:
linkedin.com/groups/CFPB-Financial-Education-Discussion-Group-5056623

Order free brochures and publications in bulk:
<https://pueblo.gpo.gov/CFPBPubs/CFPBPubs.php>

Next Webinars: March 14, 2019 at 2:00 pm EST – Financial Success
After Prison
March 21, 2019 at 2:00 pm EST-

Contact Information



Leslie Jones

Youth Financial Education Analyst

Consumer Financial Protection Bureau

202-435-7687

Leslie.Jones@cfpb.gov

Visit our Youth Webpage for downloadable materials: consumerfinance.gov/youth-financial-education

What is financial well-being?

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 expense2. I am securing my financial future3. Because of my money situation, I feel like I will never have the things I want in life4. I can enjoy life because of the way I'm managing my money5. I am just getting by financially6. 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 month2. I have money left over at the end of the month3. I am behind with my finances4. My finances control my life | <ul style="list-style-type: none">• Always• Often• Sometimes• Rarely• Never |

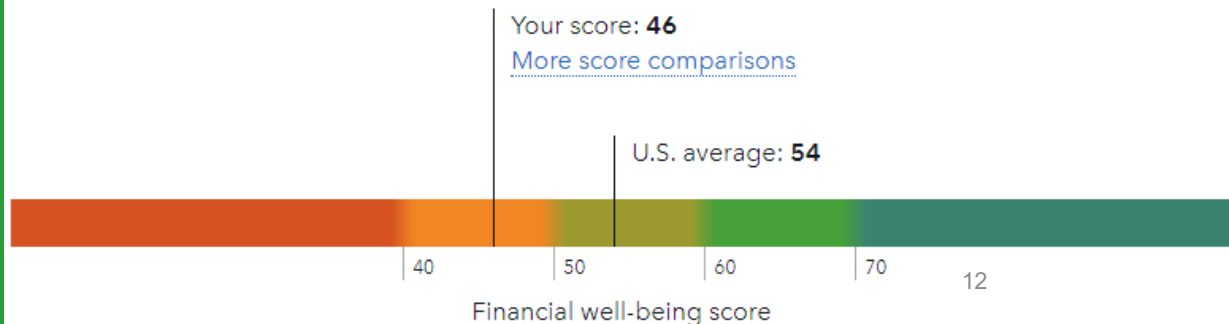
The Bureau's financial well-being scale score

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.



Your result



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

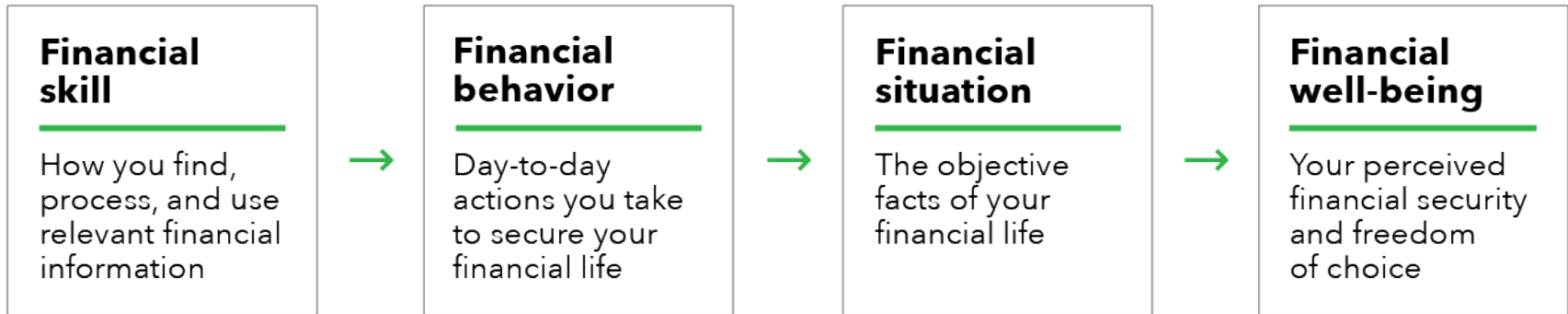
Your score is based on the answers to the financial well-being questionnaire. If you'd like to be able to answer the questions differently next time, see our suggestions and next steps.

[Review your answers](#)

[Show +](#)

Implications for financial education

The resulting model of inter-connected pathways suggest that financial education can help consumers improve their financial situations and ultimately, financial well-being, by helping them to improve their financial skill and financial behavior.



Implications for financial education

Controlling for an array of personal financial and demographic characteristics:

- Actions people take have a strong relationship with their financial outcomes, in particular:
 - ✓ Effective Money Management
 - ✓ Planning
 - ✓ Habitual Saving

- Financial skill (and related financial self-efficacy) likely contribute more to financial decisions and actions than general knowledge of financial facts. In particular, knowing **how to**:
 - ✓ Find reliable information to make financial decisions.
 - ✓ Process financial information to make financial decisions.
 - ✓ Execute financial decisions, adapting as necessary to stay on track.

Implications for financial education practice

Steps to help consumers improve their financial skill and financial behaviors:

1

Build financial skill

2

Provide financial information at “teachable moments” to support development of financial skill *and* financial knowledge

3

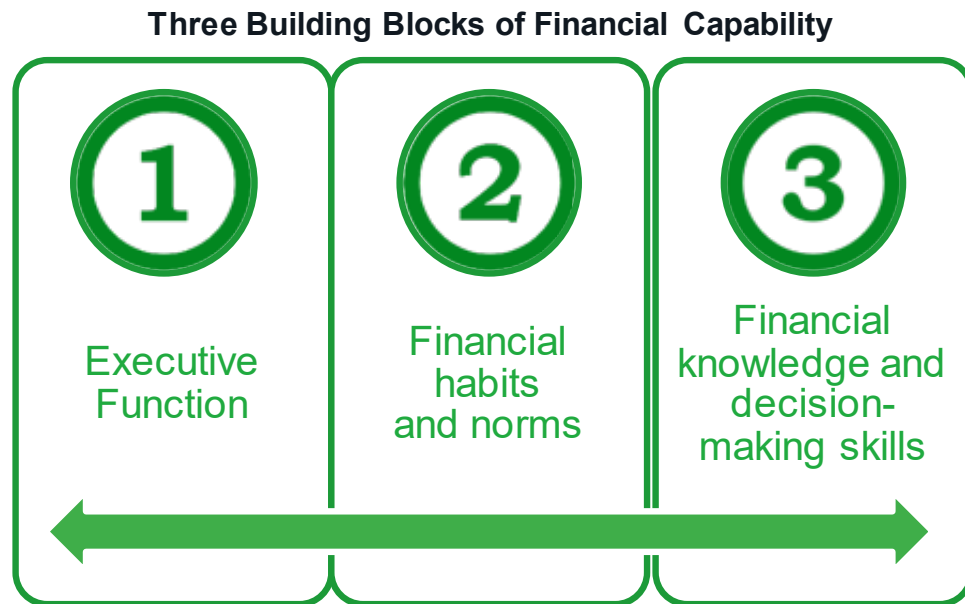
Don't overlook the skill of implementing and sticking to a plan

4

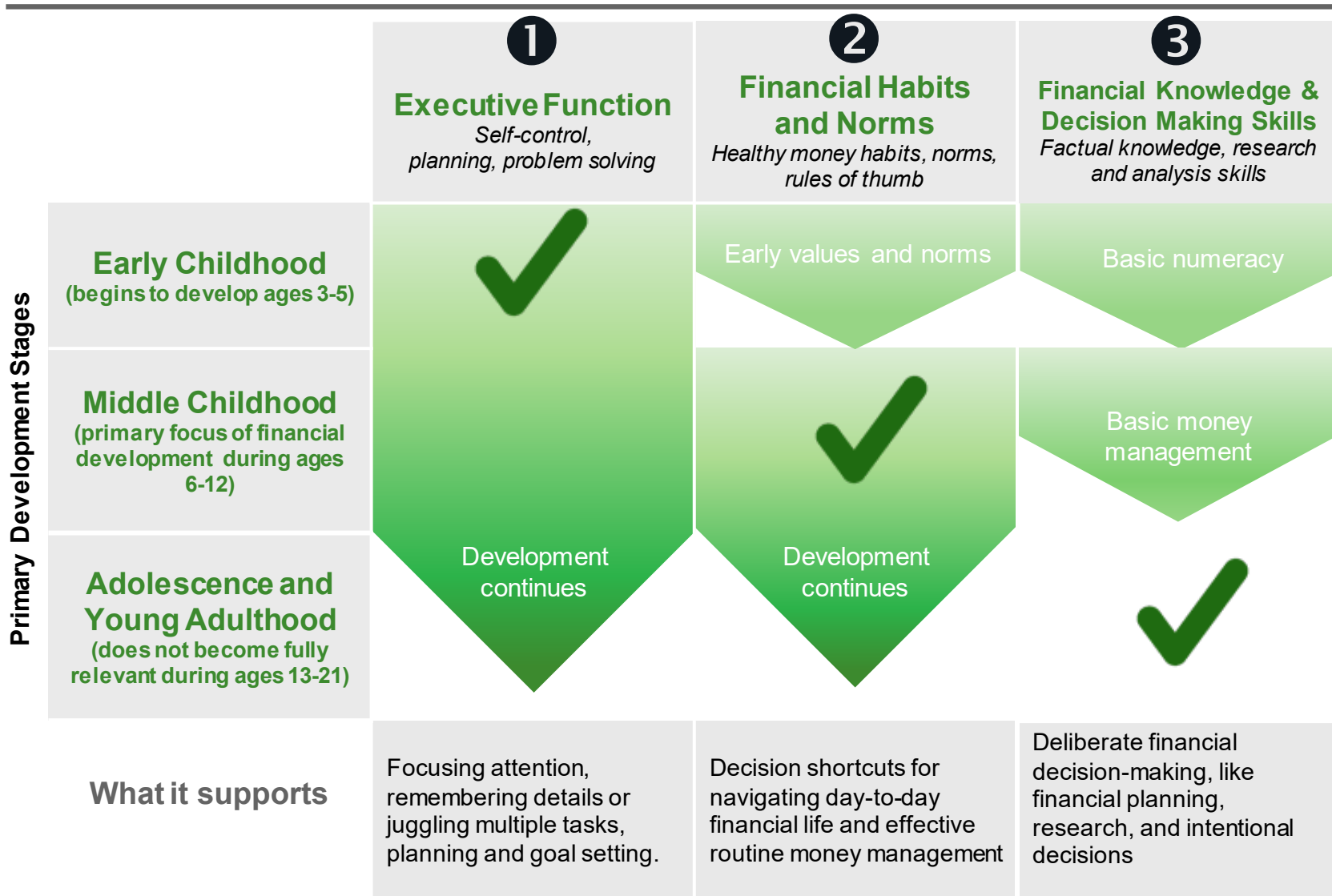
Provide opportunities to practice to build skills and financial confidence

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 Youth Financial Capability



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

Money as You Grow Bookshelf



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 Bookshelf: 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)

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](#)

[Practitioner Resources](#)

[Data & Research](#)

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Teaching and learning strategies

Incorporate the building blocks of financial capability into your classroom and assess student progress toward key milestones.

[Teach the building blocks](#)

A developmental model

The Bureau's framework for how youth acquire the building blocks of financial capability from K to 12 helps educators reach youth at pivotal points in their development.

[Learn about the building blocks](#)

Research and resources

The Bureau supports educators and community leaders by conducting research and developing resources to improve financial education and support evidence-based policy and program decisions.

[Discover research and resources](#)

Engaging classroom activities

Find activities that can help you teach the building blocks of financial capability across the curriculum.

[Find financial literacy activities](#)

Financial education curriculum review

Use the Bureau's evidence-based tool to review and compare financial education curricula so you can choose the one that best meets the needs of your students and classrooms.

[Conduct a curriculum review](#)

Printed copies of materials

The Bureau provides information, tools, and resources that lead to more effective design and delivery of financial education. You can download or order these materials from our publications page.

[Access free printed copies of materials](#)

- Access and read our research and reports on:
 - The Building Blocks of Financial Capability
 - Building blocks Measurement guide
 - Advancing K-12 Financial Education
- Search for activities to use in the classroom
- Take the journey to financial well-being

Find youth financial literacy activities

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Filter results by

Narrow your search by selecting specific activity features.

Building block

- Executive function
- Financial habits and norms
- Financial knowledge and decision-making skills

School subject

- CTE (Career and technical education)
- English or language arts
- Fine arts and performing arts
- Math
- Physical education or health
- Science
- Social studies or history
- World languages

Topic

- Earn
- Save and invest
- Protect
- Spend
- Borrow

Audience

Grade level +

Age range +

Student characteristics +

Activity characteristics

Activity type +

Teaching strategy +

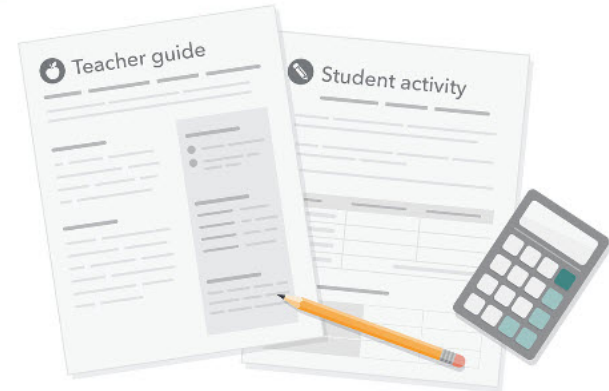
Bloom's Taxonomy level +

Activity duration +

National standards

Council for Economic Education +

Jump\$Start Coalition +



Identifying the missing credit score category

UPDATED SEP 25, 2018

★ Ideal for: High school (9-10), High school (11-12)

After reviewing basic facts about the lending process and credit scores, students play a game to reinforce their understanding of what goes into a credit score.

KEY INFORMATION

Topic: Borrow

Age range: 13-15, 16-19

Bloom's Taxonomy level: Remember

BUILDING BLOCK

📖 Financial knowledge and decision-making skills

consumerfinance.gov/youth-financial-education/teach/activities/

Try a youth financial literacy activity

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Tracking income for a farming family

UPDATED SEP 06, 2018

Using a case study about a farming family, students calculate weekly and monthly net income and explore how irregular income may make it challenging to manage monthly expenses. This activity includes strategies to support English-language-learner students.

Big idea

Knowing your monthly net income is helpful when creating and managing a budget.

Essential questions

- How does having a clear picture of monthly net income help you plan ahead and make and follow a budget?
- What types of challenges does irregular income present to money management?

Objectives

- Recognize different sources of income
- Use a financial tracker to organize income
- Begin to understand how monthly net income can vary due to irregular income

What students will do

- Learn key terms related to income.
- Use the "Tracking income for a farming family" worksheet to explore a case study looking at the income challenges of farmers and restaurant workers and calculate weekly and monthly

Key information for this activity

Building block

- ⊕ Executive function
- ⊕ Financial knowledge and decision-making skills

School subject

CTE (Career and Technical Education), Math, Social studies or history

Topic

Earn (Getting paid, Making Money)

Audience

Grade level: High school (9-10), High school (11-12)

Age range: 13-15, 16-19

Student characteristics: English language learners, Low income, Rural

Activity characteristics

Activity type: Individual, Small group

Teaching strategy: Cooperative learning, Simulation

Bloom's Taxonomy level: Apply, Analyze

Activity duration: 45-60 minutes



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Try an Activity: Credit myths and realities

BUILDING BLOCKS STUDENT WORKSHEET

Distinguishing between credit myths and realities

There are many myths about credit and borrowing. Getting the facts can help guide your spending decisions.

Instructions

1. Read each of the 11 statements about credit and borrowing displayed on the table tents.
2. For each statement, choose myth (M) or reality (R) and give a reason for your answer.
3. Share your answers with the class and have classmates agree or disagree.
4. Engage in a class discussion to debunk myths about credit and borrowing.

| Statement No. | Write M or R (Myth or Reality) | Reason for your choice |
|---------------|--------------------------------|------------------------|
|---------------|--------------------------------|------------------------|

Sample activity: Identity theft and fraud

- You contact the IRS to ask for more time to file your taxes, but you find out that someone has already filed a tax return in your name.
- A hacker stole information from your credit card company, including your personal data, and used it to charge purchases.

Sample Activity: Spending Snapshots

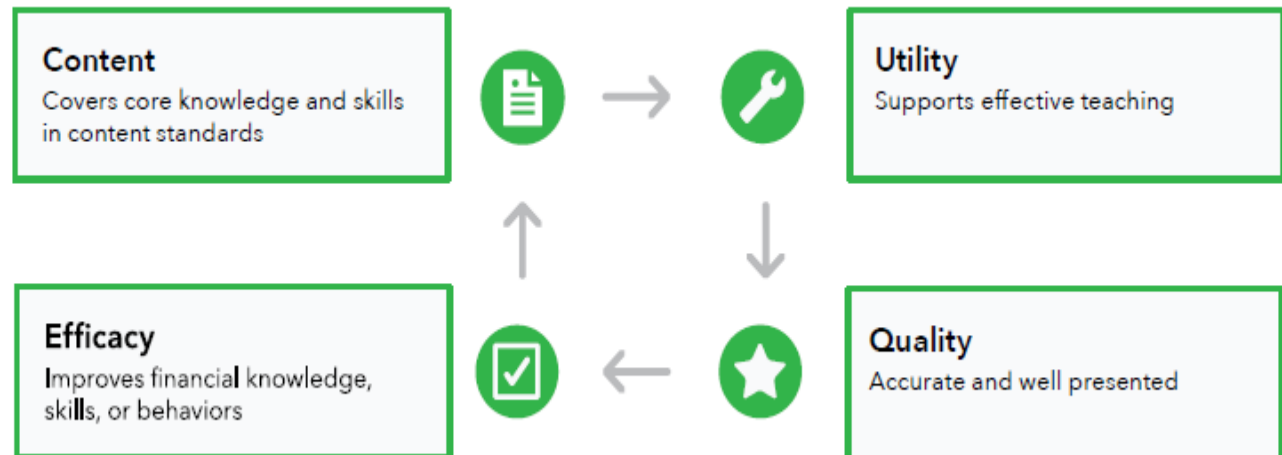
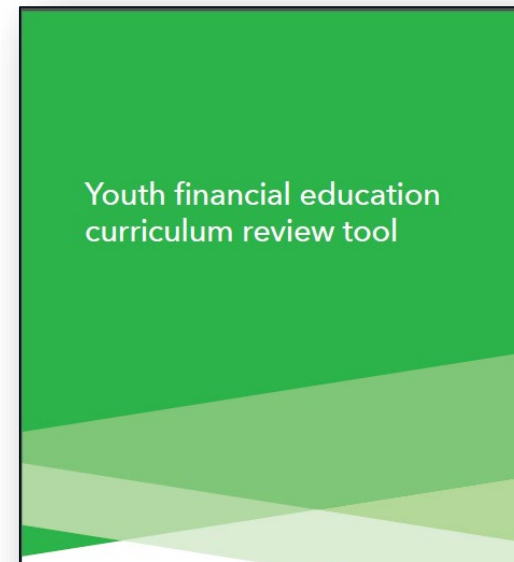
- Felicia wants to buy her first car, so she saves most of her money each month. Her friends spend most of their money going out and having fun. Felicia misses going out with her friends and wonders if it's okay to spend a little money on that. Based on your spending experience and personal knowledge, what would you recommend to Felicia?
- Jamal has bought dozens of video games over the past few months, and his mom thinks he should stop spending so much money on games. He thinks the games are worth it because he and his friends have lots of fun playing them. But he's starting to wonder if his mom is right. Based on your spending experience and personal knowledge, what would you recommend to Jamal?

Sample Activity: Do or Don't?

- **Scenario 1:** Your friend asks to borrow your debit card so they can run to the ATM and get some cash.
- **Scenario 3:** You receive a call from someone who claims to be with your bank and says they need to verify your account information. They ask for your account information and the numbers on your debit card.
- **Scenario 4:** You've lost your credit card. You're very busy today, so you plan to call your bank later in the week to work it out.
- **Scenario 7:** You check your online bank statement, and you see a fraudulent charge on your account tied to your debit card. You immediately call your bank to discuss the problem.

What 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.



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consumerfinance.gov/practitioner-resources/youth-financial-education/curriculum-review

Ask CFPB

consumerfinance.gov/askcfpb

Ask CFPB

We offer clear, impartial answers to hundreds of financial questions. Find the information you need to 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

- Fees
- Credit o
- Other c
- Identity theft and card use without per
- Other

[Servicemembers \(8\)](#)

[Students \(3\)](#)

[Older Americans \(3\)](#)

Filter results by audience or topic

Search for answers

See the most common questions up front

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](#)
- Do I check my prepaid debit 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](#)

[Older Americans \(45\)](#) [Parents \(21\)](#) [Servicemembers \(67\)](#) [Students \(96\)](#)

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

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



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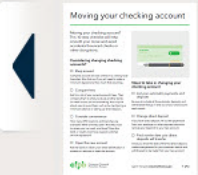
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Moving Your Checking Account Checklist




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

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



What you must know about debit card and ATM overdraft coverage.

Act Fast if You Can't Pay Your Credit Cards



Three steps to take when you don't have enough money to pay your credit card bill. How to

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Consumer Financial Protection Bureau

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- The CFPB works to make sure that consumers have the information they need to make the best financial decisions for themselves and their families. If you're...
- READ MORE
- <http://www.consumerfinance.gov/>
- Suggest Edits

PHOTOS

Consumer Financial Protection Bureau shared a link.

July 20

Along with state partners, we're securing \$92 million in debt relief for servicemembers and their families after one company's predatory lending practices are put to an end.

Closing the book on Colfax
go.usa.gov

The sad truth is that Rome Finance was not the first and will not be the last company to financially prey on the military community. Servicemembers, veterans and...

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180 people like this.

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Sage Coles In the spirit of transparency and authenticity, can CFPB publish the actual dollar amount that will accrue to the service members and their families as a result of the debt relief amount being collected from Colfax Capital?
August 21 at 10:04pm · Like

Glenn Hamilton After going through chargeback problems with banks as well as Claims and defenses issues, (15USC1606) I am glad there is an on-line government agency to protect the consumers. BOA ignores the Federal Fair Credit Act when it comes to 15USC1606.
August 23 at 5:34pm · Like

Write a comment...

Consumer Financial Protection Bureau

July 21

Infographic: Three years of standing up for consumers <http://go.usa.gov/S8HB>

[LinkedIn](https://www.linkedin.com/groups/CFPB-Financial-Education-Discussion-Group/)

CFPB Financial Education Discussion Group

632 members

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Irene Skricki
Senior Financial Education Program Analyst, Consumer Financial Protection Bureau
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Join the millions & discover your benefits. Open a #mySocialSecurity account today. Start planning for your #Monday! #thr#s#r#j#T#m#H#

consumerfinance.gov @CFPB · Aug 11
You can also submit a complaint if you have a problem with a virtual currency product or service: go.usa.gov/PpV#bitcoin

consumerfinance.gov @CFPB · Aug 11
Virtual currencies and what you should know about them: go.usa.gov/Pppd #bitcoin

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Check out our new financial empowerment toolkit for social service programs to help clients: go.usa.gov/SHG #YourMoneyYourGoals

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Along with state partners, today we secured \$92 million in debt relief for servicemembers and consumers. Learn more: go.usa.gov/SJRS

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It's the CFPB's 3rd anniversary. Find out what we've been up to.