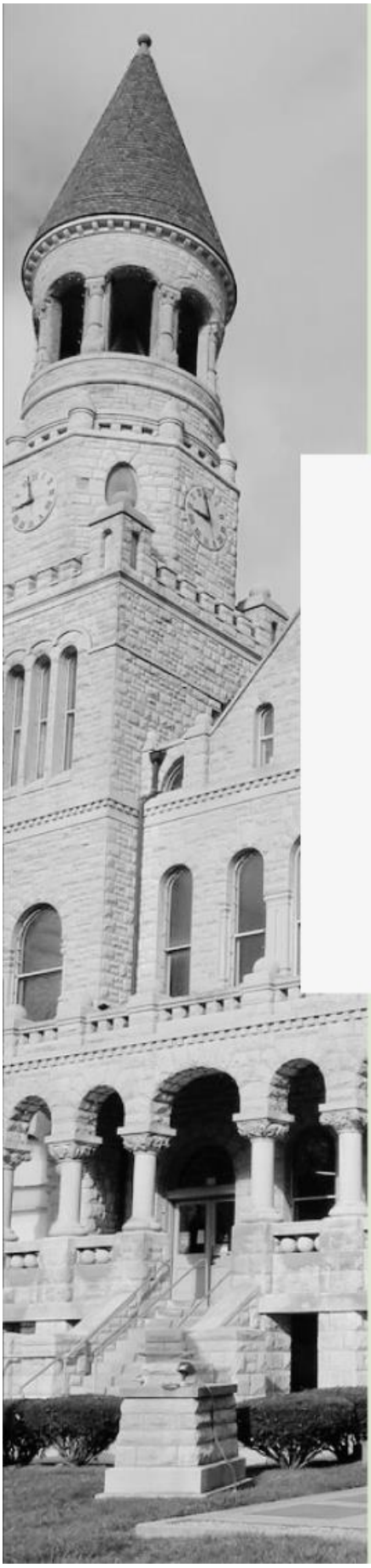

L302: SUSTAINABILITY LAW & POLICY
KELLY ESKEW - CLINICAL PROFESSOR

SUSTAINING HOOSIER COMMUNITIES

Financial Literacy in Washington County

KELLEY SCHOOL OF BUSINESS

PREPARED BY

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Thanks to Clients……3

Executive Summary……..……...……...4

Project Description……...…….……...…….4

Client Description…….……...4

Sustainability Justification……...…....5

Scope of Work/Research Methodology……...…….…..……7

Recommendations……..……..……8
Middle School…….……..…...8
Young Adult…….……...……...10
Credit…….……10
Investing Apps……...11
Pyramid Schemes and MLMs……..……..11
Adult……...……..12
Step 1: Emergency Fund……...……13
Step 2: Checking Account……..……...13
Step 3: Non-Mortgage Debt…….……..13
Step 4: Expand Emergency Fund……...……...14
Step 5: Retirement Savings…….……...14
Step 6: College Funds……...……15
Step 7: Mortgage……..……..15
Step 8: Stay Vigilant……...……...15

Additional Resources……..……...16

Conclusion……17

Appendix…….……...18

Youth Financial Literacy and Leadership Skills

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Executive Summary

Washington County residents currently have a relatively low level of financial literacy, largely attributable to low educational attainment rates. Based on the research we conducted, 85% of adults have a high school diploma, while only 13.4% hold a B.A. or higher. This lack of education has led to a scarcity of financial knowledge that limits earning potential and the ability to achieve financial freedom.

Our team's proposed program recognizes this issue and seeks to provide supplemental financial education to the community at no cost to residents. The 3-pronged program will tailor the learning to all ages by conducting focused sessions for each of the three specified age groups. General sessions will be aimed at fostering familial congruence on the goal of financial freedom. This program will work with middle school, young adults, and adults to build confidence in topics like spending, saving, investing, and donating.

Our research found that when parents speak with their children about money and financial education, they are more likely to spend and save their own money in a responsible manner in the future. It is recommended that to build positive habits and attitudes towards money, parents should engage in frequent meaningful discussions about money at an early age. By passing on positive habits to their children, parents are building a more sustainable lifestyle for their children, which in turn builds a sustainable community. Financial literacy is a key aspect of sustainable communities and economic development since it improves the economic indicators of an area. By educating future generations about the importance of financial literacy, Washington County has the ability to develop into a healthier self-sustaining community, bolstered by a simple framework for financial stability.

Project Description

Create a program that seeks to increase the level of financial literacy among the residents of Washington County, enabling the community to build current and generational wealth, achieving financial freedom along the way.

Client Description

Washington County is located in Southern Indiana with a population in 2019 of 28,036 citizens. The largest city is Salem, also the county seat, with a population that makes up 22.1% of the county as a whole.[1] Our team is concerned with 3 age brackets, consisting of middle schoolers, young adults, and adults. The breakdown of the population size of each age group can be seen at Exhibit 1 in the appendix, sourced from the U.S. Census Bureau via StatsIndiana, Indiana's Public Data Utility.

In terms of education, 85% of adults hold a high school diploma or higher, and 13.4% hold a B.A. or higher degree.[2] The Per Capita Personal Income (annual) in 2019 was $39,759, with the median

[1] InDepth Profile: STATS Indiana
[2] *Ibid.*

household income of $51,948.[3] The largest industries of the county include construction, manufacturing, and retail trade.[4] As of 2019, 80.3% of households had a computer and 68.3% of households had a broadband Internet subscription, which is promising considering the usage of different resources presented in the financial literacy program.[5]

Sustainability Justification

Establishing adults and kids as a "financial team" is important to start at an early age. Kids often form their money habits before they get to high school and "parents are often their most influential teacher".[6] Being open with children about spending and encouraging good money habits can have lasting effects.

T. Rowe Price studied parents and their kids attitudes and behaviors towards financial literacy. The study found that parents with good financial habits often passed those habits on to their children. Parents with troubling money habits were hit with double the consequences because their children were set up to relive them.

Children that are able to decide how to spend and save their money are less likely to spend their money as soon as they get it, lie to parents about how they spent the money, or expect their parents to buy them what they want.[7] They are also more likely to have conversations about money with their family when parents don't control their money.

Children of parents that have declared bankruptcy or have significant credit card debt are more likely to spend money as soon as they receive it. Parents that have experienced either of these events are more reluctant to discuss money, and when they do, parents sometimes confuse kids.[8]

T. Rowe Price recommends having conversations with children about money matters weekly. Parents that do are significantly more likely to have kids who are smart about money.[9] Topics to discuss may include things like: "back to school shopping on a budget, determining savings from buying sale items, going into a physical bank, or discussing the cost of college".[10]

It is important to teach adults about financial literacy and how to have honest conversations about money matters. Money habits can sustain through generations. Financial literacy is important for Washington County because it can change future generations for the better.

The 11th pillar of the United Nations Sustainable Development Goals calls for "Sustainable Cities and Communities," which can be reached by financial education and financial literacy. Sustainable

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[3] *Ibid.*
[4] U.S. Census Bureau QuickFacts: Washington County, Indiana
[5] *Ibid.*
[6] T.Rowe Price - T. Rowe Price: Parents Are Likely To Pass Down Good And Bad Financial Habits To Their Kids (troweprice.com)
[7] *Ibid.*
[8] *Ibid.*
[9] *Ibid.*
[10] *Ibid.*

development has been defined as "development that meets the needs of the present without compromising the ability of future generations to meet their own needs."[11]

Individuals must behave in a sustainable manner within their own communities to become sustainable. This applies to the area of financial sustainability. For a society to continue to prosper, "financial literacy is absolutely essential to living a successful and independent life, promoting economic growth, and sustaining it."[12]

Financial literacy can be simplified to "a kind of understanding of the financial world, which leads households and firms to correct judgement, effective decision-making, and relevant behaviour in the area of finance."[13] Skills and topics in financial literacy include budgeting, credit cards, interest and taxation.

When individuals are well-versed in these topics and others, "it is believed that an economically educated public may result in better market outcomes," since they can understand different things going on in the economy.[14]

The three basic components of financial literacy are money literacy, price literacy, and budget literacy, all of which are competencies necessary to manage cash and transactions, understand prices and inflation, and manage one's own budget, respectively. Financial literacy in these areas is "closely reflected in the development of the economic indicators that can be monitored...such as the level of household debt, payment discipline, the possibility of household bankruptcies, the percentage of insolvencies or the percentage of ordered property repossessions."[15]

Individuals literate in money, price and budget are less likely to accumulate severe household debt. If this literacy is present across an entire community, the economic indicators of household debt will be positive and optimistic. This leads to a more sustainable economy for the community and in turn, the progress in accomplishment of the Sustainable Cities and Community Goal of the UN.

Although financial literacy is important in the sustainable development of communities, it can be uncommon and hard to access. To understand more, "Financial education [is used] as a tool f,aor heightening and developing financial literacy, and also a tool to prevent the negative effects stemming from low levels of financial literacy."[16]

The widespread education of an area is necessary to achieve sustainability of a community. It is especially important to promote financial education among the young people of the community because they will be more active in the economy in the future. Anyone can learn financial literacy at any age, since it is relevant for all age groups.

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[11] United Nations Sustainable Development Goals
[12] Financial Literacy as a Path to Sustainability
[13] *Ibid.*
[14] *Ibid.*
[15] *Ibid.*
[16] *Ibid.*

Scope of Work/Research Methodology

We began this project by meeting with one of our clients Lindsey Wade-Swift, a finance and program manager on February 10th. During the meeting, our group got to know the ins and outs of Washington County. We learned the area has a low educational attainment, which meant an even lower rate of financial literacy.

At that point we realized there was a need for the project we were creating. She also gave us the recommendation to break our financial literacy course into age groups to teach different ages different topics. After this meeting our group had the foundation for what later became our proposal.

After this meeting Toby met with Jack Walsh, a Leveraged Finance Investment Banking Analyst at BMO Capital Markets, to discuss financial literacy. This meeting gave Toby a different perspective on what financial literacy meant, and he relayed it back to our group. The main point that Jack said was that everything must be thought of in terms of future value.

Specifically, he gave us this quote: "Spend your money on things that make you money while you sleep; passive income is the number one way to generate real wealth. Instead of going out to dinner every weekend, buy $100 worth of stock, save up for a house that appreciates in value, or invest in cryptocurrency if that's your thing. Remember to enjoy yourself, but also think about every purchase and how that purchase is or is not making you money, a dinner tastes great in the moment, but $100 of Tesla stock bought in 2010 is worth about $14,000 today."[17] Our group used this insight from Jack as a way to guide how we wanted to think of and teach the topics in the classes.

On March 10th we conducted our second meeting with our client, Brooke Oaks. At this point our group had met numerous times and we had a loose structure of what we wanted the project to look like. This included breaking the attendees into 3 age groups and offering the classes afterschool at a location in town.

Brooke recommended to make sure the kids got engaged in the process at this meeting. It was suggested that we include games or fake money to keep the kids interested. Additionally, it was stressed that adults need to be convinced how important this class would be to their lives.

Our group had the rough outline of our project after a few more meetings. We met with Kelly Eskew, our professor at the Kelley School of Business, to discuss our progress on March 26th. She agreed with our outline and liked the idea we had come up with. She gave us a great recommendation to work with the local banks to attain speakers or get resources. This is a great way to work with the local community to provide free classes to everyone who attends.

Lastly, on April 14th we had our final client meeting with Brooke Oakes from PNC Bank to ask our final questions. At this point, we had our finalized outline and were beginning to write our

[17] Jack Walsh. Leveraged Finance Investment Banking Analyst at BMO Capital Markets. April 19, 2020. Phone & Email.

proposal. Brooke recommended we make this a free, weekly class that lasted for a month. This was the last bit of information we needed to confirm our plan.

Recommendations

We believe financial literacy is vital for all ages. We have created a plan which educates different age groups based on 3 age ranges:

- *Middle Schoolers* - this can include any kids younger than 9th grade, but specifically grades 6 through 8.
- *Young Adults* - includes individuals between 9th grade and 22 years old.
- *Adults* - includes anyone older than high school, but specifically anyone over 22.

The plan we developed is 4 weekly sessions lasting approximately an hour, with different speakers tailored to focus on the needs of each age group. The classes will be free of charge to encourage as many members of the community to attend as possible. The information each group will be taught was determined through our group's research efforts into learning the proper topics that are relevant and applicable for the ages learning it.

In-between each meeting, the attendees are given "homework" that is meant to be completed before the next meeting as an application of what they had learned. The goal after these 4 classes is to teach a baseline understanding of financial literacy, which can then be built upon and applied to real life scenarios.

Middle School

There are 2 broad categories our group identified as relevant to introduce to middle schoolers. These categories are the 4 ways money is used (Spending, Saving, Investing and Donating) and an introduction to banking. By building a foundation of financial literacy at this young age, kids will be provided a head start in becoming proficient in understanding and controlling their finances for the rest of their lives.

The first category middle school kids should focus on is the way money is used. There are specific guidelines as to how much money you should save, spend, invest and donate. These kids will be set up to build and use their wealth responsibly for a lifetime by following these guidelines.

Essentially, this is teaching kids how to budget their money, which is vital for establishing a solid financial foundation. Showing them that saving is good, spending needs to be monitored, investing early creates wealth and donating when you can, is the basis for the first category.

After conducting research, the curriculum we developed properly addressed each of the factors necessary to teach kids the foundation of financial literacy. It was clear to our group that the topics we presented are relevant for this age group to learn. Kids at this age should be focusing on, among other things, budgeting their money, making their own spending decisions and explaining short

vs. long-term goals.[18] The topics that are introduced in these classes can be immediately applied to their lives allowing kids to be in better control of their financial wealth.

There is a general rule which can be applied to help kids understand the concept, called the 70% 20% 10% rule.[19] This rule, when used, can continue working for someone throughout their life. It allocates 70% of your income to spend, 20% to save and 10% to invest. This will help to make sure you are continually building upon your savings and investments, instead of spending 100% of your income.

Bank accounts are the next area middle schoolers should be introduced to. Opening your own checking and savings account is one of the safest ways to store your money, and a core component of building financial wealth and literacy.[20] As a kid, opening a savings account is one of the first introductions to financial literacy that someone can have.

Learning about bank accounts directly ties back to the way money is used in the first category. Introducing middle schoolers to bank accounts gives them the resources to apply the 70% 20% 10% method in their own lives. This category gives middle schoolers the knowledge to make their first step towards becoming more financially literate. Without understanding bank accounts, more advanced aspects of financial literacy become nearly impossible.

Teaching kids at a young age about financial literacy is necessary because it is a basic life skill. As kids grow up, they will be confronted with the real world, and not being financially literate can negatively impact their finances. They're left out to dry without understanding the concept of loans, credit scores, or how to buy a car. This course is trying to teach kids the foundations of finance at a young age, to allow them the opportunity to understand the more complex topics as they get older.

Oftentimes, not understanding the basic concepts of financial literacy can cause someone to go into unnecessary debt or worse.[21] Making the topics engaging is the key to the middle school section. We are trying to convince young children to care about a topic they likely don't find relevant. By making physical examples and scenarios to practice, these kids will be engaged to learn about a topic they might never have heard of.

The depth of each topic is not as important as establishing an understanding of the basic function each topic offers. After the completion of this course, the topics can be immediately applied to their lives to let be in better control of their financial wealth. The kids who attend will be better suited to face the financial realities they are confronted with as they get older.

[18] Financial Literacy Guide: 20+ Resources to Introduce Money Management | Columbia Engineering Boot Camp
[19] How to Achieve Financial Freedom with the 70/20/10 Money Rule | ThirtyEight Investing
[20] Bank introduction and account opening - Confidus Solutions
[21] Why is financial literacy important for kids? (msn.com)

Young Adult Section

During high school and college, many in this age group take on their first job and receive their first paycheck. Although they most likely understand the basics of financial topics, the focus shifts to financial responsibility as they now have money that they earned and is theirs to make decisions about.

Their first paychecks and how they are used can be important building blocks in their money spending (and saving) habits, so it is important to equip them with the right tools to use their money responsibly as they transition to financially independent young adults.

For the young adult group, our team has identified categories that would benefit them as these young adults become financially literate. These categories include how to build and keep good credit, how to begin investing with helpful apps, and understanding pyramid schemes. These categories were deemed relevant to this age group since they focus on understanding how decisions made today about their money can affect future goals.

Using money saved and how to keep and build good credit will introduce them to topics that will serve as a knowledge base that will help them in the future as they make decisions about their education, career, and other future investments. This will be especially important as young adults decide whether or not to pursue a college degree and how that will be paid for. Explanations of pyramid schemes and recommendations for choosing potential academic and career paths will serve as an educational aspect that allows the students to construct their own goals for their future and how their income will fit in.

Credit

Whatever path young adults find themselves on after high school, it will be essential for them to have good credit. Having good credit will ensure that they can always secure a loan for whatever debt they may need, like a car, tuition, or mortgage. As such, high schoolers and college students ought to place some emphasis on building their credit as early as possible.

One's credit score is a cumulative measure of their creditworthiness and track record of paying off debt throughout their life. You cannot escape your credit score, and a bad one may inhibit your ability to borrow money in the future. To ensure that people are building good credit, it is best to get an early start. The few strategies below are good starting points for young people looking to start building good credit.

One way to begin, after turning 18, is to open a credit card. If a person feels that they can be responsible enough to make full and timely payments every month, a credit card is a great way to start out with taking on and paying off debt to build credit. If starting below 18 years old, high schoolers can ask a responsible parent to add them as an "authorized user" on their credit card. Whether the student uses the card or not, their credit will be built simply by the parent using and paying off the card with their child as an authorized user[22].

[22] How Young Is Too Young to Start Building Credit?

Another way for young adults to build credit is to take out smaller, cosigned loans. For instance, if a high school or college age kid needs a car, they can take out a loan as the primary borrower and have a responsible parent cosign to ensure they are granted the loan. Once acquired, paying off that loan will significantly improve a person's credit, even more so than being an authorized user on a credit card[23].

Another way to improve credit is by taking advantage of places that offer to report your timely payments to them to credit rating agencies. For example, the Park on Morton, an apartment complex in Bloomington, uses a platform called RentTrack, which automatically reports on-time rent payments to credit agencies, in order to help students build their credit. These offers can be taken advantage of to build credit simply for making timely payments without having to take on any debt in the first place.

Investing Apps

As a high school or college student, money will most likely be tight, but one can still find ways to invest. While many people believe that investing is only for the rich, various ways to get started with very little funds have popped up everywhere, making investing accessible to everyone. The simplest and most accessible way to get started is through investing apps.

Even with minimal financial literacy these apps will walk you through the process and help you tremendously. There are 3 apps we have identified as important for young adults to be aware of and begin using:

- *Mint* - The Mint app tracks your spending habits and helps to make a budget for you.
- *Wealthsimple* - This is a simple investment app that invests your spare change from purchases into stocks.
- *Acorns* - This is the most hands-on of the 3. It is an investment app that puts recurring amounts into your account every month. The platform also offers the ability to round up and invest change from linked card purchases, adjust the level of risk for your investments, and use a functional Acorns checking account with a dedicated debit card.

These apps emphasize a hands-off approach and encourage the building of wealth little by little, an attractive option for young people looking to contribute any amount towards bettering their futures.

Pyramid Schemes and MLMs

Pyramid schemes and multi-level marketing businesses (MLMs) are often advertised as lucrative options for high school and college students looking to make money that do not involve traditional work schedules, but they are misleading and at times, dangerous. In a multi-level marketing strategy, existing distributors recruit new people and are paid a percentage of the recruits' sales. They can also make money by selling directly to customers.[24]

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[23] *Ibid.*

[24] Multi-Level Marketing

Popular MLM businesses include Arbonne, MONAT, and It Works, although there are hundreds more with different types of product lines. These types of businesses can also be described as "social selling," "referral marketing," and "direct selling." Although it seems like a lucrative business, they can be dangerous for a variety of reasons. Since the main source of income comes from recruiting people, an area can become saturated where too many people are selling their products. When this happens, it becomes difficult to sell the products and recruit distributors and the initial investment into the business becomes a waste.[25]

Many people join a MLM scheme because they are marketed this "dream" via promotional videos and advertisements where you can receive additional income or rewards from becoming a top distributor. But the reality is that this is hard to come by because most people who succeed, are also involved in additional businesses where they can use their skills and network in order to actually make a livable income. MLM's are considered unethical because they paint a picture of success that anyone can achieve through the opportunity.[26] It becomes the distributor's fault, not the company.

When young adults are considering potential career and academic paths, MLMs could be an option but it is important to evaluate all alternatives and realistically consider if the job is the right choice for you. If you thrive on social interaction and having selling skills, it may be perfect for you, but if not, it could become a thrown away investment.

Adult Section

Financial literacy for adults encompasses a wide range of topics, but the basics can be learned in under a couple of hours. Our proposed education plan begins with an explanation of 3 branches of personal financial goals and concludes with a discussion of how to reach these goals with our proprietary 8-step "Titan" financial plan.

First, there is a fundamental economic concept that adults should understand. This concept is inflation; the decline in "purchasing power" of a currency over time. The impact of inflation is significant, and it is the reason why cash under a mattress loses you money year-over-year. The value of $1000 in cash savings today is cut in half every ~20 years. This is why investing your money is important; at a minimum it reduces the impact of inflation, and certain investments may grow your savings significantly.[27]

The first step in financial success lies in creating personal goals for the short, medium, and long-term future. Adults must take time to do introspection, with their spouse if married, and come to reasonable financial goals for specific timelines. We define short-term goals as those with completions in under a year, medium-term goals as those lasting from 1 year to 20 years, and long-term goals as those that take longer than 20 years, typically retirement goals.

[25] Thinking of Joining an MLM?
[26] *Ibid.*
[27] Investopedia Inflation

Adults should outline their general life and financial plans for these ranges. For example, what age do you want to retire at? How much money do you want to spend yearly in retirement? Do you want to save money for your child's education?

Step 1: Emergency Fund

After forming a high-level life and financial plan, adults need to create a plan of action to get them to goal completion. The first step in this plan of action is creating short-term financial stability, like an emergency fund, to pay for unexpected life events such as a car breakdown. We recommend adults start with $1000 in this fund, and this money should be kept in a high-yield savings account (HYSA).

A HYSA is similar to a regular savings account, but typically pays more interest to you in exchange for slightly less freedom to withdraw your money -- often limited to withdrawals 6 times per month.[28] We recommend an online HYSA rather than a brick-and-mortar location account, as some offer lower (or no) fees, no minimum deposit, and no minimum balance. This emergency fund should not be touched unless there is a financial emergency.

Step 2: Checking Account

After forming a basic emergency fund, adults should create a checking account, if they have not already. Look for accounts with no monthly fees, no minimum balance, a forgiving overdraft policy, and a wide ATM network.[29] This checking account should hold money that will be needed in the next few months. Plan to save 3 months of living expenses (rent, mortgage, utilities, food, etc.). Use the short-term goals list to consider any other expenses that might be needed within a few months.

Step 3: Non-Mortgage Debt

At this point, an adult's financial situation is stable enough to temporarily stop saving in accounts and instead pay off debts. This step might take months or longer to complete depending on the adult's financial situation. Adults should list all non-mortgage debts in order of balance, small to large. Then, adults should make minimum payments on all debt, except for the one with the smallest balance. All excess free cash inflows should be funneled into this one small debt balance rather than bank accounts or other savings.

After paying off the smallest debt balance, adults should work their way down the list and focus all free cash into the smallest existing debt account, eliminating them one at a time. Non-mortgage debts eat into available cash significantly and should be avoided at all costs in the future. After following the steps in the Titan 8-step plan, there should be no need for credit card debt, paycheck advances, or any other non-mortgage debt.

[28] Bankrate HYSA
[29] Nerdwallet How To Choose A Bank Account

Step 4: Expand Emergency Fund

After all non-mortgage debt has been paid off, adults are no longer bleeding cash to banks in interest. At this point, they should focus on bolstering the high-yield savings account they set up in Step 1. Now, all free cash should be funneled into expanding this emergency fund into a 6-month emergency expense account. This emergency fund should cover life's larger unexpected problems such as a job loss or an air conditioner replacement.

Step 5: Retirement Savings

By now, adults should be fully financially stable in the short-term. It is time to start saving for the medium and long-term. Retirement should be at the top of every adult's long-term financial plan. Examine your previously recorded plan and use a retirement calculator, such as Nerdwallet's to determine if your plan is feasible.[30] Enter your proposed retirement age, monthly retirement spending, and the rest of the "required" details. Leave life expectancy set at 95 to prepare for the worst (financially) and leave the rate of return set at 6% for a conservative portfolio.

The calculator shows if you will have enough money to retire at your desired age, with your desired retirement spending amount. If you cannot meet your goals with your entered monthly savings amount, increase that number until it is possible. Once you find the monthly savings amount that will allow you to achieve your goals, save that amount monthly. It will likely be between 10-20% of your pre-tax monthly income.

Adults should invest this monthly amount into a retirement account. These accounts provide special benefits and often tax savings. Two of the most common retirement accounts are 401(k) and Roth IRA accounts.

Roth IRAs allow for tax-free withdrawals and should be used first if you do not get an employer 401(k) match. Contribute your monthly savings into this account until you hit the annual limit of $6,000 (in 2021). After you hit this limit, open a regular brokerage account with a large, reputable brokerage such as Vanguard or Fidelity, and put your remaining monthly contributions into this account.

If your employer provides a 401(k) match, this should be your first priority retirement account, up to the match provided by your employer. Remaining contributions should be put into a Roth IRA up to the limit, then the remaining goes into your 401(k) again.[31] [32]

It is important to recognize that these retirement accounts will not grow money by themselves. Rather, they are simply shell accounts that hold money. Therefore, adults need to invest the money in these accounts into their choice of growing assets. We recommend that the majority of your portfolio should be in equities, with the remaining in fixed income, or bonds.

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[30] Nerdwallet Retirement Calculator
[31] US News Retirement Accounts
[32] Investopedia Roth IRA

A common rule of thumb is: the percentage of your portfolio in equities should be 100 - your age. For example, if you are 30, 70% of your portfolio should be in equities, and 30% in bonds. The basic reasoning for this is that equities hold more risk than bonds, and market corrections can cause significant fluctuations in equity portfolio value. The closer you are to retirement, the less you want significant fluctuations in your savings, so you should shift out of riskier investments and into safer investments as you age. Whatever asset classes you choose, the products you invest in should be well-diversified index funds. [33] [34]

Step 6: College Funds

After contributing your monthly retirement savings, adults should consider college funds for their children. A popular college savings plan is a 529 plan, though there are other similar tax-advantaged accounts.

Step 7: Mortgage

Only after Steps 1-6 are completed should adults consider buying a home with a mortgage. If you already have a mortgage, this is your chance to put extra cash flow into paying it off or refinancing at a lower rate. If you are looking to buy a house with a mortgage, we recommend saving in a high-yield savings account and putting at least 20% down.

While there are methods to buy a house with as little as a 3.5% down payment, they often come with downsides and extra payments that do not go towards building equity in your home, such as private mortgage insurance.[35]

Step 8: Stay Vigilant

At this point, the only thing left to do is keep contributing to your accounts and watch your wealth grow. Avoid non-mortgage debt, use credit cards like debit cards, do not open more than a few credit card accounts, and pay all bills on time to keep your credit score high. Avoid paid financial advice courses and be wary of financial advisors -- they often do not have your best interest at heart, and absolutely eat into your returns unnecessarily. With basic discipline, you can easily invest your own money for free and achieve better returns with the same risk exposure.[36][37]

Finally, avoid popular "too good to be true" fringe money-making techniques. These include multi-level marketing companies, day trading, cryptocurrency, drop shipping, real estate investing and flipping, among others. This is not to say that you cannot make money in these areas, just that they are not for the inexperienced.

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[33] Investopedia Importance of Diversification
[34] Investopedia Steps to Retirement Plan
[35] Forbes Why 20% Down Payment
[36] Investopedia Wealth Management Ethical Standards You Should Expect From Financial Advisors
[37] Forbes Do I Need A Financial Advisor?

Additional Resources

Unless the people chosen to lead the classes are familiar with teaching financial literacy, they will likely need resources to aid them in teaching the people of Washington County. One place to find lots of resources is the National Financial Educators Council's website .

On the site, you will find ample resources, guides, and lesson plans that can be purchased in packages broken down by age group/income level. The website delineates groups similarly to how our team has, with the three main groups being Kids & Elementary School, High School & College Students, and Adults (Low, Middle, & High Income). The Council also certifies individuals to be financial literacy speakers, which can be hired through the website to come and speak for individual events or whole programs.

Another organization, EconEdLink, provides lots of free resources and lesson plans for financial educators. With the ability to filter by multiple age brackets within the K-12 grade range, resources like news articles, activities, games, and tools can be accessed and used in conjunction with a financial literacy curriculum. The wide variety of resources available on this platform make it easy for whoever leads the classes to tailor the information to the needs and pre-existing knowledge of the folks in Washington County.

Other sites containing resources for personal activities and ways to keep the learning going at home are:

- TheMint.org (http://www.themint.org/kids/)
- Youth.gov (https://youth.gov/topic/financial-literacy)
- MyMoney.gov (https://www.mymoney.gov/Pages/default.aspx)

A couple apps that serve to introduce kids to financial concepts through games include:

- Savings Spree ($5.99)
- Green$treets: Unleash the Loot! (Free)

Conclusion

Washington County will significantly benefit from a financial literacy program for all age groups. The county has a low educational attainment rate, and from conversations with community members, we also learned that citizens struggle with financial stability. Studies show that financial skills taught at a young age can affect individuals' money habits for the rest of their lives.

Our proposed program will educate children, young adults, and adults about the skills needed to manage their money. This will establish financial teams within families and allow for a holistic approach to achieve financial success. For the reasons stated above, Washington County should implement our financial literacy program.

Appendix

Population Estimates by Age, 2019	Number	Rank in State	Pct Dist. in County	Pct Dist. in State
Preschool (0 to 4)	1,646	58	5.9%	6.2%
School Age (5 to 17)	4,812	55	17.2%	17.1%
College Age (18 to 24)	2,130	59	7.6%	9.8%
Young Adult (25 to 44)	6,661	55	23.8%	25.5%
Older Adult (45 to 64)	7,926	53	28.3%	25.2%
Seniors (65 and older)	4,861	60	17.3%	16.1%
Median Age	41.4			Median Age = 37.9

Exhibit 1

Sustaining For the Future: Financial Literacy Education for Washington County Residents

Indiana University - Bloomington

Sustainability Law & Policy
Spring 2021

KELLEY SCHOOL
OF BUSINESS

INDIANA UNIVERSITY

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We would like to thank our clients for dedicating their time and expertise to supporting our team throughout the duration of this project. We could not have done it without all your incredible advice and your passion for financial literacy: Brooke Oakes, Lindsey Wade-Swift, and Emily Johnson.

Executive Summary

Our team's purpose is to educate members of the Washington County community about the importance of financial literacy in their lives. We are going about this task by outlining a MoneySmarts curriculum to educate students and adults on pertinent topics, as well as running a financial decision-making simulation for middle school-aged students. The hope of our team is that these aforementioned recommended steps will lead to an increase in financial literacy, and therefore community well-being, throughout the next generation of Washington County residents.

Project Description

We were tasked with creating a financial literacy curriculum and resources for middle and high school students as well as young adults. The goal is to educate them on planning, budgeting, and increase their financial knowledge as a whole.

Client Description

Washington County is located in Southern Indiana with a population of 28,036. It is a rural community which leads to the average resident commuting over thirty minutes to work.[1] Many of the people in the workforce will travel to the Louisville-metropolitan area for work which is conveniently located under forty-five minutes southeast.

Our focus group in Washington County is the youth, specifically students and young adults, although older people are encouraged to participate as well. Many of the students who graduate in Washington county end up moving elsewhere. However, these students will still require the financial literacy education offered in the community.[2] These young people in particular are impressionable and have yet to make many of their major life-changing financial decisions. Our education program will best serve the community by proactively educating them about their future decisions.

Sustainability Justification

As the financial environment has become more complex, people have struggled to understand the increased complexities and make inadequate financial decisions, impacting themselves and their families. To get a better understanding of how financial literacy can benefit communities, it is important to understand what financial literacy is. After that is established, the ties to community wellbeing becomes easily identifiable.

[1] U.S. Census Bureau. "QuickFacts Washington County, Indiana" *QuickFacts.*
[2] Wade-Swift, Lindsey. Program Coordinator, WCCF. Feb. 10, 2021. Zoom.

What Financial Literacy is and Why it is important

As defined by the United States Treasury Department, financial literacy encompasses "the skills, knowledge, and tools that equip people to make individual financial decisions and actions to attain their goals".[3] Put simply, it is having the ability to make sound financial decisions to set yourself up for success in the future. However, this basic skill has become less common in recent years.

A 2018 study about financial literacy showed only one-third of adults were able to successfully answer at least four of five questions on concepts like mortgages, inflation, risk, and interest rates.[4] A similar study in 2018 involving young teens showed that sixteen percent of individuals had a lack of understanding of basic financial literacy concepts, and twenty-two percent showed only a basic understanding. This same study showed that students who had a bank account generally did 42 points better than the students who did not have one.[5]

All this data underscores how essential basic financial literacy is to improve students' and adults' understanding of financial topics. This exposure gains importance as children grow older and make major financial decisions, such as purchasing a house or financing higher education. People with low financial literacy are "more likely to engage in high-cost borrowing, more likely to pay only the minimum amount due on credit cards, less likely to invest in the stock market and less likely to actively plan for retirement".[6] In contrast, people with high financial literacy are more adept at "budgeting, managing credit, discretionary spending, saving, investing and planning for retirement".[7] In effect, people with high financial literacy are more financially secure and can achieve financial freedom quicker than others.

How Financial Literacy Contributes to Community Well-being

Financial literacy contributes to community well-being by promoting sustainability. A more financially literate community helps the United Nations sustainable development goals 1, 2, 3, 4, 8, and 11. The 17 sustainable development goals (SDGs) are the key to the United Nations blueprint for sustainable development.[8] A higher financial literacy rate will improve Washington County by aiding the following:

> Goal 1: End poverty in all its forms everywhere. Financially literate people have been shown to possess better control of their finances, resulting in escaping or avoiding poverty.

[3] U.S. Financial Literacy and Education Commission 2020."U.S. National Strategy for Financial Literacy 2020". *U.S. Treasury*.
[4] Ibid.
[5] "Results from PISA 2018-Country Note USA". OECD.
[6] Hicks, Burt. "Fresh Perspectives in Community Development: Financial Education: The Time Is Now Moving from Financially Illiterate to Financially Literate." *Federal Reserve Bank of St. Louis*, Federal Reserve Bank of St. Louis.
[7] Ibid.
[8] "THE 17 GOALS | Sustainable Development." *United Nations*, United Nations.

Goal 2: End hunger, achieve food security and improved nutrition and promote sustainable agriculture. People who have more discretionary spending have more income to spend on food, thus minimizing food insecurity.

Goal 3: Ensure healthy lives and promote well-being for all at all ages. People who save typically have more funds available to afford costly medical care.

Goal 4: Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all. People who are educated in financial literacy are given important education lessons. Additionally, these individuals can save for their children's education, enabling wider access to education.

Goal 8: Promote sustained, inclusive, and sustainable economic growth, full and productive employment, and decent work for all. People with more discretionary spending capabilities can aid the economy by contributing more to the spending. This idea can also benefit the local economy of Washington County, resulting in new businesses and employers.

Goal 11: Make cities and human settlements inclusive, safe, resilient, and sustainable. When people are not worried about their personal finances, they can spend their time contributing to the community, making it safer and more inclusive.

Accomplishing the above goals will enable Washington county to improve both the quality of life and the economic opportunities available to its citizens.

Scope of Work/Research Methodology

Our first client meeting was with Lindsey Wade-Swift, a Program Director for the Washington County Communication Foundation who has a large history in the consumer and retail banking sphere. Our main focus during the meeting was general questions about Washington County and the scope of the project. She provided us with insight into how many students attend college, the economic situation in Washington County and ideas to build from when progressing through our case.[9] After speaking with her, our group decided that it was imperative to explore other financial literacy programs, both online and in-person, and the effect of financial literacy in the community.

The first place we explored was MoneySmarts, a personal finance organization at Indiana University. Our group talked to Phil Schuman, the Executive Director of Financial Wellness and Education and the creator of MoneySmarts. Phil walked us through what MoneySmarts is and how it helps educate students about personal finance.[10] He also showed us a MoneySmarts Canvas course that has 20 different lessons, fully fleshing out essential financial concepts and major purchases. Phil suggested that we create an abridged version of the Canvas course to use for our project, and we pursued the idea.

[9] Wade-Swift, ibid.

[10] Shuman, Phil. Executive Director of Financial Wellness and Creator of MoneySmarts. March 10, 2021. Zoom.

To dive deeper into the connection between financial literacy and community well-being, we talked to a SPEA Librarian, Matthew McGee. Matthew referred us to numerous sources spanning from journals, to articles, to organizational studies exploring this same topic.[11] He also taught us how to use some of the Indiana University databases to extract information. After our meeting, we further explored the resources he referred us to.

Furthermore, to cater to a younger population - middle school students - we decided to research possibly running a career simulation to better prepare students to manage money from an earlier age. The team discovered that a place called the Reality Store in Bloomington was already running a similar program. The Reality Store is essentially a simulation for middle schools by putting them in the shoes of a 28-year old with a life and career. Before the simulation, they decide how many children they have, whether they're married, and if their spouse has an occupation. They can choose a career based on their current GPA and receive a salary corresponding to that career. There are 16 different tables in the simulation, each representing a different aspect of adult life such as Housing or Pets. Since this simulation had already proven to be effective, with over 1,000 students participating this past year, we decided to consider a similar model for Washington County.[12]

After researching these different methods to pursue, we had our second client meeting with Brooke Oakes. She provided us with assurance that our core ideas were headed in the right direction.[13] With her advice, we decided to create the canvas course with a focus on future life experiences. Some students may be graduating and moving on to college, while some may be graduating and joining the workforce. Both routes have different financial experiences associated with them. This led us to do research on what types of financial literacy would benefit the students the most.

Brooke Oakes also endorsed our idea of educating younger students with a more interactive approach. Members of our team had experience with a town hall environment where younger students could select their jobs for a day. Brooke supported this idea and it led us to do more research on our proposed event. We needed to gather specifics about how the event worked and information on jobs to include in the event.

Recommendation

MoneySmarts Canvas Class

We recommend utilizing the Canvas course that MoneySmarts's provides. The Canvas course has 20 lessons, ranging from credit to debt, to post-graduate considerations. The quality of these courses is top-notch, with a sleek design and digestible modules underscored by professional videos meant to introduce personal finance concepts. We believed that although everything in this course is essential and could help anyone pursuing financial literacy, it may be overwhelming and discourage students from starting the lessons. After talking with Phil Schuman, we decided to

[11] McGee, Matthew. SPEA Librarian. March 11, 2021. Zoom.
[12] "The Reality Store." *The Success School*, Bloomington Chamber of Commerce.
[13] Oakes, Brooke. PNC. March 10, 2021. Zoom.

create an abridged version of the course, highlighting the most important modules and compiling them into six separate categories.

The categories would be "High School Seniors", "First-Year College Student", "Second-Year College Student", "Third-Year College Student", "Final Year College Student", "Mid-20's Adult", and "Extras! Learn More About It!". With these six categories, it is clear who our target audience is: high school seniors to mid-20-year-olds. We believe that it is vital to target this demographic with the Canvas course because understanding personal finance is imperative to succeeding during this time period.

For the "High School Seniors" category, we decided to focus solely on college, including FAFSA and important university decisions.[14] For the "First-Year College Student" category, we underscored the importance of basic budgeting goals and managing different college expenses. The "Second Year College Student" and "Third Year College Student" categories are similar in discussing budgeting and maintaining financial aid but also introduces taxes as many working students would qualify during this period. The "Final Year College Student" focuses primarily on graduating and post-college expenses, such as preparing to save cash, choosing the right occupation, investing, and living expenses. The "Mid-20's Adult" category is our longest lesson because of the numerous influential financial decisions that must be made during this age range. This category would cover how to pay off debt, credit scores, large purchases, and insurance.

The "Extras! Learn More About It!" category has all the other materials from the original unabridged MoneySmarts Canvas course. As stated before, we think all the materials in the original Canvas course are essential and did not want to take away the option for students to dive deeper into personal finance. To point students in the right direction, at the end of each lesson listed, we highlight a couple of recommended topics for students to explore in the "Extras! Learn More About It!" section that relates to the lesson they completed.

MoneySmarts's Canvas course can be accessed through a simple link that anyone, not only Indiana University Students, can use. If the user does not have a Canvas account, they may create a guest login using a Gmail account. Our group finds that distributing this link would be the easiest and most effective way to integrate students in Washington County. After the link is distributed and accounts have been created, students may begin working through their desired modules. As stated previously, each lesson will contain readings, videos, and additional resources for students to begin learning key financial concepts.

The team recommends the implementation of an optional, in-person class to complement the online portion of the MoneySmarts Canvas course. After completing their online coursework for the week, each student will have the opportunity to attend an in-person class. The goal of this class will be to reinforce the knowledge of the online modules in an engaging classroom setting. We suggest that the in-person class would be best taught by the school teachers of Washington County, especially those with a history or aptitude with financial literacy. Each week, teachers may volunteer for time slots to run the in-person portion of the course. They will be charged with reviewing the material covered that week, bringing relevant examples on a variety of topics, fielding questions, as well as providing their own personal insight and experiences with financial

[14] See Appendix A

literacy. The aim of having Washington County's own teachers instruct these classes is rooted in the desire for students to have a comfortable experience being taught financial literacy concepts, while also empowering knowledgeable professionals to make a significant impact in their community.

After fielding suggestions during the second meeting with our client Brooke Oakes, the team decided that holding the in-person class at local churches would be the most accessible choice for Washington County residents.[15] According to a 2010 report from the Association of Religion Data Archives (ARDA), Washington County is home to over 70 congregations with almost 12,000 members.[16] With such a strong faith presence in the community, hosting this class at local congregations is the most logical option, and will foster the community's relationships by keeping students close to home and surrounded by familiar faces. However, it is likely a small number of community members may not be able to attend an in-person session consistently, and they should be provided a Zoom link to attend the class virtually.

Our recommendation is that the MoneySmarts Canvas course be made available annually, each summer. Summertime is when high school and college students will be the most available to take such a course as they will have completed their academic coursework for the year. Additionally, the teachers of Washington County, who will be instructing the in-person class, will also be more available to teach the course during this time. Furthermore, the longest a category will take to complete will be five weeks, fitting perfectly into the summer schedule.[17] We envision summer as the perfect time for students to be attentive and interested in the world of financial literacy, allowing them to dive headfirst with minimal stress from other academic work.

Our team believes that the in-person component of this course will be critical in establishing a strong understanding of these concepts, and despite being optional, will attract a high number of students.

Middle School Town Hall Simulation

Our team took inspiration for Washington County's Town Hall Event from the Reality Store - a Chamber of Commerce organization in Bloomington, which simulates real-life events and financial decisions for middle school students in Monroe County.[18] For the purposes of our simulation, we have made the following financial decisions available to students in the program: selecting a postgraduate experience, choosing a housing option, and selecting a retirement savings method. Rather than selecting jobs, we decided that they would draw cards at specific income levels ranging from $40,000-$200,000 in increments of $10,000. We chose to do this rather than assigning specific careers because we did not want to make assumptions about the future careers of these students with many of them coming from lower-income backgrounds.

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[15] Oakes, ibid.

[16] "County Membership Reports--Washington County, Indiana (2010)." *The Association of Religion Data Archives | Maps & Reports*, The Association of Religion Data Archives

[17] See Appendix A

[18] "The Reality Store", ibid.

In the first selection for choosing a postgraduate option, we will have students weigh a variety of factors. These include the amount of student debt they would have to take on to finance their degree from an in-state or out-of-state institution or a private versus public education.[19] We will also have them consider whether or not their future level of income would warrant taking on greater amounts of debt for their education, as this cost-benefit analysis is an important component of the decision-making process.

In the housing decision component, we will have students compare the financial ramifications of renting versus purchasing their home, and which is the better fit for differing types of individuals. Purchasing your home is a superior option in areas with high levels of capital appreciation, where you expect to stay for a long time, and where fixed assets can be converted into cash fairly quickly. Renting makes more sense in situations where optionality and financial flexibility must be maintained.[20] Everyone will live in a home in their adult life, which makes this a prudent decision to be considered by our middle school students.

The final selection we are requiring them to evaluate is how to choose a retirement savings method. To simplify this process, we have presented them with a 401k, Roth IRA and IRA as options. Each of these plans presents positives and negatives, and it will be essential for the differing tax ramifications and employer contributions to be carefully weighed as they make this choice. While this is a complex topic for middle school students, we plan to outline the basics of each selection in such a way that they have a basic degree of familiarity when they begin to approach the actual task.

Our rollout of the Town Hall simulation will be mainly modeled around the Reality Store in Bloomington, which as we previously mentioned, runs a similar setup to our recommended simulation. Reality Store runs its program through four local middle schools, with close to 1,000 students participating.[21] Additionally, these four programs are all run at different times of the year, offering flexibility to students to help increase participation with programs in October, November, February, and April. These events are primarily run by community members who volunteer to help organize the events in two to three-hour shifts and can sign up for as many shifts as they like. Over 150 community members volunteered to run tables this past year, which gives a good indication of the level of interest that Washington County can expect.

For Washington County, we would first recommend taking a similar approach and running the programs through the local middle schools, and also utilizing a rolling schedule to provide multiple dates for students to choose from. If partnering with middle schools proves to be too logistically difficult, we would recommend a similar rollout to the MoneySmarts Canvas Class and run the simulation through the churches. The preferred simulation would be in the middle schools as this allows for easier engagement and participation from students, but the churches would still be an effective alternative option as well.

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[19] Kerr, Emma. "How to Pay for College Using Overlooked Strategies." *U.S. News & World Report*, U.S. News & World Report.

[20] Majaski, Christina. "The Difference Between Renting and Owning a Home." *Investopedia*, Investopedia.

[21] "The Reality Store", ibid.

To obtain volunteers to run the simulation, Brooke Oakes mentioned that people are eager to volunteer in Washington County and there is already an active volunteer community especially from teachers and schools. Because of this, we would not recommend hiring any employees to run the simulation but instead, similar to Reality Store, utilizing volunteers to run the events. Reality Store offers a strong template for how the simulation should be run, and thus the focus of the rollout is taking Reality Store's model and applying it to Washington County as it has already proven to be effective.

Additional Resources

MoneySmarts is an Indiana University organization founded to help students make smart financial decisions by establishing good money habits. MoneySmarts also offers numerous educational programs, such as free consultation appointments to discuss the costs of college, requesting a speaker for an event, college tuition and expense calculators, and the core to our recommendation, a comprehensive online Canvas course. To find more information about the program and all its activities, you can visit https://moneysmarts.iu.edu/about/index.html.[22]

For additional information about the financial simulation and how to acquire manuals for how to run it, we have linked a site that goes through the process of how to set up a simulation. https://counselor1stop.org/wiki/reality-store/.[23]

Conclusion

The connection between financial literacy and a strong, sustainable community is undeniable. Individuals who are educated in financial literacy have a far greater understanding of credit, debt, taxes, and numerous other financial concepts that will set them up for financial success in the future. Yet, such a small number of young people and even adults can call themselves financially literate, and for those looking to learn, there are often few resources available. Therefore, we have set forth a plan for vastly improving the financial literacy of Washington County. From as early as middle school, students can participate in the Reality Store style simulation where they will be faced with realistic financial decisions. For high-schoolers, college students, and young adults, we have designed a hybrid abridged version of the MoneySmarts Canvas Course. This course will guide students through critical financial concepts and decisions that are specifically relevant to their age and academic year. The team would like to thank Washington County for allowing us the opportunity to be of service and provide our insight into an issue within the community. We feel strongly that our recommendations can greatly improve the financial literacy of the community, leading it to a prosperous and sustainable future.

[22] "Everything You Ever Wanted to Know about MoneySmarts." *MoneySmarts*, Indiana University.
[23] "Reality Store." *Counselor1Stop*, Counselor1Stop, counselor1stop.org/wiki/reality-store/.

Appendix A: Abridged Canvas Course Breakdown

High School Seniors (3 weeks)

1. Funding College
    a. FAFSA
    b. "What borrowing really looks like"
    c. Private vs federal loans
    d. The different Calculators
2. Important College Decisions
    a. Out of state and in state
    b. Public vs private
    c. Understanding the total cost of attendance for each of those categories
    d. Evaluating majors and careers
3. What to Do Next
    a. To-Do List

RECOMMENDED STUDIES: Extra! (1-3)

College Freshman (2 weeks)

1. How to set goals and created a budget
    a. Setting goals in college
    b. How to build a budget
    c. Budget Calc
2. How to Fund and Manage Expenses in School
    a. Student Loans
    b. School expenses to expect
    c. Working in school
    d. Credit Cards

RECOMMENDED STUDIES: Extra! (1-6)

College Sophomore (3 weeks)

1. Building your budget to fund your needs
    a. How to build/create your own
    b. Why/How to save money
    c. How to afford college

        i. Additional Expenses
    d. Income Calculator
    e. Credit Cards
        i. Their role, interest rates, common ones
2. How to Fund School
    a. Federal Funds rates and caps
    b. Parent PLUS loans
    c. FAFSA
    d. Cost of switching majors
3. Taxes
    a. Types of Taxes
    b. Do I need to file taxes?
    c. Tax Documents
    d. Tax Exemptions and W4
    e. Tax Refunds
    f. Common Pitfalls to Avoid
    g. MoneySmarts U Score for Taxes
        i. A short quiz to calculate a tax U Score that can be interpreted to yield certain action steps

RECOMMENDED STUDIES: Extra! (1-6)

College Junior (3 weeks)

1. Tips for dealing with financial stress
2. Budgeting and Funding you Lifestyle Expenses
    a. Basic Budgeting skills
    b. Extracurricular expenses
    c. Upcoming expenses
    d. Tips for saving money
    e. Working in College and work income calculator
3. Taxes
    a. Types of Taxes
    b. Do I need to file taxes?
    c. Tax Documents
    d. Tax Exemptions and W4
    e. Tax Refunds
    f. Common Pitfalls to Avoid
    g. MoneySmarts U Score for Taxes
        i. A short quiz to calculate a tax U Score that can be interpreted to yield certain action steps

RECOMMENDED STUDIES: Extra! (4-6)

College Senior (3 weeks)

1. Saving for the Future
    a. Building a real-life budget
        i. Smart budgeting
    b. Preparing for Upcoming Expenses
        i. Transportation Expenses
        ii. Living Expenses
        iii. Work Expenses
        iv. Traveling Expenses
        v. Misc. Expenses
2. Preparing for Post-Graduate Life
    a. Choosing the right job
    b. Comparing job offers
    c. Different Postgraduate options to consider
        i. Joining the workforce
        ii. Going to graduate school immediately
        iii. Going to graduate school while working
    d. What happens after you graduate
    e. How to not get stuck in your parents basement
        i. How to move back incorrectly
        ii. Timeframe planning
        iii. How to “get out”
        iv. Recognizing student loans
    f. Establishing a student loan repayment plan
        i. Debt repayment plan
    g. Investing
        i. Investment primer
        ii. The cost of waiting
3. Taxes
    a. Types of Taxes
    b. Do I need to file taxes?
    c. Tax Documents
    d. Tax Exemptions and W4
    e. Tax Refunds
    f. Common Pitfalls to Avoid
    g. MoneySmarts U Score for Taxes

i. A short quiz to calculate a tax U Score that can be interpreted to yield certain action steps

RECOMMENDED STUDIES: Extra! (4-8)

Mid 20's (5 weeks)

1. How to Pay off Debt
    a. Repaying student loans
    b. Medical
    c. Vehicle
    d. House
    e. Debt types to avoid
    f. Alternative Credit Options
    g. Budgeting smarter
2. Planning your financial future
    a. Credit Score
        i. How to build credit
        ii. How to look at your credit report
    b. Large Purchases
        i. Purchasing a vehicle
    c. Savings and Investment Plans
        i. The importance of starting early
        ii. Steps to create saving and investment plant
    d. Insurance
        i. Types of Insurance to consider
            1. Health Insurance
            2. Car Insurance
            3. Renters/Homeowners Insurance
            4. Life & Disability Insurance
            5. Getting an agent
3. Taxes
    a. Types of Taxes
    b. Do I need to file taxes?
    c. Tax Documents
    d. Tax Exemptions and W4
    e. Tax Refunds
    f. Common Pitfalls to Avoid
    g. MoneySmarts U Score for Taxes
        i. A short quiz to calculate a tax U Score that can be interpreted to yield certain action steps

4. Investing
    a. The right time to invest
    b. Compounding Interest
        i. Basics, interest chart, practice problem
    c. All about Risk
    d. Retirement Investing
        i. 401k, IRA, HSA, etc.
        ii. Retirement vs Non-retirement Accounts
5. Major Expenses
    a. Rent vs Buy
    b. Buying a home
        i. Homebuyers quiz
        ii. Buying a house
        iii. Mortgages
    c. Buying a car
        i. How much can you afford for a car?
        ii. Car Loans
    d. Working and saving

RECOMMENDED STUDIES: Extra! (7-8, 14)

Extras! Learn More About It!

1. Funding College
    a. 529 Plans
    b. How not to finance college
2. Important College Decisions
    a. Further ways to save money in college
3. What to Do Next (High School Senior)
    a. Budget Calc
    b. Awkward family conversation
    c. It's all going to be okay
4. How to fund and manage expenses in school
    a. Financial Emergency
    b. How to fund next year of school
5. Calculate your MoneySmartsU Score (All university grades)
    a. All the MoneySmart Tools
6. Tips for Dating
    a. How to date cheap
    b. Cost of dating
7. Post-Graduation Expenses

    a. Considerations for Grad School
        i. If so, visit the Grad School Module
    b. Calculate costs
    c. Credit Score
    d. Dining out expense calculator
8. Considering Grad School (All of Lesson 6)
    a. Graduate Student (All of Lesson 7)
9. Medical Student (All of Lesson 8)
10. Dental Student (All of Lesson 9)
11. Student-Athlete (All of Lesson 10)
12. International Students (All of Lesson 11)
13. Student Veteran (All of Lesson 12)
14. Investing
    a. The right time to invest
    b. Compounding Interest
        i. Basics, interest chart, practice problem
    c. All about Risk
    d. Retirement Investing
        i. 401k, IRA, HSA, etc.
        ii. Retirement vs Non-retirement Accounts