

Spring Forward with Financial Literacy

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When young adults transition into adulthood most of them are naive when it comes to how to manage their money. Often, they learn the mistakes of money mismanagement through trial and error. Learning how to be financially responsible is a class they just don't teach in most American high schools or colleges, but having the financial knowledge to make sensible decisions can mean the difference between buying your first home or filing for bankruptcy.



Your financial decisions impact your day-to-day habits and buying a \$5 cup of coffee or your monthly Netflix subscription adds up quickly. Research has proven that when you are aware of the value of money, know how checking accounts work, understand credit, and have learned how to avoid the pitfalls of debt you are inclined to make better financial choices.

Consider this: According to a 2013 Gallup poll, only one-third of Americans set a budget each month to track their expenses, and on average women carry \$5,245 in credit card debt. When you do the math, if women earn less than men (\$.80 to every \$1) they will save less in retirement. If women don't budget or carry negative debt, it can also cause an overwhelming amount of financial stress. That is why having the information and using it to your advantage is the key to becoming financially literate, and it can take a lifetime to truly master that skill.

April is National Financial Literacy Month, and there's no better time than right now to give back to the community by volunteering to teach young adults how to be financially savvy. One of the most rewarding benefits of FWA membership is the opportunities it provides to get involved in volunteer activities such as Financial Backpack. Currently, a number of FWA volunteers are helping students at one of the more innovative of New York's public schools—the High School of Economics and Finance, and they need volunteers like you. The FWA Financial Literacy Committee has aimed to help young women make better financial decisions since 2004. The program teaches students vital skills in areas such as cash flow and budgeting, how to use credit cards, how to get out of debt, how to use benefits, taxes, and how to invest. For more information on the FWA's financial literacy initiatives or to volunteer to teach one of our Financial Backpack Programs, contact programs@fwa.org.