

Navigating Your Financial Future

*your dream
 your plan
 your future*

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Are You Smarter Than a 12th Grader?

Seriously...are you?

In 2006, Jump\$tart Coalition administered a financial literacy quiz to high school seniors.

*The average test score was **52.4%**.*

Try your hand at the quiz and see how you compare. Please visit:
www.savingadvice.com/tools/quizzes/jumpstart-financial-literacy.html

April is National Financial Literacy Month as stated by President Obama in his official proclamation of April 2010. What is financial literacy and what can one do to become more proficient in the area of money management?

Financial literacy is *the ability to use knowledge and skills to manage financial resources effectively for a lifetime of financial well being.*

Source: President's Advisory Council on Financial Literacy 2008

Financial Education Core Competencies, established by the Financial Literacy Education Commission, offers a great

starting point. A one-page document summarizing these competencies can be found at:

www.challenge.treas.gov/toolkit/documents/Core_Competencies.pdf

There are many great resources available to provide knowledge and assessment of financial literacy skills. Credible sources include:

- www.mymoney.gov
- www.jumpstart.org
- www.nefe.org
- www.navigatingyourfuture.org
- www.pbs.org/your-life-your-money

There's always room for improvement when it comes to money management skills. So take the quiz—hopefully you will be smarter than a 12th grader!



Statistics for Young Adults

Recent studies on Financial Literacy show surprising findings such as:

- 39% of incoming college freshmen arrived on campus with a credit card.
- 1 in 3 high school seniors used a credit card.
- Out of the identified credit card users, 14.9% used their own card while 14.2% used a parent's card, and 5.6% used both.

Links to these research documents can be found at:

Making the Case for Financial Literacy 2010

<http://www.jumpstart.org/downloadable-resources.html>

The Financial Literacy of Young American Adults 2008

<http://www.jumpstart.org/assets/files/2008SurveyBook.pdf>





***"Don't judge
each day by
the harvest
you reap but
by the seeds
you plant."***

***Robert Louis
Stevenson***



Roth IRAs

Investing in a retirement plan as a young adult is one item that tends to get overlooked, yet it can greatly impact your financial future. Ask anyone near or at retirement age and most will tell you, "I wish I had started saving when I was much younger."

If you are in your 20's, you have time on your side for retirement savings. That's a good thing! So, how does one start?

Banks, brokers, and financial advisors are great resources to discuss retirement plans. One example is the Roth Individual Retirement Account (IRA).

Roth IRAs offer portability and a tax benefit that Traditional IRAs do not. The Roth IRA uses "after tax" dollars for your investment—meaning you will invest from your net income instead of your gross income.

Because after tax dollars are used, when it's time to withdraw from your retirement account, you will not have to pay taxes on that money.

For more information, please visit:

www.pbs.org/your-life-your-money
or
www.dol.gov/ebsa/pdf/savingsfitness.pdf

Summer Session

Summer will be here before you know it and many students are anxious to get started with a summer job or internship. But do not forget to use summer as a time to "catch up" on your degree requirements or accelerate your completion.

Summer sessions are a great way to tackle those more difficult subjects that often cause panic attacks when taken with a full course load in the fall and spring semesters. By taking

one or two classes in the summer, you can focus more easily on those specific classes and increase your chances of a better grade.

Meet with your academic advisor and work together to identify classes that would be a good fit for summer session.

Do not forget to actually REGISTER for the classes when Spring Registration opens!

Exit Counseling

If you are graduating in May, withdrawing from school, or falling below half-time status, AND have student loans, then you must complete exit counseling. Why? Exit Counseling is designed to explain the transition into repayment of your student loans and remind students of the legal rights and responsibilities as a borrower. Most of you will have a grace period of six months to organize your finances and get settled into the next phase of your journey. Choose a repayment plan that fits your budget. Set up automatic withdrawal with your banking institution to ensure timely payments of your student loans.

Check with your financial aid office for more details.