



## Smart Investing@your library® Builds Nebraska Communities

Check-in #3 Webinar

Smart Investing: Reference Strategies & Resources

June 12, 2014



## Smart Investing@your library® Builds Nebraska Communities

*This program is made possible by a grant from the FINRA Investor Education Foundation through Smart investing@your library®, a partnership with the American Library Association. This program is sponsored by the Nebraska Library Commission and Northeast Library System.*

Smart investing@your library®



Staff  
Development  
for Effective  
Program  
Delivery



[http://ifpmedia.org/onlinelearning/scclid\\_smart\\_investing/index.html](http://ifpmedia.org/onlinelearning/scclid_smart_investing/index.html)

Online Staff Training developed for the Santa Clara County (CA) Library District through a FINRA Grant  
**Designed to promote confidence and competence in responding to library customer questions on personal finance and investments**  
& supplemented by check-in webinars & support documents  
**Are you being to feel more confident? Competent?**

## What's New?

- Most of 22 libraries Received their Resource Books/DVD's – Opportunity to order a few more – stay tuned
- Individual & Bulk NLC's FINRA Loan Collection Available Now for any Nebraska Library  
Order Form on Project Webpage  
<http://nlc.nebraska.gov/grants/finra/loancollection.aspx>

## Agenda Item #1

### Discussion of questions submitted

What tips can you provide as to what to look for in an investment advisor?

<http://www.finra.org/Investors/ToolsCalculators/BrokerCheck/index.htm>

<http://www.finrafoundation.org/resources/education/modules/>

(click on "Investment Professionals")

Other Questions?

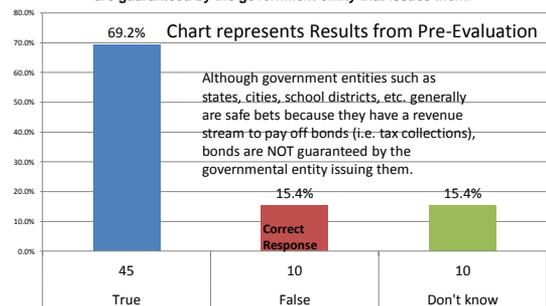
Feel free to submit any now

## Poll Question 1

**The reason investors who dislike risk prefer bonds over stocks, is that bonds are guaranteed by the government entity that issues them.**

- True
- False
- Don't know

Investors who do not like risk are more likely to invest in bonds over stocks even though their return is not as high over time. True or false: The primary reason they prefer bonds is that bonds are guaranteed by the government entity that issues them.

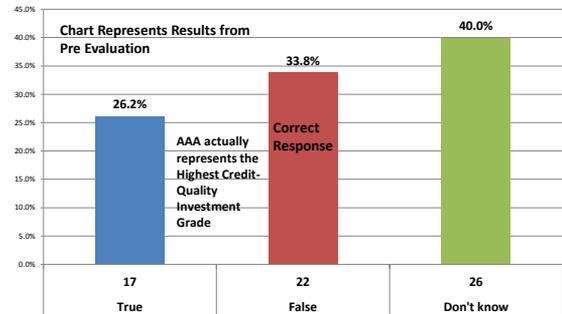


### Poll Question 2

Independent rating services rate bonds, and the ratings allow investors to make better decisions. **Grades used by Standard & Poor's (AAA, BB, C, D etc.) indicate investment earning levels likely, with AAA representing the best returns.**

- True
- False
- Don't know

Independent rating services rate bonds. Standard and Poor's uses a bond grading system of AAA, AA, BB, B, C, D etc. True or false: These grades indicate the level of earnings/interest rates likely, with AAA representing the highest returns.

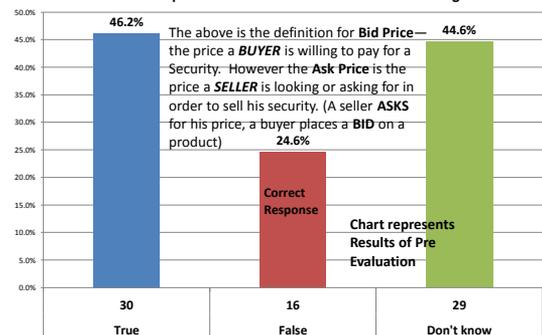


### Poll Question 3

***Bid price* is another name for *ask price*, which is the price a seller states he/she will accept for a security such as a stock he/she is interested in selling.**

- True
- False
- Don't know.

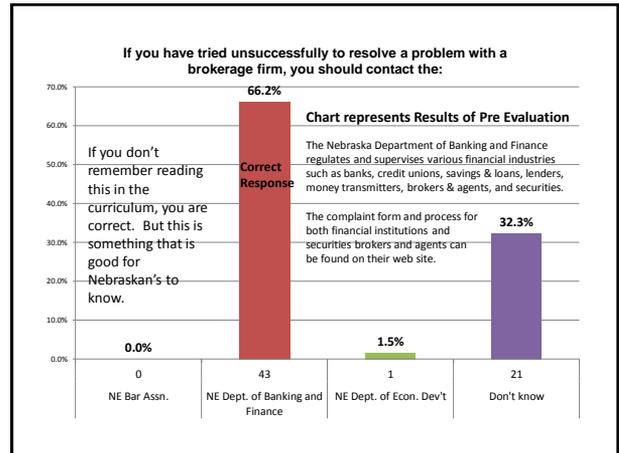
***Bid price* is the same as *ask price* and is the price a seller states he will accept for a stock/bond he is interested in selling.**



### Poll Question 4

If you have tried unsuccessfully to resolve a problem with a brokerage firm, you should contact the:

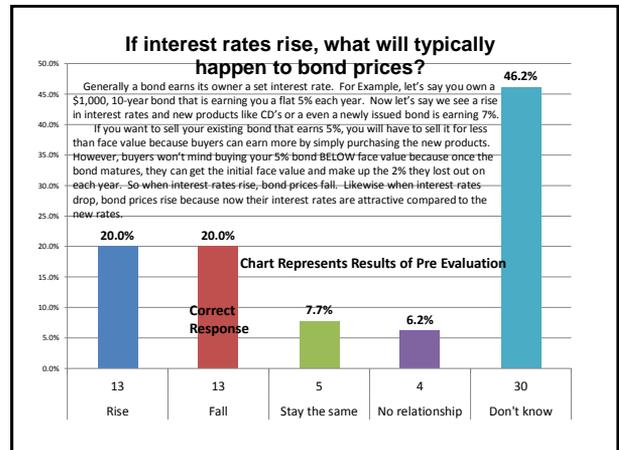
- Nebraska Bar Association
- Nebraska Department of Banking and Finance
- Nebraska Dept. of Economic Development
- Don't know



### Poll Question 5

If interest rates rise, what will typically happen to bond prices?.

- Rise
- Fall
- Stay the Same



- Participants share questions and cool sites—useful features and target audience(s)

### Cool Tools found...

- U.S Department of Treasury site:  
The myRA Retirement Account through the U.S. Dept. of the Treasury, offers a retirement savings account for individuals looking for a simple, safe and affordable way to start saving. To begin in late 2014, savers can open an account for as little as \$25 and contribute \$5 or more every payday.

### Cool Tools found...

- U.S Securities & Exchange Commission site:

I really liked the SEC's brochure "Introduction to Mutual Funds." It covers almost everything you need to know on mutual funds to get started with that type of investment in easy to understand language.

<http://www.sec.gov/investor/pubs/inwsmf.htm>

### Cool Tools found...

- U.S Securities & Exchange Commission's Investor.gov website:

"One resource I really liked was the SEC investor calculators page which can help measure risk and costs of multiple types of investments."

- \* 401K & IRA Required minimum distribution
- \* Compound Interest
- \* Ballpark E\$imate
- \* Social Security Estimator & MORE

<http://investor.gov/tools/calculators>

### As Noted by Participant:

“As I look at all the sites in the readings, it really points out how financially savvy the current generation could become with all of this information available to them on the Internet. A lot different than it was growing up in the 1950s. Really wish more of this would have been available at that time but it is there now!”

### Presentation by Partner:

Kathy Prochaska-Cue, UNL Student Money Management Center/UNL Extension, retired



Remember to keep looking  at Nebraska's Value Added Documents on our project web page at <http://nlc.nebraska.gov/grants/finra/index.aspx>



Today's Webinar will be followed by **only 1** more unit of Readings followed by our final Check-in Webinar  
You'll need to:

- \* *Accomplish Unit Readings,*
- \* *Review hot-linked web resources making note of how those might be useful to your customers,*
- \* *Become familiar with this week's definitions, and*
- \* *Email JoAnn any questions/concepts that you would like covered at the next check-in webinar.*



The FINAL Check-in Webinar  
Hosted by NLC and Kathy Prochaska-Cue & will include:

- 1) Participants will share a “cool” web feature they saw,
- 2) Discussion of the questions/concepts submitted,
- 3) A 20-minute presentation by Kathy on IRAs and Making Your Money Last
- 4) Discussion of week 4 pre-evaluation questions
- 5) Instructions for taking the Post-Evaluation
- 6) Wrap-up thoughts

## Curriculum topics for Week 4

- Retirement Accounts
  - 401(k)s
  - IRAs
- Social Security
- Life Insurance
- Home Owner’s Insurance & Deductibles
- Income, Property & Capital Gains Taxes

## Remember

- Sign up for Check-In Webinar #4  
Scheduled for Thursday, June 26 at  
2:00 p.m. (CDT)

Click on “Calendar” at  
Nebraska Library Commission’s Site --  
[www.nlc.nebraska.gov](http://www.nlc.nebraska.gov)



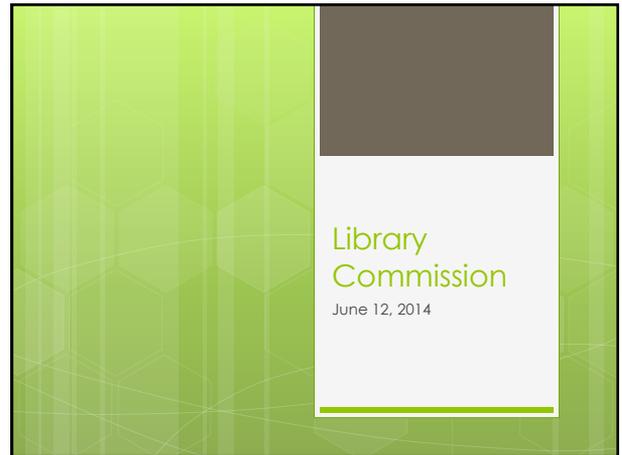
Questions



Nebraska Library  
System



Nebraska  
Library Commission



### Balance of Investment Alternatives

- Bonds
- Stocks
- Mutual funds and other funds (ETFs, etc.)
- Real estate

Investing or Speculating?

- Collectibles, precious metals, gems
- Options, future contracts

### Before You Visit a Financial Advisor

- Gather financial goals and data
- Why are you investing
- What type of financial advisor do you want
  - Fee only
  - General vs. specialized

## Choosing a Financial Planner

- Education and credentials
- Experience and background
- Questions to ask

## Education and Credentials

- Previous and on-going education
  - Evidence of previous financial education
  - Continuing education is IMPORTANT!
- Professional certifications
  - CFP (Certified Financial Planner)
    - Certified Financial Planner Board of Standards ([www.cfp.net](http://www.cfp.net))
    - National Association of Personal Financial Advisors ([www.napfa.org](http://www.napfa.org))
  - ChFC (Chartered Financial Consultant) and CLU (Chartered Life Underwriter ) ([www.theamericancollege.edu](http://www.theamericancollege.edu))

## Additional Credentials

- CPA (Certified Public Accountant) and PFS (Personal Financial Specialist ) ([www.aicpa.org](http://www.aicpa.org))
- AFC (Accredited Financial Counselor) ([www.afcpe.org](http://www.afcpe.org))
- CTFA (Certified Trust and Financial Advisor) ([www.laba.org](http://www.laba.org))
- CMF (Chartered Mutual Fund Counselor) ([www.cffp.edu](http://www.cffp.edu))
- RIA (Registered Investment Adviser) ([www.sec.gov](http://www.sec.gov))
- Accredited Estate Planner ([www.naepc.org](http://www.naepc.org))

## Experience and Background

- Length of time in financial planning
- Number and types of clients (income and assets)
- Check for complaints with the Better Business Bureau and regulatory boards
- What firm do they currently work for?
- References
  - People they have worked for
  - Friends or relatives

## Additional Questions to Ask

- Will I have a no-cost, initial consultation and how much time is allowed?
- Will you show me a copy of a financial plan you've done for someone with a financial situation similar to mine?
- Will you be the person working with me? Who actually creates my plan? (You, junior associate, or software program)
- How often will I meet with you?
- How many companies do you represent?
- How are you paid (fee and/or commission)?
- Do you provide a written estimate of the services I can expect and the cost of these services?

## Checking on Potential Financial Advisers

- National Association of Insurance Commissioners ([www.naic.org](http://www.naic.org))
- Certified Financial Planner Board of Standards ([www.cfp.net](http://www.cfp.net))
- Financial Industry Regulatory Authority ([www.finra.org](http://www.finra.org))
- Securities and Exchange Commission ([www.sec.gov](http://www.sec.gov))

## Investment Education Websites

- The Motley Fool ([www.fool.com](http://www.fool.com))
- Morningstar ([www.morningstar.com](http://www.morningstar.com))
- Kiplinger's Personal Finance ([www.kiplinger.com/personalfinance/](http://www.kiplinger.com/personalfinance/))
- NASDAQ ([www.nasdaq.com](http://www.nasdaq.com))
- CNNMoney.com ([www.money.cnn.com/pf/index.html](http://www.money.cnn.com/pf/index.html))
- SmartMoney.com ([www.smartmoney.com/personal-finance/](http://www.smartmoney.com/personal-finance/))

## Web Calculators

- Financial Calculators ([www.fincalc.com/](http://www.fincalc.com/))
- KJE ([www.dinkytown.net/](http://www.dinkytown.net/))
- Bankrate.com ([www.bankrate.com/calculators.aspx](http://www.bankrate.com/calculators.aspx))
- CNNMoney (<http://cgi.money.cnn.com/tools/>)
- Moneychimp ([www.moneychimp.com/calculator/com\\_pound\\_interest\\_calculator.html](http://www.moneychimp.com/calculator/com_pound_interest_calculator.html))