



MONEY WISE

VALUING PEOPLE. VALUING MONEY.
MANAGING IN TOUGH TIMES INITIATIVE



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THIS MONTH'S TOPIC:

APPLICATIONS FOR FINANCIAL MANAGEMENT

Thanks to a host of new technological advances, consumers may now use a variety of personal and family finance applications that help to simplify their financial lives. These money management apps are designed to assist with everything from budgeting to saving money, and from getting out of debt to investing.

In general, most financial apps work from the basic principles of transparency and accountability. If you are able to see what is happening with your money, where it is going, and how often, you are better equipped to make sound financial decisions. However, not all personal finance apps are equally helpful or effective. The key is to find an app that works for you and meets your financial needs. Consumers should evaluate the pros and cons of any financial app or online website prior to entering personal financial data. To help guide you in the process of navigating financial apps, below are examples of the different categories of personal and family finance applications.

Overall Finance App: Mint

Mint is widely regarded as one of the top personal finance apps because of its versatility. Where many other apps are focused on helping with one particular arena of personal finance (i.e. saving), Mint can do most anything related to personal finance. Consumers can use this app to create and maintain budgets, track and pay bills, check credit scores, and more. To use all the functionality of Mint, it does require you enter a large amount of personal information.





Budgeting: You Need a Budget

You Need a Budget, YNAB for short, does exactly what you would expect: It simplifies the budgeting process. The makers of YNAB tout that you can use the app to gain control of your money by “giving every dollar a job.” In other words, the secret to YNAB is being intentional and proactive with your money, rather than simply tracking your spending and being reactive. After reporting your anticipated income, you can assign every dollar a purpose to create a structured budget.

Investing: Acorns

Many people feel that they need to have reached a certain level of financial security or need to have saved a certain amount of money to begin investing. With the acorns app, this does not have to be the case. The app encourages saving in smaller amounts without setting aside large swaths of money. The acorn app connects with one of your spending accounts so that every time you make purchase, the total is rounded up to the next highest dollar amount and the difference is automatically invested in a portfolio. You can select an investment portfolio based on your risk preference and begin investing today!

Securing Your Financial Information

Although these apps may help to simplify and enhance your financial life, they may also introduce some potential pitfalls. For one, these apps consolidate all of your critical financial information in one place, putting you at risk for theft. Moreover, because the technology of smartphone apps is relatively new, developers have not managed to find full-proof ways of protecting consumer information. Even though the industry standard is for financial apps to use bank-level encryption and monitoring, consumers may still be at risk. Consider some of the following tips to safeguard your information and protect yourself from cyber-attack.

- Always password protect your smartphone, tablet, and/or laptop
- Maintain password protection on each of your financial apps (and be sure that this password is different from the password you used for your smartphone, tablet, or laptop)
- Do not allow third party access to your financial apps through social media platforms
- Be cognizant of where you access your financial apps through Wifi.
- Consider downloading one of the free security apps such as NowSecure, Clueful, or Skycure.

These apps protect your information in a variety of ways by scanning for malware or vulnerable networks.

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