To: Dr. Erika Patterson

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Subject: Improving the Quality and Accessibility of Financial Literacy Resources Available to UBC Students

## Introduction

Beginning an undergraduate degree is typically accompanied by an increased number of personal responsibilities, including a freedom to access financial products. Students must learn to budget, use credit cards responsibly, and manage student loans. This set of responsibilities has remained relatively static in modern times.

The “Democratization of Finance” refers to the elimination of intermediaries between consumers and financial products. Ordinary consumers now have increasingly cheap and convenient access to credit, securities, and derivatives. University students are squarely within the target demographic for this new generation of financial products. As a result, the knowledge-base that comprises “good” financial literacy has expanded significantly in only a few years. Because most of these products enable access to markets, the potential harm of financial literacy has also increased.

## Statement of Problem

Existing financial literacy efforts have failed to resonate with most students at a time when the risk of financial illiteracy is growing. The implications of this knowledge-gap are threefold: (1) Students require more resources to make informed judgements about the products offered to them, (2) the complexity of financial products marketed to students continues to increase, and (3) the newest products gamify exposure to speculative securities, derivatives, and cryptocurrencies. If financial literacy is to improve, it must keep pace with the set of products that students will encounter.

## Possible Solution

One possible solution is the composite of two primary goals:

* Modernizing the existing UBC & AMS financial literacy resources
* Producing additional resources to keep pace with the state of financial products

This approach aims address two primary problem areas. The first being an existing disconnect between financial literacy resources and the interests of students, and the second being the gap between existing financial literacy materials, and the types of products students are likely to encounter.

## Scope

To make the most relevant and effective recommendations for new financial literacy resources, I plan to pursue the following areas of inquiry:

1. What are the existing financial literacy resources provided by the UBC and AMS?
2. Which of these existing resources are most effective, which are least effective?
3. What does the existing literature support as the most effective methods of financial education?
4. Do students feel uncertain about a given set of financial concepts in particular?
5. What is the existing budget for financial literacy resources?
6. Which financial products are most commonly marketed to UBC students?

## Methods

For areas of inquiry related to existing UBC & AMS financial literacy resources, data will be collected from public-facing sources (web, etc.) and contact with relevant representatives. Inquiry about related to student opinions will be collected via survey. All other data will be collected from secondary-source research.

## My Qualifications

My interest in personal finance began at age 12 when I read Dave Chilton’s “The Wealthy Barber”. This experience eventually motivated my pursuance of a Bachelor of Commerce in Finance, which I completed in December 2020. I have extensive formal and personal experience with securities and derivatives. In addition to finance-related experience, I have had the pleasure of teaching fundamental financial concepts to non-technical friends, family, and classmates.

## Conclusion

Though more cynical observers may feel that the University has little incentive to provide extensive financial literacy education, or that it is not the responsibility of the University to do so. I disagree with these conclusions. Students who are poorly-equipped to responsibly manage their finances have an increased risk of failing to pay tuition, a greater chance of being financially distressed, and a reduced ability to evaluate career opportunities. For these reasons, improving financial literacy resources is not only the right choice, but the economical choice for the University.

By addressing the areas described earlier, I will use my personal and professional experience to provide a thoughtful, efficient, and well-defined plan for improving the quality of financial literacy resources. The results of my formal study will be presented to the relevant representatives at both UBC and the AMS. With your approval, I will begin research immediately.