



By South Carolina Treasurer Curtis Loftis

It's no secret that money has a significant influence on our lives. While this is frequently made obvious in our daily routines, nothing underscores that sentiment quite like the current crisis. The emergence of COVID-19 has resulted in a societal spike of anxiety and fear, with many Americans rightfully concerned about their health during this time. Weighing just as heavily on our minds, though, are the economic consequences we are being confronted with.

April is the national observance of Financial Literacy Month, a time to reflect on the benefits of good financial habits. As we continue to adapt to this current situation, I would like to remind you of a few important steps you can take to provide peace of mind and ensure your financial well-being.

Stick to your budget

Now is not the time to make impulse purchases or go crazy with internet shopping just because you're cooped up at home and adjusting to this "new normal." In fact, you can easily make the case for reducing your consumer tendencies in favor of covering only your main necessities of food, shelter, utilities and transportation in the weeks ahead.

If you don't have a budget, now is the perfect time to create one. There are numerous apps you can download on your phone to help you stay the course, like popular options Mint, Clarity Money or EveryDollar. Alternatively, if you're not tech-savvy, you can follow guidelines from reputable organizations like the [Consumer Financial Protection Bureau](#) and make your own

budget or print out ready-to-use templates.

Saving is still important

Whether you have an emergency fund of a few hundred dollars or enough to cover you for several months, saving is still an important financial habit. Much like working out at the gym, you need to commit to the same type of muscle memory by making a conscious effort to continue saving, even during times like this. Whether you're receiving a tax refund or a stimulus rebate, try and put a percentage into your savings if you can cover your other monthly expenses and have money left over.

If you are fortunate to have a healthy savings reserve, then consider putting some excess funds into a [college savings account](#), like Future Scholar, or a [Palmetto ABLE® savings account](#), if you have a loved one with a disability. This will make a difference down the road and provide a tax deduction opportunity for your South Carolina tax return.

Adjust when the time is right

When things stabilize, be ready to go back to paying off debt, investing in your future retirement or supporting the needs of your loved ones. For those concerned about market volatility, schedule time to meet with your financial advisor to reassess your risk-reward tolerance and look for opportunities to lessen your exposure to market fluctuations.

Consider sharing the lessons you've learned

While remote learning has been an adjustment for most families, this time presents a great opportunity to discuss personal finance with your children who are studying from home. Talking them through the basics of creating and sticking to a budget, the importance of saving and the pros and cons of taking on debt are valuable life lessons that will help them to become financially responsible young adults. There are a number of [free resources available](#) to initiate a conversation with your child about personal finance in a fun, easy to understand way.

It is hard to believe that in 2020 only [29% of Americans say they are financially healthy](#) . Just as we challenge consumers to adapt their financial habits, this challenges us as a community, state and nation to adapt our approach to financial education and make it a higher priority. Imparting lessons like these upon our residents is not limited to just one month out of the year. We must continually invest in our most valuable asset – our people. By doing so, our return will be greater than anything else: a financially capable and confident South Carolina.

Curtis Loftis is the [South Carolina State Treasurer](#) . As a passionate advocate for financial literacy, he serves on the South Carolina Financial Literacy Board of Trustees and established the South Carolina Financial Literacy Master Teacher Program, a public-private partnership that seeks to grow the number of educators promoting personal finance in the state's K-12 classrooms.