

CREATIVE CAPITAL

Part 1 of 12

Unlocking Finance Strategies

High-Yield Savings Accounts: Putting Your Money to Work

RIVKA RESNIK

Most people keep their savings in a regular bank account. It feels safe, familiar, and convenient. But here's the problem: Most traditional savings accounts at local banks pay almost nothing in interest. Your money just sits there, losing value as prices rise.

With a high-yield savings account (HYSA), the picture changes. It's the same basic idea as a regular savings account—safe, FDIC- or NCUA-insured, and easy to use—but it actually pays you something back. Instead of earning pennies, your money can grow at 10–15 times the rate of a traditional bank account. You can deposit or withdraw anytime, just like with a regular savings account, but the money grows faster. Rates do fluctuate, but they almost always remain far ahead of standard savings accounts.

Two ways to start

1 Move emergency funds:

If you already have an emergency fund in a low-interest account, shift it into a HYSA. The money is just as accessible, but earns more while it waits.

2 Direct-deposit a portion:

If moving everything feels overwhelming, start small. Send \$25 or \$50 from each paycheck straight into a HYSA. It builds automatically, and you'll barely notice the difference in your checking balance.

You're already saving—why not let that money work for you?



Why this saves you serious money

More interest, same safety:

A regular account might pay 0.05% interest; a HYSA can pay 3–5% or more. For \$10,000 in savings, that’s the difference between earning \$5 and \$300–\$500 a year.

Keeps money liquid:

Unlike locking funds into a CD, money in a HYSA is available whenever it’s needed. There are no penalties and no long waits.

Encourages saving:

Seeing your balance grow with interest makes it easier to stay motivated and keep adding money.

Beats inflation (a little):

It won’t erase rising prices, but earning hundreds instead of a few dollars slows the loss of buying power.

Do the math:

Keeping \$2,000 in a regular savings account at 0.05% interest earns you just \$1 a year. In a HYSA paying 4%, that same \$2,000 earns about \$80 a year—\$400 over five years.

A real-life trick

Most high-yield savings accounts are offered by online banks. These banks don’t have the costs of maintaining physical branches, so they can pass the savings to customers through higher interest rates.

An online bank simply means you manage the account through your computer or phone instead

of walking into a building. As long as the bank is FDIC- or NCUA-insured, your money is as safe as it would be at a local branch. Some banks may limit the number of transfers you can make monthly, so it’s worth checking the fine print.

Another smart move is to use your HYSA as a sinking fund. This means setting aside a little money at a time for future expenses such as car repairs, camp tuition, or Yom Tov shopping. Give the account a nickname, such as “Simcha Fund” or “Future Car,” and add to it regularly. Watching the balance grow makes the savings feel real; when the expense arrives, the money is ready.

Beyond the savings

A HYSA changes the way savings work. Instead of sitting quietly, the balance grows a little each month.

It may not feel dramatic, but even modest interest is better than watching your account earn pennies.

It also makes surprises easier to handle. When an expense pops up, you’ll notice your account has grown a bit on its own, and that growth takes some of the sting out of paying the bill.

Creative Capital tip

Don’t let your savings sit idle. Move them into a high-yield savings account. With rates many times higher than traditional banks, your money earns more while staying just as safe.



The bottom line

A high-yield savings account is a simple way to make your money work harder. It keeps savings liquid and safe while paying far more than a traditional bank. Over time, those higher rates can add hundreds of extra dollars to your balance—money you wouldn’t have earned in a regular savings account. ●

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Unlocking Finance Strategies

Lock It In: Certificates of Deposit (CDs)

RIVKA RESNIK

Not every dollar in savings needs to be ready at a moment's notice. Some money sits for months, or even years, before you need it. If you don't need the money immediately, leaving it in a regular savings account might not be the smartest move.

That's where **Certificates of Deposit (CDs)** come in.

A Certificate of Deposit (CD) is a type of savings account where you commit to keeping your money in the bank for a **fixed period**—three months, six months, a year, or more. In exchange, the bank pays you a higher interest rate than a regular account. The trade-off: while you can **withdraw money early**, you'll usually pay a penalty and lose some or all of the interest you would have earned.

Two ways to start

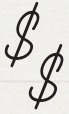
1 Short-term CD:

Perfect for money you'll need soon, like camp tuition in six months or Yom Tov expenses later in the year. Lock it in, earn more interest, and have it ready when the time comes.

2 CD ladder:

Instead of putting all your money in one long-term CD, split it across several CDs with different end dates—three months, six months, 12 months, etc. That way, you always have one maturing soon while earning higher rates on the longer ones.

You're already saving—why not let that money work for you?



Why this saves you serious money

Higher interest:

CDs often pay more than regular savings accounts. For example, \$10,000 in a 12-month CD at 4% earns \$400, compared to \$5 in a traditional savings account. (Some online savings accounts now pay competitive rates, but CDs lock in your rate even if savings rates drop.)

Disciplined saving:

Since the money is locked, you can't dip into it on impulse. That makes it easier to stay on track for big expenses.

Safe growth:

CDs are insured up to \$250,000 per bank (FDIC or NCUA).

Predictability:

You know exactly how much you'll earn and when. That makes it easier to plan for upcoming costs.

stays untouched and your savings grow with extra interest.

This built-in structure reduces stress: Instead of scrambling at the last minute, you'll have a CD maturing right when you need it.

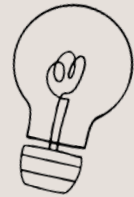
A real-life trick

Match CDs to tangible goals. If camp tuition is due in six months, a six-month CD keeps the money safe and earns extra interest until it's needed. For ongoing needs, try laddering CDs so one matures every few months. That way, funds roll over smoothly, and you never feel locked out of your money.

And don't overlook short-term CDs. Even a three-month option can pay far more than leaving the money in a low-interest account.

Creative Capital tip

Use CDs for money you'll need in the future, but not tomorrow. Locking in short- or medium-term savings earns more interest while keeping your financial plans on track.



Beyond the savings

CDs are about planning smart, not locking away money forever. They work best for expenses you know are coming—such as tuition, a new appliance, or the next *simchah*—so your emergency fund

The bottom line

CDs are safe and straightforward. They give your money a guaranteed boost without risk if you leave it in for the set time. Whether it's three months or three years, a CD helps you plan for the expenses you know are coming.

Instead of scrambling at the last minute or dipping into emergency funds, you can let the CD mature right on time and put the money to work for its exact purpose. That structure makes saving easier, steadier, and far less stressful. ●

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Unlocking Finance Strategies

Small Savings, Big Blessings: Custodial Accounts

RIVKA RESNIK

Big milestones—making weddings; purchasing cars, apartments, and first homes—all come with big price tags. Those moments can feel far away when children are young, yet they tend to arrive much faster than parents expect. Putting aside money early, even in small amounts, can make the difference between a smooth transition into adulthood and one weighed down by financial stress.

That's where custodial accounts come in. This type of account is opened in a child's name but managed by a parent or guardian until the child becomes an adult (usually age 18 or 21, depending on the state). The money belongs to the child from the start, and once the account matures, the child take complete control. That's why it helps parents to set expectations early. By talking about the account as children grow, they'll understand that it's not extra cash to spend carelessly but a gift meant to help them step into adult life with security and purpose.

You don't need large deposits to get started. Custodial accounts grow steadily through small, simple contributions.

Two ways to start

1 Start small and steady:

Even \$10 or \$20 at a time adds up. Deposits from skipped takeout, birthday money, or unexpected gifts can go straight into the account. Over time, those small amounts build into something meaningful.

2 Save windfalls, not just income:

Tax refunds, bonuses, or cash gifts can accelerate growth when directed into custodial accounts instead of everyday expenses.

Instead of stepping into adulthood empty handed, let your children enter with money that has been building slowly over time



Why this saves you serious money

Provides a head start

Children enter adulthood with resources already set aside for tuition, a car, rent, or a down payment. They don't have to begin from zero.

Benefits from compound interest

Even small early contributions have decades to grow, turning modest deposits into something substantial.

Prevents debt at milestones

Parents don't have to borrow, dip into retirement, or rack up credit card bills to cover significant expenses.

Reduces stress for parents

Instead of scrambling at the last minute, families can celebrate milestones with joy, confident that the costs are already covered.

Teaches lifelong responsibility

Children learn that financial security grows from planning rather than quick spending.

Do the math

Saving \$25 monthly from birth until age 21 equals \$6,300 in contributions. With growth, the balance could reach \$15,000 or more. Multiply that by several children, and the difference is life-changing—for children, because they begin adulthood with resources in place; and for parents, because it prevents last-minute debt and financial pressure.

Beyond the savings

Custodial accounts are a steady, intentional preparation. Parents who save consistently can tell their child, "We've been putting this away for you so that when you're ready for adult life—whether it's school, a car, rent, or a first home—you'll have something to build on."

Once money goes into a custodial account, it legally belongs to the child. That assurance is what makes it so valuable. It ensures that the money is set aside for the child's future. Unlike education-only savings plans, custodial funds are flexible and can be used for any expense that benefits the child.

This money is a gift with a purpose—a foundation for their future, not just extra spending money. Framing it early helps children see the account as something to build on, not to spend quickly.

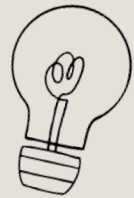
A real-life trick

Automate your deposits. Even \$10 a week adds up quickly without the temptation to spend it. Another easy strategy is to earmark extras—birthday checks, rebates, or small windfalls—and place them straight into the account before they blend into everyday spending.

Setting clear goals also helps. Whether you're saving for tuition, a car, or rent, knowing what you're working toward keeps you motivated. And as the balance grows, tracking your progress reinforces the habit and shows how small, steady steps can lead to big results.

Creative Capital tip

Open a custodial account for each child or grandchild. Small deposits add up, and with time, the growth becomes significant. The earlier you begin, the stronger the foundation you'll be giving them, a gift that grows with time.



The bottom line

Custodial accounts give children a strong financial start. Instead of stepping into adulthood empty-handed, they enter with money that has been building slowly, over time. That cushion eases the pressure on both parents and children and reminds them that stability grows from small, steady choices. ●

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Unlocking Finance Strategies

Sinking Funds: Plan Ahead, Stress Less

RIVKA RESNIK

Most big expenses aren't really a surprise. You know they're coming—new tires, camp tuition, Yom Tov shopping, or a bar mitzvah. The real surprise is how stressful they feel if you're not prepared.

That's where a sinking fund comes in. A **sinking fund** is money you set aside in advance for specific, expected costs. Unlike an emergency fund, which covers true surprises, a sinking fund covers the expenses you can plan for. By **saving bit by bit**, the money is ready when the bill arrives so it doesn't wreck your budget or push you into debt.

Think of it as *menuchas hanefesh* you build slowly. Instead of dreading the next big bill, you can handle it calmly—knowing the money is already waiting.

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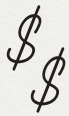
Two ways to start

1 Pick one expense

Choose an upcoming cost, like camp tuition or new tires, and open a separate account or envelope just for it. Start setting aside a set amount each week or month.

2 Divide big bills into small pieces

Take the cost of an expense—say, Yom Tov shopping—and break it into smaller amounts. Set aside a manageable portion each month so the money is already there by the time Yom Tov arrives.



Why this saves you serious money

Avoids credit card debt:

Saving in advance means you don't need to borrow or pay interest: no surprise bills, no balances dragging on for months, and no money wasted on finance charges.

Reduces financial stress:

Big expenses feel manageable when you've been preparing for them. Instead of a wave of worry, you'll feel calm knowing the money is already waiting.

Keeps emergency funds intact:

Predictable costs don't eat into money meant for true emergencies. Your rainy day fund stays untouched for the unexpected, like medical bills or car breakdowns.

Brings peace of mind:

With money already set aside, milestones and seasonal expenses become enjoyable instead of stressful. You can focus on the *simchah* or event itself, not the pressure of paying for it.

Encourages better budgeting:

Planning for specific expenses builds the habit of looking ahead instead of reacting at the last minute. It trains you to break large costs into smaller, manageable steps.

Do the math:

If camp tuition is \$3,500 and you expect another \$250 for clothes, sneakers, and extras, the total is \$3,750. Saving \$312 a month for 12 months covers the full cost. The money is ready when camp arrives—no scrambling, debt, or stress.

Beyond the savings

Saving a little at a time also changes how you think about expenses. Instead of being caught off guard, you feel prepared. Large, stressful costs are broken down into smaller, manageable ones, turning big bills into planned events instead of financial emergencies.

One easy trick is to give your sinking funds nicknames. Call one "Simchah Fund," another "Future Car" or "Camp Tuition." When the account has a name, it feels more real and reminds you why you're saving.

A real-life trick

Many people keep sinking funds in a high-yield savings account so the money stays safe, earns interest, and doesn't get mixed into everyday spending. You can even set up multiple sinking funds at once—just be sure to start small so you don't overwhelm your budget. Automating transfers makes the process easier; before long, you'll barely notice the money leaving your checking account.

Creative Capital tip

Pick one expense and start a sinking fund for it today. It doesn't take much—\$25 monthly is enough to see progress. When the expense finally arrives, you'll feel relieved that the money is already waiting.



The bottom line

A sinking fund is a simple tool, but it works. By saving a little at a time, you avoid credit card debt, keep your emergency fund for real emergencies, and stop feeling blindsided by big bills. The best part is that what once felt overwhelming now feels manageable—because you've already prepared for it. ●

CREATIVE CAPITAL

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Unlocking Finance Strategies

Ditch the Fees:

Credit Cards That Cost More Than They're Worth

RIVKA RESNIK

Credit card companies love annual fees. Why? Because most people don't get back enough value to cover them. You pay \$95, \$250, or even \$500 yearly just to carry the card. Unless you fully use the perks, that's money straight from your pocket to theirs.

An annual fee is exactly what it sounds like: a yearly charge to keep the card open, no matter how much or how little you use it. Some cards offer benefits that outweigh the fee, but if the math doesn't work in your favor, the card costs you more than it's worth. Premium cards can be worthwhile if you travel often and take advantage of all the extras—like free lounge access, travel credits, or TSA PreCheck—but if you're not using those perks, you're paying for benefits you don't need.

Premium cards can be worthwhile if you take advantage of all the extras but if you're not using those perks, you're paying for benefits you don't need

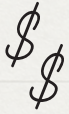
Two ways to start

1 Do the math

Pull out your last statement. How much did you pay in annual fees this year? Now check your rewards. Did you earn more than the fee? If not, the card is draining your wallet.

2 Switch to a no-fee card

If the perks don't outweigh the cost, look for a no-annual-fee card instead. Many no-fee cards offer cash back, rewards, or travel points without the yearly charge.



Why this saves you serious money

Wasted rewards:

Maybe you signed up for a travel card to earn miles to fly to Eretz Yisrael. But if you don't fly often or find cheaper tickets on another airline instead of the one your card is tied to, those miles sit unused while the annual fee keeps hitting your bill.

Sneaky charges:

A \$95 fee here, \$250 there—multiply that by a few cards, and you could be throwing away hundreds of dollars every year.

Better alternatives:

Many no-fee cards offer solid rewards programs. Even if they pay a little less, you come out ahead without the annual cost eating into your earnings.

Simpler finances:

Dropping high-fee cards means fewer bills to track, fewer overspending temptations, and less clutter in your wallet.

The math:

For example, a card charges \$95 annually and gives you 1.5 percent cash back. You'd have to spend over \$6,300 to break even on that fee. If you don't spend that much or spread purchases across multiple cards, you're losing money.

Beyond the savings

Ditching fee-heavy cards isn't just about saving cash—it's about reducing stress. One less annual charge means one less bill to cover, one less surprise on your statement, and one less account to manage.

It also helps cut temptation. With fewer perk cards dangling bonus categories, it's easier to shop based on your needs, not just to chase points. That shift makes spending calmer, clearer, and more controlled.

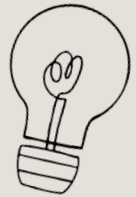
A real-life trick

Don't assume the fee is fixed. Call your credit card company and ask if they'll waive or reduce it. Many banks would rather keep you as a customer than lose you altogether. Sometimes, they'll even offer bonus points or a retention perk to make you stay.

If not, be ready to close the card or downgrade to a no-fee version. Downgrading is usually a better move because it keeps the card open, which protects your credit history and available credit limit. Canceling a card, on the other hand, can slightly lower your credit score by reducing your available credit and shortening your account history.

Creative Capital tip

Review your credit cards once a year; if a card's perks don't beat the annual fee, downgrade or cancel it. A no-fee card with smaller rewards often saves you more in the long run.



The bottom line

Annual fees only make sense if the perks outweigh the cost. If you're paying for miles you don't use or rewards that don't cover the fee, the bank is winning—not you. Premium cards can pay off if you fully use their benefits, but for most people, a solid no-fee card is the smarter choice.

Take a hard look at what your cards really cost. If the numbers don't add up, it's time to simplify. Ditch the fees, keep the rewards that work, and put the savings back in your pocket, where they belong. ●

CREATIVE CAPITAL

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Unlocking Finance Strategies

Stop Paying Interest and Late Fees

RIVKA RESNIK

Credit card companies love two things even more than annual fees: interest charges and late fees. Together, these charges add up to billions of dollars each year—money that could have stayed in family budgets instead. And the worst part? They don't buy you anything new; they just make your past purchases more expensive.

Here's how it works: When you swipe a credit card, you're spending the bank's money. If you pay the full statement balance by the due date, you avoid extra charges. But if you carry even part of the balance, the bank adds interest to what's left. Interest is simply the cost of borrowing the bank's money. Most cards charge high rates—often 18 to 25 percent or more. If you miss a payment, you'll be charged a late fee of \$25 to \$40, with the chance of an even higher interest rate. That one mistake can add hundreds of dollars in extra charges.

Two ways to start

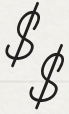
1 Pay in full

The smartest move is to pay your balance in full every month. That way, the bank earns nothing from you.

2 Automate (and remind)

Life gets busy, and forgetting a due date happens. Set up automatic payments for at least the minimum due, then pay the full balance whenever possible. Add text or email reminders to double-check your balance before the due date. This one step eliminates late fees.

Avoiding interest and late fees not only saves money but also makes managing your finances easier



Why this saves you serious money

Interest piles up fast.

Carrying a \$2,000 balance at 20 percent interest adds more than \$400 a year in charges. That's money you give away without getting anything back.

Late fees sting.

Missing just two payments can tack on \$70–\$80 for nothing more than being late. The fee doesn't reduce your balance; it simply takes money you could have used elsewhere.

Penalty rates hurt.

One late payment can push your interest rate from 20 to 30 percent. On a \$2,000 balance, that's an extra \$200 in interest every year, making it even harder to catch up.

Credit scores matter.

Paying late can damage your credit score. Even one late mark can stay on your report for years, raising the cost of future loans or even affecting job opportunities.

Do the math.

Imagine carrying a \$5,000 balance and missing a payment. The bank adds a \$40 late fee, and with a month of interest, the extra cost is close to \$150. Repeat that a few times a year, and you've wasted hundreds of dollars without lowering your balance at all.

Beyond the savings

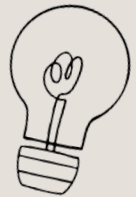
Avoiding interest and late fees not only saves money but also makes managing your finances easier. Carrying a balance adds pressure and makes it harder to manage your budget. Paying on time and in full keeps your credit card simple—useful for everyday purchases without the extra stress.

A real-life trick

If you're already carrying a balance, don't assume you're stuck with the rate printed on your statement. Call your credit card company and ask if they can reduce it. Many issuers will agree, especially if you've been a good customer who usually pays on time. Even lowering your rate by a few percentage points can mean saving hundreds of dollars over the course of a year.

Creative Capital tip

Set up automatic payments for the full balance each month, or at least more than the minimum. This prevents late fees and reduces interest charges. Even one missed payment can cost you money unnecessarily.



The bottom line

Credit cards aren't the problem—the debt comes from interest and fees. Banks make money when people don't pay on time. You avoid those charges if you pay your bill in full each month. That way, the card stays useful for everyday spending instead of turning into extra debt. ●

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Unlocking Finance Strategies

Balance Transfers

Smart Strategy Or Debt Trap?

RIVKA RESNIK

When credit card debt starts to build, a balance transfer credit card can look like an easy fix. It means moving the debt you owe on one credit card to another that offers a temporary 0 percent or low introductory interest rate. You don't pay interest for a set period—often 12 to 18 months—so your payments go directly toward reducing the balance. It can work, but only if you know the terms. If you miss the details, the same offer that seemed like relief can cost you more.

To understand why this matters, it helps to look at how credit cards work. When you use a credit card, you're borrowing money from the bank. If you pay the full balance by the due date, you avoid interest. But if you carry even part of the balance, the bank charges interest—a fee for continuing to borrow their money. You'll also see the term *APR* (annual percentage rate) in balance transfer offers. It's simply the yearly interest rate the card charges if you don't pay in full. For example, if a card's APR is 20 percent, carrying a \$1,000 balance for a year would cost about \$200 in interest. A balance transfer pauses that interest charge for a limited time, giving you a chance to catch up.

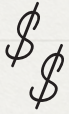
Two ways to start

1 Pay down during the promotional period

A balance transfer only helps if you use the interest-free period to tackle the debt aggressively. Divide what you owe by the number of promotional months and set that as your payment goal.

2 Check the fine print

Most balance transfers charge a fee of 3–5 percent of the amount moved. If you transfer \$5,000, that's \$150–\$250 upfront. Add in the regular APR after the promotional period ends, and you'll see why reading the details is critical.



Why this saves you serious money

Make real progress.

Without interest piling up, every payment goes directly toward reducing the balance. Paying \$400 monthly on a \$5,000 transfer could clear the debt in just over a year.

Lower stress.

Watching the balance shrink (instead of mostly covering interest) makes it easier to stay motivated.

over—making the transfer more expensive than leaving the debt where it was.

Beyond the savings

A balance transfer doesn't erase your debt—it just moves it. The danger is feeling like you've solved the problem when all you've done is delay it. If you keep using credit to cover everyday expenses, you could have more debt than when you started. Used wisely, balance transfers buy time to pay down what you owe. Used carelessly, they create an even bigger financial mess.

A real-life trick

If you decide to transfer a balance, don't leave the old card open for spending. Put it away, freeze it, or cut it up so you're not tempted to use it again. Otherwise, you'll owe on two cards instead of one, and the quick fix you were hoping for will only worsen the problem.

The trap

If you only make minimum payments or keep spending on the card, the balance will still be there when the promotional period ends—and the high rate will kick in, leaving you worse off than before.

Do the math. Suppose you transfer \$5,000 at 0 percent for 15 months with a 3 percent fee (\$150). If you pay \$333 monthly, the balance is gone before the promotional period ends, and you save hundreds in interest. But if you pay only \$100 a month, you'll still owe \$3,500 when the higher rate takes

Creative Capital tip

Before signing up for a balance transfer card, figure out how much you'll need to pay each month to clear the debt within the promotional period. If it fits your budget, it may be worth it; if it doesn't, look for other ways to tackle your debt.



The bottom line

Balance transfers can be helpful, but they aren't a cure-all. They only work if you pay the balance before the promotional period ends and avoid adding new debt. Without that discipline, the offer that looked like relief can quickly become another costly setback. ●

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Unlocking Finance Strategies

Cash Back and Rewards: How to Earn Perks Without Paying the Price

RIVKA RESNIK

Credit card companies want your business, and one way they attract customers is by offering rewards. Cash back, airline miles, hotel points, store discounts, and even extras like airport lounge access or rental car upgrades can make spending feel like it pays you back. Used carefully, rewards can be a nice bonus. Using them carelessly can tempt you into overspending or carrying balances that cost far more than the rewards are worth.

There are two main types of reward cards, and it helps to know how each one works. A cash-back card gives you money back based on a percentage of what you spend. For example, with a 2 percent cash-back card, every \$100 purchase earns you \$2. That may not seem like much at first, but when you use the card regularly, the rewards add up. Over the course of a year, a family spending around \$1,500 a month could get about \$360 back. A rewards card works similarly but offers points or miles instead of cash. Those points can be redeemed for travel, merchandise, gift cards, or other perks. Both types of cards can save you money—but only if you pay your balance in full and avoid interest and late fees.

Two ways to start

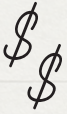
1 Pick a simple cash-back card.

If you're new to rewards, start with a card that gives the same percentage back on everything. It's easy to use and has no complicated rules.

2 Match the card to your spending.

If you spend a lot in certain areas—like groceries or gas—choose a card that offers higher rewards in those categories. Don't spend more than you usually would to earn points.

Cash-back and rewards cards can be valuable tools, but they only work if you manage them carefully



Why this saves you serious money

Cash in hand

A cash-back card that pays the same percentage on every purchase—for example, 2 percent on everything—works like a small discount each time you shop. Over a year, those little amounts can add up to hundreds of extra dollars.

Travel perks

Airline or hotel cards can save thousands if you travel often, especially when combined with free baggage, lounge access, or hotel upgrades.

Discounts and extras

Some cards add benefits like extended warranties, rental car insurance, or special shopping discounts that can save money in unexpected ways.

Do the math

If you spend \$800 a month on groceries and gas using a 3 percent rewards card, you'd earn about \$288 back in a year—savings you wouldn't see if you paid with cash or a debit card.

Beyond the savings

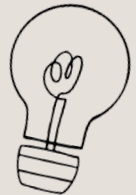
Rewards are designed to encourage you to use your card more often, which can make spending feel easier than it really is. They only save you money if you pay your balance in full each month. Once interest or late fees enter the picture, the value of the perks disappears. The smartest way to look at rewards is as a bonus for purchases you plan to make—not an excuse to spend more.

A real-life trick

Give your rewards a purpose. For example, use cash back for Yom Tov shopping or points toward a family vacation. Setting rewards aside for something specific makes them feel like a bonus instead of a reason to overspend. And always set up automatic payments so you never miss a due date. That way, the rewards you earn stay a benefit, not an added cost.

Creative Capital tip

Choose one rewards card that fits your regular spending and commit to paying it off each month. Put the rewards toward a specific goal—like travel, Yom Tov expenses, or a family outing—so the perks become meaningful instead of encouraging overspending.



The bottom line

Cash-back and rewards cards can be valuable tools, but they only work if you manage them carefully. The perks are only worthwhile if you pay the balance in full each month. The interest will almost always outweigh the rewards if you carry a balance. ●

CREATIVE CAPITAL

Unlocking Finance Strategies

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Credit Scores: Protect Yours and Save Money

RIVKA RESNIK

You've probably heard people say your credit score matters, but what does that mean? In simple terms, your credit score is like a financial report card. A three-digit number, usually between 300 and 850, tells lenders how trustworthy you are with borrowed money. The higher the score, the less risky you look—and the more money you save.

A credit score is calculated using your borrowing history: how much debt you have, how often you pay on time, and how long you've been using credit. Other parts include whether you've recently opened new accounts and the mix of credit types you use—but payment history and keeping balances low are the most significant.

Lenders, landlords, and even insurance companies check your score before deciding what to offer you. A high score can get you a lower interest rate on a loan or better terms on a credit card. A low score, on the other hand, can mean paying much more for the same loan—or even being denied altogether.

Your score is based on your credit report, a detailed record of your borrowing history: credit cards, student loans, car loans, mortgages, payment history, and whether you've missed or made late payments. Three companies—Equifax, Experian, and TransUnion—collect this information and issue reports. You're entitled to one free credit report per year from each of them through AnnualCreditReport.com. Reviewing these reports helps you catch mistakes or signs of identity theft that could hurt your score.

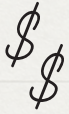
Two ways to start

1 Pay on time, every time.

On-time payments are the single most significant factor in your credit score. Even one late payment can drop your score and stay on your record for years.

2 Keep balances low.

Lenders look at your credit utilization—how much of your available credit you use. Keeping balances below 30 percent of your limit shows you can borrow responsibly.



Why this saves you serious money

Lower interest rates

With a high score, you might pay 5 percent interest on a car loan instead of 10. Over five years, that difference can save you thousands of dollars.

Better loan approvals

A strong score makes it easier to qualify for mortgages, car loans, and even rental housing.

Fewer fees

People with lower scores are often asked to pay higher security deposits for utilities or apartments.

Do the math. Imagine two people each borrow \$10,000 for a car. One has a strong score and gets a 6 percent rate; the other has a poor score and gets 14 percent. Over a five-year loan, the first pays about \$1,600 in interest, while the second pays over \$3,900. That's a difference of more than \$2,000—just because of credit score.

Beyond the savings

Your credit score doesn't just affect borrowing—it can show up in other parts of life too. Employers, landlords,

and insurance companies sometimes look at your credit history when making decisions. A higher score makes it easier to qualify for loans, housing, and even jobs. A lower score can make those things harder.

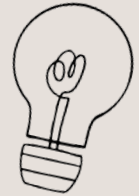
The good news is that credit scores can change, and with steady habits, you can improve yours over time.

A real-life trick

Set up payment reminders. A text, calendar alert, or automatic payment keeps you from missing a due date. Even one late payment can hurt your score, so building reminders into your routine is a simple safeguard.

Creative Capital tip

Check your credit report once a year at AnnualCreditReport.com. It's free and only takes a few minutes. By reviewing it, you can catch mistakes or unusual activity before it causes damage. Keeping your report accurate helps your score, and that stronger score can save you real money—whether it's through lower interest on loans, better chances of getting approved, or avoiding extra fees.



The bottom line

Your credit score affects nearly every financial decision—from buying a car to renting an apartment to getting a loan. Paying on time and keeping your balances low protects your score and saves you money in the long run. ●

Rivka Resnik is the author of three financial literacy textbooks—one for middle school and two for high school—available at cost price to any Jewish school through the OU and Living Smarter Jewish.

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Unlocking Finance Strategies

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Emergency Funds: Your Best Financial Safety Net

RIVKA RESNIK

Sometimes life throws an expense at you when you're not ready. The car breaks down, the fridge stops working, or a dentist's bill appears in the mail. If you don't have savings set aside, the only options are credit cards and borrowing, which can quickly add to your money worries. An emergency fund changes the situation by giving you something to fall back on. It provides a safety net, making it easier to cover the bill without going into debt.

An emergency fund is money saved for problems you didn't plan for. It isn't for vacations or shopping; it's for true emergencies that can't be delayed, like fixing your car so you can get to work or paying a dentist when you need care right away. While saving three to six months of living costs is the long-term goal, even \$1,000 or \$2,000 makes a difference. Having that amount on hand means you can handle an urgent expense without turning to credit cards or loans.

Two ways to start

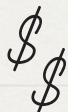
1 Start small.

If saving several months of expenses feels impossible, begin with a smaller goal. Even \$25 or \$50 a month adds up. Within a year, you'll have a few hundred dollars, enough to cover a minor emergency. Hitting that first target builds confidence and makes it easier to keep going.

2 Direct windfalls.

Tax refunds, bonuses, or birthday money can jump-start your emergency fund. Instead of spending it all, put some aside. Combining steady deposits with occasional windfalls helps your fund grow faster.

An emergency fund provides a safety net, making it easier to cover the bill without going into debt



Why this saves you serious money

Avoids high-interest debt

Many people reach for credit cards in a crisis, but interest makes the problem worse. An emergency fund lets you pay right away without piling up debt.

Protects your budget

Emergencies can derail even careful plans. With savings in place, you can cover the surprise and still pay rent, utilities, or tuition on time.

Keeps you from borrowing

Asking relatives for loans or turning to payday lenders creates stress.

Reduces financial stress

Knowing you have money set aside brings peace of mind. Even minor emergencies feel manageable when you already have a plan.

Do the math

Imagine your car suddenly needs \$1,200 in repairs. Without savings, you might put it on a credit card at 20 percent interest. If it takes a year to pay off, you'll spend about \$1,350—\$150 more in interest. With an emergency fund, you pay the bill right away with no extra cost.

Beyond the savings

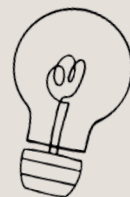
An emergency fund gives you more than money to pay a bill. It prevents a small setback from becoming a bigger problem. With savings ready, you can cover the cost without delaying payments or scrambling for a loan. It also means you're not forced into hasty decisions when something unexpected comes up.

A real-life trick

Keep your emergency fund separate from your checking account. Some families label the account "Emergency Only" to remind themselves not to spend it on everyday costs. Automatic transfers are another smart tool; moving even \$10 a week quietly builds your fund until it becomes a safety net.

Creative Capital tip

Aim for a first target, like \$500, and then build toward one month of expenses. Put money aside regularly, and add extra whenever you get a bonus, tax refund, or gift. Each deposit, no matter how small, means less borrowing later.



The bottom line

An emergency fund is one of the best ways to stay steady when life throws something unexpected your way. It keeps you out of debt, protects your budget, and makes surprise expenses easier to handle. The key is to start building it now—small amounts add up over time, and what matters most is knowing the money is there when you need it. ●

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Unlocking Finance Strategies

Save Your Money:

Buy Now, Pay Later: The Real Cost of Easy Payments

RIVKA RESNIK

Buy Now, Pay Later (BNPL) plans are everywhere: “Pay in 4 easy installments,” “Interest free for 6 months,” or “Split the cost at checkout.” They sound like an easy way to get what you want without straining your budget. But these programs aren’t free money. They can lead to overspending, fees, and even damage to your credit if you’re not careful. For many shoppers, BNPL feels different from using a credit card, but the risks are very similar, and in some cases even higher, because payments are so easy to forget.

BNPL allows you to spread out the purchase cost over several smaller payments instead of paying the full price up front. Some plans last only a few weeks, while others extend over several months. While the setup feels convenient, it often encourages people to spend more than they intended. And if a payment is missed, the added fees or interest can quickly make the purchase far more expensive than expected.

Two ways to start

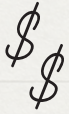
1 Limit BNPL use.

Save it for actual needs, not wants. Setting this rule helps avoid impulse buys.

2 Track your payments.

With multiple BNPL purchases, it’s easy to lose track. Keep a list, write them down, or set reminders. Treat each plan as a bill in your budget so you don’t get hit with fees.

“For many shoppers, BNPL feels different from using a credit card, but the risks are very similar, and in some cases even higher, because payments are so easy to forget.”



Why this saves you serious money

Avoids extra charges

“No interest” only applies if every payment is on time. Miss one, and fees or high interest rates can apply.

Keeps spending in check

Smaller payments make a purchase look cheap, but the total cost remains unchanged. Remembering the full price helps prevent you from buying more than you planned.

Protects your credit

Late BNPL payments may be reported to credit bureaus, lowering your score and raising borrowing costs later. Once your credit score drops, rebuilding it can take years of on-time payments.

Keeps your budget balanced

Treating BNPL like debt—because it is debt—helps you avoid juggling too many payments simultaneously.

Do the math

Buy \$600 in clothing and split into four \$150 payments. Miss one, add a \$25 late fee, and it now costs \$625. Repeat this with several purchases, and you could waste hundreds on items you don't really need.

Beyond the savings

BNPL can sometimes help with timing, but it also makes spending easier without thinking. Because payments are broken up, purchases feel smaller than they are. That's why many people buy more than planned. It's not unusual for someone juggling three or four BNPL plans to realize they owe more each month than if they had just used a single credit card.

Clicking “Pay Later” at checkout also skips the pause you'd typically take before spending cash or using a debit card. Over time, those small choices add up to cluttered finances and unnecessary debt. The smarter move is to stop and ask: Do I really need this, and can I pay for it now?

A real-life trick

Before clicking “Pay Later,” ask yourself if you could cover the full price today. If not, it may be better to wait. Building in that pause keeps your choices clear and helps you spend with purpose.

Creative Capital tip

Only use BNPL when you can cover the payments. Track each plan like a bill, and if you notice you're using it a lot, cut back before it causes problems.



The bottom line

BNPL may seem convenient, but it's still debt. The payments feel small, yet missed deadlines and extra fees can quickly undo the benefit. BNPL can work if you use it rarely and pay on time. But leaning on it too often turns convenience into extra debt. ●

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Unlocking Finance Strategies

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Don't Overpay for Insurance

RIVKA RESNIK

Insurance protects your family from financial shocks like medical bills, car accidents, home damage, or even loss of income. It's a necessary part of a strong financial plan. But many people spend more than they need to because they don't understand their coverage, carry overlapping policies, or forget to shop around. Over time, those extra costs can add up to thousands of dollars.

The goal of insurance is protection, not overspending. You want enough coverage to handle real risks without paying for extras you don't need. Whether it's auto, home, health, or life insurance, reviewing your policies and making smart choices keeps you covered while saving money.

Two ways to start

1 Review your policies annually.

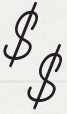
Most people set up insurance once and never look at it again. But life changes, such as marriage, the birth of children, a new car, or moving homes, can affect your needs.

Take time each year to review your policies and make sure you aren't paying for outdated or unnecessary coverage.

2 Shop around.

Don't assume your current company offers the best deal. Compare prices every couple of years. Many insurers give discounts for bundling auto and home, maintaining good credit, or driving safely. A little comparison shopping can cut your premiums without reducing protection.

You want enough coverage to handle real risks without paying for extras you don't need



Why this saves you serious money

Avoids duplicate coverage

Some benefits overlap, such as roadside assistance through your car warranty and auto policy. Canceling one helps you avoid paying twice.

Keeps deductibles reasonable

A deductible is what you pay out of pocket before insurance helps. Choosing a slightly higher deductible usually lowers your monthly premium. If you have an emergency fund to cover it, you save money without adding much risk.

Protects your budget

Overpaying for insurance locks you into higher bills. Adjusting coverage to your real needs can free up hundreds of dollars annually.

Do the math

Imagine you pay \$3,800 a year for car insurance. Shopping around gets you the same coverage for \$3,400. That's \$400 saved yearly, or \$2,000 over five years. Add savings from bundling or adjusting deductibles, and the difference can be even greater.

Beyond the savings

Insurance isn't about finding the cheapest option; it's about finding the right fit. Too little coverage leaves you vulnerable, while too much coverage drains your wallet. The smartest choice is balance:

enough protection to shield your family without extras you'll never use.

It also helps you feel prepared. When you know what your insurance covers, a sudden event such as a car accident, a health issue, or storm damage doesn't become a larger financial shock. You can handle the expense without worrying about the full bill.

Another benefit is reducing financial clutter. Many families carry more than one policy covering the same thing, such as duplicate travel insurance, extended warranties, or overlapping health coverage. Simplifying your policies makes bills easier to manage and gives you confidence that you aren't wasting money.

A real-life trick

Bundle when it makes sense. Many companies offer discounts if you buy auto and home insurance together, but bundling isn't always the cheapest option. Get quotes both ways, bundled and separate, and choose whichever gives better value.

Also, ask about hidden discounts. Insurers often reduce rates for safe driving, security systems in your home, or even good grades if you have a student on your policy. Small savings add up and can shave hundreds off your yearly premiums.

Creative Capital tip

Plan an insurance review once a year. Get a few quotes, ask about discounts, and check your deductibles. A quick checkup can put real money back in your pocket while keeping your coverage solid.



The bottom line

Insurance is important, but that doesn't mean you should pay more than necessary. By reviewing your policies, comparing prices, and cutting coverage you don't need, you can keep the protection your family relies on without overspending. ●

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