

# Episode 15: A Heartful Approach to Financial Literacy with Jon Alvarado [unedited]

**Christy Keating** 00:08

Hi friends and welcome to The Heartful Parent Podcast. I'm your host, Christy Keating. In this podcast, we talk about it all, our parenting, our partnering and our professional lives, because they are all a part of us. And we were never meant to do this alone

**Christy Keating** 00:41

Hello, hello, hello friends. And welcome back to The Heartful Parent Podcast. Today we are talking about money, money, money, money, and how to talk to our kids about money. To do this, I'm really excited to introduce you to my good friend and colleague, Jon Alvarado.

Jon implements his decade plus of years of teaching experience to provide a financial literacy course that helps both students and their families break barriers. He's a recipient of the University of Nebraska at Lincoln College Preparatory Academy, Teacher of the Year award. And Jon has worked with over a thousand of diverse students and their families to provide connected instruction in both math and financial literacy.

Jon uses his powerful combination of grace, empathy, psychology, and financial literacy skills to teach you and your kids to increase your self worth and your net worth. A strong believer that we are all human beings, not spreadsheets, Jon is always poised and ready to show us how to tap into our earning potential. Jon is a certified minority enterprise business owner. And as that understands the challenges and barriers that poverty presents mentally, emotionally and financially, his mission is to educate, empower and elevate all of us, and our financial literacy skills to increase our self worth and net worth.

As I said, in this conversation, you know, to say we're going to talk about money doesn't really do it justice. Here's what I love about what Jon and I dig into. And what you're about to hear is we're not just talking about hard money, financial skills. But Jon brings such a human touch to his approach to financial literacy and teaching our children about finances and being financially aware and, and savvy and wise and literate, and all of those things. Because what he says and this is so in keeping with everything that I teach, is that connection, and empathy, empowerment, and a positive mindset are really at the heart of all of it.

Jon helps, helped me and I think will help you reframe the way that we think about money. And going from a really a deficit and negative mindset into a positive, empowered, mindset based in abundance, and how we can really start to influence our kids from that place of abundance, rather than a place of fear and deficit.

So without further ado, I introduce Jon Alvarado.

Jon, Jon, Jon, I'm so excited to have you here. Welcome to the Heartful Parent Podcast.

**Jon Alvarado** 03:50

Christy, it's always great to see you. Thank you so much for having me on. And I can't wait for this conversation and a special hello to your listeners today.

**Christy Keating** 04:00

Well, thank you for being here. You know, as you and I have talked quite a bit off line or you know, off this podcast, about the importance of financial literacy, but it's something that we don't talk a lot about in parenting circles. And I felt like this is a conversation that can be so valuable. So I want to start, you know, obviously, this is something that you are immersed in on a daily basis. You talked about this stuff all the time. But most of us don't write most of us as parents are so busy dealing with all the other things right, the tantrums and whether that's a teenage tantrum or a toddler tantrum, you know, managing screen time, you know, managing behavior dealing with school. I think a lot of us and I put myself in this category. Forget that there's this really big piece out there that our kids need guidance on and that's financial, health and financial literacy. Aside from being busy, I'd love to start with this question, which is, why don't parents or, you know, in your experience, or you see that families aren't having these conversations talking about money? Talking about finances?

**Jon Alvarado** 05:16

Yeah, that's it's such a great question. And very validating to what you described earlier to have all those, all those things matter, right. Part of the challenge too, is just how finances kind of evolved. And so you know, the number one thing I always hear is, you know, I wasn't taught this growing up, or my parents didn't teach it to me, or it wasn't taught to me in school, which is still sometimes the case.

But to think back to like, one of the investment vehicles, the Roth IRA wasn't even a thing until 1998. And when you think about time, that's only, you know, 20 to 25 years, where people are still trying to wrap their head around the idea that, Oh, there's this investment thing here for me to invest in, oh, now I can start to think about money differently, oh, I can help my money grow, where those come, that wasn't even a thing. And so those conversations weren't being had right to be able to look into the future.

And really think about how can we grow our money through investment? What else then comes comes with that? What other are there other things that financial education is about and then you realize everything matters, right? Everything can factor into to financial education. So some of its really how finances have just evolved over time?

**Christy Keating 06:35**

You know, I totally relate to that. What you said that you hear from a lot of parents, which is, I was never taught this stuff growing up, and that the financial landscape, if you will, is change so rapidly, I had no idea that the Roth IRA had only been around since 1998. And, and I, you know, I have one, I'm not sure I really know what it is, though. And I think there's a lot of parents that feel like, they're kind of doing these things on autopilot. I'm wondering, though, if this resonates with you at all, because I was, you know, finances were not something that we talked about growing up.

And I sometimes think about it as, like, it falls in the same category as sex and, you know, talking about, you know, body safety, and all of that, which is a parent's don't know how to do it, because they don't feel like they've got the information. But also there's this discomfort with it. You know, I feel like when I was growing up, finances were something for adults, and it wasn't discussed with kids. And it wasn't discussed in polite circles, right? We weren't supposed to talk about money, kind of like sex and bodies and all of that. And I know, those are two totally different subjects. I feel like we have a lot of the same hang ups about them. Does that? Do you see that as well?

**Jon Alvarado 07:59**

Absolutely. There's such an impact there that, you know, you're not you're not talking about those things. Money's not talked about. It's a very emotional, polarizing topic. Very sensitive. You know, oftentimes, where we fall back to in our conversations, is we talk about our limitations with money, when really we should be talking about our leverage with money, right? How can we leverage this? How can we leverage in to accelerate our earning potential.

And so a lot of it comes around just maybe the worst case scenario, that worst case scenario feeling there. And in really financial education, it doesn't have to be like that. And once you get a little bit of education, and that education starts compound, and then you start to realize, oh, you reframe a bunch of things. And it's not as bad as what I thought, in fact, I can use this now to really help put value into people. And I think that's where financial education where we want things going, like you mentioned, some of your other topics that you talked about, you know, the education piece is so so vitally important.

**Christy Keating 09:07**

You know, something that you you said in there just really resonated with me, because what I heard you say, is, we often approach financial education, financial literacy, from really a place of fear, which is also what we tend to approach a lot of other pieces of parenting with, right? We live in a very fear based

culture. And what I heard you say, which is the same thing I say, with other topics, is that we have to kind of flip that script on its head and approach this from a place of empowerment, a place of abundance, and education. So for those parents who are sitting there thinking, Okay, I hear that I hear that, you know, I this is probably something that our kids need guidance on, but I don't have the first clue where or when to start talking about finances, or I can't even really define what financial literacy means. Yeah. Can you talk about that just a little bit? What does it mean? And how do we get started?

**Jon Alvarado** 10:11

Yeah, such a great question. And financial literacy. First off is dynamic, right? It's when you think about the word literacy, you're thinking about education. And there's, it's just your education around finances. Having said that, everything matters with finances, your physical health, your emotional health, yes, the financial piece is there. But it's it's dynamic, where everything matters. And so where your listeners are starting, you know, it depends on what what age, you know, their kiddos at two, it might mean, when your kiddos young talking in the toddler, or the infant stage, where that physical contact is really important to keep, you know, keep them safe, and to show the love and support. All those things that you you describe in your course and talk about those are so important. And they matter in financial literacy.

And then as they get older, let it organically happen. There'll be curious, right? Can we start a bank account? Well, yeah, let's go out, maybe that's the first thing you do is just you just go get him a bank account, right. And then as your education grows, now you can start to maybe talk them through scenarios. And you'd be surprised like, it's maybe more along the lines to have, you're showing them counterintuitive approach to financial literacy is maybe showing them empathy, showing them how to listen, talking them through validating their responses to things. And so it's more opening up communication to that's, that's a huge part of financial literacy. So there's a lot of soft skills that you can incorporate, that maybe don't have anything to appear to do with financial literacy, but have everything to do with financial literacy, as your relationship with your kid grows. That is such a

**Christy Keating** 12:01

lovely way of thinking about this, because I think people hear financial literacy and think money just has to do with money. But what you're saying, and there's so much synergy in what I talk about and teach, and what you're saying. And that's that the connection, and the empathy and the understanding, and the validation, like those are the critical foundation for this broader understanding of the financial landscape out there.

**Jon Alvarado** 12:30

Right. And, you know, finances like we talked about can get, you know, you can get pretty charged around them, it's a very easy topic to with anyone in you and your kids relationship might not be any different. A simple thing that you can do right away is to simply mirror the next time your kid is talking about money, and you feel like there may be a little disconnect, to just start mirroring your kid. And so

you're just going to take the last one to three words of what they talk about. And then you're just going to reframe, or you're just gonna put it back to them. So they might, for example, they might say, you know, mom, dad, I'm really nervous about college, and you say, well nervous about college.

And all that's going to do is just open up lines of communication. And that's going to keep them safe in in being able to explain and you're just getting them to try to go on and go on and go on and go on and and validate them along the way, it sounds like you might be a little confused about this decision. And so being able to put a label on on how they're feeling. Those are very powerful, powerful tools to be able to use with your kid. And what you're doing at a subconscious level is you're teaching them how to listen. And listeners get paid a lot of money, they just do. So that's that's a very simple, very simple thing that parents can start doing that has nothing to do with finances, but everything to do with finances.

**Christy Keating** 13:59

I love thinking about that from that standpoint, and that those skills translate into higher earning potential for our kids, when they can do those things.

**Jon Alvarado** 14:08

For sure. Absolutely. For those parents who

**Christy Keating** 14:12

have older children, say, you know, tweens, teens, maybe even young adults, and you know, maybe they've really been working on these, as you said soft skills, right? The connection, the empathy, the mirroring the listening skills, you know, for the parents listening that say, Okay, I feel like my kid has that down pretty well. We do that pretty consistently in our home. How do we then move on to the more hard skills? Like, what's a Roth IRA IRA, or how do we invest money? You know, or how do I even manage that checking account that we've opened, which is, you know, for full disclosure, my my teen has a checking and savings account that she's had for a number of years now. Um, and that's kind of where we're still at with her is figuring out how, how do I manage this? If I spend this much on gifts for my family and you know, during the holidays? How much money do I have leftover? How do we do that? And do it well? And then where do we need to go from there?

**Jon Alvarado** 15:23

Yeah, so that's, that's really along the education piece, because there's so many skills that you can, you can pick up on and pick up on pretty quick, right. So like, for example, one of the things that if you have a team who's getting ready to go and start their college or career path, whichever is the best fit for them, they're going to want to know about comparison shopping, they're going to want to know about unit price, they're going to want to know about bulk shopping, and they're still the mindset pieces is so critical to have How is obtaining wealth, okay, like that conversation needs to be had to. And so those are all pieces that need to be talked about, in terms of going back to what you said about savings, there

comes a point, when is savings really a goal anymore? Is it now can we move to transition from saving, which is really just a hedge against the risk that that life throws our way to now investing, okay, maybe we don't want your money sitting there anymore, we want to make sure that you start to invest. Because the the powerful thing with the kids is they have time on their side. And there are so many options.

And it's it's easy to want our brain navigates towards that negative bias. And it's also very empowering to know they have time on their side. And there are things in place for them right now to grow their money. And so being able that investment piece, bring that in, just show them a graph of how compound interest works. And have that be like, Yeah, this is what it could look like for you, and talk around compound interest. So yeah, all of those educational pieces around financial literacy then become really magnified as they start to get older.

**Christy Keating 17:14**

You know, it's funny that you mentioned compound interest, because you're talking about it from a wealth building standpoint. And I one of the things I've heard from parents is, you know, the teens or tweens, I should say, young adults really, who go off to college, who don't understand how compound interest with a credit card works. And that that does not work to your advantage. Right? Yeah, they're suddenly getting penalized, bigger and bigger and bigger. And I remember when my daughter as she actually learned about compound interest recently in her math class, and she came home with these big eyes and was like, wow, yeah, that's a big, that is a big deal.

For those, you know, I love that you're talking about approaching this from that wealth building abundance mindset. And I, I think there's a lot of families who, who struggle with that. And, and I will say, as a woman in the world, there's also gender differences, right? I see or feel that a lot of times boys and men are taught to wealth build, and girls and women are not. And I certainly saw that in my own upbringing. And there's like a discomfort with that right with girls and women asking for what they are worth. Absolutely. Right. So how do we have some of those conversations? Especially, you know, for those parents who are saying, well, I'd love to teach this. But I can't teach what I don't know.

**Jon Alvarado 18:49**

Yeah, well, you brought up some fantastic points in just say the the women in the world right now are kicking some serious rear end, and giving, like just keeping that momentum going up of the education. Right, the empowerment, and then that will lead to elevation. And so just continuing to give access, right? It's the access, can we give access to this information to everybody because then everybody, everybody wins.

So I'll go back to a point to that you'd brought up about it because it all kind of ties into what you said about compound interest, and about debt. And so really approaching that from an educational standpoint, because debts not good or bad. Compound interest is not good or bad. It's what you do with

it. Right? So debt is a really I mean, that is a really important topic to wrap your mind around. You know, how are you using debt if debts being used to strictly consume that's where the education of you talking about of of the compound interest may be working against you and that's where you want edification, all right, you don't want the 18 to 20% of your money, that's not a good deal for you. Having said that, when you're getting into college, if you're so debt adverse, there might not be an opportunity for you to grow. And so it goes back to again, that standpoint of like, sometimes we really believe more in our limitations than we do in our leverage, right?

And so being able to leverage maybe the debt to grow, and then so in other words, you're using your problem to solve your problem. Okay, so us, we, we use it to build our wealth, then we use the wealth to pay off our debt. That's more of the mindset that we're trying to get in. And so some of that just as around opportunity, you'll know in your gut, your gut has enough data, enough information to know, is there an opportunity and more chances than not? Yeah, you do have an opportunity. And don't be afraid to leverage that because it's hard to grow at 02. So those are just all the educational pieces, the nuances that come in to financial literacy, and encourage you not to think just right or wrong or an absolute, just how can you? How can you use the education to help benefit you and where you're at?

**Christy Keating 21:12**

You know, that is, I think, such a valid point, because we tend to think of things in absolutes, and bad and good. And what you're kind of highlighting is that there are a lot of things that we might categorize as bad. And I'm putting that in air quotes that we can actually use to further build with a little bit of education and information out there. And I know you do a phenomenal job of teaching young people how to do that. I want to shift gears just a little bit. Because I mean, we could we could dig into the nitty gritty of how do we talk about Roth IRAs and debt and compound interest and investment and stocks and all of those things. And I'm not sure that we need to do that today. So I love that you're putting this in this bigger mindset or framework, I guess. We're thinking about this from a place of our what we have, rather than our deficits. Can you talk a little bit about how we as families, and as we're having these conversations with our children should really be talking about and measuring

**Jon Alvarado 22:24**

wealth? Yeah, that's a that's a great question. And well, this is this was such a powerful reframe that it really, because I think wealth makes people feel very uneasy, obtaining wealth, there's there's stereotypes, you know, there's stereotypes attached to anything, there's stereotypes attached to building wealth to, you know, that it could be stuck up, you just care about yourself, you're selfish, all those things. And that really, that mindset really hinders people I, you know, think from advancing from being able to take the next step, because we are meant to grow, right, as human beings, we're meant to grow. And we're meant to elevate in we, our society needs you to grow and to make more money.

So wealth is measured more in time than anything else, right? If you said, you know, if I asked you is a million dollars, a lot of money is making a million dollars a lot of money. You might say, Well, that

depends, did you make that in a year? Or did it take you 40 years to make a million dollars at \$25,000 a year. And so that little shift there, it's that's how melt wealth, excuse me, as measured is more so in time. And that happens, then pretty quick. You know, you think about your your, if your kid goes off to college, or they start their career, they may not have an income, then all of a sudden, when they finish, they're making five, six, maybe even seven figures. And that happens, that transition happens really fast. And so that is how wealth is measured. And really to encourage you to think about wealth that way, is just it's more measured in time than anything else. And why time is so important in your journey of building wealth.

**Christy Keating 24:13**

Such a key point that I think makes so much sense when you say it, but we don't often think about it like that. We think in dollar amounts, right? He said is a million dollars a lot of money. Well, if I made a million dollars tomorrow, yes, I'd say that feels like a lot of money. But if I, if it takes me 40 years to earn it, as he said, that's a really different picture that you've painted. So let's talk a little bit about, you know, because I as you said, back at the beginning of our conversation, there are a lot of emotions wrapped up when it comes to money and talking about money and wealth and you know, generating wealth. And as you also just said, there's a lot of stereotypes there too.

So, you know when we're talking about wealth Some other words that come up a lot are value, and then worth or even worthiness, right? Can you help us parse out those terms a little bit? What's the difference between them? How should we be talking to our kids about them?

**Jon Alvarado 25:17**

Yeah, that's a great question. And it's all again, this is all centered around mindset. It's amazing how much of a mindset shift that needs to happen, that's that it's so critical, right to your financial literacy component there, that first up, you don't have to do anything to explain your worthiness, I mean, you're worthy, because you're here, right? Where financial literacy can come in is in talking to your kids is helping you create value for people, right? When you start creating value for people, and that starts compounding your, your finances will compound with it, there's just no way around it. And you want that to happen, right, you want to make an impact on the world and your skill set is valued. And so that's kind of the line that you're walking in, right? It's not that you're a good or a bad person, because you've made \$10 million, and someone else has made \$1 million, or \$50,000, or \$60,000, that's helping you create value for people. And you're going to see your finances then increase increase as you start to add value to people.

**Christy Keating 26:29**

That is such a, like optimistic and kind of a hopeful place to think about or talk about money from instead of adjust. And I fall into this too, you know, I was joking with my daughter at dinner the other night, because I can't even remember what she said, but something about how she was going to move out on her own. And we weren't even you know, wasn't in a in a like, argument kind of way. She was



just kind of joking about it. And I said, Well, that's great. You know, do you have X? How are you gonna make X number of dollars for rent and carpet, not that she can drive yet. You know, so you're gonna have to pay somebody to drive you around, you know, you're gonna have to pay for your phone and your internet and your and, and I realized now as I'm listening to you talk that I mean, I was trying to sort of give her a dose of reality, right, of what it costs to live. And we live in a particularly expensive part of the country to live in. But I also recognize, after listening to you that I was really approaching that conversation about money from a pool, this is really bad, and you're not gonna have enough and right, this negative right now, and you've just elaborate or sort of illuminated for us how we can think about that from a more positive mindset, a more empowered mindset than I was perhaps offering to my child at the dinner table.

**Jon Alvarado** 27:55

Well, Christy, I think it's a challenge. It's a challenge I have, it's a challenge that every single parent has, you would probably be able to go back to family systems to where again, every I wouldn't say every conversation, but most of the conversations are around scarcity around lack around worst case scenario. And so sometimes it's just having the self awareness to recognize that that's being portrayed. And it may mean then out of 10 conversations, you're just trying to reduce the way you talk about by by two or three conversations where worst case scenario doesn't come in, you're just trying to reframe, right, and maybe just start there. Because it is it's easy to go down or brains wired to go to the negative bias. Again, it is though, just if you can reframe things, if you can look at things a little bit different, you can see things a little bit different, then your mind is open up to possibilities. What you do in a positive mind frame is you're able to solve problems better, you know, when when you're in that negative bias. When you're in that negative mindset, brain wants to shut down. You don't become as innovative, right? You're not as Yeah, innovative, to want to solve problems, and you're definitely empowered, you definitely have the space and the capability to do it. Just to think through different options.

**Christy Keating** 29:20

You know, Jon, there are so many other things we could talk about with this. I feel like that what you just said, is such a lovely place to end this conversation. Because it ends on such a hopeful note and that that empowerment, abundance, optimism is not where we often land when it comes to money. And I just think that's the perfect place to wrap us up today. I want to thank you so much for I mean, really opening my eyes and I have to imagine many of our listeners as well around how we talked about this but for the As people who want more, or who are saying, Okay, I'm ready to dive into this, where can they find you? And what is the best place for them to learn more from all you have to offer?

**Jon Alvarado** 30:13

Absolutely. Well, first off, thank you again for having me on. And it was a pleasure to speak to you and your listeners, just want to let your listeners know that there's, there's excitement for you and your child moving forward, there really is and that you'll be able to get through tough times right there. Tough times will come and go right, you will have them, but to know that you'll be able to power through and

fight through those. So thank you for asking, my website is WW dot teach financial lit.com. I'm on Facebook, Twitter, those are the two main social media links that you can find me, my my email is Jon at teach financial lit.com. I'd love to hear from you. And then we've also include for your listeners today, a free lesson all around mindsets and millionaires, that students absolutely love and your child will absolutely love as well. So that's free for you today just for listening. And you'll have a link for that or for your listeners.

**Christy Keating 31:13**

Absolutely, we will put that link in the show notes. And I will let people know that you've got a longer course about this as well that they can grab on my website, I've got it linked to on my website, as well as yours. I have gone through a part of the course. And it really, really is valuable. Jon, thank you so much for being here. And for the reframe. I think it's a really beautiful reframe around a topic that people don't always love talking about.

**Jon Alvarado 31:41**

Absolutely, thank you so much for having me. And you know, with the your listeners, parent child relationship, just continue to work through any uncomfortable feelings, they will come up, but know that you're going to put your child in a position to really have some financial success down the road. And I wish you all the best. Thanks, Jon. Thank you.

**Christy Keating 32:05**

Thank you so much to all of you out there in Heartful Parent Podcast-Land for being with me today, for listening to the podcast. I'm really grateful to each and every one of you. I really hope that you enjoyed my conversation with Jon Alvarado. Jon might be one of the nicest guys I've ever met. You know, I've met a lot of different people, both in my practice as a lawyer and now in my work as a business owner. And I'm just so impressed with the integrity and gentleness that Jon brings to the work that he does. And I love his perspective on you know, sort of shifting this and bringing it around connection and abundance and all of those things.

I hope you got a lot out of it. As promised, Jon is offering everyone who listened today, a free lesson on the mindset of millionaires. The link for that is in the show notes. And you can also use that to purchase the longer horse that Jon runs.

As I mentioned, right at the end of our interview, I've taken a portion of it. Pretty good portion of it. And it's really excellent information for adults but also for your, for your teens and young adults in your life who might maybe need a little bit of financial savvy in their world.

So check that out. And just want to thank everyone I will be back next week with more great content for you. Thanks so much.