**The Missing Piece in Financial Literacy: Understanding and Managing Risk**

In today’s fast moving and complicated financial world, individuals are confronted with an array of financial decisions that affect both their immediate economic stability and long-term financial well-being. While previous research over the past two decades have played a critical role in elevating financial literacy from a local issue to one of national and global significance, it does not fully capture the broader and more complex areas of risk literacy, the ability to identify, understand, evaluate, predict, and manage financial and personal risks that individuals face daily.

The purpose of this study is to develop and an internally consistent instrument, a questionnaire, and use artificial intelligence to measure both the quantitative and qualitative attributes of individual’s financial and personal risk literacy. Initially, this instrument will be administered on a sample of college students at Loyola university Chicago followed by focusing on other segments of the population at large. The results will be used to develop educational programs to help advancing local and national financial and personal risk literacy programs.