**Best Online Money-Management Tools**

No matter what your personal finance style, one of these online money-management tools will help you stay in control.

*By Stacy Rapacon*

As the economy continues to sputter — along with the balance sheets of many families — the Internet has supplied an abundance of online tools to help repair the damage. Competition has been fierce, and many promising sites, including a few that we’ve recommended in the past, have bowed out of the budgeting game.

From that first crop of contenders, [Mint.com](http://mint.com/) remains the best overall money-management site. Not only has it survived, it’s earned a powerful sponsor: Intuit acquired Mint in 2009, two years after it launched. Since then, it has gained the confidence of the mainstream and multiplied its number of users by a factor of seven, to 10 million.

In general, Mint has gotten better with age (save for a few hiccups during the ownership transition period). It has improved original features and periodically added new ones, including the popular budgeting tool. On your budget page, you can add sliding bars — each bar represents an expense category you want to track — and set dollar limits for how much you can spend within a selected timeframe. Mint even starts you off with a recommended amount based on your spending history. Your budget bars fill up with each transaction you make; as they approach the limits, they go from green to yellow to red.

But the king of online money-management sites shouldn’t rest on its laurels. Many contenders, old and new, are looking to take its crown. Like Mint, they each offer their own brand of budgeting tool and track your cash flow by collecting your financial information in one place, providing access to your complete financial picture anywhere you have Internet access. Some even let you do your budgeting on the go with their mobile apps. And others let you export data and work off­line when you’re grounded.

Most help you streamline the budgeting process by automatically updating your numbers and labeling your transactions by spending category. You’ll need to keep an eye on mislabeling issues, which can throw off your budget tracking. But the tools can be taught; with certain businesses, you can create rules to categorize transactions automatically.

**Which Budgeting Site Is Best for You?**

Instead of competing head-on with Mint, our other favorite online money-management tools focus on offering added value. For example, the granddaddy of financial Web tools, Yodlee, offers customization capabilities with its [MoneyCenter](http://moneycenter.yodlee.com/). Newcomer [ReadyForZero](http://readyforzero.com/) homes in on the debt portion of your financial picture. It motivates you to go debt-free by monitoring and sending you messages about your progress. When you manage to pay off a debt, it even posts a golden trophy icon beside your filled-in progress bar.

Although all of these free sites aim to help you with your money, they need to make money, too. Mint and ReadyForZero push products and services of paid sponsors to help you save, such as credit cards that can get you lower interest rates. [Mvelopes](http://mvelopes.com/) and [LearnVest](https://www.learnvest.com/) offer premium, paid subscriptions in addition to their free services. Yodlee’s MoneyCenter is a small portion of its business; the company makes money working with institutional clients.

**Weighing the Risks**

To maximize their benefits, most budgeting sites require that you link them to your financial accounts by providing your online user names and passwords. Although that “statistically increases the odds of your information being breached,” says Paul Stephens, director of policy and advocacy with the Privacy Rights Clearinghouse, none of our favorite online money-management tools has experienced security problems. [BudgetPulse.com](http://budgetpulse.com/) does not ask you to supply your private data. The rest of our picks guard your information from hackers with bank-level security; they encrypt your user names and passwords, meaning they cannot be viewed anywhere in plain text without a key.

And in the case of Mint, the servers that hold all of its users’ data are protected in Bond-movie-like fashion — caged away from the company’s other servers and under constant surveillance in an unmarked building requiring a biometric palm scan for entry. The key to decrypt the stored data is divided among several smart cards and carried by different people entrusted with their safekeeping. Periodically, Intuit calls in so-called white knights, or good-guy hackers, to test the security and spot where there’s room for improvement. “Mint has done a really exceptional job developing these security measures and protocols,” says Karen Barney, program director with the Identity Theft Resource Center. “I don’t really see that there is much of a risk in using it.”

Even if your account with a money-management site were hijacked, your finances couldn’t be tampered with directly. None of your bank account or credit card numbers are accessible. Unfortunately, intruders would be able to view your account transactions — making you a prime target for phishing scams (when would-be identity thieves send you e-mails falsely claiming to be from a legitimate business). But they would not be able to execute any money moves because the sites access your fin­ancial accounts on a read-only basis.

Another wrinkle: If your account were compromised and it resulted in a financial loss, the consequences are unclear. Typically, your bank or credit card company would cover your losses in cases of fraud. But sharing your account’s user name and password with a third party, such as a money-management site, may be a violation of your online services or user agreement with the financial institution. So the bank may not be legally responsible for recovering your cash. Because the situation has never come up, liability has not yet been determined by a court of law. If it were to happen, says Stephens, “you as the consumer would potentially have to suffer that loss.”

But you don’t have to forgo the benefits of budgeting sites to keep from becoming the first such case. You just need to be a careful consumer. To avoid the hook of phishing scams, never click on the links provided in a questionable message; go directly to the company’s site or give the company a ring.

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