

## Transcription of Erica Tobe

Well thank you very much for allowing me to come today to talk a little bit about personal finance. The two curriculums that I'm actually going to highlight, I'm actually here kind of as a representative for the National Endowment for Financial Education (NEFE). They are actually based out of a nonprofit that's based out of Denver, Colorado. They really exist to provide personal finance education to community members. And so the two curriculums that I'm going to be talking about today are the NEFE High School Financial Planning Program and also the Cash Course curriculum. Even though the first one says the High School Financial Planning Program, this is a curriculum that anyone can use. I have known people that have used this at community colleges, adults who want to learn the basics of financial education. I've also seen middle schools and high schools use this. This is just a good curriculum that you can use that would be applicable to people. I don't want you to get hung up too much on the high school aspect because I think this could be used in the college setting as well.

NEFE is a high school financial planning program that is actually a partnership at the national level between cooperative extension which is who I work for through Michigan State University (MSU) and also America's credit unions. And so in the state of Michigan, Michigan Credit Union League and MSU Extension actually promote in our state? This program has been professionally developed. It has been developed by educators, financial institutions, individuals that work with kids, and work with people at an on-going basis on financial education. It's been classroom tested, it's interactive, it's completely non-commercial, you're never going to find anything saying it's promoting one particular group or one particular segment over another and it's free. When I say free, it's a free student guide and free instructor manual, and all the resources that go with it. Their goal is really to try to provide personal finance into the hands of kids. So anybody who could potentially access this, and I know Peggy had a story in which she first called John at NEFE and said, "Is it really free?" it really is free. Their goal is just to get this information out into the hands of consumers.

Here are a couple of the things that you can get as a part of this. They have student and teacher guides for every student and teacher that would like to access the curriculum. They have certificates of completion. Once you finish the course you can get a certificate to show that they've accomplished it. They have PowerPoints and PDFs of all the different chapters as well, so it's very easy to use and accessible for teachers and they also have this available in a Spanish language version. They do have a suite of Web sites to access. This is just a few of the Web sites that they have. They have an instructor Web site, a parent Web site, a student Web site. Like the student one looks like a fridge, I'm sorry the parent one looks like a fridge, the student one looks like a corkboard. What they've done, they've tried to outline this so anybody can use this. The instructor Web site is password protected. You have to get a username and a password to access the material. All of the materials, hardcopy materials, are actually available on the Web site. They also have a game that's fun in the middle. Try to beat Drew. This is actually an interactive game that students can use and it is available on the Web site.

This chapter is actually divided into seven chapters and it really goes through the basics of personal finance starting from the very basic level of looking at goal setting. Your financial plan is where it all begins. This really talks about needs and wants, developing goals, developing

smart goals, and really helping people make good consumer decisions. They have activities and lessons that are really designed around helping people build a financial plan.

The second chapter starts to talk about budgeting. They have a look at your income? What are your expenses? What are some of the things that you would need? What is a W-2 form? And how might that play out? It has a look at things like constructing a budget and even starts to have a look at paying yourself first and the concept of savings. So it really has them go through the whole gamut of how to put together a budget.

Unit three then goes into investing. As you can see as I'm talking about each of these chapters they really build on each other. So this investing chapter starts to look at, ok we talked about putting a budget together in this last lesson; we talked about your goals. Now we want you to start to think about how you're going to start investing your money for the future. So it talks about the effects of compound interest. It shows kids that if they start saving at the age of 18, versus if they wait until they are 30, how much more over time they could potentially get because of time and interest and things like that. It also talks about the different investment pyramid; the different types of investing you can get into and just really starts to set the framework for the basics of investing.

Unit four starts to talk about good debt, bad debt, and using credit wisely. It talks about the advantages of credit; it talks about the disadvantages of credit. It talks about even the fact that if you don't manage your credit wisely, what will happen, and how to get out of debt if that does occur. It talks about bankruptcy. So it really gives you kind of the gamut at looking at credit. It gives an idea of your score, if you're going to get an auto loan. What are some of the different loans that you can access? And really giving them some ideas and activities and practical applications to start to look at credit. This one I think would be especially important if you're looking at a college campus.

Unit five, your money, keeping it safe and secure. This is actually a new chapter in the curriculum and this chapter really goes through the gamut of how do you balance your checkbook? What are some of the financial institutions that you can access? What's the difference between those financial institutions? It also goes through things like, how do you make out a deposit slip. Things that we think are very easy to do, but if somebody's never done it before, it really goes through the basics. So depending on the type of consumer that you're working with and the type of student you're working with, it talks about all the different things that you can do.

Unit six also talks about insurance. So we've talked about all the facets of money management, but we haven't talked about what's the risk of not having insurance, and what would be, what are the different types of insurance that you can get into? It talks a lot about renter's insurance and I know helping kids think about . . . do you need renter's insurance on a college campus? What are the different aspects of health insurance that you can have for auto insurance? How much risk are you going to put yourself out and what are the consequences of that risk? And so having the kids look at those credibility details. Then the last chapter talks about your career, doing what matters most. It really talks about, not more so much about career education, but about the impact and the earning potential of particular careers and how this might affect you down the

road. That is the curriculum in a nutshell. The curriculum really looks at it from a four-phase learning process where they talk about the kids having to start to inquire about the process, they gather information, they process it, and then they have to apply the information. That's how this curriculum has really been built up so that the teachers are aspiring, informing, coaching, and mentoring. They really build on these pieces and as you can see as I kind of talked about each one of the curriculums or each one of the chapters. They really build on each other so they take a concept and then they apply it, then they go back and take a new concept and then they apply it. So they're always constantly learning, but it's not too much to take at one time. This is performance-based learning and what they really try to do is make sure that kids are winning at this topic. They don't want these kids to lose. They want these kids to understand the curriculum to be able to understand the target competencies that they're trying to teach and really make sure that when they finish this class, or when they finish this curriculum, that they can win at this topic. And that they know how to budget their money, they know what some of the insurance issues are, that they know what some investment options that they can get in. And so each one of these chapters actually doesn't have a paper/pencil test and really this is primarily designed for teachers in high school, but really anybody can use this and I've seen schools and after-school organizations, anyone from Girl Scouts, we have 4-H clubs that are using it. I've taken pieces of this when I've gone in and taught at Michigan State. I've been invited to presentations, I've taken pieces of the curriculum and gone in and worked with kids. They want the kids to look at unit target competencies. So creating a personal financial plan, preparing a budget, preparing a personal savings, and investing plan and so on and so forth. So they want them to get these target confidences and be able to show that they know how to achieve these different results. The curriculum also has interactive Excel spreadsheets, as well as PowerPoints or PDFs. So that this is very easy for people to go in and teach a section of this curriculum. They've made it very easy so if people aren't used to teaching financial education, you can just pull the curriculum, take the pieces that you need and go out and you can actually use it with a group of students.

If you're interested in ordering this material your next step is you need to register yourself as an instructor. When they say instructor, please know that it doesn't mean just classroom teachers. Anybody can go in and work, as long as you have the intention of working with students and helping them with financial education. You do need to order the materials about 3-4 weeks in advance and we do ask that because you did hear about this curriculum from us, we don't receive money or anything like that, but we do receive credit and our national leaders will then see that we have this partnership going in the state which is really nice. We do have full-day trainings and these trainings are free that we offer. We don't pay for your mileage, but you do get lunch as well as refreshments as well as all of the curriculum that you would need. These are the trainings that we have coming up in October and November and they are located all across the state. So if you're interested in attending any one of these trainings you just need to contact my assistant Gail Hebert and she can sign you up for any one of the trainings. So that is the NEFE high school financial planning in a nutshell.

The other curriculum that I wanted to talk about is this Cash Course curriculum. This is a curriculum that's been fairly new. It's really designed to meet the needs of college students and NEFE when they were starting to look at the cash course curriculum they were saying we really want to, we have this high school financial planning program curriculum, their target is to meet

high school students even though anybody can work with it, but we really want to try to look at what are some of the issues that college students face. And how can we react to that. What they did is they developed this cash course curriculum. It really looks at financial basics, paying for college, college life, and the world of work. Just a few stats on college students and debts and I'm know I'm preaching to the choir here but, two-thirds of all undergraduates borrow money to pay for college. Half of all graduates in 2004 used credit cards for school expenses carrying an average bill of \$3,900. Ok, these kids are going into the work force with debt. There used to be statistic that I had seen that more than half of college students are dropping out of college because of credit card debt, not academic failure. These kids are accruing miscredit and we're seeing right now ramifications of our economy and what's going on with debt and so we really want to try and prepare them. This is something you can do that's very easy; it's actually a free Web site that your college can offer. It provides students financial education for every stage of college life. Again, just like the high school program, this is unbiased, it's non-commercial, and you can brand your school's logo, it's very easy, you just have to fill out an enrollment application and I know Peggy said there's a few universities or institutions that have started to work with this curriculum as well and multiple campus departments can use the Web site. This is what the copy of the Web site looks like, when you look at the front page. It's really just an information opportunity for students to go on if they have a particular question; they can take a look around, look at the different topics, click on the material and find the information that they would need. I actually clicked on the financial basics and then I clicked on the saving money. It just tells them, you know, here are some things you can do to get started on saving, if you're interested in setting savings goals, watching your savings grow and then you just click on the next thing. So financial basics, saving money, finding money and save, and interest. It just gives them small tips and techniques that they can use and it just provides them with more information, so this is just one way that you can access this material.

There's actually 171 universities actually utilizing the cash course curriculum. In Michigan, at the time that I took this Web shot, it was Alma College, MSU alumni association, Michigan Tech, and Western Michigan. They are starting, this is fairly new, some of you may not have heard about it yet, but this is one thing that you can access. They do have marketing materials for enrolled schools so they have some templates that you can use as well as financial content to be used for emails or newsletters to let students know that this is available. Then here's some different things you could use, you could put a hyperlink to your home page, you can distribute flyers, you can send it out to RAs and houses. I know working on a college campus, I get calls, random calls all the time from different units on campus, from dorms, from different student groups just asking for financial education so this is one thing that I'm now going to take and use since MSU alumni association is a member. They're even looking at doing a Facebook page and having a customizable application for Facebook so this is something that's going to be growing in the future. Here are a couple examples of how different universities have used it. Ohio State University links it to different topic areas within their Financial Web, within their Web page. Swarthmore creating their own eye-catching graphic. Here's the content of the curriculum we have, four main categories as I talked about, but the other thing is it does contain things like calculators, worksheets, and links for more information. The NEFE works with a variety of different groups and they produce a variety of different financial resources. They have been able to tap into the many different avenues that they have available to them and have actually tapped into this through this site so it's really a useful tool for people. Here are some future additions

that the cash course curriculum is going to do and I don't think they have evaluation on the program yet. Here's the enrollment information. I'm actually not the contact for the state. You would actually have to contact the NEFE directly and her name is Amy Hartenstine and you can just let them know that you're interested or you want to find out more about the program and she would be happy to talk with you about that. I do know that she did send Peggy some flyers. The materials talks a little bit, the materials are on the table as you go out to the registration area, talks a little about the curriculum is, what the students are saying about the program, and then how to enroll in the course and I'm going to pass it over to Dan.