The current economic recession has taught Americans many lessons. Perhaps the most important is for citizens to know something about managing our finances, living within a budget and navigating cautiously through the myriad financial products available in the market. While Wall Street bears the blame for much of our current woes, our troubles would certainly be milder if more consumers had known the hazards of things like subprime mortgages with adjustable rates.

Astute policymakers now promote financial education to help us get control of our monetary decisions. While financial literacy is vital for adults, the best place to begin learning sound financial habits is in primary and secondary schools. Even starting in college may be too late, as students face a dizzying maze of student loans and credit card offers. Children who learn good economic behavior in school tend to carry their skills into adulthood. As Frederick Douglass pointed out, “It is easier to build strong children than to repair broken men.”

Everyone seems to agree that financial literacy should be taught in schools, but little discussion has centered on a key question: Whose needs should be addressed by financial education? Until recently, financial literacy curricula (developed mostly by middle and upper-middle income educators) have been skewed toward middle and upper-middle income families. These learning materials focus largely on people with stable jobs who need to plan their expenditures and investments wisely. But what about students whose families live on public assistance, whose parents have lost their jobs, or who receive public benefits due to disability?

Students and families who receive public cash or medical benefits (such as Social Security Disability, Temporary Assistance to Needy Families, Unemployment Insurance, Food Stamps, Medicare or Medicaid) are often frightened of going to work or saving money. The rules that govern the impact of earnings and assets on benefits can be very complex and confusing. People who get benefits wonder whether they’ll lose them when they go to work, and whether they’ll be able to get benefits back again if they lose their jobs. Sadly, many decide not to work or save money at all rather than face any risk to benefits they’ve come to rely on for survival. That fateful choice can doom people to poverty and prevent them from becoming financially self-sufficient.

Fortunately, some benefit programs include safety nets known as “work incentives” that encourage beneficiaries to seek employment by reducing the impact of earnings on their benefits. Work incentives enable people to keep cash benefits (or even increase them) while they work, to keep medical benefits even if they earn enough to lose cash benefits, and to get benefits back quickly and easily if they later lose their jobs. A couple of work incentives even offer additional benefits for workers that they wouldn’t receive if they were unemployed. These safety nets often provide just the spur that people need to start looking for work who would have otherwise never considered it. But they need to know these rules exist. *continued on the next page
Until recently, school-based financial literacy curricula mentioned neither public benefits nor work incentives. This year, one national curriculum maker broke the silence. The Take Charge America Institute of the University of Arizona accepted the challenge. The Institute publishes Family Economics and Financial Education (FEFE), a web-based curriculum used to educate middle and high schoolers in all 50 states. The Maryland Department of Disabilities and the Maryland State Department of Education asked the Institute to collaborate on an effort to add lesson plans on public benefits and work incentives to FEFE. Institute Director Dr. Michael Staten eagerly accepted. “We saw the partnership as a great opportunity to broaden the scope of FEFE and make it relevant to far more students and their families,” related Dr. Staten. “By addressing public benefits, the new lesson plans help those affected by disability, poverty or the recession to learn that they, too, can work and save to boost their financial independence.” The new lesson plans debuted in classrooms across the nation this fall.

The effort was resourced through an innovative federal funding arrangement called a “Medicaid Infrastructure Grant (MIG)”. These grants, authorized under the Ticket to Work and Work Incentives Improvement Act, enable states to change their Medicaid and service systems to better support employment for people with disabilities. MIG’s have funded a variety of initiatives ranging from the growth of benefits counseling (a service to help workers with disabilities use work incentives to protect their public benefits until they can earn enough to replace them) to a nationwide marketing campaign to encourage employers to hire workers with disabilities. Although MIG’s will end in December, Maryland and 42 other states have used them effectively to eliminate barriers to employment for people with disabilities.

Cathy Raggio, Secretary of the Maryland Department of Disabilities, highlighted the importance of the MIG-funded financial literacy effort. “Fear of losing public benefits is probably the most persistent and deep-seated obstacle to employment for Marylanders with disabilities. It’s important for students to learn the facts early – that they can work and keep certain essential benefits, at least until they earn enough to replace them. Young students need to learn that it pays to work, that they’re better off financially if they are employed, and that, with the help of the FEFE curriculum, they can help their families understand the facts as well.”

The new FEFE modules open by asking students to imagine themselves in some unexpected situations: that a parent has passed away; that the student has had an accident that prevents her from working full-time; that she has been laid off from a job through no fault of her own; that she is a teen parent struggling to make ends meet while she finishes high school. The lessons detail public programs that can help in each situation. Most importantly, they illustrate benefits through case studies where students prepare budgets that illustrate the financial impact of sudden income losses, the safety net provided by public benefits, and the fact that people who receive benefits can return to work and be better off financially.

Shelly Stanton, a high school teacher in Montana, reported how even students who have had no experience with public benefits can benefit from the lesson plans. When she taught the new modules, “Students came to realize that ‘life happens’ and in order to help a family re-stabilize, the government programs are a life saver. They also discussed their misconceptions about government programs and some of their biases and, in doing so, took steps to becoming more well rounded citizens.”

**Check out these FEFE Lesson Plans from the new Receiving Unit:**

- 1.20.2 Receiving Income from Government Programs
- 1.20.3 The Perez Family Case Study
The Receiving Module: A Unique Personal Finance Focus

Do you feel your personal finance course is missing important content regarding assistance available in times of need? If so, use the new FEFE lesson plans which address this topic.

Why Receiving?

Accidents and unplanned events can happen to anyone at anytime. These accidents and unplanned events may cause extreme financial hardship on an individual or family. However, there are resources available to help people through times of need. If a person is ever placed in a situation where they are in need of assistance, it is important for them to be aware of the resources available to help. Where is a better place to learn about these resources than in the personal finance classroom? FEFE has created lesson plans that include how insurance, family, friends, non-profits, and government programs are available to support individuals and families. Receiving refers to using these resources as income sources (to “receive” income) in a time of crisis.

What lesson plans are available?

In partnership with the Maryland Department of Disabilities, FEFE has developed lesson plans about the use of insurance and government programs as a short-term resource for handling household financial crises through scenario-based learning. Download these free, ready-to-teach lesson plans today at www.fefe.arizona.edu.

Types of Insurance 1.10.1

- Participants learn how insurance can protect a person from large, unexpected financial loss

Receiving from Government Programs 1.20.1

- Participants learn about government programs available as a temporary safety net to help a person or family through times of need

Perez Family Case Study 1.20.3

- An applied assessment at the end of the receiving module

Damon receives emergency medical care after his appendix bursts.

Laura, a wheelchair athlete, goes back to school while retaining her Medicaid coverage.

The Swenson family struggles with a greatly reduced income after their father loses his job.

The Perez family, whose mother is disabled in a car accident and loses her job, adjusts their spending plan to adapt to the loss in income.

Coming Soon: Receiving from Family, Friends, and Non-Profits 1.20.1 Lesson Plan
I think teaching Personal Finance to young people is so important, and I feel privileged to be in a position to make a difference in their lives. My role as a teacher allows me to do that every day. But in addition to having direct contact with my students, I have opportunities to connect with many others as well, and to educate not only my students, but their peers, their families and the community.

I love having my students use the Active Learning Tools that can be shared with others at school. My favorite is Honk If You Like Bumper Stickers 5.0.4, where students create bumper stickers to promote a concept they have studied in class. I hang the bumper stickers on the walls outside my classroom and am always pleasantly surprised when passers-by take the time to stop and read them. Besides displaying what my students are learning in class, the displays give other students an idea of what fun things we do in class, as well as educate colleagues, parents, and visitors to our building. I also share student work that might apply in another class, such as a Savings Animoto made in my Personal Finance class that I show to my Parenting students.

I use the Information Sheets that are a part of every FEFE lesson as homework assignments to subtly educate parents. Three or four times during the trimester as an introduction to a lesson (such as Understanding Credit Reports 1.4.2), I ask my students to take the Information Sheet home and read it with a parent or the adult in their home. As verification so the student can receive points, they must obtain a signature from the adult. I have had notes come back from parents commenting on the quality of the information and lamenting the fact that they wished they had been able to take a Personal Finance course when they were in high school. They have also thanked me for sending the information home and teaching them as well.

A new resource available for educators is a letter to advise parents that videos will be used in your classroom, which requires their signed permission for their student to watch the videos. I shared the letter with my administrator prior to sending it home with my students. This was an easy way to let her know that when I use videos in my classroom, they are always tied to standards and objectives, and that I use fun teaching strategies to engage my students while helping them learn concepts that can positively impact their lives. Often, administrators don’t have time to know what is taught in all the classrooms in their building, so sharing in this manner can indirectly inform administrators to the scope of topics that are included in our finance classes.

In addition to the Information Sheets, I use home/community connection assignments, such as Spending Plans, Mission Home Front 1.15.2.A3 and Life Cycle of Financial Planning, PhotoView 1.11.2.A2 that are found within FEFE lesson plans (look for the Community icon in the Tips column of the lesson facilitation guide.) *Continued on the next page.*
These assignments encourage students to interview family and/or community members to gain more insight about the financial concepts they are learning. The assignments are always written to be respectful of the interviewee's privacy, so it is easier for students to find someone who will agree to be interviewed. I love it when they come back with a completed interview and reflection showing their enthusiasm about learning things they didn't know about their parents, or they're excited about having been able to teach an older person something about finance!

Lastly, I think it is important for educators to share the successes of our students with our student population, our colleagues, administrators, school boards and community because when discussions begin, more people realize the importance of what we are teaching. My students have participated in the National Financial Literacy Capability Challenge each year since it has been offered. Because it is offered on-line on specific days, I must make arrangements with my administrators to allow some former students to be excused from classes to participate in the Challenge. I publicize the fact that those students will be participating, and I make sure the students who obtain scores in the top 20% in the nation are recognized in a newspaper article and receive special recognition at a School Board meeting. Their pictures are also published in the school district newsletter which is sent to every household in the district.

Check out the Consumer Jungle Corner every month for updates on the new Consumer Jungle website [http://consumerjungle.org/]!

FRAUD OF THE MONTH

Check out this month’s Fraud about phony ads placed on internet websites such as Craigslist!

[http://consumerjungle.org/fraud/too-good-to-be-true-ads]

Ready for a new contest to display your students’ work? We are pleased to announce the Jungle Talk Article Writing Contest where students submit their articles on money management for a chance to be featured on the Consumer Jungle website as Student Editors and will win a $50 Amazon.com gift card! A winner will be selected each month!

[http://consumerjungle.org/jungle-talk/contest/rules]
THE “HOOK”

Craigslist can be a very effective way to sell and find good buys. The person listing a product or service doesn’t have to pay anything for the ad, and the viewer has a convenient method of checking for products he is interested in. But there is no editorial review or no way to verify the truthfulness of the ad or even the truthfulness of the identity of the party listing the product or service.

THE WHOLE STORY

With the current high unemployment rate, weak economy, and desperation for jobs and money, fraudsters have found that listing free internet ads through Craigslist can be fertile ground for attracting unsuspecting individuals.

Recently, there was a chilling story about an advertisement placed on Craigslist for a caretaker position on a 688 acre cattle ranch outside Akron, Ohio (http://www.nytimes.com/2011/12/02/us/three-lured-to-death-in-ohio-by-craigslist-job-ad.html?pagewanted=1&_r=1). This ad offered a position too good to pass up in this poor economy. However, the cattle ranch described in the ad didn’t exist and the position was used to bait the respondents to travel to Akron where they were robbed and victimized.

THE LESSON

Of course, Craigslist has no way of knowing what ads are truthful. In fact, Craigslist has many disclaimers that it doesn’t verify the information listed. They allow the person listing the ad to place a photograph and connect the parties using only the anonymity of Usernames and email addresses. A responsible seller will also list a phone number so you can learn more details, and the seller can provide an email address or website where additional photos can be placed. However, be very cautious of any ad listed on internet sites such as Craigslist, especially those that sound too good to be true and don’t offer personal tracking information where you can double check the facts through independent sources.

Tips to avoid being victimized by free ads listed on the internet:

1. Get photographs, referrals, and recommendations from independent sources.
2. Never agree to meet the listing party on the street or a country road; agree to meet only in a public place—never your house.
3. Always take someone with you to look at the product/service.
4. Ask for references - if they don’t provide any, this may be a sign of fraudulent behavior.
5. Never pay with a check - checks have your bank account number and the bank routing number which can be used to steal your identity.
6. Request that the product be tested or appraised by an independent party.
7. Always be cautious of buying products, services, and answering help wanted ads listed through the internet on websites such as Craigslist.

Visit www.consumerjungle.org to learn more