Financial educators across the country are getting more support from Washington these days. Last month the federal government announced several new initiatives that should focus even more attention on the importance of taking personal responsibility for your financial well-being. These education efforts come on the heels of a massive legislative overhaul of the consumer finance sector, including the creation of a new federal office, the Consumer Financial Protection Bureau. But, while the new CFPB is primarily tasked with regulating products and industry practices, an important component of their mission will be to establish an Office of Financial Education to “educate and empower consumers to make better informed financial decisions.”

The new CFPB won’t be up and running until sometime in 2011, but its financial education efforts have received a headstart push with the launch of several new programs. In April 2010 the U.S. Department of the Treasury launched its newly redesigned financial literacy education website www.mymoney.gov. Over the summer the Department of Education announced that it would double its investment in K-12 financial literacy with the creation of the Financial Education for College Access and Success program. This commitment makes federal grant dollars available to state departments of education to create and implement new financial education tools and curriculum to lower the financial and informational barriers to college access.

In September the administration launched its 2010-2011 National Financial Capability Challenge program that consists of an online exam and classroom toolkit to help educators teach high school students critical skills to develop financial knowledge and capability. Department of Education Secretary Arne Duncan said in a press release that “we know a lack of financial literacy is a major roadblock on the path to college access and success for too many students. Through the Challenge, we are encouraging schools and teachers across the country to help make sure their students have the tools they need to make smart financial decisions for themselves, their families and their communities – whether investing in higher education, or the many other choices these young people face.” Last year more than 76,000 students and 2,500 teachers across all 50 states participated in the Challenge. The administration is hoping to boost participation by at least 15% this year, and is urging last year’s participating teachers to recruit additional teachers.

All in all, this is the best climate for financial education that we’ve ever enjoyed. We admit to a certain bias, but we think that our national network of educators who use TCAI’s Family Economics and Financial Education (FEFE) program are especially well positioned to pick up the National Challenge exam and demonstrate the impact that the FEFE program is having on their students. We’ll be communicating that directly to our 20,000+ educator partners in the coming weeks. The time is right – let’s all rise to the challenge.
Success of Family Finance Day Underscores the Need for Fun Financial Education in our Community

By Juan Ciscomani, TCAI

An important goal of the Take Charge America Institute is to increase financial literacy in our community. The one way we do this is through our Credit-Wise Cats (named after the University of Arizona Wildcats) – the Institute's educational ambassadors in the Tucson region. Comprised of University of Arizona students, our Credit-Wise Cats carry out our mission of providing personal financial education to college students and students in grades K-12. As we continue to develop strong relationships within the university campus, we have also established ourselves as a resource for the Tucson community.

Recognizing the need for our youth to learn about personal finance in a fun and educational manner, our Credit-Wise Cats design and implement creative programs that include personal finance youth competitions and community outreach events and programs. Our most recent community outreach effort is Family Finance Day, a personal finance-focused, multi-faceted, fun, and family oriented event with a competition component. Our first ever Family Finance Day was created to address the need of financial literacy among Tucson families. With this goal in mind, we partnered with the Tucson Association of Realtors and Hughes Federal Credit Union to kick-off Family Finance Day at the University of Arizona on March 27, 2010. It attracted entire families by having a variety of components that interested everyone. The event offered adult attendees access to information regarding multiple financial services available in the Tucson community and fun learning activities for the children.

We also hosted a competition designed to teach our youth about developing spending plans, managing credit and understanding credit reports. The competing teams were formed by high schools and community groups from Tucson and its surrounding areas. The Credit-Wise Cats helped the teams get ready for the competition by presenting a series of six personal finance workshops using the Family Economics and Financial Education curriculum prior to the competition day. During the competition, teams completed stations that posed a combination of physical and knowledge-based challenges. Each team built their financial standing by acquiring a credit score, savings, income, and debt. With their newly earned profile, teams met with a realtor to make a home buying decision and the winner earned the title of “most financially fit.” Family Finance Day was an entertaining and educational day that provided financial fun for the entire family!

Credit-Wise Cats have recently gone beyond the classroom and partnered with after-school and summer programs such as the John Valenzuela Youth Center located in South Tucson, AZ. Partnering with Citi and Wells Fargo, our CWC delivered a 10-week financial literacy summer program to the JVYC students that included workshops, interactive activities, competitions, field trips and opportunities to open bank accounts. A total of 24 students graduated the summer program with an improved knowledge of their finances as demonstrated through exit evaluations. This pilot project will be replicated in other Tucson neighborhoods next year.

Through its nine-year history, Credit-Wise Cats have reached over 20,000 individuals through workshop-based presentations, achieving an average of 42% increase in knowledge among attendees as proven by pre/post tests. If you are interested in joining our efforts of expanding financial literacy among youth or replicating our model of peer-to-peer learning, please contact us at 520.626.4209 or tcainstitute@cals.arizona.edu.

Gloria, mother of a student taking part of the Family Finance Day competition, said, “This event (Family Finance Day) was great, and my son had a lot of fun as he learned about budgets and credit…also, I had no idea about all the services in Tucson to help me with my money.”
The Family Economics and Financial Education (FEFE) curriculum has traditionally been recognized as a classroom-based program. Our team of Master Educators design these ready-to-teach activity-based lessons that make this turn-key curriculum a favorite with over 20,000 current classroom educators nationwide. But classroom teachers aren’t FEFE’s only audience! The newly updated “Essentials Curriculum” features financial concepts taught in 45-60 minute workshops. Over twenty lesson plans are available at the introductory level (grades 7-9) and more advanced level (young adults, including high school and college).

Educators working with young adults find our Advanced Essentials Curriculum very effective with their audiences of learners. A few of our “non-traditional” learning communities include 4-H organizations, the YMCA and outreach programs offered by financial institutions and other community professionals looking to make an impact on future generations and their financial literacy capabilities. Classroom teachers who have limited time to teach financial education find our Essentials Curriculum the “perfect fit” in their academic lesson planning. The facilitation of our newly updated lessons is designed to bring authentic learning to students and to allow flexibility for the educator. Check out the “Essentials Curriculum” today along with our other FEFE resources and lesson plans and see why over 900 educators from all corners of the country attended the Summer of 2010 Trainings and Workshops. Join us on Facebook and become a Family Economics and Financial Education (FEFE) fan today!

Take a look at the “Essentials Curriculum” by visiting: http://fefe.arizona.edu/tff/curriculum-types/essentials

“I used to struggle with teaching personal finance information in my classes until I was introduced to FEFE. Now, after the training I feel so much more knowledgeable and am excited to return to my classroom and teach personal finance.”
The information in consumer credit reports has become increasingly important as the gateway to getting a mortgage, credit cards, insurance and even a job offer. Financial education programs stress the importance of credit reports, and especially credit scores, as a barometer of a person’s creditworthiness. But, for most of the past two decades, consumer groups and the press have repeatedly challenged the accuracy of credit report content. We know errors in credit reports do occur. Each month the three major national credit reporting agencies (Trans Union, Equifax and Experian) merge over 2 billion pieces of new and updated credit information from data furnishers into individual credit reports. The public policy question is how accurately this information gets assembled to provide creditors with a fair and reliable picture of a person’s credit and payment history.

Beginning this fall, the Take Charge America Institute is collaborating with the Center for Business and Industrial Studies at the University of Missouri-St. Louis and Fair Isaac Corporation to conduct a $1.13 million study on credit report accuracy for the U.S. Federal Trade Commission (FTC). The project will engage a nationally representative sample of over 1,000 consumers in a detailed review of their credit reports and credit scores. The researchers will assess the accuracy of credit report content, the impact of alleged errors on individual’s credit scores and the workings of the formal processes available to all consumers (under the federal Fair Credit Reporting Act) for resolving alleged errors. The study will inform the FTC as it develops recommendations for Congress for regulatory policies and industry practices regarding credit reporting. The detailed information on credit usage and payment behavior of individuals will also allow the research team to consider how best to educate consumers on the sensible use of credit and thus help protect them against fraud and abusive lending practices.

Collaborating in the design and execution of the research are Professors Michael Staten and Cathleen Johnson at the University of Arizona’s Take Charge America Institute; Professors L. Douglas Smith and Thomas Eyssell at the University of Missouri-St. Louis; Dr. Jeffrey Feinstein at Fair Isaac Corporation; and Dr. Peter Vander Nat and Dr. Paul Rothstein at the FTC. They are supported by a strong team of research assistants and specialists in information technology. Fieldwork will take place on the study over the next 12 months, with a final report expected by late fall 2011.

Calendar of Events

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<tr>
<td>National JumpStart Educator Training; Washington D.C.</td>
<td>November 5-7, 2010</td>
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<td>Association for Financial Planning and Counseling Education; Denver, CO</td>
<td>November 17-19, 2010</td>
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<tr>
<td>National Association for Career and Technical Education Conference; Las Vegas, NV</td>
<td>December 2-4, 2010</td>
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<tr>
<td>FEFE National Training; Tucson, AZ</td>
<td>June 27-30, 2011</td>
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