

# \$OLUTIONS

EMPOWERING PEOPLE OF ALL AGES THROUGH FINANCIAL EDUCATION

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## A FESTIVAL of Learning

**Attendees increase their personal knowledge of financial topics so they can pass along information and resources to students in or out of the classroom**

### WHY ARE WE SO SILLY ABOUT MONEY?

Because we don't fully grasp our relationship to it, according to Farnoosh Torabi. "Money is an *emotional* issue," said the internationally acclaimed author at this summer's Financial Education Summer Training (FEST). "Our issues are not about lack of information. They're more about why people don't do what they know is right—not just young people, but adults too."

Torabi, a personal finance expert featured everywhere from *The Wall Street Journal* to *People*, delivered her keynote address to an audience of 70 teachers, credit union staff and others dedicated to youth financial literacy. Hosted by the New York Credit Union Foundation, the one-day conference featured an all-star lineup of speakers, including a college president and the new executive director of the High School Financial Planning Program® (HSFPP) from the National Endowment for Financial Education® (NEFE®).



Farnoosh Torabi

### The beginning of a beautiful relationship

THOUGH NAMED FOR HER LATEST BOOK, *Psych Yourself Rich*, Torabi's address focused not on amassing great personal wealth but on relating to money in a healthy way. In a funny and energetic presentation, she outlined five steps to improve that relationship:

1. **Understand your relationship with money.** Examine your past experiences with money—good and bad—and how they felt to you. "Swim around in the fear that the bad experiences evoke," she said, "then come out and see what steps you can take to avert them in the future."
2. **Redefine rich.** Above \$75,000 a year in income, Torabi asserted, money adds little to one's quality of life. "It's about security, not supersized mansions," Torabi said. The key is not accumulation, but proper allocation, with priorities on savings, debt reduction and insurance.
3. **Establish goals.** Here it is essential for young people to grasp the difference between obligations and goals. "If you're not addressing your obligations, your goals are never going to happen," Torabi said.
4. **Craft money philosophies.** These well-considered belief systems—about saving, spending, investing and other financial topics—are the beginning of a new, healthy

relationship with money. Examples might include "Unless it's an emergency, I shouldn't carry a credit card balance" and "The best investment is a personal investment."

5. **Embrace entrepreneurship.** People tend to be happier when they work at something that's their very own, Torabi asserted. Stepping into the entrepreneurial world requires careful steps, however, like accumulating some savings beforehand and starting small, with part-time entrepreneurship.

Toward the end of her presentation, Torabi gave out some advice for parents. "If you don't know something about finance, make it a family affair," she said. "Teens want to help with finances. They want to be involved. They can absorb more than you might think. Honesty goes a long way with them." ♦

## In This Issue

What's New with NEFE? .....	2
Figuring Out Financial Aid .....	3
Getting Up to Speed on HSFPP .....	3
FESTers Speak Out .....	4
LifeSmarts .....	5
In-School Branches: Not Just for Teens Anymore .....	6
Two Fairs in One .....	7
High School Turns into Mad City .....	8

## What's New with NEFE?



Susan Sharkey

SUSAN SHARKEY MAY BE NEW TO THE National Endowment for Financial Education® (NEFE®)—but she's hardly the only change there.

In her short time at the helm of the NEFE High School Financial Planning Program® (HSFPP), Sharkey has sparked a myriad of upgrades and improvements.

She communicated these changes in a lively and engaging session at FEST 2011 titled "What's Next for the HSFPP?"

The changes focus on several principal areas:

1. **Content.** The HSFPP is updating its foundational content and is going deeper with new content. Multiple delivery formats will enable teachers to access the curriculum in ways that make sense for them, either in print or online. The program also has expanded its audience scope, extending examples for grades 11–12 into the materials for grades six and up. New materials will be available early 2012.
2. **Website.** Sharkey and company also are launching an online learning experience that meets the needs of teachers who want a turnkey curriculum and those who can build their own lesson plans. Online ordering will get an upgrade, while a new social media component will allow teachers to share knowledge and experiences with one another. The beta site for the new web presence is scheduled for launch next spring.
3. **Teacher/mentor/sponsor support.** The HSFPP is expanding its training formats to include webinars as well as face-to-face training. Pre-service training allows teachers to build their knowledge base on their own. According to Sharkey, these pre-service modules, which Jump\$tart\* member organizations are collaborating to create, are particularly important for helping teachers build confidence to teach financial literacy. "Not all teachers feel competent or comfortable teaching personal finance,

especially if they have had no prior related training," she said. "Yet they may be assigned to teach money management skills because of the state requirements or district expectations. Providing teacher support in a variety of modes can help build confidence and knowledge to bridge the gap for teachers."

4. **Resources for all life stages.** NEFE provides additional personal finance materials and programs for college-bound high school students, current college students and adults. Among other resources, Sharkey highlighted Spendster.org, where visitors can confess their poor spending habits and learn from others' mistakes, and SmartAboutMoney.org, which includes a survey to determine how one's values impact one's financial decisions.
5. **Research.** Recently, NEFE has been deeply involved with sponsoring two major studies: a University of Arizona study looking at the connections between financial success and well-being of students as they progress from freshman to senior year, and the 2009 University of Wisconsin National Teachers' Capacity to Teach survey.

Sharkey also noted new and innovative applications for HSFPP materials. For example, the state of Wisconsin is using NEFE materials in its correctional system. In another situation, business volunteers use the HSFPP materials to provide personal finance instruction for teens involved with The Bridge Project, a nonprofit community organization in the Denver area.

"Programs like HSFPP are truly the foundation of financial literacy," Sharkey said. "It's essential to have resources that are classroom-worthy, unbiased, high-quality and affordable—in this case, absolutely free." ♦

\*Jump\$tart Coalition® for Personal Financial Literacy – [www.jumpstart.org](http://www.jumpstart.org)



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## Figuring Out Financial Aid



Karen Gross

**TAP. PELL GRANTS. STAFFORD LOANS.** If you think you're confused by college financial aid, try being eighteen—and having a large part of your financial future depend on figuring it out.

That was the inspiration behind Karen Gross' "Making Higher Education Possible." During her keynote address at FEST 2011, the president of Southern Vermont College detailed the ins and outs of the financial aid maze so her audience could communicate it to young people.

"The bigger challenge now is no longer getting kids to college," Gross asserted, "but getting them through college. One big piece of the challenge is making higher education affordable."

Gross kicked off her presentation with some sobering statistics. For students with 800–1000 SAT scores from high-economic-status households, the likelihood of graduating from college is only 52 percent.



FEST 2011 attendees participate in a Q and A session during a keynote address.

For low-economic-status households with SAT scores in the same range, that figure drops to 8 percent.

What can anyone do about this? Amid detailed explanations of state scholarships, federal grants and loans, work study and other options, Gross made a few suggestions. For one, colleges are more than willing to help students fill out the Free Application for Federal Student Aid (FAFSA); most aid sources require this document, and yet nearly a million students eligible for financial aid never fill it out. "It's a difficult form," Gross said. "College financial aid offices are very important resources for helping children and families understand the FAFSA and paying for college in general."

More thorough and consistent exposure to financial aid information would also help, Gross claimed. "We tend to miss the teachable moments on this. You hear about college financial aid at orientation and graduation. At orientation, you're more concerned with finding out where the bathroom is, and who your roommate is, than with how you're going to pay for college." ❖

## Getting Up to Speed on HSFPP

**Workshops and speeches equip professionals to make the most of the program**



Susan Gubing

**AMID TALK OF FINANCIAL AID, CURRICULUM** updates and state standards, one program took center stage at FEST 2011: the National Endowment for Financial Education® (NEFE®) High School Financial Planning Program® (HSFPP).

Before NEFE executive director Susan Sharkey took the stage to detail the latest HSFPP updates, the day began with two tracks' worth of training. In one room, educational consultant Susan Gubing discussed "How Financial Literacy Gets Students College and Career Ready" with a group of HSFPP veterans. Gubing took a close look at current state standards and demonstrated how financial literacy courses can help fulfill them.

"Teachers know financial literacy is an important subject but because it's not tested, it's not mandated," Gubing explained. "But in fact, financial literacy classes can help many students meet the standards that *are* mandated.



Barbara Henza

For instance, some students might need real-life examples to understand math—and HSFPP gives them real-life examples. It's another instructional route for the students to master the standards."

Among other recommendations, Gubing suggested the creation of advisory boards—consisting of businesspeople and parents—to advocate for financial literacy in schools.

Meanwhile, people new to the program heard a detailed introduction from Barbara Henza of Cornell University Cooperative Extension. "Today's workers are left to make their own decisions about retirement and other financial matters," she said. "So there's a real need for this type of information out there—and the best thing we can do for the youth we work with is make sure they have the financial tools when they go out and start their first job."

The day also included presentations from curriculum providers and others involved with youth financial literacy. Attendees comprised a broad cross-section of professionals from education, credit unions and not-for-profit organizations. ❖

## FESTers Speak Out

Participants in this year's training discuss NEFE®, financial literacy and the difference it all makes



*“The most valuable part of FEST for me: learning about all the different opportunities available for school districts to get involved with financial literacy... What we’re looking to do this year is further enhance our partnership with TCT Federal Credit Union and create an in-school credit union for the middle school. It’s working out quite well.”*

~ Courtney Lamport, Coordinator of Development, Ballston Spa Central School District



*“Many students come out of high school, and they’re lucky to be able to understand what a checking account is and how to balance it, let alone handle credit cards. The value of NEFE is that it gives us a program we can offer to school districts, so students learn these important lessons.”*

~ Irv Hilts, Director of Community Relations, TCT FCU



*“When I go back [to school], I’m going to bring this up right away. I want to tell the board and my colleagues, ‘This is something the kids need before they graduate. Once they leave school, they’re going to work in a business, and with this they’ll have some business know-how.’ In my opinion, it almost should be a mandatory course. I wish I’d had it when I was in school!”*

~ Jesse Guyer, Business Teacher, Schenectady High School



*“NEFE has been extremely valuable to us—not for teaching students, but for educating adults. Because a lot of our families are low literacy, we have to use youth financial literacy curricula to help them get up to speed on making good financial decisions.”*

~ Beth Ann Smith, Community Impact Manager for Financial Stability, United Way of the Greater Capital Region



*“My parents didn’t teach me much about money and finance, so I spent a fair amount of my adulthood not managing my money wisely. In fact, everything I learned, I learned from being a financial professional. With FEST, it’s like this whole world is opening up for me—a world of resources to take back to my community and help people in the same situation I used to be in.”*

~ Jim McCann, Director of Training/Sales Manager, True North Financial Solutions



*“At one point today, I started to ask myself, ‘What is the effect of what I do?’ What I figure is, if I can help one student understand their responsibility toward money, and that one student brings these new skills back home, then one household will be enhanced. And after the household is enhanced, what about the extended family and friends? And how can this knowledge affect career opportunities? Employers want to hire people with good credit and money management skills. So educating this one student adds so much value to the community. And that’s what credit unions do.”*

~ Kathryn Ferrusi, Senior Community Relations Coordinator, Hudson Valley FCU



*“It’s really important, as we heard today, that we educate students—to give them more awareness of what the value of a dollar is all about.”*

~ Bill Querbes, COO, Ulster FCU

# INSPIRE knowledge. INSTILL confidence. COACH a LifeSmarts team!



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LIFESMARTS IS A FREE, FUN, NATIONWIDE COMPETITION THAT prepares today's youth to be tomorrow's informed, responsible consumers and employees. With game-show dynamics and engaging topics in the areas of consumer rights, the environment, health & safety, technology and finance, LifeSmarts is perfect for a classroom, club or community organization.

LifeSmarts is open to youth (grades 6–12) from any school, group or community-based organization in every state and U.S. Territory. Students in grades 6–8 compete at the junior varsity level in the online competition only. Students in grades 9–12 compete at the varsity level, which includes the online competition and in-person state and national championships for qualifying teams. ❖



## Competition Schedule

Now – February 3, 2012:	Varsity and junior varsity online competition
February 7, 2012:	Top 12 qualifying varsity teams invited to New York State (NYS) Varsity Championship
March 28, 2012:	NYS Varsity Championship Schenectady County Community College (SCCC) Schenectady, NY (Winning team invited to National Varsity Championship)
April 21–24, 2012:	National Varsity Championship Sheraton Philadelphia City Center Hotel Philadelphia, PA

Major sponsorship of the 2011–2012 NYS LifeSmarts Competition has been provided by:



*LifeSmarts is developed by the National Consumers League (NCL) and coordinated in New York State by the New York Credit Union Foundation (NYCUF). For more information visit [www.nycuf.org](http://www.nycuf.org) > financial education.*

## New York Credit Union Foundation

### Mission Statement

Serving those who improve the financial literacy and independence of New Yorkers and promote the credit union difference.  
Credit Unions • Schools • Community Organizations

# In-School Branches: Not Just for Teens Anymore



## Elementary school branch delivers hands-on financial lessons to the younger crowd

EVERY THURSDAY MORNING, THE CREDIT UNION'S TELLERS GREET their smiling customers and take deposits. The auditor logs the deposits and passes them to the treasurer, who verifies them. The customer service representatives open accounts and create marketing materials.

It's just like every other credit union branch. Except your teller is likely eight years old.

Give credit to Byron-Bergen Central Schools and Tonawanda Valley FCU (TVFCU) for taking the idea of in-school branches one giant step further—or rather, younger. The two institutions have joined forces to open a branch in Byron-Bergen Elementary School.

The results have exceeded expectations, to say the least. “The response by our students and their families has been astounding,” said Leora Brown, Byron-Bergen’s liaison to the branch. “We had over 50 new accounts in our first six months of operation. Some students visit the branch each and every week, and the way they smile when greeted by one of the tellers is amazing to see. They are so excited to be making their deposit.”

### “Without the students, the branch would not run”

While closely supervised by credit union staff, the students take on an extraordinary amount of responsibility. Deposits (the only transactions permitted at the in-school branch to encourage saving) are verified three separate times—by the teller, the auditor and finally the treasurer,

who signs and seals the deposit envelope. The treasurer also safeguards the deposits during operating hours, while the president oversees the functioning of the branch and fills in where needed.

The branch draws its “employees” from Byron-Bergen’s grades 3 and 4; all interested students are assigned jobs on a four-week rotating basis. And their contributions are essential

to the branch’s success: as Brown said, “Without the students, the branch would not run.”

### Financial learning can be fun

TVFCU has injected plenty of fun into the Byron-Bergen initiative. “In the beginning of the school year, the credit union hosts a grand opening, where any student who makes a deposit or opens an account spins a prize wheel and can win prizes,” explained Kimberly Bates, junior banking coordinator at TVFCU.

“At the end of the year we host a celebrations ceremony to commend the accomplishments of our student employees. TVFCU also presents contests throughout the year to encourage participation.”

Other programs at the elementary school reinforce the lessons learned through the in-school branch. During National School Library Month, the school’s librarian, Joyce Cullum, used Sam Renick’s book *It’s a Habit, Sammy Rabbit* to communicate key concepts in financial literacy. Posters with Sammy Rabbit’s favorite sayings decorated the school, and a display case filled with piggy banks also raised awareness of financial literacy.

According to Brown, these lessons can’t come early enough. “Our school serves students ranging from three to ten years of age,” she said. “This is the perfect age to start teaching financial literacy and to have it turn into a lifelong adventure.”

Bates agrees. “Most of these students will carry the money management skills they have learned into high school and college, and it can provide a framework for the rest of their lives,” she said. “Our aim is to make financial matters less daunting to young people—and instead give them the skills necessary for the future.” ❖



A display case at Byron-Bergen Elementary School features the school’s financial education efforts.

## Great Erie Federal Credit Union and Brownie Troop 1057



Brownie Troop 1057 from South Davis Elementary School visited Great Erie Federal Credit Union on Monday, March 28, to learn how to save, spend and share with the Kid’s Cash Kit and Caboodle program provided through the New York Credit Union Foundation. Led by Kayla Klos, Christine Vincek and Liz Wittman, the girls are earning their Penny Power Badge. Great Erie Federal Credit Union is a provider of financial education for students of all ages.

## Two Fairs in One

### Syracuse fair covers health and wealth topics for families in need

YOU'VE HEARD OF HEALTH FAIRS. YOU KNOW ABOUT FINANCIAL literacy programs. But who ever heard of putting them together?

That's what made the Growing Health & Wealth Fair so innovative. This past April, the New York Credit Union Foundation (NYCUF), Cabot Creamery Cooperative and community-based organizations in the Syracuse area joined forces to stage the event, which brought low-income families out for a morning of hands-on learning.

"Pairing the two concepts together was unique and creative," said Colleen Belge, family support network supervisor at Huntington Family Centers, which helps Syracuse residents resolve issues of poverty, inadequate education, unemployment, substandard housing and other concerns. "One parent commented that she would have never thought about health and wealth being connected, and now she really sees the connection."

### High-energy and hands-on

The hands-on part of the morning started right away. Seventy-five people gathered for Cabot's opening presentation on calcium and healthy choices, which had attendees using clues to identify calcium-rich foods and win prizes. Then came four simultaneous financial workshops, one for each age group—with teens from Huntington Family Centers teaching the younger kids.

The idea of teens as teachers came originally from Thomas Dellwo, financial education coordinator at Cooperative Federal CU (Syracuse), who played a major role in the fair. "I felt it was easier for younger children to take advice from students who are closer to their age and who are from their neighborhood and who they look up to," he explained. "Also, the best way to learn something yourself is to teach it to others, so it was a learning experience for the teens as well."

The teens taught the "You Got a Puppy" session (for

ages 5–8), in which children were asked to imagine they received a puppy for their birthday, along with \$30 each month to take care of it. In other financial sessions, tweens (aged 9–12) learned how to save for future goals, teens delved into the pros and cons of credit, and Dellwo reviewed the fundamentals of credit scores with a roomful of 25 adults.

Everyone walked away with valuable materials. Children received Cabot's Growing Health & Wealth kits as well as a playbook with activities from CUNA and Cabot. A grandparents' booklet included Excel spreadsheets and information about cooperatives.

### Putting it all together

In the final session, aptly titled "Making the Health & Wealth Connection," Kelli LaPage of WellTrail, Inc.—which

develops customized wellness programs for businesses and other organizations—detailed the relationship between physical health and financial health, and how starting good habits early in life can produce both as children become adults.

In addition, to Well-Trail, other non-profit participants included Child Care Solutions, St. Lucy's Church Community Garden and Open Hand Theater. The non-profits maintained exhibit booths throughout the morning, and puppeteers entertained the kids and adults during

the luncheon that concluded the event.

Attendees found the fair invaluable. "I heard from one parent who wants her two young sons to learn to save," Belge said. "She told me her seven-year-old is using the kits he got that day. Many parents asked if this will become an annual event."

It will if Thomas Dellwo has anything to say about it. "I thought it was a great event and I had a lot of fun getting ready for it," he said. "I wish we had more events that encouraged positive behaviors." ♦



Thomas Dellwo, financial education coordinator at Cooperative Federal CU (Syracuse), reviews the fundamentals of credit scores with adults during the Health & Wealth Fair.

# High School Turns into Mad City

Imaginative simulation of “real life” excites students, builds financial literacy



THE PRESSURE WAS ON. THE CAR SALESPERSON MADE A compelling case for the extended warranty. The teenager listened and then calmly said no.

After all, she pointed out, the extended warranty’s benefits were already in the sales contract. All you had to do was read the fine print.

Clearly, this student learned a lot from Mad City Money—a two-hour simulation of “real financial life” that ACMG FCU sponsored at Solvay High School. But she wasn’t alone: in post-event surveys, students mentioned how to stay out of debt, how to manage expenses and how to distinguish needs from wants among the innumerable lessons they learned.

## Merchants want your money

On two separate occasions in January and May, Solvay’s gym played host to 50 high school seniors and a city’s worth of “stores”—tables with volunteers who were “selling” the basic necessities of life. Once given an occupation, salary and family status, students then visited each of the “stores” to make their purchases. The volunteer merchants hectorated the students to buy their wares regardless of budget or price.

The car and insurance salespeople drew the most laughs—and provided invaluable lessons. “They tossed out confusing lingo, encouraged the kids to buy new vehicles and upsold them with extended warranties by randomly quoting added costs to their regular monthly payment,” explained Wendy Wheelock, marketing director for ACMG. “Clearly, it didn’t work on everyone.”

During the simulation, students were required to balance both their checkbooks and their budgets—and save for the future—while securing housing, transportation, food, household necessities, clothing, day care and other items. ACMG maintained an “office” in Mad City to offer guidance.



Solvay H.S. students making budget-conscious decisions at the My Closet, Home Stuff and Really Really booths during ACMG’s spring reality fair.

## “Lost children” and other lessons

The coordinators also highlighted the perils of identity theft in a rather unusual way. “Each student was given an ‘About Me’ sheet that included their occupation, salary, spouse and child information,” Wheelock explained. “Students were to keep the sheets with them at all times. If a sheet was left lying around, the facilitator would call it to everyone’s attention by announcing a ‘lost child.’”

The lessons of Mad City Money clearly got through. In the surveys, students appreciated “learning how to balance/manage my budget” and “realizing how much everything costs.” One student learned how “unexpected expenses can sink your boat so they need to be planned for.” Others, when thinking of their future, pledged to “provide comfortably for my family and myself,” “avoid any sort of debt,” and “only buy what I need and save an adequate amount of money.”

## ACMG reaches out

Mad City Money is only one element of ACMG’s outreach to young people. For the past three years, credit union staff have been involved in a local private

elementary school, teaching the students basic financial terms, the value of saving and how to identify needs versus wants. They have used Kid’s Cash Kit and Caboodle to great effect with the students, who range from grades 1 through 6. Several community organizations have approached ACMG for support in bringing financial education to their young constituents.

And there’s every chance Mad City Money will pop up again. “I think the students got so much out of working things through in a hands-on environment,” Wheelock observed. “It created such a stir in the school that when we first mentioned the event to the second set of classes (for the May event), almost all the kids had already heard about it from their friends. I’d encourage every credit union to look into a similar event if they want to reach high school students and be memorable.” ♦