



SOLUTIONS

TO THE YOUTH FINANCIAL LITERACY PUZZLE

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SPRING/SUMMER 2010

Preparing a World-Class Workforce for World-Class Business

By Assemblyman Bob Reilly (D-Colonie)



A CRITICAL ASPECT IN PRODUCING A workforce that meets the needs of the changing work world is ensuring that these job seekers and employees are financially literate, especially in this world of ever increasing financial complexity. In order to succeed, or even survive, in today’s world, one must understand the importance of financial planning,

budgeting, borrowing, interest rates and insurance. Without a firm grip on their finances—a grip born of financial knowledge—workers will lack the level of stability needed to excel on the job.

When big business comes to town and the game changes, New York State has the formula to succeed: an influx of jobs in Tech Valley from companies such as Global Foundries; the proper training of a workforce to meet the needs of a growing industry through the Center for Economic Growth; no-charge financial education from New York’s credit unions and the New York Credit Union Foundation (NYCUF), which ensures our workforce is among the strongest in the nation; and a community of solid citizens who repeatedly rise with innovation.

Proper preparation isn’t simply about skillful training, technical specialties or the most innovative technologies. It’s about people, their characteristics and the ability to be well rounded. It’s not the skill that fills the job; it’s the individual. And companies must have available to them a workforce that is not only well trained, but also financially stable, responsible and well informed.

The programs offered by NYCUF, coupled with the legislation I recently sponsored—which seeks to establish specific instruction for high school students regarding financial education (A.01282)—are invaluable for the future of New York. Together, we can make possible the financial literacy of all high school students by the time they graduate, helping meet the growing needs of industry and empowering a skilled, diverse and available workforce.

Big business means big changes. At times like these, it’s important that we think long term and steer our course in the direction of the changing work ecosystem. We must prepare a world-class workforce for world-class business. ❖

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Solutions at Hand

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

NYCUF Viewpoint



The Opportunity Is Now

By Linda Garboczi
VP, Member Relations & Marketing
AmeriCU Credit Union

ANATOLE FRANCE, THE FRENCH POET, novelist, and journalist, once said, “An education isn’t how much you have committed to memory, or even how much you know. It’s being able to differentiate between what you know and what you don’t.”

Members are looking to their credit unions to validate current financial behavior and share new ways to manage personal finances. They want to know that the decisions they make will help to make dreams come true for their families. And in many cases, they are desperate for ways to teach their children good financial habits—an area that is vastly ignored by most school systems. If you don’t already have a financial education program in place at your credit union, there’s never been a better time. With the multitude of high-quality resources available from the New York Credit Union Foundation, you will be able to provide relevant, added value to credit union membership in the form of youth education.

The first step is to send a representative to the National Endowment for Financial Education® (NEFE)® High School Financial Planning Program® (HSFPP) training. That’s how we got started. The training is free to New York State credit union staff and volunteers and the materials are top-notch. In one day, your staff receives training in a 10-week, seven-unit financial education program suitable for a high school setting. But what’s really great is that the materials are designed and written so well that they can easily be adapted to a shorter period of time—we’ve used the information for numerous one-hour sessions with students. And did I mention it’s provided free by the Foundation?

Dig a little deeper and you’ll discover the Foundation’s support of the brass!STUDENT PROGRAM. By packaging this program with an account targeted to high school and college students, we have received positive feedback for engaging students with the “right” message at the “right” time in the “right” way. (Materials are available online and in a hard copy magazine.) Use the brass materials in conjunction with the NEFE HSFPP Program and you will have a winner—with students and parents!

And don’t limit your outreach to traditional high school classrooms, which can sometimes be difficult and time-consuming to gain access to. The Foundation has encouraged us to reach beyond the classroom and sure enough, we found interest! Because we combined the NEFE and brass materials and presented a strong, interesting program, young people became empowered and were provided support to start and operate a revenue-producing concession stand at a local YMCA Teen Center. A group of city students embarked on a branding campaign to highlight the achievements of their high school throughout the county; as part of the program, they learned how to manage their internship money



AmeriCU Credit Union COO Joseph C. Anderson and Garboczi spend time with three students at Syracuse City School. Through the credit union’s sponsorship, students learned about the brass!STUDENT PROGRAM and developed personal savings plans.

through the save, spend and give principles. A group of low-income students in a rural area of the state, turned on to the NEFE Program, engaged in thought-provoking conversation about their future (what do I want to do?) and the role money will play in each student’s future (how will I prepare for the future I want?).

The Foundation has been an amazing resource for growing our financial education program. You can get more familiar with all of the Foundation’s programs at www.nycuf.org.

Our cooperative credit union movement is well-suited to provide an umbrella of financial education resources that have the power to literally change lives. The opportunity is now. Grab it! ❖

Solutions For High School Students

Money & Me Prepares Teen for College, Life



FOR ALEX MASTROMARCHI, THERE was no better time to learn about money management.

“Since I would be going off to college in a year, I needed to be more informed about making

good financial decisions,” he said. “My mother found Money & Me and asked if I’d be interested.”

He was. He went, and he learned more than he would have imagined. During the weeklong class at Capital Communications FCU, Mastromarchi got the inside story not only on basic money management, but also on insurance, investments, auto loans and other topics.

Money & Me’s interactive exercises—designed specifically for teens—made an impact on him. “In one exercise, we had to track our money for a week, which really showed us how much we spend on trivial things,” he remembered. “In another, we had to choose a car we liked the day before we had someone talk to us about car loans. I liked this one because I am going to have to start looking for a car soon, so I can get back and forth to college.”

Mastromarchi also learned some eye-opening facts about credit unions. “I was really impressed by the things the credit union does that the banks don’t,” he said. “Things like reimbursing teens for ATM charges.”

All in all, Mastromarchi believes Money & Me has prepared him not only for college, but for the rest of his life. “I will definitely be more conscious about what I spend my money on as well as saving a bit more often for things I will need,” he said. “Money & Me helps you get the big picture on life by teaching things like insurance costs and how to tackle unexpected fees and even how to use a credit card responsibly.” ❖

New York State LifeSmarts In-Person Championship Returns

March 30, 2011

Schenectady County Community College

2009/2010 New York LifeSmarts Competition Results

A team of students from Irondequoit High School in Irondequoit, N.Y., captured the 2010 New York State LifeSmarts title after defeating 54 other teams in the online competition.

Coordinated in New York State by the New York Credit Union Foundation (NYCUF), LifeSmarts...the Ultimate Consumer Challenge is a financial education competition for students in grades 9–12 (varsity) and 6–8 (junior varsity) from any school, group or organization in the state. Participating students complete multiple online quizzes, tackling questions on real-life marketplace issues like personal finance, health and safety, the environment, technology and consumer rights and responsibilities.

This year’s competition ran from September 2009–February 2010, with the Irondequoit team



obtaining the highest scores. The Irondequoit team is coached by Louis DeCesare and LaVon Bucciarelli and includes: Connor Enright, Samantha Jebbett, Alicia Kolaki, Daniel Lenzi and Muhammad Zahid.

Finishing in second place, only two-tenths of a point behind the Irondequoit team, was the Saranac Lake High School team from Saranac Lake, N.Y. The top twelve rankings were as follows:

- Irondequoit West High School, Rochester
- Saranac Lake High School, Saranac Lake
- Pittsford Mendon High School, Fairport
- Starpoint High School, Lockport
- Brentwood High School, Brentwood
- Hamburg High School, Hamburg
- Pembroke High School, Corfu
- Cairo-Durham High School, Cairo
- Smithtown High School West, Smithtown
- Smithtown High School East, Smithtown
- Watervliet High School, Watervliet
- Canandaigua Academy, Canandaigua

The Irondequoit team represented New York State at the National LifeSmarts Competition in Miami Beach, Fla., April 24–27, 2010.

Solutions For High School Students

Teachers, Teens Have Fun with Finance

AS A HIGH SCHOOL JUNIOR, COLE HOPPER RENTED AN apartment, bought a car and made a killing in the stock market.

Okay, none of it was real. But the lessons were.

Those lessons are exactly why Donna Shepardson uses the National Endowment for Financial Education® (NEFE)® High School Financial Planning Program® (HSFPP) curriculum in her classroom. “This class is very hands-on, and the students love seeing how money works in real-life activities,” said Shepardson, a teacher at Columbia High School. “It helps them to better understand and manage their money.”

Hands-On and Real-Life

During Shepardson’s 10-week class, Hopper and his classmates learned about budgets, checkbooks, apartment rentals, auto loans, credit and more. The unit on banking, which included identity theft, proved a particular favorite for many students, though Hopper begged to differ: “The apartment and car simulation was my favorite because it let us see the real-life implications of what we were learning,” he said.

The program’s biggest surprises, according to Shepardson, came in the investing unit. “The students were shocked when learning about investments,” she recalled. “They couldn’t believe how much money can grow.”

Meanwhile, for Walter Zeznick’s students at Salamanca High School, budget, banking, and checking are consistently

popular topics. Zeznick runs a checking account simulation to help his charges master the basics of checking and keep track of the transactions they make.

“The students like the simulation,” he said. “They really get into looking for all the things they’ll need when they work on their own.”

Impact Beyond the Classroom

So teens enjoy the NEFE HSFPP curriculum. But does it make a difference outside of class?

Shepardson’s answer is a firm yes. “Many students have told me that, after the class, they opened up checking accounts and even started investing,” she said.

And according to Zeznick, the impact extends beyond the students. “I have had parents come to conferences and ask if I could start this program in our adult education classes at night,” he said.

In an era of tight budgets, the program also draws raves for the fact that it’s free to teachers. “That is a huge plus for us,” Shepardson exclaimed. “Being elective teachers, we are always afraid of program cuts. This is one way in which we can ‘sell’ our curriculum—by introducing something like the NEFE HSFPP at no cost.”

That’s quite a value when you consider the lessons learned. “NEFE showed me the importance of saving, recording my expenses, and using as little credit as possible,” Hopper said. “It gave me and other students important skills that will be invaluable later in life.” ♦



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Solutions For Younger Students

Why We Should Teach Children About Money Early, When to Start & How to Do It: Lessons Learned from the Field

By Sam X. Renick

I WAS FORTUNATE. AS A CHILD, MY PARENTS TALKED TO ME about money. Much of that conversation was about why I could not spend money. Every penny counted. It was made clear to me that pennies, nickels, dimes and dollars were going to shelter, food, education and basic clothing. That's what intelligent people did—they made conscious choices on how to wisely use limited resources.

After eight years as a financial adviser, having numerous clients express their disappointment at not learning financial lessons at an earlier age, I realized how lucky I was and that financial illiteracy is a huge problem. I also discovered my life's purpose as a communicator of good habits.

Here are the reasons I think we should teach kids about money early:

1. **Access, influence and affluence.** Regardless of economic strata, kids have an alarmingly large influence over—and access to—money and household spending.
2. **Protection.** Advertisers target children from birth. If you're going to have influence over a limited resource and be targeted on its use, you should receive education about it.
3. **Habits.** Sometimes it's easier to learn the right habits from the start than correct bad habits.
4. **Time.** The sooner you make smart money choices like saving and investing, the more your money works for you.
5. **A better life,** with more choices and independence.

Money is intertwined in almost all of life's activities: birth, death, eating, housing, transportation, etc. Learning smart money habits is a key to not only achieving one's own aspirations, but also to being a good citizen and family member.

Interestingly, studies reflect that parents find it challenging to talk to children about money. And due to a lack of resources or standards mandate, so do teachers. These challenges present a unique opportunity to not only empower and interact with the next generation of citizen consumers, but also to build and extend relationships with their parents, grandparents, educators, etc.



Renick joins Sammy Rabbit in an educational performance for young students.

So when do we start, how do we do it, and what has worked? Having spent 10 years traveling the nation, training more than 250,000 students at all levels—and having had thousands of conversations with parents and educators—I believe you begin between the ages of two and three. Start by helping kids develop an awareness of money. Begin with language and build from there. Associate the word *money* with saving, because the association between money and *spending* will come like a tsunami if it hasn't already, and one of saving's many benefits is that it acts as a deterrent against poor spending choices. Choose language purposefully and share it with enthusiasm, conviction and authenticity. Find books, music and other materials that convey the money ideas you want to communicate.

Ideas can and should be both simple and powerful. Language should be memorable and easy to repeat. For example, the storybooks, coloring books, music and other materials we've created around our children's character, Sammy Rabbit, convey the following messages: saving is

Solutions For Younger Students

***Biz Kid\$* Brings Fame to Young Eco-Entrepreneur**



EBEN BAYER HAS BEEN STARING AT mushrooms a long time. First at his childhood home in Vermont, then in college with fellow student Gavin McIntyre, he noticed how tightly each mushroom bound together the wood chips on which it grew.

Little did he realize he could make a business out of it.

Yet that is exactly what Bayer and McIntyre did. Today, Ecovative Design manufactures—or, rather, *grows*—renewable packaging materials for Fortune 500 companies and produces the world’s first sustainable rigid-board insulation. The two entrepreneurs were featured on the second season of *Biz Kid\$*, the PBS program (supported by the New York Credit Union Foundation) that teaches kids about business.

“I loved doing the *Biz Kid\$* segment,” said Bayer. “The big challenge was to communicate all the complex terms we use to kids of all ages. So ‘mycologists’ became ‘mushroom biologists.’ The format is really high energy, so we had a lot of fun.”

At Rensselaer Polytechnic Institute, Bayer and McIntyre explored the properties of mycelium—the substance that binds mushrooms to wood chips—while taking courses in product design and entrepreneurship. Shortly after graduation, a five-day boot camp taught them the basics of business.

All of this quickly led to Ecovative Design and its flagship product. EcoCradle™ packaging is made from agricultural waste materials that come from renewable sources. A growing

organism transforms the waste materials into protective packaging with the cushioning, strength, and protective capability of expanded polystyrene. Bayer and McIntyre’s plan calls for manufacturing EcoCradle on a regional level, using local ingredients wherever possible—another example of their commitment to eco-friendly business.

The *Biz Kid\$* episode did bring a few tangible benefits to the company: “Parents who watched the show with their kids called us looking for product,” Bayer said. Beyond that, however, it also contributed to the business and financial awareness that Bayer considers essential for young people today.

“Business is the language the world uses now, so they’ll need to know it to get through life,” he said. “Some of the concepts take a while to grasp, so it helps to learn them early in life.”

When it comes to imparting financial literacy to students, Bayer has a suggestion for teachers. “Keep teaching science, and keep teaching business,” he advised. “Get kids to think not just about starting a business, but making a positive impact on the social and environmental issues that will challenge them throughout their lives.” ♦



Eben Bayer

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a great habit, saving makes me strong, from every dollar save a dime, etc. Imagine what it has meant or could have meant to your life if, from the time you were a child, you had made a habit of saving and investing a dime from every dollar you earned or received.

We’ve also discovered the value of an interactive, multimedia approach that varies repetition and selectively includes an appropriate amount of incentives. It works consistently in almost any environment and at all age levels, including adults.

The one thing you don’t want to ever do is underestimate children’s ability to understand a concept. If you can explain or model it, they can understand it. Their minds are like sponges. ♦

Sam X. Renick is a former financial adviser turned award-winning children’s author, songwriter, social entrepreneur, and financial education innovator-consultant. In 2001, he formally founded the It’s a Habit Company and launched children’s character Sammy Rabbit—the get in the habit rabbit, a bunny who likes to save money! The author and character have toured seven countries and 32 states, using their stories and songs to promote financial education and other good habits (like reading and writing) to more than 250,000 students. You can learn more about Sam, Sammy, and the It’s a Habit team at their website (www.itsahabit.com).

Credit Union Spotlight

Youth Outreach with a Twist

ONE INVITES STUDENTS TO BALANCE CHECKBOOKS ON electronic “smart boards.” The other has created a story-time book about families who save together. Both have reached hundreds of young people—not to mention parents and teachers—with the importance of financial literacy.

When it comes to youth financial education, few credit unions can top Teachers FCU and Visions FCU. That explains why they finished one-two in the balloting for this year’s Desjardins Youth Financial Education Award.

Smart Boards and *Biz Kid\$*

To date, more than 25 Long Island schools have benefited from Teachers FCU’s commitment to the National Endowment for Financial Education® (NEFE)® High School Financial Planning Program® (HSFPP). In class, students practice writing checks and balancing virtual checkbooks on smart boards as part of the Basics of Banking module. “The smart boards are so interactive,” said Rosemary Nicholls, Teachers FCU’s senior vice president of research & development/marketing. “They really make learning fun.” Another presentation teaches teens how to use credit cards wisely.

The learning comes with perks. Teachers often promote class participation by offering free homework passes to students who answer questions correctly. Teens who participate in the “Basics of Banking” presentation receive a \$5 voucher to open a new account at the credit union (or to deposit into their account if they already have one).

Teachers FCU’s influence on students doesn’t stop with the school year. During the summer, the credit union offers Money & Me, a week full of hands-on experiences that teach teens the basics of money. Key to this year’s session were several episodes of *Biz Kid\$*, the PBS program on youth financial literacy.

“*Biz Kid\$* added a lot to the curriculum we were teaching,” Nicholls recalled. “The episodes are very entertaining and provide great lessons on how to make and manage money, while motivating young adults to be creative with their ideas. The students enjoyed the shows, and parents gave very positive feedback.”

Teachers FCU has also sponsored several one-day financial education seminars for educators at no charge. For their efforts, the teachers receive six hours of continuing education credits.

Does all this outreach make an impact? “During a recent presentation at a local high school, the teacher took five minutes to talk about how she used to bank with a commercial bank but then switched to Teachers FCU,” said Nicholls. “She explained the credit union philosophy and

urged the students to consider a credit union versus a bank.” As for the students, “many of them sing our jingle when they hear we’re coming.”

Kid’s Cash and Guitar Hero

The plan was to distribute 200 kits. By the end of 2006, Visions FCU had given out 471. Such was the success of Kid’s Cash Kit & Caboodle—and of the credit union’s efforts to promote the program.

That promotion has extended well beyond mere distribution. “Over the years, we’ve added a story-time book that focuses on families saving together, as well as some coloring sheets and word-search sheets that promote age-appropriate financial literacy themes,” said Jayne Searles, AVP of marketing and business development at Visions FCU. “And while most of our presentations have taken place in schools and agencies for underserved kids, we have also offered them during our annual craft party, held at the credit union.”

Here, too, the response has been enthusiastic. “We’ve received thank-you notes from entire classrooms of students,” Searles said. “Teachers often acknowledge and thank us for our presentations via e-mail. Parents that sit in at our onsite events are always impressed and personally thank us.”

The credit union is no stranger to promoting youth financial literacy. This spring, Visions FCU began launching initiatives in rather unexpected

places. The new efforts included not only a presence in social media networks, but concerts, virtual reality expos, even Guitar Hero tournaments.

For Searles, the long-term impact is especially gratifying. “It’s fair to say that *all* our financial literacy programs—for all age groups—have opened the eyes of students, parents, and teachers alike to the importance of sound financial choices,” she said. “There seems to be a growing public awareness about the importance of saving and budgeting. Getting that message to our youngest members right from the start can only benefit the futures of all children.” ❖



Binghamton University students battle it out during the Guitar Hero tournament hosted by Visions FCU.



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