



Collaboration in the Classroom



Promoting thrift.

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Project Name

Collaboration in the Classroom – Promoting Thrift

Team Name

Western Wonder Women + Tom

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Executive Summary

Credit unions pool their resources to hire a person to facilitate the program and visit schools on behalf of the credit unions.

The person selected is well-trained and talented in reaching young adults and talking about finances.

The individual selected arranges large, auditorium-style, one-hour presentations with schools and other student groups. When that person speaks at a school, they hand out information that includes the logos of participating credit unions and informs the students that they can receive \$25 if they complete a self-guided course and open a savings account at a participating credit union.

The student must log on to the program website and complete the self-guided course on finance. Once the course is completed, the student receives a certificate to take to their local credit union when they open their savings account.

When a student arrives with the certificate, participating credit unions know to give the student \$25 for opening an account and keep the certificate to send to the facilitator.

Success of the program can be measured by how many students are reached, how many students take the online course and how many students open a savings account at participating credit unions.

Opportunity

- Consumers need more information about smart financial tactics and more motivation to start saving at a young age.
- Teachers need an easy means of bringing the information to their classrooms in a way that captivates their students' imagination.
- Students need provoking reasons to listen to and participate in financial literacy presentations.
- Credit Unions need more young members to open accounts at their institutions.
- Leagues, government agencies, and non-profits all need a program that has results that can easily be tracked.

America's Savings Crisis

Without A Net

In 2006, the Center for Retirement Studies at Boston College revealed some alarming facts that convey the financial dangers Americans currently face.

- A mere 20% of Americans are eligible for a pension, leaving 80% of our population to financially fend for themselves during retirement.
- Just 25% of Americans have actually enrolled in their company sponsored 401(k) programs.
- Of those who have enrolled, a staggering 45% of those participants will cash out of that 401(k) program when they leave the company, often using those funds to pay off accumulated consumer debts.

One only has to look at recent bankruptcy statistics from the US Department of Justice to see why we're cashing in our nest eggs. In 2005, 53,509 Americans filed Chapter 7 bankruptcies that totaled over \$1.7 billion in losses. Just one year later, those filings increased to 67,097 cases with over \$2.8 billion dollars in losses. Currently, over 5% of Americans filing bankruptcy are between the ages of 18 and 24, up from 1% in recent years. Also notable, the majority of bankruptcies are filed by people between the ages of 25 and 45, yet these are the years in which we are most likely to be able to get ahead of the financial curve to secure that elusive nest egg.

Our already bloated consumer debts continue to grow. With insurmountable balances on our credit cards and auto loans, we're without the means to establish and commit to a savings plan that will provide us with a financial safety net in times of hardship, and provide for us during our retirement years.

How did Americans become so financially illiterate? Look to the lack of financial education for children and teens, at home and in school. The aforementioned statistics demonstrate that a majority of parents are ill-equipped to provide necessary instruction to their children.

The financial habits we develop in our teens and early 20s—often learned by default or by following the habits of peers—become the basis for our adult money management skills. The strength of those money management skills, or lack thereof, defines the strength of our spending, borrowing, saving, and investing plans throughout the course of our lives.

According to the Social Security Trustees' 2007 Report, the impending Social Security crisis leaves no guarantee that America's compact with its elderly will continue to support them after 2041. Now, more than ever, we must teach our youth the skills they need for the future that they will have to finance.

It is crucial that the next generation establish solid financial skills in their youth. Those skills will evolve into habits that will provide a strong foundation for their financial house, skills that will keep and protect these young people throughout their lives. Those skills must include the ability to create and commit to a consistent savings plan.

Need For Immediacy

Failing To Make The Grade

The National Jumpstart Coalition for Personal Financial Literacy (Jumpstart) was created in 1995 to improve the financial literacy of youth, grades K – early college. They provide advocacy, research, standards, and educational resources to the public.

Jumpstart's advocacy includes annual, nationwide testing of high school students on basic personal financial skills. The fall 2006 test results show students scoring a mere 54.2% in the basic personal financial skills. Sadly, these scores are an increase from the previous testing period. While financial literacy is in the headlines, we are far from adequately preparing our youth to finance their futures.

MSN Money also cites some frightening statistics about the financial habits of teens and 20-somethings. One in three high school students carry credit cards, and more than half of those students hold cards in their own names. They also note that student loan maker, Nellie Mae, reports that 78% of college students have credit cards, and typically carry a balance of \$3,200. Further, one in ten college students carry credit card balances of \$7,800 or more.

In addition to student loan payments and the pressures of establishing a career, young people enter adulthood with a burden of consumer debt that places them years behind in their savings. They are left without resources to build their future.

Solution

Building upon the successful pilot in Washington State called, Credit University, a national Credit University program can further inspire teens to wisely save money, prevent fraud and establish good credit management skills. The program effectively demonstrates that those skills lead to additional pocket money. Students learn that by consistent, regular contributions to savings and investment accounts, they can easily become part of the next generation of America's wealthy citizens.

What makes i³: ***Collaboration in the Classroom: Promoting Thrift*** exciting and unique is that, it offers credit unions a cost effective way to navigate through the myriad of financial education offerings in any state, plus reach out to teachers, plus provide students with an engaging, entertaining class and computer simulated follow up AND provide the mechanism to get students into a credit union branch to open a savings account.

The Western Wonder Women + Tom i³ project group has conceived of an enhanced Credit University program that capitalizes on the successes of the Washington State pilot, and seeks to further student learning by adding web-based learning that reinforces the three components of the classroom presentation – credit management, the importance of savings, and ID theft protection. After finishing the online program, students receive a \$25 certificate they can redeem when they open a savings account at a local sponsoring credit union.

The results and rewards are myriad. Students have fun while learning about growing their money. They'll also learn that credit unions are the best partner to have in this process. Further, they'll receive a monetary reward that will further demonstrate that saving their money *literally* pays off.

Member Benefits

By encouraging young people to wisely manage their money and open accounts at their local credit unions, members benefit from a smarter, more self-reliant community. Each person who starts savings early, uses credit wisely and prevents ID theft builds a stronger economy in their community.

Credit Union Benefits

Credit unions are able to provide student education at a fraction of the cost. They are able to gain exposure to young people and ultimately grow their membership base. They are also able to fulfill their commitment of helping consumers wisely manage their money.

Target Market

The target market is those student and teachers in schools near participating credit unions.

Operational and Other Considerations

Program And Oversight

This i³ project group currently proposes the creation of an organization (structure of the organization TBD) that will oversee the national Credit University project.

Oversight will provide the following for each state/market:

- Teacher/presentation communications support (assistance with scheduling, if needed).
- IT support for Web based learning modules.
- Certificate for redemption at participating credit unions
- A materials distribution center for brochures.

Description of Process

1. A credit union contacts Credit University and expresses interest.
2. The facilitator of Credit University interviews the credit union for initial fact finding. Questions include:
 - a. Which state?
 - b. Does your state currently have government education mandates?
 - c. What other credit unions might be interested in partnering?
 - d. What current educational programs are active in your state? (NEFE, JA, etc)
 - e. Have you had any teachers express interest?
3. The interested credit union is responsible for finding other credit union partners while the Credit University facilitator is responsible for prospecting teachers, working with other educational offerings (where appropriate) and teaching the course.
4. After the course is taught, participating credit unions agree to pay \$25 per new account opened and to track number of new accounts opened and report back to Credit University.
5. Estimated costs are approximately \$40,000 for 40 classroom visits annually.

Description of Class and Web-based learning module

The one hour class for high schools students is lively, entertaining, visually appealing and covers the following: .

A. Identity Theft

1. Identification.
2. Prevention.
3. Correction.
4. Impact upon credit as pertains to future savings.

B. Credit

1. Credit reports and scores.
2. How scores are calculated and their consequences.
3. Consumer debt and interest calculations.
4. Ultimate costs of mismanagement of credit as pertains to savings.

C. Savings Accounts

1. Short term vs. long term savings.
2. Setting short term goals (emphasizing interest rates).
3. Gentle differentiation of credit unions.
4. Compare rates between a credit union and a national bank.

D. Investing

1. Identifying investments (CDs, bonds, mutual funds, investing).
2. Setting long term goals (emphasizing diversity of products).
3. The magic of compounding interest.
4. A real example.
5. Graduation from Credit University - \$25 Voucher.

The web based learning module is unique, engaging and takes about one hour. Upon completion, the student will get a certificate for \$25 that they can take to any participating credit union. When they open a savings account, \$25 will be deposited into their account.

The goal is to motivate students to take action and start saving – at a credit union.

Each state requires a ‘lead’ credit union to help facilitate the collaborations of the credit unions. Once the credit unions are assembled, the facilitator is selected. Ideally, the national facilitator hires a person from that state to represent the credit unions. This format is designed to be flexible based on the needs of the state. The facilitator could be a retired teacher, a college intern, or an employee of one of the credit unions. The state can also contract with Alicia Deifenbach, the person used by the Washington State pilot.

The \$25 certificate is designed to reduce the chances of fraud. The certificate prints with a unique number and the student is instructed that they must be under 19 to open the account. The account must be accompanied by a deposit by the student of at least \$25. Students must bring student ID in with them when opening the account. Certificates have expiration dates and state “limit one per person”.

Credit unions may chose to keep a list of schools visited in their area and only allow students from those schools to open an account.

Credit unions must also put in place a tracking mechanism in order to accurately record and report results.

Proof of Concept

Credit University In Washington State

Seven credit unions in Washington State came together to sponsor a Credit University program. The credit unions included Americas Credit Union, Group Health Credit Union, Qualstar Credit Union, Seattle Metropolitan Credit Union, Verity Credit Union and Watermark Credit Union. They hired a woman by the name of Alicia Deifenbach who founded the Consumer University and Credit University programs.

The program was delivered at 40 locations where teens gather, be it schools, camps, or club conferences such as FBLA or DECA. As a result, the Credit University presentation was delivered either in classrooms (for school visits), or in an auditorium or conference center (for camps or club conferences).

Much of the facilitator's time was spent contacting teachers. Her first approach was to reach out to them via email. She targeted teachers in Independent Living, Adult Living, Personal Finance, Business and Marketing.

There were three key components to this outreach: 1) as a former regulator, Alicia is an unbiased presenter of content, 2) the content, covering identity theft, credit, and investing is unique and 3) the program is funded by nonprofits not interested in pitching financial products.

At the beginning of each presentation, a dynamic, colorful tri-fold brochure was presented to the students. On each interior page, the three key concepts of the presentation are explained and highlighted: Identity Theft, Credit, and Saving/Investing. On the back page is a list of all of the sponsoring credit unions and their contact information. There are no solicitations for business on the brochure. This isn't allowed in schools.

During the first two pilots, students were asked to take a web-based survey one to three weeks after the presentation. This will be replaced with the online animated self guided quiz. Upon completion of the engaging, comic book type quiz, the student will be able to print a certificate that validates they finished the study guide.

See Appendix 1 for the August 2008 report on the Washington program.

Getting Started

The program will be piloted a second time in Utah. This will be the first time the classroom students will be given access to the on-line component. Results will be tracked as to how many students complete the online training module, as well as how many students visit America First Credit Union to open an account.

A survey of teachers will be conducted to ensure the one hour presentation plus online quiz follow-up met their needs for financial education in their classrooms.

The program will continue to evolve as more input is gained from teachers, participating credit unions and other stake holders.

The ultimate goal is valuable financial education and a credit union account for every high school student.

Appendix 1 – Most Recent Report from Washington’s Pilot Program

CREDIT UNIVERSITY REPORT May - August, 2008

CREDIT UNIVERSITY THUS FAR:

It's always an exciting time of year in September. After the lull of opportunities that summer vacation brings, back to school means Credit University is back in classes. My last update in late April reported that we'd already visited 19 locations and 1,663 students. We've had a whirlwind of activity since that time!

May and June offered many opportunities to bring Credit University to students, and by the end of the school year we'd visited a total of 27 different locations for 2008. Summer camp offered through the Washington Business Week program offered up four additional opportunities. By summer's end, we'd reached a total 3,474 students at 31 different locations.

Over the summer we received two requests for Credit University this fall; one from a Future Business Leaders of America chapter (FBLA), and one from Delta Epsilon Chi of America (DECA, a marketing and business club in high schools). They've invited Credit University to regional conferences this fall, which leaves us with a remaining 7 locations to secure for 2008.

SUCCESS FROM THE FIELD:

Credit University continues to enjoy its relationship with the Washington Business Week program (“WBW”). Year after year the teachers, students, WBW staff, and the adult advisors to the program refer to Credit University as the students’ favorite presentation of the week-long summer camp experience.

In 2007, a young woman named Saige was in the audience. Saige comes from a resource-challenged single parent family in Tacoma. When she came to the WBW camp she had a dream to visit New York City during her junior year of high school. Unfortunately, the family couldn’t afford the trip.

Saige had just completed her sophomore year of school when she arranged to come to WBW. When she heard the Credit University presentation and learned about savings and compounding interest she realized the trip wasn’t out of reach. Saige took the Credit University path and established a savings plan. By saving money every month toward the cost of the trip she was able to go with her class and have some amazing experiences.

When I returned to WBW for the 2008 summer camp presentations, I first met Saige face to face. She was their summer intern and shared her story with me, a story I shared on stage throughout the summer and she shared with her peers at each of the four week-long camps.

Saige offered to write up her story for us and I’ve recently contacted her about doing so. When I receive it I will share it with the group as a supplement to this report.

CURRENT SCHEDULE:

Credit University presentations delivered and scheduled appear in the table below.

Events	Date	School	Contact	Students	Total
1.	12/14/07	B.E.S.T. High School	WBW	102	102

2.	1/3/08	<i>Hazen High School Renton, WA</i>	<i>Stephanie Swift</i>	61	163
3.	1/25/08	<i>Inglemoor High School Kenmore, WA</i>	<i>Erica Patterson Kim Busby</i>	82	245
4.	2/13/08	<i>WBW – Centralia HS</i>	<i>WBW</i>	232	477
5.	2/13/08	<i>WBW – Lewis/Thurston</i>	<i>WBW</i>	120	597
6.	2/19/08	<i>Capital High School – Olympia, WA</i>	<i>Jennifer Fabritius</i>	92	689
7.	2/27/08	<i>Ballard High School</i>	<i>Kelvin May</i>	34	723
8.	3/3/08	<i>Franklin Pierce High</i>	<i>Jerry Fong</i>	39	762
9.	3/24/08	<i>Olympia High School</i>	<i>Skip Fabritius</i>	83	845
10.	3/25/08	<i>Mercer Island High School</i>	<i>Marlene Liranzo</i>	41	886
11.	3/28/08	<i>Bothell High School</i>	<i>Arllys Osborne</i>	56	942

12.	4/1/08	Lindburgh High School	Terri Derrig	78	1,020
13.	4/8/08	Spanaway Lake High School	Paula Miser	43	1,063
14.	4/10/08	FBLA - Meydenbauer	Dawn Schmidt, Fbla.org	38	1,101
15.	4/11/08	FBLA – Bellevue Hilton	Dawn Schmidt, Fbla.org	51	1,152
16.	4/14/08	Sumner High School Sumner, WA	Julie McKenzie	44	1,196
17.	4/16/08	Eatonville High School (Outside Puyallup)	WBW In-School	225	1,421
18.	4/21/08	Juanita High School Kirkland, WA	Jean Johnson	38	1,459
19.	4/28/08	Auburn Mountainview Auburn, WA	Patti Eckleman	204	1,663
20.	5/5/08	Snohomish Senior High	Jeff Harris	265	1,928

21.	5/6/08	<i>Snohomish Freshman High School</i>	<i>Sharon Sanchez</i>	108	2,036
22.	5/12/08	<i>Wilson High School Tacoma, WA</i>	<i>Mark Ferguson</i>	73	2,109
23.	5/13/08	<i>Auburn Riverside Auburn, WA</i>	<i>Chris Wilson</i>	110	2,219
24.	5/20/08	<i>Bishop Blanchet</i>	<i>Clarice Hunter</i>	82	2,301
25.	6/4/08	<i>Cedar Crest High School Duvall, WA</i>	<i>Donna Bielstein</i>	115	2,416
26.	6/5/08	<i>Nathan Hale High School Seattle, WA</i>	<i>Cindy Kegly</i>	52	2,468
27.	6/16/08	<i>Peninsula High School</i>	<i>WBW</i>	235	2,703
28.	6/26/08	<i>WBW – PLU Summer Program</i>	<i>WBW</i>	186	2,889
29.	7/17/08	<i>WBW – Gonzaga Summer Program</i>	<i>WBW</i>	220	3,109

30.	7/24/08	WBW – CWU Summer Program	WBW	175	3,284
31.	8/14/08	WBW – WWU Summer Program	WBW	190	3,474
32.	10/24/08	FBLA – North Region Conference	Donna Bielstein		
33.	10/27/08	DECA – Annual Conference	Kelly Ambrose		
34.		TBA			
35.		TBA			
36.		TBA			
37.		TBA			

38.		TBA			
39.		TBA			
40.		TBA			
TOTALS					

i3:

It has been a privilege to work with Shari Storm and her i3 team to incorporate their idea of adding a web-based module to the current Credit University program.

The web-based module will not only provide additional educational opportunities for teens, it will encourage teens to become credit union members via an incentive earned by navigating the module.

I'm excited for the i3 team to share the details of the module and look forward to seeing its impact upon our current program.

Appendix 2 – Screen Shots from On-line Self-Guided Quiz



Until last month my life was business as usual... the same daily routine of making grades, gearing up for college, and playing guitar every second in between. Grades were a breeze and my guitar has always been my passion. But with one year until graduation I was semi-freaking about how to pay for school. A music degree seemed to be the most direct path to more time with my guitar, and I wanted that time. But when it came to the expenses, I was sorta clueless.

Honestly, I never thought it would take a criminal act to get it all under control. Then again, I never expected to be involved in any of the stuff that transpired.

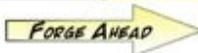
But I was, and it's changed everything.

Logout



Nancy asked me some questions about how I purchased my guitar stuff online the night before. I'd made some mistakes. By not researching whether or not Smitty's Music Shoppe was a real store I may have given my debit card information to a con artist pretending to own a store.

Logout



LOGOUT

From knowing how to take what you're earning, and turn it into millions of dollars. That sounds cool. I'll be following you next week!



TAKE THE QUIZ