

# **Financial Education**

## **...on a shoestring budget!**

# Why Include Financial Education in Your Strategic Plan?

*According to Forbes (2018), two-thirds of Americans cannot pass a financial literacy test.*

## Not-So-Shocking Stats

### **44% of Americans don't have enough cash to cover a \$400 emergency.**

The [median out-of-pocket cost](#) for an unexpected medical expense is \$1,000, which means nearly half of our country is just one accident away from being hit with a bill they can't afford to pay.

### **43% of student loan borrowers are not making payments.**

Tuition at public four-year institutions has [increased by 213%](#) in the past 30 years and [nearly half of the 22 million Americans](#) with federal student loans are either behind on payments or received permission to postpone payments due to economic hardship.

## Not-So-Shocking Stats

### **38% of U.S. households have credit card debt.**

On average, [they owe \\$16,048](#) with an [APR of 16.47%](#).

The [median out-of-pocket cost](#) for an unexpected medical expense is \$1,000, which means nearly half of our country is just one accident away from being hit with a bill they can't afford to pay.

### **33% of American adults have \$0 saved for retirement.**

Furthermore, [56% of American adults](#) have less than \$10,000 saved for retirement when you combine the 33% who have nothing saved with the 23% who have a small amount saved.

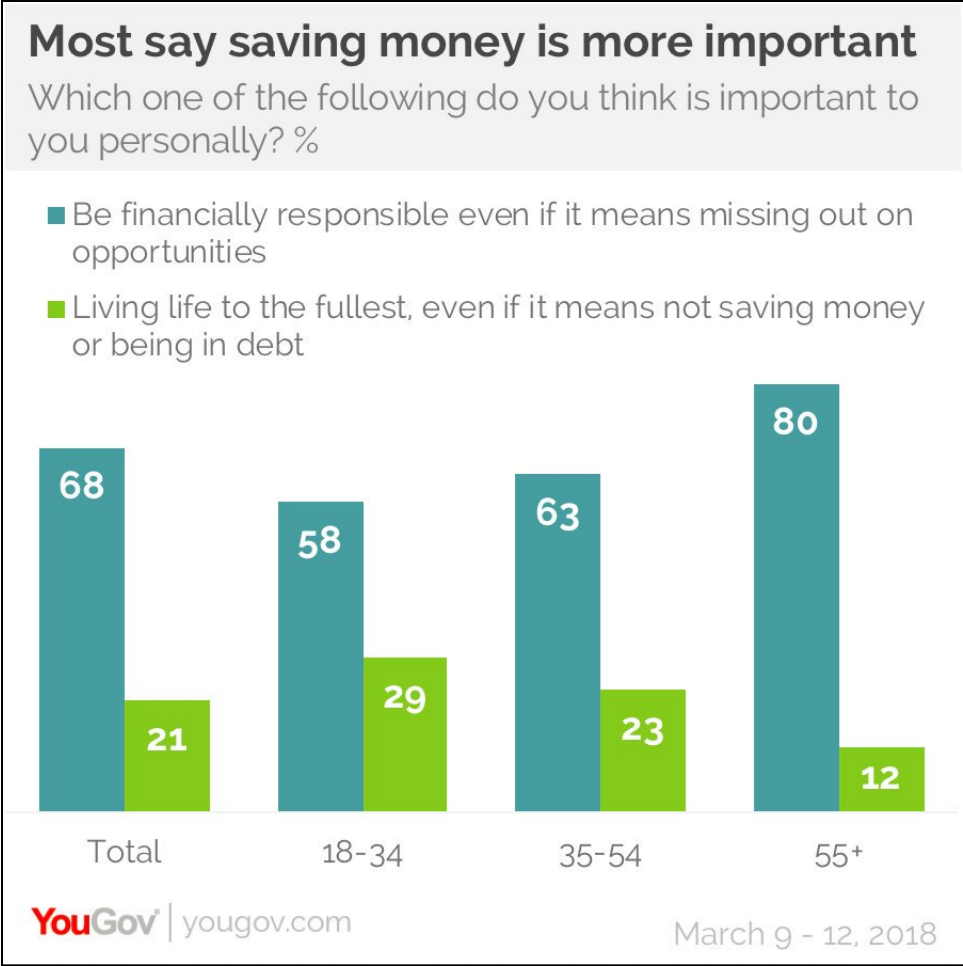
Considering the fact that most Americans will need [at least \\$1 million to retire](#) and Millennials will likely need [between \\$1.8 and \\$2.5 million](#), our savings rate is terrifying.

# Financial Education is Needed!

- **Gen Z & younger millennials (ages 18-24) owe an average of \$22,000 (mainly student loan and credit card debt).-- CNBC**



# Financial Education is Wanted!



- If you don't talk to your kids about money, someone else will, and you may not like the message. Money is power, and like sex, it is a very provocative topic for kids to hear you talk about, and one that they actually will listen to.*  
---Dr. Phil

# Credit Unions can Fill the Gap!

Teens don't budget today for a brighter tomorrow

57%



make purchases using their own money



but only 17% maintain a budget

## What's the Return?

- Good Feeling
- Media
- Credit Union Awareness
- New Members
- Long Term Relationships
- Parent Trust
- Employee Morale Boost





## Is it Worth It?

EVERFI research on financial services consumer loyalty backs up the findings of the Raddon Research Insights study:

**80%** of consumers say they better understand the products and services provided by their financial institutions after taking a financial education course.

**64%** say they think about their finances differently after taking a financial education course.

**56%** say they are more likely to use the products and services provided by their financial institutions after taking a financial education course.

**The consideration should not be *whether or not* you should offer a financial education program. The question should be: What is the most effective way to do so?**

# Senate Bill 114, Dorothy L. Hukill Financial Literacy Act

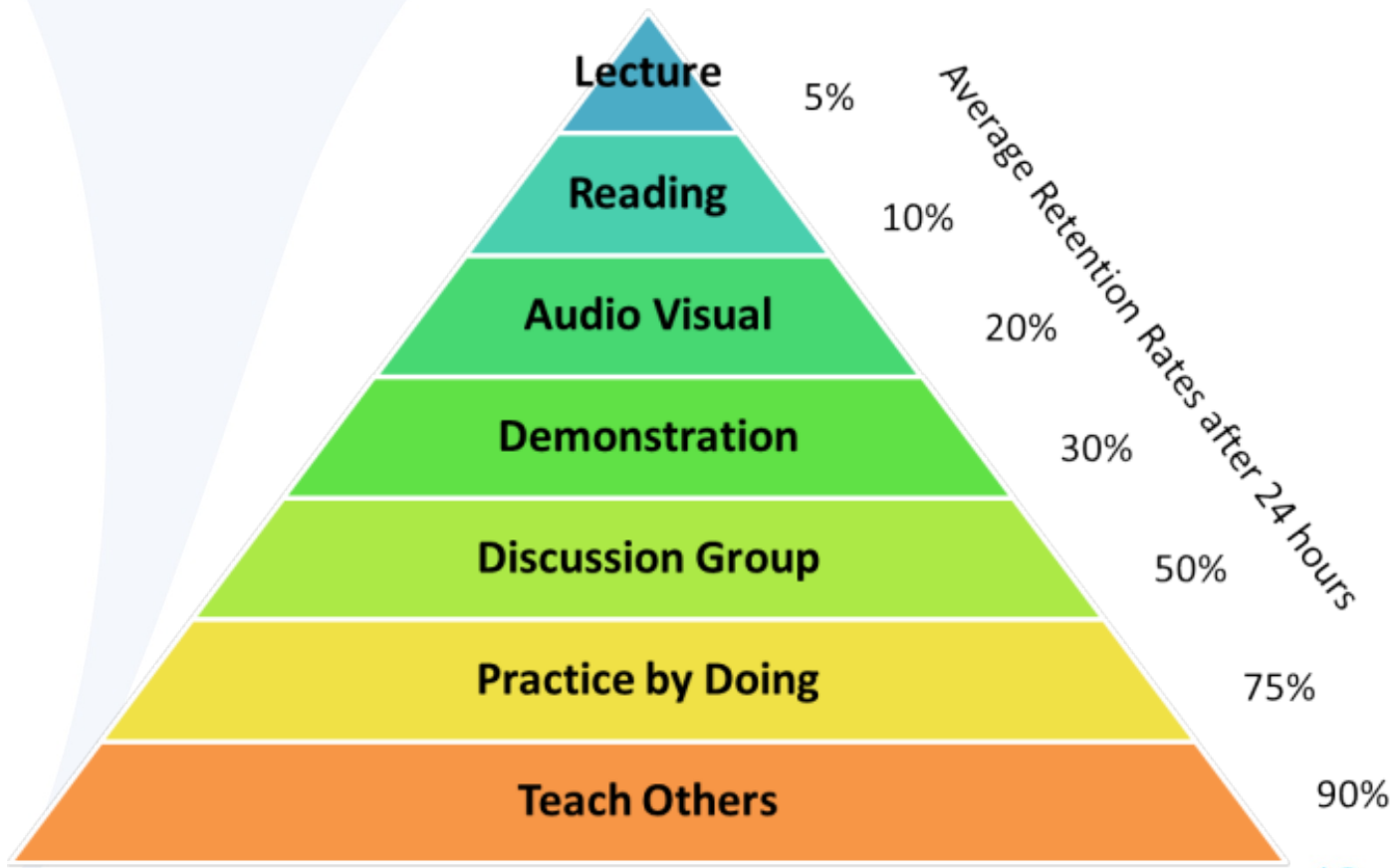
- **The class would cover things such as:**
- Types of bank accounts offered, opening and managing a bank account, and assessing the quality of a depository institution's services.
- Balancing a checkbook.
- Basic principles of money management, such as spending, credit, credit scores, and managing debt, including retail and credit card debt.
- Completing a loan application.
- Receiving an inheritance and related implications.
- Basic principles of personal insurance policies.
- Computing federal income taxes.
- Local tax assessments.
- Computing interest rates by various mechanisms.
- Simple contracts.
- **If passed, Florida would become one of 17 states to require the course**

# Where do we reach them? (that's not going to cost a fortune)



# Once we've got them, What do we do with them?

## The Learning Pyramid



Source: National Training Laboratories, Bethel Maine

# Budget Friendly Financial Education!

- Webinars/Cash Hash
- Workshops
  - On-site
  - Libraries
  - Community Centers
  - Clubhouses
- Reality Fairs
- Financial Fitness Tournament
- Student-run Branches/Deposit Days

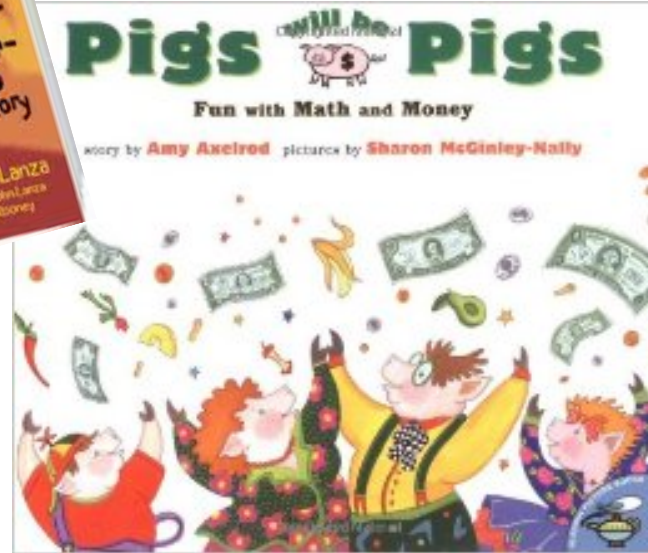
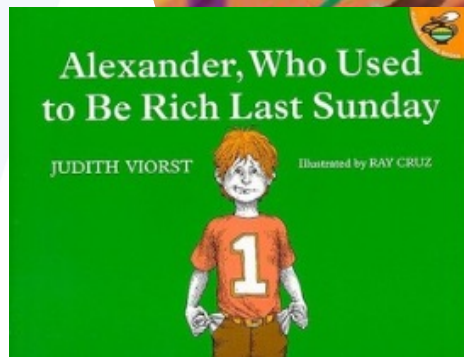


NATIONAL ENDOWMENT FOR  
FINANCIAL EDUCATION



# \$tory Cents

- Time requirement: 30-45 min
- 1 session or multiple sessions
- Recommended for elementary school



<https://www.consumerfinance.gov/consumer-tools/money-as-you-grow/bookshelf/>

# NEFE

The National Endowment for Financial Education is a nonprofit, noncommercial, independent, 501(c)(3), self-funded, private foundation based in Denver, CO.

- [www.NEFE.org](http://www.NEFE.org)
- Free Resources for Educators, Students & Parents
- Free materials available

- Time requirement: 45min-2 hours
- 1 session or multiple sessions
- Recommended for high school



# Biz kids in action

- Time requirement: 45min-2 hours
- 1 session or multiple sessions
- Recommended for summer/youth agencies-any grade level

**Biz Kid\$ Showcase!**



Girls 2 Girls



The Real Deal



Tile Helper



How About a Muffin?



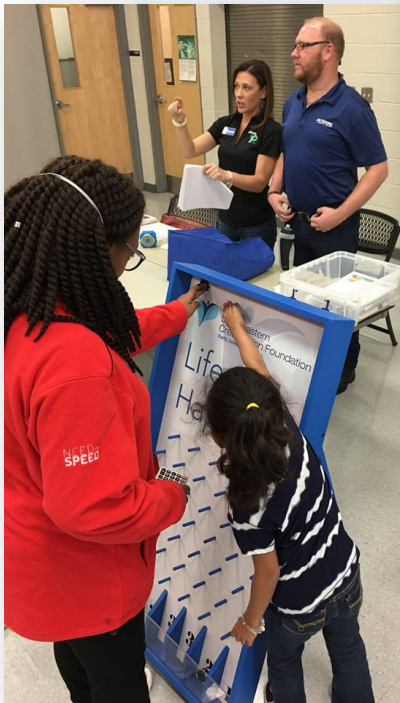
Hot TimeZ





# Reality Fairs

- Time requirement: 45min-2 hours
- 1 session
- 25-200 students
- Recommended for middle/high school



# Financial Fitness Tournament

- Time requirement: Intro/self work
- Sessions vary
- Recommended for high school



# Report!

[www.nyib.org](http://www.nyib.org)



- Network of Credit Union Professionals
- Best Practices
- Reporting Presentations
- Annual Conference
  - **July 22nd to July 25<sup>th</sup>**
  - **Washington D.C.**
  - **\$645 registration**

# Free Resources

- [www.ftc.gov](http://www.ftc.gov)
- [www.ngpf.org](http://www.ngpf.org)
- <http://www.nea.org/tools/lessons/resources-for-teaching-financial-literacy.html>
- [https://floridaliteracy.org/literacy\\_resources\\_teacher\\_tutor\\_financial\\_resources\\_ed.html](https://floridaliteracy.org/literacy_resources_teacher_tutor_financial_resources_ed.html)
- [www.mymoney.gov](http://www.mymoney.gov)
- <https://www.jumpstart.org/clearinghouse/>
- <https://www.practicalmoneyskills.com/resources>
- <https://www.incharge.org/financial-literacy/>
- <https://www.ncua.gov/consumers/financial-literacy-resources>
- <https://www.fdic.gov/consumers/consumer/moneysmart/index.html>
- [Southeastern Credit Union Foundation](#)

# Action Steps

- **S**elect your fin-ed team & set primary goals
- **T**alk to your members (what do THEY want)
- **R**esearch & collect data
- **A**nalyze the data (What do they NEED)
- **T**rack back to your primary goals & review
- **E**stablish realistic & meaningful goals
- **G**erminate your fin-ed plan
- **Y**ield plans for annual adjustments as needed

# Thank You!

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Southeastern  
Credit Union Foundation  
Charity. Community. Cooperation.