

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.

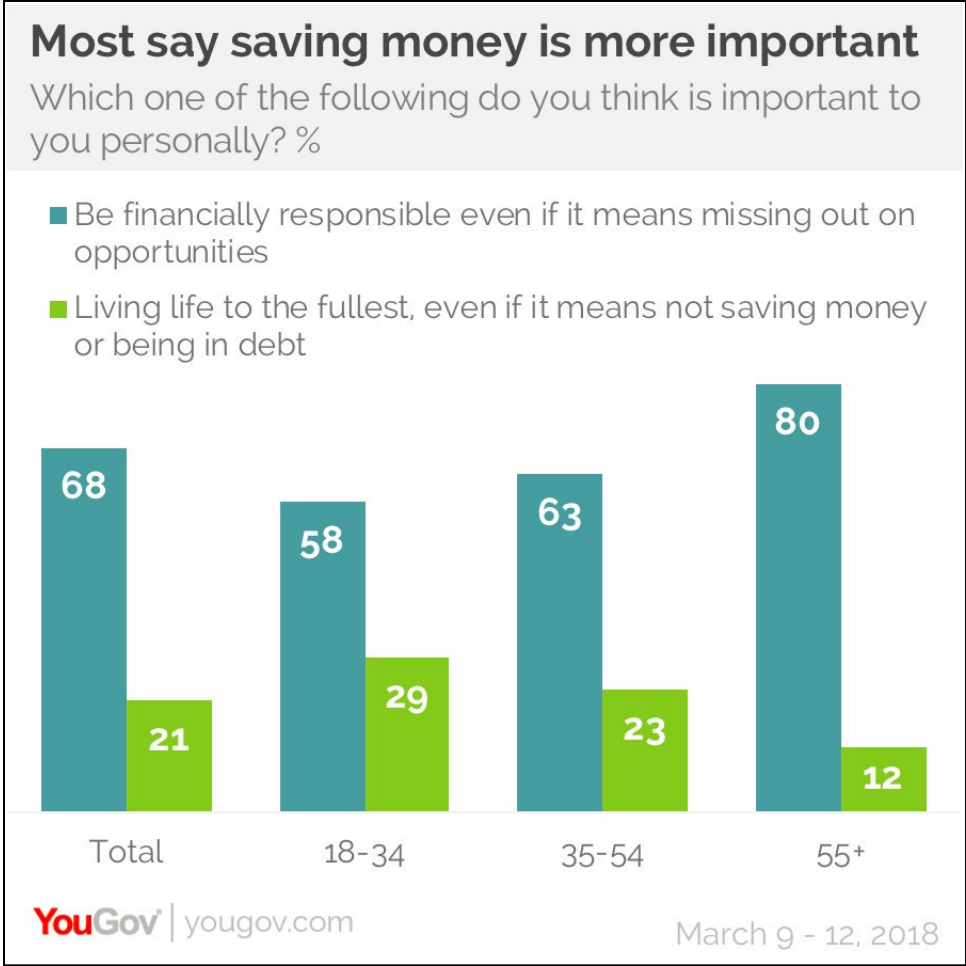
Considering the fact that most Americans will need [at least \\$1 million to retire](#) and Millennials will likely need [between \\$1.8 and \\$2.5 million](#), our savings rate is terrifying.

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

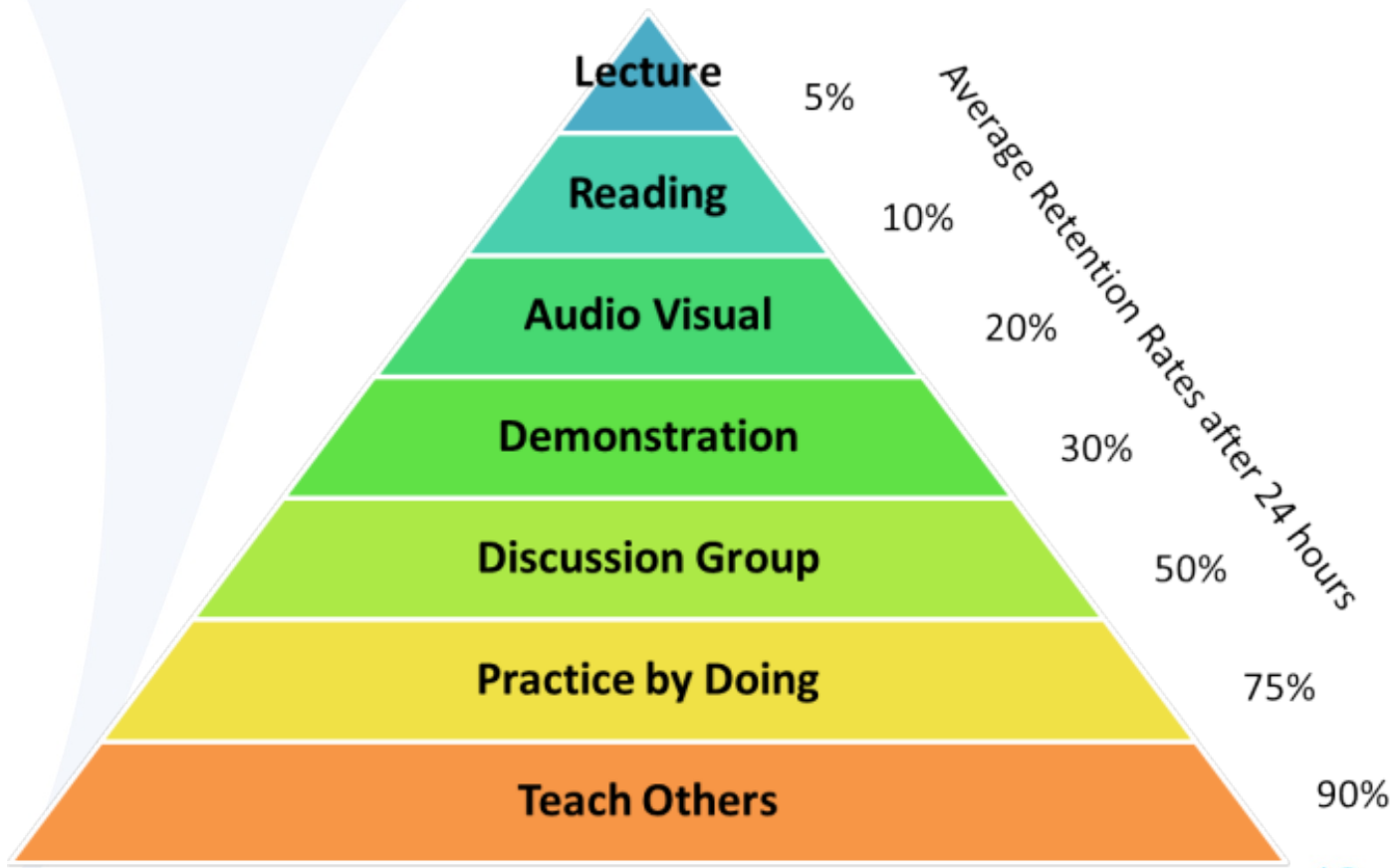
- **The class would cover things such as:**
- Types of bank accounts offered, opening and managing a bank account, and assessing the quality of a depository institution's services.
- Balancing a checkbook.
- Basic principles of money management, such as spending, credit, credit scores, and managing debt, 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

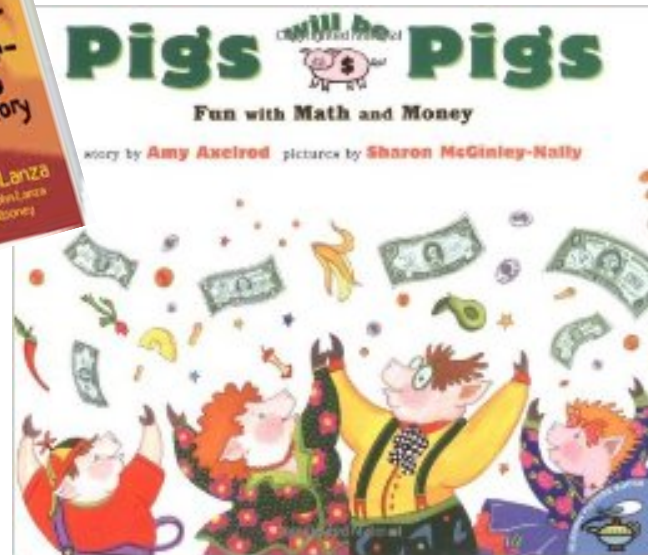


NATIONAL ENDOWMENT FOR
FINANCIAL EDUCATION



\$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
- 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?

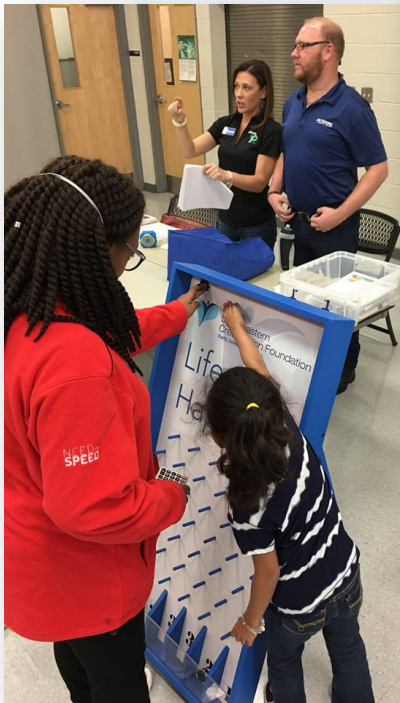


Hot TimeZ



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



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

Free Resources

- www.ftc.gov
- 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
- 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.