



**FDIC**



**Money  
Smart**

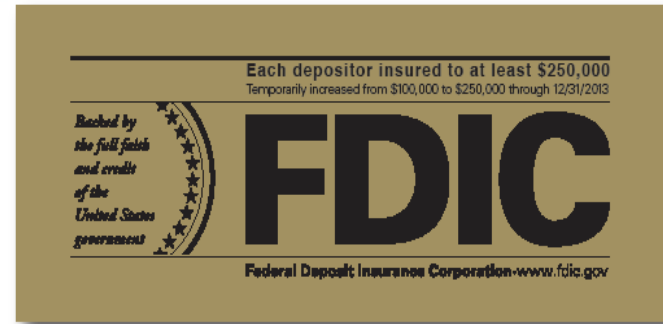


**Helping Young Adults Learn  
The Basics of Handling their Money and Finances**



# What is the FDIC?

- Insures deposits
- Promotes Safety and Soundness of insured financial institutions
- Regulates financial institutions for compliance with consumer laws and regulations
- Facilitates community development efforts



# Need

- 76% of 1,000 parents surveyed by VISA reported that their high school student had no budget, and over half agreed that their child thinks “money grows on trees.”
- Charles Schwab Teens & Money 2007 survey:
  - 1 in 4 teens knew how credit card interest & fees work
  - 1 in 4 knew to avoid using a check-cashing service
  - 1 in 3 knew how to balance a checkbook or check the accuracy of a bank statement
- The fastest growing group of bankruptcy filers is estimated to be those age 18-24.

# Overview

- FDIC's financial education curriculum
- Based on the award-winning Money Smart curriculum, but targeted towards teens and young adults
- Target audience: those ages 12-20
  - Grades 7-12
  - First and second years of college

# The Modules

1. Bank On It
2. Check It Out
3. Money Matters
4. Pay Yourself First
5. Borrowing Basics
6. Charge It Right
7. Paying for College and Cars
8. A Roof Over Your Head

# Objectives

- Students can:
  - Confidently use banks & credit unions
  - Create and implement a budget
  - Distinguish between “wants” and “needs”
  - Use credit and borrow money responsibly
  - Know their financial rights and safeguard money
  - Know options for buying a car or paying for college
  - Determine their readiness to invest and prepare for their future property purchases

# The curriculum includes:

- Guide on “how-to” use the curriculum
- For every module:
  - Comprehensive instructor’s guide
  - Take-home booklet for students
  - Overhead slides (PPT and PDF)
  - Computer-based scenarios

# Alignment

- Mapped to educational standards for:
  - All 50 states, DC, Guam, & the VI
  - Jump\$start national financial literacy standards
  - NCEE national economics standards



# Unique features

- Free
- Unbiased and is unaffiliated with any commercial interest
- Offers a completely customizable curriculum consisting of stand-alone modules
- Built on the award-winning Money Smart adult financial education curriculum

# Recently Updated

MSYA provides timely, up-to-date information

- Updated as of November 2010
- Content updates
- Instructional enhancements

# Distribution

- Distributed on CD-ROM
- Instructor-led curriculum

# Potential Uses

- Required course
- Optional material
- Supplemental material
- Guest teachers
- After-school program

# Design of the curriculum

- Content is presented in a modular format.
- Designed to appeal to all learning styles

# Design (continued)

- Primary mode of instruction is based on an experimental learning principle.
- Overall goal was to design and develop content suitable to the widest range of educators and instructors who may access it.

# Design (continued)

MSYA gives instructors a vehicle to engage students in content and use new knowledge at application, analysis, synthesis and evaluation levels, effectively making the content come to life for students.

# The Guides.....





# Money Smart for Young Adults... To Date

- Endorsed by the National School Boards Association
- Partnerships with (short list):
  - US Department of Education to promote financial education and access for young adults
  - Campfire USA
  - Operation Hope
  - New Jersey Dept. of Labor & Workforce Development
  - North Carolina Department of Public Instruction
  - Washington Council on Economic Education

# Money Smart Podcast Network

- Suitable for use with virtually all MP3 players
- Verbal descriptions and topic based scenarios
- Grouped into 4 categories
  - General
  - Checking & Savings
  - Budgeting & Savings
  - Credit



# Money Smart Survey Results

Findings include:

- Immediately after the course:
  - 69 percent of respondents reported an increase in their level of savings,
  - 53 percent reported their debt decreased, and
  - 58 percent stated they were more likely to comparison shop.

## Money Smart Survey Results (cont.)

- 6-12 months following the course:
  - 13 percent of participants who already had a checking account opened a different type of account at the same bank & 22 percent opened a checking account elsewhere, showing the ability to comparison shop
  - 43 percent of those without a checking account opened a checking account
  - 37 percent of those without a savings account opened a savings account

# FDIC's Role

- Distribute the curriculum to potential instructors
- Provide technical assistance, possibly including linking schools or sites interested in teaching Money Smart with guest instructors from banks
- Teach Train-the-Trainer classes
- Publications

# ***Money Smart News***

- View online or subscribe to get via email
  - [www.fdic.gov/moneysmart](http://www.fdic.gov/moneysmart)
- Released quarterly
- Provides:
  - Success stories
  - Updates on the Money Smart program
- Submissions are welcome

# Sample Success Stories

- ***Passing the Test: Success Stories and Tips for Teaching Kids About Money*** (Spring 2008)
- A few strategies outlined:
  - Vary your teaching methods to grab and hold the attention of students who learn in different ways.
  - Consider adding after-school activities if class time is limited.
  - Supplement classes with examples from the real world.
  - Bring in guest speakers.

# Sample Success Stories

- ***Money Smart for Young Adults: Success Stories and Strategies for the School Year*** (Fall 2009)
- A few strategies outlined:
  - Feature financial education resources, including the Money Smart Podcast Network, on your Web site
  - Link participation in the MSYA curriculum at a school to opening a bank savings account.
  - Be creative about where financial education is integrated.
  - Don't forget college students.





**Thank you**

Questions?

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