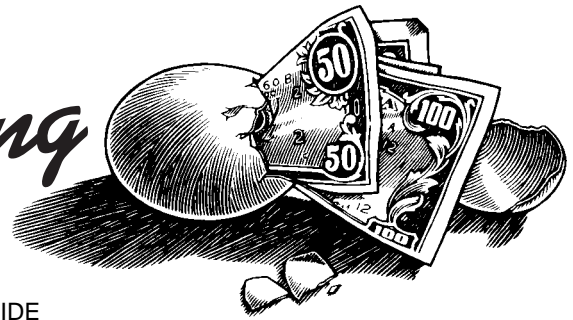


High School Financial Planning Program



STATEWIDE
NEWSBITS

Spring 1998

New mini-lessons and fact sheets are available through the National Institute for Consumer Education. You can access these lessons by visiting them at their www site at:

www.emich.edu/public/coe/nice/minilesson.html

New lessons include:

- Children and Money
- Bankruptcy — Fresh Start or Big Mistake?
- Financial Records: Getting Organized
- Funeral Costs and Arrangements
- Getting Out of Debt
- How to Buy a Used Car
- How to Finance a Used Car
- Low-Income Consumer Credit: Tool or Trap?
- Plan Now For a Comfortable Retirement
- What is Electronic Banking?

New NICE Fact Sheets

- Traveling With Credit Cards
- Consequences of Not Paying Your Bills
- Credit Card Blocking
- Credit Card's Consumer Protection Powers
- How Much Credit Can You Afford?
- Pros and Cons of Credit Card Incentives
- Rebuild Your Credit History
- Smart Ways to Avoid Credit Card Fraud
- Your Income and Expense Statement
- Too Much Debt? Getting Back on Track

Congratulations on making the High School Financial Planning Program a growing success!!

Congratulations! Thanks to the good work from all of you, our enrollment for the past year (FY 97) was up 44% in the number of students (1250) and 24% in the number of schools (36)! Schools enrolled in January are Bismarck High School, Golden Valley - Dodge High School, Max Public, New Rockford High School, Pingree-Buchanan High School, Sawyer Public School, Des Lacs (United #7) School, Velva Public School, and Washburn Public.

I recognize many of these schools as those represented by teachers last spring and summer when we did a series of open houses to promote the HSFP. If you would like to come to an open house, please let your county extension agents know.

No Web Access??

If any of you out there do not have access to the www and the great resources I have identified for you, please let me know just what you need and I can send you copies. Contact me at:

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This publication will be made available in alternative formats for people with disabilities upon request, 701/231-7881.

Defending State Champ Stanley Repeats as LifeSmarts Winner

This year's LifeSmarts competition was held at the Heritage Center on the North Dakota State Capitol grounds February 3. LifeSmarts uses a quiz bowl format to test knowledge on areas such as consumer education, personal finance, health and technology. The twenty-two teams participating in the 1998 competition were:

Sawyer	Bismarck Century
Stanley	Fessenden/Bowdon
Bismarck	Dakota Prairie
Griggs County	Richardton/Taylor
Edinburg	Elgin/New Leipzig
Center	Tioga
Watford City	Pingree/Buchanan
Central Cass	Maple Valley
New Salem	Northern Cass County
Divide County	Stark/Billings County 4-H
Zeeland	Lakota

Finalists for championship were Stanley, Griggs County and Northern Cass County, with Stanley emerging as the overall winner. In the consolation bracket, Sawyer defeated Bismarck High School for the consolation championship.

Stanley will represent North Dakota in the national competition to be held in April in Phoenix, Arizona.

If you would like to receive materials about the 1999 competition, contact Joan Mork at the North Dakota Attorney General's Office, 1-800-472-2600.

Educating Your Students About Investing: The Basics of Investing

The National Association of Securities Dealers, Inc., and the National Institute for Consumer Education share a common educational goal: to enhance the knowledge and skills of individual investors.

The Basics of Investing teaching guide is a product of cooperative efforts to provide accurate and objective information about teaching basic personal financial planning, saving and investing. The easy-to-use format is designed for educators.

The Basics of Investing: A Guide for Educators is based on the "Consumer Approach to Investing," which contains learning objectives that focus on:

- how to design a personal financial plan
- how financial markets work

- how to select among various savings and investment options
- how to find and use investment information
- how to recognize and victim-proof yourself against investment fraud
- the importance of ethical behavior in buyer and seller relationships

The teaching guide is an introduction to financial planning and investing. It can be the framework of a short course or a supplement to an existing course in mathematics, home economics, business education, economics and personal finance.

You can access the teaching guide on-line at:

www.investor.NASD.com/ni_module_menu.html

New Resources Available from NDSU Extension

Enclosed in this issue of the HSFPP newsletter is an updated resource listing. If you need an order form to order materials for next fall, contact your local county extension office. Plan now to include the HSFPP curriculum in your upcoming classes!

Some of the new resources I have added to the library include:

Life, Love and Money (1997)

12 minute video. Values, money messages, ideas and feelings — and how they affect our money management style. Includes 5 question quiz.

Addicted to Debt (1997)

17 minute video. A discussion of debt in our economy and in our lives, the three C's of credit (Character, Collateral and Capacity), the decision-making model, tips to control credit and bankruptcy and the alternatives. Includes questions for discussion.

Money: Save It, Use It or Lose It (1997)

21 minute video. Teen spending habits, needs and wants, development of a spending plan, savings, credit use, and handling debt. Includes 15 question quiz.

Credit: Friend or Foe? (1997)

22 minute video. A look at goal setting, wise use of credit, establishing credit, credit bureaus, credit reports, your credit history and how it all relates to a sound financial future. Includes discussion activity on credit. Includes 10 question quiz.

You're in Charge (1997)

Teaching curriculum designed to enhance the videotape productions, Addicted to Debt, Money: Save It, Use It or Lose It, and Credit: Friend or Foe? Covers financial management, goal-setting and wise use of credit and debt. Includes instructional strategies, handouts, overhead masters and test items.

Scholarship Scam Season??

With tuition bills skyrocketing, and room and board going through the roof, students and their families are looking for creative ways to finance a college education. Unfortunately, in their efforts to pay the bills, many of them are falling prey to scholarship scams.

According to the Federal Trade Commission, unscrupulous companies guarantee or promise scholarships or grants. Some guarantee that they can get scholarships on behalf of students or award them “scholarships” in exchange for an advance fee. Most offer a “money back guarantee” — but attach conditions that make it impossible to get the refund. Others provide nothing for the student’s advance fee — not even a list of potential sources, and still others tell students they’ve been selected as “finalists” for awards that require an up-front fee. Sometimes, these companies ask for a student’s checking account to “confirm eligibility,” then debit the account without the student’s consent.

The FTC cautions students to look and listen for these tell-tale lines:

- The scholarship is guaranteed or your money back.”
- “You can’t get this information anywhere else.
- “I just need your credit card or bank account number to hold this scholarship.”
- “We’ll do all the work.”
- “The scholarship will cost some money.”
- “You’ve been selected” by a ‘national foundation’ to receive a scholarship — or “You’re a finalist” in a contest you never entered.

The FTC says many legitimate companies advertise that they can get students access to lists of scholarships in exchange for an advance fee. Others charge an advance fee to compare a student’s profile with a database of scholarship opportunities and provide a list of awards for which a student

may qualify. And, there are scholarship search engines on the World Wide Web. The difference: legitimate companies never guarantee or promise scholarships or grants.

Ready, Set...Credit

This publication about getting your first credit card is a joint effort of the Federal Trade Commission, the Consumer Information Center, and the American Express Company and available on-line at:

www.ftc.gov/bcp/online/pubs/young/readycrdt.htm

Topics covered are:

- Qualifying for a Credit Card
- Establishing a Credit History
- If Your Application is Denied
- Getting the Best Deal
- Credi-quette
- You’re Responsible
- Kinds of Credit Accounts

Mad Money Room

On-Line Teaching Activity – THE MAD MONEY ROOM

Do you have access to a computer lab? The “Mad Money Room” at NBC’s web site is a fantastic way for students to take a reality check. In association with the Jump Start Coalition for Financial Literacy, this interactive game has been developed to give students an idea of what kind of job it would take to support the lifestyle they desire. Students first choose the level of living they wish to experience (live at home or with roommates; used car or new car; eat out or cook all meals, etc.) and then are told how much they would need to earn to support that lifestyle and then the occupation that provides that level of income.

Take a visit to the “Mad Money Room” at:

http://www.nbc.com/atthemax/money/pgv_money_main.html

Introducing the Jump\$tart Coalition for Personal Financial Literacy

First convened in December 1995, the Jump\$tart Coalition for Personal Financial Literacy determined that the average high school graduate lacks basic skills in managing personal financial affairs. Many are unable to balance a checkbook and most simply have no insight into the basic survival principles involved with earning, spending, saving and investing.

Many young people fail in the management of their first consumer credit experience, establish bad financial management habits, and stumble through their lives learning by trial and error. The Coalition’s direct objective is to encourage curriculum enrichment to insure that basic personal financial management skills are attained during the K-12 educational experience. The wheels of education do not need to be reinvented, they simply require balance.

The Jump\$tart Coalition consists of a wide range of organizations, including federal agencies, universities and non-profit associations which have formed a partnership to launch a national effort geared toward improving personal finance literacy among young adults.

The newly formed coalition, a non-profit based in Washington, D.C., currently has about 20 members and expects to add more over time.

In ten years (by the year 2007), Jump\$tart would like to see every student have skills to be financially competent upon graduation from high school. Specifically, these young adults will have an understanding of a wide range of skills and concepts falling within four core areas: income; money management; saving and investment; and spending.

The coalition also wants to increase public awareness that personal finance

management — like reading, math or driver education — is a fundamental life skill which needs to be taught to the nation's 50 million students in grades K-12 to give them a "jumpstart" on their future.

Ultimately, what the coalition wants to see happen is a dramatic improvement in adults' ability to manage their finances. The impact will likely be a reduction in credit card delinquencies and bankruptcy filings.

For more information, check their website at:

<http://www.jumpstartcoalition.org/>

nr3.html

Teen Drivers and Automobile Insurance

The trend for graduated licensing is sweeping the country. It would provide a good topic for student research and would certainly spark an interesting class discussion.

In 1996 Florida, Georgia and Michigan passed laws restricting driving privileges of teenagers. New Jersey, Ohio and Minnesota are currently

debating similar measures. In most states, laws forbid late-night driving by young people who have recently received their licenses. Privilege are expanded as the teens gain driving experience until, at age 18, they receive an unrestricted license. In Georgia, teens driving with other teens in the car is also prohibited.

The trend is expected to continue, in spite of protests by some teens who claim their civil rights are being violated, since legislators have learned that highway safety measures are favored by most of their parents.

*Source: Insurance Educator,
Vol VII Number 1, January 1998*