

High School Financial Planning Program

STATEWIDE
NEWSBITS



Spring 1999

Greetings to you all!

I hope you have had a good year. The High School Financial Planning Program is growing. Nationally, over 1 million students have participated.

Our numbers in North Dakota are growing as well. We have done a national evaluation of the program and have seen positive results.

Please give yourselves a pat on the back, because you are making a difference.

I am so glad that you are teaching this program. It should have a positive lifelong impact on those who participate and on those who indirectly have gotten information from the program through the participation of a family member or a friend.

Thanks to all of you who have made a commitment to increasing the financial literacy of our youth.

A handwritten signature in black ink that reads "Julie Hudson-Schenfisch".

Julie Hudson-Schenfisch
Interim Family Economics Specialist
NDSU Extension Service

Life Smarts Competition

When Nancy Kummer, family and consumer science instructor at Kindred High School, attended Vocational Conference last August, she heard about the Life Smarts Competition. She talked with her principal and they decided that participating in the competition would be a good idea for her Future Homemakers of America group. She ordered the calendar, a video and two sets of flash cards. Every day she read her classes the questions from the calendar. The students quizzed each other, daily, throughout the school year, and they also looked for more information on the Web. As the time got closer for the competition, they also practiced answering the questions as quickly as they could. In January, Nancy and her students, Anna Palmer, Amanda Vangsness, Naomi Vanderwuff and Jackie Wessels, traveled to Bismarck for the state Life Smarts Competition. After a long day of competition, the Kindred team won the North Dakota state championship and are off to New York City for the national competition at the end of April.

Nancy felt that the calendar was the most helpful tool to learning the information. An economics class was helpful as well. Nancy and her students have many challenges yet to meet — studying for the national competition, finding enough money to get to New York City, and of course, doing well in the 2000 Life Smarts Competition.

Life Smarts is sponsored by the National Coalition for Consumer Education and the North Dakota Attorney General's office, assisted by the NDSU Extension Service, North Dakota Vocational Education, North Dakota Housing Authority and other state agencies.

High School Financial Planning Program Evaluation

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High school students nationwide know more about managing money and have begun using money management skills that will be with them for a lifetime.



NDSU Extension Service, North Dakota State University of Agriculture and Applied Science, and U.S. Department of Agriculture cooperating. Sharon D. Anderson, Director, Fargo, North Dakota. Distributed in furtherance of the Acts of Congress of May 8 and June 30, 1914. We offer our programs and facilities to all persons regardless of race, color, national origin, religion, sex, disability, age, Vietnam era veterans status, or sexual orientation; and are an equal opportunity employer.

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

The evaluation showed that as a result of participating in the curriculum, 29 percent of the teens started saving and 15 percent began saving more. Comparing financial knowledge and skills three months after participating in the curriculum to what those levels were before starting the curriculum, 37 percent had improved skills for tracking spending, 47 percent know more about the cost of credit, 38 percent have improved their knowledge about investments, and 38 percent feel more confident about managing their money. These percentages do not include those who maintained their knowledge or skill level.

One North Dakota student wrote this: "The financial materials benefitted me because my checkbook and savings were a mess. I have learned the importance of keeping good records for future planning."

Financial Illiteracy – Shortchanging America's Economic Viability

• One Solution Is Working . . . The High School Financial Planning Program

The Denver-based National Endowment for Financial Education (NEFE) in 1984 launched the High School Financial Planning Program, which features a money-management curriculum. The seven-unit course is flexible and easily integrated, and students can complete it in 10 hours, or instruction can continue for an entire quarter or semester.

Getting the curriculum into North Dakota classrooms has involved a collaborative effort. Working with the NDSU Extension Service have been NEBE, the U.S. Department of Agriculture and the Cooperative

State Research, Education and Extension Service (CREES), which is the federal partner of the Cooperative Extension System.

During the past three school years, 3,827 North Dakota high school students enrolled in more than 45 schools have participated in the High School Financial Planning Program.

• Measuring Success

In 1997, the NEBE curriculum underwent a national evaluation to assess its effect on knowledge, behaviors and beliefs related to financial matters. A national random sample of teenagers were asked questions, both before and after taking the course. The results for students in the North Central Region, which includes North Dakota, showed that the curriculum produced statistically significant, positive changes.

• The Results

Behaviors

Before participating in the High School Financial Planning curriculum, nearly 27 percent of respondents from the North Central Region said they tracked some or all of their expenses often or almost always. After taking the course, nearly 37 percent responded this way.

The percentage of students who said they almost always price shopped increased from 21.8 percent to 26.3 percent after taking the class.

Before, more than 36 percent of the students said they almost never wrote down any money-management goals. After, the number of students responding this way dropped by nearly 1 percent.

Knowledge

Before, 32.4 percent of students from the North Central Region said they almost never knew the

cost of buying on credit. After, the number of students in this category represented only 16.5 percent of the respondents.

Before, more than 32 percent of the students responding said they almost never knew key questions to ask when shopping for auto insurance. After, the number of students responding this way fell to less than 18 percent.

Before, more than 30 percent of the students said they almost never knew about investments such as stocks, bonds or mutual funds. After, the number of students in this category dropped to 13 percent.

Beliefs

Before, nearly 35 percent of the students from the North Central Region said they almost always believed their money-management skills would affect their future. After, more than 51 percent of the students responded this way.

Before, about 47 percent of the students said they felt confident about making financial decisions often or almost always. After, more than 67 percent of the students felt this way.

Washburn High School Financial Planning Program

This is the second year for Ardyth Kurle, the family and consumer science instructor at Washburn High School. The class was interested and benefitted greatly from the class this year. The students seemed to want to learn more about financial education and responded to the curriculum with a lot of enthusiasm. They realized that keeping records is important in financial education as well as the importance of being responsible with their finances. Ardyth and her students recommend that others participate in the program because the benefits will last a lifetime.

Resources for the Classroom

Savvy Consumers

"A Smart New Way to Pay: What Savvy Consumers Need to Know About Debit Cards." For a copy of this brochure write to: Call for Action, 5272 River Road, Suite 300, Bethesda, MD 20816

IRS Taxpayer Education

"Teaching About Taxes" free curriculum kits for junior high, high school and post-secondary classroom education can be ordered from: Taxpayer Education Coordinator, 600 #6400 DEN, Denver, CO 80202-2490, (303) 446-1659, 1 (800) 829-1040. To get the most up to date tax products and information, visit the Web at: <http://www.irs.ustreas.gov>.

Money My Way

What parent has not heard, "Can I have a dollar?; I need money for a snack; I need new jeans" or countless number of similar words from their children. One way you can help parents and youth at the same time is to share Clemson University's "Money My Way." Money My Way is an exciting new program available to teach young people how to take an idea, talent, skill, or interest and develop it into a solid foundation for a small home-based business. The program provides important information, examples and forms that can be used in planning, financing, pricing, marketing and record keeping, all in an easy to use, step-by-step manual for youth. There are 10 lessons in a leader's guide, offering background information to assist adults as they help young entrepreneurs develop sound business operations and financial management skills.

The program materials are available for loan from the NDSU Extension Service, CDFS, EML 277, Fargo, ND 58105, (701) 231-8113, or can be ordered for \$20.00, from

Joyce H. Christenbury, jchrstn@clemson.edu, box 340315, 249 P&AS Building, Clemson University, Clemson, SC 29634-0315, phone: (864)656-5714, fax: (864)656-5723.

Ready Set Credit

American Express Company offers free consumer booklets on a variety of credit subjects. To order contact: American Express Company, P.O. Box 4635, Trenton, NJ 08650-9874.

For information about students and credit, you can visit The Money Pit at American Express University at www.americanexpress.com/student. Or access American Express Company at www.americanexpress.com.

Your Money

A new magazine produced in association with Junior Achievement. The premier issues has articles on fiscal fitness, investing, teen banking, education and scholarships, business and teen entrepreneurship. Six issues/year at \$14.95, from Young Money, P.O. Box 637, Loveland, OH 45140; (900) 214-8090; www.youngmoney.com.

Choosing a Car

For a 16-year-old who has just passed the test to obtain a driver's license, a car is a sign of freedom. For an older teen, it can be a necessity, a way to travel to class or to a job. And to young adult, it is a sign of success.

It can also be a "hook" to teach young people about the need to budget, not only for the cost of the car, but for insurance and maintenance. In addition, they can learn what they need to do in order to take out a loan and repay it. Serious thought should be part of this major purchase.

To purchase Your Ticket to Ride (cost \$97.50), a comprehensive curriculum including a video, which teaches high school students about budgeting and credit as part of the

car buying process, contact: National Foundation for Consumer Credit, 8611 2nd Avenue, #100, Silver Springs, MD 20910, fax: (301) 495-5623, website: www.nfcc.org.

Web Sites

The National Institute for Consumer Education's (NICE) web site: <http://www.emich.edu/public/coe/nice/nice.html>

offers many useful resources including sample minilessons, fact sheets, resource lists, and links to other sites. Check them out!

Millions of World Wide Web sites now exist, and many of them have information that you can use with HSFPP. Here are two activities where students can calculate the value of savings bonds and find financial information resources.

Activity 1: What's it Worth Now?

Scenario for students: Assume your grandparents bought a \$100 savings bond for you when you were born.

Locate the Federal Reserve Bank on New York's web site <http://www.ny.frb.org>. Click on Savings Bonds, the Savings Bond Redemption Calculator; select Series E. Enter the bond's denomination (\$100) and the month and year of your birth. How much is the bond currently worth? When will it increase in value?

Activity 2: Where do I Buy a U.S. Savings Bond?

Scenario for students: You've decided to help your cousin start learning more about money. You want to give him/her a savings bond, but you don't know where to buy one.

Go to the Consumer Information Center Web site <http://www.pueblo.gsa.gov>. Once you're there, click on browse the

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Consumer Information Catalog,
then click on Money and find
the text for the publication, U.S.
Savings Bond Investor Information.
List the places where you can buy
savings bonds. What else did you
learn about U.S. Savings Bonds?

*Source: University of California,
HSFPP Newsletter, Fall 1997.*

Keys to Vehicle Leasing

Learn more about leasing on the
Federal Reserve Board's Web site:
[http://www.bog.frb.fed.us/
pubs/leasing](http://www.bog.frb.fed.us/pubs/leasing).

Share Your Stories

Please share your success stories
with us. It helps others become
enthusiastic about the program.
Encourage teachers in other school
systems to participate in HSFPP.
It is easy to teach and fun to learn.
If you have any teaching ideas that
have worked for you or success
stories to share, please send them
to me:

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After next November, please
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NEFE Address Change

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The phone numbers are the same,
but in case you have misplaced them
they are:

(303) 741-6333
FAX (303) 220-0839

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(303) 224-3510

Mary Rudolph's is (303) 224-3511