

Money Smart

A financial education program

FDIC



**Money
Smart**

Building :
Knowledge
Security
Confidence

Irma Matias

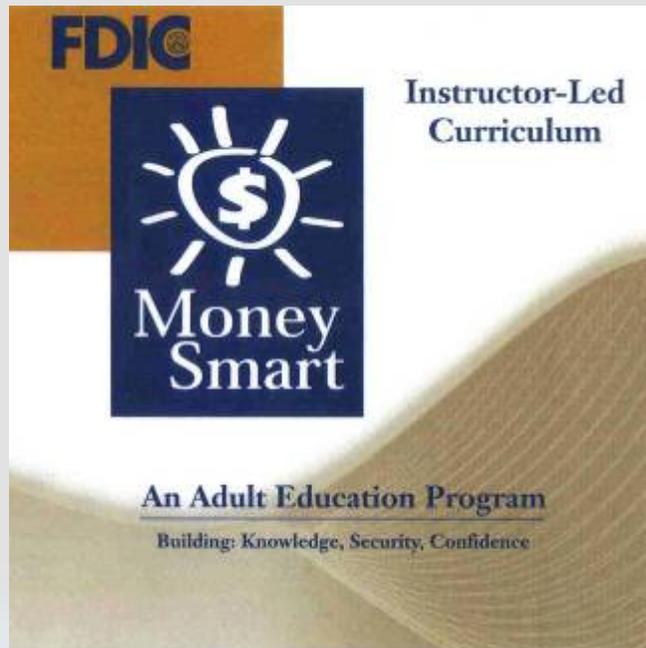
Federal Deposit Insurance Corporation

imatias@fdic.gov

202-898-6658

Two Versions: Instructor-Led & Self-Paced

Instructor-Led



Self-Paced



Instructor-Led Curriculum

- **Each module is structured identically**
- **Comprehensive guide for instructors**
- **Take-home booklet for participants**
- **Overheads**
- **Duration of each module: 1-2 hours**
- **Available in: English, Spanish, Chinese, Korean, Vietnamese, & Russian**
- **Version for the visually impaired available**
- **Revised as of August of 2006**



Computer-Based Instruction (CBI) (Self-Paced) Curriculum

- **Online or CD-ROM**
- **20-30 minutes per module**
- **Available in English and Spanish**
- **Revised in 2007**



Money Smart modules



Module 1:
Bank on It



Module 4:
Money Matters



Module 2:
**Borrowing
Basics**



Module 5:
**Pay Yourself
First**



Module 3:
Check it Out



Module 6:
Keep it Safe

Money Smart modules (continued)



Module 7:
To Your
Credit



Module 9:
Loan to Own



Module 8:
Charge it
Right



Module 10:
Your Own
Home

FDIC



Train-the-Trainer

- **Train-the-Trainer Video for potential Money Smart instructors**
 - **40-42 minutes overview of teaching Money Smart**
 - **English and Spanish**
 - **Viewable online or order in DVD format**
<http://www.fdic.gov/consumers/consumer/moneysmart/trainthetrainer.html>
- **Train-the-Trainer workshops**



Ten reasons Money Smart is unique

- 1. Easy to teach**
- 2. Easy to learn**
- 3. Flexible**
- 4. Targeted to cash consumer**
- 5. Universal appeal**
- 6. No copyrights**
- 7. Multiple media**
- 8. Multiple languages**
- 9. FDIC seal of approval**
- 10. Free!**



Potential ideas for using Money Smart

- **Homebuyer education classes**
- **Post-homebuyer training**
- **Volunteer Income Tax Assistance clients**
- **Job and career training sites/ One Stops**
- **Social service centers**



CRA credit for bank involvement

- **Community Reinvestment Act credit for activities such as:**
 - **Being an instructor**
 - **Hosting a field trip**
 - **Sponsoring refreshments, etc.**
 - **Providing responsive bank products**





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

The Modules

- **Bank On It**
- **Check It Out**
- **Setting Financial Goals**
- **Pay Yourself First**
- **Borrowing Basics**
- **Charge It Right**
- **Paying for College and Cars**
- **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**

Objectives

❖ Students can:

- 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\$tart national financial literacy standards**
 - **National Council on Economics Education (NCEE) national economics standards**

Potential Uses

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

Money Smart Alliance

❖ Alliance members may include:

- **Financial institutions**
- **Universities**
- **Community Colleges**
- **Extension service professionals**
- **Military bases**
- **Community organizations**
- **Private & Public sectors**
- **Employment/Training Providers**

Money Smart Alliance

- ❖ **Alliance members can assist by:**
 - **teaching/delivering Money Smart**
 - **hosting classes**
 - **facilitating program implementation**
 - **promoting Money Smart**
 - **funding local efforts**
 - **evaluating Money Smart efforts**
 - **enhancing delivery and distribution networks.**

Alliance for Economic Inclusion

“Creating Better Communities and Better Lives ”



Economic Inclusion

- A financial system should allow people to achieve economic progress and financial security through the traditional values of hard work and thrift.
- A financial system that strips wealth and locks hardworking families into an endless cycle of debt and financial stress promotes feelings of exclusion.
- **Economic inclusion**, greater competition, and access to the financial mainstream is a top priority for FDIC.



Advisory Committee on Economic Inclusion (ComE-IN)

- FDIC's Chairman Sheila C. Bair announced the formation, and the FDIC Board of Directors approved the establishment, of an Advisory Committee on Economic Inclusion to explore ways of bringing the unbanked into the financial mainstream.



Alliance for Economic Inclusion (AEI)

- The Advisory Committee coincided with FDIC's start-up of the Alliance for Economic Inclusion (AEI).
- FDIC's new national initiative to establish broad-based coalitions of financial institutions, community-based organizations, and other partners in ten markets across the country.
- AEI brings the unbanked and underserved populations into the financial mainstream.



Products and Marketing Strategies to Reach the Underserved

- Financial Education (Money Smart Program)
- Free Tax Preparation - VITA sites
- Individual Development Accounts (IDAs)
- Low-Cost Deposit Accounts
- Low/No-Cost Check Cashing
- Innovative Low-Cost Products
- Affordable Housing Options
- Coaching/Assistance
- Identifying Successful Practices
- Second-Chance Accounts

Progress, To Date

➤ AEI At-A-Glance:

- Members: 952 active
- New Bank Accounts: 65,000
- Small Dollar Loans: 45 banks
- Remittance Products: 33 banks
- Financial Education: 61,000 consumers
- Prospective National AEI Partners: 3

