

# Nefe Digest

January/February 2011

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NATIONAL ENDOWMENT FOR  
FINANCIAL EDUCATION

Americans don't stop learning the moment they graduate from high school or college—and their questions about finances don't stop then either. Adults learn about money management from their colleagues, peers, loved ones, strangers, and myriad media; and these days, they learn a whole lot online.

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*NEFE Fosters Peer Learning Online  
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Since 2005, NEFE has satisfied consumers' desire to learn and address their financial problems online with its website, [www.smartaboutmoney.org](http://www.smartaboutmoney.org). *Smart About Money* is designed to be there for consumers throughout their lifetime of financial decisions. Now, visitors to the site also can learn from one another with the *Smart About Money* Community.

**Learning From Virtual Peers**

*Smart About Money* provides practical articles, calculators, and worksheets, and valuable resources to help readers understand and manage their money. The *Smart About Money* Community recently was created to provide a comfortable and inviting space for readers to talk about financial goals and support one another through financial challenges.

"We have a lot of engaging content on *Smart About Money*, and we hope that readers can expand their experience by having the opportunity to share what was helpful to them and perhaps help another community member," says Clair Diones, director of marketing at NEFE, who envisioned and helped create the community.

NEFE hopes the community will be especially helpful for Americans who are uncomfortable talking about money with their friends or family members, and for those who cannot afford to pay a financial advisor for financial feedback and support. The community also is a great place for practitioners, educators, and community leaders to share their knowledge and help other Americans online.

**Community Basics**

The community is organized by key financial topics that have been popular with *Smart About Money* visitors, such as Credit and Debt, In Financial Crisis, Spending and Saving, Education and Careers, Home Ownership, and Life Events. Diones gleaned additional insight for community topics from focus groups NEFE conducted in 2010.

"In one of our focus groups, a Generation Xer told a story about a friend who lost everything because of an illness and the Gen Xer then signed up for insurance as a result of seeing his friend go through this experience," Diones says. "It reiterated the importance of the community, because it is helping visitors relate to and learn from people just like themselves. This often is the catalyst for people to take action."

Within each financial topic on the community are several forums in which visitors can participate. The aim of these forums is to give visitors a place to share financial questions and solutions and to receive encouragement from others in setting and sticking to financial goals.

"Money is one of those topics that no one wants to talk about," says Diones. "But if people can talk about it anonymously, or read what others are going through, it might help them get the information they need to make an informed financial decision."

The community also will help NEFE make informed decisions about the needs of its audiences. By listening to visitors' financial challenges, goals, and questions, NEFE will be able to better address consumers' needs on *Smart About Money* and through other NEFE programs.

Readers can sign up for the community at [www.smartaboutmoney.org/community](http://www.smartaboutmoney.org/community).

**Electronic NEFE Digest**

Sign up to have this newsletter sent as an e-mail to your inbox.

- Visit [www.nefe.org/subscribe](http://www.nefe.org/subscribe)
- Fill in your contact info
- Check the box next to "Electronic NEFE Digest"

To unsubscribe from the mailed *NEFE Digest*, visit [www.nefe.org/unsubscribe](http://www.nefe.org/unsubscribe).




**HOLIDAY CLOSINGS**

NEFE will be closed on February 21 for Presidents' Day.

# NEFE Grants Spendsters a Second Chance

## Contest Offers Financial Redemption to Those Willing to Confess

**C**helsea Case's creativity has gotten the best of her. The 22-year-old college student from Grand Blanc, Mich., buys craft supplies with reckless regard.

"Being an art student, you get these wonderful crafty ideas that you want to complete, and you think you'll be able to make the coolest thing ever," says Case.

But as Case has learned (the hard way), her online purchases usually end up cluttering her room instead of leading to an artistic masterpiece. Luckily, Case had an opportunity to win back some of the money she's wasted on craft supplies in the Spendster Second Chance video contest.

### Paybacks for Poor Purchases

NEFE hosted Spendster Second Chance on its video-sharing website, [www.spendster.org](http://www.spendster.org), from October 30 to November 4, 2010. Since its launch in October 2008, *Spendster* has given visitors a place to share stories of poor spending habits, impulse buys, and purchases they've later regretted. *Spendster* also encourages visitors to calculate what their money could have been worth had they not wasted it away on stuff they didn't need.

Through Spendster Second Chance, NEFE offered visitors to *Spendster* their first chance at financial redemption. The contest asked entrants, "What have you wasted your money on," and more importantly, "What could you have done with your money had you resisted temptation?" The most popular videos won paybacks, ranging from \$250 to a \$1,000 grand prize.

### A Wave of Responses

From high school students to retirees, more than 140 people participated in Spendster Second Chance, divulging wayward spending decisions ranging from motorcycles and misspelled tattoos to clothes and guitars.

"The diversity of people and their stories shows that everyone makes purchases they regret at one time or another," says Paul Golden, NEFE's media relations manager and a confessed exercise-equipment Spendster. "But the lesson here is that people learn from those spending slipups so they tend not to waste even more money in the future."

As the entry with the most public votes, Case's video earned her the grand prize.

"I already knew that I had overspending behaviors," says Case. "The contest helped me realize what I do spend money on



Grand prize winner Chelsea Case shows viewers the craft supplies she has wasted her money on.

### A Few of NEFE's Faves



**1. Sweaters Galore and More** — Sheila shows the world the collection of decorative sweaters that has cut into her retirement savings.



**2. Me and My Coffin** — Dan reveals a coffin that sits in his garage after serving as a prop for his video production project.



**3. My Parents are Spenders** — Four-year-old Anna rats out her parents for their bad spending habits (pulling them by the ears to listen up).



**4. The Bean Bag Bonanza** — Matt, a college student from Florida, laments his \$1,000 giant bean bag purchase (which he never uses).



**5. I Buy in Bulk** — Angela takes viewers into a tremendously cluttered basement full of items she has purchased in bulk but never used.

and how I should better think about my purchases in the future."

Sheila Miller, a teacher at Newfound Regional High School in Bristol, N.H., used the contest as a lesson for students in her personal finance and business class.

"We had just finished Unit Two [in the NEFE High School Financial Planning Program® (HSFPP)] on budgeting and were starting on Unit Three, when I stumbled upon the contest," said Miller. "I thought it was a great way for students to reflect on where their money goes and where they can potentially free up some to save and invest." (Miller led by example with an entry revealing frivolous spending on her five cats.)



To watch all the contest entries, visit <http://secondchance.spendster.org/secondchance.html>.

# Marketing Salon Promotes Research to Action

## NEFE Evaluates How to Turn Findings into Financial Change

**A**fter years of facilitating compelling research and uncovering groundbreaking findings about behavior and finance, NEFE is focusing on linking its research to actual consumer behavior. If we really want to affect change in the financial lives of everyday Americans, it will take more than just great research; it's how we apply the research to help consumers that matters.

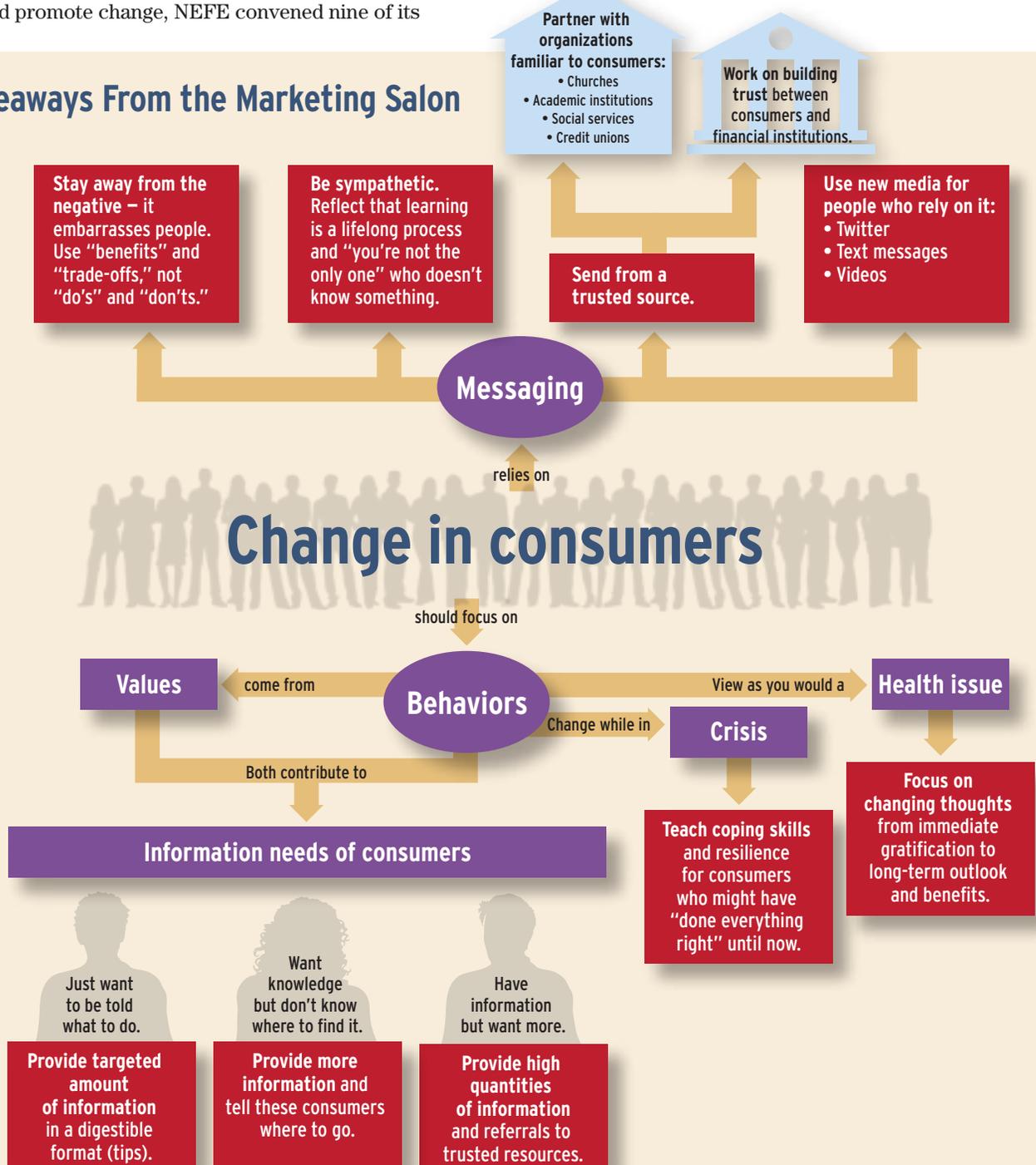
To brainstorm how NEFE and others can catch Americans' attention and promote change, NEFE convened nine of its

current and past project researchers at a marketing salon in Washington, D.C. on September 22.

Throughout the day, researchers and members of the NEFE grants and marketing teams shared past dissemination successes and brainstormed strategies for using new media and alternative methods for delivering information. The collaboration's resulting directive: It is the reason for and method in which you share knowledge that is important, not the quantity of information.

Learn more about the salon at [www.nefe.org/marketingssalon](http://www.nefe.org/marketingssalon).

### Key Takeaways From the Marketing Salon



# NEFE Welcomes New Board Members and Names 2011 Chair

**N**EFE appointed two new members to its Board of Trustees in January. Michael Bedke and Michael Jones each will serve on the 15-member board for the next two years. NEFE also appointed board member Martin Jaffe as its chairman for 2011. Jaffe joined the board in 2008 and will lead the board for one year.

"I look forward to learning from our new board members and our new chair as they help guide NEFE toward fulfilling its mission," says Ted Beck, president and CEO of NEFE. "Michael Bedke's years of legal expertise and community involvement and Michael Jones' leadership within the financial literacy community will be very valuable to us. Martin Jaffe brings extensive experience leading organizations with principles similar to NEFE's."



## Michael Bedke

Michael Bedke, J.D., is a partner at the Florida office of DLA Piper, one of the world's largest legal service providers. Bedke leads DLA Piper's real estate and commercial lending division and serves as the national co-chair

of the organization's rail sector, through which he advocates for sustainability and environmental initiatives such as high-speed rail and other transportation-oriented development.

Bedke is regarded as a prominent male voice in the battle against domestic violence, serving on President George W. Bush's National Advisory Committee on Violence Against Women and receiving the Florida Victim Advocate of the Year award in 2004. Bedke also has helped secure support for thousands of natural disaster victims throughout Florida, Hawaii, and the Midwest.

Through his pro bono and volunteer work, Bedke has distinguished himself with honors at DLA Piper and has been recognized as an outstanding young lawyer by law publications and organizations in Florida and nationally.

Through his work at NEFE, Bedke hopes to continue advocacy for victims, this time with a focus on financial strife.

"I look forward to working with NEFE in empowering people to learn more about how to manage their personal finances in a way that will give them greater control over their lives," says Bedke. "I particularly welcome the opportunity to assist NEFE in its outreach to our less fortunate neighbors, the poor and working poor."

## Michael Jones

As chief operating officer at the Public Broadcasting System (PBS), Michael Jones, J.D., works to ensure that all PBS services and activities are strategically aligned with the nonprofit's mission and vision.



Before joining PBS in January 2009, Jones spent 12 years at the Financial Industry Regulatory Authority (FINRA), formerly the National Association of Securities Dealers (NASD). While at NASD, Jones served most recently as the senior executive vice president and chief administrator officer, in addition to leading the NASD Foundation as its president.

Before joining NASD in 1996, Jones worked as deputy director/counsel of the Securities and Exchange Commission's Office of Public Affairs, Policy Evaluation, and Research. Earlier in his career, Jones served two U.S. senators, Sen. Bill Bradley of New Jersey and Sen. Edward Brooke of Massachusetts. Jones also served as spokesperson and political advisor for presidential candidate John Anderson, a congressman from Illinois. He also worked as a public affairs counselor at the New York office of Burson-Marsteller, a national public relations firm, and as national director of public relations for the March of Dimes.

Jones served as a member of the Board of Trustees of Boston College, the Board of Advisors of Boston College's Law School, the Board of Directors of Jump\$tart Coalition, and president of the Alliance for Investor Education.

"I am a firm believer in education and I am very impressed with the scope of work that NEFE does," says Jones. "Financial education, especially in this economy, is truly important. It's no longer a 'nice-to-have,' it's a 'must-have.'"



## Martin Jaffe

Martin Jaffe is the recently retired chief operating officer and co-founder of Silvercrest Asset Management Group, LLC, a wealth management firm that oversees more than \$9 billion in assets. Previously, Jaffe served as chief operating officer of DLJ Asset Management Group. He then was named chief financial officer of Credit Suisse Asset Management, LLC, after Credit Suisse acquired DLJ in 2000. Jaffe began his career at the U.S. Trust Company.

Jaffe is a long-time participant and board member of the International Association for Financial Planning (now the Financial Planning Association), of which he served as president and chairman of the board from 1994 to 1996. Jaffe also served as chairman of the Foundation for Financial Planning (FFP).

"I have been helping individuals improve their financial literacy throughout my entire professional career," says Jaffe. "While those positions were very fulfilling, they did not have the impact, breadth, and results achieved by those that NEFE offers. I am excited and delighted to have the opportunity to make a difference in the financial well-being of all Americans."

# High School Program Returns to White House



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**T**he White House invited NEFE's High School Financial Planning Program® (HSFPP) to teach a lesson on financial basics for the third time in 2010.

On November 29, HSFPP Director Susan Sharkey met with 17 high school junior and senior girls in first lady Michelle Obama's mentor program. Sharkey's workshop focused on planning for a major purchase and paying for higher education. In addition to basics on spending, decision making, and goal setting from the HSFPP curriculum, Sharkey used NEFE's *40 Money Management Tips Every College Student Should Know* booklet and tips from NEFE's CashCourse Prep website to help prepare Obama's mentees for future financial situations.

"I wanted to make sure the girls had something useful to take away," said Sharkey. "I gave them practical tips such as making a list and a budget for gifts they plan to buy, and sending in their FAFSA [Free Application for Federal Student Aid] early if they are seeking financial aid for college."

Teach your own White-House-caliber lessons:

- Learn more about the HSFPP at <http://hsfpp.nefe.org>.
- Discover CashCourse Prep, NEFE's new resource for preparing for college, at [www.cashcourse.org/prep](http://www.cashcourse.org/prep).
- Download a copy of *40 Money Management Tips* at [www.smartaboutmoney.org/40moneytips](http://www.smartaboutmoney.org/40moneytips).

## Stop by our booth or look for us at the following conferences:



- Southern Association of Student Financial Aid Administrators (SASFAA) Conference  
February 13 – 16 ..... Jacksonville, FL
- Western Association of Educational Opportunity Personnel (WESTOP) Annual Conference  
February 27 – March 2 ..... Las Vegas, NV
- Credit Union National Association (CUNA) Government Affairs Conference  
February 27 – March 2 ..... Washington, D.C.

## Calling All High School Teachers

The Department of the Treasury's National Financial Capability Challenge can help you increase the financial knowledge and capability of your students. The free awards program provides educators with toolkits containing ready-to-use lesson plans on

core competencies for financial education. Students then take a brief online exam to test what they learned—and qualify them for awards. The challenge runs March 7 through April 8. Learn more at [www.challenge.treas.gov](http://www.challenge.treas.gov).

**For more information** on NEFE, visit [www.nefe.org](http://www.nefe.org).  
**To subscribe** to the *NEFE Digest*, visit [www.nefe.org/subscribe](http://www.nefe.org/subscribe); **to unsubscribe**, visit [www.nefe.org/unsubscribe](http://www.nefe.org/unsubscribe).

The mission of the National Endowment for Financial Education is to help Americans acquire the knowledge and skills necessary to take control of their financial destiny.

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