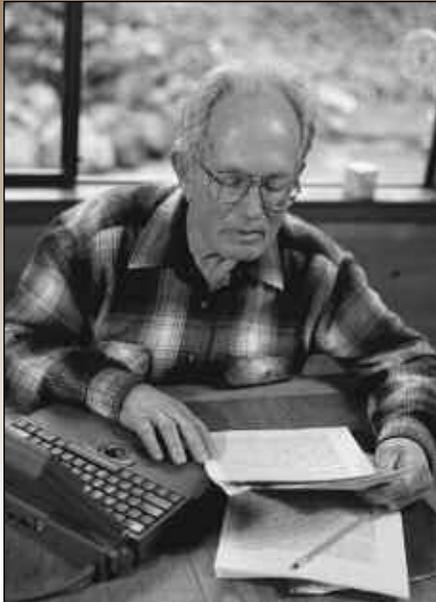


Nefe Digest

March/April 2004

A Publication of the National Endowment for Financial Education

NEFE Launches Partnership with Ad Council to Promote Financial Literacy



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The National Endowment for Financial Education® (NEFE®) and The Advertising Council, the nation's largest provider of public service advertisements (PSAs), have announced a partnership to produce America's first large-scale financial literacy advertising campaign.

The Ad Council manages about \$1.5 billion annually in donated media, making it one of the country's top 10 advertisers. The nonprofit organization's campaigns have both increased awareness and changed behavior on a broad range of national issues, including crime, forest fire, and drunk driving prevention, and the use of seat belts.

The Ad Council and NEFE will partner to create a personal finance campaign because of a mutually recognized need for education surrounding money management. Both organizations see the Ad Council's experience with public service advertising as an effective way to provide that information.

"According to the U.S. Department of the Treasury, more people filed for bankruptcy than graduated from college in 2002—a shocking statistic, and one that demonstrates the need for the Ad Council to use its resources toward addressing this pressing issue," said Peggy Conlon, president and CEO of the Ad Council. "We are proud to join with NEFE in a long-term partnership to develop a campaign that will motivate Americans across a variety of demographics to take responsibility for their financial well-being and, ultimately, improve their quality of life."

Over the course of the campaign, NEFE will contribute financial and staff resources for the production and distribution of the advertising messages in an effort to reach as many Americans as possible. "NEFE is committing over \$900,000 in the first year and \$2.3 million over the projected three-year life of the campaign,"

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NEFE Helps People Take Control of the Financial Side of Epilepsy

Epilepsy, a type of seizure disorder, affects 2.3 million Americans of all ages and is the third most common neurological disorder after stroke and Alzheimer's disease. Although a diagnosis of epilepsy is a major event, many people with this condition live healthy, prosperous lives. However, to make this positive outcome a reality, individuals with epilepsy must carefully manage their health *and* their money.

To help people with epilepsy take control of their finances, NEFE collaborated with the Epilepsy Foundation to develop *In Control: Taking Charge of Epilepsy—and Personal Finances*.

"NEFE has been reaching out to organizations that serve people with various health issues for several years, but we quickly learned that the unpredictability of epilepsy makes it a unique condition," explained Brent Neiser, CFP®, NEFE director of Collaborative Programs.

For example, if someone has a seizure in a public place, chances are an ambulance will be called and the individual most likely will incur at least some out-of-pocket expense, even if he or she has health insurance. A person with epilepsy may not be able to maintain a driver's license, depending on state laws, which means added transportation challenges. And a parent whose child has uncontrolled seizures may be prevented from working because of the child's need for around-the-clock care. *In Control: Taking Charge of Epilepsy—and Personal Finances* gives readers the information and resources they need to help them cope with these and many other unexpected expenses of epilepsy.

Topics covered in the 48-page booklet include:

- Analyzing a health plan in relation to a diagnosis of epilepsy
- Handling a job loss in the event of disability
- Applying for government assistance
- Saving and investing money
- Making sure that basic issues, such as life insurance and estate planning, are addressed, including the possibility of establishing a special needs trust for a child with epilepsy



"The project has been a wonderful way to pull a lot of information about the financial aspects of epilepsy into one comprehensive booklet and offer it to people as a resource that they can refer to again and again at different points in their lives,"

-Jessica Deering, director of Special Initiatives at the Epilepsy Foundation

- Developing a spending plan to control expenses
- Affording medications and other health-care costs
- Finding transportation when driving is not possible
- Talking with an employer about epilepsy

- Handling a job loss in the event of disability
- Applying for government assistance
- Saving and investing money
- Making sure that basic issues, such as life insurance and estate planning, are addressed, including the possibility of establishing a special needs trust for a child with epilepsy

The range of topics covered in the booklet make it especially useful to individuals with epilepsy, according to Jessica Deering, director of Special Initiatives at the Epilepsy Foundation in Landover, Maryland. "The project has been a wonderful way to pull a lot of information about the financial aspects of epilepsy into one comprehensive booklet and offer it to people as a resource that they can refer to again and again at different points in their lives," she said.

In addition to the booklet, NEFE developed a series of fact sheets for the Epilepsy Foundation's Web site that highlight key points from the publication. NEFE also wrote a workshop leader's guide, which can be used by local affiliates of the Epilepsy Foundation to lead group discussions about topics covered in the booklet.

Copies of *In Control: Taking Charge of Epilepsy—and Personal Finances* are available by calling the Epilepsy Foundation at (800) 332-1000, or by ordering the booklet online at www.epilepsyfoundation.org. Click on Contact Us.

Holiday Closings

NEFE will be closed April 9 for Good Friday.



NEFE Grant Project Targets Farm Families

A NEFE grant research project recently culminated in the development of an interactive Web site targeted specifically to the needs of farm families. The project “Who Will Get Grandpa’s Farm?” presents a series of video scenarios that illustrate effective ways to communicate about the potentially sensitive subject of transferring farm ownership.

The original research project in which the Web site content is grounded was titled “Retirement and Succession Planning for Farmers.” The project was funded by the U. S. Department of Agriculture, Cooperative State Research, Education, and Extension Service and a \$25,000 NEFE grant, which also covered the development of the Web site. The grant was awarded to Purdue University.

“From NEFE’s perspective, the most exciting thing about the project is that we were able to support basic financial

research, as well as enable the development of a significant application of that research through the Web site,” said Marilyn Canfield, NEFE director of Grants Administration. “By making the information available on a broad scale, we’re helping a segment of Americans plan more effectively for their future. That goes directly to the heart of our mission as an organization,” she said.

The Web site was created by Sharon DeVaney, Ph.D., an associate professor in Purdue’s Department of Consumer Sciences and Retailing. DeVaney, who also completed the original grant project, based site content on her research, which included interviews with 40 farm families on their plans for retirement. Her study showed that communication is one of the important factors in the transfer of family farms, which is in turn a key factor in retirement planning for farm owners.

Although communication is an important element in farm succession, DeVaney said, the topic is seldom addressed by bankers, lawyers, accountants, and other professionals with whom farmers work to develop their estate plans. This is why she chose to make communication a main feature in the Web site.

Visitors to the site can explore six video vignettes that portray typical circumstances faced by farm families as the owners of the farms age, and the time for transfer approaches. Each scenario presents examples of three communication strategies that can be used in discussions about farm succession. These include direct control, indirect control, and no control. Direct control involves communication in which one person addresses another person in a confrontational or patronizing manner. Conversations that use indirect control are collaborative in nature. When no control is used, the conversation is neutral. Indirect control usually is the preferred strategy.

Through the video presentations of various communication styles, the Web site encourages users to think about their own situation in regard to farm transfer. For example, how should adult children living on the family farm talk with their siblings living elsewhere about their interest in the future of the land? The site also provides a review of points covered, as well as a quiz on the communication strategies.

DeVaney said the Web site has received positive reviews. “I am surprised and pleased at the appeal to all ages of users who have visited the site.”

To view the Web site, log on to www2.ces.purdue.edu/farmtransfer/. For more information about the NEFE Grants Program, log on to the Innovative Thinking section of www.nefe.org.

Two New Members Join the NEFE Board of Trustees



Patricia F. Meidell, MA, CFP® Reno, Nevada

Patricia Meidell is a Certified Financial Planner™ professional and National Association of Securities Dealers Registered Principal with Associated Securities Corporation. She has owned her own financial services business since 1982. She also is the president of American Retirement Planners and has worked in the financial field for 30 years.

Before becoming a financial advisor, Meidell taught high school for 17 years and was nominated for California's Teacher of the Year award. She also worked as a high school administrator.

Meidell currently serves on the boards of Meredith Enterprises and Associated Securities Corporation. She also has served on the Santa Barbara Finance Commission, the Santa Barbara Arts Commission, and as a member of the board of directors for the Lompoc (California) Chamber of Commerce.

Meidell received her master's degree in English from Northern Arizona University in 1972. She earned her bachelor's degree in English Education from Idaho State University in 1966. In addition, Meidell completed post-graduate work in counseling at the University of Arizona.

In welcoming the new members to the Board of Trustees, William L. Anthes, Ph.D., president and CEO of NEFE, said, "Like so many professionals who serve on our board, these individuals bring with them a strong commitment to financial literacy. In addition, they bring experience in the fields of education and financial planning, making them ideal members of a group that is committed to helping Americans achieve economic well-being."

Booth and Meidell will participate in their first full meeting of the NEFE Board of Trustees in May.

Two individuals recently were appointed to the National Endowment for Financial Education Board of Trustees. These professionals are experienced in a number of areas, including teaching and financial counseling. The new members include:

Jackie L. Booth, Ph.D. Tampa, Florida

Jackie Booth is the co-founder and president of Paradox Learning Systems, Inc. Founded in 1997, the company produces high-quality educational materials for teachers, students, parents, and the general public. Paradox Learning Systems programs are used in over 28,000 classrooms and by more than one million students across the United States.

Previously, Booth was the associate director of the Stavros Center for Free Enterprise and Economic Education at the University of South Florida. She also is a former coordinator of graduate studies in the department of curriculum and instruction at Southern Illinois University. In addition, Booth

taught English to sixth-, seventh-, and eight-grade students for a number of years. She has taught English to adult learners, as well.

Booth is the author of publications on tobacco prevention education, economic education, and literature and technology. She has written curricula focusing on a number of different topics, including economics. Booth also co-wrote and produced three educational television series.

Booth received her Ph.D. in philosophy from the University of South Florida in 1997. She obtained her master's degree in curriculum and instruction from Southern Illinois University in 1980 and her bachelor's degree in journalism from Brigham Young University in 1972.

NEFE Supports Financial Literacy Advertising Campaign

Continued from page 1

said William L. Anthes, Ph.D., president and CEO of NEFE. "This considerable financial commitment demonstrates that the Board of Trustees and staff of the National Endowment for Financial Education recognize the tremendous opportunity presented for serving our country's population."

The initial phase of this multi-year campaign will be aimed at adults in the general population and stress the critical need for Americans to employ positive financial planning behaviors. The Ad Council will conduct prerequisite research, which will lead to the crafting of effective ad messages. Those messages will aim to inspire individuals to gain more information about personal finance, and ultimately use that knowledge to change their negative behaviors. The PSAs will be distributed to approximately 28,000 media outlets nationwide, encompassing television, radio, newspapers, magazines, billboards, and the Internet.

While the Ad Council will take responsibility for creating a successful public service campaign in partnership with a four-AAAA volunteer advertising agency, NEFE will recruit organizations to join a nationwide coalition for financial literacy. Members of the coalition will be asked to provide funding for the ongoing effort and/or public access to their organizations' personal finance education materials.

"This project, with the support and momentum of dozens of organizations, will establish an active financial literacy movement. It will bring a wealth of quality financial education materials that already exist together with the people who need them," said Nan Mead, NEFE director of Communications and the project coordinator.

NEFE will make the materials provided by the coalition available through a self-help clearinghouse. This clearinghouse will be accessible via an 800 number and a Web portal, both of which will be advertised through the public service campaign. The 800 number, Web portal, and clearinghouse are described below.

1. 800 number: Individuals who have been exposed to the campaign and are motivated to seek further information can call this number, which will connect them to a customer service center. Call center staffers will answer questions, accept requests for financial education materials, and explain how to access information online.

2. Web portal: This campaign fulfillment component will serve as a gateway to connect individuals to other Web sites that deliver the money-management tools and information they need. The financial education Web portal will be directly accessible by the public, facilitating materials orders and providing information such as how to locate community-sponsored financial education programs or where to go for one-on-one counseling opportunities.

The portal also will incorporate a search engine to enable individuals to locate a specific topic among the documents available on the Web sites of the participating organizations. Finally, the portal will collect general demographic data to help gauge the effectiveness of the overall campaign.

3. Self-Help Clearinghouse: The 800 number and the Web portal will serve as conduits to the clearinghouse, a vast, dispersed virtual library stocked with financial

education information produced and submitted by members of the coalition. Consumers will be able to access the clearinghouse directly through the portal. Within the clearinghouse, they will be able to select and request copies of materials, which may consist of brochures, videotapes, Web sites, learning guides, kits, worksheets, and other documents in a variety of formats. All materials will be provided free or at minimal cost.

Clearinghouse content will be updated and increased continually as the nature and volume of available information evolves. The vast majority of clearinghouse items will consist of pre-existing products created by coalition partners. However, some items will be developed especially for the campaign. Together, these materials will comprise one of the most extensive and complete collections of financial education information available anywhere.

By raising awareness through an advertising campaign and making financial information available and easily accessible through the self-help clearinghouse, NEFE hopes the effort will begin a broad-based nationwide financial literacy movement and effect real change in the financial habits of individuals across the nation.

"The public service campaign will be an important first step in accomplishing these objectives, and the power and influence of the Ad Council will be a big factor in our success," said Anthes. "The organization has an impressive track record of running campaigns that get noticed and inspire action."

Future issues of *NEFE Digest* will report on the progress of the financial literacy campaign. For general information about the Ad Council, log on to www.adcouncil.org.



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All questions regarding *NEFE Digest* may be addressed to the Communications department, *Editor*: Amanda Cherry. NEFE is open Monday through Friday, from 8:30 a.m. to 5:00 p.m. Mountain Time. The main telephone number is (303) 741-6333; the fax number is (303) 220-0838. Visit the NEFE Web site at www.nefe.org.

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