

# Nefe Digest

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A Publication of the National Endowment for Financial Education

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## NEFE Partners with NASD Foundation on New Grants Program

*A Publication of*

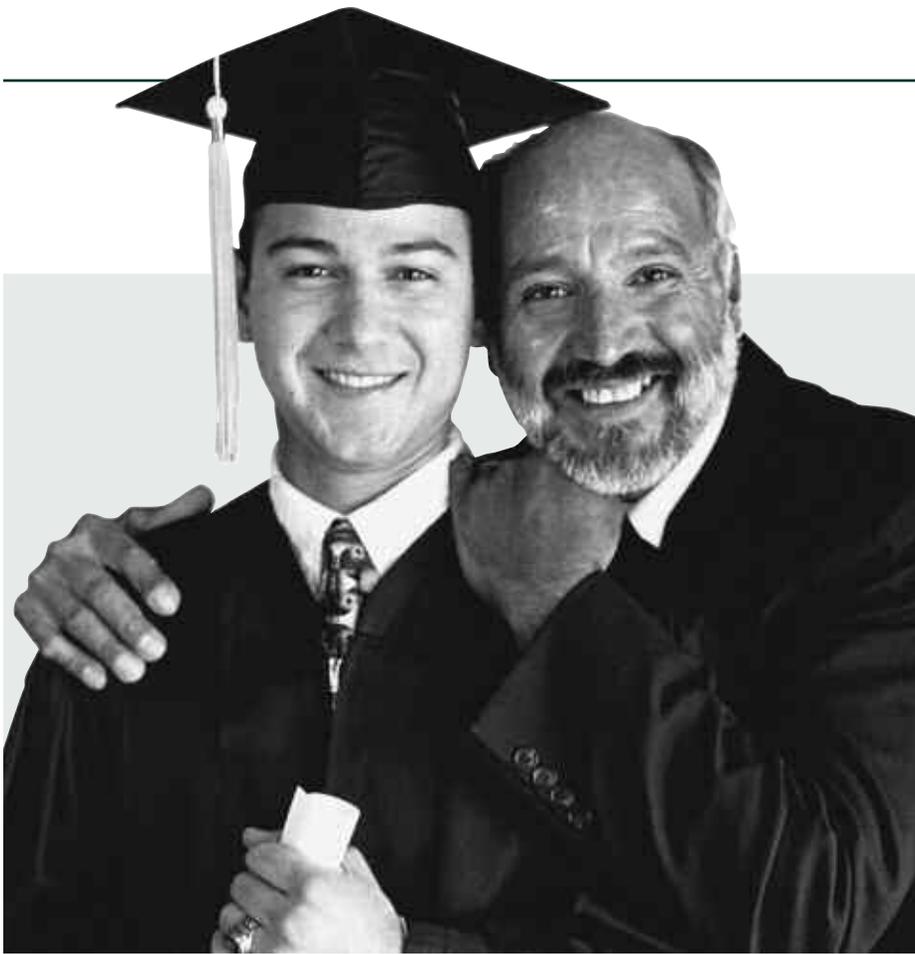


**T**he National Endowment for Financial Education® (NEFE®) and the NASD Investor Education Foundation recently entered into a groundbreaking partnership that ultimately will help Americans become better-educated, more-capable investors. The organizations will pilot a grantmaking program in 2004 to fund projects that educate Americans to make sound investment decisions.

The National Association of Securities Dealers (NASD) established the Investor Education Foundation in December 2003. Its mission is to provide investors with high-quality,

easily accessible information and tools to promote a better understanding of investing and the markets. Starting with an initial endowment of \$10 million, the Foundation was established in response to both the current market environment, and a recent survey conducted by NASD showing that Americans have a number of fundamental questions and misunderstandings regarding investment issues. The Foundation will award grants to fund education programs, materials, and research aimed at segments of the investing public who could benefit from access to additional resources.

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## College-Bound Hispanic Youth Benefit from NEFE Collaboration

**T**he National Endowment for Financial Education recently collaborated with the Hispanic Scholarship Fund (HSF), the nation's leading organization supporting Hispanic higher education, to create a booklet designed to help HSF Scholars get a handle on their personal finances.

The Hispanic Scholarship Fund's mission is to double the amount of Latinos entering college by 2010. It works to achieve this goal by providing the Hispanic community with college scholarships and educational outreach support. HSF also recognizes that in order for its scholars to succeed in college, they need not only financial assistance, but education about how to manage their money, as well.

For this reason, NEFE and HSF produced *The Money Manual*, a personal financial guide for Hispanic youth that provides readers information to help them acquire positive money-

management habits during their university years and beyond.

"College isn't about grades alone," said Sonia Torres, Hispanic Scholarship Fund spokesperson. "Students must learn how to make wise choices with their money so they can stay in school. HSF exists to help lessen the financial burden, and *The Money Manual* helps us do that by teaching our scholars how to be effective money managers. It is a valuable and tangible tool."

The booklet consists of four chapters. Chapter 1, "Getting Ready for College," describes the process of organizing financial documents and records, explains how to select a bank, and presents a series of worksheets that help the student create a personal spending plan.

Chapter 2 is titled "Understanding Financial Aid Options." It explains how to apply for aid and lists a series of online resources. Also included are

a warning about scholarship scams and a chart showing potential loan sources.

The third chapter, "Managing Your Money," focuses on "plugging spending leaks." In addition to a worksheet and a list of suggested ways to cut expenses, this chapter provides a warning about predatory-lending practices, explains how to reduce debt, and describes the rights and responsibilities of college students.

Finally, Chapter 4, "Planning for Tomorrow," focuses on transitioning to life after college. From preparing for new expenses to understanding employment benefits and investing for the long term, the information stresses the importance of making wise financial decisions.

The booklet ends with a "Special Note to Parents," which highlights the role of families in supporting their children emotionally during college and offers planning tips for school-related needs and expenses.

According to Brent Neiser, CFP®, NEFE director of Collaborative Programs, the inclusion of this note emphasizes the close familial ties within Latino communities. "It urges students to maintain those connections as they pursue a future that combines academic achievements with financial skills," he said.

Founded in 1975, the Hispanic Scholarship Fund has awarded more than 61,000 scholarships in excess of \$115 million to Latinos attending more than 1,700 colleges and universities. Copies of *The Money Manual* are distributed by HSF to current and potential scholars and also may be downloaded from the organization's Web site at [www.hsf.net](http://www.hsf.net).

For a wealth of self-help personal finance information, visit the NEFE Web site at [www.nefe.org](http://www.nefe.org).

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# NEFE and NASD Foundation Pilot Grants Program

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The NASD Investor Education Foundation and the National Endowment for Financial Education are natural partners on a grants program of this type.

“NASD has long been committed to investor education. Our investment in the Foundation makes that commitment clear and responds to a desire by investors for information that can help them create a more secure future for themselves and their families,” said Robert R. Glauber, NASD chairman and CEO, and chair of the NASD Investor Education Foundation Board of Directors. “We’re excited to have NEFE as a partner. Their expertise in grantmaking in this area will help ensure the effectiveness of the Foundation’s grant program.”

Like NASD, the National Endowment for Financial Education also works to serve the educational needs of investors.

“One of our foundation’s initiatives speaks directly to investor education, stating that NEFE is dedicated to assisting consumers in understanding and actively participating in the management of their investments,” said William L. Anthes, Ph.D., president and CEO of NEFE. “We’re pleased to partner with the NASD Foundation, an organization with great expertise in investor education, to award grants that can not only further the knowledge of consumers, but also support their ability to make sound investment decisions.”

Both organizations will have significant roles in the execution of the grants program. Representatives at NEFE will handle the intake of grant applications and review them for technical compliance. Both NEFE and NASD Investor Education Foundation staff members will review applications for content. The NASD Foundation Board of Directors will be responsible for

selecting which projects receive funding. NEFE staff members will perform day-to-day management of the grant projects, including communicating with grantees and evaluating the progress of the grants.

The NASD Investor Education Foundation Grants Program is intended to fund projects that advance its mission. Among other requirements, a potential grant project should: 1) identify an unmet investor education or protection need; 2) reach a large audience; 3) be sustainable once grant funding ends; 4) lend itself to easy expansion or replication; 5) use technology effectively; 6) present a unique project; and 7) include one or more deliverables.

For a complete list of the grant proposal requirements and additional information about the program, log on to the NASD Investor Education Foundation Web site, at [www.nasdfoundation.org](http://www.nasdfoundation.org).

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## HSFPP Featured in Newspaper in Education Program

**T**he NEFE High School Financial Planning Program® (HSFPP) Student Guide has been featured in a Newspaper in Education supplement in still another major metropolitan area—this time in Washington, D.C.

The supplement ran in *The Washington Times*, a newspaper with a daily circulation of 100,000, on March 30. The printing of the guide was sponsored by GE Consumer Finance.

In commenting on the supplement, Douglas Alexander, educational services manager at *The Washington Times*, said, “We are proud to offer money-management education to our readers and the schools in our community by printing the NEFE High School Financial Planning Program through Newspaper in Education. We view the HSFPP as one of the most comprehensive programs of its kind, and are pleased to be able to expand its outreach.”

The supplement also has been posted on the NEFE High School Campus Web portal (a section of the NEFE Web site). “Because the supplement has been converted to an electronic format, it has the potential to reach not only readers

of *The Washington Times*, but other newspaper audiences, as well,” said Elizabeth Schiever, director of the NEFE High School Financial Planning Program. “Newspapers nationwide can view the supplement online, and on obtaining the appropriate approval from the National Endowment for Financial Education, they can print the material in their own publications, either themselves or by working with an outside print sponsor.”

Publication of the HSFPP material in *The Washington Times* marks the third time the curriculum has been used as part of a Newspaper in Education program. Other supplements have appeared in *The State* (South Carolina) and the *Fort Worth Star-Telegram*. *The Washington Times* effort is the first time a newspaper has published the Student Guide all in one supplement.

For more information about the NEFE High School Financial Planning Program and to view the supplement, log on to the NEFE High School Campus, located in the Education Programs section of [www.nefe.org](http://www.nefe.org).

# New High School Program Web Portal Serves Students, Teachers, and Sponsors

The National Endowment for Financial Education has launched a new online resource as a complement to the NEFE High School Financial Planning Program (HSFPP). The NEFE High School Campus, located in the Education Programs section of [www.nefe.org](http://www.nefe.org), is a vast Web portal featuring the HSFPP Student Guide and Instructor's Manual in their entirety, interactive personal finance games, crosswalks between the HSFPP and national curriculum standards, sample lesson plans, resources for teachers and sponsors, and much more.

To date, the NEFE High School Financial Planning Program has provided over 3.3 million students with basic personal finance education. It is an interactive curriculum that teaches students to set financial goals, use credit wisely, develop a spending plan, save and invest effectively, make positive career choices, and protect themselves against risk.

"The program has a proven track record with over 23,000 high schools in all 50 states," said Elizabeth Schiever, NEFE director of the HSFPP. "By supplementing this well-known and respected program with an online component, we will be able to offer more resources to teachers and students already using the HSFPP, as well as introduce the curriculum to new schools and communities," she said.

The development of the NEFE High School Campus was completed by Digitec, a digital media production company in Orlando, Florida. It was funded by the InCharge® Education Foundation, Inc., a provider of educational products and services supporting personal financial literacy needs.

"Our mission is to educate the public about personal finance, and one market we try to reach is young people," said Al Duarte, vice president of education

at InCharge. "We believe it's most efficient for us to work with leaders in the field to enhance their existing programs for this market, rather than to develop new materials. That's why we have worked closely with NEFE, because the HSFPP is one of the best, if not *the* best, curricula available for young people. We thought we could help make it even more effective by contributing to the addition of an e-learning component," he noted.

The NEFE High School Campus is divided into four distinct areas. There are separate resources for students, teachers, and sponsors, as well as a section titled "Who We Are."



The Students' section of the portal includes the Student Guide, success stories from teenagers around the nation who have used and benefited from the HSFPP, puzzles and charts to further enhance learning, and eight interactive personal finance games. This section also has been designed to address diverse learning styles by presenting the material in a number of different ways.

"The games, in particular, are meant to engage students in the learning process," Schiever said. "Students team with one of eight imaginary players, each representing a different area of financial planning, to try and prove their knowledge by answering a series of money-management questions."

The Teachers' section of the Web portal also provides a variety of

information. Teachers can download the Instructor's Manual and supplemental PowerPoint® presentations, view lesson plans submitted by other teachers using the program, and consult guidelines for applying the HSFPP to current national curriculum standards.

The Sponsors' section of the NEFE High School Campus was created for the representatives and volunteers of all program sponsors. It was developed with input from the HSFPP partnering organizations: the Cooperative State Research, Education, and Extension Service, USDA, and participating Land-Grant University Cooperative Extension Services; and the Credit Union National Association, Inc., and America's Credit Unions.

In addition to viewing materials similar to those on the Teachers' section of the Web portal, HSFPP sponsors can find out how to become involved in teaching and promoting the program.

Finally, the "Who We Are" section of the portal provides users with general information about the NEFE High School Financial Planning Program and the National Endowment for Financial Education.

"The launch of the portal is a significant milestone in the history of the HSFPP," Schiever said. "For the first time, we are able to provide teachers, students, and sponsors with a virtual place where they can gather information about the program, download it, and access a wealth of materials to enhance both teaching and learning about personal finance."

For additional information about the NEFE High School Campus or the HSFPP, log on to the Education Programs section of [www.nefe.org](http://www.nefe.org). For more information about the InCharge Education Foundation, Inc., log on to [www.inchargefoundation.com](http://www.inchargefoundation.com).

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# NEFE Grant Helps Immigrants Improve Their Financial Literacy

A curriculum developed with funding from a NEFE grant is helping to teach immigrants both the language and the economics of America. Financial Resources and Economic Education (F.R.E.E.) was created by California Literacy, Inc., the country's oldest and largest statewide adult volunteer literacy organization.

A grant of \$56,240 financed the project, which included the development of a learner's workbook and teacher's guide. The workbook and guide are divided into six units. They cover topics as basic as identifying money and as complex as buying a home. The content also includes discussions of finance-related slang and idioms and exercises that ask learners to make a plan to achieve their own financial goals.

The curriculum can be presented to English-as-a-second-language learners in a classroom or a one-on-one tutoring session. The flexible, 12-hour package is available in hard copy. It also will be available on the organization's Web site at [www.caliteracy.org](http://www.caliteracy.org).

While the F.R.E.E. curriculum primarily was tested with Spanish-speaking immigrants, who compose about 75

percent of English-as-a-second-language learners, the program also is applicable to individuals who speak other native languages, according to Lisa Bennett-Garrison, executive director of California Literacy. In addition, because the package uses language at a third-grade level, educators can use it with low-literacy English speakers simply by omitting some sections, such as pronunciation exercises, that may be inappropriate.

"We expect the curriculum to benefit thousands of adult learners in California and nationwide," Bennett-Garrison said. Distribution plans call for F.R.E.E. to be promoted through a variety of publications and Internet links. In addition, she explained, it will be submitted to several resource centers, such as the National Center for the Study of Adult Learning & Literacy.

The curriculum's greatest exposure may come through the Web site of the developing organization. Bennett-Garrison said she expects F.R.E.E. will be downloaded for use by 250 to 500 literacy programs across the country during its first two years online. A description of F.R.E.E. and a direct

link also will be posted on the Financial Education Clearinghouse on the NEFE Web site at [www.nefe.org](http://www.nefe.org).

The fact that the curriculum has the potential to reach a large audience makes it a highly effective grant project for the National Endowment for Financial Education.

"F.R.E.E. represents the type of work that NEFE seeks to fund," said Marilyn Canfield, NEFE director of Grants Administration. "It provides a practical solution to an unmet financial literacy need, and it can be replicated and broadly distributed."

For more information about the NEFE Grants Program, log on to the Innovative Thinking section of the NEFE Web site at [www.nefe.org](http://www.nefe.org). To learn more about California Literacy and F.R.E.E., log on to the organization's Web site at [www.caliteracy.org](http://www.caliteracy.org).

## Holiday Closings

NEFE will be closed May 31 for Memorial Day.

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## Prominent Ad Agency to Work with NEFE on National Financial Literacy Campaign

NEFE and The Advertising Council took the next step in developing a National Financial Literacy Public Awareness Campaign by selecting Young and Rubicam (Y&R) Chicago as the volunteer ad agency. Y&R Chicago will develop the project *pro bono*, contributing creative and advertising expertise, as well as staff time to the personal finance campaign.

"We are excited to be involved in this important, ground-breaking initiative and pleased to be working with NEFE, whom we recognize as the leader in the financial literacy community," said Douglas Ryan, Y&R Chicago managing partner and chief marketing officer.

Y&R is a 78-year-old company with 539 offices in 80 countries. Y&R Chicago received several top advertising awards in 2003, and its client base includes major corporations such as Sears, Orbitz, and Miller.

In March 2004, NEFE, the Ad Council, and Y&R Chicago held a launch meeting at the Ad Council's New York headquarters to exchange background information and establish a framework for the campaign. In the next stage of the effort, NEFE will work together with Y&R and the Ad Council to conduct research that will guide campaign messaging.

Future issues of *NEFE Digest* will report on the development of the financial literacy campaign.



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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](http://www.nefe.org).

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## To Add Your Name to Our Mailing List...

Individuals whose names are added to the NEFE mailing list will receive a bimonthly newsletter, *NEFE Digest*, as well as periodic information about the foundation's activities. *Note that NEFE does not rent or sell its mailing list to other organizations.* To add your name to the mailing list, please complete this form and mail or fax it to:

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