Show Me the Money Webinar Series

Part 2: Money Smart: A Tool to Foster Greater Economic Inclusion Among Individuals with Disabilities

March 15, 2018
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Community Affairs Specialist

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Regional Manager, Community Affairs
Federal Deposit Insurance Corporation

Agenda

- FDIC Money Smart Program Overview
  Elaine M. Hunter

- Guide to Presenting Money Smart for Adults
  Thomas E. Stokes

- Questions
Did You Know?

In 2015, among households headed by a working age adult with a disability:

♦ 17.6% were “unbanked”
  • Compared with 6.5% for non-disabled households
♦ 28.1% were “underbanked”
  • Compared with 21.1% for non-disabled households
♦ 29.2% believe banks are not at all interested in serving households like theirs
  • Compared to 14.2% for non-disabled households)

Source: www.economicinclusion.gov

Did You Know? (continued)

Among households headed by a working age adult with a disability:

• 34.2% fell behind on bills
  (almost double the 17.6% rate for non-disabled households)
• 39.0% saved for unexpected emergencies
  (compared to 61.3%)
• 10.5% used “nonbank” credit
  (compared to 3.9%)
Demographic Differences

<table>
<thead>
<tr>
<th>Household Characteristic</th>
<th>Unbanked With Disability</th>
<th>Unbanked No Disability</th>
<th>Underbanked With Disability</th>
<th>Underbanked No Disability</th>
<th>Fully Banked With Disability</th>
<th>Fully Banked No Disability</th>
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<td>Less than $15,000</td>
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<td>32</td>
<td>29</td>
<td>26</td>
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<td>2</td>
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<td>21</td>
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It is important to build bridges between banks and people with disabilities
Financial Education

“The FDIC is committed to consumer education so that households can make informed financial decisions.”

– FDIC Chairman Martin Gruenberg

Financial education helps families and individuals to:

- Understand and adopt sound financial, banking, credit, savings decisions and transactions
- Build or restore credit
- Access mainstream financial services
- Receive a chance to financially start over
- Create future wealth and asset-building
- Avoid predatory financial services
Money Smart at a Glance

• Money Smart is FDIC’s free financial education curriculum

• Products to teach to others include
  • Money Smart for Young People (Pre-K to Grade 12)
  • Money Smart for Young Adults (ages 12 to 20)
  • Money Smart for Adults (ages 21+)
  • Money Smart for Small Businesses (with the SBA)
  • Money Smart for Older Adults (with the CFPB)

• Self-paced products
  • Computer Based Instruction (CBI – an online game)
  • Money Smart Podcast Network

Money Smart Changes Behavior

• Statistically significant improvements 6-12 months after Money Smart in:
  • Unbanked participants opening account
  • Banked consumers selecting a new account (comparison-shopping)
  • Using spending plans (budgets)
  • Paying bills on-time
Money Smart Instructor-led Products Feature

- Instructor Guide for each module
  - Ready for instructors to use “out of the box”
  - Usable by anyone – no prior teaching or banking experience required

- Participant Guide for each module
  - Contains scenarios, pre- and post-tests, exercises
  - Usable in training and as a resource at home

- PowerPoint slides
  - Instructor Guides show when to use what slide

Coming Soon! Redeveloped Money Smart for Adults

- Interactive and accessible
  - More scenarios, activities, checklists
  - Options for conducting activities so everyone can participate

- New content, including
  - ABLE accounts
  - Mobile banking
  - Rental agreements

- Expected release: Mid 2018
Until Then...

July 2017

Guide to Presenting Money Smart for Adults

• For use now with our current curriculum
• The Redeveloped curriculum will have a new Guide

Highlights of the Changes

• New vibrant pictures
• New color scheme and fonts
• Plain language and active voice
• More information about supporting participants with disabilities – not JUST in the last section
Overview of Money Smart

Money Smart Products

Instructor Guide Sample:
Borrowing Basics
Webinar Series: Show Me the Money! Part 2

Icons

The following icons are used throughout the Instructor Guide to indicate activity type:

- **Presentation**
  Present information or demonstrate an idea

- **Activity**
  Guide participants through an activity

- **Discussion**
  Facilitate a discussion about a topic as directed

Participant Guide Sample:
Borrowing Basics
1. What is credit?
   a) Money you borrow and must pay back
   b) Free money that you do not have to pay back
   c) Money you have saved for emergencies
   d) The balance left on a gift card after you have used it to pay for something

2. Select all that apply. Maintaining good credit is important because it:
   a) Can help you graduate from college
   b) Allows you to carry more cash than usual
   c) Allows you to buy expensive items, like a car, house, or furniture, and pay over time
   d) Might cause your interest rates to be raised

The Four Cs

- **Capacity:** Your ability to meet payments
- **Capital:** Value of your assets and net worth
- **Character:** How you paid your bills or debts in the past
- **Collateral:** Property/assets used to secure the loan
Free Annual Credit Report

Visit: www.annualcreditreport.com
Call: 1-877-322-8228
Mail:
Annual Credit Report Request Service
P. O. Box 105281
Atlanta, GA 30348-5281

Money Smart for Young Adults 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

In Two Formats:
- Instructor-led
- Self-Paced
The Guides

Money Smart for Young People

- Four Money Smart for Young People curriculum products
  - Grades Pre-K-2
  - Grades 3-5
  - Grades 6-8
  - Grades 9-12
- Components for:
  - Teachers
  - Students
  - Parents/Caregivers
Series Highlights

• Every curriculum includes:
  • Multiple lessons that can be taught alone or in combination
  • Standards alignment charts
  • Ideas for grade-level modification
  • Real-life exercises and examples
  • Suggestions for optional books or online games/tools that can reinforce student understanding
  • Ideas to integrate into existing academic subjects such as English, Mathematics, and Social Studies

We learn from each other

People with disabilities get older

Older people get disabilities
Money Smart for Older Adults

(joint product of the FDIC and CFPB)

- Stand-alone module
- Raises awareness of how to recognize and prevent financial exploitation
- Encourages advance planning and informed financial decision-making

Money Smart for Older Adults modules (updated Feb 2017)

- Common Types of Elder Financial Exploitation
- Scams Targeting Veterans
- Identity Theft
- Medical Identity Theft
- Scams that Target Homeowners
- Planning for Unexpected Life Events
- How to Be Financially Prepared for Disasters
Money Smart for Small Business

Modules
- Organizational Types
- Time Management
- Financial Management
- Recordkeeping
- Banking Services
- Credit Reporting
- Risk Management
- Insurance
- Tax Planning and Reporting

- Selling your Business and Succession Planning
- Planning for a Healthy Business -- NEW!
- Is Owning a Business a Good Fit for You?
- Managing Cash Flow--NEW!

Jointly produced by FDIC and Small Business Administration (SBA)

Self-Paced Resources

- Computer-Based Instruction
  - Supplement to instructor-led training
  - Stand-alone training/self-paced
  - Adult and Young Adult Tracks
  - Certificates of Completion

- Money Smart Podcast Network (MP3)
  - Grouped into four categories
  - Portable audio players or online

- Money Smart Crosswalk with WIOA
  - FDICs Money Smart curricula can help meet the WIOA financial literacy element
CBI Self-Paced Online Game

Two paths:
- Adult
- Young Adult

Money Smart Podcast Network

Welcome to the FDIC's Money Smart Podcast Network.

Money Smart Podcast Network covers topics such as the basics of borrowing money wisely, using a spending plan to achieve financial goals, and how to use banking products effectively.

Listen to the audio files online or download them to your portable audio player. Join the more than 3 million people reached through Money Smart!
Money Smart and Youth Employment

- The Workforce Innovation and Opportunity Act (WIOA) includes a financial literacy element
- Crosswalks have been produced to show suggested Money Smart lessons, modules, or topics that support the WIOA
- The Crosswalks can be found here: www.fdic.gov/youthemployment

Money Smart News

- View online or subscribe
- Provides:
  - Updates on the Money Smart program
  - Success stories, such as:
    - Best Practices for Teaching People with Visual Impairments
    - One Bank’s Way of Promoting Financial Education Through Summer Employment
- Submissions are welcome
FDIC Consumer News

• Offers practical guidance on becoming a smarter, safer user of financial services.
• Available in variety of platforms
  • Portable audio (MP3)
  • E-Reader
  • Print

https://www.FDIC.gov/education

Federal Government Financial Education Website

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Federal Government Financial Education Website
Order Money Smart

Visit the Money Smart website at:
https://www.fdic.gov/MoneySmart

- Learn more about each product
- Order or download products
- Use self-paced learning tools
- Get ideas how to use Money Smart
Money Smart Alliance Program

• Alliance members:
  • Provide training, such as by teaching classes
  • Promote Money Smart
  • Support local organizations that use Money Smart
  • Evaluate Money Smart efforts
  • Increase delivery and distribution networks

• New Membership Process
  https://www.fdic.gov/moneysmart

Benefits of Alliance Membership

• Designated FDIC point of contact
• Listed online in directory of members
• Conference calls and webinars
• Priority consideration for publication in Money Smart News
Marketing Strategies

• Develop database of community partners
• Engage partners/sponsors in promotion
• Identify promotional opportunities utilizing free bulletin boards and community calendars
• Circulate promotional material and encourage partner organizations to directly refer individuals to presentation

Connecting to Community Affairs

https://www.fdic.gov/consumers/community/offices.html
Closing

Money Smart Website

https://www.fdic.gov/moneysmart

For comments and questions email communityaffairs@fdic.gov

Open Questions & Discussions

Please submit your questions in the Q&A area.
Education Credit

After completion and verification of attendance of all three sessions, and completion of the three post tests you may request a Verification of Completion form with further instructions on how to complete.

**POSTTEST**

[https://goo.gl/dPoEiM](https://goo.gl/dPoEiM)

or-

[https://syracuseuniversity.qualtrics.com/jfe/form/SV_3kqZwt4sGaNJAxL](https://syracuseuniversity.qualtrics.com/jfe/form/SV_3kqZwt4sGaNJAxL)

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Please complete the **evaluation** as your feedback is important to us to help determine the effectiveness of our training sessions in meeting your needs and guide planning for future sessions.

[https://goo.gl/oCtR96](https://goo.gl/oCtR96)

or

[https://syracuseuniversity.qualtrics.com/jfe/form/SV_0dBMc0UuDa1o9](https://syracuseuniversity.qualtrics.com/jfe/form/SV_0dBMc0UuDa1o9)
Upcoming Webinars

**Thursday - March 22, 2018**
Part 3: Understanding ABLE Accounts: Advancing Self-Sufficiency for Individuals with Disabilities and Their Families

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Disclaimer

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