Show Me the Money Webinar Series
Part 2: Money Smart: A Tool to Foster Greater Economic Inclusion Among Individuals with Disabilities

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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
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</th>
<th>Underbanked</th>
<th>Fully Banked</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>With Disability</td>
<td>No Disability</td>
<td>With Disability</td>
</tr>
<tr>
<td><strong>Race/Ethnicity</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Black</td>
<td>35</td>
<td>16</td>
<td>30</td>
</tr>
<tr>
<td>Hispanic</td>
<td>20</td>
<td>17</td>
<td>31</td>
</tr>
<tr>
<td>White</td>
<td>11</td>
<td>2</td>
<td>27</td>
</tr>
<tr>
<td><strong>Education</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>No High School Degree</td>
<td>31</td>
<td>29</td>
<td>28</td>
</tr>
<tr>
<td>College Degree</td>
<td>5</td>
<td>1</td>
<td>24</td>
</tr>
<tr>
<td><strong>Family income</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Less than $15,000</td>
<td>32</td>
<td>32</td>
<td>29</td>
</tr>
<tr>
<td>$15,000 to $30,000</td>
<td>15</td>
<td>17</td>
<td>32</td>
</tr>
<tr>
<td>$30,000 to $50,000</td>
<td>9</td>
<td>6</td>
<td>29</td>
</tr>
<tr>
<td>$50,000 to $75,000</td>
<td>3</td>
<td>2</td>
<td>28</td>
</tr>
<tr>
<td>At least $75,000</td>
<td>1</td>
<td>0</td>
<td>21</td>
</tr>
</tbody>
</table>
It is important to build bridges between banks and people with disabilities.
Economic Inclusion Ladder

ECONOMIC INCLUSION

- Small Business
- Affordable Mortgage
- Credit and Savings
- Insured Accounts
- Financial Education
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
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
Participant Guide: Pre-Test Sample

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
  • Instructor Guide, Resource Guide & PowerPoint Slides

• 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!

- Basics of Banking
- Checking Accounts
- Savings/Spending Plan
- Borrowing Money

HOW BANKS WORK AND THE BENEFITS OF USING THEM
Learn the basics of protecting your money and financial information. It helps you choose the right bank and account for your needs.

AN OVERVIEW OF CHECKING ACCOUNTS AND THE BENEFITS OF USING THEM
Learn how to choose, open, and manage an account. Understand the differences between checking and savings accounts.

THE BASICS OF SAVING AND INVESTING MONEY
Get tips on finding ways to save, making a personal spending plan, and tracking what you spend.

THE BASICS OF BORROWING MONEY WISELY
Understand the costs of borrowing and how to qualify for credit or a loan. Find tips to

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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
Order Money Smart

Money Smart - Learn

Categories
- About FDIC
- Banking Resources
- Consumer Resources
- Deposit Insurance
- Money Smart - Learn
- Money Smart - Teach
- Subscriptions
- For Banks Only
- FDIC Only

https://catalog.fdic.gov/store/money-smart-learn
The Money Smart Website

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

or-

https://syracuseuniversity.qualtrics.com/jfe/form/SV_3kqZwt4sGaNJAxL
Thank you for your participation in the Show Me the Money Webinar Series.

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

or

https://syracuseuniversity.qualtrics.com/jfe/form/SV_0dBMc0mUuDaf1o9
Upcoming Webinars

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

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Federal Deposit Insurance Corporation
Disclaimer

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