

# Nefe Digest

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## NEFE Helps Big Brothers and Sisters Teach Kids About Money

A Publication of



The National Endowment for Financial Education® (NEFE®), Big Brothers Big Sisters of America, and E\*TRADE Bank recently combined forces to produce *Money Magic: A Guide for Big Brothers Big Sisters Volunteers*, which is a lively, colorful booklet that makes exploring the world of money fun for both volunteers and their Little Brothers and Sisters.

Big Brothers Big Sisters of America (BBBSA) is the nation's oldest and largest youth-mentoring organization. It serves more than 220,000 youth between the ages of 6 and 18. Girls and boys participate in the program in nearly equal numbers through 470 local chapters across the United States.

E\*TRADE Bank is the banking services section of E\*TRADE Financial, which

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# NEFE Think Tank Participants Discuss Motivation, Financial Behaviors

As part of NEFE's latest think tank, a selected group of educators, financial services professionals, and representatives of nonprofit groups met to share their insight in determining the best ways to inspire individuals to improve the way they manage their finances. *Motivating Americans to Develop Constructive Financial Behaviors* was held in Denver from May 11-13.

The gathering was composed of a series of guided discussions and small-group breakout sessions. Throughout the think tank, participants worked to identify factors that motivate and sustain change among Americans. They also discussed ways to frame financial messages that might inspire behavior modification. Kathleen Gurney, Ph.D., president and CEO of Financial Psychology Corporation of Sarasota, Florida, served as facilitator.

Discussion topics included "Discovering Insights to Motivation and Change" and "Pedagogy and Andragogy—the Role of Educational Concepts in Motivating and Changing Behavior." In small groups, participants worked toward the development of "Tips for Consumers." These simple guidelines seek to provide individuals with easy, actionable steps to establishing a healthy financial lifestyle.



Think tank participants also began to develop "Best Practices for Professionals" to help financial educators, practitioners, and institutions find ways to better serve their clients and further encourage motivation.

Preparation for *Motivating Americans to Develop Constructive Financial Behaviors* began with a call for papers sponsored by NEFE. Staff at the National Endowment for Financial

Education selected eight research papers as being the most consistent with the intention of the call and invited their authors to participate in the think tank. An additional five individuals were chosen to ensure the representation of diverse and relevant points of view on the subject of changing financial behavior. Participants who had not submitted papers in response to the call were asked to supply related articles or publications as advance reading for the event.

All papers, articles, and publications submitted supplied NEFE staff with the ability to create a customized discussion framework prior to the event. This framework drew upon aspects and themes common to all papers.

Details of the discussion and conclusions of the think tank will be published in a white paper report, now in development, to be made available on the NEFE Web site at [www.nefe.org](http://www.nefe.org). Related articles also are planned for distribution to targeted publications in order to extend the reach and impact of the outcomes.

For information about past NEFE conferences, think tanks, and symposia, log on to the Innovative Thinking section of the NEFE Web site.

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## Disaster Recovery Guide Wins National Award

The American Institute of Certified Public Accountants (AICPA) recently won a 2004 Award of Excellence from the American Society of Association Executives (ASAE) for *Disaster Recovery: A Guide to Financial Issues*, which was developed in collaboration with the National Endowment for Financial Education and the American Red Cross.

According to the ASAE, the award is given to "associations that propel America forward—with innovative projects in skills training and development; ethical, technical or professional standards; economic development; business and social

innovation; information and knowledge creation; public education and information; civic and community volunteer activities; and citizenship and democracy enhancement."

The disaster recovery guide was written and published by NEFE, the AICPA, and the AICPA Foundation. It is a 32-page guide that helps individuals recover financially from a disaster. The guide is provided free of charge through local chapters of the American Red Cross to people affected by natural catastrophes. The guide also is available online, at [www.redcross.org/services/disaster/beprepared/FinRecovery/](http://www.redcross.org/services/disaster/beprepared/FinRecovery/).

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## NEFE Awards Two Grants Totaling \$187,358

The National Endowment for Financial Education Board of Trustees recently awarded a total of \$187,358 in grant money to fund two financial education projects. The recipients include:

**Hampton University  
School of Business  
Hampton, Virginia (Ruby L. Beale, Ph.D., Associate Professor and Director of the Five-Year MBA Program): “Increasing Financial Worth: Strategies for Minority Economic Development”**

The Hampton University Business School was awarded \$50,000 to develop a project model that will educate low- to moderate-income individuals, who are predominantly African-American, about financial issues. Specifically, the project

seeks to empower targeted families to resist potentially harmful financial practices while increasing their overall fiscal well-being. Students at the university will serve as the primary facilitators of this project, using both their academic training and commitments to community service to help others increase their financial knowledge. When the effort is complete, the university will provide other academic institutions with the opportunity to replicate the project.

**University of Georgia  
Athens, Georgia (Koralalage S. U. Jayaratne, Ph.D., Evaluation Specialist): “Capacity Building for Impact Evaluation of Financial Education Programs”**

The University of Georgia was awarded \$137,358 to complete a project that will

provide financial educators with a user-friendly evaluation tool. This tool will help teachers assess the impact of their existing money-management education programs. The project includes the development of a database of possible evaluation questions applicable to a wide range of financial topics and target audiences. The grantee also will create a manual that teaches educators how to use the database effectively. The evaluation database and supplemental manual will be made available to financial educators through the Internet.

For additional information about the NEFE Grants Program, log on to the Innovative Thinking or Grantmaking sections of [www.nefe.org](http://www.nefe.org).

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## NEFE Announces Partnership with AICPA and the Ad Council on a Women’s Financial Literacy Effort

The American Institute of Certified Public Accountants (AICPA) has joined NEFE and the Advertising Council (Ad Council) to produce the first national financial literacy public service advertising campaign targeted specifically toward women. The women’s initiative is part of a broader financial literacy effort focusing on the general adult market, which was announced by NEFE earlier this year.

NEFE and the AICPA partnered to create a campaign targeted toward women because of a mutually recognized need to raise awareness surrounding the specific money-management needs of this audience. Both organizations see the Ad Council’s experience with public service advertising as an effective way to reach the women’s market.

“We are excited to partner with the AICPA on this important initiative, which

will reach an audience that faces many unique financial challenges, but has not been targeted heavily by the mainstream financial services industry,” said William L. Anthes, Ph.D., president and CEO of NEFE. “The power and influence of the Ad Council will be a big factor in motivating women to address their financial well-being.”

According to a recent survey by the AICPA, American women strongly believe they need to learn more when it comes to managing their finances. Seventy percent of women indicated problems with credit card debt and savings strategies, while only 30 percent described themselves as “confident” or as a “risk taker” regarding personal financial management.

“The vast number of women who are struggling with credit card debt and savings clearly demonstrates the need for the AICPA, NEFE and the Advertising Council to use their com-

bined resources to address women’s financial literacy issues,” said Barry Melancon, AICPA president and CEO. “We are excited to partner with NEFE and the Ad Council, an organization that has a proven track record in raising awareness and inspiring the American people.”

The three-year, \$1.7 million Women’s Market campaign will be the first of four component campaigns to be launched under the broader NEFE and Ad Council financial literacy effort. The NEFE and Ad Council \$2.3 million General Adult Market campaign is scheduled to launch in January 2005, followed shortly by the women’s campaign.

Future issues of *NEFE Digest* will report on the development of the financial literacy campaign. For information on the AICPA, visit [www.AICPA.org](http://www.AICPA.org), and to learn more about the Ad Council, visit [www.adcouncil.org](http://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](http://www.nefe.org).

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## Youth Learn Financial Basics

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brings together a personalized and fully integrated financial services solution that includes brokerage, banking, and lending.

All three collaborators contributed to the development of *Money Magic*. NEFE provided the content and design, BBBSA reviewed the material to ensure its appropriateness for the intended audience and now is distributing the guide, and E\*TRADE Bank paid for the costs of printing.

"NEFE already knew about the great work that BBBSA does because we

had collaborated with them on a similar but much smaller project in 1996," said Brent Neiser, CFP®, director of NEFE Collaborative Programs and a former Big Brother. "Yet, because E\*TRADE Bank paid the printing costs for 103,000 booklets, we were able to take this project to a whole new level."

*Money Magic* is a 40-page booklet that presents an array of game ideas, field trip suggestions, and worksheets to use with youngsters of all ages. Topics in the booklet run the gamut, from knowing the difference between self worth and net worth to money-earning tips and goal-oriented savings strategies.

"Money is important to everyone, including kids, so we saw the booklet as a great way to provide volunteers with ideas for teaching money concepts

to their Little Brothers and Sisters in a fun, easy way," said Karen Mudd, director of development at BBBSA's national headquarters in Philadelphia. "As we've learned over the years, a little time spent with a youngster can work big magic in transforming a child's life."

For more information about Big Brothers Big Sisters of America, log on to [www.bbbsa.org](http://www.bbbsa.org). For additional information about NEFE Collaborative Programs, log on to [www.nefe.org](http://www.nefe.org).

## Holiday Closings

NEFE will be closed July 5 for Independence Day.