



PRESS RELEASE

Federal Deposit Insurance Corporation

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FDIC AND NEIGHBORHOOD REINVESTMENT CORPORATION ANNOUNCE PROGRAM TO PROMOTE FINANCIAL EDUCATION AND HOMEOWNERSHIP

The Federal Deposit Insurance Corporation and the Neighborhood Reinvestment Corporation announced today a pilot program to help revitalize communities across America through financial education. Under an agreement signed today at a ceremony in Washington, the Neighborhood Reinvestment Corporation will use the FDIC's "Money Smart" financial literacy program to train adult educators and teach money management skills to thousands of people, primarily low-income consumers, minorities or women who are potential homebuyers or existing homeowners having problems making ends meet.

"Learning how to save and manage money is essential to becoming financially independent and achieving the dream of owning your own home," said FDIC Chairman Donald E. Powell. "But it doesn't end there, because financial independence and homeownership are essential to safer, stronger communities and a more prosperous America. The FDIC is pleased to be a partner with the Neighborhood Reinvestment Corporation in helping more Americans get a financial education and a start on homeownership."

"Helping families throughout America build, manage and maintain their assets is the key element in community revitalization and the goal of Neighborhood Reinvestment's NeighborWorks® Financial Fitness program," added Ellen Lazar, Executive Director of the Neighborhood Reinvestment Corporation. "The FDIC's Money Smart program is a valuable resource in this effort, and we are gratified to be the first national, nonprofit organization to partner with the FDIC in bringing this worthwhile program to consumers."

The FDIC created the Money Smart training program last year to help adults outside the financial mainstream enhance their money skills and develop positive relationships with financial institutions. The program features a comprehensive guide for instructors



Congress created the Federal Deposit Insurance Corporation in 1933 to restore public confidence in the nation's banking system. It promotes the safety and soundness of these institutions by identifying, monitoring and addressing risks to which they are exposed. The FDIC receives no federal tax dollars — insured financial institutions fund its operations.

FDIC press releases and other information are available on the Internet at www.fdic.gov, by subscription electronically (go to www.fdic.gov/about/subscriptions/index.html) and may also be obtained through the FDIC's Public Information Center (877-275-3342 or 703-562-2200). **PR-42-2002**

(including scripts, overheads and interactive class exercises) and resource material for students.

The Neighborhood Reinvestment Corporation, a public, nonprofit corporation created by Congress in 1978 to revitalize lower-income communities, plans to begin using the FDIC's Money Smart curriculum in June to train approximately 175 educators from 24 local, non-profit organizations around the country. These educators, in turn, will teach between 1,000 and 2,000 students each year. "Our hope is that this partnership will expand to include many more teachers and cities, and that soon tens of thousands of Americans will be money smart and owning their own home, thanks in part to our efforts," FDIC Chairman Powell said.

The 24 NeighborWorks non-profit organizations participating in the pilot program are based in: New York City; Long Island, NY; Chicago; St. Louis; Atlanta; Denver; Sacramento; Oakland; Salt Lake City; Portland, OR; Austin, TX; Salisbury, MD; Oak Ridge, TN; Lafayette, IN; Goshen, IN; Inglewood, CA; St. Petersburg, FL; Tulsa, OK; Phoenix, AZ; Santa Fe, NM; Manchester, NH; Providence, RI; and Woonsocket, RI.

The FDIC's Money Smart program already is being offered by a variety of organizations nationwide, including U.S. Department of Labor employment centers, financial institutions, community colleges and adult education schools.