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## **Message from the Chairman**

On October 15, I experienced one of my proudest moments as Chairman of the



FDIC. At a gala black-tie event in Washington, DC, *Money Smart* and the Community Affairs team that has worked so hard to bring financial education to more than 100,000 low- and moderate-income Americans across the country were presented with a Service to America Medal to honor their achievement.

As you will see elsewhere in this issue of *Money Smart News*, the *Money Smart* financial education program has received awards and recognition from groups and communities across the nation since its introduction a little over two years ago. The Service to America Medal only underscores the fact that *Money Smart* is helping our country by helping all of our citizens reach their full economic potential through education and the use of mainstream financial services.

The Service to America medals - a joint initiative of the Partnership for Public Service and the magazines Government Executive, National Journal, and The Atlantic Monthly - are designed to recognize the accomplishments of America's best public servants. The medals honor people who have shown a strong commitment to public service and have made a significant contribution in their field of government.

The nine 2003 awardees were chosen by a selection committee that included David Broder, national political correspondent at The Washington Post; Caroline Kennedy; U.S. Senator Ted Stevens (R-AK); Donna Shalala, President of the University of Miami; Arthur Sulzberger, Chairman and Publisher of The New York Times; and Llewellyn Wells, co-executive producer of NBC's "The West Wing."

In addition to the FDIC's *Money Smart* team, this year's awardees include a Centers for Disease Control and Prevention (CDC) official charged with eradicating polio worldwide; the individual who helped build the Transportation Security Agency (TSA) from two employees to 60,000 in less than one year; a State Department employee who helped defuse an international crisis at the age of 28; a former astronaut and physician who created an innovative patient safety program for hospitals around the world; and an Energy Department official overseeing the cleanup and containment of the destroyed nuclear reactor at Chernobyl - one of the most technically complex engineering projects in the world.

With such company, you can see why the awards ceremony was such a moving experience for me. I'm proud of the work we do at the FDIC and I'm particularly proud of the FDIC Community Affairs Team, who continue to work tirelessly to bring the *Money Smart* program to communities across the county.

---Chairman Don Powell

## Money Smart: An Award Winning Program

In addition to the Service to America Medal, the Money Smart financial education program has received awards and recognition in communities around the country, including:

- The Philadelphia Financial Literacy and Security Initiative - also known as *Money Smart Plus*, won the **Gold Medal for Community Service Group Award** from the **Federal Executive Board for Excellence in Government**. *Money Smart Plus* is a collaborative effort between the FDIC; the Department of Housing and Urban Development (HUD); the Department of Labor (DOL) Women's Bureau; DOL Pension Benefits Security Administration; the Internal Revenue Service (IRS), the Social Security Association (SSA), Pennsylvania CareerLink; HUD Neighborhood Network Center; Women of War Ministries (a faith-based organization), and Beneficial Savings Bank.
- The Northeast Nebraska Economic Development, Inc. (NED) was one of 19 community organizations to receive a **Financial Literacy Grant from the American Express Foundation**. The NED was awarded a \$30,000 grant from the American Express Economic Independence Fund. The **Norfolk Area Money Smart Financial Literacy Project**, which is spearheaded by the NED, includes local bankers, educators, and human resource agencies. The project will provide financial education to low-income and immigrant populations in the Norfolk area. The project is modeled after the Columbus, Nebraska Workforce Development *Money Smart* program.
- In 2002, FDIC Chicago/Chicago City Treasurer/City Colleges of Chicago were honored by the **Federal Reserve Bank of Chicago at their Money Smart Awards Reception** for helping promote financial education in the Chicagoland area. City Colleges of Chicago, in partnership with the Chicago City Treasurer, uses the *Money Smart* curriculum for a series of financial courses entitled "Our Money Matters." As of June 20, 2003, 1,977 students have attended the financial education courses.
- On Wednesday October 22, 2003, FDIC Chicago Regional Office will be honored at **Citibank's 2nd Annual Hispanic Heritage Award Event**. FDIC is being recognized for collaborating with banks and community-based organizations to promote financial education to Spanish-speaking adults and improving access to the U.S. banking system among recent Latin American immigrants.
- The Northwest Missouri Regional Council of Governments (NMRCOG), based in Maryville, Missouri, received a **2003 Innovation Award** from the *National Association of Development Organizations (NADO)* for their *Money Smart* Financial Literacy Project. The award was presented at the 36th Annual NADO Training Conference, September 16, 2003, in Minneapolis, Minnesota. The *Money Smart* Financial Literacy Project was honored for its innovative promotion of financial education in rural Missouri. To date, over 700 participants have attended a *Money Smart* class. The Maryville Financial Literacy Project is a partnership between the FDIC, NMRCOG, local bankers, educators, insurance companies, and community services agencies.
- The NMRCOG also received a **NADO Innovation Award** for their Jump Start Car Loan Program. The Jump Start Car Loan is open to individuals grossing under \$22,000 yearly. Participants may secure a used car with a \$50 down payment and a loan payment of between \$50 and \$100. If during a year, participants pay on time and attend *Money Smart* classes, the loan will be forgiven. NMRCOG developed the program after discovering that many of their clients looking for jobs lacked automobiles which are essential for traveling in rural areas.
- In 2003, the local **Maryville Wal-Mart** provided the Maryville Partnership with a **\$1,000 dollar grant** for its financial education efforts. This is the second year in a row that the Partnership received this award.
- On May 14, 2003, the employees of Nebraska Workforce Development/Department of Labor office in Columbus, Nebraska, received an **award for their leadership efforts** in developing partnerships that established the *Money Smart* program in the area. This award honors staff for their efforts in developing community partnerships for a special project. The special project that they were honored for is the *Money Smart* program. Columbus is the first community in Nebraska that has initiated this basic financial education program. *Money Smart* is sponsored by the FDIC, area banks and the Nebraska Workforce Development. Over 300 hundred people have attended *Money Smart* classes in the last year.
- In May 2002, the Department of the Treasury awarded a **First Accounts Program award in the amount of \$271,000** to DeKalb County, Georgia. The DeKalb First Accounts Program, which uses *Money Smart* as its core curriculum, addresses the needs of individuals without bank accounts. Proposed activities of the First Accounts Program will reduce the number of unbanked households in the county, minimize abusive predatory lending practices, and create lasting relationships between financial institutions and unbanked customers. The two-year target is to move a minimum of 300 previously unbanked consumers into the financial mainstream.

**Have you received an award or recognition for your Money Smart initiatives? Tell us about it! Please submit your information to [MoneySmartNews@fdic.gov](mailto:MoneySmartNews@fdic.gov), so we can report it in an upcoming issue of *Money Smart News*.**

## Chapa Joins *Money Smart* Team; Will Target Hispanics On Financial Education

Judy Chapa, former Deputy Assistant Secretary for the Treasury Department's Office of Financial Education, has joined the FDIC *Money Smart* team as Senior Advisor for Financial Education Outreach to Hispanic Populations in the United States. Over the next year, Ms. Chapa will work closely with Michael J. Zamorski, Director of the Division of Supervision and Consumer Protection (DSC), and DSC Deputy Director Donna Gambrell to plan and promote a major financial education campaign with Hispanic business and community leaders across the country, using the FDIC's *Money Smart* Program.

"The U.S. Census Bureau reported recently that the country's Hispanic population increased by 58 percent from 1990 to 2000, making it the fastest growing minority group and underscoring the changing diversity of the United States," said the FDIC's Zamorski. "That is why we made translating *Money Smart* into Spanish one of our first priorities. Our Community Affairs staff is working at the grass-roots level to work with financial institutions and community-based organizations on *Money Smart* programs. Ms. Chapa's extensive experience with Hispanic markets will be invaluable in making sure - at a corporate level - that the FDIC is positioned as a leader in financial education in Hispanic communities."

Ms. Chapa has over 15 years of experience developing and managing marketing, public relations, and community relations programs. Prior to her position at Treasury, Ms. Chapa worked as a Manager for External Affairs and Corporate Relations at Miller Brewing Company in Milwaukee, as Executive Director at the Republican National Committee, and as Marketing Director at The Laredo National Bank in Houston.

While Director of Hispanic Marketing for Banc One Corporation in the mid-1990's, Ms. Chapa created and implemented national strategies and programs designed to increase penetration into the Hispanic marketplace.

"Ms. Chapa's breadth of experience will add tremendous value to the award-winning *Money Smart* Program," said the FDIC's Gambrell. "I look forward to working closely with her."

## Service to America Award Money Donated to New Homeowner

The Service to America Medal, which was presented to the *Money Smart* Community Affairs Team, came with a \$3,000 award. The Team decided to donate the entire amount to the Individual Development Account (IDA) of Cirilo Robles of Los Angeles, a new homeowner who has benefited from the *Money Smart* financial education program.

IDAs are designed to encourage personal savings in economically distressed communities. IDAs are matched savings accounts that provide incentives for individuals with low incomes to save money, become financially literate, and accumulate assets to escape the cycle of poverty.



The Robles Family: Rebeca and Cirilo and their sons, Alejandro and Eduardo

Typically, once an IDA accountholder reaches his or her savings goal and attends required financial literacy classes, each dollar of his or her savings is matched with anywhere from one to four dollars from private and public sources. The savings can then be used to purchase or repair a home, pay for college or job training, or start or expand a small business.

Mr. Robles, who works in a florist shop, his wife Rebeca, and their two children, Alejandro and Eduardo, recently achieved their dream of home ownership through a program administered by the Neighborhood Reinvestment Corporation. As part of that program, Robles attended and graduated from the *Money Smart* course. The *Money Smart* Community Affairs Team donated their award money to help the Robles family attain other goals in the future.

"My wife and I are very appreciative and thankful for all of your help," said Cirilo Robles. "We especially want to thank the FDIC for everything they have done. We are grateful and feel very fortunate to have met such wonderful people and to be with a great organization that makes dreams come true."

## **Money Smart: Get Involved!**

Any organization interested in financial education can use *Money Smart*. For information and instructions on how to obtain copies of the curriculum go to [www.fdic.gov](http://www.fdic.gov) or call 1-877-275-3342.

The *Money Smart* curriculum is comprised of ten comprehensive instructor-led modules covering basic financial topics including an introduction to bank services, tips on obtaining credit and information on buying a home. It can be easily reproduced for wide dissemination and has no copyright restrictions. *Money Smart* is free to users.

*Money Smart* is available on CD-ROM in English, Spanish, Chinese and Korean. A Vietnamese version will be released later this year.

## **Send Us Your Success Stories**

We want to hear how *Money Smart* is making a difference in peoples' lives. Submit your stories today!

## **Partner News**

To date, the FDIC has partnered with over 24,000 financial institutions, community groups, and agencies across the country to deliver Money Smart to more than 100,000 people, and over 14,000 new banking relationships have been established.

The FDIC has also set up the Money Smart Alliance Program for those organizations wishing to sign an agreement with the FDIC to promote Money Smart throughout their constituency. In many cases, these organizations have a presence in a number of states or nationwide.

Since the Money Smart Alliance Program was announced by Chairman Powell in June 2002, the number of Alliance Partners has grown to more than 600.

New Alliance Partners since the July 2003 issue of Money Smart News include:

- Bancorp South
- Blacks in Government (BIG)
- Community Trust Bank (Louisiana)

All our partners and Alliance members are helping us meet our shared goal of helping low- and moderate-income Americans become "Money Smart" so they can establish healthy banking relationships, begin building assets, and securing a better future for themselves and their families.

We want to hear from you! Please use the form below to tell us your success stories.

Share your Stories