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## Message from the Chairman

Success can be defined in many ways. To some, success means a great achievement, like splitting the atom or finding a cure for AIDS. For others, like our Olympic athletes, success means winning the gold medal after years of hard training and dedication.



Some people define success as raising a happy, healthy family, or making a difference in their community. Still others equate money with success, or the attainment of a fancy title and a corner office.

At the FDIC, we consider our *Money Smart* financial education program to be a great success. We consider it to be a success not just because we have supplied more than 129,000 copies of *Money Smart* in five languages to our Alliance Partners, financial institutions, community groups, and faith-based initiatives across the country, but because lives have been changed for the better through financial education.

To date, more than 100,000 people have attended at least one *Money Smart* class, and as a result over 14,000 new banking relationships have been established. People who lived paycheck to paycheck are learning the value of maintaining a checking account, saving for a major purchase, and cleaning up their credit.

In this issue of *Money Smart* News, we will hear directly from several of the many people whose lives have been improved by *Money Smart*.

As Booker T. Washington said in his autobiography, "I have learned that success is to be measured not so much by the position that one has reached in life as by the obstacles which he has overcome while trying to succeed." The individuals profiled in this issue of *Money Smart* News overcame many obstacles in their quest for financial stability, flexibility, and freedom. We are proud to have had them use *Money Smart* as their stepping stones.

---Chairman Don Powell

## Money Smart Success Stories

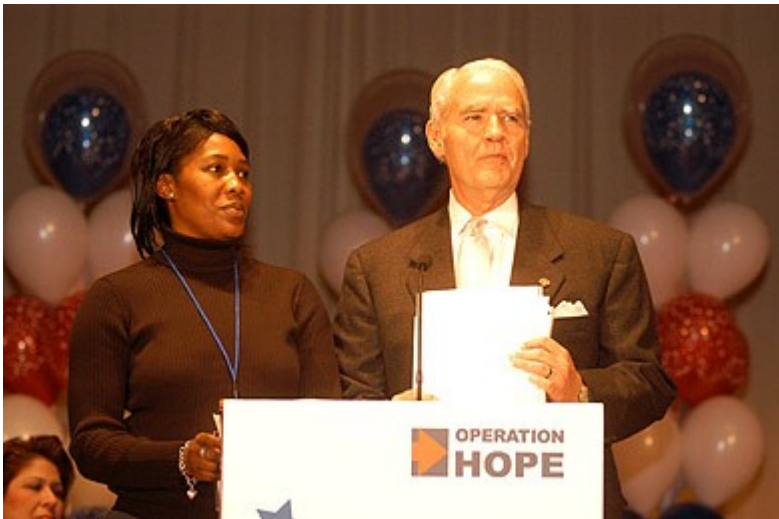
My name is Nicola Waldron. I am a graduate of the *Money Smart* financial education program at Project Empowerment of the D.C. Department of Employment Services.

I am proud to be able to give testimony about what the *Money Smart* training program means to me, and to thank a man who through *Money Smart* has made a big difference in my life - Don Powell, Chairman of the Federal Deposit Insurance Corporation.

Before taking the *Money Smart* training program, I used to take my check to the liquor store next door to my place of employment, and they would take out a lot of money every time just to cash my check. Since receiving the *Money Smart* training, I have opened a direct deposit bank account with a real bank. My whole paycheck is now mine to keep. While I was already aware of some of what I learned in the *Money Smart* training, I think the training really made me see the benefit of managing my money better, and gave me the incentive to take steps to open a bank account and save my money.

I share what I learned with my four children as well, especially about saving money. I'd like to thank the man responsible for making this financial education available to me and my family, Mr. Don Powell, Chairman of the Federal Deposit Insurance Corporation, FDIC for short.

Not only did he make this training possible, but Mr. Powell and his staff at FDIC make sure that my savings at my bank are safe. I can't tell you how much I appreciate his work with financial education!



I am Lan Fang Liang, a student of the first Chinese- language *Money Smart* Workshop series. I immigrated to U.S. 5 years ago....Learning new knowledge is very important to someone like me, who is new to this country.

Up until this point, I did not have much knowledge about banking, financial management and personal finance. Before I came to the *Money Smart* workshops, I didn't know what some words meant, such as deposit, withdrawal, checks, cash, amount, total, balance and interest. I did not know how to write a check, deposit slip, or withdrawal slip by myself. I always had to ask the banks' staff to help me fill out all the forms. Although I had a checking account, I never used it because I didn't know how to write a check.

I truly learned a lot from attending the *Money Smart* workshops; the word SMART is essential. I knew the importance of taking care of my personal financial matters smartly. For example, after the workshops, I realized that I could get what I need by using ATM machine, credit card or other forms of financing. When a person needs cash urgently at midnight, and if all the financing institutions are closed, this person can get cash from a 24-hour ATM machine to solve his or her problem.

After I attended the *Money Smart* workshops, I recognized that personal and family financial management are connected to our daily living. These workshops are a way to increase our knowledge, adapt to the U.S. and give back to the community.



Ms. Lan Fang Liang talks to reporters and members of the Chinatown community about her experience with the *Money Smart* program.

I plan to improve my English in order to understand more about financial knowledge and grasp the techniques to manage our money smartly. It not only benefits my family and myself but also contributes to the community.

I would like to say thank you to those government departments, community organizations and financial institutions who provide such a wonderful opportunity for me to learn and allow me to speak today. Thank you very much.

## FDIC Names New National Coordinator for Community Affairs



Lee Bowman

The Federal Deposit Insurance Corporation has named Lee Bowman, a manager and director of affordable lending and community development programs in Washington and Baltimore for the last 28 years, National Coordinator for Community Affairs. Mr. Bowman will oversee the agency's national and regional community development programs and staff and provide technical assistance to financial institutions, community-based organizations, government agencies and others on community reinvestment and consumer protection issues. He will work closely with FDIC senior executives in promoting corporate initiatives such as *Money Smart*, the agency's award-winning financial education program for low- and moderate-income adults. The FDIC developed the *Money Smart* curriculum to help adults develop their money management skills, understand basic financial services, and build confidence about effectively using banking services.

"Lee Bowman has an impressive background in residential lending, project management, government and industry relations, and market research and analysis," said Michael Zamorski, Director, Division of Supervision and Consumer Protection. "We are fortunate to be able to attract someone of this caliber to lead the FDIC's community affairs programs and to foster relationships between bankers, community leaders and regional officials."

Mr. Bowman's previous work experience includes: Director of Neighborhood Housing Services of Baltimore (1979-1981); positions with the Neighborhood Reinvestment Corporation in Washington (1981-1995), including six years as Mid-Atlantic Regional Director; Director of Housing and Community Development at Fannie Mae (1995-2000); and Executive Director of the National Association of Real Estate Brokers (2001-2002). Since 2000, he also has been President and CEO of Lee Bowman & Associates, a Baltimore community development and finance consulting company.

Mr. Bowman received a B.S. degree from Morgan State University in Baltimore, Maryland, and an M.S. degree from Ohio State University, Columbus, Ohio.

## **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, Korean, and Vietnamese.

## **Send Us Your Success Stories**

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

Here are some recent stories submitted by our readers:

### **From Tallahassee, FL: Lessons in Financial Confidence**

When Claudette Harrell—together with fellow members of the Connected Community Alliance, a concerned citizens' group in Tallahassee, Fla.—identified a need for basic money management classes in her community, she never expected that she would one day be a student herself.

"We were trying to find a way to help members of the community who were disenfranchised or required assistance," Harrell said. "But when we got together with Wachovia and started looking at the *Money Smart* curriculum, I realized that I had something to learn myself."

So Harrell enrolled in the classes to learn how to be more responsible with credit.

Harrell and her fellow classmates are learning about basic banking, budgeting, home ownership and credit with the program's ten lessons. In 2003, Wachovia became the first major bank to partner with the FDIC to deliver its *Money Smart* curriculum, which is also available in Spanish. Wachovia partnered with 28 community groups and delivered training to over 2,100 participants last year, and expects to see even greater participation in 2004.

In Tallahassee, course instructors put special emphasis on explaining the path to home ownership. Many course participants assume that their credit prevents them from becoming homeowners, when in fact with a few corrections they can have very good credit ratings. "Participants are particularly interested in understanding their credit reports and how to improve their credit rating for future borrowing needs," said instructor and Wachovia Financial Specialist Chiquita McMillian. "They're very enthusiastic and motivated to learn about the process of borrowing money."

Tallahassee Market President John Medina notes that home ownership is not the answer for every participant. Each participant's profile—including factors like employment stability—is carefully considered.

"And if we do help participants into home ownership, we stick with them to make sure they're successful in budgeting and staying on top of their mortgage payments," Medina said. "We want them to be successful in the long haul."

To ensure long-term success, participants attend follow-up sessions with *Money Smart* instructors—all Wachovia employees—after they complete the courses.

The Tallahassee program's success can be attributed in part to a creative use of partnerships. Wachovia works with the Emergency Care Help Organization (ECHO) and Tallahassee Community College to provide class members with facilities, transportation and childcare. Most class participants are referred by Bethany Family Apartments, ECHO's provider of temporary emergency housing.

Medina believes that this approach could be a recipe for success in other markets. "We've found that combining community partnerships with active involvement from Wachovia employees is the key," Medina said. "With the strength of our community ties in all of our markets, this same approach could work well in other locations."

*Submitted by Aimee Worsley, Wachovia Corporate Communications*

## Partner News

As of June 30, 2004, the FDIC had delivered over 129,000 copies of *Money Smart* to financial institutions, community groups, and agencies across the country. More than 100,000 people have taken *Money Smart* classes; in addition, 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*. Since the *Money Smart* Alliance Program was announced by Chairman Powell in June 2002, the number of local Alliance Partners has grown to more than 900.

In many cases, these organizations have a presence in a number of states or nationwide. These Alliance Partners sign national Partnership Agreements to deliver the *Money Smart* curriculum throughout their constituency and to track the results of their programs. A total of twenty-three national agreements have been reached with the following organizations: *U.S. Department of Labor; U.S. Department of Housing and Urban Development; the Internal Revenue Service; the U.S. Department of Defense; the Association of Military Banks of America; Opportunities Industrialization Centers of America, Inc.; Operation Hope; National Coalition for Asian Pacific Community Development; Neighborhood Reinvestment Corporation; Independent Community Bankers of America; National Bankers Association; Office of the White House Initiative on Asian American and Pacific Islanders; Wachovia Corporation; Goodwill Industries International Inc.; Women in Housing and Finance Foundation; America's Community Bankers; Conference of State Bank Supervisors; American Bankers Association; National Image, Inc.; U.S. Department of Agriculture/Rural Development; Blacks In Government; the National Disability Institute; and the NCB Development Corporation (nonprofit affiliate of National Cooperative Bank).*

In addition, since the April 2004 issue of *Money Smart* News, Partnership Agreements have been signed with:

- The Urban Financial Services Coalition
  - U.S. Bank, N.A.
  - Federal Bureau of Prisons
- 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