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**Message from the FDIC**

Since the start of the FDIC's *Money Smart* financial education program nearly five years ago, one of our primary target audiences has been the large immigrant population in the United States. The FDIC recognizes that, because of language barriers and other impediments, many new arrivals need help learning how to safely and efficiently transact their personal business and how to save money for their future, perhaps to own a home or a small business. In this issue of our newsletter, we feature news and updates



about how *Money Smart* is helping to break down barriers in the area of financial education and enable people who speak little or no English become more knowledgeable and more secure with their money.

Here you can find a report on the new Russian version of *Money Smart* -- the sixth language for our curriculum (following English, Spanish, Chinese, Korean and Vietnamese) but the first developed outside of the FDIC. Also, on our "Success Stories" page, you can learn about a California organization that is using *Money Smart* translations to help immigrants take control of their finances, and read about the City of Honolulu's recent proclamation of "FDIC-*Money Smart* Day," which honored the work of the FDIC and our partners in helping Hawaii families achieve their financial dreams. Here, too, we can point to outside partners tailoring the program to meet special needs. That's because, since 2001, Hawaiian partners have been using a version of the *Money Smart* curriculum about home ownership that was specially modified to relate to Native Hawaiians.

***Money Smart...At a Glance***

- A free, award-winning financial education program from the FDIC
- Primarily focused on helping low- and moderate-income adults develop money-management skills
- Two versions --one for classroom use (in English, Spanish, Chinese, Korean, Vietnamese and Russian), the other for computer-based, self-paced learning (in English and Spanish)
- Classes offered through an extensive network of *Money Smart* "partners," including financial institutions, non-profit organizations and government agencies
- Since 2001, about 495,000 people have taken *Money Smart* classes and 95,000 new banking relationships have been established

To learn more, start at *Money Smart* Home.

Also inside is an article about how *Money Smart* is contributing to a government campaign to increase direct deposit among individuals who receive federal benefit checks, mostly senior citizens and people with disabilities.

The FDIC and our *Money Smart* partners have many exciting opportunities to make a difference through financial education. We ask for your continued commitment in getting *Money Smart* into the communities where it is most needed. If you have a question or a suggestion for the FDIC's financial education team, please contact your regional Community Affairs Officer.

*Sandra L. Thompson*

**Acting Director**

**FDIC Division of Supervision and Consumer Protection**

## Russian Translation of *Money Smart* is the First Developed Outside the FDIC; Agency Open to New Projects Involving Other Languages

The FDIC has announced the release of the *Money Smart* financial education curriculum in Russian, the sixth language in which the program is offered but the first translation developed by outside partners.

"The FDIC's *Money Smart* program teaches money-management skills that empower people to take advantage of the opportunities to save and invest offered by our financial system," said FDIC Vice Chairman Martin J. Gruenberg at a special ceremony in Washington on April 27. "The new Russian-language version of *Money Smart* will make the program more easily accessible to an important additional segment of our society."

*Money Smart* was first released in English in 2001, followed by a Spanish-language version in 2002, Chinese and Korean versions in 2003, and a Vietnamese version in 2004. The Russian translation of the *Money Smart* take-home guide for participants and visual aids for teachers is the result of a private-public sector partnership between banks, non-profit organizations and local government agencies in Sacramento and Los Angeles (two areas with large Russian-speaking populations) and support from the FDIC and the Office of Thrift Supervision (OTS).

The Census Department estimates that about 12 percent of the total U.S. population was born in a foreign country, with large numbers of immigrants coming from Latin and Central America, Asia, Eastern Europe and Africa. According to the 2000 U.S. Census, Russian is the ninth most frequently spoken language at home, up from 15th in 1990. The Census Bureau also reported that "of the 20 non-English languages most frequently spoken at home, the largest proportional increase was for Russian speakers," which nearly tripled from 242,000 to 706,000 between 1990 and 2000.

Key partners in the Sacramento Community Reinvestment Roundtable, which developed the Russian translation, include River City Bank, Sacramento; USBank, Walnut Creek; IndyMac Bank, Los Angeles; the Home Loan Counseling Center, Sacramento; the Sacramento Mutual Housing Association; Opening Doors, Inc., Sacramento; and the Sacramento Employment and Training Agency.

FDIC officials said that they would welcome inquiries from other outside organizations interested in translating *Money Smart* into more languages. "Because of our diverse population, translations of *Money Smart* can help fill a need for financial education for many people who speak little or no English yet are working hard to make a better life for themselves in America," said Linda Ortega, an FDIC Community Affairs Officer in San Francisco.

To order the new Russian edition or any other version of *Money Smart* free of charge, use the FDIC's online order form at [www.fdic.gov/consumers/consumer/moneysmart/order.html](http://www.fdic.gov/consumers/consumer/moneysmart/order.html). For more information or to discuss the possibility of translating *Money Smart* into another language, contact your regional Community Affairs Officer.



Representatives from the FDIC (including Vice Chairman Martin J. Gruenberg, standing fourth from the right), the Office of Thrift Supervision, River City Bank of Sacramento, IndyMac Bank of Los Angeles and the Home Loan Counseling Center of Sacramento gathered at FDIC headquarters on April 27, 2006, to mark the release of the Russian version of *Money Smart*. (Photo by Sally Kearney)

## **FDIC and *Money Smart* Join the Treasury and Federal Reserve Banks in Promoting Direct Deposit**

The FDIC is adding new information to the agency's *Money Smart* financial education program for a government campaign intended to encourage people who receive federal benefit checks, such as Social Security and Supplemental Security Income, to switch to direct deposit.

The FDIC in April announced a partnership with the U.S. Department of the Treasury and the Federal Reserve Banks' *Go Direct* campaign to tell the public – especially baby boomers who will start retiring in 2008 – that direct deposit is safer, faster and easier than mailing checks. As part of the FDIC's partnership with the campaign, information about *Go Direct* and how to sign up for direct deposit will be added to the agency's *Money Smart* curriculum and materials provided to participants at workshops.

*Go Direct* is a priority for Treasury, in particular, because the use of direct deposit by federal benefit recipients, who are mostly senior citizens and people with disabilities, has been slipping in recent years. The Treasury said it issues more than 150 million benefit checks annually, and that if all recipients converted to direct deposit, the savings to taxpayers in terms of postage, printing and other costs would be about \$120 million a year, most of which would remain in the Social Security Trust Fund.

"*Go Direct* is a natural addition to our *Money Smart* curriculum," said Lee Bowman, National Coordinator, Community Affairs, FDIC's Division of Supervision and Consumer Protection. "Switching to direct deposit is a simple step people can take on their journey toward financial independence and security."

Judith R. Tillman, Deputy Commissioner of Treasury's Financial Management Service, agreed. "Our partnership with the FDIC will help Americans who receive federal benefit checks better understand why direct deposit is the best payment option for Social Security and other federal benefits," said Tillman. "With the FDIC's enormous reach and the support of other community partners, these financial literacy workshops will play a key role in motivating people to take more control of their finances – beginning with signing up for direct deposit."

For more information about the *Go Direct* campaign and how and why to sign up for direct deposit, go to [www.GoDirect.org](http://www.GoDirect.org) (English) or [www.DirectoASuCuenta.org](http://www.DirectoASuCuenta.org) (Spanish).

## ***Money Smart* Program Honored by Honolulu Mayor**

On May 5, "FDIC- *Money Smart* Day" was proclaimed in Honolulu by Mayor Mufi Hannemann. Honolulu is proud to be one of the FDIC's first *Money Smart* partners in Hawaii through its Family Self – Sufficiency program, Hannemann said. "We join with other partners to make the program more accessible to our residents in underserved communities across the state," he added.

*Money Smart* has been modified in Hawaii to be culturally sensitive and relevant to the Native Hawaiian community. "The FDIC is deeply honored by the Mayor's recognition of our *Money Smart* program and our asset-building efforts in Hawaii," said John F. Carter, FDIC San Francisco Regional Director for the Division of Supervision and Consumer Protection. "Our success is only possible because of the commitment and vision of our *Money Smart* Alliance partners in Hawaii."

More than 50 Native Hawaiian families have attended homeownership classes using *Money Smart* since the program was introduced in 2001. The *Money Smart* Alliance in Hawaii has grown to include partners ranging from federal, state and county governments (including the state's Adult Education Program) to banks, credit unions and community groups.

Key *Money Smart* partners recognized in the ceremony included U.S. Senator Daniel Akaka; the Department of Housing and Urban Development; the Internal Revenue Service; Hickam Air Force Base Family Support Center; Central Pacific Bank; First Hawaiian Bank; the Hawaii Division of Financial Institutions; the Hawaii National Guard; and the University of Hawaii Cooperative Extension Program.

## MainStream Reaching Los Angeles' Hispanic Community with *Money Smart*

MainStream, whose primary mission is to provide economic education to underserved low-income families and individuals, has provided financial education to over 800 low- to moderate- income families in Los Angeles since its creation in 2003.

MainStream is designed to provide trainers, curricula, unique teaching methods and materials to teach students who do not understand fundamental financial concepts because they have limited language and literacy skills, lack access to banking, or mistrust the banking system.

Although MainStream uses a variety of curricula, *Money Smart* in Spanish is the most widely used. *Money Smart* classes also have been taught throughout the county in English and Korean by trainers and volunteer bankers. Assessments of MainStream students before and after the *Money Smart* course show an average increase of 30 percent in their understanding of financial concepts and knowledge. The majority of participants are enrolled in Individual Development Account programs (administered by the United Way in Los Angeles) that require financial education as part of their matched savings programs.

### **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/consumers/consumer/moneysmart/order.html](http://www.fdic.gov/consumers/consumer/moneysmart/order.html) or call 1-877-275-3342.

The *Money Smart* curriculum is comprised of 10 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. The version of *Money Smart* intended solely for classroom use is available on CD-ROM in English, Spanish, Chinese, Korean, Vietnamese and Russian.

In addition, an interactive version of *Money Smart* is available for computer-based instruction (CBI) in two formats: as a CD-ROM and on the FDIC's Web site. Unlike the previous version of *Money Smart*, the CBI program is designed for individual use at home, public libraries or other locations where there is access to computers or the Internet. *Money Smart* CBI is available in English and Spanish.

### **Send Us Your Success Stories**

We want to hear how *Money Smart* is making a difference. We're interested in finding out about your programs and procedures, tips and other information that *Money Smart* educators and partners might find useful. The best contributions may appear in a future issue of *Money Smart* News.

The FDIC is making a special appeal for success stories, words of wisdom and other do's and don'ts about teaching *Money Smart* to:

- **Senior citizens;**
- **Recent immigrants; or**
- **People with disabilities.**

Contributions on the above three topics are requested by September 1, 2006.

Also see our previously published success stories. Submit your stories today!

### **Keep Up With *Money Smart* News**

To subscribe to a listserv that will notify you automatically when a new edition of *Money Smart* News is posted, follow the instructions at [www.fdic.gov/about/subscriptions/index.html](http://www.fdic.gov/about/subscriptions/index.html). The FDIC does not send unsolicited e-mail. If this publication has reached you in error, or if you no longer wish to receive this service, please unsubscribe.

## Partner News

Since *Money Smart* was launched in 2001, the FDIC has distributed more than 323,000 copies (paper and CD-ROM versions) of *Money Smart* to financial institutions, community groups and agencies across the country for use in classroom instruction. In addition, the FDIC has provided nearly 500 free training classes to approximately 10,700 instructors. About 495,000 people have taken *Money Smart* classes and 95,000 new banking relationships have been established by *Money Smart* students. A computer-based instruction (CBI) version of *Money Smart* for self-paced learning was launched on September 15, 2004, and, thus far, nearly 96,000 CBI curricula have been issued.

The FDIC has also set up the *Money Smart* Alliance program for organizations that want to sign an agreement with the FDIC to promote *Money Smart* throughout their constituency. In many cases, these organizations have operations in a number of states or nationwide. Since the *Money Smart* Alliance Program was announced in June 2002, the number of national Alliance Partners has grown to 33 and the number of local Alliance Partners has climbed to more than 1,278.

All our partners 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 secure a better future for themselves and their families.

We want to hear from you! Please share your stories.