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**Message from the FDIC**



April once again was designated *Financial Literacy Month* by Congress. During this month, government agencies, schools, businesses and other organizations were encouraged to engage in programs or activities to raise the nation's awareness of the importance of financial education. With the nation's economic crisis now spanning about 18 months, we have even more reasons to promote financial education not just in April but year-around, and we hope this issue of *Money Smart News* will support your efforts in this area.

For example, the FDIC is releasing a new brochure to help financial educators, the media and others raise consumer awareness of mortgage rescue scams. This brochure will highlight major scams and direct consumers to legitimate sources of free, safe help.

The FDIC has also issued a new translation of our *Money Smart* curriculum – our seventh language – in Hmong. As of the last Census in 2000, more than 200,000 persons of Hmong origin were residing in the United States, representing a 97 percent increase from 1990, and the numbers are expected to increase in the next Census. The FDIC is pleased to offer this growing community a Hmong version of *Money Smart*, particularly so that first-generation immigrants can quickly learn about banking services in the U.S. and realize the benefits of using mainstream financial services.

Among the challenges facing our nation in the current financial environment, ensuring access to credit for consumers and businesses is certainly a priority. This issue of our newsletter presents tips on how financial institutions and financial educators can meet the credit-related needs of some very large markets -- small business owners, low- and moderate-income consumers, and homeowners facing mortgage problems serious enough that they face foreclosure.

We also are calling attention to a new online tool -- a credit card repayment calculator from the Federal Trade Commission -- that *Money Smart* educators can use to help consumers understand the costs of carrying a balance on their charge cards.

Although April is financial education month, educators can help consumers handle their finances more effectively year-round. Consider the FDIC a partner in your efforts. As always, if you have questions or suggestions about, contact your [FDIC Regional Community Affairs Officer](#).

*Sandra L. Thompson*  
**Director**  
**FDIC Division of Supervision and Consumer Protection**

**New FDIC Brochure to Highlight Foreclosure Rescue Scams**

In May, the FDIC plans to publish a brochure on foreclosure rescue scams, which target homeowners having trouble paying their mortgage and offer false, and very costly, promises of hope. The FDIC's new brochure will highlight warning signs for consumers and direct them to legitimate sources of free counseling. The brochure will be available at <http://www.fdic.gov/quicklinks/consumers.html>.

## Launch of Hmong Translation of *Money Smart*

The FDIC's *Money Smart* financial education curriculum is now available in seven languages with the addition of the Hmong version in April. The participant guides, handouts and overheads in Hmong are suitable for instructor-led classes. To order a copy, visit <https://vcart.velocitypayment.com/fdic/>.

## Big Results for Small Businesses: More Success Stories from Financial Education

The credit needs of small businesses have not gone unnoticed, as new federal initiatives provide tax incentives and financing opportunities to help these companies survive and create jobs. That's why *Money Smart News* is highlighting financial education for would-be entrepreneurs and other small business owners. To learn more about how financial educators can help their students start or more effectively run a small business, see the latest installment of our *Money Smart* "Success Stories." ( [Read this story and tips.](#) )

## FDIC Releases Survey, Case Studies of Banks' Efforts to Serve "Underserved" Consumers

Results of the FDIC's first nationwide survey of banks' efforts to serve unbanked and underbanked individuals, issued in February, include case studies of 16 banks that appeared to be successful in developing business opportunities by reaching out to these consumers. These case studies may provide financial educators with ideas about how to link financial education to other efforts to reach underserved consumers. To read the report, go to <http://www.fdic.gov/unbankedsurveys>.

## Updated Guidance on Community Reinvestment Promotes Foreclosure Prevention Education

The four federal banking regulators in January issued new and revised "Questions and Answers" about the agencies' Community Reinvestment Act regulations, including guidance that encourages financial institutions to participate in mortgage foreclosure prevention programs, such as credit counseling for low- and moderate-income borrowers. For more information, visit <http://www.fdic.gov/news/news/press/2009/pr09003.html>.

## New Federal Programs to Help Mortgage Borrowers Facing Payment Problems

Financial educators working with homeowners facing mortgage payment problems should be aware of new federal loan refinancing and modification programs. Educators can refer homeowners to <http://www.makinghomeaffordable.gov/> to find out if they may be eligible for help under the Obama Administration's new "Making Home Affordable" programs. Also, the federal bank, thrift and credit union regulatory agencies continue to encourage all financial institutions that service or hold residential mortgages to participate in the loan modification program. Financial educators should encourage consumers having problems making their mortgage payment to seek help quickly from free, legitimate sources.

## The FDIC Issues Tips to Help Consumers Manage Their Money in Good Times and Bad

The Winter 2008-2009 *FDIC Consumer News*, entitled "Managing Your Money in Good Times and Bad," features tips to help consumers spend less, save more, protect against fraud and borrow wisely at any time, but especially during a difficult economy. The FDIC encourages financial institutions, financial educators and others to distribute the information in *FDIC Consumer News* by reprinting, linking to the material, or making copies and affixing their name or logo. Educators and their students can subscribe for free. See the latest newsletter and subscription information at [www.fdic.gov/consumers/consumer/news/cnwin0809](http://www.fdic.gov/consumers/consumer/news/cnwin0809).

## New Online Tool Reinforces Importance of Paying Down Credit Card Debt

A new resource from the Federal Trade Commission (FTC) can be a useful complement to the FDIC's *Money Smart* module "Charge It Right," which discusses the importance of paying more than the minimum payment due on a credit card bill. The FTC has posted on its Web site a calculator that helps consumers understand how long it would take to pay off a credit card balance if the cardholder makes only the minimum payment. Find the new calculator at <http://www.ftc.gov/creditcardcalculator>.

## Reminders

### Send Us Your Success Stories

The FDIC wants 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*. [See our previously published success stories](#). [Submit your stories](#) today!

### Keep Up With *Money Smart News*

To subscribe to a listserv that will e-mail you each new edition of *Money Smart News*, 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](#).

### For More Help or Information

If you need additional assistance, [contact your regional Community Affairs Officer](#); or if you would like additional information on the *Money Smart* program, visit our [overview](#).

### Past Issues

See other issues of the quarterly [Money Smart News](#) dating back to 2003.