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Message from the FDIC



April is designated as Financial Literacy Month, a time for the public, private and nonprofit sectors to highlight the importance of all Americans learning about money management. As financial educators think about the work to be done this month -- and year-round -- there are countless opportunities to bring about positive changes in individual households and entire communities.

For example, we already know from abundant research that there are too many people who don't have a bank account. And, many of those who *do* have an account aren't using it prudently. Some may be incurring unnecessary fees while others may not have an adequate rainy-day fund (or even a plan to build one). What can financial educators do about that? Here are just some of the possibilities:

- A basic workshop on budgeting can be focused on helping participants develop savings goals and spending plans.
 - An educational program on jobs and careers can link displaced workers with resources that can help them keep a roof over their head.
 - A financial institution that teaches or supports a basic class on money matters to people who don't have a bank account can offer a low-cost or no-cost deposit product to graduates.
 - During and after the tax season, employers can remind employees how they can save money on taxes and help safeguard their future by contributing to retirement accounts without significantly reducing their take-home pay.
- The FDIC is here to help you, too. Our *Money Smart* financial education curriculum is a proven program for reaching out to low- and moderate-income households. Also, when you think about what you are trying to accomplish, you may need to assess the educational needs of your audience and reach out to other stakeholders. After all, the FDIC developed the *Money Smart* program, in part, as a tool to help foster partnerships between financial institutions, community-based organizations and other interested parties. This and other editions of *Money Smart News* will highlight valuable resources we hope will support your efforts.

As the Director of the new Division of Depositor and Consumer Protection, I look forward to leading the new division within the FDIC that is dedicated to promoting access to safe and responsible banking services and protecting against abusive practices. I encourage you to consider the FDIC's staff as a valuable resource you can call upon for advice in promoting financial education and connecting it to other initiatives that support economic inclusion and asset building. To start or continue a dialogue with the FDIC on these vital matters, send an e-mail to communityaffairs@fdic.gov.

Mark Pearce
Director
FDIC Division of Supervision and Consumer Protection

FDIC Updates Money Smart for Young Adults

On February 10, 2011, the FDIC announced an updated and enhanced version of its instructor-led Money Smart for Young Adults financial education curriculum. Key changes include updates about managing credit cards, avoiding overdrafts and financing higher education. The revised curriculum also includes instructional enhancements, many suggested by instructors who use *Money Smart*, such as expanded pre- and post-tests that teachers can use to measure changes in student knowledge or use as quiz questions. To learn more about *Money Smart* for Young Adults and to obtain free copies of the updated curriculum, visit <http://www.fdic.gov/consumers/consumer/moneysmart/young.html>.

FDIC Advisory Committee Discusses Financial Education, Low- and Moderate-Income Mortgage Lending

On March 2, 2011, the FDIC Chairman's Advisory Committee on Economic Inclusion (ComE-IN) discussed opportunities for the banking industry to support educators in teaching the basics of personal finance. Additionally, the Committee discussed principles for low- and moderate-income mortgage lending. To watch a video of the meeting and access documents presented, visit <http://www.fdic.gov/about/comein/agendaMarch22011.html>.

Reminder: HHS Offers Funding, Other Resources for Financial Education

As previously reported in *Money Smart* News, the U.S. Department of Health and Human Services (HHS), a *Money Smart* Alliance Partner, has an Assets for Independence (AFI) program that provides five-year grants to nonprofit organizations and government agencies that help low-income families become economically self-sufficient. AFI grant recipients provide training on money management and promote deposits into Individual Development Accounts, which are special savings accounts for low- and moderate-income households that often are linked to financial education classes and involve matching contributions by sponsoring organizations. There are three application cycles each year. The next applications for funding are due May 25, 2011. To learn more, start at <http://www.acf.hhs.gov/programs/ocs/afi/>. Also visit the [AFI's Resource Center](#) for special tools for financial educators.

Success Stories: Making a World of a Difference by Teaching Money Smart in Other Languages

Did you know that the FDIC provides the *Money Smart* curriculum for adults in multiple languages? Even organizations that don't have the capacity to offer training in a particular language can put the non-English translations of *Money Smart* resources to use in their community. This issue of our newsletter features successful ways to offer financial education to individuals who primarily communicate in a language other than English. ([Read the stories.](#))

Our Next Money Smart Success Stories: We want to hear from you!

Please consider sharing with us how you've been able to use the *Money Smart* curriculum and the valuable lessons that other educators can benefit from. We are especially interested in reports on the following: creative ways that *Money Smart* is being used to help elderly consumers; how social service professionals and other educators are using *Money Smart* to empower survivors of domestic violence; and approaches for integrating *Money Smart* into youth mentoring programs. Please consider sending us a few sentences. If your story is selected, we will contact you for more details. Please send your submission to communityaffairs@fdic.gov.

FDIC Offers Consumer Tips On Organizing and Simplifying Finances

The Winter 2010/2011 issue of *FDIC Consumer News* features tips for streamlining money management. Other timely topics include a warning about new financial frauds on the Internet, options for boosting college savings, and ideas for positioning personal finances for changing interest rates. Financial educators are encouraged to consider using FDIC Consumer News for background purposes and as handouts. Subscriptions are free. See the most recent newsletter and subscription information at www.fdic.gov/consumers/consumer/news/cnwin1011.

Sign Up for Money Smart Train-the-Trainer Webinars

The FDIC is now offering free *Money Smart* Train-the-Trainer workshops via monthly webinars. These programs provide a detailed overview of the curriculum and successful strategies, including ways that the modules can be adapted to specific needs. To learn more, visit: <http://www.fdic.gov/consumers/consumer/moneysmart/trainthetrainer.html>.

FDIC Encourages Consumers to Get in the Habit of Saving Automatically

During *America Saves Week* (February 20-27), the FDIC called upon consumers to take advantage of ways to automatically save money. To learn more and to see FDIC Chairman Sheila C. Bair discuss savings on a YouTube video, [start at our press release](#).

Agency Announces "Top 10" List of FDIC Online Resources for Consumers

In observance of National Consumer Protection Week (March 6-12), the FDIC compiled a "Top 10" list of FDIC online resources for consumers on subjects ranging from deposit insurance to shopping for a bank account and avoiding financial fraud. To see the full array of consumer information from the FDIC start at the home page at www.fdic.gov, but the Top 10 list is featured at www.fdic.gov/consumers/consumer/information/ncpw/index.html.

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. 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.