Happy Financial Literacy Month!

In this edition of MoneySKILL Matters!, we wanted to make you aware of recent media coverage about the state of financial literacy, a new initiative to increase financial education in schools, and the value that MoneySKILL® can bring.

In the first article, Michelle Singletary, a nationally syndicated personal finance columnist, reports on how people can advocate for financial literacy in their child’s school through a new nationwide campaign lead by the Jump$tart Coalition for Personal Financial Literacy. The AFSA Education Foundation serves on Jump$tart’s Board of Directors and is a supporter of “Project Groundswell.” The initiative seeks to increase by 25 percent by the year 2025 the number of U.S. students who are receiving effective classroom-based financial education. As a MoneySKILL educator, we invite you to visit www.checkyourschool.org and “add your school.”

The second article, written by my colleague, Angela Waugaman, is a full-page piece in Rebound Magazine - a publication about basketball players for basketball players and their fans. Entitled “A Team Sport: Improving Financial Literacy,” the article focuses on some of the financial challenges that people face, the need for more education in this space and the MoneySKILL program. With National Student Athlete Day coming up (April 6), feel free to share it among your students and colleagues.

Lastly, the foundation is preparing to publicly release new research results that demonstrate the effectiveness of MoneySKILL. More to come on that so stay tuned!

As always, thank you for all that you do!

Rhonda Ashburn
Executive Director
AFSA Education Foundation
What your children don’t know about money will cost them — dearly.

My husband and I have made it a priority to raise money-smart kids. I, of course, took my lessons to another level, one that often frustrated my children.

Once there was a craft fair at my kids’ school. As our eldest, Olivia, was counting how much money she was planning to spend, I pulled her aside to give her tips on bargain shopping.

“Look, you’ve got to negotiate to get a good price on what you want,” I counseled her.

Olivia just rolled her eyes. She was incredulous that I was telling her to haggle with her classmates over craft items they had made.

“Mom, why are you talking to me about this money stuff all the time?” she complained.

I bent down to look her directly in the face. (I know. That was a bit aggressive.) I needed her to take me seriously. I was hoping to impress upon her that in every purchase situation you have to consider the cost – even if the seller is a friend – and try to avoid spending more money than necessary.

So, I said to my 10-year-old daughter, “It is my full-time job to make sure you’re a good steward over your money.”

“Well,” Olivia started, looking me directly in the eye with her hands on her hips, “can you make it your part-time job?”

I couldn’t help but laugh.

I’m pretty sure she had no idea what the word “steward” meant, but it was a teachable moment.

Fast-forward 14 years, and Olivia – as well as our other two young-adult children – is fiercely frugal. They are all super savers and savvy shoppers. My youngest likes to joke about finding a discount nursing home for me. (Just in case she’s serious, it’s one of the top reasons I’m aggressively saving for my retirement.)

We’ve also taught our children – all of them are in college right now – to have a healthy hatred of debt. None of them has credit cards or student loans.
Many of their peers are not as fortunate. Recently released data from the Federal Reserve Bank of New York show that in the fourth quarter of last year, 18-to 29-year-olds had $1.01 trillion in total debt, the highest the study has recorded since 2007 in this age bracket.

Since 2013, debt in this age range has increased at a faster clip than in most other generations. It’s up 26 percent from 2013, compared with 24 percent among those ages 30-39 and 11 percent for those 40-59. For the young adults, student loans accounted for about 38 percent of their debt.

Children need to be exposed to financial literacy, and their money-management skills must be nurtured like you would coach a young soccer or basketball player.

But what if you don’t feel equipped to be so relentless about teaching your children about money? What if you’ve made a wreck of your financial life and don’t have the confidence or ability to teach your children how to be money smart?

I believe financial literacy starts in the home, where financial lessons can be reinforced. But when that’s not happening, we have to turn to the next best place to teach them the skills they will need. To that end, the nonprofit group JumpStart Coalition for Personal Financial Literacy is leading a new nationwide campaign designed to increase financial education in schools across America.

The group’s “Project Groundswell” initiative seeks to increase by 25 percent by the year 2025 the number of U.S. elementary, middle- and high school students who are receiving effective classroom-based financial education. And by “effective,” the group means more than a one-event affair or a field trip, said Laura Levine, president and chief executive of the JumpStart Coalition. For example, an effective program in a high school would entail 70 hours of instruction.

At the heart of this campaign is CheckYourSchool.org, an online platform designed to empower parents to find out if their kid’s school is teaching financial literacy and, if not, advocate for adding it to the curriculum. On the site, click on your state, and then search to see what your local school offers in the way of financial literacy.

“As important as parents are in guiding their own kids to learn good financial habits, we know that doesn’t always happen. So financial education in the classroom can help level that playing field. It can help us reach kids who just aren’t getting enough guidance at home.”

— Laura Levine, president and chief executive, Jump$tart Coalition

“As important as parents are in guiding their own kids to learn good financial habits, we know that doesn’t always happen,” Levine said in an interview. “So financial education in the classroom can help level that playing field. It can help us reach kids who just aren’t getting enough guidance at home.”

This is such an important project. Your child might stop playing soccer or basketball, but they will forever need to know how to handle their money.
Rebound
BY A PLAYER, ABOUT THE PLAYERS, FOR THE PLAYERS, AND FANS.

IT’S TIME TO MAKE A DIFFERENCE...
FOR THE LOVE OF THE GAME, BRAND, AND CULTURE

REMEMBER THE NBA PRO WHO’S STILL LEAVING LEGACIES

ONE ATHLETE’S EXPERIENCE OF LIFE’S FIRSTS, TRANSITIONS, AND MEMORIES

BRING ON THE THUNDER

AN INSIDE LOOK:
BEYOND THE GAME
FROM THE CHAIR OF EXECUTIVE PRODUCER/FILM DIRECTOR SUSAN SEMBER
A TEAM SPORT: IMPROVING FINANCIAL LITERACY

The Definition of Financial Literacy is the possession of skills that allow people to make smart decisions with their money that benefits them throughout their lifetime. Financial illiteracy affects all ages and all socioeconomic levels. A social issue so significant that April is National Financial Literacy month—and has been for over ten years!

Forbes Magazine ran an article last year outlining four alarming stats and felt they could be drastically improved with the right education: 1) insufficient cash reserves; 2) student loan debt; 3) credit card debt; 4) zero retirement savings. Startling facts are reflected in various articles found in Forbes, Investment News, and the U.S. Department of Education Statistics 2016-17:

- 44% of Americans don’t have enough cash to cover a $400 emergency.
- 43% of student loan borrowers are not making payments.
- No one is surprised to hear that the average cost of college has increased over time at almost 6% per year.
- At $1.4 trillion, Federal student loans mark the second-largest debt segment in the country.
- 38% of US households have Credit Card debt at an average of $16,048 @ 16.47% interest.
- 33% of American Adults have $0 saved for retirement.

Personal financial literacy is critical to succeed in today’s world, but study after study shows that many Americans need a deeper understanding of financial concepts. While an abundance of financial education exists, it is clearly underutilized. The simple truth is we have not made it a priority in our homes, schools, or our workplace. From school-aged kids to baby boomers, financial literacy should be a lifelong course in continuing education.

Student loans, credit card debt, the feasibility of home ownership and having enough for retirement all come to mind when we think of financial challenges. For some these might be temporary obstacles that can be overcome with sound financial management. For others, they may represent stark choices where staying above water requires sacrifice.

In the true spirit of the film, Beyond the Game, Professional Athletes and student-athletes reflected on their own financial literacy, in addition to other topics in the film. Some athletes even stated that their education started with “The School of Hard Knocks.” The Media tends to single out those athletes who have gone broke and dramatize their story, yet financial hardships are not just limited to athletes. Men, women, young and old, retired or working people... many have educated and surrounded themselves with good mentors and advisors to achieve financial independence and give back to their communities to benefit others.

Throughout the world, many programs are trying to advance the education of Financial Literacy. Rhonda Ashburn and Angela Waugaman have one such course that offers a comprehensive yet customizable online personal finance course at NO COST! Rhonda Ashburn leads the American Financial Services Association Education Foundation (AFSAEF). Angela Waugaman has over fifteen years’ experience providing strategic communications counsel to management at large corporations, nonprofits, and coalitions in the financial services arena. Together they offer the benefits of responsible money management through their free financial literacy education program MoneySKILL®. To date, more than 880,000 individuals from all fifty states and several countries have used MoneySKILL®.

The goal of the MoneySKILL® program, which is also available in Spanish, is to educate users on money management fundamentals and provide them with the skills and knowledge necessary to make sound financial decisions while avoiding the financial pitfalls.

MoneySKILL® was initially designed for teachers, which could include coaches and school administrators, but now the program has attracted the interests of parents, employers, community organizations and others. We cannot lay the responsibility for educating solely at the doorstep of any single entity. It must be a team effort—Together Everyone Accomplishes More! We must all commit to meeting this challenge, and in doing so, we will change our lives for the better in our homes, schools, and communities.

Angela C. Waugaman
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American Financial Services Association
Education Foundation
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