

Montana High School Financial Planning Program Newsletter

Welcome Back!

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Montana Financial Education Coalition

We are entering a new era of financial education in Montana. As an affiliate of the National Jump\$tart Coalition, the Montana Financial Education Coalition (MFEC) is now "up and running".

The mission of MFEC is to strive to improve the personal financial knowledge and decision-making abilities of Montana citizens by promoting public awareness of the need for personal financial education, and by uniting and building capacity of financial education programs.

The group is sponsoring a meeting on November 8 & 9 to rally groups who have a concern about financial education.

Check out the MFEC newsletter at:
www.montana.edu/

extensionecon/family/pdf/mfedednews.pdf

How can Students Get College Credit?

Did you know that high school students can earn elective college credits by completing a course that is a part of the NEFE High School Financial Planning program? As a result of a cooperative effort by the National Endowment for Financial Education® (NEFE) and the University of Colorado, a course is available titled "Personal Management and Community Service"

The course is targeted for students, grades 9-12. Those who complete the course successfully, will receive two elective semester credit hours.

For more information: contact Bob Greene, phone: 303-840-7366 or

email:
bob.greene@prodigy.net.

Source: Financial Focus
April 2004

What is your Money Personality?

The NEFE Teen Resource BureauSM website has been updated recently to include information on money personalities.

The new material explores how different types of individuals manage their money and helps teens define their own financial traits.

Find out about your money personality at:
www.ntrbonline.org



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Extension programs are funded and guided by a partnership between Montana State University, the state of Montana, Montana Counties, and the U.S. Department of Agriculture. ADA/EO/AA/Veteran's Preference employer and Provider of Educational Outreach.

Free Materials

Enclosed is a light blue order form to choose from a variety of materials available for free from Marsha (as long as supplies last).

The free materials include:

- Talking to Teens About Money
- Good Credit: Leader's Guide
- Checking Accounts "The Better, Safer Way to Handle your Money"
- 66 Ways to Save Money
- And much more.

Hands on Banking

Wells Fargo has designed a self-paced, individual learning curriculum for all ages with different portals for each age group. Go to:

www.handsonbanking.com/

The lessons and teacher's guides are narrative, animated, colorful, and fun.

If you would like a free CD-Rom contact:

Wells Fargo
550 California St.
7th Floor
San Francisco, CA
phone: 866-650-6228
email: HOInfo@wellsfargo.com

Poor Results from the 2004 Financial Education Survey

Can you believe that nearly two-thirds (65.5%) of the 12 graders in 33 states failed the 2004 Jump\$tart Coalition Financial Education Survey?

Only 6.1% scored a "C" or better. On average, students who participated answered just over half (52.3%) of the questions correctly.

The survey found that parental involvement plays a big role in the financial education and literacy of young people. Most of the students surveyed (58.3%) said skills are learned at home, versus (19.5%) of students

stated they learned financial skills at school, and while others learned from experience (17.6%).



Students who planned to continue their education after high school did far better than those who plan not to attend college. More than half (55%) of the college-bound seniors answered the questions correctly, versus 41.9% of students who do not

plan to further their education.

The survey was divided into four categories:

1. Income
2. Money Management
3. Saving
4. Spending

High school seniors did a far better job of correctly answering questions about income and spending than they did about money management and saving.

This survey and other financial information can be downloaded at:

www.jumpstart.org/news.cfm

Pathways to Getting Ahead

The Federal Reserve Bank of Boston and the Asset Development Institute have developed a new booklet called "Pathways to Getting Ahead".

This booklet aids young adults with the knowledge, skills and experience it takes to get a good job and advance as they start on the path to building assets.

It teaches how a career can not only be a

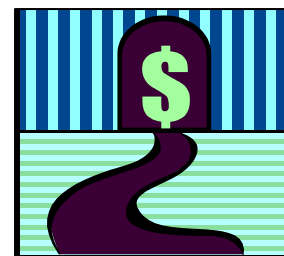
paycheck, but also a source of other benefits as well.

It provides valuable information about how young adults can advance along an asset-building path by saving and investing and how to avoid financial pitfalls.

For a copy, visit: www.bos.frb.org/consumer/pathways/index.htm.

To order a hard copy or a CD-ROM (*Limited complimentary copies are available*):

Publications Department
Public & Community Affairs
Federal Reserve Bank of Boston
P.O. Box 2076
Boston, MA 02106-2076
phone: 800-409-1333
e-mail: PublicComm.Affairs-Bos@bos.org



What is "Phishing" Emails?

MailFrontier, Inc. showed 1,000 consumers examples of so-called "phishing" emails. About 28 percent of the time, consumers incorrectly identify "phishing" messages as legitimate.

Want to test your phishing IQ? Go to: survey.mailfrontier.com/survey/quiztest.html

Source: Consumer News & Reviews, Sept. 2004

Financial Literacy Resources

The Federal Reserve Bank of San Francisco has developed a resource called "Guide to Financial Literacy."

This guide is divided into 5 specific categories:

- Early Intervention
- Basic Literacy
- Credit Rehabilitation
- Asset Development
- Specialized Curricula

It can be downloaded at: www.frbsf.org/community/webresources/bankersguide.pdf

Or contact:

Federal Reserve Bank of San Francisco
P.O. Box 7702
San Francisco, CA 94120
phone: 415-974-3230

Choosing a Credit Counselor

Although credit counseling organizations can provide valuable assistance to people facing serious debt troubles, some firms use their non-profit or tax exempt status to mislead consumers into paying large fees for questionable services.

The Federal Trade Commission (FTC) offers some free guidance on choosing a credit counselor and avoiding a scam. It can be downloaded at:

<http://www.ftc.gov/bcp/online/pubs/credit/fiscal.htm>

To order a hard copy, contact:

Federal Trade Commission
Consumer Response Center
600 Pennsylvania Ave, NW
Washington, DC 20580
phone: 877-382-4357
email: publications@ftc.gov

Magnitude of Consumer Fraud

A Federal Trade Commission survey of 2,500 randomly chosen consumers suggests that nearly 25 million adults (11.2%) are victims of fraud.



The most frequently reported type of consumer fraud was advance-fee loan scams. 4.5 million consumers paid a fee for a "guaranteed" loan or credit card they never received.

Credit card insurance scams and credit repair were the third and fourth most common frauds. As estimated 3.3 million consumers bought unnecessary insurance against the unauthorized use of their credit cards, and 2 million for illegal "credit repair" services.

Source: Family Economics News
September 2004

College-Bound: The Aspects of Financial Education

The National Endowment for Financial Education® (NEFE) collaborated with EDFUND, to create the free financial guide "Credit for College: Tools for Managing Your Money".

This 24-page booklet emphasizes the importance of college, financial aid alternatives, banking, budgeting, and planning for long-term success.

It also includes:

- Career options and salary ranges for

various levels of education.

- Ways to overcome barriers to attending college, from poor grades to lack of funds.
- Budgeting worksheets to help develop a spending plan.
- Checklists to help prepare high school students for college in academic, financial, and psychological ways. This guide can be download and ordered

at:

www.edfund.org. Then select Forms and Publications.

Or contact:

Ed Fund, Inc.
P.O. Box 419045
Rancho Cordova, CA 95741
phone: 866-722-3833
fax: 916-526-8027



First-Time Homebuyer Resources

The Fannie Mae Foundation has produced a series of First-Time Homebuyer guides including:

- Knowing And Understanding Your Credit
- Opening a Door to a Home of Your Own
- Choosing a Mortgage that's Right for You
- Borrowing Basics: What you Don't Know Can Hurt you.

The guides are available at:

www.homebuyingguide.com/

Or contact:

Fannie Mae Foundation
4000 Wisconsin Ave, NW
North Tower, Suite One
Washington, DC 20016
phone: 202-274-8000

Source: Family Economic News, June 2004

Insurance Industry Virtual Theater

The Missouri Insurance Education Foundation has completed a CD-ROM that introduces high school students to the insurance industry in a fun and interesting way.

Students can go to a "virtual theater" to see pre-show slides, previews and short features illustrating "how we all benefit from insurance".

An arcade section of the virtual theater teaches the basic

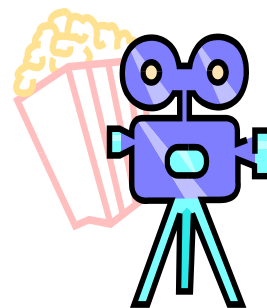
insurance concepts, such as what is a risk and what makes things and people insurable.

There is also a website at: www.mief.org that provides students and teachers with a source of additional information about the insurance industry, including links to other insurance-related sites.

Not-for-profit schools may obtain a copy of the CD at no cost. Additional copies can be obtained for a

small shipping and handling fee. To order go to: www.ief.org or contact:

Missouri Insurance Education Foundation
P.O. Box 1654
Jefferson City, MO 65102
phone: (573) 893-4234



Credit Report Mistakes Cause Denial in Credit

The National Association of Public Interest Groups (PIRGs) released an update on credit file mistakes which states that overall credit reports contain errors serious enough to bring about a denial in credit.

A survey was conducted in 30 states that asked adults to order their credit reports to check on the accuracy of them.

Key findings included:

- Twenty-five percent of the credit reports contained serious

errors that could result in the denial of credit, such as false delinquencies or accounts that did not belong to the consumer.

- Fifty-four percent contained personal demographic information that was misspelled, or information that didn't belong to a them.
- Twenty-two percent listed the same mortgage or loan twice.
- Almost eight percent were missing major

- credit cards, loans, mortgages, or other important accounts.
- Thirty-percent contained credit accounts that have been closed by the consumer, but listed open.

To learn more about free credit reports, credit file mistakes and credit report reviews, go to:

www.icfe.info

Source: IFCE News
June 2004



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Volume 5, Issue 1
October 2004