



NATIONAL ENDOWMENT FOR FINANCIAL EDUCATION
Partnering for Financial Well-Being

**“What’s Really Working?
Assessing the Impact”**

**Citigroup-INSEAD Financial
Education Summit 2006**

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National Endowment for Financial Education® (NEFE®)

- An independent, 501(c) 3 nonprofit foundation located outside of Denver, CO
- Identifies segments of society in need of financial awareness and collaborates with national organizations to seize upon “teachable moments”



National Endowment for Financial Education® (NEFE®)

- Target groups: General public, nation's youth and people in special situations
- “Committed to educating Americans about personal finance and empowering them to make positive and sound decisions to reach their financial goals.”



NEFE Initiatives

1. To empower Americans to achieve their life goals through prudent and informed management of their financial resources
2. To help instill in all Americans the commitment to save toward the realization of their financial goals and their future financial security.
3. To assist consumers in understanding and actively participating in the management of their finances.

NEFE Initiatives

4. To better prepare all Americans for their retirement years.
5. To encourage in the nation's young people an understanding of personal financial planning and the acquisition of sound money management skills.
6. To effect the financial education of individuals in special circumstances and to support the development and delivery of programs and materials related to their unique needs.

NEFE Initiatives

7. To expand the financial literacy body of knowledge through research in support of developing a discipline that prepares educators and other intermediaries to improve the financial well-being of the public.

8. To support proactive research of consumer, social, and business trends; underlying assumptions; attitudes; root causes; and related facets of financial well-being whose outcomes achieve innovative and actionable financial education solutions.

NEFE High School Financial Planning Program® (HSFPP®)

- How this program began
- Why NEFE began this program
- Who are the target audiences?



NEFE HSFPP

- NEFE HSFPP started in 1984
- Credit Union National Association/ America's Credit Unions (1999)
- USDA Cooperative State Research, Education, and Extension Service (1991)
- A new national alliance with Junior Achievement, Inc. announced September 2006
- Seven units in basic money management:
Financial Planning Process/ Careers/ Budgeting/ Saving and Investing/ Credit/ Insurance/Financial Institutions

NEFE HSFPP

- Designed by teachers for teachers
- Uses the Turnkey Curriculum
- Interactive
- Flexibly structured
- Used in every state in the US
- Linked to Jump\$tart standards
- Different versions used in Australia and Canada
- A free resource
- A new version is due out in 2007

Evaluation

How have our results been evaluated?

- Two impact evaluations:
1998 and 2003/2004

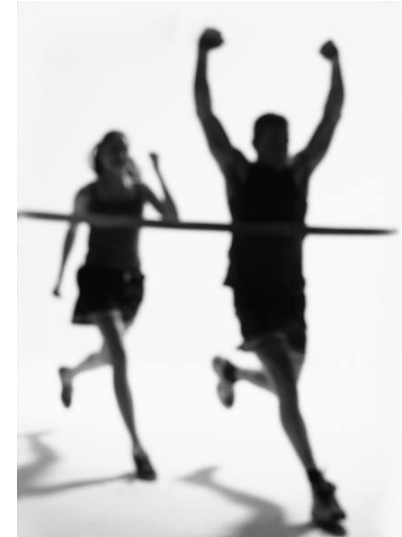


Lessons Learned

- Baseline Data
- Making evaluation an ongoing, compelling learning activity
- Evaluators and educators must learn to make this process explicit and interesting:
 - By avoiding the “cut-and-dried” evaluations that marketers use
 - By avoiding “smile surveys”
 - By avoiding evaluations that predict the right answers in the questions
 - By helping students to learn to acknowledge mistakes or errors openly and as positive steps forward
 - By instilling the belief that always seeking to improve one’s outcomes is the basis of all learning and success

Outcomes, and Impacts — What's the Difference?

- Outcomes: The direct behavior changes brought about by a program.
- Impacts: The larger, broader results your program has helped to influence.



HSFPP Impact

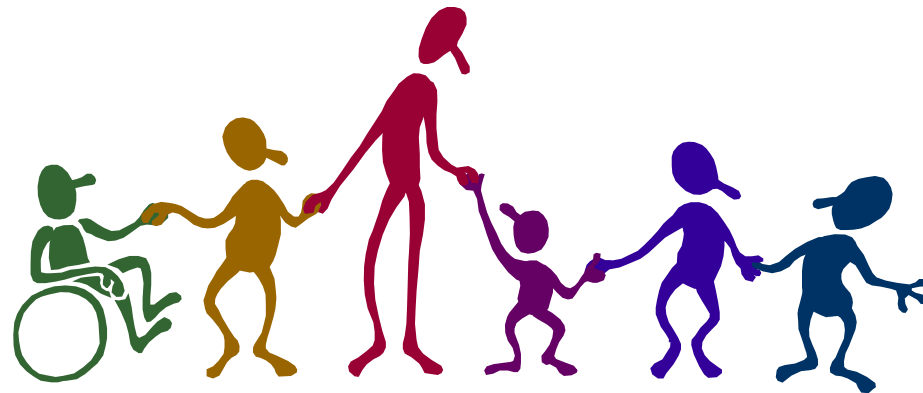
- Over 4.7 million students served since 1984
- Currently in over 7,500 classrooms in all 50 states
- It works! (University of Minnesota study, 2004)

University of Minnesota Study (2004)

	Strongly Agree		
	<u>Before</u>	<u>After</u>	<u>3 months</u>
	<u>HSFPP</u>	<u>HSFPP</u>	<u>After</u>
• I knew the difference between wants and needs	41.7%	66.9%	80.5%
• I knew the cost of buying on credit	12.2%	31.1%	48.9%
• I believe the way I manage my money will affect my future	33.1%	53.6%	73.0%

Socioeconomic Groups, Cultures and Organizations

- Health
- Human Services/Special Situations
- Low Income
- Minority
- Youth
- Aging



“Exploring Personal Finance Challenges and Opportunities Facing Latino Immigrants”

Think Tank: The Need

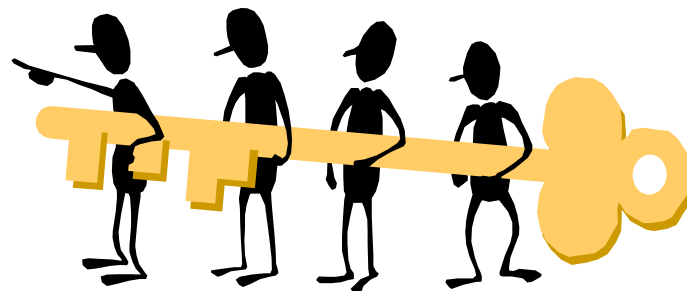
- Latinos represent 14 percent of the United States population and \$686 billion in purchasing power
- A huge disconnect exists on how financial service companies market their products and the purchasing preferences of Latino immigrants.
- Financial service companies are typically not structured to serve low-income and low-asset individuals. Add language barriers and legal status to the mix and the challenge to guide Latino immigrants to financial well-being is met with frequent frustration.
- Collaboration among financial education professionals is essential to moving forward to the ideal state of financial education with greater impact and speed.

When Designing and Implementing a Financial Education Program Geared at Latinos

1. Culturally sensitive and socioeconomic appropriate curriculum
2. Bilingual and bicultural financial counselors, mentors, and teachers
3. Culturally sensitive community outreach
4. Product and service branding and messaging that is culturally and literally correct (transcreation)
5. Buy-in and commitment to investment from top levels of management
6. Financial processing systems that work with alternative forms of credit

Key Points When Targeting the Latino Immigrant Audience

- Latino purchasing preferences
- The critical importance of financial education
- The critical importance for Latino immigrants to understand why financial education is important
- Employer impact
- Trust
- Collaboration



New NEFE Evaluation Toolkit!

- Designed as a user-friendly evaluation tool that financial educators can use to measure impact of financial education programs on participants' financial knowledge, skills, and behaviors.



www.nefe.org

www.smartaboutmoney.org

