



Young Adult Financial Education 2009: Money Smart Week Illinois

WHAT: University of Illinois College of Education students attended a special meeting of the Epsilon Delta Student Organization for Money Smart Week Central Illinois. The program offered during Money Smart Week, *Steps for Success: Managing your Finances to Meet your Money Goals*, provided 50 education students with information that they will need to manage their money after college. Freshmen and sophomore level students participated in a credit management program while juniors and seniors covered the topics of saving, investing and benefits to prepare them for graduation.



Students learn about financial management skills at the College of Education.

WHO: This event was provided through the cooperation of Economic Awareness Council, the University of Illinois College of Education, Epsilon Delta, the Federal Reserve Bank of Chicago and the Money Smart Week Illinois program. The program was made possible through the support of Busey Bank, HSBC – North America and Cline Financial Concepts.

WHEN: April 22nd, 2009

WHERE: University of Illinois College of Education, Champaign, IL

Program Highlights

- Program benefited a number of college students with approximately 50 students attending this program.
- Participants were invited through emails distributed through the Epsilon Delta Student Organization and the University of Illinois College of Education. A facebook event was also created for this program. An event description along with recognition for sponsors: Busey Bank, HSBC and Cline Financial Concepts, was included in the 6,000 Money Smart Week Illinois calendars distributed throughout the region.

- In the *Steps for Success* program, freshmen and sophomore students participated in a program regarding credit management during college and juniors and seniors participated in a discussion of saving, investing and benefits after graduation. During these programs, students set financial goals; learned to manage their paycheck and better understand their taxes; developed basic budgeting strategies; reviewed tips for building a positive credit record and discussed strategies for saving, investing and managing employee benefits in the working world.
- The *EAC Steps for Success* program provided financial education information using a ‘real world’ approach in which students reviewed survey and focus group information from recent college graduates.
- Student participants received a number of financial education tools such as budget calendars, ledgers, a receipt box, etc. All custom financial education materials provided at this event noted the support of Busey Bank and HSBC – North America. Additionally, each sponsor’s support was noted within the presentation itself.
- The *EAC Steps for Success* programming received excellent evaluations from the participating college students. An outstanding 100% of the student respondents noted that they “they could use the information presented in the future”. Additionally, 85% agreed that they “learned something new.” Comments included, “Very informative”; “Broken down into relatable terms”; “Clear, coherent, everything was explained vey well”; “The examples were helpful and put things into perspective”.



Steps for Success was held at the College of Education at the University of Illinois

Program Overview

Providing relevant financial education information to young adults continues to be a critical issue in our local community. Over 40% of college seniors graduate with credit card debt and the average debt is over \$2000. Additionally, 40% of recent college graduates fail to make basic financial planning decisions such as obtaining health insurance.

Through a recent grant from Busey Bank and HSBC – North America, the Economic Awareness Council provided a Money Smart Week Central Illinois event that addressed this need. The *Steps for Success: Managing your Finances to Meet your Money Goals* program provided through a partnership with Epsilon Delta and the College of Education addressed

numerous financial literacy topics such as setting financial goals, credit, saving, investing and benefits. The program was provided by EAC staff and volunteers as well as a volunteer from Cline Financial Concepts. A pizza dinner and refreshments were provided through the support of Busey Bank and HSBC.

Program Content

Steps for Success

The *Steps for Success* program addressed numerous state and national consumer education and personal finance objectives including:

- increasing students' awareness of the **financial choices** they will encounter after graduation and the potential **impact of their financial decisions**;
- fostering students' ability to create a **personal financial plan** and **budget**;
- building students' knowledge of the **function of credit**, the **costs of carrying credit card balances**, the **responsibilities** involved in borrowing money, and the importance of an individual's **credit history**.
- Highlighting how **saving contributes to financial well-being**.
- Demonstrating how **investing builds wealth** and helps meet financial goals.
- **Considering various investment alternatives**.
- Discussing how **taxes affect the rate of return on investments**.



Addressing objectives with real life examples.

The EAC addressed these objectives in the *Steps for Success* program using a 'reality-based' approach to financial education. The EAC developed the *Steps for Success* program by interviewing and conducting surveys with recent college school graduates. From these surveys and interviews, the EAC developed a better understanding of the challenges that recent graduates face and obtained numerous examples that were used in the *Steps for Success* program.

Because recent financial education research has indicated that developing basic, positive financial education habits is one of the key characteristics of young adults who exhibit positive personal financial management practices, the EAC has integrated additional 'habit building' exercises into this program. In *Steps for Success*, students developed a sample budget, set financial goals, estimated credit payments and tracked their spending. Applying financial skills in the *Steps for Success* program will help students continue to use what they have learned in the future.

Students also received a number of financial management tools through the *Steps for Success* program. Materials included a receipt box on which students noted their financial goals; yearly and monthly calendars for charting income and expenditure flows as well as bill payment reminders; a weekly ledger for budgeting and tracking spending; and resource lists detailing web-based resources on topics such as credit, insurance, saving and investing, budgeting, and career planning.

Results

The EAC Steps for Success programming received excellent evaluations from the participating college students. An outstanding 100% of the student respondents noted that they “they could use the information presented in the future”. Additionally, 85% agreed that they “learned something new.”

Comments included:

“Very informative”
“Broken down into relatable terms”
“Clear, coherent, everything was explained vey well”
“Kept it relevant to college students.”
“The examples were helpful and put things into perspective.”
“Discussing hidden payments of credit cards.”
“Informative; Feel more confident/prepared.”



Students consider life after college with real world video clips.

The highest proportion of suggestions related to the program length with some wanting a longer or shorter program (with more longer than shorter); however, comments were primarily positive.

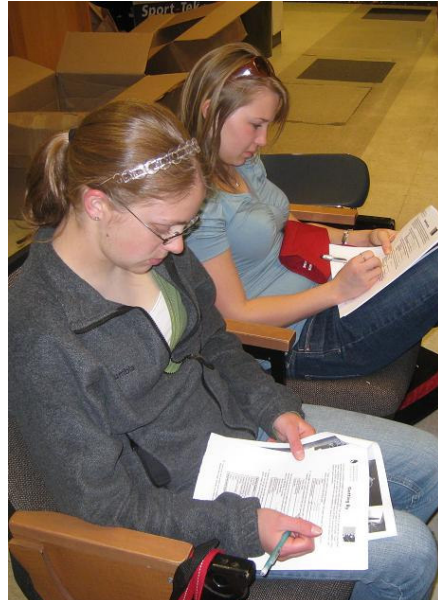
Public Relations/Outreach

The *Steps for Success* program represented an excellent outreach and public relations opportunity for Busey Bank and HSBC. The program presented an opportunity for sponsors to participate in a Money Smart Week regional event and to participate in educational outreach at one of the nation’s largest college campuses.

Recognition of the sponsors’ support of this program was noted on hundreds of emails distributed through and posted at the University of Illinois College of Education. A facebook event was also created for this program and information regarding the program was sent to the public relations staff for the college. Additionally, Busey and HSBC’s support of the *Steps for Success* program and partnership for Money Smart Week Central Illinois was noted in the over 6,000 calendars produced and distributed by the Federal Reserve Bank of Chicago. An EAC representative also attended each of the Money Smart Week Champaign planning meetings to represent the *Steps for Success* program and all involved partners. The support of Busey and HSBC was also noted on all custom educational materials provided to the 50 Steps for Success participants and 50 copies of HSBC’s Your Future Counts materials were distributed to College of Education students. Busey and HSBC’s support was also noted in the program presentation and on the EAC website as well as in a program press release posted to the EAC website.

The EAC would like to thank Busey Bank and HSBC – North America for sponsoring this program. Without the bank’s support, this programming offered at the College of Education would not have been possible. We would also like to thank our volunteers from Cline Financial Concepts. Finally, we would like to thank the Federal Reserve Bank of Chicago’s Money Smart Week program for their support in coordinating this event as well as the University of Illinois College of Education and the Epsilon Delta Student Organization for hosting and assisting in the coordination of this event.

If you desire further information regarding the results of this program or have any questions, please contact Tracy Frizzell, EAC Executive Director, at (630) 740-6831 or tfrizzell@econcouncil.org.



Students prepare a sample budget in Steps for Success