

Issue Briefs

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Family Financial Education



Matching Curricula to Core Competencies

Educators approaching the topic of personal finance have an almost dizzying array of options for finding educational materials for face-to-face workshops. An internet search for "financial education curriculum" brings up dozens of options and thousands of websites. Curricula are designed for a range of audiences and ages, from young adults starting their first budget to seniors managing retirement expenses. Even among programs aimed at adults with basic financial management there are a number of options. Some are business ventures that seek to sell materials for a fee, others are business that give materials away but have an ulterior motive, such as promoting their company or services. Other programs are offered by public agencies or nonprofits. But the source alone does little to suggest suitability. How can an educator select from what is available?

This brief offers an example of one way to systematically compare educational materials based on the intended use. The process begins by describing the core competencies participants in the course need to acquire. This is likely to vary by targeted population, length and intensity of the program and the focus of the educator. The US Treasury has a one set of core competencies for adults, which might serve as one starting point. In 2010, the Family Financial Education team in Wisconsin discussed similar [competencies](#) for low-income adults.

After identifying the core concepts that need to be covered, the next step is to review materials and determine what issues or concepts are covered. This involves reading the materials and making notes on the general concept and specific sub-areas. The review could focus just on content or on a combination of content and methodology and activities.

As an example of how this process can work four sets of materials—all available online—were downloaded and analyzed using the attached matrix of core competencies. In this case the learning is focused on the US Treasury competencies, but with a focus on credit management and other issues relevant for low-income families. The four curricula are: MoneySmart, MoneyWi\$e, CreditSmart and YourMoneyCounts.

Money Smart

The free curriculum [Money Smart for Adults](#) from the FDIC may be taught in a small group setting or used with individual clients. A Train-the-Trainer video can be found [on-line](#) or ordered as a [DVD](#) through the FDIC. The eleven modules (each 1-2 hours of classroom time) can be used in sequence or as stand-alone units in four primary [formats](#) (CD-ROM; instructor-led in English, Chinese, Hmong, Korean, Russian, Spanish, or Vietnamese; online; or through a portable audio podcast).

Money Smart for Adults primarily focuses on the core areas of spending and borrowing. However, the FDIC indicates that [over the course of all the modules](#) the instructor will cover deposit and credit services offered by financial institutions, choosing and maintaining a checking account, spending plans, the importance of saving, how to obtain and use credit effectively, and the basics of building or repairing credit.

One focus of this particular program is developing a normal budget and creating systems that avoid over spending or allow a person to meet their financial goals as well as developing a crisis budget for when regular income is not acquired or when there is an unexpected expense.

MoneyWi\$e

The [MoneyWi\\$e](#) educational project is a joint venture between Consumer Action and Capital One. MoneyWi\$e, consisting of twelve modules, is downloadable or printed version may be [ordered online](#) after you register as a member of the Consumer Action website.

The MoneyWi\$e curriculum covers all five core competencies with lesson plans, training slides and class activities. The program has a strong focus on savings. It provides free, multilingual financial education materials, curricula and teaching aids, as well as support for community-based organization staff.

MoneyWi\$e has multilingual materials (Spanish, Chinese, Korean, Vietnamese and for some modules Cambodian, Hmong, Laotian, and Russian.) There are also special modules such as Elder Fraud, Micro Business and Teens and Money.

CreditSmart

Another multilingual (Chinese, Korean, and Vietnamese) financial education curriculum is [CreditSmart](#). This is provided by Freddie Mac and available after you [register](#) on-line. Registration provides access to the online Implementation and Promotion Guide which includes customizable promotional tools. You can [download an abridged version](#) of the curriculum (in color, 82 pages).

There are Four Instructional Tracks with twelve modules focused on credit, managing money, homeownership and foreclosure avoidance. The curriculum is designed to help consumers build and maintain better credit, make sound financial decisions, and understand the steps to sustainable homeownership. CreditSmart increases consumers' financial understanding by teaching life-long money management skills and showing consumers how to avoid foreclosure and keep their home.

A unique feature of CreditSmart is the workshop evaluation they provide. The

program has a strong focus on the homeownership process.

YourMoneyCounts

The [YourMoneyCounts®](#) program provided by HSBC. It includes financial education training materials in nine modules that can be presented singly or as part of a series of topics. HSBC requires all curriculum trainers to be [certified](#). By answering questions about experience presenting financial literacy workshops the applicant must demonstrate an understanding of the Your**Money**Counts workshop content. Once a certified trainer, access is provided to all materials such as slide presentations, speaker notes, worksheets, activity sheets.

Your**Money**Counts is a financial literacy program primarily focusing on the core areas of spending and borrowing. Topics include developing and living within a budget, understanding how to use financial institutions, the basics of using credit and understanding a credit report, and strategies for building wealth and owning a home.

The YourMoneyCounts materials also integrated their financial education [website](#) to provide a way for consumers to access additional educational materials and tools online.

Next Steps

The point of this exercise is not to determine which materials have the most "x"s, but rather to facilitate a systematic matching of what the educator wants to teach, and what the curriculum offers. Any holes might be filled with another set of materials, or even by creating something new.

This is just one simplistic example. Rather than "x"s another approach might be codes for Handouts ("H"), Slides ("S") and Activities ("A"). The number of pages or available assessment questions might also be worth noting. In some cases this might be completed with partners as part of a committee. Some education programs might want to develop a stable of materials and have quick reference tables such as this to

determine which curricula to use for a given audience or event.

It should be noted nothing in this brief is suggestive that these four curricula have special merit. They are simply four that are widely used and selected by convenience. There dozens of other programs in existence,

many of which are free or low cost and offered in multiple languages. The key is to select materials with some precision and forethought. Matching intended outcomes to the audience and then matching the outcomes to materials is a better approach than trying to fit the audience into materials.

Competency		Curriculum Surveyed			
		MoneySmart	MoneyWise	CreditSmart	YourMoneyCounts
<p>#1: EARNING. This includes knowing how much you earn, the difference between gross versus net pay, the role of taxes, and potential public benefits in stabilizing income. It also includes an understanding of how investments in education can boost future earnings potential.</p>					
1	Tax deductions and exemptions and how the value of deductions in varies by income tax bracket relative to the standard deduction		x	x	x
1	Understand what income is, how to measure income (paystubs, tax forms, receipts) and how to judge if that income is predictable or reliable				
1	Awareness of public benefits such as food assistance, housing assistance, public health coverage, utility assistance, employment assistance and disability.	x			
1	FICA taxes and payroll deductions.		x		
1	Tax credits such as the EITC – Earned Income Tax Credit		x		
<p>#2: SPENDING. This includes an understanding of the difference between needs and wants, as well as the importance of making and maintaining a budget. It also includes the understanding of the social and environmental impacts of spending decisions. Intended behaviors include developing a spending plan, tracking spending and maintaining a budget.</p>					
2	Balancing our budget now helps financial security later		x	x	x
2	Create systems that keep you from over spending or not meeting your goals	x	x	x	x
2	Stay in control of your money, spending and use of debt.		x	x	x
2	Understand what re-occurring expenses are, how to manage them, and if expenses are fixed or variable		x	x	x
2	Develop a written budget and method of tracking/monitoring expenses	x	x	x	x
2	Costs and benefits of checking accounts and the costs of overdrafts	x	x	x	x
2	How to use transactional accounts (Checking/Saving).		x		x
2	Keeping up with other households spending is not a good measure of financial stability or success		x		
2	Develop a crisis budget with a shortfall income or unexpected expense	x		x	
2	Know cost and benefits of deferring expenses or using savings		x		
2	Costs and benefits of debit and stored value cards.		x	x	

Table continued

Curriculum Surveyed

Competency		MoneySmart	MoneyWise	CreditSmart	YourMoneyCounts
<p>#3: SAVING. This core area includes understanding savings and checking accounts, as well as types of long term investment options. Intended behaviors include developing a savings habit (e.g. "Pay yourself first"...that is take income and put it in a savings/investment account before you have a chance to spend it) as well as using financial products carefully to balance risk and return to meet long-term goals.</p>					
3	Having a cushion in case of health, job or family crisis is important	X	X	X	
3	How to save with US Savings Bonds		X		
3	IDAs and matched savings accounts		X		
3	Understanding options for saving for education, dependents or a special long-term goal.	X	X	X	
<p>#4: BORROWING. The fourth core area is related to using credit. Knowledge topics include how loans work and knowing that the cost of borrowing is based on how risky the lender thinks you are (credit score). Intended behaviors include avoiding high cost borrowing, being a careful credit shopper and planning to meet payment obligations. Additionally this area includes evaluations of home mortgages and housing options.</p>					
4	Understand where and how to access a free credit report from each credit bureau annually	X	X	X	X
4	Understand how to read a credit report	X	X	X	X
4	Understand what a FICO score is and where it comes from		X	X	X
4	Understand how scores are used	X	X	X	X
4	Be able to define common forms of loans and the typical features.	X		X	X
4	How to compare loans, terms and options.		X		X
4	How high debt creates can lead to feelings of insecurity		X		
4	Goals such as education, home buying or starting a small business are much harder with high debt	X	X	X	
4	Understanding how credit cards work, the costs of revolving debt and the role of card utilization on credit reports and scores.	X	X		
4	Be able to define loan types and features including APR, term (amortization period), fixed versus variable rates and points and fees.	X		X	
4	Awareness of credit counseling		X	X	
<p>#5: PROTECT. The final core area is focused on protecting financial assets. This includes knowledge of events that could deplete assets, saving for a 'rainy day' and forms of insurance. Actions include building up an appropriate emergency fund, shopping around for insurance and also protecting yourself from identity theft as well as fraud and scams. Also included in this category is monitoring credit and credit reports.</p>					
5	Many businesses are vying for your hard earned income; dollars in their pockets are not in yours; be a critical consumer		X	X	
5	Understanding costs and benefits of repayment plans and bankruptcy		X		
5	Knowing rights and obligations in case of default.			X	
5	Understanding the value of property, life and health insurance for protecting your financial security.		X	X	
5	Understanding that firms and brokers promoting products may not have interests aligned with your needs for financial products and services; how to check up on an investment professional	X	X	X	



The University of Wisconsin-Extension (UWEX) Cooperative Extension's mission extends the knowledge and resources of the University of Wisconsin to people where they live and work. Issue Briefs are an ongoing series of the Family Financial Education Team.

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