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Memo:

Financial education on a roll **Money Bus** travels state to make children smarter about finances

Katie Maurer Special to IBJ

Teaching kids about finances used to be as simple as giving them lunch **money**. With credit card debt and bankruptcy rates soaring among young adults, however, there's a new push nationwide to help kids get smart about **money**. Experts say even kindergartners aren't too young to learn the ins and outs of spending, saving, borrowing and budgeting.

One local program is hoping to do all that in a fun, informative setting. The **Money Bus**, a sort of traveling classroom, visits elementary school students around the state as part of the Kids Count on the **Money Bus** initiative.

The program was created at Networks Financial Institutes, a not-for-profit organization established five years ago at Indiana State University. For the past three years, the **Money Bus** has toured the state in the hopes of boosting students' financial literacy through interactive exhibits, activities and games. Being **money**-savvy at a young age is more important than ever, said Sandra Brigando, NFI's financial literacy coordinator. "Children spend \$231 billion a year," Brigando said. "We're sending them out to make purchases without the information they need to be good consumers." The result can be financial ruin at a very young age. "One of the big problems we're seeing right now is the extra large number of college graduates filing for bankruptcy on accumulated credit card debt," Brigando said. The **Money Bus** aims to help kids avoid those pitfalls. Students in grades three through five can board the **bus** and learn about opening checking and savings accounts, spending according to a budget, and making charitable donations.

The 40-foot custom coach features a photo booth, simulated roller coaster and arcade games where kids can spend **money** from a debit card. At the end of the experience, they are given a statement tallying up how wisely they spent.

The **Money Bus** experience is designed to begin before the coach even rolls on to campus. NFI works with teachers in advance on a curriculum, instructing students in the classroom about financial literacy so they are prepared when it arrives.

That is the key to the program's success, according to Brigando.

"The curriculum is built by acceptance from teachers," she said. "They have reached out and fully embraced this concept."

Last year, the **bus** visited 46 schools and hosted 4,500 students. This year's itinerary includes 56 schools and 5,300 students, with 34 schools on a waiting list.

Launched in 2003, NFI is based in Indianapolis with offices in Washington, D.C., and on ISU's Terre Haute campus. The group focuses on enhancing financial literacy, developing new leaders for the financial services industry, and improving innovation within the industry. NFI is funded by a \$20 million grant from Lilly Endowment Inc.

The **Money Bus** concept is unique. But throughout the country, efforts are under way to improve financial literacy for a new generation of consumers.

In 2002, the U.S. Department of Treasury established the Office of Financial Education to help Americans increase their **money** know-how. A year later, the Financial Literacy and Education Commission was formed to coordinate financial education efforts throughout the federal government and promote financial literacy efforts in the private sector.

The commission's Web site, mymoney.gov, includes information and resources for kids wanting to learn about finances. In 2006, the commission issued a report on the national strategy for greater financial literacy, "Taking Ownership of the Future," which examined ways to integrate financial education in K-12 school systems. The report also looked at opportunities to reach kids in noneducational settings.

While the concept of financial literacy isn't a novelty, there is a newfound sense of urgency to educate young Americans about **money**. "Young adults are coming out of college in debt. It's been a growing concern over the last five to seven years," said Debbie Pierce, spokeswoman for the Denver-based Young Americans Center for Financial Education.

The most recent statistics available show that 76 percent of undergraduate college students have at least one credit card with an average outstanding balance of \$2,169. Student loan company Nellie Mae found in 2005 that 66 percent of college students graduated with debt in 2004, compared with 46 percent in 1993. At the same time, the average amount of debt grew from \$9,200 to \$19,210. Meanwhile, the number of 18- to 24-year-olds declaring bankruptcy has increased 96 percent over the past decade. The bad habits that lead to burdensome debt and bankruptcy are formed early. "As soon as a child has the **money** to buy things, we should be working with them," Pierce said. That usually means about the time kindergarten begins and children begin receiving an allowance.

At the not-for-profit Young Americans Center for Financial Education, children at participating schools in the Denver area can attend classes and programs on finance, economics and entrepreneurship. The center also operates Young Americans Bank, a real bank where kids can open accounts and learn about **money** management.