



# Montana Financial Education Coalition NOTES

— A National Jump\$tart Affiliate —

## Learning, Earning, and Investing: Teacher Training

Submitted by Norm Millikin,  
Montana Council on Economic Education

Nearly 25 Educators from across Montana convened in Bozeman on April 1 & 2, 2005 to participate in a free seminar that combined the topics of investing in stocks, bonds, and mutual funds with other personal finance topics such as saving and credit. This was the second time Montana Council on Economic Education teamed up with Montana Credit Unions for Community Development and Treasure State Corporate Credit Union to sponsor the free seminar for Montana teachers. The workshops were made possible through the financial support of the sponsoring organizations plus a grant from the Moody's Foundation.

The workshops provided an excellent opportunity to help teachers combine economic education with financial education in ways that students can really understand. "I am thrilled that so many of Montana's teachers recognize the need for financial education and are looking for ways to implement this type of information in their classrooms," said Karen Dunn, Director of Financial Education for Montana Credit Unions for Community Development.

The level of interest from Montana's teachers was overwhelming. Many in attendance were referred to the training from participants who attended the training last fall. Getting the support from the teachers in Montana can only help us as we continue to seek financial education requirements in the schools.

## President's Note:

On April 5 and 6, I had the privilege of participating in the National Jump\$tart Coalition's State Affiliate Coalition Leaders' meeting and General Partner meeting in Washington D.C., as well as attend the Coalition's 10th Anniversary gala dinner event. The State Leader's meeting was attended by approximately 50 people representing most of the 40 state Jump\$tart coalitions. It was a time of sharing best practices and common issues, brainstorming ideas, and supporting each other in our respective state coalitions' efforts to promote financial education for young people. I was impressed with the energy and passionate commitment of the participants, and believe our Montana Coalition is privileged to be a part of this nationwide movement.

Discussion focused on topics such as fund-raising, legislation, building an effective state coalition image, using technology to communicate with financial education stakeholders, best practices, collaboration and a discussion about the upcoming 2006 National Student Survey of financial literacy. Needless to say, I came home with pages of notes loaded with ideas to share with all of you. I believe the sky is the limit in finding ways to address the financial education needs of Montanans as we continue to collaborate, share information, and combine our energy and ideas.

Perhaps the most important thing I came away with underscores the very purpose of the MFEC as stated in its mission. The MFEC is — *first and foremost* — a coalition of individuals and organizations with a shared commitment to promote personal financial education. This need is so great that only through working together and pooling our respective resources, talents, and expertise can we hope to reach all those we serve. In short, the MFEC is you.

Please consider becoming a MFEC member. While there is no required partnership fee, we encourage those organizations that are able to consider offering financial support. Activities planned for this year that will require funding include such things as developing and maintaining a website, an annual conference and workshop that we will host in the fall, and four issues of "Notes." We are excited that MFEC partners now number approximately 50 organizations and individuals, and we hope that this number will grow to include all personal financial education stakeholders in our wonderful state. Can you imagine what we can do, and how many Montanans we can reach, if we truly join together to achieve this common goal? While your individual accomplishments are truly impressive, there is still much to do. Let's do it together.

*Sue Woodrow, President*

## Want It... Save It... Get It!

*Submitted by Karen Dunn, Montana Credit Unions for Community Development*

During National Credit Union Youth Week, April 17-23, 2005, credit unions around Montana took the opportunity to stress the importance of financial education and used the week to enlighten children and parents alike. This year's youth week theme, "**Want it... Save it...Get it!**," focused on the importance of goal setting and saving to achieve those goals.

For the second year in a row, credit unions included a hands-on contest — the National Youth Saving Challenge — as a real-life exercise in making money grow. The Saving Challenge was the focal point for teaching the benefits of saving for goals as credit unions invited young people to open new savings accounts and make deposits this week and throughout the year. By the end of the week, Montana's youth deposited a reported \$17,500 to go toward their savings goals.

In addition to the Saving Challenge, Montana's credit unions celebrated Youth Week in a variety of ways which included carnivals, poster and essay contests, drawings and classroom presentations. To help prepare credit union staff and volunteers for classroom presentations, Montana Credit Unions for Community Development held four regional 'Train the Trainer' workshops across Montana during March. The workshops prepared participants to provide financial education in their communities and were conducted to coordinate with April's focus on youth financial education.

Each training drew diverse participation that included not only credit union professionals, but community organizations from outside the credit union movement. This diversity offered participants an opportunity to network and build financial education partnerships.

Montana credit unions continue to provide financial education presentations throughout the year, reaching youths and adults in their communities, helping to empower Montanans to make better decisions for their financial futures.



## FINANCIAL EDUCATION RESOURCES

[www.practicalmoneyskills.com](http://www.practicalmoneyskills.com)

[www.money-wise.org](http://www.money-wise.org)

[www.aarp.org/money](http://www.aarp.org/money)

[www.aba.com/  
Consumer+Connection](http://www.aba.com/Consumer+Connection)

## InvestWrite National Competition

*Submitted by Laura Henton, Smith Barney*

MFEC board member, Laura Henton was among the many judges who read through student essay entries submitted by teachers for the spring InvestWrite writing competition. InvestWrite, a national writing competition sponsored by the Foundation for Investor Education, allows students of all ages the opportunity to participate in the world of business and finance. InvestWrite offers students a chance to think critically and learn subject matter that easily answers the common question, "How can I use this in the real world?"

To compete in the InvestWrite writing competition, teachers and students must be participating in The Stock Market Game™, which is offered each semester. The Stock Market Game™ in Montana is one of the most successful programs that the Montana Council on Economic Education offers. Over 12,000 students and their teachers have played the game since its introduction in 1991.

This and more information can be found at the following websites:

[www.investwrite.info](http://www.investwrite.info)

[www.stockmarketgame.org](http://www.stockmarketgame.org)

[www.econedmontana.org](http://www.econedmontana.org)

## Teaching Children The Basics of Money Management

Submitted by Kelly Bruggeman, First Interstate Foundation

During the month of April, ninety First Interstate Bank employees went to school classrooms to teach students about the financial facts of life. 2200 students from kindergarten to 12<sup>th</sup> grade in classrooms across Montana and Wyoming participated in this event. According to a survey conducted by Northwestern Mutual, half of all parents say they don't set good examples when it comes to handling money and are not capable of properly teaching their children. Teaching children at a young age the importance of managing money will help them make better financial choices as adults.

First Interstate employees from 58 branches in 30 communities participated in the American Bankers Association (ABA) Education Foundation's 9<sup>th</sup> Annual National Teach Children to Save Day. First Interstate has participated in this one day event, in which bankers go into classrooms and make presentations, for many years. The bankers use financial lessons from the ABA Education Foundation's Teach Children to Save "Kit." The lessons give the students an opportunity to apply concepts and practices through games and other hands-on activities.

Kimberly Reed, senior advisor to Secretary of the Treasury, John Snow, along with



Jack Berry, and Adam Gill from First Interstate Bank in Helena, and Kelly Bruggeman, Executive Director of First Interstate BancSystem Foundation presented to fifth graders at Rossiter School in Helena, Montana. Kimberly explained the functions of the Treasury Department which includes collecting taxes and printing currency. The students were shown how to develop a budget, the differences between their "needs and wants" and how to prioritize to save for larger items.

First Interstate Foundation spearheaded First Interstate's participation in the American Bankers Association Education Foundation's National Teach Children to Save Day and works closely with the bank's branches and employees to provide materials and resources that promote financial education within their communities.

## Living Wills

Submitted by Marsha Goetting, Prof. & Extension Family Economics Specialist

Do you have your living will signed and witnessed? Have you shared a copy with your physician and family members?

The Terri Schiavo case has resulted in requests for more information on Living Wills. The MSU Extension Service has a MontGuide that provides a sample living will declaration. The publication is available on the web at [www.montana.edu/wwwpb/pubs/mt9202.html](http://www.montana.edu/wwwpb/pubs/mt9202.html). Copies can be obtained from your County Extension Agent or Marsha Goetting, P. O. Box 172800, MSU, Bozeman, MT 59717.

The MSU Extension Service also has Power Point slides that can be downloaded by coalition members who want to provide information to others within their organizations. [www.montana.edu/extensionecon/family/powerpoint.html](http://www.montana.edu/extensionecon/family/powerpoint.html).



Thank you to the following organization for sponsoring this issue of *Notes*:

### First Interstate Foundation

First Interstate Foundation is the charitable affiliate of First Interstate BancSystem. It shares the values and vision of First Interstate Bank. First Interstate is dedicated to helping make its communities a better place to live and work by demonstrating socially responsible leadership through the donation of time and financial resources to the communities it serves across Montana and Wyoming.

First Interstate BancSystem is a privately-owned banking organization that currently operates 35 branches in Montana and 23 in Wyoming. Their assets are approximately \$4.1 billion.

Save the Date...

MFEC

Annual Conference

November 7 & 8, 2005

Great Northern Conf. Center,  
Helena, MT

# Hacking The Hype on Student Loan Consolidations

Submitted by Keith Carparelli, Student Assistance Foundation

With all of the hype and advertising surrounding student loan consolidations it can get a bit frustrating for students and parents to sift through all the information and feel comfortable with making decisions on their student loans.

Student loans will affect their life for at least the next 10 years and more commonly 20 years, so all hype aside, the anticipated rate change is important. Currently, the 91-day Treasury Bill Rate (*the rate on which federal student loan interest rates are computed*) is 2.859%. If federal student loan rates were set for a recent T-bill auction (*March 24, 2005*), the rates would change as follows: Loan Type: **Stafford (in school): 3.93%; Stafford (in repayment): 5.16%; PLUS: 5.96%**. Current economic trend data projects this gradual increase will continue.

Using the above rates and a \$20,000 balance, locking in the 2.875% rate now could mean over \$2500 in savings over a 3.9% rate. If the economist are wrong and rates don't go up, many student loan lenders will give the borrower whichever rate is advantageous to the borrower provided they have completed an application by June 30, 2005.

It is important for students to know that if they have significant debt and are still in school it might even be advisable for them to consolidate their existing debt to lock in this year's current rate by consolidating while still in school. They do have to give up their grace period if they consolidate while in school; however the long term rate savings normally far outweigh the monetary savings of the grace period. Borrower benefits are diverse and complex with a lot of fine print so students need to carefully shop and compare different programs with lenders.

With all the intricacies of student loans the important date to remember is **June 30, 2005**. Applications must be signed and received to receive the benefit of this year's rate. Your resource for more information and student loan consolidation loans in Montana is Student Assistance Foundation, [www.safmt.org](http://www.safmt.org) or call 800-852-2761 ext 9750, or contact Keith Carparelli directly at 406-495-7520.



NOTES readers are partners in our efforts to share the latest news from the financial education field. The newsletter is published quarterly by the Montana Financial Education Coalition (MFEC). It is designed to keep the MFEC partners informed about what is happening as well as communicating financial education efforts to other interested parties throughout the state. We welcome your questions and comments. If you are interested in receiving this publication regularly or would like more information on the MFEC, please contact Karen Dunn (*editor*) at [karen@mfecum.org](mailto:karen@mfecum.org) or Sue Woodrow at [Susan.Woodrow@mplsrb.org](mailto:Susan.Woodrow@mplsrb.org).

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