



Montana Financial Education Coalition NOTES

— A National Jump\$tart Affiliate —

To Our Readers:

The Montana Financial Education Coalition's (MFEC) mission encompasses a variety of activities including the facilitation of collaborative partnerships among Montana organizations. In an effort to engage our MFEC partners in the activities and work of the MFEC, we will begin hosting 'Partner Events' in the next few months. These workshops will provide opportunities for you—our partners—to spotlight your consumer and financial education outreach efforts. Watch for more details on these events.

Our Winter 2007 issue of *Notes* mentioned the MFEC newsletter will be switching to an e-newsletter in the future. The MFEC board wants to continue providing information about Montana financial education efforts, available resources, and current issues to the MFEC partner network in the most efficient and affordable way. We recognize that many individuals still prefer to receive publications in hardcopy and want to accommodate you.

What would you prefer—e-newsletter or hardcopy? Enclosed you will find a self-addressed postcard. Please indicate whether or not you want to continue receiving a hardcopy of the *Notes* or if you'd like to start receiving it via e-mail. You can also sign-up to receive *Notes* via e-mail by going to www.mtmfec.org.

Karen Smith, President

Montana Financial Education Coalition 2007 Annual Conference



Saving & Investing - Our Future Depends on It!

The Montana Financial Education Coalition held an exciting conference in Billings in April. Over 100 adults attended, representing financial institutions and state agencies, educators, Extension agents, 4-H leaders and MFEC partners. 43 students participated in a specially designed youth track.

A variety of educational speakers were featured. Susan Beacham, founder and CEO of "Money Savvy Generation," gave presentations on *Helping Kids Get Smart About Money* and *Do You Think Like a Millionaire?* Governor Brian Schweitzer shared his thoughts on the importance of personal savings and investing to our Montana economy. Dick Todd, Federal Reserve Bank of Minneapolis, focused on statistics about *Who is Saving: Who Isn't?* Nancy Brown, National Jumpstart Coalition for Personal Financial Literacy shared the 2006 National High School Jump\$tart Survey and what it revealed about the financial practices and knowledge of Montana youth. John Carter, from the Federal Deposit Insurance Corporation highlighted national saving trends.

Breakout sessions with national and Montana programs were held as well: NEFE High School Financial Planning Program, MCIS—It's More than Just Careers, InvestSmart Montana: Scams, Swindlers, & Bingo, Tips for the Beginning Investor, AARP's Make Your Golden Years Golden, and Home Ownership the Smart Way.

A special feature of the conference was the Piggy Bank contest, sponsored by First Interstate Bank Foundation and MFEC (*please see page 2 for more on this*).

The conference evaluations were very positive. They revealed that participants learned a lot and planned to take action as a result of attending. One indicated that he planned to pay \$100 more a month on his mortgage and decrease his payments by 12 years. Another participant plans to start financial education workshops at a pre-release center. Overall, participants found the event very beneficial and are looking forward to next year's conference.

Piggy Bank Contest

Submitted by Kelly Bruggeman, First Interstate BancSystem Foundation

In conjunction with the Montana Financial Education Coalition Annual Conference on April 10th and 11th, a statewide piggy bank making contest for youth was held. Contestants from across the state were asked to create a bank from a milk carton, soda bottle or any other items of their choice. They could create a bank with personality, such as a Pretty Piggy, Happy Hog, Serious Sow, Pudgy Piglet, or any other type of bank they wanted to design.

There were 106 entries in this year's contest which was designed for three age categories (5-8, 9-13, 14-18). All entries were judged by popular vote of the MFEC conference attendees. First Interstate Foundation sponsored all cash prizes, which were awarded during the conference in each of the three categories: \$100, \$75, \$50 for 1st, 2nd, and 3rd places, respectively.

In the 5-8 year old category, Kendal Neumiller of Colstrip received 1st place, Hunter Bentley from Great Falls placed 2nd, and Emily Pinnow of Billings made the 3rd place pig. In the 9-13 age category, 1st place went to Christian Olson of Colstrip, MT, Matthew Inabnit from Bozeman received 2nd place, and Jordan Perlichek of Colstrip placed 3rd. In the 14-18 year old category, Ryan Duncan received 1st place, 2nd Place went to John Haws, and Cameron Leonhardt placed 3rd. All three are from Forsyth.

After the contest, a silent auction was held to benefit the Ronald McDonald House Charities of Montana. Many of the participants generously donated their banks to the silent auction and \$382 was raised for the charity.

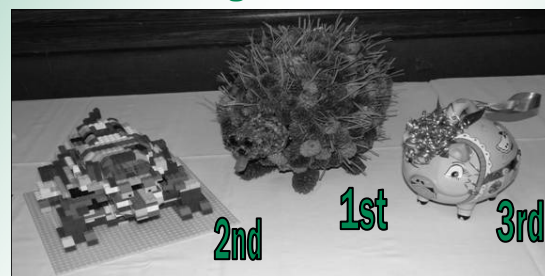
The piggy bank contest was sponsored by First Interstate Foundation. A big thanks to First Interstate and many local banks across the state for their support.

Piggy Bank Winners!

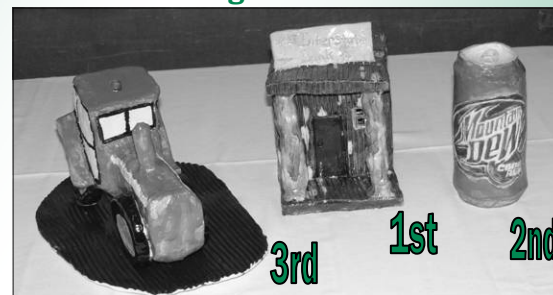
Ages 5 - 8



Ages 9 - 13



Ages 14 - 18



New MontGuide for Montana's End-of-Life Registry

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

As a result of the 2005 legislature, Montana's Consumer Protection Office set up an End-of-Life Registry for the state and it has been available via the Montana Department of Justice web site <https://app.mt.gov/registry/> since early 2006.

"Decisions about end-of-life medical care are deeply personal," said Montana Attorney General Mike McGrath. "The registry is an extremely effective way to ensure that Montanans' wishes are known and respected."

"The goal was to provide a place for citizens to securely store their advance directives on-line and to give authorized health care providers immediate access to them," added Marsha Goetting, MSU Extension family economics specialist.

Now there is a guide to teach people how to use the new registry. The new MontGuide Fact Sheet was produced by MSU Extension, working with the Consumer Protection office. The new guide answers commonly asked questions about both the Montana End-of-Life Registry and the kinds of important papers Montanans might store there.

Related MontGuides include one on living wills and one on advanced care directives. They are available on the MSU Website at www.montana.edu/wwwwpb/pubs/ under the estate planning heading. The MontGuide on the registry is also available free from your local Montana State University Extension office. Printed copies are available for \$1 each from MSU Extension Publications, PO Box 172040, Bozeman, MT 59717.

Online Mortgage Comparison Calculator

Reprinted with Permission from the Federal Reserve Board of Governors

The Federal Reserve Board announced the availability of an online Mortgage Comparison Calculator that consumers can use to compare monthly mortgage payments and the amount of equity they will build for several types of fixed- and adjustable-rate mortgages. The calculator is one of several resources the Board provides to help consumers make informed decisions when shopping for home loans.

“We have created a tool that will allow consumers to look ahead to see how much equity they will build and what their mortgage payments might be three, five, seven, or ten years down the road with different mortgage products,” said Federal Reserve Board Governor Randall S. Kroszner. The calculator will make it easy for consumers to compare monthly payments and equity accumulation among 30-year and 15-year fixed rate mortgages, interest-only fixed rate mortgages,

adjustable-rate mortgages (ARMs), interest-only ARMs, and payment option ARMs. “These comparisons should encourage more consumers to shop around and compare mortgage offers,” Kroszner said.

In addition to identifying the types of mortgages they are considering, consumers are asked to provide information on home value, primary mortgage amount, second mortgage amount (optional), private mortgage insurance (PMI) premium (optional), estimated interest rates, and expectations about future interest rates (for adjustable-rate mortgages).

The calculator estimates the loan balance in future years, home equity in future years, initial monthly payment (principal and interest), future monthly payments with no interest rate change, and future monthly payments with an interest rate change.

The user-friendly calculator includes a mortgage shopping worksheet, a glossary of mortgage terms, and links to the Board’s other consumer education resources on mortgages.



The calculator can be accessed at <https://www.federalreserve.gov/apps/mortcalc/>.

Montanans Making \$ense

Submitted by Marian Palaia — Montana Making \$ense

Montana Making \$ense (MM\$) is a new, statewide AmeriCorps program dedicated to providing to financial education and other organizations the additional human resources necessary to extend their outreach capabilities. MM\$-AmeriCorps members will serve as emissaries of community-based and statewide organizations to provide quality financial education opportunities and support to low-income, rural Montanans and residents of the Blackfeet and Flathead American Indian reservations. Some MM\$ members will also implement and facilitate financial education programs in Western Montana high schools.

Depending on the sites’ needs and locations, MM\$ members may develop and disseminate new or existing financial education materials; conduct classes and trainings in communities currently beyond the reach of financial educators; or introduce the National Endowment for Financial Education’s (NEFE) High School Financial Program (HSFPP) into Montana’s high schools.

MM\$ will have approximately 30 full- (1700 hour) and half- (900 hour) time members available for site sponsorship. These members are stipend, and their services require a site match of, respectively, \$3700 and \$1900. We will also be able to support a number of non-stipend, 300- and 450-hour positions, which require a \$100 site match.

The purpose of AmeriCorps is to engage citizens (AmeriCorps members) in direct service and capacity building to address unmet community needs. The University of Montana has designed Montana Making \$ense service activities for a team of members serving full- or part-time for up to 12 months between October 1 and September 30 of each program year.

Please contact program director Marian Palaia at 243-6324 or marian.palaia@mso.umt.edu for more information.

Get Credit \$marts, Become Credit \$avvy!

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

Montana students became credit savvy last winter thanks to the collaborative efforts of MSU Extension, First Interstate Bank Foundation and Montana Credit Unions for Community Development. Credit management problems are widespread in Montana and across the country. The reasons individuals find themselves having problems with their credit cards, home mortgage, student loans or car payments are varied. However, educating youth about some of the pitfalls of credit mismanagement is one way to help them get on the road to financial success after they graduate. *The Credit \$marts: Helping You to Become Credit \$avvy* program is designed to help teachers, extension educators, and financial institutions educate youth about credit management. Over 150 teacher and 900 student packets were distributed during January through March of 2007.

High school students from small and large schools across the state learned about the “real cost” of purchasing items with a credit card and pitfalls of making only minimum payments. The Credit Card Smarts calculator the students received allowed them to determine how long and how much interest they will pay to their credit card provider to completely payoff their debt. The students also learned about ways to track their cash, credit and debit card purchases.



Although many of the students have not yet experienced credit management problems, completing the Credit \$avvy program before problems occur will help ensure they will find the road to financial success. One participant indicated that “I’m not going to get a credit card for quite a while, and when I do, I want to be smart.” Others indicated that they learned “what you can do to prevent being in bad money situations” and that “overspending is very easy to do.” More importantly, many of the students shared the information learned with their parents, family and friends.

Finding solutions to challenging problems is difficult but efforts like the Credit \$marts program are making a difference in the lives of Montana youth. Parents and teens who want to become more credit savvy can check out the Web site at: www.montana.edu/extensionecon/creditsmarts.html.

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 Smith (MFEC President) at karen@mcun.org or Jennifer Kirby (editor) at jenkirby@mt.gov.

MONTANA FINANCIAL EDUCATION COALITION
1236 Helena Ave. • Helena, MT 59601

