

Financial Literacy Money Trek Project

WORKSHOP OVERVIEW

PREPARED BY: FINANCIAL LITERACY COMMITTEE, AAUW CALIFORNIA

Purpose of Financial Literacy Program

- To provide resources that will allow young students and women to successfully manage their personal finances and achieve financial fitness for life.

Why is Financial Literacy Particularly Important for Women ?

- Women make less than men ~ 79%.
- Are more likely to take time off from work to raise a family.
- Tend to be more conservative investors, resulting in lower returns.
- Live longer than men - so they need more money in retirement.

What Is Financial Literacy ?

Financial Literacy is defined as the ability of an individual to make appropriate decisions in managing personal finances.

- Reconcile the bank and credit card statement.
- Read a credit report.
- Create a budget and spending plan.
- Understand an employee benefit package.
- Distinguish between mutual funds, stocks and bonds.

Financial Literacy Workshop

Six Modules



The program consist of six modules designed to be presented two modules at a time.

A handout/workbook will accompany the presentation. It will include examples and exercises, as well as lists of other resources.

Financial Literacy Workshop Modules

Since two modules are presented at a time the material covered will be relatively basic.

Actual time will vary depending upon:

- Length and complexity of the content.
- Interest level of the specific groups.

Financial Literacy Workshop Modules

- The Workshop is a ‘jumping-off point.’
- Students will receive a list of additional resources and materials they may explore on their own.
- The workbook will also include exercises and helpful hints for future reference.

Financial Literacy Workshop Modules

The modules were developed based on input from the Temecula Valley Branch Student Affiliates of AAUW.

After a brief presentation on various financial subjects, the students rated the topics based on their level of interest and knowledge.

Module 1

Money Management

Objectives –

- Setting personal financial goals
- Learn how to manage money by preparing a personal spending plan (aka: Budget).
- Identify ways to increase income and decrease spending.
- Balancing income and expenses
- Learn tools to help manage a budget/personal spending plan.

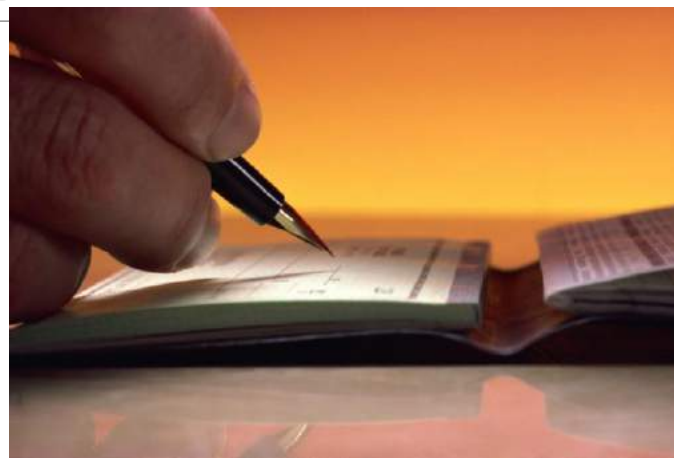


Module 2

Banks & Checking Accounts

Topics Include -

- Choosing a bank.
- Checkbooks, deposit slips and ATMs.
- Balancing a checkbook.
- Banking fees.
- On-line banking and bill paying.
- Understanding various banking products.



Module 3

Credit Cards

Topics Include -

- Difference between credit & debit cards.
- Choosing a credit card.
- The true cost of credit
- The best credit cards for different uses.
- Credit report & credit score
- Do's & Don'ts of Credit



Module 4 A

Financial Aid

Topics Include -

- Financial Aid and Student Loans.
- What does college cost?
- How America pays for college?
- Types of Grants and Scholarships.
- Federal Students Loans

Module 4B

Borrowing & Credit

Topics Include -

- What is credit and how does credit work.
- Types of credit available.
- How to use credit appropriately.
- Forms of credits & loans.
- True cost of loans

Your Credit Report

Please address all future correspondence to:
 Credit Reporting Agency
 Business Address
 City, State 00000

PERSONAL IDENTIFICATION INFORMATION

Your Name
 123 Current Address
 City, State 00000

SSN #: 123-45-6789
Date of Birth: July 1, 1958
Telephone Number: (555) 555-5555

EMPLOYMENT DATE REPORTED

Employer Name: Employer 1
Date Reported: 06/2004

Position: Job/Occupation
Hired: 04/2004

PUBLIC RECORD INFORMATION

Lien Filed 03/93; Fulton CTY; Case or Other ID Number-32114; Amount-\$26,667
 Class-State; Released 07/93; Verified 07/93

Bankruptcy Filed 12/92; Northern District Ct; Case or Other ID Number-673HC12;
 Liabilities-\$15,787; Personal; Individual; Discharged; Assets-\$780

Satisfied Judgment Filed 07/94; Fulton CTY; Case or Other ID Number-898872; Defendant-
 Consumer; Amount-\$8,984; Plaintiff-ABC Real Estate; Satisfied 03/95; Verified 05/95

COLLECTION AGENCY ACCOUNT INFORMATION

Pro Coll (800)XXX-XXXX
 Collection Reported 05/07; Assigned 09/04 to Pro Coll (800)XXX-XXXX Client-ABC
 Hospital; Amount-\$978; Unpaid; Balance \$978; Date of Last Activity 09/04; Individual
 Account; Account Number 787652JC

CREDIT ACCOUNT INFORMATION

| COMPANY NAME | ACCOUNT NUMBER | WHOSE ACCT | DATE OPENED | MONTHS REVIEWED | DATE OF LAST ACTIVITY | HIGH CREDIT | TERMS | BALANCE | PAST DUE | STATUS | DATE REPORTED |
|----------------|----------------|------------|-------------|-----------------|-----------------------|-------------|-------|---------|----------|--------|---------------|
| Department St. | 32514 | J | 10/96 | 36 | 9/08 | \$950 | X | \$0 | X | R1 | 10/08 |
| Bank | 1004735 | A | 11/96 | 24 | 5/08 | \$750 | X | \$0 | X | I1 | 4/08 |
| Oil Company | 541125 | A | 6/96 | 12 | 3/08 | \$500 | X | \$0 | X | O1 | 4/08 |
| Auto Finance | 529778 | I | 5/95 | 48 | 12/07 | \$1100 | \$50 | \$300 | \$200 | I5 | 4/08 |

Previous Payment History: 3 Times 30 days late; 4 Times 60 days late; 2 Times 90+ days late
Previous Status: 01/08 - 12; 02/08 - 13; 03/08 - 14

COMPANIES THAT REQUESTED YOUR CREDIT FILE

09/06/08 Equifax-Disclosure
 07/29/08 PRM Bankcard
 04/10/08 AR Department Store

08/27/08 Department Store
 07/03/08 AM Bankcard
 12/31/07 Equifax-Disclosure ACIS 123456789

Module 5

Saving & Investing

Topics Include –

- Identifying various ways to save money.
- Why it is important to save.
- Goals for which one should save.
- Identifying & understanding the different savings & investing options.
- Creating a savings plan.



Module 6

Renting & Buying a House

Topics Include -

- Initial and continuing costs of renting an apartment.
- Signing a lease & being a tenant.
- Renting versus owning a home.
- Determining if one is ready to buy a home.
- The basics of getting a home mortgage.



Next Steps

- Depending on the interest of the audience and the facilitators, follow-up workshops may be scheduled to expand on specific subject matter.
- Students will be encouraged to utilize reference materials and begin creating their own financial plans.

Start Smart

A new Financial Literacy Project of AAUW

Provides knowledge and skills needed to negotiate salaries and benefits to receive fair and realistic compensation.

Topics include:

- Personal consequences of the gender wage gap
- Benchmarking reasonable salaries and benefits
- Negotiation skills to aim high yet be realistic
- Knowing how to develop a “bare bones” budget

The Financial Literacy Money Trek and Start Smart projects are designed to work hand-in-hand to prepare young women for a successful financial future.