



RICHARD MYLES JOHNSON

F O U N D A T I O N

BUILDING LEADERS & FINANCIALLY SOUND CONSUMERS

2009 Beacon Youth Financial Education Award

Nomination Form

The Beacon Award recognizes individuals, credit unions, and other organizations making a difference in their community with outreach efforts focused on youth financial literacy.

Individual Entry

Organization Entry

INDIVIDUAL NOMINEE

Name: _____

Title: _____

Credit Union: _____

Address: _____

Telephone: Asset Size as of 12/31/08: _____

Member or Volunteer: _____

E-mail address: _____

Submitted by (if different from nominee):

Name _____

Title _____

Credit Union _____

Telephone _____

E-mail address: _____

CREDIT UNION / ORGANIZATION NOMINEE

Credit Union/Organization: Meriwest Credit Union _____

CEO: Christopher Owen _____

Address: 5615 Chesbro Ave, San Jose CA 95123 _____

Telephone: 408-363-3258 _____

Submitted by (if different from nominee):

Name: Greg Meyer _____

Title: Community Relations Manager _____

Credit Union: Meriwest Credit Union _____

Telephone: 408-365-6328 _____

Asset Size as of 12/31/08: \$1.3 Billion _____

E-mail address: gmyer@meriwest.com _____

Entry Deadline: September 14, 2009

2008 Beacon Award Nomination *continued:*

Support documentation:

- Describe your (if nominating yourself or your credit union) or your nominee's efforts to further youth financial literacy initiatives.

(Please send a hard copy and an electronic version with supporting documents)

**Please submit by mail to:
RMJ Foundation / Beacon Awards
2855 E. Guasti Road, Suite 600
Ontario, CA 91761**

By September 14, 2009

2009 Beacon Youth Financial Education Award Guidelines for Submitting Nominations

Purpose

The vision of the Richard Myles Johnson (RMJ) Foundation is to "shine a brighter light on financial education." In the spirit of this vision, the Annual RMJ Foundation's Beacon Youth Financial Education Award is given.

The **Beacon Youth Financial Education Award** recognizes the work of those promoting the principles of the credit union movement through education. Nominees can include individuals, credit unions, corporations, other non-profit organizations, or media – anyone that is shining a brighter light on youth financial education.

Eligible Activities

Classroom-based curriculum, community educational projects, public awareness campaigns, theatrical presentations, television, radio or Web-based programming, newspaper columns dedicated to youth financial literacy, and others. Qualifying entities: Credit unions, corporations, school systems, non-profit, organizations, media, and individuals.

Impact of Financial Education

The financial education support material submitted with the application should feature both quantifiable elements (number of persons impacted, measurable ways in which the program or project communicated its message, etc.) and how it made a difference in people's lives. Special consideration will be given to innovation, creativity, and risk-taking activities that have a broad impact on financial education in the community.

Procedures

Form of Nomination: Application form, Summary Statement, Support Documentation.
Use application form provided. Support document should be in the most concise format possible.
(Please send a hard copy and an electronic version, including supporting documents.)

Rules and Responsibilities

Nominees need not be members of a credit union; however, all nominations must be made through a credit union or chapter. A nominee may be nominated by more than one credit union. This will not increase chance of winning and all nominators will be given equal weight.

Nomination Deadline

The Foundation is seeking nominations for the 2009 awards, to be presented at the Beacon Awards Gala held the day prior to the California's Credit Union League's Annual Meeting and Convention. The deadline for nominations is **September 14, 2009**.

November 15, 2009: Beacon Award activities

The awards will be presented at the Beacon Awards Gala on Tuesday, November 15, 2009. The event will be held at The Mirage Hotel in Las Vegas, NV.

If you have any questions, please contact Tena Lozano at 800.472.1702, ext. 6057, or by email at tlozano@rmjfoundation.org.

Please answer the following questions, limiting your answers to a maximum of 300 words for each question:

1. Who was the target audience for this project and how many individuals did the project reach (with evidence of results)?

The primary target audience for our Reality Based Budget workshop is teenagers, aged 13-19. We focus these materials on the 7th thru 12th grade and also on recent college bound high school graduates. We invited parents to join their teens in our Reality Based Budget workshops. This gave them the opportunity to have an entirely new conversation together about money and how it is managed.

The Credit Management and Checking workshops are focused on young people preparing for adult life, high school juniors and seniors. Our purpose in focusing on this demographic was to give them information they can use regarding credit, predatory lending, opening a first checking account, and identity theft. We felt that if we outreached to them early, before they had the chance to make financial mistakes, we could save them heartache and disappointment when dealing with financial services in the real world.

We have accessed our target audience through middle and high schools, club organizations, youth oriented non-profit agencies, and through our own membership. We have used a variety of media to get the message out. To reach our targeted demographic, we used email, web advertising, the Meriwest Messenger (our newsletter), and we relied on the teachers in the schools and the program managers at the agencies to help get the word out to their students and clients with flyers.

In all, we were able to reach out to over 620 young people in our workshops. A spreadsheet documenting the dates, locations, and numbers of attendees in our workshops is included in the supporting documentation.

2. What is the greatest benefit of your financial literacy project?

There were a number of benefits derived from the financial education program we presented to the students. The main benefit is to our community. We now have hundreds of young people who are educated in managing a responsible budget and understand the importance of maintaining their credit rating. If we can help create more financially literate youth, we help to create a community of families with less debt and an understanding of the importance of savings.

Another important benefit we found in our in-house Reality Based Budget Workshop was the communication our workshops started between parents and teenagers. Teens in our budget workshops were encouraged to work with their parents to develop their budgets. As the parents were paying the bills, they knew the cost of gas and electricity, the cell phone bill, and the price of groceries, etc. As our teens worked their way through their budgets, we started to see some disconcerting looks on their faces. The struggle to reconcile the cost of savings, rent, food, cable, cell phone, gasoline and car insurance with the desire to have fun with their money gave way to many realizations. The legendary phrase, "living within your means" suddenly had meaning. One has to structure their budget according to their pay. There was no Mom and Dad "back up" in the scenario we presented.

3. What was unique and/or innovative about this project?

Reaching out to the junior high students is always daunting. You have to engage them from the start or there is the distinct possibility you will lose the interest of the class. To make the content more engaging for this age group, we utilized the “Real World Budgeting Class” that Meriwest created in 2007. It is based upon the scenario of a 22 year old college graduate living on their own. We took the students through an odyssey of setting up their post-college savings program, renting their own apartment, selecting and financing a car, and establishing a budget that provided for their regular savings deposit and other needs.

In May we were given the opportunity to innovate and expand the program beyond simple budgets. Teachers at Shirakawa Senior Elementary School (K-8) asked for a broader program. We created presentations for youth on investing for the long term and lending. Explaining the concepts of long term investment and credit to 12 and 13 year olds was not an easy task.

The faculty and students thought the program was a great success. The teachers with whom we worked were extremely grateful as our presentations helped fill a hole in the State of California’s curriculum. The state curriculum for 7th graders does not include any financial education. It was important to the teachers at Shirakawa that these young participants in our national economy understand the bigger picture of how money moves through their community.

At the end of our program, we received over 70 thank you notes from Shirakawa Senior Elementary School’s students relating how important they felt this class was for their personal development. They enjoyed being treated like adults! *Copies of all materials and samples of testimonials have been included in our entry.*

The innovation of our in-house youth Reality Based Budget and Auto Finance 101 workshops was inviting the parents to attend with their kids as was previously discussed in question #2. Towards the end of each budgeting workshop we could hear whispers of “I told you so” coming from the parents in our audience. Many of the parents who have attended our workshops tell us how their teenager had a rude awakening in regard to managing their personal budget after they graduate from college. It simply was not as easy as they thought or it appeared. Even with a take home paycheck of \$2,500 it was hard to justify \$100 for a concert after setting aside their savings dollars and paying for their rent, a car payment, auto insurance, and other typical monthly bills. In virtually all of our budget workshops, our students were more inclined to make personal sacrifices to save money rather than take from their savings. This made us very proud and surprised a number of our teens’ parents!

4. How was the project communicated and/or presented to reach the target audience (i.e. medium used and forms of communication)?

The junior high materials were designed with a current day teen appeal in mind. We utilized teen lifestyle imagery and an exciting use of color to bring attention to the materials. We created additional materials for the parents of our students providing them with information on creating youth savings accounts.

We built the senior high curriculum and the presentation materials around the young adults with whom we would be working. Though we simplified some areas, we kept it at an understandable level to keep it applicable to our audience. It is important that people learn finance, it is equally important they learn the proper terminology when dealing with the various aspects of money and credit. We gave our students glossaries and financial “Tip Sheets” that reflected what was presented

in the classes. Copies of the Powerpoint presentations are always provided to our attendees. Copies of all materials are included with this application.

One of the most important aspects of the presentations is the energy with which it is presented. Young people can “zone out” and be disinterested from the beginning with some presenters. The presenter must be able to engage the students from the very beginning. Presenters must involve the students in each part of the program; constant interaction is important to the success of each workshop.

5. Outline of the Project and/or Curriculum:

Teen Reality Based Budget

1. The situation is as follows:
 - i. They have a 4 year degree
 - ii. They are moving to a city similar to the one they live in now and must find an apartment. No one lives at home.
 - iii. They have a job and will have a salary of \$45K per annum.
 1. \$3,750 Per month gross
 2. \$2,500 net after taxes and benefits
 - iv. They have \$7,500 in savings.
 1. Using the savings, the students must rent an apartment. They will use \$2,000 for the deposit.
 2. They must furnish the apartment. \$1,250 will be budgeted for living room (\$500), kitchen (\$250), and bedroom (\$500) furniture costs.
 - a. Students do not have to use the entire budgeted amount. They can skip a kitchen table or nightstand if they wish to save money in their savings.
 3. They must purchase a car. Information on various cars and payment options will be provided in the student handout. Each loan is based upon a \$4,000 down payment. See student handout for details on the car deals.
 4. In building their budget, they must start replenishing the savings account.
This is the #1 goal.
2. The presenter will review and suggest various budget items and students will suggest budget dollar amounts for each item.
3. As a group, the students will then be required to come to a consensus on items or services that could be reduced or eliminated from the budget.
4. When the budget is completed the students will be asked **how long it will take at the current savings rate to get back to the \$7,500 level at which they started?** What if you got a 10% raise next year? How much would you increase the amount going to your savings?
 - i. Now that they have their car and furniture, what else might they be saving for now?
 - ii. If the students are saving or could start saving now, what would they save for?

Auto Finance 101-Ready, Set, GO!

1. Get ready for your car purchase.
 - a. Know your budget
 - b. Know your credit standing
 - c. Save for a down payment
2. Get set to do your research on your car and your purchase
 - a. Research vehicles in your price range
 - b. Shop for your financing
 - c. Lease or Buy?
 - d. Review these factors for a final decision on the type of vehicle to buy and financing.
3. Go to the dealer and make your deal
 - a. Negotiate your price and your financing
 - b. Complete the credit application
 - c. Optional products?
 - i. GAP Insurance
 - ii. Extended Service Contracts
 - d. Read your contract before signing

Long Term Investment for Youth

1. Savings vs. Investing
2. Define Savings
 - a. Short Term
 - b. Like a parking lot
 - c. Insured Deposits
3. Why do we save?
 - a. Wants vs. Needs
 - b. Future purchases
4. Investing
 - a. Long Term-More like a storage unit-more difficult to get to.
 - b. Higher Risk
 - c. Higher Reward?
5. Types of Investments
6. Time and Investments
 - a. The History of the S&P 500
7. Diversification limits risk
 - a. Stocks
 - b. Bonds
 - c. Money Markets

Best wishes to all nominees!

**You are welcome to refer any questions regarding the Beacon Award process to
Tena Lozano, executive director, RMJ Foundation
800.472.1702, ext. 6057
Fax: 909.605.6962
tlozano@rmjfoundation.org**