



RICHARD MYLES JOHNSON

F O U N D A T I O N

BUILDING LEADERS & FINANCIALLY SOUND CONSUMERS

## 2011 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

#### **CREDIT UNION / ORGANIZATION NOMINEE**

Credit Union/Organization: Boulder Dam Credit Union  
Asset Size: \$478 million  
CEO: Eric Estes  
Address: PO Box 61530 / 530 Ave G, Boulder City, Nevada 89005  
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#### **Submitted by:**

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**Support documentation (attached):**

1. Sample workbook and classroom materials
2. Sample certification
3. Press Release and recognition from CCUL/NCUL

**Describe your efforts to further youth financial literacy initiatives:**

Boulder Dam Credit Union (BDCU), a community credit union in southern Nevada, serves over 23,000 members. Founded in 1940, BDCU delivers all of the traditional products and services, as well as many innovative educational solutions and programs. Boulder Dam Credit Union has been offering a comprehensive program entitled *You and Your Money*, for nearly ten years. *You and Your Money* is an interactive classroom session developed to educate young people on the importance of financial responsibility. Approximately 90% of all the juniors and seniors from Boulder City High School have attended and been certified on this important financial education resulting in changed lives!

Boulder Dam Credit Union has a vision for community development through education that goes beyond the traditional offerings of financial services and reaches into the realm of literacy and knowledge. The Credit Union introduced the *You and Your Money* financial literacy program in 2003. It was designed to help young members of the community expand awareness of mainstream financial services while learning the basics of financial management. The educational program features: Financial goal setting, balancing, using a debit card, effectively budgeting, and managing credit cards.

Brandi Stankovic, BLS Consulting, partnered with Jaron Singleton, BDCU, to customize and deliver the training to hundreds of high school students. Boulder Dam Credit Union believes financial education is essential for the youth with the goal of equipping their members with the knowledge needed to make informed financial decisions. The sessions are fun and energetic, and the students walk away with a feeling of financial confidence. Boulder Dam's Manager/CEO, Eric Estes, is a leader in education and truly strives to reach out and serve the community.

*You and Your Money* is a great program for students to experience. The three hour session is highly interactive with exercises and reviews to reinforce the knowledge gained.

**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)?**

Recognizing the importance of reaching the youth market, Boulder Dam Credit Union sought to educate the young adults between the ages of 16-18 in the community of Boulder City, NV. The program inception was in 2003 and is offered to high school juniors and seniors.

The credit union offers 4-5 sessions per school term with an average of 35-40 students each session, reaching over 150 students per school year. With Boulder City High School graduating classes averaging 150 students, by the time the Boulder City teens walk across the graduation stage, over 90% of them have attended a Boulder Dam Credit Union session.

Example:

- 2008-9
  - 57 Juniors (class of 2010) attended the session
- 2009-10
  - 106 Seniors (class of 2010) attended the session
  - 16 of the 106 attended as Juniors
- Total =  $57 + (106 - 16) = 147$  total attendees in a graduating class of 160 (2010)

In addition to the extremely high penetration of the program, Boulder Dam Credit Union has retained 82% of these memberships in good standing since the program began in 2003.

Only 2% of the students have charged-off and 4% of accounts have no activity.

Over 35% of the students have opened a loan product with the credit union, with the highest percentage (18%) opening a VISA card.

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

*You and Your Money* provides a safe and non-threatening environment for teenagers to learn how to better manage their money. Over the years the program has expanded into a more robust development plan for young individuals to include career planning, financial product knowledge, the importance of accountability, and life development.

Here are a couple quotes from the students at our most recent session:

- “I think that the most important thing was the budgeting part. I really didn’t realize how expensive I was every month until I actually wrote it down. It made me want to save even more of my money, because it is going to be expensive to move out.” Hayley I.

- “I learned that it is important to have a plan when I leave the financial dependence of my parents. (goals, budget)” Koah F.

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

Driving attendance to the educational program is a key component to impacting teenagers' lives. We have to get them to spend a Saturday learning about their money! So, Boulder Dam Credit Union offers members financial incentives to attend the session. Following the session, students certify their understanding and commit to telling their parents about the education. Upon successful completion of the certification, BDCU rewards seniors with \$100 and juniors with \$50! All juniors can attend as seniors as well to receive the additional \$100. This "pay to learn" concept has paid dividends to the credit union in many ways.

This approach is truly innovative. BDCU not only reaches the kids, the program also reaches both existing and new members as certification requires they share the information. Community leaders share stories about how their kids learned about responsible money management. Many parents and grandparents of the students come into the credit union seeking financial counseling, product information and education. This program reinforces the key values of the credit union movement and through referrals it helps to build value for members. Doing the right thing is also good business for BDCU.

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

The program is a highlight for the CEO/Manager of BDCU in his weekly community newspaper column. Young, new members tell their friends about the program and then share how it has impacted them with tellers and credit union staff.

BDCU is committed to this program being an integral part of a student's education. Staff participates in high school assemblies, partners with school counselors, with teachers, and sponsorships to ensure all students are aware of the importance of the financial education. We have been promoting the program for many years and that has given a lot of publicity from word of mouth and from the students who have successfully completed the program. Staff from Boulder Dam Credit Union also present and teach on various financial topics in a money management class offered at Boulder City High School, promoting the importance of financial literacy and the role of the credit union within the community.

BDCU uses every channel available to market the program recognizing this core principle is critical to the financial success of our future generation. From flyers to lectures, we get the word out, but nothing is more effective than a student telling their story.

For instance, the owner of D&B Automotive, a small business in Boulder City, commented to a staff member that his daughter had attended the Saturday session and learned more in one day

than they had been able to teach her about her finances. He asked if there was a "parent session" so he and his wife could attend.

## **5. Outline of the Project and/or Curriculum:**

The three hour program is divided into 5 sections: Setting Goals, Budgeting, Understanding Credit, Establishing a Checking Account, and Building for the Future. Through the use of interactive discussions, role play, scenario development and question and answer sessions, students are exposed to many important concepts. Students learn what the credit union difference is and how a credit union member is different than a bank customer.

The sessions begin with goal setting exercises. Students are asked to list their professional, personal and money goals by writing them down and relating them to their overall vision of the future. The group develops very impressive goals, such as: starting their own business and buying a home.

After personal goals are established, the group is introduced to budgeting. The teens build their budgets based upon their own personal scenario, such as living in an apartment, dorm or house with many roommates. This notion, though familiar to many, reveals the importance of tracking expenses and saving. Many of the students are surprised at just how much money it takes to cover expenses, while maintaining discretionary income.

After developing goals and budgets, the students are introduced to credit reports and establishing a good credit history. The teens review real credit reports and credit card statements from members of BDCU noting the interest rates, credit limits, available balances, and the interrelationship of each.

Next, the students are introduced to checking accounts. They are given information about opening an account, endorsing a check and recognizing the different parts of a check. For practice, each group member writes mock checks and makes deposits into their account. They also learn the importance of debit cards and utilizing an online bill pay and account management platform.

Finally, the teens discuss the financial impact on their personal futures. Life lessons are shared, such as learning to deal with drama, continuing to strive for excellence, and living with integrity. The students express their feelings and experiences through the use of music, lyrics, art, and imagination.

### **Summary:**

*BDCU is committed to changing our students' lives at a critical time in their development. You and Your Money is making a difference! We know it through our measurements, but most importantly, we know it through their future financial practices. Thank you for the opportunity to share our success!*

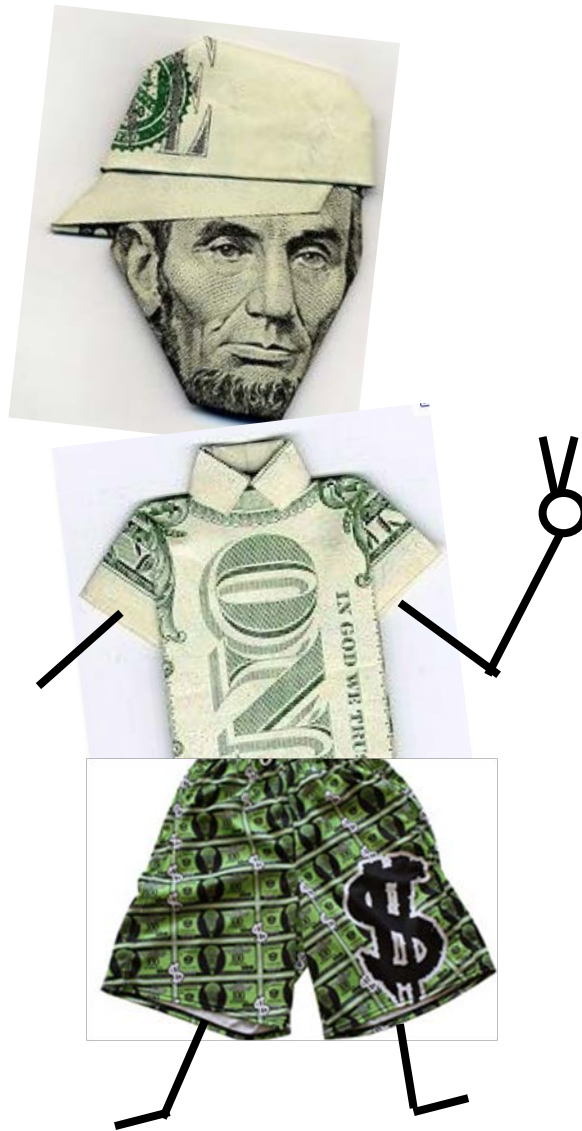






# You and Your Money:

## *Financial Basics*



**Boulder Dam Credit Union  
Money Management Session  
2011-2012**

# What is the Credit Union Difference?

Write down five characteristics of credit unions.

- 1.
- 2.
- 3.
- 4.
- 5.



In your own words... write a brief paragraph explaining each question.

- o What is a credit union?
  
- o How is that different from banks?
  
- o Does it matter?
  
- o How does that affect you?

# Setting Goals

The following broad guidelines will help you to set effective goals. Write down a description of the definition of each statement:

- *Set a timeframe:*

why?

- *Be precise:*

why?

- *Set priorities:*

why?

- *Write goals down:*

why?

- *Set performance goals, not outcome goals:*

why?

- *Set realistic goals:*

why?

- *Do not set goals too low:*

why?



# Setting Goals

*Goals are dreams with deadlines.*

## PERSONAL - What is a personal goal?

Write three of your personal goals.

1.

2.

3.

## PROFESSIONAL - What is a professional goal?

Write three of your professional goals.

1.

2.

3.

## MONEY - What is a money goal?

Write three of your money goals.

1.

2.

3.

**Why is setting goals important?**

**When should you set goals?**

# Budgeting

A budget shows you where your money comes from, how much there is, and where it goes. Do you know where your money goes? If not, it's time to find out so you can control it better. If you overspend in one area, you won't have money for another.

Fill out the following budget. Estimate how much money you (or your family, caretaker, etc) pay each **MONTH**.

EXPENSES	
Money I owe	
Cushion money	
Savings for big purchases (CD player, etc.)	
Long-term savings (college, car, etc.)	
Religious support/charitable giving	
Gifts for family/friends	
Public transportation (bus, subway, cabs)	
Lunch at school	
Eating out	
Clothing, shoes	
Toiletries	
School supplies/fees for field trips, etc.	
Telephone bills	
Recreation/hobbies	
Dues, uniforms, entrance fees	
Books, magazines, video games	
Music: CDs, etc.	
Movies/concerts/sporting events	
Computer-related expenses	
Dances	
Other	
<b>TOTAL EXPENSES</b>	

$$\text{Total Income} - \text{Total Expenses} = \text{Discretionary Income}$$

Income			
Monthly Gross Earnings	<input type="text"/>		
Subtract 28% for average withholdings	<input type="text"/>		
<b>Monthly net income</b>	<input type="text"/>		
Expenses			
Housing	<input type="text"/>	<u>Grocery Items</u>	<input type="text"/>
<u>Utilities</u>	<input type="text"/>	Savings	<input type="text"/>
Medical Insurance	<input type="text"/>	Clothing	<input type="text"/>
Student Loans	<input type="text"/>	<u>Other Credit</u>	<input type="text"/>
<u>Misc. Expenses</u>	<input type="text"/>	Entertainment	<input type="text"/>
<u>Transportation Expenses</u>	<input type="text"/>	Child Care	<input type="text"/>
		<b>Monthly expenses</b>	<input type="text"/>
		<b>Annual expenses</b>	<input type="text"/>
Results			
Monthly net income	<input type="text"/>	<b>Monthly discretionary income</b>	<input type="text"/>
Subtract monthly expenses	<input type="text"/>	<b>Annual discretionary income</b>	<input type="text"/>

- o Why is it important to save?
  
- o How much should you set aside?
  
- o What is a budget?
  
- o What is the most important part of a budget?
  
- o What is discretionary money?

# Checking

## Basic Information

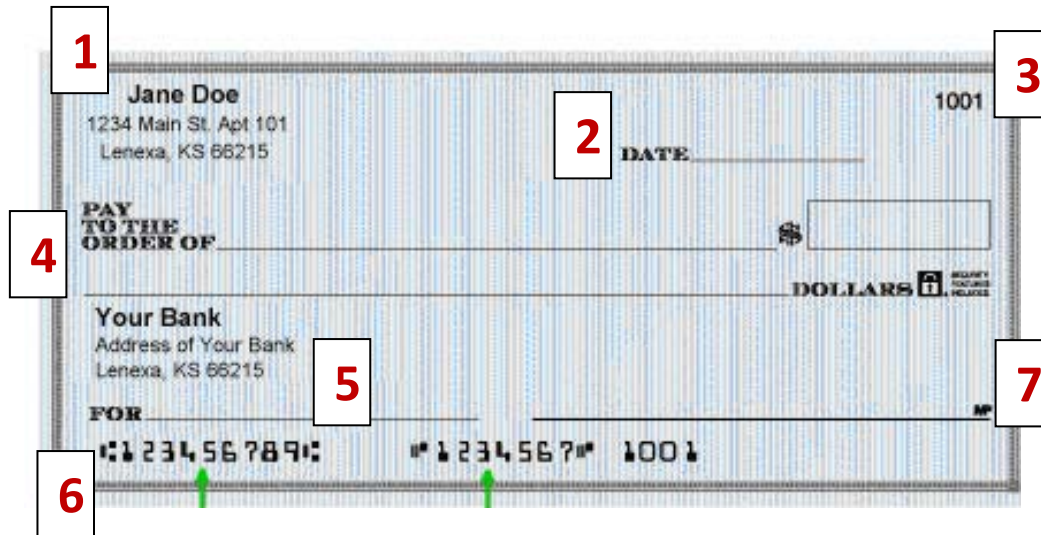
- When you open a checking account, you must have \_\_\_\_\_.
- A parent or legal guardian usually must be a \_\_\_\_\_ for account holders under the age of 18.
- Depositing a check: Before you can cash or deposit a check, you have to endorse it. That means you must sign the back of it. Most checks have a line for a signature or stamp.
  - A \_\_\_\_\_ Endorsement is when you sign your name with your legal signature.
  - A \_\_\_\_\_ Endorsement is writing ' \_\_\_\_\_ ' which will prevent cashing of the check.
- Know the parts of the check:
  - 1.
  - 2.
  - 3.
  - 4.
  - 5.
  - 6.
  - 7.
- Balancing or \_\_\_\_\_ your account means to make sure all your entries match those on your bank or credit union statement.
- Debit Cards: These look like a credit card, but they access your checking account rather than a credit line. You can use this card anywhere a merchant accepts the card processor. Be sure to deduct these transactions in your checking register as well.

**Why get a checking account?**

**What is a debit card?**

**What is a check register?**

**Why use a check register?**



## Balancing Your Checkbook

Balancing your checkbook with your statement allows you to accurately keep track of your money and the activity in your account. By making it a habit to balance your checkbook every time you get your statement, you will always know how much money is really in your account to help avoid overdrawing funds. Also, it will help you spot any unauthorized use of your ATM card or checkbook.

Think of your monthly checking statement as a road map to the successful handling of your checking account. Follow these basic steps and you'll be on your way to organizing your finances.

There are three steps to balancing your checkbook:

- **Check off items in your register.**
- First, bring your check register up-to-date by comparing the items listed on your statement with the items listed in your checkbook register. To ensure that you have entered all necessary items in your register, check off each item in your register that appears on the statement.
- **Update your checkbook register.**
- Record all transactions listed on your statement that you have not written in your register. These entries may include ATM transactions, service charges and fees, and deposits.
- **The final step in balancing your checkbook is simple arithmetic.**
  - Beginning in the upper left-hand column of the reconciliation form, list all of your outstanding checks (those that you have written that have not appeared on your statement).
  - Write the ending balance into the space provided, as listed on the front of the statement.
  - Add to the ending balance any deposits you have made that do not appear on the statement.
  - Subtract from this total any outstanding checks (those total of those listed in the first step).





# Managing Credit



## What we need to know about CREDIT.

Of the many definitions of "credit," one of the most important is "financial trustworthiness." Your credit record is the most important factor lenders consider when you apply to borrow money - for a car or house - or open a credit card account. Many lenders offer better terms and lower interest rates to consumers with good credit ratings. Building a good credit record is an important step in reaching financial independence and can be established by:

- Applying for and using a credit card for purchases
- Using a student loan for tuition and books
- Making at least the minimum payment due
- Paying all your debts on time

Control spending on your credit card.

**Never borrow more than 20% of your annual after-tax income.**

**Never let your monthly debt payments exceed 10% of your monthly net income.**

If you're unable to make your credit card payments, consider some of these options:

- Stop using your cards. If necessary, leave your cards at home.
- Contact your creditors immediately and ask for help. Note any names and phone numbers of your specific creditor contacts. Follow up with letters confirming any payment agreements. Keep in constant contact with your creditors until your specific problem has been resolved.
- Develop a plan to repay your debt, not just to meet the minimum payments due. Do your best to follow that plan.
- Bankruptcy is a last resort for solving your financial problems. After you declare bankruptcy, you may still owe your creditors at least some portion of your debt and the bankruptcy filing will stay on your credit report for up to ten years.

## Example Credit Card Statement

Balance Summary	Amount
Previous Balance	\$747.94
Payments	-500.00
Credits (for returned purchases)	-21.84
Purchase & Other Charges	+ 795.47
Cash Advances	+ 0.00
Late Fee	+ 0.00
Over-limit Fee	+ 0.00
Finance Charge	+ 17.45
New Balance	\$1,039.02

What is a credit report?

What can happen if you don't use credit carefully?

List 5 **Advantages** of Credit....

- 1.
- 2.
- 3.
- 4.
- 5.

List 5 **Disadvantages** of Credit....

- 1.
- 2.
- 3.
- 4.
- 5.

In order to have good credit, you must have a history of...?

# Review Questions

1. When is a joint signer on a checking account needed?
2. What is the purpose of the check register?
3. What are Money Goals?
4. List the first step in creating a budget.
5. How much money should you save?
6. What may need to be changed to make a goal happen?
7. Why should you write your goals down?
8. What is a credit report?
9. How do you endorse a check?
10. What's the difference between a debit and credit card?
11. What can happen if you don't use credit carefully?
12. In order to have good credit, you must have a history of...?
13. What is discretionary money?
14. Name the advantages and disadvantages of credit?

NAME: \_\_\_\_\_  
ACCT #: \_\_\_\_\_

DATE: \_\_\_\_\_  
JR/SR: \_\_\_\_\_

**You and Your Money: *Financial Basics***  
**Boulder Dam Credit Union**  
**Money Management Session Certification 2011**

1. In your own words, please describe why it is important to set goals.
  
  
  
  
  
  
  
  
  
  
2. Why is it important to set **realistic** goals with a **timeframe**?
  
  
  
  
  
  
  
  
  
  
3. Why is it important to develop a budget?
  - a. What are **three** of the techniques you learned in developing a budget?
  
  
  
  
  
  
  
  
  
  
4. What is discretionary income?
  - a. What is it used for?
  
  
  
  
  
  
  
  
  
  
5. What is the difference between a debit card and a credit card?
  
  
  
  
  
  
  
  
  
  
6. In your own words, name **three** benefits of a debit card?

7. What is a credit report?

a. What are **three** items found on a credit report?

b. Why is it important to understand?

c. What are **two** techniques you learned to build good credit?

8. What are **three** disadvantages of using credit?

a. Why is that important to understand?

9. In your own words, what is the difference between credit unions and banks?

a. Why is that important for members to know? Please give examples.

10. Name **three** things you will apply from our course?

11. Optional: Are there any products or services you would like to learn more about?



**Nevada Credit Union League proud to recognize  
Boulder Dam Credit Union youth literacy efforts000  
January 2008**

The Nevada Credit Union League was proud to recognize, Jaron Singleton of Boulder Dam Credit Union and Brandi Stankovic of BLS Consulting on Friday, January 18 for their outstanding efforts in teaching hundreds of Boulder City, Nevada teens the importance of money management. In a program sponsored by Boulder Dam Credit Union, juniors and seniors participate in an after school educational session that teaches them how to balance their accounts, use credit wisely and save for the future.

“Reaching the young adults in our community is a priority.” said Boulder Dam Credit Union Manager, Bill Ferrence. “We are proud of the efforts of Brandi and Jaron. They have dedicated many hours and weekends over the last few years to teaching our members (and our community teens) how to understand their finances before they graduate. We believe this will serve them forever.”

Dan Paulson, the President of the Nevada Credit Union League presented the award to Brandi and Jaron to show the support of the California and Nevada Credit Union Leagues. The Nevada Credit Union League takes a strong stand on issues important to all of us, including education for all people.

Boulder Dam Credit Union has a vision for community development through education that goes beyond the traditional offerings of financial services and reaches into the realm of literacy and knowledge. The Credit Union introduced the financial literacy program in 2003. It was designed to help young members of the community expand awareness of mainstream financial services while learning the basics of financial management. The educational program features: Financial goal setting, balancing, using a debit card, effectively budgeting, and managing credit cards.

Over the years the program has expanded with the help of Brandi Stankovic and BLS Consulting, into a more robust development plan for young individuals that includes career planning, financial product knowledge, the importance of accountability, and life development. “I grew up in Boulder City and my first account was with BDCU. In college I quickly learned that credit cards were made available too readily to students. Many of my friends didn’t understand the importance of their credit score and how it can impact them beyond school. This made me want to teach and I’m glad that Jaron and I have the opportunity to work with local teens.”

Boulder Dam Credit Union has made a commitment to education, and the financial literacy program is an innovative and comprehensive educational resource for all young community members. “We do what’s right for the member,” added Bill Ferrence, “And we thank Brandi and Jaron because they represent the credit union difference, caring about people.”