

How the competition works

High school teams are comprised of four students--two must be in grades 9-11. Teams also are permitted to have as many as two alternates. At the start of the competition, teams are placed in brackets for preliminary rounds that feature from two to four other high schools competing against each other. The high school team winner of each preliminary round of competition competes in the finals. Each preliminary competition is organized as follows:

- Round One: **Personal Finance**, each team gets four questions in a round robin format; correct answers-5 pts. each
- Round Two: **Economics**, each gets four questions in a round robin format; correct answers-5 pts. each
- Round Three: **Lightning Round**, open-ended topics that include consumer-related questions, teams compete directly against each other in a timed event, correct answers-10 pts each.

The championship round is played the same as the preliminary competitions. Throughout the competition, students have the opportunity to win savings bonds and other prizes through random drawings. Lunch is provided for all students and school representatives. The winning team competes in November at the regional competition in Boston.

Preparing for the competition

High schools select students to represent their schools. An entry form is sent to the State Treasurer's Office by the specified deadline that lists the names of the competing students. A teacher or administrative "coach" may request materials to assist in preparing the students for the competition. Generally, it is recommended that: teams view the streaming video of a previous competition to get a sense of how the Reserve Cup works; students read the daily financial/business news to increase their familiarity with financial terms and current events; review the organization names and basic purposes and functions of major federal financial agencies such as the U.S. Treasury, U.S. Mint, and FDIC; and understand basic personal financial tools. The coach should review with students the basics of a working economy that include concepts such as supply and demand, exports and imports, GNP, and the role of credit in a global economy. The purpose of the competition is to encourage students to become more knowledgeable about the subject areas of personal finances, economics, and consumer issues. Students do not need to be experts in these fields to compete.

(Story from WCAX-TV web site from May 14, 2010.)



Games that teach kids to manage \$

Montpelier, Vermont - May 14, 2010

Fingers were at the ready in Montpelier Friday at the game show-themed Vermont Reserve Cup championship. But this isn't "The Price is Right," it's a glimpse of the real world game of personal finance and consumer affairs.

"It's a lot of fun," said Kyle Boomhower, who attends Mt. Mansfield Union High School. "It's kind of nerve-racking being up there and everyone is staring at you, but once you get into it, it's a lot of fun."

Students from across the state came to compete for the chance to represent Vermont in the New England Championship later this year, and say they also hope to include Friday's topics in their future endeavors.

"I am currently enrolled in personal finance education, and I always wanted it to be a part of my career and this is just one more day I get to spend pursuing it," said Christy Milne, who attends Harwood Union High School.

Experts say today's uncertain financial climate is even more reason to teach kids about money.

With lawmakers extending this year's session to balance the state budget organizers think events like the Federal Reserve Cup will encourage kids to begin focusing on their financial futures before they step out into the real world.

"The smarter the individual citizen, the better decisions they make, the better the products need to be in the market, and the better decisions legislators will make," said Scott Guild, of the Federal Reserve Bank of Boston.

"I realize that my world is more complex than it used to be and it is for our young people and our citizens as well," said Jeb Spaulding, D-Vt. Treasurer. "So this is our attempt to build an interest at the school level in financial literacy."

Students say this information helps them get on the right track for spending as they prepare for their futures.

"Oh yeah definitely, after college and throughout college even, we're going to learn so much about how to manage our money and everything it will help us out a lot," Boomhower said.

Organizers say they would like to see financial education become mandatory in schools, but state officials are often hesitant.

"There's risky behavior when it comes to driving, we have drivers ed. There's risky behavior around sexual activity, we have programming for that. It would be nice to have a program about risky financial behaviors," Guild said.

Spaulding said he's happy to see some schools adding financial education to their curriculum, but doesn't plan on trying to make it a mandate.

The team from South Burlington High School won Friday's event and will represent Vermont in the New England Federal Reserve Cup in November.

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