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STATE OF VERMONT
OFFICE OF THE STATE TREASURER

AGENDA

Joint Legislative Briefing for House and Senate Education Committees
January 26, 2011, 1-2:30 p.m., room 10, State House

Opening Remarks	Beth Pearce, State Treasurer
Financial Literacy Overview	Lisa Helme, Director of Financial Literacy & Communications, Office of the State Treasurer
Experience Testimony – adult education	Becky Palmer, Director of Education, GreenPath/ Consumer Credit Counseling Service of NH & VT
Experience Testimony – coalition work	Gregg Mousley, President, Vermont Jump\$tart Coalition; and VSAC Resource Center Director
Experience Testimony – high schools	Ed Webbley, Principal, Vergennes Union High School
Experience Testimony – new program	John Pelletier, Director of the Center for Financial Literacy, Champlain College



Why is the Vermont Treasurer's Office engaged in financial literacy?

- Being financially literate means having the knowledge, skills and habits to successfully manage personal finances.
- As Vermont citizens increase their understanding and practice of sound money management skills, the financial well-being of both the individual and the State will improve.
- Financial systems and markets work best when consumers understand how financial service providers and products work.
- Vermont's financial literacy efforts are part of a nationwide trend among State Treasurers to implement financial literacy programs. There are now 36 Treasurer's Offices in the country offering financial literacy programs.

Financial Data Suggests a Problem

- Vermont-specific results from the 2010 FINRA Financial Capability Study showed that 67% of those surveyed lacked emergency savings to cover 3-months of expenses; and 18% reported spending more than their income over the past year. On average, individuals answered 3.2 out of five financial literacy questions correctly. (*Source: Financial Industry Regulatory Authority Investor Education Foundation*)
- A 2010 nationwide financial literacy survey revealed 28%, or nearly 64 million adults, admitted to not paying their bills on time; 65%, or nearly 148 million people, had not ordered a copy of their credit report in that past year even though it is free; and two in five adults reported routinely carrying credit card debt, with 5% reporting owing \$10,000 or more on their credit cards. (*Source: National Foundation for Credit Counseling 2010 Financial Literacy survey*)
- While the ratio of household debt to disposable income has dropped from 130% in 2007 to 118% in 2010, households nationwide continue to struggle to reduce excessive debt load. Households are working to recover from personal finance practices in the mid-2000s, where a combination of declining savings rates and rapidly rising household debt allowed consumer spending to grow much faster than disposable income. (*Source: Federal Reserve Bank of San Francisco Economic Letter, Jan. 10, 2011*)
- Foreclosure rates remain a concern both nationally and in Vermont as households and businesses struggle to recover from the recession. In 2010, Vermont foreclosure rates fell 14.9% from 1,926 in 2009 to 1,638 in 2010. Borrowers indicated the factors that primarily contributed to their default were loss of income (62.6%); medical expenses (17.8%); and separation/divorce (6.8%). These Vermont households will remain in need of support to manage their personal finances to emerge from their current financial stress. (*Source: Vermont bankruptcy data from State Banking Insurance Securities & Health Care Administration Mortgage Assistance Program*)

- Bankruptcy filings continue to rise in Vermont. In 2010, there were 1,559 consumer debt filings compared to 1,481 in 2009—a 5.2% increase. This increase continues the upward trend in filings, albeit at a slower rate. In 2008, there were 1,208 consumer debt filings. According to the American Bankruptcy Institute, U.S. consumer bankruptcies increased 9% nationwide in 2010 from 2009. (Source: Vermont data from U.S. Bankruptcy Court, District of Vermont)
- Nationally, fewer workers report that they and/or spouse have saved for retirement. In the 2010 EBRI Retirement Confidence Survey, 69% reported they had saved for retirement compared to 75% in 2009. Moreover, fewer workers reported that they are currently saving for retirement. While in 2009 65% of the survey group reported *current* savings activity, in 2010 that number had dropped to 60%. (Source: Employee Benefit Research Institute 2010 Retirement Confidence Survey)

Surveys Show a Lack of Financial Knowledge

- A comprehensive written survey of high school seniors measured their knowledge of basic personal finances. The average score for Vermont students was 50.3 percent, a failing grade. Nationally, high school seniors answered only 48.3% of the questions correctly. (Source: 2008 JumpStart Coalition for Personal Financial Literacy)
- While a national survey found that 41% of adults learned their personal finance skills from their parents or at home, those same adults gave themselves only a “C” grade or lower in financial literacy. (34%, or nearly 77 million people) (Source: National Foundation for Credit Counseling 2010 Financial Literacy survey)
- A 2005 national survey found that while 65.1% of Americans consider themselves “very” or “highly” knowledgeable when it comes to personal finance, more than one-third (36.1%) report they do not use a budget to manage their family’s expenses, a majority (52%) do not regularly review their credit report each year, and 23% have never reviewed their credit report. (Source: “National Survey Shows Americans Need to Get Financially Fit; capital One and Consumer Action Find Majority of Americans Lack Basic Understanding of Credit Scores and the Fundamentals of Personal Finance” July 2005)

Financial Education Positively Increases Knowledge and Changes Behavior

- A study trial of The Stock Market Game found that students who played the game scored significantly higher on mathematics tests than their peers who did not play the game. Students playing the game (a financial literacy program taught in elementary, middle, and high schools) also scored significantly higher than their peers on tests measuring their financial literacy. (Source: The Stock Market Game Study, Learning Points Associates, 2010)
- Employees who attended training workshops about retirement savings options offered by their employers often increased participation in their companies’ 401(k) plans. (Source: “Impacts of Workplace Financial Education on Retirement Plans” Proceedings of the 2001 Annual conference of the Association for Financial Counseling and Planning Education)
- Financial Education helps correct past problems. Individuals who have undergone credit counseling after suffering financial difficulties experienced fewer delinquencies and have better credit risk scores over the three years following their counseling sessions than similar borrowers who did not seek counseling. (Source: presentation at March 2003 Federal Reserve System Conference, “The Impact of Credit Counseling on Subsequent Borrower Credit Usage and Payment Behavior”)

Office of the State Treasurer

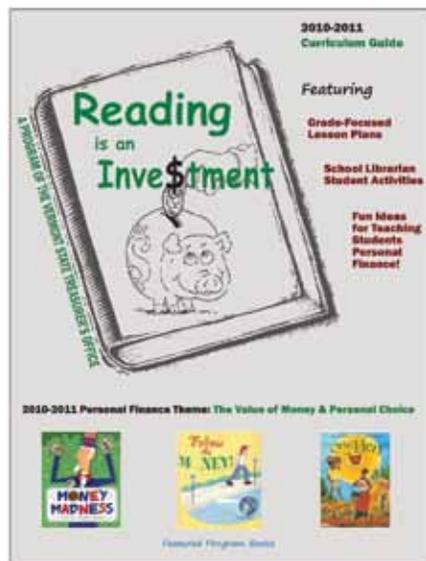
In 2007, the Treasurer's Office established a financial literacy effort aimed at developing, assessing and providing financial education programming to Vermont's citizens. Below are a few of the programs and resources the office has developed.

Web Resources

In September of 2007, the Treasurer's Office debut a new series of web-based resources for Vermonters. The new Financial Literacy section is accessible through the Treasurer's web site or by going to a unique url: www.MoneyEd.Vermont.gov. The section is composed of six key pages: Teacher & Community Resources; Saving for Retirement; Retirement Plan Resources for Businesses; For Parents & Kids; Manage Your Money; and Investment Resources. Web site visitors also may search by country to identify financial education resources in their local area. The Vermont Financial Education Resource Clearinghouse is a web-based service provider network with more than 40 different agencies and organizations listed that offer free or low-cost classes and educational resources to Vermonters. The aim of the clearinghouse is to aid the Vermont groups already providing financial education services by helping them share resources, make referrals and, ultimately, result in these groups serving more Vermonters.

Reading is an Investment

The Treasurer's Office introduced a new statewide financial literacy program in 2010 designed to highlight the importance of reading and teaching young children basic personal financial concepts. The



Reading is an Investment program aims to increase school book collections in personal finance; give teachers and librarians related curricular resources, and encourage students to read books that teach money concepts. There are 108 Vermont elementary schools that signed up to participate in the new program, representing approximately 21,000 students.

The program takes a two-prong approach to promoting financial literacy—class or library instruction and personal reading. Each fall, participating elementary schools receive two or three new hardback books. A curriculum guide is sent with the books that has lesson plans and activities linked to the books. Teachers and librarians can use the

materials to teach students personal finance concepts. At the same time, students are encouraged to participate in a personal financial literacy reading program. School librarians received a recommended reading list for the year of titles that focus on basic financial concepts. Students who read at least three books from the list and complete personal reading requirements can send a completed reading log to the Treasurer's Office for entry in a statewide drawing for one of ten \$250 accounts in the Vermont Higher Education Investment Plan—Vermont's official 529 college savings plan. The program is underwritten by contributions to the Financial Literacy Trust Fund. The fund was created by the State Legislature in 2008 and authorizes the State Treasurer to receive money from a variety of sources to fund financial literacy programs. Major sponsors of the program are the Windham Foundation and the TD Bank Charitable Foundation.



Financial Literacy

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www.MoneyEd.Vermont.gov

Commitment to Financial Literacy

As Vermont citizens increase their understanding and practice of sound money management skills, the individual financial well-being of both the individual and the state will improve. As the State of Vermont's banker and chief financial officer, the State Treasurer has a commitment to advocating for those practices that maintain Vermont's hard-earned reputation as a fiscally sound and disciplined state.

To that end, the State Treasurer participates and initiates actions in the following key areas:

Advocacy: working to promote the adoption of fiscally sound money management practices by Vermonters through promotional efforts that raise awareness of the need for and benefits of practicing such skills;

Collaboration: working with local, state and national groups to build support for and participation in activities that promote and teach financial literacy to Vermont citizens; and

Development: creating avenues that encourage and build new financial literacy activities and educational products for Vermont citizens.



How you manage your personal credit impacts more than just your monthly budget. Potential employers, landlords, and auto insurers are just some of the people who may ask to view your credit history.



Credit: Managing Your Credit Card Spending

Vermonters, like most Americans, enjoy the convenience of using credit cards. However, the potential to overextend, cost of paying double-digit interest rates, and growing risk of identity theft are causing many people to carefully consider how they're using this financial tool. In their 2008 survey of consumer finances, the Federal Reserve reports that the proportion of families carrying a balance on their credit cards has risen by 14 percent. Among households with credit cards, 46.2 percent carried a balance each month. The median balance was \$2,200 – meaning half owed more, half less. While it may not sound unmanageable to pay off a debt of that amount, the revolving nature of a credit card loan and high interest rates can mean some households will take literally years to pay off that debt.

Key to eliminating credit card debt is to pay the bill in full when it comes in and avoid interest charges. However, if you cannot pay off the debt completely, always pay more than the minimum monthly payment.

What is credit costing you?

While it's convenient to use a credit card to pay for dinner out or gas for your car, if you don't pay the entire balance when you receive your bill these "small" purchases can grow into big bills. Interest rates on standard credit cards usually average more than 12 percent. See how your bill can grow in the example below.

You use \$2,000 on a credit card that charges 18% interest. Paying off just an extra \$10 to \$50 a month will save you time and money.

MONTHLY PAYMENT	TOTAL INTEREST	TIME TO PAY OFF
\$50 (minimum)	\$682.10	7.8 years
\$50	\$400.87	3.9 years
\$50	\$187.82	2 years

Source: Ready or Not, Your Retirement Planning Guide, MET Publishing Inc. © 2007.
Source: CreditCards.com "On the Path to a High-Credit Score" © 2005.

How is a Credit Score Calculated?

A credit score is a rating that credit reporting companies use to help lenders measure your ability to pay back what you borrow. The three main credit reporting companies are Equifax, Experian, and TransUnion and each has a different credit score. The reason each is different is because these companies do not share information and each may have a different set of information they use in considering or calculating your score. Credit scores range from 300 to 850. The higher the score the lower the risk for the lender. A score of 800 or above is considered good. Here's a general guide to what is included in determining your score.

30% Payment History: pay on time, higher score; 30% late, lower score.

30% Current Credit Usage: if you've maxed out most of your credit lines, lower score; if you have unused credit on several accounts, best if using less than 50% of your credit line, higher score.

15% Credit Mix: the larger your demonstrated responsible use of credit, the higher the score.

30% Credit Inquiries & New Credit: lenders may view too many inquiries by your credit report as an indication you are struggling financially and intend to go into greater debt.

30% Credit Mix: demonstrated use of different types of credit gives you a higher score. You may buy your scores directly through www.myfICO.com or through the individual reporting agencies. Source: CreditCards.com "On the Path to a High-Credit Score" © 2005.

Educational Fact Sheets

Development of a series of financial education fact sheets is ongoing. The purpose of the fact sheets is to educate and motivate readers to act on the content within each educational piece. Fact sheets now available are: "Retirement Goals: Plan Now, Play Later;" "Retirement Plans: Evaluating a Provider;" "Credit: Managing Your Credit Card Spending;" and "Kids & Money: Share Your Knowledge." The office has distributed the fact sheets through its free retirement planning packets, at information booths, in its retirement division offices, and via the financial literacy web pages.

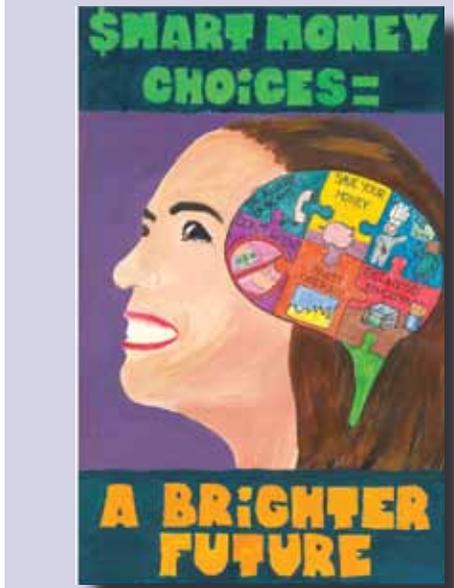
Reserve Cup



For the second year, the Treasurer's Office sponsored the Vermont Championship Reserve Cup Challenge for high school students. The event is organized in partnership with the Federal Reserve Bank of Boston, with volunteer support provided by the Vermont Jump\$tart Coalition. The state competition is held in the spring to select a Vermont winner to represent the state in the fall at the New England regional competition in Boston. The purpose of the competition is to promote student interest in and knowledge of personal finance, economics, and consumer affairs topics. The 2010 championship was won by South Burlington High School.

Poster Competition!

The Treasurer's Office, in partnership with the Vermont Bankers Association and Consumer Credit Counseling of New Hampshire and Vermont, sponsored the state-wide competition. This is the third year for the state contest. The contest is used as a tool to promote financial education for youth.



Middle School Winner

MoneyEd Initiative 2009

The Treasurer's Office implemented a MoneyEd initiative in 2009 to promote a better understanding of basic personal financial topics among adult Vermonters. In early spring, the office began production on a 30-minute personal finance DVD that focused on the top questions Vermonters had about managing their household budgets in a time of economic change. The program featured interviews with Vermont experts on four key areas: personal credit, budgeting, housing, and personal bankruptcy. In addition, short feature segments examined identity theft, consumer rights, saving for retirement, and qualifying for a home loan. The program aired on 23 Vermont public access stations the week of May 10 and was shown more than 100 times. The DVD also was sent to all public libraries in Vermont. A two-page resource guide was distributed with the DVD to guide Vermonters to resources they could access for questions related

to the show's content. This initiative was underwritten by funds contributed to the Financial Literacy Trust Fund.

Workplace Retirement Savings

First developed in 2008, the Treasurer's Office continues to offer the class, "Keeping the Gold in Your Golden Years." The class is a 90-minute workshop that teaches adults how to determine how much money they'll need in retirement, how to assess their current retirement savings resources, and implement a plan to ensure they will have adequate financial resources available to them in retirement. Since the class was first offered, more than 30 workshops have been conducted reaching more than 600 adults.

GREENPATH, INC.



JANUARY 26, 2011

VERMONTERS CAN LOOK FORWARD TO ENHANCED NON-PROFIT CREDIT COUNSELING AND EDUCATION SERVICES

GreenPath, Inc., a non-profit credit counseling agency doing business as GreenPath Debt Solutions is pleased to announce a combining of operations with Consumer Credit Counseling Service of New Hampshire and Vermont, Inc. (CCCS).

In its 50th year of service, GreenPath has been providing professional, quality credit counseling and education to consumers since 1961. With values and a core purpose that align closely with that of CCCS, consumers will benefit from the enhanced counseling and education services that GreenPath can provide.

Currently GreenPath offers

face-to-face counseling appointments at more than 46 offices in 8 states. In addition, services are available by phone and Internet nationwide.

CCCS has had a long history of providing quality, local services to Vermonters and that will continue and expand under the GreenPath banner.

With the combining of operations just having taken place on January 24, 2011, the next 30 to 60 days will be a transition period. The changes taking place are simply going to improve upon the great services that were provided by CCCS.

Free counseling services will still be available at local

offices and Vermont Education Specialist, Shirley Mason, MS, will continue to provide financial literacy education through workshops, seminars and community partnerships.

For more information about GreenPath, please visit us at www.greenpath.com

Questions can also be directed to Mr. Kerry York, Executive Director of CCCS at 800-327-6778.

*Our core purpose:
"Through financial knowledge and expertise, we enable people to enjoy a better quality of life."*

VERMONT LOCATIONS

- Barre
- Burlington
- Rutland
- Lebanon, NH

SERVICES

DEBT AND CREDIT COUNSELING

PERSONALIZED BUDGETING

HOUSING COUNSELING

CREDIT REPORT COUNSELING

FINANCIAL EDUCATION

BANKRUPTCY EDUCATION

DEBT MANAGEMENT PROGRAMS

THINGS YOU SHOULD KNOW ABOUT GREENPATH

- GreenPath is a nationwide non-profit credit counseling agency
- Licensed in the State of Vermont
- A Member of the National Foundation for Credit Counseling
- GreenPath is accredited by the Council on Accreditation
- GreenPath is a HUD approved housing counseling agency
- Member of the Better Business Bureau
- All counseling staff are professionally trained and certified by the NFCC
- Currently operates 46 full-time offices in eight states

Contact Information:

Becky Palmer
105 Loudon Road, Bldg 1
Concord, NH, 03301
Phone: 800-327-6778, ext. 120
Email: bjp@cccs.mv.com



The Vermont Jump\$tart Coalition for Personal Financial Literacy is a non-profit, all-volunteer organization of individuals, organizations and businesses who have joined together to improve the personal financial literacy of Vermont's youth.

VT Jump\$tart Sponsored Events for 2010-2011

Vermont Jump\$tart is working hard to bring more financial literacy opportunities to Vermont's young people through teachers in the classroom and parents in the home. Below is a brief summary of some of the work of Vermont Jump\$tart. Please visit our web site at: www.VtJumpStart.org for more details or you can find us on Facebook by searching under Vermont Jump\$tart Coalition for Personal Financial Literacy.

WINTER 2011. LifeSmarts!

LifeSmarts is a quiz show on consumer issues—including financial literacy—sponsored by the National Consumers League. Vermont Jump\$tart has coordinated a state competition for Vermont for the past two years. Teams of high school students compete online through the fall semester. The top six teams have been invited to the state competition on February 10, 2011 at the Pavilion Auditorium in Montpelier. The winning team becomes the Vermont state champion and earns the right to represent Vermont at the National LifeSmarts competition in Hollywood, CA against other teams from across the U.S. If interested in coaching a team or supporting the next Vermont competition, contact us at 877-242-8550 or e-mail at vtjumpstart@comcast.net. To learn more about LifeSmarts, visit www.lifesmarts.org.

SPRING 2011. Personal Finance Conference for Teachers & Parents.

Vermont Jump\$tart continues its tradition of holding the largest financial literacy conference in Vermont for the 6th straight year. This year's Common\$ense conference is scheduled for March 17 at the Sheraton in South Burlington. Janet Bodner, Editor of Kiplinger's Personal Finance Magazine, will keynote the conference. Approximately 100 educators, parents and other professionals are expected to attend. Participants can choose from nine breakout sessions offered in three tracks that covered a range of topics from personal finances to new approaches to teaching financial concepts. For more information, go to www.vtjumpstart.org.

SPRING 2011. Vermont Reserve Cup Competition.

The State Treasurer's Office, Federal Reserve Bank of Boston, VT Jump\$tart and the TD Bank Charitable Foundation are partnering to hold a third state competition to select a high school team to represent Vermont at the regional competition in November. The state competition is scheduled for **April 29 at the Pavilion Building in Montpelier**. The Reserve Cup is a quiz game on economics, personal finance and consumer affairs. If you are interested, please contact Lisa Helme at the Treasurer's Office. Call 802-828-3706 or via email at Lisa.Helme@state.vt.us

FALL 2011. Money Smart Child Parent Guide.

Vermont Jump\$tart is planning to print and distribute 10,000 copies of "How to Raise a Money Smart Child" parent guide. Once funding is secured, this booklet will be distributed through participating schools. Parents also will be invited to participate in one of six regional workshops on teaching kids about money.

Working together we can improve the financial literacy of Vermont's youth. If you're involved with or concerned about students learning how to handle money successfully - consider joining us! As a nonprofit, all-volunteer coalition we also appreciate financial contributions to support our programs. Vermont Jump\$tart is a proud affiliate of the National Jump\$tart Coalition for Personal Financial Literacy. The National Jump\$tart Coalition, based in Washington, D.C., was first convened in 1995 and consists of over 200 organizations committed to improving the financial literacy of America's youth.

For more information: WWW.VTJUMPSTART.ORG
Gregg Mousley, Vermont Jump\$tart President, (802) 654-3716

VERGENNES UNION HIGH SCHOOL

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PH: 802-877-2938 FAX: 802-877-2558

www.vuhs.org



Peter Reynolds, Co-Principal 7-9

Ed Webbley, Co-Principal 10-12

Personal Finance Syllabus

1. Survey students using a USA Today survey. This encompasses general knowledge and feelings about money.
2. NEFE workbooks as jumping off points for units.

UNIT ONE: Your personal financial plan

- SMART goals
- Determining needs and wants
- Short/med/long-term goals

UNIT TWO: Budgeting

- Spending/saving habits
- Expenses
- Record keeping
- How a budget changes over your life

UNIT THREE: Investing

- Saving vs. investing
- Risks vs. reward
- Financial planning
- Modified stock market game

UNIT FOUR: Using Credit Wisely

- Advantages vs. disadvantages
- Responsible management of credit (and consequences)
- Credit reports and credit history

UNIT FIVE: Banking and other financial services

- Savings accounts
- Checking accounts and debit cards
- Automated financial services
- Identity theft and other deceptive practices

"Our purpose as a school community is to develop knowledgeable, responsible, respectful and healthy individuals who flourish in-- and contribute to-- an ever-changing society."

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UNIT SIX: Insurance

- Managing risk
- Different insurance policies and rationales
- Fitting this into the financial plan

UNIT SEVEN: Career options and opportunities

3. Quicken introduction with a guest speaker or a visit to work (simultaneously with other personal finance class)

4. Other Opportunities:

- Looking at advertising and assessing truth in marketing and how advertisers can take advantage of consumers
- Personal reflection on student's values regarding how and where they spend their money. This includes a paper on a company that a student likes and patronizes or one that they don't like. The purpose is for the student to examine a company closely and learn as much as they can and then decide as to whether or not this new knowledge affects their decision to shop there.
- Work with different business owners in the community on entrepreneurship and what it is like to run your own business. Additionally, working with Lynn Jackson about home buying and all that it entails, including what it takes to be a real estate agent.

5. Final project

Students draw a situation that tells them – income (dual or single), number of children, and whether or not they have student loans. Students must make a budget that works that includes 20 items to be covered. This information must be presented as a storyboard (science project tri-fold board) or a PowerPoint. Students are also assessed on their presentation skills. Students receive a rubric at the beginning of the project, so there is a clear understanding of expectations. This project is the culmination of everything they have learned and is weighted very heavily, in lieu of a final examination.

"Our purpose as a school community is to develop knowledgeable, responsible, respectful and healthy individuals who flourish in-- and contribute to-- an ever-changing society."



CHAMPLAIN
COLLEGE

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The Center for Financial Literacy

A new partnership between several Vermont financial institutions and Champlain College is working to increase financial literacy in classrooms across Vermont, ensure college students graduate with the skills to make sound decisions about spending, credit and investments, and help adults navigate difficult financial situations like buying a home and saving for retirement.

John Pelletier of Stowe, (*at right*) is the Director of the Center for Financial Literacy at Champlain College. The new center is designed to promote and develop financial literacy skills in K-12 students, college students, teachers (K-12 and college) and adults. The Center also advocates for more financial education opportunities at the local, state and national level.



Pelletier, a former chief operating officer and chief legal officer at some of the largest asset management firms in the U. S., believes a lack of knowledge about credit, investing and financial planning is at the heart of the recent economic downturn.

The Center for Financial Literacy at Champlain College has raised more than \$188,500 to tackle the problem using a multi-pronged educational approach. Much of the financial support has come from many of Vermont's major financial industry institutions.



An Advisory Board for the Center includes representatives from leading banks, other financial industry firms, secondary and higher education, and non-profit organizations.

Champlain President David Finney introduces the Center for Financial Literacy at Roger H. Perry Hall in December 2010.

ABOUT CHAMPLAIN COLLEGE

Since 1878, Champlain College has provided career-focused education to students from its hilltop campus in Burlington, Vt. Champlain's distinctive educational approach embodies the notion that true learning only occurs when information and experience come together to create knowledge.

The College was named a "Top-Up-and-Coming School" by U.S. News & World Report's America's Best Colleges in 2010 and is ranked in the top tier of 2011 Regional Colleges in the North by U.S. News & World Report.

To learn more about Champlain College, visit www.champlain.edu.

The Center for Financial Literacy at Champlain College

Roger H. Perry Hall, Burlington, Vermont

John Pelletier, Director | jpelletier@champlain.edu | (802) 860-2744 | email: cf@champlain.edu



In the news...

The New York Times



The New York Times "Your Money" columnist **Ron Lieber** visited Champlain College in early December 2010 to learn about the College's Life Experience

and Action Dimension (LEAD) financial sophistication courses for students. The resulting article appeared Jan. 8, 2011 on the front page of the NYT's Money section, prompting inquiries about the program from across the country. It was the number one emailed story on the NYT website the day it first appeared, and had been reprinted in numerous newspapers. Read it yourself at <http://www.nytimes.com/2011/01/08/your-money/08money.html>

Also featured on



Dan Kadlec, CBSMoneyWatch.com

- For one in three college students, debt makes it difficult to concentrate on their studies; this either delays their graduation or requires them to put forth greater effort to complete their degree.
- For one in four college students, debt leads to either physical or mental health problems.
- For one in six college students, debt leads to taking fewer credit hours per semester.
- For one in 20 college students, debt leads to dropping out of school for at least one semester.



Center for Financial Literacy Programs in 2011

Initially, Champlain's Center for Financial Literacy's programs will address the growing needs for financial education and increased literacy for K-12 students, college students, and adults in Vermont.

- **The Vermont Financial Literacy Summit**, sponsored by TD Bank, National Life Group and the National Life Group Charitable Foundation. A conference on March 7, 2011 will work to raise the awareness in the public policy arena about the need for increasing personal financial education in grades K-12, at the collegiate level and for adults on a local, state and national level.
- **The Vermont Teachers Financial Literacy Summer Institute**, sponsored by Merchants Bank and the Merchants Bank Foundation. A three-year summer program beginning in 2011 to provide graduate-level training for more than 100 Vermont high school and middle school educators at a five-day training course in understanding and teaching financial literacy.
- **What's My Score** sponsored by People's United Bank. A program aimed at helping Champlain College seniors and juniors access and understand their credit scores and create a peer-to-peer credit and financial counseling network in conjunction with Champlain Housing Trust and Champlain College's Life Experience & Action Dimension (LEAD) curriculum.



Life Experience & Action Dimension (LEAD)



The Center for Financial Literacy is a perfect fit with Champlain College's LEAD program, providing college students with a four-year series of programs and experiences designed to develop practical skills that will be useful throughout their lives. The life-skills components of a Champlain College education include community service, developing personal and professional relationships, financial literacy training and career management.

The teaching of personal finance is often an afterthought in schools because it is not a subject tested under the No Child Left Behind law.

Most high school and middle school students in Vermont are not financially literate and are rarely being taught key personal finance topics in the classroom. Few Vermont colleges – public or private – offer a personal finance elective and it is rare that a college requires personal finance course as a core requirement.

"For too many college students across the country, the only financial counseling they receive is at the exit interview before they graduate reminding them to repay their loans. We believe these programs will help address those issues in a proactive and productive way," according to Champlain President David F. Finney. "We hope the work of the Center for Financial Literacy at Champlain College will help change all that."