Making Every Dollar Count: The University of Georgia's Consumer Financial Literacy Program

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Ninety-one of Georgia's 121 counties located in the Southeast region of the Black Belt study are classified as persistent poverty counties, or areas in which a high proportion of the residents have lived in a constant state of poverty since at least 1980. These counties represent 1.2 million Georgians, or 22% of the state's population. Per capita income in this area was $15,602 in 2000 while the rest of the 68 counties in Georgia had per capita income of $22,717. These high poverty counties are mostly located in rural areas where the population is in decline, economic opportunities are rare, educational backgrounds are limited, and resources are unavailable. During the last three years, the Consumer Financial Literacy Program (CFLP) has become a vital community resource providing financial literacy education to low- and moderate-income families in 29 of South Georgia's poorest counties as well as two North Georgia counties. CFLP educators have provided more than 30,000 hours of education to nearly 1 million Georgians in four different program thrusts: adult financial education, tax assistance, youth financial education, and community development.

The core adult curriculum is California Cooperative Extension's *Gateway to a Better Life* adapted for use in Georgia by the University of Georgia's College of Family and Consumer Sciences. Bilingual lessons focus on the needs of low- and moderate-income audiences with topics such as decision-making and goal-setting, finding a job and succeeding on the job, planning and managing family spending, choosing and using bank accounts and other services, and time management skills. Oftentimes, adults in the CFLP target audience are single parents with little extra time or income. To reach these working parents, CFLP educators deliver financial literacy information where they live, work and shop, or where their children attend school. In some instances, CFLP classes are the first source of money management education participants have received. Extension evaluations of money management programs show that more than half of participants reported having learned how to manage their money through trial and error while less than 20% learned through their K-12 education.

Reaching the target audience proved difficult at times. Programs were most successful when partnered with a service component, such as housing down payment assistance or tax e-filing. Partnering with agencies that provided housing down payment assistance significantly increased attendance for first-time homebuyers' workshops. Workshop participants often developed interest in other areas of financial management, such as credit reporting or budgeting, to meet their goal of home ownership and financial stability. As a result, these participants enrolled in other courses offered by the program. Through December 2005, 52 families received down payment assistance and of these, 12 had already closed on their first home.

Free tax preparation services were offered through the IRS Volunteer Income Tax Assistance (VITA) program. To provide services in rural Georgia, the IRS certified CFLP educators to prepare and e-file state and federal tax returns. Two primary goals of the tax program were to increase awareness of available tax credits and provide an alternative to the refund anticipation loans often sought by the refund recipients. While their taxes were being prepared, consumers had the opportunity to learn more about a variety of financial topics ranging from opening a bank account to managing debt. CFLP filed taxes for nearly 3000 residents in more than 58 Georgia counties in the last three years. The total refunds received totaled more than $3.45 million with savings in tax preparation fees of $287,362.

The program delivered education to youth through local schools, after school programs, 4-H groups, and Boys and Girls Clubs with the goal of preparing them to be financially responsible adults. CFLP educators used activities that were fun and age-appropriate to teach sound financial management skills to kids of all ages. For elementary students, topics were very basic and centered around the three ways to use money: saving, spending and sharing. Infusing lessons into popular kids' stories enticed children to want to learn. For high school students, CFLP educators were able to go into the classroom to present lessons. Topics included the importance of saving and starting early, the need for spending plans, and credit and credit cards. CFLP educators found that youth lessons were most effective when they were F.U.N. (**F**ull of hands-on games and activities, presented **U**nusual facts and information, and **N**eeded to relate to the youth audience). In total, educators provided more than 19,200 educational contact hours to 8200 school-aged children.

In the area of community development, CFLP educators attended meetings within the community to help establish contacts and partnerships with local area businesses and organizations. Media outlets, displays at shopping centers and community events were important for establishing a presence and partnerships within the area. These media outlets provided a way to deliver basic consumer information as well as to advertise the program in the local community. From newspaper articles, to newsletters, radio and television spots, articles and publications, CFLP educators made an estimated contact of over 960,000.

Despite the successes of the program, we faced many challenges. One challenging aspect of the program was employee supervision and motivation. Most CFLP educators were not accustomed to the level of autonomy that came with their position. Being a widespread program across several counties, CFLP educators needed to be able to go into the community as self-starters to develop a program unique to their area with little direct supervision. In order to overcome this challenge, the program adopted a team approach so that each employee had a network of people to discuss problems, barriers, and programming strategies. These teams worked together to establish community contacts and relationships as well as jointly conduct programs within the communities. Within each team, one person acted as a team leader to create a sense of more direct supervision.

Another challenge was reaching the target audience. Program approach had a substantial impact on participation. Some potential participants were turned off because they felt that attending a program meant admitting they were either low-income or could not manage their money properly. This created a barrier because most of our target audience did not want to associate or classify themselves as such. As a result, many of those that we intended to reach did not participate. To overcome this barrier, program marketing changed to target middle-income consumers as well. Unfortunately, consumers still felt that the program was geared toward low-income consumers and therefore were less likely to participate. By offering services, such as tax e-filing and down payment assistance information, program participation significantly increased. Once the target population sought out a service, CFLP educators were able to promote other aspects of the program.

Endnotes

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