

IMPACT



Bonneville County, 2925 Rollandet, Idaho Falls, ID 83402; 208-529-1390; Fax: 208-529-1391

New Class Series “I’m Banking on It!” Teaches Sound Financial Strategies

The Situation

With the continued expansion of consumer indebtedness and the rising rate of personal bankruptcy many consumers are seeking information about debt management, how to access to their credit reports and scores, and how to use credit wisely. They are also seeking information as to how to protect themselves from Identity Theft, a crime that occurs every 75 seconds in the United States

The need for basic financial information in addition to the new Check 21 law, prompted the Bank of Commerce to approach the University of Idaho Extension Educator in Bonneville County requesting her assistance in providing financial education to their clientele and to the general public.

Our Response

Collaborating with the Bank of Commerce, the University of Idaho Extension offered *I’m Banking on It!*, a four week class series design to teach sound financial strategies to improve personal finances. The first class, *Counting my Change*, emphasizes tracking expenses to develop a sound financial action plan. The Dollar Decision\$ video is used to demonstrate different tracking methods. The second class, *Changing my Future*, examines the time impact of money and suggests many different ways to save money. *Choosing my Credit*, the third class, utilizes the Credit Cents fact sheets by teaching participants how to read and understand their credit report. Information about how credit scores are

figured and what can be done to improve credit score is shared. Participants are taught how to request their free credit report and how credit can be a tool or a trap. The last class, *Covering my Assets*, discusses identity theft. Examples of how a person’s identity can be stolen are shared with the class and ways to protect yourself are identified.

Program Outcomes

The *I’m Banking on It!* class series was offered in Bonneville County during November of 2004. The Bank of Commerce sponsored newspaper advertisements, two \$100 savings bonds that were used for perfect attendance incentives, and refreshments for each class. The last class was taught by Bank of Commerce personnel. The University of Idaho Extension provided the classroom, the handouts, and the instruction of the first three classes. Twenty-three participants enrolled in the program and twenty had perfect attendance.



Participants completed a retrospective survey at the conclusion of the program. The percentage of the participants that marked 5 on a likert scale of 1-5 with 5 being the greatest knowledge is represented in the following table.

Before - % with greatest knowledge	Topics covered in the program	After - % with greatest knowledge
30%	Importance of tracking expenses	95%
20%	Methods for tracking expenses	80%
20%	Time impact on money saved	70%
15%	Ways to save small amounts of money	75%
10%	Information included in a credit report	85%
15%	How to request a credit report	100%
5%	How a credit score is figured	70%
5%	Ways Identity Theft occurs	80%
5%	How the Check 21 law influences consumers	65%
0%	Ways to improve my financial situation	80%

The following are responses when the participants were asked:

What changes will you make as a result of attending this class series?

- Plan to pre-save for wants using your chart.
- Remove SSN from checks.
- Purchasing a shredder and encouraging others to do likewise.
- I will be more careful with my junk mail.
- I have started saving money, going home for lunch etc.
- Deciding and figuring out the best credit card request, my credit report, etc.
- Quit mailing out bills from my mailbox.
- Follow the purchasing card given to us if the item is a want or a need.
- Save “found” money.

- I will remove many items from my wallet/purse.
- Not use the mailbox for outgoing mail.
- Watching my pennies that will become dollars.
- Overall increase the personal responsibility.
- Keep track of the “small” purchases.
- Being raised in an environment where my parents thought interest was cheap money distorted my spending and saving philosophies. I’ll show my children the importance of saving early.

Telephone follow-up survey

Six months after I’m Banking on It! was taught, the participants were contacted by telephone to follow-up on actions taken. Prior to the class, only one person had requested their credit report. Since participating in the program all but four contacted had requested their credit report. Everyone had increased their savings and only one had increased their debt by purchasing investment property. Those that had debt had decreased it. One couple decreased their debt by selling a vehicle. Another couple was able to save enough money to move into their own apartment before their first child was born.



For More Information

Barbara D. Petty, Extension Educator
 University of Idaho Extension—Bonneville County
 2925 Rollandet
 Idaho Falls, ID 83402
 208-529-1390
 Fax: 208-529-1391
 Email: bpetty@uidaho.edu

47-05bpetty-banking.doc
 12-05