

Evaluating Your Financial Literacy Program: A Practical Guide

**By
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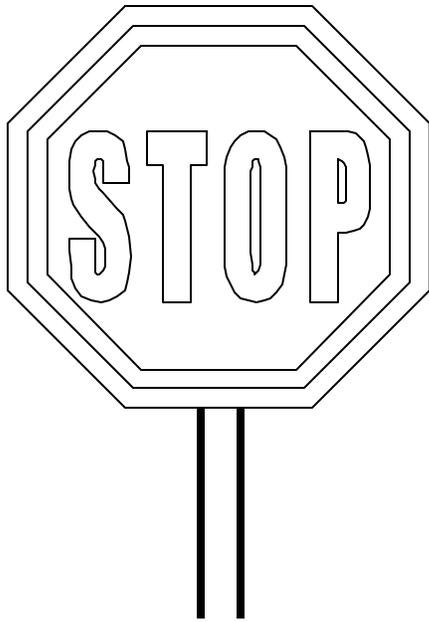
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About the Author

Katy Jacob is the Research, Communications, and Development Associate of Woodstock Institute. At the Institute, Katy has provided research and technical assistance on financial literacy programs, banking regulations, access to credit and capital, community reinvestment policy, credit unions' service to low-income people, and economic development issues. She has been involved in successful negotiations between community groups and financial institutions to increase those institutions' lending, investments, and financial services in lower-income areas. In addition to authoring six Institute reports, Katy has published articles in local and national community development journals. Katy holds a Bachelors of Arts in Sociology and English from Macalester College. She expects to receive her Masters in Urban Planning and Policy from the University of Illinois at Chicago in 2003.



WHY SHOULD YOU EVALUATE YOUR FINANCIAL LITERACY PROGRAM?

Because it's the best way to know if what you're doing is working! It is frustrating if you put a lot of time and energy into a project, only to realize that you have failed to meet your goals. Financial literacy is a vital skill for all of us. As we are becoming more responsible for our own financial well-being, it is important for us to understand the basics of the financial world as well as some of the more complex concepts so that we might avoid scams, stay out of debt, build assets, and maintain our independence. Students of financial literacy programs should walk away from their courses with an increased awareness and comprehension of financial concepts. The ultimate goal is for people to be able to utilize this knowledge to change their financial behavior for the better.

To evaluate your financial literacy program, first ask: What are the goals of the program? Who are you trying to reach? What level of financial literacy does your target audience currently possess? What additional skills would you like participants to gain from your program? Is this a one-time workshop or will you be engaging students in a long-term process? Once you answer these questions, you will be able to utilize this evaluation packet to figure out how well your program is working.

This evaluation is divided into several sections:

- **Section I:** will help you to evaluate participation in your workshop or program. This section is for your use only and does not need to be photocopied or handed out to students. The information in Section II will help you answer the questions in Section I.
- **Section II:** allows the participants in the program to evaluate your program. Photocopy these sheets and hand them out at the end of your workshop(s) to gain valuable feedback from your students. You should decide if you would like to require participants to include their contact information (name, address, etc.). This information will help you follow-up on your program, but it might affect the level of detail and honesty of participants' answers.
- **Section III:** includes a list of "before and after" questions to pose to your students. These sheets should be photocopied so they can be handed out to participants. If this is a one-time workshop, these questions will help you assess the current state of financial literacy or the general financial situation of your class. In this case, you will want to have participants fill out the forms in this section at the beginning of the course. If this is a longer-term set of workshops, you should ask your students to fill out the forms before and after completion of the workshop series. This way you can see what they have learned!
- **Section IV:** is a list of basic questions that every graduate of a financial literacy program should be able to answer. Though the questions might differ from the content of your curriculum, these questions exemplify the most basic financial knowledge that a person should know. While this sheet does not need to be photocopied, you could use it as a reference to gauge the knowledge of your students before and/or after your workshop(s).
- **Appendix:** includes a list of selected national resources for financial literacy providers.

Section I: Evaluating Participation in your Program (For Instructor's Use Only)

- How many people participated in this workshop?

- If you have offered previous workshops, is this attendance level more or less than before?

- Who is your target audience? Did you reach them?

- What marketing strategies did you use? (circle all that apply)
Direct mail; Phoning; Current Clients/Customers;
Radio/TV/ Ads Newspaper/Magazine Ads Community Partnerships;
Word of Mouth; Requirement for a Specific Program;
Other (List types): _____

- List the marketing strategies that you believe were most effective:

- What incentives, if any, did you offer participants? (i.e., match money for a savings or IDA account, discount on bank account, etc.)

- How many participants took advantage of incentives or program opportunities? For example, how many participants:
Signed up for a bank account:____ Opened an IDA account?____
Visited a financial institution?____

- Did participants feel that the workshop was effective?

Section II: Program Evaluation

Please provide some information about yourself. (This is confidential information and for internal purposes only).

1. How do you describe yourself? Please circle appropriate response. More than one response may apply:

African-American/Black

Caucasian/White

Latino/Hispanic

Asian/Pacific Islander

Native American/Alaskan Native

Other

2. Are you: (circle one)

Male?

Female?

3. Name the country where you were born: _____

4. What is your age? (circle one)

Under 25

25-50

Over 50

5. What is your household income, from all sources (including public benefits, child support, etc.)?

Under \$10,000/year

\$10,000-24,999

\$25,000-\$39,999

Over \$40,000

6. Are you: (circle one)

Married?

Single?

Divorced?

Widowed?

7. Do you have children/dependents? (circle one) Yes No

8. Do you rent or own your home? _____

Section II: Program Evaluation (cont'd)

9. **What is the highest level of education that you have received?** (circle one)

Some elementary school

Completed elementary school

Some high school

Completed high school

Some college

Completed college

Vocational school

Some graduate school

Completed graduate school

10. **Is English your first language?** (circle one) Yes No

11. **If you answered no to question 10, how would you rate your English language skills?** (circle one)

Excellent

Good

Average

Below Average

Poor

Section II: Program Evaluation (cont'd)

Please answer the following questions to help us improve our workshops.

Name:

Address:

City, State, and Zip Code:

Phone or Cell Number:

Email:

1. **Overall, how useful did you find this workshop?** (circle one)

Very Useful Useful Somewhat Useful Not Very Useful Not at all Useful

2. **What was the best part of the workshop for you?**

3. **Which part of the workshop would you say needs the most improvement?**

4. **Were we missing any topics that you would like to see covered?**

5. **Was this workshop at an appropriate level?** (circle one)

Too easy

Just right

Too difficult

Section III: Rate Your Financial Behavior on a Scale of 1 to 5

1=Never 2=Rarely 3=Sometimes 4=Usually 5=Always

1. I keep track of my expenses on a regular basis.

1 2 3 4 5

2. I put money aside for future purchases or emergencies.

1 2 3 4 5

3. I prepare a budget every month.

1 2 3 4 5

4. I make goals about how to spend money and I discuss them with my family.

1 2 3 4 5

5. I comparison-shop or buy things on sale.

1 2 3 4 5

6. I earn more money than I spend (I am not in debt).

1 2 3 4 5

7. I feel secure in my current financial situation.

1 2 3 4 5

8. I feel confident about my financial future.

1 2 3 4 5

9. I currently have or own in my name: (circle all that apply)

| | | |
|---------------------------|--------------|---------------------------------|
| Savings or Share Account | | Checking or Share Draft Account |
| Automobile loan | Credit Card | Certificate of Deposit |
| Mutual Fund | Student Loan | Home or Home Mortgage |
| Personal or Consumer loan | Stocks | Pension Plan/Fund |

Section III: Rate Your Financial Behavior on a Scale of 1 to 5 (cont'd)

1=Never 2=Rarely 3=Sometimes 4=Usually 5=Always

1. I pay only the minimum amount due on my monthly bills.

1 2 3 4 5

2. I pay my bills late.

1 2 3 4 5

3. I receive past due notices or calls from collection agencies.

1 2 3 4 5

4. I charge basic expenses on my credit card or take out loans for them.

1 2 3 4 5

5. I pay more than one third of my monthly income on debt, for example on credit card payments.

1 2 3 4 5

6. I worry that I will be turned down for credit because of my credit history.

1 2 3 4 5

7. If I own my home, I worry that I might lose it because of high payments or expensive loan terms.

1 2 3 4 5

8. I decide not to pay off one bill in order to be able to pay another one.

1 2 3 4 5

9. I dip into my savings to pay off bills.

1 2 3 4 5

10. I check the full cost of items I buy on credit, not just the monthly payment.

1 2 3 4 5

Section IV: 25 Questions that Relate to General Financial Knowledge

1. What is a credit union? How is it different than a bank or check casher?
2. How do I open a bank or credit union account and what do I need to know about the costs of these accounts?
3. What is the difference between a checking account, a savings account, and a money market account?
4. How do I write a check and balance a checkbook?
5. What other services besides checking and savings accounts do banks offer?
6. How much of my income should I save and why?
7. Where can I find a good guide to help me make a monthly budget?
8. What is the cost of credit card debt?
9. What do I need to know about introductory rates, regular rates and annual fees that come with credit cards?
10. How do I establish or rebuild a credit history?
11. What are the pros and cons of using a credit card?
12. Should I pay more than the minimum payment on a credit card bill? Why?
13. Can I hurt my credit record with just one or two late payments?
14. How do I get a copy of my credit report?
15. How long does information stay on a credit report?
16. How does bankruptcy affect my credit record?
17. What types of insurance are there? What does insurance do for me?
18. What does APR stand for and what does it tell me about my overall payments?
19. Where can I get a consumer or personal loan and how much does it cost?
20. Should I contribute to an employer-provided retirement plan if I can? Why?
21. What types of mortgage loans are there? How are they different?

**Section IV: 25 Questions that Relate to General Financial Knowledge
(cont'd)**

22. What are some of the major features of a predatory mortgage loan?
23. What is the Rule of 72?
24. What kinds of scams or fraud are there?
25. Who do I contact if I feel I have been the victim of consumer fraud?

Appendix: Selected National Resources for Financial Literacy Programs

American Savings Education Council (ASEC)

www.asec.org
(202) 775-6360

ASEC is a coalition of private and public institutions that offers a variety of resources that focus on the importance of and strategies for saving.

Consumer Action

www.consumer-action.org
(415) 777-9648

Consumer Action is a nonprofit, membership-based organization. It runs the National Consumer Resource Center, operates a free consumer hotline and offers free multilingual publications on consumer and personal finance issues.

Consumer Federation of America (CFA)

www.consumerfed.org
(202) 387-6121

CFA publishes pamphlets on many consumer issues, which are targeted to moderate-income people. It partners with other consumer groups and private corporations to market its materials.

Consumers Union

www.consumer.org
(914) 378-2000

Consumers Union is a nonprofit resource organization for consumers. It publishes *Consumer Reports*, advocates on behalf of consumers, and coordinates research and education projects on consumer, legislative, and regulatory issues.

Cooperative State Research, Education and Extension Service

www.reeusda.gov
(202) 720-7441

State Extension programs, which are run by the US Department of Agriculture and housed in public universities around the country, promote family economics, financial literacy, and consumer education in urban and rural locations.

Credit Union National Association

www.cuna.org
(800) 356-9655

This national association of credit unions provides educational information on credit unions as well as brochures and resources on financial education issues.

Department of Labor (DOL)
www.doleta.gov

The Department of Labor provides resources on welfare to work and other issues that can help working families or those affected by unemployment. DOL is also the information center for issues related to Electronic Transfer Accounts.

Department of the Treasury
www.treas.gov
(202) 622-1260

Treasury provides resources and materials on electronic funds transfer (EFT), direct deposit, and many other banking and consumer issues.

Fannie Mae
www.fanniemae.com
(202) 752-7000

Fannie Mae is one of the two major players in the secondary mortgage market. They provide materials and resources on homebuyer education and consumer education.

Federal Consumer Information Center (FCIC)
www.pueblo.gsa.gov
(202) 501-1794

FCIC operates within the US General Services Administration. It helps federal agencies develop and distribute consumer information, maintains a clearinghouse of free and low-cost booklets published by federal agencies, and produces the Consumer's Resource Handbook and the Consumer Information Catalog.

Federal Deposit Insurance Corporation (FDIC)
www.fdic.gov
(800) 934-3342

FDIC has a host of information on financial literacy and basic banking. FDIC also runs the MoneySmart program, which works with community groups, financial institutions, and governmental bodies to implement financial literacy programs and bilingual curricula.

Federal Reserve Board of Governors
www.federalreserve.gov
(202) 452-3693

The Federal Reserve System includes twelve district banks, all of which operate their own financial education programs. The Federal Reserve Board creates and publishes consumer education materials on financial issues. The district banks provide their own financial literacy resources and publications on various topics.

Federal Trade Commission (FTC)

www.ftc.gov

(202) 326-2222

The Federal Trade Commission monitors business practices and brings suits against companies that defraud consumers. It offers information for consumers on high cost loans, credit card debt, how to manage money during marriage or divorce, avoiding bankruptcy, and many other household financial topics.

Financial Literacy 2010

www.fl2010.org

(703) 276-1116

This program partners the Investors Protection Trust, National Association of Securities Dealers, North American Securities Administrators Association, and State Securities Agencies to promote financial literacy programs in public high schools. Teachers share information and resources on the organization's website.

Freddie Mac

www.freddiemac.com

Freddie Mac is one of the two major players in the secondary mortgage market. They provide information and resources on homebuyer education, understanding credit, and how to avoid predatory mortgage loans.

IDA Network

www.idanetwork.org

(202) 408-9788

This partnership between the Corporation for Enterprise Development (CFED), National Endowment for Financial Education (NEFE), and Fannie Mae Foundation provides Individual Development Account providers with resources on financial literacy education. There is a resource library on the Network's website.

Institute of Consumer Financial Education (ICFE)

www.finance-education-icfe.org

(619) 239-1401

The Institute is a nonprofit coalition of financial planners that works to educate, motivate, and empower the public to do a better job of spending, saving, investing, and planning. They offer curricula and resources on these issues.

Jump\$tart Coalition for Personal Financial Literacy

www.jumpstartcoalition.org

(888) 45-educate

Jump\$tart is a partnership of organizations and individuals that promotes financial education in schools. It has created a comprehensive clearinghouse of

personal finance resources, a national public relations campaign for improving financial literacy, and it promotes curriculum standards for various grades.

Junior Achievement (JA)

www.ja.org

(719) 540-8000

Junior Achievement's mission is to teach business and entrepreneurship skills to youth. JA has developed curricula for grades K-12.

Money2020

www.money2000.org

(217) 333-4901

Money2020 is run through the Cooperative Extension System and helps people increase savings and reduce debt. It offers personalized financial education classes, materials, and resources, and runs a program called America Saves.

National Community Reinvestment Coalition (NCRC)

www.ncrc.org

(202) 628-8866

NCRC is a coalition of over 800 organizations working on issues of community reinvestment and economic development. NCRC has developed a financial literacy training series in English and Spanish.

National Consumer Law Center (NCLC)

www.consumerlaw.org

(202) 986-6060

NCLC advocates for low-income consumers nationwide, produces bilingual consumer education materials, and distributes them through a network of legal service providers, Older-Americans-Act groups, immigrant organizations, etc.

National Consumers League

www.natlconsumersleague.org

(202) 835-3323

This group represents consumers on marketplace and workplace issues. It operates the National Fraud Information Center, develops training materials, conducts workshops, manages coalitions, and publishes consumer newsletters.

National Council on Economic Education (NCEE)

www.nationalcouncil.org

(800) 338-1192

NCEE is a nonprofit coalition that promotes economic education. It provides trainings and materials for educators. NCEE publishes materials, develops

curricula, and distributes teacher strategies and resources for classroom use. NCEE hosts a nationwide network of groups called "Economics America."

National Endowment for Financial Education (NEFE)

www.nefe.org

(303) 741-6333

NEFE and the Cooperative Extension Service created the High School Financial Planning Program (HSFPP) to facilitate financial education in high schools. NEFE also has an online clearinghouse of financial literacy materials.

National Foundation for Consumer Credit (NFCC)

www.nfcc.org

(301) 589-5600

This national association of over 1,300 nonprofit credit counseling offices offers low-cost debt-repair and educational materials on financial education issues.

National Institute for Consumer Education (NICE)

www.nice.emich.edu

(734) 487-2292

NICE is a clearinghouse and professional development center for financial education. It conducts workshops, produces educational publications, maintains a clearinghouse of materials, consults, and works on public policy issues surrounding financial literacy.

Neighborworks Network

www.nw.org

(202) 220-2300

This is a national network of almost 200 agencies that promote homeownership programs for moderate-income people. Local Neighborhood Housing Services (NHS) agencies offer one-on-one counseling for prospective homebuyers. The Network also has a foreclosure prevention program and a Home Buyers Club.

Securities and Exchange Commission (SEC)

www.sec.gov

(202) 942-8088

SEC has a Department of Consumer Education and provides resources on investing wisely and avoiding fraud in the securities industry. The free publications are targeted to adults who are investing in the stock or other securities markets.

Woodstock Institute

Woodstock Institute, a Chicago nonprofit incorporated in 1973, works locally and nationally to promote sound community reinvestment and economic development in lower-income and minority communities. It collaborates with community organizations, financial institutions, foundations, government agencies, and others to promote its goals.

The Institute engages in applied research, policy analysis, technical assistance, public education, and program design and evaluation. Its areas of expertise include: CRA and fair lending policies, financial and insurance services, small business lending, community development financial institutions, and economic development strategies.

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