

May 29, 2003

YWCA of Sydney
5-11 Wentworth Avenue
Sydney 2010

Daniel Ng
Centre for Popular Education
UTS
PO Box 123 Broadway,
NSW 2007,

Dear Daniel

The YWCA of Sydney in partnership with Citigroup Australia is undertaking a project called Finance First, which is designed to provide vital financial literacy education for disadvantaged and low income parents families. The project is funded through United Way International from a grant by the Citigroup Foundation.

The Finance First project is to research, develop, pilot and deliver two streams of financial literacy education programs, one for primary school children (called Common Cents) and the other for parents from that school community (called Even Start). Programs will be benchmarked by the Australian National Training Authority (ANTA) and the NSW Department of Education and Training (DET).

We invite you to submit a proposal in response to the brief attached to research and develop the curriculum for the adult/parent program, Even Start. The brief relates to the research and curriculum development for the pilot programs, which are most likely to run in second term next year. We require research to be undertaken to adequately form the basis of the curriculum development.

Whilst there are many programs and courses run by organisations on financial literacy education for low income adults, as far as we are aware there are no programs of this nature designed to complement primary school learning and targeting parents specifically.

We currently have research and curriculum development for the primary school audience in train with the NSW Department of Education. It is expected this will be completed within three months. They are aware that this is to be a joint program and have allowed for collaboration with the successful tenderer in course design for the adult component during that period.

The YWCA of Sydney is an effective and action oriented community service organisation guided by the philosophy of empowering people in disadvantaged and difficult situations to become independent and reach their full potential. The YWCA of Sydney is responsible for ensuring the project meets all the grant guidelines.

Any enquiries regarding the brief may be directed to me on 9285 6213

Yours sincerely

Rosanne Hunt
Finance First Co-ordinator

Brief: Even Start Personal Financial Literacy Education

Target: Adults from a socio-economically disadvantaged background. These will be parents who have children attending primary schools participating in the CommonCents personal financial literacy program referred to in the accompanying notes.

The course developed for the primary school curriculum will cover K-2, 3-4 and 5-6. The pilots in the schools will be conducted with one class in each stage. Therefore there will be 3 pilot courses in each school. We envisage that 2 adult programs will be run in each school community, incorporating parents with children across the entire range.

Research

Objectives

- To research and identify needs in personal financial literacy education for adults from low socio-economic backgrounds
- Review current information and programs on adult financial literacy education
- Establish competency standards for the program against National standards for adult personal financial literacy education.
- Identify the information needs of the target audiences (adults/parents in primary school communities in three locations) in relation to personal financial literacy education.

Outcomes

- Report defining key competencies required in personal financial literacy for adults from low socio-economic backgrounds.
- Outline relationship to competency standards or map against national competency standards.
- Outline of knowledge needs specific to target groups
- Need to include a reference to the curriculum meeting the standards of ANTA

Course Development

Objectives

- Develop most appropriate key learning areas for the program
- Collaborate with the developers of the CommonCents program at DET to determine appropriate course complements.
- Identify key issues or concerns associated with course attendance by participants to inform program design and maximise involvement and completion by participants

- Identify issues arising from disparities in audience including levels of knowledge, experience and background.
- Devise course modules for broader needs of parent group which complement CommonCents program in schools.
- Develop pedagogical approaches to delivery of the program
- Incorporate the use of financial sector volunteer mentors in program planning
- Develop a framework to measure changes in the participant's understanding and knowledge on completion of the program

Outcomes

- A Personal Financial literacy curriculum for the defined target audience incorporating objectives, assessment tools and learning outcomes in digital format. The course should also complement the Common Cents program as appropriate and give guidance in sharing the learning experience with students.
- A program delivery outline incorporating timing, location, learning environment requirements and pedagogical approaches for delivering the modules
- An evaluation tool for the course
- The requisite support materials to be produced
- Identification of relevant training or qualifications required by program educators

Budget available: \$12-15,000

Response to Brief

A response to the brief is required by Monday June 9. The response document should also include the following:

- ◆ Background on your organisation including examples of previous work related to the subject of the brief and information on personnel to be assigned to the program.
- ◆ Demonstrated understanding of defined objectives and outcomes
- ◆ A detailed budget breakdown relating to the separate areas of research and course development.
- ◆ Methodology applied to meet objectives including personnel, process and time frames.

Responses may be forwarded to

Rosanne Hunt
 Finance First Co-ordinator
 YWCA
 5-11 Wentworth Ave,
 Sydney NSW 2010 or
 email finfirst@ywca-sydney.com.au

Background to the Finance First Project

Objectives

Finance First Objectives are:

- ◆ To research gaps in community financial literacy and develop programs which meet the identified needs of children and parents from low-income families.
- ◆ To develop and deliver an independent unbiased financial literacy education program through 12 “Finance First” courses within disadvantaged school communities in Sydney’s inner city, outer west and regional New South Wales over a two year period.
- ◆ To raise community awareness of the benefits of financial literacy education
- ◆ To achieve sustainability and portability of financial literacy education by ensuring community ownership of programs through the development of a training product (possibly CD ROM) of Finance First course, materials and resources.

Expected outcomes

The project, will deliver the following benefits through the training of 120-180 parents & children in financial literacy education principles over the 2 years.

- Increased ability within low income families to establish and maintain budgets and minimise personal, household and credit card debt
- Increased awareness & understanding of predatory financial services practices and strategies to avoid them
- Increased level of financial literacy within low income families which will help to break the cycle of intergenerational illiteracy within Australian families
- Improved financial literacy skills and understanding of personal finance needs within low income families
- Availability of a portable training product (CD ROM) for national distribution and delivery of the curriculum to a wider target audience
- Community & New South Wales Department of Education & Training ownership of the program following Citigroup seed funding
- Implementation of “Finance First” curriculum within New South Wales education system.
- Successful development of a national benchmarked financial literacy education program, which meets the national training curriculum requirements stipulated by the Australian National Training Authority.

Finance First pilot methodology

The targeted programs throughout the “Finance First” project enables testing, refining and evaluation of the research and curriculum development phases and ensures the accuracy of appropriateness of resource material and delivery methods.

The program models, which combine interactive learning, skill workshops, roundtable discussions, and mentoring has proved to be successful in the targeted delivery of “The Women in Business” mentor program, run by The NSW Department of State and Regional Development and delivered by The YWCA of Sydney.

This model also acknowledges vulnerable consumers preferred learning methods for financial literacy education. The National Institution for Financial Literacy (US) indicate that the top three preferred learning methods for financial literacy education for single parents on benefits are “talk to someone”, “read a booklet” and “go to evening class”. The “Finance First” model

incorporates these preferences. The addition of excursions and simulations in the “Common Cents” pilots reflects the need for children to be engaged through interactive learning.

The skill workshops and roundtable discussions provide for content and delivery flexibility and are based on the generic financial literacy topic areas identified by ASIC. Each program incorporates a curriculum development phase to assess the core topic areas and pedagogical relevance of delivery to establish how topics are delivered to each target group. This assessment would be based on the prior knowledge and learning preferences of the different target groups. This methodology is designed to negate the “one size fits all” approach that has been criticised by ASIC as ineffective for broad based financial literacy education.

Even Start program

This program is designed to encourage financial literacy education as an ongoing feature of family and civic life and seeks to reinforce the children’s learning in Common Cents. “Even Start” will address systemic and attitudinal barriers to financial literacy for parents from low-income families.

This program will be piloted at three schools identified as Priority Funding in the inner-city, outer Sydney and a regional centre next year.

As a guide we suggest that each “Even Start” program will run over approximately 8-10 weeks and be designed to coincide with school term times. 10-15 parent participants per program will be recruited through the school partnerships established in “Common Cents”. While the parents of children who have participated in “Common Cents” will be encouraged to engage in the programs, participation will be open to all parents in the selected school communities. Each of the “Even Start” programs may incorporate a series of:

- 6 x two hour skill workshops
- 2 x two hour facilitated roundtable discussions
- 1 x two hour mentoring orientation and training session (see mentoring details below)
- 1 x two hour mentor/mentoree matching session
- Group mentoring included in sessions

As a guide, this stream could develop curricula, which will focus on:

- The benefits and strategies to achieve budgeting and financial goal-setting
- Saving and wealth creation
- Problem solving some of the barriers to accessing mainstream financial services
- Credit and debt management
- Consumer rights and avoiding predatory financial services practices
- Teaching financial literacy to your family

“Common Cents” pilots & programs

Key educators believe that the life-long attitudes towards financial literacy and money management are developed at a young age and that most of our children and young people are missing out on that valuable learning. This particularly impacts on the children of low-income families who are more likely to be financially illiterate.

The “Common Cents” stream for children has the potential to create long-term changes to their financial empowerment and independence through an awareness of spending, giving, short and long term saving and wealth creation. (Matterson, Helen “Money literacy a school subject” *The Weekend Australian* April 27-28, 2002).

Each “Common Cents” program may be 10 weeks in duration and will be designed to coincide with school term times. The pilot programs will cover Yrs K-2, 3-4 and 5-6. NSWDET are currently researching and developing the course content for each Stage. It is hoped that the course will focus on some of the topics listed below:

Understanding the value of money
Setting financial goals and basic budgeting
Spending, saving and giving your money wisely
Creating wealth for example “the ASX sharemarket game”
Banking and knowing your rights as a consumer of financial services

Mentors

Mentoring is a crucial element of the design of the “Finance First” project. Mentors and mentorees (participants) establish a relationship in which the mentor can support, challenge and provide vision to their mentoree. “Finance First” mentors will undergo orientation and mentoring training and the matches will be supported to ensure that the full benefits of mentoring can be achieved through the project. It is critical to note that successful mentoring is based on shared knowledge and relationship development.

The skills required of mentors include a commitment to sharing financial literacy skills and knowledge, preparedness to give 8 to 12 hours of quality time to their mentorees, empathy and positive communication skills. The role of the mentors is to support and challenge their mentorees as they set out to identify and meet their personal financial literacy goals. This will be achieved by mentors acting as sounding boards for ideas and concerns, providing guidance and direction, identifying skill and maintaining confidentiality and impartiality at all times. As such a moderate level of financial expertise is expected of the mentors. “Finance First” will encourage Citigroup employees to participate, as mentors and interest will also be sought from local communities. The mentoring element allows for:

- The meaningful involvement of Citigroup employees in a community partnership project
- The professional and personal development of Citigroup employees through mentor training and support, which includes up-skilling in time management, communication, critical problem solving, planning, mentoring experience and understanding
- Role modelling of processes, behaviours and attitudes towards financial literacy required for “Finance First” participants to experience effective long-term change
- The YWCA of Sydney’s 20-year history of delivering formal mentor programming situates us to effectively deliver the training, supervision and support required for mentoring to be effective