



# South Carolina Extension Family and Consumer Sciences Newsletter

August 2004

## Success Stories

### **Meeting the South Carolina Personal Finance Education Mandate Training**

Forty-nine professionals who work with over 3,000 older youth in South Carolina attended a full day of training on July 14 at the Embassy Suites in Columbia. The workshop was coordinated by Dr. Nancy Porter and sponsored by Clemson Cooperative Extension, the South Carolina Credit Union League, and the South Carolina Bar Law Related Education Division. Funding for the event was received from The McGraw-Hill Companies through the Jump\$tart Coalition and the National Endowment for Financial Education<sup>®</sup> (NEFE<sup>®</sup>).

The program featured three curricula that are available for use to meet the new South Carolina mandate for personal finance education: the High School Financial Planning Program (HSFPP)<sup>®</sup> available from NEFE<sup>®</sup>, the Financial Champions program available from the 4-H Cooperative Curriculum System, and a new program developed by the South Carolina Bar, which complements the HSFPP. Attendees received numerous resources and teaching strategies to use in their classrooms, as well as an overview of youth and finances. Program evaluations yielded a ranking for the overall training as 9.65 out of a possible 10.

### **Investing for Your Future Team Members Honored with National Extension Award from American Association of Family & Consumer Sciences**

Barbara O'Neill, CFCS, Rutgers Cooperative Extension, and team members Patricia Brennan, CFCS, Rutgers Cooperative Extension; Linda Kirk Fox, Washington State University; Connie Kratzer, New Mexico State University; Irene Leech, Virginia Tech; Nancy Porter, CFCS, Clemson University; Jane Schuchardt, U.S. Department of Agriculture Cooperative State, Research, Education, and Extension Service; and Gerri Walsh, U.S. Securities and Exchange Commission, received the American Association of Family and Consumer Sciences (AAFCS) Excellence in Extension Award at the recent AAFCS Annual Convention & Exposition in San Diego, CA.

The award was presented to the team during the Recognition Luncheon by Deborah J. Nelson, CFCS, Vice President, Services. The Excellence in Extension Award honors outstanding Extension System programming, which enables people to improve their lives and communities through learning partnerships.

Barbara O'Neill and her team developed "Investing for Your Future," in response to studies

showing that many Americans may not be educated about investing, and therefore, are not making the most of their money for retirement or other purposes. The team's successful online and home-study program teaches the basics of investing to beginners with small amounts of money and to workers who need to make decisions about their employer-provided retirement plans. The program includes a 158-page course and study guide, a curriculum (PowerPoint® slides) for a six-week class series, a monthly investing email for registered online users, and web-based supplemental materials, and is updated regularly to reflect changes in the tax laws. More than 1,500 people have registered for the online course, which can be found at <http://www.investing.rutgers.edu/>.

## **Subject Matter Update**

### **The Financial State of Young Adults in America**

Young adults in America have a difficult time attaining stable financial footing, earning the name "Generation Debt." Student loans, car loans and credit card balances add-up to a substantial burden on their livelihoods.

1. Nearly half of recent college graduates have unmanageable education debt, paying over 8% of their monthly incomes to student loan companies (with a median debt load of \$18,400).
2. Over 25% of college students use credit cards to help finance their education with an average amount of \$5,000.
3. The median salary for young adults is approximately \$24,000 per year.
4. Over 30% of young adults are uninsured.
5. Housing costs for renters are over 25% higher than in the 1980s (in constant dollars).
6. Young adults have an unemployment rate 2 - 3 times the rate of older cohorts.
7. The jobs lost over the past few years have been replaced by lower paying jobs. Most are in the service and retail sectors, both of which hire a preponderance of part-time employees and do not provide health or retirement benefits.

With this data in mind, consider the following scenario for the average recent graduate from a private college who moves to Washington, D.C. He has a monthly take-home pay of \$1,340. With this money, he must repay his loans (\$195.16); pay the minimum monthly credit card payment (\$125.00); and pay for his basic living costs, including rent in a dingy group house, commuting costs, car insurance, utility bills and groceries (conservatively estimated at \$1,050). Before this individual has paid for health insurance, paid for any entertainment (even a movie rental), or saved for an emergency or retirement, this recent college graduate will increase debt by approximately \$30 per month.

Inevitably, this accumulation of additional debt will lead to an increased reliance on credit card debt. Saving for the future, buying a home or building other assets at a young age is therefore

extremely difficult, if not impossible. The issue of savings is particularly pertinent with the per capita savings rate at its lowest level since the Great Depression.

Therefore, creating fiscal policies that encourage savings and financial security is paramount to the economic well-being of young Americans and America, writ large. Without increasing savings and implementing effective entitlement reform (an essential combination), young Americans will grow older without the Trinity of retirement assets: savings, pension, and Social Security.

**Source: Jonathan Zaff, Ph.D., Washington, D.C, President and Co-founder of [18to35](#), a non-partisan policy organization dedicated to engaging young adults in the political process.**

## **Partnerships/Collaborations**

### **SCFCL**

The national meeting of the National Volunteer Outreach Network (NVON) was held in North Charleston, South Carolina on July 15 - 17. One hundred sixty-eight people attended the meeting from seven states. The theme for the meeting was “Visions of the Future - Building on the Past.” Betty Buff from Lexington County FCL presided over the meeting as the current national president. Pam Hanfland, also from Lexington FCL, will become the new national president in January 2005. Clemson Extension Agents presented numerous programs during the conference including Leslie Spivey’s “Cornbread, Pot Likker, and Sweet Ice Tea;” Barbara Lupo’s “Mushrooms;” Marilyn Peter’s “Seafoods, Salads, and Sauces;” and Susan Hovey’s “Live from Leipzig.” Linda Crew, Clemson University Sullivan Center, presented “A Moment on Your Lips, A Lifetime on Your Hips.”

NVON is a non-profit organization dedicated to “Member organizations working together to promote communication, education, and volunteerism for all people.” The organization was founded in 1994 at a meeting of the Country Women’s Council (CWC). NVON membership in seven states is currently 74,445.

## **Demographic Information/Statistics**

### **America’s Children in Brief: Key National Indicators of Well-Being 2004**

In a report on the well-being of America’s children released recently, the Federal Interagency Forum on Child and Family Statistics finds strong gains in some areas - a record low teen birth rate, a lower death rate for kids and young teens, and a drop in the likelihood that youth will be victims or perpetrators of violent crimes. Among the less promising findings is a rise in the percentage of children living in poverty, a greater incidence of overweight children, and small increases in the percentage of low birth weight infants and the percentage of babies who die before their first birthday. For additional information, visit <http://www.childstats.gov/ac2004/pressrel.asp>.

### **Broadband Penetration on the Upswing: 55% of Adult Internet Users Have Broadband at Home or Work**

According to a new report by the Pew Internet and American Life Project, 55% of adult Internet users have access to high-speed Internet connections, either at home or at work, and that number is growing. However, rural users lag in broadband adoption because they lack the infrastructure availability. Only 10% of rural Americans go online from home with high-speed connections, about one-third the rate for non-rural Americans.

You can view this report at [http://www.pewinternet.org/PPF/r/81/press\\_release.asp](http://www.pewinternet.org/PPF/r/81/press_release.asp).

**Source: John B. Horrigan, April 2004, Pew Internet and American Life Project**

### **Rural Areas and the Internet**

A 38-page report, released in February 2004, examines the use of the Internet by rural Americans. Based on its 2003 survey's findings, only 52% of rural residents use the Internet, compared to 67% of urban and 66% of suburban residents. Other interesting comparisons involve perceptions of the Internet, online activities, broadband adoption, and demographics.

You can view this report at <http://www.pewinternet.org/reports/toc.asp?Report=112>.

**Source: Peter Bell, Pavani Reddy, and Lee Rainie, February 2004, Pew Internet and American Life Project**

### **Resources and Websites**

#### **Consumer Privacy: Who's Got Your Number**

Compiled by the Iowa State University Extension Service, this site contains a comprehensive list of resource links on the issue of privacy. It includes consumer protection information, guidelines for reporting fraud, downloadable consumer privacy brochures, a list of top scams, and much more. You can view this website at <http://www.extension.iastate.edu/financial/links.html>.

#### **Calendar of Events**

Food and Nutrition Conference and Expo 2004, October 2 - 5, 2004, Anaheim, CA. More information is available at the American Dietetic Association webpage at [http://www.eatright.org/Public/96\\_13100.cfm](http://www.eatright.org/Public/96_13100.cfm).

SCFCL Annual State Conference, "SCFCL, Family Reunion," November 11 - 13, 2004, White Oak Conference Center, Winnsboro, S.C.

Association for Financial Counseling and Planning Education Conference, November 17 - 20, 2004, Denver, CO. Information can be found at [http://www.afcpe.org/\\$spindb.query.listallconf.aview](http://www.afcpe.org/$spindb.query.listallconf.aview).

California Childhood Obesity Conference, January 9 - 12, 2005, San Diego, CA. Information can be found at <http://nature.berkeley.edu/cwh/activities/conferences.shtml>.

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