

# AFC Money Watch

Volume I, Issue 1

Keeping you informed.

## NSLP Financial Literacy Staff

**Sharon Cabeen, AFC**  
Vice President for  
Financial Literacy  
sharonc@nslp.org

**Brenda Vaughn, AFC**  
Director of  
Financial Literacy  
brendav@nslp.org

**Mel Stephens, AFC**  
Financial Literacy  
Consultant  
mels@nslp.org

**Nic Ourso, CFP, CPA**  
Financial Literacy  
Consultant  
nicourso@bellsouth.net

**Pauline Balta, AFC**  
Senior Coordinator  
paulineb@nslp.org

If you would like to contribute an article or have suggestions, please contact Brenda Vaughn at [brendav@nslp.org](mailto:brendav@nslp.org).

## NSLP Hosts First-Annual AFC Symposium

NSLP's Financial Literacy team held its first NSLP Accredited Financial Counselor Symposium, "Celebrating Money Management Independence", on July 7th in Washington, D.C. The free event was open to anyone who was interested in AFC, currently in the program, or had already graduated. We had representatives in attendance from AFCPE, DeVry, New Mexico State University, Ross University, and the University of Virginia. Three of the five participants were AFC graduates. The other two had completed the course work and were waiting to take the final exams; since then, both have passed the exams and are working through the certification process.



*Back row: Scott Miller, University of Virginia; Nic Ourso, NSLP; Brenda Vaughn, NSLP; Mel Stephens, NSLP.  
Front row: Catherine Salcido, New Mexico State University; Sharon Cabeen, NSLP; Helen Dugger, University of Virginia; Michelle Stipp, DeVry.*

This issue will recap the symposium for attendees as well as those who could not attend. In this edition, you will have a summary as well as the comments, suggestions, and concerns that were brought up at the event. You will also find a list of AFC graduates around the country. We hope it will serve as a great networking resource for you as you continue to provide financial literacy on your campus.

NSLP's mission is to assist students and families with higher education access by providing loan guarantee and student loan-related services to the financial aid community and student loan industry. The Financial Literacy team is committed to providing NSLP constituents with financial literacy education and assistance designed to maintain the integrity of the loans NSLP guarantees. The AFC program through AFCPE is one of the many ways in which we provide assistance. The symposium and this newsletter are continuations of the support we offer to AFC professionals within the financial aid community.



# Now It's Time to Use Your AFC

## Developing Your Unique Financial Literacy Plan

Sharon Cabeen, Vice President for Financial Literacy, NSLP

**N**ow that you have your AFC designation, have you been asking yourself what you're going to do with it? More than likely, someone introduced the concept of becoming certified as a financial counselor to you and you lit up! Either you felt that this might give you more opportunity in your personal, work, or future life or you saw a need on your campus that you felt you could meet with more expertise in financial literacy. Perhaps there were other reasons you chose to embark on several months of very difficult and time-consuming course work.

Whatever the reason, you now have the knowledge and experience to make your own unique financial literacy initiatives happen all around you!

At the AFC Symposium in July, several AFCs started thinking about how they would put together financial literacy plans for their schools. Here's how you can get started:

**Where to find and recruit help?** You should pick people with passion! Look for people who:

- can't stop talking about what they love
- gather every tidbit they find about their passion
- get other people excited about what they love
- are able to engage others to help them with an idea
- keep moving until they accomplish their tasks and goals

**How to get the ball rolling?** Just do it!

- call a meeting of those passionate people you listed
- lead a brainstorming session over a donated lunch
  - keep all ideas on the table
- guide the group through the process of prioritizing what is realistic to accomplish in the given time frame
- establish teams of people to work on various projects
- set another meeting time

**How to make the plan work?** Choose a path and march forward!

- establish a mission statement and look realistically at opportunities and challenges ahead
- define the desired project outcomes/financial behaviors you want to impact and how you will measure results
- organize helpers based on what needs to be accomplished and set expectations, tasks, and timelines

**And how to do all this without reinventing the wheel?**

Find winners and stick with them!

- don't be shy about finding and using co-branded materials and ideas
- research other campus and financial aid industry partners, visit their websites to see what they have done
- ask team members to go back to their own industries and research options
- then create your own unique events and learning activities based on the needs in your own culture

**Final tip:** If your first event or initiative isn't as successful as you'd hoped, don't give up! Get your passionate people back together, assess, reassess and make changes suggested in outcome evaluations. Most colleges find that a year or two into providing financial literacy programs, students are participating at higher rates and are eternally grateful to have this service available!

## Talking Points:

### An Update from AFC Symposium Roundtable Discussions

Mel Stephens, Financial Literacy Consultant, NSLP

We were able to gather a lot of useful feedback from those who attended the first annual AFC Symposium and participated in our roundtable discussions. Some interesting highlights from the conversations are as follows:

- Because of their training, AFC participants report that they feel more confident handling financial questions when working with students and parents.
- Participants stressed the importance of networking to the whole campus in an effort to educate students. All agreed that more must be done to gain support from the highest levels of campus administration as well as other campus organizations.
- The attendees agreed that every effort should be made to reinforce what their institution is doing by reaching out to schools as well as local print and electronic media to announce events and apprise the community of their positive efforts.
- Try not to reinvent the wheel. If there are programs already established within your community, team up with them. Examples of who to contact might be credit unions or other higher learning institutions in your area.

One part of the discussion that set itself apart from the others focused on what participants really want their students to learn. Should education simply focus on how to create a budget (a skill), or go more in-depth and teach students how to maintain their budgets (a behavior)? Should we be satisfied if students simply start a savings plan (skill), or do we want them to know where to invest their money to maximize their saving capability (behavior)?

Our participants agreed that most educational tools only teach students financial literacy skills and that there is more need for programming that focuses on behaviors that could eventually develop into habits (which everyone agrees is critical for financial success). But what behavior should be learned when? Do freshmen need to develop the same behaviors as seniors or graduate students?

Take a minute and think about this, you may want to poll your staff, or do some research with your students. Once you have come up with some conclusions we would love to hear your thoughts. Please complete our [survey](#) to share your thoughts on which “behaviors” you feel need to be gained by students during the various stages of their college careers.

### Tell us what you think!

[Click here](#) to take our quick, online survey and share which behaviors you think students should learn while in school.

# Beyond the AFC Designation

Nic Ourso, Financial Literacy Consultant, NSLP

Achieving the Accredited Financial Counselor (AFC) designation is certainly a major step in our financial careers. To have those three initials behind your name clearly communicates to your clients, the public, and your coworkers that you have gone the extra mile to enhance your ability to serve which, in turn, builds trust. And, as you know, building trust is certainly an important part of financial counseling.

A financial professional is normally expected to have a certain educational background, to have significant professional experience, to be licensed, and to have exhibited a commitment to helping others. As an AFC, you can clearly demonstrate all four of those attributes.

Some of you may choose to go beyond your AFC designations and earn additional designations and credentials. Some to consider are:

- Certified Financial Planner (CFP) – A CFP must pass a two-day examination, have three years of work experience, agree to adhere to a code of ethics, and continually update their knowledge of financial planning. A CFP can choose to be a fee-only basis planner, a fee and commission planner, or a combination of the two.
- Chartered Financial Consultants (CHFC) – A CHFC has passed the financial services curriculum sponsored by the American College of Bryn Mawr, Pennsylvania with an emphasis in life insurance. This designation is closely related to the CLU (Chartered Life Underwriter) certification, which requires training in life insurance.
- Certified Public Accountant (CPA) – CPAs have passed an examination in accounting under the auspices of the AICPA (the American Institute of Certified Public Accountants) and work primarily in accounting and tax matters for individuals, small businesses, and corporations, as well as auditing.
- Mutual Fund Chartered Counselor (MFCC) – A MFCC has passed a nine-part education program and a final exam on topics ranging from mutual funds to ethics and professional conduct. This designation is conferred by the National Endowment for Financial Education and the Investment Company Institute.
- Registered Investment Adviser (RIA) – RIAs have registered with their state officials or with the Securities and Exchange Commission to give investment advice. This is a registration-only designation—there are no standards or testing.

Each individual AFC should evaluate which designations may fit within their own particular needs. These additional designations and credentials can often enhance one's reputation and client trust. In addition, they may help to build one's confidence and, to some extent, increase job satisfaction.

# AFCPE Certified Counselors Required to Complete CEUs

Sharon Burns, Executive Director, AFCPE

One of the components of a rigorous professional certification program—whether it be a financial, health, or other business certification—is the requirement to obtain continuing education to maintain the designation. The National Organization for Certifying Agencies includes such a requirement before it offers its stamp of approval for a professional certification program.

AFCPE requires that each certified individual meet two criteria for retaining the professional designation—an annual recertification fee must be paid and continuing education credits must be earned. Accredited Financial Counselor professionals must earn 30 hours of continuing education during a two-year reporting period. The reporting period runs from January 1 of an even-numbered year through December 31 of the subsequent odd-numbered year. The next full reporting period will be January 1, 2008 through December 31, 2009. According to recently-adopted AFCPE policy, individuals certified in the second year of a two-year reporting period will not be required to earn CEUs by December 31, 2009 (or the end of the two-year period).

Toward the end of the second year, AFCPE will be sending you a packet containing a letter and a CEU reporting form. You are required to return the reporting form, listing all of the CEUs you have earned. If selected for an audit, you will be required to submit your certificates and/or AFCPE's CEU approval form as verification.

Counselors may receive continuing education units (CEUs) through AFCPE programming or through programs offered externally through relevant professional education sponsors. Counselors may attend conferences, seminars and workshops; write newsletter or research articles and book reviews; or develop and present new programming.

Qualified CEU programs must increase the breadth or depth of the counselor's knowledge and skill set in either a financial or counseling related topic area. The ultimate goal is to enhance the counselor's ability to serve his/her clients.

For a more thorough explanation and reporting forms, go to [www.afcpe.org](http://www.afcpe.org) and follow the certification and CEU links.

## NSLP's AFC Graduates

Lisa Benatti, University of North Carolina

Sharon Cabeen, National Student Loan Program

Sue Cooper, Barton County Community College

Carol Dolan, Midwestern University

Helen Dugger, University of Virginia

Erik Lips, Emory University

Scott Miller, University of Virginia

Karla Nicholas, Florida College

April Qualls

Janine Russell, Fontbonne University

Mel Stephens, National Student Loan Program

Brenda Vaughn, National Student Loan Program

Michelle Williamson, University of South Florida  
Medical Center

## Spotlight:

### Catherine Salcido

Outreach Coordinator,  
Office of Student Financial Aid  
and Scholarships

New Mexico State University

19 years in Financial Aid



which will fill the needs of our students on campus and the state's initiative to have financial literacy within the K-12 school system. Becoming an Accredited Financial Coun-

selor gives me knowledge and a strong foundation for the work that lies ahead.

*What is the greatest misconception about financial literacy?*

I feel that would have to be in the name. What is meant by "financial literacy"? I get this question from people who fit into all demographics in New Mexico.

*Give us two or three examples of how you use your AFC on your campus.*

My focus has been on the need to educate people on financial literacy and what the desired results would be in the future. Currently, I have approached several university programs such as the TRIO Education Talent Search Program, Upward Bound Program, the Center for Academic Success, and Campus Activities about the need to educate on financial literacy. I have one University 101 instructor using portions of NSLP's Financial Literacy Online in her classroom this semester. Within the community, I have visited with all four high schools with three of the four schools on board with facilitating some type of financial literacy program. I have also worked with the local district's superintendent of schools in looking at ways financial literacy programs could become a stronger part of the curriculum.

*What keeps you busy when you are away from work?*

I enjoy spending time with my family and my grandchildren. I also volunteer within my church as a Catechist for Confirmation, and within the community for the International Mariachi Conference. On a peaceful, quiet evening or weekend, I like to just sit down and do nothing—those are few and far between.

*What stimulated your interest in becoming an Accredited Financial Counselor? When did you realize there was a need for financial literacy on your campus?*

While working as a loan coordinator it became very apparent that many students would borrow student loans without understanding the debt obligation they would be responsible for later.

New Mexico State University had rising default rates and we realized the current student population and new students were lacking in the basic fundamentals of money management. New Mexico is bringing about initiatives to educate New Mexicans on money matters.

My newly-created position of outreach coordinator is the first step in coordinating and developing programs



## NSLP Seeks Nominees for Benjamin Franklin Award

NSLP is pleased to announce that it has established the Benjamin Franklin Award for an Outstanding Financial Literacy Program by a Postsecondary Educational Institution. It is now seeking nominations for this award.

The award is named after Benjamin Franklin—printer, intellectual, scientist, diplomat, and founding father. Franklin also became America’s earliest financial literacy educator in 1732 when he published *Poor Richard’s Almanack*, a collection of down-to-earth insights and suggestions stressing thrift and industry. As Poor Richard, Franklin counseled his readers with axioms such as: “If you would be wealthy think of saving as well as getting,” and “Many a man thinks he is buying pleasure when he is really selling himself a slave to it.” Franklin also used his printing skills to produce paper money, helping to establish the nation’s paper currency system.

According to Brenda Vaughn, NSLP Director of Financial Literacy, “Our work with postsecondary students all across the country confirms that many of them need financial literacy education, but few of them received it in K-12 schools. This means their postsecondary years may be the last, best opportunity to provide it to them.” Therefore, the purpose of NSLP’s Benjamin Franklin Award is to recognize creative, high-quality institutional financial literacy programs that have meaningful impacts on students.

NSLP intends to confer the Benjamin Franklin Award on one postsecondary institution each year based on the following criteria:

1. **Creativity.** To what extent does the program take an original and resourceful approach to serving postsecondary students in need of financial literacy education?
2. **Quality.** To what extent are the program’s materials, content and methods appropriate and useful for helping the postsecondary students it serves develop the personal financial management skills necessary to achieve financial independence?

3. **Impact.** What impact resulted from the program? For example, how many students did it reach and how effective was the program at providing them with the information they needed?

4. **Sustainability.** To what extent is the institution committed to continuing the program to serve the financial literacy education needs of future students?

To apply or nominate an institution for the award, please send a letter of application as directed below. This letter should be no longer than five pages, including supplemental information. The letter should include a description of the program and how it meets the criteria stated above. Please include a contact person, title, address, phone number, and e-mail address. All letters should be postmarked by January 1, 2008.

If you are interested in learning more about NSLP’s Benjamin Franklin Award or if you wish to submit a nomination, contact:

Tom Melecki  
Vice President for Policy, Research and Planning  
National Student Loan Program  
P.O. Box 82507  
Lincoln, NE 68501-2507  
800-735-8778

NSLP will announce the first recipient of the Benjamin Franklin Award during Financial Literacy Month in April 2008.