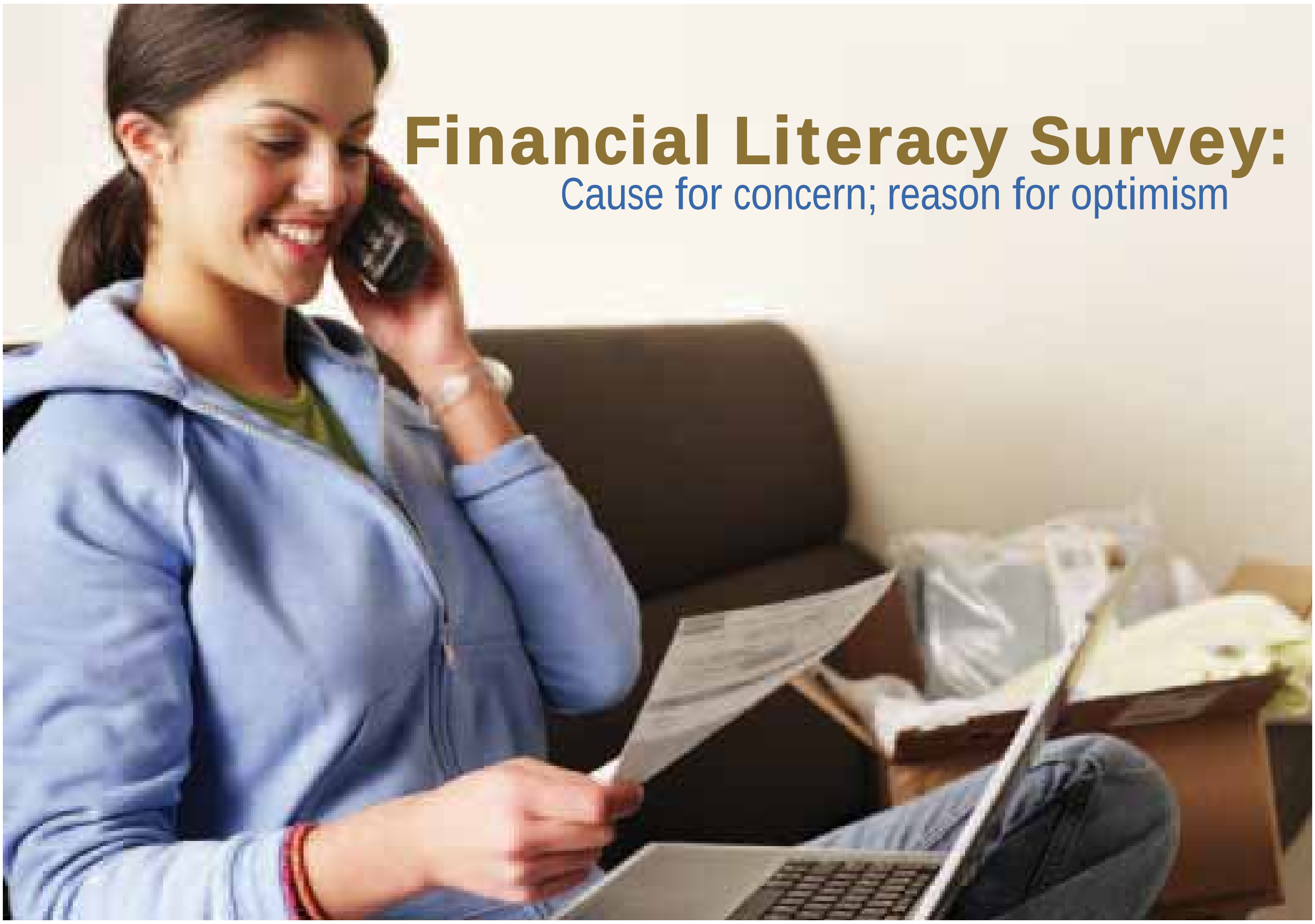

Financial Literacy Survey:

Cause for concern; reason for optimism

If you believe high schoolers ought to graduate with enough basic knowledge to make sound financial decisions, then you'll find cause for concern and reason for optimism in Jump$tart Coalition's most recent financial literacy survey.

The cause for concern is readily apparent. Since 1997, when Jump$tart began assessing the financial literacy of America's 12th graders, results have actually declined. The average score among participating 12th graders in 2002 was 50.2 percent — down from 51.9 percent in 2000 and 57.3 percent in 1997. According to the survey's executive summary, "Students did best on questions relating to income (61.6%) and worst on those relating to savings and investments (41.6%)."

"No matter who you are, making informed decisions about what to do with your money will help build a more stable financial future for you and your family."

Alan Greenspan, Chairman
Federal Reserve Board

The good news is that the survey is focusing greater attention on the need to improve financial literacy. A number of national groups, including the Federal Reserve and the U.S. Treasury, are now working with Jump$tart to help students acquire the tools to make informed financial decisions.

The financial literacy survey was developed and conducted by Dr. Louis Mandell, professor of finance at SUNY Buffalo. Dr. Mandell has been involved in the project since it began in 1997. www.jumpstart.org

Top 5 Fundamentals

The Federal Reserve Board and the U.S. Treasury Department have identified five fundamental practices that consumers should follow to manage their personal credit:

1. Build savings to avoid high-cost debt and improve payment options.
2. Pay bills on time.
3. Pay more than the minimum payment.
4. Comparison shop for credit and obtain only the credit you need.
5. Understand your credit history and how it affects you.