



**JOHN AND DORIS NORTON SCHOOL**  
**FAMILY AND CONSUMER SCIENCE**

Mike Staten, director of the  
Take Charge America Institute



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Finance junior Nicholas Guillen (left) and agriculture-business major Timmy Morrison teaching their peers the merits of keeping one's financial house in order.

# Credit-Wise Creed

by Tim Vanderpool  
Jacob Chinn photos

Since no amount of teeth-gnashing can alter history, perhaps ignorance truly *is* bliss. For had I known in my footloose youth what a personal-finance moron I really was, I might have wandered through college in a despondent funk.

Of course, I didn't feel swell about it years later, either. Lousy credit scores, bad budgetary habits, a trail of petty financial neglect — it all came back to haunt like some Ghost-of-Late-Payments-Past.

Which brings me to this smallish classroom in the University of Arizona College of Education Building, where two chipper young men — students themselves — are breezing through a PowerPoint presentation on the merits of keeping one's financial house in order.

Timmy Morrison, an agriculture-business major, clicks a keyboard to change images on a big screen. His partner, finance junior Nicholas Guillen, is gesturing toward the screen. "Let's start off with this question: What is a credit report?" Guillen says, his crisp, white shirt glowing in the projected light.

"A credit report is a record of a consumer's credit history," he says. "Have any of you seen your credit report?"

One young guy in a blue Nike cap thrusts up his hand. "I haven't seen mine," he says, "but I did just get a pretty good report from somebody I applied with. I didn't have any previous credit, but my mom and dad co-signed for me."

A murmur of recognition flowed through the young audience. "Good, good," Guillen says. "We're actually going to go into a lot of that today." Soon he's cruising through credit histories, creditor scores, and tips for keeping your own credit record up to snuff.

Oh, what I could have done with that basic information back in my tender years. But thanks to Credit-Wise Cats, these students are learning about the financial scene before they get into foolhardy habits.

This nifty organization is part of the UA's Take

Charge America Institute for Consumer Financial Education and Research. Nestled within the John and Doris Norton School of Family and Consumer Sciences, the Institute's beefy title belies a simple concept: teaching folks how to manage their money and credit gives them a leg-up on life. For it's



part, Credit-Wise Cats spreads that message across campus and beyond, with trained students speaking to their peers — and potentially kids all the way down to grade school — about the importance of financial responsibility.

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A nation that's knee-deep in mismanaged debt takes a toll on us all, says Michael Staten, the Institute's director. For proof that financial education is sorely needed, one need look no further than the daily headlines. "Consider the financial environment we're in. A large part of it was brought about by poor mortgage choices and whatnot. That's only reinforced the importance of education."

The key is targeting young people, he says, before they've had a chance to develop bad financial habits. That's why the Institute focuses on those under age 25. "We're not dealing with people who need to change their behavior. We're trying to shape their behavior, so that they get started on the right path."

That's also the driving force behind Credit-Wise Cats, which began modestly in the late 1990s with a \$6,000 grant from Take Charge America, a Phoenix-based non-profit credit-counseling agency. Today, the program boasts 13 student-educators representing all grade levels, and academic majors ranging from premed to sociology. These are paid positions, and each would-be Cat undergoes rigorous training that includes 10 hours of class time, practice presentations, open-ended assessments, and a thorough grilling by program-development specialist Juan Ciscomani.

He says it's all meant to hone the message. "They speak to Greek (organizations), to club meetings, to classes. And our time is limited — we usually only have about 45 minutes, so we have to make them count."

When visiting a group, these educators hit the ground running. "The first thing we have is some kind of activity to get them engaged, and the lesson might end with a review of the credit-card lessons, set up as a *Jeopardy*

game," he says. "That's engaging and more interactive than us just sitting there with a PowerPoint, clicking through information."

Effectiveness also gets a big boost from the peer-on-peer approach. "It's college students teaching college students," says Ciscomani, "so they relate a lot better."

Sanyu Kibuka can speak to that firsthand. The retail and consumer-sciences grad student had scant financial knowledge before training as a Credit-Wise Cats instructor. She's since realized the veritable sea of students across campus who desperately need guidance. "It's really astonishing," Kibuka says. "They know they're supposed to save, and they know credit cards aren't good. They just get overwhelmed, though, and think it's too difficult to do."

But just how much better do students fare — in financial-management terms — after participating in a Credit-Wise presentation? That's a question the Institute's research arm hopes to answer through its project, Arizona Pathways to Life Success for University Students. Spread over 22 years, the ambitious project will track the spending habits of at least 2,000 students, to learn how factors such as peer pressure and academic

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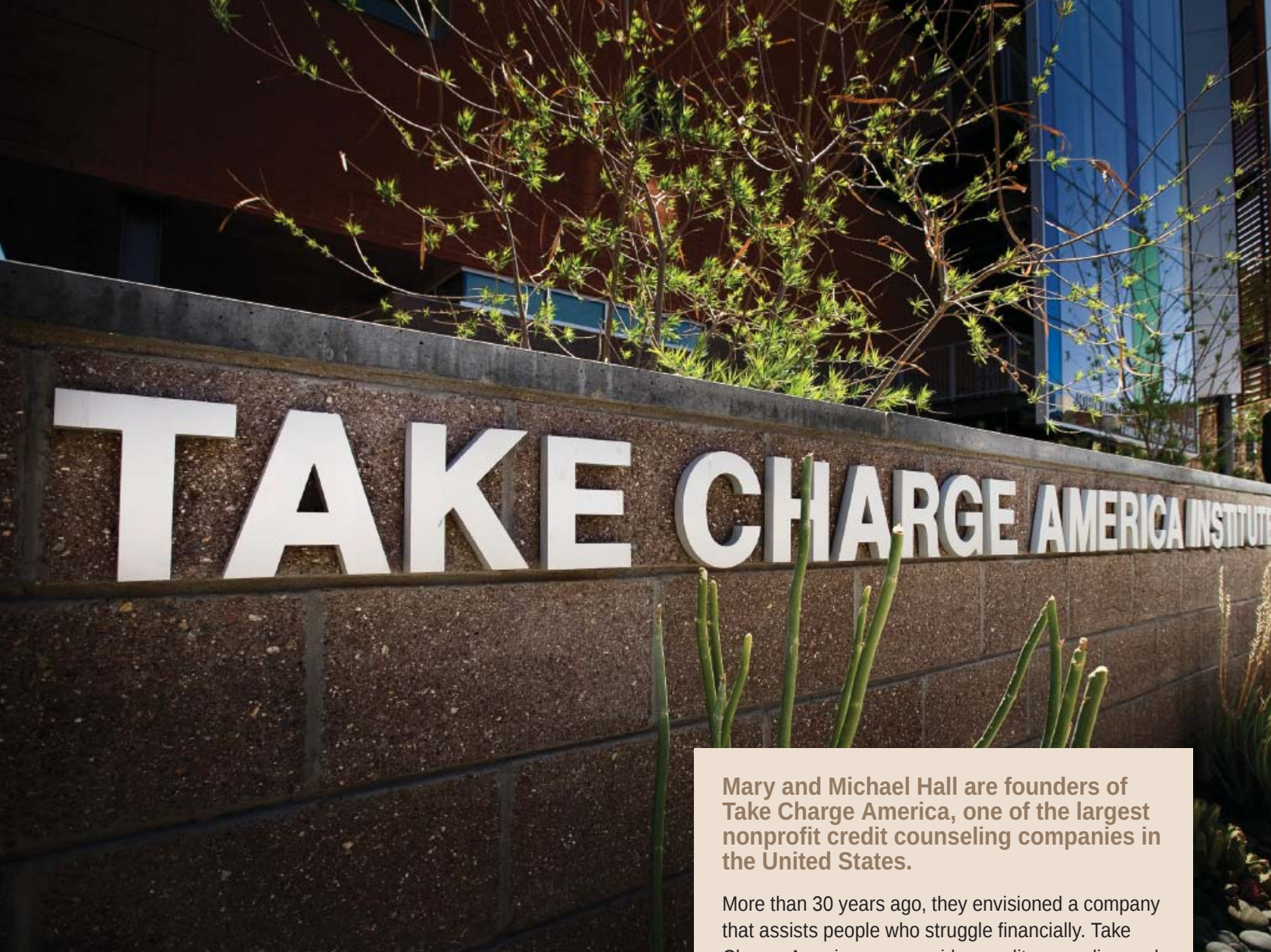


Juan Ciscomani, coordinator of Credit-Wise Cats

stress affect financial decisionmaking.

"It's hard to know how you're doing unless you see 10 years later," says Staten. "Have the students gone on to participate in their retirement savings program wherever they work? Are they handling credit cards well? Those behavioral measures are tough to get for the age group we're working with."

Findings gleaned along the way are used to tweak the Credit-Wise Cats program — even as its reach expands all the way to middle schools. "The thinking in financial



Take Charge America Institute for Consumer Financial Education and Research in the John and Doris Norton School of Family and Consumer Sciences

education circles these days,” he says, “is that we need to find creative ways to get into the primary grades.”

Meanwhile, the Institute also has fashioned a high-school curriculum project called Family Economics and Financial Education. “That’s a whole set of lessons we provide, free of charge,” Staten says. “Currently, it’s going to about 14,000 teachers, and being used by about 500,000 students around the country.”

And students on this campus? Staten says they become very interested when the possibilities get personal. “Time to get a cell phone because you’re not on mom and dad’s plan anymore? But your credit score’s not so good? Oops, you have a problem.

“That’s when they really start paying attention.”

Which leaves me with one thought: Too bad there weren’t cell phones back in my day.

**Mary and Michael Hall are founders of Take Charge America, one of the largest nonprofit credit counseling companies in the United States.**

More than 30 years ago, they envisioned a company that assists people who struggle financially. Take Charge America now provides credit counseling and debt management and educational services to nearly 200,000 American households annually. In addition, through the management of nearly 65,000 debt-management programs, the company returns more than \$500 million annually to the national economy. In 2002, the Halls established an endowment fund of \$10 million at the University of Arizona John and Doris Norton School of Family and Consumer Sciences, and developed a TCA Institute for Consumer and Financial Education and Research. The Institute is the preeminent center in the nation for the development of research-based financial literacy outreach programs. Credit-Wise Cats is just one of the successful programs supported by the endowment. The TCAI also conducts numerous workshops for college students and a national personal-finance case study competition, the Duel in the Desert, involving dozens of colleges and universities.

