

# EDUCATING THE NEXT GENERATION



One year on:  
ESCO Project



THE  
EDMONTON FINANCIAL  
LITERACY SOCIETY

Because money does *not* come with a manual.™



# One year on...

It is now one year on and, coincidentally, Financial Literacy Month. Therefore, it could not be a better time to get one's finances in order and start getting financially literate.

Financial Literacy Month will raise awareness of the need for financial literacy and encourage Canadians to seek information, programs, and services to help strengthen their financial knowledge.

So, what does **financial literacy** mean anyways?

It means having the knowledge, skills, and confidence to make responsible financial decisions.

For the Edmonton Financial Literacy Society, it means continuing our efforts to provide innovative unbiased financial literacy education to build and strengthen the financial management skills of our participants. Unlike other money management approaches, EFLS utilizes a comprehensive holistic approach, as its financial literacy courses do not just teach budgeting skills and tracking one's expenses. Our curriculums look in depth at the human emotions that drive spending and money management and help people have a healthier relationship with their personal finances.

EFLS recognizes that simply possessing knowledge does not necessarily induce a positive change in a person. A common example is the fact that most of us are aware that maintaining a healthy weight, eating properly and exercising regularly leads to a longer life. However, despite this medically proven fact, many of us do not follow this doctrine or perhaps stray from it more often than we should.

This report will help you to see exactly how our course positively affects the lives of our clients!

# ESCO Project (Education Savings Community Outreach)



EFLS is continually delivering courses and working on initiatives and courses on financial literacy. Our current projects include Managing My Sôniyâw, Building My Money, and I Got My Money (courses developed for Aboriginals, tradespeople, and youth, respectively). Additionally, we are providing a course, **Managing My Money** aimed to help individuals improve their personal money management skills and recognize the benefits of opening a Registered Education Savings Plan (RESP). This course is being delivered to a diverse group of participants including newcomers to Canada, low-income adults/parents, and Aboriginal people.

The ESCO project is funded through Human Resources and Skills Development Canada (HRSDC) in support of their Education Savings Community Outreach (ESCO) program.

As part of the ESCO project, EFLS has developed materials to include an RESP component that encompasses:

- ⌘ defining and clarifying RESPs
- ⌘ how to find the money to save in an RESP
- ⌘ RESP types and options
- ⌘ RESP related incentives offered by the Government of Canada
- ⌘ how RESPs operate
- ⌘ benefits of RESPs to families and children
- ⌘ how post-secondary education can significantly impact one's earning potential

EFLS is working in partnership with many other key community organizations such as immigration/settlement agencies, public libraries, adult education learning centres, and Aboriginal organizations in Edmonton and the surrounding areas including Sherwood Park, St. Albert, Camrose, Wetaskiwin, Westlock and Cold Lake.



# Who we are

**Vision** To assist in creating a revitalized economic landscape in Canada where the majority of its citizens are financially literate, financially solvent, self-reliant, and are well informed consumers making wise choices in the market place conducive to their personal circumstances.

**Mission** To deliver high quality financial literacy education in a holistic manner which is conducive in affecting long term positive behavioural change to those seeking to become more financially solvent and establishing a healthier relationship with their personal finances.

- » a registered non-profit charitable organization
- » a **leading pioneer** in the development and delivery of financial literacy education
- » 8+ years experience
- » financial literacy education delivered to over **1,500 people**
- » partnerships with over **45 organizations**
- » one of the first to deliver financial literacy education with a matched savings component
- » dedicates **100% of its resources to financial literacy**
- » custom tailored materials
- » Train the Trainer curriculums
- » delivery to diverse groups including recent immigrants, low income adults and Aboriginals
- » materials have **incorporated a strong behavioural component** to increase the client's ability to apply the skills they are taught
- » foster clients to develop healthy relationships with their personal finances

## How do we measure success?

As a commitment to quality improvement for our learners and funders, we require feedback on all of the courses we deliver. We collect responses from all course participants through a pre-course and post-course survey at the start of the course and 2-3 months, respectively, following course completion. The data is compared and analyzed to assess knowledge, behaviour and attitude changes from the beginning to end of course.

These survey results can be used to identify strengths and opportunities for quality improvement initiatives. Furthermore, measure the general knowledge and understanding of Registered Education Savings Plans (RESPs) and the process involved in opening one. Additionally, identify key barriers participants may encounter when attempting to open RESPs and identify factors and reasons why participants may or may not open RESPs.

All of the survey tools were developed by EFLS. They are a measure of the participant's level of basic financial literacy and understanding of Registered Education Savings Plans (RESPs) and associated government incentives available. It is expected that upon increasing basic financial literacy skills and knowledge, that participants will develop positive behaviours and attitudes about personal money management and make better decisions about saving for the future (i.e. for children's post-secondary education, retirement, etc.).

The survey is scored by different types of grids. The most common being a 4-point grid. "Extremely able", "Somewhat able", "Quite able" and "Not at all able".

Several questions are also answered with a "Yes" or "No". These 2 grids often have a "Not Applicable/Not sure" category as well.

The least common scale is also a 4-point grid: "Extremely important", "Somewhat important", "Very important" and "Not at all important".

In the post-course survey, participants are able to write their comments, experiences, and examples under several open-ended questions:

- » **If you have had any problems opening or contributing into an RESP, please provide details**
- » **What goal(s) have you set to improve your financial situation since starting this course?**
- » **If you could change one thing about this course, what would it be?**
- » **What do you think is the most valuable thing you learned?**

Post-course surveys are mailed or emailed (when identified as appropriate) to participants 2-3 months following their completion of the [Managing My Money](#) course.

The survey is prefaced by a letter from EFLS. The letter indicates the purpose of the survey and how the results will be used to evaluate the course. In addition, the letter includes contact details that the participant can call with questions for clarification.

EFLS indicates a 6-week timeframe that it will receive completed post-course surveys. If received after the indicated timeframe, the participant will no longer be eligible for the completed post-course survey gift card incentive.

The pre-course survey is comprised of 15 questions and is grouped into four dimensions:

- Demographics<sup>1</sup> (4 questions);
- General ability to manage money (4 questions);
- Stress caused by money (2 questions);
- Saving for children's post-secondary (5 questions)

The post-course survey is comprised of 25 questions and is grouped into seven dimensions:

- General ability to manage money (4 questions);
- Stress caused by money (2 questions);
- Saving for children's post-secondary (6 questions);
- Barriers to opening an RESP (1 question);
- Influence of gift card incentive (4 questions);
- Behavioural and knowledge change as a result of course (6 questions)
- General course comments (2 questions)

## 2011 Survey Details

The survey results reflect the views of participants who completed EFLS' Managing My Money course from February 2011 to September 2011.

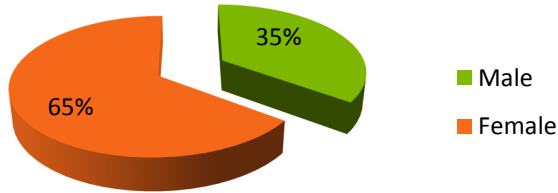
The data in this report is current as of October 31<sup>st</sup>, 2011. Further responses will be included as received. To date, EFLS has 69% response rate to our post-course surveys.

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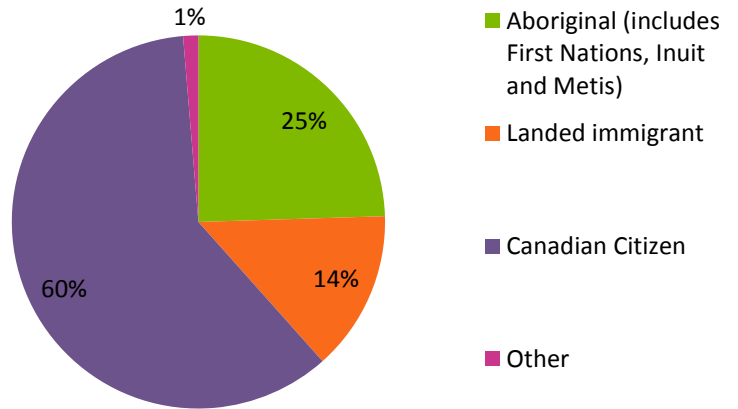
<sup>1</sup> Note: for data analysis, we asked participants to indicate the number of dependent children/grandchildren so as to identify if a potential to open RESP exists

## Demography of Participants

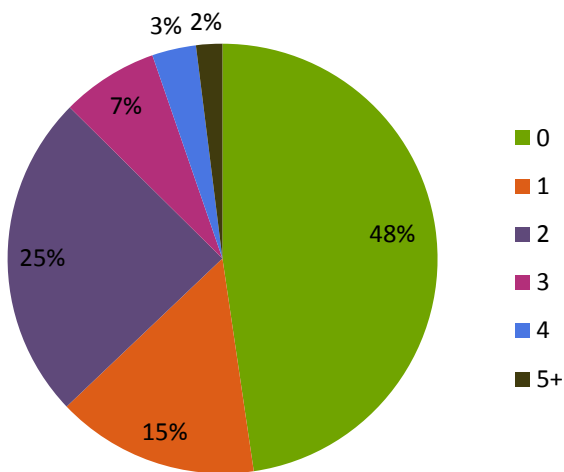
### Male / Female Participants



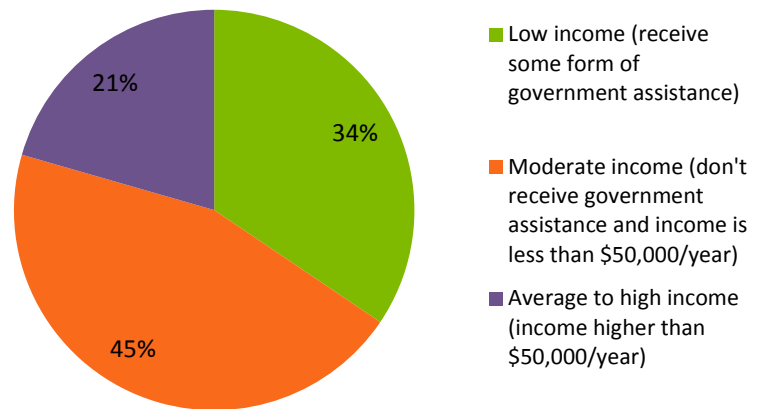
### Who?



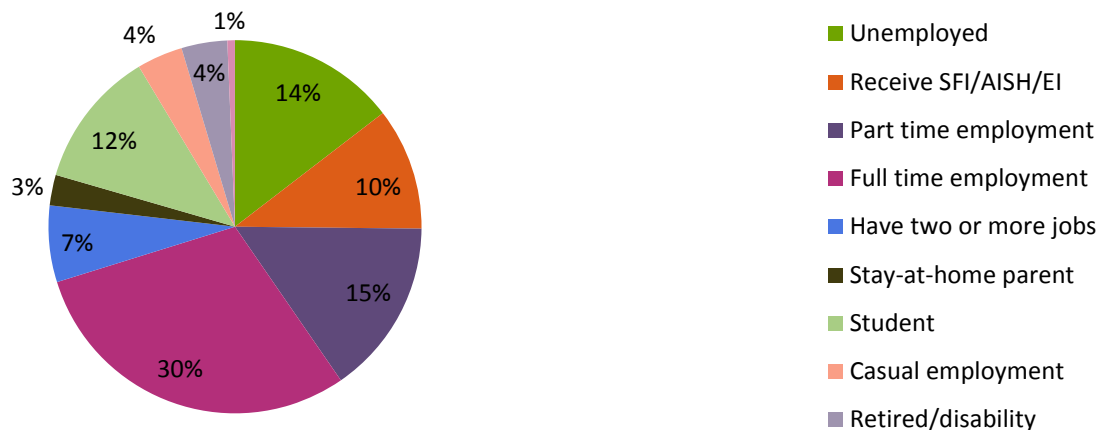
### Number of dependent children/grandchildren under 18 years



### Income Levels



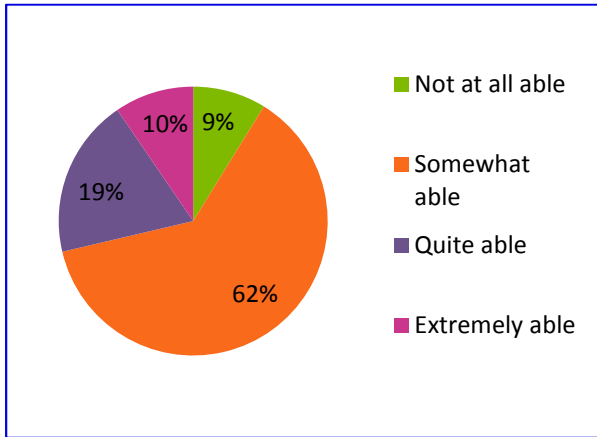
### Employment Status



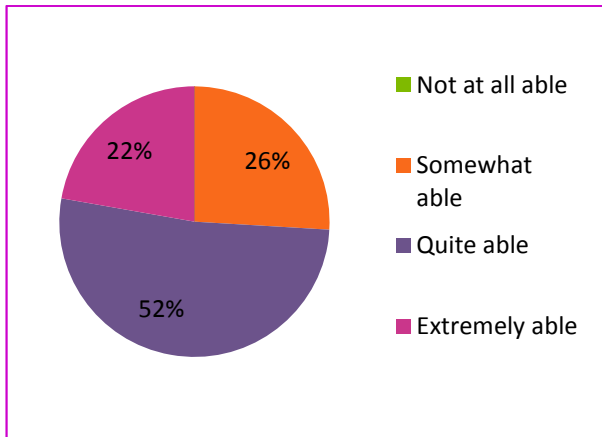
## PRE-COURSE and POST-COURSE SURVEY RESULTS

How able are you to manage your money?

PRE-COURSE

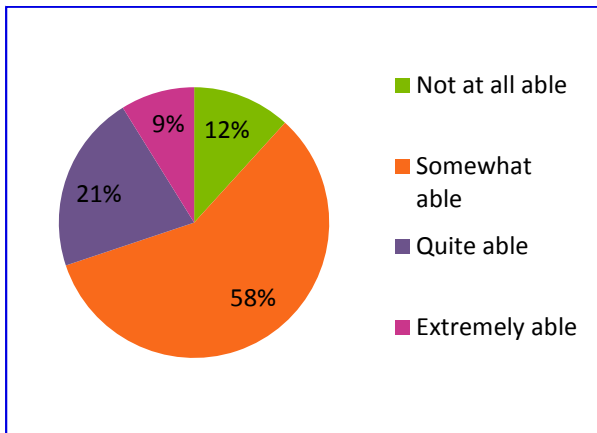


POST-COURSE

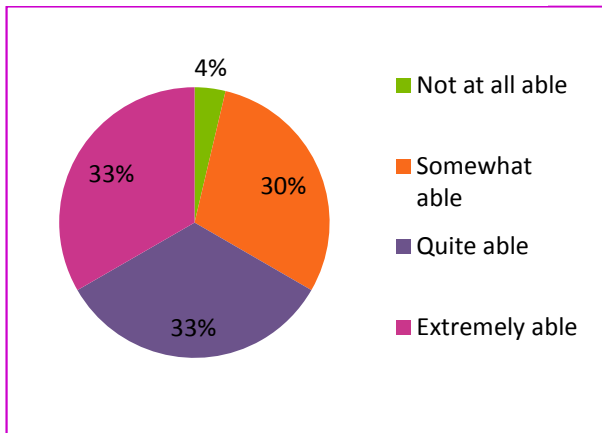


How able are you to keep track of all of your spending?

PRE-COURSE

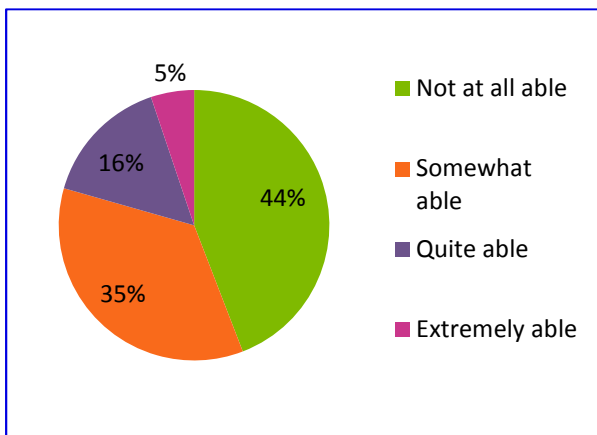


POST-COURSE

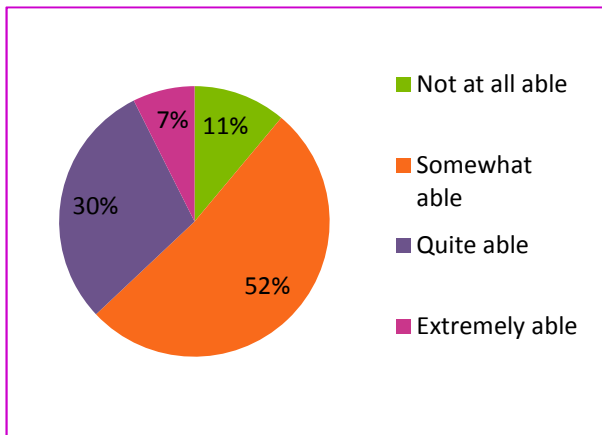


How able are you to save money?

PRE-COURSE

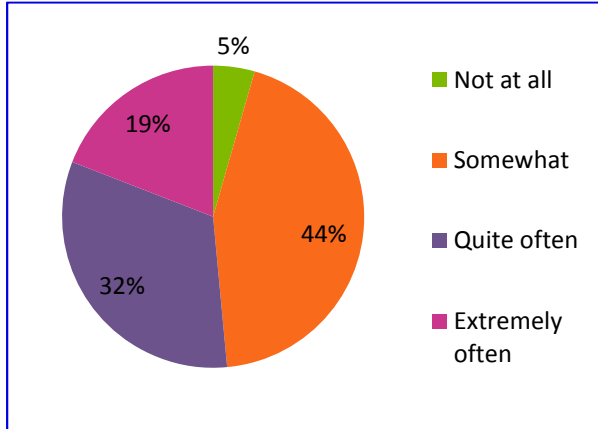


POST-COURSE

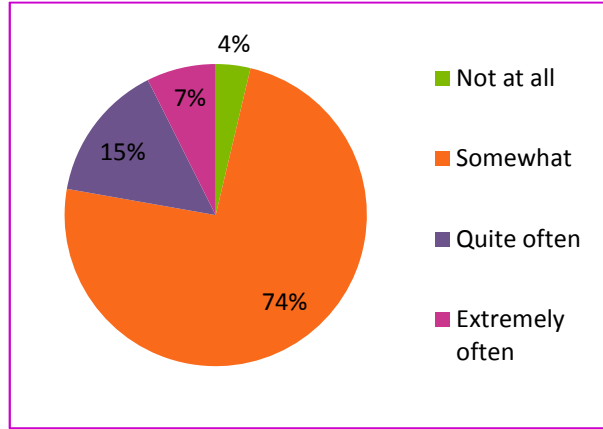


Do you worry about your finances?

PRE-COURSE

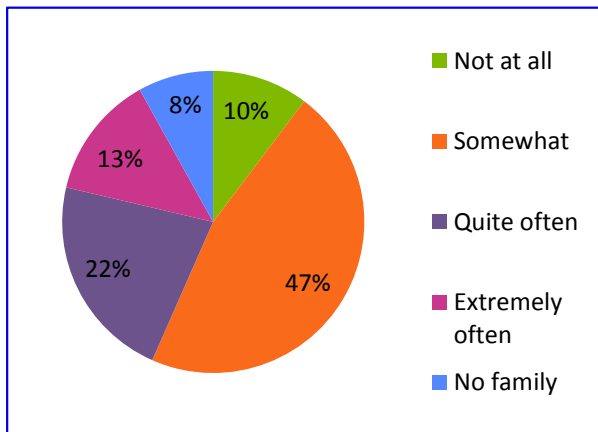


POST-COURSE

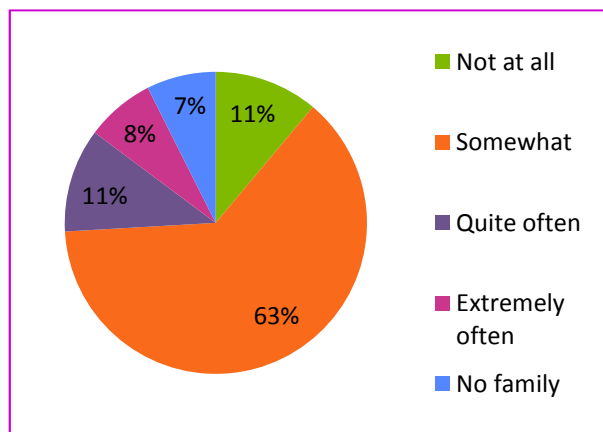


Do money problems cause you stress with your family?

PRE-COURSE

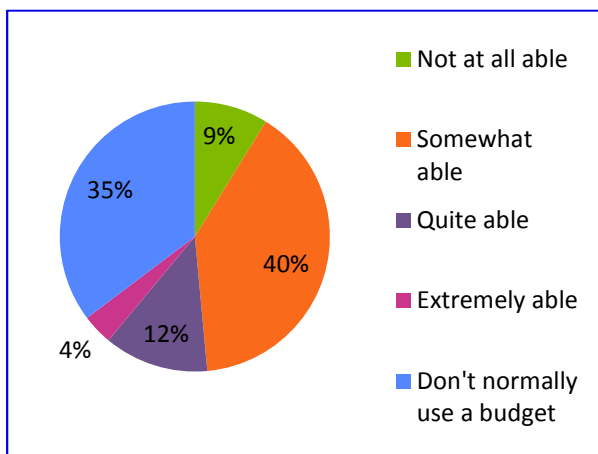


POST-COURSE

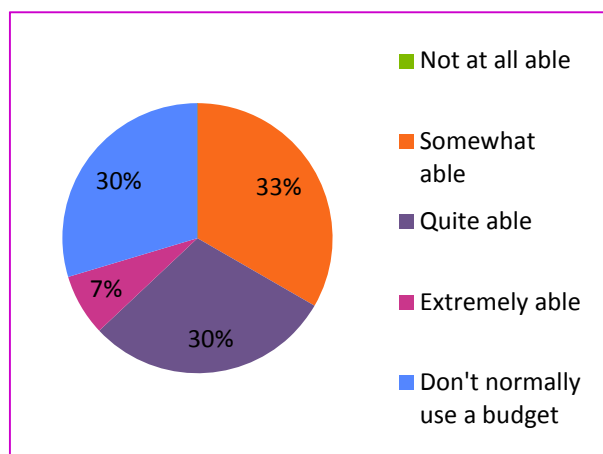


How able are you to stay within your household budget?

PRE-COURSE

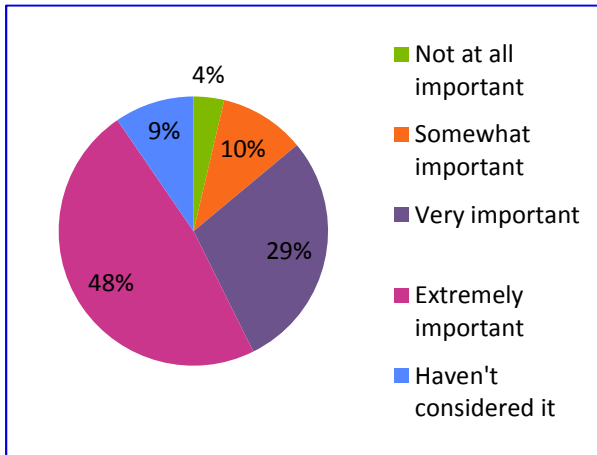


POST-COURSE

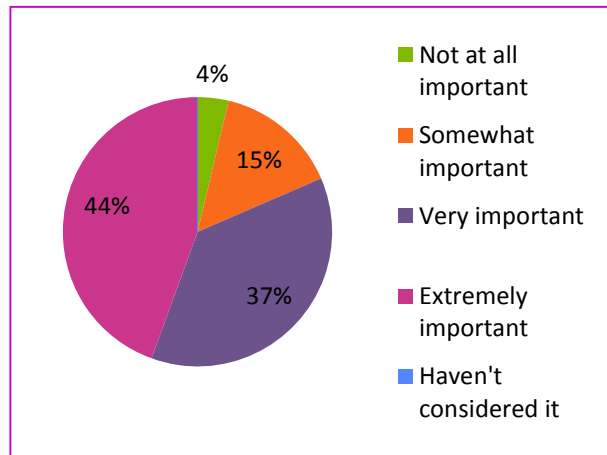


How important to you is your children's' post-secondary education?

PRE-COURSE

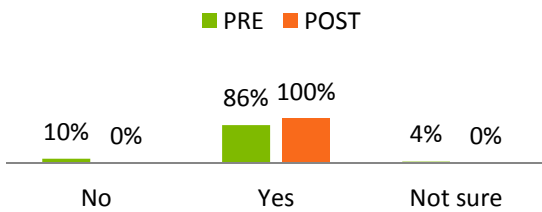


POST-COURSE

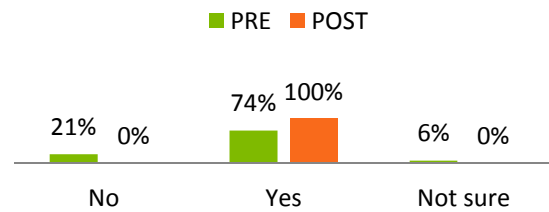


Have you ever heard about the following government programs?

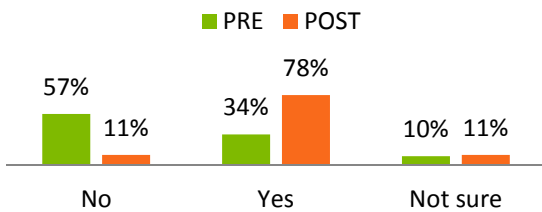
Registered Retirement Savings Plan (RRSP)



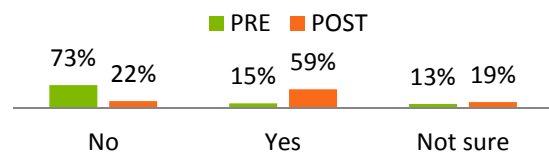
Registered Education Savings Plan (RESP)



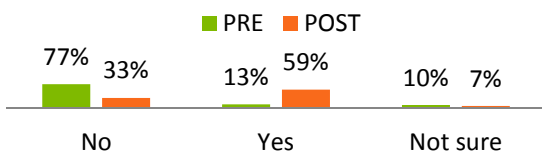
Canada Education Savings Grant (CESG)



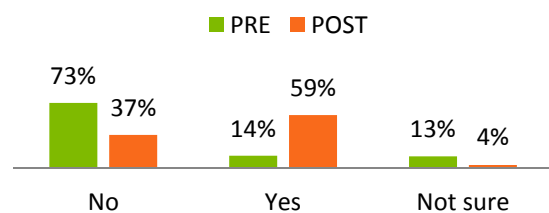
Alberta Centennial Education Savings Plan (ACES)



Additional Canada Education Savings Grant (ACESG)

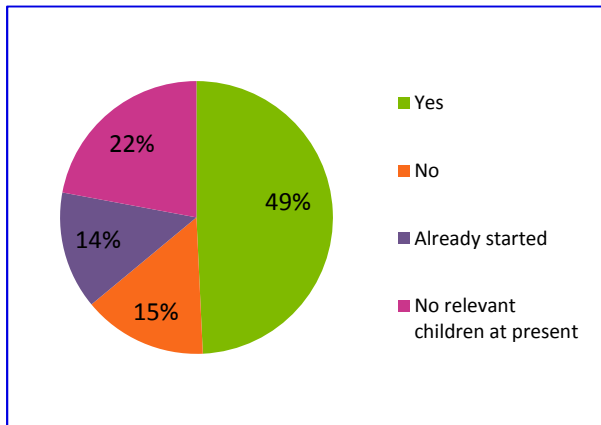


Canadian Learning Bond (CLB)

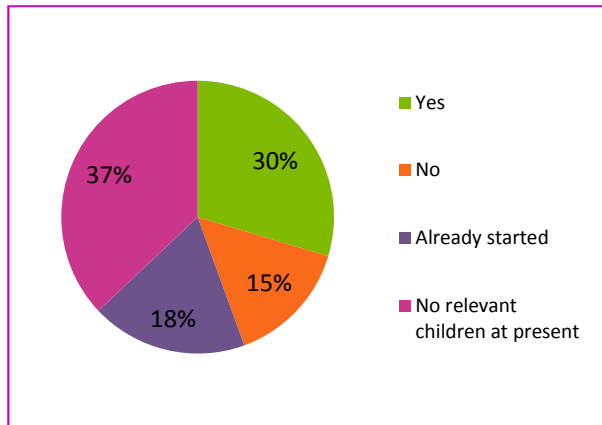


Would you consider opening an RESP for your child, or other children in your family?

PRE-COURSE

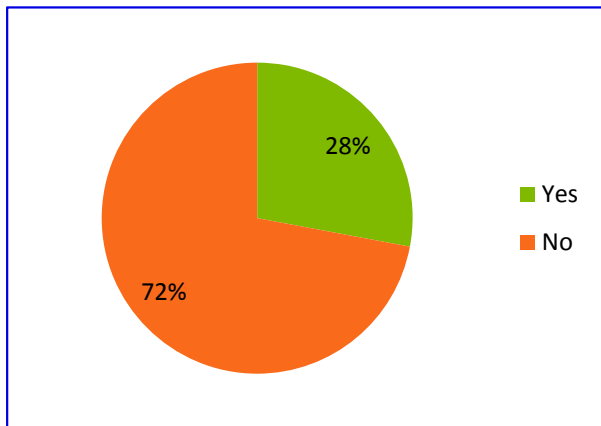


POST-COURSE

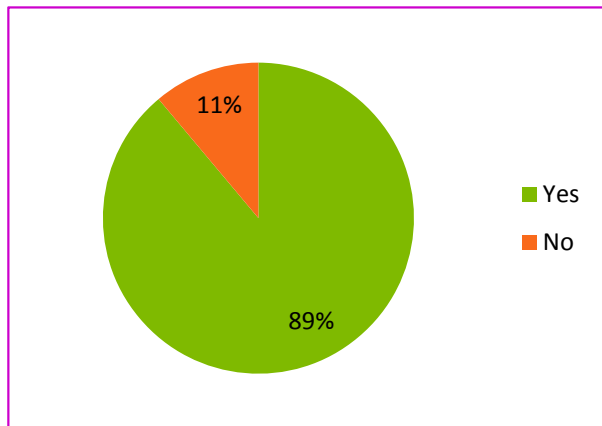


Do you currently feel able to make an informed decision about opening an RESP?

PRE-COURSE

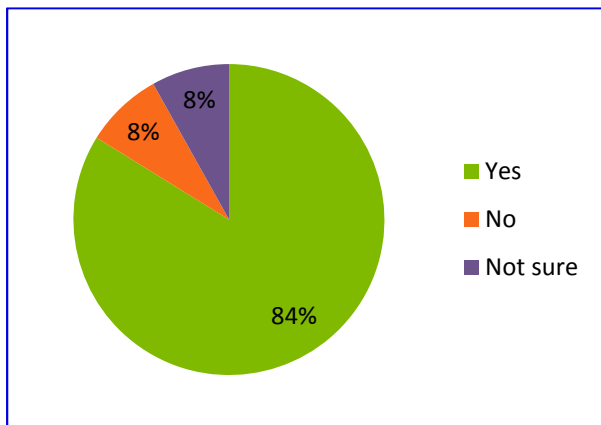


POST-COURSE

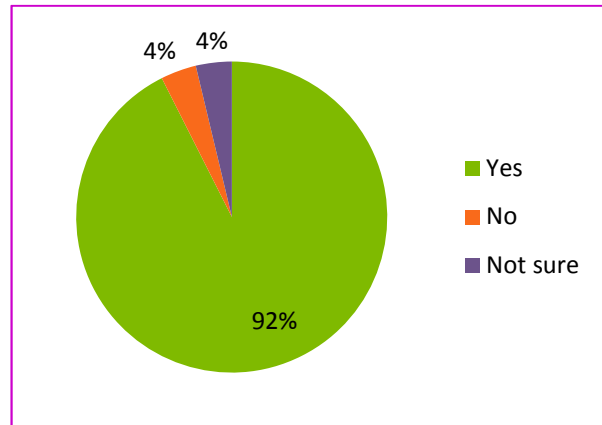


Do you think you could save \$10 or more each month?

PRE-COURSE

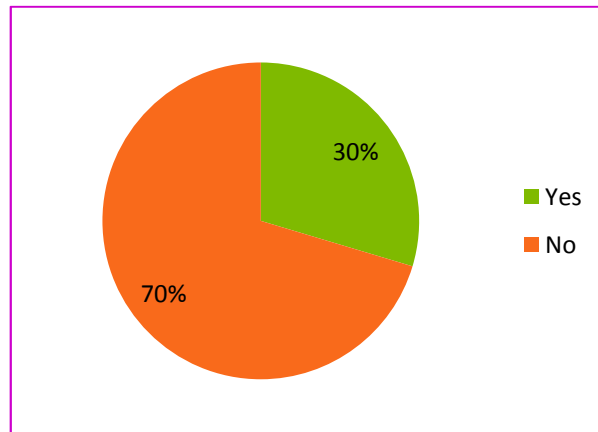


POST-COURSE



## Have you opened or contributed into an RESP?

### POST-COURSE



## Problems opening or contributing into an RESP:

Not opening just in being able to use it; money was withheld.

Don't have interest right now to open an RESP account right now wanting to stay ahead to paying bills off.

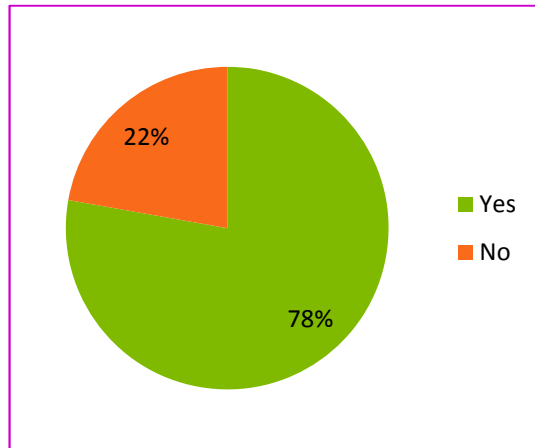
I tried to schedule a visit to the bank, but the week I wanted to go the advisor was on holidays and now I'm busy with kids on vacation.

### Attendance

As a way to increase course attendance and post-course survey completion and return, EFLS uses a gift card incentive. For the current period (February – September 2011), EFLS used a \$50 gift certificate for attendance and another \$25 gift certificate for completion of the post-course survey. Resultantly, 78% of participants received the attendance incentive which means that they maintained an attendance rate of 80% or higher throughout the 10-week course. As one course included Train-the-Trainer participants, they were ineligible for the gift card incentive.

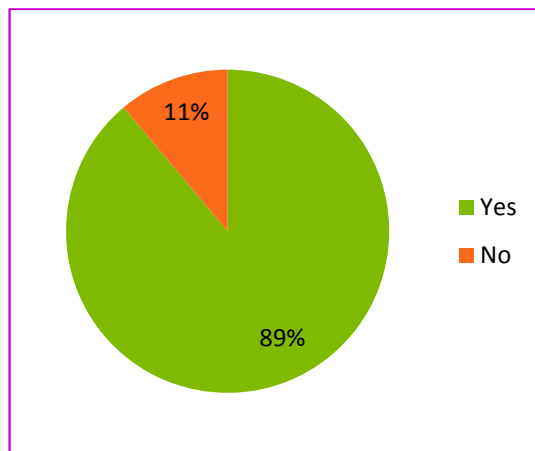
Did you receive a gift card during the course?

POST-COURSE



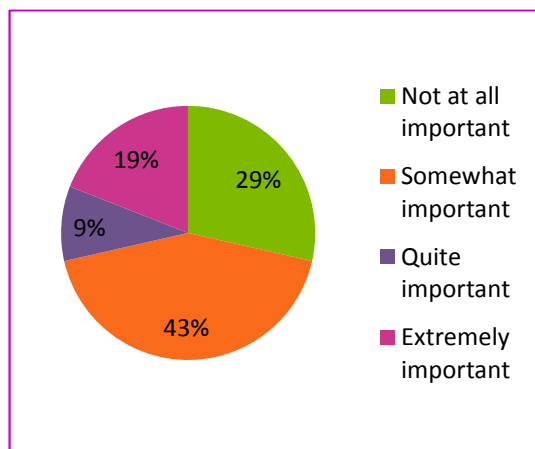
If applicable, did you plan what and how to use the gift card before you entered the store?

POST-COURSE



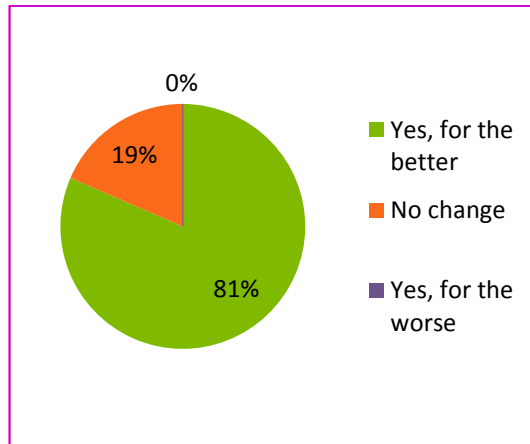
How important to you was the gift card as a way to motivate you to attend class?

POST-COURSE



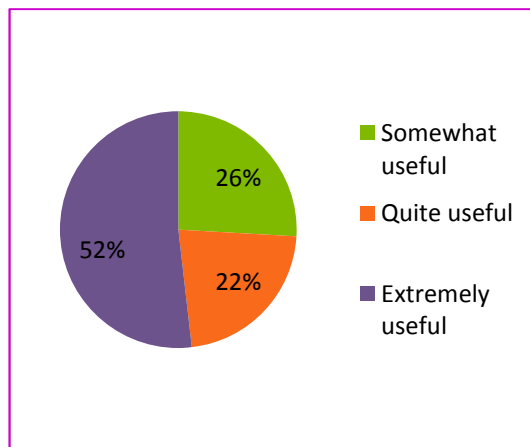
Have your spending habits changed since you started the course?

POST-COURSE



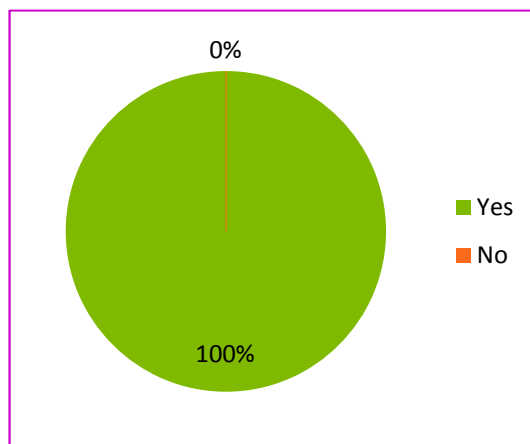
Overall, how useful did you find the course?

POST-COURSE

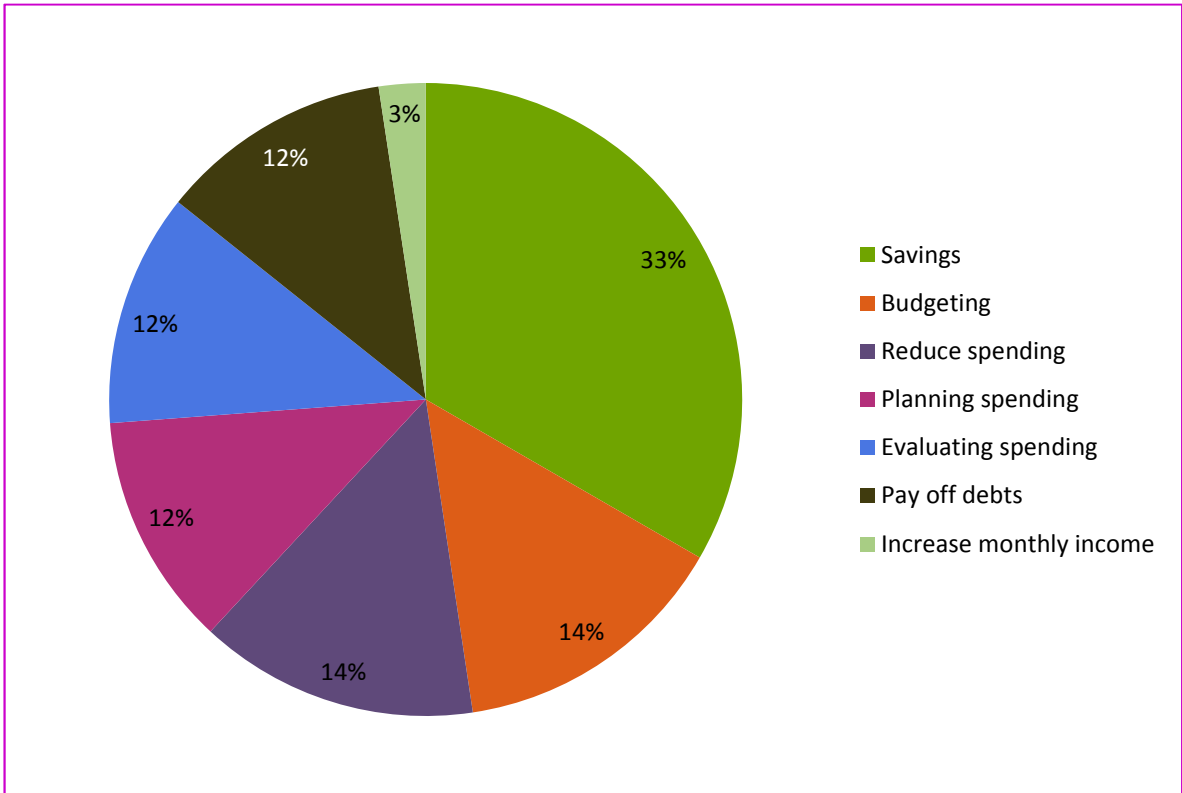


Would you recommend this course to others?

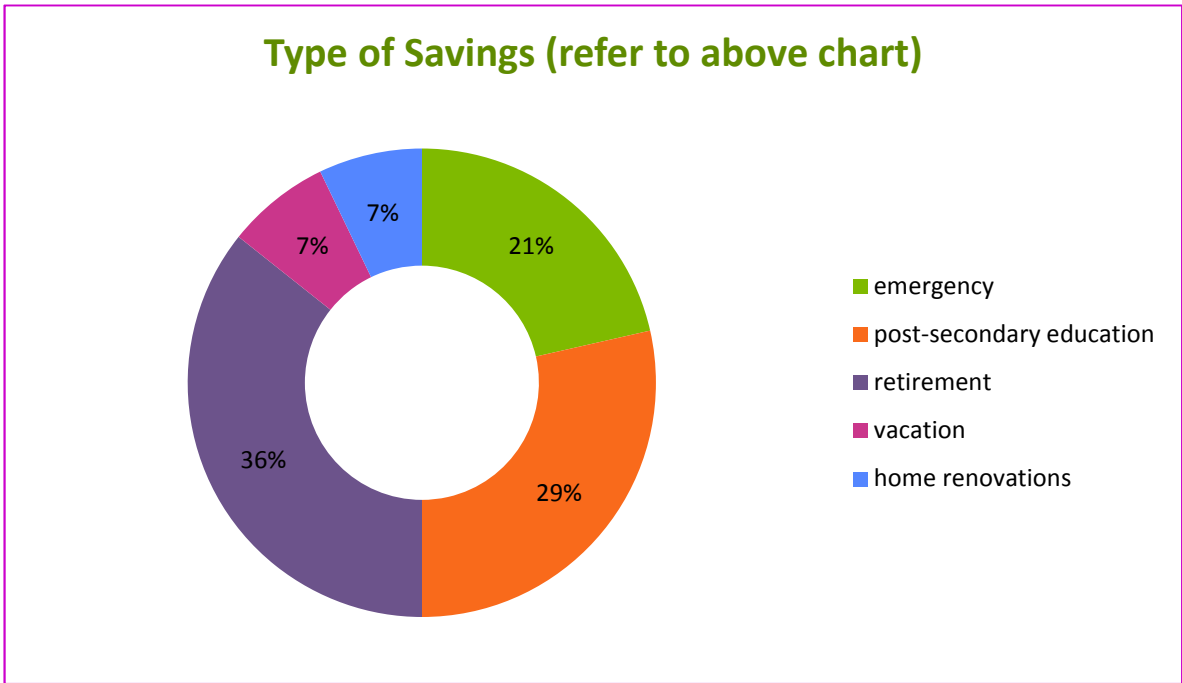
POST-COURSE



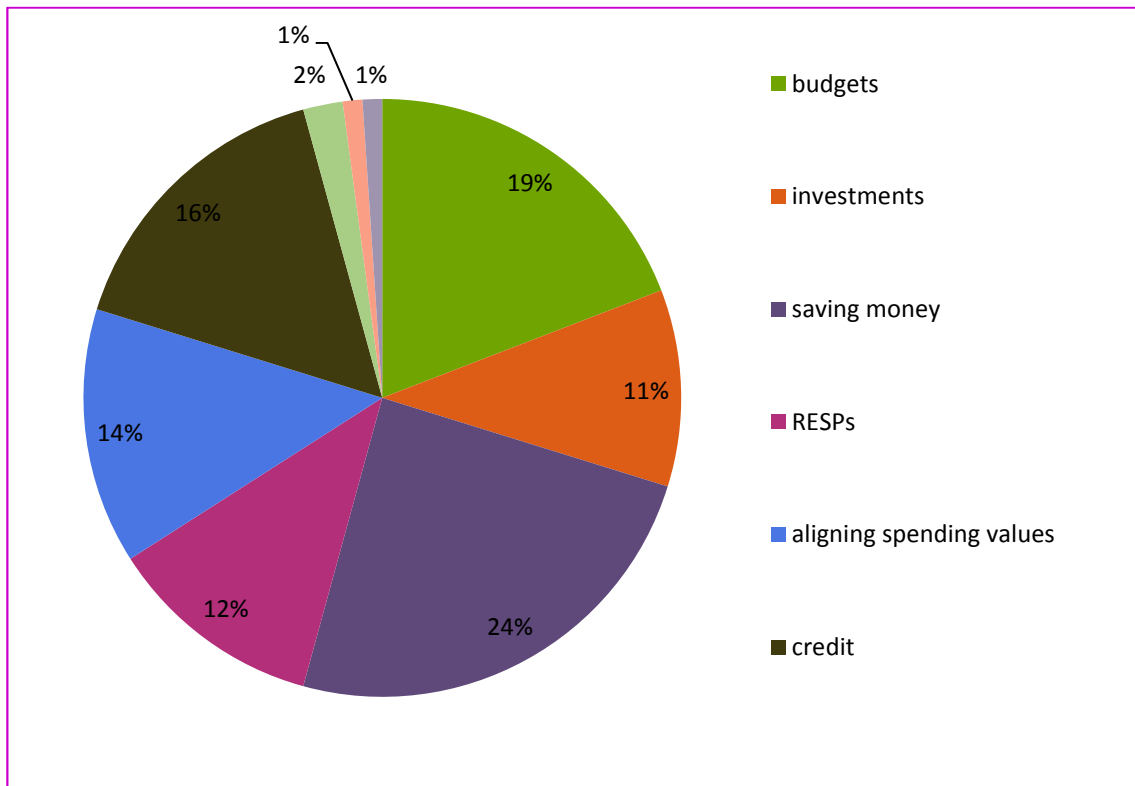
What goal(s) have you set to improve your financial situation since starting this course?



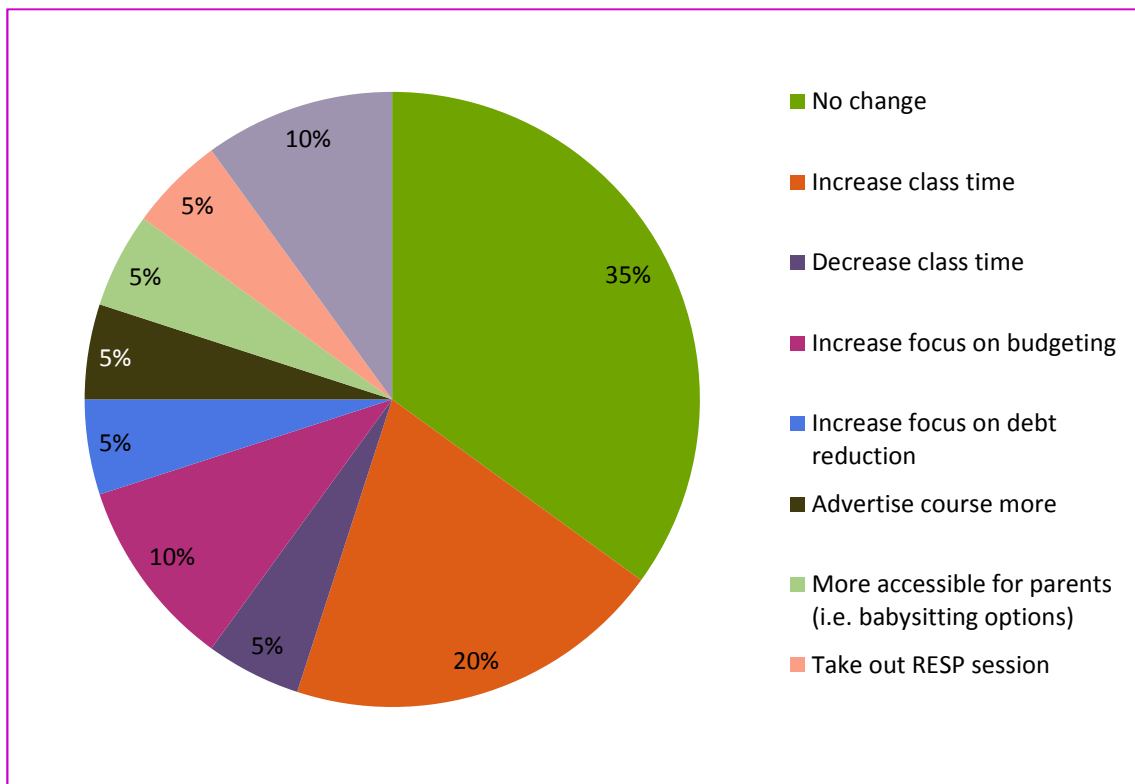
Type of Savings (refer to above chart)



Reflecting on the information you learned, tick boxes if you have shared any of this information with a spouse/partner, family, friends and etc.



If you could change one thing about this course, what would it be?



What do you think is the most valuable thing you learned? (selected comments from list)

- I heard about RESPs before but with this program I learnt the details about RESPs, RRSPs - the difference in different programs and I learnt how they work
- Planning ahead for the future
- To take my head out of the sand! Secondly to budget. I'm having great success with staying within most areas of my budget considering I never had a budget before, I'm feeling good about that and less stressed
- To use money wisely - do not take money for granted
- Everything was very useful especially 'Good deal?Bad deal?Scam?' was very useful for innocent newcomers. A lot of tips about how to manage money make everyday life much easier than before
- How to manage money and I learned about RESPs etc.
- Money is a tool

### COURSE TESTIMONIALS

● ● ●

I started this course to learn about managing my money and how I can save money for future plans of my kids like RESPs. I got everything clearly about all of these programs and it's easier for me to decide what I should do.

● ● ●

The course serves to empower when it comes to money. The prospect of saving money and acknowledging spending concerns is never an easy thing to do in a classroom setting, so the activities and talking through these concerns serves to empower each of the students and to not feel alone in this lifelong focus.

● ● ●

● ● ●

I am very glad that I took this course! My main purpose was to make sure my husband & I were on the same page, financially. Not only did I find out we were but that as our number one value was 'family' that we finally had a focus for our efforts! Thank you so much!!

● ● ●

● ● ●

I found this course extremely useful for myself and I strongly recommend it for newcomers, household ladies so that they can make sensible changes regarding "managing their money"

## Able to manage money

Overall, the results of the responses were *highly favourable* with the following observations:

- » Those that responded, have increased their abilities to manage money in a positive way. Before taking the course, 9% of participants felt they were 'not at all able' to manage their money as opposed to after the course, in which, all participants they were 'somewhat able', 'quite able' or 'extremely able' to manage their money.
- » Responses indicated a dramatic increase in participant's ability to track their spending (i.e. participants 'extremely able' to manage their money increased from 9% to 33%).
- » Responses also indicated an increase in course participant's ability to save money (i.e. participants 'not at all able' to save money decreased from 44% to 11% whilst participants 'somewhat able' to save money increased from 35% to 52%).
- » Participants who are able to stay within their household budget increased (56% to 70%) which indicates that an increased number of participants are able to use a budget.

## Stress caused by finances

Overall, the responses were *very favourable* with the following observations:

- » Those participants who worried about their finances 'quite often' and 'extremely often' decreased from 51% to 22% combined.
- » Responses indicated that stress with family caused 'extremely often' by money problems decreased 5%.

## Post-secondary education

Overall, the responses were *mixed* with the following observations:

- » Responses revealed that whilst 74% of participants are already familiar with RESPs (Registered Education Savings Plans), more than 70% of participants were not familiar with the government grants such as CESGs (Canada Education Savings Grant), A-CESGs (Additional Canada Education Savings Grant), CLBs (Canadian Learning Bond) and ACES (Alberta Centennial Education Savings Plan).
- » Almost 50% of participants feel that children's post-secondary education is 'extremely important' but only 30% (post-course) opened or contributed into an RESP (Registered Education Savings Plan)
- » Respondents that felt able to make an informed decision about opening an RESP increased from 28% to 89% - this prompts another question to be asked, *if participants have the knowledge and skills to open an RESP, what barriers/reasons are stopping them from doing so?*
- » Percentage of participants who indicated they would consider opening an RESP for their children (or other children) in their family decreased from 49% to 30% and the percentage of participants who have no relevant children at present increased from 22% to 37%.
- » The majority of participants feel they are able to save \$10 or more each month, which indicates other barriers to opening RESPs must be further investigated.

## Gift certificate incentives

Overall, the responses indicate the gift certificate incentives have a *strong influence* on attendance rates and post-course survey completion rates:

- » About 70% of participants indicated that the gift card was an important motivator to attend class.
- » 92% of the eligible participants received the attendance incentive which means that they maintained an attendance rate of 80% or higher throughout the 10-week course.

## Behaviour and attitude changes

Overall, the responses indicate *positive behaviour changes* because of taking the course with the following observations:

- » 81% of respondents indicated their spending habits had changed for the better after taking the course.
- » All participants felt the course was useful (52% found it 'extremely useful'; 22% found it 'quite useful'; and 26% found it 'somewhat useful').
- » All participants set **financial and non-financial goals** as part of the course and a breakdown of the **types of financial goals include increasing savings, increasing budgeting, reducing spending, planning spending, evaluating spending, paying off debts, and increasing monthly income.**
- » The two types of information respondents reported sharing with a spouse/partner, friends and etc. were 'saving money' (24%) and 'budgets' (19%) followed by 'RESPs', 'investments', 'aligning spending values', and 'credit'.

## Suggested improvements

Overall, the responses were *mixed* with the following observations:

- » 35% of respondents would make no changes to the course
- » 20% of respondents would like to have more time per course (i.e. increase from 1.5 hours to 2 hours per session)
- » 10% of respondents indicated they would like decreased time (this was, both, for less time per session and less time overall; instead of one session per week for 10 weeks offer two sessions per week for five weeks)
- » 10% of respondents indicated a need for greater focus on budgeting

EFLS believes that whilst some participants have indicated they want longer class times, the majority of participants were content with the allocated times and, at this time we will continue to offer the course at 1.5 hour-long sessions. EFLS, upon receiving, more data, will re-evaluate this in the future. The increase in focus on budgeting will be tailored to, in that, future courses will include a stronger homework component where participants can exercise and practice their budgeting skills further.

Our next update on our ESCO project will be in our Year Two Report.

Our current projects and initiatives include:



EFLS is delivering a trades-focused financial literacy course for clientele of the **Women Building Futures (WBF)** and **Trades Winds to Success (TWTS)** programs. The partnership objective is to prepare clientele with the knowledge & skills to effectively manage anticipated increased remuneration in their daily lives.

EFLS has been collaborating on the **Making Ends Meet** project with the **St. Albert Food Bank** and **St. Albert & District Further Education** for the last year. The project focuses on people living in poverty who are struggling to find the funds to meet their basic needs (including food).



Next month we will start Year Two of the three-year **ESCO project**. This project aims to help individuals improve their personal money management skills and recognize the benefits of opening a Registered Education Savings Plan (RESP). The course is being delivered to a diverse group of participants including newcomers to Canada, low-income adults/parents, and Aboriginal people.

The ESCO project is funded through Human Resources and Skills Development Canada (HRSDC) in support of their Education Savings Community Outreach (ESCO) program.

The fundamental challenge for many teachers and schools is to make learning about personal money management engaging, meaningful and have life-long impact for the students.

EFLS is meeting this challenge with their innovative approach to financial education. Since 2008, it has been approached by a number of Edmonton area high schools to offer support to their respective Career & Life Management (CALM) curriculums. To date, EFLS has delivered this type of financial education support to over 600 High School students.



EFLS is currently developing materials to support and assist students and educational institutions with effective money management tools.

If you are interested in  
collaborating or funding our work,  
please contact us!



The Edmonton Financial  
Literacy Society  
Suite #1 (2nd Floor)  
10865-96 Street  
Edmonton AB T5H 2K2  
Ph: 780-944-1558  
[www.efls.ca](http://www.efls.ca)

