

## *Economic Development and Quality of Life for People and Communities* **Resource Management & Consumer Affairs**

### **Issue**

Personal Finance is an area of concern that has been identified at the national level with CSREES, the Jumpstart Coalition, AFCPE, and many other organizations. Many families are living on the brink of financial disaster with high credit card debt, little savings for emergencies, and no financial planning skills. This is of particular concern because of the stress associated with living on limited means, mismanagement of resources, the cost to business and society, and the fact that most young people identify their family as the source for most of their financial knowledge. In 1998, over 26,000 people filed for personal bankruptcy in Arizona alone. According to the Consumer Federation of America, survey data show ½ of American households

have accumulated less than \$1000 in net financial assets and a majority of American households with incomes of \$35,000 or less believe they are more likely to accumulate a nest egg by winning a lottery or sweepstakes than by saving and investing. La Paz County, Arizona, has an average household income around \$22,000 making families very vulnerable to financial crisis.

### **What has been done?**

The Arizona Cooperative Extension collaborated with agencies and businesses in La Paz County to sponsor several programs related to money management, including the national Money 2000<sup>TM</sup>, High School Financial Planning Program (HSFPP); extension agents collaborated with the Arizona Attorneys

General Office to promote Lifesmarts: The Ultimate Consumer Challenge to schools/organizations.

### **Impact**

Money 2000 participants are reaching their goals ahead of schedule and say the program helps keep them motivated and focused on their saving/debt reduction goals. Six-month reports show they have increased financial well being by \$44,869. One participant has used the Power Pay debt reduction information to reduce debt by more than \$4000 in 6 months and says, "Money 2000 keeps me focused on being out of debt within two years."

### *Funding*

National Endowment for Financial Education  
CRIT Housing Authority  
ACE

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