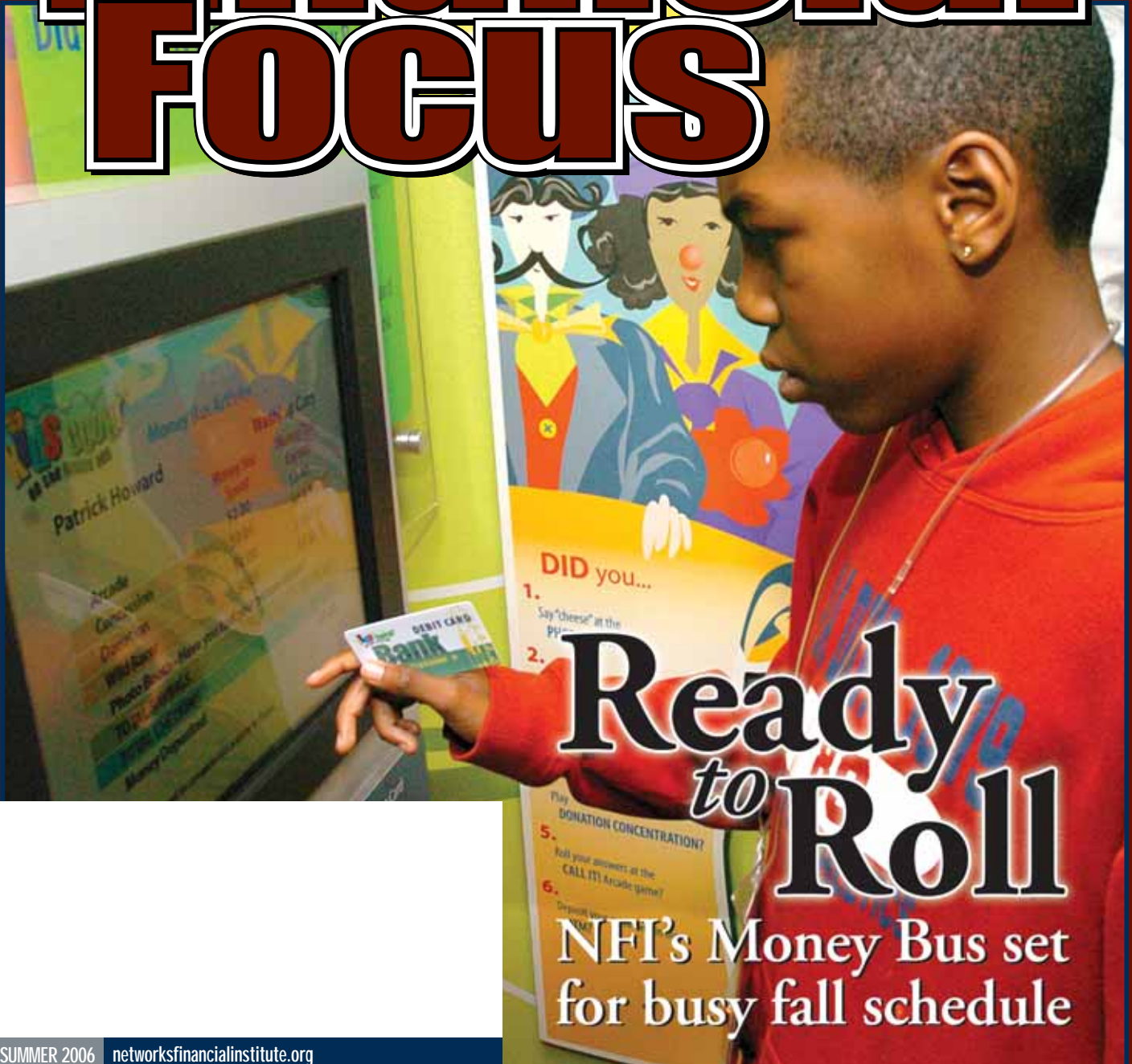




# D.C. DEBATE

WHAT SHOULD BE DONE TO MODERNIZE REGULATION OF INSURANCE INDUSTRY? SIDES SPLIT DURING ANALYSIS AT NFI'S THIRD ANNUAL INSURANCE REFORM SUMMIT

# Financial Focus



## Ready to Roll

NFI's Money Bus set for busy fall schedule



- |            |              |
|------------|--------------|
| ● AGUILERA | ● DAY        |
| ● AUSTIN   | ● DENBO      |
| ● AVERY    | ● DICKINSON  |
| ● AYRES    | ● DOBIS      |
| ● BARDON   | ● DODGE      |
| ● BAUER    | ● DUNCAN     |
| ● BEHNING  | ● DWORAK     |
| ● BELL     | ● ESPICH     |
| ● BISCHOFF | ● FOLEY      |
| ● BORDERS  | ● FRIEND     |
| ● BORRER   | ● FRIZZELL   |
| ● BOTTORFF | ● FRY        |
| ● BRIGHT   | ● GIACINTA   |
| ● BROWN, C | ● GOODIN     |
| ● BROWN, T | ● GRUBB      |
| ● BUCK     | ● GUTWEIN    |
| ● BUDAK    | ● HARRIS, C  |
| ● BUELL    | ● HARRIS, T  |
| ● BURTON   | ● HEIM       |
| ● CHENEY   | ● HINKLE     |
| ● CHERRY   | ● HOFFMAN    |
| ● COCHRAN  | ● HOY        |
| ● CRAWFORD | ● KERSEY     |
| ● CROOK, S | ● KLINKER    |
| ● CROUCH   | ● KOCH       |
| ● DAVIS    | ● KROMKOWSKI |

[CLICK](#)

## Scholars at the Statehouse

During the 114th Indiana General Assembly, Networks Financial Institute at Indiana State University and its Networks scholars were recognized as vital resources to the financial services industry through a joint resolution adopted by both the House and Senate and authored by state Rep. Clyde Kersey, D-Terre Haute, and state Sen. Tim Skinner, D-Terre Haute. Twenty-three of the 56 Networks scholars at Indiana State University in pursuit of careers in the financial services industry attended the ceremony at the Indiana Statehouse in Indianapolis. Story: 30

Photograph by Duane Brodt



- |               |              |
|---------------|--------------|
| ● KUZMAN      | ● SAUNDERS   |
| ● LAWSON      | ● SMITH J    |
| ● LEHE        | ● SMITH V    |
| ● LEONARD     | ● STEVENSON  |
| ● LUTZ        | ● STILWELL   |
| ● MAHERN      | ● STUTZMAN   |
| ● MAVS        | ● SUMMERS    |
| ● McCLAIN     | ● THOMAS     |
| ● MESSER      | ● THOMPSON   |
| ● MICON       | ● TINCHER    |
| ● MOSES       | ● TORR       |
| ● MURPHY      | ● TURNER     |
| ● NEESE       | ● TYLER      |
| ● NOE         | ● ULMER      |
| ● ORENFLICHER | ● VAN HATTEN |
| ● OKLEY       | ● WALORSKI   |
| ● PELATH      | ● WELCH      |
| ● PFUM        | ● WHETSTONE  |
| ● PERCE       | ● WOLKINS    |
| ● POND        | ● WOODRUFF   |
| ● PORTER      | ● YOUNT      |
| ● RESKE       | ● MR SPEAKER |
| ● RICHARDSON  |              |
| ● RIPLEY      |              |
| ● ROBERTSON   |              |
| ● RUPPEL      |              |





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account **HERE**.

**You Got It**  
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# INSIDE

## OUT FRONT

### 13 Ready to Roll

After a long and highly successful summerlong piloting phase, NFI's new Kids Count on the Money Bus and its crew are set for a busy fall schedule where they'll tour the state and help teach financial literacy at a host of Indiana elementary schools.

### 24 Bus makes its rounds

The Money Bus makes its rounds to several communitywide events. At an evening with nationally syndicated Washington Post columnist Michelle Singletary, U.S. Rep. Julia Carson, D-Ind., tours the bus.



## NFIonline

Visit Networks Financial Institute online for the latest news, updated information and research regarding NFI's mission-critical initiatives.

[networksfinancialinstitute.org](http://networksfinancialinstitute.org)

## COVER and more SHOTS

Third, fourth and fifth graders at Pl. Miller Elementary School in Indianapolis experience NFI's new Kids Count on the Money Bus during a pilot program at the school in May. On board, a fifth-grader (left) ponders what activity to do next after using the on-board ATM machine. The Money Bus, a mobile financial literacy classroom, was tested at five Indiana elementary schools to prepare for fall bookings throughout the state.

COVER ILLUSTRATION AND PHOTOS BY DUANE BRODT

## FEATURES

'I believe it is so important to teach young children about the value of money and the most basic concepts of what to spend it on, how to best spend money on items that are needed and most importantly how to save money.'

NDUJANE BRODT



## A LOOK BACK

## NATIONAL FINANCIAL LITERACY MONTH

### 7 2-year campaign begins

NFI and Inside Indiana Business partner to launch a statewide, two-year financial literacy awareness campaign during National Financial Literacy Month in April that aims to engage and educate Hoosiers about the need to improve financial literacy among Indiana's population; the Indiana Financial Literacy Campaign runs through April 2008.

Sonia Manzano (above), an Emmy Award-winning writer and actress on Sesame Street and author of "No Dogs Allowed," talks about the importance of teaching children about money at a young age at NFI's Indiana Financial Literacy Conference in April. Story: [24](#)

### 9 Event targets teachers

NFI hosts its second annual Indiana Financial Literacy Conference in April and brings together Indiana kindergarten through grade five teachers to stress the importance of teaching financial literacy in their classrooms.


### 10 Parents under siege


Nationally syndicated Washington Post columnist and personal finance guru Michelle Singletary at an NFI-hosted event this spring in Indianapolis: "I believe our commercialized society is crippling our children. Parents are under siege. Advertisers and marketers are turning our children into materialistic monsters. And sadly we are abetting the enemy."


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### MISSION

Networks Financial Institute at Indiana State University was founded in 2003 through a grant from Lilly Endowment Inc. and strives to facilitate broad, collaborative thinking, dialogue and progress in the evolving financial services marketplace by focusing on the areas of education, outreach and research. NFI is a leader in preparing students to excel in careers in the financial services industry. NFI connects Indiana State University's financial, business and educational expertise and resources with community needs. NFI is a primary source for objective and applied research within the financial services industry.



NFI/DUANE BRODT

## 21 What's going on?

Top researchers contemplate why wide disconnect exists between the educational and informational needs of U.S. adults and the programs that government and financial literacy advocates offer at an NFI-hosted conference that examines today's poor state of adult financial literacy.

**COLUMNIST: DAVID GODSTED**

## 25 Coming into focus

NFI helps shape a national plan to attack financial illiteracy with contributions to the Congressionally mandated Financial Literacy Education Commission's recent report titled "Taking Ownership of the Future, The National Strategy for Financial Literacy."



Alessandro Luppa  
president  
of the National  
Association  
of Insurance  
Commissioners

NFI/DUANE BRODT

## 35 Debate in D.C.

Sides split on what should be done to modernize regulation of the insurance industry — should Congress pass an optional federal charter or should the state system be revamped?

**COLUMNIST: DR. JOHN TATOM**

## 39 U.S. remains strong

Global investment in new capital goods has weakened overseas — but not in America. Why?



NFI/DUANE BRODT



NFI/DUANE BRODT

## 26 Hundreds attend ethics conference

Junior students in NFI's Networks Scholars program at Indiana State University plan and stage an on-campus ethics conference featuring expert speakers and industry panelists who discuss today's business ethics issues.

## 30 Legislature lauds NFI, scholars, ISU

Networks scholars at Indiana State University praised by Indiana legislators who recognize contributions of NFI, scholars, university to financial services industry. Q=A with Tressman Goode (right): **29**

NFI, INSIDE INDIANA BUSINESS PARTNER

# Statewide campaign focuses on education

During National Financial Literacy Month in April, NFI and Inside Indiana Business launched a statewide, two-year financial literacy awareness campaign aimed to engage and educate Hoosiers about the need to improve financial literacy among Indiana's population.

The Indiana Financial Literacy Campaign runs through April 2008.

Supported by media-based education and web-based resources, the effort is expected to heighten awareness of the issues that affect Indiana's financial literacy, educate people on how to make better financial decisions and connect the public with resources to foster personal financial knowledge.

"Improving financial literacy is not a one-time effort," said NFI Executive Director Elizabeth Coit. "It's an ongoing educational commitment. NFI is privileged and thankful to Inside Indiana Business for lending its ongoing commitment to NFI's financial education initiatives and partnering with us on this multi-phased approach to help individuals and families improve their knowledge of personal finance over time."

As Indiana continues to lead the nation in home foreclosures and struggles with an extremely high bankruptcy rate, a plan had to

be developed to address financial literacy issues in the workplace and at home.

"As a media organization focused on Indiana, we are well-positioned to use a variety of communications and information services to engage the business, educational, and individual publics within the State," said Gerry Dick, president of Grow Indiana Media Ventures, the parent company of Inside Indiana Business.

Campaign components include public service announcements broadcast on TV and radio, a series of full-screen graphics and articles communicating financial literacy statistics on the Inside Indiana Business website, updates in the Inside Edge e-newsletter and interviews with financial literacy experts on the weekly Inside Indiana Business with Gerry Dick TV program.

A unique topic relevant to financial literacy will be introduced on a monthly basis.

"Content in the Indiana Financial Literacy Campaign is appropriate for employees, parents, educators and students," said Indiana State University President Dr. Lloyd W. Benjamin. "This holistic approach reflects that financial literacy is a lifelong process."

For more about the Indiana Financial Literacy Campaign, visit [mycashcounts.org](http://mycashcounts.org).

## mycashcounts™

In April, NFI and Inside Indiana Business launched [mycashcounts.org](http://mycashcounts.org), a website that features timely monthly themes tied to financial decisions that individuals and families face on a daily basis. Monthly themes throughout the remainder of the year include:

### AUGUST

"Keeping Track" offers tips about how families can keep good financial records.

### SEPTEMBER

"Working" provides information and tips about how debt can be effectively managed.

### OCTOBER

"Being Prepared" looks at different benefits plans available to individuals and families.

### NOVEMBER

"Giving Thanks" teaches about the value of volunteerism and in-kind donations to charities.

### DECEMBER

"Holiday Spending" encourages consumers to hold back on using their credit cards during the holiday season.

## TACKLING ADULT FINANCIAL ILLITERACY

# Expert: Today's education efforts don't work

Financial literacy among high school seniors hasn't improved much in the U.S. since 1997, says Dr. Lewis Mandell, a professor of finance and managerial economics at SUNY Buffalo and author of "Financial Literacy: Are We Improving?"

Mandell, a panelist at NFI's Adult Financial Literacy Conference in March (story, page 27), says high school classes today do little to improve financial literacy levels of students and that research has shown that additional classes that focus on bolstering financial knowledge simply haven't worked.

"There is little evidence that today's financial literacy education efforts improve literacy," Mandell said. "We've seen a student who took a required course in finance does just as bad on Jumpstart's



NFI/DAVID BIRD

national (student assessment) survey as a student who didn't take the course."

Mandell believes financial literacy and individual behavior are related and are related to personal efficacy — "the degree to which

individuals control their own fate," he said. "There are too many people out there who think their financial future is due to luck."

Taking a look at adult financial literacy and just how poor it is, NFI hosted the forum to present

'There are too many people out there who think their financial future is due to luck.'

Dr. Lewis Mandell (left): professor of finance and managerial economics at SUNY Buffalo

recent findings and viewpoints from a panel of five economics and finance experts, all of whom have completed research on today's low state of adult financial literacy. Panelists defined financial literacy, reviewed today's efforts to assess it, discussed the nation's low level of personal financial literacy and debated factors that promote financial literacy.



NFI/DJANE BRODT

WHEELS IN MOTION

# Money Bus debuts

**CHECKIT OUT**

Experience the Money Bus in action during a pilot at P.I. Miller Elementary in Indianapolis. Out Front: 13

The nation's first mobile classroom to teach financial literacy became a reality in April. NFI unveiled its Kids Count on the Money Bus — or Money Bus for short — at NFI's 2006 Indiana Financial Literacy Conference for elementary teachers that focused on the importance of teaching financial literacy to young students.

The colorful custom coach backed by a comprehensive curriculum is loaded with high-tech, interactive activities on board and a host of accompanying activities outside its confines. The Money Bus was put to test during a spring-through-summer piloting phase at five Indiana elementary schools and several summer education programs in preparation for a fall launch statewide.

For more information about NFI's Money Bus, visit [moneybus.org](http://moneybus.org).



NFI/DJANE BRODT

Misty Kruger, a teacher at Veritas Academy in South Bend, Ind., inserts her Money Bus debit card into an on-board exhibit to pay for a fictional ice cream sundae she ordered.



Fodrea (Columbus, Ind.) Elementary third-grade teacher Paula Bandos (left) performs a skit with the guidance of Money Savvy Generation CEO Susan Beacham at NFI's Indiana Financial Literacy Conference.

## STATEWIDE FINANCIAL LITERACY CONFERENCE

# Event targets teachers

NFI hosted its second annual Indiana Financial Literacy Conference in April to bring together the state's kindergarten through grade five teachers and press the importance of teaching financial literacy education in their classrooms.

Exhibitors showcased available financial literacy curriculum to teachers; exhibitors included Indiana Humanities Council, Inquisitive Kids, Money Savvy Generation, Junior Achievement, Indiana CPA Society and the Indiana Council for Economic Education.

Teachers also had the opportunity to walk through NFI's new Kids Count on the Money Bus.



### CHECKit OUT

Sesame Street actress, author encourages teachers to teach money concepts to youngest of students. [24](#)

“Parents are under seige. Advertisers and marketers are turning our children into materialistic monsters. And sadly we are abetting the enemy. ... Parents, when you spoil your children and buy them what they want and when they want it, you destroy them.”

Washington Post columnist Michelle Singletary (right)

#### A MESSAGE FOR PARENTS

## Common sense should guide good financial decisions, says practical financial adviser

A respected friend of NFI's movement to raise the nation's financial literacy level attacked advertisers and marketers in April as the enemy that constantly tries to separate people from their hard-earned money.

Nationally syndicated Washington Post columnist Michelle Singletary spoke in Indianapolis at an NFI-hosted event designed to educate central Indiana residents about the importance of making practical, sound financial decisions.

“I believe our commercialized society is crippling our children. They're becoming shoppers at a younger age. Their top aspiration is to be rich,” Singletary said. “Children are describing their self worth by what they're wearing and what they have. That's so sad.

“Parents are under siege. Advertisers and marketers are turning our children into materialistic monsters. And sadly we are abetting the enemy. We let the enemy into our homes. We let our children watch TV in their rooms. We are delivering our children to the enemy. More children shop than go to church.”

Heads in the crowd of nearly 200 nodded as Singletary, host of “Singletary Says” on TV One and author of “Spend Well, Live Rich,” reminded

parents that they're the front line of defense between their children and the countless spending opportunities they face each day.

“Parents, when you spoil your children and buy them what they want and when they want it, you destroy them,” she said. “The best place to teach children about money is in the home. Children learn what they live.”

Singletary encouraged parents to talk to their children about money every chance they get. Parents should explain purchases; talk about how much money certain things like groceries, clothes and other necessities cost; explore and debate the financial consequences of buying toys, electronics and fast food; and drive the point home through all they do that saving is key.

U.S. Rep. Julia Carson, D-Ind., introduced Singletary and stayed to listen to her remarks. Carson and Singletary also had the opportunity to tour NFI's Kids Count on the Money Bus prior to Singletary's presentation.

Throughout the event sponsored by WFYI, exhibitors from the Financial Planning Association of Greater Indiana met with attendees about various financial planning resources available to them.

U.S. Rep. Julia Carson tours NFI's new Money Bus prior to the start of Michelle Singletary's presentation. [30](#)



