



WELCOME TO THE REAL WORLD!

The *Welcome to the Real World!* (WTRW!) program is designed to teach middle school and high school students the skills needed to financially navigate the adult world. The program consists of two parts: financial education and real-world expenditure decision-making opportunities.

Students receive classroom financial lessons that include careers, budgeting, financial tracking, and other money management topics. Instruction goes through the process of receiving a paycheck, putting money in a savings account, depositing money in a checking account, and balancing a checkbook.

In the WTRW! simulation, students assume they have completed basic educational requirements for their chosen career, are single, 25 years of age, and independent, with no financial support from family or others. Youth participants make lifestyle and spending choices like those faced by adults. They pay taxes, determine a savings amount, make a student loan payment — if applicable — and spend their salary on the necessary and other items based on choices with varying dollar amounts, which are based upon the prices in their community.



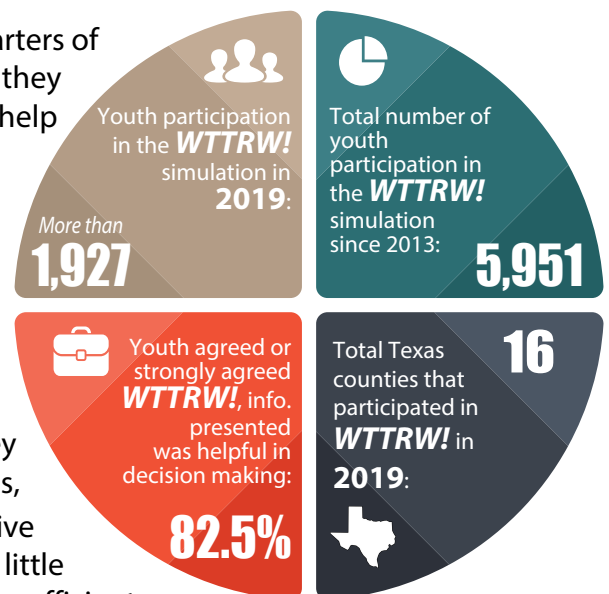
Relevance

In today's world, financial education is crucial. However, many young people are leaving high school lacking the basic fundamentals of financial literacy. Numerous studies conducted on American youths' understanding of basic financial concepts consistently reveal that young people don't possess adequate financial knowledge to be financially proficient in adulthood.

According to a survey from the Hartford Financial Services Group, less than one-quarter of students, about 24 percent, and only 20 percent of parents, say students are prepared to deal with the financial challenges awaiting them in the adult world.

More than three-quarters of students report that they wish they had more help preparing for managing their personal finances.

When youth enter the workforce without a basic understanding of financial literacy, they face significant issues, ranging from excessive credit card debt, too little or no savings, even insufficient retirement planning. The financial choices young adults make have a lasting effect on them. It can lead to a lifetime of debt and financial stress or economic stability.



At a glance . . .

Track Spending

Using sample savings and checking account registers, students learn how to record and manage their accounts.

61% increased their knowledge of how to keep track of transactions.

26.5% of participants plan to use a register to keep track of transactions.



Financial Literacy Pays Off



With nearly **20%** of Americans living beyond their means, education about personal finance is critical. Research indicates that teaching finance to students yield greater money management skills that will carry into adulthood.

Participant Quotes

*"By participating in the **Welcome to the Real World!** program, my view of future life has changed quite a bit. I need to watch how I spend and strive to get the best degree so I can make lots of money! \$\$\$."*

"It will help me know how to balance checking accounts, saving accounts, and my spending. Now I will know how to save and use checking accounts."

"I understand that a job has a big influence on my economic freedom and that there are a lot of bills before fun money. Also, you can't spend and spend. There is a limit."



Savings

52% increased their knowledge of the importance of Paying Yourself First (Savings)

Prior to **WTTRW!**: **33%** of participants have a savings account — after **WTTRW!**, an additional **44%** plan to open a savings account.

47% intend to make deposits into their savings account on a regular basis.



Student Loan Debt

During the **WTTRW!** simulation students with careers requiring post-secondary education make a student loan payment equal to the amount required to pay off the loan in 10 years.

54% increased their knowledge of the effects on student loan debt on your future budget.



Spending Plan

65% increased their knowledge of how to create and follow a spending plan.

47% plan to create and follow a spending plan.

