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Financial advice is out there

An education in money matters may be free for the asking

By **TED GRIFFITH**

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Delawareans who find themselves stumped by the complexities of personal finance, from investing in the stock market to drawing up a family budget, don't need to despair. There is plenty of help available and, best of all, a lot of it's free.

The Delaware Money School sponsors more than 300 classes annually across the state on personal finance topics that include home buying, budgeting, investing and more. There is no charge for any class.

"We want to reach as many people as we can and cover as many topics as possible," said Ronni Cohen, executive director of the Delaware Financial Literacy Institute, which runs the Money School.

While the Money School offers the most comprehensive free personal-finance education in the state, it's by no means the only organization offering education in money matters at no cost or nominal cost.

Mark Smith, the pastor in charge of educational programming at the Brandywine Valley Baptist Church in Fairfax, said his church offered its first personal finance class this spring. The all-day program provided an introduction to the basics of how to budget. He said the church is planning to offer more personal finance classes in the fall.

Smith said money problems are a recurring source of strain for many families, and the church wanted to do something to help.

"To be a healthy spiritual person, you need to be able to put money matters in their proper perspective," he said.

Steven J. Stirparo, who attends Brandywine Valley Baptist and works as a bankruptcy attorney, said better financial education could help stem the rising tide of bankruptcies. Stirparo said he took part in the Saturday budgeting class at his church to brush up on his own skills.

"A lot of this is common-sense stuff, but it's good to be reminded of it," Stirparo said. "Everyone struggles with these issues."

Free education - wherever it's from - can translate into tangible results.

Sharmeka Thompson, a 30-year-old Wilmington mother of two, said budgeting classes offered by the Nehemiah Gateway Community Development Corp. in Wilmington helped her achieve her dream of buying her first home.

Thompson said the classes taught her how to keep a detailed record of her spending and how to put together a budget for her family. With everything in writing, she said, she was able to identify ways to cut expenses and save money toward the home.

"I think almost everyone should take these type of classes," Thompson said. "If there is free help out there, you should take it. You can't beat free."

Burnadette Kornegay, who oversees the financial-education programs offered by the Nehemiah Community Development Corp., a nonprofit project of Shiloh Baptist Church, said people just need to learn the art of money management.

"We try to get them to understand that it's not how much money they have - it's how they manage it," she said.

Cohen, of the Delaware Money School, said rising levels of debt and personal bankruptcies point to the



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Sharmeka Thompson and her children - Damond Emory (left), 7, and Sameera Thompson, 12 - look forward to the settlement on their new home.

need for better financial education. Nationally, personal bankruptcy filings climbed 6 percent last year to 1.63 million, while 2003 personal bankruptcy filings in Delaware rose 9 percent to 3,400.

"We don't consistently teach finance in the schools, and people don't know where to go to talk about money and learn about money. You can see the result - we're no longer a nation of savers," said Cohen, a former elementary school teacher in Claymont. "To be successful today, you have to understand money."

Delaware isn't alone in wanting to combat financial ignorance. Cohen said she has been contacted by state officials in Kansas and Massachusetts who are interested in starting programs similar to the Delaware Money School. She also plans to meet with officials from the Pennsylvania state treasurer's office to talk about potential collaborations on financial education.

"People everywhere see the need," Cohen said. "No one can say, 'I don't believe financial education is important.' "

The Delaware Money School got its start about five years ago, launched by state Treasurer Jack Markell. After initially operating out of Markell's office, the Money School was spun off as a nonprofit group in 2001.

The school gets its own financial support through donations, mostly from major financial companies. The classes are taught by volunteers, many of whom work for financial services firms. Cohen said teachers are allowed to mention their employers but are not allowed to actively promote their companies' services during class time.

The Money School often cooperates with other groups as well. For example, the Money School and Interfaith Housing Delaware regularly co-sponsor workshops on homeownership.

Anthony Johnson, an investment representative with Edward Jones in Middletown and a Money School volunteer, said he tries to give people in his classes a basic understanding of how the stock market works - knowledge they then can use to be better consumers of financial services.

"I'd like people to have more confidence and be able to ask the right questions: 'What's the safety of this investment? Is it suitable for me?' " Johnson said.

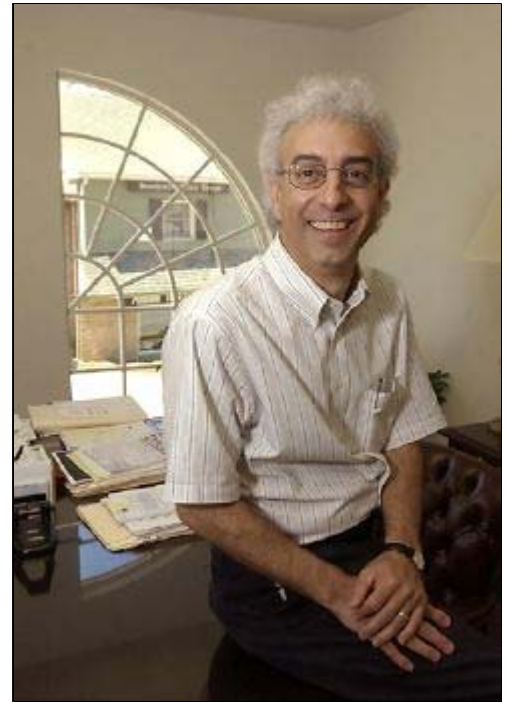
At the Latin American Community Center in Wilmington, classes also are aimed at equipping students to be better consumers, said Carlos de los Ramos, the center's director of public relations. Many of the students are recent arrivals in the United States and unfamiliar with subjects such as banking and insurance. The center started offering courses on financial literacy last year. The classes are free and taught in both English and Spanish.

"It's so important that people have a basic understanding, because without that they can be taken advantage of," de los Ramos said.

Free financial education does, however, have its limitations. Teachers can give students a good grounding in personal finance, but may not be able to go into the depth necessary to address complicated issues.

"There are some wonderful programs but, because they are for a mass audience, they tend to be very broad-brush," said Paul Baumbach of Mallard Advisors, a financial advisory firm in Newark. "The programs aren't really designed to look at individual circumstances."

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The News Journal/BOB HERBERT

Wilmington attorney Steven J. Stirparo took part in a budgeting class at his church.

FREE ADVICE

The following is a list of some of the organizations in Delaware that offer free classes focusing on financial matters:

DELAWARE MONEY SCHOOL

3301 Green St., Claymont 19703

792-1200; www.delawaremoneyschool.com

The Money School offers more than 300 classes a year throughout the state on a range of financial topics, including budgeting, investing, home buying and ways to avoid consumer fraud.

NEHEMIAH GATEWAY COMMUNITY DEVELOPMENT CORP.

201 W. 23rd St., Wilmington 19802

655-0803; www.volunteersolutions.org

Nehemiah Gateway offers classes to help build personal financial-management skills and reach savings goals. The organization, affiliated with Shiloh Baptist Church, also offers one-on-one financial counseling.

LATIN AMERICAN COMMUNITY CENTER

403 N. Van Buren St., Wilmington 19805

655-7338; www.laccweb.com

The center offers a six-week course on financial literacy, covering budgeting, use of credit, insurance and taxes. Instructors speak both English and Spanish.