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NEWS RELEASE

Credit Advisors Foundation
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LOCAL NON-PROFIT SEEING REQUEST FOR FINANCIAL EDUCATION INCREASE 87 PERCENT

Credit Advisors Foundation, a non-profit credit counseling organization has experienced an 87 percent increase in new requests for their workplace education programs.

This increase parallels the growing percent of the population worried about their finances. Currently, ninety percent of American consumers are dissatisfied with their financial well being. For many this is caused in part by the tactics of lenders. Congress has answered with policies to protect consumers from abusive lending practices. These policies have greatly improved consumer protection; however, they do not address the general lack of financial literacy among American consumers.

“There is only so much the government can do to protect consumers through regulation. Consumers must become actively involved in financial planning for both today and the future,” said Michaela Harper, Community Education Director at Credit Advisors Foundation

Only a quarter of Americans feel well enough informed to successfully manage their household finances. Financially illiterate consumers may not understand mortgage loan documents and credit card agreements, two of the many causes of the current recession. In addition, numerous studies show that financial literacy and personal savings have a positive correlation. At the time the recession began, the savings rate was negative. Now the US Savings rate is about seven percent, the highest rate in 15 years.

Non-profits, construction companies, universities, and small businesses have all contacted Credit Advisors Foundation because of the work environment created by employee financial stress. It is estimated that financially stressed employees spend 20 hours a month worrying about and taking care of financial matters at work. Many employees are feeling stress both in their financial lives and at their workplaces.

“We are seeing more companies asking us to provide financial education to their employees. Companies are eliminating or shifting benefits expenses and foregoing raises in an effort to avoid lying off employees. Unfortunately, so many people live paycheck-to-paycheck that any change in income has drastic effects,” Harper said.

Many businesses request Credit Advisors Foundation provide on-site seminars covering information on budgeting, credit reports, and responsible credit usage. American consumers want information on these topics. Seventy percent of workers indicate they would attend an employee-sponsored financial checkup.

In order to successfully navigate this economic downturn more needs to be done to increase financial literacy throughout the country. Workplace financial education is just one step, but it is a step in the right direction.

For more information on please contact Michaela Harper at Credit Advisors Foundation by e-mail, michaela@creditadvisors.org or telephone, 402-514-3310.

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Credit Advisors Foundation is a national, non-profit credit and housing counseling organization with offices in Omaha, Nebraska, Tacoma, Washington, and Mt. Laurel, New Jersey. The organization provides financial education to the community via publications, speakers, and counseling. For more information visit creditadvisors.org