

# **Financial Literacy, Youth Entrepreneurship and Community Service: A SAGE Program Linking Secondary Students to College Mentors in 2008- 2009**

## **I. Purpose and objectives of the program**

The purpose of the program is to help make future dreams come true for high school students by teaching them financial literacy skills needed to be successful. With the emphasis on standardized testing and college preparedness, many important job and career training skills are not taught effectively in high schools. This is especially true of economically disadvantaged schools. Our grant request, which will be operated by the \_\_\_\_\_ Community College Foundation, directly will serve approximately \_\_\_ students in high schools throughout \_\_\_\_\_ (state). Of all \_\_\_ students, approximately \_\_% will come from low- and moderate-income backgrounds.

This first objective of this project is:

- To promote a better understanding of financial literacy and community service for high school students via a program called “Students for the Advancement of Global Entrepreneurship” (SAGE). The high school students will be assisted by their \_\_\_\_\_ Community College mentors/consultants. Working closely with their college mentors, the high school students will learn new financial literacy skills as they work on REAL WORLD projects.

The second objective of this project is:

- To involve the business and civic community by recruiting business managers, executives, entrepreneurs and elected officials to participate as guest speakers, consultants and business advisers for high school SAGE teams. Further, in the role as SAGE competition judges, these leaders serve as evaluators and graders to determine which educational projects are doing the most to enhance financial literacy. Allstate employees and associates will be encouraged to sit on the business advisory boards of each participating high school.

## **II. Why is SAGE an ideal match for the Allstate Foundation?**

SAGE is an ideal match for Allstate’s philanthropic activities because:

- (1) It has been pilot tested in California, and it works. SAGE has been successfully conducted the past six years, and it has shown that it can become a model for effective state, national (and international) education reform;
- (2) It directly involves local business and community leaders in working with the high school and college students as they complete their real-world, experiential learning projects. This extraordinary “team” effort is unparalleled among youth programs offering financial education, community service or entrepreneurship;
- (3) It directly provides new role models for high school students from college mentors; the older students act as financial consultants to their younger protégés, thereby providing a new point of contact between high school students from low-income communities and higher education;
- (4) It directly involves local business and community leaders in a new form of outcome assessment, where these leaders (not the teachers) evaluate the quality of the high school projects; each SAGE team must present the results of their projects in a written annual report and a multimedia presentation at a regional conference

- (5) It encourages intrascholastic collaboration because students can work on SAGE projects as part of an existing curriculum (like Junior Achievement) or after school (like athletics and drama). At the end of the year, each high school must select a team of presenters who travel to a regional conference (i.e., tournament) to present their results in front of a panel of external reviewers (i.e., referees). The team rated the highest advances to a national competition, and the winner of the national competition advances to the SAGE World Cup;
- (6) It encourages interscholastic competition; SAGE students don't compete for grades; rather, they compete for the same type of recognition that comes with interscholastic sports. The competitive element incorporated into SAGE cannot be overstated. This structure allows teams to "benchmark" their best projects against other secondary schools from one year to the next. Unquestionably, one of the strongest motivators for a young person is peer pressure, and the SAGE structure, in a subtle yet powerful manner, has incorporated this motivational technique into a fun and competitive setting.
- (7) It requires the completion of local projects, but each SAGE must do so with an eye toward international issues; by including a judging criterion with a global dimension, SAGE provides secondary students with an international perspective and, for the most outstanding students, a unique cultural exchange program when they travel to the SAGE World Cup each year.
- (8) Doesn't mandate any one curriculum nor intrude on existing business student organizations; on the contrary, SAGE provides an avenue for these student organizations to showcase what they've learned and earned by presenting their results in a public exhibition, thereby increasing the potential for existing financial education curricula to expand their "market share."

The majority of the high schools targeted by this grant is located in underserved communities, and addresses several of Allstate's goals in that SAGE:

1. Integrates innovative approaches to enhance learning experiences in the public school system
2. Provides financial literacy and business education skills to prepare high school youth for their next stage of life and offers an outstanding mechanism to
3. Reinforces the volunteer efforts of Allstate employees. The SAGE program will be strengthened based on the real life expertise, and interaction with, experienced professional financial experts.

The project headquarters is located at \_\_\_\_ Community College.

### **III. Needs being addressed**

According to the Jumpstart Coalition for Personal Literacy, 50% of U.S. high school seniors don't make the grade in their knowledge of managing money, investing, and savings. Also, a recent Gallup survey found that, even though 69% of high school students want to start their own business, more than half acknowledged that their understanding of business issues is poor. "The sad fact is that most children today receive no formal education about business and free enterprise. Our schools aren't required to teach it and most teachers don't understand it themselves. Unless we start today to correct this situation, the free enterprise system will continue to be at risk tomorrow" [Think This is Kid Stuff? Think Again..., National Federation of Independent Business Education Foundation].

Most financial education programs throughout the U.S., if they exist at all on a high school campus, have focused on curriculum reform/content development and many are delivered in traditional text-based or "chalk and talk" lecture/recitation environments. While the content is usually sound, it neither engages students nor changes their behavior regarding the practice of micro enterprise development, entrepreneurship or financial literacy in their own lives. The challenge is to make that content relevant and "hook" the student. It is one thing to be able to claim that a student has learned the principles of financial management and can pass a test covering the material learned in a classroom. It is something

altogether different, and more meaningful, to have that same student apply their financial knowledge to managing their own lives, and their own finances.

Rather than becoming yet another body of knowledge to be memorized, tested and forgotten, if financial education is made relevant, it becomes an integral part of that student’s vocabulary and mindset as they seek a job or move on to their vocational school or university years and into the “real world.” SAGE provides such relevance. Thus, this proposal addresses an unmet need at the secondary school level in California

**IV. Plan of action and time frame**

The SAGE program promotes financial literacy, entrepreneurship education and community service by linking \_\_\_\_\_ Community College students to \_\_\_\_\_ (state) secondary schools. We expect about \_\_\_ high schools to participate in SAGE \_\_\_\_\_ state in 2008-2009, with the culminating event taking place on \_\_\_\_\_ (date) on our campus. College student “mentors” are assigned to individual high schools to help them complete problem-based learning projects. Throughout each year, the high school SAGE team completes at least one project under each of the following categories: commercial entrepreneurship, social entrepreneurship, environmental stewardship, civic engagement, and global awareness. Each SAGE school is encouraged to recruit a Business Advisory Board. At the end of the year, these projects are showcased at the SAGE \_\_\_\_\_ (state) competition at the end of April. Judges at the SAGE \_\_\_\_\_ (state) competition include successful entrepreneurs, business leaders, professors, civic leaders and graduate students. Thus, SAGE is an ideal program that encourages school partnerships with the business community and the community in which the school is located.

The SAGE \_\_\_\_\_ (state) champion will represent \_\_\_\_\_ (state) in a national SAGE Exposition on May 29-31, 2009 at SAGE USA competition in the San Francisco Bay Area. Students from \_\_\_\_\_ (state) will present the results of their projects to a new panel of judges. Other state SAGE champions will also present the results of their projects. The team that does the most persuasive job will then represent the USA in the SAGE World Cup competition in August 2009 in Brazil.

**V. Qualifications of program staff**

\_\_\_\_\_ is the Project Director. Put biography here.

**VI. Total funding required and projected resources**

The total cost of this project is \$31,104. **The total request from Allstate is \$10,000.**

	Total Costs	Total from other Sources	Total from Allstate
<b>SAGE - Direct Program Related Expenses</b>			
<i>i. Materials and Supplies</i>			
Photocopying	\$1,000	\$1,000	\$0
Postage	\$1,000	\$1,000	\$0
Telephone	\$1,000	\$1,000	\$0
<i>ii. College mentor/consultant travel to high schools:</i>			
	\$5,000	\$5,000	\$0
<i>iii. SAGE State Competition, Spring 2009</i>			
Prize money to winning teams	\$4,000	\$4,000	\$0
Costs to host the California SAGE competition			\$0

Auditorium rental for business competitions	\$900	\$900	\$0
Friday night welcome reception for business and civic leaders (\$15 * 200)	\$3,000	\$240	\$2,760
Friday night skating/pizza party for high school students (\$6 * 150 people)	\$900	\$0	\$900
Street banners, signs	\$350	\$350	\$0
Balloons, decorations	\$200	\$200	\$0
Brochures (Production and Mailing)	\$300	\$300	\$0
Supplies, copying, name tags	\$550	\$550	\$0
Saturday night banquet (200 people * 28.15)	\$5,600	\$0	\$5,600
<i>iv. California SAGE champion travel to USA SAGE Event</i>	\$5,000	\$5,000	
<b>Total Direct Costs</b>	<b>\$28,800</b>	<b>\$19,540</b>	<b>\$9,260</b>
<i>v. Indirect costs (8% of Direct Costs)</i>	<i>\$2,304</i>	<i>\$977</i>	<i>\$740</i>
<b>Total Costs</b>	<b>\$31,104</b>	<b>\$20,517</b>	<b>\$10,000</b>

\* Total From Other Sources (in kind)

- Office
- Salary
- Copying
- Travel

\$5,000
\$10,000
\$2,500
\$3,017
<b>\$20,517</b>

## VII. Recognition of Allstate's support

Allstate will be recognized as the official sponsor of the Friday night welcome receptions and SAGE Awards Banquet on Friday and Saturday night, \_\_\_\_\_.

Allstate also will be recognized as the "official lead sponsor" of SAGE \_\_\_\_ (state) at the USA SAGE Exposition. Recognition will come in the form of significant newspaper, television and radio coverage, whereby Allstate will be recognized prominently.