

Many adults learn the hard lessons of money management after they've left school and are living on their own. Thanks to Pacific Northwest Federal Credit Union, students at Parkrose High School learn the basics of sound budget management well before they've taken on debt.

“It was eye-opening! Everything is so expensive,” a sophomore said after participating in a Financial Reality Fair organized by the credit union at their Portland-area school in October 2019.

At Parkrose, 175 students were randomly assigned a financial profile using the Bite of Reality app funded by the Northwest Credit Union Foundation. Through the app, students are given a job, salary, tax status, and family. If they have a spouse, and both are working, students are told they must provide transportation for both adults. If there are children, then students must find the money to pay for diapers, daycare, and formula.

“I think one of the biggest things our students learn is how quickly money goes,” said Parkrose Principal Molly Ouche.

Just as in real life, some spent well beyond their means. One purchased a yacht. Another succumbed to a high-pressure salesman and bought a BMW.

“My role was to help students who had gone over budget find ways to cut spending,” said Tom Griffith, Pacific Northwest Federal Credit Union CEO, who volunteered as a financial counselor. “Over and over I saw the ‘ah ha’ moment as they realized that financial reality has tradeoffs. The fancy new car has to go to pay for diapers and formula. This is why we do this, to show teens, before they get in financial difficulties ways to approach solid fiscal responsibility.”

Did the lessons take?

Across Oregon, credit union employees taught more than 23,000 students and adults to budget and save in 2019 during financial education workshops and individual sessions.

In a survey following the fair, 123 students said they'd now use some form of budgeting to manage their money and 68 students pledged to start saving regularly now. Smart kids!



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