Jane Walstedt: Welcome to the first in a series of monthly Wi$e Up teleconference calls this year, and thanks to each of you who are participating today.

My name is Jane Walstedt, and along with Beverly Lyle, the Women’s Bureau Regional Administrator in Dallas, I’m the Co-Chair of the Women’s Bureau Team that developed the Wi$e Up program.

As most of you know, Wi$e Up is a financial education demonstration project being offered online with an e-mentoring component and in a classroom setting.

Seven Women’s Bureau regions are participating. These teleconference calls are a component of the demonstration project.

The theme of today’s call, which will last one hour, is Becoming Credit Smart. We have three excellent speakers who will be introduced shortly.

In 2004, 76% of all families had some type of debt; almost 80% of families in which the head of the household was younger than 35 had some type of debt.

Many of you have or have had student loans. In 2000, 45% of full-time dependent undergraduate college students borrowed to pay for college compared to 30% in 1990. Among students who took out loans, the average amount borrowed through all loan programs adjusted for inflation grew from $3,900 in 1990 to $6,100 in 2000.
The average loan in 2000 ranged from $5,200 for low-income students to $7,400 for high-income students.

The majority of American consumers do not fully understand the importance of a credit score, how that score is determined and the steps one can take to improve credit scores, according to a 2005 survey by national lender GMAC Mortgage Corporation. More than 50% of survey respondents incorrectly answered that increased income level would raise one’s credit score and only 42% knew that payment history was a critical determinant to credit score.

Why should you care about your credit report? Because 1 in 4 credit reports had serious errors - had errors serious enough to cause consumers to be denied credit, a loan, an apartment, or home loan, or even a job, and 79% contained mistakes of some kind according to a survey released in June 2004 by the US Public Interest Research Group.

If you are doing the Wi$e Up curriculum, you’ll know that the fourth chapter of the curriculum deals with credit in a money world.

Some of the topics in that chapter will be addressed by our speakers today. Topics like debt-to-income ratio, credit reports, and identity theft.

The format of our call today is that we will first hear from three speakers, then when the speakers have finished, the operator will come on and give us instructions about the question and answer session.

I'm delighted that one of our speakers today, Diahann Lassus, comes to us, thanks to the efforts of the American Institute of Certified Public
Accountants, with whom we've entered into a partnership in the delivery of the components of Wi$e Up.