

JUNE 2007

Volume II, Issue I

C.A.R.E. TODAY

CARE IN 39 STATES

Since our initial Newsletter in October 2006, thanks primarily to the efforts of those mentioned, CARE Programs have started in Arkansas (Judge Audrey Evans and Jean Rolf, Clerk of Court), Delaware (Judge Brendan Shannon), South Carolina (Judge John Waites), Washington State (Judge Pat Williams), West Virginia (Judges Pat Flatley and Ron Pearson and Matt Hayes), Wisconsin (Judge Margaret McGarrity and Kathleen

Boucher) and Wyoming (Judge Peter McNiff and Tim Ellis).

If you are a bankruptcy professional in a state or community where there is no CARE Program, please consider this. If you would be interested in and willing to make a financial literacy education CARE-type presentation for a high school or college in your community, if they asked you to, why not be listed on the CARE Web site as a contact person. With CARE's national publicity and Web site, you may be contacted for a presentation.

Doing that would also give CARE a greater national presence.

Please encourage any colleagues in the following states to consider bringing CARE to their community, and let them know that we will do everything to help, encourage and support them in that effort, including providing them with a mentor program: Hawaii, Idaho, Iowa, Montana, Nebraska, New Hampshire, New Mexico, North Carolina, North Dakota, Rhode Island and South Dakota.

JUMP\$TART COALITION...

CARE was represented at the annual Jump\$tart Coalition meetings in Washington, D.C. in April, which resulted in many new and exciting contacts.

Those who learned about CARE had very positive reactions. Laura Levine, the Executive Director of the Jump\$tart Coalition, has been and continues to be an enthusiastic supporter of CARE, so thank you Laura. Currently, relationships between CARE and state coalitions have been established in Florida, New Hampshire, Tennessee and Wisconsin. There are numerous opportunities for members of both organizations to work together, and state coalitions can expose CARE Programs to many new educators. Please contact your state Jump\$tart Coalition representative to explore ways that you can work together. To find your local state representative go on the Jump\$tart Coalition Web site, www.jumpstartcoalition.org, and click on "state coalitions."

We're on the Web:

www.careprogram.us

CARE IS FORMING A SECTION 501(c)(3) CORPORATION...

Thanks to the efforts of an attorney who desires to remain anonymous, in May CARE received \$253,000.00 in unclaimed funds from a bankruptcy-related class action lawsuit (it was originally estimated that CARE might receive \$10,000.00).

CARE is in the process of forming a 501(c)(3) Corporation to administer these funds and move CARE to the next level.

The initial officers and directors of the Corporation are Judge Ninfo, Paul R. Warren, Esq., Clerk of Court for the

Bankruptcy Court for Western District of New York, and Paul S. Groschadl, Esq., an attorney with the Rochester, New York law firm of Woods, Oviatt & Gilman LLP, which is currently representing the Corporation in its formation. Both Pauls have been actively involved with the CARE Program since its inception in 2002.

We welcome your input as to what projects CARE could complete with these initial funds that would improve or promote the Program on a national basis. Some current suggestions are to make: (1) professional quality videos for

CARE's GLAD (Greeks Learning to Avoid Debt) and/or SIFE (Students Involved In Free Enterprise—a new initiative discussed below) initiatives; and (2) generic television and radio public service announcements that could be utilized by local CARE Programs across the country.

The formation of a 501(c)(3) corporation with its various reporting requirements and the possibilities that it opens for CARE to attract funds on a national and/or local basis, and how best to utilize those funds, was not something being contemplated at this time. However, it is something that must now be addressed. Any and all comments or suggestions that any of you may have as to how to best utilize the 501(c)(3) Corporation, should be addressed to Judge Ninfo at jninfo@nywb.uscourts.gov.

GLAD (Greeks Learning to Avoid Debt)

Thanks to the efforts of Dwayne M. Murray, Esq., Kappa Alpha Psi and the National Association of Bankruptcy Trustees, GLAD presentations were made in February at the University of Delaware (Judge Brendan Shannon); March at the University of Louisiana at Lafayette (Judge Ninfo and Dwayne Murray); and April at the University of Oklahoma (Therese Buthod).

College Chapters of National Fraternities and

Sororities are often required to supply speakers for campus-wide lecture series and they also have community service requirements. A CARE presentation is the perfect answer to their speaker requirement and working with a CARE Program in their community to help it present at more high schools is a great community service project. Visit the new Fraternities and Sororities link on the CARE Web site.

CARE is looking for your comments and suggestions as to how to best utilize the \$253,000.00 to promote financial literacy.

Please consider contacting the individuals in charge of Greek life at the colleges and universities in your community to advise them about our GLAD initiative.

BANKRATE.COM

Bankrate.com is currently putting the finishing touches on a major interactive piece about the CARE Program that will roll out sometime in July and then run for a week or two on the Bankrate.com Web site. The primary reporter on the project, Brigitte Yuille, attended one of our Miami high school

presentations (Judge Mark, Ileana Espinosa and Leyza Blanco) and is pulling materials off the CARE Web site, including parts of videos. This will expose the CARE Program to millions of individuals who regularly visit the Bankrate.com Web site, so expect some new contacts.



NEW CARE INITIATIVE...

high school senior and community service projects

A CARE presentation is a perfect senior or community service project for a high school student.

Recently in Rochester, New York, Wanda Watkins, a high school senior at Webster Schroeder High School, organized a CARE presentation for students and their parents as part of her senior project. Soon to be posted on the CARE Web site as a model for others is the flyer she prepared, the material provided to the students and parents who attended the presentation, and a local newspaper article.

As you know, reaching parents with CARE's lessons, tactics and techniques, is almost as important as reaching their children in high school and college, so this is another initiative that you might want to suggest in your community.

VISIT

WWW.BANKRATE.COM

THIS COMING JULY.....

NEW CARE INITIATIVE...CARE Materials

College and University Orientation Programs

Our Cincinnati, Ohio CARE Program (Judge Hopkins, The Cincinnati Bar Association Bankruptcy Committee, Marge Burks, Edward Boll and Philomena Ashdown) will have a two-page flyer from the CARE Program (soon to be posted on the CARE Web site) that will be included in the orientation package for the 5,000 incoming students and parents. The insert includes CARE's "Top 10 Tips" and "Consequences of the Abuse of Credit" Handouts.

This is a great initiative to suggest to colleges and universities in your community.

Visit www.sife.org

NEW CARE INITIATIVE...SIFE (Students In Free Enterprise)

There are SIFE teams in more than forty countries, including on approximately 800 college and university campuses in the United States (for more information about SIFE, go to www.sife.org). One of SIFE's five educational topics is to promote financial literacy, both on campus and in the college or university's community, so that the CARE Program and SIFE teams are a perfect fit. The SIFE team at Keuka College in Western New York (Assistant Professor of Law & Finance, Dawn Grasso) recently hosted an extremely well-attended CARE presentation on campus. CARE will be working with the Keuka College SIFE team to build a model collaboration much like CARE's GLAD initiative, that can then be presented to other SIFE teams across the nation. It will invite them to sponsor CARE presentations on campus, and also work with local CARE Programs to help them make more local high school presentations.

TIPS...

1 The “Can You Believe This” Handout on the Presentation Materials link of the Web site is an excellent handout to give to the media when they are doing a piece on your local CARE Program. It includes such bullets as 43% of Americans admit that they spend more than they earn, 60% of students say they have never had a meaningful conversation with their parents about finances, and more. These points are also useful to work into a presentation.

2 It is a good idea to leave a few copies of the “How to Create a Realistic College Budget that you Can Stick To” Handout (on the Presentation Materials Link of the Web site) with the guidance counselors office when you are doing a presentation at a local high school. That way, they can make it available to other high school seniors going on to college who might not have attended the CARE

3 Today, a majority of car loans are five years or longer and depending on the model they are often upside down (more is owed than the car is worth) within 3 1/2 to 4 1/2 years. As a result, over a quarter of all cars traded in for a replacement vehicle have negative equity. This negative equity is then refinanced as part of the purchase of the replacement vehicle, so the replacement vehicle is upside down even sooner than the original vehicle. In addition to credit card debt, stressing to young people in high school and college that they should try to minimize the term on any car loan to avoid the many consequences of this upside down negative equity phenomenon (one is — the car gets totaled in an accident and the insurance company only pays the car’s value. Now you don’t have a car, but you do have a substantial loan deficiency), is an important lesson of basic financial literacy.

4 Students always ask what is the best credit card to have. There will soon be a link on the CARE Web site to the cardratings.com Web site. This Web site is perhaps the best one for finding the right credit card for a person’s specific needs.

5 The best suburban “needs” story is about a suburban couple with over \$110,000.00 of credit card debt (who of course earn less than \$100,000.00) and has only an eight-year-old son. They trade in a perfectly good late-model Camry for a Trailblazer with a monthly payment that is more than many people’s mortgage payment and one they clearly can’t afford it. Why? Because their son is now playing youth hockey and football, and they need more room for his equipment and his friends. You might want to use this story the next time you’re speaking to students about the difference between wants, needs and wishes.

TIPS...

C.A.R.E. Today
CREDIT ABUSE RESISTANCE EDUCATION

Credit Abuse Resistance Education (CARE) Program

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**A BRIEF MESSAGE FROM
JUDGE NINFO:**

It is my hope that the CARE Program in one form or another will continue to expand nationally and reach more and more of our young people who so desperately need its information to help them live consumer debt free and avoid the temptations and consequences of overspending and the abuse of far too easy to obtain consumer credit.

STAY IN TOUCH...

Please continue to stay in touch with us about what you are doing locally. Send us presentation materials you feel we should post on the Web site, any local publicity you receive for posting on the Web site, and any suggestions that you believe could help CARE improve and expand.

**“THANK YOU TO ALL
OF YOU WHO HAVE
TAKEN UP THE CHAL-
LENGE FOR ALL OF
YOUR GREAT WORK.”**