

Response to Questions for the SEC Request for Comment

1. Investor Education Programs

The Cooperative Extension System provides investor education through its network of over 3,000 county and city offices, over 100 land-grant universities, and eXtension, the 24/7/365 online information delivery Web site (see http://www.extension.org/personal_finance). We have provided financial education to adults and youth (via schools and 4-H clubs) since our founding in 1914. Three “signature” investment education programs are delivered online free of charge to consumers: the multiple national award-winning 11-unit *Investing For Your Future* basic investing home study course at <http://www.extension.org/pages/10984/investing-for-your-future>, the *Investing For Farm Families* online course at <http://www.extension.org/pages/23204/investing-for-farm-families>, and eXtension, which provides thousands of pages of personal finance content and personalized e-mail responses to consumer questions.

2. Most Important Characteristics of an Effective Investor Education Program

- ◆ Personalized approaches to target audiences
- ◆ Sound current information on best practices
- ◆ Clear and realistic action steps for behavioral change
- ◆ Follow-up evaluation to assess program impact

3. Most Effective Programs

Investing for Your Future (IFYF) and eXtension are our most effective national investor education programs. The IFYF course has been viewed by thousands of people since its inception in 2000 and won a prestigious national award from the U.S. Secretary of Agriculture in 2002 and two other national awards. IFYF is updated regularly and Unit 11, *Investment Fraud*, was written by staff at the U.S. Securities and Exchange Commission. eXtension personal finance information includes a data base of 1,800 frequently-asked questions (FAQs) and an Ask an Expert (AaE) feature where consumers can get an answer to their questions. Many AaE questions are subsequently converted into FAQs.

4. Third Party Evaluation

A comprehensive evaluation of *Investing for Your Future* was conducted and results were subsequently published in the refereed *Journal of Extension*. The link to this research article is: <http://www.joe.org/joe/2003june/rb6.php>.

5. National Scope

The Cooperative Extension System is a national information delivery network. All of the programs listed above (*Investing for Your Future*, *Investing for Farm Families*, and eXtension) are all national (and, in fact, international) in scope because they are all delivered online. In addition, Cooperative Extension faculty at the state and local level provide investor education to consumers through a variety of other methods including face-to-face classes and speaking engagements, television and radio, newspaper columns, newsletters, exhibits, Web sites, social media, etc.

6. Topics and Investor Behaviors that Investor Education Programs Should Focus On

Finding money to invest, basic investment terminology, historical investment performance data, characteristics of frequently-purchased investments, common investing errors, investment risk and risk tolerance, online investing, tax-free and tax-deferred investing, and life cycle considerations (i.e., strategies appropriate for different stages of life).

7. Best Description of Organization

Public, federal government Public, state or local government Also, land-grant universities

8. Comments on Effectiveness of Existing Private and Public Efforts to Educate Investors

- ◆ Many programs need better assessments of participant behavior change and other success metrics
- ◆ Few financial education programs are evaluated with longitudinal data and control groups
- ◆ Successful local programs need to be easily replicated and taken to scale so impacts can be aggregated
- ◆ There needs to be more demand for financial education programs and less supply (new curricula)
- ◆ Financial educators need to better adapt curricula for the characteristics and culture of audiences