



Building Your Business

Invest in Others Freedman Financial: Helping Prepare Students For College

This fall, high school graduates from around the country will be heading off to college. For many, this means being away from home for the first time without the guidance of their parents. Among the myriad of challenges that college life presents, managing personal finances can prove to be a daunting task.

To help children start thinking about financial matters before college, Marc Freedman of Freedman Financial has created the Freedman Financial Scholarship Program, which encourages children to talk to their parents about financial literacy.

How the Seed Was Planted

About a decade ago, Marc's advisory clients asked him how to introduce financial planning topics to their children and grandchildren. Marc's first inclination was to create seminars for this audience. However, according to Marc, "The needs of children at different ages vary so much that a 'one size fits all' approach would not work." Rather, he needed a way to achieve the true goal, which was to create open lines of communication between parents and children about financial topics. To accomplish this, Marc started a scholarship program to honor his clients' children and grandchildren.

Selecting a Scholarship Review Board

An important aspect of any community outreach program is the incorporation of a repeatable process that is easy to execute without taking much time away from an advisor's practice. Marc was able to achieve this by leveraging the structure he had already set in place with the Client Advisory Council. The Council is made up of 12 advisory clients and their spouses. Members serve for a three-year term with four members joining and four members completing their term each year. From the council, Marc selects four to six members for a Scholarship Review Board. The board meets twice a year to receive feedback on whether Freedman Financial is living up to the firm's goal of improving their clients' lives by delivering peace of mind through genuine financial planning advice.

Scholarship Program Application Process

The Freedman Financial Scholarship Program offers a \$1,000 scholarship award each year to one of its advisory clients' children or grandchildren who are seniors in high school and pursuing a college education in the fall. According to Marc, "To make the program worthwhile, you need to offer a significant amount." To publicize this educational opportunity, Freedman Financial announces the scholarship program in their winter newsletter and also posts the information on their website. Approximately a dozen high school seniors apply each year for the program.

As soon as an application comes in, the applicant's name (and client's name) is removed, ensuring that the applicant is anonymous. Marc and his firm are careful not to let any bias affect the process and rely solely on the Scholarship Review Board to make the final selection. Marc holds off on reading applicants' essays until the final selection has been made.



Scholarship Program Application Criteria

High school seniors interested in applying for the Freedman Financial Scholarship Program are required to submit an application, along with the following information:

1. An academic report
2. An overview of extra curricular activities
3. Any special circumstances that make them a more deserving candidate
4. An essay addressing the question: *What Does Financial Literacy Mean to You?*

Applicants are rated in all four areas however, the essay portion is weighted at 50% of the overall score. The emphasis is on how well students research and articulate the meaning of financial literacy in their lives—not on a needs basis. To complete the essay, applicants are required to talk to their parents or grandparents (whomever Marc's clients are) and incorporate their feedback in the essay. Marc notes, "This program provides a financial incentive for kids, parents and grandparents to open up about financial topics and open the lines of communication."

Providing Recognition

In addition to receiving money, award winners are recognized by Marc and his firm by including a picture of the winner and his/her essay in the company's newsletter. The winner's name is also put on a plaque that is displayed in the lobby of Freedman Financial.

Marc is continually impressed with how articulate his scholarship applicants are and understands why their parents and grandparents are proud of their success. As a way to thank all the applicants and to further encourage them to think about financially-related topics, each applicant receives a copy of the "Ultimate Gift" by Jim Stovall, a book on values and money-related topics. This token of appreciation serves as a great way to help prepare high school seniors who are about to embark on their new journey.

For more information on how you can create your own scholarship program, please refer to the Scholarship Program Guide and sample letters and templates available for you to download on the BranchNet Resource Center | Business Development | Marketing | Programs | *Invest in Others* | Scholarship Program.

