Illinois Financial Education Round Table Meeting

August 31, 2010

1. **Introduction**
    - **a.** National surveys have shown that youth financial literacy rates across America are very low. Illinois, in particular, falls below the national average. Virginia and Pennsylvania, on the other hand, excelled in National Financial Capability Challenges. We should examine what these states are or are not doing to create an effective plan in Illinois.

    - b. Establishing best practices that we all support will guide us going forward. Federal Core Competencies can identify topics to be taught. Looking at the "model states" who won the highest rank on the National Financial Capability Challenge will help us. There are many ways of putting together a curriculum and legislative mandate. For example, Idaho and South Dakota do not have a financial education course requirement, but do require that financial education be incorporated to another subject. In Wyoming, on the other hand, it is offered as an elective course. CPS also created a comprehensive core curriculum outline from Jump$tart, ISBE and other financial education providers' materials. In designing the CPS program, feedback from teachers was critical and group knowledge contributed significantly to designing a comprehensive course outline.

    - c. We may need to establish larger principles like creating a theme of pursuing "economic well-being." It is also important to set milestones for each grade level to accomplish.

2. **Teacher Training**
    - a. There are mixed views about whether the reason teachers do not teach these materials is due to funding or lack of testing.
        - i. Helen Robert's survey (finished on Aug. 31) asked teachers (K-12) about barriers to financial literacy. This survey can be distributed to any other channels to get more feedback from teachers.
        - ii.
    - b. There are various ways to enhance teachers' access to financial education training materials, such as standardizing materials for teacher training or testing, and utilizing CPDUs, CPS Safari Montage (free for teachers) and Illinois Virtual School's training modules (unclear what the associated costs are).

    - c. High Schools in Illinois are beginning to require that teachers teaching consumer education demonstrate that they have completed at least one course (9 week mandate within another course or separate). In 18 months, every school will have to show where the mandate is being met and track student grades. ISBE can provide more information on this.

d. Providing teacher training presentations on both ISBE's virtual site and on CPS' Safari Montage may be able to reduce the cost of training and allow teachers to obtain certification easier, however, there are still some barriers. For example, effective online learning costs money, and there are costs associated with getting 3 hours of mandatory university credit. Moreover, many organizations have cut down on reimbursements for teacher training.

e. This group could create a portal of materials for teacher training. States like Wisconsin and Pennsylvania have government level financial literacy staff people that have worked on such portal.
    i. Can we create a portal that teachers can access for training purposes?
    ii. Is it possible to have a portal for financial education teaching resources that have been vetted, starting with the Clearing House materials, based on a matrix for cross curriculum learning, and new material that gets developed and relate back to ISBE?

3. Coordinating Plan of Action

a. We should make a combined effort to have various agencies set up links and perhaps establish a task force. This needs to be a coordinated effort with the same information going statewide so that the same resources are recommended to anyone in the state.

b. The City Treasurer's Office may explore starting a pilot within a struggling county such as Rockford to examine a microcosm of schools and see if this tool can be used with teachers. CPS already has the program funded by outside source and will have evaluations on its performances ready in the near future. Piloting will help us answer questions about what is effective and what should be implemented

c. We must address all grade levels K-12, and set up key milestones and examine the feedback on resource for the pilot program once it is available. Also, there may need to be multiple options for the curriculum as opposed to one big plan. The more we can provide in terms of ease means the more we can achieve.

d. There are ways to connect this to other mandates on service learning or math standard. For examples, it is easy to tie financial education with grammar school math standards. For high school, we may tie it to the Work Keys section of PSAE or interest rates to exponents.

e. We must establish:
    i. a) What are the overarching principles?, b) What are the mechanisms for doing this?, c) How do we roll this out?, and d) How do we provide maintenance and updating for any web portal?

    ii. It is important to determine what is political feasible. After looking at the CPS pilot program evaluation, the program could be expanded statewide to further analyze what works and what does not work.

    iii. Universities may be able to set up courses to provide resources to teachers.
    iv. Solutions that cover the matrix and mechanisms to update and maintain the database should be provided to prevent teacher fatigue.

4. Working with Private Partners

a. When we think about partnering with financial institutions and corporations, we must be cautious about sustainability. Since CRA requirements include an aspect of volunteerism, getting involved in training the teachers may satisfy a financial institution's CRA requirement.

b. A lot of institutions would benefit from having financially literate future employees. This is a selling point of a comprehensive financial education program. Financial Institutions can play multiple roles:
    i. Provide opportunities for actual practice and hands on learning;
    ii. Using their materials and curriculum on the web portal if their curriculum satisfactorily passes the matrix standards; and
    iii. Possibly provide service learning for corporate employees (e.g. Money Smart in the work place).

c. There may be opportunities to work with textbook publishers like Pierson where a supplementary financial literacy material can be added at the end of every chapter in math textbooks.

d. Junior Achievement developed the concept of offering "Biz-Town" learning field trips in conjunction with financial education they provide in the classroom. Although it is not done in Illinois, younger kids may find this more interesting.
    i. Girl Scouts have acquired the facility that Exchange City operated.
    ii. We must note that the Biz Town concept has not expanded largely because of money, cumbersome facilitations and significant time commitment issues.

5. Cost

a. We need to get estimates or projections for what a financial education curriculum would cost per student or per school for each grade level. There is no point in having an unfunded mandate. Different amounts of time and money should be allocated depending on the grade level because the amount and type of material that should be taught varies. This curriculum would be teaching a new habit so it is important to start early. It is crucial that the kids do not feel like they are being taught the same material over and over again. This again emphasizes the need to develop guidelines/goals for each grade level.

b. Thinking about the cost at the beginning helps us make appropriate choices as we design a financial education program. The cost analysis can come from pilot programs. There may be foundations like the Gates Foundation that can fund a pilot. Although we will have to rely more on private support at this point, we could develop a public-private partnership program in the long term. We must keep in mind that sustainability is a big issue and that it must be embedded in the system. This will also help corporate sponsors and grantors feel more comfortable about funding the program. It is our goal to get the financial education curriculum embraced into social studies, reading and math; otherwise we would have to keep applying for grants.
    i. What constitutes success should be established in order to evaluate pilot programs.

6. Legislation

a. In discussing the legislation, we need to determine what, if anything, we want to achieve through legislation. Advocacy strategies also need to be identified. Talking to other states and looking at their approaches would be helpful to determine what advocacy strategies we should pursue.
    i. Marketing this to local school administration may involve targeting schools that are in need of this particular education, (e.g. low income neighborhoods, areas with predatory lenders, etc.). Identifying and providing this information for local school districts may help in getting the local school administrators involved and supportive. It is important to note, however, that administrators have a harder time seeing how this is going to happen as opposed to that it is important and very much needed. They already understand the need for this curriculum, but still have to figure out how to implement it and how to pay for it.

b. States like Arizona, Missouri and Oklahoma have managed to establish either a new high school course requirement or new standards for K-12. They have been more successful in getting financial literacy integrated into the core curriculum much more than Illinois. Although it is not the best time to take a political action, we must learn more about what has been done in other states that have managed to succeed so we can make an effective political move when appropriate.

7. **<u>Next steps:</u>**
   a. The Shriver Center will review the topics discussed today and develop an action plan/subgroup list that the group can discuss.

   b. We should decide whether we should have another general in-person meeting or have a conference call with specific agenda items. Breaking into subgroups to discuss these issues may be helpful.

   c. It would be helpful to hear from some teachers about what would be most effective to help teachers become prepared to teach financial education.

   d. Could we collectively agree to contact ISBE to encourage their participation in this working group?