

# Financial Literacy FAQs

## Answers to the most common questions



In the U.S., fewer than half of the states have a financial education requirement for high school graduation, and only four require a semester of personal finance as a separate course. Many, including Wisconsin, have no requirement at all.

Several bills have been introduced in the Wisconsin State Legislature over the years that would require school

boards to incorporate the state's model academic standards for financial literacy into the curriculum, but so far none have been passed.

While it isn't a requirement yet, teaching financial literacy concepts is something that many educators see as valuable. However, many teachers have questions about incorporating financial literacy concepts into their classroom.

### ? Why is financial literacy important?

Setting the foundation for financial literacy early is important in today's fast-paced world. Did you know only 34 percent of American high school students know how to balance a checkbook? That just 26 percent know how credit card fees work? Not only does learning financial concepts early help students form good money habits, it also prepares them for more complex lessons in compound interest, credit and debt.

### ? How early should financial literacy be introduced?

While balancing a checkbook and understanding credit are more advanced concepts, students should be exposed to financial literacy concepts as early as kindergarten. Counting money, bills and coins, wants versus needs, and setting funds aside for later purchases are all ideas that should be established early. There are dozens of games and activities that teachers can use to incorporate these lessons into the classroom.

### ? Where can teachers get training?

Wisconsin is home to a nationally recognized financial literacy training program for educators. The National Institute of Financial and Economic Literacy (NIFEL) has given over 1,250 educators the tools and knowledge they need to successfully teach financial literacy and personal eco-

nomics. NIFEL holds three summer sessions each year, hosted by Edgewood College in Madison. Each session focuses on a different aspect of financial literacy: paychecks, financial contracts and entrepreneurship; investor education, economics and insurance; and credit and money. You can find more information at [www.edgewood.edu/NIFEL](http://www.edgewood.edu/NIFEL).

### ? What resources are available?

There are many financial literacy resources available to Wisconsin teachers, some from national resources and some from state-specific agencies. One of the most comprehensive is the Jump\$tart Coalition for Personal Financial Literacy ([www.jumpstart.org](http://www.jumpstart.org)). This national coalition of organizations provides research and educational resources for improving financial literacy among pre-kindergarten through college-age youth.

EverFi, a WBA Endorsed Vendor, is a unique, online education system that partners local financial institutions and schools to provide financial education learning tools to high school students and training for the

teachers who educate them. Locally, the Economics Wisconsin ([www.economicswisconsin.org](http://www.economicswisconsin.org)) is a non-profit charitable organization that works with educators and schools to teach students basic economic and financial literacy principles.

If you wish to create your own method of incorporating personal finance into the classroom, consider Wisconsin's Model Academic Standards for Personal Financial Literacy. You can find the full document at <http://standards.dpi.wi.gov/files/standards/pdf/pfl.pdf>.

If you're looking for an index of these and other financial literacy resources, check out [www.wisbank.com/FinancialLiteracy](http://www.wisbank.com/FinancialLiteracy) to visit the WBA Personal Finance Resource Library, which has links to everything from handouts and lesson plans to websites devoted to personal finance tips. ■

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*The Wisconsin Bankers Association is the state's largest financial industry trade association, representing nearly 280 commercial banks and savings institutions, their nearly 2,300 branch offices and 23,000 employees.*

**FOR MORE INFORMATION** about how your school can take advantage of the Wisconsin Bankers Association's financial literacy resources, please contact this article's author, WBA's Amber Hartl, at 608/441-1237 or [ahartl@wisbank.com](mailto:ahartl@wisbank.com).