



Wisconsin State Legislature

FOR MORE INFORMATION
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Teaching Financial Literacy to Prepare Students for Life

Inflation, interest, debt...these are concepts that 31,777 high school students learn about in the personal finance course that is required for graduation at their local high school. 64 percent of Wisconsin school districts require students to take a personal finance course before they graduate, a figure that has increased from 25 percent since 2010. While the state does not require this class for graduation, it has encouraged schools to incorporate a financial literacy class into their local graduation requirements through awards, model academic standards and teacher training. There is even a Finance and Investment Bowl.

I have been involved in promoting financial literacy in Wisconsin since my time in the State Assembly. I currently serve on the Governor's Council for Financial Literacy, which was created in 2011 and it consists of 20 members from a variety of fields including state government, academia, the financial industry and the non-profit sector. It works with the Department of Financial Institutions' Office of Financial Literacy to find ways to improve financial literacy in the state.

In Wisconsin, there has been a strong focus on training teachers to teach financial literacy classes. Only 37 percent of teachers nationwide have taken a college personal finance course, making it challenging for them to effectively teach the subject. Over the last 16 years, 888 educators in Wisconsin have received training so they can teach the skills students need to effectively manage their finances as adults. 594 active Wisconsin teachers have received training from the National Institute on Financial and Economic Literacy. This institute, housed at

Edgewood College in Madison, started as a Wisconsin program, but has expanded to serve teachers around the country. There is also an online teacher training course called Learn-IT that was launched in 2009 to reach more teachers.

Another Wisconsin initiative to build financial literacy skills is the state's Financial Literacy Innovation Awards. Since 2012, this award has granted \$752,000 to 61 schools to implement innovative financial literacy programs. In addition, the Governor's Financial Literacy Awards have honored the work of 73 businesses, individuals and organizations for their work promoting financial literacy in their communities.

One innovative program is the Money F-I-T program, a partnership between the Eau Claire School District, Royal Credit Union, University of Wisconsin-Madison and the Corporation for Enterprise Development. Money F-I-T brings financial literacy into 4th and 5th grade classes and also provides teacher training and classroom lessons. The program is supported by the United States Department of the Treasury as a research project to identify the best way to teach financial literacy. Through the research conducted, this program may serve as a national model.

Another program bringing real-world financial experiences to students is the School Sense program run by Royal Credit Union. Royal Credit Union operates 28 School Sense sites in Wisconsin and Minnesota. The sites act as mini credit union branches and are staffed by students for use by both students and staff. This program is not only for high school students, but rather begins in 4th and 5th grade. These students apply, interview and are trained for jobs at the credit union. Middle School students staff the Middle School locations and take part in developing in-school marketing materials. High School students are hired through the Business and Financial Youth Apprenticeship programs and work at the high school locations and as tellers at other branch locations.

Reaching students at a young age is critical so that they enter high school and college with a strong understanding of financial concepts. More and more, we hear concerns about the amount of college debt young people take on without fully understanding what it will take to repay those loans. The Department of Financial Institutions has a Student Debt Specialist who is working to

help students plan for their college educations without taking on unnecessary debt. They have launched a website to help students and their parents plan ahead for college costs. The website is www.lookforwardwi.gov. Financial literacy training can give students the tools to be financially secure throughout their lives.

If you have any questions about any of the information I have included or if you have suggestions on other topics or issues you would like learn more about, you may call my office toll-free at (800) 991-5541; write me at P.O. Box 7882, Madison, WI 53707; or e-mail me at: Sen.Olsen@legis.state.wi.us. You can also sign up for our newsletter at our website: <http://www.legis.state.wi.us/senate/sen14/news/index.htm>.

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