

# Nefe Digest

March/April 2011

## Helping Teachers Help Their Students

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Pilots Personal Finance Workshop

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NATIONAL ENDOWMENT FOR  
FINANCIAL EDUCATION

**T**he financial education community has long suspected that many teachers feel unprepared to teach personal finance to their students. NEFE research in 2009 confirmed that perception and added deeper insights to the specifics of understanding why teachers feel unqualified for the task.

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*We are working with first generation high school graduates, and all of our youth are at-risk and in need of this information.*

*I will be more knowledgeable, which will be directly transferred when teaching personal finance to students.*

*Personal finance is something students have no clue about. I would use this class to better prepare myself and my students.*

*Our school has a high percentage of students on free and reduced lunch and most likely, the school is the only place they will receive personal finance instruction.*

*I am currently using a hodgepodge of various curricula and would benefit greatly from some direction.*

Cover photo:  
Colorado Jump\$tart's CJ Juleff speaks to a group of teachers at the Colorado Fiscal Fitness workshop.



Susan O'Grady, CFP®, addresses a room of teachers at the Colorado Fiscal Fitness workshop.



Workshop attendee elementary school teacher Victoria Palmer

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Researchers at the University of Wisconsin-Madison, with support from NEFE, surveyed more than 1,200 K-12 teachers from across the country. Although 89 percent of the teachers surveyed agreed that students should either take a financial education course or pass a competency test for high school graduation, 64 percent felt unqualified to utilize their state's financial literacy standards.

Many teachers attributed their feelings of unpreparedness to a lack of training. Only 37 percent of the teachers had taken a college course that included financial education-related topics, and 11 percent had attended a workshop on teaching personal finance.

Enter Fiscal Fitness, the first initiative created by a new partnership between NEFE, Washington, D.C.-based Jump\$tart Coalition, and six other national organizations. The partnership's goal: to collaborate on strategies for teaching teachers about personal finance.

"This partnership will allow us to tackle the issue of teacher preparedness on a national scale," says Ted Beck, president and CEO of NEFE. "By working together, we can eliminate duplication within the field by

creating a model that is easily adaptable for any state."

### Fiscal Fitness Team

NEFE joined the steering committee behind Fiscal Fitness at a meeting in Washington, D.C., in 2010. The committee also included Jump\$tart, the Council for Economic Education, the Federal Deposit Insurance Corporation, Take Charge America Institute, Junior Achievement, the Department of Education, and the Department of the Treasury.

"Everyone who was around the table already does some teacher training," says Daniel Hebert, director of professional development instruction for Jump\$tart. "We thought we ought to collectively come up with a standardized way to improve teachers' confidence and skill level with their own knowledge of personal finance."

"The more comfortable teachers are with this subject, the more likely they are to teach it and teach it well," says Billy Hensley, director of education for NEFE.

Members of the committee don't advise a specific curriculum, in part because each state has different requirements. But they

have agreed on a collection of core competencies, which have become the building blocks for Fiscal Fitness.

"This is meant to complement what the field already is doing and to build more capacity for more teachers to be trained," Hensley says. "What we're doing here is really going to inform how we talk about teacher training in the future."

The first tangible result is the Fiscal Fitness workshop model, which is intended to



Middle school teacher Gordon Kaufman (right) discusses with fellow Colorado Fiscal Fitness workshop attendees.



Dale DeBoer, Ph.D., presenter at the Colorado Fiscal Fitness workshop (left) speaks with attendee Gordon Kaufman (right).



Sandra Kemper, CPA, teaches a lesson on planning and budgeting.

help teachers build basic core knowledge of personal finance. The partnership held its first pilot workshop in one school district, Chicago Public Schools, in 2010. It has since expanded the workshop with a second Fiscal Fitness pilot for teachers from across Colorado in Westminster, Colo., January 27 – 29.

### Teacher Training Colorado

Funded by the Denver-based Great-West Life and Annuity Insurance Company through the national Jump\$tart Coalition, the Colorado Fiscal Fitness workshop gave 150 K-12 Colorado teachers a three-day crash course in personal finance.

When asked why they signed up for the event, a majority of the teachers cited state-mandated personal financial literacy standards that they will be charged with incorporating into their curricula this fall.

“Because personal finance recently has been added to the curriculum, I feel like I am at a loss as to how to teach this subject to my students,” said one Colorado teacher in an application for the workshop. “I am hoping I will walk away from this workshop with some much-needed lesson ideas.”

The Colorado event started with an opening session on the current economic climate.

Teachers then had the opportunity to meet with local financial planners and professionals over lunch. During the rest of the event, teachers attended smaller classes where they completed “assignments” and worked in groups—a structure they might in turn teach their own students.

Personal finance topics addressed during the workshop included:

- managing personal finances
- building wealth (risks and rewards of saving and investing)
- career planning and earning power
- banking and other financial services
- credit ratings and managing debt
- managing financial risk (including an overview on insurance)
- ways teachers can address state financial literacy standards in their classrooms

### Personal and Professional Growth

“Every single topic of the conference was relevant,” said Rosie Storm, a math teacher at Vikan Middle School in Brighton, Colo.

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*The program will benefit me by having ideas on how to teach personal finance to 11 year olds.*

*I hope this program will provide me with the tools to help my students understand the importance of financial responsibility on a personal and national level.*

*My students will be able to understand financial literacy better because I am able to answer the questions with good, sound information.*

*It is imperative that teachers know, without political bias, the laws pertaining to this topic.*

*In today's difficult domestic and global economic climate, it is necessary for us to arm students with the tools to be effective with their money and to understand how to use it to their advantage.*



John Brock, Ph.D., speaks to Colorado Fiscal Fitness workshop attendees during an opening session on the economy.

### By the Numbers

- 150 Colorado teachers from 33 school districts
- Teaching experience level
  - Average 12.5 years
  - Ranged from 1 to 42 years
- 49 percent do not currently teach personal finance
- First financial literacy professional development for half of attendees



# Financial Guide for Parents of Children with Disabilities Hits Web

## NEFE and PACER Expand Online Resource

**T**here are 7 million children with special needs in the United States and their parents face a unique combination of financial challenges. They must meet the day-to-day stresses and expenses of caring for a child with a disability, plan for that child's lifetime-care needs, and still provide for the financial needs of the rest of the family.

To help parents meet those challenges, NEFE teamed up with the PACER Center, a national parent training and information center based in Bloomington, Minn., that helps families of children and youth with any disability. In 2001, the collaboration produced a booklet called *Possibilities: A Financial Resource for Parents of Children with Disabilities*. The guide now has been expanded and launched in a new online format.

### Helping Parents Get Organized

Since NEFE and PACER released *Possibilities*, the guide's easy-to-read format has been a hit with parents, according to Don McNeil, a former president of PACER's Board of Directors.

"It becomes a basic bible of how to organize and plan financially to support a child with disabilities," says McNeil, a father of two children with disabilities.

The guide offers tips and information on:

- organizing financial records
- managing money
- dealing with debt
- preparing income taxes
- understanding health, life, and disability insurance
- meeting retirement and savings goals
- dealing with estate planning

"We know caring for a child with disabilities can be very emotional and confusing for parents," says Brent Neiser, CFP®, senior director of strategic programs and alliances at NEFE. "So we have created well-organized material that clearly lays out the options, choices, and considerations available to these parents."

Staying organized is essential for parents caring for children with disabilities, says Deborah Leuchovius, a project director at PACER.

"The medical issues alone can be mind-boggling. You have to stay on top of things," Leuchovius says. "Whatever you can do to organize that information is going to make your life less difficult."

### Revamped Content Online

The new online guide provides families with information and resources well beyond the original booklet.

"We've expanded the content by 40 percent to provide a more thorough treatment of the issues," says Neiser.

A section on family relationships offers help for defusing stress and tension within families and dealing with divorce; information on health insurance and credit cards has been updated to reflect new laws; and each section provides links to resources that parents can go to for additional help, such as the National Parent Center Network, which connects families to local help from one of 106 parent centers throughout the country.

The online guide also includes tips on helping children with disabilities develop the skills they need to become financially independent as adults.

"The first edition of the guide approached financial issues with the assumption that parents always would have significant financial responsibility for a child with disabilities," Leuchovius says. "But education of youth themselves is key to ensuring their financial future."

The online guide includes information on planning and funding a child's primary, secondary, and post-secondary education. It also provides housing and career guidance for young adults with disabilities, including a listing of resources on employment options and support, links for job search websites for workers with disabilities, and options for independent living.

"Parents need to start early in understanding the unique circumstances they find themselves in," McNeil says. "If they stay organized and proactive, it should remove unnecessary stress from their lives."

Find the guide at [www.pacer.org/publications/possibilities](http://www.pacer.org/publications/possibilities).

# Study Reveals How Community Educators Reach Students

## Teachers Share Insight on Getting Through to Adult Learners

**I**n the first few minutes of class, Carol likes to learn a little about the adults she will be teaching. Tonight, there is a variety: half have a high school diploma, many didn't graduate, and a few have college degrees; several receive food stamps or other public assistance; and two have retirement savings and steady, well-paying jobs. Carol has them for one class only—three hours to teach them about money, credit, and personal finances.

This picture is a common one for teachers of community-based financial literacy programs, as illustrated in a 2010 NEFE-funded study at Penn State University. *Financial Literacy Education for Adult Learners in Community-Based Programs* surveyed educators from across the country to identify strategies they use to effectively teach adult students. Every strategy involved innovation and creativity that could be helpful to others in the field.

### Responsive Education

“One of the tremendous challenges we see in this field is the broad spectrum of learners,” says Elizabeth Tisdell, Ed.D., professor of education in the adult education department at Penn State and lead researcher of the study. “It’s difficult for educators to teach in a way that’s simultaneously responsive to such a wide continuum.”

Not only do students come from different financial situations and backgrounds and bring particular biases about money, but also they respond differently to various styles of learning. To understand the impact of such factors, educators in the study paid close attention to the patterns of beliefs, values, emotions, and sociocultural contexts adults bring to learning.

One educator felt that learners aren't likely to change behaviors if they aren't in touch with the “money scripts” that drive them. This teacher explained, “The dollars are not the legacy, the attitudes are the legacy.”

To make learning more relevant to students, teachers in the study asked learners to share their stories in a group setting. Many teachers also shared their own financial experiences.

“We turned the class into a circle and had people express where they were financially and what their feelings were,”

shared one educator. “It provided people with a huge amount of relief.”

Nearly 60 percent of financial educators used curricula they developed personally or adapted from published resources. The teachers noted that although published teaching materials are high quality, they don't always fit low-income learners.

In addition, teachers in the study ranked the following methods as highly effective:

- using stories that feature characters from diverse groups and circumstances
- delivering lessons through storytelling, drawing, and interactive activities
- providing learners with takeaway items, such as hand-outs or refrigerator cards, that remind them of financial information and give them concrete strategies for action

Although only 15 percent of educators in the study evaluated their programs, Tisdell and NEFE recommend program evaluation as another highly effective method for enhancing the impact and extending the longevity of adult education programs.

“These adult-learning programs present an especially challenging set of hurdles,” says Londell Jackson, NEFE's director of grants. “One thing we see clearly in this study is the innovation of educators in this field and techniques they believe are most effective. The research paves the way for discovering the learner's experience with those strategies in this critical segment of financial education.”

Look for future updates about the research at [www.nefe.org/research](http://www.nefe.org/research).



# Research-Backed Resource

## NEFE Refreshes Online Toolkit for Educators



**N**EFE encourages all financial educators and practitioners to evaluate their programs, because it is important for them to know whether the education they are providing is truly helping improve consumers' financial lives. But many financial educators say they don't have the time, resources, or knowledge to evaluate their own financial education initiatives.

To help financial educators learn about program evaluation and easily apply it to their programs, NEFE offers the NEFE Financial Education Evaluation Toolkit®, now available as a newly redesigned online tool on the NEFE website.

"In order to create a more accessible resource, we did a complete revision of the Evaluation Toolkit's user interface," says Billy Hensley, NEFE's director of education who initiated the update. "The revision not only includes changes in design, but also enhances the functionality of the tool itself. Users will now have an evaluation instrument that is quite intuitive."

### Research-Backed Resource

NEFE developed the Evaluation Toolkit through a research project it funded at the University of Georgia. In 2004, Koralalage S.U. Jayaratne, Ph.D., then-evaluation specialist in the University of Georgia Cooperative Extension Family and Consumer Sciences department, conducted research to gauge financial educators' perspectives on evaluation.

Jayaratne conducted focus groups and facilitated a national online survey of financial professionals and educators. The researcher found that the most common barriers to evaluation were:

- not having enough time, staff, or financial resources
- difficulty motivating participants in a program to complete an evaluation
- a lack of available evaluation materials and resources
- a general lack of attention paid to evaluation

Participants said an ideal evaluation tool should be flexible, adaptable, and quick and easy to use. It also should provide guidance on how to design an evaluation instrument, gather and study data, and effectively present the results.

Jayaratne and NEFE responded to the educators' feedback by developing, testing, and launching the first version of the Evaluation Toolkit in 2007.

### Toolkit Basics

The Evaluation Toolkit allows financial educators to measure program effectiveness, ensure they are meeting students' needs, and document program results to substantiate support from program stakeholders.

"The toolkit provides valuable feedback about what works well and where improvements can be made to intervention strategies and educational programs," says Hensley.

The Evaluation Toolkit consists of two primary elements: an evaluation manual that presents basic evaluation concepts, sample evaluation instruments, and instructions for using the toolkit; and a highly intuitive evaluation database that includes evaluation templates and forms for different variations of program format.

With the toolkit, educators can:

- customize their evaluations based on their audience, subject matter, and level of evaluation desired
- measure demographics and ask open-ended questions that elicit more qualitative responses
- choose to evaluate before and/or after their program and document behavior change over time
- vary their presentation of findings with available templates

NEFE encourages everyone facilitating any sort of financial education program to try the toolkit.

"Like other NEFE resources, the Evaluation Toolkit is available to anyone at no charge," says Hensley. "We want users to have a resource that can evaluate their objectives, whether they are implemented in schools, colleges, nonprofit organizations, or community-based groups. Instruction happens in many contexts; we want to promote evaluation in both formal and informal settings."

NEFE plans to continually modify and improve the toolkit in the future based on user feedback.

Access the NEFE Financial Education Evaluation Toolkit at <http://toolkit.nefe.org>.



# Quarter Century Project Update

## Project Leader Releases Academic Review

**N**EFE established the Quarter Century Project to push the financial literacy field forward and create a definitive resource that can be used by researchers, policymakers, practitioners, and educators for planning future programs. The comprehensive academic review of the project research and events to date has been released on NEFE's website.



Quarter Century Project leader  
Tahira Hira

### Compiling Years of Research

Written by Quarter Century Project leader Tahira Hira, Ph.D., professor of personal finance and consumer economics at Iowa State University, the review is a compilation of 25 years of personal finance research that Hira gathered with help from NEFE, four writing team leaders, and around 20 other researchers on the project team. The review also includes insight from the approximately 50 financial educators and practitioners who attended a colloquium on the research in August 2010.

"We wanted to speak to the whole world of personal finance and tell the larger community about the very rich history of this field," says Hira. "The result is a great wealth of literature that isn't just the work of one person; it's a summary of years of research and a great collaboration of many distinguished researchers in the field."

### Applying Findings to the Future

Hira challenges financial education professionals to use these findings to benefit their work, be it in research, education, or policy formation. For example, a critical finding from the research is that one of the most powerful influences on people's financial behavior comes from their parents. Hira encourages practitioners to explore various methods for including parents in their educational efforts.

"This project shows that in personal finance, we not only are addressing issues related to 'finances,' but also we are confronting issues

related to a person's values, beliefs, and experiences," says Hira. "That requires close attention to understanding the psychology and sociology of financial behaviors."

The review also highlighted that currently most researchers and educators work in silos and that there is great potential for them to collaborate to serve the profession at a much higher level. Hira encourages the field to provide this sort of education and show the impact of their efforts.

"Traditionally, researchers have done research and educators have offered educational programs, but this project clearly shows that a partnership between members of these two groups will help them enhance one another's work and serve the profession well," says Hira.

Read the academic review and learn more about the Quarter Century Project at [www.nefe.org/quartercenturyproject](http://www.nefe.org/quartercenturyproject). Look for updates on the Quarter Century Project in future issues of the *NEFE Digest*.

## Take the Challenge

The Department of the Treasury's National Financial Capability Challenge now is available for teachers, after-school programs, and other education institutions to take with their students.

**Who:** All high school teachers and educators working with students ages 13 – 19

**What:** A free program that provides educators with ready-to-use lesson plans on core competencies for financial education and a brief online exam to test students on what they learned

**When:** March 7 – April 8, 2011

**Where:** Sign up at [www.challenge.treas.gov](http://www.challenge.treas.gov)

**Why:** In addition to increasing the financial knowledge and capability of your students, you and your students will be eligible for the following awards:

- National Financial Capability Challenge award certificates for students, schools, educators, and states
- Charles Schwab Foundation \$1,000 scholarships for students and \$1,000 grants for their respective education institutions ([www.schwabmoneywise.com](http://www.schwabmoneywise.com))

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“The instructors were great, the lessons were easy to understand, and this will allow me to pass the information on to my students.”

After attending Fiscal Fitness, Storm believes budgeting is the finance topic she’ll start teaching first with her eighth-graders.

Windsor High School teacher Phil Weiser says he’ll incorporate information from the Fiscal Fitness opening session on the economy, which focused on the nation getting into and out of the recession, in his history and economics classes.

“For my Econ classes, I think the information on SMART [specific, measurable, attainable, realistic, and timely] goals, car insurance, and the CARD [Credit Accountability, Responsibility, and Disclosure] Act will be most useful to me,” Weiser says.

Other teachers plan to apply what they learned at the workshop to their personal financial lives.

“This was truly a life-changing experience for me,” said one teacher in her online feedback after the event. “I have always felt ‘dumb’ about personal finance topics, and have avoided discussions on the topics, deferred to my husband or service provider in planning meetings, and accepted whatever consequences situations wrought. Now, I feel armed with the knowledge and vocabulary to be an active participant.”

In addition to feedback from teachers, the partnership intends to incorporate survey and testing results from teachers who have attended the events and apply it to more Fiscal Fitness workshops in the future; a third pilot targeting a rural scope is in the works for later this year. Hensley will be presenting preliminary findings from the teacher training workshops at the Jump\$tart Coalition’s partners meeting April 13 and 14 in Washington, D.C.

The mission of the National Endowment for Financial Education is to help Americans acquire the knowledge and skills necessary to take control of their financial destiny.



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- New England Educational Opportunity Association (NEOA) Conference  
April 6 – 8 . . . . . Portland, ME
- Society of American Business Editors and Writers (SABEW) Conference  
April 7 – 9 . . . . . Dallas, TX
- American Council on Consumer Interests (ACCI) Conference  
April 13 – 15 . . . . . Washington, D.C.
- Financial Literacy Day on Capitol Hill  
April 15 . . . . . Washington, D.C.

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