

Financial Literacy

A Requirement in Maryland Public Schools

Today, more than ever before, graduates must be financially literate to be prepared for college, careers, and responsible living. This is why Maryland has acted to ensure that all students have a strong foundation in financial education to make informed decisions and accomplish their goals.

Maryland has taken significant steps to improve the financial literacy of students and adults, with the most significant development taking place in the public school system.

Since the beginning of 2011-12 school year, all 24 local school systems have been implementing a program of instruction in financial literacy education. Recognizing that students start making decisions about money as well as developing spending habits at an early age, each program will start in grade three and continue through high school.

The State Board of Education accepted the Maryland State Curriculum for Personal Financial Literacy Education to provide guidance to educators in defining what students should know and be able to do. While the six standards in the curriculum outline a robust program of instruction required for all students, they also allow for flexibility at the local school system level on how the content is to be delivered.

Students will receive instruction in how to:

1. Make Informed, Financially Responsible Decisions
2. Relate Careers, Education and Income
3. Plan and Manage Money
4. Manage Credit and Debt
5. Create and Build Wealth
6. Manage Risks and Preserve Wealth

By using the standards, local school system teachers and leaders have developed programs that provide students with the knowledge and skills to establish sound financial habits and lay the foundation for a new generation of competent, confident, and financially literate adults.

Collaboration with Family Economics and Financial Education

Through collaboration and opportunities for rich, ongoing professional development, leaders from the Maryland State Department of Education (MSDE) and the Family Economics and Financial Education (FEFE) program are working with local school systems to deliver high quality curriculum and training opportunities on the Maryland State Curriculum for Personal Financial Literacy Education as follows:

- The FEFE Maryland State Educator Team was created to plan and implement professional development; review and pilot lessons/active learning tools; manage an online learning community; and develop an action plan which focuses on improving financial literacy in Maryland.
- More than 250 teachers in 20 school systems have completed the annual three-day training, with most of them returning to participate in the ongoing update training.
- Teachers have also received content specific training on the 2009 Credit CARD Act and on the topic of behavioral economics.



Private and Public Partnership Support

Maryland is fortunate to have dedicated private and public sector partners as well as representatives from a number of state agencies who are committed to the development of financially literate students.

In June of 2009, then State Superintendent of Schools, Dr. Nancy S. Grasmick, appointed MSDE's Financial Literacy Education Advisory Council which represents banks and credit unions, members of the education community and non-profits including Junior Achievement, the Maryland Coalition for Financial Literacy and the Maryland Council on Economic Education.

Maryland has leveraged the support of the Advisory Council to review the State Curriculum, create professional development opportunities for teachers and school system leaders and garner grants to further support financial literacy education. To date, the Maryland State Department of Education has received three grants to support financial literacy education, totaling \$148,000. All funds have been used to directly support local school system efforts.

PNC Bank granted \$48,000 to support financial literacy education in Maryland's schools. These funds helped to ensure that Maryland teachers have the necessary knowledge and skills to teach the content. Representatives from PNC Bank also work with MSDE in an advisory role to support financial literacy in Maryland.

The Maryland Department of Disabilities has also collaborated with FEFE on the development of lessons on public benefits and work incentives.

The new FEFE lessons use case studies to help students learn how to deal with potential disability situations. Each study illustrates the financial impact of sudden income losses. Based on the different scenarios, students develop budgets plans and learn about public benefits as a short term solution to a financial crisis.

The overarching objective shows that people who receive benefits can return to work and be better off financially.

Summary

The Maryland State Board of Education recognizes the importance of early and ongoing instruction in financial literacy education as a means to transform student behavior related to finances.

The requirement to provide financial literacy beginning in grade three and continuing through grade twelve is educationally sound and allows for flexibility at the local school system level.

MSDE is committed to supporting financial literacy education as well as establishing private and public partnerships that create opportunities for educators and students. Finally, it is through the support and commitment of the educators in all 24 local school systems that all students will be better prepared to make financially responsible decisions.

“Children today influence a great deal of consumer spending so it's important for them to learn how to make informed financial decisions early in their education. This will benefit them as they grow into adulthood.”

- Bernard J. Sadusky
Interim State Superintendent
of Schools

Maryland Classroom

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