

2011 HOUSE EDUCATION

HB 1412

# 2011 HOUSE STANDING COMMITTEE MINUTES

House Education Committee  
Pioneer Room, State Capitol

HB 1412  
02/08/11  
14206

Conference Committee

Committee Clerk Signature



## MINUTES:

**Chairman RaeAnn Kelsch:** We will open the hearing on HB 1412.

**Rep. Dave Weiler:** Sponsor. With HB 1412 we looked at this as an extension of what we did last session. We passed out some legislation through this committee dealing with personal finance in grades ten, eleven, and twelve. It made it mandatory that schools teach one class of personal finance and it made it mandatory for students to take one class of finance. This bill allows us to move it down to sixth, seventh, and eighth grade level where they would need to take at least one class throughout those grades. It is simply an extension of a program that is working very well. We think it is important to get kids to learn finances at a young age. We feel it is important to do this at a younger age and not wait until they are almost graduating from high school.

**Rep. Brenda Heller:** Is the social studies teacher going to be qualified to teach this?

**Rep. Dave Weiler:** I believe they will have to be qualified to teach this.

**Chairman RaeAnn Kelsch:** This does present somewhat of a problem because since federal law that states you must be highly qualified to teach so your teacher would have to go back and be highly qualified.

**Rep. Dave Weiler:** Do they define highly qualified?

**Chairman RaeAnn Kelsch:** Yes.

**Rep. Bob Hunskor:** When I was visiting with some of the principals this morning, two or three expressed concern on finding a teacher that is highly qualified. That could present a problem.

**Rep. Dave Weiler:** If you recall there were going to be problems two years ago as well. I think through the wisdom of this committee you made some recommendations that made it easier for certain teachers to teach this class. My opinion is that we are talking about the sixth, seventh and eighth grade. I don't think you need to be a rocket scientist to teach how to balance a check book or give information on the truth about credit cards etc. I don't see this being a big problem.

**Rep. David Rust:** One of the things as an administrator I heard often was from teachers who said just let me teach. You keep adding things. It doesn't take a rocket scientist either to figure out that when you add something, you have to take something away. These teachers are frustrated. We keep adding things to the programs. There isn't enough time in a day to do it. As a result in trying to do too much we are doing not enough very well.

**Rep. Dave Weiler:** One of the good things about this piece of legislation is that it isn't for every grade it is just taking one class throughout those years. They need to prioritize what they teach. If this is taught in the math class in sixth, seventh, or eighth grade, maybe we can work this into some other class but then again they need to prioritize and we feel this is everyday stuff that people deal with. This is stuff kids need to learn about a lot sooner than when they get into college. Thank you for doing the work you did last session to allow this to happen through the ninth, tenth, and eleventh grade levels.

**Rep. Mike Schatz:** I'm wondering if you'd be opposed if the administrator were to be the teacher for this. They obviously have to be teachers. They don't have a schedule. There could a possibility that they could do the finance teaching.

**Rep. Dave Weiler:** I'm not opposed to whoever would teach this class as long as they are qualified. It is important to me that kids get taught this. I'm not hung up on who teaches it.

**Rep. Lyle Hanson:** I might be wrong but I think you need a middles school endorsement to teach in the sixth, seventh, and eighth grades.

**Chairman RaeAnn Kelsch:** The qualifications are different for elementary, middle school, and high school. That would be correct.

**Rep. Bob Hunskor:** What would you think if it could be worked into a class for say 6 weeks or for a shorter time? What are you thinking of time wise for this class to be taught?

**Rep. Dave Weiler:** That is a good question. I'm not sure that I have given a lot of thought as to whether it is a semester, eight weeks, or six weeks. I think this committee did a great job two years ago coming up with the decisions you came up with. I would feel very comfortable with the decisions you come up with as long as this comes out and the kids are taught some type of finance.

**Rep. Mark Sanford:** Some schools use family and consumer sciences in the middle school. It is a natural fit in that curriculum. As long as there isn't a prescribed time, that would be one of the options many schools would have.

**Chairman RaeAnn Kelsch:** I'm sure we'll have time to discuss where this could fit in.

**Linda M. Paluck – Director, DPI:** Opposition. Testimony attachment 1.

**Chairman RaeAnn Kelsch:** Would the courses or the resources be strictly geared toward a high school level and beyond? How would they fit into a middle school? Can it fit into that or not?

**Linda M. Paluck – Director, DPI:** These resources are such a blend it provides a variety. If I were a sixth grade teacher and I wanted to add something in consumer finance or math class I could look through any of these websites and pull out what I feel would be more appropriate for my kids. It isn't geared specifically for a seventeen year old student.

**Chairman RaeAnn Kelsch:** I think that a sixth grader doesn't understand what a mortgage is and probably isn't relevant to them. I think teaching the check book and credit card thing just so they have information about it, but I think what we are doing at the high school level is more age appropriate than perhaps some of those concepts down in the sixth, seventh, and eighth grade level.

**Linda M. Paluck – Director, DPI:** If you look on page two of my testimony I placed in there what already exists in the North Dakota standards. When you're looking on page two you will see personal finances. What you are seeing here is what already exists in North Dakota. In third grade you have those benchmarks that apply. In fourth grade you see what is expected. And then in grades five, six, seven, and eight. Arguably does this cover all the eight concepts? I would disagree on some areas. I think we should have standards in there from grades K-12 in the area of personal finance. It was a great idea but it is very time consuming and it would cost some dollars. So what we did is take an approach to the next best thing. Although these are the standards and we are a standard driven society, North Dakota is one of the few surrounding states that still isn't requiring the standards to be taught. You will see in the research I've provided what is done in some of the other states.

**Vice Chair Lisa Meier:** What I hear you saying is the transition to what we passed last session in reference to personal finance is that the transition has went very well with the teachers.

**Linda M. Paluck – Director, DPI:** I think so. We did have a lot of angst.

**Vice Chair Lisa Meier:** Even within the smaller communities, say you have a pop of 200 and under for students, did that go over pretty well?

**Linda M. Paluck – Director, DPI:** I've not heard anything where it hasn't. One of the things is that it's not restricted on when it is taught. Many sat down and discussed on how they were going to fit this in and go about things. One of the things I feel we may have missed is taxes but many teachers are choosing to go into that on their own.

**Rep. Bob Hunsakor:** In your hand out there is a place where it asks how many minutes of instruction will be required for personal finance and the answer to that is silent. If that is true and if a teacher or school were irresponsible they could touch on any of these and be done in a week. So if personal finance is taught as a part of a social studies class, do you know how long it takes to do a good job in teaching this?

**Linda M. Paluck – Director, DPI:** There are so many factors to that. If you have a small class it wouldn't be too hard to find out what the students already know. From what I've

learned is that you could easily spend a semester teaching personal finance. Minutes in and on themselves have been more burdensome on teachers.

**Rep. Bob Hunsakor:** That puts a teacher in a dilemma. If I'm teaching a social studies class and I am doing a good job and now if I have to teach personal finance and I want to do a good job there as well, something has to be left out.

**Linda M. Paluck – Director, DPI:** Here lies my problem too. If the law says eight concepts of personal finance, how are you delivering this, are you sharing with it with your other teachers. Actually for this year 2011 it has been the worst. It demanded it of this year's graduating class. At least for our juniors they have two years to do this and so on down. It makes it difficult this year. That is what I fight with teachers about. What are they having to take off the plate to teach it? Teachers can say they covered it but how do you know that the kids learned and understood it?

**Rep. Karen Rohr:** I was looking at the eight criteria and I would seem to me that for each of those criteria the measurable outcomes would be the same. However depending on the age group you are teaching this to, the time would vary based on the age appropriateness. Has any of that been developed yet?

**Linda M. Paluck – Director, DPI:** That has not been specifically addressed. When schools do take advantage of this the community credit unions around the state have worked a lot with the schools. Jump Start Coalition has been huge and so has Junior Achievement. In that sense it has opened the doors. When teachers ask what they are going to do I say rely on your communities.

**Chairman RaeAnn Kelsch:** Isn't Junior Achievement taught in the grade school level? And that is a community programs that teaches business facts and finance and doesn't cost the school anything.

**Linda M. Paluck – Director, DPI:** Those are both correct.

**Rep. Karen Rohr:** In other words you are talking about guest lecturers coming from the various community advocacy groups? So you would give them the objectives and then they would develop their one dollar presentation based on the objectives you give them?

**Linda M. Paluck – Director, DPI:** That is correct. In regards to the Junior Achievement, this is not a onetime thing it is a series of weeks where they work with the teachers to come in on a regular basis.

**Chairman RaeAnn Kelsch:** Typically we try to stay out of content because we like to leave that as a local control issue; however, we probably could include personal finance concepts except we don't even have the consumer science listed in here. You could potentially put those concepts into one of the areas that are already in here. If you did that you would have a teacher that would be highly qualified for the middle school and would have a middle school credential but not necessarily highly qualified to teach the concepts. That was the same issue we had with the high school. You could potentially state that it you have to have it taught within a class instead of adding it on as a separate course.

**Linda M. Paluck – Director, DPI:** That is doable.

**Chairman RaeAnn Kelsch:** Further testimony in support of HB 1412.

**Kelly Schmidt – State Treasurer:** Support. Testimony attachment 2.

**Chairman RaeAnn Kelsch:** Questions?

**Jeff Olson – Credit Union Association:** Support. Testimony attachment 3.

**Chairman RaeAnn Kelsch:** It kind of already looks like it is being done in our North Dakota schools. So I'm not exactly sure if the law is needed.

**Rep. Phillip Mueller:** Would you have an answer as to what we would take off the table for this?

**Jeff Olson – Credit Union Association:** That is a tough question. I understand the challenges for educators. I think we as a society need to be fluid and meet some of the challenges that confront us and sometimes we have to be adaptable and flexible.

**Vice Chair Lisa Meier:** What is the common age these days where kids start having checkbooks?

**Jeff Olson – Credit Union Association:** Specifically I can't answer that question. There are statistics out there that say anywhere from seven years old and up. There are some of them that think that they can still write a check even though there is no money in the account. That is an issue.

**Chairman RaeAnn Kelsch:** I think it's interesting that you even have to teach kids how to write out checks because my kids don't write out checks. Kids use check cards. It isn't so much about balancing a check book as much as it is balancing a check card which they do online because it's so much more convenient and they know what's going on. I assume those are the concepts these kids are being taught. Learning those things and perhaps the easiest way to balance your check book is to do it online but it doesn't necessarily teach the math behind balancing your check book when you do it online.

**Jeff Olson – Credit Union Association:** We know as an industry that the whole debit card industry could change because of a federal law that passed last summer.

**Chairman RaeAnn Kelsch:** There are a lot of businesses that no longer take checks also. Anyone else in favor of HB 1412?

**Don Forsberg – Executive VP, ICBND:** I remember 44 years ago, when I was in ninth grade in Kramer High School, we had a six week bookkeeping course. From my own personal experience, I learned as a senior in high school if you don't balance your check book, you get an overdraft fee. I am in strong support of getting financial education to the schools. There are 92 banks in the state of which I would consider 90 of them to be community bankers. There are 400 banking locations throughout the state, but not every

community is going to have a banking facility in it. We would all be resources as well. I don't know how this will come together; obviously there are a lot of things that could come about. We believe it is a good thing for the state and students. I think giving them information they will use for the rest of their lives has got to be a priority.

**Chairman RaeAnn Kelsch:** I think it's interesting that there isn't a bank in every community. I always thought there were a bank and a bar in every community.

**Don Forsberg – Executive VP, ICBND:** We appreciate that.

**Rep. Phillip Mueller:** I would be interested to know what financial literacy things are being taught to large banks. It seems we had some issues that have occurred over the last few years that there was a lack of financial literacy going on at AIG and City Bank.

**Chairman RaeAnn Kelsch:** Further support? Opposition?

**Warren Larson – NDCEL:** We are against HB 1412 as it is written. Our concern is more with qualified teachers, what we will take out, how long the course will be, can we partner with banks and financial institutions to do this, and how we will add this to an already full day. We keep doing more and more things. It reminds me of trying to put a gallon into a quart jar. We keep doing more and more and it's all good things but if you are going to add you will have to put a fiscal note on this and you will have to pay people for a longer day. Discussion was held on children having checkbooks, credit cards, debit cards, etc. Those things are dealt with by the parent. If you are going to add then let's add some dollars.

**Chairman RaeAnn Kelsch:** Could you add in, with mathematics, something about including general concepts of finance at least once so it's not taking away, because if you're teaching mathematics and adding and subtracting, why can't you demonstrate that with a check book ledger and say here is the amount you have and here is where you subtract and add. This isn't necessarily that I am in favor of the bill, but if you wanted to or thought you could make it work, would that be a way?

**Warren Larson – NDCEL:** There are a lot of ways to make it work but if you're going to do it, let's do it right.

**Chairman RaeAnn Kelsch:** Further opposition? We will close the hearing on HB 1412.

# 2011 HOUSE STANDING COMMITTEE MINUTES

House Education Committee  
Pioneer Room, State Capitol

HB 1412  
02/08/11  
14209

Conference Committee

Committee Clerk Signature



## MINUTES:

**Chairman RaeAnn Kelsch:** We will open HB 1412.

**Rep. David Rust:** First of all I don't think the bill is needed. I think the kids are getting this in a variety of different ways. Inside curriculums there are things snuck in there so they can kind of be doing two things at one time. You cannot continue to add to the curriculum without taking out. There isn't enough time in the day to cover everything.

**Rep. Corey Mock:** My thoughts are similar. Do we want to teach by standards or statutes? I do believe we need to encourage concepts of personal finance. I don't know that putting it in statute is the way to go.

**Rep. Karen Rohr:** If you look at page two of what Linda handed out, there are some basic standards that she had outlined for us in the third, fourth, fifth, sixth and seventh grade levels. When you look at those standards, supposedly they are best practices standards. If we knew what the outcomes were of each one of those statements do you think we'd feel more comfortable with the bill?

**Chairman RaeAnn Kelsch:** Typically when we say what courses need to be taught, each school district can determine within that what the content is going to be. We leave it up to the local school districts. Statutorily with this is you would be saying what content had to be taught within mathematics. When I was thinking outside of the box and think you could potentially put something in mathematics, I went back to when I was in math and yes you could maybe do it for one period, but some people are going to think do I have to teach this for one period? Do I have to teach this for several days or weeks? I can see both sides of the argument but I can also see that the school districts are probably already doing this.

**Rep. Mark Sanford:** I agree with the comments that school districts should be able to figure out how to do it. To me there is a disconnect between the standards or benchmarks and what is being taught at the high school level. When you look at those standards, they are pretty specific types of things being requested here.

**Chairman RaeAnn Kelsch:** To go back to Rep. Karen Rohr's comment on outcomes. I don't know you would determine an outcome on this.

**Rep. Karen Rohr:** If you look at the sheet of the survey that tested teens, only 45% new.

**Chairman RaeAnn Kelsch:** That is on the national level. Those aren't North Dakota surveys.

**Rep. Karen Rohr:** My thought would be that the specificity based on the facts that are identified on the sheet that Linda gave me; I am not convinced either that we fulfill what the bill was intended for. We want to prepare our children for the basic life skills when they get out of high school.

**Rep. Bob Hunskor:** I've been teaching math for a number of years. I know a math teacher with any sense or imagination could very easily incorporate the beginning financial skills into the math lesson for that day. You don't have to go too deep into it. You would cover it in math class and not lose anything.

**Chairman RaeAnn Kelsch:** I will say this. I would not use the word concepts. The reason for that is because that is this very detailed document. If you said that in law, you probably are saying to those middle school teachers that you have to comply with that document. If this committee thinks that is what they want to do then the only thing you could say is including general instruction in personal finance or something to that effect that isn't very specific. If you get into the specifics you are no longer teaching math.

**Vice Chair Lisa Meier:** How about utilizing the word concepts we use principles?

**Chairman RaeAnn Kelsch:** I think you have to be careful there. They can take a connotation back to the concepts.

**Rep. Bob Hunskor:** Encourage to incorporate finance skills. Is that of any value?

**Chairman RaeAnn Kelsch:** You could incorporate finance skills but that could mean that I know how to run a business. It has to be personal finance because that is what people are concerned with.

**Rep. Karen Rohr:** What about an amendment that says mathematics course?

**Chairman RaeAnn Kelsch:** We don't say mathematics course. We would say mathematics and you would go from there.

**Rep. Karen Rohr:** Including personal finance.

**Chairman RaeAnn Kelsch:** You'd need to add in there the grade level and number of courses or course credits required.

**Rep. John Wall:** As a co-sponsor to the bill, one of the problems I had with the original bill was there was no time certain. I'm afraid if we pass something and it isn't sure if you have to have one unit on it, a certain amount of hours, etc you will run into problems.

**Chairman RaeAnn Kelsch:** We will close on HB 1412.

# 2011 HOUSE STANDING COMMITTEE MINUTES

House Education Committee  
Pioneer Room, State Capitol

HB 1412  
02/09/11  
14236

Conference Committee

Committee Clerk Signature



## MINUTES:

**Chairman RaeAnn Kelsch:** We will open the hearing on HB 1412.

**Rep. Dennis Johnson:** Motion to do not pass.

**Rep. David Rust:** Second.

**Chairman RaeAnn Kelsch:** Discussion?

**Rep. Mike Schatz:** Rep. David Rust and I will disagree on this. I think it comes from an administrator teacher point of view. I think it is a good bill. I think we have talked before that we aren't doing that well in this country. We are like 24<sup>th</sup> in math, 26<sup>th</sup> in science, and 25% of the kids can't pass an army exam. To say that we can't fit this into our day, I think we can. The only issue I have is how much time. Good habits are formed early and if you are going to teach kids you need to do it at a young age. This is early childhood development. We the legislature provide 70% of the money to the districts and I think we have a right to let them know what we should be doing. I think it's good for the kids and I know as a teacher it can be fit in. They're not going to study that for the whole year, they study it as they go.

**Rep. David Rust:** In all honesty I think this is a feel-good bill because I believe it's already being done. We took a little survey of the class that was here and I think it's already being done through a variety of different places.

**Rep. Bob Hunsakor:** I did pull the schools up in my district and most are smaller schools and the superintendents for the most part felt that they have been encouraging their school to incorporate the few things of balancing a checkbook at those grade levels. This is pretty open ended here and unless it's more specific, they felt they were doing the job now.

**Chairman RaeAnn Kelsch:** We did a really good job last session with the bill that came out at the high school level. Where the need was the most was in the high school.

**Rep. Mike Schatz:** Superintendents in your district felt that they were doing it but we don't know that every district is doing it. There may be a group of districts that aren't doing it at

all. This is a point of emphasis that at an early age they should understand how money works.

**Vice Chair Lisa Meier:** We talked about it last session, but junior achievement come into a majority of schools in North Dakota and it actually does close to 6 weeks of financial education. I think that is a great organization to do that as well.

**Rep. Joe Heilman:** As a point of information, were there some amendments we were going to look at in terms of where it was placed?

**Chairman RaeAnn Kelsch:** We talked about it but we didn't do anything with amendments. Obviously if the concern is that if we are so low in the country on mathematics achievements, you probably don't want to muddy up by putting it into mathematics. We will take the roll. We will close on HB 1412.

**10 YEAS 5 NAYS 0 ABSENT**  
**CARRIER: Rep. David Rust**

**DO NOT PASS**

Date: 02-09-11  
 Roll Call Vote #: \_\_\_\_\_

2011 HOUSE STANDING COMMITTEE ROLL CALL VOTES  
 BILL/RESOLUTION NO. 1412

House EDUCATION Committee

Check here for Conference Committee

Legislative Council Amendment Number \_\_\_\_\_

Action Taken:  Do Pass  Do Not Pass  Amended  Adopt  
 Amendment  
 Rerefer to Appropriations  Reconsider

Motion Made By REP. D. JOHNSON Seconded By REP. RUST

Representatives	Yes	No	Representatives	Yes	No
Chairman Kelsch	X		Rep. Hanson	X	
Vice Chairman Meier	X		Rep. Hunsakor	X	
Rep. Heilman	X		Rep. Mock	X	
Rep. Heller		X	Rep. Mueller	X	
Rep. Johnson	X				
Rep. Karls		X			
Rep. Rohr		X			
Rep. Rust	X				
Rep. Sanford		X			
Rep. Schatz		X			
Rep. Wall	X				

Total (Yes) 10 No 5

Absent 0

Floor Assignment REP. RUST

If the vote is on an amendment, briefly indicate intent:

**REPORT OF STANDING COMMITTEE**

**HB 1412: Education Committee (Rep. R. Kelsch, Chairman)** recommends **DO NOT PASS** (10 YEAS, 5 NAYS, 0 ABSENT AND NOT VOTING). HB 1412 was placed on the Eleventh order on the calendar.

2011 TESTIMONY

HB 1412

# TESTIMONY ATTACHMENT 1

**TESTIMONY ON HB # 1412  
HOUSE EDUCATION COMMITTEE  
February 8, 2011  
Linda M. Paluck, Director,  
701-328-1718  
Department of Public Instruction**

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Madam Chairman and members of the committee:

My name is Linda Paluck and I am Director of the Approval & Accreditation Unit for the Department of Public Instruction. I am here to speak in opposition to HB 1412 regarding concepts of personal finance being taught at least once during the sixth, seventh, or eighth grade. This bill would create "yet another course" mandated by the legislature when districts already feel the pressure of effectively meeting curricular guidelines.

As a result of the 2009 Legislative Session the following was enacted:

Beginning July 1, 2010, each school district shall ensure that its curriculum for either economics or problems of democracy includes the exposure of students to concepts of personal finance, including:

- a. Checkbook mechanics, including writing checks, balancing, and statement reconciliation;
- b. Saving for larger purchases;
- c. Credit, including credit card usage, interest, and fees;
- d. Earning power, including jobs for teenagers;
- e. Taxation and paycheck withholdings;
- f. College costs;
- g. Making and living within a budget; and
- h. Mortgages, retirement savings, and investments

During the interim, I facilitated a committee that established a Curriculum Resource Guide along with a Personal Finance Brochure which has since been distributed to all high schools in North Dakota. According to the 2010-2011 school fall reports, all ND school districts are meeting the requirements of the law as stated.

Personal Finance is already evident in the North Dakota State Content Standards. The following areas depict what students should know and be able to do by the end of their school year in grades 3, 4, 5, 6, 7, & 8.

PERSONAL FINANCES	
3.3.1	Identify ways families and communities cooperate and compromise (e.g., fundraisers, food pantries, living within your means) to meet needs and wants
3.3.2	Explain how supply and demand affect personal economic choices (e.g., how scarcity forces people to decide which goods and services to obtain, what is given up in economic choices)
3.3.3	Explain the differences among natural and human resources, and how they are used locally

4.3.1	Describe the impact of education, training, and health care on personal income
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5.3.1	Describe how various non-economic factors (e.g., culture, values, interests) can influence economic behaviors and decision making
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EARLY ECONOMIES	
6.3.1	Explain how non-economic factors (e.g., culture, values, interest, abilities) influenced economic behaviors and decision making (e.g., building of pyramids, Olympic games)
6.3.2	Trace the development of civilizations from hunting/gathering based societies (e.g., hunting and gathering – cultivation and domestication) to trading/economy-based societies (e.g., surplus of food – specialization –trade/barter system)
6.3.3	Describe how advances in technology (e.g., irrigation, development of tools, specialization) impacted productivity
7.3.2	Differentiate among currency values and their exchange rates
7.3.3	Explain patterns and networks (e.g., patterns of trade, human migration, cultural and political alliances/sanctions) of economic and global interdependence in a changing world
7.3.4	Identify ways (e.g., GNP, GDP, literacy rate, industrialization) to measure economic progress

- 8.3.1 Explain the purpose and effects of trade barriers (e.g., imposed trade barriers such as tariffs enacted before the Civil War, natural trade barriers such as mountains)
- 8.3.2 Describe how technological advances (e.g., cotton gin, steel plow, McCormick reaper, steamboat, steam locomotives) and industrialization impacted regions of the United States prior to the Civil War.
- 8.3.3 Evaluate how economic opportunities (e.g., manufacturing, agricultural, business) impact North Dakota and other regions (e.g., Midwest, Northeast)
- 8.3.4 Describe factors (e.g., climate, population, tax laws, natural resources) governing economic decision making in North Dakota and other regions (e.g., Midwest, Southeast)

Article written for publication in 2010

## Personal Finance Instruction in North Dakota Schools

*By: Linda Paluck, Director, Approval and Accreditation, Department of Public Instruction and  
Amy Jo Johnson, Mid-America Credit Union Association*

The high school students of today face many challenges that can carry them throughout a lifetime: credit card debt, high interest rates, and accumulated loan debt. Nationally, the statistics are startling:

- More than 54 percent of college freshmen have a credit card and almost all sophomores (92 percent) have one, reports Nellie Mae.
- People 25 or younger make up the fastest growing group of bankruptcy filers according to the Senate Committee on Banking, Housing and Urban Affairs.
- According to the J.D. Power and Associates Identity Theft Report Generation Y (ages 19 to 30) have a higher risk for identity theft because of their online presence and the use of social networking sites.
- Less than half of all college students (46%) always keep records of their spending and receipts. (National Association of Retail Attorneys)
- Tuition rates have risen so fast that even affluent families find themselves ill-prepared to fund a college education, pushing students and their families to assume significant debt. The average student who pursues a four-year degree accumulates \$15,000 to \$20,000 in debt during his college career. According to a report from the National Center for Public Policy and Higher Education, more and more institutions of higher learning cite financial hardship as the number one reason students drop out.

It is no wonder why our students aren't financially savvy when they enter college or the real world. ND is one of many states making a smart financial decision to assist our youth in planning for their financial futures with Section 26 of House Bill 1400.

Beginning July 1, 2010 high school students in ND will be expected to have instruction in Personal Finance beginning with the graduating class of 2011.

*Section 26 of HB 1400 reads as follows:*

Concepts of personal finance – Inclusion in curriculum

1. Beginning July 1, 2010, each school district shall ensure that its curriculum for either economics or problems of democracy includes the exposure of students to concepts of personal finance, including:
  - a. Checkbook mechanics, including writing checks, balancing, and statement reconciliation;
  - b. Saving for larger purchases;
  - c. Credit, including credit card usage, interest, and fees;
  - d. Earning power, including jobs for teenagers;
  - e. Taxation and paycheck withholdings;
  - f. College costs;
  - g. Making and living within a budget; and
  - h. Mortgages, retirement savings, and investments

A finance committee was formed during the interim to develop and customize a personal finance curriculum for the state of ND. Eleven members of a Personal Finance committee met monthly to collaborate and create a Personal Finance curriculum guide for the state of North Dakota. The committee has provided many viable resources that educators may use in preparing their students to build financial awareness and management skills. Students will have opportunities to become engaged through the multitude of teaching strategies and recommended resources. The recommended Personal Finance Curriculum Guide, memorandum, and summary documents can be found on the Approval & Accreditation webpage (<http://www.dpi.state.nd.us/approve/resources.shtm>) and may be used at the discretion of the local North Dakota school districts in meeting the high school curriculum requirements.

Members of the state committee include: ND State Representative Dave Weiler, Bismarck ND Representative Lisa A. Wolf, Minot; Jan Repnow, Minot State University, Minot Dr. Debra Pankow, North Dakota State University, Fargo; Theo Johnson, Business teacher, Goodrich High School, Goodrich; Amy Jo Johnson, Education Coordinator, Mid-America Credit Union Association, Bismarck; Tracy Friesen, Shiloh Christian School Registrar, Bismarck; Tim Doppler, ND and SD Publishers Representative, Bismarck; Vicki Neuharth, Career and Technical Education, Bismarck; Kelly Schmidt, ND State Treasurer, Bismarck and Linda M. Paluck, Director of School Approval and Accreditation-Department of Public Instruction, Bismarck

Common questions regarding the 2009 Personal Finance statute:

**Q: This is one more thing that teachers need to be responsible for ...where is this going to fit into the curriculum?**

A: The law places personal finance to be taught in the areas of economics or problems of democracy which are required courses for graduation. Many business instructors however already teach concepts of personal finance. This is still okay, however all students are now required to have instruction in the eight required concepts.

**Q: How many minutes of instruction will be required for personal finance?**

A: The law is silent in this instance. According to Linda Paluck, ideally, personal finance should be embedded in the standards K-12. Beginning with understanding the difference between needs and wants in Kindergarten to developing knowledge and understanding with the eight concepts now prescribed in law.

**Q: I have never taken a class in personal finance nor have a strong background in this area. How can I properly teach these concepts without a background?**

A: The personal finance committee chosen to develop a curriculum for ND took this fact into consideration. Given the short amount of time and insufficient funding, the committee determined the following:

- A personal finance curriculum guide was developed for all teachers giving instruction in personal finance.
- This guide is set for teachers to acquire immediate instructional resources.
- Committee members were made up of leaders in the business world, education, state offices, and finance.
- Instructors are encouraged to contact local finance professionals and members of the ND Jumpstart Coalition to assist in the instructional delivery.

**Q: What high school year of education should students have this required course?**

A: The graduating class of 2011 will need to have instruction in each of the eight concepts according to NDCC 15.1-21-21. Those graduating in 2012 will have two years to take these courses, and so on.

Although difficult, it is important for teachers to make instructional decisions based on the requirement of the law. Curricular changes may need to display more of a progressive appearance through methods of differentiated instruction while providing more opportunities for teacher effectiveness. As more and more gets placed on the shoulders of teachers regarding instruction, it is important to note, that some instruction will need to be taken off the plate in order to make room for a more progressive and differentiated delivery.

*Specific questions may be directed to Linda Paluck, ND Department of DPI [lpaluck@nd.gov](mailto:lpaluck@nd.gov).*

## Survey takes stock of state financial education requirements

By Michael Grover

Recent research on the effectiveness of personal financial education offered in high schools is limited and far from conclusive, but the studies that have been completed so far suggest important and positive short-term and long-term effects of the training.<sup>1</sup> In particular, evidence of short-term effects comes from a late 1990s study of students exposed to the High School Financial Planning Program® curriculum.

Researchers concluded that almost half of the students in the study reported increases in their financial knowledge, with the biggest changes occurring in the areas of consumer credit, car insurance, time-value of money, and tracking expenses.<sup>2</sup>

At least one study based on financial and demographic data collected in 1995 from a national sample of 2,000 individuals (aged 30 to 49) suggests that there are long-term benefits to financial education as well.<sup>3</sup>

The study found that adults who attended high school at a time when their states mandated financial literacy training generally save more, accumulate more wealth than other adults, and have a higher net worth. These sorts of findings have encouraged many states to add personal finance content to their curricula and adopt additional requirements.

According to a survey that the National Council on Economic Education (NCEE) has conducted every two or three years since 1998, states have steadily added requirements for both economic education and personal finance education in recent years.<sup>4</sup> (See Table 1.) The survey tracks several different categories

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<sup>1</sup> For a more detailed discussion of this research, see the article “Financial literacy education: A potential tool for reducing predatory lending?” in *Community Dividend* Issue 2, 2002, at [www.minneapolisfed.org](http://www.minneapolisfed.org).

<sup>2</sup> Sharon M. Danes, Catherine A. Huddleston-Casas, and Laurie Boyce, “Financial Planning Curriculum for Teens: Impact Evaluation,” *Financial Counseling and Planning*, Volume 10(1), 1999.

<sup>3</sup> Douglas Bernheim, Daniel M. Garrett, and Dean M. Maki, “Education and Saving: The Long-Term Effects of High School Financial Curriculum Mandates,” *Journal of Public Economics*, 80, 2001.

<sup>4</sup> *Survey of the States: Economic, Personal Finance & Entrepreneurship Education in Our Nation’s Schools in 2009—A Report Card*, National Council on Economic Education, 2010.

of educational requirements. First, it identifies which states have adopted content standards for teaching the subject in question. Next, it identifies which states require that the adopted content standards be implemented by local school districts. The survey then identifies which states require high schools to offer a course on the topic, which states require all high school students to take such a course as a condition of graduation, and which states require that students be tested on their knowledge of the subject.

The latest NCEE survey, which was conducted in 2009, shows that almost all states have now adopted content standards for economics education and require implementation of the standards as part of their curriculum. In addition, 21 states currently require students to take an economics course before graduation. States have also added more personal finance training requirements. For personal finance, the number of states that have adopted content standards has doubled, while the number of states requiring implementation of content standards has increased from 14 to 34. In addition, 13 states now require students to complete a personal finance course as a condition of graduation, a substantial increase since 1998 when only one state had that requirement.

A snapshot of current requirements in the six states that lie wholly or partly in the Ninth Federal Reserve District (Michigan, Minnesota, Montana, North Dakota, South Dakota, and Wisconsin) reveals that all six require the adoption of content standards for both economic and personal finance education. (See Table 2.) However, that is the only feature from the study that all the states share. By far, Michigan's educational requirements are the most comprehensive with regard to both economic and personal finance training. South Dakota mandates nearly all of the requirements, except for requiring testing for students. While all other District states require the adoption of standards and some require implementation of those standards, most other states in the District do not mandate that a course be offered or require that it be a part of graduation requirements.

While the trend from 1998 to 2009 has been for more states to either adopt standards or add new educational requirements for both economics and personal finance, it is unclear if this trend will continue over the coming decade. Nevertheless, for those who advocate for increasing such educational mandates, the recent financial turmoil and economic downturn has given them renewed hope that their efforts to expose the next generation of consumers, who are currently in the K-12 education system, to the basic concepts of personal finance and economics will remain on course.

Table 1: Changes in Personal Finance Education Requirements, 1998 to 2009

Requirement	Number of states with Requirement in Place					
	Economics			Personal finance		
	1998	2009	Change	1998	2009	Change
Include subject matter in their standards	38	49	+11	21	44	+23
Standards required to be implemented	28	40	+12	14	34	+20
High school course required to be offered	16	21	+5	6	15	+9
High school course required to be taken	13	21	+8	1	13	+12
Student testing of subject matter required	25	19	-6	1	9	+8

Source: *Survey of the States: Economic, Personal Finance & Entrepreneurship Education in Our Nation's Schools in 2009—A Report Card*, National Council on Economic Education, 2010.

Table 2: Personal Finance Education Requirements in the Ninth District\*

Requirement	Michigan	Minnesota	Montana	North Dakota	South Dakota	Wisconsin
<b>Economics</b>						
Include subject matter in their standards	Yes	Yes	Yes	Yes	Yes	Yes
Standards required to be implemented	Yes	Yes	Yes	No	Yes	No
High school course required to be offered	Yes	No	No	No	Yes	No
High school course required to be taken	Yes	No	No	No	Yes	No
Student testing of subject matter required	Yes	No	No	No	No	Yes
<b>Personal finance</b>						
Include subject matter in their standards	Yes	Yes**	Yes	Yes	Yes	Yes
Standards required to be implemented	Yes	Yes	Yes	No	Yes	No

High school course required to be offered	Yes	No	No	No	Yes	No
High school course required to be taken	Yes	No	No	No	Yes	No
Student testing of subject matter required	Yes	No	No	No	No	No

\*Source: *Survey of the States: Economic, Personal Finance & Entrepreneurship Education in Our Nation's Schools in 2009—A Report Card*, National Council on Economic Education, 2010. The table above does not reflect recent legislative changes in North Dakota.

\*\* For high school only.

[Sidebar]

### North Dakota adopts new personal finance requirements

At the end of the 2009–2010 legislative session, the North Dakota Legislative Assembly added personal finance to the state’s educational requirements for public high school graduation. Introduced by Representative John Wall, a former high school journalism and English teacher from Wahpeton, the bill mandated that the “concepts of personal finance” should be included in the high school curriculum beginning on July 1, 2010. In creating this new mandate, state legislators were responding to both the recent market turmoil and credit crisis, along with a greater awareness of the need for high school students to have at least a basic level of financial skills and knowledge before leaving school.

The new law requires that “each school district shall ensure that its curriculum for either economics or problems of democracy includes the exposure of students to concepts of personal finance.” Specifically, the law calls for the following issues to be covered in either of these high school classes:

- Checkbook mechanics, including writing checks, account balancing, and statement reconciliation;
- Saving for larger purchases;
- Credit, including credit card usage, interest, and fees;
- Earning power, including jobs for teenagers;
- Taxation and paycheck withholdings;
- College costs;

- Making and living within a budget; and
- Mortgages, retirement savings, and investments.

A separate proposal to require a specific personal finance course in high school did not pass, mostly due to the concern that it would overburden school districts and teachers with an additional course requirement.

Passing new education standards may be the easy part compared to the work involved in implementing these standards in North Dakota's classrooms. After passage of the new requirements, the state had a short timeline and limited budget to prepare school districts for the change. The North Dakota Department of Public Instruction immediately organized a personal finance committee that developed a new curriculum and gathered instructional resources for teachers. The committee consisted of representatives from the private sector, public education, state government, and the state's financial services industry. A key to the success of the implementation efforts will be the help provided by local finance professionals and members of the state's Jump\$tart Coalition for Personal Financial Literacy, who are assisting with classroom delivery of the training. In the end, all of this hard work will help prepare next year's graduating class to deal with the complexities of our modern financial system.

# North Dakota Department of Public Instruction

Dr. Wayne G. Sanstead, State Superintendent



## Personal Finance in North Dakota Schools

The 61st Legislative Assembly established that all North Dakota school districts will include the exposure of students to concepts of personal finance. This brochure along with a curriculum resource guide found at <http://www.dpi.state.nd.us/> has been created to ensure that our North Dakota students develop good financial habits at an early age. An eleven member committee has worked diligently during the interim to ensure that resources are available for educators to use in meeting the curriculum requirement. This brochure provides you with a general description of each of the eight concepts required in statute.

- a. Checkbook mechanics, including writing checks, balancing, and statement reconciliation;
- b. Saving for larger purchases;
- c. Credit, including credit card usage, interest, and fees;
- d. Earning power, including jobs for teenagers;
- e. Taxation and paycheck withholdings;
- f. College costs;
- g. Making and living within a budget; and
- h. Mortgages, retirement savings, and investments.

### 8 Resources

The Cooperative Extension Service

NEFE

Banzai

The Actuarial Foundation

FoolProof

Money Savvy Generation

FtErE

Junior Achievement

The Personal Finance Committee researched many entities that offer lessons, descriptions, and activities. The following includes some of the major resources that highlight each of the eight concepts. Additional resources are available online at [www.dpi.state.nd.gov](http://www.dpi.state.nd.gov).



## The Cooperative Extension Service

The Cooperative Extension Service is an educational partnership of more than 70 land-grant universities. Its interactive web site, [www.extension.org](http://www.extension.org), helps Americans improve their lives with access to timely, objective, research-based information and educational opportunities. To learn more or to download ND personal finance educator lesson plans (one for each of the eight required concepts, plus an introduction lesson) go to: <http://www.ag.ndsu.edu/money>.

## FoolProof

**FoolProof for High Schools** is a free, web-driven financial education program sponsored by credit unions for high schools, community centers, technical schools, and youth groups. Students register themselves and test are self-grading.

Online, interactive lessons called "modules" feature dozens of videos of young people, who do all the teaching. A teacher website provides extensive support materials. Nine 45-minute classroom sessions teach both technical and critical thinking skills. To register and login, go to <http://www.foolproofteacher.com/> and click on 'Sign up for FoolProof here' (Orange writing at top of page). You will then follow the steps on the bottom right side of the page:

**Step 1: Program Choice** Select **FoolProof for High Schools**.

**Step 2: Online Registration** Fill out the appropriate online form. You will be sent an email with an access code to create your personal teacher account.

**Step 3: Create Your Account** FoolProof will send you an email with your account details within 24 hours. When you receive it, please create your personal teacher account. To assist you FoolProof will have a "**Quick Start Guide**" to walk you through it literally in one minute.

To demo the FoolProof program, use the following **login** information: **Teacher Demo:** Login(username = demo account)(password = foolproof08); **Student Demo:** login(username = demostudent)(password = foolproof08).

## NEFE

**High School Financial Planning Program of the National Endowment of Financial Education (NEFE)** turns the focus on the students. Using performance-based learning, students take what they learn and apply it directly in the course of each unit. Carefully designed exercises and activities move the student step-by-step including:

1. Create their own financial plan
2. Create their own budget
3. Propose a personal saving and investing plan
4. Select strategies to use in handling credit and managing their debt
5. Demonstrate how to use various financial services
6. Create a personal insurance plan
7. Examine how their choice of career and lifestyle will affect their financial plan

To obtain resources and materials go to: <http://hsfpp.nefe.org> and click 'Instructors Log-in' (upper right hand corner).

Click 'Register' and complete registration. Upon registration, you will be taken directly to the lesson plan/resources page where you may download any lesson plan, power point, activity, or excel sheet. If prefer not to download your materials, you may directly order from the website.



## Money Savvy Generation

**The Money Savvy Generation/Money Savvy U Intermediate Personal Finance Curriculum**

aligns their curriculum with NCTM (National Council of Teachers of Mathematics) standards and expectations in these critical areas: problem solving, reasoning and proof, communication, connection, and representation. Each of the five scripted lessons requires approximately 20 to 40 minutes of classroom time, including discussion. Instructor materials consist of a scripted, annotated PowerPoint presentation on CD-ROM. **To learn more and to order your materials go to** [http://www.msgen.com/sembled/money\\_savvy\\_u.html](http://www.msgen.com/sembled/money_savvy_u.html)

## Banzai

**Banzai** is a free web-based program teaching world financial literacy. Banzai provides real-world experiences as students learn to make wise spending decisions. Designed with your class in mind, Banzai includes free downloadable lesson plans and real life scenarios.

Register and log in for Banzai at [www.teachbanzai.com](http://www.teachbanzai.com). Click on 'Sign up now' located on the top of the page (blue box). Click on 'teacher' or 'student' and then fill out the registration information requested. Download the lesson plans at <http://www.teachbanzai.com/lesson-plans/>.



## FEFE

**University of Arizona Family Economics and Financial Education (FEFE)** provides free, ready-to-teach materials, curriculum training, newsletters, grants and other activities to expand and incorporate into your classroom. Sign up and register for at <http://fefe.arizona.edu/new-to-fefe>. All FEFE curriculum materials are free to download after creating an account. To create an account:

- o Click 'Create an Account',
- o Fill in all profile information including administrator and submit,
- o You will receive an email to confirm that you registered and then pending FEFE approval you will become a user,
- o Once you are approved, you will receive a second email with a link to follow to create a password (you will originally have a temporary password.)

Validation process is essential to the FEFE curriculum to maintain its usability in the classroom by blocking students from test banks and answer keys. If you have any challenges with the validation process, contact [fefe@cals.arizona.edu](mailto:fefe@cals.arizona.edu) or 520.626.4209.

## The Actuarial Foundation

**The Actuarial Foundation: Building Your Future** helps students easily grasp the essentials of personal finance, gives them multiple opportunities to practice core skills and showcases the real-world impact of the financial decisions they make. Each chapter is classroom ready, with a Teacher's Guide that provides handouts and answer keys, instruction and assessment suggestions, definitions and resources that align with national mathematics and personal financial education standards.

You can download and print the teacher guide book and the student workbook for free at <http://www.actuarialfoundation.org/programs/youth/BuildingYourFuture.shtml> Or you can order at: [http://www.actuarialfoundation.org/programs/youth/documents/BuildingFutureOrderForm\\_061209.pdf](http://www.actuarialfoundation.org/programs/youth/documents/BuildingFutureOrderForm_061209.pdf). Book prices are \$2.50/each plus shipping/handling, with a quantity discount after 30 or more books of 10%, but are subject to change.



## Junior Achievement

**Junior Achievement** educates students about workforce readiness, entrepreneurship and financial literacy through experiential, hands-on programs. JA's unique approach allows volunteers from the community to deliver our curriculum while sharing their experiences with students. Classroom volunteers transform the key concepts of our lessons into a message that inspires and empowers students to believe in themselves, while showing them they can make a difference in the world. To find out more or to sign up by contacting your nearest North Dakota representative at: **JA of Bismarck**-(701)223-5660 <http://www.bismanja.org>; **JA of Grand Forks**-(800)362-5925 Ext 147 - **JA of Fargo/Moorhead/West Fargo**-(701)241-8628; or **JA of Upper Midwest (all other ND cities)**-(651)255-0055 Email: [administrator@jaum.org](mailto:administrator@jaum.org). Visit the national Jr. Achievement web site at: [www.ja.org](http://www.ja.org).

# North Dakota Department of Public Instruction

Dr. Wayne G. Sanstead, State Superintendent



## *Personal Finance Committee Members*



Standing: (left to right) Amy Jo Johnson - Mid-America Credit Union Association, Vicki Neuharth - Career & Technical Education, Jan Reppow - Minot State University, Rep. Dave Weiler - Bismarck, Tim Doppler - ND & SD Publishers Rep.

Seated: (left to right) Tracy Friesen - Registrar/Shiloh Christian, Kelly Schmidt - State Treasurer, Linda Paluck - Director/ School Approval & Accreditation - DPI, Rep. Lisa Wolf - Minot, Dr. Debra Pankow - NDSU, Theo Johnson - Business Teacher

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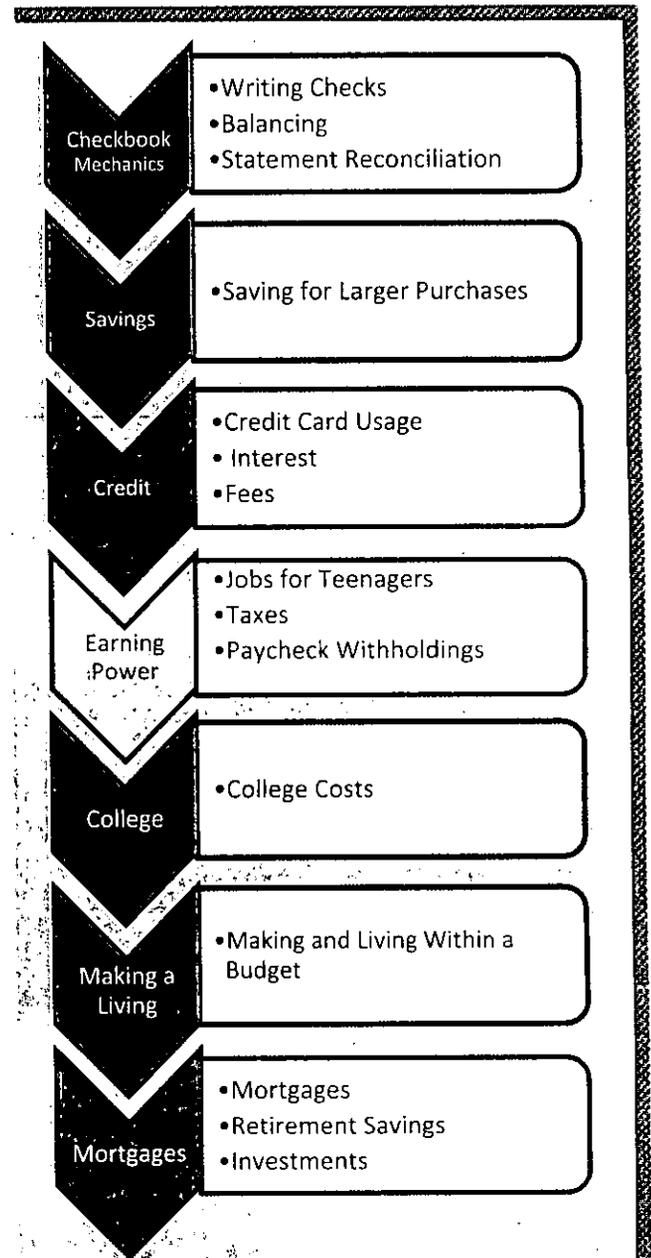
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DR. WAYNE G. SANSTEAD, STATE SUPERINTENDENT  
600 E BOULEVARD AVE, DEPT 201  
BISMARCK, ND 58505-0440



## Personal Finance Curriculum Resource Guide

### Concepts of Personal Finance



Department of Public Instruction  
Dr. Wayne G. Sanstead, State Superintendent  
600 E Boulevard Avenue, Dept. 201  
Bismarck, ND 58505-0440  
[www.dpi.state.nd.us](http://www.dpi.state.nd.us)

July 2010

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**North Dakota Department of Public Instruction**

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# NORTH DAKOTA PERSONAL FINANCE CURRICULUM

## RESOURCE GUIDE

At the close of the 61<sup>st</sup> Legislative Assembly a new section was created to chapter 15.1-21 of the North Dakota Century Code. Concepts of Personal Finance read as follows:

*Section 26 of HB 1400 reads as follows:*

### Concepts of personal finance – Inclusion in curriculum

1. Beginning July 1, 2010, each school district shall ensure that its curriculum for either economics or problems of democracy includes the exposure of students to concepts of personal finance, including:
  - a. Checkbook mechanics, including writing checks, balancing, and statement reconciliation;
  - b. Saving for larger purchases;
  - c. Credit, including credit card usage, interest, and fees;
  - d. Earning power, including jobs for teenagers;
  - e. Taxation and paycheck withholdings;
  - f. College costs;
  - g. Making and living within a budget; and
  - h. Mortgages, retirement savings, and investments
  
2. Upon written request, the superintendent of public instruction may allow a school district annually to select courses other than economics or problems of democracy for purposes of exposing students to the concepts of personal finance, as listed in this section, provided the school district can demonstrate that the number of students exposed to the concepts in the other selected courses would meet or exceed the number of students exposed under the requirements of subsection 1.
  
3. The requirements of this section may be provided by the regular classroom teacher of the course in which the concepts of personal finance are incorporated.

The eleven members of the Personal Finance committee have met monthly to collaborate and create a Personal Finance curriculum resource guide for the state of North Dakota. The committee has provided many viable resources that educators may use in preparing their students to build financial awareness and management skills. Students will have opportunities to become engaged through the multitude of teaching strategies and resources supplied in this

document. The following resources may be used in helping our North Dakota students to develop good financial habits at an early age. The committee is aware that other personal finance resources may be used to fill the statutory requirement. This resource guide may be used at the discretion of the local North Dakota school districts in meeting the high school curriculum requirements.

The following Personal Finance Curriculum Resource Guide has been created to facilitate instruction. Choose the specific curriculum area you wish to use and click on the corresponding link. The link will take you directly to a lesson along with activities from which to choose. Some of the links may require you to create an account for monitoring student success. An area has also been included for you to record your comments and suggestions as you progress through the curriculum. If you have any questions, you may contact one of the committee members whose information is listed at the end of this Curriculum Resource Guide.

## Resource Descriptions:

**1. High School Financial Planning Program of the National Endowment of Financial Education (NEFE)** turns the focus on the students. Using performance-based learning, students take what they learn and apply it directly in the course of each unit. Carefully designed exercises and activities move the student step-by-step including:

1. Create their own financial plan
2. Create their own budget
3. Propose a personal saving and investing plan
4. Select strategies to use in handling credit and managing their debt
5. Demonstrate how to use various financial services
6. Create a personal insurance plan
7. Examine how their choice of career and lifestyle will affect their financial plan

To obtain resources and materials go to: <http://hsfpp.nefe.org> and click 'Instructors Log-in' (upper right hand corner).

Click 'Register' and complete registration. Upon registration, you will be taken directly to the lesson plan/resources page where you may download any lesson plan, slides, activity, or spread sheet. If prefer not to download your materials, you may directly order from the website.

**2. University of Arizona Family Economics and Financial Education (FEFE)** provides free, ready-to-teach materials, curriculum training, newsletters, grants and other activities to expand and incorporate into your classroom. Sign up and register for at <http://fefe.arizona.edu/new-to-fefe>. All FEFE curriculum materials are free to download after creating an account. To create an account:

- Click 'Create an Account'
- Fill in all profile information including administrator and submit
- You will receive an email to confirm that you registered and then pending FEFE approval you will become a user
- Once you are approved, you will receive a second email with a link to follow to create a password (you will originally have a temporary password)

The validation process is essential to the FEFE curriculum to maintain its usability in the classroom by blocking students from test banks and answer keys. If you have any challenges with the validation process, contact [fefe@cals.arizona.edu](mailto:fefe@cals.arizona.edu) or 520-626-4209.

**3. FoolProof For High Schools** is a free, web-driven financial education program sponsored by credit unions for high schools, community centers, technical schools, and youth groups. Students register themselves and tests are self-grading. Online, interactive lessons called "modules" feature dozens of videos of young people, who do all the teaching. A teacher website provides extensive support materials. Nine 45-minute classroom sessions teach both technical and critical thinking skills. To register and login, go to: <http://www.foolproofteacher.com/> and click on 'Sign up for FoolProof here' (Orange writing at top of page). You will then follow the steps on the bottom right side of the page:

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**Step 3: Create Your Account** FoolProof will send you an email with your account details within 24 hours. When you receive it, please create your personal teacher account. To assist you, FoolProof will have a "**Quick Start Guide**" to walk you through it literally in one minute.

To demo the FoolProof program, use the following login information: **Teacher Demo:** login (username = demo account)(password = foolproof08); **Student Demo:** login(username = demostudent)(password = foolproof08).

**4. Junior Achievement** educates students about workforce readiness, entrepreneurship and financial literacy through experiential, hands-on programs. JA's unique approach allows volunteers from the community to deliver our curriculum while sharing their experiences with students. Classroom volunteers transform the key concepts of our lessons into a message that inspires and empowers students to believe in themselves, while showing them they can make a difference in the world. To find out more or to sign up by contacting your nearest North Dakota representative at: **JA of Bismarck**-(701) 223-5660 <http://www.bismanja.org>; **JA of Grand Forks**-(800) 362-5925 Ext. 147- **JA of Fargo/Moorhead/West Fargo**-(701) 241-8628; or **JA of Upper Midwest (all other ND cities)** -(651) 255-0055 Email: [administrator@jaum.org](mailto:administrator@jaum.org). Visit the national Jr. Achievement web site at: [www.ja.org](http://www.ja.org).

**5. The Actuarial Foundation: Building Your Future** helps students easily grasp the essentials of personal finance, gives them multiple opportunities to practice core skills and showcases the real-world impact of the financial decisions they make. Each chapter is classroom ready, with a Teacher's Guide that provides handouts and answer keys, instruction and assessment suggestions, definitions and resources that align with national mathematics and personal financial education standards.

You can download and print the teacher guide book and the student workbook for free at

<http://www.actuarialfoundation.org/programs/youth/BuildingYourFuture.shtml> Or you can order at:

[http://www.actuarialfoundation.org/programs/youth/documents/BuildingFutureOrderForm\\_061209.pdf](http://www.actuarialfoundation.org/programs/youth/documents/BuildingFutureOrderForm_061209.pdf). Book prices are \$2.50/each plus shipping/handling, with a quantity discount after 30 or more books of 10%, but are subject to change.

**6. Banzai** is a free web-based program teaching real-world financial literacy. Banzai provides real-world experiences as students learn to make wise spending decisions. Designed with your class in mind, Banzai includes free downloadable lesson plans and real life scenarios.

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**7. The Money Savvy Generation/Money Savvy U Intermediate Personal Finance Curriculum** aligns their curriculum with NCTM (National Council of Teachers of Mathematics) standards and expectations in these critical areas: problem solving, reasoning and proof, communication, connection, and representation. Each of the five scripted lessons requires approximately 20 to 40 minutes of classroom time, including discussions. Instructor materials consist of a scripted, animated PowerPoint presentation on CD-ROM. **To learn more and to order your materials go to [http://www.msgen.com/assembled/money\\_savvy\\_u.html](http://www.msgen.com/assembled/money_savvy_u.html).**

**8. The North Dakota State University Extension Service** as part of the Cooperative Extension System is an educational partnership of more than 70 land-grant Universities. Its interactive Web site, [www.extension.org](http://www.extension.org), helps Americans improve their lives with access to timely, objective, research-based information and educational opportunities. To learn more or to download financial lesson plans go to: <http://www.ag.ndsu.edu/money/index.htm> .

## Concepts of Personal Finance – Curriculum Resources

a.	<b>Checkbook mechanics, including writing checks, balancing, and statement reconciliation</b>
a.1:	<b>High School Financial Planning Program of the National Endowment for Financial Education (NEFE):</b> Register and log in at <a href="http://hsfpp.nefe.org">http://hsfpp.nefe.org</a> . Find corresponding lesson in Unit 5.
a.2:	<b>University of Arizona Family Economics and Financial Education (FEFE)</b> Register and log in at <a href="http://fefe.arizona.edu/new-to-fefe">http://fefe.arizona.edu/new-to-fefe</a> . Find Corresponding lesson at: <a href="http://www.fefe.arizona.edu/search/node/checkbook">http://www.fefe.arizona.edu/search/node/checkbook</a> .
a.3:	<b>FoolProof For High Schools:</b> Register and log in at: <a href="http://www.foolproofteacher.com/">http://www.foolproofteacher.com/</a> . Find corresponding lesson in Module # 4 Road Trip!
a.4:	<b>Junior Achievement:</b> N/A
a.5:	<b>The Actuarial Foundation:</b> Download and print the teacher guide book and the student workbook at <a href="http://www.actuarialfoundation.org/programs/youth/BuildingYourFuture.shtml">http://www.actuarialfoundation.org/programs/youth/BuildingYourFuture.shtml</a> . Or you can order at: <a href="http://www.actuarialfoundation.org/programs/youth/documents/BuildingFutureOrderForm_061209.pdf">http://www.actuarialfoundation.org/programs/youth/documents/BuildingFutureOrderForm_061209.pdf</a> . Find corresponding lessons in Building Your Future-Book 1, Banking, Chapter 2.
a.6:	<b>Banzai:</b> Register and log in to Banzai at <a href="http://www.teachbanzai.com">www.teachbanzai.com</a> . Download the lesson plans at <a href="http://www.teachbanzai.com/lesson-plans/">http://www.teachbanzai.com/lesson-plans/</a> . See Scenarios 10, 11, 15.
a.7:	<b>Money Savvy Generation/Money Savvy U:</b> N/A
a.8:	<b>North Dakota State University Extension Service:</b> Download your free lesson plans, handouts, worksheets and slides at <a href="http://www.ag.ndsu.edu/money">www.ag.ndsu.edu/money</a> .

**b.****Saving for larger purchases**

b.1: **High School Financial Planning Program of the National Endowment for Financial Education (NEFE):** Register and log in at <http://hsfpp.nefe.org>. Find Corresponding lesson in Unit 3.

b.2: **University of Arizona Family Economics and Financial Education (FEFE):** Register and log in at <http://fefe.arizona.edu/new-to-fefe>. Find corresponding lesson at: <http://www.fefe.arizona.edu/category/curriculum-unit/spending-plans>.

b.3: **FoolProof For High Schools:** Register and log in at: <http://www.foolproofteacher.com/>. Find corresponding lesson in Module #7 Printing Money (available Sept.1).

b.4: **Junior Achievement NEFE/HSFPP Grades 9-12:** Sign up by contacting your nearest North Dakota representative at: **JA of Bismarck**-(701) 223-5660; **JA of Grand Forks** (800)362-5925Ext 147; **JA of Fargo/Moorhead/West Fargo**-(701) 241-8628; or **JA of Upper Midwest**-(651) 255-0055. Find corresponding lesson in Session One.

b.5: **The Actuarial Foundation:** Download and print the teacher guide book and the student workbook at <http://www.actuarialfoundation.org/programs/youth/BuildingYourFuture.shtml>. Or you can order at: [http://www.actuarialfoundation.org/programs/youth/documents/BuildingFutureOrderForm\\_061209.pdf](http://www.actuarialfoundation.org/programs/youth/documents/BuildingFutureOrderForm_061209.pdf). Find corresponding lessons in Building Your Future-Book 1, Banking, Chapter 1.

b.6: **Banzai:** Register and log in to Banzai at [www.teachbanzai.com](http://www.teachbanzai.com). Download the lesson plans at <http://www.teachbanzai.com/lesson-plans/>. Find corresponding lesson in Scenario 2.

b.7: **Money Savvy Generation/Money Savvy U:** (grades 9-10)(available for purchase at [http://www.msgen.com/assembled/money\\_savvy\\_u.html](http://www.msgen.com/assembled/money_savvy_u.html)). Find corresponding lessons in Lessons 1 & 2 - Budgeting & Power of Compounding.

b.8 **North Dakota State University Extension Service:** Download your free lesson plans, handouts, worksheets and slides at [www.ag.ndsu.edu/money](http://www.ag.ndsu.edu/money).

<b>C.</b>	<b>Credit, including credit card usage, interest, and fees</b>
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c.1: **High School Financial Planning Program of the National Endowment for Financial Education (NEFE):** Register and log in at <http://hsfpp.nefe.org>. Find Corresponding lesson in: Unit 4.

c.2: **University of Arizona Family Economics and Financial Education (FEFE):** Register and log in at <http://fefe.arizona.edu/new-to-fefe>. Find Corresponding lesson at: <http://www.fefe.arizona.edu/search/node/credit>.

c.3: **FoolProof For High Schools:** Register and log in at: <http://www.foolproofteacher.com/>. Find corresponding lessons in Module #1, Module #2, Module #3, Module #5 When it Hits the Fan.

c.4: **Junior Achievement NEFE/HSFPP Grades 9-12:** Sign up by contacting your nearest North Dakota representative at: **JA of Bismarck**-(701) 223-5660; **JA of Grand Forks**-(800) 362-5925 Ext. 147; **JA of Fargo/Moorhead/West Fargo** -(701) 241-8628; or **JA of Upper Midwest**-(651) 255-0055. Find corresponding lesson in Session Three and JA Banks in Action-Sessions 1, 2, 4, 5.

c.5: **The Actuarial Foundation-Building Your Future:** Download and print the teacher guide book and the student workbook at <http://www.actuarialfoundation.org/programs/youth/BuildingYourFuture.shtml>. Or you can order at: [http://www.actuarialfoundation.org/programs/youth/documents/BuildingFutureOrderForm\\_061209.pdf](http://www.actuarialfoundation.org/programs/youth/documents/BuildingFutureOrderForm_061209.pdf). Find corresponding lessons in Building Your Future-Book 1, Banking, Chapter 3 and Book 2, Financing, Chapter 1.

c.6: **Banzai:** Register and log in at [www.teachbanzai.com](http://www.teachbanzai.com). Download the lesson plans at <http://www.teachbanzai.com/lesson-plans/>. Find corresponding lessons in Scenarios 1, 8, 9, 18, 20, 30.

c.7: **Money Savvy Generation/Money Savvy U:** (grades 9-10) (available for purchase at [http://www.msgen.com/assembled/money\\_savvy\\_u.html](http://www.msgen.com/assembled/money_savvy_u.html)) Find corresponding lesson in Lesson 4 - Smart Borrowing and Use of Credit Cards.

c.8 **North Dakota State University Extension Service:** Download your free lesson plans, handouts, worksheets and slides at [www.ag.ndsu.edu/money](http://www.ag.ndsu.edu/money).

<b>d.</b>	<b>Earning power, including jobs for teenagers</b>
	d.1: <b>High School Financial Planning Program of the National Endowment for Financial Education (NEFE):</b> Register and log in at <a href="http://hsfpp.nefe.org">http://hsfpp.nefe.org</a> . Find Corresponding lesson in Unit 7.
	d.2: <b>University of Arizona Family Economics and Financial Education (FEFE):</b> Register and log in at <a href="http://fefe.arizona.edu/new-to-fefe">http://fefe.arizona.edu/new-to-fefe</a> . Find corresponding lesson at: <a href="http://www.fefe.arizona.edu/search/node/job">http://www.fefe.arizona.edu/search/node/job</a> .
	d.3: <b>FoolProof For High Schools: N/A</b>
	d.4: <b>Junior Achievement NEFE/HSFPP Grades 9-12:</b> Sign up by contacting your nearest North Dakota representative at: <b>JA of Bismarck-</b> (701) 223-5660; <b>JA of Grand Forks, ND-</b> (800) 362-5925 Ext. 147- <b>JA of Fargo/Moorhead/West Fargo -</b> (701) 241-8628; or <b>JA of Upper Midwest-</b> (651) 255-0055. Find corresponding lesson in: JA Careers with a Purpose-corresponding lessons in sessions 1, 2, 3, 4 and 7 and JA Job Shadow-corresponding lessons in Sessions 1, 3.
	d.5: <b>The Actuarial Foundation: N/A</b>
	d.6: <b>Banzai:</b> Register and log in to Banzai at <a href="http://www.teachbanzai.com">www.teachbanzai.com</a> . Download the lesson plans at <a href="http://www.teachbanzai.com/lesson-plans/">http://www.teachbanzai.com/lesson-plans/</a> . Find corresponding lessons in Scenarios 2, 25.
	d.7: <b>Money Savvy Generation/Money Savvy U:</b> (available for purchase at <a href="http://www.msgen.com/assembled/money_savvy_u.html">http://www.msgen.com/assembled/money_savvy_u.html</a> ). Find corresponding lesson in Lesson 2 - Power of Compounding.
	d.8 <b>North Dakota State University Extension Service:</b> Download your free lesson plans, handouts, worksheets and slides at <a href="http://www.ag.ndsu.edu/money">www.ag.ndsu.edu/money</a> .

e.

**Taxation and paycheck withholdings**

e.1: **High School Financial Planning Program of the National Endowment for Financial Education (NEFE):** Register and log in at <http://hsfpp.nefe.org>. Find Corresponding lesson in Unit 2.

e.2: **University of Arizona Family Economics and Financial Education (FEFE):** Register and log in at <http://fefe.arizona.edu/new-to-fefe>. Find Corresponding lesson at: <http://www.fefe.arizona.edu/search/node/paycheck%20and%20taxes>.

e.3: **FoolProof For High Schools:** Register and log in at: <http://www.foolproofteacher.com/>. Find corresponding lesson in Module #6-Burning Money (available Sept. 1).

e.4: **Junior Achievement NEFE/HSFPP Grades 9-12:** Sign up by contacting your nearest North Dakota representative at: **JA of Bismarck-** (701) 223-5660; **JA of Grand Forks-**(800) 362-5925 Ext. 147; **JA of Fargo/Moorhead/West Fargo -**(701) 241-8628; or **JA of Upper Midwest-**(651) 255-0055. Find corresponding lesson in Session Two.

e.5: **The Actuarial Foundation:** Download and print the teacher guide book and the student workbook at <http://www.actuarialfoundation.org/programs/youth/BuildingYourFuture.shtml>. Or you can order at: [http://www.actuarialfoundation.org/programs/youth/documents/BuildingFutureOrderForm\\_061209.pdf](http://www.actuarialfoundation.org/programs/youth/documents/BuildingFutureOrderForm_061209.pdf). Find corresponding lessons in Building Your Future-Book 1, Banking, Chapter 4.

e.6: **Banzai:** Sign up for Banzai at [www.teachbanzai.com](http://www.teachbanzai.com). Download the lesson plans at <http://www.teachbanzai.com/lesson-plans/>. Find corresponding lessons in Scenarios 2, 12, 14, 16, 19, 26.

e. 7: **Money Savvy Generation/Money Savvy U: N/A**

e.8: **North Dakota State University Extension Service:** Download your free lesson plans, handouts, worksheets and slides at [www.ag.ndsu.edu/money](http://www.ag.ndsu.edu/money).

**f.1: High School Financial Planning Program of the National Endowment for Financial Education (NEFE):** Register and log in at <http://hsfpp.nefe.org>. Find Corresponding lesson in: Unit 7.

**f.2: University of Arizona Family Economics and Financial Education (FEFE):** Register and log in at <http://fefe.arizona.edu/new-to-fefe>. Find Corresponding lesson at: <http://www.fefe.arizona.edu/category/curriculum-unit/career-development>.

**f.3: FoolProof For High Schools: N/A**

**f.4: Junior Achievement NEFE/HSFPP Grades 9-12:** Sign up by contacting your nearest North Dakota representative at: **JA of Bismarck-** (701) 223-5660; **JA of Grand Forks-**(800) 362-5925 Ext. 147; **JA of Fargo/Moorhead/West Fargo -**(701) 241-8628; or **JA of Upper Midwest-**(651) 255-0055. Find corresponding resource in Jr. Achievement JA Student Center [www.bismanja.org](http://www.bismanja.org) (a resource, not a lesson).

**f.5: The Actuarial Foundation N/A**

**f.6: Banzai: N/A**

**f. 7: Money Savvy Generation/Money Savvy U: N/A**

**f.8 North Dakota State University Extension Service:** Download your free lesson plans, handouts, worksheets and slides at [www.ag.ndsu.edu/money](http://www.ag.ndsu.edu/money).

## **g. Making and living within a budget**

**g.1: High School Financial Planning Program of the National Endowment for Financial Education (NEFE):** Register and log in at <http://hsfpp.nefe.org>. Find Corresponding lesson in: Unit 2.

**g.2: University of Arizona Family Economics and Financial Education (FEFE):** Register and log in at <http://fefe.arizona.edu/new-to-fefe>. Find corresponding lesson at: <http://www.fefe.arizona.edu/search/node/budget>.

**g.3: FoolProof For High Schools :** Register and log in at: <http://www.foolproofteacher.com/>. Find corresponding lesson in Module #6 Burning Money (available Sept.1).

**g.4: Junior Achievement NEFE/HSFPP Grades 9-12:** Sign up by contacting your nearest North Dakota representative at: **JA of Bismarck-** (701) 223-5660; **JA of Grand Forks-**(800) 362-5925 Ext. 147; **JA of Fargo/Moorhead/West Fargo -**(701) 241-8628; or **JA of Upper Midwest-**(651) 255-0055. Find corresponding lesson in Session One.

**g.5: The Actuarial Foundation: N/A**

**g.6: Banzai:** Sign up for Banzai at [www.teachbanzai.com](http://www.teachbanzai.com). Download the lesson plans at <http://www.teachbanzai.com/lesson-plans/>. Find corresponding lessons in Scenarios 2, 12, 19, 25.

**g.7: Money Savvy Generation/Money Savvy U:** (grades 9-10) (available for purchase at [http://www.msgen.com/sembled/money\\_savvy\\_u.html](http://www.msgen.com/sembled/money_savvy_u.html)). Find corresponding lessons in Lessons 1 & 3 - Budgeting & Smart Spending.

**g.8: North Dakota State University Extension Service:** Download your free lesson plans, handouts, worksheets and power slides at [www.ag.ndsu.edu/money](http://www.ag.ndsu.edu/money).

## **h. Mortgages, retirement savings, and investments**

**h.1: High School Financial Planning Program of the National Endowment for Financial Education (NEFE):** Register and log in at <http://hsfpp.nefe.org>. Find Corresponding lessons in: Units 3 and 4.

**h.2: University of Arizona Family Economics and Financial Education (FEFE):** Register and log in at <http://fefe.arizona.edu/new-to-fefe>. Find Corresponding lessons at: <http://www.fefe.arizona.edu/category/curriculum-unit/housing>, <http://www.fefe.arizona.edu/category/curriculum-unit/investing>.

**h.3 FoolProof For High Schools:** Register and log in at: <http://www.foolproofteacher.com/>. Find corresponding lesson in Module #7 Printing Money (available Sept. 1).

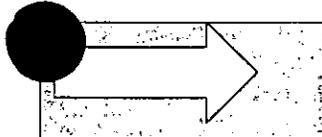
**h.4: Junior Achievement NEFE/HSFPP Grades 9-12:** Sign up by contacting your nearest North Dakota representative at: **JA of Bismarck-** (701) 223-5660; **JA of Grand Forks-**(800) 362-5925 Ext. 147; **JA of Fargo/Moorhead/West Fargo -**(701) 241-8628; or **JA of Upper Midwest-**(651) 255-0055. Find corresponding lesson in Session Five.

**h.5: The Actuarial Foundation:** Download and print the teacher guide book and the student workbook at <http://www.actuarialfoundation.org/programs/youth/BuildingYourFuture.shtml>. Or you can order at: [http://www.actuarialfoundation.org/programs/youth/documents/BuildingFutureOrderForm\\_061209.pdf](http://www.actuarialfoundation.org/programs/youth/documents/BuildingFutureOrderForm_061209.pdf). Find corresponding lessons in Building Your Future-Book 2, Financing, Chapter 2 and Building Your Future-Book 3, Investing, Chapters 1-5.

**h.6: Banzai:** N/A

**h.7: Money Savvy Generation/Money Savvy U:** (available for purchase at [http://www.msgen.com/assembled/money\\_savvy\\_u.html](http://www.msgen.com/assembled/money_savvy_u.html)). Find corresponding lessons in Lessons 2 & 5 - Power of Compounding & Smart Investing.

**h.8: North Dakota State University Extension Service:** Download your free lesson plans, handouts, worksheets and slides at [www.ag.ndsu.edu/money](http://www.ag.ndsu.edu/money).



# TEACHER NOTES

NEFE:

FEFE:

FoolProof for High Schools:

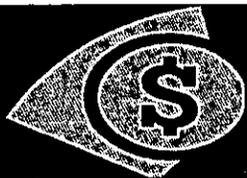
Junior Achievement:

The Actuarial Foundation:

Banzai:

Money Savvy Generation:

North Dakota State University Extension Service:



## ADDITIONAL RESOURCES INCLUDING TEACHER'S ADDITIONAL CHOICES

### 1. Chad Foster Books:

Chad Foster books are an "easy-read" book promoting discussions about real world issues within today's classrooms. You can find his three books:

1. Financial Literacy for Teens
2. Teenagers preparing for the real world
3. High School 101

by visiting their website at: [www.chadfoster.com/curriculum.html](http://www.chadfoster.com/curriculum.html).

2. ***The ABCs of Credit Card Finance***, by Carol A. Carolan, PhD, of the Center for Student Credit Card Education, offers essential information to help high-school seniors learn basic money and credit management skills before they head to college or enter the workforce. Topics cover budgeting and credit card basics: from credit card costs and selecting the best credit card to credit card do's and don'ts, credit reports, and more. You may download this PowerPoint and other resources at: <https://www.credit-edadministrator.com/materials/highschoolworkshop.php> or call (650)347-3327 or Email: [staff@cscce.com](mailto:staff@cscce.com).

3. **The Money T Insights Blog** was developed by the North Dakota Extension Service is a place for all to share ideas and resources. To view this blog go to: <http://moneytinsights.blogspot.com/>.

### 4. The North Dakota Jump\$tart Coalition and the National Jumpstart Coalition.

Both coalitions are nonprofit organizations that actively work to improve the financial literacy of our citizens. They educate the public through speaking engagements and workshops, provide information and materials, and collaborate with public and private organizations and law makers on various projects throughout the state. Whether you're looking for ways to develop money smarts at home, in your classroom, organization or business, the North Dakota Jump\$tart Coalition and the national Jump\$tart Coalition has the tools and connections you need to make it happen. To learn more and to download free materials visit their websites at [www.JumpStart.org](http://www.JumpStart.org) or [www.ndjumpstart.org](http://www.ndjumpstart.org).

### 5. Biz Kids and their concepts:

- A. Find Corresponding Lesson in Episode #204. Download free activity and lesson at: [http://www.bizkids.com/coolbizstuff\\_parents.aspx](http://www.bizkids.com/coolbizstuff_parents.aspx)
- B. Find Corresponding Lesson in Episode #106, #110 Download free activity and lesson at: [http://www.bizkids.com/coolbizstuff\\_parents.aspx](http://www.bizkids.com/coolbizstuff_parents.aspx)
- C. Find Corresponding Lesson in Episode #109, #115, and #205 Download free activity and lesson at: [http://www.bizkids.com/coolbizstuff\\_parents.aspx](http://www.bizkids.com/coolbizstuff_parents.aspx)
- D. Find Corresponding Lesson in Episode #119 Download free activity and lesson at: [http://www.bizkids.com/coolbizstuff\\_parents.aspx](http://www.bizkids.com/coolbizstuff_parents.aspx)

- E. Find Corresponding Lesson in Episode #125 Download free activity and lesson at:  
[http://www.bizkids.com/coolbizstuff\\_parents.aspx](http://www.bizkids.com/coolbizstuff_parents.aspx)
- F. Find Corresponding Lesson in Episode #210 Download free activity and lesson at:  
[http://www.bizkids.com/coolbizstuff\\_parents.aspx](http://www.bizkids.com/coolbizstuff_parents.aspx)
- G. Find Corresponding Lesson in Episode #116 Download free activity and lesson at:  
[http://www.bizkids.com/coolbizstuff\\_parents.aspx](http://www.bizkids.com/coolbizstuff_parents.aspx)
- H. Find Corresponding Lesson in Episode #118 Download free activity and lesson at:  
[http://www.bizkids.com/coolbizstuff\\_parents.aspx](http://www.bizkids.com/coolbizstuff_parents.aspx)

Biz Kids is an Emmy Award series on PBS. The public TV series teaches kids about money and business. The website provides free downloadable Activities for teachers, families and young entrepreneurs. The website also features show times of episodes broadcast in your area. Episodes can also be purchased for a minimal fee. Download free materials at [http://www.bizkids.com/coolbizstuff\\_parents.aspx](http://www.bizkids.com/coolbizstuff_parents.aspx)

6.

7.

8.

9.

10.



## Personal Finance Committee Members:

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Dave Weiler, ND State Representative, Bismarck

Lisa A. Wolf, ND State Representative, Minot

Jan Repnow, Minot State University, Minot

Dr. Debra Pankow, North Dakota State University, Fargo

Theo Johnson, Business teacher, Goodrich High School, Goodrich

Amy Jo Johnson, Education Coordinator, Mid-America Credit Union Association, Bismarck

Tracy Friesen, Shiloh Christian School Registrar, Bismarck

Tim Doppler, ND and SD Publishers Representative, Bismarck

Vicki Neuharth, Career and Technical Education, Bismarck

Kelly Schmidt, ND State Treasurer, Bismarck



Linda M. Paluck, Director of School Approval and Accreditation, Department of Public Instruction, Bismarck



# TESTIMONY ATTACHMENT

Z

In Support of  
HB 1412  
House Education Committee  
February 8, 2011

Kelly Schmidt  
State Treasurer

A life of financial success and security begins with a strong education. Every generation is introduced to the reality of spending, saving and finance at a younger age than the last. Yet for years, our nation's financial literacy has not kept pace.

We live in a nation where nearly one-third of high school seniors have credit cards, even more have debit cards, and an average of 1.5 million families file for personal bankruptcy each year. The need for personal financial literacy couldn't ring more loud or clear.

While the national savings rate has hovered around zero for years, consumer debt has soared by 24 percent since 2002 (Source: Federal Reserve). It's as easy to get a credit card today as it is to consume calories. Last year, the typical household received 68 credit card offers – 46 percent more than in 1998 and carried an average balance of \$9,200 (Source: TransUnion, December 2008)

40% more students drop out of college due to money issues including student loan debt and credit card debt than academic failure. (Source: Pratt Financial Group Study)

In 2007, a Charles Schwab survey on teens and money reported that only 45% of teens know how to use a credit card, while just 26% understood credit-card interest and fees. Only 1 in 3 knows how to read a bank statement, balance a checkbook and pay bills. 25% of North Dakotan's report occasionally overdrawing their checking accounts (FINRA 2009). Barely 1 in 5 had an idea how to invest.

More than ever, the financial decisions we make today have a direct affect on the opportunities available to us tomorrow. Our credit score determines the interest rates we pay on our mortgages, the rate of our insurance premiums as well as our ability to get a job. Yes, employers are now checking credit scores when evaluating their applicants.

Financial literacy is an essential life-skill that when instilled at an early age help our youth develop the financial concepts for making wise financial decisions and build money management skills. Studies reveal that financial education programs taught in schools help young learners know more, save more, and substantially increase personal confidence with money. This education also provides a level of protection from consumer fraud and identity theft.

It doesn't make any difference if you strive to be a doctor or a laborer, your need to balance a checkbook and understand the fundamentals of our money-drive society remain the same.

The fundamentals of financial literacy are just as vital to the successful future of North Dakota students as the education of ethics, values and the basic skills of reading, writing and simple arithmetic.

I support the advancement of financial education in our schools and hope you will support HB 1412.

# TESTIMONY ATTACHMENT 3

Written Testimony on HB 1412: February 8, 2011.

*Presented by Jeff Olson, VP of Advocacy and Awareness Credit Union Association of the Dakotas*

## **Why it's needed**

Basic Financial Literacy Statistics are dismal in this country. To understand where we need to go from here we must first understand how we got here. The problem starts with the students and here are the shocking facts! While these stats are from 2008 finding, things have NOT changed and in fact the numbers are dropping, not improving

The current practice of waiting to teach children about money in high school and college is proving to be, too late! Unfortunately 15 -20 years of bad habits, and lack of education in money are difficult to break.

Children start building the foundations for learning how to read, write and understand arithmetic in kindergarten. Experts are realizing that our nation's financial problems could have been eliminated if children began learning about money in these formative years.

Your adult habits form in childhood, studies show the earlier a child learns a concept and creates good habits early, the more successful they become later in life

Much of the financial education that occurs in schools is targeted to high school students, but some experts believe that waiting until high school to teach personal finance is too late. Students have often developed attitudes and beliefs about money long before high school. Focusing on financial education throughout the school years, with a particular focus on education in grades K-8, provides a better opportunity to influence positive behavior change. Additionally, a focus on early education would address the fact that a significant number of students drop out of school and might not receive financial education if it is only offered in high school. Early education ensures that students who don't complete high school will receive at least a base level of personal finance education. – Taken from New Foundation America Blog

The President's Advisory Council also recommends children begin to learn about finance beginning in Kindergarten.

**Problem #1 The problem starts with the students and here are the shocking facts!** While these stats are from 2008 finding, things have NOT changed and in fact the numbers are dropping, not improving

National Financial Literacy Challenge - (Admin. by the Treasury Dept)

- 35 Question Exam on Personal Financial Issues
- 46,000 American High School Students took exam (May 2008)
- Average Score was 56% (this is and "F")

2008 Jump Start Survey of Financial Literacy among High School

- Average Score was 48%
- in the past decade Jump Start has biannually tested 12th graders
- Scores ranging from 57% to this year's low of 48% (Failing range)

### **Problem #2: –Students have Unrealistic Expectations**

Charles Schwab's 2007 Teens & Money Survey (Charles Schwab headed up the President's advisory council on financial literacy. And in his report to the president Bush)

- Teenagers believe they are financially savvy
- they believe they will be earning "plenty of money"
- Boys expect to earn about \$173,000 average
- Girls expect to earn about \$114,000 average

But when probed for specifics, the teens reveal startling gaps in their knowledge.

- Only 51% know how to write a check
- only 34% can balance a checkbook
- Just 26% know how credit card fees work

And over 98% of them believe that they can't they are overdrawn if they still have check...

**Problem #3 –Student Personal Debt is increasing.** The lack of financial knowledge among college undergrads continues to rise.

"Project on Student Debt"

- Students had an average of \$20,098 in debt
- 66% of college students have at least one credit card
- 25% of all students had paid a credit card late fee at least once.

Note that 18 to 22 years olds are the largest age segment of bankruptcy cases each year for the past 15 years!

### **Problem #4 –Parents are not teaching Financial Literacy**

Research by Charles Schwab and Co. Inc. shows that teaching financial literacy isn't a priority with parents. Research found that while 70% of parents taught their teens to do laundry.

- Only 34% had taught their teens to balance their checkbook
- Only 29% had taught them about how credit card fees and interest work

If parents would spend 10% of the time that they spend with their children on sports in teaching them about money managements skills, we could have the most financially literate kids in the world!!

### **Problems Caused by Excessive Debt and lack of financial education**

- Excessive Stress
- Depression
- Worry
- Anxiety
- Lack of focus in work and personal life
- No backup plan if crisis hits
- These problems are pass along to their kids and they feel the brunt

There is truly a burning platform for change in the US Educational System.

**The good news...and the bad news!**

- There are many rich resources to learn financial literacy
- There are many willing people to teach others

**Despite this good news, last year's report shows students are still "failing" when it comes to financial literacy. The problem is NOT going away.**

**This begs the questions:**

- How do we as a society help deploy programs that teach the important principles of Basic Financial Literacy?

A: Require our middle school teachers to step up and out of their comfort zone and help out.

In England, a survey in 2007 revealed that more than 75% of 7-11 year olds are already saving, showing children are aware of money issues even at a very young age.

There is a clear need to educate and guide children in a sustained way so that as they get older, and interaction with money becomes more complex, they are equipped to make sensible financial decisions. They are now including personal financial matters in their primary education classes from k-12.

Many children place huge trust in their teachers to answer the queries they have about money. But from our experience many school teachers feel that they are ill equipped to teach their pupils about money and wider financial issues.

In Oklahoma, Personal Financial Literacy is designed for students in Grades 7-12. These standards of learning are priority, essential, and necessary for all students. Learning the ideas, concepts, knowledge, and skills will enable students to implement personal financial decision-making skills; to become wise, successful, and knowledgeable consumers, savers, investors, users of credit, money managers, and to be participating members of a global workforce and society.

The intent of personal financial literacy education is to inform students how individual choices directly influence occupational goals and future earnings potential. Successful money management is a disciplined behavior and much easier when learned earlier in life. The fourteen areas of instruction designated

Real world topics covered by these standards include the following:

1. Earning an income;
2. Understanding state and federal taxes;
3. Banking and financial services;

4. Balancing a checkbook;
5. Savings and investing;
6. Planning for retirement;
7. Understanding loans and borrowing money, including predatory lending and payday loans;
8. Understanding interest, credit card debt, and online commerce;
9. Identity fraud and theft;
10. Rights and responsibilities of renting or buying a home;
11. Understanding insurance;
12. Understanding the financial impact and consequences of gambling;
13. Bankruptcy; and
14. Charitable giving.

This systematic way of making personal financial decisions will provide students a foundational understanding for making informed and successful personal financial decisions. We support the passage of HB 1412.