STATE OF DELAWARE
STATE COUNCIL FOR PERSONS WITH DISABILITIES
Margaret M. O'Neill Bldg., Suite 1, Room 311
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Dover, Delaware 19901
302-739-3621

The Honorable John Carney
Governor

John McNeal
SCPD Director

December 18, 2017

Ms. Susan K Haberstroh, Education Associate
Department of Education
401 Federal Street, Suite 2
Dover, DE 19901

RE: 21 DE Reg. 468 [Proposed State Content Standards Regulation (12/1/17)]

Dear Ms. Haberstroh:

The State Council for Persons with Disabilities (SCPD) has reviewed the Department of Education's (DOE's) proposed regulation to adopt a few discrete revisions to its content standards regulation. The proposed regulation was published as 21 DE Reg. 468 in the December 1, 2017 issue of the Register of Regulations.

As background, many states offer financial literacy courses in their public school systems. In 2014, seventeen (17) states required enrollment in a high school financial literacy course prior to graduation. See attached A. Hill and M. Suiter, "Teaching About Personal Finance: The National Standards for Financial Literacy" (Federal Reserve Bank of Philadelphia September, 2014) at 2. Model national curricular standards were published in 2013 which cover the following topics: 1) earning income; 2) buying goods and services; 3) saving; 4) using credit; 5) financial investing; and 6) protecting and insuring. Id. at 3-4. In 2016, the Delaware Legislature enacted legislation (HJR No. 4) which established a financial literacy education task force. The task force resulted in a commitment to establish financial literacy standards for Delaware's public schools. See attached S. Rosen and S. Gibson, "Financial Literacy Education: State of Delaware creating its first-ever K-12 financial literacy standards" (UDaily December 20, 2016) at 2.

Consistent with this initiative, the proposed regulation adds "financial literacy content standards" to the list of public school instructional programs which must be aligned to State content standards. At 470. The regulation contemplates "adoption" of the standards effective with the 2018-19 school year. Id.

However, the actual time line for implementation is unclear. The regulation is somewhat cryptic in the context of the timetable for implementation:

> 1.1.1.3. Effective with the 2018-19 school year, the Financial Literacy Content Standards shall be adopted. For purposes of this subsection, "adopted" means to accept a set of standards as the basis for curriculum across the state according to a timeline established and disseminated by the Department of Education.

The above U. of D. article indicates that "(f)ull implementation is targeted for the 2020-21 school year." At 2.

Apart from "financial literacy", the proposed regulation also adds "computer science" to the list of content standards with an similarly obtuse time line. At 470.

The SCPD is endorsing the proposed regulation given the importance of financial and computer competency in everyday life. However, the SCPD also suggests that the DOE adopt a clearer time line for the effective date.

Thank you for your consideration and please contact SCPD if you have any questions or comments regarding our observations on the proposed regulation.

Sincerely,

Jamie Wolfe

Jamie Wolfe, Chairperson
State Council for Persons with Disabilities

cc: The Honorable Ruth Briggs King
The Honorable Paul Baumbach
The Honorable Susan S. Bunting, Ed.D., Secretary of Education
Mr. Chris Kenton, Professional Standards Board
Dr. Dennis Loftus, State Board of Education
Ms. Mary Ann Mieczkowski, Department of Education
Ms. Laura Makransky, Esq., Department of Justice
Ms. Terry Hickey, Esq., Department of Justice
Ms. Valerie Dunkle, Esq., Department of Justice
Mr. Brian Hartman, Esq.
Developmental Disabilities Council
Governor's Advisory Council for Exceptional Citizens

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FEDERAL RESERVE BANK OF PHILADELPHIA

September 2014

Teaching About Personal Finance: The National Standards for Financial Literacy

By Andrew T. Hill and Mary C. Suiter

First published in Social Education *#78(4), pp. 189–191*

In "Proposed National Standards for Financial Literacy: What's In? What's Out?" Maier, Figart, and Nelson pose the question: "How should educators use the standards?" [1] In answering that question, they suggest a number of issues and topics that they believe should be taught along with the *National Standards for Financial Literacy*. Among the most daunting challenges faced by standards writers in any discipline is the delineation of boundaries to define the breadth and scope of the discipline. The question of "What should be in and what should be out?" in these standards loomed large throughout the nearly two years of work on them. In this article, we provide additional explanations about the rationale for these standards and the process we used to develop them. We also describe how these standards can be used by educators nationwide.

The Rationale for the Standards Development

In an article published in *Social Education* in 2005, John Morton described personal finance as a "homeless curriculum." Morton explained that there was no "unified set of principles to inform personal finance curriculum." He further noted, "Without the focus and direction that a unified set of principles could provide, personal finance education in practice often comes to little more than pious admonitions and the pursuit of trivial facts."[2] While well-designed and implemented content standards for economics have existed since 1998,[3] as Bosshardt and Walstad explain, no document up to this point has defined personal finance content "as an application or extension of economic understanding and analysis as applied to individual or household decision-making."[4] Taken together, these factors combined to create a call to action for the development of the *National Standards for Financial Literacy.*

Bosshardt and Walstad described the three guiding principles for the preparation of these standards: (1) financial education content is, as previously noted, "an application or extension of economic understanding and analysis as applied to individual or household decision-making"; (2) personal financial decision-making is fundamental to financial education; and (3) content consistency would be maintained by employing national experts in economics and personal finance to write and review the standards and benchmarks to ensure overall consensus within the discipline and applicability to schools nationwide. Furthermore, the authors sought to ensure that the standards and associated benchmarks avoided normative statements about what students "should do or how they should behave in conducting their financial affairs."[5] And, as Siegfried and Meszaros explained when describing the process used for developing the first edition of the *Voluntary National Content Standards in Economics*, the authors of these new financial literacy standards sought to write standards and benchmarks that were parsimonious, conceptual, and reflected content essential to young people's financial success.[6]

How Current Teaching Practice Was Influential

In writing the *Standards*, the authors had to consider how personal finance content is currently taught in the United States. Only 19 states require that a high school course be offered and only 17 states require that the course be taken before graduation.[7] Given these conditions, the majority of personal finance content currently taught in American classrooms is being integrated into other K-12 courses. Teachers who integrate personal finance into other subject areas have a very limited amount of time to devote to the content. Financial education leaders nationwide report classroom time as the leading obstacle to the teaching of personal finance content in the nation's schools.[8] As a result, teachers have little time to engage their students in the many possible extensions and connections that could be made if they had unlimited classroom time. In those high schools where a stand-alone personal finance course is required to be or voluntarily offered, the course may be taught in any number of departments or disciplines including math, social studies, business, and family and consumer sciences. The *Standards* provide an easy to use and concise outline of personal finance content associated with the everyday financial decisions young people will make in adulthood.

Table 1: National Standards for Financial Literacy

Standard Number and Topic	Standard

Source: Council for Economic Education (2013), Bosshardt and Walstad (2014)

I. Earning Income	Income for most people is determined by the market value of their labor, paid as wages and salaries. People can increase their income and job opportunities by choosing to acquire more education, work experience, and job skills. The decision to undertake an activity that increases income or job opportunities is affected by the expected benefits and costs of such an activity. Income also is obtained from other sources such as interest, rents, capital gains, dividends, and profits.
II. Buying Goods and Services	People cannot buy or make all the goods and services they want; as a result, people choose to buy some goods and services and not buy others. People can improve their economic well-being by making informed spending decisions, which entails collecting information, planning, and budgeting.
III. Saving	Saving is the part of income that people choose to set aside for future uses. People save for different reasons during the course of their lives. People make different choices about how they save and how much they save. Time, interest rates, and inflation affect the value of savings.
IV. Using Credit	Credit allows people to purchase goods and services that they can use today and pay for those goods and services in the future with interest. People choose among different credit options that have different costs. Lenders approve or deny applications for loans based on an evaluation of the borrower's past credit history and expected ability to pay in the future. Higher-risk borrowers are charged higher interest rates; lower-risk borrowers are charged lower interest rates.

Source: Council for Economic Education (2013), Bosshardt and Walstad (2014)

V. Financial Investing	Financial investment is the purchase of financial assets to increase income or wealth in the future. Investors must choose among investments that have different risks and expected rates of return. Investments with higher expected rates of return tend to have greater risk. Diversification of investment among a number of choices can lower investment risk.
VI. Protecting and Insuring	People make choices to protect themselves from the financial risk of lost income, assets, health, or identity. They can choose to accept risk, reduce risk, or transfer the risk to others. Insurance allows people to transfer risk by paying a fee now to avoid the possibility of a larger loss later. The price of insurance is influenced by an individual's behavior.

Source: Council for Economic Education (2013), Bosshardt and Walstad (2014)

Structure and Content

The resulting standards and accompanying benchmarks at grades 4, 8, and 12 do not assume prior financial knowledge. They establish an academic base for the discipline of personal finance — that is, a "unified set of principles" that provide focus and direction for those teaching personal finance and those seeking to advance the teaching of personal finance nationally and at the state and local level. The six standards are organized around the major financial activities of individuals and households: (1) earning income, (2) buying goods and services, (3) saving, (4) using credit, (5) financial investing, and (6) protecting and insuring. A total of 144 benchmarks were written at the 4th, 8th, and 12th grade levels to inform the specific learning objectives students should achieve by the end of each of those grades. The standards are listed in Table 1.[9]

How Should the Standards Be Used?

The *Standards* were published in March 2013, and in April of that year, the Consumer Financial Protection Bureau (CFPB) released policy recommendations for advancing K-12 financial education.[10] The CFPB outlined five essential strategies for advancing financial education for young Americans. The strategies include introducing personal finance content early, building the complexity and breadth of the personal finance content coverage across the kindergarten to high school grades, and capping a student's K-12 personal finance education with a high school personal finance course. The *Standards* provide a guide for implementation of this recommendation. This is one way that the authors of the *Standards* envisioned their use — to inform the national implementation of K-12 personal finance education.

In June 2014, the Florida Board of Education voted to adopt standards in financial literacy. The adopted standards, while modified to parallel the wording used in Florida's academic content standards for other subject areas, are for the most part the benchmarks from the new *National Standards*. This adoption is another example of how the authors of the *Standards* hoped the document would be used — as a guide to provide focus and direction for states and local school entities seeking to advance the teaching of personal finance in schools nationwide. The authors wanted the document to be used by state departments of education and state boards of education that delineate standards and by school administrators and teachers who are charged with implementing state and district standards and mandates in classrooms, as well as by curriculum and textbook writers.[11]

For classroom teachers, the *Standards* provide a guide for the teaching of personal finance across the K-12 grades. Teams of teachers within schools and across multiple schools in the same school district can use the standards to develop their own scope and sequence to ensure that students receive comprehensive personal financial education before they graduate. Individual teachers can use the standards and benchmarks to structure their own lesson plans. Additionally, classroom teachers can use the performance indicators that accompany each benchmark to assess student mastery of the content.

Connections with Other Content

There are many connections and extensions that can be made between the new financial literacy standards and associated disciplines. Maier, Figart, and Nelson suggest topics in the financial literacy standards that overlap with discussions and debates appropriate for social studies classrooms nationwide on the role of government, the importance of the not-for-profit sector, and broad social goals. Likewise, colleagues in business education, for example, can easily see connections between the content expressed in the new financial literacy standards and their work teaching students about entrepreneurship, business law, accounting, and marketing.

And as intended, there are numerous connections between the *National Standards for Financial Literacy* and the *Voluntary National Content Standards in Economics*. The authors of the financial literacy standards recognized that personal finance content aligns closely with economic content. In fact, while meeting benchmarks in the national financial literacy standards, teachers can easily teach economic content related to numerous standards in the *Voluntary National Standards in Economics*, including: Standard 1—Scarcity; Standard 4—Incentives; Standard 7—Markets and Prices; Standard 8—Role of Prices; Standard 10—Institutions; Standard 11—Money and Inflation; Standard 12—Interest Rates; Standard 13—Income; and Standard 16—Unemployment and Inflation. There are many important connections between the financial literacy content and other academic content areas that teachers could make; however, given limited time, there is a significant opportunity cost to doing so.

We encourage educators across the country to augment the financial literacy standards and benchmarks as they see fit as long as the emphasis of the instruction is on content and concepts presented in these standards and benchmarks. We think that it is important that every student be taught this material. The *Standards* provide a concise document listing the personal finance content that we believe all U.S. students should be expected to know before graduating from high school.

We trust that talented teachers will use these content standards and benchmarks to guide their teaching of personal finance. And they will likely integrate additional content from other academic disciplines when most appropriate and as classroom time allows. We encourage government agencies and educational organizations engaged in promoting financial literacy to use these standards as a guide to encourage nationwide implementation of personal finance in the nation's schools. And we urge school boards and departments of education to adopt these standards and benchmarks as their own expectations for their teachers and schools. Finally, we call on curriculum developers and textbook publishers to align their instructional materials with these new financial literacy standards.

Andrew T. Hill, *Ph.D., is the economic education advisor at the Federal Reserve Bank of Philadelphia and adjunct professor of economics at Temple University.* **Mary C. Suiter**, *Ph.D., is assistant vice president and economic education officer at the Federal Reserve Bank of St. Louis.* *The authors wish to thank the other members of the National Standards for Financial Literacy writing committee (William Bosshardt, Stephen Buckles, Bonnie Meszaros, Michael Staten, and William Walstad) for valuable feedback and suggestions on previous drafts of this article.*

Notes

[1] Mark H. Maier, Deborah M. Figart, and Julie A. Nelson, "Proposed National Standards for Financial Literacy: What's In? What's Out?," *Social Education* 78, no. 2 (2014): 77-79.

[2] John S. Morton, "The Interdependence of Economic and Personal Finance Education," *Social Education* 69, no. 2 (2005): 66-69.

[3] Council for Economic Education, *Voluntary National Content Standards in Economics*, www.councilforeconed.org/resource/voluntary-national-content-standards-in-economics/.

[4] William Bosshardt and William B. Walstad, "National Standards for Financial Literacy: Rationale and Content," *The Journal of Economic Education* 45, no. 1 (2014): 64-65.

[5] Ibid, 65.

[6] John J. Siegfried and Bonnie T. Meszaros, "National Voluntary Content Standards for Pre-College Economics Education," *American Economic Review* 87 no. 2 (1997): 247-253.

[7] See Council for Economic Education, Survey of the States – 2014, *Historical Comparisons–Personal Finance Education 1998-2014*, p. 7, www.councilforeconed.org/wp/wp-content/uploads/2014/ 02/2014-Survey-of-the-States.pdf.

[8] Andrew T. Hill and Bonnie T. Meszaros, "Status of K-12 Personal Finance in the United States," *Journal of Consumer Education* 28 (2011): 1-15.

[9] For more details on the development of the standards and benchmarks see Bosshardt and Walstad, "National Standards for Financial Literacy: Rationale and Content."

[10] Consumer Financial Protection Bureau, Transforming the Lives of a Generation of Young Americans: Policy Recommendations for Advancing K-12 Financial Education, http://files.consumerfinance.gov/f/201304_cfpb_OFE-Policy-White-Paper-Final.pdf.

[11] The Council for Economic Education, a number of Reserve Banks, and other curriculum providers nationwide are realigning their curriculum resources to reflect the *National Standards for Financial Literacy*.

http://www.udel.edu/udaily/2016/december/financial-literacy-education/#

FINANCIAL LITERACY EDUCATION

Article by Sunny Rosen and Sarah Gibson | December 20, 2016

State of Delaware creating its first-ever K-12 financial literacy standards

Thanks to a task force including the University of Delaware's Bonnie Meszaros, Delaware students in grades K-12 will receive mandated financial literacy education for the first time.

Previously, the state of Delaware had only recommended financial literacy standards for grades 9-12, and had not mandated standards for any grade.

Meszaros, associate director of the Center for Economic Education and Entrepreneurship (http://www.lerner.udel.edu/centers/ceee) (CEEE) in UD's Alfred Lerner College of Business and Economics (http://www.lerner.udel.edu/), was chosen to be part of the state legislature's task force earlier this year.

"Our challenge was to make findings and recommendations concerning financial literacy programs and standards, with the intent of developing a regulatory framework that will strengthen financial literacy education in K-12," Meszaros said.

The task force recommended that the Delaware State Board of Education mandate these standards for grades K-12, and the state legislature agreed. School districts will be required to implement these standards, but they are free to integrate them into their curricula in the ways that work best for their schools.

Full implementation is targeted for the 2020-21 school year.

"This is a huge step" for financial literacy education in Delaware, Meszaros said.

Co-chairing the committee was Ronni Cohen, executive director of the Delaware Financial Literacy Institute, and Delaware State Rep. Ruth Briggs King. Both have worked with Meszaros for many years on improving financial literacy for Delaware's children.

Briggs King is passionate about these standards, she said, because she feels that many of society's problems can be attributed to a "lack of knowledge and good training in financial literacy."

"It doesn't matter what your walk in life is," Briggs King said. She's seen bad financial decisions cause people to be "enslaved to debt very early on, and they work to overcome that their whole lives."

Briggs King regularly meets with a group of students, and she said that at one of their recent meetings, students expressed a need for more financial literacy resources as they apply for student loans and make other financial decisions.

The students told her, "We just feel like we're missing out based on our curricula. Everybody assumes we know this stuff, and we don't."

These reasons are why, Briggs King said, "It's been a mission for me to try and make sure that we incorporate [financial literacy] into education."

Once the financial literacy standards are developed and approved by the State Board of Education, Meszaros said that she hopes more Delaware teachers will work with the CEEE in preparing to teach them. The CEEE offers numerous workshops each year in support of Delaware's teachers and provides various free resources.

Delaware teachers prepare for new curriculum

At one such recent workshop, high school educators developed their skills in using the "Keys to Financial Success" curriculum. Two of the day's presenters were graduates of the UD Master of Arts in Economics and Entrepreneurship for Educators (http://lerner.udel.edu/programs/specialized-graduate-programs/economics-and-entrepreneurship-for-educators-ma/) (MAEEE) degree program.

Sandy Clevenstine from Appoquinimink High School, the evening's first presenter, teaches social studies and was a graduate of the MAEEE Class of 2011. Clevenstine discussed how to provide students with free materials available from the Federal Trade Commission (FTC), and provided copies of resources to the teachers in attendance.

One teaching tool Clevenstine discussed was Plickers, a set of quick response (QR) codes printed on paper cards that teachers can use to judge how well their class understands a topic. During multiple choice questioning, each student presents a QR code with one of the four responses, which the teacher can then scan with a smartphone from the front of the room to record their answers for immediate instructional feedback.

Clevenstine also discussed something she called "the identity theft game."

While teaching students about the importance of preventing identity theft, Clevenstine separates students into "families," gives them each $750 in mock money, and quizzes them about identity theft. When students cannot correctly answer a question, she takes some of their money, saying they lost it to scammers who stole their identities.

"They get really into it," Clevenstine said.

The next presenter, Jennifer O'Neill from Concord High School, teaches math and graduated with her MAEEE in 2013. O'Neill's presentation focused on modeling with mathematics to teach students how to reason abstractly and quantitatively.

In one example, O'Neill challenges her students to create a model budget for their senior year and analyze it, complete with graphs.

"I tell them beforehand: 'Think about when you need this money,'" O'Neill said. "If prom is in June and you buy your dress in February, then that expense needs to go in the third marking period quarter, not the fourth."

O'Neill said this teaches her students important lessons about budgeting for the real world. While some students are prepared to budget their money, O'Neill said, some need the lesson as a wake-up call.

The last speaker, Adrienne Deakins, teaches social studies at William Penn High

School.

Deakins used different websites to demonstrate some of her unique lesson plans on issues important to students seeking more information about their career goals. In her class, Deakins teaches students to research careers that will see growth in coming years, how much income students can expect from different careers and more.

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