MARYLAND STATE DEPARTMENT OF EDUCATION
Preparing World-Class Students

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TO: Members of the State Board of Education

FROM: Bernard J. Sadusky, Ed.D.

DATE: January 24, 2012

SUBJECT: COMAR 13A.04.06
Program of Instruction in Personal Financial Literacy Education
UPDATE ON IMPLEMENTATION

PURPOSE:

The purpose of this item is to provide an update on the implementation of programs of instruction in personal financial literacy education and to request your approval of waiver requests from three local education agencies (LEAs) where full implementation of the requirement is not yet complete.

BACKGROUND:

In the 2008 session of the General Assembly, Governor Martin J. O'Malley signed legislation that established the Task Force to Study How to Improve Financial Literacy in the State which was co-chaired by Delegate Dana M. Stein of Baltimore County and Senator C. Anthony Muse of Prince George's County. In January of 2009, the State Board of Education accepted the Task Force's report. Among the recommendations, the State Board received was to:

> "Develop and adopt K-12 Personal Financial Literacy standards through the Code of Maryland Regulations that define a set of knowledge and skills. These standards will supplement those in the content areas of social studies, government, and family and consumer science (FACS). Align these standards with State and national standards. Additionally require local superintendents to certify every five years that financial literacy content is included within local curriculum and is based on the identified standards."

At the January 2010 meeting of the State Board of Education, members voted unanimously to accept the *Maryland State Curriculum for Personal Financial Literacy Education.* The following June, the State Board adopted regulations requiring local education agencies to provide in public schools an instructional program in personal financial literacy aligned to the state curriculum in the elementary, middle and high school learning years to be effective in September 2011 in grades 3-12.

EXECUTIVE SUMMARY:

All 24 LEAs have made great progress in implementing programs of instruction in Personal financial literacy education consistent with the regulations. Attachment I, *Update on Personal Financial Literacy Education*, reports on the progress by each of Maryland's 24 school systems to establish instructional programs in this important content area. The report details how each local education agency is implementing the new requirement.

To support implementation in the LEAs:

- The Maryland State Department of Education (MSDE) convened an advisory group to provide guidance and advice to develop, implement, monitor, and sustain personal financial literacy education. The Council has actively worked to leverage resources, gauge local implementation, assist with teacher professional development, review state curriculum, and communicate initiatives to stakeholders.

- The MSDE developed standards and a state curriculum that were vetted at national, state and local levels. The curriculum was created under the guidance of a representative design team appointed by the State Superintendent of Schools.

- Through a competitive bid process, MSDE sought and acquired a prototype course that local education agencies are using to teach financial literacy concepts to middle and high school students. The bid was awarded to the University of Arizona at Tucson, Family Economics and Financial Education (FEFE). Each year since 2008, MSDE has partnered with FEFE to provide professional development on the curriculum.

- MSDE continues to offer an active professional development calendar that now includes webinars as a means of reaching greater numbers of teachers in an increasingly more cost-effective fashion. MSDE has leveraged $148,000 in private and federal funds to support this professional development. This includes grants from: PNC Bank, the Maryland Higher Education Commission and the Investment Company Institute Education Foundation.

To help measure the impact of personal financial literacy education, MSDE surveyed the 2011 graduating seniors asking them about their perceptions of financial literacy and inquiring about student financial aid actions that they may have taken. Their responses are considered baseline data since the survey was administered during the planning year for implementation of the new requirement. Of the over 42,000 students who responded in 2011, 19,317 (46%) said they received instruction about managing their personal finances. Of those 19,317, 81% indicated that they had started developing financial goals and a plan to achieve them. Another aspect on the survey related to financial planning for high school students included questions about applying for financial aid. Sixty-three percent of those who planned to attend college indicated that they submitted the Free Application for Federal Student Aid (FAFSA), which is important in preparing to attend college. MSDE will continue to administer the survey annually as a means of gauging local implementation.

Beginning in September 2011 and every five years thereafter, LEA superintendents are required to certify their district's implementation of the required program of instruction in personal financial literacy education. The initial certification process included the completion of an online survey. The survey revealed that every school system is well along with implementation of the new requirement. LEAs reported on implementation of the state standards by grade band. They identified curriculum, professional development and other resources currently used as well as those still needed. The greatest need remains at the elementary level. Attachment I includes a description of the activities in each LEA.

At the present time, personal financial literacy education instruction is available in most, but not every school; however, only three school systems indicated that full implementation has not yet been achieved.

Charles and Garrett counties are requesting waivers to fully implement the program of instruction at the middle and elementary school levels. Both LEAs currently have a high school graduation requirement in personal financial literacy education.

Montgomery County is requesting a waiver in order to fully implement the requirement to reach every student in the system. Plans are underway to embed the financial literacy standards in the elementary and middle school curriculum and integrate the standards into the National, State and Local Government course, which all students will be required to take.

These systems have submitted waiver requests. Attachment II provides a summary of each waiver request. COMAR 13A.01.01.02-1 authorizes the board to grant waivers from its regulations.

ACTION:

The Board is asked to approve a one year waiver of the requirement for a program of instruction for all students in Grades 3-12 in Charles, Garrett, and Montgomery counties while they work to ensure full implementation of the COMAR requirement.

BJS: kmo

Attachments