

Who Will Own Our Children? The National Imperative for Financial Education Standards

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ALEXANDRIA, Va.--(BUSINESS WIRE)--Americans do not have the knowledge and skills to properly manage their finances even as more fiscal control--and risk--is being shifted onto them. This fundamental disconnect is putting the economic security of families and the country at grave risk, and is prompting a national call for states to establish financial education as a core academic subject in all grades--from Kindergarten through graduation--by the National Association of State Boards of Education (NASBE).

"In the old days, a person could rely on a pension and social security to provide a sound retirement. Now, the financial destiny of American families is increasingly predicated on making informed decisions about sophisticated saving and investment options. Students need to learn these concepts. With today's global competitiveness, financial literacy is as important as the three R's to a person's ultimate success," said Brenda Welburn, NASBE Executive Director.

NASBE established a national commission to examine Americans' fiscal condition and the status of financial education in K-12 schools. Their findings and conclusions about the national imperative for greater and more comprehensive financial instruction in public schools are included in a new report, *Who Will Own Our Children?*

"Educating students about personal finance--from the basics of savings to compounding interest--should be a national priority. It helps build a foundation of success and opportunity for our young people and is essential for our nation's economic vitality. We have the capacity and the responsibility to teach children how to save more, spend wisely, and invest smartly," said Jared Polis, commission chairman and vice-chair of the Colorado State Board of Education.

A confluence of factors, including unprecedented levels of personal debt, the elimination of pensions, and questions about the future of Social Security, suggests that individuals will have to be much more savvy and proactive in managing their money as they navigate an increasingly complex financial roadmap and work to ensure a secure retirement.

"As economic forces and labor markets evolve, so too must schools adapt to providing students with the capabilities to succeed in this new dynamic. Such is the case with financial education, an often overlooked subject that must now become an instructional priority in all of our schools," Welburn declared.

In addition to new state standards, the report calls on state boards of education to adopt state tests measuring financial and investor knowledge, and to encourage the development of a national NAEP test for financial literacy.

"I think the recommendations made in today's NASBE report are a giant step in the right direction," said Congressman Ruben Hinojosa, co-chair of the House Financial and Economic Literacy Caucus. "As our country continues to grow economically, we cannot have our citizens falling behind when it comes to knowing about their own personal finances. We must start early and provide children with comprehensive financial education and ensure that this educational foundation doesn't crumble as these children continue on through their lives."

"This report will help state boards of education improve the types and quality of financial literacy programs available to all public school students in the United States," said John Gannon, executive director, NASD Investor Education Foundation. "It is our hope that by raising financial literacy levels today, our youth will benefit tomorrow with more secure financial futures."

The commission and the report were funded by a grant from the NASD Investor Education Foundation.

Copies of the full report are available for \$14 each by calling 800-220-5183 or by ordering online at www.nasbe.org.

NASBE, www.nasbe.org, represents America's state and territorial boards of education. Our principal objectives are to strengthen state leadership in education policymaking; advocate equality of access to educational opportunity; promote excellence in the education of all students; and assure responsible lay governance of education.

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