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State Superintendent of Schools

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TO: Members of the State Board of Education

FROM: Nancy S. Grasmick 

DATE: June 22, 2010

SUBJECT: COMAR 13A.04.06
Program of Instruction in Personal Financial Literacy
ADOPTION

PURPOSE:

The purpose of this action is to seek adoption of regulations that govern Personal Financial Literacy Programs in elementary, middle and high schools (Attachment I)

HISTORICAL BACKGROUND:

In January 2009, members of the task force on “How to Study Financial Literacy in the State”, which was co-chaired by Delegate Dana M. Stein and Senator C. Anthony Muse, presented their K-12 recommendations to the State Board of Education. In response to their recommendations, a representative design team was formed and developed financial literacy content standards at the elementary, middle and high school levels.

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 curriculum is standards-based and similar to the format of other state curricula except that it is organized in grade bands, (3-5, 6-8 and 9-12) rather than grade-by-grade. There are six standards including: (1) Make Informed, Financially Responsible Decisions; (2) Relate Careers, Education and Income; (3) Plan and Manage Money; (4) Manage Credit and Debt; (5) Manage Risks and Preserve Wealth; and (6) Create and Build Wealth. Decision-making skills are incorporated within each standard. These standards serve as the basis for the program of instruction in financial literacy. The regulations will require school systems to offer a program of instruction which aligns to the state’s financial literacy curriculum.

The curriculum, based on the *JumpStart National Standards in K-12 Personal Financial Education* as well as *Wisconsin’s Model Academic Standards for Personal Financial Literacy*, reflects a broad definition of personal finance and includes the application of knowledge and skills that can be embedded in existing courses across the learning levels or addressed through stand-alone courses.

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SUMMARY:

Regulations .01 and .02 under COMAR 13A.04.06 will require local school systems to provide an instructional program that meets the standards of Maryland's State Curriculum for Personal Financial Literacy Education in the elementary, middle and high school learning years. Local superintendents must certify by September 2011 that the requirements are met.

Opportunities for comments were provided. Four comments were received. The attached chart summarizes those comments and the staff's response.

The *Maryland State Curriculum for Personal Financial Literacy Education* will guide local implementation of a systemic instructional program in financial literacy education and decision-making for all students. Plans include providing technical assistance and continuing professional development aligned to the Maryland Teacher Professional Development Standards to assist with local implementation after the regulations are adopted. With the implementation of the state curriculum, Maryland's next generation of graduates will leave high school better prepared for their future financial stability.

ACTION:

I request that you adopt Regulations .01 and .02 under COMAR 13A.04.06.

NSG/KMO/lg
Attachments – Comments and the Proposed Regulations

13A.04.06.01

Program of Instruction in Personal Financial Literacy

.01 Requirements—Personal Financial Literacy Instructional Programs for Elementary, Middle and High School Students.

- A. Each local school system shall provide in public schools an instructional program in personal financial literacy in the elementary, middle and high school learning years.
- B. Personal Financial Literacy Program. The comprehensive instructional program shall provide for the diversity of student needs, abilities, and interests at the early, middle, and high school learning years. Each local school system shall include the content standards in §§C—H of this regulation in its curriculum.
- C. Make Informed, Financially Responsible Decisions. Students will apply financial literacy reasoning in order to make informed, financially responsible decisions.
- D. Relate Careers, Education and Income. Students will relate choices regarding their education and career paths to earning potential.
- E. Plan and Manage Money. Students will develop skills to plan and manage money effectively by identifying financial goals and developing spending plans.
- F. Manage Credit and Debt. Students will develop skills to make informed decisions about incurring debt and maintaining creditworthiness.
- G. Create and Build Wealth. Students will develop skills to plan and achieve long-term goals related to saving and investing in order to build financial security and wealth.
- H. Manage Risks and Preserve Wealth. Students will develop financial planning skills to minimize financial setbacks.
- I. Curriculum Documents. Each local school system shall provide personal financial literacy curriculum documents for the elementary and secondary schools under its jurisdiction that:
 - 1. Include the content standards described in §§C—H of this regulation; and
 - 2. Are aligned with the State Curriculum as developed by the Maryland State Department of Education in collaboration with local school systems.
- J. Student Participation. Each student shall have the opportunity to participate in the personal financial literacy program required by this chapter.

13A.04.06.02

.02 Certification Procedures.

By September 1, 2011 and each 5 years after that, each local superintendent of schools shall certify to the State Superintendent of Schools that the instructional program in the elementary, middle and high school learning years meets, at a minimum, the requirements set forth in Regulation of .01C-H of this chapter.

**COMMENTS RECEIVED ON THE PROPOSED COMAR FOR A PROGRAM OF
INSTRUCTION IN PERSONAL FINANCIAL LITERACY**

Name & Organization	Summary of Comments	Staff Response
Harry Hanna, Teacher Specialist, Science and Social Studies Frederick County Public Schools	<ul style="list-style-type: none"> • Did not provide comments on the proposed COMAR. • Provided comments on Standard 6.5.D - does not think the indicators are age appropriate. 	<ul style="list-style-type: none"> • The standards were reviewed and edited by representatives from local school systems as well as by in state and national stakeholders. • The State Board accepted the Personal Financial Literacy Education Standards at the January 2009 Board Meeting. • Mr. Hanna's comments will be retained and referred to as the implementation of the standards is monitored.
Carla Hultberg, Parent of a Southern Middle School 8th grader and Shady Side Elementary School 4th grader	<ul style="list-style-type: none"> • Thinks it is a fantastic idea. • Is happy that it is being incorporated into the curriculum. • Hopes this passes and moves forward. 	Agree
Tina Mike, Assistant Vice President of Aberdeen Proving Ground Federal Credit Union (APGFCU)	<ul style="list-style-type: none"> • The standards cover the key financial foundation components for individuals to make informed, financial decisions. • Concerned that there will not be a "uniform" consistent curriculum that all local jurisdictions will use. • Believes that a K-12 systemic approach is appropriate and wise, but not the complete answer for ensuring that all students get a thorough education personal financial literacy. • Believes the curriculum should culminate in a personal finance course taught preferably in the junior year of high school. • The course should be a graduation requirement. • Course could easily be incorporated into math or social studies without removing any of Maryland's graduation requisites. • Along with the required course would be an assessment, and students would have to pass with 75% or better. 	<ul style="list-style-type: none"> • Local Schools Systems should be able to determine how personal financial literacy is to be implemented. • Making it a requirement for graduation with an assessment, is an unfunded mandate in these difficult economic times—as many school systems do not have the staffing to support this as a graduation requirement.

Name & Organization	Summary of Comments	Staff Response
Maria Tarasuk, Prek-12 Program Supervisor, Social Studies Montgomery County Public Schools	<ul style="list-style-type: none"> • Thinks Standard 2 focuses too much on money. • Raised questions about some of the standard language used regarding curriculum documents—subsection I. 	<ul style="list-style-type: none"> • The standards were reviewed and edited by representatives from local school systems as well as by in state and national stakeholders. • The State Board accepted the Personal Financial Literacy Education Standards at the January 2009 Board Meeting. • M. Tarasuk's comments will be retained and referred to as the implementation of the standards is monitored.