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DENISE L. NAPPIER

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State Treasurer Urges Intensified Effort to Strengthen Financial Education in Connecticut Schools

Nappier Says Teachers, Parents, Businesses Should Work Together to Provide Students with Personal Finance Skills

State Treasurer Denise L. Nappier, one of Connecticut's leading advocates for financial education, especially for young people, said today that the lack of financial literacy has never been more acute, and urged Connecticut educators, business leaders and parents to work together during the new school year to explore ways of expanding financial education in the schools.

"A solid understanding of money management has become a prerequisite for success, and our goal must be for every child to develop the financial savvy that their future will depend on," Nappier said.

The most recent survey of nearly 100 Connecticut high schools by the State Department of Education found that just over half now offer a personal finance course for high school credit (2003 survey) and that only three Connecticut high schools, Hill Regional Career High School and Metropolitan Business High School in New Haven and Litchfield High School, include financial education as a graduation requirement.

"We applaud these schools for taking the lead and hope they will expand their offerings and serve as a model for others across the state. We need more students, in more schools, in more communities, learning the in's and out's of personal financial management," Nappier said.

The Treasurer added that "today's youth face an increasingly dynamic and complex financial marketplace. Selecting the right banking account, credit card, investments, car loan or insurance policy can be a tremendous challenge, and quite intimidating... particularly with limited knowledge or experience. We also know that practical application and experiential learning are critically important."

A study conducted last year at Connecticut's first *Youth Financial Education Conference*, attended by juniors and seniors from high schools around the state, found that only 18% of those in attendance scored a "C" grade or better on financial topics. The Conference was co-sponsored by the State Treasury, Junior Achievement of Southwest New England, and the State Department of Education, with funding support from Bank of America.

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Earlier this year, Nappier was among the founding members who launched the *Connecticut Jump\$tart Coalition for Youth Financial Literacy*, which grew out of a statewide summit co-sponsored by the Treasury in 2003. The Coalition was formed along with Junior Achievement of Southwest New England, the State Departments of Education and Banking, the Connecticut Association of Boards of Education and the Centers for Financial Education and Bank of America. It brings together public and private organizations, businesses and educators in a collaborative effort to advance financial management skills among Connecticut's young people. The statewide organization's first annual meeting will be held on October 5, 2006 in Southington.

Results of a national *Jump\$tart* survey earlier this year showed that Connecticut high school students had an average score of only 51.2% on a nationwide survey of personal finance, about one point below the national average (52.4%).

"We need to move financial literacy higher up on our educational 'to do' list," Nappier said. "Whether we are policy makers, business leaders, educators, parents or concerned citizens interested in the next generation -- we have a strong common interest. And it goes beyond our young people to our economic success as a nation."

Nappier noted that state law includes a provision that the State Board of Education shall, within available appropriations and utilizing available materials, assist and encourage local and regional boards of education to include personal financial management. (CGS, Sec. 10-220a).

In addition, Department of Education's personal finance standards and competencies include the following:

- Identify various forms of income and analyze factors that affect income as a part of the career decision-making process
- Develop and evaluate a spending/savings plan
- Evaluate savings and investment options to meet short-term and long-term savings goals
- Identify factors that affect the choice of credit, the cost of credit, and the legal aspects of using credit
- Identify choices available to consumers for protection against risk and financial loss

"These elements are a foundation to build on and should be utilized throughout our state's schools," Nappier said. "No child should graduate from high school without a sound understanding of the basics of personal financial management. Before the cap and gown goes on, every student should have an opportunity to learn Personal Finance 101."

Nappier has made advancing financial literacy a hallmark of her administration, working collaboratively with community-based and faith-based organizations and the business community to promote financial education statewide, including programs aimed at young people, women, and underserved communities.

"In my view, a diploma without financial education is like giving your kids the keys to the car without teaching them how to drive. They may be able to start it up and head off down the road, but sooner or later they'll run into trouble," Nappier said. "As a state, we must do everything we can to provide our young people with the financial education foundation they'll need to succeed."