



FOR IMMEDIATE RELEASE
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Connecticut's First Statewide Coalition Formed to Improve Youth Financial Literacy; New Data Shows Connecticut High School Students Lack Personal Finance Basics

(Hartford) Connecticut's high school students – like their counterparts across the country - generally lack basic knowledge of financial matters, according to newly released data, and a new statewide coalition has been formed to encourage efforts to advance what young people understand about how to save, invest and spend money responsibly.

The formation of the ***Connecticut Jump\$Tart Coalition for Youth Financial Literacy*** was announced at the Legislative Office Building, and includes a broad coalition of educators, state officials, the business community and the nonprofit sectors. It will work to improve awareness of the issue, increase the level of resources available to address it and ensure that there are more financial literacy programs for youth in the state.

"This is a most critical issue," said Lou Golden, president of Junior Achievement of Southwest New England and chair of the Coalition. "As we increasingly shift responsibility to individuals to manage their financial futures, they need to be armed with the information and attitudes that will make them successful. It is imperative that we start educating our young people about this at the earliest possible age."

State Treasurer Denise L. Nappier, one of the Coalition's founding members, said, "A solid grounding in financial matters has become a prerequisite for success, and our goal must be for every child to acquire the financial savvy that their future will demand. The current level of financial literacy among our youth is unacceptable, and this data is a call to action for Connecticut, for community and corporate leaders, educators and parents."

The newly formed Coalition released the results of a just-concluded Jump\$Tart survey that shows Connecticut high school students answered roughly half of the national survey questions correctly on the basics of personal finance. The average score of 51.2% among Connecticut students surveyed was about one point below the national average.

State Education Commissioner Betty Sternberg said, "As commissioner we will do all we can to promote the importance of financial literacy in our schools. It's

in our best interest to make sure students learn all they can about personal finance so that they can save, invest and spend money wisely.”

The most recent survey of the state’s high schools show 57% offered semester or half semester classes on personal finance to their students.

Also participating in the announcement were leaders from the other organizations that founded the Coalition: Susan Rottner, President of Bank of America in Connecticut; Deputy Banking Commissioner Alan Cicchetti; and Diane Mull, Director of Education and Community Relations, Centers for Financial Education, a division of Money Management International (formerly CCCS). A seventh founding partner organization is the Connecticut Association of Boards of Education, represented by Patrice McCarthy, deputy director and general counsel.

Said Ms. Rottner, "Since one of the core giving priorities for Bank of America's charitable foundation in Connecticut is improving financial literacy, we are delighted to join in the Coalition with the other founding partners to ensure there will be more financial literacy programs for youth throughout the state.”

Banking Commissioner John P. Burke said, “Our social culture has lost the virtues of industry and thrift. There’s something to be said for learning the financial basics of saving and investing. If we teach young people how to manage their money and to make smart decisions now, they will be well prepared to protect their personal finances as adults.”

STATE STUDENTS BELOW NATIONAL AVERAGE ON MONEY MATTERS

The Coalition released results from Jump\$tart’s 2006 nationwide survey measuring high school seniors’ level of knowledge of personal finance basics, which has been conducted since 1997. Lewis Mandell, Ph.D., professor of finance and managerial economics at the University of Buffalo School of Management, was in charge of the survey, which showed the participants in Connecticut answered an average of 51.2 percent of the questions correctly, which is lower than the national average of 52.4 percent.

By subject area, Connecticut participants got 54.4% of the Income questions correct, 51.5% of the Money Management questions correct, 42.9% of the Savings questions right, 54.2% percent of the Spending answers correct and only 49.5% of the Debt questions correct. By subject area, the national averages were: Income – 59.2%, Money Management – 46.4%, Savings – 42.6%, Spending – 56.9% and Debt – 51.8%.

In addition, data collected by the Coalition shows small numbers of parents feel prepared to teach children about personal finance, while most students say they rely on their parents for guidance in these areas.

The Coalition members pointed out that young people generally do not have a good understanding of basic personal finance concepts -- and that the United States is seeing declining rates of savings, significantly higher levels of consumer debt and skyrocketing personal bankruptcy rates, all at a time when

increasingly more Americans are managing their own retirement savings through 401(k) plans and the like. Connecticut' is mirroring this disturbing trend.

NEW COALITION SETS OBJECTIVES

The Coalition outlined its objectives and plan of work, which includes:

- **Collecting data about the issue of financial literacy**, including surveys of young people on credit card use and spending and saving habits.
- **Establishing a clearinghouse that will catalogue all existing financial literacy programs** in the state and help coordinate efforts among groups to increase efficiency and effectiveness.
- **Sponsoring workshops and conferences.** This includes sponsorship -- along with the Office of the State Treasurer, Bank of America, the State Department of Education and Junior Achievement -- of the second annual Youth Financial Education Conference for high school students, scheduled for May 31, 2006 at Quinnipiac University in Hamden.
- **Promoting increased financial education learning opportunities** in public schools, after-school settings and programs sponsored by community-based organizations.
- **Evaluating development of state-level policy initiatives** that may include legislative action or funding support for financial education efforts.
- **Creating public outreach efforts** to build awareness of the issue.

The Coalition is planning its first annual meeting for Oct. 5, 2006, at the Aqua Turf Club in Southington, and has started planning for a Youth Financial Education Summit next winter.

The Coalition urged all who care about youth financial literacy -- educators, executives, companies, parents, nonprofit organizations, concerned citizens, and state and local officials to join the Coalition.

Information is available at **ctjumpstart.org** or by contacting Lou Golden at Junior Achievement at (860) 236-3805 or Carol Heller at the State Treasury at (860) 702-3146.