

## **Summary for the Financial Literacy Survey for the State of North Carolina**

North Carolina House Bill 1474 is the legislative action that mandated financial literacy as a part of the curriculum. More specifically this action required that "each student shall receive personal financial literacy instruction that includes credit, managing a credit card, borrowing money for large purchases, and credit scores and reports." This proposal was designed to survey NC teachers and to examine their views and responses to the North Carolina mandates for including financial literacy into their curriculum.

Historically studies have shown that children throughout the K-12 grades, including those who differ in ability levels and socio-economic backgrounds, can learn worthwhile content in financial literacy if their teachers use appropriate strategies and materials. The survey revealed that there is a disconnection between the survey respondents and the available resources used for teaching financial literacy. While there are many resources widely available a larger percentage of the surveyed respondents did not use them nor were they knowledgeable of them.

Although most respondents recognized the importance of and need for financial education; the study revealed that many teachers did not feel prepared to teach personal finance. Fewer than 20 percent of teachers and prospective teachers reported feeling very competent to teach any of the six personal finance concepts normally included in educational standards, such as those identified by the Jump\$tart Coalition and in the NEFE High School Financial Planning Program.. The survey respondents felt least competent in the more technical topics, such as risk management and insurance, saving and investing, and financial responsibility and decision making.

Specific findings of this survey indicated that only 31% of the social studies teachers felt as though there were prepared to teach financial literacy. 53.8% of social studies respondents felt that lack of classroom instruction time was the biggest impediment to teaching financial literacy, while 26.7% felt as though it was a lack of personal knowledge. 56.7% of the social studies respondents have taught and are currently teaching financial literacy within the social studies, civics and economics curriculum. The financial literacy areas for which the social studies respondents felt less than comfortable teaching were; credit laws, risk management, investment diversification, estate and will plan, credit rating, retirement planning, life insurance plans, health and disability planning, bankruptcy, consumer fraud, liability insurance, and property management.

While most teachers recognized the importance of financial education, they admitted to limitations in their preparedness and ability to teach many financial literacy topics. A majority of teachers in this study were open to further education in financial literacy. Interestingly, many of those who report an interest in additional training are those who have had a college course in personal finance or who have backgrounds in social studies. While the majority of teachers engaged in a number of financial behaviors that typically help ensure financial security, they expressed the same financial concerns as that of the general population. A major finding of this survey indicated an overwhelming need for additional training in the area of financial literacy especially for those who regularly teach financial education and they tend to be social studies teachers.