

Financial Literacy Education

Brenda J. Cude
Professor Emerita
University of Georgia



A Brief History of U.S. Financial Education



- Before the 1970s, public school students learned to manage money at home and in home economics and business education courses
- By the mid-1970s personal finance was taught in consumer education courses
 - 1967: Illinois required consumer education
- In the 1990s, the terminology changed to financial literacy

Increasing Attention to Financial Literacy

In 2024

28

states require students to take a course in economics to graduate

35

states require students to take a course in personal finance to graduate

20 are standalone

Change since 2022

+3

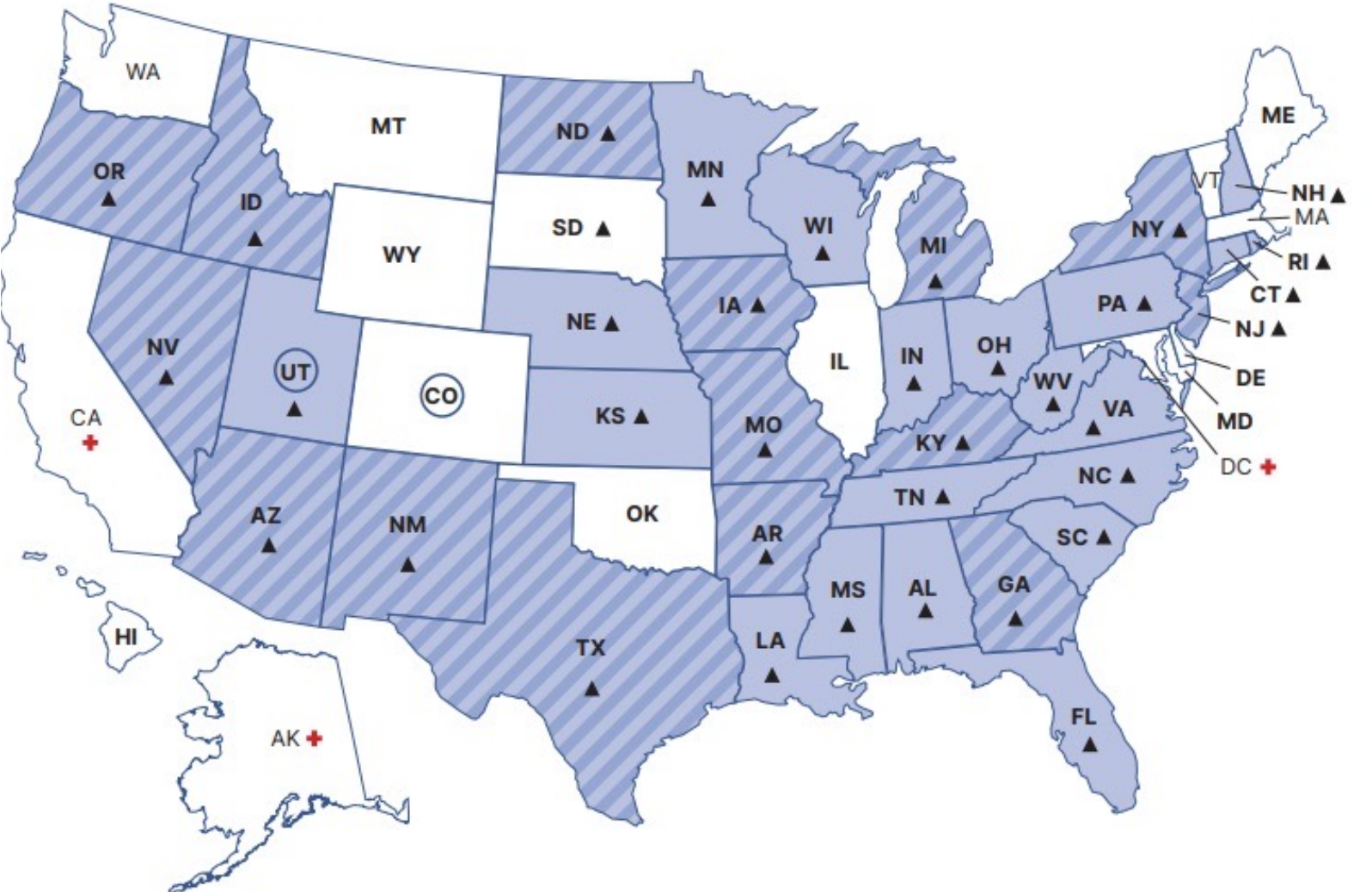
change in the number of states that require students to take a course in economics to graduate

+12

more state requires students to take a course in personal finance to graduate since 2022

Source: Council on Economic Education 2024 *Survey of the States*

STATUS OF PERSONAL FINANCE EDUCATION ACROSS THE NATION—2024



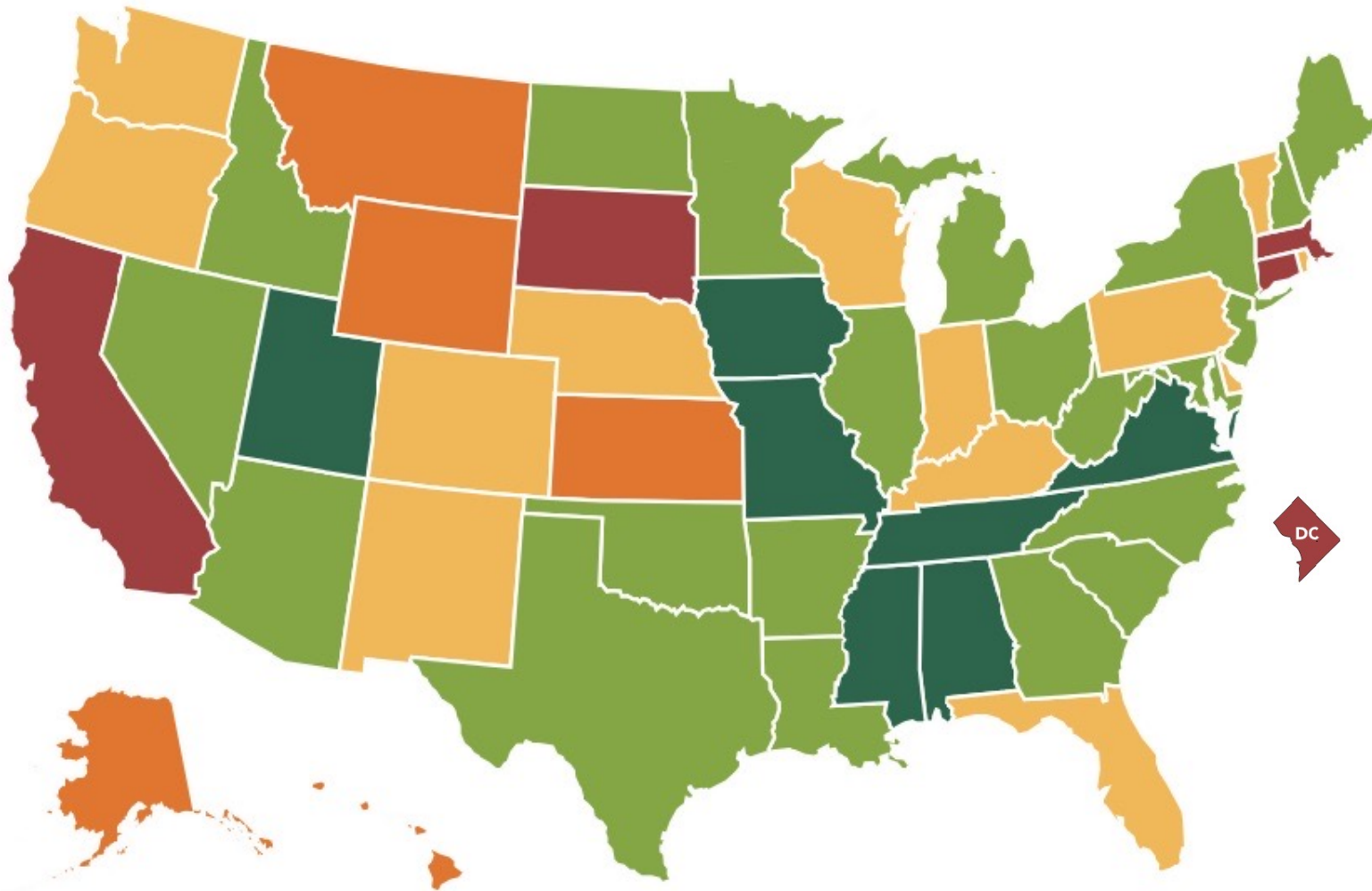
KEY		
Standalone High School Course Required to Be Taken	Required Coursework Integrated into Another Course	Standardized Testing
High School Course Required to Be Offered	BOLD Require Implementation of State Standards	Personal Finance Is Not Included in the State Standards

2024 Council on Economic Education Report

Grade Color Key



Efforts to produce financially literate high school graduates



Source: Champlain College

Champlain College 2024 Report

7 states guaranteed a standalone personal finance course for students who graduated in Spring 2023. In five years, a projected **23 states** will have this guarantee

**But financial
literacy is not
insurance
literacy**

**Financial
education is not
insurance
education**

Georgia Financial Literacy Standards

- Sources of income
- Budgeting
- Ways to pay for goods and services
- Evaluate alternatives for life after high school
- Importance of credit and a favorable credit score
- Purpose and functions of various financial institutions
- How interest rates affect various consumer decisions
- Reasons for and ways to invest
- Describe how insurance and other risk-management strategies protect against financial loss
- How government taxing and spending decisions affect consumers
- Various forms of consumer protection
- Sources of and protection against identity theft

The Ideal Personal Finance Mandate (Champlain College)

To earn an A The state requires personal finance instruction as a graduation requirement that is equal to a one-semester, half-year course (minimum of 60 hours of personal finance instruction in an academic year)

To earn a B The state mandates personal finance education as part of a required course or as a clearly defined graduation mandate. In some of these states, local school districts determine whether the personal finance instruction requirement is met through a stand-alone course offering or is embedded in another course or courses

What can we do?

- Increase education budgets to hire and train more teachers to teach financial literacy
- Get involved in developing state curriculum standards to include insurance concepts
- Support non-profit organizations that provide financial education
- Partner with financial services that develop curriculum
- Support/require financial education in colleges and universities
- Support financial education in the workplace, including state and local governments

Thank you

Brenda J. Cude, Ph.D.
bcude@uga.edu