



Nancy S. Grasmick
State Superintendent of Schools

200 West Baltimore Street • Baltimore, MD 21201 • 410-767-0100 • 410-333-6442 TTY/TDD • MarylandPublicSchools.org

TO: Member of the State Board of Education
FROM: Nancy S. Grasmick *Nancy*
DATE: March 24, 2009
SUBJECT: Financial Literacy Update

PURPOSE:

The purpose of this correspondence is to share the progress that the Maryland State Department of Education (MSDE) has made in response to the report presented to the State Board in January on How to Improve Financial Literacy in the State.

BACKGROUND:

The presentation of the task force's recommendations to the State Board included a request for a report by March 1, 2009 explaining the preliminary steps that the Department of Education has taken to implement and enhance financial literacy education. A letter was sent from Dr. Grasmick on February 26, 2009 to the task force co-chairs, Senator Anthony Muse and Delegate Dana Stein with copies to the Board describing MSDE's progress and plans.

EXECUTIVE SUMMARY:

In response to the recommendations by the Financial Literacy Task Force, the following actions steps are currently underway:

1. The Maryland State Department of Education (MSDE) will form a representative design team to ensure that K to 12 content standards are developed that explicitly speak to financial literacy. The design team will explore both national and international standards as they complete their work.
2. The MSDE will provide a prototype of a course that local school systems can use to teach financial literacy concepts to middle and high school students. The prototype will be based on the Family Economics and Financial Education (FEFE) curriculum which is aligned to national standards. In August of 2008, MSDE sponsored the first statewide professional development series on the FEFE curriculum which has been successfully implemented in several local school systems. The next opportunity for professional development in this series will occur in the summer of 2009 and include a three-day session for new teachers as well as one-day of ongoing training for previous participants.

The estimated cost for the professional development for 50 new teachers and up to 50 previous participants is \$35,000. This does not include the cost of teacher stipends, overnight lodging, and mileage which must be covered by local school systems.

While financial literacy education is needed, given the reality of local budgets, the majority of the costs for the professional development must be absorbed by MSDE. Currently, the money to support the professional development is derived from the Division of Career Technology and Adult Learning (DCTAL) through the Carl D. Perkins federal funding for Career and Technology Education. Perkins funds can be used to launch this initiative. However, since this is a statewide priority impacting all students, other resources must be identified to systemically implement and sustain this initiative.

3. The MSDE will convene an advisory group to engage local representatives from education and the financial communities to monitor what is happening in local school systems and to help leverage resources to implement and improve financial literacy education.

ACTION:

For information only, no action is required.

NSG/rw