

# PERSONAL FINANCIAL LITERACY EDUCATION IN THE MASSACHUSETTS PUBLIC SCHOOL SYSTEM



OFFICE OF  
**ECONOMIC  
EMPOWERMENT**

Office of the Treasurer and Receiver General of Massachusetts

# BACKGROUND

## Financial Literacy Task Force Report (2015)

### Underlying assumptions

- High school students *“represent the least financially literate faction of the overall population.”*
- *“School districts have the local authority over curriculum and graduation requirements.”*
- *“Some schools have elected to provide personal finance courses and some teachers have also infused personal finance content into their courses.”*

### Bottom line

- No unfunded mandate
- “Encourage [...] communities [...] to integrate financial literacy into their K-12 classrooms.”

### Gaps in the data



# RESEARCH QUESTIONS

1. What personal financial literacy content is taught in Massachusetts public schools?
2. What conditions shape personal financial literacy education in public schools in Massachusetts?
3. What are the perceptions of district and school staff and teachers of personal financial literacy education in Massachusetts public schools?





# METHODOLOGY

## Instrument

1. Surveys
2. Interviews
3. Secondary sources: standards, high school programs of study

## Sample

120 school districts\* and the schools they operate:

- 146 high schools
- 627 middle or elementary schools

\* 110 randomly selected and 10 largest cities in MA



# LIMITATIONS

1. Data gathered pre-COVID
2. Non-response bias in quantitative data:
  - High school survey data suffers from non-response bias
  - Middle and elementary school survey data is partial. Better to rely on qualitative and secondary data
  - District level survey data does not seem to suffer from non-response bias
3. Under representation of smaller high schools in secondary data (programs of study)
4. No analysis of the correlation between the rate of students of color in schools and the existence of personal financial literacy education



# Research Question 1: What personal financial literacy content is taught in Massachusetts public schools?

## Personal financial literacy education likely to be offered but not likely to be required\*

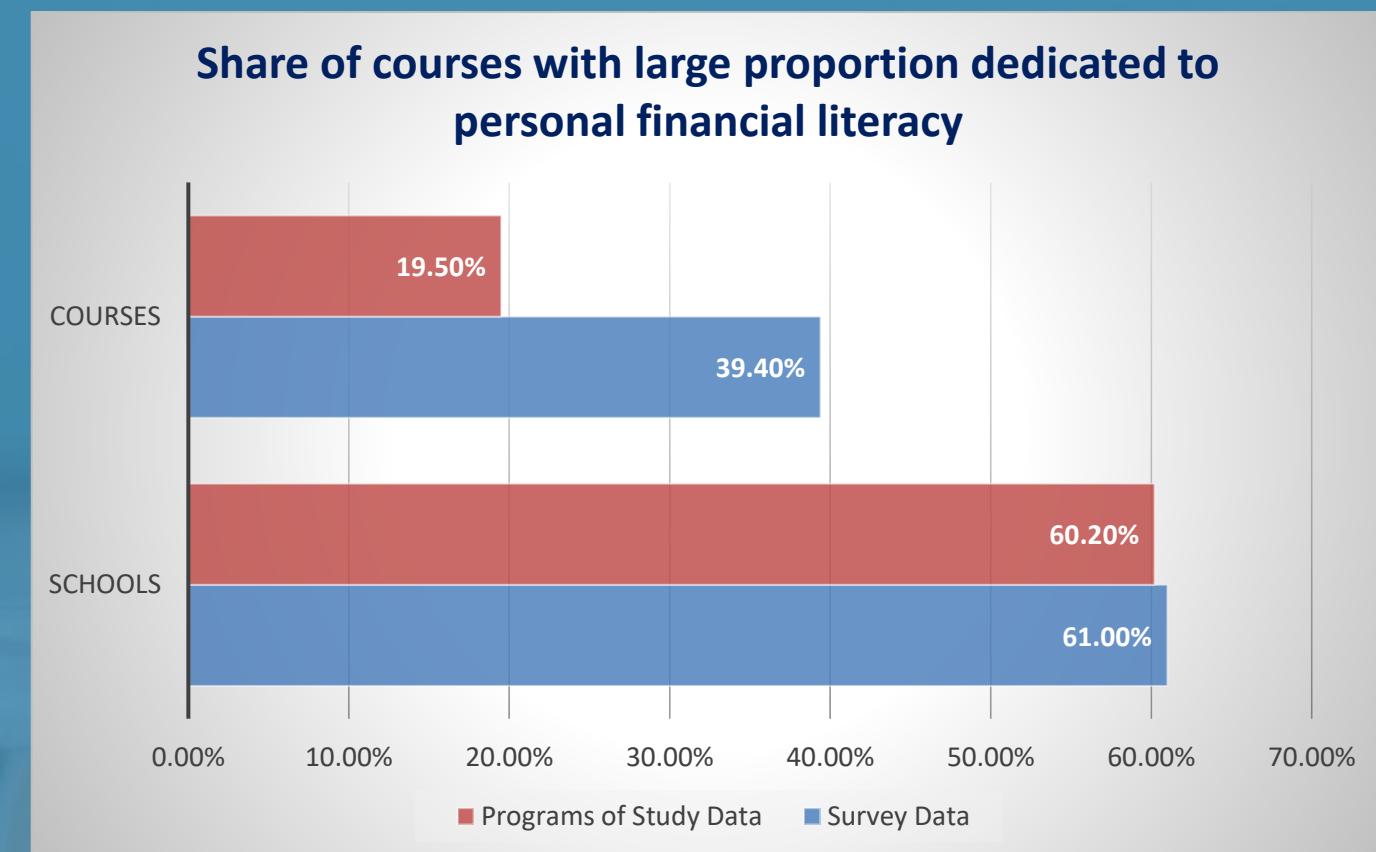
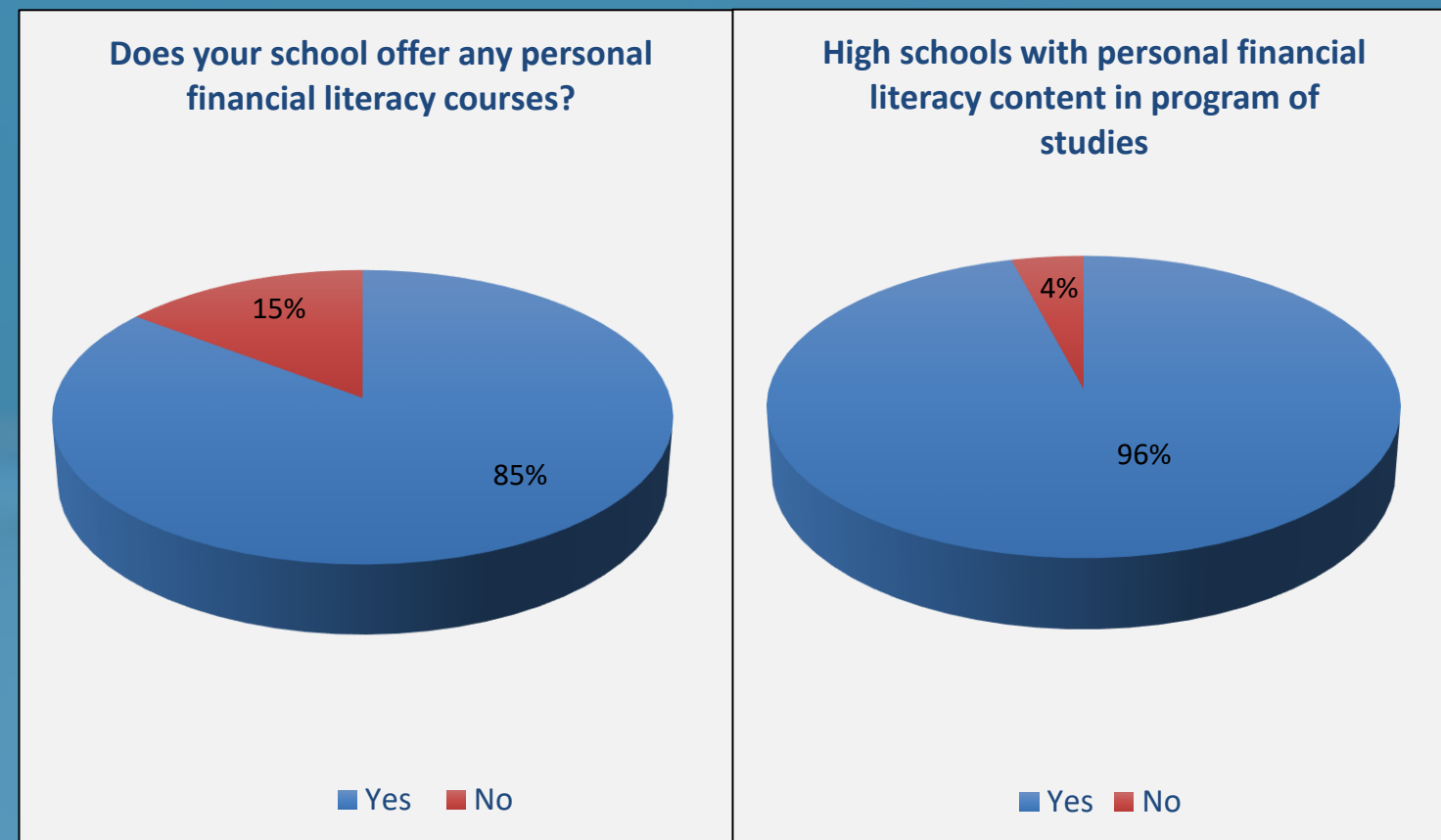
- DESE curriculum frameworks do not require personal financial literacy apart from some content in grades k-2
- Only 17% of responding districts require schools to *teach* personal financial literacy
- Only 12% of high schools were found to require students to *complete* a personal financial literacy course
- Only 40% of responding districts require schools to *offer* personal financial literacy

\* *What is a requirement?*



# Research Question 1: What personal financial literacy content is taught in Massachusetts public schools?

## High Schools

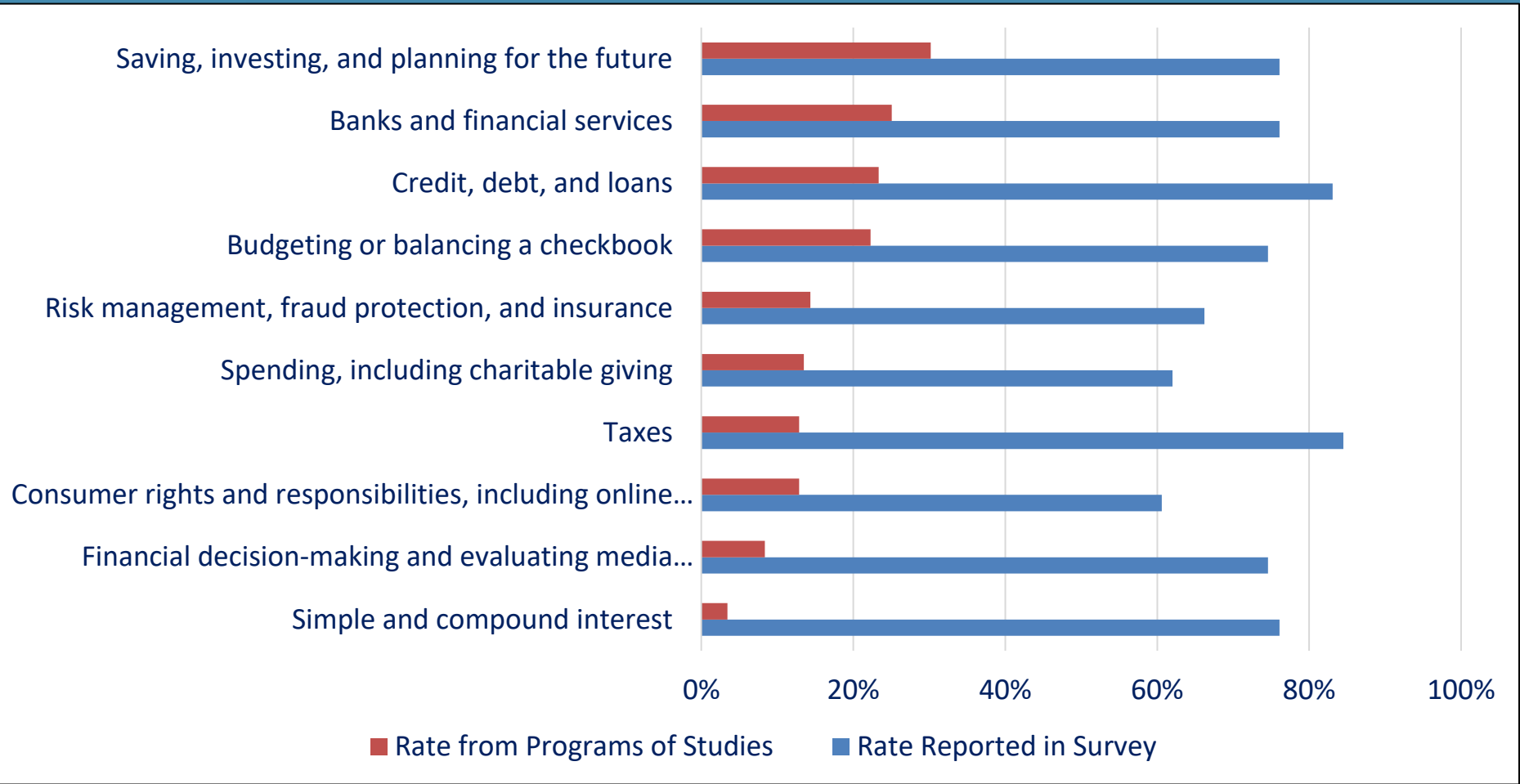




# Research Question 1: What personal financial literacy content is taught in Massachusetts public schools?

## High Schools

### Legislative topics



### Additional topics identified in programs of study

|   |            |       |
|---|------------|-------|
| Money Management or financial management                          | 66 courses | 14.1% |
| Earning an income and work-related benefits                       | 36 courses | 7.7%  |
| Education, careers, and employment (personal finance perspective) | 35 courses | 7.5%  |
| Finance   | 34 courses | 7.3%  |
| Money   | 25 courses | 5.4%  |

### Main subjects where personal financial literacy is offered

| Subject                | Share Survey | Share Programs of Study |
|------------------------|--------------|-------------------------|
| Business               | 38%          | 35%                     |
| Math                   | 34%          | 21%                     |
| History/Social Science | 8%           | 17%                     |
| Special Education      | 1%           | 10%                     |





# Research Question 1: What personal financial literacy content is taught in Massachusetts public schools?

## Middle/Elementary Schools

### Survey Responses

| Grade level | Responding Schools offering personal financial literacy (%) |
|-------------|---|
| Grade K     | 19%   |
| Grade 1     | 23.8%   |
| Grade 2     | 21.4%   |
| Grade 3     | 16.3%   |
| Grade 4     | 17.1%   |
| Grade 5     | 20%   |
| Grade 6*    | 13.6%   |
| Grade 7*    | 26.7%   |
| Grade 8*    | 20%   |

### DESE Curriculum Frameworks

| Curriculum framework       | Grade | Course                         | Personal Financial Literacy Topic  |
|----------------------------|-------|--------------------------------|--|
| History and Social Science | PK-K  | General                        | Income and Careers<br>Spending   |
| Mathematics                | PK    | General (Measurement and Data) | Introducing Money  |
| History and Social Science | 2-Jan | General                        | Income and Careers<br>Spending<br>Saving   |
| Mathematics                | 1     | General (Measurement and Data) | Introducing Money  |
| Mathematics                | 2     | General (Measurement and Data) | Introducing Money  |
| Mathematics                | 4     | General (Measurement and Data) | Introducing Money (measurement)  |
| Mathematics                | 7     | General                        | Introducing Money<br>Interest<br>Taxes (ratio and rates)   |
| Mathematics                | 7     | General                        | Interest<br>Taxes<br>Spending (price increases and discounts)<br>Income and careers (gratuities and commissions, fees) |



# Research Question 1: What personal financial literacy content is taught in Massachusetts public schools?

## Middle/Elementary Schools

Personal financial literacy education in the lower grades, when it exists, is informal, scattered, and relies on very local initiatives

- Informally expanding on personal financial literacy topics included in curriculum frameworks
- Partnering with community partners to create special activities on budgeting, saving, and banking
- Utilizing opportunities
- Learning budgeting through special projects or behavioral incentives



# Research Question 1: What personal financial literacy content is taught in Massachusetts public schools?

## Planned Changes in Personal Financial Literacy Offerings

- Almost 50% of responding districts reported that changes in personal financial literacy education are planned. Most already offer personal financial literacy education to students.
- A third of high schools that offer personal financial literacy courses are planning changes in instruction. Changes are likely related to the revised 2018 History & Social Sciences Curriculum Framework.
- Only one middle/elementary respondent reported that changes to personal financial literacy education are to take place.





# Research Question 1: What personal financial literacy content is taught in Massachusetts public schools?

## Recent Developments in the Field

- Introduction of the personal financial literacy elective in the [2018 History & Social Sciences Curriculum Framework](#)
- [The Act Relative to Financial Literacy in Schools](#) (2019):
  - The Board of Elementary and Secondary Education may direct DESE to set standards for financial literacy.
  - DESE required to “*make resources available [...] to assist in the selection of materials and curriculum on personal financial literacy*” and to “*identify and offer information on resources for professional development activities and instruction on personal financial literacy*”
- DESE publishes [resources](#) for personal financial literacy education in high schools
- DESE [Personal Financial Literacy Planning and Implementation Grant](#)



# Research Question 2: What conditions shape personal financial literacy education in public schools in Massachusetts?

**What barriers do you see to further advancing personal financial literacy education in your school/district?**

## Basic level barriers

- No state level requirement
- Competing demands
- Lack of accountability for personal financial literacy education
- State level guidance on scope and sequence is new and limited to high schools / little to no guidance on personal financial education education in grades K-8

## Compounding conditions: limited resources

- No training/qualification for teachers in personal financial literacy
- Curricula: limited in lower grades/access and adaptation issues in higher grades
- Lack of funding/time to invest in development
- Shortage in FTE's – an issue in high schools mostly
- Lack of intentionality



## Research Question 2: What conditions shape personal financial literacy education in public schools in Massachusetts?

**What are the conditions and actions that support personal financial literacy education in your school/district?**

### Support from districts

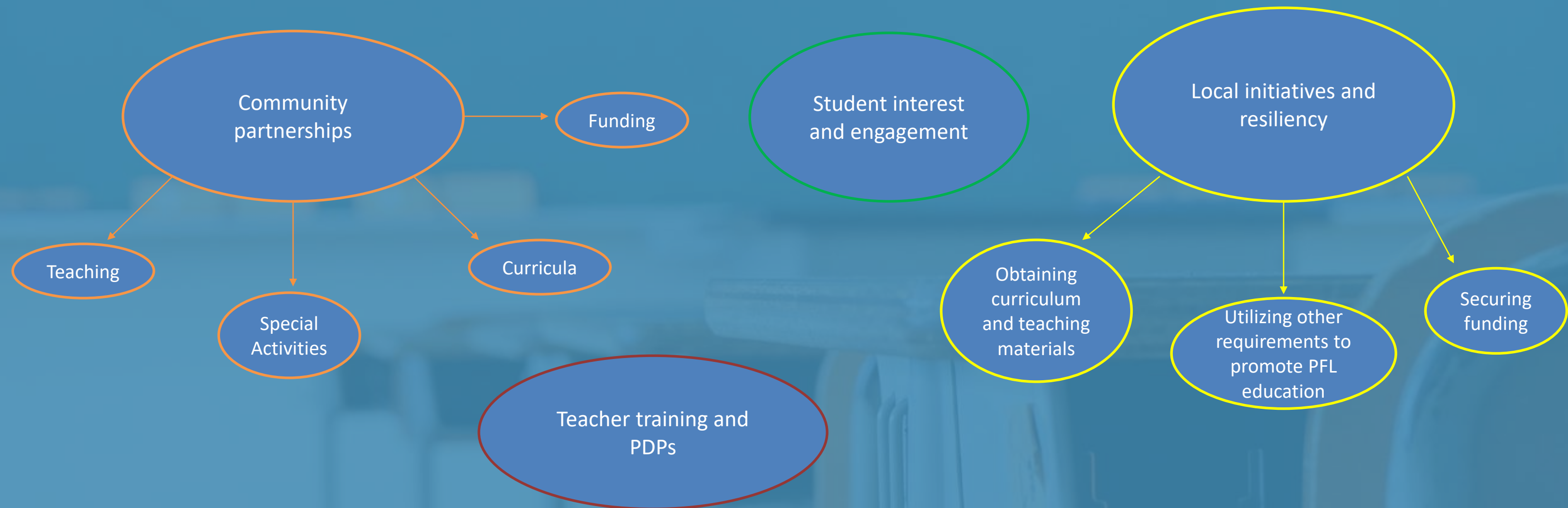
- 58% of districts provide assistance with developing community partnerships
- 39% of districts provide schools with funding for personal financial literacy education
- 30% of districts provide training resources for teachers
- 24% of districts provide personal financial literacy curricula





# Research Question 2: What conditions shape personal financial literacy education in public schools in Massachusetts?

What are the conditions and actions that support personal financial literacy education in your school/district?



## Research Question 3: What are the perceptions of district and school staff and teachers of personal financial literacy education in Massachusetts public schools?

### Personal financial literacy education is highly relevant and important

- **High schoolers preparing for adulthood:**
  - Practical knowledge
  - Protection from the dangers of the world
- **Young kids in elementary or middle school:**
  - Real-life skills
- **Children from low-income families, children of color, children from immigrant families:**
  - Increasing social mobility
  - Issue of social justice
- **Students are highly interested and engaged with personal financial literacy content**



## Research Question 3: What are the perceptions of district and school staff and teachers of personal financial literacy education in Massachusetts public schools?

### Schools have a role in building students' personal finance skills

- Introducing principles of personal financial literacy that are not talked about at home
- In line with current trends in education:
  - Useful for project-based learning
  - Increased engagement and understanding of other subjects and standards.
  - Emphasis on teaching real life skills





# Research Question 3: What are the perceptions of district and school staff and teachers of personal financial literacy education in Massachusetts public schools?

## Personal financial literacy education needs to be culturally sensitive

*“as schools have become more diverse, and we have... an increase of people who are refugees and then an increase of poverty, ... I think giving a canned program can't address that.”*

(High school principal)

*“when your finances are such that you're struggling to have your basic needs met, ... talking about savings then almost feels like a judgement. [...]*

*“how do we get the kids to a place where they feel empowered and have that resiliency so they recognize that they in fact can be in charge of their own destiny when it comes to financing their education, pursuing further education to achieve their hopes and dreams.”*

(School District Superintendent)

Does any of the personal financial literacy curricula taught at your school address the diverse needs of students?

71%

High schools respondents

38%

Middle/elementary school respondents



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# Thank you!



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