

# Fact Sheet

## Iowa Financial Literacy Program



[IowaCollegeAid.gov](http://IowaCollegeAid.gov)  
Your Financial Aid Connection

### What is the Iowa Financial Literacy Program?

- ✓ The Iowa Financial Literacy Program is a statewide financial literacy online platform that is available to all high schools in the State of Iowa. It uses the latest in new media technology to teach, assess and certify high school students in over 600 core concepts of personal finance. It is an excellent capstone for a comprehensive financial literacy program in Iowa high schools.

### What Essential Concepts are Included in the Iowa Financial Literacy Program?

- ✓ The Iowa Financial Literacy Program consists of 10 learning modules geared towards 11<sup>th</sup> and 12<sup>th</sup> grade students, and an interactive virtual “life” game where students can apply their newly acquired knowledge as they explore real-life situations. Upon successful completion of the 10 modules listed below, students are certified as having a solid financial knowledge base.

- Overview
- Banking
- Credit Scores
- Renting v. Owning
- Consumer Fraud
- Savings
- Credit Cards
- Financing Higher Education
- Taxes and Insurance
- Investing

### What Makes the Iowa Financial Literacy Program Engaging to Students?

- ✓ The Iowa Financial Literacy Program uses the latest in new media technology including video, messaging tools, unique 3D environments, RSS feeds, avatars, and gaming components to enable students to explore real-world settings, from the floor of the New York Stock Exchange, to a used car dealership. Through exploration of real life situations, students are able to absorb the financial lessons.

### How Can the Iowa Financial Literacy Program be used in the Classroom?

- ✓ Educators can use the Iowa Financial Literacy Program in a co-curricular or standalone manner in a wide variety of subjects including: economics, family and consumer sciences, math, business, or as a graduation requirement. Each learning module meets the financial literacy essential concepts and skills of the Iowa Core and includes a pre-test and post-test to assess student improvement. System reporting capabilities make it easy for educators to track student activities, progress through the modules, and assessment scores.

### How is the Iowa Financial Literacy Program Funded?

- ✓ The Iowa Financial Literacy Program is free to Iowa high schools thanks to federal dollars from a College Access Challenge Grant and a public-private partnership between the Iowa College Student Aid Commission (Iowa College Aid), the Iowa Bankers Association, and local banks and organizations interested in promoting financial literacy education in their communities. As local sponsorship in Iowa communities increases, the public-private partnership will be sustainable without federal dollars.

## What Type of System Support is Available for the Iowa Financial Literacy Program?

- ✓ The Iowa Financial Literacy Program is administered by Iowa College Aid. The online platform, developed by EverFi, Inc., was selected through a competitive bid process. The program content is regularly monitored to ensure it includes the most up-to-date information. Iowa College Aid supports Iowa schools by providing in-school system training, statewide online training, ICN classes, educator guides and telephone access to trained professionals during the school week through Iowa College Aid's Information Service Center at 877-272-4456.

## How do Schools Access the Iowa Financial Literacy Program?

- ✓ The Iowa Financial Literacy Program is accessed through the statewide community web portal, [www.IHaveAPlanIowa.gov](http://www.IHaveAPlanIowa.gov). I Have A Plan Iowa™ is a free resource which allows Iowans of all ages to investigate career opportunities, explore education options, learn how to use education to meet career goals, and find employment opportunities in Iowa. As the state-designated career information system, I Have A Plan Iowa™ also helps Iowa schools meet Iowa Code Section 279.61 which requires all Iowa students to create a career plan, beginning in the eighth grade. The plan shall include career options and shall identify the coursework needed in grades nine through twelve to support the student's postsecondary education and career options. In addition, students will complete the required components of the state-designated career information and decision-making system in grades 8-12.

## Does the Iowa Financial Literacy Program Meet Iowa Core Requirements?

- ✓ Each learning module in the Iowa Financial Literacy Program meets the financial literacy essential concepts and skills of the Iowa Core. The Iowa Core, which was signed into law on May 1, 2008, requires all students leave high school prepared to succeed in the complex 21<sup>st</sup> century. Essential concepts and skill sets include employability skills, financial literacy, health literacy, and technology literacy. The Iowa Core must be fully implemented in Iowa high schools by July 1, 2012, and in kindergarten through eighth grade by 2014-2015. The vision articulated by the Iowa Core Curriculum 21<sup>st</sup> Century Skills Committee states "Each student in Iowa's schools will learn financial literacy concepts, enabling them to succeed in a complex global environment."

## How Does the Iowa Financial Literacy Program Complement the Governor's Initiatives?

- ✓ In the Governor's inaugural address, he noted, "*Our young people must be able to think critically, solve problems and communicate effectively.*" By equipping our students with the skills and knowledge to make wise financial decisions, we prepare them to begin their adult lives with the tools for a successful future.

## Why is Financial Literacy Important?

- ✓ Nearly one-third (30 percent) of college students put tuition on their credit card, an increase from 24 percent in the previous study. (Source: Sallie Mae, "How Undergraduate Students Use Credit Cards," April 2009)
- ✓ Young adults are unprepared to make good financial decisions. What surprised them the most was how much it takes to live on your own, how hard it is to save money, the number of financial decisions to make, how hard it is to pay bills on time, how challenging it is to find a job, how little you make at your first job, and how hard it is to become financially independent from your parents. (Source: Charles Schwab, "Young Adults and Money Survey," 2009)
- ✓ The top two things that young adults wished they had learned prior to entering the workforce were how to live within a budget and the importance of saving. (Source: Charles Schwab, "Young Adults and Money Survey," 2009)
- ✓ Among adults who have children under the age of 18 living in their households, 33% want to provide a college education for their children but have not yet begun to save to meet that goal, 18% have established an education savings account but doubt they can finance four years of college without loans, and 15% say their children will have to pay for college themselves. Only 21% have established 529 Plans or other education savings accounts and expect to be able to pay for four years of college for their children. (Source: The National Foundation for Credit Counseling and Harris Interactive Inc., Public Relations Research, The 2009 Consumer Financial Literacy Survey, March, 2009)