Governor’s Council on Financial Literacy

Wednesday, September 26, 2012
University of Wisconsin
Pyle Center
702 Langdon St
Madison WI

MEETING AGENDA

Attendees: Secretary Peter Bildsten, Council Co-Vice Chair, WI Department of Financial Institutions; Assistant State Superintendent Sheila Briggs, WI Department of Public Instruction; Kristine Hackbarth-Horn, Goodwill Industries of North Central Wisconsin, Inc.; Amy Kerwin, Great Lakes Higher Education Corp.; David Mancl, Council Executive Director; Meridee Maynard, retired, Northwestern Mutual Insurance Co; Mary Ann McCoshen, WI Housing and Economic Development Authority; Department of Amber Miller, designee for Wendy Baumann, WI Women’s Business Initiative Corp.; Rita O’Brien, Appleton Area School District; Senator Luther Olsen; Jim Podewills, WI Bankers Association; Victor Rodriguez, RW Baird Co; Pablo Sanchez, Park Bank; Alejo Torres, Federal Reserve Bank of Chicago; J.P. Wieske, designee for Commissioner Ted Nickel, Co-Vice Chair, Office of the Commissioner of Insurance

George Althoff, WI Department of Financial Institutions; Roger Frings, Office of the Commissioner of Insurance; Ashley Natysin, Office of the Commissioner of Insurance; Teresa Walker, WI Department of Financial Institutions

Welcome and Introductions
Secretary Peter Bildsten, Co-Vice Chair
- Called to order at 10:10 a.m.
- Extended a thank you to the five work groups and their chairs

Updates
Secretary Peter Bildsten, Council Co-Vice Chair
David Mancl, Council Executive Director

- Financial Literacy in the schools
  - The Department of Financial Institutions has become aware of two school districts that have added a financial literacy requirement for graduation – Menominee Indian School District and Ashland, School District.
  - Discussion held regarding including financial literacy questions in the examination being used to replace the Wisconsin Knowledge and Concepts Examination.
  - The Department of Financial Institutions is informally measuring and tracking school districts that require a financial literacy class to graduate.

- Financial Literacy Awards
  - Presented to recipients in February
  - 9 individuals and 8 organizations
Joint Guest Editorial by the Department of Financial Institutions and the Department of Public Instruction
  - Released in February
  - 27 newspapers and one-half million readers

Money Smart Week Wisconsin
  - Held in April 2012
  - The Money Smart Week Wisconsin Wrap Up will be held after the meeting

School grants
  - Applications reviewed and grants distributed in August by the Department of Public Instruction
  - The Department of Financial Institutions provided the grant funding using one-quarter of a million dollar of settlement funds
  - 24 schools received grants

Upcoming
  - Second Annual Financial Literacy Summit being held in Green Bay October 12
  - Veterans outreach – Training for the volunteer financial coaches being held October 26 in Eau Claire
  - 2012 Financial Literacy Awards – nomination period opens today

Committee Reports
Meridee Maynard, Committee Chair
Money Smart Week Wisconsin Committee
  - Thank you to the Federal Reserve Bank of Chicago for a successful 2012 campaign and hosted the wrap-up meeting
  - Money Smart Week Wisconsin 2013 being held April 20 – 27
  - Proclamation from the Governor will be delivered at the wrap-up

Approval of Minutes
David Mancl, Council Executive Director
  - No amendments recommended
  - First motion to approve given by Mary Ann Mc Coshen
  - Second motion to approve given by Meridee Maynard
  - Unanimously approved by Council

Updates
David Mancl, Council Executive Director
  - Fact sheet has been updated
  - National Institute of Financial and Economic Literacy
    - Seven council members participated in the teacher training
    - Three separate weeks plus a Wisconsin Insurance Institute
    - Each teacher impacts 92 students per year in financial literacy
    - Held at Edgewood College
  - Wisconsin Association of School Boards conference
    - Being held in January
    - Financial literacy panel
  - Money Smart Week Wisconsin being held April 20 – 27
- Finance and Investment Challenge Bowl
  - Six regional championships held and a statewide championship
- Assembly Bill 631
  - Introduced the last two week of the legislative session
  - Supported by Senators and Representatives

Committee Reports
J. Michael Collins, Committee Chair
Building Financial Capability Committee

Goal of the committee is to examine ways to embed financial literacy into systems
- Veterans financial literacy project
  - Financial Coaches Training
    - Next training scheduled in Eau Claire, October 26
    - 6 hour course
    - Hosted by the Royal Credit Union
    - Learn goal and coaching skills
    - Research shows financial coaching is effective
    - Nationally acclaimed experts doing training
    - Veterans have different constraints to get reintegrated
  - Veteran Services agencies will need to be trained
  - Financial education sessions
  - Accelerated course for insurance industry certification created with mentoring component and being offered to veterans through Madison College
- Financial literacy training for case workers, etc.
  - Continuing Education unit offered
  - 1 day course
  - $150
  - Piloted with HIV/AIDS service workers earlier in year
  - Will be offered again in early winter and spring
- Eau Claire Public Schools project – 13 elementary schools
  - 5 week course
  - Students run credit union at ½ of schools
  - Did financial education work?
    - Better with accounts
    - Students with accounts have better educational grades
    - Financial education students have better results on tests
    - Over all students learned more if a financial service branch is in the school
    - Wisconsin is second in the nation for the number of school credit union branches

Committee Reports
Sheila Briggs, Committee Chair
Education Committee

- Financial Literacy Grants
  - Sub-committee feedback – better applicants than previous year
  - Examined by a DPI committee
  - 94 applications
  - All DPI recommendations approved by the committee
• Financial Literacy Standards/Requirements project
  o Wisconsin has lead nation with excellent financial literacy standards
  o Implementing better communication regarding standards – using flyer to get word out to districts
• Eight models districts are being compared
  o Requirements more complex than it seems
  o To find which model is best/stands out – Assessment of student’s skills
• Subset of education people met including Senator Olsen and Representative Kestell
  o Results/conclusions
    ▪ Don’t want to stop programs going now
    ▪ Get assessments of those programs
    ▪ Find out what districts use that work
    ▪ Gather what other states are doing regarding assessment
      ♦ Contacted five states that require personal financial literacy regarding assessments (Kansas, Louisiana, Georgia, Utah and Tennessee)
      UT – assessment but can opt out
      GA – 1/5 of economics devoted to personal financial literacy
        Use Pearson test
      LA doesn’t have an assessment
      KS has state test – not required
      TN don’t know
• WI – major changes regarding all assessment throughout state with personal financial literacy figured into account
  o Need:
    ▪ Collect data
    ▪ Match up models and who is doing well
  o At present:
    ▪ Wisconsin Schools with personal financial literacy required – data is self-recorded
    ▪ Problem - There is no definition for personal financial literacy
    ▪ Hard to assess this when tied into national assessments – smarter balance v ACT Suite
  o Question: Should a financial literacy assessment be combined with an exit survey of senior?

Committee Reports
Kristine Hackbarth-Horn, Committee Chair
Workplace Financial Literacy Committee

• Statewide Employer Financial Wellness Input Survey was conducted with 122 respondents. A copy of the survey was provided to council members.

• The committee will conduct a webinar to review a workplace financial literacy tutorial entitled, “Investor Education in Your Workplace.” A version of this tutorial could be used in a financial literacy campaign in spring 2013.

• The committee considered recommending a tax credit for businesses that conduct financial literacy education for their employees.
Second Annual Wisconsin Summit on Financial Literacy
M. Scott Niederjohn, Wisconsin Summit Organizer

The second annual summit will be held on October 12 at Lambeau Field, Green Bay. The agenda includes teacher training and a special focus on developing community financial literacy collations. A copy of the flyer was distributed.

Wisconsin Financial Literacy Awards
Amy Kerwin, Committee Chair
Wisconsin Financial Literacy Awards Committee

Amy Kerwin announced that the nominations for the awards are open today. A press release will be sent to notify the public.

Adjournment
Senator Olsen moved to adjourn which was seconded by Victor Rodriguez. The motion was approved by unanimous consent of the Council.