Needs for Financial Literacy

Financial literacy has now become more important than ever, as students have been taking increasingly more financial responsibilities and striving for financial independence at earlier ages. The need for financial education is not limited just to family and consumer economics professionals but also students, financial professionals, and educators. Conventional wisdom argues that one’s ability to generate wealth is affected by one’s financial literacy. Researchers have identified race as a significant factor in predicting students’ financial literacy. According to Lusardi & Mitchell (2005), African-American (AA) students have lower financial literacy scores than their white peers. The financial decisions students make in college have an important influence on their academic performance and financial situation after college. Lyons (2003) illustrated that one in three students reported his/her financial situation was likely or somewhat likely to affect the ability to complete a college degree. Therefore, developing a personal finance education program for African-American students may help bridge this knowledge gap (Joo, Grabell & Bagwell, 2003) and thereby help narrow the racial wealth gap by improving individuals’ financial decision making.

It is clear that youths are making more and more financial decisions, at younger ages, such as paying for a college education, renting an apartment, buying a car, and living away from home. Therefore, they need financial skills and knowledge to be successful as adults. Sherraden et al. (2011) mentioned that youths’ financial literacy is poor. For example, scores on the national Jumpstart Coalition’s bi-annual test for high school students have been consistently low since its debut in 1998, and survey questions on the 2006 test showed that students were generally apathetic towards setting and managing financial goals (McCormick, 2009; Mandell, 2009).

Need for Skegee Money $mart (SM$) Train-The-Trainer (T3)

Given the facts, Tuskegee University Cooperative Extension (TUCE) has launched a ‘Financial Literacy Education Program (FLEP) named Skegee Money $mart (SM$) in 2015. The SM$ was designed to strengthen the financial knowledge, skills, and overall financial capability of school (elementary, middle, high), and college students, and adults (limited resource families/minorities, socially and historically disadvantaged families). Considering the growing demand for financial literacy, TUCE has planned to expand SM$ to all schools in Black Belt Counties of Alabama. The need for SM$ in 17 Black-Belt Counties through TUCE is a highly sensed need. Therefore, family finances initiative have been included in its program areas as research, extension, and teaching projects (RETP). Thus, T3 for teachers in the Black Belt Counties has been designed in order to implement SM$ and educate students in their respective schools. Finally, the program...
promotes the ability of Historically Black Colleges, Universities (HBCUs), and School students to successfully earn their high school, undergraduate, and graduate degrees that will ultimately benefit the AA middle- and low income class community. Creating an early foundation of financial literacy education in elementary and middle schools will have a huge application in college.

Objectives

- Organize SM$-T3 financial literacy for the teachers in Black Belt Counties,
- Provide technical support to the participants to organize similar training in their schools.

Implementation Plan

<table>
<thead>
<tr>
<th>Target audience</th>
<th>Elementary and Middle Schools Teachers</th>
</tr>
</thead>
<tbody>
<tr>
<td>Area coverage</td>
<td>Black Belt Counties</td>
</tr>
<tr>
<td>Program type</td>
<td>SM$-T3 financial literacy pilot workshop</td>
</tr>
<tr>
<td>Expected participants</td>
<td>30</td>
</tr>
<tr>
<td>When</td>
<td>August 08, 2017</td>
</tr>
<tr>
<td>Where</td>
<td>Tuskegee Public School, Tuskegee</td>
</tr>
<tr>
<td>Time</td>
<td>8:00 A.M. - 12:30 P.M.</td>
</tr>
</tbody>
</table>

Facilitation Methodology

Although the delivery method will primarily be through workshop facilitation and presentations, all efforts will be deployed to provide hands-on activities to make it more effective and practical. Briefly, the following methods will be applied to facilitate the workshop:

- Presentations
- Participatory discussions
- Hands-on activities
- Money $mart games
- Outlining plan of action
- Pre-and post-assessments
- SM$ needs assessment

References


Lusardi: Dartmouth College, Hanover, NH 03755 and Mitchell: Univ. of Pennsylvania 3620 Locust Walk, St. 3000 SH-DH, Philadelphia, PA 19104

Lyons, A. C. (2003). Credit practices and financial education needs of Midwest college students. Champaign, IL: