



Financial Literacy: Why is it so hard to teach and see results?

THE HEALTHY EATING PYRAMID

Department of Nutrition, Harvard School of Public Health

General tips

Save the Money You Earn

- Save 50 cents a day in loose change
- Drink one less soft drink a day
- Bring lunch to school
- Eat out two fewer times a month
- Buy store brands
- Use fewer cell phone features
- Compare gas (share rides with friends)



Fast Facts on Diet & Obesity

Data from the National Health and Nutrition Examination Survey, 2009–2010 ^{2, 3}

- More than 2 in 3 adults are considered to be overweight or obese.
- More than 1 in 3 adults are considered to be obese.
- More than 1 in 20 adults are considered to have extreme obesity.
- About one-third of children and adolescents ages 6 to 19 are considered to be overweight or obese.
- More than 1 in 6 children and adolescents ages 6 to 19 are considered to be obese.



11th - 12th grade

- Talk to your teen about the implications of accruing debt
- Help your teen learn how to budget better prepared to manage credit
- Ask relatives and friends for help



jobs, such as babysitting and saving money. planning finances that involve to make sound financial decisions. y store. Have them help make y based on your budget.





DISCLAIMER

**HOUSTON
WE
HAVE A
PROBLEM**

Top Ten Biggest Worries

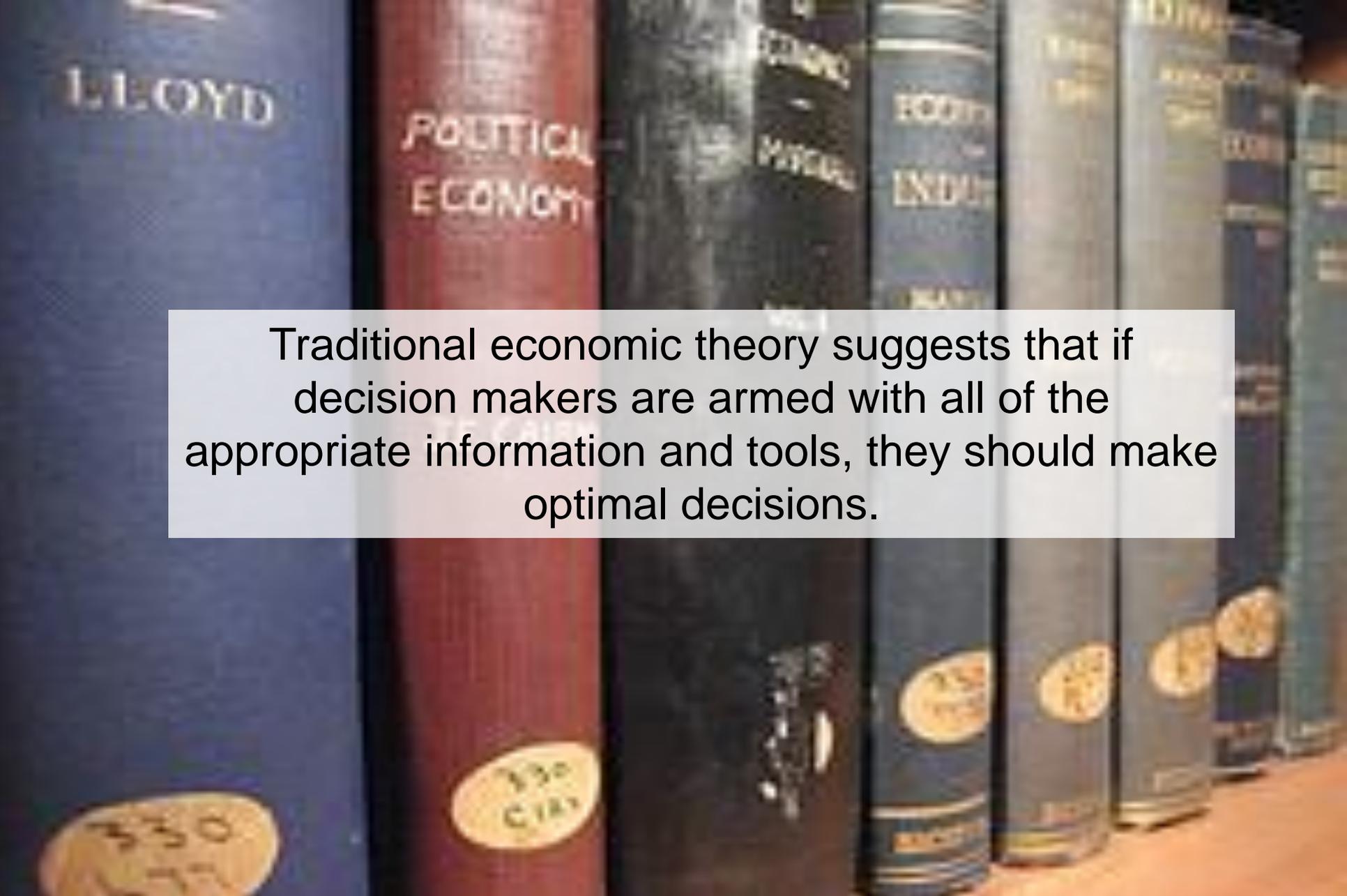
1. Being Overweight
2. Getting Old
3. ... of Safety ... al Future

“People carrying debt are three times more likely to have common mental disorders than the debt-free population.”

Source: European Journal of Public Health



Source: Natural News 2013



Traditional economic theory suggests that if decision makers are armed with all of the appropriate information and tools, they should make optimal decisions.



The National Institute on Retirement Security states that the median retirement account balance for savers aged 55-64 in 2013 was \$76,381



Consumer Debt is at an all-time high – Bloomberg 2014 (credit card and car loans)



Consumer saving remains low

Knowledge not an indicator of behavior

Buy or lease a car

Calculate your potential savings

A big decision is whether to buy or lease a car. Use this calculator to find out which is best for you. This tool will calculate the monthly payments and the total net cost. By comparing these amounts, you can determine which option is better.

Power of Anecdotal Evidence

- People more easily identify with a specific real person than with an “Abstract” average person
- People find another person more convincing than relevant statistics because often they don't understand how to accurately interpret statistics.
- Anecdotes invoke strong emotions which may alter individuals' perceptions of risk.

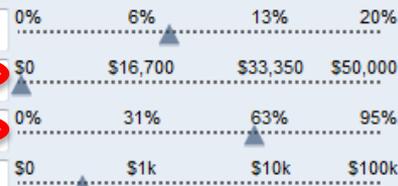
Interest rate: 8%

Other fees: \$100.00

Residual percent: 60%

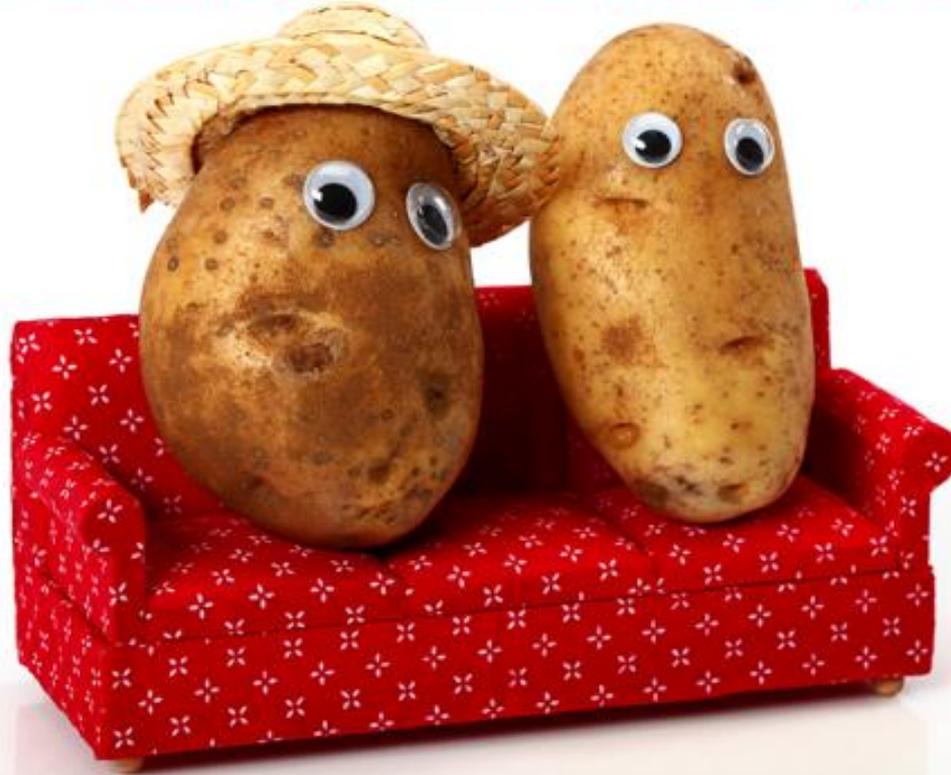
Security deposit: \$500

Net cost of lease: \$11,421.12



Rules of Thumb and Biases

Harnessing the Power of Inertia

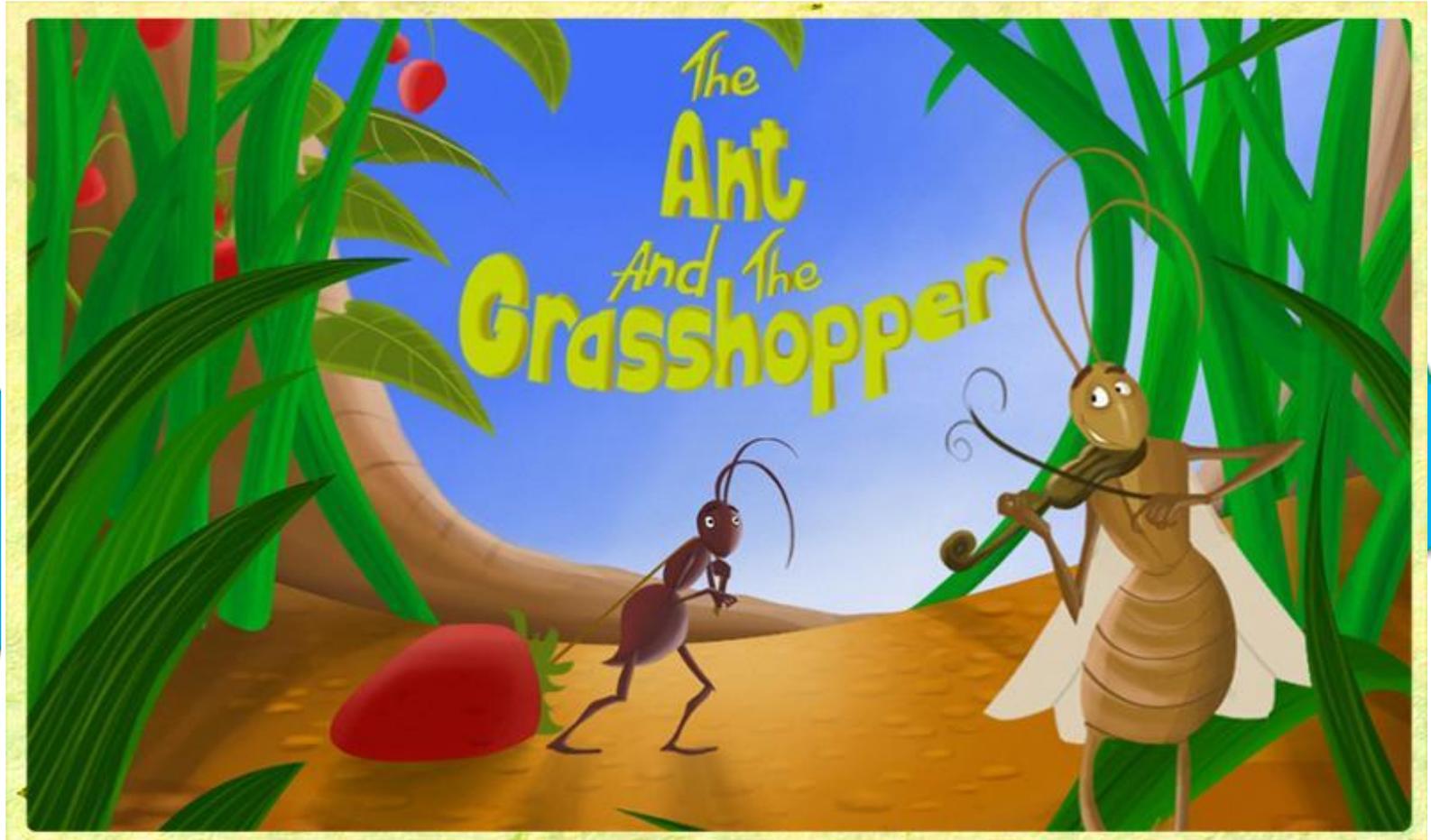


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Other Factors Affecting Behavior / Decision Making

Intertemporal Choice



Other Factors Affecting Behavior / Decision Making

Status Quo Bias

Default Effects

Procrastination

Self Control

Ambiguity Aversion

Emotions

Anecdotal Evidence

Hyperbolic Discounting





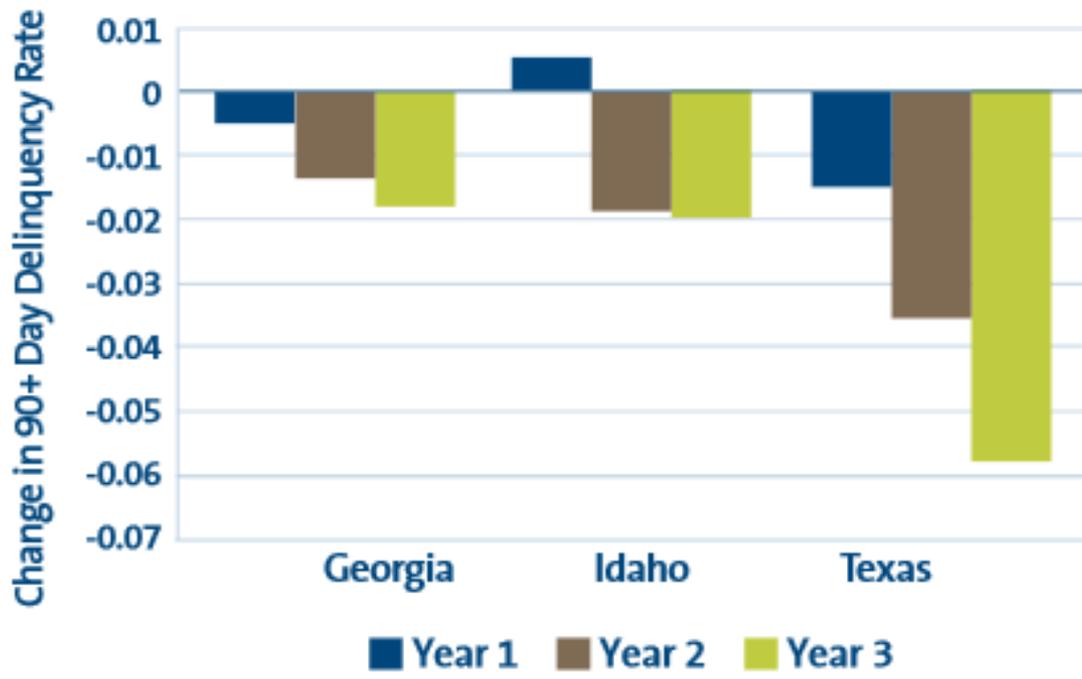
R-E-L-A-X



Figure 2: Characteristics of the Mandate in Each Treatment State

Year Mandate Passed	
First Graduating Class / Mandate	
Curriculum Standards I	
Model Curriculum Prov	
Required Course for Gr	
Duration of Course	
Inserted into Other Cou	
Sample Curriculum Incl	
Game Simulation	
Teacher Training	
Testing Required	
Intensity Ranking	
Control States	

Figure 6: The Effect of Personal Finance Education on Rates of 90+ Day Delinquency, by State and Implementation Year Cohort



Texas	
2004	
2007	
Yes	
Yes	
Yes	
Year-long	
Yes, Economics	
Suggested	
No Formal Training	
Yes	
Moderate	
New Mexico	

Other Combating 'Human Nature' Making

Experiential

Relevant

Simple

Memorable

Hyperbolic
Discounting

Procrastination

Emotional

Fun

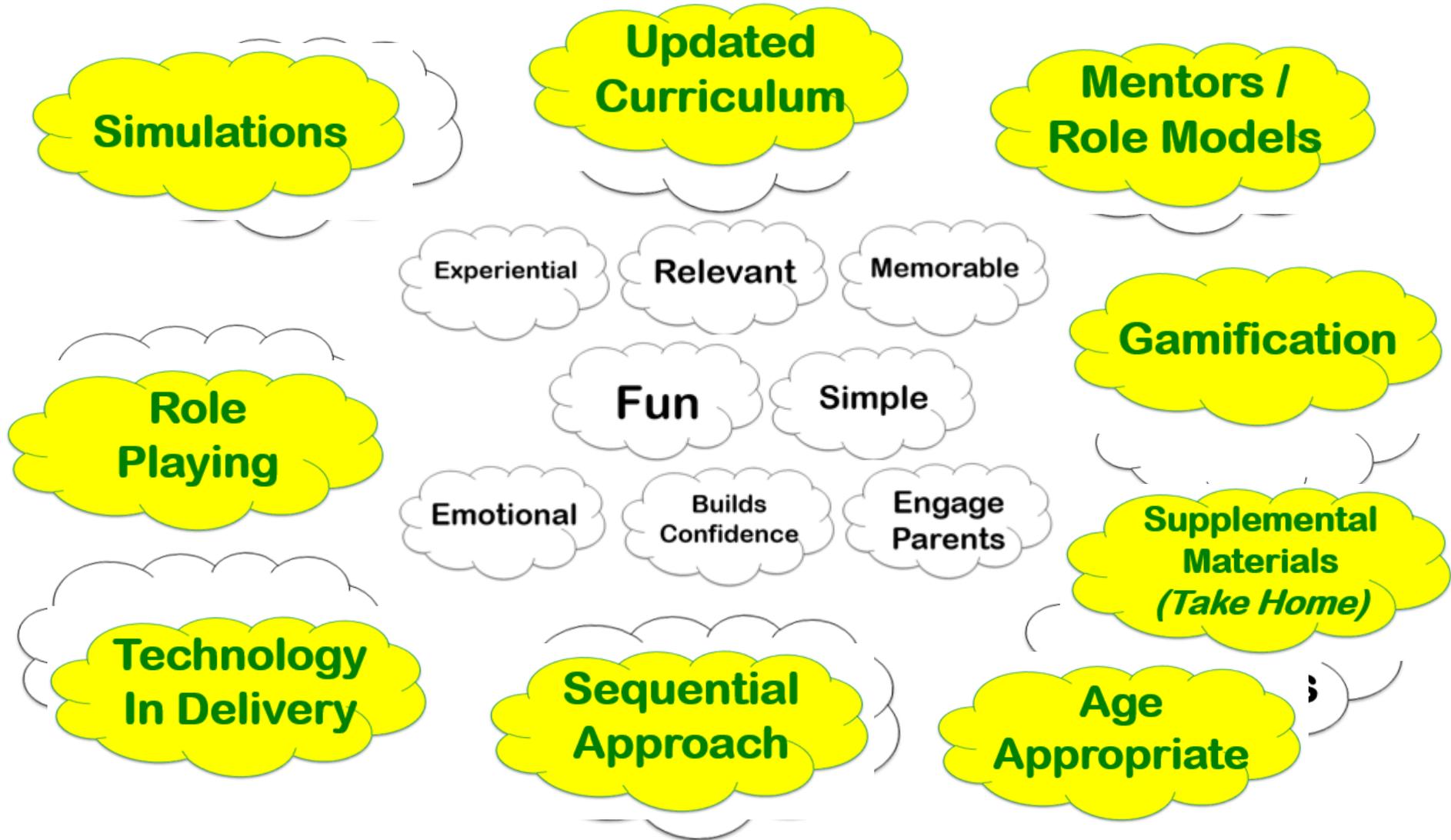
Anecdotal
Evidence

Ambiguity
Aversion

Builds
Confidence

Engage
Parents

The Combating Achievement Gap 'New' Approach



Junior Achievement USA Overview

To inspire and prepare young people to succeed in a global economy

Focus Areas

Financial Literacy

Entrepreneurship

Work Readiness

Junior Achievement strives to increase the depth and scale of student impact through the delivery of a relevant, compelling and innovative portfolio of blended learning experiences delivered by volunteer mentors.

Be financially responsible

Think and act entrepreneurially

Engage successfully in the 21st century workforce

Our Impact

Education Development

Economic Development

Youth Development

EDUCATOR

Programs

[Supplements](#)[Correlations](#)[Pre & Post Test Evaluations](#)[Evaluation Results](#)[Scope and Sequence](#)[Sign up for JA](#)[About JA](#)

Junior Achievement Programs

Junior Achievement is the world's largest organization dedicated to educating students in grades K-12 about entrepreneurship, work readiness and financial literacy through experiential, hands-on programs.

Our programs help prepare young people for the real world by showing them how to generate wealth and effectively manage it, how to create jobs which make their communities more robust, and how to apply entrepreneurial thinking to the workplace. Students put these lessons into action and learn the value of contributing to their communities.

JA's unique approach allows volunteers from the community to deliver our curriculum while sharing their experiences with students. Embodying the heart of JA, our classroom volunteers transform the key concepts of our lessons into a message that inspires and empowers students to believe in themselves, showing them they can make a difference in the world.

[View all JA Programs](#)

Delivered a JA program? Let us know what you think by taking our brief surveys:

- [Program Content and Instruction Survey](#)

“ TESTIMONIALS

“Junior Achievement has given me a sense of what adults go through with budget issues.”

— Junior Achievement Student



KEY

Minimal Moderate High

*Pillars of Student Success signify a program's primary focus; however, each JA program is developed to include all three pillars.

Blended Learning: Programs delivered to students through an integration of face-to-face volunteer

Middle School Programs
Junior Achievement USA®

Scope & Sequence

KEY

Minimal Moderate High

*Pillars of Student Success signify a program's primary focus; however, each JA program is developed to include all three pillars.

Blended Learning: Programs delivered to students through an integration of face-to-face volunteer and teacher mentoring and instruction, student-led groups, and digital learning.

Classroom-Based: Programs delivered to students by a volunteer during the traditional school day.

JA AfterSchool®: Programs delivered to students by a volunteer outside traditional school hours, including afternoon, evenings, weekends, and summer.

JA Capstone: Programs in which the classroom teacher prepares students for a day-long, out-of-school, volunteer-led experience.

Middle School Programs (Grades 6-8)

JA Finance Park® helps students build a foundation upon which they can make intelligent lifelong financial decisions, including those related to income, expenses, saving, and credit. The program culminates in a hands-on budgeting simulation at a facility, mobile unit, or virtual site. Thirteen teacher-led sessions required.

Concepts-Banking, Benefits, Budgets, Career, Categorization, Credit, Credit reports, Credit score, Debit, Debt, Deposit insurance, Financial responsibility, Goal setting, Government, Identity theft, Impulse buying, Income, Interest, Loans, Opportunity cost, Payment methods, Risk, Saving, Savings, Taxes, Values, Wages, Wants and needs.

Skills-Active listening, Brainstorming, Collaboration, Comparing, Comprehension, Creativity, Critical thinking, Decision making, Following directions, Interpreting data, Math, Reading, Self-knowledge and reflection, Speaking and listening, Vocabulary, Working in pairs and teams, Writing.

Middle School Programs
Junior Achievement USA®

	Pillars of Student Success*			Primary Implementation			
	Entrepreneurship	Financial Literacy	Work Readiness	Blended Learning	Classroom-Based	JA AfterSchool	JA Capstone
JA Finance Park®	Minimal	High	High	High	High	High	High

	Pillars of Student Success*			Primary Implementation			
	Entrepreneurship	Financial Literacy	Work Readiness	Blended Learning	Classroom-Based	JA AfterSchool	JA Capstone
JA Finance Park®	Minimal	High	High	High	High	High	High



Find out how you can make a difference.
Visit www.ja.org



**“I hear and I forget.
I see and I remember.
I do and I understand.”**

~ Confucius



 Junior
Achievement®

EDUCATOR

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Junior Achievement \$ave, USA

Junior Achievement
\$ave, USA | National Financial
Literacy Month



Free Learning Materials from JA and The Allstate Foundation!

Parent Lessons

Have you ever wondered how to talk to or teach your kids about money matters? Now, more than ever, it is important that we give our children the guidance and information they need to be financially literate. Junior Achievement \$ave, USA parent lessons help you to discuss and learn about money-management issues with your kids.



Volunteer/Educator Lessons

Junior Achievement's The Junior Achievement \$ave, USA initiative provides curriculum designed to help students develop higher levels of personal financial understanding. Through volunteer-delivered lessons, students in grades 5-12 are introduced to age-appropriate content focusing on saving and sharing money, establishing a budget and learning about credit.



\$ave, USA Interactive Lessons

These interactive money-management modules will help students learn age-appropriate concepts around spending, sharing and saving money.

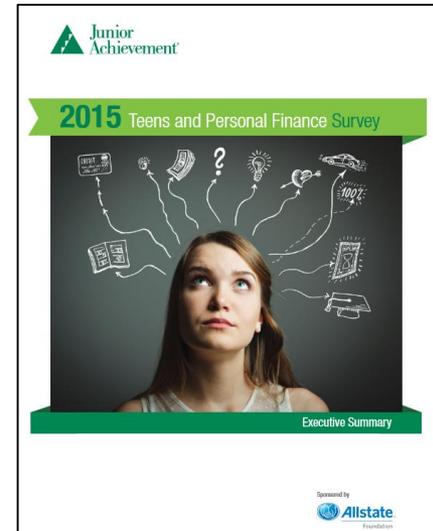
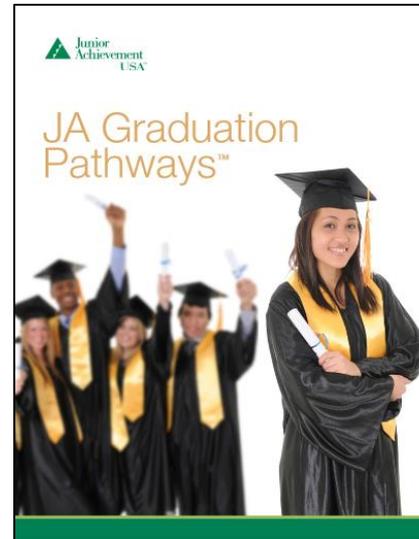
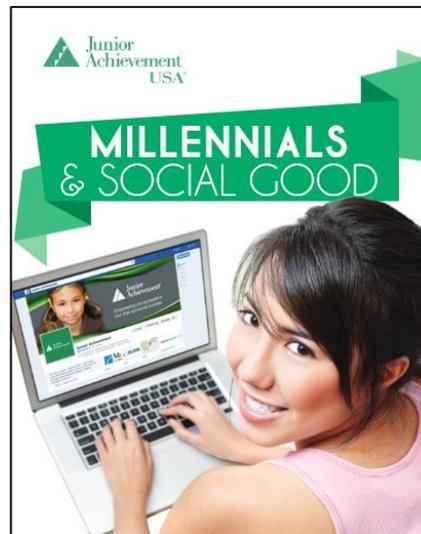
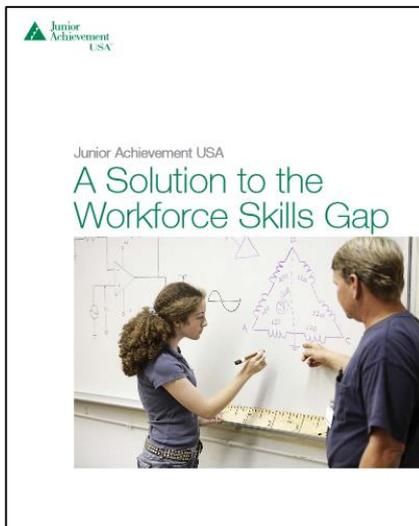
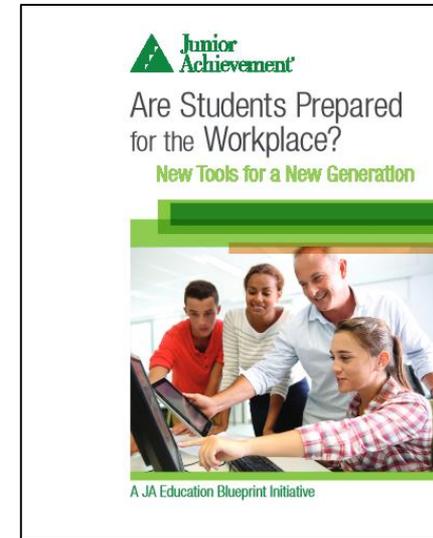
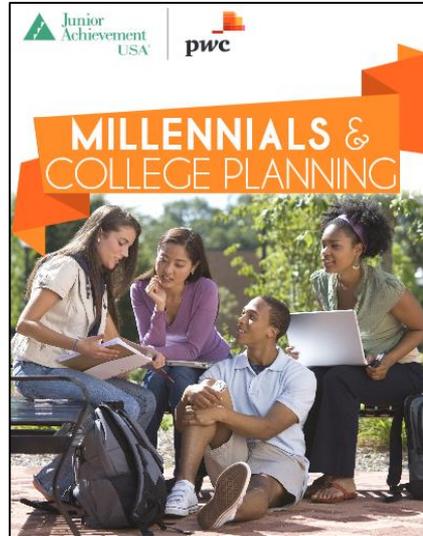
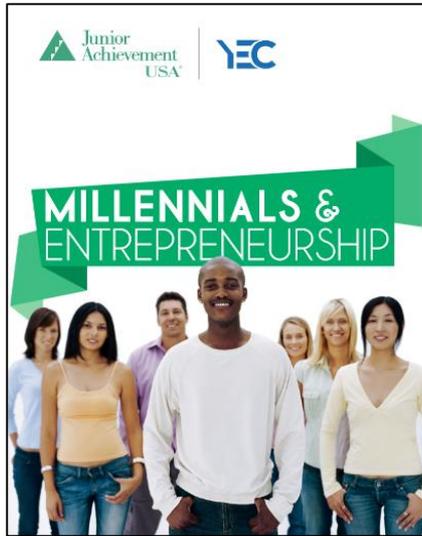


Money Management Action Plan

Parents! Download this free Money-Management Action Plan to help you and your kids discuss responsible personal finance.



Critical Issue Papers





Manage Your Money



Save USA Interactive Lessons

These three new, interactive money-management modules will help students learn age-appropriate concepts around spending, sharing and saving money.

[Visit Website Now](#)



Battle of the Bands

How will your choices about education, training, skills, and careers reflect on your future income?

Discover economic terms and concepts that will help you prepare for your career. Play Battle of the Bands!
[English Version](#) | [Spanish Version](#)



JA Money Might

Proving your financial expertise can be as fun in real life as it is in this online simulation. In both instances, you must play to win!

JA Money Might is an online simulation that tests a player's financial skills. Are your critical-thinking and decision-making skills up to the challenge? Will your strategies triumph? Play and find out just how financially savvy you are.

[Simulation Overview](#) | [Play Online Now](#)



JA Count on It!

Can you count on your financial decision-making skills? Find out here.

Personal money-management, including setting goals and financial planning, is an important part of leading a happy, successful life. Your parents deal with these issues on a daily basis. Invite them to share your exploration of the easy, informative activities and resources in this section.

[Overview](#) | [Learn Online Now](#)

acknowledgement

Junior Achievement gratefully acknowledges the following organizations for their contributions to the research and redesign of the JA student Center.

- The Allstate Foundation
- Deloitte
- Graduate Management Admission Council
- Nelnet
- The Goldman Sachs Foundation
- Office of Juvenile Justice and Delinquency Prevention, Office of Justice Programs, U.S. Department of Justice

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JA Build Your Future™

1 Career 2 Education 3 Payment Calculator ROI

Career Career Choice ⓘ Clear all

Select a career, or use the optional filters to narrow your choices. If you're ready, select a calculator to use for your selection.

Optional Filter

Field of Interest
All

Level of Education
All

Median Salary
All

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Cherokee	Osceola
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Clay	Palo Alto
Crawford	Pocahontas
Dallas	Polk
Davis	Poweshiek
Decatur	Ringgold
Dickinson	Sac
Emmet	Shelby
Greene	Story
Guthrie	Taylor
Hamilton	Union
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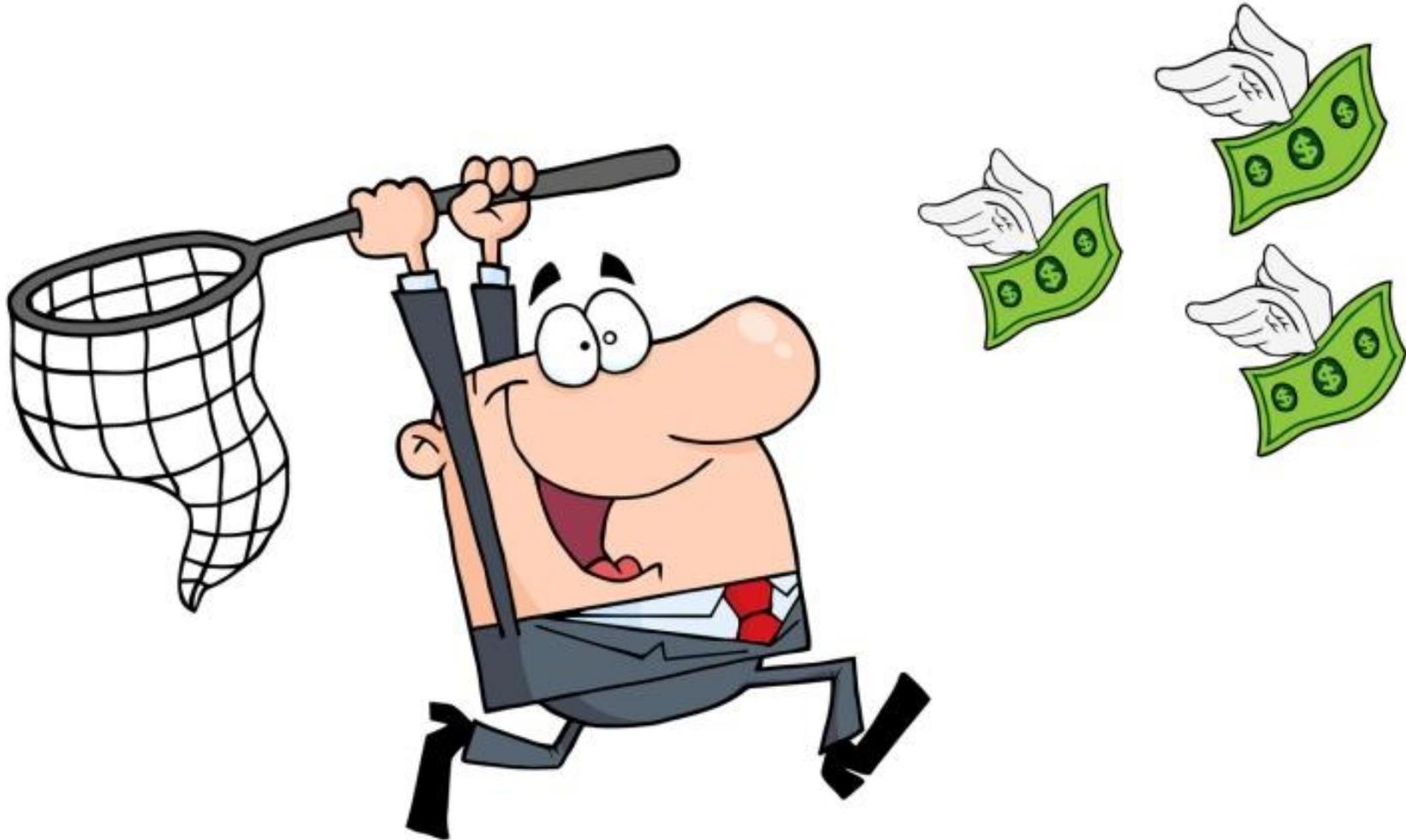
Fremont
Harrison
Lyon
Mills
Monona
Plymouth
Pottawattamie
Sioux
Woodbury





**KEEP
CALM
AND
STICK TO
THE BASICS**

1. Prepare Students to Earn a Living.



2. You can't spend more than you earn!

THE BASICS *of* BUDGETING



3. Save a portion of all earnings.



4. Use credit wisely.



5. Use insurance to protect your assets.



1. Prepare Students to Earn a Living.
2. You can't spend more than you earn!
3. Save a portion of all earnings.
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Back to the Basics





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