

The President's Advisory Council on Financial Literacy



Recommendations to the President

Pursuant to 4(b) of Executive Order No. 13455, the Council recommends that the President and Secretary of the Treasury implement or call for the following actions:

Expand and improve financial education for students from kindergarten through post-secondary education.

Recommendation 1 – The United States Congress or state legislatures should mandate financial education in all schools for students in grades Kindergarten through 12. For those schools without access to curricula, require the adoption of “Money Math: Lessons for Life,” a ready-to-use curriculum created by the Department of the Treasury and endorsed by the Council.

Recommendation 2 – The United States Department of the Treasury should institutionalize and expand the National Financial Literacy Challenge, with the goal of significantly increasing participation in this personal finance contest for high school students.

Recommendation 3 – The United States Department of the Treasury should implement the Post-Secondary Financial Education Honor Roll program, approved by the full Council in 2008, to encourage best practices in financial education at colleges and universities.

Recommendation 4 – The President should direct the United States Department of the Treasury and the United States Department of Education to take the necessary steps to require college students to take a more comprehensive course in financial literacy (or pass a competency test) than the present entrance and exit counseling requirements, as a condition of receiving Federally funded or Federally guaranteed student loans.

Recommendation 5 – The United States Department of the Treasury should promote the availability of financial education resources for parents, caregivers, and teachers to use with pre-school and early elementary school children.

Support the increasingly important role of employers as providers and conduits of financial education to their employees.

Recommendation 6 – The United States Congress should explore one or more tax incentives to encourage employers to provide financial education in the workplace.

Recommendation 7 – The United States Department of the Treasury should implement the Workplace Financial Education Honor Roll program, approved by the full Council in 2008.

Recommendation 8 – The United States Department of the Treasury should create an Internet-based resource center on the federal government’s financial literacy website, www.mymoney.gov for human resource professionals and employers that consolidates the best financial education information and resources.

Increase access to financial services for the millions of unbanked and underserved Americans.

Recommendation 9 – The United States Congress should require financial institutions to provide every adult American with access to an electronic, debit card-accessible depository account protected by the Federal Deposit Insurance Corporation or the National Credit Union Administration.

Recommendation 10 – The United States Congress should provide Federal funding for non-profit organizations (including faith-based organizations) working on community-based financial literacy programs and for state and local governments demonstrating leadership in financial education for their residents.

Identify and promote a standardized set of skills and behaviors that a financial education program should teach an individual.

Recommendation 11 – The private sector, state and local governments, and nonprofits should adopt the Council’s definitions for “financial literacy” and “financial education,” so that programmatic decisions are based on a common understanding of the terms. The Council adopts the Financial Literacy and Education Commission’s definitions of those two terms. Specifically, the Council defines “financial literacy” as “the ability to use knowledge and skills to manage financial resources effectively for a lifetime of financial well-being” and defines “financial education” as “the process by which people improve their understanding of financial products, services and concepts, so they are empowered to make informed choices, avoid pitfalls, know where to go for help and take other actions to improve their present and long-term financial well-being.”

Recommendation 12 – The United States Department of the Treasury should identify and standardize the specific skills that a person should have upon completion of a comprehensive financial literacy program and explore the creation of a certification program for such programs and for instructors of programs that meet the criteria.

Promote more awareness among Americans of the state of financial literacy in the United States and of their own financial literacy, and dedicate more resources toward educating Americans on how to improve their financial literacy.

Recommendation 13 – Colleges, universities, and other research entities should execute critical research into the state of financial literacy and the most effective measures to increase financial literacy in the United States.

Recommendation 14 – Nonprofits should create and distribute a self-administered “National Financial Check-Up” that would allow Americans to assess their own financial knowledge, and provide links to trustworthy sources of information to fill in any gaps.

Recommendation 15 – The United States Congress should appropriate funds to the United States Department of the Treasury to coordinate active and ongoing media and marketing outreach to promote more widespread knowledge of general financial education concepts among the American people. These efforts should include direct outreach as well as multi-media campaigns.

Members of the President’s Advisory Council on Financial Literacy

- Charles R. Schwab, Chairman and Founder, The Charles Schwab Corporation, San Francisco, California – Chairman
- John Hope Bryant, CEO and Founder, Operation HOPE, Los Angeles, California – Vice Chairman
- Ted Beck, President and CEO of the National Endowment for Financial Education (NEFE), Greenwood Village, Colorado
- Ted Daniels, President and CEO, Society for Financial Education and Professional Development, Arlington, Virginia
- Vice Admiral Cutler Dawson, President and CEO, Navy Federal Credit Union, Vienna, Virginia
- Robert Duvall, President and CEO, National Council on Economic Education (NCEE), New York, New York
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- Reverend Dr. Robert Lee, Chairman and CEO, Fresh Ministries, Jacksonville, Florida

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