

North Dakota's NEFE High School Financial Planning Program

The situation

Recent studies have documented a lack of financial literacy among youth and adults of all ages in our country. Increased personal debt, bankruptcies, lack of emergency savings, and failure to attain financial goals such as an economically secure retirement are a threat to our state's financial well-being.

The NEFE High School Financial Planning Program (HSFPP) was initiated in 1984 as a public service to increase the financial literacy of America's youth. The six-unit program provides teens with a greater understanding of finances and the ability to manage their personal finances in the areas of goal setting, budgeting, saving, credit, and risk management. The program uses unique games, simulations, case studies, and interactive exercises to provide hands-on experience for students to test and apply the financial principles and concepts being taught.

Through the HSFPP, curriculum resources from the National Endowment for Financial Education (NEFE) are made available without cost to teachers and youth workers with the purpose of making a difference in the way young people look at their finances.

Extension response

More than 10,000 North Dakota high school students and other young people in over 300 classrooms have increased their knowledge of money management skills since the NDSU Extension Service's involvement in the High School Financial Planning Program began in 1992.

Impacts

A recent landmark national study of the effectiveness of this program shows that as a result of participating in the NEFE High School Financial Planning Program (HSFPP), 86% of high school students know more about managing their money.

The NEFE High School Financial Planning Program makes a significant, positive difference in the:

- Personal financial knowledge of teens. Nearly half (47%) knew more about credit costs, and nearly two-fifths (38%) knew more about investments after completing the program.

- Behavior of teens. Nearly two-fifths (37%) improved skills for tracking spending, and nearly half (45%) started saving or began saving more.
- Confidence of teens. Nearly two-fifths (38%) felt more confident about managing their money. Even more important, teens who studied the HSFPP maintained increases in personal finance knowledge and behavior over time. By doing so, they increased their confidence to manage money. After participating in the HSFPP, the students said saving money was their most important action. Other research shows that teens who save are more likely to save as adults.

In an impact evaluation completed in the Fall of 2003 of North Dakota teachers using the program, 22 teachers provided information regarding their use of the program. These instructors taught 88 classes and over 2600 students using the HSFPP materials since the spring of 2000. The educators all found the both the HSFPP student materials and the instructor materials useful - 56% found them useful and 44% found them very useful. These educators also found the semiannual ND HSFPP newsletter useful, with 64% finding it useful, and 36% finding it very useful.

The revised HSFPP curriculum was released nationally in the spring of 2007. The NDSU Extension Service conducted statewide teacher trainings for over 200 educators. In an evaluation of the effectiveness of the training, 55 educators responded and indicated that as a result of this training:

- 97.5% were more confident in teaching Personal Finance.
- 100% have access to current and unbiased materials/resources.
- 97.5% were more aware of resources to assist in teaching Personal Finance Topics.
- 100% would recommend this class to others.

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