Interim Report
President's Advisory Council on Financial Capability
January 18, 2012

Americans' ability to build a secure future for themselves and their families requires the navigation of an increasingly complex financial system. As we recover from the worst economic crisis in generations, it is more important than ever to be knowledgeable about the consequences of our financial decisions. … We recommit to improving financial literacy and ensuring all Americans have access to trustworthy financial services and products.

President Barack Obama
Presidential Proclamation – National Financial Literacy Month
March 31, 2011

Members of the President’s Advisory Council on Financial Capability

John W. Rogers (Chair), Jr., Chairman, CEO, and Chief Investment Officer, Ariel Investments

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January 12, 2012

The Honorable Barack Obama
President of the United States
The White House
1600 Pennsylvania Avenue NW
Washington, D.C. 20500

The Honorable Timothy Geithner
Secretary of the Treasury
Department of the Treasury
1500 Pennsylvania Avenue NW
Washington, D.C. 20220

Dear Mr. President, Secretary Geithner, Members of Congress and fellow citizens:

On January 29, 2010, President Barack Obama signed an Executive Order creating the President's Advisory Council on Financial Capability, succeeding a similar council established by President George W. Bush. Our task, to assist the American people in understanding financial matters and making informed financial decisions, is a critical one at this particular time in our history and for building a vibrant, informed citizenry.

I am pleased, on behalf of the Council, to present this interim report, which details the progress and recommendations we have made over the past year and provides guidance on our planned activities over the coming year. Our Council has made significant progress in providing a framework that federal, tribal, state and local governments, school districts, private sector employers, financial service providers, and community-based organizations can use to achieve the goal of improved financial capability skills and results for all Americans, with a special emphasis on those traditionally underserved. Over the next year, we will formulate final recommendations.

This report is focused on the three themes the Council is emphasizing:

I. Financial education should take its rightful place in American **schools**.
II. We should build a financially capable **workforce** and retiree community, which is necessary for a stable and globally competitive economy.
III. Americans should also learn the core concepts of personal finance at the heart of their lives— in their **families** and in their **communities**.

The financial crisis of 2008 shone a spotlight on the need for improved financial capability in the United States. The sub-prime lending crisis, excessive credit card and student loan debt, are often attributed to predatory practices, but they also result, in part, from the lack of financial knowledge and access on the part of many Americans. The Council believes that improved financial capability can help address these issues, but is even more fundamental to the challenges facing our country. A financially capable population is required for:

- entrepreneurship, which drives job growth;
- restoring economic mobility and reducing the widening income gap; and
- an informed civic dialogue on taxes, entitlements, government debt, and other critical issues facing our country.

We ask all those with an interest in these critical issues to engage with us in developing our final recommendations. The goal of a financially capable population is shared by all Americans.

Sincerely,

John W. Rogers, Jr., Chair

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Executive Summary

The President's Advisory Council on Financial Capability was created January 29, 2010 by Executive Order to advise the President and the Secretary of the Treasury on ways to empower Americans to better understand and address financial matters in order to improve their financial well-being.

FOCUS
In a landscape with numerous financial education choices, products and resources and yet lacking in standards, measures of efficacy, access for many of its citizens, and focused leadership across sectors, the Council spent its first year crystallizing its opportunities into three primary themes based on the places financial education should be delivered in order to reach Americans throughout their life: school, home and community, and workplace. The Council specified as principles that its work would consolidate and boost existing efforts, leverage technology, and account for the needs of the underserved as well as the general population, while retaining a solid basis in research.

APPROACH
Conducting its work through four subcommittees – Financial Access, Partnerships, Research and Evaluation, and Youth – the Council drew upon the expertise of its members and consulted frequently with outside experts from the financial education community, private sector, government and academia. Council members organized and participated in numerous listening sessions across the country and solicited input from the public to help guide its work. Subcommittees and individual Council members collaborated freely across formal lines to integrate their work.

FIRST-YEAR ACCOMPLISHMENTS
- In terms of <u>youth and schools</u>, the Council helped promote record participation in the new version of a nationally-available financial capability challenge, reaching more than 84,000 students. Council members also presented a core blueprint of age-appropriate financial capability concepts that anyone will be able to use to better prepare America's young people for their financial lives.
- Council members benefited from more than a dozen <u>listening sessions</u> on educational standards, innovative workplace financial education initiatives, behavioral economic research, and access issues for underserved populations; as well as sixty-two formally-submitted public comments on the Council's themes and principles.
- The Council conducted an extensive survey of <u>behavioral finance research</u> and provided input to the federal government's Financial Literacy and Education Commission's working group on research and evaluation to identify key knowledge gaps and national research priorities so that future financial capability efforts are built on a valid foundation of information.

FIRST-YEAR RECOMMENDATIONS
In 2011 the full Council reviewed, discussed and unanimously approved recommendations to:
- Spark technologically creative channels to promote financial capability and financial access through a contest in the private sector for mobile device applications ("apps").
- Recommend that the Department of the Treasury support a newly-created private-sector award program recognizing employers that provide outstanding financial education to their employees.
- Support data collection on the financial knowledge and capability of American adults and youth to create baselines and to measure change over time.
- Support development and dissemination of universal outcome metrics, program evaluation standards and financial education research standards to improve the quality and effectiveness of programs and research and help educators choose programs best suited for their learners' objectives.

- Recommend that the United States' participate in the financial literacy module of an internationally-recognized standardized educational assessment for 15-year olds.

NEXT STEPS

In addition to monitoring the progress of projects underway and approved recommendations to date, the Council has identified numerous initiatives it will explore in its second year.

Youth and Schools: Council members, in collaboration with education experts, are committed to exploring K-12 standards and best practices, encouraging financial education in more school districts throughout the country, and focusing on issues related to financing college, including promotion of "pay-as-you-earn" income-based repayment programs and leveraging financial education touch points such as federal student loan entrance and exit counseling.

Adults and Workplace: Council members, in consultation with relevant government experts, are committed to developing direction for federal agencies to improve the financial capability of federal employees as a model to other employers and in developing and spreading best practices within the private sector.

Multigenerational and Community Initiatives: Council members have been studying successful community-based efforts and are working on developing guidelines on how to create strong financial capability programs for localities. Council members also are studying two savings-based initiatives: a proposal to encourage tax-advantaged long-term savings for young people as a way to build financial responsibility and capability from an early age; and a prize-linked savings proposal to provide incentives for regular savings. The Council is particularly interested in the benefits these initiatives offer to underserved and unbanked populations.

Tools and Research: The Council is identifying opportunities to create and/or strengthen the research base of financial capability interventions, and to centralize and standardize the availability and dissemination of research, best practices, metrics, standards and resources for government agencies, educators, employers, communities, individuals and families. Council considerations include recommending the development of guidance for a "Doing What Works" website based on the Department of Education's similarly-named site but focused on financial education and capability. In the wake of reduced federal funding for financial capability research, Council members will endeavor to identify additional funding sources for researchers in the field.

2012 Council Meetings: The Council will hold four meetings in 2012: January 19th, April 9th, July 11th, and November 8th. All meetings are open to the public and meeting materials, reports and transcripts are available on the Council website at http://www.treasury.gov/resource-center/financial-education/Pages/Advisory.aspx .

Financial Capability Challenges and Opportunities in the United States

Although there is general consensus that Americans should have the opportunity to learn and exercise sound personal finance practices, there are numerous indicators that many of us are not financially capable.

In one recent study, adults scored a grade of C in financial literacy, while high school students mainly received failing grades.[1] In another study 49 percent of Americans indicated that it was somewhat or very difficult for them to cover their expenses and pay their bills in a typical month. Roughly half (51 percent) said they sometimes carried over a balance on their credit card(s) and were charged interest. And 12 percent reported that their spending in the past year exceeded their income. Additionally, the majority of Americans do not have a "rainy-day" fund for unanticipated financial emergencies and are not adequately preparing for their children's college education and their own retirement.[2]

While financial education cannot fix financial misfortune stemming from unemployment or high medical expenses, it can give Americans the resources, tools and encouragement to manage their money with greater confidence and help more Americans reach their financial goals.

Financial education is beset with several barriers:

Clutter: The number of financial education resources to choose from is overwhelmingly large. However, quality and efficacy indicators are sorely lacking and there is no clear relationship between the quality of a program and the distribution ability of its provider. In short, it is not clear that the "cream always rises to the top". As a result, those who want to pick from the available pool may suffer choice overload. Research shows that when there are large numbers of choices people are less likely to make a choice.[3]

Lack of standards: There are no universal standards to evaluate the quality and effectiveness of financial education programs and resources. Evaluation practices are dependent on funding, time, human resources, and evaluation design and expertise. The inconsistency, inadequacy and mismatching of standards leads to incongruous results that cannot be used to rate programs.[4]

Access issues: Approximately one-fourth (25.6 percent) of U.S. households are considered unbanked or underbanked.[5] Because these Americans are less likely to have access to appropriately priced and structured financial banking and credit products than higher-income families, they have fewer opportunities to put impactful financial education into practice, yet are more likely to need knowledge and skills to avoid detrimental products and situations.

Persistent financial exclusion: Low- and moderate-income families, minority households, and certain persistently under-resourced communities are likely lacking knowledge, experience and access to share with the next generation. The challenges in such communities are great and multifaceted, and solutions must address complex needs. For example, communities with high drop-out rates may be less likely to provide access to financial education in schools for their children.

Reluctant venues (schools): Many K-12 schools shy away from offering financial education classes due to lack of qualified teachers and lack of time and space in non-financial mandated curricula. Only nine states have formal requirements to assess students' financial literacy.[6] Less than 20 percent of K-12 teachers believe they are adequately prepared to teach personal finance topics.[7]

- Reluctant venues (workplace): Many employers fear liability issues if they provide financial education to their workforce and shelter themselves behind retirement-centric presentations by their 401(k) providers.

Those willing to offer comprehensive financial education often are discouraged by material and human resource constraints.

Lack of research: Impactful pedagogy is based on content- and audience-specific research, both of which are sparse in the emerging field of behavioral economics and financial education. Although the body of knowledge is growing, many significant gaps exist. Scant funding is available for researchers in this arena, especially for longitudinal research, slowing progress in developing research-based solutions.

To successfully bring financial education to all who could benefit from it requires bold – but common sense – action to overcome these challenges. Fortunately, we can build solutions based on what we already know works:

Repetition: Financial education sticks better and is more likely to lead to action the more frequently one hears it, sees it, reads it.[8] Parents can start teaching children as young as 2 about money, and there is no age cutoff – financial education continues to be needed and relevant throughout all life stages.

Temporal proximity: Financial education is more effective when delivered as close in time to a financial decision as possible – the decision equivalent of "point of sale."

Spatial proximity (adults): Financial education in the workplace makes sense – it is where people make their money and their decisions about financial benefits such as health care coverage and retirement savings. Employers who offer financial education may be able to mitigate increased health care costs, absences and lower productivity brought on by financial stress and worry.[9]

Adult learning techniques: Although adults can learn in classroom settings, financial education is better absorbed when it is delivered via different techniques to appeal to the many different learning styles of adults. Research shows greater success when instructors use learner experiences and engage learners in group discussions, and use stories built around diverse characters or drawn from educators' own lives.[10]

Teachable moments: The impact of a financial education lesson is magnified when it can be tied to an immediate decision (helping a child comparison shop with his allowance money) or a current situation (being affected by the national recession). For teens, work experience is a compelling teachable moment, tied with school-based financial education as the second greatest influence (after parents) on good financial attitudes and behaviors.[11]

Teacher preparedness: K-12 teachers are more likely to teach financial education if they are confident in their abilities to do so, and well-prepared teachers experience significant increases in their knowledge and behavior and are much more likely to teach the content.[12, 13]

Schools: Financial education in schools has been shown by research to be the second most important influencer of good financial management practices in young people, after parents.[14] Well-designed and well-funded state mandates, course requirements and testing requirements that weave financial education into standard curricula would insure that most children receive it at least once in grades K-12.

Youth learning techniques: Youth are very likely to be sitting in classrooms if they receive formal financial education, so it should be enlivened with relevant topics, role playing, games, experiential learning techniques, peer discussion and technology-based information delivery to make the greatest impact.

Parents: Research shows that parents are the single greatest influencers of positive financial attitudes and behaviors in their children.[15] They influence their children through modeling, expectations and direct teaching ("talk to your kids about money"). Those who do not know how to start the conversation and do not know what to say need family-based messages and resources to help them get started and guide them throughout their sons' and daughters' childhoods.

Themes and Principles

The Council's assessment of these challenges and opportunities led us to adopt a set of principles which will guide our recommendations, as well as a set of themes to focus our efforts. The themes and principles were published for public comment in the Federal Register[16].

PRINCIPLES

The Council believes that its recommendations must embody several principles if they are to succeed in affecting financial behaviors. Specifically, our recommendations should:

1. **Be focused, impactful, executable and have measureable outcomes.** The Secretary and President deserve recommendations that can be practically, and quickly, implemented and judged for their effectiveness in changing behavior.

2. **Align with, consolidate and boost, rather than supplant, existing efforts of the private, for-profit, non-profit, and governmental sectors.** There are countless extraordinary financial capability efforts underway, many of which simply need help achieving better awareness and broader distribution.

3. **Be consistent with the latest findings in behavioral economics.** Literacy for its own sake is not the goal; financial capability means knowledge-based *action*.

4. **Address issues related to the entire population, and where appropriate, take into account the particular needs of traditionally underserved populations (e.g., women, minorities, low and moderate income consumers, and the elderly).** Recommendations should account for the different needs of different segments of our population.

5. **Leverage the use of technology to engage, inform, and impact behavior.** Technology can help us provide content and coaching closely associated with "teachable moments" in financial capability.

There were sixty-two public comments from individuals, nonprofits, financial institutions, government, associations and academia. The principles were received with great enthusiasm and the majority of the commenters declared them "right on target". Some of the points highlighted by the commenters include: the need for more research to determine effective approaches that deliver positive outcomes; and the need to raise public awareness of the need for financial literacy was mentioned. In addition, integration was emphasized many times, for example, integrating financial education into existing adult programs such as social services or other government touch points, integrating financial education into K-12 existing curricula. The positive role that technology can play, and providing teachers with the appropriate training were also common areas of comment.

THEMES

Based on a review of the research, the Council decided to concentrate its final recommendations into three "venues" where our citizens are likely to be receptive to effective financial capability education and improved access. (In all three cases, we will take into consideration the particular needs of traditionally underserved populations). These three venues, or themes, are:

Theme I. Financial education should take its rightful place in American schools.

Rationale: Financial illiteracy is widespread in the United States and Americans, including students, are worse off because of this. Low levels of financial literacy appear to be tied to higher rates of being "unbanked", higher levels of indebtedness, lower rates of wealth accumulation, and lower rates of retirement planning.[17] Eighty-two percent of Americans[18] and eighty-nine percent of teachers[19] think personal finance should be taught to all students at least as early as high school. In particular, navigating whether and how to pursue higher education and how to finance this investment is critical, but many students appear unprepared to do it. Two million enrolled college students eligible for Pell Grants did not apply for federal aid, leaving money on the table[20]; two-thirds of students taking private loans did not exhaust more affordable, flexible federal aid first[21]; and at a time when student loan debt now exceeds credit card debt in America, student loan defaults are on the rise. Students need to be provided with effective financial education *before* they enter into financial contracts, yet:

- Financial education and debt management programs aimed at students receiving federal student loans are unevenly administered and rarely evaluated.

- While there are many financial literacy programs aimed at America's students from pre-kindergarten through college and beyond, there is a dearth of research on the effectiveness of these programs and their impact on subsequent behavior.

Theme II. We should build a financially capable workforce and retiree community, which is necessary for a stable and globally competitive economy.

Rationale: Delivering financial education and access in the workplace – and providing employers with cost-effective models of high-quality financial guidance and related benefits – has the potential to positively impact 138 million Americans.[22] Encouraging workplace financial education and access can drive positive behavioral change during the life stages at which most adults make critical decisions regarding savings, retirement planning, insurance and other benefits.

- What American adults actually know about personal finance and math is sharply lower than what they think they know. Almost half (48 percent) who gave themselves the highest score in math were not able to do two calculations involving interest rates and inflation.[23]

- Seventy-six percent of Americans say they are stressed about money.[24]

- Over two-thirds of employers say that financial stress contributes to health costs at their company. Fifty-eight percent say that financial "illness" contributes to employee absences at their companies, and 78 percent also agree that employees are less productive at work when worrying about personal financial problems.[25]

- Employee Assistance Program providers have seen an 88 percent increase in requests for help with financial matters since the economic downturn began.[26]

Theme III. Americans should also learn the core concepts of personal finance at the heart of their lives— in their families and in their communities.

Rationale: Families and the communities in which they live are the core social and economic units of American society -- the key environments within which financial capability can be taught and learned with long-lasting effectiveness. Responsibility for modeling and teaching financial capability begins in the family and extends to the local community of businesses, financial institutions, schools, non-profits, and even places of worship. Parents need to start the conversation (e.g., "talk to your kids about money"), and we need to provide the public, especially low and moderate income families, the learning tools and the financial access to become financially capable.

- Even if parents do not model positive financial behaviors in front of their children, they influence positive financial behaviors through their expectations for their children. Also, they influence their children through direct teaching.[27]

- In addition, a growing body of research has been coalescing around the notion that young children can grasp rudimentary financial concepts.[28]

- Among youth who expected to graduate from a four-year college, those with a savings account in their name were approximately six times more likely to attend college than those with no account.[29]

- "Communities are an important entry point for social change.…" They affect individual and family well-being and their influences are amenable to change.[30]

The financial crisis of 2008, in part, demonstrated the lack of understanding of basic financial management information and skills, and the lack of access to fair, affordable, and appropriate financial products and services, which was costly to society and disproportionately impacted America's low- and middle-income earners. Our country loses valuable human capital as Americans, who struggle for daily financial survival, are unable to pursue higher education or focus their talents on innovation, entrepreneurship and intellectual contributions to the nation's progress.

With respect to the themes, the public comments were very supportive as well. A significant number of commenters agree that theme one is very important and they thought it should be made mandatory. Many also agreed that schools and teachers are not provided adequate resources to fulfill the theme's goals. Most commenters believe that schools must be provided with more funding and teachers must receive training in order to fulfill the goal of this theme. In terms of theme two, many commenters agreed that an effective way to provide financial capability to adults is by encouraging employers to incorporate financial capability in the work environment. A few commenters recommend that employers should be given incentives to start financial education initiatives such as tax credits or company recognition. Lastly, theme three had numerous commenters express support for this theme because they believe that financial capability activities in families and communities will help create a long-lasting effect. Commenters also emphasized that interpersonal interactions to communicate about finances can be very effective.

The public comments were helpful in confirming that the PACFC is on the right track, generally very supportive of the principles and themes, did not suggest that the Principles or Themes should be altered, and will be useful as input as concrete recommendations are finalized.

Youth Subcommittee

Purpose

The Youth subcommittee has been focused from its inception on the need to improve the financial capability of students before they graduate high school and taken on debt often associated with post high school studies. Finding ways to improve the financial capability of young Americans is a primary goal of the Council.

Accomplishments

1. **Financial Capability Challenge.** In 2011 more than 84,000 students participated in the National Financial Capability Challenge, run by the Department of the Treasury in coordination with the Department of Education. The challenge, based on a recommendation of the prior Council, is program designed to increase the financial knowledge and capability of high school aged youth across the United States so they can take control over their financial futures. Top-scoring students receive award certificates, and schools and states with the highest participation rates earn special distinction. In addition, The Charles Schwab Foundation provided scholarship awards to high-scoring students, and the Investment Company Institute Education Foundation offered awards to high-scoring students in the District of Columbia. This year Council members aggressively promoted the challenge with their organizations' constituencies, encouraging teachers to participate. Overall, 2,517 educators registered and administered the challenge, resulting in a 9% increase in students taking the Challenge over the previous year. Students scored 69% on average, with 563 perfect scores. The states with the highest average scores were Idaho, Vermont, South Dakota, Oregon, and Maine. The five states with the highest participation were Pennsylvania, Virginia, New Jersey, Florida, and Wisconsin.

2. **Money Milestones.** The Money Milestones initiative distills the multitude of financial guidelines that currently exist for children into essential, age-appropriate concepts. Jargon-free, written in clear, accessible language, the Milestones are designed to help families by providing parents with the financial knowledge children should be expected to master as they grow. Each Milestone is mapped to existing standards, curricula, and competencies, including those from the Financial Literacy and Education Commission's Core Competencies, Jump$tart Coalition's National Standards, NFTE's Your Financial Future, and NEFE's High School Financial Planning Program. Experts in academia, education, and financial literacy have weighed in, and Council members continue to receive feedback on the Milestones, and on how to monitor their effectiveness through measurable benchmarks and behavioral changes. The Council created preliminary sketches as examples of how the Milestones could be presented to the public, the goal being a multi-platform public awareness campaign analogous to the President's Challenge fitness program of the President's Council on Fitness, Sports, and Nutrition. The Milestones were presented to the Council at the November 8th, 2011 meeting. The presentation on the milestone can be found on the Treasury website at the following link: http://www.treasury.gov/resource-center/financial-education/Pages/November82011.aspx. Our hope is that milestones can help reduce clutter and serve as a rallying point for educators interested in youth financial capability.

3. **K-12 Standards and Curricula**. The Youth Subcommittee held a listening session on November 16th, 2011 at Michele Clark High School in Chicago in conjunction with the Chicago Public Schools. Moderated by Council member, Beth Kobliner, the panel explored innovative techniques for teaching entrepreneurship and financial capability to high school students. Included was a student demonstration of Young Illinois Saves, a program sponsored by Chicago City Treasurer,

The Honorable Stephanie Neely and America Saves of the Consumer Federation of America. Also included was discussion of student loans and financial aid maximization by Hector Gonzalez of the Chicago Public Schools and Ruben Fernandez of the non-profit organization, Ladder Up.

Recommendation

PISA Financial Capability Module. In July, 2011 the Youth Subcommittee recommended to the Council that the United States participate in the financial literacy module developed for the 2012 Programme for International Student Assessment (PISA). PISA is an internationally standardized assessment administered to 15-year-olds in Organization for Economic Co-operation and Development (OECD) countries every three years. In 2009, the year of the most recent administration, 65 countries and education systems participated. Between 4,500 and 10,000 students in each country take PISA, providing policymakers and other stakeholders with a foundation for statistically valid comparisons of students' capabilities in mathematics, reading, and science literacy.

In 2012, PISA will offer an assessment of financial literacy as an optional add-on to the main assessment. PISA 2012 will be the first large-scale international study to assess the financial literacy of young people: another opportunity to gather data of this caliber will not emerge for at least a decade. Participating OECD countries will be included in an international report comparing results cross-nationally, as well as a dataset that can be used for further analyses.

PACFC Youth Subcommittee members believe this information is critical to providing educators, curriculum and resource developers, researchers, policymakers and others with:

- information about gaps in financial knowledge among young people that can inform the development of more targeted programs and policies;
- an indication of the extent to which existing financial education in schools, where provided, is improving levels of financial literacy; and
- a means of comparing levels of financial literacy across countries.

The Council approved this recommendation. The Department of Education has confirmed that based on a successful pilot study, the United States will participate in the 2012 PISA financial literacy assessment.

Next Steps

1. **Financial Capability Challenge 2012.** This year's Challenge is scheduled to run from March 12 through April 2012 The Charles Schwab Foundation and the Investment Company Institute Education Foundation will again be offering college awards to high-achieving students.

2. **Money Milestones.** In the coming months, the Council will continue to gather feedback related to the Milestones themselves and work with Treasury and other agencies to discuss how to best use and distribute the content.

3. **Student loans.** Financing college is the first major financial obstacle that many students face. With the President's announcement of new initiatives related to income-based repayment and other student loan solutions and rule modifications, Council members look forward to working in collaboration with the Department of Education to promote these "pay-as-you-earn" programs and ensure their effective administration.

   While there are many elements of this topic, subcommittee members are also interested in entrance/ exit loan counseling. Students who take out federal loans are required to complete loan counseling, but its scope and rigor can vary widely. Uncovering and promulgating best practice counseling programs and modules, through a competition, would encourage colleges to use this critical touch point as a chance to increase students' financial capability around loans, debt management, credit cards, and other topics. As we encourage students from low-income communities to attend college, we should also encourage colleges to ensure that their students graduate with the financial capability to manage a reasonable debt burden.

4. **K-12 Standards and curricula.** The Youth subcommittee is working with educators and non-profits to identify best practices in K-12 financial capability education. The committee is considering ways that it might help accelerate the adoption of financial capability requirements and teaching in more school districts throughout the country.

Partnerships Subcommittee

Purpose

The Partnerships Subcommittee was charged with strengthening and enhancing coordination between public and private-sector financial capability resources to better equip consumers with critical financial skills. Subcommittee members have focused on two overarching goals:

- **Supporting leadership, coordination and role clarity among federal, tribal, state and local agencies on the issues of financial education, access and empowerment.** More than 20 federal agencies provide financial education and/or funding for such programs, and while the Financial Literacy and Education Commission (FLEC) has in recent years made significant progress in reducing overlap and promoting the sharing of best practices, more needs to be done. At the same time, an ever-increasing number of tribal, state and local governments are recognizing the importance of financial capability in their communities. Opportunities exist to enhance effectiveness and efficiency through greater coordination.
- **Encouraging employers in the government, private and non-profit sectors to become a primary delivery point for financial education.** Such an effort has the potential to reach more than 138 million working Americans at a time when financial matters are extremely relevant. Employers tend to be trusted deliverers of key financial skills, and have an increasing incentive to ensure employees are free of financial stress at the workplace. But there has been, to date, little coordinated effort to provide financial capability materials and resources to employers that want to embrace this role.

Accomplishments

1. **Workplace Leaders in Financial Education Award.** The Council approved a recommendation by the Partnerships Subcommittee recommending that the Treasury Department support the Workplace Leaders in Financial Education Award, administered by the American Institute of Certified Public Accountants (AICPA) and the Society for Human Resources Management (SHRM). This award was launched in 2011, based upon a recommendation of the President's Council on Financial Literacy in 2008. More than 300 applications were received and nine organizations were named winners by the panel of judges. Winners will be recognized during the January 2012 meeting of the President's Advisory Council on Financial Capability.

2. **Listening Sessions on Workplace Education**. The Partnerships Subcommittee held two briefings in Washington, DC, in September and November 2011, featuring guest presentations about innovative workplace financial education programs from the U.S. Office of Personnel Management, New York Stock Exchange, MetLife and American Express.

Recommendation

Workplace Leaders in Financial Education Award. The Partnerships Subcommittee recommended that Treasury support the program. Approved by the full Council on April 21, 2011.

Next Steps

1. **Federal Workplace.** The Partnership Subcommittee plans a recommendation on improving financial capability for federal employees. The committee has consulted with the Office of Personnel Management (OPM) and the Treasury Department to help develop a recommendation that the President direct federal agencies to improve the financial capability of federal employees. The recommendation will contain a number of steps that OPM could undertake to accomplish this goal.

2. **Private Sector Workplace.** In addition to a recommendation on the federal workplace, the subcommittee plans to focus on private sector workplace financial capability. The committee has been examining and will continue to examine innovative private-sector programs that could be used to expand the availability of high-quality financial capability activities in workplaces around the country.

3. **Financially Capable Communities.** Finally, in conjunction with the financial access subcommittee, the partnerships subcommittee had been working on a recommendation related to helping communities create strong financial capability programs for their citizens. The subcommittee has been developing a "how to guide" for communities that includes information on how to create a local financial capability council, as well as resources available so that communities can adapt successful initiatives to the needs of their population.

Financial Access Subcommittee

Purpose
The *2009 FDIC Survey of Unbanked and Underbanked Households* revealed that one of every four American households is unbanked or underbanked. The Financial Access Subcommittee was established to examine this issue and to provide recommendations on promoting private-sector development of financial products and services that will benefit unbanked and underbanked consumers, focusing in particular on the low and moderate income population. In that regard, the Financial Access Subcommittee has explored and assessed: 1) on-going financial programs, products and services that promote financial access, 2) emerging technologies that could benefit and facilitate the financial needs and financial access of the unbanked/underbanked, and 3) the FDIC, NCUA, and Department of Education partnership in terms of youth financial access, education, and savings.

Going forward, this subcommittee will also take on the broader issue in our third theme of how to engage more families and communities.

Accomplishments

Listening Sessions on Financial Access. Over the past year, Financial Access Subcommittee members have either hosted or attended the following listening sessions, town hall meetings and expert briefings to learn of and address solutions to the financial challenges facing the American people:

a. The Federal Reserve Bank of Chicago & VISA's 5th Annual Financial Literacy and Education Summit
b. The Indianapolis Campaign for Financial Fitness listening session,
c. The Center for Financial Services Innovation information briefing,
d. The Society for Financial Education and Professional Development's 4th Annual Financial Literacy Leadership listening session,
e. Atlanta Town Hall Meeting on Financial Capability,
f. Federal Reserve Bank of St Louis' Innovations in Savings and Financial Education forum,
g. The Step-Up Savannah presentation information briefing/listening session
h. SaveUp presentation
i. Briefing and discussion with the Cities for Economic Empowerment in Los Angeles
j. The FDIC, OCC, NCUA, and CFPB Federal Regulators' Briefing.

Recommendation

Mobile Application Challenge. On April 21, 2011 the full PACFC approved the Financial Access Subcommittee recommendation to have the Treasury hold a challenge in the private sector to create applications ("apps") for mobile devices that promote financial access. Since late April, Treasury's Office of Financial Education and Financial Access has been developing procedures, securing non-profit providers to conduct the challenge, and obtaining funding to move forward with the competition.

Next Steps

1. **Roth at Birth**. The Council believes that the development of specific transactional accounts and savings vehicles for children are instrumental in addressing financial access and potentially important in financial education for children. As a result, the Council is studying the possibility of a "Roth at Birth" account. This concept proposes a slight revision to the federal Roth IRA account. In essence, this allows for contributions to be made that are not solely based on earned income until the child turns 18 and would: 1) add 18-30 years of compounded interest to the value of a young persons' net worth and 2) would make it easier to assess if such accounts improve positive financial behaviors over the child's lifetime.[31] The Roth at Birth would follow similar Roth IRA restrictions on withdrawals (higher education, first home purchase, and retirement) and allowable contribution levels. The Financial Access Subcommittee will continue to explore the child savings account issue and provide and/or support a recommendation for consideration in the near future.

2. **Prize Linked Savings**. The Financial Access Subcommittee is also exploring the concept of Prize Linked Savings, an innovative savings initiative that provides incentives to individuals to save by offering a prize and/or reward based on the number and value of deposits into a savings account. Of particular interest to the Subcommittee is the SaveUp rewards initiative that not only offers rewards for saving, but also, and equally important, provides rewards for paying down debt. The SaveUp program was briefed to the Subcommittee in October and launched nationwide in early November. The Financial Access Subcommittee will monitor the progress of this program over the coming months to determine its impact, as it relates to: 1) encouraging savings, especially among low and moderate income individuals, and 2) paying down debt.

3. **Financially Capable Communities**. The successful work we have seen by the Cities for Financial Empowerment (CFE) Coalition and the Indianapolis Campaign for Financial Fitness (ICFF) speaks highly of the executive branch in each city, and their desire to increase financial capability, empowerment and access for their citizens. The Financial Access Subcommittee firmly believes the

excellent work and accomplishments experienced by the CFE are directly related to one common denominator --- the influence and proactive support of each of their Mayors.

We are also encouraged by the Partnership Subcommittee's work with the National Conference of Black Mayors, which plans on initiating a new 2012 Financial Literacy Campaign to rally 700 Mayors to create local economic empowerment initiatives for its local citizens.

Moving forward, the Financial Access Subcommittee intends to further study CFE and ICFF's strategies, and the NCBM's work to ascertain whether their concepts can be successfully replicated in communities across the nation.

Research Subcommittee

Purpose

Ongoing and rigorous financial education and financial access research and evaluation will lead to better understanding of the barriers to widespread financial capability, and of the effectiveness of interventions that aim to address them. This subcommittee provides insight and guidance to the other committees to ensure that their recommendations are research-based and incorporate appropriate success metrics. The subcommittee is also exploring several themes aimed at facilitating the identification of, and access to, effective financial education programs by policy makers and practitioners; improving the measurement and evaluation of financial education programs; and increasing access to research and evaluation resources.

Accomplishments

1. **Research Gaps.** The subcommittee identified the following research topic gaps:
   - **a.** Elder Americans: wealth distributions (retirement savings, life insurance, etc.), diminished capacity, and fraud.
   - **b.** Financial decision making related to postsecondary education, including college student loans and other debt.
   - **c.** Integration of financial education (skills and access) with "teachable moments" such as starting a new job, getting a student loan, getting a mortgage, etc.
   - **d.** The subcommittee will continue to review research in the field and add new topics to the list as they are identified.

2. **National Research Priorities.** Subcommittee members joined the Financial Literacy and Education Commission (FLEC) working group in September 2011 to discuss national research priorities, resulting in identification of three areas of focus: delivery and access; evaluation; and risk.

Recommendations

1. **PISA Participation**. (Jointly with the Youth Subcommittee) U.S. students should participate in the financial literacy module developed for the 2012 Programme for International Student Assessment (PISA). Approved by the full Council, July 12, 2011.

2. **Outcome Metrics**. The Department of Treasury leads the development and dissemination of a core set of outcome metrics to help stakeholders assess the effectiveness of financial capability programs. Approved by the full Council, November 8, 2011.

3. **Research Standards**. The Department of Treasury supports the development and publication of program evaluation and research standards tailored to the needs of the financial capability community. Approved by the full Council, November 8, 2011.

4. **National Financial Capability Study**. That the US Department of the Treasury be supportive in appropriate ways to FINRA's second wave of the National Financial Capability Study (conducted by the FINRA Investor Education Foundation) be fielded in 2012 and that the Department of the Treasury and other relevant agencies consult where requested by FINRA on the development of, fielding of, and dissemination of data from the Study. Approved by the full Council, November 8, 2011.

Next Steps

1. **National Research Priorities**. The subcommittee will continue working with FLEC on a flexible list of national research priorities.

2. **"Doing What Works" Website**. Subcommittee members will continue researching a possible recommendation around development of a "Doing What Works" financial education website, modeled on the Department of Education's "Doing What Works" website (http://dww.ed.gov). The website would focus on dissemination of best practices, common metrics and standards, data on Americans' financial attitudes and practices, and other relevant content.

3. **Metrics and Standards**. The subcommittee will keep abreast of Treasury's progress on recommendations #2 (Outcome Metrics) and #3 (Research Standards) above, and offer guidance and assistance throughout the process.

4. **Research Funding**. In the wake of reduced federal funding for financial capability research, the subcommittee will endeavor to identify additional sources of funding for researchers in the field.

Appendix A: Council Subcommittees Membership

Financial Access

Chair:	**Arty Arteaga**
Members:	Ted Beck
	Janie Barrera
	Sherry Salway Black
	John Bryant
	Samuel Jackson
	John Rogers (ex-officio member)
	Ken Wade

Research and Evaluation

Chair:	**Ted Beck**
Members:	Amy Rosen
	Rick Ketchum
	John Rogers (ex-officio member)
	Ken Wade

Partnerships

Chair:	**Carrie Schwab-Pomerantz**
Members:	Arty Arteaga
	John Bryant
	Rick Ketchum
	Barry Rand
	John Rogers (ex-officio member)
	Amy Rosen

Youth

Chair:	**Amy Rosen**
Members:	Ted Beck
	Sherry Salway Black
	John Bryant
	Samuel Jackson
	Beth Kobliner
	John Rogers (ex-officio member)
	Carrie Schwab-Pomerantz

Appendix B

The members of the President's Advisory Council wish to thank the following individuals for sharing their experience, insights, and opinions and for their support of the Council's efforts:

Debbie	Arnold	NFC Forum
Richard	Arum	NYU
Winnie	Ballard	Indianapolis Campaign for Financial Fitness
Sandy	Boost	SHRM
Ray	Boshara	Federal Reserve Bank of St. Louis
Kelvin	Boston	Moneywise
David	Carroll	McDonald's Corporation
Judy	Chapa	Financial Services Roundtable
Jennifer	Cheatham	Chicago Public Schools
Jose	Cisneros	Treasurer, City of San Francisco
Jim	Clifton	Gallup Corporation
Paul	Cloutier	Levanto Financial
Bridget	Coffing	McDonald's Corporation
Michael	Collins	Center for Financial Security, UW-Madison
Eleni	Constantine	CFPB
Suzanne	Curren	Andrews FCU
Jon	Dauphine	AARP
Daniel	Dodd-Ramirez	Step-Up Savannah & CFE
Maura	Donlan	GMMB
John	Doyle	Doyle McDonald
Richard	Enswiller	Texas Credit Union League
Matt	Fellowes	HelloWallet
Ruben	Fernandez	LadderUp
Deb	Figart	Stockton Center for Economic and Financial Literacy
Tim	Flacke	Doorways to Dreams
Hector	Gonzalez	Chicago Public Schools
Michelle	Greene	NYSE Euronext
Kathy	Griffin	MoneyU.com
Priya	Haji	Save Up
Melora	Heavey	AICPA
Gail	Hillebrand	CFPB
Steven	Hilton	McDonald's Corporation
Artemis Bakopoulos	Hiss	McDonald's Corporation
Jeanne	Hogarth	Federal Reserve Board
Andrea	Ingram	Museum of Science and Industry
Kathy	Jacoby	MetLife
Mark	Kantrowitz	Fastweb.com and Finaid.org
Christine	Kieffer	FINRA

Suyeon	Kim	Edulender
Lois	Kitsch	National Credit Union Foundation
Barbara	Kontje	American Express
Holly	Kuzmich	US Chamber of Commerce
Laura	Levine	CEO JumpStart Coalition
Margaret	Libby	Mission SF Community Financial Center
Annamaria	Lusardi	Dartmouth College
David	Mancl	Wisconsin Office of Financial Education
Megan	McClean	National Association of Financial Aid Administrators
Ken	McDonnell	ASEC
Beth	Merlo	Defense Credit Union Council
Jason	Milton	Gallup
Jonathan	Mintz	New York City & CFE
David	Mitchell	GMMB
Martin	Moe	Chicago Public Schools
Robert	Mooney	FDIC
Nan	Morrison	Council of Economic Education
Stephanie	Myers	AFT
Stepanie	Neely	City of Chicago
David	Nelms	Discover Financial
Cheryl	Oldham	Institute for a Competitive Workforce
Richard	Oliver	Atlanta Federal Reserve Bank
Betsy	Palmer	TIAA-CREF
Janet	Parker	SHRM
Luis	Pastor	Latino Community Credit Union
Matt	Pippin	CFPB
Christine	Poorman	NFTE
William	Porro	ACCESS Miami & CFE
Peggy	Powell	America's Credit Union Museum
Andrea	Prejean	NEA
Ida	Rademacher	CFED
Carl	Rist	CFED
Linda	Rosen	Change the Equation
Cliff	Rosenthal	National Federation of CDCUs
Dallas	Salisbury	EBRI
Jason	Saul	Mission Measurement
Bucky	Sebastian	National Credit Union Foundation
Jean	Setzfand	AARP
Sue	Sporte	Consortium on Chicago School Research
Michael	Staten	University of Arizona
Leslie	Sutton	Discover Financial
Tonya Moisette	Sweat	NCUA

Erica	Swerdlow	Burston Marsteller
Jennifer	Tescher	CFSI
Matthew	Towson	Discover
Mary	Viola	McDonald's Corporation
David	Vitale	Chicago Public Schools
Robyn	Wainner	Step-Up Savannah &CFE
Tisha	Wallace	Belvoir FCU
Elizabeth	Warren	Harvard University
David	Weaver	SSA
Randi	Weingarten	AFT
Barry	Wides	OCC
Jaime	Zapata	GMMB

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George Barany, America Saves
Ellen Chube, Ariel Investments
Kristine Dixon, Charles Schwab
Billy Hensley, NEFE
Christine Kieffer, FINRA
Gary Mottola, FINRA
Brent Neiser, NEFE
Ainsley O'Connell, NFTE
Amar Parikh, Ariel Investments
Leslie Schnur, Beth Kobliner Company
Patricia Seaman, NEFE
Bob Solomon, Ariel Investments and Software Platform Consulting
Michael Townsend, Charles Schwab

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Thomas Kalil, White House
Ray Kirk, Office of Personnel Management
Alan Krueger, White House
Phil Martin, Department of Education
Greg Nelson, White House
John Oxtoby, White House
Pete Rouse, White House
Racquel Russell, White House
Zakiya Smith, White House
Gene Sperling, White House
Constance Steinkuehler Squire, White House
Michael Strautmanis, White House

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Neal S. Wolin – Deputy Secretary of the Treasury
Mary John Miller – Assistant Secretary Financial Markets
Cyrus Amir-Mokri – Assistant Secretary Financial Institutions
Michael S. Barr – Former Assistant Secretary Financial Institutions
Joshua L. Wright – Acting Director Office of Financial Education and Financial Access
Louisa Quittman – Director, Community Programs
Dubis Correal – Former Director, Office of Financial Education
Sophie Raseman – Special Assistant

Appendix C Endnotes

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Appendix D: Council Member Biographies

John W. Rogers, Jr. (Chair)–Chairman, CEO, and Chief Investment Officer, Ariel Investments
John W. Rogers, Jr. is the Chairman, CEO, and Chief Investment Officer of Ariel Investments, a firm he founded in 1983 to focus on undervalued small and medium-sized companies. Mr. Rogers currently serves as a board member of Aon Corporation, Exelon Corporation and McDonald's Corporation. Additionally, he is chairman of the Economic Club of Chicago, a director of the Chicago Urban League, a trustee of the University of Chicago, chairman of the board of trustees for the University of Chicago's Laboratory School, and a member of the board of the John S. and James L. Knight Foundation, where he chairs the investment committee. Mr. Rogers served as a co-chair for the Obama-Biden Presidential Inaugural Committee. In 2008, Mr. Rogers was awarded Princeton University's highest honor, the Woodrow Wilson Award, presented each year to the alumni whose career embodies a commitment to national service. In 2010, he was named an Outstanding Director by the Outstanding Directors Exchange for his leadership on governance, management and diversity in the boardroom.

Amy Rosen (Vice Chair)–President and CEO, the Network for Teaching Entrepreneurship (NFTE)
Amy Rosen is President and CEO of the Network for Teaching Entrepreneurship (NFTE), a global non-profit which provides programs designed to inspire young people from low income communities to succeed in school and in life by seizing educational opportunities and starting their own businesses. For over a decade, Rosen has worked on issues confronting the United States public education system as a Fellow at the Broad Urban Superintendents Academy and as the Chief Operating Officer for New Visions for Public Schools. Rosen also served as a Presidential Appointee to the Amtrak Board of Directors, Vice Chairman of the NJ Transit Board of Directors, Deputy Commissioner of the NJ Department of Transportation, and Senior Vice President of Lockheed Martin Information Management Services. Rosen currently Chairs the Board of TEAM SCHOOLS, the network of KIPP Charter Schools in Newark.

Janie Barrera–Founding president and Chief Executive Officer of ACCION Texas Inc.
Janie Barrera is the founding president and Chief Executive Officer of ACCION Texas Inc. Created in 1994, ACCION Texas Inc. provides small loans and management training to individuals and small businesses in Texas and Louisiana. San Antonio Business Journal listed Ms. Barrera as one of "Twenty Defining Players: People Who Have Helped Shape the City." She also has served on many national, state and local boards, including the Federal Reserve Board's National Consumer Advisory Council. Ms. Barrera received a B.S. from Corpus Christi State University in Corpus Christi, Texas and an M.B.A. from the University of the Incarnate Word in San Antonio, Texas.

Roland Arteaga–President and CEO, The Defense Credit Union Council (DCUC)
Roland Arteaga is the President and CEO of the Defense Credit Union Council (DCUC), a position he has held since 2000. In this capacity, he represents the interest of credit unions operating on military bases worldwide, serving as their primary liaison and conduit to the Pentagon. Prior to joining DCUC, Mr. Arteaga served in the United States Army from 1971 to 1999. Among his key assignments while on active duty were his battalion level command of the 230th Finance Support Unit, his deployment to Desert Shield/Desert Storm, his selection as the Senior Military Assistant and Executive Officer to the Assistant Secretary of the Army for Financial Management, and Comptroller and Commander of the United States Army Finance Command at the Pentagon. An ex-officio member of the Defense Credit Union Council's Executive Committee and ex-officio board member and Treasurer of the Armed Forces Financial Network, Arteaga serves on the National Partners Coordinating Committee for the Military Saves campaign and is also a member of the American Society Military Comptrollers.

Ted Beck–President and CEO, The National Endowment for Financial Education (NEFE)
Ted Beck is the President and CEO of the National Endowment for Financial Education (NEFE). He is a former member of the President's Advisory Council on Financial Literacy, and currently serves on the FDIC Advisory Committee on Economic Inclusion. He is chairman of the board of the national JumpStart Coalition for Personal Financial Literacy. Prior to his appointment at NEFE, Mr. Beck served as Associate Dean of Executive Education and Corporate Relations at the University of Wisconsin-Madison School of Business, and previously spent more than 20 years in senior management positions for Citibank/Citigroup. Beck currently is a member of the advisory board of Driehaus Mutual Funds and serves on the board of the Wisconsin Alumni Association. He previously served as Chairman of the Advisory Board of Directors of Gammex, Inc., and served on the boards of Keylab, Madison Committee on Foreign Relations, International University Consortium for Executive Education, the Graduate School of Banking, the Wisconsin Public Utility Institute, Citicorp Securities, Inc., and the Cleveland Playhouse.

Sherry Salway Black–Director of the Partnership for Tribal Governance at the National Congress of American Indians
Sherry Salway Black is the Director of the Partnership for Tribal Governance at the National Congress of American Indians. She is the former Senior Vice President of First Nations Development Institute, a Native-led nonprofit organization that works to improve the economic condition of Native Americans through promoting business development and financial literacy. Ms. Black is a member of the Honoring Nations Board of Governors, a program established by the Harvard Project on American Indian Economic Development to celebrate, document, and disseminate outstanding success stories in governance among American Indian nations. She also serves on the boards of First Peoples Fund and the Johnson Scholarship Foundation. Ms. Black is a member of the Oglala Lakota Nation in Pine Ridge, South Dakota. Ms. Black earned her B.S. from East Stroudsburg University and her M.B.A. from the University of Pennsylvania's Wharton School of Business.

John Hope Bryant–Founder, Chairman and CEO, Operation HOPE
John Hope Bryant is the founder, Chairman and CEO of Operation HOPE, a nonprofit founded in 1992 that focuses on financial literacy and providing financial services for the underbanked in 70 U.S. communities and South Africa. He is also the co-founder of Global Dignity and a member of the Forum of Young Global Leaders for the World Economic Forum and the Global Agenda Council for the World Economic Forum. Mr. Bryant served as the vice chair of the President's Advisory Council on Financial Literacy (PACFL) and as the chairman of PACFL's Committee on the Underserved. He is also the author of "Love Leadership: The New Way to Lead in a Fear-Based World." Mr. Bryant has received numerous awards and citations for his work to empower low-wealth communities including the Use Your Life Award from Oprah Winfrey and a 1994 selection by Time magazine as one of America's 50 Most Promising Leaders of the Future.

Samuel T. Jackson–Founder, Chairman, and CEO, The Economic Empowerment Initiative, Inc.
Samuel T. Jackson is the Founder, Chairman, and CEO of the Economic Empowerment Initiative, Inc., founded in 2001. He is a member of the Board of Directors for the Southern Regional Council, National Association of African-Americans in Human Resources-Atlanta Chapter, Ryan Cameron Foundation, and Georgia Council on Economic Education. Mr. Jackson was honored with the Martin Luther King, Jr. Community Service Award by Emory University's Goizueta Business School and Rollins School of Public Health for excellence in community innovation and change.

Richard Ketchum–Chairman and CEO, the Financial Industry Regulatory Authority (FINRA)
Richard Ketchum is the Chairman and CEO of the Financial Industry Regulatory Authority (FINRA). Prior to joining FINRA, he was CEO of NYSE Regulation, Chief Regulatory Officer of the New York Stock Exchange and General Counsel of the Corporate and Investment Bank of Citigroup, Inc.

Previously, he spent 12 years at the National Association of Securities Dealers and The NASDAQ Stock Market, Inc., where he served as president of both organizations. He also worked at the Securities and Exchange Commission for 14 years, with eight of those years as Director of the Division of Market Regulation. He currently sits on the Board of Directors of Appleseed, a non-profit network of 16 public interest justice centers in the United States and Mexico.

Beth Kobliner–Personal Finance Commentator, Journalist, and Author
Beth Kobliner is a personal finance commentator, journalist, and author of the *New York Times* bestseller *Get a Financial Life: Personal Finance in Your Twenties and Thirties*. She has written on all aspects of personal finance for a range of publications, including *Money* magazine, *The New York Times*, *The Huffington Post*, *Parade, Glamour,* and *Redbook*. Ms. Kobliner has a regular segment on public radio's *The Takeaway*, a program produced in partnership with the BBC World Service and *The New York Times*. She has been a repeat guest on *The Oprah Winfrey Show*, CNN, CBS, NBC's *Today Show*, NPR, and PBS. An advisor to the Women's Institute for a Secure Retirement, Ms. Kobliner participated in the Center for Strategic and International Studies' National Commission on Retirement Policy. She is a content advisor to Sesame Workshop's upcoming Financial Education Initiative, a bilingual outreach program to promote financial literacy in very young children.

Addison Barry Rand–CEO, AARP
Addison Barry Rand is Chief Executive Officer of AARP, a nonprofit, nonpartisan organization with a membership that helps people 50+ have independence, choices and control in ways that are beneficial and affordable to them and society as a whole. He has served as Chairman and Chief Executive Officer of Avis Group Holdings, Chief Executive Officer of Equitant Ltd., and Executive Vice President for Worldwide Operations at Xerox Corporation. Mr. Rand has served as the Chairman of the Board of Trustees at Howard University since 2006 and has also served on the boards of the Urban Family Institute, the Congressional Black Caucus Foundation and the Garth Fagan Dance Theatre. In 1993 he was inducted into the National Sales and Marketing Hall of Fame and is a recipient of the NAACP Image Award.

Carrie Schwab-Pomerantz–President, The Charles Schwab Foundation
Carrie Schwab-Pomerantz is president of the Charles Schwab Foundation, a private, nonprofit organization funded by The Charles Schwab Corporation, whose mission is to create positive change through financial education, philanthropy, and volunteerism. Schwab-Pomerantz writes extensively about personal finance; her work includes a weekly educational column distributed through schwab.com and Creators News Service as well as a book on family finance entitled *It Pays to Talk: How to Have the Essential Conversations with your Family about Money and Investing*. In her efforts to advance financial literacy, Schwab-Pomerantz has spearheaded several programs, including Money Matters: Make It Count, a national program for teens, created in collaboration with the Boys & Girls Clubs of America.

Kenneth Wade–Senior Community Affairs Executive of Global Marketing & Corporate Affairs for Bank of America
Kenneth Wade is a Senior Community Affairs Executive of Global Marketing & Corporate Affairs for Bank of America; in that role he is responsible for enhancing the Banks relationships with key organizations in consumer affairs and community development. Mr. Wade joined Bank of America on January 1, 2011. Prior to his role at Bank of America, Mr. Wade was CEO for NeighborWorks America, a national non-profit organization that provides training, technical and financial assistance to more than 3,000 community development nonprofits throughout the U.S. focused on affordable housing, foreclosure mitigation and neighborhood stabilization initiatives. Mr. Wade has more than 35 years of experience in community development in a variety of organizations.