

FINANCIAL LITERACY WORK GROUP MEETING MINUTES

June 18, 2008

Highline Community College Board Room, Des Moines, WA

Present:

Lyn Peters, Communications Director, DFI; Elizabeth Acosta, DCU; DFI; Stacy Augustine, Washington Credit Union League; Cathy Brorson, Kitsap CU & CU Youth Development Council; Michelle Hardesty, DRS; Allen Morrow, WA. State Senior Citizen's Lobby; Kristen Mowat, WA Bankers Assoc.; Amy O'Donnell, WSCPA Financial Literacy; Kimberly Scott, WSCPA Member Services; Danielle Small, Tacoma Goodwill Financial Literacy program; Linda Taylor, Urban League; Dee Taylor, WA State Housing Finance Committee; Lance Wrzesinski, WSBEA; Charles Helms, Consumer Counseling NW; Helen Myrick, United Way; Greer Bacon, Asset Planning & Management, Inc.; CJ Robinson, United Way of Pierce County; Brian Berghoff, DRS; Cheryl Reed, AARP.

Call in: Paula Mahoney, WaMu; Donna Dziak, Solid Ground; Ty Cordova, WA Commission of Hispanic Affairs;

Welcome by Lyn Peters, Director of Communications, Department of Financial Institutions:

Introductions and Agenda recap. Lyn requested sub-committees notify her office prior to meetings, so that one of them could sit in. Once minutes are created from sub-committee meetings, Lyn asked that they be forwarded to Jeremy for posting on the website. Also, a reminder that the meetings and minutes are under public records regulations.

The goal of creating and presenting an interim report by July 23, 2008.

Private Sector Report

Kristin Mowat presented the sub-committee report. The survey has gathered 58 responses, and they have gained access to more contacts from the Association of WA Business and the National Federation of Independent Businesses. They will be pushing out another round of survey requests.

The private sector survey has identified clearly the following four gaps:

- a lack of adequate measurement, or a clearly identified baseline
- a lack of standards in what financial education should include
- a lack of alignment with the "Essential Academics Learning Requirements"
- a lack of state mandate

The question of identifying the Chamber of Commerce as a single entity within the private sector area. The subcommittee finds that the Chamber members are better contacted within their individual businesses, rather than through the Chamber lists. A suggestion was made to make contact with the WA State Bar, particularly attempting to reach elder law and real estate attorneys. Personal Financial Specialists would be reached as a sub-group of the Certified Public Accountants, but effort should be made for consistency in reaching both groups.

State (Agencies, non-education) Report

Linda Jekel presented for the subcommittee. One question she had following the Private Sector report was, what would be the reference to “macro economics” within the final report. The group generally agreed that macro economics was outside the scope of this report, but that general economic condition of the country would impact the target audience for Financial Education. Reference would be made to generalized economic education within the report but personal finance education is the main goal.

The state subcommittee transmitted a cover letter on Friday, June 13 to approximately 118 agencies and commissions. The notice generated from the AG’s office and contained the web address for the posted survey. A hard copy letter was to be mailed this week. The members lauded the “survey monkey” as being easy to use and able to present a large number of questions in a user-friendly form. As of June 18, there had been 19 responses, and a couple of inquiry phone calls. After June 23, the subcommittee will identify non-responsive agencies/commissions and divide up the list for follow up phone calls. Linda gave a brief report on the CTED Asset Building Coalition conference held last week and the possibility of linking with those participants.

Non-Profit Sector Report

Dani Small presented for the subcommittee. A handout and slide show presented survey results from their 83 respondents. Information presented in sections of “what the group discussed” and what the survey results showed. People who may need financial education may not be seeking it due to stigma, and ideas for marketing it and presenting resources in manner most accessible. Some discussion of the use of incentives (i.e. offering a low start-up CD account, or even a cash incentive). The importance of credible and non-commercial resources. The resources to create comprehensive materials in languages other than English. The use of avenues such as employers, churches, civic groups. The survey pointed out the gaps in reaching sub-cultures or in transition groups, such as low-income, ex-offenders, homeless.

The problems of fraud, scams, pay-day or predatory lending need to be particularly addressed within certain communities, with a goal of a measurable reduction in victims.

Training is requested by a majority of respondents. The issue of training the trainers, to convey the information in engaging ways. Having specialists train on topics in a detailed manner (i.e. reading a credit report). There seems to be a general dissatisfaction with current curriculum.

The long-term effectiveness of the education and the measurement of outcomes is critical but difficult. A need to review programs regularly for the financial effects of current events. The suggestion of a centralized calendar showing online listings, presenting incentives and a review of the programs regularly offered.

State - Education Report

Lance Wrzesinski presented for the subcommittee. The members of the subcommittee and especially Cathy will be reviewing the other subcommittee surveys with an eye to creating their own. They will be trying to compact the survey for ease and speed while still gaining the information they would like to have. A plan to contact the administrators (principals, staff, boards, etc.) as well as teachers will need to be worked out. The lack of funding for a Financial Education component, and the lack of consistency in the curriculum are the major concerns.

Lance pointed out that they hope to gain access to some of the information gathered by the FLPPP organization in looking at resources available and what is or can be made available to educators. Financial Education in the classroom is difficult to require due to the time and support constraints.