

Key Findings on the Implementation of Nevada's Financial Literacy Mandate

Strengthening youth financial literacy education is key to building their long-term financial capabilities and well-being (Drever et al., 2015; Letkiewicz and Fox, 2014; Lusardi and Mitchell, 2014). Doing so is especially important as navigating personal finances becomes more complex and given lower levels of financial literacy among young adults from historically disadvantaged backgrounds (Kasman, Heuberger, and Hammond, 2018; Mandell, 2008). Instruction in kindergarten through 12th grade schooling is one of the main channels through which young people build financial skills and knowledge (Totenhagen et al., 2015). A growing number of states now require personal finance education in school, and many states are changing their financial literacy education requirements (Council for Economic Education, 2022).

There is evidence that financial education policies can have positive effects, but those effects appear to vary across contexts and according to implementation factors (Kaiser and Menkhoff, 2020; Mangrum, 2022; Stoddard and Urban, 2020; Urban et al., 2020). Theory from education and policy suggests that such factors as the amount of teacher preparation, quality of curriculum materials, and student background may be important influences on the impacts of financial literacy education (Cooper, Fusarelli, and Randall, 2003; Hill, 2003; Jann and Wegrich, 2007; Porter, Fusarelli, and Fusarelli, 2014). Thus, more research is needed on the implementation of financial education mandates to understand how to most effectively design and implement financial education policies.

RAND researchers conducted a study that aimed to fill the information gap on how to successfully implement a statewide financial education mandate by studying the

KEY FINDINGS

- The majority of surveyed teachers reported that they believe financial literacy education is important but had limited confidence that students were learning the state's financial literacy standards.
- Teachers reported a need for more and better financial literacy instructional materials, including culturally relevant teaching materials.
- Teachers may need more training on how to teach financial literacy; most teachers reported receiving no training or noted that they felt underprepared to teach financial literacy.
- Elementary school teachers reported greater needs for instructional materials and pressure to cover other content than did teachers in other grade levels.

implementation of Nevada's 2017 financial literacy education reform. The study focused on the reform enacted by the Nevada Legislature in 2017, Senate Bill 249, which required that financial literacy education be implemented in third through 12th grade starting in the 2017–2018 school year. This bill also required that school districts and charter schools offer professional development for educators who “teach in a subject area in which instruction in financial literacy is provided” (Nevada State Senate, 2017). Under this legislation, schools and districts have freedom to choose how to implement financial literacy education within the scope of the state standards, and the state does not provide a specific model for implementing financial literacy education and achieving these objectives.

RAND researchers examined the following research questions to better understand Nevada's financial literacy reform and potential implications for strengthening financial literacy reforms more broadly:

- After the 2017 Nevada mandate, how was financial literacy education implemented in schools?
- What were the main barriers and facilitators to financial literacy implementation across Nevada's schools?
- How do educators, leaders, and policymakers perceive financial literacy education in Nevada?

The study used data from a survey of financial literacy teachers, data on teacher and student engagement with a few financial literacy resources, and interviews with teachers, state leaders, and district leaders. Three hundred and thirteen teachers responded to the survey, and the research team focused on the responses of the 138 who reported ever teaching financial literacy. Seven teachers, four school or district leaders, four state leaders, and two community or curriculum partners were interviewed. Despite significant efforts to recruit participants, the survey had relatively low response rates, as well as relatively few responses to interview and focus group invitations; thus, the study drew on small sample sizes. Therefore, some of the results presented here should be interpreted with caution and potentially limited generalizability.

After the 2017 Nevada Mandate, How Was Financial Literacy Education Implemented in Schools?

Financial literacy was taught in a variety of courses. Teachers were most likely to report incorporating

financial literacy instruction into social studies or mathematics curricula. However, the majority of elementary school teachers surveyed reported not teaching financial literacy at all.

In addition, few teachers reported receiving training on how to teach financial literacy. Although nearly half of surveyed teachers reported receiving in-service training on financial literacy, only 11 percent reported any preservice training in financial literacy. Some interview participants also reported that teachers felt unprepared to teach financial literacy. Thus, it may be beneficial to expand training opportunities for educators who will be teaching financial literacy.

The majority of surveyed teachers reported finding or creating their own instructional materials to teach financial literacy, and fewer than half of teachers reported using materials provided by the state, their district, or their school. Teachers also reported using a variety of assessment approaches. In addition, interview participants reported drawing on a wide variety of programs and curricula to teach financial literacy. Compared with middle school and high school teachers, elementary school teachers were more likely to report a need for curriculum guidelines or frameworks.

Finally, the majority of surveyed teachers did not report confidence that students had learned financial literacy standards. Teachers from rural school districts were the most likely to report that they were very confident that their middle and high school students had learned each of the financial literacy standards. Teachers in Clark County were less likely than teachers in other counties or charter schools to report that they were very confident that middle and high school students had learned the financial literacy standards.

What Were the Main Barriers and Facilitators to Financial Literacy Implementation?

Surveyed teachers were most likely to indicate that pressure to cover other content, a lack of flexibility in the curriculum, a lack of support from district leadership, and a lack of guidance about how to teach financial literacy were obstacles to teaching financial literacy. Despite a strong belief in the importance of financial literacy, interview participants agreed that there was generally not enough time to properly teach it, and one-quarter of participants expressed that there was not a natural time or class for financial literacy in elementary school.

The surveyed teachers also indicated needing more or higher-quality materials. This response is consistent with the data we received on student and teacher engagement with select financial literacy materials. Overall, relatively few teachers used one of the three financial literacy resources that are most commonly used by Nevada teachers: EVERFI, Next Gen Personal Finance, and Green Our Planet. Although some teachers and schools relied on these curriculum resources, they could be used more. Using these materials instead of those created by teachers may reduce the effort required to teach financial literacy.

Some teachers found district, state, and community supports helpful for teaching financial literacy, but many noted that additional guidance and support would be beneficial. Interviewees also reported that more elaboration, revision, and alignment of the state's financial literacy standards to pacing guides was needed to deepen and expand implementation efforts. In addition, interviewees reported challenges related to the state's lack of accountability for financial literacy instruction and the lack of a state assessment that educators can use to gauge financial literacy knowledge.

The reported obstacles to financial literacy implementation varied across school levels and regions. Elementary school teachers were more likely than middle and high school teachers to report a need for curriculum guidelines or frameworks and to report that pressure to cover other content was an obstacle to supporting students' financial literacy development. High school teachers were less likely to report that they needed better-quality or more instructional materials. Teachers in Nevada's rural districts were also less likely than teachers in Clark County or charter schools to report pressure to cover other content as an obstacle to teaching financial literacy. Teachers in Clark County school district were more likely than teachers in the other 16 school districts or charter schools to report that a lack of support from district leadership, lack of flexibility in the required curriculum, and pressure to cover other content were obstacles to supporting students' financial literacy development.

How Do Educators, Leaders, and Policymakers Perceive Financial Literacy Education?

Most surveyed teachers reported that it was essential to teach the financial literacy standards to middle and high schoolers. These results are consistent with data

from conversations with teachers and school leaders. Additionally, about one-third of interview participants rooted their teaching and leadership of financial literacy in their own personal feelings and experiences with finance.

Respondents also reported limited implementation of diversity, equity, and inclusion in financial literacy education. In interviews, researchers probed for culturally responsive teaching approaches; attention to issues of diversity, equity, and inclusion; and ways in which financial literacy might be contextualized to meet the needs of student subgroups. In general, interview participants could not point to specific ways in which financial literacy was contextualized for local communities according to community or student need. However, about one-third of interview participants spoke about financial literacy as especially needed for lower-income students. The majority of teachers who responded to the survey also reported a major or moderate need for culturally relevant materials.

Recommendations

RAND researchers recommend the following actions to strengthen financial literacy education in Nevada:

- The leaders at the Nevada Department of Education, school district curriculum directors, and school leaders should work together to ensure that teachers have better access to high-quality teaching materials for financial literacy. These leaders could work to better connect teachers to current resources or help identify and distribute additional teaching materials.
- Education leaders at the district and school levels need to identify ways to strengthen financial literacy education in elementary schools and address the unique challenges that elementary school teachers face in teaching financial literacy. The Nevada Department of Education might also play a key role in finding solutions for implementing financial literacy education in elementary schools.
- Teachers need better preparation and training to teach financial literacy. School districts can expand in-service training opportunities, incorporate financial literacy training into existing professional development opportunities, or offer asynchronous training opportunities. Teacher preparation programs or licensure

pathways can also incorporate financial literacy into their training.

- Curriculum providers and district leaders should focus on strengthening the cultural relevance of financial literacy education by, for example, providing culturally relevant materials to teachers and training on teaching financial literacy in a culturally relevant manner.

As Nevada continues to implement financial literacy education and adapts to new legislation regarding financial literacy, it will be valuable for state, district, and school leaders to keep these findings and recommendations in mind. Respondents' reported beliefs that financial literacy is an important topic to teach students suggests promise for strengthening financial literacy education in Nevada. However, some of the challenges described need to be addressed for Nevada's financial literacy policy to realize its full potential. These recommendations may also be helpful to other states in designing or implementing financial literacy education. At a high level, these findings suggest that broad mandates are unlikely to have the intended effects without careful attention to their implementation and support for teaching financial literacy. However, connecting teachers with training opportunities, instructional materials, and guidance around culturally relevant pedagogy and identifying ways to balance financial literacy with other classroom priorities may help improve teachers' capacity to improve students' financial literacy skills.

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