

Michigan high schools earn “B” for teaching financial literacy

By [Frank DeFrank](#), **The Macomb Daily**

Posted: 10/22/15, 9:45 AM EDT | Updated: 7 secs ago

Michigan schools are doing their part to help high school students make sense out of dollars.

According to Vermont-based Champlain College’s Center for Financial Literacy, Michigan is one of 19 states in the country to earn a “B” grade in a report recently compiled by the center.

The report, called “Is Your State Making the Grade? The 2015 Report Card on State Efforts to Improve Financial Literacy in High Schools,” reviewed financial education programs offered by states and compiled grades based on the conclusions.

Grades are based primarily on how many hours are devoted to teaching students about finances, as well as other efforts to focus attention on this issue. Only five states scored an “A.”

“We know that many Americans lack personal financial knowledge and skills,” said John Pelletier, director of the financial literacy center. “We need to educate all Americans, but especially our young people.

“High-school graduates are about to step into the world of work, military service or college, and they need to have the financial skills to navigate a complex world.”

Pelletier said the center issued its first financial literacy report card in 2013, and the center hopes drawing attention to the issue will encourage more states to consider making financial literacy part of their education programs.

In Michigan, students are required to complete one course in economics to earn a diploma, and personal finance is a component of that course.

Judith Pritchett, chief academic officer for the Macomb Intermediate School District, said proposed legislation would permit students to meet the economics requirement by taking a full course in personal finance. Pritchett suggested such a change would be well-received.

“We do a random survey of our high school graduates five years after graduation, and when we ask them what their high school could offer more of, the top answer is personal finance,” she said.

Personal finance instruction varies by school district. Karl Paulson, superintendent of Lakeview Public Schools in St. Clair Shores, said his districts offers an elective course in personal finance for interested students. The course covers such topics as investing, insurance, banking, budgeting, major purchases and taxes.

“The course is designed to ... be interesting and to meet the criteria as one of the senior-year math courses,” he said.

Chippewa Valley offers a yearlong personal finance course that covers everything from opening a savings account to saving for retirement, said Mike Timpa, a math teacher at Dakota High School who teaches the course.

Many high-school students have no idea how interest charges work, what a mortgage is or the ins and outs of investing. Timpa hopes students are familiar with all those concepts and more when they leave high school.

“We actually go through the mathematics of home mortgages, credit-card interest rates, life insurance. ... We show these kids how these numbers are being calculated.”

Timpa said his goal is for students who take the course to be familiar with mortgages, car loans and retirement accounts long before they're faced with them in the real world.

Timpa said he'd like to see state education officials and lawmakers elevate personal finance education to a requirement for graduation.

According to its website, Champlain College's financial literacy program hopes to increase knowledge of money matters in classrooms, ensure college students graduate with the skills to make sound decisions about spending, credit and investments, and help adults navigate difficult financial situations like buying a home and saving for retirement. The Center for Financial Literacy is a partnership among several financial institutions, non-profit entities and governmental agencies.

The Center is designed to promote and develop financial literacy skills in K-12 students, college students, teachers (K-12 and college) and adults. The Center will also advocate for more financial education opportunities at the local, state and national level.

About the Author



Reach the author at frank.defrank@macombdaily.com .