

FAMILY FOCUS COLUMN

Iowa Students Top National Average for Financial Literacy

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The results of the biennial survey given to High School students by the Jump\$tart Coalition for Personal Financial Literacy reveal Iowa students rank first in the nation in financial literacy and improved their average score more than two percent since the 2004 survey and more than five percent over the past four years.

Although Iowa high school students are demonstrating an increased aptitude and ability to manage financial resources such as credit cards, insurance, and savings accounts, the average Iowa survey participant only answered 55.7% of the questions correctly---a failing grade based upon the typical grading scale used by schools. The national average score for the survey was 52.4%.

Wondering how you might score on the test? See if you can answer these test questions:

- If you have caused an accident, which type of automobile insurance would cover damage to your own car? a) term; b) liability; c) comprehensive; d) collision
- Which of the following instruments is NOT typically associated with spending?
a) cash; b) credit card; c) debit card; d) certificate of deposit
- Retirement income paid by a company is called:
a) rents and profits; b) social security; c) 401K; d) pension

Answers to all these sample questions are (d). A copy of the complete survey and answers can be found at www.jumpstart.org.

The low test scores continue to demonstrate the need for personal financial education both at home and in Iowa schools. The Iowa Jump\$tart Coalition includes 22 partnering organizations that work with educators, financial professionals, parents and decision makers to improve the financial literacy of Iowa youth. The organization will sponsor its 6th Annual Personal Financial Literacy for Educators Conference July 17-18, 2006 in Des Moines. More information about the conference can be found at www.iajumpstart.org.

Does your high school offer personal finance courses for students? If not, ask at your ISU County Extension Office about the High School Financial Planning Program. This proven curriculum is available at NO COST to schools and includes an instructor's manual and student guides.