Financial Empowerment Roundtable

Thursday, August 17th
Why is Financial Empowerment Important?

• The United States ranks 14th in country-level Financial Literacy survey.¹
  • Only 57% Of Adults In U.S. Are Financially Literate.²
  • On a global basis, 5% difference between men and women financial literacy rates.³
  • Financial literacy lowest among adults age 65 and over.⁴
  • Financial literacy grows with income.⁵
• 46% of US adults report they have not set aside emergency savings or “rainy day” funds.⁶
  • 34% of US Adults would not be able to come up with $2,000 if an unexpected need arose in the next month.⁷

¹ The U.S. Ranks 14th in Financial Literacy
² Financial Literacy Around the World: Insights from the Standard & Poor’s Ratings Services Global Financial Literacy Study
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Rhode Island by the Numbers

- Rhode Island has a diverse population of 1,056,426
- Median household income: $56,852
- Per capita income: $31,118
  - Rhode Islanders in Poverty: 146,843
    - Latino: 29.5%
    - African American: 24.4%
    - Asian American: 17.4%
    - White: 10.9%

1 U.S. Census Rhode Island QuickFacts
2 U.S. Census Rhode Island QuickFacts
3 U.S. Census Rhode Island QuickFacts
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Rhode Island by the Numbers

- Unbanked (adults without banking accounts): 7% ⁵
- Underbanked (adults with banking accounts but also used alternative financial services in the last year): 15% ⁶
- Recent graduates of Rhode Island colleges leave campus with an average student loan debt of $35,169 — second highest of any state. ⁷

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⁵ 2015 FDIC National Survey of Unbanked and Underbanked Households
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⁷ Study: R.I. college grads have second-highest debt burden in nation
Financial Literacy in Rhode Island Schools

• Council for Economic Education’s National Standards for Financial Literacy were implemented in 2015.
  • The CEE Standards cover six fundamental college and career-readiness skills: earning income; buying goods and services; using credit; saving; financial investing; and protecting and insuring.
• These standards are voluntary at the district level and are not a RIDE high school graduation requirement.
  • Many schools have voluntarily implemented CEE’s standards and offer innovative financial literacy courses.
What is Treasury Doing?

• Treasury partners with EverFi, a highly regarded online financial education platform, to offer the Rhode Island Financial Scholars Program at high schools across the state.
  • As of August 2016, an estimated 24,000 learning modules have been completed, with Rhode Island students spending over 18,000 hours learning about personal finance. The topics covered in the curriculum include: financing higher education, savings, banking, payment types, credit scores, and more.

• Rhode Island Treasury partners with Rhode Island Money Smart Week to promote personal financial literacy through workshops and interactive activities.

• April is Financial Literacy Month. Collaborating with community groups across the state, Rhode Island Treasury plans and promotes a month-long program of activities and educational opportunities geared at Financial Empowerment.

• Partnering with our local Jump$tart organization during the month, Rhode Island Treasury hosts a celebration at the State House for Personal Financial Challenge Award winners. Additionally, we participate in an interactive conference called “Real World Day” which is hosted by Pawtucket Credit Union at Bryant University.
What is Treasury Doing?

• In 2016, Treasurer Magaziner launched Treasury’s Financial Literacy Educator of the Year Award to honor educators who lead their field in teaching financial literacy.
  • Treasurer Magaziner's Financial Literacy Educator of the Year Award recognizes teachers who excel in and out of the classroom to provide their students with the financial literacy skills they need to successfully navigate our complex financial system.

• The Treasurer’s Young Leader Award recognizes high school juniors who have demonstrated an interest in entrepreneurship and developing the skills necessary to achieve their goals.

• In 2016, Treasurer Magaziner was, along with Indiana State Treasurer Kelly Mitchell, appointed co-chair of the Financial Education and Empowerment Committee for the National Association of State Treasurers.
What is the Financial Empowerment Roundtable Series?

• The Financial Empowerment Roundtable Series is a Treasury initiative to promote collaboration and explore innovative ways for financial education providers to work together in a cooperative space.

• The series will feature presentations and a roundtable discussion about the ways government, nonprofits, and business leaders can work together to ensure that everyone has the tools necessary to make informed and prudent financial decisions.
Contacting Treasury

General Treasurer Seth Magaziner
Phone: 401-222-2404
Email: GenTreasurer@treasury.ri.gov

Charon Rose
Director of Outreach and Constituent Relations
Phone: 401-222-1353
Email: Charon.Rose@treasury.ri.gov