



**DRAFT – Not yet approved by the commission.**

**Vermont Financial Literacy Commission**

September 19, 2017

**Vermont Financial Literacy Commission Members Present:**

John Pelletier, Co-Chair, Champlain College  
Courtney Poquette, Winooski High School  
Lisa Falcone, United Way of Northwest Vermont  
Linda Tarr-Whelan, Tarr-Whelan Associates  
Mary Niebling, Capstone Community Action  
Mark Perrin, State Board of Education  
Sabina Haskell, representing commission member Scott Giles  
Scott Murphy, State Librarian  
Thomas Leavitt, Northfield Savings Bank (phone)

**Also Present:**

Dylan Giambatista, Vermont State Treasurer's Office  
Christine McGowan, Vermont Sustainable Jobs Fund  
Brian Bristow, VSECU

**CALL TO ORDER:**

Mr. Pelletier, Co-Chair, called the meeting to order at 2:02 p.m. The meeting was held in the Community Conference Room at VSAC, 10 E. Allen Street, Winooski. Prior to taking any actions, Mr Pelletier noted that the Governor had appointed a new Commission member to represent the executive branch, State Librarian Scott Murphy. Mr. Murphy made a brief introduction.

**Item 1: Approval of Meeting Minutes**

Mr. Pelletier presented the August 1, 2017 draft meeting minutes. Ms. Tarr-Whelan moved approval of the minutes. Ms. Haskell seconded the motion. A roll call vote was taken to accommodate attendance by phone, which was unanimously approved by those voting. Ms. Falcone, Mr. Murphy and Ms. Niebling abstained, noting they did not attend the August meeting.

**Item 2: Education Standards and State Taskforce Update**

Mr. Pelletier stated that, since the fall of 2000, Vermont has had modest mandatory personal finance education standards covering topics such as personal economics and career choices. He noted that the Secretary of Education had confirmed at the August Board of Education (Board) meeting he attended that these seventeen year old personal finance standards are still applicable and that, today, all Vermont students are required to receive some level of personal finance education prior to high school graduation.

Mr. Pelletier indicated that there has been an ongoing process in Vermont to revise and update all K-12 education standards since all were more than a decade old. He explained that the Agency of Education (AOE) recommends education standard updates and that the Board approves or rejects these recommendations. He stated that many education standards such as math, language arts, science, physical education, etc., have already been updated with highly regarded national standards such as the Common Core.

Mr Pelletier reviewed the recent history of Vermont-based discussions about the future of personal finance standards as part of the state educational standards revisions and updates. He noted that, as indicated in the Commission's December 2017 recommendation on this topic, the AOE had originally planned personal finance standards revisions as part of the social studies standards update. He stated that the AOE has since determined that social studies education standards updates will be handled independently of personal finance standards updates.

Mr Pelletier noted that at its August Board meeting, the AOE recommended that the Board approve new nationally recognized social studies education standards that do not include personal finance topics. He stated that the Board is likely to approve this social studies standards recommendation at its next meeting in September.

Mr Pelletier stated that at the same August meeting, the Board authorized the AOE to research and make recommendations at a future Board meeting with regard to replacing existing personal finance standards with highly regarded national standards. Mr. Pelletier noted that there seemed to be confusion among certain AOE staff members and Board members over whether these recommended and more robust personal finance standards would continue to be mandatory in the future, as they are today in a less robust fashion, or if they would be merely voluntary in nature (meaning each school district would decide if they should teach or ignore personal finance topics in their K-12 classrooms). He expressed concern that a shift from modest mandatory standards to robust voluntary standards would be a dramatic step backward for Vermont. Mr. Pelletier noted, that based on his research, only one state in the nation has taken a step backward of this nature with regard to personal finance standards since the financial crisis of 2008 – the state of Louisiana.

Mr. Perrin said that the Board will likely take action on continue to require personal finance requirements at its November meeting. Ms. Tarr-Whelan expressed concern that some might erroneously construe the Board's November deliberation is about whether to mandate personal finance requirements. She explained that the Board was, in fact, considering whether to continue and improve the requirements that are already in place.

Mr. Pelletier asked if Commission members thought it would be appropriate for the Commission

to weigh in on the importance of mandatory personal finance education standards which is consistent with their December 2017 recommendation on this topic.

Mr. Leavitt recalled the legislative intent of the Commission and advocated that, given the assigned duties, it would be appropriate to advocate for mandatory personal finance education standards. Ms. Tarr-Whelan echoed Mr. Leavitt's view, explaining that the Commission in its 2017 report urged enhancements to existing mandatory personal finance education standards to help increase the number of schools offering robust personal finance curriculum. She suggested that it might be advisable and appropriate to meet with the Administration to discuss this matter. Mr. Pelletier concurred that action was necessary. He said that any step backwards from delivering personal finance to Vermont students would warrant a legislative solution to require personal finance education in Vermont schools.

Mr. Perrin shared that many members of the Board are supportive of personal finance requirements. He noted, however, that such a requirement may require additional resources so the AOE has capacity to enforce compliance. Mr. Pelletier suggested that personal finance standards should be bolstered by resources for compliance. Additionally, he surmised that effective training of educators would improve the odds of student success.

Ms. Tarr-Whelan asked what kind of strategy the Commission should adopt as the Board considers personal finance education standards. Mr. Perrin gave an overview of the Board's review process and its relationship to the AOE. He noted that increasing knowledge about existing personal finance requirements would be a productive way to provide information for the Board's deliberations.

Mr. Falcone inquired about the Secretary of Education's relationship to the Financial Literacy Commission and to the State Board of Education. Mr. Pelletier clarified that Mr. Perrin was the Secretary of Education's personal representative on the Commission and that the Secretary had received the Commission's preliminary K-16 recommendations and communicated with him prior to these recommendations being finalized. Mr. Pelletier noted that his advocacy with the Board at their August meeting was done in his capacity as Director of the Center for Financial Literacy, not as Co-Chair of the Financial Literacy Commission.

Ms. Poquette counseled a proactive approach leading up to, and during, the Board's deliberations. She urged that the Commission meet with the Secretary of Education to discuss the importance of mandatory personal finance education standards. Ms. Poquette noted that greater than half of Vermont's high schools have existing personal finance classes available. She shared a list she had compiled for reference.

Ms. Niebling echoed Ms. Poquette's comments and moved that the Commission seek a meeting with the Secretary of Education and with the Governor. Ms. Tarr-Whelan seconded the motion. A roll call was called and all members voted yes.

Commission members discussed the process of arranging a meeting. Ms. Falcone urged that the Commission bring its request to the AOE in the spirit of partnership. It was further discussed that the Commission should meet with the Secretary of Education prior to any meeting with the

Governor to discuss its report and its recommendations. Mr. Perrin agreed with Ms. Falcone's recommended approach.

The Commission asked Mr. Giambatista to arrange an October meeting with the Secretary of Education. Ms. Tarr-Whelan asked whether it would be appropriate to form a drafting committee to create a document to summarize the recommendations, prior to the meeting. The Commission agreed. Mr. Leavitt volunteered to lead the drafting effort.

On behalf of Ms. Pearce, who was unable to attend the meeting due to another obligation, Mr. Giambatista provided an update on the development of a State working group formed between the Treasurer's Office and the Department of Financial Regulation. He noted that the Commissioner of the Department of Financial Regulation had designated a point person to work with the Treasurer's Office and that they had drafted an MOU outlining the initiative and its goals.

Ms. Niebling requested that a copy of the executed MOU be sent to the Commission, once completed. Mr. Giambatista agreed.

Ms. Falcone asked whether the MOU contemplated outreach to stakeholder groups who may not have existing relationships with State government. Mr. Giambatista indicated that the MOU could encompass a stakeholder process and that the Treasurer's Office had developed the intergovernmental review based on the Commission's 2017 report recommendations to form a State Task Force.

Citing the 2017 report, Ms. Niebling inquired about the development of a calendar, as outlined in the Commission's recommendations. Mr. Giambatista noted that the inventorying process outlined in the MOU is intended to assist with data collection so additional recommendations can be implemented.

### **Item 3: Identifying Goals for the Legislative Session**

Ms. Tarr-Whelan noted the Commission's draft priorities that it discussed at its August 1 meeting. The Commission discussed its goals for the remainder of the year and 2018 legislative session. Mr. Pelletier suggested developing an update document to show the progress, or progress to be made, for the recommendations described in the 2017 Commission report. Ms. Tarr-Whelan agreed and suggested that a broader conversation is needed to develop the recommendations.

Ms. Niebling inquired about the August 1 meeting minutes and their reference to a priority identified as "increase retirement savings." Mr. Leavitt explained that he was referencing the opportunity afforded by the enactment of the Green Mountain Secure Retirement Plan, which is currently under development. The Commission discussed what role it could play to increase awareness of retirement saving opportunities.

Mr. Pelletier inquired about VSAC's FAFSA completion initiatives. Ms. Haskell provided an update on FAFSA projects, including new fall outreach initiatives to increase the number of Vermonters annually completing a FAFSA form. She noted that VSAC's goal is to achieve a 3%

increase over the 62% completion rate in 2017.

Ms. Tarr-Whelan asked whether the Commission could play a role in supporting FAFSA completion initiatives. Ms. Haskell said she would develop potential ideas for the Commission's consideration.

The Commission discussed FAFSA completion and the process by which parents and students apply for financial aid. An extended conversation about potential collaborations with stakeholders occurred. Mr. Murphy was optimistic that there were additional opportunities to collaborate with public libraries for initiatives such as FAFSA completion.

#### **Item 4: Fall Timeline and Recommendation Development**

Mr. Pelletier asked what steps needed to be achieved to prepare for the 2018 legislative session. He inquired as to whether the Commission should make a formal motion to give testimony before relevant legislative committees in the House and Senate. Ms. Tarr-Whelan made a motion to reach out to the Commerce, Education, Government Operations, and Human Services Committees in the House and Senate. Ms. Niebling seconded the motion. A roll call vote was called and all members voted yes.

Mr. Pelletier suggested that the Commission work to develop several resources for presentation during the 2018 legislative session, documenting areas that the Commission has worked on, and where future improvements can be made.

Ms. Tarr-Whelan asked whether the Commission should schedule additional hearings to collect information prior to the legislative session. Mr. Leavitt said that, in the interest of time, it might behoove the Commission to focus on the data it had collected, rather than continued hearings. Commission members generally agreed, citing the many areas of interest they'd like to address.

Mr. Pelletier summarized the Commission's fall plan. First, the Commission will meet with the Secretary of Education to go over its recommendations to materially enhance existing mandatory personal finance education standards, as well as other K-16 recommendations contained in the 2017 Commission report. The Commission will work to provide guidance to the Board to ensure some form of mandatory personal finance education standards are adopted into the State's final update of all education standards. The commission would also try to meet with the Governor to review its recommendations. Finally, the Commission will prepare to provide testimony before the House and Senate in the first or second week of the legislative session.

#### **Item 5: Public Comment**

Christine McGowan emphasized the importance of personal finance education for adults. She noted that she sees many Vermonters who are struggling to achieve financial well-being. She applauded the Commission's work and offered assistance as the work continues. She noted that she has developed Personal finance curricula for small business owners.

**Item 6: Adjournment**

Ms. Niebling made a motion to adjourn. Ms. Haskell seconded. Mr. Pelletier adjourned the meeting at 4:05 p.m.