

Katrina Stierholz and Mary Suiter

The St. Louis Fed offers economic and financial education

Resources for librarians

ACRL President Trevor A. Dawes' note: My work in promoting financial literacy through ACRL this year has created the opportunity for me to meet and work with colleagues at the St. Louis Federal Reserve Bank. The bank offers professional development opportunities for educators and, I believe, they can do likewise for librarians who would benefit from learning more about economics, personal finance, and active learning techniques to enhance the already substantial service that libraries provide. It has been an eye-opening experience for me to learn about the wealth of educational resources offered at the St. Louis Fed and therefore I asked Katrina Stierholz and Mary Suiter to write this month's column to briefly describe their offerings. You can learn more about the personal finance educational programs at the St. Louis Fed by visiting their website at www.stlouisfed.org/education_resources/.

Trevor Dawes, as president of ACRL, is pursuing a financial literacy initiative. We saw a role for the St. Louis Federal Reserve Bank and contacted him to discuss how we could help.

The St. Louis Fed has a long history of providing the public with economic and financial information. Web-based data and information services include FRED, FRASER, and RePec. Academic librarians, particularly

those who specialize in social sciences, are probably familiar with FRED's collection of data and data tools, FRASER's searchable digital library of historical material, and RePec's vast economic working paper resources. However, librarians may not be aware of the St. Louis Fed's incredible array of resources for economic and financial education and professional development.

Content and mission

Through its Economic Education group, the St. Louis Fed provides online lessons, courses, videos, podcasts, and printable lesson plans on many economic topics, including personal finance.¹ Our economic educators select the most relevant issues and often target the content to the needs of specific groups.

For example, for those considering college (or early in their college career) we offer an infographic with a decision tree on paying for college and choosing a career. The infographic features embedded links and tools with further information (e.g.,

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how to fill out a free application for Federal Student Aid).

Because libraries are key providers of educational material, it is our belief that librarians are already well positioned to serve as educators themselves. When librarians are themselves informed about relevant issues and resources—in this case, in the fields of economics and personal finance—and provided with high-quality educational materials, the library is ready to serve its students. Students, in turn, benefit greatly from learning more about the economy in which they live and about how to better manage financial resources.

And the need for this type of education is great. One current issue of concern is the more than \$1 trillion in outstanding student loan debt. The St. Louis Fed can offer libraries materials and support to confidently lead students to answers to their questions on this issues. We have videos that explain financial aid—grants, scholarships, and work study; articles on student loan debt; online courses on establishing and maintaining credit; and more. Universities are also beginning to get on board with financial literacy programs; their libraries are the logical place for identifying, collecting, organizing, and providing access to these financial education tools.

Resources

A sample of the St. Louis Fed's econlow-down resources for personal finance and more include:

- **Personal Finance 101**

- Simulated instant message sessions that explain W-4s, tax forms, credit cards, payday loans, prepaid debit cards, and car insurance.

- Conversations are short videos that explain how to fill out a FAFSA form; the ins and outs of financing college through loans, grants, and work-study; and choosing a college by considering return on investment.

- Financial Forms explained allow users to mouse-over sections on forms to learn what the section requires or to better un-

derstand the information provided. Forms include a credit card statement, a credit disclosure statement, a W-4 form, and a credit report.

- **Credit Cred**, an online course through which students learn about types of credit, costs of using a credit card, building credit, avoiding credit mistakes, and monitoring your own credit (e.g., credit reports and credit score).

- **Cards, Cars, and Currency** presents a series of online courses covering some common issues in personal finance: credit cards, debit cards, and purchasing cars.

- **It's Your Paycheck** is a series of online courses covering the basics of personal finance—investing in yourself to earn income, paying taxes, budgeting, saving, credit cards, credit rights and responsibilities, payday loans, and rent-to-own contracts.

- **No Frills Money Skills** is a series of videos that explain compound interest, 401(k) and Roth 401(k) savings, stocks, and bonds.

Our materials are aligned with the national standards² and can be used to meet those requirements. The entire site is driven by a database that offers the ability to filter by audience, language (English and Spanish), subject, medium, and concept.

Our resources provide personal finance information at a variety of levels and in different situations. These financial literacy tools can be as formal as an online course administered by an instructor who follows each student's progress, or they can be as informal as a user finding a simulated chat about debit cards or a video conversation about financial aid and picking up a few tips. One example is a new short course called "The Art of Decision Making," which can be viewed by an entire class to start a conversation about decision making as a framework for personal finance. All of our online courses can be offered through an open website, allowing anyone to use the material and extract information at will. This is often the way consumers and external

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groups access our materials, by providing the group with a link to the resources and allowing them to complete the course independently.

We also offer “instructor access,” which allows an instructor to provide each student with a username and password. Instructors are also able to track student performance on a pre-test, as they progress through the course, and then on the post-test.

Perspectives

In conclusion, we would like to share the St. Louis Fed’s perspective on three important issues.

- **Financial literacy.** The St. Louis Fed approach to financial literacy focuses on an economic way of thinking. That is, we recognize that financial resources are scarce, scarcity requires decision making, incentives affect decision making, and when people make choices they incur opportunity costs.

Learning a formal decision making process provides people with a tool to help them make more informed decisions. Personal finance decisions are unique to each person’s wants, goals, and plans. Understanding economic concepts, such as opportunity cost, trade-offs, human capital, incentives, scarcity, and choice helps students consider their goals and how best to achieve them.

- **Professional development.** The St. Louis Fed and the Atlanta Fed are partnering to offer a series of online professional development programs. These programs provide professional development credits or graduate credits. Those who enroll will

read, view videos, take online courses, use materials with students and report on the results, take quizzes, and write reflections on readings.

In addition, Federal Reserve Banks offer face-to-face professional development programs for educators throughout the country at their institution, a Reserve Branch, or at schools. These programs cover economics and personal finance topics and are aligned with state and national standards. Centers and councils for economic education found in most states also offer face-to-face professional development for educators.

- **Credibility and a noncommercial approach.** The St. Louis Fed has a reputation for high-quality economic and financial education. Our staff have served on national boards for setting standards for personal finance, grading national exams, reviewing textbooks and other curricula, advising the Treasury Department and the Financial Literacy and Education Commission, conducting trainings in social studies and business education for various national, regional, and state organizations (such as the Jump\$tart National Coalition for Financial Literacy, the Council for Economic Education, the National Council for the Social Studies, and the National Business Educators Association).

Perhaps most importantly, the St. Louis Fed doesn’t sell anything. We provide our information for free and do not profit from any resource or any action taken by those who may benefit from our resources. In other words, we have no incentive or corporate motive except to educate and increase awareness, ideally to improve the public’s decision making processes’.

Notes

1. This content is housed and organized through a distinct website: [econlowdown \(www.stlouisfed.org/education_resources\)](http://econlowdown(www.stlouisfed.org/education_resources)).

2. Council for Economic Education, National Standards for Financial Literacy, www.councilforeconed.org/resource/national-standards-for-financial-literacy/, accessed December 12, 2013. 