

NEW Graduation Requirement

Beginning with the **senior class of 2020**, all students in the state of Iowa will be required to complete 0.5 units (one semester in DMPS) of personal financial literacy. Because this may have a significant impact on scheduling, staffing, and academic counseling in our high schools, a plan is being developed to support collective efforts in meeting the new expectation. Elements of that plan include...

- Updating DMPS graduation requirements
- Creating an appropriately aligned course code (pending guidance from the Department of Education)
- Providing training and support to teachers assigned to teach the course
- Developing an online version of the course that can be offered for original credit beginning Summer 2019
- Leveraging DMPS Virtual Campus to offer additional online sections of the course for the 19-20 school year

The state is expected to provide implementation guidance to districts yet this fall. Once that has been distributed, a more detailed plan will be shared with registrars, counselors, teachers, and leaders.

Iowa Code

In April, 2018 the Iowa legislature passed Senate File 475, adding the following paragraph to state education code:

k. *One-half unit of personal finance literacy. All students shall complete at least one-half unit of personal finance literacy as a condition of graduation. The curriculum shall, at a minimum, address the following:*

- (1) Savings, including emergency fund, purchases, and wealth building*
 - (2) Understanding investments, including compound and simple interest, liquidity, diversification, risk return ratio, certificates of deposit, money market accounts, single stocks, bonds, mutual funds, rental real estate, annuities, commodities, and futures.*
 - (3) Wealth building and college planning, including long-term and short-term investing using tax-favored plans, individual retirement accounts and payments from such accounts, employer-sponsored retirement plans and investments, public and private educational savings accounts, and uniform gifts and transfers to minors.*
 - (4) Credit and debt, including credit cards, payday lending, rent-to-own transactions, debt consolidation, automobile leasing, cosigning a loan, debt avoidance, and the marketing of debt, especially to young people.*
 - (5) Consumer awareness of the power of marketing on buying decisions including zero percent interest offers; marketing methods, including product positioning, advertising, brand recognition, and personal selling; how to read a credit report and correct inaccuracies; how to build a credit score; how to develop a plan to deal with creditors and avoid bankruptcy; and the federal Fair Debt Collection Practices Act*
 - (6) Financial responsibility and money management, including creating and living on a written budget and balancing a checkbook; basic rules of successful negotiating and techniques; and personality or other traits regarding money.*
 - (7) Insurance, risk management, income, and career decisions, including career choices that fit personality styles and occupational goals, job search strategies, cover letters, resumes, interview techniques, payroll taxes and other income withholdings, and revenue sources for federal, state, and local governments.*
 - (8) Different types of insurance coverage including renters, homeowners, automobile, health, disability, long-term care, identity theft, and life insurance; term life, cash value and whole life insurance; and insurance terms such as deductible, stop loss, elimination period, replacement coverage, liability, and out-of-pocket.*
 - (9) Buying, selling, and renting advantages and disadvantages relating to real estate, including adjustable rate, balloon, conventional, government-backed, reverse, and seller-financed mortgages.*
- Sec. 21. EFFECTIVE DATE. This division of this Act takes effect July 1, 2019.*