



Promoting Financial Confidence & Literacy in North Carolina

North Carolina is recognized as a leading state in promoting the financial literacy of its residents.

The North Carolina Financial Literacy Council will be celebrating its 15th anniversary in 2024, having been one of the first organizations of its kind formed in our country.

The Financial Literacy Council (the “FLC” or simply the “Council”) currently has 18 members, including 5 members drawn from the public and representatives of the following departments of state:

Department of Commerce

Department of Justice

Department of Labor

Department of Public Instruction

Department of Revenue

Department of State

Department of State Treasurer

NC Office of the Commissioner of Banks

UNC School System

On its 15th anniversary, the Financial Literacy Council (working through its Strategic Planning Committee) has undergone a period of reflection, taking stock of the state’s past accomplishments and preparing for the future.

This strategic plan for the future, entitled “**Promoting Financial Confidence and Literacy In North Carolina**”, is the product of this recent study period. The recommendations were adopted unanimously at the FLC’s May 3, 2024, Council meeting.

The Council, which is housed within the Department of Justice for administrative purposes, is tasked with monitoring and assisting the Department of Public Instruction with the coordination of the statewide delivery of financial education within the public school system; identifying programs designed to increase the financial literacy of North Carolinians outside the public school system; and working to expand access to financial education resources and programs.

The FLC is required to meet at least quarterly and perform the following duties:

- Study and document the best practices for financial education programs in the state, and find “best practices” across the country;
- Coordinate financial education activities and asset building within government agencies, as well as private and nonprofit sectors, to ensure that resources and information are being disseminated across the state;
- Propose public and private policies to ensure all North Carolinians have access to training for necessary financial skills;
- Consider and make recommendations to address:
 - Financial literacy programs in the public schools;
 - The unique financial challenges of students enrolled at institutions of higher education, and how public and private universities and the community college system can address these issues;
 - Creation of and access to financial products for hands-on learning of financial skills.
- Monitor the outcomes of financial education programs, including examining improved financial behaviors and increased access to affordable financial services;
- Use the talents and resources of the State, including public and private partners, to further the Council’s mission; and
- Report annually to the General Assembly and Governor on the performance of its duties and the impact of financial education conducted by State agencies.

Importance of Financial Literacy

Financial Literacy will not, on its own, lift a family or group of North Carolina residents out of poverty. But it can provide a foundation for making confident financial decisions and avoiding predatory practices.

According to the TIAA Institute and the Global Financial Literacy Excellence Center, those with lower levels of financial learning are three times more likely to be debt-constrained, three times less likely to meet a financial shock, and six times more likely to have a hard time making ends meet.

According to the American Psychological Society, finances are the top stressor for the public and stress ushers in long-term negative consequences and costs.

Priorities & Strategies

The Council endorses the following priorities and strategies for the next three years. These priorities and strategies are endorsed because they build on North Carolina's past efforts, seek to coordinate the state's resources, should improve the lives of residents across the state from every demographic grouping, and are achievable for a Council which is largely populated by volunteers.



Coordinate and Broadcast Statewide Efforts

We will be an effective clearinghouse and cheerleader -- identifying, syndicating and amplifying the current financial literacy resources available in our state. The FLC website should be the principal tool for achieving this purpose. The aim is to coordinate a myriad of NC initiatives that can, at times, seem piecemeal and less than comprehensive. Programmatic efforts should be left to the various departments of state, particularly the Department of Public Instruction, the Community College System, the Department of Labor (NC Works) and the Department of Health and Human Services (Agency on Aging), but with input from the FLC through its wide-ranging membership.

Leverage State Resources

The FLC will monitor legislative, regulatory and administrative activities that are adjacent to financial literacy. We will leverage existing and new legislation and programs to incorporate improvements in financial literacy.

Evidence-Based Advocacy

We will seek out and (where necessary) commission feedback and data on existing programs, and advocate for improvements whenever necessary, being mindful of impacts on all members of our diverse population.

Become a More Robust Council

We will seek commitments of support from the various government departments involved in financial literacy. If sufficient leadership and support cannot be obtained to achieve our objectives, then separate state or private funding should be sought to support independent staffing and resources for the FLC. We will become more connected to state and federal resources, and develop stronger relationships in the private, non-profit and academic sectors, particularly with the banks interested in promoting financial literacy.

Preliminary Strategies

Strategy	Strategic Direction
<p>Identifying and pursuing a singular measurable goal</p>	<p>This will unify the state’s efforts to improve further the financial literacy and confidence of North Carolina residents. The Council is impressed by the work of the Campaign for Grade-Level Reading in relation to general literacy, and the work of My Future NC in the promotion of workforce development. Both of these organizations and campaigns are achieving success because of the adoption of a single measurable goal which is understandable and persuasive to the vast majority of NC residents.</p>
<p>Each year selecting a smaller group of financial literacy themes</p>	<p>The Council will prioritize an annual focus. Examples include budgeting, student debt, predatory lending, etc. Focusing on a select group of themes each year, rather than attempting to tackle all financial literacy issues every year, is more likely to yield improvements that can benefit every resident, while recognizing the limited resources of the Council itself. Careful consideration will be given to ensure that the rotating themes address the needs of North Carolinians across all demographic groups.</p>
<p>Creating and maintaining a robust financial literacy website</p>	<p>This will serve to identify, syndicate and amplify financial literacy resources available to residents of our state. Our hope is that in time the website will be a comprehensive and understandable guide to financial literacy resources relevant to all North Carolinians.</p>
<p>Creating a biennial financial wellness scorecard for North Carolina</p>	<p>This will illustrate the challenges faced, and the progress made, in our state in relation to financial literacy and confidence. Although North Carolina already excels in many ways with respect to financial literacy, the Council was impressed with the data collection and publication efforts of a few other states, including Oregon’s Financial Wellness Scorecard which was last produced in 2023. We believe such a scorecard could be compiled for North Carolina from existing sources, which would also provide a helpful comparison to the achievements of our neighboring and other competitive states. Regional and county-based comparisons may also be possible.</p>

Conclusion

The Financial Literacy Council welcomes input from any resident of North Carolina regarding these and other possible priorities and strategies in relation to financial literacy. The current Council's recommendation to future Councils is that this plan be revisited, revised and updated prior to the expiration of the plan's three-year time frame, no later than 2027.

