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## Financial Education and Financial Literacy by Income and Education Groups

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## **Financial education and financial literacy by income and education groups**

### Abstract

This study compares the effects of financial education received by people with different levels of education and income using a large, national data set. This study estimates how financial education in high school, college, or through an employer, affects a person's financial literacy score. Results show that people who received any financial education are less likely to have lower financial literacy scores and more likely to have higher scores. Financial education has larger predicted probabilities for those with lower education and income suggesting that financial education is especially important for this demographic. This research emphasizes a need to teach financial education to people whom previous research suggests lacks financial literacy the most.

JEL Codes: D12, D14, I21

Key Words: Financial Education, Financial Literacy, Financial Literacy Course

## EFFECTS OF FINANCIAL EDUCATION ON LITERACY

Financial literacy is an important skill like reading, writing, and math that everyone needs to know in order to survive the complex financial world. However, research shows that the U.S. has low levels of financial literacy, especially for people with lower education and incomes (Lusardi and Mitchell, 2014). Lusardi, Mitchell, and Curto (2010) found that college students were more financially knowledgeable compared to high school students and Monticone (2010) found that people with higher incomes were more likely to acquire financial knowledge on their own while those with lower incomes found it too costly or did not have the same incentives to do so. Therefore it is especially important to estimate the effects of financial education for groups which research suggests have low levels of financial literacy as a way to mitigate long-term financial problems.

Problems resulting from not being financially literate include difficulty managing personal debt and student loans (Lusardi and Mitchell, 2014; Council for Economic Education (CEE), 2016), having low saving rates, (Lusardi and Mitchell, 2014; Bernheim, Garrett, and Maki, 2001), and engaging in poor credit card behaviors that can have lasting negative effects (Borden et al., 2008). Lusardi and Mitchell (2014) suggested that financial problems may be remedied if people were more financially literate. Because of widespread personal finance problems and importance placed on financial literacy, numerous education programs have been developed to increase financial literacy. For example, high schools in many states incorporate personal finance standards, courses, or exams (CEE, 2016), colleges offer seminars for students to help them manage credit (Borden et al., 2008), and employers offer workshops for employees (Clark, Morrill, and Allen, 2012; Kim, 2008).

This study adds to existing literature by estimating how financial education offered in high school, college, through an employer, or any combination of the three affects a person's financial

literacy score specifically focusing on people with lower education and income levels. In this paper, a person's financial literacy score is the dependent variable and demographic characteristics and financial education are the control variables. The main results suggest that financial education is positively related to higher financial literacy scores and negatively related to lower scores. Results also show that financial education has a stronger impact among people with low education and income.

### **Literature Review**

Many people understand that financial education is needed at all ages to avoid costly mistakes that can follow young people throughout their lives. Some literature about high school financial education examines how specific curriculum affects financial knowledge and behaviors. Walstad, Rebeck, and MacDonald (2010) found that the financial curriculum, *Financing Your Future* (FYF), increased student knowledge of personal finance. Another study by Asarta, Hill, and Meszaros (2014) used the *Keys to Financial Success* curriculum and found that the curriculum increased high school students' financial knowledge by 61 percent between the pre-test and post-test. The largest change came from the most difficult topics: credit history and records and rights and responsibilities of buyers, sellers, and creditors. Another study, estimated the effects of the *High School Financial Planning Program* (HSFPP) and found that the curriculum had positive effects on financial knowledge and financial behaviors (Danes, Rodriguez, and Brewton, 2013).

Other studies estimated how financial education affects college students. One study found that a college personal finance course increased a person's investment knowledge which then increased the likelihood of saving, while taking a high school or both a high school and college personal finance course did not increase the person's investment knowledge (Peng, et al., 2007).

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Information about investment knowledge may be more relevant for college students which explains why the college course was the only effective course. Another study used a sample from ten Midwest campuses and found that taking a personal finance course significantly reduced the likelihood that a college student engaged in risky financial credit card behaviors (Lyons, 2008).

Workplace financial education has gained popularity as more employees are responsible for making major financial decisions including those about their retirement. Bernheim and Garrett (2003) estimated how workplace financial education affects employees' saving rates. Results suggested that the availability of financial education had a positive effect on a person's saving behaviors. Another study used a national sample of 1,486 employees from a large insurance company and found that those who participated in the Financial Awareness Workshop had higher financial literacy levels (Hira and Loibl, 2005).

Research mostly focuses on one type of financial education—in high school, college, or as an adult. Few studies have looked at all three. One study, however, estimated the effects of high school, college, and adult financial education using the 2012 National Financial Capability Study (Xiao and O'Neill, 2016). The authors found a positive relationship between financial education, financial knowledge (both objective and subjective), and financial behaviors.

Previous studies mostly focus on whole populations—there are however, some studies that estimated the effects of financial education for those with lower education and income which is the focus of this study. These studies that look at different sub groups of the population do not break down the effects of different types of financial education on financial literacy as this study does. Lusardi and Mitchell (2007 and 2014) reviewed relevant research and found that financial literacy rises with education—people who are more educated are more likely to be more

financially knowledgeable. Similarly, Lusardi, Mitchell, and Curto (2010) found that people who are more educated have higher levels of financial literacy even controlling for demographics. Other studies have found that people with lower incomes are less likely to be financially literate (Monticone, 2010; Zhan, Anderson, and Scott, 2006; Lyons, Chang, and Scherpf, 2006).

Lusardi (2003) studied the effects of retirement seminars offered to individuals age 51 to 61 and found that those with lower education and income seem to benefit more from the financial education. This current study adds to existing research by using a large national data set to examine the effects of financial education offered in high school, college, through an employer, or some combination, on financial literacy for people with low education and incomes. Previous research found that people with lower education and incomes have lower levels of financial literacy so this study is important because it shows that financial education can be especially beneficial for these two population subgroups.

### **Description of the Data Set**

The data set came from the 2015 National Financial Capability Study (NFCS), a nationally representative survey of people's financial knowledge, attitudes, and behaviors that was commissioned by the Investor Education Foundation of the Financial Industry Regulatory Authority (FINRA). The 2015 NFCS survey was administered online to 27,564 adult respondents in the United States.

The 2015 survey asked people about financial education they may have received. The question asks if financial education offered by a school or college you attended, or a workplace where you were employed. If they said yes, the next question asked if they received it in high school, college, through an employer, or through the military. People were only asked about financial education

in college, or through the military if they were a current college student or college graduate, or if they responded that they were currently or ever in the military. For this analysis employer and military financial education were combined because the military is another form of employment and there was a small number of respondents who received military financial education.

These questions were used to create the financial education variables for the analysis. A person could respond that they received more than one form of financial education, therefore there are multiple categories for coding an individual. The omitted category is that a person did not receive any financial education. The eight categories of financial education are: (1) high school only; (2) college only; (3) employer only; (4) high school and college; (5) high school and employer; (6) college and employer; (7) high school, college, and employer; and (8) no financial education.

The data set also provided a unique look at financial literacy by asking financial literacy questions in the survey. The 2015 survey included six questions—one of which are new to this survey. For comparability, this study focused on five of the financial literacy questions which have been used widely in the literature to provide a general understanding of a person's financial literacy (Allgood and Walstad, 2016; Xiao and O'Neil, 2016; Lusardi and Mitchell, 2014; Hastings, Madrian, and Skimmyhorn, 2013). The questions test a respondent's knowledge of interest accrual, inflation, the relationship between bond prices and interest rates, mortgages, and the difference between stocks and stock mutual funds. All five questions assess general financial knowledge with the bond question being the most difficult (Lusardi and Mitchell, 2014). Table 1 presents the five financial literacy questions asked in the NFCS survey.

[Table 1: 2015 NFCS Financial Literacy Questions]

The questions are multiple-choice or true-false style with the respondent being able to choose the correct answer rather than coming up with the correct answer on their own. The

financial literacy questions are simply a proxy for people's financial literacy, there are many topics that are not tested through the survey that may be covered through financial education.

Each financial literacy question was coded as a 1 if the respondent correctly answered the question. If the respondent gave an incorrect response the variable was coded as a zero. If the respondent did not respond, and left it blank, or said they did not know the answer then it is assumed that they cannot answer the question correctly. The financial literacy measure for this paper is the sum of the number of correct responses with possible scores ranging from 0 to 5. Higher scores indicate that the respondent is more financially literate.

### **Descriptive Statistics**

Table 2 reports the descriptive statistics for the 2015 sample. For this study, people with more than a bachelor's degree were eliminated. The reason for this is to focus on sub-populations that would have the most implications for potential policies. Focusing on people with less than a post-graduate degree is also common in past literature—there is limited research looking at the effects of financial education on people with such high education. However as a robustness check those with post-graduate education were included and the results remained similar. The average financial literacy score was 2.74. The proportion of people that received each financial education combination is also reported in Table 2. The combinations are distinct. People cannot fall into more than one of the financial education combinations and therefore the combinations sum to 100 percent. About five percent of the sample received financial education in high school only, about four percent of the sample received it in college only, and about two percent received employer financial education only. Two to three percent of the sample received financial education from two sources. Finally, three percent of the sample received high school, college, and employer financial education. Almost 79 percent of the sample received no financial education.



[Table 2: Descriptive Statistics]

The mean financial literacy score by course combination split by education and income is shown in Table 3. People who reported having less than a high school degree or a high school (or equivalent) degree were considered part of the lower education group. Income for the survey was categorical where a person could answer that their income was less than \$25,000, \$25,000-50,000, \$50,000-75,000, \$75,000-150,000, or greater than \$150,000. For this study, income was split at the median—those who make less than \$50,000 were considered low income while those who make more than \$50,000 were considered high income. As a robustness check, other income cut points were estimated and results remained similar. In general people who received any of the financial education combinations answered statistically more questions than those who did not take any financial education. This is especially true for those who have lower education and incomes. Results in Table 3 also show that people with higher education and incomes have higher levels of financial literacy as measured by answering more questions correctly (Lusardi and Mitchell, 2014; Lusardi, Mitchell, and Curto, 2010; Monticone, 2010; Zhan, Anderson, and Scott, 2006; Lyons, Chang, and Scherpf, 2006).

[Table 3: Mean Financial Literacy Scores by Course]

### **Model**

This study adds to existing literature by estimating the effects of financial education using an ordered probit model because the dependent variable, financial literacy score, is a discrete and not a continuous variable. The hypothesis is that financial education has a positive relationship with the person's financial literacy score. People who received a financial education should be more knowledgeable, may have practiced the various topics, and be able to answer more questions correctly.

$$Fin. Lit. Score = \beta_0 + \beta_i X + \beta_j Fin. Ed. + \beta_k Z$$

The variable  $X$  is a vector of demographic characteristics including the person's gender, ethnicity, marital status, employment, age, income, education, and children. The demographic characteristics are all dummy variables. The variable  $Z$  is a vector of state dummy variables to control for differences across states. Bumcrot, Lin, and Lusardi (2013) found that there was a geographical difference in individual's financial literacy; people from the south had much lower financial literacy scores than those in the north. The variables in *Financial Education* are the financial education course combinations that apply to each group. For example, the regression for those with low education included a high school only, employer only, and a high school and employer. The categories are all dummy variables equal to 1 if the respondent reported receiving that combination of financial education. The dependent variable, *Financial Literacy Score*, are whole values between 0 and 5.

### Results

For simplicity, only the financial education results are presented. All results are compared to people with no financial education. Financial education is correlated to financial literacy. Those who had financial education were less likely to have lower financial literacy scores and more likely to have high financial literacy scores. The ordered probit predicted probabilities for people with low education are shown in Panel A in Table 4. Receiving a high school, employer, or both decreased the probability of answering 0, 1 and 2 questions correctly by 2 to 7 percentage points compared to people who did not have any financial education. The financial education combinations, however, increased the likelihood of answering 3, 4, and 5 financial literacy questions correctly by 2 to 8 percentage points.

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Ordered probit results for people with high education are shown in Panel B in Table 4. Having financial education decreased the probability of answering 0, 1, 2, and 3 questions by 1 to 6 percentage points. People with high education who received financial education are 2 to 5 percentage points more likely to answer 4 questions correctly and 3 to 9 percentage points more likely to answer 5 questions correctly.

These results are as expected—people with low and high education were more likely to have higher financial literacy scores and less likely to have lower financial literacy scores if they received financial education from one or more sources. Another noteworthy result from Table 4 is that financial education is more related to financial literacy for people with low education—the predicted probabilities are larger than the corresponding classes for people with high education. This result suggests that financial literacy is positively associated with financial education but more so for people with low education.

[Table 4: Ordered Probit Predicted Probabilities Split by Education]

Table 5 shows the ordered probit predicted probabilities split by income. Results for people with low income are shown in Panel A. People who received any financial education course were 2 to 6 percentage points less likely to answer 0, 1 or 2 questions correctly compared to people with no financial education. People who received financial education were 1 to 7 percentage points more likely to answer 3, 4, and 5 questions correctly. Therefore, people who received financial education were more likely to have higher financial literacy scores and less likely to have lower financial literacy scores.

The ordered probit results for people with high income are shown in Panel B in Table 5. People with higher incomes were 1 to 6 percentage point less likely to answer 0, 1, 2, or 3 questions

correctly. People with financial education were 1 to 2 percentage points and 2 to 11 percentage points more likely to answer 4 and 5 financial literacy questions correctly.

As with the ordered probit results split by education, the predicted probabilities are larger for people with low income than high income in all cases except in the last column predicting 5 correct. Financial education has a larger positive correlation with financial literacy for people who have lower income. The findings from Tables 4 and 5 strengthen the argument and previous research that financial education seems to be highly correlated with financial literacy and even more so for people who have lower financial literacy scores and may need financial education the most (Lusardi, 2003).

[Table 5: Ordered Probit Predicted Probabilities Split by Income]

As an extension and robustness check, each question was estimated to examine how financial education affects each financial literacy question separately. The five questions that comprise the financial literacy score cover a range of topics and vary in difficulty. Financial education was positively related to each of the financial literacy questions—those who took any financial education were more likely to answer any of the questions correctly. Therefore financial education is positively related to financial literacy scores for different subgroups of the population and different financial literacy topics. As an additional robustness check these results were compared against the 2012 survey. Results remain similar and robust splitting the sample by education and income.

### **Discussion**

Results suggest that financial education is positively related to financial literacy scores regardless of how the sample was split. This result can be seen in the mean financial literacy scores. People who received financial education in general had statistically higher financial

literacy scores compared to those who did not receive any financial education. Results from the ordered probit model show that people who received financial education were less likely to have low scores and more likely to have higher financial literacy scores compared to people with no financial education. Comparing predicted probabilities for people with low education and income to those with higher education and income suggest that financial education had a larger positive correlation, as seen by larger coefficients, for sub groups of the population that research suggests may need financial education the most.

There are some general limitations in this research. First, there is no information about the content or length of the financial education. For this study all high school, college, and employer financial education are assumed to be comparable. However, they may have different lengths (a day, week, or an entire year) there may also be a wide variety in the depth of content covered. Another issue is that employer financial education may also be specific only for that company and not comparable to other employer financial education. The survey does not go into detail about when the people received the education. It is unclear how long ago a person received college or employer financial education which would improve this study. Also, there is no information about why the individual received the financial education which can upwardly bias the results—were respondents required to take the course or did they chose to do so?

Future research should focus on the value-added of each course—which course(s) seemed to have the most effect? Also, is there a difference in financial education affecting the objective and subjective measures of financial literacy? Another limitation is the difference between those who received financial education and those who did not (either because it was not offered or elected not to take it) which may have biased the results. As discussed, it is not clear exactly why a person received financial education. While these questions are beyond the scope of this study, they are

important to study in the future to aid in the development and analysis of financial education programs. Finally, future research in this area should focus upon the causal effects of financial education—does financial education improve financial decisions and outcomes for those who took it?

Despite the limitations of this study, financial education appears to be positively related to higher levels of financial literacy especially for those with lower education and income levels. While this study does not show a causal relationship, it does suggest that there is a correlation between taking any type of financial education and subsequent financial literacy as measured by five financial literacy questions. This research will aid those developing financial education programs and results suggest that financial education in high school, college, through an employer, or any combination is correlated to higher financial literacy scores even years after taking the course. This research also emphasizes a need to teach financial education for those who have lower education and income—people whom previous research suggests lacks financial literacy and may need the most help.

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Table 1  
2015 NFCS Financial Literacy Questions

Topic	Question from the NFCS (with their answer)
Interest	Suppose you had \$100 in a savings account and the interest rate was 2% per year. After 5 years how much do you think you would have in the account if you left the money grow? [More than \$102]
Inflation	Imagine that the interest rate on your savings account was 1% per year and inflation was 2% per year. After 1 year how much would you be able to buy with the money in the account? [Less than today]
Bond	If interest rates rise, what will typically happen to bond prices? [They will fall]
Mortgage	A 15-year mortgage typically requires higher monthly payments than a 30-year mortgage, but the total interest paid over the life of the loan will be less. [True]
Stock	Buying a single company's stock usually provides a safer return than a stock mutual fund. [False]

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Table 2  
Descriptive Statistics

	Count	Mean	S.D.
Financial Literacy Score	23817	2.7356	1.4643
HS Only	21291	0.0531	0.2242
College Only	21291	0.0449	0.2070
Employer Only	21291	0.0223	0.1476
HS & College Only	21291	0.0274	0.1633
HS & Employer Only	21291	0.0181	0.1332
College & Employer Only	21291	0.0201	0.1402
HS, College, & Employer	21291	0.0288	0.1672
No Fin. Lit.	21291	0.7854	0.4106
Male	23817	0.4773	0.4995
White	23817	0.6503	0.4769
25-34	23817	0.1758	0.3807
35-44	23817	0.1579	0.3647
45-54	23817	0.1813	0.3853
55-64	23817	0.1748	0.3798
65+	23817	0.1732	0.3785
Less than high school	23817	0.0288	0.1674
High School	23817	0.2957	0.4564
Some College	23817	0.3494	0.4768
College--Associates or Bachelors	23817	0.3261	0.4688
Married	23817	0.5059	0.5000
Single	23817	0.3271	0.4692
Divorced/Separated	23817	0.1231	0.3285
Widowed/Widower	23817	0.0439	0.2048
Has Children	23817	0.3563	0.4789
Less than \$25k	23817	0.2689	0.4434
\$25-50k	23817	0.2798	0.4489
\$50-75k	23817	0.2003	0.4003
\$75-150k	23817	0.2138	0.4100
\$150k+	23817	0.0372	0.1891
Self Employed	23817	0.0699	0.2551
Employed	23817	0.4564	0.4981
Not in Labor Force	23817	0.2062	0.4046
Unemployed	23817	0.0705	0.2560
Retired	23817	0.1970	0.3977
Observations	23817		

## EFFECTS OF FINANCIAL EDUCATION ON LITERACY

Table 3  
Mean Financial Literacy Scores by Course

Type of Course	Course		No Course		Total n	Signif.
	n	Mean	n	Mean		
Low Education (Less than HS or HS Degree)						
HS only	505	2.5475	5,315	2.2785	5,820	***
Employer Only	91	2.9333	5,315	2.2785	5,406	***
HS and Employer	145	2.6631	5,315	2.2785	5,460	***
High Education (Some College or College Degree)						
HS only	563	3.0184	11,195	2.9392	11,758	
College only	1,055	2.9664	11,195	2.9392	12,250	
Employer only	409	3.5097	11,195	2.9392	11,604	***
HS and Coll	668	3.2530	11,195	2.9392	11,863	***
HS and Empl	219	3.1599	11,195	2.9392	11,414	**
Coll and Empl	472	3.5818	11,195	2.9392	11,667	***
HS, Coll, Empl	654	3.3477	11,195	2.9392	11,849	***
Low Income (<\$50,000)						
HS only	665	2.5843	8,839	2.3739	9,504	***
College only	567	2.6993	8,839	2.3739	9,406	***
Employer only	166	2.9439	8,839	2.3739	9,005	***
HS and Coll	324	2.9907	8,839	2.3739	9,163	***
HS and Empl	144	2.5523	8,839	2.3739	8,983	*
Coll and Empl	133	3.0041	8,839	2.3739	8,972	***
HS, Coll, Empl	216	3.0393	8,839	2.3739	9,055	***
High Income (>\$50,000)						
HS only	403	3.0733	7,671	3.1095	8,074	
College only	488	3.3093	7,671	3.1095	8,159	**
Employer only	334	3.6041	7,671	3.1095	8,005	***
HS and Coll	344	3.5329	7,671	3.1095	8,015	***
HS and Empl	220	3.2097	7,671	3.1095	7,891	
Coll and Empl	339	3.8567	7,671	3.1095	8,010	***
HS, Coll, Empl	438	3.5175	7,671	3.1095	8,109	***

\*  $p < .1$ , \*\*  $p < .05$ , \*\*\*  $p < .01$

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Table 4:  
 Ordered Probit Predicted Probabilities split by Education (Omitted Category: No financial education course)

	0 Correct	1 Correct	2 Correct	3 Correct	4 Correct	5 Correct
<b>Panel A: Low Education</b>						
HS Only	-0.0494*** (0.006)	-0.0590*** (0.009)	-0.0348*** (0.007)	0.0331*** (0.003)	0.0675*** (0.010)	0.0427*** (0.008)
Employer Only	-0.0522*** (0.014)	-0.0658*** (0.023)	-0.0430** (0.021)	0.0325*** (0.005)	0.0765*** (0.028)	0.0519** (0.026)
HS & Employer Only	-0.0339*** (0.011)	-0.0388*** (0.014)	-0.0209** (0.010)	0.0238*** (0.007)	0.0438*** (0.017)	0.0261** (0.011)
Pseudo $R^2$	.0547	.0547	.0547	.0547	.0547	.0547
Observations	6,056	6,056	6,056	6,056	6,056	6,056
<b>Panel B: High Education</b>						
HS Only	-0.0132*** (0.003)	-0.0250*** (0.006)	-0.0308*** (0.008)	-0.0103*** (0.004)	0.0327*** (0.008)	0.0466*** (0.014)
College Only	-0.0120*** (0.002)	-0.0223*** (0.005)	-0.0270*** (0.006)	-0.0084*** (0.003)	0.0293*** (0.006)	0.0403*** (0.010)
Employer Only	-0.0185*** (0.003)	-0.0367*** (0.007)	-0.0479*** (0.010)	-0.0198*** (0.006)	0.0469*** (0.008)	0.0760*** (0.019)
HS & College Only	-0.0188*** (0.002)	-0.0371*** (0.005)	-0.0483*** (0.007)	-0.0197*** (0.005)	0.0476*** (0.006)	0.0765*** (0.013)
HS & Employer Only	-0.0039 (0.006)	-0.0069 (0.011)	-0.0079 (0.013)	-0.0018 (0.003)	0.0091 (0.014)	0.0113 (0.019)
College & Employer Only	-0.0207*** (0.002)	-0.0418*** (0.006)	-0.0559*** (0.009)	-0.0250*** (0.006)	0.0528*** (0.006)	0.0907*** (0.017)
HS, College, & Employer	-0.0155*** (0.003)	-0.0296*** (0.006)	-0.0373*** (0.008)	-0.0135*** (0.004)	0.0386*** (0.007)	0.0573*** (0.014)
Pseudo $R^2$	.0703	.0703	.0703	.0703	.0703	.0703
Observations	15,235	15,235	15,235	15,235	15,235	15,235

Standard errors in parentheses;

\*  $p < .1$ , \*\*  $p < .05$ , \*\*\*  $p < .01$

EFFECTS OF FINANCIAL EDUCATION ON LITERACY

Table 5

Ordered Probit Predicted Probabilities split by Income (Omitted Category: No financial education course)

	0 Correct	1 Correct	2 Correct	3 Correct	4 Correct	5 Correct
<b>Panel A: Low Income</b>						
HS Only	-0.0401*** (0.005)	-0.0516*** (0.008)	-0.0357*** (0.007)	0.0195*** (0.002)	0.0643*** (0.010)	0.0436*** (0.008)
College Only	-0.0242*** (0.006)	-0.0291*** (0.008)	-0.0179*** (0.006)	0.0136*** (0.003)	0.0356*** (0.011)	0.0219*** (0.007)
Employer Only	-0.0380*** (0.010)	-0.0495*** (0.015)	-0.0349** (0.014)	0.0181*** (0.002)	0.0618*** (0.020)	0.0425** (0.017)
HS & College Only	-0.0415*** (0.006)	-0.0549*** (0.009)	-0.0395*** (0.009)	0.0189*** (0.001)	0.0687*** (0.012)	0.0483*** (0.011)
HS & Employer Only	-0.0231** (0.011)	-0.0279* (0.014)	-0.0173 (0.011)	0.0130*** (0.005)	0.0342* (0.018)	0.0212* (0.013)
College & Employer Only	-0.0349*** (0.010)	-0.0448*** (0.016)	-0.0307** (0.014)	0.0173*** (0.003)	0.0557*** (0.021)	0.0374** (0.017)
HS, College, & Employer	-0.0414*** (0.008)	-0.0549*** (0.013)	-0.0397*** (0.012)	0.0187*** (0.001)	0.0687*** (0.017)	0.0485*** (0.015)
Pseudo R <sup>2</sup>	.0522	.0522	.0522	.0522	.0522	.0522
Observations	11,054	11,054	11,054	11,054	11,054	11,054
<b>Panel B: High Income</b>						
HS Only	-0.0114*** (0.002)	-0.0250*** (0.005)	-0.0386*** (0.009)	-0.0211*** (0.007)	0.0304*** (0.006)	0.0656*** (0.018)
College Only	-0.0084*** (0.003)	-0.0179*** (0.006)	-0.0266*** (0.010)	-0.0133** (0.006)	0.0224*** (0.007)	0.0439*** (0.017)
Employer Only	-0.0154*** (0.002)	-0.0357*** (0.006)	-0.0582*** (0.012)	-0.0366*** (0.010)	0.0403*** (0.005)	0.1056*** (0.026)
HS & College Only	-0.0129*** (0.003)	-0.0290*** (0.006)	-0.0459*** (0.011)	-0.0267*** (0.009)	0.0344*** (0.006)	0.0801*** (0.022)
HS & Employer Only	-0.0061 (0.004)	-0.0128 (0.008)	-0.0187 (0.013)	-0.0088 (0.007)	0.0162 (0.010)	0.0302 (0.022)
College & Employer Only	-0.0160*** (0.002)	-0.0372*** (0.006)	-0.0613*** (0.011)	-0.0394*** (0.010)	0.0414*** (0.004)	0.1124*** (0.023)
HS, College, & Employer	-0.0089*** (0.003)	-0.0192*** (0.006)	-0.0288*** (0.011)	-0.0147** (0.007)	0.0239*** (0.007)	0.0477** (0.019)
Pseudo R <sup>2</sup>	.0725	.0725	.0725	.0725	.0725	.0725
Observations	10237	10237	10237	10237	10237	10237

Standard errors in parentheses; \*  $p < .1$ , \*\*  $p < .05$ , \*\*\*  $p < .01$