Reference & User Services Association,
A Division of the American Library Association
IMLS Sparks! Ignition Grants for Libraries & Museums Narrative
National Guidelines & Best Practices for Financial Literacy Education

PROJECT JUSTIFICATION

Proposed Project: With IMLS support, the Reference & User Services Association (RUSA) division of the American Library Association (ALA) plans to create National Guidelines and Best Practices for Financial Literacy Education (FLE) to be made available to all types of libraries throughout the US. Like RUSA’s current set of guidelines—covering all aspects of reference and user services from interlibrary loans to genealogical research—the FLE guidelines will be located and freely available on the RUSA website at www.ala.org/rusa/resources/guidelines. The FLE offerings will consolidate and standardize best practices, innovative thinking, and successful delivery models identified in a wide range of libraries, offering an essential framework for library-based interventions to help patrons gain financial knowledge, literacy, and even fluency. At a minimum, the materials will provide the impetus and direction for libraries to establish their own FLE programs, and for librarians to offer public guidance in an area where many feel underequipped. We also anticipate they will add a much-needed dimension to learning continuums offered by most libraries, with FLE complementing and undergirding related education areas like technology, employment, literacy, and public health. Given the bewildering array of FLE options out there, the project will establish libraries as trusted locations of first resort for FLE assistance.

Given the complexity and urgency of need, RUSA is widening its scope of activities to include not just guidelines but a best practices guide. A finalized guidelines, a draft best practices guide, and a 90-minute webinar introducing the paired materials will be completed by October 2014, together with a roll-out plan for both these items and a 5-part FLE webinar series (targeting librarians building their own FLE programs) in 2015. Materials will be developed by a 4-member Working Team, assisted by a 12-member Advisory Group assembled from the nation’s leading financial literacy institutions and library-based FLE providers. A Project Director hired
with IMLS funds will draft the pair of documents, aided closely by the Working Team, consolidating key findings, successful approaches (within and adaptable to libraries), and the expertise of leading FLE services. Materials will be shaped by RUSA’s 6-year experience collaborating with the Financial Industry Regulatory Authority (FINRA) Investor Education Foundation (FINRA Foundation) on Smart Investing@ your library (SI). FINRA is a nongovernmental self-regulatory organization for the financial services industry, and its Foundation supports research and educational projects aimed at the investing public. Guidelines and best practices will articulate key findings abstracted from the 94 public library ventures administered and evaluated by SI to date, adhering to 5 governing principles to maximize applicability: (1) Reliability; (2) Comprehensiveness/Flexibility; (3) Clarity; (4) Objectivity; and (5) Collaboration.

**Need, Problem, Challenge Addressed:** Even more than past guidelines, FLE has emerged out of a confluence of urgent needs RUSA is uniquely situated to fill. Just as ALA has stood for reading literacy, its RUSA division has become known for supporting financial literacy. With both the ALA and RUSA “brand” behind them, the materials have the ability to standardize, streamline and credibly boost FLE services across ALA’s membership network. Another distinction is the urgent present need. In 2007, SI was launched to build public library capacities in providing investor education in response to an identified need. The burden of retirement and financial planning had shifted to the individual consumer—yet most Americans lacked basic financial knowledge, much less literacy.1 A Library of Congress landscape-review notes: “Since 2006, [studies] have consistently found that American investors do not understand the most basic financial concepts, such as the time value of money, compound interest, and inflation.”2 Even worse, as FINRA Foundation’s 2009 “National Financial Capability Study” pointed out, was that a “significant majority” of respondents claimed knowledge and high levels of competence despite demonstrating otherwise.3 The 2008 financial crisis amplified both the need for FLE and—as SI-funded libraries discovered—public mistrust of even the safest instruments. Public libraries undertaking SI programs were faced with an enormous opportunity—but equally large challenges. SI’s 2012 *Grant Program Evaluation* (see Supportingdoc1) tracks achievements resulting from the provision of 82 grants to public libraries, and the creation of an SI network with more than 800 library facilities in 33 states. Over 90% of grantees met or exceeded SI’s first
goal (to build FLE capacity), while second (create and expand community awareness) and third goals (sustained use of resources and services by patrons) were met or exceeded by over 80%. Two interrelated factors helped libraries meet challenges within the unstable economic climate: (1) the flexibility to adapt FINRA Foundation-produced FLE content to their needs; and (2) the local partnerships SI grants actively fostered. Libraries had to adapt content to make it relevant to the changed realities of participants, while also showing how “crisis management” and long-term financial planning work in concert. Partnerships helped raise profiles of library-based programs and enabled librarians to create a system of reliable referrals. Overall, one thing was abundantly clear: SI addresses “a void in public library [FLE] programming, staff training, and collection development”—a fact confirmed by the Center for Financial Security’s report, “Public Libraries as Financial Literacy Supporters.”4 In addition to commonly noted challenges of providing financial information—“lack of information, a lack of computer skills among patrons,” and lack of community referrals—this study found that less than 10% of surveyed libraries had given staff financial literacy training, “surprisingly few linked to … major financial literacy Web tools,” and very few FLE collections met the ethnic, language and situational diversity of local communities. What the report did find—and our SI experience confirms—is enthusiasm among library staff for offering FLE to patrons.

Who/What Will Benefit: This project’s target beneficiaries will be the more than 12,000 public and academic libraries—plus the 121,000 libraries of all kinds—embedded in virtually every local US community. By helping libraries create and improve FLE offerings, we plan to impact a full range of library users throughout the country—close to 170 million registered individuals at public libraries alone.5 Guidelines will be especially helpful to those serving as business librarians with little business or financial knowledge.6 RUSA expects significant improvements in FLE services—assistance that can be relied on as authoritative and unbiased—to draw in new library users, who will then learn about libraries’ continuum of integrated adult learning opportunities. The enormous reach and potential impact of the FLE materials fits IMLS’s Sparks ethos, while also representing an essential next step. SI’s reach nationwide is a major achievement—but its focus on capacity-building and direct services means it can only address the FLE “void” in a small percentage of libraries. This project seeks to influence the library community at large. Key findings from studies cited above show just how great that need is. Per
FINRA Foundation’s 2009 *National Financial Capability Study*, almost half of Americans surveyed report trouble keeping up with monthly expenses and bills. Only 49% of FINRA respondents had emergency savings, with the numbers falling to 31% for those in the 18-29 age group. Only 42% of FINRA respondents had started saving for retirement, and only 51% in the 45-59 age group. According to a 2010 Northwestern Mutual’s Financial Matters Study, 69% of 1,664 American adults surveyed on financial knowledge failed a basic quiz. According to the Library of Congress’s landscape review, “researchers have identified several categories of respondents who performed worse than average,” including “African Americans and Hispanics, the oldest segment of the elderly population and individuals with low levels of education attainment.” Women also “consistently perform worse than men on investor-literacy quizzes.”

**Intended Results.** RUSA plans to create a reliable set of national FLE standards, with broad applicability and appeal to libraries throughout the US. The guideline and best practices will represent a major step forward in RUSA’s support for the business education of librarians, so they in turn can assist their communities more reliably, thoroughly and with greater confidence. We believe ALA and RUSA are uniquely positioned to set standards for libraries within the US, and achieve “significant innovation” and “broad impact.” Membership in ALA and RUSA alone—54,432 and 4,000, respectively—guarantees a major platform for these vital materials to launch from. We also recognize how intricately tied impact and innovation are in this effort. For FLE material to innovate services, it needs to be useful to as broad an audience of library professionals as possible; conversely, to be taken up by a broad audience, the materials need to reflect the most cutting-edge FLE practices possible. To that end, both guidelines and best practices will reflect the five principles noted above. The attached Governing Principles Table details their emergence out of our SI experience, and how adherence to each principle will affect their innovations and impact.

**PROJECT WORK PLAN**

**Specific Activities:** The work plan will follow methods that have worked for RUSA with past guidelines, including the creation of a 9-member Advisory Group and 4-member Working Team. The latter will comprise a Project Director (to be hired) and 3 members of RUSA’s Business Reference and Services Section (BRASS). The Team will carry out most of the research,
analysis, culling and collating involved in creating these materials, as well as producing webinar content and roll-out plans. They will meet virtually on a regular basis, each member taking assignments. At the next level, the Advisory Group will represent the perspectives of national financial information leaders and innovative library-based FLE providers. Meeting 4 times annually, the Advisory Group will provide guidance to the Working Team as they develop material, review key findings and drafts, help obtain feedback from key stakeholders nationwide, and assist in promoting materials. Activities can be broken into 5 categories:

- **Identifying & Assembling Key Stakeholders:** Along with the 2 current Working Team volunteers, RUSA’s Executive Director, will lead the search for the Project Director. RUSA will issue a Request for Proposals (RFP) for the position, detailing activities and laying out project parameters. This core group will then identify and approach FLE experts and leaders in and outside libraries, together with representatives from national financial services and education and consumer protection institutions for the Advisory Group. Committed and potential partners are noted below: RUSA’s strategy will be to use committed team members to suggest others, in order to assemble a group that comprehensively covers the FLE landscape. Partners will also need to demonstrate clear objectivity, a strong ethics code, and commitment to serving all population segments.

- **Research & Analysis:** Taking direction from the Advisory Group, the Working Team will research and analyze a full spectrum of FLE studies and best practices for libraries, including those noted in *Project Justification*. The SI program has strongly contributed to RUSA’s thinking about guidelines and best practices. In addition to the findings summarized in the grants report, RUSA has access to survey data, interviews, and reports from local libraries—a wealth of material directly pertaining to library-based FLE. SI participants will sit on the Advisory Group, and the Working Team will seek out representatives from other distinctive programs. Leading FLE curriculum, guidelines and competency reviews will be analyzed by Working Team members, with follow-up for offerings of special interest. Finally, at both of ALA’s national conferences, RUSA will set up public hearings and presentations to introduce the FLE concept and get feedback about content.

- **Drafting & Production:** Grant-term activities will be mostly directed towards drafting guidelines and best practices. The guidelines will follow a similar format to guidelines currently on RUSA’s website—providing direction to librarians working to establish FLE programming,
train staff, or prepare for finance-oriented questions. FLE guidelines will outline definitions, recommendations, roles and strategies, while taking in the following areas: financial literacy definitions; preparations for FLE services and programs; organization and integration of FLE services into youth and adult learning continuums; ensuring objectivity of sources, resources and referrals; FLE needs in different service populations; and privacy and ethics requirements. The best practices guide will draw on past and current activities to summarize successful practices, extract ideal principles and note limitations of various forms of library-based FLE service provision. Guidelines will be accompanied by a 90-minute “beta” webinar for interested librarians introducing the materials. After the grant term, RUSA will create a series of 3 hour-long webinars offered 3 to 4 times a year for the foreseeable future. These (charged) webinars will target library leaders who wish to establish their own programs, train other staff or simply gain expertise.

Generating & Incorporating Feedback and Dissemination activities discussed under appropriate subsections below.

Project Staff & Participants: A member-driven organization with 4,000 members and just 4 paid staff, RUSA will rely on BRASS volunteers to plan and implement much of the project. Susan Hornung, RUSA’s Executive Director, will oversee the project, with responsibility for hiring the Project Director, selecting members of the Working Team and Advisory Group, supervising the Director, tracking progress of materials, liaising with IMLS, and overseeing dissemination of materials. Ms. Hornung has served as Executive Director of RUSA and ALA’s Association of Specialty & Cooperative Library Agencies (ASCLA) since 2009. Committed Working Team members include 2 senior BRASS members: Chris LeBeau, former BRASS Chair and an Assistant Teaching Professor, and Research and Instruction Librarian at University of Missouri’s School of Information Science; and Elizabeth Malafi, the Chair of BRASS’s Business Reference in Public Libraries Committee and the Coordinator of the Miller Resource Center at Middle Country Public Library in New York. The third member will be identified at the start of the grant. The Working Team will assist the Project Director during all project stages, with an emphasis on research. The Project Director will facilitate and coordinate all phases of the materials’ development process, including arranging meetings for the Working Team and Advisory Group, arranging public hearings, conducting research, writing drafts and final copies,
and providing quarterly progress reports. Attached to this application are letters of commitment from FINRA Foundation, the Center for Financial Security (which produced the “Public Libraries as Financial Literacy Supporters” study), and 2 successful SI partners: Naperville Public Library, which paired public health and financial learning in *Healthy, Wealthy and Wise*, and Brooklyn Public Library, currently serving students and adults with *Growing Dollars & Sense*. Institutions under consideration include the Consumer Federation of America, Financial Literacy and Education Commission, the Consumer Financial Protection Bureau, the National Endowment for Financial Education, Jump$tart (FLE for children and youth), and the Financial Services Roundtable.

**Sequence of Activities:** The grant term will start in October 2013 and end September 2014, by which time RUSA will have completed guidelines, a best practices draft, a 90-minute webinar, and a roll-out plan for all its FLE material. Guidelines will be posted on RUSA’s website by October 2014. The first webinar will be given in August 2014, with at least 3 more to follow during the next year. We anticipate the finalized best practices guide and 5-part webinar series to be rolled out in early 2015. Implementation activities will proceed in roughly the same order as the five categories noted above. Identifying and assembling key stakeholders will occur from October to December 2013, with new research or parties of interest continuing to be identified. Research will comprise the bulk of the grant period for guidelines and best practices, from January to May 2013. Creation of the guidelines working document will begin in April 2013 and continue through summer: each draft will be reviewed for suggestions within RUSA and posted as a draft on our guidelines webpage. Best practices drafting will be slightly staggered, with a working document begun in June and a first draft completed by September 2014. While, on average, RUSA makes 2 drafts, the process is iterative, absorbing as much feedback as needed. Public hearings will be held at the ALA midwinter and annual conferences, in January and June 2014, respectively—at the latter, librarians will be presented with a first draft of the guidelines and a summary of the best practices working document. Once drafts are posted on the RUSA website, we will encourage BRASS and SI network members to review and respond to linked surveys.
Tracking Progress. With all activities reviewed and discussed within and between the Working Team and Advisory Group, the project is constituted to ensure near constant peer-to-peer oversight and monitoring. Because materials need to be reliable, comprehensive and reflect cutting-edge thinking, this level of feedback and cross-pollination is essential. (It also reflects how RUSA has approached past guidelines.) Every Working Team meeting will involve sharing of individual research and tracking progress toward writing standards documents. Before every meeting of the Advisory Group, the Project Director will submit a quarterly progress report (shared with Ms. Hornung), to be reviewed and discussed. The drafting process will involve numerous revisions, following feedback from both expert and general readers. Drafts will be submitted for feedback on the RUSA website and, where possible, at public hearings at the 2 ALA conferences—the midwinter one will present the initial concept and early research. Finally, each draft document/webinar offered on our webpage will be accompanied by linked and follow-up surveys measuring the usefulness of the material, the kinds of readers it attracts, and how they plan to use guidance.

Sharing Project Results: The purpose of this project is to share key findings, lessons learned and latest FLE innovations with as wide an audience as possible. While the IMLS white paper and roll-out plan will be shared with the IMLS community, the guidelines, best practices and webinar will be situated on the RUSA website, even as drafts, and freely available once finalized. RUSA’s guidelines page sees 58 visits per day. Besides being a good way to gather feedback, public hearings at both ALA Conferences are valuable ways to publicize this material to other librarians. Material will be promoted through the RUSA blog, the RUSA update (our e-newsletter for the association), the Reference and User Services Quarterly, and RUSA-L, the online discussion group for the Association.
PROJECT RESULTS

Potential Impact: Our overarching goal is to change the behavior of as broad a swathe of the American public as possible related to personal finances and long-term savings. RUSA wants to spark a change in knowledge—but, just as important, in comfort and trust when using financial instruments and taking basic steps to insure financial well-being. Given this aim, RUSA has two long-term goals closely aligned with the Sparks emphasis on innovation and impact: (1) To increase the number of U.S. libraries able to or comfortable with providing FLE services; and (2) To improve the quality of FLE offering in libraries nationwide. From the perspective of patrons receiving RUSA-guided FLE assistance, we anticipate the following outcomes: increased ability to identify financial problems areas; increased ability to seek out appropriate information and resources for financial problem-solving; increased ability to identify poor financial choices before decisions get made; and improved decision-making based on confident understanding of the financial environment. One of the most exciting aspects of FLE—according to successful SI program managers—is the opportunity to track changes in behaviors among participants with relative ease. Instructors can query individuals on whether they had opened savings accounts, joined a 401K Plan, or started creating monthly household budgets—basic activities/habits with profound consequences for the future.

Measuring Success: Since outcome-based measures of long-term goals and user outcomes aren’t feasible within the grant term, final outcomes will be closely linked to progress-tracking measures and partly reflect qualitative responses to draft materials. Quantitative metrics of change will occur via surveys linked to draft guidelines and best practices on the RUSA website; feedback and written questionnaires during public hearings; webinar surveys; and interviews provided during document research and review. Early surveys will feature brief questions regarding need for FLE services within participants’ institution; use/usefulness of RUSA guidelines in general; usefulness of FLE material; and gain in knowledge resulting from FLE guidelines. RUSA will separately survey its members and representatives from SI-funded libraries during the research phase for recommendations, with follow up occurring once guidelines are finalized. By 2015, we will prepare a thorough survey—linked to our website and sent to SI and RUSA/BRASS members—that can effectively measure the impact of the
guidelines and best practices as they ripple through library communities. The table below provides a set of targets that can be measured within the year.

**Outcome Targets**

90% of readers/reviewers report materials fulfill governing principles relevant to their broad and significant impact.

70% of librarians/individuals surveyed report a genuine need for guidelines and best practices within their libraries.

70% of those reviewing guidelines report a gain in knowledge or confidence relevant to FLE service provision.

25% of those reviewing guidelines indicate desire to establish/improve FLE programs or change service provision.

80% of librarians taking webinar class report gains in knowledge or confidence relevant to FLE service provision.

**Instruments**

Interviews with Advisory Group & others during research/ draft phases. Surveys on guidelines webpage linked to drafts.

Survey of SI participants & RUSA members. Questionnaires at public hearings. Linked survey on guidelines webpage.

Interviews and feedback from FLE guidelines reviewers. Linked survey on webpage with RUSA FLE guidelines.

Interviews and feedback from FLE guidelines reviewers. Linked survey on webpage with RUSA FLE guidelines.

Follow-up questionnaire for librarians participating in single-session webinar during grant term.

**Adaptability:** Adaptability is a—if not the—key attribute of the proposed guidelines and best practices. As detailed above, RUSA will work hard to ensure these documents are useful and applicable to as wide an audience of librarians as possible. In fact, our decision to create guidelines and best practices, rather than a new curriculum, is to offer documents that users can apply to their own circumstances and distinct populations. Moreover, the guidelines will retain a much longer “shelf-life” by adhering to basic standards, definitions, suggestions and examples of successful practices than material recommending specific collections or time-limited approaches.