My Classroom Economy Evaluation: Project Update

J. Michael Collins, Collin O’Rourke, and Elizabeth Odders-White, Center for Financial Security

Introduction

This brief highlights progress to date in evaluating the My Classroom Economy program (MyCE), an evaluation funded by the U.S. Department of the Treasury. The project follows an earlier Treasury-funded evaluation of a curriculum-based financial literacy program combined with in-school banking, also conducted by the Center for Financial Security (CFS). Results from that study are summarized in a brief at go.wisc.edu/ml1th7.

In contrast to a more traditional financial education program based around lesson plans, MyCE takes an experiential approach. Students earn money through classroom jobs, pay rent for their desks, and may be subject to fines and bonuses at the teacher’s discretion. Past research suggests that experiential programs are an effective teaching strategy. Because this approach requires limited instructional time, the results of this evaluation are expected to be of wide interest among educators, policymakers, and researchers. Although considerable momentum is behind teaching financial literacy in schools, few rigorous studies have identified effective financial education strategies.

The My Classroom Economy Program

MyCE materials are available free of charge from myclassroomeconomy.org, where teachers can download documents or request paper copies. This evaluation focuses on 4th and 5th grade students, but MyCE materials are available for all grades K-12. The functioning of classroom economies becomes increasingly complex at higher grades. Students in this evaluation were an average of 9.3 years old.

With MyCE, students earn and spend money through a simulated classroom economy. Teachers assign each student a job, allowing students to earn income. Students spend their money renting or purchasing their desks, and have the opportunity to buy items at a classroom store. MyCE also acts as a classroom management system, allowing teachers to establish rules for bonuses and fines.

Project Milestones

- Partnered with one of the 15 largest school districts in the country.
- The District recruited 115 teachers at 26 schools to participate in the evaluation.
- Randomly assigned schools into treatment and comparison groups.
- Developed student, parent, and teacher surveys.
- Teachers were trained and received study instructions at workshops in August 2015.
- The treatment group implemented My Classroom Economy during the District’s first trimester, running from August to November 2015.
- Baseline and follow-up surveys were matched for 1,972 students, including 1,150 in the treatment and 822 in the comparison groups.
- Surveys were collected from 791 parents and 97 teachers.
- The district will share administrative data (e.g., grades, test scores) from this school year in May.
- Further analysis of the data will occur in June and July, with a final report due to Treasury in September.

Our evaluation of MyCE ran from August 17 to November 13, 2016, the partnering district’s first trimester for elementary students.

School District of Palm Beach County

In the fall of 2014, CFS issued a national call for school districts interested in collaborating on the MyCE evaluation. CFS selected the School District of Palm Beach County (SDBPC) as the partner district. SDBPC is one of the 15 largest school districts in the nation. As a county-based district, SDBPC serves students from diverse socioeconomic and racial and ethnic backgrounds. SDBPC has a district-wide financial literacy coordinator and a robust research and evaluation department, both proving instrumental throughout the evaluation.
Although MyCE is well-aligned with Florida’s financial literacy standards, the decision to participate in a financial literacy program ultimately rested with each principal and teacher. In the spring of 2015, CFS and SDPBC worked together to recruit schools and teachers for the evaluation. One hundred fifteen teachers across 27 schools agreed to participate in the evaluation with the understanding that some schools would be assigned to the comparison group and required to delay use of the program.

**Evaluation Process**

CFS randomly assigned schools that volunteered for the evaluation into treatment and comparison groups. The treatment group implemented MyCE in the first trimester of the 2015-2016 school year, which ran for 13 weeks. The comparison group was required to delay using the program until the second trimester. This design is critical to establishing the causal effects of MyCE on measured outcomes.

Teachers in both the treatment and comparison groups attended an in-person workshop the week before school started. During this training, teachers started preparing materials for their classrooms and learned more about the evaluation.

**Data Collection**

In order to measure program outcomes, CFS developed student, parent, and teacher surveys, which were reviewed by the Office of Management and Budget. The University of Wisconsin Survey Center worked with the district to collect the survey data at all participating schools during the weeks of August 31 and November 9.

The student surveys measured financial knowledge, behaviors, and attitudes. The surveys were administered to both the treatment and comparison groups at the start and end of the district’s first trimester. This design will allow us to compare changes from the beginning to end of the trimester between the two groups.

Short parent and teacher surveys were administered at the end of the first trimester. The parent surveys focused on financial socialization (e.g., providing an allowance), and the teacher survey gathered feedback on the implementation of MyCE and teaching financial literacy more generally.

In addition to the survey data, SDPBC will provide administrative data on student demographics, grades, and test scores to CFS from the previous and current school years. These data will be incorporated into the analysis to complement the survey measures.

**Preliminary Results**

CFS recently received the survey and administrative data, and has started processing the different datasets. Baseline and follow-up survey data were matched for 1,972 students, 1,150 from the treatment group and 822 from the comparison group. Surveys were collected from 97 teachers and 791 parents, for response rates of 84% and 40%, respectively. Overall, the survey response rates were quite high. The statistical analysis will focus on comparing changes from baseline to follow-up between the treatment and comparison groups.

Figure 1 below shows a cumulative financial knowledge score at follow-up, along with the change in score from baseline to follow-up, for both the treatment and comparison groups. The results show a higher score for the treatment group as well as a greater change from baseline to follow-up for the treatment group. These results are preliminary but promising.

**Figure 1. Financial Knowledge Scores**

Additional preliminary results show that:

**Among students in the treatment group**
- 60% purchased an item from the classroom store
- 75% paid at least one fine

**Among teachers in the treatment group**
- Most held three to five auctions during the trimester
- 95% reported using MyCE regularly
- 93% reported they will continue using MyCE.

**Next Steps**

Further analysis of the student, teacher and parent survey data, along with the administrative data, will take place in June and July, with a final report due to Treasury in September 2016.