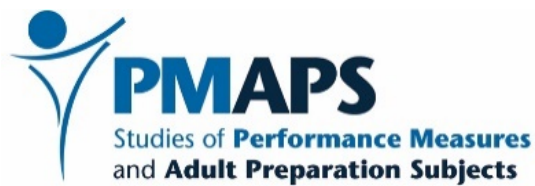


CONCEPTUAL MODELS FOR ADULTHOOD PREPARATION SUBJECTS WITHIN THE PERSONAL RESPONSIBILITY EDUCATION PROGRAM (PREP)



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V. CONCEPTUAL MODEL FOR ADDRESSING FINANCIAL LITERACY IN PREP

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V. CONCEPTUAL MODEL FOR ADDRESSING FINANCIAL LITERACY IN PREP

For the APS conceptual models study, the study team developed conceptual models for six APSs (adolescent development, educational and career success, financial literacy, healthy life skills, healthy relationships and parent-child communication). The team then developed a unified framework to identify connections across subjects. Together, the models and framework are intended to help ACF support effective programs by providing PREP grantees with guidance on what constitutes adulthood preparation programming, what infrastructure is needed to support it, how to offer such programming within adolescent pregnancy prevention programs, and what outcomes are anticipated. Each conceptual model draws on theoretical and empirical literature. Other sources included consultations with stakeholders and experts; feedback from staff in FYSB and OPRE; and interviews with PREP grantees about their experiences designing and implementing APS programming.

The Family and Youth Services Bureau (FYSB) and the Office of Planning, Research, and Evaluation (OPRE), both within the Administration for Children and Families (ACF), contracted with Mathematica and its partner, Child Trends, to develop conceptual models for the adulthood preparation subjects (APSs) and to determine how they fit within PREP programming.

PREP grantees must adhere to four program requirements: (1) implement evidence-based or evidence-informed curricula; (2) provide education on both abstinence and contraception for the prevention of pregnancy, sexually transmitted infections (STIs), and HIV; (3) educate youth on at least three of six APSs; and (4) focus on high-risk populations, such as youth residing in geographic areas with high teen birth rates, adjudicated youth, youth in foster care, minority youth, and pregnant or parenting teens. PREP grantees are also required to implement a positive youth development (PYD) approach in their programs. Grantees have discretion in how to meet these requirements. This discretion allows them to tailor their programs to fit the needs of the targeted population and their priorities.

The intention of supplementing pregnancy prevention programs with APS content is to further prepare youth for the transition to adulthood. It is hypothesized that incorporating APS content will strengthen the ability of programs to reduce sexual risk behaviors and expand the range of outcomes that programs affect.

This report is a first step toward helping PREP grantees understand issues of integrating and implementing APSs into their programming. The information presented herein reflects grantee perspectives and published literature on the APSs. The primary aim of this report is to provide grantees with a framework to support the implementation of APSs in their projects.

This chapter presents the conceptual model for financial literacy through a schematic and supporting narrative. It starts by defining financial literacy (Section A) and briefly describing how the study team developed the model (Section B). Sections C through H review each model component and the supporting literature. Section I describes conclusions and suggests areas for future research.

A. Working definition of financial literacy

The legislation authorizing PREP provided a limited definition for each APS.¹¹ To guide the APS study, the study team developed a working definition that built from the language included in the legislation. The study team then shared the working definition with APS consultants, librarians, and ACF and refined it based on their feedback. The study team continued to refine the working definition throughout the development of the conceptual model based on reviewed

¹¹ https://www.ssa.gov/OP_Home/ssact/title05/0513.htm.

literature and feedback from ACF, PREP grantees, and stakeholders. Each APS is multifaceted, with a range of potential applications to youth. The working definition focuses on how the subject applies to PREP. The working definition for financial literacy is:

Having the knowledge and skills needed to understand the financial terminology and concepts that enable adolescents to acquire and manage financial resources successfully. Short-term financial literacy skills include opening a bank account, saving, managing credit, and preparing and tracking personal budgets. Medium- and long-term financial literacy skills include knowledge of financial services, interest rates, insurance, debt and credit management, and future planning, including planning for college. Financially literate adolescents understand the implications of their spending on their current and future financial well-being and are able to make careful choices about how to acquire and spend their money and other resources.

B. Overview of the model development process

The study team developed each APS model through a multi-step process (described in more detail in Chapter II). First, the team conducted a literature review on each individual APS. Then they held semi-structured interviews with representatives of PREP grantees and providers to understand how they covered each APS. Finally, the team solicited feedback on each APS from additional experts and stakeholders through a series of conference calls and semi-structured interviews. Throughout development, staff from FYSB and OPRE provided feedback on the process, and on the evolving content of the developing conceptual models. Next, the study team describes the process of developing the conceptual model for financial literacy.

Research literature review. The study team started by conducting a targeted review of research literature on financial literacy. They systematically searched, screened, and reviewed articles and studies, and then extracted and summarized findings using a template that included sections for each intended component of the conceptual model. In total, for financial

literacy, the team reviewed 35 documents, published from 2005 through 2016: 10 empirical studies, seven literature reviews or meta-analyses, five program evaluations, two theoretical articles, two articles that proposed program models, and nine other documents, including recommendations from an advisory council and from the U.S. Department of Treasury, a curriculum review tool, and a parent/caregiver guide.¹² (See Appendix A for a list of references by chapter, and Appendix B for detailed tables describing the literature review process.)

Primary keywords: Financial literacy

Secondary keywords: Financial management, financial education, money management, fiscal responsibility, personal finance, basic savings, credit management, spending practices, financial well-being

¹² Note that most of the studies reviewed showed associations rather than causal relationships; findings that report correlations cannot be used to infer causality.

Interviews with PREP grantees and providers. The study team interviewed existing PREP grantees and providers about their APS programming and implementation. The interviews addressed APS program design and implementation, curricula or materials used to cover the APSs, and youth receptivity to APS programming. Altogether, the team spoke with 26 respondents from 19 states, across 25 PREP grantees. Respondents represented 16 State PREP, seven Competitive PREP, and two Tribal PREP grantees.¹³ On average, respondents reported covering four APSs in their programs, ranging from the required minimum of three subjects to as many as six.

Twelve grantees interviewed said they covered financial literacy. They chose this APS when it applied to their youth populations, such as low-income youth or youth in alternative school settings. Respondents generally paired educational and career success with financial literacy, implementing these lessons mostly with lower-income, minority youth.

Expert and stakeholder feedback. The study team engaged four groups of experts and stakeholders to provide feedback on the models. These people reviewed the models to ensure that they included relevant theories and research on the subject and could enhance or expand PREP outcomes if operationalized as described. Experts and stakeholders represented four groups: (1) experts with content knowledge on specific APSs; (2) State PREP, Competitive PREP, and Tribal PREP grantees; (3) representatives of federal agencies that work on adolescent pregnancy prevention or youth programming related to the APS; and (4) representatives of selected external organizations involved with adolescent pregnancy prevention or youth programming related to the APS.

C. Financial literacy conceptual model

Figure V.1 shows the conceptual model for financial literacy. The definition of financial literacy and the theory of change are at the top, above the conceptual model. The model includes precursors that influence youth who participate in financial literacy instruction as part of PREP, such as developmental tasks and risk and protective factors. The model also identifies topics for inclusion in financial literacy education programs, design and implementation features for PREP programs, and outcomes that might be affected by offering this programming. Outcomes are presented as enhanced or expanded for the PREP program. Enhanced outcomes refers to changes to the outcomes related to the prevention of pregnancy and STIs among youth targeted by PREP, specifically sexual activity, contraceptive use, and incidence of pregnancy and STIs. Expanded outcomes refers to changes in outcomes not related to the prevention of pregnancy and STIs among youth. Sections D through H describe each component of the conceptual model in Figure V.1, expanding on information in the figure, based on the supporting literature. For some components of the conceptual model, the text presents additional detail beyond what is included in the figure.

D. Precursors

The conceptual model starts with three sets of precursors for financial literacy: developmental tasks, risk factors, and protective factors. Some individual, peer, family, school, and community factors interact and influence how youth develop. These contextual factors often reflect

¹³ As reported in the 2017-2018 PREP performance measures, there are 51 State PREP, 20 Competitive PREP, and eight Tribal PREP grantees.

characteristics and experiences that youth bring to a program, but they are not factors that programs should or could expect to change through youths' participation. While not included in the conceptual model figure, programs should consider these factors for their target populations and recognize that their relevance may vary, depending on the APS. For financial literacy, contextual factors to consider are youth and parent demographic and economic characteristics and family structure and dynamics. In some cases, contextual factors can encourage youth to avoid negative or risky behaviors, and in other circumstances, they can place youth at higher risk for involvement in activities that contribute to poor developmental and behavioral outcomes. Further, certain individual-level factors (such as age, grade level, or sex) can moderate youths' experiences in the program and their outcomes.

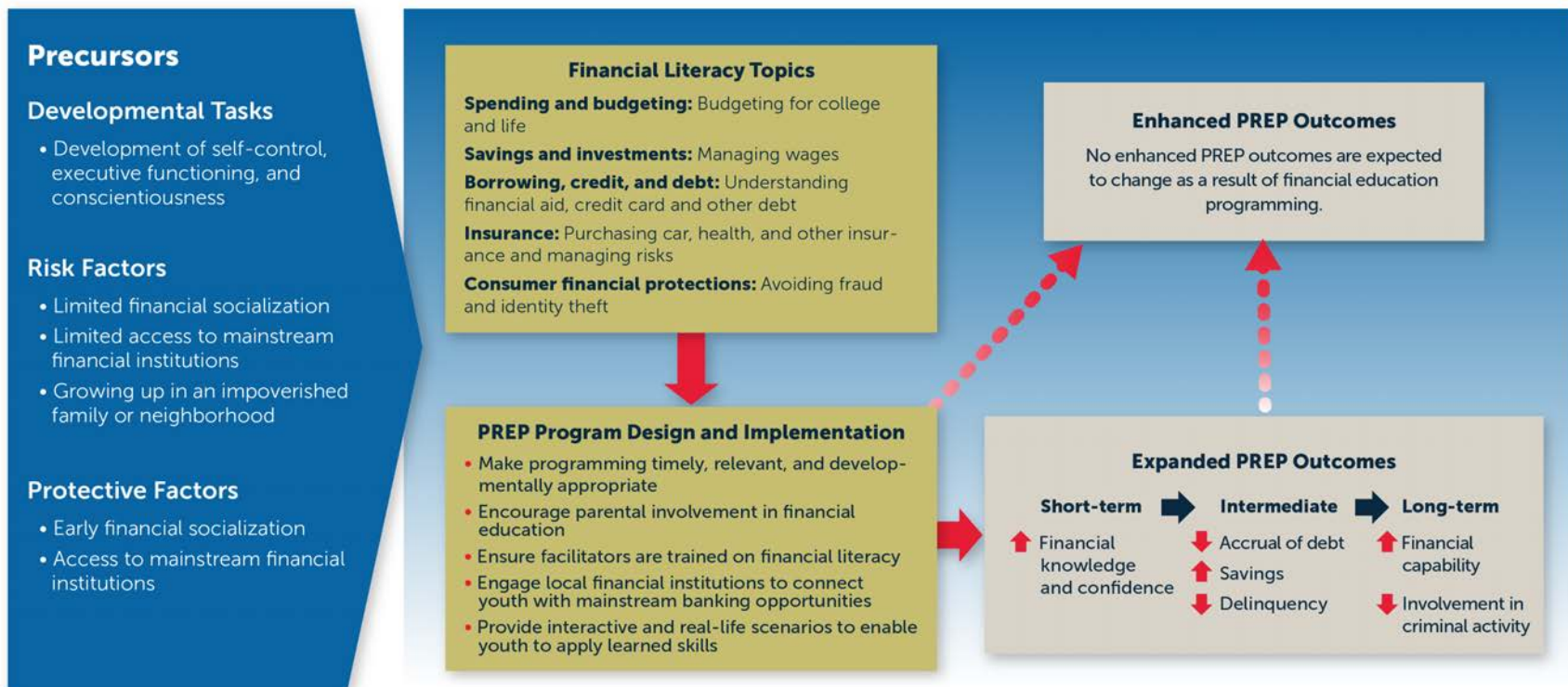
The team included developmental tasks to recognize that adolescents start at different places and progress at different rates through expected trajectories that occur in interconnected social, emotional, cognitive, and physical domains. Risk factors make youth more likely to engage in negative behaviors or harder for them to develop strengths. In contrast, protective factors promote positive development by making youth less likely to engage in negative behaviors and helping them to mitigate risks and promote resilience. Although not specified in the model, promotive factors enhance positive development generally among youth, regardless of any individual, familial, or community risk factors. Promotive factors overlap with protective factors (for example, positive family relationships) but are more generally beneficial for all youth, whereas protective factors come into play in the context of risk (National Research Council and Institute of Medicine 2009). Examples of promotive factors include ethnic identity, social support, and prosocial involvement.

Developmental tasks. Physical, cognitive, and social and emotional development continue during adolescence, and PREP programs must consider youths' developmental needs when designing programming. Relevant to financial education is development of self-control, executive functioning, and conscientiousness. Self-control, and the related concept of executive functioning, refers to a range of cognitive abilities that enable a person to control behaviors, emotions, and desires. Self-control includes the ability to summon will power, monitor impulsivity, exhibit care and vigilance when completing tasks, regulate emotions, delay gratification, and process information. Executive functioning is a set of mental skills that help a person remain focused on the task at hand and juggle multiple priorities. Conscientiousness is exhibiting care and vigilance when completing tasks, and desiring to complete them well (Drever et al. 2015). These skills are learned throughout life, starting at a young age, and are necessary for most daily functioning. Numerous authors noted that self-control, executive functioning, and conscientiousness are necessary for financial well-being (Drever et al. 2015; Letkiewicz and Fox 2014; Moffitt et al. 2011). Executive functioning and self-control are causative factors in multiple well-being outcomes, including language acquisition, school readiness in early childhood, and health and safety in adolescence and adulthood (Drever et al. 2015).

Figure V.1. Financial Literacy Conceptual Model

Financial literacy is having the knowledge and skills needed to understand the financial terminology and concepts that enable adolescents to acquire and manage financial resources successfully. Short-term financial literacy skills include opening a bank account, saving, managing credit, and preparing and tracking personal budgets. Medium- and long-term financial literacy skills include knowledge of financial services, interest rates, insurance, debt and credit management, and future planning, including planning for college. Financially literate adolescents understand the implications of their spending on their current and future financial well-being and are able to make careful choices about how to acquire and spend their money and other resources.

Theory of Change: Providing youth with financial education and enabling their access to mainstream financial institutions can lead to greater financial capability (the ability to act on financial knowledge). At a stage when youths are beginning to make financial decisions and access financial products, PREP programs promote the development of financial capability by offering targeted financial education and support, through which youth can increase their savings and acquire less debt. Providing financial education and support in conjunction with pregnancy prevention programming may encourage youth to focus on planning for the future and avoiding actions that could prevent them from reaching their long-term goals.



Risk and protective factors. Financial socialization, which can serve as either a risk or a protective factor, is how youth are exposed to financial norms and behaviors and begin to develop their own financial values and standards. Ideally, such socialization starts in early childhood as children adopt the financial habits and values of their parents and gradually absorb financial concepts (Drever et al. 2015; Tang and Peter 2015; Van Campenhout 2015; Hoeve et al. 2014; Grohmann 2015). Growing up in an impoverished family may limit early financial socialization, and adverse experiences may give youth negative feelings toward money. Messages about money come from media, films, fairy tales, and more, and affect how people view money and personal finances (Newcomb 2016). Educators might assume that youth will already have some financial socialization before they attend PREP financial education. However, educators must recognize youth have different feelings about money and their levels of financial socialization will differ.

Youth who grow up in poverty may also have limited exposure to, or little positive experience with, mainstream financial institutions and more exposure to non-traditional financial institutions, such as check-cashing or payday loan operations, or unregulated local lenders. Youth from middle-class or wealthy environments are likely to have more knowledge of the financial products available. Learning to engage mainstream financial institutions helps youth develop an understanding of financial products, such as savings and checking accounts, credit cards, and car loans. However, prior contact with such institutions may vary across youth.

E. Theory of change for financial literacy

Theory of change

Providing youth with financial education and enabling their access to mainstream financial institutions can lead to greater financial capability (the ability to act on financial knowledge). At a stage when youths are beginning to make financial decisions and access financial products, PREP programs promote the development of financial capability by offering targeted financial education and support, through which youth can increase their savings and acquire less debt. Providing financial education and support in conjunction with pregnancy prevention programming may encourage youth to focus on planning for the future and avoiding actions that could prevent them from reaching their long-term goals.

The theory of change for financial literacy builds from the precursors that influence the youth who participate in PREP programming. Although increased financial literacy is the end goal of financial education, offering financial education programming will also affect the more important concept of financial capability—a step that goes beyond financial knowledge to include access to financial institutions and development of assets. Serido et al. (2013) define “financial capability” as knowledge and behavior related to how individuals manage resources and make financial decisions. Drever et al. (2015) define it as the combination of financial knowledge and competency, and the ability and opportunity to act on that knowledge. The study team refined those definitions to include having financial knowledge, and using it to increase one’s assets and to identify and engage with financial institutions that serve one’s best interests.

Underlying the theory of change are youth and human development theories including behavioral decision theory and behavioral economics, cognitive development theory, social construction theory, capability theory, and experiential learning theory. These theories suggest that youths’ exposure to financial concepts and institutions prior to receiving programming prepare them to learn financial topics relevant to their lives and the decisions they are making. Adolescence is the

time when youth start to acquire debt, either through credit cards, personal loans from friends and family, the purchase of a car, or student loans for postsecondary education (Hoeve et al. 2014). Introducing the financial concepts of debt management and control and healthy spending can encourage youth to decrease debt reliance and increase savings and asset accumulation over their lifetimes. However, providing education on financial topics alone may not be sufficient to help youth achieve financial success later in life. Particularly for youth who lack financial socialization from their parents, as may be the case with youth involved with the child welfare system or the criminal justice system, supports such as mentoring and connections to financial institutions and products may be necessary. In addition, enabling youth to practice the financial skills they learn could help solidify healthy financial behaviors later in life.

Financial education should focus on topics relevant to youth at the time they are taught. By timing financial education to coincide with youths' labor market entry or decisions about financing postsecondary education, and educating them about financial institutions when they are likely to start using those institutions, PREP programming can capitalize on youths' motivation and life experiences. Also, at all ages, teaching about planning for, and encouraging an orientation toward, the future is relevant, especially because people tend to devalue outcomes in the distant future compared to more immediate outcomes (a process called *discounting*) (Newcomb 2016). In middle school, programming may emphasize healthy spending habits and strategies to avoid debt, and in high school, programming may also cover common types of loans and how to obtain them.

Presenting financial education and skills training in conjunction with pregnancy prevention programming may help youth to focus on future planning and avoid decisions that could adversely affect whether they reach long-term goals, such as engaging in delinquent or criminal acts, or having children before achieving educational goals. For example, youth may focus on how decisions about romantic relationships and whether to engage in sexual activity may affect financial long-term goals like building assets and becoming financially stable. It may also provide youth with knowledge and skills that encourage them to make decisions that keep them on track to achieve their long-term goals, which could involve obtaining a college degree, achieving financial stability, or delaying when they start a family.

In addition to building youths' financial capability, including financial education in PREP programming may also affect their overall well-being by helping to prepare them for adulthood. Serido et al. (2013) suggest that financial behaviors are associated with selected well-being outcomes. For example, households that had small emergency savings reported higher well-being, less stress, and greater work productivity; credit card debt has also been linked to negative financial behaviors and financial stress. Specifically, Serido et al. (2013) found that young adults who apply sound financial practices see an increase in their financial and overall well-being, and Shim et al. (2009) found that financial satisfaction was related to overall satisfaction, academic performance, physical health, and psychological health.

F. Financial literacy topics

PREP grantees will need to align the topics included in their financial education programming with the needs of youth from diverse backgrounds and experiences (Totenhagen et al. 2015; Danes et al. 2013). There is no standard set of topics that financial education programs cover,

and reviewed literature varies in topics recommended for financial literacy programming. Interviews with PREP grantees revealed that programs already cover spending, savings, money management, cost of living, credit, banking and opening accounts, student loans and financial aid, check cashing (as well as services for it), investing, and insurance.

Five general topics that programs may address are:

1. **Spending and budgeting.** This topic addresses how to develop a spending plan that aligns with one's resources, priorities, and available income. As part of the spending plan, programs can teach youth how to develop and maintain a budget to track earnings and spending (Federal Deposit Insurance Corporation [FDIC] n.d.; Hines et al. 2011; Consumer Financial Protection Bureau 2015; President's Advisory Council on Financial Literacy 2009; Banniter et al. 2015; Brown et al. 2013; Franklin 2007). They can also think about their cost of living and learn about banking and opening accounts and how to cash checks. This can help youth contemplate how much to spend on college, as well as how to budget while pursuing postsecondary education.
 2. **Savings and investments.** This topic covers basic investment products, such as savings and checking accounts, the relationship between risk and return for investments, and how to select investment options at different times in one's life. It also covers principles of investment, such as how investments help to build wealth over time and how to buy and sell investments. The final areas in this topic focus on how agencies protect investors and regulate financial markets and products (Walstad et al. 2010; FDIC n.d.); President's Advisory Council on Financial Literacy 2009; Consumer Financial Protection Bureau 2015; Banniter et al. 2015). Adolescents should learn about checking and savings accounts when they first enter the labor market, and learning about investments can help them set and meet goals for the future.
 3. **Borrowing, credit, and debt.** This broad category covers types of credit and debt, benefits of various credit options, and how to obtain and manage credit. As part of this category, youth may also learn about credit reports, how to obtain and monitor them, and strategies to avoid or correct debt problems. Youth may also learn major consumer credit laws (Walstad et al. 2010; FDIC n.d.; Hovee et al. 2014; Hines et al. 2011; President's Advisory Council on Financial Literacy 2009; Banniter et al. 2015). Borrowing, credit and debt are particularly important for youth and young adults who are considering postsecondary education and need to learn how to finance it. Understanding borrowing and repayment terms for financial aid is critical for youth who want to go to college. A few grantee respondents reported teaching about financial aid and student loans.
 4. **Insurance.** Topics in this area include insurance options, how and when to use them, purchasing and managing insurance, and types of risk and risk management (Hines et al. 2011; Franklin 2007; Banniter et al. 2015). Understanding insurance is relevant for youth as soon as they become licensed drivers, and will be relevant for young adults who receive employer-sponsored health insurance or who are choosing another health care option. It will also be helpful for youth who move out on their own and need to consider renter's insurance.
 5. **Consumer financial protections.** This topic includes how to identify and protect yourself from identity theft and financial fraud, and what to do if you think you have
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been victimized (FDIC n.d.; President’s Advisory Council on Financial Literacy 2009; Banniter et al. 2015). As youth gain financial independence and begin developing a credit history and using financial services, financial protections are increasingly important. Especially if youth access financial products online, it is imperative that they learn to protect themselves from fraud, and understand the resources available to them if they become victims of theft or fraud.

G. Program design and implementation

PREP grantees will need to consider how and when to provide financial literacy programming within their program. Designing and implementing this APS will require grantees to choose who should deliver the content, when to deliver this information, and how to teach it so that youth can absorb it to the greatest extent possible.

The study team identified five design considerations for financial education:

1. **Timely, youth-relevant, and developmentally appropriate programming.** “Timely” means that topics should be covered when youth are ready to act on what they learn, and “relevant” means that topics should focus on areas that are meaningful to youth at their stage in life. “Developmentally appropriate” means that the content strategies should align with the developmental stage of the youth who will receive the programming. Several authors suggested that programs are beneficial when they focus on financial decisions youth are about to make (Danes et al. 2013; Edelstein and Lowenstein 2014; Hines et al. 2011; Newcomb 2016). For example, providing information on buying a car and getting auto loans and insurance are especially relevant for high school-aged youth, and learning to navigate the student loan process and compare options is relevant to high school students applying to college. By definition, this means that financial education should be an ongoing practice, not a one-time class. To be relevant, some material may have to be repeated at appropriate intervals. For example, concepts of money management may bear repeating when youth change jobs or receive bonuses or raises.
2. **Parental involvement.** While PREP programs may face challenges with involving parents in youths’ financial literacy education, multiple authors encouraged parental involvement and identified it as a key component of a financial literacy program (Van Campenhout 2015; Drever et al. 2015; Lusardi et al. 2010; Totenhagen et al. 2015; Edelstein and Lowenstein 2014). To work around barriers to engaging parents directly, programs can include activities that encourage youth to talk with their parents about the financial education content provided during the program. However, parents may not be comfortable discussing financial topics with their children, and may not have experience using mainstream financial institutions.
3. **Trained facilitators.** As with any program, teachers or facilitators are best positioned to lead programming when they possess the appropriate skills and knowledge for the subject. For financial education, this involves identifying teachers or facilitators who have training on providing financial education content and feel confident providing such programming (Van Campenhout 2015; McCormick 2009; Totenhagen et al. 2015). These staff should also recognize that financial values are both emotional and intellectual, and

that youth bring a diverse set of feelings and beliefs about money, which may have to be addressed during programming (Newcomb 2016).

4. **Representatives from local financial institutions.** Programs may want to engage local financial institutions so that they can connect youth with mainstream banking opportunities and encourage them to get on a path toward financial capability. Financial institutions may also offer youth experiential learning opportunities to further their development of financial education knowledge and skills (Totenhagen et al. 2015; Johnson and Sherraden 2007; Edelstein and Lowenstein 2014). Examples include partnering with a local bank to help youth open checking or savings accounts, or having a representative of a bank or credit union speak about their financial products and how they may benefit youth. In addition to financial institutions, some nonprofit organizations offer asset-building programs such as Individual Development Accounts that can benefit youth.
5. **Real-life application of skills.** Programs may incorporate interactive and real-life scenarios to enable youth to apply the skills learned in this APS. Grantees interviewed provided several examples of giving youth activities to practice their new skills. One incorporated real-life scenarios and experiences into their financial literacy content. They developed scenarios for youth who did not finish high school, youth who attend community college, and youth in high school. In each scenario, the youth gets a job and then has to plan, using locally based information on income and expenses, what happens financially (and otherwise) if the youth or a partner accidentally becomes pregnant. Another described a similar activity (Baby Think It Over) where youth get a hypothetical salary and budget and need to plan how they will care for a hypothetical baby within that budget. A third person described a board game, drawn from a credit union's financial literacy curriculum that addressed "needs" versus "wants." In it, youth and their families got jelly beans to distribute to cover costs such as housing, utilities, communication, savings, insurance, gifts, furnishings, recreation, food, transportation, personal care, clothing, and laundry.

Social media and the use of online technology are important communication tools for youth. Programs can leverage youths' use of technology when designing interventions. For example, many programs have responded to the increase in youth online activity by incorporating more technology in their programming. Interventions that utilize digital and social technology allow youth to access content at convenient times, anonymously, and in private locations. Program staff should also consider teaching aspects of online banking and investing safely as part of their financial literacy programming.

H. Outcomes

The reviewed literature suggested several outcomes that might be realized by addressing financial literacy. The study team organized outcomes into two categories—expanded and enhanced—based on whether they focus on changes to outcomes related to the prevention of pregnancy and STIs among youth targeted by PREP (enhanced) or outcomes not related to the prevention of pregnancy and STIs among youth (expanded). The model is limited to outcomes supported by the literature review.

The team further organized outcomes as short-term, intermediate, and long-term. These categories are derived from a theoretical understanding of the logical sequencing of youth knowledge, attitudes, skills, and behaviors related to a particular outcome. *Short-term* outcomes are observed directly following a program. Typically, they include initial changes in knowledge and attitudes, but they can also include immediate changes in behavior. *Intermediate* outcomes, the step between short- and long-term outcomes, can include improved skills or changes in behavior that result from the acquisition of knowledge and skills. Programs can expect to see these outcomes six months to a year after a program. *Long-term* outcomes are observed a year or more after program completion. Depending on when youth attend, this could be during middle or high school or even after high school and into young adulthood (beyond which the model does not identify outcomes). The reviewed literature did not include articles on the effects of financial literacy education in adulthood.

Enhanced PREP outcomes. The literature reviewed to develop the conceptual model included little on how providing financial education affects outcomes directly linked to the prevention of adolescent pregnancy. Reflecting this, the conceptual model shows that programs should not expect enhancements to outcomes related to the prevention of pregnancy and STIs among youth as a direct result of incorporating financial education in a PREP program. Depending on the focus of the financial education provided to youth, indirect changes to outcomes related to the prevention of pregnancy and STIs among youth are possible. Future research could examine hypotheses related to whether providing financial education to youth directly or indirectly affects outcomes related to the prevention of pregnancy and STIs among youth. Providing financial education could potentially prevent teen birth through improved self-control (Moffitt et al. 2011), less involvement in delinquent or criminal behaviors (Hoeve et al. 2014), or more orientation toward the future.

Expanded PREP outcomes. The literature suggests that addressing financial education as part of PREP may result in changes beyond the prevention of pregnancy and STIs. Overall, financial education programs can help youth to increase their financial capability: their combined financial knowledge, access to mainstream financial institutions, and accumulation of assets. In the short term, these outcomes are focused primarily on youths' attitudes, knowledge, and intentions. To increase their financial capability in the short term, youth may increase both their knowledge of financial products and their confidence in how to manage finances (Serido et al. 2013; Johnson and Sherraden 2007; Edelstein and Lowenstein 2014; Varcoe et al. 2005). Programs may focus on obtaining these short-term outcomes for youth in both middle and high school. While the short-term outcomes are important to one's overall financial capability, they are not sufficient to provide youth strong financial well-being in adulthood and must be coupled with development of self-control to make financial decisions. For intermediate outcomes, youth may have behavioral changes. For example, they may see reductions in their accumulation of debt and increases in their savings and assets. Youth can achieve these outcomes by increasing their financial knowledge and having greater confidence in their ability to make sound financial decisions. Achieving the intermediate and long-term outcomes will be most relevant to youth in high school. In particular, older youth, who may be in position to make these decisions, will have the opportunity to implement the financial knowledge they gain to increase their financial well-being. For example, they will (1) know how to choose checking and savings accounts with low or no fees or low-balance requirements, (2) understand how to select credit cards with favorable

interest rates (and understand compound interest and its effects), and (3) be able to evaluate the student loans available to them before signing up for college.

I. Conclusions

Teaching financial literacy and capability has important implications for youths' long-term financial stability and well-being. More research studies are needed to identify how financial education could affect PREP enhanced outcomes. In light of existing research, financial education should coincide with youths' financial decisions, such as thinking about how to afford postsecondary education, and how to budget and save when youth are likely to enter the labor force. Creating interactive opportunities for youth to practice skills related to financial literacy will help reinforce the lessons. Whenever possible, parental engagement in financial lessons can help youth navigate their choices, and connecting youth with mainstream financial resources will help build a solid foundation for their futures.
