June 21, 2011

Dear Securities and Exchange Commission Office of Investor Education and Advocacy,

My name is Dan Iannicola, Jr. and I am commenting on behalf of The Financial Literacy Group. Founded in 2009, The Financial Literacy Group is a full-service consultancy specializing in helping organizations of all types teach people about money. The Group focuses on designing, developing, implementing and evaluating programs, tools, research and campaigns involving personal finance. The Group consists of a team of leaders in the field who have spent many years developing their expertise in financial education in both the private and public sectors. For over five years prior to heading The Financial Literacy Group, I served in the federal government as the US Treasury's Deputy Assistant Secretary of Financial Education during which time I coordinated the activities of the Financial Literacy and Education Commission and led the President's Advisory Council on Financial Literacy as its first Executive Director. My Financial Literacy Group colleagues also have deep backgrounds in the financial education movement. It is our hope that our experience may be of assistance to the Securities and Exchange Commission ("Commission") and the Office of Investor Education and Advocacy ("OIEA").

The Financial Literacy Group ("Group") acknowledges the Commission on receiving its mandate under the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 to study current investor education efforts. The report the Commission is scheduled to submit to Congress in 2012 will provide valuable insights for our elected representatives as they make future decisions regarding the critical issues impacting our nation's investors.

The nature of investor education efforts over the years has been evolving. Past efforts at what can be described broadly as education were mainly embarked upon for two main reasons; as part of public relations or marketing efforts by investing firms, or as warnings by state and federal regulators about frauds and scams. However, in recent years, investor education has grown to a point where efforts are focused more directly on proactive education. While public relations initiatives and curbing investing scams are important, this proactive education approach has the potential to have long term benefits to the investors who are reached. Teaching investors about the benefits of well-regulated markets, helping them understand product costs and fee structures, and educating them about their legal rights helps them to be better investors. It is this proactive approach to consumer education and empowerment which lies at the heart of the financial literacy movement.

I would like to focus my comments on Question 2 of Release No. 34-64306, the Comment Request on Existing Private and Public Efforts to Educate Investors. This question asks what the most important characteristics of an investor education program are. My experience both in government and as a private consultant point me to the same answer to that question: independent program evaluation. The Financial Literacy Group has conducted program evaluations for clients and this experience guides my position.

Why is independent evaluation so important? There are several answers. First as regulators begin to rely on investor education as a policy tool its impact must be carefully gauged to determine if it is serving its constituents well and if it is making efficient use of taxpayer dollars. Second, non-profit and private sector funders of investor education programs now hold programs to a higher standard. Instead of looking only for public recognition for their investment in a program, funders now demand evidence of program impact. Third, effective program enhancement is impossible if the program cannot be assessed to determine strengths and weaknesses. Finally, successful programs cannot be recreated for different places, times and populations if program providers are unable to determine which program elements are causally related to the program's past success.

The specific features of a successful independent program evaluation are well-established but, in most financial and investor education evaluations, rarely seen. Random sampling is critical if a number of biases are to be avoided, including response bias. If the sampling is not structured correctly, the evaluation's subsequent ability to project findings to a larger population is significantly compromised. Evaluations should be longitudinal, so that effects of programs can be tracked over time.

It is important the evaluators use control groups and when possible multi-tiered treatment groups so that the effect of different variables can be clearly identified and analyzed. Evaluators should focus not just on the knowledge and attitudes of program participants but on their subsequent behavior. Care should be taken so that results are checked for both statistical reliability and validity. Finally, evaluations should be performed by an objective, third party so that findings and analysis are accurate and not subject to challenge. These and other elements should be used by independent evaluators to properly assess investor education programs.

In response to question 7, The Financial Literacy Group would fit into the category described by sub-section (e) Private/Business.

We wish the Office of Investor Education and Advocacy the best as it moves forward with its important work and offer our support in its efforts.

Sincerely,

Dan Iannicola Jr.

Dan Iannicola, Jr.

President & CEO

The Financial Literacy Group