

MINUTES OF THE HOUSE COMMITTEE ON EDUCATION K-12.

The meeting was called to order by Chairperson Kathe Decker at 9:00 a.m. on March 11, 2003 in Room 313-S of the Capitol.

All members were present except: Representative Johnson, Excused absence

Committee staff present: Carolyn Rampey, Legislative Research Department  
Kathe Sparks, Legislative Research Department  
Jill Wolters, Office of the Revisor of Statutes  
Ann Deitcher, Committee Secretary

Conferees appearing before the committee: Lynn Jenkins, State Treasurer  
Senator Schodorf  
Esther Maddux, KSU Prof. Of Personal  
Financial Planning  
Chuck Stones, KBA  
Carol Rupe, Exec. Dir. of state Board of Education  
Mikel Miller, KS Council on Economic Education  
Bill Henry, KS Credit Union Association  
Diane Gjerstad, Wichita Public Schools  
Jim Edwards, KASB

**SB 74 - Relating to personal financial literacy programs.**

The Chair introduced Lynn Jenkins who offered testimony in support of **SB 74**. (Attachment 1).

Senator Schodorf spoke as a proponent to **SB 74**. (Attachment 2). The Senator also presented written testimony only from Jill Docking, (Attachments 3 and 4); Suzie Ahlstrand, (Attachment 5); Kristin Brumm, (Attachment 6); Deb Gruver of the Wichita Eagle, (Attachment 7) and Deputy State Bank Commissioner, Kevin Glendening, (Attachment 8).

Professor Esther Maddux appeared as a proponent to **SB 74**. (Attachment 9).

Offering written testimony only were: Mark DeSetti, (Attachment 10).

The following conferees spoke in support of **SB 74**: Carol Rupe, (Attachment 11); Mikel Miller, (Attachment 12), Bill Henry, (Attachment 13) and Chuck Stones, (Attachment 14).

Following a brief question and answer session, the hearing on **SB 74** was closed.

**SB 120 - Relating to powers and duties of board of education.**

Speaking as proponents to **SB 120** were Diane Gjerstad, (Attachment 15) and Jim Edwards, (Attachment 16).

Dale Dennis spoke to the committee in explanation of **SB 120**. (Attachment 17).

The hearing on **SB 120** was closed.

CONTINUATION SHEET

MINUTES OF THE HOUSE COMMITTEE ON EDUCATION K-12 at on March 11, 2003 in Room 313-S of the Capitol.

**SB 119 - Concerning teachers at state schools for the blind or the deaf.**

Dale Dennis explained the purpose of **SB 119**. (Attachment 18).

The hearing on **SB 119** was closed.

**SB 118 - Relating to rules and regulations.**

A motion was made by Representative Loganbill and seconded by Representative Horst that **SB 118** be passed and placed on the consent calendar. The motion carried on a voice vote.

**SB 82 - Relating to powers and duties of board of education.**

It was moved by Representative DeCastro and seconded by Representative Loganbill that **SB 82** be passed out of committee.

Representative Yonally requested a substitute motion be made to **SB 82**. Representative Hutchins seconded the motion that **K.S.A. 72-8134** be struck from the list of amendments on page 1, line 15. The motion to amend passed on a voice vote.

A motion for a conceptual amendment was made by Representative Hutchins and seconded by Representative Mason that "department heads" be deleted on line 10 and in it's place the word "superintendent" be changed to "superintendents".

Following some discussion, Representative Hutchins withdrew her motion for a conceptual amendment.

It was moved by Representative Mason and seconded by Representative Beggs that **SB 82** be tabled until a day certain, with that day being Wednesday, March 12. The motion passed on a voice vote.

The meeting was adjourned at 10:55 a.m. The next meeting is scheduled for Wednesday, March 12, 2003.



STATE OF KANSAS

## Lynn Jenkins, CPA

TREASURER

900 SW JACKSON ST. SUITE 201  
TOPEKA, KANSAS 66612-1235

TELEPHONE  
(785) 296-3171

March 11, 2003

### TESTIMONY FOR SENATE BILL 74 House Education Committee, Kathe Decker, Chairperson

Thank you, Madam Chairperson and members of the committee. I appreciate your willingness to hear SB 74, a bill by Senator Schodorf to require the State Board of Education to implement a program of Personal Financial Literacy to Kansas students.

I submit this testimony to you in order to show my enthusiastic support for this legislation. For nearly a year now, Senator Schodorf and I have been working together on this issue. As a Certified Public Accountant, business owner, mother of two small children, former legislator and now State Treasurer, I feel strongly about the need for this bill.

As I travel across our great state, I continue to hear the many frustrations expressed by Kansans about the increasing problems with financial literacy among our children. The issues raised are the same, from Johnson County to Morton County and just about everywhere in between; Kansans want our children to be able to do the basics like count back change, manage their own money, calculate interest on a car loan, understand the terms of a credit card or realize the need for financial planning to ensure a comfortable retirement. Put simply, our children are graduating from our schools without knowing what debt can do *to* them or what compounded interest can do *for* them. The fundamentals of financial literacy are just as vital to the successful future of Kansas students as the education of ethics, values and the basic skills of reading, writing and simple arithmetic.

I would like to commend Senator Schodorf for researching and drafting this legislation. I share her conviction that it is the responsibility of parents, educators, public officials and the community in general to teach Kansas children basic financial knowledge and skills. While many educators do make financial literacy a priority, it does not appear that there is a consistent curriculum in all 303 school districts across Kansas. This bill will provide the necessary tools so that our children will succeed in an ever-changing and competitive world.

As State Treasurer, I have volunteered to be part of an advisory group to help draft a sample curriculum of financial literacy or partner with the State Board of Education in any way they see fit. Currently, I am aware of many different curriculums that are available to the Board of Education for use in schools. However, before implementing a blanket program, I feel we need to carefully scrutinize the existing programs of financial literacy and draw upon the strengths of each.

House Education Committee  
Date: 3/11/03  
Attachment # 1

As I continue speaking to groups in communities throughout our state, I plan to promote this program to educators, parents, and students. I believe it is the responsibility of all Kansans to help teach common sense, or as some call it “Dollar\$ and \$ense” to children.

When I first entered politics, I did so because I wanted to make a difference for my children. Senators, I believe—as do many of you—that there is no greater cause than the legacy that we leave for our children. I cannot stress enough, the importance of financial independence for our children. We must stop the cycle of poor financial decisions and debt among our youth. You cannot get ahead if you start out so far behind.

In closing, I would like to thank and commend all of you for hearing this bill. By taking this first step you are ensuring that the legacy we leave for our children will be built on a solid foundation. The “dividends” that Kansans will receive from this bill will be paid for years to come.

Thank you Madam Chairperson, I stand for questions.



JEAN SCHODORF

SENATOR, 25TH DISTRICT  
3039 BENJAMIN CT.  
WICHITA, KS 67204  
316-831-0229, FAX 316-838-8527

DURING SESSION  
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TOPEKA

SENATE CHAMBER

COMMITTEE ASSIGNMENTS  
VICE CHAIRMAN: ARTS AND CULTURAL RESOURCES (JOINT)  
MEMBER: EDUCATION  
TRANSPORTATION  
WAYS AND MEANS

HOME: jschodor@swbell.net  
jschodor@aol.com  
CAPITOL: schodorf@senate.state.ks.us

Madame Chair and members of the committee,

I would like to thank the chair for having a hearing on SB 74. I have included an email from a constituent that I think captures the problem today and illustrates the necessity of teaching financial literacy in the schools. Some school districts are teaching some form of money management but not all, and not all students receive that training. As in many cases, my interest in financial literacy started when my son had no idea about handling a checking account, nor received any training in school. Then I began talking with other parents with the same experience, including Senator Mark Taddiken, and then I started talking with the representatives from Financial Fitness. SB74 would direct the State Board of Education to develop standards and objectives and place them in the standards. I think the conferees will better describe the problem, but I will be glad to answer questions about the bill after the conferees have testified.

Again, thank you for having this hearing.

House Education Committee  
Date: 3/11/03  
Attachment# 2-1

**From:** "MJ" <vaguem@hotmail.com>  
**To:** <schodorf@senate.state.ks.us>  
**Date:** Mon, Feb 3, 2003 10:11 AM  
**Subject:** When I heard...

Dear Senator Schodorf,

I heard about your introducing a new bill requiring schools to teach money management classes. Senator, I hope and pray that this bill is passed. There are too many children that become adults and have no concept or reality about the consequences that improper financial management can cause. Growing up, I had absolutely no parental models that taught me any financial accountability, not teachers, nothing. I knew nothing about the rewards and or consequences of savings, budgeting, credit and debt. Nor was anything ever presented to me to understand it. It just wasn't something brought up. I was a young, carefree individual, unfortunately with that same mind attitude. Constructing budgets, savings, and understanding the consequences of what ruining my credit would result in may have saved me from the financial hell that I am in now. I believe many young people are exposed to the same that I was. Then I was young. There were offers of easy school loans, easy attainment of credit cards, easy money was everywhere. The emphasis was put on, "the here and now", not later. There is nothing wrong with teaching children at a very young age to start learning about financial accountability. It is better for them to learn while still young in school, then trying figure it all out after the fact and making financial impacts on our society later. Our communities would save thousands of dollars in the long run. A good percentage of those taught would heed to managing money right if they were exposed to the truth of what happens to the unwise. Words like,  
"I will never have my own home, my credit is too bad..."  
"I cannot buy a car at a reputable dealer, my credit is ruined..."  
"I can barely rent a place, they all do credit checks..."  
Those are just the beginning of the words you will hear. Even when you are trying to fix the wrong, it can take years. Credit is shown ten years on a credit report, some even longer. Like I said, money management, financial accountability must be taught in schools. There are too many parents out there that are still not teaching their children. I am not knocking the free and reduced lunch programs. But I wonder how many would not have to be on it, if parents before they had children made wise financial choices. It is my sincere hopes and desire that your bill would be passed. The economy could not be hurt by learning better money management.

Sincerely,  
Margaret Vague

February 12, 2003

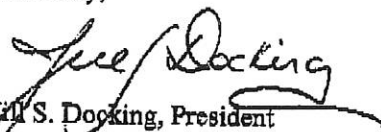
Senator Jean Schodorf  
State Capital Building  
Topeka, KS 66612

Senator Schodorf,

When I spoke before the Senate Education Committee yesterday I committed the Financial Fitness Foundation, a 501(C)(3), to raise the \$16,000 necessary to finance training of teachers to develop the curriculum to include personal finance standards in the K-12 math education classes.

This is confirmation of that commitment.

Sincerely,

  
Bill S. Docking, President  
Financial Fitness Foundation

House Education Committee

Date: 3/11/03

Attachment # 3-1

Written testimony Jill Docking  
House Education Committee  
Senate Bill 74  
March 11, 2003

Look to your left and look to your right. Over the next twenty years your colleagues can look forward to a retirement with Social Security and Medicare benefits. The baby boom generation will have the cushion of entitlement programs to usher them through old age. But what will happen to the next generation. How will Kansas handle the inevitable generational clash between baby boomers and our children?

There are two ways to address this demographic collision.

The first is for legislators in Washington D. C. to face the issue and significantly alter retirement dates for collection of Social Security benefits, address investment options on Social Security funds, and a number of other difficult issues. Let's assume for a moment that these same public servants choose to ignore a problem that is ten years down the road and just do nothing until it is too late. What can we do in Kansas to prepare our children and grandchildren to care for themselves financially?

If we teach our children the fundamentals of financial literacy from an early age we will begin the process of systemic change.

The baby boomers missed these lessons because of a fluke in history. Many of our parents were children of the Depression. They knew how to save and conserve assets because they lived in a period of prolonged economic hardship. Our generation was spared the same hardships, and I think our parents wanted us to bask in the ease of economic plenty. But we have lost sight of the fundamentals of financial responsibility. As a nation we have gorged ourselves on immediate gratification through use of credit - credit cards, second mortgages, car payments, enormous college loans for our children. We must change this pattern in order to help our children secure their future.

Financial Fitness Foundation is an organization whose primary purpose is to help Kansas commit to educating our children in the concepts of financial literacy. I understand the chill of unfunded mandates for our school system. I do not recommend the state move forward on Senate Bill 74 without thoughts of how to fund this change.

It has been estimated by the State Department of Education that it will cost \$16,000 to hire the teachers to design curriculum to meet the math standards. Financial Fitness Foundation, a 501(C)(3), will pledge to raise this money. In addition I recommend if this bill is adopted and made into law that F3 combine resources with KCEE, Jumpstart and the state to apply for grants offered to fund this kind of project.

In my heart I believe if we do this right - if we provide stimulating curriculum to teach the fundamentals of financial literacy to the next generation - you will have given a great gift to your children and grandchildren. Please consider preparing our children for a secure financial future before it is too late.

House Education Committee  
Date: 3/11/03  
Attachment # 4

BEST

BUSINESS/EDUCATION  
SUCCESS TEAM

February 10, 2003

Senator Jean Schodorf  
143-N  
Kansas State Capitol  
330 SW 10<sup>th</sup> Avenue  
Topeka, KS 66612-1504

Dear Senator Schodorf,

BEST, the Business Education Success Team is writing this letter to affirm our support and endorsement of Senate Bill No. 74, an act concerning schools; relating to the powers and duties of the state board of education; relating to personal financial literacy programs. We are pleased to join in this collaborative effort to integrate personal financial literacy competencies for all grades into the existing mathematics curriculum or other appropriate subject-matter curriculum.

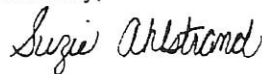
BEST is an alliance between the business and education learning communities of Wichita and Sedgwick County, Kansas. It is managed by staff from the Wichita Area Chamber of Commerce. As a regional catalyst for education reform since 1988, BEST's mission is to create flexible life-long education and training systems that connect learning and careers, measure performance, and prepare all individuals for a lifetime of success.

Since 1988, BEST has been instrumental in advocating strategies which bridge the needs and resources of employers, individual learners, and our educational institutions. Senate Bill 74 is an act which addresses the critical financial literacy gap that exists within the teaching and learning of financial competency. The teaching of financial literacy is haphazard; there is no consistency of where, when and how financial literacy is taught to students. Also, employers know and experience first hand the lack of financial literacy knowledge sometimes exhibited by their employees.

As an example of this, BEST manages a summer program for student and teacher manufacturing paid internships at the Boeing Company. At 11:00 p.m. on a Friday night after the first pay checks were given to the interns, I received a call on my cell phone from one of the interns, wanting to know who this "Mr. FICA" guy was and why "he" got so much of his pay check!

Senate Bill 74 is an excellent start in helping our young people and future workforce be prepared for the real world of work.

Sincerely,



Suzie Ahlstrand  
Vice President of Education and Membership Development  
Wichita Area Chamber of Commerce

House Education Committee

Date: 2/11/03

Attachment # 5

Dear Senators:

My name is Kristin Brumm and I am the Division Manager for Consumer Credit Counseling Service of Topeka, Manhattan, Lawrence and Emporia. I am speaking today on behalf of both my agency and CCCS of Salina/Wichita. Together, our agencies cover most of Kansas and we collectively counsel 5000 Kansans each year on budgeting and debt management. We strongly support Senate Bill 74.

Most of our clients come to us because their bills have gotten out of control and they are at risk for bankruptcy. Some have lost their jobs and have no savings, and many are defaulting on their mortgages. They cover a vast socioeconomic range, from the elderly on a small fixed income to professionals making six figures. An increasing number of our clients are students or recent graduates.

Consider the case of one client, whom I will refer to as Julie. Julie is a bright, young woman who recently graduated from KU with honors and a masters degree in psychology. She also graduated with \$34,000 in student loans and credit card debt. She took an entry-level job in her field paying \$26,000/year. Her monthly take home is \$1,600. After paying rent, utilities, groceries and a car payment, she is left with \$300/month. Her minimum debt payments total \$680/month.

Consider the following statistics:

- 78% of undergraduates have credit cards
- 32% have more than four cards
- The average undergraduate carries \$2,748 in credit card debt
- The average college student graduates with \$25,000 in combined student loan and credit card debt
- 50% of students with credit cards pay late fees (and therefore pay higher interest)
- 50% of students aged 12-17 report that their parents did not teach them any budgeting skills

Because of the alarming trend of rising student debt, CCCS has increased its outreach education to high schools and colleges. In one exercise we pose the following question to students: "If you have a \$1,000 balance on your credit card at 21% interest and make only the minimum payment, how long will it take you to pay off the balance?" Most students guess 2-3 years. The answer is 33 years.

While we can offer quality counseling and education to our clients, it is clear that many of these people are learning basic financial skills for the first time. I can't help but feel that a good, early grounding in financial literacy could have prevented many of their problems.

Financial illiteracy is costly not only to individual families, but also to communities and the larger economy. Last year, a record number of Kansans filed for bankruptcy. Patterns are set from an early age, and K-12 financial literacy education would provide a strong foundation upon which students could build for a lifetime.

In an ideal world, this education would happen at home. But many parents do not have the skills or knowledge themselves to provide this financial grounding for their own children, and thus the proclivity for financial mismanagement can be passed along from generation to generation. Financial literacy education at the K-12 level can help stop this vicious cycle. Perhaps if we can educate our current generation of young students, they will be able to pass these skills along to their own children in years to come.

Thank you for consideration of our concerns.

Kristin Brumm  
CCCS Division Manager  
Housing and Credit Counseling, Inc.  
1195 SW Buchanan, Suite 101  
Topeka, KS 66604  
1-800-383-0217, ext 311

House Education Committee

Date: 3/11/03

Attachment 6

## THE SMART CONSUMER

### *All of us need to understand how personal finance works*

**Y**oungsters today learn about algebra. They read the classics. They memorize important dates in history.

But they might not get much information about how money works. Personal finance is part of home and consumer science classes, and students might learn the material in business or economics classes.

But a wide-spread effort to teach children about money isn't part of our state standards.

Unfortunately, that means students often don't learn about the pitfalls of credit, for example, until it's too late.

Unless their parents set a good example, they don't learn how to budget and make wise spending decisions.

They think a \$100 pair of jeans is a necessity, not a want.

That's the kind of thinking that later leads to bankruptcy, now at a record high in Kansas and across the country. Foreclosures also are on the rise in Sedgwick County, with more people than ever losing their homes.



**DEB GRUVER**

As regular readers of this column know, I made a lot of financial mistakes as a youngster. And I had no excuse: My parents stressed to me the importance of living within my means.

But I got to college and met people who enjoyed a lot more disposable income than I had. I wanted to do everything they could, so I lived beyond my means.

I continued that trend after my first job. I thought my \$18,000 salary — new journalists today have no idea how well they are paid! — made me rich.

I spent and spent and spent.

Now 35, I wish I had saved and saved and saved.

I can't undo the past, but I can try to encourage young people to not make the same mistakes.

That's what proponents of Senate Bill No. 74 want to do.

The bill — introduced by Sen. Jean Schodorf, R-Wichita — would incorporate personal finance and consumer education into the existing math curriculum.

Kansas standards do not require personal finance education for graduation.

Dealing with money is one of those things in life you just can't shake. Money affects nearly everything you do or don't do.

What do married couples fight about the most? Money. Maybe if people had a better handle on their finances we wouldn't have such a pathetic divorce rate in this country. And this talk is coming from a liberal-minded bohemian!

My point here is this: How can we expect youngsters to make good decisions and grow up to be leaders if we don't teach them enough about an issue that will affect them their entire lives?

Reach Deb Gruver at 268-6400  
or [dgruver@wichitaeagle.com](mailto:dgruver@wichitaeagle.com).

House Education Committee  
Date: 3/11/03  
Attachment # 7-1



# Finance experts see value in proposed math curriculum

BY DEB GRUVER

The Wichita Eagle

Kevin Glendening and Jeff Witherspoon see the end result of lack of financial savvy every day.

Glendening is deputy bank commissioner for Kansas. Witherspoon runs Consumer Credit Counseling Service in Wichita and Salina.

Both counsel people who feel trapped financially. Both are supporting a bill introduced by Sen. Jean Schodorf, R-Wichita, that would tuck personal finance material into the math curriculum at Kansas schools.

The idea behind the bill is to teach children from an early age about money, credit and consumer issues.

Under the bill, the state board of education would develop standards and objectives for personal financial literacy at all grade levels within the existing math curriculum.

State standards currently do not require personal finance education for graduation, though some classes do explore issues of credit and budgeting and some high schools require such courses.

State officials and consumer counselors say such education is important because money issues follow people throughout life.

"From my experience, the key is to try to lay that groundwork early on," said Glendening, who plans to testify before the Senate Education Committee on Tuesday in Topeka. "The benefit of this is that it would be something that would be K through 12 and not just a class in high school. Over time, the right ways to view credit and spending would be ingrained in the kids as they go through the system."

He said he supports the bill because "I see the ramifications of our failure to provide that kind of education."

The earlier people learn about money, the better off they will be as

adults, Witherspoon said.

The fastest-growing client group at his agency, which counsels people struggling with debt, is the 18-24 age group, Witherspoon said.

He believes personal finance education is core.

Mikel Miller, president and executive director of the Kansas Council on Economic Education, said personal finance education is currently buried in family and consumer science classes.

That's great, she said, but the problem is fewer and fewer students are taking such classes.

"Very few high schools in Kansas require a personal finance course to graduate," she said. "Unless you're in a high school where it's required, you're not going to get any."

She said math is a good place to teach personal finance because "when you put dollar signs in front of numbers, there's a real life application for the kids."

Miller said it's obvious personal finance education is needed because bankruptcies across the country and in Kansas are at a record high.

"People are getting in trouble at a younger and younger age," she said. "The ease of credit is the biggest reason. Credit is hard to resist, even for a grownup, let alone a kid who hasn't developed their spending skills."

"I think it's long overdue," she said.

Janet Eubank, executive director of curriculum and assessment for Wichita Public Schools, said she thinks personal finance education "absolutely is important."

But she is concerned about providing the staff development for teachers and identifying the appropriate curriculum materials to use.

Unfunded or underfunded mandates are a real concern for local districts, she said.

Schodorf said there seems to be interest in the bill, though no funding is attached.

"We want to imbed this curriculum into the math curriculum so that there will be no extra graduation requirement or extra class. That decreases the cost," she said.

# KANSAS

KATHLEEN SEBELIUS, GOVERNOR

OFFICE OF THE STATE BANK COMMISSIONER

*JUDI M. STORK, Acting Bank Commissioner*

## HOUSE COMMITTEE ON EDUCATION

### TESTIMONY ON SB 74

March 11, 2003

Kevin Glendening

Deputy Commissioner – Consumer and Mortgage Lending Division

Office of the State Bank Commissioner

Madame Chairman and members of the Committee -- My name is Kevin Glendening and I am the Deputy Commissioner of the Consumer and Mortgage Lending Division and Administrator of the Kansas Uniform Consumer Credit Code. In that capacity I have responsibility for supervision and regulation of the consumer credit and mortgage lending industries that operate in this state. Our agency actively enforces Kansas consumer credit and mortgage lending laws through examinations of lenders and investigations of consumer complaints. Where appropriate, we utilize our enforcement powers to require consumer refunds and changes in loan contract terms, levy fines, revoke lender licenses, and in some situations seek criminal prosecution. In the past twelve months we have returned approximately \$18 million dollars to Kansas consumers in the form of refunds and other savings.

There is a common element in the stories of many of the people who seek our assistance or who have entered into loan agreements that become the subject of our investigation activities. That common thread is a lack of basic knowledge and understanding about debt and borrowing, credit terms, and other financial matters. This lack of consumer knowledge in personal finance matters is, by our observation, pervasive among all groups – whether professionals, low income, young and elderly, minorities, or otherwise. Without this fundamental knowledge, consumers are potentially at high risk of being victimized by deceptive and illegal lending practices employed by some unscrupulous lenders who operate in the marketplace.

-over-

House Education Committee

Date: 3/11/03

Attachment # 8-1

Reasonable regulation and active enforcement of laws to curb illegal and deceptive lending practices is part of the solution. However, enforcement works best when coupled with wise consumers capable of making informed choices about their personal finances. That is why I believe SB 74 is a step in the right direction as it encourages and facilitates personal finance education in Kansas schools. Each of us has a vested interest in ensuring our children learn the necessary skills to prepare them to function as adults in our credit based society. Kids who gain an understanding of the interrelationship of personal finance issues will likely enjoy a higher standard of living as adults, and in turn contribute to the economic health of our state and nation.

Thank you for the opportunity to provide this information.

**Letter of Testimony**  
**Kansas Senate Bill 74 – Personal Financial Literacy in Schools**  
**From: Esther Maddux**  
**Tuesday, March 11, 2003**

**Introduction**

As administrators and faculty at Kansas State University in the College of Human Ecology and College of Education, in the School of Family Studies and Human Services, and as a partner in the Cooperative State, Research, Education, and Extension Service System with offices in all counties, we care very much about the personal financial condition of the constituents of Kansas, America, and our world.

We have a long-term commitment to being fully engaged in developing individuals and families across the life span to be financially literate and empowered with the knowledge, attitudes, skills, and confidence to practice effective and successful financial management strategies. We develop, market, implement, and evaluate effective, research-based, financial management programs that have the capacity to lead our constituents toward personal financial security. We join with partners with common values to increase our capacity to maximize delivery of personal financial education.

**Purpose of Testimony**

We write this letter of testimony as a symbol of our support that we would like to join efforts to equip students with the knowledge and skills needed to make effective financial decisions. We believe that Kansans can have a healthy financial life and can take the action they need to achieve it if we have a strong support system in place to build financial management skills. A strong support system will enhance the ability of current resources to empower Kansans to reach their full financial potential by teaching them to practice sound principles at an early age.

Current economic trends and indicators suggest that we need to proactively support financial education. The complexity of the financial products and services industry, along with the rapid changes in technology, information availability, and public policy, make it a challenge to manage money in the most effective way.

Today's complex financial environment requires consumers to be actively engaged if they are to manage their finances effectively. The recent recession has eroded confidence in the financial marketplace as well as their economic well-being. Many consumers lack a working knowledge of financial concepts and tools they need to make decisions most advantageous to their economic well-being.

Increases in the unemployment rate, low-paying jobs and lack of job readiness skills can contribute to financial crisis. Other crises related to change in income are when there is a change in family structure due to death, divorce, or remarriage; farm or business cash flow deficiencies; unexpected increases in family expenditures; or military deployment.

In Kansas, 9% of the population is below the official government poverty level. The child poverty rate is 11%. Eleven percent of the population is without health insurance. Thirty-three percent of tenants pay more than 30% of their income in rents. The unemployment rate has grown from 3.5% to 4% over the last year, making jobs scarcer and earning a living wage harder.

Many people in Kansas find it hard to pay their bills. The minimum wage is \$5.15 hourly; \$10,712 annually. The living wage for a family of three is \$15 per hour; \$31,205 annually. The average benefit for Temporary Assistance for Families (TANF) is \$3,477. The median household income in 1999 was \$40,624 and per capita income was \$20,506. Inadequate knowledge about how to manage limited resources, inadequate coping, communication, management and decision making skills, and inadequate job readiness skills can leave families with insufficient resources to cover basic needs.

Household debt is at a record high relative to disposable income. High levels of debt are leading to an increase in the number of personal bankruptcies. Kansas ranks 22 in the nation in the number of bankruptcy filings. Bankruptcies increased 19% in 2001. The average credit card balance per household is \$8,562 per household with at least one credit card. The current average interest rate is 14.71%. The

average household pays \$1,000 per year in interest, \$83.33 per month. Late fees average \$29 if not received on the payment due date. Each cardholder has about eight credit cards. 25% of adults have some history of credit problems. About 15% have no credit record or a poor one. Increasing dependence on the use of credit competes with or prevents the opportunity to increase savings and investments.

Average families spend about 11 percent of disposable income on insurance annually. Adequate insurance coverage protects against financial loss when exposed to risks of death, disability, sickness, fire, robbery, accidents, or property damage. Rising insurance costs and rising medical costs makes it important to decide how much insurance is needed and which products best meet needs.

Kansans have a low savings rate and inadequate emergency reserves. In 2001, the annual personal savings rate as a percentage of disposable personal income was 2.3%. That is the lowest it has been since the period from 1929 to 1933. The accumulation of savings or investments allows one to build net worth enabling one to respond to emergencies or reach goals. In 1998, the median net worth was \$71,700; mean net worth was \$283,400. Low savings rates and inadequate knowledge in selecting appropriate savings and investments can leave individuals and families with inadequate resources to meet needs during financial crises.

The average taxpayer pays 13.4% of adjusted gross income in federal taxes. Earned income credits (EIC) are a way for lower-wage earners to pay less in taxes, supplement wages, and to make work more attractive than welfare. Workers who were raising children in their homes and earned less than \$33,178 in 2002 can receive an EIC up to \$4,140. If you earned more than \$10,350, you may qualify for the Child Tax Credit—up to \$600 for each dependent child under age 17. Regardless of income level, income tax planning can eliminate, reduce, shift, shelter or defer the current income tax burden.

In 2002, the average Social Security benefit was \$895. Sources of income for persons 65 and older are: Social Security (44%); pension, annuities, dividends, interest, rent and gifts (43%); earnings (10%); and supplemental security income (3%). One who retires at age 65 can expect to live an average of more than 20 years. There is increased responsibility for employees to direct their own investments in employer-sponsored retirement and pension plans. Failing to save during the earning years can lead to not being able to sustain one's level of living in the earning years throughout the retirement years.

About 70% of Kansans don't have a will, living will or durable power of attorney for health care. Dying intestate and failure to prepare for management of health care and finances during times of mental or physical incapacity can erode overall family economic well-being.

Sow a thought, and you reap an act;  
Sow an act, and you reap a habit;  
Sow a habit, and you reap a character;  
Sow a character, and you reap a destiny.  
---- Samuel Smiles

Let's reap a destiny of financially secure Kansans. Recognizing that Kansans have room for growth in maximizing their personal financial potential, we need a strong support system in place to provide a mechanism that will give Kansans at an early age the opportunity to learn good financial principles that will serve them through their life span. A strong support system will not add more work for teachers. It will provide them a framework to enhance what they are already doing.

We stand ready to support the delivery of personal financial education in schools. We have infrastructures in place that can support the professional development of teachers in carrying out this mission. This support can be through undergraduate and graduate, credit and noncredit learning opportunities. We have a Cooperative Extension System infrastructure with offices in every county where we can assist teachers in carrying out this important mission. We offer the NEFE High School Financial Planning Program that includes a free instructor's guide and a free student manual for each student. It includes 10 hours of financial management curriculum. We have distance learning technology, telecommunications technology, and subject matter expertise to deliver personal financial planning education to the teachers. Kansas also

has other resources in place to support personal financial education. The School System, 4-H clubs, Boys Clubs/Girls Clubs, and YMCAs all have a role in helping students reach their full financial potential.

**Action Requested:**

We strongly encourage personal financial literacy being integrated into school curriculum.

Prepared by:

Esther Maddux, Ph.D., CFP  
Professor and Extension Specialist  
Family Financial Planning  
Kansas State University  
College of Human Ecology  
K-State Research and Extension  
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Manhattan, KS 66506-1411  
Phone: 785-532-1940  
FAX: 785-532-6969  
E-mail: emaddux@ksu.edu





Madame Chairman, members of the committee, please accept this written testimony regarding **Senate Bill 74** on behalf of KNEA.

It seems to us that the time is right for this idea. While we do a great job in Kansas public schools on mathematics education as reflected in our math scores on the National Assessment of Educational Progress, there is an increasing need to ensure that our students are prepared for a consumer world unlike the one we faced back 20, 30, or 40 years ago.

The pressure on young people to sign up for credit cards, to make internet purchases, to enter into long term contracts for wireless phone service, or even just to open checking accounts at ever younger ages, demands that we, as a society, develop the means to protect our citizens financially. In recent years, this legislature has worked to stop credit card providers from roaming our college campuses – that in itself is indicative of the concern we have for our young people.

**Senate Bill 74** does not mandate a course in financial literacy. Instead it asks that we explore ways to fold financial literacy into our mathematics instruction programs. While we will never be able to legislate sound financial planning by individuals, we can at least arm people with the knowledge to make reasonable choices. And that is a good thing to do, not only for each individual, but for our society in general.

**Senate Bill 74** is a good idea. It's not a mandate, it's not an expansion of requirements on our schools. It's a common sense approach to financial literacy.



Testimony to the House Education Committee

From: Carol Rupe  
March 11, 2003

In schools we teach children to sing and play instruments in hopes that they will grow up with some music appreciation. We teach children about physical activity and athletics so they will grow up to be fit and enjoy sports. Yet we have neglected to teach students about money so they can grow up to have financially sound futures.

- Saving in America is at the lowest level since the Great Depression
- Americans have accumulated \$505 billion in credit card debt, an average of \$8,000 per household.
- Employees experiencing financial stress waste 13% of the workday dealing with money matters on the job.
- 81% of college freshman have a credit card; up from just 15% five years ago.
- More students are dropping out of college due to credit card debt than because of academic problems.

The statistics are overwhelming. We have shifted from a nation of savers to a nation of debtors. Years ago, credit was something used in an emergency. Now, it's a habit. The overabundance of credit adds to the problem. Have you ever stopped to count the number of credit card offers you receive in a week?

People who have never had financial education frequently get into problems. Critics blame the schools for failing to educate the public on the importance of budgeting and saving. Last year high school students across the country failed a survey on personal finance information. Kansas students did slightly better than the national average, but still received an F.

A few school districts in Kansas require personal finance information in the high school, but only a few. Besides, teenagers have already established spending habits, so it's too late to start in high school. It is important that this bill calls for financial education at all grade levels. Plus, having it as a part of the math curriculum puts it in an appropriate place and then won't be viewed by teachers as another add-on preparation for them. Terrific materials already exist for students. Kindergarteners can start by learning the difference between wants and needs, and that they should save for what they want. Personal finance information can then become more in-depth at each grade level.

I was on a local school board for many years and didn't know much about teaching personal finance or the availability of this information to students. This bill still allows for the local control that I strongly support, but the school districts will be encouraged to have this information in their schools. Once they are aware of the need, I believe school boards will choose to have their students become financially capable people.

House Education Committee  
Date: 3/11/03  
Attachment# 11-1

**Testimony before  
House Education Committee  
in support of S. B. 74**

**Mikel Miller**

**March 11, 2003**

Thank you Madam Chairman and members of the Committee. My name is Mikel Miller and I'm president of the Kansas Council on Economic Education, a non-profit, non-partisan, business education partnership that has been teaching Kansas educators how to teach economics and personal finance for over 40 years. I also represent the Kansas JumpStart Coalition for Personal Financial Literacy. The Coalition is a group of financial institutions, businesses, and educational and non-profit organizations from across Kansas who are partnering to encourage and support personal finance education in grades K-12.

Those who have already testified have made a very good case for the need for personal financial education in the K-12 classrooms in Kansas, so I will instead address some of the resources available to implement the bill. That implementation would, essentially require three steps.

**Step One: Develop Standards**

Many states have already integrated personal finance standards into their existing math curricula using national standards developed by the national JumpStart Coalition for Personal Financial Literacy. As was the case during the integration of economics into the state's social studies standards, staff from our Centers for Economic Education will be available to assist the Board of Education in developing the new standards.

**Step Two: Develop/Recommend Curriculum**

The curricular tools to teach personal finance within the math curriculum are readily available. Because financial literacy is also a business climate issue, the private companies, trade associations and even the federal government have already developed literally hundreds of websites and curriculum pieces to help teach kids about personal finance.

House Education Committee  
Date: 3/11/03  
Attachment # 12-1

Many examples of these resources can be found at [www.jumpstart.org](http://www.jumpstart.org), the website of the JumpStart Coalition for Personal Financial Literacy. A quick search of their clearinghouse turned up 30 resources related to teaching math and personal finance – many of which are available at no cost.

### **Step Three: Train the teachers**

The Kansas Council represents a ready infrastructure poised to train Kansas teachers to integrate personal finance into the math curriculum. The KCEE has a long-standing reputation with the Kansas State Department of Education, Kansas teachers, and Kansas school districts for providing customized, high-quality teacher training that prepares teachers to successfully integrate economic and personal finance into what they are already teaching, including language arts, math, social studies, science, history, and more.

We pledge to work closely with the Department of Education and other to develop an efficient and effective plan to train teachers in districts that adopt the new standards.

**Where will the money to train teachers come from?** As school budgets become more and more stretched, any plan developed to train teachers will require the financial support of the Kansas business community. Support may also be available from state agencies that have received or will be receiving settlements as a result of lawsuits against unscrupulous lenders and large investment houses.

In addition, President Bush's No Child Left Behind Act now allows districts to use their federal innovative education program funds for "activities to promote consumer, economics and personal finance education."

### **Conclusion**

The resources necessary to prepare Kansas students for the financial responsibilities of adulthood are already in place or within our reach. All we need is the will to make it happen. S. B. 74 could provide that will. I urge you to support personal financial literacy among Kansas youth by supporting S. B. 74.



KANSAS CREDIT UNION ASSOCIATION

TESTIMONY FOR THE HOUSE EDUCATION COMMITTEE

MARCH 11, 2003

Madam Chair, members of the committee, I am Bill Henry, Director of Governmental Affairs for the Kansas Credit Union Association, and I appear before you today in support of SB 74.

SB 74, as you have been informed, requires the State Board of Education to develop materials relating to personal financial literacy. Members of our association have been participating in such classes in a number of schools across the state in recent years offering such education and last year alone conducted programs and offered materials in this area to more than 100 schools across the state.

In doing these programs we have come to realize how much more could be offered and how much more could be learned about personal finance and personal credit that would be a valuable asset to our young citizens.

We believe the passage of SB 74 could be the proverbial gift that keeps on giving in terms of benefiting our youth today and tomorrow.

I would be happy to respond to any questions the committee may have.

Respectfully Submitted,

Bill Henry, Kansas Credit  
Union Association

650 S. Westdale Drive  
Suite 100  
Wichita, Kansas  
67209-2570  
1-800-362-2076  
Tel 316-942-7965  
Fax 316-206-2203

Topeka Office  
816 SW Topeka Blvd.  
Topeka, Kansas  
66612-1635  
1-888-482-5282  
Tel 785-232-2446  
Fax 785-232-2730

House Education Committee  
Date: 3/11/03  
Attachment # 13



The Kansas Bankers Association

TO: House Education Committee

FROM: Chuck Stones, Senior Vice President

RE: SB 74

Madam Chair and Members of the Committee:

The Kansas Bankers Association appreciates this opportunity to appear before you regarding SB 74.

The KBA has long considered financial literacy has been a priority of the KBA for a long time. We have been a strong supporter of the **Kansas Council on Economic Education**. We sponsor a program called **Personal Economics Program (PEP)**. PEP is a volunteer effort by bankers to supplement educational programs. Using resources provided by the American Bankers Association, these "key bankers" are available to make presentations on such topics as personal finance, banks and banking, and the financial system. We promote the "**Teach Children to Save**" day, and are a part of the **Jump Start Financial Literacy Coalition**.

We think that a coordinated, centralized effort makes a lot of sense. It would, in our opinion, raise the level of awareness and commitment of all parties involved. It appears that most, if not all, of the pieces of the puzzle are in existence. We just need to figure out how to best use them.

We urge you support for this measure.

House Education Committee

Date: 3/11/03

Attachment # 14-1

The **Personal Economics Program (PEP)** is a volunteer effort by bankers to supplement educational programs. Using resources provided by the American Bankers Association, these "key bankers" are available to make presentations on such topics as personal finance, banks and banking, and the financial system.

**PEP** is not a commercial for banks or banking. It is an expression of the philosophy that no one benefits from financial ignorance. We think it is just good business in the long run for consumers to understand how to balance a checkbook, to use credit wisely, and to budget their money. It is also important for consumers to understand banks as a business—a business central to most other businesses and to our economic system.

Many teachers already have welcomed classroom visits by bankers. Many bankers also have been involved in similar efforts. They are enthusiastic about the opportunity to provide a service and to share ideas at the same time. What is new is the increased effort and the organized approach to providing you with a banking representative whom will visit your classroom upon your invitation.

**PEP** provides bankers with easy-to-use, professionally produced audio-visual programs and accompanying presentation guides which list suggested discussion activities and exercises. **PEP** also offers supplemental handout materials that are updated regularly.

The **PEP** library includes a variety of topics targeting a range of age groups. Although many presentations focus on junior and senior high school students, key bankers also will be happy to visit classes ranging from kindergarten to college and adult education.

The KBA Education and Human Resources Committee continues its efforts to enhance public knowledge of banking by loaning training and educational materials to Kansas banks and educators as a curriculum supplement.



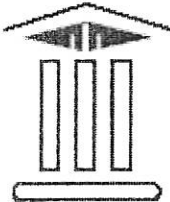


Wednesday, January 29, 2003

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## For Bankers Teach Children to Save

from the ABA Education Foundation

Since the first **National Teach Children to Save Day** in 1997 over 20,000 banker presentations have reached more than 500,000 children across the country.

Share your participation statistics with the ABA Education Foundation and receive a **Certificate of Participation** (suitable for framing) and a free subscription to **The Spirit of Banking** newsletter. When you complete the evaluation you help us gather nationwide statistics from the public.

Bankers across America **Teach Children to Save!** We have photos, stories and **what's going on!**

- [How your bank can Teach Children to Save](#)
- [Kit details and order online](#)
- [Banker photos and stories](#)
- [Online evaluation](#) **NEW!**
- [Resources for adults and children](#)
- [Jump\\$tart Financial Literacy Coalition](#)
- [Save For America](#)



**Teach Children to Save** fits with [America's Promise #4 Skills!](#)

**Ask Neale**, ABA's family finance adviser, about allowances for young children, educating teenagers about using credit wisely - and more!

14-3





ABA EDUCATION  
FOUNDATION  
1000 BANKERS BUILDING  
WASHINGTON, DC 20005

# Dear Banker,

As the 21<sup>st</sup> Century unfolds, financial institutions like yours are working harder than ever to stay relevant to current customers, attract new market share, and stay off competition from an increasing number of financial services providers. If you're looking for an edge, the ABA Education Foundation has a solution.

Through financial education, you and your bank have the power to help families prepare themselves for a secure financial future. Money Talks can help.

Money Talks is a comprehensive series of five newsletters developed by the American Bankers Association Education Foundation. Written in easy-to-understand language, each Money Talks issue contains practical advice, thought-provoking ideas and simple activities adults can use to bring money lessons alive for the young people in their lives. Even as they teach, they'll be learning, too.

Make Money Talks available at your bank to strengthen ties with existing customers and their families. Use this as a marketing tool to connect with parents, grandparents and other caring adults throughout your market area. Differentiate your bank from the competition with Money Talks.

Sincerely,

Lynda L. Glass  
Chair, ABA Education Foundation  
SVB Banking Services  
Adams County National Bank

Susan Cole  
Director, ABA Education Foundation

If you don't offer financial education, your competitors will.

Use this newsletter series to stay out in front.

## What's Inside:

- Savings Lessons to Share
- Budgeting Lessons to Share
- Credit Lessons to Share
- Cars, College & Chaos
- Money Lessons for Adults to Share

Each issue can be co-branded with your bank information and easily reproduced, in color or in black and white.  
More details inside.

# Money Talks

Series of 5 Newsletters from the ABA Education Foundation

14-24

## TOP 10 REASONS Your Bank Should Provide Financial Education

- 1 It's good business.
- 2 Financial literacy is a top priority for consumers. The Federal Reserve's 2006 Survey of Consumer Finances found that 70% of consumers are interested in learning more about financial literacy.
- 3 The U.S. has the highest percentage of unbanked and underbanked people in the world. More than 100 million people lack access to basic banking services.
- 4 Financial literacy is a key component of economic mobility. People with financial literacy skills are more likely to save and invest for the future.
- 5 More young adults are looking for banks that offer financial literacy programs. In 2006, 60% of young adults said they would switch banks if they offered such programs.
- 6 Only 18 percent of Gen Xers strongly believe banks have a duty to help their financial health.
- 7 Providing financial education for families will enhance your bank's image as a community leader.
- 8 Future generations will inherit \$12 trillion over the next 20 years.
- 9 Teens spent a whopping \$172 billion last year.
- 10 It's the right thing to do!



## Easy Ways to Get Started:

If your bank doesn't currently offer financial education, **Money Talks** can get you started. If your bank already provides financial education in the community, **Money Talks** can enhance your existing efforts.

### 1. Create a Colorful Lobby Display

Offer **Money Talks** as an "education bonus" to customers. Co-brand and distribute the issues — as a complete package or perhaps as a monthly series. Offering issues one at a time will keep your customers and potential clients coming back for more.

### 2. Reinforce Teach Children to Save Day Efforts

Enhance your existing financial education programs by taking lessons beyond the classroom, into homes where lessons can be reinforced. Simply reproduce the **Money Talks** "Savings" issue or copy all the issues and create a "parent information packet" for each student in the classes you teach throughout the year.



### 3. Share with Seniors

There are 70 million grandparents in the U.S., so don't forget to tap into your senior market. Reproduce **Money Talks** and share with your bank's Seniors or Travel Club members.

### 4. Enhance Your Bank's America's Promise Commitment

Add a new dimension to your existing efforts. Prepare copies of **Money Talks** to send home with the youngsters your bank employees mentor. Prepare a "parent information packet" for students who participate in Job Shadow Day or visit the bank.

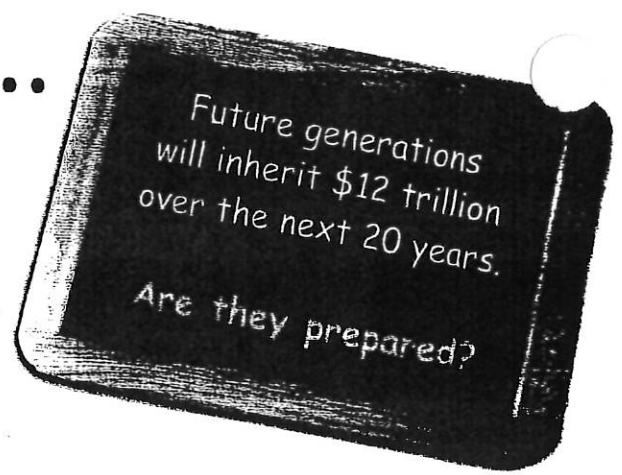


### 5. Donate to Community Groups and Faith-based Organizations

Reach out to underserved market areas and share needed education by partnering with local faith-based organizations and credible community groups. Offer to print **Money Talks** so these groups can distribute locally. Co-brand each issue you share so your financial education message is distributed by a trusted third-party source.

14.5

# Why is Financial Education So Important?



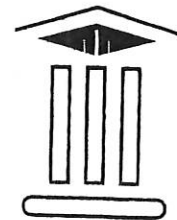
**M**any Americans need help taking control of their personal finances. With a U.S. savings rate lower now than during the Great Depression and personal bankruptcy filings at an all-time high, there are plenty of indicators that financial literacy is in short supply. As a local banker and trusted community resource, you are uniquely qualified to help members of your community learn how to take control of their personal finances.

Who is helping American families secure their financial future?  
Is it your bank or is it your competition?

Your customers may be looking for simple solutions, such as ideas on budgeting or ways to encourage their child to save. Or their needs may be more complex. They could be searching for the best way to start a college fund for a new grandchild or a way to prepare a teen for the real world. **Money Talks** can help you share information on a wide range of financial concepts and prompt questions that bring your customers back to the bank. All the while, you're demonstrating your bank's commitment to helping families plan for and realize their financial dreams.

For more information about financial education opportunities and products, please contact:

The ABA Education Foundation at [edufoun@aba.com](mailto:edufoun@aba.com)  
1-800-BANKERS, ext. 5418



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1-800-BANKERS  
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*Financial literacy is our business ... and yours!*

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# Reprinting

## The Money Talks Newsletter Series

.....

**Money Talks** is a series of five newsletters that the ABA Education Foundation has created for your bank to co-brand, reproduce and distribute, free of charge, to your existing and potential customers.

### Co-Branding

Note the white space in the bottom left corner of the last page of each issue. This area has been reserved for your bank logo and contact information. Simply paste your bank logo, Web site, phone number and locations in the space provided for you on each of the five newsletters. Now you have successfully co-branded the newsletter series.

### Color or Black and White?

It's your choice. Each issue has been created in color, but can be copied in color or black and white. Of course, color is more attractive and engages readers more quickly than black and white. It's really a matter of your resources and your budget. Take the entire newsletter series to your local copy center and print as many copies as you'd like.

### You Have Our Permission

On the last page of each issue are the words: "Reprinted with permission. © 2003 American Bankers Association Education Foundation, all rights reserved." This means you have the ABA Education Foundation's authorization to reprint the **Money Talks** newsletters. An electronic copy of **Money Talks** is available upon e-mail request for reprint purposes only. E-mail [edufoun@aba.com](mailto:edufoun@aba.com) to request a PDF. (Be sure to include your name, bank and phone number.) Electronic reproduction and distribution is prohibited.

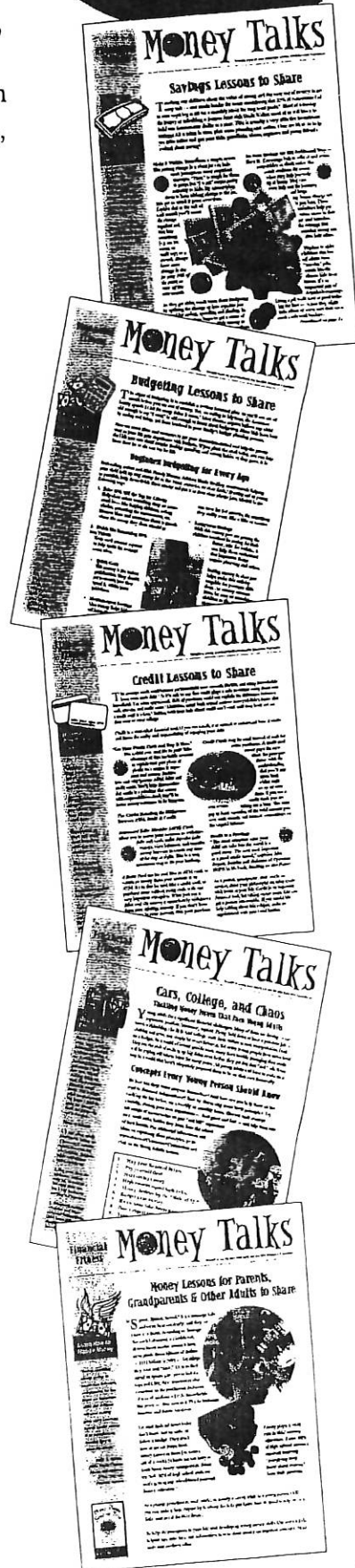
### Reproduction Guidelines

We have produced the newsletters on an 80# Dull Text sheet. We suggest that you use a similar paper. The size of each newsletter is listed below:

# Money Talks

Savings Lessons to Share	11" x 17"	2-sided	fold
Budgeting Lessons to Share	8.5" x 11"	2-sided	
Credit Lessons to Share	8.5" x 11"	2-sided	
Cars, College & Chaos	8.5" x 11"	2-sided	
Money Lessons for Adults to Share	11" x 17"	2-sided	fold

Demonstrate your bank's desire to contribute to each family's successful financial future.



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# National Teach Children to Save Day

April 10, 2003



## Enter your bank in KBA's MOST CREATIVE SAVINGS PROGRAM CONTEST

Students in communities from coast to coast will be participating in National Teach Children to Save Day on April 10 to promote savings in America.

Does your bank have an original program to promote savings in your community? Share your ideas with other Kansas bankers.

- |                             |   |
|-----------------------------|---|
| <b>1<sup>st</sup> Prize</b> | <b>\$100 for your program</b>           |
| <b>2<sup>nd</sup> Prize</b> | <b>"Buyer Be Wise" video</b>            |
| <b>3<sup>rd</sup> Prize</b> | <b>10 "Minding Your Money" booklets</b> |

*Prizes provided by Young Bank Officers of Kansas*

Last year's winners were featured in the July 2002 Kansas Banker Magazine.

1 <sup>st</sup> Place	First State Bank & Trust, Tonganoxie
2 <sup>nd</sup> Place	First State Bank & Trust, Pratt
3 <sup>rd</sup> Place	First National Bank, Goodland

This year's 1<sup>st</sup> place winner will receive an award at a selected KBA event in addition to receiving a \$100 prize and recognition in the Kansas Banker Magazine.

14.8

**Seventh Annual  
National Teach Children to Save Day  
April 10, 2003**

***IDEAS TO PROMOTE NATIONAL TEACH CHILDREN TO SAVE DAY***

- ◆ Incorporate the Money Video Series with your Teach Children to Save presentations. **Borrow “Kids and Cash” or “Bucks, Banks and Business” videos from the KBA** consumer education library (limited supply). Call 785-232-3444.
- ◆ **Order a new Teach Children to Save kit** from the ABA. You’ll find old favorites and new surprises in the beautiful new banker resource kit, which has been redesigned for year-round use. The high-quality, reproducible lessons and activities are designed to meet national curriculum criteria for grades K-12, and offer maximum flexibility for your presentations. The kit is available by calling the ABA at 1-800-BANKERS.
- ◆ **Purchase “Minding Your Money” booklets** to give to students in your district when you visit their classroom for National Teach Children to Save Day. Order from the KBA by calling Jerrie Conklin at 785-232-3444. Price is \$1.50 plus shipping and handling.
- ◆ **Enter your bank in KBA’s MOST CREATIVE SAVINGS PROGRAM CONTEST.** Win prizes and recognition for your bank by detailing your bank’s program on the enclosed contest form to KBA. A bonus prize is offered for the bank with the highest number of savings presentations held during the month of April.
- ◆ **Publicize your efforts.** Contact your local media for coverage of your bank’s Teach Children to Save Day events.
- ◆ **Partner your savings program** with your banks existing programs for America’s Promise.
- ◆ **Request a copy of *Money Talks*** by calling ABA at 1-800-BANKERS.



c/o Kansas Council on Economic Education  
Wichita State University, Devlin Hall  
1845 Fairmount  
Wichita, KS 67260  
**Phone:** 316-978-5183  
**Fax:** 316-978-3687  
[jumpstart@wichita.edu](mailto:jumpstart@wichita.edu)

## Kansas Clearinghouse of Resources

### Progress Update

Progress toward our Goals

2002 Jump\$Start Survey of Personal Financial Literacy  
Results of Personal Financial Literacy Survey - Apr. 23  
Kansas Specific Results

### In the News

US Treasury Dept. - Integrating Personal Finance into Curricula  
Senate Hearings on Student Credit Card Use - Sep 5, 2002  
Education funds aren't being used to teach finance - KC Star, Oct 20

### National Jump\$Start Coalition

Go there

Spring Newsletter

National Standards for Personal Financial Literacy  
12 Principles Young People Should Know and Links to Lessons

### **Attention Teachers!**

Become your students' personal financial trainer!

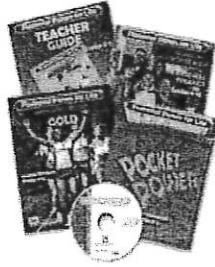
**Financial Fitness Institute**  
**Kansas City - June 10-11, 2003**  
**Hays - June 24-25, 2003**  
**Wichita - July 8-9, 2003**

**Sign up Now!**

14-10



Financial Fitness for Life Curriculum



Brand New!

The only K-12 personal finance curriculum available.  
**FREE to those who attend the Financial Fitness Institute**

**Learn More**

[How to get involved.](#)  
[About Us](#)  
[Strategic Action Plan](#)  
[By Laws](#)  
[Affiliation Agreement](#)  
[Articles of Organization](#)

**Meeting Minutes**

[June 17, 2002 Minutes](#)  
[January 29, 2002 Minutes](#)  
[September 17, 2001 Minutes](#)  
[June 11, 2001 Minutes](#)  
[March 26, 2001 Minutes](#)  
[January 23, 2001 Minutes](#)

**Attention Coalition Members**

[Next Full Meeting – Not Scheduled](#)  
[Location/Time](#)  
[Click here to RSVP](#)  
[Review Minutes from last meeting](#)  
[Sample Press Release](#)



14-11



**House Education Committee  
Rep. Decker, chair  
S.B. 120**

*Prepared by: Diane Gjerstad*

March 11, 2003

Madame Chair, members of the committee:

The Wichita Public Schools rise in support of S.B. 120 which increases the bid limit from \$10,000 to \$20,000 for school districts. The threshold has not been increased since 1986. Inflation in the intervening years has made the limit outdated. The bid limits for both cities and counties were raised several years ago.

We would like to offer an amendment to further modernize the bidding statutes for schools. Currently for purchases over \$10,000 a school district has to either bid the item or can adopt the state's contract. In recent years a third option has evolved, but our statute does not permit schools to take advantage of multi-state buying cooperatives.

There are several multi-state buying cooperatives. Western States was formed by the purchasing directors for 15 states to cooperatively purchase to specifically for cities, counties, public schools and universities.

U. S. Communities was designed as the local government mirror of what General Services Administration is for the federal government. One exercise of U. S. Communities is identifying state statutes inhibit local governments from optimizing buying power. Kansas' statute was identified as lacking the flexibility to permit schools to join buying cooperatives.

We would like the committee to amend the bill on page 3, (9) by adding a new (c) with language:

*(c) under the same pricing provisions established in federal, national or other state contracts facilitated by federal or a local governmental entity or agency, subject to:*

- (1) agreement of the vendor to honor the contract prices, and*
- (2) approval by the Board of Education for expenditures greater than \$20,000.*

Placing this option within statute will give districts a management tool and allow schools to make better purchasing decisions by accessing national pricing structures and bids.

Thank you, Madame Chair, for reviewing our suggested language for S.B. 120. I would attempt to answer your questions.

House Education Committee  
Date: 3/11/03  
Attachment # 15





Testimony on **SB 120**  
before the  
**House Education Committee**

by

**Jim Edwards, Governmental Relations Specialist**  
Kansas Association of School Boards

**March 11, 2003**

Chairwoman Decker and members of the Committee:

I appreciate the opportunity to appear in front of you today to support SB 120, a measure that deals with the provision of meals by school districts to other specified entities.

As now written the other entities would include any of the following:

- A nonpublic school or child-care institution, by virtue of a contract with the governing board of the school or institution;
- A municipality for the provision of meals to persons for whom the municipality is responsible for providing meals, by virtue of a contract with the governing body of the municipality; and,
- To a state educational institution or corporation whose operations are substantially controlled by a state educational institution for the provision of meals for students, alumni, and other members of the public who attend the institution's functions or activities.

Any and all contracts entered into by the local board of education must provide for payment for the cost incurred by providing the meals. Money received by a school district under a contract for meals would then be credited to the district's food service fund.

The Senate Education Committee added two amendments to the bill; KASB would concur with both. The first would raise the threshold for bidding expenditures for construction, reconstruction, remodeling, or for the purchase of materials, or goods or wares from \$10,000 to \$20,000. The current limit was set in 1986. The second amendment would delete the word "federal" in reference to food programs provided by schools so that a school could provide a snack that is not part of a federal program.

I thank you once again for the opportunity to present our testimony and would ask you to strongly consider this measure for passage. I would stand for questions.

House Education Committee  
Date: 3/11/03  
Attachment 16



**Kansas State Department of Education**

120 S.E. 10th Avenue  
Topeka, Kansas 66612-1182

March 11, 2003

TO: House Education Committee

FROM: Dale M. Dennis, Deputy  
Commissioner of Education

SUBJECT: 2003 Senate Bill 120

Senate Bill 120 amends the school bid law to bring it into compliance with the intent of the original law.

Current law exempts from the bid law perishable foods and foodstuffs required for the operation of a school lunch program. Since this bill was drafted, there have been significant changes in federal law governing school nutrition programs.

Recently, the U.S. Department of Agriculture noted that the current state law needs to be modified to cover all applicable child nutrition programs. For example, currently there are five different programs including school breakfast, special milk, school lunch, child and adult day care, and snacks available for school districts to operate.

This bill is intended to simply update the statute so it accounts for the various nutrition programs currently available to school districts.

The Senate amended Senate Bill 120 to authorize a board of education to contract with state educational institutions, a municipality, a nonpublic school, a nonprofit organization, and childcare institutions to provide food services. The bill was also amended to raise the bid limitation from \$10,000 to \$20,000.

**Division of Fiscal & Administrative Services**

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House Education Committee

Date: 3/11/03

Attachment # 17



# Kansas State Department of Education

120 S.E. 10th Avenue  
Topeka, Kansas 66612-1182

March 11, 2003

TO: House Education Committee  
FROM: State Board of Education  
SUBJECT: 2003 Senate Bill 119

Senate Bill 119 is a bill requested by the State Board of Education. The purpose of this bill is to make the laws governing teacher due process at the State School for the Deaf and the State School for the Blind the same as the laws that apply to school districts. The State Board believes it is appropriate that certified teachers at the two state schools be treated the same as certified teachers in school districts.

**Division of Fiscal & Administrative Services**

785-296-3871 (phone)  
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www.ksde.org

House Education Committee  
Date: 3/11/03  
Attachment # 18