

STATEMENT
OF
JOHN R. MUNDY
OF THE
NEVADA COUNCIL ON ECONOMIC EDUCATION
TO THE
NEVADA LEGISLATIVE COMMITTEE
ON EDUCATION

March 22, 2004

Mr. Chairman and members of the Committee, my name is John R. Mundy and I am the Executive Director of the Nevada Council on Economic Education (NVCEE). I last appeared before this Committee during several meetings of the 2002 interim period. I was speaking then about the Excellence in Economic Education (EEE) amendment to the ESEA HR 1 Act, commonly known as No Child Left Behind. My testimony in 2002 led to language in SB 210 that authorized the Nevada Dept. of Education (NDE) to use or shift Title V "*Innovations and Improvements*" block grant funds towards the implementation of the new state standards in Economics. The Nevada standards actually include educational programs in K-12 economic, financial, and entrepreneurship literacy, as well as integration with traditional social studies subjects like history, government, and geography. (Please refer to my 2003 Senate Finance Committee testimony attached herein for a complete description of the bill and its importance to Nevada). In fall 2003, a small *Innovations* grant for entrepreneur literacy was awarded to MVCEE as the state's principal agent for implementation of programs in these academic areas. Program delivery is accomplished via the Center for Economic and Entrepreneur Education at UNLV and a new Center (in organization) at UNR. I come again today to give an update to the status of the EEE amendment and to make a request.

In mid February, Congress appropriated \$1.48 million in FY 2004 for the EEE. On March 17, 224, a competitive bid package was released by the U.S. Dept of Education. As one of the co-authors of the EEE, the bill is designed so that 75% of the funding goes to state education agencies (SEAs) or to local education agencies (LEAs) via sub-grants. The EEE bid submission date is April 16, 2004—a short window of opportunity. I have met with the NDE grant writer and we are preparing Nevada's bid.

The grant is a competitive bid. I believe Nevada is in a favorable position to successfully secure a significant portion of the total. However, in this proposal I prefer to make as strong a point as possible as to the critical need for Nevada to get moving in the direction toward economic, financial, and entrepreneur literacy for its K-12 student population. At present, the non-profit NVCEE is the only agency capable of delivering programs statewide in these disciplines—with both full academic credit for teacher professional development and directly to classrooms for student-oriented content activities. Notwithstanding our professional capability, our resources are limited. The EEE grant can dramatically assist the achievement of the Legislature's intent behind the adoption of the state standards in economics. To that point, I request that the Committee

EXHIBIT <u>I</u>	Education	Document consists of <u>6</u> pages
<input checked="" type="checkbox"/> Entire document provided.		
<input type="checkbox"/> Due to size limitations, pages ____ through ____ provided.		
A copy of the complete document is available through the Research Library (775-684-6827 or e-mail library@lcb.state.nv.us)		
Meeting Date		<u>3-22-04</u>

John Mundy statement to Legislative Committee on Education (cont'd)

formally endorse the NDE application by preparing / authorizing a letter of support to be attached to the submittal.

Mr. Chairman, I think the Committee for its past support of my efforts to expand economic education in Nevada. I hope you are able to assist again in this important facilitative (grant) proves. I am prepared to answer any questions.

Thank you.

John Mundy

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Excellence in Economic Education

For the award of these funds in FY 2004, the U.S. Department of Education will consider only applications that address convincingly and credibly both of the following "absolute priorities:"

I. A project must indicate how it would use 25 percent of the funds available each year to do all of the following activities:

- a) Strengthen and expand the grantee's relationships with State and local personal finance, entrepreneurial and economic education organizations.*
- b) Support and promote training of teachers who teach a grade from kindergarten through grade 12 regarding economics, including the dissemination of information on effective practices and research findings regarding the teaching of economics.*
- c) Support research on effective teaching practices and the development of assessment instruments to document student understanding of personal finance and economics.*
- d) Develop and disseminate appropriate materials to foster economic literacy.*

II. A project must indicate how it would use 75 percent of the funds available each year to award sub grants both to (a) State educational agencies (SEAs) or local education agencies (LEAs), and (b) State or local economic, personal finance, or entrepreneurial education organizations.

- a) Collaboratively establishing and conducting teacher training programs that use effective and innovative approaches to the teaching of economics, personal finance, and entrepreneurship. The teacher training programs must (i) train teachers who teach a grade from kindergarten through grade 12; and (ii) encourage teachers from disciplines other than economics and financial literacy to participate in such teacher training programs, if the training will promote the economic and financial literacy of those teachers' students*
- b) Providing resources to school districts that desire to incorporate economics and personal finance into the curricula of the schools in those districts.*
- c) Conducting evaluations of the impact of economic and financial literacy education on students.*
- d) Conducting economic and financial literacy education research.*

- e) *Creating and conducting school-based student activities to promote consumer, economic and personal finance education (such as saving, investing, and entrepreneurial education) and to encourage awareness and student academic achievement in economics.*
- f) *Encouraging replication of best practices to promote economic and financial literacy.*

STATEMENT
OF
JOHN R. MUNDY
OF THE
NEVADA COUNCIL ON ECONOMIC EDUCATION
TO THE
NEVADA STATE SENATE
COMMITTEE ON FINANCE

March 17, 2003

Mr. Chairman and members of the Committee, my name is John R. Mundy and I am the Executive Director of the Nevada Council on Economic Education (NVCEE). We appreciate the opportunity to submit this statement and we applaud the Committee's decision to consider a state match to "The Excellence in Economic Education (EEE) Act of 2001." This amendment was included in the final version of ESEA 2001 "No Child left behind" as Title V Part D Subpart 13. EEE and is a subject of critical importance to the state and the future well being of its citizens—especially the K-12 student population. The Act contains specific language calling for the NVCEE to join in a partnership with the state in fostering economic education.

It is also the critical issue for NVCEE. As you may know, advancing economic, entrepreneurial, and financial literacy are the reasons why we exist. NVCEE, like this Committee, is deeply troubled with the staggering consequences of economic illiteracy. First and foremost, it affects the productivity of the nation and it negatively impacts the standard of living of all its citizens. Second, it creates barriers that keep people from participating in, and enjoying the many benefits of, our free market system--the envy of the world. Third, it limits the ability of many to make informed financial decisions that that oftentimes affect families and households for years to come. Finally, economic illiteracy limits entrepreneurship, thus negatively affecting the ability of the state to expand and diversify its economy.

To begin with, NVCEE is a unique private and public partnership of business, government and education that for more than 30 years has been helping students in grades kindergarten through 12 develop economic ways of thinking and problem solving. Our mission is to increase economic and personal financial literacy by teaching teachers how to make these subjects come alive in the classroom and by equipping them with the materials to do it well—specifically by designing curriculum and assessing results.

The reason that so many know so little about how our free enterprise system works is simple: most have never been taught anything about it. Currently, only 13 states require high school students to take a course in economics prior to graduation. Nevada hopefully will become the 14th state in the near future. Clearly, what you don't teach, they don't learn. And that is cause for concern.

For many, being financially illiterate means futures filled with money, credit and career problems. It also means that many of these same people will never become knowledgeable

consumers, prudent savers and investors, productive members of the workforce or informed voters on issues critical to their communities.

If we are to remedy these problems, respond to growing threats to our economic way of life and raise the standard of living in our nation for all of our citizens, both children and their parents must possess the requisite skills to be economically and financially literate. These are life-long skills and as such, this education must start early, at the lowest grade level, continue through high school and carryover into the workforce.

Clearly, economic, entrepreneurial, and financial literacy is of vital importance to the state and prompt action must be taken to address it. What we recommend are the following:

- Economics is listed as one of the Nevada “core” academic subjects. The NVCEE requests the Legislature direct that the state Dept. of Education and the Regional Professional Development Program join in the partnership created by Title V Part D Subpart 13 by funding the state match—thus creating the capability to train Nevada teachers in economics. There is no state alternative plan for this goal.
- Develop new and innovative approaches for reaching the state’s youth and teaching economics. This can be accomplished by the legislature directing the use of Title V Part A Subpart 3 Block Grant funds (targeted for “Innovation and Improvement”) for “consumer, economic, and personal finance K-12 education.”
- In 2001, a coalition of leaders in business, labor, education, and government was mobilized by the Lt. Governor and Commission on Economic Development to foster a statewide, multi-year initiative to enhance and extend economic diversification by commencing an entrepreneurship education program in our schools. The Lt. Governor’s Task Force on Entrepreneurship has developed a plan to implement entrepreneurship skills--which are included in the state’s standards in economics--into all state high schools. This would be accomplished by teacher training in entrepreneurship skills. The Superintendent of Public Instruction is a member of the Task Force and supports this objective. Partial funding of this initiative to date has come from private, entrepreneurial, and philanthropic grants. The LCB has stated that the “Improvements” block grant would be an appropriate use of a portion of the block grant. We ask the Legislature to direct such a use for teacher training in the entrepreneurial aspects of the state standards in economics.

We are aiming for nothing less than a transformation of our society to one that is economically literate. It is a grand vision, an achievable vision, and an inevitable reality. Economics is the quality of life issue for this millennium and economic, entrepreneurial, and financial literacy is the vehicle that will make a difference.

We believe that the goals we have set for ourselves and our statewide partners are highly compatible with those of the Committee and the Legislature as a whole. We welcome the opportunity to work with the Committee and the Dept. of Education on these important matters and to discuss our thoughts on this subject in greater detail at the convenience of the Committee.

Thank you.