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ARKANSAS SECURITIES DEPARTMENT FOR IMMEDIATE RELEASE

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SECURITIES COMMISSIONER ANNOUNCED THE START OF THE APPLICATION PERIOD FOR THE DEPARTMENT'S INVESTOR EDUCATION GRANT PROGRAM

A. Heath Abshure, Arkansas Securities Commissioner, announced the opening of the application period for the Securities Department's Investor Education Grant Program. \$50,000 in grants is available for eligible public schools, grades 5 through 12, and non-profit groups that promote education for teachers and students about the securities industry, the stock markets, and investment decision-making. Grant applications are due before October 1, 2008. Applicants are encouraged to contact the Securities Department prior to application to verify that proposed expenditures are covered by the Grant Program's guidelines. Additional information regarding the grant program may be found on the Department's website at <http://www.securities.arkansas.gov/page/371/teachers>.

"Since 2003, the Securities Department has awarded over \$213,000 to 28 public schools in Arkansas," stated Abshure. This year, we have \$50,000 available for grants to eligible public schools and non-profit organizations that provide qualifying financial education. Typically, the grant amounts are between \$2,500 and \$5,000, and may be used to purchase educational materials, software, and equipment that are used to further investor education."

During the 2007-2008 fiscal year, the Department awarded \$50,000 in grants to one non-profit organization and twelve public schools. \$40,000 of these grants went to public schools to purchase subscriptions to the *Wall Street Journal*, resource materials, computers, printers, calculators, and other items used in connection with a specific financial literacy program. Often, these items are purchased in connection with a class's participation in the Stock Market Game. The Stock Market Game is an interactive program in which students invest a virtual cash account of \$100,000. Students compete to create the best-performing portfolio using a live trading simulation. In building the portfolio, students learn the basics of saving and investing, as well as methods to research and evaluate particular investments such as stocks and mutual funds. The Stock Market Game is sponsored by Economics Arkansas, a non-profit educational organization founded in 1962 to promote financial literacy in Arkansas. The Arkansas Securities Department awarded Economics Arkansas \$10,000 to assist with sponsoring and conducting the Stock Market Game.

Abshure stressed the importance of early efforts to achieve financial literacy. “Surveys indicate that high school seniors are struggling with financial literacy basics. Many of us learned financial literacy the hard way, through that first credit card or that first car loan. It is extremely important that our students learn the basics of financial literacy in the classroom rather than a real-world trial by fire.” Abshure also noted the positive effects of programs like the Stock Market Game. “Arkansas, like most states, does not require personal financial instruction, but it can be provided electively. For those students receiving instruction in financial literacy, participation in real-world simulations, such as the Stock Market Game, reinforces the economic ideas that the students receive in class.”