

## **Rules of the Arkansas Financial Education Commission**

### **1. Authority**

The following Rules for the Arkansas Financial Education Commission were approved by the Arkansas Legislature by Act 1025 during the 93<sup>rd</sup> General Assembly, Regular Session, 2021. The governance of said Commission will fall under the Treasurer of State and his/her designees.

### **2. Purpose**

These Rules are prepared for the purpose of establishing the Commission as a whole and for maintaining said Commission. The Commission's purpose is to provide financial education programs to Arkansans in all geographic areas and socioeconomic backgrounds of the state and promote the importance of saving for education.

### **3. Location**

The Arkansas Financial Education Commission will be housed under the authority of the Treasurer of State and will conduct its meetings at said office. All matters related to the Commission should be directed to the director of said Commission or to the Treasurer of State or his/her designee at this office, located at 1401 West Capitol Ave. Suite 275, Little Rock AR, 72201.

### **4. Board of Directors**

The Commission shall be administered by a board of directors. The board shall consist of nine members.

Members of this board shall consist of :

- The Treasurer of State or his/her designee, and who shall serve as the chair;
- The Secretary of Elementary and Secondary Education or his/her designee;
- The Securities Commissioner or his/her designee;

- The Bank Commissioner or his/her designee;
- One member who is designated by the Arkansas Bankers Association;
- One member who is a member of a federally chartered credit union doing business in this state, appointed by the Treasurer of State;
- Three members who have various financial backgrounds, one member of the three to be female, one member of the three to be a racial minority, appointed by the Treasurer of State;

Members representing the Arkansas Bankers Association, the federally chartered credit union, and those from financial backgrounds shall serve two – year terms, each of which shall be staggered.

Vacancies shall be filled by appointment by the Treasurer of State for the unexpired term.

New Members shall be appointed every two years and may be reappointed.

Other leadership positions shall be selected by majority vote:

- a. One member to serve as vice chair;
- b. One member to serve as secretary; and
- c. One member to serve as treasurer.

## **5. Meetings**

The Chair shall call the first meeting of the board.

A majority of the membership shall constitute a quorum.

A majority vote of those members present shall be required for any action of the board.

The board will meet at least two times a year, once in the spring and once in the fall, at the call of the chair.

All meetings shall be recorded and made available to the public to ensure transparency.

## **6. Non – Profit Status and Contracts**

The board may incorporate the Commission as a nonprofit corporation under the Arkansas Nonprofit Corporation Act of 1993 and have all rights and powers of a nonprofit corporation under federal and state law.

The Commission may request information from any state agency or political subdivision of the state to enable the Commission to perform its duties.

It may enter into mutual agreements with any state agency, local government, subdivision of the state or local government, or any for-profit or nonprofit entity :

- Contract for services necessary for the management and operation of the Commission and for the development, management, and implementation of the financial literacy educational plans and programs.
- Contract with consultants as necessary to carry out the responsibilities under this subchapter.
- Promote, advertise, and publicize the activities of the Commission.
- Coordinate and promote financial education efforts at the state and local level, including promoting partnerships among state and local governments, nonprofit organizations including the Commission, and private entities.

## **7. Duties of Commission**

Duties of the Commission include:

- Appointing an independent director of the Commission, to hold office at the pleasure of the Commission.
  - Said director may be terminated by a majority vote of the Commission if said director does not offer his/her resignation.
- Raising funds for the financial literacy educational plans and programs excluding:
  - A member of the board who is a regulator of their respected industry shall not directly or indirectly participate in the Commission's fundraising activities.

- Managing and implementing financial literacy educational plans and programs.
- Providing education in all aspects of financial matters.
- Creating and maintaining a website that covers a wide range of financial topics available to all Arkansans.
- Working with other state agencies in providing financial literacy education to schools in the state.
  - The topics shall include but not limited to:
    - Earning a livable income
    - Balancing a checkbook and bank account
    - Use of credit cards and managing debt
    - Saving for postsecondary education

## **8. Fees and Expenses**

All members shall serve without compensation. Members may receive reimbursement for travel and personal expenses made on behalf of the board. Reimbursement must be approved by the board and issued from the account established by the 501 c 3.

Funds will be raised through sponsorships thru the 501 c 3 and may be used for:

- Promotion of financial literacy programs
- Purchasing financial literacy materials
- Travel expenses of the Commission

Any balance remaining at the end of the fiscal year shall be carried forward into the next fiscal year for the benefit and use of the Commission.

## **9. Annual Report and Rules**

The Commission will provide the Arkansas Legislature an annual report on the activities of the Commission.

The Treasurer of State shall file these proposed rules with the Secretary of State once adopted.