

Personal Finance

Course Credit	0.5 (Content standards 1-13, 22, and 24-25 are required), OR 1.0 (All content standards are required)
Grade Levels	9-12
Prerequisites	

Personal Finance is designed to provide students with an overview of the principles of business finance and personal financial planning skills. With an emphasis on personal finance, this course introduces students to the management of personal and family resources to achieve financial goals and literacy as well as business ownership and the planning process. Course content provides opportunities for students to explore consumer behavior, individual and family money management and investing, business ownership, financial plan development, and financial accounting. Students compete in real-time stock market and project-based learning to receive real world exposure. The W!SE Financial Literacy Certification exam will be administered in which, upon passing, students will gain the advantage of being awarded the Certified Financially Literate credential..

Foundational standards, shown in the table below, are an important part of every course. Through these standards, students learn and apply safety concepts, explore career opportunities and requirements, practice the skills needed to succeed in the workplace, develop leadership qualities and take advantage of the opportunities afforded by Career and Technical Student Organizations (CTSOs), and learn and practice essential digital literacy skills. The foundational standards are to be incorporated throughout the course.

Each foundational standard completes the stem “*Students will...*”

Foundational Standards

1. Incorporate safety procedures in handling, operating, and maintaining tools and machinery; handling materials; utilizing personal protective equipment; maintaining a safe work area; and handling hazardous materials and forces.
2. Demonstrate effective workplace and employability skills, including communication, positive work ethic, problem-solving, time management, and teamwork.
3. Explore the range of careers available in the field and investigate their educational requirements, and demonstrate job-seeking skills including resume-writing and interviewing.

4. Advocate and practice safe, legal, responsible, and ethical use of information and technology tools specific to the industry pathway.
5. Participate in a Career and Technical Student Organization (CTSO) to increase knowledge and skills and to enhance leadership and teamwork.

PERSONAL FINANCE CONTENT STANDARDS

Each content standard completes the stem “*Students will...*”

Financial Responsibility

1. Describe the nature and scope of personal finance, including how personal finance concepts fit into key life events or stages.
 - a. Research and share information from a variety of sources to explain the importance of personal financial planning.
Examples: instructional materials, news articles, blogs from reputable sources, personal narratives, industry publications
 - b. Specify how monetary and non-monetary assets can contribute to net worth.
2. Describe personal spending behavior that contributes to building wealth.
 - a. Explain how charitable giving fits into a spending plan.
 - b. Describe practices that assist individuals and families to achieve and maintain financial security.
Examples: determining needs and wants, creating a budget, setting goals, keeping records, developing a personal financial plan, saving, investing

3. Explain how goals, decision-making, and planning affect personal financial choices and behaviors.
 - a. Create a plan to reach a specific financial goal.
 - b. Explain personal values that affect financial choices.

Examples: desire for home ownership, work ethic, charity, civic virtue
 - c. Explain the advantages of designing and following a personal financial plan.
 - d. Compare and contrast retirement and estate planning options available to individuals and families.
4. Explain how certifications may expand employment opportunities and positively impact earnings.

Examples: lifeguard training, tax preparation class, first aid training

 - a. Describe the opportunity costs of developing human capital by taking courses to prepare for employment in careers that are in high demand with high income potential.
5. Gather information from several sources when planning to purchase a product.

Examples: manufacturers, retailers, consumer reviews, independent testing laboratories

 - a. Explain what information is most helpful in choosing which product to buy.

Consumer Protection

6. Outline the purposes and features of consumer protection laws, agencies, and sources of assistance, including identity protection and credit regulations.
 - a. Explain ways to avoid identity theft, fraud, financial scams, and schemes designed to defraud consumers.
 - b. Discuss the financial and emotional costs of recovering from identity theft or fraud.
 - c. Describe possible responses to excessive debt collection practices.

Examples: payday loans, instant credit
7. Locate and share credible sources of up-to-date information about consumer rights and responsibilities.
 - a. Investigate and report on sources of assistance for resolving consumer disputes.
 - b. Demonstrate procedures for filing formal consumer complaints.
8. Outline steps to resolve identity theft problems as recommended by the Federal Trade Commission and financial institutions.
 - a. List entities that have a right to request certain personal financial data.
 - b. Investigate and report on consumer safeguards for mobile and online banking.

Consumer Decisions and Behavior

9. Describe factors that impact consumer purchasing decisions throughout the lifespan.
 - a. Explain how limitations on financial resources affect the choices people make.
 - b. Explain how consumers can benefit from conducting a cost-benefit analysis before making a financial decision.
 - c. Analyze the influence of peer pressure and emotions on purchasing decisions.
Examples: fashion, acceptance from others, desire for the latest gadget
 - d. Describe how scarcity relates to needs and wants.
 - e. Explain the impact of marketing, advertising, and sales strategies or techniques on purchasing decisions.
Examples: impulse buying, delayed payment
10. Apply a decision-making model to maximize consumer satisfaction when buying goods and services.
 - a. Categorize possible purchases of goods and services as wants or needs, explaining the reasoning for each decision.
 - b. Research and report pros and cons of e-commerce and online auctions.
 - c. Analyze the value of warranties, service contracts, and risk protection for a variety of products and services.
Example: research due diligence on service work
11. Demonstrate how to use comparison shopping skills to make purchasing decisions, including major purchases.
 - a. Compare the advantages and disadvantages of owning versus renting property or housing.
 - b. Research and report on various types of consumer contracts, indicating each type's advantages and disadvantages for the consumer.
Examples: renting to own, lease agreements
 - c. Calculate cost and finance charges for major purchases.
Examples: vehicles, appliances, electronics, dwellings
 - d. Research the projected costs for all expenses associated with major purchases, including maintenance costs.
Examples: wedding, college, home, car
12. Identify factors that affect the total cost of goods and services, including sales tax, tips, coupons, discounts, and unit pricing.
 - a. Explain how sales and property taxes affect financial decisions.
Examples: buying a car or house

Money Management

13. Explain the ways in which individuals are responsible for their finances and situations in which they share responsibility for other people's finances.

Examples: marriage, cosigning a loan

 - a. List reasons to consult with a tax advisor or financial planner.
 - b. Explain the value of sharing financial goals and personal finance information with a partner before combining households.
14. Demonstrate how to set financial goals and analyze the costs and benefits of spending decisions.
 - a. Describe a sunk cost and situations in which losses should be accepted to avoid further loss.
 - b. Compose an argument supporting the concept of paying yourself first.
 - c. Determine the amount of savings needed for a given household.
15. Describe strategies for managing income to align with financial goals.
 - a. Describe the impact of career choice, education, skills, and economic conditions on income and financial stability.
16. Prepare a monthly budget for an individual or a family given their income, savings goals, taxes, and list of fixed and variable expenses.
 - a. Evaluate the impact of taxes, government payments, and employee benefits on budgeting decisions.

Examples: FICA, income taxes; SNAP, Medicaid, unemployment insurance, farm subsidies; health insurance, retirement plan contributions
 - b. Describe methods of allocating resources to meet savings and investment goals.
 - c. Analyze how changes in life circumstances can affect a personal spending plan.

Examples: job change, having a child, major illness, theft of property, automobile accident
 - d. Locate and use technology to help with financial management.

Examples: online banking, mobile banking apps, direct deposit, money transfer apps, online payments

Credit
and
Debt

17. Gather and share information on income, benefits, and deductions.
 - a. Distinguish between gross and net income.
 - b. Analyze the impact of payroll deductions and employee benefits on income.
Examples: state and federal income tax, FICA, flexible benefit plans
 - c. Calculate the monetary value of employee benefits when determining earnings.
 - d. Describe sources of income not derived from employment.
Examples: alimony, unemployment insurance, stock dividends, government transfer payments
18. Demonstrate procedures for completing and filing income tax forms, utilizing tax terminology.
Examples: dependent, exemption, credit, deduction
 - a. Explain the requirements for filing annual tax returns and the consequences of not paying income tax.
Examples: full or partial payments; penalties, federal tax lien, asset seizure, prison, passport revocation
19. Research and share information on credit options available to consumers.
Examples: revolving, installment, open
 - a. Explain how credit card grace periods, methods of interest calculation, and fees affect borrowing costs.
 - b. List the types of information required on credit applications.
 - c. Calculate the total cost of a loan.
 - d. Differentiate among various types of student loans and compare to alternate means of paying for post-secondary education.
20. Research and report on factors that affect creditworthiness and credit scores.
Examples: payment history, credit mix, credit utilization
 - a. List steps for obtaining a credit report from the three major reporting agencies.
 - b. Describe effective methods for improving credit scores.
 - c. Describe consequences of accumulating credit card debt and defaulting on loans, especially for young consumers.
 - d. Identify sources, types, and risks of loans for consumers.
 - e. Investigate and report on ways that a low credit score can affect a consumer's financial options.

Saving

21. Apply strategies to avoid or correct debt management problems.
 - a. Examine and report on the types of services offered by consumer credit counseling agencies.
 - b. Explain the economic consequences of personal bankruptcy and the financial responsibilities associated with filing for bankruptcy under Chapters 7, 11, and 13.

Examples: negative effects on assets, employability, future cost and availability of credit
 - c. Investigate how student loan obligations differ from other kinds of debt.
 - d. Research and report on a financial institution's debt reduction services.
22. Research and report on the benefits of savings.
 - a. Distinguish between saving and investing, considering the characteristics of various methods of saving.

Examples: savings account, money markets, certificates of deposit, IRAs, retirement accounts
 - b. Calculate annual interest and annual yield on savings for various types of accounts.

Examples: money market accounts, deposit savings accounts, 529 plans
 - c. Explain reasons for maintaining an emergency savings account and methods for determining the amount needed.
23. Compare certificates of deposit, money markets, and savings accounts and identify the benefits and disadvantages of each.
 - a. Gather information on the interest rates that financial institutions pay on different types of savings accounts.
 - b. Determine how real income, real return, real yield, and purchasing power are calculated and why they are important.
 - c. Explain the difference between simple and compound interest and calculate interest on a given amount of savings using each method.
 - d. Gather and share information on the impact of inflation on savings.

Investing

24. Identify types of investments appropriate for different objectives.
Examples: short term vs. long term goals, liquidity, risks vs. reward
- Describe factors that affect the rate of return on investments.
 - Differentiate between diversification and asset allocation.
 - Compare the advantages of taxable, tax-deferred, and tax-advantaged investments, including Roth IRAs and employer-sponsored retirement options, and determine which are most beneficial for new savers.
 - Describe steps that will maximize long-term investment returns and explain the advantages of each.
Examples: begin investing at an early age, diversify investments, take advantage of employer matching programs
25. Evaluate types of investments to determine how they meet the objectives of a personal financial plan.
- Compare the advantages and disadvantages of buying and selling investments through various channels.
Examples: direct purchase, stock options from employers, investment professionals, online brokerages
 - Research and report on investment options, considering risks and returns and the reasons for diversification.
Examples: stocks, bonds, Treasury bills, mutual funds, index funds, certificates of deposit, money market accounts
26. Identify warning signs of investment fraud and steps that can be taken if victimized by investment fraud.

Personal Insurance

27. Describe how insurance protects against loss and mitigates financial consequences.
- Explain the various types of personal insurance and identify coverage needed at different stages of life.
Examples: auto, rental, property, disability, life (whole and term), health
 - Research and report on ways coverage, deductibles, and premiums are related.
 - Analyze the costs and benefits of various types of insurance.
28. Compare and contrast types of property insurance and identify situations when certain types of coverage are needed.
Examples: homeowner's, renter's, automobile
- Gather and share information about the consequences of accidents involving uninsured or underinsured motorists.
 - Explain the differences between independent insurance agencies and franchised agencies.
 - Determine the amount of coverage needed in a given situation.

Banking

29. Explain the role of the Federal Deposit Insurance Corporation (FDIC) and the National Credit Union Administration (NCUA) in protecting depositors' savings, including coverage limits.
30. Explain how state and federal agencies charged with regulating financial institutions protect the safety, soundness, and legal compliance of the nation's banking system.
Examples: Federal Reserve System, the Office of the Comptroller of the Currency, the Consumer Financial Protection Bureau, state banking departments
31. Investigate and report on account management services provided by financial institutions.
Examples: credit unions, pawn shops, payday lenders, commercial banks, online banks
 - a. Summarize the risks and protections associated with checks, debit cards, credit cards, and online and mobile payment systems.
 - b. Compare the features and costs of personal checking accounts offered by different financial institutions.
 - c. Compare the features and costs of online and mobile banking and payment services offered by different financial institutions.
 - d. Compare the cost of cashing a check with various third parties.
Examples: bank or credit union, check-cashing services, retail outlets
 - e. Identify ways to avoid costly fees.
Examples: overdraft fees, late fees
 - f. Discuss the pros and cons of being unbanked.
32. Demonstrate procedures for opening and managing a checking account, including writing checks; recording checks, debits, and deposits; and reconciling statements.