

**Business Education Standards**

**Personal Finance**

**Course Overview:** Students will improve in financial literacy skills throughout this course. Concepts include learning about your consumer role, financial responsibilities, and how to manage your money. Some of the specific topics covered will be employee pay and benefits, budgets, checking and banking services, credit management, saving and investing, taxes, insurance, and housing options. This course will include a “Making it Your Own” project incorporating units taught. The overall mission of this course is to prepare students for their futures as responsible and productive citizens. Students will be able to apply the concepts learned in this class to their lives now and after completing high school. Students will gain the necessary foundation and experience in managing finances so that they may further grow as citizens and professionals. This course is the foundation and is essential in helping to plan for future goals, both personal and financial, in life.

**Bold standards are essential standards that all students will learn as they complete the course.**

**Unit 1: Personal Financial Planning & Career Planning (35 days)**

**Description:** This unit will define personal financial planning. Students will learn how to set SMART goals. Basic economic principles will be discussed, focusing on inflation and how it impacts the consumer. In this unit students will work on their ACP (academic career plan) taking personal inventories related to careers, skills, interests, values, learning, and abilities through Career Cruising. Students will select career paths they are interested in pursuing and research related education before finding a job posting. Students will learn about various types of compensation packages and how to calculate withholdings and determine net pay. Students will also create a job campaign (resume, cover letter, reference page, and application). Basic interviewing techniques will also be discussed. A mini unit at the end will teach students about the history of taxes and how to complete basic tax forms including a 1040ez, WI-Z and 1040A.

**Standards**

1. **Perform financial calculations. (BCA1.a)**
2. Select and use standard math principles. (BCA1.c)
3. Demonstrate efficient means of using technology to locate print and digital information to aid in research, analysis, decision making and verifying information. (BC4.a)
4. Apply correct spelling, grammar, word/number usage and punctuation to a given situation. (BC5.a)
5. Analyze the role of employment law. (BLE2.c)
6. Use effective decision making processes to compare the costs and benefits of alternatives. (EC1.b)
7. Analyze an individual’s earning power. (EC3.c)
8. Describe the role of taxes. (PF2.e)
9. **Correctly report income and taxes. (PF2.f)**
10. Select and use appropriate features of a word processor to organize and effectively communicate information. (IT1.b)

**Unit 2: Budgeting (10 days)**

**Description:** This unit will focus on concepts related to personal financial statements. Students will learn to create and balance written and electronic budgets and create personal balance sheets, net worth, and cash flow statements. The project will focus on create a menu and taking a field trip to the grocery store and shopping for the items on the menu to see if they can stick to a budget while also learning consumer skills including comparison shopping, looking at unit price, size, store brand vs. name brand, and other consumer issues.

**Standards**

1. Analyze personal financial documents. (BCA1.b)
2. Create and analyze spreadsheets. (BCA3.a)
3. **Apply proper decision-making practices for wise shopping. (PF1.a)**
4. **Create a plan for spending and saving to meet individual goals. (PF2.c)**
5. Develop a system for keeping and using financial records. (PF2.d)

**Unit 3: Saving & Investing (15 days)**

**Description:** This unit will focus on comparing and contrasting the various financial institutions and services available in the area of demand deposits, savings accounts, and investments accounts. There will be a checkbook simulation and students will be required to reconcile (balance) a checking account and also to correctly write out a check. Students will look at the more conservative options available at most financial institutions including passbook savings, certificates of deposit, money markets, and savings bonds. The unit will also cover the riskier investment options of the stock market including the basic definitions of a variety of types of stocks, bonds and mutual funds sold on the market. There will also be a brief introduction into retirement accounts including a 401k vs. a 403b and a traditional IRA vs. a Roth IRA. This unit will discuss the future and present value of money using the formula and tables to calculate investments.

**Standards**

1. **Perform financial calculations. (BCA1.a)**
2. Select and use standard math principles. (BCA1.c)
3. Evaluate financial institutions in order to meet individual needs. (PF2.a)
4. Describe methods to transfer ownership of money. (PF2.b)
5. Apply strategies and evaluate financial information when creating wealth/building assets. (PF3.a)
6. Escribe the relationship between saving and investing. (PF3.b)
7. **Demonstrate ability to use decision-making processes in making financial decisions related to planning, saving and investing. (PF3.c)**

**Unit 4: Credit & Housing (15 days)**

**Description:** This unit consists of two mini units. The first discusses credit. Students will learn about the two types of credit (open and closed end credit). Most importantly they will learn about how to be responsible users of credit and how to create and maintain a favorable credit rating. The 5 C’s of credit will be discussed and we will look at what makes up a credit score. Students will research and compare credit cards and consumer loans (focusing on car loans). Moving in to the next mini unit we will build on credit by expanding to mortgages. The unit will begin by discussing housing options—namely renting vs. buying. Students will evaluate leases and research to find an apartment for rent. The next step will be looking at houses and evaluating properties available for sale. Students will look at mortgage loans and create an amortization schedule finding the total cost of purchasing a home. Terminology related to renting and purchasing a home will be discussed.

**Standards**

1. **Perform financial calculations. (BCA1.a)**
2. Select and use standard math principles. (BCA1.c)
3. **Identify costs and benefits of various types of credit. (PF4.a)**
4. Explain the purpose of a credit record and identify borrowers’ credit report rights. (PF4.b)
5. Describe ways to avoid or correct credit problems. (PF4.c)
6. Summarize major consumer credit laws and methods of fraud protection. (PF4.d)

**Unit 5: Insurance (15 days)**

**Description:** This unit will focus on the various types of insurances. Students will learn about auto, home, renter’s, health, dental, vision, life, and disability insurances. We will discuss some of the other types of insurances available as well. The focus will be on looking at policies and reading through them to understand exactly what is covered. We will also look at EOB (explanation of benefits) to understand exactly what is covered and what the responsibility is of the insured. Students will research to find policies that would be necessary in their lives after graduation. At the culmination of this unit students will complete the “Making it Your Own” project by finishing their final budgets to determine if they were able to live within their means—both with their job salary and career salary. As a twist each will draw from the hand of fate to see if the scenario can fit in to the budget they have planned for themselves.

**Standards**

1. **Identify common types of risks and basic risk management. (PF5.a)**
2. Integrate and apply concepts related to personal financial risk, protection from loss and financial planning. (PF5.b)