

FINANCIAL LITERACY

ACTIVITY CODE: 2705

COURSE DESCRIPTION: This course is designed to introduce the student to basic financial literacy skills to help them make responsible financial decisions. Concepts covered include financial planning, bank accounts, credit and loans, wages and taxes, investments, and insurance. Students will gain the information and skills to implement a life-long plan for financial success.

OBJECTIVE: Given the necessary equipment, supplies, and facilities, the student will be able to successfully complete the following core standards in a course that grants one unit of credit.

RECOMMENDED GRADE LEVEL: 7, 8

PREREQUISITE: None

COMPUTER REQUIREMENT: One computer per student

A. SAFETY

Effective professionals know the academic subject matter, including safety as required for proficiency within their area. They will use this knowledge as needed in their role. The following accountability criteria are considered essential for students in any program of study.

1. Review school safety policies and procedures.
2. Review classroom safety rules and procedures.
3. Review safety procedures for using equipment in the classroom.
4. Identify major causes of work-related accidents in office environments.
5. Demonstrate safety skills in an office/work environment.

B. STUDENT ORGANIZATIONS

Effective professionals know the academic subject matter, including professional development, required for proficiency within their area. They will use this knowledge as needed in their role. The following accountability criteria are considered essential for students in any program of study.

1. Identify the purpose and goals of a Career and Technology Student Organization (CTSO).
2. Explain how CTSOs are integral parts of specific clusters, majors, and/or courses.
3. Explain the benefits and responsibilities of being a member of a CTSO.
4. List leadership opportunities that are available to students through participation in CTSO

conferences, competitions, community service, philanthropy, and other activities.

5. Explain how participation in CTSOs can promote lifelong benefits in other professional and civic organizations.

C. TECHNOLOGY KNOWLEDGE

Effective professionals know the academic subject matter, including the ethical use of technology as needed in their role. The following accountability criteria are considered essential for students in any program of study.

1. Demonstrate proficiency and skills associated with the use of technologies that are common to a specific occupation.
2. Identify proper netiquette when using e-mail, social media, and other technologies for communication purposes.
3. Identify potential abuse and unethical uses of laptops, tablets, computers, and/or networks.
4. Explain the consequences of social, illegal, and unethical uses of technology (e.g., piracy; illegal downloading; licensing infringement; inappropriate uses of software, hardware, and mobile devices in the work environment).
5. Discuss legal issues and the terms of use related to copyright laws, fair use laws, and ethics pertaining to downloading of images, photographs, documents, video, sounds, music, trademarks, and other elements for personal use.
6. Describe ethical and legal practices of safeguarding the confidentiality of business-related information.
7. Describe possible threats to a laptop, tablet, computer, and/or network and methods of avoiding attacks.

D. PERSONAL QUALITIES AND EMPLOYABILITY SKILLS

Effective professionals know the academic subject matter, including positive work practices and interpersonal skills, as needed in their role. The following accountability criteria are considered essential for students in any program of study.

1. Demonstrate punctuality.
2. Demonstrate self-representation.
3. Demonstrate work ethic.
4. Demonstrate respect.
5. Demonstrate time management.
6. Demonstrate integrity.
7. Demonstrate leadership.
8. Demonstrate teamwork and collaboration.
9. Demonstrate conflict resolution.
10. Demonstrate perseverance.
11. Demonstrate commitment.

12. Demonstrate a healthy view of competition.
13. Demonstrate a global perspective.
14. Demonstrate health and fitness.
15. Demonstrate self-direction.
16. Demonstrate lifelong learning.

E. PROFESSIONAL KNOWLEDGE

Effective professionals know the academic subject matter, including positive work practices and interpersonal skills, as needed in their role. The following accountability criteria are considered essential for students in any program of study.

1. Demonstrate effective speaking and listening skills.
2. Demonstrate effective reading and writing skills.
3. Demonstrate mathematical reasoning.
4. Demonstrate job-specific mathematics skills.
5. Demonstrate critical-thinking and problem-solving skills.
6. Demonstrate creativity and resourcefulness.
7. Demonstrate an understanding of business ethics.
8. Demonstrate confidentiality.
9. Demonstrate an understanding of workplace structures, organizations, systems, and climates.
10. Demonstrate diversity awareness.
11. Demonstrate job acquisition and advancement skills.
12. Demonstrate task management skills.
13. Demonstrate customer-service skills.

F. GOAL SETTING

Effective professionals demonstrate goal setting skills as needed in their role. The following accountability criteria are considered essential for students in Finance program of study.

1. Explain the importance of setting goals.
2. Analyze the difference between short and long-term goals.
3. Set personal financial goals using the SMART method (specific, measurable, attainable, realistic, and timely).
4. Apply SMART goals to a life situation, e.g. decisions about college, career, and family.

G. CAREERS AND INCOME

Effective professionals demonstrate knowledge of the necessary education, training, and skills as needed in their role. The following accountability criteria are considered essential for students in any Finance program of study.

1. Complete and analyze the results of a career inventory.
2. Analyze the relationship between education and earning power.
3. Demonstrate an understanding of different sources of income, (e.g. salaries, wages, commission, tips, etc.)
4. Research career choices, required education and skills, and potential income for various careers.
5. Prepare a presentation on a career of choice.

H. HIGHER EDUCATION AND CAREER TRAINING

Effective professionals demonstrate knowledge of post-secondary employment and college options and how to prepare for them. The following accountability criteria are considered essential for students in any Finance program of study.

1. Research the cost and benefits of various education and training options, (e.g. technical, 2-year, 4-year, apprenticeship, internship, military, etc.).
2. Analyze admission requirements and prerequisites for various education and training options.
3. Compare the impact of various education funding options, e.g. scholarships, grants, loans, work-study, etc.
4. Utilize the FAFSA4caster Review to explore the FAFSA process.
5. Prepare a presentation on a particular educational path or training option.

I. BUDGETING AND FINANCIAL PLANNING

Effective professionals demonstrate knowledge of budgeting and financial planning. The following accountability criteria are considered essential for students in any Finance program of study.

1. Identify various types of income and expenses.
2. Compute gross earnings, payroll deductions (taxes, retirement, etc.), and net pay.
3. Identify and establish SMART personal financial goals (e.g., personal items, car, and college).
4. Explain the major purposes of budgets.
5. Develop a personal budget based on expected earnings from a chosen career and lifestyle.
6. Explain the importance of financial planning to meet personal financial goals.

J. INVESTING FOR THE FUTURE

Effective professionals demonstrate knowledge of short and long-term investment options. The following accountability criteria are considered essential for students in any Finance program of study.

1. Define basic investment concepts, (e.g. stocks, mutual funds, bonds, Rule of 72, and personal investments).
2. Compare the risk, return, liquidity, manageability, and tax aspects of investment alternatives.

3. Evaluate sources of investment information, (e.g. financial advisors, online resources, and periodicals).
4. Create an investment portfolio and track returns over a period of time.
5. Describe how to buy and sell various investments.
6. Compare and contrast types of long-term retirement investments, (e.g. Roth and traditional IRA's, 403(B), 401(K), defined-benefit plans, etc.).

K. BANKING SERVICES

Effective professionals demonstrate knowledge and usage of banking services. The following accountability criteria are considered essential for students in any Finance program of study.

1. Distinguish between different types of bank accounts.
2. Complete sample tasks and documents used with bank accounts (e.g., signature card, cash, check, debit card, check register, deposit slip, account reconciliation, online banking, electronic payment services, etc.).
3. Explain the difference between debit and credit cards.
4. Discuss simple and compound interest.
5. Describe common ways that I.D. theft happens, (e.g. dumpster diving, phishing, skimming, hacking, etc.).
6. Describe methods of protecting yourself from identify theft and other suspicious account activity.

L. CREDIT AND BORROWING

Effective professionals demonstrate knowledge and appropriate use of credit and borrowing. The following accountability criteria are considered essential for students in any Finance program of study.

1. Identify the costs and benefits of using credit and loans.
2. Describe types and sources of credit and loans.
3. Evaluate offers of credit based on interest rates, terms, and fees.
4. Explain the 5 C's of credit (character, collateral, capacity, conditions, and capital) and how they affect credit scores.
5. Analyze the role of credit bureaus in determining credit scores.
6. Analyze the impact of credit scores on loan terms and interest rates.
7. Calculate borrowing capacity based upon income and banking guidelines, e.g. 20/10 Rule.
8. Explain consumers' rights and responsibilities using various consumer protection laws, e.g. Fair Credit Reporting Act, bankruptcy, Equal Credit Opportunity Act, etc.

M. WAGES AND TAXES

Effective professionals demonstrate knowledge of how earnings are calculated and reported.

The following accountability criteria are considered essential for students in any Finance program of study.

1. Define basic tax terminology (e.g., taxable income, tax credits, exemptions, deductions, itemized deductions).
2. Explain the purposes and types of taxes in the United States (e.g., progressive, regressive, and proportional taxes).
3. Explain the purpose of W-2, W-4, and I-9 forms.
4. Evaluate how taxes, government transfer payments, and employee benefits relate to disposable income.
5. Compute gross earnings, payroll deductions, and net pay.
6. Prepare U.S. individual federal income tax return Forms 1040EZ and 1040A.

N. INSURANCE

Effective professionals demonstrate knowledge and purpose of insurance. The following accountability criteria are considered essential for students in any Finance program of study.

1. Examine the concept of risk and probability.
2. Explain how risk is transferred through insurance.
3. Compare and contrast the various types of insurance coverage, (e.g. property, health, and life insurance).
4. Examine ways to reduce the cost of insurance.

[Course Materials and Resources](#)

[Academic Standards and Indicators](#)