

COURSE TITLE

Financial Literacy

LENGTH

Half Year
Grades 10 - 12

DEPARTMENT

Business Education/Social Studies
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SCHOOL

Rutherford High School

DATE

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Financial Literacy

I. Introduction/Overview/Philosophy

The purpose of this course is to have all students develop skills and strategies that promote personal and financial responsibility related to financial planning, savings, investment, and charitable giving in the global economy (New Jersey—Standard 9.1 Personal Financial Literacy) The course will explore the world of money management and finance. Students will learn how to manage their financial resources and to make informed personal financial decisions, interpret data to develop short and long-term budgetary plans, and develop knowledge related to financial and investment planning, saving instruments, risk management, and insurance. The importance of credit management and the advantages and disadvantages of various types of credit will be analyzed. Students will understand the legal rights and financial responsibilities of being a good citizen. They will discover the relationship between taxes, government programming and rights and protections granted them by municipal, state and federal law. Finally they will explore changing economic and cultural trends present in the emerging global economy and uncover the impacts of those changes on the individual in that economy.

II. Objectives

Course Outline

- I. Financial Literacy
 - A. What is personal finance?
 - B. Defining our money personality
 - C. Becoming money smart
 - 1. Learning the language of money
 - 2. Head knowledge versus behavior
- II. Income and Careers
 - A. Planning a career
 - 1. Career goals
 - 2. Identify personal talents, abilities, strengths, and weaknesses
 - 3. Relationship between various careers and personal earning goals
 - B. Researching entrepreneurship
 - 1. Financial risks of entrepreneurship as a career choice
 - 2. Benefits of entrepreneurship as a career choice
- III. Money Management
 - A. Examining a paycheck
 - 1. Gross earnings versus net earnings
 - 2. Calculating net pay
 - 3. Exemptions and deductions
 - 4. Benefits and cost of compulsory government programs
 - 5. Optional deductions and the impact on income
 - 6. Benefits and perks
 - 7. Progressive vs. flat tax
 - B. Budgeting and Independent Living
 - 1. Budget mechanics and vocabulary
 - 2. Types of expenses (fixed, flexible, discretionary)
 - 3. Track income and expenses
 - 4. Prioritize financial decisions
 - 5. Examine external influences on financial planning

- a. economic
- b. personal

IV. Saving versus investing

- A. The difference between saving and investing
- B. Rule of 72
- C. Tools/strategies for saving money
- D. Tools/strategies for investing money
- E. Calculate interest on savings including the role of compounding
- F. Risk vs Return Ratio
- G. Calculate income on investments
 - 1. growth
 - 2. dividends
 - 3. interest
- H. Charting investments
- I. Impact of taxes on saving and investing
- J. Charitable giving as a benefit
- K. Retirement as an investment
 - 1. Government sponsored retirement: Social Security
 - 2. Individually sponsored retirement: IRA and Roth IRA
 - 3. Employer sponsored retirement: 401k and 403b

V. Credit and Debt Management

- A. Defining credit
 - 1. Types of credit (installment, regular, revolving)
 - 2. Good versus bad debt
 - 3. Credit worthiness
 - 4. Credit scores and reports
 - 5. How and where to get credit
 - 6. Bankruptcy and its implications
- B. Buying a house
 - 1. Renting vs. buying
 - 2. Obtaining financing
 - a. down payment
 - b. mortgages
 - c. points
 - d. closing costs
 - 3. Types of Mortgages
 - a. fixed-rate
 - b. adjustable rate
 - c. home equity loan
- C. Financing higher education
 - 1. Saving for college/post-secondary education
 - 2. Borrowing for college
 - 3. Applying for financial aid
- D. Financing vs. Leasing Cars
 - 1. The benefits and drawbacks of financing a car
 - 2. The benefits and drawbacks of leasing a car
 - 3. Down payments
 - 4. Factors that influence monthly payments
 - 5. Car Insurance

6. Mile allowances on leases
 7. Interest rates
 8. Making informed buying decisions
- IV. Becoming a Critical Consumer
- A. Influencing purchasing decisions
 1. Wants versus needs
 2. Role of advertising and media bias on consumers and purchasing decisions
 - B. Comparing product choices related to selected criteria
 1. Price
 2. Features
 3. Quality
- V. Civic Financial Responsibility
- A. Taxes
 1. Municipal
 2. State
 3. Federal
 - a. federal spending
 - b. social programming
 - B. Philanthropic, charitable, and entrepreneurial organizations
 1. History of philanthropy, charitable and entrepreneurial organizations in the United States
 2. Identify forms of philanthropy
 - a. volunteerism
 - b. charitable organizations
 - c. giving circles
 3. Examine the benefits of philanthropy, charitable and entrepreneurial organizations on society and personal wealth
 - C. Global financial responsibilities
 1. Examine global economic issues
 2. Identify global charitable organizations
 3. Understand the role of personal wealth and responsibility to the broader global community
 4. Assess the impact of emerging global economic events on financial planning

Student Outcomes

After completing this course, the student will demonstrate the ability to:

- define the steps to financial planning.
- identify factors that affect personal financial planning.
- set financial goals and develop a plan to achieve them.
- identify potential careers and the opportunity costs for the chosen careers.
- identify the advantages and disadvantages of entrepreneurship.
- read a paycheck and explain the various taxes and deductions.
- identify the various compulsory government programs associated that influence personal finance.
- prepare a budget and track income and expenses.
- explain the external factors that affect a personal budget.
- differentiate between saving and investing.
- calculate income on savings and investments.
- chart investments over time.
- define various types of credit.
- differentiate between good and bad debt.
- explain credit worthiness, credit scores and credit reports.

- identify various financial institutions and their purpose.
- define bankruptcy and explain its implications.
- discuss the advantages and disadvantages of renting versus buying a home.
- identify different types of mortgages.
- explain how to obtain financing for a mortgage.
- analyze the influence of culture on saving and investing.
- understand the impact and importance of charitable giving.
- describe the relationship between the media, investment and consumer confidence.
- understand how to be a critical consumer by using decision-making methods before purchasing a product or service.
- identify various consumer scams and describe how they work.
- identify laws that protect consumers.
- explain the relationship between the tax-payer and the government.
- compare and contrast the role of philanthropy, volunteer service and charities in community development and quality of life in a variety of cultures.
- identify federal and private sources for consumer information and consumer help.

New Jersey Student Learning Standards

CAREER READY PRACTICES

- CRP1 Act as a responsible and contributing citizen and employee.
- CRP2 Apply appropriate academic and technical skills.
- CRP4 Communicate clearly and effectively and with reason.
- CRP5 Consider the environmental, social and economic impacts of decisions.
- CRP8 Utilize critical thinking to make sense of problems and persevere in solving them.
- CRP9 Model integrity, ethical leadership and effective management.
- CRP10 Plan education and career paths aligned to personal goals.
- CRP11 Use technology to enhance productivity.

TECHNOLOGY

Standard 8.1: Educational Technology: All students will use digital tools to access, manage, evaluate, and synthesize information in order to solve problems individually and collaboratively and to create and communicate knowledge.

- Strand A Technology Operations and Concepts
- Strand C Communication and Collaboration
- Strand D Digital Citizenship
- Strand F Critical Thinking, Problem Solving, and Decision Making

21ST CENTURY LIFE AND CAREERS

Standard 9.1 Personal Financial Literacy

- Strand A: Income and Careers
- Strand B: Money Management
- Strand C: Credit and Debt Management
- Strand D: Planning, Saving and Investing
- Strand F: Civic Financial Responsibility

NEW JERSEY STUDENT LEARNING COMPANION STANDARDS

<http://www.state.nj.us/education/cccs/2016/ela/>

III. Proficiency Levels

This course is open to students in grades 10 through 12. It fulfills the 2.5 credit requirement in Financial, Economic, Business, and Entrepreneurial Literacy. There is no prerequisite for this course.

IV. Methods of Assessment

Student Assessment

The teacher will provide a variety of assessments throughout the course of each quarter. The assessments may include, but are not limited to: tests and quizzes on content, group work/projects, simulations, current event analyses, multi-media presentations, and oral presentations.

Curriculum/Teacher Assessment

The teacher will provide the subject area supervisor with suggestions for changes on an on-going basis.

V. Grouping

There is no prerequisite for this course.

VI. Articulation/Scope & Sequence/Time Frame

This is a half-year course. Students taking this course may be interested in taking other business-related courses and Social Studies electives.

VII. Resources

Foundations in Personal Finance, Lampo Licensing, Brentwood, TN, Dave Ramsey

Simulations

Videos/DVDs

Newspapers, Magazines and Other Online Periodicals

Guest Speakers

Online resources:

Calculators:

<https://www.statefarm.com/finances/financial-tools-resources/calculators>

Lessons, information, and activities:

<http://foundationsU.com>

<http://www.practicalmoneyskills.com/>

www.handsonbanking.org

<http://www.pbs.org/your-life-your-money/>

<http://www.jumpstart.org/>

<http://hsfpp.nefe.org>

<http://www.nea.org/tools/lessons/resources-for-teaching-financial-literacy.html>

VIII. Methodologies

The following methods of instruction are suggested: simulations, lecture, discussion, group projects, role playing, case studies, demonstration, class presentations, current events, Web 2.0.

IX. Suggested Activities

Integrate computer technology/applications/Web 2.0 and simulations.

X. Interdisciplinary Connections

The course incorporates real world mathematical computations, writing skills, speaking skills, and computer applications. In addition, the study of domestic and global economics allows students to discover themes present in United States history that have impacted the present-day economy.

XI. Differentiating Instruction for Students with Special Needs: Students with Disabilities, English Language Learners, and Gifted & Talented Students

Differentiating instruction is a flexible process that includes the planning and design of instruction, how that instruction is delivered, and how student progress is measured. Teachers recognize that students can learn in multiple ways as they celebrate students' prior knowledge. By providing appropriately challenging learning, teachers can maximize success for all students.

Examples of Strategies and Practices that Support:

Students with Disabilities

- Use of visual and multi-sensory formats
- Use of assisted technology
- Use of prompts
- Modification of content and student products
- Testing accommodations
- Authentic assessments

Gifted & Talented Students

- Adjusting the pace of lessons
- Curriculum compacting
- Inquiry-based instruction
- Independent study
- Higher-order thinking skills
- Interest-based content
- Student-driven
- Real-world problems and scenarios

English Language Learners

- Pre-teaching of vocabulary and concepts
- Visual learning, including graphic organizers
- Use of cognates to increase comprehension
- Teacher modeling
- Pairing students with beginning English language skills with students who have more advanced English language skills
- Scaffolding
 - word walls
 - sentence frames

- think-pair-share
- cooperative learning groups

XII. Professional Development

The teacher will continue to improve expertise through participation in a variety of professional development opportunities.

Curriculum Map

Class	September/February	October/March	November/April	December/May	January/June
Financial Literacy	<p>Financial Literacy (Business)</p> <ul style="list-style-type: none"> ● What is personal finance? ● Defining our money personality ● Becoming money smart <p>Income and Careers (Social Studies)</p> <ul style="list-style-type: none"> ● Planning a career <ul style="list-style-type: none"> ○ Career goals ○ Identify personal traits ○ Relationship between careers and personal earning goals ● Researching entrepreneurship 	<p>Money Management (Business)</p> <ul style="list-style-type: none"> ● Examining a paycheck <ul style="list-style-type: none"> ○ Calculating net pay ○ Exemptions and deductions ○ Benefits and cost of compulsory programs ○ Optional deductions ○ Benefits and perks ○ Progressive vs. flat tax <p>Budgeting and Independent Living (Social Studies)</p> <ul style="list-style-type: none"> ● Budget mechanics and vocabulary <ul style="list-style-type: none"> ○ Types of expenses ○ Track income and expenses ○ Prioritize financial decisions ○ External influences 	<p>Saving versus investing (Business)</p> <ul style="list-style-type: none"> ● The difference between saving and investing ● Rule of 72 ● Strategies for saving ● Strategies for investing ● Calculate interest ● Risk vs Return Ratio ● Calculate income on investments ● Charting investments ● Impact of taxes ● Charitable giving as a benefit ● Retirement as an investment ● Credit and Debt Management (Social Studies) <ul style="list-style-type: none"> ● Defining credit <ul style="list-style-type: none"> ○ Types of credit ○ Types of debt ○ Credit worthiness ○ Credit scores ○ Getting credit ○ Bankruptcy ● Buying a house <ul style="list-style-type: none"> ○ Renting vs. buying ○ Obtaining financing ○ Mortgages ● Financing education ● Financing vs. Leasing Cars 	<p>Civic Financial Responsibility (Business)</p> <ul style="list-style-type: none"> ● Taxes <ul style="list-style-type: none"> ○ Municipal ○ State ○ Federal ● Philanthropic, charitable, and entrepreneurial organizations ● Global financial responsibilities <p>Becoming a Critical Consumer (Social Studies)</p> <ul style="list-style-type: none"> ● Influencing purchasing decisions ● Comparing product choices related to selected criteria 	<p>Civic Financial Responsibility Continued (Business)</p> <p>Becoming a Critical Consumer Continued (Social Studies)</p>