

PASSAIC COUNTY TECHNICAL INSTITUTE

PERSONAL FINANCIAL LITERACY

September 2012

PERSONAL FINANCIAL LITERACY

RATIONALE

Personal Financial Literacy is an interdisciplinary course designed to assist 10th and 11th grade students in developing a strong foundation for making lifelong financial decisions. In the ever-changing world of today, it has become very apparent that individuals need to develop good personal financing skills early in life. Making good financial choices requires integrating different kinds of information of which financial data is only one part. This course will draw from the areas of social studies, economics, finance and math in order to help students develop good choices for themselves. The class will highlight the fundamentals of personal finance, importance of economic and political trends, principles of budgeting and accounting, legal consequences, and opportunity cost analysis in financial decision making.

I. COURSE DESCRIPTION

Personal Financial Literacy will further develop the students' critical thinking skills through an engaging series of variables/topics which provide a broad spectrum of information. The students will enhance their skills to evaluate conflicting information, weigh the consequences of alternative actions, and arrive at decisions. In addition, the students will develop a better understanding of their respective roles as consumers, employees and investors. Through the use of a variety of resources; including a personal financial literacy textbook and the Internet, students will connect the concepts they learn in the course with the fast-paced, information-based world they live in. Simulations using real-world scenarios that allow students to apply course content in making decisions related to individual or family finances will also be used. Students will develop personal budgets, organize saving and checking accounts, comparative shop for important items, gain knowledge in credit and debt management and understand insurance, investing and taxes. Overall this course will give the students a foundation to develop financial independence.

II. COURSE OBJECTIVES AND OUTLINE

New Jersey Core Curriculum Content Standards – NJCCCS

NJCCCS - STANDARD 9:2 PERSONAL FINANCIAL LITERACY

All students will develop skills and strategies and promote personal and financial responsibility related to financial planning, savings, investment, and charitable donations in the global economy.

A. INCOME AND CAREERS (NJCCCS Standard 9.2.12.A.1 - A.12)

The Student Will Be Able To:

- Define personal skills and the job market
- Discuss the economy and your education
- Identify job application skills

B. MONEY MANAGEMENT (NJCCCS Standard 9.2.12.B.1 - B.10)

The Student Will Be Able To:

- Define personal financial planning
- Identify factors that affect personal financial decisions
- Explain opportunity costs associated with personal financial planning
- Identify strategies for achieving financial goals at different stages of life
- Explain the benefits of keeping financial records and documents
- Describe a system of keeping financial records and documents
- Describe a system to maintain personal financial documents
- Describe and develop a personal balance sheet
- Describe and develop a personal cash flow statement
- Identify steps in creating a personal budget
- Develop a personal budget

C. CREDIT AND DEBT MANAGEMENT (NJCCCS Standard 9.2.12.C.1-C.8)

The Student Will Be Able To:

- Explain the meaning of consumer credit
- Differentiate between closed-end and open-end credit
- Name the five C's of credit
- Identify factors to consider when choosing a loan or credit card
- Explain how to build, maintain and protect your credit rating
- Effectively read a credit card statement
- Identify how to protect yourself from fraud and identity theft
- Interpret information on a credit report

D. PLANNING, SAVING, AND INVESTING (NJCCCS Standard 9.2.12.D.1 – D.13)

The Student Will Be Able To:

- Identify the various types of financial services
- Describe the various types of financial institutions
- Compare and contrast the costs and benefits of different savings plans
- Compare the costs and benefits of different types of checking accounts
- Use and maintain a checking account effectively

E. BECOMING A CRITICAL CONSUMER (NJCCCS Standard 9.2.12.E.1 – E.9)

The Student Will Be Able To:

- Determine the factors that influence buying decisions
- Explain a research-based approach to buying goods and services
- Identify strategies for making wise buying decisions
- Identify ways to solve consumer problems
- Describe the legal alternatives for consumers

F. CIVIC FINANCIAL RESPONSIBILITY (NJCCCS Standard 9.2.12.E.1 – E.9)

The Student Will Be Able To:

- Demonstrate understanding of community financial obligations
- Explain role of volunteer service and charitable organizations
- Evaluate the economic effects on local and global communities
- Explain the benefits of philanthropy

G. RISK MANAGEMENT AND INSURANCE (NJCCCS Standard 9.2.12.G.1-G.10)

The Student Will Be Able To:

- Identify types of risks and risk management methods
- Explain how an insurance program can help manage risks
- Describe the importance of property and liability insurance
- Identify types of insurance coverage and policies available to homeowners and renters
- Identify factors that influence the amount of coverage and cost of home insurance
- Identify the types of motor vehicle insurance
- Identify the factors that affect the cost of motor vehicle insurance
- Explain the importance of health insurance in financial planning
- Analyze costs and benefits of various health insurance
- Compare and contrast private and government health care plans

III. TEXTBOOK AND INSTRUCTIONAL MATERIALS

- Personal Financial Literacy 2nd Edition, Joan S. Ryan, South-Western, Cengage Learning Products, 2012
- www.practicalmoneyskills.com
- www.usmint.com
- www.econedlink.org
- www.jumpstart.org
- PBS-Your Life, Your Money (DVD) and www.pbs.org/wned/
- American Financial Services Association Education Foundation-MoneySKILL
www.moneyskill.org
- Hands On Banking (DVD) and www.handsonbanking.org
- NJ Department of Banking and Insurance-Financial Literacy Awareness literature
- Higher Education Student Assistance Authority (HESAA)-Real Money 101
www.hesaa.org
- HSBC-Your Money Counts- www.YourMoneyCounts.com

IV. INSTRUCTIONAL STRATEGIES

- Teacher presentation and discussion
- Student group activities and cooperative learning
- Independent application of economic principles

V. EVALUATION

- Use of interactive computer- based web site to reinforce textbook
- Class participation
- Attendance
- Completed class work, assessments and projects demonstrating knowledge
- Theory, tests and quizzes
- Homework

Financial Literacy Curriculum

Scope and Sequence and Pacing Chart*

Level of mastery: I – Introduced, D – Developing, R – Reinforced, M – Mastered

Week(s)	Chapter(s)	Objective	9	10	11	12
2	1-2	INCOME AND CAREERS				
		Define personal skills and the job market		IDR	IDR	
		Discuss the economy and your education		IDR	IDR	
		Identify job application skills		IDR	IDR	
2	4-5	MONEY MANAGEMENT STRATEGY				
		Define Personal Financial Planning		IDR	IDR	
		Identify factors that affect personal financial decisions		IDR	IDR	
		Explain Opportunity Costs associated with personal financial planning		IDR	IDR	
		Identify strategies for achieving financial goals at different stages of life		IDR	IDR	
		Explain the benefits of keeping financial records and documents		IDR	IDR	
		Describe a system of keeping financial records and documents		IDR	IDR	
		Describe a system to maintain personal financial documents		IDR	IDR	
		Describe and develop a personal balance sheet		IDR	IDR	
		Describe and develop a personal cash flow statement		IDR	IDR	
		Identify steps in creating a personal budget		IDR	IDR	
		Develop a personal budget		IDR	IDR	
2 ½	7-8-9	CREDIT AND DEBT MANAGEMENT				
		Explain the meaning of consumer credit		IDR	IDR	
		Differentiate between closed-end and open-end credit		IDR	IDR	
		Identify factors to consider when choosing a loan or credit card		IDR	IDR	
		Name the five C's of credit		IDR	IDR	
		Effectively read a credit card statement		IDR	IDR	
		Explain how to build, maintain and protect your credit rating		IDR	IDR	
		Identify how to protect yourself from fraud and identity theft		IDR	IDR	
		Interpret information on a credit report		IDR	IDR	

Week(s)	Chapter(s)	Objective	9	10	11	12
2 ½	10-11-12	PLANNING, SAVING, AND INVESTING				
		Identify types of financial services		IDR	IDR	
		Describe the various types of financial institution		IDR	IDR	
		Compare and contrast the costs and benefits of different savings plans		IDR	IDR	
		Compare the costs and benefits of different types of checking accounts		IDR	IDR	
		Use and maintain a checking account effectively		IDR	IDR	
		Evaluate various housing alternatives		IDR	IDR	
		Assess the advantages and disadvantages of renting		IDR	IDR	
		Identify the costs of renting		IDR	IDR	
		Interpret information contained in a typical lease agreement		IDR	IDR	
		Assess the advantages and disadvantages of owning a residence		IDR	IDR	
		Explain how to evaluate a property		IDR	IDR	
		Discuss the financing options involved in purchasing a home		IDR	IDR	
1	3	BECOMING A CRITICAL CONSUMER		IDR	IDR	
		Determine the factors that influence buying decisions		IDR	IDR	
		Explain a research-based approach to buying goods and services		IDR	IDR	
		Identify strategies for making wise buying decisions		IDR	IDR	
		Identify ways to solve consumer problems		IDR	IDR	
		Describe the legal alternatives for consumers		IDR	IDR	
1		CIVIC FINANCIAL RESPONSIBILITY		IDR	IDR	
		Demonstrate understanding of community financial obligations		IDR	IDR	
		Explain role of volunteer service and charitable organizations		IDR	IDR	
		Evaluate the economic effects on local and global communities		IDR	IDR	
1	6	RISK MANAGEMENT AND INSURANCE		IDR	IDR	
		Identify types of risks and risk management methods		IDR	IDR	
		Explain how an insurance program can help manage risks		IDR	IDR	
		Describe the importance of property and liability insurance		IDR	IDR	
		Identify types of insurance coverage and policies for homeowners and renters		IDR	IDR	
		Identify factors that influence the amount of coverage and cost of home insurance		IDR	IDR	
		Identify the types of motor vehicle insurance		IDR	IDR	
		Identify the factors that affect the cost of motor vehicle insurance		IDR	IDR	
		Explain the importance of health insurance in financial planning		IDR	IDR	
		Analyze costs and benefits of various health insurance		IDR	IDR	
		Compare and contrast private and government health care plans		IDR	IDR	

Passaic County Technical Institute

PERSONAL FINANCIAL LITERACY

STUDENT PROFICIENCIES

I. Course Description

Personal Financial Literacy will further develop the students' critical thinking skills through an engaging series of variables/topics which provide a broad spectrum of information. The students will enhance their skills to evaluate conflicting information, weigh the consequences of alternative actions, and arrive at decisions. In addition, the students will develop a better understanding of their respective roles as consumers, employees and investors. Through the use of a variety of resources; including a Personal Financial Literacy textbook and the Internet, students will connect the concepts they learn in the course with the fast-paced, information-based world they live in. Simulations using real-world scenarios that allow students to apply course content in making decisions related to individual or family finances will also be used. Students will develop personal budgets, organize saving and checking accounts, comparative shop for important items, gain knowledge in credit and debt management and understand insurance and taxes. Overall this course will give the students a foundation to develop financial independence.

II. Proficiencies

Upon successful completion of the requirements for this course, the student will be able to:

- A. Develop an understanding of the factors and strategies involved in personal financial planning.
- B. Identify the various forms of good financial recording keeping and develop a personal budget.
- C. Determine and evaluate the factors that influence buying decisions, identify strategies for making wise buying decisions and ways to solve consumer problems.
- D. List and explain the types of financial services and institutions.
- E. Compare and contrast the benefits and pitfalls of different types of financial services and plans.
- F. Summarize the factors involved in consumer credit and maintain a good credit rating.
- G. Analyze the factors involved in obtaining the basic individual needs such as housing, food, clothing and transportation.
- H. Examine the various types of insurance available today and assess the factors, needs and benefits of each.
- I. Develop good personal financial skills.