

PERSONAL FINANCE CURRICULUM SUMMARY

The purpose of the summary is to present an overview of the curriculum. Parents, community, and teachers of other disciplines are the intended audience of the curriculum summary.

Saving and Investing		Money Management
<ul style="list-style-type: none"> ● Be familiar with the time value of money. ● Review three principals of wealth building: start early, buy and hold, and diversify. ● Compare the benefits and opportunity cost of savings and investment strategies (stocks, bonds, mutual funds). ● Calculate, analyze, and explain the impact of the amount saved, time, and rate of return on financial accumulations. ● Describe the relationship between investment risk and reward. ● Compare and contrast the risks and reward of several types of investments including savings accounts, stock, U.S. government, mutual funds, bonds and real estate. ● Describe the advantages provided by employer-sponsored retirement savings plans, including 401(k) and related plans. ● Introduce stock, mutual fund and corporate bond tables presented in financial pages. ● Calculate the time necessary to reach your financial goals using the Rule of 72. ● Contrast the tax benefits of a traditional IRA versus a Roth IRA. 		<ul style="list-style-type: none"> ● Explain why individuals need to make wise spending decisions based on a budget. ● Examine current spending and savings behaviors and patterns. ● Demonstrate the relationship between goals and budgeting. ● Examine why it’s important to have a plan for your money. ● Set SMART financial goals ● Explain how a savings plan can help them reach financial goals. ● Analyze trade-offs and opportunity cost related to daily spending. ● Identify various sources of income. ● Identify the major categories of an individual budget. ● Differentiate between a fixed and variable expenses ● Step-by-step methods of creating and living on a written budget ● Manage money to pay bills and save for the future (pay yourself first). ● Compute gross pay, net pay, deductions and benefits. ● Prepare an individual budget. ● Construct a personal budget based on entry level career salary.

Credit and Debt	Income and Career Planning
<ul style="list-style-type: none"> ● Evaluate the advantages/disadvantages of using credit. ● Analyze various sources and types of credit (i.e. short and long-term) and related costs. ● Select an appropriate form of credit for a particular buying decision. Read and understand a credit card statement. ● Compare and contrast the various aspects of credit card (i.e. APR, grace period, incentive buying, methods of calculating interest and fees) ● Explain credit ratings and credit reports and describe why they are important to consumers. ● Describe the relationship between a credit rating and the cost of credit. ● Recognize the signals of credit problems. ● Analyze the advantages and disadvantages of various alternatives for resolving credit problems. ● Research rights and responsibilities of consumers according to credit legislation (i.e. truth-in-lending, fair credit reporting, equal credit opportunity, and fair debt collection). ● Compare and contrast the legal aspects of different forms of credit (i.e. title transfer, responsibility limits, collateral requirements, and co-signing). ● Describe legal and illegal types of credit that carry high interest rates (i.e. payday loans, rent-to-buy agreements, and loan sharking). ● Identify the components listed on a credit report and explain how that information is used. ● Explore alternatives to using credit. 	<ul style="list-style-type: none"> ● Contrast and compare the conditions of working for yourself and working for a corporation. ● Identify labor trends in the current economy. ● Discuss the relationship between education and salary. ● Discuss career choices that fit personality styles and occupational desires. ● Create an Individual Career Plan. ● Learn successful job-search strategies such as cover letters, resumes and interview techniques ● Investigate job leads using job search websites such as LinkedIn, monster, CareerBuilder. ● Understand payroll taxes and terms such as FICA, state, federal and Social Security withholdings

Insurance and Taxes	Insurance and Taxes
<ul style="list-style-type: none"> ● Define insurance and differentiate between requirements for an insurable interest for property insurance and those needed for life insurance. ● Compare and contrast the different types of life insurance (i.e. term life, cash value and whole life). ● Compare and contrast the different types of property insurance (i.e. automobile and homeowners). ● Identify key factors to consider when buying home and insurance coverage. ● Explain some of the differences in health insurance coverage (private, government-sponsored). ● Calculate the costs associated with multiple health insurance policies incorporating policy term policies, deductibles and premiums. ● Explain the purpose of disability insurance. ● Identify the type of insurance associated with different types of risk (i.e. homeowner's, automobile, health, disability, long-term care, and life insurance). ● Develop recommended insurance coverage for individuals/families for various risks, different income levels and how needs change throughout the life cycle. 	<ul style="list-style-type: none"> ● Understand payroll taxes and terms such as FICA, state, federal and Social Security withholdings ● Evaluate differences among income tax brackets ● Explain the purposes and function of the Social Security system. ● Identify the basic forms and procedures for filing tax returns (1040, W4 & W2) ● Explain how taxes affect the rate of return on investments. ● Compare the returns of taxable investments with those that are tax-exempt or tax-deferred