



# Personal Finance

## Course Description

The goal of personal finance is to help students become financially responsible, conscientious members of society. This course develops student understanding and skills in money management; budgeting; financial goal attainment; use of credit; insurance; investments; and consumer rights and responsibilities. Application of academic concepts, technology, and career planning are integrated throughout the curriculum.

**Course Code: 033000**

### Program(s) of Study to which this course applies:

- Finance

Course Framework	Crosswalk to Common Core Academic Standards	Crosswalk to Nebraska Academic Standards	Crosswalk to Nebraska Career Readiness Standards	Crosswalk Clarification
<p><b>Standard 1. Students will develop and evaluate a plan to manage their money to achieve personal goals.</b></p>				
<p>Benchmark 1.1 Identify various forms of income and analyze factors that affect income as part of the career decision-making process.</p> <p><u>Sample performance indicators:</u></p> <ul style="list-style-type: none"> <li>• Identify various ways people earn a living by using the career clusters to explore opportunities.</li> <li>• Differentiate between earned and unearned income.</li> <li>• Interpret the components of a pay stub to calculate gross and net pay.</li> <li>• Identify job benefits and expenses as a component of total income.</li> </ul>	<p>ELA.RST.11-12.4</p>	<p>LA.12.1.5</p> <p>SS.12.2.6.a–c</p>	<p>N/A</p>	



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<p>Benchmark 1.2 Describe the impact of taxes on personal financial planning.</p> <p><u>Sample performance indicators:</u></p> <ul style="list-style-type: none"> <li>• Explain the purpose of taxes and describe the different types of taxes.</li> <li>• Compare and prepare personal income tax forms (e.g., W-4, W-2, 1040EZ, 1040).</li> <li>• Investigate opportunities to defer income taxes based upon participation in employer-sponsored retirement plans (e.g., IRA, 401K, Roth IRA).</li> </ul>	<p>ELA.WHST.11–12.2.b ELA.SL.11–12.4</p>	<p>LA.12.2.1.b LA.12.3.1.a  SS.12.2.7.c</p>	<p>CR.2.B.1 CR.2.C.1 CR.11.B.2 CR.11.B.6</p>	<p>When students <i>describe</i> information or ideas, they communicate their knowledge through either speaking or writing. To demonstrate full knowledge on the topic, students’ written or oral presentations must include all the main ideas and relevant details on the subject (CC: ELA.WHST.11–12.2.b, ELA.SL.11–12.4; NE: CR.2.B.1, CR.2.C.1, LA.12.2.1.b, LA.12.3.1.a).</p>
<p>Benchmark 1.3 Develop and evaluate a personal budget.</p> <p><u>Sample performance indicators:</u></p> <ul style="list-style-type: none"> <li>• Determine personal net worth.</li> <li>• Construct and use a personal spending/savings plan and evaluate it according to short- and long-term goals.</li> <li>• Describe how income, spending, and budgeting patterns change throughout the life cycle.</li> </ul>	<p>ELA.WHST.11–12.4</p>	<p>LA.12.2.2.b  MA.12.1.3.a MA.12.1.3.d  SS.12.2.7.a</p>	<p>CR.11.B.2</p>	<p>Alignment presumes students will select, apply, and explain their method of computation (e.g., paper and pencil, technology) when developing and evaluating a personal budget (NE: MA.12.1.3.a, MA.12.1.3.d).</p>
<p>Standard 2. Students will evaluate financial institutions and the services provided.</p>				
<p>Benchmark 2.1 Identify various types of financial institutions.</p> <p><u>Sample performance indicators:</u></p> <ul style="list-style-type: none"> <li>• Distinguish between the various types of financial institutions.</li> <li>• List the basic services provided by financial institutions.</li> <li>• Identify the structure and functions of the Federal Reserve System.</li> </ul>	<p>ELA.RST.11-12.4</p>	<p>LA.12.1.5  SS.12.2.3</p>	<p>CR.11.B.1</p>	



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<p>Benchmark 2.2 List the basic services provided by financial institutions.</p> <p><u>Sample performance indicators:</u></p> <ul style="list-style-type: none"> <li>• Compare and contrast checking and savings accounts and the forms of financial exchange.</li> <li>• Differentiate among types of electronic monetary transactions (e.g., debit cards, ATM, automatic deposits/payments).</li> <li>• Recognize the cost of interest rates and fees associated with financial services.</li> </ul>	N/A	SS.12.2.3.a	CR.11.B.1	
<p><b>Standard 3. Students will evaluate savings and investment strategies to achieve financial goals.</b></p>				
<p>Benchmark 3.1 Explain the importance of saving to ensure financial security.</p> <p><u>Sample performance indicators:</u></p> <ul style="list-style-type: none"> <li>• Differentiate between saving and investing.</li> <li>• Describe why and how people save.</li> <li>• Describe ways to save regularly.</li> <li>• Analyze the power of compounding and the importance of starting early in implementing a plan of saving.</li> </ul>	<p>ELA.WHST.11-12.2.b ELA.SL.11-12.4</p>	<p>LA.12.2.1.b LA.12.3.1.a  SS.12.2.9.a</p>	<p>CR.2.B.1 CR.2.C.1 CR.11.B.1</p>	<p>When students <i>explain</i> information or ideas, they communicate their knowledge through either speaking or writing. To demonstrate full knowledge on the topic, students’ written or oral presentations must include all the main ideas and relevant details on the subject (CC: ELA.WHST.11–12.2.b, ELA.SL.11–12.4; NE: CR.2.B.1, CR.2.C.1, LA.12 2.1.b, LA.12.3.1.a).</p>



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<p>Benchmark 3.2 Explain the importance of investing to ensure financial security.</p> <p><u>Sample performance indicators:</u></p> <ul style="list-style-type: none"> <li>• Explain how investing builds wealth and helps meet financial goals.</li> <li>• Critique investment alternatives.</li> <li>• Compare rates of return and risks between savings and investment instruments.</li> <li>• Discuss the importance of saving and investing as a retirement tool.</li> </ul>	<p>ELA.WHST.11–12.2.b ELA.SL.11–12.4</p>	<p>LA.12 2.1.b LA.12.3.1.a  SS.12.2.9.b</p>	<p>CR.2.B.1 CR.2.C.1 CR.11.B.1</p>	<p>When students <i>explain</i> information or ideas, they communicate their knowledge through either speaking or writing. To demonstrate full knowledge on the topic, students’ written or oral presentations must include all the main ideas and relevant details on the subject (CC: ELA.WHST.11–12.2.b, ELA.SL.11–12.4; NE: CR.2.B.1, CR.2.C.1, LA.12 2.1.b, LA.12.3.1.a).</p>
<p><b>Standard 4. Students will understand strategies used to establish, build, maintain, monitor, and control credit.</b></p>				
<p>Benchmark 4.1 Analyze factors that affect the choice of credit, the cost of credit, and the legal aspects of using credit.</p> <p><u>Sample performance indicators:</u></p> <ul style="list-style-type: none"> <li>• Identify the C’s of creditworthiness (e.g., collateral, character, capacity, conditions).</li> <li>• Identify advantages and disadvantages of using credit (e.g., credit cards, auto loans, college loans).</li> <li>• Identify sources of financing a purchase and how to shop for a loan.</li> <li>• Explain how credit grace periods, methods of interest calculations, and fees affect borrowing costs.</li> <li>• Understand the rights and responsibilities of consumers according to credit legislation (e.g., truth-in-lending, fair credit reporting, equal credit opportunity, fair debt collection, Frank-Dodd Act of 2010).</li> </ul>	<p>N/A</p>	<p>SS.12.2.8.a</p>	<p>CR.5.A.1 CR.11.B.3</p>	



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<p>Benchmark 4.2 Identify strategies of establishing and maintaining a good credit rating for effective credit management.</p> <p><u>Sample performance indicators:</u></p> <ul style="list-style-type: none"> <li>• Explain the importance of credit ratings and credit scores.</li> <li>• Apply concepts of creditworthiness when analyzing a credit report.</li> <li>• Identify components that determine your credit score (e.g., outstanding debt, payment history).</li> <li>• Explain the relationship between a credit rating and the cost of credit.</li> <li>• Identify methods to resolve credit discrepancies and prevent identity theft.</li> </ul>	N/A	SS.12.2.8.b	CR.11.B.3	
<p><b>Standard 5. Students will apply decision-making skills and models to maximize consumer satisfaction when buying goods and services.</b></p>				
<p>Benchmark 5.1 Identify reliable sources of consumer information.</p> <p><u>Sample performance indicators:</u></p> <ul style="list-style-type: none"> <li>• Describe consumer rights and remedies (e.g., right to safety, right to information, right to choice, right to redress, right to speak out, right to consumer education).</li> <li>• Use reliable consumer resources to collect information for making buying decisions about durable and nondurable goods.</li> <li>• Recognize the laws that are available to protect the rights of the consumer.</li> <li>• Explain how a consumer can identify and report fraudulent behavior and practices.</li> </ul>	ELA.WHST.11–12.8	LA.12.4.1.a	CR.11.B.5	



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<p>Benchmark 5.2 Apply consumer skills when making purchase decisions.</p> <p><u>Sample performance indicators:</u></p> <ul style="list-style-type: none"> <li>• Apply comparison shopping skills to purchasing decisions.</li> <li>• Examine product warranties as a consumer protection tool when making purchases.</li> <li>• Compare the advantages and disadvantages of buying versus leasing (e.g., vehicle, tools, furniture, housing).</li> </ul>	N/A	N/A	CR.11.B.5	
<p><b>Standard 6. Students will understand perils and risks in life and how to protect against the consequences of risk.</b></p>				
<p>Benchmark 6.1 Identify common types of risks and basic risk management strategies.</p> <p><u>Sample performance indicators:</u></p> <ul style="list-style-type: none"> <li>• Explain how all types of insurance are based on the concepts of risk sharing and statistical probability.</li> <li>• Identify risk management strategies (e.g., retention, avoidance, reduction, transfer).</li> <li>• Identify the various ways to reduce the cost of insurance.</li> </ul>	ELA.RST.11-12.4	LA.12.1.5 SS.12.2.9.c	CR.11.B.4	Alignment resumes that student s will understand principles of insurance as it relates risk management (NE: CR.11.B.4).



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<p>Benchmark 6.2 Evaluate insurance as a risk management strategy.</p> <p><u>Sample performance indicators:</u></p> <ul style="list-style-type: none"> <li>Define insurance terminology.</li> <li>Identify the type of insurance associated with different types of risk (e.g., automobile, personal and professional liability, property, health, life, long-term care, disability).</li> <li>Calculate recommended insurance premiums for various risks and different income levels.</li> </ul>	N/A	SS.12.2.9.c	CR.11.B.4	

*Reference Standards Sources*

- KS = Career Clusters Knowledge and Skills Statements. Revised 2008. National Career and Technical Education Foundation, Silver Spring, MD. [www.careerclusters.org](http://www.careerclusters.org)
- JS = Jump\$tart Coalition. National Standards in K-12 Personal Finance Education. Revised 2010
- NBEA = National Business Education Association Standards
- FIN CORE = MBA Research
- CC = Metropolitan Community College, Omaha, NE
- Cengage: *Managing Your Personal Finances*. 6<sup>th</sup> Edition. 2010
- Goodheart-Willcox Company, Inc.: *Foundations of Personal Finance*. 5<sup>th</sup> Edition. 2010
- MBA = MBA Research: Personal Finance Course Profile

*Contributors*

**Secondary:** Carol Andringa – Lincoln Public Schools, Amy Copper – Loup County, Lori Harding – Wakefield Community Schools, Dan Hohensee – Lincoln Public Schools, Chad Huseth – Bellevue West, Melissa Schram – Millard West High School, Gogi Supenski – Bellevue West, Cindy Talley – Fillmore Central

**Postsecondary:** Patricia Arneson – Wayne State College, Jennifer Davidson – Southeast Community College, Mary Lynn Reiser – University of Nebraska at Omaha, David Wilhelm –Metropolitan Community College



**Other Information**

<p>Suggestions for innovative teaching and learning strategies:</p>	<ul style="list-style-type: none"> <li>• Develop a comprehensive financial plan</li> <li>• Dave Ramsey Videos and Materials (Financial Peace University)</li> </ul>
<p>Related assessments:</p>	<ul style="list-style-type: none"> <li>• W!SE Financial Literacy Assessment</li> <li>• Financial Literacy Project</li> <li>• NEFE – National Endowment for Financial Education</li> <li>• FEFE – Family Economics and Financial Education</li> <li>• H &amp; R Block Personal Finance Simulation</li> <li>• IRS Understanding Taxes Modules <a href="http://www.irs.gov/app/understandingTaxes/index.jsp">http://www.irs.gov/app/understandingTaxes/index.jsp</a></li> </ul>
<p>Extended learning opportunities:</p>	<ul style="list-style-type: none"> <li>• Job Shadowing &amp; Internships</li> <li>• Mint.com (track your own spending/budgeting) <a href="http://www.mint.com">http://www.mint.com</a></li> <li>• Kiplinger’s Personal Finance Magazine <a href="http://www.kiplinger.com">http://www.kiplinger.com</a></li> <li>• Complete various tax forms</li> <li>• Practical Money Skills for Life <a href="http://www.practicalmoneyskills.com">http://www.practicalmoneyskills.com</a></li> <li>• FBLA</li> <li>• Annual Credit Report <a href="http://www.annualcreditreport.com">http://www.annualcreditreport.com</a></li> <li>• Stock Market Game <a href="http://www.stockmarketgame.org">http://www.stockmarketgame.org</a></li> <li>• Finance Challenge ONLINE! <a href="http://www.financechallenge.org">http://www.financechallenge.org</a></li> <li>• Federal Reserve <a href="http://www.federalreserveeducation.org">http://www.federalreserveeducation.org</a></li> <li>• EconEd <a href="http://www.econedlink.org">http://www.econedlink.org</a></li> <li>• UNO Center for Economic Education <a href="http://www.ecedweb.unomaha.edu">http://www.ecedweb.unomaha.edu</a></li> <li>• EconEd Reviews <a href="http://www.econedreviews.edu">http://www.econedreviews.edu</a></li> <li>• Griffith Foundation <a href="http://www.griffithfoundation.org">http://www.griffithfoundation.org</a></li> <li>• Nebraska Career Connections</li> </ul>