Principles of Finance

Course Description

This course is part of the MBA Research Consortium's High School of Business National Model. Principles of Finance furthers student understanding of two specific business activities—accounting and finance. Students acquire an understanding of financial statements, calculate financial ratios, and make corporate financial management decisions based on their analysis of that financial data.

Course Code: 033001

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

- High School of Business National Model

Course Content	Crosswalk to Common Core Academic Standards	Crosswalk to Nebraska Academic Standards	Crosswalk to Nebraska Career Readiness Standards	Crosswalk Clarification
Standard 1. Students will discuss legal and ethical considerations in the finance industry.				
Benchmark 1.1 Describe the role of the Securities and Exchange Commission (SEC) in the finance industry.	ELA.SL.11–12.4 ELA.WHST.11–12.2.b	LA.12 2.1.b LA.12.3.1.a SS.12.2.3.a	CR.2.B.1 CR.2.C.1	When students *describe* 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).
Benchmark 1.2 Describe landmark legislation governing the securities and investment pathway.	ELA.SL.11–12.4 ELA.WHST.11–12.2.b	LA.12 2.1.b LA.12.3.1.a SS.12.2.10.e SS.12.4.2.a	CR.2.B.1 CR.2.C.1	When students *describe* 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).

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Benchmark 1.3 Discuss landmark legislation governing the banking-services pathway.	ELA.SL.11–12.SL.1	LA.12.3.3 SS.12.2.10.e SS.12.4.2.a	CR.2.A.2–4	
Benchmark 1.4 Explain legislation governing the finance industry.	ELA.SL.11–12.4 ELA.WHST.11–12.2.b	LA.12 2.1.b LA.12.3.1.a SS.12.2.10.e SS.12.4.2.a	CR.2.B.1 CR.2.C.1	When students *explain* 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.12C2.1.b, LA.12.3.1.a).
Benchmark 1.5 Explain the legality of insider trading.	ELA.SL.11–12.4 ELA.WHST.11–12.2.b	LA.12 2.1.b LA.12.3.1.a	CR.2.B.1 CR.2.C.1	When students *explain* 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).
Benchmark 1.6 Explain the nature of fiduciary responsibility.	ELA.SL.11–12.4 ELA.WHST.11–12.2.b	LA.12 2.1.b LA.12.3.1.a	CR.2.B.1 CR.2.C.1	When students *explain* 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).
Benchmark 1.7 Describe common investment scams.	ELA.SL.11–12.4 ELA.WHST.11–12.2.b	LA.12 2.1.b LA.12.3.1.a	CR.2.B.1 CR.2.C.1	When students *describe* 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

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Standard 2. Students will demonstrate the effects of transactions on the accounting equation.				
Benchmark 2.1 Define the basic accounting terms.	ELA.RST.11-12.4	LA.12.1.5	N/A	
Benchmark 2.2 Identify examples of business assets and liabilities.	N/A	SS.12.2.8.d	N/A	
Benchmark 2.3 Discuss the impact of withdrawals on owners' equity.	ELA.SL.11–12.SL.1	LA.12.3.3	CR.2.A.2–4	
Benchmark 2.4 Distinguish between revenue (i.e., result from sales to customers) and expenses (i.e., costs of doing business).	N/A	N/A	CR.5.A.1	
Benchmark 2.5 Explain the impact of revenues and expenses on owners' equity.	ELA.SL.11–12.4 ELA.WHST.11–12.2.b	LA.12 2.1.b LA.12.3.1.a	CR.2.B.1 CR.2.C.1 CR.5.A.4	When students *explain* 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).
Benchmark 2.6 Distinguish between transactions and promises.	N/A	N/A	CR.5.A.1	
Benchmark 2.7 Cite the basic and expanded accounting equation (i.e., Assets = Liabilities + Owners' Equity + Revenue – Expenses).	N/A	N/A	N/A	
Benchmark 2.8 Explain why the two sides of the accounting equation must balance.	ELA.SL.11–12.4 ELA.WHST.11–12.2.b	LA.12 2.1.b LA.12.3.1.a	CR.2.B.1 CR.2.C.1	When students *explain* 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

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Benchmark 2.9 Demonstrate how changes to the accounting equation affect two accounts.	N/A	N/A	N/A	
Standard 3. Students will describe the nature of cost/benefit analysis.				
Benchmark 3.1 Define cost/benefit analysis and intangibles.	ELA.RST.11-12.4	LA.12.1.5	N/A	
Benchmark 3.2 Explain why businesses use cost/benefit analysis.	ELA.SL.11–12.4 ELA.WHST.11–12.2.b	LA.12 2.1.b LA.12.3.1.a	CR.2.B.1 CR.2.C.1	When students *explain* 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).
Benchmark 3.3 Cite examples of common costs that are included in a cost/benefit analysis (e.g., equipment, training, installation).	N/A	N/A	N/A	
Benchmark 3.4 Cite examples of common benefits that are addressed in a cost/benefit analysis (e.g., fewer returns, increased productivity, reduced costs).	N/A	N/A	N/A	
Benchmark 3.5 Identify situations in which cost/benefit analysis is used.	N/A	N/A	N/A	
Benchmark 3.6 Describe mistakes frequently made when conducting a cost/benefit analysis.	ELA.SL.11–12.4 ELA.WHST.11–12.2.b	LA.12 2.1.b LA.12.3.1.a	CR.2.B.1 CR.2.C.1 CR.5.A.1	When students *describe* 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).

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Benchmark 3.7 Explain how to calculate a simple cost/benefit analysis.	N/A	MA.12.1.3.d	CR.5.A.1	
Benchmark 3.8 Discuss the role of the payback period in a cost/benefit analysis.	ELA.SL.11–12.SL.1	LA.12.3.3	CR.2.A.2–4	
Benchmark 3.9 Discuss how accounting for intangibles increases the subjectivity of the analysis.	ELA.SL.11–12.SL.1	LA.12.3.3	CR.2.A.2–4	
Standard 4. Students will interpret securities tables.				
Benchmark 4.1 Define the following terms: stock table, stock symbol, 52-week high/low, and PE.	ELA.RST.11-12.4	LA.12.1.5	N/A	
Benchmark 4.2 Describe the components of a stock table.	RST.11–12.5 ELA.SL.11–12.4 ELA.WHST.11–12.2.b	LA.12.1.6.d LA.12 2.1.b LA.12.3.1.a	CR.2.B.1 CR.2.C.1	When students *describe* 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).
Benchmark 4.3 Explain the purposes of the components of a stock table.	ELA.SL.11–12.4 ELA.WHST.11–12.2.b	LA.12 2.1.b LA.12.3.1.a	CR.2.B.1 CR.2.C.1	When students *explain* 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).
Benchmark 4.4 Describe the components of a mutual fund table.	RST.11–12.5 ELA.SL.11–12.4 ELA.WHST.11–12.2.b	LA.12.1.6.d LA.12 2.1.b LA.12.3.1.a	CR.2.B.1 CR.2.C.1	When students *describe* 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

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Benchmark 4.5 Explain the purposes of the components of a mutual fund table.	ELA.SL.11–12.4 ELA.WHST.11–12.2.b	LA.12 2.1.b LA.12.3.1.a	CR.2.B.1 CR.2.C.1	When students *explain* 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).
Benchmark 4.6 Explain the information provided in securities tickers.	ELA.SL.11–12.4 ELA.WHST.11–12.2.b	LA.12 2.1.b LA.12.3.1.a	CR.2.B.1 CR.2.C.1	When students *explain* 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).
Benchmark 4.7 Demonstrate procedure for interpreting security table.	ELA.RST.11–12.3	LA.12.1.6.k LA.12.3.2	CR.1.A.4	Alignment presumes that students must comprehend oral or written instructions to complete the task (CC: ELA.RST.11–12.3; NE: LA.12.1.6.k, LA.12.3.2).

Reference Standards Sources

- MBA = MBA Research Standards

Contributors

Secondary: Don Gilpin – Plattsmouth Community Schools, Jamie Robinson – Millard Public Schools, John Schultz – Omaha Public Schools, Ramona Schoenrock – Columbus Public Schools
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Other Information

Suggestions for innovative teaching and learning strategies:	• Project-based learning activities • Steering team of community members and college professors
Related assessments:	• Determined by the High School of Business. • Determined by the National Academy Foundation
Extended learning opportunities:	• FBLA • DECA • Stock Market Game • Local National Academy Foundation Advisory Board Events