

Financial Literacy - 2020

Content Area: **Technology**
Course(s): **Financial Literacy, Career Exploration**
Time Period: **6 weeks**
Length: **30 Days**
Status: **Published**

Unit Overview

Students address the personal side of entrepreneurship, connecting the dots between running a business and being responsible with their own finances. Students learn about financial decision making, developing and maintaining and balanced budget, income, taxes, variable and fixed expenses.

Transfer

Students will be able to independently use their learning to...

Properly obtain, organize, and utilize a budget to build a business or non-profit organization.

Build and develop an idea, business or non-profit from the ground up.

Make educated decisions when choosing courses at the high school level based on their own interests, skills and talents.

Use technology to create advertisements and materials to promote and present a business plan.

For more information, read the following article by Grant Wiggins.

http://www.authenticeducation.org/ae_bigideas/article.lasso?artid=60

Meaning

Understandings

Students will understand:

Entrepreneurship, basic economic concepts, and the entrepreneurial process.

The risks of starting a business, risk management, business growth, and social/ethical responsibility.

The types of business ownership, including sole proprietorships, partnerships, and corporations.

The legal environment affecting business and employees.

Site selection and layout planning.

Key marketing strategies.

Managing business process and the financial management of building a business.

How to develop and evaluate a business concept and business plan.

Essential Questions

Think about something for which you'd like to save your money. What is it, and why did you choose it? What do you think will be the most challenging part about saving money for it?

What is an opportunity cost? Give an example. Do opportunity costs only occur when people make spending decisions? Why or why not?

What are examples of short-term savings goals? What are examples of a long-term savings goals? Why are short and long-term goals important?

Application of Knowledge and Skill

Students will know...

Students will know...

The major characteristics of an entrepreneur and business owner.
 The basics of business planning and plan implementation.
 The role small business plays in the U.S. yesterday and today.
 The difference between gross and net income and how expenses can effect the bottom line.
 The daily, weekly, monthly, and annually tasks needed to run a successful business.

Students will be skilled at...

Students will be skilled at...

Transforming a business idea into reality using creative ways of thinking.

Gaining funds for their idea through different avenues.

Developing a budget for their business needs.

Gathering Market Information.

Presenting their idea in both written and verbal format.

Mapping out Government Agencies and their Relationship with Business Owners.

Prioritizing wants and needs to make informed investments, purchases and decisions.

Understanding how cost-benefit analysis informs responsible spending practices.

Understanding consumer rights, responsibilities, and informational resources.

Academic Vocabulary

Break-even point	When a business's expenses and sales equal zero because the business has sold exactly enough units to cover its fixed expenses
Business Opportunity	A consumer need or want that can be potentially met by a new business
Business Pitch	A quick description of your business that you use to explain it to customers and investors
Buying Patterns	What customers are willing to spend money on, and how much they are willing to spend/pay
Competition	Rival businesses competing for the dollars your target market spends
Consumer Profile	Specific information about a group of potential; customers within a target market

	segment. This information can include: demographics, geographics, psychographics, and buying patterns.
Demographics	Objective social and economic facts about people such as age, gender, and family size
Direct Competitor	A business in the market that sells a product or service similar to yours
Entrepreneur	A person who organizes and operates a business or businesses, taking on greater than normal financial risks in order to do so
External Entrepreneurs	They create business ideas by identifying sources of opportunity
Features	What a product does and how its appears to the senses (sight, sound, taste, smell, and touch)
Financial Ratios	Relationships between important financial data that is expressed as a fraction or a percentage
Fixed Operating Expense	The expense that a business must pay regardless of how many sales are made
Focus Group	A form of primary research, usually consisting of a small group of people gathered together to help discuss or answer a prepared set of questions
Geographics	Facts about where customers live and where businesses are located , including region, city, and neighborhood.
Indirect Competitor	A business that sells a different product or service from yours, but fills the customers needs or wants
Internal Entrepreneurs	They apply their hobbies, skills, and interests to a business opportunity
Line Organization	Simplest organizational structure, which contains a direct chain of command through levels of personnel
Manufacturers	Companies that create a product and may or may not be involved in direct sells to consumers, ie. a company that makes shoes
Market	A potential group of customers, people, or businesses that are able and willing to purchase a particular product or service
Marketing	The art of presenting a business in a way that clearly communicates the value of the product or service m
Marketing Mix	The 'P's" : People, Product, Place, Price, Promotion, . These should be included in every Marketing Plan
Marketing Plan	A detailed guide that includes marketing goals and the strategies to reach these goals
Market Research	An organized way to gather and understood information needed to make informed business decisions based on potential customers and

	competitors that exist in the market
Net Profit	The amount of profit or loss the business earns after paying expenses and taxes.
Organizational Structures	Systems for dividing work, authority, and responsibility
PEST Analysis	PESTLE analysis, also known as PEST analysis, is a tool for business analysis of political, economic, social, and technological factors
Pre-Tax Profit	The profit earned before taxes on it. Found by taking the total contribution margin minus the fixed monthly expenses
Primary Data	Information gathered first during the market research phase that comes directly from potential groups of customers or competitors in the market
Project Organization	Employees from more than one department put together to work towards a specific goal
Psychographics	Psychological characteristics of consumers such as attitudes, beliefs, and personalities
Retailers	They sell directly to the consumer
Revenue	The amount of money brought in by a business before any expenses usually figured for a specific amount of time. (# of units sold x selling price)
Secondary Data	Existing information that was previously gathered for a purpose other than the study at hand
Service	Labor offered to customers, ie, a repair shop
SWOT Analysis	An evaluation of a company's internal STRENGTHS, internal WEAKNESSES, external OPPORTUNITIES in the market and the external THREATS in the market.
Target Market	A specific group of customers in the broader target market who are most likely to buy the product or service
Unit of Sale	Based on the amount of product or service a customer buys, they are different for every business
Value Proposition	These are the features and benefits that make a business unique and potentially better than the competition
Wholesalers	They sell products in larger volumes (but less than the manufacture) to the retailer

Learning Goal 1 - Future Smart

Students will be empowered to become the stewards of their financial futures. Students will learn the practicalities of daily financial decisions and the payoffs of long-term planning. They will also allow positive habits to take form and grow. Students will weigh opportunity costs, to delaying instant gratification for longterm gain.

Learning Goal includes instruction to satisfy requirements of N.J. Stat. § 18A:35-4.35

PFL.9.1.8.B.7	Construct a budget to save for long-term, short-term, and charitable goals.
PFL.9.1.8.B.8	Develop a system for keeping and using financial records.
PFL.9.1.8.C.5	Calculate the cost of borrowing various amounts of money using different types of credit (e.g., credit cards, installment loans, mortgages).
PFL.9.1.8.C.6	Determine ways to leverage debt beneficially.
PFL.9.1.8.C.7	Determine potential consequences of using “easy access” credit (e.g., using a line of credit vs. obtaining a loan for a specific purpose).
PFL.9.1.8.C.8	Explain the purpose of a credit score and credit record, and summarize borrowers’ credit report rights.
PFL.9.1.8.C.9	Summarize the causes and consequences of personal bankruptcy.
PFL.9.1.8.C.10	Determine when there is a need to seek credit counseling and appropriate times to utilize it.
PFL.9.1.8.D.3	Differentiate among various investment options.
PFL.9.1.8.D.4	Distinguish between income and investment growth.
PFL.9.1.8.D.5	Explain the economic principle of supply and demand.
PFL.9.1.8.E.3	Compare and contrast product facts versus advertising claims.
PFL.9.1.8.E.4	Prioritize personal wants and needs when making purchases.
PFL.9.1.8.E.5	Analyze interest rates and fees associated with financial services, credit cards, debit cards, and gift cards.
PFL.9.1.8.E.6	Compare the value of goods or services from different sellers when purchasing large quantities and small quantities.
PFL.9.1.8.E.8	Recognize the techniques and effects of deceptive advertising.
PFL.9.1.8.F.1	Explain how the economic system of production and consumption may be a means to achieve significant societal goals.
PFL.9.1.8.F.2	Examine the implications of legal and ethical behaviors when making financial decisions.
CAEP.9.2.8.B.3	Evaluate communication, collaboration, and leadership skills that can be developed through school, home, work, and extracurricular activities for use in a career.
TECH.8.1.8.A	Technology Operations and Concepts: Students demonstrate a sound understanding of technology concepts, systems and operations.
TECH.8.1.8.B	Creativity and Innovation: Students demonstrate creative thinking, construct knowledge and develop innovative products and process using technology.
TECH.8.1.8.C	Communication and Collaboration: Students use digital media and environments to communicate and work collaboratively, including at a distance, to support individual learning and contribute to the learning of others.
TECH.8.1.8.D	Digital Citizenship: Students understand human, cultural, and societal issues related to technology and practice legal and ethical behavior.
TECH.8.1.8.E	Research and Information Fluency: Students apply digital tools to gather, evaluate, and use information.

Target 1

Students are introduced to the course storyline and the different features available. Students take a “Financial Personality Test,” and reflect on their own personal financial priorities, habits and mindsets.

- Identify and reflect on their personal values, financial habits and mindsets
- Understand the goals and features of the course

Target 2

Students must prioritize his budget, use comparison shopping methods to decide which specific items to buy, research upcoming spending decisions, and make smart choices about when to spend or save.

- Define and identify opportunity cost in a given scenario
- Describe and prioritize the components of a budget based on an individual’s preferences
- Prioritize and differentiate between an individual’s needs and wants
- Apply comparison shopping methods, such as gathering price and quality information, comparing spending & nonspending alternatives, and comparing unit price information.
- Analyze whether information from sources are accurate and reliable when comparing products and services

Target 3

Students learn how to save up for a trip, while managing his day-to-day expenses. Students must help him select a job, review his paycheck and credit card statement, and help him make decisions about when to utilize different payment types.

- Choose when to use different available payment methods (including cash, debit, credit, mobile, online, direct deposit, prepaid cards)
- Model positive strategies for using credit
- Summarize the effects of not paying off a credit card balance in full
- Assess the benefits and costs of using credit
- Describe the potential consequences of using “easy access” credit
- Understand the importance of a credit score, and recognize the components that affect your score
- Describe different sources of income, including wages, salaries, stipends, and benefits.
- Identify common withheld state and federal taxes by examining a paycheck

Target 4

Students investigate future career path they'd like to pursue. Students must narrow down the career path they would like to pursue – by examining the required skills and interests, income potential, and education and training requirements. Afterwards, students find various ways to reduce the out-of-pocket cost of their first year of higher education.

- Match personal skills and interests to various career options
- Compare education and training requirements, income potential and primary duties between multiple jobs of interest
- Compare the costs of post-secondary education with the potential increase in income and lifetime earnings from a career choice
- Devise a strategy to minimize the costs of post-secondary education
- Describe how changes in the labor market (specifically supply and demand, and economic conditions) can affect worker's income or unemployment

Target 5

Students help a business owner calculate her monthly profit and loss, and devise a strategy to save up for new capital for her business. Students must help the business owner open savings and checking accounts, grow her money faster with a certificate of deposit, make monthly transaction decisions.

- Analyze a budget to calculate revenue, expenses, and profit/loss
- Model how to open a deposit account at a financial institution
- Compare different interest-bearing accounts, including savings, checking and certificates of deposit, based on their interest rate, liquidity, minimum balance requirements and fee structure
- Describe how regular contributions and compounding frequency impact the growth of savings
- Summarize the effect of inflation and deflation on the price of goods and purchasing power over time

Target 6

Students assist a character as they go through a “life simulation,” helping them make insurance and investment decisions at critical life milestones. Students help the character select different insurance policies (and experience how random, unexpected occurrences can lead to financial loss), and help the character adjust his investment portfolio as he nears retirement age.

- Model insurance decisions that can be used to minimize the risk of financial loss
- Categorize the kinds of expenses that typical auto, renters', homeowners' and health insurance policies cover
- Describe the differences between a premium, deductible, copayment, and coinsurance
- Investigate the use of liability insurance to cover accidental bodily harm or damage to another person's property
- Describe and compare stocks, bonds, and mutual funds based on their typical risk and return levels
- Suggest appropriate investment types for people based on their risk tolerance and investment growth

timeframe

- Explain how money invested regularly over time may grow exponentially
- Explain how stock markets facilitate the buying and selling of securities
- Model insurance decisions that can be used to minimize the risk of financial loss

Target 7

Using their knowledge and experience from the course, students set their own financial goals and make plans for the future. The students' answers create a portfolio piece – their “Blueprint” – that can be printed or shared with others. This personalized document details the student's future career interests, plans for higher education, and next action steps.

- Understand that attitudes and values affect financial decisions
- Identify and reflect on their personal values, financial habits and mindsets
- Apply systematic decision making to setting and achieving financial goals
- Construct and prioritize personal financial goals
- Determine the cost of achieving a goal
- Give examples of how decisions made today can affect future opportunities
- Devise a strategy to finance the costs of post-secondary education

Learning Goal 2 - Venture

Students will address the personal side of entrepreneurship, connecting the dots between running a business and being responsible with their own finances. Students learn about financial decision making, developing and maintaining and balanced budget, income, taxes, variable and fixed expenses.

PFL.9.1.8.A.2	Relate how career choices, education choices, skills, entrepreneurship, and economic conditions affect income.
PFL.9.1.8.A.5	Relate how the demand for certain skills determines an individual's earning power.
PFL.9.1.8.D.1	Determine how saving contributes to financial well-being.
PFL.9.1.8.D.2	Differentiate among various savings tools and how to use them most effectively.
PFL.9.1.8.D.3	Differentiate among various investment options.
PFL.9.1.8.D.4	Distinguish between income and investment growth.
PFL.9.1.8.D.5	Explain the economic principle of supply and demand.
PFL.9.1.8.E.1	Explain what it means to be a responsible consumer and the factors to consider when making consumer decisions.
PFL.9.1.8.E.3	Compare and contrast product facts versus advertising claims.
PFL.9.1.8.E.4	Prioritize personal wants and needs when making purchases.
PFL.9.1.8.E.5	Analyze interest rates and fees associated with financial services, credit cards, debit cards, and gift cards.
PFL.9.1.8.E.6	Compare the value of goods or services from different sellers when purchasing large quantities and small quantities.

PFL.9.1.8.E.7	Evaluate how fraudulent activities impact consumers, and justify the creation of consumer protection laws.
PFL.9.1.8.E.8	Recognize the techniques and effects of deceptive advertising.
PFL.9.1.8.F.1	Explain how the economic system of production and consumption may be a means to achieve significant societal goals.
PFL.9.1.8.F.2	Examine the implications of legal and ethical behaviors when making financial decisions.
PFL.9.1.8.F.3	Relate the impact of business, government, and consumer fiscal responsibility to the economy and to personal finance.
PFL.9.1.8.G.1	Explain why it is important to develop plans for protecting current and future personal assets against loss.
PFL.9.1.8.G.2	Determine criteria for deciding the amount of insurance protection needed.
PFL.9.1.8.G.3	Analyze the need for and value of different types of insurance and the impact of deductibles.
PFL.9.1.8.G.4	Evaluate the need for different types of extended warranties.

Target 1

Students address the personal side of entrepreneurship, connecting the dots between running a business and being responsible with their own finances. Students learn about financial decision making, developing and maintaining and balanced budget, income, taxes, variable and fixed expenses.

- Build a balanced budget including common budget elements.
- Define and distinguish between variable and fixed expenses.
- Identify sources of income and common types of payroll deductions.
- Identify common types of taxes and explain how taxes impact income.

Target 2

Students explore characteristics of successful entrepreneurs. Students take a personal diagnostic that discover how their unique characteristics relate to entrepreneurship.

- Define the term “entrepreneur”.
- Identify the differences between entrepreneurs and employees.
- Link personal characteristics with a potential future in entrepreneurship.
- Identify potential career pathways of interest.

Target 3

Students explore key business concepts and apply them within a food truck business simulation. Students research and make important business decisions (hiring, pricing, etc.) that they must justify in writing

- Differentiate between business ideas and business opportunities.

- Define a target market and explain the importance of identifying a target market segment.
- Explain the importance of identifying competitors, determining a competitive advantage, and crafting an effective marketing plan.
- Identify critical roles and personnel needs within a business .
- Define basic business concepts (including unit of sale, cost of goods sold, contribution margin, revenue, profit, break-even point, and income statement).
- Define value proposition and the marketing mix.

Target 4

Drawing on previous lessons and what they learn about the four elements of a successful business pitch, students craft an engaging, concise business pitch for their business.

- Define a business pitch and describe its importance.
- Articulate the qualities of an effective business pitch.
- Pinpoint the essential pieces of information that belong within a brief business pitch.

Summative Assessment

Completion of Future Smart Program and/or Venture.

Final business plan - presentation rubric.

21st Century Life and Careers

CRP.K-12.CRP1.1	Career-ready individuals understand the obligations and responsibilities of being a member of a community, and they demonstrate this understanding every day through their interactions with others. They are conscientious of the impacts of their decisions on others and the environment around them. They think about the near-term and long-term consequences of their actions and seek to act in ways that contribute to the betterment of their teams, families, community and workplace. They are reliable and consistent in going beyond the minimum expectation and in participating in activities that serve the greater good.
CRP.K-12.CRP2	Apply appropriate academic and technical skills.
CRP.K-12.CRP3	Attend to personal health and financial well-being.
CRP.K-12.CRP5.1	Career-ready individuals understand the interrelated nature of their actions and regularly make decisions that positively impact and/or mitigate negative impact on other people, organization, and the environment. They are aware of and utilize new technologies, understandings, procedures, materials, and regulations affecting the nature of their work

as it relates to the impact on the social condition, the environment and the profitability of the organization.

CRP.K-12.CRP7.1

Career-ready individuals are discerning in accepting and using new information to make decisions, change practices or inform strategies. They use reliable research process to search for new information. They evaluate the validity of sources when considering the use and adoption of external information or practices in their workplace situation.

CRP.K-12.CRP8.1

Career-ready individuals readily recognize problems in the workplace, understand the nature of the problem, and devise effective plans to solve the problem. They are aware of problems when they occur and take action quickly to address the problem; they thoughtfully investigate the root cause of the problem prior to introducing solutions. They carefully consider the options to solve the problem. Once a solution is agreed upon, they follow through to ensure the problem is solved, whether through their own actions or the actions of others.

CRP.K-12.CRP10.1

Career-ready individuals take personal ownership of their own education and career goals, and they regularly act on a plan to attain these goals. They understand their own career interests, preferences, goals, and requirements. They have perspective regarding the pathways available to them and the time, effort, experience and other requirements to pursue each, including a path of entrepreneurship. They recognize the value of each step in the education and experiential process, and they recognize that nearly all career paths require ongoing education and experience. They seek counselors, mentors, and other experts to assist in the planning and execution of career and personal goals.

CRP.K-12.CRP11.1

Career-ready individuals find and maximize the productive value of existing and new technology to accomplish workplace tasks and solve workplace problems. They are flexible and adaptive in acquiring new technology. They are proficient with ubiquitous technology applications. They understand the inherent risks-personal and organizational-of technology applications, and they take actions to prevent or mitigate these risks.

Formative Assessment and Performance Opportunities

If using Everfi, Formative and Performance assessment opportunities are built into the program. see resource folder

Accommodations/Modifications

IEP Modifications

504 Modifications

Work with fewer items per page or line and/or materials in larger print size.

Use an electronic spell-checker.

Take more time to complete a task or take a test.

Have extra time to process oral information and directions.

Create modified projects or assignments.

Unit Resources

[Resource Folder](#)

Interdisciplinary Connections

MA.7.RP.A.3	Use proportional relationships to solve multistep ratio and percent problems. Examples: simple interest, tax, markups and markdowns, gratuities and commissions, fees, percent increase and decrease, percent error.
MA.7.EE.B.3	Solve multi-step real-life and mathematical problems posed with positive and negative rational numbers in any form (whole numbers, fractions, and decimals), using tools strategically. Apply properties of operations to calculate with numbers in any form; convert between forms as appropriate; and assess the reasonableness of answers using mental computation and estimation strategies.
MA.7.EE.B.4b	Solve word problems leading to inequalities of the form $px + q > r$ or $px + q < r$, where p , q , and r are specific rational numbers. Graph the solution set of the inequality and interpret it in the context of the problem.
TECH.8.1.8.A	Technology Operations and Concepts: Students demonstrate a sound understanding of technology concepts, systems and operations.
TECH.8.1.8.B	Creativity and Innovation: Students demonstrate creative thinking, construct knowledge and develop innovative products and process using technology.
TECH.8.1.8.E	Research and Information Fluency: Students apply digital tools to gather, evaluate, and use information.
TECH.8.1.8.F	Critical thinking, problem solving, and decision making: Students use critical thinking skills to plan and conduct research, manage projects, solve problems, and make informed decisions using appropriate digital tools and resources.
TECH.8.2.8.A	The Nature of Technology: Creativity and Innovation: Technology systems impact every aspect of the world in which we live.