

Financial Literacy - 2019

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

Unit Overview

Students will study money management, credit and debt management, planning, saving and investing, being a critical consumer and insuring and protecting. They will then investigate these topics through different activities, on-line resources, applications, and technological resources. The course will help prepare students to engage in the 21st century society, and develop the tools necessary to become financially literate and successful.

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

Students will keep considering...

-What thought provoking questions will foster inquiry, meaning making and transfer?

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

- # -

- **401(k)**: a retirement account offered through an employer, where an employee can contribute money from his or her paycheck before or after taxes
- **529 College savings plan**: a savings account that is specifically designed to help you and your family save for high education. The money in the account can only be used to pay for educational expenses, like tuition, room and board, and textbooks.

- A -

- **Annual percentage rate**: interest rate charged by a credit card company on any outstanding credit card balance
- **Annual out-of-pocket maximum**: the most a person has to pay for medical services in a full year,

outside of monthly premiums

- **Associate degree:** a type of degree that typically takes two years of full-time study after high school and is dedicated training toward a specific career or skill
- **ATM:** an abbreviation that stands for Automated Teller Machine. An ATM is a machine that allows you to make electronic deposits and withdrawals from your bank accounts.
- **ATM Fee:** the amount of money you are charged for using another bank's ATM
- **Auto pay:** a system that allows you to pay bills, like your cell phone bill, automatically from your checking account
- **Bachelor's degree:** a type of degree that normally takes four years of full-time study, also known as an undergraduate degree. You can earn a Bachelor of Science or Bachelor of Arts degree.
- **Beneficiary:** the people that are financially protected under a life insurance policy
- **Bond:** an interest-earning loan to a company or government for a specific amount of time. At the end of the set amount of time, the company or government must pay back the loan amount in full, along with any accumulated interest. Bonds are often considered a low-risk investment.
- **Budget:** a plan for spending or saving money that is made up of income and expenses

- B -

- **Car insurance:** a type of insurance that covers any damage you may cause to another person or their vehicle
- **Certificate of Deposit:** a type of savings vehicle in which you put your money away for a certain amount of time, called a term, to allow your principal to earn interest. Also known as a CD, this savings vehicle traditionally has higher interest rates than a savings account and you must keep the money in the CD for the entire term or you will pay a penalty.
- **Checking account:** a type of bank of account in which interest is not usually applied to the principal, but offers a safe place to store your money and allows you to make withdrawals using an ATM card, debit card or personal check.
- **Coinsurance:** money that a person is required to pay for services, after a deductible has been paid
- **Collision insurance:** a type of car insurance that covers vehicle damage caused by an accident
- **Community college:** typically a two-year higher education institution, also known as a junior college that costs less than a four-year college
- **Compound interest:** interest that's generated not only from the money you put into an account, but also from the interest you earned on your money
- **Comprehensive insurance:** a type of car insurance that covers vehicle damages caused by non-collision events, such as storm damage or theft
- **Copay:** a fixed fee you pay for specific medical services
- **Credit bureau:** an agency that tracks a borrower's credit and payment history to determine their credit score
- **Credit card:** a payment type that does not automatically draw money from your checking account. It provides a short-term loan from the credit card company. At the end of each purchase period (usually a month), you receive a bill with all of your charges. You will have the option to pay off your balance (the amount you owe) or pay the minimum payment. If you do not pay your entire balance, you start to pay interest on the money you owe.
- **Credit card bill:** a statement showing the total amount of money owed based on your credit card transactions
- **Credit limit:** the total amount of money you can charge to your credit card
- **Credit score:** a three-digit numerical rating of how likely you are to pay off your debts

- D -

- **Debit card:** a payment type that allows you to make purchases using money directly from your checking account
- **Deductible:** amount you are personally required to pay before your insurance covers the cost
- **Deflation:** when the price of goods or services decreases
- **Demand:** measures the number of people who are willing to buy a particular good or service at a given price. In a labor market, demand is the number of employers seeking workers for a particular position.
- **Deposit:** when money is added into a bank account, also known as a 'credit' Direct deposit: when money is automatically transferred into your account electronically
- **Discretionary expense:** spending that you have complete control over because it is not necessary spending
- **Doctoral degree:** a type of degree that is highly specialized in regards to a specific profession and typically takes three to five years to earn after completing your bachelor's degree

- E -

- **Economic indicators:** a piece of economic data that is used to interpret current or future investment possibilities and judge the overall health of an economy
- **Economy:** a network of consumers and producers of goods and services in a community
- **Emergency Savings:** an account used to put away funds to be used in an emergency
- **Expected family contribution:** a term used in the college financial aid process to determine an applicant's eligibility for need-based student aid, abbreviation EFC
- **Expenses:** the money you're spending. This includes everything you buy, such as food, concert tickets, or even a pack of gum.

- F -

- **FAFSA:** an abbreviation for Free Application for Federal Student Aid. This is the main form students use to apply for federal education grants and loans. The amount of money a student is given or loaned depends on several factors, such as family income, marital status, the type of school a student is planning to attend, and more.
- **Family Savings:** is the amount of money a family saves over time to help fund a relative's college education
- **FDIC:** stands for the Federal Deposit Insurance Corporation, and is a corporation that insures deposits at banks that have purchased their coverage
- **Federal income tax:** a tax paid to the federal government based on the amount of money a person earns. Federal income taxes are used to fund government services such as healthcare, national defense, and scientific programs.
- **Federal Loans:** are offered to students in need of financial assistance. The federal government makes interest payments while the student is in college.
- **Fixed expenses:** an expense that occurs regularly. This amount typically does not change from month-to-month.

- G -

- **Grant:** provide money to students for college that does not have to be paid back.

- H -

- **Health insurance:** a type of insurance that covers the cost of medical expenses
- **High school diploma:** the degree you receive when you graduate from high school
- **Homeowner's insurance:** a type of insurance that covers your home as well as your possessions inside, in cases of damage or loss

- I -

- **Income:** money you earn, like money you may get from your birthday or allowance from you parents
- **Income tax:** tax on the amount of money you earn that is paid to the federal or state government
- **Inflation:** when the price of goods or services increases
- **Initial deposit check:** is the amount of money that was previously sitting in your checking account
- **In-state tuition:** typically a discounted cost of enrollment for a higher education institute that is given to students that are from the same state the school is located in
- **Interest:** a monetary fee you are charged for borrowing money
- **Interest rate:** the percentage of interest you either make or pay on a principal
- **Investment return:** is how much money you could potentially earn from an investment, and it is usually expressed as a percentage
- **Investment risk:** is how likely it is that you'll lose money on an investment Investment summary: the higher the risk, the higher the potential return or loss, And, the lower the risk, the lower the potential return or loss
- **IRA:** abbreviation for an "Individual Retirement Account", a retirement account designed for individual savers that offers tax savings, but has contribution limits and withdrawal restrictions

- J -

- **Job skills:** refers to the talent and expertise a person possesses to perform a certain job or task

- L -

- **Liability insurance:** a type of car insurance that covers any damage caused to another person or their vehicle
- **Life insurance:** a type of insurance that provides financial security for a person (called a beneficiary) when someone close to them passes away
- **Liquidity:** Liquidity refers to how easy it is to get at your money. High liquidity means it's easy to get your money right away. Low liquidity means it's harder to access your funds.
- **Loss:** negative earnings, or when your earned revenue is less than your total expenses

- M -

- **Master's degree:** after completing a bachelor's degree, you can continue on to complete a master's program in a variety of fields. This type of degree typically takes one or two years, but can sometimes be completed on evenings and weekends, while you're working full-time.
- **Medicare tax:** tax that pays for healthcare for people ages 65 and over Minimum Balance: the amount of money you must keep in your account
- **Minimum monthly payment:** in regards to credit cards, this refers to the least amount of money you

have to pay back on a monthly basis to avoid fees and penalties associated with not paying the minimum amount

- **Mortgage:** a type of loan used to finance the purchase of real estate
- **Mutual fund:** is a mix of different investments, like stocks and bonds

- N -

- **Need:** when referring to budgeting, a need is an expense that you can't live without
- **Net pay:** the amount of pay you take home after all taxes are taken out
- **Net income:** the amount of money a business makes, after all expenses have been paid for (net income = revenue - expenses)

- O -

- **Opportunity cost:** the next best alternative that was given up by making a certain decision
- **Overdraft:** taking out more money than what is in an account
- **Overdraft fee:** a fee incurred when you take out more money than what is in your bank account

- P -

- **Payday loans:** a loan in the form of cash before you receive your paycheck, also known as "cash advances". Payday loans typically have very high fees and interest rates.
- **Prepaid cards:** a card that allows you to put a specific amount of money onto it. Prepaid cards usually come with additional fees and charges, such as an activation fee, a fee for each purchase, or fees if you don't use the card for a specific amount of time.
- **Premium:** the amount you pay the insurance company for coverage, typically paid each month
- **Private college:** a higher education institute that is generally supported by private donations and tuition, and on average cost more than public colleges
- **Private loans:** loans financed by lenders, like banks, credit unions and sometimes the school you attend
- **Profit:** positive earnings, when you have earned more in revenue than you spent on expenses
- **Public college:** a higher education institute that is generally supported by state government funds, and on average cost less than private institutions
- **Purchasing power:** the value of a currency expressed in terms of the amount of goods or services that one unit of money can buy

- R -

- **Renter's insurance:** a type of insurance that can protect a person from property damage or loss in a rental property
- **Revenue:** the amount of money a business makes within a specific time period, typically a month

- S -

- **Salary:** a fixed payment, usually paid on a weekly or bi-weekly basis that does not vary depending on how little or how much you work
- **Sales tax:** the tax you pay to the state or local government when purchasing an item. Sales tax differs

by state and not all states have a sales tax.

- **Savings account**: a type of savings vehicle in which interest is earned on the deposit amount (principal). Savings accounts usually require a minimum balance, offer lower interest rates, and have restrictions on the number of withdrawals allowed within a given time period.
- **Scholarship**: is a specific amount of money given to a student to help pay for their education
- **Security deposit**: money a property owner holds onto during the leasing period, that can later be used to pay for any damages to the property caused by the renters. The security deposit is usually equal to one month's rent.
- **Simple interest**: interest that is generated from the money you put into an account
- **Social security tax**: tax that pays for people who are currently retired and for the future retired population.
- **State income tax**: taxes paid to the state where you live or work based on the amount of money you earn. State income taxes are used to help support schools, maintain roads and keep people safe. The amount of state income tax varies by state – some states do not have state income tax at all.
- **Stipend**: a fixed amount paid for work, usually on a scheduled basis or after a set amount of time
- **Stock**: is a small piece of ownership in a company Stock exchange: a place to trade stocks
- **Supply**: measures the amount of a specific good or service available for a given price

- T -

- **Taxes withheld**: is the amount taken out of a paycheck to pay for income taxes
- **Total revenue**: is the amount of money left over each month after paying expenses
- **Tuition**: the cost to enroll in higher education

- U -

- **Uninsured/underinsured motorist**: a type of car insurance that covers any medical and repair bills if an accident occurs with another driver who does not have car insurance
- **Unit price**: the cost for one unit of an item

- V -

- **Variable expense**: spending that is based on the purchase decisions you make. These can vary from month to month.
- **Vocational training**: type of training that is usually focused on hands-on work that prepares you for skilled trades, like plumbing, cosmetology or car repair. This type of training can range in length from a few months to a couple years, and can be completed at community colleges, trade schools, or private schools.

- W -

- **Wage**: amount paid based on a certain time period. You can earn a certain wage per hour, day or week.
- **Want**: when referring to budgeting, a want is an expense that you would like to have and is not an absolute necessity.
- **Withheld tax**: amount taken out of your paycheck to pay for income taxes Work Study: provides funds to eligible students for part time employment to help finance the costs of college education.

Learning Goal 1

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.

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.
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.

Target 1

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

Target 2

- 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

- 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

- 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

- 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

- 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

- 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

Summative Assessment

Completion of Future Smart Program, 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

CRP.K-12.CRP11.1

experts to assist in the planning and execution of career and personal goals.

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

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

see 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.