

01_ Unit 1 Economic and Government Influence

Content Area: **Financial Literacy**
Course(s):
Time Period: **Cycle**
Length: **11 - 12 Lessons**
Status: **Published**

General Overview, Course Description or Course Philosophy

Financial Literacy 7

Financial Literacy will provide students with the knowledge and information necessary for making sound financial decisions. During the seventh grade, students will focus on "Financial Landscapes" which is broken down into two sub-units entitled "Economic and Government Influence" and "Financial Institutions".

OBJECTIVES, ESSENTIAL QUESTIONS, ENDURING UNDERSTANDINGS

Unit Summary:

Financial landscape incorporates building an awareness of the various forms of money, financial institutions, and the role of economic and government influences has on one's personal finances. Within the economic and government categories are topics such as consumer protection laws, taxes (e.g., impact on income and/or investments), a general understanding of inflation, and how government policies can affect one's personal finances.

Essential Question(s):

- How does the economy and the government influence one's financial landscape?

Enduring Understanding(s):

- Taxes affect one's personal finances.
- There are government agencies and policies that affect the financial industry and the broader economy.
- There are procedures required to take advantage of consumer protection laws and assistance programs.

CONTENT AREA STANDARDS

PFL.9.1.8.EG.1	Explain how taxes affect disposable income and the difference between net and gross income.
PFL.9.1.8.EG.2	Explain why various sources of income are taxed differently.
PFL.9.1.8.EG.3	Explain the concept and forms of taxation and evaluate how local, state and federal governments use taxes to fund public activities and initiatives.
PFL.9.1.8.EG.4	Identify and explain the consequences of breaking federal and/or state employment or financial laws.
PFL.9.1.8.EG.5	Interpret how changing economic and societal needs influence employment trends and future education.
PFL.9.1.8.EG.6	Explain the economic principle of the circular flow of money in different situations regarding buying products or services from a local or national business and buying imported or domestic goods.
PFL.9.1.8.EG.7	Explain the effect of the economy (e.g., inflation, unemployment) on personal income, individual and family security, and consumer decisions.
PFL.9.1.8.EG.8	Analyze the impact of currency rates over a period of time and the impact on trade, employment, and income.
PFL.9.1.8.EG.9	Identify types of consumer fraud, the procedures for reporting fraud, the specific consumer protection laws, and the issues they address.

RELATED STANDARDS (Technology, 21st Century Life & Careers, ELA Companion Standards are Required)

PFL.9.1.K12.P.2	Attend to financial well-being.
PFL.9.1.K12.P.5	Utilize critical thinking to make sense of problems and persevere in solving them.
PFL.9.1.K12.P.8	Use technology to enhance productivity increase collaboration and communicate effectively.
LA.RI.6.7	Integrate information presented in different media or formats (e.g., visually, quantitatively) as well as in words to develop a coherent understanding of a topic or issue.
LA.RI.6.10	By the end of the year read and comprehend literary nonfiction at grade level text-complexity or above, with scaffolding as needed.
LA.W.6.4	Produce clear and coherent writing in which the development, organization, voice and style are appropriate to task, purpose, and audience. (Grade-specific expectations for writing types are defined in standards 1–3 above.)
TECH.8.1.8.A.1	Demonstrate knowledge of a real world problem using digital tools.
TECH.8.1.8.B.CS2	Create original works as a means of personal or group expression.

STUDENT LEARNING TARGETS

Declarative Knowledge

Students will understand that:

- Disposable income is income remaining after deduction of taxes and other mandatory charges, available to be spent or saved as one wishes.
- Net income, also called net earnings, is sales minus cost of goods sold, general expenses, taxes, and interest.
- Gross income includes all of your sources of income.
- Taxes are taken out of one's gross income thereby reducing it.
- Various sources of income may be wages, dividends, capital gains, business income.
- There are nine different types of taxes in the United States (sales, sin, travel, capital gains, inheritance/estate, income, value added, payroll and property).
- The three levels of government (local, state, and federal) determine which of the nine types of taxation (and the rate) they will use to fund their programs, activities and initiatives.
- Breaking federal and/or state employment or financial laws may result in financial penalties, jail time, probation, lawsuits, or employment status.
- The economy of the United States describes the way people spend money and the way people make money.
- Recent society needs may include but are not limited to an aging population (baby boomers), desire to better the environment, and an increased awareness of health.
- Recent employment trends may include but are not limited to an increase in jobs related to solar energy, wind energy, nurses and a decline in executive secretaries and administrative assistants.
- Employment trends are a reflection of the health of the United States economy as well as societal needs.
- Education level impacts job security. The higher the education level the less likely one will be unemployed.
- The circular flow model of economics shows how money moves through an economy in a constant loop from producers to consumers and back again.
- Imports are products or services bought from other countries.
- Exports are products or services that are sold to other countries.
- Domestic means it is a product or service made in the United States.
- Inflation is the increase in the prices of goods & services over time.
- A consumer is a person who uses or buys products or services.
- An increase in income may result in an increase in the demand for goods and services while a decrease in income may result in a decrease in demand for goods and services.
- Currency exchange rate can impact merchandise trade, economic growth, capital flows, inflation and interest rates.
- Fraud is the wrongful or criminal deception intended to result in financial or personal gain.
- Consumer protection laws help to address fraud.

- Committing fraud may result in a fine, jail time, loss of job, or probation.

Procedural Knowledge

Students will be able to:

- Define disposable, net and gross income.
- Explain how taxes affect disposable income and the difference between net and gross income.
- Identify various sources of income.
- Explain why various sources of income are taxed differently.
- Identify and describe the concept and the different forms of taxation.
- Evaluate how local, state and federal governments use taxes to fund public activities and initiatives.
- Identify and explain the consequences of breaking federal and/or state employment or financial laws.
- Define and explain the United States economy.
- Identify and explain current societal needs.
- Describe employment trends.
- Interpret how changing economic and societal needs influence employment trends and future education.
- Define and explain the circular flow of money.
- Define import, export, and domestic.
- Explain the economic principle of the circular flow of money in different situations regarding buying products or services from a local or national business and buying imported or domestic goods.
- Define inflation and consumer.
- Explain the effect of the economy (e.g., inflation, unemployment) on personal income, individual and family security, and consumer decisions.
- Analyze the impact of currency rates over a period of time and the impact on trade, employment, and income.
- Define fraud.
- Identify types of consumer fraud, the procedures for reporting fraud, the specific consumer protection laws, and the issues they address.

EVIDENCE OF LEARNING

Formative Assessments

For this unit, formative assessments may include:

- observation
- one-on-one
- questioning
- graphic organizers
- anecdotal notes
- exit tickets

Summative Assessments

For this unit, summative assessments may include:

- graphic organizers
- homework
- culminating activity

RESOURCES (Instructional, Supplemental, Intervention Materials)

[Next Gen Personal Finance](#)

All lessons and resources can be accessed via this website. "Click" Curriculum and reference the "Units" and "Middle School" Tabs

INTERDISCIPLINARY CONNECTIONS

English/Language Arts - implementation of conventions of Standard English

Technology/Multi-Media - Audio/visual media analysis

Math - computations

Visual and Performing Arts - debate

Social Studies - ethics

ACCOMMODATIONS & MODIFICATIONS FOR SUBGROUPS

See link to Accommodations & Modifications document in course folder.