

SCHOOL DISTRICT OF THE CHATHAMS

Financial Literacy Grades 9-12 Semester

Course Overview

This course introduces students to a variety of personal finance concepts. Students learn practical skills that enhance their goals and interests. The course includes units on budgeting and money management, career planning, income and taxation, financial responsibility and decision making, protecting assets and various types of insurance, saving and investing, and credit and debt management. Students work on a variety of individual and group assignments that raise their awareness and competency in the use of credit/debit cards, checking accounts, identity theft and predatory lending, budgeting income and expenses, the influence of advertising, and etiquette in the workplace. Major life events such as buying or leasing a car, renting an apartment, buying a home, and saving for retirement are also covered.

This course meets the state graduation requirement for financial, economic, business, and entrepreneurial literacy.

New Jersey Student Learning Standards

The New Jersey Student Learning Standards (NJSLS) can be located at www.nj.gov/education/cccs/2020/.

Civic Responsibility

9.1.12.CFR.2: Summarize causes important to you and compare organizations you seek to support to other organizations with similar missions.

9.1.12.CFR.4: Demonstrate an understanding of the interrelationships among attitudes, assumptions, and patterns of behavior regarding money, saving, investing, and work across cultures.

9.1.12.CFR.5: Summarize the purpose and importance of estate planning documents (e.g., will, durable power of attorney, living will, health care proxy, etc.).

Credit and Debt Management

9.1.12.CDM.1: Identify the purposes, advantages, and disadvantages of debt.

9.1.12.CDM.2: Compare and contrast the advantages and disadvantages of various types of mortgages.

9.1.12.CDM.3: Determine ways to leverage debt beneficially.

9.1.12.CDM.4: Identify issues associated with student loan debt, requirements for repayment, and consequences of failure to repay student loan debt.

9.1.12.CDM.5: Identify the types of characteristics of predatory lending practices and the importance of collateral (e.g., payday loans, car title loans, high-risk mortgages).

9.1.12.CDM.6: Compute and assess the accumulating effect of interest paid over time when using a variety of sources of credit. (e.g., student loans, credit cards, auto loans, mortgages, etc.).

9.1.12.CDM.7: Calculate a mortgage payment based on type of loan, down payment, credit score, and loan interest rate.

9.1.12.CDM.8: Compare and compute interest and compound interest and develop an amortization table using business tools.

9.1.12.CDM.9: Summarize the causes and consequences of personal and corporate bankruptcy and

evaluate the implications for self and others.

9.1.12.CDM.10: Determine when credit counselling is necessary and evaluate the resources available to assist consumers who wish to use it.

Credit Profile

9.1.12.CP.1: Summarize how one's credit history can affect finances, including loan terms, employment, and qualifying for loans.

9.1.12.CP.2: Identify the advantages of maintaining a positive credit history.

9.1.12.CP.3: Summarize factors that affect a positive credit rating, including on-time payments, debt versus available credit, length of open credit, and how often you apply for credit.

9.1.12.CP.4: Identify the skill sets needed to build and maintain a positive credit profile.

9.1.12.CP.5: Create a plan to improve and maintain an excellent credit rating.

9.1.12.CP.6: Explain the effect of debt on a person's net worth.

9.1.12.CP.7: Summarize factors that affect a particular credit scoring system.

9.1.12.CP.8: Identify different ways you can protect your credit.

9.1.12.CP.9: Analyze the information contained in a credit report, how scores are calculated and used, and explain the importance of disputing inaccurate entries.

Economic and Government Influences

9.1.12.EG.1: Review the tax rates on different sources of income and on different types of products and services purchased.

9.1.12.EG.2: Explain why various forms of income are taxed differently.

9.1.12.EG.3: Explain how individuals and businesses influence government policies.

9.1.12.EG.4: Explain the relationship between your personal financial situation and the broader economic and governmental policies.

9.1.12.EG.6: Analyze the rights and responsibilities of buyers and sellers under consumer protection laws.

Financial Institutions

9.1.12.FI.1: Identify ways to protect yourself from identity theft

9.1.12.FI.2: Explain ways to manage your accounts that maximize benefits and provide you with the utmost protection.

9.1.12.FI.3: Develop a plan that uses the services of various financial institutions to prepare for long term personal and family goals (e.g., college, retirement).

9.1.12.FI.4: Research benefits and drawbacks of products offered by financial and non-financial companies (e.g., banks, credit unions, check-cashing stores, product warranty insurance).

Financial Psychology

9.1.12.FP.1: Create a clear long-term financial plan to ensure its alignment with your values.

9.1.12.FP.2: Explain how an individual's financial values and goals may change across a lifetime and the adjustments to the personal financial plan that may be needed.

9.1.12.FP.3: Relate the concept of delayed gratification (i.e., psychological distance) to meeting financial goals, investing and building wealth over time.

9.1.12.FP.4: Identify how unconscious beliefs like "money scripts" (money avoidant, money worship, money status, money vigilant) influence financial decision-making.

9.1.12.FP.7: Determine how multiple sources of objective, accurate and current financial information affect the prioritization of financial decisions (e.g., print information, prospectus, certified financial planners, internet, sales representatives, etc.).

Planning and Budgeting

- 9.1.12.PB.1: Explain the difference between saving and investing.
- 9.1.12.PB.2: Prioritize financial decisions by considering alternatives and possible consequences.
- 9.1.12.PB.3: Design a personal budget that will help you reach your long-term and short-term financial goals.
- 9.1.12.PB.4: Explain how you would revise your budget to accommodate changing circumstances.
- 9.1.12.PB.5: Analyze how changes in taxes, inflation, and personal circumstances can affect a personal budget.
- 9.1.12.PB.6: Describe and calculate interest and fees that are applied to various forms of spending, debt and saving.

Risk Management and Insurance

- 9.1.12.RM.1: Describe the importance of various sources of income in retirement, including Social Security, employer-sponsored retirement savings plans, and personal investments.
- 9.1.12.RM.2: Identify types of investments appropriate for different objectives such as liquidity, income, and growth.
- 9.1.12.RM.3: Compare the cost of various types of insurance (e.g., life, homeowners, motor vehicle) for the same product or service, strategies to lower costs, and the process for filing an insurance claim.
- 9.1.12.RM.4: Determine when and why it may be appropriate for the government to provide insurance coverage rather than private industry.
- 9.1.12.RM.5: Explain what self-insuring is and determine when it is appropriate.
- 9.1.12.RM.6: Differentiate the costs, benefits and features (e.g., riders, deductibles, umbrella policies) of renter's and homeowner's insurance.
- 9.1.12.RM.7: Evaluate individual and family needs for insurance protection using opportunity-cost analysis to determine if the amount of protection is adequate or over-insured.

Technology Standards

- 9.4.12.CI.1: Demonstrate the ability to reflect, analyze, and use creative skills and ideas (e.g., 1.1.12prof.CR3a)
- 9.4.12.IML.2: Evaluate digital sources for timeliness, accuracy, perspective, credibility of the source, and relevance of information, in media, data, or other resources (e.g., NJSLSA.W8, Social Studies Practice: Gathering and Evaluating Sources).
- 9.4.12.TL.1: Assess digital tools based on features such as accessibility options, capacities, and utility for accomplishing a specified task (e.g., W.11-12.6.).
- 9.4.12.TL.2: Generate data using formula-based calculations in a spreadsheet and draw conclusions about the data.

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- 9.2.12.CAP.4: Evaluate different careers and develop various plans (e.g., costs of public, private, training schools) and timetables for achieving them, including educational/training requirements, costs, loans, and debt repayment.
- 9.2.12.CAP.5: Assess and modify a personal plan to support current interests and postsecondary plans.
- 9.2.12.CAP.9: Locate information on working papers, what is required to obtain them, and who must sign them.
- 9.2.12.CAP.13: Analyze how the economic, social, and political conditions of a time period can affect the labor market.
- 9.2.12.CAP.14: Analyze and critique various sources of income and available resources (e.g., financial assets, property, and transfer payments) and how they may substitute for earned income.

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9.2.12.CAP.19: Explain the purpose of payroll deductions and why fees for various benefits (e.g., medical benefits) are taken out of pay, including the cost of employee benefits to employers and self-employment income.

9.2.12.CAP.20: Analyze a Federal and State Income Tax Return

Career Ready Practices

CRP1. Act as a responsible and contributing citizen and employee.

CRP2. Apply appropriate academic and technical skills.

CRP4. Communicate clearly and effectively and with reason.

CRP6. Demonstrate creativity and innovation.

CRP8. Utilize critical thinking to make sense of problems and persevere in solving them.

CRP12. Work productively in teams while using cultural global competence.

Interdisciplinary Connections

English Language Arts

- RI.9-10.1. Accurately cite strong and thorough textual evidence, (e.g., via discussion, written response, etc.) and make relevant connections, to support analysis of what the text says explicitly as well as inferentially, including determining where the text leaves matters uncertain.
- RI.9-10.2. Determine a central idea of a text and analyze how it is developed and refined by specific details; provide an objective summary of the text.
- RI.9-10.4. Determine the meaning of words and phrases as they are used in a text, including figurative, connotative, and technical meanings; analyze the cumulative impact of specific word choices on meaning and tone (e.g., how the language of a court opinion differs from that of a newspaper).
- RI.9-10.5. Analyze in detail how an author's ideas or claims are developed and refined by particular sentences, paragraphs, or larger portions of a text (e.g., a section or chapter).
- RI.9-10.6. Determine an author's point of view or purpose in a text and analyze how an author uses rhetorical devices to advance that point of view or purpose.
- W.9-10.1. Write arguments to support claims in an analysis of substantive topics or texts, using valid reasoning and relevant and sufficient evidence.
- W.9-10.4. Produce clear and coherent writing in which the development, organization, and style are appropriate to task, purpose, and audience.

Computer Science and Design Thinking

- 8.1.12.DA.5: Create data visualizations from large data sets to summarize, communicate, and support different interpretations of real-world phenomena.

Units of Study

Unit 1: Budgeting (~3 weeks)

- What are the likely benefits of living with a budget and what are the implications of living without a budget?
- What are the differences between people who fail at keeping budgets and people who live within a budget?
- What are different types of income and expenses that should be reflected in a budget?
- Why do people who earn the same level of income save and spend differently?
- What are the most effective tools and practices needed to create and maintain a budget?
- How are life decisions and the quality of life affected by budgets?

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Unit 2: Careers & Income (~3 weeks)

- What role should earning potential play in high school students' choice of post-secondary education and career choice?
- How do my choices regarding education, career choice, lifestyle and other personal choices affect my future financial health?
- What political, social, economic and environmental factors outside of my control affect my career options and choices?
- How can I best understand exactly where my salary goes?

Unit 3: Banking (~2 weeks)

- What role should banking play in my life?
- What are the differences between savings and checking accounts?
- What are the best practices to maintain a checking account?
- What qualities make one bank better than another?

Unit 4: Credit & Debt (~1 month)

- What role should credit and debt play in my life?
- What is the difference between popular understanding and the reality of debt?
- How are credit scores determined and what practices affect them most?
- How do my credit decisions affect my future financial goals?
- What are the most important differences between a credit card and a debit card?
- How can I understand the marketing of credit to make good decisions?

Unit 5: Living on Your Own (~3 weeks)

- What do I need to understand about renting an apartment in order to make decisions and act on them and balance the reality of my financial situation and my lifestyle desires?
- What would I know about my rights and responsibilities as a tenant and what should I know about the rights and responsibilities of the landlord?
- What are the differences between renting and owning?
- What are the costs and benefits of different means to purchase or lease a car?
- How can I best determine how much it will cost for me to purchase, maintain, operate, repair and insure a car?

Unit 6: Saving & Investing (~1 month)

- How do financial goals and the design and maintenance of a financial plan make personal goals possible?
- What are best practices in the decision making process to determine the balance of how much to save and how much to invest?
- When does it make sense to save for a future purchase?
- How should the marketing of investments be understood to make better investment decisions?
- What are the best ways to save money? What makes one method better than another?

Unit 7: In Trouble (~1 week)

- How can I protect myself from predatory lending and investment fraud?
- What types of fraud are most successful in stealing money and personal information from people my age?
- What should I do in order to utilize the protection of a manufacturer's warranty?
- What are the best ways to resolve a financial or contractual dispute ?

Learning Objectives/Discipline Standards of Practice

Learning Objectives:

Through a variety of learning experiences in various formats, students will be introduced to skills and practices related to creating, implementing and maintaining the financial health of a budget. Students will:

- Understand the purposes served by a budget
- Identify various sources of income and expenses.
- Set up a budget including rent, utilities, insurance and moving expenses, & household expenses.
- Explain how a personal budget will change throughout one's life cycle.
- Examine how various stress factors affect a financially healthy life.
- Create personal finance SMART goals.
- List and prioritize some of your short-and long-term budget goals.
- Establish & maintain a budget to meet clearly articulated, specific financial goals.

Through a variety of learning experiences in various formats students will understand the role played by careers in peoples' lives and know how to measure both financial and less tangible outcomes of career choices. Students will:

- Understand how payroll taxes and other deductions related to a person's income.
- How to analyze and interpret a pay stub.
- Examine relationships between career choice and earning potential.
- Examine how a career choice and lifestyle affect a financial plan.

Through a variety of learning experiences in various formats students will understand the role played by banks in peoples' lives. Students will:

- Practice comparing and evaluating banking services.
- Perform the tasks associated with maintaining checking and savings accounts.
- Write checks and keep a running balance in a checkbook.
- Describe how to deposit a check.
- Read and interpret a checking account statement.
- Reconcile a checking account.
- Describe how a debit card is used.

Through a variety of learning experiences in various formats students will understand the purpose of debt and best practices of credit management. Students will:

- Understand some of the reasons for getting credit.
- Understand the advantages and disadvantages of using credit.
- Understand why banks issue credit.
- Analyze and understand your rights as a consumer.
- Understand credit worthiness.
- Evaluate case studies and determine solutions for establishing better credit.
- Compare credit card interest rates and make judgments on the best cards.
- Understand the reasons for establishing a credit history.
- Know how to shop for a credit card.

Through a variety of learning experiences in various formats students will engage in authentic decision making to achieve and maintain financial independence. Students will:

- Determine the correct use of money given different circumstances.
- Read and interpret various clauses in a lease.
- Compare and contrast the short- and long-term consequences of investment decisions.

- Understand the rights and legal responsibilities of a tenant.
- Understand the rights and legal responsibilities of a landlord.
- List some of the factors to consider when shopping for car insurance.
- Purchase an automobile within a certain budget.
- Calculate the total cost of various car loans.
- Determine how much money can safely be spent each month to own, operate and maintain a car.

Through a variety of learning experiences in various formats students will explore various financial vehicles for saving and investing in their future. Students will:

- Understand the advantages and disadvantages of popular investment vehicles.
- Evaluate types of financial service products available and features for each.
- Create a personal financial plan.
- Monitor and modify a personal plan.
- List and explain some of the advantages of saving money.
- List and explain the differences among the most common saving methods.

Through a variety of learning experiences in various formats students will confront and explore challenges to their financial health and well-being. Students will:

- Explain how a person can protect himself or herself from investment fraud or loss.
- List and explain various types of fraud (i.e. telemarketing, investing, healthcare, internet, etc).
- Know steps to resolve warranty and service contract disputes.

Discipline Standards of Practice:

- Act as a responsible and contributing community member and employee.
- Attend to financial well-being.
- Consider the environmental, social and economic impacts of decisions.
- Demonstrate creativity and innovation.
- Utilize critical thinking to make sense of problems and persevere in solving them.
- Model integrity, ethical leadership and effective management.
- Plan education and career paths aligned to personal goals.
- Use technology to enhance productivity, increase collaboration and communicate effectively.
- Work productively in teams while using cultural/global competence.

Instructional Resources and Materials

Whole class resources have been identified with an asterisk.

Instructional and reference materials to support student learning in the disciplines of financial literacy and economics are recommended by the Business Department and are included in Units of Study outlines. Teachers may assign, recommend, and make available supplemental instructional resources and materials in the form of book excerpts, articles, essays, data-sets, video clips, maps, charts, photographs, art, music and web-based materials throughout the course.

The instructional materials vary in order to explore course content and essential questions while meeting the learning needs of students.

Exemplary Resources

- Bankrate
- CNBC
- Cars.com

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- edmunds.com
- Council for Economic Education
- FBI.gov (Scams & Safety)
- Foundation for Economic Education
- Financial Literacy 101
- Google Finance
- Yahoo Finance
- Knowledge Matters: Virtual Business
- Career Builder
- MSN Money Central
- New York Times
- practicalmoneyskills.com
- O*Net
- NerdWallet
- Investopedia.com
- Wharton HS (UPenn)

Assessment Strategies

Assessment is designed to measure a student's mastery of a course standard and learning objective. Assessment can be used for both instructional purposes (formative assessment) and for evaluative purposes (summative assessment).

Teachers may choose to have students practice and demonstrate their understanding of concepts and performance of disciplinary practices through a variety of means that may include and are not limited to those listed below:

- Discussion and dialogue in whole-class discussions.
- Discussion, dialogue and collaboration in small-group and paired conferences.
- Performative, project-based, activities such as live and recorded presentations, discussions, and debates.
- Project-Based representations, drawings, digital infographics, image collages and sketched representations of definitions and concepts.
- Student journals and written assignments
- Quizzes and tests with traditional assessment tools such as short answers, identification questions and persuasive paragraphs.