

PERSONAL FINANCE

CROSSWALK/ALIGNMENT TO BUSINESS EDUCATION COURSE COMPETENCIES

Financial Management (9-12 High School Level Course)	Personal Finance Competencies
A. Explain how the way one earns a living/determines financial success	
1. Analyze how career choice, education, skills, and economic conditions affect income	I2
2. Investigate selected career opportunities and associated educational requirements	
3. Analyze the effects of personal ethics on career choice	
4. Prepare an employment portfolio (e.g., resume, letter of application, application form samples of financial documents)	
5. Discuss steps in the hiring process (e.g., interview, follow-up, job acceptance/rejection)	
6. Analyze employee benefits (e.g., medical, dental, retirement, stock options, annuities)	I3
7. Describe rights and responsibilities of employees and employers (e.g., OSHA, FMLA, Discrimination, ADA, sexual harassment)	SC11
8. Calculate personal income based on salary, deductions and payroll taxes	
9. Explain how taxes and employee benefits relate to disposable income	I3
10. Compare and contrast the rewards and risks of owning a business	
11. Exhibit leadership skills through a student organization (e.g., FBLA, PBL)	
B. Set goals for a budget and financial plan	
1. List the steps of the decision-making process	MM1-4

Financial Management (p.2)	Personal Finance Competencies
2. Identify short- and long-term financial goals	MM1,7
3. Identify primary and supplemental income sources	I1
4. Identify anticipated expenses	MM7
5. Develop a filing system for personal finance records	MM7
6. Identify the roles and costs of insurance in financial planning (e.g., auto, property, life, health)	MM6
7. Prepare a personal property inventory	
8. Construct a personal spending/savings (budget) plan according to short- and long-term goals	MM7
9. Describe how cost of living affects our financial plan	MM3,7
C. Examine banking and investment practices	
1. Explain the need for and purpose of savings	MM5 SI2
2. List types of savings options	SI1
3. Identify sources/institutions for savings	SI1
4. Calculate simple and compound interest	SI6
5. Identify services provided by financial institutions and their respective related fees	MM8 SI1
6. Contrast value of services and costs toward making choices of banking services	MM8 SC1
7. Explain the uses, advantages, and disadvantages of online/electronic banking services	MM8
8. Prepare documents relevant to checking accounts (e.g., checks, stubs, deposit/withdrawal slips, check registers, endorsements, reconciliation of bank statements)	MM8

Financial Management (p.3)	Personal Finance Competencies
9. Demonstrate the ability to handle cash, count money, and make applicable change	
10. Calculate the impact of international exchange rates and investment fees	
11. Calculate impact of investment value if earned in another currency	
12. Use internet resources or print media to locate various broker services	SI7,9
13. Examine the impact of economic conditions on investment opportunities as to percent of return and level of risk	SI4
14. Recognize the basic criteria needed to evaluate investment information resources (e.g., credibility, risk factors, rating services)	SI4,7
15. Interpret basic information from financial statements (e.g., annual reports, prospectus, earnings/account statements)	SI7
16. Calculate gain/loss on investments (at sale)	SI5
17. Describe tax impact of gain/loss on investments	SI4
18. Explain the process and impact of bankruptcy of an investment	
19. Discuss investment strategies and the features of a variety of investment options (e.g., stocks, bonds, annuities/IRA's, real estate, company pension plans)	SI4,6
20. Discuss objectives and preparation for financial maturity retirement (e.g., leisure, vocational interests, medical needs)	
21. List potential final (after death) expenses	
22. Explain the purpose of various documents (e.g., wills, power of attorney, trusts)	

Financial Management (p.4)	Personal Finance Competencies
23. Describe the need for estate plans	
D. Apply spending and credit policies	
1. Calculate the cost of credit	SC1
2. Analyze the benefits, costs, and options of consumer credit	SC2,4,6
3. Describe the rights and responsibilities of buyers and sellers under consumer protection laws	SC11 SI8
4. Explain ways to avoid, identify, and/or correct credit problems	SC10
5. Identify the components listed on a credit report and explain how the information is used	SC8
6. Compare the lease of purchase of a vehicle, including taxes, maintenance, incidentals and unexpected expenses	SC1,5
7. Examine the advantages/disadvantages of renting versus purchasing housing, including taxes, maintenance, incidentals and unexpected expenses	SC1,3
8. Identify the threat of and ways to avoid identity theft	SC9
9. Describe the three C's of credit (character, capacity, capital)	SC7
10. Identify ways to avoid or correct credit problems	SC10
E. Make management decisions related to and using financial information	
1. Describe the effects of various types of business ownership on financial planning	
2. Calculate the break even point given expenses and income	
3. Explain the concepts of cash flow and profit and loss	
4. Describe the government regulations affecting financial aspects of businesses	SI8

Financial Management (p.5)	Personal Finance Competencies
5. Interpret graphs and tables showing financial information	
6. Use computer technology to access financial information	
7. Analyze the costs and benefits of marketing	
8. Compare costs and benefits of an e-commerce business with a traditional business	
9. Discuss the effects of ethical and unethical behavior on a business's financial condition	
10. Prepare a business plan, including possible sources of investment financing	
11. Apply the decision-making process to financial decisions (e.g., shipping and mailing options, process used for invoicing, calculating payroll, handling customer relations issues, whether the business has an actual site versus online structure, ethics)	
12. Explain the need for and serious nature of confidentiality in the workplace	
13. Describe the effects of group dynamics on decision-making and team building (union and non-union options)	
14. Identify investment-banking regulations	SI8
15. Identify the opportunity cost of financial decisions	MM2
16. Describe how insurance and other risk-management strategies protect against financial loss	MM6

Personal Finance Competency Legend:

I = Income MM = Money Management SC = Spending and Credit SI = Saving and Investing