

DESE Model Curriculum: Business Finance (CIP Code: 52.0803)

GRADE LEVEL/UNIT TITLE: 11-12/Saving & Investing

COURSE INTRODUCTION			
<p>This is an introductory course for Banking and Financial Support Services which also operates a student bank as the implementation practicum. This course also introduces the student to personal finance, including opening and maintaining a checking account, and credit card pitfalls and proper use, a very important skill for all young adults. It is designed to familiarize the student with all aspects of a typical bank including savings, loans, operations, and audit functions. It also covers the history of banking, the organizational structure, and the operations and marketing of a student bank.</p> <p>Course rationale: Financial literacy is essential in meeting the financial challenges of the 21st Century. The course provides valuable experience in running an actual bank while learning to analyze personal financial decisions, evaluate the costs and benefits of their decisions, recognize the rights and responsibilities as consumers, and apply the knowledge learned in school to financial situations encountered later in life.</p>			
UNIT DESCRIPTION			SUGGESTED UNIT TIMELINE
<p>Explain the power of saving and investing money, describe how businesses make money, understand the risk and potential return in the Investment Stock market. Describe mutual funds, explain the advantage of mutual fund investing, and analyze statistical information. Read and understand Stock Tables and describe the role of a stock holder. The value of long term investment programs.</p>			throughout 2 nd half of course
			CLASS PERIOD (min.)
			50 min.
ESSENTIAL QUESTIONS			
<ol style="list-style-type: none"> 1. What is the difference between saving and investing? 2. How does a person know what companies to invest and how to invest considering the risk of losing accumulated wealth? 3. How do I apply a basic knowledge of choosing saving versus investments given market risk, inflation risk, interest rate risk, liquidity issues, and how much do I need to start investing? 			
ESSENTIAL MEASURABLE LEARNING OBJECTIVES		NBEA STANDARD	DOK
1. Illustrate the power of compounding and the damage of inflation?		PF.IV.1 MNGT.II.2 PF.IV.2 MNGT.IV.1 PF.IV.3 MNGT.IV.2 PF.IV.4 MNGT.IV.3 MNGT.II.1	3
2. Describe and illustrate the characteristics of Stock Funds, Government and Corporate Bond Funds, and others.		ECON.II.1 PF.IV.2 ECON.II.2 PF.IV.3 ECON.II.3-4 PF.IV.4 PF.IV.1	3
3. Learn about managed Funds (mutual funds) versus Indexed Funds		PF.V.1 PF.V.3 PF.V.2 PF.V.4	2

DESE Model Curriculum: Business Finance (CIP Code: 52.0803)

GRADE LEVEL/UNIT TITLE: 11-12/Saving & Investing

4. Introduce safety and risk of the Stock Market, and selecting an investment strategy appropriate for individual circumstances.	PF.V.1 PF.V.2 PF.V.3	PF.V.4 PF.IV.2	2
5. Explain stock investment basics and the ways to invest in the Stock Market for wealth and retirement.	PF.V.1 PF.V.2 PF.V.3	PF.V.4 PF.IV.2	4
6. Familiarize students about important investment terms and categories of achieving wealth thru 401K, IRA, and ROTH IRA retirement accounts.	PF.IV.1 PF.IV.2 PF.IV.3 PF.IV.4 PF.V.1	PF.V.2 PF.V.3 PF.V.4	2
7. Learn about past investment scams that rocked confidence including examples Ponzi Schemes, the failure of ENRON and WorldCom. Learn about the successes of famous investors and why they were successful.	PF.IV.1 PF.IV.2 PF.IV.3 PF.IV.4 PF.V.1	PF.V.2 PF.V.3 PF.V.4	3
ASSESSMENT DESCRIPTIONS			
n/a			
OBJ. #	INSTRUCTIONAL STRATEGIES		
1, 2	1. Explain why the Federal Government issues Bonds. Introduce the change from selling Government Bonds in the open market to the Federal Reserve becoming the primary purchaser of US Government (Treasury) debt and its implications.		
2, 3, 5, 6	2. Using msn.com money website, demonstrate and familiarize students with publicly available information on company's performance. Start with well-known companies of interest to students like Apple (AAPL) or WalMart (WMT). Introduce students to key ratios and graphs of performance. Compare the performance of investing in a company from its infancy of public trading would do to wealth building. Use the attached example (Investing with Nickels and Dimes) to foster discussion on modest beginnings of people who become millionaires.		
2, 4, 5, 7	3. Begin each class during this unit with a topic of a company of interest that is in the current news and develop a curiosity in students to pay attention to the developing business news around them. Weave it into discussion of what it takes to identify the worthiness of investing in various companies.		
OBJ. #	INSTRUCTIONAL ACTIVITIES		
1-5	1. Students will debate the wisdom of the US Government's Treasury borrowing from the US Federal Reserve and why investors purchase government bonds. Students will research, write a brief paper, and discuss on why corporations borrow in the form of corporate bonds.		

DESE Model Curriculum: Business Finance (CIP Code: 52.0803)

GRADE LEVEL/UNIT TITLE: 11-12/Saving & Investing

3-6	2. Students will research companies of interest. MSN Money is effective site for this activity. Suggest they start with Apple Inc., stock symbol AAPL. Compare to Amazon AMZN. Have students debate on which is the better investment.
3-6	3. Students will research and engage in an exercise with investment in stocks using an Excel Spreadsheet entitled “Stock Investment Template” after an introduction to this unit. The students will update their spreadsheet each class day for fifteen minutes as bell work activity at the beginning of the class period. See instructions for method of using the spreadsheet.
4, 5, 7	4. Task students with researching who are the richest people in the world. Specifically task them with finding information on Carlos Slim and how he made his fortunes and how he lives, and Warren Buffett and how he made his fortunes and how he lives.
4, 5, 7	5. Task students with researching companies that eroded confidence through their failures of ethics and/or wisdom.
UNIT RESOURCES	
1. See attached files: How One Lottery Winner Blew Through 10 million, Stock Investment Instructions, Fundamental Analysis, How Big Does Your 401K Need To Be, Investing With Nickels and Dimes,	
2. Stock Investment Template (Excel file) Instruction Sheet also attached	
3. Software program for investing exercises: The Stock Market Game www.stockmarketgame.org	
4. Textbook suggestion: Banking & Financial Systems, 2013 by The Goodheart-Willcox Company, Inc.: print 139781605257785	
5. Textbook suggestion: Personal Finance, 2012 by Kapoor, Dlabay, Hughes - McGraw-Hill: print 139780073530697	
6. Textbook suggestion: Banking Systems, 2 nd edition 2010, Cengage Learning: eText 139781439028483, print 139780538449281	