

Arkansas Department of Career Education  
Financial Literacy Model Framework

<b>Course Title</b>	Financial Literacy
<b>Career Pathway</b>	Any
<b>Career Cluster</b>	Finance
<b>Course Number</b>	491990
<b>CIP Number</b>	52.0899
<b>Grade Level</b>	10 - 12
<b>Course Credit</b>	.5
<b>Course Type</b>	Elective
<b>End of Course</b>	None
<b>Standards Alignment</b>	Common Career Technical Core National Standards for Financial Literacy
<b>Teacher Certification</b>	Please refer to the Course Code Management System ( <a href="https://adedata.arkansas.gov/ccms/">https://adedata.arkansas.gov/ccms/</a> ) for the most current licensure codes.
<b>CTSO</b>	FBLA, FCCLA, DECA
<b>Facility Requirements</b>	<a href="http://arkansasfacilities.arkansas.gov/facilities/arkansas-school-facilities-manual-updated">http://arkansasfacilities.arkansas.gov/facilities/arkansas-school-facilities-manual-updated</a>
<b>Industry Certifications</b>	W!se Financial Literacy Certification (Working in Support of Education) * see special notes
<b>Prerequisites</b>	None
<b>Contributing Teachers</b>	Jayme Nyborg, <i>Cabot High School</i> ; Alana McGinness, <i>Bryant High School</i>

### Purpose

The purpose of this course is to teach students the essential skills for continued financial success throughout life, helping them to be responsible and contributing citizen and members of society.

### Course Description

This is a one-semester course designed to increase personal finance knowledge and skills and prepare students to successfully manage financial resources. This course also focuses on the individual's role and financial responsibilities as a student, citizen, consumer, and active participant in the business world. Emphasis is also placed on activities and competitions within career and technical student organizations (i.e., FBLA, FCCLA, and DECA). *This course is aligned with and will satisfy the requirements set forth in Arkansas Act 480.*

### Course Standards

<b>Financial Literacy Objectives and Indicators</b>			
<b>Standard 1.0</b>			
<b>Assess the role of money in personal finance.</b>			
<b>Performance Indicator 1.1</b>		<b>National/ Industry Standards</b>	<b>Career Ready Practice</b>
Assess the role and functions of money in the economy.			
1.1.1	Research the origins of money and its role in the economy.	NSFL.S.12.6	CRP2 CRP5 CRP7
1.1.2	Investigate the regulatory roles of the U.S. Treasury and the Federal Reserve in establishing monetary policy.		
1.1.3	Investigate sources of tax revenue and how monies are redistributed.	NSFL.EI.12.7	
1.1.4	Explain the concept of a “cashless society”.	NSFL.BGS.8.3	
<b>Performance Indicator 1.2</b>		<b>National/ Industry Standards</b>	<b>Career Ready Practice</b>
Examine the relationship between income and career choice.			
1.2.1	Explore career opportunities in finance and financial planning.	NSFL.EI.12.1	CRP2 CRP3 CRP9
1.2.2	Develop job seeking skills, including resume building and interview skills.	NSFL.EI.12.3	

1.2.3	Identify job duties, skills (communication, time management, meeting basic employer expectations and requirements), and abilities required for careers in finance and financial planning.	NSFL.EI.12.2	CRP2 CRP3 CRP9 CRP11
1.2.4	Examine and compare employment benefits offered by potential employers.	NSFL.EI.12.4	CRP11
<b>Performance indicator 1.3</b> Analyze income, payroll, and employment forms.		<b>National/ Industry Standards</b>	<b>Career Ready Practice</b>
1.3.1	Examine and complete W-4, I-9, and employee benefit forms.	NSFL.EI.12.7	CRP2 CRP3
1.3.2	Identify the components of a paycheck.		
1.3.3	Evaluate how the following payroll deductions impact gross pay: <ul style="list-style-type: none"> <li>• Federal income taxes</li> <li>• State income taxes</li> <li>• FICA taxes (Social Security and Medicare)</li> <li>• Optional payroll deductions</li> </ul>		
1.3.4	Calculate gross and net income for employees who are paid: <ul style="list-style-type: none"> <li>• Salary</li> <li>• Hourly pay</li> <li>• Overtime</li> </ul>		
1.3.5	Investigate the individual's responsibility in accurately reporting income.		
<b>Performance Indicator 1.4</b> Assess the role of budgeting in meeting financial goals.		<b>National/ Industry Standards</b>	<b>Career Ready Practice</b>
1.4.1	Distinguish between wealth and net worth, comparing and contrasting the two.	NSFL.BGS.12.1 NSFL.BGS.12.2 NSFL.BGS.12.3 NSFL.BGS.12.4 NSFL.BGS.12.5 NSFL.BGS.12.6 NSFL.BGS.12.7	CRP2 CRP3 CRP11
1.4.2	Use a goal-setting strategy to create personal financial goals: <ul style="list-style-type: none"> <li>• Short and long term financial planning</li> </ul>		

1.4.3	Determine the purpose of and the need for a budget, identifying factors that influence budgeting: <ul style="list-style-type: none"> <li>Charitable Giving</li> <li>Saving</li> <li>Food</li> <li>Clothing</li> <li>Transportation</li> <li>Personal Expenses</li> <li>Insurance</li> <li>Household Expenses</li> <li>Recreation</li> </ul>	NSFL.BGS.12.1 NSFL.BGS.12.2 NSFL.BGS.12.3 NSFL.BGS.12.4 NSFL.BGS.12.5 NSFL.BGS.12.6 NSFL.BGS.12.7	CRP2 CRP3 CRP11		
1.4.4	Explain the reasons for saving and discuss several methods of saving to reach financial goals.				
1.4.5	Create and balance a budget, incorporating financial management strategies.				
1.4.6	Examine factors that influence consumer spending, demonstrating financially beneficial shopping strategies.				
1.4.7	Calculate shopping discounts.				
1.4.8	Calculate correct change due in a cash transaction.				
<b>Performance Indicator 1.5</b> Assess the impact of interest on borrowing and investing.				<b>National/ Industry Standards</b>	<b>Career Ready Practice</b>
1.5.1	Compare the effects of interest rates as applied to saving and loaning money.			NSFL.UC.12.1 NSFL.UC.12.2	CRP2 CRP3 CRP11
1.5.2	Examine how consumers are affected by raising and lowering interest rates.				
1.5.3	Describe concepts relating to simple and compound interest.				
<b>Standard 2.0</b> <b>Analyze the services financial institutions provide for consumers.</b>					
<b>Performance Indicator 2.1</b> Evaluate types of financial institutions and services they provide.		<b>National/ Industry Standards</b>	<b>Career Ready Practice</b>		
2.1.1	Distinguish between types of financial institutions and their regulatory agencies: <ul style="list-style-type: none"> <li>FDIC</li> <li>NCUA</li> </ul>	NSFL.UC.12.2	CRP2 CRP3 CRP11		

2.1.2	Investigate factors to consider when shopping for a financial institution.	NSFL.S.8.1	
2.1.3	Research banking services available to consumers: <ul style="list-style-type: none"> <li>• Checking Accounts</li> <li>• Savings Accounts</li> <li>• Investing Accounts (i.e. CD, mutual funds, money market accounts)</li> </ul>	NSFL.S.8.1	CRP2 CRP3 CRP11
2.1.4	Explore the process for opening different types of accounts.		
<b>Performance Indicator 2.2</b> Investigate types of consumer protection and concepts of credit abuse and fraud.		<b>National/ Industry Standards</b>	<b>Career Ready Practice</b>
2.2.1	Identify types of fraud and credit abuse.	NSFL.UC.12.6 NSFL.UC.12.12 NSFL.UC.12.13	CRP2 CRP3 CRP11
2.2.2	Examine the different types of consumer protection.		
2.2.3	Develop strategies to protect oneself from fraud and identity theft.		
2.2.4	Assess the need for banking insurance and the role it plays in achieving financial security.		
<b>Standard 3.0</b> <b>Demonstrate the ability to use credit as a financial tool.</b>			
<b>Performance Indicator 3.1</b> Evaluate the use of credit in effective financial management.		<b>National/ Industry Standards</b>	<b>Career Ready Practice</b>
3.1.1	Compare and contrast sources of credit, evaluating the products and services of each.	NSFL.UC.12.1 NSFL.UC.12.2 NSFL.UC.12.3 NSFL.UC.12.4 NSFL.UC.12.8 NSFL.UC.12.9 NSFL.UC.12.10 NSFL.UC.12.11	CRP2 CRP3 CRP11
3.1.2	Differentiate between types of credit and loans.		
3.1.3	Calculate the actual costs associated with credit.		
3.1.4	Examine the credit card and loan application process, including factors related to the credit approval.		
3.1.5	Evaluate the risks associated with overextending credit, types of debt management, and how bankruptcy may affect future financial opportunities.		
3.1.6	Explain the purpose of collateral and explore the various types.		
3.1.7	Determine the impact that a down-payment has on the cost of a loan and how it decreases risk for the lender.		

<b>Performance Indicator 3.2</b> Assess the impact of using credit cards to manage credit.		<b>National/ Industry Standards</b>	<b>Career Ready Practice</b>
3.2.1	Evaluate the use of credit cards as compared with other types of credit.	NSFL.UC.12.1 NSFL.UC.12.6	CRP2 CRP3 CRP11
3.2.2	Investigate the advantages and disadvantages of using credit cards to manage finances.		
3.2.3	Analyze how credit card use influences credit score.		
<b>Standard 4.0</b> <b>Evaluate the use of insurance for risk management.</b>			
<b>Performance Indicator 4.1</b> Understand insurance and risk management concepts.		<b>National/ Industry Standards</b>	<b>Career Ready Practice</b>
4.1.1	Assess the need for insurance in managing risk.	NSFL.PI.12.1 NSFL.PI.12.2 NSFL.PI.12.3 NSFL.PI.12.4	CRP2 CRP3 CRP11
4.1.2	Define the basic terminology of insurance.		
<b>Performance Indicator 4.2</b> Investigate types of insurance available in the marketplace.		<b>National/ Industry Standards</b>	<b>Career Ready Practice</b>
4.2.1	Analyze auto insurance coverage and factors affecting cost.	NSFL.PI.12.5 NSFL.PI.12.6 NSFL.PI.12.7 NSFL.PI.12.8 NSFL.PI.12.9 NSFL.PI.12.10 NSFL.PI.12.11 NSFL.PI.12.12 NSFL.PI.12.13	CRP2 CRP3 CRP11
4.2.2	Evaluate health insurance options.		
4.2.3	Explore and assess the need for supplemental insurance plans.		
4.2.4	Assess the need for home-owners and rental insurance.		

<b>Standard 5.0</b> <b>Determine the value and risk of investments.</b>			
<b>Performance Indicator 5.1</b> Explore investment services offered by a variety of institutions.		<b>National/ Industry Standards</b>	<b>Career Ready Practice</b>
5.1.1	Research institutions involved in regulating investing, including the Securities Exchange Commission (SEC).	NSFL.FI.12.12 NSFL.FI.12.13	CRP2 CRP3 CRP11
5.1.2	Examine the difference between investment providers.	NSFL.FI.12.3 NSFL.FI.12.4 NSFL.FI.12.5 NSFL.FI.12.6	
<b>Performance Indicator 5.2</b> Evaluate the types of investments available in the marketplace.		<b>National/ Industry Standards</b>	<b>Career Ready Practice</b>
5.2.1	Discuss various markets, major indices and types of markets.	NSFL.FI.12.3 NSFL.FI.12.4 NSFL.FI.12.7 NSFL.FI.12.8 NSFL.FI.12.9 NSFL.FI.12.10 NSFL.FI.12.11	CRP2 CRP3 CRP11
5.2.2	Describe different types of investments.		
5.2.3	Research the purpose of stocks and factors that affect the price.		
5.2.4	Investigate the different types of mutual funds.		
5.2.5	Explore the different types of bonds including the issuers and factors affecting price.		
5.2.6	Apply investment strategies including risk vs. return and portfolio management.		
<b>Standard 6.0</b> <b>Determine financial strategies used to meet personal goals.</b>			
<b>Performance Indicator 6.1</b> Determine financial strategies used to meet long-term financial goals.		<b>National/ Industry Standards</b>	<b>Career Ready Practice</b>
6.1.1	Assess how financial strategies should change with the stages of the individual life cycle.	NSFL.EI.12.4 NSFL.EI.12.6	CRP2 CRP3 CRP11

6.1.2	Investigate planning strategies for retirement.	NSFL.EI.12.4 NSFL.EI.12.6	
6.1.3	Research financial planning for other long term goals.	NSFL.FI.12.1	
6.1.4	Discuss the importance and purpose of wills and choosing/designating beneficiaries.		
6.1.5	Investigate the need for estate planning, including, but not limited to implications of the following: probate, intestate, inheritance taxes.		
<b>Performance Indicator 6.1</b> Evaluate housing options in relation to achieving financial goals.		<b>National/ Industry Standards</b>	<b>Career Ready Practice</b>
6.2.1	Compare and contrast the actual costs and benefits of renting vs. owning.	NSFL.BGS.8.4 NSFL.BGS.8.6	CRP2 CRP3
6.2.2	Analyze factors in determining mortgage costs.	NSFL.BGS.12.5 NSFL.EI.12.4	CRP11