Introduction
The purpose of Ohio’s model curriculum for Financial Literacy is to provide clarity to the standards and serve as guidelines to assist educators in implementing the standards. Throughout the development of the standards and the model curriculum, the Ohio Department of Education (ODE) has sought input from educators from around the state who currently teach the standards.

This document is a DRAFT of the model curriculum and is open to public comment until August 21, 2015.

Philosophy and Guiding Assumptions
Ohio’s Financial Literacy content standards serve as a basis for what all students should know and be able to do to be informed consumers by the time they graduate from high school. These standards are intended to provide Ohio’s educators with a set of common expectations upon which to base their Financial Literacy curriculum. No grade level is assigned to these standards or model curriculum but Ohio Revised Code 3313.603(C)(7) states that Financial Literacy is a graduation requirement:

> Each school shall integrate the study of economics and financial literacy … into one or more existing social studies credits required under division (C)(7) of this section, or into the content of another class, so that every high school student receives instruction in those concepts…

Philosophy of Financial Literacy:
- Helps students develop the ability to make informed and reasoned financial decisions for themselves; and
- Prepares students for their role as consumers and decision makers in society;

Guiding Assumptions for Ohio’s Financial Literacy Academic Content Standards:
- Represent the financial literacy knowledge and skills needed by all;
- Set high expectations and provide strong support for all learners;
- Are informed by national standards documents yet created by Ohio educators;
- Address significant understandings that are the basis for sound decision-making as financial consumers; and
- Guide the development of local Financial Literacy curriculum and instructional programs.

How to Read Ohio’s Financial Literacy Model Curriculum
The revised standards are organized using the following components: Themes, Topics and Content Statements:

<table>
<thead>
<tr>
<th>Theme</th>
<th>Financial Literacy</th>
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<tbody>
<tr>
<td>Topic</td>
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</tr>
<tr>
<td></td>
<td>The different aspects of content within the theme.</td>
</tr>
<tr>
<td>Content Statement</td>
<td>The essential knowledge for the student to know and understand.</td>
</tr>
</tbody>
</table>

Within the document, these areas are shaded gray since they have been previously approved by the State Board of Education and cannot change.
Public Input Sought on Model Curriculum
The public input is a time for stakeholders to have the opportunity to review the **Content Elaborations**, **Expectations for Learning**, **Instructional Strategies**, **Diverse Learners** and **Instructional Resources**:

<table>
<thead>
<tr>
<th><strong>Content Elaborations</strong></th>
<th><strong>Instructional Strategies</strong></th>
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<tbody>
<tr>
<td>Statements that help clarify and/or amplify the content statements to help make them more easily understood and taught.</td>
<td>Various suggested approaches that can be used to deliver instruction and are typically no more than 2-3 sentences in length.</td>
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<th><strong>Expectations for Learning</strong></th>
<th><strong>Diverse Learners</strong></th>
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<td>Statements that specify what students should know and be able to do; these can provide guidance for how students may be assessed in the classroom.</td>
<td>Strategies for meeting the needs of all learners including gifted students, English Language Learners (ELL) and students with disabilities.</td>
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<th><strong>Instructional Resources</strong></th>
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<tbody>
<tr>
<td>Selected print or Web-based materials that support instruction; resources may include references to the internet.</td>
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As you review the model curriculum, you will notice that not all of the instructional strategies, diverse learners and instructional resources have information included. If you would like to submit a suggestion for any content statement for additional information, please include that on your survey response.

Please use the survey to record your comments and suggestions. ODE will review all of the suggestions and comments and revise the model curriculum based on input from all received surveys.
### Theme

Financial literacy is defined as the ability to read, analyze, manage and communicate about the personal financial conditions that affect material well-being. It includes the ability to discern financial choices, discuss money and financial issues without (or despite) discomfort, plan for the future and respond competently to life events that affect every day financial decisions, including events in the general economy.

### Topic

Financial Responsibility and Decision Making  
In the US economy, personal financial decisions rest with the individual. Making responsible decisions related to goals for lifestyle and financial wants, fosters financial success and security.

### Content Statement

1. Financial responsibility entails being accountable for managing money in order to satisfy one’s current and future economic choices.

### Content Elaborations

Financially responsible individuals make thoughtful choices based on their own goals and recognize that they are personally responsible for their financial choices. Managing money is the process of budgeting, saving, investing and spending.

People make economic choices since economic resources are limited and individuals cannot have everything they want due to limited resources.

### Expectations for Learning

Identify responsible ways for managing money for short and long term goals.

Describe actions that are both responsible and irresponsible uses of money.

### Instructional Strategies

- POST a picture that represents any of your financial goals in a place you will see it every day.

### Diverse Learners

### Instructional Resources

- Advanced Level course, Money in Your Life and Financial Decisions: [www.takechargetoday.arizona.edu](http://www.takechargetoday.arizona.edu)
- NEFE High School Program: [http://www.hsfpp.org](http://www.hsfpp.org)
- NEFE Life Values Quiz: [http://www.smartaboutmoney.org/ToolsResources/LifeValues-Quiz.aspx](http://www.smartaboutmoney.org/ToolsResources/LifeValues-Quiz.aspx)
- Financial Education in the Math Classroom – [http://mathforum.org/fe/](http://mathforum.org/fe/) is managed by Drexel University and is designed to share, discuss, and collect resources for teaching financial education in Math classrooms.
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**Financial Responsibility and Decision Making**
In the United States' economy, personal financial decisions rest with the individual. Making responsible decisions related to goals for lifestyle and financial want, fosters financial success and security.

**2. Financial responsibility involves life-long decision-making strategies which include consideration of alternatives and consequences.**

**Content Elaborations**
People make many financial decisions over a lifetime about their education, jobs, and personal life that affect their income. Financial goals should be developed and evaluated continually. When making financial decisions, individuals should reflect upon alternatives and determine if the consequences will be positive or negative for all persons involved in the decision.

**Expectations for Learning**
List financial decisions made at different stages of life and factors that will affect those decisions.

Explain how education and career decisions affect incomes and job opportunities.

Understand that there are positive and negative consequences for all financial decisions.

**Instructional Strategies**
1. TEACH students a problem solving strategy (Six step problem solving process or FCCLA Planning Process) and challenge them to solve practical financial problems using the strategy. eg. Whether to buy a car, a new cell phone, go to college etc.
2. ROUND ROBIN poster paper and have students identify financial decisions one would make during different times of your life.

**Diverse Learners**
Financial Decisions Advanced Level Curriculum www.takechargetoday.arizona.edu

**Instructional Resources**
- MoneyAsYouLearn.org offers educators tools to integrate personal finance into the teaching of the Common Core State Standards in Mathematics and English Language Arts, as well as into other classes and afterschool programs. It was developed by the President’s Advisory Council on Financial Capability: [http://www.moneyasyoulearn.org/](http://www.moneyasyoulearn.org/)
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<td>Income and Careers Career choices impact earning potential. Many factors, including a sound work ethic, educational level, skills and experiences, affect gross income. Decisions related to benefits, deductions, retirement, investments, etc. affect net income.</td>
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<tr>
<td>Content Statement</td>
<td>3. Competencies (knowledge and skills), commitment (motivation and enthusiasm), training, work ethic, abilities and attitude are all factors impacting one’s earning potential.</td>
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### Content Elaborations
Universal or transferable skills are important in every job and not specific to any particular field. Prompt, hard-working and honest employees who have a good attitude are important in every field.

Competencies can be defined as the knowledge, abilities and skills that are necessary for an employee to be successful in a specific job. Employees who continually seek training or education are typically more desirable to their employers.

### Expectations for Learning
- Identify how to become more employable by seeking further training or education.
- Evaluate individual interests and skill sets to identify potential careers.
- Explain how one can become more employable through training and education.

### Instructional Strategies
- CONDUCT an interview of manager(s) in your area of interest and IDENTIFY the traits and skills they seek in employees.
- TAKE the skills assessment using Ohio Means Jobs website and RECORD the results.
- RESEARCH careers that meet you area(s) of interest using the Bureau of Labor and Statistics Occupational Handbook and/or Career Exploration Tool.
- PRESENT a visual of your career interests to your instructor, peers, and/or parent(s). Visuals may include web, prezi, powerpoint, poster etc.

### Diverse Learners

### Instructional Resources
- Ohio Means Jobs: [www.ohiomeansjobs.com](http://www.ohiomeansjobs.com)
- Bureau of Labor and Statistics Career Exploration Tool: [www.bls.gov/k12/content/students/careers/career-exploration.htm](http://www.bls.gov/k12/content/students/careers/career-exploration.htm)
- Advanced Level Career Exploration with a series of scenario based lessons for grades 10-12: [www.takechargetoday.arizona.edu](http://www.takechargetoday.arizona.edu)
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### Topic

**Income and Careers**  
*Career choices impact earning potential. Many factors, including a sound work ethic, educational level, skills and experiences, affect gross income. Decisions related to benefits, deductions, retirement, investments, etc. affect net income.*

### Content Statement

4. Income sources include *job earnings and benefits, business earnings, saving and investment earnings, government payments, grants, inheritances, etc.*

### Content Elaborations

There are various sources of income such as jobs, investments, and savings. Different income sources will affect financial planning in both the short- and long-term.

Interest, dividends, and capital appreciation (gains) are forms of income earned from financial investments.

Some people receive government assistance because they qualify for one or more types of support. Government assistance may include programs such as WIC (Women, Infants, Children), SNAP (Supplemental Nutrition Assistance Program), Medicaid or Medicare.

### Expectations for Learning

**Compare and contrast different sources of income.**

Research government programs such as SNAP or Medicare and explain how these programs contribute to the financial stability of different individuals.

### Instructional Strategies

**CREATE** a bingo style board with the following headings, earned income, employee benefits, unearned income, government payments, business earnings, then have students randomly fill in blocks when descriptions of terms are given by teacher. Ex. Money you receive from a job=wages. Use the bingo style board when reviewing terms before summative assessment. Have students **CREATE** a Prezi with topic of Income and Benefits.

### Diverse Learners

**Accelerated Students:** CONDUCT research and name a local business that recently failed as well as a business that has been successful. Speculate on why one business was successful and the other was not. Investigate what causes people to start their own businesses or to become self-employed.

### Instructional Resources

- **Bankingonourfuture.org** provides financial education modules for grades K-12. These modules include information videos on various means of generating income including stocks, bonds, mutual funds, real-estate, etc.: [http://www.bankingonourfuture.org/](http://www.bankingonourfuture.org/)
- **Maryland Public Television Sense & Dollars** provides resources that show students various means of generating income and differences in how money grows over time across various types of investment plans: [http://senseanddollars.thinkport.org/](http://senseanddollars.thinkport.org/)
- **Advanced Level Career Exploration** with a series of scenario based lessons for grades 10-12: [www.takechargetoday.arizona.edu](http://www.takechargetoday.arizona.edu)
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### Topic

**Income and Careers**

Career choices impact earning potential. Many factors, including a sound work ethic, educational level, skills and experiences, affect gross income. Decisions related to benefits, deductions, retirement, investments, etc. affect net income.

### Content Statement

5. Taxes, retirement, insurance, employment benefits, and both voluntary and involuntary deductions impact take-home pay.

### Content Elaborations

Examples of deductions include federal, state and local taxes, retirement, insurance, employment benefits, and both voluntary and involuntary deductions.

There is a difference between the gross pay of an employee and the take-home pay. Take home pay is the amount that an employee can “take home” after all of the deductions.

### Expectations for Learning

- **Examples of deductions include federal, state and local taxes, retirement, insurance, employment benefits, and both voluntary and involuntary deductions.**
- **There is a difference between the gross pay of an employee and the take-home pay. Take home pay is the amount that an employee can “take home” after all of the deductions.**

### Instructional Strategies

- COMPLETE a KWL (what a student knows, wants to know and has learned) chart listing each of the voluntary and involuntary deductions that can impact take home pay.
- PARTICIPATE in a relevant tax simulation using the IRS Understanding Taxes [The How’s of Taxes] simulations
- TAKE a virtual tour of the IRS Understanding Taxes [The How’s of Taxes] modules and select the modules that impact your current personal situation.
- CALCULATE the difference between take-home pay and gross pay of different job opportunities using a paycheck estimator that factors in involuntary deductions [i.e. federal, state, FICA, and local taxes] and involuntary deductions [i.e. 401(k), health care]

### Diverse Learners

Accelerated Students: EVALUATE how our federal progressive tax system impacts the take home pay of income earners at all income levels.

### Instructional Resources

- MoneyAsYouLearn.org offers educators tools to integrate personal finance into the teaching of the Common Core State Standards in Mathematics and English Language Arts, as well as into other classes and afterschool programs. It was developed by the President’s Advisory Council on Financial Capability: [http://www.moneyasyoulearn.org/](http://www.moneyasyoulearn.org/)
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## Topic
### Planning and Money Management
A disciplined personal financial plan is a critical component for financial success. Financial institutions and professionals provide services, expertise and guidance in developing and implementing one’s financial plan.

## Content
### Statement
6. Financial responsibility includes the development of a spending and savings plan (personal budget).

### Content Elaborations
In order to achieve short and long term financial goals, a spending and savings plan or budget must be created, evaluated and updated on a regular basis. Income and expenses must be accurately reflected in order for the budget to be a useful tool for an individual.

As students set financial goals, S.M.A.R.T. (Specific, Measurable, Attainable, Realistic, Time-bound) is an acronym for students to remember what their financial goals should reflect.

People should revise their budget based on unplanned changes in income. A budget should include categories such as short term savings or emergency fund that could pay for an unexpected expense such as a car repair after an accident. Long term savings is also part of a budget and reflects larger goals such as a down payment on a house and retirement.

### Expectations for Learning
Devising a spending and savings plan for current short- and long-term goals, income and expenses.

Identify factors that could force an individual to change their budget.

Prepare a monthly budget for a family or individual given their income, savings goals, taxes, and list of fixed and variable expenses.

### Instructional Strategies
EXPLORE various methods of developing spending plans including online, mobile apps and spreadsheets. Make a chart listing pros and cons of each method.

CREATE a personal spending plan for a month based on current income and expenses. Using previously determined short and long term SMART goals EXPLAIN how your developed spending plan would help you achieve the goals.

INTERVIEW an adult about how they use a spending plan to meet goals. (FFE Advanced Curriculum, Spending Plans, Mission Home Front)

DECIDE on a control measure to help you adhere to a spending plan, envelope, smart phone record, online, mobile app etc. Defend how your choice meets your current lifestyle and leads to success.

PLAY the Ohio Treasurer “Budget Game”
http://ohiotreasurer.gov/Documents/CMS/BudgetGame8%205x11.pdf

### Diverse Learners
**Accelerated Students:**
Offer ways to balance a family’s budget given unplanned expenses such as health care costs, car repairs, or change in income.

OPERATE in the role of financial planner and given a scenario plan how to meet the family’s goals and daily living expenses. (FFE Advanced Curriculum, Spending Plans, Brown Family Scenario)

### Instructional Resources
- Advanced Level Career Exploration with a series of scenario based lessons for grades 10-12: [www.takechargetoday.arizona.edu](http://www.takechargetoday.arizona.edu)
- MoneyAsYouLearn.org offers educators tools to integrate personal finance into the teaching of the Common Core State Standards in Mathematics and English Language Arts, as well as into other classes and afterschool programs. It was developed by the President’s Advisory Council on Financial Capability: [http://www.moneyasyoulearn.org/](http://www.moneyasyoulearn.org/)
• The FTC provides a pdf budget tracker that allows you to enter income, track expenses, and determine if your total monthly income balances with your various monthly expenses: [https://www.consumer.ftc.gov/articles/pdf-1020-make-budget-worksheet.pdf](https://www.consumer.ftc.gov/articles/pdf-1020-make-budget-worksheet.pdf)

• Consumer.gov provides informational tutorials on budget creation as well as worksheets to help citizens begin the process of managing their incoming revenue against incoming expenses: [https://www.consumer.gov/articles/1002-making-budget](https://www.consumer.gov/articles/1002-making-budget)
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<td>Planning and Money Management</td>
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<td>A disciplined personal financial plan is a critical component for financial success. Financial institutions and professionals provide services, expertise and guidance in developing and implementing one's financial plan.</td>
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<tr>
<td>Content Elaborations</td>
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<tr>
<td>Financially literate consumers utilize decision-making strategies prior to making purchases. An example is the D.E.C.I.D.E strategy. (Define your goal; Establish your criteria; Choose two or three good options; Identify the pros and cons; Decide what’s best; Evaluate the purchase).</td>
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<tr>
<td>• REVIEW the D.E.C.I.D.E strategy. (Define your goal; Establish your criteria; Choose two or three good options; Identify the pros and cons; Decide what’s best; Evaluate the purchase).</td>
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<td>• READ scholarly articles that explain what influences consumer decision making.</td>
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<td>• VIEW the short video How to Make Better Decisions.</td>
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<td>• CONSTRUCT a D.E.C.I.D.E (Define your goal; Establish your criteria; Choose two or three good options; Identify the pros and cons; Decide what’s best; Evaluate the purchase) strategy for a specific financial decision. [i.e. purchasing a car]</td>
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<td>• MAKE a financial decision based on learned strategies.</td>
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<td>Apply the D.E.C.I.D.E decision making strategy (Define your goal; Establish your criteria; Choose two or three good options; Identify the pros and cons; Decide what’s best; Evaluate the purchase) in simulation prior to making a large purchase, such as a vehicle.</td>
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<tr>
<td>• PARTICIPATE in the simulation Hit the Road – A Financial Adventure <a href="http://www.mycreditunion.gov/Pages/pocket-cents-game.aspx">http://www.mycreditunion.gov/Pages/pocket-cents-game.aspx</a></td>
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<td>• Five Reasons We Impulse Buy <a href="http://www.psychologytoday.com/blog/consumer-behavior/201303/five-reasons-we-impulse-buy">http://www.psychologytoday.com/blog/consumer-behavior/201303/five-reasons-we-impulse-buy</a></td>
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### Topic
**Planning and Money Management**
*A disciplined personal financial plan is a critical component for financial success. Financial institutions and professionals provide services, expertise and guidance in developing and implementing one’s financial plan.*

### Content Statement
8. Financial institutions offer a variety of products and services to address financial responsibility.

#### Content Elaborations
There are many different types of financial institutions such as banks, online banks, credit unions and brokerage houses. Each financial institution serves different needs of consumers. Typical products and services such as savings accounts, checking accounts, financial planning services etc. exist to help consumers manage their finances.

#### Expectations for Learning
Compare and contrast financial institutions available to a student including products and services. Use a decision making model to choose the financial institution that best meets the needs of the selected consumer.

Visit a financial institution and examine products and services available and could meet students’ current needs.

#### Instructional Strategies
- Before beginning the lesson have students COMPLETE Alike but Different from FEFE Advanced Curriculum, Depository Institutions. As lesson progresses further define similarities and differences between terms.
- Have students RESEARCH local depository institutions and compare services and products.
- CREATE an advertisement for a local depository institution that features products and services.
- Use the scenario provided at FEFE Advanced Curriculum, Depository Institution, HELP Josie Choose a Depository Institution.

#### Diverse Learners
Acceleration Students: Compare and contrast brick and mortar financial institutions to those that exist only online. Why would a consumer choose an online bank over a local institution?

#### Instructional Resources
- Advanced Level Depository Institution information with a series of scenario based lessons for grades 10-12: [www.takechargetoday.arizona.edu](http://www.takechargetoday.arizona.edu)
- Office of the Comptroller of Currency provides a variety of resources on financial institutions and the variety of services they provide to customers: [http://www.helpwithmybank.gov/](http://www.helpwithmybank.gov/)
- Mycreditunion.gov provides numerous resources that educates consumers on the history, services, and operations of credit unions throughout the country: [http://www.mycreditunion.gov/about-credit-unions/Pages/default.aspx](http://www.mycreditunion.gov/about-credit-unions/Pages/default.aspx)
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**Planning and Money Management**

A disciplined personal financial plan is a critical component for financial success. Financial institutions and professionals provide services, expertise and guidance in developing and implementing one's financial plan.

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<th>9. Financial experts provide guidance and advice on a wide variety of financial issues.</th>
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**Content Elaborations**

Financial experts are available to help consumers make financial decisions. Consider qualifications and fees when seeking the advice of the financial expert.

Financial experts can be associated with banks, brokerage houses, credit unions or be independent brokers and help consumers create plans to reach short- and long-term financial goals.

**Expectations for Learning**

Explain the roles and responsibilities of a financial expert.

Identify ideal qualifications to look for when searching for a financial planner.

**Instructional Strategies**

- ANSWER why it is important for a financial expert to be legally bound to put your best interests first [fiduciary standard]
- ASK/ANSWER questions about the role of a Certified Financial Planner.
- COMPARE the qualifications of financial experts in the area using the Certified Financial Planners [CFP] search tool.
- REVIEW the selected CFP in your area using the SEC Background Check site.
- WRITE a letter of inquiry to a selected CFP inquiring what is necessary to begin investing for retirement.

**Diverse Learners**

- Accelerated Students: WRITE about the personal financial impact of the 2008 economic collapse on everyday Americans. Cite evidence to support your ideas.

**Instructional Resources**

- Certified Financial Planner Search [CFP]: [http://www.cfp.net/utility/find-a-cfp-professional](http://www.cfp.net/utility/find-a-cfp-professional)
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### Topic

Planning and Money Management

A disciplined personal financial plan is a critical component for financial success. Financial institutions and professionals provide services, expertise and guidance in developing and implementing one's financial plan.

### Content Statement

10. Planning for and paying local, state and federal taxes is a financial responsibility.

### Content Elaborations

Federal, state and local entities levy taxes in many forms (excise, property, income, etc.) and it is the responsibility of each citizen to pay taxes. The cost of the taxes must be figured into an individual’s spending and savings plan. Different sources and amounts of income as well as the spending habits of consumers affects the types and amounts of taxes paid.

Tax rates often differ between different municipalities and states.

When employees start a new job, they typically fill out a W-2 form from the IRS and other state and local tax documents that employers use to determine withholdings from take home pay. Tax withholdings can be adjusted so that employees may receive a refund or owe taxes to the IRS as well as state and local municipalities when income tax returns are filed.

All employed workers must annually report income amounts and sources to the Internal Revenue Service, the state and municipality in which they reside.

### Instructional Strategies

- Provide students with a scenario with gross pay and tax rates and have them FIGURE tax amounts to be withheld from check.
- PROVIDE math problems showing items purchased and varying sales tax rates, have students COMPUTE final cost of items.
- SOLVE a simple tax form to file Federal Income Taxes. Using a given scenario provided by the instructor, students are to pair up, CALCULATE the cost of using a tax advance service and IRS “Free File” service, and DECIDE which service makes more financial sense to use.

### Diverse Learners

- Accelerated Students: CALCULATE the amount of taxes a person is likely to pay when given information or data about the person’s sources of income and amount of spending. IDENTIFY which level of government receives the tax revenue for a particular tax and describe what is done with the tax revenue.

### Instructional Resources

- Advanced curriculum on The Basics of Taxes for grades 10-12: [www.takechargetoday.arizona.edu](http://www.takechargetoday.arizona.edu)
- Understanding Taxes from the IRS provides educators with lesson plans and downloads to help students understand the nature and purpose of taxation: [http://apps.irs.gov/app/understandingTaxes/teacher/index.jsp](http://apps.irs.gov/app/understandingTaxes/teacher/index.jsp)
- Understanding Taxes from the IRS provides students with activities, tutorials and simulations to aid students in understanding the nature and purpose of taxation: [http://apps.irs.gov/app/understandingTaxes/student/index.jsp](http://apps.irs.gov/app/understandingTaxes/student/index.jsp)
- Financial Education in the Math Classroom – [http://mathforum.org/fe/](http://mathforum.org/fe/) is managed by Drexel University and is designed to share, discuss, and collect resources for teaching financial education in Math classrooms.

### Expectations for Learning

- Fill out a sample W-2, state and local tax forms either for a job or given scenario.
- Investigate how local taxes can impact purchasing decisions.
### Theme

Financial literacy is defined as the ability to read, analyze, manage and communicate about the personal financial conditions that affect material well-being. It includes the ability to discern financial choices, discuss money and financial issues without (or despite) discomfort, plan for the future and respond competently to life events that affect every day financial decisions, including events in the general economy.

### Topic

#### Consumerism

Informed purchasing decisions are essential for responsible financial management. Limited protections against some consumer fraud exist in government regulatory agencies and laws. Ultimately, consumers must be informed and vigilant when making purchasing decisions.

### Content Statement

11. Consumerism choices consistent with one's financial plan include decision-making strategies on purchasing.

### Content Elaborations

Consumers make economic choices almost daily. When faced with choices about which items to buy, consumers consider their budget and needs.

When faced with a decision about purchasing a large ticket item such as a car, consumers consider many factors including the price as well as the price of alternatives, dealer or manufacturer reputation, consumer preference and the consumer's budget. When buying a good, a consumer may consider various aspects such as features, durability, warranties, repair and maintenance costs.

Advertising also impacts consumers. Companies exist to make a profit and advertise their products in hopes of gaining more customers. Consumers must pay close attention to the details of advertisements to make sure that they are actually receiving what is being advertised.

**Expectations for Learning**

- Explain the factors a consumer considers before making a particular purchase.
- Explain how various advertising strategies impact decision making.

### Instructional Strategies

- CONTRIBUTE to a round-robin discussion about the factors you consider before making a purchase.
- REVIEW advertisements [i.e. online, commercials, coupons] that are suitable examples of how advertising strategies can impact decision-making.
- COLLECT advertisements that relate to concepts identified in class.
- PRESENT a visual (powerpoint, prezi, poster, etc.) with factors you should consider before making a particular purchase, such as purchasing a car.

### Diverse Learners

- Accelerated Students: DEFEND the point of view that research has found that, on average, people are happier spending discretionary money on experiences, not possessions. Cite evidence.

### Instructional Resources

- True Cost to Own [Owning a Car]: [http://www.edmunds.com/tco.html](http://www.edmunds.com/tco.html)
- Budgeting Game: [http://ohiotreasurer.gov/Documents/CMS/BudgetGame8%205x11.pdf](http://ohiotreasurer.gov/Documents/CMS/BudgetGame8%205x11.pdf)
- Smart Consumer Spending Advanced Level Curriculum: [www.takechargetoday.arizona.edu](http://www.takechargetoday.arizona.edu)
- Admongo.gov provides lesson plans, training videos, printed teaching materials, etc. to help educators/parents teach ad literacy concepts to students: [http://www.admongo.gov/teachers.aspx](http://www.admongo.gov/teachers.aspx)
- Financial Education in the Math Classroom – [http://mathforum.org/fe/](http://mathforum.org/fe/) is managed by Drexel University and is designed to share, discuss, and collect resources for teaching financial education in Math classrooms.
### Theme

**Financial literacy is defined as the ability to read, analyze, manage and communicate about the personal financial conditions that affect material well-being. It includes the ability to discern financial choices, discuss money and financial issues without (or despite) discomfort, plan for the future and respond competently to life events that affect daily financial decisions, including events in the general economy.**

### Topic

**Consumerism**

*Informed purchasing decisions are essential for responsible financial management. Limited protections against some consumer fraud exist in government regulatory agencies and laws. Ultimately, consumers must be informed and vigilant when making purchasing decisions.*

### Content Statement

12. **Consumer advocates, organizations and regulations provide important information and help protect against potential consumer fraud.**

### Content Elaborations

**Consumer fraud is a deceptive practice which results in financial or other losses for consumers in the course of seemingly legitimate business transactions.**

Federal government agencies such as the Federal Trade Commission (FTC) and the Office of Consumer Protection exist to offer information and protection to consumers in matters of fraud. The Office of the Treasurer and the Attorney General of Ohio also help consumers be aware of potential frauds and scams. These agencies can help victims recover some or all of their losses from fraud.

Non-government organizations, such as the Better Business Bureau, also educate consumers about fraud.

Laws exist to protect consumers from fraud and if a company is found guilty of fraud, there are consequences.

### Instructional Strategies

- **Have students COMPLETE a personal fraud risk. ASSESS results. FEFE Advanced Curriculum Protecting Yourself From Fraud.**
- **Students will ACT out the play The Fraud Mystery. FEFE Advanced Curriculum Protecting Yourself From Fraud.**
- **SOLVE the Fraud Mystery for Lucy in small groups.**
- **INTERVIEW an adult about his/her experience with fraud. For every instance of fraud discovered suggest a preventive measure.**

### Diverse Learners

**Instructional Resources**

- FEFE Advanced Curriculum, Protecting Yourself from Fraud: [www.takechargetoday.arizona.edu](http://www.takechargetoday.arizona.edu)
- The National Consumer League provides up-to-date detailed information on various types of fraudulent scams throughout the country as well as providing detailed information on the various forms of fraud citizens are exposed to on a regular basis: [http://www.fraud.org/](http://www.fraud.org/)
- Fraud Scene Investigator (FSI) is a simulation based activity provided by NASAA to teach students strategies for detecting different forms of financial fraud: [http://www.wvsao.gov/suitableinvestments/](http://www.wvsao.gov/suitableinvestments/)
- Financial Education in the Math Classroom – [http://mathforum.org/fe/](http://mathforum.org/fe/) is managed by Drexel University and is designed to share, discuss, and collect resources for teaching financial education in Math classrooms.
Financial literacy is defined as the ability to read, analyze, manage and communicate about the personal financial conditions that affect material well-being. It includes the ability to discern financial choices, discuss money and financial issues without (or despite) discomfort, plan for the future and respond competently to life events that affect every day financial decisions, including events in the general economy.

**Informed Consumer**
Informed purchasing decisions are essential for responsible financial management. Limited protections against some consumer fraud exist in government regulatory agencies and laws. Ultimately, consumers must be informed and vigilant when making purchasing decisions.

**Content Statement**
13. Utilizing financial services and risk management tools, and interpreting and comparing consumer lending statements, terms and conditions enable one to be an informed consumer.

**Content Elaborations**
Many financial institutions offer lending services that include credit cards, lines of credit and loans. Before consumers make a choice regarding credit or a loan, it is important for the consumer to know the terms and conditions which includes the terms of repayment, late fees, service fees etc. This information can be found by reading all the information provided by the institution prior to signing up for credit or a loan.

Many students who continue their education must borrow money, apply for grants or scholarships. Grants and scholarships typically are not repaid. There are many kinds of student loans with different interest rates. Students must be savvy consumers and understand the terms of their loans prior to signing. The federal government web page for student loans, [https://fafsa.ed.gov/](https://fafsa.ed.gov/) is a valuable resource for students. Some financial institutions may offer loan programs for prospective students.

**Expectations for Learning**
Compare consumer lending statements from two or more financial institutions to determine which one is better for a consumer.

Research different types of student loans and have students rank the terms of the loans from best to worst.

**Instructional Strategies**
- BRAINSTORM what could happen if you do not understand your student debt obligations.
- REVIEW fact statements about the consequences of carrying excess student debt.
- REVIEW FTC or CFPB example complaint letters to a firm or agency addressing a problem with a good or service.
- DRAFT a complaint letter to a firm or agency addressing a problem with a good or bad service.
- CONDUCT a search of the cost of college using a tool such as the CFPB “Paying for College”

Research the cost of college using a tool such as “Paying For College” from the Consumer Financial Protection Bureau (CFPB)

**Diverse Learners**

**Instructional Resources**
- FTC [Complaint Assistance]: [https://www.ftccomplaintassistant.gov/#crnt&panel1-1](https://www.ftccomplaintassistant.gov/#crnt&panel1-1)
- FTC [Do not call registry]: [www.donotcall.gov](http://www.donotcall.gov)
- Money Matters is a project of the Center for Mathematics and Quantitative Education at Dartmouth and the Financial Literacy Center. These modules complete with video hooks are a perfect way to integrate financial literacy skills into math lessons: [http://www.math.dartmouth.edu/~mqed/FinancialLiteracyProject/modules.php](http://www.math.dartmouth.edu/~mqed/FinancialLiteracyProject/modules.php)
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**Theme**

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**Topic**

*Consumerism*

*Informed purchasing decisions are essential for responsible financial management. Limited protections against some consumer fraud exist in government regulatory agencies and laws. Ultimately, consumers must be informed and vigilant when making purchasing decisions.*

**Content Statement**

14. *Consumer protections laws help safeguard individuals from fraud and potential loss.*

**Content Elaborations**

Laws have been passed (e.g. Truth in Lending Act, Fair Debt Collection Practices Act, Fair Credit Reporting Act, etc.) to help protect consumers from fraud and potential financial loss. Government agencies also work to protect consumers from

**Expectations for Learning**

Identify a consumer protection law and explain why it was developed and how it serves to protect individuals from fraud and potential loss.

**Instructional Strategies**

1. LIST debt collection activities that were made illegal under the Fair Debt Collection Practices Act.
2. EXPLAIN the process of filing a lawsuit in Small Claims Court.
3. EXPLAIN the procedures for resolving billing errors under the Fair Credit Billing Act.
4. WRITE a letter disputing a charge on your credit card.

**Diverse Learners**


Assign scenarios to pairs of students such as “Explore what you need to do consider before making a cable or satellite TV purchase” and student PRESENT what they found to the class: http://www.usa.gov/topics/consumer/consumer-action-handbookonline.shtml

• Accelerated Students: Research the formation of the Consumer Financial Protection Bureau. DISCUSS why it was formed and how it currently serves to protect consumers. RESEARCH the current head of this agency and detail his background that makes him especially suited to this job.

CONDUCT online research about data miners in this country – what they do, types of information they gather, and how the information is used.

**Instructional Resources**

• FEFER Advanced Curriculum, Protecting Yourself from Fraud: www.takechargetoday.arizona.edu

• It’s Your Right is a lesson plan that educates students on consumer fraud and consumer protection laws; presented by Pathway to Financial Success: http://www.pathwaytofinancialsuccess.org/classroom-lesson-plans/

• Financial Education in the Math Classroom – [http://mathforum.org/fe/](http://mathforum.org/fe/) is managed by Drexel University and is designed to share, discuss, and collect resources for teaching financial education in Math classrooms.
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### Topic
*Consumerism
Informed purchasing decisions are essential for responsible financial management. Limited protections against some consumer fraud exist in government regulatory agencies and laws. Ultimately, consumers must be informed and vigilant when making purchasing decisions.*

### Content Statement
| 15. Planned purchasing decisions factor in direct (price) and indirect costs (e.g. sales/use tax, excise tax, shipping, handling, and delivery charges, etc.). |

### Content Elaborations
When making a purchase, consumers should know that there are costs beyond the purchase price. These costs may include sales tax, a delivery charge, shipping and handling. When considering the total price consumers must take into account all of the in-direct cost.

### Expectations for Learning
Compare the differences in indirect costs from various online retailers and evaluate how this affects the final cost for the same products.

### Instructional Strategies
- COMPLETE a KWL chart about the true cost of owning an automobile. First state what you already know (K). Then list what you want to know (W). After you have completed the learning activities in this learning plan list what you learned (L).
- DEFINE vocabulary or terminology pertaining to automobile ownership.
- CONDUCT a web search for an affordable automobile that you are interested in purchasing in the near future.
- INTERPRET the results of the true cost of ownership for an example automobile using the True Cost to Own calculator.
- ANALYZE the variables impacting the true cost of owning the automobile you are interested in purchasing in the near future.

### Diverse Learners
Accelerated Students: WRITE advertisements using the same strategies employed by automotive makers [focusing on minimal down payments, minimal monthly payments, developing fine print that includes the remaining financial details]

### Instructional Resources
- True Cost to Own Calculator: [http://www.edmunds.com/tco.html](http://www.edmunds.com/tco.html)
- FTC Consumer Information [Buying and Owning a Car]: [http://www.consumer.ftc.gov/topics/buying-owning-car](http://www.consumer.ftc.gov/topics/buying-owning-car)
- Advanced Level Curriculum, Purchasing an Automobile: [www.takechargetoday.arizona.edu](http://www.takechargetoday.arizona.edu)
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<td>Topic</td>
<td>Investing</td>
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<tr>
<td>The goal of financial management is to increase one’s net worth. Investing, through a variety of options, is one way to build wealth and increase financial security. Many factors impact investment and retirement plans, including government regulations and global economic and environmental conditions, etc.</td>
<td></td>
</tr>
<tr>
<td>Content Statement</td>
<td>16. Using key investing principles one can achieve the goal of increasing net worth.</td>
</tr>
<tr>
<td>Content Elaborations</td>
<td>The purpose of investing is to increase net worth in the short or long term. Investing principles exist to guide individuals in choosing investments to increase net worth. Investing principles often include: making a plan, save and invest for the long term, investigate before you invest and avoid the cost of delay (individuals who start saving at an early age have more time for compound interest to increase their wealth). Many factors may impact the value of stocks. A technology company that releases a new and highly anticipated update most likely will have the value of their stock increase. If the same release has a lot of bugs or consumers do not like the new technology, the value of the stock will go down.</td>
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<tr>
<td>Expectations for Learning</td>
<td>Given a predetermined amount of money, devise a plan to increase net worth. Research several stocks that a student may be interested in investing in. Have students chart the value of the stock over a period of time. Discuss factors that can impact the value of stocks.</td>
</tr>
<tr>
<td>Instructional Strategies</td>
<td>1. WATCH PBS Your Life Your Money – Saving for Retirement 2. PLAY Risk vs Return – Take Charge Today- Advanced Curriculum, The Fundamentals of Investing 3. CHOOSE a Balanced Fund, Index Fund, and a Growth Fund and COMPARE return, percent of change, long term returns. 4. INTERVIEW an adult over the age of 50 about their investing history. Gather advice they might give to a young investor. HOST a guest speaker [financial planner] and request the speaker does the following: a. Illustrate the magic of compounding to drive home the importance of beginning to invest for retirement at a young age b. Explain what a “match” is, and why it is important to fully take advantage of a company match c. Brings direct deposit paperwork for students to practice filling out the paperwork necessary to make investing for retirement automatic</td>
</tr>
<tr>
<td>Diverse Learners</td>
<td>Accelerated Students: IDENTIFY and COMPARE the administrative costs of several mutual funds and estimate the differences in the total amount accumulated after 10 years for each mutual fund, assuming identical market performance.</td>
</tr>
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<td>Instructional Resources</td>
<td>• Stock market simulator that can be used to set up games for students eager to learn about the nuances of investment in the market: <a href="http://www.howthemarketworks.com/">http://www.howthemarketworks.com/</a>  • Informational PowerPoint on reading stock reports: <a href="http://financeintheclassroom.org/downloads/StocksStocksStocks.ppt">http://financeintheclassroom.org/downloads/StocksStocksStocks.ppt</a>  • Instructional resource on reading and interpreting quarterly stock reports: <a href="http://www.investopedia.com/articles/fundamental-analysis/10/decoding-earnings-reports.asp">http://www.investopedia.com/articles/fundamental-analysis/10/decoding-earnings-reports.asp</a></td>
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<td>Lesson plans, vocabulary sheets, activities for teachers to use when teaching the components of stock market investment:</td>
<td><a href="http://www.in.gov/sos/securities/files/Basics_2020_IPT.pdf">www.in.gov/sos/securities/files/Basics_2020_IPT.pdf</a></td>
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### Topic

**Investing**

The goal of financial management is to increase one’s net worth. Investing, through a variety of options, is one way to build wealth and increase financial security. Many factors impact investment and retirement plans, including government regulations and global economic and environment conditions, etc.

### Content Statement

17. Investment strategies must take several factors into consideration including the time horizon of the investment, the degree of diversification, the investor’s risk tolerance, how the assets are selected and allocated, product costs, fees, tax implications and the time value of money.

### Content Elaborations

One of the tools that investors utilize to increase the value of their net worth is time. By planning on investing for the long term, investors have the benefit of compounding interest and allowing investments to increase in value.

Investors must select assets such as stocks, bonds, mutual funds, etc. and decide how to allocate their funds. As investors review potential investments they must consider the cost of the product, fees and tax implications for their situation.

Each investor must decide their willingness to take risks. Risk tolerance depends on factors such as personality, income, family situation and current net worth.

The time value of money is the idea that a dollar today is worth more than a dollar in the future, because the dollar received today can earn interest up until the time the future dollar is received.

### Instructional Strategies

- **GATHER** information and supporting materials to summarize a 401[k], IRA, and any additional investment products the additional believes is suitable.
- **LIST** the fees associated with a 401[k], IRA, and any additional investment products the additional believes is suitable.
- **CALCULATE** real rates of return on an investment factoring in inflation, taxes, and product fees.
- **CLASSIFY** investment options as conservative, balanced, or aggressive.
- **PARTICIPATE** in an online stock market game simulation.
- **PERFORM** a scavenger hunt to find mutual funds suitable for investors at each stage of the investment cycle.
- **CALCULATE** the impact of compounding by investing beginning at age 22 until age 60 [assuming the market average of 7%] using a compound interest calculator. Repeat the process, but waiting to invest at age 35, and **COMPARE** the results.
- **PREDICT** how much you will need to save to retire and use the “Choose to Save” calculator to see if you are correct.

### Diverse Learners

### Instructional Resources

- Department of Labor [New Job Entrants]: [http://www.savingmatters.dol.gov/employees.html#5](http://www.savingmatters.dol.gov/employees.html#5)
Explain the importance of accurate information about a company when investing in that company. Define the time value of money.

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• 401[K] and other employer sponsored plans: [http://investor.gov/employment-retirement/employment/employer-sponsored-plans#.U4XYIWSGXs4](http://investor.gov/employment-retirement/employment/employer-sponsored-plans#.U4XYIWSGXs4) |
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<td>Content Statement</td>
<td>18. Government agencies are charged with regulating providers of financial services to help protect investors.</td>
</tr>
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<td>Content Elaborations</td>
<td>In order to protect investors from unethical practices including price gouging, monopolies, and trusts, regulatory agencies have been created. The Securities and Exchange Commission (SEC), Federal Deposit Insurance Corporation (FDIC), and National Credit Union Association (NCUA) and other government agencies regulate providers of financial services.</td>
</tr>
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| Instructional Strategies | • CONDUCT a web search of government agencies that would be valuable to consumers in regard to protection of their finances.  
• CREATE a brochure/webpage/flyer/poster/ promoting one agency specifying their roles and services.  
• Given a company that represents a potential investment CREATE a list of information you need about the company to be able to DECIDE on an investment.  
• WRITE a letter to a potential investor convincing them to invest in your chosen company.  
Go on a FIELD TRIP to a local credit union or bank and help students establish savings accounts with the following criteria: little to no balance requirements; no maintenance fees; access to direct deposit services; reinforce establishing a savings goal and contributing regularly to meet that goal. |
| Expectations for Learning | Describe specific roles of agencies and services they can offer to consumers.  
Identify a consumer protection agency and how the agency helps the consumer. |
| Diverse Learners | Instructional Resources  
• Federal Trade Commission provides tips and advice for those experiencing unlawful acts pertaining to money, credit, mortgages, credit, etc.: www.ftc.gov  
• Consumer Financial Protection Bureau provides tips, legal information and resources for filing complaints related to financial products: www.consumerfinance.gov  
• Resources for individual investors from the Securities and Exchange Commission: http://www.sec.gov/investor  
• Educational programs, podcasts, news, and teaching resources from the Federal Deposit Insurance Corporation: https://www.fdic.gov/about/learn/learning/ |
### Theme

**Financial literacy is defined as the ability to read, analyze, manage and communicate about the personal financial conditions that affect material well-being. It includes the ability to discern financial choices, discuss money and financial issues without (or despite) discomfort, plan for the future and respond competently to life events that affect every day financial decisions, including events in the general economy.**

### Topic

**Credit/Debt**

**Responsible use of credit is one tool to help achieve financial and lifestyle goals. To successfully advance through financial life stages, a consumer must create, establish and maintain credit worthiness. Disciplined consumers borrow within their means at favorable terms and responsibly repay debt.**

### Content Statement

19. **Credit is a contractual agreement in which a borrower receives something of value now and agrees to repay the lender at some later date.**

#### Content Elaborations

Loans are a form of credit. Loans are available at banks, financial institutions, as well as “Payday Lenders.” Payday lenders typically heavily advertise the availability of loans with no down payment or credit check necessary or as easy money if you need cash before the next pay day.

The difference between a loan from a bank and a Payday Lender is the terms of the loan. Payday lenders typically charge high interest and include significant fees for the loan. The amount of money that a borrower repays is much larger than the original amount borrowed. Often times, the terms of the payday loan are unclear.

Borrowers must repay the loan according to the terms of the loan which is considered to be a contract. Loans from banks and financial institutions typically can be paid back early with no penalty. Early pay off for Payday loans may add more fees to the loan.

The group that is most likely to use Payday Lenders is typically “unbanked.” The unbanked are described by the Federal Deposit Insurance Corporation (FDIC) as those adults without an account at a bank or other financial institution and are considered to be outside the financial mainstream for one reason or another. Young adults, ages 18-24, makes up one of the largest groups of the unbanked. Many unbanked individuals end up using Payday lenders and end up paying high fees for financial services and not establishing a good credit history.

#### Instructional Strategies

**Diverse Learners**

**Instructional Resources**

- Financial Education in the Math Classroom – [http://mathforum.org/fe/](http://mathforum.org/fe/) is managed by Drexel University and is designed to share, discuss, and collect resources for teaching financial education in Math classrooms.
- FTC Explanation of the payday loan system as well as alternative resources and suggestions: [http://www.consumer.ftc.gov/articles/0097-payday-loans](http://www.consumer.ftc.gov/articles/0097-payday-loans)
- CFPB helpful hints and answers to common questions regarding payday loans and lenders: [http://www.consumerfinance.gov/askcfpb/search/?selected_facets=category_exact:payday-loans](http://www.consumerfinance.gov/askcfpb/search/?selected_facets=category_exact:payday-loans)
- Educational programs, podcasts, news, and teaching resources from the Federal Deposit Insurance Corporation: [https://www.fdic.gov/about/learn/learning/](https://www.fdic.gov/about/learn/learning/)
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<th><strong>Expectations for Learning</strong></th>
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<td>Describe the difference between a loan from a bank and one from a Payday lender.</td>
<td></td>
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<tr>
<td>Compare the final repayment amount of a loan from a bank and from a Payday lender.</td>
<td></td>
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<tr>
<td>Investigate barriers to individuals which may lead them to be unbanked.</td>
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### Topic
Credit and Debt
Responsible use of credit is one tool to help achieve financial and lifestyle goals. To successfully advance through financial life stages, a consumer must create, establish and maintain credit worthiness. Disciplined consumers borrow within their means at favorable terms and responsibly repay debt.

### Content Statement
20. Debt is an obligation owed by one party to a second party.

<table>
<thead>
<tr>
<th>Content Elaborations</th>
<th>Instructional Strategies</th>
</tr>
</thead>
<tbody>
<tr>
<td>Debt is considered a promise of payment whether it is in the form of a personal loan, vehicle loan, a mortgage, a credit card bill. Consumers have a legal obligation to pay debt.</td>
<td>BRAINSTORM a list of goods/services for which a consumer might need to borrow money to purchase</td>
</tr>
<tr>
<td>Individuals must be careful not to accumulate too much debt; too much debt means that a person or family struggles to pay off credit cards and loans each month and pay for necessities. If a person cannot repay one or more loans or keep up with payments, private and government organizations provide credit counseling and can help consumers create a plan to pay off the debt.</td>
<td>Use an online loan amortization service to DRAFT a repayment plan for a loan of $5000 for a used car.</td>
</tr>
<tr>
<td>If a consumer cannot repay debts, steps can be taken to set up a repayment plan. Some debt, such as student loans or medical debt, consumers can contact the billing agency directly to create their own repayment plan and avoid any negative impact on their credit score. Declaring bankruptcy may be an extreme solution to a debt problem.</td>
<td>PRACTICE loan repayment concepts through the use of story problems.</td>
</tr>
<tr>
<td>The Federal Government has also established bankruptcy codes and courts to assist citizens in financial trouble to settle their debts and re-establish good financial standing.</td>
<td>COMPARE the cost of leasing a car versus buying a car with cash versus financing the purchase of the car.</td>
</tr>
<tr>
<td><strong>Diverse Learners</strong></td>
<td>GO on a field trip to fringe banking establishments and COMPARE the lending and banking costs at each establishment to a traditional bank or credit union.</td>
</tr>
<tr>
<td>Accelerated Students: Give examples of collateral used to secure a loan, such as a house for a mortgage or a car for a car loan. EXPLAIN why lenders charge lower interest rates on mortgages as compared to unsecured loans.</td>
<td><strong>Instructional Resources</strong></td>
</tr>
<tr>
<td></td>
<td>• United States Courts resources on bankruptcy basics: <a href="http://www.uscourts.gov/services-forms/bankruptcy/bankruptcy-basics">http://www.uscourts.gov/services-forms/bankruptcy/bankruptcy-basics</a></td>
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<td>• “Credit, Bankruptcy and Debt” teaching notes, activities, and student materials: <a href="http://www.uen.org/Lessonplan/preview.cgi?LPid=28977">http://www.uen.org/Lessonplan/preview.cgi?LPid=28977</a></td>
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<tr>
<td></td>
<td>• Informational resources, interactive budget worksheets, role playing games, and simulations: <a href="https://www.incharge.org/money-101">https://www.incharge.org/money-101</a></td>
</tr>
<tr>
<td></td>
<td>• Teaching guides and student activities pertaining to a variety of debt prevention and money management lessons: <a href="http://www.practicalmoneyskills.com">www.practicalmoneyskills.com</a></td>
</tr>
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</table>
### Theme

Financial literacy is defined as the ability to read, analyze, manage and communicate about the personal financial conditions that affect material well-being. It includes the ability to discern financial choices, discuss money and financial issues without (or despite) discomfort, plan for the future and respond competently to life events that affect every day financial decisions, including events in the general economy.

### Topic

**Credit and Debt**

Responsible use of credit is one tool to help achieve financial and lifestyle goals. To successfully advance through financial life stages, a consumer must create, establish and maintain credit worthiness. Disciplined consumers borrow within their means at favorable terms and responsibly repay debt.

### Content Statement

**21. Effectively balancing credit and debt help one achieve some short and long-term goals.**

### Content Elaborations

As part of establishing a budget, individuals should consider their debt to income ratio (monthly debt payments divided by gross monthly income). The formula looks like:

\[
\text{Debt to Income} = \frac{\text{Monthly Debt Payments}}{\text{Gross Monthly Income}}
\]

Effectively balancing debt is an important part of establishing and maintaining a good credit score. A person’s credit score or FICO score is a measure of consumer credit risk and financial institutions use a consumers’ credit score to determine if they will extend a loan and the terms of the loan. A person can have a score ranging from 300-850; the higher an individual’s score is, the better credit history a person has. People who have high credit scores typically receive lower interest rates for new loans from banks.

Credit or FICO scores are based on factors such as: length of time the person has had financial accounts, types of credit used, payment history, amounts owed and new credit.

A high credit score is one of the goals consumers should set.

### Expectations for Learning

Calculate the debt to income ratio in a given scenario.

Discuss ways to get and keep a high credit score. Discuss actions that will bring credit scores down.

### Instructional Strategies

**FICO**  [http://www.myfico.com/CreditEducation/WhatsInYourScore.aspx](http://www.myfico.com/CreditEducation/WhatsInYourScore.aspx)

- **BRAINSTORM** the benefits of learning about the maximum student debt a student should incur.
- **LISTEN** to a lecture about the impact various types of debt [student loans, automobile, etc.] can have on your future self.
- **READ** the CFPB (Consumer Finance Protection Bureau) online article about student loan debt “How Much Should I Borrow”
- **CALCULATE** the impact [debt to income ratio] on your future self of excessive debt.
- **DEBATE** the decision of high schools students borrowing money to purchase an automobile.
- **THINK/WRITE** about how borrowing money to make a purchase can help in daily living.
- **INTERVIEW** an expert to better understand when it is okay to borrow money.

### Diverse Learners

**Accelerated Students:** CRITIQUE an article online critical of borrowing money and determine if the author’s position is mathematically sound.

### Instructional Resources

- **Financial Education in the Math Classroom:** [http://mathforum.org/fe/](http://mathforum.org/fe/) is managed by Drexel University and is designed to share, discuss, and collect resources for teaching financial education in Math classrooms.
- **Lesson plan and activities for helping students understand and interpret credit scores:** [http://www.thirteen.org/finance/educators/lesson3.html](http://www.thirteen.org/finance/educators/lesson3.html)
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<td></td>
</tr>
<tr>
<td>Content Statement</td>
<td>22. Financial documents and contractual obligations inform the consumer and define the terms and conditions of establishing credit and incurring debt.</td>
</tr>
<tr>
<td>Content Elaborations</td>
<td>When incurring debt consumers need to be able to read and understand the complex documents that describe the terms and conditions they are agreeing to before signing. The Truth in Lending Act (TILA), was passed by Congress in 1968 and was designed to promote the informed use of consumer credit by requiring disclosures about the terms and cost to the consumer who uses credit cards. The TILA ensures that the important information consumers need to make decisions about different credit cards is easily available and understandable.</td>
</tr>
<tr>
<td>Expectations for Learning</td>
<td>Review several credit card offers and choose the best card based on criteria such as interest rate, late fees, “rewards” programs, etc.</td>
</tr>
<tr>
<td>Instructional Strategies</td>
<td>EXAMINE a sample Schumer box for three different credit cards. COMPLETE a comparison chart on the three credit cards. INTERPRET chart to make a decision on the credit card that best meets the needs of a provided consumer.</td>
</tr>
<tr>
<td>Diverse Learners</td>
<td>• Accelerated Students: Use the APR, initial fees, late fees, nonpayment fees, and other relevant information to COMPARE the cost of credit from various sources for the purchase of a product.</td>
</tr>
</tbody>
</table>
### Financial Literacy Model Curriculum

**Theme**

Financial literacy is defined as the ability to read, analyze, manage and communicate about the personal financial conditions that affect material well-being. It includes the ability to discern financial choices, discuss money and financial issues without (or despite) discomfort, plan for the future and respond competently to life events that affect every day financial decisions, including events in the general economy.

**Topic**

Credit and Debt

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<th>23. Credit and debt affect tax obligations.</th>
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**Content Elaborations**

A tax credit is a tax incentive and is granted in recognition of taxes that are already paid or to encourage financial behaviors such as investing. Tax credits are also given for parents who pay child care costs.

Interest on some items, such as home and some student loans, can be deducted on tax returns. Donations to non-profit or charitable organizations are also tax deductible.

**Expectations for Learning**

Research and create a list of tax obligations that are impacted by tax credits and debt.

**Instructional Strategies**

Credits and Deductions [http://www.irs.gov/Credits-&-Deductions](http://www.irs.gov/Credits-&-Deductions)

LISTEN and LIST your instructor’s examples of debt such as automobiles, student loans, mortgages, credit cards, and payday loans.

- CATEGORIZE credit products that are tax deductible and not tax deductible.
- CREATE a list of common goods and services purchased using credit and identify whether the interest is tax deductible.
- CREATE a visual (PowerPoint, poster, prezi) illustrating the impact tax deductions have on take home pay.

**Diverse Learners**

- Accelerated Students: CALCULATE the tax implications [deductions] of a mortgage in the first year of home ownership assuming the borrower put a down payment of 20% and is earning $50,000 of taxable income.

**Instructional Resources**

- "Credit, Bankruptcy and Debt" teaching notes, activities, and student materials: [http://www.uen.org/Lessonplan/preview.cgi?LPid=28977](http://www.uen.org/Lessonplan/preview.cgi?LPid=28977)
- Financial Education in the Math Classroom – [http://mathforum.org/fe/](http://mathforum.org/fe/) is managed by Drexel University and is designed to share, discuss, and collect resources for teaching financial education in Math classrooms.
### Financial Literacy Model Curriculum

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**Topic**

Risk Management and Insurance

As individuals accumulate net worth and establish a standard of living, they assume the risk of loss of income and assets. Use of a risk management plan mitigates the potential loss of income and personal net worth and also safeguards personal identity. Risk management products and strategies change over one’s life span.

<table>
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<tr>
<th>Content Statement</th>
<th>24. A risk management plan can protect consumers from the potential loss of personal and/or business assets or income.</th>
</tr>
</thead>
</table>

**Content Elaborations**

When consumers purchase items such as cars, appliances and electronics, there are typically factory warranties and extended warranties offered to the consumer to protect against product defect or damage. Factory warranties usually cover the item for a period of time and if there is any defect in the item, it is repaired or replaced at no charge to the consumer.

Extended warranties are typically offered by the place of business that sold the item and a monthly fee is paid. Warranties operate in a similar way to insurance.

Businesses can also minimize losses by purchasing various forms of insurance. Businesses can carry insurance that will protect them against damage or loss of property, business interruption, product liability lawsuits, employee negligence, libel and slander, etc.

**Expectations for Learning**

Describe the difference between a warranty and extended warranty on a given product.

Identify the types of interest a small business should carry versus a larger corporation.

**Instructional Strategies**

PERFORM a self-assessment of risks faced by each student’s family that represent potential loss of personal and/or business assets.

VIEW DVD from Insurance Institute on How Insurance Works.

PRACTICE identifying risks given scenarios.

CREATE a prezi or mind map on each identified risk and how to mitigate the risk.

**Diverse Learners**

- Accelerated Students: Discuss how an extended warranty on a consumer product is like insurance. Evaluate the cost effectiveness of extended warranties on three consumer products: a new automobile, a smart phone, and a dishwasher, considering the likelihood that the product will fail, the cost of replacing the item, and the price of the warranty.

**Instructional Resources**

- Advanced Level Curriculum, Types of Insurance: [www.takechargetoday.arizona.edu](http://www.takechargetoday.arizona.edu)
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Financial literacy is defined as the ability to read, analyze, manage and communicate about the personal financial conditions that affect material well-being. It includes the ability to discern financial choices, discuss money and financial issues without (or despite) discomfort, plan for the future and respond competently to life events that affect every day financial decisions, including events in the general economy.

### Topic: Risk Management and Insurance
As individuals accumulate net worth and establish a standard of living, they assume the risk of loss of income and assets. Use of a risk management plan mitigates the potential loss of income and personal net worth and also safeguards personal identity. Risk management products and strategies change over one’s life span.

### Content Statement
25. Safeguards exist that help protect one’s identity.

<table>
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</thead>
<tbody>
<tr>
<td>Identity theft is a growing problem; thieves can steal an identity and ruin an individual’s credit very easily and often times, can do so without the individual knowing. Individuals must be vigilant and share personal information such as their social security number or credit cards numbers only with trusted sources. Individuals can take steps to protect their identity and even purchase insurance to protect themselves from identity theft.</td>
</tr>
</tbody>
</table>

If identity theft is suspected, an individual must act quickly to contain the problem as quickly as possible and lessen the impact of the theft. Notify all financial institutions that you do business with so they can help monitor your accounts. File a police report. Notify credit bureaus (Equifax, Experian, Trans Union) to file a fraud alert. The Federal Trade Commission has a form titled the Theft Victim’s Complaint and Affidavit which may help as individuals deal with creditors. Close all accounts that may have been accessed fraudulently.

<table>
<thead>
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<th>Instructional Strategies</th>
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<tr>
<td>Fill out an Identity Theft Victim's Complaint and Affidavit. The form is available from the Federal Trade Commission at <a href="http://www.ftc.gov/idtheft">www.ftc.gov/idtheft</a>.</td>
</tr>
<tr>
<td>BRAINSTORM and list the various ways you believe you may be exposed to identity theft.</td>
</tr>
<tr>
<td>VIEW short OnGuardOnline.gov video presentations explaining how you can protect yourself online.</td>
</tr>
<tr>
<td>GATHER information about online safety to prepare for a poster using articles from OnGuardOnline.gov.</td>
</tr>
<tr>
<td>PLAY the short OnGuardOnline.gov online safety games Friend Finder; Beware of Spyware; Phishing Scams; Mission, Laptop Security; Invasion of the Wireless Hackers; Spam, Scam Slam; Case of the Cyber Criminal.</td>
</tr>
</tbody>
</table>

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<tr>
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<tbody>
<tr>
<td>• Accelerated Students: APPLY what you learned and check your credit report for identity theft now by mailing in a request for your credit report at <a href="http://www.annualcreditreport.com">www.annualcreditreport.com</a></td>
</tr>
<tr>
<td>• Accelerated Students: WRITE a newspaper column, “Tips for Consumers,” explaining how to prevent identity theft and how to recover from identity theft should it occur.</td>
</tr>
</tbody>
</table>

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<td>• Intellectual Property Theft lesson for students grades 6-8: <a href="http://education.nationalgeographic.com/education/activity/identity-theft/?ar_a=1">http://education.nationalgeographic.com/education/activity/identity-theft/?ar_a=1</a></td>
</tr>
<tr>
<td>• Federal Trade Commission video on detecting and defending against identity theft: <a href="https://www.youtube.com/watch?v=bC8pjXn-sWM">https://www.youtube.com/watch?v=bC8pjXn-sWM</a></td>
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<tr>
<td>Federal Trade Commission site with tips, resources, and advice for those affected by identity theft: <a href="https://www.identitytheft.gov/">https://www.identitytheft.gov/</a></td>
</tr>
<tr>
<td>Recommend actions a victim of identity theft should take to limit losses and restore personal security.</td>
</tr>
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<tr>
<td>Topic</td>
<td>Risk Management and Insurance</td>
</tr>
<tr>
<td>Content Statement</td>
<td>26. Diversification of assets is one way to manage risk.</td>
</tr>
<tr>
<td>Content Elaborations</td>
<td>When consumers diversify, they reduce risk by limiting their potential for a catastrophic financial loss. Investing in different types of financial assets can lower investment risk. Consumers must make decisions about choosing investments that may include high, medium and low risk options. Investors make decisions about types of investments based on goals, their age, tolerance of risk and personal interest. Explain why it is important to diversify, and how the diversification of a portfolio changes over time.</td>
</tr>
<tr>
<td>Instructional Strategies</td>
<td>Complete a WEBQUEST to make a list of possible investment options for a consumer. INTERVIEW a financial planner either face to face or through Facetime or Skype to learn more about diversification of assets. DEVELOP a plan for diversification of assets given a scenario. CREATE a pie chart to symbolize the suggested division of assets for persons at different times of their lives, e.g. newly married couple, single person in their 30’s, a couple in early 50’s anticipating retirement, a retired person.</td>
</tr>
<tr>
<td>Diverse Learners</td>
<td>• Accelerated Students: Compare the risk faced by two investors, both of whom own two businesses on a beach. One investor owns a suntan lotion business and a rain umbrella business. The other investor owns two suntan lotion businesses.</td>
</tr>
</tbody>
</table>
| Instructional Resources                    | • NEFE High School Financial Planning Program Module Four Investing: [http://www.hsfpp.org/](http://www.hsfpp.org/)  
• Federal Reserve Bank of St. Louis Diversification and Risk Classroom Lesson: [https://www.stlouisfed.org/education/diversification-and-risk](https://www.stlouisfed.org/education/diversification-and-risk)  
• Classroom resources from Investor.gov: [http://investor.gov/outreach/teachers/classroom-resources](http://investor.gov/outreach/teachers/classroom-resources)  
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### Topic

**Risk Management and Insurance**

As individuals accumulate net worth and establish a standard of living, they assume the risk of loss of income and assets. Use of a risk management plan mitigates the potential loss of income and personal net worth and also safeguards personal identity. Risk management products and strategies change over one’s life span.

### Content Statement

27. A comprehensive insurance plan (health, life, disability, auto, homeowners, renters, liability, etc.) serves as a safeguard against potential loss.

### Content Elaborations

Individuals choose different amounts of insurance coverage based on willingness to accept risk, occupation, lifestyle, age, financial profile, and the price of insurance. Individuals may be required by governments or by certain types of contracts (e.g., home mortgages) to purchase insurance. Health insurance provides funds to pay for preventative care and illness or injury. Disability insurance provides funds to replace income lost while an individual is ill or injured and unable to work. Property and casualty insurance (including renters insurance) pays for damage or loss to the insured’s property and may include liability coverage. Life insurance benefits are paid to the insured’s beneficiaries in the event of the policyholder’s death.

### Instructional Strategies

- **COMPLETE** an Anticipation Guide over health, life, disability, auto, homeowners, and renters insurance. Indicate whether you agree or disagree with each statement [statements focus on who benefits from each type of insurance]. REVISIT the guide after you have completed the activities in this learning plan. REFLECT on the changes in your responses.
- **CONDUCT** an informational interview with an insurance agent using e-mail to explore the coverage’s and costs for various insurance products such as health, life, disability, auto, homeowners, renters, liability, etc.
- **SUMMARIZE** who is in the greatest need of various types of insurance, and the cost(s) associated with coverage.


### Diverse Learners

### Instructional Resources

- The Ohio Insurance Institute: [https://www.ohioinsurance.org/](https://www.ohioinsurance.org/)
- The Griffith Foundation: [http://www.griffithfoundation.org/k-12/](http://www.griffithfoundation.org/k-12/)