

Jump\$tart Coalition for Personal Financial Literacy[®]

correlation of standards with

Goodheart-Willcox

Foundations of Personal Finance ©2014

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This chart correlates the performance expectations for National Standards developed by the Jump\$tart Coalition for Personal Financial Literacy[®]. All standards may not be appropriate for all classes.

National Standards in K-12 Personal Finance Education

Financial Responsibility and Decision Making

Comprehensive Standard

Apply reliable information and systematic decision making to personal financial decisions.

Content Standard 1: Take responsibility for personal financial decisions.

Performance Expectations

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| A. | List examples of financial decisions and their possible consequences. | Pg. 14, 15, 18 |
| B. | Identify ways to be a financially responsible youth. | Pg. 16, 18–21, 60 |
| C. | Identify ways to be a financially responsible young adult. | Pg. 15, 16, 18–21, 47, 48, 55–59 |
| D. | Give examples of the benefits of financial responsibility and the costs of financial irresponsibility. | Pg. 15, 25, 47, 48 64 |
| E. | Explain how individuals demonstrate responsibility for financial well-being over a lifetime. | Pg. 6, 18, 19, 22, 35–41 |
| F. | Analyze how financial responsibility is different for individuals with and without dependents. | Pg. 59, 60, 62, 63 |
| G. | Given a scenario, discuss ethical considerations of various personal finance decisions. | Pg. 10, 14, 17 Special Feature Ethics Pg. 89, 159 |

Content Standard 2: Find and evaluate financial information from a variety of sources.**Performance Expectations**

| | | |
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| A. | Give examples of situations in which financial information would lead to better decisions. | Pg. 64 |
| B. | Identify sources of financial information. | Pg. 24 |
| C. | Analyze and evaluate advertising claims. | Pg. 297–298 |
| D. | Identify online and printed sources of product information and list the strengths and weaknesses of each. | Pg. 294–301 |
| E. | Determine whether financial information is objective, accurate, and current. | Pg. 50, 51 |
| F. | Investigate current types of consumer fraud, including online scams. | Pg. 53, 72, 202, 357, 53, 515 |
| G. | Given a scenario, identify relevant financial information needed to make a decision. | Pg. 13–21, 47- 545, |
| H. | List factors to consider when selecting a financial planning/ counseling professional and legal/tax advisor. | Figure 7-5 Special Feature Careers, Pg. 55, 61 |

Content Standard 3: Summarize major consumer protection laws.**Performance Expectations**

| | | |
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| A. | Compare product return policies at local retail stores. | Pg. 295, 297, 303–306, 317 |
| B. | Research the primary consumer protection agency in the state of residence. | Pg. 114, 121, 176, 198, 458–463, 545 |
| C. | Give examples of unfair or deceptive business practices that consumer protection laws forbid. | Pg. 43, 186–189, 196, 198–201, 621 |
| D. | Given a scenario, explain steps in resolving a consumer complaint. | Pg. 347–349 |
| E. | Match consumer protection laws to descriptions of the issues that they address and the safeguards that they provide. | Pg. 311, 331, 341, 373–375, 459, |

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| F. | Research online and printed sources of up-to-date information about consumer rights. | Pg. 187, 202, 266, 274, 279, 287, |
| G. | Given a scenario, write a complaint letter that states the problem, asks for specific action, includes copies of related documents, and provides contact information. | Pg. 345–348 |
| <p>Content Standard 4: Make financial decisions by systematically considering alternatives and consequences.</p> <p>Performance Expectations</p> | | |
| A. | Explain how limited personal financial resources affect the choices people make. | Pg. 6–16, 564, |
| B. | Rank personal wants/needs in order of importance. | Pg. 6–13 |
| C. | Set measurable short-term financial goals. | Pg. 4, 9–11, 3–36, 148, 475 |
| D. | Outline the steps in systematically evaluating alternatives and making a decision. | Pg. 14–19, 32, 256-257, 386–396 |
| E. | Apply systematic decision making to a short-term goal. | Pg. 4 |
| F. | Set measurable short- and medium-term financial goals. | Pg. 191–192 |
| G. | Prioritize personal financial goals. | Pg. 4 |
| H. | Evaluate the results of a financial decision. | Pg. 4 |
| I. | Use a financial or online calculator to determine the cost of achieving a medium-term goal. | Pg. 4 |
| J. | Apply systematic decision making to a medium-term goal. | Pg. 4, 14–19 |
| K. | Set measurable short-, medium-, and long-term financial goals. | Pg. 4 |
| L. | Use a financial or online calculator to determine the cost of achieving a long-term goal. | Pg. 4 |
| M. | Apply systematic decision making to a long-term goal. | Pg. 4 |
| N. | Analyze how inflation affects financial decisions. | Pg. 14–19 |
| O. | Analyze how taxes affect financial decisions. | Pg. 14–19 |

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| P. | Give examples of how decisions made today can affect future opportunities. | Pg. 14–19 |
| Content Standard 5: Develop communication strategies for discussing financial issues. | | |
| Performance Expectations | | |
| A. | Give examples of how members of previous generations spent money as children. | Pg.57–64 |
| B. | Analyze the values and attitudes of members of previous generations from their personal stories about money. | Pg.57–64 |
| C. | Explain how discussing important financial matters with household members can help reduce conflict. | Pg.57–64 |
| D. | Identify differences among peers’ values and attitudes about money. | Pg. 8 |
| E. | Explain the value of discussing individual and shared financial responsibilities with a roommate before moving in. | Pg. 401 |
| F. | Discuss the pros and cons of sharing financial goals and personal finance information with a partner before combining households. | Pg. 401 |
| G. | Give examples of contracts between individuals and between individuals and businesses, and identify each party’s basic responsibilities. | Pg. 185, 186 |
| Content Standard 6: Control personal information. | | |
| Performance Expectations | | |
| A. | List types of personal information that should not be disclosed to others and the possible consequences of doing so. | PG. 53, 54, 202 |
| B. | List actions an individual can take to protect personal identity. | Pg.203 |
| C. | Describe problems that occur when one is the victim of identity theft | Pg. 72, 202 |

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| D. | Identify ways that thieves can fraudulently obtain personal information. | Pg. 202 |
| E. | List entities that have a right to obtain individual Social Security numbers. | Pg. 72 |
| F. | Recommend actions a victim of identity theft should take to restore personal security. | Pg. 202 |

Income and Careers

Comprehensive Standard

Use a career plan to develop personal income potential.

Content Standard 1: Explore career options.

Performance Expectations

| | | |
|----|--|--------------|
| A. | Explain the difference between a career and a job and identify various jobs in the community. | Pg. 470–481 |
| B. | Explain the difference between a career and a job and identify various jobs in the community. | Pg. 470–481 |
| C. | Give an example of how an individual’s interests, knowledge, and abilities can affect career and job choice. | Pg. 472–475 |
| D. | Identify a topic of personal interest and research a career related to that topic of interest. | PG. 474, 475 |
| E. | Examine a job related to a career of interest. | Pg. 475–480 |
| F. | Give examples of entrepreneurs in the community. | Pg. 519–525 |
| G. | Give an example of how education and/or training can affect lifetime income. | Pg. 483–493 |
| H. | Identify online and printed sources of information about jobs, careers, and entrepreneurship. | Pg. 478–479 |
| I. | Compare personal skills and interests to various career options. | Pg. 472–475 |

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| J. | Describe the educational/training requirements, income potential, and primary duties of at least two jobs of interest. | Pg. 321, 491 |
| K. | Identify individuals who could provide a positive job reference. | Pg. 502 |
| L. | Complete an age-appropriate, part-time job application, including references. | Pg. 502–506 |
| M. | Describe the risks, costs, and rewards of starting a business. | Pg. 521–524 |
| N. | Outline the main components of a business plan. | Pg. 521–524 |
| O. | Analyze how economic, social-cultural, and political conditions can affect income and career potential. | Pg. 472–488 |
| P. | Identify a career goal and develop a plan and timetable for achieving it, including educational/training requirements, costs, and possible debt. | Pg. 472–488 |

Content Standard 2: Identify sources of personal income.

Performance Expectations

| | | |
|----|---|---------------------------|
| A. | Explain the difference between a wage and a salary. | Pg. 74–76 |
| B. | Identify jobs children can do to earn money. | Pg. 74–76 |
| C. | Give examples of sources of income other than a wage or salary. | Pg. 76, 77 |
| D. | Define gift, rent, interest, dividend, capital gain, tip, commission, and business profit income. | Pg. 76, 214, 279, 422–424 |
| E. | Explain the difference between earned and unearned income and give an example of each. | Pg. 74, 84 |
| F. | Give an example of a government transfer payment. | Pg. 110–112 |
| G. | Describe how a local government assistance program can benefit people in the community. | Pg. 28 |
| H. | Explain the effect of inflation on income. | Pg. 110–112 |

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| I. | Use a financial or online calculator to determine the future income needed to maintain a current standard of living. | Pg. 412 |
| Content Standard 3: Describe factors affecting take-home pay. | | |
| Performance Expectations | | |
| A. | Define tax and explain the difference between sales and income taxes. | Pg. 97 |
| B. | Give an example of how government uses tax revenues. | Pg. 93–104 |
| C. | Explain all items commonly withheld from gross pay. | Pg. 78-80 |
| D. | Give examples of employee benefits and explain why they are forms of compensation. | Pg. 78-80 |
| E. | Explain the difference between Social Security and Medicare programs. | Pg. 25, 28, 94, 100–104 |
| F. | Explain the effect on take-home pay of changing the allowances claimed on an “Employee’s Withholding Allowance Certificate” (IRS form W-4). | Pg. 78 |
| G. | Transfer information on “Wage and Tax Statement” (IRS form W-2) and “Interest Income” (IRS form 1099-INT) to “U.S. Individual Income Tax Return” (IRS form 1040) and comparable state income tax form. | Pg. 83, 84 |
| H. | Complete “Income Tax Return for Single and Joint Filers with No Dependents” (IRS form 1040EZ) and comparable state income tax form. | Pg. 86–89 |
| I. | Examine the benefits of employer-sponsored savings plans and other options for shifting current income to the future. | Pg. 79, 80, 106 |

Planning and Money Management

Comprehensive Standard

Organize and plan personal finances and use a budget to manage cash flow.

Content Standard 1: Develop a plan for spending and saving.

Performance Expectations

| | | |
|----|--|--------------------------|
| A. | Give examples of household expense categories and sources of income. | Pg. 34–45 |
| B. | Describe how to allocate a weekly allowance among the financial goals of spending, saving, and sharing. | Pg. 34–45 |
| C. | Prepare a personal spending diary. | Pg. 34–45 |
| D. | Calculate the sales tax for a given purchase. | Pg. 98 |
| E. | Discuss the components of a personal budget, including income, planned saving, taxes, and fixed and variable expenses. | Pg. 34–45 |
| F. | Given a household case study, calculate percentages for major expense categories. | Pg. 34–45 |
| G. | Explain how to use a budget to manage spending and achieve financial goals. | Pg. 34–45 |
| H. | Identify changes in personal spending behavior that contribute to wealth-building. | Pg. 45, 149–155, 212–230 |
| I. | Given a scenario, design a personal budget for a young person living alone. | Pg. 34–45 |
| J. | Analyze how changes in circumstances can affect a personal budget. | Pg. 34–45 |

Content Standard 2: Develop a system for keeping and using financial records.

Performance Expectations

| | | |
|----|--|---------|
| A. | Prepare a personal property inventory, including locations and estimates of value. | Pg. 405 |
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| B. | Set up a file system for household product information and warranties and financial documents such as receipts and account statements. | Pg. 316 |
| C. | Develop a filing system for keeping financial records, both paper and electronic. | Pg. 48, 49 |
| D. | Describe recordkeeping features that financial institutions provide for online account management. | Pg. 48–51 |

Content Standard 3: Describe how to use different payment methods.

Performance Expectations

| | | |
|----|--|---------------------------|
| A. | Describe different types of local financial institutions and explain the differences between them. | Pg. 110–143 |
| B. | Explain how checks and debit and credit cards work as payment methods. | Pg. 119, 126–139, 182–188 |
| C. | Discuss the advantages and disadvantages of different payment methods, such as stored value cards, debit cards, and online payment systems. | Pg. 119, 126–139, 182–188 |
| D. | Compare the features and costs of a checking account and a debit card offered by different local financial institutions. | Pg. 126–139 |
| E. | Compare the costs of cashing third-party checks at various local financial institutions, including a check-cashing service. | Pg. 196 |
| F. | Demonstrate skill in basic financial tasks, including scheduling bill payments, writing a check, reconciling a checking/debit account statement, and monitoring printed and/or online account statements for accuracy. | Pg. 57–59 |

Content Standard 4: Apply consumer skills to purchase decisions.

Performance Expectations

| | | |
|----|--|---------|
| A. | Compare prices for the same item at two different stores. | Pg. 306 |
| B. | Apply systematic decision making to a personal age-appropriate purchase. | Pg. 18 |

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| C. | Explain how peer pressure can affect spending decisions. | Pg. 623, 624 |
| D. | Explain the relationship between spending practices and achieving financial goals. | Pg. 35, 36 |
| E. | Give examples of how external factors, such as marketing and advertising techniques, might influence spending decisions for different individuals. | Pg. 619–621 |
| F. | Given an age-appropriate scenario, describe how to use systematic decision making to choose among courses of action that include a range of spending and non-spending alternatives. | Pg. 38, 39, 191 |
| G. | Apply comparison shopping skills to purchasing decisions. | Pg. 306 |
| H. | Given a personal finance scenario for a family of four, describe how to apply systematic decision making to choose among alternative consumer actions. | Pg. 38, 39 |
| I. | Compare the benefits and costs of owning a house versus renting housing. | Pg. 397–407 |
| J. | Explain the elements of a standard apartment lease agreement. | Pg. 402 |
| K. | Describe the effect of inflation on buying power. | Pg. 213, 584, 585, 588, |

Content Standard 5: Consider charitable giving.

Performance Expectations

| | | |
|----|---|--------|
| A. | Identify a private charitable organization and the people it serves. | Pg. 38 |
| B. | Determine whether charitable giving fits one’s budget and, if so, how much is appropriate. | Pg. 38 |
| C. | Use online charity-rating organizations to compare information about specific charities, such as the percentage of money spent on programs versus salaries and fundraising. | Pg. 38 |

Content Standard 6: Develop a personal financial plan.

Performance Expectations

| | | |
|----|--|----------------------|
| A. | Give examples of household assets. | Pg. 228–299, 393–395 |
| B. | Explain the difference, with examples, between assets and liabilities. | Pg. 45 |
| C. | Given a simplified case study, construct a net worth statement. | Pg. 43–45 |
| D. | Discuss the factors that affect net worth. | Pg. 43–45 |
| E. | Explain the difference, with examples, between cash inflows (including income) and cash outflows (including expense). | Pg. 113, 114 |
| F. | Explain the difference between a cash flow statement and a budget. | Pg. 40–44 |
| G. | Given a simplified case study, construct a cash flow statement. | Pg. 42–44 |
| H. | Develop, monitor, and modify a personal financial plan, including goals, net worth statement, cash flow statement, insurance plan, investing plan, and a budget. | Pg. 6 |

Content Standard 7: Examine the purpose and importance of a will.

Performance Expectations

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|----|---|---------|
| A. | Identify an item that a household member has inherited. | Pg. 242 |
| B. | Research the age at which an individual can write a valid will in the state of residence. | Pg. 241 |
| C. | Describe the main components of a simple will and research the typical cost of having one drafted. | Pg. 242 |
| D. | Identify the individuals and/or charitable organizations that are potential beneficiaries of personal property. | Pg. 242 |
| E. | Explain how the law in the state of residence specifies the disposition of an estate when there is no valid will. | Pg. 242 |

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| F. | Explain the purpose and importance of a “living will” (durable power of attorney for health care). | Pg. 243 |
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Credit and Debit

Comprehensive Standard

Maintain creditworthiness, borrow at favorable terms, and manage debt.

Content Standard 1: Identify the costs and benefits of various types of credit.

Performance Expectations

| | | |
|----|---|--------------|
| A. | Explain the difference between buying with cash and buying with credit. | Pg. 172, 173 |
| B. | Describe the advantages and disadvantages of using credit. | Pg. 180 |
| C. | Explain why financial institutions lend money. | Pg. 113 |
| D. | Identify credit purchases that adults commonly make. | Pg. 179, 180 |
| E. | Explain why using a credit card is a form of borrowing. | Pg. 172, 173 |
| F. | Explain how debit cards differ from credit cards. | Pg. 182 |
| G. | Explain how interest rate and loan length affect the cost of credit. | Pg. 184 |
| H. | Using a financial or online calculator, determine the total cost of repaying a loan under various rates of interest and over different periods. | Pg. 422–424 |
| I. | Give examples of “easy access” credit. | Pg. 196 |
| J. | Given an “easy access” loan amount and a two-week borrowing fee, calculate the interest rate for the loan period and its annual equivalent. | Pg. 196 |
| K. | Discuss potential consequences of using “easy access” credit. | Pg. 196 |
| L. | Explain how students, homeowners, and business owners use debt as an “investment.” | Pg. 489, 490 |

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| M. | Explain the potential consequences of deferred payment of student loans. | Pg. 198, 703 |
| N. | Compare the cost of borrowing \$1,000 by means of different consumer credit options. | Pg. 174 |
| O. | Define all required credit card disclosure terms and complete a typical credit card application. | Pg. 183 |
| P. | Explain how credit card grace periods, methods of interest calculation, and fees affect borrowing costs. | Pg. 183 |
| Q. | Using a financial or online calculator, compare the total cost of reducing a \$1,000 credit card balance to zero with minimum payments versus above-minimum payments. | Pg. 174 |
| R. | Given a scenario, apply systematic decision making to identify the most cost-effective option for purchasing a car. | Pg. 438–443 |
| S. | Identify various types of student loans and alternatives to loans as a means of paying for post-secondary education. | Pg. 489–493 |
| T. | Identify various types of mortgage loans and mortgage lenders. | Pg. 412, 421–427 |

Content Standard 2: Explain the purpose of a credit record and identify borrowers' credit report rights.

Performance Expectations

| | | |
|----|---|------------------------|
| A. | Describe the qualities that would be desirable in a person who borrows a favorite personal possession. | Pg. 173 |
| B. | Give examples of reasonable conditions to set for the use of borrowed personal property. | Pg. 172, 173 |
| C. | Given a scenario, describe steps that a person could take to regain a lender's trust after losing or damaging borrowed personal property. | Pg. 195, 196 |
| D. | Explain why it is important to establish a positive credit history. | Pg. 172, 173, 175, 176 |
| E. | Explain the value of credit reports to borrowers and to lenders. | Pg. 176, 177 |

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| F. | Describe the information in a credit report and how long it is retained. | Pg. 177, 178 |
| G. | Give examples of permissible uses of a credit report other than granting credit. | Pg. 178 |
| H. | Describe the elements of a credit score. | Pg. 177–179 |
| I. | Describe the elements of a credit score. | Pg. 177–179 |
| J. | Explain the factors that improve a credit score. | Pg. 181 |
| K. | Identify organizations that maintain consumer credit records. | Pg. 178 |
| L. | Explain the rights that people have to examine their credit reports. | Pg. 192 |
| M. | Analyze the information contained in a credit report, indicate the time that certain negative data can be retained, and describe how to dispute inaccurate entries. | Pg. 192, 193 |
| N. | Discuss ways that a negative credit report can affect a consumer's financial future. | Pg. 192–194 |

Content Standard 3: Describe ways to avoid or correct credit problems.

Performance Expectations

| | | |
|----|---|--------------|
| A. | List ways to avoid credit problems, including not overspending. | Pg. 190–192 |
| B. | Give examples of legal and illegal debt collection practices. | Pg. 193 |
| C. | Identify possible indicators of excessive debt. | Pg. 192 |
| D. | Describe possible consequences of excessive debt. | Pg. 192–195 |
| E. | List actions that a consumer could take to reduce or better manage excessive debt. | Pg. 195 |
| F. | Evaluate various credit counseling services. | Pg. 195, 196 |
| G. | Describe the purpose of bankruptcy and its possible effects on assets, employability, and credit cost and availability. | Pg. 193, 194 |

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| H. | Given a scenario, write a billing dispute letter that states the problem, asks for specific action, includes references to copies of related documents, and provides contact information. | Pg. 192 |
| I. | Describe debtors' and creditors' rights related to wage garnishment and repossession when an overdue debt is not paid. | Pg. 193 |

Content Standard 4: Summarize major consumer credit laws.

Performance Expectations

| | | |
|----|---|-------------|
| A. | Give examples of protections derived from consumer credit laws. | Pg. 198–203 |
| B. | Summarize consumer credit laws and the protections that they provide. | Pg. 198–203 |
| C. | Research online and printed sources of up-to-date information about consumer credit rights. | Pg. 198–203 |

Risk Management and Insurance

Comprehensive Standard

Use appropriate and cost-effective risk management strategies.

Content Standard 1: Identify common types of risks and basic risk management methods.

Performance Expectations

| | | |
|----|--|--------------|
| A. | Give examples of risks that individuals and households face. | Pg. 252, 253 |
| B. | Given an age-appropriate activity such as riding a bicycle, analyze how to reduce and avoid different kinds of risk. | Pg. 254, 256 |
| C. | Discuss the relationship between risk and insurance. | Pg. 254–257 |
| D. | Explain how insurance deductibles work. | Pg. 258 |
| E. | Determine how to evaluate an extended warranty. | Pg. 317, 318 |
| F. | Give examples of how people manage risk through avoidance, reduction, retention, and transfer. | Pg. 254 |

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| G. | Explain how to self-insure and give examples of circumstances in which self-insurance is appropriate. | Pg. 262–266 |
| H. | Recommend insurance for the types of risks that young adults might face. | Pg. 263 |
| Content Standard 2: Explain the purpose and importance of property and liability insurance protection. | | |
| Performance Expectations | | |
| A. | List valuable items that households commonly own. | Pg. 228, 229 |
| B. | Describe how valuable items might be damaged or lost and ways to protect them. | Pg. 228, 229 |
| C. | Identify the types of insurance that might cover accidental damage to another person’s property. | Pg. 276 |
| D. | Give examples of the kinds of a typical auto insurance policy covers. | Pg. 279 |
| E. | Give examples of the kinds of expenses that a typical renter’s policy and a typical homeowner’s policy cover. | Pg. 276–278 |
| F. | Identify the factors that influence the cost of insurance for vehicles and housing. | Pg. 276–282, 284 |
| G. | Differentiate among the main types of auto insurance coverage. | Pg. 280–284 |
| H. | List factors that can increase or reduce auto insurance premiums. | Pg. 280–284 |
| I. | Determine the legal minimum amounts of auto insurance coverage required in one’s state of residence and recommend optimal amounts. | Pg. 281 |
| J. | Given a scenario, calculate the amount paid on an insurance claim after applying exclusions and deductibles. | Pg. 281 |
| K. | Compare the costs of auto insurance for the same vehicle, given two different deductibles and two different liability coverage limits. | Pg. 281 |

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| L. | Explain the benefits of renter’s insurance and compare policies from different companies. | Pg. 279 |
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Content Standard 3: Explain the purpose and importance of health, disability, and life insurance protection.

Performance Expectations

| | | |
|----|--|------------------------|
| A. | Explain why people need health insurance. | Pg. 254, 255, 258 |
| B. | List the main threats to household income and assets. | Pg. 254, 255 |
| C. | Give examples of the kinds of expenses that health insurance can cover. | Pg. 264 |
| D. | Describe the purpose of disability insurance. | Pg. 268, 269 |
| E. | Explain the primary purpose of life insurance and the characteristics of people who need it most. | Pg. 270–275 |
| F. | Analyze the conditions under which young adults need life, health, and disability insurance. | Pg. 254, 255, 263, 266 |
| G. | Identify government programs that provide financial assistance for income loss due to illness, disability, or premature death. | Pg. 266–269 |
| H. | Compare sources of health and disability insurance coverage, including employee benefit plans. | Pg. 266–269 |
| I. | Explain the purpose of long-term care insurance. | Pg. 263, 264 |

Saving and Investing

Comprehensive Standard

Implement a diversified investment strategy that is compatible with personal goals.

Content Standard 1: Discuss how saving contributes to financial well-being.

Performance Expectations

| | | |
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| A. | Describe the advantages and disadvantages of saving for a short-term goal. | Pg. 146 |
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| B. | Describe ways that people can cut expenses to save more of their incomes. | Pg. 36, 37 |
| C. | Give examples of how saving money can improve financial well-being. | Pg. 146–156 |
| D. | Describe the advantages and disadvantages of saving for short- and medium-term goals. | Pg. 144–169 |
| E. | Explain the value of an emergency fund. | Pg. 147, 148 |
| F. | Explain why saving is a prerequisite to investing. | Pg. 163, 151, 152, 611, 612 |
| G. | Describe the advantages and disadvantages of saving for short-, medium-, and long-term goals. | Pg. 146–156 |
| H. | Identify and compare saving strategies, including “paying yourself first,” using payroll deduction, and comparison shopping to spend less. | Pg. 146, 147 |
| I. | Develop a definition of wealth based on personal values, priorities, and goals. | Pg. 148, 149 |

Content Standard 2: Explain how investing builds wealth and helps meet financial goals.

Performance Expectations

| | | |
|----|---|-------------------|
| A. | Give an example of an investment and explain how it can grow in value. | Pg. 154, 160, 165 |
| B. | Apply systematic decision making to determine when to invest cash not needed for short-term spending or emergencies. | Pg. 38, 39 |
| C. | Define the time value of money and explain how small amounts of money invested regularly over time grow exponentially. | Pg. 210, 249, 614 |
| D. | Use the Rule of 72 to estimate the time or interest rate needed to double an amount of money. | Pg. 160, 161 |
| E. | Calculate and compare simple interest and compound interest earnings and explain the benefits of a compound rate of return. | Pg. 158–163 |

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| F. | Determine the average, median, or estimated costs of a four-year college education, a wedding, a new business startup, and the down payments on a new car and a house. | Pg. 449–452 |
| G. | Devise a periodic investment plan for accumulating the money for a four-year college education, a wedding, a new business startup, and the down payments on a new car and a house. | Pg. 16–19, 44 |
| H. | Identify and compare strategies for investing, including participating in a company retirement plan. | Pg. 162 |
| I. | Describe the effect of inflation on investment growth. | Pg. 155, 162 |
| J. | Given rate of return, and years, use a financial or online calculator to figure (a) the end value of an invested lump sum and (b) the lump sum needed to reach a specific investment goal. | Pg. 210–249 |
| K. | Given rate of return, years, and frequency, use a financial or online calculator to figure (a) the end value of an invested periodic amount and (b) the periodic amount needed to reach a specific investment goal. | Pg. 210–249 |
| L. | Explain the relative importance of the following sources of income in retirement: Social Security, employer retirement plans, and personal investments. | Pg. 237–240 |
| M. | Explain why games of chance are not good investments for building wealth. | Pg. 210–249 |

Content Standard 3: Evaluate investment alternatives.

Performance Expectations

| | | |
|----|---|------------------------|
| A. | List the advantages of investing money with a financial institution. | Pg. 71, 224 |
| B. | Give an example of an investment that allows relatively quick and easy access to funds. | Pg. 210, 212–230 |
| C. | Compare the main features of interest-earning accounts at local financial institutions. | Pg. 150, 151, 158, 163 |

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|----|--|------------------|
| D. | Explain how stocks and bonds differ as investments. Explain how to match investments to financial goals. | Pg. 154, 155 |
| E. | Compare investing in individual stocks and bonds with investing in stock or bond mutual funds. | Pg. 154, 155 |
| F. | Compare the investment potential of stocks, bonds, and real estate to collectibles and precious metals. | Pg. 154–155 |
| G. | Explain how inflation affects investment returns. | Pg. 213 |
| H. | Explain how to match investments to financial goals. | Pg. 210–230, 614 |
| I. | Discuss common types of investment risk. | Pg. 214 |
| J. | Compare the risks and returns of various investments. | Pg. 210–230 |
| K. | Calculate investment growth given different amounts, times, rates of return, and frequency of compounding. | Pg. 216, 614 |
| L. | Describe the benefits of a diversified investment portfolio. | Pg. 210–230 |
| M. | Identify the appropriate types of investments to achieve the objectives of liquidity, income, and growth. | Pg. 210–230 |
| N. | Identify the appropriate types of investments for accumulating the money for a four-year college education, a wedding, a new business startup, the down payments on a new car and a house, and retirement. | Pg. 231–233 |
| O. | Use systematic decision making to select an investment. | Pg. 231–233 |

Content Standard 4: Describe how to buy and sell investments.

Performance Expectations

| | | |
|----|--|----------------------|
| A. | Compare the rates of return on basic savings accounts at different financial institutions. | Pg. 151, 152 |
| B. | Identify and describe various sources of investment information, including prospectuses, online resources, and financial publications. | Pg. 232, 233 |
| C. | Interpret the financial market quotations of a stock and a mutual fund. | Pg. 215–221, 224–226 |

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|----|--|----------------------|
| D. | Research and track a publicly traded stock and record daily market values between two specified dates. | Pg. 215–221, 224–226 |
| E. | Analyze how economic and business factors affect the market value of a stock. | Pg. 215–221 |
| F. | Compare the investment objectives and historical rates of returns in two mutual fund prospectuses. | Pg. 224–226 |
| G. | Compare the advantages and disadvantages of buying and selling investments through various channels, including financial advisors, investment clubs, and online brokers. | Pg. 210, 212–230 |
| H. | Describe the benefits of dollar-cost averaging and calculate the average cost per share of investments using this strategy. | Pg. 235 |

Content Standard 5: Explain how taxes affect the rate of return on investments.

Performance Expectations

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|----|--|---------------|
| A. | Identify the income tax-free earnings limit for an investor under the age of 18. | Pg. 81, 84–86 |
| B. | Identify the tax rate for dividends. | Pg. 216 |
| C. | Compare the returns of taxable investments with those that are tax-exempt or tax-deferred. | Pg. 216 |
| D. | Contrast the benefits of a traditional IRA versus a Roth IRA. | Pg. 239 |
| E. | Describe the advantages provided by employer-sponsored retirement savings plans, including 401(k) and related plans. | Pg. 239 |

Content Standard 6: Investigate how agencies that regulate financial markets protect investors.

Performance Expectations

| | | |
|----|---|---------|
| A. | Explain how deposit insurance protects investors. | Pg. 114 |
| B. | Explain how federal and state regulators protect investors. | Pg. 114 |