

THEME MODULE TITLE: Financial and Consumer Literacy

MODULE DESCRIPTION

This module introduces students to the ways in which financial and consumer literacy skills can help individuals achieve financial stability. Financial and consumer literacy concepts include: earning income; tracking spending; borrowing and saving money; and, planning for the future. Students will examine ways to apply personal organizational and decision-making skills to financial decisions and consumer choices.

Current issues related to consumer rights, the uses of technology in money management, and the impact of national and global economics on personal financial plans will be examined.

Students will have the opportunity to explore career options related to financial management and identify the knowledge, skills, education and training necessary for success within these fields.

ESSENTIAL QUESTION

What knowledge and skills are necessary to demonstrate introductory understanding of how money works and how individuals can create and achieve financial goals, while managing financial challenges?

MODULE CONTENT

Financial Literacy

1. Earning Income

Students will

- Explore job and career options and complete a career plan
- Compare the income potential of jobs included in their career plans
- Analyze factors that affect gross and net income
- Explain basic information found on pay stubs
- Analyze systems for recording and using income records and documents
- Understand and be able to explain basic national and global economic factors that may impact personal income

2. Saving and Investing

Students will

- Describe the purpose of saving money as it applies to their future goals
- Define "investing" and explain how saving and investing are related
- Explore different savings and investment tools and methods
- Compare various types of financial institutions and savings options available at each
- Apply decision-making skills to saving and investing decisions
- Analyze systems for recording and managing savings and investment records

3. Protecting and Insuring

Students will

- Identify various types of financial risk
- Understand and be able to explain resources available to protect individuals from the loss of income, assets, or identity
- Describe ways to protect identity from theft

Analyze systems for recording and maintaining insurance records and documents
Demonstrate personal development of basic financial planning skills through practice of these skills in a variety of classroom applications

Consumer Literacy

1. Buying Goods and Services

Students will

Define the term "consumer" and describe the role of the consumer in the economy
Distinguish between needs, wants, values, and goals and tell how each impacts spending and savings decisions
Develop a spending and savings plan (budget) based on income and expenses
Explain the features of checking accounts and the roles of checking accounts in budgeting and consumer purchasing
Explain the influence of peers, advertising, technology, and the economy on consumer decisions
Apply a decision-making model to maximize consumer satisfaction when purchasing goods and services
Compare local, national, and global resources for obtaining goods and services
Analyze consumer rights, responsibilities, and protections provided by local, state, federal, and global laws and policies
Demonstrate personal development of consumer skills through practice of these skills in a variety of classroom applications

2. Payment Options and Credit

Students will

Explore and compare various payment options
Define the terms "credit" and "debt"
Examine factors that affect the choice to use credit, the costs and benefits of using credit, and the personal and legal responsibilities of using credit
Compare the credit options available from different types of lending institutions
Examine the components of a credit report and summarize a borrower's rights and responsibilities related to credit reports
Understand and explain the basics of the "credit score" and the effects of consumer behaviors on their personal credit scores
Describe strategies for avoiding and for correcting debt management problems
Analyze systems for recording and managing credit records and documents

Careers in Financial and Consumer Services

Students will

Investigate knowledge, skills, and practices needed for a career in the financial and/or consumer services fields
Analyze career paths within the financial and/or consumer services industries
Evaluate personal skills, abilities, and interests for employment in the financial and/or consumer sciences fields

ACTIVITIES

Agricultural Education (Buying Goods and Services)

Visit a virtual Farmers Market. Have students compare the costs for purchasing seasonal, locally-sourced produce to obtaining food from various other sources in the community, including food pantries. Evaluate and report on the budgetary effect of the decision to purchase food from the Farmers Market vs. the budgetary effects from obtaining food from

other sources

Business and Marketing Education (Saving and Investing)

Make a list of the types of financial institutions in the local community. Research the savings options available for middle school students at those institutions and chart the features of each, such as: initial deposit required; interest rate earned; statement formats available; account maintenance fees; and, ease of deposits and withdrawals. Students determine at which institution they would open an account and present their choice to the class

Family and Consumer Sciences Education (Payment Options and Credit)

Students plan and conduct a service learning or FCCLA project to provide a Personal Finance Fair for school families. Participants gain information from representatives of local financial institutions and community agencies who provide expertise on a variety of financial needs such as: car, home, and personal loans; college expense planning; investment and retirement options; and, consumer credit counseling

Health Sciences Education (Earning Income)

Students use a variety of sample pay stubs representing typical earnings for employees in a variety of health sciences careers such as: physicians; nurses; nurse assistants; home health aides; and EMTs to identify the similarities and the differences in payroll deductions. As a class, discuss the mandatory payroll deductions required of all and the voluntary withholdings chosen by some

Technology Education (Careers)

Each student identifies a job that he/she may be interested in pursuing in the future and researches the education and training costs required to start that job. Costs could include tuition, books, tools, supplies, and expenses for moving to access training. Identify the typical starting pay for the job determine how long it might take to earn back the cost of training. Compare the expense for training to the amount one could earn during long-term career in that field

Trade and Technical Education (Buying Goods and Services)

Students select a good or a service that they would like to purchase in the next 60 days and conduct consumer research to determine the best place for purchase. Students track their expenses for two weeks and develop a spending/savings plan based on their purchasing goal and their expense data. Evaluate the success of their plan at the end of the 60 days, and whether or not the purchase might be made

STANDARDS ADDRESSED

New York State Career Development and Occupational Studies (CDOS) Standards
Intermediate Level

Standard 1: Career Development

Students will be knowledgeable about the world of work, explore career options, and relate personal skills, aptitudes, and abilities to future career decisions

Standard 2: Integrated Learning

Students will demonstrate how academic knowledge and skills are applied in the workplace and other settings

Standard 3a: Universal Foundation Skills

Students will demonstrate mastery of the foundation skills and competencies essential for success in the workplace

Common Career Technical Core Standards

<https://www.careertech.org/career-ready-practices>

Career Ready Practices

1. Act as a responsible and contributing citizen and employee
2. Apply appropriate and academic and technical skills
3. Attend to personal health and financial well-being
5. Consider environmental, social, and economic impacts of decisions
7. Employ valid and reliable research strategies
8. Utilize critical thinking to make sense of problems and persevere in solving them
9. Model integrity, ethical leadership, and effective management
10. Plan education and career paths aligned to personal goals
11. Use technology to enhance productivity

National Agricultural Education Standards

https://www.ffa.org/the_council/afnr

ABS.01. Apply management planning principles in AFNR businesses

ABS.02. Use record-keeping to accomplish AFNR business objectives, manage budgets, and comply with laws and regulations

CRP.03. Attend to personal health and financial well-being

Note: National Agricultural Education Standards CRP .01-.12 coincide with Common Core Technical Core Standards

National Business Education Standards

<https://www.nbea.org/newsite/curriculum/standards/index.html>

Personal Finance

- I. Personal Decision Making Achievement Standard
Use a rational decision-making process as it applies to the roles of citizens, workers, and consumers
- II. Earning and Reporting Income Achievement Standard
Identify various forms of income and analyze factors that affect income as a part of the career decision-making process
- III. Managing Finances and Budgeting Achievement Standard
Develop and evaluate a spending/savings plan
- IV. Saving and Investing Achievement Standard
Evaluate savings and investment options to meet short- and long-term goals
- V. Buying Goods and Services Achievement Standard
Apply a decision-making model to maximize consumer satisfaction when buying goods and services
- VI. Banking and Financial Institutions Achievement Standard
Evaluate services provided by financial deposit institutions to transfer funds
- VII. Using Credit Achievement Standard
Analyze factors that affect the choice of credit, the cost of credit, and the legal aspects of using credit
- VIII. Protecting Against Risk Achievement Standard
Analyze choices available to consumers for protection against risk and financial loss

National Family and Consumer Sciences Standards

<https://www.nasafacs.org/national-standards-and-competencies.html>

2.0 Consumer and Family Resources

Evaluate management practices related to the human economic and environmental resources

2.3 Analyze policies that support consumer rights and responsibilities

2.5 Analyze relationships between the economic system and consumer actions

2.6 Demonstrate management of financial resources to meet the goals of individuals and families across the lifespan

3.0 Consumer Services

Integrate knowledge, skills, and practices needed for a career in the consumer services

3.1 Analyze career paths within the consumer services industries

3.2 Analyze factors that affect consumer advocacy

3.3 Analyze factors in developing a long-term financial management plan

National Consortium for Health Science Education

<https://www.healthscienceconsortium.org/national-health-science-standards/>

Foundation Standard 3: Systems

Identify how key systems affect services performed and quality of care

3.1 Healthcare Delivery Systems

3.12 Describe the responsibilities of consumers within the healthcare system

3.14 Discuss healthcare economics and common methods of payment for healthcare

International Technology and Engineering Educators Association

Standards for Technological Literacy

<https://www.iteea.org/39197.aspx>

The Nature of Technology

1. Students will develop an understanding of the characteristics and scope of technology

I. Corporations can often create demand for a product by bringing it onto the market and advertising it

Technology and Society

5. Students will develop an understanding of the effect of technology on the environment

F. Decisions to develop and use technologies often put environmental and economic concerns in direct competition with one another

6. Students will develop an understanding of the role of society in the development and use of technology

D. Throughout history, new technologies have resulted from the demands, values, and interests of businesses, industries, and individuals

The Designed World

19. Students will develop an understanding of and be able to select and use manufacturing technologies

K. Marketing a product involves informing the public about it as well as assisting in selling and distributing it

USDOE Employability Skills

http://cte.ed.gov/employability_skills/

Applied Knowledge

The thoughtful integration of academic knowledge and technical skills put to practical use

Applied Academic Skills

Uses mathematical strategies and procedures

Critical Thinking Skills

Makes sound decisions

Plans and organizes

Workplace Skills

The skills employees need to successfully perform work tasks

Resource Management

Manages money

Information use

Locates information

Organizes information

Analyzes information

Uses information

Systems Thinking

Understands and uses systems

Monitors systems

Technology use

Understands and uses technology

RESOURCES

New York State Education Department

Public Broadcasting System (PBS) Public Television

http://www.pbs.org/your-life-your-money/more/what_is_financial_literacy.php

"What is Financial Literacy? Your Life Your Money"

True stories of young people facing financial difficulties. Viewers learn strategies for money management through these stories that show how and why young adults end up in financial trouble and how they improve their financial literacy

Federal Deposit Insurance Corporation (FDIC)

Learning Bank

<https://www.fdic.gov/about/learn/learning/index.html>

The FDIC Learning Bank provides information about using money wisely, how banks work, and the differences between types of bank accounts and loans

Federal Reserve

Classroom Resources

<https://www.federalreserveeducation.org/resources/classroom/>

The Federal Reserve offers a bank of classroom resources on a wide range of financial and consumer skills, including a link to *Page One Economics*. Each issue of *Page One Economics* provides a simple, short overview of a current economic event. "Focus on Finance" essays cover personal finance. The Teacher's Guide includes student questions and a teacher answer key, plus additional resources and lesson ideas for classroom, extra credit, or make-up assignments

Council for Economic Education

National Standards for Financial Literacy

<https://www.councilforeconed.org/resource/national-standards-for-financial-literacy/#sthash.uuu4YXzg.dpbs>

Council for Economic Education is a non-profit organization that focuses on personal finance and economic education for students K-12. Students who have the knowledge and vocabulary of money have the tools needed to create financial stability and opportunity for themselves, their families and their communities

