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.***
Resources	Main Page: http://www.pearltrees.com/ohiosocialstudies/financial-literacy/id11282748 Financial Responsibility and Decision Making: http://www.pearltrees.com/ohiosocialstudies/financial-responsibility/id14458243
Content Statement	1. Financial responsibility entails being accountable for managing money in order to satisfy one's current and future economic choices.
Content Elaboration	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. Individual opportunities and choices about when, where, and how much to work effect lifestyle decisions and financial stability.
Expectation 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.
Content Statement	2. Financial responsibility involves life-long decision-making strategies which include consideration of alternatives and consequences.
Content Elaboration	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 regularly. 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. Using a sample financial decision, explain the potential positive and negative consequences.

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.***
Resources	Main Page: http://www.pearltrees.com/ohiosocialstudies/financial-literacy/id11282748 Income and Careers: http://www.pearltrees.com/ohiosocialstudies/income-careers/id14458475
Content Statement	3. Competencies (knowledge and skills), commitment (motivation and enthusiasm), training, work ethic, abilities and attitude are all factors impacting one's earning potential.
Content Elaboration	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 various training and education options beyond high school can further one's employability. Evaluate individual interests and skill sets to identify potential careers. Explain how one can become more employable through training and education.
Content Statement	4. Income sources include job earnings and benefits, business earnings, saving and investment earnings, government payments, grants, inheritances, etc.
Content Elaboration	There are various sources of income such as jobs where individual earns a wage or salary, 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 social security, WIC (Women, Infants, Children), SNAP (Supplemental Nutrition Assistance Program), Medicaid or Medicare.
Expectations for Learning	Compare and contrast different sources of income, including wages and salaries. Research government programs such as SNAP or Medicare and explain how these programs contribute to the financial stability of different individuals.

Content Statement	5. Taxes, retirement, insurance, employment benefits, and both voluntary and involuntary deductions impact take-home pay.
Content Elaboration	Examples of deductions include federal, state and local taxes, retirement accounts or investments, insurance, employment benefits, and both voluntary and involuntary deductions. Gross pay is the amount of pay an employee receives before taxes and other with holdings are taken from their paycheck. Net pay is the also referred to as take home pay and is the amount of money an employee receives after deductions and with holdings have been deducted.
Expectations for Learning	Calculate the difference between net pay and gross pay of a fictional employee. Compare and evaluate several sample pay stubs and describe the different withholdings, both pre and post-tax, that are included.

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.***
Resources	Main Page: http://www.pearltrees.com/ohiosocialstudies/financial-literacy/id11282748 Planning and Money Management: http://www.pearltrees.com/ohiosocialstudies/planning-money-management/id14794836
Content Statement	6. Financial responsibility includes the development of a spending and savings plan (personal budget).
Content Elaboration	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. (**S**pecific, **M**easurable, **A**ttainable, **R**ealistic, **T**ime-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. 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	Devise a spending and savings plan (budget) 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.
Content Statement	7. Financial literacy includes a decision-making strategy on purchasing.
Content Elaboration	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).
Expectations for Learning	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 a simulation prior to making a large purchase, such as a vehicle.

Content Statement	8. Financial institutions offer a variety of products and services to address financial responsibility.
Content Elaboration	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. Consumers must know how much money they have available in their checking account prior to withdrawing money or making a purchase with a debit card that is linked to their checking account. Consumers can reconcile their checkbooks by hand using the check register or by using online tools. Checking accounts must be reconciled on a regular basis in order to ensure that the consumers' records correlate with the bank records.
Expectations for Learning	Evaluate products and services from financial institutions that a student might use such as a checking and savings account and discuss advantages and disadvantages of different products. Reconcile a checking and savings account balance using both an account register and an electronic tool.
Content Statement	9. Financial experts provide guidance and advice on a wide variety of financial issues.
Content Elaboration	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. Financial planners can be certified in different ways such as credentials from industry such as a Certified Financial Planner (CFP) or the government through the Security Exchange Committee (SEC). Consumers need to do their homework.
Expectations for Learning	Explain the roles and responsibilities of a financial expert. Identify qualifications to look for when searching for a financial planner.
Content Statement	10. Planning for and paying local, state and federal taxes is a financial responsibility.
Content Elaboration	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 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. 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. Independently contracted workers do not have taxes withheld from paychecks. All employed workers must annually report income amounts and sources to the Internal Revenue Service, the state and municipality in which they reside. Tax rates often differ between different municipalities and states.
Expectations for Learning	Fill out a sample W-2, 1040 EX federal tax form, state and local tax forms either for a job or given scenario (wages, salaries, independent contractor, etc.) Investigate how local taxes are calculated between different municipalities.

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.***
Resources	Main Page: http://www.pearltrees.com/ohiosocialstudies/financial-literacy/id11282748 Consumerism: http://www.pearltrees.com/ohiosocialstudies/consumerism/id14813864
Content Statement	11. Consumerism choices consistent with one's financial plan include decision-making strategies on purchasing.
Content Elaboration	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.
Content Statement	12. Consumer advocates, organizations and regulations provide important information and help protect against potential consumer fraud.
Content Elaboration	Consumer fraud is a deceptive practice which results in financial or other losses for consumers in the course of seemingly legitimate business transactions. Personal vigilance is one way to prevent fraud. 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.
Expectations for Learning	Identify ways that consumers can identify fraud and protect themselves from becoming a victim of fraud. Describe the process for consumers who believe they are victims of fraud to seek recompense. Describe the consumer protections provided to citizens through government and consumer agencies.
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 Elaboration	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 and service fees. 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 may choose to borrow money, apply for grants or scholarships or take on additional employment. 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/ is a valuable resource for students. Many financial institutions also offer loan programs for prospective students.
Expectations for Learning	Compare the terms and conditions of the consumer lending statements from two or more financial institutions to determine which one is better for a given consumer. Compare different types of student loans and have students rank the terms of the loans from best to worst considering both the long and short term effects.
Content Statement	14. Consumer protections laws help safeguard individuals from fraud and potential loss.
Content Elaboration	Laws have been passed (e.g. Truth in Lending Act, Fair Debt Collection Practices Act, Fair Credit Reporting Act) to help protect consumers from fraud and potential financial loss. Consumers must be aware of all of their credit card and financial accounts to be aware of fraudulent purchases or withdrawals.

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.
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 Elaboration	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, handling and membership fees. When considering the total price, consumers must take into account all of the in-direct costs.
Expectations for Learning	Identify the difference between direct and indirect costs. Compare and contrast the overall costs of goods and services from various distributors (wholesale, retail, online).

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 environmental conditions, etc.***
Resources	Main Page: http://www.pearltrees.com/ohiosocialstudies/financial-literacy/id11282748 Investing: http://www.pearltrees.com/ohiosocialstudies/investing/id14863769
Content Statement	16. Using key investing principles one can achieve the goal of increasing net worth.
Content Elaboration	The purpose of investing is to increase net worth in the short and 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). Investments include mutual funds, a bank CD, bonds, stock, or real estate. Many factors may impact the value of investments. As consumers evaluate potential investments, they must consider how safe the investment is, liquidity, fees, and the rate of return. 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 many bugs or consumers do not like the new technology, the value of the stock will most likely decrease.
Expectations for Learning	Given a predetermined amount of money, devise a plan to increase net worth. Discuss factors that can impact the value of investments. Given a predetermined amount of money, devise a plan to increase net worth. Discuss factors that can impact the value of investments.
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 Elaboration	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, 401(k) and IRAs 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.
Expectations for Learning	Identify and compare the administrative costs (fees) and taxes of various investment products. Given a scenario, identify the more advantageous investment strategy for different individuals.
Content Statement	18. Government agencies are charged with regulating providers of financial services to help protect investors.
Content Elaboration	To help 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.
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.

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.***
Resources	Main Page: http://www.pearltrees.com/ohiosocialstudies/financial-literacy/id11282748 Credit/Debt: http://www.pearltrees.com/ohiosocialstudies/credit-debt/id14863913
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 Elaboration	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 a consumer needs cash before their 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. Banks and financial institutions may allow loans to 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, make 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.
Expectations for Learning	Describe the difference between a loan from a bank and one from a payday lender. Compare the final repayment amount of a loan from a bank and from a payday lender on a large purchase such as a car. Investigate barriers to individuals which may lead them to be unbanked.
Content Statement	20. Debt is an obligation owed by one party to a second party.

Content Elaboration	Debt is considered a promise of payment whether it is in the form of a personal loan, vehicle loan, a mortgage, or a credit card bill. Consumers have a legal obligation to pay debt. 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. If a consumer struggles to repay their 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. 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.
Expectations for Learning	Develop a repayment plan to satisfy debt obligations. Explain the implications of declaring bankruptcy.
Content Statement	21. Effectively balancing credit and debt help one achieve some short and long-term goals.
Content Elaboration	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. 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	Discuss steps a consumer can take to get and keep a high credit score. Discuss steps that will bring credit scores down.
Content Statement	22. Financial documents and contractual obligations inform the consumer and define the terms and conditions of establishing credit and incurring debt.

Content Elaboration	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. Often, consumers do not understand that credit cards are a form of debt and consumers may have difficulty paying credit cards if they have many cards or only pay the minimum payment each month on their card(s). 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. The Credit Card Accountability, Responsibility and Disclosure, or Credit CARD Act was signed into law in 2009 to further protect consumers from unscrupulous practices by credit card companies.
Expectations for Learning	Evaluate several credit card offers and choose the best card based on criteria such as interest rate, late fees, "rewards" programs, etc. Research the TILA and Credit CARD laws and describe how each law protects consumers.
Content Statement	23. Credit and debt affect tax obligations.
Content Elaboration	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 of list of tax obligations that are impacted by tax credits and debt.

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.***
Resources	Main Page: http://www.pearltrees.com/ohiosocialstudies/financial-literacy/id11282748 Risk Management and Insurance: http://www.pearltrees.com/ohiosocialstudies/risk-management-insurance/id14864194
Content Statement	24. A risk management plan can protect consumers from the potential loss of personal and/or business assets or income.
Content Elaboration	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. Extended warranties and service plans are typically offered by the business that sold the item and are a separate cost from the item. Warranties operate in a similar way to insurance. Businesses can 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 insurance a small business should carry versus a larger corporation.
Content Statement	25. Safeguards exist that help protect one's identity.
Content Elaboration	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. If identity theft is suspected, an individual must act quickly to 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. Consumers should 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.
Expectations for Learning	Describe problems that can occur when an individual is a victim of identity theft.

	Give specific examples of how online transactions, online banking, email scams, and telemarking calls can make consumers vulnerable to identity theft. Describe the conditions under which individuals should and should not disclose their Social Security number, account numbers, and other sensitive personal information. List actions an individual can take to protect personal information. Recommend actions a victim of identity theft should take to limit losses and restore personal security.
Content Statement	26. Diversification of assets is one way to manage risk.
Content Elaboration	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.
Expectations for Learning	Define diversification and give examples of high, medium and low risk investments. Explain why it is important to diversify, and how the diversification of a portfolio changes over time.
Content Statement	27. A comprehensive insurance plan (health, life, disability, auto, homeowners, renters, liability, etc.) serves as a safeguard against potential loss.
Content Elaboration	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.
Expectations for Learning	Explore the coverage and cost for various insurance products such as health, life, disability, auto, homeowners, renters, liability, etc. Research the likelihood that disability and life insurance is needed to replace an income stream.