

## Personal Finance Standards Disaggregated

<b>Indicator # 1</b>	Analyze elements that affect personal income.
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<b>Webb Level</b>	<b>Number Sequence &amp; Standard</b>
Level 2	PF 1.1 Explain controllable factors involved in personal finance.

<b>Student Friendly Language:</b>
I can understand that decisions I make affect personal finances.

Know (factual)	Understand (conceptual)	Do (procedural, application, extended thinking)
<ul style="list-style-type: none"> <li>• Five components of a SMART Goal</li> <li>• The difference between flexible and fixed expenses</li> <li>• Life cycle stages</li> <li>• Correlation between education and income</li> </ul>	<ul style="list-style-type: none"> <li>• Morals and values affect wants and needs and consequently financial decisions.</li> <li>• Individuals should set priorities for spending.</li> </ul>	<ul style="list-style-type: none"> <li>• Set SMART financial goals</li> <li>• Compare incomes for various careers to one’s own personal lifestyle goals.</li> <li>• Identify needs and wants and the difference between them.</li> </ul>

<b>Key Vocabulary:</b>
Flexible expenses, fixed expenses, priorities, wants, needs, values, goals, financial life cycle, opportunity costs.
<b>Relevance and Applications:</b> How the grade level expectation is applied at home, on the job or in a real-world, relevant context. Include at least one example. Stem for the conversation with students to answer the question “why do I have to learn this”?
<ul style="list-style-type: none"> <li>• Current spending habits set the stage for future finances.</li> <li>• Be able to plan for current and future financial expenses.</li> </ul>

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<b>Indicator #1</b>	Analyze elements that affect personal income.
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<b>Webb Level</b>	<b>Number Sequence &amp; Standard</b>
Level 4	PF 1.2 Analyze factors that affect take home pay.

<b>Student Friendly Language:</b>
I can understand why I don't take home all of the money I earn.

Know (factual)	Understand (conceptual)	Do (procedural, application, extended thinking)
<ul style="list-style-type: none"> <li>• The value of employee sponsored benefits</li> <li>• Approximately 30% of gross wages are deducted</li> <li>• Voluntary vs. mandatory payroll deductions</li> <li>• The percentage of income deducted for Social Security and Medicare</li> <li>• The relationship between number of allowances claimed and payroll withholding</li> <li>• Federal, state, local income tax</li> </ul>	<ul style="list-style-type: none"> <li>• Equal salaries in two different cities do not necessarily mean the same standard of living.</li> <li>• Deductions in gross pay not only affect net pay, but also your future personal finances.</li> </ul>	<ul style="list-style-type: none"> <li>• Prepare federal income and other tax forms</li> <li>• Compare cost to live in two locations using the cost of living index</li> <li>• Calculate savings using flex deductions and compare to a savings if you do not use flex deductions.</li> <li>• Calculate net pay to figure gross and net earnings</li> </ul>

<b>Key Vocabulary:</b>
Gross Income, Net Earnings, Cost of Living Index, FICA, Social Security, Medicare, Employee Sponsored Benefits, Year to Date Earnings, W-2 Form, W-4 Form, Deductions, Direct Pay.
<b>Relevance and Applications:</b> How the grade level expectation is applied at home, on the job or in a real-world, relevant context. Include at least one example. Stem for the conversation with students to answer the question "why do I have to learn this"?
<ul style="list-style-type: none"> <li>• Taking advantage of employee sponsored benefits, like a matching 401K program, can mean thousands of additional dollars at retirement.</li> <li>• Annual tax returns must be filed, and doing so yourself can save you money and help you plan spending and saving.</li> </ul>

## Personal Finance Standards Disaggregated

<b>Indicator #2</b>	Implement the processes involved in managing personal finances.
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<b>Webb Level</b>	<b>Number Sequence &amp; Standard</b>
Level 3	PF 2.1 Execute a rational decision-making process considering alternatives and consequences.

<b>Student Friendly Language:</b>
I can understand that if I don't put thought and time into making purchases, I may be unhappy with the results.

Know (factual)	Understand (conceptual)	Do (procedural, application, extended thinking)
<ul style="list-style-type: none"> <li>• The steps in the decision making process.</li> <li>• The five components of a SMART goal</li> <li>• Goals give a financial plan direction and make decision making easier</li> </ul>	<ul style="list-style-type: none"> <li>• The different lifestyle conditions that a person experiences affect financial goals, needs and spending patterns.</li> <li>• Evaluating purchasing options helps you make informed financial decisions and reach your financial goals.</li> </ul>	<ul style="list-style-type: none"> <li>• Lifestyle conditions that affect personal finances.</li> <li>• Work through the steps in the decision making process</li> <li>• Comparison shop for a product based on features, benefits and budget</li> <li>• Research information on a possible purchase based on unbiased reviews/ratings from a variety of sources</li> </ul>

<b>Key Vocabulary:</b>
Wants, Needs, Goals, Comparison Shopping, Impulse Buy, Buyers Remorse, Lifestyle Conditions
<b>Relevance and Applications:</b> How the grade level expectation is applied at home, on the job or in a real-world, relevant context. Include at least one example. Stem for the conversation with students to answer the question “why do I have to learn this”?
<ul style="list-style-type: none"> <li>• Making good financial decisions can save money, time and frustration – plus help you avoid buyer's remorse.</li> <li>• As you mature and move through different lifecycle stages, your financial needs and focus will impact your spending habits.</li> </ul>

## Personal Finance Standards Disaggregated

<b>Indicator #2</b>	Implement the processes involved in managing personal finances.
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<b>Webb Level</b>	<b>Number Sequence &amp; Standard</b>
Level 2	PF 2.2 Differentiate between various money management tools.

<b>Student Friendly Language:</b>
I can understand many tools are available to help me take care of my money.

Know (factual)	Understand (conceptual)	Do (procedural, application, extended thinking)
<ul style="list-style-type: none"> <li>• The characteristics of five money management tools.</li> <li>• The benefits and detriments of tiered interest.</li> <li>• Where money management tools can be found on a financial risk scale.</li> <li>• The types of financial institutions that offer cash management accounts.</li> <li>• Account liquidity affects accessibility to cash</li> </ul>	<ul style="list-style-type: none"> <li>• The relationship between risk and interest rate.</li> <li>• The present value of money will not have the same worth in the future.</li> <li>• Electronic banking offers conveniences, but it also has potential dangers.</li> </ul>	<ul style="list-style-type: none"> <li>• Given several financial situations and goals, determine the best and worst tool to support the goal and defend your choices.</li> <li>• Order financial management tools with respect to liquidity.</li> <li>• Compare and contrast benefits and features of choosing one financial institution over another.</li> <li>• Use a financial calculator.</li> <li>• Compare and contrast money management tools (CD;s, bonds, money market accounts, passbook savings accounts)</li> <li>• Weigh the benefits and risks of electronic banking.</li> </ul>

<b>Key Vocabulary:</b>
Liquidity, financial institution, accessibility, risk, interest rate, tiered interest, minimum balance, inflation, electronic banking, online bill pay, electronic funds transfer, financial calculator, time value of money.
<b>Relevance and Applications:</b> How the grade level expectation is applied at home, on the job or in a real-world, relevant context. Include at least one example. Stem for the conversation with students to answer the question “why do I have to learn this”?
<ul style="list-style-type: none"> <li>• Like any tool, money management tools have specific advantages and disadvantages. Wisely choosing money management tools that support your expectations will provide you with the most value and convenience when it’s time to use your cash.</li> <li>• Money in a secure, safe checking account is available to make daily purchases such as food and fuel, but it earns little, if any, interest. Placing some money in savings bonds or long term CD’s allows for a secure, guaranteed account where your money increases in value.</li> </ul>

## Personal Finance Standards Disaggregated

<b>Indicator #2</b>	Implement the processes involved in managing personal finances.
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Webb Level	Number Sequence & Standard
Level 2	PF 2.3 Generate a system to organize finances and maintain records.

<b>Student Friendly Language:</b>
I can understand the need for developing a user-friendly system for keeping financial records.

Know (factual)	Understand (conceptual)	Do (procedural, application, extended thinking)
<ul style="list-style-type: none"> <li>• The parts of a budget</li> <li>• What documentation the law requires an individual to keep and the length of time to keep them</li> <li>• Types of records needed to generate a system</li> </ul>	<ul style="list-style-type: none"> <li>• That each individual has a responsibility to maintain his/her own financial records</li> <li>• The importance of developing and maintaining a system for managing finances</li> <li>• It is important to have a system to keep various documents/records that are needed at different times in an individual's life.</li> <li>• Why certain records are needed at various times during life</li> </ul>	<ul style="list-style-type: none"> <li>• Complete income tax forms</li> <li>• Prepare a net worth statement</li> <li>• Develop a filing system for financial records</li> <li>• Reconcile a financial statement</li> <li>• Create a budget</li> </ul>

<b>Key Vocabulary:</b>
Budget, net worth, reconcile, IRS, income tax, W-2, W-4, I-9, receipts
<b>Relevance and Applications:</b> How the grade level expectation is applied at home, on the job or in a real-world, relevant context. Include at least one example. Stem for the conversation with students to answer the question "why do I have to learn this"?
<ul style="list-style-type: none"> <li>• Education, work, income, and other important documents such as a birth certificate will be needed at various times during one's life.</li> <li>• A user-friendly system for organizing such documents will make it much easier to access important documents when needed.</li> <li>• In order to make sure one can pay his/her bills, and prepare for the future, records must be kept in order to prepare a budget.</li> <li>• It is never too early to begin managing one's finances.</li> </ul>

<b>Indicator #3</b>	Use an informed decision-making process to manage credit and debt.
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## Personal Finance Standards Disaggregated

Webb Level	Number Sequence & Standard
Level 3	PF 3.1 Differentiate the sources, costs and benefits of using consumer credit.

### Student Friendly Language:

I can decide what type of credit is best for me to use in each financial situation I encounter.

Know (factual)	Understand (conceptual)	Do (procedural, application, extended thinking)
<ul style="list-style-type: none"> <li>• Factors to consider before using credit</li> <li>• The Five C's of credit</li> <li>• The differences between open-end and closed-end credit</li> <li>• Different types and sources of consumer credit (credit cards, installment loans, student loans, mortgages etc)</li> </ul>	<ul style="list-style-type: none"> <li>• The principal, term, and the interest rate affect the cost of using credit</li> <li>• Individuals may need to use consumer credit to manage their finances.</li> <li>• Why the interest rate varies with the amount of assumed risk</li> </ul>	<ul style="list-style-type: none"> <li>• Figure the total costs of leasing, buying and rent-to-own options</li> <li>• Compare credit card offers</li> <li>• Calculate the length of time and total cost of credit when making minimum payments</li> <li>• Figure the cost of credit with varying rates, time periods, and principals</li> </ul>

### Key Vocabulary:

Annual percentage rate (APR), credit, collateral, consumer credit, creditor, closed-end credit, open-end credit, line of credit, grace period, finance charge, principal, rate, time, simple interest, minimum monthly payment, co-signer, debt-to-income ratio

**Relevance and Applications:** How the grade level expectation is applied at home, on the job or in a real-world, relevant context. Include at least one example. Stem for the conversation with students to answer the question “why do I have to learn this”?

- Be able to figure all costs of getting a loan or using a credit card.

## Personal Finance Standards Disaggregated

<b>Indicator #3</b>	3.2 Use an informed decision-making process to manage credit and debt.
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Web Level	Number Sequence & Standard
Level 3	PF 3.2 Explain the positive and negative consequences of using credit.

Student Friendly Language:
I can appreciate all the ways that credit use can help me and how it can hurt me.

Know (factual)	Understand (conceptual)	Do (procedural, application, extended thinking)
<ul style="list-style-type: none"> <li>• Two basic types of credit</li> <li>• The provisions of the 2009 Credit Card Act</li> <li>• Fair Credit Billing Act</li> <li>• The three credit reporting agencies</li> <li>• How to access my credit report</li> </ul>	<ul style="list-style-type: none"> <li>• Obligations are incurred when using credit</li> <li>• The importance of a good credit history</li> <li>• How a negative credit rating can affect an individual</li> <li>• The long-term effects of defaulting on payments and declaring bankruptcy.</li> </ul>	<ul style="list-style-type: none"> <li>• Complete a credit application</li> <li>• Critique a credit report for positives and negatives</li> <li>• Research the process involved in getting an auto loan/ student loan</li> <li>• Compare and contrast the three credit reporting agencies</li> <li>• Identify factors that establish credit history</li> <li>• Identify way a person's credit score may be used</li> </ul>

Key Vocabulary:
Revolving credit, closed-end credit, credit limit, credit history, credit reporting agencies, credit score, collateral, co-signer, Schumer box, annual fee, introductory rate, default, bankruptcy
Relevance and Applications:
How the grade level expectation is applied at home, on the job or in a real-world, relevant context. Include at least one example. Stem for the conversation with students to answer the question "why do I have to learn this"?
<ul style="list-style-type: none"> <li>• Responsible use of credit and debt can lead to a lifetime of financial success.</li> <li>• Irresponsible use of credit can negatively impact every part of a person's life.</li> </ul>

## Personal Finance Standards Disaggregated

<b>Indicator #4</b>	Evaluate savings and investment options to meet short- and long-term goals.
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Webb Level	Number Sequence & Standard
Level 2	PF 4.1 Explain how saving contributes to financial security.

<b>Student Friendly Language:</b>
I can understand how saving money can lead to being financial stable.

Know (factual)	Understand (conceptual)	Do (procedural, application, extended thinking)
<ul style="list-style-type: none"> <li>• What saving means.</li> <li>• The difference between saving and investing.</li> <li>• The costs and benefits of different savings plans will help make sensible trade-offs.</li> </ul>	<ul style="list-style-type: none"> <li>• The importance of paying yourself first.</li> <li>• Saving allows you to prepare for emergencies and making purchases without turning to credit.</li> <li>• The costs and benefits of different saving plan will help make sensible trade-offs.</li> </ul>	<ul style="list-style-type: none"> <li>• Set SMART long-term and short-term savings goals.</li> <li>• Create a list of common “emergencies” that you might need to prepare for.</li> <li>• Calculate how long it will take to save to build emergency fund based on different incomes.</li> <li>• Advantages and disadvantages of saving for short term and long term goals.</li> <li>•</li> </ul>

<b>Key Vocabulary:</b>
Saving, emergency fund, short-term goal, long-term goal, simple interest, compound interest, certificate of deposit, money market account, principal, time, rate, rate of return, annual percentage yield, savings bonds, regular savings account.
<b>Relevance and Applications:</b> How the grade level expectation is applied at home, on the job or in a real-world, relevant context. Include at least one example. Stem for the conversation with students to answer the question “why do I have to learn this”?
<ul style="list-style-type: none"> <li>• An emergency isn’t an emergency if you are financially prepared.</li> <li>• Saving is different than investing.</li> </ul>

## Personal Finance Standards Disaggregated

<b>Indicator #4</b>	Evaluate savings and investment options to meet short- and long-term goals.
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<b>Webb Level</b>	<b>Number Sequence &amp; Standard</b>
Level 3	PF 4.2 Explain how investing builds wealth and helps meet financial goals.

<b>Student Friendly Language:</b>
I can justify and choose the best investments to meet my financial goal

Know (factual)	Understand (conceptual)	Do (procedural, application, extended thinking)
<ul style="list-style-type: none"> <li>• Difference between saving and investing</li> <li>• Investment portfolio</li> <li>•</li> </ul>	<ul style="list-style-type: none"> <li>• As investment risk increases, so does return</li> <li>• Benefits of a diversified investment portfolio</li> </ul>	<ul style="list-style-type: none"> <li>• Evaluate personal savings and investment plan</li> <li>• Create and utilize a spreadsheet to determine market value of personal savings bonds.</li> <li>• Participate in “stock market” simulation.</li> </ul>

<b>Key Vocabulary:</b>
Diversified investment portfolio, investing, compound interest, rate of return, risk tolerance, liquidity of investments, stocks, bonds, mutual funds, inflation rate, stock broker, stock market.
<b>Relevance and Applications:</b> How the grade level expectation is applied at home, on the job or in a real-world, relevant context. Include at least one example. Stem for the conversation with students to answer the question “why do I have to learn this”?
<ul style="list-style-type: none"> <li>• Apply strategies for creating wealth and building assets.</li> </ul>

## Personal Finance Standards Disaggregated

<b>Indicator #5</b>	Use appropriate and cost-effective risk management strategies.
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<b>Webb Level</b>	<b>Number Sequence &amp; Standard</b>
Level 3	PF 5. 1 Critique how risk management protects against financial loss.

<b>Student Friendly Language:</b>
I can recognize the need for risk management methods/insurance to protect me against financial loss.

Know (factual)	Understand (conceptual)	Do (procedural, application, extended thinking)
<ul style="list-style-type: none"> <li>• Types of insurance</li> <li>• Importance of protecting against financial loss</li> <li>• Factors affecting cost of insurance</li> </ul>	<ul style="list-style-type: none"> <li>• Types of risks and basic risk management methods</li> <li>• Features of insurance</li> <li>• Insurance is a cost, but it helps lower the risk of financial loss that may occur.</li> </ul>	<ul style="list-style-type: none"> <li>• Compare and contrast insurance needs throughout the life cycle.</li> <li>• Research current insurance laws in South Dakota.</li> </ul>

<b>Key Vocabulary:</b>
Deductible, premium, policy, insurance, financial risk, liability, collision, comprehensive, claim, exclusion, co-insurance, endorsement, depreciation.
<b>Relevance and Applications:</b> How the grade level expectation is applied at home, on the job or in a real-world, relevant context. Include at least one example. Stem for the conversation with students to answer the question “why do I have to learn this”?
<ul style="list-style-type: none"> <li>• Understand the features and role of insurance in financial planning and be able to analyze and balance risk against benefits in financial planning.</li> <li>• Major unexpected financial losses or needs can affect the financial status of an individual or family for years.</li> <li>• Analyze appropriate types of insurance for protecting personal assets.</li> </ul>

## Personal Finance Standards Disaggregated

<b>Indicator #5</b>	Use appropriate and cost-effective risk management strategies.
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Webb Level	Number Sequence & Standard
Level 4	PF 5. 2 Check how state and federal laws and regulations protect consumers.

**Student Friendly Language:**

I can identify and use available consumer service resources to make responsible financial choices.

Know (factual)	Understand (conceptual)	Do (procedural, application, extended thinking)
<ul style="list-style-type: none"> <li>• Steps to resolve a consumer issue</li> <li>• Purpose and features of consumer protection laws and regulations</li> </ul>	<ul style="list-style-type: none"> <li>• Security issues related to various payment options</li> <li>• That consumer laws limit my liability in the event of a lost or stolen credit or debit card</li> <li>• There are state and federal agencies in place to help deal with identity theft, fraud and deceptive practices</li> </ul>	<ul style="list-style-type: none"> <li>• Describe ways to avoid identity theft and fraud.</li> <li>• Research consumer advocacy groups that address consumer rights and responsibilities.</li> <li>•</li> </ul>

<b>Key Vocabulary:</b>
Consumer, fraud, debt, consumer protection laws, regulations, advisory group, internet safety.
<b>Relevance and Applications:</b> How the grade level expectation is applied at home, on the job or in a real-world, relevant context. Include at least one example. Stem for the conversation with students to answer the question “why do I have to learn this”?
<ul style="list-style-type: none"> <li>• The increasing scope of products and services make it essential that citizens know reliable resources, rights and responsibilities as consumers.</li> <li>• Be able to identify and deal with personal, consumer issues.</li> </ul>