

ND BUSINESS EDUCATION FRAMEWORKS

Financial Literacy

Course Code	Course Name/Course Description	Grade Levels	High School Credit Options
14095	Financial Literacy: Students will study the impact of financial choices on personal and occupational goals and future earnings potential. Real world topics include checking accounts, budgeting, saving for large purchases, using credit cards, figuring interest and fees, being a responsible consumer, earning power, learning about taxes and paycheck withholding, college costs, mortgages, retirement savings, and investments. This course will provide a foundational understanding for making informed personal financial decisions.	9-12	1/2 or 1
Topic	Performance Expectations		
Checkbook Management	<ul style="list-style-type: none"> • Identify other means of transferring funds (e.g., money orders and certified checks) (5.15.1.8) • Evaluate products and services and related costs and fees associated with financial institutions in terms of personal banking needs (5.15.1.9) • Describe and demonstrate the steps involved in the banking reconciliation process (5.15.1.10) • Compare and contrast the various forms of endorsement (5.15.1.11) • Compare costs and benefits of online and traditional banking (5.15.1.12) 		
Insurance	<ul style="list-style-type: none"> • Explain the benefits of insurance (2.6b.1.2) (Level 1) • Compare and contrast the different types of life insurance (2.6b.1.4) • Compare and contrast the different types of personal liability and property insurance (2.6b.1.5) • Define basic insurance terms (e.g., deductible, premium, peril, risk) (5.17.1.2) (Level 1) • Identify the type of insurance associated with different types of risk (e.g., automobile, personal and professional liability, home and apartment, health, life, long-term care, disability) (5.17.1.15) • Identify sources of short- and long-term financing (9.10b.1.1) 		
Types of Credit	<ul style="list-style-type: none"> • Compare and contrast the various aspects of credit (e.g., APR, grace period, incentive buying, methods of calculating interest, and fees) (5.6.6.4) • Compare the costs of purchasing, leasing, and renting (5.14.1.10) 		

	<ul style="list-style-type: none"> • Identify the opportunity cost of credit decisions (5.16.1.3) • Determine advantages and disadvantages of using credit (5.16.1.5) • Define interest as a cost of credit and explain why it is charged (5.16.1.7) • Explain how the amount of principal, the period of the loan, and the interest rate affect the amount of interest charged (5.16.1.9) • Explain why the interest rate varies with the amount of assumed risk (5.16.1.10) • Explain the need for a sound credit rating (5.16.1.12) • Calculate a payment schedule for a loan (5.16.1.13) • Analyze various sources and types of credit (e.g., short- and long-term) and related costs (5.16.1.14) • Select an appropriate form of credit for a particular buying decision (5.16.1.15) • Compare and contrast the various aspects of credit cards (e.g., APR, grace period, incentive buying, methods of calculating interest, and fees) (5.16.1.16) • Explain credit ratings and credit reports and describe why they are important to consumers (5.16.1.17) • Describe the relationship between a credit rating and the cost of credit (5.16.1.18) • Research rights and responsibilities of consumers according to credit legislation (e.g., truth-in-lending, fair credit reporting, equal credit opportunity , and fair debt collection) (5.16.1.21) • Describe legal and illegal types of credit that carry high interest rates (e.g., payday loans, rent-to-buy agreements, and loan sharking) (5.16.1.23) • Identify specific steps that consumers can take to minimize their exposure to identify theft (5.16.1.25)
Paychecks and Deductions	<ul style="list-style-type: none"> • Differentiate between gross and net income (5.11.1.8) • Compare and contrast compensation packages that include varying levels of wages and benefits (5.11.1.14) • Calculate personal tax liabilities for various types of taxes (e.g., property, income, sales, FICA, and Medicare) (5.11.1.18)
Budgets	<ul style="list-style-type: none"> • Compare a personal spending plan using examples of consumer spending as a tool for determining individual financial goals (5.12.1.7) • Illustrate how income and spending patterns change throughout the life cycle for the typical person and family (5.12.1.9) • Describe the advantages and disadvantages of various savings and investing plans (5.13.1.5) • Explain why individuals should change their savings and investing plans throughout their life cycles (5.13.1.11) • Calculate the costs of utilities, services, maintenance, and other expenses involved in independent living (5.14.1.14)

Saving and Investing	<ul style="list-style-type: none">• Analyze the power of compounding and the importance of starting early in implementing a plan of saving and investing (5.13.1.8)• Apply criteria for choosing a savings or investment instrument (e.g., market risk, inflation risk, interest rate risk, liquidity, and minimum amount needed for investment) (5.13.1.9)• Distinguish between the rights and responsibilities of owners of debt and equity investments (5.13.1.10)• Differentiate between interest, dividends, capital gains, and rent from property (5.13.1.12)• Identify costs for investments (5.13.1.15)• Identify income sources for investments (5.13.1.16)• Contrast the impact of simple interest vs. compound interest on savings (5.13.1.20)• Compare the costs and benefits of purchasing, leasing, and renting equipment (5.14.1.10)
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