

Arizona Personal Finance Standards
Correlation to
Virtual Business - Personal Finance

Personal Finance Standards	Virtual Business Personal Finance
Social Studies Strand 5: Economics	✓✓
Career & Tech Ed Business: Accounting	✓
Workplace Standards: General	✓✓✓

Legend:

- ✓ Some correlation to the competency
- ✓✓ High correlation to the competency
- ✓✓✓ Very High correlation to the competency

The information for this correlation was found during 01/2008 at the following web addresses:

Social Studies / Strand 5 Economics: <http://www.ade.state.az.us/standards/sstudies/articulated/>
 CTE standards / Accounting: http://www.aztechprep.org/CTE_Programs/Career_Prep/Acct_&_Rel_Serv/ARSs&m2006.pdf
 Workplace Standards: <http://www.ade.state.az.us/standards/workplace/Rationale.pdf>

Department: Social Studies
Economics

Standard

Personal Finance Lesson

Concept 1: Foundations of Economics

The foundations of economics are the application of basic economic concepts and decision-making skills. This includes scarcity and the different methods of allocation of goods and services.

PO 1. Analyze the implications of scarcity:

- a. limited resources and unlimited human wants influence choice at individual, national, and international levels
- b. factors of production (e.g., natural, human, and capital resources, entrepreneurship, technology)
- c. marginal analysis by producers, consumers, savers, and investors

PO 2. Analyze production possibilities curves to describe opportunity costs and trade-offs.

PO 3. Describe the characteristics of the mixed-market economy of the United States:

- a. property rights
- b. profit motive
- c. consumer sovereignty
- d. competition
- e. role of the government
- f. rational self-interest
- g. invisible hand

PO 4. Evaluate the economic implications of current events from a variety of sources (e.g., magazine articles, newspaper articles, radio, television reports, editorials, Internet sites).

PO 5. Interpret economic information using charts, tables, graphs, equations, and diagrams.

- Finding a Job
- Budgeting & Saving
- Finding an Apartment
- Buying a Car
- Shopping
- Choosing & Balancing a Checking Account
- Getting a Credit Card
- Intro to Investing
- Risk vs. Return
- Diversification
- Investing for Retirement
- Buying a Home
- New Career Management

PO 5. All **VBPF** lessons allow the student to continuously analyze their financial decisions using various reports & graphs.

Concept 2: Microeconomics

Microeconomics examines the costs and benefits of economic choices relating to individuals, markets and industries, and governmental policies.

PO 1. Describe how the interdependence of both households and firms is affected by trade, exchange, money, and banking:

- a. why voluntary exchange occurs only when all participating parties expect to gain from the exchange
- b. role and interdependence of households, firms, and government in the circular flow model of economic activity
- c. role of entrepreneurs in a market economy and how profit is an incentive that leads entrepreneurs to accept risks of business failure
- d. financial institutions and securities markets
- e. importance of rule of law in a market economy for enforcement of contracts

PO 2. Describe how markets function:

- a. laws of supply and demand
- b. how a market price is determined
- c. graphs that demonstrate changes in supply and demand
- d. how price ceilings and floors cause shortages or surpluses
- e. comparison of monopolistic and competitive behaviors
- f. theory of production and the role of cost

PO 3. Describe how government policies influence the economy:

- a. need to compare costs and benefits of government policies before taking action
- b. use of federal, state, and local government spending to provide national defense; address environmental concerns; define and enforce property, consumer and worker rights; regulate markets; and provide goods and services
- c. effects of progressive, proportional, and regressive taxes on different income groups
- d. role of self-interest in decisions of voters, elected officials, and public employees

- Shopping
- Choosing & Balancing a Checking Account
- Getting a Credit Car
- Paying Your Taxes
- Intro to Investing
- Risk vs. Reward
- Diversification
- Investing for Retirement
- New Career Project

Concept 3: Macroeconomics

Macroeconomics examines the costs and benefits of economic choices made at a societal level and how those choices affect overall economic well being.

PO 1. Determine how inflation, unemployment, and gross domestic product statistics are used in policy decisions.

PO 2. Explain the effects of inflation and deflation on different groups (e.g., borrowers v. lenders, fixed income/cost of living adjustments).

PO 3. Describe the economic and non-economic consequences of unemployment.

PO 4. Analyze fiscal policy and its effects on inflation, unemployment, and economic growth.

PO 5. Describe the functions of the Federal Reserve System (e.g., banking regulation and supervision, financial services, monetary policy) and their influences on the economy.

PO 6. Explain the effects of monetary policy on unemployment, inflation, and economic growth.

PO 7. Determine how investment in factories, machinery, new technology, and the health, education, and training of people can raise future standards of living.

Concept 4: Global Economics

Patterns of global interaction and economic development vary due to different economic systems and institutions that exist throughout the world.

PO 1. Analyze the similarities and differences among economic systems:

- a. characteristics of market, command, and mixed economic systems, including roles of production, distribution, and consumption of goods and services
- b. benefits and costs of market and command economies
- c. characteristics of the mixed-market economy of the United States, including such concepts as private ownership, profit motive, consumer sovereignty, competition, and government regulation
- d. role of private property in conserving scarce resources and providing incentives in a market economy

PO 2. Describe the effects of international trade on the United States and other nations:

- a. how people and nations gain through trade
- b. how the law of comparative advantage leads to specialization and trade
- c. effects of protectionism, including tariffs and quotas on international trade and on a nation's standard of living
- d. how exchange rates work and how they affect international trade
- e. how the concepts of balance of trade and balance of payments are used to measure international trade
- f. factors that influence the major world patterns of economic activity including the differing costs of production between developed and developing countries
- g. economic connections among different regions, including changing alignments in world trade partners
- h. identify the effects of trade agreements(e.g., North American Free Trade Agreement)

<p>Concept 5: Personal Finance Decision making skills foster a person’s individual standard of living. Using information wisely leads to better informed decisions as consumers, workers, investors and effective participants in society.</p> <p>PO 1. Explain how education, career choices, and family obligations affect future income.</p> <p>PO 2. Analyze how advertising influences consumer choices.</p> <p>PO 3. Determine short- and long-term financial goals and plans, including income, spending, saving, and investing.</p> <p>PO 4. Compare the advantages and disadvantages of using various forms of credit and the determinants of credit history.</p> <p>PO 5. Explain the risk, return, and liquidity of short- and long-term saving and investment vehicles.</p> <p>PO 6. Identify investment options, (e.g., stocks, bonds, mutual funds) available to individuals and households.</p>	<ul style="list-style-type: none"> • Finding a Job • Budgeting & Saving • Buying a Car • Shopping • Choosing & Balancing a Checking Account • Getting a Credit Card • Fixing Your Credit • Education & Advancement • Intro to Investing • Risk vs. Return • Diversification • Investing for Retirement • Buying a Home • Insurance • New Career Project
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Department: Career & Tech Ed / Business Ed
Accounting

Standard	Personal Finance Lesson
1.0 Explore careers in the accounting and related services professions	•
2.0 Demonstrate job search skills	• Finding a Job
3.0 Demonstrate employability skills required for the Accounting and related services industry	•
4.0 Participate in leadership activities such as those supported by career and technical student organizations such as FBLA	•
5.0 Practice effective communication skills for the Accounting and related services professions	All VBPF lessons allow the student to work independently or in groups requiring effective communication to analyze finances and make decisions.
6.0 Develop interpersonal relationship skills required for the accounting and related services professions	All VBPF lessons allow the student to work independently or in groups requiring effective communication to analyze finances and make decisions.
7.0 Demonstrate technology skills required for an Accounting professional	All VBPF lessons require the student to work on a computer simulation, produce reports & graphs, and

	analyze finances.
8.0 Apply problem solving and decision making processes to Accounting situations	All VBPF lessons allow the student to analyze personal financial decisions based on available resources and adjust their lifestyle accordingly to reach their goals.
9.0 Develop resource management skills applicable to an Accounting and related services position	All VBPF lessons allow the student to analyze personal financial decisions based on available resources and adjust their lifestyle accordingly to reach their goals.
10.0 Prepare financial records and accounts applicable to Accounting and related services operations	
11.0 Explore the legal and ethical environment of Accounting and related services professions	
12.0 Apply mathematical processes to problems in Accounting and related services	
13.0 Practice safe work habits for the accounting and related services environment	
14.0 Develop a career plan in accounting and related services professions	
15.0 Prepare for employment in the accounting or related services professions	
16.0 Participate in accounting and related services workbased learning experiences	
17.0 Demonstrate oral communication skills for an Accounting environment	All VBPF lessons allow the student to work independently or in groups requiring effective communication to analyze finances and make decisions.
18.0 Demonstrate written communication skills for an Accounting environment	All VBPF lessons require the student to complete written assignments along with the computer simulation.
19.0 Evaluate the role of an accounting small business in the Economy	
20.0 Demonstrate business and financial management practices needed for entrepreneurs	
21.0 Evaluate leadership styles appropriate for an Accounting workplace	
22.0 Participate in leadership activities such as those supported by career and technical student organizations such FBLA	
23.0 Demonstrate the steps of the accounting cycle	
24.0 Determine payroll	
25.0 Generate procedures for cash control	
26.0 Determine procedures for accounts receivable and accounts payable	
27.0 Valuate assets, liabilities, and owner's equity	<ul style="list-style-type: none"> • Buying a Home • New Career Project
28.0 Appraise forms of business ownership	

29.0 Assess the financial performance of a business	
30.0 Use accounting technology in managing financial information	
31.0 Examine ethical standards in accounting	
32.0 Explore economic principles of managerial accounting and related services professions	
33.0 Explore accounting and related services systems theory and practice	

Department: General Ed
Workplace Standards

Standard	Personal Finance Lesson
STANDARD 1 Students use principles of effective oral, written and listening communication skills to make decisions and solve workplace problems.	All VBPF lessons allow the student to work independently or in groups requiring effective communication to analyze finances and make decisions. Students are also required to complete written assignment in addition to the computer simulation.
STANDARD 2 Students apply computation skills and data analysis techniques to make decisions and solve workplace problems.	All VBPF lessons allow the student to work independently or in groups requiring effective communication to analyze finances and make decisions
STANDARD 3 Students apply critical and creative thinking skills to make decisions and solve workplace problems.	<u>All</u> VBPF lessons allow the student to analyze personal financial decisions based on available resources and adjust their lifestyle accordingly to reach their goals.
STANDARD 4 Students work individually and collaboratively within team settings to accomplish objectives.	All VBPF lessons allow the student to work independently or in groups requiring effective communication to analyze finances and make decisions
STANDARD 5 Students demonstrate a set of marketable skills which enhance career options.	All VBPF lessons allow the student to work independently or in groups requiring effective communication to analyze finances and make decisions. Students are also required to complete written assignments within a time limit. Reports and graphs are used within assignments to track resources.
STANDARD 6 Students illustrate how social, organizational and technological systems function.	All VBPF lessons allow the student to work independently or in groups requiring effective communication to analyze finances and make decisions
STANDARD 7 Students demonstrate technological literacy for	All VBPF lessons require the student to complete computer simulations and analyze financial

productivity in the workplace.	reports/graphs to make decisions.
STANDARD 8 Students apply principles of resource management and develop skills that promote personal and professional well-being.	All VBPF lessons allow the student to analyze personal financial decisions based on available resources and adjust their lifestyle accordingly to reach their goals. <ul style="list-style-type: none">• Time Management & Health• New Career Project