

New York Education Objectives *Personal Finance Course*

Correlation to *Virtual Business - Personal Finance*

Course Concepts	Virtual Business <i>Personal Finance</i>
NY Dept of Education Recommended Course Outline Personal Finance (Holley 2003-2004)	
Week 1: Introduction Personal Finance	✓✓✓
Week 2-3: Budgeting	✓✓✓
Week 3-4: Types of Compensation	✓✓✓
Week 4-6: Managing a Checking Account	✓✓✓
Week 6: Comparison shopping	✓✓✓
Week 7-8: Credit	✓✓✓
Week 8-11: Managing Insurance	✓✓✓
Week 12-15: Savings and Investments	✓✓✓
Week 16-18: Taxes	✓✓✓
Week 18-19: Home purchase	✓✓✓
NY Dept of Education – Social Studies Standard 4 - Economics Unit V- Money, Finance, & Personal Finance	
A. Money	✓
B. Introduction to Finance & Personal Finance	✓✓✓
C. Instruments, Institutions, Financial Markets, & Investors	✓✓✓
D. Interest and the Cost of Money	✓✓✓
E. Credit	✓✓✓
F. Managing Your Money	✓✓✓
G. Careers in Financial Services Industry	

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 04/2008 at the following web address:

<http://www.emsc.nysed.gov/cte/business/sections/courseoutlines.htm>
http://www.jumpstart.org/state_legislation/files/NY_04-Economics-EnterpriseFinance.pdf (start page 24)

Personal Finance
(Recommended course outline by Holley SHS)

Objectives	<i>Personal Finance Lesson</i>
Week 1: Introduction Personal Finance	
<u>Objectives:</u> 1. Understand the definition of personal finance. 2. Understand the importance and need for personal finance. 3. Understand the importance of setting financial goals. 4. Understand the relationship between financial and personal goals	<ul style="list-style-type: none"> • Time Management & Health • Budgeting & Saving • Education & Career Advancement • Investing for Retirement • New Career Project
Week 2-3: Budgeting	
<u>Objectives:</u> 1. Understand the definition of budgeting and a budget. 2. Understand the terms used in budgeting. 3. Understand how to create and modify a budget. 4. Understand how to relate our budget to our personal and financial goals	<ul style="list-style-type: none"> • Budgeting & Saving • New Career Project
Week 3-4: Types of Compensation	
<u>Objectives:</u> 1. Understand the different types of compensation. 2. Understand how to determine gross pay. 3. Understand how to determine net pay. 4. Understand the difference between withholdings and deductions	<ul style="list-style-type: none"> • Finding a Job • Paying Your Taxes • New Career Project
Week 4-6: Managing a Checking Account	
<u>Objectives:</u> 1. Understand what a checking account is used for. 2. Understand the terms used with checking accounts. 3. Understand how to write a check. 4. Understand how to make a withdrawal. 5. Understand how to make a deposit.	<ul style="list-style-type: none"> • Choosing & Balancing a Checking Account • Using Online Banking • New Career Project
Week 6: Comparison shopping	
<u>Objectives:</u> 1. Understand what comparison shopping is. 2. Understand how to comparison shop. 3. Understand the different resources available to you as a consumer. 4. Understand how to use the resources available to you as a consumer	<ul style="list-style-type: none"> • Buying a Car • Shopping • Buying a Home • New Career Project
Week 7-8: Credit	
<u>Objectives:</u> 1. Understand the importance of credit. 2. Understand the importance of your personal credit rating. 3. Understand how your personal credit rating is determined. 4. Understand the different types of credit. 5. Understand how to use credit wisely. 6. Understand different finance methods	<ul style="list-style-type: none"> • Buying a Car • Getting a Credit Card • Fixing Your Credit • New Career Project

Week 8-11: Managing Insurance	
<u>Objectives:</u> 1. Understand the need for insurance. 2. Understand the different types of insurance. 3. Understand how to determine your risk level, in other words how to purchase insurance that is right for you	<ul style="list-style-type: none"> • Finding a Job • Finding an Apartment • Buying a Car • Insurance • New Career Project
Week 12-15: Savings and Investments	
<u>Objectives:</u> 1. Understand the need for investing and saving. 2. Understand the difference between saving and investing. 3. Understand different types of savings accounts. 4. Understand different types of investment. 5. Understand how to determine simple and compound interest. 6. Understand how to determine return on investment	<ul style="list-style-type: none"> • Intro to Investing • Risk vs. Return • Diversification • Investing for Retirement • Budgeting & Saving • New Career Project
Week 16-18: Taxes	
<u>Objectives:</u> 1. Understand the purpose of taxation. 2. Understand the different types of taxes. 3. Understand how different taxes are determined. 4. Understand the different taxing methods	<ul style="list-style-type: none"> • Paying Your Taxes • New Career Project
Week 18-19: Home purchase	
<u>Objectives:</u> 1. Understand how to look for a home. 2. Understand the process for purchasing a home. 3. Understand different mortgage types.	<ul style="list-style-type: none"> • Buying a Home • New Career Project

Social Studies
Standard 4: Economics
Unit V: Money, Finance & Personal Finance

Concepts	Personal Finance Lesson
A. Money 1. Definition of Money 2. Characteristics and functions of money 3. Money and the future: a cashless society?	<ul style="list-style-type: none"> • Budgeting & Saving • Shopping • Buying a Car • Choosing & Balancing a Checking Account • Education & Advancement • Using Online Banking • Intro to Investing • Risk Vs. Return • Diversification • Investing for Retirement • Buying a Home • New Career Project
B. Introduction to finance and personal finance 1. Definition of Finance 2. Personal financial goals & strategies 3. The role of finance in business & government	<ul style="list-style-type: none"> • Budgeting & Saving • Intro to Investing • New Career Project
C. Instruments, institutions, financial markets, and	<ul style="list-style-type: none"> • Finding a Job

<p>investors</p> <ol style="list-style-type: none"> 1. Instruments <ol style="list-style-type: none"> a. Equity (stocks) b. Debt (public & private) 2. Markets <ol style="list-style-type: none"> a. Roles markets play in directing funds from savers to investors b. Effects markets have on individuals and the economy c. Types of markets: equity, debt, stock, bond, commodity (NYSE, NASDAQ) d. Effects of current events on domestic and global markets e. Risk 3. Banks: their role in the financial system, and importance to consumers <ol style="list-style-type: none"> a. Kinds of banks and other deposit-taking institutions; savings accounts, checking accounts and loans <ol style="list-style-type: none"> i. Commercial and savings – serving consumers and businesses; issues related to minorities and minority-owned businesses ii. Investment banks – raising capital b. Banks and businesses c. Banks and the consumer d. Banks as financial intermediaries 4. Insurance <ol style="list-style-type: none"> a. Purpose of insurance b. Kinds of insurance c. Shopping for insurance 5. Regulating the financial services industry <ol style="list-style-type: none"> a. Securities & the Exchange Commission b. Federal Reserve c. Office of the Comptroller of the Currency d. State Banking and Insurance Commissions e. FDIC 	<ul style="list-style-type: none"> • Buying a Car • Budgeting & Saving • Choosing & Balancing a Checking Account • Intro to Investing • Risk vs. Return • Diversification • Investing for Retirement • Insurance • New Career Project
<p>D. Interest and the Cost of Money</p> <ol style="list-style-type: none"> 1. Interest rates – the cost of the temporary use of somebody else’s money 2. Measuring interest rates – APR’s 3. Short – and long-term rates – the “yield curve” 4. Effects of raising and lowering rates 5. Compounding and the rule of 72 6. Interest rate spread 	<ul style="list-style-type: none"> • Buying a Car • Getting a Credit Card • Intro to Investing • Risk vs. Return • Diversification • Investing for Retirement • New Career Project
<p>E. Credit</p> <ol style="list-style-type: none"> 1. Forms of credit (loans, credit, cards, commercial paper, Treasury notes, bills and 	<ul style="list-style-type: none"> • Buying a Car • Getting a Credit Card • Fixing Your Credit

<p>bonds</p> <ol style="list-style-type: none"> 2. Benefits and costs of credit 3. Credit and consumer – personal credit reports and ratings, abuses of credit, abuses of creditors (e.g., predatory lending) 4. Short- term versus long-term credit 5. Problems with credit and unsecured credit 	<ul style="list-style-type: none"> • Buying a Home • New Career Project
<p>F. Managing Your Money</p> <ol style="list-style-type: none"> 1. Strategies to achieve long-term goals 2. Budgeting <ol style="list-style-type: none"> a. Personal considerations (e.g., risk tolerance, values, age, family situation) b. Return on investment c. Managing risk through diversification d. Liquidity 4. Influence of advertising 5. Tax sheltering 	<ul style="list-style-type: none"> • Budgeting & Saving • Education & Career Advancement • Intro to Investing • Risk vs. Return • Diversification • Investing for Retirement
<p>G. Careers in Financial Services Industry</p> <p>Managing risk, hedging thrifts, prime rate, net asset value</p>	