

BANKING AND INVESTMENT CAPSTONE

Banking and Investment Capstone addresses the need of schools in areas that have workforce demand in the finance industry. It analyzes and synthesizes high-level skills needed for a multitude of careers in the banking and investment industry. Students learn banking, investments, and other finance fundamentals and applications related to financial institutions, business and personal financial services, investment and securities, risk management products, and corporate finance. The course provides students with work based learning experiences to acquire and apply knowledge and skills in one or more careers in the industry.

- DOE Code: 5258
- Recommended Grade Level: Grade 12
- Recommended Prerequisite: Algebra II
- Required Prerequisites: Introduction to Accounting and Advanced Accounting
- Credits: 2 semester course, 2 semesters required, 1-3 credits per semester, 6 credits maximum
- Counts as a Directed Elective or Elective for all diplomas
- Qualifies as a quantitative reasoning course

Dual Credit

This course provides the opportunity for dual credit for students who meet postsecondary requirements for earning dual credit and successfully complete the dual credit requirements of this course.

Application of Content and Multiple Hour Offerings

Intensive laboratory applications are a component of this course and may be either school based or work based or a combination of the two. Work-based learning experiences should be in a closely related industry setting. Instructors shall have a standards-based training plan for students participating in work-based learning experiences. When a course is offered for multiple hours per semester, the amount of laboratory application or work-based learning needs to be increased proportionally.

Career and Technical Student Organizations (CTSOs)

Career and Technical Student Organizations are considered a powerful instructional tool when integrated into Career and Technical Education programs. They enhance the knowledge and skills students learn in a course by allowing a student to participate in a unique program of career and leadership development. Students should be encouraged to participate in Business Professionals of America, DECA, or Future Business Leaders of America, the CTSOs for this area.

Content Standards

Domain – Fundamentals of Finance

Core Standard 1 Students analyze the components of finance for personal or business use in a global economy.

Standards

- FS-1.1 Discuss historical, current, and future financial trends
- FS-1.2 Discuss significance of finance for individuals, businesses, and governments
- FS-1.3 Discuss ethical standards for financial management

Domain – Banking and Other Financial Institutions

Core Standard 2 Students evaluate the history, future and roles of the banking industry in local, national and global economies.

Standards

- FS-2.1 Investigate historical development of banking industry in the United States
- FS-2.2 Describe the role of regulatory organizations, such as but not limited too the Federal Reserve System, Federal Depository Insurance Corporation (FDIC), and Office of Controller of Currency (OCC)
- FS-2.3 Analyze banking legislation that affects the operation of business firms
- FS-2.4 Evaluate the impact of electronic banking on the industry
- FS-2.5 Describe common services offered by banks and other financial institutions for consumers and businesses
- FS-2.6 Analyze the competitive environment of the banking industry
- FS-2.7 Evaluate how financial institutions affect personal and corporate financial planning

Core Standard 3 Students apply and adapt learned concepts to international banking.

Standards

- FS-3.1 Explain how international monetary exchanges work
- FS-3.2 Assess the value of a country’s currency on imports and exports and international travel
- FS-3.3 Explain the role of international banks in the global economy
- FS-3.4 Identify agencies that assist companies in reducing global financial risk

Domain – Investments and Securities

Core Standard 4 Students evaluate concepts of the securities industry.

Standards

- FS-4.1 Describe the history and purpose of securities and securities markets
- FS-4.2 Differentiate among stocks, bonds, and other securities
- FS-4.3 Explain the role of initial public offerings (IPOs) in raising capital for corporations
- FS-4.4 Review the use and impact of technology in the brokerage industry
- FS-4.5 Describe the role of regulatory organizations, such as but not limited to Securities and Exchange Commission, and their impact on business financing

Core Standard 5 Students outline the impact of securities markets on individuals, business and the economy.

Standards

- FS-5.1 Explain the role of stock exchanges and brokers in securities transactions
- FS-5.2 Evaluate the risks and rewards of trading
- FS-5.3 Analyze mutual funds, stocks and bonds as an investment opportunity
- FS-5.4 Appraise the investment needs of clients, both consumers and businesses

Core Standard 6 Students assess sources of securities information in order to make informed investment decisions.

Standards

- FS-6.1 Critique informational sources for buying/selling decisions

- FS-6.2 Identify the components and purposes of a bond table, stock table and mutual fund
- FS-6.3 Identify the components and purposes of quote found on a bond table, stock table and mutual fund
- FS-6.4 Evaluate a business plan from an investor's standpoint as an investment option

Core Standard 7 Students analyze the concepts of financial management planning.

Standards

- FS-7.1 Compute the effect of the time value of money
- FS-7.2 Critique factors to consider when deciding on the form of dividend distribution
- FS-7.3 Compare and contrast the advantages and disadvantages of a cash dividend and a stock split
- FS-7.4 Generate motives for a company to repurchase stock
- FS-7.5 Evaluate a company portfolio for diversification
- FS-7.6 Examine benefits and costs of investments
- FS-7.7 Investigate employee retirement plans
- FS-7.8 Analyze the role of stockholders within a corporate structure
- FS-7.9 Evaluate the components of corporate governance
- FS-7.10 Identify the standard components of an annual report

Domain – Risk Management

Core Standard 8 Students synthesize risk management as a method of financial planning.

Standards

- FS-8.1 Evaluate the concepts of risk management
- FS-8.2 Analyze the elements of the insurance industry
- FS-8.3 Examine the process of underwriting an insurance policy
- FS-8.4 Assess liability insurance for individuals and business
- FS-8.5 Evaluate automobile insurance
- FS-8.6 Evaluate personal and commercial property insurance
- FS-8.7 Analyze components of health and long-term care insurance
- FS-8.8 Analyze government supported health insurance programs
- FS-8.9 Assess government supported employment insurance programs
- FS-8.10 Differentiate among components of life insurance

Domain - Financial Planning

Core Standard 9 Students apply and analyze client financial planning basics.

Standards

- FS-9.1 Explain the components of a financial plan
- FS-9.2 Examine and assess strategies for effective debt management by individuals and corporations through either short-term or long-term financing options
- FS-9.3 Identify steps to be used by financial planners for developing a personal budget
- FS-9.4 Explain qualifications needed by an individual or business firm to obtain credit
- FS-9.5 Compare and contrast terms and conditions of various sources of credit
- FS-9.6 Assess and recommend credit options available for financial plans

- FS-9.7 Evaluate the implications of bankruptcy for consumers and for businesses
- FS-9.8 Analyze the impact of economic conditions on financial plans
- FS-9.9 Identify tax planning strategies that may be recommended by financial planners
- FS-9.10 Develop, analyze and update a financial plan for an individual and/or company

Core Standard 10 Students investigate tools for long-term financial and estate planning.

Standards

- FS-10.1 Distinguish among trust services provided for individuals and corporations
- FS-10.2 Compare and contrast investment options for a monetary inheritance
- FS-10.3 Evaluate types and purposes of estate planning tools
- FS-10.4 Define and analyze tax planning strategies for long-term financial assets
- FS-10.5 Describe the impact of gift tax on a person's income