Indiana Department of Education
Academic Standards Course Framework

PERSONAL FINANCIAL RESPONSIBILITY

Personal Financial Responsibility addresses the identification and management of personal financial resources to meet the financial needs and wants of individuals and families, considering a broad range of economic, social, cultural, technological, environmental, and maintenance factors. This course helps students build skills in financial responsibility and decision making; analyze personal standards, needs, wants, and goals; identify sources of income, saving and investing; understand banking, budgeting, record-keeping and managing risk, insurance and credit card debt. A project based approach and applications through authentic settings such as work based observations and service learning experiences are appropriate. Direct, concrete applications of mathematics proficiencies in projects are encouraged.

- DOE Code: 4540
- Recommended Grade Level: 10, 11, 12
- Recommended Prerequisite: None
- Credits: 1 credit course, 1 credit per semester, maximum of 1 credit
- Counts as a Directed Elective or Elective for all diplomas

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 Indiana's Career and Technical Student Organizations.

Please Note: Bold items are essential for students to master.

Content Standards

Domain – Financial Responsibility and Decision Making

Core Standard 1 Students demonstrate management of individual and family finances by applying reliable information and systematic decision making.

Standards

PFR-1.1 Demonstrate taking responsibility for personal financial decisions

a. Explain how individuals demonstrate responsibility for financial well-being over a lifetime.

b. Analyze ways financial responsibility is different for individuals with and without dependents.

PFR-1.2 Analyze financial information from a variety of reliable and questionable sources

a. Analyze financial information for objectivity, accuracy, relevancy to given needs, and currency

b. Investigate current types of consumer fraud, including online scams

PFR-1.3 Utilize consumer protection laws and resources

a. Describe services of Indiana's consumer protection agency and its benefits to consumers

b. Analyze consumer protection laws for the issues they address and the safeguards

they provide

c. Demonstrate steps for resolving a consumer complaint

PFR-1.4 Make financial decisions by systematically considering alternatives and consequences

a. Set measurable short-term, medium-term, and long-term financial goals.

b. Evaluate the results of financial decisions.

c. Apply systematic decision making to long-term goals.

PFR-1.5 Demonstrate communication strategies for discussing financial issues

a. Compare and contrast the benefits of sharing financial goals and personal finance information with a potential partner before forming a partnership

b. Describe essential elements of a contract between individuals and between individuals and businesses

PFR-1.6 Demonstrate strategies to control personal information.

a. Describe the actions a victim of identity theft can take to restore personal security

Domain – Relating Income and Careers

Core Standard 2 Students analyze how education, income, career and life choices relate to achieving financial goals.

Standards

PFR-2.1 Describe how personal factors, career choices, and economic conditions affect income

a. Analyze ways economic, social, cultural, education and political conditions can affect income and career potential

b. Analyze the financial risks and benefits of entrepreneurship as a career choice

PFR-2.2 Identify sources of personal income

a. Compare and contrast wage, gift, rent, interest, dividend, capital gain, tip, commission, and business profit as sources of personal income

b. Analyze the advantages and disadvantages of participation in government assistance programs

PFR-2.3 Explain how taxes and employee benefits relate to disposable income

a. Analyze typical employee benefits and explain why they are a form of compensation

b. Describe benefits of employer sponsored savings plans and other personal options for shifting current income to the future

Domain – Planning and Managing Money

Core Standard 3 Studnets manage money effectively by developing financial goals and budgets.

Standards

PFR-3.1 Develop a personal financial plan to demonstrate the ability to use money management skills and strategies

a. Create a basic budget with categories for income, taxes, planned savings, and fixed and variable expenses

b. Analyze and adjust budget categories to manage spending and achieve financial goals

c. Develop a personal financial plan that shows allocation of income, spending,

saving, investing and sharing/giving over a year-long time span

d. Analyze a plan to secure funding for a financial goal (such as college, major consumer purchases, etc.)

PFR-3.2 Develop a system for keeping and using financial records

a. Utilize a system to record income and spending for categories such as purchases, services, and taxes

b. Demonstrate recordkeeping that utilizes digital financial management systems

PFR-3.3 Analyze services of financial institutions

a. Evaluate different payment methods, including cash, checks, stored-value cards, debit cards, credit cards, and electronic or online payment systems

b. Demonstrate skill in basic financial tasks (such as bill payments, check writing, reconciling checking and debit account statements, and monitoring printed and online account statements for accuracy)

c. Investigate and demonstrate ability to apply for financial assistance (such as FAFSA, 21st Century Scholars, scholarships, grants, and aid from colleges and universities).for post-secondary education

PFR-3.4 Apply consumer skills to purchase decisions

a. Evaluate impact of external factors (such as marketing, advertising and the economy) on spending decisions

b. Justify consumer buying decisions by evaluating external factors

c. Evaluate opportunity costs (such as owning versus renting a house, purchasing or leasing an auto)

d. Recognize potential threats (such as identity fraud, scams, theft, phishing, spam, unethical internet practices) to sound financial decisions

PFR-3.5 Connect the role of charitable giving, volunteer service, and philanthropy to community development and quality of life

a. Demonstrate budgeting financial and other resources to make contributions to a charitable organization

PFR-3.6 Examine the purpose and value of estate planning

a. Contrast wills, "living wills," trusts and other ways estates can be transferred

b. Evaluate estate planning tools (such as pensions, retirements, social security, trusts, and annuities)

Domain – Managing Credit and Debt

Core Standard 4 Studnets manage credit and debt to remain both creditworthy and financially secure.

Standards

PFR-4.1 Analyze the costs and benefits of using various types of credit such as student loans, home and automotive loans, and credit cards

a. Evaluate the cost of borrowing a set amount of money using various types of credit

b. Explain how grace periods, methods of calculating interest, and fees affect borrowing costs.

c. Apply systematic decision making to identify the most cost-effective option for making a purchase

PFR-4.2 Analyze factors that influence establishing and maintaining a good credit rating

a. Analyze the effect of positive and negative credit report s on credit worthiness

b. Illustrate steps to overcome a negative credit report and improve a personal financial future

PFR-4.3 Analyze methods and benefits of avoiding or correcting credit and debt problems

a. Evaluate the effect of living beyond one's financial resources

b. Analyze actions that a consumer can take to reduce or better manage excessive debt

PFR-4.4 Analyze major consumer credit laws and the changing nature of these laws.

a. Analyze online and printed resources for up-to-date information about consumer credit rights

b. Describe debtors' and creditors' rights related to debt that is not paid

Domain – Risk Management and Insurance

Core Standard 5 Students analyze the features of insurance, its role in balancing risk and benefit in financial planning.

Standards

PFR-5.1 Examine various types of financial risk and risk management strategies

a. Describe ways people can manage risk through avoidance, reduction, retention, assumption, and transfer of risk

PFR-5.2 Examine the purposes, types, and costs associated with insurance

a. Analyze the types and amounts of coverage, and features needed, for various stages of life for health, property, life, disability, and liability insurance

b. Analyze factors that can reduce or increase the amount and type of insurance coverage needed.

c. Analyze factors that affect cost of insurance for various types of insurance

Domain – Saving and Investing

Core Standard 6 Students analyze saving and inesting to build long-term financial security and wealth.

Standards

PFR-6.1 Evaluate how saving contributes to financial wellbeing

a. Analyze effect of saving strategies, including "pay yourself first," payroll deduction, automatic savings options, and reflective spending practices on financial well being

b. Compare the interest generated by simple and compound interest at various rates

PFR-6.2 Apply strategies for creating wealth and building assets

a. Compare various investing strategies for their potential to build wealth

b. Analyze investment possibilities utilizing the principles of time value of money and opportunity costs

c. Calculate the end value of lump sum and periodic investments

PFR-6.3 Compare saving and investment alternatives

a. Analyze the characteristics (such as earnings, risks, liquidity) and benefits of various saving and investment options in the current economy

b. Analyze investment alternatives utilizing principles of inflation and other economic

factors

PFR-6.4 Describe how to buy and sell investments

a. Compare advantages and disadvantages of buying and selling investments through various channels, including financial advisors, investment clubs, and online brokers

b. Compare the investment objectives and historical rates of return of various Investment options

PFR-6.5 Analyze factors that affect the rate of return on investments

a. Analyze the rate of return on investments using time value of money and economic conditions as factors

b. Calculate the amount of taxes on investments and income tax-free earnings

PFR-6.6 Analyze how agencies that regulate financial markets protect investors

a. Explain how federal and state financial regulatory agencies decrease savings and investing risks

b. Identify additional services and benefits of the Indiana Securities Division and other federal and state regulators

Process Standards

Common Core Literacy Standards for Technical Subjects

Reading Standards for Literacy in Technical Subjects 9-10

The standards below begin at grade 9 and define what students should understand and be able to do by the end of grade 10. The CCR anchor standards and high school standards in literacy work in tandem to define college and career readiness expectations – the former providing broad standards, the latter providing additional specificity.

Key Ideas and Details

9-10.RT.1 Cite specific textual evidence to support analysis of technical texts, attending to the precise details of explanations or descriptions.

9-10.RT.2 Determine the central ideas or conclusions of a text; trace the text's explanation or depiction of a complex process, phenomenon, or concept; provide an accurate summary of the text.

9-10.RT.3 Follow precisely a complex multistep procedure when performing technical tasks, attending to special cases or exceptions defined in the text.

Craft and Structure

9-10.RT.4 Determine the meaning of symbols, key terms, and other domain-specific words and phrases as they are used in a specific scientific context relevant to *grades 9-10 texts and topics*.

9-10.RT.5 Analyze the structure of the relationships among concepts in a text, including relationships among key terms (e.g., *force, friction, reaction force, energy*).

9-10.RT.6 Analyze the author's purpose in providing an explanation, describing a procedure, or discussing an experiment in a text, defining the question the author seeks to address.

Integration of Knowledge and Idea

9-10.RT.7 Translate technical information expressed in words in a text into visual form (e.g., a table or chart) and translate information expressed visually or mathematically (e.g., in an equation) into words.

9-10.RT.8 Assess the extent to which the reasoning and evidence in a text support the author's claim or a recommendation for solving a technical problem.

9-10.RT.9 Compare and contrast findings presented in a text to those from other sources (including their own experiments), noting when the findings support or contradict previous explanations or accounts.

Range of Reading and Level of Text Complexity

9-10.RT.10 By the end of grade 10, read and comprehend technical texts in the grades 9-10 text complexity band independently and proficiently

Writing Standards for Literacy in Technical Subjects 9-10

The standards below begin at grade 9 and define what students should understand and be able to do by the end of grade 10. The CCR anchor standards and high school standards in literacy work in tandem to define college and career readiness expectations – the former providing broad standards, the latter providing additional specificity.

Text Types and Purposes

9-10.WT.1 Write arguments focused on *discipline-specific content*.

9-10.WT.2 Write informative/explanatory texts, including technical processes.

9-10.WT.3 Students will not write narratives in technical subjects. *Note: Students' narrative skills continue to grow in these grades. The Standards require that students be able to incorporate narrative elements effectively into arguments and informative/explanatory texts. In technical, students must be able to write precise enough descriptions of the step-by-step procedures they use in their technical work that others can replicate them and (possibly) reach the same results.*

Production and Distribution of Writing

9-10.WT.4 Produce clear and coherent writing in which the development, organization, and style are appropriate to task, purpose, and audience.

9-10.WT.5 Develop and strengthen writing as needed by planning, revising, editing, rewriting, or trying a new approach, focusing on addressing what is most significant for a specific purpose and audience.

9-10.WT.6 Use technology, including the Internet, to produce, publish, and update individual or shared writing products, taking advantage of technology's capacity to link to other information and to display information flexibly and dynamically.

Research to Build and Present Knowledge

9-10.WT.7 Conduct short as well as more sustained research projects to answer a question (including a self-generated question) or solve a problem; narrow or broaden the inquiry when appropriate; synthesize multiple sources on the subject, demonstrating understanding of the subject under investigation.

9-10.WT.8 Gather relevant information from multiple authoritative print and digital sources, using advanced searches effectively; assess the usefulness of each source in answering the research question; integrate information into the text selectivity to maintain the flow of ideas, avoiding plagiarism and following a standard format for citation

9-10.WT.9 Draw evidence from informational texts to support analysis, reflection, and research.

Range of Writing

9-10.WT.10 Write routinely over extended time frames (time for reflection and revision) and shorter time frames (a single sitting or a day or two) for a range of discipline-specific tasks, purposes, and audiences.