

FOLSOM CORDOVA UNIFIED SCHOOL DISTRICT

PERSONAL BUSINESS FINANCE

Date: January, 2017

Proposed Grade Level(s): 11th or 12th

Grading: A-F

CTE Sector / Pathway: N/A

Prerequisite(s): Completion of IM 2 or IM 2 Foundations

Course Length: 1 year

Subject Area: Mathematics

Credits: 5/Semester

Intent to Pursue 'A-G' College Prep Status: No

COURSE DESCRIPTION:

This course is intended to provide students an overview of personal finance and business concepts. Financial Literacy is defined as the knowledge, tools, and skills that are essential for effective management of personal fiscal resources and financial well-being. This course provides the opportunity for students to gain the mathematical knowledge as a first step toward developing financial literacy. Students will be introduced to financial concepts that are applicable throughout their lives, and apply them to the scenarios they are facing today and in the years ahead. Students have the opportunity to increase their appreciation for the financial tools that are available to them, such as savings accounts and investment opportunities. The course will also provide the awareness of the actual cost of borrowing money and/or relying on credit cards. Concepts will be personalized through student activities and projects.

GENERAL GOALS/ESSENTIAL QUESTIONS:

Goals:

- Provide students an overview of personal finance and business concepts.
- Increase students with the knowledge, tools, and skills that are essential for effective management of personal fiscal resources.
- Increase student's lifelong ability to have financial well-being.
- Increase student's knowledge, applications, and attitudes that will reinforce workplace competencies.

Essential Questions:

- How is my pay determined depending on the type of job I have?
- Why is the concept of net pay important to my financial planning?
- How do well thought out investment strategies help me move toward financial security?
- Why are financial services offered by banks important to individuals and businesses?

COMMON CORE STATE ANCHOR STANDARDS FOR READING (K-12):

Key Ideas and Details

1. Read closely to determine what the text says explicitly and to make logical inferences from it; cite specific textual evidence when writing or speaking to support conclusions drawn from the text.
2. Determine central ideas or themes of a text and analyze their development; summarize the key supporting details and ideas.
3. Analyze how and why individuals, events, or ideas develop and interact over the course of a text.

Craft and Structure

4. Interpret words and phrases as they are used in a text, including determining technical, connotative, and figurative meanings, and analyze how specific word choices shape meaning or tone.
5. Analyze the structure of texts, including how specific sentences, paragraphs, and larger portions of the text (e.g., a section, chapter, scene, or stanza) relate to each other and the whole.
6. Assess how point of view or purpose shapes the content and style of a text.

Integration of Knowledge and Ideas

7. Integrate and evaluate content presented in diverse media and formats, including visually and quantitatively, as well as in words.
8. Delineate and evaluate the argument and specific claims in a text, including the validity of the reasoning as well as the relevance and sufficiency of the evidence.
9. Analyze how two or more texts address similar themes or topics in order to build knowledge or to compare the approaches the authors take.

Reading Range / Text Complexity

10. Read and comprehend complex literary and informational texts independently and proficiently.

COMMON CORE STATE ANCHOR STANDARDS FOR WRITING (K-12):

Text Types and Purposes

1. Write arguments to support claims in an analysis of substantive topics or texts using valid reasoning and relevant and sufficient evidence.
2. Write informative/explanatory texts to examine and convey complex ideas and information clearly and accurately through the effective selection, organization, and analysis of content.
3. Write narratives to develop real or imagined experiences or events using effective technique, well-chosen details and well-structured event sequences.

Production and Distribution of Writing

4. Produce clear and coherent writing in which the development, organization, and style are appropriate to task, purpose, and audience.
5. Develop and strengthen writing as needed by planning, revising, editing, rewriting, or trying a new approach.
6. Use technology, including the Internet, to produce and publish writing and to interact and collaborate with others.

Research to Build Knowledge

7. Conduct short as well as more sustained research projects based on focused questions, demonstrating understanding of the subject under investigation.
8. Gather relevant information from multiple print and digital sources, assess the credibility and accuracy of each source, and integrate the information while avoiding plagiarism.
9. Draw evidence from literary or informational texts to support analysis, reflection, and research.

Range of Writing

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

COMMON CORE STATE ANCHOR STANDARDS FOR SPEAKING AND LISTENING (K-12):

Comprehension and Collaboration

1. Prepare for and participate effectively in a range of conversations and collaborations with diverse partners, building on others' ideas and expressing their own clearly and persuasively.
2. Integrate and evaluate information presented in diverse media and formats, including visually, quantitatively, and orally.
3. Evaluate a speaker's point of view, reasoning, and use of evidence and rhetoric.

Presentation of Knowledge and Ideas

4. Present information, findings, and supporting evidence such that listeners can follow the line of reasoning and ensure that the organization, development, and style are appropriate to task, purpose, and audience.
5. Make strategic use of digital media and visual displays of data to express information and enhance understanding of presentations.
6. Adapt speech to a variety of contexts and communicative tasks, demonstrating command of formal English when indicated or appropriate.

CTE INDUSTRY SECTOR / PATHWAY / STANDARDS:

N/A

DETAILED UNITS OF INSTRUCTION:

UNIT 1: BASIC MATH SKILLS: WORKSHOPS

- Working with numbers, including fractions and decimals
- Percentages
- Tables, Charts, and Graphs
- Estimation

Problem Solving List units here, requires a short narration

UNIT 2: MANAGING YOUR MONEY

Chapter 1: *Gross Income*

- 1.1 Straight-time Pay
- 1.2 Overtime Pay
- 1.3 Weekly Time Card
- 1.4 Piecework
- 1.5 Salary
- 1.6 Commission
- 1.7 Graduated Commission

Chapter 2: *Net Income*

- 2.1 Federal Income Tax
- 2.2 State Income Tax
- 2.3 Graduated State Income Tax
- 2.4 Social Security and Medicare
- 2.5 Group Health Insurance
- 2.6 Statement of Earnings

Chapter 3: *Record Keeping*

- 3.1 Average Monthly Expenditures
- 3.2 Preparing a Budget Sheet
- 3.3 Using a budget

Chapter 4: *Checking Accounts*

- 4.1 Deposits
- 4.2 The Check Writing Process
- 4.3 Check Registers
- 4.4 Spreadsheet Application
- 4.5 Bank Statements
- 4.6 Bank Statement Reconciliation
- 4.7 Online Banking

Chapter 5: *Savings Accounts*

- 5.1 Deposits
- 5.2 Withdrawals
- 5.3 Account Statements
- 5.4 Simple Interest
- 5.5 Compound Interest
- 5.6 Compound Interest Tables
- 5.7 Daily Compounding
- 5.8 Annuities

UNIT 3: MANAGING YOUR EXPENSES

Chapter 6: *Cash Purchases*

- 6.1 Sales Tax
- 6.2 Total Purchase Price
- 6.3 Unit Pricing and Comparison Shopping
- 6.4 Coupons and Rebates
- 6.5 Markdowns
- 6.6 Sale Price

Chapter 7: *Charge Accounts and Credit Cards*

- 7.1 Account Statements
- 7.2 Finance Charges: Uphold Balance Method
- 7.3 Finance Charges: Average Daily Balance Method

Chapter 8: *Loans*

- 8.1 Single-payment Loans
- 8.2 Installment Loans: Amount Financed
- 8.3 Installment Loans: Monthly Payment and Finance Charge
- 8.4 Installment Loans: Monthly Payment Allocation
- 8.5 Paying Off Installment Loans
- 8.6 Determining the APR

UNIT 4: MAKING FINANCIAL DECISIONS

Chapter 9: *Vehicle Transportation*

- 9.1 Purchasing a new vehicle
- 9.2 Dealer's cost

- 9.3 Purchasing a used vehicle
- 9.4 Vehicle Insurance
- 9.5 Operating and maintaining a vehicle
- 9.6 Leasing a vehicle
- 9.7 Renting a vehicle

Chapter 10: *Housing Costs*

- 10.1 Mortgage Loans
- 10.2 Monthly payment and Total interest
- 10.3 Closing Costs
- 10.4 Allocation of the Monthly Payment
- 10.5 Real Estate Taxes
- 10.6 Homeowner's Insurance
- 10.7 Other Housing Costs
- 10.8 Renting or Owning a Home

Chapter 11: *Insurance*

- 11.1 Health Insurance Premiums
- 11.2 Health Insurance Benefits
- 11.3 Term Life
- 11.4 Other types of Life Insurance

Chapter 12: *Investments*

- 12.1 Certificates of Deposit
- 12.2 Annual Percentage Yield
- 12.3 Buying Stocks
- 12.4 Selling Stocks
- 12.5 Stock Dividends
- 12.6 Mutual Funds
- 12.7 Bonds
- 12.8 Real Estate
- 12.9 Retirement Investments

UNIT 5: MAKING BUSINESS DECISIONS

Chapter 13: *Personnel*

- 13.1 Hiring New Employees
- 13.2 Administering Wages and Salaries
- 13.3 Employee Benefits
- 13.4 Disability Insurance
- 13.5 Workers Compensation Insurance
- 13.6 Travel expenses
- 13.7 Employee training

Chapter 14: *Purchasing and Inventory*

- 14.1 Trade Discounts
- 14.2 Trade Discounts-Complement Method
- 14.3 Chain discounts
- 14.4 Cash Discounts-Ordinary Dating
- 14.5 Cash Discounts-EOM Dating

- 14.6 Inventory
- 14.7 Valuing Inventory
- 14.8 Carrying Inventory

Chapter 15: Sales

- 15.1 Markup
- 15.2 Markup Rate
- 15.3 Net Profit
- 15.4 Net Profit Rate
- 15.5 Selling Price -Markup Based on Selling Price
- 15.6 Markup Rate Based on Cost
- 15.7 Markdown

Chapter 16: Marketing

- 16.1 Opinion surveys
- 16.2 Sales potential
- 16.3 Market share
- 16.4 Sales Projections
- 16.5 Newspaper Advertising Costs
- 16.6 Television Advertising Costs
- 16.7 Pricing

UNIT 6: MANAGING BUSINESS FINANCES

Chapter 17: Services (optional)

- 17.1 Building Rental
- 17.2 Maintenance and Improvement
- 17.3 Equipment Rental
- 17.4 Utilities Costs
- 17.5 Professional Services

Chapter 18: Accounting (optional)

- 18.1 Payroll Register
- 18.2 Business Expenses
- 18.3 Manufacturing Costs and Time Study
- 18.4 Break-even Analysis
- 18.5 Apportioning expenses
- 18.6 Depreciation- Straight Line Method
- 18.7 Depreciation – Book Value
- 18.8 Assets, Liability, and Equity
- 18.9 Balance Sheets
- 18.10 Cost of Goods Sold
- 18.11 Income Statement

Chapter 19: Financial Management (optional)

- 19.1 Corporate Income Taxes
- 19.2 Issuing Stocks and Bonds
- 19.3 Borrowing
- 19.4 Investments-Treasury Bills
- 19.5 Inflation

19.6 Gross Domestic Product

19.7 Consumer Price Index

TEXTBOOKS AND RESOURCE MATERIALS:

Textbook

Mathematics for Business and Personal Finance by Lange and Rousos, Glencoe/McGraw-Hill, (2016)

Resource Materials

H&R Block Budget Challenge

SUBJECT AREA CONTENT STANDARDS TO BE ADDRESSED:

California has not adopted its own standards for financial literacy. The National Council of Teachers of Mathematics Standards (NCTM) for Grades 9 – 12, and the National Standards for Business Education provide academic standards covered in *Mathematics for Business and Personal Finance*. Further, the California Common Core State Standards for Mathematics (CCSSM) provide multiple entry points that teach financial literacy concepts. Those standards that are applicable to this course are as follows:

THE NCTM STANDARDS FOR BUSINESS EDUCATION

Number and Operation

1. Understand numbers, ways of representing numbers, relationships among numbers, and number systems.
2. Understand the meanings of operations and how they relate to one another
3. Compute fluently and make reasonable entries.

Algebra

1. Understand patterns, relations, and functions.
2. Represent and analyze mathematical situations and structures using algebraic symbols.
3. Use mathematical models to represent and understand quantitative relationships.
4. Analyze change in various contexts.

Geometry

1. Analyze characteristics of 2-and 3- dimensional geometric shapes and develop mathematical arguments about geometric relationships.
2. Use visualization, spatial reasoning, and geometric modeling to solve problems.

Measurement

1. Understand measurable attributes of objects and the units, systems, and processes of measurement.
2. Apply appropriate techniques, tools, and formulas to determine measurements.

Data Analysis

1. Formulate questions that can be addressed with data and collect, organize, and display relevant data to answer them.
2. Select and use appropriate statistical methods to analyze data.
3. Develop and evaluate inferences and predictions that are based on data.
4. Understand and apply basic concepts of probability.

Problem Solving

1. Apply and adapt a variety of appropriate strategies to solve problems.

2. Solve problems that arise in mathematics and in other context.
3. Build new mathematical knowledge through problem solving.
4. Monitor and reflect on the process of problem solving.

Reasoning and Proof

1. Recognize reasoning and proof as fundamental aspects of mathematics.
2. Make and investigate mathematical conjectures.
3. Develop and evaluate mathematical arguments and proofs.
4. Select and use various types of reasoning and methods of proof.

Communication

1. Organize and consolidate mathematical thinking through communication.
2. Communicate mathematical thinking coherently and clearly to peers, teachers, and others.
3. Analyze and evaluate the mathematical thinking strategies of others.
4. Use the language of mathematics to express mathematical ideas precisely.

Connections

1. Recognize and use connections among mathematical ideas.
2. Understand how mathematical ideas interconnect and build on one another to produce a coherent whole.
3. Recognize and apply mathematics in contexts outside of mathematics.

Representation

1. Create and use representations to organize, record, and communicate mathematical ideas.
2. Select, apply, and translate among mathematical representations to solve problems.
3. Use representations to model and interpret physical, social, and mathematical phenomena

THE NATIONAL STANDARDS for BUSINESS EDUCATION

The National Standards for Business Education are based on a vision and a set of competencies designed to prepare students to become knowledgeable and ethical decision makers as they fulfill their roles as consumers, workers, and citizens.

Mathematical Foundations

Apply basic mathematical operations to solve problems.

Number Relationships & Operations

Solve problems involving whole numbers, decimals, fractions, percent, ratios, averages, and proportions.

Patterns, Functions, and Algebra

Use algebraic operations to solve problems.

Measurements

Use common international standards of measurement when solving problems.

Statistics and Probability

Analyze and interpret data using common statistical procedures.

Problem Solving Applications

Use mathematical procedures to analyze and solve business problems.

Personal Decision Making

Use a rational decision-making process as it applies to the roles of citizens, workers and consumers.

Earning a Living

Identify various forms of income and analyze factors that affect income as part of the career decision-making process.

Managing Finances and Budgeting

Develop and evaluate a spending/savings plan.

Savings and Investing

Evaluate savings and investment options to meet short term- and long-term goals.

Buying Goods and Services

Apply a decision-making model to maximize consumer satisfaction, when buying goods and services.

Banking

Evaluate services provided by financial institutions to transfer funds.

Using Credit

Analyze the factors that affect the choice of credit, the cost of credit, and the legal aspects of using credit.

Protecting Against Risk

Analyze choices available to consumers for protection against risk and financial loss.

DISTRICT ESLRS TO BE ADDRESSED: give an example for each bulleted item

Students will be:

- **Self-Directed Learners:** Students develop financial literacy and computational skills which are essential in helping fulfill their future roles as citizens, consumers, employees, employers, investors, inventors, and entrepreneurs.
- **Constructive Thinkers:** Students are introduced to the basics of personal finance and the decision-making techniques needed to be wise consumers, thereby gaining a solid educational foundation for students who want to successfully complete college programs in various business disciplines and/or the work force.
- **Effective Communicators:** Students will build the capacity to discuss the causes and effects of factors that affect net worth; negotiate financial investments and expenses; explain how inflation and taxes affect financial decisions.
- **Collaborative Workers:** Because all students will encounter a business environment that is characterized by diversity—both domestic and international—all students need to practice the interpersonal, teamwork, and leadership skills that will help them function successfully in that environment.
- **Quality Producers/Performers:** Students will use technology as a tool for managing information. Students will need to hone the lifelong learning skills that foster flexible career paths and confidence in adapting to a workplace that demands constant retooling.
- **Responsible Citizens:** Students will become responsible citizens, capable of making the astute economic decisions that will benefit their personal and professional lives.