

CARLISLE AREA SCHOOL DISTRICT

Carlisle, PA 17013

PERSONAL FINANCE

GRADE 8

Date of Board Approval: October 20, 2016

CARLISLE AREA SCHOOL DISTRICT

PLANNED INSTRUCTION COVER PAGE

TITLE OF COURSE:	Personal Finance	SUBJECT:	Business	GRADE LEVEL:	8
COURSE LENGTH:	Semester	DURATION:	46 minutes	FREQUENCY:	42 days
PREREQUISITES:	N/A	CREDIT:	N/A	LEVEL:	N/A

Course Description/Objectives: Personal Finance is an elective course offered as a component of the middle school Technology Education Curriculum. It is a course designed to challenge students as well as teach them proper money management skills. The students will discover how to maximize their future earnings, learn how to manage money and make informed financial decisions, understand the essentials of saving money, investing wisely, creating a budget and managing credit. Wise financial management not only is a strong educational skill to learn but also is a valued employable skill to master.

Text: Flowers, Barbara and Laux, Sharon C. *Financial Fitness for Life*. New York: Council for Economic Education, 2010.

Curriculum Writing Committee: Greg Richards John H. Ross Jr.

COURSE TIME LINE

Unit 1: The Economic Way of Thinking

- Resources are scarce
- Making decisions
- The economic way of thinking

6 days

Unit 2: Earning Income

- Why stay in school?
- Choosing a career
- Productivity

6 days

Unit 3: Money Management

- Managing Cash
- Choosing and using a checking account
- What taxes affect you

8 days

Unit 4: Saving

- Why save?
- Let lenders and borrowers be
- Types of savings plans and investments
- Who pays and who receives
- Stock and mutual funds

12 days

Unit 5: Spending and Credit

- Cash or credit
- Establishing credit
- Comparison shopping

4 days

Unit 6: Investing

- The stock market game

6 days

Total: 42 days

KNOW, UNDERSTAND, DO

COURSE:	Personal Finance	TIME FRAME:	6 days
UNIT #1:	The Economic Way of Thinking	GRADE:	8

STANDARDS:

PA Academic Standards:

Economics: Scarcity and Choice, Grade 8:

- 6.1.8.A • Explain how limited resources and unlimited wants cause scarcity.
- 6.1.8.B • Compare decisions made because of limited resources and unlimited wants. Analyze the resources that are combined to create goods and services.
- 6.1.8.C • Compare choices to determine the best action.
- 6.1.8.D • Compare the effect of incentives on personal decisions.

Business, Computer and Information Technology and Finance and Economics, Grades 6-8:

- 15.6.8.G • Discuss the need for money management.

KNOW, UNDERSTAND, DO

COURSE:	Personal Finance	TIME FRAME:	6 days
UNIT #1:	The Economic Way of Thinking	GRADE:	8

UNDERSTANDINGS

Resources are scarce; in our personal finance decisions, we must satisfy our wants within our budgetary constraints.

COMMON ASSESSMENTS/CULMINATING ACTIVITY

KNOW	DO
<ul style="list-style-type: none"> • Identify opportunity cost as loss of potential gain from other alternatives when one alternative is chosen. • List the steps in the decision making process. • Live within your means. • Identify and evaluate incentives and predict consequences. • Define opportunity cost as the next-best alternative that is given up when a choice is made. • Define cost/benefit analysis as comparing advantages and disadvantages in order to make a decision. • Define trade offs as giving up a little of one thing in order to get a little more of something else. • Define human resources as people performing mental or physical work to produce goods and services. • Define alternatives as options to be considered when making a decision. • Define consequence as the result or effect of a person’s behavior. • Define incentive as a reason or reward that motivates people to behave in predictable way. 	<ul style="list-style-type: none"> • Analyze specific personal financial situations. • Explain financial decisions by systematically considering alternatives and consequences. • Explain why resources are scarce and how we pay a price for using them. • Explain the process of a decision-making strategy process and the opportunity cost of a decision. • Evaluate criteria in making personal finance decisions: income, expenses, wants and needs. • Evaluate a decision.

KNOW, UNDERSTAND, DO

COURSE:	Personal Finance	TIME FRAME:	6 days
UNIT #2:	Earning Income	GRADE:	8

STANDARDS:

PA Academic Standards:

Economics: Scarcity and Choice, Grade 8:

- 6.1.8.B • Compare decisions made because of limited resources and unlimited wants. Analyze the resources that are combined to create goods and services.

Career Education and Work: Career Awareness and Preparation: Grade 8

- 13.1.8.A • Relate careers to individual interests, abilities, and aptitudes.

Business, Computer and Information Technology: Career Management: Grades 6-8

- 15.2.8.A • Examine various occupation options based on career assessments results, personal characteristics, talents, skills, abilities, and aptitudes as related to career pathways, clusters, or occupations.

KNOW, UNDERSTAND, DO

COURSE:	Personal Finance	TIME FRAME:	6 days
UNIT #2:	Earning Income	GRADE:	8

UNDERSTANDINGS

Education and personal interests have a direct impact on one's earning potential.

COMMON ASSESSMENTS/CULMINATING ACTIVITY

KNOW

- Describe the importance of education and its impact on income.
- Evaluate your likes and interests.
- Identify careers that align to your likes and interests.
- Describe how technology has increased productivity.
- List the factors involved in increasing productivity.
- Define income as money earned during a specific period (\$10/hour or \$50,000/year).
- Define wages as income earned from working.
- Define human capital as knowledge, skills, experience, and attitude that help a person do a better job.
- Define career cluster as jobs within a similar category, e.g., artist and graphic designer, bookkeeper and accountant, chef and dietitian.
- Define work ethic as determination and positive habits on the job. Positive habits include reliability, punctuality, friendliness, honesty, and ability to work independently or in cooperation with others.
- Define SCANS Skills as guidelines for workplace success.

DO

- Explain the benefits and costs associated with levels of educational attainment.
- Assess personal and career interests in light of projected demand for workers in various occupations.
- Analyze salaries based on educational attainment.
- Analyze various career opportunities within career clusters.
- Evaluate the growth potential for each career cluster.
- Identify Secretary's Commission on Achieving Necessary Skills (SCANS) needed in the workplace: interpersonal skills, team work, use of technology, effective communication, problem solving, organizational skills, and positive attitude.

KNOW, UNDERSTAND, DO

COURSE:	Personal Finance	TIME FRAME:	8 days
UNIT #3:	Money Management	GRADE:	8

STANDARDS:

PA Academic Standards:

Family Consumer Sciences: Financial and Resource Management, Grade 6:

- 11.1.6.B • Know the relationship of the components of a simple spending plan and how that relationship allows for managing income, expenses and savings.

Business, Computer and Information Technology: Finance and Economics, Grades 6-8:

- 15.6.8.G • Discuss the need for money management.

KNOW, UNDERSTAND, DO

COURSE:	Personal Finance	TIME FRAME:	8 days
UNIT #3:	Money Management	GRADE:	8

UNDERSTANDINGS

Managing one’s finances involves the development of spending plans, recording financial transactions, and supporting public goods and services through the payment of taxes.

COMMON ASSESSMENTS/CULMINATING ACTIVITY

KNOW

- Identify effective spending plans.
- Identify expenses as fixed or variable.
- List the benefits of using checking accounts.
- Identify the parts of a check.
- List examples of goods and services provided by taxes.
- Define spending plans as a plan for managing income/expenses.
- Define fixed expenses as expenses that cannot be easily changed and remain constant from month to month
- Define variable expenses as expenses that can be controlled and change from month to month
- Define checking account as an account at a financial institution against which checks can be drawn by the account depositor.
- Define check as a written order instructing a bank to pay upon its presentation to the person designated in it, or to the person possessing it, a certain sum of money from the account of the person who draws (wrote) it.
- Define tax as a required payment of money to government.

DO

- Analyze expenses and develop a spending plan through trade-offs.
- Explain the benefits of checking accounts.
- Record transactions in a checkbook register.
- Write a check correctly.
- Analyze the benefits of paying taxes.
- Explain which goods/services are provided by the different taxes paid.

KNOW, UNDERSTAND, DO

COURSE:	Personal Finance	TIME FRAME:	12 days
UNIT #4:	Saving	GRADE:	8

STANDARDS:

PA Academic Standards:

Economics: Income, Profit, and Wealth, Grades 8:

- 6.5.8.G • Identify the costs and benefits of various financial tools available to savers.
- 6.5.8.H • Identify the effect of higher and lower interest rates.

Business, Computer and Information Technology: Finance and Economics, Grades 6-8:

- 15.6.8.B • Discuss the importance of developing short-, medium-, and long-term personal financial goals.
- 15.6.8.I • Compare advantages and disadvantages of different financial institutions relating to saving, investing, and borrowing.
- 15.6.8.J • Explain the difference between simple and compound interest.
- 15.6.8.Q • Calculate investment growth using varying rates of return.
- 15.6.8.R • Evaluate the benefits of a diversified investment portfolio.

KNOW, UNDERSTAND, DO

COURSE:	Personal Finance	TIME FRAME:	12 days
UNIT #4:	Saving	GRADE:	8

UNDERSTANDINGS

Financial goals can be attained through the different kinds of savings instruments that are available.

COMMON ASSESSMENTS/CULMINATING ACTIVITY

KNOW

- Identify the three goals of saving.
- List the available savings instruments.
- Organize a savings plan.
- State the risks involved with savings plans.
- State how interest is calculated.
- Define saving as the act of putting something aside for later use.
- Define investing as saving money in order to earn a financial return.
- Define interest as the price paid for using someone else's money.
- Define savings instrument as arrangements by means of which people save money including saving accounts, certificates of deposits, money market deposit accounts, and U.S. savings bonds.
- Define principal as the amount deposited in savings without including interest earned.
- Define stock market as where shares of stocks are bought and sold.

DO

- Analyze the importance of setting financial goals.
- Calculate project savings goals.
- Compare and contrast the advantages and disadvantages of the various saving instruments.
- Select a savings instrument based a certain needs.
- Calculate simple and compound interest.

KNOW, UNDERSTAND, DO

COURSE:	Personal Finance	TIME FRAME:	4 days
UNIT #5:	Spending and Credit	GRADE:	8

STANDARDS:

PA Academic Standards:

Business, Computer and Information Technology: Finance and Economics, Grades 6-8:

- 15.6.8.G • Discuss the need for money management.
- 15.6.8.H • Compare and contrast advantages and disadvantages of various options of paying for short- and long-term purchases.
- 15.6.8.K • Investigate factors that contribute to a positive or negative credit history.
- 15.6.8.L • Analyze the components and value of credit reports for consumers, borrowers and lenders.

KNOW, UNDERSTAND, DO

COURSE:	Personal Finance	TIME FRAME:	4 days
UNIT #5:	Spending and Credit	GRADE:	8

UNDERSTANDINGS

Responsible spending can have a positive effect on one's personal financial credit.

COMMON ASSESSMENTS/CULMINATING ACTIVITY

KNOW

- Recognize when to use cash or credit.
- List activities that will positively affect a credit score.
- List the steps of the decision making process.
- State the reason for a consumer to shop around.
- Define credit limit as the maximum amount of credit extended to you by a bank or credit card issuer.
- Define interest rate as the price of using credit expressed as a percentage of the amount owed.
- Define minimum payment as the lowest amount you must pay toward your credit balance each month.
- Define bureau as a firm that collects a borrower's credit history.
- Define credit report as a history of a borrower's use of credit.
- Define credit score as a score used to evaluate a borrower's credit worthiness and likelihood to repay a loan.
- Define debt to income ratio as a measurement of how much of your income is being spent on debt.
- Define deceptive practices as what a business person may do to fool a customer in order to sell the customer a good or service.

DO

- Calculate interest when making a purchase with credit.
- Analyze the three "C's" of credit.
- Explain ways a young person can establish credit.
- Analyze loan applications/credit reports and decide loan status.
- Utilize the seven steps in making a purchase.
- Identify the advantages and disadvantages of comparison shopping.
- Analyze illegal and deceptive practices found in the marketplace.

KNOW, UNDERSTAND, DO

COURSE:	Personal Finance	TIME FRAME:	6 days
UNIT #6:	Investing	GRADE:	8

STANDARDS:

PA Academic Standards:

Business, Computer and Information Technology: Finance and Economics, Grades 6-8:

- 15.6.8.I • Compare advantages and disadvantages of different financial institutions relating to saving, investing, and borrowing.
- 15.6.8.Q • Calculate investment growth using varying rates of return.
- 15.6.8.R • Evaluate the benefits of a diversified investment portfolio.

KNOW, UNDERSTAND, DO

COURSE:	Personal Finance	TIME FRAME:	6 days
UNIT #6:	Investing	GRADE:	8

UNDERSTANDINGS

Investment decisions can affect one's personal finances.

COMMON ASSESSMENTS/CULMINATING ACTIVITY

KNOW

- Identify two situations in which one saves money by investing.
- State the basic premise for buying stock.
- List the advantages and disadvantages of investing.
- Identify diverse companies.
- Define discretionary income as the income left over after savings and essential expenses have been accounted for.
- Define stock as a share of ownership in a company.
- Define capital gain/loss as a gain/loss from selling stock or other investments for more/less than what was paid for them.

DO

- Explain how the stock market works.
- Analyze the importance of having a diversified portfolio.
- Research companies for investment purposes.
- Invest in the stock market and execute trades.
- Calculate a return on investment.

Adaptations/Modifications for Students with I.E.P.s

Adaptations or modifications to this planned course will allow exceptional students to earn credits toward graduation or develop skills necessary to make a transition from the school environment to community life and employment. The I.E.P. team has determined that modifications to this planned course will meet the student's I.E.P. needs.

Adaptations/Modifications may include but are not limited to:

INSTRUCTION CONTENT

- Modification of instructional content and/or instructional approaches
- Modification or deletion of some of the essential elements

SETTING

- Preferential seating

METHODS

- Additional clarification of content
- Occasional need for one to one instruction
- Minor adjustments or pacing according to the student's rate of mastery
- Written work is difficult, use verbal/oral approaches
- Modifications of assignments/testing
- Reasonable extensions of time for task/project completion
- Assignment sheet/notebook
- Modified/adjusted mastery rates
- Modified/adjusted grading criteria
- Retesting opportunities

MATERIALS

- Supplemental texts and materials
- Large print materials for visually impaired students
- Outlines and/or study sheets
- Carbonless notebook paper
- Manipulative learning materials
- Alternatives to writing (tape recorder/calculator)