Indiana Financial Literacy

Grades 9, 10, 11, 12

Adopted 2008

Demonstrate management of individual and family finances by applying reliable information and systematic decision making.

1. **Demonstrate taking responsibility for personal financial decisions.** 12-1.1
    1. Explain how individuals demonstrate responsibility for financial well-being over a lifetime. 12-1.1.1
    2. Analyze ways financial responsibility is different for individuals with and without dependents. 12-1.1.2
2. **Analyze financial information from a variety of reliable sources.** 12-1.2
    1. Analyze financial information for objectivity, accuracy, relevancy to given needs, and currency. 12-1.2.1
    2. Investigate current types of consumer fraud, including online scams. 12-1.2.2
    3. Summarize factors to consider when selecting a financial planning professional or tax adviser. 12-1.2.3
3. **Utilize consumer protection laws and resources.** 12-1.3
    1. Describe benefits of Indiana's consumer protection agency. 12-1.3.1
    2. Analyze consumer protection laws for the issues they address and the safeguards they provide. 12-1.3.2
    3. Demonstrate steps for resolving a consumer complaint. 12-1.3.3
4. **Make financial decisions by systematically considering alternatives and consequences.** 12-1.4
    1. Set measurable short-term, medium-term, and long-term financial goals. 12-1.4.1
    2. Evaluate the results of financial decisions. Apply systematic decision making to long-term goals. 12-1.4.2
5. **Demonstrate communication strategies for discussing financial issues.** 12-1.5
    1. Compare and contrast the benefits of sharing financial goals and personal finance information with a potential partner before forming a partnership. 12-1.5.1
    2. Describe essential elements of contract between individuals and between individuals and businesses. 12-1.5.2
6. **Demonstrate strategies to control personal information.** 12-1.6
    1. Describe the actions a victim of identity theft needs to take to restore personal security. 12-1.6.1

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Analyze how education, income, career, and life choices relate to achieving financial goals.

1. **Describe how career choice, education, skills, entrepreneurship, and economic conditions affect income.** 12-2.1
    1. Analyze ways economic, social, cultural, and political conditions can affect income and career potential. 12-2.1.1
    2. Analyze the financial risks and benefits of entrepreneurship as a career choice. 12-2.1.2
2. **Identify sources of personal income.** 12-2.2
    1. Define gift, rent, interest, dividend, capital gain, tip, commission, and business profit income. 12-2.2.1
    2. Describe ways people in the community can benefit from local government assistance programs. 12-2.2.2
3. **Explain how taxes and employee benefits relate to disposable income.** 12-2.3
    1. Analyze typical employee benefits and explain why they are a form of compensation. 12-2.3.1
    2. Describe benefits of employer sponsored savings plans and other options for shifting current income to the future. 12-2.3.2

Manage money effectively by developing financial goals and budgets.

1. **Demonstrate ability to use money management skills and strategies.** 12-3.1
    1. Create a budget a basic budget with categories for income, taxes, planned savings, and fixed and variable expenses. 12-3.1.1
    2. Demonstrate budgeting to manage spending and achieve financial goals. 12-3.1.2
2. **Develop a system for keeping and using financial records.** 12-3.2
    1. Demonstrate use of a system to record income and spending for purchases, services, and taxes. 12-3.2.1
    2. Demonstrate recordkeeping that utilizes a financial institutions online account management system. 12-3.2.2
3. **Analyze services of financial institutions.** 12-3.3
    1. Demonstrate skill in executing different payment methods, including cash, checks, stored-value cards, debit cards, credit cards, and electronic or online payment systems. 12-3.3.1
    2. Demonstrate skill in basic financial tasks, including bill payments, check writing, reconciling checking and debit account statements, and monitoring printed and online account statements for accuracy. 12-3.3.2
4. **Apply consumer skills to purchase decisions.** 12-3.4
    1. Evaluate impact of external factors on spending decisions. 12-3.4.1
    2. Apply knowledge of external factors to justify a consumer buying decision. 12-3.4.2

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3. Compare the benefits and costs of owning a house versus renting a house. 12-3.4.3

5. **Connect the role of charitable giving, volunteer service, and philanthropy to community development and quality of life.** 12-3.5
   1. Demonstrate budgeting financial and other resources to make contributions to a charitable organization. 12-3.5.1

6. **Develop a personal financial plan.** 12-3.6
   1. Analyze ways to modify spending practices to achieve financial goals. 12-3.6.1
   2. Develop a personal financial plan that shows allocation of income, spending, saving/investing, and sharing/giving over a year-long time span. 12-3.6.2
   3. Analyze a plan to secure funding for a financial goal. 12-3.6.3

7. **Examine the purpose and value of estate planning.** 12-3.7
   1. Contrast a will, a "living will" and other ways an estate can be transferred. 12-3.7.1

Manage credit and debt to remain both creditworthy and financially secure.

1. **Analyze the costs and benefits of using various types of credit.** 12-4.1
   1. Calculate the cost of borrowing a set amount of money using various types of credit. 12-4.1.1
   2. Explain how grace periods, methods of calculating interest, and fees affect borrowing costs. 12-4.1.2
   3. Apply systematic decision making to identify the most costeffective option for making a major purchase. 12-4.1.3

2. **Analyze factors that influence establishing and maintaining a good credit rating.** 12-4.2
   1. Explain how a credit report affects creditworthiness and the cost of credit. 12-4.2.1
   2. Describe ways a negative credit report affect a consumer's financial future and steps to take to improve it. 12-4.2.2

3. **Analyze methods and benefits of avoiding or correcting credit and debt problems.** 12-4.3
   1. Describe debtors' and creditors' rights related to wage garnishing and repossession when an overdue debt is not paid. 12-4.3.1
   2. Describe possible consequences of excessive debt. 12-4.3.2

4. **Analyze major consumer credit laws** 12-4.4
   1. Analyze online and printed resources for up-to-date information about consumer credit rights. 12-4.4.1

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Analyze the features of insurance, its role in balancing risk and benefits in financial planning.

1. **Analyze the nature of personal financial risk and the importance of protecting against financial loss.** 12-5.1
    1. Describe ways people can manage risk through avoidance, reduction, retention, and transfer. 12-5.1.1
    2. Analyze various insurance policies according to their deductibles. 12-5.1.2
2. **Analyze the need for and value of various types of insurance across stages of the life cycle.** 12-5.2
    1. Analyze the amount of coverage a person needs for health, property, life, disability, and liability insurance. 12-5.2.1
    2. Compare the costs of auto insurance for the same vehicle, given two different deductibles and two different liability coverage limits. 12-5.2.2
    3. Analyze factors that can reduce or increase insurance costs. 12-5.2.3
3. **Apply concepts related to financial risk, protection from loss, and financial planning.** 12-5.3
    1. Compare various programs that provide financial assistance for income loss due to illness, disability, or premature death. 12-5.3.1
    2. Recommend insurance that protects one from the risks a young adult might face. 12-5.3.2

Analyze saving and investing to build long-term financial security and wealth.

1. **Explain how saving contributes to financial well-being.** 12-6.1
    1. Compare saving strategies, including "pay yourself first," payroll deduction, and comparison shopping to spend less. 12-6.1.1
    2. Compare the interest generated by simple and compound interest at various rates. 12.6.1.2
2. **Apply strategies for creating wealth and building assets.** 12-6.2
    1. Compare various investing strategies for their potential to build wealth. 12-6.2.1
    2. Analyze an investment utilizing the principles of time value of money. 12-6.2.2
    3. Calculate the end value of lump sum and periodic investments. 12-6.2.3
3. **Compare investment alternatives.** 12-6.3
    1. Analyze the benefits of various investments options in the current economy. 12-6.3.1
    2. Analyze an investment utilizing principles of inflation. 12-6.3.2
4. **Describe how to buy and sell investments.** 12-6.4
    1. Compare advantages and disadvantages of buying and selling investments through various channels, including financial advisors, investment clubs, and online brokers. 12-6.4.1

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2. Compare the investment objectives and historical rates of return of various stocks and mutual funds. 12-6.4.2

5. **Analyze factors that affect the rate of return on investments.** 12-6.5
    1. Analyze the rate of return on investments using time value of money and economic conditions as factors. 12-6.5.1
    2. Calculate the amount of taxes on investments and income tax-free earnings. 12-6.5.2

6. **Analyze how agencies that regulate financial markets protect investors.** 12-6.6
    1. Analyze risk to various deposits base on deposit insurance. 12-6.6.1
    2. Identify additional services and benefits of the Indiana Securities Commission and other federal and state regulators. 12-6.6.2