

# Financial Literacy: Grades K, 1, 2

Adopted 2010

**Demonstrate the ability to set goals based on wants and needs.**

**Develop short-term and long-term financial goals.**

- Define goals.
  - Identify a personal goal.
  - Identify a group/team goal.
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**Understanding needs vs. wants.**

- Define wants and needs.
  - Know the importance of needs and wants.
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**Identify monetary resources and distribution options for those resources.**

**Develop a realistic spending plan for financial independence.**

- Describe the exchange of goods and services as part of the monetary system.
  - Identify the outcome of spending money.
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**Understand various sources of compensation.**

- Recognize sources of income for children such as allowances and gifts.
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**Understand the distribution of resources.**

- Explain spending versus savings.
  - Recognize that items cost money.
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**Understand financial instruments.**

- Distinguish different types of money (bills, coins).
  - Identify the values of each type of money.
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**Demonstrate an understanding of the concept of credit.**

**Identify responsible credit management.**

- Discuss the meaning of credit.
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**Understand different types of debt.**

- Recognize the concept of the money behind the credit.

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**Understand rights and responsibilities as borrowers.**

- Explain that a borrowed item needs to be returned.
  - Demonstrate that if loaned, an item should be returned.
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**Develop awareness that each person has an identity.****Establish strategies for protection of identity.**

- Describe what an identity is.
  - Recognize that everyone has an identity.
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**Recognize different types of insurance.**

- Recognize ways people can lose possessions.
  - Demonstrate ways to protect possessions.
  - Recognize the consequences of loss.
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**Recognize different types of non-insurance protection.**

- Explain how written notes, emails, or phone calls between school and home can help prevent misinformation.
  - Recognize the role of adults in providing safety.
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**Recognize various ways to save and the reasons individuals decide to save.****Recognize investment options.**

- Identify the value of saving.
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**Distinguish investment options.**

- Explain the difference between a piggy bank and financial institutions.
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**Understand the relationship between investment risk and return.**

- Explain that something loaned may or may not be returned.
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**Distinguish between appropriate spending choices.****Recognize the local, state, national, and international impact of personal financial habits and actions.**

- Recognize that the Internet connects people around the world.
  - Recognize that people come from various cultures, backgrounds, and home situations.
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**Demonstrate responsible financial behaviors, at the personal, local, state, national, and international levels.**

- Recognize that individuals have choices in spending and saving.
- Explain that there are appropriate behaviors and expectations for different settings.