

**PROPOSED HIGH SCHOOL STANDARDS
PERSONAL FINANCE**

Limited financial resources compel responsible individuals to make decisions by weighing the benefits against the opportunity cost of each alternative. All financial decisions have short, intermediate and long term consequences. A citizen that lives within his or her income has more control over his or her life while expanding choices. Individuals engage in savings and investing to achieve short, intermediate, and long term financial goals. Having the knowledge and skills to understand and evaluate various types of goods and services, and how to pay for them, can help prevent or limit financial loss.

**Personal Finance Standard One
[Financial Planning and Decision-Making]**

An individual's goals affect how they value the benefits and costs of alternative choices. A financial plan is a strategy to accomplish an individual's or household's financial goals that will change as an individual's or household's situation changes. Effective financial plans incorporate the possibility of unexpected expenditures.

9-12a: Students will apply problem-solving strategies and cost benefit analysis to assess the consequences of financial decisions.

9-12b: Students will create an overall financial plan for spending and saving in order to achieve personal goals.

**Personal Finance Standard Two
[Money Management]**

When purchasing goods and services, individuals must choose among payment options to maximize benefits. Prudent individuals limit borrowing based on their ability to repay.

9-12a: Students will analyze the benefits and costs of various payment options while applying the mechanics of money management.

9-12b: Students will examine how ability to pay and personal credit history influences an individual's financial opportunities and choices.

**Personal Finance Standard Three
[Saving and Investing]**

Every savings and investment decision has a trade-off in terms of giving up goods and services today. Savings options and investments vary in their potential risks, liquidity, and rate of return. Individuals and households invest by purchasing assets that may earn income and/or appreciate in value over time.

9-12a: Students will demonstrate that personal savings and investment compound over time and contribute to meeting financial goals.

9-12b: Students will evaluate the costs and benefits of major savings and investing options.

**Personal Finance Standard Four
[Risk Protection]**

Risks are associated with life and unplanned events can have serious or catastrophic financial consequences over which an individual may have little control. A citizen with the knowledge and skills to evaluate financial products can prevent or limit loss.

9-12a: Students will understand how to evaluate financial products and services to minimize financial risks.

9-12b: Students will analyze how state and federal laws and regulations protect consumers.