

PERSONAL FINANCE I CURRICULUM

Text used: Personal Finance by Glencoe (2005)

Personal Finance I is a 20 week course which covers the following topics:

Chapter 1: Personal Financial Planning

- Financial planning process
 - Discussion of opportunity costs, risk, liquidity
- Developing personal financial goals
 - Discussion of types of goals, types of goods, economic factors, inflation and interest
- Time value of money
 - Discussion of interest, future and present values of a single deposit and an annuity
- Strategies to achieving financial goals

Chapter 3: Money Management Strategy

- Organizing your personal financial records
 - Discussion of home files and safe deposit boxes
- Personal Financial Statements
 - Personal balance sheet
 - Discussion of net worth, types of assets, types of liabilities, and insolvency
 - Cash flow statement
 - Discussion of types of income, types of expenses, surplus, and deficit
- Preparing a practical budget
- 3 ways to increase savings

Chapter 4: Consumer Purchasing Strategies and Legal Protection

- Factors that influence buying decisions
- Research based approach to consumer purchasing
- Smart buying strategies
 - Discussion of unit pricing and warranties
- Resolving Consumer Complaints
 - Discussion of Better Business Bureau, mediation, arbitration, small claims court, class action suits, and legal aid

Chapter 5: Banking

- Electronic banking services
 - Discussion of direct deposit, automatic payments, ATMs, debit cards
- Types of financial institutions
 - Discussion of FDIC, commercial banks and credit unions
- Types of savings plans
 - Discussion of CDs, money market accounts, savings bonds, compounding interest
- Checking accounts
 - Discussion of overdraft, writing checks, stop payment orders, endorsements, check clearing, bank reconciliations
- We also cover all the math involved with electronic banking, savings account interest, check registers and bank reconciliations

Chapter 6: Consumer Credit

- Advantages and disadvantages of using credit
- Types of credit
 - Discussion of open-end and closed-end credit, loans and credit cards
- The cost of credit
 - Discussion of debt payments-to-income ratio, the trade-offs of credit, different types of credit card interest
- Applying for credit
 - Discussion of the five “Cs” of credit
- Your credit report
- Protecting your credit
 - Discussion of co-signing and consumer credit protection laws
- Warning signs of debt problems
 - Discussion of Consumer Credit Counseling Service
- Declaring personal bankruptcy
 - Discussion of Chapter 7 and Chapter 13 bankruptcy

Identity Theft

- Problems created
- How they get your information
- What to do if you are a victim
- Ways to protect yourself

Chapter 7: The Finances of Housing

- Buying versus renting
- Renting
 - Discussion of advantages and disadvantages, costs of renting, security deposits and renters insurance
- The home buying process
 - Discussion of advantages and disadvantages, equity, types of housing, down payments, real estate agents, obtaining financing, points
- Types of mortgages
 - Discussion of amortization, adjustable rate mortgages, FHA, home equity loans and refinancing
- Closing costs
- Selling your home

Once students have completed this course, they do have the opportunity to take Personal Finance II which focuses on investing, insurance and retirement.