

***“Yes Virginia, there are
Personal Finance and
Economics standards in
Maine!”***

Maine Jump\$tart Conference
5/11/18

Objectives

- Identify key concepts related to personal financial literacy in the Maine Learning Results
- Examine how teaching one of the concepts can be supported with resources
- Explore available resources to develop an understanding of how to teach one of the concepts of your choice

Why Is This Important?

According to the 2012 National Financial Capability Survey of over 25,000 respondents across the country:

- Younger Americans under the age of 34 are more likely to experience financial stress and hardship;
- Over 50% of Americans do not have a budget;
- Almost 60% of Americans do not have an emergency fund for unexpected expenses or loss of income;
- And as a result, nearly 40% of Americans are not able to come up with \$2,000 if needed.

Why Is This Important?

As for high school students, a 2013 survey published by Discover Pathway to Financial Success concluded that:

- High school seniors rank personal finance and money management as the most critical skills for personal future success – tied with math, ahead of science and technology;
- Almost 50% wished they learned personal finance in school to prepare them for life after college; and,
- 83% say they would be very interested in learning more about how to manage their personal finances.

In conclusion, the study found that students with financial knowledge and skills are more likely to engage in financially responsible behaviors such as saving, budgeting and investing.

Maine Learning Results

Personal finance shows up in the Maine Learning Results (MLRs) in Social Studies as part of the Economics strand:

“Students draw on concepts and processes from economics to understand issues of **personal finance** and issues of production, distribution, and consumption in the community, Maine, the United States, and world.”

Maine Learning Results

Personal finance is defined in the Maine Learning Results glossary as:

“The aspects of individuals or family life that involve earning and spending money; often includes making budget choices, savings and investing, the use of credit, and managing risk and insurance.”

Key Concepts

Are your students getting an opportunity to learn about and experience:

- Earning money?
- Spending money?
- Making a budget?
- Saving and investing money?
- Using credit?
- Managing risk and insurance?

Performance Indicators

Personal finance also shows up in MLR performance indicators for grades 9-Diploma:

C1A - Explain that the study of economics includes the analysis and description of production, distribution, and consumption of goods and services by business, and is the basis of individual **personal finance** management including saving and investing.

Performance Indicators

Personal finance also shows up in MLR performance indicators for grades 6-8:

C1A - Explain that economics is the study of how scarcity requires choices about what, how, for whom, and in what quantity to produce, and how scarcity relates to market economy, entrepreneurship, supply and demand, and **personal finance**.

Other Examples

Personal finance concepts are highlighted in other performance indicators in grade bands:

Pre-K-2:

C1A - Describe economics as how people make choices about how to use scarce resources to meet their wants and needs.

C1B – Describe how money is earned and managed in order to buy goods and services and save for the future.

Other Examples

3-5

C1B - Explain how entrepreneurs and other producers of goods and services help satisfy the wants and needs of consumers in a market economy, locally and nationally, by using natural, human, and capital resources.

C1C - Describe situations in which personal choices are related to the use of financial resources and financial institutions including the use of money, consumption, savings, investment, and banking.

Other Examples

6-8

C1B - Describe the functions of economic institutions and economic processes including financial institutions, businesses, government, taxing, and trade.

C1C - Identify factors that contribute to personal spending and savings decisions including work, wages, income, expenses, and budgets as they relate to the study of individual financial choices.

Other Examples

9-12

C1A - Explain that the study of economics includes the analysis and description of production, distribution, and consumption of goods and services by business, and is the basis of **individual personal finance** management including **saving and investing**.

C1B - Explain and analyze the role of **financial institutions**, **the stock market**, and government, including fiscal, monetary, and trade policies, in personal, business, and national economics.

Other Examples

9-12

C1C - Evaluate different forms of money management, and the positive and negative impacts that credit can have on individual finances, using economic reasoning.

C1E - Analyze economic activities and policies in relationship to freedom, efficiency, equity, security, growth, and sustainability.

Proficiency Based Education

Personal financial literacy is also included as part of the Parameters for Essential Instruction in Proficiency Based Education, guiding principle D (A responsible and involved citizen) contains the idea of “economic literacy”.

Jump\$tart

The identified key concepts and underlined ideas from the Maine Learning Results ALL connect to the Jump\$tart standards and concepts of:

- Spending & Saving
- Credit & Debt
- Employment & Income
- Investing
- Insurance
- Financial Decision Making

Going Deeper

Let's take another look at "Spending & Saving"

What key concepts in the MLRs relate to the idea of saving?

"savings" (in the glossary definition, 6-8 C1C, 3-5 C1C)

"saving" (9-Diploma C1A)

"save" (Pre-K-2 C1B)

"sustainability (9-Diploma C1E)

Going Deeper

Let's take a look at "Spending & Saving"

What key concepts in the MLRs relate to the idea of spending?

"spending money" (in the glossary definition)

"buy goods and services" (Pre-K-2 C1B)

"use of money, consumption" (3-5 C1C)

"personal spending (6-8 C1C)

Going Deeper

Talk to at least one person around you and share how “spending and saving” is being taught in your school/district for:

Pre-K-2

3-5

6-8

9-Diploma

Going Deeper

What ideas do you have for teaching the concepts of “spending and saving” at each grade level?

Pre-K-2

3-5

6-8

9-Diploma

Going Deeper

What resources are available for teaching the concepts of “spending and saving” at each grade level?

Pre-K-2

3-5

6-8

9-Diploma

Financial Literacy Resource Guide



CHECK THIS OUT!!!

Quick Tour

- Introduction
- Maine Learning Results
- Standards
- Organization
- Navigation



<https://goo.gl/mQmWTY>

Thoughts & Feedback?



SESSION FEEDBACK SURVEY

Thank You!

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Detailed Budget Plan: Scoring Guide and Rubric

You will be creating a detailed budget plan based on the information below:

The Situation: Your friend Libby is a recent college graduate who has just secured her first, full time job in Boston, MA with a gross annual salary of \$50,000 and monthly take-home pay of \$3,104. She is eager to find an apartment and get settled in before starting her job. During a phone call with her you ask her some basic budgeting questions to which she responds:

- **On keeping a budget:** “I’ve never kept a budget to manage my money. I think a good breakdown could be 40% towards housing and leave the rest to entertainment and other expenses. I know I’ll have to make my monthly student loan payments, but I’ll just pay the bare minimum. After all, I’m only young once, and I can always allocate more money towards my loans later on in a few years. I want to have fun in a new city!”
- **On housing:** “I’m really looking forward to living on my own- I finally won’t have to share any living space with anyone!”
- **On transportation:** “I’ve had a few people tell me that there is plenty of public transportation in Boston, but I’ve always had a car and want my own in Boston, too so that I can have more flexibility.”
- **On food:** “One of the things I’m looking forward to is all the restaurants in Boston! I’m such a foodie, and I can’t wait to start trying different cuisines and posting more food pictures on social media!”
- **On entertainment:** “I’ve heard that there are so many amazing things to do in Boston- from theatre shows to shopping to trendy gyms... I NEED to go to them all!”

Libby needs some help with getting her financial priorities straight. Address each one of Libby’s statements above and provide some tips that she can use to budget appropriately for each category during this exciting part of her life. Be sure to keep in mind her monthly take-home pay of \$3,104

Scoring Guide

The following should be included in your essay:

- ___ Start with monthly take home pay (\$)
- ___ Monthly subtotal (\$) to be put into savings
- ___ Monthly subtotal (\$) to be spent on housing
- ___ Monthly subtotal (\$) to be spent on transportation
- ___ Monthly subtotal (\$) to be spent on food
- ___ Monthly subtotal (\$) to be spent on entertainment
- ___ Monthly subtotal (\$) to be spent on student loans
- ___ Budget balance of \$0.00
- ___ Clear, Organized Recommendations for each category
- ___ Minimum of 100 words

Standard 2
Personal Finance

Financial Decision Making:

Apply reliable information and systematic decision making to personal financial decisions

Proficiency Level	Proficiency Level Description	Taxonomy Level	Learner is able to...
3.0	In addition to 2.0 infer or apply beyond what was taught	Exhibit Knowledge	Write a detailed budget plan that covers all expenses including calculations and provide recommendations for future budgeting
2.0	Understands how to calculate and write a comprehensive budget plan	Apply	Write a budget plan to cover all expenses with appropriate calculations provided
1.0	Knows financial decision making vocabulary and can use in context of writing a budget plan	Recall	Write a budget plan with minimal calculations provided

Detailed Saving & Spending Plan

Scoring Guide and Rubric

You will be creating a detailed saving and spending plan that outlines how you will meet your financial goals

The Situation: Your take-home pay each month is \$3500. You are not currently contributing to any retirement accounts (such as a 401(k) or a ROTH IRA) but you have a savings account at your bank. For the past four months, you've been keeping track of your spending and saving.

Here are the results:

May: spent \$3200, put \$300 into saving

June: spent \$3450, put \$50 into saving

July: spent \$3475, put \$25 into saving

August: spent \$3250, put \$250 into saving

You'd ideally like to have an emergency fund of \$12,000 and save up enough for a big vacation with friends next August [12 months from now] (Approximate cost \$4,500).

Write a detailed saving plan to meet your goals

Scoring Guide

The following should be included in your Saving and Spending Plan:

___ Financial Goal clearly stated in a full sentence

___ Total Amount (\$) currently saved

___ Total Amount (\$) needed to be saved to meet your financial goal

___ Percentage (%) of take home pay that should be saved each month for the first 12 months

___ Amount (\$) needed to be saved for the vacation for the 12 months until your trip

___ Amount (\$) needed to be saved for retirement for the first 12 months

___ Amount (\$) needed to be saved for an emergency fund for the first 12 months

___ Percentage (%) of take home pay that should be saved each month following the first 12 months

___ Amounts (\$) that will be saved for emergencies and retirement following the first 12 months

___ The total length of time (in months) you will need to save to meet your financial goal and the total amount saved over this period of time for emergencies, retirement, and vacation

___ Recommendations for how you will continue saving after reaching your financial goal

Standard 1
Personal Finance

Spending and Saving:

Apply strategies to monitor income and expenses,
plan for spending and save for future goals

Proficiency Level	Proficiency Level Description	Taxonomy Level	Learner is able to...
3.0	In addition to 2.0 infer or apply beyond what was taught	Exhibit Knowledge	Write a detailed saving and spending plan to meet financial goals including calculations and provide recommendations for future savings
2.0	Understands how to calculate and write a comprehensive saving and spending plan	Apply	Write a saving and spending plan to meet financial goals with appropriate calculations provided
1.0	Knows spending and saving vocabulary and can use in context of writing a financial goal	Recall	Write a financial goal with minimal calculations provided

Standard: Financial Decision Making – Apply reliable information and systematic decision making to personal financial decisions.

Remediation Option:

Ever-Fi

Renting vs. Owning –
Module 6

*Includes reteaching
through videos with
pre and post test*

**Summative
Assessment**

**I
can write
a detailed
budget plan to
include housing,
transportation, food &
entertainment.**

**I can exhibit knowledge of
financial decision making skills
to use when creating a budget.**
*Unit Test with Multiple Choice
and Short Answer Questions*

**I can apply financial decision making
skills to create a budget.**

**Case Study: How Do
I Budget?**

- Gross vs. Net Income
- Needs vs. Wants
- Values in spending

Project: 11 Tips for Budgeting

- Categorize Spending
- Draw evidence from information to analyze, reflect and research
- Choice of option to show evidence

**I can recall important vocabulary related to financial
decision making skills when creating a budget.**
*Quizlet created for them to review important vocabulary
related to financial decision making and then they take a
paper quiz to show their understanding.*

**I can comprehend important financial decision
making concepts when creating a budget.**

**Formative
Assessment**

**Guided Practice with links & details
and teacher provides feedback.**

**Formative
Assessment**

L1: Budgeting 101

- Understand Budgeting
- Identify typical cost categories
- Budget to reach financial goals
- Budgeting reflects values

L2: How to Create a Budget

- Explain difference gross vs. net
- Using Net Income for Budgeting
- 50-20-30 Rule

L3: The Cost of Living

- Define & change based on location
- Factors on where to live
- Select City based on finance, values and personal preference

L4: Renting an Apartment

- Identify Steps
- Renter's insurance and documenting belongings
- Analyze Rental Agreement

**L5: Budgeting with
Roommates**

- Pros vs. Cons
- Sharing Expenses

**L6: Budgeting for
Transportation**

- Public vs. Owning
- Full Cost of Owning

L7: Budgeting for Food

- Investigate ways to lower your food budget
- Unit pricing may save money

L8: Needs vs. Wants

- Identify your needs & wants
- Strategies to balance budget based on needs and wants
- Looking ahead in the budget

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Allen/Perkins

Increase Levels of Rigor

**Performance Expectation (ELT):
Level 3 or 4 Rigor**

Uses a detailed financial decision making plan appropriately without being prompted or guidance to do so after a delay from learning or practicing the skill. (Independent – after a delay in complex contexts)

Standard: Spending & Saving - Apply strategies to monitor income and expenses, plan for spending and save for future goals.

Remediation Option:

Ever-Fi

Savings – Module 1
Investing – Module 9
Includes reteaching through videos with pre and post test

Increase Levels of Rigor

Summative Assessment

I can write a detailed saving and spending plan to meet financial goals.

*Performance Expectation (ELT):
Level 3 or 4 Rigor*

Uses a detailed saving and spending plan appropriately without being prompted or guidance to do so after a delay from learning or practicing the skill. (Independent – after a delay in complex contexts)

I can exhibit knowledge of saving and spending to meet financial goals.

Unit Test with Multiple Choice and Short Answer Questions

Formative Assessment

I can apply saving and spending concepts to different scenarios to meet financial goals.

Case Study: Save Me

- Why Save
- Estimate cost of goals
- Saving Strategies

Case Study: What's My Plan

- Strategies to enable saving
- Rule of 72
- Difference between saving and investing
- Value of investing early

Guided Practice with links & details and teacher provides feedback.

I can recall important vocabulary related to saving and spending to meet financial goals.

Quizlet created for them to review important vocabulary related to saving and spending and then they take a paper quiz to show their understanding.

Formative Assessment

I can comprehend important saving and spending concepts to meet financial goals.

L1: Save Early & Often

- Describe different of saving and investing
- Understand fundamentals of saving
- Explain why it is important to start early

L2: Saving Only Seems Hard

- Identify everyday obstacles
- Recognize impact of inflation
- Understand the importance of an emergency fund

L3: Saving is Easy

- Identify strategies to save money
- Determine whether direct deposit or manually saving is better
- Understand how compound interest works

L4: Where to Save

- Explain the difference between checking and savings account
- Compare different savings accounts such as Basic, CD, MM
- Identify important criteria

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