This document includes the Financial Literacy standards and related benchmarks included in each Finance Your Future module. This document may be useful in developing instruction to teach all of the Financial Literacy standards and related benchmarks.

Budgeting and Saving

Financial Literacy Benchmarks Included in Module	Related Financial Literacy Standard
SS.912.FL.1.7 Discuss how people's sources of income, amount of income, as well as the amount and type of spending affect the types and amounts of taxes paid.	Standard 1: Earning Income
SS.912.FL.2.1 Compare consumer decisions as they are influenced by the price of a good or service, the price of alternatives, and the consumer's income as well as his or her preferences.	Standard 2: Buying Goods and Services
SS.912.FL.3.1 Discuss the reasons why some people have a tendency to be impatient and choose immediate spending over saving for the future.	Standard 3: Saving

Credit Cards

Financial Literacy Benchmarks Included in Module	Related Financial Literacy Standard
SS.912.FL.4.1 Discuss ways that consumers can compare the cost of credit by using the annual percentage rate (APR), initial fees charged, and fees charged for late payment or missed payments. **SS.912.FL.4.2** Discuss that banks and financial institutions sometimes compete by offering credit at low introductory rates, which increase after a set period of time or when the borrower misses a payment or makes a late payment. **SS.912.FL.4.5** Explain that lenders make credit decisions based in part on consumer payment history. Credit bureaus record borrowers' credit and payment histories and provide that information to lenders in credit reports. **SS.912.FL.4.6** Discuss that lenders can pay to receive a borrower's credit score from a credit bureau and that a credit score is a number based on information in a credit report and assesses a person's credit risk. **SS.912.FL.4.8** Examine the fact that failure to repay a loan has significant consequences for borrowers such as negative entries on their credit report, repossession of property (collateral), garnishment of wages, and the inability to obtain loans in the future. **SS.912.FL.4.10** Analyze the fact that, in extreme cases, bankruptcy may be an option for consumers who are unable to repay debt, and although bankruptcy provides some benefits, filing for bankruptcy also entails considerable costs, including having notice of the bankruptcy appear on a consumer's credit report for up to 10 years.	Standard 4: Using Credit

SS.912.FL.4.12 Discuss that consumers who use credit should be aware of laws that are in place to protect them and that these include requirements to provide full disclosure of credit terms such as APR and fees, as well as protection against discrimination and abusive marketing or collection practices. **SS.912.FL.4.13** Explain that consumers are entitled to a free copy of their credit report annually so that they can verify that no errors were made that might increase their cost of credit.	

Banking

Financial Literacy Benchmarks Included in Module	Related Financial Literacy Standard
SS.912.FL.3.5 Explain ways that government agencies supervise and regulate financial institutions to help protect the safety, soundness, and legal compliance of the nation's banking and financial system.	Standard 3: Saving
SS.912.FL.4.3 Explain that loans can be unsecured or secured with collateral, that collateral is a piece of property that can be sold by the lender to recover all or part of a loan if the borrower fails to repay. Explain why secured loans are viewed as having less risk and why lenders charge a lower interest rate than they charge for unsecured loans.	Standard 4: Using Credit
SS.912.FL.5.6 Describe how diversifying investments in different types of financial assets can lower investment risk.	Standard 5: Financial Investing

Credit Reports and Scores

Financial Literacy Benchmarks Included in Module	Related Financial Literacy Standard
SS.912.FL.4.5 Explain that lenders make credit decisions based in part on consumer payment history. Credit bureaus record borrowers' credit and payment histories and provide that information to lenders in credit reports. **SS.912.FL.4.6** Discuss that lenders can pay to receive a borrower's credit score from a credit bureau and that a credit score is a number based on information in a credit report and assesses a person's credit risk. **SS.912.FL.4.7** Describe that, in addition to assessing a person's credit risk, credit reports and scores may be requested and used by employers in hiring decisions, landlords in deciding whether to rent apartments, and insurance companies in charging premiums.	Standard 4: Using Credit

SS.912.FL.4.8 Examine the fact that failure to repay a loan has significant consequences for borrowers such as negative entries on their credit report, repossession of property (collateral), garnishment of wages, and the inability to obtain loans in the future. **SS.912.FL.4.13** Explain that consumers are entitled to a free copy of their credit report annually so that they can verify that no errors were made that might increase their cost of credit.	

Debt

Financial Literacy Benchmarks Included in Module	Related Financial Literacy Standard
SS.912.FL.4.9 Explain that consumers who have difficulty repaying debt can seek assistance through credit counseling services and by negotiating directly with creditors. **SS.912.FL.4.10** Analyze the fact that, in extreme cases, bankruptcy may be an option for consumers who are unable to repay debt, and although bankruptcy provides some benefits, filing for bankruptcy also entails considerable costs, including having notice of the bankruptcy appear on a consumer's credit report for up to 10 years.	Standard 4: Using Credit

Frauds and Scams

Financial Literacy Benchmarks Included in Module	Related Financial Literacy Standard
SS.912.FL.2.7 Examine governments establishing laws and institutions to provide consumers with information about goods or services being purchased and to protect consumers from fraud.	Standard 2: Buying Goods and Services
SS.912.FL.6.9 Explain that loss of assets, wealth, and future opportunities can occur if an individual's personal information is obtained by others through identity theft and then used fraudulently, and that by managing their personal information and choosing the environment in which it is revealed, individuals can accept, reduce, and insure against the risk of loss due to identity theft.	Standard 6: Protecting and Insuring

Insurance and Benefits

Financial Literacy Benchmarks Included in Module	Related Financial Literacy Standard
SS.912.FL.6.3 Describe why people choose different amounts of insurance coverage based on their willingness to accept risk, as well as their occupation, lifestyle, age, financial profile, and the price of insurance.	Standard 6: Protecting and Insuring

SS.912.FL.6.4 Explain that people may be required by governments or by certain types of contracts (e.g., home mortgages) to purchase some types of insurance. **SS.912.FL.6.5** Describe how an insurance contract can increase the probability or size of a potential loss because having the insurance results in the person taking more risks, and that policy features such as deductibles and copayments are cost-sharing features that encourage the policyholder to take steps to reduce the potential size of a loss (claim). **SS.912.FL.6.6** Explain that people can lower insurance premiums by behaving in ways that show they pose a lower risk. **SS.912.FL.6.7** Compare the purposes of various types of insurance, including that health insurance provides for funds to pay for health care in the event of illness and may also pay for the cost of preventative care; disability insurance is income insurance that provides funds to replace income lost while an individual is ill or injured and unable to work; property and casualty insurance pays for damage or loss to the insured's property; life insurance benefits are paid to the insured's beneficiaries in the event of the policyholder's death.	

Life Events

Financial Literacy Benchmarks Included in Module	Related Financial Literacy Standard
SS.912.FL.1.1 Discuss that people choose jobs or careers for which they are qualified based on non-income factors, such as job satisfaction, independence, risk, family, or location. **SS.912.FL.1.2** Explain that people vary in their willingness to obtain more education or training because these decisions involve incurring immediate costs to obtain possible future benefits. Describe how discounting the future benefits of education and training may lead some people to pass up potentially high rates of return that more education and training may offer. **SS.912.FL.1.3** Evaluate ways people can make more informed education, job, or career decisions by evaluating the benefits and costs of different choices.	Standard 1: Earning Income

The following benchmarks should be addressed in addition to the benchmarks included in the Finance Your Future modules to ensure that students receive instruction in the full scope of the financial literacy standards.

Financial Literacy Benchmarks	Related Financial Literacy Standard
SS.912.FL.1.4 Analyze the reasons why the wage or salary paid to workers in jobs is usually determined by the labor market and that businesses are generally willing to pay more productive workers higher wages or salaries than less productive workers. **SS.912.FL.1.5** Discuss reasons why changes in economic conditions or the labor market can cause changes in a worker's income or may cause unemployment. **SS.912.FL.1.6** Explain that taxes are paid to federal, state, and local governments to fund government goods and services and transfer payments from government to individuals and that the major types of taxes are income taxes, payroll (Social Security) taxes, property taxes, and sales taxes.	Standard 1: Earning Income
SS.912.FL.2.2 Analyze situations in which when people consume goods and services, their consumption can have positive and negative effects on others. **SS.912.FL.2.3** Discuss that when buying a good, consumers may consider various aspects of the product including the product's features. Explain why for goods that last for a longer period of time, the consumer should consider the product's durability and maintenance costs. **SS.912.FL.2.4** Describe ways that consumers may be influenced by how the price of a good is expressed. **SS.912.FL.2.5** Discuss ways people incur costs and realize benefits when searching for information related to their purchases of goods and services and describe how the amount of information people should gather depends on the benefits and costs of the information. **SS.912.FL.2.6** Explain that people may choose to donate money to charitable organizations and other not-for-profits because they gain satisfaction from donating.	Standard 2: Buying Goods and Services
SS.912.FL.3.2 Examine the ideas that inflation reduces the value of money, including savings, that the real interest rate expresses the rate of return on savings, taking into account the effect of inflation and that the real interest rate is calculated as the nominal interest rate minus the rate of inflation. **SS.912.FL.3.3** Compare the difference between the nominal interest rate which tells savers how the dollar value of their savings or investments will grow, and the real interest rate which tells savers how the purchasing power of their savings or investments will grow.	Standard 3: Saving

SS.912.FL.3.4 Describe ways that money received (or paid) in the future can be compared to money held today by discounting the future value based on the rate of interest. **SS.912.FL.3.6** Describe government policies that create incentives and disincentives for people to save. **SS.912.FL.3.7** Explain how employer benefit programs create incentives and disincentives to save and how an employee's decision to save can depend on how the alternatives are presented by the employer.	
SS.912.FL.4.4 Describe why people often make a cash payment to the seller of a good—called a down payment—in order to reduce the amount they need to borrow. Describe why lenders may consider loans made with a down payment to have less risk because the down payment gives the borrower some equity or ownership right away and why these loans may carry a lower interest rate. **SS.912.FL.4.11** Explain that people often apply for a mortgage to purchase a home and identify a mortgage is a type of loan that is secured by real estate property as collateral.	Standard 4: Using Credit
SS.912.FL.5.1 Compare the ways that federal, state, and local tax rates vary on different types of investments. Describe the taxes effect on the after-tax rate of return of an investment. **SS.912.FL.5.2** Explain how the expenses of buying, selling, and holding financial assets decrease the rate of return from an investment. **SS.912.FL.5.3** Discuss that buyers and sellers in financial markets determine prices of financial assets and therefore influence the rates of return on those assets. **SS.912.FL.5.4** Explain that an investment with greater risk than another investment will commonly have a lower market price, and therefore a higher rate of return, than the other investment. **SS.912.FL.5.5** Explain that shorter-term investments will likely have lower rates of return than longer-term investments. **SS.912.FL.5.7** Describe how financial markets adjust to new financial news and that prices in those markets reflect what is known about those financial assets. **SS.912.FL.5.8** Discuss ways that the prices of financial assets are affected by interest rates and explain that the prices of financial assets are also affected by changes in domestic and international economic conditions, monetary policy, and fiscal policy. **SS.912.FL.5.9** Examine why investors should be aware of tendencies that people have that may result in poor choices, which may include avoiding selling assets at a loss because they	Standard 5: Financial Investing

weigh losses more than they weigh gains and investing in financial assets with which they are familiar, such as their own employer's stock or domestic rather than international stocks. **SS.912.FL.5.10** Explain that people vary in their willingness to take risks because the willingness to take risks depends on factors such as personality, income, and family situation. **SS.912.FL.5.11** Describe why an economic role for a government may exist if individuals do not have complete information about the nature of alternative investments or access to competitive financial markets. **SS.912.FL.5.12** Compare the Securities and Exchange Commission (SEC), the Federal Reserve, and other government agencies that regulate financial markets.	
SS.912.FL.6.1 Describe how individuals vary with respect to their willingness to accept risk and why most people are willing to pay a small cost now if it means they can avoid a possible larger loss later. **SS.912.FL.6.2** Analyze how judgment regarding risky events is subject to errors because people tend to overestimate the probability of infrequent events, often because they've heard of or seen a recent example. **SS.912.FL.6.8** Discuss the fact that, in addition to privately purchased insurance, some government benefit programs provide a social safety net to protect individuals from economic hardship created by unexpected events. **SS.912.FL.6.10** Compare federal and state regulations that provide some remedies and assistance for victims of identity theft.	Standard 6: Protecting and Insuring

CPALMS
http://www.cpalms.org
The Financial Literacy standards and related benchmarks can be accessed on CPALMS. CPALMS is an online toolbox of information, vetted resources, and interactive tools that helps educators effectively implement teaching standards.