

Making \$en\$: Financial Success for Oklahoma Students



PASSport to Personal Financial Literacy Curriculum

Copyright Notice, Terms of Use, and Permissions

Copyright Notice

Materials available on the Oklahoma State Department of Education's Web site, <http://sde.state.ok.us/Curriculum/PFLP>, are protected by the copyright laws of the United States and other countries.

Copyright notice: © 2008. Oklahoma State Department of Education. All rights reserved.

Making \$en\$: Financial Success for Oklahoma Students was created in compliance with the *Passport to Financial Literacy Act of 2007* (70 O.S. § 11-103.6h) as a supplemental curriculum for use by Oklahoma school districts and students.

Terms of Use

When you access the Oklahoma State Department of Education's *Personal Financial Literacy Passport* Web site you agree to the following terms of use:

- You may retrieve the contents of *Making \$en\$: Financial Success for Oklahoma Students* for educational purposes only.
- You may save a local copy or send it to your printer for your own personal use or in an Oklahoma classroom. However, you may not charge for any such use of the materials.
- You must include the following copyright notice in any copy that you make, **© 2008. Oklahoma State Department of Education. All rights reserved.**
- You may not modify the curriculum and/or resources without the express permission of the Oklahoma State Department of Education. See address information below.
- You may use content from the curriculum in slide/multimedia presentations made by you in person, if the content is not modified and if the copyright notice is included. The copyright notice must be included on each slide which has any *Making \$en\$: Financial Success for Oklahoma Students* content, in addition to any overall list of credits you may have.

The material contained in this Web site has been checked for accuracy; however, all material is provided without any express or implied warranties. The Oklahoma State Department of Education assumes no responsibility for any errors or omissions in the material. In no event shall Oklahoma State Department of Education be liable for any special, indirect or consequential damages resulting from any use or performance of, or content errors or omissions in the material, even if notified in advance of the potential for such damages. All users of the material agree that access to and use of the material is subject to the terms and conditions stated in this legal notice, as well as all applicable laws, and such access and use is at the user's own risk. These terms and conditions are subject to change from time to time without notice by updating or revising this legal notice.

Permissions

Permission for the use of *Making \$en\$: Financial Success for Oklahoma Students* for classroom instruction and assessment is hereby granted to all public school districts or districts or educational systems accredited by the Oklahoma State Board of Education in Oklahoma for download from the Oklahoma State Department of Education's Web site <http://sde.state.ok.us/Curriculum/PFLP>.

Permission is hereby granted for the printing of copies for classroom use of the student modules, teacher guides, assessments, and/or slide presentations as long as the copies are unmodified and retain the original copyright notice on each page distributed. Additionally, the curriculum may be used in the context of professional development training for Oklahoma educators with the above conditions and limitations.

Students may print single copies of the student module(s) and slide presentation(s) for personal use as long as the copies are unmodified and retain the original copyright notice on each page.

The commercial or non-educational modification, copying, distribution, transmission, display, reproduction of, publishing, licensing, creation of derivative works from, transfer, or sell of *Making \$en\$: Financial Success for Oklahoma Students* curriculum in whole or part is strictly forbidden. For non-educational and/or commercial use/licensing information, please contact the Oklahoma State Department of Education at:

Director, Personal Financial Literacy
Office of Standards and Curriculum, Suite 315
Oklahoma State Department of Education
2500 North Lincoln Boulevard
Oklahoma City, OK 73105-4599

Linking to the *Personal Financial Literacy Passport* Homepage.

The Oklahoma State Department of Education encourages and appreciates links in your own Web pages to the *Personal Financial Literacy Passport's* homepage. Permission is expressly granted to any person who wishes to place a link in his or her own Web page to the *Personal Financial literacy Passport's* home page in its entirety. As a courtesy, if you link to, or include it in an index, please let us know. However, you must obtain special permission before placing a link in your own Web page to a *Personal Financial Literacy Passport* sub-page.

Introduction to Personal Financial Literacy

Personal Financial Literacy is designed for students in Grades 7-12. These standards of learning are priority, essential, and necessary for all Oklahoma students. Learning the ideas, concepts, knowledge, and skills will enable students to implement personal financial decision-making skills; to become wise, successful, and knowledgeable consumers, savers, investors, users of credit, money managers, and to be participating members of a global workforce and society.

The intent of personal financial literacy education is to inform students how individual choices directly influence occupational goals and future earnings potential. Successful money management is a disciplined behavior and much easier when learned earlier in life. The fourteen areas of instruction designated in the *Passport to Financial Literacy Act of 2007* (70 O.S. § 11-103.6h) are designed to provide students with the basic skills and knowledge needed to effectively manage their personal finances. Basic economic concepts of scarcity, choice, opportunity cost, and cost/benefit analysis are interwoven throughout the standards and objectives. This systematic way of making personal financial decisions will provide students a foundational understanding for making informed and successful personal financial decisions.

Real world topics covered by these standards include the following:

1. Earning an income;
2. Understanding state and federal taxes;
3. Banking and financial services;
4. Balancing a checkbook;
5. Savings and investing;
6. Planning for retirement;
7. Understanding loans and borrowing money, including predatory lending and payday loans;
8. Understanding interest, credit card debt, and online commerce;
9. Identity fraud and theft;
10. Rights and responsibilities of renting or buying a home;
11. Understanding insurance;
12. Understanding the financial impact and consequences of gambling;
13. Bankruptcy; and
14. Charitable giving.

Making \$en\$: Financial Success for Oklahoma Students

Historical Development Perspective

In the 2007 session of the Oklahoma Legislature both houses overwhelmingly passed the *Passport to Financial Literacy Act of 2007* (70 O.S. § 11-103.6h). With the passage and implementation of the law, Oklahoma joined a handful of states requiring the study of personal financial literacy life skills and knowledge.

The bill requires that “Personal financial literacy education shall be taught in the public schools of this state.” To meet this mandate every Oklahoma student must obtain a “passport to financial literacy” in order to graduate from an accredited public high school. The “passport” is comprised of 14 areas of instruction outlined in the law. “The requirements for a Personal Financial Literacy Passport shall be the *satisfactory completion and demonstration of satisfactory knowledge* in all 14 areas of instruction during grades seven through twelve.” (Oklahoma Administrative Code 210:35-9-31.F.i)

The personal financial literacy graduation requirement will impact all graduating classes beginning with the class of 2014. Districts have the flexibility of determining how to implement the law based upon their local situations and resources. Districts can decide to implement the content in any of the grades between Grades 7 to 12, to integrate the content into any existing course or courses, or to have a separate personal financial literacy course. Depending on a district’s decision regarding where to place the content, this determination will impact when a district has to begin providing personal financial literacy instruction. If a district decides to place some or all of the content in Grade 7, then implementation began in August of 2008.

The *Priority Academic Student Skills (PASS)* for Personal Financial Literacy were designed by a statewide committee of 22 Oklahoma educators and representatives of the business sector. The committee met three times in the fall of 2007 to create the new standards and provide direction for the development of the supplemental curriculum.

The committee began with the National Jump\$tart Coalition’s national standards. Other states’ personal finance standards were reviewed, as well as their Web sites and any existing curriculum. The committee found the most helpful information from Wisconsin, Missouri, Utah, and Arkansas. After reviewing all of the various existing standards of learning, the committee decided that Oklahoma would need 14 separate *PASS* standards to reflect the 14 areas of instruction mandated by the *Passport to Financial Literacy Act*. The committee worked diligently to create reasonable, teachable, and measurable standards. By early December 2007, the committee accomplished its tasks and referred the proposed standards to the Oklahoma State Board of Education for adoption, which were approved in February 2008. The newly adopted Personal Financial Literacy standards became law upon the adjournment of the Oklahoma Legislature in May 2008.

The law also required the development of student modules covering the content in the 14 areas of instruction, which included 21 topics. Upon completion and adoption of the

Personal Financial Literacy PASS, the Oklahoma Council on Economic Education (OCEE) <http://www.econisok.org> began the task of creating a new curriculum aligned to and reflecting the content and skills found in the 14 Personal Financial Literacy PASS. The curriculum development project and assembled team was lead by Dr. Sue Lynn Sasser, Executive Director for OCEE. Over the course of the spring and summer of 2008, OCEE's Curriculum Team created 34 separate student modules covering all 12 standards, 34 teacher guides, 15 slide presentations covering all 34 lessons and standards, and 14 standard assessments and keys. The curriculum project was the single, largest curriculum project in the Oklahoma State Department of Education's 101 year history. The curriculum project exceeds 1,440 pages with additional lessons to be developed and added over the next few years.

The curriculum modules can be found on the Oklahoma State Department of Education's Web site at <http://sde.state.ok.us/Curriculum/PFLP>.

Acknowledgements

Personal Financial Literacy Priority Academic Student Skills Standards Design Team

The Oklahoma State Department of Education would like to thank and recognize the following committee members for their professional expertise and service on behalf of the educators and students of Oklahoma in creating the Personal Financial Literacy PASS.

Kelly S. Curtright, Committee Co-chair
Director, Social Studies
Oklahoma State Department of Education

Dr. Sue Lynn Sasser, Committee Co-chair
Executive Director
Oklahoma Council on Economic Education
University of Central Oklahoma

The Honorable Ann Coody
State Representative, District 64
Oklahoma House of Representatives

Maria Anderson, Executive Director
Curriculum & Instruction
Lawton Public Schools

Gregory D. Boyd, President
Junior Achievement of Eastern Oklahoma

Shannan Bittle, Math Curriculum Specialist
Tulsa Union Public Schools

David Brennan, Secondary Social Studies
Curriculum Specialist
Tulsa Public Schools

Angela Caddell, Director,
Oklahoma Money Matters
Oklahoma State Regents for Higher Education

Brenda Chapman, Social Studies Curriculum
Specialist
Putnam City Schools

Lorrie Davis
Choctaw Housing Authority

Peggy Doviak, CEO/President
D.M. Wealth

Dr. Nannette Lane, Director, Curriculum
and Instruction
Coweta Public Schools

Jim Murphree, Social Studies Coordinator
Norman Public Schools

Richard Ratcliffe, Chairman of the Board
Ratcliffe's Textbooks

Shirley Starkey, Social Studies Curriculum
Coordinator
Moore Public Schools

Jennifer Wallis, Vice-president
Oklahoma Consumer Credit Counseling Service
President, Oklahoma Jump\$tart Coalition

Kim Jenkins, Principal
Boise City High School

Pam Merrill, Social Studies Curriculum Consultant
Edmond Public Schools

Mary Oppegard, Adjunct Lecturer
Oklahoma Baptist University
Field Representative for the Oklahoma Council on
Economic Education

Kimberly Sadler, Coordinator of Instructional
Systems
Oklahoma Department of Career and Technical
Education

Bill Sutton, Social Studies Curriculum Coordinator
Midwest City-Del City Public Schools

Kerri White, Director, Mathematics
Oklahoma State Department of Education

Personal Financial Literacy Curriculum and Editorial Teams

The Oklahoma State Department of Education would like to thank and recognize the following Curriculum Team and Editorial Team members for their professional expertise and service on behalf of the educators and students of Oklahoma in the development of the ***Making \$en\$: Financial Success for Oklahoma Students*** curriculum.

Curriculum Development Team

Dr. Sue Lynn Sasser, Project Team Leader
Executive Director
Oklahoma Council on Economic Education
Associate Professor of Economics
University of Central Oklahoma

Kelly S. Curtright
Director, Social Studies
Oklahoma State Department of Education

Peggy Doviak, CEO/President
D.M. Wealth

Rita Geiger
Educational Consultant
Field Representative for the Oklahoma Council on
Economic Education

Lori Goodbary, Teacher
Cheyenne Middle School
Edmond Public Schools

Mary Oppegard, Adjunct Lecturer
Oklahoma Baptist University
Field Representative for the Oklahoma Council on
Economic Education

David Russell, Program Manager
Oklahoma Council on Economic Education
Program Specialist
University of Central Oklahoma

Special thanks to Marjorie Creasy, Attorney and
Bankruptcy Analyst with the U.S. Trustees Office, for
assisting with the bankruptcy lesson content.

Curriculum Editorial Team

Kelly S. Curtright, Editorial Team Leader
Director, Social Studies
Oklahoma State Department of Education

Rosemary McAlister, Executive Assistant
Oklahoma State Department of Education

Dr. Sue Lynn Sasser, Executive Director
Oklahoma Council on Economic Education
Associate Professor of Economics
University of Central Oklahoma

Phillip Dunford, Student Assistant
UCO Center for Economic Education
University of Central Oklahoma

David Russell, Program Manager
Oklahoma Council on Economic Education
Program Specialist
University of Central Oklahoma

Making \$en\$: Financial Success for Oklahoma Students

Contents

Introduction

Economic Reasoning

Standard 1: Earning an Income

Jobs Versus Careers

Income and Taxes

Goal-setting

Managing Your Income



Standard 2. Taxes

Somebody Has to Pay

Voluntary Compliance

Standard 3: Financial Providers

Finding Financial Services

Standard 4. Managing a Bank Account

Tracking Your Money



Standard 5. Saving and Investing

Getting Started

The Rule of 72

Savings and Investing Tools

Time is Money

Standard 6. Retirement Planning

Planning for Your Retirement

Longevity and Retirement



Standard 7. Borrowing Money

Remember the Interest
It is in Your Interest
Your Credit Score
Consumer Credit Legislation

Standard 8. Online Shopping and Credit Cards

More than Plastic
Shopping Online

Standard 9. Fraud and Identity Theft

Beware! Consumer Fraud
Beware! Identity Theft

Standard 10. Renting versus Buying

Housing Alternatives
Leasing a Place to Live
Buying a Place to Live

Standard 11. Insurance

Identifying Risk
Different Types of Insurance
Using Insurance to Manage Risk

**Standard 12. Gambling**

Risky Business

Standard 13. Bankruptcy

Managing High Levels of Debt

Standard 14. Charitable Giving

Charitable Contributions
Checking out Charitable Groups



Making \$en\$e: Financial Success for Oklahoma Students

Lesson Descriptions

I. Introduction: The Economic Way of Thinking

The Economic Way of thinking involves the ability to develop and practice critical thinking skills that enhance decision making. It requires students to realize that life is about making choices because we have limited resources and unlimited wants. Using the “economic reasoning” model, students will realize that all choices have costs, and nothing in life is “free.” This introductory lesson lays the foundation for the remaining modules.

Lesson 1. Economic Reasoning

- A. Students will identify the basic concepts of economic reasoning.
- B. Students will define the basic terms associated with economic reasoning.
 - 1. Scarcity
 - 2. Choices
 - 3. Opportunity Costs
 - 4. Cost/Benefit Analysis
 - 5. Incentives
- C. Students will apply economic reasoning to one or more real life situations using the PACED model.
 - 1. Define the PROBLEM.
 - 2. List the ALTERNATIVES.
 - 3. State the CRITERIA.
 - 4. EVALUATE the options.
 - 5. Make a DECISION.

II. Standard 1: The student will describe the importance of earning an income and explain how to manage personal income using a budget.

The lessons in this standard are designed to help students understand the importance of staying in school. Higher levels of education tend to mean higher levels of income, with higher levels of income resulting in increased opportunities for building wealth. The lessons will stress the importance of investing in oneself and learning how to manage ones income by budgeting and goal-setting. The lesson will also introduce students to the concepts of gross versus net pay.

Lesson 1. Jobs Versus Careers

- A. Students will identify key terms such as income and human capital.
- B. Students will research different career options.
- C. Students will recognize the relationship between income and investing in human capital (including the benefits of getting an education).
- C. Students will compare the costs and benefits of jobs and careers.

Lesson 2. Income and Taxes

- A. Students will identify key terms such as personal income tax, FICA, and other possible forms of payroll deductions (including benefits from employer).
- B. Students will recognize the impact of taxes on gross income and compute net pay using payroll deductions such as benefits and taxes.

Lesson 3. Goal-setting

- A. Students will evaluate the importance of setting personal goals.
- B. Students will demonstrate how setting personal goals impacts short-term and long-term choices.

Lesson 4. Managing Your Income

- A. Students will recognize the importance of living on less than they earn.
- B. Students will demonstrate the ability to analyze spending habits and set a budget to meet selected personal goals.

III. Standard 2: The student will identify and describe the impact of local, state, and federal taxes upon income and standard of living.

People pay a variety of taxes at the local, state and federal levels of government. The purpose of the lessons in this standard is to help students understand some of the different types of taxes they will encounter and future choices about taxes can impact their spending power.

Lesson 1. Somebody Has to Pay

- A. Students will define and differentiate between the two prominent theories of taxes: ability to pay and benefits received.
- B. Students will explain the differences between progressive and regressive taxes.
- C. Students will evaluate the costs and benefits of public goods and services derived from paying taxes.

Lesson 2. Voluntary Compliance

- A. Students will identify the ethical reasons for paying taxes.
- B. Students will explain the legal and financial consequences of failing to pay taxes.

IV. Standard 3: The student will describe the functions and uses of banks and other financial service providers.

This lesson will help students understand the different types of financial institutions available; the costs and benefits of using financial institutions; and the types of services they provide.

Lesson 1. Finding Financial Services

- A. Students will identify the most common types of financial institutions and the services they provide.
- B. Students will determine which financial institutions and services are best suited to help them reach their financial goals.
- C. Students will explain the costs and benefits of using different financial services (e.g., banking vs. check-cashing services).

V. Standard 4: The student will demonstrate the ability to balance a checkbook and reconcile financial accounts.

This lesson stresses the importance of properly maintaining a checking account or other similar account at a financial institution.

Lesson 1. Tracking Your Money

- A. Students will recognize the steps in setting up and reconciling a bank account.
- B. Students will differentiate between using a check, a debit card, and an ATM machine.
- C. Students will demonstrate the ability to record and reconcile account activities.

VI. Standard 5: The student will analyze the costs and benefits of saving and investing.

The lessons in this standard focus on the importance of learning how to save early and often. They will also introduce students to the differences in saving and investing to meet personal goals. Topics will help students understand the power of compounding interest, the terms associated with financial markets, and how to use these tools to increase self-sufficiency. In addition, the lessons will assist students in developing strategies to achieve short-term, medium-term and long-term goals.

Lesson 1. Getting Started

- A. Students will identify the reasons that people save and invest.
- B. Students will weigh the costs and benefits of saving and investing.
- C. Students will explain the difference between saving and investing.

Lesson 2. The Rule of 72

- A. Students will compare simple and compounded interest.
- B. Students will apply the formula for computing simple interest.
- C. Students will apply the Rule of 72 to determine how much time is needed for their savings/investments to double.

Lesson 3. Savings and Investing Tools

- A. Students will explore the different savings and investment products available.
- B. Students will compare the costs (risk) and benefits (rate of return) of different savings and investment products/strategies.

Lesson 4. Time is Money

- A. Students will determine how various savings and investment strategies vary with individual needs and circumstances.
- B. Students will evaluate the impact of inflation on future earnings, savings and investments.
- C. Students will identify the different types of savings and investment products required to meet their financial goals.

VII. Standard 6: The student will explain and evaluate the importance of planning for retirement.

The lessons in this standard build on the lessons in the previous standard on savings and investing. This area of instruction will focus more on risk factors, managing a long-term portfolio, employee-based retirement plans and individual retirement accounts.

Lesson 1. Planning for Your Retirement

- A. Students will identify different retirement options (e.g., Social Security, annuities, 401Ks, etc.)
- B. Students will explain the different types of risk associated with long-term planning.
- C. Students will apply the different types of risk to the various investment products, such as stocks, bonds, mutual funds, etc.

Lesson 2. Longevity and Retirement

- A. Students will evaluate different retirement options.
- B. Students will examine the investment needs of different individuals and make recommendations for their retirement strategies.
- C. Students will evaluate longevity and life-span statistics to predict the numbers of years they will live in retirement and expected income needs.
- D. Students will explain the costs and benefits of planning (or not planning) for retirement.

VIII. Standard 7: The student will identify the procedures and analyze the responsibilities of borrowing money.

Lessons in this area of instruction will focus primarily on the costs and benefits of using credit. It will help students understand the rights and responsibilities that go along with borrowing money, whether borrowing from a financial institution or using a credit card. To help students realize the costs associated with borrowing money, we will use examples that are meaningful to them – such as financing a vehicle. We will also address student loans to show the impact of borrowing on their future earnings and lifestyle.

Lesson 1. Remember the Interest

- A. Students will explain different reasons that people borrow money.
- B. Students will identify the rights and responsibilities associated with borrowing money.
- C. Students will distinguish between responsible and irresponsible reasons for borrowing money.
- D. Students will explain the tradeoff between borrowing money today and the impact on future spending.

Lesson 2. It is in Your Interest

- A. Students will identify different potential sources of credit, including high-cost credit practices such as rent-to-own and payday lending.
- B. Students will calculate interest payments, minimum balances and the cost of buying on credit.
- C. Students will compare the costs and benefits of different potential sources of credit.
- D. Students will develop and apply criteria for making good credit choices.

Lesson 3. Your Credit Score

- A. Students will identify the key features of a credit report and credit scoring.
- B. Students will analyze cases of people seeking credit and determine if they are good credit risks.

Lesson 4. Consumer Credit Legislation

- A. Students will explain features of key legislation related to consumer credit.
- B. Students will apply consumer credit legislation to specific credit problems.

IX. Standard 8: The student will describe and explain interest, credit cards, and online commerce.

The lessons in the area of instruction will focus primarily on the costs and benefits of using credit cards. The examples used in the lessons will relate to online shopping to help students understand the potential impact of their choices.

Lesson 1. More than Plastic

- A. Students will describe how credit cards are used to purchase today's wants with tomorrow's money.
- B. Students will compute the total cost of purchasing goods using credit cards at different interest rates when making minimum payments.

Lesson 2. Shopping Online

- A. Students will describe the costs and benefits of online commerce, including shipping and handling costs, return policies, etc.
- B. Students will compare and contrast shopping online to shopping in person.
- C. Students will evaluate choices made when using credit cards to make online purchases.

X. Standard 9: The student will identify and explain consumer fraud and identify theft.

Students today are one of the primary targets of fraud and identity theft. This area of instruction is designed to help familiarize them with the different types of fraud, scams, schemes, and ID theft. The lessons will stress ways to help students avoid becoming victims of these questionable and illegal business practices.

Lesson 1. Beware! Consumer Fraud

- A. Students will identify various forms of consumer fraud, scams, and schemes.
- B. Students will recognize the steps to take to prevent being victimized by consumer fraud, scams, and schemes.
- C. Students will determine what steps to take if victimized by consumer fraud, scams, and schemes.

Lesson 2. Beware! Identity Theft

- A. Students will describe the crime of identity theft.
- B. Students will examine the steps needed to prevent being victimized by identity theft.
- C. Students will determine what steps to take if victimized by identity theft.

XI. Standard 10: The student will explain and compare the responsibilities of renting versus buying a home.

The area of instruction is designed to help students weigh the costs and benefits of renting versus owning a place to live. These lessons will help students realize that renters and homeowners have various rights and responsibilities in their respective roles. In addition, they will examine the features of a lease, the basic terms of a mortgage and other related terms. The lessons will encourage students to make their housing choices based on their budget and desired lifestyles.

Lesson 1. Housing Alternatives

- A. Students will identify various housing alternatives.
- B. Students will find and discuss local housing options, both renting and buying.
- C. Students will compare and contrast the different housing alternatives.
- D. Students will recognize that different family lifestyles affect housing choices.

Lesson 2. Leasing a Place to Live

- A. Students will discuss the reasons that people rent.
- B. Students will explain the elements of a standard lease agreement.
- C. Students will recognize other costs involved in leasing an apartment or house, such as deposits, late fees, and utilities.
- D. Students will evaluate the cost and benefits of renting.

Lesson 3. Buying a Place to Live

- A. Students will discuss the reasons that people buy.
- B. Students will explain the elements of a mortgage (e.g., down payment, escrow account, due date, late fees, and amortization table)
- C. Students will explore the different types of lenders and housing loans.
- D. Students will recognize other costs associated with homeownership, such as maintenance, homeowner association fees, etc.
- E. Students will evaluate the costs and benefits of homeownership.

XII. Standard 11: The student will describe and explain how various types of insurance can be used to manage risk.

This area of instruction will help students learn how insurance can help protect them from future losses. It is designed to allow them to make informed choices about the different types of insurance available, the amount of insurance needed and ways to reduce their risk.

Lesson 1. Identifying Risk

- A. Students will identify possible risks in their lives and explain how they would handle those risks.
- B. Students will recognize the risk is part of everyone's life.
- C. Students will explain how insurance helps them to transfer and share the financial impact of those risks.

Lesson 2. Different Types of Insurance

- A. Students will examine the different types of insurance available.
- B. Students will identify key terms associated with insurance and risks: natural disaster, liability, disability, deductibles, risk management
- C. Students will explain the purpose and importance of different types of insurance protection as a risk management strategy (e.g., life, health, property, liability, disability, and automobile).

Lesson 3. Using Insurance to Manage Risk

- A. Students will determine the types of insurances needed to manage specific risks.
- B. Students will examine how deductibles affect insurance premiums.
- C. Students will explain the role of probability and spreading risk when making choices about insurance.
- D. Students will demonstrate the ability to select appropriate amounts of insurance in selected situations.

XIII. Standard 12: The student will explain and evaluate the financial impact and consequences of gambling.

The availability of gambling – both online and in person – presents a specific form of risk as well as job opportunities for many Oklahomans. This area of instruction will examine the potential costs and benefits of gambling for individuals and communities by helping students apply the concepts of probabilities and risk management.

Lesson 1. Risky Business

- A. Students will recognize gambling as a form of risk.
- B. Student will calculate the probabilities of winning in games of chance.
- C. Students will explore the potential benefits of gambling to their local community and to the state.
- D. Students will explore the potential costs of gambling to their local community and to the state.
- E. Students will evaluate the personal costs and benefits of gambling.

XIV. Standard 13: The student will evaluate the consequences of bankruptcy.

This area of instruction will help students understand what is meant by personal bankruptcy and how it can impact their financial future. It will also provide information about other options available when facing high levels of debt. Finally, it will address ways to help them rebuild their credit history and improve their credit scores after suffering financial setbacks.

Lesson 1. Managing High Levels of Debt

- A. Students will identify various ways to deal with high levels of personal debt, such as bankruptcy, financial counseling, debt management programs, refinancing, etc.
- B. Students will compare the personal costs and benefits of filing bankruptcy (restricted opportunities for credit, higher interest rates vs. relief from bill collectors).
- C. Students will recognize the impact of personal bankruptcy filings on families and society.
- D. Students will explain the importance of reestablishing a positive credit history and demonstrate the steps needed to improve a credit score after bankruptcy.

XV. Standard 14: The student will explain the costs and benefits of charitable giving.

This standard will help students weigh the costs and benefits of including charitable contributions in their personal budgets. It is designed to address the potential benefits to society and to individuals as well as recognizing the opportunity cost of giving money to others. In addition, it will provide resources for making informed choices when donating to charitable organizations.

Lesson 1. Charitable Contributions

- A. Students will recognize different types of charitable contributions, including monetary gifts, gifts-in-kind, and voluntary service.
- B. Students will identify/describe examples of the different types of charitable giving in their communities, and in the state.
- C. Students will use cost/benefit analysis to analyze the impact of charitable giving on the individual (e.g., budget, time, personal satisfaction, and tax benefits) and on the community.

Lesson 2. Checking out Charitable Groups

- A. Students will choose charitable organizations to research their mission/purpose, activities, and recipients, using various research tools, such as the charitable organizations' web sites, Guidestar®, and regulatory agency data.
- B. Students will evaluate a charitable organization using the PACED model.
- C. Students will identify ways they would like to engage in charitable giving.