

## Omaha Public Schools

**Course Title:** Economics and Financial Literacy

**Course Description:** This is a one-semester course that examines the key concepts of economics by developing financial literacy. Students will use the decision making process in long-term and career planning. They will also evaluate services provided by financial institutions and evaluated the savings and investment options to help them meet their short and long-term goals.

**Content Standards:**

- 01 Prepare Students to make career plans and develop the tools needed to obtain employment, now and in the future.
- 02 Identify how to effectively manage money through an examination of paychecks and benefits, income taxes, budgets, and checking accounts.
- 03 Examine the importance of credit to consumers and the American economy, and the advantages to wise credit use, as well as the costs.
- 04 Explore options for saving and investing for the future and how to begin retirement planning.
- 05 Examine the impact of risk and how to manage it through the purchase of insurance.

Content Standard 01

Unit 1: Career Decisions – 2 weeks

Topics:

- \*Choosing Your Career
- \*Planning Your Career
- \*Getting the Job

- Prepare students to make career plans and to develop the tools needed to obtain employment, now and in the future.
  - Analyze potential trade-offs of career decisions. (Trade-offs) (Decision-Making) (Opportunity Costs)
  - Examine factors that affect career choices. (Decision-Making) (Trade-offs) (Opportunity Costs) (Entrepreneurship)
  - Analyze career and job trends including entrepreneurship. (Global Economy) (Supply & Demand) (Scarcity) (Unemployment) (Entrepreneurship)
  - Examine sources of job opportunity information, including the need for job networking for long-term career success. (Supply & Demand) (Scarcity)
  - Prepare for properly completing an employment application form. (Human Resources) (Human Capital)
  - Prepare for and make a good impression on a job interview. (Human Resources) (Human Capital)

Key Economic Concepts: Scarcity, Opportunity Cost, Trade-offs, Decision-Making, Supply & Demand, Global Economy, Human Resources, Human Capital, Entrepreneurship

**Unit 1: Career Decisions**

Unit Overview:

GENERALIZATIONS	TOPICS/CONCEPTS	GUIDING QUESTIONS	KNOWLEDGE & SKILLS
<p>People respond predictably to positive and negative incentives.</p> <p>Choosing a career includes analyzing trends and evaluating opportunity cost</p> <p>Income is determined by the supply and demand for goods and services.</p>	<p><b>Scarcity</b></p> <p><b>Opportunity Cost</b></p> <p><b>Trade-offs</b></p> <p><b>Incentives</b></p> <p><b>Decision-Making</b></p> <p><b>Supply and Demand</b></p> <p><b>Global Economy</b></p> <p><b>Human Resources</b></p> <p><b>Human Capital (labor)</b></p> <p><b>Entrepreneurship</b></p> <p><b>Technology</b></p> <p><b>Unemployment</b></p>	<p>(F) What are the steps in the decision making model for employment?</p> <p>(F) What is entrepreneurship?</p> <p>(F) What are the current job trends in the United States?</p> <p>(F) How does the global economy impact job trends in the United States?</p> <p>(F) What do you need to do to prepare for a job interview?</p> <p>(F) How have changes in technology had an impact on the job market?</p> <p>(F) How can increased education improve your chances of getting a job?</p> <p>(F) What types of questions would you likely find on an employment application form?</p> <p>(F) What is the difference between a job and a career?</p> <p>(F) What factors should one consider when choosing a career?</p> <p>(C) What are some of the trade offs of career decisions?</p> <p>(C) How does your choice of career affect your financial future?</p> <p>(C) How does supply and demand impact wages/salary?</p> <p>(D) Should you choose a career based on money or personal interest?</p>	<p><b>Careers</b></p> <p><b>Entrepreneurship</b></p> <p><b>Global Economy</b></p> <p><b>Outsourcing</b></p> <p><b>Job Trends/Employment outlook</b></p> <p><b>Employment Application form</b></p> <p><b>Job Interview</b></p> <p><b>Financial Future</b></p> <p><b>Changes in Technology</b></p>

Key: (F) – Factual questions, (C) Conceptual questions, (D) Debatable questions

## Content Standard 02

### Unit 2: Money Management – 6 weeks

#### Topics:

\*Pay & Benefits – 1 week

\*Federal Income Tax – 2 weeks

\*Budgets – 1 week

\*Checking Accounts – 2 weeks

- Identify how to effectively manage money through an examination of paychecks and benefits, income taxes, budgets, and checking accounts.
  - Solve problems to calculate gross pay and net pay. (Role of Government)
  - Examine optional and required payroll deductions. (Decision Making) (Opportunity Cost) (Trade-offs)
  - Analyze the purpose of taxes and categorize the different types of taxes. (Role of Government) (Taxes) (Fiscal Policy)
  - Apply basic tax terminology to prepare tax return forms. (Taxes) (Fiscal Policy)
  - Examine the purpose of financial planning. (Decision Making) (Opportunity Cost) (Trade-offs) (Scarcity) (Incentives) (Compound Interest)
  - Develop financial goals and prepare budgets. (Decision Making) (Opportunity Cost) (Trade-offs) (Scarcity) (Incentives)
  - Examine the purpose of a checking account. (Economic Institutions)
  - Apply how to use a checking account by filling out deposit slips, writing checks, using checkbook registers, and preparing bank reconciliations. (Economic Institutions)
  - Analyze banking services available to checking account holders, including electronic services, such as ATMs, debit cards, and online banking. (Economic Institutions) (Incentives)
  - Examine fees charged by banks for their services. (Decision Making) (Supply & Demand) (Trade-offs) (Incentives)

Key Economic Concepts: Opportunity Cost, Trade-offs, Decision-Making, Supply & Demand, Role of Government, Taxes, Fiscal Policy, Incentives, Economic Institutions

## Unit 2: Money Management

Unit Overview: Identify how to effectively manage money through an examination of paychecks and benefits, income taxes, budgets, and checking accounts.

GENERALIZATIONS	TOPICS/CONCEPTS	GUIDING QUESTIONS	KNOWLEDGE & SKILLS
<p>Decisions regarding employment benefits produce tradeoffs.</p>	<p>TOPICS:                      Gross Pay                      •Hourly Wages &amp; Overtime                      •Salaries                      •Commissions                      •Self-Employment Income                      Payroll Deductions                      •Required – Federal income tax, State income tax, Social Security tax, and Medicare tax                      •Optional – Employee benefits, i.e. health insurance, retirement benefits, life insurance, flexible spending accounts, etc.</p> <p>Net Pay</p> <p>CONCEPTS:                      Choices                      Responsibility                      Decision Making                      Opportunity Cost                      Trade-offs                      Role of Government</p>	<p>(F) How do you calculate gross and net pay?                      (F) Which payroll deductions are required?                      (F) What are some voluntary payroll deductions?                      (C) How do you choose which optional employee benefits to select?                      (C) Why would an employee choose to participate in employer-sponsored benefit programs?                      (D) Should health insurance be an optional benefit or required of everyone?                      (D) Do people who are self-employed have better benefits than employees of an organization?                      (D) Is it better to be paid by hourly wage or salary?</p>	<ul style="list-style-type: none"> <li>• Solve problems to calculate gross pay and net pay.</li> <li>• Examine optional and required payroll deductions.</li> </ul>

<p>Governments utilize taxation to provide goods and services to benefit society.</p> <p>Governments can shape an economic system's performance with fiscal policy.</p>	<p><b>TOPICS:</b></p> <ul style="list-style-type: none"> <li>• Purpose of Taxes – Source of revenue for governments</li> <li>• Types of Taxes – income, sales, property, excise, etc.</li> <li>• Filing Income Tax Returns</li> </ul> <p><b>CONCEPTS:</b></p> <p>Role of Government Taxation Fiscal Policy</p>	<p>(F) What are the types of tax incidence (progressive, regressive, and proportional)?</p> <p>(F) What are the different types of taxes used by governments?</p> <p>(F) What goods and services do governments provide?</p> <p>(F) How do you calculate and file your income taxes?</p> <p>(F) What are exemptions, deductions, and credits?</p> <p>(F) What is the role of the IRS and auditing?</p> <p>(C) Why do governments collect taxes?</p> <p>(C) How do government programs improve your quality of life?</p> <p>(D) Which type of tax incidence is better, i.e. should all taxes be a flat tax?</p>	<ul style="list-style-type: none"> <li>• Analyze the purpose of taxes and categorize the different types of taxes.</li> <li>• Apply basic tax terminology to prepare tax return forms.</li> </ul>
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<p>Financial planning allows one to attain a desired standard of living.</p> <p>Scarcity forces individuals to prioritize budgetary choices.</p> <p>The budgeting process relies on balancing income with expenses and saving.</p>	<p>TOPICS:</p> <ul style="list-style-type: none"> <li>•Financial Planning Process</li> <li>•Develop Financial Goals</li> <li>•Preparing Budgets</li> <li>•Fixed &amp; Variable Expenses</li> <li>•Saving – Pay Yourself First</li> </ul> <p>CONCEPTS:</p> <p>Budgeting Decision Making Opportunity Cost Trade-offs Scarcity</p>	<p>(F) What are the steps of the financial planning process?</p> <p>(F) What are the steps of the budgeting process?</p> <p>(F) What are sources of income?</p> <p>(F) What are fixed and variable expenses?</p> <p>(C) Why do people prepare budgets?</p> <p>(C) How do you revise a budget upon reviewing actual income, saving, and expenses to the budgeted amounts?</p> <p>(D) Is it better to only live in the present or to plan for the future?</p>	<ul style="list-style-type: none"> <li>• Examine the purpose of financial planning.</li> <li>• Develop financial goals and prepare budgets.</li> </ul>
<p>Financial institutions aid in money management.</p> <p>Checking accounts streamline financial transactions.</p> <p>Checking accounts equip individuals with tools to make sound financial decisions.</p>	<p>TOPICS:</p> <ul style="list-style-type: none"> <li>•Purpose of Checking Accounts</li> <li>•Bank Services &amp; Fees</li> <li>•Use of Checking Accounts</li> </ul> <p>CONCEPTS:</p> <p>Financial Institutions Decisions Making Opportunity Cost Trade-offs</p>	<p>(F) What are the different types of bank services?</p> <p>(F) What happens to the money you deposit at a financial institution?</p> <p>(F) What are the costs and benefits associated with having a checking account?</p> <p>(F) How do you use a checking account to manage money?</p> <p>(C) How do you choose a financial institution?</p> <p>(C) Why use a checking account instead of cash to complete financial transactions?</p> <p>(D) Is it better to bank with a commercial bank or a credit union?</p>	<ul style="list-style-type: none"> <li>• Examine the purpose of a checking account.</li> <li>• Apply how to use a checking account by filling out deposit slips, writing checks, using checkbook registers, and preparing bank reconciliations.</li> <li>• Analyze banking services available to checking account holders, including electronic services, such as ATMs, debit cards, and online banking.</li> <li>• Examine fees charged by banks for their services.</li> </ul>

Key: (F) – Factual questions, (C) Conceptual questions, (D) Debatable questions

Content Standard 03

Unit 3: Credit Management – 3 weeks

Topics:

\*Types & Sources of Credit

\*Establishing Good Credit

\*Responsibilities & Costs of Credit

- Examine the importance of credit to consumers and the American economy, and the advantages to wise credit use, as well as the costs.
  - Examine the role of credit today, including the advantages and disadvantages of using credit. (Interest Rates) (Trade-offs) (Role of Government) (Decision Making) (Supply & Demand)
  - Analyze the types of credit available to consumers and producers and the sources of that credit, including nonbank credit sources. (Market Economy) (Interest Rates) (Incentives) (Decision Making) (Opportunity Cost) (Trade-offs) (Market Economy)
  - Examine the concept of creditworthiness, i.e. character, capacity, and capital (Decision-Making) (Incentives)
  - Recommend ways to get started using credit. (Decision-Making)
  - Analyze credit reports, as well as credit ratings and scores used for evaluating credit. (Market Economy)
  - Solve problems by calculating interest, monthly payments, and APRs. (Interest Rates)
  - Describe the responsible use of consumer credit including protecting your credit account from fraud and reducing or avoiding credit costs. (Decision Making)
  - Explain the consumer protection laws related to credit. (Role of Government)

Key Economic Concepts: Opportunity Cost, Trade-offs, Decision-Making, Market Economy, Role of Government, Interest Rates, Inflation, Supply and Demand, Incentives

### Unit 3: Credit Management

Unit Overview:

GENERALIZATIONS	TOPICS/CONCEPTS	GUIDING QUESTIONS	KNOWLEDGE & SKILLS
<p>An economy utilizes financial and other institutions to provide credit options to consumers and producers.</p> <p>Consumer spending and the central banking system shape the availability of credit through the money supply.</p>	<p>TOPICS:</p> <ul style="list-style-type: none"> <li>• Credit Providers</li> <li>• Types of Credit</li> <li>• Advantages &amp; Disadvantages of Credit</li> </ul> <p>CONCEPTS:</p> <p>Role of Government            Financial Institutions            Trade-offs            Supply &amp; Demand            Decision Making            Interest Rates</p>	<p>(F) What are the various types of credit?            (F) Where can credit be obtained?            (F) What is the role of the central banking system?            (C) Why does a person utilize different forms of credit?            (C) How does the use of credit impact the economy?            (C) How does the money supply impact interest rates?            (D) Should the government limit the amount and type of credit available to people under the age of 21?</p>	<ul style="list-style-type: none"> <li>• Examine the role of credit today, including the advantages and disadvantages of using credit.</li> <li>• Analyze the types of credit available to consumers and producers and the sources of credit, including nonbank credit sources.</li> </ul>



<p>Responsible consumers weigh the opportunity costs and trade-offs of decisions regarding the use of credit.</p> <p>Creditworthiness determines a consumer's access to credit.</p>	<p>TOPICS:</p> <ul style="list-style-type: none"> <li>• Advantages &amp; Disadvantages of Credit</li> <li>• Creditworthiness</li> <li>• Getting Started Using Credit</li> <li>• Credit Reports</li> <li>• Credit Ratings &amp; Scores</li> <li>• Using Credit Responsibly</li> </ul> <p>CONCEPTS:</p> <p>Incentives Decision Making</p>	<p>(F) What are the advantages and disadvantages to using credit?  (F) How do you begin establishing credit?  (F) Why is it important to check the information on your credit report regularly?  (F) How can you maintain a good credit rating?  (F) What can you do to improve your credit score?  (C) How does creditworthiness impact the availability of credit?  (C) How can the use of credit improve your standard of living?</p>	<ul style="list-style-type: none"> <li>• Examine the concept of creditworthiness, i.e. character, capacity, and capital</li> <li>• Recommend ways to get started using credit.</li> <li>• Analyze credit reports, as well as credit ratings and scores used for evaluating credit.</li> </ul>
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<p>Responsible use of credit reduces credit costs.</p> <p>Inflation and interest rates determine the time value of money.</p>	<p>TOPICS:</p> <ul style="list-style-type: none"> <li>• Using Credit Responsibly</li> <li>• Credit Cards Terms</li> <li>• Interest Rates</li> <li>• Inflation</li> </ul> <p>CONCEPTS:</p> <p>Time Value of Money Decision Making Opportunity Cost Trade-offs Incentives</p>	<p>(F) What is the time value of money? (F) What is inflation? (F) How are interest and fees calculated on credit card statements? (F) How can you use credit wisely to reduce credit costs? (F) What would you expect to find in comparing interest rates of different types of credit? (C) Why do credit costs vary? (C) What are the costs and benefits of interest-free loans? (D) Should a person take a loan rather than spending money saved for major purchases? (D) Should a person use cash or credit for day-to-day purchases?</p>	<ul style="list-style-type: none"> <li>• Solve problems by calculating interest, monthly payments, and APRs.</li> <li>• Describe the responsible use of consumer credit and reducing or avoiding credit costs.</li> </ul>
<p>Governments enact credit laws to protect consumers and producers.</p> <p>Identity protection necessitates safeguarding your credit.</p>	<p>TOPICS:</p> <ul style="list-style-type: none"> <li>• Credit Laws</li> <li>• Credit Scams</li> <li>• Identity Theft</li> </ul> <p>CONCEPTS:</p> <p>Financial Institutions Decisions Making Opportunity Cost Trade-offs Role of Government</p>	<p>(F) What credit laws protect consumers? (F) What can a consumer do to protect their identity? (D) Which of the following groups bears the most responsibility for the Great Recession of the 2000s: consumers, financiers, or the government?</p>	<ul style="list-style-type: none"> <li>• Explain the consumer protection laws related to credit.</li> <li>• Describe protecting your credit account from fraud.</li> </ul>

Key: (F) – Factual questions, (C) Conceptual questions, (D) Debatable questions

Content Standard 04

Unit 4: Financial Security – 2 weeks

Topics:

\*Saving for the Future

\*Investing for the Future

\*Retirement Planning

- Explore options for saving and investing for the future and how to begin retirement planning.
  - Examine the purpose of saving and ways to save regularly. (Trade-off) (Opportunity Cost) (Decision Making)
  - Analyze the features of different savings options. (Interest Rates) (Incentives) (Trade-off) (Opportunity Cost)
  - Explain how money grows through compound interest. (Compound Interest) (Interest Rates)
  - Examine the purpose of investing. (Decision-Making) (Trade-off) (Opportunity Cost)
  - Analyze investment options by level of risk. (Interest Rates) (Inflation) (Risk)
  - Analyze features and types of personal and employer-sponsored retirement plans. (Decision-Making)
  - Compare advantages and disadvantages of renting or owning a home. (Incentives) (Decision-Making) (Trade-offs) (Opportunity Costs)
  - Explain the rights and responsibilities of renters and homeownership. (Decision-Making)

Key Economic Concepts: Opportunity Cost, Trade-off, Decision-Making, Interest Rates, Inflation, Compound Interest, Risk

**Unit 4: Financial Security**

Unit Overview:

GENERALIZATIONS	TOPICS/CONCEPTS	GUIDING QUESTIONS	Factual knowledge
<p>People’s choices produce consequences that lie in the future.</p> <p>The age distribution of a country often determines its ability to provide a social retirement plan.</p>	<p>TOPICS:</p> <p>Saving for the Future</p> <ul style="list-style-type: none"> <li>- Interest Rates</li> <li>- Trade-offs</li> <li>- Decision-making</li> <li>- Aging</li> <li>- Standard of living</li> </ul> <p>Investing for the Future</p> <ul style="list-style-type: none"> <li>- Responsibility</li> <li>- Wants and Needs</li> <li>- Opportunity Cost</li> <li>- Inflation</li> <li>- Risk</li> </ul> <p>Retirement Planning</p> <ul style="list-style-type: none"> <li>- Opportunity Cost</li> <li>- Costs and benefits</li> <li>- Freedom</li> <li>- Goods and Services</li> <li>- Supply and Demand</li> <li>- Demography/Population</li> <li>- Role of Government</li> </ul>	<p>(F) What is the purpose of saving?</p> <p>(F) Why should one save regularly?</p> <p>(F) What are the different savings options?</p> <p>(F) What is the power of compound interest?</p> <p>(F) Why would one invest?</p> <p>(C) How does risk influence investments?</p> <p>(F) How does a retirement plan work?</p> <p>(C) Why does one need to plan for retirement?</p> <p>(F) What are the similarities and differences between an employers sponsored retirement plan and a personal retirement plan?</p> <p>(F) What are the similarities and differences between owning a home and renting a home?</p> <p>(F) What are the rights and responsibilities of renters and landlords?</p> <p>(F) What are the rights and responsibilities of a homeowner?</p> <p>(D) Does the Federal Government have a responsibility to require a retirement account for all citizens?</p> <p>(C) How do decisions about interest rates made by the Federal Reserve Bank affect the interest rate paid on a home loan?</p> <p>(D) Should an individual invest in an international company or a domestic company?</p> <p>(D) What is the best type of investment?</p>	<ul style="list-style-type: none"> <li>• Purpose of saving</li> <li>• Ways to save regularly</li> <li>• Savings options</li> <li>• Compound interest</li> <li>• Purpose of investing</li> <li>• Investment options</li> <li>• Risk</li> <li>• Retirement plans</li> <li>• Renting an apartment</li> <li>• Owning a home</li> <li>• Renters rights and responsibilities</li> <li>• Landlord rights and responsibilities</li> <li>• Homeowner rights and responsibilities</li> </ul>

Key: (F) – Factual questions, (C) Conceptual questions, (D) Debatable questions

Content Standard 05

Unit 5: Risk Management – 2 weeks

Topics:

\*Risk & Insurance

\*Real Property Insurance

\*Automobile Insurance

\*Health & Life Insurance

- Examine the impact of risk and how to manage it through the purchase of insurance.
  - Explain the concept of insurance and how risks are shared among policy holders. (Risk) (Cost and Benefits) (Decision-Making) (Opportunity Costs) (Trade-offs)
  - Examine the purpose and coverage provided by homeowner's and renter's insurance. (Risk) (Decision-Making) (Trade-offs)
  - Examine common types of automobile insurance coverage. (Risk) (Decision-Making) (Trade-offs)
  - Analyze the factors that influence the cost of automobile insurance. (Risk) (Decision-Making) (Trade-offs)
  - Summarize other types of insurance, including health and life insurance. (Risk) (Decision-Making) (Trade-offs) (Role of Government) (Opportunity Costs)

Key Economic Concepts: Opportunity Cost, Trade-offs, Decision-Making, Role of Government, Cost and Benefit, Risk, Incentives

**Unit 5: Risk Management**

Unit Overview:

GENERALIZATIONS	TOPICS/CONCEPTS	GUIDING QUESTIONS	Factual knowledge
<p>Stakeholders divide risk to protect their assets.</p> <p>When incentives change, people's choices change.</p>	<p>Risk and Insurance</p> <ul style="list-style-type: none"> <li>- Risk</li> <li>- Distribution of Risk</li> <li>- Opportunity Cost</li> </ul> <p>Property Insurance</p> <ul style="list-style-type: none"> <li>- Role of Government</li> <li>- Protection</li> <li>- Trade-offs</li> <li>- Opportunity Costs</li> </ul> <p>Automobile Insurance</p> <ul style="list-style-type: none"> <li>- Trade-offs</li> <li>- Opportunity Costs</li> <li>- Incentives</li> <li>- Supply and Demand</li> </ul> <p>Health &amp; Life Insurance</p> <ul style="list-style-type: none"> <li>- Supply and Demand</li> <li>- Protect Standard of Living</li> <li>- Producers and Consumers</li> </ul>	<p>(F) Why did the idea of insurance come about?</p> <p>(F) What does risk have to do with insurance?</p> <p>(F) Why should homeowners or renters have insurance?</p> <p>(F) What are the different types of automobile insurance?</p> <p>(F) What factors influence the cost of automobile insurance?</p> <p>(F) What are the different types of health insurance?</p> <p>(F) What are the different types of life insurance?</p> <p>(C) Why do people share risk?</p> <p>(C) How can insurance help protect your assets?</p> <p>(D) Should there be a national health care system?</p> <p>(D) Should car owners be required to carry automobile insurance?</p>	<ul style="list-style-type: none"> <li>• Insurance</li> <li>• Risk</li> <li>• Policy holders</li> <li>• Homeowners and renters insurance</li> <li>• Automobile Insurance/Types</li> <li>• Automobile Insurance/Cost influences</li> <li>• Health Insurance</li> <li>• Life Insurance</li> </ul>

Key: (F) – Factual questions, (C) Conceptual questions, (D) Debatable questions