# 22210 – Indicator Resource – Consumer & Personal Finance

Below each competency are sample indicators that LEAs can use:

|  |  |
| --- | --- |
| Benchmark 1.0: Earning Income - Analyze factors that relate to employment and income | |
| 1.1 | Explore job and career options in relation to developing the student’s Individual Plan of Study (IPS), personal interest,  financial goals and desired lifestyle. |
|  | Explain why people should evaluate employee benefits in addition to wages and salaries when choosing between job and career opportunities. |
|  | Discuss the pros and cons of small business ownership as their primary source of income. |
|  | Evaluate why employers generally pay higher wages or salaries to more educated, skilled, and productive workers than to less educated, skilled, and productive workers. |
|  | Discuss possible explanations for the persistence of race and gender pay gaps. |
| 1.2 | Compare the cost associated with postsecondary education and or training. |
|  | Evaluate the costs and benefits of investing in additional education or training. |
|  | Describe the different sources of funding for postsecondary education. |
|  | Identify scholarships and grants for which they are eligible. |
|  | Review Free Application for Federal Student Aid (FAFSA) Information and KBOR Resources (link) |
|  | Estimate the reduction in total cost of education and potential student loan debt if they complete their first two years of college at a community college before transferring to a four-year institution. |
|  | Compare federal and private student loans based on interest rates, repayment rules, and other characteristics. |
|  | Describe the process of applying for a student loan. |
|  | Estimate total interest on various student loans based on interest rates and repayment plans. |
|  | Predict the potential consequences of deferred payment of student loans. |
| 1.3 | Review workforce and labor market information to determine needs when developing a career plan. |
|  | Compare earnings and unemployment rates by level of education and training. |
|  | Discuss how economic and labor market conditions can affect income, career opportunities, and employment status. |
|  | Research Kansas Labor Market Information via Kansas Labor Information Center (KLIC) - High Demand Occupations (ks.gov) LINK |
| 1.4 | Compare sources of personal income and compensation such as employee benefits and employer contributions and noting the impact of inflation and future needs (e.g. insurance, paid sick leave, vacation leave, family leave, retirement packages). |
|  | Research potential income and employee benefit packages that are likely to be offered to new employees by various companies, government agencies, or not-forprofit organizations. |
|  | Differentiate between contributory and non-contributory employee benefits. |
|  | Identify different potential sources of retirement income. |
|  | Explain the importance of participating in employer-sponsored retirement plans, when available, and contributing enough to qualify for the maximum employer match. |
| 1.5 | Identify local, state, and national taxes and other deductions that impact net income and budgeting. |
|  | Investigate the federal and state tax rates applicable to different sources of income. |
|  | Differentiate between gross, net, and taxable income. |
|  | Review paystub and deductions (explain FICA). |
| 1.6 | Analyze factors that affect net income including W-4 withholding, completing federal and state tax forms, and examining  retirement and healthcare savings programs (e.g. interpreting a pay stub, W2, W4, 1040, 1099). |
|  | Examine the benefits of participating in employer-sponsored retirement savings plans and healthcare savings plans. |
|  | Explain why some income is reported on an IRS Form W-2 and some is reported on an IRS Form 1099, and how that could affect their taxes. |
|  | Complete IRS Form W-4. |
|  | Complete income tax form and/or tax simulations. |
| 1.7 | Federal, state, and local taxes fund government-provided goods, services, and transfer payments to individuals. The major types of taxes are income taxes, payroll taxes, property taxes, and sales taxes. |
|  | Identify which level(s) of government typically receive(s) the tax revenue for income taxes, payroll taxes, property taxes, and sales taxes. |
|  | Describe the benefits they receive, or may receive in the future, from government-collected tax revenue. |

|  |  |
| --- | --- |
| Benchmark 2.0: Spending – Promote sound spending practices across the lifespan. | |
| 2.1 | Recognize the responsibilities associated with personal financial decisions based on values, priorities, and goals as life circumstances change and affect others (e.g. budgeting for a variety of life settings, cost of raising a child, cost of continuing education, shared financial accounts, cost of caring for elderly parents, power of attorney, wills, living wills, trusts). |
|  | Discuss how personal financial decisions can affect other people. |
|  | Discuss the motivations for and benefits of donating money, items, or time. |
| 2.2 | Demonstrate the ability to set SMART individual and family financial goals. |
|  | Identify short-term and long-term financial goals. |
|  | Student Individual Plan of Study (IPS) - Create yearly goals and post secondary financial plan. |
| 2.3 | Analyze and create a long-term personal financial plan and a personal budget, including net worth, goals, spending flows, savings, investing, insurance, charitable gifts, estate plan and will, which can be monitored and modified as situations change (e.g. housing options, transportation options, food & nutrition options, utilities expenditures, clothing expenditures, leisure activities, planning for post-secondary or certification). |
|  | Develop a budget to allocate current income to necessary and desired spending, including estimates for both fixed and variable expenses. |
|  | Explain methods for adjusting a budget for unexpected expenses or emergencies. |
|  | Assess the value of sharing financial goals and personal financial information with a partner before combining finances. |
| 2.4 | Analyze how sales and property taxes impact financial decisions such as when buying a car or house. |
|  | Determine the cost of purchasing a vehicle. |
|  | Determine the five-year cost of vehicle ownership. |
|  | Determine the cost of purchasing a house. |
| 2.5 | Make criterion-based financial decisions by systematically considering alternatives and consequences when preparing for the impact of inflation, taxation, and short term and long term circumstantial changes. |
|  | Describe how inflation affects purchase decisions and the price of goods and services. |
|  | Describe the impact of inflation on prices over time. |
| 2.6 | Use reliable resources and professionals such as a financial advisor, attorney, or tax advisor when making financial decisions to ensure that they are objective, accurate and current. |
|  | Describe the roles and responsibilities of government agencies that help protect consumers from fraud. |
|  | Internet vs governmental protection agencies, advertisements vs reading the labels and consumer ratings. |
| 2.7 | Apply communication strategies when discussing and negotiating financial issues to ensure that each party’s responsibilities and goals are achieved. |
|  | Summarize how negotiation affects consumer decisions and the price of goods and services. |
| 2.8 | Analyze the requirements of contractual obligations (e.g. factors that make a contract legal and binding, terms of credit card/loan agreements, terms of renter’s or homeowners insurance policy, terms of a health insurance plan, landlord rights and responsibilities, apartment lease agreement terms, small claims to solve a dispute, employment related disputes). |
|  | Define key rental contract terminology, including lease term, security deposit, grace period, and eviction. |
| 2.9 | Develop a management system for keeping, using and maintaining financial records (e.g. system for determining records needed, mode of storage (paper vs paperless), accessibility and security of records, deductible and non-deductible expense documents, tax credit documents). |
|  | Evaluate the advantages of using budgeting tools, such as spreadsheets or apps. |
|  | Explain how having a system for financial record-keeping can make it easier to make financial decisions. |
|  | Develop a system for keeping track of spending, saving, and investing. |
|  | Research financial technology options for financial record-keeping. |
| 2.10 | Enhance development of employability skills to spending and saving practices (e.g. critical thinking, creativity, goal setting, problem solving, decision making, leadership, management, cooperation). |
|  | Brainstorm consumer research strategies and resources to use when making purchase decisions. |
|  | Complete an employability skills self-assessment and upload to the IPS (Individual Plan of Study) <https://www.ksde.org/Portals/0/CSAS/CSAS%20Home/CTE%20Home/Measuring%20and%20Reflecting%20Student%20Learning%20%28002%29.pdf> |
| 2.11 | Apply consumer skills to spending and saving decisions (comparison shopping, owning vs renting, reaching major expenditures, charitable giving). |
|  | Describe a process for making an informed consumer decision. |
|  | Explain the factors to evaluate when buying a durable good. |
|  | Analyze the cost and features of three competing products or services. |
|  | Explain how pre-purchase research encourages consumers to avoid impulse buying. |
| 2.12 | Understand the existence of federal policies regarding consumer rights, responsibilities, and consumer protection laws. |
|  | Describe the roles and responsibilities of government agencies that help protect consumers from fraud. |
| 2.13 | Use bank account documents and procedures to maintain and reconcile accounts. |
|  | Review bank deposit, withdrawl and payment options. |
|  | Write and endorse checks. |
|  | Read and reconcile a bank statement |
|  | Maintain a checkbook and saving registers |
| 2.14 | Determine budgeting considerations related to pay periods and different payment methods. |
|  | Weekly, bi-weekly, monthly, wage vs. salary, stipend earnings, government assistance, payroll cards/reloadable debit cards, direct deposit. |
| 2.15 | Identify the procedure to access community resources and services for consumers and families. |
|  | Food, house and utlity assistance. |
|  | Explore workforce centers, extension agencies and other resources. |

|  |  |
| --- | --- |
| Benchmark 3.0: Saving - Promote sound saving practices across the life span. | |
| 3.1 | Analyze opportunity costs of financial decisions including the benefit of return on investment. |
|  | Explain opportunity costs. |
|  | Identify opportunity cost of spending vs saving; saving vs spending. |
|  | Identify opportunity cost of saving vs investing; investing vs saving. |
| 3.2 | Compare and contrast financial institutions and their services (e.g. credit union, privately owned bank, web-based banking and tools). |
|  | Select a preferred location for a savings account based on comparison of interest rates and fees at different types of financial institutions. |
|  | Discuss types of market conditions that could result in financial institutions paying lower rates on savings accounts. |
|  | Research mobile payment account alternatives. |
|  | Compare and contrast the features of mobile payment accounts, cryptocurrency accounts, and checking/ savings accounts. |
|  | Explain why storing money in a mobile payment account can reduce the ability to grow savings. |
|  | Investigate the areas of financial institution operations that are subject to state and/or federal regulation and supervision. |
|  | Compare the features of regular savings accounts, money market accounts, and CDs. |
| 3.3 | Compare sources of personal income and compensation such as employee benefits and employer contributions and noting  the impact of inflation and future needs (e.g. insurance, paid sick leave, vacation leave, family leave, retirement packages). |
|  | Explain how an employer match of employee contributions to its retirement plan provides an incentive for employees to save. |
|  | Compare the impact of employee “opt in” versus “opt out” of employer retirement plans and explain why it makes a difference. |
| 3.4 | Evaluate health related considerations of employment to meet the needs of consumers and their families. |
|  | Workman’s compensation, disability, medical insurance provisions, part time employment considerations and benefits. |
|  | Explain the benefits of saving money in a health savings account for individuals with high-deductible health plans. |
| 3.5 | Examine internal and external factors that affect family and consumer decisions (e.g. media/advertising, the economy, environmental issues, culture, geographic region of residence, and availability of resources such as time, skills, knowledge, and money, impact of business and industry trends, consumer research and reporting). |
|  | Explain how external influences (e.g. peers, family, or social media) can impact personal spending, savings and investing decisions. |
|  | Identify strategies to manage psychological and emotional obstacles to saving. |
|  | Discuss strategies for avoiding personal triggers that result in deviating from a savings plan. |
|  | Explain how the saving strategy “pay yourself first” can help people achieve their saving goals. |
|  | Select a product or service and describe the various factors that may influence a consumer’s purchase decision. |
|  | Compare product choices based on their impacts on the environment or society. |
|  | List different ways retailers advertise the prices of their products. |
|  | Analyze social media marketing and advertising techniques designed to encourage spending |

|  |  |
| --- | --- |
| Benchmark 4.0: Investing - Understand foundational investment strategies and resources. | |
| 4.1 | Evaluate fees, tax advantages, and liquidity of savings and investment alternatives to meet different objectives. |
|  | Discuss how economic and labor market conditions can affect income, career opportunities, and employment status. |
|  | Compare nominal annual rates of return over time on different types of investments, including cash flows and price changes. |
|  | Discuss how the expenses associated with buying and selling investments can impact rates of return and investment outcomes. |
|  | Tax rules affect the rate of return on different investments, and can varyby holding period, type of income, and type of account. |
| 4.2 | Evaluate investment alternatives such as mutual funds, stocks, bonds. |
|  | Explain how target date retirement funds reallocate investments over time to meet their investment objective. |
|  | Explain how traditional IRAs (individual retirement accounts), Roth IRAs, and education savings accounts provide incentives for people to save. |
|  | Investigate the long-run average rates of returns on small-company stocks, large-company stocks, corporate bonds, and Treasury bonds. |
|  | Explain why the expected rate of return on a value stock or mutual fund is likely to be lower than that of a growth stock or mutual fund. |
|  | Explain why bonds with longer maturities generally earn a higher return than shorter-term bonds. |
|  | Describe the advantages of investing through a tax deferred account such as an IRA or 401(k) versus a taxable account. |
|  | Investigate the contribution limits and tax advantages of a traditional IRA versus a Roth IRA. |
| 4.3 | The prices of financial assets change in response to market conditions, interest rates, company performance, new information, and investor demand. |
|  | Describe factors that influence the prices of financial assets. |
|  | Predict what could happen to the price of a stock if new information is reported about the company or its products. |
|  | Explain why the market price of some assets, such as bonds and real estate, increase when interest rates decrease. |
| 4.4 | Analyze risk management strategies for long-term financial security (e.g. investment alternatives, practicing safe investing, 401K, 403b, IRA, Roth IRA, etc.). |
|  | When making diversification and asset allocation decisions, investors consider their risk tolerance, goals, and investing time horizon. |
|  | Recommend portfolio allocation between major asset classes for a short-term goal versus a long-term goal. |
|  | Give examples of factors that can influence a person’s risk tolerance. |
|  | Discuss how a person’s risk tolerance influences their investment decisions. |
|  | Discuss the advantages and disadvantages of investing in riskier assets. |
|  | Suggest an appropriate asset allocation for a very risk averse person versus a very risk tolerant person. |
|  | Discuss the pros and cons of investing in a diversified mutual fund versius investing in a small number individual stocks. |
|  | Explain why assets that do not produce income or are exposed to large price fluctuation (such as collectibles, precious metals, and cryptocurrencies) are described as speculative investments. |
|  | Explain why investors often compare portfolio performance to a benchmark such as the S&P 500 Index. |
| 4.5 | Use reliable resources and professionals such as a financial advisor, attorney, or tax advisor when making financial decisions to ensure that they are objective, accurate and current (e.g. internet vs governmental protection agencies, advertisements vs reading the labels and consumer ratings). |
|  | Explain the importance of having access to full and accurate information about potential investments. |
|  | Discuss reasons that a person might want to hire a financial professional to manage their investments or provide investment advice. |
|  | Explain the importance of licensing, certifications, education, and experience as criteria for selecting a financial professional for investment management or advice. |
|  | Investigate where and how to find qualified financial professionals. |
|  | Explain the role of federal regulators in financial markets. |
| 4.6 | Many investors buy and sell financial assets through discount brokerage firms that provide inexpensive investment services and advice using financial technology. |
|  | Discuss how the development of financial technology has made it easier for people of all income and education levels to participate in financial markets. |
|  | Explore common financial technologies used for investing, including automated trading platforms. |
|  | Explain how automating investment activities can help people avoid making emotional investment decisions. |

|  |  |
| --- | --- |
| Benchmark 5.0: Managing Credit - Analyze factors related to credit and debt. | |
| 5.1 | Analyze the types of information needed and the costs of credit (grace period, repayment options, interest rate, interest calculation, and fees, net worth impact) as well as the benefits and disadvantages of various types of credit. |
|  | Describe how credit card grace periods, methods of interest calculation, and fees affect borrowing costs. |
|  | Compare the cost of borrowing $1,000 using consumer credit options that differ in rates and fees. |
|  | Explain how a borrower’s credit score can impact their cost of credit and their ability to get credit. |
|  | Explain how landlords, potential employers, and insurance companies use credit reports and credit scores in decision-making. |
|  | Provide examples of benefits associated with having a good credit score. |
|  | Investigate the effects of bankruptcy on assets, employment, and future access to credit. |
| 5.2 | Summarize a borrower’s rights and responsibilities related to credit reports including their value, permissible uses, primary reporting agencies, factors impacting scores, accessibility, retention, impact on credit cost and credit accessibility, and methods of disputing inadequacies. |
|  | Identify the primary organizations that maintain and provide consumer credit reports. |
|  | Assess the value to a potential lender of the information contained in a credit report. |
|  | Explain how a person can get a free copy of their credit report and why this is advisable. |
|  | Outline the process of disputing inaccurate credit report information. |
|  | Identify the main factors that are included in credit score calculations. |
|  | Compare the effect of soft versus hard credit inquiries on a person’s credit score. |
|  | Describe how failing to repay a loan can negatively impact a person’s finances and life. |
|  | Letter writing to file a consumer complaint, process/steps, documentation collecting. |
| 5.3 | Apply strategies to avoid or correct debt management problems such as working with lenders, consumer credit counseling agencies and obtain knowledge of the impact of bankruptcy and student loan obligations. |
|  | Recommend ways that a person can increase their credit score. |
|  | Identify sources of assistance with debt management. |
|  | Create a plan for a person who is having difficulty repaying debt. |
|  | Compare the costs and benefits associated with for-profit versus non-profit credit counseling services. |
| 5.4 | Summarize major consumer credit laws including Equal Credit Opportunity Act, Federal Trade Commission, consumer Financial Protection Bureau, state agencies, Fair Debt Collection Practices Act, garnishment and repossession laws. |
|  | Compare what happens if a borrower fails to make required payments on a secured loan, such as an auto loan or a home mortgage, versus failing to pay a credit card account. |
|  | Describe the purpose of bankruptcy laws. |
|  | Compare the results of liquidation versus reorganization bankruptcy. |
|  | Explain the rationale behind laws that require people to have access to full information about credit cards and loans before they borrow money. |
|  | Discuss the importance of protecting borrowers from discrimination and abusive marketing or collection practices. |
|  | Research where to find credible sources of up-to-date information on credit rights and responsibilities. |
| 5.5 | Understand the different consumer loan options and how to establish credit. |
|  | Identify examples of loans that may require down payments. |
|  | Give examples of unsecured and secured loans. |
|  | Explain why lenders charge lower interest rates on secured loans than on unsecured loans. |
|  | Explain how using payday loans can cause a cycle of debt. |
|  | Identify the type of collateral required for a mortgage loan. |
|  | Differentiate between adjustable-rate and fixed-rate mortgages. |
|  | Compare monthly mortgage payments for loans that differ in repayment period, amount borrowed, and interest rate. |
|  | Given the price of a home, estimate the amount of down payment required. |
|  | For a specified loan amount, compare the monthly loan payment with a 10% down payment versus a 20% down payment. |
|  | Explain how a down payment makes a borrower more attractive to a lender and motivates loan repayment by the borrower. |

|  |  |
| --- | --- |
| Benchmark 6.0: Managing Risk - Understand foundational risk management and risk protection. | |
| 6.1 | Describe the risks, protections, features and costs and responsibilities associated with different payment methods. |
|  | Cash, checks, stored value cards, debit cards, gift cards, and online and mobile payment systems. |
| 6.2 | Understand the role of estate planning and financial assistance for family left behind as it relates to risk management and protections (e.g. health, disability, long-term care, life insurance, requirements for coverage, sources of insurance). |
|  | Explain why homeowners’ insurance is required by a lender when a homeowner takes out a mortgage. |
|  | Discuss why most states mandate auto liability coverage. |
|  | Research the minimum auto liability insurance required in the state they live in and whether it is sufficient to cover typical auto accident financial losses. |
|  | Explain how a person’s death can result in financial losses to others. |
|  | Discuss the benefits and costs of purchasing life insurance on the primary earners in a household. |
|  | Assess the extent of financial risk and need for disability insurance using hypothetical disability scenarios. |
| 6.3 | Identify behaviors/strategies that reduce the risk of identity theft/consumer fraud. |
|  | Provide examples of how online behavior, e-mail and text-message scams, telemarketers, and other methods make consumers vulnerable to privacy infringement, identity theft, and fraud. |
|  | Describe conditions under which individuals should and should not disclose their Social Security numbers, account numbers, or other sensitive information. |
|  | Recommend strategies to reduce the risk of identity theft and financial fraud. |
|  | Explain the steps an identity theft victim should take to limit losses and restore personal security. |
| 6.4 | Identify common types of risks and basic risk management methods such as self-insurance, extended warranty, insurance, and describe insurance regulatory agencies and the consequences of insurance fraud. |
|  | Provide examples of insurance fraud. |
|  | Investigate the legal consequence for individuals who are convicted of insurance fraud. |
|  | Evaluate the costs and benefits of buying an extended warranty on a specific item (e.g. cellphone, laptop, or vehicle) considering the likelihood of product failure, cost of replacing the item, and price of the warranty. |
|  | Explain how extended warranties or service contracts are similar to and different from insurance. |
| 6.5 | Justify reasons for various insurance products for individuals and families by differentiating types of coverages, factors impacting premiums, minimum coverages and demonstrating an understanding of completing an insurance application and an insurance claim (e.g. property, liability, health, disability, long-term care, life). |
|  | Analyze the conditions under which it is appropriate for young adults to have life, health, and disability insurance. |
|  | Identify individual characteristics that influence insurance purchase decisions. |
|  | Recommend types of insurance needed by people with different characteristics. |
|  | Research factors that result in lower auto insurance premiums. |
|  | Explain why taking a safe driving course can lower a driver’s auto insurance premium. |
|  | Discuss the pros and cons of buying an auto insurance policy with a higher deductible. |
|  | Discuss the advantages of obtaining health insurance coverage through an employer plan versus buying private insurance or being uninsured. |
|  | Compare the cost of health insurance to the potential financial consequences of not having health insurance. |
|  | Estimate the effect on different health insurance deductibles and coinsurance rates on out-of-pocket medical costs. |
|  | Identify factors that influence the cost of renter’s insurance and homeowners’ insurance. |