

## Vermont K-12 Financial Literacy Proficiencies

### VERMONT CONTENT AREA GRADUATION PROFICIENCIES & PERFORMANCE INDICATORS:

- ARE REQUIRED BY SECTION 2.120.8 OF THE EDUCATION QUALITY STANDARDS
- REFLECT EXISTING LEARNING STANDARDS REQUIRED BY THE VERMONT STATE BOARD OF EDUCATION
- ARE DESIGNED TO BE USED IN CONJUNCTION WITH THE VERMONT TRANSFERABLE SKILLS GRADUATION PROFICIENCIES, WHICH OUTLINE STUDENTS' DESIRED SKILLS AND HABITS ACROSS CONTENT AREAS
- INCLUDE FOUR SETS OF PERFORMANCE INDICATORS DIFFERENTIATED BY GRADE CLUSTER— K–8 AND 9-12
- SERVE AS BENCHMARKS OF LEARNING PROGRESSION FOR ELEMENTARY AND MIDDLE SCHOOL

### THIS DOCUMENT IS DESIGNED TO:

- ASSIST VERMONT SCHOOLS AND SUPERVISORY DISTRICTS/UNIONS IN DEVELOPING LEARNING REQUIREMENTS AND EXPECTATIONS FOR THEIR STUDENTS
- PROMOTE CONSISTENCY ACROSS SCHOOLS AND SUPERVISORY DISTRICTS/UNIONS FOR TRANSFER STUDENTS
- INCREASE PERSONALIZATION AND FLEXIBILITY FOR INSTRUCTION AND LEARNING
- HELP BUILD CURRICULUM AND STEER ASSESSMENT DEVELOPMENT
- SUPPORT FORMATIVE ASSESSMENT PRACTICES, INCLUDING PERFORMANCE ASSESSMENT
- ASSIST IN THE COLLECTION OF DATA TO INFORM ACHIEVEMENT OF TRANSFERABLE SKILLS
- SUPPORT STUDENT ACHIEVEMENT OF THE EXPECTED CONTENT STANDARDS
- ASSIST IN STUDENT ABILITY TO DEMONSTRATE THE WELL-BEING PERFORMANCE INDICATORS IDENTIFIED IN A VERMONT PORTRAIT OF A GRADUATE

\*Performance indicators are used to assess whether a student has met the Graduation Proficiency (GP) associated with those indicators. It is important to note that, when using this model, performance indicators do not constitute a checklist to proficiency. Instead, student proficiency against each GP should be determined by assessing some combination of its related Performance Indicators, but not necessarily all of them, with the determinations around “how many” and “which” Performance Indicators to teach and assess being made at the local level.

### Spotlight on Equity:

The Spotlight on Equity provides a list of considerations for the purpose of providing an equity literate and socially conscious lens to the teaching and learning of personal finance, as well as to recognize the historic economic exclusion and marginalization of minority groups and communities. When grade-level appropriate, educators may use these topics to critically engage students in socially relevant financial literacy opportunities. The enumerated considerations are not a complete list, but rather a starting point on which to begin historically and socially relevant economic conversations; supplemental resources can be found on the AOE Financial Literacy webpage.

### Jump\$tart Personal Finance Standards Coding Key:

Example: SS 1.A

- First letters describe the strand, SS = Spending and Saving
- First number describes standard within that strand, 1 = Standard 1. Develop a plan for spending and saving
- Letter describes additional indicator statement, A = Additional Indicator Statement for that Grade Level

### Key:

SS = Spending and Saving  
CD = Credit and Debt  
FDM = Financial Decision Making  
EI = Employment and Income  
IN = Investing  
RMI = Risk Management and Insurance

### Contact Information:

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## Money Management Proficiency:

Students identify reliable strategies to monitor and manage money to avoid debt and save for future goals.

CATEGORY WITHIN FINANCIAL LITERACY	BY THE END OF KINDERGARTEN	BY THE END OF GRADE 4	BY THE END OF GRADE 8	BY THE END OF GRADE 12
<p><b>Money Management:</b></p> <ul style="list-style-type: none"> <li>• Spending and Saving</li> <li>• Credit and Debt</li> <li>• Financial Decision Making</li> </ul> <p><b>Spotlight on Equity:</b></p> <ul style="list-style-type: none"> <li>• Access to Credit</li> <li>• Fair Lending</li> <li>• Lending Disparity</li> <li>• Redlining</li> <li>• Retail and Service Desertification</li> <li>• Wealth Accumulation</li> </ul>	<ol style="list-style-type: none"> <li>1. Tell about a personal savings goal in terms of a special occasion in the near future, such as a gift or special event, and how you would need to change spending decisions in order to meet this goal. (SS 1.C-D)</li> <li>2. Differentiate between private and public property. (SS 1.H)</li> <li>3. Create a way to keep track of money saved for future spending. (SS 2.A)</li> <li>4. Explain how charitable giving differs from sharing toys with a friend and identify personal possessions that are suitable for donation to a charity. (SS 4.E-F)</li> <li>5. Explain the difference between borrowing and buying. Explain how to take care of something borrowed and identify actions a borrower can take to satisfy a lender when a borrowed item is lost or damaged. (CD 1.A-B, CD 2.A, CD 3.A)</li> <li>6. Discuss how needs and wants might differ, depending on individual circumstances such as age, where one lives and the time of year. (FDM 4.C)</li> </ol>	<ol style="list-style-type: none"> <li>1. Explain how saving money can improve financial well-being and create a way to track money spent. (SS 1.A)</li> <li>2. Show how to add money to and withdraw money from a personal account in a bank or credit union. Justify reasons to keep money in a bank or credit union. (Kindergarten: SS 1.A)</li> <li>3. Explain how checks and debit cards, gift cards and credit cards work as payment methods, and calculate the total cost of a purchase that includes multiple items. (SS 3.B-C)</li> <li>4. Identify situations when people might pay for certain items in small amounts over time and summarize the advantages and disadvantages of using credit-from a financial institution or credit card. (CD 1.A-C)</li> <li>5. Explain how limited personal financial resources affect the choices people make. (FDM 4.A)</li> </ol>	<ol style="list-style-type: none"> <li>1. Assess how spending priorities reflect goals and values. (SS 1.A)</li> <li>2. Analyze how spending and saving behavior can affect overall well-being by comparing the benefits of financial responsibility with the consequences of financial irresponsibility. (SS 1.B, FDM 1.B)</li> <li>3. Develop a system for organizing personal financial records in a personal spending plan including documentation of income, planned savings and expenses, inventory of personal property and assets, and financial goals. (SS 2.A-B)</li> <li>4. Explain how debit cards differ from credit cards, as well as justification for the use of credit. (CD 1.A-B)</li> <li>5. Identify the consequences of excessive debt, tools to manage excessive debt, and the impacts of positive and poor borrowing reputations. (CD 2.A-B, CD 3.B-C)</li> <li>6. Apply systematic decision making to setting and achieving financial goals. (FDM 4.A)</li> </ol>	<ol style="list-style-type: none"> <li>1. Summarize the risks and protections of checks, stored value cards, debit cards, gift cards and online and mobile payment systems. (SS 3.A)</li> <li>2. Create a budget or spending plan with researched income and expense calculations to contribute to wealth building and achievement of financial goals. (SS 4.A-D)</li> <li>3. Explain how credit card grace periods, methods of interest calculation, the cost of carrying a balance forward, and fees affect borrowing costs. (CD 1.B, D)</li> <li>4. Explain the value of credit report, including factors that affect credit scoring, and analyze how a credit score affects creditworthiness and the cost of credit. (CD 2.B, I, J)</li> <li>5. Investigate the purpose of bankruptcy and its possible negative effects on assets, employability and credit cost and availability. (CD 3.C)</li> </ol>

CATEGORY WITHIN FINANCIAL LITERACY	BY THE END OF KINDERGARTEN	BY THE END OF GRADE 4	BY THE END OF GRADE 8	BY THE END OF GRADE 12
(Cont.)		<p>6. List types of personal information that should not be disclosed to others in person or online. (FDM 7.A)</p>		<p>6. Discuss how individual responsibility for financial well-being will change over a lifetime with changing life circumstances and develop a contingency plan to deal with events that might affect personal finances on short notice. (FDM 1.A, D)</p> <p>7. Understand and complete IRS form W-4, IRS form 1040, and other applicable federal and state income tax forms and analyze how taxes affect financial decisions. (EI 3.A, D; FDM 4.B)</p> <p>8. Assess the value of discussing individual and shared financial information, goals and responsibilities with a roommate or partner before combining households. (FDM 5.A-B)</p> <p>9. Outline steps to resolve identity theft problems as recommended by the Federal Trade Commission and relevant financial institutions. (FDM 7.A)</p>

## Career Focus Proficiency:

Students analyze various careers and explain the relationship between educational training and income potential.

CATEGORY WITHIN FINANCIAL LITERACY	BY THE END OF KINDERGARTEN	BY THE END OF GRADE 4	BY THE END OF GRADE 8	BY THE END OF GRADE 12
<p><b>Career Focus:</b></p> <ul style="list-style-type: none"> <li>• Employment and Income</li> </ul> <p><b>Spotlight on Equity:</b></p> <ul style="list-style-type: none"> <li>• Educational Inequality</li> <li>• Job Discrimination</li> <li>• Racial Income Gap</li> <li>• Socioeconomic Status</li> <li>• Title IX</li> <li>• Wage Gaps</li> </ul>	<ol style="list-style-type: none"> <li>1. Discuss tasks that an adult family member or friend does on the job. (EI 1.A)</li> <li>2. Discuss special household tasks that might be suitable opportunities to earn money. (EI 2.A)</li> </ol>	<ol style="list-style-type: none"> <li>1. Give an example of how an individual’s interests, knowledge and abilities can affect job and career choice. (EI 1.C)</li> <li>2. Give examples of careers related to a personal interest and research a particular career of interest. (EI 1.D-E)</li> <li>3. Identify jobs children can do to earn money. (EI 2.A)</li> <li>4. Explain the difference between a wage and salary and give examples of sources of income other than a wage or salary. (EI 2.B-C)</li> </ol>	<ol style="list-style-type: none"> <li>1. Identify potential career options based on personal skills and interests then compare the education and training requirements, the cost of those requirements, income potential, and primary duties of those options. (EI 1.A-D)</li> <li>2. Explain the difference between earned and unearned income and how local government services assist people, such as those who are unemployed, elderly, disabled or low-income. (EI 2.A, C)</li> <li>3. Identify common types of payroll deductions and calculate how payroll deductions affect take home pay. e. Summarize Social Security, Medicare and Affordable Care Act benefits. (EI 3.C-D)</li> </ol>	<ol style="list-style-type: none"> <li>1. Analyze how economic and other conditions can affect income and career opportunities and the need for lifelong training and education. (EI 1.A)</li> <li>2. Outline a career plan that aligns with personal interests, financial goals and desired lifestyle. (EI 1.C)</li> <li>3. Analyze the monetary and non-monetary value of employee benefits in addition to wages and salaries. (EI 2.C)</li> <li>4. Calculate the future income needed to maintain a current standard of living. (EI 2.E)</li> </ol>

## Future Planning Proficiency:

Students identify investment and cost-effective risk management strategies that would help them reach their personal financial goals.

CATEGORY WITHIN FINANCIAL LITERACY	BY THE END OF KINDERGARTEN	BY THE END OF GRADE 4	BY THE END OF GRADE 8	BY THE END OF GRADE 12
<p><b>Future Planning</b></p> <ul style="list-style-type: none"> <li>Investing</li> <li>Risk Management and Insurance</li> </ul> <p><b>Spotlight on Equity:</b></p> <ul style="list-style-type: none"> <li>Historic Policies</li> <li>Racial and Ethnic Disparities in:               <ul style="list-style-type: none"> <li>Health Insurance and Health Care</li> <li>Inheritance/ Intergenerational Transfer</li> <li>Investment</li> <li>Retirement Security</li> <li>Wealth Accumulation</li> </ul> </li> </ul>	<ol style="list-style-type: none"> <li>Devise a system to keep track of personal items and small amounts of money at home. (RMI 1.A)</li> <li>Establish safe ways to carry small amounts of money and personal items. (RMI 1.B)</li> <li>Given an age-appropriate activity such as riding a bicycle, recommend ways to reduce and avoid potential risks. (RMI 1.C)</li> <li>Describe how valuable items might be damaged or lost and ways to protect them. (RMI 2.B)</li> </ol>	<ol style="list-style-type: none"> <li>Describe reasons for investing. (IN 1.A)</li> <li>Compare the main features and rates of return on basic deposit accounts and investigate requirements for purchasing a certificate of deposit at local financial institutions. (IN 2.B, IN 3.A)</li> <li>Give examples of risks that individuals and households face. (RMI 1.A)</li> <li>Estimate the losses and costs associated with certain physical and financial risks. (RMI 1.B)</li> <li>Justify reasons for keeping money in a depository institution. (RMI 1.C)</li> </ol>	<ol style="list-style-type: none"> <li>Devise an investment plan for accumulating money for a major expense such as a college education or the down payment on a car. (IN 1.B)</li> <li>Define the time value of money and explain how money invested regularly over time may grow exponentially. (IN 1.D)</li> <li>Give examples of investments for current income and investments for future growth and discuss the potential benefits of a long-term investing strategy. (IN 2.B, E)</li> <li>Discuss reasons why some investors sell stocks when the stock market is falling (panic selling) and buy when prices are rising (exuberant buying). (IN 3.E)</li> <li>Give examples of how people manage the risk of financial loss through insurance and predict the consequences of accepting risk with insufficient or no insurance. (RMI 1.A-B)</li> </ol>	<ol style="list-style-type: none"> <li>Describe the importance of various sources of income in retirement, including Social Security, employer-sponsored retirement savings plans and personal investments. (IN 1.B)</li> <li>Illustrate how the concept of the time value of money applies to retirement planning and compare the consequences of delaying investment for retirement and benefits of investing early. (IN 1.D-E)</li> <li>Identify types of investments appropriate for different objectives such as liquidity, income and growth to meet the objectives of a personal financial plan. (IN 2.B, 3.C)</li> <li>Give examples of how economic conditions and business factors affect the market value of a stock. (IN 3.A)</li> <li>Investigate various types of insurance (renter's, homeowner's, auto, health, life, disability, long-term care) and analyze the cost and benefits for having/not having each type of insurance. (RMI 1.A, C; 2.A, C, E-F; 3.A, D-E)</li> </ol>

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