A Correlation: JA Personal Finance and 2021 National Standards for Personal Financial Education

Standards and Learning Outcomes for Grades 9-12	Session One Earning, Employment and Income	Session Two: Budgeting	Session Three: Savings	Session Four: Credit and Debt	Session Five: Consumer Protection	Session Six: Smart Shopping	Session Seven: Risk Management	Session Eight: Investing	Session Nine: (Optional) Credit Cards	Session Ten; (Optional) Debt Management	Session Eleven;(Optional) Net Worth
I. EARNING INCOME											
Earning Income 12-1 Compensation for a job or career can be in the form of wages, salaries, commissions, tips, or bonuses, and may also include contributions to employee benefits, such as health insurance, retirement savings plans, and education reimbursement programs.		●									●
12-1a. Research potential income and employee benefit packages that are likely to be offered to new employees by various companies, government agencies, or not-for-profit organizations.											
12-1b. Explain why people should evaluate employee benefits in addition to wages and salaries when choosing between job and career opportunities.											
12-1c. Differentiate between contributory and non-contributory employee benefits.											
12-1d. Examine the benefits of participating in employer sponsored retirement savings plans and healthcare savings plans.											
Earning Income 12-2 In addition to wages and paid benefits, employees may also value intangible (noncash) benefits, such as good working conditions, flexible work hours, telecommuting privileges, and career advancement potential.	●										
12-2a. Give examples of intangible job benefits.	●										
12-2b. Describe how intangible benefits can affect a worker's career choices and income.	●										
12-2c. Evaluate the tradeoffs between income and non-income factors when making career or job choices.	●										
Earning Income 12-3 People vary in their opportunity and willingness to incur the present costs of additional training and education in exchange for future benefits such as earning potential.											
12-3a. Evaluate the costs and benefits of investing in additional education or training.											
12-3b. Explain how differences in people's life circumstances can affect their opportunity and willingness to further their education or training.											
12-3c. Compare earnings and unemployment rates by level of education and training.											

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Earning Income 12-4 Employers generally pay higher wages or salaries to more educated, skilled, and productive workers than to less educated, skilled, and productive workers	●										
12-4a. Identify different types of jobs and careers where wages and salaries depend on a worker's productivity											
12-4b. Explain why wages or salaries vary among employees in different types of jobs and among workers in the same jobs.	●										
12-4c. Discuss possible explanations for the persistence of race and gender pay gaps.											
Earning Income 12-5 Changes in economic conditions, technology, or the labor market can cause changes in income, career opportunities, or employment status			●								
12-5a. Discuss how economic and labor market conditions can affect income, career opportunities, and employment status.											
12-5b. Evaluate the impact of technological advances on employment and income.	●										
12-5c. Discuss the effects of an economic downturn on employment opportunities for people with different characteristics, such as education, experience, employment type, ethnicity, and gender.											
Earning Income 12-6 Federal, state, and local taxes fund government-provided goods, services, and transfer payments to individuals.											
12-6a. Calculate the amount of taxes a person is likely to pay when given information or data about the person's sources of income and amount of spending.											
12-6b. Identify which level(s) of government typically receive(s) the tax revenue for income taxes, payroll taxes, property taxes, and sales taxes.											
12-6c. Describe the benefits they receive, or may receive in the future, from government-collected tax revenue.											
Earning Income 12-7 The type and amount of taxes people pay depend on their sources of income, amount of income, and amount and type of spending.											
12-7a. Investigate the federal and state tax rates applicable to different sources of income.											
12-7b. Compare sales tax rates paid on different types of goods in their state and for online purchases.											
12-7c. Differentiate between gross, net, and taxable income.											
12-7d. 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.											

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Earning Income 12-8 Interest, dividends, and capital appreciation (gains) are examples of unearned income derived from financial investments. Capital gains are subject to different tax rates than earned income.											●
12-8a. Explain the difference between earned and unearned income.											
12-8b. Compare the tax rates assessed on earned income, interest income, and capital gains income.											
Earning Income 12-9 Tax deductions and credits reduce income tax liability**.**											
12-9a. Complete IRS Form W-4.											
12-9b. Explain the difference between a tax credit and a tax deduction.											
12-9c. Identify several examples of tax credits, determining whether they are refundable or non-refundable, and the groups of people who benefit most from each type.											
E**arning Income 12-10** Retirement income typically comes from some combination of continued employment earnings, Social Security, employer sponsored retirement plans, and personal investments.											
12-10a. Identify different potential sources of retirement income.											
12-10b. Describe the importance of having multiple sources of income in retirement, such as Social Security, employer-sponsored retirement plans, and personal investments.											
12-10c. Explain the importance of participating in employer-sponsored retirement plans, when available, and contributing enough to qualify for the maximum employer match.											
12-10d. Report the average benefit paid to a retiree living on Social Security today.											
E**arning Income 12-11** Owning a small business can be a person's primary career or can supplement income from other sources.											●
12-11a. Evaluate the benefits and costs of gig employment, such as driving for a cab or delivery service.											●
12-11b. Discuss the pros and cons of small business ownership as their primary source of income.											

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II. Spending											
Spending 12-1 A budget helps people achieve their financial goals by allocating income to necessary and desired spending, saving, and philanthropy.		●	●								
12-1a. Identify their short-term and long-term financial goals.		●	●								●
12-1b. Develop a budget to allocate current income to necessary and desired spending, including estimates for both fixed and variable expenses.		●	●								
12-1c. Explain methods for adjusting a budget for unexpected expenses or emergencies.		●	●								
12-1d. Evaluate the advantages of using budgeting tools, such as spreadsheets or apps.		●									
Spending 12- 2 Consumer decisions are influenced by the price of products or services, the price of alternatives, the consumer's budget and preferences, and potential impact on the environment, society, and economy.		●	●			●					
12-2a. Select a product or service and describe the various factors that may influence a consumer's purchase decision.			●			●					
12-2b. Describe a process for making an informed consumer decision.			●			●					
12-2c. List the positive and negative effects of a recent consumer decision on the environment, society, and the economy.											
Spending 12-5 Consumers incur costs and realize benefits when searching for information related to the purchase of goods and services.						●					
12-5a. Explain how pre-purchase research encourages consumers to avoid impulse buying.						●					
12-5b. Brainstorm consumer research strategies and resources to use when making purchase decisions.			●			●					
12-5c. Analyze social media marketing and advertising techniques designed to encourage spending.											
Spending 12-6 Housing decisions depend on individual preferences, circumstances, and costs, and can impact personal satisfaction and financial well-being.						●					
12-6a. Identify financial and personal reasons that younger adults often choose to rent a home instead of buying.						●					

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12-6b. Compare the short-term and long-term costs and benefits of renting versus buying a home in their city of residence.											
12-6c. Define key rental contract terminology, including lease term, security deposit, grace period, and eviction.											
Spending 12-7 People donate money, items, or time to charitable and nonprofit organizations because they value the services provided by the organization and/or gain satisfaction from giving.											
12-7a. Discuss the motivations for and benefits of donating money, items, or time.											
12-7b. Develop a list of charitable organizations and provide a possible reason that a donor might want to give money to each organization.											
12-7c. Identify specific steps one should take when researching charitable and other not-for-profit organizations.											
Spending 12-8 Federal and state laws, regulations, and consumer protection agencies can help individuals avoid unsafe products, unfair practices, and marketplace fraud.					●						
12-8a. Describe the roles and responsibilities of government agencies that help protect consumers from fraud.					●						
12-8b. Identify state and federal consumer protection laws based on the issues they address and the safeguards they provide.											
12-8c. Investigate common types of consumer fraud and unfair or deceptive business practices, including online scams, phone solicitations, and redlining.											
12-8d. Make recommendations of help for consumers who have experienced fraud.											
Spending 12-9 Having an organized system for keeping track of spending, saving, and investing makes it easier to make financial decisions.		●									
12-9a. Explain how having a system for financial record-keeping can make it easier to make financial decisions.		●									
12-9b. Develop a system for keeping track of spending, saving, and investing.		●									
12-9c. Research financial technology options for financial record-keeping.											

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III. Saving											
Saving 12-1 Financial institutions offer several types of savings accounts, including regular savings, money market accounts, and certificates of deposit (CDs), that differ in minimum deposits, rates, and deposit insurance coverage.								●			
12-1a. Compare the features of regular savings accounts, money market accounts, and CDs.								●			
12-1b. Explain why CDs typically pay higher interest rates than regular savings accounts or interest-bearing checking accounts.											
Saving 12-2 Deposit account interest rates and fees vary between financial institutions and depend on market conditions and competition.											
12-2a. Select a preferred location for a savings account based on comparison of interest rates and fees at different types of financial institutions.											
12.2b. Explain why an increase in the number of people who want to borrow money might result in banks paying higher rates on deposits.											
12-2c. Discuss types of market conditions that could result in financial institutions paying lower rates on savings accounts.											
Saving 12-3 Unless offered by insured financial institutions, mobile payment accounts and cryptocurrency accounts are not federally insured and usually do not pay interest to depositors.											
12-3.a Research mobile payment account alternatives.											
12-3b. Compare and contrast the features of mobile payment accounts, cryptocurrency accounts, and checking/savings accounts.											
12-3c. Explain why storing money in a mobile payment account can reduce the ability to grow savings.											
Saving 12-4 Inflation can erode the value of savings if the interest rate earned on a savings account is less than the inflation rate.								●			
12-4a. Explain why savers typically earn a higher nominal rate of interest when inflation is high.											
12-4b. Illustrate how inflation can reduce the purchasing power of savings over time if the nominal interest rate is lower than the inflation rate.											
12-4c. Investigate how federal I bonds provide inflation protection for savers.											

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Saving 12-5 Government agencies such as the Federal Reserve, the FDIC, and the NCUA, along with their counterparts in state government, supervise and regulate financial institutions to improve financial solvency, legal compliance, and consumer protection.											
12-5a. Investigate the areas of financial institution operations that are subject to state and/or federal regulation and supervision.											
12-5b. Identify the state agency responsible for regulating financial institutions where they live.											
12-5c. Explain the importance of solvency regulation for financial institutions.											
Saving 12-6 Tax policies that allow people to save pretax earnings or to reduce or defer taxes on interest earned provide incentives for people to save.											
12-6a. Explain how traditional IRAs (individual retirement accounts), Roth IRAs, and education savings accounts provide incentives for people to save.											
12-6b. Compare the tax advantages of traditional and Roth IRAs.											
12-6c. Compare the tax advantages of different types of education savings accounts.											
Saving 12-7 Employer defined contribution retirement plans and health savings accounts can provide incentives for employees to save.											
12-7a. Explain how an employer match of employee contributions to its retirement plan provides an incentive for employees to save.											
12-7b. Compare the impact of employee “opt in” versus “opt out” of employer retirement plans and explain why it makes a difference.											
12-7c. Describe the pros and cons of saving through an employer retirement plan as compared to saving outside of an employer plan.											
12-7d. Explain the benefits of saving money in a health savings account for individuals with high-deductible health plans.											
Saving 12-8 People can reduce the potential for future financial strife with a partner or spouse by sharing personal financial information, goals, and values prior to combining finances.		●	●	●	●	●			●	●	●
12-8a. Assess the value of sharing financial goals and personal financial information with a partner before combining finances.		●	●	●	●	●				●	●
12-8b. Discuss how personal financial decisions can affect other people.	●	●	●	●	●	●				●	●

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Saving 12-9 There are many strategies that can help people manage psychological, emotional, and external obstacles to saving			●								
12-9a. Explain how external influences (e.g. peers, family, or social media) can impact personal savings decisions.			●			●					
12-9b. Identify strategies to manage psychological and emotional obstacles to saving.			●								
12-9c. Discuss strategies for avoiding personal triggers that result in deviating from a savings plan.											
12-9d. Explain how the saving strategy “pay yourself first” can help people achieve their saving goals.			●								●
IV. Investing											
Investing 12-1 A person’s investment risk tolerance depends on factors such as personality, financial resources, investment experiences, and life circumstances.								●			
12-1a. Give examples of factors that can influence a person’s risk tolerance.								●			
12-1b. Discuss how a person’s risk tolerance influences their investment decisions.								●			
12-1c. Assess their personal risk tolerance using an online tool or worksheet.								●			
Investing 12-2 Investors earn investment returns from price changes and annual cash flows. The nominal annual rate of return is the annual total dollar benefit as a percentage of the beginning price.								●			
12-2a. Describe the different types of annual cash flows that can be received by investors.											●
12-2b. Compare nominal annual rates of return over time on different types of investments, including cash flows and price changes.								●			
12-2c. Explain why assets that do not produce income or are exposed to large price fluctuation are described as speculative investments.											
Investing 12-3 Investors expect to earn higher rates of return when they invest in riskier assets.								●			
12-3a. Discuss the advantages and disadvantages of investing in riskier assets.								●			
12-3b. Investigate the long-run average rates of returns on small-company stocks, large-company stocks, corporate bonds, and Treasury bonds.											

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12-3c. 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.								●			
12-3d. Explain why bonds with longer maturities generally earn a higher return than shorter-term bonds.								●			
Investing 12-4 Because inflation reduces purchasing power over time, the real return on a financial asset is lower than its nominal return.											
12-4a. Describe the impact of inflation on prices over time.											
12-4b. Explain the relationship between nominal and real returns.											
12-4c. Find the current rate paid on CDs at a bank and calculate the expected real rate after inflation.											
Investing 12-5 The prices of financial assets change in response to market conditions, interest rates, company performance, new information, and investor demand.								●			●
12-5a. Describe factors that influence the prices of financial assets.								●			●
12-5b. Predict what could happen to the price of a stock if new information is reported about the company or its products.											
12-5c. Discuss how economic downturns that result in high unemployment can affect the prices of financial assets.											
12-5d. Explain why the market price of some assets, such as bonds and real estate, increase when interest rates decrease.											
Investing 12-6 When making diversification and asset allocation decisions, investors consider their risk tolerance, goals, and investing time horizon.								●			
12-6a. Recommend portfolio allocation between major asset classes for a short-term goal versus a long-term goal.								●			
12-6b. Discuss the pros and cons of investing in a diversified mutual fund versus investing in a small number of individual stocks.								●			
12-6c. Suggest an appropriate asset allocation for a very risk averse person versus a very risk tolerant person.								●			
12-6d. Explain how target date retirement funds reallocate investments over time to meet their investment objective.											

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Investing 12-7 Expenses of buying, selling, and holding financial assets decrease the rate of return from an investment.								●			
12-7a. Discuss how the expenses associated with buying and selling investments can impact rates of return and investment outcomes.											
12-7b. Compare the expense ratios for several mutual funds.											
12-7c. Explain why an actively managed mutual fund usually has a higher expense ratio than an index fund.											
Investing 12-8 Tax rules affect the rate of return on different investments, and can vary by holding period, type of income, and type of account.											
12-8a. Compare tax rates paid on interest income versus short-term and long-term capital gains.											
12-8b. Describe the advantages of investing through a tax deferred account such as an IRA or 401(k) versus a taxable account.											
12-8c. Investigate the contribution limits and tax advantages of a traditional IRA versus a Roth IRA.											
Investing 12-9 Common behavioral biases can result in investors making decisions that adversely affect their investment outcomes.											
12-9a. Identify several behavioral biases that can result in poor investment decisions (e.g. loss aversion, investing in employer stock, home bias, mental accounting).											
12-9b. Brainstorm methods for avoiding negative consequences from behavioral biases.											
Investing 12-10 Financial technology can counterbalance negative behavioral factors when making investment decisions.											
12-10a. Explore common financial technologies used for investing, including automated trading platforms.											
12-10b. Explain how automating investment activities can help people avoid making emotional investment decisions.											
Investing 12-11 Many investors buy and sell financial assets through discount brokerage firms that provide inexpensive investment services and advice using financial technology.											
12-11a. Discuss how the development of financial technology has made it easier for people of all income and education levels to participate in financial markets.											

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12-11b. Choose a discount broker and research the minimum starting account balance, minimum monthly investment, and trading costs.											
12-11c. Identify the advantages and disadvantages of robo-advising and other investment-related financial technologies.											
Investing 12-12 Federal regulation of financial markets is designed to ensure that investors have access to accurate information about potential investments and are protected from fraud.											
12-12a. Explain the role of federal regulators in financial markets.											
12-12b. Discuss why insider trading is illegal and harmful to investment markets.											
12-12c. Explain the importance of having access to full and accurate information about potential investments.											
Investing 12-13 Investors often compare the performance of their investments against a benchmark, such as a diversified stock or bond index.											
12-13a. Explain why investors often compare portfolio performance to a benchmark such as the S&P 500 Index.											
12-13b. Research the composition of the most popular benchmark indices and compare their recent performance.											
12-13c. Discuss the advantages of investing in an exchange-traded fund (ETF) that tracks a market index rather than investing in actively managed mutual funds or individual stocks and bonds.											
Investing 12-14 Criteria for selecting financial professionals for investment advice include licensing, certifications, education, experience, and cost.											●
12-14a. Discuss reasons that a person might want to hire a financial professional to manage their investments or provide investment advice.											●
12-14b. Explain the importance of licensing, certifications, education, and experience as criteria for selecting a financial professional for investment management or advice.											
12-14c. Investigate where and how to find qualified financial professionals.											

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V. MANAGING CREDIT											
Credit 12-1 Borrowers can compare the cost of credit using the Annual Percentage Rate (APR) and other terms in the loan or credit card contract.									●		
12-1a. Describe how credit card grace periods, methods of interest calculation, and fees affect borrowing costs.									●		
12-1b. Compare the cost of borrowing $1,000 using consumer credit options that differ in rates and fees.											
Credit 12-2 Loans that are secured by collateral have lower interest rates than unsecured loans because they are less risky to lenders.										●	
12-2a. Give examples of unsecured and secured loans.										●	
12-2b. Explain why lenders charge lower interest rates on secured loans than on unsecured loans.										●	
12-2c. 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.										●	
Credit 12-3 Monthly mortgage payments vary depending on the amount borrowed, the repayment period, and the interest rate, which can be fixed or adjustable.											
12-3a. Identify the type of collateral required for a mortgage loan.											
12-3b. Differentiate between adjustable-rate and fixed-rate mortgages.											
12-3c. Compare monthly mortgage payments for loans that differ in repayment period, amount borrowed, and interest rate.											
Credit 12-4 Post-secondary education is often financed by students and families/caregivers through a combination of scholarships, grants, student loans, work-study, and savings.										●	
12-4a. Describe the different sources of funding for postsecondary education.											
12-4b. Explain the role the FAFSA plays in applying for college financial aid.											
12-4c. Identify scholarships and grants for which they are eligible.											
12-4d. 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.											

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Credit 12-5 Federal student loans have lower rates and more favorable repayment terms than private student loans and may be subsidized.				●							
12-5a. Compare federal and private student loans based on interest rates, repayment rules, and other characteristics.											
12-5b. Describe the process of applying for a student loan.											
12-5c. Estimate total interest on various student loans based on interest rates and repayment plans of student loans.											
12-5d. Predict the potential consequences of deferred payment.											
Credit 12-6 Down payments reduce the amount needed to borrow.											
12-6a. Identify examples of loans that may require down payments.											
12-6b. Given the price of a home, estimate the amount of down payment required.											
12-6c. For a specified loan amount, compare the monthly loan payment with a 10% down payment versus a 20% down payment.											
12-6d. Explain how a down payment makes a borrower more attractive to a lender and motivates loan repayment by the borrower.											
Credit 12-7 Lenders assess creditworthiness of potential borrowers by consulting credit reports compiled by credit bureaus.				●	●				●		
12-7a. Identify the primary organizations that maintain and provide consumer credit reports.					●				●		
12-7b. Assess the value to a potential lender of the information contained in a credit report.				●							
12-7c. Explain how a person can get a free copy of their credit report and why this is advisable.					●				●		
12-7d. Outline the process of disputing inaccurate credit report information.					●						
Credit 12-8 A credit score is a numeric rating that assesses a person's credit risk based on information in their credit report.				●					●		
12-8a. Identify the main factors that are included in credit score calculations.				●							
12-8b. Explain how a borrower's credit score can impact their cost of credit and their ability to get credit.				●							
12-8c. Recommend ways that a person can increase their credit score.					●						

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Credit 12-9 Credit reports and credit scores may be requested and used by entities other than lenders.				●							
12-9a. Explain how landlords, potential employers, and insurance companies use credit reports and credit scores in decision-making.				●							
12-9b. Provide examples of benefits associated with having a good credit score.				●							
12-9c. Compare the effect of soft versus hard credit inquiries on a person's credit score.											
Credit 12-10 Borrowers who face negative consequences because they are unable to repay their debts may be able to seek debt management assistance.									●	●	
12-10a. Describe how failing to repay a loan can negatively impact a person's finances and life.									●	●	
12-10b. Identify sources of assistance with debt management.										●	
12-10c. Create a plan for a person who is having difficulty repaying debt.											
12-10d. Compare the costs and benefits associated with for-profit versus non-profit credit counseling services.										●	
Credit 12-11 In extreme cases, bankruptcy may be an option for people who are unable to repay their debts.										●	
12-11a. Describe the purpose of bankruptcy laws.										●	
12-11b. Investigate the effects of bankruptcy on assets, employment, and future access to credit.										●	
12-11c. Compare the results of liquidation versus reorganization bankruptcy.										●	
Credit 12-12 Consumer credit protection laws govern disclosure of credit terms, discrimination in borrowing, and debt collection practices.					●				●		
12-12a. Explain the rationale behind laws that require people to have access to full information about credit cards and loans before they borrow money.									●		
12-12b. Discuss the importance of protecting borrowers from discrimination and abusive marketing or collection practices.											
12-12c. Research where to find credible sources of up-to-date information on credit rights and responsibilities.										●	

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Credit 12-13 Alternative financial services, such as payday loans, check-cashing services, pawnshops, and instant tax refunds, provide easy access to credit, often at relatively high cost.				●							
12-13a. Identify products and practices that are classified as alternative financial services.				●							
12-13b. Discuss the costs and benefits of using alternative financial services relative to traditional banking.				●							
12-13c. Explain how using payday loans can cause a cycle of debt.											
VI. MANAGING RISK											
Managing Risk 12-1 People vary with respect to their willingness to accept risk and in how much they are willing to pay for insurance that will allow them to minimize future financial loss.							●				
12-1a. Discuss whether a premium paid to insure against a crash that never happens is wasted.											
12-1b. Analyze the conditions under which it is appropriate for young adults to have life, health, and disability insurance.											
Managing Risk 12-2 The decision to buy insurance depends on perceived risk exposure, the price of insurance coverage, and individual characteristics.							●				
12-2a. Identify individual characteristics that influence insurance purchase decisions.											
12-2b. Recommend types of insurance needed by people with different characteristics.											
Managing Risk 12-3 Some types of insurance coverage are mandatory.											
12-3a. Explain why homeowners' insurance is required by a lender when a homeowner takes out a mortgage.											
12-3b. Discuss why most states mandate auto liability coverage.											
12-3c. 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.											

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Managing Risk 12-4 Insurance premiums are lower for people who take actions to reduce the likelihood and/or financial cost of losses and for those who buy policies with larger deductibles or co-payments.											
12-4a. Research factors that result in lower auto insurance premiums.											
12.4b. Explain why taking a safe driving course can lower a driver's auto insurance premium.											
12-4c. Discuss the pros and cons of buying an auto insurance policy with a higher deductible.											
Managing Risk 12-5 Health insurance provides coverage for medically necessary health care and may also cover some preventive care. It is sometimes offered as an employee benefit with the employer paying some or all of the premium cost.											
12-5a. Discuss the advantages of obtaining health insurance coverage through an employer plan versus buying private insurance or being uninsured.											
12-5b. Compare the cost of health insurance to the potential financial consequences of not having health insurance.											
12-5c. Estimate the effect on different health insurance deductibles and coinsurance rates on out-of-pocket medical costs.											
Managing Risk 12-6 Disability insurance replaces income lost when a person is unable to earn their regular income due to injury or illness.											
12-6a. Compare disability coverage offered by individual policies, employee benefit plans, Social Security, workers' compensation, and temporary disability programs (in some states).											
12-6b. Assess the extent of financial risk and need for disability insurance using hypothetical disability scenarios.											
Managing Risk 12-7 Auto, homeowner's and renter's insurance reimburse policyholders for financial losses to their covered property and the costs of legal liability for their damages to other people or property.							●				
12-7a. Explain the primary types of losses covered by auto, homeowner's, and renter's insurance policies.							●				
12-7b. Describe situations where someone may be liable for injuries or damages to another person or their property.											
12-7c. Identify factors that influence the cost of renter's insurance and homeowners' insurance.											

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Managing Risk 12-8 Life insurance provides funds for beneficiaries in the event of an insured person's death. Policy proceeds are intended to replace the insured's lost wages and/or to fund their dependents' future financial needs.											
12-8a. Explain how a person's death can result in financial losses to others.											
12-8b. Discuss the benefits and costs of purchasing life insurance on the primary earners in a household											
Managing Risk 12-9 Unemployment insurance, Medicaid, and Medicare are public insurance programs that protect individuals from economic hardship caused by certain risks.											
12-9a. Discuss how state unemployment programs can help reduce economic hardship caused by job losses during a recession or pandemic.											
12-9b. Compare the Medicare and Medicaid programs based on who they cover and how they are funded.											
Managing Risk 12-10 Insurance fraud is a crime that encompasses illegal actions by the buyer (e.g., falsified claims) or seller (e.g., representing non-existent companies) of an insurance contract.											
12-10a. Provide examples of insurance fraud.											
12-10b. Investigate the legal consequence for individuals who are convicted of insurance fraud.											
Managing Risk 12-11 Online transactions and failure to safeguard personal documents can make consumers vulnerable to privacy infringement, identity theft, and fraud.					●						
12-11a. 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.					●						
12-11b. Describe conditions under which individuals should and should not disclose their Social Security numbers, account numbers, or other sensitive information.					●						
12-11c. Recommend strategies to reduce the risk of identity theft and financial fraud.					●						
12-11d. Explain the steps an identity theft victim should take to limit losses and restore personal security.											

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Managing Risk 12-12 Extended warranties and service contracts are like an insurance policy.											
12-12a. 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.											
12-12b. Explain how extended warranties or service contracts are similar to and different from insurance.											