

FBLA PERSONAL FINANCE

Competency: Financial Principles Related to Personal Decision Making	
Tasks	
1.	Evaluate how decisions made at one stage of your life can affect your options at other stages.
2.	Find and evaluate financial information from a variety of sources.
3.	Identify major consumer protection laws.
4.	Make financial decisions by systematically considering alternatives and consequences.
5.	Develop communication strategies for discussing financial issues.
6.	Control and secure personal information.
7.	Describe how wise financial planning can help you achieve your goals.
8.	Predict the effects of financial planning on specific situations.
9.	Define money (characteristics, role, and forms) and trace how money and resources flow through the American economic system.
10.	Define basic economic concepts (such as supply and demand; production, distribution, and consumption; labor, wages, and capital; inflation and deflation).
Competency: Managing Budgets and Finance (Planning and Money Management)	
Tasks	
1.	Determine short- and long-term goals.
2.	Develop and implement a personal financial plan for earning, spending, saving, and investing.
3.	Develop a system for keeping and using financial records.
4.	Track income and spending to analyze and prepare a budget and make adjustments.
5.	Describe the effect of different payment methods—cash, credit, installment loans, mortgages, debit cards, checks or online deposits, transfers and payments on the budget and financial plan.
6.	Identify some of the serious problems that can arise when you don't plan your finances or implement your financial plan.
7.	Use financial management software to prepare a budget, track income and expenses, and project taxes.
Competency: Earning a Living (Income, Taxes)	
Tasks	
1.	Identify components and sources of personal income.
2.	Describe how the demand for certain skills helps determine the amount you will be paid.
3.	Identify the effects of employment on financial security.
4.	Relate employee benefits to disposable income.
5.	Compute gross earnings and describe factors affecting take-home pay.
6.	Calculate mandatory and voluntary deductions to get net pay.
7.	Compare various employee benefits and retirement programs.
8.	Identify various types of taxes that relate to income.
9.	Summarize guidelines for reporting taxes.
10.	Define exemptions, dependents, and taxable and nontaxable income.
11.	Prepare tax forms such as 1040EZ, 1040A using a aW2 form and a 1099 interest form, W-4, and I-9 forms
12.	Compute taxes using a tax table and other appropriate information.
13.	Describe the differences in various types of employment. (i.e., flextime, job sharing, telecommuting, full- and part-time, piece work)

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Competency: Buying Goods and Services	
Tasks	
1.	Compare and contrast the advantages and disadvantages of renting versus purchasing property such as a home, auto, and equipment.
2.	Calculate costs involved in purchasing and maintaining a vehicle and a home and the methods of figuring depreciation.
3.	Determine spending patterns based on a review of financial records.
4.	Evaluate information about products and services such as warranties, clearance items, and consumer reports.
5.	Compare the advantages and disadvantages of alternative payment types—credit, cash, loans, etc.
6.	Describe the rights and responsibilities of buyers and sellers under consumer protection laws.
Competency: Saving and Investing	
Tasks	
1.	Define investment terms including risk management, yields, and rate of return.
2.	Explain how investing and saving builds wealth and helps meet financial goals.
3.	Distinguish between short- and long-term savings goals.
4.	Determine saving options and the need for and the purpose of savings.
5.	Evaluate investment alternatives and sources of investment information and prepare a personal investment strategy.
6.	List types and methods of savings.
7.	Compare and choose among saving and investment options such as stocks, bonds, CDs, and 401K savings plans.
8.	Describe how to buy and sell investments.
9.	Track various stocks over a period of time.
10.	Compute the anticipated rate of return on specific investments and savings accounts using various factors such as simple or compound interest, dividends, fees, etc.
11.	Explain how taxes affect the rate of return on investments.
12.	Demonstrate how to evaluate advisors' credentials and how to select professional advisors and their services.
13.	Investigate how agencies that regulate financial markets protect investors.
Competency: Banking and Insurance	
Tasks	
1.	Identify common types of risks and basic risk management methods.
2.	Identify the purpose, importance, and major characteristics of property and liability insurance protection.
3.	Identify the purpose, importance, and major characteristics of health, disability and life insurance protection.
4.	Evaluate how insurance (e.g., auto, home, life, medical, and long-term health) and other risk management strategies protect against financial loss.
5.	Compute the costs and benefits of specific insurance plans.
6.	Predict how personal factors affect insurance needs and costs.
7.	Compare different types of banking options such as credit unions and other banks.
8.	Identify the types of banking services and their costs for meeting various needs.
9.	Write a check and prepare deposits and withdrawal slips.
10.	Maintain a check register including proper procedures for ATM and automatic payment withdrawals.
11.	Reconcile a bank statement.
12.	Explain the advantages and security issues with online banking and bill payment.

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Competency: Credit and Debt	
Tasks	
1.	Identify the costs, benefits, and sources of various types of credit.
2.	Give the advantages and disadvantages of using credit in specific situations.
3.	Explain the purpose of a credit record and identify borrowers' credit report rights.
4.	Develop and use personal debt-reduction strategies to manage and avoid or correct debt problems.
5.	Identify major consumer credit laws.
6.	Reconcile a credit card statement and analyze finance charges.
7.	Evaluate the terms and conditions of credit offers and make recommendations based on the analysis.
8.	Evaluate the concept of creditworthiness as it relates to credit records, credit ratings, credit reports, and credit laws.
9.	Describe the advantages and disadvantages of bankruptcy.
10.	Compare the terms and rates of mortgage agreements.
11.	Demonstrate awareness of consumer protection and information (identify theft, phishing, scams, etc.).
12.	Complete credit forms and loan applications.
13.	Compare the costs of a purchase if paid with cash, credit cards, charge accounts, and installment loans.
14.	Evaluate various personal and economic factors that influence the availability of credit.
15.	Describe the responsibilities of the consumer to the creditor in terms of handling credit as a responsible consumer.

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