



# National Standards in K-12 Personal Finance

To view or download the full document of national standards as a pdf, go to: <http://www.jumpstart.org/national-standards.html>.

The National Standards in K-12 Personal Finance Education, (*Third Edition, 2007*) created and maintained by the Jump\$tart Coalition® for Personal Financial Literacy, delineate the personal finance knowledge and skills that K-12 students should possess. The Jump\$tart Coalition intends the National Standards in K-12 Personal Finance Education to serve as a model.

The revised and updated National Standards in K–12 Personal Finance Education provide a program design and evaluation framework for school administrators, teachers, curriculum specialists, instructional materials developers, and educational policymakers. At each of the three benchmark grades—4th, 8th, and 12th—the expectations describe skills and knowledge each student should exhibit, not what should be taught in that grade. Individual students might have missed or not remember previous lessons. In those cases, teachers can refer to earlier expectations to identify areas of instruction on which to concentrate. Among the practical uses for the personal finance standards and expectations are to:

- **Suggest a range of content that students should know and be able to act on;**
- **Provide guidelines for evaluating published educational materials;**
- **Help to shape lesson plans, unit and course outlines, learning activities, textbooks, and other instructional materials; and**
- **Increase awareness of the need for personal finance in the nation’s schools.**

Personal finance describes the principles and methods that individuals use to acquire and manage income and assets. Financial literacy is the ability to use knowledge and skills to manage one’s financial resources effectively for lifetime financial security.

## Financial Responsibility and Decision Making

Overall Competency

*Apply reliable information and systematic decision making to personal financial decisions.*

Standard 1: Take responsibility for personal financial decisions.

Standard 2: Find and evaluate financial information from a variety of sources.

Standard 3: Summarize major consumer protection laws.

Standard 4: Make financial decisions by systematically considering alternatives and consequences.

Standard 5: Develop communication strategies for discussing financial issues.

Standard 6: Control personal information.

## Income and Careers

Overall Competency

*Use a career plan to develop personal income potential.*

Standard 1: Explore career options.

Standard 2: Identify sources of personal income.

Standard 3: Describe factors affecting take-home pay.



## Planning and Money Management

### Overall Competency

*Organize personal finances and use a budget to manage cash flow.*

Standard 1: Develop a plan for spending and saving.

Standard 2: Develop a system for keeping and using financial records.

Standard 3: Describe how to use different payment methods.

Standard 4: Apply consumer skills to purchase decisions.

Standard 5: Consider charitable giving.

Standard 6: Develop a personal financial plan.

Standard 7: Examine the purpose and importance of a will.

## Credit and Debt

### Overall Competency

*Maintain creditworthiness, borrow at favorable terms, and manage debt.*

Standard 1: Identify the costs and benefits of various types of credit.

Standard 2: Explain the purpose of a credit record and identify borrowers' credit report rights.

Standard 3: Describe ways to avoid or correct debt problems.

Standard 4: Summarize major consumer credit laws.

## Risk Management and Insurance

### Overall Competency

*Use appropriate and cost-effective risk management strategies.*

Standard 1: Identify common types of risks and basic risk management methods.

Standard 2: Explain the purpose and importance of property and liability insurance protection.

Standard 3: Explain the purpose and importance of health, disability, and life insurance protection.

## Saving and Investing

### Overall Competency

*Implement a diversified investment strategy that is compatible with personal goals.*

Standard 1: Discuss how saving contributes to financial well-being.

Standard 2: Explain how investing builds wealth and helps meet financial goals.

Standard 3: Evaluate investment alternatives.

Standard 4: Describe how to buy and sell investments.

Standard 5: Explain how taxes affect the rate of return on investments.

Standard 6: Investigate how agencies that regulate financial markets protect investors.