

The list of competencies below was identified by the WV NetWorth Task Force at its Sept. 2008 kick-off meeting. The competencies were sorted and grouped under national JumpStart Coalition categories.

Sorting Our List of Desired Competencies By the National Standards Categories from JumpStart

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.

What do you cost your parents? Each week, month and year-- exercise on what student's impact is on their parents; Effects of credit score on insurance; and, Sliding the plastic thing – making money tangible; Finishing obligations/commitments; Character education; and, NSF – non-sufficient funds

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

Choosing a bank/acct type/comparison shop –fees, etc.; Joint Accounts; Comparing which card to get – incentives vs. annual fees (points, cash back, miles – when is it worth it?); History of Money (Fed101.com); Auction; Money knowledge: coin recognition/worth/bartering/purchases; Advertisement (propaganda); and, Pros/cons of welfare

Standard 3: Summarize major consumer protection laws.

Account resolution, consumer rights; Predatory lending – check cashing, tax preparation anticipatory loans, etc.; and Rent to own scam

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

Choosing a bank/acct type/comparison shop –fees, etc.; Joint Accounts; Needs vs. wants (home and car vs phone and internet); take care of needs before wants; Car – there is more to cars than just the car; Home Ownership; Expectations (socioeconomic status – balancing school and society's expectations with home expectations;) Patience; Obligation/personal responsibility/consequences; Budget – weekly/monthly/every day; Places to go when you need help with finances; and, Rent to own scam

Standard 5: Develop communication strategies for discussing financial issues.

Places to go when you need help with finances;

Standard 6: Control personal information.

Identity theft; Security freeze; Privacy of accounts, keeping information secure, shredding; Emergency record keeping

Income and Careers

Overall Competency -- Use a career plan to develop personal income potential.

Standard 1: Explore career options

Realistic salary expectations (salary.com); Workplace benefits (paid vacation, etc.); Career (college vs. vocational/other); Career planning; costs, skills, and education goals; Scholarships, grants, loans, scams; Vocational interests/assessment; Internships; Appearance for interview/job

Standard 2: Identify sources of personal income.

Realistic salary expectations (salary.com); "Payday" – charges/fines/earnings/bonuses; Value of different money

Standard 3: Describe factors affecting take-home pay.

Payroll deductions/taxes – gross vs. net income (FICA, Medicare, retirement, insurance); Paycheck deductions; Workplace benefits (paid vacation, etc.); "Payday" – charges/fines/earnings/bonuses; Income tax – gross/net; and, Benefits

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.

Needs vs. wants (home and car vs. phone and internet); Value of expenditures; Four categories of allocations: spending, saving, investing, charity; Miscellaneous expenses: birthdays, holidays, fundraisers, school supplies, etc.; Prioritize; Patience; Delayed/deferred gratification; Allowance; Budgeting to find extra money; Hidden costs (car, credit cards, bank cards, pets, house, etc.); Goal setting; Bills, utility costs; and, Sales tax, property tax, food tax, etc.

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

How to balance a checkbook; Organizing records – what you should keep & retention schedule; NSF – non-sufficient funds; Overdraft fees; How to dispute an unauthorized debit from account; Record keeping

Standard 3: Describe how to use different payment methods

How to write a check; Managing an electronic checking account; How to use electronic banking; Credit vs. debit cards vs. ATM cards; Direct deposit, charges, debit/credit; Checking accounts: opening accounts/online banking/filling out forms correctly; Demand drafts – electronic banking; Advantages of types of payment mechanisms – debit, credit, cash, check – when to use

Standard 4: Apply consumer skills to purchase decisions

Four categories of allocations: spending, saving, investing, charity; Car – there is more to cars than just the car; What do you cost your parents? Each week, month and year. (Exercise on what student's impact is on their parents.); Auction; Basic budgeting; Connecting dots between job – payday – banking – purchases; Expenses – fixed and variable; Predatory lending – check cashing, tax preparation anticipatory loans, etc.; Things that are “too good to be true”; Shopping for insurance; Bills, utility costs; Emergency fund; Moving costs (hidden costs); and, Cell phone bills/hidden costs/contracts

Standard 5: Consider charitable giving

Charitable giving/donations;

Standard 6: Develop a personal financial plan.

Emergency expense (broken washing machine, broke an arm, medication, etc); Home Ownership; Child rearing; Buy house; Job loss; Saving for children (SMART529); Sandwich generation – taking care of parents and kids; Goals – setting and meeting; Expectations – developing own expectations for future; Life cycle changes; Emergency fund; Retirement; and, College finance (529 accounts, etc)

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

None listed

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.

Student loans – requirements, deferment adds interest to the principal of the loan; keeping your address current; Credit cards; Understanding impact of applying for multiple cards with free stuff – affects credit score; APR vs. interest rate; How interest is calculated; Comparing which card to get – incentives vs. annual fees (points, cash back, miles – when is it worth it?); Minimum balance paying off; Prudent uses – benefit (emergencies, not shopping); 3 types of credit: student loans, car loans, credit cards; Selecting credit cards; How to establish credit; Pre-approval; How to shop for loans; Debt to income ratio; and, Risk based pricing

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

Credit management – what is credit; what does a credit report look like; what is the impact of credit scores?; Credit score (FICO, Advantix); Annual creditreport.com; Order free credit report annually – where to get it; How to read a credit report – how to dispute; and, Credit card agreement

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

Credit fears; Good/bad credit – benefits and consequences; Opting out of credit cards; Predatory lending – check cashing, tax preparation anticipatory loans, etc.; How to say “no” to family lending, credit card; Co-sign loans; and, How to negotiate with creditors

Standard 4: Summarize major consumer credit laws.

Cosigning and contractual relationships (Judge Judy);

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.

Types and how to show for them; Effects of credit score on insurance; Insurance – preparation for a “rainy day”; Insurance – medical, etc.; and, GAP insurance

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

Auto (liability, comprehensive); Renters; Home owners; Deductibles;

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

Whole life insurance; Health (health savings accts); Disability; Life (term vs. whole); Workers’ compensation; Injury; Insurance – medical, etc.; Deductibles; Medical insurance (family, state, etc.)

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.

Savings Accounts; Investments/Risk Tolerance: Pensions, 401K, IRA, etc.; Concept of saving; Allowance; Sacrifice to meet needs/get wants; Investments;

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

Matching; Home Ownership; Time value of money; Investments; Amortization – time value of money; Savings/interest/bonds/stocks;

Standard 3: Evaluate investment alternatives.

Annuities; Financial institutions;

Standard 4: Describe how to buy and sell investments.

Savings/interest/bonds/stocks; Goal oriented savings/investing;

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

Tax benefits; Roth IRA/Traditional; Child Flexible Savings Accounts (pretax to pay health bills – limits); Time and value of money; Filling out tax returns; Tax deferred employment plans;

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

Pyramid of investment risks; Investments;