



## Accounting I

<b>Primary Career Cluster:</b>	Finance
<b>Consultant:</b>	Joy Smith, (615) 532-6248, <a href="mailto:Joy.Smith@tn.gov">Joy.Smith@tn.gov</a>
<b>Course Code(s):</b>	5910/ <del>3701</del>
<b>Prerequisite(s):</b>	<i>Introduction to Business &amp; Marketing</i>
<b>Credit:</b>	1
<b>Grade Level:</b>	10--11
<b>Graduation Requirements:</b>	This course satisfies one of three credits required for an elective focus when taken in conjunction with other Finance <del>and or</del> Business Management and Administration courses.
<b>Programs of Study and Sequence:</b>	This is the second course in the <i>Business Management, Accounting, and Banking and Finance</i> programs of study.
<b>Necessary Equipment:</b>	Computer laboratory
<b>Aligned Student Organization(s):</b>	DECA: <a href="http://www.decatn.org">http://www.decatn.org</a> ; FBLA: <a href="http://www.fblatn.org">http://www.fblatn.org</a> Sarah Williams, (615) 532-2829, <a href="mailto:Sarah.G.Williams@tn.gov">Sarah.G.Williams@tn.gov</a>
<b>Coordinating Work-Based Learning:</b>	If a teacher has completed work-based learning training, appropriate student placement can be offered. To learn more, please visit <a href="http://www.tn.gov/education/cte/work_based_learning.shtml">http://www.tn.gov/education/cte/work_based_learning.shtml</a> .
<b>Available Student Industry Certifications:</b>	TBD
<b>Dual Credit or Dual Enrollment Opportunities:</b>	There are currently dual credit opportunities available for this course at specific community colleges. Reach out to a local postsecondary institution(s) for more information.
<b>Teacher Endorsement(s):</b>	030, 054, 055, 201, 203, 204, 311, 430, 434, 435, 436, 474, 475, 476
<b>Required Teacher Certifications/Training:</b>	None
<b>Teacher Resources:</b>	<a href="http://www.tn.gov/education/cte/Finance.shtml">http://www.tn.gov/education/cte/Finance.shtml</a>

### Course Description

*Accounting I* is an essential course for students who wish to pursue careers in business and finance, or for those who wish to develop important skillsets related to financial literacy. Whether students aspire to be future business owners or work in finance with other companies, accounting skills are fundamental to success and applicable in many different fields. In this course, proficient Accounting students develop skills to analyze business transactions, journalize, post, and prepare worksheets and

financial statements, and apply financial analysis to business processes. Additionally, students receive exposure to the ethical considerations that accounting professionals must face and the standards of practice governing their work, such as the GAAP (generally accepted accounting procedures) standards. Upon completion of this course, proficient students will be prepared to apply their accounting skills in more advanced Business and Finance courses, and ultimately pursue postsecondary training. Standards in this course are aligned with Tennessee State Standards for English Language Arts and Literacy in Technical Subjects and Tennessee State Standards in Mathematics.\*

## Program of Study Application

This is the second course in the *Business Management, Accounting, and Banking and Finance* programs of study. For more information on the benefits and requirements of implementing these programs in full, please visit the Finance website at <http://www.tn.gov/education/cte/Finance.shtml>.

## Course Standards

### Exploration of Accounting Careers

- 1) Define the role of accounting in business, and compare and contrast the various functions and roles of accountants and bookkeepers. Explain the importance of accounting in both for-profit and non-profit businesses. (TN Reading 1, 4)
- 2) Drawing on research from sources such as the American Institute of Certified Public Accountants (AICPA) and the Bureau of Labor Statistics (BLS), identify the skills needed to succeed in accounting and finance-related fields. Using real-time labor market data, investigate opportunities for job growth in these fields. Take a career interest inventory to assess goals and aptitudes, and develop a career plan based on the results. (TN Reading 1, 4-7; TN Writing 4, 7, 9)
- 3) Research authentic vacancy announcements for accounting professionals on online job boards or the websites of major companies. Compare interests and skills from the career interest inventory with the requirements listed in job descriptions, such as education credentials and work experience. Based on the research, develop a profile of one such position, detailing what the typical work day, salary, and responsibilities of a chosen accounting professional look like in a given location and/or sector of the financial industry. (TN Reading 2, 6, 9; TN Writing 2, 9)

### Double-Entry Accounting Process

- 4) Define the double-entry accounting system. Examine the accounting equation and the rules of debit and credit. Categorize specific accounts (i.e., assets, liabilities, owner's equity, etc.) and analyze the impact of simple transactions on the accounting equation. (TN Reading 1, 4, 5)
- 5) Using the fundamental steps of transaction analysis, demonstrate a thorough understanding of the accounting cycle by performing the following:
  - a. Collect and analyze source documents, including invoices, receipts, memorandums, check stubs, and calculator tape
  - b. Analyze each transaction
  - c. Journalize each transaction and post to ledgers



- d. Prepare a trial balance and work sheet
- e. After journalizing, posting, and adjusting, prepare a post-closing trial balance-
- f. Prepare financial statements (i.e., balance sheet, cash flow statement, income statement, change in equity statement, etc.)

For example, review sample transactions presented either through source documents or in narrative form, then determine what accounts are affected and whether they increase or decrease as a result of the transaction. Classify the accounts as assets, liabilities, or owner's (shareholders) equity, and create journal entries. Students should use both manual and computer based methods to develop accounting solutions in this course. (TN Reading 1, 3, 5; TN Math N-Q)

### Analysis of Financial Data

- 6) Outline the major stages of the merchandising business cycle and review inventory control and payment terms (i.e., just-in-time [JIT] ~~(JIT)~~ inventory, cash, trade, quantity, ~~or~~ seasonal discounts, etc.). While examining the financial records of a business, determine the cost of merchandise inventory and cost of merchandise sold for a given range of products in a specified time period, analyzing the impact on business profitability. For example, perform simple "what if" analysis to determine the range of profitability, based on changing variables of the cost of merchandise sold and merchandise inventory in relationship to operating costs, such as salaries, equipment, supplies, and overhead. (TN Reading- 4, 8; TN Math N-Q, A-CED, S-ID)
- 7) Examine financial statements and analyze the effects of changing revenue and expenses on net income and assets. Identify trends within a company's financial information and compare and contrast present performance to past performance, as well as to industry competitors and overall averages. Evaluate the impact of basic changes in current assets, liabilities, revenues, and net income on liquidity and profitability. For example, an increase in the *cash in bank* account will drive an increase in the current and quick ratios (liquidity) of a company. Based on the analysis, develop business strategies to improve liquidity and profitability. (TN Reading 3, 7, 9; TN Writing 4, 9; TN Math N-Q, F-IF)

### Key Business Processes

- 8) Explore cash control systems, and evaluate the importance of these systems to the security and stability of a business. Outline and demonstrate the steps for maintaining a checking account, including properly writing checks, tracking the check book balance, and reconciling that balance with the bank statement. Practice journalizing NSF (Not Sufficient Funds) checks, bank fees, and business credit card fees. (TN Reading 3)
- 9) Compare and contrast different means of paying employees, evaluating which methods provide the best motivation to reach company goals. Establish a complete payroll system, including reviewing various means of tracking hours worked, completing a payroll register, preparing an employee earnings record, and cutting employee checks. Journalize and post for each account affected in the process. (TN Reading 8, 9; TN Writing 4; TN Math N-Q)
- 10) Use the federal tax tables published by the Internal Revenue Service (IRS) to calculate the correct tax withholding for each employee, justifying the selection. Journalize and post to reflect the payment of the ongoing payroll liabilities, including Federal Income Tax, Social Security and



Medicare taxes, Medical Insurance, and any other withholdings. (TN Reading 3, 4, 7; TN Math N-Q)

### Ethics and Effective Business Communication

- 11) Analyze the need for strong ethics in the field of accounting and for ongoing reputable business operations. Determine how GAAP (generally accepted accounting principles) rules serve the business world and create a standard for building and evaluating financial statements. Conduct research on various fraud cases and report on how they were discovered. Submit an analysis on which of the GAAP rules were violated and write persuasively to describe what could have been done to prevent these frauds. (TN Reading 2; TN Writing 1, 8)
- 12) Develop and refine clear verbal and written communication techniques in order to properly describe and explain accounting methods and procedures. Practice narrating such procedures to mock “peer clients” as would a financial service professional, translating technical concepts into everyday language a potential customer could understand. Through small group projects and presentations, gain an understanding of the importance of teamwork and leadership, and model proper interpersonal business behavior needed to establish rapport and trust with clients. (TN Reading 1, 5; TN Writing 2, 5, 7)

### Mock Accounting Review

- 13) As part of a collaborative or end-of-course project, conduct a mock accounting review to demonstrate workplace skills required in the profession. Interpret and analyze financial documents to derive accounting solutions. Prepare a glossary of key terms to help explain the recommendations and procedures, citing evidence from financial document analysis. Upon completion of the project, deliver a presentation or create a summary document demonstrating the ability to communicate the accounting process, explaining how procedures and principles were followed to achieve project goals. (TN Reading 3, 4, 5; TN Writing 2, 4, 6)

## Standards Alignment Notes

\*References to other standards include:

- TN Reading: [Tennessee Standards for English Language Arts & Literacy in History/Social Studies, Science, and Technical Subjects](#); Reading Standards for Literacy in Science and Technical Subjects 6-12; Grades 9-10 Students (page 62).
  - Note: While not directly aligned to one specific standard, students who are engaging in activities outlined above should be able to also demonstrate fluency in Standard 10 at the conclusion of the course.
- TN Writing: [Tennessee Standards for English Language Arts & Literacy in History/Social Studies, Science, and Technical Subjects](#); Writing Standards for Literacy in History/Social Studies, Science, and Technical Subjects 6-12; Grades 9-10 Students (pages 64-66).
  - Note: While not directly aligned to one specific standard, students who are engaging in activities outlined above should be able to also demonstrate fluency in Standards 3 and 10 at the conclusion of the course.
- TN Math: [Tennessee Standards for Mathematics](#); Math Standards for High School: Number and Quantity, Algebra, Functions, Statistics.



- Note: The standards in this course are not meant to teach mathematical concepts. However, the concepts referenced above may provide teachers with opportunities to collaborate on lesson planning. Students who are engaging in activities listed above should be able to demonstrate quantitative, algebraic, functional, and statistical reasoning as applied to specific technical concepts. In addition, students will have the opportunity to practice the habits of mind as described in the eight Standards for Mathematical Practice.
- P21: Partnership for 21<sup>st</sup> Century Skills [Framework for 21<sup>st</sup> Century Learning](#)
  - Note: While not all standards are specifically aligned, teachers will find the framework helpful for setting expectations for student behavior in their classroom and practicing specific career readiness skills.





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## Accounting II

<b>Primary Career Cluster:</b>	Finance
<b>Consultant:</b>	Joy Smith, (615) 532-6248, <a href="mailto:Joy.Smith@tn.gov">Joy.Smith@tn.gov</a>
<b>Course Code(s):</b>	5911/ <del>3702</del>
<b>Prerequisite(s):</b>	<i>Accounting I</i>
<b>Credit:</b>	1
<b>Grade Level:</b>	11-12
<b>Graduation Requirements:</b>	This course satisfies one of three credits required for an elective focus when taken in conjunction with other Finance.
<b>Programs of Study and Sequence:</b>	This is the third course in the <i>Accounting</i> program of study.
<b>Necessary Equipment:</b>	Computer laboratory
<b>Aligned Student Organization(s):</b>	DECA: <a href="http://www.decatn.org">http://www.decatn.org</a> ; FBLA: <a href="http://www.fblatn.org">http://www.fblatn.org</a> Sarah Williams, (615) 532-2829, <a href="mailto:Sarah.G.Williams@tn.gov">Sarah.G.Williams@tn.gov</a>
<b>Coordinating Work-Based Learning:</b>	If a teacher has completed work-based learning training, appropriate student placement can be offered. To learn more, please visit <a href="http://www.tn.gov/education/cte/work_based_learning.shtml">http://www.tn.gov/education/cte/work_based_learning.shtml</a> .
<b>Available Student Industry Certifications:</b>	TBD
<b>Dual Credit or Dual Enrollment Opportunities:</b>	<del>There are currently dual credit opportunities available for this course at specific community colleges. Reach out to a local postsecondary institution(s) for more information. There are no known dual credit/dual enrollment opportunities at this time. If interested in developing, reach out to a local postsecondary institution(s) for more information.</del>
<b>Teacher Endorsement(s):</b>	030, 054, 055, 201, 203, 204, 311, 430, 434, 435, 436, 474, 475, 476
<b>Required Teacher Certifications/Training:</b>	None
<b>Teacher Resources:</b>	<a href="http://www.tn.gov/education/cte/Finance.shtml">http://www.tn.gov/education/cte/Finance.shtml</a>

### Course Description

*Accounting II* is an advanced study of concepts, principles, and techniques used by businesses to maintain electronic and manual financial records. This course expands on content explored in *Accounting I* to cover the accounting processes of a variety of different firms, including merchandising,

manufacturing, and service-oriented businesses. Proficient students will gain in-depth knowledge of business accounting procedures and their applications to business operations. Upon completion of this course, students will be prepared for postsecondary study and advanced training in accounting or business. Additionally, completion of this course can lead to a work-based learning (WBL) experience as the program of study capstone. Standards in this course are aligned with Tennessee State Standards for English Language Arts and Literacy in Technical Subjects and Tennessee State Standards in Mathematics.\*

## Program of Study Application

This is the third course in the *Accounting* program of study. For more information on the benefits and requirements of implementing this program in full, please visit the Finance website at <http://www.tn.gov/education/cte/Finance.shtml>.

## Course Standards

### Accounting Processes and Operations

- 1) Demonstrate a thorough understanding of the accounting cycles of merchandising, manufacturing, and service businesses while performing actions necessary to plan, control, and evaluate business operations. Differentiate between inventory for both merchandising and manufacturing businesses and explain how the different types of businesses apply appropriate valuation methods when preparing financial statements. (TN Reading 2, 3)

### Collection and Recording

- 2) Collect source documents used to track transactions in accounting processes. ~~Source documents include, such as~~ invoices, receipts, memorandums, check stubs, deposit slips, and electronic records. Describe the process used by a merchandising business to prepare, review, and analyze source documents as part of the accounting cycle, citing evidence from sample documents. (TN Reading 1, 4; TN Writing 4, 9; TN Math N-Q)
- 3) Maintain accurate and balanced records for all accounts analyzed throughout the duration of the course. Analyze source documents of increasing complexity within a variety of merchandising, manufacturing, and service operations. For a given transaction, determine debits and credits; journalize transactions in the general journal or special journals; post to the general ledger and subsidiary ledger accounts; and determine the ending balances of each account. (TN Reading 1, 9; TN Math N-Q)

### Finalization and Analysis of Data

- 4) Gather sample accounting worksheets from public records, textbooks, or other company templates to determine how merchandising businesses prepare financial records. Drawing on this information, prepare an original 10 column worksheet. Define and provide examples of key categories and terms, including accounts receivable, accounts payable, and various tax accounts. (TN Reading 2, 3, 4; TN Math N-Q)
- 5) Demonstrate accurate analysis of financial data by performing the following processes:



- a. Record and post adjusting entries to affected supplies, inventory, notes receivable, insurance, accounts payable, and tax accounts.
- b. Prepare and analyze financial statements.
- c. Record closing entries of temporary accounts, including revenue, expense, and withdrawals accounts.
- d. Prepare the post-closing trial balance.

For example, starting with a file of source documents and financial statements from the prior time period, complete a simulation or a mini-project spanning all steps in the accounting cycle for a merchandising business. (TN Reading 3, 4, 7; TN Math N-Q)

### Accounting Applications and Implications

- 6) Compare and contrast the cost accounting records for a merchandising business with a manufacturing business.
  - a. For a merchandising business, analyze the means of tracking and accounting for physical inventory and determining the actual cost of the merchandise resold to customers. Calculate the ending balance of the inventory account using the adjustment process.
  - b. In a manufacturing business, review the components of systems used to maintain records of manufacturing costs. Differentiate between job order and process cost accounting, and demonstrate an understanding of the advantages of each system for different manufacturing processes. Track the flow of inventory in the product process, from raw materials to work-in-process to finished goods inventory.
  - c. For both businesses, account for direct labor, direct material, and factory overhead budgeting.

For example, schedule a real or virtual field trip to a local manufacturing plant to observe how raw materials are converted to finished goods. Upon completion of the tour, prepare an informational text and accompanying graphic illustrating the cost accounting methods and budgeting practices employed by the firm. (TN Reading 6, 7; TN Writing 2; TN Math N-Q)

- 7) Analyze budgetary planning and controls for the financial operation of a merchandising, manufacturing, or service business. Perform analysis typical of an accounts manager by comparing actual amounts of revenues, expenses, and cash with budgeted amounts. Develop a written narrative, complete with supporting financial statements, ~~and~~ to illustrate how businesses use this type of financial information to make management decisions. (TN Reading 5, 7, 8; TN Writing 2, 3, 8; TN Math N-Q)
- 8) Illustrate how accounting information facilitates management decision making. For example, determine the factors that businesses must consider when making the following decisions: make or buy a product; lease or buy an asset; discontinue a department, plant, or product; offer discounted prices on special orders; replace and repair equipment. (TN Reading 1, 9; TN Writing 4; TN Math N-Q, F-IF)
- 9) Examine various advanced applications of accounting for a merchandising business, and analyze the implications that each has for the business's profitability. Advanced applications include, but are not limited to, the following:
  - a. Prepare adjustments for uncollectible accounts using both the direct write-off and the allowance method.





- b. Analyze methods related to assigning cost to inventory, including the specific identification method, first-in first-out (FIFO) method, last-in first-out (LIFO) method, and weighted average cost method.

For example, calculate the cost of a business's inventory using all four inventory valuation methods and determine the effect on financial statements. (TN Reading 1, 3, 9; TN Math N-Q, A-CED)

- 10) Define depreciation in accounting contexts, and determine the impact of depreciation on a variety of goods in different industries (i.e., manufacturing, agriculture, retail services, and more). For a selected firm in one of these industries, analyze and journalize acquisition, depreciation, and disposal of a plant asset, then calculate depreciation using the straight-line, declining balance, and sum-of-the-years digits methods. (TN Reading 1, 2; TN Math N-Q, A-CED)

### **Accounting in a Business Startup and Expansion**

- 11) Research IRS.gov for multiple small business and self-employment forms/publications detailing important tax information related to the various stages of owning a business, from starting and filing for an Employer Identification Number (EIN), to operating and closing. Follow procedures to complete sample federal income tax employment/payroll forms (i.e., 940, 941, 944, W2) for small businesses, including social security and Medicare taxes, FUTA, and self-employment taxes. Prepare quarterly and end-of-tax-year examples for a real or fictitious small business. (TN Reading 3, 4; TN Math N-Q)
- 12) Examine the steps required to form and expand a partnership. Analyze the transactions necessary for forming a partnership, admitting new partners, and distributing net income among partners, including identification of federal income tax forms for partnerships. (TN Reading 1, 2)
- 13) Investigate the process for incorporating a business. Accurately analyze practices and business forms related to the start-up of a corporation, including but not limited to stock subscriptions, dividends declaration, dividend payment, capital acquisition, and treasury stock. Include in the examination income tax filing requirements for corporations and note SEC (U.S. Securities and Exchange Commission) requirements for expansion of existing stocks in the process. Prepare an argumentative text intended for a simulated business which affirms the advantages of incorporating versus remaining a sole proprietorship or partnership. (TN Reading 1, 2, 9; TN Writing 1, 8)

### **Business Ethics**

- 14) Investigate codes of ethics from professional organizations in accounting, personal finance, and banking and GAAP (Generally Accepted Accounting Principles) and examine areas of commonality. Synthesize principles from the codes investigated including separation of duties to create a personal code of ethics. (TN Reading 1, 2; TN Writing 4, 7, 9)
- 15) Examine real-world situations that involve ethical dilemmas and the application of correct professional conduct as highlighted in recent news articles. Craft an argumentative essay making a claim about the importance of ethics and professional standards for persons working in the



accounting pathway, citing examples from case studies to argue for the relevance of professional codes of conduct. (TN Reading 2; TN Writing 1, 4, 9)

## Standards Alignment Notes

\*References to other standards include:

- TN Reading: [Tennessee State Standards for English Language Arts & Literacy in History/Social Studies, Science, and Technical Subjects](#); Reading Standards for Literacy in Science and Technical Subjects 6-12; Grades 11-12 Students (page 62).
  - Note: While not directly aligned to one specific standard, students who are engaging in activities outlined above should be able to also demonstrate fluency in Standard 10 at the conclusion of the course.
- TN Writing: [Tennessee State Standards for English Language Arts & Literacy in History/Social Studies, Science, and Technical Subjects](#); Writing Standards for Literacy in History/Social Studies, Science, and Technical Subjects 6-12; Grades 11-12 Students (pages 64-66).
  - Note: While not directly aligned to one specific standard, students who are engaging in activities outlined above should be able to also demonstrate fluency in Standards 3, [5](#), [6](#), and 10 at the conclusion of the course.
- TN Math: [Tennessee State Standards for Mathematics](#); Math Standards for High School: Number and Quantity, Algebra, Functions.
  - Note: The standards in this course are not meant to teach mathematical concepts. However, the concepts referenced above may provide teachers with opportunities to collaborate on lesson planning. Students who are engaging in activities listed above should be able to demonstrate quantitative, algebraic, and functional reasoning as applied to specific technical concepts. In addition, students will have the opportunity to practice the habits of mind as described in the eight Standards for Mathematical Practice.
- P21: Partnership for 21st Century Skills [Framework for 21st Century Learning](#)
  - Note: While not all standards are specifically aligned, teachers will find the framework helpful for setting expectations for student behavior in their classroom and practicing specific career readiness skills.





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## Financial Planning

<b>Primary Career Cluster:</b>	Finance
<b>Consultant:</b>	Joy Smith, (615) 532-6248, <a href="mailto:Joy.Smith@tn.gov">Joy.Smith@tn.gov</a>
<b>Course Code(s):</b>	3713
<b>Prerequisite(s):</b>	<i>Personal Finance, Accounting I, and Banking and Finance</i>
<b>Credit:</b>	1
<b>Grade Level:</b>	11-12
<b>Graduation Requirements:</b>	This course satisfies one of three credits required for an elective focus when taken in conjunction with other Finance courses.
<b>Programs of Study and Sequence:</b>	This is the capstone course in the <i>Banking and Finance</i> program of study.
<b>Necessary Equipment:</b>	Computer laboratory
<b>Aligned Student Organization(s):</b>	DECA: <a href="http://www.decatn.org">http://www.decatn.org</a> ; FBLA: <a href="http://www.fblatn.org">http://www.fblatn.org</a> Sarah Williams, (615) 532-2829, <a href="mailto:Sarah.G.Williams@tn.gov">Sarah.G.Williams@tn.gov</a>
<b>Coordinating Work-Based Learning:</b>	If a teacher has completed work-based learning training, appropriate student placement can be offered. To learn more, please visit <a href="http://www.tn.gov/education/cte/work_based_learning.shtml">http://www.tn.gov/education/cte/work_based_learning.shtml</a> .
<b>Available Student Industry Certifications:</b>	None
<b>Dual Credit or Dual Enrollment Opportunities:</b>	<del>FBD</del> <u>There are no known dual credit/dual enrollment opportunities for this course. If interested in developing, reach out to a local postsecondary institution to establish an articulation agreement.</u>
<b>Teacher Endorsement(s):</b>	030, 033, 035, 039, 052, 054, 201, 202, 204, 311, 430, 435, 436, 471, 472, 474, 475, 476
<b>Required Teacher Certifications/Training:</b>	None
<b>Teacher Resources:</b>	<a href="http://www.tn.gov/education/cte/Finance.shtml">http://www.tn.gov/education/cte/Finance.shtml</a>

### Course Description

*Financial Planning* is the capstone course in the *Banking and Finance* program of study intended for students interested in advanced analysis of financial decision-making and wealth management. In this course, students will delve into advanced concepts related to saving, investment, taxation, and retirement planning, and will be responsible for compiling original portfolios of investment and retirement options to present to mock prospective clients. In addition, students will learn to critique the

financial consultations of others based on ethical and legal considerations. Upon completion of this course, students will be prepared to pursue advanced study of financial planning, wealth accumulation and management, and market analysis at a postsecondary institution. Standards in this course are aligned with Tennessee State Standards for English Language Arts and Literacy in Technical Subjects and Tennessee State Standards in Mathematics.\*

## Program of Study Application

This is the capstone course in the *Banking and Finance* program of study. For more information on the benefits and requirements of implementing this program in full, please visit the Finance website at <http://www.tn.gov/education/cte/Finance.shtml>.

## Course Standards

### Careers in Financial Planning

- 1) Define financial planning as an activity performed by wage earners and investors, as well as a profession. Identify the key components of financial planning and explain why it is critical for future financial stability for individuals and families, in addition to the fact that saving and investing are essential to economic growth. (TN Reading 2)
- 2) Compare and contrast the various types of financial planners and the products and services they provide. By reviewing job descriptions, identify the skills needed to succeed in the field and detail the future career opportunities. Participate in a mock interview as though applying to a financial institution or firm. Prior to the interview, research tips on dress and grooming, most commonly asked interview questions, appropriate conduct during an interview, and recommended follow-up procedures. Upon completion of the interview, write a formal thank you letter to the interviewer in a written or email format. (TN Reading 95; TN Writing 4,6)

### Saving, Investments, and Portfolio Theory

- 3) Compare and contrast strategies of saving and investing, with saving being an important initial step that contributes to building the capital required for investment. ~~Research-Draw~~ conclusions about the saving rate over time for U.S. households and the flow of funds into mutual funds and other popular investment vehicles, citing evidence from research. Investigate key trends in U.S. saving compared to spending as a percentage of disposable income and develop an argument to present to potential clients highlighting the importance of saving. (TN Reading 1,5; TN Writing 1, 4,7,8)
- 4) Analyze the major categories of investment options and determine the levels of risk and potential return on investment of each. Utilizing investment websites or documents, research the past performance of each category and create a comparison table. Determine which investments have inverse performance characteristics, and analyze which investments perform best in expansionary and recessionary economic periods. (TN Reading 4, 7, 8; TN Writing 78; TN Math N-Q, S-ID)
- 5) Explain the investment concept of diversification, including the aspect of minimizing risk and delivering more consistent returns. Create a role play or other communications device to



emphasize the benefits and promote the use of diversified portfolios by investors, developing claim(s) and counterclaim(s) with evidence and data. (TN Reading 1, 4, 8; TN Writing 1, 6)

- 6) Evaluate the tradeoffs involved in the suggested portfolios of individuals and families for different stages of life (young, raising children, preparing for retirement, retired). Create a project illustrating students in their lives now and in future years, matched with appropriate portfolios for each stage. Develop a plan for personal and family financial security based on investing sufficient funds in order to generate necessary retirement cash flow. The plan must apply financial formulas and functions to project the future value of investments using annual growth rates. (TN Reading 7, 8, 9; TN Writing 7, 8; TN Math F-IF, F-BF, F-LE)

### **Impact of Taxation on Investments**

- 7) Describe how the interest, dividends, and growth of various investments are taxed and how taxation affects investment growth and overall returns. Explain the impact of the capital gains tax on investment decisions. Investigate ways that federal and state laws allow individuals, couples, and families to reduce or defer investment taxes, including gifting and charitable donations; and investigate incentive programs like educational and retirement plans, including 529s, Education Savings Accounts, Individual Retirement Accounts, and 401(k)/403(b) accounts. (TN Reading 4, 9; TN Writing 7; TN Math N-Q)
- 8) Explore the differences between tax-deferred and tax-free investments. Differentiate between plans which are “pre-tax” and “after tax” and create a growth table with accompanying written explanations to demonstrate the net cash flow each will deliver after retirement. (TN Reading 7; TN Writing 9; TN Math N-Q)

### **Retirement Planning**

- 9) Research the Social Security system and create a cash flow diagram to demonstrate how today’s employee contributions are necessary to pay today’s retirees. Research current issues associated with the Social Security system and its long-term sustainability, including proposed policy changes to this system. Write persuasively about the current system or proposed legislation and whether it stands to benefit or hurt individuals and the economy, citing evidence from studies, media commentary, and other analyses. (TN Reading 1, 4, 9; TN Writing 1, 7, 8, 9; TN Math N-Q)
- 10) Determine the options for drawing Social Security retirement funds at various ages. Assess the consequences of initiating payments at the earliest possible ages, taking into account projected constraints such as cost of living, medical expenses, and inflation rates. (TN Reading 9)
- 11) Calculate the compound growth of investments and identify the importance of beginning early with an investment plan to cover retirement needs. Examine various vehicles created for retirement investments, including 401(k) and 403(b) plans, IRA and Roth IRA, and defined benefit pension plans. (TN Reading 3, 4; TN Math N-Q)
- 12) Develop and defend a retirement plan for a mock client, including a combination of investment options, and estimate the annual retirement cash flow it may deliver. Justify the choice of investment options and other financial decisions by citing evidence of their projected growth or



success. With peers, critique each other's plans on the merits of their coherence, quality of research into investment options, strategies for safeguarding against untenable risk, and accuracy of financial calculations and projections and revise plans to address critiques. (TN Reading 1, 3, 6, 8; TN Writing 1, 4, 5; TN Math N-Q)

### Legal Documents and Ethics

- 13) Define and interpret the importance of documents and processes related to the end of life, including wills, living wills, power of attorney, medical power of attorney, probate, and estates. Compare and contrast the process of dissolving an estate of a person with a will versus one who died intestate (without a will). Research federal and state laws concerning the taxation of estates and identify situations in which these taxes could present significant challenges to those without proper estate planning. (TN Reading 1, 2, 4, 9; TN Writing 7, 9)
- 14) Analyze the need for strong ethics in the field of financial planning; report on the ways consumers can determine the history and reputation of professionals in the financial planning field. Research case studies and news reports on investment companies engaging in ethically questionable behavior, and describe the significant impact on many individual investors. Determine the legal protections entitled to individual investors and the processes outlined for seeking restitution. (TN Reading 1, 4, 9; TN Writing 7, 9)
- 15) Describe the practice of insider trading and research recent cases in which violators have been identified and prosecuted. In a persuasive presentation or project, explain the benefits of compliance with government taxation authorities, and compare with the consequences associated with illegal buying and selling of investments, tax evasion, and other unethical behaviors. (TN Reading 2; TN Writing 1, 7)

### Analysis and Communications

- 16) Develop and refine clear verbal and written communication techniques in order to properly describe and explain key concepts in financial planning. Through small group projects and presentations, gain an understanding of the importance of teamwork and leadership. (~~TN Reading 1, 4; TN Writing 2~~)
- 17) Conduct reviews of sample portfolios and net worth scenarios and provide an evaluation culminating with a plan of action for adjustments required to maximize overall return and minimize risk in the future. Present an in-depth review of one such portfolio to the class, explaining how the analyses were conducted and risk/return were calculated. Prepare a glossary of key terms to help explain the recommendations and procedures. (TN Reading 1, 3, 8, 9; TN Writing 2, 4, 7)

### Standards Alignment Notes

\*References to other standards include:



- TN Reading: [Tennessee Standards for English Language Arts & Literacy in History/Social Studies, Science, and Technical Subjects](#); Reading Standards for Literacy in Science and Technical Subjects 6-12; Grades 11-12 Students (page 62).
  - Note: While not directly aligned to one specific standard, students who are engaging in activities outlined above should be able to also demonstrate fluency in Standard ~~s 5 and~~ 10 at the conclusion of the course.
- TN Writing: [Tennessee Standards for English Language Arts & Literacy in History/Social Studies, Science, and Technical Subjects](#); Writing Standards for Literacy in History/Social Studies, Science, and Technical Subjects 6-12; Grades 11-12 Students (pages 64-66).
  - Note: While not directly aligned to one specific standard, students who are engaging in activities outlined above should be able to also demonstrate fluency in Standards ~~3, 5, 6,~~ and 10 at the conclusion of the course.
- TN Math: [Tennessee Standards for Mathematics](#); Math Standards for High School: Number and Quantity, Functions, Statistics.
  - Note: The standards in this course are not meant to teach mathematical concepts. However, the concepts referenced above may provide teachers with opportunities to collaborate with mathematics educators to design project-based activities or collaborate on lesson planning. Students who are engaging in activities listed above should be able to demonstrate quantitative, functional, and statistical reasoning as applied to specific technical concepts. In addition, students will have the opportunity to practice the habits of mind as described in the eight Standards for Mathematical Practice.
- P21: Partnership for 21st Century Skills [Framework for 21st Century Learning](#)
  - Note: While not all standards are specifically aligned, teachers will find the framework helpful for setting expectations for student behavior in their classroom and practicing specific career readiness skills.

