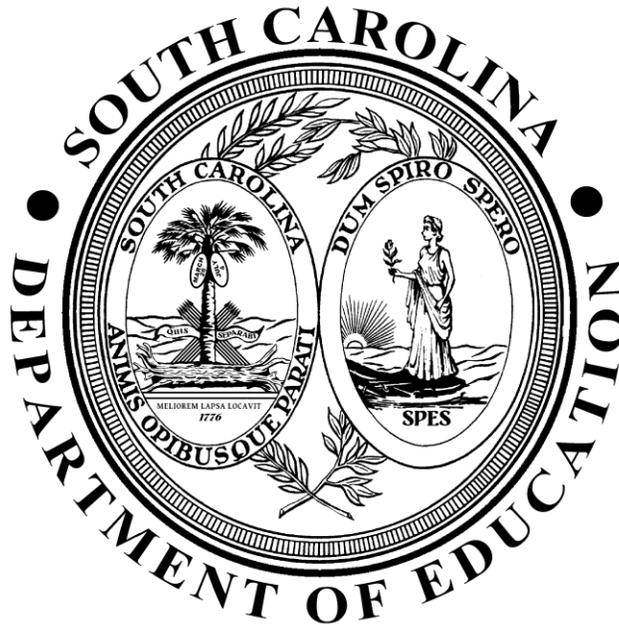


STATE OF SOUTH CAROLINA
DEPARTMENT OF EDUCATION

MOLLY M. SPEARMAN
STATE SUPERINTENDENT OF EDUCATION



2019 Financial Literacy Board Report

Members of the General Assembly and State Auditor

Pursuant to Section 59-29-480

January 1, 2020

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In May of 2019, State Superintendent of Education Molly Spearman issued appointments to the South Carolina Financial Literacy Board, pursuant to section 59-29-480 of the South Carolina Code of Laws. After initial appointments were made, the first meeting of the board convened on August 7, 2019. During this meeting, the board reviewed their charge and received an update from the various entities represented. These included: Junior Achievement, South Carolina Council on Economic Education (SC Economics), SC Future Scholar Program, and the South Carolina Banker's Association. In addition to these groups, the South Carolina Department of Education (SCDE) staff updated the board on the use of financial literacy throughout the new *2020 Social Studies Standards* as well as Career and Technology programs offered in districts related to financial literacy. (See Appendix A)

The second meeting of the board was held on December 12, 2019. During this meeting, the board discussed data provided to staff from Junior Achievement, the SC Economics, SC Future Scholar Program, SC Bankers Association, and the Carolinas Credit Union League on the number of students and schools these various organizations had worked with in 2019. The board then discussed recommendations for the report as well as next steps for 2020, which are outlined in the report below.

Members of the Financial Literacy Board

1. The Honorable Molly M. Spearman, State Superintendent of Education, Chairman
2. The Honorable Curtis M. Loftis, Jr., State Treasurer
3. Josh Black, Principal, Strom Thurmond High School
4. Billy Boylston, Vice President, Governmental Affairs, Carolinas Credit Union League
5. Sharon Huff, Assistant Superintendent for Instruction, Pickens County School District
6. Chandler Jordan, Program Director, South Carolina Council on Economic Education
7. Angel Malone, Director, Career & Technology Education, SCDE
8. Casey Pash, President/CEO, Junior Achievement of South Carolina
9. Neil Rashley, Senior Vice President and Counsel, South Carolina Banker's Association
10. Dr. Neal Vincent, Superintendent, Florence County School District Two

2020 Social Studies Standards

The SCDE adopted the *2020 Social Studies Standards* that includes a range of financial literacy concepts throughout. As you will see from the side-by-side document (Appendix B), the *2020 Standards* are a huge improvement when it comes to financial literacy being taught throughout our schools. A full copy of the financial literacy standards may be found in Appendix C. Below is a breakdown of where financial literacy can be found for each grade level within the standards and a description of what students will learn:

Economics and Personal Finance (title of the course)

Typically taught in 12th grade (the SCDE does not dictate placement of courses in high schools)

Language included in the description of the course:

“Students will investigate how personal financial decisions related to careers, spending, and short- and long-term goal setting impact one’s standard of living and long-term financial well-being.”

Examples of possible content educators may use related to these skills may be found in Appendix D.

Standard 1:

- Students learn about and inquire into basic economic concepts concerning scarcity, resources, economic growth through trade, and how short-term and long-term goals are set.

Standard 2:

- Students learn about and inquire into the factors that impact personal income and earning potential, the functions of financial institutions and how they work with individuals, how to get and responsibly manage credit, and how to effectively invest, protect, use, and save resources through creating personal budgets.

Standard 3:

- Students learn about and inquire into microeconomics through the lens of how it impacts individual decisions in the marketplace as well as the distribution of resources through supply, demand, and competition.

Standard 4:

- Students learn about and inquire into macroeconomics to fully understand how the economy performs as a whole and how business, government, and their own individual decisions help to both create and sustain this economy.

IP: Informed Participation: (placement of course in high school is not mandated)

- Students will “use acquired knowledge to engage in the marketplace through informed decision making. They will:
 - Investigate a variety of financial options and make decisions based on sound economic practices.
 - Evaluate the impact of policy decisions at the local, state, national and global spheres and take a stand.
 - Use the tools of economic analysis to actively participate in the market as an informed consumer and worker.”

Economics and Personal Finance K–12

The study of Economics: Throughout the individual courses preceding the Economics and Personal Finance Course, economics is a prevalent piece of instruction for understanding and evaluating multiple facets of World, United States, and South Carolina History as well as

Human, Regional and World Geography. It is through these courses in grades K–12 around different economic systems, how individuals have interacted economically, and how economics has played a part in our own history - that makes the course in Economics and Personal Finance (typically taught in the 12th grade) viable. By the time they reach the Economics and Personal Finance Course, students should fully understand the impact of the economy on their day-to-day life. The Economics and Personal Finance Standards offer students the tools to better understand how to apply this learning to their own economic journey. Below is a list of courses and grades levels where economics and personal finance are taught:

- United States History;
- Modern World History;
- Human Geography;
- 8th Grade South Carolina History;
- 7th Grade Geography of World Regions;
- 6th Grade World Civilizations;
- 5th Grade US and SC History Part II;
- 4th Grade US and SC History Part I;
- 3rd Grade World Geography; and
- K–2 The Community around Us, Life in SC, and Life in the US Standards.
 - The Economics strand that goes through Kindergarten, 1st, and 2nd grades reads as follows:
“Economics in the primary grades encourages the study of wants and needs, scarcity, and supply and demand as a basis for understanding how economic decisions affect students’ lives.”

Data Collected from Organizations Represented on the Board

The below table outlines a sampling of data collected by the organizations represented on the board for 2019.

District	SC Economics	Junior Achievement	SC Future Scholar	SC Bankers Association	Carolinas Credit Union League
Abbeville	1 school				
Aiken	7 schools	2 schools	7 schools		
Allendale	2 schools				
Anderson 1	1 school		3 schools		2 schools
Anderson 2	1 school				1 school
Anderson 3			3 schools		1 school
Anderson 4	1 school		1 school		
Anderson 5	4 schools		2 schools	1 school	2 schools
Bamberg 1	1 school				
Bamberg 2					
Barnwell 19	2 schools				

Barnwell 29			1 school		
Barnwell 45			1 school		
Beaufort	6 schools	1 school	7 schools	1 school	
Berkeley	16 schools	5 schools	7 schools		3 schools
Calhoun	1 school				
Charleston	13 schools	15 schools	22 schools	1 school	1 school
Cherokee	3 schools	3 schools	6 schools	1 school	1 school
Chester	13 schools	7 schools			
Chesterfield	2 schools		2 schools		
Clarendon 1					
Clarendon 2	1 school				
Clarendon 3				1 school	1 school
Colleton	1 school	1 school			
Darlington	2 schools				
Dillon 3					
Dillon 4	2 schools		1 school		
Dorchester 2	1 school	1 school	5 schools		1 school
Dorchester 4					
Edgefield	2 schools				
Fairfield	2 schools	5 schools			
Florence 1	16 schools	3 schools	6 schools	2 schools	
Florence 2		2 schools		2 schools	
Florence 3		1 school	1 school	4 schools	
Florence 4	1 school	1 school			
Florence 5				1 school	
Georgetown	6 schools	2 schools		1 school	
Greenville	17 schools	38 schools	24 schools	11 schools	
Greenwood 50	2 schools				
Greenwood 51	1 school				
Greenwood 52	2 schools	1 school			
Hampton 1	2 schools				
Hampton 2		1 school			
Horry	6 schools	1 school	12 schools	3 schools	
Jasper	1 school			1 school	
Kershaw	7 schools	1 school		3 schools	
Lancaster	3 schools	10 schools	4 schools		
Laurens 55		2 schools	2 schools		

Laurens 56	1 school				
Lee	1 school				1 school
Lexington 1	7 schools	1 school	5 schools		
Lexington 2	2 schools	1 school	4 schools		
Lexington 3	2 schools				
Lexington 4	2 schools	2 schools	1 school		
Lexington/ Richland 5	8 schools	4 schools	4 schools		
Marion				1 school	
Marlboro					
McCormick			1 schools		
Newberry	1 school	1 school	2 schools		
Oconee	3 schools		4 schools		
Orangeburg	10 schools	2 schools			
Pickens	6 schools		6 schools		
Richland 1	16 schools	17 schools	9 schools	3 schools	
Richland 2	18 schools	15 schools	9 schools	2 schools	2 schools
Saluda	1 school		1 school		
Spartanburg 1	2 schools	1 school	4 schools		
Spartanburg 2			3 schools		3 schools
Spartanburg 3			1 school		
Spartanburg 4	1 school				
Spartanburg 5	1 school	1 school		1 school	
Spartanburg 6	3 schools	1 school			
Spartanburg 7	1 school	1 school			
Sumter	14 schools	2 schools	4 schools	1 school	6 schools
Union	1 school		2 schools	2 schools	
Williamsburg	2 schools	1 school			
York 1		1 school	5 schools		
York 2	1 school	2 schools	1 school		
York 3	5 schools	7 schools	1 school		
York 4	8 schools	11 schools	3 schools		
Charter Schools	7 schools	6 schools			2 schools

There were five districts (highlighted in yellow) in which no organization represented on the board had worked with: Bamberg 2, Clarendon 1, Dillon 3, Dorchester 4, and Marlboro school districts. It was reported that several attempts were made with these districts and a response was never received by several of the organizations listed above.

Career and Technology Education Financial Literacy (CTE) Data

Financial Literacy is necessary due to root causes such as an increase in the amount of bankruptcy, student loan defaults, and adults living at home due to financial difficulties. The information shown below includes content objectives and outcomes, key concepts taught, and advocacy and outreach.

Student Financial Literacy Objectives and outcomes:

- a. The ability to complete income taxes;
- b. Checkbook reconciliation;
- c. Budget preparation and financial planning;
- d. Establishing and maintaining good credit and debt; and
- e. Sustainable independent living.

Four CTE courses expressly created to teach Financial Literacy:

Course	Enrollment
Personal Finance	7,517
Financial Fitness 1	575
Financial Fitness 2	20
Financial Literacy	373

Key Concepts taught with CTE Courses:

- a. Careers and Income;
- b. Budgeting and Financial Planning;
- c. Banking Services;
- d. Checking and Savings Accounts;
- e. Credit and Debt;
- f. Credit and Loans;
- g. Insurance and Risk Management;
- h. Independent Living;
- i. Personal Taxes;
- j. Financial Responsibility and Decision Making; and
- k. Investments.

Financial Literacy Advocacy and Outreach

The Finance Forum was a one day workshop on October 30, 2019, sponsored by SC Economics with funding provided by SC Jump\$start, the Office of Career and Technology Education, and other partners.

Everfi Financial Literacy Resource

Everfi is resource used by local educational agencies (LEAs) to assist with the teaching of Financial Literacy Concepts.

South Carolina Everfi Summary Data for 2018–19

Assessment	Pre-Test Avg.	Post Test Avg.	Pre-Test Student Count	Post Test Student Count
Savings	49/100 points	85/100 points	14,800	11,284
Banking	48/100 points	84/100 points	13,448	10,931
Payment Types	47/100 points	84/100 points	12,153	9,975
Credit Scores	58/100 points	89/100 points	12,073	11,015
Higher Education	43/100 points	85/100 points	10,965	9,307
Renting Vs. Owning	44/100 points	84/100 points	10,295	8,694
Insurance & Taxes	44/100 points	86/100 points	9,615	8,107
Consumer Protection	43/100 points	85/100 points	8,816	7,845
Investing	38/100 points	85/100 points	8,730	7,204

Organizations represented on the Board

Junior Achievement

Junior Achievement (JA) has been operating since 1919 nationally, and in South Carolina for 51 years. It is a nonprofit organization that empowers students to own their economic success. This year, JA taught over 33,000 South Carolina students the life skills of financial literacy, work readiness, and entrepreneurship by bringing in outside volunteers to teach their programs. Each JA program overlaps with SC Education Standards. This exposes students grades K–12 to how careers, money management, and businesses work.

In order for schools to participate, teachers and school administrators simply go onto the www.ja.org website and request a JA program for his/her classroom. Once the request is received, the JA office will work to secure funding and a volunteer to teach the JA program.

South Carolina Banker's Association

Proudly serving South Carolina's banking industry since 1900, the South Carolina Bankers Association (SCBA) is the professional trade association organized to effectively represent the common interest and welfare of the banking industry in South Carolina and to promote the professional development of its members and their employees.

The SCBA's primary focus is to serve as a reliable and responsive source of information and education regarding areas of importance to the industry and to be the key advocate in helping our member institutions by providing leadership in legislative, regulatory, educational and value-added services.

The SCBA's Young Bankers Division focuses on professional development, encourages networking with other professional groups, and is the driving force for financial literacy outreach in the state. While working in K-12 schools to promote financial literacy, the SCBA also takes on a whole community approach to inform current customers as well as future customers.

SC Economics

Mission Statement

The South Carolina Council on Economic Education (SC Economics) is a state-wide 501(c)3 non-profit business-education partnership dedicated to providing South Carolina K-12 educators with training, tools, and resources in economics and personal finance to help them better prepare their students to be active and prosperous members of our global society. Since 1975, SC Economics has been providing workshops, lesson plans, videos, curriculum, and other resources to South Carolina educators at no cost. SC Economics helps educators bring economics and personal finance concepts alive in the classroom through engaging statewide contests and competitions, such as the Stock Market Game, the Economics Challenge, the Finance Challenge, and the Color the Concepts Contest. During the 2018-19 academic year, about 1,600 educators and 2,600 teams of students participated in their workshops and competitions. Over 160,000 students in almost 90 percent of the school districts across the state were impacted. For more information on SC Economics, visit www.sceconomics.org.

School/District Engagement

SC Economics continues to build and maintain a database of thousands of participating teachers, school curriculum specialist, administrators, and other educators who have opted to be a part of our contact list. SC Economics maintains this community through their Teacher Resource Guide, published on a semester basis, monthly digital Teacher Newsletters, and personal email/phone coaching and mentoring session with the Program Director. SC Economics also publishes a monthly Board Update, which is shared with hundreds of stakeholders, including business and community leaders across the state. SC Economics holds several educator conferences (Finance Forum, Econ Day, etc.) and presents at numerous conferences held by economic and financial literacy professionals both state-wide and nationally. Over the years, its teacher base has grown 10-20 percent per year based on the increased value of resources and qualified instruction.

Missing District Targeting in Spring 2019

In the spring of 2019, SC Economics created an action plan targeting multiple school districts across the state which were not currently engaged in their programs or had shown a significant decrease in engagement in the last three years. Among the school districts targeted were Clarendon 1 and Dorchester 4. Information was sent about programing to educators and administration at Scott's Branch Middle/High School in Clarendon 1 and Woodland High, Harleysville-Ridgeville Middle, and Harleysville Elementary in Dorchester 4 to try to increase engagement. In addition, the CEO attended the SCDE's Standards Information Session in Clarendon with a hope to connect educators and administrators in the area to promote economics and personal finance resources. To date, no participation has resulted from these districts.

SC Future Scholar Financial Literacy Program

The State Treasurer's Office administers the Future Scholar College Savings Program. With South Carolina having some of the highest student loan debt in the country, it is more important than ever to ensure parents are saving for college. In 2015, the Future Scholar Financial Literacy Program was launched in partnership with SC Economics and Everfi. This program was an interactive financial education course, provided to elementary and middle schools at no cost to the schools or taxpayer.

This fall, SC Future Scholar launched a new program with SC Economics called the South Carolina Financial Literacy Master Teacher Program. The new program is focused on training and incentivizing teachers who provide financial literacy education in the classroom.

Carolinas Credit Union League

Established in 2014, the not-for-profit Carolinas Credit Union League unites the former leagues of North Carolina and South Carolina (each begun in 1934), by leaders committed to the cooperative spirit and the common goal of credit union growth.

Because financial health begins with habits formed before adulthood, community-focused credit unions work closely with schools to deliver in-class presentations, help educators with content and curricula, and provide hands-on learning through in-school and student-run branches.

Recommendations

1. Support the SCDE's budget request for a Learning Management System.

A learning management system will allow every educator in the state to access lesson content and resources designed or curated by SC educators, collaborate remotely with other educators, contribute their own lessons and resources to receive feedback from peers, and increase the use of authentic materials and assessments aligned to SC state standards and the new competencies for the *Profile of the SC Graduate*. Teachers can participate in professional learning without having to miss valuable class time with their students or increase travel budgets. Professional learning modules can be done anytime, anywhere. Professional learning can still also be face-to-face, but supported with resources and collaboration through the learning management system.

Teacher communication and resource sharing is currently fragmented, relying on email, cloud sharing from multiple sources, and closed platforms which do not readily allow resource sharing across districts. A statewide learning management system would allow communication and collaboration to flow rather than being siloed in individual face-to-face professional learning meetings or relying on a colleague to bring back information. For the first time, educators in South Carolina would have the ability to engage authentically with one another; accessing resources and learning tailored to their individual growth and development plans at the time and place that best meets their needs. The SCDE, for the first time, would be able to bring together all educators from across the state and provide direct lines of communication and collaboration. A statewide system would ensure equity of access for educators from every district in the state.

When teachers have access to the kind of classroom based student assessment data and teacher created materials a learning management system provides, they are able to design and assign work that is targeted to the individual needs of the student while also being aligned to SC state standards and assessed through the lens of the *Profile of the South Carolina Graduate*. Teachers are able to spend more time conferencing with students, instructing small groups on targeted areas of need, and acting as a facilitator of learning. A learning management system allows for student voice and choice in their work because teachers and students are able to communicate and collaborate around the content and better identify individual goals and objectives. This modern approach to the integration of content and instructional materials is an essential tool in the personalization of learning.

2. Establish a financial literacy point of contact in each district.

After talking with the various organizations that work with schools and districts to promote financial literacy, the board agreed that it would be beneficial to have an established point of contact in each district. This point of contact would be able to push resources out to the teachers within a school or district, aide in professional development, and help connect non-profits with the classroom.

3. Identify available existing resources and compile a list to share with districts.

The SCDE will survey districts to determine if there are other local entities they are working with to promote financial literacy within their districts.

4. *Provide information about online professional development training for teachers who teach financial literacy.*

During discussion with the board, it was shared that professional development opportunities offered by the SCDE saw a small group of teachers who actually participated in these opportunities. It was noted that most of the teachers who teach financial literacy teach another subject area and are not able to leave the classroom. The SCDE will look into providing online training for teachers through VirtualSC.

5. *Financial Literacy Public Awareness Campaign*

The board would like to create a public awareness campaign on the importance of financial literacy, and what all is being done to promote this in our schools. April is Financial Literacy month, and the board will plan to highlight schools around the state promoting financial literacy.

Appendix A

Financial Literacy Board Meeting
Wednesday, August 7, 2019, 10:30am

The following members of the board were present for the meeting:

State Superintendent Molly Spearman- Chairman

Neil Rashley- SC Banker's Association

Neal Vincent- Superintendent, Florence School District 2

Chandler Jordan-SC Economics

Casey Pash-Junior Achievement

Dayle DeLong- Designee for the State Treasurer

Sharon Huff-Assistant Superintendent of Instructional Services, Pickens County School District

The following SCDE staff were present for the meeting:

Dr. David Mathis

Dr. Anne Pressley

Bradley Mitchell

Chris Turpin

Laurie Traywick

Opening Remarks:

Superintendent Spearman opened the meeting by discussing the Board's charge in the enacting legislation that was passed in 2006. A discussion was held as to why the board has not met in several years. Casey Pash with Junior Achievement spoke with her predecessor who explained that once the downturn in the economy hit and the recession, the board stopped meeting.

Superintendent Spearman went on to say that financial literacy was a topic a lot of people were interested in last legislative session and that we needed to ensure that it was being taught K-12.

Presentations

Chris Turpin with the SCDE office of Standards and Learning presented the newly updated 2020 social studies standards that include financial literacy. These include Economics and Personal Finance and are spread throughout the standards in each grade K-12. SC Economics was heavily involved with the writing of these standards. He then went into an in depth explanation of the DRAFT alignment guide that is given to teachers to supplement the standards document.

Mr. Rashley asked what the process was for approval of new standards. Superintendent Spearman explained the process. She further explained that the new standards were more broadly written, but that the supporting documents listed the more specific terminology people have been used to seeing in the old standards. Ms. Pash commented that the district was responsible for executing the standards but no one is tracking where financial literacy is being taught in their schools. Superintendent Spearman commented that the SCDE is responsible for training the teachers on the standards and providing professional development. Mr. Turpin replied that 21 PLOs had already been offered around the state and that they would continue throughout the school year. Dr. Pressley further stated that the districts select their own curriculum, and that the SCDE posts additional optional resources on their website. Superintendent Spearman asked for further questions about the standards and it was agreed upon by all members present that data would be submitted to the SCDE as to what districts/schools each of their groups are working in.

The next presentation was given by Bradley Mitchell, Director of the SCDE's Virtual Education School. Mr. Mitchell reported that VirtualSC teaches two classes on financial literacy: personal finance and economics. These classes are offered three times throughout the year and are available to anyone who wants to take them. They are also made available to the franchise programs VirtualSC has with the districts. Mr. Mitchell reported they have been able to accommodate all requests for these classes.

Superintendent Spearman provided an update on what the SCDE's office of Career and Technology Education has been doing with financial literacy. There is a CATE completer in Business, and through CTE classes, 7,517 students took personal finance, 575 financial fitness 1, 20 financial fitness 2, and 373 financial fitness 3 in this school year.

Updates from Business Groups

SC Treasurer's Office

Ms. DeLong reported that the State Treasurer's office gets involved with financial literacy through their 529 Savings Plan. She stated that it is important for people to start saving early. This plan assists with college debt. The State Treasurer's office also sponsors a financial literacy program with SC Economics and Everfii in Elementary and Middle Schools around the state. Currently they are working on a train the trainer model for teachers. In the last 4 years they have impacted roughly 43,000 students and almost 600 schools. It was confirmed that Everfii is aligned with SC standards.

Junior Achievement

Ms. Pash reported they reached roughly 32,000 students this year with 67% of these students being on free and reduced lunch. This year is JA's 51st year in existence. Not only do they focus on financial literacy but they also focus on life concepts related to financial literacy. Volunteers go in 5-13 times and she reported that all programs overlap with the SC standards. Nationally, they are rolling out a pathway course. Each class cost about \$500 and all volunteers are entrepreneurs. She further reported that Greenville County Schools provides this class for every 8th grader.

SC Economics

Ms. Jordan reported that SC Economics is part of the National Council, and that they do receive state funding for their initiatives. They provide professional development to teachers on financial literacy and economics. They also recruit other companies to assist. In school year 18-19 they reached roughly 1500 teachers, and over 2500 teams of students competed in their "Stock Market Game". They also hosted an economics and personal finance challenge at the Darla Moore School of Business at USC. She further reported they were in 80% of the SC school districts last school year.

SC Banker's Association

Mr. Rashley reported that the association provides volunteers that work with Junior Achievement and Everfii. Their Young Banker's Division usually makes up the volunteer pool for this initiative, however they are working to expand their advocacy even further.

Next Steps:

Each representative group will report data to the SCDE by November 1st. The next committee meeting will be held December 12, 2019.

Appendix B

2020 Social Studies Standards	2011 Social Studies Standards
<p data-bbox="394 235 846 264" style="text-align: center;">Economics and Personal Finance</p> <p data-bbox="201 310 1037 1068">Students study economics and personal finance beginning with how humans address the fundamental problem of scarcity by making choices based on the existence of limited resources. Using the skills of the economist, students will learn how rational decisions are made using marginal analysis, and that all choices are met with consequences. Students will investigate how personal financial decisions related to careers, spending, and short- and long-term goal setting impact one’s standard of living and long-term financial well-being. Traditionally, the field of economics is divided into two categories: microeconomics and macroeconomics. In the domain of microeconomics, students will survey the impact of demand, supply, various market structures, and government policies have on market prices for goods, services, and wages for workers. Inquiry into macroeconomics involves observing trends in the economy at large and the policies that are undertaken to promote the economic well-being of a society. Holistically, the study of economics and personal finance provides a basis for students to develop the skills necessary to live and thrive financially in the 21st century, and participate in society as active and informed decision-makers.</p> <p data-bbox="201 1114 1016 1399">Instruction should utilize the economic thinking skills and themes developed for economics and personal finance. The progression of the developmentally appropriate economic thinking skills begins in kindergarten and builds with each year of social studies instruction. These economic thinking skills are aligned with the Profile of the South Carolina Graduate of world-class knowledge, world-class skills, and life and career characteristics. The indicators of standard one represent the</p>	<p data-bbox="1381 235 1587 264" style="text-align: center;">ECONOMICS</p> <p data-bbox="1060 310 1864 341">Social Studies Literacy Skills for the Twenty-First Century</p> <ul data-bbox="1108 349 1892 565" style="list-style-type: none"> • Explain the use of a budget in making personal economic decisions and planning for the future. • Illustrate the fact that some choices provide greater benefits than others. • Explain how investment in human capital such as health, education, and training leads to economic growth.

skills utilized by students in each grade level to further explore the content. These skills have been deconstructed to aid in the scaffolding of student thinking and are not to be taught in isolation.

The Social Studies grade-level standards can be categorized into content- and discipline-specific themes. These themes allow for connections to be made between content, the ability to teach thematically, and to support project- or problem-based learning. To encourage inquiry, the Economics and Personal Finance standards are constructed around the following three themes:

Exchange and Markets – The Exchange and Markets theme encourages the study of how individuals engage in voluntary exchange when both parties determine that the benefits outweigh the costs. Markets have evolved over time in order to facilitate the exchange of goods and services, while prices and wages fluctuate based on competition within the marketplace.

Indicators and Policy Making – The Indicators and Policy Making theme encourages the analysis of economic indicators as a measure of the health of the economy and its progress toward economic goals. Government policies are used to stabilize the economy, prioritize economic goals, and facilitate global interaction. Various philosophies and schools of economic thought influence economic decisions and public policies.

Role of Incentives – The Role of Incentives theme encourages the study of how decisions are made at the local, state, national and global levels as a result of scarce resources. In order to set goals, engaged participants utilize cost-benefit analysis by understanding the role of self-interests and consequences in the decision-making process.

Standard 2 - Financial Literacy:

Demonstrate an understanding of how scarcity and choice influence individual financial decisions.

Enduring Understanding:

Financial literacy is imperative in making individual economic decisions regarding spending, careers, and setting short- and long-term financial goals. The tools of decision-making and marginal analysis are essential in evaluating possible financial options. The ability to make wise choices can impact one's standard of living and future earning potential.

The student will:

EPF.2.ER

Research and analyze the factors that impact personal income and long-term earning potential. This indicator was developed to encourage inquiry into the factors that influence personal income. It also prompts inquiry into various post-secondary options and the opportunity cost incurred when various college or career paths are taken.

EPF.2.IN

Identify and explain the functions of different types of financial institutions and how they assist individuals in achieving short- and long-term financial goals. This indicator was developed to encourage inquiry into how financial institutions act as intermediaries between savers and borrowers, and how they facilitate the flow of money in the economy. This indicator also prompts the examination of the relationship between financial institutions and the public to enable liquidity and facilitate economic growth.

Standard ECON-5: The student will demonstrate an understanding of how personal financial decisions affect an individual's present and future economic status.

Enduring Understanding:

Individuals are impacted by the financial choices they make and the careers they choose. Wise and informed personal financial decisions can benefit individuals in both the immediate and the distant future. To understand the impact of personal financial decisions, the student will utilize the knowledge and skills set forth in the following indicators:

ECON-5.1

Explain how individuals make personal economic decisions and how current spending and acquisition of debt can impact future income.

ECON-5.2

Explain that income for most people is determined by the market value of the productive resources they sell.

EPF.2.IP

Develop a personal finance strategy for investing, protecting, purchasing, and saving resources. This indicator was developed to encourage inquiry into the process of effectively managing income by creating a personal budget. Further inquiry into this indicator encourages active discourse on the merits and consequences of saving and investing.

ECON-5.3

Explain how wage rates for most workers depend upon the market value of what the workers produce for the marketplace.

Appendix C

Key Concept	Standards
	<p>EFP.1.IP Evaluate how short-term goals allow individuals and institutions to make rational decisions using marginal analysis.</p> <p>This indicator was developed to encourage inquiry into the use of rational decision-making using marginal analysis. This indicator also encourages inquiry into the processes utilized by individuals, businesses, and governmental agencies to set long- and short-term goals.</p>
Financial Literacy	<p>Standard 2: Demonstrate an understanding of how scarcity and choice influence individual financial decisions.</p>
	<p>Enduring Understanding: Financial literacy is imperative in making individual economic decisions regarding spending, careers, and setting short- and long-term financial goals. The tools of decision-making and marginal analysis are essential in evaluating possible financial options. The ability to make wise choices can impact one's standard of living and future earning potential.</p>
	<p>The student will:</p>
	<p>EPF.2.ER Research and analyze the factors that impact personal income and long-term earning potential.</p> <p>This indicator was developed to encourage inquiry into the factors that influence personal income. It also prompts inquiry into various post-secondary options and the opportunity cost incurred when various college or career paths are taken.</p>
<p>EPF.2.IN Identify and explain the functions of different types of financial institutions and how they assist individuals in achieving short- and long-term financial goals.</p> <p>This indicator was developed to encourage inquiry into how financial institutions act as intermediaries between savers and borrowers, and how they facilitate the flow of money in the economy. This indicator also prompts the examination of the relationship between financial institutions and the public to enable liquidity and facilitate economic growth.</p>	
<p>EPF.2.CC Determine financially responsible ways that individuals acquire and use credit.</p> <p>This indicator was developed to encourage inquiry into the various forms of credit and the advantages and disadvantages of using credit for purchases. This indicator also encourages inquiry into the importance of establishing and maintaining good credit and the indicators of creditworthiness.</p>	

Key Concept	Standards
	<p>EPF.2.IP Develop a personal finance strategy for investing, protecting, purchasing, and saving resources.</p> <p>This indicator was developed to encourage inquiry into the process of effectively managing income by creating a personal budget. Further inquiry into this indicator encourages active discourse on the merits and consequences of saving and investing.</p>
Microeconomics	<p>Standard 3: Demonstrate an understanding of basic microeconomic principles.</p>
	<p>Enduring Understanding: Microeconomics investigates the impact of individual decisions on the distribution of scarce resources. A working knowledge of supply and demand and market structures is necessary to understand the study of microeconomics. Changes in demand, supply, and the level of competition in various market structures can affect price and output levels for consumers and profit levels for producers.</p>
	<p>The student will:</p>
	<p>EPF.3.ER Apply the laws of supply and demand to determine how changes in market conditions affect prices.</p> <p>This indicator was developed to encourage inquiry into the development of markets through the interaction of supply and demand, and how prices emerge to act as signals concerning the allocation of resources.</p>
	<p>EPF.3.IN Compare and contrast how the organization of various market structures affects decisions and outcomes of individuals and firms.</p> <p>This indicator was developed to encourage inquiry into the characteristics of different market structures, their merits and limitations, and how these impact decision-making and the welfare of both consumers and producers.</p>
<p>EPF.3.CC Illustrate market equilibrium and the impact of shifts in supply and demand, different elasticities, and price controls on market output and price.</p> <p>This indicator was developed to encourage inquiry into the reasons for changes in market price and quantity. Inquiry into this indicator examines how market conditions and policies alter market equilibrium and economic incentives.</p>	
<p>EPF.3.IP Research and evaluate geopolitical influences on employment trends and issues at the state and national level.</p>	

Key Concept	Standards
	<p>This indicator was developed to encourage inquiry into state and national trends and issues in the job market. This indicator also prompts inquiry into how international trade, geography, government policies, collective bargaining, labor market conditions, and the prices of goods and services affect employment trends.</p>
Macroeconomics	<p>Standard 4: Demonstrate an understanding of basic macroeconomic principles.</p>
	<p>Enduring Understanding: Macroeconomics focuses on the behavior and performance of the economy as a whole. Analysis of macroeconomic data provides important information pertaining to the economic well-being of a society and prompts governments to make reasonable corrections as necessary. Government intervention is often used to stabilize and safeguard the economy; however, it is frequently met with strong reactions and opinions from both the public and institutions alike.</p>
	<p>The student will:</p>
	<p>EPF.4.ER Identify and analyze important economic indicators and data used to gauge the economic well-being of a society.</p> <p>This indicator was designed to encourage inquiry into how individuals, businesses, the government, and the foreign sector interact and how economic indicators, such as Gross Domestic Product, unemployment and inflation data, are used to measure the health of an economy.</p>
<p>EPF.4.IN Provide justification for or against regulation in a free-enterprise system.</p> <p>This indicator was designed to encourage inquiry into how the United States government and other entities promote the economic goals of price stability, full employment, and economic growth through the use of fiscal and monetary policies. This indicator also investigates the role of the Federal Reserve system in overseeing the U.S. banking system and regulating the money supply in the economy.</p>	
<p>EPF.4.CC Evaluate the impact of globalization and trade on the economic well-being of a country.</p> <p>This indicator was developed to encourage inquiry into the positive and negative effects of globalization and trade on individuals, businesses, and countries. As a result of the interconnectedness of markets throughout the world, societies adopt policies that promote and/or discourage trade liberalization, which may include international organizations, treaties, tariffs, quotas and embargoes.</p>	

Key Concept	Standards
	<p data-bbox="391 310 1328 380">EPF.4.IP Investigate contemporary economic policies, and analyze how political ideologies influenced their implementation.</p> <p data-bbox="561 422 1419 659">This indicator was developed to encourage inquiry into recent and currently debated economic policies and their possible effects on individuals, businesses, and the American political system. This indicator was designed to encourage the use of economic reasoning to promote critical thinking about significant policy issues and their impact on the well-being of individuals and economic growth of societies.</p>

Appendix D

Financial Literacy

Standard 2: Demonstrate an understanding of how scarcity and choice influence individual financial decisions.

Enduring Understanding:

Financial literacy is imperative in making individual economic decisions regarding spending, careers, and setting short- and long-term financial goals. The tools of decision making, and marginal analysis are essential in evaluating possible financial options. The ability to make wise choices can impact standard of living and future earning potential.

Expository Narrative and Inquiry:

Many factors influence personal income. Individual choices such as geographic location, cost of living, education level, skill, and investment in human capital are key elements that not only influence wage but also play an important role in determining long-term earning potential. A basic understanding of mandatory and optional payroll deductions and how they impact disposable income is paramount to living within one's means. This may include, but is not limited to, understanding the purpose of and calculating federal, state, and local taxes and the progressive tax system of the United States. Understanding different types of income is important in the process of establishing short- and long-term financial goals and creating a personal budget.

Examining financial goals further promotes investigating various post-secondary options and the opportunity cost incurred when various college or career paths are taken. Interest inventories and other online tools are useful in determining future direction based on individual strengths and weaknesses. After identifying potential options, cost-benefit analysis can be utilized to research factors such as financial aid opportunities, average student loan debt, the average cost of specific degrees, beginning and average salary data, job sustainability and growth potential, and cost of living in different geographic locations.

Understanding the role of financial institutions and the distinct differences among them is a necessary part of becoming economically efficient and financially solvent. Financial institutions act as intermediaries between savers and borrowers and how they facilitate the flow of money in the economy. Financial institutions can be categorized as banks (i.e., commercial banks, credit unions) and nonbank financial institutions (i.e., finance companies and investment banks). These institutions offer various services that assist customers in managing day-to-day financial transactions through the use of checking accounts, debit, and credit cards. Deposits into financial accounts are not static; deposited funds are used by financial institutions to make loans to individuals, businesses, and the government to make major purchases or investments. Use of these deposited funds and the resulting new loans is fundamental in assisting individuals achieve short and long-term financial goals. The relationship between financial institutions and the public is critical to enabling liquidity, the movement of goods and services, and facilitating economic growth.

Using credit is borrowing someone else's money and is not to be approached without careful consideration of the costs and benefits associated with the decision. Students should understand

the various forms of credit and the advantages and disadvantages of using credit for purchases. Credit enables consumers to obtain goods and services before full payment is made with a promise to pay in the future. Credit is often divided into two different categories: secured and unsecured. Secured loans are backed by some form of collateral, like home mortgages or car loans; whereas, unsecured loans are granted by a consumer's verbal or written affirmation to pay in the future. Further, it is important to use the principle of comparison shopping when considering using credit, including the costs and benefits of fixed and variable interest rates on loans. An amortization table can illustrate the impact of fixed interest rates on long-term purchases, such as a car loan or mortgage, by examining the amounts paid toward principal and interest.

The use of credit can be advantageous to consumers, as it helps facilitate transactions without the use of large amounts of cash and helps build credit history. In particular, credit cards often protect or insure consumer purchases, provide the opportunity to earn benefits or rewards, and can serve as a way to make payments in times of emergency. One of the major drawbacks of using credit is the tendency to spend beyond one's budget. Borrowing beyond one's safe debt load can lead to financial hardship in the future. In addition, credit users are also susceptible to fraud. Credit cards, in particular, also often have high interest rates, making it increasingly difficult to pay back borrowed money.

It is essential for students to understand the importance of establishing and maintaining good credit, indicators of creditworthiness, and comparison shopping when using credit. It is important to examine the terms and conditions of the loan in order to fully understand the expectations of lenders. In a highly connected and global society, the use of credit is a key part of life. Building a solid credit history and maintaining a good credit score is critical in determining future standard of living and quality of life. Credit scores not only play a decisive role in the ability to obtain a loan and the interest rate paid, but can also be used by potential employers as a way to screen job applicants. Experian, Equifax, TransUnion, serve as credit rating agencies and allow individuals to proactively monitor their credit. An understanding of the factors that determine creditworthiness, including the three Cs, (character, collateral, and capacity) and the ranges of credit scores are important factors for financially literate individuals to understand.

Effectively managing income can be established by creating a personal budget. How a person chooses to spend money on needs and wants has a direct impact on their standard of living. Careful budgeting includes analyzing the automatic and optional deductions from gross pay and prioritizing the remaining money among mandatory and discretionary purchases. Mandatory payments include, but are not limited to, housing, utilities, transportation, food, clothing, and debt payments. It is important to consider the implications of cost of living in different areas on a person's budget, spending choices, and standard of living.

Financially literate individuals also realize that something worth having is worth protecting. Insurance policies such as rental/homeowners, car, health, and life insurance provide consumers a way to manage risk and protect against unforeseen circumstances. The Federal Deposit Insurance Corporation (FDIC) also helps to maintain consumer confidence in the banking system. Saving and investment opportunities are also important to short and long-term financial planning. Saving helps individuals become financially secure by putting away money for large

purchases, while also providing a safety net in case of emergencies. Some examples of savings strategies include savings accounts, money market accounts, certificates of deposit (CDs), and bonds. Saving is generally a safe way to hold money for short-term financial goals and, if needed, allows savers to earn interest and easily access cash. However, because of the low risk associated with saving, it also offers very low rates of return.

Investing refers to storing money away in order to accrue interest or greater returns over a period of time. Investments can be used to fund long-term financial goals, such as college savings and retirement plans. Investments, viewed as more long-term in nature, typically experience higher rates of return than savings mechanisms. Long-term investments can lead to considerable personal profits, but substantial risk is involved with the greater potential for return. As with all rational economic decisions, the use of cost-benefit analysis is important in determining the true value of various choices and the importance of prioritizing personal financial goals. Knowledge about successful management of personal finances can help ensure personal economic well-being and help prevent future financial crises.

DRAFT

Financial Literacy

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Enduring Understanding:

Financial literacy is imperative in making individual economic decisions regarding spending, careers, and setting short- and long-term financial goals. The tools of decision-making and marginal analysis are essential in evaluating possible financial options. The ability to make wise choices can impact one's standard of living and future earning potential.

Indicator EPF.2.ER: Research and analyze the factors that impact personal income and long-term earning potential.

This indicator was developed to encourage inquiry into the factors that influence personal income. It also prompts inquiry into various post-secondary options and the opportunity cost incurred when various college or career paths are taken.

Depth of Knowledge: Level 4: Extended Reasoning

Target Skill Indicators: ER Establish Relationships: Clearly state, define, explain, and draw connections between ideas and terms.

Possible Content associated with the skill of Establishing Relationships:

This is an example of content that can be explored with this skill that speaks to the entirety of Standard 2.

- Examine a monthly budget to determine how an individual spends, saves, and invests to balance their income and expenses.
- Explain the impact of deductions on income by examining a pay stub and completing basic tax forms.
- Draw connections between interest inventories and post-secondary options and weigh the costs and benefits of the financial commitment of each choice.

Educators have the flexibility and latitude to use the following content list and/or additional related content that provides students with opportunities to employ the target skill.

Budgeting

Income: gross, net, disposable

Deductions: Federal and State Income

Taxes, FICA

Taxes: Federal, State, and Local

Assessments

Progressive Tax System

Cost of living

Post-secondary options and interest inventories

Financing a college education

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Depth of Knowledge: Level 1: Recall of Information

Target Skill Indicators: IN: Interpret: Gather, interpret, and construct data and graphs to evaluate the impact of changes in the economy.

Possible Content associated with the skill of Interpreting:

This is an example of content that can be explored with this skill that speaks to the entirety of Standard 2.

- Interpret the pros and cons of using commercial banks and credit unions to help individuals achieve financial goals.
- Outline the differences of credit and debit cards.
- Evaluate the different methods used to manage checking and savings accounts.

Educators have the flexibility and latitude to use the following content list and/or additional related content that provides students with opportunities to employ the target skill.

Collateral
Commercial banks
Credit Unions
Checking Accounts
Managing Checking and Savings Accounts
FDIC
Liquidity

Non-bank Financial Institutions: Finance companies, Investment banks
Savings: Savings accounts, Money market accounts, Certificates of deposit (CDs)
Bonds
Types of Interest Rates
Debit vs. Credit Cards

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Depth of Knowledge: Level 3: Complex Reasoning.

Target Skill Indicators: CC: Communicate and Conclude: Utilize research from a variety of sources to discuss policies and ideas in order to create a well-developed argument.

Possible Content associated with the skill of Communicating and Concluding:

This is an example of content that can be explored with this skill that speaks to the entirety of Standard 2.

- Analyze an amortization table for multiple loan opportunities and create an argument for which option would best suit one's financial goals.
- Research and compare different types of loans and credit cards.
- Examine sample credit reports to determine whether or not a person should be considered for credit.

Educators have the flexibility and latitude to use the following content list and/or additional related content that provides students with opportunities to employ the target skill.

3 C's of Creditworthiness
Amortization table
Types of interest rates
Comparison shopping
Credit monitoring

Credit rating agencies (Experian, Equifax, TransUnion)
Credit score
Credit report
Types of loans (Mortgage, Student Loan, Title, Pay Day, Credit Cards)

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Indicator EPF.2.IP: Develop a personal finance strategy for investing, protecting, purchasing, and saving resources.

This indicator was developed to encourage inquiry into the process of effectively managing income by creating a personal budget. Further inquiry into this indicator encourages active discourse on the merits and consequences of saving and investing.

Depth of Knowledge: Level 4: Extended Reasoning

Target Skill Indicators: IP: Informed Participation: Use acquired knowledge to engage in the marketplace through informed decision making.

Possible Content associated with the skill of Informed Participation:

This is an example of content that can be explored with this skill that speaks to the entirety of Standard 2.

- Create a monthly budget that examines how one's income is used to spend, save, invest, and protect one's assets.
- Evaluate the rates of return for different investment opportunities.
- Create financial goals that align with your post-secondary plans.

Educators have the flexibility and latitude to use the following content list and/or additional related content that provides students with opportunities to employ the target skill.

Amortization table

Budgeting

Comparison shopping

Deductions: Income taxes (Federal and State), FICA (Social Security and Medicare)

Investing (Individual Retirement Account, Stocks, Mutual Funds, Bonds)

Liquidity

Types of insurance (life, medical, home, car, etc.)

Financial goal setting

Rate of return