

AOF Principles of Finance

Course Scope and Sequence

Principles of Finance gives students a thorough introduction to the concepts, tools, and institutions of finance and serves as a foundation for the core courses offered by the Academy of Finance. Principles of Finance begins with the basics of financial literacy and the function of finance in society. Students then study income and wealth, including budgeting, personal banking, credit and borrowing, and planning for retirement. Next, students examine financial institutions and the role of finance in organizations. They learn about standard methods by which businesses raise capital, and they study key investment-related terms and concepts, including the time value of money. Students also explore specific topics of importance in today's world of finance, risk management, taxes, and ethics. They research how technological and international innovations have changed the financial services field.

As an integral part of the course, students also participate in an in-depth study of a particular finance topic. Students use a Project-Based Learning approach to become personal finance experts and lead a schoolwide exhibition on issues critical to financial literacy. Working in groups of three or four, students choose a topic to investigate and examine their topic from various perspectives, including its importance to an individual's understanding of finance and its relevance to the finance industry and society. Groups synthesize their learning and create a three-panel display, public service pamphlet, and talking points, all of which they present to an invited audience at a financial literacy fair.

Finally, students explore the types of careers that exist in finance today.

This course is expected to take a total of 69 50-minute class periods.

Unit 1: Getting Started

Lesson 1: Course Introduction

Estimated # of Class Periods: 3

Learning Objectives

- Explain how money functions
- Infer the skills and knowledge about finance needed to be successful in an authentic project
- Identify general finance terms with which to build a taxonomy

Lesson 2: Introduction to Finance

Estimated # of Class Periods: 4

Learning Objectives

- Explain what financial literacy is and why learning about it is valuable
- Identify ways financial knowledge can be applied to real-life
- Explain how the time value of money is a fundamental component of financial literacy
- Describe the financial services industry and the financial system that it serves

Lesson 3: Financial Intermediaries

Estimated # of Class Periods: 4

Learning Objectives

- Identify the functions of different types of financial intermediaries
- Explain how financial intermediaries benefit individuals, businesses, and the economy
- Define *capital* and describe its importance to financial intermediaries

Unit 2: Personal Finance

Lesson 4: Cash Flow and Wealth

Estimated # of Class Periods: 3

Learning Objectives

- Compare and contrast *income*, *expenses*, *cash flow*, and *wealth*
- Describe the sources and uses of money from a personal finance perspective
- Describe personal experiences with income, expenses, cash flow, and wealth

Lesson 5: Personal Budgeting

Estimated # of Class Periods: 4

Learning Objectives

- Identify the components of a personal budget and strategies for staying within one's budget
- Describe the purpose of setting financial goals
- Develop short-, mid-, and long-term financial goals
- Evaluate the importance of financial planning

Lesson 6: Banking

Estimated # of Class Periods: 6

Learning Objectives

- Explain how banks and bank accounts work
- Describe the impact of technology on banking, including online banking, mobile banking, and online-only banks
- Identify the components of a bank statement
- Demonstrate the ability to reconcile a bank statement

Lesson 7: Credit and Debt

Estimated # of Class Periods: 4

Learning Objectives

- Define *debt* and differentiate between good debt and bad debt
- Define *credit* and explain its purpose
- Describe the positive and negative effects of credit use and the impact on credit histories and scores

Unit 3: Financial Institutions

Lesson 8: Investment Banking

Estimated # of Class Periods: 3

Learning Objectives

- List the characteristics of an investment bank
- Explain how an investment bank differs from a commercial bank
- Describe the services provided by investment banks
- Summarize the history of investment banking

Lesson 9: Financial Markets

Estimated # of Class Periods: 6

Learning Objectives

- Describe the key risks and returns associated with investing
- Identify the major financial markets
- Describe common investment instruments
- Explain common investment concepts

Unit 4: Key Influencers of Financial Decisions

Lesson 10: Forms of Business Ownership

Estimated # of Class Periods: 4

Learning Objectives

- Describe the three primary forms of business ownership
- Explain why there are different forms of business ownership
- Compare the advantages and disadvantages of the three primary forms of business ownership

Lesson 11: Ethics in Finance

Estimated # of Class Periods: 4

Learning Objectives

- Define *ethics, morals, values, and lawfulness*
- Differentiate between legal and moral issues
- Explain how businesses should respond to ethical problems when they occur
- Demonstrate the ability to write an effective professional email

Lesson 12: Today's Business Environment

Estimated # of Class Periods: 5

Learning Objectives

- Display understanding of the need for businesses to be aware of and ready to respond to changes in regional, national, and global business environments
- Explain how various business-environment factors—including technology, societal trends, and globalization—affect business decision making
- Demonstrate the ability to write a business case study

Unit 5: Careers in Finance and Course Closure

Lesson 13: Best Practices in Personal Finance

Estimated # of Class Periods: 8

Learning Objectives

- Synthesize relevant information for a specific financial literacy topic
- Demonstrate the ability to work cooperatively in a project group
- Plan and create an influential informational pamphlet on a financial literacy topic
- Plan and create an effective informational display board on a financial literacy topic

Lesson 14: Working in Finance

Estimated # of Class Periods: 2

Learning Objectives

- Identify the types of jobs that are available in the finance industry
- Describe entry-level jobs in the finance industry and corresponding qualifications
- Develop effective responses to typical job interview questions

Lesson 15: Learning from Industry Experts

Estimated # of Class Periods: 4

Learning Objectives

- Evaluate personal experience and qualifications for potential internship and employment opportunities in finance
- Display understanding of potential internship and employment opportunities in finance
- Develop a personal, educational, and career path for careers in the finance industry
- Develop a resume

Lesson 16: Project Presentation and Course Closure

Estimated # of Class Periods: 5

Learning Objectives

- Demonstrate the ability to respond to questions about a presentation
- Evaluate personal experience and performance in the course
- Monitor personal success in learning the key principles of finance
- Summarize key learning across the whole subject of finance