

## Personal Financial Literacy TEKS

## Social Studies TEKS/Economics Strand

<b>Kindergarten</b>	
Personal financial literacy. The student applies mathematical process standards to manage one's financial resources effectively for lifetime financial security. The student is expected to:	Economics. The student understands the value of jobs. The student is expected to:
K.9A identify ways to earn income	K.7A identify jobs in the home, school, and community K.7B explain why people have jobs
K.9B differentiate between money received as income and money received as gifts	
K.9C list simple skills required for jobs	
K.9D distinguish between wants and needs and identify income as a source to meet one's wants and needs	Economics. The student understands that basic human needs and wants are met in many ways. The student is expected to: K.6A identify basic human needs of food, clothing, and shelter K.6B explain the difference between needs and wants K.6C explain how basic human needs can be met such as through self-producing, purchasing, and trading.

**Grade 1**

Personal financial literacy. The student applies mathematical process standards to manage one's financial resources effectively for lifetime financial security. The student is expected to:

1.9A define money earned as income

Economics. The student understands how families meet basic human needs. The student is expected to:

1.7A describe ways that families meet basic human needs

1.7B describe similarities and differences in ways families meet basic human needs

Economics. The student understands the value of work. The student is expected to:

1.10A describe the components of various jobs and the characteristics of a job well performed

1.10B describe how specialized jobs contribute to the production of goods and services

1.9B identify income as a means of obtaining goods and services, oftentimes making choices between wants and needs

Economics. The student understands the concepts of goods and services. The student is expected to:

1.8A identify examples of goods and services in the home, school, and community

1.8B identify ways people exchange goods and services

1.8C identify the role of markets in the exchange of goods and services

1.9C distinguish between spending and saving

Economics. The student understands the condition of not being able to have all the goods and services one wants. The student is expected to:

1.9A identify examples of people wanting more than they can have

1.9B explain why wanting more than they can have requires that people make choices

	1.9C identify examples of choices families make when buying goods and services
1.9D consider charitable giving	
	<p><b>Economics.</b> The student understands the value of work. The student is expected to:</p> <p>1.10A describe the components of various jobs and the characteristics of a job well performed; and</p> <p>1.10B describe how specialized jobs contribute to the production of goods and services.</p>

**Grade 2**

<p>Personal financial literacy. The student applies mathematical process standards to manage one's financial resources effectively for lifetime financial security. The student is expected to:</p>	<p>Correlates to Grade 1 Math</p>	<p><b>Economics.</b> The student understands the value of work. The student is expected to:</p> <p>2.9A explain how work provides income to purchase goods and services</p>
<p>2.11A calculate how money saved can accumulate into a larger amount over time</p>		
<p>2.11B explain that saving is an alternative to spending</p>		<p>2.9B explain the choices people in the U.S. free enterprise system can make about earning, spending, and saving money and where to live and work.</p>
<p>2.11C distinguish between a deposit and a withdrawal</p>		
<p>2.11D identify examples of borrowing and distinguish between responsible and irresponsible borrowing</p>		
<p>2.11E identify examples of lending and use concepts of benefits and costs to evaluate lending decisions</p>		
<p>2.11F differentiate between producers and consumers and calculate the cost to produce a simple item</p>		<p><b>Economics.</b> The student understands the roles of producers and consumers in the production of goods and services. The student is expected to:</p> <p>2.10A distinguish between producing and consuming</p> <p>2.10B identify ways in which people are both producers and consumers</p> <p>2.10C examine the development of a product from a natural source to a finished product.</p>

<b>Grade 3</b>	
Personal financial literacy. The student applies mathematical process standards to manage one's financial resources effectively for lifetime financial security. The student is expected to:	
3.9A explain the connection between human capital/labor and income	
3.9B describe the relationship between the availability or scarcity of resources and how that impacts cost	<b>Economics.</b> The student understands the concept of the free enterprise system. The student is expected to:
	3.7A define and identify examples of scarcity
	3.7B explain the impact of scarcity on the production, distribution, and consumption of goods and services
	3.7C explain the concept of a free market as it relates to the U.S. free enterprise system.
	<b>Economics.</b> The student understands how businesses operate in the U.S. free enterprise system. The student is expected to:
	3.8A identify examples of how a simple business operates
	3.8B explain how supply and demand affect the price of a good or service
	3.8C explain how the cost of production and selling price affect profits
3.8D explain how government regulations and taxes impact consumer costs	
3.9C identify the costs and benefits of planned and unplanned spending decisions	
3.9D explain that credit is used when wants or needs exceed the ability to pay and that it is the borrower's responsibility to pay it back to the lender, usually with interest	
3.9E list reasons to save and explain the benefit of a savings plan, including for college	

<p>3.9F identify decisions involving income, spending, saving, credit, and charitable giving</p>	<p><b>Economics.</b> The student understands the purposes of earning, spending, saving, and donating money. The student is expected to:</p> <p>3.6A identify ways of earning, spending, saving, and donating money</p>	<p><b>Grade 4</b></p>
	<p>3.6B create a simple budget that allocates money for spending, saving, and donating</p>	
	<p>3.8E identify individuals, past and present, including Henry Ford and other entrepreneurs in the community such as Mary Kay Ash, Wallace Amos, Milton Hershey, and Sam Walton, who have started new businesses</p>	

**Grade 4**

Personal financial literacy. The student applies mathematical process standards to manage one's financial resources effectively for lifetime financial security. The student is expected to:

4.10A distinguish between fixed and variable expenses

4.10B calculate profit in a given situation

4.10C compare the advantages and disadvantages of various savings options

4.10D describe how to allocate a weekly allowance among spending; saving, including for college; and sharing

4.10E describe the basic purpose of financial institutions, including keeping money safe, borrowing money, and lending

Economics. The student understands the basic economic activities of early societies in Texas and North America. The student is expected to:

4.10A explain the economic activities various early American Indian groups in Texas and North America used to meet their needs and wants such as farming, trading, and hunting

4.10B explain the economic activities early immigrants to Texas used to meet their needs and wants.

Economics. The student understands the characteristics and benefits of the free enterprise system in Texas. The student is expected to:

4.11A describe the development of the free enterprise system in Texas

4.11B describe how the free enterprise system works, including supply and demand

4.11C give examples of the benefits of the free enterprise system such as choice and opportunity

	<p><b>Economics.</b> The student understands patterns of work and economic activities in Texas. The student is expected to:</p> <p>4.12A explain how people in different regions of Texas earn their living, past and present, through a subsistence economy and providing goods and services</p> <p>4.12B explain how geographic factors such as climate, transportation, and natural resources have influenced the location of economic activities in Texas</p> <p>4.12C analyze the effects of exploration, immigration, migration, and limited resources on the economic development and growth of Texas</p> <p>4.12D describe the impact of mass production, specialization, and division of labor on the economic growth of Texas</p> <p>4.12E explain how developments in transportation and communication have influenced economic activities in Texas</p> <p>4.12F explain the impact of American ideas about progress and equality of opportunity on the economic development and growth of Texas</p>
	<p><b>Economics.</b> The student understands how Texas, the United States, and other parts of the world are economically interdependent. The student is expected to:</p> <p>4.13A identify ways in which technological changes in areas such as transportation and communication have resulted in increased interdependence among Texas, the United States, and the world</p> <p>4.13B identify oil and gas, agricultural, and technological products of Texas that are purchased to meet needs in the United States and around the world</p> <p>4.13C explain how Texans meet some of their needs through the purchase of products from the United States and the rest of the world</p>



<b>Grade 5</b>	
Personal financial literacy. The student applies mathematical process standards to manage one's financial resources effectively for lifetime financial security. The student is expected to:	
5.10A define income tax, payroll tax, sales tax, and property tax	
5.10B explain the difference between gross income and net income	
5.10C identify the advantages and disadvantages of different methods of payment, including check, credit card, debit card, and electronic payments	
5.10D develop a system for keeping and using financial records	
5.10E describe actions that might be taken to balance a budget when expenses exceed income	
5.10F balance a simple budget	
	<p><b>Economics.</b> The student understands the basic economic patterns of early societies in the United States. The student is expected to:</p> <p>5.10A explain the economic patterns of early European colonists</p> <p>5.10B identify major industries of colonial America</p>
	<p><b>Economics.</b> The student understands the development, characteristics, and benefits of the free enterprise system in the United States. The student is expected to:</p> <p>5.11A describe the development of the free enterprise system in colonial America and the United States</p> <p>5.11B describe how the free enterprise system works in the United States</p> <p>5.11C give examples of the benefits of the free enterprise system in the United States</p>
	<p><b>Economics.</b> The student understands the impact of supply and demand on consumers and producers in a free enterprise system. The student is expected to:</p>

	<p>5.12A explain how supply and demand affects consumers in the United States</p> <p>5.12B evaluate the effects of supply and demand on business, industry, and agriculture, including the plantation system, in the United States</p>
	<p><b>Economics.</b> The student understands patterns of work and economic activities in the United States. The student is expected to:</p> <p>5.13A compare how people in different parts of the United States earn a living, past and present</p> <p>5.13B identify and explain how geographic factors have influenced the location of economic activities in the United States</p> <p>5.13C analyze the effects of immigration, migration, and limited resources on the economic development and growth of the United States</p> <p>5.13D describe the impact of mass production, specialization, and division of labor on the economic growth of the United States</p> <p>5.13E explain the impact of American ideas about progress and equality of opportunity on the economic development and growth of the United States</p>

<b>Grade 6</b>	
Personal financial literacy. The student applies mathematical process standards to develop an economic way of thinking and problem solving useful in one's life as a knowledgeable consumer and investor. The student is expected to:	
6.14A compare the features and costs of a checking account and a debit card offered by different local financial institutions	
6.14B distinguish between debit cards and credit cards	
6.14C balance a check register that includes deposits, withdrawals, and transfers;	
6.14D explain why it is important to establish a positive credit history	
6.14E describe the information in a credit report and how long it is retained	
6.14F describe the value of credit reports to borrowers and to lenders	
6.14G explain various methods to pay for college, including through savings, grants, scholarships, student loans, and work-study	
6.14H compare the annual salary of several occupations requiring various levels of post-secondary education or vocational training and calculate the effects of the different annual salaries on lifetime income	
	<p><b>Economics.</b> The student understands the factors of production in a society's economy. The student is expected to:</p> <p>6.8A describe ways in which the factors of production (natural resources, labor, capital, and entrepreneurs) influence the economies of various contemporary societies</p> <p>6.8B identify problems and issues that may arise when one or more of the factors of production is in relatively short supply</p> <p>6.8C explain the impact of relative scarcity of resources on international trade and economic interdependence among and</p>

	<p>within societies</p> <p><b>Economics.</b> The student understands the various ways in which people organize economic systems. The student is expected to:</p> <p>6.9A compare ways in which various societies organize the production and distribution of goods and services</p> <p>6.9B compare and contrast free enterprise, socialist, and communist economies in various contemporary societies, including the benefits of the U.S. free enterprise system</p> <p>6.9C understand the importance of morality and ethics in maintaining a functional free enterprise system</p> <p>6.9D examine the record of collective, non-free market economic systems in contemporary world societies</p>
	<p><b>Economics.</b> The student understands categories of economic activities and the data used to measure a society's economic level. The student is expected to:</p> <p>6.10A define and give examples of agricultural, wholesale, retail, manufacturing (goods), and service industries</p> <p>6.10B describe levels of economic development of various societies using indicators such as life expectancy, gross domestic product (GDP), GDP per capita, and literacy</p> <p>6.10C identify and describe the effects of government regulation and taxation on economic development and business planning</p>

<b>Grade 7</b>	
Personal financial literacy. The student applies mathematical process standards to develop an economic way of thinking and problem solving useful in one's life as a knowledgeable consumer and investor. The student is expected to:	
7.13A calculate the sales tax for a given purchase and calculate income tax for earned wages	
7.13B identify the components of a personal budget, including income; planned savings for college, retirement, and emergencies; taxes; and fixed and variable expenses, and calculate what percentage each category comprises of the total budget	
7.13C create and organize a financial assets and liabilities record and construct a net worth statement	
7.13D use a family budget estimator to determine the minimum household budget and average hourly wage needed for a family to meet its basic needs in the student's city or another large city nearby	
7.13E calculate and compare simple interest and compound interest earnings	
7.13F analyze and compare monetary incentives, including sales, rebates, and coupons	
	<p><b>Economics.</b> The student understands the factors that caused Texas to change from an agrarian to an urban society. The student is expected to:</p> <p>7.12A explain economic factors that led to the urbanization of Texas</p> <p>7.12B trace the development of major industries that contributed to the urbanization of Texas such as transportation, oil and gas, and manufacturing</p> <p>7.12C explain the changes in the types of jobs and occupations that have resulted from the urbanization of Texas.</p>

	<p><b>Economics.</b> The student understands the interdependence of the Texas economy with the United States and the world. The student is expected to:</p> <p>7.13A analyze the impact of national and international markets and events on the production of goods and services in Texas such as agriculture, oil and gas, and computer technology</p> <p>7.13B analyze the impact of economic concepts within the free enterprise system such as supply and demand, profit, government regulation, and world competition on the economy of Texas</p> <p>7.13C analyze the impact of significant industries in Texas such as oil and gas, aerospace, medical, and computer technologies on local, national, and international markets</p>
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<b>Grade 8</b>	
Personal financial literacy. The student applies mathematical process standards to develop an economic way of thinking and problem solving useful in one's life as a knowledgeable consumer and investor. The student is expected to:	
8.12A solve real-world problems comparing how interest rate and loan length affect the cost of credit	
8.12B calculate the total cost of repaying a loan, including credit cards and easy access loans, under various rates of interest and over different periods using an online calculator	
8.12C explain how small amounts of money invested regularly, including money saved for college and retirement, grow over time	
8.12D calculate and compare simple interest and compound interest earnings	
8.12E identify and explain the advantages and disadvantages of different payment methods	
8.12F analyze situations to determine if they represent financially responsible decisions and identify the benefits of financial responsibility and the costs of financial irresponsibility	
8.12G estimate the cost of a two-year and four-year college education, including family contribution, and devise a periodic savings plan for accumulating the money needed to contribute to the total cost of attendance for at least the first year of college.	
	<p><b>Economics.</b> The student understands why various sections of the United States developed different patterns of economic activity. The student is expected to:</p> <p>8.12A identify economic differences among different regions of the United States</p> <p>8.12B explain reasons for the development of the plantation system, the transatlantic slave trade, and the spread of slavery</p>

	<p>8.12C explain the reasons for the increase in factories and urbanization</p> <p>8.12D analyze the causes and effects of economic differences among different regions of the United States at selected times in U.S. history</p>
	<p><b>Economics.</b> The student understands how various economic forces resulted in the Industrial Revolution in the 19th century. The student is expected to:</p> <p>8.13A analyze the War of 1812 as a cause of economic changes in the nation</p> <p>8.13B identify the economic factors that brought about rapid industrialization and urbanization</p>
	<p><b>Economics.</b> The student understands the origins and development of the free enterprise system in the United States. The student is expected to:</p> <p>8.14A explain why a free enterprise system of economics developed in the new nation, including minimal government intrusion, taxation, and property rights</p> <p>8.14B describe the characteristics and the benefits of the U.S. free enterprise system during the 18th and 19th centuries</p>



Supporting Standard



Readiness Standard