

Fundamentals of Financial Management

Course Credit	1.0
Grade Levels	9-12
Prerequisites	

Fundamentals of Financial Management introduces students to a wide range of accounting, finance, and management concepts and skills, focusing on financial analysis that supports economic decision-making in business. The course provides core content applicable to all businesses and enables students to acquire a deep, practical understanding of all aspects of financial management.

Foundational standards, shown in the table below, are an important part of every course. Through these standards, students learn and apply safety concepts, explore career opportunities and requirements, practice the skills needed to succeed in the workplace, develop leadership qualities and take advantage of the opportunities afforded by Career and Technical Student Organizations (CTSOs), and learn and practice essential digital literacy skills. The foundational standards are to be incorporated throughout the course.

Each foundational standard completes the stem “*Students will...*”

Foundational Standards

1. Incorporate safety procedures in handling, operating, and maintaining tools and machinery; handling materials; utilizing personal protective equipment; maintaining a safe work area; and handling hazardous materials and forces.
2. Demonstrate effective workplace and employability skills, including communication, awareness of diversity, positive work ethic, problem-solving, time management, and teamwork.
3. Explore the range of careers available in the field and investigate their educational requirements, and demonstrate job-seeking skills including resume-writing and interviewing.
4. Advocate and practice safe, legal, responsible, and ethical use of information and technology tools specific to the industry pathway.
5. Participate in a Career and Technical Student Organization (CTSO) to increase knowledge and skills and to enhance leadership and teamwork.

- 6. Discuss and demonstrate ways to value diversity.

FUNDAMENTALS OF FINANCIAL MANAGEMENT CONTENT STANDARDS

Each content standard completes the stem “*Students will...*”

Financial Management

1. Analyze and interpret financial data pertaining to cost-benefit analysis of a business decision.
Examples: benefits and costs associated with operating a business in a certain town or region
 - a. Create charts, graphs, and tables using financial data.
 - b. Analyze budgets and financial data to determine future financial needs.
 - c. Determine and analyze cash flow and profit margin, and perform cost-benefit analysis.
2. Explain financial management as it relates to income, savings, and investment opportunities.
3. Describe how a financial business benefits from the organizing management function.
Examples: time management, employee understanding of job duties, employee morale
4. Explain how managers use financial information.
Examples: planning strategies, executing strategies, using feedback from execution of a strategy

Investments and Risk Management

5. Evaluate risk management options available to consumers and entrepreneurs for protection against financial loss.
Examples: portfolio diversification, asset allocation
6. Analyze the risks, interest rate returns, and liquidity of various types of savings and investments.
7. Research and develop diversification strategies to reduce long-term risk and improve return on investment.
Examples: employer matching programs

Communication

8. Organize and effectively communicate financial information in terms clients can readily understand.
Examples: formal and informal presentations, memoranda

**Financial
Management**

9. Apply organizational skills to manage financial operations.
Examples: synchronizing schedules and calendars, prioritizing tasks to meet deadlines
10. Explain how agencies that regulate national and international financial markets protect investors.
11. Develop and maintain a plan for a financial business.
12. Explain how effective debt and credit management practices affect insurance costs, job opportunities, and interest rates.
13. Analyze traditional and non-traditional sources of credit for suitability to particular situations, listing advantages and disadvantages of each type.
14. Analyze the impact of international, federal, state, and local regulations on financial management decisions.
 - a. Describe effects of tax structure on business decisions.
 - b. Compare and contrast legal rights and responsibilities related to financial management for various types of businesses.
 - c. Explain the role of the United States Securities and Exchange Commission in regulating financial markets.

Tax Liability

15. Determine tax liability as it pertains to the finances of a business.

Ethics

16. Identify and explain the legal and ethical responsibilities of financial managers.
17. Discuss the impact of short-term gratification on ethical decision-making.

**International
Events, Issues,
and
Exchange Rates**

18. Determine the impact of international activities on personal financial decision-making.
Example: If tariffs increase the cost of steel used to manufacture washing machines so that prices go up, a consumer may choose to have an old washer repaired rather than purchase a new one.
 - a. Utilize exchange rates to convert from one currency to another.
 - b. Gather and share information on the impact of domestic and international labor issues on personal financial decisions.
Example: If the minimum wage is increased, workers may be able to buy more fresh produce to feed their families.

**Career
Opportunities**

19. Gather and share information about the significance of credentialing in financial and investment fields, the value of belonging to a professional organization, and the importance of continuing education.