**Statement of Purpose**

**The Problem**

Fitness! Nearly everyone is concerned about their health and well-being! People exercise, change their diets, read books about health, join fitness clubs. And then there is financial fitness. The alarm is sounding and the wake-up call has been made. People in high places across this great land, and people in common places, are now realizing that today’s American young people are financially illiterate! Common sense should tell us that most people know how to budget money, pay bills, write checks, use a debit card, reconcile the checkbook, save money for a rainy day, and save money for retirement. Common sense should tell us that parents demonstrate those skills and teach their children the value of a dollar and how to become financially savvy. However, the problem is that our young people are not being taught how to manage money properly. Schools have now been given a new assignment, the task of teaching students how to exercise financially. Students should be required to take a course in Financial Management before they graduate from high school. Some states now have a financial literacy requirement in place. One of the many important units in a Financial Management class is one about Banking.

**Needs of the Learner**

According to the “Charles Schwab 2008 Parents and Money Survey,” 61% of teenagers have savings accounts and only 24% have checking accounts (2008). High school students in grades 9-12 are usually quite novice when it comes to handling finances. While some high school students have part-time jobs and some type of income, other high school students rely solely on their parents to provide them with money as the needs arise. Students need to learn about managing money and should understand the many aspects of banking. Students need to obtain knowledge about saving money, opening a savings account, opening a checking account, writing checks, direct deposit, using a debit card, reconciling a bank statement, FDIC, and the different types of financial institutions. According to Kelley Holland (2013), there are five things teenagers do not know about money. Those five things are 1) bank account basics, 2) budgeting, 3) the power of compounding, 4) keeping credit reports clean, and 5) rainy day savings (Holland, 2013).

**Needs of the Society**

Students need to learn as much as they possible can about becoming financially independent and solvent. When today’s young people become adults, they will be able to handle money responsibly and have the knowledge and tools to make wise financial decisions. According to the JumpStart Coalition, American consumers as a collective group are $11.52 trillion dollars in debt which is an increase of 1.6% in one year (“Making the Case,” 2014). In January 2015, there were 120,000 foreclosure filings in the United States ([www.realtytrak.com](http://www.realtytrak.com), 2015). If we can give one generation a tool kit filled with everything they could possibly need to build a strong financial household, then hopefully, we can change the financial landscape of the nation.

**Value of Subject Matter**

There is good reason to learn about the value of the dollar. There is value in educating high school students about money management. According to Investopedia (2015), the definition of Financial Literacy is…

“The possession of knowledge and understanding of financial matters. Financial literacy is mainly used in connection with personal finance matters. Financial literacy often entails the knowledge of properly making decisions pertaining to certain personal finance areas like real estate, insurance, investing, saving (especially for college), tax planning and retirement. It also involves intimate knowledge of financial concepts like compound interest, financial planning, the mechanics of a credit card, advantageous savings methods, consumer rights, time value of money, etc.”

and…

“The absence of financial literacy can lead to making poor financial decisions that can have adverse effects on the financial health of an individual. The advantages or disadvantages of variable or fixed rates is an example of an issue that will be easier to understand if an individual is financially literate. In 2003, the U.S government launched the Financial Literacy and Education Commission. The office is responsible for having resources available for individuals who want to be financially literate” ([www.investopedia.com](http://www.investopedia.com), 2015).

**The Educational Goal**

Financial literacy education in the United States is overdue. Time’s up! Teachers who really want to make a difference in the financial health of our nation must start educating children of all ages about money and how to manage it. “Ohio law requires integration of economics and financial literacy within one or more social studies classes or another class” ([www.education.oh.gov](http://www.education.oh.gov), 2015). The purpose of this banking unit, within the Financial Management course, will teach the student financial skills necessary for the present and the future. Skills learned will include understanding and knowledge about saving money, how to open a savings account, how to open a checking account, how to manage a checking account, how to write checks and endorse checks, how to reconcile a bank statement, certificate of deposit, money market accounts, savings bonds, electronic banking, overdraft protection, direct deposit, ATM’s, debit cards, and the differences between various banks and banking services.

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