

Personal Finance



FBLA High School Competitive Events Guidelines

2022–2023

Objective Test Events

Overview

These events consist of a 60-minute test administered during the National Leadership Conference (NLC).

ELIGIBILITY

Each state may submit four entries. Competitors must have paid FBLA national and state dues by 11:59 p.m. Eastern Time on March 1 of the current school year. These events are for individual competitors only.

NLC Registration

Participants must be registered for the NLC and pay the national conference registration fee to participate in competitive events.

Accounting I
Accounting II
Advertising
Agribusiness
Business Calculations
Business Communication
Business Law
Computer Problem Solving
Cyber Security
Economics
Health Care Administration
Human Resource Management
Insurance & Risk Management
Introduction to Business Communication
Introduction to Business Concepts
Introduction to Business Procedures
Introduction to FBLA
Introduction to Financial Math
Introduction to Information Technology
Introduction to Marketing Concepts – **NEW**
Introduction to Parliamentary Procedure
Journalism
Networking Infrastructures
Organizational Leadership
Personal Finance
Political Science
Securities & Investments
Supply Chain Management
UX Design

Personal Finance

Objective Test Competencies

- Credit and debt
- Earning a living (income, taxes)
- Managing budgets and finance
- Saving and investing
- Banking and insurance
- Financial principles related to personal decision making
- Buying goods and services

Objective Test Guidelines

- No materials may be brought to the testing site.
- No calculators may be brought into the testing site; calculators will be provided.
- Electronic devices must be turned off and out of sight.
- Bring a writing instrument.

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Competency A: Financial Principles Related to Personal Decision Making	Minimum: 10
Tasks	
1. Evaluate how decisions made at one stage of your life can affect your options at other stages.	
2. Find and evaluate financial information from a variety of sources.	
3. Identify major consumer protection laws.	
4. Make financial decisions by systematically considering alternatives and consequences.	
5. Develop communication strategies for discussing financial issues.	
6. Control and secure personal information.	
7. Describe how wise financial planning can help you achieve your goals.	
8. Predict the effects of financial planning on specific situations.	
9. Define money (characteristics, role, and forms) and trace how money and resources flow through the American economic system.	
10. Define basic economic concepts (such as supply and demand; production, distribution, and consumption; labor, wages, and capital; inflation and deflation).	
Competency B: Earning a Living (Income, Taxes)	Minimum: 15
Tasks	
1. Identify components and sources of personal income.	
2. Describe how the demand for certain skills helps determine the amount you will be paid.	
3. Identify the effects of employment on financial security.	
4. Relate employee benefits to disposable income.	
5. Compute gross earnings and describe factors affecting take-home pay.	
6. Calculate mandatory and voluntary deductions to get net pay.	
7. Compare various employee benefits and retirement programs.	
8. Identify various types of taxes that relate to income.	
9. Summarize guidelines for reporting taxes.	
10. Define exemptions, dependents, and taxable and nontaxable income.	
11. Prepare tax forms such as 1040EZ, 1040A using a aW2 form and a 1099 interest form, W-4, and I-9 forms	
12. Compute taxes using a tax table and other appropriate information.	
13. Describe the differences in various types of employment. (i.e., flextime, job sharing, telecommuting, full- and part-time, piece work)	
Competency C: Managing Budgets and Finance (Planning and Money Management)	Minimum: 15
Tasks	
1. Determine short- and long-term goals.	
2. Develop and implement a personal financial plan for earning, spending, saving, and investing.	
3. Develop a system for keeping and using financial records.	
4. Track income and spending to analyze and prepare a budget and make adjustments.	

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5. Describe the effect of different payment methods—cash, credit, installment loans, mortgages, debit cards, checks or online deposits, transfers and payments on the budget and financial plan.	
6. Identify some of the serious problems that can arise when you don't plan your finances or implement your financial plan.	
7. Use financial management software to prepare a budget, track income and expenses, and project taxes.	
Competency D: Saving and Investing	Minimum: 15
Tasks	
1. Define investment terms including risk management, yields, and rate of return.	
2. Explain how investing and saving builds wealth and helps meet financial goals.	
3. Distinguish between short- and long-term savings goals.	
4. Determine saving options and the need for and the purpose of savings.	
5. Evaluate investment alternatives and sources of investment information and prepare a personal investment strategy.	
6. List types and methods of savings.	
7. Compare and choose among saving and investment options such as stocks, bonds, CDs, and 401K savings plans.	
8. Describe how to buy and sell investments.	
9. Track various stocks over a period of time.	
10. Compute the anticipated rate of return on specific investments and savings accounts using various factors such as simple or compound interest, dividends, fees, etc.	
11. Explain how taxes affect the rate of return on investments.	
12. Demonstrate how to evaluate advisors' credentials and how to select professional advisors and their services.	
13. Investigate how agencies that regulate financial markets protect investors.	
Competency E: Buying Goods and Services	Minimum: 10
Tasks	
1. Compare and contrast the advantages and disadvantages of renting versus purchasing property such as a home, auto, and equipment.	
2. Calculate costs involved in purchasing and maintaining a vehicle and a home and the methods of figuring depreciation.	
3. Determine spending patterns based on a review of financial records.	
4. Evaluate information about products and services such as warranties, clearance items, and consumer reports.	
5. Compare the advantages and disadvantages of alternative payment types—credit, cash, loans, etc.	
6. Describe the rights and responsibilities of buyers and sellers under consumer protection laws.	
Competency F: Banking and Insurance	Minimum: 15
Tasks	
1. Identify common types of risks and basic risk management methods.	
2. Identify the purpose, importance, and major characteristics of property and liability insurance protection.	

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3. Identify the purpose, importance, and major characteristics of health, disability and life insurance protection.	
4. Evaluate how insurance (e.g., auto, home, life, medical, and long-term health) and other risk management strategies protect against financial loss.	
5. Compute the costs and benefits of specific insurance plans.	
6. Predict how personal factors affect insurance needs and costs.	
7. Compare different types of banking options such as credit unions and other banks.	
8. Identify the types of banking services and their costs for meeting various needs.	
9. Write a check and prepare deposits and withdrawal slips.	
10. Maintain a check register including proper procedures for ATM and automatic payment withdrawals.	
11. Reconcile a bank statement.	
12. Explain the advantages and security issues with online banking and bill payment.	
Competency G: Credit and Debt	Minimum: 20
Tasks	
1. Identify the costs, benefits, and sources of various types of credit.	
2. Give the advantages and disadvantages of using credit in specific situations.	
3. Explain the purpose of a credit record and identify borrowers' credit report rights.	
4. Develop and use personal debt-reduction strategies to manage and avoid or correct debt problems.	
5. Identify major consumer credit laws.	
6. Reconcile a credit card statement and analyze finance charges.	
7. Evaluate the terms and conditions of credit offers and make recommendations based on the analysis.	
8. Evaluate the concept of creditworthiness as it relates to credit records, credit ratings, credit reports, and credit laws.	
9. Describe the advantages and disadvantages of bankruptcy.	
10. Compare the terms and rates of mortgage agreements.	
11. Demonstrate awareness of consumer protection and information (identify theft, phishing, scams, etc.).	
12. Complete credit forms and loan applications.	
13. Compare the costs of a purchase if paid with cash, credit cards, charge accounts, and installment loans.	
14. Evaluate various personal and economic factors that influence the availability of credit.	
15. Describe the responsibilities of the consumer to the creditor in terms of handling credit as a responsible consumer.	

FBLA Personal Finance

References:

Business and Personal Finance Course Outline. 2002. Columbia, SC: South Carolina Career and Technology, South Carolina Department of Education.

Career Cluster Resources for Business, Management and Administration. 2003. Washington, DC: National Association of State Directors of Career Technical Education Consortium.

Career Cluster Resources for Finance. 2003. Washington, DC: National Association of State Directors of Career Technical Education Consortium.

Career Cluster Resources for Marketing, Sales & Service. 2003. Washington, DC: National Association of State Directors of Career Technical Education Consortium.

The Illinois Learning Standards. 1998. Springfield, IL: Illinois Department of Education.

Kentucky Occupational Skill Standards List. 2007. Frankfort, KY: Career and Technical Education, Kentucky Department of Education.

Missouri Personal Finance Competencies. 2005. Warrensburg, MO: Missouri Center for Career Education.

National Standards in K-12 Personal Finance Education, 3rd Edition. 2007. Washington, DC: The Jump\$tart Coalition for Personal Financial Literacy.

PERSONAL FINANCE SAMPLE QUESTIONS

- 1) ___ is an online scam using pop-up messaging or email to deceive someone into disclosing personal information.
 - A) Spamming
 - B) Phishing
 - C) Fracking
 - D) Lifting

- 2) Someone is able to sue a creditor for ___ under the Equal Credit Opportunity Act.
 - A) hiring a collection agency
 - B) discrimination
 - C) failure to disclose information
 - D) giving inaccurate information

- 3) Which of the 5C's of lending does a bank review when looking at past payment records on loans?
 - A) capital
 - B) capacity
 - C) clarity
 - D) character

- 4) ___ is the amount earned before taxes are withheld.
 - A) Deductions
 - B) Gross pay
 - C) Salary
 - D) Sick leave

- 5) Itemized deductions are recorded on the ___ document.
 - A) Schedule A
 - B) Schedule B
 - C) Form 1040AB
 - D) Form 1040EZ

- 6) Which of the following records should you keep for more than a year?
- A) Tax returns and supporting documentation
 - B) Utility bills
 - C) Auto and homeowners Insurance policies
 - D) Credit-card statements
- 7) A tax credit reduces the tax ____.
- A) net value
 - B) income
 - C) liability
 - D) refund
- 8) The rate of return refers to ____.
- A) how quickly funds grow in an investment
 - B) the certificate of deposit face value
 - C) the length of time before an investment can be cashed out
 - D) the maturity rate of an investment
- 9) A long-term goal would be ____.
- A) retirement savings
 - B) paying off a credit card that has a low credit limit
 - C) purchasing a car
 - D) annual vacations
- 10) Abigail's insurance will pay ____ for injuries to each person injured if the automobile insurance is 10/100 bodily liability coverage.
- A) \$10,000
 - B) \$1,000
 - C) \$1,000,000
 - D) \$100,000

- 11) A consumer has a \$20,000 medical bill. The deductible is \$1,000 with an 80/20 coinsurance health policy. What is the out-of-pocket expense?
- A) \$2000
 - B) \$4800
 - C) \$1900
 - D) \$4500
- 12) The earliest stage in an investor's life cycle where the investor is growing the number of assets he/she has.
- A) speculation
 - B) consolidation
 - C) spending
 - D) accumulating
- 13) A(n) _____ is a resource with economic value that an individual, corporation or country owns or controls with the expectation that it will provide a future benefit.
- A) capital
 - B) asset
 - C) liability
 - D) credit
- 14) A(n) _____ sale is traditionally used to introduce a new store opening or a new product line being released.
- A) attic
 - B) introduction
 - C) promotional
 - D) reduction
- 15) An automobile service contract is typically limited to _____ after the warranty expires.
- A) the engine only
 - B) covering regular maintenance
 - C) providing routine services
 - D) repairing mechanical problems

- 1) B
- 2) B
- 3) D
- 4) B
- 5) A
- 6) A
- 7) C
- 8) A
- 9) A
- 10) A
- 11) B
- 12) D
- 13) B
- 14) C
- 15) D

General Competitive Events Guidelines

The general event guidelines below are applicable to all FBLA High School national competitive events. Please review and follow these guidelines when competing at the national level. When competing at the state level, check the state guidelines since they may differ.

All members and advisers are responsible for reading and following competitive event guidelines.

Eligibility

- **Dues:** Competitors must have paid FBLA national and state dues by 11:59 p.m. Eastern Time on March 1 of the current school year.
- **NLC Registration:** Participants must be registered for the NLC and pay the national conference registration fee in order to participate in competitive events.
- **Deadlines:** The state chair, or designee, must register each state competitor on the official online entry forms by 11:59 p.m. Eastern Time on the second Tuesday in May.
- Each state may submit four entries in all events.
- Each competitor can only compete in one individual/team event and one chapter event.
- Each competitor must compete in all parts of an event for award eligibility.
- A team shall consist of two or three members. The exception is Parliamentary Procedure, which must be a team of four or five members.
- All members of a team must consist of individuals from the same chapter.
- If competitors are late for a competitive event, there are no guarantees they will get to compete. Competitive event schedules cannot be changed. **PLEASE NOTE** that competitive events start in the morning before the opening session of NLC.
- Competitors may be disqualified if they violate competitive event guidelines.
- Picture identification (drivers' license, passport, state-issued identification, or school-issued identification) is required when checking in for competitive events.

General Competitive Events Guidelines

Repeat Competitors

- **Members** may compete in an event at NLC more than once if they have not previously placed in the top ten of that event at NLC. If a member places in the top ten of an event at NLC, they are no longer eligible to compete in that event. This eliminates the exceptions for team events that were previously in place, as this change will now affect all events.
- **Modified Events:** A competitor may compete in the same event when the event is modified, regardless of placement at a National Leadership Conference. Note, if the only modification is a name change, competitors may not compete in the renamed event if they have previously placed in the top ten at the National Leadership Conference.
- **Chapter Events:** Competitors may compete in a chapter event as many times as they wish, regardless of placement at a previous National Leadership Conference (American Enterprise Project, Community Service Project, Local Chapter Annual Business Report, and Partnership with Business Project).
- **Pilot Event:** Competition in a pilot event does not disqualify a competitor from competing in the same event if it becomes an official competitive event. The participant may compete in another event as well as a pilot event.

Breaking Ties

- **Objective Tests:** Ties are broken by comparing the correct number of answers to the last 10 questions on the exam. If a tie remains, the competitor who completed the test in a shorter amount of time will place higher. If this does not break the tie, answers to the last 20 questions will be reviewed to determine the winner.
- **Objective and Production Tests:** The production test scores will be used to break a tie.
- **Objective Tests and Performances:** The objective test score will be used to break a tie based on the tie-breaking criteria of objective tests.
- **Reports/Projects and Performances:** The report/project scores will be used to break a tie.
- **Performances:** Judges must break ties and all judges' decisions are final.

General Competitive Events Guidelines

National Deadlines

- State chair/adviser must register all competitors for NLC competitive events online by 11:59 p.m. Eastern Time on the second Tuesday in May.
- All prejudged components (reports and projects) must be submitted by 11:59 p.m. Eastern Time on the second Tuesday in May.
- All prejudged projects and reports must be submitted electronically.
- All production tests must be submitted by 11:59 p.m. Eastern Time on the third Tuesday in May.
- All production tests must be uploaded online on the required platform.
- State chair/adviser may make name changes only (no additional entries) by 11:59 p.m. Eastern Time on the first Tuesday in June. Competitor drops are the only changes allowed after this date and onsite.

National Awards

- The number of competitors will determine the number of winners. The maximum number of winners for each competitive event is 10.

Americans With Disabilities Act (ADA)

- FBLA-PBL meets the criteria specified in the Americans with Disabilities Act for all participants who [submit an accommodation form](#).
- The form must be submitted by 11:59 p.m. Eastern Time on the second Tuesday in May.

Recording of Presentations

- No unauthorized audio or video recording devices will be allowed in any competitive event. Participants in the performance events should be aware the national association reserves the right to record any performance for use in study or training materials.