

# Financial Literacy

LEVEL 1	5 TCE CREDIT POINTS
COURSE CODE	BST105116
COURSE SPAN	2016 — 2021
COURSE STATUS	LIVE
READING AND WRITING STANDARD	NO
MATHEMATICS STANDARD	NO
COMPUTERS AND INTERNET STANDARD	NO

**Financial literacy is a combination of financial knowledge, skills, attitudes and behaviours necessary to make sound financial decisions, based on personal circumstances, to improve financial wellbeing**

Having financial literacy means being able to understand and navigate the financial landscape and make good decisions about money. This can benefit individuals, families and communities. It helps people make informed choices, day-to-day and throughout their lives. This course supports the Australian Government's National Financial Literacy Strategy through its agency the Australian Securities and Investments Commission (see Appendix 2). Although low financial literacy may be found in any demographic group, it is more likely to be encountered in learners who are targeted by this course ([www.financialliteracy.gov.au/media/546585/report-403\\_national-financial-literacy-strategy-2014-17.pdf](http://www.financialliteracy.gov.au/media/546585/report-403_national-financial-literacy-strategy-2014-17.pdf) p14).

## Rationale

Financial literacy is a combination of financial knowledge, skills, attitudes and behaviours necessary to make sound financial decisions, based on personal circumstances, to improve financial wellbeing.

Having financial literacy means being able to understand and navigate the financial landscape and make good decisions about money. This can benefit individuals, families and communities. It helps people make informed choices, day-to-day and throughout their lives.

This course supports the Australian Government's [National Financial Capability Strategy](#) (page 14) through its agency the Australian Securities and Investments Commission (see Appendix 2). Although low financial literacy may be found in any demographic group, it is more likely to be encountered in learners who are targeted by this course.

## Learning Outcomes

On successful completion of this course, learners will be able to:

- prepare a personal financial budget
- set personal financial goals
- communicate financial information
- make simple personal financial decisions.

## Pathways

Financial literacy is a core whole-of-life skill. Financial Literacy Level 1 provides a pathway to Business Studies – Foundation Level 2 and to the unit of competency *Be MoneySmart* (FNSFLT301A) within Certificate III in Financial Services (FNS30115).

## Course Size And Complexity

This course has a complexity level of 1.

At Level 1, the learner is expected to carry out tasks and activities that draw on a limited range of knowledge and skills. The tasks and activities generally have a substantial repetitive aspect to them. Minimum judgement is needed as there are usually very clear rules, guidelines or procedures to be followed. VET competencies at this level are often those characteristic of an AQF Certificate I.

This course has a size value of 5.

## Course Description

Financial Literacy is an introduction to the basic concepts surrounding personal financial management. This course provides learners with the tools to make wiser decisions regarding their financial affairs. Through consideration of the following questions, learners will study the core components of earning, saving, spending and investing.

1. How do I become an informed financial decision maker?
2. How do I prepare for a more secure future?
3. Where do I find relevant information and assistance?

## Course Requirements

Work submitted for assessment must be produced over the duration of one calendar school year, be unique to this course and not be work submitted for assessment in any other course.

Learners are required to complete the Compulsory Components of the Course Content and then one activity from the Elective Component of the Course Content.

## Course Delivery

This is a practical, skills-based course with an emphasis on tasks in solving real-life problems. It is recommended that a broad range of teaching and learning tools are employed to achieve the aims of the course. These could include:

- The use of practical exercises and activities
- The use of case studies and hypothetical scenarios
- The use of information technology
- Visits and excursions to relevant agencies and businesses
- Guest speakers from relevant agencies and businesses.

A Glossary of terms used in the standards and throughout the course document is provided in Appendix 1.

## Course Content

### COMPULSORY COMPONENTS:

- Financially, what do I want from life?
- How do I set financial goals?
- How do I reach those goals?
  - Short term, medium term and long term goals
- How do I make wise financial choices?
  - How do I set up a bank account?
  - How do I use a debit card and a credit card?
- How do I draw up a personal budget?
  - Income, fixed and variable expenses, savings
  - Budget adjustments
- What sort of risks might I meet?
  - Role of insurance
  - Job loss, income variations
- What if I need to know more?
  - Who or where from?
  - What is the 'objectivity' of this advice?
- What if I cannot afford something I need?
  - The benefits and pitfalls of borrowing money
- Do I stay at school or go to work?
  - What is HECS?
  - What is the GST?
  - What is the role of the ATO in my life?
  - What is superannuation?
  - How do I build a financially secure future?

### ELECTIVE COMPONENT

**At least ONE activity must** be chosen from the following list. Learners use provided and collected information about the activity, work out the cost of the activity and if they can afford it, make a suggestion as to an appropriate course of action based on that information and state why they made that suggestion.

- Buy the first car
- Select a mobile phone plan
- Plan a holiday
- Buy or rent a property.

Learners are required to study financial information related to their elective activity, investigate products or services, find references and sources, make conclusions and present the results of their investigation. Types of evidence may include teacher observation of learners, interviews, notes, written reports, oral reports and multimodal presentations.

Written reports need be no more than 500 words, oral reports no more than 3-4 minutes and multimodal presentations of 3-5 minutes.

## Assessment

Criterion-based assessment is a form of outcomes assessment that identifies the extent of learner achievement at an appropriate end-point of study. Although assessment – as part of the learning program – is continuous, much of it is formative, and is done to help learners identify what they need to do to attain the maximum benefit from their study of the course. Therefore, assessment for summative reporting to TASC will focus on what both teacher and learner understand to reflect end-point achievement.

The standard of achievement each learner attains on each criterion is recorded as a rating of 'C' (satisfactory standard) according to the outcomes specified in the standards section of the course document.

A 't' notation must be used where a learner demonstrates any achievement against a criterion less than the standard specified for the 'C' rating. The 't' notation is not described in course standards.

A 'z' notation is to be used where a learner provides no evidence of achievement at all.

Providers offering this course must participate in quality assurance processes specified by TASC to ensure provider validity and comparability of standards across all awards. To learn more, see TASC's quality assurance processes and assessment information.

Internal assessment of all criteria will be made by the provider. Assessment processes must gather evidence that clearly shows the match between individual learner performance, the standards of the course and the learner's award. Providers will report the learner's rating for each criterion to TASC.

## Quality Assurance Process

The following processes will be facilitated by TASC to ensure there is:

- a match between the standards of achievement specified in the course and the skills and knowledge demonstrated by learners
- community confidence in the integrity and meaning of the qualification.

**Process** – Each provider is responsible for ensuring the integrity and validity of their assessment results against the requirements of the course, including standards, and for maintaining records and documentation that will demonstrate the integrity, accuracy and validity of the award decisions they make each year.

Where TASC identifies sufficient potential for concern about the integrity or validity of a provider's award decisions it will undertake an investigation. After such an investigation is completed, TASC may take action under Section 33 of the *Office of Tasmanian Assessment, Standards and Certification Act 2003* as it considers appropriate, including but not limited to:

- giving the school/college a direction in relation to the provision or assessment of the course (section 33 (2))
- refusing to accept results for this course from the provider (section 33 (4)).

## Criteria

The assessment for Financial Literacy Level 1 will be based on the degree to which the learner can:

1. prepare a personal financial budget
2. set personal financial goals
3. communicate financial information
4. make personal financial decisions

## Standards

### Criterion 1: prepare a personal financial budget

The learner:

Rating C
identifies sources of income, and fixed and variable expenses
completes a simple personal budget
makes adjustments to a personal budget to reflect changed conditions.

### Criterion 2: set personal financial goals

The learner:

Rating C
lists personal financial goals
categorises financial goals into short term, medium term and long term
lists steps necessary to achieve a financial goal.

### Criterion 3: communicate financial information

The learner:

Rating C
clearly communicates basic financial information in oral/signed and written forms
uses basic budgeting and finance terms appropriately
conveys basic budgeting and financial information using formats as directed (e.g. simple tables or graphs, rounding to the nearest whole dollar).

### Criterion 4: make personal financial decisions

The learner:

Rating C
identifies financial decisions that adults need to make
identifies impartial sources of information and assistance available
identifies risks that might affect a person's financial plans.

## Qualifications Available

Financial Literacy Level 1 (with the award of):

SATISFACTORY ACHIEVEMENT

PRELIMINARY ACHIEVEMENT

## Award Requirements

The minimum requirements for an award in Financial Literacy Level 1 are as follows:

SATISFACTORY ACHIEVEMENT (SA)

The learner meets the standards of the 4 criteria.

PRELIMINARY ACHIEVEMENT (PA)

The learner meets the standards of any 2 criteria.

## Course Evaluation

The Department of Education's Curriculum Services will develop and regularly revise the curriculum. This evaluation will be informed by the experience of the course's implementation, delivery and assessment.

In addition, stakeholders may request Curriculum Services to review a particular aspect of an accredited course.

Requests for amendments to an accredited course will be forwarded by Curriculum Services to the Office of TASC for formal consideration.

Such requests for amendment will be considered in terms of the likely improvements to the outcomes for learners, possible consequences for delivery and assessment of the course, and alignment with Australian Curriculum materials.

A course is formally analysed prior to the expiry of its accreditation as part of the process to develop specifications to guide the development of any replacement course.

## Course Developer

The Department of Education acknowledges the significant leadership of Richard Bennett (Consumer Affairs and Fair Trading), James Borjeson (StartSmart, Commonwealth Bank), Peter Cuzner (ASIC) and Jodie Schafferius (The Hutchins School) in the development of this course.

## Expectations Defined By National Standards In Content Statements Developed by ACARA

There are no content statements developed by ACARA that are relevant to this course.

## Accreditation

The accreditation period for this course is from 1 January 2016 to 31 December 2020.

## Version History

Version 1 – Accredited on 1 June 2015 for use from 1 January 2016 to 31 December 2020. This course replaces Financial Literacy (BST105111) that expired on 31 December 2015.

Version 1.a - Accreditation renewed on 22 July 2020 for the period 1 January 2021 to 31 December 2021, with the following amendments: minor updates to terminology.

## Appendix 1

### GLOSSARY

Term	Explanation
Basic	essential or elementary
Categorise	classify items into groups sharing similar characteristics
Communicate	convey information about, clearly reveal or make known
Decision	a choice or determination formed following the consideration of alternatives
List	itemise items, often in a sequence
Simple	easy to understand and deal with; involving few elements, components or steps; obvious data or outcomes; may concern a single or basic aspect; limited or no relationships

## Appendix 2

### ASIC National Financial Literacy Strategy

This can be found at the [National Financial Capability Strategy homepage](#).

## Appendix 3

### Resources

Providers will find the following useful in planning and delivering this course:

- [MONEYSMART](#)
- [ASIC National Financial Capability Strategy](#)
- Commonwealth Bank at [Start Smart](#).

