



# FINANCE 52.0801.00

## TECHNICAL STANDARDS

An Industry Technical Standards Validation Committee developed and validated these standards on March 29, 2017. The Arizona Career and Technical Education Quality Commission, the validating authority for the Arizona Skills Standards Assessment System, endorsed these standards on May 24, 2017.

Note: Arizona's Professional Skills are taught as an integral part of the Finance program.

**The Technical Skills Assessment for Finance is available SY2018-2019.**

Note: In this document i.e. explains or clarifies the content and e.g. provides examples of the content that must be taught.

### STANDARD 1.0 ANALYZE BANKING AND RELATED FINANCIAL SERVICES AND PRODUCTS

- 1.1 Differentiate among financial entities and their services and products (e.g., credit unions, insurance, lending investments, and banks)
- 1.2 Explain the three key entities and the five key functions of the Federal Reserve System
- 1.3 Explain the roles of the Federal Deposit Insurance Corporation (FDIC) and the National Credit Union Administration (NCUA)

### STANDARD 2.0 ANALYZE THE COMPLIANCE AND REGULATORY REQUIREMENTS FOR THE SECURITY OF FINANCIAL ENTITIES

- 2.1 Identify and explain BSA (Bank Secrecy Act) to include OFAC, U.S. Patriot Act, CIP, and AML
- 2.2 Identify ways checks and balances systems protect financial entities from monetary loss (e.g., dual control, auditing, and prohibited transactions)
- 2.3 Analyze methods to protect consumer privacy and to prevent identify theft (e.g., Reg-P and Red Flags rule)
- 2.4 List preventive measures to protect entities and consumers from fraud

### STANDARD 3.0 ANALYZE TYPES OF SECURITIES AND RELATED INVESTMENTS

- 3.1 Investigate investment opportunities to include in a diversified portfolio
- 3.2 Examine characteristics of investments (e.g., stocks, bonds, mutual funds, 401K, and Traditional and Roth Individual Retirement Accounts)
- 3.3 Describe an investment plan (i.e., aggressive versus conservative)
- 3.4 Explain the role of the Securities and Exchange Commission
- 3.5 Examine domestic and global economic conditions that impact financial investments
- 3.6 Examine types of real estate investments (e.g., commercial and residential)
- 3.7 Explore the responsibilities and liabilities of owning rental property

### STANDARD 4.0 ANALYZE CONSUMER INSURANCE SERVICES

- 4.1 Describe the purpose for insurance
- 4.2 Identify the benefits and characteristics of the different types of insurance (e.g., life, health, property, liability, and debt protection)
- 4.3 Explain the role of the state's department of insurance

### STANDARD 5.0 ANALYZE CONSUMER CREDIT AND LENDING PRACTICES

- 5.1 Examine characteristics of secured and unsecured credit
- 5.2 Describe lending regulations (e.g., Reg-B, Reg-V, and Reg-Z)
- 5.3 Analyze the credit and loan application process
- 5.4 Analyze credit reports and scoring
- 5.5 Describe mortgage loans (e.g., first, second, home equity, variable, and fixed)

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## **STANDARD 6.0 DEMONSTRATE CUSTOMER SERVICE SKILLS FOR FINANCIAL ENTITIES**

- 6.1 Model proper telephone etiquette
- 6.2 Utilize professional verbal and written communication skills in emails, letters, live chats, and person-to-person interactions
- 6.3 Exhibit appropriate techniques to assess consumer needs
- 6.4 Apply problem-solving techniques to resolve consumer complaints (e.g., diffusing emotions, offer solutions, and follow up)
- 6.5 Explain the financial impact satisfied customers have on financial entities (e.g., retention, loyalty, engagement, and reputation of the business)

## **STANDARD 7.0 EVALUATE THE ECONOMIC ROLE OF SMALL BUSINESS IN THE FINANCIAL SERVICES INDUSTRY**

- 7.1 Compare the role of small business in the local, state, national, and international economies
- 7.2 Identify factors that contribute to the success and failure of small business
- 7.3 Compare and contrast the advantages and disadvantages of sole proprietorships, partnerships, limited liability, limited liability corporations, b-corps, and franchises
- 7.4 Analyze the relationship of customer service and customer satisfaction on the success of a business

## **STANDARD 8.0 ANALYZE PERSONAL FINANCIAL INFORMATION**

- 8.1 Identify short- and long-term financial goals and plans, including income, spending, saving, investing, and emergency preparedness
- 8.2 Analyze components of a pay stub regarding take-home pay and deductions
- 8.3 Examine common taxes and tax forms (e.g., state, federal, 1040, W2, and W4)
- 8.4 Understand how to check your personal credit history (e.g., Experian, Transunion, and Equifax)
- 8.5 Identify ways to protect personal financial information

## **STANDARD 9.0 APPLY LEGAL AND ETHICAL PRACTICES IN THE WORKPLACE**

- 9.1 Explain the value of personal integrity with respect to working in the financial entity (e.g., conflict of interest, accountability, workplace practices, speaking up, and social media)
- 9.2 Interact respectfully with co-workers and consumers
- 9.3 Explain the Bank Bribery Act
- 9.4 Evaluate reasons for keeping employer and customer information confidential and/or privileged

## **STANDARD 10.0 APPLY SOFTWARE TO PRODUCE DOCUMENTS**

- 10.1 Create and format a letter including paragraphs
- 10.2 Create, format, organize, and manage emails and instant messages
- 10.3 Perform operations with formulas and functions on a spreadsheet
- 10.4 Maintain and edit a database

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