

Personal Finance Course/Credit Requirements



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Background

The [Michigan Merit Curriculum \(MMC\)](#) is not a curriculum in the traditional sense in that it does not prescribe instructional materials and approaches. Instead, it specifies that all students who earn a diploma, at a minimum, have demonstrated proficiency with the content outlined by the [state academic standards or guidelines](#) in English Language Arts (ELA), mathematics, science, social studies, the visual, performing, and applied arts (VPAA), and a world language, for a [total of 18 credits](#).

This document provides guidance on the change enacted into law in June 2022, which adds a ½ personal finance credit to the diploma requirements but keeps the required credits at 18. The personal finance credit requirement takes effect with students who will be entering 8th grade in 2023. Therefore, districts are encouraged to take the time necessary to consider their options for providing students with effective and meaningful opportunities to learn personal finance content expectations.

Who Can Teach Personal Finance?

In general, teacher certification and endorsement must align with The School Courses for the Exchange of Data (SCED) codes as outlined in the [Registry of Educational Personnel \(REP\) Crosswalk](#). There is no specific SCED code or specific teacher endorsement for personal finance, so MDE has developed [guidance](#) on teacher placement considerations regarding personal finance courses.

Personal Finance Credit

Students must be awarded a ½ credit in personal finance once they have proven mastery of the [personal finance content expectations](#), whether that is in a specific personal finance course or in a course where the standards are embedded, such as in a Career and Technical Education (CTE) program, economics, or math class. More details on each of these options are provided in the following sections.

The table below shows examples of courses students might take to be awarded ½ credit.

Credit Options	Course Titles & Standards, and Expectations Requirement	Legislation Authorization
½	Personal Finance (E4)	MCL 380.1278a
1 (½ credit Econ., ½ credit Personal Finance)	Economics (E1 through E3) + Personal Economics containing Financial Literacy (E4)	MCL 380.1278a
½+	Financial Literacy standards (E4) are added to or integrated within another disciplinary course or within a CTE course/program. The course could have any title and have personal finance standards embedded.	MCL 380.1278a

Personal Finance and Social Studies

The law ([MCL 380.1278a\(3\)](#)) states that “[For only pupils entering grade 8 in 2023 or after] ...The ½ credit in economics required ... cannot be fulfilled by completion of the ½ credit course in personal finance ...

- a. The Michigan Merit Curriculum (MCL 380.1278a) prescribes that at least three credits in social science that are aligned with subject area content expectations developed by the department and approved by the state board under section 1278b, including completion of at least one credit in United States history and geography, one credit in world history and geography, ½ credit in economics, and the civics course described in section 1166 (2). Beginning with students entering 8th grade in 2023, economic classes that include the social studies personal finance content expectations can now count as one credit. If schools choose to pull out the personal finance content expectations into a separate class, then students would earn ½ credit in economics and ½ credit in personal finance. Furthermore, legislation requires that the personal finance credit replace a ½ credit in math, world language, or art. Districts that embed the personal finance content expectations in their economics course must reduce the **legislatively required** 4th mathematics, world language, or the arts credit ½ credit. However, districts may choose to keep the extra ½ credit as a **district** graduation requirement.

Credit Substitutions

[MCL 380.1278a\(3\)](#) states: The ½ credit course in personal finance must fulfill ½ credit of mathematics required under subsection (1)(a)(i), ½ credit of visual arts, performing arts, or applied arts required under subsection (1)(a)(iv), or ½ credit of a language other than English required under subsection (2), as determined by the board of the school district or board of directors of the public school academy in which the pupil is enrolled.

Math

The personal finance requirement can fulfill ½ of the 4th math credit. The personal finance course cannot replace any part of the three MMC math credits tied to the content expectations; it cannot replace content typically taught in Algebra, Geometry, or Algebra II.

Option	Personal Finance Credit	4th Math Credit	Total Credit
Option 1	½	½	18 MMC
Option 2	½	1	18 MMC + ½ district math credit

World Language and Visual Arts, Performing Arts or Applied Arts

The MMC includes flexible options for meeting the world language (WL) and visual arts, performing arts, or applied arts (VPAA) credit requirements, allowing students to individualize their courses based on their post-school plans. The addition of the personal finance requirement further expands on this flexibility, allowing students to fulfill the MMC in a variety of ways. Any MMC credits given must be proficiency-based.

Visual arts, performing arts, or applied arts: If this flexibility is used, a student would only need ½ VPAA credit to meet the MMC requirement, and the other ½ credit would come from personal finance. The transcript should reflect ½ credit in personal finance and ½ credit in VPAA.

World Language: If this flexibility is used, a student would only need 1½ world language credits to meet the MMC requirement, and the other ½ credit would come from personal finance. The transcript should reflect ½ credit in personal finance and 1½ credits in a world language. The table below shows options to mix and match credits across the three content areas to meet or exceed the requirements of the MMC.

Option	Pers. Finance Credit	World Lang. Credit	Arts Credit	Total Credits
1	½	1½	1	18 MMC
2	½	2	½	18 MMC
3	½	½	2	18 MMC
4	½	2	1	18 MMC + ½ Dist. World Lang. Credit
5	½	1	2	18 MMC + ½ Dist. World Lang. Credit

Personal Finance and CTE

What the law says: *The ½ credit course in personal finance required under this subsection may be fulfilled through a department-approved formal career and technical education program or curriculum that aligns with the subject area content expectations developed by the department and approved by the state board for the credit under section 1278b.*

CTE is the ideal venue for teaching [personal finance content expectations](#) to students because it gives students the context in which to understand and practice the application of the content expectations. All state-approved CTE programs are required to integrate Career Ready Practices into CTE instruction. The Career Ready Practice competencies include the personal finance content expectations, either directly or indirectly, and so are naturally integrated into CTE programs. In CTE programs in which the personal finance content expectations are thoroughly addressed and aligned, students can be awarded ½ credit in personal finance upon demonstrated proficiency. Detailed alignments by the program can be found by visiting the [CTE Instructional Resources, by Career Cluster page](#), and viewing the resources linked for each specific program. [Leveraging Career and Technical Education to Support Implementation of the Michigan Merit Curriculum](#) provides additional guidance on the integration of content and credit waiver options for earning credit.

As with the [social studies option](#) described above, districts may reduce the 4th mathematics, world language, or the VPAA credit by ½ credit or add the additional ½ credit to the district graduation requirements.

Frequently Asked Questions

1. Do students have to take a course called Personal Finance to earn the ½ credit?

Students must take a course in personal finance that is aligned with the [personal finance content expectations](#) or take a course in which the content expectations are embedded. Students earn ½ credit once they have demonstrated learning of the personal finance content expectations. Districts determine the content, structure, and delivery of the personal finance content as well as the proficiency measures. Students may also [test out](#) of a personal finance course.

2. Can a student earn personal finance credit in a CTE course/program?

Yes, students can fulfill this requirement through a department-approved formal career and technical education program or curriculum that aligns with the subject area content expectations. If students learn the personal finance content expectations in CTE, they can be granted ½ credit.

3. Does the personal finance course/credit need to be semester-long?

No, districts determine the structure of courses and granting of credits. The MMC requires that credit be based on successfully meeting the content standards, not on seat time. The personal finance standards could be built into other courses, projects, or experiences, regardless of length.

4. Can students take personal finance before high school and have it count as ½ credit?

Personal finance can be taught in middle school. If the course presents the recommended high school personal finance content expectations and expectations and a student demonstrates proficiency, it must count as ½ credit toward the required 18 credits.

Appendix A – Personal Finance Content Expectations

PF1 Earning Income

Conduct research regarding potential income and employee benefit packages, non-income factors that may influence career choice, benefits, and costs of obtaining the necessary education or technical skills, taxes a person is likely to pay, and other possible sources of income.

PF2 Buying Goods and Services

Describe the factors that consumers may consider when purchasing a good or service, including the costs, benefits, and the role of government in obtaining the information.

PF3 Budgeting and Saving

Identify the incentives people have to set aside income for future consumption and evaluate the impact of time, interest rates, and inflation upon the value of savings.

PF4 Using Credit

Evaluate the benefits, costs, and potential impacts of using credit to purchase goods and services.

4.1 Free Application for Federal Student Aid (FAFSA), Student Loans, Scholarships, Work Study and Grants

PF5 Financial Investing

Analyze the risks, expected rate of return, tax benefits, the impact of inflation, the role of government agencies, and the importance of diversification when investing in financial assets.

PF6 Protecting and Insuring

Assess the financial risk of lost income, assets, health, or identity, and determine if a person should accept the risk exposure, reduce risk, or transfer the risk to others by paying a fee now to avoid the possibility of a larger loss later.

PF7 Paying Taxes

Identify and evaluate taxes a person is likely to pay, including federal, state, and local taxes, tax benefits and drawbacks, impacts on take-home pay, types of IRS tax forms, and how these can affect their taxes.

Appendix B – Legislation

Personal Finance Legislation

[MCL 380.1278a\(3\)](#) *Beginning with pupils entering grade 8 in 2023, the board of a school district or board of directors of a public school academy shall not award a high school diploma to a pupil unless the pupil completes a ½ credit course in personal finance that aligns with subject area content expectations developed by the department and approved by the state board under section 1278b. The ½ credit course in personal finance must fulfill ½ credit of mathematics required under subsection (1)(a)(i), ½ credit of visual arts, performing arts, or applied arts required under subsection (1)(a)(iv), or ½ credit of a language other than English required under subsection (2), as determined by the board of the school district or board of directors of the public school academy in which the pupil is enrolled. The ½ credit course in personal finance required under this subsection may be fulfilled through a department-approved formal career and technical education program or curriculum that aligns with the subject area content expectations developed by the department and approved by the state board for the credit under section 1278b.*

Student Credit Legislation

[MCL 380.1278a\(5\)](#) *For the purposes of this section and section 1278b, all of the following apply:*

(a) A pupil is considered to have completed a credit if the pupil successfully completes the subject area content expectations or guidelines developed by the department that apply to the credit. For a career and technical education credit, a school district or public school academy may supplement those content expectations and guidelines with additional guidelines developed by the school district or public school academy.

(b) A school district or public school academy shall base its determination of whether a pupil has successfully completed the subject area content expectations or guidelines developed by the department that apply to a credit at least in part on the pupil's performance on assessments developed or selected by the department or on one or more assessments developed or selected by the school district or public school academy that measure a pupil's understanding of the subject area content expectations or guidelines that apply to the credit.

(c) A school district or public school academy shall also grant a pupil a credit if the pupil earns a qualifying score, as determined by the department, on assessments developed or selected for the subject area by the department or the pupil earns a qualifying score, as determined by the school district or public school academy, on one or more assessments developed or selected by the school district or public school academy that measure a pupil's understanding of the subject area content expectations or guidelines that apply to the credit.

[MCL380.1278\(b\)\(2\)](#) *If a pupil successfully completes one or more of the high school credits required under subsection (1) or under section 1278a(1) or (3) before entering high school, the pupil must be given high school credit for that credit.*