

How Much Did You Pay for That?

Teacher Facilitation Guide | Mathematics, Grade 12

Essential Questions	Learning Goals
<p>How does credit work and how can I determine when I'm ready to apply for credit?</p> <p>What are the risks and benefits associated with credit?</p> <p>What is the purpose for credit cards and how can I use them responsibly?</p> <p>What are the benefits of having a checking account?</p>	<p>Students will be able to:</p> <ul style="list-style-type: none"> ● Identify the various uses of credit. ● Discover the role that banks can play. ● Evaluate simple interest and its role in credit. ● Explore how credit cards work. ● Analyze the additional costs associated with credit card purchases. ● Determine how your actions affect your credit score and credit report. ● Recognize the impact of the Truth in Lending Act (TILA). ● Analyze an example of a credit card statement and a credit report.

Preparation

1. Make a copy of the [ALA: How Much Did You Pay for That?: Unit Guide for Students](#) (Google Doc)
2. Preview the activities, including all resources.
3. Take note of any changes you would like to make and edit as needed to accommodate your students' needs.
4. Review the [culminating task](#).
5. Make a list of must-dos before students begin this unit.
6. The facilitation notes that follow offer suggestions for how to best implement each activity, with active learning in mind.

Evidence of Learning Options

- Written responses to various scenarios and questions
- One pager (one page poster that highlights important points with text and drawings)
- Collaborative informational poster
- Analysis of credit card statement and credit report

Overview

This unit is divided into eight parts, including the culminating task.

This lesson is an in depth look at a variety of aspects related to credit. It introduces students to the idea of “having credit” and how credit cards work for both the holder and the issuing bank.

Students will also learn about the benefits of having available credit and how credit card behavior affects a person’s credit score and credit report. Depending on students’ financial knowledge, this unit can be adjusted to go more deeply into the topic or divided into seven mini lessons using the section headers. Activity 8 is a culminating task and should be modified depending on how many of these activities you choose to facilitate with your students. There is no need to adjust Activity 8 if your students complete activities one through seven.

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Part 1: What Is Credit?

ACTIVITY 1

Student Goal

Reflect on your knowledge of credit.

Supporting Resources

[Page 3 of Unit Guide for Students](#)

Begin Activity 1 with the question on page three of the Unit Guide. Give students a moment to think about it, record their answer and share their response with an elbow partner. After a couple of minutes, share the answer with students.

Note - You may extend the conversation with the questions below.

1. Do you think a person's age is a good determining factor in whether or not they should get a credit card? Why or why not?
2. What other factors are important in deciding whether or not you're ready to get a credit card?

TEACHER TALK

"The time will come where you might need to purchase a more expensive item, and you might not have the money at the point of purchase to afford it. This may be the time to apply for a credit card."

"So, what do you think is the recommended age to get a credit card?"

"Why did you choose that age?"

After the students write their responses, share out with each other.

"Many experts recommend getting a credit card when you turn 18. At that age, a person should be able to responsibly build credit on their own."

ACTIVITY 2

Student Goal

Identify the various uses of credit.

Supporting Resources

[Page 3 of Unit Guide for Students](#)

In pairs, students will review the video and website resources in the Unit Guide. Students should take notes on important points in the Unit Guide. They will be able to refer back to the notes as they move through the material.

Note - Students might be confused about the terms "credit" and "credit card" and how they relate. This will also be explored later in this quest. Students should be aware that credit can be seen as available borrowing potential. Be prepared to support students who may not be familiar with financing plans that stores offer and they may not understand the process of paying credit card bills (and therefore not understand why taking a loan out to pay those bills may not be the best idea).

DIFFERENTIATE

There is a lot of information on the website. Provide the guiding questions below to students who may need additional support with determining the most important points.

Credit Benefit Zone

- What are two benefits of having credit?
- What are three things a credit card can do for you?

Credit Risk Zone section

- What are three reasons a person might need to reestablish their credit history?
- What are two or three steps a person can take to reestablish credit?

ACTIVITY 3

Student Goal

Explain the difference and impact of good and bad credit.

Supporting Resources

[Pages 3-5 of Unit Guide for Students](#)

In pairs, students are answering scenario based questions in the Unit Guide.

DIFFERENTIATE

Students can complete odd or even numbered questions in this section.

Part 2: Bank Basics

ACTIVITY 1

Student Goal

Identify what you already know about checking and savings accounts.

Supporting Resources

[Page 6 of Unit Guide for Students](#)

Begin Activity 1 with the question on page six of the Unit Guide.

TEACHER TALK

“Do you already have a checking or savings account or both?”

If students respond with “yes,” use the questions below.

- *What did you need to take with you to open your account? (One example is photo identification)*
- *Did you need an adult to go with you to the bank?*
- *How long did the process take?*

If students respond with “no,” say this:

“In this activity you will learn more about checking and savings accounts and which account would be best for you. There are accounts designed specifically for students and teens. Keep that in mind as you explore which accounts might interest you.”

ACTIVITY 2

Student Goal

Understand how banks work.

Supporting Resources

[Page 6 of Unit Guide for Students](#)

Students will review the video in the Unit Guide and take notes on important points.

ACTIVE LEARNING PRO-TIP

Use a flipped classroom approach to this activity.

- Students watch the video on their own time (independently in the classroom, or at home, before class), take notes on important points, and return to the whole group with questions and observations. .

- Ask students to write a one sentence summary of the video. Have them share their one sentence summary with an elbow partner to see if students have a similar understanding of the material. Allow students to do a second viewing, if necessary.
- Ask students to add their one sentence summary to a [graffiti board](#) and/or complete a [write-around](#) answering this question: How would you explain to a friend how banks work?
- Facilitate a large group discussion about how banks work or ask for student volunteers to act out concepts as characters or in a skit. (Examples: Ask one student to be a bank, another to be a credit union, etc. and conduct “interviews” of each type. Pair students up and have them create two short skits, one that illustrates banking in person and the other that illustrates mobile banking.)

ACTIVITY 3

Student Goal

Understand how financial institutions and mobile and online banking work.

Supporting Resources

[Page 6 of Unit Guide for Students](#)

Students will review the resources on mobile and online banking in the Unit Guide and should continue taking notes on important points..

DIFFERENTIATE

Students will take a lot of notes during this Unit. Share alternative options for note taking. See the following websites for ideas: [mind mapping](#) or [doodle notes](#). Encourage students to try a different form of note taking that may be better suited for their learning style.

ACTIVITY 4

Student Goal

Demonstrate understanding of banking institutions.

Supporting Resources

[Pages 7-8 of the Unit Guide for Students](#)

Students will research banking institutions and answer questions in the Unit Guide related to checking and saving accounts. Please see this [teacher guide](#) for more information.

 **TEACHER TALK**

“In this activity you’ll get to research banking institutions.”

“Pick a bank near your school or home and look into the products, services, fees and other factors.”

“You’ll respond to the questions that begin on page 7 of the Unit Guide as you look through the bank’s website.”

 **ACTIVE LEARNING PRO-TIP**

Instead of only looking at the websites, suggest that students visit the social media accounts of the banks. Encourage students to ask questions or leave comments on those pages to gauge the bank's responsiveness. Some banks also offer a live chat option on their websites. Students can ask questions in real time using this tool.

 **DIFFERENTIATE**

Reduce the number of questions required in Part 1 of the Getting Banked section, and/or allow students to work with a partner to answer the questions.

Part 3: The Costs of Credit

ACTIVITY 1

Student Goal

Practice balancing interest rates, compounding and minimum payments.

Supporting Resources

[Page 9 of Unit Guide for Students](#)

Students will practice balancing interest rates, compounding and minimum payments as they play the Cat Insanity game.

TEACHER TALK

“Banks, credit card companies and other agencies may be able to provide you with credit, but you have to consider at what cost.”

“You’ll begin Activity 3 with that in mind as you play the game Cat Insanity.”

“Here are some pointers before you get started.”

- *“At the beginning of the game, the characteristics of the cat you choose will impact the food requirement needed to successfully complete each round.”*
- *“During each round, click the cats the appropriate amount of times to feed them! You don’t need to drag the food to the cats.”*

“These tips are also in the Unit Guide. The game should take about five minutes. Now, find the link to the game in Part 3 of the Unit Guide and begin.”

ACTIVE LEARNING PRO-TIP

Allow students to challenge each other either in teams or one to one. Keep scores as a class.

DIFFERENTIATE

Scaffold this activity by modeling a round of the game with students before they play on their own. It may take a couple of rounds of play before students fully get the hang of it.

ACTIVITY 2

Student Goal Reflect on the game and how that knowledge relates to real life financial decisions.	Supporting Resources Page 9 of Unit Guide for Students
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Students will respond to the reflection questions in the Unit Guide.

ACTIVITY 3	
Student Goal Learn to calculate simple interest	Supporting Resources Page 10 of Unit Guide for Students

Students will review the video about simple interest in the Unit Guide and continue taking notes on important points.

ACTIVE LEARNING PRO-TIP

Pose a question regarding the video to the whole class. Each student has two minutes to write their answer on a sheet of paper. At the end of the two minutes, students pair off and discuss and share their responses with one partner.

ACTIVITY 4	
Student Goal Calculate interest rates in various scenarios	Supporting Resources Page 10 of Unit Guide for Students

Students will calculate interest rates in various scenarios in the Unit Guide. Allow students to use graphing calculators.

TEACHER TALK

“In this activity you will be reading through two scenarios and calculating the interest rate for each problem. You may use your graphing calculator as you answer the questions that begin on page 10 of the Unit Guide. There’s an additional video about simple interest linked in the guide that may be helpful.”

Part 4: Credit Cards

ACTIVITY 1

Student Goal

Learn how to use a line of credit responsibly.

Supporting Resources

[Page 12 of Unit Guide for Students](#)

Students will review the video about using credit cards wisely and continue taking notes on important points in the Unit Guide.

TEACHER TALK

“You’ve observed people using credit cards to purchase things in stores and online. And knowing what you’ve learned about credit, you probably have an idea about how credit cards work. But, let’s dive in to get the scoop about credit cards and how they can help you on your life’s adventure.”

“Keep all this in mind as you review the video about using credit cards wisely linked in Activity 1 of Part 4 of this Unit.”

ACTIVITY 2

Student Goal

Gain a deeper understanding of credit card consumer responsibility.

Supporting Resources

[Page 12 of Unit Guide for Students](#)

Students will explore the Consumer Finance resource and respond to the questions in the Unit Guide.

Students may already have some experience with credit cards. However, this activity will explore the ways that credit cards can be used effectively and safely. (Credit card statements, calculations, credit reports, credit score, and TILA (Schumer Box) will be in future activities in this unit.)

ACTIVE LEARNING PRO-TIP

Instead of students exploring the consumer.gov site on their own, have them do a Jigsaw activity before responding to the questions:

- Divide students into three large groups. Assign each group a tab/section to read from the [Using Credit](#) resource. Students should work together to read and take notes on their assigned section, and then create one page posters (use regular 8.5x11 paper) highlighting the important points from their section. (Each student should make their own poster.)
- Once each group is done, direct students to form new groups of three, so that one representative from each original large group is present in the new small group. Direct students to share what they learned from their large group until everyone in the group has had a turn and all tabs from the resource have been discussed. (Another option is a gallery walk so students can view all the mini posters.)
- Bring students back for a large group discussion of any points of confusion or possible misconceptions.

Part 5: Credit Card Math

ACTIVITY 1

Student Goal

Explore how credit cards can incur additional costs.

Supporting Resources

[Page 15 of Unit Guide for Students](#)

Students will review the videos and continue taking notes on important points in the Unit Guide.

TEACHER TALK

“You now understand how credit cards work in theory, but let’s use some of your math skills to analyze the additional costs that might be incurred when you use a credit card. Watch the video resources [Minimum Payments on Credit Cards](#) and [Credit Card Debt Explained](#). They are linked in Activity 1 of Part 5 of this Unit. Take notes on any important details.”

ACTIVITY 2

Student Goal

Practice calculating additional costs incurred with a credit card purchase.

Supporting Resources

[Page 15 of Unit Guide for Students](#)

Students will read scenarios with credit card purchases and calculate the additional costs that could be incurred if they make the decision to use credit over cash.

TEACHER TALK

“In the next activity read through the scenarios in the [Shopping with Interest](#) section and complete the questions on your own. Use the linked [Credit Card Calculator](#) as you work through the problems.”

DIFFERENTIATE

Use the Split-Questions strategy with students. Allow them to choose to respond to the questions they feel most comfortable with. Assign a minimum of questions that they need to answer.

You can also work through question one with students and model using the Credit Card Calculator before students complete the work on their own.

This activity was adapted from “CALCULATE: Shopping with Interest.” NGPF: Next Gen Personal Finance, FY-3.0 Types of Credit. Accessed April 20, 2021.
<https://www.ngpf.org/fullYearCourse/>.

Part 6: Credit Reports and Scores

ACTIVITY 1

Student Goal

Explain a credit report and how your actions are captured on it.

Explain credit score and what contributes to it.

Supporting Resources

[Page 19 of Unit Guide for Students](#)

In this activity, students will read about credit reports and credit scores. Students will learn about what contributes to their credit score and how their actions are captured in their credit report. Students will analyze the details of a credit report more completely in Activity 8.

Play the [video](#) for the whole group. Remind students to take notes on any important points.

TEACHER TALK

“When you use a credit card or open a line of credit, you’ve learned how there are certain guidelines you must follow to keep your account in good standing. However, what happens if you can’t pay your minimum monthly payment or you overspend your line of credit?”

“Well, just like you might receive a progress report or report card from your school, your spending behavior is assessed by a credit score and a credit report.”

“Let’s watch a video that introduces credit reports and credit scores.”

Play the video for the entire class. Ask the following questions.

“What information from the video surprised you? Why?”

ACTIVITY 2

Student Goal

Understand how to retrieve, read and report errors on a credit report.

Better understand the impact of a credit score and how to improve it.

Supporting Resources

[Page 19 of Unit Guide for Students](#)

In this activity, students will explore the material and respond to the questions in the Unit Guide.

 **ACTIVE LEARNING PRO-TIP**

Facilitate a short discussion where students analyze a cartoon related to credit scores to determine the message and a connection to what they have learned.

Display the cartoon (below) and use the questions to guide the discussion. This can be done whole group or in small groups.



What is the main message this cartoon delivers?
How does this cartoon portray that message?
Did you find this cartoon persuasive? Why or why not?

This activity was adapted from "CARTOONS: The Value of a High Credit Score." NGPF: Next Gen Personal Finance, Accessed December 20, 2022. <https://www.ngpf.org/fullYearCourse/>.

Part 7: Truth In Lending Act

ACTIVITY 1

Student Goal

Practice managing credit through an interactive card game.

Supporting Resources

[Page 21 of Unit Guide for Students](#)

Students will start this activity with the game [Credit Clash](#). They will explore the concept of managing credit through this interactive card game where they can take out a variety of different lines of credit, from student loans to auto mortgages.

TEACHER TALK

“Let’s begin this activity with another game. As you play Credit Clash, you’ll be managing credit in an interactive card game.”

“The goal of the game is to battle your way to a perfect credit score. Do not skip the tutorial. Now, go to Part 7 and find the link to open Credit Clash and begin.”

ACTIVE LEARNING PRO-TIP

Allow students to challenge each other either in teams or one to one. Keep scores as a class.

ACTIVITY 2

Student Goal

Reflect on the game and how that knowledge relates to real life financial decisions.

Supporting Resources

[Page 21 of Unit Guide for Students](#)

Students will respond to the reflection questions in the Unit Guide.

ACTIVITY 3

Student Goal

Understand the responsibilities that credit card companies have to consumers.

Supporting Resources

[Page 21 of Unit Guide for Students](#)

In this activity students will explore the Truth In Lending Act (TILA) to gain a better understanding of the responsibilities that credit card companies have to their borrowers.

Students are working in groups for this activity.

Each group member will be assigned a letter that correlates with a section of the resource. They read their text and complete their section of the chart in Part 7 in the Unit Guide.

A - “Truth in Lending Disclosures” and “What Is Regulation Z?”

B - “TILA and The CARD Act”

C - “Other Acts Related to TILA”

D - “Effectiveness of TILA”

Each group member will share out as the other members record important points.

 **ACTIVE LEARNING PRO-TIP**

Instead of completing the chart in the Unit Guide of Part 7, students can make the chart on a large piece of butcher paper or poster board.

When all groups have completed the chart, do a gallery walk and highlight similarities and/or differences in the charts.

Students can mark up the charts during the walk in the following way: use a check mark to indicate similar points in each poster and a question mark to indicate differences.

At the end of the gallery walk, point out the information that is check marked. Have students make sure that they have all check marked information recorded in their chart in Activity 3 of Part 7.

They can also decide as a group if they want to record any of the question marked points.

Part 8: Culminating Task

ACTIVITY 1

Student Goal

Examine the parts of a credit card statement.

Supporting Resources

[Page 22 of Unit Guide for Students](#)

Students will watch a video that explains the parts of a credit card statement. They should take notes on any important points in the Unit Guide.

ACTIVE LEARNING PRO-TIP

Have students break into small groups of 3-4 people. Let students know that they will be participating in 60 second roundtable discussions. Pose the first question and give students one minute to write a response. Once they are done, each student will have 60 seconds to respond in their groups. Repeat the steps, until all questions have been discussed.

Possible Questions:

- Why is it important to examine your credit card statement?
- What part of the statement is the most important?
- If you find a mistake in the statement, what should you do?

ACTIVITY 2

Student Goal

Learn how to protect yourself against credit card fraud.

Supporting Resources

[Page 22 of Unit Guide for Students](#)

Students will explore two resources about protection against credit card fraud and take notes on important points in the Unit Guide.

ACTIVE LEARNING PRO-TIP

Invite students to participate in a [Roll the Dice](#) activity for the two resources. This will require some pre-work on your part to fill in the categories for each number of the dice (each number will represent a different question students will answer, or a different point students should take notes on, etc.).

ACTIVITY 3**Student Goal**

Analyze a credit card statement and credit card report

Supporting Resources

[Page 22 of Unit Guide for Students](#)

In this final activity, students will use all they have learned to analyze a credit card statement and credit card report. They will examine a mock credit report and answer scenario based problems.

 **DIFFERENTIATE**

Allow for student voice and choice in how they answer and submit their answers to these questions (for example, this is a lot of writing, so students may wish to create a diagram, make a video recording of their answers, or otherwise incorporate technology and multimedia).

Get more resources like this at www.opportunityeducation.org/resources