



# The Power & Risk Of Credit Cards

## MODULE 3: LESSON GUIDE

This module will discuss how to be financially fit. We will talk about a few key habits to form that can massively benefit you in the long run. We will start by touching on personal debt and then move to credit scores. For credit scores we will cover how to keep a good score, why it is important, and the risks of a bad score. Next we will discuss the benefits and dangers of credit cards and what they should be used for.

**Time Required:** 60-90 minutes

### SUPPLIES:

Notebooks  
Computers, Phones or Tablets  
Internet Access  
Projector  
Rapunzl App  
Activity Sheets (Optional)

### ACTIVITIES & ARTICLES

#### ACTIVITIES

- Reading A Credit Card Statement
- Advanced Credit
- Debt Ratios & Responsible Credit
- Responsible Credit Usage
- Student Interview On Credit
- Understanding Credit Card Debt

#### ARTICLES

- Avoid Online Money Scams
- How Do Credit Scores Work?
- How The Government Prevents Consumer Fraud
- Start Saving & Investing
- The Laws Behind Credit Cards
- What Are Business Cycles?
- What Happens In Bankruptcy?

### GUIDING QUESTIONS

- What is a credit score and why is it important?
- How are you able to keep a good credit score while still utilizing personal debt?
- How do credit cards actually work behind the scenes?
- When is it beneficial to use a credit card to purchase something? When is it not?
- What are the risks of using a credit card versus paying immediately for something?
- What are your rights as a borrower?

### ENDURING UNDERSTANDINGS

- Credit scores are incredibly important to your financial fitness as they are used for everything from renting an apartment to how much interest is on your credit card debt.
- Credit cards can be useful if properly utilized, however can be extremely dangerous to your financial health if improperly used.
- Even if you get in over your head in debt there are still things you can do as a borrower to alleviate the mounting debt.

### STANDARDS ALIGNMENT

**Spending:** 8.4a-c, 12.4b, 12.8a-d

**Saving:** 8.2d, 8.3a-b, 8.4a-c, 8.5a-b, 8.6a-b, 12.2a, 12.4b

**Investing:** 8.1a-b, 8.7a, 12.4a-b, 12.5c-d

**Managing Credit:** 8.1a-c, 8.2b, 8.4a-b, 8.5a-b, 8.6a-c, 8.7a-b, 12.2a-c, 12.7a, 12.8a-c, 12.9a-c, 12.10a-d, 12.11a-c, 12.12a-c

**Managing Risk:** 12.11a-d