

Discussion:

Ask the participants to suggest several pros and cons of credit, using examples from the Student Guide or their own experiences. If you are facilitating in-person and have access to a whiteboard, you can draw a Pros & Cons table and one facilitator can fill it in while the other is leading the discussion.

If you're facilitating online, we suggest using the Zoom whiteboard feature or a shared Google Document. You can create a pros & cons table in this document table before class and either invite participants to fill in the table in small groups, using their computers, or go through it all-together, with one facilitator leading the discussion and the other typing in participants' suggestions. Write down their suggestions and discuss each one.

Next, briefly discuss the tips in the Student Guide for building and maintaining healthy credit habits. The most important thing is to pay your bills on time, in full, and pay as much over the minimum payment as possible.

1. Pay your credit bills on time.
2. Do not accumulate too much credit debt. If it starts to add up, stop using your credit card until you have paid off that debt.
3. Monitor your credit reports to look for errors and to avoid identity theft.

Using the information in the Student Guide, discuss how acquiring a lot of credit can add up quickly and become hard to pay off. Go through the signs that a person's credit card debt is becoming difficult to manage. For example, taking out new loans or credit cards to pay off old ones or paying so much on credit that the amount they owe from one month to the next never goes down.

Ask participants to add any additional examples to the list, then write down the three steps for paying down credit cards on the whiteboard:

1. Stop using your credit card(s)
2. Pay off the card with the highest interest first
3. Pay more than the minimum due