

Section 4—Consumer Issues and Education**Title of Lesson/Subject:** *The ABCs of Credit Card Finance and Your Credit History***Prepared by:** Sandra Larson**Contact Information****E-mail address:** Larsonst@ndak.net**Phone:** 701-721-2940**Time Allotment:** Five class periods because of the guest speaker and websites.**Grade Level or Target Audience:** High School**ND Standards Competencies:**

2.5 Demonstrate management of financial resources to meet the goals of individuals and families across the life span

Key Economic Concepts: Understanding Credit Cards and Your Credit History**Brief Description:**

Discuss the basic way of signing up for credit cards and what their purpose is other than instead of using them when you have no money. Another discussion item is to understand your credit history.

Learner Objectives:

To understand the concept that a person needs to be aware of their credit history and how to use credit cards cautiously.

Introduction:

What is your credit history when you've never worked a job before? How do I apply for a credit card? These are all questions that will be discussed using the booklet, "The ABCs of Credit Card Finance" by Carol A. Carolan, Ph.D.

Materials Needed:

Internet for viewing the credit section on <http://www.ftc.gov/ftc/consumer.htm> and the booklet titled, "The ABCs of Credit Card Finance" by Carol A. Carolan, Ph.D.

Audio/Visual Equipment Needed:

None needed for this assignment except for the Internet

Lesson Outline:

Instructor will have students view the website <http://www.ftc.gov/ftc/consumer.htm>. There is a section about credit that we will peruse. We will discuss how important your credit rating is and why we need to get a copy every year. Discussions will include identity theft and making sure we will have good credit for when we want to purchase our first home, etc.

Instructor will pass out the booklet, “The ABCs of Credit Card Finance – Essential Facts for Students” by Carol A. Carolan, Ph.D. that she received at Invest North Dakota this past summer.

The instructor will have a guest speaker from one of the local financial firms or banks to speak to the class about the importance of paying your credit card bills off immediately and why you should be aware of your credit rating.

The instructor will have the students work through the entire booklet which includes: planning a budget, essential information, credit card costs, how to choose the best credit card for your needs, dos and don'ts once you have a credit card, there is always a solution, credit reports and credit scores, consequences of irresponsible credit card use. There is also a wonderful glossary of terms at the end of the booklet.

Resources:

<http://www.ftc.gov/ftc/consumer.htm> and the booklet by Carol A. Carolan, Ph.D. called, The ABCs of Credit Card Finance – Essential Facts for Students. Guest speaker from financial or banking firm.

Evaluation Plan:

There will be no formal evaluation for this lesson plan. Hopefully I will have total class participation and I will make sure that everyone is paying attention by asking students questions. The booklet will be sent home with the students once we have completed the lesson. There is a wonderful section with different websites for the students to peruse once we have completed the booklet. This section is called “for more information on credit cards” and includes the sites to request a free credit report each year.