



Pathway to Financial Success

In Schools

2024 Jump\$tart National Educator Conference

November 2-4, 2024



Pathway to Financial Success

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Presenter

Allison Kapitanoff

Thinking Kap Educational Services LLC

- Educator
- Curriculum Writer & Trainer
- Professional Development Provider
- **Foundational Link in the Creation Chain of the Pathway Program**

Audience Who Are You?

- High School?
- Middle School?
- Elementary School?
- Personal Finance?
- Family and Consumer Science?

Pathway to Financial Success

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Agenda

Financial Education Landscape

Program Overview

High School Program

Middle School Program

Educator Resources

Have Handy

- Phone ready to grab QR codes
- Connected device to follow along

Pathway to Financial Success

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[NBEA.org/Pathway](https://nbea.org/Pathway)

@DiscoveryEd

@NBEA

@Discover



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NBEA.org/Pathway

EDUCATORS

Find tools to teach your students key financial success skills, including lessons, educator guides, and videos.



[Elementary](#) ▸ [Middle School](#) ▸ [High School](#) ▸

VIDEOS

Take hold of your financial future. Get the skills you need to set and reach your goals with our videos and interactive modules.



[Animated Shorts](#) ▸

COMMUNITY RESOURCES

Use our resources to show your children how to make good financial decisions with these money management basics.



[Learn more](#) ▸



DE DOGS:

Money Mastery

Brand New Series!

DISCOVER[®]

Discovery
EDUCATION™

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Watch Now!

20-minute Video

Educator Guide

Community Guide

Classroom Activities x2

Volunteer Activity



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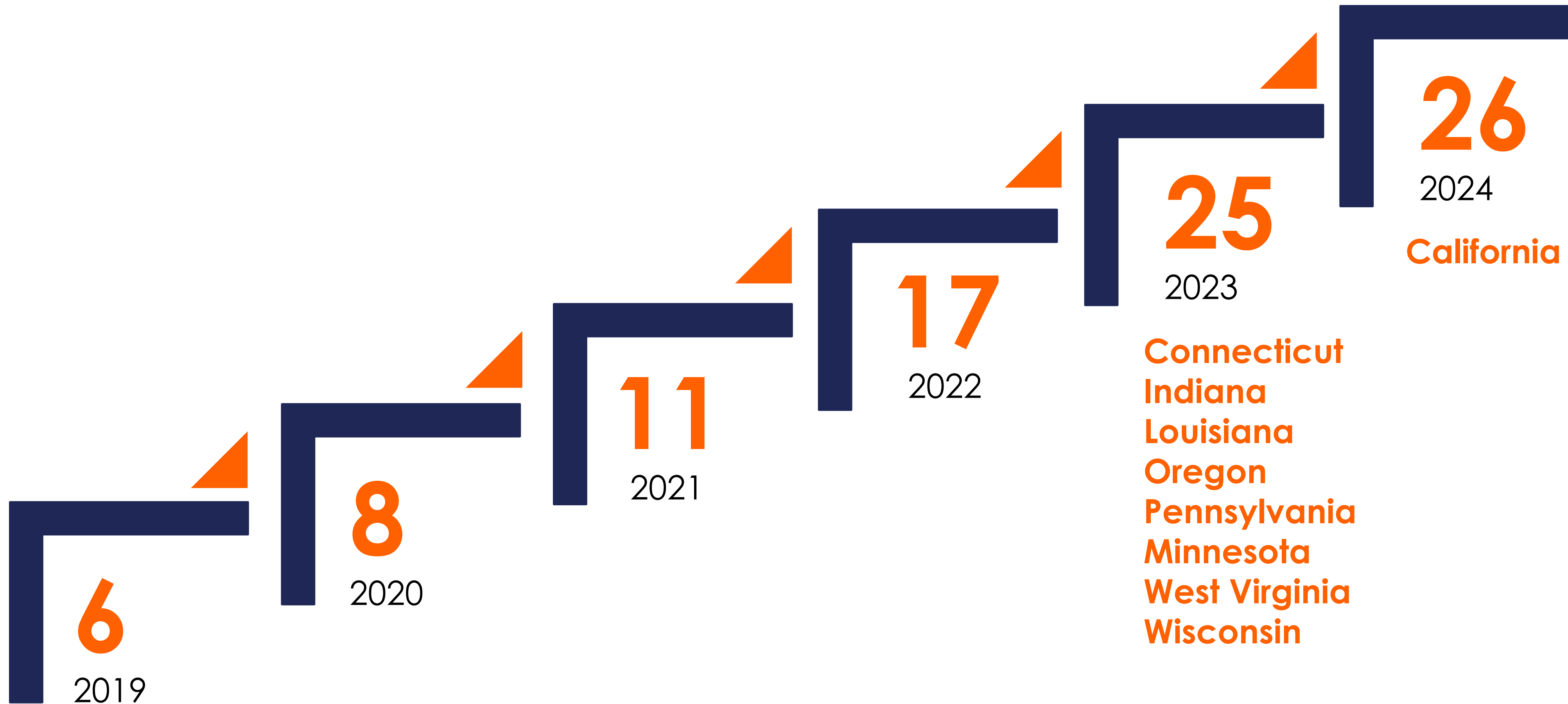
Entirely Free
to Access



FINANCIAL EDUCATION | **An Evolving Landscape**

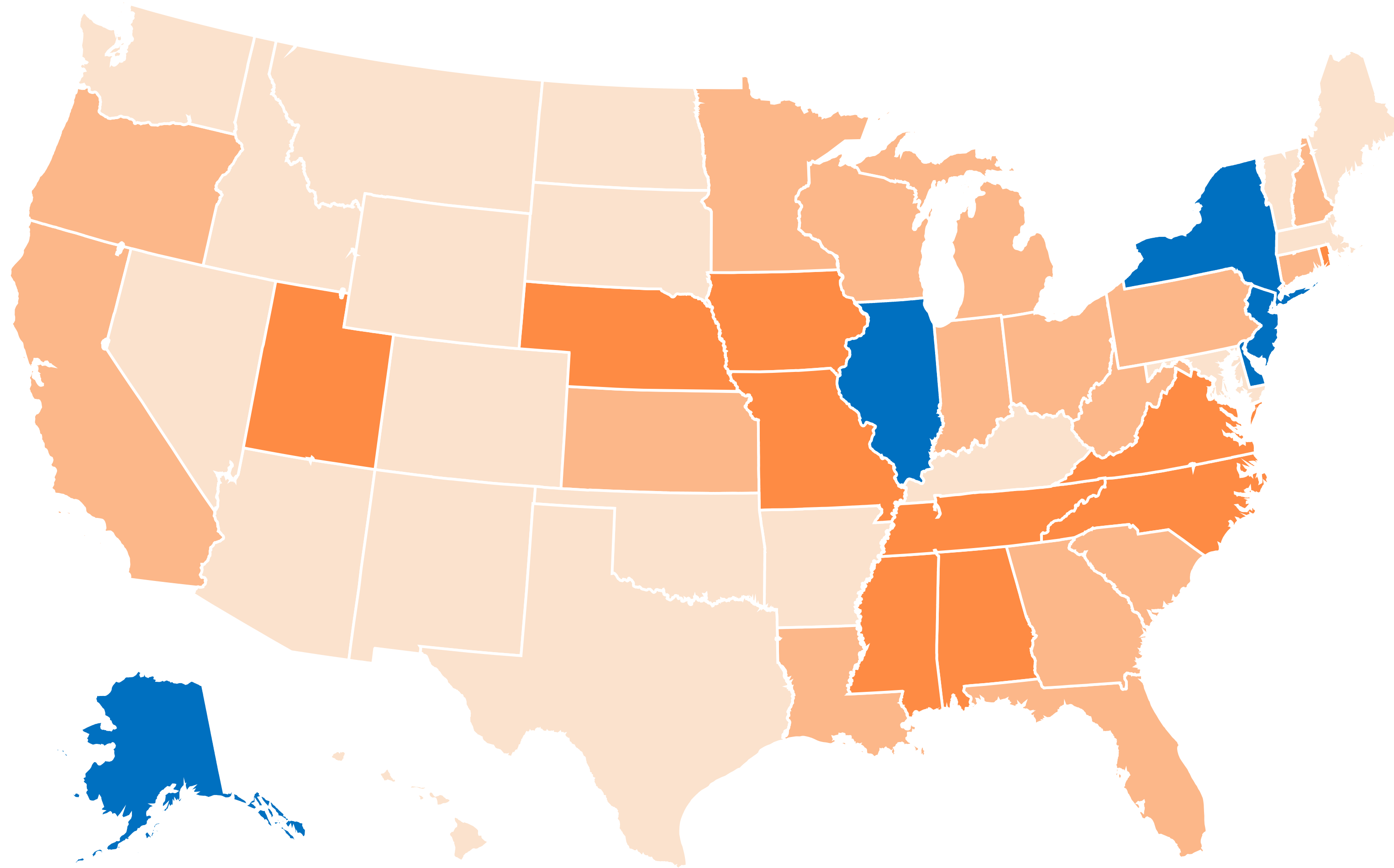
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**5 additional states
have active financial
education legislation**

Alaska
Delaware
Illinois
New Jersey
New York

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Pathway to Financial Success In Schools

It's Time for Financial Literacy

Download the **free** White Paper



DISCOVER

NBEA National Business Education Association

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PROGRAM OVERVIEW | Pathway to Financial Success

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Educators

Students

Families

Community



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Self-Paced Modules

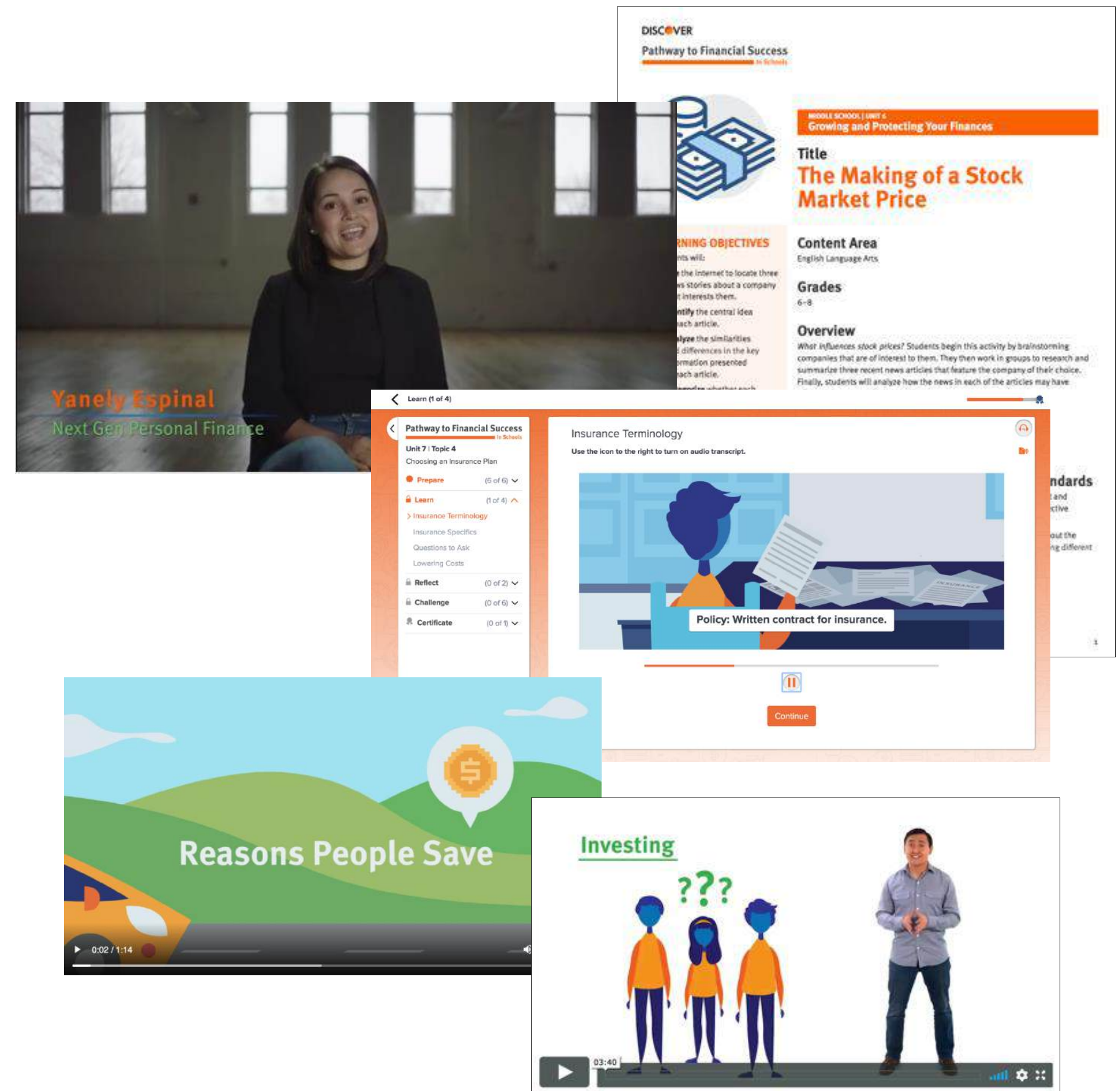
Classroom Activities

Student and Educator Videos

Family Connections

Educator Master Classes

Supplementary Resource Links



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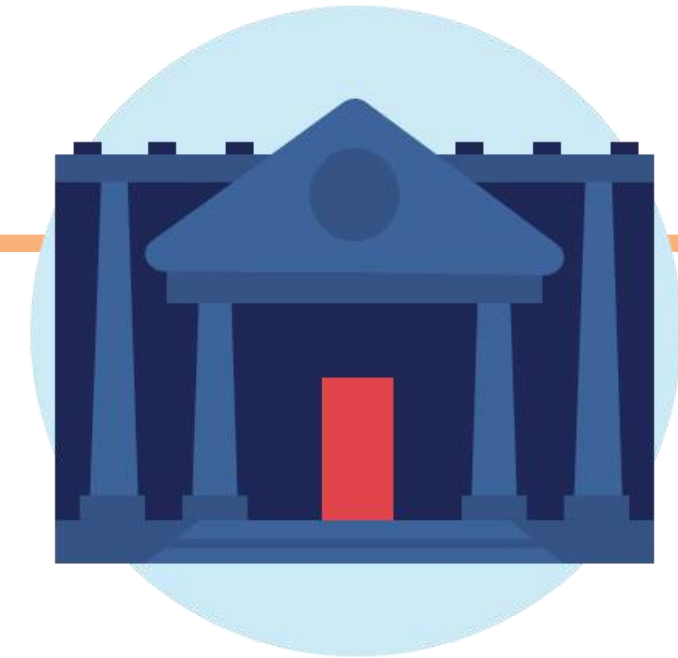
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~5M
STUDENTS
ENGAGED



**Award-
Winning**



25%+
SCHOOL
DISTRICTS

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EIGHT
HIGH
SCHOOL
UNITS

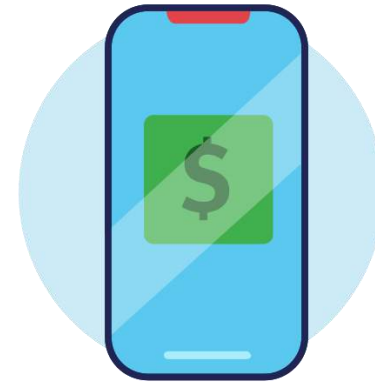
SIX
MIDDLE
SCHOOL
UNITS

Pathway to Financial Success

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Being Financially Responsible



Using Financial Services*



Financing Your Future *



Getting Paid



Paying Yourself First



Using Credit Wisely



Making Major Financial Decisions



Growing and Protecting Your Finance

*High School Only

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**Entirely Free
to Access**



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The central graphic is a large blue rounded rectangle containing six icons arranged in two rows of three. The top row includes: 1) A 'BANK' icon (a building) and a 'CREDIT UNION' icon (a building) with 'vs.' between them. 2) A hand holding a blue credit card with the word 'CREDIT' and 'BORROW TODAY' visible. 3) A red warning triangle with an exclamation mark and the word 'OVERDRAFT' below it. The bottom row includes: 1) A stack of green banknotes and a check. 2) A hand holding a check with the amount '5,555.55' and a hand holding a smartphone displaying a 'DEPOSIT' button. 3) A tablet displaying a 'BANKING' app interface with icons for a lock, a person, a double-headed arrow, and a document.

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www.PathwayInSchools.com



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HIGH SCHOOL | Pathway to Financial Success

Pathway to Financial Success

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Designed for use in grades 9 through 12

Comprehensive – 8 instructional units

Variety of resources

- ✓ Self-paced modules (40)
- ✓ Classroom activities (18)
- ✓ Family connections (8)
- ✓ Suggested resources (150+)



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Classroom Resources ▾

Videos ▾

Community Resources ▾

About

High School

As your high school students journey towards adulthood, they can dig deeper into concepts such as using credit wisely and making major financial decisions. Within the eight units, you will find:

- Self-paced modules
- Classroom activities
- Family connections
- Relevant resource links
- Educator guides
- Student interactive capture sheets

[Educator Program Guide](#) 

[Download All High School Unit Resources](#) 



- PDF DFS-PFS-HS-ProgramGuide.pdf
- > Unit 1 Being Financially Responsible
- > Unit 2 Using Financial Services
- > Unit 3 Financing Your Future
- > Unit 4 Getting Paid
- > Unit 5 Paying Yourself First
- > Unit 6 Using Credit Wisely
- > Unit 7 Making Major Purchases
- > Unit 8 Growing and Protecting Your Finances

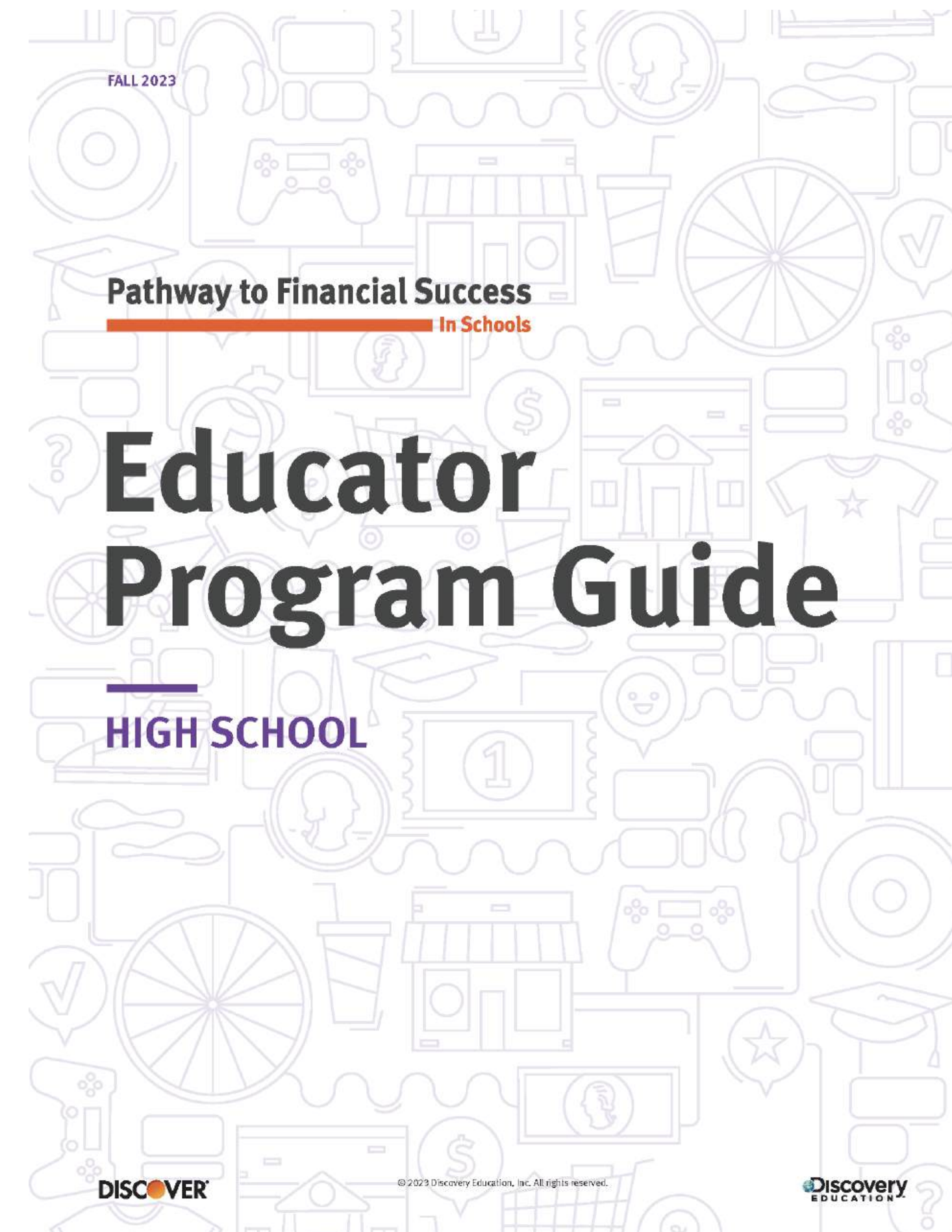
PathwaytoFinancialSuccess_HS

Name
PDF DFS-PFS-HS-ProgramGuide.pdf
Unit 1 Being Financially Responsible
DFS-PFS-HS-Unit1-Capture-Sheets-BeingFinanciallyResponsible.pptx
PDF DFS-PFS-HS-Unit1-ClassActivity-Topic1-FromDreamtoReality.pdf
PDF DFS-PFS-HS-Unit1-ClassActivity-Topic4-BudgetingDilemmas.pdf
PDF DFS-PFS-HS-Unit1-EdGuide.pdf
PDF DFS-PFS-HS-Unit1-FamilyConnection-ParentsAsFinancialRoleModels.pdf
Unit 2 Using Financial Services
DFS-PFS-HS-Unit2-Capture-Sheets-UsingFinancialServices.pptx
PDF DFS-PFS-HS-Unit2-ClassActivity-Topic3-WhatToExpect.pdf
PDF DFS-PFS-HS-Unit2-ClassActivity-Topic4-BankingOnTheGo.pdf
PDF DFS-PFS-HS-Unit2-ClassActivity-Topic5-DecidingHowToPay.pdf
PDF DFS-PFS-HS-Unit2-EdGuide.pdf
PDF DFS-PFS-HS-Unit2-FamilyConnection-HowOurFamilyBanks.pdf
Unit 3 Financing Your Future
DFS-PFS-HS-Unit3-Capture-Sheets-FinancingYourFuture.pptx
PDF DFS-PFS-HS-Unit3-ClassActivity-Topic4-JustAnApplicationAway.pdf
PDF DFS-PFS-HS-Unit3-ClassActivity-Topic5-FinancialAidCreatedEqual.pdf
PDF DFS-PFS-HS-Unit3-EdGuide.pdf
PDF DFS-PFS-HS-Unit3-FamilyConnection-EducationBeyondHighSchool.pdf
> Unit 4 Getting Paid
> Unit 5 Paying Yourself First
> Unit 6 Using Credit Wisely
> Unit 7 Making Major Purchases
> Unit 8 Growing and Protecting Your Finances

Pathway to Financial Success

In Schools

- Program overview
- Eight thematic units
- Review of the instructional resources
- Educator tips
 - Using the self-paced modules
 - Tracking student use
 - Technology requirements



Pathway to Financial Success

In Schools

Program At-a-Glance

At the high school level, [Pathway to Financial Success in Schools](#) is divided into eight thematic units. Each unit contains five topics and a variety of instructional resources. The units and topics can be taught sequentially or in any order that aligns with your instructional goals. The resources associated with each topic are noted below with the following icons.

High School Program-at-a-Glance

Educator Unit Guide	Interactive Student Capture Sheets	Family Connection	Self-Paced Module	Classroom Activity
Unit 1: Being Financially Responsible				
1.1 Imagining Your Financial Future 	1.2 Setting SMART Financial Goals 	1.3 Examining Money Habits 	1.4 Budgeting for Success 	1.5 Spending Wisely
Unit 2: Using Financial Services				
2.1 Understanding Financial Institutions 	2.2 Deciding Where and How to Bank 	2.3 Opening New Accounts 	2.4 Using Mobile Banking 	2.5 Making Everyday Purchases
Unit 3: Financing Your Future				
3.1 Exploring Earning Potential 	3.2 Weighing Your Career Options 	3.3 Choosing Your Path after High School 	3.4 Financing Higher Education 	3.5 Understanding Education Financing Options
Unit 4: Getting Paid				
4.1 Preparing for Work 	4.2 Calculating Different Types of Pay 	4.3 Comparing Job Offers 	4.4 Paying Taxes 	4.5 Creating Your Own Job
Unit 5: Paying Yourself First				
5.1 Deciding to Save Money 	5.2 Setting Savings Goals 	5.3 Finding Money to Save 	5.4 Growing Savings Through Interest 	5.5 Choosing a Savings Method
Unit 6: Using Credit Wisely				
6.1 Understanding Credit 	6.2 Deciding When to Use Credit 	6.3 Checking Your Credit Report 	6.4 Improving Your Credit Score 	6.5 Managing Debt
Unit 7: Making Major Financial Decisions				
7.1 Paying for a Vehicle 	7.2 Renting or Buying a Home 	7.3 Understanding Insurance 	7.4 Choosing an Insurance Plan 	7.5 Understanding Your Consumer Rights
Unit 8: Growing and Protecting Your Finances				
8.1 Understanding Investing Options 	8.2 Building a Diversified Portfolio 	8.3 Making Charitable Donations 	8.4 Avoiding Financial Fraud 	8.5 Getting Help with Financial Decisions

Pathway to Financial Success

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Program At-a-Glance

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High School Program-at-a-Glance

- Educator Unit Guide
- Interactive Student
- Family Connection
- Self-Paced Module
- Classroom Activity

Unit 6: Using Credit Wisely

6.1 Understanding Credit

6.2 Deciding When to Use Credit

6.3 Checking Your Credit Report

6.4 Improving Your Credit Score


6.5 Managing Debt

Unit 4: Getting Paid				
4.1 Preparing for Work 	4.2 Calculating Different Types of Pay 	4.3 Comparing Job Offers 	4.4 Paying Taxes 	4.5 Creating Your Own Job
Unit 5: Paying Yourself First				
5.1 Deciding to Save Money 	5.2 Setting Savings Goals 	5.3 Finding Money to Save 	5.4 Growing Savings Through Interest 	5.5 Choosing a Savings Method
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Pathway to Financial Success

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Each high school unit contains:

- **Unit Educator Guide** 
- **Family Connections** 
- **Interactive Student Capture Sheets** 
- **Five Thematic Topics**
- **Five student-facing self-paced modules** 
- **Two or three classroom activities** 



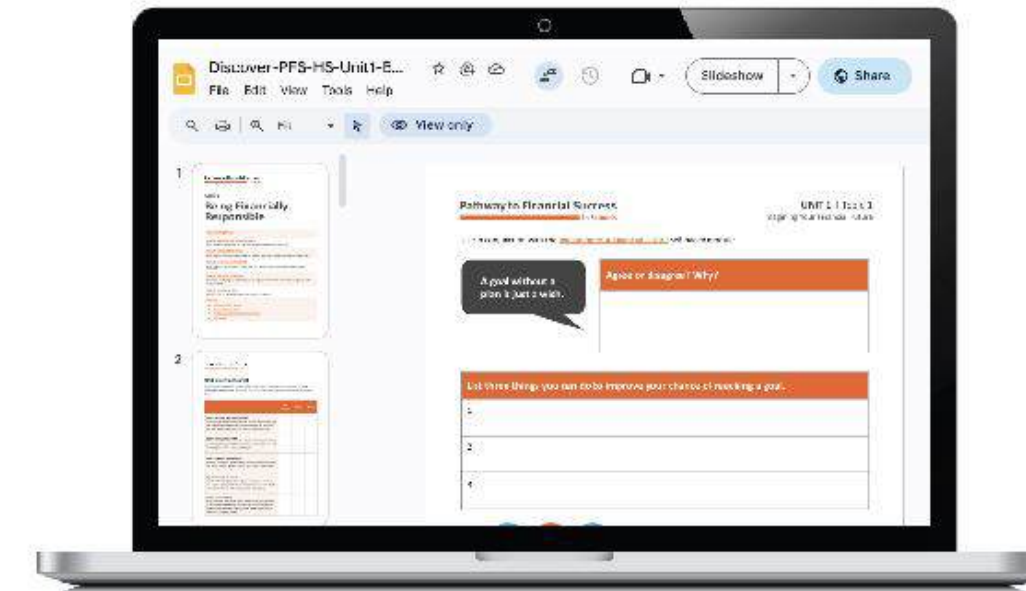
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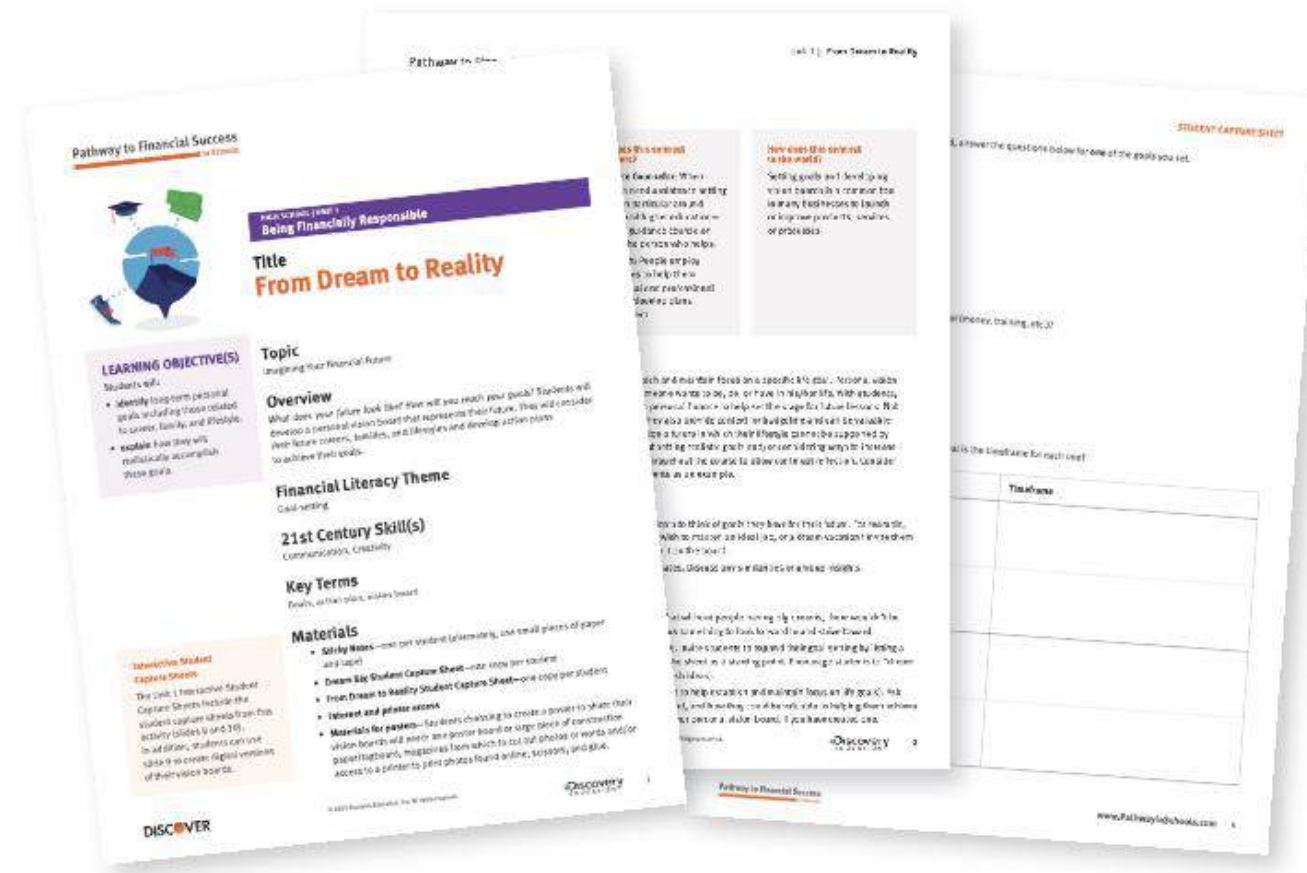
Self-Paced Modules



Interactive Student Capture Sheets



Classroom Activities



Family Connections



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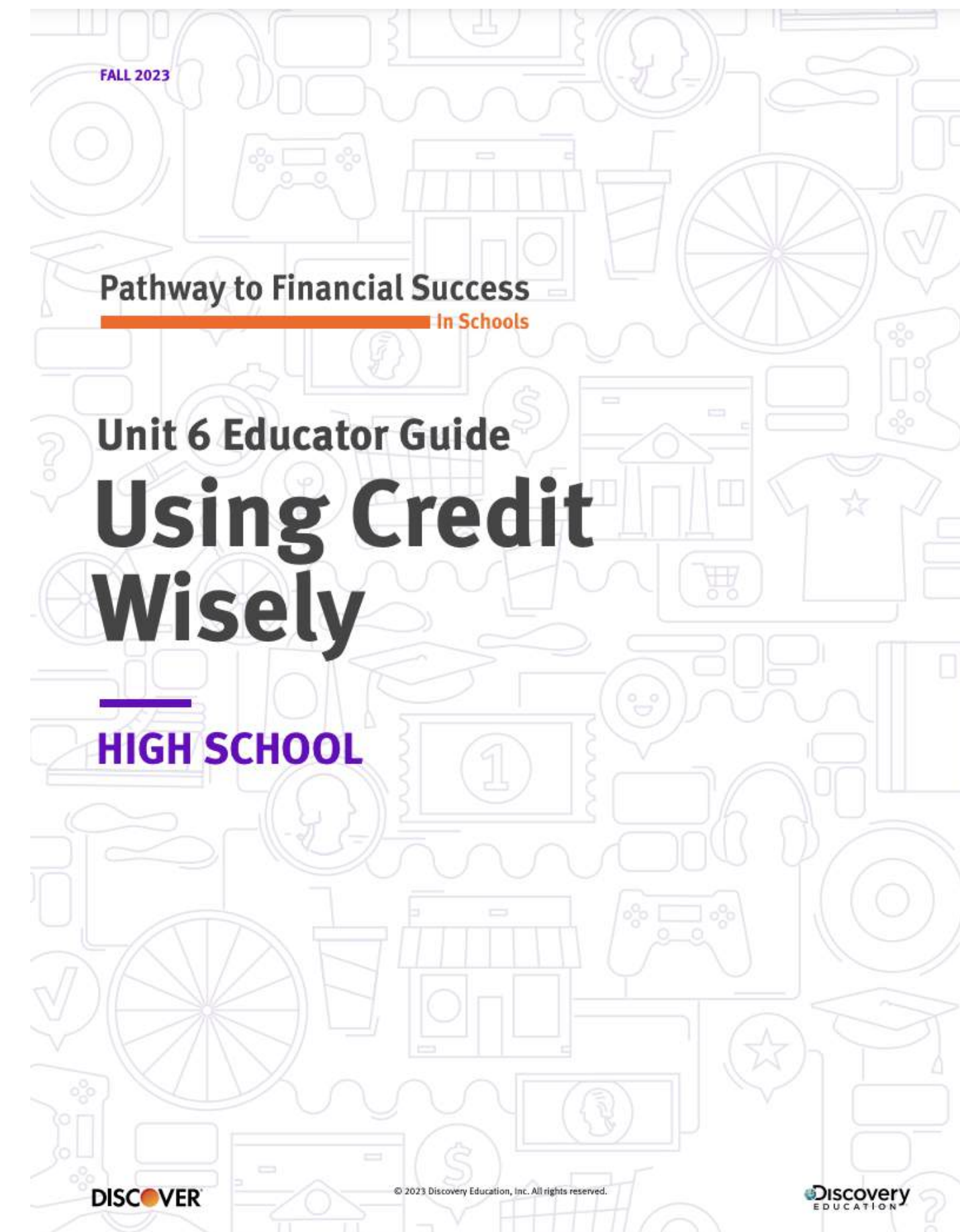
Background information

Topics and resources

Self-paced modules

- Overview
- Key learning objectives
- Section-by-section educator tips
- Extension activities
- Standards correlation






Key terms



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Using Credit Wisely

Credit cards can be an essential tool for borrowing money and managing debt. Introduce your students to using credit cards, understanding credit scores, and managing debt.



[Educator Guide: Unit 6](#) 

[Interactive Student Capture Sheets: Unit 6](#) 

FAMILY CONNECTION



Helping Children Build Credit: What You Can Do

 10-minute read, plus discussion

There are steps families can take to help their teens build credit. This guide will help families discuss credit use, credit scores, and credit reports with their teens.

[Download Activity](#) 

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Connect

Talk

Act

Learn



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Title

When to Use or Not Use Credit

LEARNING OBJECTIVES

- Students will:
- **compare** perspectives on the use of credit.
 - **formulate** opinions about their future use of credit.

Topic

Understanding Credit

Overview

Should people use credit? The activity begins with students considering a variety of issues and concluding that some topics may not have a clear right or wrong answer. Students then work in small groups to conduct research in order to assume a specific role in a group discussion. Through a role-playing discussion, students answer questions about the use of credit from the perspectives of their assigned roles. The activity concludes with students forming their own opinions about debt and the use of credit.

Financial Literacy Theme

Deciding to use credit

21st-Century Skills

Critical Thinking, Collaboration, Communication

Key Terms

Credit, debt, loans, mortgages, credit cards, student loans

Connect

How does this connect to the student?

Decisions about whether or not to use credit, when, and how much are encountered by everyone as they get older. One of the first decisions some students will come across is whether or not to use student loans to finance higher education and—if so—how much to borrow.

How does this connect to careers?

Credit Counselor: People with debt often need the help of a professional. Credit counselors assist people with developing strategies to pay down their debt and create a workable budget to manage their spending in the future.

How does this connect to technology?

When people take on more debt than they can afford to repay it can have consequences that extend beyond their own personal lives. The financial crisis of 2008 is one example in which mortgage debt was a key factor in a major financial recession.

Prepare

Background: People hold a variety of opinions about the use of credit. When it comes to credit cards, for example, some people think they should be avoided altogether to avoid overspending. Others believe that responsible use—not spending more than you can afford and paying it off when the bill comes due—can help to build a credit history and/or improve a person’s credit score. Still others recommend charging as much as possible to maximize the accumulation of points or receive cash back on purchases.

In this activity, students will take on different personalities or roles for a group discussion. Some personalities are specific people who offer advice through books they have written, blogs, radio shows, and other forms of media. Others are more general roles such as that of a credit counselor or representative of the Consumer Financial Protection Bureau. While the activity is unlikely to generate heated debate, [The Choices Program from Brown University](#) offers resources to help educators prepare students to engage in meaningful discussions about potentially controversial topics.

In advance of using this activity, review the details, and determine two things: which roles you will use and how you will facilitate the discussions. Roles should be selected based on a number of factors, including the number of students in your class, how many groups you wish to have, and the discussion method you select. You may randomly assign students to roles or determine their roles in advance. If assigning roles in advance, the information in the **Debt Dilemmas Facilitation Guide** may be helpful in selecting the best role for each group of students.

Based on the dynamics and setup of your classroom, determine the best method for facilitating this activity in advance. Two methods are recommended: jigsaw or fishbowl.

- **Jigsaw:** Assign students to discussion groups with each member role-playing a different persona. In this method, many small discussions will be happening simultaneously. If one group ends early, let them go around the room and listen to what other groups are saying.
- **Fishbowl:** Make a circle of chairs in the center of the room with each chair designated for one of the roles. Invite one person with each role to join the inner circle (the “fishbowl”). The rest of the class watches the conversation. At certain moments, you can announce “Switch,” meaning that a student in the fishbowl is replaced by another student with the same role. Alternately, students may tap the shoulder of someone with the same role when they want a turn to participate in the discussion.

Materials

- **Discussion Roles Student Handout**—one role per student (multiple students will have the same role)
- **Debt Dilemmas Student Capture Sheet**—one copy per student
- **Debt Dilemmas Facilitation Guide**—one reference copy
- **Internet access for each group of students**

Engage

- Let students know that you are going to read a series of statements. Direct them to stand and move to one side of the room if they agree with the statement and the other side if they disagree. If you wish, students may choose a third option indicating they are undecided or unsure.
- Select several of the statements below to read aloud. After each one, allow time for students to move, then ask several students to share why they chose their positions.
 - Eating sweets like ice cream and cookies can be part of a healthy diet.
 - Using animals for medical research should be stopped.
 - Curfews keep teens out of trouble.
 - Cloning is a valuable scientific pursuit.
 - Professional athletes are paid too much money.
 - Children should not have a cell phone until they are 16 years old.
- Ask students what each of the statements that you read have in common. Lead a short discussion about controversial subjects—ones about which there are often a variety of opinions. Challenge students to consider whether these topics have a clear right or wrong answer.




Teach

- Share with students that the use of credit is one of the more controversial topics in the field of personal finance. Some individuals have very strong feelings about its use.
- Let students know that they will be working in small groups to prepare for a group discussion about credit and debt. Each person will be assigned a role or personality for the conversation.
- Explain the method you have chosen for the group discussion (jigsaw or fishbowl as described above). Inform students that you will give them a list of the questions to be discussed so they can take time to consider how the person they will be role-playing would respond.
- Distribute a role from the **Discussion Role Student Handout** to each student along with a copy of the **Debt Dilemmas Student Capture Sheet**.
- Direct students to find other people with the same role and form small groups.
- Give students time to review their role and conduct some brief background research to prepare for the discussions. Students with specific identities may wish to watch a selection of videos featuring the individual to get an idea of the person’s style of communication.
- Remind students that they should be answering the questions at the top of the **Debt Dilemmas Student Capture Sheet** as if they were the person whose role they are playing—not from their own personal standpoint.

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Student Capture Sheets

- Provide an opportunity for students to record notes
 - Enhance retention of information
 - Use when studying for quizzes or tests
 - Reflect upon for personal use
- Serve as evidence of completion and a “gradable” assignment
- Support differentiation for students with varying learning needs as well as English language learners
- Make learning visible and prompt conversations with family members
- Enhance integration with school’s learning management systems (i.e., Google Classroom, Schoology, etc.)



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Unit 6

Using Credit Wisely

Unit 6: Getting Started

Topic 1: Understanding Credit

What is credit and are all forms of credit the same?

Topic 2: Deciding When to Use Credit

When should you use credit and when should you avoid it?

Topic 3: Checking Your Credit Report

What is a credit report and how do you know what is in yours?

Topic 4: Improving Your Credit Score

How does a lender judge whether or not you will be a good borrower? What can you do to improve your credit score?

Topic 5: Managing Debt

What can you do to pay off debt and avoid scams?

Wrap Up

- [Glossary of Key Terms](#)
- [Personal Action Plan](#)
- [Continuing the Conversation at Home](#)
- [Dig Deeper](#)

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Unit 6: Getting Started

This unit explores a wide variety of personal finance topics within the theme of **Using Credit Wisely**. Going into this unit, how much do you already know about each topic?

	Not Much	Some	A Lot
Topic 1: Understanding Credit <i>What is credit and are all forms of credit the same? Examine three different types of credit: installment credit, revolving credit, and service credit.</i>			
Topic 2: Deciding When to Use Credit <i>When should you use credit and when should you avoid it? Explore the question, "Is using credit good or bad?" and discover both benefits and tradeoffs of using credit.</i>			
Topic 3: Checking Your Credit Report <i>What is a credit report and how do you know what's in yours? Learn what credit reports are, how to check them, and the importance of checking them regularly.</i>			
Topic 4: Improving Your Credit Score <i>How does a lender judge whether or not you will be a good borrower? What can you do to improve your credit score? Find out what factors influence a person's credit score and how to establish good credit.</i>			
Topic 5: Managing Debt <i>What can you do to pay off debt and avoid scams? Explore potential consequences of debt and steps people can take to begin dealing with debt challenges.</i>			

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TOPIC 1

Understanding Credit

After completing the module for this topic, you should be able to:

- Provide examples of installment, revolving, and service credit.
- Compare various forms of credit.
- Explain what happens to collateral if a loan is unpaid.



Use in conjunction with the [Understanding Credit](#) self-paced module.

The module's introduction mentions many examples of credit. Put them in order from those you are most familiar with going into the module to those that are least familiar to you.

<ul style="list-style-type: none"> • Credit cards • Home loans • Car loans 	<ul style="list-style-type: none"> • Student loans • Business loans • Cell phone bills
Most Familiar	
Least Familiar	

Fill in the blank in the statement below.

Credit is described in the introduction as "the ability to get something now and _____."

Use in conjunction with the [Understanding Credit](#) self-paced module.

List three examples of terms typically included in a credit agreement.

--	--	--

Answer the questions below based on the "Who Can Get Credit?" slide from the Basics of Credit section.

<p>When do you expect that you will be able to obtain credit? Explain your answer based not only on your age but also on when you expect to meet the other criteria.</p>	
<p>Do you think the limits on who can get credit are fair? Explain.</p>	

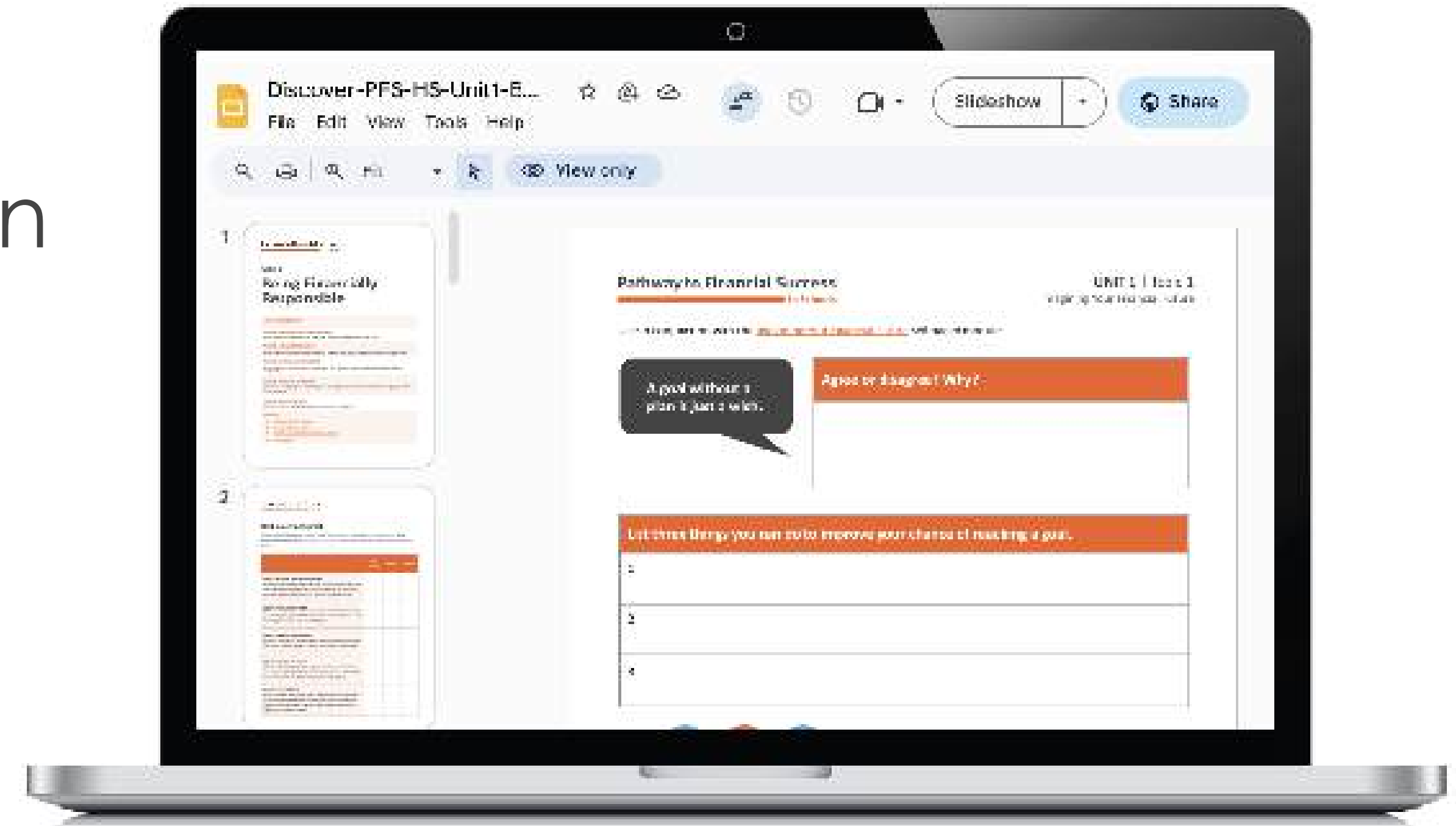


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Multiple Uses

- Self-Assessment & Reflection
- Engagement
- Note-taking
- Reference
- Grading
- Vocabulary
- Follow-Up



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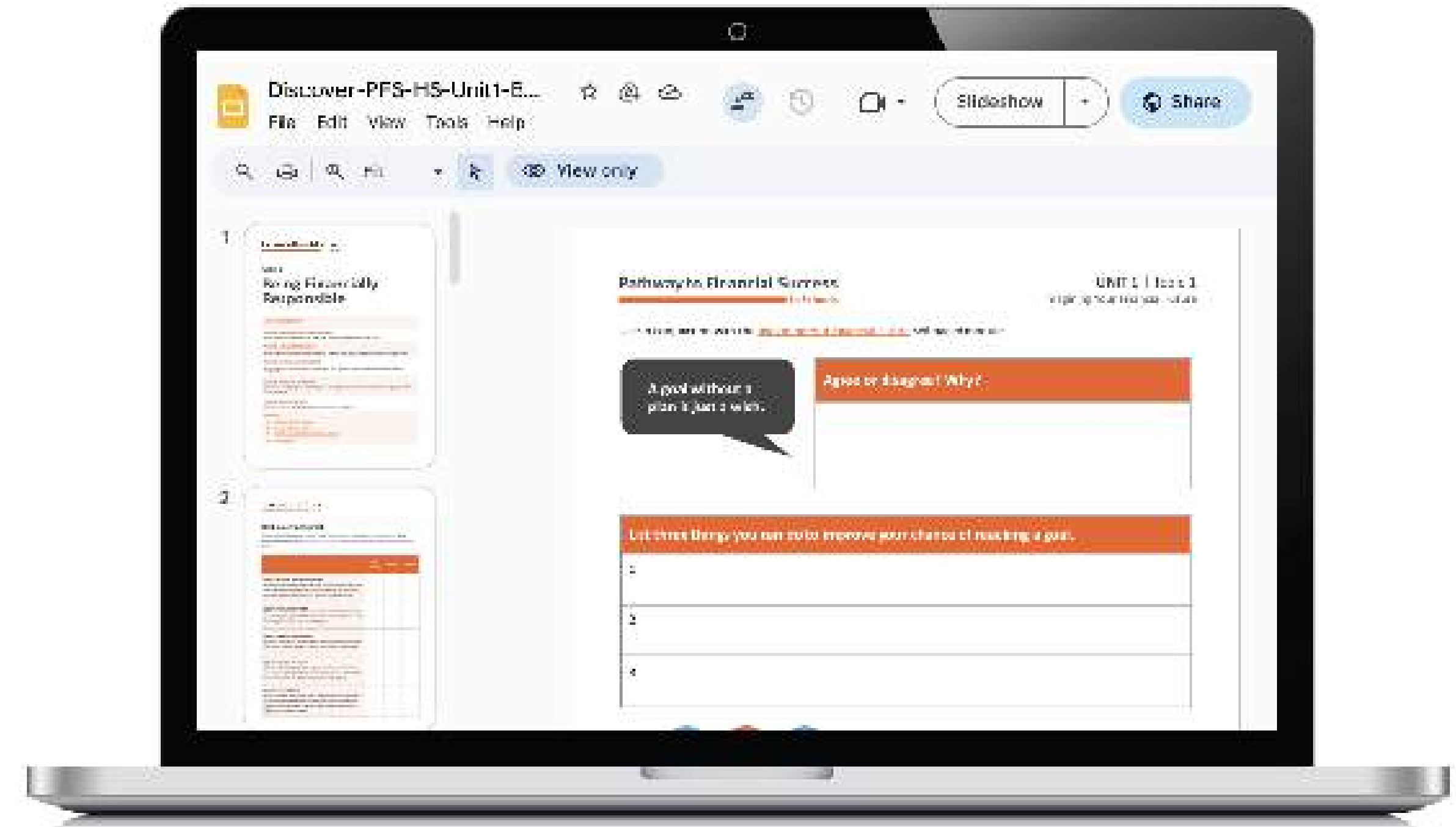
In Schools

Two formats

- Google Slides
- PowerPoint

Flexible






- Specific slides
- Entire file



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 - Two or three classroom activities 

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Being Financially Responsible

Imagining Your Financial Future

Setting SMART Financial Goals

Examining Money Habits

Budgeting for Success

Spending Wisely



Using Financial Services

Understanding Financial Institutions

Deciding Where and How to Bank

Opening New Accounts

Using Mobile Banking

Making Everyday Purchases



Financing Your Future

Exploring Earning Potential

Weighing Your Career Options

Choosing Your Path after High School

Financing Higher Education

Understanding Education Financing Options



Getting Paid

Preparing for Work

Calculating Different Types of Pay

Comparing Job Offers

Paying Taxes

Creating Your Own Job

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Paying Yourself First

Deciding to Save Money

Setting Savings Goals

Finding Money to Save

Growing Savings Through Interest

Choosing a Savings Method



Using Credit Wisely

Understanding Credit

Deciding When to Use Credit

Checking Your Credit Report

Improving Your Credit Score

Managing Debt



Making Major Purchases

Paying for a Vehicle

Renting or Buying a Home

Understanding Insurance

Choosing an Insurance Plan

Understanding Your Consumer Rights



Growing and Protecting Your Finances

Understanding Investing Options

Building a Diversified Portfolio

Making Charitable Donations






Avoiding Financial Fraud

Getting Help with Financial Decisions

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Unit 1: Being Financially Responsible 📖✍️👨👩

1.1 Imagining Your Financial Future
📖👤

1.2 Setting SMART Financial Goals
📖

1.3 Examining Money Habits
📖

1.4 Budgeting for Success
📖👤

1.5 Spending Wisely
📖

Unit 2: Using Financial Services 📖✍️👨👩

2.1 Understanding Financial Institutions
📖

2.2 Deciding Where and How to Bank
📖

2.3 Opening New Accounts
📖👤

2.4 Using Mobile Banking
📖👤

2.5 Making Everyday Purchases
📖👤

Unit 3: Financing Your Future 📖✍️👨👩

3.1 Exploring Earning Potential
📖

3.2 Weighing Your Career Options
📖

3.3 Choosing Your Path after High School
📖

3.4 Financing Higher Education
📖👤

3.5 Understanding Education Financing Options
📖👤

Unit 4: Getting Paid 📖✍️👨👩

4.1 Preparing for Work
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4.2 Calculating Different Types of Pay
📖👤

4.3 Comparing Job Offers
📖

4.4 Paying Taxes
📖

4.5 Creating Your Own Job
📖

Unit 5: Paying Yourself First 📖✍️👨👩

5.1 Deciding to Save Money
📖👤

5.2 Setting Savings Goals
📖

5.3 Finding Money to Save
📖👤

5.4 Growing Savings Through Interest
📖

5.5 Choosing a Savings Method
📖

Unit 6: Using Credit Wisely 📖✍️👨👩

6.1 Understanding Credit
📖👤

6.2 Deciding When to Use Credit
📖

6.3 Checking Your Credit Report
📖

6.4 Improving Your Credit Score
📖👤

6.5 Managing Debt
📖👤

Unit 7: Making Major Financial Decisions 📖✍️👨👩

7.1 Paying for a Vehicle
📖

7.2 Renting or Buying a Home
📖

7.3 Understanding Insurance
📖👤

7.4 Choosing an Insurance Plan
📖

7.5 Understanding Your Consumer Rights
📖👤

Unit 8: Growing and Protecting Your Finances 📖✍️👨👩

8.1 Understanding Investing Options
📖

8.2 Building a Diversified Portfolio
📖👤

8.3 Making Charitable Donations
📖

8.4 Avoiding Financial Fraud
📖

8.5 Getting Help with Financial Decisions
📖👤



Self-paced Modules



Classroom Activities

Pathway to Financial Success

In Schools



“You”
Focused

Pathway to Financial Success

In Schools

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[About](#)

EDUCATORS / HIGH SCHOOL

UNIT 6 ▾

Using Credit Wisely

Credit cards can be an essential tool for borrowing money and managing debt. Introduce your students to using credit cards, understanding credit scores, and managing debt.

[Educator Guide: Unit 6](#)

[Interactive Student Capture Sheets: Unit 6](#)

- [Google Slide Presentation](#)
- [Power Point Presentation](#)



Understanding Credit

Prepare your students to handle credit card offers. Use these resources to explain what credit is, how it can impact them, and how to use credit effectively.

SELF-PACED MODULE



Understanding Credit

🕒 10 to 15 minutes (plus optional discussion)

In this module, students are introduced to the definition of credit along with analyzing the similarities and differences of the three different types of credit people can use - installment credit, revolving credit, and service credit. Throughout the various scenarios explored in the module, students are encouraged to understand the terms of any credit they choose to use in the future.

[Launch Module](#)

CLASSROOM ACTIVITY



When to Use or Not Use Credit

🕒 1 to 2 Class Sessions

Should people use credit? Students consider a variety of issues that show some topics may not have a clear right or wrong answer. In groups, students discuss debt and the use of credit.

[Download Activity](#)

Supplemental Resource Links

Types of Credit

Next Gen Personal Finance (NGPF)

This complete unit plan includes lessons, activities, projects, and a case study on credit basics, credit cards, and loans. (To access these resources, you will need to register for a free account and verify that you are an educator.)

Credit Basics

University of Arizona's Take Charge Today

This lesson provides an overview of credit including different sources and types of credit. To help students make decisions about using credit, borrowing is explained as spending future income. (To access these resources, you will need to register for a free account and verify that you are an educator. Once logged in, the link above will take you directly to the resource.)

The Amazing \$2,000 Pizza

Federal Reserve Bank of St. Louis

In this three-minute video, students learn how credit cards work and the importance of using them responsibly.

Pathway to Financial Success

In Schools

SELF-PACED MODULE



Understanding Credit

🕒 10 to 15 minutes (plus optional discussion)

In this module, students are introduced to the definition of credit along with analyzing the similarities and differences of the three different types of credit people can use - installment credit, revolving credit, and service credit. Throughout the various scenarios explored in the module, students are encouraged to understand the terms of any credit they choose to use in the future.

[Launch Module](#) 



Pathway to Financial Success

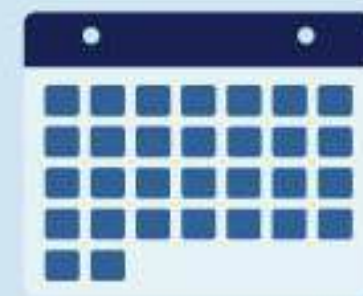
In Schools

Unit 6: Topic 1

Understanding Credit

Plan on having a credit card someday? What about getting your own cell phone plan or buying a house? All of these have one thing in common — credit. Find out what credit is and how it works.

Begin



Pathway to Financial Success

In Schools

Unit 6 | Topic 1

Understanding Credit

 **Prepare** (0 of 6) ▾

 **Learn** (0 of 5) ▾

 **Reflect** (0 of 2) ▾

 **Challenge** (0 of 6) ▾

 **Certificate** (0 of 1) ▾

Press the play button below to begin.



Continue

Pathway to Financial Success

In Schools

Unit 6 | Topic 1

Understanding Credit

Prepare (1 of 6) ^

• **Setup**

Show What You Know

Question 1

Question 2

Question 3

Confidence Ranking

Learn (0 of 5) v

Reflect (0 of 2) v

Challenge (0 of 6) v

Certificate (0 of 1) v

Press the play button below to begin.



Three Types of Credit



Continue

Pathway to Financial Success
In Schools

Unit 6 | Topic 1
Understanding Credit

Prepare (2 of 6) ^

✓ **Setup**

- **Show What You Know**
- Question 1
- Question 2
- Question 3
- Confidence Ranking

Learn (0 of 5) v

Reflect (0 of 2) v

Challenge (0 of 6) v

Certificate (0 of 1) v

Show What You Know



Let's see what you already know about different types of credit.

Continue

Show What You Know

Select the best answer to each question.



Credit cards and lines of credit are examples of which type of credit?

Installment credit

Revolving credit

Service credit

Unnecessary credit

Submit

Credit cards and lines of credit are examples of which type of credit?

Installment credit

Revolving credit

Service credit

Unnecessary credit



That's right!

These are examples of revolving credit.

Continue

Show What You Know

Select the best answer to each question.



Which of the following statements about installment credit are TRUE? Select ALL that apply.

You must be 21 or older to qualify for installment credit.

The borrower usually pays the same amount each month.

Borrowers may be required to make a downpayment.

A borrower must pay off the loan before getting another one.

Some lenders require collateral that can be taken away if the loan isn't paid.

Which of the following statements about installment credit are TRUE? Select ALL that apply.

You must be 21 or older to qualify for installment credit.

The borrower usually pays the same amount each month.

Borrowers may be required to make a downpayment.

A borrower must pay off the loan before getting another one.

Some lenders require collateral that can be taken away if the loan isn't paid.



Incorrect.

You'll learn more about installment credit, such as car loans, student loans, and home loans, in the module.

Your Answer

Correct Answer

Continue

Which of the following statements about installment credit are TRUE? Select ALL that apply.

You must be 21 or older to qualify for installment credit.

The borrower usually pays the same amount each month.

Borrowers may be required to make a downpayment.

A borrower must pay off the loan before getting another one.

Some lenders require collateral that can be taken away if the loan isn't paid.



Incorrect.

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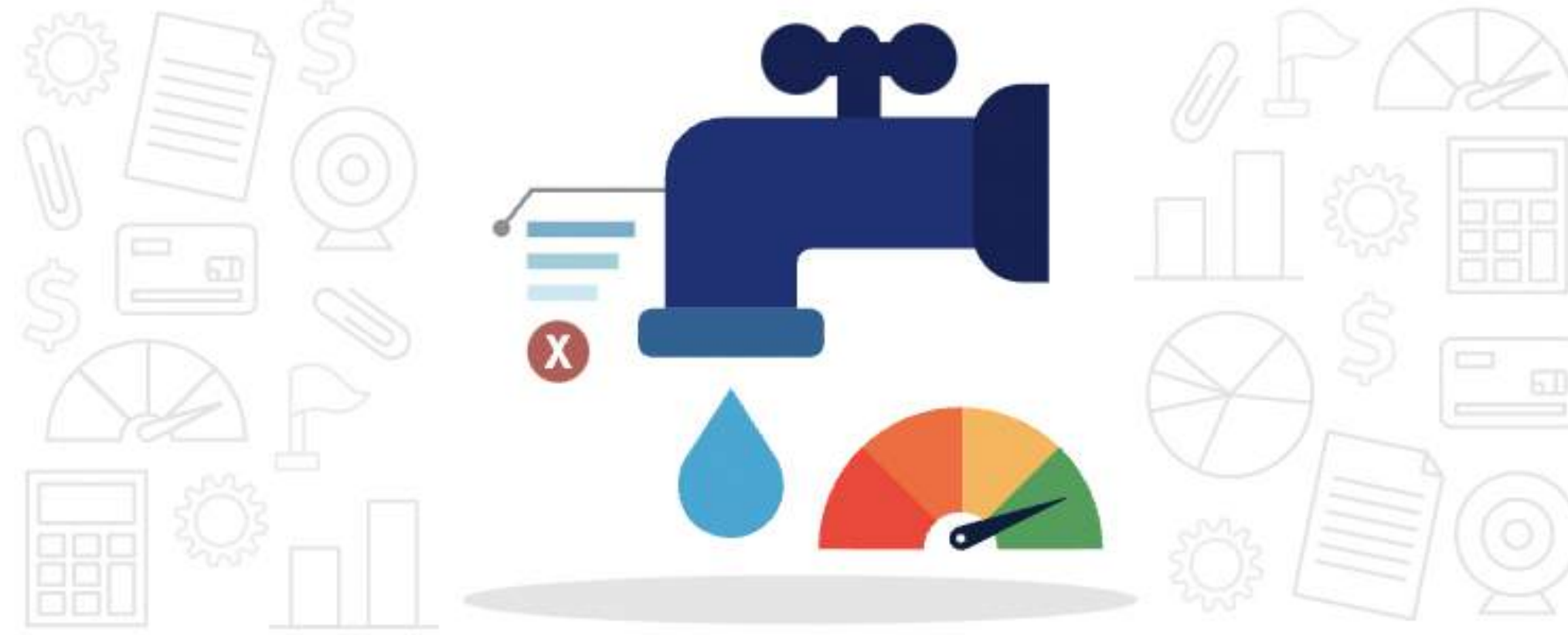
Your Answer

Correct Answer

Continue

Show What You Know

Select the best answer to each question.



Which of these statements about service credit is FALSE?

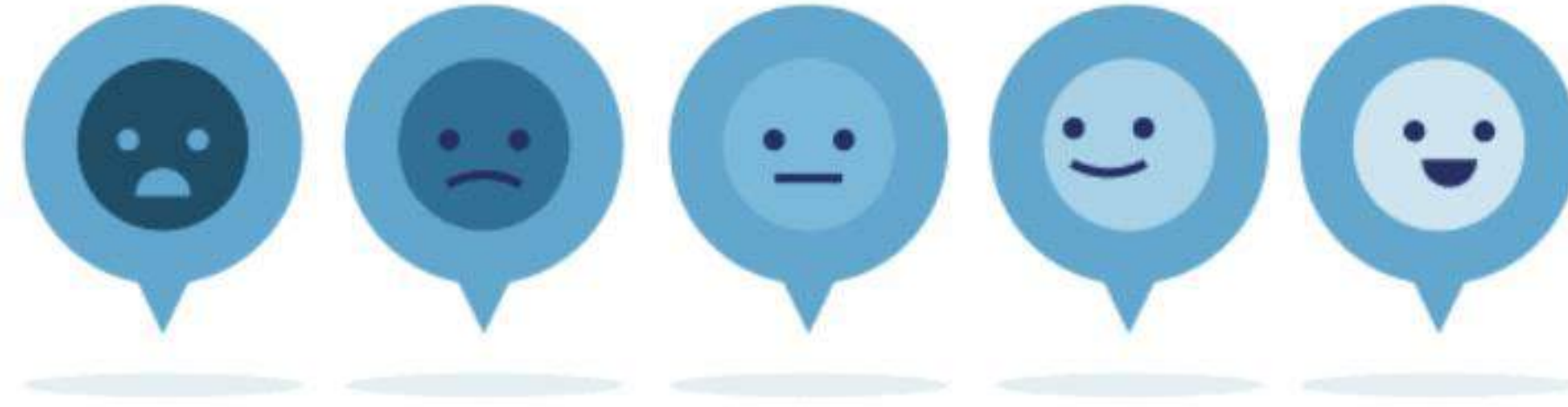
- The total balance must be paid each month.
- There is a maximum amount you can spend each month.
- They are rarely reported on a credit report unless unpaid.
- Cell phone and utility agreements are examples of service credit.

Submit

What Do You Think?

Select the image that matches how strongly you agree or disagree with the statement.

Select the best answer.



I can explain several different types of credit people might use.

Strongly agree



Agree



Neutral



Disagree



Strongly disagree



The Basics of Credit



What is credit and how does it work? Check out basic information about credit.

Use the arrows to view more information about each.



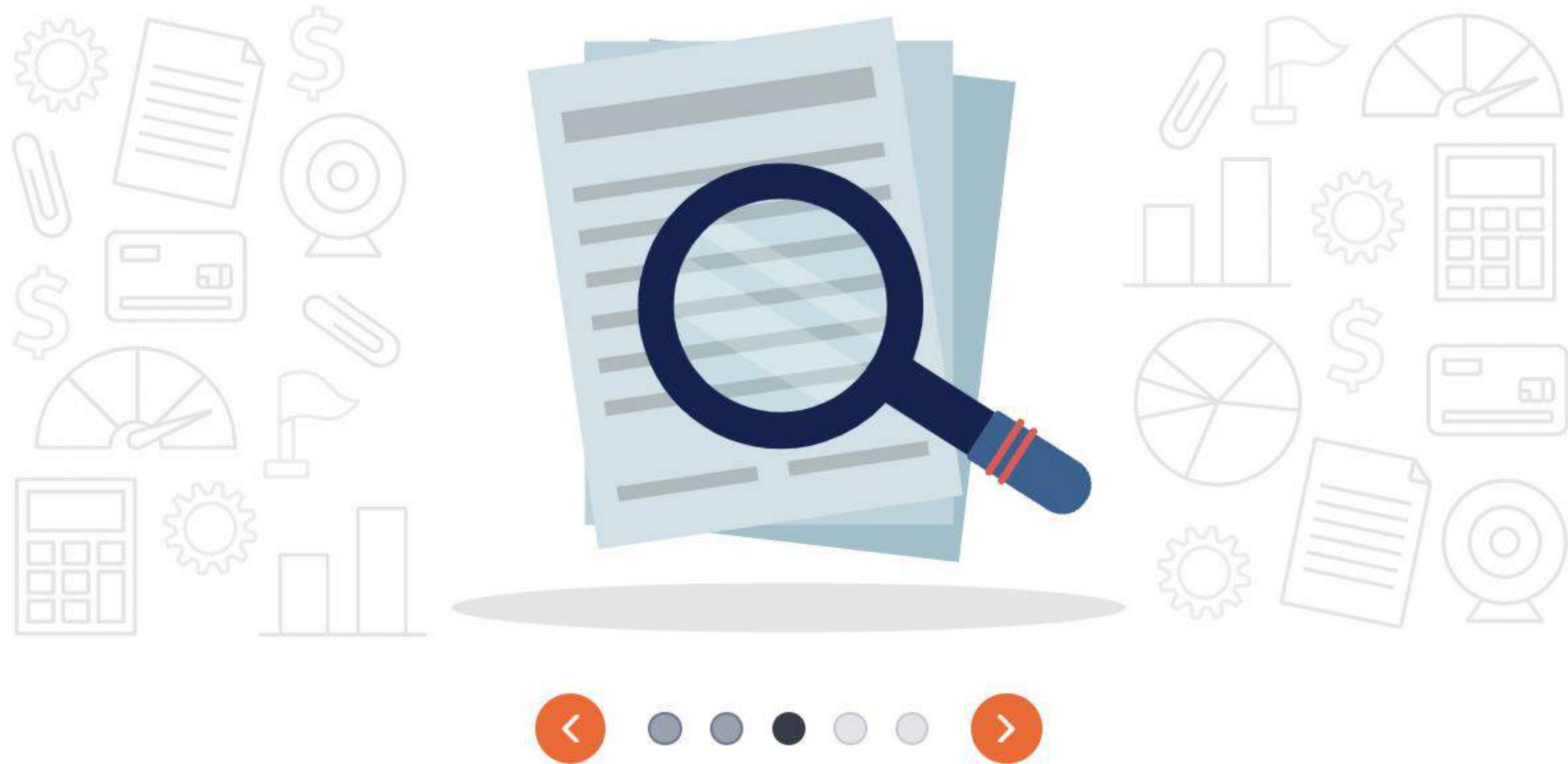
What is Credit?

Anytime you get something — money, a good, or a service — and are expected to pay for it later, you are using credit.



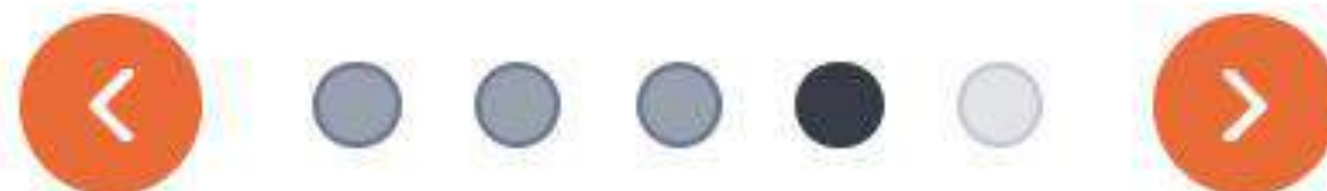
How Does Credit Work?

Most credit arrangements have specific terms or details that are agreed to by both the borrower and the lender.



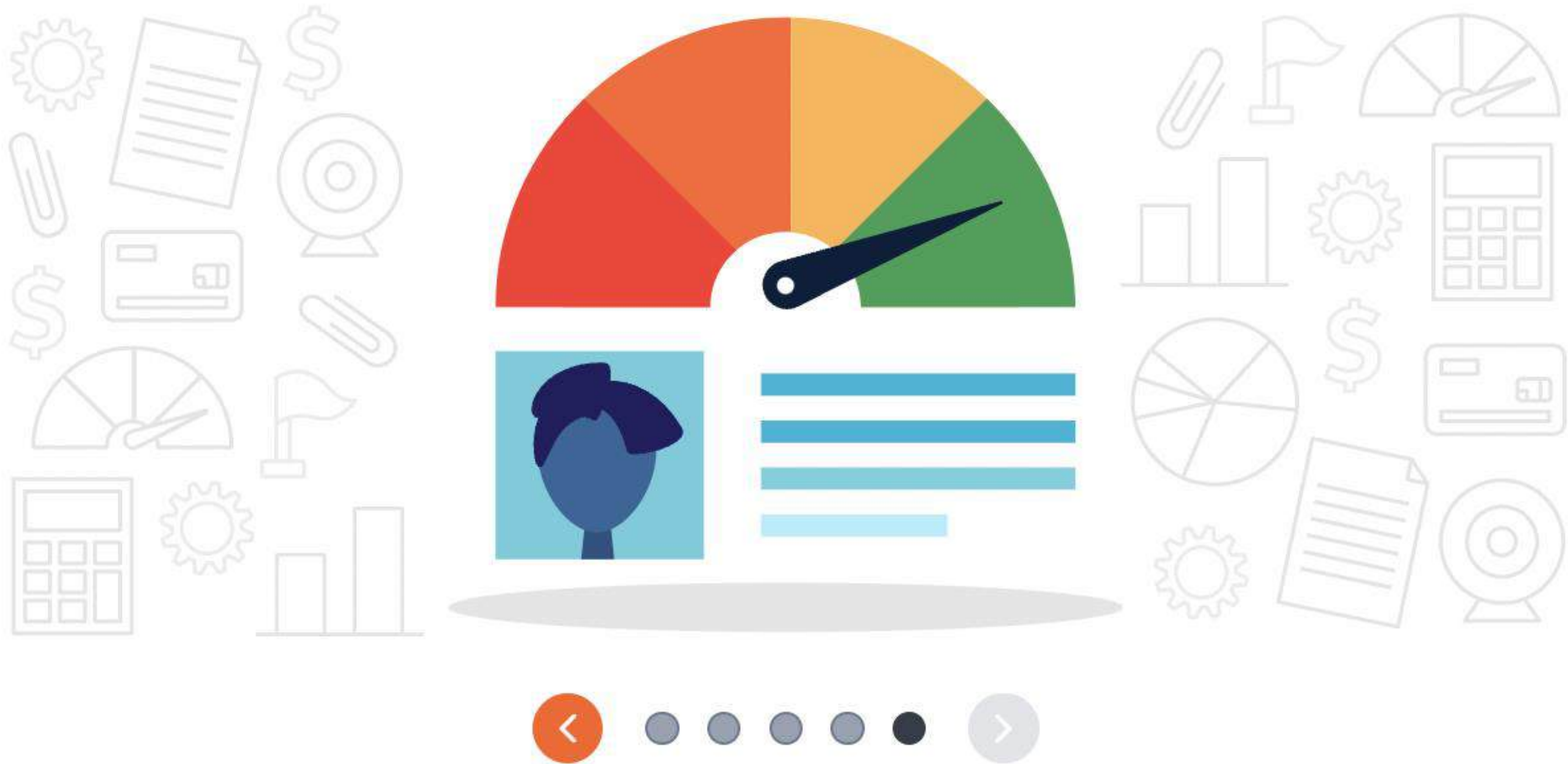
What Are Typical Terms?

- How and when payment is expected
- What will happen if payment is late
- Whether or not interest is being charged and if it is, how much
- Any fees or other expectations



How Do You Get Credit?

Most credit agreements require an application. The lender might check your credit report and/or score to see how you've used credit in the past.



Who Can Get Credit?

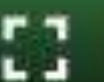
Only adults can apply for credit. This means you have to be 18 years or older. Some lenders require people to show that they will be able to repay the loan. Others might charge more in interest or fees to people with less credit experience or those with a poor credit history.



Common Types of Credit



0:01 / 2:25



Installment Credit

How familiar are you with each of these terms and their definitions? Learn these key terms associated with installment credit.

Select each card to learn more.

Principal



[+ Learn More](#)

Fixed or Variable



[+ Learn More](#)

Secured or Unsecured



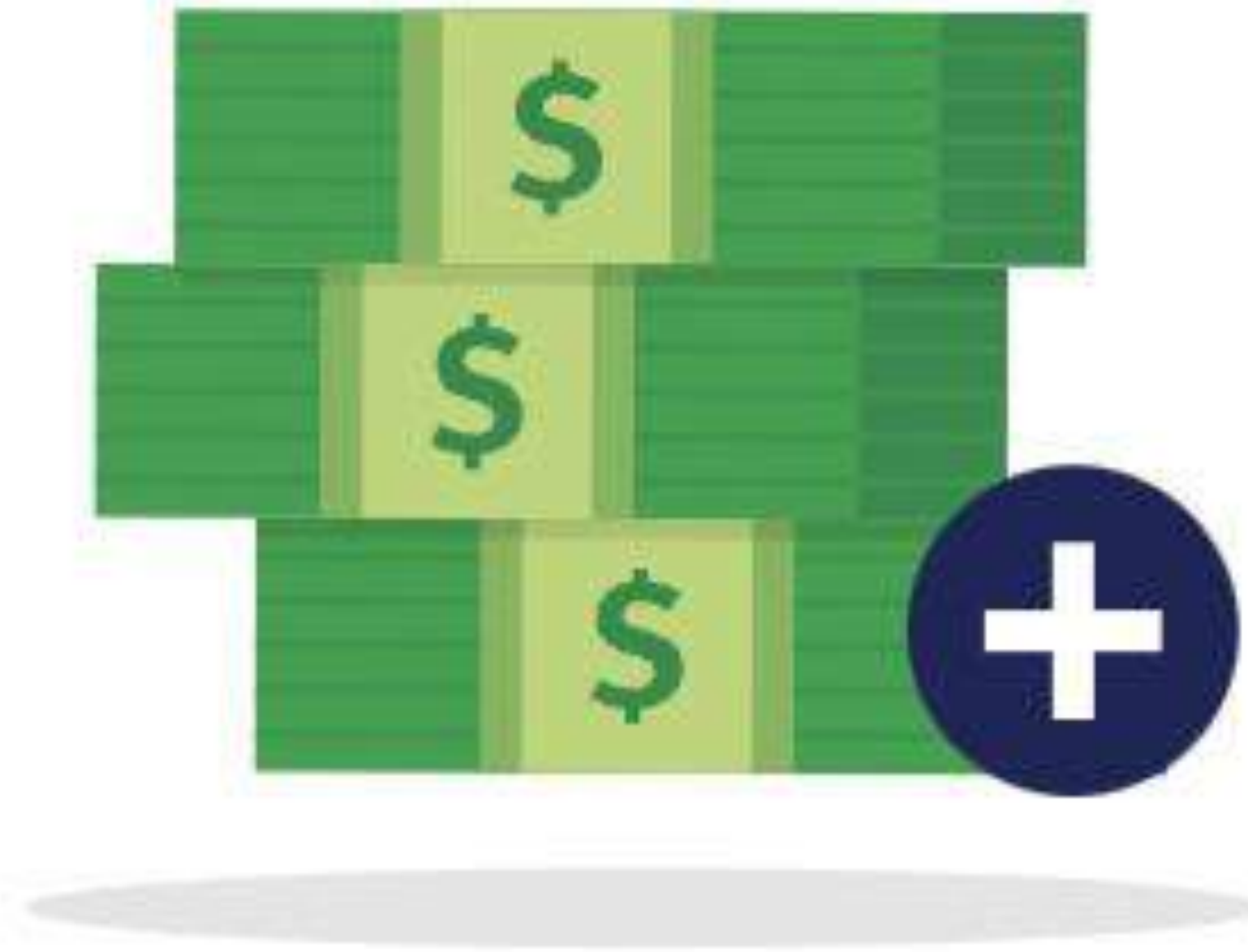
[+ Learn More](#)

Prepayment Penalty



[+ Learn More](#)

Principal



The amount you are borrowing is called the principal. This is the total amount of money the lender is giving to you. It is NOT the same as the amount you end up repaying. You will pay back the principal PLUS the interest that is charged by the lender.

Fixed or Variable



Interest can be charged at a fixed or variable rate, depending on the loan. With a fixed rate, the percentage never changes. You might have a 30-year loan for a house, and the interest rate is the same for the entire 30 years. A variable rate, however, means your interest rate could go up or down based on the agreement with the lender. This means your payments could also go up or down. Be sure to know what type of interest you are being charged.

Secured or Unsecured



Ever heard of collateral? When you get a car loan, the vehicle is collateral. If you fail to pay back your loan, the lender can take the car back. Loans that require collateral are called secured loans. Those with no collateral are called unsecured loans.

Prepayment Penalty



It is important to know the details of any loan you get. For example, some loan agreements include a prepayment penalty. This means you can be charged extra for paying your loan off early. Be sure you know what fees and potential penalties there are with a loan before you sign an agreement.



Pathway to Financial Success

In Schools

Unit 6 | Topic 1

Understanding Credit

Prepare (6 of 6)

Learn (4 of 5)

The Basics of Credit

How People Use Credit

Installment Credit

Service Credit

The Ups and Downs of
Revolving Credit

Reflect (0 of 2)

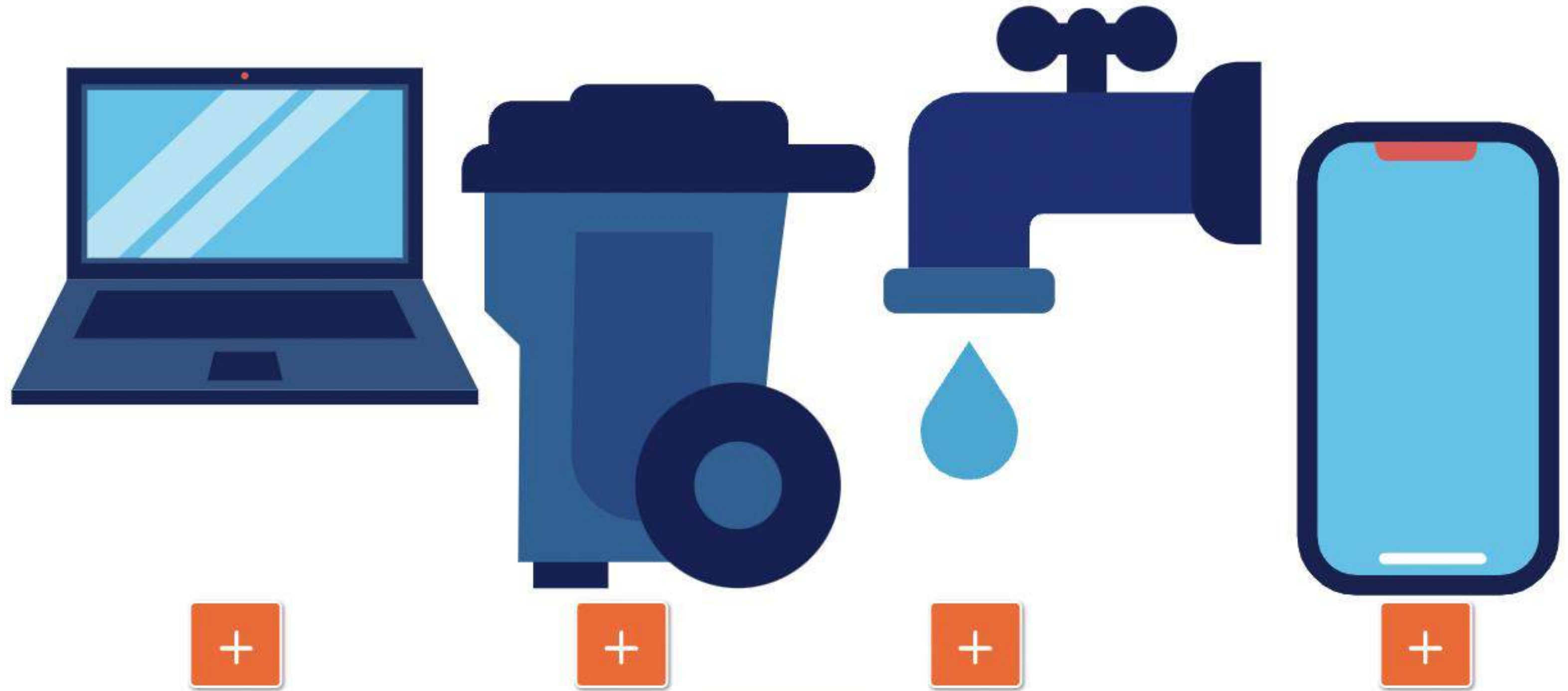
Challenge (0 of 6)

Certificate (0 of 1)

Service Credit

Many people use service credit every day. Check out these common examples.

Select each hotspot to learn more.



Continue





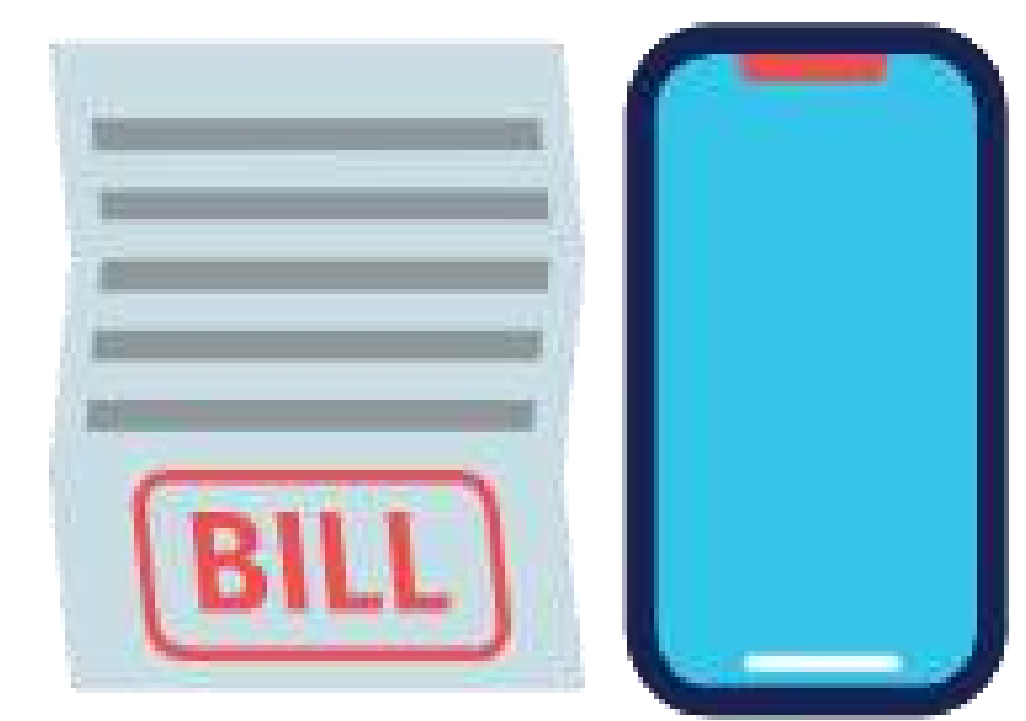
Internet



**Water &
Sewer**



Garbage



**Cell
Phone**



Pathway to Financial Success

In Schools

Unit 6 | Topic 1

Understanding Credit

Prepare (6 of 6) ▼

Learn (5 of 5) ▲

✓ The Basics of Credit

✓ How People Use Credit

✓ Installment Credit

✓ Service Credit

• The Ups and Downs of
Revolving Credit

Reflect (0 of 2) ▼

Challenge (0 of 6) ▼

Certificate (0 of 1) ▼

The Ups and Downs of Revolving Credit

Do you have an opinion on the use of credit cards? Check out these ups and downs of credit cards and decide for yourself.

Swipe each card to advance.



Up: Build Credit History

Responsible use of credit can build your credit history and lead to lower interest rates on future loans.

1 of 4

Continue



Up: Build Credit History

Responsible use of credit can build your credit history and lead to lower interest rates on future loans.



Down: Overspending

People tend to spend more with credit cards — a problem if they can't afford to repay it.



Down: Fees

Know what fees you might pay, including annual, late-payment, over-the-limit, and returned-payment fees.



Up: Convenience







With credit cards you can pay over time, don't have to carry cash, and are protected from fraudulent transactions.

< **Pathway to Financial Success**

In Schools

Unit 6 | Topic 1

Understanding Credit

-  **Prepare** (6 of 6) ▾
-  **Learn** (5 of 5) ▾
-  **Reflect** (1 of 2) ▲
-  **Wrap Up**
- Confidence Ranking
-  **Challenge** (0 of 6) ▾
-  **Certificate** (0 of 1) ▾

Wrap Up

Press the play button below to begin.



Continue

Unit 6 | Topic 1

Understanding Credit

Prepare (6 of 6) ▾

Learn (5 of 5) ▾

Reflect (1 of 2) ▲

• Wrap Up

Confidence Ranking

Challenge (0 of 6) ▾

Certificate (0 of 1) ▾

Wrap Up

Press the play button below to begin.



✕ Audio Transcript

No matter what types of credit you use, make sure you understand how they work and use them responsibly.

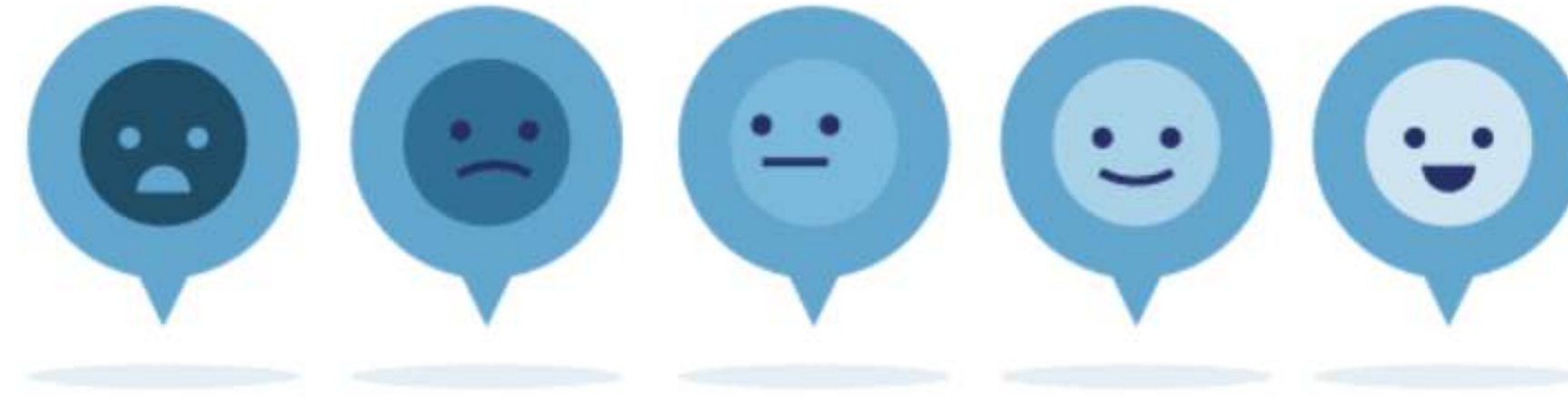


Continue

What Do You Think?

Select the image that matches how strongly you agree or disagree with the statement.

Select the best answer.



I can explain several different types of credit people might use.

Strongly agree



Agree



Neutral



Disagree



Strongly disagree



Pathway to Financial Success

In Schools

Unit 6 | Topic 1

Understanding Credit

 **Prepare** (6 of 6) ▼

 **Learn** (5 of 5) ▼

 **Reflect** (2 of 2) ▼

 **Challenge** (1 of 6) ▲

• Show What You Learned

Question 1

Question 2

Question 3

Question 4

Question 5

 **Certificate** (0 of 1) ▼

Show What You Learned



Now it's time to see what you've learned about credit and the types of credit people commonly use. Before answering these final questions, you can return to previous sections to review information from the module.

Continue

Show What You Learned

Select the word/phrase that best completes each sentence.



If you get a car loan, the vehicle is used as **the down payment** **collateral** and can be taken back if you don't repay the loan.

This is considered **a secured** **an unsecured** loan.

If you get a car loan, the vehicle is used as **the down payment** **collateral** ✓ and can be taken back if you don't repay the loan.

This is considered **a secured** ✓ **an unsecured** loan.



You got it!

Continue

Select the best answer.



Which of the following is **NOT** usually found in credit agreements?

How and when the payment is expected

What will happen if a payment is late

The borrower's credit score

If interest is being charged and how much

Fee types and amounts



Try Again

You may try this question again for partial credit.

Try Again

Skip and continue to the next question.

Connect the type of credit with how it can be used.



Decide if each statement applies to installment, revolving, or service credit.

Installment

Drag elements here

Revolving

Drag elements here

Service

Drag elements here

Doesn't charge interest

Amount borrowed is known up front

Issued by a utility company

Pay the same amount each month

Have a specified credit limit

Amount you owe goes up and down

Connect the type of credit with how it can be used.



Decide if each statement applies to installment, revolving, or service credit.

Installment

- Amount borrowed is known up front
- Pay the same amount each month

Revolving

- Have a specified credit limit
- Amount you owe goes up and down

Service

- Doesn't charge interest
- Issued by a utility company



Decide if each sentence is true or false.



Decide if each sentence is true or false.

Responsible use of credit cards can help build your credit history.

Select an answer



People often spend more when they use a credit card rather than cash.

Select an answer



Most credit cards only charge two types of fees.

Select an answer



Credit cards offer protection in the case of fraudulent charges.

Select an answer



Select elements to create matched pairs.



Match the example to the type of credit.

Installment

Drag an element here

Revolving

Drag an element here

Service

Drag an element here

Internet Home loan Credit card



< Pathway to Financial Success

In Schools

Unit 6 | Topic 1

Understanding Credit

Prepare (6 of 6) ▾

Learn (5 of 5) ▾

Reflect (2 of 2) ▾

Challenge (6 of 6) ▾

Certificate (1 of 1) ▲

• Complete

Results and Certificate of Completion

Congratulations on completing the Deciding When to Use Credit module.



Your score: 60
Possible score: 70

Download Certificate

Review Answer Sheet ▾

Explore Additional Modules ▾



Question 1

If you get a car loan, the vehicle is used as [the down payment, collateral] and can be taken back if you don't repay the loan.

Correct Answer: collateral

This is considered [a secured, an unsecured] loan.

Correct Answer: a secured

Question 2

Which of the following is NOT usually found in credit agreements?

- A. How and when the payment is expected
- B. What will happen if a payment is late
- C. The borrower's credit score
- D. If interest is being charged and how much
- E. Fee types and amounts

Correct Answer: C

Question 3

Decide if each statement applies to installment, revolving, or service credit.

- A. Doesn't charge interest
- B. Amount borrowed is known up front
- C. Issued by a utility company
- D. Pay the same amount each month
- E. Have a specified credit limit
- F. Amount you owe goes up and down

Correct Answers:

Installment: B and D

Revolving: E and F

Service: A and C

Certificate of Completion

This is to certify that

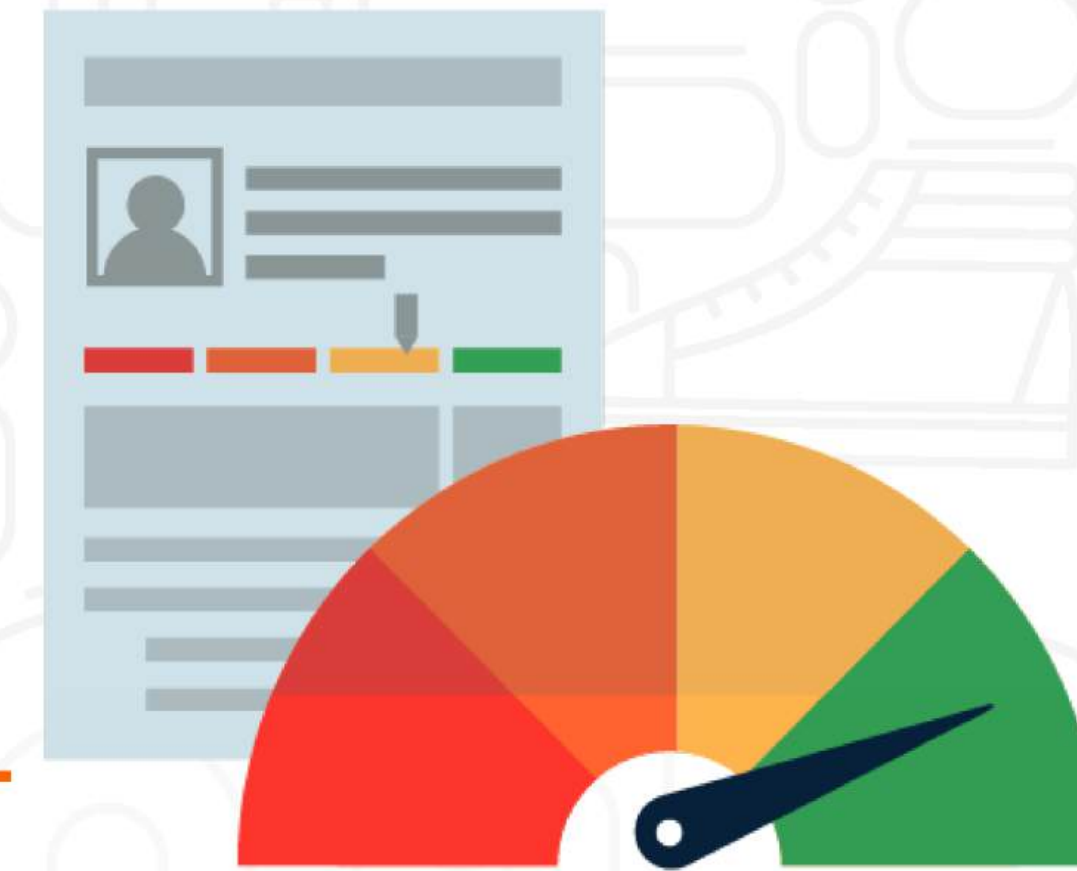
has successfully completed

Unit 6: Topic 1

Understanding Credit

School / Organization

Educator or Parent



TOPIC 1

Understanding Credit

After completing the module for this topic, you should be able to:

- Provide examples of installment, revolving, and service credit.
- Compare various forms of credit.
- Explain what happens to collateral if a loan is unpaid.



Use in conjunction with the [Understanding Credit](#) self-paced module.

The module's introduction mentions many examples of credit. Put them in order from those you are most familiar with going into the module to those that are least familiar to you.

<ul style="list-style-type: none">• Credit cards• Home loans• Car loans		<ul style="list-style-type: none">• Student loans• Business loans• Cell phone bills	
Most Familiar			
Least Familiar			

Fill in the blank in the statement below.

Credit is described in the introduction as "the ability to get something now and _____."

Use in conjunction with the [Understanding Credit](#) self-paced module.

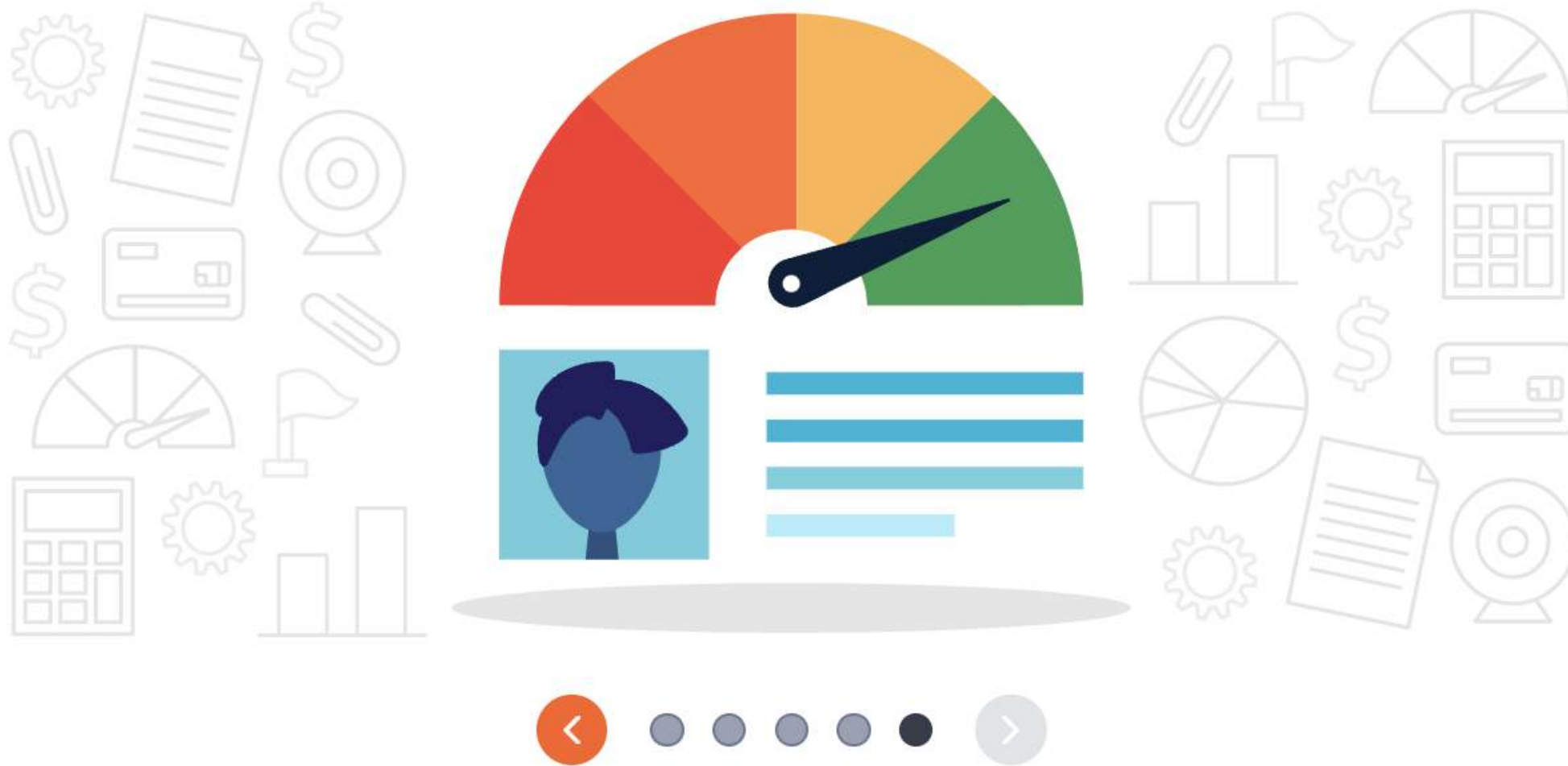
List three examples of terms typically included in a credit agreement.

--	--	--

Answer the questions below based on the "Who Can Get Credit?" slide from the Basics of Credit section.

When do you expect that you will be able to obtain credit? Explain your answer based not only on your age but also on when you expect to meet the other criteria.

Do you think the limits on who can get credit are fair? Explain.



Who Can Get Credit?

Only adults can apply for credit. This means you have to be 18 years or older. Some lenders require people to show that they will be able to repay the loan. Others might charge more in interest or fees to people with less credit experience or those with a poor credit history.

Use in conjunction with the animated video found in the [Understanding Credit](#) self-paced module.

Common Types of Credit

Use [this link](#) or the QR code below to watch the video from this module. Use the video and the images below to write a short story about the three types of credit. Be creative. You may use the characters riding the Credit Coaster in the video or write the story from a different perspective, such as a first-person point of view. Feel free to address the forms of credit in any order.



0:52



1:24



1:59

Write your short story using information from the video and the images above as inspiration.

Use in conjunction with the [Understanding Credit](#) self-paced module.

Describe how each concept relates to credit.

Principal



Fixed or Variable Interest Rate



Secured or Unsecured



Prepayment Penalty



What type of credit do the terms above most commonly describe?

Use in conjunction with the [Understanding Credit](#) self-paced module.

List as many examples of service credit as you can. Four are mentioned in the module. Can you think of more?

Some people have strong opinions about the use of credit cards or revolving credit. Fill in the table with some of the benefits and tradeoffs of using credit cards.

Benefits	Tradeoffs

Where do YOU stand on the use of credit cards? Do you think it is a good idea, something to be avoided, or somewhere in between? Explain your thoughts.

Use in conjunction with the [Understanding Credit](#) self-paced module.

Write a definition of each type of credit in your own words and list at least one question to ask yourself before using each type.

Type of Credit	Definition in Your Own Words	Question(s) to Ask Myself
Installment		
Revolving		
Service or Open		



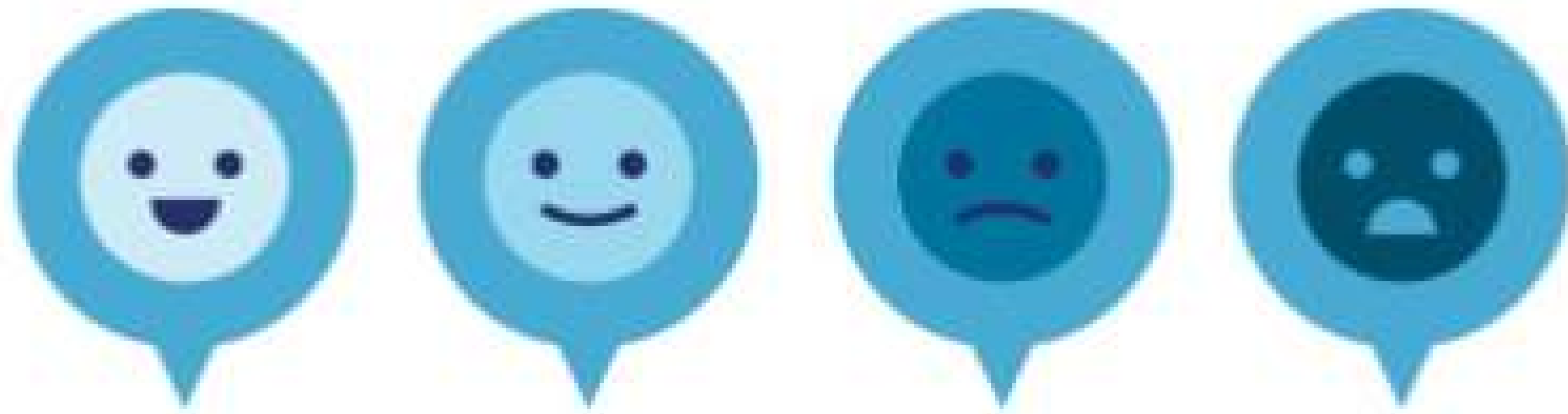
Use this page to reflect on what you have learned in Topic 1: Understanding Credit.

Think about the three types of credit described in this module: installment, revolving, and service. Answer each question below.

Which type of credit do you expect you will use first? Why?

Which credit type do you understand the best? Why?

Which form of credit do you expect to use least or never use? Why?








End-of-Module Self-Evaluation

Consider the learning objectives for this module. How do you feel about each one after completing it?	Strongly Agree	Somewhat Agree	Somewhat Disagree	Strongly Disagree
I am able to provide examples of installment, revolving, and service credit.				
I can compare various forms of credit.				
I can explain what happens to collateral if a loan is unpaid.				

Pathway to Financial Success

In Schools


Each high school unit contains:



- Unit Educator Guide 
- Family Connections 
- Interactive Student Capture Sheets 
- **Five Thematic Topics**
 - **Five student-facing self-paced modules** 
 - **Two or three classroom activities** 


Unit 1: Being Financially Responsible   

1.1 Imagining Your Financial Future
 


1.2 Setting SMART Financial Goals



1.3 Examining Money Habits


1.4 Budgeting for Success
 

1.5 Spending Wisely




Unit 2: Using Financial Services   

2.1 Understanding Financial Institutions



2.2 Deciding Where and How to Bank



2.3 Opening New Accounts
 


2.4 Using Mobile Banking
 

2.5 Making Everyday Purchases
 

Unit 3: Financing Your Future   

3.1 Exploring Earning Potential




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7.3 Understanding Insurance
 


7.4 Choosing an Insurance Plan



7.5 Understanding Your Consumer Rights
 

Unit 8: Growing and Protecting Your Finances   

8.1 Understanding Investing Options


8.2 Building a Diversified Portfolio
 

8.3 Making Charitable Donations


8.4 Avoiding Financial Fraud


8.5 Getting Help with Financial Decisions
 



Self-paced Modules



Classroom Activities

Understanding Credit

Prepare your students to handle credit card offers. Use these resources to explain what credit is, how it can impact them, and how to use credit effectively.

SELF-PACED MODULE



Understanding Credit

🕒 10 to 15 minutes (plus optional discussion)

In this module, students are introduced to the definition of credit along with analyzing the similarities and differences of the three different types of credit people can use - installment credit, revolving credit, and service credit. Throughout the various scenarios explored in the module, students are encouraged to understand the terms of any credit they choose to use in the future.

[Launch Module](#)

CLASSROOM ACTIVITY



When to Use or Not Use Credit

🕒 1 to 2 Class Sessions

Should people use credit? Students consider a variety of issues that show some topics may not have a clear right or wrong answer. In groups, students discuss debt and the use of credit.

[Download Activity](#)

Supplemental Resource Links

Types of Credit

Next Gen Personal Finance (NGPF)

This complete unit plan includes lessons, activities, projects, and a case study on credit basics, credit cards, and loans. (To access these resources, you will need to register for a free account and verify that you are an educator.)

Credit Basics

University of Arizona's Take Charge Today

This lesson provides an overview of credit including different sources and types of credit. To help students make decisions about using credit, borrowing is explained as spending future income. (To access these resources, you will need to register for a free account and verify that you are an educator. Once logged in, the link above will take you directly to the resource.)

The Amazing \$2,000 Pizza

Federal Reserve Bank of St. Louis

In this three-minute video, students learn how credit cards work and the importance of using them responsibly.



HIGH SCHOOL | UNIT 6
Understanding Credit

Title

When to Use or Not Use Credit

LEARNING OBJECTIVES

Students will:

- **compare** perspectives on the use of credit.
- **formulate** opinions about their future use of credit.

Topic

Understanding Credit

Overview

Should people use credit? The activity begins with students considering a variety of issues and concluding that some topics may not have a clear right or wrong answer. Students then work in small groups to conduct research in order to assume a specific role in a group discussion. Through a role-playing discussion, students answer questions about the use of credit from the perspectives of their assigned roles. The activity concludes with students forming their own opinions about debt and the use of credit.

Financial Literacy Theme

Deciding to use credit

21st-Century Skills

Critical Thinking, Collaboration, Communication

Key Terms

Credit, debt, loans, mortgages, credit cards, student loans

Connect

How does this connect to the student?

Decisions about whether or not to use credit, when, and how much are encountered by everyone as they get older. One of the first decisions some students will come across is whether or not to use student loans to finance higher education and—if so—how much to borrow.

How does this connect to careers?

Credit Counselor: People with debt often need the help of a professional. Credit counselors assist people with developing strategies to pay down their debt and create a workable budget to manage their spending in the future.

How does this connect to technology?

When people take on more debt than they can afford to repay it can have consequences that extend beyond their own personal lives. The financial crisis of 2008 is one example in which mortgage debt was a key factor in a major financial recession.

Prepare

Background: People hold a variety of opinions about the use of credit. When it comes to credit cards, for example, some people think they should be avoided altogether to avoid overspending. Others believe that responsible use—not spending more than you can afford and paying it off when the bill comes due—can help to build a credit history and/or improve a person’s credit score. Still others recommend charging as much as possible to maximize the accumulation of points or receive cash back on purchases.

In this activity, students will take on different personalities or roles for a group discussion. Some personalities are specific people who offer advice through books they have written, blogs, radio shows, and other forms of media. Others are more general roles such as that of a credit counselor or representative of the Consumer Financial Protection Bureau. While the activity is unlikely to generate heated debate, [The Choices Program from Brown University](#) offers resources to help educators prepare students to engage in meaningful discussions about potentially controversial topics.

In advance of using this activity, review the details, and determine two things: which roles you will use and how you will facilitate the discussions. Roles should be selected based on a number of factors, including the number of students in your class, how many groups you wish to have, and the discussion method you select. You may randomly assign students to roles or determine their roles in advance. If assigning roles in advance, the information in the **Debt Dilemmas Facilitation Guide** may be helpful in selecting the best role for each group of students.

Based on the dynamics and setup of your classroom, determine the best method for facilitating this activity in advance. Two methods are recommended: jigsaw or fishbowl.

- **Jigsaw:** Assign students to discussion groups with each member role-playing a different persona. In this method, many small discussions will be happening simultaneously. If one group ends early, let them go around the room and listen to what other groups are saying.
- **Fishbowl:** Make a circle of chairs in the center of the room with each chair designated for one of the roles. Invite one person with each role to join the inner circle (the “fishbowl”). The rest of the class watches the conversation. At certain moments, you can announce “Switch,” meaning that a student in the fishbowl is replaced by another student with the same role. Alternately, students may tap the shoulder of someone with the same role when they want a turn to participate in the discussion.

Materials

- **Discussion Roles Student Handout**—one role per student (multiple students will have the same role)
- **Debt Dilemmas Student Capture Sheet**—one copy per student
- **Debt Dilemmas Facilitation Guide**—one reference copy
- **Internet access for each group of students**

Engage

- Let students know that you are going to read a series of statements. Direct them to stand and move to one side of the room if they agree with the statement and the other side if they disagree. If you wish, students may choose a third option indicating they are undecided or unsure.
- Select several of the statements below to read aloud. After each one, allow time for students to move, then ask several students to share why they chose their positions.
 - Eating sweets like ice cream and cookies can be part of a healthy diet.
 - Using animals for medical research should be stopped.
 - Curfews keep teens out of trouble.
 - Cloning is a valuable scientific pursuit.
 - Professional athletes are paid too much money.
 - Children should not have a cell phone until they are 16 years old.
- Ask students what each of the statements that you read have in common. Lead a short discussion about controversial subjects—ones about which there are often a variety of opinions. Challenge students to consider whether these topics have a clear right or wrong answer.

Teach

- Share with students that the use of credit is one of the more controversial topics in the field of personal finance. Some individuals have very strong feelings about its use.
- Let students know that they will be working in small groups to prepare for a group discussion about credit and debt. Each person will be assigned a role or personality for the conversation.
- Explain the method you have chosen for the group discussion (jigsaw or fishbowl as described above). Inform students that you will give them a list of the questions to be discussed so they can take time to consider how the person they will be role-playing would respond.
- Distribute a role from the **Discussion Role Student Handout** to each student along with a copy of the **Debt Dilemmas Student Capture Sheet**.
- Direct students to find other people with the same role and form small groups.
- Give students time to review their role and conduct some brief background research to prepare for the discussions. Students with specific identities may wish to watch a selection of videos featuring the individual to get an idea of the person's style of communication.
- Remind students that they should be answering the questions at the top of the **Debt Dilemmas Student Capture Sheet** as if they were the person whose role they are playing—not from their own personal standpoint.

- Circulate amongst the groups as students do their research. Let them know that it may not be easy to conclusively determine how their assigned persona would answer a specific question. In these cases, students should determine how they think the person might answer and be prepared to defend it with a logical argument. If needed, use the **Debt Dilemmas Facilitation Guide** for background information.
- Invite students to participate in a group discussion using the method you preselected. In each method, direct students to begin by introducing their assigned role.
 - **Jigsaw:** Direct students to gather in new groups so that each group has people with different roles. Let the groups determine who will be responsible for posing the questions and leading the discussion.
 - **Fishbowl:** Arrange chairs or desks to form a circle (the fishbowl) and invite students with various roles to take a seat. If desired, label each chair or desk with the role being played. You may choose to join the students in the inner circle to pose questions and serve as a facilitator or let the students self-moderate.
- Allow students time to reflect on the discussions and consider their own personal opinions. Direct students to complete the borrow portion of the **Debt Dilemmas Student Capture Sheet** from their own personal point of view.
- If time allows, challenge students to consider what might happen when people with very different approaches to credit and debt are in a relationship. Can people with different attitudes find common ground? How?
- Remind students that they began the activity by considering controversial topics and whether or not such topics have clear right or wrong answers. Challenge students to continue considering their personal attitudes toward debt and the use of credit. Encourage them to consider that financial “experts” may have viewpoints on these matters that may—or may not—align with their own.

Extend

- **Research:** Invite students to delve into the backgrounds of the individuals highlighted in the activity. What, if any, education or training does each have related to personal finance? How have their life experiences influenced their opinions about financial topics?
- **Discussion:** Engage students in a discussion regarding the point of view each person presented and what may influence what they say about credit and other financial topics. Encourage students to consider the role book sales, advertising, or partnerships might play in the information provided by various financial “experts.” Ask students how understanding the motivation of a source can help them better understand their point of view.
- **Writing:** Challenge students to write a persuasive letter or editorial on the topic of credit use. Require students to develop a thesis statement and defend their positions with relevant facts.
- **Family:** Share the [Helping Children Build Credit: What You Can Do](#) family connection with students and/or their parents or guardians. Encourage families to discuss credit and consider the recommended action steps.

Pathway to Financial Success

In Schools

Agree or Disagree?

- Eating sweets like ice cream and cookies can be part of a healthy diet.
- Curfews keep teens out of trouble.
- Professional athletes are paid too much money.
- Children should not have a cell phone until they are 16 years old.

Pathway to Financial Success

In Schools

Discussion Roles

- Consumer Financial Protection Bureau Representative
- Credit counselor
- Brian Kelly, The Points Guy
- Erin Lowry, author of the *Broke Millennial* series
- Dave Ramsey, author and radio host
- Vicki Robin, FIRE movement leader

Pathway to Financial Success

In Schools

Prepare for the group discussion by answering the following questions from the perspective of your assigned role.

1. Are some forms of debt better than others?
2. What are some of the benefits of using credit?
3. How should credit cards be used?
4. Is it okay to borrow money for college? If so, how much?
5. What should people do if they have debt?
6. Should people borrow money to pay for a vehicle?

Pathway to Financial Success

In Schools

Debt Dilemmas

FACILITATION GUIDE

The sample answers below are reflective of how students playing each role might answer the questions. Actual answers will vary.

CFPB Representative

A representative of the Consumer Financial Protection Bureau or CFPB is likely to speak about comparing loan offers and making sure a person understands the terms of any credit or debt they take on. They are unlikely to take a specific stand on an issue unless there is a clear policy related to it. Students with strong research skills should be able to locate specific positions on topics such as those linked below.

1. **Are some forms of debt better than others?** There are different types of credit and ways they can be used. People should understand the terms and conditions of any loan they get or credit they use. For example, before taking out a payday loan, [know the interest rate you are being charged](#).
2. **What are some of the benefits of using credit?** One benefit of using credit is building a [strong credit report](#). I can send [you information](#) on building or improving your credit.
3. **How should credit cards be used?** There is a lot to know about credit cards. People should understand things like [APR and credit limits](#).
4. **Is it okay to borrow money for college? If so, how much?** [Student loans](#) can help people obtain a college education, but students should not borrow more than they can afford to repay when they graduate.
5. **What should people do if they have debt?** If a debt collector contacts you, you should [know your rights](#). There are also many helpful [credit counseling agencies](#) that can help.
6. **Should people borrow money to pay for a vehicle?** When you're shopping for a [new auto loan](#), it's important to know the right questions to ask. Preparing can help you save money, reduce stress, and get the auto loan that's right for you.

Pathway to Financial Success

In Schools

After the group discussion, answer the reflection questions below from your own personal point of view.

1. Are some forms of debt better than others?
2. What are some of the benefits of using credit?
3. How should credit cards be used?
4. Is it okay to borrow money for college? If so, how much?
5. What should people do if they have debt?
6. Should people borrow money to pay for a vehicle?

Debt Dilemmas

Your Role: _____

Prepare for the group discussion by answering the following questions from **the perspective of your assigned role**.

1. Are some forms of debt better than others?
2. What are some of the benefits of using credit?
3. How should credit cards be used?
4. Is it okay to borrow money for college? If so, how much?
5. What should people do if they have debt?
6. Should people borrow money to pay for a vehicle?

After the group discussion, answer the reflection questions below from **your own personal point of view**.

7. Are some forms of debt better than others?
8. What are some of the benefits of using credit?
9. How should credit cards be used?
10. Is it okay to borrow money for college? If so, how much?
11. What should people do if they have debt?
12. Should people borrow money to pay for a vehicle?

Discussion Roles

Directions: Cut apart so each student receives one role along with its overview and link to learn more.

Role	Consumer Financial Protection Bureau Representative
Overview	The Consumer Financial Protection Bureau of CFPB is a government agency created to provide a single point of accountability for enforcing federal consumer financial laws and protecting consumers in the financial marketplace. CFPB provides information on financial topics, including various types of debt. The bureau also enforces laws and conducts research to help consumers.
Learn More	www.consumerfinance.gov

Role	Credit Counselor
Overview	Credit counselors typically work for a non-profit agency whose goal is to help people gain control over their finances. They act as financial advocates who help consumers conduct a financial review, establish a budget, and develop a personalized financial action plan. They are also trained to help people with serious debt problems.
Learn More	www.nfcc.org or the website of a local, non-profit credit counseling agency

Role	Brian Kelly
Overview	Brian Kelly is known as “The Points Guy.” He started a blog in 2010 to share his experiences and opinions on how credit cards can be used to accumulate points or miles for travel. His company focuses on helping people find and use credit cards that will help them pay for travel and other expenses through their use. A section of his website includes information about his sponsors and notes that “compensation may impact how and where products appear on this site (including, for example, the order in which they appear). This site does not include all credit card companies or all available credit card offers.”
Learn More	https://thepointsguy.com/

Role	Erin Lowry
Overview	Erin Lowry is—among other things—the author of the <i>Broke Millennial</i> book series. Her financial advice is aimed at younger individuals who are just getting started in the world of work. She believes credit cards can be used to build a credit score by not using more than 30% of your available credit and paying them off each month. She considers student loans, home loans (mortgages), and loans to start a small business to be “good debt” because each has the potential for return (i.e., more earnings from a college degree, selling the house for more money in the future, or making money from the business).
Learn More	https://brokemillennial.com/ or 3-Minute Guide video series with The Financial Diet

Pathway to Financial Success

In Schools

Discovery Education's Daily Learning Platform

- Available to all Discovery Education users
- Features the animated videos from each self-paced module and a research-backed learning strategy
- Teachers can assign and collect the activities through DE's Daily Learning Platform
- Educator-facing version points teachers to other program components



Pathway to Financial Success

In Schools

High School | Unit 1: Being Financially Responsible



Long Term Goal

STUDIO QUIZ

The Importance of Goals: Flip Flop Student Activity

Learn about financial goal setting using the SOS Instructional Strategy Flip Flop.



STUDIO QUIZ

Setting SMART Goals: Multiple Perspectives...


Learn about setting financial goals that are specific, measurable, achievable, relevant, and timely...



STUDIO QUIZ

Understanding Money Habits: Three Truths, On...

Learn about the impact your money habits and decisions have on you and others using the SOS...



STUDIO QUIZ

The 50-30-20 Rule: Silence is Golden Studen...

Learn about budgeting for needs and wants using the SOS Instructional Strategy Silence is...



STUDIO QUIZ

Think Before You Spend: AEIOU Student Activity

Learn about the benefits and pitfalls of spending decisions using the SOS Instructional...

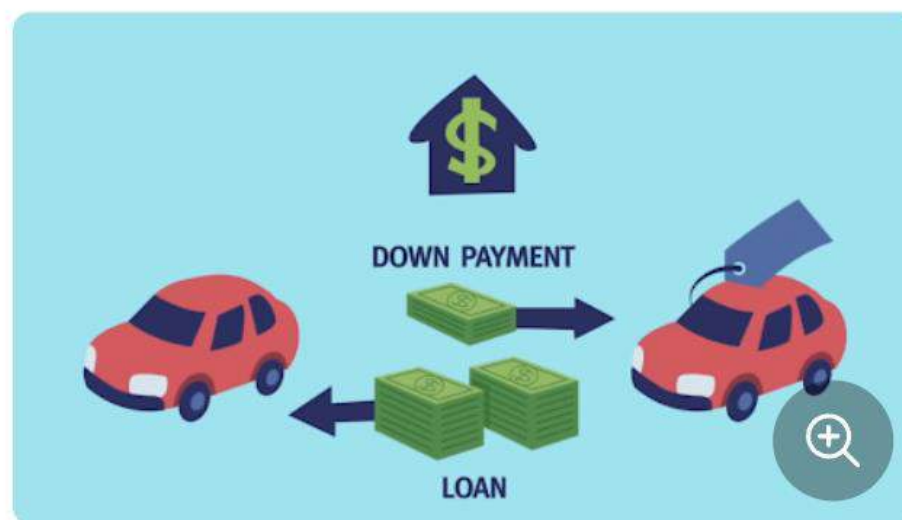
Pathway to Financial Success

In Schools

Common Types of Credit

Use the video and the images below to write a short story about the three types of credit.

1. **Watch the video**, pausing to take notes.
2. **Plan your story** using the three images below. Be creative. You may use the characters riding the *Credit Coaster* in the video or write the story from a different perspective, such as a first-person point of view. Feel free to address the forms of credit in any order.
3. **Write your short story**, using information from the images and your notes from the video.



Write your short story below or follow your teacher's instructions on how to share your work.

Pathway to Financial Success

In Schools

Teacher Notes



This Studio Board was modified from the [They Said What? Activity Template](#).

Open the **They Said What?** pdf activity above below to:

- Learn more about the instructional strategy
- Download or Print the strategy pdf
- Explore extensions and modifications for the strategy

SOS Instructional Strategy

They Said What?

PDF ACTIVITY

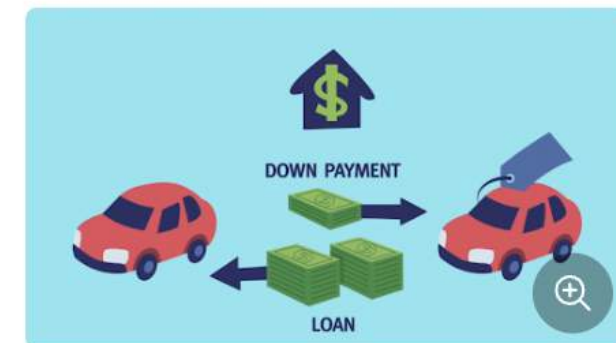


Spotlight on Strategies:
They Said What?

Common Types of Credit

Use the video and the images below to write a short story about the three types of credit.

1. **Watch the video**, pausing to take notes.
2. **Plan your story** using the three images below. Be creative. You may use the characters riding the *Credit Coaster* in the video or write the story from a different perspective, such as a first-person point of view. Feel free to address the forms of credit in any order.
3. **Write your short story**, using information from the images and your notes from the video.



Write your short story below or follow your teacher's instructions on how to share your work.

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MASTER CLASSES | Pathway to Financial Success

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Pathway to Financial Success

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ELEMENTARY SCHOOL | Pathway to Financial Success

Pathway to Financial Success

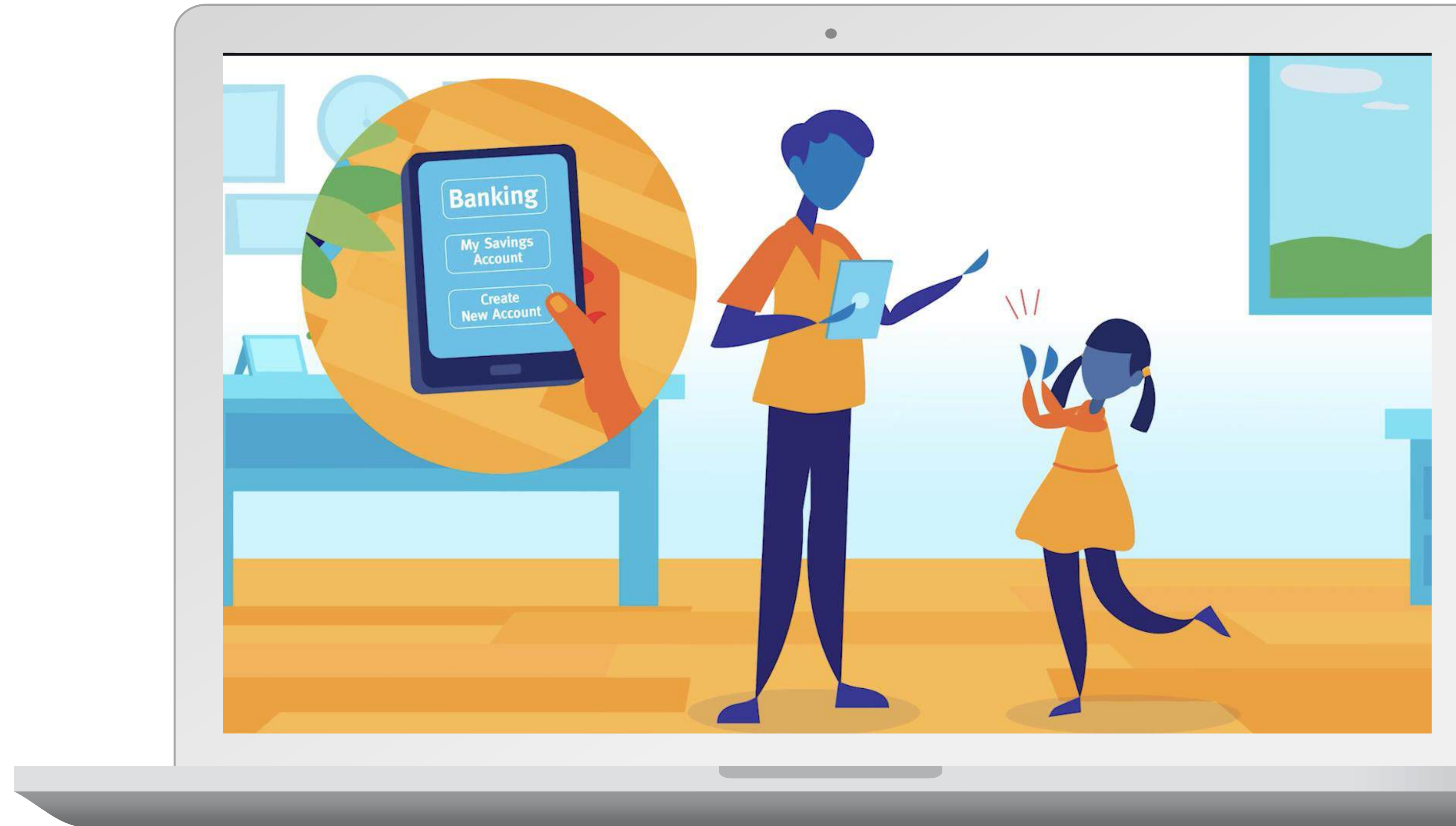
In Schools

Financial Sense Video Series

Earning

Spending

Saving



Pathway to Financial Success

In Schools

Earning

DISCOVER®

Discovery
EDUCATION™

Elementary

The Financial Sense series covers important topics such as saving, balancing spending, how people get paid, and taxes in age-appropriate videos and classroom activities. The series is designed to help elementary students make sense of their dollars and cents.

[Facilitator Guide](#) 



Superhero Savings | VTS

Full Video | 01:43

SAVING

Financial Sense: Saving

 1 minutes, 43 seconds

Whether to spend or save is really more about when to spend money. Saving makes big purchases easier to afford or helps pay for unexpected expenses. Both are key steps on the path to financial success.

Choosing how to spend money or whether to save it at home or in a bank can make it easier to afford big purchases... or prepare for big surprises.

Students are asked what they would do if given \$50 and discuss the results together as a class. Then they brainstorm new superheroes with powers relating to what they've learned about saving.

[Download Activity](#) 

Pathway to Financial Success

In Schools

MIDDLE SCHOOL | Pathway to Financial Success

Pathway to Financial Success

In Schools

Classroom Resources ▾

Videos ▾

Community Resources ▾

About

Middle School

Middle school is a great time to get students started on a solid financial success path. Each unit includes:

- One student video introducing key personal finance concepts from the Council for Economic Education (CEE) financial literacy standards.
- Four standards-aligned classroom activities—English Language Arts, Math, Social Studies and Family and Consumer Sciences and Business.
- One educator video that guides your instruction with best practices.



[Educator Program Guide](#) 

[DE Doc is here! Watch it NOW](#) →

Unit Quick Links

[Being Financially Responsible](#) | [Getting Paid](#) | [Paying Yourself First](#) | [Using Credit Wisely](#) | [Making Major Financial Decisions](#) | [Growing & Protecting Your Finances](#)

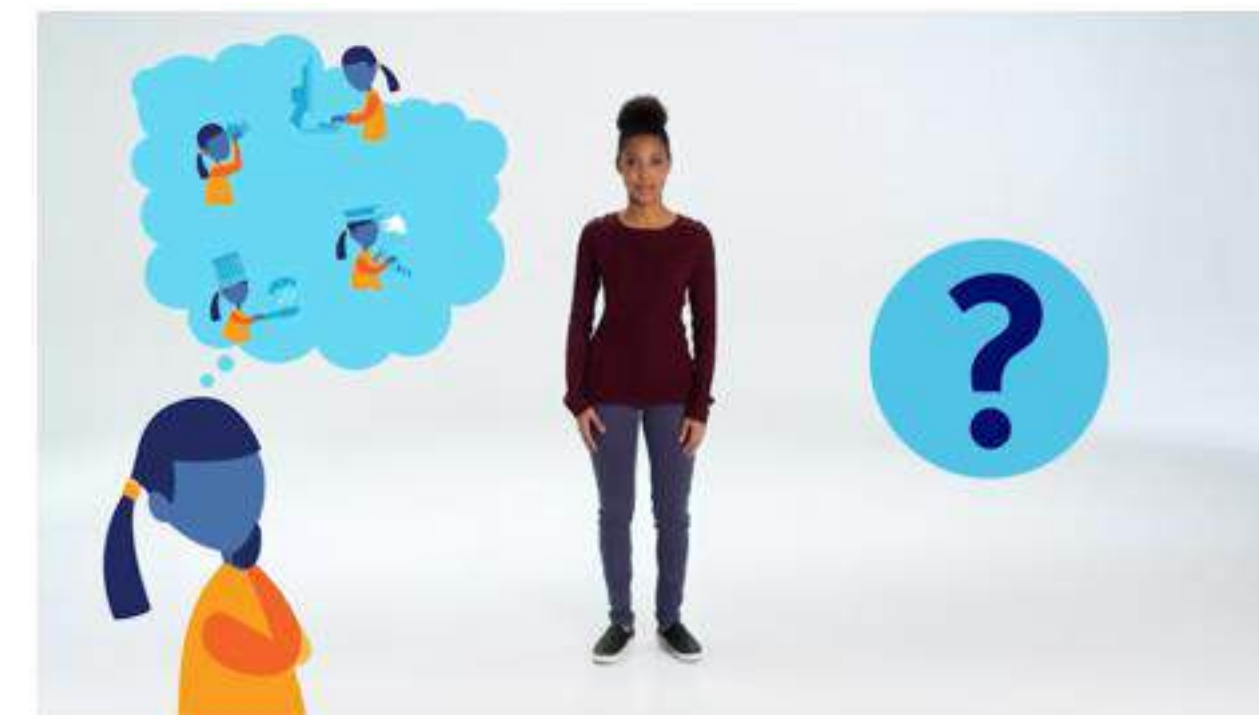
Pathway to Financial Success

In Schools

Designed for use in grades
6–8

Variety of resources

- Videos for teachers and students
- Classroom activities
 - Business/FCS
 - Math
 - ELA
 - Social Studies



DISCOVER
Pathway to Financial Success
In Schools

WHOLE SCHOOL | UNIT 4
Growing and Protecting Your Finances

Title
The Making of a Stock Market Price

Content Area
English Language Arts

Grades
6–8

Overview
What influences stock prices? Students begin this activity by brainstorming companies that are of interest to them. They then work in groups to research and summarize three recent news articles that feature the company of their choice. Finally, students will analyze how the news in each of the articles may have affected the company's stock prices.

Themes
Personal Finance: Stock market, public relations
English Language Arts: Research, central idea, summary

Common Core English Language Arts Standards
R.I. 6.7, R.I. 7.2, R.I. 8.2: Determine two or more central ideas in a text and analyze their development over the course of the text; provide an objective summary of the text.
R.I. 6.9, R.I. 7.9, R.I. 8.9: Analyze how two or more authors writing about the same topic shape their presentations of key information by emphasizing different evidence or advancing different interpretations of facts.

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Pathway to Financial Success

In Schools



Being Financially Responsible



Getting Paid



Paying Yourself First



Using Credit Wisely



Making Major Financial Decisions

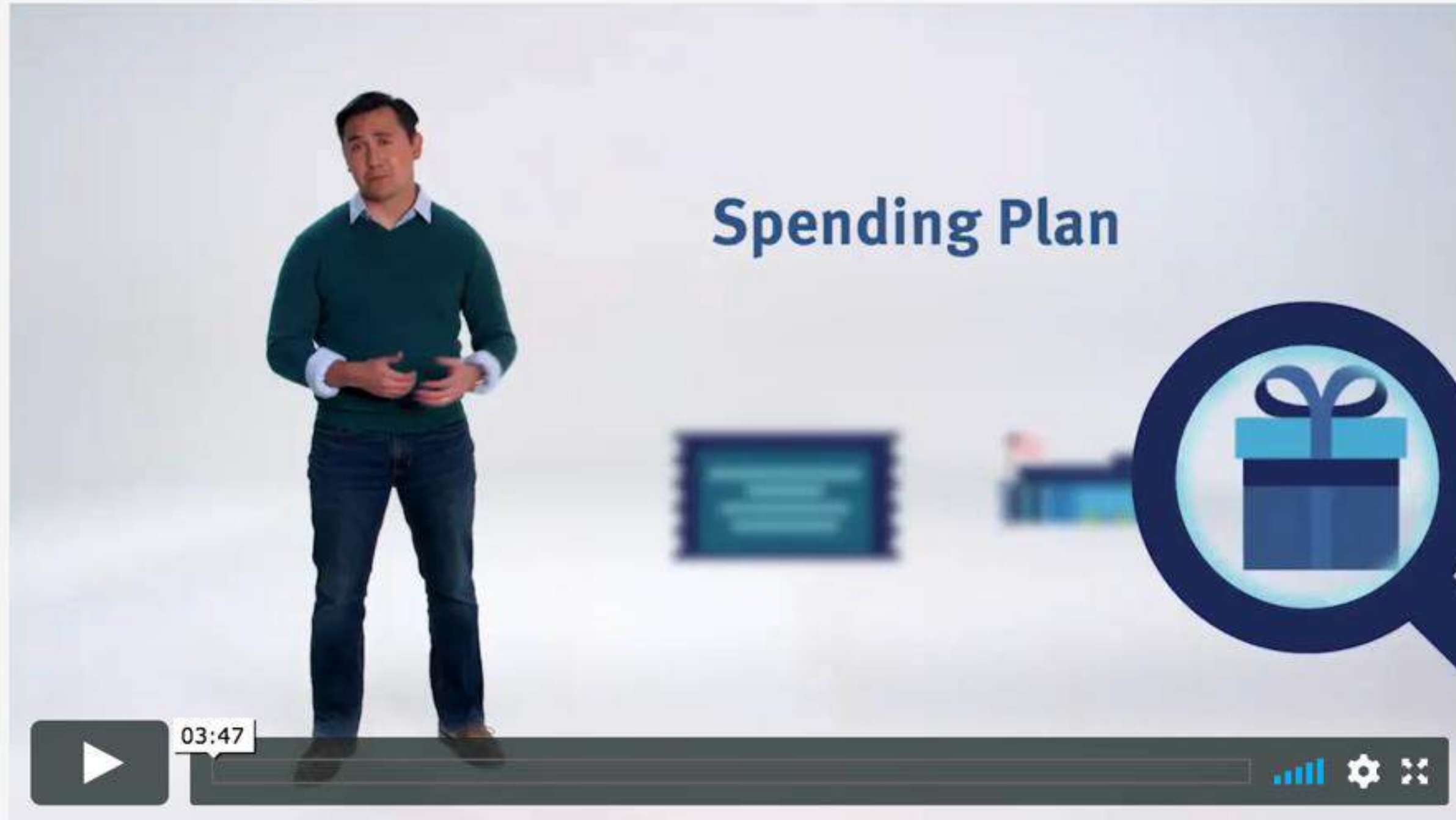


Growing and Protecting Your Finance

Being Financially Responsible

Your students will examine how to use a budget as a spending plan to map out their financial success. During class activities, they will find out

- How to develop a family budget (**math**)
- How behavioral economics influence decisions (**English language arts**)
- How personal and government budgeting differ (**social studies**)



FOR EDUCATORS

Budgeting and Financial Goals

3 minutes, 47 seconds

Watch this video for a refresher on budgeting basics and tips on showing your students how budgets work as spending plans.



COMPANION VIDEO FOR STUDENTS

Budgeting: What It Is and How Does It Work?

Use this video to introduce students to the concept of budgets, how people use them, and why they are important.

Classroom Activities



MATH

Development of a Family Budget

Middle School

🕒 1 to 2 Class Sessions

Show your students how to use math principles and skills to create a family budget.

[Download Activity](#) 



ENGLISH LANGUAGE ARTS

Behavioral Economics and Financial Decisions

Middle School

🕒 1 to 2 Class Sessions

Guide your students in a reflection on their own financial decisions and explore what factors may have influenced their choices.

[Download Activity](#) 



SOCIAL STUDIES

Personal vs. Government Budgeting

Middle School

🕒 1 to 2 Class Sessions

Compare and contrast personal and government budgeting using a life-sized Venn diagram.


[Download Activity](#) 

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- ✓ Core-content focused and standards aligned
- ✓ Use engaging strategies
- ✓ Offer extensions

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MIDDLE SCHOOL | UNIT 1
Being Financially Responsible

Title
Recommendations versus Reality: Budgeting in the Real World

Content Area
Math

Grades
6–8

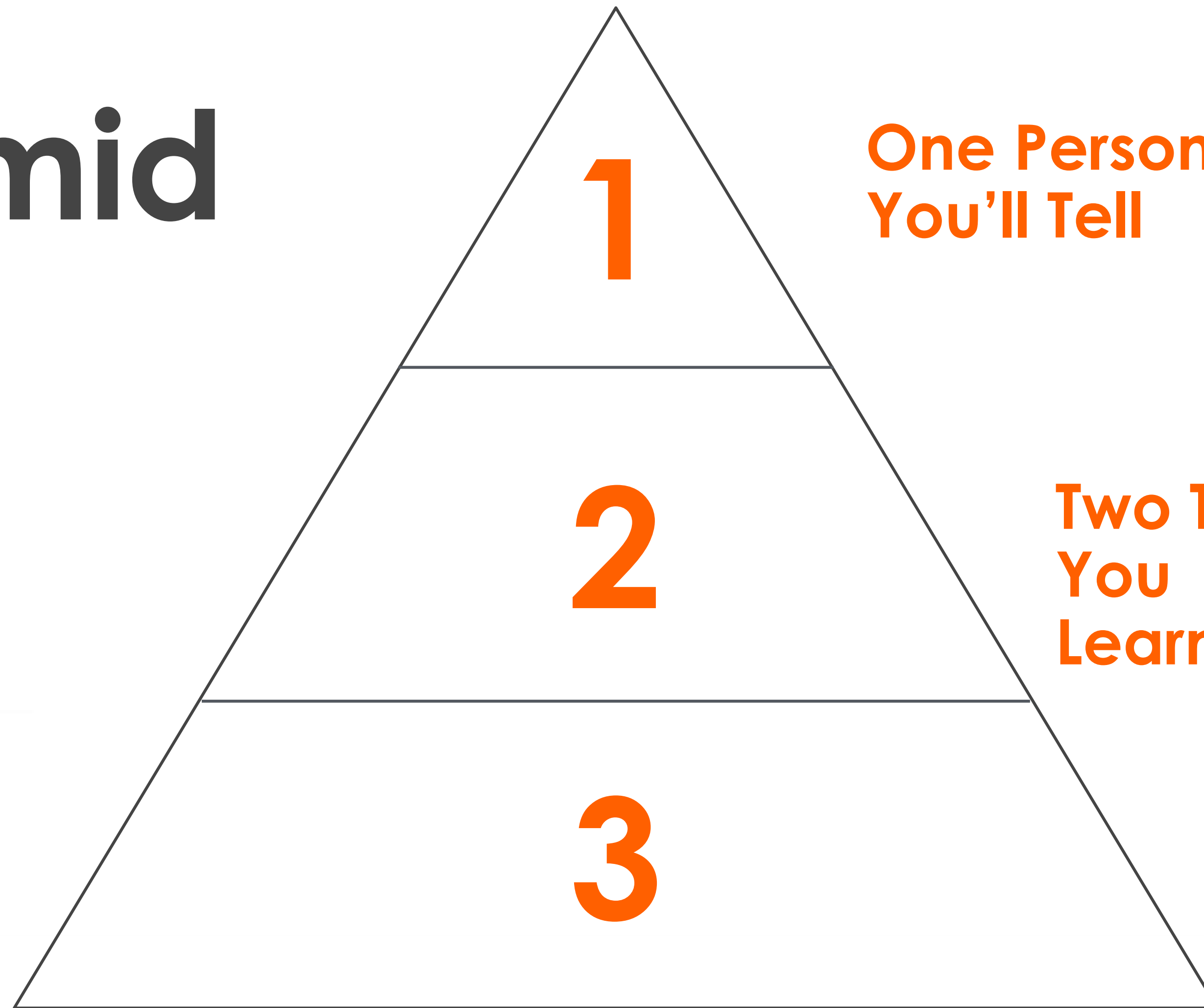
Overview
How does developing a budget help you manage your money? Students practice calculating percentages by creating personal budgets. The activity begins with students considering how teens spend money and comparing their responses to national averages. Students then work in pairs to develop a budget given recommended percentages and random income and expense scenarios.

Themes
Personal Finance: Financial Responsibility
Math: Ratios and Percents

Common Core Math Standards
6.RP.A.3.C: Find a percent of a quantity as a rate per 100 (e.g., 30% of a quantity means 30/100 times the quantity); solve problems involving finding the whole, given a part and the percent.
7.RP.A.3: Use proportional relationships to solve multistep ratio and percent problems. Examples: simple interest, tax, markups and markdowns, gratuities and commissions, fees, percent increase and decrease, percent error
MP1: Make sense of problems and persevere in solving them.
MP4: Model with mathematics.

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3-2-1 Pyramid



**One Person
You'll Tell**

**Two Things
You
Learned**

**Three Things
You'll Do**

Thank You



EDUCATION