

# Unit 2: Credit, Debit, Saving and Investing

Content Area: **Mathematics**  
Course(s):  
Time Period: **Marking Period 1**  
Length: **1.5 Weeks**  
Status: **Published**

## Brief Summary of Unit

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Students will investigate how credit scores and reports are generated and how credit cards and debit cards are used for different reasons. Students will explore how credit management includes making informed choices about sources of credit and how it requires an understanding of the cost of credit. In this unit, students will be able to read credit reports, create scenarios which replicate using credit to borrow money and make purchases, as well as comparing various savings tools to help plan for a financially strong future. Students will also be able to explain what supply and demand means in terms of economics.

Revised December 2023

## Standards

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LA.L.6.1	Demonstrate command of the conventions of standard English grammar and usage when writing or speaking.
LA.L.6.2	Demonstrate command of the conventions of standard English capitalization, punctuation, and spelling when writing.
LA.L.6.3	Use knowledge of language and its conventions when writing, speaking, reading, or listening.
MA.6.NS.C.5	Understand that positive and negative numbers are used together to describe quantities having opposite directions or values (e.g., temperature above/below zero, elevation above/below sea level, credits/debits, positive/negative electric charge); use positive and negative numbers to represent quantities in real-world contexts, explaining the meaning of 0 in each situation.
PFL.9.1.8.CP.1	Compare prices for the same goods or services.
PFL.9.1.8.CP.2	Analyze how spending habits affect one's ability to save.
PFL.9.1.8.CP.3	Explain the purpose of a credit score and credit record, the factors and impact of credit scores.
PFL.9.1.8.CP.4	Summarize borrower's credit report rights.
PFL.9.1.8.CP.5	Compare the financial products and services available to borrowers relative to their credit worthiness.
PFL.9.1.8.CDM.1	Compare and contrast the use of credit cards and debit cards for specific purchases and the advantages and disadvantages of using each.
PFL.9.1.8.CDM.2	Demonstrate an understanding of the terminology associated with different types of credit (e.g., credit cards, installment loans, mortgages, lines of credit) and compare and calculate the interest rates associated with each.
PFL.9.1.8.CDM.3	Compare and contrast loan management strategies, including interest charges and total principal repayment costs.
PFL.9.1.8.CDM.4	Evaluate the application process for different types of loans (e.g., credit card, mortgage,

student loans).

Economic decision-making involves setting goals, weighing costs and benefits, and identifying the resources available to achieve those goals.

## Essential Questions

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- • What are the factors that influence credit scores?
- • What are the three credit score reporting agencies?
- • What are the various types of credit that can be used to borrow money?
- • What is the purpose for credit cards and how can I use them responsibly?

## Essential Understandings

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- • Credit scores are used by lenders to determine your creditworthiness for a mortgage, loan or credit card.
- • Saving money will build a financially safe future, for yourself and your family.
- • There are similarities and differences between financial benefits of different products and services offered by a variety of financial institutions.
- • There is information contained in a credit report and be able to explain the importance of disputing inaccurate entries.
- Credit history affects personal finances.
- Credit management includes making informed choices about sources of credit and requires an understanding of the cost of credit.
- There are strategies to build and maintain a good credit history.
- There are strategies to increase your savings and limit debt.

## Students Will Know

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- • How to calculate the cost of borrowing money
- • Key vocabulary terms (bankruptcy, credit record, credit scores, financial products, financial services, interest rates, loan, mortgage)
- • The responsibilities and cost of credit
- • Where to access credit reports from

## Students Will Be Skilled At

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- • Compare various savings tools and how to use them
- • Creating a list that compares the cost of credit cards and loans.
- • Explain the principle of supply and demand.
- • Explain the purpose of a credit score and credit record.
- • Use the internet to access a free credit report.

## Evidence/Performance Tasks

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Formative assessment: Read and review all three credit reports and summarize key information.

Summative assessment: Create a poster with various credit and debit cards highlighting the advantages and disadvantages of each.

Benchmark assessment: Compare and contrast various investment options.

Alternative assessment: Provide examples of borrowing various amounts of money and create a scenario in which the borrower becomes bankrupt. Highlight the consequences and causes of the personal bankruptcy.

## Learning Plan

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- • Consider how loans work and discuss the concept of interest.
- • Discuss the concept of credit reports and rights that are provided to consumers.
- • Given different scenarios students are to discuss within groups what is the best approach for investment.
- • Have groups of students explore different savings tools and present them to the class explaining how to use them most effectively.
- • Have students explore the different financial products available (credit cards, loans, mortgages, line of credit, etc.) and when it may be best to use each one.
- • In groups students will research the difference between credit and debit cards and make a chart outlining the advantages and disadvantages of each.
- • Work through a variety of situations and determine the final cost of "borrowing" money under different scenarios.

## Materials

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[Core Book List 2022-2023](#)

Core instructional materials:

- [Banzai!](#) is an online learning platform that teaches real-world finance through interactive courses, printable workbooks and a lesson library for students ages 8 through 18.
- [EconEdLink](#) is the leading economics and personal finance resource for K–12 educators, providing high-quality lesson plans, videos, assessments, activities, professional development webinars, and more.
- [Everfi](#) Money Matters: Financial Education Courses for Kids is an interactive K–12 curriculum that includes quizzes in video-game format. It offers web-based tours of the New York Stock Exchange and explanations of compounding interest and savings, the pitfalls of bad credit and consumer fraud to teach students the core concepts of financial literacy.

- [Financial Fitness for Life](#) is a comprehensive K–12 personal finance curriculum teaches students how to make thoughtful, well-informed decisions about important aspects of personal finance, such as earning income, spending, saving, borrowing, investing, and managing money.
- [FDIC's Money Smart](#) financial education program can help people of all ages enhance their financial skills and create positive banking relationships.
- [FoolProof Academy](#) provides teachers a free, online consumer life skills and financial literacy curriculum for middle and high school students.
- [Hands on Banking](#) offers lesson plans, instructor guides, activities and video-based student courses for elementary, middle, and high school students to explore and practice money skills.
- [Hard Core Financial Education Boot Camp](#) website contains videos and PowerPoint slides for a full-day financial education training program for teachers. Printed PowerPoint handouts to accompany the videotaped presentations can be downloaded free of charge.
- [Junior Achievement of New Jersey \(JA\)](#) is the world's largest organization dedicated to educating young people about business, economics and free enterprise. Through a dedicated volunteer network, JA offers in-school and after-school programs for students in grades K–12. JA programs focus on seven key content areas: business, citizenship, economics, entrepreneurship, ethics/character, financial literacy, and career development.
- [MoneySKILL](#) provides educators with the tools to create high-quality, custom, personal finance courses. The curriculum covers a broad range of personal finance topics and can be used in a variety of learning environments.

Supplemental materials: Big Ideas Math

## **Suggested Strategies for Modifications**

### [Middle School Financial Literacy Modifications](#)

- • Accommodations of students per their IEPs and 504s will be considered on a daily basis.
- • Pre-assess: Use K-W-L to assess students' prior knowledge and identify further student-identified learning goals for the unit.
- • Preferential seating and/or additional in time school to complete projects
- • Rephrase written directions or provide verbal directions
- • Visual Prompts