Unit 2 -Credit, Credit Profile, and Debt Management

Content Area: **Template**
Course(s):
Time Period: **Full Year**
Length: **Full Year**
Status: **Published**

Unit Overview

In this unit, students will examine more fundamental principles in economics. Students will examine the pros/cons of credit and debit cards, different types of loans (mortgages, student loans, installment loans, etc.), as well as understand a credit profile. Students will also examine spending habits as well as compare prices for goods and services.

Enduring Understandings

Responsible credit usage is critical in building a strong, positive credit profile.

Essential Questions

Why is credit important?
What are the risks of using a credit card?
Why do individual take out loans?
How does loan repayment work?

Learning Objectives

What is the difference between a credit and debit card?
Identify and explain different types of loans and credit: credit cards, installment loans, mortgages, lines of credit.
Identify and explain interest rates and how they are calculated.
Compare and calculate the interest rates associated with different loans.
Explain and evaluate the application process for a loan.
Analyze spending and saving habits.
Compare financial products from different institutions.
Summarize borrower’s credit report rights.
Explain the purpose of a credit score and credit record, the factors and impact of credit scores.

Standards: Content

9.2.8.CAP	Career Awareness and Planning
	An individual's strengths, lifestyle goals, choices, and interests affect employment and income.
9.2.8.CAP.1	Identify offerings such as high school and county career and technical school courses, apprenticeships, military programs, and dual enrollment courses that support career or occupational areas of interest.
9.1.8.CDM	Credit and Debt Management
	There are strategies to increase your savings and limit debt.
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.
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.
	Credit management includes making informed choices about sources of credit and requires an understanding of the cost of credit.
9.1.8.CDM.3	Compare and contrast loan management strategies, including interest charges and total principal repayment costs.
9.1.8.CDM.4	Evaluate the application process for different types of loans (e.g., credit card, mortgage, student loans).
9.1.8.CP	Credit Profile
	There are strategies to build and maintain a good credit history.
9.1.8.CP.1	Compare prices for the same goods or services.
9.1.8.CP.2	Analyze how spending habits affect one's ability to save.
9.1.8.CP.3	Explain the purpose of a credit score and credit record, the factors and impact of credit scores.
9.1.8.CP.4	Summarize borrower's credit report rights.
	Credit history affects personal finances.
9.1.8.CP.5	Compare the financial products and services available to borrowers relative to their credit worthiness.
	Some digital tools are appropriate for gathering, organizing, analyzing, and presenting information, while other types of digital tools are appropriate for creating text, visualizations, models, and communicating with others.
9.4.8.TL.1	Construct a spreadsheet in order to analyze multiple data sets, identify relationships, and facilitate data-based decision-making.
	Economic, political, social and cultural aspects of society drive development of new technological products, processes, and systems.
8.2.8.ITH.1	Explain how the development and use of technology influences economic, political, social, and cultural issues.
	Technology interacts with society, sometimes bringing about changes in a society's economy, politics, and culture, and often leading to the creation of new needs and wants. New needs and wants may create strains on local economies and workforces. Improvements in technology are intended to make the completion of tasks easier, safer, and/or more efficient.
8.2.8.ITH.2	Compare how technologies have influenced society over time.

Standards: Interdisciplinary

9.2.8.CAP	Career Awareness and Planning
	An individual's strengths, lifestyle goals, choices, and interests affect employment and income.
9.2.8.CAP.1	Identify offerings such as high school and county career and technical school courses, apprenticeships, military programs, and dual enrollment courses that support career or occupational areas of interest.
9.2.8.CAP.3	Explain how career choices, educational choices, skills, economic conditions, and personal behavior affect income.
	Digital tools and media resources provide access to vast stores of information, but the information can be biased or inaccurate.
	Increases in the quantity of information available through electronic means have heightened the need to check sources for possible distortion, exaggeration, or misrepresentation.
9.4.8.IML.1	Critically curate multiple resources to assess the credibility of sources when searching for information.
RI.MF.6.6	Integrate information when presented in different media or formats (e.g., visually, quantitatively) to develop a coherent understanding of a topic or issue.
6.EE	Expressions and Equations
	Specific situations require the use of relevant sources of information.
6.EE.A	Apply and extend previous understandings of arithmetic to algebraic expressions
6.EE.A.2	Write, read, and evaluate expressions in which letters stand for numbers.
6.EE.A.2.c	Evaluate expressions at specific values of their variables. Include expressions that arise from formulas used in real-world problems. Perform arithmetic operations, including those involving whole number exponents, in the conventional order when there are no parentheses to specify a particular order (Order of Operations).
W.IW.6.2	Write informative/explanatory texts (including the narration of historical events, scientific procedures/experiments, or technical processes) to examine a topic and convey ideas, concepts, and information through the selection, organization, and analysis of relevant content.
W.IW.6.2.A	Introduce a topic and organize ideas, concepts, and information, using text structures (e.g., definition, classification, comparison/contrast, cause/effect, etc.) and text features (e.g., headings, graphics, and multimedia) when useful to aid in comprehension.
SL.II.6.2	Interpret information presented in diverse media and formats (e.g., visually, quantitatively, orally) and explain how it contributes to a topic, text, or issue under study.
SL.UM.6.5	Include multimedia components (e.g., graphics, images, music, sound) and visual displays in presentations to clarify information.

Assessment Evidence

Formative	Collaborative Activities, Homework, Classwork, Discussion, Independent Class Assignment, Informal Observations of Students, Interactive Notebooks, Self-Assessments, Exit Tickets
Summative	Tests, Pre-Assessments, Quizzes, Written Responses, Projects
Alternative &	Alternative – Project Based Learning, Graphic Organizers, Student Portfolio, Orally

Benchmark	assessed responses Benchmark – Teacher generated project or assessment, Tests, Student portfolio/project
Assessment Evidence Resource	

Instructional Resources

Smartboard, Computers, iPads, websites and digital interactives/models, multi-media presentations, video streaming, Brain Pop, Microsoft 365, Next Gen Personal Finance, Instructional Resource List

Curricular Mandates

Below are the curricular requirements as defined in NJ Administrative Code and Statute

	Amistad		Diversity, Equity, and Inclusion
	Holocaust		LGBT and Disabilities (Grades 6-12)
	Climate Change		Asian American & Pacific Islander

Social Emotional Learning (SEL) Competencies

NJ Social and Emotional Learning Competencies & Sub-Competencies

	Self-Awareness	X	Relationship Skills
X	Responsible Decision-Making		Social Awareness
	Self-Management		

21st Century Skills & Themes

X	Global and Cultural Awareness		Technology Literacy		Planning and Budgeting

X	Creativity and Innovation	X	Financial Institutions		Risk Management and Insurance
X	Information and Media Literacy		Digital Citizenship		Economic and Government Influences
X	Critical Thinking and Problem Solving	X	Credit Profile	X	Career Awareness and Planning
	Civic Financial Responsibility		Financial Psychology		