Implementation Guide

For additional support, questions, or feedbacl please contact teachers@fitmoney.org

At the middle school level, FitMoney offers 19 real-world case studies designed for implementation in a variety of formats and classroom settings. Our goal is for discussion to generate much of the learning and for the cases to relate to experiences faced by teens and young adults. These lessons, based around student-centered case studies, can be taught in **any sequence** and as either two 20- minute sessions or one 40-minute session, with opportunities for extension. To make the case studies easier to access, they are grouped by the related Jump$tart strand, and can be accessed via the Case Study Curriculum Map, or FitMoney Home Base.

BEFORE THE FIRST CASE STUDY: Administer the pre-test. FitMoney provides customized pre and post tests for each school/teacher depending on which Case Studies are taught. We recommend not sharing answers with students, as questions will repeat on the post-test. Please contact FitMoney at teachers@fitmoney.org to get a customized test. Sample FitMoney Full Course Test

- **Lesson Plans**: The lesson plan contains objectives, alignment to relevant Jump$tart standards, materials listed and linked, key terms, the procedure (see bullets below), and extensions. The plan will follow the same sequence for each lesson plan, creating a routine for your students.
  - **Situation/Case Study**: Each case study starts with a question to activate students' prior knowledge, then moves into reading the case study individually, in groups or as a class. This is also a good time to pre-teach any unfamiliar key terms that students may encounter.
  - **Questions**: During this time, students finish reading the case study, related materials or watching videos and then answer the questions in the gray box on the right hand side of the case study page. **Note:** If you want to teach this in two sessions, between the questions and the challenge is a good stopping point.
  - **Challenge**: In this portion, students apply the knowledge from the case study to a novel scenario. Again, students can complete the challenge individually or in groups.
  - **Reflection**: The reflection provides time for students to check, synthesize and/or extend their thinking by discussing answers to the questions, the challenge or the planned reflection question(s).
  - **Extension:** In this section teachers will find alternative lessons, activities or other external resources to extend student learning on the case study concepts.
- **Student Materials**: Materials needed for the lesson, including external articles or videos, are linked in the "materials" section of the lesson plan as well as in the pages of the case study. Students will need access to the Case Study, either print or digital and to Challenge pages if applicable. The case studies sometimes require 1:1 student devices and headphones.
- **Answer Keys:** Each case study has an answer key for the questions from the case study and a rubric (or sample answers) for the challenge portion of the case study. Many times answers may vary and the rubrics provide a rough guideline meant for teacher modification.
- Family Conversation Guides: We provide an introductory letter to the FitMoney program for families along with a printable handout for students to bring home following each case study so that they can continue the conversation at home after each case study.

AFTER THE LAST CASE STUDY: Administer the post-test. FitMoney will receive, summarize and return the test data to teachers by request.

Additional Math Connection Units: Below are two units that organize several of the Case Studies into mini-units and then include an application math based lessons at the end of each mini-unit. Click below to see more information.

Math Connections Course A : aligned to 5th and 6th grade math standards

Math Connections Course B : aligned to 7th grade math standards

Case Study Lesson Plan

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Case Study Objectives

- ➢ Describe how credit cards work and how to use them responsibly
- ➢ Calculate the cost of buying with credit depending on how much of a statement you pay
- ➢ Justify the use of credit for a specific purpose

For Jump$tart & Math Common Core Standards Alignment click here.

Materials

- ➢ Class set of Credit Card Crunch case study, two sided
- ➢ Computer and display capabilities to show the How Credit Cards Work video
- ➢ Computer to access online credit card calculator

Key Terms

- ➢ Interest
- ➢ APR
- ➢ Minimum Payment
- ➢ Statement Balance

CASE STUDY (40 MIN)

- **Situation/Case Study**: (10 min) Activate student knowledge by asking, "*What do you know about credit cards?"* List as many facts about credit cards that students brainstorm. If students do not share, explain that a credit card is a card from a bank (most often) that allows the card holder to borrow money to purchase goods and services. The catch is you will pay interest if your bill is not paid in **full** and on time (every month) and today, they are going to complete a case study about credit cards. Have students read over the credit card scenario, introduce the vocabulary and then watch the following video as a class or individually. Ask a few clarifying questions to assure comprehension: *"What is interest? (Fees you pay when you don't pay your bill in full and on time.) How can you avoid paying interest? (Pay in full and on time.)"*

- **Questions**: (15 min) Have students answer the case study questions, and as time permits, begin the challenge task. Maybe have students share who they think made the best buying decision and why. This may serve as evidence for the challenge.

- **Challenge and Share/Present (can include Presentation & Share):** (10 min) Have students complete the challenge. Then, time permitting, have students share their advice to their cousin.

- **Reflection (Closing/Synthesis/Feedback):** (5 min) Ask students, *"How can you most responsibly use a credit card?"*

Assessment

- ➢ Evaluate accuracy and completeness of student answers to the questions and challenge using the Teacher Answer Key

Extensions/Connections

- ➢ Go to NerdWallet and find college credit cards. Choose a credit card to recommend to your cousin. Write a paragraph explaining which one you chose and why.
- ➢ Share the Family Conversation Guide for this lesson

Credit Card Crunch

CREDIT CARD SCENARIO:
Alex, James and Camille all want to buy TVs for their homes. They go shopping together on Black Friday in November and find a great TV on sale for $1,000. They each decide to buy one, but they handle the purchase in different ways:

Alex buys the $1,000 television using his credit card and takes it home that day. He then pays the ***minimum payment*** of $35 every month to his credit card company. This means he pays interest on the money he hasn't paid back each month. His APR (interest rate) on the credit card is 22%.

Camille buys the $1,000 television using her credit card and takes it home that day. She knows she has $1,500 in her savings account, so when the credit card statement comes she pays the *full balance* of $1,000 back to her credit card company.

James decides to save money until he has enough to buy the TV. He saves $200 from each paycheck. By March, he has enough to pay for the TV in cash, but the deal has ended and the TV now costs $1,200.

CREDIT CARD TERMS TO KNOW
- **Balance Due:** amount of money you owe the credit card company.
- **Interest**: a percentage of the balance due that a credit card company charges the borrower.
- **APR**: the "annual percentage rate" charged for borrowing money. This is the percentage used to figure out how much interest you owe on your unpaid balance.
- **Minimum Payment**: the smallest amount of money you MUST pay.

HOW CREDIT CARDS WORK: Watch this short video.
Key Points from the video:
- Using a credit card to pay for something is like taking a loan - you promise to pay back the credit card company **on time**!
- Each month, you receive a **statement**, a document that tells you your **balance**, how much you owe, the **minimum** you can pay back, and when the money is due.
- If you pay the total amount you borrowed before the due date, you pay no extra money (no interest) and can improve your credit score.
- If you pay the **minimum payment**, or anything less than the total balance, you will be charged **interest,** which is a penalty for owing the credit card company money.
- Not paying in full can lead to unhealthy credit card debit.

QUESTIONS:

1. How long will it take Alex to pay off his entire credit card balance if he continues to pay only the minimum balance each month?
   Hint: Use the Bankrate Credit Card Payoff Calculator to figure it out. His balance is $1000, with a 22% interest rate and a payment per month of $35.
2. Based on the calculator, how much does Alex pay in interest?
3. How much does each person pay, in total, for their TV?
4. When the friends get together one year later for Thanksgiving, how long will each of them have had their TV?
5. Who do you think made the smartest buying decision? Explain why.

CHALLENGE:

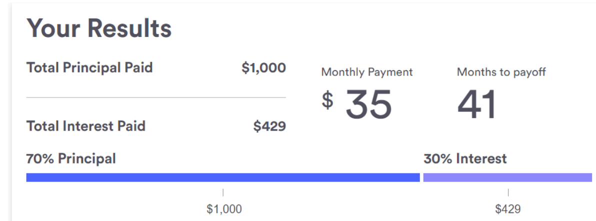
Your cousin is 20 years old and thinking about getting a credit card. They are offered 0% APR for the first six months, unless they miss a payment. After six months the APR becomes 22%.

Based on what you learned in this case study, write a short letter to your cousin advising them on how to most responsibly use the card. Include at least one advantage, one disadvantage,and how they can pay the least amount of interest possible.

Answer Key: Credit Card Crunch

Credit Card Crunch Case Study Questions

Note: There may be slight variations in student answers - use your judgment as to the level of comprehension students demonstrate with their answers.



1. How long will it take Alex to pay off his entire credit card balance if he continues to pay only the minimum balance each month?
   It will take Alex almost 4 years, or 41 months, to pay off his entire balance.
2. Based on the calculator, how much does Alex pay, total, in interest?
   Alex pays $429 (30% more) in interest.
3. How much does each person pay, total, for their TV?
   Alex pays $1,429, Camille pays $1000, James pays $1200.
4. When the friends get together a year later for Thanksgiving, how long will each of them have had their TV?
   Alex and Camille will have had their TVs for a year. James will have had his TV 9-10 months, depending on when he bought it.
5. Who do you think made the smartest buying decision? Explain why.
   Answers may vary. Camille got immediate access AND paid no extra money, while James paid less extra money even if he had to wait a while.

Credit Card Crunch Case Study Challenge: Sample checklist for student letters.

Component	Included
Written in letter format	
Advice includes to pay ON TIME and the entire BALANCE to avoid paying interest.	
One advantage is listed.	
One disadvantage is listed.	

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HOME CONNECTION

Building a Financially Fit Future for Youth

Dear Parent/Guardian,

I am pleased to announce that we are introducing a financial literacy curriculum this year in your child's classroom. The program includes a "learn, earn, and save" approach to help students build their personal finance knowledge and foster sound financial habits. The program was developed by FitMoney, a Massachusetts-based nonprofit. To learn more about FitMoney, go to www.fitmoney.org.

The curriculum includes topics such as saving, borrowing, earning, and planning for the future. I will be monitoring student progress through two short assessments and daily observations.

I would like to encourage you to engage in meaningful conversations with your student about the simple financial concepts covered in class. To aid in these conversations, a Family Conversation Guide one pager will be sent home after each lesson. The goal is to highlight some key learnings from class and provide potential discussion questions and activities that you can do at home.

Best Regards,

Your Student's Teacher

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HOME CONNECTION

CASE STUDY: HOW CREDIT CARDS WORK

In this case study, students learned how credit cards work, compared the cost of paying the minimum balance versus the full payment and learned about the advantages and disadvantages of using a credit card.

KEY TERMS/TAKEAWAYS

- **Balance:** the amount of money you owe the credit card company.
- **Interest**: a fee that is charged by a lender to a borrower for the right to use borrowed money.
- **APR**: the "annual percentage rate" charged for borrowing money. This is the percentage used to figure out how much interest you owe on your unpaid balance.
- **Minimum Payment**: the smallest amount of money you MUST pay the lender.
- Using a credit card to pay for something is like taking a loan - you promise to pay the credit card company that money back.
- Each month, you receive a **statement** that tells you how much you owe, the minimum you can pay back, and when the money is due.
- If you pay the total amount you charged before the due date, you pay no extra money (interest).
- If you pay the minimum balance, or anything less than the total amount, you will be charged **interest,** which is a penalty for owing the credit card company money.

CONVERSATION STARTERS AND ACTIVITIES TO DO AT HOME

- Ask your student who made the best purchasing decision out of the three scenarios from class.
- Watch this video together to review how credit cards work and how to use them responsibly.
- To discuss more advantages and disadvantages of credit cards go to
- Use the debt calculator from bankrate to pick a big purchase item and calculate what the "real cost" of that item is - discuss reactions that your child has.
- Next time you are paying for something, share with your student what payment method you are using and why.

ADDITIONAL RESOURCES

For more ideas on how to talk to your child about money matters, visit the resources below.

fitmoney.org/podcasts fitmoney.org/caregivers bethkobliner.com thebalance.com

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Case Study (Grades 6-9) Curriculum Map

At the middle school level, FitMoney offers 19 real-world case studies that can be used in a variety of formats and classroom settings. Our goal is that much of the learning be generated from classroom discussion and for the cases to relate to life experiences faced by teens and young adults. These lessons, based around student-centered case studies, can be taught in any sequence and are designed to be implemented in two 20- or one 40-minute sessions, with opportunities for extension. For ways to implement the Case Studies please see our Implementation Guide.

Earning Income	Spending	Saving	Investing	Managing Credit	Managing Risk
Taxes *Analyze deductions and calculations on two pay stubs*	Budgeting & Smart Shopping *Make purchasing and budgeting decisions for a birthday party*	Interest-ing *Compare simple and compound interest when earned and owed*	Investing, Part 1: The Basics *Investigate stocks, bonds and mutual funds*	Getting a Loan *Explore parts of a loan and how different factors affect the total cost of the loan*	Identity Theft, Fraud & Scams *Create a public service announcement about scams*
Interests, Skills & Careers *Explore different careers based on an interests and skills survey.*	Budgeting & Everyday Savings *Budget for a student planning to purchase a laptop and deciding whether to purchase concert tickets*	Financial Goal Setting *Explore personal and given short and long-term financial goals*	Investing, Part 2: The Stock Market *Understand stocks vs. index funds, track prices over time*	How Credit Cards Work *Examine the behavior and consequences of three student credit card users*	Insurance *Compare renters insurance coverage and impact for two young professionals*
Human Capital, Education & Earnings *Compare educational attainment with earnings*	Comparing Payment Types *Examine, evaluate and choose between different payment types*	Saving for the Unexpected *Research and evaluate different savings vehicles*		Reputation and Credit Score *Explore credit history and compare creditworthiness and loan cost for two borrowers*	
Types of Income *Examine different ways people are paid*	Charity & Donations *Understand ways to give and evaluate charities based on several factors*			Higher Costs, Higher Education *Calculate college savings goals based on tuition costs and family financial situation for three sample students*	

Additional Math Connection Units: Below are two units that sequence several of the Case Studies into mini-units and include math based lessons at the end of each mini-unit. Click below to see more information.

Math Connections Course A: aligned to 5th & 6th grade math standards OR Math Connections Course B: aligned to 7th grade math standards

Strand 5: Managing Credit Curriculum Map

The case studies within the Managing Credit strand combine financial literacy lessons and activities from a variety of sources to establish and reinforce healthy financial habits. This strand's focus is on "why and how people borrow money, the cost of credit, and the potential effect on a person's finances."[1] Below are the objectives and activities, for each case study.

Getting a Loan	How Credit Cards Work	Reputation and Credit Score	Higher Costs, Higher Education
Objective(s): Understand the basic factors of a loan including principal, interest, and term Calculate the total cost of a loan based on interest rate and term.Explain how different lenders might advertise and offer different loans ***Case Study Activities:*** • *Watch a video to learn about the basic factors of a loan: principal, interest rates, and term.* • *Calculate the costs of a loan for different interest rates and then different terms.* ***Challenge Activities:*** • *Evaluate two different loan advertisements and apply the information learned to advise someone on which one to choose.*	***Objective(s):*** Describe how credit cards work and how to use them responsibly, Calculate the cost of buying with credit depending on how much of a statement you pay and justify the use of credit for a specific purpose ***Case Study Activities:*** • *Understand the basics of credit cards including: balance, interest, APR, minimum payment, and fees.* • *Watch a video to learn about how credit cards work.* • *Evaluate and calculate the purchase of a TV for three people, one who uses a credit card for the purchase.* ***Challenge Activities:*** • *Write a short letter to a family member who wants to get a credit card and give advice on how to best use the card.*	***Objective(s):*** Understand what a credit score is and how a borrower's credit history can impact their borrowing costs. ***Case Study Activities:*** • *Learn about the factors that influence a credit score through the three c's: credit history, capitol, and capacity.* • *Learn about the relationship between credit scores and interest rates* ***Challenge Activities:*** • *Evaluate two scenarios and determine a potential credit score for each.* • *Explain how credit history impacts the cost of borrowing money by calculate the cost of a loan for two borrowers with different credit scores and different interest rates.*	***Objective(s):*** Describe ways to help pay for college and calculate costs for different colleges ***Case Study Activities:*** • *Watch a video to learn about the different ways to pay for higher education* ***Challenge Activities:*** • *Research the cost of going to four different colleges given an assigned household income.* • *Calculate the cost of starting at a CC and then transferring to a 4 year institution.*