Unit III: Personal Finance
Credit Card Offers – *Maxed Out*
Mr. Shinski – Grade 12: 1-45 minute class period (1 1/2 of 3 days)

-Purple fonts = Words from Bloom's Taxonomy

Main NYS Learning Standards:
12.E1 INDIVIDUAL RESPONSIBILITY AND THE ECONOMY: Individuals should set personal financial goals, recognize their income needs and debt obligations, and know how to utilize effective budgeting, borrowing, and investment strategies to maximize well-being.

> 12.E1a In making economic decisions in any role, individuals should consider the set of opportunities they have, their resources (e.g., income and wealth), their preferences, and their ethics.
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> 12.E1b Sound personal finance (money management) practices take into account wealth and income, the present and the future, and risk factors when setting goals and budgeting for anticipated saving and spending. Cost-benefit analysis is an important tool for sound decision making. All financial investments carry with them varying risks and rewards that must be fully understood in order to make informed decisions. Greater rewards generally come with higher risks.
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> 12.E1c Managing personal finance effectively requires an understanding of the forms and purposes of financial credit, the impact of personal debt, the role and impact of interest, and the distinction between nominal and real returns. Predatory lending practices target and impact those who are least informed and can least afford such practices. Interest rates reflect perceived risk, so maintaining a healthy credit rating lowers the cost of borrowing.

NYS Shift 5: Staircase of Complexity – Students will read difficult contract language closely as individuals, in groups, and with instructional support
NYS Shift 6: Academic Vocabulary – Students will focus on important daily language found in credit card offers

Essential Question:
Are credit cards a good thing or a bad thing?

Topical Questions:
-What do the following terms mean: Fixed rate, annual rate, variable rate, incentives, rewards, interest (simple and compound), Experian, Equifax, TransUnion, delinquency, balance transfer, cash advance, and pre-screen.

Performance Indicators: Students will demonstrate their understanding by analyzing multiple, authentic credit card offers, and evaluating the pros and cons of each card. In groups students will hypothesize which card is the best for different fictional people (middle class, business owner, college student) and defend their reasoning.

Desired Understandings:
Students will understand the risks associated with the use of credit cards as well as the possible benefits. Students will understand the "need" for credit throughout the semester in regards to personal finance, investment, and power purchasing (house, cars, luxury goods).

Assessment Evidence:
-3 Step Interviews (teams)
-Ranking Exercise (written evaluation of credit cards)

Performance Tasks:
Students will draft a one page (or longer) summary of which credit card would be best and worst for the given scenarios listed in the "performance indicators" secton.
Students will explain their decisions to the class and instructor and engage in a conversation about credit cards.

Differentiated Instruction (Based on time allotted and need from DDI results)
*Level III - Level III learners will accomplish level II and have more difficult questions and possible scenarios to reason through.
*Level II - Level II learners will be expected to make the proper choice for 2/3 scenarios with specific reasons and use several new terms properly.
*Level I - Level I learners will be given 1 of the 3 fictional characters to analyze and evaluate.

Learning Theories:
Bruner - Discovery Learning: Inquiry based learning allows students to draw on past or personal experiences to develop comprehension. Students may have credit cards or experienced stories of people affected by good or bad credit.
Vygotsky - Collaborative Learning: Students will be collaborating at multiple points during the lesson with peers and the instructors. This will help students advanced through their zones of proximal development and receive more feedback through various perspectives.
Lave - Lave argues that learning is situated; that is, as it normally occurs, learning is embedded within activity, context and culture. Situated Learning Theory: Knowledge needs to be presented in authentic contexts – settings and situations that would normally involve that knowledge. Relevance in the lesson is established through the examination of authentic credit card offers.

Resources:
-Computer/SMART Board/Chromecast   -Youtube Trailer for *Maxed Out*
-Credit Card Offers (recent - no shortage here!)   https://www.youtube.com/watch?v=pGzgGgdIg2I

Procedures:
Anticipatory Set: 4 Numbers (309, 625, 701, 4 billion) - These numbers will be written on the board and students will guess what they mean until the entire class has arrived or a few minutes have passed.
"How Mr. Shinski ruined the lives of freshmen students" - Personal story of my "job" with Citi and MTV promotions at UAlbany.
Guided Practice: Quick Discussion - What is credit? What are credit cards? Students have the opportunity to share stories. Review the numbers on the board and their possible meanings. Introduce activity, create groups, and review first offer together and take notes on vocabulary terms.
Individualized Practice: Groups or partner work to evaluate offers and determine which is best for the 1-3 individuals.
Closure: Family Feud - Top 5 Things You Should Consider When Applying for Credit

Optional Products/Performances:
-Poster Board Rotations
-Close Read preview from "Consumer Credit and the American Economy" - Durkin, et al.