

FoolProof Teacher Guide

Module Three

“Kick Some Buck”

Lesson: A continuation of the exploration of credit.
Examines individual responsibility for credit decisions.
Expands concepts introduced in Module Two.

Time: 45-60 minutes (1 class period)
Two parts: pre-teach & post-teach

Note: This guide is, of course, only a suggestion. Feel free to modify it as needed, and please feel free to share with us your own teaching ideas for FoolProof!

1. Lesson Description

Module Three's core message: In order to make wise financial decisions, smart consumers critically evaluate marketing and advertising messages rather than simply accepting them.

- The purpose of the module and lesson is to make it clear to your students that they are in charge of their credit history. It does not matter who they are or who their families are. *They are in control and they are responsible for their mistakes and successes.*
- The lesson is designed to help students further explore the critical role of credit in their lives. Concepts presented in detail include credit scores, predatory lending, and the importance of reading the fine print.

2. Objectives

Knowledge Objectives:

Students will be better able to:

1. Identify what is credit.
2. Identify the components of a credit score.
3. Understand the importance of having good credit.
4. Critically evaluate "fine print."
5. Identify the term "predatory lending" and how it can affect them.
6. Identify and comprehend the FoolProof concept, "The Master Plan."
7. Research online sources for information about credit.

Skills Objectives:

Students will be better able to:

1. Analyze the benefits and costs of consumer credit.
2. Analyze the risk of "poor credit" when it comes to predatory lending.
3. Compare sources of consumer credit.
4. Explain factors that affect creditworthiness.
5. Explain the purpose of credit records.

Attitude Objectives:

1. Students will feel they have a good general understanding of credit and how credit impacts their future.
2. Students will feel they have a fundamental knowledge of a credit score.
3. Students will feel they have control of their financial future and will understand "The Master Plan."

3. Classroom Methods

- Module Two has been completed.
- You have checked for understanding by looking at the students' FoolProof test results and by your own evaluations.
- You are now ready for Module Three.
- Remember that students can go back and review any module at anytime.

A quick review of the previous module "Breathing Without Air:" This module helped the students comprehend the basics of credit. Its core message: "You can't live without air to breathe and you can't live without credit."

Module Three begins with a more detailed look at credit: What is credit? How is your credit tracked? How does good credit give you independence, and how does bad credit take away independence?

Ask your class this question: *“Who has made a decision that impacts you and what criteria have that person used to make that decision?”*

Typical responses will be report cards, test scores, how they performed in an audition or tryout, or even how they played in a sports event (example: football or basketball game; track event; chess club match) or other competitive activity (example: debate team).

The point to make to your class is that someone is keeping track in academic or other activities and it is no different in your financial life. Companies are keeping track of your income, your spending habits and your paying habits—just like your school keeps track of attendance, tardiness and grades.

Start your students on Module Three, “Kick Some Buck!”

4. Evaluation

- Module Three has a review and test for evaluation at the conclusion of the module.
- To further check for understanding, take a few minutes and discuss the major points in Module Three.
 - Each Student is in control of his or her own financial decisions.
 - You don’t have to be rich to have good credit. Income has little to do with a person’s credit.
 - Your credit score is one of the most important numbers in your life.

Module Four is coming up next: “Road Trip!”

A Tip: *Don’t tell your students the real topic of “Road Trip.” Let them discover it as they begin the module.*