



LESSON PLAN

Using Payment Cards

GRADES

7 to 12

TIME

45 minutes



OVERVIEW

Responsible credit card use is an important skill in personal finance. This lesson leads with a basic comparison of three popular payment types (debit cards, credit cards and prepaid debit cards). It then introduces students to the credit card billing cycle and provides a strategy for owning a credit card. Students will also practice how to interpret a credit card billing statement.

GOALS

- Help students understand the difference between popular card-based payment types
- Introduce students to responsible credit card use strategies
- Help students understand the credit card billing cycle

OBJECTIVES

- Compare different card-based payment types: debit cards, credit cards and prepaid debit cards
- Identify the credit card use strategy: “Pay it in full and on time”
- Identify the main components of credit card billing: billing cycle, balance, payment due date and grace period
- Read and interpret a monthly credit card statement

ASSESSMENT

Activities A and B can be used to gauge student understanding. An optional quiz has been provided with this lesson plan (the quiz is not factored into the lesson’s 45-minute runtime).

Did you know? This lesson plan explores concepts from Standard 4 (Using Credit) from the Council for Economic Education’s National Standards for Financial Literacy.

MATERIALS

- VIDEO 08**—Comparing Cards
- VIDEO 35**—Using Your Credit Card
- HANDOUT 08**—Comparing Cards
- HANDOUT 35**—Using Your Credit Card
- PRESENTATION 35**—Using your Credit Card
- ACTIVITY A**—Comparing Cards and Answer Key
- ACTIVITY B**—Credit Card Statement and Answer Key
- QUIZ**—Using Payment Cards and Answer Key

PREPARATION

- Gather digital materials (videos and presentation)
- Review discussion prompts for **ACTIVITY A** and the Answer Key for **ACTIVITY B**
- Print **HANDOUT 08**, **HANDOUT 35** and **ACTIVITY B** for each student
- (Optional) Print **QUIZ** (Using Payment Cards) for each student
- Create a chart on the board for **ACTIVITY A** before class; draw three columns and title them “DEBIT CARD” “CREDIT CARD” and “PREPAID DEBIT CARD”



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TIME LINE

5 minutes Introduce topic and **ACTIVITY A**

5 minutes Show **VIDEO 08** (*Comparing Cards*)

10 minutes Distribute **HANDOUT 08** and revisit **ACTIVITY A**; as a class, make corrections and add additional information as necessary

5 minutes Introduce **VIDEO 35** (*Using Your Credit Card*)

10 minutes Go over **PRESENTATION 35**

10 minutes Distribute **HANDOUT 35** and **ACTIVITY B**; have students answer questions individually, then go over correct answers as a class

(Optional) Assessment: **QUIZ** (*Using Payment Cards*)

6. Introduce the next video topic: “The best rule for using a credit card is to pay it in full and on time. This ensures your credit card remains a convenient payment method, and not a source of debt and stress. In order to be a responsible credit card user, you must understand your credit card’s billing cycle.”
7. Show **VIDEO 35**
8. Go over **PRESENTATION 35** to review the different components of a credit card billing cycle
9. Distribute **HANDOUT 35**
10. Distribute **ACTIVITY B**
 - Allow some time for students to answer the questions on their own
 - Go over the correct answers as a class
11. (Optional) Distribute **QUIZ** for individual assessment, or answer the questions together as a class

INSTRUCTIONS

1. Introduce the topic: “Responsible credit card use is an important skill in personal finance, and the first step is understanding how it differs from other popular payment types.”
2. Fill out the **ACTIVITY A** chart on the board with students’ input about the three forms of card-based payment. Explain that you will review the answers as a class afterward.
3. Show **VIDEO 08**
4. Distribute **HANDOUT 08**
5. Review **ACTIVITY A**. Give students the opportunity to revise or edit their previous categorizations. Read out the **ACTIVITY A** prompts one at a time and have students sort them into the proper columns on the board.

NOTES

Notes area with horizontal lines for writing.