

# CREDIT CARDS

**Lesson Length:** 1.75 hours + Extension Activity

**Vocabulary & Expressions:** Names for different forms of payment, vocabulary related to credit cards and credit card applications


**Language/Culture Point:** Understanding qualifications, interest rates and fees associated with credit cards

**Objective:** Students will understand the basics of how to apply for and use credit cards

**Materials:** Ways to Pay Picture Cards, computer, projector, internet connection, Credit Cards vs. Debit Cards Video, red/green/yellow Signal Cards, items for the “store”, Banking Forward credit card application, credit card prop, index cards, *credit card application*, *sample credit card statement*



## STEP 1: ACTIVATE BACKGROUND KNOWLEDGE

Time Frame	Materials	Teaching Strategies
10-15 minutes	- Ways to Pay Picture Cards 	<ul style="list-style-type: none"> <li>- Using Pictures</li> <li>- Brainstorming</li> <li>- Graphic Organizers</li> <li>- Surveys &amp; Interviews</li> </ul>

## TEACHING ACTIVITY


1. Distribute the Ways to Pay Picture Cards around the room for students to look at as class begins. Have the students move around the room and look at the cards. Ask questions about the different methods of payment represented in the pictures to see if the students can identify all of the methods represented. Create a list of all the ways to pay as students answer.
2. On the board, create a chart with the Ways to Pay Picture Cards across the top and leaving space for students’ names in the first left column. Write your name in the first column and give some examples of when you use each form of payment. For example: “I have a debit card. I use it when I go to the grocery store or when I go shopping for clothes.” Under the Debit Card picture write “grocery store”. Give some more examples of when you use each form of payment.
3. Go around the room and ask students how they pay for different things. For example: “Do you have a credit card? When do you use it?” or “When do you use a money order

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to pay?” As students answer, repeat their answers. For example: “Alicia uses a check to pay her rent.” Or “Juan uses coins when he is doing his laundry.”

4. Fill in the chart on the board with students’ names and some examples of when they use each type of payment. Be sure to ask each student if they have a credit card and when they use it as this will be the focus of the rest of the lesson.

## STEP 2: MINI-PRESENTATION WITH PROMPT

Time Frame	Materials	Teaching Strategies
15 minutes	<ul style="list-style-type: none"> <li>- Computer and Projector</li> <li>- Speakers</li> <li>- Internet Connection </li> <li>- Credit Cards vs. Debit Cards Video</li> </ul>	<ul style="list-style-type: none"> <li>- Chalk Talk</li> <li>- Using Videos</li> </ul>

## TEACHING ACTIVITY

1. Tell students “Today we are going to learn more about how to apply for and use credit cards. A credit card is a card that allows you to buy things without using cash.”
2. Do a Chalk Talk that tells a story about how you applied for and received a credit card, and how you used it once you received it. It may be helpful to start by briefly comparing credit and debit cards. You may also use a video that explains the differences between debit and credit cards in simple terms. One good example of such a video can be found here:

 <https://www.youtube.com/watch?v=cOmSo6PN5yw>

3. As you conduct the Chalk Talk, write the key vocabulary, such as apply, interest rate, monthly payment, minimum payment, income, late fees, and borrow, on the board next to the appropriate picture. An example of a story that could be used with a Chalk Talk is provided below.

“Last month, I decided I wanted a credit card. The first thing that I had to do was fill out an application. The application asked for a lot of personal information to make sure that they want to let me borrow money. Credit cards let you buy something now and pay for it later, but you pay interest if you wait more than a month to pay everything. When I got the credit card, I bought a TV for \$200. I

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forgot to pay my bill, so I had to pay interest and I had to pay a late fee since I didn't pay my bill on time. Now I make the minimum payment every month, so it's going to take me a lot of time to pay for the TV. Maybe this wasn't a good idea.

- At the appropriate points in the Chalk Talk, define terms such as apply, interest rates, monthly payment, minimum payment, on-time, income, late fees, borrow, etc. so they are clearly understood.
- Run through the Chalk Talk at least two more times, pausing where necessary to review vocabulary.


## STEP 3: DISCUSSION AND COMPREHENSION CHECK

Time Frame	Materials	Teaching Strategies
5-10 minutes	- Red, green, and yellow Signal Cards	- Signal Cards - True/False Quiz

### TEACHING ACTIVITY

- Ask true and false questions about your presentation including questions about the meanings of new terminology and questions about the characteristics of credit cards.
- Have students use their Signal Cards to indicate True/False/I don't know.

## STEP 4: HIGHLIGHT LESSON FOCUS AND MODEL TASK

Time Frame	Materials	Teaching Strategies
15 minutes	- Items for the "store" - Computer and Projector - Banking Forward credit card application  - Credit card prop 	- Authentic Materials - Think Aloud - Role Play

### TEACHING ACTIVITY

- Set up a store in the corner of the room filled with office supplies, textbooks, and/or whatever else you can find at your class site. This will serve as the "store" for the main activity.
- Project a copy of the Banking Forward credit card application onto a screen. Conduct

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a Think Aloud in which you fill in the information on the application with your own, made-up information, receive the card, and use it to make a purchase. (e.g. Make sure students know that for practice in class, they don't need to use real personal information for things like SSN, Bank Account #s, and Income.)

3. While you are filling out the application, highlight the new vocab from earlier in the lesson.
4. Once you finish and receive your fake "credit card", Role Play as a customer at the "store" and Think Aloud about what you would like to buy and collect the items you want.
5. Then, Role Play both roles in an interaction between a customer and a cashier in which the cashier gives the total, the customer pays using their new credit card, signs for the purchase, and takes their receipt. Use the fake "credit card" from the supplemental materials to represent a real credit card.

## STEP 5: GUIDED PRACTICE

Time Frame	Materials	Teaching Strategies
15 minutes	<ul style="list-style-type: none"> <li>- Items for the "store"</li> <li>- Computer and Projector</li> <li>- Banking Forward credit card application </li> <li>- Credit card prop </li> </ul>	<ul style="list-style-type: none"> <li>- Authentic Materials</li> <li>- Role Play</li> </ul>



## TEACHING ACTIVITY

1. Distribute 2 copies of the Banking Forward credit card application to each student. As a class, fill out another application as a group asking different students to provide information to fill out each blank. Have the students write the information on one of their copies as you write it on the projected copy.
2. Then choose an advanced student to assist you. Have the student choose from the "store" what they would like to buy and bring them to you.
3. Conduct a Role Play in which you are the cashier and the student is the customer purchasing the items with their credit card.
4. Repeat the Role Play, but this time switch roles, so that the student is the cashier and you are the customer.

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- Repeat the Role Play with additional students, as time permits.


## STEP 6: PAIR OR SMALL GROUP WORK

Time Frame	Materials	Teaching Strategies
20 minutes	<ul style="list-style-type: none"> <li>Items for the “store”</li> <li>Banking Forward credit card applications </li> <li>Credit card prop </li> </ul>	<ul style="list-style-type: none"> <li>Authentic Materials</li> <li>Role Play</li> </ul>

### TEACHING ACTIVITY

- Put students into pairs and have each pair fill out the second copy of the Banking Forward credit card application using fake information.
- When they are finished, have the students go through the “store”, choose what they would like to buy, and take turns role playing as the cashier and the customer.
- Then, have them switch partners and repeat the process.
- If time allows, have students perform their role play for the class.

## STEP 7: HIGHLIGHT HOW ENGLISH WORKS

Time Frame	Materials	Teaching Strategies
10 minutes	<ul style="list-style-type: none"> <li>Computer and Projector</li> <li>Banking Forward credit card applications </li> </ul>	<ul style="list-style-type: none"> <li>Think Aloud</li> </ul>

### TEACHING ACTIVITY

- Spend a few minutes making sure students understand the fees associated with credit cards. You may also want to spend some time explaining how interest works and what will happen if you carry a balance on a credit card.
- Looking back at the Banking Forward app that you filled out as a group, review the most important factors that a bank would use to determine whether someone is qualified for a credit card. This might be done as a Think Aloud. For example: “Do I have a job? Yes I do. How much do I make each month? \$5,000. Is this enough each month to pay

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bills like rent, electric, gas and groceries with a little extra to pay a credit card bill? My spouse also makes \$1,000 per month. \$6,000 is a pretty good amount of money so I should be able to afford a credit card bill each month.”

3. Ask students if they have any questions about filling out a credit card application, and how to use a credit card.
4. This is also a good time to emphasize that our goal with the lesson is not to give financial advice or to persuade anyone to apply for credit cards. We are just informing students of what they need to know should they decide to apply for a credit card.

## STEP 8: QUICK CHECK AND REVIEW

Time Frame	Materials	Teaching Strategies
10 minutes	- Index cards	- Question Asking and Answering - Exit Check

## TEACHING ACTIVITY

1. Create quick check question cards, so that each student has one, to review the vocabulary and information included earlier in the lesson. It is okay to have the same question on multiple cards.
2. Have students go around the room asking and answering each other’s questions.
3. Then, as students leave, have them read the question on the card, give you the answer, and return the card to you.

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## EXTENSION ACTIVITY

Time Frame	Materials	Teaching Strategies
30 minutes	<ul style="list-style-type: none"> <li>- Credit Card Application</li> <li>- Sample Credit Card Statement</li> </ul>	<ul style="list-style-type: none"> <li>- Authentic Materials</li> <li>- Graphic Organizers</li> <li>- Think-Pair-Share</li> <li>- Role Play</li> </ul>

### TEACHING ACTIVITY #1: CHOOSING A CREDIT CARD

1. Download a sample credit card application including the rates and fees page, such as the example at the link below.



<https://www.pnc.com/content/dam/pnc-com/pdf/personal/CreditCards/cashbuilder-application.pdf>

You could also go to a local banking institution and pick up some paper copies of credit card applications which will include information about the fees associated with specific credit cards.

2. Walk through some of the specifics of each card, focusing on the new vocabulary that students have learned. Answer any further questions about other new concepts as needed.

Make a chart on the board and have students help you to fill in the specifics of each card so you can compare them. Some possible points of comparison are interest rate, spending limit, overdraft protection, cash back rewards, or travel miles.

3. Ask questions to get students thinking about the benefits of each card. For example “Which card has a higher spending limit? Is a higher limit good or bad?”
4. Once students have considered all their options, have them choose which credit card they would select for themselves if they were to apply. Which is the most popular choice for the class?
5. Have students share with a partner or small group why they chose the card that they did.

### TEACHING ACTIVITY #2: PAYING YOUR BILL

1. Download a sample credit card statement such as the example at the link below. This

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statement has the different sections highlighted and defined which may be helpful in your explanation.

 [http://www.fcs.uga.edu/docs/credit\\_ho\\_5.pdf](http://www.fcs.uga.edu/docs/credit_ho_5.pdf)

2. Go through each portion of the bill and help students to understand how to read the statement. Focus on understanding the full balance vs. the minimum payment due.
3. Discuss how you could go about paying your credit card bill e.g. online, by mail, by phone, or to a bill pay center like at a grocery store.
4. Using the sample bill, create a role play for paying their bill in person or on the phone. One possible example is below.

<b>Customer Service Rep:</b>	Hello may I help you?
<b>Customer:</b>	Yes I would like to make a credit card payment.
<b>Customer Service Rep:</b>	What is your account number?
<b>Customer:</b>	_____
<b>Customer Service Rep</b>	How much would you like to pay?
<b>Customer:</b>	_____