



Moneywise
America™



CREDIT HISTORY



*Understanding your
credit report and
what impacts it.*

*Teen
guide*



Pre/Post Self-Reflection

First Name: _____

Age: _____



Pre-Session

Before beginning the session “Credit History,” please respond to the following question:

What affects my credit score and how does my credit score affect my future goals?



Post-Session

After finishing the session “Credit History,” please respond to the following question:

What affects my credit score and how does my credit score affect my future goals?



Car Loan Analysis

Directions: Read through each credit profile below to make connections between each person’s financial behaviors, their credit score, and the interest rate they are offered on a car loan. Then, respond to the discussion questions as a group.

Robert’s Credit Profile



Robert is a careful spender and saver, learning from his parents’ financial mistakes. He prides himself on paying cash and not spending more than he has. He thinks there may be room in his budget for a new car now and is excited. Because Robert has not taken on any loans or applied for credit cards, he doesn’t have a credit history and will need his parents to co-sign his loan. Currently, Robert’s parents’ overall credit score is 468.

Stephen’s Credit Profile



Although he’s a math whiz, Stephen is in a lot of debt. When he turned 18, new credit card offers were hard to pass up, especially getting a store credit card to save money on big purchases. He tried paying his credit cards and loans on time, but sometimes his payments were late, or he forgot when they were due. His car needs more repairs than it’s worth, so he thinks it’s time for a new car. Currently, Stephen’s overall credit score is 600.

Annie’s Credit Profile



Annie has some student loans and one credit card that she uses sparingly. When she does use her credit card, she makes sure that her payments are always on time. She has resisted opening new credit accounts and tries not to spend more than she has. Annie has taken public transportation for the last 5 years but has a new job farther away and is now ready for a new car. Currently, Annie’s overall credit score is 770.

Robert’s Car Loan Interest Rate:
12.99%

5-Year Loan:
\$454.96 monthly payment

Total Principal: \$20,000.00
Total Interest: **\$7,297.55**
Total Cost: **\$27,297.55**

Stephen’s Car Loan Interest Rate:
9.9%

5-Year Loan:
\$423.96 monthly payment

Total Principal: \$20,000.00
Total Interest: **\$5,437.45**
Total Cost: **\$25,437.45**

Annie’s Car Loan Interest Rate:
3.6%

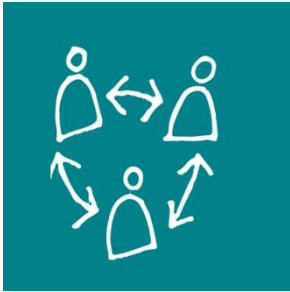
5-Year Loan:
\$364.73 monthly payment

Total Principal: \$20,000.00
Total Interest: **\$1,883.88**
Total Cost: **\$21,883.88**



Discussion Questions:

1. What do you notice about these three profiles?



My Credit Score Journey

Directions: Your goal is to qualify to rent your first apartment. You have a starting credit score of 638. Travel to each “stop” to make a financial decision and answer the detour question. When the answer key is provided, calculate your credit score based on your answers. Were you able to reach your goal? Why or why not?



Stop #1: Credit Cards

What do you choose?

- A. I only want to have one or two credit cards.
- B. I don't mind having multiple credit cards.
- C. I'd rather not have credit cards.



Stop #2: Managing Debt

What do you choose?

- A. I only charge or borrow what I can pay off...I never carry a balance.
- B. I can't always pay my balance in full when the bill comes and was only late on one payment in the past year.
- C. I've missed some payments, but try to pay when I can.

Stop #3: Credit Use

What do you choose?

- A. I only use credit cards as a convenience, but always have the money available to pay for the things I buy.
- B. Credit cards give me extra buying power that I wouldn't have with the cash I have available
- C. I max out my credit cards so I can make the most of life.



DETOUR:

Do you think the actions you selected would help you build good credit or lower your existing credit score? Why?



670
Credit Score

My Goal:
Qualifying to rent my first apartment



Calculate your credit score:

Starting score: 638



Stop #1: +/- _____ = _____

Stop #2: +/- _____ = _____

Stop #3: +/- _____ = _____

Based on the credit information, did you reach your goal? Why or why not? If not, how could you improve your credit to be able to reach the goal?

New Credit Score: _____



Session Evaluation Survey

Thank you for your participation in today's session! We appreciate you taking a couple of minutes to provide your feedback. **Your response is important to us and is completely anonymous.** Your input will help us continue to improve our programs supporting teens on their journey to financial freedom.

How to Complete this Survey

You can access and [complete the survey online here](#). If you prefer, you can complete a hard copy of the survey below, and hand it in to your Schwab facilitator at the end of your session. Either way, please make sure to submit your survey at the close of your session.

Survey Questions

1. What Moneywise America session did you participate in? **(REQUIRED)**
 - a. Get Started: Intro to Money Basics
 - b. Personal Goals and Decision Making
 - c. Session 1.0: Set Money Goals
 - d. Session 2.0: Manage Your Money
 - e. Session 3.0: Master Credit & Debt
 - f. Session 4.0: Plan for the Future
 - g. Session 5.0: Get Invested

2. I feel more confident about my understanding of money and how to manage it. **(REQUIRED)**
 - a. Strongly Agree
 - b. Agree
 - c. No Change
 - d. Disagree
 - e. Strongly Disagree

3. How likely are you to use information from this session to make decisions to help you reach your future financial goals? **(REQUIRED)**
 - a. Highly Likely
 - b. Likely
 - c. Neutral
 - d. Unlikely
 - e. Highly Unlikely

4. I have a clear understanding of the key personal finance topics that were presented during the session. **(REQUIRED)**
- a. Strongly Agree
 - b. Agree
 - c. No Change
 - d. Disagree
 - e. Strongly Disagree

If you selected Disagree or Strongly Disagree for Question 4, please explain specifically what components of the lesson were unclear or confusing.

5. Why is it important for teens to learn about personal finance? **(OPTIONAL)**

6. Is there any other feedback that you'd like to share about the session or the content covered? **(OPTIONAL)**

Thank You

Thank you for taking the time to provide your feedback. We appreciate your input as we continue to support teens on their journey to financial freedom.