

Homework: Personal Economic Decisions Interviews

Name	
------	--

Instructions:

Find two adults to interview then ask them the following two questions. Answer each in 4-6 sentences.

Interview #1:

Name of Person Interviewed	
Signature of Person Interviewed	

1. What was the best economic decision you ever made? Why was it the best?

[It can be about savings, a job, schooling, a loan/debt, investing, making a large purchase, etc.]

--

2. What was the worst economic decision you ever made? Why was it the worst?

[It can be about savings, a job, schooling, a loan/debt, investing, making a large purchase, etc.]

--

Interview #2:

Name of Person Interviewed	
Signature of Person Interviewed	

1. What was the best economic decision you ever made? Why was it the best?

[It can be about savings, a job, schooling, a loan/debt, investing, making a large purchase, etc.]

--

2. What was the worst economic decision you ever made? Why was it the worst?

[It can be about savings, a job, schooling, a loan/debt, investing, making a large purchase, etc.]

--

Homework: Credit Card Interviews

Name	
------	--

Instructions:

Find two adults to interview then ask them the following question. Answer each in 4-6 sentences.

Interview #1:

Name of Person Interviewed	
Signature of Person Interviewed	

1. What was your early experience with credit card? Was it a positive or negative experience? Why?

--

Interview #2:

Name of Person Interviewed	
Signature of Person Interviewed	

1. What was your early experience with credit card? Was it a positive or negative experience? Why?

--

[Credit Card Interview Link](https://youtu.be/ncqs94aAwg0)

<https://youtu.be/ncqs94aAwg0>

Instructions: Watch the video and answer both questions

1. What was Mr. Stevenson's first experience with credit cards?

2. What was Mr. Lake's first experience with credit cards?

Credit Card Payoff Calculator Calculator:

<https://www.bankrate.com/calculators/credit-cards/credit-card-payoff-calculator.aspx>

Instructions: Use the calculator above to answer the following questions

1. Fill out the chart to see the effect that larger debt has on monthly payments and interest.

Credit Card Balance	Interest Rate	Months To Pay Off	Monthly Payment	Total Interest Paid
\$1,500	18%	12		
\$1,950	18%	12		
\$2,300	18%	12		
\$3,000	18%	12		

2. Fill out the chart to see the effect that higher interest rates has on monthly payments and interest.

Credit Card Balance	Interest Rate	Months To Pay Off	Monthly Payment	Total Interest Paid
\$1,500	18%	12		
\$1,500	20%	12		
\$1,500	22.5%	12		
\$1,500	25%	12		

3. Fill out the chart to see the effect that a longer payment term has on monthly payments and interest

Credit Card Balance	Interest Rate	Months To Pay Off	Monthly Payment	Total Interest Paid
\$1,500	18%	12		
\$1,500	18%	18		
\$1,500	18%	24		
\$1,500	18%	36		

4. Assume you want to keep your monthly payments under \$200. What is the highest possible debt you could have to make this happen. [Rounded to the nearest \$10]

Highest Possible Debt	Monthly Payment	Interest Rate	Months To Pay Off
		18%	18
		23%	14

5. Google the average credit card debt in America then fill out the chart.

Average Debt	Interest Rate	Months To Pay Off	Monthly Payment	Total Interest Paid
	18%	12		
	15%	6		
	18%	18		

	24%	24		
--	-----	----	--	--

Instructions: Choose one of two cards & explain why it's better than the other card.

PlayStation Card	US Bank College VISA Card
Citi Thankyou Preferred Card	Apple Credit Card
Visa Black Card	Wells Fargo Cash Back
Best Buy Reward Zone Credit Card	Chase Freedom Unlimited
Luxury Card Gold Mastercard	Blue Cash Everyday Card



PlayStation Card	US Bank College VISA Card
-Free \$50 PlayStation Store gift card when you sign up -10 PlayStation Points for every \$1 spent on Sony/PlayStation Products, can redeem for products -Album: 1000 points, Movie: 3000 points, Videogame 6000 points, Electronics 100-100000 points -30% APR -\$50 late fee every time you miss a payment -\$10 fee every time a foreign purchase is made	-21% APR -0% APR for the first year -No additional fees



Citi Thank You Preferred Card	Apple Credit Card
-22% APR -0% APR for the first 6 months -No additional fees	-Receive 1 \$25 Apple Gift Card for every \$2000 spent -Receive 10% discount on all apple Products -35% APR -\$100 yearly fee



Visa Black Card	Wells Fargo Cash Back
-VIP treatment at 3000 world hotels (no additional charge) -Receive early access to concerts, movies, and shows. -20% APR -\$500 yearly fee	-21% APR -Earn 3% cash back on all purchases made in restaurants/grocery stores/gas stations -\$5 fee every time a foreign purchase is made

- \$5 fee every time a foreign purchase is made	
---	--



Best Buy Reward Zone Credit Card	Chase Freedom Unlimited
-29% APR -0% APR for 6 months [only for Best Buy purchases] -10% discount on all Best Buy purchases -Every \$1000 spent at Best Buy gets a 100\$ Best Buy Giftcard	-24% APR -Unlimited 1.5% cash back on every purchase -0% APR for first 15 months



Luxury Card Gold Mastercard	Blue Cash Everyday Card
-10% APR -4% cashback on all purchases -\$200 free credit to be used on any flight every month - \$595 annual fee	-20% APR -0% APR for the first year -2% cashback on food purchases -2% cash back on gasoline purchases -1% cashback on all other purchases -cashback has limit of \$5,000 per year

[Credit Card Information](https://www.nerdwallet.com/credit-cards)

<https://www.nerdwallet.com/credit-cards>

Instructions: Use the website to research the following credit cards and record major details about each cards [Annual fees, Recommended credit score, APR structure, Rewards, Sign Up Bonuses, Other fees, Etc.]

Blue Cash Everyday® Card from American Express

Discover it® Cash Back

Citi® Diamond Preferred® Card

U.S. Bank Visa® Platinum Card

Which of these credit cards would you recommend? Why?

Credit Score Estimator

<https://www.myfico.com/fico-credit-score-estimator/estimator>

Prediction: Of the people below, predict who you think will have the highest to lowest credit score.

Credit Score	Highest		Lowest
Person #			

Instructions: Use the website to estimate the credit score of the following people.

Person #1	
<ul style="list-style-type: none">-Has two credit cards-Got their first credit card 5 years ago-Has never had a car loan, student loan, or home loan [mortgage]-Is not applying for any new credit cards or loans-Got their 2nd credit card 1 year ago-Combined, both credit cards have a balance of \$1500-Last missed a payment 1 year ago, was 30 days past due [delinquent]-No current credit cards are past due-Credit cards current balance is 20% of the total credit card limit-Has never been Bankrupt	
Estimated Credit Score	

Person #2	
<ul style="list-style-type: none">-Only has 1 credit card, got it 6 months ago-Has never had a car loan, student loan, or home loan [mortgage]-Is currently applying for a new credit card-Has \$5000 of credit card debt-Has never missed a payment-Credit cards current balance is 50% of the total credit card limit-Has never been Bankrupt	
Estimated Credit Score	

Person #2	
<ul style="list-style-type: none">-Has 4 credit cards-Got their first credit card 20 years ago and their 4th credit card 15 years ago-Is not applying for any new credit cards or loans-Has never had a car loan, student loan, or home loan [mortgage]-Has no current credit card debt-Has missed credit card payments 20 times in the past, the longest for over 90 days past due-Has never been Bankrupt	
Estimated Credit Score	

[Reading A Credit Statement](https://www.mycreditunion.gov/life-events/checking-credit-cards/credit-cards/statement)

<https://www.mycreditunion.gov/life-events/checking-credit-cards/credit-cards/statement>

Instructions: View the credit card statement of Teresa Torres and answer the following

1. How much did Teresa Torres charge on her credit card this month?

2. What is the credit limit on this credit card?

3. How much of that credit is available at the time of this statement?

4. How does her previous balance compare to the new balance shown on this statement?

5. Was she charged any interest on her purchases this month? If so, what was the amount? If not, why was there no interest added to her account?

6. How much would she need to pay on this statement to avoid paying any interest?

7. What is the annual percentage rate for purchases on this account? How does that differ from the annual percentage rate for cash advances?

8. What would happen to the interest rate if she missed a payment or made a late payment on this account?

9. Suppose Teresa decided to make only the minimum payments on this statement, with no other charges on this account. How long would it take her to pay it off? How much interest would she pay? How much would her purchase really cost?

10. Looking at this statement, do you think Teresa is handling her credit card responsibly? Why or why not? What would you recommend?