

LifeSmarts U Personal Finance Lesson

Credit Reports and Credit Scores

Lesson Notes

This LifeSmarts U Lesson introduces students to facts about credit reports and credit scores. LifeSmarts and FICO both provide additional resources that can be used to extend this lesson.

Lesson Description

Students with a working understanding of credit will learn about credit reporting, credit history, credit bureaus, and credit scores.

The credit decisions and habits that young people form out of high school will follow them for years to come. Being smart with credit includes safeguarding your credit report and working to achieve the highest possible credit score.

Lesson Objectives

- Summarize relationships between credit bureaus, credit history, credit reports and credit scores.
- Discuss how the credit behaviors of young adults ages 18-22 can affect their credit history and follow them into their thirties and beyond.

Materials

- [Content Vocabulary: Credit Reports and Credit Scores](#)
- [Content Vocabulary Student Worksheet: Credit Reports and Credit Scores](#)
- [PowerPoint Presentation: *What Do You Know? Credit Reports and Credit Scores*](#)
- [Student Worksheet: *What Do You Know? Credit Reports and Credit Scores*](#)
- [Student Worksheet: *What Do You Know? Credit Reports and Credit Scores* KEY](#)
- [PowerPoint Presentation: *Tell Me the Question: Credit Reports and Credit Scores*](#)
- [PowerPoint Presentation: *Tell Me the Question: Credit Reports and Credit Scores* KEY](#)

Steps

Day One

1. Distribute Content Vocabulary Student Worksheet. Review and discuss terms that are unfamiliar.
2. OR distribute blank Content Vocabulary Worksheet and ask students to take notes to help them define the terms. Complete the Content Vocabulary discussion at the end of the lesson instead of the beginning.
3. View the PowerPoint Presentation: *What Do You Know? Credit Reports and Credit Scores* and have students use the Student Worksheet: *What Do You Know? Credit Reports and Credit Scores* or respond to each statement as a class.

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Day Two

1. Describe how knowledge about your credit history and credit reporting affects what you think about the transition from teenager to young adult.
2. Explain the statements:
 - "A credit mistake could result in missed opportunity."
 - "A credit mistake could be expensive."
3. Discuss the pros and cons of a landlord and a prospective employer having access to your credit report.
4. View the PowerPoint Presentation: *Tell Me the Question: Credit Reports and Credit Scores* as a summative activity.

Extensions

To provide additional background information about credit:

- [LifeSmarts U Credit lesson](#)
- [FICO Score A Better Future Fundamentals Introduction to Credit lesson](#)

To extend this lesson:

- [FICO Score A Better Future Fundamentals Credit Scores lesson](#)
- [FICO Score A Better Future Fundamentals Establishing Credit lesson](#)
- [FICO Score A Better Future Fundamentals Credit Galaxy educational game](#)
- [LifeSmarts Kahoot: Credit Reports and Credit Scores](#)