

# APPLIED MATH

## Credit Unit - Breakdown

### Lesson 1: Credit & Credit Card Background

- History of credit globally and within the U.S.
- Origins of credit bureaus
- How a credit card works; credit limit, available credit, minimum payments explanations

### Lesson 2: Minimum Payments & Amortization

- Create an amortization schedule with formulas/calculations by hand
- Create an amortization schedule using Google Sheets
- Use an electronic amortization table to manipulate minimum payments & APRs in order to contrast pay-off periods, interest, and total pay-off balances
- Calculate minimum payments & identify how lower base percentages affect interest & pay-off dates
- Connect minimum payments with credit utilization scores

### Lesson 3: Interest & Schumer Boxes

- Identify penalties of not paying a balance in full on a deferred interest credit card within the promotional period
- Calculate back interest owed on a deferred interest credit card
- Read a Schumer Box & calculate interest on purchases, cash advances, & balance transfers, as well as identify & calculate fees & penalty interest
- Read & interpret key items from a credit card statement such as purchases, balances, fees, interest, & payments

### Lesson 4: Credit Reports & Credit Scores

- Identify components of credit reports & understand role of credit report in determining credit score
- Identify the components of a FICO Credit Score & VantageScore and connect how the calculations from earlier in the unit affect scores
- Identify ways a bad credit score can hurt you & ways to improve your credit score
- Use FICO's loan calculator to see effects of credit scores on interest rates & total interest paid on auto loans & mortgages
- Identify ways to build credit without a credit card & how to keep a credit score high
- Investigate secured credit cards & other less risky options for beginners