

Grade Level: 9-12 Lesson Plan Timeframe: Several Class Periods Prepared By: Visa's Practical Skills for Life

<p>Overview & Purpose</p> <p>Students will make wise choices about their banking services once they understand such fundamentals as: selecting and managing a bank account; using debit cards; and safeguarding personal information against identity theft.</p>	<p>FCCLA National Program(s)</p> <p>Financial Fitness</p>
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<p>Lesson Plan Goals & Objectives (Specify skills/information that will be learned.)</p>	<p>Goal: Provide practice in comparing and evaluating various banking services, including checking and savings accounts, debit cards/ATM, and online banking. Perform the tasks associated with maintaining checking and savings accounts.</p> <p>Objectives:</p> <ul style="list-style-type: none"> • Understand the services offered by banks, savings and loans, and credit unions • List some of the factors to consider when shopping for bank services • Understand the responsibilities of having a checking account • Write checks and keep a running balance in a checkbook • Describe how to deposit a check • Read and interpret a checking account statement • Reconcile a checking account using a checking account statement and a check register • Describe what an ATM card is and explain how it is used • Describe what a debit card is and explain how it is used
<p>Materials Needed</p>	<ul style="list-style-type: none"> • Pen or pencil • Presentation Slides • Handouts • Web Access(optional)

<p>Introduction of Subject</p>	<p>If the fee for an ATM transaction to withdraw money is \$1 and a person withdraws money twice a week, the banking fees for that person will be \$104 a year. Over a five-year period, those fees invested at five percent would grow to more than \$570.</p> <p>Most students know that banks and other financial institutions (credit unions, savings and loan associations) offer a variety of services. However, few people know how to make wise choices when using financial services. In this lesson, students will learn about the different types of financial service products available and the features of each. When selecting a checking account, remind students to consider the required balance, monthly fees, interest earned, cost of printing checks, and charges for other fees and services.</p> <p>Review: Banking Terms and A Primer on Debit and ATM Cards (Found in Supplemental Materials)</p>
<p>Activity 1</p>	<p>Financial Institutions and Services</p> <ul style="list-style-type: none"> • Bank services <ul style="list-style-type: none"> ○ Checking and savings accounts ○ Interest ○ Automatic deposit and payment ○ Storage of valuables ○ Transfer of money ○ Overdraft checking ○ Traveler's checks ○ FDIC (Federal Deposit Insurance Corporation) ○ Credit and debit cards ○ Certificates of Deposit (CDs) ○ ATMs • Savings & loans (S&Ls) • Credit unions • How banks differ from savings & loans and credit unions <p>Survey/Interview: Have students talk to others to obtain information about financial services they use.</p>

<p>Activity 2</p>	<p>Choosing a Checking Account (Handout 6-1) Using the guidelines provided in class, have students shop for a checking account. Discuss what they found. Which bank or credit union would they choose? Why?</p> <ul style="list-style-type: none"> • Monthly fees • Per-check charges • Balance requirements • Interest rate • How rates are calculated • How soon you can draw against a deposit • Bounced check charges <ul style="list-style-type: none"> ○ On your check ○ On a check you deposited • ATM charges • Debit card charge • Stop payment fees • Charges for printed checks • Locations/number of branches • Bank hours • Online banking option • Bill pay option <p>Discuss: advantages/disadvantages of having a checking account.</p>
<p>Activity 3</p>	<p>Opening a Checking Account (Slide 6-C)</p> <ul style="list-style-type: none"> • Signature authorization card • The contract and what it means • Initial deposit <p>Making a Deposit (Slides 6-D and 6-E)</p> <ul style="list-style-type: none"> • Writing a deposit slip • Endorsing a check <ul style="list-style-type: none"> ○ Blank endorsement ○ Restrictive endorsement ○ Special (or full) endorsement • Depositing a check <ul style="list-style-type: none"> ○ Direct deposit ○ Manual deposit

<p>Activity 4</p>	<p>Writing a Check and Keeping a Running Balance (Handout 6-2) (Slides 6-F and 6-G)</p> <ul style="list-style-type: none"> • Writing a check • Entering information about a check in your check register • Keeping a running balance in your check register <p>Using an ATM Card and Keeping a Running Balance (Handout 6-2) Students may wish to visit a local bank to find this information on their own.</p> <ul style="list-style-type: none"> • What it is • What it looks like • Advantages of using • Disadvantages of using • How to use: <ul style="list-style-type: none"> ○ Choosing a personal identification number (PIN) • What it costs • Entering information about an ATM transaction in your check register • Keeping a running balance in your check register
<p>Activity 5</p>	<p>Using a Debit Card and Keeping a Running Balance <i>Because debit cards are widely used, a local bank officer would be a good guest speaker for this topic.</i></p> <ul style="list-style-type: none"> • What it is • What it looks like • Advantages of using • Disadvantages of using • Difference from a credit card • How to use it • What it costs • Where it is accepted • What it replaces • Entering information about a debit card transaction in your check register • Keeping a running balance in your check register

<p>Activity 6</p>	<p>Interpreting a Bank Statement and Reconciling an Account (Handouts 6-3 and 6-4) (Slide 6-H)</p> <ul style="list-style-type: none"> • Reading a bank statement • Reconciling an account <ul style="list-style-type: none"> ○ Checking the bank statement ○ Verifying checks in the check register ○ Verifying deposits and ATM transactions ○ Verifying debit card transactions ○ Correcting entry errors in the check register ○ Correcting deposit or ATM transaction amounts in the check register ○ Correcting debit card transaction amounts in the check register ○ Correcting errors of omission in the check register ○ Finding outstanding transactions • Practice reading a bank statement • Practice reconciling an account <ul style="list-style-type: none"> ○ Have students supplement this activity by balancing their parents' accounts 	
<p>Activity 7</p>	<p>Online and Electronic Banking</p> <ul style="list-style-type: none"> • 24/7 account access • Direct deposit • Automated bill payments • Money transfers 	
<p>Summary/Evaluation</p>	<p>Banking Services Quiz (handout 6-5)</p>	
<p>Other Resources</p>	<p>Credit Union National Association, <i>cuna.org</i> Box 391, Madison, WI 53701 Board of Governors of the Federal Reserve System <i>federalreserve.gov</i> Publications Services, Washington, DC 20551 Federal Trade Commission, <i>ftc.gov</i> Bureau of Consumer Protection Office of Consumer/Business Education Washington, DC 20580</p>	<p>Federal Deposit Insurance Corp., <i>fdic.gov</i> Attention: Office of Consumer Affairs 550 17th Street, NW Washington, DC 20429 Investment Company Institute 1600 M Street, NW, Suite 600, Washington, DC 20036 National Foundation for Consumer Credit, <i>nfcc.org</i> 8611 2nd Avenue, Suite 100 Silver Spring, MD 20910</p>
<p>Source</p>	<p><i>This lesson plan has been reformatted for FCCLA from its original version on the Practical Money Skills for Life website. For an original copy please download Lesson 6: Banking Services from www.practicalmoneyskills.com. Handouts and presentation slides may be downloaded from the lesson plans and activities website. For more lesson plans and resources, visit the Practical Money Skills for Life website.</i></p>	