

CAREER PREPAREDNESS

Unit	Banking and Financial Institutions	Time on Task: 5 Hours/300 Minutes
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Course Content Standard(s)	<p>18. Analyze various types of financial institutions.</p> <p style="padding-left: 40px;">a. Evaluate services and related costs associated with financial institutions in terms of personal banking needs. Examples: checking and savings accounts, personal checks, cashier checks, overdraft fees</p>
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College and Career Readiness Standards

(Teachers should select the appropriate grade span standard(s) as it pertains to reading and writing.)

Reading Standards for Literacy in Science and Technical Subjects 6-12 <u>or</u> Reading Standards for Literacy in History/Social Studies 6-12	Writing Standards for Literacy in History/Social Studies, Science, and Technical Subjects 6-12	Standards for Mathematical Practice
1, 4, 7, 8	1, 4, 7, 8	5, 6

Learning Objective(s)	<p>The student will:</p> <ol style="list-style-type: none"> 1. Describe different types of financial institutions. 2. Compare and contrast checking and savings accounts. 3. Evaluate services and related costs associated with financial institutions in terms of personal banking needs. 4. Describe the purpose of personal checks, cashier checks, and money orders. 5. Describe the different ways to avoid fees associated with financial institutions for services such as overdraft fees and ATM fees.
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21st Century Competencies	<input checked="" type="checkbox"/> Critical Thinking <input type="checkbox"/> Communication <input checked="" type="checkbox"/> Collaboration <input type="checkbox"/> Creativity Source: Partnership for 21st Century Skills (www.p21.org/)
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Essential Question(s)	<p>What can financial institutions do for you?</p> <p>What are the costs associated with services provided by financial institutions?</p> <p>What are the ways to avoid fees associated with financial services such as overdraft fees and ATM fees?</p> <p>What is the difference between checking and savings accounts?</p>
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Content Knowledge	Suggested Instructional Activities	Suggested Materials, Equipment, and Technology Resources
<p>I. Analyze Various Types of Financial Institutions</p> <p>A. Banks - A state or federally chartered for-profit financial institution that offers commercial and consumer loans and other financial services.</p> <p>B. Insurance Companies - Provides protection from the possibility of future financial harm in exchange for periodic payments. Types of insurance include fire, theft, and business interruption.</p> <p>C. Savings and Loans/Thrifs - A state or federally chartered for-profit financial institution that pays dividends on deposits and makes mortgage loans.</p> <p>D. Investment Firms - Companies that specialize in selling securities (like stocks or bonds) issued by businesses.</p> <p>E. Credit Unions - A state or federally chartered not-for-profit financial cooperative that provides financial services to its member-owners, who have met specific employment, residence, or other eligibility requirement.</p> <p>II. Evaluate Services and Related Costs Associated with Financial Institutions in Terms of Personal Banking Needs</p>	<p>Discuss: What financial institutions can do for you?</p> <p>Scenario: Students form groups of three or four. They decide on which financial intermediary would best meet the needs presented in each scenario.</p> <p>Graffiti Brainstorm: This “graffiti” brainstorming exercise helps support students’ learning not only by allowing students to build on what they already know but also by giving students a purpose for learning by having them realize how much more they can learn about various financial institutions.</p> <p>Divide class into teams, give each team a financial institution and have them write or draw words that they think describe or is associated with their institution. Then as a team they will circle three words that best describe their institution. Leave the charts or graffiti on the wall as you focus on the discussion about each of these institutions.</p> <p><u>Option 1:</u> Use the NEFE High School Financial Planning Program’s Module 5: “Financial Services.” Free instructor’s manual and workbooks can be ordered at www.hsfpp.org .</p> <p><u>Option 2:</u> Individual or Group Research: “Comparing the Cost of Bank Services”</p>	<p>“Key to Financial Success Theme 6” in the Federal Reserve Bank of Philadelphia, Delaware Council on Economic Education</p> <p>Scenarios</p> <p>NEFE High School Financial Planning Program Module 5 www.hsfpp.org</p> <p>“Financial Literacy Glossary” in the “National Standards in K-12 Personal Finance Education, JumpStart Coalition for Personal Finance Literacy” www.jumpstartcoalition.org</p> <p>NEFE High School Financial Planning Program’s Module 5: “Financial Services” www.hsfpp.org</p> <p>“Banking Basics” by the Federal Reserve of Philadelphia – This PDF provides detailed</p>

Students will choose a bank to study and research the services that are offered and the cost of those services. Students or groups will then compare and contrast their findings with other groups. They can use a blog, presentation software or display board to present their findings. *They may even submit work through learning management system such as Edmodo or Moodle and have class comment or discuss online during school or after school hours.*

Be sure that students address or describe at least the following terms:

- Annual Percentage Yield (APY)
- Annual Percentage Rate (APR)
- Automated Teller Machine (ATM)
- Electronic Funds Transfer (EFT)
- Online Banking and Mobile Apps
- Overdraft Fees
- ATM Fees

Explain to students that although many banks may look alike, there is actually a variety of different types of banks. Point out to students that most banks can be placed into the following categories:

- Commercial banks were originally created to meet the needs of businesses. Today, most banks are commercial banks. Commercial banks offer a variety of services including checking accounts, savings accounts, and loans.
- Savings banks are similar to commercial banks except that they mostly offer savings accounts and loans so people can buy homes. The most important purpose of these institutions is to make mortgage loans on

“National Association of Federal Credit Unions” (NFCU) – Enabling individuals to consumers to learn more about credit unions
<http://culookup.com>

<p>III. Different Ways to Avoid Fees Associated with Financial Institutions Services such as Overdraft fees and ATM fees.</p>	<p>residential property.</p> <ul style="list-style-type: none"> • Credit unions were started to help people borrow money. Credit unions are cooperative financial institutions that are privately owned and controlled by their members who generally share a common bond (for example, postal workers or teachers). Credit unions offer many of the same services as commercial banks. <p>Option 3: Use Lesson 12: “Bank or Bust of Practical Money Skills for Life.” It’s free to register and you will have access to lesson plans from K-12. There are 22 lesson plans for grades 9-12 on Personal Finance. http://www.practicalmoneyskills.com/</p> <p>Interview, Research and Sharing through Social Media or Learning Management Systems: Students will interview local bankers, adults, community partners or conduct Internet research to find ways to save or avoid cost involved in using financial services. They may present their findings by creating a poster to inform consumers of ways to save or avoid fees associated with using financial institution services. These posters can be displayed in the room, around the school or shared through social media such as Twitter or Facebook.</p>	<p>“Practical Money Skills for Life” http://www.practicalmoneyskills.com/</p> <p>“Consumer Financial Protection Bureau” http://www.consumerfinance.gov/</p> <p>“Eight Great Ways to Avoid Bank Fees” http://www.bankrate.com/finance/savings/8-great-ways-to-avoid-growing-bank-fees-1.aspx</p> <p>“American Bankers Association” – They have pages and pages on ways to avoid banking fees. www.aba.com – Search – “avoid bank fees”</p>
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<p>Assessment of Learning</p>	<p>Formative Assessments (AQTS 2.8)</p> <ul style="list-style-type: none"> • Question and Answer • Status Report 	<p>Summative Assessments (AQTS 2.9)</p> <ul style="list-style-type: none"> • Vocabulary Quiz • Research Project
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<p>Sample Career Options</p>	<p>Personal Banker, Bank Teller</p>
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Unit/Course CTSO Activity <i>(if applicable)</i>	Chapter members take a field trip to a local financial institution.
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Culminating Product	Posters, Blog, Presentation Slide Show, or Display Board
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Course/Program Credential(s): <input type="checkbox"/> Credential <input type="checkbox"/> Certificate <input type="checkbox"/> Other:
