### Checking Out Depository Institutions

**Introductory Level**

www.takechargetoday.arizona.edu

<table>
<thead>
<tr>
<th>Recommended Grade Levels</th>
<th>Average Time to Complete</th>
<th>Each Lesson Plan Is Designed and Continually Evaluated “By Educators, for Educators.” Thank You to the Following Educators for Developing Components of this Lesson Plan.</th>
</tr>
</thead>
</table>
| 7-9                      | Anticipatory Set & Facilitation: 45 minutes  
Conclusion/Assessment Options: 30 or more minutes | Kim Knoche, Family and Consumer Sciences Teacher, Forsyth, Montana |

- **National Standards**
  - The curriculum is aligned to the following national standards:
    - National Standards for Financial Literacy
    - American Association of Family and Consumer Sciences
    - Council for Economic Education
    - National Business Education
    - National Jump$tart
    - Common Core English Language Arts

- **Lesson Plan Objectives**
  - Upon completion of this lesson, participants will be able to:
    - Demonstrate fluency with depository institution vocabulary
    - Explore checking accounts
    - Explore savings tools
    - Apply the decision making process to depository institution choices

- **Materials**
  - **Materials Provided in this Lesson Plan**
    - Finding the Financial Facts 1.2.1.A1
    - Checking Out Depository Institutions Infographic Poster Rubric 1.2.1.B1
    - Checking Out Depository Institutions Vocabulary list 1.2.1.E1
    - Checking Out Depository Institution Information Sheet 1.2.1.F1
    - Checking Out Depository Institutions Note Taking Guide 1.2.1.L1

  - **Materials Specific to This Lesson Plan But Available as a Separate Download**
    - Checking Out Depository Institution Discovery Answer Key 1.2.1.C1
    - Checking Out Depository Institution Discovery PowerPoint presentation 1.2.1.G1
    - Multiple Choice Test Bank and Answer Key 1.2.0.M1 & C1

  - **Materials to Acquire Separately Depending on Options Taught**
    - Tablets with QR readers
    - Internet Access
    - Writing Utensils

- **Resources**
  - **External Resources**
    - Consumer Jungle student-oriented website: www.consumerjungle.org
    - Infographic comparing banks and credit unions: http://tinyurl.com/infographiccompare
    - Credit Unions 101: http://minnesotacreditunions.org/cudifference/cus101
    - Student written articles about depository institutions: http://consumerjungle.org/jungle-talk/all/Depository%20Institutions

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Funded by a grant from Take Charge America, Inc. to the Norton School of Family and Consumer Sciences Take Charge America Institute at The University of Arizona
Credit Union History and Information: http://www.mycreditunion.gov/Pages/pocket-cents-landing-learn.aspx
FDIC information: http://www.fdic.gov/deposit/deposits/
NCUA information: http://www.mycreditunion.gov/Pages/default.aspx
Nearpod Presentation for Checking Out Depository Institutions http://np1.nearpod.com/sharePresentation.php?code=12c1960d518acdb49ebf2a63499de0e2-0
Video describing FDIC insurance: https://www.youtube.com/watch?v=jpPcRojsO74#t=10

**TAKE CHARGE TODAY RESOURCES**

**Similar lesson plan at a different level:**
- Introduction to Depository Institutions 2.2.1

**Optional lesson plan resources:**
- Attitudes About Money Active Learning Tool 3.0.1
- Fly Swatter Facts Active Learning Tool 3.0.17
- Taboo® Active Learning Tool 3.0.28
- Technology Integration Options Active Learning Tool 3.0.50
- Tablet Applications for the Financial Literacy Classroom Active Learning Tool 3.0.52

**CONTENT**

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<tr>
<th>EDUCATOR MATERIALS</th>
<th>PARTICIPANT READING</th>
</tr>
</thead>
<tbody>
<tr>
<td>Materials to support educators when preparing to teach this lesson plan are available on the Take Charge Today website.</td>
<td>Checking Out Depository Institutions Information Sheet 1.2.1.F1</td>
</tr>
</tbody>
</table>

**LESSON FACILITATION**

**VOCABULARY ACTIVITY (OPTIONAL)**

**Taboo**

Approximate time: 10 minutes

Materials to prepare:
- Taboo® Active Learning Tool 3.0.28
  - 1 set of Checking Out Depository Institutions Taboo Cards 3.0.28.H2 for every 5-9 participants
  - 1 timer for every 5-9 participants

**Before instruction:**
1. Divide participants into teams of 2-4.
2. Provide each team with a set of Checking Out Depository Institutions Taboo Cards 3.0.28.H2 from the Taboo® Active Learning Tool 3.0.28 and a timer.
3. Evenly distribute the Checking Out Depository Institutions Taboo Cards 3.0.28.H2 among the groups.
4. Explain that the word at the top of the card is a vocabulary term and the taboo words listed below are descriptors of the term.
5. On a separate sheet of paper, have participants write the definition for each term in their own words by using the context clues from the taboo words listed on the card.
6. As a class, discuss the definitions created for each word.

Before instruction it is helpful to allow students to use the Information Sheet to see vocabulary terms.
**After instruction:**
7. Conduct the Taboo® activity as instructed as a conclusion option.

### ANTICIPATORY SET

**Attitudes About Money Active Learning Tool**

**Approximate time:** 10 minutes  
**Materials to prepare:**
- **Attitudes About Money Active Learning Tool 3.0.1**
  - 1 Attitudes about Checking Out Depository Institutions 3.0.1.A4 per participant  
- Optional: 8 sheets of butcher paper (each with a different discussion prompt)  
- Optional: 1 marker per participant  
- Optional: 5-10 sticky notes per participant

1. Conduct the Attitudes About Money brainstorming activity. Refer to the **Attitudes About Money Active Learning Tool 3.0.1** for facilitation instructions.  
   a. Choose one of the facilitation methods described in the **Attitudes About Money Active Learning Tool 3.0.1**. Discussion prompts are outlined on the **Attitudes about Checking Out Depository Institutions 3.0.1.A4** and listed below:  
      i. What is a depository institution?  
      ii. Where can a person get quality financial advice?  
      iii. What are 2 activities you can do, or have done at a "bank"?  
      iv. When I hear the words Financial Security I think.....  
      v. Name 2 locations that can complete financial tasks?  
      vi. Name a way to access money in a bank.  
      vii. When choosing a financial institution look for...  
      viii. Financial Institutions are for...  
   b. Once participants have had a chance to answer each of the discussion questions, proceed to the facilitation of the lesson to discuss the questions.

### RECOMMENDED FACILITATION

**Approximate time:** 30 minutes  
**Materials to prepare:**
- One Checking Out Depository Institutions Information Sheet 1.2.1.F1 per participant  
- **Attitudes About Money Active Learning Tool 3.0.1**  
- Optional:  
  - Checking Out Depository Institutions PowerPoint presentation 1.2.1.G1  
  - Checking Out Depository Institutions Note Taking Guide 1.2.1.I1

1. Ask students to share their attitudes about “Financial Institutions” with the class by referencing the question in the anticipatory set.  
   a. During the remainder of the class period they will learn more about depository institutions and the services they provide to community members.  
2. Break students into small groups of 3 to 4 students and have them sit together.  
3. Pass out one **Checking Out Depository Institutions Information Sheet 1.2.1.F1** to...
each student.

4. Explain to students that they will work together in their small groups by taking turns reading one paragraph at a time, discussing and answering the questions on their information sheet.

5. Instruct one person from each group to read the first paragraph on the Checking Out Depository Institutions Information Sheet 1.2.1.F1 out loud to his/her group members and then discuss the questions.

6. Once all groups have finished reading and answering the first question, “Identify two depository institutions in your community” and ask each group to share their answer.
   a. Provide examples of other depository institutions that students did not mention.

7. Instruct another student in each group to read a paragraph about commercial banks and credit unions.
   a. Identify the types in your community.
   b. If technology allows for students to use the QR code, they can access more information about Credit Unions.

8. Allow time for the groups to answer the next question, “Why is it important to track money spent and saved?”

9. Ask groups to share their responses.
   a. Possible answer: It is important to track money spent and saved to prevent overspending and plan for future expenses.

10. Instruct one student in each group to read the paragraph on financial security and allow time for students to access the QR code information.
    a. Have groups discuss the information and provide 2 pieces of information they learned about financial security.

11. Instruct students to share reading the paragraphs and information on page 2. Allow time for groups to answer the next question, “what negative consequences occur after “bouncing a check?”
    a. Provide examples that students did not mention.

12. Instruct one student in each group to read the final paragraph on page two about interest earning accounts and answer the last question on the page, “What is an advantage to having an interest earning checking account instead of a regular checking account?”

13. Allow time for students to read and answer the question.

   a. One advantage to having an interest earning checking account instead of a regular checking account is the opportunity to earn additional money or interest.

15. Have one student from each group read the first paragraph on page three and answer the question, “Why is it wise to store larger amounts of money in a savings tool rather than a checking account?”

   a. If an individual has money to save, it is wiser to store it in a savings tool instead of a checking account because savings tools generally have higher interest rates and the opportunity to earn interest is greater.

17. Instruct students to take turns reading the final four paragraphs on the information sheet.

18. Once all groups are finished, ask students if they have any questions on the
### CONCLUSION OPTIONS
There are two conclusion options provided for this lesson.
1. Option 1: Checking Out Depository Institutions
2. Option 2: Fly Swatter Facts

#### Option 1: Depository Institution Facts
- **Approximate time:** 15 minutes
- **Materials to prepare:**
  - 1 *Checking Out Depository Institutions Note Taking Guide* 1.2.1.L1 per participant

1. Pass out one *Checking Out Depository Institutions Note Taking Guide* 1.2.1.L1 to each participant. Instruct participants to individually use their information sheet as a reference to answer all questions on their note taking guide.

#### Option 2: Fly Swatter Facts
- **Approximate time:** 15 minutes
- **Materials to prepare:**
  - *Fly Swatter Facts Active Learning Tool* 3.0.17
  - *Checking Out Depository Institutions* 3.0.17.E2 terms cut out and pasted to a secure area
  - 2 fly swatters

1. Conduct the fly swatter facts activity using vocabulary from this lesson. Refer to the *Fly Swatter Facts Active Learning Tool* 3.0.17 for directions and materials.
   - a. Fly Swatter Facts is an activity that encourages participants to review terms or facts. The terms to definitions are written on the board and when a definition is read, a participant holding a fly swatter walks to the board and swats the correct answer.

### ASSESSMENT
There are two assessment options for this lesson.
- Option 1: Reinforcement Worksheet
- Option 2: Depository Institution Infographic

#### Reinforcement Worksheet
- **Approximate time:** 15 minutes
- **Materials to prepare:**
  - 1 *Finding the Financial Facts* 1.2.1.A1 per participant


#### Depository Institution Infographic
- **Approximate time:** 30 minutes
- **Materials to prepare:**
  - *Checking Out Depository Institutions Infographic Poster Rubric* 1.2.1.B1

1. Distribute *Checking Out Depository Institutions Infographic Poster Rubric* 1.2.1.B1

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**Reference Technology Integration Options**
- *Active Learning Tool* 3.0.50 for technology assistance and ideas.
2. Allow *Checking Out Depository Institutions Information sheet 1.2.1.F1* as a reference.
# Checking Out Depository Institutions Vocabulary List

<table>
<thead>
<tr>
<th><strong>TERM</strong></th>
<th><strong>DEFINITION</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Depository Institution</td>
<td>Business that offers and sells financial services</td>
</tr>
<tr>
<td>2 Credit Union</td>
<td>Depository institution owned by its members</td>
</tr>
<tr>
<td>3 Commercial Bank</td>
<td>Depository institution that offers services to both consumers and businesses.</td>
</tr>
<tr>
<td>4 Checking Account</td>
<td>Device that allows deposits and withdrawals using checks, debit cards and ATMs.</td>
</tr>
<tr>
<td>5 Checks</td>
<td>Legal documents that functions like cash.</td>
</tr>
<tr>
<td>6 Debit card</td>
<td>Plastic card connected to your checking account.</td>
</tr>
<tr>
<td>7 Personal Identification</td>
<td>Authorization to access accounts.</td>
</tr>
<tr>
<td>8 Number (PIN)</td>
<td></td>
</tr>
<tr>
<td>9 Automated Teller Machine (ATM)</td>
<td>Unattended access to account using account card and PIN.</td>
</tr>
<tr>
<td>10 Signature Card</td>
<td>Verification of account ownership</td>
</tr>
<tr>
<td>11 Savings tools</td>
<td>Accounts storing money for emergencies or major purchases.</td>
</tr>
<tr>
<td>12 Interest</td>
<td>Money either gained or lost when accessing services offered by a depository institution.</td>
</tr>
<tr>
<td>13 Savings Account</td>
<td>Most basic savings tools with the lowest interest.</td>
</tr>
<tr>
<td>14 Money Market Account</td>
<td>Savings tool requiring larger deposit and earning more interest.</td>
</tr>
<tr>
<td>15 Certificate of Deposit</td>
<td>Savings tool earning higher interest, but requiring a specified time obligation.</td>
</tr>
<tr>
<td>16 Interest Rate</td>
<td>Percentage used annually to determine amount gained or lost on investment.</td>
</tr>
</tbody>
</table>
Checking Out Depository Institutions Note Taking Guide

<table>
<thead>
<tr>
<th>Total Points Earned</th>
<th>Name ___________________________</th>
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<tbody>
<tr>
<td>21</td>
<td>Date ___________________________</td>
</tr>
<tr>
<td>Percentage</td>
<td>Class ___________________________</td>
</tr>
</tbody>
</table>

Directions: Complete the following prompts.

**Depository Institution**

- A **depository institution** is a business that offers and sells financial services to people, such as
  ______________________ and ______________________ accounts. (2 points)

- A **Credit Union** is a not for profit depository institution that is owned by its __________________________. (1 point)

- A **commercial bank** is the most common __________________________ that offers financial services to both
  ______________________ and ______________________. (3 points)

How are a credit union and commercial bank different? (2 points)

- The ______________________ insures commercial banks and the ______________________ insures credit unions. (1 point)

**Checking Account**

A **checking account** is a very common type of account that offers ______________________ and
  ______________________. (2 points)

Most checking accounts do not pay ______________________ or additional money, so only money used on a day-to-day
basis should be deposited. (1 point)
**Savings Tools**

 Saturdays tools keep money safe until the owner needs to use it for ____________________ or ____________________. (2 points)

• Money deposited in a savings tool has the opportunity to earn ______________ which is calculated by taking a percentage of the total amount of money to see what is gained. (1 point)

<table>
<thead>
<tr>
<th>Savings Account (2 points)</th>
<th>Money Market Account (2 points)</th>
<th>Certificate of Deposit (2 points)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Characteristics &amp; Benefits</td>
<td>Characteristics &amp; Benefits</td>
<td>Characteristics &amp; Benefits</td>
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<tr>
<td></td>
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Finding the Financial Facts

<table>
<thead>
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<td>Date __________________________</td>
</tr>
<tr>
<td>Percentage</td>
<td>Class __________________________</td>
</tr>
</tbody>
</table>

**Directions:** Match the following terms on the left with their definitions on the right. Each question is worth 1 point.

1. A business that offers and sells financial services to people.
   - A. Deposit

2. The most common type of depository institution.
   - B. Depository Institution

3. Money put into an account.
   - C. Withdraw

4. Money taken out of an account.
   - D. Commercial Bank

**Directions:** Circle True or False for the following statements. Each question is worth 1 point.

5. A checking account is a very common type of account that offers safety and convenience.
   - True/False

6. Most checking accounts do not pay interest.
   - True/False

7. Checks and debit cards can be used to withdraw funds or make purchases from a checking account.
   - True/False

8. An individual can “bounce a check” if he/she has sufficient funds in a checking account.
   - True/False

9. Using a PIN (Personal Identification Number) is optional when using a debit card.
   - True/False

10. The FDIC and NCUA insure account for up to $250,000.00.
    - True/False

11. To open a checking account, an individual must complete a signature authorization card and make an initial deposit.
    - True/False

12. An interest earning checking account does earn a small amount of interest.
    - True/False

**Directions:** Match the following type of savings tool on the left with the various characteristics on the right. Each savings tool may have two characteristics to match. Each question is worth one points.

13. Savings Account
   - A. Money must remain in this tool for a specific period of time or pay a penalty fee.

14. Money Market Deposit Account
   - B. The account usually requires more money than a savings account to open.

15. Certificate of Deposit (CD)
   - C. This account pays the least amount of interest.
# Checking Out Depository Institutions
## Infographic Poster Rubric

<table>
<thead>
<tr>
<th>Information: All the following information in the Infographic is accurate, clearly and concisely stated.</th>
<th>Exemplary</th>
<th>Satisfactory</th>
<th>Unsatisfactory</th>
<th>No Performance</th>
<th>Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>*Description of Depository Institutions</td>
<td>9-7</td>
<td>6-4</td>
<td>3-1</td>
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<tr>
<td>*Types of Institutions</td>
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<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>*Financial Security</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>*Basic Checking &amp; Saving Account Information</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Title –Header: Includes student’s name, title of poster and is eye appealing.</th>
<th>Exemplary</th>
<th>Satisfactory</th>
<th>Unsatisfactory</th>
<th>No Performance</th>
<th>Score</th>
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<td>3</td>
<td>2</td>
<td>0</td>
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</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Visuals and Graphics: Graphics go well with the text and there is a good mix of text and graphics.</th>
<th>Exemplary</th>
<th>Satisfactory</th>
<th>Unsatisfactory</th>
<th>No Performance</th>
<th>Score</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>6-5</td>
<td>4-3</td>
<td>2-1</td>
<td>0</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Participation and Use of Time: The student used his/her time wisely to create the poster which was completed on time.</th>
<th>Exemplary</th>
<th>Satisfactory</th>
<th>Unsatisfactory</th>
<th>No Performance</th>
<th>Score</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>6-5</td>
<td>4-3</td>
<td>2-1</td>
<td>0</td>
<td></td>
</tr>
</tbody>
</table>

* 3 bonus points are available for additional information one may need to know about a Depository Institutions.

<table>
<thead>
<tr>
<th>Total Points Earned</th>
<th>Bonus Points Earned</th>
<th>Total Points Available</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>25</td>
<td></td>
</tr>
</tbody>
</table>
A **depository institution** is a business that offers and sells financial services to people, such as savings and checking accounts. They assist people with daily financial tasks and play an important role in daily living. There are different types of depository institutions such as credit unions and commercial banks. They allow people to track their spending and saving.

Depository Institutions come in various forms including credit unions and commercial banks. A **credit union** is a not for profit depository institution that is owned by its members. A **commercial bank** is the most common depository institution that offers financial services to both consumers and businesses.

There are pros and cons to each type of depository intuition and the decision-making process should be used to choose your best option.

**Learn more about credit unions**
www.tinyurl.com/pocketcents

**Identify two depository institutions in your community.**

**Are they credit unions or commercial banks?**

**What types of services do depository institutions offer?**

One of the most important aspects of choosing a depository institution is to ensure that it is insured. There are two main types of insurances: **FDIC** for commercial banks and **NCUA** for credit unions. Both of these insurances are funded by the government and cover a single account up to $250,000.00.

**FINANCIAL SECURITY**

<table>
<thead>
<tr>
<th>COMMERCIAL BANK</th>
<th>CREDIT UNION</th>
</tr>
</thead>
<tbody>
<tr>
<td>FDIC</td>
<td>NCUA</td>
</tr>
</tbody>
</table>
A checking account is a very common type of account that offers safety and convenience. Frequent withdrawals and deposits are expected with a checking account.

- **Checks** are used to withdraw money from a checking account. Checks are legal documents that function like cash. They are used to make purchases, but there must be sufficient funds in a checking account in order to write a check. If a person writes a check from an account that doesn’t have sufficient funds, it is referred to as “bouncing a check” and the individual may be charged a fee and harm future credit opportunities.

- **A debit card** is a plastic card that is electronically connected to the cardholder’s checking account and can be used instead of checks for making purchases. When a purchase is made, money is automatically withdrawn from the designated account. Debit cards require using a personal identification number (PIN) to access the account to perform transactions. A PIN confirms that the user of the debit card is authorized to access the account.

- **An automated teller machine (ATM)** is another way to have access to your account without human assistance. ATMs are accessed using a card and PIN. ATMs allow customers to withdraw and deposit money into their account, as well as make account transfers and view account balances.

**Opening a Checking Account**

- Read through the contract from the bank
- Fill out a signature authorization card
  - printed name
  - signed name
  - Social Security number
  - telephone number
  - address
  - date of birth

What negative consequences occur after “bouncing a check?”

What is an advantage to having an **interest earning** checking account instead of a regular checking account?
Savings tools keep money safe until the owner needs to use it for emergencies or to purchase expensive items. Money deposited into savings tools has the opportunity to earn interest. Interest is the amount of money that is either gained or lost when accessing services offered by a depository institution. The interest rate is the percentage used annually to calculate the total interest either gained or lost from an account supplied by a depository institution.

Why is it wise to store larger amounts of money in a savings tool rather than a checking account?

Banks have many security measures that keep money safe and secure and most are insured by the Federal Deposit Insurance Corporation (FDIC). The FDIC protects an individual’s money from loss.

**TYPES OF SAVINGS TOOLS**

- **Savings Account**
  - Pays interest on the amount of money deposited in the account
  - Money can be deposited and withdrawn an unlimited number of times during a month

- **Money Market Deposit Account**
  - Pays a higher interest rate than a savings account
  - Requires more money to open than a savings account

- **Certificate of Deposit**
  - Pays a higher interest rate on a lump sum of money
  - Once money is placed into a CD it is required to stay there for a specific period of time or you pay a penalty