

Tracking Your Money

Overview

This lesson covers the basics of banking and other financial services.

Lesson Objectives

Students will be able to:

- Explain the importance of reconciling a bank statement.
- Distinguish between using a check, ATM machine, and a debit card.
- Demonstrate the ability to balance a checkbook and reconcile a statement.

Lesson Procedures

1. Have students read Lesson 4.1. Use the Introduction scenario in the lesson and have students respond to the questions at the end. Have students vote on whether or not the machine was wrong; record their answers on the board for later discussion.
2. Review the basic content of the lesson, stopping to pose the following questions in the lesson:
 - Why do people write checks?
 - Why do checks have a routing number?
 - Why is it important to keep track of the checks they write and purchases made?
3. Explain the differences between checks and debit cards. Ask students why people would choose to use debit cards instead of writing checks.
4. Discuss the various parts of a check and the appropriate steps to use when writing one. Remind students that even though they may not write any personal checks, they may have a job or be the treasurer of an organization and need to understand the checks they may either receive or write. They may also have a small business, such as babysitting or mowing yards, where they receive checks as payment.

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PERSONAL FINANCIAL LITERACY

PASS OBJECTIVE

Objective 4.1: Explain the reasons for balancing a checkbook and reconciling an account statement.

Objective 4.2: Develop and apply banking account management skills (e.g., correctly write, endorse, and deposit checks; balance a checkbook, including debit withdrawals and fees; and reconcile and monitor checking and savings account statements).

“Most people fail to realize that in life, it’s not how much money you make, it’s how much money you keep.”

Robert T. Kiyosaki

VOCABULARY

ATM

Check

Debit card

Reconcile

Tracking Your Money

5. Discuss the steps of completing a deposit slip. Remind students that errors on their deposit slip can cause errors in their bank account balance, which may result in additional fees. Also remind students it is important to record all banking transactions – to include checks, debit card purchases or deposits – to have an accurate accounting of their bank account.
6. Explain the purpose of a bank statement and the process of reconciling their account. Examine the steps involved in this process.
7. Have students complete Activity 4.1. Ask students to share what they learned about the activity.
8. Conclude the lesson by revisiting the situation with Alexis and her account. Ask students if they want to change their answers from the first time they were asked if the machine was wrong not to give her money. Be sure students understand that the balance shown in their account online may or may not be correct. Remind students they are the ones ultimately responsible for their accounts.
9. Use Lesson Review 4.1 to assess student learning.

BANKO

Overview

This activity can be used to introduce or review the terms presented in Standard 4.

Materials

- Copies of BANKO Cards (one for each student)

Procedures

1. Give each student a copy of the BANKO card.
2. Instruct them to select terms listed at the bottom and add them to the card in whatever order they choose. Remind them that not all terms can be used.
3. Once they have completed their BANKO cards, call out the terms and have them mark though the term on their card as you call it. Tell them to raise their hand or shout out BANKO if they get all the terms in a row, either horizontal or vertical or diagonal.
4. Review the terms and definitions of each term when a student “wins”. (You can continue playing as long as you want, but it is recommended to play until several students have won and most of the terms have been reviewed. You may choose to have some kind of reward for those who win each round. You may play multiple rounds or keep playing the same one. For multiple games, you may want to use beans to cover the spaces.)

B	A	N	K	O
		Free Banking		

ATM
 Check
 Checking Account
 Check Number
 Check Register
 Deposit
 Debit Card

Bank Statement
 Bank Account
 Overdraft
 Overdrawn
 Net Deposit
 Withdrawal
 Reconcile

Routing Number
 Memo
 Signature
 Date
 ATM Transaction Number
 Monthly Fee
 Balance

Extending the Lesson

Discuss the steps involved in reconciling a bank account, using the following video:

<https://www.youtube.com/watch?v=ZyfPeyEX1c> (8 minutes)

Use the following lesson from the FDIC to help students understand how to reconcile a bank account:

<https://www.happybank.com/PDFs/Money%20Smart/English/Check%20It%20Out%20Part%202.pdf>

Resources

Lessons:

Free lesson plans at <http://www.econedlink.org/>

Free lesson plans and other resources at <http://moneyisok.com/standards/standard-4-managing-a-bank-account/>

Videos/Online Resources:

Video on debit cards: <https://www.bettermoneyhabits.com/teaching-kids-money/banking-for-kids/teaching-teens-about-debit-cards.html>

Free Videos at www.bettermoneyhabits.com. Free lesson plans for some videos available under Better Money Habits tab at <http://www.econedlink.org/>

Teaching Tools:

Handout with information on using ATMs: <https://www.bettermoneyhabits.com/teaching-kids-money/teaching-children-to-save/family-money-management.html>

Handout with information on debit cards: <https://www.bettermoneyhabits.com/teaching-kids-money/banking-for-kids/helping-teens-manage-debit-cards.html>

General personal finance resources available at:

- www.federalreserveeducation.org
- www.mymoney.gov
- www.jumpstart.org