

## Money Sense Lesson 2: Check It Out

Welcome to Check It Out, the second lesson in our Money Sense program.

In Check It Out, you will focus on teaching students the importance of having a checking and savings account at a financial institution like a bank or credit union. You will engage in discussion and activities around account features, fees, and how to open and manage an account responsibly. Additionally, you will engage in a discussion regarding identity theft.

Begin by reviewing what will be covered in this lesson and ask students why these topics are important. Get students engaged up front by also asking who has a checking or savings account and ask one or two students to indicate why they opened their account and how they use it.

Now transition to a discussion about banks and credit unions by asking students why their money is safe at these types of financial institutions. Be sure to stress that no depositor has ever lost a penny at a bank or credit union.

Next, you will open a discussion regarding how to choose a financial institution. Have students refer to the Choosing a Bank or Credit Union Checklist in their workbook. Ask for student volunteers to answer each question. After getting responses from students click on the PREZI to reveal the answers. Have students write down the answers on their worksheet. Fill in blanks as necessary regarding gaps in their responses and share additional information based on your experiences. Be sure to share how you or you and your family use a bank or credit union to manage your financial lives effectively.

Now move into a discussion regarding fees. If you discussed fees thoroughly while reviewing the checklist, move forward to the next PREZI slide. It is very important to review what opting out and opting in for overdraft protection means regarding their debit card. We strongly recommend opting out of overdraft protection so that they are unable to make purchases with their debit card if they have insufficient funds in their account. Refer to the instructor notes for additional details.

Now move to what is needed to open an account and ask one or two students to describe their account opening experience. Also, ask them to share how they use their account for day-to-day spending or to save money. Encourage students to open a savings account soon to begin saving and gaining experience working with a bank or credit union.

Next up is a discussion regarding check cashing stores. Students in urban environments are regularly exposed to check cashing stores and may use them personally or have family members that use them. Ask a student to explain what a check cashing store is and how they work. After getting one or more responses play the video to illustrate the benefits of using a bank or credit union rather than a check cashing store. Conclude the discussion regarding this concept by running through the PREZI slides showing how expensive it is to use this service. Students from a suburban environment may already have accounts established at a bank or credit union or may not have the same exposure to check cashing stores. Ask them if they use check cashing stores and, if they don't, ask them to define how a check cashing store works. Reinforce not to use them.

Now move to a discussion regarding debit cards. Ask students to describe them and how they are used to transact on their checking account. Ask students to share how they personally use their debit card. Be sure to cover the various types of transactions detailed on the PREZI slide. Then show the PREZI illustration demonstrating the example of opting in to overdraft protection and how it caused an overdraft fee. Again reinforce that we strongly recommend opting out of overdraft protection. Continue by comparing prepaid cards to debit cards and credit cards to debit cards. If students will be going through the SecureFutures To Your Credit lesson only spend a moment on credit cards, as it is thoroughly discussed in their next lesson.

The final type of transaction you will discuss is writing a check. Have students turn to the check-writing activity in their workbook and use the instructor notes to provide them with direction for completing the

activity. Don't provide any guidance as they initially write the check and see how they do on their own. Once complete, review the anatomy of a check PREZI slide. Give examples of how students may need to occasionally write a check even if they would rather not. For instance, many landlords still require payment by personal check. Also, be sure to discuss how a check clears their checking account.

Now, move to a brief discussion of alternative payment methods. Some students likely use one or more of these payment methods so ask them to describe them and share examples. Then review the benefits and concerns of using alternative payment methods. Stress that students need to understand how secure and private their transactions are.

Part two of Check It Out focuses heavily on managing a checking account responsibly. Begin by asking students why it's important to monitor their account balance and transaction activity and use the PREZI illustration to show how an overdraft can easily occur if you don't pay attention to your account. Illustrate how expensive overdrafts are.

Now begin your discussion regarding how to monitor a checking account. Most students will desire to use the electronic tools available, rather than a check register. You certainly can share your view on the benefits of using a check register, however, we have learned that most students will not select this option. Therefore, it is critical that they understand how to use online banking tools and mobile banking tools to manage their account responsibly.

Move to the online banking example and click through the Prezi slides to understand the flow. You will be showing a month's worth of transactions utilizing different withdrawal and deposit methods and how not all transactions clear immediately. You will also illustrate different online banking functions and the importance of monitoring transactions and balances.

Finally, discuss what can happen if individuals don't manage their accounts well and end up either bouncing checks or overdrawing frequently. Be sure to review what ChexSystems is and the tips for staying out of ChexSystems.

The final concept in this lesson is identity theft. Ask students to describe what identity theft is and why it's a problem. Ask them if they know anyone who has had their identity stolen and how it impacted them. Now review the Prezi slides detailing how to avoid identity theft and have students refer to the worksheet in their workbook. Be sure to follow the instructions regarding the phishing example to show how easily individuals can be fooled into thinking a website is real when it's actually fake. This is a common way hackers trick people into entering passwords onto their fake site.

Now use the Student Financial Capability Checklist in the student workbook to summarize the key concepts discussed. Encourage students to complete the checklist and create an action plan for any areas that need attention. Tell students to hang on to this workbook as a reference guide and to share it with family and friends.

If a pre-survey was administered at the beginning of the lesson have students now complete the post-program survey. Again remind students that they should use the same code that they put on their pre-survey. Be sure to return all surveys to SecureFutures after completing the program.

The final component of the Check It Out lesson is the personal finance Jeopardy game. This activity is a summary game of the Bank Your Future and Check It Out lessons. It's fun to do and will test student knowledge from the lessons they have received. Follow the instructions in the instructor notes and have fun! If the game does not open, turn off the pop-up blocker and try again. Instructions on how to do that are in your Instructor Notes.