

BASIC BANKING SERVICES

INTRODUCTION



SECTION GOAL

Illustrate the connection between banks and their multifaceted roles in promoting individuals' financial security.

SECTION ACTIVITIES AT A GLANCE

Use the chart to review possible activities to use. Because the activities are self-contained, they can be used independently or combined with other activities, depending on the needs of participants.

| ✓ | ACTIVITY | OBJECTIVES Participants will: |
|---|---|--|
| | 1. Why Do You Need a Bank? | <ul style="list-style-type: none"> • Understand the functions of a bank. • Recognize the differences between banks and credit unions. • Describe the safety of financial institutions. (FDIC, NCUA, etc.) • Realize that banks can be used to help them manage their money. • Learn about the Earned Income Tax Credit. |
| | 2. The Many Services of a Bank | <ul style="list-style-type: none"> • Identify services provided by banks, including electronic banking, and identify the bank employees who provide those services. • Decide on services of personal benefit. • Recognize the impact of state and federal regulations upon the security of banks. |
| | 3. The ABCs of a Checking Account | <ul style="list-style-type: none"> • Define the purposes of a checking account. • Identify things to know when shopping for a checking account. • Be given the opportunity to compare checking accounts. |
| | 4. Establishing a Checking Account | <ul style="list-style-type: none"> • Understand the application process for opening a checking account. • Be aware of deposit options when making a deposit into a checking account. • Understand the account-opening aspects of the PATRIOT Act. |
| | 5. How to Write a Check | <ul style="list-style-type: none"> • Learn how to write a check. |

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| | | |
|--|--|---|
| | 6. Maintaining a Checking Account | <ul style="list-style-type: none">• Learn about Check 21.• Learn how to keep a check register.• Learn how to make a deposit into a checking account.• Learn how to reconcile a checking account.• Understand how to maintain a checking account.• Understand how to avoid courtesy overdrafts. |
| | 7. The ABCs of a Savings Account | <ul style="list-style-type: none">• Understand the value and purpose of a savings account.• Identify things to know when shopping for a savings account.• Understand the application process for opening a savings account.• Understand how to reconcile a savings account. |

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PERSONAL FINANCE LITERACY STANDARDS CORRELATION

National Standards in Personal Finance (Jump\$tart Coalition for Personal Financial Literacy)

| FINANCIAL STANDARD | ACTIVITIES | | | | | | |
|--|------------|---|---|---|---|---|---|
| | 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| Money Management Students will be able to: | | | | | | | |
| 1. Explain how limited personal financial resources affect the choices people make. | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| 2. Identify the opportunity cost of financial decisions. | | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| 3. Discuss the importance of taking responsibility for personal financial decisions. | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| 4. Apply a decision-making process to personal finance choices. | | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| 6. Describe how insurance and other risk management strategies protect against financial loss. | | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| 8. Explain how to use money management tools available from financial institutions. | | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |

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STANDARDS FROM THE NATIONAL COUNCIL ON ECONOMIC EDUCATION

From the National Council on Economic Education

| STANDARDS | ACTIVITIES | | | | | | |
|--|------------|---|---|---|---|---|---|
| | 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| 2. Effective decision-making requires comparing the additional costs of alternatives with the additional benefits. Most choices involve doing a little more or a little less of something: few choices are “all or nothing” decisions. | ✓ | ✓ | ✓ | | | | ✓ |
| 5. Voluntary exchange occurs only when all participating parties expect to gain. This is true for trade among individuals or organizations within a nation, and usually among individuals or organizations in different nations. | ✓ | ✓ | | | | | ✓ |
| 10. Institutions evolve in market economies to help individuals and groups accomplish their goals. Banks, labor unions, corporations, legal systems, and not for profit organizations are examples of important institutions. | ✓ | ✓ | | | | | |
| 16. There is an economic role for government in a market economy whenever the benefits of a government policy outweigh its costs. | ✓ | ✓ | | | | | |

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UNIT ASSESSMENT

The student questionnaire on the following page, appropriate to a unit on basic banking services, comes from an assessment developed by the State University of New York to complement this curriculum.

As a facilitator, you are free and encouraged to use this questionnaire in various formats. Refer to the Program Assessment section on page 14 of the *Facilitator's Guide Introduction* for suggestions on how to use and implement it.

The full questionnaire can be found in *Appendix 3*.

Basic Banking Services Student Questionnaire Answer Key

1. b
2. b
3. c
4. c
5. b