

FINANCIAL INSTITUTIONS 101 OUTLINE

Always encourage your students to take notes. Also, remember to leave yourself 5 minutes before the end of class to go over the post-test and collect them!

➤ **Making a connection | 2 minutes**

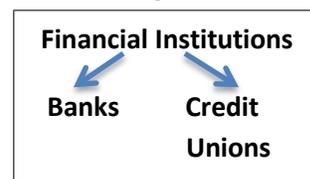
1. Introduce yourself: Name, employment or volunteer work, and why this topic is important.

➤ **Begin class | 5 minutes**

Before opening the book write the title **Financial Institutions** on the board.

1. Ask students to repeat after you the term financial institutions and then ask students if they know what they are.
2. After two or three responses write the correct answers (banks & credit unions) on the board. (See image 1.)

Image 1.



➤ **Instruct students to turn to page 2 in their books**

I. **Institutions: | Page 2 | 3 minutes**

A. **The basics.**

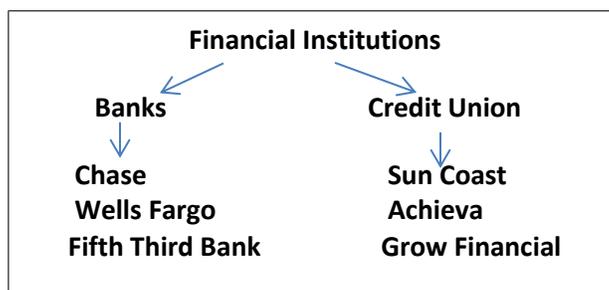
1. Ask for volunteers to read aloud # 1, 2, & 4.
2. Find out if students currently use financial institutions. Move to the next section.

II. **Banks and Credit Unions | Page 2 | 5-7 minutes**

A. **Financial Institutions Activity.**

1. Now, ask students to name five banks, then 5 credit unions. Write their answers on the board. (See image 2. Example only)
2. Encourage students to write correct answers in their book too (p. 2).

Image 2.



B. **How are Banks and Credit Unions Similar and Different? | Pages 2 & 3 | 3 minute**

1. Invite opinions on the differences and similarities between banks and credit unions.
2. Once 2 or 3 responses are received, ask for a volunteer to read the second check point under **similarities**. Emphasize that both institutions offer many of the same services.
3. See image 3. Use key points to explain the main differences between the two.

Reading



Activity



Conversation Starter



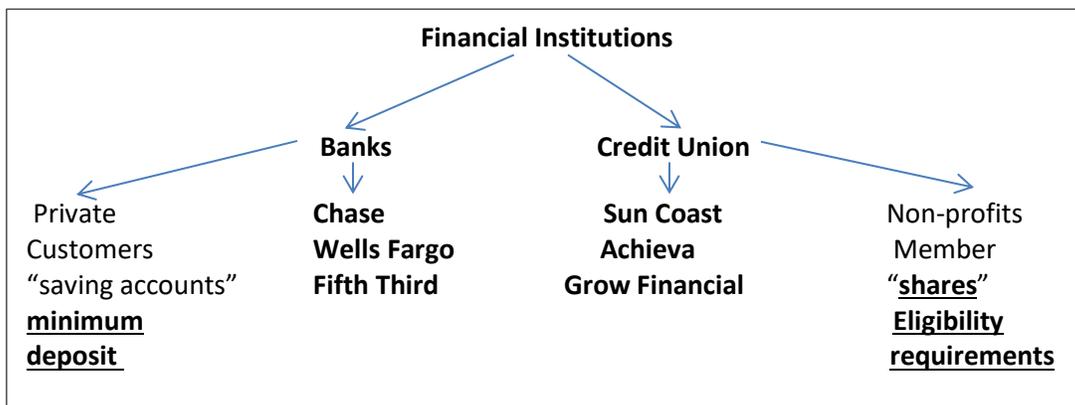


Image 3.

4. Explain any terms that are underlined.
5. On page 3, briefly discuss the eligibility examples provided.



C. Why should I use a Financial Institution? The Benefits | Page 4 | 15 minutes

1. Ask students why they should use financial institutions; feel free to write appropriate responses on the board. After a few responses have students turn to page # 4 and read aloud headings 1- 4.
2. **Line 5, “Security”** (You may use this example or your own). Ask students if they had \$ 10,000 and they put the money under their mattress at home, if their money would be secure. Ask them to explain their answers. Next, what would happen if their money was in a financial institution and the bank gets robbed or closed suddenly, would their money be secure? Ask them to explain their responses.
3. Have a volunteer to read aloud 5a. As the student reads, add the words FDIC, NCUA, and the amount \$ 250,000 to your diagram on the board. (See image 4)

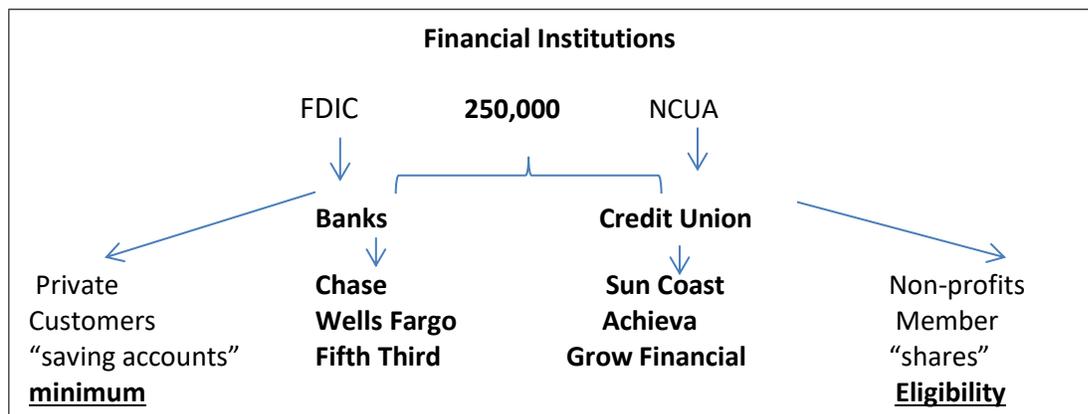


Image 4

F. How do I Choose the Best Financial Institution? | Page 5 -8 | 10 minutes.

1. Take a few minutes to summarize lines 1-4 on page 5.
 2. Ask students to follow along as you briefly summarize the chart on pages 6 & 7 which discusses the different methods that they can use to make deposits and withdraws. Continue summarizing lines 6 & 7.
 3. Encourage students to complete the take-home activity at the bottom of page 7 & top of page 8. “Finding your financial institution” at home.
- **Before moving to the next section, ask students if they have any questions.**



III. Web-based financial institutions | Page 8-9 | 10 minutes



1. Ask if any student has ever used an on-line bank. Next, have students read aloud the definition on page 8. Emphasize that having access to the internet (computers or mobile phones) is necessary when working with on-line banks or credit unions.
2. Summarize the frequently ask questions starting on page 8 through 9.
3. Ask students to identify, in the table on page 9, which financial institutions offer the best and worse interests rates and if it belongs to a regular or on-line institution.

➤ **Before moving to the next section, ask students if they have any questions.**

IV. Peer 2 Peer Banking (P2P) | Page 10 | 15 minutes



1. Ask students if they are familiar with **Peer to Peer banking or P2P**. If no one responds, ask if they have ever used PayPal.
2. Ask for a volunteer to read the definition of P2P banking under the basic on page 9.
3. Explain that various financial institutions can have their own P2P services; however, we are going to discuss the most popular P2P providers.

4. Take a few minutes to summarize the different types of P2P providers listed on pages 9-10. Ask the class if anyone has used any of these P2P providers and what was their experience. If not, on the bottom of page 10 pick 3 to 4 advantages and disadvantages to read to the students.
5. Summarize the P2P security risks found on page 11.

V. Check Cashing Services | Pages 11 & 12 | 15 minutes



1. Ask the class if they have ever used a check cashing service. If so, ask them to explain why and where.
2. Have a student to read aloud the definition on the bottom of page 11.
3. Next, ask them to look at the names of check cashing services listed and tell you which of these services they recognize and have used.
4. Ask for volunteers to read aloud facts # 1 - 3. Emphasize that these providers are NOT financial institutions and they don't help build financial history.
5. View check cashing fee examples on page 12 and briefly discuss the payday loan paragraph.

Now the class is almost finished. Have the students turn to the last page of the book and complete the Post Test Survey. Read the questions aloud and read through the answers. When the students are finished have them tear off the sheet and hand it in to you. Then place them and the sign in sheet into the class folder.