

FINANCIAL LITERACY

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FINANCIAL LITERACY

OVERVIEW

You must have money to spend money. Students need to understand this fundamental concept of earning and spending if they are to grasp the importance of sound personal finance. This unit introduces students to bank services and practices that will help them be successful in *JA BizTown* and in life. In a society in which money transactions are instantaneous, it is critical that students understand the basics of deposits and withdrawals and then build on that knowledge to understand checks, debit cards, and electronic banking.

CONCEPTS

Financial institutions: Banks and other financial institutions play an important role in the operation of an economy. People and businesses deposit money in banks; buy goods, services, and resources using their bank accounts; borrow money from banks for goods or services they need or want; and earn interest by putting money in savings accounts.

Transaction register: Keeping a written record of a checking account balance is important. If there is not enough money in the account, the check will be returned, or “bounced,” because of insufficient funds. Debit cards cannot be used if there isn’t enough money in an account. Electronic payments cannot be made if there isn’t enough money in the account.

Goods and services: Many methods can be used to buy goods and services, including cash, checks, debit cards, prepaid cards, and credit cards.

Payment methods: Using a credit card is the only method for which you buy now and pay later; all other payment methods directly affect your bank balance.

CONTENT STANDARDS

Whenever applicable, the standards recommended by the Common Core State Standards Initiative will be referred to in the lesson title using the abbreviation CCSS, followed by the subject, the grade, and then the strand and skill numbers. For example, CCSS LA 5 RI 7 is **C**ommon **C**ore **S**tate **S**tandard for **L**anguage

Financial Literacy

- Lesson 1:**
Financial Services
- Lesson 2:**
Checking Accounts
- Lesson 3:**
Savings Accounts
- Lesson 4:**
Debit Cards

Application and Extension Activities

- Lesson 1:**
Banking Bingo
Vocabulary Review
Choosing a Financial Institution
Bank Teller Computations
- Lesson 2:**
Transaction Actions
Paycheck Practice
Direct Deposit
Gordon’s Bounced Check
- Lesson 3:**
\$1 Million or Double the Pennies
Damian’s Shopping Day
Savings Plan, Inquiry-Based Lesson
Rule of 72
Compound Interest
- Lesson 4:**
Venn Diagram
Let’s Go to the Bank
The Debit Card Transaction
Interest in Your Favor

Arts, grade 5, Reading for Informational Text, skill 7. The expanded standards can be found in the Teacher References section at the end of each unit for easy reference. State specific standards are located at <https://www.juniorachievement.org/web/ja-usa/correlations>.

PREPARATION

To prepare for this unit on personal finances, look through your kit and familiarize yourself with the various *JA BizTown* posters and interactive games. Consider placing the items for this unit in a separate folder for easy access.

Read through each lesson before you teach it so that you can choose the activity and instruction pieces that you will present to your class. The lessons are designed so you can either choose the activities that best suit the needs of your students or just do the basics. Extension activities, which will require more class time or which can sometimes be sent home as homework, provide additional learning opportunities on a related topic or concept. Plan for each class session to be about 50 minutes.

Consider showing the *JA BizTown* video prior to beginning the lessons to help get the students excited about the program. It is 4 minutes and 20 seconds in length. The video is available on JA Connect, the JA learning platform (contact your local JA Area for access). Explain that students will become citizens of the *JA BizTown* community and will do activities similar to what they see on the video.

Note that Lessons 1 and 4 require you to use materials not provided in your kit. Refer to Pages 3 and 77 for details. Lesson 1 asks for the students' addresses and a form of ID, such as library card or school ID.

ASSESSMENT

Assessments are provided that cover the core concepts of this unit. The Financial Literacy Assessment is provided on Page 104 in the Teacher References.

NOTE: students may earn up to \$10 in *JA BizTown* bonus income during classroom preparation activities. This bonus income can be used during the on-site visit. Teachers determine the criteria for awarding bonus money; however, all bonuses **MUST BE** recorded in the web portal prior to the simulation date. Bonuses may **NOT** be added on-site at *JA BizTown*. For more information on the use of the web portal talk to your JA Area staff.

FINANCIAL LITERACY

Lesson 1: Financial Services

LESSON CONCEPTS

Students are introduced to services provided by financial institutions and discover the connection between spending and having money in the bank. They will complete a bank account application using their own addresses.

INQUIRY: What is a financial institution, and what does it do?

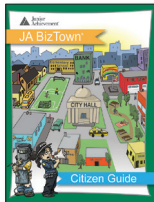
LEARNING OBJECTIVES

Students will:

- Identify services offered by financial institutions.
- Complete a bank account application.
- Identify common terms associated with banking and financial institutions.

MATERIALS

Citizen Guides



Banks in an Economy Poster (kit)



Illustration FL-1B, Why Go to the Bank?



Illustration FL-1C, Bank Account Application



Print or Web page ads that describe financial institution services, or use Resource FL-1A, Financial Ads

Student address and form of ID

Materials Note

Pieces available in the classroom kit are noted by the use of: (kit).

Illustrations

are pages you will use to introduce concepts to your students. They can be printed as transparencies or scanned and projected using a computer or document camera. The illustrations are numbered by unit, lesson, and order of use, for example FL-1B.

Resources

are pages needed for games or other learning activities. They usually will need to be copied and distributed to students. They also are numbered according to unit, lesson number, and order of use.

Vocabulary

ATM (automated teller machine)

A machine that allows bank customers to deposit or withdraw money without visiting their bank.

Balance

The current amount of money in an account.

Bank

A business that offers money-related services to its customers, including loans and checking and savings accounts.

Business

A company that sells goods or services.

Certificate of deposit (CD)

An investment that earns interest over a specific period of time.

Check

A written order to a bank to pay a certain amount of money from a checking account to another person or business.

PREPARATION

- ✓ Display the **Banks in an Economy Poster** before the lesson begins.
- ✓ Determine how students will research advertisements that describe banking services. Options include: Web search, print advertisements, bank brochures, or Pages 8 and 9, Resource FL-1A, Financial Ads, which will need to be copied and distributed to students.
- ✓ Students will need a form of identification—such as a library card, student ID, or a homework page with their name on it—for their bank account application. They also will need to know some personal information, such as their address and phone number, to fill out the form.

SETTING THE STAGE | 5 minutes

- Ask students if they have ever wished they could buy things, pay bills, and work like their parents and other adults.
- Ask for a show of hands of students who have earned money. What did they do to earn it?
- Would they like to own a **business**? Run a **bank**?
- Introduce the idea of a place where students can go as a class to experience what it is like to earn, save, and spend money. That place is *JA BizTown*, and they will be visiting soon!

AV Option

A short video (under 5 minutes) about the *JA BizTown* experience is available on JA Connect, the JA Learning Platform. Contact your local JA Area for access.

ACTIVITY | 20 minutes

Bank Services Scavenger Hunt

CCSS LA 4/5 RI 7

1. Distribute the **Citizen Guides** and direct attention to the back of the guide. Point out that the bank, along with City Hall, is in the center of the town. Explain that the bank is the center of the town's **economy**. An economy is a system that guides how money is earned and used in a society. Over the next few weeks, students will be learning more about an economy.
2. Divide the class into groups of four to five students. Distribute at least two financial ads to each group or allow the groups access to the Internet to find ads for **financial institutions**. A financial institution is a business that provides money-related services. Most people use the generic term *bank*. A similar financial institution is called a **credit union**. A credit union offers many of the same services as a bank, but it is owned by its members.
3. Using the **Citizen Guide**, Page 1, have students record which services financial institutions are promoting. Give them 4 or 5 minutes to do so.
4. You may need to define some vocabulary as students work or encourage them to use the glossary in the back of the **Citizen Guide**.

The list may include the following:

- ATM (automated teller machine)
- Certificate of Deposit (CD)
- Check
- Checking account
- Credit Card
- Debit card
- Electronic payments
- Loan (personal, business, and credit card)
- Online banking
- Safe deposit box

FIND OUT MORE about different types of financial institutions. Check out Page 18, Extension Activity 1, Choosing a Financial Institution.

Vocabulary

Checking account

A bank account used to pay bills and access funds using checks and debit cards.

Credit card

A card that allows the holder to buy goods and services by taking out a bank loan.

Credit union

A financial institution owned by its members that provides many of the same services as a bank.

Debit card

A card that allows customers to electronically and immediately withdraw funds from their accounts, either in cash or to purchase goods or services.

Economy

A system that guides how money is earned and used in a society.

(continued)

Vocabulary

(continued)

Electronic Payments

Payments made online or using an app that allow the user to automatically debit a bank account or charge a credit card without having to use those cards. E-commerce payments methods frequently make use of electronic payment platforms and services.

Financial institution

A business that provides money-related services.

Loan

Money borrowed that must be repaid, usually with interest.

Online banking

A service that allows customers to perform banking activities using the Internet.

(continued)

5. Ask students to look in their **Citizen Guides**, Page 1, Why Go to the Bank? as you display the same illustration on Page 10 using a projector or interactive board. Alternatively, refer to the **Banks in an Economy Poster** you displayed before class began. As you point to the arrows, explain the flow of money represented by the arrows:
 - Arrow 1—Banks make loans to people.
 - Arrow 2—Banks make loans to businesses.
 - Arrow 3—People deposit money they earn or receive in the bank and also repay loans.
 - Arrow 4—Businesses deposit money in the bank and repay loans.
6. Allow students time to complete the matching activity at the bottom of the page in their guides to check for understanding.

NEED MORE PRACTICE? For focused practice on vocabulary, see Page 17, Application Activity 2, **Vocabulary Review**.

Fourth-Grade Variance

CCSS LA 4 RI 3

As a group, students should determine the answers for the matching activity in their **Citizen Guides** at the bottom of Page 1. Ask fourth-graders to explain what happened when these people interacted with the bank based on specific information in the text. For example, students are told “Becky made a deposit into her checking account.” Becky is a person, not a business, and she put money into her personal checking account at the bank. The answer for a.) is Arrow 3.

Sixth-Grade Variance

CCSS LA 6 W 2.b

Instead of the matching activity in the **Citizen Guide**, Page 1, students should be prompted to use the money flow illustration to create their own examples. (Example: Jim Harris applied for a car loan.) Or have them write one or two paragraphs describing their experiences with one of the banking services. Significant facts, concrete details, and other relevant information should be included.

INSTRUCTION | 20 minutes

Completing a Bank Application

CCSS LA 4/5 RI 4

1. Inform students that they will need to open a bank account to use *JA BizTown* bank services.
2. Project or display Page 12, Illustration FL-1C, **Bank Account Application**, while students turn to Page 3 in their guides. Help the students fill out the form.
3. The application and a form of identification will need to be brought to you to approve the accounts.

Simulation Connection

Citizens will receive a bank account number shortly before they arrive at *JA BizTown*. Do not fill in their account numbers at this time. Also, the checkbooks you have received are for simulation day only. If you want your students to become familiar with a transaction register, consider asking a local bank for samples.

Vocabulary

(continued)

Safe deposit box

A bank safe where documents, jewelry, or other valuables are kept.

Savings account

An account that usually earns interest and is often used to hold money that is not needed right away.

Transaction

A business agreement or exchange.

Teacher Note

Students will need to know personal information, such as their address and phone number, to fill out this form.

FINANCIAL ADS

Star Savings and Loan



We'll help you nail down the right home loan solution because borrowing money can be confusing.

How much money can you get? What will your monthly payments be?

We offer many ways to help you.

Come in and talk to a lending specialist.

We can simplify things for you.

Our home equity loans (as low as 3.87 percent) have no annual fees.

Hometown Credit Union

Are you tired of stuffy banks that feature velvet ropes and lines? No velvet ropes here!

Stop in for a cup of coffee and a little conversation.

With a smile, we'll help you with all your financial needs.

Ask about our checking or savings accounts and our competitive interest rates.

We are local people who understand your local needs.



Security Central Bank

We are committed to meeting your banking needs.

We are proud to introduce the Security Central Debit Card. Smart, secure, more convenient than cash—it is accepted at merchants and ATMs around the world.

Apply today—no annual fees, no monthly charges.

We also offer high-interest savings accounts.

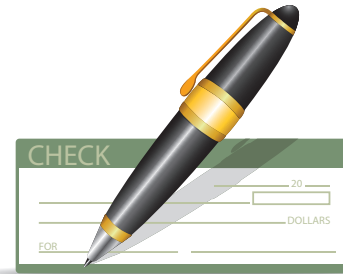


Village Bank and Trust

Are you tired of paying for your checks?
Village Bank and Trust introduces Checking Account Plus,
offering free checks for life. Also featuring:

- Easy-to-read monthly balance statements.
 - 24-hour online account information.
 - 24-hour free ATM access.
- Investments, business banking, personal banking,
mortgage loans and more.

Call us today.



United City Bank

There are a million reasons to switch to United City Bank.
But, we'll give you just one ... no, two:

We try harder.

And we'll give you \$100!

Switch to United City Bank and get \$50 for
opening a checking account.

Then get \$50 more when you bring in your old checks.

We'll shred them for you!



E-Wallet—Your Money at Your Fingertips

Dislike carrying cash? Tired of carrying bulky credit cards?

Try E-Wallet. Use E-Wallet for all your
online purchases. Transfer money directly
from your savings or checking account to friends,
family, and participating stores.

With E-Wallet on your smartphone,
your bank account is in the palm of your hand.





WHY GO TO THE BANK?

Name _____

1. Read the ads and list the services that financial institutions provide. After you have finished, brainstorm as a team any additional services they offer.

2. Match the banking service with the correct arrow number.



- _____ a. Becky made a deposit into her checking account.
- _____ b. The JA BizTown newspaper made the last payment on its start-up loan.
- _____ c. Carmen received a loan to buy a new car.
- _____ d. The utilities company deposited customer checks.
- _____ e. Rick made a payment on his home loan.
- _____ f. The JA BizTown grocery store received a loan to buy new shopping carts.



WHY GO TO THE BANK?

Name _____

1. Read the ads and list the services that financial institutions provide. After you have finished, brainstorm as a team any additional services they offer.

checking accounts

savings accounts and CDs

online banking, electronic payments, and ATMs

personal loans, business loans

debit cards

credit cards

safe deposit boxes

2. Match the banking service with the correct arrow number.



- 3 a. Becky made a deposit into her checking account.
- 4 b. The JA BizTown newspaper made the last payment on its start-up loan.
- 1 c. Carmen received a loan to buy a new car.
- 4 d. The utilities company deposited customer checks.
- 3 e. Rick made a payment on his home loan.
- 2 f. The JA BizTown grocery store received a loan to buy new shopping carts.



BANK ACCOUNT APPLICATION

Application Type (Check all that apply.)

- Checking account
- Savings account
- Debit card

Citizen Alert!

Banks often ask for your Social Security number (SSN) for their accounts. When other people ask for your Social Security number, you should never share it without your parents' approval. That's why we have a pretend SSN in your **Citizen Guide**.



Please have someone contact me about a loan.

Name of applicant _____

Street address _____

City, State _____ Zip Code _____

Phone number _____

Social Security Number: 123-45-6789

Marital Status married single

Citizen Alert!

You should try to sign your name on important papers the same way at all times so that your bank will know it's really you!



Please sign here and present proof of identity. (A library card, lunch pass, or graded paper with your name will be adequate.)

Applicant Signature _____

Please note that this signature will be used as an example to be verified against future account activity.

I hereby confirm that all information provided is accurate and truthful to the best of my ability.

Do not write below this line.

Application Official Action

Accepted

Denied

Account Number _____

SUMMING IT UP | 5 minutes

- Ask for volunteers to tell you what services a financial institution offers.
- Remind students that financial institutions play an important role in the operation of an economy.
 - ◇ People and businesses deposit money there.
 - ◇ People buy goods and services using the money in their bank accounts.
 - ◇ People borrow money for goods and services.
- Ask for volunteers to give you examples of ways people can access money in their accounts.
- Display Illustration FL-1B while you have students echo:
 - ◇ Arrow 1—Banks make loans to people.
 - ◇ Arrow 2—Banks make loans to businesses.
 - ◇ Arrow 3—People deposit money in the bank and repay loans.
 - ◇ Arrow 4—Businesses deposit money in the bank and repay loans.

OPTION

Choose an application activity to give students further practice and to reinforce concepts.

- Application Activity 1 focuses on bank services.
- Application Activity 2 offers vocabulary review.
- Extension Activity 1 clarifies the differences in financial institutions.
- Extension Activity 2 provides an opportunity to practice banking skills.

APPLICATION ACTIVITY 1 | 20–25 minutes

Banking Bingo

MATERIALS

- Bingo Pads** (kit)
 - Banking Bingo Statements**
1. Divide students into six teams to play Banking Bingo. Each team should choose someone to record the responses. Give each recorder a different-colored card from the **Bingo Pads**.
 2. Randomly read the bingo letter-number and corresponding statement from Pages 15 and 16, Resource FL-1D, **Banking Bingo Statements**, and check them off as you go along.
 3. Teams will identify a banking service for the statement, and the recorders will write the letter (F, B, etc.) on the card in the square that corresponds to the letter-number combination.
 4. When a card is complete, the team holding it will yell out, “Banking Bingo!”
 5. Review the winning cards.

BANKING BINGO STATEMENTS

A. checking account	F. safe deposit box
B. savings account	G. credit card
C. online banking	H. electronic payment
D. personal loan	I. business loan
E. debit card	

(Note: Some answers involve multiple banking services.)

- B1: Keisha inherited a valuable necklace and needs a safe place to keep it when she isn't wearing it. **Answer: F**
- B2: Marisol is going to college and will not be able to visit her home bank very often. She is responsible for her own bills. She needs a way to access her money and track what she spends. **Answer: A or C**
- B3: Liam wants cash from his bank, but it is closed. He will use the ATM. **Answer: E**
- B4: Raj works part time. He wants to have money for college when he graduates so he won't have to borrow money. **Answer: B**
- B5: Lincoln received a \$50 savings bond. He needs a place to keep it until it matures. **Answer: F**
- A1: Ruby's home needs a kitchen makeover. She has decided to borrow money that she knows she cannot fully repay for several years. **Answer: D**
- A2: Simon wants new clothes. He plans to visit several stores and does not want to carry cash or checks. **Answer: E, G or H**
- A3: Selena received \$100 for her birthday. Eventually she wants to make a down payment on a car, so she wants to earn as much interest on her cash as possible. **Answer: B**
- A4: Manny wants to verify his account balance from home. He has high-speed Internet access. **Answer: C**
- A5: Max has saved almost enough money for a used car. He needs to borrow the rest so he can purchase reliable transportation to get to his new job. **Answer: D**
- N1: Regina wants to buy lunch for her friends but doesn't have any cash, and the restaurant will not take a check. **Answer: E, G or H**
- N2: Carlos owes \$15 to his grandmother, and he wants to quickly pay her back. She lives far away, so he is planning to mail it to her. He does not want to mail cash. **Answer: A**

BANKING BINGO STATEMENTS

- | | |
|---------------------|-----------------------|
| A. checking account | F. safe deposit box |
| B. savings account | G. credit card |
| C. online banking | H. electronic payment |
| D. personal loan | I. business loan |
| E. debit card | |

- N3: George would like to order items on the Internet, and he needs a way to pay electronically for his purchases. **Answer: E, G or H**
- N4: Ellie needs to transfer money electronically late at night when her bank is closed. **Answer: C**
- N5: Franklin needs to borrow money for his new catering business and will not fully pay it back right away. **Answer: D or I**
- K1: Roger applied for a student loan from his bank using his home computer. **Answer: C**
- K2: Gina is throwing a party and needs party favors. She is standing at the store's checkout lane and discovers she doesn't have cash. **Answer: A, E, G, or H**
- K3: Gabriel works part time and is saving for a new car. He wants his money to earn as much interest as it possibly can. **Answer: B**
- K4: Heath needs a safe place to keep his autographed baseball cards. **Answer: F**
- K5: Greg's lawn business is really taking off. He needs to borrow money for his new lawn mowers, and he hopes to be able to pay off the loan in five months. **Answer: I**
- S1: Susan expects to be busy this summer working two jobs. The interest she will earn should help buy new school clothes. **Answer: B**
- S2: Carolyn wants a new bike, but she hasn't saved enough money. **Answer: D or G**
- S3: Diane has her great-grandmother's wedding ring that she plans one day to give to her child. It is too valuable to leave in her house. **Answer: F**
- S4: Arthur likes to keep a record of what he spends each month, and he only uses checks. **Answer: A**
- S5: Mike wants to go to a movie. He needs money for a ticket, but his bank is closed. **Answer: A, E, G, or H**

APPLICATION ACTIVITY 2 | 10 minutes

Vocabulary Review

CCSS LA 4/5 L 4.a

MATERIALS

- ❑ **Citizen Guides**
- ❑ Pen, pencil, or colored markers

1. Instruct students to turn to the list of bank services they compiled on Page 1 in their **Citizen Guides**. They also will need a pencil, pen, or colored markers.
2. Explain that banks offer different kinds of accounts for customers. Most people put money into checking accounts so they can pay bills and buy goods and services. People use online banking or write checks to be able to use their money quickly, easily, and safely. Ask students to draw a box around the term checking account on their lists.
3. Mention that some people also use automated teller machines (ATMs) to deposit or withdraw money from their checking accounts quickly, easily, and safely. Bank customers can use a debit card or an ATM card to do this. Ask students to underline ATM (automated teller machine) on their lists.
4. Debit cards are like “virtual checks” and allow customers to withdraw money immediately from their checking accounts without writing a paper check. Ask students to circle debit card on their lists.
5. Many banks and credit unions offer online banking so customers can check their account **balances**, deposit checks, pay bills, and do other banking tasks from the convenience of a computer. Students should highlight **online banking** on their lists.
6. Electronic payment systems automatically deduct money from your account and transfer it to another person or business. Electronic payments work like a debit card, but no card is needed. Electronic payments can be an app used from a smart phone or a service used for online shopping and e-commerce. Ask students to make stars around *electronic payment systems* on their lists.

Vocabulary**Board of directors**

A group of people chosen to manage or direct a business or organization.

EXTENSION ACTIVITY 1 | 15–20 minutes**Choosing a Financial Institution**

CCSS LA 4/5 RI 4

MATERIALS

- Citizen Guides**
- Resource FL-1A, **Financial Ads** (optional)
- Resource FL-1E, **Choosing a Financial Institution**

1. To help students learn about the different kinds of financial institutions and evaluate how they differ, project or display Page 19, Resource FL-1E, **Choosing a Financial Institution**, and direct students to turn to their **Citizen Guides**, Page 5, to follow along.
2. After briefly introducing the different types of financial institutions, read the definition of financial institutions aloud (businesses that provide money-related services) or have the students work individually or in small groups to read the definitions.
3. Instruct the students to choose the kind of institution that would best meet each customer’s needs and write it on the blank after each question. (See the answer key, Page 20, for examples.)

Fourth-Grade Variance

CCSS 4 SL 2

Read aloud the definition of financial institutions, then read the definitions for the different institutions. Ask the students, either as a class or in small groups, to answer the four questions.

Sixth-Grade Variance

Working in small groups, students should read through the page titled **Choosing a Financial Institution**. Display Pages 8 and 9, Resource FL-1A, **Financial Ads**, (or copy and distribute them, one set per group). Have the students choose the name of the financial institution that best meets the needs of the customers in questions 1 through 4 on Page 5 of their guides.



CHOOSING A FINANCIAL INSTITUTION

Financial institutions are businesses that provide money-related services. They receive money from citizens and businesses and use that money to make investments, give loans, and provide other financial resources.

Read the descriptions of the various kinds of financial institutions and then help the customers in the questions below decide which financial institution would best suit their needs.

Bank—A for-profit business that is approved and backed by the federal government. Banks receive deposits from citizens and businesses, pay interest, make loans, invest in securities, collect checks, and keep safe deposit boxes. They are owned by private investors and operate much like any other business. Banks may have online services, but they also have buildings where people work and where transactions can be made.

Credit union—A not-for-profit business owned by its members. Credit unions serve groups that share something in common, such as where they live or work. The board of directors that runs the credit union usually is not paid; its mission is to provide personal service to the customers. The credit union's profits are paid back to the members, but services may be limited.

Savings and loan—These institutions often focus on real estate financing. They are backed by the government and run by a board of directors. They can be a corporation or a type of business where making a deposit is like investing in the company.

Internet banks—Customers can access their money using mobile apps, telephone, Web pages, and ATMs, but there are no local branches or walk-up tellers. Fees at these banks are minimal, and interest rates paid are often higher.

1. Joe works at a company where he designs shoes. He needs to have bank services but wants to use a local bank that would support his company. Where should Joe do his banking? _____
2. Jose and Juanita are buying a new home. They want a government-backed bank that understands loans and can also manage their deposits and checking account. Where should they do their banking? _____
3. Jemma has never used a bank before and wants to be sure her money will be safe. She wants to be able to write checks, make deposits, and have a debit card without paying high monthly fees. Where should Jemma do her banking? _____

4. Jordan is a businessman and often on the go. He wants to be able to bank anytime, anyplace. Where should Jordan do his banking? _____



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Credit union—A not-for-profit business owned by its members. Credit unions serve groups that share something in common, such as where they live or work. The **board of directors** that runs the credit union usually is not paid; its mission is to provide personal service to the customers. The credit union's profits are paid back to the members, but services may be limited.

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Internet banks—Customers can access their money using mobile apps, telephone, Web pages, and ATMs, but there are no local branches or walk-up tellers. Fees at these banks are minimal, and interest rates paid are often higher.

1. Joe works at a company where he designs shoes. He needs to have bank services but wants to use a local bank that would support his company. Where should Joe do his banking? credit union, like Hometown Credit Union
2. Jose and Juanita are buying a new home. They want a government-backed bank that understands loans and can also manage their deposits and checking account. Where should they do their banking? savings and loan, like Star Savings and Loan
3. Jemma has never used a bank before and wants to be sure her money will be safe. She wants to be able to write checks, make deposits, and have a debit card without paying high monthly fees. Where should Jemma do her banking? bank, like United City
Bank, Security Central Bank, or Village Bank and Trust
4. Jordan is a businessman and often on the go. He wants to be able to bank anytime, anywhere. Where should Jordan do his banking? Internet bank, like E-bank

EXTENSION ACTIVITY 2 | 15–20 minutes

Bank Teller Computations

CCSS Math 5 OA1

MATERIALS

- ❑ Illustration FL-1F, **Teller Computations**
 - ❑ Scratch paper, pencil, or calculator
1. Distribute or display Page 22, Illustration FL-1F, **Teller Computations**. (You will need to print, project, or display this page.)
 2. Work these problems on the board as a class or assign them as math work or homework. (The answer key is on Page 23.)
 3. For higher engagement, have a quarter of the class do problems 1–3, another 4–6, and so on. Set a time and see which team can get the most problems done in the appointed time, or race to see which group finishes the problems first.
 4. You may wish to demonstrate to students how to calculate some of these problems using parentheses, brackets, or braces.

For example:

15 quarters, 10 dimes, 5 nickels, and 25 pennies

How much is there? $15(.25) + 10(.10) + 5(.05) + 25(.01) =$

Fourth-Grade Variance

CCSS Math 4 OA 2

Using math money manipulatives, stickers, or by drawing, students should count out and record problems 1, 2, 4, and 11. More skilled students should show the word problems as equations with a symbol for the unknown quantity.

Sixth-Grade Variance

CCSS Math 6 EE 2

Students should write the problems out in algebraic format, using parentheses and showing the unknown quality as a variable. (The answer key is on Page 24.)

TELLER COMPUTATIONS

1. Trecia, the teller, counted 15 quarters, 10 dimes, 5 nickels, and 25 pennies.
How much was there?
2. Gabby, the teller, counted 5 \$20 bills, 10 \$10 bills, 10 \$5 bills, and 45 \$1 bills.
How much was there?
3. Omar, the teller, counted 4 \$20 bills, 12 \$10 bills, 25 \$5 bills, 22 \$1 bills, 3 quarters, 4 dimes, and 12 nickels.
How much was there?
4. Bart, the teller, counted 4 \$100 bills, 3 \$50 bills, 12 \$20 bills, 60 \$10 bills, 32 \$5 bills, and 450 \$1 bills.
How much was there?
5. Kira, the teller, counted 31 \$10 bills, 14 \$5 bills, 4 \$2 bills, 62 \$1 bills, 13 quarters, 3 nickels, and 93 pennies.
How much was there?
6. Zara, the teller, counted 6 \$100 bills, 5 \$20 bills, 60 \$10 bills, 32 \$5 bills, 55 dimes, and 34 nickels.
How much was there?
7. Dawn, the teller, counted 56 \$100 bills, 5 \$50 bills, 19 \$20 bills, 33 \$10 bills, 55 \$1 bills, 13 quarters, 12 dimes, and 1 penny.
How much was there?
8. Victor, the teller, counted 3 \$20 bills, 34 \$10 bills, 9 \$5 bills, 15 \$1 bills, 16 quarters, 55 dimes, and 44 nickels.
How much was there?
9. Kevin, the teller, counted 8 of all the following: \$100 bills, \$50 bills, \$20 bills, \$10 bills, \$5 bills, \$1 bills, quarters, dimes, nickels, and pennies.
How much was there?
10. Niraj, the teller, counted 9 \$100 bills, 18 \$50 bills, 13 \$20 bills, 14 \$10 bills, 5 \$5 bills, 11 \$1 bills, 13 quarters, 2 dimes, and 1 nickel.
How much was there?
11. Mai, the teller, counted 37 quarters, 56 dimes, 32 nickels, and 89 pennies.
How much was there?
12. Caden, the teller, counted 1,234 quarters, 5,678 dimes, 91,011 nickels, and 121,314 pennies.
How much was there?

Citizen Alert!

Would a table or chart make this easier?



TELLER COMPUTATIONS

1. Trecia, the teller, counted 15 quarters, 10 dimes, 5 nickels, and 25 pennies.
How much was there? **\$5.25**
2. Gabby, the teller, counted 5 \$20 bills, 10 \$10 bills, 10 \$5 bills, and 45 \$1 bills.
How much was there? **\$295**
3. Omar, the teller, counted 4 \$20 bills, 12 \$10 bills, 25 \$5 bills, 22 \$1 bills, 3 quarters, 4 dimes, and 12 nickels.
How much was there? **\$348.75**
4. Bart, the teller, counted 4 \$100 bills, 3 \$50 bills, 12 \$20 bills, 60 \$10 bills, 32 \$5 bills, and 450 \$1 bills.
How much was there? **\$2,000**
5. Kira, the teller, counted 31 \$10 bills, 14 \$5 bills, 4 \$2 bills, 62 \$1 bills, 13 quarters, 3 nickels, and 93 pennies.
How much was there? **\$454.33**
6. Zara, the teller, counted 6 \$100 bills, 5 \$20 bills, 60 \$10 bills, 32 \$5 bills, 55 dimes, and 34 nickels.
How much was there? **\$1,467.20**
7. Dawn, the teller, counted 56 \$100 bills, 5 \$50 bills, 19 \$20 bills, 33 \$10 bills, 55 \$1 bills, 13 quarters, 12 dimes, and 1 penny.
How much was there? **\$6,619.46**
8. Victor, the teller, counted 3 \$20 bills, 34 \$10 bills, 9 \$5 bills, 15 \$1 bills, 16 quarters, 55 dimes, and 44 nickels.
How much was there? **\$471.70**
9. Kevin, the teller, counted 8 of all the following: \$100 bills, \$50 bills, \$20 bills, \$10 bills, \$5 bills, \$1 bills, quarters, dimes, nickels, and pennies.
How much was there? **\$1,491.28**
10. Niraj, the teller, counted 9 \$100 bills, 18 \$50 bills, 13 \$20 bills, 14 \$10 bills, 5 \$5 bills, 11 \$1 bills, 13 quarters, 2 dimes, and 1 nickel.
How much was there? **\$2,239.50**
11. Mai, the teller, counted 37 quarters, 56 dimes, 32 nickels, and 89 pennies.
How much was there? **\$17.34**
12. Caden, the teller, counted 1,234 quarters, 5,678 dimes, 91,011 nickels, and 121,314 pennies.
How much was there? **\$6,639.99**

Citizen Alert!

Would a table or chart make this easier?



TELLER COMPUTATIONS

Sixth-Grade Variance

Any letter variable may be used.

$$1. 15(.25) + 10(.10) + 5(.05) + 25(.01) = x$$

$$2. n = 5(20) + 10(10) + 10(5) + 45(1)$$

$$3. 4(20) + 12(10) + 25(5) + 22(1) + 3(.25) + 4(.10) + 12(.05) = x$$

$$4. 4(100) + 3(50) + 12(20) + 60(10) + 32(5) + 450(1) = n$$

$$5. n = 31(10) + 14(5) + 4(2) + 62(1) + 13(.25) + 3(.05) + 93(.01)$$

$$6. 6(100) + 5(20) + 60(10) + 32(5) + 55(.10) + 34(.05) = n$$

$$7. 56(100) + 5(50) + 19(20) + 33(10) + 55(1) + 13(.25) + 12(.10) + 1(.01) = w$$

$$8. 3(20) + 34(10) + 9(5) + 15(1) + 16(.25) + 55(.10) + 44(.05) = w$$

$$9. 8(100) + 8(50) + 8(20) + 8(10) + 8(5) + 8(1) + 8(.25) + 8(.10) + 8(.05) + 8(.01) = \$1,491.28 \text{ or use distributive property: } 8(100 + 50 + 20 + 10 + 5 + 1 + .25 + .10 + .05 + .01) = w$$

$$10. 9(100) + 18(50) + 13(20) + 14(10) + 5(5) + 11(1) + 13(.25) + 2(.10) + 1(.05) = n$$

$$11. 37(.25) + 56(.10) + 32(.05) + 89(.01) = x$$

$$12. w = 1,234(.25) + 5,678(.10) + 91,011(.05) + 121,314(.01)$$

FINANCIAL LITERACY

Lesson 2: Checking Accounts

LESSON CONCEPTS

Students learn how to endorse and deposit a paycheck, manage a checking or transaction account register, and identify different checking account items in preparation for their *JA BizTown* visit.

INQUIRY: How do I use a checking account?

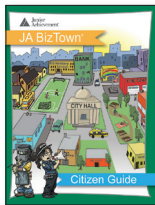
LEARNING OBJECTIVES

Students will:

- Demonstrate the ability to endorse a paycheck.
- Complete a deposit ticket.
- Maintain a transaction register correctly.
- Describe the consequences of insufficient funds.

MATERIALS

- ❑ **Citizen Guides**



- ❑ **Illustration FL-2A, Endorsing Paychecks**



- ❑ **Check It Out! Poster (kit)**



- ❑ **How to Fill in Your Transaction Register Instructional Video**



- ❑ **Illustration FL-2B, Practicing Deposits**



Vocabulary

CFO

The chief financial officer is responsible for a business's finances.

Endorse

To write a signature on the back of a check.

Income

The money people earn for their work.

Paycheck

A check received for work completed.

SETTING THE STAGE | 5 minutes

- Ask your students if they know where a family's money comes from.
- Ask if they know what a paycheck is.
- Explain that at *JA BizTown*, each student's paycheck will come from his or her business. Direct attention to the front of the **Citizen Guide** and have students name some of the businesses they see there. Ask them where they would like to work.

INSTRUCTION | 20 minutes

CCSS Math 5 NBT 7, Math 4 NBT4

1. Explain that a **paycheck** will be the sole source of **income** for each student at *JA BizTown*. Income is the money people earn for their work. To get a peek at what their paychecks at *JA BizTown* might look like, students should turn to Page 6 in their guides.
2. Display or project Page 28, Illustration FL-2A, **Endorsing Paychecks**, and point out the parts of a paycheck.
3. Have students write their own name on the "Pay to the Order of" line on the front of the sample check, explaining that usually the **CFO** (chief financial officer) of the company will do this. Tell the students that to identify the check as their own, they need to **endorse** the check by writing their signature on the back. Show how to do this, and then have students endorse their sample checks. They will then complete the questions. (The answer key is on Page 29.)

NEED MORE PRACTICE? Check out Page 45, Application Activity 2, **Paycheck Practice**.

4. Success at *JA BizTown* depends on good money management skills. Money management includes things like being able to write a check and keep track of the money in an account. Each time someone does business with the bank, citizens are performing a **transaction**. Transaction is a fancy bank word that means an agreement or exchange. Inform your students that today they will learn and practice some of these skills.
5. Display Page 30, Illustration FL-2B, **Practicing Deposits** and demonstrate how to fill in the check or transaction register. If you need a reminder on check register accounting, see Page 32, Illustration FL-2C, **The Two-Line Method**.
6. Explain that students' paychecks will be deposited in their bank accounts. To do that, they will need to fill out a **deposit ticket**. Direct the class to turn to their **Citizen Guides**, Page 7. Introduce the students to the parts of a deposit ticket. Mention that sometimes a business will make a deposit directly into an employee's account. This is called direct deposit. Employees who use direct deposit must keep track of the deposit in their transaction register.
7. When someone deposits a check at the bank, they can ask for some cash back at the same time. This is called "less cash received." Point out the need to sign the ticket to receive cash. Emphasize that the deposit ticket shows the **net deposit**, indicating the amount of money placed into an account after deductions, such as cash back, are made.
8. Working in pairs or small groups, have students complete the answers for 1–7. (You can also complete this as a teacher-directed exercise. The answer key is on Page 31.)

NEED MORE PRACTICE? Check out Page 40, Application Activity 1, **Transaction Actions**.

FIND OUT MORE about direct deposit. Check out Page 47, Extension Activity 1, **Direct Deposit**.

Video Note



Show the "How to Fill in Your Transaction Register" video to help guide citizens in completing their checkbook registers.

Vocabulary

Deposit ticket

A written record of money put into a checking account.

Direct deposit

An electronic transfer of money from one account to another; often used by employers to pay employees.

Net deposit

The amount of money placed into an account after all deductions, such as cash back, are made.



ENDORISING PAYCHECKS

Before depositing a check, it must be endorsed. To endorse a check, write your name in cursive on the back of the check at the same end as “endorse here.”

FRONT

Name	JA BizTown News	Check No.	108
		Jan. 5	20 19
PAY TO THE ORDER OF		\$	8.33
Eight and 33/100		Dollars	
JA BizTown® Bank			
Memo	Payroll	<i>Scott Montgomery</i>	
		Acct.#	234

BACK

ENDORSE HERE			DO NOT WRITE OR STAMP BELOW THIS LINE RESERVED FOR FINANCIAL INSTITUTION USE	
--------------	--	--	---	--

Imagine you have earned your first paycheck at *JA BizTown* and are ready to make a deposit.

1. What type of check is this? _____
2. Which business wrote the check? _____
3. Where did you endorse the check? _____
4. Why did you sign your name on the back of the check? _____



ENDORISING PAYCHECKS

Before depositing a check, it must be endorsed. To endorse a check, write your name in cursive on the back of the check at the same end as "endorse here."

FRONT

Name	JA BizTown News	Check No. 108
		Jan. 5 20 19
PAY TO THE ORDER OF	Jennifer Smith	\$ 8.33
Eight and 33/100		Dollars
JA BizTown® Bank		
Memo	Payroll	Scott Montgomery
		Acct.# 234

BACK

ENDORSE HERE

Jennifer Smith

DO NOT WRITE OR STAMP BELOW THIS LINE
RESERVED FOR FINANCIAL INSTITUTION USE

Imagine you have earned your first paycheck at *JA BizTown* and are ready to make a deposit.

1. What type of check is this? paycheck
2. Which business wrote the check? JA BizTown News
3. Where did you endorse the check? on the back
4. Why did you sign your name on the back of the check? to prove it was mine



PRACTICING DEPOSITS

DEPOSIT TICKET

Name Jennifer Smith

JA BizTown® Bank

Date April 17 20 19

Deposits may not be available for immediate withdrawal.

Jennifer Smith

Signature required for cash received.

CASH	CURRENCY		
	COIN		
LIST CHECKS SINGLY		8	50
SUBTOTAL		8	50
LESS CASH RECEIVED		1	50
NET DEPOSIT \$		7	00

Acct.# 234

Answer the following questions using the space provided.

- Who is making the deposit? _____
- What is the date of the deposit? _____
- What is the amount of the check she is depositing? _____
- How much cash did she receive? _____
- What is the net deposit amount? _____
- What is the account number? _____
- Why did she sign her deposit ticket? _____

Use the deposit information above to complete this JA BizTown transaction register.

RECORD ALL CHARGES OR CREDITS THAT AFFECT YOUR ACCOUNT

NUMBER	DATE	TRANSACTION DESCRIPTION	PAYMENT/DEBIT (-)		✓	FEE (IF ANY)	DEPOSIT/CREDIT (+)		\$	BALANCE	
											10 00



PRACTICING DEPOSITS

DEPOSIT TICKET

Name Jennifer Smith

JA BizTown® Bank

Date April 17 20 19

Deposits may not be available for immediate withdrawal.

Jennifer Smith

Signature required for cash received.

CASH	CURRENCY		
	COIN		
LIST CHECKS SINGLY		8	50
SUBTOTAL		8	50
LESS CASH RECEIVED		1	50
NET DEPOSIT \$		7	00

Acct.# 234

Answer the following questions using the space provided.

- Who is making the deposit? Jennifer Smith
- What is the date of the deposit? April 17, 2019
- What is the amount of the check she is depositing? \$8.50
- How much cash did she receive? \$1.50
- What is the net deposit amount? \$7.00
- What is the account number? 234
- Why did she sign her deposit ticket? because she wanted cash back

Use the deposit information above to complete this JA BizTown transaction register.

RECORD ALL CHARGES OR CREDITS THAT AFFECT YOUR ACCOUNT

NUMBER	DATE	TRANSACTION DESCRIPTION	PAYMENT/DEBIT (-)	✓	FEE (IF ANY)	DEPOSIT/CREDIT (+)	\$ BALANCE		
							10	00	
	4/17	deposit				7	00	+7	00
								17	00

THE TWO-LINE METHOD

1. Making a Deposit Entry in the Transaction Register

A beginning balance of \$10.00 is in this customer’s account. When a deposit is made, “deposit” is entered on the next white line. Note the “plus” sign at the top of the “Deposit/Credit” column indicates that the deposit amount should be added to the balance. The deposit is added to the current balance in the “Balance” column, and the new balance is \$17.00.

RECORD ALL CHARGES OR CREDITS THAT AFFECT YOUR ACCOUNT									
NUMBER	DATE	TRANSACTION DESCRIPTION	PAYMENT/DEBIT (-)	✓	FEE (IF ANY)	DEPOSIT/CREDIT (+)	\$	BALANCE	
								10 00	
	4/17	deposit				7 00		+7 00	
								17 00	

2. Deducting a Check in the Transaction Register

When a check is written, or any other payment is made, the payee is entered on the white line and the amount is entered under the “Payment/Debit” column and again under the “Balance” column. The minus sign under “Payment/Debit” indicates that the amount should be subtracted from the previous balance. Then the new balance is entered. You might recommend that students use the + and – signs for new entries.

RECORD ALL CHARGES OR CREDITS THAT AFFECT YOUR ACCOUNT									
NUMBER	DATE	TRANSACTION DESCRIPTION	PAYMENT/DEBIT (-)	✓	FEE (IF ANY)	DEPOSIT/CREDIT (+)	\$	BALANCE	
								10 00	
	4/17	deposit				7 00		+7 00	
								17 00	
122	4/21	JA BizTown News <i>advertising</i>	5 00					-5 00	
								12 00	

The date and check number should be entered for all transactions. The gray line is used to record a memo indicating specifics of the transaction.

ACTIVITY | 20 minutes

Personal Checks and Electronic Payments

CCSS LA 4/5 RI 7

1. Now that they know how to put money into a bank, students need to learn how to get money out. Explain that one way people withdraw money from an account is to write a personal check. Another way is to make an electronic payment. Display the **Check It Out! Poster** electronically, use the poster provided in your classroom kit, or use Page 35, Illustration FL-2D, **Check It Out!**
2. As you introduce the parts of a checkbook, have students search through their guides to find an example of each sample on the poster.
 - **Deposit tickets** are written records of money put into a checking account. (Deposit ticket examples can be found in the **Citizen Guide** on Pages 7, 8, 10, 11, 12, 23, and 64.)
 - **Personal checks** are written orders to a bank to pay a certain amount of money from a checking account to another person or business. Examples of checks can be found in the **Citizen Guide** on Pages 6, 8, 9, 12, 14, 16, 18, and 23.)
 - **Transaction registers** are booklets for recording the amount of money put into (deposited) or removed from (withdrawn) checking accounts. All checks and electronic payments should be recorded in the transaction register. (Transaction register forms can be found in the **Citizen Guide** on Pages 7, 8, 9, 10, 14, 16, 18, 22, and 23.)
3. Display Page 36, Illustration FL-2E, **Personal Checks**, and ask students to turn to Page 9, **Personal Checks**, in the **Citizen Guide**.
4. Working in pairs or small groups, students should complete the questions on the page. The answer key is on Page 37. If necessary, review the transaction register process or have Illustration FL-2D displayed for reference. A copy is on Page 8 of the **Citizen Guide**.
5. Point out that it is important to look at the balance before making an electronic payment or writing a check. If a bank customer makes an electronic payment or writes a check for more money than is in his or her account, that check will be returned. This is called a **bounced check**, and banks usually charge the customer a high fee when this occurs.

NEED MORE PRACTICE? Check out Page 40, Application Activity 1, **Transaction Actions**.

Vocabulary

Bounced check

A check that is written for more than the amount of money in a checking account.

Electronic payment

Money electronically deducted from your account and transferred to another person or business.

Personal check

A check written from a personal checking account.

Transaction register

A booklet for recording money put into (deposited) or removed from (withdrawn) an account.

FIND OUT MORE about bounced checks by turning to Page 49, Extension Activity 2, **Gordon's Bounced Check**.

Fourth-Grade Variance

CCSS Math 4 NBT 3

Have students round their register sums and differences to the nearest tenth or whole number. State that this is a rounding exercise only. Transaction registers need to be maintained exactly.

Sixth-Grade Variance (or for more independent students)

CCSS Math 6 NS 3

Have students write checks to one another for goods and services they invent. Give them a balance (for example, \$40.00) from which to work. Remind them to record each transaction in their registers.



CHECK IT OUT!

DEPOSIT TICKET

Name Jennifer Smith

JA BizTown® Bank

Date July 1 20 19
Deposits may not be available for immediate withdrawal.

Jennifer Smith
Signature required for cash received.

CASH	CURRENCY		
	COIN		
LIST CHECKS SINGLY		8	82
SUBTOTAL		8	82
LESS CASH RECEIVED		-2	00
NET DEPOSIT \$		6	82

Acct.# 234

Name Jennifer Smith 001

July 1 20 19

PAY TO THE ORDER OF JA BizTown Delivery \$ 1.50

One and 50/100 Dollars

JA BizTown® Bank

Memo candygram *Jennifer Smith*

Acct.# 234

RECORD ALL CHARGES OR CREDITS THAT AFFECT YOUR ACCOUNT

NUMBER	DATE	TRANSACTION DESCRIPTION	PAYMENT/DEBIT (-)	FEE (IF ANY) ✓	DEPOSIT/CREDIT (+)	BALANCE \$
						0 00
	7/1	Deposit			6 82	+6 82
						6 82
001	7/1	JA BizTown Delivery	1 50			-1 50
						5 32
		Electronic Payment: Jack's Hardware	2 00			-2 00
						3 32



PERSONAL CHECKS

1563

Name Carly Smith March 26 20 19

PAY TO THE ORDER OF Fantastic Cards \$ 3.25

Three Dollars and 25/100 Dollars

JA BizTown® Bank

Memo birthday card *Carly Smith*

Acct.# 083

Answer the following questions based on the check above.

1. Whose name is on this checking account? _____
2. Who wrote and signed this check? _____
3. From what bank was the check written? _____
4. To whom was the check written? _____
5. What is the check amount? _____
6. What is the account number? _____
7. Why was the check written? _____
8. What is the check number? _____
9. Use the check information above to complete this register.

RECORD ALL CHARGES OR CREDITS THAT AFFECT YOUR ACCOUNT									
NUMBER	DATE	TRANSACTION DESCRIPTION	PAYMENT/DEBIT (-)	✓	FEE (IF ANY)	DEPOSIT/CREDIT (+)	\$ BALANCE		
									10 00



PERSONAL CHECKS

Name Carly Smith 1563

 _____ March 26 20 19 _____
 PAY TO THE ORDER OF Fantastic Cards \$ 3.25
Three Dollars and 25/100 _____ Dollars
JA BizTown® Bank
 Memo birthday card _____ Carly Smith

 Acct.# 083 _____






Answer the following questions based on the check above.

- Whose name is on this checking account? Carly Smith
- Who wrote and signed this check? Carly Smith
- From what bank was the check written? JA BizTown Bank
- To whom was the check written? Fantastic Cards
- What is the check amount? \$3.25, Three and 25/100...Dollars
- What is the account number? 083
- Why was the check written? birthday card
- What is the check number? 1563
- Use the check information above to complete this register..

RECORD ALL CHARGES OR CREDITS THAT AFFECT YOUR ACCOUNT									
NUMBER	DATE	TRANSACTION DESCRIPTION	PAYMENT/DEBIT (-)	✓	FEE (IF ANY)	DEPOSIT/CREDIT (+)	\$ BALANCE		
							10	00	
1563	3/26	Fantastic Cards	3 25				-3	25	
							6	75	

SUMMING IT UP | 5 minutes

By a show of thumbs up or thumbs down, ask students to agree or disagree with the following key points:

-  Writing a check is one way people withdraw money from a checking account. (True, thumbs up.)
-  You must always sign a deposit ticket. (False, thumbs down. You only sign when receiving cash back.)
-  If there is not enough money in the account, the bank covers the check for the account holder. (False, thumbs down.)
-  All transactions should be recorded in the transaction register. (True, thumbs up.)
-  A paycheck and a personal check are the same thing. (False, thumbs down. A paycheck is written to you by a business. A personal check is written by you or to you by another person.)

OPTION

Choose an application activity to give students further practice and to reinforce concepts.

- Application Activity 1 provides additional practice with deposits.
- Application Activity 2 provides additional practice with check endorsing and deposits.
- Extension Activity 1 explains direct deposit.
- Extension Activity 2 explores the consequences of a bounced check.

CHECK IT OUT!

Begin implementing **Check It Out!** scenarios daily as a way to reinforce the skills students are learning and will be using during their visit to *JA BizTown*. Write the daily scenarios on the board, and have students use practice checkbook materials to complete the check, deposit ticket, and register as appropriate.

Check It Out! scenarios will follow the **Summing It Up** section in the next two lessons and in the following three units of *JA BizTown*. All 10 **Check It Out!** scenarios are reproduced on Pages 101– 103.

Check it Out! practice pages are available in the **Citizen Guides** on Pages 77–84.

CHECK IT OUT! DAY ONE

Record the opening balance on your register. The starting balance is \$0.00.

Happy Birthday! You received a check for \$25.00 from your grandparents and deposited it in your account but asked for \$2.00 back in cash. Record your deposit.

(Ending balance today is \$23.00.)

APPLICATION ACTIVITY 1 | 15–20 minutes**Transaction Actions**

CCSS Math 4 NBT4

MATERIALS

- ❑ **Citizen Guides**
- ❑ Illustration FL-2F, **Transaction Actions**

1. Learning any new skill takes practice. Remind students that having good financial skills will help them at *JA BizTown* and later in life.
2. Project or display Page 41, Illustration FL-2F, **Transaction Actions**, and have students turn to their **Citizen Guides**, Pages 10 and 11.
3. Review the process of filling out a deposit ticket and filling out the register.
4. Have students work in pairs or small groups to complete the **Transaction Actions** worksheets. (The answer key is on Pages 43 and 44.)
5. Point out to students that all of the deposit ticket amounts should be recorded on the register on the first page.



TRANSACTION ACTIONS

Name _____

Citizen Alert!

Banks often use the term “transaction” to describe each time there is a deposit or withdrawal in a bank account.



Use the transaction register below to record the transactions from this page and the next.

RECORD ALL CHARGES OR CREDITS THAT AFFECT YOUR ACCOUNT									
NUMBER	DATE	TRANSACTION DESCRIPTION	PAYMENT/DEBIT (-)	✓	FEE (IF ANY)	DEPOSIT/CREDIT (+)	\$	BALANCE	
									30 00

1. How much money do you have in your checking account? \$ _____
2. You received a \$15.00 check from Uncle Louie. You want to deposit all of it.

Correctly complete the deposit ticket below. Your account number is 125.

DEPOSIT TICKET

Name _____

JA BizTown® Bank

Date _____ 20____

Deposits may not be available for immediate withdrawal.

Signature required for cash received.

CASH	CURRENCY			
	COIN			
<small>LIST CHECKS SINGLY</small>				
SUBTOTAL				
<small>LESS CASH RECEIVED</small>				
NET DEPOSIT \$				

Acct.# _____

(continued on the next page)



TRANSACTION ACTIONS

Name _____

Citizen Alert!
“Currency” refers to paper money (bills).



- You made \$8.50 in cash for babysitting and received a \$12.00 check for mowing your neighbor’s lawn. Deposit it all. Complete the deposit ticket and make entries on your transaction register.

DEPOSIT TICKET

Name _____

JA BizTown® Bank

Date _____ 20____
Deposits may not be available for immediate withdrawal.

Signature required for cash received.

CASH	CURRENCY		
	COIN		
<small>LIST CHECKS SINGLY</small>			
SUBTOTAL			
<small>LESS CASH RECEIVED</small>			
NET DEPOSIT \$			

Acct.# _____

- You received a \$25.00 check for your birthday. You want to deposit \$20.00 and get \$5.00 in cash back to buy a new book. Complete the deposit ticket and make entries on your transaction register.

DEPOSIT TICKET

Name _____

JA BizTown® Bank

Date _____ 20____
Deposits may not be available for immediate withdrawal.

Signature required for cash received.

CASH	CURRENCY		
	COIN		
<small>LIST CHECKS SINGLY</small>			
SUBTOTAL			
<small>LESS CASH RECEIVED</small>			
NET DEPOSIT \$			

Acct.# _____

- What is the final balance in your transaction register? _____
- Did you remember to sign your last deposit ticket when you received cash back? _____



TRANSACTION ACTIONS

Name _____

Use the transaction register below to record the transactions from this page and the next.

Citizen Alert!

Banks often use the term "transaction" to describe each time there is a deposit or withdrawal in a bank account.



RECORD ALL CHARGES OR CREDITS THAT AFFECT YOUR ACCOUNT									
NUMBER	DATE	TRANSACTION DESCRIPTION	PAYMENT/DEBIT (-)		✓	FEE (IF ANY)	DEPOSIT/CREDIT (+)		\$ BALANCE
									30 00
		deposit					15 00		+15 00
									45 00
		deposit					20 50		+20 50
									65 50
		deposit					20 00		+20 00
									85 50

- How much money do you have in your checking account? \$ 30.00
- You received a \$15.00 check from Uncle Louie. You want to deposit all of it.

Correctly complete the deposit ticket below. Your account number is 125.

DEPOSIT TICKET

Name student name

JA BizTown® Bank

Date today's date 20____
Deposits may not be available for immediate withdrawal.

Signature required for cash received.

CASH	CURRENCY		
	COIN		
LIST CHECKS SINGLY		15 00	
SUBTOTAL		15 00	
LESS CASH RECEIVED			
NET DEPOSIT \$		15 00	

Acct.# 125

(continued on the next page)



TRANSACTION ACTIONS

Name _____

Citizen Alert!
 "Currency" refers to paper money (bills).



3. You made \$8.50 in cash for babysitting and received a \$12.00 check for mowing your neighbor's lawn. Deposit it all. Complete the deposit ticket and make entries on your transaction register.

DEPOSIT TICKET

Name **student name** _____

JA BizTown® Bank

Date **today's date** 20____

Deposits may not be available for immediate withdrawal.

Signature required for cash received.

CASH	CURRENCY	8 00	
	COIN	50	
LIST CHECKS SINGLY		12 00	
SUBTOTAL		20 50	
LESS CASH RECEIVED			
NET DEPOSIT \$		20 50	

Acct.# **125** _____

4. You received a \$25.00 check for your birthday. You want to deposit \$20.00 and get \$5.00 in cash back to buy a new book. Complete the deposit ticket and make entries on your transaction register.

DEPOSIT TICKET

Name **student name** _____

JA BizTown® Bank

Date **today's date** 20____

Deposits may not be available for immediate withdrawal.

Signature

Signature required for cash received.

CASH	CURRENCY		
	COIN		
LIST CHECKS SINGLY		25 00	
SUBTOTAL		25 00	
LESS CASH RECEIVED		5 00	
NET DEPOSIT \$		20 00	

Acct.# **125** _____

5. What is the final balance in your check register? **\$85.50** _____
6. Did you remember to sign your last deposit ticket when you received cash back? **yes** _____

APPLICATION ACTIVITY 2 | 15–20 minutes

Paycheck Practice

MATERIALS

- ❑ **Citizen Guides**
 - ❑ Illustration FL-2G, **Paycheck Practice**
1. To give your students extra practice endorsing and depositing checks, instruct them to turn to the **Citizen Guide**, Page 12, **Paycheck Practice**. (A copy is on Page 46.) They will work with a partner to practice endorsing and issuing paychecks. First, everyone will act as a CFO, inventing the name of a business and filling out a paycheck made out to his or her partner. (The stores on the back cover of the **Citizen Guide** may help suggest some ideas for businesses. Use the list at the bottom of this page to prompt those who may need extra suggestions.)
 2. Once CFOs have completed writing the paycheck, ask students to trade guides.
 3. Now each student will be the employee and will endorse his or her paycheck and fill out the deposit ticket.
 4. Once the employees have finished their deposits, **Citizen Guides** should be returned to their owners.

Business Name Ideas:

Town Bank

Corner Market

Neighborhood Grill

Sweetheart's Candy World

Scissors Salon



PAYCHECK PRACTICE

Be the CFO!

Check No. 108

Name _____ 20 _____

PAY TO THE ORDER OF _____ \$

_____ Dollars

JA BizTown® Bank

Memo _____

Acct.# _____

NON-NEGOTIABLE

ENDORSE HERE

DO NOT WRITE OR STAMP BELOW THIS LINE
RESERVED FOR FINANCIAL INSTITUTION USE

DEPOSIT TICKET

Name _____

JA BizTown® Bank

Date _____ 20 _____
Deposits may not be available for immediate withdrawal.

Signature required for cash received.

CASH	CURRENCY	
	COIN	
LIST CHECKS SINGLY		
SUBTOTAL		
LESS CASH RECEIVED		
NET DEPOSIT \$		

Acct.# _____

EXTENSION ACTIVITY 1 | 15–20 minutes

Direct Deposit

MATERIALS

- ❑ Small slips of paper, one each for half the class. Or copy and distribute paychecks from Page 28, **Endorsing Paychecks**, or use the **Paycheck Practice** in the **Citizen Guide**, Page 12
- ❑ One blank piece of paper, or use the **Citizen Guide**, Page 65, **Direct Deposit Enrollment Form**

Simulation Connection

During the upcoming unit on Business Management, students will complete the form in their **Citizen Guides**, Page 65, to authorize the direct deposit of their paychecks into their *JA BizTown* Bank account. Contact your JA area to find out if direct deposit is available at your site.

Introduce the topic of **direct deposit** by telling students there is an alternative to standing in line at the bank when they have a paycheck to deposit. They can sign up for direct deposit.

Most *JA BizTown* students will have the opportunity to see firsthand the conveniences of direct deposit with their second paycheck.

1. Discuss why people choose direct deposit:
 - **It's convenient:** Direct deposit allows for quicker access to your money since you never have to stand in line at the bank to deposit your paycheck.
 - **It's reliable:** Funds are deposited regularly and on time. Your funds are available in your account on the same day you get paid.
 - **It's worry-free:** The deposit reaches your account on the day the payment is issued, even if you don't have access to your bank. You never have to worry about lost or stolen payments.
2. With direct deposit, you authorize your employer to deposit your paycheck directly into your bank account. The funds are transferred from the employer's business account to your account, where they are immediately available for your use.

Vocabulary

Direct deposit

An electronic transfer of money from one account to another; often used by employers to pay employees.

3. To illustrate how quick and convenient direct deposit is, have a race. Line the class up in two groups—standard deposit and direct deposit. Give the standard deposit group small slips of paper—one for each student—that will serve as paychecks. (You can copy the paychecks from Page 28, Illustration FL-2A, **Endorsing Paychecks**, if you want to make it more realistic.) Give the other group one piece of paper, which will be their direct deposit form. (Or you can use the direct deposit form in the Business Management unit, Page 57.)
4. The standard deposit group will have each person deposit his or her paycheck. The student at the front of the line will quickly walk to the teacher’s desk, endorse the paycheck, and leave the check on the desk. He or she will then walk back, releasing the next in line to do the same. Meanwhile, the direct deposit group will have the first student in line sign his or her name on the group’s direct deposit page, and then pass the form to the next student. When the group is finished, the last one in line will take the page to the teacher’s desk. Which is faster? Direct deposit, of course.
5. You may wish to play twice and switch the groups the second time so that each student has a chance to try direct deposit.

EXTENSION ACTIVITY 2 | 15 minutes

Gordon's Bounced Check

CCSS LA 4 L 3.a; 4/5 SL 1.d

MATERIALS

- ❑ Illustration FL-2H, **Gordon's Bounced Check**
- ❑ **Citizen Guides**

Display Page 50, Illustration FL-2H, **Gordon's Bounced Check**, and ask students to help you create a story, or have them work independently on Page 13 of their **Citizen Guides**. (An answer key is on Page 51.)

- Ask for class-generated nouns for (a), (b), and (c) on the illustration.
- Add the nouns where indicated as you read aloud the story.
- Allow students to answer questions as the story unfolds.
- Ask for the lesson of the story and allow time for discussion.

Sixth-Grade Variance

CCSS LA 6 W3.d

Give the students only the transaction amount details for Gordon's bounced check and have them write a story using precise words and phrases, relevant details, and sensory language to convey the experiences and events of Gordon's story.



GORDON'S BOUNCED CHECK

Gordon wants to buy either a/an (a) _____ or a/an (b) _____ for (c) _____. He doesn't have any money saved, but he has a checking account. His register balance shows \$4.56. He even checked the amount online.

Gordon decided to go to Larry's Store. He didn't find a/an (a) _____, but he got a great (b) _____ at a price of \$24.98, including tax. He completed the check perfectly. He even wrote (b) _____ on the memo line, adding his signature in cursive. Did the clerk at Larry's Store know that Gordon only had \$4.56 in his checking account? _____

Do retail stores ask how much money is in your account when they take your check? _____

Let's think about the rest of Gordon's story. Did (c) _____ receive the (b) _____ that Gordon bought?

Did the store owner get the cash when she took Gordon's check for \$24.98 to the bank? Why? Why not? _____

What is the lesson of the story? _____



GORDON'S BOUNCED CHECK

Gordon wants to buy either a/an (a) _____ or a/an (b) _____ for (c) _____. He doesn't have any money saved, but he has a checking account. His check register balance shows \$4.56. He even checked the amount online.

Gordon decided to go to Larry's Store. He didn't find a/an (a) _____, but he got a great (b) _____ at a price of \$24.98, including tax. He completed the check perfectly. He even wrote (b) _____ on the memo line, adding his signature in flowery cursive. Did the clerk at Larry's Store know that Gordon only had \$4.56 in his checking account? **no***

Do retail stores ask how much money is in your account when they take your check? **No, it is the consumers' responsibility to keep track of their transaction registers. Consumers should only write checks that they know can be covered by the money in their checking accounts.**

Let's think about the rest of Gordon's story. Did (c) _____ receive the (b) _____ that Gordon bought? **probably**

Did the store owner get the cash when she took Gordon's check for \$24.98 to the bank? Why? Why not? **No, banks will discover that Gordon doesn't have enough in his checking account and won't accept the "bad" check.**

What is the lesson of the story?

Stress that the retail owner was not reimbursed for the purchase. The business owner and bank likely will try to track down Gordon to make him pay the full amount plus a "returned check" fee. In fact, if Gordon "bounces" many more checks from his checking account, he could even be charged with a crime and face jail time.

(* With current technology, more stores are checking with the customer's bank computer to make sure that he or she has sufficient funds to cover the check. If yes, the check is "cleared" at that moment, the money is transferred to the store's account, and the customer takes the purchase. At *JA BizTown*, the money is immediately taken out of the students' accounts.)



FINANCIAL LITERACY

Lesson 3: Savings Accounts

LESSON CONCEPTS

Students practice check writing and discover the benefits of using interest-earning savings accounts to save money.

INQUIRY: Why should I save money?

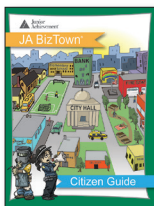
LEARNING OBJECTIVES

Students will:

- Write and sign checks.
- Make and record electronic payments.
- State the benefit of an interest-earning savings account.
- Explain how money grows in a savings account.

MATERIALS

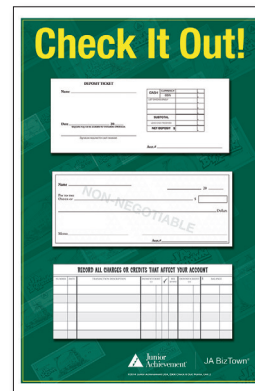
- ❑ Citizen Guides



- ❑ Illustration FL-3A, **JA BizTown Payments**



- ❑ Check It Out! Poster (kit)



- ❑ Illustration FL-3B, **Saving and Spending Game Score Sheet**



- ❑ Resource FL-3C, **JA BizTown General Store**



SETTING THE STAGE | 5 minutes

- Ask your class what kinds of things they would like to buy and how they might pay for these things (money earned from chores, birthday money, mom’s debit card, dad’s checkbook, etc).
- Ask students if they have ever wanted to buy something but didn’t have the money for it.
- Share with the students that not having the money for things you want or need is a problem all people face at one time or another. Let them know you are going to talk today about one solution to this problem—saving.

OPTION

For a more concrete approach to introducing this lesson, check out Page 66, Application Activity 1, **\$1 Million or Double the Pennies?** It will take more than 5 minutes.

INSTRUCTION | 15 minutes**Making Electronic Payments**

CCSS Math 5 NBT 7

1. Remind students that withdrawing cash, making an electronic payment, or writing a check are all ways to get money out of the bank. If they have deposited money, they can use that money by making an electronic payment or writing a check to pay for the things they want and need.
 - Ask them what they should do first. (Check the balance to be sure they have enough funds.)
 - Briefly review the **Check It Out! Poster**. Project or display Page 56, Illustration FL-3A, **JA BizTown Payments**.
 - Have the class turn to their **Citizen Guides**, Page 14, **JA BizTown Payments**.
2. Walk students through the process of completing a check according to directions on the page. (The answer key is on Page 57.) Point out where to write the date, how to fill out the amount, and where to sign the check. They can refer to their guides, Page 9, **Personal Checks**, for assistance.
3. Ask for a volunteer to explain what kind of check this is (personal check) and how it differs from a paycheck.
4. Have students make an electronic payment. Remind them to check the balance in their registers first.

NEED MORE PRACTICE? Check out Page 68, Application Activity 2, **Damian's Shopping Day**.

Fourth-Grade Variance

CCSS Math 4 NBT 3

Have students round their register sums and differences to the nearest tenth or whole number.

Sixth-Grade Variance (or for more independent students)

CCSS Math 6 NS 3

Instead of using the cues from Page 56, Illustration FL-3A, **JA BizTown Payments**, have students write checks to one another for goods and services they invent. Give them a balance from which to work. Remind them to record each transaction in their registers.



JA BIZTOWN PAYMENTS

Directions: Using today's date and account number 083, write a personal check for the first purchase. Then make an electronic payment for the second purchase. Enter the information into the transaction register.

1. A gift from the Main Street Gift Shop for \$5.50.
2. A box of envelopes from the Business Supplies Store for \$2.00.

Name _____	002
_____ 20 _____	
PAY TO THE ORDER OF _____ \$ _____	
_____ Dollars	
JA BizTown® Bank	
Memo _____	Acct.# _____

Business Supplies Store

Date: April 9, 2019
 Payment type: E-Wallet
 Payment amount: \$2.00
 Paid in full.
 Authorization code: 096962

3. Use the information above to complete this *JA BizTown* transaction register.

RECORD ALL CHARGES OR CREDITS THAT AFFECT YOUR ACCOUNT									
NUMBER	DATE	TRANSACTION DESCRIPTION	PAYMENT/DEBIT (-)	✓ FEE (IF ANY)	DEPOSIT/CREDIT (+)	\$	BALANCE		
									10 00



JA BIZTOWN PAYMENTS

Directions: Using today's date and account number 083, write a personal check for the first purchase. Make an electronic payment for the second purchase. Enter the information into the transaction register.

1. A gift from the Main Street Gift Shop for \$5.50.
2. A box of envelopes from the Business Supplies Store for \$2.00.

Name (name) _____	(date) 20 _____	002
PAY TO THE ORDER OF Main Street Gift Shop	\$ 5.50	
Five and 50/100 _____ Dollars		
JA BizTown® Bank		
Memo gift	(Signature) _____	Acct.# 083

Business Supplies Store

Date: April 9, 2019
 Payment type: E-Wallet
 Payment amount: \$2.00
 Paid in full.
 Authorization code: 096962

3. Use the information above to complete this *JA BizTown* transaction register.

RECORD ALL CHARGES OR CREDITS THAT AFFECT YOUR ACCOUNT							
NUMBER	DATE	TRANSACTION DESCRIPTION	PAYMENT/DEBIT (-)	FEE (IF ANY)	DEPOSIT/CREDIT (+)	\$	BALANCE
							10 00
002		Main Street Gift Shop	5 50				-5 50
							4 50
		Electronic Payment: Business Supplies Store	2 00				-2 00
							2 50

Teacher Note

If your students are not confident with multiplying by a decimal, this game will take longer than 25 minutes.

Vocabulary

Interest

A fee received or paid for the use of money.

Teacher Note

If students plan to 'save' they need to transfer money to a savings account. Teachers may want to provide an incentive for students who choose to save.

ACTIVITY | 25 minutes

Saving and Spending Game CCSS Math 5 NBT 7: Math 6 NS 3

In this game, students will earn “pretend money” for answering questions correctly. Then they will have an opportunity to spend or save that money and practice their transaction register skills as they record their choices. An alternate, inquiry-based online option is provided in Application Activity 3.

1. Remind students what **interest** is. Interest is a fee paid or received for the use of money. Ask students if they know what kind of account pays a person interest. (savings)
2. Introduce students to this game by telling them that participants in the game will be able to earn some imaginary money by answering quiz questions.
3. Have students turn to the **Citizen Guide**, Page 15, **Saving and Spending Game Score Sheet**. Ask the following three questions for the first round, allowing just a few moments after each question for the participants to write their answers in the column.
 - a. What is the center of a community’s economy? (bank or financial institution)
 - b. What kind of accounts do people open at a bank to access their money? (checking accounts)
 - c. Which accounts usually pay students interest? (savings accounts)
4. Display Page 62, Illustration FL-3B, **Saving and Spending Game Example**. Read the correct answers for round one. Students receive \$1.00 for each correct answer and should write their total on the line “money earned.” This amount is then added to the balance of \$10.00.
5. Show Page 63, Resource FL-3C, **JA BizTown General Store**, to display the goods available for purchase. Inform students they can use their dollar points to buy something if they wish. If they choose to make a purchase, the amount of the item should be written on the line “Money Spent.” The name of the item should be written on their Score

OPTION

For a more concrete approach to introducing this concept, see Page 75, Extension Activity 2, **Compound Interest**.

Sheets on the “Products Purchased” line. You may wish to demonstrate this procedure using the **Saving and Spending Game Example**.

6. Remind students to choose wisely and only to buy things that they need or really want. It is important to leave money in savings to earn interest.

Simulation Connection

Savings in the simulation is optional. Students determine whether to save, and how much. Bonuses can be awarded at school and must be recorded prior to the simulation through the web portal.

7. Tell students to write their remaining balance on the line “Money Saved.” They will then multiply their total by .30. Point out that 30 percent is an unrealistic interest rate, but this is an imaginary bank. Have them add the interest to the balance for the total and then transfer that total to the balance line in the column for round two. In this way, the interest earned can be included in the next round.
8. Ask the following questions for round 2.
 - d. What is the machine called that is used to withdraw money and that is found in shopping centers, in convenience stores, and outside financial institutions? (ATM— automated teller machine)
 - e. How can you access your bank account from your phone or computer? (online banking)
 - f. Who endorses a paycheck? (employee, worker, person who receives it)
9. Read the correct answers aloud and have students give themselves a dollar point for each correct answer. Repeat steps 3 and 4, showing the goods using Resource FL-3C, **JA BizTown General Store**, and having students fill in the total on their **Saving and Spending Game Score Sheet**.
10. Round 3 questions:
 - g. Who issues a paycheck? (the CFO or the business)
 - h. When do you need to sign a deposit ticket? (when you want cash back)
 - i. How can we make a payment without using cash, writing a check, or using a credit card? (debit card or electronic payment)

Vocabulary

Accrue

To have money gain in increments, usually at a set rate.

Compound interest

Interest calculated and paid on a balance and on the interest paid previously.

11. Read the correct answers and give students a moment to tally up their dollars for this round. Show Resource FL-3C one last time, allowing them to make a final purchase.
12. Have students turn to the **Citizen Guide**, Page 16, **Saving and Spending Game Register**, to write a check for their purchases or to deposit money in their savings account at the savings and loan. They should then record their transactions on the register. A copy of the register, Illustration FL-3D, is on Page 64.
13. Debrief the activity using one or more of the following ideas:
 - Explain that 30 percent (1:3) is an unrealistically high interest rate, but it was used to dramatize the way money can grow in an interest-earning account. The current interest on savings accounts at financial institutions is actually about 1 percent, **accrued** annually.
 - Each time you computed the interest, you calculated it on the new balance. This is called **compound interest**.
 - The more money you deposit and the longer it remains in a savings account, the more you will earn. (Use examples from the activity if applicable—perhaps one student saved for the three rounds and was able to buy a more expensive item.)
 - If students are curious about how long it would take to save for one of the larger items, direct them to an online interest calculator, such as moneychimp.com.

FIND OUT MORE about saving money. Check out Page 72, Application Activity 3, **Savings Plan, Inquiry-Based Lesson**.



SAVING AND SPENDING GAME SCORE SHEET

Round 1 Answers

Round 2 Answers

Round 3 Answers

ROUND 1

ROUND 2

ROUND 3

Balance	10.00		
Money Earned			
Money Spent			
Money Saved			
Interest x .30			
TOTAL*			

(*Transfer this amount to the balance line in the next column.)

PRODUCTS PURCHASED

--	--	--

SAVINGS AND SPENDING GAME EXAMPLE

Round 1 Answers	Round 2 Answers	Round 3 Answers
bank		
checking account		
savings account		

	Round 1	Round 2	Round 3
Balance	10.00	16.90	
Money Earned	3.00		
Money Spent	0		
Money Saved	13.00		
Interest x .30	3.90		
Total*	16.90		

(*Transfer this amount to the balance line in the next column.)

Products Purchased

JA BIZTOWN GENERAL STORE

Candy, \$1.00 per serving



Bracelets, \$2.00 each



Minifigs, \$4.00



Board game, \$10.00



Gel pens, \$4.00 set



Music download, \$2.00



Movie and popcorn, \$10.00



Sports bottle, \$12.00



Watch, \$19.00





SAVING AND SPENDING GAME REGISTER

Directions: You need to pay for your purchases. Decide whether you will pay with an electronic payment, debit card, or check. Complete the necessary documents and record the transactions in your transaction register. Use today's date and account number 456. Then write a check to transfer the amount you earned into a savings account. Make that check out to Achievement Savings and Loan.

004

Name _____ 20 _____

PAY TO THE ORDER OF _____ \$

Dollars

JA BizTown® Bank

Memo _____

Acct.# _____

NON-NEGOTIABLE

005

Name _____ 20 _____

PAY TO THE ORDER OF _____ \$

Dollars

JA BizTown® Bank

Memo _____

Acct.# _____

NON-NEGOTIABLE

RECORD ALL CHARGES OR CREDITS THAT AFFECT YOUR ACCOUNT							
NUMBER	DATE	TRANSACTION DESCRIPTION	PAYMENT/DEBIT (-)	✓ FEE (FANS)	DEPOSIT/CREDIT (+)	\$ BALANCE	

SUMMING IT UP | 5 minutes

Summarize by noting that people can increase their money through saving.

There are three easy rules to remember:

1. The higher the interest rate, the better.
2. The longer money is saved, the better.
3. The more deposits made to your savings account, the better.

To get started, students should set a goal: They should pay themselves first by setting aside savings as soon as they receive money. They should make saving a habit. And they should save as much as they can whenever they can.

OPTION

Choose an application activity to give students further practice and to reinforce concepts.

- Application Activity 1 demonstrates how quickly money can grow when you double it each day.
- Application Activity 2 provides additional check writing practice.
- Application Activity 3 is an inquiry-based lesson on saving.
- Extension Activity 1 teaches a trick for estimating how savings grow with compound interest.
- Extension Activity 2 provides a hands-on approach to learning about compound interest. It requires math manipulatives and sticky notes.

Simulation Connection

Savings in the simulation is optional. Students determine whether to save, and how much. Bonuses can be awarded at school and must be recorded prior to the simulation, through the web portal. Students should be encouraged to buy what they need and want, but they should be reminded of the importance of savings and interest.

CHECK IT OUT! DAY TWO

Today's beginning balance: \$23.00

Your paycheck from Sports Avenue was direct deposited into your account. Your pay was \$7.84. Record your deposit.

This afternoon, you stopped by the local Burger Barn and bought a chocolate shake. You used your debit card for \$3.00.

(Ending balance today is \$27.84.)

Teacher Note

Adding hand signals to this summary will increase students' memory.

1. Extend pointer finger and raise it high.

2. Hold up two fingers, then stretch arms wide.

3. Hold up three fingers and shake that hand many times.

Simulation Note

Money that students transfer to savings (or an investment account) cannot be transferred back to checking.

APPLICATION ACTIVITY 1 | 15–20 minutes**\$1 Million or Double the Pennies?** CCSS Math 5 NBT 7**MATERIALS**

- ❑ Illustration FL-3E, **\$1 Million or Double the Pennies?**
1. Announce that you are considering giving a gift to each student to be deposited in a “practice savings account.” However, you can’t decide between two options: give everyone (a) \$1 million today or (b) one penny today.
 2. Indicate that the choice was probably too easy. Refine the second option to say that you will deposit one penny today. Then, on each of the next 27 days, you will double the amount of the previous day’s savings, specifically: Day 1, 1 cent; Day 2, 2 cents; Day 3, 4 cents; Day 4, 8 cents; Day 5, 16 cents. Those double deposits will continue for the remaining days of the month.
 3. Ask for a quick class vote on the best option, then display Page 67, Illustration FL-3E, **\$1 Million or Double the Pennies?**
 4. Cover the calculations for all but the first week. Then reveal weeks 1 through 4, one week at a time. (If you are pressed for time, do weeks 1 and 2 and then skip down to week 4.) Note that by the 28th day of the month, the total far exceeds \$1 million. Doubling makes the money grow quickly!

\$1 MILLION OR DOUBLE THE PENNIES?

1	2	3	4	5	6	7
1¢	2¢	4¢	8¢	16¢	32¢	64¢
8	9	10	11	12	13	14
\$1.28	\$2.56	\$5.12	\$10.24	\$20.48	\$40.96	\$81.92
15	16	17	18	19	20	21
\$163.84	\$327.68	\$655.36	\$1,310.72	\$2,621.44	\$5,242.88	\$10,485.76
22	23	24	25	26	27	28
\$20,971.52	\$41,943.04	\$83,866.08	\$167,772.16	\$335,544.32	\$671,088.64	\$1,342,177.28

APPLICATION ACTIVITY 2 | 20 minutes**Damian's Shopping Day**

CCSS Math 5 NBT 5

MATERIALS

- Illustration FL-3F, **Damian's Transaction Register**
- Citizen Guides**

1. Project or display Page 70, Illustration FL-3F, **Damian's Transaction Register**, and review the steps necessary for making a payment by filling out a check. (The answer key is on Page 71.)
2. Explain to students that they will be making payments and recording them for purchases.
3. Review the steps required for purchase.
 - Check to see what forms of payment the store accepts.
 - Determine how you will pay.
4. Complete a transaction using an electronic payment or debit card.
5. Complete another transaction by writing a check. Review the steps for writing a check, as needed:
 - **Name:** Account holder's name.
 - **Date:** Today's date or an invented date.
 - **Pay to the Order of:** Name of the store receiving the check.
 - **\$ total box:** Amount of the check is written in numerical form.
 - **Line...Dollars:** Amount of the check is spelled out in words.
 - **Memo:** What the check was written for.
 - **Signature line:** Account holder's signature.
6. Have students record their payments in their transaction registers.
7. In small groups or with a partner, students continue to practice their new transaction management skills by completing the story activity in their **Citizen Guides** on Page 17 **Damian's Shopping Day**, and on Page 18, **Damian's Transactions**.



DAMIAN'S SHOPPING DAY

Name _____

a. Pick a weather description (cloudy, sunny, etc.) _____

b. Pick a color _____

c. Pick a girl's first name _____

It was a (a) _____ day on April 3 as Damian Boachie shopped in *JA BizTown*. Damian had many things on his shopping list, but he only had a balance of \$12.00 in his checking account. He wanted to buy a snack, but he decided to save some of his money instead.

Citizen Alert!

You are Damian. Enter the balance into your transaction register.



Citizen Alert!

Enter the payment and subtract the purchase in your transaction register.



First, Damian visited an interesting shop called Baubles and bought a (b) _____ necklace for his grandma. It was \$3.00, and Damian used the MoneyFriend app for his purchase. The sales clerk thanked him for his purchase and offered to wrap the gift in colorful paper.

Then, Damian visited several other stores, hoping to find his friend (c) _____ a gift for her birthday. He was sure she would love some huge animal stickers, so he gladly wrote a check for \$2.50 to Stuck-on-You! when he saw that store's display.

Citizen Alert!

Write that check now! Don't forget to subtract it in your register.



Pleased with his two purchases, Damian decided to go home. He still had many checks in his checkbook, but he knew that what was more important was that he still had money left in his account. What was Damian's final register balance?

Damian can use MoneyFriend again or he can write checks, since he has many. Can he write more than the balance amount? _____



DAMIAN'S TRANSACTIONS

Complete the fields below according to Damian's story.

RECORD ALL CHARGES OR CREDITS THAT AFFECT YOUR ACCOUNT

NUMBER	DATE	TRANSACTION DESCRIPTION	PAYMENT/DEBIT (-)	✓	FEE (IF ANY)	DEPOSIT/CREDIT (+)	\$ BALANCE	

Receipt—Baubles Jewelry Store

Date: _____

Item Purchased Description: _____

Purchase Price: _____

Payment Form: _____

Authorization Signature: _____

Total Spent: _____

Name _____ 163
 _____ 20 _____
 PAY TO THE ORDER OF _____ \$
 _____ Dollars
 JA BizTown® Bank
 Memo _____
 Acct.# 084

NON-NEGOTIABLE



DAMIAN'S TRANSACTIONS

Complete the fields below according to Damian's story.

RECORD ALL CHARGES OR CREDITS THAT AFFECT YOUR ACCOUNT

NUMBER	DATE	TRANSACTION DESCRIPTION	PAYMENT/DEBIT (-)	✓	FEE (IF ANY)	DEPOSIT/CREDIT (+)	\$	BALANCE
								12 00
	4/3	Electronic Payment Baubles	3 00					-3 00
								9 00
163	4/3	Stuck-on-You!	2 50					-2 50
								6 50

Receipt—Baubles Jewelry Store

Date: Today's Date

Item Purchased Description: Necklace

Purchase Price: \$3.00

Payment Form: Electronic Payment: MoneyFriend

Authorization Signature:

Total Spent: \$3.00

Name **Damian Boachie** 163

April 3 20 19

PAY TO THE ORDER OF **Stuck-on-You!** \$ **2.50**

Two and 50/100 Dollars

JA BizTown® Bank

Memo **stickers** *Damian Boachie*

Acct.# 084

APPLICATION ACTIVITY 3 | 30–40 minutes**Savings Plan, Inquiry-Based Lesson**

CCSS LA 4/5 RI 5

MATERIALS

- Computers with Internet access and print capability
 - Online interest calculator
1. Ask: How long do you think it takes to save for something big, like a car or a house? How long do you think it would take to save for something big that you would like to buy?
 2. Brainstorm with students some higher cost items they would like to buy, or write the following choices on the board. Ask students to choose an item from the list that they would be interested in buying: bicycle, guitar, video game, concert tickets, smartphone.
 3. Students should use online resources to find an image and a price of their desired item and copy and paste these to a document.
 4. Each student should decide how many years he or she would save for the item and determine how much would need to be saved each year. Example: $\$300 / 5 \text{ years} = \60 a year . $\$60 \text{ a year} / 12 \text{ months} = \5 a month . This information should be added to their document.
 5. Next, students will need to go online or look in ads to find a bank that offers a high interest rate for student savings accounts. Once they find a bank they like, they should record the bank's name and interest rate on their document.
 6. An online compound interest calculator like moneychimp.com will help them determine how much money they can earn over time and how much their savings account will grow in five or six years. This information should then be added to the document. Students should find that investing their money in an interest-bearing savings account will mean they can buy their big-ticket item just a bit sooner.
 7. You may want to print and display the documents or send them home with the family newsletter after the next lesson.

EXTENSION ACTIVITY 1 | 10–15 minutes

Rule of 72

MATERIALS

- ❑ Illustration FL-3G, **Rule of 72**
1. Ask students how long they think it would take to double their money in a savings account with compound interest. Share that there is a mathematical rule, called the Rule of 72, that helps estimate how long it will take.
 2. Explain that by dividing the number 72 by an interest rate, you can determine approximately how many years it will take to double your money.
 3. Using a classroom projector or an overhead, show students Page 74, Illustration FL-3G, **Rule of 72**. The Rule of 72 is considered a “rule of thumb.” While not 100 percent accurate, it does provide a close estimate.
 4. Ask, How long would it take to double your money if you were paid 3 percent interest a year? (24 years)
 5. To find out precisely how long it would take to save for a particular item, refer to an online interest calculator.

RULE OF 72

How much will your money grow with compound interest?

Use the Rule of 72.

Divide the number 72 by an interest rate to determine how many years it will take to double your money.

Example: The *JA BizTown* bank pays 5 percent interest on your savings account.

$$72 \div 5 = 14.4 \text{ years for your money to double}$$

Based on the Rule of 72:

1. If the bank offered 2 percent interest, your money would double in 36 years.

$$72 \div 2 = 36$$

2. If the bank offered 4 percent interest, your money would double in 18 years.

$$72 \div 4 = 18$$

3. If the bank offered 12 percent interest, your money would double in 6 years.

$$72 \div 12 = 6$$

Save early and seek the highest interest rate you can!

EXTENSION ACTIVITY 2 | 20 minutes

Compound Interest

CCSS Math 5 NBT 5

MATERIALS

- ❑ Sticky notes or other small scraps of paper
- ❑ Math manipulatives (any token will work); each group will need about 20

To help students visually understand compound interest, lead them through a math lesson. You will need to provide math manipulatives and a few sticky notes.

1. Have students work in pairs or small groups. One person in the group will write 100 on a sticky note. This will represent 100 of the math manipulatives (tokens). Inform them that this represents 100 dollars and each token will represent one dollar. The goal is to discover the interest a bank would pay them if these manipulatives were real dollars.
2. If the bank paid 6 percent interest, that would increase the dollars by .06. Show the math as $100 \times .06 = 6$. Instruct the groups to count out six tokens and add it to their 100 note. Now they have 106.
3. Banks will compute the interest on the new total. What would be the interest on 106? Show math as $106 \times .06 = 6.36$. Since we do not have smaller pieces of the tokens, we will round to the nearest whole number, 6. Add that to the 106. $106 + 6 = 112$.
4. Have students count out six more tokens.
5. Point out that students should notice we are adding 6 percent to the total each time. This is called compounding the interest.
6. In this round, have students add 6 percent to the total on their own. Remind them to round to the nearest whole number. Check by showing the math as $112 \times .06 = 6.72$, which rounded is 7. The groups should have added 7 tokens to their total this time for a total of 119.

7. Say, We are compounding the interest by adding the 6 percent to the total each time. Compounding interest helps money grow in a savings account.
8. Consider directing the students to an online compound interest calculator. Demonstrate from your computer how the calculator works. Several free, easy-to-use calculators can be found online by entering “compound interest calculator” in your search engine.

Sixth-Grade Variance

CCSS Math 6 NS 3

Rather than using manipulatives, direct sixth-graders to complete the math below.

If you invest \$1000.00 at 3 percent interest and it compounds annually, it grows 3 percent every year. What would be the amount in five years?

Define 3 percent as $\frac{3}{100}$, or .03. Show the math on the board:

Year one, $\$1000.00 \times .03 = \30.00 . $\$30.00 + \$1000.00 = \$1030.00$

Students follow with math on scratch paper.

Next year, $\$1030.00 \times .03 = \30.90 . $\$30.90 + \$1030.00 = \$1060.90$

Continue to calculate compound interest for one or two more years as time allows. Round to the nearest tenth.

Year Three: $\$1060.90 \times .03 = \31.80 . $\$31.80 + \$1060.90 = \$1092.70$

Year Four: $\$1092.70 \times .03 = \32.80 . $\$32.80 + \$1092.70 = \$1125.50$

Year Five: $\$1125.50 \times .03 = \33.80 . $\$33.80 + \$1125.50 = \$1159.30$

FINANCIAL LITERACY

Lesson 4: Debit Cards

LESSON CONCEPTS

Students discover ways to complete purchase transactions electronically and learn the difference between a debit card and a credit card.

INQUIRY: What is the difference between a debit card and a credit card?

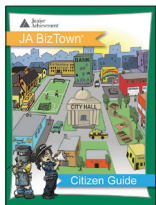
LEARNING OBJECTIVES

Students will:

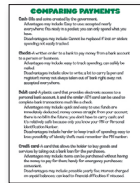
- Explore the differences between checks, debit cards, and credit cards and other forms of electronic payments.
- Explain how money changes hands when a debit card or electronic payment form is used.
- Demonstrate use of a transaction register to record a debit purchase.

MATERIALS

☐ Citizen Guides



☐ Illustration FL-4B, Comparing Payments



☐ Illustration FL-4C, Comparison Chart



☐ Teacher-provided samples of credit, debit, gift, and ATM cards, or use Illustration FL-4A, Payment Methods



SETTING THE STAGE | 5 minutes

- Ask students if they have seen people making purchases with a plastic card. Ask for examples. (debit card, gift card, credit card)
- Point out that there are many different cards that can be used to buy goods and services: credit cards, debit cards, gift cards, and prepaid cards. When students come to *JA BizTown*, they may be able to pay with cash, checks, and debit cards at different stores.
- Mention that sometimes a purchase can be made without cash, a plastic card, or a check. Remember that purchases can be made using an electronic payment on the computer or an app on a smartphone.

Vocabulary

Credit card

A card that allows the holder to buy goods and services by taking out a bank loan.

Debit card

A card that allows customers to electronically and immediately withdraw funds from their accounts.

Electronic payments

Payments made using an app that allows the user to automatically debit a bank account or charge a credit card without having to use those cards. E-commerce payments methods frequently make use of electronic payment platforms and services.

Gift card

A card that is purchased for a certain amount and then used like cash.

Identity theft

The crime of stealing someone else's personal or financial information for your own use.

PIN (personal identification number)

A number required when a person uses a debit card; it ensures others can't access the bank account.

Prepaid card

A card that allows you to spend only the amount you have pre-deposited into an account.

ACTIVITY | 20–25 minutes

Compare and Contrast

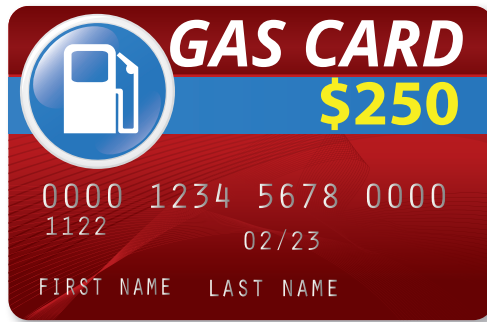
CCSS LA 4/5 SL 1.c

1. Remind students that to use checks, most cards, and other forms of payment, they first must have money in the bank.
2. Ask, What are two ways to get money into the bank? (deposit, direct deposit)
3. Display samples of banking cards or use Page 79, Illustration FL-4A, **Payment Methods**.
4. Ask students to sort the payment types. Answers will vary but may include:
 - Cash and checks are paper; the others are plastic.
 - All of them can be used to buy items you want and need.
 - **Credit cards** and **debit cards** display the account holder's name on the front.
5. Project or display Pages 80–81, Illustration FL-4B, **Comparing Payments**. Divide students into small groups or pairs. Have them turn to their **Citizen Guides**, Pages 19 and 20, and use the information to fill in the **Comparison Chart** on Page 21. (The vocabulary in the sidebar may have been featured elsewhere; it is duplicated to aid in this activity.)

Fourth-Grade Variance

Project or display Page 82, Illustration FL-4C, **Comparison Chart**. Lead the students to compare and contrast the different types of payments and ways to access their money, checking off the advantages and disadvantages of each method on the chart as they work in their **Citizen Guides**, Page 21. (An answer key is on Page 83.)

PAYMENT METHODS





COMPARING PAYMENTS

Cash—Bills and coins created by the government.

Advantages may include: Easy to use; accepted nearly everywhere; fits nicely in a pocket; you can only spend what you have.

Disadvantages may include: Cannot be replaced if lost or stolen; spending not easily tracked.

Checks—A written order to a bank to pay money from a bank account to a person or business.

Advantages may include: easy to track spending, can safely be mailed.

Disadvantages include: slow to write; a lot to carry (a pen and register); money not always taken out of bank right away; not accepted everywhere.

Credit card—A card that allows the holder to buy goods and services by taking out a bank loan for the purchases.

Advantages may include: items can be purchased without having the money to pay for them; handy for emergency purchases; convenient.

Disadvantages may include: possible yearly fee; interest charged on unpaid balances; can lead to financial difficulties if misused.

Debit card—A plastic card that provides electronic access to a personal bank account. It and the similar ATM card can be used to complete bank transactions much like a check.

Advantages may include: quick and easy to use; funds are immediately deducted; money comes straight from your account; there is no bill in the future; you don't have to carry cash; it's relatively safe because only you know your PIN or Personal Identification Number.

Disadvantages include: harder to keep track of spending; easy to lose; possibility of identity theft; must remember the PIN number.



COMPARING PAYMENTS

Electronic Payments—Payments made using an app that allows the user to automatically debit a bank account or charge a credit card without using a card.

Advantages: doesn't require cash, checks, or cards

Disadvantages: hard to keep track of; danger of identity theft; not accepted everywhere

Gift card—A card that is purchased in a specific monetary value and used like cash to purchase goods and services.

Advantages may include: like cash, you can only spend what you have.

Disadvantages may include: must be loaded with funds from bank (extra step); if lost or stolen, cannot be replaced; store-specific cards can only be used in one place.

Prepaid card—A card that allows you to spend only the amount you have pre-deposited into that account.

Advantages may include: like cash, you can only spend what you have; can be used to pay bills online or by phone; can be attached to a specific bank account and loaded automatically with direct deposit; can be canceled if lost or stolen.

Disadvantages may include: extra bank fees and charges; not accepted everywhere.



COMPARISON CHART

Name _____

Think about the various types of payments you have discussed in class. Compare and contrast them by thinking about the criteria, or reason, for each payment method. Write "yes" or "no" or "usually" in each box, based on whether the payment type meets the criteria.

Alternatives	Advantages					Disadvantages		
	Easy to use	Safe to use	Accepted everywhere	Convenient	Can be replaced if lost	Fees charged for use	Interest charges on purchases	Hard to track spending
Cash								
Checks								
Debit card								
Credit card								
Gift card								
Electronic payments								
Prepaid card								

List any additional advantages or disadvantages of each payment type that you can think of.

	Advantages	Disadvantages
Cash	_____	_____
Checks	_____	_____
Debit card	_____	_____
Credit card	_____	_____
Gift card	_____	_____
Electronic payments	_____	_____
Prepaid card	_____	_____



COMPARISON CHART

Name _____

Think about the various types of payments you have discussed in class. Compare and contrast them by thinking about the criteria, or reason, for each payment method. Write "yes" or "no" or "usually" in each box, based on whether the payment type meets the criteria.

Alternatives	Advantages					Disadvantages		
	Easy to use	Safe to use	Accepted everywhere	Convenient	Can be replaced if lost	Fees charged for use	Interest charges on purchases	Hard to track spending
Cash	Yes	Yes	Yes	Yes	No	No	No	Yes
Checks	Yes	Yes	No	No	Yes	No	No	No
Debit card	Yes	Usually	No	Yes	Yes	No	No	Yes
Credit card	Yes	Usually	Usually	Yes	Yes	Yes	Yes	No
Gift card	Yes	Yes	No	Yes	No	No	No	Yes
Electronic payments	Yes	Usually	No	Yes	Not applicable	Sometimes	No	Yes
Prepaid card	Yes	Yes	No	Yes	Usually	Yes	No	Yes

List any additional advantages or disadvantages of each payment type that you can think of.

	Advantages	Disadvantages
Cash	Answers will vary but may include: <u>Fits in pocket</u>	<u>Can be lost easily</u>
Checks	<u>Can safely be mailed</u>	<u>Slow to write</u>
Debit card	<u>Funds are immediately deducted</u>	<u>Must remember PIN</u>
Credit card	<u>Handy for emergency purchases</u>	<u>Can lead to financial difficulties</u>
Gift card	<u>Can only spend what you have</u>	<u>Store specific</u>
Electronic payments	<u>Funds are immediately deducted</u>	<u>Not accepted everywhere</u>
Prepaid card	<u>Can be used online</u>	<u>Limited to specific amount</u>

ACTIVITY | 20 minutes

Debit Transactions

CCSS Math 5 NBT 7

Read the following story to your class and have students follow along in their transaction registers in the **Citizen Guide**, Page 22, **Debit Transaction Exercise**. After each debit purchase, students should “air slide” their debit card, enter a PIN (which they choose), record the amount in the register, and compute the new balance. Directions for the teacher are in bold.

DEBIT TRANSACTIONS

Linnea received her first paycheck from her new job. She took the bus to the bank to open an account. While there, she learned that she could set up direct deposit so that she didn’t have to deposit her check each week. She could use the card like cash. She endorsed her paycheck and deposited the \$75.00 into her account. The teller showed her how to write the deposit in her register. **(Stop to make sure all the students record this deposit.)** He also explained how to set up direct deposit so that her future paychecks deposit automatically.

Later that month, Linnea and her friend Bryce decided to go shopping. Linnea knew that another paycheck of \$75.00 had automatically been deposited into her account. **(Stop to make sure students record this deposit.)** Linnea wanted to buy some new clothes for her job and get a birthday present for her brother. She wanted Bryce’s advice on the gift. She also was eager to use her new card. First, the friends went to Ever 22, a clothing store, where Linnea bought a sweater for \$20.00. She slid her card through the reader and entered her PIN. **(Students should “air slide” their imaginary cards, enter their PIN, record the purchase in the register, and find the new balance—\$130.00.)** Next, the friends went to a bookstore. Linnea found a book for \$5.00 and noticed that the store accepted the MoneyFriend app for payment. **(Students should record the purchase and figure the balance— \$125.00.)** As she was leaving the store, she remembered she needed to record the transactions in her register, so the two stopped at a snack shop. Linnea recorded her transaction for the sweater and the book. Then they each got a drink and a cookie, for a total of \$5.00. Linnea remembered she had a gift card, so that money did not have to come out of her account. **(Make sure all students are caught up in their registers.)**

Passing by her favorite sporting goods store, Linnea noticed a new hockey stick for \$40.00. Did she have enough money? **(Ask students to check their balance.)** Linnea did, but she didn't want to spend so much. The friends then headed to a computer store to look at games for Linnea's brother. They found a classic Mario Cart on sale for \$12.00. That would do just fine! She noticed that the store took the MoneyFriend app, so she decided to make her payment with her phone. She recorded the amount, figured the balance, and headed out of the store with the present for her brother. **(Ask students to record the transaction and compute the new balance. The new register balance is \$113.00.)**

The friends had purchased the things they came for, but while they were out, Bryce saw something in a hardware store that he really wanted, but he didn't have enough money. Linnea agreed to lend Bryce the money he needed, so Bryce gave the cashier \$10.00 cash and Linnea used the MoneyFriend app to pay the remaining \$15.00. **(You might ask what the item cost. Check for recording and calculations. The new balance in the register is \$98.00.)** She knew Bryce would pay her back soon.









The friends were getting tired and decided to head home. Bryce met his father at work, and Linnea decided to take the bus. She did not have any cash to pay the bus driver, but the town's new buses accepted debit cards, so the \$1.25 ticket went on her card. **(Make sure students are air swiping and recording.)** When Linnea arrived home and her dad asked her how much she had left from her two paychecks, all she had to do was look in her register to tell him. **(Ask students what the total is. The ending balance is \$96.75.)** She would have to make that money last until the next payday.

Teacher Note

Have students remove the Family Newsletter from their **Citizen Guides**, Page 27, and take it home. A copy is on Page 99. An assessment is available on Page 104 in the Teacher Reference section at the end of this unit. The answer key is on Page 105.

SUMMING IT UP | 5 minutes

Ask for thumbs up, thumbs down for true or false answers to the following statements:

-  Debit cards are a convenient way to pay because you don't have to carry cash or take time to write a check. (True, thumbs up.)
-  You should tell everyone your PIN number. (False, thumbs down.)
-  Debit card purchases are “buy now, pay now” so you must have enough money in your account to cover your purchase. (True, thumbs up.)
-  The bank will record your purchases on your transaction register when you use a debit card. (False, thumbs down.)
-  If you spend more money than is in your account, your bank will charge you a fee. (True, thumbs up.)
-  When using a credit card, you will be charged interest if the balance is not paid within 30 days. (True, thumbs up.)
-  When people use cash, the total amount of money they have is reduced. (True, thumbs up.)
-  When people use debit cards, make electronic payments, or write checks, the amount of money in their checking accounts (the account balance) is reduced. (True, thumbs up.)

OPTION

Choose an application activity to give students further practice and to reinforce concepts.

- Application Activity 1 uses a Venn diagram to compare and contrast payment methods.
- Application Activity 2 reviews the banking process by using role play.
- Extension Activity 1 teaches more about how a debit card works.
- Extension Activity 2 demonstrates the advantage of saving over using credit.

CHECK IT OUT! DAY THREE

Today's beginning balance: \$27.84

You walked and fed a neighbor's dog while the neighbor was on vacation. He returned today and paid you \$15.00. You deposited the cash into your account.

Your friend Caleb invited you to his birthday party. Using your debit card, you spent \$10.45 on his gift at the Science Discovery Center.

(Ending balance is \$32.39.)

APPLICATION ACTIVITY 1 | 20–25 minutes

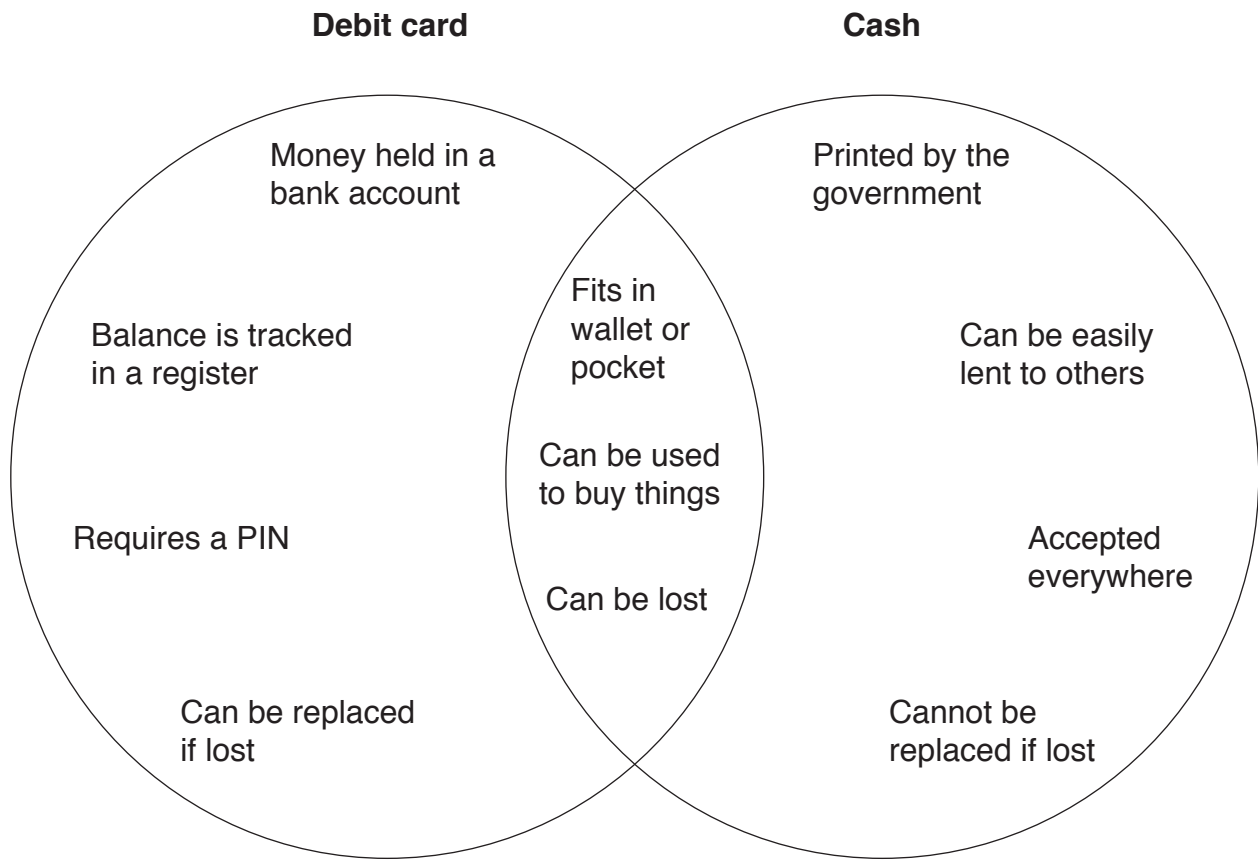
Venn Diagram

CCSS LA 5 SL 5

MATERIALS

- ❑ **Citizen Guides**
 - ❑ Computer for graphics or construction paper or other paper
 - ❑ Illustration FL-4D, **Venn Diagram Example** (optional)
1. Have the students work in pairs or small groups. Allow the groups to choose two forms of payment to compare. Using their **Citizen Guides**, they can refer to either the text on Pages 19 and 20, **Comparing Payments**, or to the chart on Page 21, **Comparison Chart**, to assist them.
 2. Each group will create a Venn diagram that illustrates the similarities and differences of their chosen (or assigned) payment methods. You may wish to have them work on a poster board or use computer graphics. (Display Page 88, Illustration FL-4D, **Venn Diagram Example**, if desired.)
 3. Students should present their diagrams to the class if time allows.

VENN DIAGRAM EXAMPLE



APPLICATION ACTIVITY 2 | 30 minutes

Let's Go to the Bank

MATERIALS

- ❑ **Citizen Guides**
- ❑ Illustration FL-4E, **Let's Go to the Bank**
- ❑ Circular Flow Cards—**Goods and Services** (kit) OR
- ❑ Resource FL-3C, **JA BizTown General Store** (Page 63)

Preparation:

1. Set up a series of eight stations. Each station will have an assigned student helper who will be given a task.
2. Each station represents a phase in the banking process and is assigned a letter representing that phase. Students should open their **Citizen Guides** to Page 23, **Let's Go to the Bank**, and as each step is completed, write the letter in the blanks at the bottom. They also will use this page as their checkbook and register for this activity.
3. Label each station with a letter: R – E – G – I – S – T – E – R.
4. Separate the **Circular Flow Cards—Goods and Services** for station 4 (“I”). The shopkeeper will need to add a price to each card. Alternately, you could use Page 63, Resource FL-3C, **JA BizTown General Store**.
5. Assign the first set of helpers and explain to them what their tasks will be at their stations. It may be helpful to walk through each task as a demonstration.

Station 1. Receive Check

The helper at this station plays the role of the banker. He or she issues the students' paychecks found in the **Citizen Guide**, Page 23, **Let's Go to the Bank**; fills out the “Pay to the Order of” line; and makes sure students endorse the checks. (A copy is on Page 91.)

Station 2. Enter Information

The station helper is the bank teller. He or she helps students enter deposits in their registers.

Station 3. Give Paycheck and Deposit Ticket

The station helper acts as a bank teller and accepts the paychecks and deposit tickets. The helper makes sure the transactions are recorded in the registers.

Station 4. Identify Purchase

The station helper acts as a shopkeeper, offering Goods and Services Cards to the students.

Station 5. Shop!

The helper is a shopkeeper who confirms that students have adequate funds for their purchases by checking their registers.

Station 6. Time to write the check

The station helper acts as cashier and accepts payments, making sure the checks are signed and filled out correctly.

Station 7. Enter the purchase

The station helper assists students in entering information in their registers, making sure the check amounts are subtracted and the new balances are correct.

Station 8. Replace worker

The helper checks to see if students have REGISTER as their answer in their **Citizen Guides** on Page 23. If so, the helper will direct students to replace a helper at another station so that person may begin visiting the stations.

Fourth-Grade Variance

Rather than set out stations, have the students open their **Citizen Guides** to Page 23, **Let's Go to the Bank**.

As a class, walk through each step of the banking process. You may want to use the **Check It Out!** pages for this exercise so there is room to write.

Sixth-Grade Variance

Make copies of the banking order instructions and post each step at the matching station. Working in pairs, students should be assigned a station, read the directions, and carry out the assigned task.



LET'S GO TO THE BANK

Name JA BizTown News Check No. 108
Jan. 5 20 19
 PAY TO THE ORDER OF _____ \$ 8.33
Eight and 33/100 Dollars
 JA BizTown® Bank
 Memo Payroll *Scott Montgomery*
 Acct.# 234

NON-NEGOTIABLE

ENDORSE HERE

DO NOT WRITE OR STAMP BELOW THIS LINE
RESERVED FOR FINANCIAL INSTITUTION USE

DEPOSIT TICKET

Name _____

CASH	CURRENCY COIN
LIST CHECKS SEPARATELY	8.33
SUBTOTAL	
LESS CASH RECEIVED	
NET DEPOSIT \$ 8.33	

JA BizTown® Bank
 Date Today's date 20____
Deposits may not be available for immediate withdrawal.

Signature required for cash received.
 Acct.# 234

RECORD ALL CHARGES OR CREDITS THAT AFFECT YOUR ACCOUNT

NUMBER	DATE	TRANSACTION DESCRIPTION	PAYMENT/DEBIT (-)	✓	FEE (IF ANY)	DEPOSIT/CREDIT (+)	\$	BALANCE
								8.33

Name _____ 20____
 PAY TO THE ORDER OF _____ \$ _____
 _____ Dollars
 JA BizTown® Bank
 Memo _____
 Acct.# _____

NON-NEGOTIABLE

Write a letter below as you visit each station to reveal your memory word!

EXTENSION ACTIVITY 1 | 15–20 minutes

The Debit Card Transaction

MATERIALS

- ❑ Illustration FL-4F, **The Debit Card Transaction**
 - ❑ **Citizen Guides**
1. Explain that a debit card allows cardholders to buy goods and services with funds that are deducted immediately from their checking or savings accounts. A debit card is basically an electronic check. It allows the bank to know immediately if the customer has spent money, unlike a check which can take many days to “clear” the bank. Technology now is available, though, that allows a merchant to scan your signed check, verify funds, and give the check back to you.
 2. Project or display Page 93, Illustration FL-4F, **The Debit Card Transaction**, and describe the process. (The answer key is on Page 94.)
 3. Instruct students to open the **Citizen Guide** to Page 24, **The Debit Card Transaction**. As you explain the process, they should number the steps.
 1. The cardholder begins a transaction on the merchant’s website or in a store. A transaction is a business agreement or exchange.
 2. Once the card is swiped at the store or logged in on the website, the transaction is sent to the cardholder’s bank for verification.
 3. Once the customer’s bank is alerted, the money is subtracted from the cardholder’s account.
 4. The merchant is notified that the transaction has taken place and there are sufficient funds for the purchase.
 5. The cardholder’s payment is complete.



THE DEBIT CARD TRANSACTION



Once the customer's bank is alerted, the money is subtracted from the cardholder's account.



Once the card is swiped at the store or logged in on the website, the transaction is sent to the cardholder's bank for verification.



The merchant is notified that the transaction has taken place and there are sufficient funds for the purchase.



The cardholder begins a transaction on the merchant's website or in a store.



The cardholder's payment is complete.



THE DEBIT CARD TRANSACTION

3



Once the customer's bank is alerted, the money is subtracted from the cardholder's account.

2



Once the card is swiped at the store or logged in on the website, the transaction is sent to the cardholder's bank for verification.

4



The merchant is notified that the transaction has taken place and there are sufficient funds for the purchase.

1



The cardholder begins a transaction on the merchant's website or in a store.

5



The cardholder's payment is complete.

EXTENSION ACTIVITY 2 | 20 minutes

Interest in Your Favor

CCSS Math 5 NBT 7

MATERIALS

- Citizen Guides**
 - Illustration FL-4G, **Interest in Your Favor**
 - Optional: Online compound interest calculator
1. Ask students if they can tell you the key difference between a credit card and all other methods of payment. (With cash, checks, and debit cards, payments come from money you have; with a credit card, you make payments later for money you borrow now.)
 2. Inform your class that using a credit card is a choice some people make to purchase the goods and services they want now. Using a credit card may seem like a quick solution. But when you use a credit card, you will likely pay more for the purchase because you have to pay interest, a fee to borrow the money unless you pay for the purchase as soon as the bill is due.
 3. To illustrate this point, project or display Page 97, Illustration FL-4G, **Interest in Your Favor**, and have the students turn to their **Citizen Guides**, Page 25. (Answer key is on Page 98.) Walk the class through the calculator charts, using the following helps and talking points to discuss the cost of buying a mountain bike on credit (and not paying the bill immediately) or saving for it and using the power of compound interest. Refer to the compound interest calculator chart for questions a through c and the credit card calculator chart for d and e.
 - a. To find out how long it would take to save \$400.00 to buy the mountain bike, divide: $400/16 = (25 \text{ months})$.
 - b. Locate the balance on the compound interest calculator. (\$403.62)
 - c. To find the total interest, subtract the total deposit from the balance: $\$403.62 - \$400.00 = (\$3.62)$.
 - If students comment that \$3.62 is not much in interest, mention that if they continued to save at this same rate, in 10 years they would have \$2,025.77. Also, while interest rates are low now on savings accounts, that has not always been the case historically and may not be in the future.

Online Option

Log on to a free compound interest calculator like the one on Bankrate or Moneychimp.com and share your computer screen to demonstrate this activity.

- In 20 years, if students kept saving that \$16 a month and used the power of compound interest, they would have \$4,224.73, enough to buy a used car instead of a bike.
- d. Now, if students choose to buy the bike on credit, how long would it take to pay off the \$400 loan? Use the amount from the “Months to Pay” line on the chart. (32 months)
- e. To calculate the interest they would pay at an 18 percent interest rate, subtract the \$400 price of the bike from the total payments: $\$505.12 - \$400 = (\$105.12)$. **Note to teacher:** The final monthly payment will be \$9.12 because of compound interest.
4. Show students that the interest paid using a credit card was more than a quarter of the value of the bike.
- $105/400 = .2625$; $.25 = 1/4$
 - Not only would buying the bike on credit be more expensive, it would take nine months longer of paying \$16.00 a month to own it free and clear.
5. Ask students if they think getting the bike sooner is worth the extra money they would spend.



INTEREST IN YOUR FAVOR

You want a new mountain bike that costs \$400.00. You need to decide if you want to buy the bike now using credit, or wait and save the money to buy the bike, meanwhile earning interest on your savings. You know that you can afford about \$16.00 a month from your allowance and lawn jobs.



EARNING INTEREST

You decide to save \$16.00 a month to buy the bike. Every month you put \$16.00 into a savings account, you earn 0.9 percent interest, compounded monthly.

- How many months will it take to save \$400.00? _____
- What will the balance be at the end of the savings period? _____
- How much will you earn in interest? _____

COMPOUND INTEREST CALCULATOR	
Current Principal:	\$16.00
Annual Addition:	\$192.00
Years to Grow:	2
Interest Rate:	0.9%
RESULTS	
Balance:	\$403.62

PAYING INTEREST

You decide to buy the bike now using a credit card. You will pay \$16.00 a month to the credit card company. The company will charge 18% interest to borrow the \$400.00

- How many months will it take to pay off the loan? _____
- How much will you pay in interest? _____

CREDIT CARD CALCULATOR	
Current Debt:	\$400.00
Interest Rate:	18%
Your Monthly Payments:	\$16
RESULTS	
Months to Pay:	32
Total Payments:	\$505.12



INTEREST IN YOUR FAVOR

You want a new mountain bike that costs \$400.00. You need to decide if you want to buy the bike now using credit, or wait and save the money to buy the bike, meanwhile earning interest on your savings. You know that you can afford about \$16.00 a month from your allowance and lawn jobs.



EARNING INTEREST

You decide to save \$16.00 a month to buy the bike. Every month you put \$16.00 into a savings account, you earn 0.9 percent interest, compounded monthly.

- How many months will it take to save \$400.00? **25**
- What will the balance be at the end of the savings period? **\$403.62**
- How much will you earn in interest? **\$3.62**

COMPOUND INTEREST CALCULATOR	
Current Principal:	\$16.00
Annual Addition:	\$192.00
Years to Grow:	2
Interest Rate:	0.9%
RESULTS	
Balance:	\$403.62

PAYING INTEREST

You decide to buy the bike now using a credit card. You will pay \$16.00 a month to the credit card company. The company will charge 18 interest to borrow the \$400.00

- How many months will it take to pay off the loan? **32**
- How much will you pay in interest? **\$105.12**

CREDIT CARD CALCULATOR	
Current Debt:	\$400.00
Interest Rate:	18%
Your Monthly Payments:	\$16
RESULTS	
Months to Pay:	32
Total Payments:	\$505.12

Teacher note: The final monthly payment will be \$9.12

A FAMILY NEWSLETTER

FINANCIAL LITERACY

Your child just completed the Financial Literacy unit of the *JA BizTown* curriculum. The goal of *JA BizTown* is to help students see how classroom learning relates to real-world events. In this unit, they learned the skills and knowledge that allow people to make informed decisions about their finances. The primary personal-finance skill students practiced was the proper use of transaction registers. Students engaged in the entire (pretend) process: They applied for checking and savings bank accounts; wrote checks for purchases; use debit cards and electronic payment apps for purchases; deposited money into accounts; and maintained accurate balances in transaction registers.

Students were encouraged to complete their checks, deposit tickets, and transaction registers as shown below. The method of subtracting each transaction on the register is called the “two-line” method. They also learned how to use a debit card and make an electronic payment with an app. They will use these skills when they visit *JA BizTown*. Please reinforce these lessons with your child.

DEPOSIT TICKET		CASH	CURRENCY		
Name	Jennifer Smith		COIN		
JA BizTown® Bank		LIST CHECKS SEPARATELY		8	82
Date	July 1 20 19	SUBTOTAL		8	82
Deposits may not be available for immediate withdrawal.		LESS CASH RECEIVED		-2	00
<i>Jennifer Smith</i> <small>Signature required for cash received.</small>		NET DEPOSIT \$		6	82
Acc.# 234					

Name	Jennifer Smith	001
Date	July 1 20 19	
PAY TO THE ORDER OF	JA BizTown Delivery	\$ 1.50
One and 50/100		Dollars
JA BizTown® Bank		
Memo	candygram	
<i>Jennifer Smith</i>		
Acc.# 234		

RECORD ALL CHARGES OR CREDITS THAT AFFECT YOUR ACCOUNT						
NUMBER	DATE	TRANSACTION DESCRIPTION	PAYMENT/DEBIT (\$)	FEE (\$/AMOUNT)	DEPOSIT/CREDIT (\$)	BALANCE
						0 00
	7/1	Deposit			6 82	+6 82
						6 82
001	7/1	JA BizTown Delivery	1 50			-1 50
						5 32
		Electronic Payment: Jack's Hardware	2 00			-2 00
						-3 32

BizTalk!

Share how you pay your bills or buy things. Do you write checks? Use online banking? Use an ATM? Use a debit card? Use an electronic payment app? Explain the hardest part for you.

BizTalk!

Ask your child what lesson she or he learned.



FINANCIAL LITERACY

Teacher References

CHECK IT OUT! SCENARIOS

Check It Out! scenarios should be used daily or as often as possible to allow students to practice recording their transactions. Recording transactions in a register will be necessary during your visit to *JA BizTown*.

Write the daily scenarios on the board or use a classroom projector to share the scenario. Consider using a register instead of worksheets if possible. If a day goes by when you haven't done **Check It Out!**, continue with the next scenario. Skipping **Check It Out!** days will affect your register balance.

Day One

Record the opening balance in your register. The starting balance is \$0.00.

Happy Birthday! You received a check for \$25.00 from your grandparents and deposited it in your account but asked for \$2.00 back in cash. Record your deposit.

(Ending balance today is \$23.00.)

Day Two Today's beginning balance: \$23.00

Your paycheck from Sports Avenue was direct deposited into your account. Your pay was \$7.84. Record your deposit.

This afternoon, you stopped by the local Burger Barn and bought a chocolate shake. You used your debit card for \$3.00.

(Ending balance today is \$27.84.)

Day Three Today's beginning balance: \$27.84

You walked and fed a neighbor's dog while the neighbor was on vacation. He returned today and paid you \$15.00. You deposited the cash into your account.

Your friend Caleb invited you to his birthday party. Using your debit card, you spent \$10.45 on his gift at the Science Discovery Center.

(Ending balance is \$32.39.)

Day Four Today's beginning balance: \$32.39

You complete your chores for the week. Your mother makes an electronic deposit of \$15.00 into your mobile checking account.

You bought a toy for your dog at Bow Wow Wow! using your debit card. The cost is \$2.70.

(Ending balance is \$44.69.)

Day Five Today's beginning balance: \$44.69

You went shopping with friends today and bought noisy party favors for your Fourth of July party. You wrote a check to Bash Blasts for \$9.45.

You then went to Shirt Shack to buy a new shirt for the party, spending \$14.35 with your debit card.

(Ending balance is \$20.89.)

Day Six Today's beginning balance: \$20.89

Today, a paycheck in the amount of \$8.82 was direct deposited into your account.

You went to lunch with your friend Natasha at Hot Diggity Dogs and paid \$4.67 with your debit card.

(Ending balance is \$25.04.)

Day Seven Today's beginning balance: \$25.04

Today, you received your allowance of \$10.00. You were paid in cash and decided to deposit it all into your account.

You wrote a check for \$2.50 to pay back a loan from your sister Tomika.

(Ending balance is \$32.54.)

Day Eight Today's beginning balance: \$32.54

The bank was closed today and you needed \$5.00 cash, so you used your debit card at the ATM to get the money.

You then went to the beach with your friends and bought sunscreen at The Beach Cabana for \$4.30, paying with your debit card.

(Ending balance is \$23.24.)

Day Nine Today's beginning balance: \$23.24

You receive \$12.00 allowance for the week. Instead of writing you a check, your parents load an electronic payment of \$12.00 to your debit card.

Using your debit card, you purchased a new DVD for \$8.27 at Video Mart.

(Ending balance is \$26.97.)

Day Ten Today's beginning balance: \$26.97

Your paycheck of \$8.33 was direct deposited today.

Your little brother's birthday is next week, and you went shopping early and bought him a toy train for \$6.39. You wrote a check to Toys and More for the purchase.

(Ending balance is \$28.91.)

FINANCIAL LITERACY ASSESSMENT

Section One: Circle the choice or choices that best answer the question.

- Which of the following are financial institutions?
 - bank
 - library
 - credit union
 - museum
- Which services is a bank likely to offer?
 - balance
 - savings account
 - online banking
 - net deposit
- Which is required when depositing money into an account?
 - include your account number
 - thank the teller
 - swipe your credit card
 - sign your deposit ticket
- The amount left over from your paycheck after taxes and deductions are withheld is called _____.
 - balance
 - gross balance
 - transaction
 - net pay

Section Two: True or false?

- You can continue to write checks as long as you have checks in your checkbook. T F
- All bank transactions should be recorded in the register. T F
- A direct deposit is when you take your paycheck directly to the bank after you receive it. T F
- Credit cards and debit cards are essentially the same thing. T F

Section Three: Fill in the blanks

- Banks offer different kinds of accounts because _____

- The three important things to remember about saving and savings accounts are:
 - _____
 - _____
 - _____

FINANCIAL LITERACY ASSESSMENT

Section One: Circle the choice or choices that best answer the question.

- Which of the following are financial institutions?
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- Credit cards and debit cards are essentially the same thing. T F

Section Three: Fill in the blanks

- Banks offer different kinds of accounts because: _____ **Answers will vary but may include: Different customers have different needs. Banks earn money by offering the services their customers want.** _____
- The three important things to remember about saving and savings accounts are:
 - _____ **The higher the interest rate, the more money you will earn.** _____
 - _____ **The longer money is saved, the more money you will have for your needs and wants.** _____
 - _____ **The more you add to your savings, the faster your money will increase.** _____

COMMON CORE STATE STANDARDS REFERENCES

Lesson 1

CCSS LA 4/5 RI 7

Draw on information from multiple print or digital sources, demonstrating the ability to locate an answer to a question quickly or to solve a problem efficiently.

CCSS LA 4 RI 3 (Variance)

Explain events, procedures, ideas, or concepts in a historical, scientific, or technical text, including what happened and why, based on specific information in the text.

CCSS LA 6 W 2.b (Variance)

Develop a topic with relevant facts, definitions, concrete details, quotations, or other information and examples.

CCSS LA 4/5 RI 4

Determine the meaning of general academic and domain-specific words and phrases in a text relevant to a grade topic or subject area.

CCSS LA 4/5 L 4.a (Application Activity)

Use context (e.g., definitions, examples, or restatements in text) as a clue to the meaning of a word or phrase.

CCSS LA 4/5 RI 4 (Extension Activity)

Determine the meaning of general academic and domain-specific words and phrases in a text relevant to a grade topic or subject area.

CCSS LA 4 SL 2 (Variance-Extension Activity)

Paraphrase portions of a text read aloud or information presented in diverse media and formats, including visually, quantitatively, and orally.

CCSS Math 5 OA 1 (Extension Activity)

Use parentheses, brackets, or braces in numerical expressions, and evaluate expressions with these symbols.

CCSS Math 4 OA 2 (Variance-Extension Activity)

Multiply or divide to solve word problems involving multiplicative comparisons, e.g., by using drawings and equations with a symbol for the unknown number to represent the problem.

CCSS Math 6 EE 2 (Variance-Extension Activity)

Write, read, and evaluate expressions in which letters stand for numbers.

Lesson 2

CCSS Math 5 NBT 7

Add, subtract, multiply, and divide decimals to hundredths, using concrete models or drawings and strategies based on place value, properties of operations, and/or the relationship between addition and subtraction; relate the strategy to a written method and explain the reasoning used.

CCSS Math 4 NBT 4

Fluently add and subtract multi-digit whole numbers using the standard algorithm.

CCSS LA 4/5 RI 7

Draw on information from multiple print or digital sources, demonstrating the ability to locate an answer to a question quickly or to solve a problem efficiently.

CCSS Math 4 NBT 3 (Variance)

Use place value understanding to round multi-digit whole numbers to any place.

CCSS Math 6 NS 3 (Variance)

Fluently add, subtract, multiply and divide multi-digit decimals using the standard algorithm for each operation.

CCSS Math 4 NBT 4 (Application Activity)

Fluently add and subtract multi-digit whole numbers using the standard algorithm.

CCSS LA 4 L 3.a (Extension Activity)

Choose words and phrases to convey ideas precisely.

CCSS LA 4/5 SL 1.d (Extension Activity)

Review the key ideas expressed and explain their own ideas and understanding in light of the discussion.

CCSS LA 6 W 3.d (Variance-Extension Activity)

Use precise words and phrases, relevant descriptive details, and sensory language to convey experiences and events.

Lesson 3

CCSS Math 5 NBT 7

Add, subtract, multiply, and divide decimals to hundredths, using concrete models or drawings and strategies based on place value, properties of operations, and/or the relationship between addition and subtraction; relate the strategy to a written method and explain the reasoning used.

CCSS Math 4 NBT 3 (Variance)

Use place value understanding to round multi-digit whole numbers to any place.

CCSS Math 6 NS 3 (Variance)

Fluently add, subtract, multiply and divide multi-digit decimals using the standard algorithm for each operation.

CCSS Math 6 NS 3

Fluently add, subtract, multiply, and divide multi-digit decimals using the standard algorithm for each operation.

CCSS Math 5 NBT 7 (Activity and Application Activity)

Add, subtract, multiply, and divide decimals to hundredths, using concrete models or drawings and strategies based on place value, properties of operations, and/or the relationship between addition and subtraction; relate the strategy to a written method and explain the reasoning used.

CCSS Math 5 NBT 5 (Application Activity)

Fluently multiply multi-digit whole numbers using the standard algorithm.

CCSS LA 4/5 RI 5 (Application Activity)

Compare and contrast the overall structure (e.g., chronology, comparison, cause/effect, problem/solution) of events, ideas, concepts, or information in two or more texts.

CCSS Math 5 NBT 5 (Extension Activity)

Fluently multiply multi-digit whole numbers using the standard algorithm.

CCSS Math 6 NS 3 (Variance)

Fluently add, subtract, multiply, and divide multi-digit decimals using the standard algorithm for each operation.

Lesson 4

CCSS LA 4/5 SL 1.c

Pose and respond to specific questions to clarify or follow up on information, and make comments that contribute to the discussion and link to the remarks of others.

CCSS Math 5 NBT 7

Add, subtract, multiply, and divide decimals to hundredths, using concrete models or drawings and strategies based on place value, properties of operations, and/or the relationship between addition and subtraction; relate the strategy to a written method and explain the reasoning used.

CCSS LA 5 SL 5 (Application Activity)

Include multimedia components (e.g., graphics, sound) and visual displays in presentations when appropriate to enhance the development of main ideas or themes.

CCSS Math 5 NBT 7 (Extension Activity)

Add, subtract, multiply, and divide decimals to hundredths, using concrete models or drawings and strategies based on place value, properties of operations, and/or the relationship between addition and subtraction; relate the strategy to a written method and explain the reasoning used.

FINANCIAL LITERACY VOCABULARY

Lesson 1

ATM (automated teller machine)

A machine that allows bank customers to deposit or withdraw money without visiting their bank.

Balance

The current amount of money in an account.

Bank

A business that offers money-related services to its customers, including loans and checking and savings accounts.

Board of directors

A group of people chosen to manage or direct a business or organization.

Business

A company that sells goods or services.

Certificate of deposit (CD)

An investment that earns interest over a specific period of time.

Check

A written order to a bank to pay a certain amount of money from a checking account to another person or business.

Checking account

A bank account used to pay bills and access funds using checks and debit cards.

Credit card

A card that allows the holder to buy goods and services by taking out a bank loan.

Credit union

A financial institution owned by its members that provides many of the same services as a bank.

Debit card

A card that allows customers to electronically and immediately withdraw funds from their accounts, either in cash or to purchase goods or services.

Economy

A system that guides how money is earned and used in a society.

Electronic payment

Payments made online or using an app.

Financial institution

A business that provides money-related services.

Loan

Money borrowed that must be repaid, usually with interest.

Online banking

A service that allows customers to perform banking activities using the Internet.

Safe deposit box

A bank safe where documents, jewelry, or other valuables are kept.

Savings account

An account that usually earns interest and is often used to hold money that is not needed right away.

Transaction

A business agreement or exchange.

Lesson 2**Bounced check**

A check that is written for more than the amount of money in a checking account.

CFO

The chief financial officer is responsible for a business's finances.

Deposit ticket

A written record of money put into a checking account.

Direct deposit

An electronic transfer of money from one account to another; often used by employers to pay employees.

Endorse

To write a signature on the back of a check.

Income

The money people earn for their work.

Net deposit

The amount of money placed into an account after all deductions, such as cash back, are made.

Paycheck

A check received for work completed.

Personal check

A check written from a personal checking account.

Lesson 3**Accrue**

To have money gain in increments, usually at a set rate.

Compound interest

Interest calculated and paid on a balance and on the interest paid previously.

Interest

A fee received or paid for the use of money.

Lesson 4**Credit card**

A card that allows the holder to buy goods and services by taking out a bank loan.

Debit card

A card that allows customers to electronically and immediately withdraw funds from their accounts, either in cash or to purchase goods or services.

Gift card

A card that is purchased for a certain amount and then used like cash.

Identity theft

The crime of stealing someone else's personal or financial information for your own use.

PIN (personal identification number)

A number required when a person uses a debit card; it ensures others can't access the bank account.

Prepaid card

A card that allows you to spend only the amount you have pre-deposited into an account.

Transaction register

A booklet for recording money put into (deposited) or removed from (withdrawn) an account.

