**Sequencing Rationale**

The world of banking as we know it rapidly changing. Many banks now offer a new feature where their customers can deposit checks simply by snapping a picture of it and electronically sending it to the bank. One bank teller told me, “It will probably replace me. I will probably lose my job but it is a great service.” Some banks now also offer a voice-activated debit card. Teaching students the banking unit in this Financial Management class is challenging and also exciting because we have to keep current with all the changes in the banking world. Students are free to voice their opinions about the changing technology affecting their lives and the way they do banking. We discuss what banking will look like in the future during their lifetime.

The first subunit is “Financial Institutions.” The first information introduced is FDIC. Students learn the reason FDIC exists and often comment that they have seen the sign in banks but did not know what it mean. Then students learn the types and differences between depository institutions and non-depository institutions. We discuss the importance of going inside the bank so the bank employees learn our names. We talk about their generation and why going inside the bank is becoming quite rare. Credit unions are important for students to learn about. Many college campuses offer credit union services which are helpful to young adults. The non-depository financial institutions include life insurance companies, investment companies, and mortgage companies.

The second subunit is “Financial Services.” Students will gain a better understanding about their “daily cash needs.” This section introduces students to the services banks offer. Students will learn and discuss financial services which include savings accounts, checking accounts, credit services, investment services, tax preparation, and insurances. During this unit, students will see an actual online bank account and watch how transferring money from one account to another is done. Online bill paying will also be introduced and discussed. Students will learn about ATM machines and usually bring personal stories to the table on this one. Good story telling about actual financial events makes class relevant; so students hear personal stories, some of which are extremely funny. Students learn about and discuss debit cards which is something most students know about because their parents use them, and some high school students now have their own debit cards because they have their own checking accounts. Students learn a lot from each other when discussing services provided by banks.

The second subunit is “Financial Institutions.” The first information introduced is FDIC. Then students learn the difference between depository institutions and non-depository institutions. Most families in my school district use commercial banks such as Huntington, First Federal, State Bank, PNC, and Farmers and Merchants. We discuss the importance of going inside the bank so the bank employees learn our names. We talk about their generation and why going inside the bank is becoming quite rare. Credit unions are important for students to learn about. Many college campuses offer credit union services which are helpful to young adults. The non-depository financial institutions include life insurance companies, investment companies, and mortgage companies. This is always good place to interface new information and talk about the pros and cons of owning a home and renting. Another thing they learn is that banks can offer life insurance policies, usually through the mail.

The third subunit is “Savings Accounts.” Many students have a savings account. Students also learn about certificates of deposit, money market accounts, and U.S. savings bonds. Students learn about compounding interest. Students are given examples and problems to solve regarding how to calculate interest on savings accounts. We talk about the importance of saving money and how much money should be saved for a rainy day…or a rainy month…or a stormy year!

The fourth subunit is “Checking Accounts.” Students learn how to open a checking account. There are a lot of hands-on activities in this section. Students fill out a signature card. They also write checks, endorse checks in the different accepted ways, fill out a check register, and go through the process of reconciling a monthly bank statement. This is a great place to talk about keeping good records and why they should not consider their online bank statement balance to be 100% accurate all the time. We discuss overdraft protection and the cost of bouncing checks and overdrawing accounts. We learn about debit cards and PIN numbers. Students learn that checks are going to be obsolete sometime in the future and that debit cards are here to take their place.

The Unit on Banking usually interests the students because it is more relevant to them at this time of their lives since they already do banking in some way, even if it is only cashing a check they received for their birthday. Students are introduced to a variety of online financial literacy games that they can play occasionally in class. Guest speakers are always welcome too! Bankers make good guest speakers. I created an event for my Finance classes called Café Day. It is every Friday. I set up a small café like a Starbucks and then the students are required to read an article from the Wall Street Journal or from a magazine such as Kiplinger’s. Then they write a summary about the article they read during Café Day. One other outstanding event that my Financial Management students do is participate in a financial event called Finances 101. It was originally called The Game of Life. It is conducted by a local credit union. Students are given an occupation, a salary, a family scenario, and a checkbook with a starting balance and a calculator. The students go to different tables where there are community members waiting to help them. For example, at one table each student has to make a decision about transportation…are they going to buy a new car, a used car, take a bus, or ride a bike and there is a cost attached to the decision they make. If they buy a car, they are told what their monthly payment is and they have to subtract if from their checking account balance. Other tables where students make financial decisions include: child care, living quarters (buy a home, rent, live with parents), electronics, and entertainment. At one table they spin a big wheel and land on interesting circumstances such as… their car needs four new tires or a new transmission, or it might be paying on a cruise. The goal is to have a positive balance in their checkbook at the end of the month/event. Sometimes students will ask to go through the game more than once. They are hoping for a better outcome the next time.

This unit about Banking is rich with instruction and activities. Students learn many new concepts about banking. Students learn how to select a bank depending on the services provided and their own personal needs. At the conclusion of the banking unit, students are well on their way to becoming financially literate. Students will understand the importance of learning the skills required to be financially solvent.