



Part 2, Module 2: Bank Accounts, the 1st Step to Independence

Lesson Overview:

This lesson is designed to help students evaluate the importance of having a bank account.

As a result of this lesson, students will:

- Evaluate the beliefs they hold about banks and credit unions
- Critically think about the reasons it may be helpful to have an account at a bank or credit union
- Come up with solutions to help avoid having negative experiences with banks or credit unions in the future.

Materials you will need to teach this lesson include:

- A chalkboard, whiteboard, or large poster sized paper.

Students will need:

- Markers or chalk (may be provided by the instructor)

Instructions:

Give students the question prompt: *What comes to mind when you hear the word “bank”?* Ask them to respond to the question by writing a word or two on the board. Have multiple markers or chalk available so that multiple students may write their responses at once.

Have students help you group the words that go together and make a list on another piece of paper or board available. Designate one student as the writer while you circle words to group together and cross them off as they are added to the list. List the overarching theme for the words that were grouped together on the main list. Students can help point out words that should go together while you are at the board.

Review some of the major themes that the students came up with. From this list, students may be able to deduce that they receive conflicting messages about banks and credit unions at times.

Ask students for examples of conflicting messages they receive about banks and credit unions. Examples could include: “People in need can’t always get a loan and it seems unfair, *but* banks are cautious about who they loan your money to so it is still there for you.” “Banks protect your money and monitor it for you, but they charge a fee if you are overdrawn.” Some students may have cultural reasons or reasons related to family or personal experiences that make them hold a negative opinion concerning bank accounts. Other topics may relate to convenience, the cost to use a bank, the safety and protections in place, etc.



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Once students have evaluated the positives and sometimes negatives of banking, review these important reasons for having a bank account:

- The safety of their money
- The convenience involved with things such as direct deposit.
- The low cost of banking when compared to other places such as check cashing services.
- The convenience and relative low cost of accessing cash and paying bills as compared to other methods.
- Safety - your bank account is currently insured up to \$250,000 at any FDIC (Federal Deposit Insurance Corporation) bank. Credit union accounts are insured to the same amount if covered by the NCUA (National Credit Union Administration)
- Establishing a relationship with a bank is important for your future if you are considering taking out loans.

Variations on this lesson:

If you are teaching a very large lecture style class, you may want to break students up into groups and have students compile a short list together. One member can then share their list with you as you record it on the board.