Financial Literacy Education Lesson Plan

Lesson 5: Who is Who in the Financial System *55 minutes*[1]

Domains

- Banking, Investing, Saving and Repayment

Oregon High School Personal Financial Education Content Standards[2]

- **HS.PFE.B.1:** Describe the roles of various types of financial institutions, and explore products and services provided by these institutions.

Essential Questions

- How can different financial institutions help me manage my money?
- What products and services can banks, credit unions, and other financial institutions offer me?

Learning Targets

I can:

- Explain what different financial institutions do.
- Describe the products and services different financial institutions offer.

Supplies

1. Projector and internet access
2. Presentation slides (Note: Speaker notes are provided in the lesson plan and in the accompanying PowerPoint slides.)
3. Student handouts
4. A large writing surface such as chart paper and markers, whiteboard, or chalkboard

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[1] This lesson is designed for approximately 55 minutes, but timing may vary based on student discussion, reflection, and engagement. Feel free to adjust the pacing or extend activities as needed.

[2] The Oregon High School Personal Financial Education Content Standards are located at: https://www.oregon.gov/ode/students-and-family/OregonDiploma/Documents/FINAL%20PFE%20Standards_AdoptedAccessible.pdf

Preparation

1. Make copies of student handouts.
2. Set up projector with presentation slides.
3. Select a list of Oregon-based banks and credit unions to give to students to use for the application activity. A good source to use is Bank on Oregon.

Overview

This lesson helps students understand the landscape of financial institutions. Students learn how different institutions help people manage, protect, and invest their money, as well as get help when they believe they have been treated unfairly. Students also learn about the risks and costs of using alternative financial institutions and explore and contrast the financial products and services offered by banks and credit unions.

Instructions

Activity 1: Warm-Up *5 minutes*

1. Display the **Title slide (Slide 1)** and distribute the handout packets to students, if you have not already.

2. Display the ***Warm-up* slide (Slide 2)** and point students to the copy of the prompt on the slide (*Imagine you earn $1 and spend it. How many people or organizations might handle your money along the way?*) that is provided on the first page of their handouts.

3. Invite students to take a moment to write down their responses to the prompt in the space provided in their handouts. Tell them there are no right or wrong answers—they should simply write whatever comes to mind.

4. Invite a handful of volunteers to share their ideas with the whole class and write down what they share on the writing surface.

5. Display the ***Who touched my dollar?* slide (Slide 3)** and review with students the information provided.

6. Explain to students that money—even a single dollar—moves through a system of institutions that helps keep it circulating, tracked, and protected. This lesson will help them understand these institutions and the broader financial system in which they operate.

7. Display the ***Learning targets* slide (Slide 4)** and point students to the copy of the learning targets provided on the first page of their handouts. Review the learning targets with them.

8. Point students to the copy of the lesson glossary provided on the first page of their handouts and review the terms with them.

9. Point students to the ***Note Catcher* handout** and invite them to use it to take notes during the lesson.

Activity 2: Presentation *15 minutes*

1. Display the ***Presentation* slide (Slide 5)**.
2. Display the ***Financial services* slide (Slide 6)** and review with students the types of *financial services* listed on the slide. Explain that financial institutions offer these services to help people move, store, grow and protect their money. Each institution has a specific role, although some—especially banks and credit unions—may offer more than one type of financial service. Even something as small as a paycheck involves multiple institutions performing different jobs.
3. Display the ***Storing money* slide (Slide 7)** and review with students the information provided.
4. Ask students to turn and talk with a neighbor why someone might choose a savings account instead of keeping cash at home. After a moment, ask one or two students to share their ideas with the class.
5. Display the ***Comparing banks and credit unions* slide (Slide 8)** and review with students the information provided. Explain that there is no right or wrong choice when deciding whether to use a bank or credit union—it will depend on each person's individual needs and what is available in their community. In fact, some people use both credit unions and banks at the same time to meet different financial needs.
6. Ask a few students to share banks and credit unions they are familiar with in their community and list them on the writing surface.
7. Display the ***Lending money* slide (Slide 9)** and review with students the information provided.
8. Display the ***Protecting money* slide (Slide 10)** and review with students the information provided.
9. Display the ***Sending money* slide (Slide 11)** and review with students the information provided.
10. Display the ***Growing money* slide (Slide 12)** and review with students the information provided.
11. Display the ***Enforcing money rules* slide (Slide 13)** and review with students the information provided. Note that the acronyms in the "Who Offers It" column will be explained on the next slide.
12. Display the ***Enforcement acronyms* slide (Slide 14)** and review with students the information provided.
13. Display the ***Who can help?* slide (Slide 15)** and review with students the instructions provided. Students will identify which of the financial institutions listed under "Options" can best help with each financial need.
14. Read each financial need aloud and ask students to identify which institution would be most helpful. Ask them to show one to four fingers to indicate their choice. Record their responses on the writing surface.

15. Display the ***Who can help? (Answers)* slide (Slide 16)** and review the suggested answers with students. Encourage students who have questions about or disagree with an answer to explain their reasoning. Remind students that some financial needs can be met by more than one type of institution. For example, many banks and credit unions offer access to insurance and investment products and services in addition to traditional banking services.

16. Take any questions from students before moving on.

17. (Optional) Provide students with a short break. The ***Break* slide (Slide 17)** is provided if you choose to give students a break at this point or later in the lesson.

Activity 3: Application Activity *20 minutes*

1. Display the ***Application Activity* slide (Slide 18)**.

2. Divide the class into small groups.

3. Display the ***Activity instructions* slide (Slide 19)** and point students to the ***Oregon Bank and Credit Union Comparison* handout**. Review the activity instructions as a class. Students will explore the websites of an Oregon-based bank and an Oregon-based credit union and record and compare information about the products and services both offer.

4. Provide each group with an Oregon-based bank and an Oregon-based credit union from the approved list (see the "Preparation" section above).

5. Invite groups to begin working on the activity.

6. Circulate among the groups as they work to answer questions and make sure they are staying on task.

7. After 20 minutes, or when it looks like students have completed their work, get their attention and move on to the activity debrief.

Activity 4: Activity Debrief *12 minutes*

1. Display the ***Debrief* slide (Slide 20)**.
2. Invite a spokesperson from each group to briefly share what they learned from comparing their assigned Oregon-based bank and credit union. Encourage groups to highlight at least one similarity and one difference they found.
3. As students share, invite the class to identify any common patterns or surprising findings across the institutions.
4. Ask students to revisit the warm-up question and consider how they would collect, store, and spend money without using any of the financial institutions discussed in the lesson. Invite a few students to share their ideas and discuss the challenges they might face.
5. Display the ***Underbanking and financial alternatives* slide (Slide 21)** and review with students the information provided. Explain that some people have limited access to banks and credit unions or choose not to use them. As a result, they may use alternative financial services that are quicker or easier to access. While these services can be convenient, they often have higher fees, fewer protections, and greater financial risks than banks and credit unions.
6. Display the ***Causes of underbanking* slide (Slide 22)** and review with students the information provided. Emphasize that underbanking can result from many different factors and is not simply a personal choice.
7. Conclude by reminding students that banks and credit unions provide a safe place to store money, access financial services, and receive consumer protections. Explain that choosing the right financial institution can help people manage and protect their money.

Activity 5: Wrap-Up *3 minutes*

1. Display the ***Wrap-Up* slide (Slide 23)**.
2. Display the ***Exit ticket* slide (Slide 24)** and point students to the copy of the prompt on the slide that is provided on the last page of their handout packets. Invite students to write their responses to the prompt in their handouts in the space provided.
3. Display the ***Thank you!* slide (Slide 25)**.
4. Answer any final questions and thank students for their participation.

Glossary

Automated teller machine (ATM): A machine that lets you access your bank account to withdraw cash, deposit money, check your balance, or transfer funds without going inside a bank.

Bank: A financial institution that accepts deposits, makes loans, safeguards money, and handles other basic financial transactions.

Bond: An investment where you lend money to a government or company, and they promise to pay you back later with interest.

Brokerage firm: A company that helps people buy and sell investments—like stocks, bonds, or mutual funds—and holds those investments for them.

Certificate of deposit (CD): A savings account where you agree to leave your money in the bank for a set amount of time. In return, the bank pays you interest, but you usually pay a penalty if you take the money out early.

Checking account: An account offered by a bank or credit union that allows frequent withdrawals and payments. It's used for everyday transactions like paying bills, writing checks, and using a debit card. Checking accounts provide liquidity and convenience for managing daily expenses.

Credit union: A member-owned, not-for-profit financial cooperative that provides banking services.

Debit card: A card that lets you pay for things electronically by using money directly from your bank account, with the amount taken out right away.

Deposit: Money placed into a bank or credit union account, such as paychecks, cash deposits, or transfers. Deposits provide a safe place to store money, earn interest, and facilitate financial transactions.

Deposit insurance: A system that protects people's money in a bank or credit union. If a bank or credit union fails or goes out of business, deposit insurance guarantees that customers will get their deposited money back, up to a certain limit.

Financial services: Financial services encompass various offerings provided by banks, credit unions, investment firms, and insurance companies. Examples include banking, lending, investment management, and insurance. Access to financial services influences how individuals manage money, invest, and protect their assets.

Money order: A prepaid form of payment that works like a check. It is bought with cash or a debit card and the person receiving it can deposit or cash it safely.

Mutual fund: An investment where many people pool their money together to invest in a collection of stocks, bonds or other assets. This lets you own small pieces of many investments at once, which helps spread out risk.

Savings account: An account offered by a bank or credit union designed for accumulating funds over time. It typically offers interest but limits the number of withdrawals. Savings accounts promote saving, emergency funds, and short-term financial goals.

Stock: A small piece of ownership in a company. People invest in stocks to try to make their money grow by owning part of companies they believe will succeed.

Unbanked: Describes people or households that do not have a checking or savings account at a bank or credit union.

Underbanked: Describes people or households who have bank or credit union accounts but use alternative financial institutions and services such as *check-cashing stores* and *payday loans*.

Wire transfer: A fast electronic payment that sends money directly from one bank account to another, often used for large or time-sensitive payments.