

# Money Talks

## Should I Be Banking? Leader's Guide

### SAVINGS ACCOUNT STRATEGIES

This leader's guide is designed to accompany the *Savings Account Strategies* teen guide. The leader's guide includes: learning objectives, background information, discussion questions, activities with accompanying handouts and visuals, a glossary, and a list of additional resources. The background information is meant to prepare instructors to both teach the unit and to provide lecture material to cover with the teens. It is recommended that each teen receives a copy of the teen guide and reads it *before* participating in the activities outlined in this guide.

The purpose of this unit is to educate teens about savings accounts. You have an opportunity as an instructor to show teens, who may be accustomed to stashing their money in a jar in their drawer, the benefits of putting their money into a savings account instead. This unit will also teach teens how to select and use their savings account.

### BACKGROUND INFORMATION

#### Reasons for Savings Accounts

A savings account is the first step down the road to financial success! The following reasons for having a savings account are universal for the rich and poor, young and old, despite spending habits and financial priorities:

- Keeping money safe in a savings account ensures that it will not be stolen or misplaced.
- Money can earn interest in a savings account.
- Savings accounts encourage saving money since it isn't as easy to spend it when the urge to splurge arises.
- Savings accounts can motivate teens to develop financial goals.

### Overall Learning Objectives

Teens will:

- Learn the importance of establishing a savings account
- Compare various types of savings accounts
- Understand the different terms associated with savings accounts
- Demonstrate how to deposit and withdraw money from a savings account

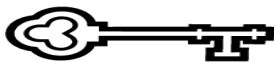


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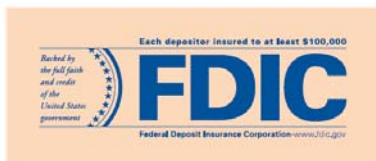


# Savings Account Strategies

## Did You Know?



- The key to building wealth is making regular deposits, no matter how small. (Consumer Action, 2004)
- Most experts advise people to save 10% of their earnings each year. (Consumer Action, 2004)
- Free accounts are sometimes available to individuals that use ATM machines for ALL deposits and withdrawals or have direct deposit.



- During the Great Depression and stock market crash in the late 1920s and early 1930s, thousands of banks closed. In 1933, Congress created the FDIC to bring order to the banking system and to guarantee that depositors would be protected from loss in case of bank failure. (<http://www.fdic.gov>)

- Savings accounts can eliminate check cashing fees.
- Savings accounts can serve as references for future landlords, utility companies, loan applications, etc.

## Types of Savings Accounts

Once teens understand the reasons for having a savings account and are interested in opening one, the next step is to educate them about the different kinds of savings account options available. Refer to the *Savings Account Strategy* teen guide and review with teens the features of the different accounts.

Most financial institutions offer one or more types of savings accounts but vary in their terms. Stress to teens the importance of selecting the one that best serves their individual needs. Just as a person would shop around before making a big purchase, such as a cell phone or computer, it is also important to shop around before purchasing services from a financial institution. Things for teens to consider include: convenience of location and hours, account fees, minimum balances, accessibility to money, interest rates and how often interest is paid.

## Bank Versus Credit Union

The most common financial institutions that offer savings accounts are banks and credit unions. There are a couple fundamental differences between the two:

- A bank is a *for-profit* company that is in the business of taking deposits, lending and providing other financial services. There are different kinds of banks, including national banks, state-chartered banks, savings and loan associations and savings banks (Banking Basics, 2002). Most banks and savings and loans associations operating in the U.S. protect deposits with *Federal Deposit Insurance Corporation (FDIC) Insurance*, which protects each account up to \$250,000.

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- A credit union is a *non-profit* cooperative financial institution that is owned by its members and run solely for their benefit. Credit unions bring together people who have a common bond, such as the area they live in, the place they work, their profession or a social organization that they belong to. Deposits in federal and state chartered credit unions are insured for up to \$250,000 through the *National Credit Union Administration* (NCUA).

## How to Open an Account

When opening a savings account, financial institutions will usually require *at least* one photo ID, a social security number, and proof of address, as well as an initial deposit of money. Special accounts for youth usually require a low minimum balance. If a teen under the age of eighteen wishes to use an ATM card to access their savings account, he or she will most likely have to open a “custodial” account. This means an adult must open the account on their behalf, and that the adult is ultimately responsible for the account. A parent or guardian must be present for a teen to open this kind of an account. (Consumer Action, 2003).

## Interest and the Power of Compounding

It is important for teens to understand the exciting concept of earning interest. Knowing that they can earn money simply by keeping their money at a financial institution may be just the motivation they need to start saving. There are two forms of interest:

- **Simple interest** pays a percentage only on the money deposited by the customer.
- **Compound interest** pays interest on the money in the account *plus* the interest it has already earned. Compound accounts can pay interest daily, monthly, quarterly, or yearly, however, most financial institutions compound interest daily and pay it monthly.

## *Did You Know?*

- Credit unions charge lower fees on average than banks. (Consumer Action, 2003)



- Local credit unions and eligibility information can be found by visiting the Credit Union National Association website at <http://www.cuna.org>.
- Checking and savings accounts can be found and compared by zip code or city at: <http://www.bankrate.com>.

## **How to Calculate**



### **Simple Interest**

original \$ x interest rate x  
length of time in years =  
amount earned.

### **Compound Interest**

(original \$ + earned interest) x  
interest rate x length of time =  
amount earned.  
(Visa, 2004)

# Savings Account Strategies

## Did You Know?

- Albert Einstein called compounding the “8th Wonder of the World.” (NEFE, 2001)



## Opening Discussion Questions

- What are the different types of savings accounts available?
- If you wanted to put your money in a savings account, where would you go?
- If you already have a savings account, what are the features of your account?



Teens can double their money over time with the power of compounding. The “Rule of 72” states: divide 72 by the rate of interest that is being earned. The answer is the number of years it takes to double your money. For example, if you are earning 6% interest, it would take you 12 years to double your money ( $72 \div 6 = 12$ ).

## How to Use a Savings Account

Once a teen has opened a savings account they will need to know how to make deposits and withdrawals. Hopefully, there will primarily be deposits!

*Making deposits:* There are four ways to deposit money into a savings account: 1) give it to a teller at the financial institution, 2) deposit it at an ATM, 3) drop it in the financial institution’s deposit box, or 4) mail the deposit to the financial institution. (When depositing cash, however, it is always best to take it directly to a teller to ensure that it gets deposited safely to the proper account.) Many financial institutions require a deposit slip be filled out and included with all deposits.

*Making withdrawals:* There are two ways to withdraw money from a savings account: 1) get it from a teller at the financial institution or 2) withdraw it from an ATM. When withdrawing money from a teller inside the bank, a withdrawal slip must be filled out.

Explain to teens that keeping track of their deposits and withdrawals is important. While it is just plain responsible money management, keeping good records and receipts of deposits and withdrawals can help dispute a bank error on a statement. Savings registers, or logs to record transactions, are available at financial institutions.

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## ACTIVITY ONE: FINANCIAL INSTITUTIONS

*Estimated Activity Time: 45–60 minutes*

In this activity, teens will compare three different financial institutions' savings account offers and determine which one is right for them.

### Getting Ready Checklist

- Copy Handouts #1a–1e and #2 for each teen
- Copy Savings Glossary pp. 15–17 for each teen

### Doing the Activity

1. Go over the “Reasons for Savings Accounts,” “Types of Savings Accounts,” and “Bank vs. Credit Union” sections on pp. 2–3 of the leader’s guide background information with teens. Include the following points:
  - There are many reasons to have a savings account, including: the money is safe; it earns interest; it discourages spending; it helps develop financial goals; it eliminates check cashing fees; and it looks good on applications for a loan, apartment, or utility set up.
  - When shopping for a savings account, consider convenience of location and hours, account fees, minimum balances, accessibility to money, interest rates and how often interest is paid.
  - A bank is a for-profit company in the business of taking deposits, lending money, and providing other financial services.
  - A credit union is a non-profit cooperative financial institution that is owned by its members and run solely for their benefit.



### Learning Objectives

- Teens will compare various types of savings accounts
- Teens will be able to explain at least five characteristics of savings accounts that need to be considered prior to opening an account
- Teens will understand what the benefits of different accounts are
- Teens will learn that there can be fees associated with a savings account and ways to avoid them
- Teens will understand how often interest is compounded

### Supplies Needed

- Handout #1a-#1e (pp. 21-25)
- Handout #2 (p. 26)
- Savings Glossary (pp. 15-17)

### Extend the Lesson Supplies

- Computers with online capabilities
- Financial institution savings account brochures provided by the teens

### Related Money Talks Online Game:

- Brinks and Bucks Banking

## Savings Account Strategies

### Answer Key for Handout #1d

1. A
2. A
3. C
4. A
5. B
6. A
7. C
8. C
9. A
10. B

### Answer Key for Handout #1e

1. Bricks and Bucks Bank- Youth Saving Account
2. Bricks and Bucks Bank- Youth Savings Account
3. Money Mutual- Money Market Savings Account
4. Customer Credit Union- Regular Savings Account



2. Give each teen a copy of the Savings Glossary to review. As a group, discuss the terms that are listed:
  - Annual Percentage Yield (APY)
  - Balance
  - Balance Tiers
  - Compound Interest
  - Deposit
  - Direct Deposit
  - FDIC
  - Financial Institutions
  - Interest Rate
  - NCUA
  - Online Banking
  - Savings Account
  - Service Fees
  - Statement
3. After the group has studied the vocabulary list, ask the teens to review Handouts #1a–1c, which describe three different savings account offers. Some people are surprised to learn that rates can be less than 1%. *Note: Focus on the Bricks & Bucks Bank (Handout #1a), as it is the most likely option for teens.* (Handouts #1a–1c, pp. 21–23)
4. Give teens Handout #1d. Have them answer the questions based on the information that is listed on Handouts #1a–1c. Once they have completed Handout #1d, go over answers in class; see sidebar on this page. (Handout #1d, p. 24)
5. If time permits, have the teens complete Handout #1e, and go over the answers in class; see sidebar on this page (refer to Handouts #1a–1c, pp. 21–23).

Encourage teens to talk with each other about the savings account offers. Discuss the advantages and disadvantages to having a youth savings account, regular savings account and money market savings account. Issues may



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include personal feelings and life events (e.g., whether they are in high school, moving away to college, or have a high/low paying job). (Handouts #1a–1c and #1e, pp. 21–23 and p. 25)

### 6. *Extend the Lesson—Survey Websites*

Have teens go online and review three different financial institutions' savings account offers. Have them fill out a copy of Handout #2 for each one. Divide them into groups and encourage them to share their information with one another. Possible sites for this activity are: (Handout #2, p. 26)

- Bank of America - <http://www.bankofamerica.com>
- Wells Fargo - <http://www.wellsfargo.com>
- Washington Mutual - <http://www.wamu.com>
- Downey Savings - <http://www.downeysavings.com>
- Finance Center Federal Credit Union - <http://www.fcfcu.com>



### 7. *Extend the Lesson—Savings Account Comparison*

Ask teens to visit a local financial institution and bring back a savings account offer. Have them fill out the blank account description handout (Handout #2) with the information they collected. Divide the teens into small groups and encourage them to share their information with one another. Ask each small group to select what they believe is the best offer and share it with the entire group. (Handout #2, p. 26)



~The assessment tools provided with each leader's guide are intended for the leaders to use at their discretion. Depending on the group of teens, the leaders may want to use the assessments as additional activities, homework, or as a means to determine a formal grade for completing the unit.





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## ACTIVITY TWO: WHICH ACCOUNT IS BEST FOR ME?

*Estimated Activity Time: 45–60 minutes*

In this activity, teens will partner up and role-play characters in a financial institution setting. They will learn about four types of savings account offers and the requirements associated with each one of them.

### Getting Ready Checklist

- Copy Handouts #3a and #3b: *one copy of Handout #3a and up to four copies of Handout #3b per pair*
- Computers with online capabilities if Extend the Lesson activities will be used

### Doing the Activity

1. Divide teens into pairs. Explain to them that they will be role playing, one teen acts the part of a bank teller and the other will act the part of a customer.
2. Distribute Handout #3a to each customer. The customer will choose one of the four scenarios listed to answer the bank teller's questions. (Handout #3a, p. 27)
3. Distribute Handout #3b to the bank teller. Instruct the bank teller to have the customer answer the questions on Handout #3b based on their chosen scenario from Handout #3a. (Handout #3a and #3b, pp. 27–28)

### Learning Objectives

- Teens will learn terms associated with savings accounts
- Teens will understand that there are different types of savings accounts that serve different needs

### Supplies Needed

- *Savings Account Strategies* teen guide, p. 3
- Handout #3a (p. 27)
- Handout #3b (p. 28)

### Extend the Lesson Supplies

- Computers with online capabilities



### Related *Money Talks* Online Game:

- Brinks and Bucks Banking

## Savings Account Strategies

### Answer Key for Handout #3b

Customer Scenario #1-  
Money Market Savings Account

Customer Scenario #2-  
Certificate of Deposit

Customer Scenario #3-  
Statement Savings Account

Customer Scenario #4-  
Statement Savings Account

- Once the customer has answered questions #1–7, have the teens choose which account would be best for that scenario. (See *Savings Account Strategies* teen guide, p. 4 for a description of each account.)
- Repeat the activity with the three remaining scenarios. (See sidebar on this page for the answer key.)
- Extend the Lesson—Bricks and Bucks Online:* Go online to <http://moneytalks4teens.org> and play the Bricks and Bucks Banking game to test your knowledge of financial institutions and banking terms.



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## ACTIVITY THREE: USING MY ACCOUNT

*Estimated Activity Time: 15–45 minutes*

Teens will learn how to make deposits and withdrawals from a savings account in this activity. They will learn how to fill out a deposit slip using different kinds of funds and gain an understanding of how to correctly fill out a withdrawal slip.

### Getting Ready Checklist

- Copy Visuals #1 and the Answer Keys for Handout #4a to display using a projector
- Set up projector
- Copy Handout #4a for each teen
- Copy four copies of Handouts #4b for each pair of teens
- Writing paper for the Extend the Lesson activity

### Doing the Activity

1. Go over the “How to Use a Savings Account” section on p. 4 of the leader’s guide background information with teens. Explain to teens:
  - To open a savings account, bring at least one photo ID, a social security number, proof of address, and money.
  - There are special accounts for minors that require a lower minimum balance.
  - More than likely, if he/she wants an ATM card, they will have to set up a custodial account with a parent or guardian.
2. Display Visual #1 (can also be used as a handout). Go over items that appear on the deposit slip and instruct the teens how to fill out the deposit slip. Mention that if they have more than two checks to deposit they need to record the individual checks on the reverse side of the deposit slip and record the total on the front of the deposit slip. (Visual #1, p. 19)

### Learning Objectives

- Teens will learn what a deposit slip is
- Teens will learn the different types of funds that can be deposited into their savings account
- Teens will learn how to deposit and withdraw money in and out of a savings account

### Supplies Needed

- Visual # 1 (p. 19)
- Handout #4a (p. 29)
- Handout #4b (p. 30)
- Answer Keys for Handout #4a (pp. 31-33)
- Projector

### Extend the Lesson Supplies

- Paper for journaling

### Related Money Talks Online Game:

- Bricks and Bucks Banking



## Savings Account Strategies

### Answer Key for Handout #4a

- 1.\$85.08
- 2.\$145.33
- 3.\$235.00
- 4.\$475.00



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3. Group teens in twos and give each *pair* a copy of Handout #4a and each *teen* four copies of Handout #4b. (Handouts #4a and #4b, pp. 29–30)
4. Have the teens fill out the deposit slip on Handout #4b using one of the examples listed on Handout #4a. One teen will play the role of a teller and the other the role of the customer. (Handouts #4a and #4b, pp. 29–30)
  - A. The customer will fill out the deposit slip according to the example chosen. Stress to each teen the importance of verifying that their totals are correct.
  - B. The bank teller will check the deposit slip for accuracy.

This activity can be played a few times according to the number of copies of Handout #4b given to each teen.

5. Display the Answer Keys for Handout #4a as overhead transparencies or PowerPoint slides for the teens to check their answers. (Handout #4a, p. 29 and Answer Keys for Handout #4a, pp. 31–33.)
6. *Extend the Lesson*—Have teens journal on the following topics:
  - There are four different ways to deposit money into a savings account. Which method do you prefer and why?
  - If you made a mistake on your deposit slip when depositing money at the ATM, what do you think the financial institution would do?

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# Savings Account Strategies

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## Additional Resources

- *American Bankers Association Educational Foundation* sponsors *Consumer Connection* with information about banking services, personal finance and more.  
**<http://www.aba.com/consumer+connection/default.htm>**
- *America Saves* organized by the Consumer Federation of America, is a campaign to encourage American's to build wealth, not debt. The website has suggestions for saving for specific goals. Visitors can register to receive a quarterly newsletter.  
**<http://www.americasaves.org>**
- *Banking on Our Future Wells Fargo* is a website that teaches about banking basics, savings and checking accounts, budgeting, credit and investing.  
**<http://www.bankingonourfuture.org>**
- *Jump\$tart Coalition* is an organization whose direct objective is to encourage curriculum enrichment to ensure that basic personal financial management skills are attained during the K-12 educational experience.  
**<http://www.jumpstart.org>**
- *Money Talks* is a financial literacy website for teens available in both English and Spanish. It contains downloadable versions of money management teen guides, interactive games, simple exercises, videos and links to other financial websites.  
**<http://moneytalks4teens.org>**
- *National Endowment For Financial Education (NEFE) Teen Resource Bureau* is a website funded by the Chase Manhattan Foundation and supported by NEFE designed for preparing teens about money issues.  
**<http://www.ntrbonline.org>**
- *Practical Money Skills* is a website developed by VISA designed to help teachers, parents and students practice better money management for life.  
**<http://www.practicalmoneyskills.com>**
- *Online Calculators* from the InCharge Education Foundation and Motley Fool on savings, debt, college planning, auto buying, and more.  
**<http://www.mindyourfinances.com/calculators>**  
**<http://www.fool.com/calcs/calculators.htm?source=LN>**

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## Savings Account Strategies

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### Savings Glossary

**Annual Percentage Yield (APY)** The amount of interest an account will earn on a yearly basis, which includes the effects of compounding.

**Balance** In banking, balance refers to the amount of money in an account. In credit, balance refers to amount owed.

**Balance Tiers** A system of interest rates offered by a financial institution that are determined by the balance; the higher the balance the higher the rate.

**Bank** A federally regulated for-profit financial institution that is in the business of taking deposits, lending money, and providing other financial services.

**CD (Certificate of Deposit)** A type of savings account where a person deposits a set amount of money for a set period of time. The interest rate is a fixed rate and is usually higher than other savings accounts.

**Compound Interest** Interest calculated not only on the original principal, but also on the interest already accrued.

**Credit Union** A non-profit financial cooperative that provides financial services to its members.

**Deposit** Money in the form of cash, check or electronic transaction that is put into an account at a financial institution.

**Deposit Slip** An itemized slip showing the exact amount of paper money, coin, and checks being deposited to an account.

**Direct Deposit** An automatic electronic deposit of wages or benefits into a savings or checking account.



## Savings Glossary *cont.*

**Federal Deposit Insurance Corporation (FDIC)** An agency of the federal government that insures bank deposits up to \$250,000.

**Financial Institution** A business that keeps money for people or businesses, makes loans, and offers other financial services (i.e., banks and credit unions).

**Foreign ATM** An ATM at a financial institution where you do not have an account.

**Hold** The period of time between when a customer deposits a check into their account and when the funds are available for use.

**Interest** Money paid to someone to use his or her money. Financial institutions pay interest on savings accounts.

**Interest Rate** The percentage paid on an account annually, also known as the annual percentage rate (APR).

**Money Market Account** Interest-earning savings account that typically earns a higher interest rate than a regular savings account. There is a minimum balance requirement and restrictions on the number of transfers or withdrawals per month. The account may or may not be federally insured.

**National Credit Union Administration (NCUA)** A federal government agency that insures member credit union deposits up to \$250,000.

**Personal Identification Number (PIN)** A confidential number used to authorize transactions using an access card or some other form of electronic funds transfer.

**Principal** The original amount of money borrowed, deposited, or invested before interest accrues.

**Rule of 72** A simple rule that states: 72 divided by the rate of interest earned equals the number of years it takes to double your money.

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## Savings Account Strategies

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### Savings Glossary *cont.*

**Safe Deposit Box** A fireproof metal deposit box located at a financial institution.

**Savings Account** Type of deposit account that pays interest on the customer's deposits.

**Savings and Loan** A financial institution originally designed to assist with home loans, but today may offer the same services as banks.

**Service Fee** The amount of money a financial institution charges for providing services. Fees can often be avoided if an account's balance is at or above a minimum balance.

**Statement** A printed summary of a customer's bank transactions during a period of time, such as monthly or quarterly.

**Withdrawal** An amount of money taken out of an account resulting in a lower balance.



This publication has been anonymously peer reviewed for technical accuracy by University of California scientists and other qualified professionals. This review process was managed by the ANR Associate Editor for Youth Development.

To simplify information, trade names of products have been used. No endorsement of named or illustrated products is intended, nor is criticism implied of similar products that are not mentioned or illustrated.

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Money Talks...Should I Be Banking? is a series of three teen guides and leader's guides designed for teens. The topics and subject matter content are based on the results of a survey completed by teens. The goals of these teen guides and leader's guides are to assist teens in 1) identifying their banking needs and savings habits; 2) understanding the mechanics of using banking services; and 3) developing the skills to select the best financial institutions and accounts for their lifestyles. Comments regarding these teen guides and leader's guides can be addressed to: Consumer Economics Department, University of California Cooperative Extension (UCCE), 135 Building C, Highlander Hall, Riverside, CA 92521. Authors: Chanda Gonzales and Susan Cortz, UC Riverside; Development Team: Charles Go, Margaret Johns, Patti Wooten Swanson, Keith Nathaniel, Shirley Peterson, and the UCCE Money Talks Workgroup. 2008

# Using My Account

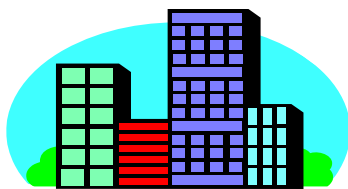
<p>Bricks and Bucks Banking</p>		CURRENCY		4
		COIN		5
DEPOSIT TICKET	1 DATE _____ 20__	CHECKS list separately		6
	2 Signature _____	OR TOTAL FROM REVERSE SUBTOTAL		7
	SIGN HERE IN TELLER'S PRESENCE FOR CASH RECEIVED	LESS CASH RECEIVED		8
3 Account Number _____		NET DEPOSIT		9
<small>TO BE USED FOR DEPOSIT TRANSACTIONS ONLY, SUBMIT A VOIDED CHECK FOR AUTOMATIC PAYMENT SET UP.</small>				10

1. Write the date you are making the deposit.
2. Sign the deposit slip if you are going to be receiving cash back.
3. Write your savings account number.
4. Write the total amount of currency (paper bills).
5. Write the total amount of coins.
6. Write the amount of the first check you are depositing.
7. Write the amount of the second check or the total amount of checks added on reverse side of the deposit slip.
8. Write the total amount of your deposit.
9. If you want cash back from your deposit, write the amount you want.
10. Write the total amount of your deposit, minus any cash received back.



# Financial Institutions

## BRICKS & BUCKS BANK



<b>Account Description</b>	This youth savings account is ideal for a person who is just starting out and wants to save money. Available to minors only.
<b>Interest</b>	<ul style="list-style-type: none"> <li>• Compounded daily and paid monthly</li> <li>• Competitive interest rates</li> <li>• Current rate .35%</li> </ul>
<b>Account Benefits</b>	<ul style="list-style-type: none"> <li>• Safety-backed by Bricks and Bucks &amp; FDIC Insurance</li> <li>• Free monthly statement</li> </ul>
<b>Monthly Service Fee</b>	\$4.00 fee waived if balance is \$25.00+
<b>Minimum Opening Deposit</b>	\$25.00
<b>Minimum Daily Balance</b>	\$0
<b>Locations</b>	<ul style="list-style-type: none"> <li>• 5,000 Bricks and Bucks Bank ATMS in U.S.</li> <li>• 3,500 Bricks and Bucks Banks in U.S.</li> </ul>
<b>Hours</b>	24-hour telephone access, 7 days a week
<b>E-banking</b>	N/A
<b>Automatic Transfers</b>	N/A

# Financial Institutions

## MONEY MUTUAL



<b>Account Description</b>	This is a money market account that offers higher interest rates for higher account balances.
<b>Interest</b>	<ul style="list-style-type: none"> <li>• Interest is compounded daily and paid monthly</li> <li>• Earn higher interest rates with higher balance tiers                             <ul style="list-style-type: none"> <li>⇒ Less than \$1,500.00 earns .50% APY</li> <li>⇒ \$1,500.00—\$2,000.00 earns .60% APY</li> <li>⇒ \$2,000.00 + earns .65% APY</li> </ul> </li> </ul>
<b>Account Benefits</b>	<ul style="list-style-type: none"> <li>• Safety-backed by Money Mutual &amp; FDIC Insurance</li> </ul>
<b>Monthly Service Fee</b>	\$10.00 Service Fee waived if balance is \$1,500.00+
<b>Minimum Opening Balance</b>	\$1,500.00
<b>Minimum Daily Balance</b>	\$500.00
<b>Locations</b>	<ul style="list-style-type: none"> <li>• 1,500 Money Mutual ATMS in U.S.</li> <li>• 250 Money Mutual Banks in U.S.</li> </ul>
<b>Hours</b>	24-hour telephone access, 7 days a week
<b>E-banking</b>	N/A
<b>Automatic Transfers</b>	Five free transactions per monthly statement



# Financial Institutions

## CUSTOMER CREDIT UNION



<b>Account Description</b>	This regular savings account is ideal for a person who wants to open an account but doesn't have much money to put in it.
<b>Interest</b>	<ul style="list-style-type: none"> <li>• Compounded daily and paid monthly</li> <li>• Competitive interest rates</li> <li>• Current rate .40%</li> </ul>
<b>Account Benefits</b>	<ul style="list-style-type: none"> <li>• Safety-backed by Customer Credit Union &amp; NCUA Insurance</li> <li>• Free monthly statements</li> </ul>
<b>Monthly Service Fee</b>	\$6.00 Service Fee waived if balance is \$200.00 +
<b>Minimum Opening Balance</b>	\$100.00
<b>Minimum Daily Balance</b>	\$25.00
<b>Locations</b>	<ul style="list-style-type: none"> <li>• 3,000 Customer Credit Union ATMs in U.S.</li> <li>• 500 Customer Credit Unions in U.S.</li> </ul>
<b>Hours</b>	24-hour telephone access, 7 days a week
<b>E-banking</b>	Free online banking: download account information to check balances, view account activity, & transfer money
<b>Automatic Transfers</b>	Unlimited automatic transfers to this account are available if customer signs up for direct deposit

# Financial Institutions

Answer the following questions using the three account offers from:  
**BRICKS & BUCKS BANK, MONEY MUTUAL**  
and **CUSTOMER CREDIT UNION**



1. Which financial institution offers a youth savings account?  
A. Bricks and Bucks Bank  
B. Customer Credit Union  
C. Money Mutual
2. Which financial institution has the lowest minimum opening deposit requirement?  
A. Bricks and Bucks Bank  
B. Customer Credit Union  
C. Money Mutual
3. Which financial institution offers higher interest rates on higher balances?  
A. Bricks and Bucks  
B. Customer Credit Union  
C. Money Mutual
4. If you keep \$1,500.00 in a Money Mutual savings account, what will you avoid?  
A. \$10.00 monthly fee  
B. compound interest  
C. limited transfers
5. Which financial institution offers free online banking?  
A. Bricks and Bucks Bank  
B. Customer Credit Union  
C. Money Mutual
6. Which financial institution has the highest number of ATMs available?  
A. Bricks and Bucks Bank  
B. Customer Credit Union  
C. Money Mutual
7. All three financial institutions compound interest \_\_\_\_\_ and pay it \_\_\_\_\_ to their customers.  
A. monthly, semi-annually  
B. monthly, daily  
C. daily, monthly
8. Which corporation insures Bricks and Bucks Banking and Money Mutual savings accounts?  
A. Federal Trade Commission (FTC)  
B. National Credit Union Administration (NCUA)  
C. Federal Deposit Insurance Corporation (FDIC)
9. Which financial institution has no minimum daily balance?  
A. Bricks and Bucks Bank  
B. Customer Credit Union  
C. Money Mutual
10. If you sign up for Direct Deposit at Customer Credit Union, what will you receive?  
A. FDIC Insurance  
B. unlimited automatic transfers  
C. monthly statements

# Financial Institutions



What is the best financial institution choice for the people listed below based on the account offers from BRICKS & BUCKS BANK, MONEY MUTUAL and CUSTOMER CREDIT UNION?

1. Lisa is sixteen years old. Lisa has been able to save \$225.00 from babysitting in the last year. She has been thinking about putting some money in a bank account and is positive that she can keep her daily balance over \$100.00. Which account would be best for Lisa?
2. Brian has \$50.00. Brian plays high school freshman baseball and doesn't have time to work a part-time job. The only way he saves money is through birthday and Christmas presents. Brian wants to open a savings account that won't charge him high monthly service charges. Which financial institution would be best for Brian to open a savings account at?
3. David just completed his second year of trade school. He has \$2,300.00 in a regular savings account. He is 20 years old and is expecting to save even more money now that he is going to be a full-time mechanic. He wants a savings account that is going to earn him a higher interest rate as his balance increases. Which financial institution would be best for David?
4. Latoya is starting her first year of college. Her campus is 500 miles away from her home. She wants to be able to do online banking and be able to get money from her savings account at convenient ATM locations. Which financial institution would be best for Latoya?

# Find Your Own Offer

Try it out!

Use the following box to describe a savings account offer you found either online or at your local financial institution.



Account Description	
Interest	• •
Account Benefits	•
Monthly Service Fee	
Minimum Opening Deposit	
Minimum Daily Balance	
Locations	• •
Hours	
E-Banking	
Automatic Transfers	

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## Savings Account Strategies



### Which Account Is Best For Me?

#### Customer Scenario #1

You worked a part-time job at the local car wash for the past two years. After your boss cashes your check for you, you usually keep it in a box under your bed. One day you counted all of the money and it totaled \$4,500. You have been saving for a used car and want to put your money in an account that will earn the highest amount of interest possible. You figure that you are close to being able to afford something soon and plan to keep your eyes out for the right car.

=====

#### Customer Scenario #2

You are a college student who lives at home. After you graduate you have big dreams of opening a surfboard business. Your Great Aunt Ethel just gave you \$10,000 bucks out of the blue, however, she has requested that you not touch the money for at least five years. You are going to respect her wishes but want your money to be in a safe place earning a good amount of interest during that time.

=====

#### Customer Scenario #3

You have been doing word processing for your family and friends and have been saving around \$50.00 every week. You want to open an account, but don't know what type would be best. You are not a big spender but want to be able to make withdrawals every couple of months for an occasional CD or a gift for a family member. You want accurate records of your money but have been known to be disorganized at times. Having a safe place to put your money for little to no fee is more important to you than earning a lot of interest.

=====

#### Customer Scenario #4

You wait tables on the weekends and receive a paycheck from the restaurant every two weeks plus tip money from every shift. You have been cashing your paycheck at the check-cashing store and have been storing both tips and wages in a jar. You want to put the money in a safe place while having easy access to it because you use most of it for your weekly expenses. You definitely do not want to pay high fees to have a savings account.

## Which Account Is Best For Me?



What kind of savings account would be best for your customer? Ask the following questions:

1. How much money do you have to deposit? \_\_\_\_\_
2. Will you make a lot of deposits and withdrawals? (Yes) (No) (Don't Know)
3. Do you want to receive bank statements regularly? (Yes) (No)
4. Are you concerned about bank fees? (Yes) (No)
5. Do you have any time restrictions with this money? (Yes) (No)  
Length of time \_\_\_\_\_
6. Is obtaining the highest interest very important to you? (Yes) (No)
7. Is the safety of your money important to you? (Yes) (No)
8. Based on the above questions, which account would you recommend to your customer? (Bank Teller and Customer can answer together).
  - A. Statement Savings Account
  - B. Money Market
  - C. Certificate of Deposit

# Using My Account

Depositing money can be an easy task if you understand the process. Try it out!



1. The date is February 24, 20XX. Your account # is: xxx 123 456 789. You need to deposit the following checks into your saving account: \$50.00 check, \$12.75 check, \$42.33 check. You are going out this weekend and want to have \$20.00 for spending cash.

What is the total net amount on your deposit slip? \_\_\_\_\_

2. The date is January 11, 20XX. Your account # is: ooo 123 456 789. You have a variety of funds you want to deposit into your savings account: \$35.00 in cash, a \$35.50 check, a \$52.50 check and a jar of coins that totals \$22.33.

What is the total net amount on your deposit slip? \_\_\_\_\_

3. The date is November 18, 20XX. Your account # is: fff 123 456 789. You want to withdraw \$500.00 in cash from your savings account, but you want to make a couple of deposits as well: \$725.00 check and \$10.00 roll of quarters.

What is the total net amount on your deposit slip? \_\_\_\_\_

4. The date is August 2, 20XX. Your account # is: yyy 123 456 789. You just graduated from high school and want to deposit all of the checks you received for graduation presents: \$100.00 check, \$100.00 check, \$25.00 check, \$50.00 check, \$75.00 check and \$125.00 check.

What is the total net amount on your deposit slip? \_\_\_\_\_





## Using My Account

**Bricks and Bucks Banking**

DATE \_\_\_\_\_ 20\_\_\_\_

*Signature* \_\_\_\_\_

SIGN HERE IN TELLER'S PRESENCE FOR CASH RECEIVED

Account Number \_\_\_\_\_  
TO BE USED FOR DEPOSIT TRANSACTIONS ONLY, SUBMIT A VOIDED CHECK FOR AUTOMATIC PAYMENT SET UP.

CURRENCY	
COIN	
CHECKS list separately	
OR TOTAL FROM REVERSE	
SUBTOTAL	
LESS CASH RECEIVED	
NET DEPOSIT	

DEPOSIT TICKET

<b>LIST CHECKS SEPARATELY</b>	
<b>TOTAL</b>	

# Savings Account Strategies



## Using My Account

### Question 1

Bricks and Bucks Banking		
DEPOSIT TICKET	DATE <b>February 24</b> 20XX	CURRENCY -----
	Signature _____	COIN -----
	SIGN HERE IN TELLER'S PRESENCE FOR CASH RECEIVED	CHECKS list separately <b>50.00</b>
Account Number <u>XXX 123 456 789</u>		OR TOTAL FROM REVERSE <b>55.08</b>
TO BE USED FOR DEPOSIT TRANSACTIONS ONLY, SUBMIT A VOIDED CHECK FOR AUTOMATIC PAYMENT SET UP.		SUBTOTAL <b>105.08</b>
		LESS CASH RECEIVED <b>20.00</b>
		NET DEPOSIT <b>85.08</b>

LIST CHECKS SEPARATELY	
	12.75
	42.33
<b>TOTAL</b>	<b>\$55.08</b>



## Savings Account Strategies

# Using My Account

### Question 2

Bricks and Bucks Banking		
DEPOSIT TICKET	DATE <b>January 11</b> 20XX	
	<i>Signature</i>	
	SIGH HERE IN TELLER'S PRESENCE FOR CASH RECEIVED	
Account Number <u>000 123 456 789</u>		
TO BE USED FOR DEPOSIT TRANSACTIONS ONLY, SUBMIT A VOIDED CHECK FOR AUTOMATIC PAYMENT SET UP.		

CURRENCY	<b>35.00</b>
COIN	<b>22.33</b>
CHECKS <small>list separately</small>	<b>35.50</b>
OR TOTAL FROM REVERSE	<b>52.50</b>
SUBTOTAL	<b>145.33</b>
LESS CASH RECEIVED	-----
NET DEPOSIT	<b>145.33</b>

### Question 3

Bricks and Bucks Banking		
DEPOSIT TICKET	DATE <b>November 18</b> 20XX	
	<i>Signature</i>	
	SIGH HERE IN TELLER'S PRESENCE FOR CASH RECEIVED	
Account Number <u>FFF 123 456 789</u>		
TO BE USED FOR DEPOSIT TRANSACTIONS ONLY, SUBMIT A VOIDED CHECK FOR AUTOMATIC PAYMENT SET UP.		

CURRENCY	-----
COIN	<b>10.00</b>
CHECKS <small>list separately</small>	<b>725.00</b>
OR TOTAL FROM REVERSE	-----
SUBTOTAL	<b>735.00</b>
LESS CASH RECEIVED	<b>500.00</b>
NET DEPOSIT	<b>235.00</b>

# Savings Account Strategies



## Using My Account

### Question 4

Bricks and Bucks Banking

**DEPOSIT TICKET**

DATE **August 2** 20XX

Signature \_\_\_\_\_

SIGN HERE IN TELLER'S PRESENCE FOR CASH RECEIVED

Account Number YYY 123 456 789

TO BE USED FOR DEPOSIT TRANSACTIONS ONLY, SUBMIT A VOIDED CHECK FOR AUTOMATIC PAYMENT SET UP.

CURRENCY	-----
COIN	-----
CHECKS list separately	<b>100.00</b>
OR TOTAL FROM REVERSE	<b>375.00</b>
SUBTOTAL	<b>475.00</b>
LESS CASH RECEIVED	-----
NET DEPOSIT	<b>475.00</b>

LIST CHECKS SEPARATELY	
	<b>100.00</b>
	<b>25.00</b>
	<b>50.00</b>
	<b>75.00</b>
	<b>125.00</b>
<b>TOTAL</b>	<b>\$375.00</b>