

Learning Objectives

Students will be able to

- Learn tips for using their checking account effectively, including the use of mobile alerts
- Read a checking account agreement and identify the fees associated with a checking account
- Understand how overdraft protection works and how to avoid high fees attached to the service
- Read a bank statement to verify its accuracy and interpret how their money is being used

Approximate Time

- Lesson length: 70 mins
- Comprehension Questions: 10 mins

Jump\$tart Standards

Spending & Saving

- 3h: Explain how to verify printed and online account statements for accuracy

Distribute to Students

- [Student Activity Packet FY- 1.2](#)

Plan Your Unit

- [Unit Plan for Checking](#)
- [Checking on www.ngpf.org](#)



LESSON PLAN

	Resources	Questions	Est. Time
1	<p>QUESTION OF THE DAY</p> <ul style="list-style-type: none"> • What is the average fee to take money out of a non-network ATM? • Publisher: NGPF <p>❖ Teacher Tip: You can find Essential Questions for this lesson here.</p>	<p>Question of the Day</p> <p>Answer the question on the first slide in your Student Activity Packet. Then, follow your teacher's directions on how to answer the follow-up questions.</p> <ol style="list-style-type: none"> 1. Make an estimate -- what is the average fee to take money out of a non-network ATM? 	5 mins
2	<p>VIDEO (4:48)</p> <ul style="list-style-type: none"> • How to Start Using Your Checking Account Properly • Publisher: The Financial Diet 	<p>How to Start Using Your Checking Account Properly</p> <p>Checking accounts are fundamental, as you saw in the last lesson, but it's important to know how to use your account properly. Watch this video, starting at 0:42, to answer the questions.</p> <ol style="list-style-type: none"> 1. Why is it vitally important to understand the fees your bank may charge on your checking account? 2. Why do the women from the Financial Diet recommend using direct deposit, mobile banking, and financial apps? 3. Checking account transactions are NOT reported to the credit bureaus and do not affect your credit score. Why is it still important to manage your checking account well? 4. How much money do they recommend keeping in your 	10 mins

		checking account? How much do they recommend for your emergency fund (a savings account)?	
3	<p>ACTIVITY</p> <ul style="list-style-type: none"> • FINE PRINT: Checking Account Agreement • Publisher: NGPF 	<p>FINE PRINT: Checking Account Agreement</p> <p>As you saw in the previous video, it's extremely important to understand the fees your bank charges associated with your checking account. You learn this information by reading your account agreement. Follow the directions on the worksheet to complete this activity.</p>	15 mins
4	<p>VIDEO (2:03)</p> <ul style="list-style-type: none"> • Bank Overdraft Fees • Publisher: Consumer Reports 	<p>Bank Overdraft Fees</p> <p>Overdraft fees, which average \$35 per transaction, can devastate your checking account balance. Let's dive a little deeper into these fees and how you can prevent them. Watch this video and then answer the questions.</p> <ol style="list-style-type: none"> 1. What is misleading about the term "overdraft protection"? 2. True or False: Once you are signed up for overdraft protection, you cannot opt out. 3. What else did Sharon do to avoid future overdraft fees? 	5 mins
5	<p>ARTICLE</p> <ul style="list-style-type: none"> • Banks Rearrange Transactions in Order to Charge More Overdraft Fees • Publisher: Eye Opener <p>INTERACTIVE</p> <ul style="list-style-type: none"> • Transaction Infraction: How Bank Practices Increase Overdraft Fees • Publisher: The Pew Charitable Trusts 	<p>Banks Rearrange Transactions in Order to Charge More Overdraft Fees & Transaction Infraction: How Bank Practices Increase Overdraft Fees</p> <p>Though the practice used to be even more prevalent, 40% of banks still practice "resequencing," which can lead to even higher overdraft fees. Watch this video and then use the interactive to better understand resequencing. Then, answer the questions.</p> <ol style="list-style-type: none"> 1. In your own words, explain how debit resequencing works. 2. How does the speaker in the video suggest technology can help prevent overdraft fees hitting your account? 3. In the simulation, explain how the original order results in one \$22 fee, while the Wells Fargo reordering results in four \$22 fees. 	5 mins
6	<p>ARTICLE</p> <ul style="list-style-type: none"> • 3 Mobile Banking Alerts Everyone Should Activate • Publisher: Bankrate 	<p>3 Mobile Banking Alerts Everyone Should Activate</p> <p>In a previous video, you saw Sharon recommend setting alerts to help prevent overdraft fees. Skim this article for recommendations on three alerts you, too, should set. Then, answer the questions.</p> <ol style="list-style-type: none"> 1. In your own words, briefly describe the benefit of each type of alert below: <ol style="list-style-type: none"> a. Low Balance b. Mobile Deposit c. Unusual Activity 2. While all three of the alerts are highly recommended, which one do you think is most important? Why? 	5 mins
7	<p>VIDEO (1:38)</p> <ul style="list-style-type: none"> • ASIC's MoneySmart Top Tips on Checking Your Bank Statement • Publisher: MoneySmart AU 	<p>ASIC's MoneySmart Top Tips on Checking Your Bank Statement</p> <p>Each month your bank will provide a hard copy or electronic version of your bank statement, which should list all of the transactions you've had since the last statement date. Watch this video for tips on how to read the statement. Then, answer the questions.</p> <ol style="list-style-type: none"> 1. Complete the following sentence with either "debit" or "credit": When money is put into your account, it is listed on your statement as a _____. When money is taken out of your account, it is listed as _____. 2. Why should you look closely at all debits and credits? 3. What does the video recommend if you notice a lot of fees appearing on your statement? 	5 mins

8	<p>VIDEO</p> <ul style="list-style-type: none"> • Top Tips on Checking Your Bank Statement • Publisher: ASIC's MoneySmart 	<p>Top Tips on Checking Your Bank Statement</p> <p>With your checking account, you'll receive a bank statement that you will want to review on a regular basis. Watch the video to familiarize yourself with what is included on a bank statement. Then, answer the questions.</p> <ol style="list-style-type: none"> 1. What is the purpose of a bank statement? 2. What are some examples of fees that can be seen on a bank statement? 3. How often do you think you would want to check your bank statement? 	4 mins
9	<p>ACTIVITY</p> <ul style="list-style-type: none"> • FINE PRINT: Bank Statement • Publisher: NGPF 	<p>FINE PRINT: Bank Statement</p> <p>Now that you understand the importance of a bank statement, it's time to practice analyzing one. Follow the directions on the worksheet to complete this activity and to better understand how to read a bank statement.</p>	12 mins
10	<p>EXIT TICKET</p> <ul style="list-style-type: none"> ❖ Teacher Tip: To administer this Exit Ticket using Google Forms, make your own copy here. 	<p>Exit Ticket</p> <ol style="list-style-type: none"> 1. What is the largest frequently charged fee on checking accounts? 2. Give two examples of useful alerts you could set on your checking account to help you avoid fees. 3. Explain the difference between a checking agreement and a checking account statement. 	5 mins



COMPREHENSION QUESTIONS 1.2

Teachers, you can access the Comprehension Questions (a 10-question quiz) by clicking "View Course Assessments" on the [NGPF Full Year Course page](#).



EXTEND THE LEARNING

DO MORE...

ACTIVITY

- [PROJECT: Overdraft Fee Analysis](#)
- Publisher: NGPF

DATA CRUNCH

- [How Much Does Your Checking Account Cost Your Bank?](#)
- Publisher: NGPF

CASE STUDY

- [Check Yourself Before You Wreck Yourself](#)
- Publisher: NGPF

FINCAP FRIDAY

- [Getting Paid or Getting Played?](#)
- Publisher: NGPF

LEARN MORE...

VIDEO

- [The Best Checking Accounts](#)
- Publisher: Money.com

VIDEO

- [Helping Your Teen Manage a Checking Account](#)
- Publisher: Better Money Habits

QUESTION OF THE DAY

- [Is there a fee if you don't have enough money in your bank account to cover a debit card transaction?](#)
- Publisher: NGPF

FAST FACTS...

- The average overdraft fee in 2015 was \$34, though most overdraft fees occurred on transactions that were \$24 or less.

(Huffington Post, 2017)

- America's three biggest banks -- JPMorgan Chase, Bank of America and Wells Fargo -- earned more than \$6.4 billion last year from ATM and overdraft fees. That works out to over \$25 in fees annually for every adult American. (CNN Money, 2017)