

Financial Institutions - All the Same?

EPISODE #204



LESSON LEVEL

Grades 9-12

KEY TOPICS

- Entrepreneurship
- Financial institutions
- Financial markets
- Financial accounts

LEARNING OBJECTIVES

1. Distinguish between banks and credit unions.
2. Recognize choices in protecting and growing your money.
3. Become aware that young people can invest.
4. Learn financial terms.

EPISODE SYNOPSIS

You can have a savings account in one place, a checking account in another, and you can even bank online. Join the Biz Kid\$ as they learn about financial accounts, financial institutions, and financial markets.

NATIONAL STANDARDS CORRELATIONS

Aligned to *National Financial Literacy Standards* from the **JumpStart Coalition for Personal Financial Literacy**.

Financial Responsibility and Decision Making

- Standard 1:* Take responsibility for personal financial decisions.
- Standard 2:* Find and evaluate financial information from a variety of sources.
- Standard 4:* Make financial decisions by systematically considering alternatives and consequences.

Saving and Investing

- Standard 3:* Evaluate investment alternatives.
- Standard 4:* Describe how to buy and sell investments.

Aligned to *Voluntary National Content Standards in Economics* from the **Council for Economic Education**.

- Standard 2:* Decision Making
- Standard 13:* Income
- Standard 14:* Entrepreneurship

Aligned to **Common Core State Standards Initiative's** standards for *Literacy in History/Social Studies, Science and Technical Subjects*.

Standard 1: Read closely to determine what the text says explicitly and to make logical inferences from it; cite specific textual evidence when writing or speaking to support conclusions drawn from the text.

Standard 4: Interpret words and phrases as they are used in a text, including determining technical, connotative, and figurative meanings, and analyze how specific word choices shape meaning or tone.

Standard 7: Integrate and evaluate content presented in diverse formats and media, including visually and quantitatively, as well as in words.

CONTENTS

- National Standards Correlations
- Lesson Prep & Screening
- Family Activity Sheet
- Biz Term\$ Worksheet
- Curriculum Connections
- Activity Worksheets
- Biz Term\$ Definitions
- Acknowledgements



LESSON PREP & SCREENING

Getting Started

Familiarize yourself with the episode ahead of time. It will serve as a springboard for student learning, discussions, vocabulary exploration, and hands-on activities. Determine what equipment is required to show the episode in your classroom and request it if needed. Choose an activity (each one takes between 45-60 minutes), and gather supplies. Students will need a pen or pencil and copies of the activity worksheets. Have fun!

Screening

Introduce the series and the episode. Explain that Biz Kid\$ is a public television series that teaches kids about money and business. Mention that the bizkids.com website has lots of video clips, games, a blog, and other resources to help kids start businesses and learn about money. Prior to playing the episode, lead your students in a discussion with the preview questions on this page.

About the Episode

You can have a savings account in one place, a checking account in another, and you can even bank online. Join the Biz Kid\$ as they learn about financial accounts, financial institutions, and financial markets.

Episode Preview Questions

Before you show this Biz Kid\$ episode, lead your students in a brief discussion of the following questions:

- What is the safest way to protect your money?
- Are you aware that your money can increase in value over time?
- How many of you use the “Bank of Mom and Dad” as your financial institution?

Next Steps

Show this episode. After the episode, read the Summary and Conclusion to the class.

Summary and Conclusion

Money moves around the world every day. Financial institutions affect everyone because they trade in the world’s financial markets. There are differences between financial institutions and between the financial accounts that they offer. Discover the accounts, institutions, and markets that are best for you.

Family Connection

Distribute a copy of the Family Activity Sheet to each student to share what they’ve learned with their families.



FAMILY ACTIVITY SHEET

Episode Synopsis

You can have a savings account in one place, a checking account in another, and you can even bank online. Join the Biz Kid\$ as they learn about financial accounts, financial institutions, and financial markets.

Activity Suggestions

Discuss with your children the financial institutions you use, and the reasons for your choices. Help them to understand the types of financial accounts you have chosen (savings, checking, loans, investments) and what their terms are such as fees and interest rates. Help your child to open their first savings account.

Games such as “Pit” and “Stock Market Tycoon” help players gain a greater understanding of financial markets. Look for financial games to play with your child. Some public libraries have a game collection for use in the library.

Mastering the Biz Term\$ for this episode will help all family members better understand the language of finance. Help your child create flash cards for the Biz Term\$ and practice periodically together as a family. Look for free online flashcards with a finance theme to add to the list of words you’re learning.

Discuss this topic with your student, what would be the pros and cons of having accounts at both a bank and a credit union?



Activity #1:

BIZ TERM\$

WORKSHEET FOR STUDENTS

Biz Term\$

- Bank
- Credit union
- Discount brokerage firm
- Financial accounts
- Financial institutions
- Financial markets
- Investing
- Investment firm
- Payday loan
- Stock

Directions

With students, read aloud the Biz Term\$ and each question. Call on volunteers for answers, and have them explain why they chose the term they believe to be correct.

Biz Term\$ Episode Review

1. A _____ is a firm that will buy or sell investments, but does not do research.
2. A _____ is not for profit, and is owned by the members.
3. A share in the ownership of a company is called _____.
4. Be careful of the interest rate if you are looking for a _____.
5. _____ is what you do with your money when you want it to grow.
6. _____ put money into _____.



CURRICULUM CONNECTIONS

Language Arts

- Have students construct sentences, write a paragraph, or create a story, skit, or dialog using Biz Term\$.
- Have students create a class Dictionary of Financial Terms using Biz Term\$.
- Have students start their own Journal of Personal Financial Education and continue to add to it.

History/Social Studies

- Have students research the history of one of the major brokerage or investment firms in the United States. When were they founded? Who founded them? What services do they offer?

Mathematics

- Help students learn to balance a check book register. Use the internet to find printable worksheets here: <http://themint.org/kids/tracking-your-checking-account.html>

Economics

- The Chicago Mercantile Exchange was seen in this episode. It is called 'the futures capitol of the world.' Have students research the purpose of the exchange, when it was founded, and what it's original name was.

Optional Vocabulary Extensions

Make Art!

Ask students to create personal illustrated glossaries using sketches or cartoons to visually represent the meaning of each Biz Term.

Make It Personal!

Provide students with dictionaries and ask students to re-write formal definitions for each Biz Term in their own words to demonstrate comprehension.



Activity #2:

WHAT'S THE DIFFERENCE?

WORKSHEET FOR STUDENTS

Lesson Level:

Grades 9-12

Learning Objective:

Distinguish between banks and credit unions.

Directions

In this episode you learned more about financial institutions. Two major types of financial institutions are banks and credit unions. At first glance, they seem very similar. Learn more about the differences by answering the following questions. You may need to call these organizations or do research at a library or on the internet to find some answers.

1. Who owns your local bank? Is it for-profit or non-profit?

2. Who owns your local credit union? Is it for-profit or non-profit?

3. Do both the bank and the credit union offer accounts for young people? What are the age requirements and do they require a parent or guardian to co-sign?

4. What financial products do they offer for young people? Savings accounts, checking accounts, credit cards, Certificates of Deposit, other services?

5. Which organization, the bank or the credit union, has the best options to meet your needs as a young investor, and why?

Have students discuss these ideas and share their answers with the class.



Activity #3:

YOUNG INVESTORS

WORKSHEET FOR STUDENTS

Lesson Level:

Grades 9-12

Learning Objective:

Become aware that young people can invest.

Directions

In this episode you learned that time is on your side, and investing when you are young gives you a great advantage. Call or visit local banks and credit unions and compare the following investments.

	Savings Account	Certificate of Deposit	Money Market Account
Minimum amount of money required to open this account?			
Do you need a parent or guardian to co-sign?			
What is the interest rate or what is the average return over one year?			
What are the restrictions?			

1. Which account would be the best choice for you? Will you begin to invest now? Why or why not?

Have students discuss these ideas and share their answers with the class.



BIZ TERMS DEFINITIONS

- *Bank*: A financial institution owned by corporations or individuals.
- *Credit union*: A financial institution that is member-owned and not-for-profit.
- *Discount brokerage firm*: A company that will buy or sell investments, but will not do research for you.
- *Financial accounts*: An account that holds your money, with specific rules, such as a checking or savings account.
- *Financial institutions*: Organizations or businesses that provide services related to money.
- *Financial markets*: Places that money can be invested.
- *Investing*: Putting your money to use in a way that has the potential for it to grow in value.
- *Investment firm*: A company that will buy or sell investments and will do research for you.
- *Payday loan*: A short-term loan of money, often with a high interest rate and for a limited dollar amount, that is due plus interest on your next payday.
- *Stock*: Shares representing ownership of part of a company.



Produced by: *Biz Kid\$* LLP

Funded by:



Co-Produced by:



Distributed by:

