

## \{ http://youth.macu.com \}

Mountain America Credit Union knows that it's never too early to start learning critical money management skills. That's why we've put this information together for teachers and educators to use. Educating today's youth for a better tomorrow.

UNIT:

## Savings \& Checking: Managing Your Accounts

## OVERVIEW

This unit introduces students to the mechanics of checking and savings accounts. Students will gain hand-on experience as they learn to balance a checkbook and calculate interest.

## Lessons in Managing a Savings Account



LESSON \#1
How to Opening a Savings Account
Students will learn how to open a savings account and make deposits into it.


## LESSON \#2

How to Make Withdrawals from a Savings Account
Students will learn how to fill out withdrawal slips, and other methods of withdrawing from savings.


## LESSON \#3

How to Use a Savings Register
Students will learn how to fill in and balance a savings register.

# Lessons in Tracking Your Spending 



LESSON \#1
How to Write a Check
Students will practice check writing.

## LESSON \#2

How to Record Payments
Student will learn how to record their payments into the checkbook register.

## LESSON \#3



03 to May 31, 22008
-bs: $00054321-00$
How to Balance a Checking Account
Students learn how to reconcile their and balance their checking account.

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Lessons in Managing a Savings Account

## Activity One: How to Open a Savings Account

This activity will teach children that savings involves setting money aside for long-term or unexpected needs. Children will practice filling out deposit slip, learn the requirements to open a credit union account, and understand the benefits credit unions offers their members.

## DISCUSSION

- How old do you think you need to be to open a savings account? (Children as young as 4th and 5th grade can hold accounts). Do you know anyone who has one?
- Raise your hand if you already have a savings account.
- What do you think you could gain by having a savings account?


## OBJECTIVE \& KEY POINTS

Objective: The students will understand how savings money and a savings account will help them in the future.
Key Points:

## Who Can Open a Savings Account?

- Students as you as fourth grad can open credit union accounts. Encourage younger students to start a savings jar.
- You need certain documentation, a minimum amount of cash, and to be eligible to join the credit union.


## Why a Savings Account?

- Savings accounts let your money earn interest (free money the bank pays you) until you need the funds at a future time.
- The longer you have your money in a bank, the more interest it makes. The amount of interest will depend on the bank, the type of account, and how long it's in there.


## How Can I Accrue the Most Interest?

- When budgeting, "pay yourself first", by accounting for your savings before other expenses.


## How Can I Get my Money?

- It's easy! Credit unions usually have both walk up tellers and ATMs.


## ACTIVITIES \& MATERIALS

STUDENT HANDOUT - "What To Bring. Opening A Savings Account."

## Activity-How to Open a Savings Account.

After discussing what's needed to open an account, students will fill out a practice deposit slip.

## ACTIVITY \#1 - Managing a Savings Account

## What To Bring. Opening A Savings Account.

First, a credit union may need to figure out if you can join because not everyone can. To join, you may need to live in a certain area, live with someone who is already a member or be related to a member.

The following are some guidelines for how to open a savings account, and what you need to bring with you to the credit union:

Your parent or guardian must accompany you because you are under 18, and they must bring a form of current photo ID, such as a:

- Driver's license or state ID
- Passport
- U.S. military ID
- Alien Registration card

You may be asked to provide one of the following current IDs with photo, such as:

- Student ID
- Passport


## PLUS

- Your Social Security number
- Money to deposit - ask if there's a minimum amount.

Activity 1 - Managing a Savings Account

## How to Open a Savings Account

## INSTRUCTIONS

A deposit slip is a form you complete to put money in your account. Let's fill one out right now. You are depositing \$15.00 in cash and \$8.25 in checks. Your account number is 1234-567899.
A) Find the box next to circle A, and fill in today's date.
B) Find the row of squares next to circle $B$, and fill in your account number.
C) Find circle C and write in the amount of cash you are depositing (from above).
D) Write the amount of checks next to circle D.
E) Add your total amount for deposit in the space marked E.


Teacher's Reference 1 - Managing a Savings Account

## Savings Deposit

## INSTRUCTIONS

A deposit slip is a form you complete to put money in your account. Let's fill one out right now. You are depositing \$15.00 in cash and \$8.25 in checks. Your account number is 1234-567899.
A) Find the box next to circle A, and fill in today's date.
B) Find the row of squares next to circle $B$, and fill in your account number.
C) Find circle C and write in the amount of cash you are depositing (from above).
D) Write the amount of checks next to circle D.
E) Add your total amount for deposit in the space marked $E$.


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## Activity 2 - Managing a Savings Account

## How to Make Withdrawals from Savings

Making withdrawals from savings can be done easily with a withdrawal slip and a walk-up teller, or an ATM machine.

## DISCUSSION

- What do you know about taking money out of an account?
- How will you know how much money you have available?
- What does ATM mean? (Automated teller machine)
- Why would you wan to withdraw money?


## OBJECTIVE \& KEY POINTS

Objective: Students will be able to access money from their credit union savings accounts.
Key Points:

- Always be aware of who else is around when using an ATM machine.
- Protect your PIN number.
- Students should be aware that withdrawing from savings is for specific situations, not everyday spending.
- There is a limit on the amount of money an ATM machine will give you in a single day.

ACTIVITIES \& MATERIALS
Students follow the directions and complete a savings withdrawal form. Teacher's reference guide is included.

Activity 2 - Managing a Savings Account
STUDENT NAME:

## How to Make Withdrawals from Savings

## INSTRUCTIONS

Use the withdrawal slip to take $\$ 20$ from your account. All information must be filled in. Your account number is 1234-567899
A) Find circle A and fill in today's date.
B) Print your name on line $B$.
C) Fill in your account number is line $C$.
D) Write the withdrawal amount in line D.
E)Write the withdrawal amount in words in E. For example, for $\$ 5$ you will write five dollars.


PROBLEMS - (Please show your work below each problem.)

1. You have $\$ 326.50$ in your savings account. If you withdraw $\$ 50$, how much will you have left in your savings account?
2. Next month you'll deposit a check for $\$ 47.82$. What will your savings account balance be after you make the deposit?

## Teacher's Reference 2 - Managing a Savings Account

## How to Make Withdrawals from Savings

## INSTRUCTIONS

Use the withdrawal slip to take $\$ 20$ from your account. All information must be filled in. Your account number is 1234-567899.
A) Find circle A and fill in today's date.
B) Print your name on line B.
C) Fill your account number is line C.
D) Write the withdrawal amount in line D.
E) Write the withdrawal amount in words in E . For example, for $\$ 5$ you will write five dollars.


PROBLEMS - (Please show your work below each problem.)

1. You have $\$ 326.50$ in your savings account. If you withdraw $\$ 50$, how much will you have left in your savings account?
(\$276.50)
2. Next month you'll deposit a check for $\$ 47.82$. What will your savings account balance be after you make the deposit?
(\$324.32)

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## Activity 3 - Managing a Savings Account

## How to Use a Savings Register

Learning to accurately record transactions and balance an account is a key skill of money management. Students will practice recording deposits and withdrawals in a register, and getting the account to balance.

## DISCUSSION

- Do banks ever make errors? How will you know if your account is accurate? How will you know how much money is in your account?


## OBJECTIVE \& KEY POINTS

Objective: The student will demonstrate the ability to accurately track deposits and withdrawals in a savings account and keep it balanced.

Key points:

- Your Credit Union will give you a register when you open your account.
- The Credit Union will keep track of your transactions, but you are ultimately responsible for catching any errors that occur.
- Emphasize the importance of accurate calculations, and double checking.


## ACTIVITIES \& MATERIALS

## Activity

## How to Balance Your Savings Register

The sample register allows students to practice making correct transactions, and balancing the register. Teacher's reference is included.

## Activity 3 - Managing a Savings Account

STUDENT NAME:

## Savings Register

This is an example of a savings account register. You will record every withdrawal and deposit you make. For withdrawal you will subtract the amount, and for deposits you will add. Every month your Credit Union will send you a statement. It is your responsibility to check the statement against your records and make sure they match.

## INSTRUCTIONS

A) Fill in the date in the top space of column $A$.
B) In column B you will writer a description of the transaction like "Cash Withdrawal" or "Birthday Money". The row directly below can be used to add specifics to the description.
C) If an item is a withdrawal record the amount in column C .
D) If the item is a deposit, record the amount in column $D$.
E) Rewrite the amount in E, add or subtract, and you have your current balance.

- Note: You're starting with a balance of $\$ 220.25$.


## TRANSACTION INFORMATION

1. On $5 / 4$, a cash withdrawal of $\$ 25$
2. On $5 / 12$, a deposit of $\$ 40$ of birthday gift money
3. On $5 / 31$, a withdrawal of $\$ 37.75$ to buy sneakers
4. On $6 / 3$, a deposit of $\$ 15$ of babysitting money


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## Teacher's Reference 3 - Managing a Savings Account

## Savings Register

This is an example of a savings account register. You will record every withdrawal and deposit you make. For withdrawal you will subtract the amount, and for deposits you will add. Every month your Credit Union will send you a statement. It is your responsibility to check the statement against your records and make sure they match.

## INSTRUCTIONS

A) Fill in the date in the top space of column A.
B) In column B you will writer a description of the transaction like "Cash Withdrawal" or "Birthday Money". The row directly below can be used to add specifics to the description.
C) If an item is a withdrawal record the amount in column C.
D) If the item is a deposit, record the amount in column D .
E) Rewrite the amount in E, add or subtract, and you have your current balance.

## TRANSACTION INFORMATION

1. On $5 / 4$, a cash withdrawal of $\$ 25$
2. On $5 / 12$, a deposit of $\$ 40$ of birthday gift money
3. On $5 / 31$, a withdrawal of $\$ 37.75$ to buy sneakers
4. On $6 / 3$, a deposit of $\$ 15$ of babysitting money

| SAVINGS REGISTER <br> DATE <br> DESCRIPTION |  | WITHDRAWAL |  | DEPOSIT |  | balance forward |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  |  | \$220 | 25 |  |  |
| 5/4 | Cash Withdrawal |  |  | \$25 | 00 |  |  | - \$25 | 00 |
|  |  |  |  |  |  | \$195 | 25 |
| 5/12 | Birthday Gift |  |  | \$40 | 00 | + \$40 | 00 |
|  | money |  |  |  |  | \$235 | 25 |
| 5/31 | Sneakers | \$37 | 75 |  |  | - \$37 | 75 |
|  |  |  |  |  |  | \$197 | 50 |
| 6/3 | Babysitting |  |  | \$15 | 00 | + \$15 | 00 |
|  | money |  |  |  |  | \$212 | 50 |
| (A) | B | C |  | (D) |  | E |  |



## Lessons in Managing a Checking Account

## Activity 1

## How to Write a Check

A check is considered a legal document. Knowing how to write a checking a key component of having a checking account.

## DISCUSSION

- Can you think of an occasion when you wouldn't want to pay for something in cash?
- What other methods of payment exist?
- Is it possible to write a check for an amount higher than what you have in the bank? What would happen?
- Why are check commonly accepted?


## OBJECTIVE \& KEY POINTS

Objective: The student will be able to correctly write a check.

## Key Points

- Checking and Savings account are both money management tools. They have significant differences. There are:
o Checking accounts are designed for daily use and for bill paying. You will make frequent deposits and withdrawals to your Checking account once you have bills to pay.
o Savings accounts accrues interest, and are designed to help you accrue money over a long period of time. Most checking accounts don't accrue interest.
o The frequent use of checks as a withdrawal method means your record-keeping for a check book must be precise. You can't write check if there is not enough money in the account.
o Writing a check when there is not enough money to cover it is called writing a bad check or bouncing a check. Doing this intentionally is against the law. A mistaken occurrence will result in fees and fines.
o Most Credit Unions require that you are 16 and have some documentation before opening accredit account.


## ACTIVITIES \& MATERIALS

## STUDENT WORKSHEET - "Write A Check."

Students can practice check writing on the following form. A teacher's reference is included.

## Activity 1 - Managing a Checking Account

## How to Write A Check

## INSTRUCTIONS

You are buying a sleeping bag from Camping World for $\$ 32.75$.
A) On line A write the date.
B) On line B record the Payee's (that is the person or business you are paying) name.
C) On line C write the amount to be paid in numbers.
D) On line D write the amount to be paid in words.
E) On line in record the item you are purchasing.
F) On line $F$ sign your name.

Create the second check using your own fictional information.


Henry Hiker
1001
123 Trail Road
Anyplace, UT 89000
Date
$\mathbf{P A Y}$ to
the order of $\qquad$ \$ $\qquad$
P.O. Box 9001 • West Jordan, UT 84084-9001 $\square$
Memo

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## teacher's reference 1 - Managing a Checking Account

## How to Write A Check

## INSTRUCTIONS

You are buying a sleeping bag from Camping World for \$32.75.
A) On line A write the date.
B) On line B record the Payee's (that is the person or business you are paying) name.
C) On line C write the amount to be paid in numbers.
D) On line D write the amount to be paid in words.
E) On line in record the item you are purchasing.
F) On line F sign your name.

Create the second check using your own fictional information

Henry Hiker
123 Trail Road
Anyplace, UT 89000
Date
PAY to
the order of $\qquad$ \$ $\qquad$
DOLLARS
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$C R E D I T$
$U N O N$
NCUA
P.O. Box 9001 - West Jordan, UT 84084-9001
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## ACTIVITY 2 - Managing a Checking Account

## How to Record Payments

Learning how to record your payments and accurately track the transactions in your checking account is a key skill for responsible money management.

## DISCUSSION

- How is money management for a checking account different from that of a savings account?
- What will happen if you don't keep an accurate running balance of your checking account?


## OBJECTIVE \& KEY POINTS

Objective: Students will demonstrate the ability to keep track of transactions in their checking account.

## Key Points

- A checking account register is similar to a savings account register. The big difference is that you will use the checking account register more frequently, and have more transactions in it.
- You must know how much money is in your checking account any time you write a check. The bank and businesses will hold you responsible for any bad or bounced checks.
- Bouncing checks will cost you money. Both the Credit Union and the payee will charge you fees for bad checks. This can also affect your credit. Credit Unions won't lend money to members will irresponsible banking habits.


## ACTIVITIES \& MATERIALS

## STUDENT HANDOUT - "Hot To Use Your Check Register."

The following handout allows students to practice recording transactions in a checkbook register.

## ACTIVITY 2 - Managing a Checking Account

## How to Use a Check Register

Use the transaction information listed below to record each item in the check register below. Deposits require adding, withdrawals (ATM funds take or checks) need to be subtracted. Take care to record each amount 2 times. First in the appropriate deposit or withdrawal column. And then again in the Balance Forward column.

## INSTRUCTIONS

A) Record the check number in column A.
B) Record the date in column B.
C) Write a description of the payee (business or person) in column C.

Make a note directly below that of what the payment was for.
D) Record withdrawals in column D.
E) Record deposits in column E
F) Bring each amount over to column $F$, record it and add or subtract as necessary.

- Note: You are starting with a balance of $\$ 175.32$.

TRANSACTION INFORMATION

1. On $5 / 3$, check number 1000 in the amount of $\$ 34.97$ to Shoes \& Boots to buy hiking boots
2. On $5 / 12$, check number 1001 in the amount of $\$ 13.67$ to Camping World to buy a fl ashlight
3. On $5 / 20$, a deposit of $\$ 30$ of saved allowance money
4. On $5 / 22$, check number 1002 in the amount of $\$ 43.38$ to Food Mart to buy food for camping trip
5. On $6 / 5$, check number 1003 in the amount of $\$ 29.89$ to Clothing Outlet to buy a jacket

| CHECK REGISTER |  |  |  |  |  | ${ }_{\text {BALANCE }}$ |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| NUMBER | DATE | DESCRIPTION | ü | PAYMENT/DEBIt (-) | DEPOSIT/CREDIT (t) | \$175 | 32 |
|  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |
| A) | B | C) |  | (D) | (E) | F |  |

teacher's reference - Managing a Checking Account

## Activity 2

## How to Use a Check Register

Use the transaction information listed below to record each item in the check register below. Deposits require adding, withdrawals (ATM funds take or checks) need to be subtracted. Take care to record each amount 2 times. First in the appropriate deposit or withdrawal column. And then again in the Balance Forward column.

## INSTRUCTIONS

A) Record the check number in column A.
B) Record the date in column B.
C) Write a description of the payee (business or person) in column C.

Make a note directly below that of what the payment was for.
D) Record withdrawals in column D.
E) Record deposits in column E
F) Bring each amount over to column F, record it and add or subtract as necessary.

- Note: You are starting with a balance of $\$ 175.32$.


## TRANSACTION INFORMATION

1. On $5 / 3$, check number 1000 in the amount of $\$ 34.97$ to Shoes \& Boots to buy hiking boots
2. On $5 / 12$, check number 1001 in the amount of $\$ 13.67$ to Camping World to buy a fl ashlight
3. On $5 / 20$, a deposit of $\$ 30$ of saved allowance money
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5. On $6 / 5$, check number 1003 in the amount of $\$ 29.89$ to Clothing Outlet to buy a jacket

| CHECK REGISTER |  |  |  |  |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| NUMBER | DATE | DESCRIPTION | ü | PAYMENT/DEBIT (-) |  | DEPOSIT/CREDIT (t) |  | \$175 | 32 |
| 1000 | 5/3 | Shoes \& Boots |  | \$34 | 97 |  |  | - \$34 | 97 |
|  |  | hiking boots |  |  |  |  |  | \$140 | 35 |
| 1001 | 5/12 | Camping World |  | \$13 | 67 |  |  | - \$13 | 67 |
|  |  | flashlight |  |  |  |  |  | \$126 | 68 |
|  | 5/20 | Deposit |  |  |  | \$30 | 00 | + \$30 | 00 |
|  |  | (allowance) |  |  |  |  |  | \$156 | 68 |
| 1002 | 5/22 | Food Mart |  | \$43 | 38 |  |  | - \$43 | 38 |
|  |  | food for camping trip |  |  |  |  |  | \$113 | 30 |
| 1003 | 6/5 | Clothing Outlet |  | \$29 | 89 |  |  | - \$29 | 89 |
|  |  | jacket |  |  |  |  |  | \$83 | 41 |
| (A) | B | (c) |  | D |  | E |  | F |  |

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## Lesson \#3 - Managing a Checking Account

## How to Balance A Checking Account

The student will learn how to reconcile his or her personal account register with the credit unions records.

## DISCUSSION

- What is the worst case scenario of never comparing your record with the Credit Union's?


## OBJECTIVE \& KEY POINTS

Objective: The students will understand how to compare their personal check register to the Credit Union's monthly statement.

## Key Points

- Each month you will receive a monthly statement from the Credit Union that details all of your transactions that month.
- Interest paid and fees taken out of your account will be included on the statement, and will need to be accounted for in your personal register.
- While Credit Unions are usually accurate, mistakes are made.
- While you attempt to be accurate, you will need to check the statement for items you forgot to record, or for fees that you didn't account for.
- The process of comparing these two records is called balancing your checkbook.


## ACTIVITIES \& MATERIALS

STUDENT HANDOUT - "Statement of Accounts."
Discuss key aspects of the Statement of accounts with students. Practice "balancing" the account by comparing the statement with the check register in Lesson \#2 in the Checking Lessons part of this unit.

## STUDENT HANDOUT

## Statement of Accounts

## INSTRUCTIONS

Compare this Statement of account to the check register you completed in Activity 2 of the checking portion of this unit．

|  |  |  |  | TEMENT <br> May 31， 2008 00054321－00 |
| :---: | :---: | :---: | :---: | :---: |
| Henry Hiker 123 Trail Road Anyplace，UT 89000 |  |  |  |  |
| CHECKING ACCOUNT－ 00 |  |  |  |  |
| Activity Detail |  |  |  |  |
| DEPOSITS |  |  |  |  |
| Date |  | Description |  | \＄Amount |
| 5／20 |  | Deposit |  | 30.00 |
| TOTAL D |  |  |  | 30.00 |
| WITHDRAWALS |  |  |  |  |
| CHECKS |  |  |  |  |
| Number | Date | Description |  | \＄Amount |
| 1000 | 5／3 | Shoes \＆ |  | 34.77 |
| 10 l | 5／12 | Camping |  | 13.67 |
| 1002 | 5／2コ | Food Ma |  | 43.38 |
| TOTAL CHECKS |  |  |  | ๆว．ロ2 |
| OTHER WITHDRAWALS |  |  |  |  |
| Date | 硣 | Description |  | \＄Amount |
| TOTAL OTHER WITHDRAWALS |  |  |  | $\square$ |
| TOTAL WITHDRAWALS |  |  |  | ๆ2．ロ2 |

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