

Keeping Track of Your Money

The **BIG** Idea

- How can I keep track of the money in my checking account?

AGENDA

Approx. 45 minutes

- I. Warm Up: Where Did the Money Go? (10 minutes)
- II. How To Keep Track: Make Sure It Adds Up (15 minutes)
- III. Online Statements: Just Log On! (15 minutes)
- IV. Wrap Up (5 minutes)

MATERIALS

STUDENT HANDBOOK PAGES:

- Student Handbook page 139, What's In Your Wallet?
- Student Handbook page 140, Checkbook Register
- Student Handbook page 141, Online Statement
- Student Handbook page 142, Online Statement Questions

FACILITATOR PAGES:

- Facilitator Resource 1, Chance Cards, one card per student
- Facilitator Resource 2, What's In Your Wallet? Answer Key
- Facilitator Resource 3, Online Statement Questions Answer Key

Calculators (one per student)

Overhead projector

OBJECTIVES

During this lesson, the student(s) will:

- Learn about the risks of not knowing your current account balance.
- Review a check register and practice adding their own withdrawals and deposits to the register to find their current balance.
- Review an online statement and use the statement to answer questions.

OVERVIEW

In this lesson, students will learn how to track the money in their checking account. First, they'll discover why keeping track of their current balance is so important – especially when writing personal checks. Then they'll review a check register and practice adding their own withdrawals or deposits to the register. Next, they'll review an example of an online statement – a fast and convenient way to check a current account balance. Finally, they'll use that online statement to answer a series of questions about recent withdrawals and deposits.

PREPARATION

- List the **BIG IDEA** and the day's activities on the board.
- Write the day's vocabulary words and definitions on the board.
- Print out **Facilitator Resource 1, Chance Cards** and cut out the individual cards. **Note:** You may need to print 2 or 3 copies in order to provide one card to each student.
- The following handouts need to be made into overhead transparencies or copied onto chart paper:
 - **Student Handbook page 140, Checkbook Register**
 - **Student Handbook page 141, Online Statement**

VOCABULARY

Checking Account: a bank account that allows you to withdraw money or make payments using checks

Credit: the money you put into a bank account

Debit: the money you take out of a bank account

Deposit: to put money into a bank account

Withdraw: to take money out of a bank account

ACTIVITY STEPS

I. Warm Up: Where Did the Money Go? (10 minutes)

1. **SAY SOMETHING LIKE:** Welcome back, everybody. Last week, you learned about checking accounts, and even practiced filling in your own deposit slips and personal checks. As you've seen, you could have a lot of money going in and coming out of your account over the summer. This week, we're going to talk about keeping track of all that money. You've probably heard about "balancing" your checkbook. If it sounds complicated, don't worry. To balance a checkbook, you use the same basic skills you use to keep track of the money in your wallet.
2. **SAY SOMETHING LIKE:** Let's start today with a simple example of keeping track of money. Please turn to your **Student Handbook page 139, What's In Your Wallet?** [Display this student handbook page on the overhead. Have a different volunteer read each of the three paragraphs, making sure to underline the key information on the overhead. Then, model how to fill in the chart for Saturday and Sunday. Students will then complete the rest of the chart on their own.]
3. **SAY SOMETHING LIKE:** As you just saw, keeping track of your money doesn't have to be difficult – but it is extremely important! It's especially important when you start making money of your own. Even though you might feel like you've got lots of money, you can spend it much faster than you think. And if you don't keep track of the money in your checking account, you could get it into trouble. Imagine this:

You've set up your bank account, you've deposited your first paycheck, and you've even written a few checks. Now it's time to get out some cold, hard cash for a night out with your friends. You pull up to the drive-thru ATM and punch in \$25.00. You're waiting patiently for some fresh bills to come sliding out of the ATM, but instead the words "Insufficient Funds" blink on the screen. What's up?

4. **SAY SOMETHING LIKE:** What happened? You were trying to take out more than you have in your account – and as you know, you can't do that! If you try to make a withdrawal at the bank or get money out of an ATM, the bank simply won't give it to you.

But what happens if you try to write a check for more than you have in your checking account? This is an entirely different story, because the bank can't warn you when you're writing a check for more money than you have in your account. When you write a check, you're telling the bank to take money out of your account and pay someone.

Writing a check for more money than you have in your account is a problem because the person you've written a check to can't be paid. Writing a bad check is illegal, embarrassing, and expensive.

5. **SAY SOMETHING LIKE:** Why is writing a bad check expensive? [Allow students to respond.] That's right – it will cost you much more money than the total of the check you wrote. That's because when you write a check that your account can't cover, you have to pay a fine. Some banks charge as much as \$30 if a check "bounces," or can't be covered by your account. But you may owe more money to the person or business you wrote the check to, since some businesses charge for receiving a bad check. Say you write a check at the grocery store and there's not enough money in your account to cover it. You have to pay two fines - \$30 to the bank and another \$20 to the grocery store. That's \$50 just for not keeping track of your money.
6. **SAY SOMETHING LIKE:** As you can see, keeping track of your money is very important. Before you write a check or take money out of an ATM, you'll want to know your account balance – or the amount of money you currently have in your account.

II. How To Keep Track: Make Sure It Adds Up (15 minutes)

1. **SAY SOMETHING LIKE:** One of the best ways to keep track of your money is with your checkbook register. You'll receive a checkbook when you open a checking account, and every checkbook comes with a register. This is a helpful way to track your checks, withdrawals, and deposits and keep up with your current balance.

Let's take a look at a checkbook register together. Please turn to **Student Handbook page 140, Checkbook Register**. [Project a copy of the handbook page onto an overhead projector.]

As you can see, this checkbook register has been filled out to show the date and amount of checks written, ATM withdrawals, and any deposits. The starting balance is written at the top.

3. [As a class, review the checkbook register and an example of a check, an ATM withdrawal, and a deposit. Point out that the main deposit or credit information is included on the white line. Directly below on the gray line is the place to add the reason for the purchase under "Description." In the far right-hand column, they can determine their current balance by adding deposits and subtracting any payments or withdrawals. Have students use the register to answer the following questions:

- How many times did you put money into your account? (*Twice, \$25 on 7/6/10 and \$196.23 on 7/8/10, shown in the “Deposit” column.*)
- How many times did you take money out? (*4 times, shown in the “Withdrawal” column*)
- Who was check 1451 written to? (*State University*) For what amount? (*\$100*) For what purpose? (*dorm deposit*)
- When was your last entry? (*a withdrawal on 7/11/10*) If you haven’t made any withdrawals or deposits since this date, what is your current balance? (*\$432.20*) (Be sure students understand that the last amount under “Balance” is the current balance, as long as all credits and debits have been entered in the register.)

4. **SAY SOMETHING LIKE:** Now it’s time to enter another item in the checkbook register.

[Hand each student one “chance card,” which you cut out from **Facilitator Resource 1, Chance Cards.**]

You are each going to receive one “chance card” describing a credit or a debit. Read your card closely to identify the amount of the check, withdrawal, or deposit. Then enter this item into your check register. Let’s say the date is July 12, 2010. Once you’ve entered the new item into your register, calculate your new balance. Remember to add for credits and subtract for debits.

5. [Give students a few minutes to complete their register. When they’re done, have several students demonstrate or discuss their answers to show how they completed their registers.]

III. Online Statements: Just Log On! (15 minutes)

1. **SAY SOMETHING LIKE:** No matter how carefully you complete your register, chances are at some point you’ll leave something out or make an error calculating your balance. Fortunately, the bank is keeping track of this information too. At the end of the month, the bank will mail you a statement that reflects your debits, credits, and current balance. It’s a good idea to check your register against this statement.
2. **SAY SOMETHING LIKE:** But sometimes you can’t wait until the end of the month to double-check your balance. Or maybe you forgot to write down the amount of your last check and you need to know your balance before writing the next check. Accessing your account information can be as easy as getting online! Many banks offer online banking, which allows you to check your credits, debits, and current balance anytime.

3. **SAY SOMETHING LIKE:** Let's take a look at a sample online statement. Please turn to your **Student Handbook page 141, Online Statement**. This should look very familiar. It has a lot of the same information as your checkbook register. But as you'll see, the current balance and most recent credits and debits are listed at the top rather than the bottom.
4. [Review the online statement. Point out how you can check different accounts online, so you could also check the total in your savings account. You can also select different dates. Most online statements cover about a month, but you can go back and look at statements from previous months too.]
5. **SAY SOMETHING LIKE:** An online statement is a great way to keep track of checks you write. For example, you can go online to see if checks you've written have cleared, in other words, if the money has been deducted from your account.

To get a sense for how this information can help you, I'd like you to turn to your **Student Handbook page 142, Online Statement Questions**. Please use the online statement to answer these questions.

7. [Complete the first two questions as a class and then give students 8 minutes to answer the rest of the questions. When they're done, have them check their answers with a partner.]

IV. Wrap Up (5 minutes)

1. [As a class, review what was covered in the lesson.]

SAY SOMETHING LIKE: Why is it important to keep track of your money? What are some ways to do this?

2. **SAY SOMETHING LIKE:** So far, we've talked about two ways to spend money: with cash and with personal checks. Next week, we're going to talk about a different way to spend money: credit cards. Credit cards can be a convenient way to make purchases, but like personal checks, they can be risky if you don't use them carefully!

Chance Cards

<p>It's payday! You just received a paycheck for \$203.00. Deposit it right away.</p>	<p>You owe your little sister \$12.00 for Girl Scout cookies you ordered. Make the check out to Girl Scouts of America.</p>
<p>You're heading to the theme park this weekend. Stop by the ATM and take out \$75.00.</p>	<p>Send a check for \$150.00 to State University to cover lab fees for your fall semester chemistry class.</p>
<p>Thanks, Grandpa! You just received \$30.00 as a birthday gift. You vow to deposit it right away.</p>	<p>You send your new roommate a check for \$48 to cover a new set of sheets.</p>
<p>Your mom lent you \$30.00 last month, so you write her a check to pay back the loan.</p>	<p>It's payday! You just received a paycheck for \$203.00. Deposit it right away.</p>
<p>You need some cash for the July 4th festival. Stop by the ATM and take out \$25.00.</p>	<p>You just gotta have that cool sweatshirt for your new university. Write a check to Sports Gear for \$21.34.</p>
<p>You just earned \$20.00 for mowing the neighbor's lawn. Deposit it right away.</p>	<p>You're heading out for a night at the movies. Better stop by the ATM and take out \$25.00 for movie tickets and popcorn.</p>
<p>It's payday! You just received a paycheck for \$203.00. Deposit it right away.</p>	<p>A friend's mom gives you \$35.00 to walk their dog while they're on vacation. Deposit it today!</p>

What's in Your Wallet? Answer Key

Facilitator Directions: Read the story below as a class. As you read, highlight the key information that will help the students keep track of how much money is in the wallet each day. Model how to complete Saturday and Sunday and then let the students complete the rest of the chart on their own. Once all the students have completed their work, call on a volunteer to answer the question at the bottom.

On Saturday, you go to the mall with your brother. You see a cool t-shirt of your favorite band, but you don't have any money left in your wallet. Your brother loans you \$15.00 to pay for the shirt and you promise to pay him back in a week. After all, you know you'll be making money that week mowing lawns.

On Sunday, you make \$20.00 mowing lawns and put the money in your wallet. Monday, you go out with friends for ice cream and spend \$4.00. Tuesday, you make \$10.00 mowing another lawn, and spend \$8.00 that night at the movies. Wednesday, you go to the mall with friends and spend \$13.00 on a new CD and \$2.00 on a soda. Thursday, you mow another lawn and add \$10.00 to your wallet.

Friday night, your brother asks for the \$15.00 you owe him. You check your wallet, confident there's plenty there to pay him back. After all, you made \$40.00 mowing lawns this week. **How much is left in your wallet?**

Day	Income	Expenses	Amount in Your Wallet
Sunday	\$20	0	\$20
Monday	0	\$4	\$16
Tuesday	\$10	\$8	\$18
Wednesday	0	\$15	\$3
Thursday	\$10	0	\$13
Friday	0	0	\$13 (not enough to pay your brother back)

Online Statement Questions Answer Key

Use the online statement to answer the questions below.

1. In late June, you wrote a check to your college to cover a dorm deposit of \$100.00. You noted that it was check #1451 in your register. You've just received a letter that you still owe the money. Look at your statement. Did the check clear? (In other words, was the money deducted from your account?) If so, on what date?

It was subtracted from your account on 7/2/10. (Remind students that when you write a check, the person you write the check to takes it to his bank, and their bank presents it to your bank for payment. When your bank pays, the check has "cleared." A copy of the cancelled check – provided by your bank – is proof that you've paid.)

2. Your weekly paycheck is \$203.00. Did you deposit all four paychecks this month?

Yes. Your statement shows all 4 deposits: 7/08, 7/15, 7/22, and 7/29.

3. You sent a check to your new roommate Chris to cover a small microwave for your dorm room. From your check register, you know it was check #1453. Has the money been deducted from your account yet?

No, because it hasn't appeared on your statement yet.

4. What dates did you make ATM withdrawals? How much have you withdrawn so far this month?

7/05, 7/15, and 7/20, for a total of \$125.

5. At the family July 4th picnic, your Uncle Sal gave you \$25.00 as a graduation gift. You were going to deposit it to keep from spending it right away, but now you can't remember if you did. Did you deposit it? If so, when?

You made a deposit for \$25 on 7/06, so probably yes. This is where your check register comes in handy, since you can write "Uncle Sal's gift" on the description line.

6. How much money have you deposited into your account this month?

\$837.00. 4 paychecks of \$203.00 each, plus \$25.

7. How many checks have been paid by the bank this month?

5 checks: numbers 1451, 1452, 1454, 1455, and 1456.

8. What was your account balance at the end of June (before you wrote the check to State University)? What is it now?

\$423.45 at the end of June, \$912.76 now.

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Monday			
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Checkbook Register

Every checkbook comes with a register. This is a helpful way to track your checks, withdrawals, and deposits and keep up with your current balance. Notice that the main deposit or credit information is included on the white line. Directly below on the gray line, you can add the reason for the purchase under “Description.” In the far right-hand column, you can determine your current balance by adding deposits and subtracting any payments or withdrawals.

CHECK NO.	DATE	DESCRIPTION	PAYMENT, WITHDRAWAL	DEPOSIT, CREDIT	BALANCE
					\$ 423.45
1451	6/28/10	State University	100.00		100.00
		Dorm deposit			323.45
ATM	7/5/10	ATM	50.00		50.00
		Spending money			273.45
	7/6/10	Deposit		25.00	25.00
		Graduation gift			298.45
	7/8/10	Paycheck		203.00	203.00
					501.45
1452	7/9/10	Town Tunes	17.48		17.48
		Birthday gift			483.97
1453	7/11/10	Chris Jones	45.00		45.00
		Dorm microwave			438.97

Online Statement

Many banks offer online banking, which allows you to check your current balance anytime. Online statements vary, but many share some of these common features.

FIRST BANK

ONLINE BANKING

Working for you!

Account Details

Account: [Checking account – 1234] (Click to change account)

Date: [7/1/10 through present] (Click to change dates)

Transactions				
Date	Description (click to see details)	Type	Amount	Balance
7/29/10	Check 1456	Check	-\$32.56	\$912.76
7/29/10	Deposit	Deposit	+\$203.00	\$945.32
7/22/10	First Bank ATM Withdrawal	Withdrawal	-\$25.00	\$742.32
7/20/10	Deposit	Deposit	+\$203.00	\$767.32
7/18/10	Check 1455	Check	-\$24.13	\$564.32
7/17/10	Check 1454	Check	-\$48.52	\$588.45
7/15/10	First Bank ATM Withdrawal	Withdrawal	-\$50.00	\$636.97
7/15/10	Deposit	Deposit	+\$203.00	\$686.97
7/09/10	Check 1452	Check	-\$17.48	\$483.97
7/08/10	Deposit	Deposit	+\$203.00	\$ 501.45
7/6/10	Deposit	Deposit	+\$25.00	\$ 298.45
7/05/10	First Bank ATM Withdrawal	Withdrawal	-\$50.00	\$273.45
7/2/10	Check 1451	Check	-\$100.00	\$ 323.45
				\$ 423.45

Online Statement Questions

Use the online statement to answer the questions below.

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5. At the family July 4th picnic, your Uncle Sal gave you \$25.00 as a graduation gift. You were going to deposit it to keep from spending it right away, but now you can't remember if you did. Did you deposit it? If so, when?

6. How much money have you deposited into your account this month?

7. How many checks have been paid by the bank this month?

8. What was your account balance at the end of June (before you wrote the check to State University)? What is it now?
