



BANKING AND FINANCIAL SERVICES

TRAINING TECHNIQUES

MODULE DESCRIPTION

Banking and Financial Services is a 60-90 minute interactive program designed for the junior sailor new to the banking and financial services. The module also contains a separate Checking Account Management exercise which can be incorporated into the main presentation or given separately.

LEARNING OBJECTIVES

At the conclusion of this program, participants will be able to:

- Identify products and services provided by most credit unions and banks.
- Describe the different types of checking accounts.
- Describe features of Debit, Cash, ATM and Credit Cards.
- Identify an appropriate financial institution for the individual's or family's needs.
- Demonstrate checkbook management skills.
- Describe the civilian, military, and legal ramifications of bounced checks.
- Describe the alternatives to having a checking account.
- Identify the different sources of help for banking problems.

REFERENCES

- SECNAVINST 1754.1, Family Service Center Program
- OPNAV Instruction 1740.5B, Personal Financial Management Education, Training and Counseling Program

- Command Financial Specialist Training Manual, NAVPERS 15608D (or later)
- Federal Citizen Information Center. *2007 Consumer Action Handbook*. U.S. General Services Administration (www.consumeraction.gov)
- Garman, E.T. and R.E. Forgue. 2006. *Personal Finance, 8th ed.* Boston, MA: Houghton Mifflin Company
- www.bankrate.com (Bankrate.com website)
- www.federalreserve.gov (Federal Reserve Bank website)
- www.ftc.gov (The Federal Trade Commission website)
- www.ffsp.navy.mil (Fleet and Family Support Program website)

■ MODULE PREPARATION

Handouts:

- Banking and Financial Services Resources
- Terms of Banking Worksheet
- Checking Account Management Class Exercise Packet (if conducting exercise)

Materials (vary depending on activities chosen):

- Pencils and Calculators if doing the Checking Account Management Class Exercise

■ SUMMARY OF OPTIONAL PARTICIPANT ACTIVITIES

- **Terms of Banking:** Using the Terms of Banking handout, participants complete a matching exercise.
- **Check for a Million:** Participants practice completing a check by writing a check for a million dollars.
- **Checking Account Management Practice:** A manual exercise in which participants write a check, use a checkbook register, and balance an account.

- **You Can Take That to the Bank!** A jeopardy-style presentation of program content which can be used in lieu of lecture or as a program review.

■ CURRICULUM OUTLINE

1. Welcome and Introduction (5 minutes)
 - a. Purpose and Agenda
 - b. Optional Participant Activity: Terms of Banking
2. Credit Unions and Banks: Products and Services (10 minutes)
 - a. Credit Unions vs. Banks
 - b. Savings and Checking Accounts
 - c. Check, Debit and ATM Cards
 - d. Other Banking Products and Services
3. Finding the Best Fit (10 minutes)
 - a. Choosing a Credit Union or Bank
 - b. The Cost of Financial Services
4. Managing Your Money (15 minutes)
 - a. Controlling the Cash Flow
 - b. Keeping the Checkbook in Check
 - c. Alternatives to Checking Accounts
 - d. Couples and Money Management
 - e. Changing Financial Institutions
 - f. Consequences of Financial Mismanagement
5. Optional Participant Activity: Checkbook Management (15 minutes)
6. Sources of Help (5 minutes)
 - a. Where to Complain
 - b. Other Sources of Help

7. Summary (5-20 minutes)

- a. Optional Participant Activity: Review the Terms of Banking worksheet
- b. Optional Participant Activity: You Can Take That to the Bank! (Review)

■ INSTRUCTOR TECHNIQUES BY SLIDE NUMBER



Optional Participant Activity: The Terms of Banking, Part 1

Time: 8 Minutes

Materials: The Terms of Banking Handout, pencils and pens

Procedure: Distribute the handout “The Terms of Banking.” Have participants match the terms on the left with the definitions on the right. Allow about five minutes. As an option you can have participants work in pairs or groups. When they are done, tell them that as the class moves through the materials they will be given information for any answers they don’t know. Explain that you will review all the answers at the end of the session.



If classroom internet is available, show participants the websites for a major bank and a major credit union, and go through the various products and services offered on the website. Navy Federal Credit Union (www.navyfcu.org) and Bank of America (www.bankofamerica.com) are the largest credit union and bank in the country, so using their websites would be appropriate. You can also use a local or regional bank website. Make it clear to the participants that you are not endorsing the bank, just using the website as an example of what products and services are available through these financial institutions. If you choose to use this method, be sure to practice ahead of time so you are familiar with whichever websites you choose to use. In lieu of a classroom hookup, you can print out the home pages of a credit union and bank and use hard copies.

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When discussing online banking, reinforce safe computing practices. These can be found in the “Consumer Awareness” Module. You may want to distribute “Sources of Help for Military Consumers” as a handout, since it includes information on safe computing, identity theft, and how to file a complaint.

9-11

There is more detail in the content than is actually needed for presentation. Briefly review the issues on these slides and only go into detail if there are questions. Most likely junior personnel will choose an institution based on convenience, and the major fees they need to be concerned with are ATM fees and NSF fees. Be wary of overwhelming junior audiences with too much information.

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This is a slide that shows the topics coming up on the next series of slides, 14 – 25.

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Optional Participant Activity: Check for a Million

Time: 5 Minutes

Preparation: Distribute “Banking and Financial Services Resources” and a pen or pencil to all participants.

Procedure: Explain to participants that the program is about to go into some specifics of managing a checking account and first you would like to invite participants to write a check to themselves for \$1 million. Suggest that proper checkbook management is the first step in building wealth. Invite participants to show their check to their neighbor and ensure the checks are written out properly. If participants do not know how to fill out the check, tell them not to worry as you are about to show them how to do it.

Optional Participant Activity: Checking Account Management Practice

Time: 20 Minutes

Materials: Checking Account Management Class Exercise package, and Checking Account Management PowerPoint Slides.

Preparation: Distribute the Checking Account Management Class Exercise package, a pencil and calculator to each student.

Procedure: After covering all the material on the slides regarding checking accounts, the information can be put into practice with this exercise. Review the instructions with the class. Explain the section that says “Fill In This Month’s Transactions On Your Register.” Explain that the account was opened with \$100 and fees are involved. They may subtract the fees at the beginning or at the end. The ending balance is \$295.61. Make sure the class completes all checks, check register, and deposit slip. The exercise usually takes around 20 minutes. PowerPoint slides explain each step of the exercise.

Review the exercise step by step with the class. Examine each transaction showing the written check and the entry into the check-book register. Show the completed deposit slip.

Demonstrate how to balance a statement. The statement is included in the packet. Stress the importance of reading and balancing monthly statements. The back of the statement provides a place to balance the bank statement (under “Checking Account Reconciliation”). Review steps and stress the importance of the ending balance agreeing with the ending balance in the check register. If it doesn’t, suggest the following:

- Carefully review the statement for entry errors.
- Double check addition/subtraction in your transaction register.
- Consult with the Customer Service Representative at your financial institution.

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Review the handout “Banking and Financial Services Resources” with participants.

34

Optional Participant Activity: Review of The Terms of Banking, Part 2

Time: 5 Minutes

Procedure: Review the Terms of Banking handout and provide correct answers. This can serve as the course summary if time is short.

The Terms of Banking (Answers)

- 1 A promise to pay.
- 15 The ability to log on to the internet and access your account, check account balances, transfer money, and even pay bills electronically.
- 7 Blank, Restrictive and Special
- 2 Tied in to your checking account, transactions are deducted from checking at the time you use it.
- 13 Illegibility, empty spaces, not signing, using a pencil
- 3 A non-profit organization that is owned by its members.
- 9 Used like a check, money is taken from your account at the time of sale and deposited in the retailer’s account. Some require a PIN.
- 14 Only one person is responsible for the account.
- 12 Make an entry in this every time you use your account: deposits, withdrawals, ATM transactions, checks, etc.

- 5 Money is taken from another source (savings, line of credit, etc.) and deposited into your checking account to cover checks written on it.
- 4 Money put into these at a credit union or bank is NOT insured.
- 10 More than one person is responsible for the account.
- 16 Often shown as “POS” on your bank statement, this is a purchase you used your check or debit card for.
- 8 The person at your command who has specialized financial education just so he or she can help you with your money management.
- 11 Make sure and safeguard this number, it is used when you use your ATM, debit or check card, or to access your accounts on-line.
- 6 Various fees you pay the financial institution to have an account.

- | | |
|---------------------------------|---------------------------------|
| 1. Check | 9. Debit Card |
| 2. Check Card | 10. Joint Checking Account |
| 3. Credit Union | 11. PIN |
| 4. Investments | 12. Checkbook Register |
| 5. Overdraft Protection | 13. Common Checkwriting Errors |
| 6. Service Charges | 14. Individual Checking Account |
| 7. Check Endorsements | 15. Online Banking |
| 8. Command Financial Specialist | 16. Point of Sale |

**Optional Participant Activity: You can take that to the bank!
Review Game**

(See “Introduction to the Modules: PowerPoint Games”)

You Can Take That to the Bank! Question Bank

Categories: Check it out!, Card Tricks, Bad Things/Good People, Fees-Ability, Help! I need somebody!

CHECK IT OUT!

100

A: A for-profit financial institution offering a wide array of financial products and services.

Q: What is a bank?

200

A: A non-profit financial institution offering a wide array of financial products and services.

Q: What is a Credit Union?

300

A: A promise to pay, a widely accepted form of payment, a legal document.

Q: What is a check?

400

A: Checking Accounts, Savings Accounts, Credit Cards, Loans, Investments, Education, Online Banking, and more!

Q: What are products and services offered by most credit unions and banks?

500

A: Money that your money makes, OR, the cost of using someone else's money

Q: What is interest? (Note the difference between rich and poor people is the direction of interest: Rich people earn it; poor people pay it!)

CARD TRICKS

100

A: A card that allows you to access your checking and savings accounts via machines.

Q: What is an ATM card?

200

A: A card that allows you to make purchases and the money comes directly out of your checking account.

Q: What is a Check or Debit card?

300

A: True or False: When you use an ATM card, the money comes out of your account.

Q: What is True?

400

A: You apply for this through your bank or credit union. It allows you to make purchases on borrowed money, for which you will be charged interest and receive a monthly bill.

Q: What is a credit card?

500

A: Two things you do to ensure you are protecting your ATM card and the accounts associated with it.

Q: (Accept any two of these): What are:

- Use ATM in safe locations, with friends, at popular times
- Sign the back of your ATM card as soon as you get it
- Memorize your PIN and keep it private
- Do not let anyone watch you enter your PIN number
- Put your money away safely before exiting the ATM
- Keep track of all of your transactions?

BAD THINGS/GOOD PEOPLE

100

A: What happens when you don't keep track of your ATM withdrawals.

Q: What is your account will be overdrawn and checks will bounce?

200

A: Doing this could result in someone else filling in your check.

Q: What is leaving empty spaces?

300

A: This endorsement error could result in the credit union or bank not cashing your check.

Q: What is not signing your name as it appears on the check?

400

A: Three types of check endorsements.

Q: What are Blank, Restrictive, and Special?

500

A: Two expensive mistakes that could lead to additional costs and/or overdrawn accounts.

Q: (Accept any of the following) What are:

- Not subtracting ATM fees or service charges
- Post-dating checks
- Splitting Check Pads
- Writing checks before the money is in the account
- Not balancing your statement
- Not using your register
- Math errors
- Not subtracting automatic deductions or payments?

FEES-ABILITY

100

A: A charge for using a machine that isn't in your institution's network

Q: What is an ATM fee?

200

A: A charge just for having an account.

Q: What is a monthly service fee?

300

A: Two costs for bouncing a check.

Q: What are NSF Fees and Returned Check Charges?

400

A: The cost (interest rate) for this service can be extremely high, even though it keeps your checks from bouncing.

Q: What is Overdraft Protection?

500

A: Save it, invest it, spend it on something nice.

Q: What could you do with the money you save by not paying any fees or charges? (Shop around for the best deals, and manage your accounts correctly to avoid costly fees and charges.)

HELP! I NEED SOMEBODY!

100

A: The person at your command who has specialized financial training to help you manage your money and answer questions.

Q: Who is the Command Financial Specialist?

200

A: The place set up just for sailors and their families that offers financial education, counseling and information among many other services at no cost to you.

Q: What is the Fleet and Family Support Center?

300

A: The office on base that can assist you with any legal issues at no cost to you.

Q: What is Navy Legal Services Office, or NLSO?

400

A: A great online or hard copy resource that has information regarding all consumer issues, including banking and financial services.

Q: What is the *Consumer Action Handbook*, available at <http://www.consumeraction.gov/>?

500

A: The first place you should go if you have a banking complaint.

Q: What is go to the bank or credit union itself and speak with a customer service representative?

FINAL JACKPOT

A: The common name for the “Check Clearing or the 21st Century Act”..

Q: What is “Check 21”?