

## Performance Task: Banking

### Materials List/Setup

- Internet access
- calculator
- chart paper
- copy paper

### Compelling Question:

*“Does how you use a bank matter?”*

### Discussion Guide

Before reading the article “Banking: Why Use a Bank?” ask students to create a T-chart with the PROs and CONs of using a bank. As students are identifying reasons for and against using banks, ask them to share out what may be perceived risks and rewards.

When finished, ask students to read the following article: “Banking: Why Use a Bank?” While students are reading the article, provide students with highlights and instruct them to highlight any facts or thoughts that they had questions about or were unfamiliar with.

As a post reading activity, allow students to carry on a conversation about the questions they had while reading. It may be helpful to capture student’s questions about banking and other related topics around the room to use throughout the lesson.

### Prompts/Supporting Questions

1. *What are the risks and rewards of using savings and checking accounts?*
2. *How can reconciling bank statements lead to healthy banking practices?*
3. *How can compound interest work for me?*

### Formative Performance Task Titles

#### 1. Analyzing the attributes of savings and checking accounts

*What are the risks and rewards of using a savings and checking account?*

**Students will be able to explain the differences between a savings and checking account and understand how each is used.**

Students will be using articles to determine the role that both savings and checking accounts play in healthy banking practices. It will be important for students to highlight the different qualities and fees that banks attach to their accounts.

## 2. Practice healthy banking practices by regularly reconciling bank statements

*How can reconciling a bank statement lead to healthy banking practices?*

### **Students will be able to reconcile a bank statement.**

Students will use a sample checking account to practice reconciling a bank statement. First students will ensure that they have correctly reconciled their own checkbook register and then compare it with the statement from the bank. Students will be responsible for explaining any inaccuracies and accounting for mistakes.

### **Students will be able to explain how to reconcile a bank statement in a digital world.**

Using multiple sources, students will analyze how modern banking requires a new skill set that moves beyond reconciling a bank statement on their check register. Students will need to take into account the multiple ways that money flows in and out of accounts.

## 3. Using compound interest to maximize savings

*How can compound interest work for me?*

### **Students will be able to differentiate between simple and compound interest.**

Students will compare and contrast simple and compound interest.

### **Students will be able to calculate compound interest using the compound interest formula.**

Using a sample scenario, students will be able to evaluate the value of compound interest and the impact that it has on individual savings. To ensure understanding, students will use the compound interest formula to calculate the interest gained over time on a sample account.

#### **Possible Misunderstandings/Mistakes**

- Students may struggle to understand the multiple types of restrictions placed on both savings and checking account transactions.
- Students may not see the connection between reconciling a bank statement on a traditional check book register and reconciling digital transactions. The teacher may need to spend more time highlighting the connection to reconciling a statement in a more traditional way and keeping track of money going in and out of an account in an age of digital banking.