

Playing a banking fact and fiction game

Students listen to statements about banking and then walk to one side of the room or the other if they think the statement is fact or fiction.

Learning goals

Big idea

Having a bank or credit union account can protect your money and give you access to affordable financial products and services.

Essential questions

- What are some common myths about banks and credit unions?
- What are some of the advantages of having a bank or credit union account?

Objectives

- Analyze some common myths about banking
- Identify benefits of having an account at a bank or credit union

What students will do

- Play a game where they'll listen to a statement about banking then decide whether it is fact or fiction.
- Discuss the statement with a small group and then hear the correct answer, along with more information about banking.

KEY INFORMATION

Building block:

-  Financial habits and norms
-  Financial knowledge and decision-making skills

Grade level: High school (9-12)

Age range: 13-19

Topic: Save and invest (Banking options, Choosing how to save), Protect (Managing risk), Borrow (Getting loans)

School subject: English or language arts, Social studies or history

Teaching strategy: Cooperative learning

Bloom's Taxonomy level: Understand, Apply, Analyze

Activity duration: 45-60 minutes

National Standards for Personal Financial Education, 2021

Saving: 8-3, 8-5, 8-6, 12-5

Managing credit: 8-1, 12-5, 12-13

These standards are cumulative, and topics are not repeated in each grade level. This activity may include information students need to understand before exploring this topic in more detail.

Preparing for this activity

- While it's not necessary, completing the "Getting banked" activity first may make this one more meaningful.
- Print a copy of the "Banking game statements and answers" in this guide to read aloud or project each statement for all students to see.

NOTE

Please remember to consider your students' accommodations and special needs to ensure that all students are able to participate in a meaningful way.

What you'll need

THIS TEACHER GUIDE

- Playing a banking fact and fiction game (guide)
cfpb_building_block_activities_playing-banking-fact-fiction-game_guide.pdf
- Banking game statements and answers (in this guide)

Exploring key financial concepts

Financial products and services are things you can use to keep money safe, make payments and purchases, send money to someone, and borrow money, which allows you to pay for expensive things like houses and cars over time. Financial products and services include savings accounts, checking accounts, debit cards, mobile banking, and online banking. They also include credit cards, bill-payment services, and loans.

Many people choose to do their banking at banks and credit unions. However, millions of people in the United States are either unbanked or underbanked. Unbanked means that a person doesn't have a checking or savings account at an institution that is insured by the Federal Deposit Insurance Corporation (FDIC) or the National Credit Union Administration (NCUA). Underbanked people have an account at a bank or credit union, but also use an alternative financial product or service like a payday loan, check cashing service, or a pawn shop loan.

There are good reasons to have an account at a bank or credit union. First, it will keep your money safe even if there is a theft, fire, or flood. You can use the statement from your bank or credit union account as proof of payment. That statement can also help you track how much money you have. Once you establish a relationship with a bank or credit union, you have access to their products like car loans and credit cards.

TIP

Because banking products, terms, and laws change, students should be encouraged to always look for the most up-to-date information.

Choosing a bank or credit union can be an important decision. It's helpful to research a bank or credit union's fees, products, services, and locations. Knowing as much as you can before you open an account can help you choose the bank or credit union that works for you.

Teaching this activity

Whole-class introduction

- Ask students if they know someone who has an account at a bank or credit union.
- Explain that some people don't have an account at a bank or credit union.
 - Tell students that this could be because of common misconceptions – or fiction – about banking.
- Be sure students understand key vocabulary:
 - **Bank:** A financial institution and business that accepts deposits, makes loans, and handles other financial transactions.
 - **Bill-payment service:** A service you set up with a bank, credit union, prepaid card account, or a business you owe money to that lets you pay bills online or through a mobile app.
 - **Checking account:** An account at a bank (sometimes called a share draft account at a credit union) that allows you to make deposits, pay bills, and make withdrawals.
 - **Credit card:** An open-ended loan that allows you to borrow money up to a certain limit and carry over an unpaid balance from month to month. There is no fixed time to repay the loan, as long as you make the minimum payment due each month. You pay interest on any outstanding credit card loan balance.
 - **Credit union:** A cooperative financial institution that is chartered by the National Credit Union Administration (a federal independent agency) or a state government and is owned by its individual members.
 - **Loan:** Money that needs to be repaid by the borrower, generally with interest.
 - **Savings account:** An account at a bank (sometimes called a share savings account at a credit union) used to set aside money and that pays you interest.

TIP

Visit CFPB's financial education glossary at consumerfinance.gov/financial-education-glossary/.

- **Unbanked:** Unbanked households don't have a checking or savings account at an institution that is insured by the Federal Deposit Insurance Corporation (FDIC) or the National Credit Union Administration (NCUA).
- **Underbanked:** A person who has an account at a bank or credit union, but also uses an alternative financial product or service like a payday loan, check cashing service, or a pawn shop loan.
- Tell students that they'll play a game where you'll read or display a statement about banking and they'll decide whether the statement is fact or fiction.

Group work

- Tell the class that after you read a statement about banking, they'll choose to walk to a side of the room or stay seated.
 - They'll walk to the right side of the room if they think the statement is a fact and true.
 - They'll walk to the left side of the room if they think the statement is fiction and false.
 - Students who aren't sure of the answer can stay seated.
- Read the first statement from the "Banking game statements and answers" to the class and give them a minute to walk to the side of the room they choose.
- Tell students they have one minute to talk with one another about why they chose fact or fiction.
- Tell students the answer and read the related "Expanding understanding" section.
- Repeat with the rest of the statements.

Wrap-up

- Ask students to return to their seats.
- If there's time, ask volunteers to share one thing they learned or think they'll remember about banking from this activity.

Suggested next steps

Consider searching for other CFPB activities that address the topics of saving and investing, including banking options or choosing how to save; protecting, including managing risk; or borrowing, including getting loans. Suggested activities include "Storing my savings" and "Checking account basics."

To extend the learning, ask students to share some things they've heard about banks or credit unions and have the class determine whether those ideas are fact or fiction. Also consider asking students to talk with their parents, guardian, or guidance counselor about the benefits of having an account at a bank or credit union.

Measuring student learning

Students' answers during discussion can give you a sense of their understanding.

The "Banking game statements and answers" provide possible answers for the game. **Keep in mind that students' answers may vary, as there may not be only one right answer.** The important thing is for students to have reasonable justification for their answers.

Banking game statements and answers

Directions

- Tell the class that after you read a statement about banking, they'll choose to walk to a side of the room or stay seated.
 - They'll walk to the right side of the room if they think the statement is a fact and true.
 - They'll walk to the left side of the room if they think the statement is fiction and false.
 - Students who aren't sure of the answer can stay seated.
- Read the first statement to the class and give them time to walk to the side of the room they choose.
- Give students one minute to talk with one another about why they chose fact or fiction.
- Tell students the answer and read the related "Expanding understanding" section.
- Repeat with the rest of the statements.

Statement	Answer	Expanding understanding
The only thing you can do at a bank or credit union is save money.	FICTION	Banks and credit unions offer many products and services, including: <ul style="list-style-type: none">▪ Checking accounts and savings accounts for your money▪ Debit cards and credit cards▪ Loans to buy things like cars and homes▪ Check cashing and money transfers
Banks and credit unions are part of the government.	FICTION	Banks and credit unions are not part of any branch of the government. Banks are private businesses, and credit unions are not-for-profit organizations. Both banks and credit unions must have a license, called a charter, from the government to operate.
A bank or credit union is a safe place to save my money.	FACT	Deposits at banks and credit unions are insured for up to \$250,000 by one of two federal agencies. The Federal Deposit Insurance Corporation insures bank deposits. The National Credit Union Administration insures credit union deposits. This means that if your bank or credit union fails or goes out of business, the federal government will cover any loss of your deposits up to \$250,000.

Statement	Answer	Expanding understanding
Very few people in the United States do not have a bank or credit union.	FICTION	In 2020, 30 million households were either unbanked or underbanked. Unbanked means that a person doesn't have a checking or savings account at an institution that is insured by the Federal Deposit Insurance Corporation (FDIC) or the National Credit Union Administration (NCUA). Underbanked people have an account at a bank or credit union, but also use an alternative financial product or service like a payday loan, check cashing service, or a pawn shop loan.
You don't need a driver's license to open an account at a bank or credit union.	FACT	<p>You'll need identification with your photo on it from the U.S. or state government. If you don't have a driver's license, you can use your U.S. passport or military identification.</p> <p>You'll also need one of the following:</p> <ul style="list-style-type: none"> ▪ Your Social Security card ▪ A bill with your name and address on it ▪ Your birth certificate
Having an account at a bank or credit union can help me get a loan in the future.	FACT	Having a relationship with a bank or credit union can give you access to the credit cards and car or house loans they offer. Also, being able to show a lender that you have a strong banking history can help them decide to give you a loan.
You don't have to be a U.S. citizen to get an account at a bank or credit union.	FACT	<p>Sometimes people live and work in the U.S. but aren't citizens. Some people have businesses in the U.S. but live in other countries. Even if someone isn't a U.S. citizen, they're allowed to have an account at a U.S. bank or credit union.</p> <p>To open the account, they'll need specific forms of identification like their passport or an identification card from the government in their home country.</p>
Loans from a bank or credit union are less expensive than alternative financial services.	FACT	Banks and credit unions charge different fees and interest rates, so it's a good idea to always check how much your loan will cost. Many banks and credit unions offer loans that are more affordable than places like payday lenders or pawn shops, which often charge high annual interest rates.