EVERFI®

Lesson Plan

Modern Money: Safe Digital Banking™

Modern Digital Banking

45 minutes

Prerequisite: Modern Digital Banking

INSTRUCTIONS

Each digital lesson is supplemented with a follow-up synchronous lesson plan to extend and reinforce learning. Activities and questions are structured in a way that supports both in-person and virtual classroom settings.

OBJECTIVES

Students will be able to…

- Identify how features of digital and traditional banking meet different banking needs.
- Describe the features, benefits and uses of online banking portals and mobile banking apps.
- Understand how online banking portals and mobile banking apps can be used to manage money, pay bills and make money transfers.

MATERIALS

In-Person Lesson

- Pencils/Markers
- Powerpoint for 'This or That' Game OR
- Printed This or That Worksheets
- Printed This or That Voting Sheets (be sure to print double sided)

Virtual Lesson

- Pencils/Markers
- Powerpoint for 'This or That' Game OR
- Printed This or That Worksheets
- Printed This or That Voting Sheets (be sure to print double sided)

SECTION	DESCRIPTION	FORMAT	DURATION
Opening	*Discuss the learning from the lesson:* • What are some of the pros and cons of traditional and online banking? Potential answers: • Traditional Banking - Pros: Access to ATMs, Personal Connection with Bank employees - Cons: Can be inconvenient depending on location or long lines • Online Banking - Pros: Convenience, Ease of using mobile app - Cons: Cannot obtain cash, may be hard to navigate for folks who are not yet tech-savvy	Virtual: **Answer individually** on a separate sheet of paper or in virtual breakout groups. In-Person: **Discuss** with a partner **Share out** with the class	2 mins
New Learning	*Split class into two groups.* Each group will read the following article to learn more about the pros and cons discussed in the lesson opening: [The Pros & Cons of Online vs. Brick and Mortar Banking] Each group should come up with 2-3 takeaways from the article to share out with the class.	Virtual: **Read** in virtual breakout groups or individually **Discuss** as a virtual class In-Person: **Read** in small groups, partners, or individually **Discuss** as a class	10 mins
Activity	After reading the assigned (above) article the class will play a game of "This or That." Students will work in teams to decide whether online (this) or traditional banking (that) is the best option after reading a series of 8 scenarios. • First, ask for a volunteer to read the scenario aloud to the class. • Then, give teams 2 minutes to discuss the scenario as a group.	Virtual: **Play** in virtual breakout groups, respond to each scenario individually using worksheet In-Person: **Play** in small groups **Discuss** decisions as a class	25 mins

SECTION	DESCRIPTION	FORMAT	DURATION
Activity (cont'd)	Each team will then share out their decision for the scenario - This (online banking) or That (traditional banking) - and a brief explanation to justify their decisions using the voting sheets. Encourage discussion after each scenario using the questions below.		
Discussion	• Why did your team choose to go with online vs. traditional banking in each scenario? • What factors influenced your team's decision? For example, convenience, limitations, etc.	Virtual: **Answer** as a virtual class In-Person: **Discuss** as a class	5 mins
Closing	"Great work everyone! Today we learned about the pros and cons of online vs. traditional banking. We were able to apply what we've learned to real life scenarios we, or someone we know, could potentially face. It's important to keep each of these pros and cons in mind when deciding whether to bank online or the more traditional route. "	**Formalize** learning with the whole group	1 min
Evaluation	At the end of the lesson, have students answer this question as an exit ticket: • What factors are most important to you when decided whether to bank online or the more traditional route and why?	**Assess** individually	2 mins

THIS

THAT

ANSWER KEY

THIS OR THAT: ONLINE VS. TRADITIONAL BANKING

1. **It's Sunday and you and your friend are planning on going to a local drive-in movie showing tonight. However, the drive-in movie theater only accepts cash for ticket and concession stand purchases. Your friend prefers to use their debit card to buy things and doesn't typically carry cash, but they'll need to obtain cash for tonight's movie. It's Sunday, so banks are closed. In this scenario, which option is best for your friend and why?**

Traditional Banking - your friend can easily obtain cash by visiting an ATM to withdraw money using their debit card since P2P payment isn't an option (businesses do not accept it)

2. **You and your friend are going to an outdoor mall today to walk around and do some window shopping. Your friend needs cash on hand in case he sees something he actually wants to buy so that he won't risk overspending. Once his cash is gone, he knows that he has reached his spending limit. However, his preferred bank branch is all the way across town and 30 minutes out of the way of the outdoor mall. He thinks there may be other branches nearby. In this scenario, which option is best for your friend and why?**

Traditional Banking – your friend can just go out of the way to his preferred bank branch, although inconvenient.

Online Banking – your friend can use his bank's online banking app to search the closets ATM to the outdoor mall to withdraw money from.

3. **Your family is thinking about moving to a different neighborhood in your school district. Your family needs to shop for a competitive mortgage interest rate before purchasing a home in the new neighborhood. In this scenario, which option is best for your family and why?**

Traditional banking – your family can visit a local branch to fill out a loan application and speak with a loan officer about current mortgage interest rates.

Online banking – your family can apply for a mortgage online and discuss mortgage interest rates over the phone.

4. **Your twin sister is saving up to buy her first car. She just started a new job bagging groceries at the local supermarket. She looks forward to payday, which is every other Friday, because it puts her closer to her savings goal of $5,000 for her new car. She is trying to figure out the easiest**

way to set aside $200 every two weeks when she gets paid. In this scenario, which option is best for your sister and why?

Online banking – your sister can set up a bi-weekly automatic transfer of $200 from her checking account to her savings account.

Note: It may come up in class discussion that the sister can go to a check cashing location to cash her paychecks and she can store $200 in cash at home in a safe place until she has reached her $5,000 savings goal. However, she would be missing out on the interest earned over time by depositing this money into a savings account and would have to pay a fee for cashing her check here.

5. **Your cousin just started a new job at the local car wash station this week. She told you that she enrolled in direct deposit but that her employer doesn't expect it to kick in until next month. In the meantime, she will receive a physical paycheck on paydays. She wants to find the most efficient way to deposit her paychecks into her checking account. In this scenario, which option is best for your cousin and why?**

Online banking – your cousin can deposit her paychecks directly on her phone using a mobile banking app.

Traditional banking – your cousin can skip the line at the bank and deposit the check at an ATM using her debit card.

Note: It may come up in class discussion that the cousin can go to a check cashing location to cash her check, but this does not allow her to deposit her check into her checking account directly and she would have to pay a fee to the checking cashing place.

6. **You just got a job as a hostess at your favorite local restaurant. As part of your pay, you get 10% of the tips earned by restaurant staff for each shift you work. You notice that most of the tips are paid out in cash. You're afraid of losing the money so you want to deposit it into your checking account. In this scenario, which option is best for you and why?**

Traditional banking – you can deposit your cash tips in-person at a bank branch or at any of your bank's ATM locations using your debit card.

7. **Your brother just graduated from college and got his own apartment. He's responsible for paying the electricity bill, but water is included in his rent. He wants to set up autopay for his electricity bill so that he doesn't have to worry about calling the electricity company to pay his bill each month. In this scenario, which option is best for your brother and why?**

Online banking – your brother can set up autopay through his checking account where the electricity company can initiate an ACH payment each month on the same day in the amount owed for each monthly bill.

8. **Your family finally found a new house in the neighborhood they've been wanting to move to. You overhear them talking about the paperwork that is needed to fill out the mortgage loan application, including copies of bank statements from the last 60 days. You think you might have a suggestion for getting those bank statements quickly. In this scenario, which option is best for your family and why?**

Online banking – your family can sign into their online banking account and download bank statements from the last 60 days. They can either print them for the bank where they will obtain a new mortgage or upload them to the bank's online application portal.