



## MODULE 7A: FINANCIAL INSTITUTIONS

Choose from the Suggested Activities below to find activities to help your students meet the outcome for this module from the Saskatchewan Financial Literacy 20/30 curriculum.

All resources for this module's activities can be found on [saskmoney.ca](http://saskmoney.ca).

### OUTCOME

Examine basic services typically provided by financial institutions for accessing and managing personal finances.

#### INDICATORS

- a. Identify various types of financial institutions (e.g., virtual banks, bricks-and-mortar banks, credit unions, alternative lenders, international banks, insurance companies, mortgage companies and securities dealers and advisers).
- b. Identify First Nations financial institutions (e.g., First Nations Bank of Canada and Indigenous credit unions) and others (e.g., Habib Canadian Bank and Bank of China-Canada) responsive to various cultures in Canada.
- c. Research common financial services or products such as chequing and savings accounts, debit and credit cards, telephone banking, mobile banking, online banking and automated teller machine (ATM) banking.
- d. Identify fees commonly associated with various financial services.
- e. Discuss reasons why consumers are often skeptical of financial institutions' practices and fees.
- f. Explore ways to minimize financial service fees.
- g. Describe the process and requirements, including personal identification required, for applying for an account at a financial institution.
- h. Identify commonly used terms (e.g., service charges, interest rates, deposits, withdrawals and overdrafts) within the financial services industry.
- i. Investigate how financial institutions make money, including the rate differential between lending and deposit rates.
- j. Research the prevalence of payday lenders and cheque cashing centres in Saskatchewan, the services they provide and the fees typically associated with those services.
- k. Discuss the advantages and disadvantages of accessing the services of payday lenders and cheque cashing centres.

#### OVERVIEW

Financial institutions offer money services. In Canada, that could be a bank, credit union, trust company, insurance company, investment company, or cyberbank such as ApplePay or Tangerine. Students will learn about the variety of financial institutions available in Canada, examine the services offered by financial institutions and the fees associated with those services, and the process of choosing a financial institution to access and manage their personal finances.

#### PREREQUISITE

None

#### SUGGESTED TIME

2-6 hours

# MODULE 7A: CONTINUED

## RESOURCES

- Getting in Touch with your Money PDF
- Choosing a Financial Institution (slides)
- Video: How do Bank Deposits Work When are Funds Available.mp4 (video)
- Video: How Canadians Bank.mp4
- Money & Youth Module 8: pp. 105-107
- Money Matters: Workbook 2 Banking Basics
- The City—Banking Account Checklist (secondary)

## SUGGESTED ACTIVITIES

### 1. Financial Institutions—What are they? How do they differ? Why do people use them? What common services do they offer?




- Students can look at their own communities to identify financial institutions (e.g., banks, credit unions, trust companies, insurance companies, investment companies, cyber such as Apple, Tangerine). If there are no bricks and mortar financial institutions within the community, discuss what they think of when they think of a financial institution; this should lead to a discussion of the many types of financial institutions available in Canada. Students may recognize banks and credit unions but not be aware that others exist.
- Provide students with the names of a variety of financial institutions and ask them to group them according to common characteristics (e.g., bricks and mortar vs. online; local/provincial vs. national/international; credit union vs. big bank vs. other) as determined by them.
- Why do people use financial institutions? Students brainstorm the reasons which may include things such as depositing/saving, e-transfers, ATM withdrawals, cashing cheques.

## ASSESSMENT

Each student establishes a plan for setting up an account to access and manage their finances at a financial institution of their choosing.

- Typical services—**Choosing a Financial Institution (slides)** provides a good overview of the common services provided by financial institutions as does the **Getting in Touch with your Money.pdf** resource (also available online). Discussion points to accompany the slides:
  - Slide 2—Electronic Banking—using an ATM
    - Why do people use ATMs?
    - Where are they found?
  - Slide 3—Online Banking
    - What are the benefits of online banking? (e.g., convenient, easy-to-use easy to keep track of transactions)
    - What are the cons? (e.g., computer access, Wi-Fi, security issues)
  - Slide 5—Debit Card
    - How do you use a debit card? (e.g., PIN, tap and go, link to smartphone)
    - What are the pros and cons of a debit card? Pros—Convenient, easy to carry. Cons—security, may go over your balance

## MODULE 7A: CONTINUED

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- Slide 6—Cheques
    - Review the cheque with the class what each numbered portion of the cheque represents.
  2. **What services (including fees associated with them) are provided by financial institutions?**
    - Students can research a variety of financial institutions individually or in groups and share and compare their findings. Students should determine collectively exactly what information (e.g., fees, accounts, services, locations, online banking, transaction limits) they will gather. Alternately, guest speakers who represent financial institutions could be invited to present to the class. The **Banking Account Checklist.pdf** file may be useful as a guide for examining what a variety of financial institutions offer.
  3. **How do people choose a financial institution?**
    - Discuss with students the factors that determine how people choose a financial institution. These factors may include: family practice/habit of always banking at a particular institution, location, access to ATMs, availability of online banking, fees etc.).
    - Based on the collective research, each student should justify their choice of a financial institution that meets their needs based on the criteria that are important to them.
  4. **How does one apply for an account at financial institutions?**
    - Research/discuss the process, including the personal identification that one must present. Also research any age restrictions and the role of a parent/guardian in youths' ability to establish accounts at financial institutions.
  5. Use a simple table (**Explore Financial Institutions**) to help students research and gather information on the different types of financial institutions.
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For more curriculum information, please visit the Government of Saskatchewan curriculum website.