

## OVERVIEW

You most likely now use cash to pay for most of your purchases. If you have a checking account, you might also make payments with a check or debit card. But how will you make payments for big-ticket items if you don't have a checking account or if you need to pay someone by mail or online? How will you access your bank accounts when you are temporarily away from home if you travel, attend school in another community, or join the military?

You have many options for handling how you pay and receive money, both electronically and in person. In this lesson you will investigate several tools and technologies you can use to manage your banking and spending in ways that fit your personal preferences.

## LEARNING OUTCOMES

In this lesson you will examine a variety of banking and shopping tools that are used to carry out personal business transactions. Along the way you will do the following:

- ☑ Give examples of tools and strategies people use to transfer money for personal banking and shopping transactions.
- ☑ Discuss recent technology trends that impact how consumers conduct business.
- ☑ Match types of banking and spending tools and technology with consumer life situations.

Use what you learn to select banking and spending tools that fit your current lifestyle and future life situation.

## LEARNING TASKS

These tasks match pages 12-16, 23-24, 30-35 in Student Guide 5.

__ 1.	Can you avoid cash? From a list provided by your teacher, suggest ways to purchase goods and services without using cash or repeating the method of payment.
__ 2.	If you had a car to sell, would you accept a personal check from a buyer you just met when selling the car? Compare alternative ways to guarantee payment.
__ 3.	Match banking and spending tools with life situations as you complete the <b>Find the Right Match</b> task. Then complete <b>Activity 5.7: Get Jason Organized</b> to help Jason.
__ 4.	There's an app for that! Investigate mobile and web applications that help people manage their spending habits and personal finances. Categorize and rate existing financial service apps.
__ 5.	Complete Challenge <b>5-C: Selecting My Services</b> . Use the DECIDE steps to pick financial tools and technology that seem most useful as you handle your banking and shopping transactions. Describe the skills and behaviors you need to apply as you use the tools to manage your money effectively.



### TAKING IT HOME

Survey ten adults in your life to find out the options they use for electronic payment options or services. Also, ask them if technology has changed the way they spend, track and save money.



### FURTHER STUDY

If you could create an app that would be an ideal tool for you to achieve your financial goals, what would it look like? Design an ideal financial tool or consumer shopping app for a mobile device. Decide what it is, and then explain how it would help you (and other consumers) meet financial goals or stick to a spending plan.



## Activity 5.7: Get Jason Organized!

### WIPEOUT!

After seeing that his checking account balance on Monday morning was \$35, Jason uses his debit card to buy a \$19 phone charger for his car. Later that day the bank deducts a debit card payment for Saturday's \$18 pizza. Then later that night, the \$2 shortfall prompts the bank to charge his account with a \$30 overdraft fee.

In the afternoon, Jason uses his debit card at a fast-food place. His bank approves the \$9 transaction but charges him another \$30 overdraft fee.

Unfortunately, Jason forgot to record the \$25 check he'd written to the school last week. When his bank receives it on Monday, they reject it and deduct a \$30 nonsufficient funds fee.

Jason checks his account that night and flips out when he sees that his balance is -\$101. "That's stupid! My account is negative and I still get charged these fees!"

### Later ...

Jason is trying to figure out how convenient it would be for him to keep his local bank if he joins the Coast Guard. He's also made a list of issues he's having with his money, to see if the bank has options to help him better manage his finances.

Jason's list includes:

- ▶ Forgetting to transfer \$50 of each paycheck from his checking account to his savings account. The money usually ends up getting spent.
- ▶ Getting charged late fees by his cellphone provider and gas credit card company for paying late every month, even though he has the money in his account.
- ▶ Needing to keep better track of his transactions so he doesn't wind up with more overdraft fees.

# Task: Find the Right Match

**NAME:**

**DATE:**

**Directions:**

Jason found out the hard way that the system he is now using isn't working effectively as a way for him to responsibly keep track of what is paid from and deposited into his checking account. Study the information on Student Guide pages 30-31 and other trustworthy sources to learn about how people use financial tools.

For the situations shown below, mark an "X" for the type of financial tool(s) that seem(s) appropriate in each situation. (Hint: Tools can be used for more than one situation, and the situations might match up with several tools.) Be prepared to defend your responses.

**EXTENSION:** Create one or two additional scenarios to add to the task chart based on your own experiences or the events of someone in your household.

Situation	Banking and Shopping Tools						
	Online Banking	Direct Deposit	Automatic Transfers	Online Bill Pay	Person to Person Payment	Payroll Card	Payment Portal
One of Jason's challenges when he joins the Coast Guard is having access to his checking and savings accounts at any time, especially when he is off base for work assignments.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Brianna is a student who doesn't have a checking or savings account. Her employer uses direct deposit to their bank accounts.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Jason's parents have a joint checking account. They both use the account for their own purchases as well as take turns paying the bills for household expenses.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

# Task: Design an App

**NAME:**

**DATE:**

## Directions:

If you could create an app that would be an ideal tool for you to achieve your financial goals, what would it look like? Alone or with a partner, design an ideal financial tool or consumer shopping app for a mobile device. Decide what it is, and then explain how the app will help you (and other consumers) meet financial goals or stick to a spending plan. Start by answering the following questions.

1. What is a priority financial goal for you?
2. What prevents you from achieving or makes it difficult for you to achieve this goal? List two to three obstacles that prevent you from achieving your goal.
3. Describe an existing or dream application that could help you address the obstacles you listed above. Be sure to explain how your app would work and how it would help you stick to your financial goal or spending plan.
4. What would be an ideal platform or format for your app? Would it work best on a computer, tablet computer, smart phone, or some other device? Why?
5. What would you name your app?

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**BONUS:** If you have time, design a logo or icon for your new app!

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