



HIGH SCHOOL | UNIT 2

Opening New Accounts

## Title

# What to Expect When Opening a Checking Account

## LEARNING OBJECTIVES

Students will:

- **identify** long-term personal goals, including those related to career, family, and lifestyle.
- **explain** how they will realistically accomplish these goals.

## Topic

Opening New Accounts

## Overview

*What information and documents will you need to open a new account?* Students explore the requirements for opening a new checking account and consider the questions they should expect to answer. In small groups, students create and then trade customer profiles in order to complete a sample checking account application. Students then work together to create guides that prepare people to know what to expect when opening a new account.

## Financial Literacy Theme

Checking accounts

## 21st-Century Skills

Collaboration, Communication, Creativity

## Key Terms

Financial institution, banks, credit unions, checking accounts, deposit, balance, overdraft protection, fees, debit card, Patriot Act, Bank Secrecy Act, interest

## Connect

### How does this connect to the student?

Being able to apply for and open an account with a financial institution is part of “Adulting 101.” Students should know what to expect and be ready when they go to open their own account for the first time. Practicing and considering what advice people should have before doing so can help.

### How does this connect to careers?

**Financial Institution Marketing Director:** Most banks and credit unions offer checking accounts to people. How does a bank encourage people to deposit money in theirs? Marketing is used to encourage people to open accounts and/or choose specific ones. A marketing director would work with graphic designers, people in charge of the website and social media account, and more.

### How does this connect to technology?

What drives people to switch financial institutions? One reason is fees, but the other is technology. Customers—especially younger ones—want a great online and/or mobile experience.

## Prepare

**Background:** Opening an account at a **financial institution** requires people to provide information and proof of identification. Most **banks** and **credit unions** will allow young people to open savings accounts at an early age and checking accounts once they turn 13. Prior to the age of 18, young people will need an adult to open an account with them. Federal law requires banks and credit unions to confirm the identities of individuals opening accounts. Laws such as the **Patriot Act** and **Bank Secrecy Act** include these requirements to help prevent terrorism and money laundering.

People who open accounts should also understand the terms and conditions of the account, including any fees that could be charged. When applying for a checking account, this also involves understanding what the minimum **deposit** and **balance** requirements are along with any fees that may be associated with the account. Some checking accounts—usually those with higher balance requirements—will pay **interest** to the account holder.

## Materials

- **Describe Your Customer Student Capture Sheet**—one copy per student
- **Anytime Account Application Capture Sheet**—one copy per student
- **Storyboard It Capture Sheet**—one copy per student (OPTIONAL)
- **Internet access** (OPTIONAL)

## Engage

- Explain to students that you are going to read a series of three statements. Two are true and one is not.
- Read the following statements.
  - Statement 1: You must be eighteen years of age to open a checking account on your own.
  - Statement 2: Only U.S. Citizens can open checking accounts at a national bank.

## Pathway to Financial Success

In Schools

- Statement 3: Banks are required to see proof of identification when opening accounts for people.
- Ask students which statements they believed were true and which was not. Debrief using the answers and notes below:
  - Statement 1: True. Until you reach the age of 18, you are not allowed to enter into a legal contract. Therefore, people under the age of 18 need an adult in order to open an account.
  - Statement 2: False. People without citizenship can open accounts. Instead of providing a Social Security Number, non-citizens would use an ITIN, or Individual Taxpayer Identification Number.
  - Statement 3: True. Laws such as "the Patriot Act" and the Bank Secrecy Act require banks and other financial institutions to see and review identification when opening accounts. Doing so helps to limit money laundering and the funding of terrorism.
- Share with students that opening an account at a financial institution requires more than just an application and some money. While it is not a complex process, knowing what you are expected to have with you and an idea of what information you will be asked to provide can help people be prepared.

## Teach

- Inform students that they will be working in small groups to create a profile of an individual who wishes to open a new checking account.
- Divide students into small groups and distribute a copy of the **Describe Your Customer Student Handout** to each student.
- Allow time for students to answer the questions and describe their customers.
- Direct students to swap profiles with another group.
- Let students know that they will now be completing an application for a new checking account on behalf of the customer whose profile they just received.
- Distribute a copy of **Anytime Account Application Student Handout** to each student and allow time for students to complete the information. Acknowledge that it is likely that they will not find all of the information they need on the profile. Direct students to take notes on the handout and/or highlight any information they do not have or would need to obtain.
- Lead a brief discussion on whether or not students felt prepared to complete the application based on the information they had available. If not, what other information did they wish they had?
- Inform students that they will be working in their small groups to create a guide for people who wish to open their own checking accounts. The guide can take one of the following forms: document, infographic, presentation, or short animated video. Let students know what you will expect in their final submission. For example, students could submit a complete **Storyboard It Student Handout** with a description of each scene rather than an actual animated video.
- Share with students that their final product should inform people of the following:
  - What personal information they will be expected to provide when applying for an account
  - What aspects of the account they should consider in advance
  - What documents they will need to bring with them (namely those which prove their identity)
- If desired, students can explore the websites of various financial institutions and/or financial advice sites for inspiration.
- Conclude the activity by inviting each group to present their guide.

## Extend

- **Research:** Challenge students to locate applications for accounts from a variety of local and/or online financial institutions. Direct them to compare and contrast the real applications with the sample provided in the activity.
- **Technology:** Invite students to conduct an online search for tools they can use to compare financial institutions and their checking accounts, such as online tools that compare interest rates, fees, etc. Ask students how these tools can be used to help people make informed decisions.
- **Family:** Provide a copy of the [How Our Family Banks](#) Family Connection. Encourage students to talk to their family members or guardians about banking.

## Standards Correlation

The following standards are addressed in this module.

[National Standards for Personal Financial Education](#) from the Council for Economic Education and Jump\$tart Coalition for Personal Financial Literacy

- II. Spending 12-5 Consumers incur costs and realize benefits when searching for information related to the purchase of goods and services.
- III. Saving 12-1 Financial institutions offer several types of savings accounts, including regular savings, money market accounts, and certificates of deposit (CDs), that differ in minimum deposits, rates, and deposit insurance coverage.

[National Standards for Business Education](#) from the National Business Education Association

- Personal Finance VI.1.2 List the basic products and services provided by financial institutions (e.g., savings, checking, certificates of deposits, credit cards, loans, safe deposit boxes).
- Personal Finance VI.1.3 Identify the rights and responsibilities associated with using a checking account.
- Personal Finance VI.1.4 Describe the steps involved in opening and using a checking account.
- Personal Finance VI.1.5 Compare and contrast the different types of checking accounts offered by various financial institutions.

# Describe Your Customer

## STUDENT CAPTURE SHEET

**Directions:** Answer the questions below and create a profile for someone who is preparing to open a checking account at Anytown Bank.

<b>Name</b>	
<b>Date of Birth</b>	
<b>Address</b>	
<b>Age</b>	<input type="checkbox"/> Under 18 years of age <input type="checkbox"/> 18 years or older
<b>Joint owner, if under 18</b>	<input type="checkbox"/> Parent <input type="checkbox"/> Legal Guardian
<b>Opening deposit</b> (How much money will be put in the account when it is opened?)	<input type="checkbox"/> \$50 <input type="checkbox"/> \$100 <input type="checkbox"/> \$500 <input type="checkbox"/> \$1,500 <input type="checkbox"/> \$2,500
<b>Typical balance</b> (How much money will usually be in the account?)	<input type="checkbox"/> < \$100 <input type="checkbox"/> \$100 – \$500 <input type="checkbox"/> \$500 – \$1,500 <input type="checkbox"/> > \$1,500
<b>Preferred Statement Type</b> (Does the customer prefer to get paper statements via mail or will they be okay just getting electronic copies?)	<input type="checkbox"/> Electronic only <input type="checkbox"/> Paper and electronic
<b>Direct Deposit Expected</b> (Will the customer have money, such as a paycheck, deposited into the account on a regular basis?)	<input type="checkbox"/> Yes <input type="checkbox"/> No
<b>Interest Expected</b> (Does the customer expect to earn interest on the money in the account?)	<input type="checkbox"/> Yes <input type="checkbox"/> No

### Customer Description

Write a brief description of your customer. Is this their first checking account? Why are they opening the account? What is the customer hoping to get from the account?



# Anytown Account Application

123 Main Street, Anytown, US 12345

STUDENT CAPTURE SHEET

## PRIMARY APPLICANT INFORMATION

Name (First, Middle, Last)

Home Address

Mailing Address

(if different from home address)

Mobile Phone Number

Home Phone Number

Email Address

Are you currently an Anytown Bank customer?

☐ Yes

☐ No

If yes, list your account number(s).

Do you have U.S. Citizenship or Resident Alien status?

☐ Yes

☐ No

Social Security Number/ITIN

Mother's Maiden Name

(for security purposes)

Date of Birth

Gender

☐ Male

☐ Female

☐ Unspecified or another gender identity

Form of Identification

ID #

(e.g., U.S. Driver's License, State/  
Military ID, or a Passport)

State or Country of Issue

Date of Expiration

Employer Information

Employer

Work Address

Occupation



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STUDENT CAPTURE SHEET

## SECONDARY APPLICANT INFORMATION

Type of Account Holder (checkboxes)

☐ Joint Owner

☐ Power of Attorney

☐ Custodian

☐ Trustee

☐ Representative Payee

☐ Fiduciary

☐ Other: \_\_\_\_\_

Name (First, Middle, Last)

Home Address

Mailing Address

(if different from home address)

Mobile Phone Number

Home Phone Number

Email Address

Are you currently an Anytown Bank customer?

☐ Yes ☐ No

If yes, list your account number(s).

Do you have U.S. Citizenship or Resident Alien status?

☐ Yes ☐ No

Social Security Number/ITIN

Mother's Maiden Name

(for security purposes)

Date of Birth

Gender

☐ Male ☐ Female ☐ Unspecified or another gender identity



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STUDENT CAPTURE SHEET

## Form of Identification

ID #

(e.g., U.S. Driver's License, State/  
Military ID, or a Passport)

State or Country of Issue

Date of Expiration

## Employer Information

Employer

Work Address

Occupation

## ACCOUNT SELECTION

Check the account type for which you are applying:

- ☐ **Free Checking:** \$25 minimum to open; no minimum balance; eStatements required; no service charge; no interest
- ☐ **Essential Checking:** \$100 minimum to open; service charge applies to balances below \$100; free paper statement; no interest
- ☐ **Premier Checking:** \$100 minimum to open; interest earned on balances over \$1,000; monthly service charge of \$8.95 waived with direct deposit

## OPENING DEPOSIT

- Deposit Amount: \$
- Method:
  - Transfer from your other Anytown Bank Account Account Number
  - With cash or a check

## ACCOUNT OPTIONS/SERVICES

Check the account options or services you are requesting:

- ☐ **Debit Card:** Use your Anytown Debit Card to make debit (PIN-based) and credit (signature-based) purchases, receive cash back at thousands of retailers, and make ATM withdrawals and deposits. If selected, you will receive your card in the mail within 5–7 business days once your account is activated.
- ☐ **Checks:** Receive your first order of standard personal checks for free.
- ☐ **Overdraft Protection:** Protect your checking account from overdrafts in the event you try to spend more money than you have in your account. Overdraft Protection automatically transfers money from your linked savings account, another checking account, or your credit card to your checking account if you overdraw it. You pay for Overdraft Protection only when you use the service. Transfer and other fees may apply when you use this service.





# Anytown Account Application

123 Main Street, Anytown, US 12345

STUDENT CAPTURE SHEET

## SELF ENROLLMENT SERVICES

You may enroll in the following services at any time.

- **Online Banking:** Access your accounts from your computer or mobile device 24/7. Check balances, transfer funds, view account activity, set custom alerts, pay a friend, pay bills, and more! Visit our website to activate your Online Banking account.
- **Mobile Banking:** Use your mobile device to access your accounts 24/7 with the AnytownNow Mobile app. Deposit checks, check balances, transfer funds, view account activity, set custom alerts, pay a friend, pay bills, and more!
- **eStatements:** Save a tree! Access your statements online rather than through the mail. To enroll in and view your eStatements, sign into Online Banking and select “View eStatements” from the Services menu.
- **Direct Deposit:** Elect to have a recurring payment deposited electronically to your checking or savings account for free!

## NOTICES AND DISCLOSURES

**The following information pertains to procedures for opening or changing an account with Anytown Bank**

**USA Patriot Act:** Section 326 of the USA Patriot Act requires all financial institutions to obtain, verify, and record information that identifies each person who opens an account or changes an existing account. This federal requirement applies to all new customers and current customers. This information is used to assist the United States government in the fight against the funding of terrorism and money-laundering activities. What this means to you: when you open an account or change an existing account, we will ask each person for their name, physical address, mailing address, date of birth, and other information that will allow us to identify them. We will ask to see each person’s driver’s license and other identifying documents and copy or record information from each of them.

**Bank Secrecy Act:** We are required, by federal law contained in the Bank Secrecy Act, to obtain, verify, and record information that identifies each person opening or having access to an Anytown Bank account. We will ask for your full legal name, residential address, Social Security Number (SSN) or Individual Taxpayer Identification Number (ITIN), Phone Number, and Date of Birth.

## SIGNATURES

I certify that the above information is true and correct. By signing below, I authorize Anytown Bank to verify the above information and to obtain further information concerning my credit history and standing on deposit accounts maintained with other institutions through electronic or manual verification. Anytown Bank reserves the right to decline opening any account based on information that may be obtained.

Primary Applicant’s Signature

Date

Joint Applicant’s Signature

Date

