

SESSION 10: Financial Institutions

Session Description

Students will learn that money and financial institutions are vital to a well-functioning economy.

Talking Point

1. Financial institutions are private or public institutions that may be for-profit or non-profit. These organizations pool small amounts of money so that larger investments (with higher returns) can be made. They do this by collecting money from the public or from other institutions and investing those funds in financial assets. A common example is banks that take in customer deposits for safekeeping and use the deposits to make loans to other customers. Another example is insurance companies. Although insurance companies do not take in deposits, in exchange for premiums paid by customers, they guarantee payment to customers if a certain situation occurs.

Session 10: Standards and Benchmarks

Arkansas Economic Standards

Strand: National Economy

Content Standard 6: Students will analyze monetary and fiscal policies for a variety of economic conditions.

- NE.6.E.1 Compare and contrast the roles and functions of financial institutions.

Common Core State Standards

- CCSS.ELA-Literacy.SL.9-10.1 Initiate and participate effectively in a range of collaborative discussions (one-on-one, in groups, and teacher-led) with diverse partners on grades 9–10 topics, texts, and issues, building on others' ideas and expressing their own clearly and persuasively.
- CCSS.ELA-Literacy.SL.9-10.1d Respond thoughtfully to diverse perspectives, summarize points of agreement and disagreement, and, when warranted, qualify or justify their own views and understanding and make new connections in light of the evidence and reasoning presented.
- CCSS.ELA-Literacy.L.9-10.4 Determine or clarify the meaning of unknown and multiple-meaning words and phrases based on *grades 9–10 reading and content*, choosing flexibly from a range of strategies.
- CCSS.ELA-Literacy.L.9-10.6 Acquire and use accurately general academic and domain-specific words and phrases, sufficient for reading, writing, speaking, and listening at the college and career readiness level; demonstrate independence in gathering vocabulary knowledge when considering a word or phrase important to comprehension or expression.
- CCSS.ELA-Literacy.SL.11-12.1 Initiate and participate effectively in a range of collaborative discussions (one-on-one, in groups, and teacher-led) with diverse partners on grades 11–12 topics, texts, and issues, building on others' ideas and expressing their own clearly and persuasively.
- CCSS.ELA-Literacy.SL.11-12.1d Respond thoughtfully to diverse perspectives; synthesize comments, claims, and evidence made on all sides of an issue; resolve contradictions when possible; and determine what additional information or research is required to deepen the investigation or complete the task.
- CCSS.ELA-Literacy.L.11-12.4 Determine or clarify the meaning of unknown and multiple-meaning words and phrases *based on grades 11–12 reading and content*, choosing flexibly from a range of strategies.
- CCSS.ELA-Literacy.L.11-12.6 Acquire and use accurately general academic and domain-specific words and phrases, sufficient for reading, writing, speaking, and listening at the college and career readiness level; demonstrate independence in gathering vocabulary knowledge when considering a word or phrase important to comprehension or expression.

Session 10: Resources

1. Financial Fitness for Life 9-12 (*Virtual Economics*® 4.5)
 - a. Lesson 9: Banking Basics

