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| **TEXAS CTE LESSON PLAN**  [www.txcte.org](http://www.txcte.org) | |
| **Lesson Identification and TEKS Addressed** | |
| **Career Cluster** | Business Management and Administration |
| **Course Name** | Practicum in Business Management |
| **Lesson/Unit Title** | Banking and Financial Skills |
| **TEKS Student Expectations** | **130.143. (c) Knowledge and Skills**  (10) The student uses information technology tools to manage and perform work responsibilities:  (C) The student is expected to read and reconcile bank statements; and  (D) The student is expected to maintain financial records.  (11) The student establishes procedures to maintain equipment and supplies:  (A) The student is expected to determine equipment needed;  (B) The student is expected to determine supplies needed;  (C) The student is expected to establish equipment and supplies maintenance systems;  (D) The student is expected to schedule equipment maintenance; and  (E) The student is expected to use equipment and supplies maintenance procedures. |
| **Basic Direct Teach Lesson**  (Includes Special Education Modifications/Accommodations and  one English Language Proficiency Standards (ELPS) Strategy) | |
| **Instructional Objectives** | Upon completion of this lesson, each student will understand the importance of banking services.   * Students will understand the procedures involved in cash management. * Students will demonstrate steps to bank reconciliation. * Students will understand vendor and supplier relationships. * Students will demonstrate understanding of equipment and supplies maintenance. |
| **Rationale** | This lesson will help students to understand banking and financial skills which will aid them as future employees and in their adult lives. |
| **Duration of Lesson** | This lesson should take four to five class days to complete. |
| **Word Wall/Key Vocabulary**  *(ELPS c1a,c,f; c2b; c3a,b,d; c4c; c5b) PDAS II(5)* | * Petty cash – an amount of money that a business keeps covering small expenses. * Bank statement – a bank’s record of all the transactions in a customer’s account. * Checkbook – a book that contains blank checks. * Check register – considered part of a checkbook and is a form to record the checks that are written, as well as other additions and subtractions to and from a checking account. * Deposits – additions to an account. * Withdrawals – deductions from an account. * Outstanding checks – checks that have been written but have not been cleared by the bank. * Outstanding deposits – deposits that an account holder made but the bank has not yet recorded. * Bank reconciliation – the process of comparing an account holder’s checkbook balance and the balance that is recorded by the bank. * Debit – an amount that is subtracted from an account. * Credit – an amount that is added to an account. * Endorsement – makes a check or other financial instrument negotiable through the signing of the instrument. * Blank endorsement – the signature of the account holder on the back of a check, typically used to cash a check. * Restrictive endorsement – a signature on the back of a check that limits the use of the check with a phrase such as “For Deposit Only.” * Special endorsement – an endorsement where an account holder signs the check but may limit its use to a named person with a phrase such as “Pay to the Order of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ .“ * Vendor – someone who typically sells office supplies and equipment. |
| **Materials/Specialized Equipment Needed** | * Access to computers for Internet research * Student worksheets * Vendor/Supplier Code of Conduct Venn Diagram * Money Tally Sheet Activity * Money Tally Sheet (Blank) * Money Tally Sheet Key * Bank Reconciliation * Bank Reconciliation Key * Careers in Banking Research * Careers in Banking Research Rubric * Copies * Pencils * Teacher Computer * Projector (to demonstrate examples from web sites) |
| **Anticipatory Set**  (May include pre-assessment for prior knowledge) | **Learner Preparation**   * Begin by reviewing the lesson terms with students. * Have students share any experiences they have had with a bank.   **Lesson Introduction**   * Ask students what kinds of interactions a store or other business would have with a bank. * Discuss possible ways that handling cash could be made more efficient for businesses. * Discuss with students how sometimes their checkbook balance may not equal their bank statement balance. |
| **Direct Instruction \*** | Teachers should explain to students that this lesson is about cash management for businesses. Ask students if they know what petty cash is. Then explain why a business would keep a small amount of cash on hand.  Then explain that there should be procedures for recording petty cash transactions. Search for petty cash forms on the Internet and show students examples.  I. Petty Cash Procedures  A. Assign responsibilities to a designated person  B. Establish a fund of a certain amount, usually several hundred dollars  C. Determine what expenses can come out of petty cash  i. Supplies  ii. Postage  iii. Miscellaneous expenses  D. Record every disbursement from pretty cash  E. Replenish petty case according to a pre-determined schedule  Then lead a discussion about what businesses do (especially retail businesses) with the money they make each day. They usually take it to the bank. Ask the students if they can just dump their register drawers into a sack and deposit it or if there is a better way. Have students who have jobs respond and ask what their procedures are where they work. Then have a discussion with students about benefits and drawbacks of certain types of bank deposits, for example, manual or electronic.  II. Cash Handling, Bank Deposits, and Automation   1. Benefits 2. Lower costs 3. Faster transaction time 4. More secure 5. Automation equipment   Teacher Note: Ask students what the drawbacks are when people manually handle cash. Have a student write the responses on the board. Then discuss each of the automated equipment items on the left and ask the students how they address the drawbacks that are listed on the board. Put a tally mark next to each item on the board that can be reduced or eliminated using automated equipment.   1. Cash dispensers    * 1. Increase accuracy of dispensing cash      2. More time with customers 2. Smart safes    1. Used more by merchants than banks    2. Generates reports and data electronically 3. Recyclers    1. Mainly used by banks    2. Takes in cash, counts, sorts, and dispenses as well 4. Remote deposit capture    * 1. Makes deposits electronic      2. Makes funds available earlier   Teacher Note: Explain to students what the remote deposit capture is. Ask them if there is something that they may have used lately that resembles this feature. If they don’t know, mention that many banks let you take a picture of a check and then it gets deposited “remotely” to the bank. Businesses can do the same thing with their customers’ checks and the process of endorsing the checks is also done electronically so the merchant does not have to manually sign or stamp each check.  II. Bank Reconciliation   * 1. Record all transactions in a checking account in a check register   III. Reconciling Bank Statements  Teacher Note: Explain to students the purposes for businesses (and individuals) to reconcile their checkbook with the bank statement. It is very important to monitoring cash but a tax accountant may need these records as well.   1. Check off the checks in your checkbook that have cleared the bank 2. Check off the deposits that are in your checkbook as well as the bank statement 3. On the bank statement: subtract checks or debit card transactions that you made but that the bank does not have recorded 4. On the bank statement: Add deposits that you made but that the bank does not have recorded 5. To your checkbook: Subtract any fees that the bank has charged you that you have not recorded   Teacher Note: The teacher can locate several bank reconciliation templates on the computer and show students on the projector the parts of the templates. The teacher can also demonstrate how each part of the form is completed, asking students to volunteer dollar amounts to place in the various blanks on the form.  Have a discussion with students about the various fees that a bank may charge on an account that will need to be deducted from the account holder’s records. The teacher may also want to locate bank websites on the computer and show the different fees that can be charged.  Also explain to the students how the bank has a monthly cut-off date for transactions to appear on a bank statement. This can cause deposits that a customer makes to not appear on a bank statement if, for example, it was  made the day after the cut-off.  IV. Purchasing Business Supplies and Equipment  A. Types of banking supplies  i. Advertising supplies  ii. Supplies to hold coins and currency  iii. Security supplies  iv. Supplies for the bank lobby  v. Cash handling equipment  Teacher Note: Discuss with students the types of supplies that banks need. You may search online for banking supplies and show students after theyprovide responses and compare.   * 1. Vendor and supplier relationships (for any type of business)  1. Explain the needs of your business 2. Work together, or collaborate, on your ideas 3. Be aware of what a fair price is 4. Get terms in writing 5. Communicate frequently   C. Selecting vendors  i. Consider what services are being outsourced  ii. Consider risks involved with suppliers  Teacher Note: Discuss with students the importance of a business having a good relationship with the businesses that provide them with equipment, supplies, and services. Ask them to volunteer the consequences of not having a positive relationship. Ask students in pairs to come up with a short list of benefits and risks of having a positive relationship as opposed to a negative relationship. These can include better prices, higher quality products, or, on the other hand, inferior products and service, and potentially higher prices.  Explain to students what outsourcing means and then ask them what some services are that businesses may outsource. Discuss services such as call centers (for customer service centers) or tech support. Have students write risks on the board of having vendors perform services outside of the company itself.  V. Maintaining Equipment and Supplies   1. Should conduct maintenance on a regular schedule, usually through a contract from a vendor 2. Should have 24/7 support 3. Should provide training on equipment   Teacher Note: Search online for examples of supplier or vendor codes of conduct and discuss the importance of these principles for suppliers. Many businesses create codes of conduct for their suppliers to follow, which establish expectations for their relationship.  Have students in pairs create a list of supplies and equipment that businesses need. As they call out an item write it on the board and then tally for all repeat responses. Then discuss with students’ ways to track and schedule the ordering of those supplies and equipment.  *Individualized Education Plan (IEP) for all special education students must be followed. Examples of accommodations may include, but are not limited to:*   * NONE |
| **Guided Practice \*** | *Individualized Education Plan (IEP) for all special education students must be followed. Examples of accommodations may include, but are not limited to:*   * NONE |
| **Independent Practice/Laboratory Experience/Differentiated Activities \*** | Vendor/Supplier Code of Conduct Venn Diagram  Money Tally Sheet Activity  Bank Reconciliation  Careers in Banking Research  *Individualized Education Plan (IEP) for all special education students must be followed. Examples of accommodations may include, but are not limited to:*  NONE |
| **Lesson Closure** | * What is the purpose in performing a bank reconciliation? * Why do businesses have a petty cash account? * What are some benefits to having positive vendor relationships? |
| **Summative / End of Lesson Assessment \*** | *Individualized Education Plan (IEP) for all special education students must be followed. Examples of accommodations may include, but are not limited to:*  It is important that lessons accommodate the needs of every learner. These lessons may be modified to accommodate your students with learning differences by referring to the files found on the Special Populations page of this website (cte.unt.edu). |
| **References/Resources/**  **Teacher Preparation** | **Preparation**   * Copy the handouts |
| **Additional Required Components** | |
| **English Language Proficiency Standards (ELPS) Strategies** |  |
| **College and Career Readiness Connection[[1]](#footnote-1)** | **English**  **110.42 (b) Knowledge and skills.**  **(6) Reading/word identification/vocabulary development. The student uses a variety of strategies to read unfamiliar words and to build vocabulary. The student is expected to:**   1. expand vocabulary through wide reading, listening, and discussing; and 2. rely on context to determine meanings of words and phrases such as figurative language, idioms, multiple meaning words, and technical vocabulary.   **(7) Reading/comprehension. The student comprehends selections using a variety of** **strategies.**  **The student is expected to:**   1. identify main ideas and their supporting details; 2. summarize texts; and   (J) read silently with comprehension for a sustained period of time.  **Speech**  **110.56 (b) Knowledge and skills**  (1)(A) Explain the importance of communication in daily interaction.  (2)(E) Participate appropriately in conversations for a variety of purposes.  (3)(A) Use appropriate communication in group settings.  (3)(E) Use appropriate verbal, non-verbal, and listening strategies to communicate effectively in groups.  (5)(B) Use language clearly and appropriately. |
| **Recommended Strategies** | |
| **Reading Strategies** |  |
| **Quotes** |  |
| **Multimedia/Visual Strategy**  **Presentation Slides + One Additional Technology Connection** |  |
| **Graphic Organizers/Handout** |  |
| **Writing Strategies**  **Journal Entries + 1 Additional Writing Strategy** |  |
| **Communication**  **90 Second Speech Topics** |  |
| **Other Essential Lesson Components** | |
| **Enrichment Activity**  (e.g., homework assignment) |  |
| **Family/Community Connection** |  |
| **CTSO connection(s)** | Business Professionals of America  Future Business Leaders of America |
| **Service Learning Projects** |  |
| **Lesson Notes** |  |

1. Visit the Texas College and Career Readiness Standards at <http://www.thecb.state.tx.us/collegereadiness/CRS.pdf>, Texas Higher Education Coordinating Board (THECB), 2009. [↑](#footnote-ref-1)