

## Lesson Plan: **All About Credit Unions**

Audience: 9-12th grade students  
Economics and Personal Finance  
Career and Technical Education

### **Objectives:**

This lesson is designed to provide knowledge of how a credit union functions as a part of the financial services industry through a series of video interviews of current employees explaining their job functions. The video components also highlight relevant financial terms and concepts utilized within each department.

EPF.12 The student will demonstrate knowledge of banking transactions by

- a) comparing the types of financial institutions;
- b) examining how financial institutions affect personal finance planning;
- c) evaluating services and related costs associated with personal banking;
- d) differentiating among types of electronic monetary transactions;
- e) preparing all forms necessary for opening and maintaining a checking and a savings account;
- f) reconciling bank statements;
- g) comparing costs and benefits of online and traditional banking;
- h) explaining how certain historical events have influenced the banking system and other financial institutions

EPF.13 The student will demonstrate knowledge of credit and loan functions by

- a) evaluating the various methods of financing a purchase;
- b) analyzing credit card features and their impact on personal finance planning;
- c) identifying qualifications needed to obtain credit;
- d) identifying basic provisions of credit and loan laws;
- e) comparing terms and conditions of various sources of consumer credit;
- f) identifying strategies for effective debt management, including sources of assistance;
- g) explaining the need for a good credit rating;
- h) comparing the costs and conditions of secured and unsecured loans;
- i) comparing the types of voluntary and involuntary bankruptcy and implications of each

The banking industry plays a crucial role in the way our economy works. A credit union is a not-for-profit cooperative that functions like a bank. Banks and credit unions hold cash deposits in federally insured accounts, sometimes paying interest to the depositor, and issue different types of loans to help people finance large purchases, pay for emergencies, or invest in a business or education. Providing credit and a safe place to store savings are the backbone of our financial system.

The primary difference between a bank and a credit union is ownership. Banks are for-profit companies that exist for the financial gains of their owners and shareholders. Credit Unions are financial co-operatives that are equally owned by all of the members. Credit

Unions are not-for-profit and require a common bond of members, like where you work or go to school.

We will hear from employees of the Virginia Credit Union to learn about what they do and what that means to you as a consumer.

**Materials:**

- Lesson plan
- Intro questions
- Video links
- Comprehension activity for each video
- Additional Resources

**Introduction:** Prior to watching the video series, activate students' prior knowledge with the intro questions below. These questions are meant to start the conversation around banking careers and the banking experience.

1. What is the difference between a bank and credit union?
2. Have you ever considered a career in banking or do you know someone that works for a bank or credit union?
3. Have you or someone you know ever been charged a fee from a bank or credit union? If so, what was it for and how much?
4. What do you think you should do if you can't pay a loan on time?
5. How do you open up a checking or savings account?

**Video Lessons:** [vacu.org/EPFlesson](http://vacu.org/EPFlesson)

Students can watch five videos which highlight financial concepts and duties of each employee's role, and how they contribute to the operations of the credit union and the overall financial system.

Video: All About Banking & Finance

Discusses differences between banks and credit unions (EPF 12.a, 12.b, 12.h)

- All About Banking & Finance worksheet

Video: All About Accounts

Discusses fees and costs, account opening, online banking, and branches (EPF 12.c, 12.e)

- All About Accounts worksheet

Video: All About Loans

Discusses types of loans and how to get approved (EPF 13.a, 13.b, 13.c, 13.e, 13.g, 13.h, )

- All About Loans worksheet

Video: All About Digital Banking

Discusses electronic funds transfers and online technologies (EPF 12.d, 12.f, 12.g)

- All About Digital Banking worksheet

Video: All About Debt

Discusses debt management and the collections process (EPF 13.d, 13.f, 13.i)

- All About Debt worksheet

### **Activity:**

Have students complete the corresponding activities for each video. They can be used to take notes as they watch the videos or as comprehension assessments at the end of the lesson.

### **Evaluation/Extension/Additional Resources:**

Play the Jeopardy game linked here: <https://jeopardylabs.com/play/virginia-credit-union> to review specific banking terms used throughout this lesson.

Have students go to <https://www.bls.gov/ooh/> to research these careers:

- Loan advisor
- Collections Specialist
- Transaction Operations Associate
- Branch Manager

-What is the level of education required for each position?

-What is the salary range for each job title?