

Talk Time Topic: Money and Banking

Let's get started...

If your Talk Time group received \$1,000,000 to use together, how would you spend it?

Background:

(Talk about each paragraph as you read it)

How is each of these similar to or different from your country?

- In the U.S., many people choose to keep their money in banks to keep it safe. They open *checking accounts* and *savings accounts* so that they can pay *bills* and/or save money without having a large amount of *cash* in their homes.
- The Federal Deposit Insurance Corporation (FDIC) insures savings and checking accounts. This means that if a bank has a money problem, the FDIC guarantees that people can still get their money.
- In order to open a bank account, it is necessary to give the bank your *social security number* (SSN) or your *taxpayer identification number* (TIN). People who have green cards may get an SSN and people with business visas, student visas, or other types of visas may get a TIN. Do NOT give this information to someone who calls on the phone.
- Some banks charge their customers a monthly *service fee* for checking and savings accounts. Most banks charge an *overdraft fee* when people *bounce* checks or *overdraw* their accounts using an ATM card.
- Most Americans get their *wages* or *salary* by check. Checks can be picked up at work, mailed to their homes, or deposited by *direct deposit* into their checking accounts.
- Americans pay bills and spend money in a variety of ways. They use cash, checks, credit cards, debit cards, travelers' checks, and money orders.

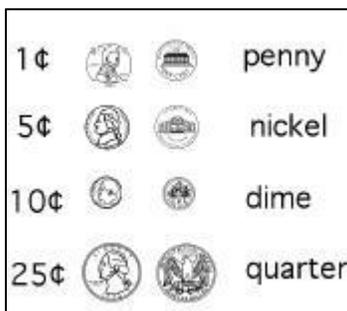


In pairs for 5 minutes, ask and answer these questions:

What was the best thing you ever bought? Tell your partner about it.

Share your partner's answers with the group.

Discussion Questions:



Is American money easy or difficult to use? Why?

What does the *currency* in your home country look like?

Is it common for people to keep their money in banks in your home country?

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Do you use an American bank? Is there someone in your bank who can speak your language?

Words to use in the bank:

I'd like to open an account.

I'd like to close my account.

I'd like to make a deposit.

I'd like to get my balance.

I'd like to make a withdrawal.

I'd like to get a money order.

I'd like to make a payment.

I'd like to get a CD.

How do people pay bills in your native country? Is it common to pay by check or money order? Or by using computer?

In your home country who earns the family money?

Who pays the bills and keeps the household accounts?

Who decides how extra money will be spent?

Is it safe to send cash through the mail in your home country? (It is not a good idea in the U.S.)

Talk about some ways to be safe with your money in the U.S. in stores, at ATM machines or when you travel.

Do people use credit cards in your home country? Do they use credit cards to shop for groceries and things that they use everyday or only for large purchases?

Credit card companies in the U.S. try to get people to use their credit cards. They send special offers in the mail. What do you think are some advantages and disadvantages of using credit cards? Why? Have you received offers for credit cards? What do you do with them?

In the U.S., many people shop using credit cards. They often spend more money (using credit cards) than they have and create *debt*. Credit card companies earn money by charging *interest*. If people make payments late, the interest becomes larger. Do you use credit cards in this country? Do you know anyone who has had a problem with credit card debt?

In the U.S., some credit card companies try to sell prepaid credit cards to parents for their children. They say that using prepaid credit cards will teach children how to spend money responsibly. What do you think?

New words and Idioms:

Coin, bill, check, debit card, credit card, checking account, savings account, cash, FDIC, guarantee, social security number, taxpayer identification number, service fee, overdraft fee, bounce, overdraw, ATM card, wages, salary, direct deposit, currency, debt, interest, to be broke, responsible, balance, deposit, withdrawal, money order, certificate of deposit (CD), "A penny saved is a penny earned."