

# Banking and Finance

## Federal Reserve System 1

- 1 Define terminology related to cash control and banking activities. 1.1
- 2 Identify banking's role in the economy. (e.g., Familiarization with The Great Depression, the National Bank Act, and the Federal Reserve Act of 1913 and their roles in the economy). 1.2
- 3 Identify the various types of financial institutions. 1.3
- 4 Describe the Federal Reserve System and its control of interest rates and money supply. 1.4
- 5 Illustrate the development of US banking over time. 1.5
- 6 Describe the Federal Deposit Insurance Corporation. 1.6

## Financial Institutions 2

- 1 Describe the ethical behaviors of the bank employee including essential privacy requirements and responsibilities. 2.1
- 2 various services that banks and credit unions provide. 2.2
- 3 Identify the function of the bank in the community and the money multiplier effect of banks. 2.3
- 4 Understand the bank as a business organization versus credit unions, versus finance and loan companies. 2.4
- 5 Outline the deposit function and money control 2.5
- 6 Summarize the type and ownership of accounts and apply to differing situational needs 2.6
- 7 Outline the procedures needed to function as a bank. 2.7
- 8 Explain how customers make deposits(ex., types of deposit items and how to process these). 2.8

## Banking Transactions 3

- 1 Define terminology related to banking transactions. 3.1
- 2 Explain the process to open and access accounts (age and independent status) 3.2
- 3 Classify the types of deposit items used in a bank and the purposes of each. 3.3

---

**4 Demonstrate the types of deposits, withdrawals, and other demand items (check cashing) and how to process them.** 3.4

---

**5 Demonstrate proper cash handling and accompanying recordkeeping criteria and specifications.** 3.5

---

**Checking and Debit** 4

**1 Define terminology related to checking and debit..** 4.1

---

**2 Identify encoding and proofing of payable items and vulnerabilities.** 4.2

---

**3 Identify Item capture and sorting.** 4.3

---

**4 Compare and contrast the history of clearing alternatives** 4.4

---

**5 Explain the receipt timing and process by the paying bank.** 4.5

---

**6 Summarize document examination, counterfeit currency and other fraudulent payable items.** 4.6

---

**7 Read and describe statements for customers, including hidden costs associated with services.** 4.7

---

**8 Explain the dishonored items process and fee policies used by banking.** 4.8

---

**9 Understand fee avoidance measures.** 4.9

---

**10 Compare and contrast negotiable instruments** 4.10

---

**Credit** 5

**1 Explain the process of credit lending through banking.** 5.1

---

**2 Explain the risks and responsibilities associated with using credit.** 5.2

---

**3 Identify the opportunity costs of credit decisions.** 5.3

---

**4 Identify methods of establishing and maintaining a good credit rating.** 5.4

---

**5 Evaluate the various ways of using credit and the costs of usage.** 5.5

---

**Saving and Investing** 6

**1 Illustrate the power of compounding interest.** 6.1

---

**2 Describe the characteristics of Stock Funds, Government and Corporate Bond Funds, and others.** 6.2

---

**3 Explain the difference between managed Funds (mutual funds) versus Indexed Funds** 6.3

---

**4 Explain stock investment basics and the ways to invest in the Stock Market for wealth and retirement.** 6.4

---

---

**5 Define investment terms** 6.5

---

**6 Describe past investment scams** 6.6

---

**Taxes** 7

**1 Describe how the size of the Federal Government affects the level of taxation.** 7.1

---

**2 Identify components of the Federal budget.** 7.2

---

**3 Demonstrate ability to navigate to IRS.gov and use the information on taxation.** 7.3

---

**4 Prepare a simple tax return.** 7.4

---

**Insurance** 8

**1 Develop a working knowledge of the reasons for insurance and the consequences of inadequate or lack of insurance.** 8.1

---

**2 Evaluate alternatives to the risks of liability, property loss, death, or illness with its associated medical costs, disability, and financial loss.** 8.2

---

**3 Understand the difference between pure risk and speculative risk.** 8.3

---

**4 Understand the Affordable Health Care Act** 8.4

---

**The Lending Process** 9

**1 Describe the lending function.** 9.1

---

**2 Classify the parties to negotiable instruments and their liabilities.** 9.2

---

**3 Explain legal restrictions and lending policy parameters.** 9.3

---

**4 Read and understand the credit report as the leading indicator of credit worthiness.** 9.4

---

**5 Identify components of various types of loans (e.g., real estate, consumer, secured and unsecured).** 9.5

---

**6 Describe holder in due cause.** 9.6

---

**Marketing and Advertising** 10

**1 Explain the components of a marketing strategy** 10.1

---

**2 Explain and demonstrate market research, competitive sales strategies, customer service, methods of execution, public relations initiatives, media, pricing, and customer support.** 10.1

---

**3 Explain banking cross selling efforts.** 10.1

---

**4 Explain the development of a desirable image and protect that image.** 10.1

---

---

**5 Demonstrate the process of planning events and the strategies to ensure success and to encourage repeat customer traffic. 10.1**

---

**6 Explain advertising as distinct from the marketing plan and the ways that advertising affects the customer perception and patronage. 10.1**