

Using Financial Institutions | Worksheet



Matching

Match the definition in Column A with the term in Column B.

Column A

- _____ Method allowing you to pay without cash on hand
- _____ Where deposits and withdrawals happen
- _____ Deposit paychecks directly into a bank account
- _____ Nonprofit institutions for specific regions or industries
- _____ For-profit institutions offering various financial services

Column B

- a. Banks
- b. Credit Unions
- c. Checking Accounts
- d. Debit Card
- e. Direct Deposit

Multiple Choice

1. **How do banks usually make money?**
 - a. By charging service fees and interest
 - b. By printing currency
 - c. By charging for memberships
 - d. By renting out vault space
2. **What is the primary use of financial institutions for most individuals and businesses?**
 - a. Buying stocks
 - b. Safekeeping and managing money
 - c. Advertising products
 - d. Building houses
3. **What does the term ATM stand for?**
 - a. Automatic Transfer of Money
 - b. Authenticated Transfer of Money
 - c. Authenticated Teller Machine
 - d. Automated Teller Machine
4. **What ensures the safety of deposits in banks and credit unions in the U.S.?**
 - a. Private insurance companies
 - b. Federal Bureau of Credit Supervision (FBCS) and National Credit Investigative Service (NCIS)
 - c. Federal Deposit Insurance Corporation (FDIC) and National Credit Union Administration (NCUA)
 - d. State governments

Application

List three things that would be important to you in choosing a financial institution, then explain which would be better for YOU: a credit union or a bank.



Using Financial Institutions | Answer Key

Matching

Match the definition in Column A with the term in Column B.

Column A

- d. Method allowing you to pay without cash on hand
- c. Where deposits and withdrawals happen
- e. Deposit paychecks directly into a bank account
- b. Nonprofit institutions for specific regions or industries
- a. For-profit institutions offering various financial services

Column B

- a. Banks
- b. Credit Unions
- c. Checking Accounts
- d. Debit Card
- e. Direct Deposit

Multiple Choice

1. How do banks usually make money?
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 - d. State governments

Application

List three things that would be important to you in choosing a financial institution, then explain which would be better for YOU: a credit union or a bank. Responses will vary. Here is a sample student answer:

When choosing a financial institution, three things that would be important to me are:

1. Convenience & Accessibility – I want to make sure my bank or credit union has plenty of branch locations and ATMs near me, so I can easily access my money when needed.
2. Fees & Costs – I would prefer an institution that has low or no fees for things like maintaining an account, overdrafts, or using an ATM.
3. Interest Rates & Benefits – Since I plan to save money, I would like to earn a good interest rate on my savings account while also having access to helpful financial tools.

For me personally, a credit union would be the better choice because they generally have lower fees and higher interest rates on savings compared to banks. I don't need a lot of locations, and I like the idea of getting more personalized customer service. However, if I needed a larger loan in the future or wanted access to more ATMs, I might consider a bank instead.