

# WAMC Lesson Plan

Name(s): Thom Duncanson

Lesson Title: 3-2 Reconcile a Bank Statement

Date: June 24, 2014

Text: Financial Algebra

Lesson Length: 1 Period ( 55 minutes)

Domain: A-REI Reasoning with Equations and Inequalities	
Big Idea (Cluster): Understand solving equations as a process of reasoning and explain the reasoning.	
Common Core State Standards: 1. Explain each step in solving a simple equation as following from the equality of numbers asserted at the previous step, starting from the assumption that the original equation has a solution.	
Mathematical Practice(s):	
Content Objectives:	Language Objectives:
Vocabulary: Account Number Bank Statement Outstanding (Checks and Deposits) Balance (Start and End) Reconcile	Connections Prior to Learning Students need to understand that the bank will send home a statement monthly to make sure that your records are correct.
Questions to Develop Mathematical Thinking: <ul style="list-style-type: none"><li>• What is the difference between keeping accurate records and checking that records are kept accurately?</li></ul>	Common Misconceptions: <ul style="list-style-type: none"><li>•</li></ul>

Assessment (Formative and Summative): Formative

- Students will fill out a reconciliation of bank statement. (Worksheet attached.)

Materials:

- Reconciliation of Bank Statement (attached)

Instruction Plan:

Launch:

Ask students to remember the previous lesson and how we kept track of the checkbook registry. Ask about what they found out about doing that assignment.

Explore:

Hand out the Bank Statement (attached) form to each student. Go over the Bank Statement with the students.

- 1) Checking account balance at the beginning of the period.
- 2) List of all deposits made during the period.
- 3) List of all withdrawals PAID by the bank during the period.
- 4) A List of any other deductions from the business account.
- 5) The checking account balance at the end of the period.

## WAMC Lesson Plan

Explain to the students how to compare your register to the bank statement.

- 1) Arrange canceled checks in numerical order. Compare with the ones listed on statement. Check off matching checks and stubs. After all returned checks have been checked, list all remaining unmarked checks on the worksheet.
- 2) Enter the ENDING balance shown on the statement.
- 3) Compare deposits, list any deposits not on the statement but recorded in the checkbook. Add this total to the balance on the statement.
- 4) Calculate total of outstanding checks and deduct from balance.
- 5) Compare the adjusted bank balance to the checkbook balance. When the balances match, the statement is reconciled.

Other items that you may go over with the students if times permits.

1. Bank Service Charges
  - A. Statement balance will show any bank charges during the statement period.
  - B. Fees vary depending upon number of checks and deposits written.
  - C. Service fees are accounted for once the statement arrives. You must enter this fee into your Checkbook Register.
2. Errors
  - A. If the balances do not agree, an error has been made.
  - B. Checkbook errors are usually the result of

Faulty addition

Failure to record deposit or a check

Mistake in copying balance forward

Allow Students to have about 10 minutes to complete their Reconciliation of Bank Statement.

Also look at the questions in the book, and assign a number of these to check for understanding.

When I observe students:

Make sure the students fully understand to add when an outstanding deposit is missing and subtract when an outstanding withdrawal is missing. Make sure they are having their register and statement are equal.

Questions to Develop Mathematical Thinking as you observe:

How would you check if the balances do not equal?

Answers: Banks would not honor the checks that are written. Extra fees, embarrassment, cancelled checks, closed account.

Summarize:

Stress the importance of keeping accurate records.

Career Application(s):

- Monthly

21<sup>st</sup> Century Skills and Interdisciplinary Themes:

21<sup>st</sup> Century Interdisciplinary themes (Check those that apply to the above activity.)

- |   |   |   |
|---|---|---|
| <input type="checkbox"/> Global Awareness       | <input type="checkbox"/> Financial/Economic/Business/Entrepreneurial Literacy | <input type="checkbox"/> Civic Literacy |
| <input type="checkbox"/> Health/Safety Literacy | <input type="checkbox"/> Environmental Literacy                               |   |

21<sup>st</sup> Century Skills (Check those that students will demonstrate in the above activity.)

# WAMC Lesson Plan

## **LEARNING AND INNOVATION**

### Creativity and Innovation

- Think Creatively
- Work Creatively with Others
- Implement Innovations

### Critical Thinking and Problem Solving

- Reason Effectively
- Use Systems Thinking
- Make Judgments and Decisions
- Solve Problems

### Communication and Collaboration

- Communicate Clearly
- Collaborate with Others

## **INFORMATION, MEDIA & TECHNOLOGY SKILLS**

### Information Literacy

- Access and Evaluate Information

### Information

- Use and manage Information

### Media Literacy

- Analyze Media
- Create Media Products

### Information, Communications and Technology (ICT Literacy)

- Apply Technology Effectively

## **LIFE & CAREER SKILLS**

### Flexibility and Adaptability

- Adapt to Change
- Be Flexible

### Initiative and Self-Direction

- Manage Goals and Time

### Work Independently

- Work Independently
- Be Self-Directed Learners

### Social and Cross-Cultural

- Interact Effectively with Others

- Work Effectively in Diverse Teams

## **Productivity and Accountability**

- Manage Projects
- Produce Results

### Leadership and

### Responsibility

- Guide and Lead Others

- Be Responsible to Others



2. Use the check register from question 1. It is now January and the checking account statement has arrived. Does the account balance?

## Bank of Kapowsin

### Bank Statement

Beginning Balance as of 12/11	\$3900.50
Deposits during Period	\$360.80
Withdrawals during Period	\$2446.38
Ending Balance	\$1814.92

#### Deposits during Period

12/12	240.80
12/22	120.00

#### Withdrawals during Period

12/11	1223	84.00	12/17	1225	140.58
12/20	1227	1250.00	12/24	ATM	300.00
12/28	1228	521.00	12/29	Debit	150.80

#### Reconciliation

Ending Balance on Bank Statement	1814.92
Outstanding Deposits ( + )	_____
Outstanding Withdrawals ( - )	_____
Reconciled Bank Balance	_____
Checkbook Register Ending Balance	_____

\*\*\*Reconciled Bank Balance and Checkbook Register Ending Balance should be equal.

### 3-2 Reconciliation of Bank Statement Quiz

1. Complete all of the necessary information in the check register. The first check number is given to you, each additional check is just the next number.
  - A. The beginning balance as of December 10 is \$3,900.50.
  - B. On December 11 check #1223 is written for \$84 to Graham-Kapowsin High School Drama Club.
  - C. On December 12 a paycheck in the amount of \$240.80 is deposited.
  - D. On December 13 a birthday check for \$100 is received from grandparents. The check is deposited that afternoon.
  - E. On December 17 three checks are written while holiday shopping. One is to Best Buy in the amount of \$480.21, one is to Target in the amount of \$140.58, and one is to Aeropostale in the amount of \$215.60.
  - F. Staples sells computers and on December 20 you purchased a laptop for \$1,250. You used check number 1227.
  - G. On December 22 a gift is returned to Barnes and Noble. The full amount of \$120 is deposited into your account.
  - H. On December 24, you withdrew \$300 from the ATM.
  - I. On December 28 a check for \$521 is written to Graham Auto to take a dent out of the fender of your mom's car.
  - J. On December 29 you used your debit card to get tickets from AMTRAK for \$150.80 to visit friends in Portland for New Years Eve.

## Check Register

Number or Code	Date	Transaction Description	Payment Amount	Deposit Amount	Balance
	12/11	Beginning Balance			3900.50
1223	12/11	GKHS Drama Club	84.00		3816.50
	12/12	Deposit		240.80	4057.30
	12/13	Deposit (Birthday)		100.00	4157.30
1224	12/17	Best Buy	480.21		3677.09
1225	12/17	Target	140.58		3536.51
1226	12/17	Aeropostale	215.60		3320.91
1227	12/20	Staples	1250.00		2070.91
	12/22	Deposit		120.00	2190.91
A	12/24	ATM	300.00		1890.91
1228	12/28	Graham Auto	521.00		1369.91
D	12/29	AMTRAK	150.80		1219.11

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2. Use the check register from question 1. It is now January and the checking account statement has arrived. Does the account balance? **YES**

## Bank of Kapowsin

### Bank Statement

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Ending Balance	\$1814.92

Deposits during Period	
12/12	240.80
12/22	120.00

Withdrawals during Period					
12/11	1223	84.00	12/17	1225	140.58
12/20	1227	1250.00	12/24	ATM	300.00
12/28	1228	521.00	12/29	Debit	150.80

### Reconciliation

Ending Balance on Bank Statement	<u>1814.92</u>
Outstanding Deposits ( + )	<u>100.00</u>
Outstanding Withdrawals ( - )	<u>695.81</u>
Reconciled Bank Balance	<u>1219.11</u>
Checkbook Register Ending Balance	<u>1219.11</u>

\*\*\*Reconciled Bank Balance and Checkbook Register Ending Balance should be equal.

Financial Algebra Chapter 3-2 Answers.

1. Answers will vary.
2.  $\$725.71 + \$610.00 - \$471.19 = \$864.52$   
Register Balance  $\$864.52$   
Yes they balance.
3.  $\$197.10 + \$600.00 - \$615.15 = \$181.95$   
Register Balance  $\$210/10$   
No they do not balance.
4.  $B + D - C = S$   
If  $S = R$ , then they balance.
5. A.  $14 + 19 + 23 + 24 = 80$   
Mean  $80 / 4 = 20$   
B.  $20 (\$.20) = \$4.00$   
C.  $\$4.00 + \$12.50 = \$ 16.50$
6. A.  $\$1434.19$   
B.  $\$700.00 (4/2)$   
C.  $(397) \$50.00$  and  $(399) \$39.00$  for a total of  $\$89.00$   
D.  $\$1434.19 + \$700.00 - \$89.00 = \$2045.19$   
E.  $\$2045.19$   
F. Yes they are equal to each other.
7.  $y = .15x + 9.75$
8. No, by adding  $\$75$  would only bring him up to where he was prior to the deposit. He should add  $\$150$ ,  $\$75$  to correct his previous error and  $\$75$  that should have been deposited.
9. Take the "Balance" from the check prior  $\$1,371.42$  and subtract the "Transaction Amount" of the check that was torn off.  
 $\$1371.42 - \$58.70 = \$1312.72$ .
10. Ending Balance (Statement)       $\$1,809.63$   
    Outstanding Deposits             $\$150.00$   
    Outstanding Withdrawals        $\$132.00$   
    Reconciled Statement           $\$1,827.63$   
    Register Total                     $\$1,827.63$   
    They are the same.

11.

Number	Date	Transaction Description	Payment	Deposit	Balance
	28-Dec	Beginning Balance			\$728.30
1773	28-Dec	Galaxy Theater	\$75.00		\$653.30
1774	30-Dec	American Electric Co.	\$70.00		\$583.30
1775	30-Dec	Hillsdake Water Co.	\$38.50		\$544.80
1776	2-Jan	Barbara's Restaurant	\$28.00		\$516.80
1777	3-Jan	Platter Records	\$120.00		\$396.80
1778	9-Jan	A1 Gas Co.	\$56.73		\$340.07
1779	12-Jan	Al and Jean Adams	\$100.00		\$240.07
1780	12-Jan	Greene College	\$85.00		\$155.07
	14-Jan	Deposit		\$1,000.00	\$1,155.07
1781	25-Jan	Rob Gerver	\$80.00		\$1,075.07
	1-Feb	Deposit		\$950.00	\$2,025.07

\*\*\*\*Check number 1781 is numbered 1780 in the textbook, but there is already a check number 1780.

Ending Balance (Statement)	\$1,378.57
Outstanding Deposits	\$950.00
Outstanding Withdrawals	\$303.50
Reconciled Statement	\$2,025.07
Register Total	\$2,025.07
They are the same.	

12. \$184.15. If they showed on his statement he just needs to add them to his register, but if they do not then they need to be listed as Outstanding Deposits.

13. if the deposits are larger then the checks  
 $d > c$  then  $E > \$678.98$   
 but if the checks are larger then the deposits  
 $d < c$  then  $E < \$678.98$

# Bank of Kapowsin

## Bank Statement

Beginning Balance as of 2/1	\$300.00
Deposits during Period	\$341.50
Withdrawals during Period	\$220.31
Ending Balance	\$421.19

### Deposits during Period

2/5	143.25
2/12	143.25
2/13	55.00

### Withdrawals during Period

2/3	Debit	63.00	2/7	101	17.75
2/9	ATM	20.00	2/10	102	9.45
2/13	ATM	20.00	2/13	Fee	1.50
2/13	103	26.00	2/14	104	42.00
2/15	Debit	12.75	2/25	Debit	7.86

### Reconciliation

Ending Balance on Bank Statement	<u>421.19</u>
Outstanding Deposits ( + )	_____
Outstanding Withdrawals ( - )	_____
Reconciled Bank Balance	_____
Checkbook Register Ending Balance	_____

\*\*\*Reconciled Bank Balance and Checkbook Register Ending Balance should be equal.



Outstanding Deposits	Outstanding checks	
\$0.00	\$0.00	Total

Check Register Balance	
Statement Ending Balance	
Revised Statement Balance	\$0.00

Statement is reconciled.