



RISK-IT!

Grade Levels: 9,10,11,12

Document Type: Games and Simulations

Description:

Jeopardy-style game which reviews terminology central to money, banking and the Federal Reserve System.



This document may be printed.



Main Menu



Document

RISK-IT!

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Objectives:

1. To provide a review of terminology central to money, banking, and the Federal Reserve System.
2. To provide a tool for teachers to use in the classroom.
3. To actively involve students in the learning process while having fun.

Equipment needed:

- RISK-IT answers and questions
- Game boards
- Overhead projector
- Screen
- Bell
- Second-hand timer
- Chalk board/chalk for keeping score
- Paper and pencil at each table
- Team identification cards
- Awards for high point team

Personnel needed:

- Game host
- Time keeper
- Score keeper
- Judge

The *game host* will explain the rules, read the answers and keep the game moving. Can also serve as the judge.

The *time keeper* will keep time according to the rules with a second hand timer. Can also serve as the score keeper.

The *score keeper* will keep a running score on a visible chalk board.

The *judge*, or judges, will make decisions if there is a dispute over a question, or any other objections that may occur during the game.

Game procedures:

1. Choose categories and answers and questions to be used. Sort answers and questions within each category into groups of five, with point values from 100 to 500 and questions ranging from easiest to most difficult. These can be stored in envelopes, depending on how many rounds will be played.
2. Divide students into manageable groups. No more than 10 to a team is suggested.
3. Select a spokesperson for each team. This person can be designated for the entire game, or the duty can be passed around during play.
4. Explain the game rules to the teams.
5. Designate a time limit to play.
6. Select a starting team by any method you wish such as guessing a pre-selected number, drawing straws, etc.
7. Ask the first team to select a category and point value. Give them fifteen seconds to derive the answer. If the answer is correct, team points are recorded.
8. Give the team to the left an opportunity to respond if the first team fails to answer correctly, or does not answer within the 15-second time frame. They must answer immediately. If they also fail, the opportunity can be given to the next team or questioning can be terminated at this point.
9. Rotate the category selection between the teams until all the answers on the game card have been addressed.
10. Tally the scores at this point. Time permitting, additional rounds can be played.

Double Risk-It:

1. Designate two answers in each round as Double Risk answers. This means the team selecting that category and point value may wager as many of the points as they have accumulated, giving them the opportunity to double their points.
2. This question can only be answered by that team and can not be rotated.

Final Risk-It

1. At the end of the game, teams decide how many of their points they want to wager on the Final Risk question and record their bet on a piece of paper.
2. Explain that the question will pertain to banking. No further clues will be given.
3. Read the final Risk Answer. (It helps to put the answer on the overhead.)
4. Teams record their questions within 45 seconds.
5. Each team reveals their questions and their wager, starting with the team with the lowest point score.
6. The team with the most points wins.

Risk-It Rules:

1. The opportunity to select categories will be rotated between the teams, with the succeeding attempt moving to the left of the team just completing a question.
2. The response must be in the form of a question.
3. Responses will be accepted from the designated spokesperson only.
4. The spokesperson must respond within the 15-second time frame.
5. The question will not be repeated for the second or third team answering.
6. Questions which are different from, but potentially correct questions for the answer, will be allowed on the basis of the judge's decision.

Alphabet Soup

- 100 A Legislation that directs regulators to determine if banks are meeting the credit needs of low- and moderate-income residents in their communities.
- Q What is CRA? (or What is the Community Reinvestment Act?)
- 200 A Agency that administers government housing and urban development programs.
- Q What is HUD? (or What is the Department of Housing and Urban Development?)
- 300 A Independent agency that guarantees loans to small businesses.
- Q What is SBA? (or What is the Small Business Administration?)
- 400 A Act that requires financial institutions to record race or national origin, gender, income, and reasons for denial on all home purchase and home improvement loan applications.
- Q What is HMDA? (or What is the Home Mortgage Disclosure Act?)
- 500 A Regulatory committee comprised of the Federal Reserve Board, Office of the Comptroller of the Currency, Office of Thrift Supervision, and the Federal Deposit Insurance Corporation.
- Q What is FFIEC? (or What is the Federal Financial Institutions Examination Council?)

Looking for Loans

- 100 A A loan in which property is designated as security for payment.
- Q What is a mortgage?
- 200 A Capacity to pay, character, and collateral?
- Q What are the 3 Cs of credit? (or What are the factors considered in determining whether or not to grant credit.)
- 300 A A mortgage loan that is neither insured by the Federal Home Administration nor guaranteed by the Veterans' Administration.
- Q What is a conventional mortgage?
- 400 A An unorganized market where existing mortgages are bought and sold.
- Q What is the secondary mortgage market?
- 500 A A government sponsored private corporation that supplements private mortgage funds by providing a secondary market for Federal Home Administration, Veterans' Administration, and conventional home mortgages.
- Q What is Fannie Mae (Federal National Mortgage Association)?

CRA

- 100 A Outstanding, satisfactory, needs improvement, and/or substantial noncompliance.
- Q What are the possible CRA ratings?
- 200 A Regulators' denial of applications for bank mergers, acquisition of other institutions or opening of new branches.
- Q What are possible consequences of an unsatisfactory CRA rating.
- 300 A One type of financial institution that is not covered by the Community Reinvestment Act?
- Q What are (credit unions, consumer finance companies, mortgage bankers or mutual funds)?
- 400 A An amendment to the Community Reinvestment Act that became effective on July 1, 1990.
- Q What is the requirement to make a banks CRA ratings available to the public?
- 500 A Where an individual's comments regarding a bank's CRA stance can be found.
- Q What is a bank's CRA public file?

Acting Right

- 100 A Prohibits discrimination in any aspect of a mortgage transaction on the basis or race, religion, age, color, national origin, receipt of public assistance funds, sex, marital status, or the exercise of any right under the Consumer Credit Protection Act.
- Q What is the Equal Credit Opportunity Act?
- 200 A Requires banks to maintain a file of public comments regarding the bank's ability to meet community credit needs.
- Q What is the Community Reinvestment Act?
- 300 A A 1968 civil rights law that prohibits discrimination in the sale or rental of a dwelling on the basis of race, color, religion, handicap, sex, familial status, or national origin?
- Q What is the Fair Housing Act?
- 400 A Under the provisions of this act, creditors must provide accurate and complete information about credit costs and terms.
- Q What is the Truth in Lending Act?
- 500 A Act which requires financial institutions to provide information to the public concerning housing-related loan applications. However, this act does not provide for governmental rewards or sanctions for any particular lending practices.
- Q What is the Home Mortgage Disclosure Act?

Supervisory Agencies

- 100 A Organization established to implement deposit insurance as a result of the combined Banking Acts of 1933 and 1935.
- Q What is the Federal Deposit Insurance Corporation? (or FDIC)
- 200 A Organization responsible for supervising state member banks and bank holding companies.
- Q What is the Federal Reserve System?
- 300 A Agency responsible for supervising insured state banks that are not members of the Federal Reserve.
- Q What is the Federal Deposit Insurance Corporation? (or FDIC)
- 400 A Agency responsible for regulating national banks.
- Q What is the Comptroller of the Currency?
- 500 A Agency responsible for regulating insured savings and loan associations.
- Q What is the Office of Thrift Supervision?

Word Power

- 100 A Price paid for the use of money over time.
- Q What is interest?
- 200 A Includes costs borne indirectly by other members of society, such as pollution, congestion or lack of quality housing.
- Q What are external or social costs? (or externalities)
- 300 A The refusal to lend money to low-income communities, while, at the same time, accepting deposits from those areas.
- Q What is redlining?
- 400 A Action a bank or insurance company takes to determine whether or not to accept financial responsibility for a extending credit or insurance.
- Q What is underwriting?
- 500 A The inability of an unregulated market to achieve allocative efficiency, where resources are distributed to the most efficient industries and households.
- Q What is market failure?

History

- 100 A. The two early U.S. banks which did not survive, mainly because of hostile attitudes toward centralized control.
- Q. What were the First and Second U.S. Banks?
- 200 A. Historical early banks that issued private bank notes backed by deposits of gold and silver in their vaults.
- Q. What were state banks?
- 300 A. Another name for October 29, 1929, when stock prices plunged on the New York Stock Exchange and the worst American depression in history followed.
- Q. What was Black Tuesday?
- 400 A. An event, occurring early in this century, that resulted in a large number of bank runs, and served as an additional stimulus for the move toward a more stable banking system through new regulation.
- Q. What was the financial panic of 1907.
- 500 A. Another name for October 19, 1987, when the Dow Jones Industrial Average fell more than 22 percent and the Federal Reserve stepped in to provide liquidity to the financial system.
- Q. What is Black Monday?

Banking Legislation

- 100 A. The Act, passed in 1932, which separates commercial and investment banking.
- Q. What is the Glass-Steagall Act?
- 100 A. The Act, passed in 1956, which authorized the Federal Reserve System to regulate any company owning two or more banks.
- Q. What is the Bank Holding Company Act?
- 200 A. The Act, passed by Congress in 1900, that defined the dollar as being worth 1/20.67 ounces of gold.
- Q. What is the Gold Standard Act?
- 200 A. The Act, signed by President Roosevelt in 1935, which created the Federal Open Market Committee and changed the Federal Reserve Board to the Board of Governors.
- Q. What is the Banking Act of 1935?
- 300 A. A 1951 agreement between the Federal Reserve and the Treasury which freed monetary policy from its role of supporting the price of government securities.
- Q. What is the Treasury Accord of 1951.
- 300 A. The Act, passed under the leadership of President Abraham Lincoln, which provided for nationally chartered banks and established the office of the Comptroller of the Currency.
- Q. What was the National Banking Act of 1863?
- 400 A. A plan, passed in response to the financial panic of 1907, designed to make the money supply more elastic and created a commission to study and recommend changes in the banking system.
- Q. What is the Aldrich-Vreeland Plan?
- 400 A. The Act, passed in 1927, which prohibits national banks from interstate banking and extends the charters of Reserve Banks indefinitely.
- Q. What is the McFadden Act?

- 500 A. The Act which required the Fed to price its financial services, to make them available to all depository institutions and to establish reserve requirements for all eligible financial institutions.
- Q. What is DIDMCA or the Depository Institutions Deregulation and Monetary Control Act of 1980? (Will accept: What is the Banking Act of 1980 or the Monetary Control Act of 1980.)
- 500 A. The Act which provided government funds to insolvent savings and loan associations and mandated sweeping changes in the examination and supervision of S&Ls.
- Q. What is FIRREA or, the Federal Institutions Reform, Recovery, and Enforcement Act?

Bank Reforms

- 100 A. Banking expansion across state lines through holding companies.
- Q. What is interstate banking?
- 100 A. Insurance which spreads risk between the insured party and the party providing the insurance.
- Q. What is co-insurance?
- 200 A. The framework of laws and rules under which banks operate.
- Q. What is bank regulation?
- 200 A. The general and continuous monitoring of financial conditions and activities of banks to ensure that they are operating prudently and in accordance with applicable laws and statutes.
- Q. What is bank supervision?
- 300 A. Organization established to implement deposit insurance as a result of the combined Banking Acts of 1933 and 1935.
- Q. What is the Federal Deposit Insurance Corporation? (or FDIC)
- 300 A. The Federal Reserve System, the Comptroller of the Currency and the FDIC.
- Q. What are three federal agencies which regulate banks? (or, three Federal agencies developed in response to banking problems?)
- 400 A. Authority, shared by the Comptroller of the Currency and the Federal Reserve System as dictated by the Federal Reserve Act.
- Q. What is supervision (or examination) of member banks?
- 400 A. Supervision and regulation of all state-chartered banks which are not members of the Federal Reserve System.
- Q. What is the major responsibility of the FDIC in addition to providing deposit insurance?
- 500 A. Federal government initiatives that help to protect individuals from adversity such as deposit insurance.
- Q. What is a "safety net"?

500 A. Banking regulation and restrictions on holding company activities, primarily meant to prevent transfers of funds that within the holding company that might threaten the viability of banks within the holding company.

Q. What are "firewalls"?

People and Places

- 100 A. President who signed the Federal Reserve Act on December 23, 1913.
Q. Who was President Woodrow Wilson?
- 100 A. Current Chairman of the Board of Governors of the Federal Reserve System.
Q. Who is Alan Greenspan?
- 200 A. The Federal Reserve Bank that holds about \$13.5 billion of gold, nearly 30 percent of the world's gold reserves.
Q. What is the Federal Reserve Bank of New York?
- 200 A. Current president of the Federal Reserve Bank of Minneapolis.
Q. Who is Gary Stern?
- 300 A. President who signed the banking act that established the Federal Open Market Committee.
Q. Who was President Roosevelt?
- 300 A. The Bureau of Engraving and Printing in Washington, D.C.
Q. Where is U.S. currency printed?
- 400 A. Trading Desk at the Federal Reserve Bank of New York.
Q. Where do Open Market Operations take place?
- 400 A. Co-authors of "A Case for Reforming Federal Deposit Insurance," an annual report.
Q. Who are Art Rolnick and John Boyd?
- 500 A. An officer of the Treasury Department who is responsible for chartering national banks and for providing primary supervision over them.
Q. Who is the Comptroller of the Currency?
- 500 A. Among other things, the department which is responsible for the management of the public debt and its various cash accounts.
Q. What is the U.S. Department of the Treasury? (or: What is the Treasury Department?)

Alphabet Soup	CRA	Acting Right	Supervisory Agencies	Looking for Loans
100	100	100	100	100
200	200	200	200	200
300	300	300	300	300
400	400	400	400	400
500	500	500	500	500
100	100	100	100	100
200	200	200	200	200
300	300	300	300	300
400	400	400	400	400
500	500	500	500	500