

Money TALKS

Should I Be Banking?

Taking Charge of Your Own Checking Account

At this point in your life you have probably begun wondering what you are going to do next: find a job, go to college, enlist, or buy a car. No matter where the "real world" takes you, one thing is certain: you will be taking on new privileges and responsibilities. Financial responsibility is sure to be one of these. What better way is there to get ready than to start today? Opening a checking account will let you in on one of these "real world" experiences.

Checking Account
Crossword Puzzle

Choosing Your
FINANCIAL INSTITUTION

Opening Your
Checking Account

Making a
WITHDRAWAL

Using My Debit Card
And More!



UNIVERSITY of CALIFORNIA
**Agriculture &
Natural Resources**

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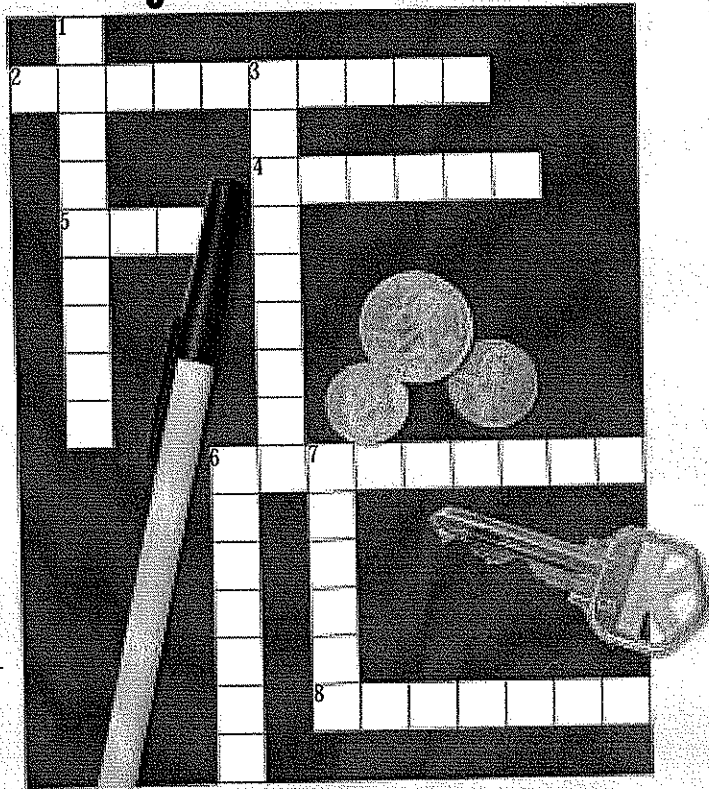
Checking Account Crossword Puzzle

You probably already know a little about checking accounts. Find out just how clued in you are and how much there is still to learn by completing this crossword puzzle. Even if you cannot fill it in fully now, by the end of this teen guide you will have all the answers.

Across

- 2) Taking money out of your account is a _____.
- 4) On your check register you enter the amount you deposited into your checking account under the Deposit or _____ column.
- 5) When using another institution's _____ machine, it is important to look for charges.
- 6) Besides writing a check, you can use a _____ to withdraw money from your checking account.
- 8) Before depositing a check into your checking account you must _____ the back of the check.

Checking Account Crossword



Did You Know?

Most banks allow you free access to your checking account online or by telephone.

Down

- 1) In order to open a checking account, you will need to fill out a _____ card, which is a contract between you and your financial institution.
- 3) You should _____ your account by finding the differences between your check register balance and your monthly bank account statement.
- 6) Whenever you put money into your checking account, you must fill out a _____ slip.
- 7) If you write a check for more money than you have in your account, your check will _____.

How did you do? You should know as much as possible about checking before you open an account.

Understanding checking account lingo and how these accounts work will help you decide if you are truly ready to have your own account.

(Answers on page 12.)

Choosing YOUR Financial Institution



Are you ready to open a checking account? If so, find the best financial institution for you.

There are so many different places to pick from that it can be difficult to make a choice. One place to start is with your family and friends; find out where they bank and what they like and dislike about it. This information will provide you with a list of possible financial institutions and help you figure out what you want in a financial institution. However, no matter

what anyone else tells you, you need to decide for yourself which institution best fits your life. This means you will need to decide which one will give you the best deals and will be convenient for you to visit.

Many financial institutions offer free student checking or a free checking account if you use direct deposit (have your paycheck automatically deposited into your checking account). Others might offer you a free account if your parents have an account with them.

What's Important to Me

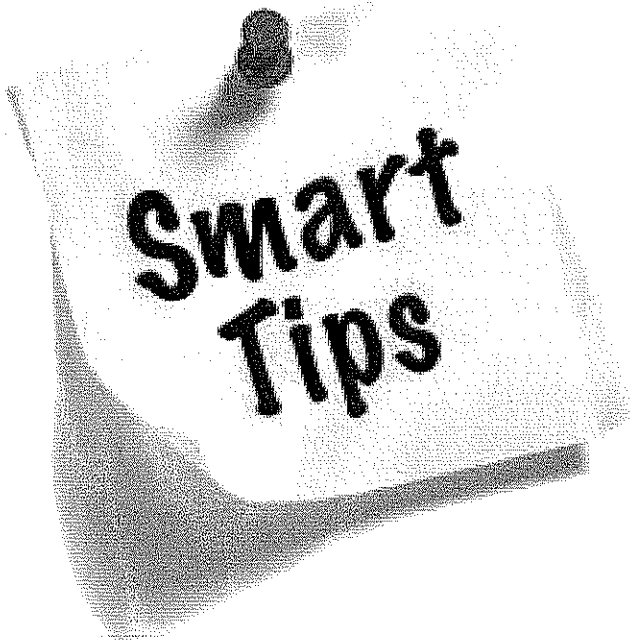
	●●●●●●●●●●	●●●●●●●●●●	●●●●●●●●●●	●●●●●●●●●●
	Most Important	Very Important	Somewhat Important	Least Important
Location & Hours	●	●	●	●
Age Restrictions	●	●	●	●
Convenient ATMs	●	●	●	●
Checking Account Fees	●	●	●	●
Opening Balance	●	●	●	●
Minimum Balance	●	●	●	●

One concern is whether or not you need a parent's signature to open your account (which means that you will share access to your money with your parent). Most financial institutions require you to have a parent's signature to open a checking account if you are under the age of 18. However, there are a few institutions that may allow you to open a checking account by yourself, if you or your parent has a banking history with them.

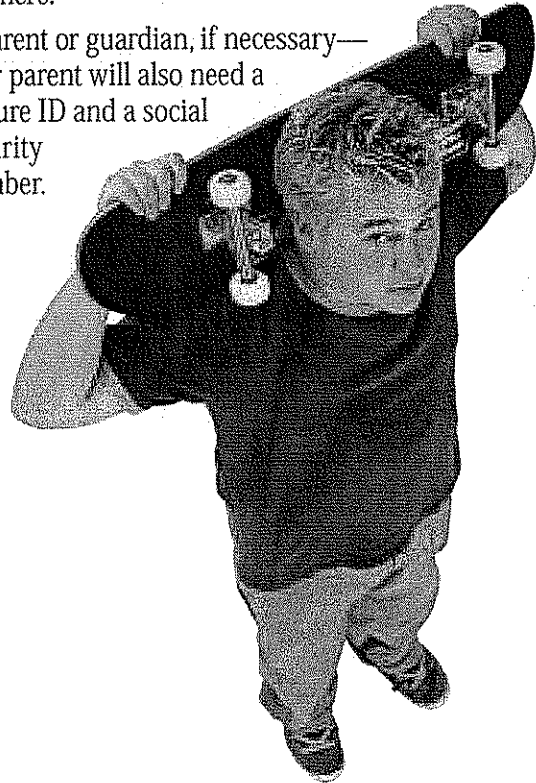
Opening Your Checking Account

Once you have picked your financial institution, it is time to open your account. A bank representative will help you with this easy process. You will fill out a signature card, which is the contract between you and the financial institution. At this point, the financial institution may also run an account history check to see if you have had problems with credit or checking accounts in the past. When you go to open your account, be sure to bring:

- Picture ID—this can be your driver's license, student ID card, passport, etc.
- Social Security number (Some financial institutions will accept other forms of government identification.)



- Money—some financial institutions will let you open a checking account with one dollar; others will require a minimum opening balance. Find out what your financial institution requires before you get there.
- A parent or guardian, if necessary—your parent will also need a picture ID and a social security number.



It is important to find out about service fees. You do not want money taken from your account without your being aware of it. So ask:

- How much the institution charges simply for having the account (*monthly service fee*)
- If there is a cost for writing checks (*per check fee*)
- If there is a limit to the number of checks that can be written without a fee
- What it costs to have checks made (*check printing fee*)
- If the institution charges for using an ATM (*ATM use fee*)
- If there is a charge for using teller services
- What it costs to stop payment on a check (*stop payment fee*)
- How much the institution charges if you bounce a check (*insufficient funds penalty*)
- If there are any other miscellaneous fees

Making a Deposit

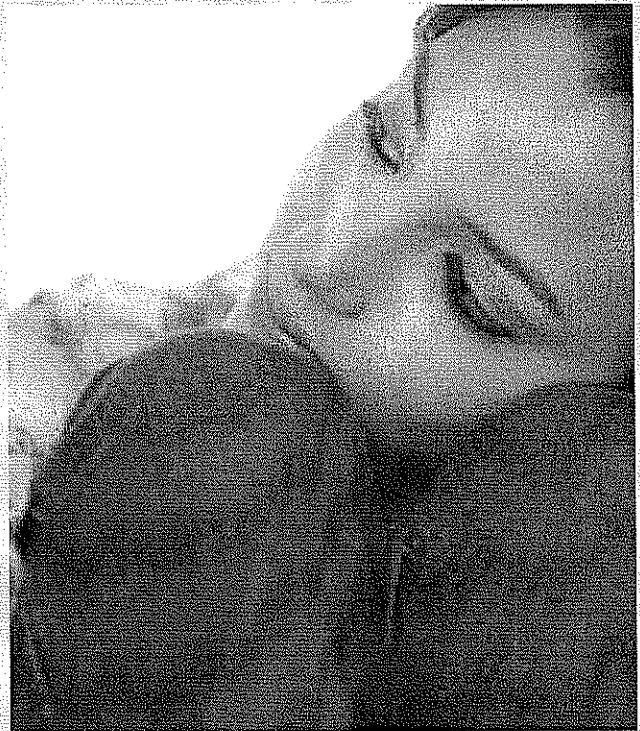
To begin writing checks, you need to have money in your checking account, so it's important to know how to deposit money. You can deposit either cash or checks. If you are depositing cash, you need to fill out a deposit slip. Depositing a check requires a little more work; you must endorse it, which means signing your name on the back of the check:

- 1) Write "For Deposit Only" in the endorsement area (so that no one else can cash it).
- 2) Then sign your name on the back (exactly as it is written on the front).

Note: Protect your privacy. Do not write your account number on the back of the checks for deposit.

The next step is to fill out a deposit slip. Practice filling out the following deposit slip using your name, today's date, account number 9687459865, \$10.00 cash, a check for \$102.35, another check for \$78.05, and a third check for \$188.62. Draw a line through any blank spaces.

(continued on p. 6)



ENDORSE HERE

*For deposit only
Pat Taylor*

DO NOT WRITE, STAMP OR SIGN BELOW THIS LINE
RESERVED FOR FINANCIAL INSTITUTION ONLY

- ①
- ②

Pre-printed deposit slips may come with your checking account.

(For help completing a deposit slip, see page 11.)

<input style="width: 100px; height: 20px; border: none; border-bottom: 1px solid black;" type="text"/> — <input style="width: 100px; height: 20px; border: none; border-bottom: 1px solid black;" type="text"/> ACCOUNT NUMBER		Confidential	Checking Deposit	
Checking Deposit	NAME (PLEASE PRINT)	LIST CHECKS BY BANK NO.	DOLLARS	CENTS
	ADDRESS	CURRENCY		
	CITY STATE ZIP CODE	COIN		
	DATE	CHECKS		
		TOTAL OF CHECKS LISTED ON REVERSE SIDE		
		SUBTOTAL		
		◀ LESS CASH RECEIVED		
PLEASE SIGN IN TELLER'S PRESENCE FOR CASH RECEIVING.		TOTAL DEPOSIT \$ <input style="width: 100px; height: 20px; border: none; border-bottom: 1px solid black;" type="text"/>		

Making a Withdrawal

The three most common ways to withdraw money from your checking account are:

Visiting an ATM

To withdraw cash from an ATM machine, you need your ATM card and your PIN number. Insert your card into the ATM machine and use the keypad to give the machine the requested information. Remember to remove your cash, card, and receipt from the ATM when you are finished.

Using your debit card

If your financial institution has given you a debit card, you may also use it to make withdrawals. When you use your debit card at a store, you may be asked to enter your PIN number or you may have to sign a receipt.

Writing a check

Of course, you can always write a check. Writing a check is like signing a contract; it is important to understand all of the information and make sure it is correct. When you write a check, you need to be sure to fill it in completely. Notice that there are six blank lines on the sample check. For your check to be valid, you must write the correct information on each line. Fill out the sample check using the following directions:

- 1) Enter today's date.
- 2) Write who the check is to, in this case, fill in *DVDs Plus*.
- 3) Write the dollar amount of \$19.85 in numbers. (Sometimes this is a box.)
- 4) Write out the dollar amount of nineteen dollars and 85/100.
- 5) Write in "Juan's birthday present." This is optional, but it will help you to remember why you wrote the check.
- 6) Sign your name.

STOP PAYMENT



If you lose a check or have one stolen, you can call your financial institution and ask to stop payment on that check. When you call, the teller will ask for the check number, the date on which it was written, the amount for which it was written, and to whom it was written. This service will cost from \$5.00 to \$25.00 and is good for only six months. The fee for stopping checks can really add up, so keep your checks safe.

Pat Taylor PH: (555) 625-5432 51015 North Muddy Drive Boondocks, CA 90000	323 _____ 20 _____ 00-1234 5678
② PAY TO THE ORDER OF _____	③ \$
④ _____ DOLLARS	
YOUR FINANCIAL INSTITUTION ANYWHERE, MI 90000 (555) 654-3210	
⑤ _____	⑥ _____
⑆123456789⑆: 9887459885"323	

(See completed example on page 11.)

Making a Withdrawal

(cont.)

Updating Your Check Register

No matter how you make the withdrawal, you should immediately enter it into your check register. Forgetting to keep track of all of your withdrawals may result in bounced checks. Even if you are in a hurry, you will save yourself time and money later by recording your withdrawals in your check register immediately. Look at the sample register. (See page 6.) When you write a check:

- A) Fill in the first column with your check number, otherwise leave this line blank.
- B) Fill in the Date column.
- C) In the Description of Transaction column, fill in the type of withdrawal you made, unless you wrote a check. If you wrote a check, write the name of the person to whom you wrote the check.
- D) In the Payment/Debit(-) column, fill in the amount of your withdrawal. Also include any amount you were charged for using a foreign ATM machine or fee you were charged for using your debit card.
- E) Leave the Deposit/Credit(+) column blank.
- F) In the Balance column, subtract your Payment/Debit(-) amount and the Fee amount from the previous balance amount.

For the following situations, practice using the check register on page 6:

- Today you went to *DVDs Plus* and wrote check #323 for \$19.85.
- Today you used your debit card to buy \$10.00 worth of gas at Kelli's Gas Mart and were charged \$0.35 for using your debit card.
- Today you stopped by another institution's ATM machine and took out \$40.00. You were charged a \$4.00 fee for this transaction.



Bounced Checks Be Aware

If you write a check for an amount that is greater than the amount of money you have in your checking account, you will bounce a check. Your financial institution may charge you \$25.00 for a bounced check, and the merchant may charge you another \$25.00. As if this extra \$50.00 were not bad enough, too many bounced checks will damage your credit record and may result in your bank closing your checking account.



A debit card may come with your checking account. A debit card looks similar to an ATM card or a credit card, but it doesn't work the same. In fact, not all debit cards are alike; each financial institution offers different features. Some charge a fee for making purchases with your debit card, but most don't. Be sure you know how your debit card works.

You can use your debit card at an ATM machine or at places of business. When you use your debit card, you are making a withdrawal from your checking account. Your debit card may have a VISA or MasterCard logo on it, but it is not the same as a credit card. You use your debit card to access money in your checking account for purchases anywhere that a credit card is accepted. The money will be immediately withdrawn from your checking account.

You will either be asked to sign a receipt or enter your PIN number when you use your debit card. For example, if you use your debit card at a gas pump that accepts ATM cards, you will be asked to enter your pin number into the key pad.

Is having a debit card good or bad? Only you can decide whether it will be best for you. Check out the pros and cons.

Debit Card Pros

- It is easier to use than filling out a check
- It is accepted more often than checks
- It does not provide your phone number, address, or driver's license number to the merchant
- If it is lost or stolen, you can easily inactivate it by making a telephone call

Debit Card Cons

- People often forget to fill out their check register when they use their debit cards because they do not need to take out their checkbooks
- Merchants might charge you a fee for using it
- The money is taken out of your account immediately, whereas a check often takes a couple days to be processed
- If you use your overdraft line of credit, you will have to pay high fees and possibly interest
- If stolen, the card can be used to take money from your account

Remember to always:

- check the receipt amount before signing it
- keep your PIN number private
- have the phone number handy to report a missing or stolen debit card

If you think you want a debit card, be sure to ask your financial institution for a list of its related fees.

Reading Your Statement...



Make a Note: A checking account is a great responsibility. Your actions now will affect your ability to get credit later, so handle your checking account wisely!

Each month your financial institution will send you a monthly account statement that lists all of your transactions from the past month. However, the account balance on the statement will probably be different than the one in your check register because you may have made additional transactions since your statement was mailed. It is a good idea to find the differences between your monthly account statement and your check register; this is called reconciling your account. Reconciling your account will help you keep a good record of your spending and help you find any errors that you or the financial institution may have made.

Now that you know what a checking account is, the next thing is how to use it while avoiding fees. Take a few minutes and consider whether the following may have a service fee or are always free.

FEE
FREE

FEE OR FREE: You Decide

- Making a cash deposit at the teller counter
- Receiving your checking account statement in the mail
- Asking for copies of checks you wrote
- Using your financial institution's ATM too much
- Bouncing a check
- Going to the ATM and getting a mini or full statement of your account
- Getting cash at the closest ATM—not at your financial institution's ATM
- Going below the minimum balance

Answers on page 6.

Deposit Slip (from page 5)

Completed
EXAMPLES

—
 ACCOUNT NUMBER

Confidential **Checking Deposit**

LIST CHECKS BY BANK NO.	DOLLARS	CENTS
	CURRENCY	10
COIN		
CHECKS	102	35
	78	05
	188	62
TOTAL OF CHECKS LISTED ON REVERSE SIDE		
SUBTOTAL		
◀ LESS CASH RECEIVED		

NAME (PLEASE PRINT) _____
 ADDRESS _____
 CITY _____ STATE _____ ZIP CODE _____
 DATE _____

PLEASE SIGN IN TELLER'S PRESENCE FOR CASH RECEIVING.

TOTAL DEPOSIT \$ 379.02

Check (from page 8)

Pat Taylor 323
 PH: (555) 625-5432
 51015 North Muddy Drive
 Boondocks, CA 90000

TODAY'S DATE 20____

00-1234
5678

PAY TO THE ORDER OF DVDs Plus \$19.85

Nineteen dollars and 85/100 DOLLARS

YOUR FINANCIAL INSTITUTION
 ANYWHERE, MI 90000 (555) 654-3210

Juan's birthday present Pat Taylor

⑆123456789⑆ 9687959885⑈323

Register (from page 6)

NUMBER	DATE	DESCRIPTION OF TRANSACTION	TAX	AMOUNT OF PAYMENT DEBT OR FEE (-)	AMOUNT OF DEPOSIT OR CREDIT(+)	BALANCE FORWARD
						50.00
	10/3	Paycheck for Sept.			379.02	379.02
						429.02
1209	10/3	DVD Plus Juan's birthday present		19.85		19.85
						409.17
—	10/3	Kelli's gas mart		10.35		10.35
						398.82
—	10/3	ATM withdrawal		40.00		40.00
						358.82
		ATM fee		4.00		4.00
						354.82



Check Writing Tips

- ❖ Always use permanent ink (preferably blue or black).
- ❖ Draw a wavy line through any blank spaces on your check so that no one else can add more information (such as an increased amount).
- ❖ If you fix a mistake on a check, write your initials right above the correction.
- ❖ If you need to rewrite a check, make a big X and write Void over the old one. Tear up or shred your voided check.
- ❖ Writing a check for a later date (post-dating) is illegal.
- ❖ Never give someone a blank check (a check that you have signed but on which you have not filled in the dollar amount).
- ❖ Always use a legible signature. Since your financial institution compares your signed checks with your signature card, it is harder to forge a legible signature than a scrawled one.

Get the Message



Not all bank fees
are the same.
Shop around!

REMEMBER

Having a bank account means you don't have to use expensive check cashing services.

Answers to crossword puzzle: **Across:** 2) withdrawal, 4) credit, 5) ATM, 6) debit card, 8) endorse; **Down:** 1) signature, 3) reconcile, 6) deposit, 7) bounce

Money Talks...Should I Be Banking? is a series of three teen guides with accompanying leader's guides designed to assist teenagers in 1) identifying their banking needs and savings habits; 2) understanding the mechanics of using banking services; and 3) developing the skills to select the best financial institutions and accounts for their lifestyles. The topics and subject matter content are based on the results of a survey completed by teens. Comments regarding these teen and leader's guides can be addressed to: Consumer Economics Department, University of California, 135 Building C, Highlander Hall, University of California, Riverside, CA 92321. Authors: Katherine Wassenberg, freelance writer; Development Team: Charles Go; Margaret Johns; Patti Wooten Swanson; Keith Nathaniel; Shirley Peterson; and the UCCE Money Talks Workgroup; Graphic Designer: Kerry Decker, UC Riverside. 2008



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Directions: Fill out the check using the following instructions....

1. Write a check to one of your parents- legal name.
2. Check amount is \$124.75.
3. Sign your name.
4. Write what the check is for...
5. What is the routing number on your check?
6. What is the account number on your check?

0001


Susie Que
100 Money Ave.
Big Bucks, WA

 PAY TO THE ORDER OF

\$ DOLLARS

Bank of Financial Management

FOR _____

 012345678910 012345678910 0001

**NOT A LEGAL CHECK
FOR TEACHING USE ONLY**

FINANCIAL MANAGEMENT

NAME _____

Directions: Write the following transactions into your checkbook register. Make sure your balance is correct.

Beginning Balance	\$1,556.75
February 1 Check 456 to Sunday's Market	\$15.60
February 5 ATM withdrawal	\$40.00
February 5 Direct Deposit from Work	\$1,000.10
February 15 ATM withdrawal	\$100.00
February 14 Debit card @ Circle K	\$50.00
February 16 Debit card @ Wal-Mart	\$82.45
February 17 Automatic withdrawal for First Energy	\$75.68
February 20 Deposit from Work	\$1,000.10
February 26 Automatic Withdrawal for Insurance	\$125.00
February 26 Voided check 457	
February 26 Check 458 to Chief Supermarket	\$111.95
February 30 Check 459 to child for birthday	\$25.00

Name _____



Date _____

Endorse a Check

Read the questions and endorse the checks appropriately.

1. You receive a check for \$691 that you wish to give to Noah. Endorse the check with a special endorsement.

ENDORSE CHECK HERE
X
DO NOT WRITE, STAMP, OR SIGN BELOW THIS LINE

2. You receive a check from Brianna for \$557. Endorse the check for yourself, with a blank endorsement.

ENDORSE CHECK HERE
X
DO NOT WRITE, STAMP, OR SIGN BELOW THIS LINE

3. You receive a check for \$702. Endorse the check for deposit, with a restrictive endorsement.

ENDORSE CHECK HERE
X
DO NOT WRITE, STAMP, OR SIGN BELOW THIS LINE

4. You receive a check for \$633. Endorse the check so it may only be deposited directly into your bank account.

ENDORSE CHECK HERE
X
DO NOT WRITE, STAMP, OR SIGN BELOW THIS LINE

5. You receive a check for \$776. Endorse the check for deposit into your bank account, number 1008525.

6. You receive a check for \$827 that you wish to give to Noah. Endorse the check with a special endorsement.

ENDORSE CHECK HERE

X

DO NOT WRITE, STAMP OR SIGN BELOW THIS LINE

ENDORSE CHECK HERE

X

DO NOT WRITE, STAMP OR SIGN BELOW THIS LINE



Using Debit Cards

What It Is

What is a debit card?

Debit cards are a way to pay for things. You get a debit card from your bank or credit union when you open a checking account. Sometimes a debit card is free to use. Sometimes you will pay a fee to use the card.

Debit cards look like credit cards. But they do not work the same way. Credit cards use money that you borrow. Debit cards use money that is already in your checking account.

Why would I use a debit card?

- Debit cards let you buy things without carrying cash. You can use your debit card in most stores to pay for something. You just swipe the card and enter your PIN number on a key pad.
- Debit cards take money out of your checking account immediately.
- Debit cards let you get cash quickly. You can use your debit card at an automated teller machine, or ATM, to get money from your checking account. You also can get cash back when you use a debit card to buy something at a store.

What is a PIN?

A "PIN" is a security code that belongs to you. PIN stands for personal

identification number. A bank or credit union gives you a PIN when you get a debit card. You can change your PIN to a number you will remember.

When you use your debit card, you need to enter your PIN on a keypad. This is one way the bank tries to stop dishonest people from using your debit card to get your money.

Never share your PIN with anyone. Remember it. Do not keep it in your wallet or on your card.



Using Debit Cards

What To Know

How do debit cards work?

When you open a checking account at a bank or credit union, you usually get a debit card.

A debit card lets you spend money from your checking account without writing a check.

- You can use your debit card to buy things in a store
- You can use it at an ATM to get cash

When you pay with a debit card, the money comes out of your checking account immediately. There is no bill to pay later.

How do I know where I used my debit card?

Your bank or credit union gives you a “statement” every month. Your statement shows:

- where you paid with your debit card and how much you spent
- where you used the ATM, how much you withdrew, and what fees you paid
- who you wrote a check to and for how much

Your statement can help you track your spending and create a budget.

How is a debit card different from a credit card?

When you buy something with a credit card, you are borrowing money from the credit card company. The credit card company will send you a bill every month for the money you borrowed to buy things.

When you use a debit card, you are using money in your checking account to buy things.

For example, with debit cards:

- You can get a debit card from the bank when you open a checking account
- Money comes out of your checking account when you pay with a debit card
- You don't pay extra money in interest when you pay with a debit card
- You can use a debit card at an ATM to get money from your checking account
- You do not build a credit history using a debit card

With credit cards:

- You apply for a credit card at a bank or store
- You get a bill once a month for everything you buy with a credit card
- You might pay extra money in interest if you don't pay all of your credit card bill every month
- You can use a credit card as a safer way to pay for things online
- You can build a credit history using a credit card if you pay the whole bill every month when it is due

Can I use my debit card to buy things online?

Your debit card will work online. But debit cards are not a good way to pay



Using Debit Cards

What To Do

Debit cards are a way to pay for things. They use money from your checking account at the bank. They can be convenient. But to avoid spending more money than you have, keep track of how much you spend.

How do I choose a debit card?

A bank or credit union usually gives you a debit card when you open a checking account.

Compare the services and fees at a few banks and credit unions. Go to the website or visit in person. Find out what the fee is if you:

- have a checking account
- use a debit card
- get cash from ATMs at other banks
- have less money in your account than the bank requires
- spend more money than you have in your account

Compare the answers. Find the bank or credit union that meets your needs.

How can I protect my debit card?

- keep your debit card number and PIN private
- do not use your debit card to buy things online

- if you lose your debit card, report it to your bank or credit union right away. Ask your bank to cancel the card and send you another card
- ask for account alerts by email or text message. This can let you know if your account has less money in it than you think

How can I keep track of my money?

To keep track of your money:

- write down how much money you spend with your debit card
- write down how much money you take out of the ATM. Remember to add the fees
- use your monthly budget to schedule payments for regular bills
- look at your bank statement whenever it comes. Make sure it is what you expected
- ask your bank or credit union to send you email or text alerts. Some banks contact you if your balance goes below an amount you set

when you shop online.

Credit cards are safer to use when you buy things online:

- You might have a problem with something you buy online. It is easier to get your money back if you use a credit card.
- Someone might steal your credit card number online. The law says you can lose only \$50 if you report it right away.
- Someone might steal your debit card number online. The thief can take all your money out of your bank account.

What if I use all the money in my checking account?

You might not have enough money in your checking account. That means your debit card will be “declined.” You will not be able to buy things.

Some banks and credit unions might let you sign up for “overdraft protection.”

That means you can use your debit card even when you do not have enough money to pay for the things you are buying. But you might have to pay a fee to the bank. Some banks might charge this fee for **every** purchase until you put enough money in your account to pay for the things you are buying.

For Example

- I did not know my checking account balance was \$1.78.
- I used my debit card three times. I paid for groceries, coffee, and my cable bill.
- My bank charged a \$25 overdraft fee every time I used my card.
- The good part: My debit card was never declined. I could buy what I wanted.
- The bad part: Now I owe the bank \$75, plus the money I spent.

Reading a Bank Statement (continued)



STATEMENT FOR
 Jane Doe
 4 Primrose Lane
 Anytown, USA

THIS STATEMENT COVERS
 12/20/99 through 1/18/00

CHECKING ACCOUNT 0471-678	Previous Statement Balance On 12/19/99	612.04
	Total of 3 Deposits For	1,980.68 +
	Total of 10 Withdrawals For	1,705.25 -
	Total Service Charges	3.50 -
New Balance		883.97 +

CHECKS AND OTHER DEBITS	CHECK	DATE PAID	AMOUNT	CHECK	DATE PAID	AMOUNT
	181	12/24	15.00	184	12/17	1232.27
	182	1/04	17.00	* 186	12/31	54.47
	183	12/26	217.54	187	1/03	53.97
	Monthly Maintenance Charge				1/18	3.50
	Withdrawal #00281 at ATM #423A				12/24	40.00
	Withdrawal #02628 at ATM #423A				12/31	20.00
	Withdrawal #08744 at ATM #430E				1/15	20.00
	Withdrawal #02456 Check Card				1/16	35.00

DEPOSITS AND OTHER CREDITS		DATE POSTED	AMOUNT
	Transfer from 4039-557 at ATM #423C	12/27	1200.00
	Customer Deposit at ATM#423A on 1/12	1/14	521.78
	Direct Deposit from #05323 on 1/17	1/18	258.90

ATM	423A: 2500 Centre Plaza, Anytown, USA
LOCATIONS	423C: 2500 Centre Plaza, Anytown, USA
USED	430E: 945 Hamilton Ave., Big City, USA

THANK YOU FOR BANKING WITH Your First Bank

Reading a Bank Statement answer key

Using the bank statement on the next page, answer the following questions:

1. What period does this statement cover?
12/20/99 - 1/18/00
2. What is the account number of this statement?
0471-678
3. How many deposits were made and what were the amounts?
Three, for the amounts of \$1200, \$521.78, and \$258.90
4. How many checks cleared and what was the total dollar amount of the checks that cleared?
Six, for a total amount of \$1590.25
5. Was there any ATM activity? If so, how many transactions were there, and what was the total amount?
Yes—three for a total amount of \$80.00
6. Was there any check card activity? If so, how many transactions were there, and what was the total amount?
Yes—one for a total amount of \$35.00
7. Were there any service charges? If so, what was the total amount?
Yes—\$3.50
8. What is the total of all withdrawals (checks, ATM transactions, check card transactions, service charges)?
\$1708.75
9. What is the new balance of the account?
\$883.97
10. Did check #182 clear?
Yes
11. What was the amount of check #183?
\$217.54
12. Did check #185 clear?
No
13. What was the amount of check #187?
\$53.97

2D Student Handout - Reading a Bank Statement
 Topic 2: Money Management

Name of Student _____

Reconciling an Account

Use the bank statement, the check register, and the reconciliation worksheet on the following page to balance this checkbook.

THIS STATEMENT COVERS 6/20/01 through 7/19/01			
CHECKING ACCOUNT 0471-878	Previous Statement Balance On 6/19/01		150.87
	Total of 1 Deposits For		1200.00 +
	Total of 6 Withdrawals For		1248.88 -
	Total Service Charges		0.00 -
	New Balance		103.89 +
CHECKS AND OTHER DEBITS	CHECK	DATE PAID	AMOUNT
	181	6/21	216.30
	182	6/28	82.87
	183	6/29	1000.00
	ATM Withdrawal #00281 at ATM #423A	6/18	35.00
	ATM Withdrawal #00476 at ATM #426B	6/25	20.00
	Check Card #00586 Foodland EFT	6/18	55.00
	Check Card #01275 EZ-Shoppe	6/28	54.11
DEPOSITS AND OTHER CREDITS	DATE POSTED	AMOUNT	
Transfer from 4038-557 at ATM #423C	6/23	1200.00	

CHECK NO.	DATE	DESCRIPTION	TRANSACTION AMOUNT	DEPOSIT AMOUNT	BALANCE	
					5/68	97
161	6/4	Sound Out	216 30		216 30	
		new tape deck			150 67	
ATM	6/18	withdrawal	35 00		35 00	
		spending money			115 67	
ChkCrd	6/18	Check Card	55 00		55 00	
		Foodland Groceries			60 67	
ATM	6/23	deposit		1200 00	1200 00	
		transfer from savings			1880 67	
162	6/24	Racy's	82 87		82 87	
		new clothes			117 80	
ATM	6/25	withdrawal	20 00		20 00	
		movie and pizza			157 80	
163	6/26	Woodland Apt's.	1000 00		1000 00	
		rent for everyone			157 80	
ChkCrd	6/26	E-Z Shoppe	54 11		54 11	
		groceries			103 69	
164	7/5	CD Place	26 31		26 31	
		acct. #7M3406			77 38	
165	7/14	Lucasfilm, Ltd.	10 00		10 00	
		"Monkey Island" T-shirt			67 38	
ATM	7/19	deposit		253 17	253 17	
		pay check			320 55	

Use the reconciliation worksheet above to answer the following questions:

1. What is the new balance shown on the statement?

\$103.69

2. What is the total amount of deposits listed in the check register but not shown on the statement?

\$253.17

3. What is the sum of the new balance and the deposits not shown on the statement?

\$356.86

4. What is the total amount of outstanding checks and withdrawals?

\$36.31

5. What is the ending balance?

\$320.55



Name _____ Date _____

MANAGING A CHECKING ACCOUNT

Directions: Make the following banking transactions and record them on the check register in order as they appear below. Complete all deposit slips and checks. When the last deposit and check has been written, reconcile your checking account.

Check Register

1. September 3 - Deposit: You open your checking account with the following deposit information: Check #3698 for \$165.00, Check #2438 for \$ 89.63 and \$20 cash, you request no money back.
2. September 4 - Write check #101 to the Electric Company for \$62.88, your account number is 12632.
3. September 4 - Write check #102 to Super Fresh Market for groceries in the amount of \$76.54.
4. September 6 - Write check #103 to Jim's Gas Station for \$22.00 for gas and oil.
5. September 8 - Deposit: Checks #828 for \$328.00, #368 for \$175.80 and # 4658 for \$132.00.
6. September 9 - Write check #104 to Phone Inc. for \$42.67, your account number is 1582597845.
7. September 10 - Write check #105 to Trusty Bank for your car payment in the amount of \$346.72, your account number is 14822.
8. September 13 - You go to the ATM machine and withdraw \$40.00 from your checking account. Because you did not use your bank's ATM, they charge you an additional \$2.00. Record this withdrawal as one entry on your check register.
9. September 15 - Write check #106 to Funday Toys for your cousin's birthday present for \$26.87.
10. September 17 - Write check #107 to Paulding County Water and Sewer for \$15.88, account #369421.
11. September 18 - Write check #108 to Bigfoot Shoe Store for new shoes in the amount of \$68.33.
12. September 19 - You pay your car insurance through the Internet. The company name is Keep Safe Insurance and the amount is \$142.00.
13. September 19 - Write check # 109 to Top Choppers for a haircut for \$12.00.
14. September 19 - Deposit: checks #2699 for \$280.00 and #389 for \$158.00, you request \$40.00 back in cash.
15. September 20 - Write check #110 to Super Fresh Market in the amount of \$46.28 for groceries.
16. September 20 - Use your check card at Action Video for two movies and popcorn for \$8.15.
17. September 21 - Write check #111 to TV Connect for your cable bill for \$52.67, account #4658712.
18. September 21 - Write check # 112 to Trusty Bank Credit for your credit card bill of \$30.00, account number CO5852369.
19. September 26 - Write check #113 to Floppy Joe's Pizza for pizza and tip in the amount of \$16.00.

Your Name _____ Date _____ **102**
Address _____
Pay to the
Order of _____ \$
Dollars
Your Financial Institution
For _____
:06130018: 18431: 0102

Your Name _____ Date _____ **104**
Address _____
Pay to the
Order of _____ \$
Dollars
Your Financial Institution
For _____
:06130018: 18431: 0104

Your Name _____ Date _____ **106**
Address _____
Pay to the
Order of _____ \$
Dollars
Your Financial Institution
For _____
:06130018: 18431: 0106

Your Name _____ Date _____ **108**
Address _____
Pay to the
Order of _____ \$
Dollars
Your Financial Institution
For _____
:06130018: 18431: 0108

Your Name _____ Date _____ **110**
Address _____
Pay to the
Order of _____ \$
Dollars
Your Financial Institution
For _____
:06130018: 18431: 0110

Your Name _____ Date _____ **112**
Address _____
Pay to the
Order of _____ \$
Dollars
Your Financial Institution
For _____
:06130018: 18431: 0112

Your Name _____ Date _____ **103**
Address _____
Pay to the
Order of _____ \$
Dollars
Your Financial Institution
For _____
:06130018: 18431: 0103

Your Name _____ Date _____ **105**
Address _____
Pay to the
Order of _____ \$
Dollars
Your Financial Institution
For _____
:06130018: 18431: 0105

Your Name _____ Date _____ **107**
Address _____
Pay to the
Order of _____ \$
Dollars
Your Financial Institution
For _____
:06130018: 18431: 0107

Your Name _____ Date _____ **109**
Address _____
Pay to the
Order of _____ \$
Dollars
Your Financial Institution
For _____
:06130018: 18431: 0109

Your Name _____ Date _____ **111**
Address _____
Pay to the
Order of _____ \$
Dollars
Your Financial Institution
For _____
:06130018: 18431: 0111

Your Name _____ Date _____ **113**
Address _____
Pay to the
Order of _____ \$
Dollars
Your Financial Institution
For _____
:06130018: 18431: 0113