

# Personal Banking



## Objective

In this lesson, you will

## Conducting Banking

Before money can be put into the bank, an account must be opened closed.

- Customers \_\_\_\_\_ forms asking for basic information.

Many banks offer a variety of accounts.

## Getting Paid

Employees usually have options for how they will be paid.

- cash
  - common at places like \_\_\_\_\_
  - employees paid in cash are responsible for paying the \_\_\_\_\_
- paycheck
  - can be "cashed" = the employee receives \_\_\_\_\_ for the value of the check
  - can be also be deposited into a bank account, or a combination of the two
- direct deposit
  - deposited by the \_\_\_\_\_ directly into the employee's bank account
  - more secure in preventing \_\_\_\_\_ theft or \_\_\_\_\_ of a paycheck
  - cheaper and easier for employers; often easier harder for employees

To cash or deposit a check, it must be \_\_\_\_\_ (the recipient \_\_\_\_\_ the back).

By writing "for \_\_\_\_\_ only" and the account \_\_\_\_\_ on the back, someone else cannot cash it.

# Bank Statements

When dealing with a bank account, good record-keeping is important.

- Keep private records and compare them to \_\_\_\_\_ to avoid mistakes.
- It's important to know how much \_\_\_\_\_ is available in an account at a given time.

Checking accounts are sometimes easy hard to track due to frequent activity

A check register can be used to record all \_\_\_\_\_ and \_\_\_\_\_ for an account.

**Example:** Michelle started the week with \$ \_\_\_\_\_ in her checking account.

She wrote a check on Monday for groceries.

On Thursday, she bought clothes using debit card and paid \$ \_\_\_\_\_.

Friday was payday, so she \_\_\_\_\_ her paycheck for \$ \_\_\_\_\_.

Trans typ./ Check no.	Date	Description of Transaction	Payment/ Debit (-)	Deposit/ Credit (+)	Balance	
					350	00
241	12/5	Superfoods Groceries	56.81		56	81
Debit	12/8	The Dress Place Clothing	63.42		63	42
Deposit	12/9	Paycheck		534.59	534	59
					764	36

When filling out a check register, always enter the balance in the \_\_\_\_\_ column.

When entering a transaction,

Start on the first, empty white row. Enter the:

- \_\_\_\_\_ type or \_\_\_\_\_ number
- the date
- the name of the individual or business being paid or the reason for the transaction

Then, write the amount.

- Payments go in the \_\_\_\_\_ column.
- Deposits go in the \_\_\_\_\_ column.
- At the end of the line, write the total of the transaction again.

The gray row:

- contains \_\_\_\_\_ about the transaction
- shows the \_\_\_\_\_ in the Balance column
- Add or subtract the transaction amount from the \_\_\_\_\_ balance.

At the end of each month, banks prepare a \_\_\_\_\_ showing the beginning and ending balances and all transactions for the month. It is important to \_\_\_\_\_ the statement with the check register. [\_\_\_\_\_ the statement's transactions and amounts to the ones written in the register.]

Discrepancies between the bank statement and the check register may occur for many reasons.

- An item recorded in the check register has not been \_\_\_\_\_ by the bank.
  - A missing check number means that a check has not been \_\_\_\_\_ or \_\_\_\_\_ yet.
  - These transactions will show up on the following month's \_\_\_\_\_.
- The individual recorded something wrong or made a \_\_\_\_\_ error.
- Unrecorded \_\_\_\_\_ will cause discrepancies.
  - Fees should be entered into the check register when the \_\_\_\_\_ is received.
- There was a bank error.

## Fees for Services

- Most banks charge a customer for using an \_\_\_\_\_ that is not one of theirs.
  - Fees are often charged by the customer's bank and the bank owning the ATM.
- Some accounts have a required for \_\_\_\_\_ minimum \_\_\_\_\_ maximum balance.
  - When the \_\_\_\_\_ balance is maintained, the account is \_\_\_\_\_.
  - If the account goes below the \_\_\_\_\_ balance, customers must pay a fee for the account.
- Charges also occur if withdrawals are made that make the total account balance negative.
  - \_\_\_\_\_ fees: penalize customers who withdraw more money than an account contains
  - bounced checks:
    - ❖ occur when a person writes a check for \_\_\_\_\_ less \_\_\_\_\_ more money than is in their account
    - ❖ lead to fees from the bank and the \_\_\_\_\_ of the check
- Fees for services:
  - talking to a \_\_\_\_\_
  - \_\_\_\_\_ bill payment
  - receiving a statement in the \_\_\_\_\_

Ways to avoid fees:

- \_\_\_\_\_ protection
- good record-keeping
- carefully \_\_\_\_\_ the \_\_\_\_\_ of an account before opening one

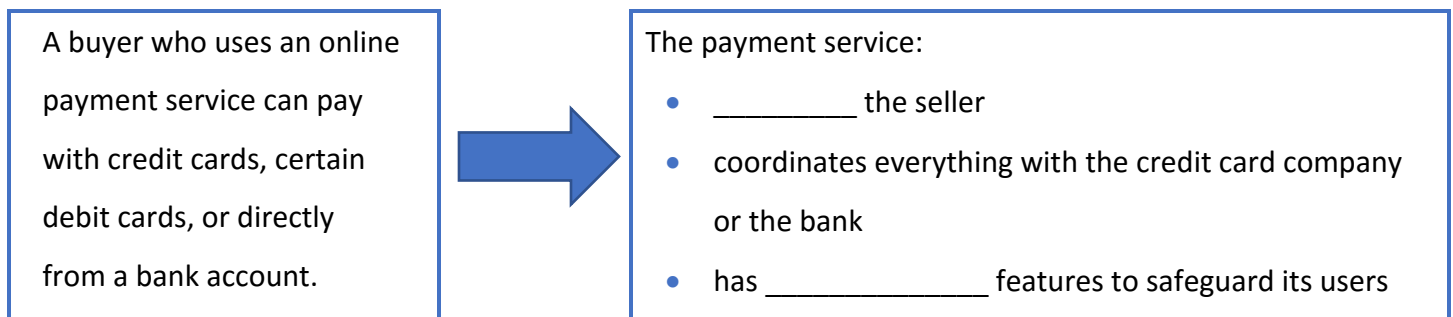
# Online Banking

Using online banking, customers can:

- transfer money from savings to checking
- maintain their other bank accounts, like \_\_\_\_\_ accounts or a retirement account
- pay \_\_\_\_\_

## Online Payment Services

While large Internet businesses typically accepted credit card payments, this was not \_\_\_\_\_ for some small businesses or people who sold items on auction sites. The desire to streamline payments led to the creation of \_\_\_\_\_ payment \_\_\_\_\_, also known as online payment services.



## Choosing a Payment Option

When mailing money to a friend or relative,

- \_\_\_\_\_ a \_\_\_\_\_ is a good option.
- It is never wise to send \_\_\_\_\_ in the mail since it can easily be stolen and used by anyone.

When purchasing items from a major company online,

- credit or \_\_\_\_\_ cards can be used.

When making an online purchase from a small business or an individual,

- using an online \_\_\_\_\_ is usually a good option.

When paying bills such as electricity, car payments, or rent,

- \_\_\_\_\_ are an easy option.
- If not available, \_\_\_\_\_ a \_\_\_\_\_ in the mail.
- \_\_\_\_\_ payments are also an option.



## Lesson Activity

A benefit of online banking is that it is \_\_\_\_\_.

It allows a person to transfer money between accounts or pay bills from home.

## Lesson Activity

One danger of online banking is the risk of a person's banking information being \_\_\_\_\_ from his or her computer. Another danger is that the difficulty ease of transfers makes it more likely that a person will transfer money from savings to checking where it can be more easily spent.

## Connections to Technology

### Paycards

New technology has created the \_\_\_\_\_ card, or paycard, as another viable option for receiving pay without a bank account

Paycards work like \_\_\_\_\_ cards.

## Summary

Why are things that customers can do to avoid being charged fees by their bank?