

lesson six

banking services



student activities



choosing a checking account

name of bank:

branch information

■ Branch nearest your home:

■ Branch nearest your work:

■ Number of branches:

number of ATMs:

bank hours:

are your funds insured?

types of accounts:

fees:

■ Must maintain a minimum daily balance of:

■ Must maintain an average daily balance of:

■ Monthly maintenance charge:

interest:

■ How much interest do you earn on your account?

■ How is it calculated?

charges:

checks:

Printing checks

Bouncing checks

Stopping checks

Certifying checks

balance inquiries:

At teller window

At ATMs

By phone

withdrawals at:

Teller window

Bank-owned ATMs

Regional network ATMs

National network ATMs

International network ATMs

special services:

Fund transfer by phone

Pre-authorized bill payment

Signature guarantee

Bill payment by phone

Check card

deposits:



reading a bank statement

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

1. What period does this statement cover?
2. What is the account number of this statement?
3. How many deposits were made and what were the amounts?
4. How many checks cleared and what was the total dollar amount of the checks that cleared?
5. Was there any ATM activity? If so, how many transactions were there, and what was the total amount?
6. Was there any check card activity? If so, how many transactions were there, and what was the total amount?
7. Were there any service charges? If so, what was the total amount?
8. What is the total of all withdrawals (checks, ATM transactions, check card transactions, service charges)?
9. What is the new balance of the account?
10. Did check #182 clear?
11. What was the amount of check #183?
12. Did check #185 clear?
13. What was the amount of check #187?

reading a bank statement (continued)



STATEMENT FOR
Jane Doe
4 Primrose Lane
Anytown, USA

THIS STATEMENT COVERS
12/20/07 through 1/18/08

CHECKING ACCOUNT 0471-678	Previous Statement Balance On 12/19/07	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 LOCATIONS USED
423A: 2500 Centre Plaza, Anytown, USA
423C: 2500 Centre Plaza, Anytown, USA
430E: 945 Hamilton Ave., Big City, USA

THANK YOU FOR BANKING WITH Your First Bank

reconciling an account

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

THIS STATEMENT COVERS		
6/20/08 through 7/19/08		
CHECKING ACCOUNT	Previous Statement Balance On 6/19/08	150.67
0471-678	Total of 1 Deposits For	1200.00 +
	Total of 6 Withdrawals For	1246.98 -
	Total Service Charges	0.00 -
	New Balance	103.69 +
CHECKS AND OTHER DEBITS	CHECK	DATE PAID
	161	6/21
	162	6/26
	163	6/26
	ATM Withdrawal #00281 at ATM #423A	6/18
	ATM Withdrawal #00476 at ATM #426B	6/25
	Check Card #00586 Foodland EFT	6/18
	Check Card #01275 EZ-Shoppe	6/26
	AMOUNT	
		216.30
		82.87
		1000.00
		35.00
		20.00
		55.00
		54.11
DEPOSITS AND OTHER CREDITS	DATE POSTED	AMOUNT
	Transfer from 4039-557 at ATM #423C	6/23
		1200.00

CHECK NO.	DATE	DESCRIPTION	TRANSACTION AMOUNT	DEPOSIT AMOUNT	BALANCE
					366.97
161	6/24	Sound Out	216.30		216.30
		new tape deck			80.67
ATM	6/18	withdrawal	35.00		35.00
		spending money			115.67
Chk Card	6/18	Check Card	55.00		55.00
		Foodland Groceries			60.67
ATM	6/23	deposit		1200.00	1200.00
		transfer from savings			1380.67
162	6/24	Racy's	82.87		82.87
		new clothes			1177.80
ATM	6/25	withdrawal	20.00		20.00
		movie and pizza			1157.80
163	6/26	Woodland Apts	1000.00		1000.00
		rent for everyone			157.80
Chk Card	6/26	E-Z Shoppe	54.11		54.11
		groceries			103.69
164	7/5	CD Place	26.31		26.31
		acct. #M3406			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
		paycheck			300.55

reconciling an account *(continued)*

ITEMS OUTSTANDING	
NUMBER	AMOUNT
TOTAL	

enter

The **New Balance** shown on your statement \$ _____

add

Any deposits or transfers listed in your register that are not shown on your statement \$ _____
\$ _____
\$ _____

total

+\$ _____

calculate the subtotal

\$ _____

subtract

Your total outstanding checks and withdrawals -\$ _____

calculate the ending balance

This amount should be the same as the current balance in your check register \$ _____

use the information on this and the previous page, answer the following questions:

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

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

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

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

5. What is the ending balance?



lesson six quiz: banking services

true-false

1. ____ A pawnshop offers loans to people starting their own business.
2. ____ Opening a checking account requires completing a signature card.
3. ____ A blank endorsement allows anyone to cash a check.
4. ____ A “smart card” stores a person’s bank balance right on the plastic card.
5. ____ An outstanding check refers to one written on an account with a very low balance.

multiple choice

6. ____ The highest loan rates usually occur when borrowing from a:
A. bank
B. credit-card company
C. pawnshop
D. credit union
7. ____ A _____ is used to add funds to a bank account.
A. check
B. deposit slip
C. signature card
D. withdrawal slip
8. ____ Obtaining cash from an ATM is similar to:
A. writing a check
B. making a deposit
C. opening a new account
D. earning interest on your account
9. ____ A service charge on your bank statement will result in:
A. a higher balance
B. a lower balance
C. earning more interest
D. more outstanding checks

case application

A recent bank statement for Tracy Gray revealed various service charges and fees of over \$10. How might Tracy reduce her costs for banking fees?