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: | balance inquiries: |
|----------------------------|-----------------------------|
| Printing checks | At teller window |
| Bouncing checks | At ATMs |
| Stopping checks | By phone |
| Certifying checks | |
| withdrawals at: | special services: |
| Teller window | Fund transfer by phone |
| Bank-owned ATMs | Pre-authorized bill payment |
| Regional network ATMs | Signature guarantee |
| National network ATMs | Bill payment by phone |
| International network ATMs | Check card |

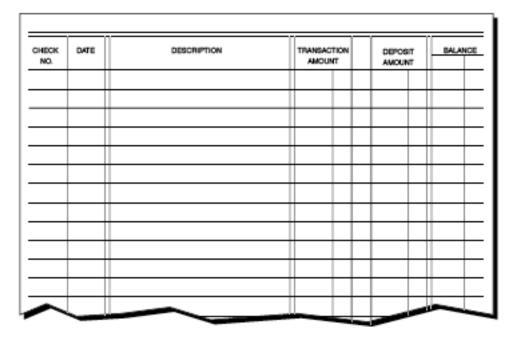
deposits:



keeping a running balance

record deposits and keep a running balance in the checkbook register below.

- **1.** On May 26, your balance is \$527.96.
- 2. On May 27, you write check #107 to your landlord, Mrs. Wilson, for \$226.00.
- **3.** On May 28, you use your check card at Foodland for \$22.52.
- 4. On June 1, you write a check for \$156.32 to Bank of Illinois for your car payment.
- **5.** On June 1, you realize your check to the Bank of Illinois should have been for \$165.23, so you void the first check and write a new check for \$165.23.
- 6. On June 2, you write a check to Interstate Phone Service for \$62.77.
- 7. On June 2, you use your ATM card to withdraw \$20.00.
- 8. On June 15, your paycheck for \$425.00 is automatically deposited.
- **9.** On June 15, you use your check card at Gifts Plus to buy a \$18.99 birthday present for your mother.
- 10. On June 15, you write a check for \$246.45 to State Ranch to cover your car insurance premium.
- **11.** On June 22, you transfer \$100.00 online from your checking account to your savings account.
- 12. On June 24, you use your check card at Gas Up to fill up your car. You spend \$12.88.
- 13. On June 28, you use your ATM card to withdraw \$30.00 from your checking account.



keeping a running balance (continued)

| CHECK ND. | DATE | ATE DESCRIPTION | TRANSA | CTION | DEPOSIT | BALANCE |
|--------------|------|-----------------|--------|-------|---------|---------|
| | | | | | | |
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use the check register you just completed to answer the following questions:

- 1. What was your account balance on May 30?
- 2. Could you have paid your car insurance payment on June 1 instead of June 15? If not, why?
- **3.** The love of your life has been in a bad mood lately, and you think an expensive present might help. You've found a leather jacket on sale for \$189.00. Can you afford to buy the jacket on June 8? What will your account balance be if you do?
- **4.** The hottest new band in town has just released a CD. It costs \$21.99. Can you afford to buy the CD on June 2? What will your account balance be if you do?
- 5. What was your account balance after you withdrew \$30.00 on June 28?
- 6. What was the amount of check #111, to whom did you write it, and for what?



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 debit 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?

| | | | | | THIS STATEM 5/20/09 through | |
|---------------------------------|---------------------------------------|--|----------------|-------|--------------------------------|------------------------------------|
| CHECKING ACCOUNT 0471-678 | Total of 3 | Statement Bala Deposits For 0 Withdrawals F | | 9 | | 612.04 1,980.68 + 1,705.25 - |
| | New Bala | nce | | | | 883.97 + |
| CHECKS & | CHECK | DATE PAID | AMOUNT | CHECK | DATE PAID | AMOUNT |
| OTHER DEBITS | 181 | 5/24 | 15.00 | 184 | 5/17 | 1232.27 |
| 0471-678 | 182 | 6/04 | 17.00 | *186 | 5/30 | 54.47 |
| | 183 | 5/26 | 217.54 | 187 | 6/03 | 53.97 |
| | Withdrav | val #00281 at AT | M #423A | | 5/24 | 40.00 |
| | Withdray | val #02628 at AT | FM #423A | | 5/30 | 20.00 |
| | Withdray | val #08744 at AT | M #430E | | 6/15 | 20.00 |
| DEPOSITS & | | | | | DATE POSTED | AMOUNT |
| OTHER CREDITS | Transfer from 4039-557 at ATM #423C | | | | 5/27 | 1200.00 |
| CTTER OREDITO | Customer Deposit at ATM #423A on 5/12 | | | | 6/14 | 521.78 |
| | Direct Deposit from #05323 on 5/17 | | | | 6/18 | 258.90 |
| ATM LOCATIONS USED | 423C: 3 | 500 Centre Plaza 500 Centre Plaza 15 Hamilton Aver | a, Anytown, US | A | | |

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

| | | | THIS STATEM 6/20/09 through | |
|---------------------------------|--|-------|--------------------------------|----------------------------------|
| CHECKING ACCOUNT 0471-678 | Previous Statement Balance On 6/19/09 Total of 1 Deposits For Total of 6 Withdrawals For | | | 150.67 1.200.00 + 1,246.98 |
| | New Balance | | | 103.69 + |
| CHECKS & | | CHECK | DATE PAID | AMOUNT |
| OTHER DEBITS | | 161 | 6/21 | 216.30 |
| | | 162 | 6/26 | 82.87 |
| | | 163 | 6/29 | 1000.00 |
| | ATM Withdrawal #00261 at ATM #423A | | 6/18 | 35.00 |
| | ATM Withdrawal #00476 at ATM #426B | | 6/25 | 20.00 |
| | Check Card #00686 Foodland EFT | | 6/18 | 55.00 |
| | Check Card #01275 EZ-Shoppe | | 6/26 | 54.11 |
| DEPOSITS & | | | DATE POSTED | AMOUNT |

| CHECK | DATE | ATE DESCRIPTION | | TRANSACTION | | DEPOSIT | | BALANCE | |
|--------|------|-------------------------|-------|-------------|--|---------|----|---------|----|
| NO. | | | AMOUN | AMOUNT | | AMOUNT | | 366 | 97 |
| 161 | 6/4 | Sound Out | 216 | 30 | | | | 216 | 30 |
| | | bew CD player | | | | | | 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 | 2100 | 00 |
| | | transfer from savings | | | | | | 1260 | 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 Apt's | 1000 | 00 | | | | 1000 | 00 |
| | | rent | | | | | | 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 | 1/19 | deposit | | | | 253 | 17 | 253 | 17 |
| | | pay check | | | | | | 320 | 55 |
| | | | | | | | | | |

reconciling an account (continued)

ITEMS OUTSTANDING

| ITEMS OU | TSTANDING | The New Balance shown | | | |
|----------|-----------|---|-------------------|--|--|
| NUMBER | AMOUNT | 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 | -\$ | | |
| TOTAL | | calculate the ending balance This amount should be the same as the current balance in your check register | \$ | | |
| | <u> </u> | | * | | |

enter

use the information on this and the previous page to 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

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

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?