

# Student Activities



## **Lesson Six**

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# Banking Services



# 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 \_\_\_\_\_

**withdrawals at:**

Teller window \_\_\_\_\_

Bank-owned ATMs \_\_\_\_\_

Regional network ATMs \_\_\_\_\_

National network ATMs \_\_\_\_\_

International network ATMs \_\_\_\_\_

**balance inquiries:**

At teller window \_\_\_\_\_

At ATMs \_\_\_\_\_

By phone \_\_\_\_\_

**special services:**

Funds transfer by phone \_\_\_\_\_

Pre-authorized bill payment \_\_\_\_\_

Signature guarantee \_\_\_\_\_

Bill payment by phone \_\_\_\_\_

Check card \_\_\_\_\_

**deposits:** \_\_\_\_\_



## keeping a running balance

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

1. On June 1, your balance is \$612.04.
2. On June 4, you write check #160 to SoundOut, for \$236.10 to buy some new electronics.
3. Then you realize the check to SoundOut should have been for \$216.30, so you void the first check and write a new check (#161) for \$216.30.
4. On June 7, you write check #162 to CellUSA for \$82.87 to pay for mobile services on acct #7M3406.
5. On June 9, you make an ATM withdrawal of \$200.00, so you'll have some spending money.
6. On June 14, you make a mobile deposit of your paycheck, which is for \$1,235.18.
7. On June 15, you write check #163 for \$1,000.00 to Woodland Apartments for rent.
8. On June 18, you use your debit card at Foodland Groceries for a \$55.00 purchase.
9. On June 18, you make an ATM withdrawal for \$35.00 to pay for a movie and pizza.
10. On June 19, you used an ATM to transfer \$1,200.00 from your savings account to checking.
11. On June 25, you write check #164 for \$26.31 to buy some new clothes at Tracy's.
12. On June 26, you write check #165 for \$10.00 to get some snacks at E-Z Mart.
13. On June 26, you use your debit card to pay City Transport \$54.11 for transportation costs.
14. On June 27, you take \$20.00 out of the ATM for spending money.
15. On June 27, you write check #166 for \$55.00 to the Lawn Wranglers.
16. On June 30, you get an ACH deposit for \$986.00 for your IRS tax refund.

CHECK NO.	DATE	DESCRIPTION	TRANSACTION AMOUNT		DEPOSIT AMOUNT		BALANCE	

## keeping a running balance (continued)

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CHECK NO.	DATE	DESCRIPTION	TRANSACTION AMOUNT		DEPOSIT AMOUNT		BALANCE	

**use the check register you just completed to answer the following questions:**

1. What was your account balance on June 8?
  
2. Could you have written check #163 on June 6 instead of June 26? 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 10? 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 5? What will your account balance be if you do?
  
5. What was your account balance after you withdrew \$20.00 on June 27?
  
6. What was the amount of check #161, to whom did you write it, and for what?



## reading a bank statement

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**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. Were there any ATM withdrawals? If so, how many were there and what was the total amount?
6. What is the total of all withdrawals (checks, ATM transactions, check card transactions, service charges)?
7. What is the new balance of the account?
8. Did check #162 clear?
9. What was the amount of check #163?
10. Did check #165 clear?
11. What was the amount of check #161?

# reading a bank statement (continued)

**THIS STATEMENT COVERS**  
6/1/18 through 6/30/18

<b>CHECKING ACCOUNT</b> 0471-678	<b>Previous Statement Balance On 6/1/18</b>	\$612.04
	<b>Total of 3 Deposits For</b>	\$3,421.18
	<b>Total of 4 Withdrawals For</b>	\$1,699.59
	<b>New Balance</b>	\$2,333.63

## TRANSACTION HISTORY | CHECKS & OTHER DEBITS

DATE PAID	CHECK #	DESCRIPTION	Deposits/Credits	Withdrawals/Debits	Ending Daily Balance
6/4	161			\$216.30	\$395.74
6/5	164			\$26.31	\$369.43
6/9		Withdrawal #29848 at ATM		\$200.00	\$169.43
6/14	165			\$10.00	\$159.43
6/15		Mobile Deposit	\$1,235.18		\$1,394.61
6/18		DebitCrd		\$55.00	\$1,339.61
6/18		Withdrawal #00281 at ATM #423A		\$35.00	\$1,304.61
6/19		Transfer from 4039-557 at ATM #423C	\$1,200.00		\$2,504.61
6/24	162			\$82.87	\$2,421.74
6/26	163			\$1,000.00	\$1,421.74
6/26		DebitCrd		\$54.11	\$1,367.63
6/27		Withdrawal #08744 at ATM #430E		\$20.00	\$1,347.63
6/30		ACH Deposit	\$986.00		\$2,333.63
			<b>\$3,421.18</b>	<b>\$1,699.59</b>	<b>\$2,333.63</b>

**ATM LOCATIONS USED**  
423A: 2500 Main Street, Anytown, USA  
423E: 945 Hamilton Avenue, Big City, USA

# reconciling an account

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

CHECKING ACCOUNT			Previous Statement Balance On 6/1/18		\$612.04
0471-678			Total of 3 Deposits For		\$3,421.18
			Total of 4 Withdrawals For		\$1,699.59
<b>New Balance</b>					<b>\$2,333.63</b>

  

TRANSACTION HISTORY   CHECKS & OTHER DEBITS					
DATE PAID	CHECK #	DESCRIPTION	Deposits/Credits	Withdrawals/Debits	Ending Daily Balance
6/4	161			\$216.30	\$395.74
6/5	164			\$26.31	\$369.43
6/9		Withdrawal #29848 at ATM		\$200.00	\$169.43
6/14	165			\$10.00	\$159.43
6/15		Mobile Deposit	\$1,235.18		\$1,394.61
6/18		DebitCrd		\$55.00	\$1,339.61
6/18		Withdrawal #00281 at ATM #423A		\$35.00	\$1,304.61
6/19		Transfer from 4039-557 at ATM #423C	\$1,200.00		\$2,504.61
6/24	162			\$82.87	\$2,421.74
6/26	163			\$1,000.00	\$1,421.74
6/26		DebitCrd		\$54.11	\$1,367.63
6/27		Withdrawal #06744 at ATM #430E		\$20.00	\$1,347.63
6/30		ACH Deposit	\$986.00		\$2,333.63
			<b>\$3,421.18</b>	<b>\$1,699.59</b>	<b>\$2,333.63</b>

  

ATM LOCATIONS USED		423A: 2500 Main Street, Anytown, USA
		423E: 945 Hamilton Avenue, Big City, USA

CHECK NO.	DATE	DESCRIPTION	TRANSACTION AMOUNT	DEPOSIT AMOUNT	BALANCE	
					\$612	04
161	6/4	Sound Out	\$216.30		\$395	74
		New electronics				
162	6/7	Cell USA	\$82.87		\$312	87
		Acct. #7M3406 mobile services				
ATM	6/9	Withdrawal	\$200.00		\$112	87
		Spending money				
ATM	6/14	Mobile Deposit		\$1,235.18	\$1,348	05
		Paycheck				
163	6/15	Woodland Apartments	\$1,000.00		\$348	05
		Rent				
Debit	6/18	Foodland Groceries	\$55.00		\$293	05
		Food				
ATM	6/18	Withdrawal	\$35.00		\$258	05
		Movie and pizza				
ATM	6/19	Deposit		\$1,200.00	\$1,458	05
		Transfer from savings				
164	6/25	Tracy's	\$26.31		\$1,431	74
		New clothes				
165	6/26	E-Z Mart	\$10.00		\$1,421	74
		Snacks				
Debit	6/26	City Transport	\$54.11		\$1,367	63
		Transportation				
ATM	6/27	Withdrawal	\$20.00		\$1,347	63
		Spending money				
Direct Deposit	6/30	ACH Deposit		\$986.00	\$2,333	63
		Refund				

# reconciling an account (continued)

ITEMS OUTSTANDING		
NUMBER	AMOUNT	
<b>TOTAL</b>		

**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 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

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### true-false

1. \_\_\_\_ A pawn shop 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

- |  |   |
|--|---|
| <p>6. ____ The highest loan rates usually occur when borrowing from a:</p> <ul style="list-style-type: none"><li>A. bank</li><li>B. credit-card company</li><li>C. pawn shop</li><li>D. credit union</li></ul> | <p>8. ____ Obtaining cash from an ATM is similar to:</p> <ul style="list-style-type: none"><li>A. writing a check</li><li>B. making a deposit</li><li>C. opening a new account</li><li>D. earning interest on your account</li></ul>      |
| <p>7. ____ A _____ is used to add funds to a bank account.</p> <ul style="list-style-type: none"><li>A. check</li><li>B. deposit slip</li><li>C. signature card</li><li>D. withdrawal slip</li></ul>           | <p>9. ____ A service charge on your bank statement will result in:</p> <ul style="list-style-type: none"><li>A. a higher balance</li><li>B. a lower balance</li><li>C. earning more interest</li><li>D. more outstanding checks</li></ul> |

### 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?