

# 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 \_\_\_\_\_

**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

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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.** 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)

<b>THIS STATEMENT COVERS</b> 5/20/09 through 6/18/09						
<b>CHECKING ACCOUNT</b> 0471-678	<b>Previous Statement Balance On 5/19/09</b>				612.04	
	<b>Total of 3 Deposits For</b>				1,980.68 +	
	<b>Total of 10 Withdrawals For</b>				1,705.25 -	
<b>New Balance</b>					883.97 +	
<b>CHECKS &amp; OTHER DEBITS</b> 0471-678	<b>CHECK</b>	<b>DATE PAID</b>	<b>AMOUNT</b>	<b>CHECK</b>	<b>DATE PAID</b>	<b>AMOUNT</b>
	181	5/24	15.00	184	5/17	1232.27
	182	6/04	17.00	*186	5/30	54.47
	183	5/26	217.54	187	6/03	53.97
					5/24	40.00
					5/30	20.00
					6/15	20.00
<b>DEPOSITS &amp; OTHER CREDITS</b>					<b>DATE POSTED</b>	<b>AMOUNT</b>
	Transfer from 4039-557 at ATM #423C				5/27	1200.00
	Customer Deposit at ATM #423A on 5/12				6/14	521.78
	Direct Deposit from #05323 on 5/17				6/18	258.90
<b>ATM LOCATIONS USED</b>	423A: 2500 Centre Plaza, Anytown, USA					
	423C: 3500 Centre Plaza, Anytown, USA					
	430E: 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.

THIS STATEMENT COVERS			
6/20/09 through 7/19/09			
<b>CHECKING ACCOUNT</b> 0471-678	Previous Statement Balance On 6/19/09		150.67
	Total of 1 Deposits For		1,200.00 +
	Total of 6 Withdrawals For		1,246.98 -
<b>New Balance</b>			<b>103.69 +</b>
<b>CHECKS &amp; OTHER DEBITS</b>	<b>CHECK</b>	<b>DATE PAID</b>	<b>AMOUNT</b>
	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
<b>DEPOSITS &amp; OTHER CREDITS</b>	<b>DATE POSTED</b>	<b>AMOUNT</b>	
Transfer from 4039-557 at ATM #423C	6/23	1200.00	

CHECK NO.	DATE	DESCRIPTION	TRANSACTION AMOUNT		DEPOSIT AMOUNT		BALANCE	
							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		
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 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

- |   |   |
|---|---|
| <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. pawnshop</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?