

 **BUILDING BLOCKS STUDENT WORKSHEET**

# Checking account basics

If you're trying to decide if a checking account is the right product for you, knowing the right questions to ask can help you make an informed choice.

## Instructions

- 1 Read the scenario below.
- 2 Review the "Checklist for opening a bank or credit union account" handout.
- 3 Use the handout to answer the "Exploring the basics of opening a checking account" questions on the next page.
- 4 As a class, participate in a banking simulation.
- 5 Answer the reflection question.

## Banking scenario

Imagine you're just about to open a checking account. You've saved \$500 to open the account. You select a nearby bank or credit union. Then, you schedule an appointment to meet with one of its representatives to ask some questions to determine if this is the right bank or credit union for you. Now it's time to get prepared.

## What's a checking account?

A checking account is an account at a bank or credit union that allows you to easily make deposits and withdrawals. You can spend money from this kind of account by swiping your debit card, making an online or mobile bill payment, writing a check, or withdrawing cash. People generally use checking accounts to store money in the short term until they need it to pay bills or day-to-day expenses like gas or groceries. Some banks and credit unions limit the number of withdrawals you can make from your account each month.



## Exploring the basics of opening a checking account

1. In addition to a Social Security number or an Individual Taxpayer Identification number, what are two forms of ID you could use to open a checking account?
2. How much money do you usually need to open a checking account?
3. What are some fees the bank or credit union might charge?
4. Why is it helpful to know the minimum balance requirement (how much you need to keep in the account at all times)? (Note: This isn't the same as the amount you need to open an account.)

## Questions to ask your representative before opening a checking account

- As a class, turn each of the items that appear in the "Checking account checklists" into a question to ask your teacher (acting as a bank or credit union representative).
  - Ask if there are other fees that the bank or credit union charges in addition to the ones listed in the checklists.
- Take notes to document the answers your teacher provides.

## Reflection question

What are some ways you might use a checking account to help manage your money in the future?