

**BUILDING BLOCKS STUDENT WORKSHEET**

# Getting paid

Employers usually have several options for ways to pay employees. Common payment methods are direct deposit, paper check, cash, payroll card, or prepaid card. Understanding the similarities and differences of these methods can help you manage your money.

## Instructions

- 1 Compare and contrast different methods for getting paid in the table below.
- 2 Write questions or thoughts you may have about each method.
- 3 Participate in or observe role-play payment scenarios with classmates.

## Common payment methods

Method	Features (+ = pro, - = con)	Questions or thoughts
<b>Cash</b> Paper or coin money	+ Can spend anywhere + Easy to access - May be lost or stolen - More difficult to track spending for taxes or budgeting - Harder to pay bills with cash	
<b>Direct deposit</b> Money electronically sent to your bank account, credit union account, or prepaid card (such as a payroll card)	+ No risk of loss or theft + Usually available immediately + Access funds by using a debit, ATM, or prepaid card or by writing a check + No fee to deposit checks + Can split deposit between checking and savings accounts	



Method	Features (+ = pro, - = con)	Questions or thoughts
<p><b>Paper check</b> A paper order to a bank or credit union to pay someone from a checking account</p>	<ul style="list-style-type: none"> <li>+ Can cash or deposit into a savings or checking account in person or on your mobile device</li> <li>+ If lost or stolen, may be canceled and reissued</li> <li>- Must be deposited or cashed before you can use the money</li> <li>- May need a bank account to deposit or cash it (or pay a fee to cash it)</li> <li>- After depositing, may have to wait a few days until check clears to access funds</li> </ul>	
<p><b>Payroll card</b> A type of prepaid card you get from your employer that you receive your paycheck on</p>	<ul style="list-style-type: none"> <li>+ Money is deposited into the card account and is usable on payday</li> <li>+ In general, payroll cards have certain legal protections under federal law</li> <li>- Some cards charge fees for out-of-network ATM withdrawals, receiving paper statements, or checking your account balance at an ATM</li> <li>- Some cards charge fees every time you make a purchase; other cards charge a monthly fee</li> </ul>	
<p><b>Prepaid card</b> A card on which you load money in advance to spend</p>	<ul style="list-style-type: none"> <li>+ Can use like a gift card or debit card</li> <li>+ Has some consumer protections in case of error or theft, if the card is registered</li> <li>- May not have the same protections as checking and savings accounts (such as for unauthorized transfers or other errors)</li> <li>- May lose money to fees for use or inactivity</li> <li>- Must go to an ATM (could pay a fee) or get cash back at a store to access your money</li> <li>- May have limits on how many times a day you can use the card</li> </ul>	