



## Banking

Once you have a social security number it would be possible for you to open an account with a bank close to work or home. In case your job requires frequent moves it is advisable to choose a bank that has branches outside your current state of residence.

To open an account at the bank you would require a social security number, a picture id and a reference letter from your employer. Most banks open an account with a minimum deposit of \$5. It would be possible for you have both a checking and a savings account. In case you want to go out and start spending your cash immediately, the bank will give you a set of starter checks to use until your printed checks arrive in the mail.



### Savings and Checking Accounts

A savings account is one that will pay you interest on your money, while letting you remove all or part of the balance whenever you want.



Opening up a checking account is the most common way to manage your day-to-day finances and is the account, which is debited for any checks that you write out. In general, there are three kinds of checking accounts, although each bank may define them in a different way: basic, regular and interest.

Basic or no-frills checking accounts cost you the least if you stay within the maximum number of allowed transactions. Often they limit the number of checks you can write each month, and the number of deposits and withdrawals you can make during a specific period of time. In addition, these accounts usually do not pay interest.

The terms of regular checking accounts will vary. You may be able to write an unlimited number of checks without a charge, or you may be charged a monthly fee. Your money may or may not earn interest.

Interest checking accounts — surprise! — Pay interest, and let you write as many checks as you want. Usually you must keep a minimum balance in your account. If you do not, you will owe fees and may lose some interest.



There are many characteristics that are common to all three types of accounts. Most of them let you withdraw money from your account by writing checks, naturally. They all usually offer an ATM and/or Debit cards. Banks generally charge a small amount each month to cover their costs in handling your account, which they will often waive if you maintain a minimum balance. In each

case, your bank will send you a statement on a regular basis, usually monthly, that shows the amount you deposited into your account and the dates; the amount of interest you've earned, if any; the amount you've spent; and any fees you were charged.

Some banks may offer a Free Checking account, one that has no monthly fees or minimum balances.

### **Direct Deposit**

Are you tired of having to go to the bank each payday and deposit your check? Do you find sitting down each month to calculate how much you want to go into your savings and investing accounts a major headache? Then congratulations, you're the perfect candidate for direct deposit.



In fact, this service is a great idea for anyone. Most employers offer direct deposit, which means they'll place your salary directly into an account at your bank. It's as simple as filling out a form from your payroll department. Instead of handing you a check on payday, your employer will give you something that's usually called a memorandum or an advice of deposit.

Your money is there in your account, ready for you to use on payday. There's no waiting for your check to clear. You can access the money anytime you want through your ATM or your debit card, and you can write checks against that money immediately. You'll avoid those long payday lines at the bank — and you'll often get a break on your monthly account fee, as well. Extra incentives including free checks, higher saving rates and lower loan payments are also offered to direct depositors.

### **Banking from Home**

Home banking is the ultimate convenience. At any time of day, any day of the year, you can use any computer with Internet access to take care of your banking needs. You can get up-to-date information on all your accounts anytime you like.



Online banking can virtually replace your monthly statement. You can get statement summaries and see a list of the most recent transactions in your bank accounts. If you are a fan of financial software like Quicken or Microsoft Money, there is even an option that allows you to download your banking transaction information into those programs.



When you use online banking, you can transfer funds between your accounts with ease and also make bill payments. In some cases, you can even buy and sell investments like stocks, bonds and mutual funds. There are even customer-service forms available online, so if you want to make changes on your accounts, you can do so.

If you have any questions about banking online, there are banking agents available to you 24 hours a day through an 800 number. Calling that line will connect you with representatives who are trained in all technical aspects of online banking procedures and can tell you how to navigate

through whatever service you'd like to take advantage of. Don't be embarrassed or hesitate to ask a technical question. If you don't need an answer to your question immediately, you can send an email to the tech reps.

### **Telephone Banking**

When you dial the banks 800 number there is also an automated system available that lets you take care of many banking transactions and provides you with lots of information. In addition, many banks make available by phone essentially all the products they sell. You may be able, for example, to apply for a line of credit, open up a checking account or a small business checking account, see if a check has cleared or buy a certificate of deposit.



If you need to speak to a bank representative, the phone system is set up so that the responses you make to a series of automated questions will take you to the agent who is most qualified to service your needs. For example, if your ATM card is ever lost or stolen, call the 800 number and you'll be connected to a lost and stolen cards representative. The fact that your card is missing will immediately be noted throughout the bank's system. The bank's rep will make sure a new card is mailed to you.



The automated menu is extremely convenient and easy to use. Here's just a partial list of the things you may be able to do: get account balances, transfer money, get deposit and loan rates, find out what different CDs are earning, see if certain checks have cleared, get information on deposits you've made, find out how much interest your accounts have earned, initiate a stop payment request, activate your ATM card and get information on your local branch hours.

For the most part, all your telephone banking is free. A few services that carry special fees, like initiating a stop payment request, will cost the same as if you had done it at a bank branch. Stick with the automated system whenever possible, because with some accounts if you use an agent for a question that can be answered through the automated system, there is a charge.

### **Electronic Bill Pay**

Ever wish paying your bills each month wasn't such a chore? You have to write out all those checks, get paper cuts as you stuff them into envelopes and balance your checkbook as you go. All in all, it can take up hours of your time. Well, there is a simpler and faster way, and the answer is as close as the computer you're on right now. You can now often pay all your bills online through your bank's web site.



To get started, you generally just need to follow the instructions, and type in the names and appropriate account numbers of the folks you'd like to pay (the payees) electronically. Then, when you're ready to pay your bills, you can log on to the site, select the appropriate payee, note the date you want the payment sent, enter the amount and finalize your instructions. That's it... The payment will be sent automatically. You can of course log onto the web site and pay your

bills anytime, but keep in mind that if you want your payments to reach your payee on time, you will have to complete your request far enough in advance.

You can also schedule payments to be sent out on a future date. This is great for bills that you have to pay each month, like your mortgage or your car payments or other bank loans. You can set up the payment the first time, typing in who the payment goes to, the amount, and what day of the month you'd like it paid, and it will be sent automatically on the dates you specify.

### **ATM (Automated Teller Machine)**

Chances are you can do more at an automated teller machine (ATM) than you know. At an ATM, you may be able to withdraw cash, deposit money, make transfers between accounts, and make payments to your bank credit cards or loans. You can also change your Personal Identification Number (PIN), get statements printed out that list your most recent transactions, and at some locations you can even buy stamps. If you're more comfortable using a language other than English, some ATMs allow you to do your banking in Spanish, Chinese, Korean or Portuguese.



Of course, one of the top reasons to stop by an ATM is the convenience. They're everywhere. You'll find ATMs in bank branches, sometimes through a drive-through, so you don't even have to get out of your car. You'll also see them in remote sites like train stations, retail stores like K-Mart and Wal-Mart, many corporate offices and public buildings like hospitals.

ATMs even offer some conveniences you can't get through your local branch. For example, you can use the machines 24 hours a day, 7 days a week, 365 days a year. If you deposit money at an ATM, it may be credited to your account that business day as long as you made the deposit by 5:00 p.m., even if your branch closed at 3:00. Hang onto your ATM receipt, because if there's ever a discrepancy in your account that receipt could help clear it up, in the same way a receipt from a teller would.

If you're wondering about fees, there's generally no charge for a customer when they use one of their bank's ATMs. There is a fee (often about \$1.50) if you use another bank's ATM.

### **Wire Transfers**

Your bank or credit union can help you transfer funds from your account and deposit the funds into any other US or International bank account. You can transfer as much money as you want and be assured of timely movement of funds. The bank or credit union will usually charge you a fee for the transfer.

Western Union is one such company that also allows you to receive and send funds either within the US or internationally. The transfer can be set up online or through a Western Union location. For more information, visit <http://www.westernunion.com>.