
6:17 Consumer Education – Checking Accounts

Objectives: Understanding checking accounts.

Directions: Read the information, fill out the definitions, and match the checking activity.

Checking Accounts allow consumers to pay for goods and services without carrying cash. Electronic Fund Transfers between either checking or savings accounts and the creditor will also allow consumer flexibility with payment options.

In order to open a checking account, the consumer must deposit money into an account established by the bank and, of course, be approved by the bank. Customers must be at least 18. Minors can open an account if a legal guardian or parent signs their account information.

What are some advantages of a checking account? Consumers can start to build credit by establishing a good reputation with the bank, learn financial management, and have a method of tracking payments, plus there is more safety in carrying a checkbook than cash. Checks are very universally accepted as a form of payment. Some banks also offer on-line banking from your checking or savings. This allows you to pay bill electronically with no written checks. Checking accounts may be free when other banking services are used, or banks can charge considerably for their services and checks.

What are some disadvantages of a checking account? A lack of responsible consumer behavior can create a financial problem if the account is overdrawn. A poor credit history can be established. Checks can be stolen and used for identity fraud. Some consumers don't learn to use checking accounts as intended and make costly mistakes.

Name _____ Period _____ Date _____

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Following are some terms or phrases to know related to checking accounts:

- Deposit _____
- Withdrawal _____
- Reconcile _____

- ATM _____
- Deposit Slip _____
- EFT _____
- Transfer _____
- Check Register _____
- Overdrawn _____
- Signature Card _____

- Bank Number _____

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Account Number	_____
Balance	_____
Previous Balance	_____
Credit	_____
Debit	_____