

• **Automatic deposit and bill paying** - Many employers will deposit your paycheck or benefits check directly into your account. It is convenient with less risk of loss. Many banks will also automatically debit your account for bills each month, if you authorize it. There are fees for this service.

• **Telephone Teller** - Most banks allow you to authorize certain transactions and access account information over the phone. Account information is usually free but fees apply for transactions. Access is from anywhere there is a touch-tone phone. **It is important to monitor your account**, especially if you use electronic services for many of your transactions. You need to know if a specific bill was paid or if your check was deposited or to be sure your balance will cover a check.

• **ATM/debit cards** - The "Automated Teller Machine" (ATM) is another easy way to complete simple banking transactions such as deposits and withdrawals. ATM machines are usually conveniently located outside banks, shopping malls, supermarkets and convenience stores. They allow **24-hour access to your account** so the possibility also exists for **overspending and impulse buying**.

**To access an ATM machine or use a debit card**, you need your card and your "Personal Identification Number" (PIN). Never write the PIN on the card or keep it with the card; anyone then has access to your account. **Not all ATM cards can be used in all ATM machines**. There are several networks to which your bank may belong. Match the logo on your card with logos on the

machine. **Don't forget that you pay fees** for each transaction; some banks' fees are higher than others. **Most banks also have limits on the size of a transaction** (e.g., a limit of \$400 in withdrawals per day).

### **You and Your Banker**

A personal relationship with your banker can be important to consumers with disabilities. **Once you have narrowed down your choices by telephone calls to ask about services, a visit will tell you what else the bank offers.** Talk to bank officers and get to know tellers. Do they value your business? Are counters too high for wheelchair use? Does anyone know American Sign Language? Are signs in Braille? Do staff members go out of their way to help you work out problems? Are you ignored, tolerated or welcomed? Are officers willing and able to advise you? Does the bank offer low-income services and take an active role in the community? Trust yourself as you choose a bank. **You're the consumer — you're in charge!**

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**Banking Basics: Checking Account Check List (English Version) #0393 BK-M-02\_EN**



# **BANKING**

## **BASICS:**

### **CHECKING ACCOUNT CHECK LIST**



# Basic Banking: Checking Account Check List

Unless you are willing to keep large sums of cash around your house and run the risk of loss, you will want to choose a bank. Most people who pay bills, save and invest money, pay taxes or plan estates, do so through a bank or other financial institution such as a credit union, brokerage house or savings and loan (S&L).

## Choosing Bank Services

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If you want an account for temporarily holding money which will go primarily to cover monthly expenditures and pay bills, you will want to set up a **checking account**. If you want to put money away for emergencies, for a future purchase or retirement, you will be shopping for a **savings account**. This brochure will help you in choosing a **CHECKING ACCOUNT**.

## Checking Check List

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The checking account is the workhorse of banking. Unlike in the past, most Americans have one. **Checks are the primary method of transferring money** from one location or from one person to another.

Important things to consider as you shop for a checking account include: 1)

**Convenience:** bank location, disability access and services, hours; 2) does it pay **interest** on the balance; 3) **Electronic services** if you think you will use them; 4) **Check clearing:** what are the policies; 5) **Pricing:** account charges, fees for checks, services or problems; 6) **Other useful services:** such as link-up with savings, charge cards, financial counseling; 7) **Personal relationship:** courtesy, support

services.

**Things to ignore** as you shop for checking are: 1) **Advertising** campaigns and promotional offers (forget the cookbook); 2) **Interest calculating methods on interest-bearing accounts** (usually too insignificant to matter); 3) **Prestige** (image isn't important, service is).

## What to Look for

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Banks offer many different types of checking accounts with different rules and benefits to fit your needs.

- **Account and check fees** - Some banks charge a base **monthly fee** on all accounts; others **charge for each check**; still others have no charge up to a certain number of transactions (e.g., 10 checks a month) and charge heavily after that. **If you plan to write few checks**, you can save money on a basic account. If you **write a lot of checks**, a monthly fee and no per-check charge is for you. **Note:** you still have to pay to order checks.

- **Check processing** - Some banks put a "hold" on deposits that are personal checks, with a longer hold for out-of-state checks; others give you **instant access** to part of any deposit (for example, the first \$100) but encumber some of your account balance until the check clears.

- **Interest accounts** - You can make money on some checking accounts that earn interest on balances over a certain amount. Often these accounts offer other services like free safe deposit boxes, and travelers' or cashiers' checks for maintaining minimum balances. These accounts sometimes cost

more to maintain if your balance is below the minimum.

- **Fees for services and problems** - Some accounts provide you with overdraft protection or can be linked to a savings account for this purpose. Some have very steep fees for **"bounced" checks** (from you or written to you); others waive these charges if the problem is infrequent.

- **Checks as records** - One advantage of using checks is that you have an **automatic receipt** (the canceled check) to record a transaction. Some banks send checks back with your monthly statement. Others copy them onto microfiche then destroy originals. You have to apply and pay a fee to get a copy.

- **Disability Services** - All banks are required by law to be accessible to people with disabilities; however, some are more helpful than others in overcoming obstacles in communicating or helping a physically impaired consumer carry out transactions.

## Electronic Banking

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Electronic banking services can be especially useful for people with disabilities. **Electronic banking includes:** automatic deposit and bill paying, funds transfers, ATM/debit card services, Telephone Teller, and personal computer access.

**For people who do not like to carry cash or credit cards or for people with limited physical mobility**, electronic banking can be a valuable asset in taking control of your money and your life. Extra cost can be made up for in the convenience and sense of control you gain.