

Banking Basics

Seminar Lesson Plan and Class Activities



MoneyWise

A CONSUMER ACTION AND CAPITAL ONE PARTNERSHIP

Banking Basics

Seminar Lesson Plan and Class Activities

Lesson Purpose:

To provide participants with an understanding of personal banking services, help them recognize the advantages and disadvantages of checking and savings accounts, and provide them with the knowledge and tools that will enable them to reduce account costs, manage their accounts wisely and resolve problems when they arise.

Lesson Objectives:

By the end of the lesson, participants will understand:

- the difference between banks and credit unions;
- the advantages of having a checking or savings account;
- how account verification services work;
- how to get a copy of their ChexSystems report;
- the difference between a debit card and a credit card;
- what to do if their debit card is lost or stolen;
- how interest accrues, and the difference between simple and compound interest;
- what CDs (certificates of deposit) are;
- what safety deposit boxes are used for;
- how to select a financial institution and account;
- how to open an account;
- how to keep account costs down; and
- how to resolve account problems.

Lesson Duration:

3½ hours (including a 15-minute break)

Materials:

For instructor:

- *You Can Bank on It* brochure
- Lesson plan (pages 3-17)
- Activities and worksheets (including answer keys) (pages 18-24)
 - Check writing activity (page 18)
 - Sample ChexSystems report (pages 19-21)
 - Sample savings account application (pages 22-23)
 - Choosing a Bank or Credit Union (take-home worksheet) (page 24)
- Training evaluation form (page 25)

- Banking Basics Leader's Guide
- Visual teaching aid (PowerPoint presentation with instructor's notes)

Instructor will also need:

- a computer and projector for the PowerPoint presentation (OPTIONAL: The PowerPoint slides also can be printed on transparent sheets for use on an overhead projector.); and
- an easel and pad, or a whiteboard, and markers.

For participants:

- *You Can Bank on It* brochure
- Activities:
 - Check writing activity (1 page)
 - Sample ChexSystems report (3 pages)
 - Sample savings account application (2 pages)
 - Choosing a Bank or Credit Union (take-home worksheet) (1 page)
- Training evaluation form (1 page)
- OPTIONAL: Printout of the PowerPoint presentation

Lesson Outline

- Welcome and training overview (15 minutes)
- Bank and credit union accounts (10 min)
- Account verification services (10 min)
- Activity: Reading a ChexSystems report (15 min)
- Checking accounts (25 min)
- Activity: How to write a check (10 min)
- Savings accounts (10 min)
 - Break: (15 min)
- Certificates of deposit (CDs) (10 min)
- Safe deposit boxes (10 min)
- Opening an account (25 min)
- Managing your account (20 min)
- How to resolve an account problem (15 min)
- Questions & answers (15 min)
- Wrap-up and evaluation (5 min)

Consumer Action developed this training in partnership with Capital One.
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Instructor's Notes:

This MoneyWi\$e training module consists of a brochure (*You Can Bank on It*); a leader's guide, written in question-and-answer format; a lesson plan that includes class activities; and a PowerPoint presentation. It was created by the national non-profit organization Consumer Action in partnership with Capital One to be used nationwide by non-profit organizations providing personal finance, consumer and housing education in their communities.

Before conducting the training, familiarize yourself with the brochure, the leader's guide, the lesson plan (including activities), and the PowerPoint visual teaching aid.

The PowerPoint presentation contains notes for each slide (appearing below the slide when in Normal view or Notes Page view). These notes offer detailed information about the items appearing on the slide. Additional key points are inserted into the lesson plan when needed. The lesson plan includes indicators so you will know which slide corresponds to each part of the lesson, and when to move to the next one.

Why Adults Learn, a PowerPoint training for educators, provides tips for teaching adults and diverse audiences—it will be helpful to you even if you have taught similar courses before. The slide deck is available at the Consumer Action website (http://www.consumer-action.org/outreach/articles/why_adults_learn/).

Welcome and training overview (15 minutes)

➡ **SLIDE #1** (onscreen as participants arrive; direct participants who arrive early to begin reading the brochure)

➡ **SLIDE #2** (review slide notes during pre-training preparation)

Welcome participants. Introduce yourself and present the purpose of the training and the agenda.

➡ **SLIDE #3** (review slide notes during pre-training preparation)

Read the slide aloud.

➡ **SLIDE #4**

Go over list items.

If you have a small group, you can ask individuals to introduce themselves and tell you what they hope to get out of the training. In a larger group, invite volunteers to share their expectations. On your whiteboard or easel pad, jot down some of the specific things participants mention. You can come back to this at the end of the training to make sure you've covered these points. (This activity is designed to serve as a brief icebreaker. It will also give you an idea what participants' expectations and needs are.)

➔SLIDE #5

Review the contents of participants' packets. Ask the class to take a look inside their packets and make sure they have all the materials needed.

Bank and credit union accounts (10 min)

Encourage participants to discuss some of the advantages of having an account at a bank or credit union. Discuss the differences between banks and credit unions. (See Leader's Guide sections "Banks and Banking" and "Credit Unions.")

Questions to generate discussion:

- Why do some people choose *not* to have a checking or savings account?

➔SLIDE #6

- What are some advantages of having an account? *(Allow a moment or two for participants to respond. You can jot down responses on your easel pad or whiteboard. Then reveal the next slide.)*

➔SLIDE #7 (review slide notes during preparation)

Advantages to having a bank or credit union account include:

- Your money is safe from loss, theft or fire.
- Each account is insured up to \$250,000 by the FDIC (banks) or the National Credit Union Share Insurance Fund (credit unions).
- Canceled checks are proof that you paid a bill.
- Money in a savings account earns grows over time as you earn interest on it.
- Using check-cashing stores and money orders is more expensive than paying account fees.

➔SLIDE #8

- What is the difference between a bank and a credit union? *(Let participants offer their thoughts before revealing the next slide.)*

➔SLIDE #9 ➔SLIDE #10

Go over the points on slides 9 and 10, providing examples of some local banks and credit unions.

Account verification services (10 min)

Discuss what account verification services are and how to get a copy of your ChexSystems report. (See Leader's Guide, "Account Verification Companies" section.)

Questions to generate discussion:

- Has anyone you know ever been denied a bank or credit union account when they tried to open one?

→SLIDE #11

- How do banks and credit unions find out about your past account history?

→SLIDE #12 →SLIDE #13 →SLIDE #14

Go over the points on slides 12, 13 and 14.

→SLIDE #15

Emphasize that while accurate information stays on your ChexSystems report for five years, this doesn't always mean that it is impossible for you to open a new checking account. Encourage participants to inquire at different banks and credit unions, as requirements vary.

Activity: Reading a ChexSystems report (15 min)

→SLIDE #16

Ask participants to take out the ChexSystems sample report from their packets. Review the report with the group. Following is a guide to help you explain the report:

Reported information: This section contains reports of accounts that have been mishandled by the consumer or reported for outstanding debts or bank fraud committed by the consumer. The information is submitted to ChexSystems by financial institutions that subscribe to ChexSystems services. ChexSystems keeps this kind of negative information in its files for five years.

An "NSF" (non-sufficient funds) notation indicates a bounced check.

Drivers license validation: Each state provides this information about how it configures drivers license numbers in order to help businesses spot forged licenses.

Drivers license verification: This verifies the name and date of birth of the individual to whom a certain drivers license number was issued. Some states refuse to provide this information to ChexSystems.

Consumer-initiated inquiries: Here, you are the "consumer." This lists the companies you gave permission to check your banking and credit history (when you filled out an application that allowed a lender or credit card issuer to access your credit report, for example).

Customer-initiated inquiries: Here, the company that subscribes to ChexSystems services is called the "customer." This section can include the names of your existing creditors or companies who prescreened you to find out if

they wanted to offer you a credit card or other bank product. Companies must have a legally permissible purpose in order to access this information about you. These listings are seen by you, but not by the companies who are allowed to access your report.

Retail information: This information is provided to ChexSystems by a company called Shared Check Authorization Network (SCAN), which can be reached at 800-262-7771. It lists returned unpaid checks you have written to merchants and other businesses that report to SCAN.

Check printing order history: This is a list of the check orders you have placed within the past three years. It is used to help counteract check fraud.

Checking accounts (25 min)

Review the basics of checking accounts, including account types, account costs, accessing your account online, and ATM and debit cards. Discuss what debit cards are and how they differ from credit cards. (See Leader's Guide sections "What Kind of Account Do I Need?," "Internet Banking," and "ATM and Debit Cards.")

→SLIDE #17

Questions to generate discussion:

- What kinds of things can you do with a checking account? What kinds of things *can't* you do without a checking account? (*Allow a moment or two for participants to respond. If you like, jot down responses on your easel pad or whiteboard. Then reveal the next slide.*)

→SLIDE #18

Go over slide list. Refer to slide notes for additional information.

Questions to generate discussion:

- What is online banking?
- What is mobile banking?
- What kinds of things can you do via online or mobile banking?
- What are the advantages of being able to bank online or via a mobile device?

→SLIDE #19 (refer to slide notes and Leader's Guide section "Internet Banking" for additional information)

Key points about online and mobile banking:

- Online banking is possible on a computer anywhere you have Internet access. Mobile banking is possible with a data-ready device (smart phone, personal digital assistant (PDA), droid or iPhone). You can either visit the financial institution's website using the Internet browser on your device or you can use an "app" (application) you download from your bank or credit union's website.

- All major consumer financial institutions offer online banking and bill payment.
- You have to register your account for online or mobile access by creating a username and password. You may have to do this on a computer the first time (rather than on your phone).
- After logging on, you can add payee information for any bill you want to pay via online banking. You also can see balances and activity for all your accounts, and transfer money between those accounts with a few clicks.
- No trips to the post office or mailbox to mail bill payments, no need to visit a bank teller as long as deposits are made electronically, and the ability to pay bills and view activity just about any time and anywhere.
- For non-direct deposited checks (a gift, payment for something you sold, reimbursement from a friend or family member, etc.), you'll still have to make a trip to the ATM to make the deposit. You'll also have to visit the ATM to withdraw cash as needed unless you can request cash back when you pay with your debit card at a grocery store or other business.

Questions to generate discussion:

- How do you bank online safely?
- What steps should you take to make sure your personal information and your accounts are kept private and secure while banking online? *(Allow a moment or two for participants to respond. You can jot down responses on your easel pad or whiteboard. Then reveal the next slide.)*

→SLIDE #20

Key points about safe Internet banking:

- Confirm with the FDIC (Federal Deposit Insurance Corporation) at www.fdic.gov that your deposits with the institution are insured (up to \$250,000). (Search by name, city, state or ZIP code.) Banks chartered overseas may not be FDIC-insured.
- Account passwords should be at least eight characters long and use numbers and symbols as well as letters.
- Don't give out your logon name or password or keep them where someone could find them.
- Watch out for email messages that pretend to be from your bank and ask for sensitive information such as an account number, birth date, Social Security number or password. Your financial institution will never ask for this information via email. Also, beware of clicking on a link in such an email. Often, these links lead to copycat websites that lure you into giving your personal information. Before conducting a transaction, always type in the correct website address for your bank yourself (rather than using a link in an email).
- Don't conduct online banking using unsecured and unencrypted Wi-Fi—this puts your information out there for someone to grab. Learn how to protect yourself on Wi-Fi at Lifehacker.com and OnGuardOnline.com.

- Monitor your account activity regularly—even daily. If you see anything suspicious, contact the financial institution immediately.

Questions to generate discussion:

- Is it possible to get a checking account that is free (no monthly maintenance fees)? *(NOTE: A 2011 Bankrate survey found that 45 percent of non-interest checking accounts are free, down from 65 percent in 2010 and 76 percent in 2009. The same survey also found that “most banks will waive fees for non-interest checking accounts under certain conditions, such as making direct deposits” or maintaining a minimum balance.)*

→SLIDE #21 (see slide notes and Leader’s Guide for more information):

- Direct deposit: Many financial institutions offer free checking if you have your paycheck or monthly benefits check directly deposited into it.
- Minimum balance: Some accounts are free if you maintain a specified minimum balance.
- e-Accounts: Accounts where you are required to conduct all or most transactions electronically (online or via ATM) often are free.
- Electronic transfer accounts (ETAs): These may be available if you receive federal benefits, such as Social Security or SSI. You get a debit card and four free withdrawals per month, but you can’t write checks. Find an electronic transfer account at www.eta-find.gov/.
- Basic or “lifeline” accounts: Some states require financial institutions to offer these no- or low-cost accounts for low-income customers.
- If you are a senior or a student, ask if there is a special no- or low-cost account for you.

Questions to generate discussion:

- What is a debit card?
- What is the difference between a debit card and a credit card?
- What is the difference between a debit card and an ATM card? *(Allow a moment or two for participants to respond. You can jot down responses on your easel pad or whiteboard. Then reveal the next slide.)*

→SLIDE #22

Go over slide list. (See slide notes and Leader’s Guide section “ATM and Debit Cards” for more information.)

Key points about debit cards:

- A debit card is issued with most checking accounts.
- The main difference between a debit card and a credit card is that when you use a debit card, the money is taken directly out of your account, immediately or within a short period.

- Even though a debit/check card may have the Visa or MasterCard logo on it, and even when you choose “credit” and sign a receipt (instead of using a PIN), you are not borrowing the money for the purchase, as you do with a credit card. You will not receive a bill later.
- Debit/check cards are convenient, but they do not help you to build a credit history.
- While both debit cards and ATM cards can be used at automated teller machines (ATMs), you might not be able to use an ATM card (without the Visa or MasterCard logo) to make purchases at businesses.

Questions to generate discussion:

- What should you do if your debit card is lost or stolen?
- Are you responsible if someone steals your debit card and uses it to buy things? *(Allow a moment or two for participants to respond. Then reveal the next slide.)*

→SLIDE #23

If your debit card is lost or stolen:

- A debit card could be easy for someone else to use without your permission because a PIN is not always required.
- The longer you wait, the more money you might be responsible for if an unauthorized person uses your card to buy things.
- Your liability may be limited to zero if you report the loss within two business days, and to \$50 if you report it more than two business days after realizing your card is missing. However, you could lose all the money in your account and the unused portion of your line of credit for overdrafts if you fail to report an unauthorized transfer or withdrawal within 60 days of the date of the account statement that reflects the error.
- If you give someone your card and PIN, you are responsible for the transactions they make even if you didn’t authorize them.

Activity: How to write a check (10 min)

→SLIDE #24

Ask participants to take out the check writing activity sheet from their folders. In this activity, participants practice writing a check and then entering it into a sample checkbook register.

Ask for a volunteer to reveal what the correct ending balance should be. (When participants have written the check to Peter Perkins and deducted it in the checkbook register, the new balance will be \$1,343.87.)

After completing the exercise, move on to the next slide.

➔SLIDE #25

Give participants a moment to answer the question on the slide. Then reveal the next slide.

➔SLIDE #26 (go over list items, referring to slide notes for more information)

- What else should be entered in your checkbook register besides checks, cash withdrawals and debit card purchases?

You should also include in your checkbook register:

- Account fees
- Online transfers and payments
- Automatic recurring payments

Savings accounts (10 min)

Discuss what a savings account is, how interest works and what the difference is between simple and compound interest. (See Leader's Guide section "Your Money Can Earn Money.")

➔SLIDE #27

Questions to generate discussion:

- What is the difference between a savings account and a checking account?
- What are the advantages of a savings account?
- What is interest?

➔SLIDE #28

Go over slide items, referring to slide notes.

➔SLIDE #29

Key points about simple and compound interest:

- Compound interest is more advantageous to you when you are earning it (rather than paying it).
- The more frequently interest is compounded, the more you earn. (In other words, you would be better off choosing an account where interest is compounded daily than one where it is compounded monthly, or an account where interest is compounded monthly than one where it is compounded yearly.)
- Free online calculators can help you figure out how much you will earn on your savings over a given period at a certain interest rate. Do an online search for "savings calculator" and then choose the one that best meets your needs. (Bankrate.com offers a variety of calculators.)

→SLIDE #30

Go over the example on the slide.

Break (15 min)

Announce a 15-minute break. Make yourself available for a few minutes to direct people to the restroom or a place to get drinks and snacks.

Leave the following slide onscreen during the break.

→SLIDE #31

Certificates of deposit (CDs) (10 min)

Explain what a CD is and that you have to leave your money in the CD for a set period of time in order to earn a higher interest rate than you would in a savings account. (See Leader's Guide section "Your Money Can Earn Money.")

→SLIDE #32

Questions to generate discussion:

- What is a certificate of deposit (CD)?
- What are the advantages of a CD over a savings account?

→SLIDE #33

Questions to ask before purchasing a CD:

- When does the CD mature?
- What are the penalties for early withdrawal? (Ask how much you'll have to pay if you cash in your CD before maturity and whether you risk losing any portion of your principal.)
- Is the interest rate on the CD fixed or variable? (Some variable-rate CDs feature interest rates that increase or decrease over time according to a schedule. Others are tied to the performance of a market index, such as the S&P 500 or the Dow Jones Industrial Average.)
- Is the CD callable? (If so, the financial institution, not you, has the right to terminate, or "call," the CD when interest rates fall. While you won't be penalized, you could lose an attractive return.)

Safe deposit boxes (10 min)

Discuss safe deposit boxes and what should and should not be kept in one. (See Leader's Guide "Banking Services" section.)

➔SLIDE #34

Allow a moment or two for learners to brainstorm the answers to the two questions on the slide. You can jot responses on your board. Then reveal the next slide.

➔SLIDE #35

Go over slide list items. Then reveal the next slide.

➔SLIDE #36

Allow a moment or two for learners to respond before revealing the next slide.

➔SLIDE #37

Opening an account (25 min)

Review what to consider when you are choosing an account, and how to open an account. (See Leader's Guide section "Opening a Bank or Credit Union Account.")

Questions to generate discussion:

- What are some things to consider when you are deciding on a bank or credit union? (*Allow a moment or two for responses before revealing the next slide.*)

Go over the questions listed on slides 38 and 39.

➔SLIDE #38 ➔SLIDE #39

At this time, point out the "Choosing a bank or credit union account" worksheet in learners' packets, which participants can take home and use as a guide when shopping for an account.

➔SLIDE #40 ➔SLIDE #41

Read the question on slide 40. After a moment, move to slide 41. Go through list on slide. Then ask participants to take out the sample savings account application from their folders.

➔SLIDE #42

This is a sample application for an interest-bearing account. Ask participants to fill out the application as you explain each section.

➔SLIDE #43

Sample Account Application:

Ownership:

- If the account is in one person's name, check "Sole Owner." If it is a joint account, check "Joint Owner."

- The “Primary Owner” is the first owner listed on the account. Being the Primary Owner on a joint account is a matter of choice.
- The primary owner will receive an annual statement of interest (1099-INT) for tax purposes. A copy of the 1099-INT will be furnished to the Internal Revenue Service (IRS).

W-9 certification:

- Because the money in the account will be earning taxable income, the applicant will be asked for “W-9 Certification,” or “Request for Taxpayer Identification Number and Certification,” a requirement of the IRS. Financial institutions are required to ask all interest-bearing account holders for this information.
- “Backup withholding” is an IRS requirement for people who have underpaid or been negligent in paying their taxes. Any firm that deals with your money in taxable transactions, such as interest-bearing accounts, is required to withhold (and submit to the IRS) a percentage of the proceeds on the assumption that the entire amount is a taxable gain. When you file your taxes, you get the excess back. Backup withholding is reported to you on Form 1099-INT or Form 1099-DIV under “Federal income tax withheld.”
- There is a substantial penalty if you lie to a bank or other company about whether you are subject to backup withholding.

Optional services/ ATM cards:

- Savings account holders can request an ATM or debit card so that they can access their money at an ATM and, if the card has a MasterCard or Visa logo on it, make purchases and payments at businesses that accept MasterCard or Visa.
- It is not required that you have an ATM or debit card. Optional means that you do not have to have the service unless you want to.
- Note that savings account holders can also go into a branch of their bank and use one of the bank’s withdrawal or deposit slips to make a withdrawal or deposit.
- If the account holder already has a checking account at MoneyWi\$e Bank, they can ask that it be linked to the new savings account so that they can use their existing ATM or debit card to access the account.

ATM fees:

- Explain that a “foreign” bank is not in another country—it is any bank that is not affiliated with the MoneyWi\$e Bank.
- When customers of one bank use another bank’s ATMs, usually they are charged twice, once by their own bank and once by the foreign bank. These two fees can add up to as much as \$4 on a single withdrawal.
- The MoneyWi\$e Bank offers an annual fee option that, for \$24 (\$2/month, provides account holders with five “foreign bank” ATM transactions each month, or 60 per year, at 40¢ a piece. The regular fee for each foreign bank ATM transaction is \$1.50 each.

- This annual fee option is not a good deal for anyone who is going to use MoneyWi\$e Bank's ATMs exclusively or who is going to make very few foreign bank ATM transactions during the year.
- If applicants do not want the \$24 annual fee option, they can check "pay as you go" and be charged \$1.50 each time they use a foreign bank's ATM. They may also be charged by the foreign bank.
- Point out that all visits to a MoneyWi\$e Bank ATM are free.

Signing the Application:

- Point out to participants that by signing the application they are also giving the bank legal permission to access their credit report or ChexSystems report.

Managing your account (20 min)

Discuss why it's important to monitor your account activity, keep track of your balance and understand how to keep account costs as low as possible. (See Leader's Guide sections "Keeping Your Checking Account Straight" and "Saving Money on Account Fees.")

Questions to generate discussion:

- How can you keep your account straight once you have one?
- Why is it important to be accurate and know your correct balance at all times?
- What kinds of things do you need to keep track of and enter in your check register?

→SLIDE #44

Go over list items on slide.

Key points for keeping your account straight:

- A check you deposit may not "clear"—be available to use—for several days or even a week. Debits generally go through right at the time of purchase, and if the bank is holding your deposit, your debit transactions could overdraw the account. If you need the money right away, take the check to the bank or credit union and have it turned into cash, then deposit it. When you deposit cash it is available almost immediately.
- Some types of business put a hold on a certain amount of money in your account until your debit is processed. For example, a gas station may place a hold of \$1 or \$100 when you pay with your debit card at the pump. After a few days, that hold will be taken off and be replaced with the correct purchase amount. In the meantime, however, you can mistakenly believe you have more money to spend than you actually do, or you might have to wait until money on hold is released before you can use it. (For example, if the hold is \$1, but you purchased \$42 in gas, then you might think, just by looking at your online statement, that you have an extra \$41 to spend. But that money will disappear as soon as the correct transaction amount comes through. Or, if the hold is larger than your purchase, you may have to do without that money until it is released.)

→SLIDE #45

- Can you think of any ways to reduce or avoid account fees?

Go over list items on the next two slides.

→SLIDE #46 →SLIDE #47

Key points on keeping banking costs down:

- Some financial institutions have “average balance” requirements, which may be easier to maintain than a “minimum balance” because the bank or credit union averages out your balance over the entire month—a figure that will be higher than your lowest balance.
- ATM fees can end up taking more than 10% out of your cash withdrawal if you withdraw only small amounts from non-network ATMs. (*See slide notes for example.*)
- Direct deposit is faster, safer and more convenient than depositing a paper check, and it may make you eligible for a free account.
- Ask your bank or credit union if there is an account that includes free checks. If not, shop around for the best deal on check printing. (See manual for private check-printing services.) *NOTE: This may not be a major consideration if you make all or nearly all your payments via online bill-pay and use a debit card or credit card for purchases.*
- Ask your bank or credit union to reverse occasional late fees or bounced check fees. *NOTE: The more you bounce checks, overdraw your account or pay late, the less likely your bank or credit union is to reverse those fees for you.*

Questions to generate discussion:

- What happens if you write a check or make a debit transaction for more than you have in your checking account?
- What are the consequences of overdrawing your account?

→SLIDE #48

Key points on overdraft protection:

- Standard (automatic) overdraft protection means the bank/credit union will cover your check or recurring bill payment and charge you an overdraft fee, which could be as much as \$30. (*NOTE: A 2011 Bankrate survey found that the national average for overdraft fees was \$30.83. Denver had the highest overdraft fees, at \$33.50.*)
- You can be charged an overdraft fee more than once in a day, depending on how many checks or recurring bill payments are submitted to the bank/credit union for payment.
- If you don’t “opt in” (agree to) ATM/debit overdraft protection, your ATM/debit card transactions will be declined if there is not enough money in your account. You will not spend money you don’t have and you will not incur an overdraft fee.

- If you opt in, you can cancel at any time. If you do not opt in, you can do so later.

→SLIDE #49

- Overdraft protection plans are not free, but they are typically less expensive than standard overdraft fees.

How to resolve an account problem (15 min)

Discuss what to do if your bank or credit union makes a mistake, such as a mixed-up deposit, no-show bill payment or double debit. (See Leader's Guide section "Resolving Account Problems.")

Questions to generate discussion:

- What is the best way to catch errors or unauthorized transactions early?
- What is the best way to approach your bank or credit union about a problem?

→SLIDE #50 →SLIDE #51

Go over the list items on these two slides.

Key points for resolving account problems:

- Contact the bank or credit union as soon as you notice something wrong. Go into the conversation assuming the bank or credit union will do its very best to resolve the problem quickly and that it wants to keep you as its satisfied customer.
- Start by calling a customer service representative or visiting your branch. Record the name of the person you talk to so that you can follow up with him or her or let the next person down the line know whom you spoke to.
- During the conversation, offer a solution and ask the representative to correct the problem by a certain date.
- Summarize your discussion with the representative in a letter and send it to the bank or credit union by registered mail, receipt requested, or by email. Attach documentation of your issue. (Make copies—do not give away your originals.) The letter may help prove you took timely action.

→SLIDE #52

If you are not satisfied with the bank or credit union's response, you can contact the financial institution's regulator:

- Banks with national in the name or N.A. after the name, and federal savings and loans and savings banks, are regulated by the Comptroller of the Currency, U.S. Department of the Treasury, 800-613-6743, www.helpwithmybank.gov.
- State-chartered banks are regulated by state banking authorities. To find your state agency, look in the government section of your white pages directory or on the Internet (http://consumeraction.gov/caw_state_resources.shtml).

- Federally chartered credit unions are regulated by the National Credit Union Administration, 800-755-1030, www.ncua.gov.

Questions & answers (15 minutes)

Preparation: Review the *You Can Bank on It* brochure and the Banking Basics Leader's Guide. The guide is written in Q&A format to help you anticipate frequently asked questions.

Open the floor to questions.

Wrap-up and evaluation (5 minutes)

➡SLIDE #53 ➡SLIDE #54

Congratulate learners on their participation in the class. Thank them for attending and ask them to fill out the evaluation form and leave it on a table or in a large envelope you provide. If you will be conducting other trainings at a specific future time, announce that now and encourage learners to attend.

➡SLIDE #55

Display closing slides as participants leave the training.

MoneyWi\$e Banking Basics check writing activity

JOHN CONSUMER MARY CONSUMER 123 Any Street Anytown, FL 12345	11-5388/1310	5690
① Date _____		
Pay to the ② _____ ③		
order of _____ \$ _____		
④ _____ Dollars		
YOUR NATIONAL BANK		
For _____ ⑤ _____ ⑥		
-: 9999992884-: 0326766894: 5690		

Directions: This check belongs to John and Mary Consumer. Write a check to Mr. and Mrs. Consumer's landlord, Peter Perkins, for \$395.00.

- ① **Date:** Write the month, day and year (example: "March 5, 2011").
- ② **Pay to the order of:** Write "Peter Perkins"
- ③ **Amount (\$):** Write "\$395.00"
- ④ **Dollars:** Write "Three hundred and ninety-five and no cents"
- ⑤ **For:** Write "Rent"
- ⑥ **Signature:** Sign "Mary Consumer"

Enter the check in Mr. and Mrs. Consumer's checkbook register and figure the current balance.

Check	Date	Transaction Description	Amount	Deposits	Balance
		Balance Forward			\$632.45
#5688	2/28	Bountiful Grocery Store	\$105.68		\$526.77
	2/28	John's Paycheck		\$1,232.10	\$1758.87
#5689	3/1	RX Pharmacy	\$20.00		\$1738.87

Classroom discussion question: Why is it important to enter the checks you write in your checkbook register?

SOURCE: www.chexhelp.com, April 5, 2002

DATE OF REPORT: Sept. 10, 2001

JOHN CONSUMER
123 ANY STREET
ANYTOWN FL 12345

RE: Consumer ID 1234567, JOHN CONSUMER

Dear JOHN CONSUMER:

REPORTED INFORMATION

(Refers to reports of accounts that have been mishandled, reported for cause, and/or outstanding debts. Reported information is submitted directly to ChexSystems by members of our service which consist mainly of financial institutions. Our current practice is to retain reported information on file for a period of five years.)

Name: JOHN CONSUMER
Address: 123 ANY STREET, ANYTOWN FL 12345
SSN/ID #: 999-99-9999
Source of Information: YOUR NATIONAL BANK, ANYTOWN, FL
RTN# 123456789 ACCOUNT#: 123456789
Date Reported: 01/01/2000
Reported For: NON-SUFFICIENT FUNDS (NSF) ACTIVITY

Name: JOHN CONSUMER
Address: 123 ANY STREET, ANYTOWN FL 12345
SSN/ID #: 999-99-9999
Source of Information: YOUR CREDIT UNION, ANYTOWN FL
RTN# 987654321 ACCOUNT#: 987654321
Date Reported: 01/01/2000
Debt Reported: \$150.49
Collection Payment Recorded Date: 04/18/2001

DRIVERS LICENSE VALIDATION

(Information made available from each state regarding the validity of a drivers license number format.)

Drivers license # C 12345678901 is a valid format for the state of FL

PAGE 1 OF 3 — ChexSystems Report for John Consumer

DRIVERS LICENSE VERIFICATION

(Information that is provided to ChexSystems by the state that issued the drivers license number. This information, which is limited to certain states, identifies the name and date of birth of the individual to whom the drivers license number was issued.)

Drivers License Verification/Source
Department of Public Safety, ANYTOWN, FL

State: FL
Drivers License Number: C12345678901
Issued to: JOHN CONSUMER
Date of Birth: 01 / 31 / 1978

Social Security Validation/Source:
The Social Security Administration, Baltimore, MD
SS# 999-99-9999 Became Available for Issuance in 1982 in the state of FL

CONSUMER INITIATED INQUIRIES

(You took actions, such as completing a credit application, that allowed the following sources to review your information. Please note that the following information is part of your credit history and may be included in our reports to others.)

Name: JOHN CONSUMER
SSN / ID: 999-99-9999
Inquirer Name: New Haven Savings
Inquirer Location: New Haven, CT
Inquiry Initiated Date: 02 / 28 / 2000

CUSTOMER INITIATED INQUIRIES

(You may not have initiated the following requests for your credit history, so you may not recognize each source. We offer credit information about you to those with a permissible purpose, for example to:

- *Your current creditors to monitor your accounts*
- *Other creditors who want to offer you preapproved credit*
- *An employer who wishes to extend an offer of employment*
- *A potential investor in assessing the risk of a current obligation*

We report these requests ONLY to you as a record of activities, and we do not include ANY of these requests on credit reports to others.)

No Information Found

RETAIL INFORMATION**Shared Check Authorization Network (SCAN) (800) 262-7771**

(Refers to a returned unpaid check(s) written on an account(s) and certain collection accounts. Such a check or account is referred to as a Retail Item. This information is reported to SCAN (Shared Check Authorization Network) by retailers and other businesses. ChexSystems receives this information directly from SCAN.)

Date of Check: 01/10/1999

Check #: 6011

Amount of Check: \$106.50

Date Check Paid: NOT PAID YET

RTN/Account# 12345678901

Drivers License Number: C12345678901

State: FL

Payee: RETAIL MERCHANT NAME

Date of Check: 01/12/1999

Check #: 6012

Amount of Check: \$125.96

Date Check Paid: 7/22/1999

RTN/Account# 12345678/1234567895

Drivers License Number: C12345678901

State: FL

Payee: RETAIL MERCHANT NAME

CHECK PRINTING ORDER HISTORY

(A list of the check orders placed within the past three years.)

RTN/Account# 12345678/35655865461

Quantity Of Order: 400

Check Start #: 6060

Date Order Shipped: 03/03/1997

In any future contact with us, please include your Social Security Number and the following consumer ID: 1234567 for JOHN CONSUMER.

Sincerely,

ChexSystems

MONEYWISE BANK

Sample Savings Account Application

Personal Accounts: Minimum \$25.00 required to open. Minimum \$200.00 balance to avoid a \$3.00 monthly service charge. New accounts have 90 days to bring the balance to \$200.00. Statements are mailed quarterly. Unlimited withdrawals at any MoneyWi\$e Bank ATM (automated teller machine) with your MoneyWi\$e Debit Card. Make checks payable to MoneyWi\$e Bank. Bring your completed application to a MoneyWi\$e Bank branch or send it to MoneyWi\$e Bank, New Accounts, Any Street, Any Town, FL 12345. If you have any questions about this application, call 888-SAV-WISE.

Ownership:☐ Sole Owner☐ Joint Owner

Primary Owner _____ Joint Owner _____

Primary Owner's Name (first/ middle/ last) _____

Street Address _____

City _____ State _____ Zip Code _____

Social Security Number _____

Driver's License Number _____

Date of Birth _____ Home Phone _____

Mother's Maiden Name _____

Name of Joint Owner (first/ middle/ last) _____

Joint Owner's Social Security Number _____

Joint Owner's Driver's License Number _____

Request for Taxpayer Identification Number (W-9 Certification)

Under penalties of perjury, by signing this application I certify that the number shown on this form is my correct taxpayer identification number (Social Security #). Check applicable box below:

☐ I am not subject to backup withholding.☐ I am subject to backup withholding.☐ Exempt Residents: I am an exempt recipient under the IRS Regulations.☐ Nonresident Alien: I am neither a citizen nor a resident of the United States. (Complete U.S. Tax Form W-8.)

Application continues on next page

Optional Banking Services

- ☐ Mail me an ATM Card (new customers who do not have a MoneyWi\$e Bank ATM or MoneyWi\$e MasterMoney® Card)
- ☐ Add this Savings account as a primary account on my existing card (customers who already have a MoneyWi\$e Bank ATM or MoneyWi\$e MasterMoney® Card)
- ☐ I do not want ATM access for this account
- ☐ Annual Fee Account:** The \$24.00 annual fee covers five (5) Foreign Bank ATM transactions per account during each monthly statement cycle at MoneyWi\$e Bank ATMs (\$1.50 per transaction over 5). Six free transactions per month are allowed at MoneyWi\$e Bank ATMs and point of sale (POS) terminals.
- ☐ Pay As You Go: \$1.50 for each Foreign Bank ATM transaction per account during each monthly statement cycle at MoneyWi\$e Bank ATMs. Six free transactions per month are allowed at MoneyWi\$e Bank ATMs and point of sale (POS) terminals.

***Fee options are imposed by MoneyWi\$e Bank. Other institutions may charge an additional fee for cash withdrawals when you use their ATMs. Some merchants may charge a processing fee when you use your card to make purchases.*

I also acknowledge the terms of the following disclosures:

- ☐ Deposit Account Agreement Disclosure
- ☐ Special Fees and Conditions for Consumer Accounts

By signing this application, I authorize MoneyWi\$e Bank to obtain credit or other information about me which the Bank may deem necessary to evaluate.

Primary Applicant Signature: _____ Date: _____

Joint Applicant Signature: _____ Date: _____

For Internal Bank Use Only

Account # _____

CVB Plan # _____

CIF # _____

Branch # _____

Choosing a bank or credit union account

Instructions: Take this form home with you to use when shopping for a bank or credit union account that suits your needs.

Bank/Credit Union Name:		
1. Do you have a free account (no monthly maintenance fee)?		
2. What are the requirements for a free account? <i>(If you are satisfied with the free account option, skip to #6.)</i>		
3. Do you offer a low-cost "lifeline" (basic) account?		
4. What are the requirements for a "lifeline" (basic) account?		
5. What is the monthly fee?		
6. How much do I have to keep in the account to avoid a fee?		
7. What happens if my account balance falls below the minimum requirement?		
8. How much money do I need to open an account?		
9. How many checks can I write each month without an additional fee?		
10. How many withdrawals can I make each month without an additional fee?		
11. Does an ATM or debit card come with this account?		
12. How much is the fee to use my card at another institution?		
13. Do you offer overdraft protection?		
14. Is it linked to: <input type="checkbox"/> Savings? <input type="checkbox"/> Credit card? <input type="checkbox"/> Line of credit?		
15. What is the cost of overdraft protection (fees/interest)?		

Training Evaluation: *Banking Basics*

Please help us improve future presentations by giving us your opinion of today's class. Circle the response that best reflects your feelings about each statement.

1. I have a better understanding of personal banking services.

Strongly agree Agree Disagree Strongly disagree

2. I understand what account verification services do and what my rights are if there is inaccurate information in my ChexSystems file.

Strongly agree Agree Disagree Strongly disagree

3. I have a better understanding of how to select the bank or credit union and the accounts that meet my needs.

Strongly agree Agree Disagree Strongly disagree

4. I feel confident that I could resolve an account problem.

Strongly agree Agree Disagree Strongly disagree

5. I know where to go for more information and assistance on this subject.

Strongly agree Agree Disagree Strongly disagree

6. I can use what I learned today to make improvements in my life.

Strongly agree Agree Disagree Strongly disagree

7. The instructor was well informed.

Strongly agree Agree Disagree Strongly disagree

8. The materials I received are easy to read and understand.

Strongly agree Agree Disagree Strongly disagree

9. I would like to attend another class like this.

Strongly agree Agree Disagree Strongly disagree

On a scale of 1 to 10 (10 being the highest), how would you rate the seminar? _____

Please let us know how we could improve future trainings (use back, if necessary):

Thank you for attending!