

Activity 4: Are You Ready for a Checking Account?



Complete this checklist to determine if you are ready to open a checking account.

Checking Account

1. Do you work at a job where you are paid by check? _____
2. Do you have bills for which writing a check would be convenient?

3. Do you purchase money orders? _____
4. Do you ever lose cash or find it disappears quickly? _____
5. Do you regularly keep track of the money you have and how you spend it? _____

If you answered yes to two or more of these questions, a checking account might be a very good option for you.

If you answered no to the last question, you might not be ready for checking account. You must be willing to keep track of what you have in the bank so that you can avoid expensive overdraft and NSF fees, and can develop a good banking relationship.

To Open an Account

1. Do you have any of the following:
____ Driver's license?
____ Passport?
____ ID card?
____ Resident alien card (Green Card)?
2. Do you have a SSN? _____
3. A deposit with which to start an account? _____

At a minimum—you need ID, a SSN, and money to open a checking account. If you do not think having a checking account is right for you, consider opening a savings account at your bank. Savings accounts earn interest. You may still be able to direct deposit your payroll check into your savings account to avoid check-cashing fees. Remember to ask what fees and transaction limits are associated with the savings account.