

# Oklahoma's Personal Financial Literacy Passport

**Standard 4: The student will demonstrate the ability to balance a checkbook and reconcile financial accounts.**

## **Standard 4. Managing a Bank Account**

Lesson 4.1 – Tracking Your Money

Handout 4.1.1 – Your Check Register



Teacher Presentation Series 4

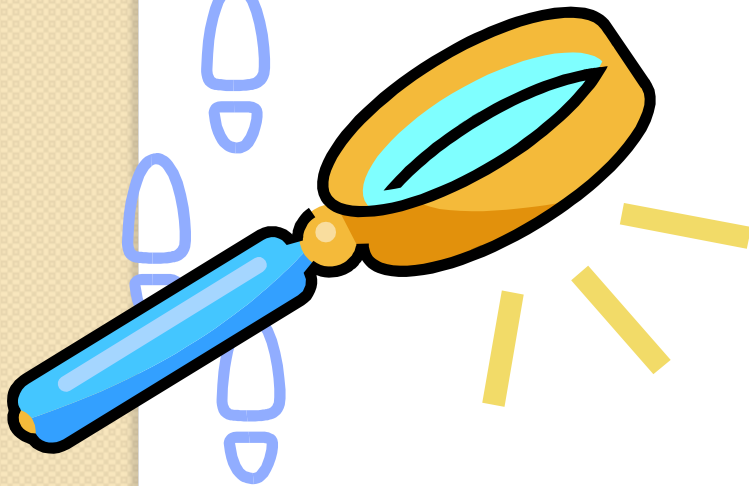
- 🏦 Explain the reasons for balancing a checkbook and reconciling an account statement.
- 🏦 Describe and compare the most common financial products and services (e.g., checking, credit cards, Automated Teller Machines (ATMs), savings, loans, investments, and insurance).
- 🏦 Develop and apply banking account management skills (e.g., correctly write, endorse, and deposit checks; balance a checkbook, including debit withdrawals and fees; and reconcile and monitor checking and savings account statements).



# **Standard 4. Managing a Bank Account**

## **Tracking Your Money**

# = Payoff =



- 👉 Explain the importance of reconciling a bank statement.
- 👉 Distinguish between using a check, ATM machine, and a debit card.
- 👉 Demonstrate the ability to balance a checkbook and reconcile a statement.

# Down Payment



- 👤 Alexis stops at the ATM on the way home.
- 👤 She only needs \$25, but the machine refuses to give her any money!
- 👤 Mom suggests she stop at the bank to see what has happened.
- 👤 Alexis goes in the bank to meet with Ms. Poindexter, who reviews her account.
- 👤 What do you think the problem is? Was the machine wrong not to give her money?

# == Cache ==



💰 Automated Teller Machine

💰 Check

💰 Debit Card

💰 Reconcile

## == *Building Interest* ==



- 💰 Why do people write checks?
- 💰 Why is it important to keep track of the checks they write?
- 💰 Why do people choose to use their automated debit card instead of writing checks?
- 💰 What are the cost benefits of writing checks or using credit cards?

## == **Building Interest** ==



- 🏠 Check and debit card transactions are almost instant, so it is very important to have the money in your account when you use them.
- 🏠 Check – a written document ordering a financial institution to transfer money from your account to another account.
- 🏠 Debit Card – a plastic version of a check.



# == *Building Interest* ==



- 💰 Two reasons for using checks instead of cash:
  - Checks are convenient and safe.
  - Cash cannot be replaced if lost or stolen.
- 💰 Many banks offer free accounts, but some charge fees. Explore options to get the most for your money.

## == *Building Interest* ==



- 🏦 Most bank accounts come with a debit card.
- 🏦 Debit cards are easy to use but it can be difficult to remember to write down your transactions.

# Writing a Check



<b>JOHN DOE</b> 123 Main St. Anywhere, OK 73125	<b>1001</b>
PAY TO THE ORDER OF	DATE <b>Step 1</b>
<b>Step 2</b>	\$ <b>Step 3</b>
<b>Step 4</b>	DOLLARS
Your Bank 456 Money St. Anywhere, OK 73125	
MEMO <b>Step 6</b>	<b>Step 5</b>
: 123456789: 78510051 00" 1001	

- 💰 Step 1 – Current date
- 💰 Step 2 – Name (Payee)
- 💰 Step 3 – Dollar amount (numbers)
- 💰 Step 4 – Dollar amount (words)
- 💰 Step 5 – Sign your name
- 💰 Step 6 – Notes about the transaction

# Writing a Check



Check Number	Date	Description of Transaction	Payment/ Debit (-)	Fee	Deposit/ Credit (+)	Balance
	2/20	Opening Deposit	\$		\$200 00	\$200 00
105	2/26	Coffee Mart	19 75			19 75
						180 25
	3/12	ATM	100 00			100 00
						80 25
	3/22	Deposit			30 00	30 00
						110 25
	3/23	Deposit			50 00	50 00
						160 25
	3/23	Cash Back from Deposit	25 00			25 00
						135 25
	3/18	Monthly Fee		2.00		2 00
						133 25

- 🏦 Step 7 – Write the check number, date, payee, amount of the check or ATM transaction.
- 🏦 Step 8 – Subtract amount of check from the balance.

# Depositing Money Into Your Account



<b>DEPOSIT TICKET</b>	<b>Your Name</b>		<b>CURRENCY</b>		
	<b>Your Address</b>		<b>COIN</b>		
	<b>Your Phone Number</b>		<b>CHECKS</b>		
	<b>DATE</b>		<b>OR TOTAL</b>		
	<small>DEPOSITS MAY NOT BE AVAILABLE FOR IMMEDIATE WITHDRAWAL</small>		<b>FROM REVERSE</b>		
	<small>SIGN HERE IF CASH RECEIVED FORM DEPOSIT</small>		<b>SUBTOTAL</b>		
	<b>YOUR FINANCIAL INSTITUTION</b>		<b>LESS CASH RECEIVED</b>		
	<b>YOUR CITY, STATE Zip Code</b>		<b>NET DEPOSIT</b>		
	<b>DO NOT USE FOR AUTOMATIC PAYMENT OR CHECK TRANSACTIONS</b>				

- 👛 Step 1 – Write today’s date.
- 👛 Step 2 – Write down any currency deposited by the word “Currency.”
- 👛 Step 3 – Write down any coins deposited by the word “Coin.”

# Depositing Money Into Your Account



<b>DEPOSIT TICKET</b>	<b>Your Name</b>	
	<b>Your Address</b>	
	<b>Your Phone Number</b>	
	<b>DATE</b>	
	<small>DEPOSITS MAY NOT BE AVAILABLE FOR IMMEDIATE WITHDRAWAL</small>	
	<small>SIGN HERE IF CASH RECEIVED FROM DEPOSIT</small>	
	<b>YOUR FINANCIAL INSTITUTION</b>	
	<b>YOUR CITY, STATE Zip Code</b>	
	<small>DO NOT USE FOR AUTOMATIC PAYMENT OR CHECK TRANSACTIONS</small>	
		<b>CURRENCY</b>
	<b>COIN</b>	
	<b>CHECKS</b>	
	<b>OR TOTAL FROM REVERSE</b>	
	<b>SUBTOTAL</b>	
	<b>LESS CASH RECEIVED</b>	
	<b>NET DEPOSIT</b>	

- 👛 Step 4 - Write checks down individually.
- 👛 Step 5 – Total deposits and write in space marked “Subtotal.”
- 👛 Step 6 – Write down cash withdrawn following the words “Less Cash Received.”

# Depositing Money Into Your Account



<b>DEPOSIT TICKET</b>	<b>Your Name</b>	
	<b>Your Address</b>	
	<b>Your Phone Number</b>	
	<b>DATE</b> _____	<b>CURRENCY</b> _____
	<small>DEPOSITS MAY NOT BE AVAILABLE FOR IMMEDIATE WITHDRAWAL</small>	<b>COIN</b> _____
	<small>SIGN HERE IF CASH RECEIVED FROM DEPOSIT</small>	<b>CHECKS</b> _____
	<b>YOUR FINANCIAL INSTITUTION</b>	<b>OR TOTAL FROM REVERSE</b> _____
	<b>YOUR CITY, STATE Zip Code</b>	<b>SUBTOTAL</b> _____
	<b>DO NOT USE FOR AUTOMATIC PAYMENT OR CHECK TRANSACTIONS</b>	<b>LESS CASH RECEIVED</b> _____
		<b>NET DEPOSIT</b> _____

- 👛 Step 7 – Subtract cash received from subtotal and write that amount after “Net Deposit.”
- 👛 Step 8 – If withdrawing cash, sign your name on the line below the date.

# Managing Your Account



🔑 Key to managing your account – write down every deposit, withdrawal, and fee charged to your account!

🔑 If you fail to accurately track your account, you may find that your account is “overdrawn” or that you have “insufficient funds.”





# Managing Your Account



- 🏪 You may be charged substantial fees for writing an insufficient or “bad” check.
- 🏪 You can be fined or put in jail for careless or criminal behavior for writing insufficient checks.
- 🏪 “Overdraft protection” is available, but it will cost you.



# Reconciling Your Statement



- 🏦 Bank statement – a record of all account transactions in the past month.
- 🏦 Reconciling your statement - comparing your records to the bank's records  
Allows you to check for errors in recordkeeping – both yours and the Bank's!



# Reconciling Your Statement



## 🏠 Steps to reconciling your statement:

- Step 1 – Record balance in your check register.
- Step 2 – Subtract any bank charges.
- Step 3 – Find the ending balance on your statement and add deposits not included on your statement.
- Step 4 – Subtract withdrawals not included on your statement.

🏠 Amount remaining is your current account balance.

# == *Earnings* ==



Managing your accounts will help you to:

- 👛 Build financial independence.
- 👛 Avoid spending money on unnecessary fees by practicing good money management skills.
- 👛 Keep accurate records to avoid overdraft and hot check charges.

# **Balance Sheet**



- 🏦 What is a deposit slip used for?
- 🏦 When should you “reconcile” your account?
- 🏦 What kind of information is included in your check register?
- 🏦 What is the memo line on your check used for?
- 🏦 Is it okay to write a “hot check?”

## == *Paid in Full* ==



- 💰 Do you suppose Alexis forgot to reconcile her account this month?
- 💰 If you said, “Yes,” you are correct! She had used her ATM card too many times without writing down the amount, and she had no money left in her account.
- 💰 ***Do not let that happen to you!***