

Bankability



Bankability Importance

- It is nearly impossible to successfully live in America without a bank account.
- Creditors, landlords, mortgage lenders, insurance companies and other institutions consider the ability to maintain a bank account an indicator of stability.
- Many employers require employees to participate in payroll deposit as a cost savings measure.

If you have an immediate need to keep your cash safe and perform basic financial transactions there are alternatives available. The fees involved with these alternative systems such as Green Dot or the Walmart prepaid system, while somewhat greater than a traditional bank account, are lower than using the check cashing and money order system. Check cashing locations can charge up to 10% of the amount of the check and money transmitter rates are as high as \$12.50 per \$100. Your funds are also safer than when kept in cash which is easier to be lost, stolen, or spent without thought.

Remaining Bankable

- You must check your statement every month and reconcile it. Make certain that you can account for all transactions on the statement. You must notify the bank immediately if there are transactions in error. It is your right to dispute any transaction that you did not authorize.
- Watch your fees. Forgetting to allow for fees related to overdrafts, ATM activity or other bank activity is the easiest way to lose track of your balance. Question any fee you do not think is appropriate. If you feel you are paying too much in fees, ask your banker for a recommendation of the type of account that better suits your banking patterns.
- Guard your checks, deposit slips and account numbers. When you receive your checks, go through each packet and make sure all checks are present and in the correct order. Each time you obtain a new packet, check the numbers to make certain they are in sequence. Over 90% of identity theft is committed by a person known to the victim. Taking a single check out of a packet of unused checks is one of the most common ways to gain access to an account.

How To Become Bankable

- Obtain a copy of your ChexSystem report. ChexSystem is a reporting bureau for banks, much like the credit reporting bureaus for loans and credit cards. They track your banking history.
 - This bureau provides information such as your previous history of insufficient fund checks and overdrawn accounts.
- If you have any inactive accounts, outstanding check or overdraft balances, these must be paid in full prior to opening a new bank account. These previous problems may take time to repay, but it must be done to enter the financial mainstream.
- Review what you need from a bank:
 - ATM access,
 - Saturday hours, on-line banking, free teller assistance, wire service, etc.
- Research banks in your area. All banks must publish a list of their fees and make it available to the public. Collect and study these fee charts. These charts will outline the terms for opening checking and savings accounts. Pay attention to minimum balance requirements, limits on the number of withdrawals every month, and any other features that apply to your particular needs.
- Choose a bank that has the services you need in an area convenient for you.



If you have any additional questions about personal financial management, please call one of our friendly Certified Credit Counselors at (800) 942-9027. They will be more than happy to assist you.

www.creditadvisors.org