

# BANKING TERMS



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Slower ->



## WHY A CHECKING ACCOUNT?

|  |  |      |
|--|--|------|
| Jackie Johnson<br>11902 NE Main Street<br>Cortez, CO 81321 | Date <u>11/15</u> 20 <u>10</u>                                       | 1111 |
| Pay to the order of <u>City Market</u>                     | \$ <span style="border: 1px solid black; padding: 2px;">27.14</span> |      |
| <u>Twenty seven and fourteen cents</u>                     | dollars  |      |
| for <u>groceries</u>                                       | <u>Jackie Johnson</u>  |      |
| ⑆123456789⑆ 000123456⑆ 1111                                |  |      |

You don't want to carry a lot of cash with you. That is why it is good to open a checking account. It is easy to do.

Find a bank that you like. Maybe your friends use the bank. Maybe someone told you about it.

Walk into the bank. Make sure that the people are friendly to you. If not, find another bank!

Tell a bank worker that you want to open a checking account. A bank agent will sit down with you and help you. Ask a lot of questions. Compare what you hear to other banks. Find out if there is a fee to open an account. Find out if you need to keep a minimum balance in your account. Ask the person to explain different accounts to you.

The following banking terms will help you a lot!





## BANKING TERMS

It is helpful to know a few terms. Practice the terms below:

**Checking account** - A checking account lets you write checks to withdraw (take out) money. You can open a personal or a business account. You can also have a joint checking account. That means that someone else shares the account with you. Husbands and wives often share accounts.

|                               |                         |
|-------------------------------|-------------------------|
| Your name _____               | Date _____ 20__         |
| Your address _____            |                         |
| Pay to the order of _____     | \$ <input type="text"/> |
|                               | _____ dollars           |
| For _____                     |                         |
| ⑆123456789⑆ 000123456789 1111 |                         |

**Savings account** - A savings account also lets you withdraw money. However, it does not use checks. A savings account is a good place to leave money that you will not use right away. Money in a savings account gives you interest.



**Interest** - Interest is a fee that you receive or that you pay. It depends on the transaction. You receive a fee or interest in a savings account. If you borrow money, you pay a fee or interest on the amount.



Fill the blanks below. Use any word that fits. Check your work against the previous page. All of the sentences are there. (No audio below.)

Walk into the bank. Tell a bank \_\_\_\_\_ that you want to open a \_\_\_\_\_ \_\_\_\_\_. A bank \_\_\_\_\_ will sit down with you and help you. Ask a lot of \_\_\_\_\_. \_\_\_\_\_ what you hear to other banks. Find out if there is a \_\_\_\_\_ to open an account. Find out if you need to keep a \_\_\_\_\_ \_\_\_\_\_ in your account

**Checking account** - A checking \_\_\_\_\_ lets you write checks to \_\_\_\_\_ (take out) money. You can open a \_\_\_\_\_ or a \_\_\_\_\_ account. You can also have a \_\_\_\_\_ checking account. That means that someone else \_\_\_\_\_ the account with you. Husbands and wives \_\_\_\_\_ share accounts.

|                                |                    |      |
|--------------------------------|--------------------|------|
| Your name _____                | Date _____ 20 ____ | 1111 |
| Your address _____             |                    |      |
| Pay to the order of _____      | \$ _____           |      |
| for _____                      | _____ dollars      |      |
| ⑆0123456789⑆ 000123456789 1111 |                    |      |

**Savings account** - A savings account also lets you \_\_\_\_\_ money. \_\_\_\_\_, it does not use checks. A \_\_\_\_\_ account is a good place to leave money that you will not use \_\_\_\_\_ away. Money in a savings account gives you \_\_\_\_\_.



**Interest** - Interest is a \_\_\_\_\_ that you receive or that you pay. It depends on the \_\_\_\_\_. You receive a fee or \_\_\_\_\_ in a savings account. If you \_\_\_\_\_ money, you pay a fee or \_\_\_\_\_ on the amount.

Continue learning on the next page.



**Transaction** - A bank transaction is an action on your account. Withdrawals and deposits are transactions.



**Balance** - Your account balance is the difference between what you deposited and withdrew in your account. If you deposited \$100 and wrote a check for \$25, your balance is \$75.



**Minimum balance** - Some checking accounts need to have a minimum balance. A minimum balance is money that must always be left in the account. If you don't keep that amount in your account, you will have to pay a fee.



Fill the blanks below. Use any word that fits. Check your work against the previous page.

**Transaction** - A bank transaction is an \_\_\_\_\_ on your account. \_\_\_\_\_ and \_\_\_\_\_ are transactions.



**Balance** - Your account balance is the \_\_\_\_\_ between what you \_\_\_\_\_ and withdrew in your account. If you deposited \$100 and wrote a check for \$25, your \_\_\_\_\_ is \$75.



**Minimum balance** - Some checking accounts need to have a \_\_\_\_\_ balance. A minimum \_\_\_\_\_ is money that must always be left in the \_\_\_\_\_. If you don't keep that \_\_\_\_\_ in your account, you will have to pay a \_\_\_\_\_.



Continue learning on the next page.



**Statement** - A bank statement is your report from the bank. It is the document that shows you all of your transactions.

**\$ Four Corners Bank** CHECKING ACCOUNT STATEMENT  
Page : 1 of 1

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JOHN JONES  
1643 DUNDAS ST W APT 27  
Cortez, CO 81321

| Statement period         | Account No.     |
|--------------------------|-----------------|
| 2003-10-09 to 2003-11-08 | 00005-123-456-7 |

| Date           | Description                       | Ref. | Withdrawals | Deposits | Balance |
|----------------|-----------------------------------|------|-------------|----------|---------|
| 2003-10-08     | Previous balance                  |      |             |          | 0.55    |
| 2003-10-14     | Payroll Deposit - HOTEL           |      |             | 694.81   | 695.36  |
| 2003-10-14     | Web Bill Payment - MASTERCARD     | 9685 | 200.00      |          | 495.36  |
| 2003-10-16     | ATM Withdrawal - INTERAC          | 3990 | 21.25       |          | 474.11  |
| 2003-10-16     | Fees - Interac                    |      | 1.50        |          | 472.61  |
| 2003-10-20     | Interac Purchase - ELECTRONICS    | 1975 | 2.99        |          | 469.62  |
| 2003-10-21     | Web Bill Payment - AMEX           | 3314 | 300.00      |          | 169.62  |
| 2003-10-22     | ATM Withdrawal - FIRST BANK       | 0064 | 100.00      |          | 69.62   |
| 2003-10-23     | Interac Purchase - SUPERMARKET    | 1559 | 29.08       |          | 40.54   |
| 2003-10-24     | Interac Refund - ELECTRONICS      | 1975 |             | 2.99     | 43.53   |
| 2003-10-27     | Telephone Bill Payment - VISA     | 2475 | 6.77        |          | 36.76   |
| 2003-10-28     | Payroll Deposit - HOTEL           |      |             | 694.81   | 731.57  |
| 2003-10-30     | Web Funds Transfer - From SAVINGS | 2620 |             | 50.00    | 781.57  |
| 2003-11-03     | Pre-Auth. Payment - INSURANCE     |      | 33.55       |          | 748.02  |
| 2003-11-03     | Cheque No. - 409                  |      | 100.00      |          | 648.02  |
| 2003-11-06     | Mortgage Payment                  |      | 710.49      |          | -62.47  |
| 2003-11-07     | Fees - Overdraft                  |      | 5.00        |          | -67.47  |
| 2003-11-08     | Fees - Monthly                    |      | 5.00        |          | -72.47  |
| *** Totals *** |                                   |      | 1,515.63    | 1,442.61 |         |

**Checkbook ledger**- A checkbook ledger is a booklet or a sheet where you write down your transactions.



**Debit** - A debit is money taken out or withdrawn from your account.

$\$122$  (your balance) -  $\$22$  =  $\$100$  ( $\$22$  is debited from your account.) Your new balance is  $\$100$ .

**Credit** - The word credit has many meanings. A bank will credit your account when you deposit money. You also have credit when your banking record is good.

$\$122$  (your balance) +  $\$22$  =  $\$144$  ( $\$22$  is credited to your account.) Your new balance is  $\$144$ .

Fill the blanks below. Use any word that fits. Check your work against the previous page.

**Statement** - A \_\_\_\_\_ is your \_\_\_\_\_ from the bank. It is the \_\_\_\_\_ that shows you all of your \_\_\_\_\_.

 **Four Corners Bank** CHECKING ACCOUNT STATEMENT  
Page : 1 of 1

— JOHN JONES  
= 1643 DUNDAS ST W APT 27  
Cortez, CO 81321

|  |  | Statement period         | Account No.     |
|--|--|--------------------------|-----------------|
|  |  | 2003-10-09 to 2003-11-08 | 00005-123-456-7 |

| Date           | Description                       | Ref. | Withdrawals | Deposits | Balance |
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| 2003-11-08     | Fees - Monthly                    |      | 5.00        |          | -72.47  |
| *** Totals *** |                                   |      | 1,515.63    | 1,442.61 |         |

**Checkbook ledger**- A checkbook ledger is a \_\_\_\_\_ or a sheet where you write down your \_\_\_\_\_.



**Debit** - A debit is money \_\_\_\_\_ or withdrawn from your account.

**Credit** - The word credit has many \_\_\_\_\_. A bank will \_\_\_\_\_ your account when you deposit money. You also have \_\_\_\_\_ when your \_\_\_\_\_ record is good.

Continue learning on the next page.

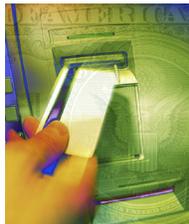


**Deposit** - A deposit is money that you put into your account. A deposit is a credit to your account. A withdrawal is a debit to your account.



**Minimum deposit** - A minimum deposit is money that some banks ask you to put in your account when you open it.

**Withdrawal** - A withdrawal is a transaction that takes money from your account.



**Debit Card** - Many banks give you a debit card with your account. You can use your debit card to pay for things right out of your account. It is like a check. When you use a debit card, money is taken from your account. You can also use your debit card at ATMs. When you use a debit card, you must have money in your account to cover the amount you take out.

**Credit Card** - A credit card does not take money from your account. It is a loan. When you use a credit card, a company pays for your purchase. Then you must pay the company back. You pay a high fee when you borrow money on a credit card. Be sure to pay off the whole loan at the end of the month. That way, you won't have such a high fee to pay back.

Fill the blanks below. Use any word that fits. Check your work against the previous page.

**Deposit** - A deposit is money that you put into your \_\_\_\_\_. A deposit is a \_\_\_\_\_ to your account. A withdrawal is a \_\_\_\_\_ to your account.

**Minimum deposit** - A \_\_\_\_\_ deposit is money that some banks ask you to \_\_\_\_\_ your account when you open it.

**Withdrawal** - A withdrawal is a \_\_\_\_\_ that takes money from your \_\_\_\_\_.

**Debit card** - Many banks give you a \_\_\_\_\_ card with your account. You can use your \_\_\_\_\_ to pay for things right out of your account. It is like a \_\_\_\_\_. When you use a debit card, money is \_\_\_\_\_ your account. You can also use your debit card at \_\_\_\_\_ machines.

**Credit Card** - When you use a credit card, a \_\_\_\_\_ pays for your \_\_\_\_\_. Then, you must pay the company \_\_\_\_\_. You pay a high \_\_\_\_\_ when you \_\_\_\_\_ money on a credit card.



Open the Excel Sheet by clicking below. Match the terms.

### BANKING TERMS ACTIVITY