

Module #4: Opening of a Checking Account

Objectives:

- Participants will learn about the application process for opening a checking account.
- Participants will practice endorsing a check.
- Participants will practice writing a deposit slip.
- Participants will learn about the different checking account deposit methods.

Context



Opening a checking account requires an application process such as, learning how to endorse a check, filling a deposit slip and learning how to deposit a check. The more knowledgeable about the varied banking services, the more convenience you can experiment.

Handouts & Resources Needed:

Handout 4.1: Opening a Checking Account

Handout 4.1A: Acceptable Forms of ID

Handout 4.1B: Signature Authorization Card

Handout 4.2A: Endorsing a Check

Handout 4.2B: Endorsing a Check

Handout 4.3A: Writing a Deposit Slip

Handout 4.3B: Writing a Deposit Slip

Pens/pencils

Sheet of paper- one for each participant

Journals

Flip chart/blackboard

Activity #1: Recognizing the Checking Account Application Process (55 min)

Procedure:

- Icebreaker
- Use Handout 4.1: Opening a Checking Account and Handout 4.1A: Acceptable Forms of ID to review with the participants the type of application they will probably see when opening a checking account.
 - Move through the application, describing the various areas on the form.
 - In reviewing the application, stress the need for accuracy and clarity in all information.

- Emphasize that applicants must provide a physical address when their mailing address is a post office box or similar postal receipt area.
 - A major topic to emphasize is proper identification. Although acceptable identification may vary slightly among financial institutions, it always includes at least two types of current government-issued identification.
 - Such regular identification might include a driver's license, military ID, passport, green card, etc. In some states, a Mexican consulate card is an acceptable form of identification to open a bank account.
 - Be prepared. Call ahead to find out exactly what you will need to open an account and what hours the bank is open.
- Use Handout 4.1B: Signature Authorization Card to review and describe the areas on the card. Explain the purpose of the signature authorization card and how the bank uses it to help safeguard customers' money. Guide participants to acknowledge the important factors while opening a checking account:
 - Signature authorization card
 - The contract and what it means
 - Initial deposit
 - Encourage all participants to consider opening a checking account if they do not have one.
 - Encourage them to go to their local bank, talk with a customer service representative, and get more information about checking accounts.
 - Remind them that the bank staff is always willing to answer questions from local residents and potential customers.
 - Debriefing

Activity #2: Practicing Endorsing a Check (55 min)

Procedure:

- Icebreaker
- Guide participants to practice endorsing a check.
- Review different endorsements on Handout 4.2A: Endorsing a Check.
 - Blank endorsement
 - Restrictive endorsement
 - Special or full endorsement
- Make sure the participants understand the three types of endorsement AND the advantages of each.
- Prepare some scenarios and have participants use Handout 4.2B: Endorsing a Check to write endorsement(s). Allow sufficient time for participants to complete practice page.

- Ask participants to work in pairs to create scenarios to challenge each other to endorse a check.
- Call time. Have participants to share the scenarios they created.
- Debriefing

Activity #3: Writing a Deposit Slip (55 min)

Procedure:

- Icebreaker
- Review each item on Handout 4.3A: Writing a Deposit Slip. Make sure the participants understand all the items.
- Prepare some scenarios and ask participants to use Handout 4.3B: Writing a Deposit Slip to practice writing a deposit slip. Allow sufficient time for participants to complete practice page.
- Ask participants to work in pairs to create scenarios to challenge each other to write a deposit slip.
- Call time. Have participants to share the scenarios they created and challenge the class.
- Debriefing

Activity #4: Depositing a Check (55 min)

Procedure:

- Icebreaker
- Ask those who have a checking account how they make their deposits. Responses may vary, but should include depositing the funds at the bank, through the mail, at an ATM, and direct deposit.
- Help participants to acknowledge different deposit methods by sharing and describing experiences with the following methods:
 - (a) Manual deposit
 - (i) At the bank
 - (ii) Through mail
 - (iii) At an ATM
 - (b) Direct deposit
- Guide participants to discuss the advantages and disadvantages for different deposit methods.
- Encourage participants to consider the option of direct deposit. Ask if anyone uses the option. If so, have them explain.
- Suggest that they contact their local banker to learn more about setting up direct deposits.
- Ask what might be the advantages of using direct deposit. Responses may vary but should include safety and convenience.

Debriefing

OPENING A CHECKING ACCOUNT



YOUR BANK
123 MAIN STREET
ANYTOWN, USA

ACCOUNT TYPE

- INDIVIDUAL
- JOINT
- BUSINESS
- PARTNERSHIP

CHECKING ACCOUNT APPLICATION

■ PRIMARY OWNER

NAME _____

ADDRESS _____

TELEPHONE HOME _____ WORK _____ EXT. _____

DATE OF BIRTH ___/___/___ SOCIAL SECURITY NO. _____ - _____ - _____

LENGTH OF TIME AT CURRENT ADDRESS _____

CURRENT EMPLOYER _____

EMPLOYER ADDRESS _____

LENGTH OF TIME WITH THIS EMPLOYER _____

DRIVER'S LICENSE OR PHOTO ID NUMBER _____

LAST ADDRESS PRIOR TO CURRENT ADDRESS _____

PLEASE COMPLETE THE FOLLOWING ONLY IF APPLYING FOR A CHECK CARD OR OVERDRAFT PROTECTION.

GROSS ANNUAL INCOME _____

MONTHLY MORTGAGE OR RENT PAYMENT _____

■ JOINT OWNER (IF APPLICABLE)

NAME _____

ADDRESS _____

TELEPHONE HOME _____ WORK _____ EXT. _____

DATE OF BIRTH ___/___/___ SOCIAL SECURITY NO. _____ - _____ - _____

LENGTH OF TIME AT CURRENT ADDRESS _____

CURRENT EMPLOYER _____

EMPLOYER ADDRESS _____

LENGTH OF TIME WITH THIS EMPLOYER _____

DRIVER'S LICENSE OR PHOTO ID NUMBER _____

LAST ADDRESS PRIOR TO CURRENT ADDRESS _____

PLEASE COMPLETE THE FOLLOWING ONLY IF APPLYING FOR A CHECK CARD OR OVERDRAFT PROTECTION.

GROSS ANNUAL INCOME _____

MONTHLY MORTGAGE OR RENT PAYMENT _____

I VERIFY THAT THE ABOVE INFORMATION IS TRUE UNDER PENALTY OF PERJURY.

SIGNATURE (PRIMARY) DATE

SIGNATURE (JOINT OWNER) DATE

ACCEPTABLE FORMS OF ID

Primary ID*	Secondary ID*
<ul style="list-style-type: none"> • Photo Driver's License issued within the U.S. or Canada • State Non-Driver's Photo ID • Photo Learner's Permit • Government Photo ID • U.S. Passport • Non-U.S. Passport • Resident Registration Card • Mexican Consular ID (Matricula Consular) • Naturalization Certificate • Employee Photo ID (from a recognizable employer) • Photo Trade License (barber, plumber, electrician, etc.) • Student Photo ID (college/trade school) • Medicare Card (must be 65 or older) 	<ul style="list-style-type: none"> • Foreign Driver's License • State/Local Gun Permit • Utility Bill (Name and address of individual account should be listed) • Current Bank Statement • National Credit Card • Bank-issued Debit or Check Card • Pay Stub • Car Registration • Mortgage Statement • Letter of Introduction from Bank, Embassy or Well-known Employer • Welfare Card • Supplemental Health Insurance Card

** Financial institutions' ID requirements may differ; check with the institution first before applying for an account.*

SIGNATURE AUTHORIZATION CARD



YOUR BANK
123 MAIN STREET
ANYTOWN, USA

ACCOUNT TYPE

- INDIVIDUAL
- JOINT
- BUSINESS
- PARTNERSHIP

SIGNATURE AUTHORIZATION CARD

ACCOUNT # _____

DATE _____

NAME _____

ADDRESS _____

PHONE _____

SOCIAL SECURITY NO. ____ - ____ - ____

YOU ARE HEREBY AUTHORIZED TO RECOGNIZE ANY OF THE SIGNATURES SUBSCRIBED ON THIS CARD FOR THE PAYMENT OF FUNDS OR TRANSACTION OF BUSINESS FOR THIS ACCOUNT. ALL TRANSACTIONS BETWEEN THE BANK AND THE DEPOSITOR SHALL BE GOVERNED BY THE CONTRACT PRINTED ON THE REVERSE OF THIS CARD.

AUTHORIZED SIGNATURE

AUTHORIZED SIGNATURE

MAKING A DEPOSIT – ENDORSING A CHECK (The Back Side of a Check)

Restrictive Endorsement (most secure)

Limits what can be done with the check. If you include "For Deposit Only," no one can cash the check; it must be deposited into your account (checking or savings).

For deposit only
Account #9944444433
Jane Smith

#203
12-567/891

_____ 2 _____

\$ _____

_____ DOLLARS

Blank Endorsement (least secure)

Include only your name. Makes the check payable to anyone.

Jane Smith

#203
12-567/891

_____ 2 _____

\$ _____

_____ DOLLARS

Endorsement to a Third Party

Limits payment to a third party. You are "signing the check over" to someone else.

Pay to the order of
Katherine Lorenzo
Jane Smith

#203
12-567/891

_____ 2 _____

\$ _____

_____ DOLLARS

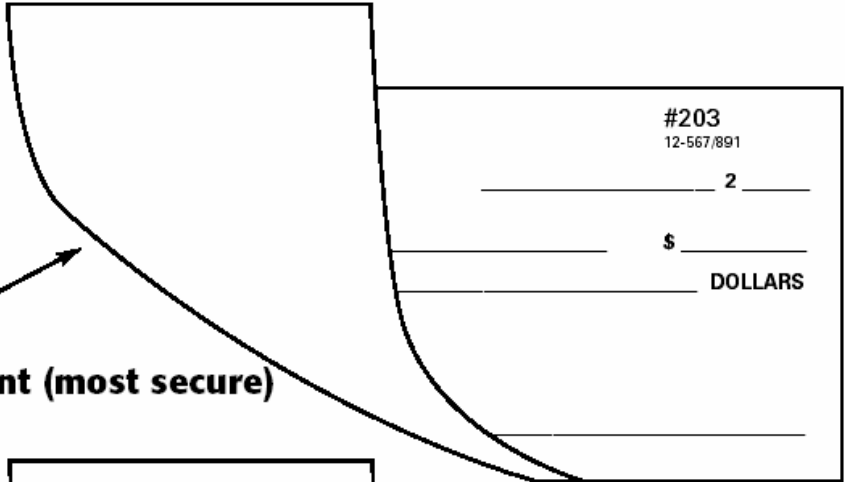
MAKING A DEPOSIT – ENDORSING A CHECK

(Practice Sheet)

Directions

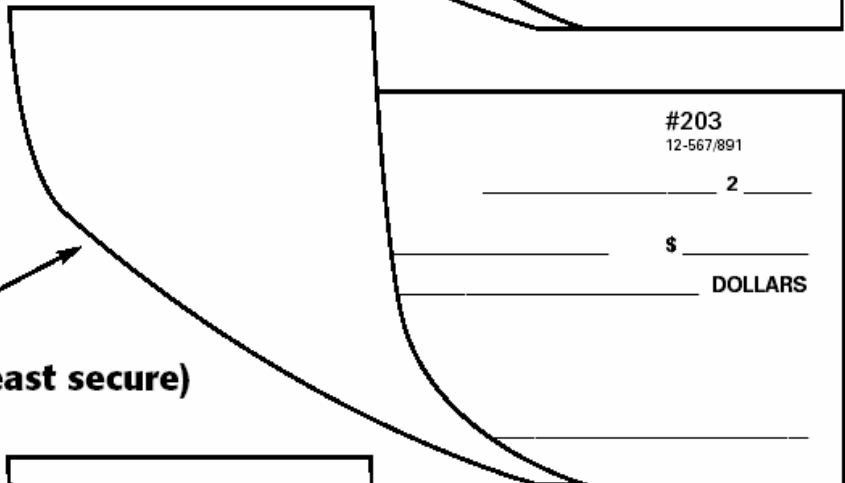
Endorse each of the checks shown based on its description.

Restrictive Endorsement (most secure)



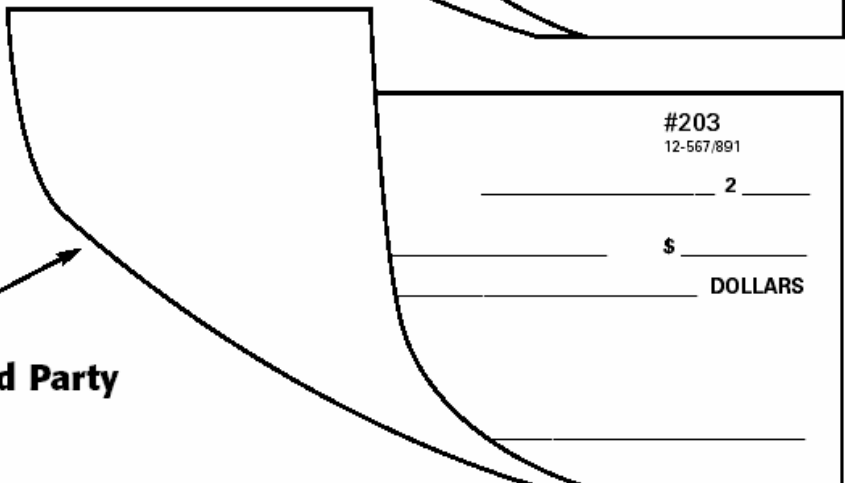
A diagram showing a check with a restrictive endorsement. An arrow points from the text 'Restrictive Endorsement (most secure)' to the back of the check. The back of the check is partially visible, showing the endorsement area. The front of the check is also visible, showing the number #203, the date 12-567/891, the amount 2, and the word DOLLARS.

Blank Endorsement (least secure)




A diagram showing a check with a blank endorsement. An arrow points from the text 'Blank Endorsement (least secure)' to the back of the check. The back of the check is partially visible, showing the endorsement area. The front of the check is also visible, showing the number #203, the date 12-567/891, the amount 2, and the word DOLLARS.

Endorsement to a Third Party



A diagram showing a check with an endorsement to a third party. An arrow points from the text 'Endorsement to a Third Party' to the back of the check. The back of the check is partially visible, showing the endorsement area. The front of the check is also visible, showing the number #203, the date 12-567/891, the amount 2, and the word DOLLARS.

MAKING A DEPOSIT – COMPLETING A DEPOSIT SLIP (Practice Sheet)

 YOUR BANK 123 MAIN STREET ANYTOWN, USA	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="padding: 2px;">CASH Currency</td> <td style="width: 20px; text-align: center;"> </td> <td style="width: 20px; text-align: center;"> </td> </tr> <tr> <td style="padding: 2px;">Coins</td> <td style="text-align: center;"> </td> <td style="text-align: center;"> </td> </tr> <tr> <td style="padding: 2px;">List checks singly</td> <td style="text-align: center;"> </td> <td style="text-align: center;"> </td> </tr> <tr> <td style="padding: 2px;"> </td> <td style="text-align: center;"> </td> <td style="text-align: center;"> </td> </tr> <tr> <td style="padding: 2px;">Total from other side</td> <td style="text-align: center;"> </td> <td style="text-align: center;"> </td> </tr> <tr> <td style="padding: 2px;">TOTAL</td> <td style="text-align: center;"> </td> <td style="text-align: center;"> </td> </tr> <tr> <td style="padding: 2px;">LESS CASH RECEIVED</td> <td style="text-align: center;"> </td> <td style="text-align: center;"> </td> </tr> <tr> <td style="padding: 2px;">NET DEPOSIT</td> <td style="text-align: center;"> </td> <td style="text-align: center;"> </td> </tr> </table>	CASH Currency			Coins			List checks singly						Total from other side			TOTAL			LESS CASH RECEIVED			NET DEPOSIT		
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Coins																									
List checks singly																									
Total from other side																									
TOTAL																									
LESS CASH RECEIVED																									
NET DEPOSIT																									
<hr/> DATE _____ ACCOUNT # _____ NAME _____ SIGNATURE _____ <small>(SIGN ONLY IF CASH IS RECEIVED FROM DEPOSIT)</small>																									

Directions

Record the following information on the deposit slip:

1. Date of June 1, 2005.
2. Depositing paper currency in the amount of \$57.00.
3. Depositing coins in the amount of 85 cents.
4. Depositing one check in the amount of \$75.25, with transit number 64-9.
5. There is no additional information to carry over from the reverse side.
6. You receive \$10.00 cash from the deposit.
7. Check all addition and subtraction carefully to determine the net deposit.
8. Did you sign for receiving cash?