

Managing Your Money



Credit, Loans and Debt



Scams and Identity Theft



Help for You

Managing Your Money

[Making a Budget](#)

[Opening a Bank Account](#)

[Using Debit Cards](#)

[Prepaid Cards](#)

[Saving Money When You Shop](#)

[Buying and Using Phone Cards](#)

[Sending Money Overseas](#)

[Renting an Apartment or House](#)

Opening a Bank Account

What It Is

What To Know

What To Do

print

AAA text size

listen

What is a bank?

A bank is a place to put your money and keep it safe in an account.

Banks offer many services, including:

- checking accounts and savings accounts for your money
- debit cards and credit cards
- loans to buy things like cars and homes
- check cashing and money transfers

What is a credit union?

A credit union is another place for your money. To use a credit union, you have to be part of a group that is allowed to join that credit union. Many groups, including communities and places of worship, have credit unions their members can join.

Credit unions offer the same services as a bank.

What is a checking account?

When people talk about bank accounts, they usually mean checking accounts. A checking account lets you keep your money safe and still be able to spend it.

A checking account lets you pay for things without using cash. Instead, you might pay with a check or a debit card.

What is a savings account?

Banks and credit unions also offer savings accounts. A savings account is for money you want to save.

A savings account can help keep the money you are saving separate from the money you need to spend now.

[Read more](#)



Opening a Bank Account

What It Is

What To Know

What To Do

print

AAA text size

listen

Why would I open a checking account?

You might open a checking account:

- to keep your money safe
- to pay using a debit card or check, instead of cash
- to get cash from an automated teller machine, or ATM
- to pay your bills online using your checking account
- to get access to loans, depending on your credit history
- to cash checks or wire money
- to earn a little extra money. Some banks pay interest on money in checking accounts. That means the money in your account will earn more money.

Many banks and credit unions charge less for these services if you have an account there.

Why would I open a savings account?

You might open a savings account:

- to help save money for emergencies or goals
- to keep your money safe
- to keep some money separate from the money you spend every month
- to earn a little extra money. Most banks pay interest on money in savings accounts. That means the money you save will grow a little over time.

How do I choose a bank or credit union?

Before you open any account:

- Visit a few banks or credit unions.
- Find out about the checking and savings accounts the bank offers.
- Ask what fees you will have to pay for each account. Some banks and credit unions charge you to write checks or use a debit card. Some do not charge for that.

Opening a Bank Account

What It Is

What To Know

What To Do

print

AAA text size

listen

Banks and credit unions are safe places to keep your money. Banks also offer services like loans and check cashing. If you have an account, these services might be less expensive than at other places.

How do I choose a bank or credit union?

Compare the services and fees at a few banks and credit unions. Go to the website or visit in person. Find out what the fee is if you:

- have a checking account
- use a debit card
- get cash from ATMs at other banks
- have less money in your account than the bank requires
- spend more money than you have in your account

Compare the answers. Find the bank or credit union that meets your needs.

How do I avoid fees on my accounts?

- Stay above the required "minimum balance." That is the amount of money the bank requires you to keep in your account. If you cannot meet the requirement, you might choose a different account or choose another bank.
- Use **your** bank's ATMs to get cash. If you go to an ATM from another bank, you might have to pay fees – to your bank and to the other bank.
- Spend only the money that you have. Some accounts will let you use your debit card even after your checking account is empty. Spending more money than you have is called "overdrawing" your account. It always means you will pay big fees.

Write down the money you spend or take out of the bank. Then subtract what you spend or withdraw from the balance, or the amount of money in your account. That will show how much money you have left to spend.