



Identity theft...



This presentation is based on part of FDIC MoneySmart and NextGen Personal Finance





What percentage of branch banks offer free student checking accounts?



What percentage of branch banks offer free student checking accounts?

96.7%

NextGen Personal Finance

What we'll learn...

- How banks and credit unions keep money safe
- Choosing a financial institution and opening accounts
- The differences between check cashing stores and banks and credit unions.
- Features of online and mobile banking.
- How to identify and avoid identity theft and scams



How we'll do this...

- Active participation!
- Be engaged. Ask questions and participate in discussions.
- Respect each others thoughts, perspectives, and contributions.
- Maximize your experience by using the workbook. Take notes and complete activities.
- Have fun while learning!



Banks or Credit Unions

Do you have an account at a bank or credit union?



Bank

- For-profit organizations
- Anyone can open an account
- Have more branches and ATMs nationwide
- More online and mobile banking options



Credit Union

- Not-for-profit organizations
- May have membership requirements
- Better rates on savings accounts and loans
- Fewer fees and requirements



Features to consider when choosing a financial institution



A stylized illustration of a pink piggy bank. The piggy bank is shown in profile, facing right. It has a gold coin on top of its head, a dark brown eye, and a small gold triangle on its ear. The text "Features & Services" is written in a bold, black, sans-serif font across the middle of the piggy bank's body. The background is white.

Features & Services



Features & Services

- Physical buildings (with Fee free ATMs)
- Online and mobile banking, Direct Deposit
- Low interest loan rates
- Automatic transfers
- Competitive saving account rates
- Text alerts
- Credit monitoring
- Fraud protection
- Investment accounts
- Financial planning services



Check out www.bankonmilwaukee.org
for more information about safe and
affordable accounts in your area!



Features to consider when choosing a financial institution



A pink piggy bank is shown in profile, facing right. A gold coin with a dollar sign is positioned on top of the coin slot. The piggy bank has a curly tail and a small yellow triangle on its ear.

Monthly Service Fees

Are there charges for ATM usage?

A pink piggy bank is the background for the text. A gold coin with a dollar sign is on top of the piggy bank's back. The piggy bank has a curly tail on the left and a small yellow triangle on its ear on the right.

Monthly Service Fees

(\$5-\$12/month)

- Look for accounts with low minimum balance requirements.
- Most waive the fees with direct deposit or by maintaining minimum balance.

Are there charges for ATM usage?

(\$2-\$6/transaction)

- Waived, if you use an in-network ATM.
- Some partner with other institutions to create a bigger network.
- There are some ATMs where you can access your money at no charge. Ask your bank or credit union for details.



Other Possible Fees

A pink piggy bank is the central background element. It has a gold coin with a dollar sign on top of its back. The piggy bank is facing right. The text is overlaid on the piggy bank's body.

Other Possible Fees

Overdraft/Insufficient Funds:
\$25-\$35/transaction

**Excess Transactions Fees for
Savings Accounts:**
\$15-20/transfer

There could be additional **fees** for paper statements, inactivity, etc.

Discuss all potential fees and how to avoid them with your banker before you open an account!

What's overdraft protection?

What's overdraft protection?

Banks and credit unions offer services where if you make a purchase that costs more than you have in your account (called an overdraft), they agree to cover the cost, which allows you to make your purchase.

Opting in to Overdraft Protection - A Cautionary Tale


Overdraft Protection Example				
Minimum Daily Balance Requirement = \$75 Fee if you fall below \$75 = \$10 Overdraft Fee = \$35/transaction				
Date	Type	Description	Amount	Account Balance
10/1/18	Starting Balance			\$75.00
10/1/18	Direct Deposit	Pay Day!	\$100.00	\$175.00
10/2/18	ATM Withdrawal	Spending money	-\$40.00	\$135.00
10/7/18	Debit Card Purchase	Denny's + tip	-\$17.00	\$118.00
10/10/18	Online Purchase	Concert tickets	-\$94.00	\$24.00
10/10/18	Debit Card Purchase	Office Max	-\$25.00	-\$1.00
10/10/18	Bank Fee	Overdraft Fee	-\$35.00	-\$36.00
10/10/18	Debit Card Purchase	Ian's Pizza	-\$5.00	-\$41.00
10/10/18	Bank Fee	Overdraft Fee	-\$35.00	-\$76.00
10/11/18	Bank Fee	Min. Balance Fee	-\$10.00	-\$86.00

Opting in to Overdraft Protection - A Cautionary Tale

Overdraft Protection Example				
Minimum Daily Balance Requirement = \$75 Fee if you fall below \$75 = \$10 Overdraft Fee = \$35/transaction				
Date	Type	Description	Amount	Account Balance
10/1/18	Starting Balance			\$75.00
10/1/18	Direct Deposit	Pay Day!	\$100.00	\$175.00
10/2/18	ATM Withdrawal	Spending money	-\$40.00	\$135.00
10/7/18	Debit Card Purchase	Denny's + tip	-\$17.00	\$118.00
10/10/18	Online Purchase	Concert tickets	-\$94.00	\$24.00
10/10/18	Debit Card Purchase	Office Max	-\$25.00	-\$1.00
10/10/18	Bank Fee	Overdraft Fee	-\$35.00	-\$36.00
10/10/18	Debit Card Purchase	Ian's Pizza	-\$5.00	-\$41.00
10/10/18	Bank Fee	Overdraft Fee	-\$35.00	-\$76.00
10/11/18	Bank Fee	Min. Balance Fee	-\$10.00	-\$86.00

*You paid \$110
for items that
should have only
cost \$30!*

*Opting out of
overdraft
protection would
have prevented
this.*



*If you don't already
have an account, and
want to open one, all
you need are a few
documents.*

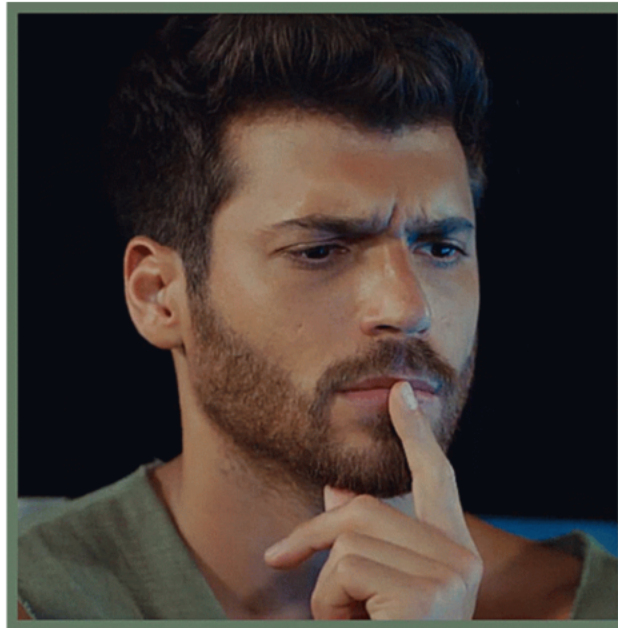
You will need...

- 2 forms of ID
- Social Security # or ITIN
- Address and phone number
- Cash or check to deposit
- Parent or guardian's consent and signature (if you're under 18)

*some accounts don't require a parent or guardian



Imagine that you decided not to open an account, you have a job, and you need to cash your paycheck.
Where would you go?







...Your check is usually \$150 and you pay about \$8 a week to cash it at with a check cashing service.

That means you're paying \$32 a month...



...which equals \$384 a year.

CHECKS CASHED

Pay Day Loans

Money Orders

Western Union

Title Loans

Money Transfers

That means you're paying \$32 a month...
...which equals \$384 a year.

BANK

Full Service Banking

Free Student Checking Account

ATM Available Inside

FDIC

The cost to deposit into a checking account - \$0
Cost to withdraw money from your account - \$0
Keep that \$384 for yourself!





Don't pay to access your own money!

The cost to deposit into a
checking account= \$0



Cost to withdraw
money from your
account = \$0

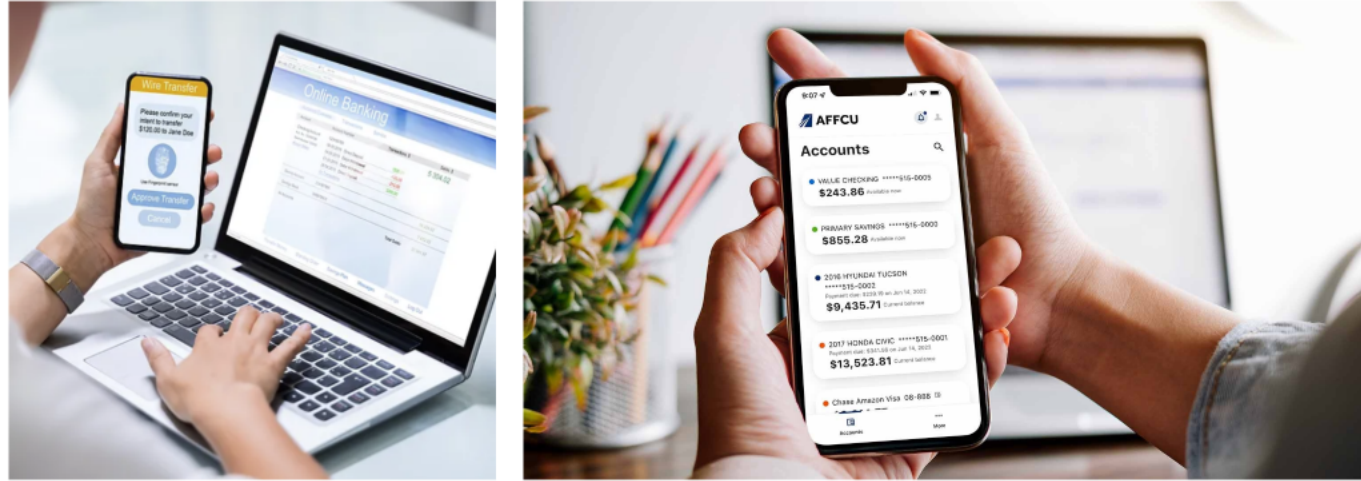
***Keep that \$384
for yourself!***

*Now that you've deposited your
paycheck...*

*How do you manage the money
in your account?*

Monitoring Your Accounts

Mobile & Online Banking



- Access to view your accounts
- Make transfers easily from and to other accounts
- Monitor your debit card
- Check your bank statements
- Do online bill pay
- Send money to friends/families
- Mobile deposit

TRIVIA QUESTION



What percentage of teens and young adults use mobile banking as the primary way that they access their accounts?

TRIVIA QUESTION

74%



What percentage of teens and young adults use mobile banking as the primary way that they access their accounts?



You've opened a bank account...



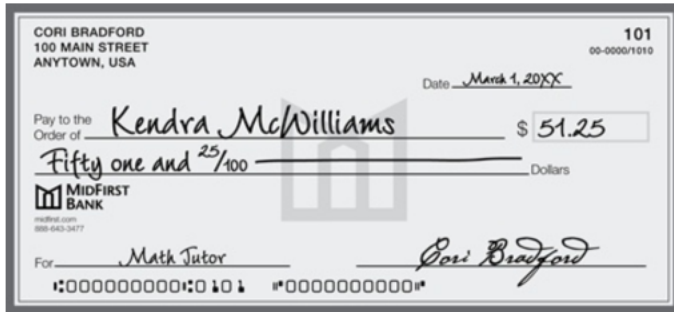
You've opened a bank account...



You've deposited your check...



You've opened a bank account...



You've deposited your check...

Now, how can you access your money?



Debit Cards

- Pay for purchases directly from your Checking Account
- Withdraw at an ATM
- Cash back option when you make purchases at some retailers



Some retailers may charge a small fee to get cash back; pay attention when you choose to receive cash back!

Checks

Who you are paying

Check Number

MY NAME
MY ADDRESS

1936

Month Date, Year
DATE

PAY TO THE ORDER OF City Wireless | \$ 85.96

Eighty-five and 96/100 DOLLARS

FOR September cell phone bill My Signature

0000000186 000000529 1000

Written dollar amount

Line stopping others from adding more

What the payment is for

Routing Number

Checking Account Number

Your unique signature
DON'T PRINT!

The Back of a Check



Often you need to write a note about where you are mobile depositing



Endorsement (your unique signature; DON'T PRINT!)

Do not write anything below the line! The rest of the check is for the bank's security features

NOTE: This only applies when you receive a check, **NOT** when you write a check.

Three uses for **routing** and **account numbers**

Three uses for routing and account numbers



Automatic Bill Payments

- Used to schedule monthly payments each month (phone, student loan, etc.)
- Helps avoid late fees



Wire Transfers

- A way to electronically send money to people or businesses without using physical cash.
- Ideal for large sums of money (rent, downpayment for a car).



Payroll Direct Deposit

- Your employer has your paycheck deposited into your account.
- No need to travel to the bank

Three uses for routing and account numbers



Automatic Bill Payments

- Used to schedule monthly payments each month (phone, student loan, etc.)
- Helps avoid late fees



Wire Transfers

- A way to electronically send money to people or businesses without using physical cash.
- Ideal for large sums of money (rent, downpayment for a car).



Payroll Direct Deposit

- Your employer has your paycheck deposited into your account.
- No need to travel to the bank



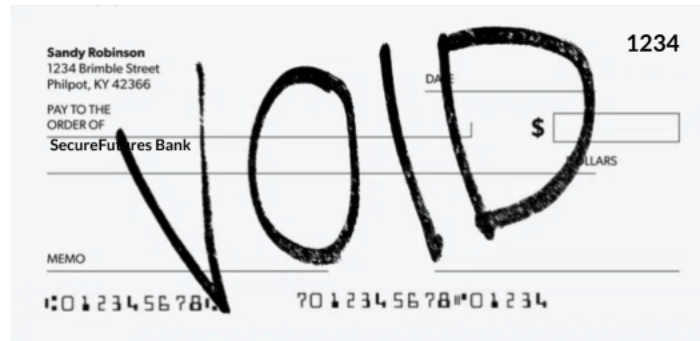
Protect these numbers!
They are the keys to your account. You can also find them on your mobile banking app.





Direct Deposit Authorization Form

Using the provided sample voided check in your workbook, fill out the direct deposit form.



Direct Deposit Authorization Form
Please print and complete ALL the information below.

Name: _____
Address: _____
City, State, Zip: _____

The diagram shows a check with the following labels:
- 9 digit Routing Number: 123456789
- Account Number (1-17 digits): 1234567891011
- Check Number (do not include): 0259

Name of Bank: _____
Account #: _____
9-Digit Routing #: _____
Amount: \$ _____ _____ % or Entire Paycheck
Type of Account: Checking Savings (Circle One)

Please attach a voided check for each bank account to which funds should be deposited.

[Company Name] is hereby authorized to directly deposit my pay to the account listed above. This authorization will remain in effect until I modify or cancel it in writing.

Employee Signature: _____
Date: _____

How else can you send & receive money from your checking account?



How else can you send & receive money from your checking account?



Tips for using Peer-to-Peer Apps:

- *Some apps are FDIC insured because they are connected to the user's bank or credit union account. They transfer funds directly between bank accounts.*
- *Balances held directly in some apps are not FDIC insured.*
- *Use 2 Factor Authentication and/or use a PIN #.*
- *Stranger Danger! Only send money to people you trust.*

Review: Peer-to-Peer (P2P) Payment Apps

Benefits

- Easily connected to your checking account
- Makes paying friends & family fast & easy
- No more ATM trips & fees when you split expenses
- Some bills can be paid through these services

Things To Think About

- Linking a credit card (rather than debit/checking) can result in additional fees
- Security & privacy risks - some are connected to social media
- Private banking information is provided to a 3rd party

*What are other ways to
make purchases?*

What are other ways to make purchases?

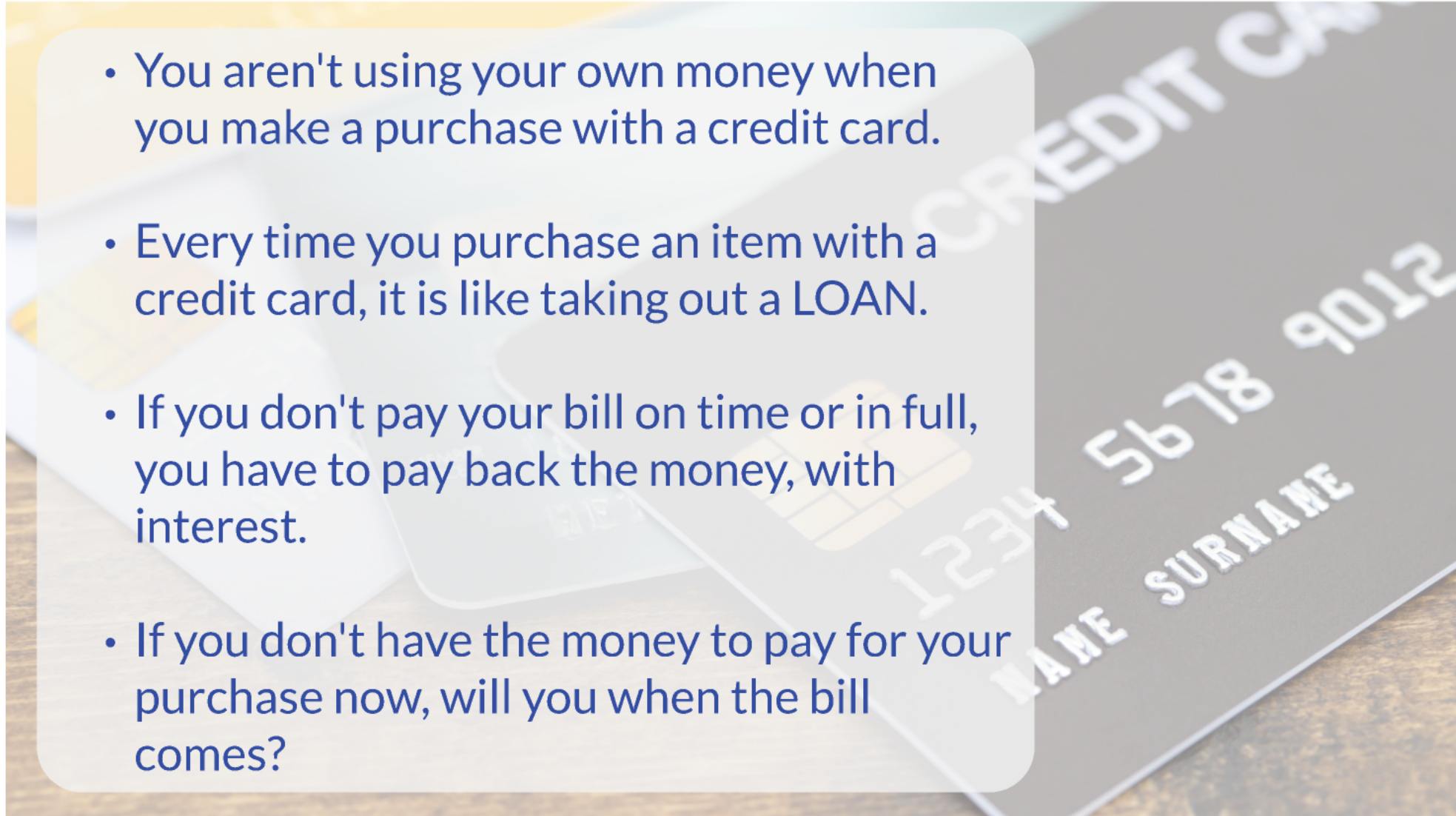
Credit Cards & Buy Now Pay Later



Credit Cards

How are they different from debit cards?

- You aren't using your own money when you make a purchase with a credit card.
- Every time you purchase an item with a credit card, it is like taking out a LOAN.
- If you don't pay your bill on time or in full, you have to pay back the money, with interest.
- If you don't have the money to pay for your purchase now, will you when the bill comes?



Buy Now Pay Later

Has anyone used this before? How does it work?

Klarna.

afterpay 

Pay in 4

From  PayPal

affirm 

Buy Now Pay Later

Has anyone used this before? How does it work?

Benefits

- Split large payments into 4 installments
- Most are offered with zero interest
- No minimum credit score required
- Available at most major retailers during checkout

Things to think about

- Designed to make it easy to overspend
- Some plans may charge interest and/or late fees
- Payments may not be reported to the three main credit bureaus, no chance to build good credit

Klarna.

afterpay 

Pay in 4

From  **PayPal**

affirm 

Let's review...



What can you tell me about these?

With which of these are you using your own money vs. using other's money that you have to pay back?

Credit Card

Cash App

Check

Prepaid Card

Venmo

Debit Card

Affirm

Afterpay

Now that you know how to access your money, it's important to keep track of it in your checking account.



CITIBANK SINGAPORE LOCATIONS IMPORTANT NOTICES CONTACT US

citibank

My Cit Payments & Transfers Wealth Management Services Rewards & Offers [Sign Off](#)

Welcome to Citibank Online! John Smith | Last Login: 09 Dec 2013 at 3:32 PM | My Profile | [Messages](#)

PAYMENTS & TRANSFERS

- MAKE A PAYMENT & TRANSFER
- MULTIPLE PAYMENTS & TRANSFERS
- MANAGE PAYEE LIST
- MANAGE PAYMENTS & TRANSACTIONS
 - Bills Due
 - Scheduled Transactions**
 - Credit Card Recurring Payment
 - Flexi Giro
 - My Favourites
- OTHER BANK SETUP
- ELECTRONIC PAYMENT OF SHARES (EPS)

Scheduled Transactions

To Account	Frequency	Amount	Date	Status	
Checking: XXXXXX9018	Monthly until cancelled	SGD 1.00	1 Aug 2014	Active	<input type="checkbox"/>
AAA BILLING PAYEE	Weekly until cancelled	SGD 5.00	8 Aug 2014	Active	<input type="checkbox"/>
CHEQUE PAYEE	Annually until cancelled	SGD 9.99	1 Sep 2014	Active	<input type="checkbox"/>
CHEQUE PAYEE	Every other week until cancelled	SGD 10.00	10 Oct 2014	Active	<input type="checkbox"/>
DBS CREDIT CD PAYEE	Semi-annually until cancelled	SGD 10.10	10 Nov 2014	Suspended	<input type="checkbox"/>
DBS ELECT PAYEE	Once	SGD 4.50	1 Dec 2014	Active	<input type="checkbox"/>
Checking: XXXXXX9018	Once	SGD 1.00	15 May 2015	Active	<input type="checkbox"/>
Credit Line: XXXXXX9006	Once	SGD 1.00	15 May 2015	Active	<input type="checkbox"/>

One of the most important parts of managing your accounts is understanding

Current Balance

VS

Available Balance

Current Balance

VS

Available Balance

Current Balance



The amount of money in your account, plus or minus all transactions that **have** cleared.

VS

Available Balance



Your current balance, plus or minus any other transactions that your financial institution knows about, but that **have NOT** cleared yet (aka pending transactions).

Tip: You can find your current & available balance in your mobile banking app (but pending checks won't appear here!)

More on Pending Transactions...

Pending transactions have been authorized, but they haven't cleared yet.

Examples:

paying for gas
at the pump



leaving a tip at a
restaurant

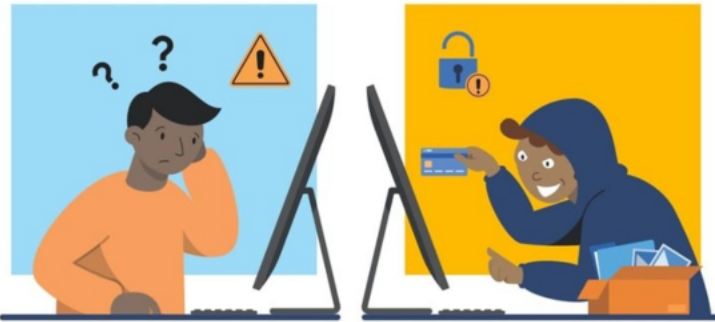


shopping online



Note: When you are making a purchase with your debit card, if you don't use your PIN and you select the "credit" button, the purchase will stay in pending status in your checking account and will clear in 1-3 business days.

Managing your money isn't the only thing to be cautious about when having a bank account.



Identity theft...

What is it?

Identity theft is when a person steals someone else's personal information, such as credit cards, bank account or social security numbers, and uses them to:

- make purchases
- withdraw cash from your account
- open new accounts (credit cards, utilities, etc.)
- commit crimes using your name
- and more things that may damage your credit report



How do identity thieves steal your information?

1

By accessing documents that are left unsecured, going through mail that has been discarded improperly, or scamming people into giving up their information **through the mail, email, or phone calls.**



2

By hacking into online accounts, intercepting internet activity on unsecured WiFi networks, or phishing for personal information.

Avoiding identity theft...



- Keep your birth certificate and social security card in a safe, secure place (**not with you!**).
- Keep your phone, driver's license, debit cards, checkbook, credit cards and other banking documents in a safe, secure place.
- Do not give your personal information or social security number over the phone or internet unless you are **sure** you're talking to a reputable organization and it is **necessary** to do so.





- If someone calls stating that they are from a bank, credit card company, or government agency, hang up and call the 1-800 number instead. These institutions will **not** reach out to you directly.
- Don't trust Caller ID.
- Ensure you are using private WiFi networks and secure websites when accessing accounts online. .
- Shred personal information before discarding.
- Pay bills via online banking or mobile banking to avoid having to mail checks.

Different Types of Scams

Phishing

The act of fooling a computer user into submitting personal info by creating a counterfeit website or email that looks like it should be trusted. It is a hacker technique of "fishing" for your passwords and other secret financial and personal info.



Online Shopping Scams

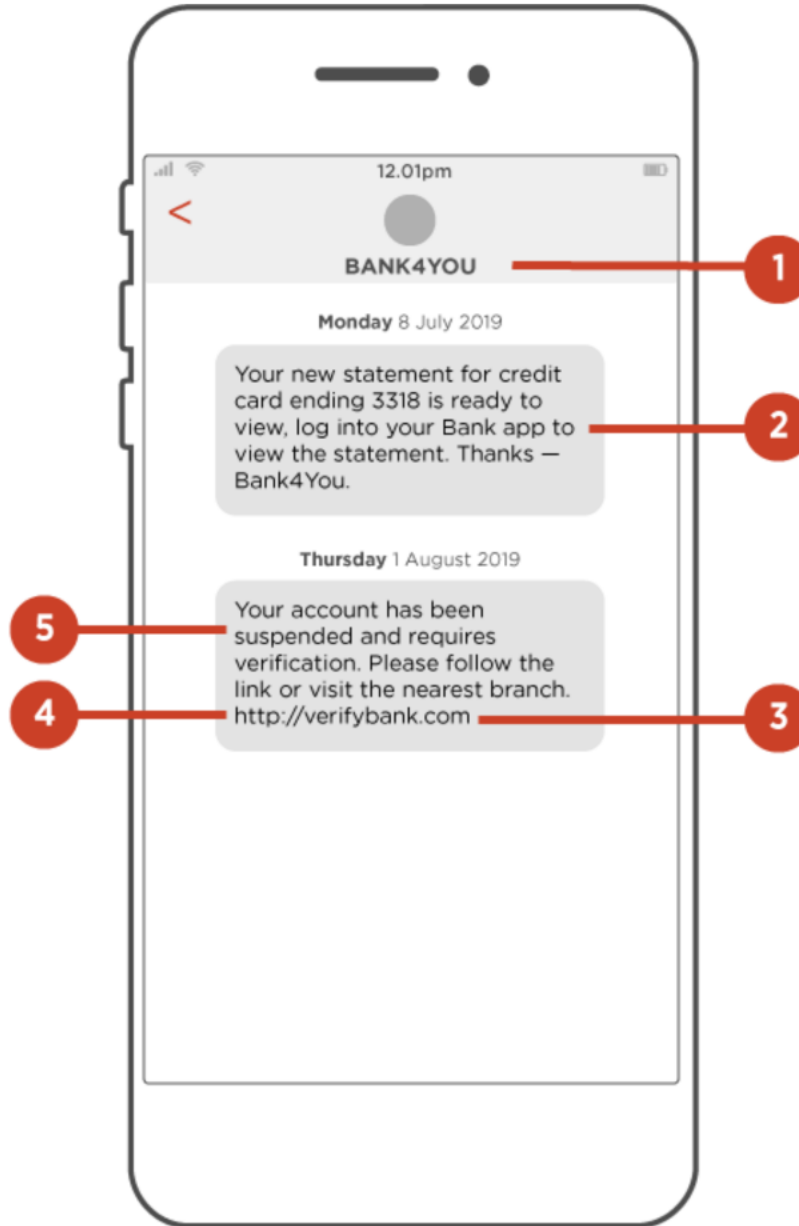
Be wary of sites selling luxury goods at a steep discount, especially on social media like Instagram or Snapchat

Impersonation of federal officials

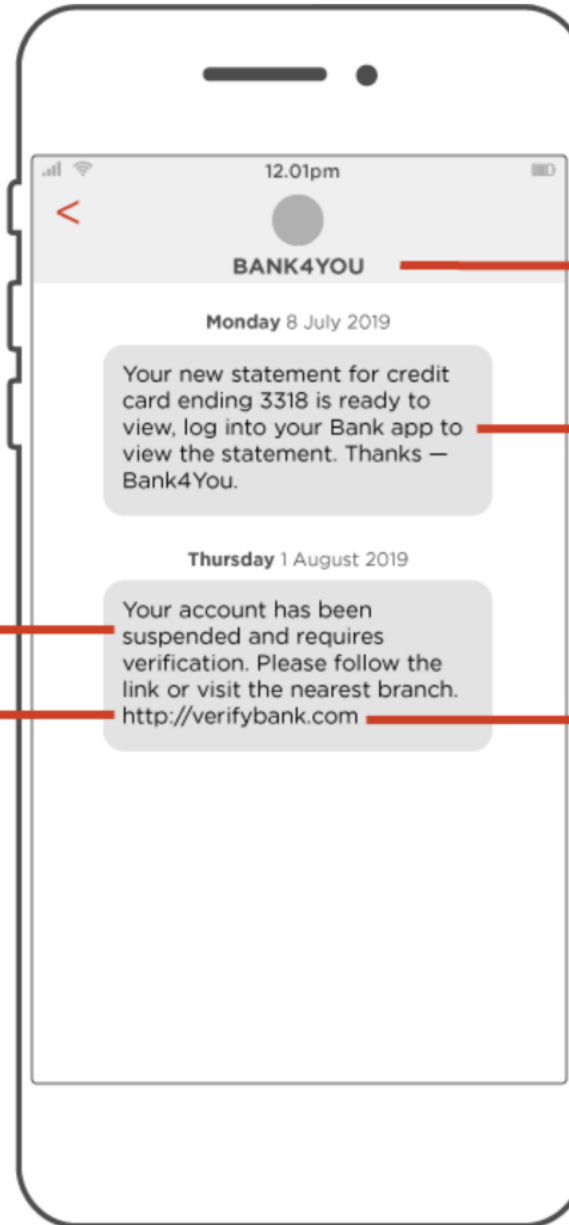
Someone calls and pretends to be from a banking institution or an official government agency and says they going to help you, however they are actually stealing your money.

... and many more!

What's wrong with the second text message?



What's wrong with the second text message?



1 Scammers often make messages look 'legitimate'

2 It's a different style from the first SMS

3 It has a malicious link (phishing site)

5 It has a sense of urgency

4 It's not a secure URL

Your account has been suspended and requires verification. Please follow the link or visit the nearest branch. <http://verifybank.com>

Think It Couldn't happen To You?



Kaitlin is an advocate for SecureFutures and a curriculum contributor.



FOX 6

BEWARE: BANK IMPERSONATION SCAM

Why were they successful?



Why were they successful?



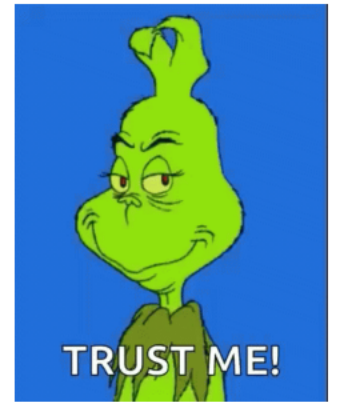
They play on your emotions by creating a sense of panic and fear by telling you that something serious has happened.

Why were they successful?



They play on your emotions by creating a sense of panic and fear by telling you that something serious has happened.

They get you to trust them by stating your personal information and telling you that they are here to help you.

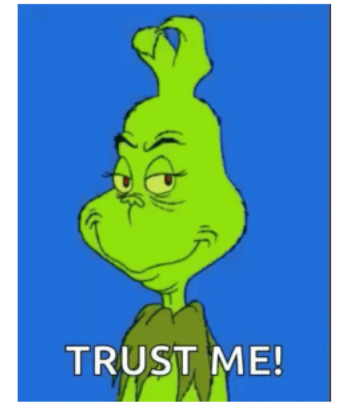


Why were they successful?



They play on your emotions by creating a sense of panic and fear by telling you that something serious has happened.

They get you to trust them by stating your personal information and telling you that they are here to help you.



Cryptocurrency and personal information are easily trafficked items on the dark web. The dark web has gotten much larger and hackers around the world have easier access to personal data.

What to do if you are a victim of scams or identity theft



- ✓ Alert your bank and credit card companies; immediately freeze all accounts, credit cards, and debit cards.
- ✓ Look at your credit report and lock your credit score through the three credit reporting agencies - Equifax, TransUnion, Experian
- ✓ Report it to the Federal Trade Commission (ftc.gov)
- ✓ Report it to your local police department.
- ✓ Save all emails, phone calls, texts, and other documentation from the criminals to share with federal or local authorities.

Seek emotional support. This situation can be very stressful!



Go Do It Now!

Financial Issue	Best Practices to Help Manage Money Responsibly	My Financial To Do List	
Savings and Checking Accounts at a Bank or Credit Union	<ul style="list-style-type: none"><input type="checkbox"/> I have opened a:<ul style="list-style-type: none"><input type="radio"/> savings account<input type="radio"/> checking account (if I have a job)<input type="checkbox"/> I am adding money to my savings account regularly to “Pay Myself First.”<input type="checkbox"/> If I have a checking account, I have chosen to “OPT OUT” of overdraft protection so I can’t buy things when I don’t have enough money in my account.<input type="checkbox"/> I don’t use check cashing stores to cash checks. I use a bank or credit union and deposit the money into my account.	<i>Create your action plan!</i>	
Online and Mobile Banking	<ul style="list-style-type: none"><input type="checkbox"/> I am enrolled in online and/or mobile banking.<input type="checkbox"/> I review my account activity at least once each week to verify that the activity is accurate.<input type="checkbox"/> I check my available balance before making purchases to make sure I can afford what I am going to buy.		
Identity Theft	<ul style="list-style-type: none"><input type="checkbox"/> I don’t share my passwords or PINs with anyone and I have them saved in a safe place only I know about.<input type="checkbox"/> I log off of computers and other electronic devices when I am not using them.<input type="checkbox"/> I don’t share my social security number and account number with others or in electronic format. I have them memorized and don’t carry them with me.		



Financial Issue	Best Practices to Help Manage Money Responsibly	
Savings and Checking Accounts at a Bank or Credit Union	<ul style="list-style-type: none"><input type="checkbox"/> I have opened a:<ul style="list-style-type: none"><input type="radio"/> savings account<input type="radio"/> checking account (if I have a job)<input type="checkbox"/> I am adding money to my savings account regularly to “Pay Myself First.”<input type="checkbox"/> If I have a checking account, I have chosen to “OPT OUT” of overdraft protection so I can’t buy things when I don’t have enough money in my account.<input type="checkbox"/> I don’t use check cashing stores to cash checks. I use a bank or credit union and deposit the money into my account.	
Online	<ul style="list-style-type: none"><input type="checkbox"/> I am enrolled in online and/or mobile banking.<input type="checkbox"/> I review my account activity at least once each week to verify that the	

	<p><input type="checkbox"/> I don't use check cashing stores to cash checks. I use a bank or credit union and deposit the money into my account.</p>
Online and Mobile Banking	<p><input type="checkbox"/> I am enrolled in online and/or mobile banking.</p> <p><input type="checkbox"/> I review my account activity at least once each week to verify that the activity is accurate.</p> <p><input type="checkbox"/> I check my available balance before making purchases to make sure I can afford what I am going to buy.</p>
Identity Theft	<p><input type="checkbox"/> I don't share my passwords or PINs with anyone and I have them saved in a safe place only I know about.</p> <p><input type="checkbox"/> I log off of computers and other electronic devices when I am not using them.</p> <p><input type="checkbox"/> I don't share my social security number and account number with others or in electronic format. I have them memorized and don't carry them with me.</p>



Questions?



Follow us on Facebook and Twitter!

@wesecurefutures

Please complete the evaluation found
in your student workbook.

