## **BANKING**

**TYPES OF ACCOUNTS**

**CHECKING ACCOUNT**

In the United States we pay many bills, i.e., rent, telephone, utilities, etc., or make purchases with a personal check. Checking accounts are very convenient. Many supermarkets allow you to cash checks over the amount of your food purchases when you need additional cash. When paying for a purchase by check, you will be asked to show proper identification such as your passport, school identification card, driver's license or a Louisiana Identification Card. Depending on the bank and the type of checking account you have chosen, you may be charged a monthly and/or per check written service fee. Some banks offer free checking accounts if you maintain a minimum amount of money in the checking or savings account. Some checking accounts earn interest, others do not. Always ask. All banks will charge you a fee if you have "bounced" a check usually referred to as NSF, not sufficient funds. A "bounced" check is one that you have written for more money than you have available in your account.

**SAVINGS ACCOUNT**

A savings account is useful if you have funds that you do not immediately need. You will earn interest on a savings account, but the amount varies from bank to bank and depends on what type of savings account you have opened.

**ATM MACHINES**

Most banks have Automated Teller Machines (ATM) that allow you to deposit, withdraw, or transfer funds without going into the bank. ATM machines are conveniently located in shopping malls, supermarkets, and even on campus. When you open an account with a bank that operates ATMs, you will receive a plastic service card. You will be given a Personal Identity Number (PIN) that identifies you as a bank customer. NEVER GIVE ANYONE YOUR PIN NUMBER. Banks have begun to charge a service fee each time you use another bank’s ATM. Again, ask about any charges for services rendered and read all materials carefully.

**DEBIT CARD OR CHECKING CARD**

When setting up your checking account, you should also ask your banker about the debit card, also known as a check card. This type of bank card allows you to pay for groceries and other items without writing a check or withdrawing cash from your account before going to the store; money is automatically transferred from your checking account to the store or restaurant. It's very easy!

You will find it safe and convenient to use your debit card from your home country bank. However, if your stay will be longer than a semester, it is more convenient and cheaper to open a bank account in the U.S.

**WIRING FUNDS TO THE UNIVERSITY**

Funds may be wired from your bank account in your home country directly to Xavier University of Louisiana.

## **MONEY MANAGEMENT TIPS**

Since you know how much your income and basic expense are, pay all bills at the beginning of every month. You will then know exactly how much remains.

 Keeping track of your expenses in various categories (food, books, utility bills, telephone bills, etc) will help you identify where most of your money is being spent. Be especially aware of how much you spend on long-distance telephone calls.

 Keep track of money taken out with your ATM card.

 If you have cash in your pocket, your tendency may be to spend it more quickly. Use a debit/checking card.

 If you plan to own a car, budget all expenses related to the car (gas, parking, insurance, regular maintenance, emergency repairs).

 If you have a credit card, beware of over-spending. Remember you may pay 15 to 22 % per year in interest for the unpaid balance on your account.

 Credit card companies may call or send you information that you are eligible for their credit card. Read all of the information thoroughly before deciding on getting the card. Most companies have high annual fee charges.

 Cooking meals at home is not only cheaper, but also healthier than eating out at fast food restaurants.

 In the summer, electric bills can be very high because of the use of air conditioning. If your apartment has a window unit, turn it off during the day when you are not at home. If you have a central air unit and do not want to turn it off completely, turn up the temperature on the thermostat when you are not at home.

 Keep an eye out for coupons in newspapers and local magazines.

 Whenever you are planning to buy an expensive item, SHOP AROUND. Don’t just buy at the first place you find it. Often, you can find what you are looking for at another store for a lower price.