

COLLEGE MADE EASY: BANKING

Banks and credit unions are institutions that keep your money safe and provide you with easy access. They differ slightly:

Banks	Credit Unions
For-profit companies with shareholders	Non-profit organization owned and controlled by its members
Majority can open without problem	Becoming a member can depend on where you work or live
Some accounts have management fees and/or minimum balance requirements	Typically offers free accounts with no minimum balance requirements
Usually has 24/7 customer service and easy-to-use online options	Technology can be limited on lesser funds
Can be national (even international) with ATMs in convenient locations	Usually community-based, with no extra capital for increased ATMs*.
Insured by the FDIC up to \$250,000	Insured by the NCUA up to \$250,000

**However, some offer no-fee use of other ATMs in an existing network*

Banking is essential for a student to build assets, that is, to become owners of cars, houses, and businesses. Banking in the United States is safe, convenient, and secure. Having checking and savings accounts enable customers to have direct deposit, to pay bills on time, and to create emergency funds.



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THINGS TO CONSIDER:

- Where is the bank/credit union located? Is there a branch or ATM on campus?
- Does the bank/credit union offer special student accounts?
- Is there a monthly fee for having the account?
- Is there a minimum balance required to avoid penalty fees?
- Does the bank/credit union offer online banking, or budgeting tools, and if so, is there a fee?
- Are there any interest-earning accounts?
- What other fees does the bank/credit union charge?

What is a checking account? Allows daily purchases with a debit card or use of an ATM.

What is a savings account? Allows you to plan for savings to meet your goals.

What is direct deposit? Auto deposit of paycheck into your banking institution.

A **payday lender** (also called paycheck advance, cash advance, quick loan, payday loan, post-dated loan) is not a banking institution. They are short-term high-interest loans that trap people into situations when they become unable to pay back the loans.



I ♥
SAVING MONEY



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