

## Calculating the Benefits of Using Banks or Credit Unions Worksheet

The most important reason to use a bank or credit union is **to keep your money safe from theft, loss, or fire**. By opening a savings account and letting the bank or credit union hold your money for you, the federal government guarantees your money will be safe. Banks and credit unions also make it easy to manage your money, at lower costs.

- **Convenience:** You can add (deposit) money into your account or get money out (withdraw) any time during bank or credit union hours. With ATMs, you can deposit or withdraw money at any hour of the day.
- **Security:** Most banks are insured by the Federal Deposit Insurance Corporation (FDIC). Most credit unions are insured by the National Credit Union Share Insurance Fund (NCUSIF). What does this insurance do for you? If your insured bank or credit union closes, catches on fire, or is robbed, your money will be returned to you, up to \$250,000 for each account you own.
- **Cost:** You pay fees to use financial institutions. But these fees are lower than fees charged by check-cashing, refund anticipation loans (RALs), pawnshop, money order, wire transfer, or payday loan businesses.

**Exercise:** Compare the costs of managing your money. Keep in mind that any single type of service or account can charge multiple fees. Ask a representative for all the fees you could potentially pay for each type of service or account. Some fees may be based on how much you borrow, or how much money you have in an account.

Financial Services: Fee Log					
Type	Fee Amount (or interest charged)	Fee Amount (or interest charged)	Fee Amount (or interest charged)	Fee Amount (or interest charged)	TOTAL FEE AMOUNT
Bank or Credit Union Savings Account	\$	\$	\$	\$	\$
Refund Anticipation Loan	\$	\$	\$	\$	\$
Check Cashing	\$	\$	\$	\$	\$
Payday Loan	\$	\$	\$	\$	\$
Rent-to-Own	\$	\$	\$	\$	\$
Pawnshop	\$	\$	\$	\$	\$
Credit Cards	\$	\$	\$	\$	\$

Source:

[Calculating the Benefits of Using Banks or Credit Unions Worksheet, NEFE 2015](#)

[Using the Bank and Electronic Banking, Banking on the Future, USCRI](#)

[U.S. Department of the Treasury, 2015](#)