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FEDERAL DEPOSIT INSURANCE CORPORATION  
**consumer news**



## Smart Money Management for Young Adults

*Where to put that money from a summer job and maintain a bank account*

It is common for young adults—ages 14 to 21—to have a summer job. Once you start earning a paycheck, where is the best place to save your money? In an FDIC-insured bank account with direct deposit! Bank accounts can help keep track of your new earnings, while keeping your money safe until you need it.

### Account options for youth and young adults

Banks may have various account options for young adults. Weigh your options to select the best one for you. The FDIC Money Smart [banking checklist](#) may be helpful when comparing accounts. When deciding on an account, consider things like minimum opening and monthly balance requirements, monthly maintenance, overdraft and Automated Teller Machine (ATM) fees, fee waiver policies, and mobile banking features.

If you are under a certain age, often under the age of 18 or 21 depending on the state, you might need to open an

account with a custodian, generally a parent or guardian. If you are interested in a noncustodial account, ask the bank what the requirements are. Visit the [FDIC #GetBanked](#) website for more information on how to search and open a bank account that fits your needs.

### Know how much money you have before you spend

How much money is in your bank account? Knowing the answer to this at all times is essential to successfully managing your finances, so you don't overspend. A budget helps you track your income, saving goals, and expenses. Visit [FDIC Budget Tools](#) for more help.

### Using money transfer services and mobile banking services

Technology has made banking much more convenient. You can transfer money, pay bills, and review account balances all on a smartphone or tablet. To keep your bank account secure, as well as your devices, make sure to create strong passwords. Also, avoid logging into your accounts through public Wi-Fi networks, such as a coffee shop, public hotspots, etc.

Person-to-person (P-to-P) payment services and mobile payment apps have become part of everyday life. Payment services and apps let you send money to other people without having to write a check, swipe your card, or hand them cash. These services allow you to divide things like rent with a roommate or split the bill at dinner. Before sending money via apps, verify that you have the correct payment information so you don't send it to the wrong person.

Many banks allow customers to use remote deposit capture (RDC) by taking a picture of a check with a mobile device and depositing that check electronically without ever visiting a branch or using an ATM. When using RDC, carefully track the checks you deposit. For example, write the date you deposited the item on the front of the paper check, then hold onto it until the check has cleared and the money is in your account. Ask your bank more about how these services work.

### **Watch out for phishing, smishing, and vishing scams**

Phishing is a term for scams that use email to ask you to provide personal financial information. Smishing is similar to phishing, but instead the scammer uses text messaging to reach you. Vishing, similar to phishing and smishing, is when a scammer uses phone services such as a live phone call, a “robocall,” or a voicemail to try to trick you into providing personal information by sounding like a legitimate business or government official. Be mindful of these scams in order to keep your money safe. For more information on frauds and scams, visit: [Avoiding Scams and Scammers](#).

You have a job now! Be sure you have an insured bank account with direct deposit, and create a budget to help you maintain your account, even after your summer job is over, so as to keep your hard-earned money safe.

### **Additional Resources**

[FDIC Youth Banking Resource Center](#)

[FDIC Youth Employment Resource Center](#)

[FDIC Consumer News:  
Youth Money Management](#)

[FDIC Consumer News: Finance 101](#)

[#GetBanked](#)

[How Money Smart Are You? Game](#)

[Consumer Financial Protection Bureau \(CFPB\): Teens and Young Adults](#)

For more consumer resources, visit [FDIC.gov](#), or go to the [FDIC Knowledge Center](#). You can also call the FDIC toll-free at 1-877-ASK-FDIC (1-877-275-3342). Please send your story ideas or comments to [ConsumerNews@fdic.gov](mailto:ConsumerNews@fdic.gov).

