

Checking Account

Sample Checking Account Register

Your check register is a tool that will help you to know how much money you have in your account at all times. Each time you put money into your account, write a check, or take money out, you should record key pieces of information in your check register.

1	2	3	4	5	6	7
Check Number	Date	Description of Transaction	Payment/Debit (-)	Fee	Deposit/Credit (+)	Balance

How to avoid overdrafts

What can you do to avoid bounced checks? The first step is to keep your checkbook up to date. Be sure to deduct ATM withdrawals, bank fees and debit card purchases. Compare your checkbook with your monthly statement. Do not rely on your ATM receipt for balance information because it may not reflect outstanding checks or debit card transactions.

You may want to think about options to cover overdrafts for the rare instance where there are insufficient funds in your account to cover a check. Three of the most common options include overdraft lines of credit, overdraft/bounce protection plans, and linking your checking account to a savings account or credit card. Be sure to carefully consider the pros and cons of each option.

Under an overdraft line of credit, the bank will automatically cover checks you write (up to an agreed amount) even if you lack sufficient funds in the account. The advances will accrue interest. While the name varies, under a bounce protection or courtesy overdraft plan, the institution, at its discretion, may pay overdrafts under certain conditions, and then charge you a fee. These plans typically involve an informal agreement and no APR disclosure. Be sure to compare the features and fees associated with an overdraft line of credit with a non-line of credit “protection” plan. While it can be helpful for rare and limited overdrafts, the costs can quickly add up depending on the number of transactions covered. One of the least expensive options could be to ask your bank to cover insufficient funds by automatically transferring money from your savings account.