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Keeping Your Money Safe

Do you have a checking or savings account? Do you find that pre-paid debit cards work well for you? Do you love technology and e-banking? Today, there are many choices on where to keep your hard earned money.

Making the Most of Your Money

Just like searching for the best deal on a car or a new TV, it's worth your time to shop around for the best "deal" on financial services to get the most for your money. It's also important to think about your spending patterns to find what works best for you. Some things to ask yourself:

- Do I like to pay bills on line or with my smart phone? If so, then make sure that there is no fee for using this service.
- Is there a minimum amount needed to keep accounts free?
- What are the charges for going below the minimum?
- Is the information on any fees easy to find and understand?
- How important is convenience to me? How easy is it to get cash if I need it right away?

What works for someone else may not be right for you and we know that surprises can be expensive! Ask questions so you understand the pros and cons of different financial services. The more you ask, the more you will learn about services and options.

What about prepaid debit cards?

You can have your paychecks and tax refunds directly deposited on a prepaid debit card, and also add cash to your card at local stores. The average prepaid card user spends around \$20 a month in fees, so it's important to check into the fees for services you would use the most.

Ask questions like:

- Is there a charge to activate the card before I use it the first time? Many cards charge for this one time cost.
- What is the monthly fee? Many cards charge fees whether the card is used or not.
- Is there a fee to reload the card? The average reload fee is around \$5, but some cards have no fee for direct deposits.
- Are there any fees at the store when you actually use the card? These are called point of sale purchases (POS) and can vary from card to card.
- What's the fee to get cash at an ATM? Most prepaid cards use out-of-network ATM's with fees that can really add up.
- What happens if I lose my card? Is my money protected at all?

To learn more about prepaid debit cards, go to the website bit.ly/prepaidfees before you buy.

What about checking accounts?

A checking account costs the average person around \$1-2 a month if they are careful to use in-network ATM's and don't overdraw their account. Having a good relationship with a financial institution has other benefits such as:

- Free check cashing and other services.
- Free debit cards.
- Overdraft protection which may help you avoid costly overdraft fees.
- Mobile apps and e-banking to make it easy to check balances and make deposits.
- Loans for big purchases like a car or home.

If keeping a close eye on your checking account balance through a bank or credit union is not for you, just be careful about the costs and risks associated with other options.

How do I protect my money?

Don't give your account number or password to anyone – even if it's a “one-time” favor!

- If you share your PIN or write it on your card, you give up any bank protection and you could lose all the money in your account.
- If you lose a **prepaid debit card**, your right to get back any money taken from your prepaid card depends on how quickly you report the loss and the card issuer's policies.
- If you lose your **ATM card**, you need to report its loss to the bank right away to make sure you get your money back.

For More Information...

Contact your local UW-Extension Family Living Educator for more financial education resources. Go to www.uwex.edu/ces/cty/ to find your County office.

For help with balancing your monthly spending plan, contact a non-profit Certified Consumer Credit Counselor online at www.debtadvice.org or by calling 800.388.2227.

Mistakes Do Happen— Save Your Money By Not LOSING It

Overdraft notices, non-sufficient funds (NSF), bounced checks – no matter what the name – it's lost money out of your pocket. Do you...

- Keep track of your balance – adding deposits and subtracting checks and debits – so you don't use more money than you have?
- Stop writing checks or using your debit card if you overdraw an account?
- Watch your electronic transactions and fees (ATM withdrawals, debit, online payments)?
- Review your monthly statement? Make sure all the checks, debit, automatic payments, and other withdrawals are ones you made.

What if I want to save money?

Finding a way and a place to save your money is important for financial security and for reaching your goals.

- Some prepaid cards allow you to set aside money as a buffer against overspending and as a tool for saving and budgeting.
- Ask about minimum balances, interest rates, fees to open the account, or fees for withdrawing your money.
- Money set aside in a savings account is safe **FOR** you and **FROM** you!

To \$um It Up:

- \$ Be sure you understand all the costs involved with using any financial services.
- \$ Keeping your accounts safe is up to you so make sure you report a lost or stolen card right away.
- \$ Look over your monthly statement to prevent a costly mistake from being made.
- \$ The best place to save money is somewhere it will be safe until you're ready to use it.

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