

“Money in the Bank”

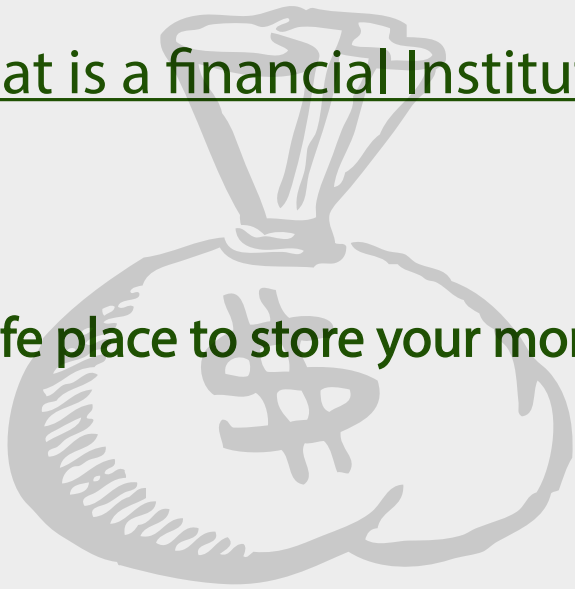
Financial Institutions

The Student Money Management Center wants you to learn:

What financial institutions are
Different types of financial institutions
Services financial institutions offer

1. What is a financial Institution?

A safe place to store your money.



Did you know?

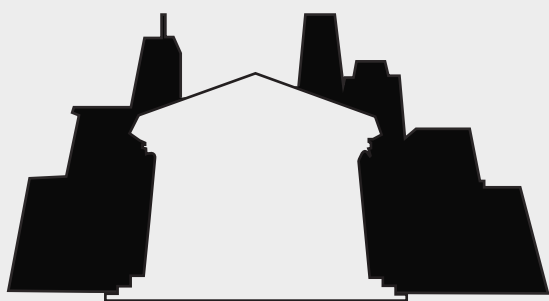
Most banks have free checking accounts for college students!



2. What are the types of financial Institution?

Commercial Banks

For profit organizations; provides financial services that will maximize profits for its shareholders.



Online Banks

Electronic banks. They have fewer branches, employees, and capital expenditures than traditional banks, they can generally pay higher interest rates on deposits and charge less for loans than traditional banks do.



Credit Unions

Nonprofit organization owned by their members. Members pool their resources to provide services to other members. Sometimes offer higher rates on savings accounts and lower rates on loans because they are not driven to provide a profit to shareholders.

3. What are the basic account types at a Financial Institution?

Checking Account



Used by the customer as a means to access funds on demand in various ways such as:

- Writing a check
- Using a atm/debit card

Savings Account



Used by the customer to store money for an extended period of time.

Talk to your bank about how saving can earn you interest on your money!

SOURCES: