

# TRI-STATE DEFENDER



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## BUSINESS & ECONOMICS

### It's Your Money

**You can open a checking or savings account for \$100.**

By Walter Dawson

If you or your family have no experience with banks, they can appear intimidating.

That's because most banks were built to appear secure and safe for protecting their customers' money. That security can also cause some people to think that banks are not for them. A bank can be a scary place, if you don't feel comfortable with your financial standing.

Maybe you think you don't have enough money to open a savings account or that people in the bank won't care about you because you don't have thousands of dollars to open an account.

Don't feel so alone. All of us, at one time or another, have a hard time with our finances.

So, let's start at the beginning: a checking or savings account.

Without one, people tend to deal more in cash, leaving them open to robberies, or they deal with money orders, which charge them a fee for each bill they pay every month.

The trick here is to walk into a bank, find someone who looks friendly, and explain your situation. You want to open a checking or savings account, and you would like his or her advice. Or find a friend or church member who already has a bank account and get his or her to go with you to help you open your account.

Banks are bound by many federal and state rules, and they must offer you the same accounts as they do everyone else.

The two most common bank accounts:

- **Checking:** A checking account can be opened with as little as a paycheck or \$100 at most banks. The bank will probably charge you a monthly fee for this service, but if you can maintain a high enough balance of money in the account, you may not have to pay a fee at all.
- **Savings:** A savings account not only lets you protect your money in a vault but also lets you earn interest on it. The interest will be small, but at least you know your money is safe – and it's easy to get out when your family needs it.

The advantages of having a bank account are many. It gives you peace of mind that your money is in a safe place; it allows you to write checks for your bills and purchases without having to carry a lot of cash; and in the case of a savings account, it provides a sense of seeing your money grow each month as you save for your family's future.

**The information in this article should not be a substitute for the advice of a professional.**

*Walter Dawson, Manager, Publications for First Tennessee, is a member of the MemphisDEBT Collaborative, a group of 150 local nonprofits, governmental agencies, businesses and concerned citizens who are helping Memphians keep the money they earn. For free advice about your finances, you can call the collaborative at 507-6638. Or check out their Web site at [www.memphisdebt.org](http://www.memphisdebt.org).*