

Paying Bills With Checks

Program Name Middletown

Staff Responsible for Lesson Chris Woodard

Stackable Certificate	Technology	Study / Life skills	EL-Civics	Career Pathways	Police	Paramedic	Fire Rescue	Medical Asst.	EKG / Cardio	Phlebotomy	Practical Nursing	Healthcare Admin	Pharmacy Tech	IMT	AMT	HVAC	Welding	Other:	
			X																
Date(s) Used					October 4 and 7, 2010														
Civics Category					Civic Participation														
Civics Objective					20. Consumer Economics – Banking (check writing, tracking your checking account and addressing envelopes)														
Time Frame to Complete Lesson					To be determined by teacher														
EFL(s)					Levels 3-4														
Standard(s)/Components of Performance					Convey Ideas in Writing; Read with Understanding														
Benchmark(s)					W.3.1. Generate ideas for writing W.3.6. Edit and revise writing based on teacher feedback W.4.1. Generate ideas for writing R.3.6. Compete a task R.4.1. Comprehend information in common forms and simple paragraphs														
Materials					Blank checks created by teacher or by using website: http://www.moneyinstructor.com/ws/wsprintchecks2.asp Blank envelopes Computers (if available) using websites: http://www.themint.org/kids/writing-a-check.html http://www.themint.org/kids/tracking-your-checking-account.html http://www.themint.org/parents/4-bank-system.html Teacher-created bills for check writing														

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	An explanation of check writing in the USA can be found at http://www.immihelp.com/script/
Activities	<ol style="list-style-type: none">1. Discuss the parts of a bill: company name, amount due, account number, due date, etc.2. Using computers or material generated from the above websites, have students practice writing checks.3. Using the blank envelopes, have students practice addressing envelopes with created bills and created checks (if using hand-out materials).
Assessment/ Evidence	This lesson could be tied into a lesson on credit card use and review of tax when using cards to pay for items.
Reflection	This lesson was successful as it related to sections on the Best Literacy test that several students did not understand.


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Name _____




Date _____

Checks

DATE _____	101
PAY TO THE ORDER OF _____	\$ _____
DOLLARS	
 MoneyInstructor.com Bank 1221 Main Street Anywhere, US 10001	
FOR _____	_____
⑆43618071⑆	7279678402⑈ 0101⑈

DATE _____	102
PAY TO THE ORDER OF _____	\$ _____
DOLLARS	
 MoneyInstructor.com Bank 1221 Main Street Anywhere, US 10001	
FOR _____	_____
⑆43618071⑆	7279678402⑈ 0102⑈

DATE _____	103
PAY TO THE ORDER OF _____	\$ _____
DOLLARS	
 MoneyInstructor.com Bank 1221 Main Street Anywhere, US 10001	
FOR _____	_____
⑆43618071⑆	7279678402⑈ 0103⑈

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Check Writing Tips

In the U.S., you write a check using your checking account. You can write a check up to the monetary balance you have in your account. However, if you have overdraft protection, you may be able to write a check for a higher amount.

Bouncing a check (having it returned due to insufficient funds) is an offense in the USA. The merchant (to whom you wrote the check) may charge you around \$30 to \$35, and your bank may charge you another \$25 to \$70. If the amount is large, the recipient may take legal action against you, take you to court, and you may end up in jail.

It is absolutely fine to write a check for small amounts, like \$2. Most people in the U.S. carry little or no cash with them. Most of the payments are done either with a credit card or check. However, it is still recommended to carry some cash (around \$20) at all times, just in case. Of course, if you are writing checks for small amounts, you will want to keep your checkbook with you all the times.

Check Writing Steps



1. Date:

Date format in the U.S. is month/day/year. You can write it out in one of several formats, such as 11/19/2007, Nov 19, 2007, or November 19, 2007.

2. Payee:

Write the name of the person or company to whom you're paying money with the check.

3. Amount in Numbers:

Write the amount in numbers., e.g. 127.89. Note that the \$ sign is already pre-printed. Therefore, you don't have to write it again.

4. Amount in Words:

This will be the same amount that you wrote in step 3, e.g., One-hundred twenty-seven and 89/100.

5. Memo:

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An optional description of the nature of the payment. You can write something like "phone bill," "rent," etc. If you have an account number with the payee, you should mention that account number here. That way if the check and payment stub are separated at the company, they can keep track of whose account to apply the payment to.

6. Signature:

Your signature, the same way you wrote it when you opened your bank account. If you have a joint account, and if there are multiple signatories, any authorized person can sign.

After you write the check, remember to write the date, check number, payee, and the amount in the check register located at the front of the checkbook.

Check Information

The order of these numbers may differ on your check and may include some special symbols different than those shown.

7. Check Number:

Each check has a different check number. Please note that the check number appears twice on the check - once at the top right corner and once at the bottom center.

8. Routing Number:

This is the routing number of the bank that facilitates electronic clearing of the check. This number will be the same for many account holders at your bank.

The routing number is always nine digits and begins with a 0, 1, 2, or 3. On a check, this number is always bracketed by this special symbol: ⑆

9. Account Number:

Your bank account number. This number will be the same on all of your checks. On a check, this number is generally accompanied by this special symbol: ⑈

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Today, checks and **debit card** transactions are debited from a checking account very quickly. If you write a check and do not have the money in your account you "bounce" a check. The bank returns the check to you unpaid, and the bank will charge you a hefty fee. Usually if this happens you will have written several checks and you get a fee for each one. It adds up! If you have a debit card on the account, it will be deactivated.



If you do not have an account at a bank yet, go to Savings and learn **How Banks Work**. Ready to have your own checking account? [Try writing a check.](#)

The bank gives you an organizer with your checks. Sometimes called a **check register**, or a check ledger, this organizer gives you a place to keep track of the activity in your account. What are activities?

Write down in your register whenever -

1. you deposit money in your checking account
2. you write a check
3. you use your debit card
4. you deduct a fee that the bank charges
5. you withdraw money from your account

The trick is to keep up with it at the moment and not try to remember to fill it in later. It is very easy to forget to write in the times you use debit transactions. It may seem like a lot of work but you need the information to balance your account. But I'll just go on-line and find my balance, you say. It is easy to bank on-line but without your paper record you may not see errors in transactions – and it can happen. You can check your account balance on-line and think you have more money than you really have by forgetting transactions that have not been processed. [Ready to get some practice?](#)

Number or Code	Date	Transaction Description	Payment Amount	Deposit Amount	\$ BALANCE

Number/Code: If you've written a check, put the check number here. Or use a transaction code: DC for Debit Card, ATM or a cash withdrawal, D for Deposit, and T for a transfer to your savings account, etc.

Date: Always record the date of anything you do.

Description of transaction: Make a quick note:

- Pizza -- Kate's birthday (note for ATM withdrawal)
- The Mart, school supplies (note for a check)

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- Paycheck for August 15-31(note for a deposit)

Payment/Debit: Here you record the amounts of money going out of your account.

Deposit/Credit: Here you record the amounts of money coming into your account.

Do the math

As you enter each item, date it. Then in the far right column, either add or subtract to reach a new total. Make yourself record information at the time you write the check, use the ATM, or make the deposit. Two days later, you won't remember what you did. Did you deposit the whole check or did you take some money out? You may lose the receipt for purchase and not remember the amount to record. Did I go the ATM both Friday and Saturday? [Get some practice!](#)

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Cincinnati Bell

Account #: 555-123-1432 550

Total Amount Due on November 12, 2009: \$ 92.25
(If payment received after November 12: \$ 100.25)

John Doe
123 1st Street
Cincinnati, OH 45420

Your payment:

PO Box 748003
Cincinnati, OH 45274-8003

John Doe
123 1st Street
Cincinnati, OH 45420

Invoice date: 10/20/2009 Account # 555-123-1432 550

AMOUNT DUE:	\$ 92.25
Previous Charges	\$ 91.45
Payment received	\$ 91.45 CR
Past due charges	\$ 0.00
Current Charges	\$ 69.99
Bundle charges	\$ 16.95
Local taxes	\$ 3.15
Long Distance	\$ 2.16
TOTAL AMONT:	\$ 92.25