U.S.A. Banking 101
What you need to know when you’re far from home

Welcome University of Michigan International Students
U.S. Banking System Overview

- Banking is regulated by federal and state governments
  - Privacy
  - Disclosure
  - Fraud protection
  - Protection against dishonest lending
  - Lending to low-income populations
U.S. Banking System Overview

- The Federal Reserve System is the central banking system of the United States
  - Regulates the banking system
  - Maintains the stability of the financial system
  - Protects the credit rights of consumers

Currency is created outside of the “Fed”, by the U.S. Department of the Treasury
U.S. Banking System Overview

- FDIC Insurance: The Federal Deposit Insurance Corporation (FDIC) insures deposits held in bank accounts – up to $250,000

- PNC is a member of the Federal Deposit Insurance Corporation
Basic Types of Accounts

- Checking – account for everyday use
- Savings – reserved funds for future use

Account Selections:

- Meet with a bank representative to discuss your needs and options
Checking Accounts

Everyday Money Management

- Allows you to easily pay for living expenses
  - Food, clothing, books, school supplies
- Provides a place to deposit money you receive
  - Financial aid awards, money from home, loans, stipends
- Helps keep your money safe
- Provides a record of your spending for transactions to the account.
Automated Teller Machines (ATMs): withdraw cash, and sometimes make deposits or cash checks, even if the bank is closed or you are not near a branch.

- You can download an app to your phone that will help you to find the closest PNC ATM

Personal Identification Number (PIN): a four-digit number that identifies you as the account holder when you use an ATM

Be sure to keep your PIN secret.
Debit Cards:
Allow you to use an ATM or pay for purchases through point-of-sale (POS) transactions. Your PIN may be required for these types of transactions.

- If “swiped” or processed like a credit card, your signature may be required
- Money is withdrawn from your checking account, rather than adding to a monthly credit card bill
Checking Accounts

Online and Mobile Banking: Access your accounts using your computer or cell phone.
- Check your bank account balance
- View recent transactions
- Transfer money between accounts

Online Bill Pay: Pay your bills online rather than using paper checks.

Mobile Deposit: Deposit a check into your account without going into the branch. By using the mobile app, you can take a photo of your check and deposit it into your account.

Be sure to check with your financial institution for specifics on their Mobile Banking terms and conditions.
Checking Accounts

Automatic Alerts (Auto Alerts):
notifications, via text message or email, about your activity.
- Balance alerts
- Spending alerts

Overdraft Solutions:
- Overdraft Protection – link other accounts to your checking account
- Overdraft Coverage – receive coverage for overdrafts for a fee

Be sure to check with your financial institution for specifics on the features they offer.
Checking Accounts

**Wire Transfers:** If someone living outside the United States wants to wire money to you, it can be sent directly to your checking account. The bank sending the money will need some information:

- Swift Code (for PNC: PNCCUS33)
- 10-Digit Account Number
- Account Routing Number
- Your Name
- Branch Address
- Certain restrictions apply for some countries. See your banking representative for details.
Writing a check

1. Date you are writing the check (month/date/year)
2. Recipient of the check
3. Amount of money -- numeric
4. Amount of money -- words
5. Description of payment (optional)
6. Your signature
7. Routing number
8. Account number
9. Check number
Savings Accounts

Savings Accounts:
- You can earn interest
- You can link your savings account to your checking account for Overdraft Protection

A federal regulation limits the number of transfers that may be made from a savings or money market account. Please see your financial institution for additional information.

Money Market Accounts:
Typically, you can earn higher rates of interest for larger balances.

Certificates of Deposits (CDs):
You agree to keep your money in the bank for a set amount of time.
Joint Accounts

- A joint account is owned by two people. Both names are listed on the account.
  - The joint account holder must be with you when you open the account, or you will need to bring this person to the bank later to add him or her to your account
  - The joint account holder can get his or her own debit card
Account Opening / Application Process

When you are ready to open an account, you will be asked to provide personal information:

- Name
- Local U.S. address
- Home country address
- Phone number
- Email address

You are also required to provide two valid forms of personal identification (ID): two primary, or one primary and one secondary. A valid passport is mandatory for account opening.
Account Opening / Application Process

Primary IDs required: All primary ID types must show your photo, the issuing country, the ID number, and both the issue and the expiration dates.

• Original Passport (mandatory)
• Valid Student Photo ID

or other acceptable secondary ID

• Employment Authorization Card (I-688A, I-688B or I-766; accepted if you have a (U.S.) Social Security number
• Non-U.S. Drivers License from the following countries:
  • Canada, China, Guam, India, Japan, Mexico, Puerto Rico, South Korea, Taiwan, United Kingdom and U.S. Virgin Islands
• Resident Alien ID Card or Permanent Resident Card
• Mexican Matricula Consular Card
Account Opening / Application Process

Other Information

- **Social Security numbers** are identification numbers used in the United States to identify people who pay taxes
  - You **do not** need a Social Security number to open a bank account
  - You **do** need a Social Security number to apply for credit card
Questions to ask a bank

- What is the minimum deposit to open an account?
- Does the bank offer any special student accounts?
- Is there a monthly fee for having the account?
- Is there a minimum balance required to avoid penalty fees?
- Do you need to complete a minimum number of transactions per month to avoid fees?
- Are there fees for using online bill pay and are you limited to a certain number of bill pays per month?
- What is the cost for ordering checks?
- Can you write as many checks as you want, or are you limited?
- Are there fees for using debit cards or for replacing lost or stolen bank/debit cards?
- Are there fees for seeing a bank teller?
- Are there any interest-bearing accounts?
- What are the procedures and fees for domestic or international wire transfers?
Mcard and banking with PNC

- Make your Mcard and ATM /Debit Card
  - You can automatically have your card linked when opening an account today with PNC Representative. Or take your Mcard to any PNC branch, or call 1-877-PNC-1000. You can also go to your online PNC account and under “customer service” tab, select “Link campus ID Card”.
  - You can then use your Mcard to access your PNC account at ATMs and to make debit card purchases at stores with the use of your PIN.
- PNC Check Card
  - Comes free after opening a PNC bank account
  - Can be used anywhere Visa debit cards are accepted; money is deducted directly from your checking account; no annual fee
Other PNC Bank benefits for U-M Students

- Free Virtual Wallet Student Bank Account – no fees or minimum deposit requirement while in college for 6 years – move to free Virtual Wallet account upon graduating
- First Overdraft Event fee is waived
- 2 global or non-PNC ATM use fees rebated per month
  Some accounts may qualify for unlimited non-PNC ATM use
- One free incoming international wire per month
  Some accounts may qualify for unlimited incoming and outgoing wires
- PNC Campus ATMs are free and offer 10 different language screen options
- PNC ATM at Pierpont Commons (N. Campus) and Michigan Union (Central Campus) buildings cash checks, accept check and cash deposits, print statements
- PNC Toll Free Phone Language Interpretation Line available at all PNC branches - 140 different languages
- Free U-M Hoodie Sweatshirt with new account opening
Security and Phishing

**Internet Security:** If you access your bank account via online services, it is important to keep your information confidential.

Do NOT share:

- Account numbers
- Passwords or PINs
- Forms of personal identification
- Banks will never ask for you to release private account information over e-mail or on unsolicited phone call

**ATM Safety:**

- Be aware of your surroundings when using an ATM
- Have your ATM card out and ready to use

When entering your PIN (Personal Identification Number), make sure others around you cannot see

- Don’t count your cash while standing at the ATM
- Always take your receipt with you
Security and Phishing

- **Phishing**: when someone tries to request sensitive banking information from you while disguising themselves as an authentic electronic banking entity
- Do not respond to suspicious e-mails asking for your personal banking information
- Always contact your bank if you are unsure about an incoming banking-related e-mail
- Some banks will even contact you directly or put a hold on your bank account if they perceive your bank account has been tampered with or compromised
- Contact your bank immediately if your banking information is lost or stolen (i.e. debit/ATM cards, checkbooks)
Additional Tips to prevent Identity Theft

- Only use secured websites when shopping online
- Be careful when giving out personal information (Social Security number, account numbers, bank routing numbers, PIN) over the phone – make sure you can validate who you are talking to & the reason why they need this information
- Never leave your ID unattended in the car
- Do not carry your SS card, birth certificate, or passport unless absolutely necessary
- Do not carry cards that show your SS number
- Remove your name from phonebooks and reverse directories
- Mail bills from the post office
- Keep photocopies of your credit cards at home or in a safe place
- Cross off card information on receipts
- Shred receipts, credit card offers, utility bills, and statement before throwing away
How do Fake Check Scams Work?

There are many variations of the scam. It usually starts with someone offering to:

- Buy something you advertised for sale
- Pay you to work at home
- Give you an “advance” on a sweepstakes you’ve won or
- Give you the first installment on the millions you’ll receive for agreeing to transfer money from a foreign country to your bank account for safekeeping.

For more information visit [http://www.abacom/Consumers/Pages/FakeCheckScams.aspx](http://www.abacom/Consumers/Pages/FakeCheckScams.aspx)

If someone sends you a check for more than what he owes and requests for you to wire transfer the difference, be highly suspicious. This is a tactic that is often used to con victims out of hundreds, if not thousands of dollars. More than likely, the check they have sent you is not any good. By the time this is realized, the victim has already wired the money, and there is usually no way to get it back.
Top Recommendations for Banking in the United States

1. Always ask questions.
2. When traveling, limit the amount of cash you carry.
3. Avoid sharing account numbers, PINs or passwords with anyone.
4. Be cautious about doing business with people you do not know.
5. Keep your bank updated on changes to your contact information.
Account Opening / Application Process Details

- Step 1: We talk about your banking needs and any questions you may have
- Step 2: You fill out an application
- Step 3: You present proper ID
- Step 4: We provide you with your account number(s)
Account Opening / Application Process Details

- Step 5: You sign a signature card to keep on file for PNC’s official banking records
  - Non-U.S. citizens also sign a W-8 for tax withholding purposes
- Step 6: You may need to make a deposit
- Step 7: Within 7 to 10 business days, you receive your PNC Bank Visa® Debit card via the U.S. mail
  - If you do not have a permanent local address, speak to the PNC Representative about the best way for you to receive your debit card
  - If you ordered checks, you also receive them via U.S. mail within 7 to 10 business days, provided you have given a local address
Account Opening / Application Process Details

Other Information

- Providing your **local U.S. address**, if available, can help the bank get documents to you quickly.
  - If you don’t have a local address, please stop at a branch or go online to update your address as soon as you have one
  - Checks can be ordered once a local address is provided

*Note: Be sure to keep your bank informed of any address, phone and email changes so that they can communicate to you when necessary. The university cannot provide the bank with your personal information.*
Learn More About PNC

- Stop by your campus branch or visit pnc.com/studentbanking
- Call 1-877-PNC-1000
- Visit pnc.com/michigan for financial education resources and real life achievement sessions