



Banking Options:

A Summary of Resources for Survivors of Domestic Violence

Choosing a Financial Institution

Selecting a financial institution that meets your needs is critical to successful money management. Consider using one financial institution for all your services, bank accounts, and credit cards to limit the number of financial institutions that have information about you. For survivors of domestic violence, it can be important to have control over personal, financial information. Work with a bank to set up accounts and use security settings to ensure that no one else will have access to your information or finances.

What kind of financial institutions are there?

- **Banks:** financial institutions that accept deposits and can provide loans. Banks, savings, and loan institutions are for-profit entities and they serve customers from the general public.
- **Credit Unions:** community-based financial cooperatives that offer a wide range of services. They often offer lower interest rates on loans. Credit unions usually serve a smaller number of customers and provide more personalized service.
- **Check Cashing Stores or Services:** small businesses that cash checks for a fee. In general, the fee is about 4%.
- **Payday Lenders:** provide small cash advances, usually \$500 or less. To get a cash advance, typically a borrower gives the payday lender a postdated personal check or authorization for automatic withdrawal from the borrower's bank account. *This option comes with hefty fees, as much as 400% interest, and will often leave users in a worse situation than they started out in.

In order to compare your options, consider the services and possible fees that are charged. Ask yourself some of these questions:

- Do you need a branch close to your home or work?
 - o Do they have multiple branches in case you need to relocate?
- How comfortable are you with the staff?
 - o Does the bank meet cultural, accessibility, and language needs and requirements?
- What kind of services do they offer?
- What are the fees issued by this institution?
- Automated Teller Machines (ATMs): where are they and what are the fees?
- What are the interest rates, restrictions, or penalties on a withdrawal?
- Are the hours of operation convenient for your work schedule or available 24 hours a day?
- Is online banking and bill paying available?

You should always look for a financial institution that is insured by the Federal Deposit Insurance Corporation (FDIC). If a bank is "FDIC Insured", an individual is currently insured for up to \$250,000 in deposits.

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Adapted in part from the Moving Ahead Through Financial Management Curriculum. For more information, please see <http://nnedv.org/resources/ejresources/ejcurriculum.html>