**Managing Your Income and Bills with a Checking Account**

Complete the following real life scenario story problems using checks and a register. Read the problems carefully, some will have multiple steps to figuring out an answer, while others just give you directions to write a check or make a deposit. You may want to use a calculator and/or scratch paper to complete this assignment.

Step 1:

It’s payday and you were paid for all the work you have done. Look on the Monthly Budget Worksheet at the NET MONTHLY INCOME. This is the amount you are being paid. It is time to deposit this money into your checking account. Write this amount in your check register (at the end of this packet) where it says DEPOSIT. See the example:

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Check Number** | **Date** | **Description** | **√** | **Credit**+ | **Debit**- | **Balance** |
|  | 2/1/2017 | *Deposit* Your Paycheck |  | 4,286 |  | 4,286 |
| 101 | 2/1/2017 | Bank of AF – house payment |  |  | 1000 | 3,286 |
| 102 | 2/2/2017 | Lehi City – electricity |  |  | 100 | 3,186 |
| Debit | 2/13/2017 | Far West Bank – car payment |  |  | 100 | 3,086 |
| 103 | 2/15/2017 | Allstate |  |  | 98 | 2,988 |
| Debit | 2/15/2017 | Chevron – gasoline |  |  | 33.90 | 2,954.10 |
|  | 2/15/2017 | Deposit – paycheck |  | 4,286 |  | 7,240.10 |

Now use the information below to write checks to pay your bills. Don’t forget to record your checks in the check register and keep a **running balance.**

Check 101: You purchased a home for your family. It is necessary for you to make payments every month to pay for this home. Your mortgage payment is due for the month. Fill out check #101 to Bank of American Fork for the amount that is shown on your Reality Check print out.

Check 102: You have to pay for utility services to keep your home functioning. Monthly fees for heating, cell phone, cable Internet, phone, and electricity. Make out check #102 to Lehi City, for the Utilities - Electrical. Get the amount from your Reality Check paper.

Debit card: You purchased a car/bicycle/bus ticket so you would have transportation to and from work. It is necessary for you to make payments every month to pay for transportation. Enter a debit card purchase into the check register to Far West Bank for the cost of your car/bicycle/bus pass.

Check 103: It is the law for every driver to have car insurance. You need to pay for your monthly insurance coverage. Make out check #103 for $98 to Allstate Insurance.

Debit card: If you want to drive your car, you must put gas in it. You bought 15 gallons of gas to fill up the tank. Each gallon cost $2.26. You swiped your debit card at Chevron for the amount that you see on your Reality Check: transportation bill.

Deposit: Today is pay day. Make a deposit in your register for your net monthly income.

Debit card: You need to pay for groceries (food). You go to Walmart. Use your debit card for the amount of FOOD shown in your Reality Check printout.

Debit card: You and your spouse enjoyed an evening at Texas Roadhouse for dinner. You ordered the Sirloin Steak for $18.95, and your spouse ordered the Road Kill for $14.95. It is custom to leave a 20% tip at dinnertime to show how grateful you are for the service. Use your debit card for the total amount.

 $18.95

 +14.95

 33.90 x .20 = 6.78

 + TIP

 Answer Total amount

Debit Card: It is your child’s birthday, so you purchased a bike from Walmart. The bike cost $79.95 and you have to pay 6% tax. Swipe your debit card and don’t forget to record this transaction in your check register.

Check 104: You go to WMS to pay for your son’s school lunch. Write a check to Willowcreek Middle School for $96.98.

Check 105: You have 2 children that are in daycare while you go to work. Daycare cost $1.50 an hour per child. The children are in Little Tots Daycare 6 hours a day, 5 days a week. You need to pay for 4 weeks of service. Write a check for the correct amount.



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Directions:

1. Enter the date of the deposit.
2. In the CREDIT column enter your NET MONTHLY INCOME from the Monthly Budget worksheet. Write this same number in the BALANCE column.
3. Enter the check number (start with 101), enter the date you wrote the check, enter a description of who the check was written to or what the check was for.
4. Enter the amount of the check or debit card purchase in the DEBIT column.
5. Subtract the debit amount from the balance to get the new running balance.
6. If you have money to deposit into your account, show that money in the CREDIT column. Add the credit amount to the balance for a new running balance.

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| --- | --- | --- | --- | --- | --- | --- |
| **Check Number** | **Date** | **Description** | **√** | **Credit**+ | **Debit**- | **Balance** |
|  |  | *Deposit* |  |  |  |  |
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