

# Financial literacy begins with picking a bank

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Financial literacy and financial education — from balancing a checkbook to choosing the right bank account — can help people started on the right financial path to build a better financial future.

Many times, people young and old don't have the basic financial management skills needed to make the best financial decisions and manage their money, according to Bob Piccirilli and Steve Cavanaugh, both of PNC Bank, Mary Ann Reeher of the Good Shepherd and Lt. Mary Hughes of the Greenville Salvation Army.

Piccirilli and Cavanaugh said banks offer a safe place to keep money, which is a better alternative than paying for check cashing or money orders to pay bills.

"It's good to have a checking account," Piccirilli said. "You just have to watch what goes in and comes out."

Cavanaugh said bank customers must keep track of their own balances because the bank statement reflects only what has come through the bank.

"Some merchants, like gas stations and restaurants, can take a few days for charges to show up," he said. "So you need to make sure that you are aware of what charges have been paid and what ones are still out there so that you don't overdraw your account" — that can result in fees.

Piccirilli also said basic banking means balancing a checkbook, which should match the bank's statement.

If the checkbook balance and the bank statement don't match, then the customer should look for what



Marsha Fleeger/R-A

**Bob Piccirilli and Steve Cavanaugh of PNC Bank talk Financial Literacy at a program sponsored by the United Way of Mercer County, the Good Shepherd Center and the Greenville Salvation Army Wednesday.**

items may not be showing on one or the other, and figure out what's missing.

Carol Riley, who works with the Salvation Army, thinks checkbook balancing should be taught as a class in itself.

"If you want to teach people to manage money, that's a good place to start," she said.

Cavanaugh tries to fit the right bank account to each individual customer — virtual wallets to those who do mostly online banking and accounts with no minimum balance to those who may not be able to maintain a certain amount in their account at all times to avoid fees for dipping below the minimum balance.

"Being overdrawn is not good; it affects credit, and it affects your ability to get a job at a bank," he said. "Fees are also very important because you don't like fees."

Reeher said fees are the reason

that many people fear going to a bank; but then they get into paying fees to get a check cashed and paying for money orders.

Banks even have accounts for people who are trying to rebuild their credit and savings accounts for children to help them learn to save and manage money early.

Piccirilli also recommended that people try to save a little, even if only \$5 or \$10 a month.

"You try to save a little," he said. "Hopefully, as the years go by, you get a better job, and you can put more away."

In addition to having a savings account for emergencies, the bankers recommend having a retirement account, either through employers in the form of a 401K, or an individual retirement account, which can be opened at a bank for a minimum deposit of \$100.

The big question from guests was what to do when financial problems — particularly medical bills — have people in over their heads.

Piccirilli said medical bills destroy credit instantly, and then people are stuck.

The bankers recommended that people start saving what they can, even a few dollars a month.

Jim Micsky, of the United Way of Mercer County, said financial literacy training is part of the agency's Lifting Families Out of Poverty. The program is also available to employers for their employees on how to apply for loans or better manage their finances.

Reeher hopes to offer similar programs through the Good Shepherd Center in the future.