

## 4 Easy Ways to Avoid Overdraft Charge

Sometimes mistakes happen. It is easy to lose track of your expenses when you aren't constantly monitoring your account. But when your next purchase causes your checking account to drop below zero, it may cost you more than you were anticipating.

Overdraft charges occur when your checking account goes below zero and your bank covers the expense, resulting in a charge on your account. But there are 4 easy ways to avoid overdraft charges:



### **Review your online banking account frequently.**

Frequently can mean daily, weekly, or even monthly. Pick a frequency that works for your lifestyle and stick to it. Before a big purchase, browse your balance online to make sure you have the money to cover the expense. Don't forget to take into account any transactions that are "pending" and have not been subtracted from your balance yet. If you notice an unusual purchase listed, contact your bank immediately.

### **Make payments automatic.**

A lot of bills are made on the same day each month. Set up an automatic payment from your account for those bills on the exact day you want. *A Helpful Hint:* Make sure you keep a record of the days these bills are paid so you don't spend that money on a separate expense.

### **Stay informed.**

Sign up for your bank's message alert system. Want to know when your paycheck is deposited or when your landlord cashes your rent check? Receive a text or email about those activities. Set up as many alerts as you want, so you aren't surprised by an unexpected event. It's especially handy as a low balance indicator – for example \$100, that way you know when you've gone too low.



### **Utilize overdraft protection.**

We have all been there at one time or another. You have made an error balancing your checking account which caused an overdraft. Talk to your bank about the services available to help you avoid future overdrafts. The most common one transfers money from a separate deposit account into your checking account, allowing the transaction to go through successfully.