

# Banking: Tips for MSOE International Students

If you are accessing your home country account while in the U.S., you are likely to get hit with charges such as international transaction and currency exchange fees. As an international student, opening a bank account can help you adjust to your new life in the U.S. Eliminating the worry of excessive foreign transaction fees and having more convenient ways to pay for your everyday essentials like food, rent, clothes, and school supplies can help lessen the culture shock of attending MSOE.

Setting up any financial account can be daunting, but there are simple steps you can take to make sure you understand how to choose a new bank, open a new account, and start enjoying student life. Let us learn more about bank account types, financial terminology, and helpful tips on how to get more comfortable with banking in the U.S. as an international student at MSOE.

## Account Types

There are three main types of accounts: checking accounts, saving accounts, and credit accounts. Here is a breakdown of each to make sure you understand which account is best for you now and help prepare you for the future.

- Checking Account

This type of account allows you to deposit, withdraw, send money, and make purchases online and in-person. Use this account whenever you need to use your money right away.

- Savings

This type of account allows you to earn a small amount of interest on your money as you save over time. Use this account when you need to save for a big purchase or to be prepared for an emergency.

- Credit Card

Some banks may allow you to open a credit card account with a prepaid initial deposit to build a credit score when you pay it back on time. Use a credit account when you need to make a purchase now and pay later or pay over a period of time but with interest. In most cases, you must have a Social Security Number (SSN) before you can open a credit card account in the U.S. You can apply for an SSN if you have a student job on campus. Talk to your assigned DSO for more information.

# Important Banking Terms

Now that you know what account types are available to you, let us go over some key bank terms that can help you understand how your account works.

**Deposits** – When you put money into any of your accounts (including cash, checks, money orders, etc.)

**Withdrawals** – When you take money out of any of your accounts (including cash, checks, etc.)

**Purchases** – When you spend money from your account for daily essentials or bills

**Transfers** – When you move money between your accounts (e.g., from checking to savings or vice versa)

**International Wire Transfer** – An international wire transfer is a bank service used for electronically transferring money from one bank account to another account in a different country, where the average transfer time is 2-3 business days. For example, many U.S. credit unions and small banks do not connect to the SWIFT network. If you plan to receive money from China, you will most likely need to work with a financial institution which has an International Organization for Standardization-issued SWIFT code. Hence, you may encounter difficulties when working with the UW Credit Union.

**Bank Statement** – A record of your monthly transactions that shows the balance of funds in your account on a specific date and all your transactions (see above definitions)

## Banking Options

Some banks offer regular account services specifically for international students in the U.S. that would allow you to send money online or receive it from your family. Here are a few popular banks, account types, and their features (which may change at any time):

- U.S. Bank – Student Checking Account (No monthly fee with four non-U.S. Bank ATM transactions per statement period)
- J.P. Morgan Chase Bank – Chase College Checking (Monthly fee may be waived for students who meet certain requirements)
- Bank of America – Advantage Safe Balance Banking (No monthly fee for students under 24 years old and enrolled in school)
- HSBC Bank (USA) – International Student Account (No monthly fee and can connect to an HSBC account in your home country)
- Industrial and Commercial Bank of China (USA) – Student Account (No incoming wire transfer fees, no monthly fee with \$300 minimum average daily balance, no international wire transfer fees if you wire money from an ICBC China Account to an ICBC USA Account online)

- Capital One – 360 Checking Account (No monthly fee and no minimum balance and overdraft options)

Now that you have banking options to choose from, let us make sure you know what to bring to open your new banking account in the U.S.

## Preparing Your Documents

As an international student, the bank you choose will require the following documents to open your new account:

- ☐ Your valid passport
- ☐ Student visa (F-1 visa stamp) and Form I-20
- ☐ Second ID (e.g., driver's license, birth certificate, or your MSOE Student Card)
- ☐ Proof of university enrollment (e.g., letter of enrollment verification)
- ☐ An initial deposit (cash or personal check) to open the bank account (the amount may differ with each bank)

It is recommended to visit a branch of your favorite financial institution in person to open your account or chat with a teller on the phone to make sure they have staff on duty who can help international students open new accounts. Make sure to ask what specific documentation the bank you choose requires. You may find some financial institutions nearby:

<p>U.S. Bank Address: 777 E Wisconsin Ave, Milwaukee, WI Phone: (414) 765-4055</p>	<p>J.P. Morgan Chase Bank Address: 111 E Wisconsin Ave, Milwaukee, WI Phone: (414) 977-5606</p>
<p>UW Credit Union Address: 2200 E Kenwood Blvd, Milwaukee, WI Phone: (800) 533-6773</p>	<p>Summit Credit Union Address: 2159 Miller Park Way, Milwaukee, WI Phone: (800) 236-5560</p>

## FAQs

Here are some Frequently Asked Questions (FAQs) to help you learn more about bank accounts in the U.S.

What type of banking services would you require?

- Check with the bank to see if they provide services like digital banking, debit cards, and credit cards.

Can I transfer money to my friends every month?

- The bank's charges may be based on the amount of money transferred and the minimum amount you wish to keep in your account.

Is the nearest branch and its ATM within your residential vicinity?

- You may choose a bank whose branch and ATM are nearby your place of residence while living in Milwaukee is helpful. Use Google Map to locate these banks and ATMs if needed.

Does the Federal Deposit Insurance Corporation insure the bank?

- You should choose a bank secured by the Federal Deposit Insurance Corporation, which federally ensures you receive your funds even if the bank goes under. National Credit Union Administration is a government-backed insurer of credit unions, and it provides deposit insurance to depositors in U.S. depository institutions.

Do Americans use something like Alipay (Zhifu Bao) and other similar third-party mobile and online payment platforms?

- Yes! Zelle is a U.S.-based digital payments network owned by Early Warning Services, LLC, a private financial services company co-owned by banks like Bank of America, Truist, Capital One, J.P. Morgan Chase, PNC Bank, U.S. Bank, and Wells Fargo. You should talk to a representative from your financial institution to find out more!

Now that you have a basic understanding of banking in the U.S. as an international student, you can continue to explore additional resources listed on our website. Please let the Office of Multicultural Affairs know if you have any questions.