

Enrich

An Educated Consumer

Choosing a checking account is something that most people do at some point in their lives. Because checking accounts vary from institution to institution, and from one type of account to another, you will need to consider the options associated with each account before choosing one of them.

Suppose a bank offers two kinds of checking accounts.

Account A: a \$0.20 charge for writing each check and no service charge

Account B: a \$0.10 charge for writing each check and a monthly service charge of \$1.50

1. Which account would cost less if a person were to write 10 checks in a month?
2. Which account would cost less if a person were to write 20 checks in a month?
3. Using the *guess, check, and revise* strategy, find the number of checks that would have to be written for the cost of Account A to equal the cost of Account B. What is that cost?
4. Which account would cost less if a person were to write 250 checks in a year? By how much?
5. Mrs. Durbin wrote 300 checks last year. Her total charges for the account was \$72. The bank charged \$0.15 for writing one check and charged a fixed amount each month for the account. What was the monthly service charge?