

random in your saving patterns. And saving is easier when you pay yourself first.

When you pair direct deposit with automated transfers from checking to savings, you really make progress, and most consumers recognize that: The Consumer Federation of America, Washington, D.C., and Wachovia released results of a survey of more than 2,000 adults and how they view their ability to save, major barriers to saving, and successful savings strategies. Among the successful tactics, automatic transfers from checking to savings or investments ranked high—75% said it is important, 48% said very important.

Sample

Make your life easier with automatic transfers, and you have a powerful pair of money management tools working for you. Automatic transfers serve you in many ways. For example, say each payday you automatically put a portion of your paycheck into savings and have the balance deposited to your share draft/ checking account. You also might make a loan payment to the credit union, automatically. You accomplish three things at the same time, at

Three out of four employees who are offered direct deposit use it; their satisfaction rate is 97%.

no loss of your time:

- 1) You build your savings,
- 2) Fulfill a debt obligation—building a solid credit history with timely payments, and
- 3) Make funds available immediately to pay other

bills and to use for fun.

Your credit union easily can help you set up direct deposit. Ask the staff at your credit union for its nine-digit routing and transit number before you request direct deposit from anyone issuing checks to you regularly. Get the routing and transit number form from your employer, or contact your employer, to have your funds deposited directly into your account.

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Direct Deposit

Relax, You Can Count On It

Sample

Direct deposit—the electronic transfer of a payment from a company or organization into your checking or savings account—isn't just for your paycheck. You can use it for tax refunds, pension dividends, bonuses, and more.

Direct deposit tops both ATM cards and checkbooks as Americans' most important tool for managing personal finances, according to a national survey sponsored by the U.S. Department of the Treasury's Go Direct® campaign.

Benefits add up

With direct deposit, you don't have to worry about:

- *Confidence*—You don't have to worry that everyone is so busy they don't have time to deposit your checks. In fact, NACHA, The Electronic Payments Association, Herndon, Va., estimates that consumers who set up direct paycheck deposit save three work days a year by not spending time depositing checks in person.

Don't be concerned that you won't know how much money's deposited. You'll get an earnings statement on payday, by mail or electronically, that shows the net deposit as well as how much was withheld for taxes, company savings plans, or any other withheld amounts.

- *Stolen or misplaced deposits*—The Treasury Department receives about 1.4 million inquiries each year about problems with paper checks. In 2007, more than 140,000 Social Security and Supplemental Security Income checks were delayed due to bad weather or other unforeseen events. In addition, nearly 60,000 Treasury-issued checks were forged—totaling an estimated \$56 million in value.

Direct deposit eliminates risk and assures safety

with no loss of convenience.

- *Confidentiality and safety*—Because your check passes through fewer hands, your financial affairs stay private.

Problems with paper checks are rare—the chance of having a problem with a paper check is much greater. By using checks, you're increasing the chances of check fraud or identity theft. Direct deposit uses the same levels of security that companies and the government use to transfer funds to each other.

- *Timely deposit*—When you receive a check, there's often a delay before you can deposit it. With direct deposit, time—and forgetfulness—are not problems. Your deposit is made on time, consistently. You get paid even if you're not at work, say, if you're ill, on vacation, or on a business trip. It's also a big help to people who work different shifts and have trouble getting to their credit union or bank during business hours.

- *Access to your money*—Direct deposited funds clear automatically. You can write share drafts or checks right away, or use your debit or ATM card, without having to worry that your funds haven't been credited.

- *Earning dividends promptly*—Direct deposit assures that your check earns dividends as soon as possible if you're depositing it into an interest-bearing account. If you have to make the deposit in person, any delay postpones when your money starts making money.

Consumers
using direct deposit
save \$100 a
month than those
who don't.

Sample

Savings build faster

NACHA surveyed 1,505 people by telephone. The survey revealed that those using direct deposit save \$390 a month, \$90 more than those saving manually.

At a 6% yield, those direct depositors could save an additional \$22,867 in 10 years.

It's not magic—it's being consistent instead of

Everybody's doing it

- The Go Direct® program, offered by the Treasury and the Federal Reserve, encourages people who receive federal benefit checks to Go Direct and choose to have their government checks directly deposited. Direct deposit is the best way to receive Social Security and other federal benefits. Sign up for more information at GoDirect.gov or call 800-333-1795.

- The Internal Revenue Service makes refunds via direct deposit within days of receiving funds. In 2007, 80 million taxpayers e-filed their taxes and more than 61 million received their refunds by direct deposit.

To have your tax refund directly deposited into as many as three of your accounts, where the form designates, simply plug in the appropriate nine-digit routing and transit number and account number. See IRS Form 8888 for more information (irs.gov).

Sample

