

Brought to You by Your Credit Union

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.

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. Then fill out an authorization form from your employer, or other check issuer, to have your funds deposited directly into your account.

### Manage money better

Match direct deposit with automated transfers, and you have a powerful pair of money management tools working for you.

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

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

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

# Sample

**Direct Deposit**  
**Relax, You Can Count On It**



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the trade association for credit unions in the U.S.

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:

- *Convenience*—One problem with payday is that everyone gets paid when you do; many will be trying to deposit their paychecks at the same time. 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 direct deposit are very 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 deposits*—When you receive a check, there's often a delay before you can deposit it. With direct deposit, time—and forgetfulness—are not problems. You deposit or made a time consistently. You get paid even if you're not working, 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 \$90 more a month than those who don't.

## 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. To sign up for this program or for more information, visit [GoDirect.org](http://GoDirect.org) or call 800-555-7674.

- 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](http://irs.gov)).



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