

# Account Management

## Banking Terms

**Credit** - Any transaction that increases your balance.

**Debit** - Any transaction that decreases your balance.

**ACH** - Automated Clearing House. The system used to support electronic transactions such as direct deposits and direct debits.

**Bill Pay Payment** - A transaction initiated through our Online Banking system to pay a bill.

**Ledger Balance** - The official balance of your account, reflecting all transactions that have posted.

**Available Balance** - Ledger balance plus or minus pending transactions.

**Pending Transaction** - A transaction conducted recently that has not yet posted to your account.

**Insufficient (NSF) Fee** - A fee of \$34 charged to your account each time a transaction attempts to post and is returned because sufficient funds are not available.

**Overdraft Fee** - A fee of \$34 charged to your account anytime a transaction is paid and sufficient funds are not available.

**Point of Sale (POS)** - A transaction conducted with a merchant using your debit card.

**Automated Teller Machine (ATM)** - A computer terminal activated by a debit card that allows you to obtain cash.

**Pre-Authorization** - A pending debit card transaction.

**Hold** - When funds from a check deposit are delayed. (*see the Expedited Funds Availability Act disclosure for details*)

**Posting** - The process of clearing transactions that occurs each night. When a transaction posts, this is reflected in your ledger balance.

## Account Management Tips

Here are the top ten ways you can manage your account effectively:

1. Write down your recurring transactions, including expected service charges.
2. Write down your transactions as you complete them and keep a running balance.
3. Sign up for online banking and notifications and keep track of your account daily.
4. Notify the bank immediately if you notice a transaction that posts in error.
5. When determining how much money you have in your account, go by your register balance, not the bank's balance. (*Explained under Recordkeeping.*)
6. Check your register balance before you use your debit card to ensure you have the funds available. Otherwise, the transaction may be approved and cause an overdraft later.
7. If you use a non-Woodforest ATM, record the Woodforest fee and the other bank's fee in your register.
8. If you have a deposit that's on hold, wait until funds are in your available balance before using them or you could incur a fee.
9. If you are expecting a direct deposit, verify that it is included in your available balance before using the funds.
10. If you do overdraw your account, make a deposit as soon as possible to cover the overdraft and the fee. Failure to do so could cause a chain reaction as more transactions post and more fees are charged.

## Your Account Balance

When viewing account balances through online banking or an ATM, you'll notice two balances: Ledger Balance and the Available Balance.

**Ledger Balance:** The "official" balance on your account. It includes all transactions that have posted to your account as of the last business day. At Woodforest, we post transactions 7 days a week.

**Available Balance:** Your ledger balance, plus or minus any pending transactions.

<b>Example:</b>	<b>Ledger Balance</b>	<b>\$462.58</b>
	Pending: ACH Credit Payroll	+ \$998.72
	Pending: POS Debit Restaurant	- \$5.62
	Pending: ACH Debit Insurance	- \$123.85
	<b>Available Balance</b>	<b>\$1,331.83</b>

As you can see, a pending transaction can be a credit or a debit. In this situation, the amount of pending credits is greater than the amount of pending debits, so the available balance is more than the ledger balance.

### Withdrawals or Debits

As previously explained, when you withdraw cash or instruct the bank to pay a third party, you initiate a debit from your account. There are a variety of transaction types to be aware of. The time it takes for the transaction to post will depend on the type of transaction, such as Check, Debit Card, Direct Debit, or Bill Pay Payment.

### Looking for more financial education?

- Woodforest Banking GPS: [www.woodforest.com](http://www.woodforest.com)
- FDIC Money Smart: [www.fdic.gov/moneysmart](http://www.fdic.gov/moneysmart)
- Building Wealth: [www.dallasfed.org/ca/wealth](http://www.dallasfed.org/ca/wealth)

## Using Your Debit Card

When you use your debit card to purchase goods or services, you are often presented with two options: debit or credit?

**Debit:** You will be required to enter your PIN. You can also receive cash back from the transaction, if desired.

**Credit:** You will be required to sign for the transaction, just like you do when you charge something on a credit card.

Generally, when you choose debit, the transaction will post to your account quicker than a credit transaction.

### Pre-Authorizations

When you make a purchase with your debit card, the merchant may issue a pre-authorization to ensure funds are available in your account. This pre-authorization may show as a pending transaction for several days and will fall off when the actual transaction clears.

For example, you purchase gas and pay at the pump. The gas station may pre-authorize \$50 to ensure your debit card is active and that funds are available. When you finish pumping, your total is \$36. The \$50 pre-authorization may pend for several days until the transaction for the real amount, \$36, posts to your account.

Merchants may also issue pre-authorizations for small amounts, such as \$1.00, to ensure the account is active. The pending transaction will be less than the actual amount, making your available balance appear to be more than what it is. That's why it is important to go by the balance you have calculated for yourself, not your available balance.

Try to avoid using your debit card at hotel or car rental merchants. These types of merchants issue pre-authorizations for large amounts and can remain as pending transactions for extended periods of time.

## Recordkeeping

Good recordkeeping is the key to managing your account successfully. Here's what you'll need in your toolbox to keep it all straight:

- A register or other log to record transactions
- A pencil
- A calculator
- A way to check yourself (online banking, email notifications, etc.)

### Recordkeeping Steps

- 1) **Enter recurring transactions in your register or log.** It's likely you have transactions that clear your account every month at the same time for the same amount. This could be a regular paycheck, car or mortgage payment, or an insurance premium.
- 2) **Enter each transaction as it happens.** It takes a few seconds, but can save time and money in the long run. If you put it off, you are likely to forget, or be overwhelmed by the number of transactions and abandon the recordkeeping process all together. Each time you enter a transaction, re-calculate your balance. This is your real balance, and may be different from the balance the bank shows because certain debits and credits have not cleared your account.
- 3) **Check off each transaction as it clears.** Decide which form of account reconciliation works for you. Whether you use online banking, notifications, or telephone banking, be consistent with the resource you use. When all transactions have cleared, the balance in the register should match the balance at the bank.

We provide you with several free easy-to-use options to access your account information, such as Online Banking, Email Notifications, and Telephone Banking.

## Funds Availability

### Deposits or Credits

When you make a deposit in person, we generally make the funds available to you immediately. If your deposit is electronic, such as a direct deposit, it will be made available as soon as it's received by the bank. The end of our business day is 8:00 PM Central Standard Time; deposits made before then will be posted on the current business day.

In certain situations, funds from a check deposit may be delayed. When this happens we will provide a notice stating when the funds will be available. We want to allow enough time for the check to clear the account of the person who wrote it to you. This helps protect your account if the check were to be returned for any number of reasons. (see *the Expedited Funds Availability Act disclosure for details*)

### Withdrawals or Debits

When you withdraw cash or instruct the bank to pay a third party, you initiate a debit. There many types of debits to be aware of.

**Check:** Appears on your statement as "Check # xxxx". This item will post once it is cashed and it is presented to us for payment.

**Debit Card:** Appears on your statements as "POS [merchant name]" or "ATM [address]". This type of transaction can take several days to post. Transactions conducted using your PIN post faster.

**Direct Debit:** Appears on your statement as "ACH DB [merchant name]". This will post depending on when the person you authorized to debit your account initiates the transaction.

**Bill Pay Payment:** Appears on your statement as "BillPay" or "BP Elec". Electronic Bill Pay transactions clear the same business day you entered the transaction. If a paper check is issued to pay the bill, it will clear when the check is cashed.

## Fraud Prevention

Identity theft is becoming more common every day. Actively protecting your personal information and keeping a close eye on your account activity are the best ways to defend against this type of fraud. Here are ten tips for preventing fraud:

1. If you lose your debit card or it's stolen, contact the bank immediately so the card can be cancelled. (1-866-682-7045)
2. If you notice an unauthorized transaction, contact the bank immediately and report it, so we can begin an investigation.
3. Never write down your debit card PIN or share it with anyone.
4. Never write down or share your online banking login information.
5. Shred financial documents and paperwork that contain personal information before you discard them.
6. Don't carry your Social Security card in your wallet. Give out your Social Security number only if absolutely necessary.
7. Don't give out personal information through phone, mail, or the Internet, unless you know who you're dealing with.
8. Never click links sent in unsolicited email. Use firewalls, anti-spyware, and anti-virus software to protect your home computer.
9. Don't use an obvious PIN or password like birth date, mother's maiden name, or part of your Social Security number.
10. Keep personal information in a secure place at home, especially if you have roommates, or have work done in your house.

Help protect yourself from identity theft! Try IdentitySecure<sup>SM</sup> risk free.  
Go to [www.woodforest.com](http://www.woodforest.com) for more details.