

UNDERSTANDING YOUR ACCOUNT BALANCE

An item clearing on an account depends on the amount of funds available at the time the item is presented for payment. In addition, not only the items that have cleared an account affects the available balance, but also the holds placed on the account for pending items that have not yet been processed. Understanding your account balance can go a long way towards making sure that you avoid using Courtesy Pay unnecessarily.

Your Checking account or Savings account has two kinds of balances: The current balance and the available balance.

Current balance

Your current balance reflects the full amount of all deposits to your account as well as payment transactions (i.e. purchases or payments) that have been posted to your account. It does not reflect checks you have written and still outstanding or transactions that have been authorized but are still pending.

Available balance

Your available balance is your current balance less:

- Holds placed on deposits i.e., a check hold
- Holds on debit card or other transactions that have been authorized but are not yet posted
- Any other holds, such as holds related to pledges of account funds (minimum balance requirements or to comply with court orders).

We use your available balance to determine whether there are sufficient funds in your account to pay items, including checks and drafts, as well as other ACH, debit cards and other electronics transactions. Pending transactions and holds placed on your account may reduce your available balance and may cause your account to become overdrawn.

Here is an example of current balance versus available balance:

John Q Member has an account with a balance of \$500.00. He makes an ATM withdrawal of \$100.00; the current balance on the account is now \$400.00.

Beginning Account Balance:	\$500.00
ATM Withdrawal:	-\$100.00
Current Balance:	\$400.00

John has also used his debit card at the grocery store and at the gas station – those transactions are pending – they have not cleared his account yet. Now let's take a look at John's account balance when the pending transactions are included:

Beginning Account Balance:	\$500.00
ATM Withdrawal:	-\$100.00
Pending - Grocery Store:	-\$50.00

Pending - Gas Station: -\$25.00

Available Balance \$325.00

Based on John's available balance at this time, any payment that attempts to clear his account that is over \$325.00 would be returned for non-sufficient funds or paid using the Courtesy Pay Program.