



## THE IMPORTANCE OF SHARE DRAFT “checkbook” BALANCING

Technology has changed the payment industry tremendously in the past decade. In these days of debit card transactions, direct credits and debits (which will soon have a ‘same day’ option), and hand written checks that may be converted to electronically cleared items, it is more important than ever to balance your share draft account at least monthly when you receive your statement. Not only is this an essential practice, but it is *your duty* to keep your credit union share draft account in good standing!

### *Why do I need to balance my share draft account to my statement?*

Managing your money is important to your economic well-being, and it starts by controlling how funds flow through your account. It is **NOT** enough to simply check your balance while using Online Banking or Audio Response here and there. At the very least you need to verify that all the transactions you make are recorded correctly by the credit union each month. Even if you typically have ample funds in your share draft account, there are still a number of reasons why balancing your checkbook is a vital task. Here are a few:

1. **You can monitor the credit union.** By balancing your share draft account each month, you ensure that your balance matches the credit union’s records. Yes, even in this day and age, the credit union can make an error – and this is the way to discover it. According to UTELCU’s [Membership Agreement](#), you have only **60 days** to report a transaction error, therefore maintaining a regular schedule for balancing your account becomes critical.
2. **Overdraft fees add up quickly.** Returned share drafts are \$15.00 each. (To view our Fee Schedule, please click [here](#)). By balancing your share draft account each month, you are less likely to bounce checks or incur an overdraft or transfer fee.
3. **Problem-solving is easier.** When a balancing issue does arise, you would have no clue where to start investigating if you haven’t balanced your share draft register recently. Those who make the effort to reconcile their registers regularly can simply look at the month’s transactions and quickly see what is causing the discrepancy.
4. **Merchants make mistakes too!** Most companies are honest; but they can make errors too! By balancing your share draft account, you can verify that the amount charged for a product or service is what you expected. It is essential for you to write down ALL of your daily debit card transactions into your register as soon as possible. By doing this you will consistently know what your *true* balance is. Consider these transactions immediate deductions! Hand written checks also have the ability to be cleared for an incorrect amount by the merchant’s bank.
5. **The opportunity for fraud is multiplied.** What do we mean by this? Between debit card transactions, online purchases, and ATM withdrawals and other types of payment methods, the ways you can spend money has increased. Merchant breaches are in the news frequently and the possibility of your card information being stolen has become almost routine. While UTELCU has [Falcon Fraud Manager](#) in place to monitor suspected fraudulent or out of character purchases, unfortunately fraudulent transactions still occur. By balancing your share draft account you will be able to quickly identify these fraudulent transactions.
6. **It can help with budgeting!** Keeping a close eye on the transactions in your share draft account can also provide useful insights for how to budget your money. It helps to know exactly what your balance is to help control cash flow and reduce expenses. Analyzing your income and expenses becomes a great tool when tax time approaches!
7. **It can support your savings goals!** Managing your share draft balance routinely could help you save money on preventable fees. You now have the ability to SAVE what you were paying in overdraft fees! It’s a win-win!

### *Here are some ways to make balancing your share draft account easier each month:*

1. Pick up a share draft register on your next visit to the credit union. We have them on hand and there is no charge to you!
2. Keep your register up to date. Make sure all transactions, including deposits, debit card purchases, cash withdrawals, checks, transfers and any pre-authorized monthly bills that you may have set up with merchants are accurately recorded in a timely manner. Keep a separate listing of recurring payments and the dates they are scheduled for. This will assist you with consistent record keeping and a share draft account that is balanced each and every month!
3. Sign up for Online Banking! Reviewing your transactions frequently can assist you in keeping a tidy share draft account. The service is convenient, safe and free! UTELCU also offers free Online Bill Payment and e-Statements, so you can get your monthly statement faster than waiting for it to be delivered by the mail carrier. You can also take advantage of Online Banking email alerts in parameters that are pre-determined by you! All you need is a valid email address!
4. Click [here](#) for UTELCU’s share draft reconciliation tool. Balancing your share draft account = peace of mind!!!