

# Funds Availability



Our policy is to make funds deposited at our office available to you as soon as possible. However, under certain circumstances, some deposits may be held 2 – 5 business days before becoming available.

The following types of deposits will be made available on the same day as the deposit, or the following business day if they have been deposited after hours:

1. Cash deposited in person at the credit union.
2. Electronic payments received by the credit union for deposit in an account.
3. U.S. Treasury checks deposited in an account held by a payee of the check.
4. U.S. Postal Service money orders deposited in person at our office.
5. Federal Reserve Bank and Federal Home Loan Bank checks deposited in person at our credit union office into an account held by a payee of the check.
6. State or local government checks deposited in person at our credit union into an account held by the payee of the check.
7. Cashier's, certified, or teller's checks deposited in person at our credit union office.
8. Checks drawn on an account held by the credit union ("on-us" checks) deposited in person at our credit union office.
9. Deposits that include some checks of types not listed above – The first \$200 (or the total amount of the deposit if it is less than \$200) of non-"next-day" checks will be available the next business day.

For checks of types not listed above, funds generally must be made available in accordance with a schedule specified in Regulation CC. That schedule varies depending on whether a check is considered "local" or "non-local."

- A check is considered "local" if our institution is located in the same check processing region as the paying institution. Funds from local checks will be made available by the second business day following the day of deposit.
- A check is considered "non-local" if our institution is not located in the same check processing region as the paying institution. Funds from non-local checks will be made available by the fifth business day following the day of deposit.

The credit union will provide a copy of all "local" routing number prefixes to front end staff that were copied from **Appendix A to Part 229-Routing Number Guide to Next-Day Availability Checks and Local Checks of the Federal Register Regulation CC.**

Deposits of cash and electronic payments are not eligible for exception holds. The six types of deposits that are eligible are:

- **Large Deposits** (greater than \$5,000.00) – Any amount exceeding \$5,000.00 may be held. The first \$5,000 of the deposit will be made available for withdrawal immediately and the rest within the "reasonable" time frames discussed above.
- **Re-deposited Checks** – May be held unless the check was returned because an endorsement was missing or because the check was post dated. In such a case, if the deficiency has been corrected, the check may not be held as a re-deposited check.

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- Deposits to accounts that are **repeatedly overdrawn** – An account may be considered repeatedly overdrawn and items may be held if
  1. On six or more banking days during the previous six months the account had a negative balance, or would have had a negative balance had checks and charges been paid, or
  2. On two or more banking days during the previous six months the account balance was negative in the amount of \$5,000.00 or more, or would have been had checks and charges been paid.
- **Reasonable cause to doubt the collectability** of a check – Doubtful collectability may exist for postdated checks, checks dated more than six months earlier, and checks that the paying institution has said it will not honor. The general criterion for doubting collectability is “the existence of facts that would cause a well-grounded belief in the mind of a reasonable person” that the check is uncollectible. The reason for our belief that the check is uncollectible must be included in the notice to the member.
- Checks deposited during **emergency conditions** that are beyond the control of our institution – Such checks may be held until conditions permit us to provide availability of funds. Examples of emergency conditions are natural disasters, communication malfunctions, and other situations that prevent us from processing checks as we normally do.
- Deposits into accounts of **new members** (opened for less than 30 days) – Next-day availability applies only to cash, electronic payments, and the first \$5,000.00 of any other next-day items; the remaining amount from next-day items will be available by the ninth business day.

*This policy is subject to review and revision by the Board of Directors. Terms and conditions may be altered in whole or in part by the action of the Board of Directors, following government guidelines.*