

The *Smart* Financial Choice

What is the difference between my Account Balance and my Available Balance?

Your *Available Balance* is your Account Balance less any uncollected funds less any holds placed on your account. For Example:

1. Your Account Balance is \$500 but
2. You have a debit authorization hold of \$100 and
3. Your last check deposit of \$250 has an uncollected funds hold of \$50.

This results in an available balance of:   \$500 Account Balance  
Less:   \$100 debit authorization hold\*  
Less:   \$ 50 uncollected funds hold (check hold)  
Equals: \$350 *Available Balance*

Therefore, you have \$350 available to withdraw (*your available balance*). When the \$50 uncollected funds hold expires you will have an additional \$50 available to withdraw.

***It is important to remember that VBSFCU will only pay on or allow withdrawals on your available balance. You may check your available balance on our SmartLink Home Banking, on our mobile app or on our Infoline phone banking anytime 24/7/365. Should you need more than your available balance to cover a transaction we may (at our discretion) authorize and overdraft per our overdraft policy.***

\* What is a debit authorization hold?

When you use your debit card at a merchant the transaction amount is communicated electronically by the merchant to us and an authorization is requested. Once we confirm the amount of your *available balance* is sufficient to cover the transaction your transaction is approved and we send the authorization to the merchant and the purchase is completed.

Even though the transaction has been authorized the merchant may not send it to us for collection for a few days. So, we place a hold on your *available balance* to “hold” funds aside until the transaction is received from the merchant. We then remove the hold and send the funds to the merchant to complete the sale. For example:

1. You buy \$100 of groceries with your debit card
2. Your available balance is \$150
3. The merchant requests a debit authorization for \$100
4. We see that your *available balance* is \$150 so we authorize the transaction and place a Debit Authorization Hold on your account for the purchase amount of \$100. This leaves a \$50 *available balance* even though there is still \$150 in your account. ( $\$150 \text{ available balance} - \$100 \text{ Debit Authorization Hold} = \$50 \text{ remaining available balance}$ )
5. A few days later the \$100 transaction comes in from the merchant, the \$100 hold is removed and the funds are sent to the merchant to complete the transaction.

***It is important to remember that funds placed on hold cannot be used to cover other transactions. You must limit your transactions to your available balance. We will only authorize transactions on your available balance. Should you need more than your available balance to cover a transaction we may (at our discretion) authorize and overdraft per our overdraft policy.***

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