# of Interest... Debit Card Tips & Info

[www.qualstarcu.com/debit-cards]

Scan for Info

A Visa® Debit Card is a convenient tool for accessing your account. Make sure you understand how it works!



Choosing Debit or Credit

Credit – When you sign for a Debit Card purchase, just like using a credit card, an authorization is processed and a pre-authorization hold (see below) may be placed on the funds until the merchant processes the transaction.

Debit – When you make a purchase using your PIN (personal identification number) the amount is taken from your account when the merchant processes the transaction. Some merchants, such as gas stations, will place a temporary hold on funds until the transaction clears. However, by using a PIN, the hold may be released more quickly than it would for a credit transaction, which can take up to a few days.

Available Balance vs. Actual Balance

Available Balance: Includes any pre-authorization holds, and is used to determine available funds when subsequent transactions attempt to clear the account. If your available balance is not sufficient at the time of clearing, your transaction may be declined.

Actual Balance: The running balance we use internally as transactions clear and includes all items that have cleared the account up to that point (does not include outstanding purchases or ATM withdrawals.)

What is a Pre-authorization Hold?

This type of hold may be placed on funds in your account when you authorize a debit card purchase. The amount of the hold is deducted from your account's "available balance," but not from the "actual balance," until the merchant processes the transaction. This can take anywhere from a few hours to a few days. In some cases, a merchant will put through a pre-authorized hold for an amount more than the actual purchase amount. This can occur at gas stations, hotels, and car rental agencies, where the actual purchase amount is determined after the service has been provided (e.g. paying for gas at the pump).

How does a Visa Debit Card transaction work?

Your account balance is $100 and you make an $80 Debit Card purchase. The merchant puts an $80 pre-authorization hold on the account, bringing the "available balance" down to $20. An account's "actual balance" will not reflect this transaction until it has cleared the account. This means that there is $20 available for transactions to clear. When a pre-authorization hold expires, one of two things happen:

1. The merchant takes their money; or
2. The hold falls off and funds are available in the account again, appearing like more money is in the account than there actually is, until the merchant takes the funds. If an accurate running balance is not kept, this may cause the account to overdraft.

Tips for avoiding overdrafts

- Use a check register to record activity and keep a running balance
- Never rely on the ATM balance when using a debit card, and be extra cautious when your balance is low
- Use Online Services to help with balancing your account, and make note of items that may not have cleared
- View pre-authorization holds in Online Services
- When a charge is authorized, those funds are immediately unavailable, even if the merchant doesn't take them from the account right away
- Be aware when setting up automatic payments with merchants. If they take the funds early or make a mistake, you will be responsible for any Courtesy Pay fees incurred.

For more information...

- Log in to **Online Services**
- Call us at **1-800-848-0018**
- Visit one of our **branch locations**

QUALSTAR® CREDIT UNION

1-800-848-0018
www.qualstarcu.com

10/2024