

CAAB's newsletter is designed to ensure that our IDA/MDA Savers are fully informed about relevant money management topics, effective savings strategies, financial education opportunities in the DC area, and upcoming CAAB events. Every month, we will feature a different article focusing on strategies or products that can help you plan for and achieve your savings goals.

## The Value of Direct Deposit

by Kristina Klausser

Want to know a great way to keep your money safe and secure, save yourself stress and time, and help the environment all at the same time? Setting up direct deposit! By directly depositing your checks (be they payroll, government benefits or money from another source) you can ensure the security of your money and save yourself time and hassle. Direct deposit is simple to start and very convenient. Direct deposit is even available for your tax refund (you can visit [www.irs.gov](http://www.irs.gov) for more information). In fact, some banks may offer free checking or other benefits to their customers who use direct deposit. With direct deposit you no longer have to wait for your checks to clear, many times the funds are available to you immediately. Many organizations and government agencies, including the VA, the Treasury Department, and the IRS, are encouraging people to utilize this great tool. "There are significant benefits, in terms of safety and security, for the recipients and considerable cost savings for American taxpayers," said Treasury Fiscal Assistant Secretary Donald Hammond last year.

Starting direct deposit is simple: contact your employer (or the source of other checks) and ask where you can get the paperwork to begin direct deposit. After filling out a quick form and attaching a voided check, direct deposit

will begin. On a specified date each pay period the money will be placed into your account. You will still receive a pay stub that shows that the money was deposited. You may even get the money faster than your co-workers - some institutions submit direct deposit the night before payday or submit the money before mailing out checks to others. This also means no more standing in line at the bank on a busy Friday afternoon or when you are in a hurry. The University of Illinois Employees

**IDA/MDA SAVERS**  
**It's easy for you to use direct deposit with your IDA or MDA. All you need is your account number (which you can find on the enclosed statement) and the routing number 254070116. Do it today!**

Credit Union found that the average worker spends somewhere between 8.5 and 24 hours a year just cashing their paychecks!

Once the direct deposit is set up there is no more action necessary on your end unless your account information changes. If there is ever an issue with your direct deposit you should contact your bank or employer immediately. Keep in mind, though, that funds directly deposited are not exempt from being garnished. A court ordered garnishment of personal bank accounts (or wages from an employer) must be honored. To

find out more about garnishments, visit [www.fair-debt-collection.com](http://www.fair-debt-collection.com).

Another benefit of having direct deposit is that you can arrange to have money put into more than one account, meaning you can have some of your money deposited into an account other than your primary checking account. This is possible with anything direct deposited, even your tax refund! For example, if you are working on saving money, you can have a specific dollar amount or a certain percentage of each check put into a separate savings account.

This means direct deposit works great for saving in your IDA or MDA account. "When we look at the deposit history of our best IDA Savers, the ones who never miss a monthly deposit, we find that they are nearly always savers who use direct deposit. It is hands down the best and most sure way to make monthly deposits because once you set it up, you can forget about it," says Matthew Peterson, program associate at CAAB. When you receive the paperwork for direct deposit from your employer simply use the routing number **254070116** and your account number and your money will go right into your savings!

Direct deposit is also safer than getting paper checks. The hassle of losing a check (specifically those that may come in the mail) is avoided and your personal information is not easily exposed. Most identity theft happens when the thief sees the information on paper (in the form of a check,

### CONGRATULATIONS!

The following savers made asset purchases in the month of January:

#### Home

Cynthia Ashton Ahmed  
Sharonne Martin  
Sharon Williamson

#### Education

Jalisa Banks  
Brittany Beatty  
Tanisha Bennett  
Tykeiah Carroll  
Shanita Conley  
Suhey Dominguez  
Damien Goines  
Eric Jones Jr.  
Tracey Kibler  
Pamela Massaquoi  
Jasmyne McNeely  
Frenika Mudd  
Cynthia Quispe  
Jamil Raspberry  
Yenis Raspberry  
Blondell Sykes  
Christine Walker  
LeWahn Wallace  
Shavonne Williams  
Tarnisha Williams

#### Small Business

Tracy Hines  
Tosha Link

bank statement, etc). The new *Go Direct* campaign, run by the U.S. Department of the Treasury, says that when using a paper check you are about 30 times more likely to have a problem than when using direct deposit.

Direct deposit of checks from the federal government (tax refunds, Social Security, SSI, etc.) also saves your tax dollars. The Wisconsin Department of Health Services reports that each paper check sent by the federal government costs 43 cents. When that same money is direct deposited it costs 2 cents. The federal government encourages the use of direct deposit as the best way to receive benefits. Anna Cabral, Treasurer of the United

*(Continued on next page)*

## The Value of Direct Deposit (cont'd)

States, says "It's simply the safest, most reliable and convenient way for people to receive Social Security benefits." (Find more info about how to set up direct deposit for your Social Security payments

and other benefits at [www.electronicpayments.org/](http://www.electronicpayments.org/) or [www.godirect.org/](http://www.godirect.org/))

Direct deposit is a great system for many people. The person receiving the check has quick,

easy, and safe access to their money, less taxpayer money is spent on printing and mailing checks, and the environmental impact is much less significant. Believe it or not, according to [electronicpayments.org](http://electronicpayments.org), the

production of paper checks uses 674 million gallons of fuel and causes the addition of 3.6 million tons of CO2 to our environment. Direct deposit is easy to set up and can make your life a lot easier!

## UPCOMING EVENTS & ANNOUNCEMENTS

### New Round of Saturday and Weeknight Money Management 101 starts in March

At 1801 K St NW, Suite M100 (Farragut West & Farragut North Metro Stops)

Complete your financial education requirements for the IDA or MDA program and meet other people saving towards their life goals just like you. Refreshments will be provided.

- **Saturday Series:** Starts **March 7** and runs every Saturday morning (except April 4) from 10 a.m.– 12 p.m. through April 11.
- **Weeknight Series:** Starts **March 3** and runs every Tuesday evening from 6:30 – 8:30 p.m. through March 31.

Call 202-419-1443 or email [seminars@caab.org](mailto:seminars@caab.org) to register.

### Career Training Opportunities at Goodwill

#### Bank Skills Training Program

Are you interested in a sales driven entry level position as a Bank Teller? You'll learn career opportunities in banking, banking terminology and regulations, customer service, baking procedures, products, services, and cross selling.

Intake Assessment Sessions: **Every Tuesday and Thursday at 9:30 AM** at Goodwill Arlington, 10 S. Glebe Road, 2nd Floor, Arlington, VA 2204

Call **Valerie Johnson** at 703-769-3707 to learn more about assessment requirements.

#### Environmental Services (Custodial) Training

Free 6-week training program where you will learn basic floor care and green cleaning, interior office and restroom cleaning, hospital housekeeping, and job readiness and preparation for employment.

Intake Assessment Sessions: **Every Tuesday at 1 p.m.** at Goodwill of Greater Washington, 2200 South Dakota Avenue NE (Rhode Island Avenue Metro Station, Bus B8/B9 or Brookland Metro Station, Bus H6)

Call **Jackie Jarrett** at 202-715-2632 to learn more about assessment requirements.

#### Pre-Apprenticeship Construction Training Program

Free 9-week training program including introduction to construction trade (power tools, hand tools, blueprint reading, etc), OSHA-10 hour safety certification, CPR/first aid, and life skills and job readiness training.

Intake Assessment Sessions: **Every Tuesday at 9 a.m.** at Goodwill of Greater Washington, 2200 South Dakota Avenue NE (Rhode Island Avenue Metro Station, Bus B8/B9 or Brookland Metro Station, Bus H6)

Call **Joe Mitko** at 202-715-2654 to learn more about assessment requirements or to register.



**Looking for an affordable house to rent?**

**Looking for a home to buy?**

[DCHousingsearch.org](http://DCHousingsearch.org) is FREE listing service that provides you access to information about housing opportunities in DC. Browse up-to-date, detailed listings to find available for rent and for sale properties that meet your housing needs. **Many of the rental properties include affordable housing rates which are based on income.** There are also tools to help you determine how much you can afford to rent and rental checklist for things to look for when you rent.

### Healthy DC

People throughout the District of Columbia now have a free, fast, and easy way to find health services close to where they live or work. A new web site, "Healthy DC-Go Local" provides information and links to hospitals, doctors, clinics, support groups, immunizations, home health-care, and other programs and services people can use to find help for themselves and their loved ones:



Why pay when you can file your taxes for FREE? See if you qualify and find a tax sit near you by calling 1-877-SAVE-515 or by visiting [www.dcsaves.org](http://www.dcsaves.org).

**IT'S YOUR MONEY.**  
CLAIM IT & KEEP IT!



**DC SAVES**  
DCEITC.ORG

### CAAB CORNER

CAAB would like to welcome Kristina Klausser who began in February as our communications and development intern. Kristina attends the University of North Florida in Jacksonville, Florida and is here in DC for a semester as part of the Washington Center internship program. She is a political science major with a minor in social welfare. Kristina is hoping to gain knowledge of the way non-profits run day to day and is excited to be a part of the many programs CAAB has to offer for the next four months.