



## **Electronic Check Conversion Frequently Asked Questions**

### **What is Check Conversion?**

- Companies in the US have begun to use a process of converting consumer paper checks into electronic payments called check conversion. This process will save the U.S. economy billions of dollars annually and will cut down on the amount of paper you keep. These electronic payments are processed over the Automated Clearing House (ACH), a secure network (not the internet) used by banks and credit unions to transfer billions of dollars daily. Electronic payments are private and secure – a network of computers does the work.

### **What do I do differently?**

- You do not need to do anything new or different. The organization utilizing this system of processing electronic payments will notify you that it will use the check conversion process in several ways. Your check that is received by an organization will be converted to an electronic payment upon receipt; the organization will store a copy of the check and destroy the original paper check. The electronic payment will show up on your statement with the date of payment and the amount.

### **What are the benefits of Check Conversion?**

- The efficiency of the nation's payment system requires shifting from paper checks to electronic payments. This change is in everyone's best interest. Electronic transactions provide more privacy and federally regulated protections than paper checks; electronic payments can result in less fraud and fewer errors; and electronic processing is less costly than paper processing.

### **Who authorized the organization to convert my check?**

- The organization must provide prominent and conspicuous notification that they may convert checks. By writing a check after you have been notified, you are providing authorization that the check can be converted.

### **Where is my original check?**

- An image has been made of the check, which will be retained for at least two years. The original check will be securely stored until it is destroyed.

### **Can the organization see how much money is in my account?**

- No. The organization cannot see how much money you have in your account.

**Can the organization take extra money from my account?**

- No. Only the amount of the check can be deducted from your account.

**What if I don't want my check converted?**

- The organization is required to offer an opt-out. Most likely you will need to use another form of payment.

**How will I prove I made the contribution if I don't get my check back?**

- Your quarterly contribution statement will show the check date and the amount of the payment. This contribution statement is considered proof of contribution.

**Does the check clear faster with check conversion?**

- Yes. The check may clear faster when an organization converts the check. Consumers need to have adequate funds in their account to cover the payment.

**Is check conversion legal?**

- Yes. Check conversion is legal.

**Is check conversion safe and secure?**

- Yes. Check Conversion uses the same safe network that is used for Direct Deposit. The check information is transferred through computers over a private network protected by encryption, message authentication codes, and other security procedures.

**What consumer protections are in place?**

- The Federal Reserve's Regulation E and the *ACH Operating Rules* regulate electronic transactions processed through the Automated Clearing House.
- The Automated Clearing House (ACH) Network is a safe and secure banking network – the same financial network that institutions, governments, and companies use every day to transfer billions of dollars.
- Consumers are protected under Regulation E, which allows 60 days from the date of the individual's account statement postmark to dispute unauthorized transactions.

If you have further questions, please call the Church Business Office at 214-969-2405. Further information on electronic payments is available at [www.electronicpayments.org](http://www.electronicpayments.org)