

# Electronic Funds Transfer • Frequently Asked Questions

What is Electronic Funds Transfer (EFT)?

EFT is a method to pay local, state, and national association dues; special funds; and PAC contributions through a process other than payroll deduction through direct debit from your bank account.

Why does ISEA want to establish alternative means to pay dues and make contributions?

State associations around the country have seen a coordinated attack on labor organizations. One of the means of these attacks is to eliminate the association's ability to collect dues and contributions through payroll deductions. In addition, the ISEA has researched EFT and found it to be cost-effective with the added bonus that all union business is conducted between the local and the ISEA instead of the employer.

Is the loss of payroll deduction imminent?

Governor Branstad is looking at changing payroll deduction for the state employee's union. Other states that have lost payroll deduction have had the changes thrust on them over a very short time frame and, in some cases, the result has been debilitating to the association. The ISEA wants to be proactive as a means of being prepared and also meet the changing needs of our membership, many of whom participate in online banking for all of their financial needs.

Will all local members be required to participate in the EFT program?

Currently only those members who wish to participate in the EFT program.

Is there a cost associated with EFT deduction?

No, the amount of dues collected from a member will be the same as what would have been collected through payroll deduction. Of course, if the member does not have the funds in his/her bank account to cover the deduction, there could be additional bank charges made by their bank.

Will EFT be used to collect Local dues as well?

Yes, the current plan is to collect all dues, including local dues. Local dues will then be remitted to the local.

Are there advantages to participating in the EFT program?

Yes, one advantage is that once a member has signed on for EFT, the local association is no longer responsible for making sure the district has properly deducted dues from payroll. Second, a local association that has all of its members on EFT greatly reduces the responsibility of the treasurer, and third, EFT removes all association business out of the hands of your employer and plants it squarely in the hands of your union – which is you!



What institution will be facilitating EFT for ISEA?

NEA has partnered with Bank of America (BoFA) to be the facilitating agent for the ACH (Automated Clearing House).

How will an association member's bank account information be secured?

The ACH information will be stored on NEA's secure membership database. The information needed for ACH is the same information that is printed on the bottom of personal and business checks.

How many months are payments made?

Payments will be made over 10 months with five options for withdrawal.

What if I miss a payment due to insufficient funds?

If a payment is missed then the amount missed will be spread over the remaining months.

Who will be the contact for questions or technical problems with the EFT program?

Your UniServ office will be the primary contact.

