FALL 2003

CU*BASE® Software Upgrade

Online Credit Unions	Self Processing Credit Unions
October 27, 2003	**Week of November 10, 2003**

The latest round of enhancements to CU*BASE and CU*@HOME are here! This release is jam-packed with great new and enhanced features to serve your members even better. Highlights you don't want to miss:

■ CU*@HOME logo branding and "related sites" links...

■ CU*BASE Teller Processing rewrite, new tools for credit card advances, and ANR enhancements...

■ A new generation of Online Help...

Any new or revised booklets related to this release will be available on our web site **after October 20**. Information about all related screens will be included with CU*BASE GOLD Online Help when you receive the release. **Don't forget to check out the "What's New" feature** in Online Help (from any screen, click the Help menu and choose What's New) for all the latest information about CU*BASE upgrades and enhancements.

Get Faster Answers to Your Questions

Introducing the CU*Answers "Answer Book"

Get the same answer every time. In fact, get your answers where CU*Answers staff get theirs, through the new **CU*Answers Answer Book**.

This new feature is part of our web effort to make sure that every credit union employee can know what is happening here at CU*Answers. Not only can you scan multiple categories for the most commonly-asked and answered questions, you can also submit your own questions to be answered by a CU*Answers expert.

The knowledge in this database will grow and change on a daily basis. The database already contains hundreds of your most commonly-asked questions. Starting immediately, Client Service Reps will be entering your questions into the Answer Book as they work with you over the phone.
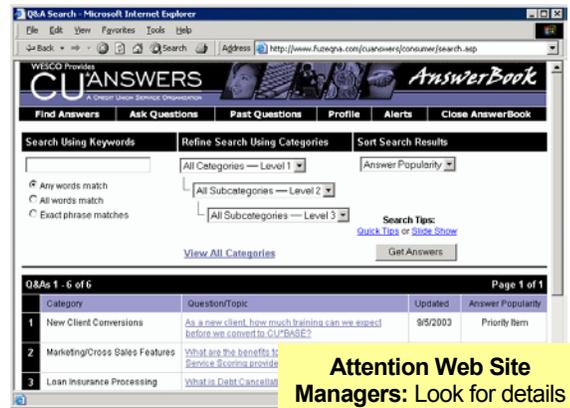
In addition, with this release you can also access the Answer Book directly to search for answers or to submit a question of your own to one of our experts. Your question will be answered via email, and then added to the database so that others can benefit from that same knowledge.

So the next time you have a question, before you pick up the phone, take a look at the Answer Book first:
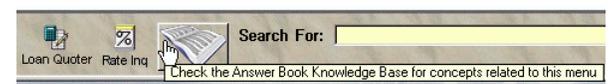
■ In CU*BASE GOLD, click the new Answer Book icon located just to the left of the NET button in the upper right corner of <u>any</u> CU*BASE screen.
OR

■ If you are working on a CU*BASE menu, you will also see a new Answer Book button at the bottom of the screen next to the Rate Inquiry button. This will take you to a category in the Answer Book related to the menu you are working on.

Attention Web Site Managers: Look for details early in 2004 about how you can add your own personalized *credit union* Answer Book to your web site, for your staff and members to learn more about your organization!

📖 Refer to the flyer, "Using the CU*Answers Answer Book" for details.

Branding CU*@HOME with Your Credit Union's Own Logo

Strengthen the connection between your credit union and its Internet products by putting your own "face" on CU*@HOME!

Now you can more clearly identify your home banking services with your credit union, by using your own custom logo in place of the standard CU*@HOME logo. This might be your credit union's corporate logo, or even a special home banking logo you have designed.

As part of this project, we have also redesigned the CU*@HOME Login screen to make it cleaner and easier to use. Notice that your designated logo would appear in the left corner, above your introductory text. (Remember that even if you do not use a special logo, this text can be anything you wish—contact Client Services if you would like to alter this text to include special tips like the example shown here.)

"Powered by CU*@HOME" - Remember that the Online help feature used by CU*@HOME will still refer to the application by that name. So if you have elected to use your own name for home banking, you may want to add the tag "Powered by CU*@HOME" to the logo in order to link the two names together in the member's mind. Talk with our team if you need ideas or help designing an attractive and effective brand logo.

📖 Refer to the flyer, "Branding CU*@HOME" for more details, including lead times and pricing.

Check Images Direct from Third-Party Check Processor

Online credit unions that also use CU*✓ Item Processing for their check processing needs are already familiar with the convenience and cost-savings that comes from allowing members to view cancelled check images through CU*@HOME using the CU*CheckViewer. Now this same convenience will be available to credit unions using a third-party check processing vendor.

Our first interface is being implemented for City Employees CU in Madison, WI, to receive check images from Transdata, a leading check processor in Wisconsin. When members click on a check image in CU*@HOME, the system will link directly to Transdata's image storage and display a copy of the check.

Contact Tammy Goodin (tgoodin@cuanswers.com or ext. 164) if your credit union uses Transdata and you'd like more information about using this new feature. We will work with you to perform various testing and coordinate when the feature would be activated for your members. Also contact Tammy if you want us to start investigating interfaces to other check processor imaging systems.

Foreign Addresses in CU*@HOME

We have added helps to allow members to enter a foreign address using the "Personal Info Update" feature in CU*@HOME. When a member clicks the new "Check here if you do NOT live at a U.S. address" flag, the field labels will change to allow a foreign address to be entered correctly according to CU*BASE standards.

Since many foreign phone number formats exist that will not fit in the standard CU*BASE fields for phone numbers, the following note will also appear: "*If your non-U.S. phone number will not fit in this format, please leave these fields blank. Use the 'Contact Request' feature on the main CU*@HOME menu to ask a Member Service Representative to contact you via email regarding your phone number.*"

Links to External Web Sites from CU*@HOME

Your credit union can now define a series of links to other web sites that will appear on a "Related Sites" page in CU*@HOME. This new page, which will be available from a new link on the Main Menu, lets members jump to other locations for more information while working in home banking.

For example, this page could contain links to NADA, to a third-party insurance provider's web site, or even to your own web site.

📖	Refer to the booklet, "CU*@HOME Related Sites" for details.
🖱	Details for all related screens will be available via CU*BASE GOLD Online Help with the release.

Login Directly to CU*@HOME from Secured CU Web Sites

Recently a credit union asked us if it was possible to add Account # and PIN fields on their web site, and have this information fed directly to CU*@HOME, so that their web site could effectively act as the login page. We did some research, and have developed a technique for adding CU*@HOME login capabilities to a secured credit union web site.

The most important aspect of this relates to security of this sensitive member data. Remember, this is a member's account number and password—there must be a mechanism to encrypt this information so that it cannot be detected in transit between your web site and CU*@HOME. Therefore, this requires that the credit union's web page be a secured page, with its own security certificate.

Visit our "Ideal Credit Union Web Site" at www.cuanswers.com/ideal for an example. For linking instructions and security requirements, refer to www.cuanswers.com/homebank-login.htm or contact Matt Smith, CU*Answers Web Services, at msmith@cuanswers.com for more information.

CU*BASE Enhancements

Accounts Payable "Duplicate Invoice" Warning

This project adds a feature to the screen used to create an invoice in the CU*BASE Accounts Payable system. This feature will automatically check the invoice number that is entered to see if that same number has already been entered as pending for this vendor, or is already in that vendor's paid invoice history. For credit unions that enter large quantities of invoices, or have multiple clerks entering them, this will avoid keying an invoice twice, requiring a check void later on. Just enter the invoice number and click the "Check for Dups" button when creating a new invoice. The system will also automatically check for duplicates when Enter is used to save the complete invoice record.

In addition, a key is being added to the invoice creation screen that allows you to jump directly to Vendor Inquiry, so that you can check paid history and other information about a vendor without leaving the invoice.

🖱	Details for all related screens will be available via CU*BASE GOLD Online Help with the release.

Automated Non-Returns: Phase 2

The latest round of enhancements to the already-popular ANR program adds two new processes that will use automated non-return processing, the same way as drafts do now: **ACH** and **CU*EasyPay!** will now allow members to post items negative, up to the *Negative Balance Limit* on the member's account.

In addition, your credit union can now have more control over member negative balance limits with a new automated **"ANR Scoring"** system. Similar to Marketing Clubs, this system will automatically monitor

member accounts on a monthly basis and activate or adjust member accounts to the appropriate limit according to CU-defined parameters. It will also contain a daily deactivation routine that will automatically zero-out a member's negative balance limit after the balance has been negative for a specified number of days.

> **Please contact us if you are interested in the automated activation and deactivation system!** We will be working one-on-one with each credit union to help you configure, test and verify the results of your scoring parameters so that you get exactly the results you expect.

📖	Refer to the revised booklet, "Automated Non-Returns" for complete details.
🖱	Details for all related screens will also be available via CU*BASE GOLD Online Help with the release.

Check Cashing Fee Enhancement: Check "Negotiation" Fee

The CU*BASE Check Cashing Fee feature (MNCNFD # 20) has been enhanced for credit unions that wish to broaden the scope of this fee to use it more as a "check negotiation" fee, charging the fee even if the member chooses to do something with the check other than receive it all in cash.

Previously, the check cashing fee was only charged if the teller used the F5-Cash key on the Funds In screen. Once the teller proceeded to the deposits/withdrawals screen or to misc. receipts, the fee was automatically waived. Some members have gotten wise to this and ask to deposit a dollar or two of the check just to avoid the fee. Since the purpose of the fee is to help offset the costs associated with handling checks, it is now possible for you to choose whether or not you would like to charge the fee every time an outside check is offered, even if it is deposited or used to purchase tickets or traveler's checks.

This new option will appear in the Check Cashing Fee configuration screen (MNCNFD). If you elect not to activate the new option, your check cashing fees will work exactly as they always have. If you do activate the flag, the *Check Cash Fee* field can now "follow" you to the Deposits/Withdrawals and/or Miscellaneous Receipts screens, to be charged even if the member deposits all or part of the check or uses it to purchase Travelers Checks, tickets, or other misc. receipt items.

> Remember that the new "Allow teller to waive manually" flag that was introduced earlier this year can still be used to control whether or not the teller can clear or change a check cashing fee according to your policies. We have also added new warning messages to the teller system for credit unions that simply want to know if a member has a negative balance or delinquent loan before cashing a check. See "Teller Alerts" below.

🖱	Details for all related screens will be available via CU*BASE GOLD Online Help with the release.

Custom Membership Applications and Other Share Forms

This project allows for custom share forms to be created, similar to custom loan forms, and printed manually by a credit union employee. Our first project was for a blanket Membership/Lending Application form that some of our credit unions use as the single source of signatures and approvals for all future lending and other activity with that member over time.
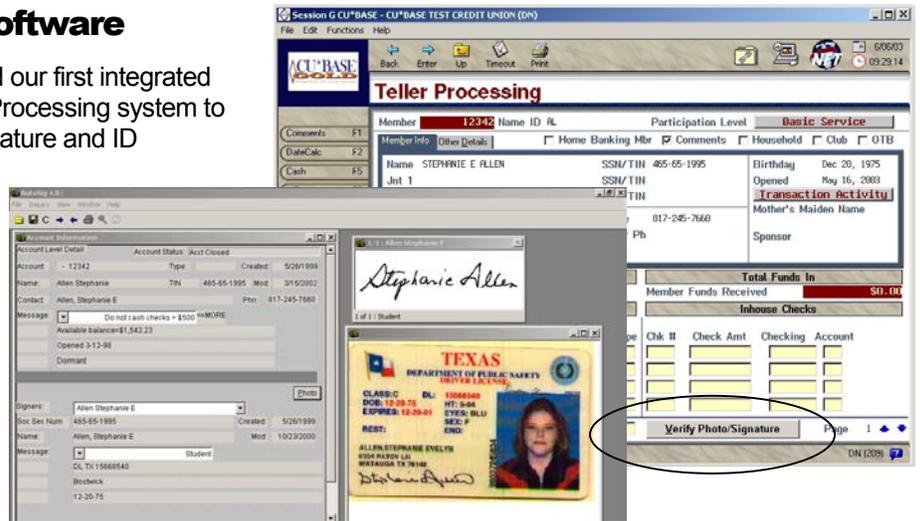
Since this requires the same type of custom programming as custom loan forms, similar pricing and lead times apply. Contact a Client Service Representative if you are interested in setting up a customized member service or savings products form.

> This project is the first of many long-term design changes for the CU*BASE Open Memberships/Accounts feature. The intent is to integrate additional features, such as enrollment and completion of household information, credit reports, misc. member account forms, personal banking preferences, etc., into this feature. We also plan to streamline the process so that account numbers don't have to be entered multiple times, and features like opening draft accounts and setting up overdraft protection are grouped together automatically. Design work for this project is currently underway. Your comments are welcome!

Interface to ID Verification Software

We have successfully launched our first integrated link from the CU*BASE Teller Processing system to the AutoSig Systems, Inc., signature and ID verification software.

This link, now being used by Frankenmuth CU in Frankenmuth, Michigan, adds a new "Verify Photo/Signature" button to the Teller Funds In screen. When the teller clicks this button, the AutoSig software is automatically launched. CU*BASE feeds the member's account number directly to AutoSig, so that the member's ID is instantly located and displayed, without having to re-enter the account number.
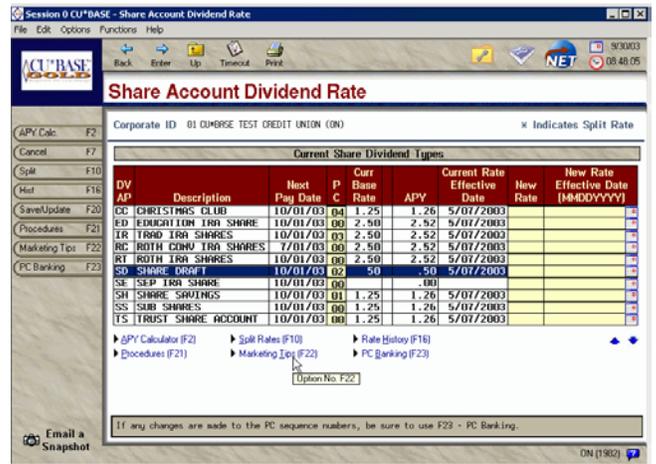
> The current security and privacy climate has made these tools a more important part of a credit union's day-to-day needs. Therefore, rather than just create a link exclusively for AutoSig, we have set up the infrastructure so that it is flexible enough to allow for similar links to other vendor solutions. If your credit union is interested in this type of software, or if you already have purchased a tool and would like an easy and seamless way to access it from CU*BASE, contact Jim Vilker (jvilker@cuanswers.com or ext. 150).

Links to External Sites for Marketing Tips & Procedures

Did you know that CU*BASE allows you to enter extensive tips, policies, and procedure information attached to each of your products? These tips can be viewed by any credit union employee while working with a member, to help them sell the product and set it up properly.

For many credit unions, this same information already exists on your intranet or web site, and you may have been reluctant to retype the information into CU*BASE. But this still requires the employee to know where to look for the information, instead of having it right at their fingertips when working with a member.

Therefore, we have added a great new feature so that you can enter a web site or intranet URL instead of free-form text. This new field will be available on all of the screens used to configure Marketing Tips and Product Procedures (MNMGMT # 2), as well as the tips for Cross Sales Need Groups and Tasks (MNCNFD # 3).

When your staff accesses these tip screens from various places in CU*BASE, such as from the Rate Inquiry screen, CU*BASE GOLD will automatically jump directly to the appropriate page on your intranet or web site, instead of displaying the tips screen. (Remember that if your credit union's web site is not hosted by CU*Answers, users will need Internet access to be able to access any links to your web site. However, because your Intranet is part of your credit union's internal network, links to your Intranet will work regardless of web access.)

Details for all related screens will be available via CU*BASE GOLD Online Help with the release (index keyword "tips").

Method B Delinquency Reporting

We have resurrected and enhanced a special delinquency analysis report (MNCOLL #23) that lets a credit union analyze its delinquent loans using the NCUA Method B calculation (estimated balance). This method re-amortizes the loan at the end of every month based on original amount, first payment, next payment date, etc., to compare to where the member is today. The report will show the actual loan compared to where it should be according to the original terms of the loan.

✏	Details about this report will be available via CU*BASE GOLD Online Help with the release.

Patriot Act Tools: Phase 1

Although the Patriot Act remains a moving target, we have begun several new projects to address today's atmosphere of heightened security. This first phase affects the creation of member and non-member records: any names entered will be checked automatically against the current master OFAC file, with a warning message displayed when a suspected match is found.

The intent with this optional feature is to help credit unions avoid creating inappropriate memberships in the first place. **Remember that you will still need to run the normal OFAC report on a regular basis**, because the OFAC list is routinely changed and updated by the government.

Because special CU procedures will need to be in place so that tellers and MSRs know what to do if they get a "hit," this will be an optional service that can be activated when you are ready. Contact a Client Service Representative for assistance.

> Phase 2 is Coming Soon! The next round of enhancements related to the Patriot Act will include the following new features: new "Deny Membership" flags in member/non-member files to control an individual's ability to join the credit union; a new "Fraud Alert/Blocked Persons" database to allow the credit union to enter information about anyone that should be denied membership, but for which a non-member record cannot be created; and a new way to mark records as "worked" once they have appeared on the OFAC Report. Watch for more information early in 2004.

📖	Refer to the booklet, "Using the CU*BASE Data Match System for OFAC Compliance" for details.
✏	Details for all related screens will also be available via CU*BASE GOLD Online Help with the release.

Statement Mail Groups: Archiving Statements Without Printing Them

Now your credit union can choose NOT to print statements for your "wrong address" and charged-off memberships! A new configuration option lets you flag member accounts so that statements are archived as usual (for microfiche and CU*SPY) but no printed copies are produced.

A new Statement Mail Groups configuration (MNPRTC #12) expands the use of the existing "NOMAIL" field on all master membership records so that you can define what each of the codes 1-9 does: either Print & Archive, or Archive Only. Just like before, any memberships marked with a group other than 0 (which means Print, Archive <u>and</u> Mail) will be returned to the credit union for handling. Therefore, you can still choose to print statements without mailing them (for employees, Board members, etc.). This new configuration simply lets you change some of the groups so that they don't produce a printed copy at all.

The NOMAIL field can be updated on the normal active and closed member information update screens, and will also be added to the Loan Write-Off Process screen, so that you can flag a member not to receive a printed statement at the point when a loan is being written off.

> To start, all Mail Group codes 1-9 will be set up to print and archive, just like they do now. If you wish to change how certain groups of statements are handled, adjust the settings using the new Statement Mail Groups configuration (MNPRTC #12).

📖	Refer to the booklet, "Statement Mail Groups: Archiving Statements Without Printing Them" for details.
✏	Details for all related screens will also be available via CU*BASE GOLD Online Help with the release.

Teller Miscellaneous Advances

A member comes in and asks to advance funds from his Visa card to cover some checks or purchase some tickets. Or an employee needs a few dollars from petty cash to buy pizza for a staff meeting. Until now this procedure required some fancy footwork to post the transaction properly. The new Miscellaneous Advances system will make it a breeze!

Essentially the opposite of a Misc. Receipt, a Misc. Advance will debit an assigned G/L and credit cash. The cash can then be given to the member, deposited, used to make a loan payment, purchase a Misc. Receipt, print a money order, or perform any other teller transaction just like cash.

📖	Refer to the booklet, "Teller Miscellaneous Advances" for details.
🖱	Details for all related screens will also be available via CU*BASE GOLD Online Help with the release.

Teller Non-Member Services

This project includes a complete overhaul of the CU*BASE Teller Processing system in order to allow credit unions to perform basic teller transactions for non-members, including:

- Cashing checks

- Miscellaneous Receipts *(purchasing traveler's checks, tickets, etc.)*

- Miscellaneous Advances *(credit card cash advances)*

For credit unions whose charters allow them to serve non-members, any or all of these services can be activated as you wish. Special fee configuration options will be available as well as a new flag on non-member records to allow you to "qualify" a non-member for these services.

IMPORTANT: This project required a complete rewrite of the CU*BASE Teller Processing System. This means that every teller function was affected, not just non-member features. **All credit unions should pay special attention to balancing and stay alert to any changes in the way teller activity is handled by CU*BASE.** The software has been undergoing beta-testing since mid-August at several different credit unions, and they report things are working smoothly. But your credit union may have some different procedures that these credit unions do not use, so it will be critical to keep a close eye on things for the first few weeks after the release.

Special thanks goes to Community CU in Wisconsin for spearheading the evolution of this project. Community CU has made the development of non-member services a priority, including opening a brand new dedicated "check cashing store" in a former branch location. CCU President Chris Butler would be happy to talk with your credit union if you would like to explore whether the same ideas would make sense for your organization.

📖	Refer to the booklet, "Teller Non-Member Services" for details.
🖱	Details for all related screens will also be available via CU*BASE GOLD Online Help with the release.

Teller Alerts

To assist your tellers and help eliminate some of the more common errors that occur in teller processing, the following new alert messages have been added to the CU*BASE teller system:

- **Check Hold warnings** - When a check hold is placed on the Teller Funds In screen, the system will automatically monitor the deposit amount(s) entered on the Deposits/Withdrawals screen. If the teller enters the deposit into a different account from the one on which the hold will be placed, the following warning message will appear:
  Warning: Deposit does not match Hold amount

Likewise, a warning will also appear if no deposit at all is made into the account where the hold was placed:
  Warning: A Hold was put on this account in Funds-In

> NOTE: The use of a check hold warning is optional. If you wish to activate warning messages for check holds, contact a CU*BASE Client Service Representative. (Self Processors can activate this flag on screen 2 of the Master CU Parameter Config. option on menu MNOP09.)
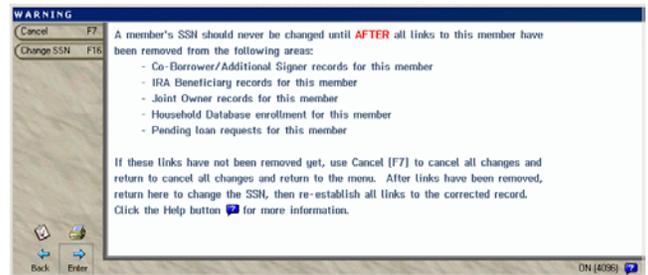
■ **Negative Balance / Delinquent Loan warning** - When the Teller Funds In screen first appears, the system will automatically warn the teller if that member has any delinquent loans or negative account balances. This alert will be especially helpful for credit unions that do not want to cash any checks if the member is delinquent or negative.
    ==Warning: Member has either a Negative or Delq. Account==

■ **Pending Transactions warning** - If data is entered into any fields on the teller Deposits/Withdrawals screen, the teller will receive a warning message when F3-Backup is used to return to the Funds In screen. In addition, both the F5-Cash and F8-MR (Misc. Receipts) keys will be temporarily disabled on the Funds In screen. The teller must return to the Deposits/Withdrawals screen and finish the transaction, using Proc Code "R" if necessary to post a Misc. Receipt.
    ==Warning: You have pending transactions on Dep/WD screen.==

Warning Message When Changing a SSN/TIN

When changing the SSN on a membership record, the system will now display a detailed warning message explaining the ramifications of that change.

Included will be tips on all of the links to that membership that must be deleted before the SSN can be changed, and then recreated after the new SSN is in place. A link to Online help will provide complete instructions for making all of the necessary changes.

Remember that the SSN is a very vital piece of information in tracking member records; changing a SSN has ramifications in many other systems and therefore must be handled very carefully to prevent problems later on.
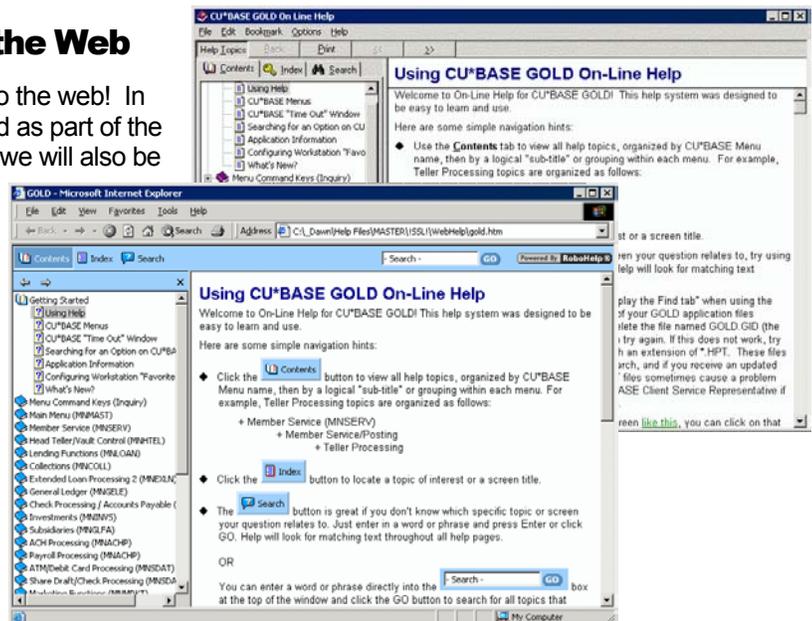
Online Help Update

CU*BASE GOLD Online Help from the Web

CU*BASE GOLD Online Help is going to the web! In addition to the help files that are included as part of the GOLD application for each workstation, we will also be publishing a copy of Online help on our web site.

As you will see, the layout is the same, with blue buttons instead of gray tabs. Otherwise, the content is identical to the help you will get from your workstation while working in CU*BASE.

One of the most important reasons for this new web format is to allow us to link into help topics from other applications besides CU*BASE. Specifically, the Answer Book will be

able to link directly to an existing help topic that pertains to the question and answer in the Knowledge Base. This allows us to make the most out of the content we already have, and makes it even easier for you to find the information you need, when you need it.

We will have links to this from various places on our web site. Access www.cuanswers.com and click the "Clients" link. Then click the "Docs & Information" link and choose "Online Help."

> We have had a few credit unions ask us about linking to CU*BASE GOLD help from their own Intranet, to support their documentation of internal policies and procedures. If this sounds interesting to you, please contact Dawn Moore at dmoore@cuanswers.com for more information and linking instructions.