



Announcing . . .

CU*BASE Software Upgrade

Effective July 6, 1998

June 29, 1998

Introduction

This CU*BASE upgrade is unlike any of the others we have done recently, because it is so heavily involved in Y2K renovations, both past and future. As you know, preparing for Year 2000 processing is not as simple as “flipping a switch” and often requires a methodical series of events leading up to the ultimate solution. This release is one of those steps. In order for WESCO to move forward with further progress on Y2K renovations, many existing projects must be released now.

Some of the changes are optional (such as Centralized Underwriting Security), others are “passive” and not immediately noticeable (like changes to the certificate renewal processing sequence), and still others are self-explanatory (like new fields on the Check Disbursement inquiry screen).

The majority of changes are “behind-the-scenes” (such as Y2K changes to dividend and interest accrual processing)—but these are actually the ones that require the most due diligence from you. It will be crucial that for the next week or two you carefully verify all reports, inquiries and recorded results related to the changes described below. If something looks out of the ordinary (like accruals much smaller or higher than normal!), let us know immediately and we will get it ironed out.



Contents

CU*BASE Software Upgrade, July 1998

Following is a brief synopsis of the new features and enhancements that are included in this release:

◆ Y2K Changes to Dividend and Interest Calculations

Two changes are included in this release for the calculation of daily loan interest and dividend calculations for certificates and savings accounts. First, we have installed the new Year 2000 accrual programs so that you can verify the current processing and implementation in your Y2K documentation, and then test these new programs during the July Y2K Testing Open Houses in the 2000 environment. It is crucial that you check, recheck, and communicate how these programs are working so that we can identify any issues before the end of the month and your first dividend posting.

Second, we have added the Club Benefit accrual calculations. These calculations are optional as part of your credit union’s Marketing Club policies. It is very important that you understand all of the details of Club processing before you begin accruing benefits. Call for one-on-one analysis of your programs before getting started.

◆ Y2K Changes to Loan Delinquency Calculations

Taking advantage of new technology in the AS/400 RISC environment, we have streamlined the calculation used for determining loan delinquency, while making it ready for Year 2000. Although this also is a “behind-the-scenes” change and relates mostly to Y2K issues, the result of the new calculation may change where certain loans fall in your analysis reports.

Specifically, loans that were formerly considered “31 days” delinquent will now more properly be referred to as “1 month, 0 days” delinquent. Unlike the old system, which actually went from 31 days

delinquent directly to 1 month, 1 day delinquent, the new system is more logical and easier to understand. Therefore, a loan that is 1 full calendar month delinquent (whether that month has 28, 29, 30 or 31 days), will be included in the analysis under "1 month, 0 days" from now on.

Again, it will be important that you watch your delinquency reports and inquiries carefully for a while to make sure everything is working as it should, and let us know if you need help reconfiguring any of your reports to accommodate the new calculation.

◆ **Y2K Changes to CD Renewal Processing and Dividend Transfer Options**

As part of our work toward making certificate processing Y2K compliant, we have streamlined the entire process used for renewing certificate accounts, eliminating unnecessary closed accounts and making things clearer for you and your members. In addition, both dividends and certificate redemption can now be handled via an automatic check sent directly to the member, using the new CU*BASE Auto/Mail Checks system described below.

To make review of daily activity easier, we have also reorganized and consolidated the daily certificate reports (TBCDTBx) to make the data clearer and use less paper. It is crucial that these reports be monitored to ensure certificates are being handled according to your instructions.

- See the separate "Changes to CD Renewal Processing and Dividend Transfers" booklet for details.

◆ **Y2K Changes to Check Disbursement Inquiry and Update Screens**

In order to make the check disbursements inquiry system Y2K compliant, it was necessary to expand the Check Master file to include the century for the Check Date on each record. As part of that process, we also reorganized the update and inquiry screens to make them more consistent with each other, and included additional fields such as Trace Number (for credit unions that use CU*BASE Auto Check Recon), check type and other details. Following is a sample of the new screen used by both Inquiry and Update:

Although it is not necessary on the screen, the file now stores the century so that checks issued in 2000 will be sorted properly in reports and inquiry screens.

```

6/23/98          Check Disbursement Information          13:49:
38
-01              CHANGEL                                UGLHIH

Company No.: 1          Type.....: SB   SHARED BRANCH
Bank Id.....: C4          Shared Branch CU: 000 WESCO TEST CU
Check No.....: 1970       Employee Id.....: 17   MARY JONES
Member Acct: 60600 015

Check Status....: S (0/C/V/P/S) Trace Number....: 123456789012345678
Location.....: 1          G/L Cash Account: 731 02
Check Date.....: 062298   Time.....: 095000 (hhmmss)
Issue Date.....: 062298
Remitter.....: ROBERT A SMITH
Pay To.....: S & M LANDSCAPING
                223 ELM TREE LANE

City.....: ANYTOWN          St: MI   Zip: 49509
    
```

The Trace Number will only be shown if your credit union uses CU*BASE Auto Check Reconciliation.

```
Check Amount....:      20000  Reconcile Date: 000000 (mmddyy)
                        /\

Cmd/4-Delete  Cmd/6-New Check  Cmd/12-Debit Detail
```

Screen flow has been changed to be more logical. In addition, the Debit Detail screen (accessed via the new Cmd/12-Debit Detail key) will let you easily make changes to existing debit items: simply type the sequence number and the field that should be changed (such as the amount), press ENTER, and the sequence will be modified without having to retype all of the fields.

◆ **Automated/Mail Check Processing**

This is a new, easy-to-use system that gathers member-requested checks from many areas in CU*BASE, including certificate dividend and redemption checks and the new Check Funds Transfer automated system (described below). Checks can then be printed in batches from one central screen. With this system, the person who generates or sets up the checks does not have to be the one who actually prints them and sends them to your members.

☞ See the separate “Auto/Mail Checks” booklet for details.

◆ **AFT Enhancements and New CFT (Check Funds Transfer) Feature**

A favorite with credit union staff and members alike, the CU*BASE AFT system has been enhanced to allow for IRA payout distributions and to make setup easier than ever. As a companion to AFT, WESCO is proud to announce **CFT**, an automated transfer process that can take funds from a member’s account, including an IRA, and automatically produce a check made out to anyone the member wishes. Checks are printed using the new Auto/Mail Checks printing system (described above), so it is a quick and easy process to print the day’s batch of checks and send them on to your members. You can even choose to configure a fee for the privilege of using CFT.

Because this will be a popular way for members to receive their IRA payout distributions, we have also added a command key to the IRA Payout maintenance screen to quickly set up a CFT.

☞ See the separate “Automated Funds Transfer (AFT) and Check Funds Transfer (CFT)” booklet for complete details.

◆ **Centralized Lending Automation & Security - Phase 2**

If you use the CU*BASE Centralized Underwriting features, this enhancement gives you additional control over who can record underwriter approvals and denials, and provides additional validation and file verification audit trails to streamline and organize your loan processing. Phase 1 of this release, including changes to the Application Status screens, was released in April. Phase 2 includes all remaining enhancements to Underwriter Security and Auditing, as well as the new File Verification features.

For those credit unions that currently use CU*BASE Centralized Underwriting features, we will be converting your existing codes to “Memo” type codes, so that you may still continue to use them. All of the new special security features will be turned off, however, until configured by your credit union. In addition, employee security will be set up to grant the same access as your employees currently have, until your credit union determines how you would like the new security features to be used.

Because the new security and automation features are complex and very powerful, please don't hesitate to contact a CU*BASE Client Service Representative if you would like assistance configuring a plan that is right for you.

- ☞ See the separate "CU*BASE Operational Lending: Centralized Underwriting" and "CU*BASE Operational Lending: Loan Application File Verification" booklets for complete details.

◆ **Dividend Posting Enhancement**

Another "behind-the-scenes" change that will be especially popular with our self-processing clients and all those who use club accounts, is the ability to post dividends to a single share dividend application. This will make it easy to post club dividends prior to processing club account checks (which will also, incidentally, be printed through the new Auto/Mail Checks system). On-line clients, contact a CU*BASE representative for help with your club account planning.

◆ **Marketing Club Configuration and Benefit Payments**

More than ever before, CU*BASE Marketing Clubs are a powerful way to bond your members to your credit union, and reward them for their participation and loyalty. New configuration screens make it easy to set up your Club program, and the introduction of Club Benefit Payments is sure to make your members sit up and take notice.

- ☞ See the separate "CU*BASE Marketing Clubs: Configuration and Benefits" booklet for details.

◆ **Teller Activity Analysis**

With the increasing cost of manning a teller line, credit unions are now looking more carefully at ways to schedule their front-line staff more efficiently and cost-effectively. The importance of carefully managing the performance and workload of front-line staff becomes a top priority for today's credit union leadership. The CU*BASE **Teller Activity Analysis** is a new tool designed to make this task easier. This report is designed to give a comprehensive picture of teller activity, broken down by branch and daily time blocks.

- ☞ See the separate "Teller Activity Analysis" booklet for details.