CU*BASE ®

Announcing . . .

CU*BASE Software Upgrade
Effective October 9, 2000*

W E S C O

Introduction

Time for another big CU*BASE upgrade! This release has a lot of big enhancements, many of which are passive and can be implemented as soon as your credit union is ready. There are also a few key features to watch out for right away:

- Members making loan payments through Audio/PC Banking may see new error messages due to new edits and available configuration options . . .

- OTB Balance Transfers replace custom balance elimination programs for credit card payments . . .

- Tiered Service Level scores may change . . .

- Security officers will be busy adjusting to menu changes and two brand-new menus . . .

Keep reading for more details!

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CU*BASE Software Upgrade, October 2000

Following is a brief synopsis of the new features and enhancements that have been recently released or will be included in this upgrade (listed alphabetically):

♦ **Audio/PC Banking Enhancement: Changes to Loan Withdrawal and Payment Options**
   Two changes have been made that will affect loan activity through CU*TALK Audio Response and CU*@HOME PC Banking:

   - **Restricted Withdrawals by LOC Loan Category** - First, a new configuration parameter has been added so that you can restrict withdrawals for up to 12 individual LOC loan categories. If a transfer request is submitted from an LOC account that has been restricted, the member will receive the message, "The account suffix to transfer monies from is restricted from withdrawals" and will then be able to resubmit the transfer request using a different account. (Remember that CU*@HOME and CU*TALK have always allowed loan withdrawals only from MEMBER6 LOC loan categories anyway; this is simply a way to restrict certain loan products, such as your Home Equity LOC, from allowing distributions via CU*@HOME or CU*TALK.)
      ✍ NOTE: On-line credit unions must contact a CU*BASE representative to turn this feature on for any of your loan categories; self-processing credit unions should use OPER #10 then "ARU/Home Banking Configuration."

   - **Restricted Partial Payments to Mortgage Loans -** Second, because of the complex ramifications of making partial payments to mortgage loans (360-day calc. type), an edit has been added to prevent members from making partial payments to these loan types from Audio or PC Banking. If a payment transfer is requested that is <u>lower</u> than the scheduled payment amount, the member will receive the message "The loan payment amount is invalid" and will then be able to resubmit the transfer request with a higher payment amount.

Self Processing credit unions will receive this release during the week of October 23, 2000.

◆ **Centralized Underwriting Enhancement: Record Count for Incoming Apps**

A new "record count window" has been added to the workhorse of the CU*BASE Centralized Underwriting system: Work/View Application Status. This new window can display the total number of pending applications for up to six different Underwriting Codes. Designed especially for underwriters who work with loan apps submitted from multiple branches and loan officers, this window can show you at a glance the number of applications waiting in the queue needing attention.

     See the booklet, "CU*BASE Operational Lending: Centralized Underwriting" for details. This <u>replaces</u> the previous booklet dated 7/28/98.

◆ **CD Variable Rate System Enhancement**

Although variable rate certificate processing has been available for a long time in CU*BASE, the system has been enhanced so that you can now <u>schedule</u> rate changes to happen in the future, similar to loan variable rates. The actual rate change process has been automated to occur during beginning-of-day processing just before certificate accruals are done. Rates can be changed across the board to a matching rate, or using a deviation factor to increase or decrease certificate rates incrementally.

     For complete details, refer to the booklet, "Certificate Variable Rates."

◆ **Deposit Item Fees - New "Daily" Fee Options**

An enhancement recently made to the Deposit Item Fees system allows you to set up a fee that is calculated and charged to members on a <u>daily</u> basis, rather than keeping a counter all month long and assessing the fee once at the end of the month. In this case, the number of free items would represent the number of items that could be deposited each <u>day</u> without incurring a fee. Additional items deposited that day would be subject to the fee, with the fee posted to the member's account during end-of-day processing.

Monthly deposit item fees will remain unchanged for credit unions that calculate and charge a fee on a monthly basis.

◆ **"Member In Good Standing" - Electronic Deposit Holds**

Imagine a branch with no teller cash drawers, just automated services such as phones for audio response, PCs for Home Banking access, kiosks, and ATMs. How does a member cash a check? The simplest way is to allow the member to make an ATM deposit and an immediate withdrawal. But the deposit is still unconfirmed (it may be a blank envelope!), and the member doesn't have enough in his account already without credit for this check.

Situations like this call for the credit union to make a judgment on the value of the member's account versus the probability of fraud or loss. Is the member's standing with the credit union good enough to risk the loss? How much loss? What about a member with delinquency and negative balance problems?

The new "Member In Good Standing" system lets your credit union define parameters to be used by your ATM system when determining the number of days a deposit is held, and the maximum funds that can be released immediately.

     Refer to the booklet, "Electronic Deposit Holds and Member in Good Standing Configuration" for details.

◆ **Member Survey Enhancements**

To make the survey even easier to use, you can now break down your survey questions into Survey Groups. For example, loan personnel can jump right to the batch of questions having to do with a

member's borrowing experience, making it easier to target your audience and get results from your member survey.

    📖 *See the booklet, "Using the CU*BASE Member Survey" for details. This <u>replaces</u> the previous booklet dated 11/1/96.*

♦ **Off Trial Balance (OTB) Product Tracking Phase 2: Balance Transfers**

This next phase of the OTB system is designed to take over as the "standard" for balance elimination processing on CU*BASE. Help your members recognize your third-party credit card, lending, or savings products as *credit union* services, by allowing them to make payments and transfer funds to these accounts automatically, just like any other CU*BASE account. Funds are deposited into a special savings account, then automatically transferred out to a designated G/L account, ready for settlement with your vendor. Custom programming can even be put in place to transmit a file showing all payments received, to eliminate that special terminal or PC program for your vendor. Fees can be configured, with waivers available in both Tiered Services and Marketing Clubs.

    📖 *For complete details, refer to the booklet, "Tracking 'Off Trial Balance' (OTB) Products with CU*BASE: Phase 2." This <u>replaces</u> the previous booklet dated 5/5/00.*

♦ **Marketing Club Enhancements**

Several of the new and enhanced features included in this release are tied to the existing Marketing Clubs software. Therefore, several miscellaneous changes have been made to Active Status Tracking parameters as well as Fee Waivers and Benefits.

    📖 *The booklet, "CU*BASE Marketing Clubs: Configuration, Benefits and Enrollment" describes all of the new and existing features of the Marketing Club system. This <u>replaces</u> the previous booklet dated 4/5/00.*

♦ **Tiered Service Levels Enhancements**

Numerous changes have been made to the Tiered Service scoring and rewards system, as well as new features your credit union can implement at any time.

• **New Tiered Service Points Inquiry** - A valuable tool for helping members to understand how to increase their Tiered Service scores. Using a new drop-down window in Inquiry, Phone and Teller, front-line staff and MSRs can now view an analysis of a member's most recent score, compared to the "maximum available" points that can be scored for each Goal area.

```
  9/22/00              Search for Active Account Types              12:49.59
                                                                    IMBRTB-01
  MEMBER     15194      Name ID: SM     SSN/TIN #:    SILVER
  Name.: JOHN SMITH                     333-80-1111
  Jnt 1:                                                In Teller, Inquiry or
     2:                                  Tiered Points  Phone, place the
  Addr1: 123 MAIN ST NE        MMN:      Last Score  325  cursor anywhere
     2:                           Open:  Primary       0  on this shaded
  CSZip: GRAND RAPIDS, MI  49505-1234  Rsn: 06  Savings   75  area and press
  Home#: 616-555-4049 Work#: 616-555-5711  Bday:  Lending  125  ENTER to see a
  Spons:                     Fax:          SelfServ  50  0  breakdown of
                 Ln PayOff/  Ln Paymnt/  Next Pymt  Deposit   75  Tiered Services
  Type Description  Cur. Bal.  Net Avail.  Last/CDMa  Club       0  scores for this
  000 MEMBER SAVINGS   1318.41    1313.41   9/12/00  Available 900  member.
  400 CERTIFICATES     1015.07      15.07  11/14/00  Primary    50  Remember that
  401 CERTIFICATES      500.00        .00  12/12/00  Savings   225  the member's
  700 CONSUMER LOAN    5353.26     243.53   8/23/00  Lending   395  actual score might
  875 MORTGAGE LOAN   61555.95     615.97   9/01/00  SelfServ  155  be higher than the
                                                     Deposit   75  available points if
                                                     Club       0  he or she has
                                                                    multiple accounts
                                          YTD  1750  eligible for points.
     Account type desired    000          Life 1955
  F1=Comments  F5=New Acct  F7=End  F10=ACH  F11=Box  F1          r
  F15=Sales Tools  F16=AFT  F17=OTB/Cards  F18=Tax  F19=A        s
```

- **Cumulative Tiered Service Points** - A "Green Stamp" type approach to help you get the most out of your Tiered Service program. Points scored each month are accumulated in a "Lifetime Points" total. These points can then be redeemed for special credit union rewards and prizes. A Lifetime Points Statement can be configured as a marketing tool to show members how their Lifetime total is growing.

- **New Scoring Parameters, Calculations, and Components** - Changes were made to eliminate "double" scoring and to allow for additional scoring options. Refer to the booklet and pay special attention to the following Tiered Service scoring changes:

  Changes to existing scoring parameters:
  - Special Accounts with Dividend Appl. of... (Goal 1) - will now score points <u>only once</u> for each DIVAPL present, instead of scoring multiple times for multiple accounts with that DIVAPL*
  - Non-IRA Certificate Products Present (Goal 2) - no longer scores for IRA CDs
  - ATM - Active (Goal 5) - now checks for ATM transaction history, not just the presence of a card in the Plastics file
  - Debit Card - Active (Goal 5) - now checks for debit card transaction history, not just the presence of a card in the Plastics file
  - Audio Response - Active (Goal 5) - now checks for activity separate from PC Banking
  - PC Banking - Active (Goal 5) - now checks for activity separate from Audio Response
  - Loan Payment via AFT - Active (Goal 5) - instead of looking for any AFT activity, this option now scores only if transaction history shows a loan payment from AFT at some time during the month. (The loan can be paid from any account, even a different member.)

  New scoring options:
  - Two more Aggregate Savings balance ranges (Goal 2)
  - Points for Miscellaneous OTB Savings Account present (Goal 2)
  - Two more Aggregate Loan balance ranges (Goal 3)
  - Points for Miscellaneous OTB Loan Account present (Goal 3)
  - Kiosk - Active Transactions (Goal 5) - in preparation for new kiosk software to be released later in 2000

> *NOTE: The change to the Primary Financial Institution option (Goal 1) is the most likely to result in score changes and member questions, depending on the Dividend Application chosen and the likelihood of multiple member accounts under that same DIVAPL. Be sure to explain the change to all member service representatives so they can adequately explain the new scoring rules.

    📖 *See the booklet, "The CU*BASE Tiered Service Level Program" for complete information about setting up Tiered Service scoring and rewards for your members. This <u>replaces</u> the previous materials dated 10/06/97.*

♦ **Credit Union Access to WESCO CSR Help Desk and CU Master Database**
We are pleased to release an inquiry version of our CSR Help Desk call tracking software, used on a daily basis by WESCO Client Service staff in serving your credit union. This valuable review will let credit union leaders and supervisors get a "pulse" on the relationship of your staff with the WESCO team, showing call volume, common subjects, and assisting you in improving your own internal training.

In addition, your staff can now view the contact and location information about your credit union that we store in our Customer Master Database. This help us keep the database up to date with the most accurate information, and will also serve as a handy on-line phone directory for your own staff.

    📖 *See the booklet, "CU*BASE Client Support Information" for details.*

♦ **Other Miscellaneous Enhancements**

- **Loan Request Enhancement** - In response to your requests, we have changed the *Payment Day* field default to 00 when creating a new loan request, rather than filling in the matching day from the *First Payment Date*. Users must enter the payment day manually based on the payment date selected. This prevents problems from arising if a different first payment date is entered but the user forgets to also modify the payment day setting.

- **New Account/TIS Forms Enhancement** - You may now choose to include a member's Driver's License number and Mother's Maiden Name when setting up TIS disclosures and other forms using the CU*BASE New Account Forms feature.

- **Audio/PC Banking PIN Encryption** - This project took care of the last of the password-related fields stored in CU*BASE data files. This new encryption routine causes the four-digit Personal Identification Number (PIN) used for CU*TALK Audio Response and CU*@HOME PC Home Banking to be altered using an undisclosed coding sequence before being stored in CU*BASE master files. Programs affected include the "Update Audio/Home Banking Access" feature (MNUPDT #11) as well as the routine that assigns a PIN to a new member. Both CU*TALK and CU*@HOME will be able to de-encrypt the PIN when verifying a member's access. This PIN will also be used by the new CU*BASE Kiosk projects planned for late in 2000.

- Multiple changes have been made to menus, including the introduction of two <u>new</u> menus: CU*BASE Configuration Functions (MNCNFX) and CU*BASE General Configuration 2 (MNCNFD). Both include items from other CU*BASE menus (many from the Marketing menu MNMRKT) and give us plenty of room for new configuration and marketing products down the road. See the separate memo to security officers for details about all the changes.

- Other minor enhancements and changes have also been implemented based on reported issues. These will be reported in the next issue of the *CU&A* newsletter, as usual.

♦ **Additional Reference Materials**
The following materials are being released to supplement your reference library. No changes have been made to this software as part of this release.

   📖 **Working With AIRES and CU*BASE (The Automated Integrated Regulatory Examination System)** - Complete instructions for configuring AIRES codes for your products, creating and viewing AIRES files, and downloading AIRES data for your examiners. (Replaces a previous version dated 11/25/96.)

   📖 **CU*BASE Club Account Processing** - Complete instructions about configuring club accounts, verifying parameters, and the club "expiration" procedures used to disburse funds from club accounts to members. This booklet is an important companion to Chapter 19 - MNMISC of the CU*BASE Screen Reference Guide.

   📖 **Chapter 19 - MNMISC of the CU*BASE Screen Reference Guide -** A new chapter for your Guide binders! This one covers all of the features available from the CU*BASE Miscellaneous Processing menu MNMISC.

   📖 **CU*BASE Rate Control** - An overview of how share, certificate and loan rates are maintained on the CU*BASE system. (Replaces a previous version dated 10/6/97.)

   📖 **CU*BASE Rate Maintenance: Shares and Certificates** - Instructions for scheduling rate changes for your share and certificate products using CU*BASE Rate Maintenance features. (Replaces the previous "Automated Share/CD Rate Changes" booklet dated 10/06/97.)

📖 **CU*BASE Shared Branching** - A discussion of the benefits of branch sharing between CU*BASE credit unions, as well as complete instructions for creating a shared branching agreement and setting up the CU*BASE configuration needed to get started.

SPECIAL NOTE FOR SELF PROCESSING CREDIT UNIONS

♦ **Stand-In ARU Processing**
Although some of you have already implemented this system for your daily or monthly processing, this release will include all of the necessary software for implementing stand-in processing for your Maxxar ARU. *Please refer to the separate "Daily Stand-In ARU Processing Procedures" booklet for more information.*