2021 Accounting Top Priorities

NOVEMBER 5, 2021
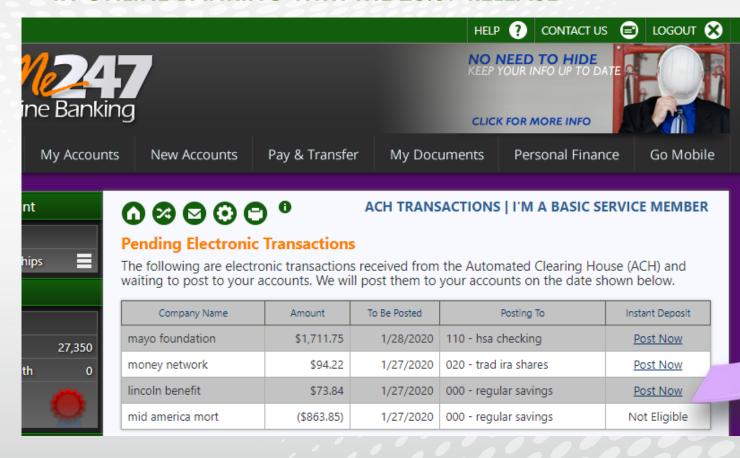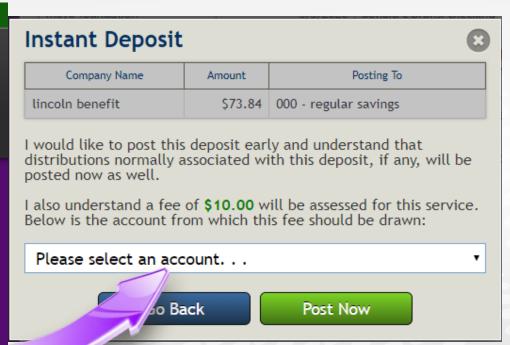
CU*ANSWERS
A Credit Union Service Organization

What Have We Been Up to Over the Last 2 Years?

Check out the new and enhanced capabilities for your Accounting Team!

On Demand Post of ACH Items

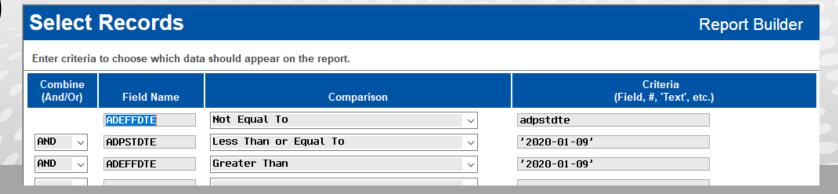**IN ONLINE BANKING WITH THE 20.07 RELEASE**

New ACH Details Table

TO HELP WITH BALANCING ACH ENTRIES AT MONTH END

- Requested by Xtend SRS Bookkeeping to help with balancing "on demand" ACH transaction postings

- ACHDTL table

- Canned query available via **Tool #1925 ACH Deposits Posted Early (ACHDTL)** to view this table (as of April 2020)

NEW Daily ACH Exception Handling Process

TWO TOOLS FOR DAILY ACH PROCESSING

■ **Tool #1875** (formerly Tool #983) is for ACH exceptions that are NOT NSF (invalid account #, frozen or closed accounts, unauthorized items, stop pays, etc.)

▪ Can repost after adjusting account numbers

Tool #		
Go!	1875	**Work ACH Exceptions**
Go!	1876	**Work ACH NSF/Returns**

Tool #1875 *Work ACH Exceptions*

20.07

NEW Daily ACH Exception Handling Process

TWO TOOLS FOR DAILY ACH PROCESSING

■ **Tool #1876** is for NSF exceptions only

- ACH item was posted then reversed due to insufficient funds,
- Includes invalid accounts or other exceptions corrected in Tool #1875 but posted and reversed as NSF

Tool #		
Go!	1875	Work ACH Exceptions
Go!	1876	Work ACH NSF/Returns

Use the "Return All" shortcut to return all NSFs in one click!

Tool #1876 *Work ACH NSF/Returns*

20.07

Enhanced Filtering/Sorting on ACH Distribution Maintenance

Added search by Tran type (SW, SD, etc.)

Sortable columns

Tool #989 *Work With ACH Members/Companies*

20.11

ACH Daily Posting Expansion

ALLOW FOR 4 POSTINGS PER DAY AFTER FILES ARE RECEIVED FROM THE FED

- The 4th ACH Daily Posting was implemented by Operations on May 5, 2019
- A 5th ACH receive was added on March 19, 2021, to be posted with the existing 4th run

Maintain ACH Run Parameters

Post ACH Items in the Warehouse to Member Accounts

In the first run	Post credits only
In the second run	Post credits only
In the third run	Post credits only
In the fourth run	Post both credits and debits

☐ Allow early post/effective date override for specific Company IDs

Tool #113 *ACH Posting Controls Config*

May 2019 & March 2021

Enhancements to the Investment Payments Screen

QUICKLY POST INVESTMENT PAYMENTS TO PRINCIPAL OR INTEREST

- Separate screen for principal vs. interest payments
- Option to post differences to the investment's income G/L

Tool #1970 *Post Investment Payments*

20.07

NOTIFY ACCOUNTS PAYABLE VENDORS OF ACH PAYMENTS

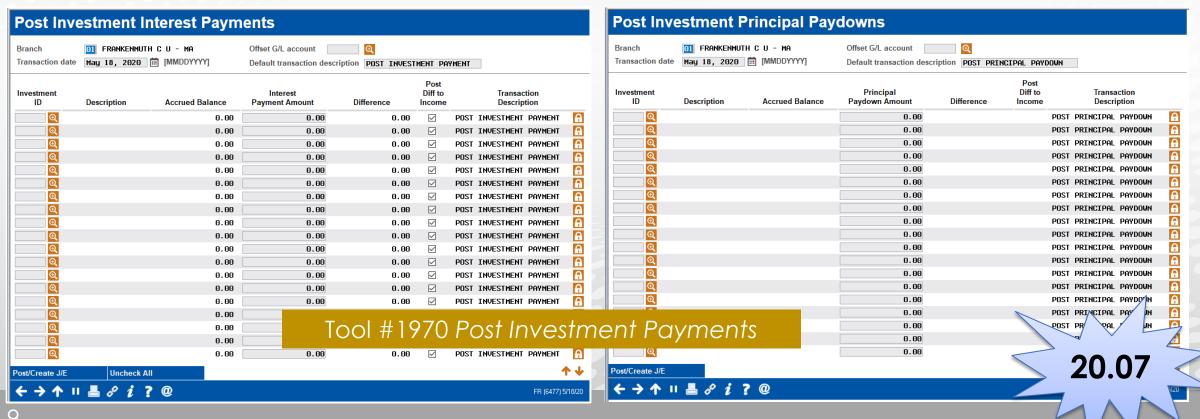- Option to generate an ACH Remittance Advice for A/P payments
  - Email will generate with PDF of the Remittance Advice
- Multiple invoices combined into a single remittance!

ABC CREDIT UNION

ACH Remittance Advice

Date: 3/09/2020

Total payment: $683.92

Pay to:
FLOWER SHOPPE
123 MAIN STREET
SUITE 100
RANDOM CITY, MI 45678
616-285-5777
Customer #: 00000000000000000123

In Payment for:

Invoice Date	Invoice #	Description	Amount	Notes
03/02/2020	M483479	FEB FEES	100.00	See note below
		MARCH FEES	200.38	
		DISCOUNT FOR PREPAYMENT	85.00-	
		FEB COST	250.09	
		MARCH COST	218.45	

Notes:
Invoice #M483479
Includes February and March payment, including discount for prepayment.

20.07

Accounts Payable Dashboard

■ Provides qualitative data about the workload of your Accounts Payable department

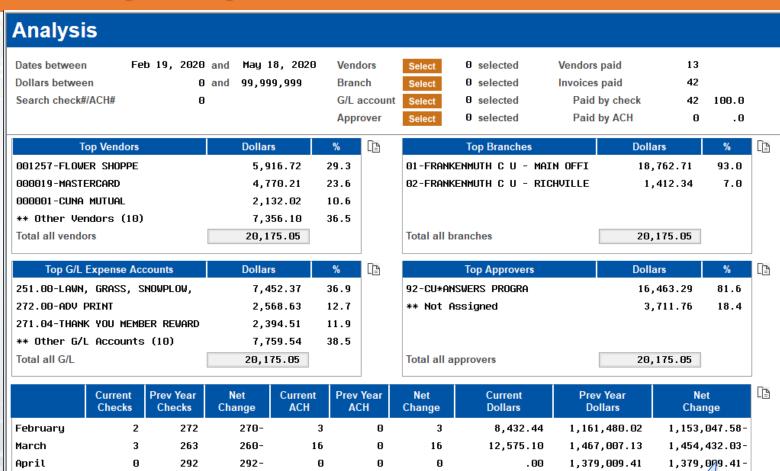 ▪ How many vendors are paid, how many invoices get processed, payments via check vs. ACH, etc.

Tool #1740 Accounts Payable Dashboard

20.07

Accounts Payable Dashboard (Cont.)

- Analysis feature provides more details

Analysis

Dates between	Feb 19, 2020	and	May 18, 2020	Vendors	Select	0 selected	Vendors paid	13	
Dollars between		0 and	99,999,999	Branch	Select	0 selected	Invoices paid	42	
Search check#/ACH#		0		G/L account	Select	0 selected	Paid by check	42	100.0
				Approver	Select	0 selected	Paid by ACH	0	.0

Top Vendors	Dollars	%
001257-FLOWER SHOPPE	5,916.72	29.3
000019-MASTERCARD	4,770.21	23.6
000001-CUNA MUTUAL	2,132.02	10.6
** Other Vendors (10)	7,356.10	36.5
Total all vendors	20,175.05	

Top Branches	Dollars	%
01-FRANKENMUTH C U - MAIN OFFI	18,762.71	93.0
02-FRANKENMUTH C U - RICHVILLE	1,412.34	7.0
Total all branches	20,175.05	

Top G/L Expense Accounts	Dollars	%
251.00-LAWN, GRASS, SNOWPLOW,	7,452.37	36.9
272.00-ADV PRINT	2,568.63	12.7
271.04-THANK YOU MEMBER REWARD	2,394.51	11.9
** Other G/L Accounts (10)	7,759.54	38.5
Total all G/L	20,175.05	

Top Approvers	Dollars	%
92-CU*ANSWERS PROGRA	16,463.29	81.6
** Not Assigned	3,711.76	18.4
Total all approvers	20,175.05	

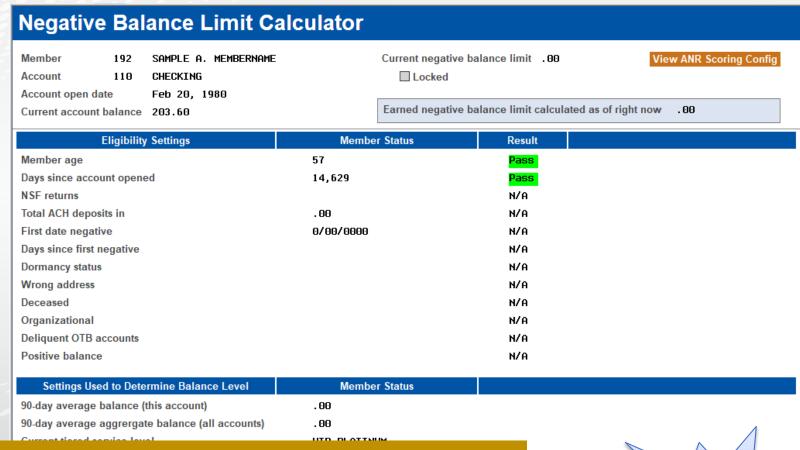|	Current Checks	Prev Year Checks	Net Change	Current ACH	Prev Year ACH	Net Change	Current Dollars	Prev Year Dollars	Net Change
February	2	272	270-	3	0	3	8,432.44	1,161,480.02	1,153,047.58-
March	3	263	260-	16	0	16	12,575.10	1,467,007.13	1,454,432.03-
April	0	292	292-	0	0	0	.00	1,379,009.41	1,379,009.41-

Tool #1740 Accounts Payable Dashboard
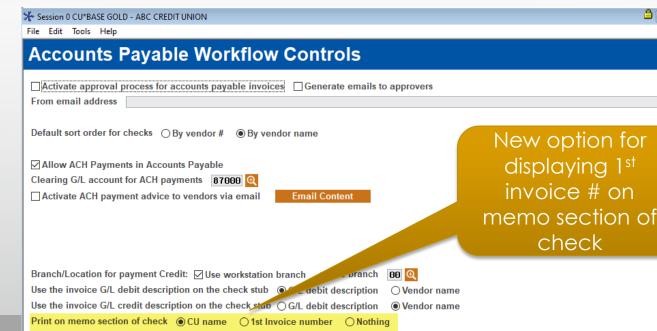
20.07

ANR Negative Balance Limit Calculator

■ Standalone Negative Balance Limit Calculator shows the results of your CU's ANR scoring configuration, one member at a time

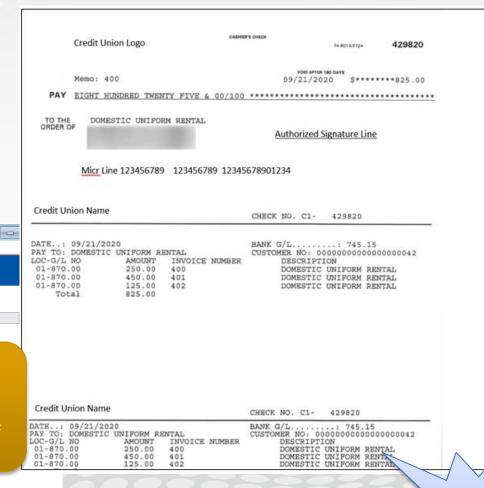■ Use this to verify that limits are being assigned as you expected

Negative Balance Limit Calculator

Member	192	SAMPLE A. MEMBERNAME
Account	110	CHECKING
Account open date		Feb 20, 1980
Current account balance		203.60

Current negative balance limit .00

☐ Locked

View ANR Scoring Config

Earned negative balance limit calculated as of right now .00

Eligibility Settings	Member Status	Result	
Member age	57	Pass	
Days since account opened	14,629	Pass	
NSF returns		N/A	
Total ACH deposits in	.00	N/A	
First date negative	0/00/0000	N/A	
Days since first negative		N/A	
Dormancy status		N/A	
Wrong address		N/A	
Deceased		N/A	
Organizational		N/A	
Deliquent OTB accounts		N/A	
Positive balance		N/A	

Settings Used to Determine Balance Level	Member Status	
90-day average balance (this account)	.00	
90-day average aggrergate balance (all accounts)	.00	
Current tiered service level	UTB PLATINUM	

Tool #1180 *Acct Negative Balance Limit Calculator*

20.07

Enhance Accounts Payable Checks

- Includes option to print a single invoice number on the memo section of the check
  - If multiple invoices associated with the check then the first invoice # displays
- Print customer number on the check stub

New option for displaying 1st invoice # on memo section of check

20.11

Enhance Query/Report Automation

- Expands report automation to allow for daily or weekly in addition to monthly
- Option to enter an end date for when automation no longer needs to run

Frequency options expanded

End date can be specified

21.05

Subsidiary Processing Overhaul

SUBSIDIARIES DASHBOARD

- New dashboard for working all subsidiary items

- Items added, edited, adjusted or closed all from the same dashboard

- Sortable columns and ability to filter the dashboard by subsidiary type, category, purchase dates, etc.

- Ability to view subsidiary item history from the main dashboard

Tool #1772 Work/View Subsidiaries

21.05

Subsidiary Processing Overhaul (cont.)

SUBSIDIARY DATA

- Streamlined process for adding a new subsidiary item

- Dollar amount fields expanded to allow fixed assets with original cost up to $1 million

- Comments can be added to individual subsidiary items

21.05

Subsidiary Processing Overhaul (cont.)

MONTHLY PROCESSING

- Complete re-vamp of monthly subsidiary processing

- No more reference to "work files" because monthly entries are generated and posted at the same time

- **Multiple subsidiary types can be processed at the same time**

- Date controls so that months cannot be skipped

Tool #305 *Process Monthly Subsidiaries*

21.05

Subsidiary Processing Overhaul (cont.)

REPORTS

- Revamped selection criteria for Subsidiary Trial Balance Report

- Obsolete Short Trial Balance, Fixed Asset Inventory Listing and New/Closed Subsidiary Detail

- New Purged Subsidiary Item Report

Tool #687 *Print Subsidiary Trial Balance Detail*

Tool #702 *Purge Closed Subsidiary Detail Items*

21.05

Updates to New and Refinanced Loan Report

EASIER TO OBTAIN LOAN DISBURSEMENT INFO

■ Expanded filter options and now includes disbursements for credit card loans

■ Insurance premiums, fine payments, escrow transfers no longer included

■ Option to include account adjustment/payment reversal transactions if desired

■ Use for obtaining loans granted YTD for 5300 Call Report

Tool #554 *New/Refinanced Loan History*

21.05

Allow Non-Return Fees by Origin Code

- Now have the option to configure separate non-return fees based on the origin of the transaction

- Can specify to charge a fee for transactions greater than a specified amount

- Remember that the existing non-fee tolerance is for all origin codes

Non-Returned Items

Non-return fee G/L	135.00
Transaction description	ANR FEE
Non-fee tolerance within	0.00 of available balance
Maximum non-return fee amount per day (cap)	9,999,999.99

Non-return fees by Origin Code:

Origin	Non-Return Fee	For Trx Amts Greater Than
01 Teller	35.00	1.00
02 Share draft proc	21.00	20.00
11 ACH	35.00	20.00
13 ATM	35.00	0.00
16 Debit card	35.00	0.00
20 Bill pay/P2P	35.00	0.00
All other	35.00	0.00

21.10

Enhance On-Demand ACH Fee Options

TOOL #569 "ONLINE/MOBILE/TEXT BANKING VMS CONFIGURATION"

■ Different fee amounts can be specified for on-demand posting of ACH items via Phone Operator vs. online banking

Project # _____ 55099

Enhance On-Demand ACH Fee Options
Allow Different Fee for CU*BASE vs. Online Banking
Date 11/2/20
Spec Writer: Karen
Systems Affected:
☑ CU*BASE

This project allows for different fee amounts for on-demand posting of ACH items via Phone Operator vs. via online banking. The ability to configure a single ACH On-Demand Posting Services fee was added to the Online/Mobile Banking VMS Configuration per PS#48319.

Online/Mobile banking must be updated to obey the new ACH on-demand fee structure added per this project.

File   Edit   Tools   Help

ACH On-Demand Posting Configuration

☑ Allow on-demand posting of ACH deposits via online/mobile web

Fee amount   9.25
Fee transaction description   ONLINE ACH EARLY FEE
Fee income G/L #   131.05   🔍 LOAN LATE CHARGES - FANNIE MAE

☑ Allow on-demand posting of ACH deposits via Phone Op

Fee amount   9.50
Fee transaction description   PHONE FEE
Fee income G/L #   131.05   🔍 LOAN LATE CHARGES - FANNIE MAE
☑ Allow employee to waive fee

21.10

G/L Lookup Window Enhancement

TOOL #60 "GL JOURNAL HISTORY INQUIRY"

■ The G/L lookup from Tool #60 GL Journal History Inquiry will identify suspended G/L accounts

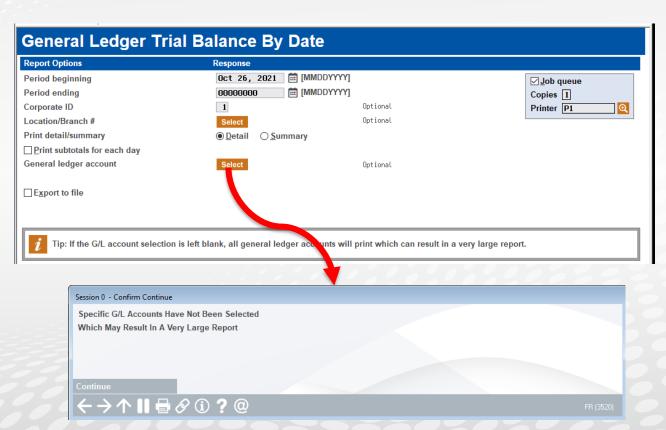■ The subsequent General Ledger Transaction Inquiry will indicate if the selected G/L account is suspended

Suspended column

21.10

General Ledger Trial Balance By Date

TOOL #650 "PRINT GL TRIAL BALANCE (MONTHLY)"

■ Requested at the last Focus Group!

■ Warning window will appear if no G/L accounts are selected (meaning that all G/L accounts will print)

Investment ID Lookup to Not Include Closed Investments

TOOL #1970 "POST INVESTMENT PAYMENTS/TOOL #895 UPDATE INVESTMENT MARKET PRICE

- Requested at the last Focus Group!
- Remove closed investments from the Investment ID lookup since you would not update a closed investment via these tools

Investment ID lookup

Investment ID lookup

What projects are up next?

PS#55403 SPECIFICATIONS SUBMITTED

- Simplify the ACH Posting Controls Configuration to combine three runs into a single "all midday runs" option
  - First run
  - Mid-day runs
  - Final run
- Adding an option to **post all credits immediately upon receipt** regardless of the effective date (will no longer be exclusive to specific company ID as it currently is)

Project # _____ 55403

Enhancements to ACH Posting Controls
Date 12/15/20
Spec Writer: Karen and Dawn
Systems Affected:
☑ CU*BASE

This project updates the ACH Posting Controls configuration (Tool #113) to allow the option to automatically post credits (deposits) for all companies as soon as they arrive in the warehouse. Currently CUs must manually turn this feature on, one ACH company ID at a time, and many would prefer for this to be the default setting for all ACH companies instead.

The existing *Allow early post/effective date override for specific Company IDs* Y/N field on the ACH Posting Controls configuration will be expanded to have 3 options:
  1=Allow early post/effective date override (credits only) for specific Company IDs
  2=Post credits for all Company IDs immediately upon receipt, regardless of effective date
  3=Do not allow early post

Option 1 will work as now, allowing CUs to manually set the *Post incoming credit transactions early (effective date override)* flag on individual ACH company records as desired. Option 2 will effectively turn that flag on automatically, for all existing company IDs as well as for all new ACH companies as they are created. (The specific method for accomplishing this is still being determined, as described later in this spec.) Keep in mind that with option 2, the credit union will not be able to adjust a particular Company ID *not* to post early. Every ACH credit that comes in will always post immediately no matter what.
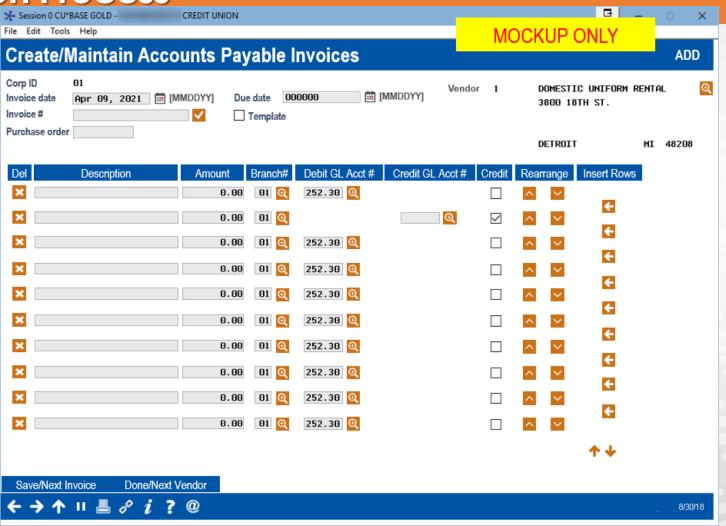
This enhancement was requested by Illinois Community and DayMet Credit Union. Refer to the separate email attached in Track*It for more information.

This project also includes combining the 3rd and 4th ACH run parameter into a single "All midday runs" option. See notes below regarding PS#55016 "Add additional (5th) ACH posting configuration for upcoming same-day expansion by FRB."

SPECIFICATIONS SUBMITTED PS#55799

■ Revamps the process of adding A/P invoices via **Tool #990 Work With Outstanding Invoices**

- Eliminate awkward way that A/P invoices are entered today

- Due date no longer required when creating the invoice

- Much easier to edit pending invoices waiting to be selected for payment

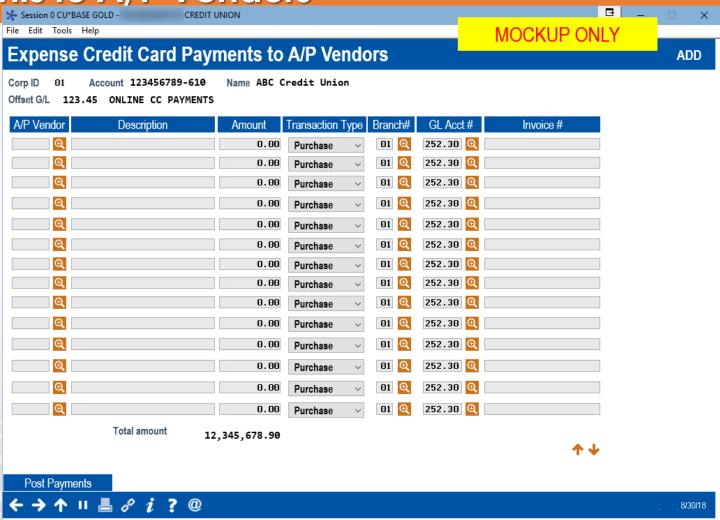- Ability to insert/delete invoice item lines and move up/down

MOCKUP ONLY

Create/Maintain Accounts Payable Invoices — ADD

Session 0 CU*BASE GOLD - CREDIT UNION

File   Edit   Tools   Help

Corp ID   01
Invoice date   Apr 09, 2021 [MMDDYY]   Due date   000000 [MMDDYY]   Vendor   1   DOMESTIC UNIFORM RENTAL
Invoice #   _____ ☑   ☐ Template   3800 18TH ST.
Purchase order _____

                                                                                               DETROIT   MI 48208

Del	Description	Amount	Branch#	Debit GL Acct #	Credit GL Acct #	Credit	Rearrange	Insert Rows
✖		0.00	01	252.30		☐	⌃ ⌄	
✖		0.00	01		_____	☑	⌃ ⌄	←
✖		0.00	01	252.30		☐	⌃ ⌄	←
✖		0.00	01	252.30		☐	⌃ ⌄	←
✖		0.00	01	252.30		☐	⌃ ⌄	←
✖		0.00	01	252.30		☐	⌃ ⌄	←
✖		0.00	01	252.30		☐	⌃ ⌄	←
✖		0.00	01	252.30		☐	⌃ ⌄	←
✖		0.00	01	252.30		☐	⌃ ⌄	←
✖		0.00	01	252.30		☐	⌃ ⌄	←

⬆ ⬇

Save/Next Invoice   Done/Next Vendor

← → ↑ ❚❚ 🖨 🔗 i ? @   8/30/18

Will include ability to save and retrieve invoice templates!

Expense Credit Card Payments to A/P Vendors

SPECIFICATIONS SUBMITTED PS#55597

■ New tool for expensing payments to online credit card loan accounts that have already posted and CU would like to expense to the appropriate A/P vendor

In response to suggestion from Michigan Legacy CU!

Adjust A/P Payment Processing Date

SPECS SUBMITTED PS#56958

■ Today the system uses the date selected for payment on the check and for the journal entries – if CU does not cut checks the same day invoices are selected for payment then checks may have a prior date

■ Adjust A/P payment processing to use the payment date instead of the check/voucher date on the actual printed check and for the G/L entries

Tool #1910 "Organize AP Invoices for Processing"

Organize Invoices for Payment

Selecting the item for payment here updates the *check/voucher date*. Currently, the *check/voucher date* prints on the check and is used for the G/L entries.

Tool #1961 "Process Accounts Payable Payments"

Process Payments for Vendors

Processing the items for payment here updates the *payment date*. Instead, A/P processing will use the *payment date* on the check and for the G/L entries.

Biz Watch for ACH

SPECIFICATIONS BEING REVISED PS#55026

- New standalone BizLink 247 feature prevents ACH transactions from posting until the business member authorizes the transactions
- Will help protect businesses from paying unauthorized ACH transactions
- Businesses need to enroll in the feature and can specify which ACH transactions to prevent (debits, credits or both)

Biz Watch for ACH: ACH Controls for Business Memberships

BizWatch for ACH is a new service designed especially for business members who want a higher level of control over unauthorized transactions submitted to their operating accounts. Business members can choose whether they want to block all incoming debits, all incoming credits, or both.

Our original concept created an online banking component for **BizLink 247** where a business member would view a list of transactions (only ACH debits, only ACH credits or both) as ACH exceptions, and would have to make a decision on each item as to whether it should be posted or returned. But now we've gone back to the drawing board for a solution that provides more automation and less hands-on work for the member.

A multi-logon team banking solution for your credit union's business members!

This new design automates more of the process based on a new configuration, where a business member can define how they want incoming ACH items to be handled, with options such as:

- Maximum debit dollar amount allowed
- All debits blocked
- Allowable company ID numbers and dollar limits
- Non-allowable company ID numbers

Enrollment in the program is optional, and the credit union can choose to assess a monthly fee to the business membership for enrollment. So that you can tailor your program based on needs and relationship with the business, each enrollment can be set up with a different fee structure. That means that initial enrollment must be done via CU*BASE by a credit union employee.

Once a member is enrolled, a new **BizLink 247** feature will allow them to adjust their program settings as needed. In particular, there will be a mechanism for them to define new ACH company IDs to either block or allow, and there will be an upload feature so they can add multiple ID records at the same time from a worksheet.

IN DEVELOPMENT PS#55515

■ Initial projects in process for enhanced tracking of written off loans, recoveries and charged off loans

- New program to calculate "separate" daily accruals on written-off loans

- Expand written off loans database table to capture new fields needed for daily accrual and other informational fields (judgement amount, collection expenses, etc.)

- New table to store accrual history

Tracking Recoveries on Written-Off Loans
Project # _____ 55515
Project 1(a): Daily Interest Accruals for Written-off Loans
Project 1(b): Expanding the Written-off Loans Database
January 7, 2021
Spec Writer: Dawn Moore
Systems Affected:
☑ CU*BASE
Credit Unions Affected:
☑ All

This project builds the first steps in a new structure to help CUs collect and track recoveries on written-off loans. This is the first in a series of projects under the Tracking Recoveries initiative. See the Kitchen for a complete overview of the series.

There are two main parts to this project:

PROJECT 1(A) Write a new program to calculate daily accruals on written-off loans	PROJECT 1(B) Expand the written off loans database table (LNWRTOFF)
• Use rate and CURBAL from loan account record • Use int calc type 0 (365 daily int) • Figure out what other fields we might need (*last int calc date* comes to mind) and add/populate them • Record the result in a new "bucket" field	Captured as of time of write off (informational only; these are also retained on the MEMBER5/6 record): • Rate as of write-off • Interest due as of write-off • Interest calc type as of write-off New "bucket" fields that could be maintained by the CU at/after write-off: • Interest accrued since write-off (see Project 1A) • Judgment amount (we already have a place for the date) • Total collection expenses • Total other fines/fees • Comments (free-form text to record things like judgment details, composition of the collection expenses or other fees, etc.)

NOTE: This project will also add **screen sizing** to the loan write-off/charge-off tool as well as the write-off/charge-off inquiry and maintenance screens.

Tracking Recoveries on Written Off Loans

SPECS SUBMITTED PS#56556

- Enhance Tool #476 "Written Off Loan History Dashboard" to help track recovery amounts

- Date toggles added so that EOM balances can be compared to calculate the net change amount

- Total net change amount added

Ability to toggle EOM balances here to determine net change $

FUTURE PROJECTS

- Create a payoff calculator

- Change how payments are calculated to automate collection of interest accrued since write off

- Create new subsidiary tracking activity history

- Documentation updates

Read more in the Kitchen!

Our Vision for Future Projects

- **Project 2(a):** Create a payoff calculator, maybe something similar to the "prepare mortgage for payoff" tool.
- **Project 2(b):** Change how payments are collected to automate collection of the interest accrued since write-off (once principal and interest due are paid down to zero).
- **Project 3:** Create a new subsidiary activity history tied to the WO loan data to automate the detail behind the new buckets (collection expenses, other fees/fines, etc.).

Status: Will begin design after projects 1(a) and (b) are getting near to implementation.

Other Related Efforts

We are also working on a training and documentation project to help CUs gather this data for **5300 reporting**. We'll analyze how we can use data we already have to calculate recoveries on written-off loans, and make recommendations on how CUs can analyze and assemble it in a way that fits their needs. What we learn will also inform what we might develop as far as dashboard enhancements, etc.

We will also work on documenting **recommendations for reinstating loans** after a judgment, with tips and ideas about methods that work well with existing CU*BASE tools.

We Want to Hear from You

Give us your feedback, ideas, and suggestions so we can consider them as we continue to shape the final design. And if you'd like to talk to someone, reach out to the chefs for this recipe: Randy Karnes and Dawn Moore.

cuanswers.com/resources/kitchen

Misc. Projects submitted since last time

- PS#57008: Update 5300 Call Report Ratios to include Other Operating Income (NCUA replaced this Account Code)
- PS#56701: Update Subsidiary Trial Balance to include subtotals when sorting by category
- PS# 57376: Add branch sort to Subsidiary Trial Balance

Other Accounting Related Enhancements

More Accounts Payable Projects

- Enhancements to approvals:
  - Automatic A/P invoice approvals based on $ amount ranges
  - Ability to approve multiple A/P invoices at the same time
  - Allow approver to make changes to A/P invoice details
  - Assign more than one approver to invoice
  - Link from Accounts Payable to Subsidiary Processing
- Add check status info to the vendor history

Misc. Projects

- Revamp Check Register Tool
- Make Source # alphanumeric on Maintain Journal Entries screen (Tool #61)

What else should we talk about?

Thank you!