ATM Surcharge and Service Charge Rebates

Two Services to Reward Members

INTRODUCTION

If you are using a vendor to process ATM surcharge fees rebates (from foreign ATMs) to your members, you can do this directly in CU*BASE with an ATM surcharge rebate. If you use a vendor to rebate fees charged to your members for using your own credit union ATMs, you can also offer them a rebate using a CU*BASE service charge rebate.

This booklet includes a frequently-asked questions section as well as what fees are refunded, how to configure, how you will refund your members, the ways refunds can be configured, rebate processing, and the reports you can use to review your refund program.

CONTENTS

FREQUENTLY-ASKED QUESTIONS (FAQ)

What am I refunding to members?

With surcharge rebates, you are refunding fees foreign institutions charge your members to use their ATM machines.

For service charge rebates, you are rebating fees your credit union charges your members for using your ATMs. These fees are configured in **Tool #236 *Configure ATM Service Charge Groups.*** To use the rebate, fees must be charges per transaction.

Can I offer just ATM surcharge rebates, just ATM service rebates or both?

Yes. CU*BASE offers the flexibility to offer both rebates or just one of them.

Can I control the amount that is refunded to my member?

Yes. To offer the rebate, you configure a program which allows you to cap the amount that is refunded to the member.

Can I offer different rebates to different members?

Yes. To offer the rebate, the programs (mentioned above) are attached to a savings or checking Dividend Application. This gives your credit union the flexibility to offer different rebates for different accounts. For example, you might offer a higher rebate for a VIP checking account versus a regular checking account.

Can I offer the rebates only to members who also do certain things to qualify for a higher dividend?

Yes. CU*BASE allows you to rebate the rewards as part of your Qualified Dividend program. Qualified Dividend programs are generally used to give the member the opportunity to qualify for a higher dividend by certain types of activities such as bill pay or e-Statement enrollment or using their debit card a certain number of times.

What is the first thing I need to do with either type of rebate?

To offer either type of rebate, you first must set up the program (either surcharge or service). This allows you to configure the rebate and set the maximum dollar amount of the reward. Then this program is selected in the Dividend Application configuration or Qualified Dividend configuration, depending on the desired method.

Is there reporting for the feature?

Yes. Transaction and exception reporting are available for each feature.

WHAT FEES ARE CONSIDERED FOR A REBATE

SURCHARGE REBATE FEES

Each time the foreign institution charges a fee for the use of its ATM, the member is charged a surcharge fee. These fees are the transaction fees that can be rebated at the end of the month.

- ATM Surcharge Program is supported only by online ATM/Debit Cards.

SERVICE CHARGE REBATE FEES

Your credit union configures service charge fees for using your ATMs. These fees are configured using an ATM/Debit Service Charge Group (Tool #236).

Configure ATM Service Charge Groups (Tool #236)
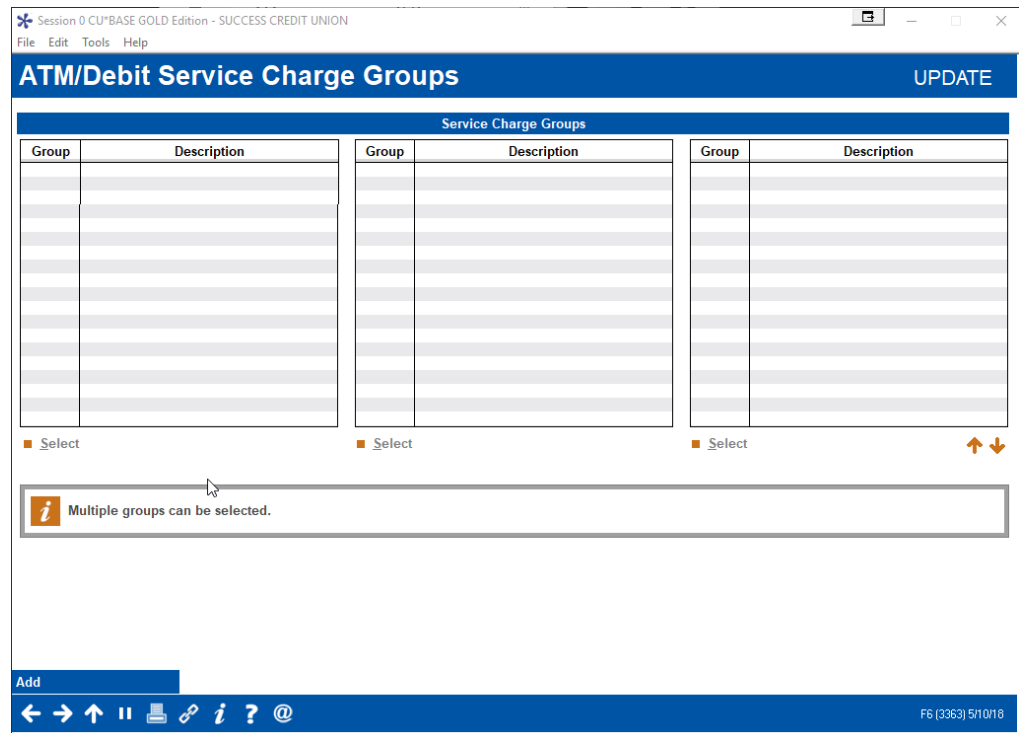
To add a new group, use Add (F5)

Configure ATM Service Charge Groups (Tool #238), then Select

In the Per Transaction Charge section, you must elect to charge your members fees with a *Service Charge type* of *By transaction type*. This means that after a certain number of free transactions, the member is charged a *Per Transaction Charge* fee each time they exceed the number of free transactions of each category.

The transaction fees that are charged are the service charge fees that can be rebated at the end of the month.

CONFIGURING YOUR REBATE DETAILS

CONFIGURING THE SURCHARGE REBATE DETAILS

To offer the ATM surcharge rebate, first configure your surcharge rebate details using Tool #143. You will then select to use this surcharge rebate when configuring the Dividend Application.

ATM Surcharge Rebate Reward Program Cfg (Tool #143)

To create a new surcharge rebate program from this screen, use *Add Routine* (F6).

Surcharge Rebate Detail

The surcharge rebate configuration allows you to set the details of the surcharge rebate, including the maximum amount that will be refunded to the member, the G/L expense account funding the refund, and the description that appears on the member's statement.

Fill in the fields to define the rebate; then press Enter.

CONFIGURING YOUR SERVICE CHARGE REBATE DETAILS

To offer the ATM service charge rebate, first configure your service charge rebate details using Tool #1145. You will then select to use this rebate when configuring the Dividend Application.

ATM Service Charge Rebate Configuration (Tool #1145)

To create a new ATM service charge group from this screen, use *Add* (F6).

Service Charge Rebate Detail

Session 0 CU*BASE GOLD - ABC CREDIT UNION
File Edit Tools Help

Configure ATM Service Charge Rebate Program   CHANGE

ATM service change rebate program code 01
Description   ATM Service Rebate
Maximum monthly rebate amount   5.00
Expense G/L account   111.00
Transaction description   ATM SERVICE REBATE

FR (6630) 5/14/18

The surcharge rebate configuration allows you to set the details of the surcharge rebate, including the maximum amount that will be refunded to the member, the G/L expense account funding the refund, and the description that appears on the member's statement.

Fill in the fields to define the rebate; then press Enter.

METHODS FOR DETERMINING ELIGIBILITY

You can elect to offer rebates (ATM service charge, ATM surcharge or both) by attaching the rebate routine to a Dividend Application. That way any member who has an account of that Dividend Application type will qualify for the rebate.

You can also go one step further and offer the rebate only to members who also qualify for your Qualified Dividend program attached to that Dividend Application.

ELIGIBILITY BY DIVIDEND APPLICATION

ATM surcharge rebates, service charge rebates (or both) can be given to all members with an account of a selected Dividend Application. Use this method of rebate with either savings or checking Dividend Applications. Simply use the *ATM surcharge rebate program code* or *ATM service charge program* look-up(s) to select your configured program(s).

With the configuration shown below, all members having an account of this Dividend Application will receive both the ATM surcharge rebate and service charge rebate offering by the credit union.

IMPORTANT NOTE: This section covers how to rebate both surcharge and service charge rebates in the same Dividend Application. To offer only one rebate, simply only select to attach one rebate to the Dividend Application.

Dividend Application Configuration: Savings/Checking Products Configuration (Tool #777), then "Dividend Information" Tab

Here the ATM surcharge rebate routine is selected.

Here the ATM service rebate routine is selected.

ELIGIBILITY BY DIVIDEND APPLICATION AND QUALIFIED DIVIDENDS

- *SEE ALSO: Refer to the Qualified Dividends booklet for more details on setting up a Qualified Dividend program.*

You may decide to use the ATM rebate features in conjunction with a Qualified Dividend program. Qualified Dividends allow you to configure a checking Dividend Application with specific eligibility requirements, then set up two rate schedules: the **qualified** rate and the **base** rate for non-qualified accounts. While configuring the conditions for the member to be eligible for the qualified rate, credit unions can also configure the dividend to also only pay the ATM rebates *if the member qualifies for the higher dividend.*

In this case, you would select *Apply surcharge rebate to Qualified members only* as shown below. *(NOTE: The ATM rebate fields only appear if the Dividend is configured with them. See the previous page for details.)*

The ATM rebates will only be given to "Qualified" members.

You can also configure a Dividend Application to be a Qualified Dividend but offer the ATM rebates to all members regardless of whether they are eligible for the qualified rate. In this case, you would select *All members with this account* as shown below.

REBATES TO MEMBERS

Surcharge and service charge rebates are posted to member accounts monthly. Members receive ATM surcharge/service rebates if they have accounts with Dividend Applications configured for rebate. Only the fees posted to these accounts are rebated. If the account is closed or frozen during the month, the member will not receive the rebate.

- ATM Surcharge Program is supported only by online ATM/Debit Cards.

REBATE PROCESSING

Surcharge and service charge rebates are each calculated and posted monthly as one deposit, not exceeding the allowed maximum monthly rebate amount. Members see the rebate, along with the description configured in the rebate configuration on their statements. If you have both rebates activated, members will see two separate transaction rebates.

Surcharge rebates are posted for fees on ATM deposits and ATM withdrawals by the member from activity at foreign ATMs. Service charge rebates are posted according to your ATM service charge configuration.

ATM surcharge and service rebates are posted during end of month processing prior to dividends being calculated (and posted).

- The rebates are posted after Qualified Dividends processing and prior to surcharge charges, such as minimum balance service charges.

- Because of the order of the monthly process, total rebate amount *will* be part of the average daily balance calculation for the month, on products that have ADB calculation type, or part of dividend accrual for the last day of the month, for daily accrual types.

REPORTING

SURCHARGE REBATE REPORTING

This booklet is about surcharge and service charge rebates. This page includes the reports credit unions will see if they have an ATM surcharge rebate program. Refer to the next page for reports used if the credit union has an ATM service charge rebate program.

Two monthly CU*SPY reports can be used to monitor your ATM surcharge refunds. The first report, TATMSR1, serves as the Transaction Register and lists the rebate transactions, with a total of the rebates at the bottom of the report. The second report, TATMSR2, lists members who are overlimit of their rebate amount.

- NOTE: Frozen accounts will not receive any rebate.

ATM Surcharge Rebate Transaction Register (TATMSR)

```
4/01/11    23:08                               C.U.                    TATMSR      PAGE
                          ATM SURCHARGE REBATE TRANSACTION REGISTER
                                  DETAIL - AS OF  3/31/11

                                                PREVIOUS   CURRENT
        ACCOUNT #   DIVAPL        DEPOSIT        BALANCE    BALANCE   DESCRIPTION
            -030      EC            13.50        1284.63    1298.13   ATM SURCHARGE REBATE
            -030      EC             6.00         213.80     219.80   ATM SURCHARGE REBATE
            -030      EC             2.00         732.68     734.68   ATM SURCHARGE REBATE
            -030      EC             3.00        1091.64    1094.64   ATM SURCHARGE REBATE


** TOTAL NUMBER OF REBATES --          4
** TOTAL AMOUNT OF REBATES --      24.50
```

ATM Surcharge Rebate Exception Register (TATMSR2)

```
4/01/11    23:08                               C.U.                    TATMSR2     PAGE
                          ATM SURCHARGE REBATE EXCEPTION REGISTER
                                  DETAIL - AS OF  3/31/11

                         REBATE      CURRENT      AMOUNT
        ACCOUNT #  DIVAPL  ATTEMPTED   BALANCE     POSTED        EXCEPTION REASON


TOTAL NUMBER OF EXCEPTIONS --          0
```

SERVICE CHARGE REBATE REPORTING

Two monthly CU*SPY reports can be used to monitor your ATM service charge refunds. The first report, TATMSCR, serves as the Transaction Register and lists the rebate transactions, with a total of the rebates at the bottom of the report. The second report, TATMSCR2, lists members who are overlimit their rebate maximum.

- NOTE: Frozen accounts will not receive any rebate.

This booklet is about surcharge and service charge rebates. This page includes the reports credit unions will see if they have an ATM service charge rebate program. Refer to the next page for reports used if the credit union has an ATM surcharge rebate program.

ATM Service Charge Rebate Transaction Register (TATMSCR)

```
5/31/18  10:33:58                                    FCU                    TATMSCR         PAGE    1
  RUN ON  5/24/18              ATM SERVICE CHARGE REBATE TRANSACTION REGISTER              USER
                                       DETAIL - AS OF  5/31/18

                                                    PREVIOUS      CURRENT
    ACCOUNT #   DIVAPL          DEPOSIT             BALANCE       BALANCE     DESCRIPTION
      6-010   RC                   1.00             2727.05       2728.05     SERVICE CHRG REBATE
      0-010   RC                   1.00                7.00          8.00     SERVICE CHRG REBATE
      1-010   RC                   2.00              164.08        166.08     SERVICE CHRG REBATE
      0-010   RC                   1.00              296.31        297.31     SERVICE CHRG REBATE
      3-010   RC                  10.00                3.80         13.80     SERVICE CHRG REBATE
      3-010   RC                   1.00               18.04         19.04     SERVICE CHRG REBATE
      0-010   RC                   3.00              309.13-       306.13-    SERVICE CHRG REBATE
      1-010   RC                   1.00             1723.97       1724.97     SERVICE CHRG REBATE
      0-010   RC                   4.00             8385.34       8389.34     SERVICE CHRG REBATE
      2-010   RC                   2.00             6326.22       6328.22     SERVICE CHRG REBATE
      3-010   RC                   2.00             2309.07       2311.07     SERVICE CHRG REBATE
      0-010   RC                   2.00             1807.09       1809.09     SERVICE CHRG REBATE
      2-010   RC                   2.00               16.44         18.44     SERVICE CHRG REBATE
      5-010   RC                   2.00                 .00          2.00     SERVICE CHRG REBATE
      1-010   RC                   2.00              941.05        943.05     SERVICE CHRG REBATE
      0-010   RC                   1.00             1744.74       1745.74     SERVICE CHRG REBATE
      2-010   RC                   7.00              140.81        147.81     SERVICE CHRG REBATE
      5-010   RC                   2.00              506.53-       504.53-    SERVICE CHRG REBATE
```

ATM Surcharge Rebate Exception Register (TATMSCR2)

```
5/31/18  15:19:15                                    FCU                    TATMSCR2        PAGE    1
  RUN ON  6/14/18              ATM SERVICE CHARGE REBATE EXCEPTION REGISTER                USER
                                       DETAIL - AS OF  5/31/18

                         REBATE         CURRENT         AMOUNT
    ACCOUNT #   DIVAPL   ATTEMPTED      BALANCE         POSTED      EXCEPTION REASON
      1-010   RC           2.00          165.08          1.00       REBATE MAXIMUM
      3-010   RC          10.00            4.80          1.00       REBATE MAXIMUM
      0-010   RC           3.00          308.13-         1.00       REBATE MAXIMUM
      0-010   RC           4.00        8,386.34          1.00       REBATE MAXIMUM
      2-010   RC           2.00        6,327.22          1.00       REBATE MAXIMUM
```