
Associated Applications

Joining a Primary and Secondary Loan Application into One Loan

INTRODUCTION

The Associated Application feature is in response to Wisconsin Marital Property regulations, which dictate that spouses of applicants must be included in the loan-application process.

The feature allows credit unions to indicate whether there is both a primary and secondary associated application. The **Associated App** (F14) button on the *Loan Application – Select Co-Signers* screen allows your lending officers to move to a new screen where they can enter up to four names – a spouse for the primary borrower if appropriate, the co-borrower name and, if appropriate, the co-borrower's spouse. CU*BASE will then duplicate the loan request and link it to the original loan request. Ratios can then be calculated based on all relevant parties.

Action taken on the original loan request will have a trickle-down effect, removing the need for manual action on the second loan request. Associated applications will be represented as a single application for the purposes of loan-application statistics such as denial-to-application ratios.

In the end, the two associated loan applications are joined into one loan that can be worked as any other loan on the system.

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For an updated copy of this booklet, check out the Reference Materials page of our website:
<http://www.cuanswers.com/resources/doc/cubase-reference>
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UNDERSTANDING ASSOCIATED APPLICATIONS

The Associated Application feature is in response to Wisconsin Marital Property regulations, which dictate that spouses of applicants must be included in the loan-application process.

THE NAMES USED IN THIS BOOKLET

To help differentiate the various components of the Associated Application feature, this book uses the following people with the following relationships:

Mary Smith and Jane Jones apply for a loan at ABC Credit Union.

Both women are married (to Bill Smith and Tom Jones), and they live in a state where their credit union is required to include their spouses in the loan application process. For this reason ABC Credit Union uses the Associated Application feature.

Mary is to be primary on the final loan and Jane will be the co-borrower.

TERMS USED IN THIS BOOKLET

Several terms are used in this booklet:

Associated Application	This term refers to the feature that allows credit unions to create a loan request with both a primary and secondary application.
Primary Associated Application	The application of the person who will be the primary borrower on the final loan is referred to as the primary associated loan application. This application collects the details of the primary applicant and his or her spouse. Using the story above this is the application containing details on Mary Smith and her spouse.
Secondary Associated Application	The secondary loan application collects the application details for the second applicant and his or her spouse. Using the story above, this is the application containing details on Jane Jones and her spouse.

UNDERSTANDING THE ASSOCIATED APPLICATION LOAN REQUEST WORKFLOW

The following is an overview of the entire loan application process with the addition of the Associated Application function.

1. The loan officer begins the loan application the way they do today, initiating a request and entering the primary borrower for the loan request.
2. After entering the loan request information, the interviewer is taken to the Loan Request Recap, and continues to Complete Loan Application.
3. In the first Loan Application screen, where the officer selects the co-signer, they will be able to select a new option to indicate that this is an Associated Application.
4. The loan officer is navigated to a screen (used only for Associated Applications) where they can indicate the primary borrower's spouse, as well as the co-borrower and co-borrower's spouse, if any. Global Search is accessible for searching for existing members or non-members. If a record does not exist for a SSN entered, the loan officer will advance to the pre-member lending screen to create the non-member record.
5. Once all information is entered into the Associated Application screen and saved, the system will create a duplicate loan request that is linked to the initial request. This will store co-borrower data.
6. The loan officer is returned to the original select co-signer screen where all the specified co-applicants will be displayed. The loan officer can then select to complete the primary borrower application or the secondary application.
7. The loan officer completes the application for the primary or co-borrower and saves to return to the Loan Request Recap.
8. When in the Recap, the user will now see that there is an associated application that exists. The loan officer can now select the Complete Application button to fill out the additional application.
9. If the application is approved, the loan officer selects to Create Loan Account at which point they move to another screen (used only for Associated Applications). Here the loan officer is prompted to select from the possible three people, who the actual co-borrower will be. When the loan is created the first request is marked approved and the associated request is deleted.
10. If the loan is denied, the loan officer must go through the denial process for all listed borrowers.

This advances you to the co-applicant screen and this is where the process changes

Loan Applicant – Select Cosigners Screen – Standard Application

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

Loan Application - Select Co-Signers

Loan request # 165885

Primary Applicant

Household # 56040
Account base MARY SMITH

Select a Co-Applicant

Specify co-applicant account # Or SSN
- Or -
Choose co-applicant from primary applicant's household 56040

Primary Applicant's Household

Type	Name	Relationship	CU Member	SSN/TIN
H	MARY SMITH		55127	234-56-7456
I	BILL SMITH		2002	000-00-2002

Select ↑ ↓

Save/Continue Global Search Additional Signers Associated App

← → ↑ || 🔗 ⓘ ? @ TR (5147) 11/03/14

ENTERING THE CO-BORROWER AND SPOUSE INFORMATION

To add Mary's husband as the co-applicant of Mary's primary associated loan application and to add Jane and her husband's as the borrower of the secondary loan application, you don't use the screen shown above. Instead use **Associated App** (F14) to access the screen where you enter this information.

Create Associated Application Screen

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

Create Associated Application

Loan request # 165885

Primary Applicant

Household # 56040
Account base 5 MARY SMITH

Select Primary Applicant's Spouse

Account # or SSN

Co-Applicant

Account # or SSN

Select Co-Applicant's Spouse

Account # or SSN

Save/Continue
Global Search

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Access the screen above by using “Associated App” (F14) from the “Loan Applicant – Select Cosigners Screen” screen (which is shown on the previous page)

The *Create Associated Applications* screen (shown above) is used only for Associated Applications. Use this screen to enter the primary borrower's spouse, as well as the co-borrower and co-borrower's spouse, if any.

If you need to search for existing members or non-members, you can use *Global Search* (F11).

- NOTE: If neither applicant is married, it is not necessary to use the Associated Application feature. In this case, complete a standard loan application with an applicant and co-applicant.

After entering the names or Social Security Numbers, press Enter to refresh the screen.

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

Create Associated Application

Loan request # 165885

Primary Applicant

Household # 56040
Account base 55127 MARY SMITH

Select Primary Applicant's Spouse

Account # or SSN

Co-Applicant

Account # or SSN

Select Co-Applicant's Spouse

Account # or SSN

Save/Continue
Global Search

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TR (5634) 11/03/14

If a record does not exist for a SSN entered, you will advance to the pre-member lending screen to create the non-member record.

Session 0 CU*BASE GOLD Edition - Pre-Membership Lending

Loan requested by

Address 1 Home phone

Address 2 Work phone

City Cell phone

State Birthdate [MMDDYYYY]

ZIP code Dept/Sponsor #

Change to Org Account | Department/Sponsor # | Blocked Persons

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TR (2570)

With the scenario used in this booklet, this is Mary's husband Bill and the borrower and co-borrower for Jane's secondary associated loan application (Jane and her husband Tom).

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

Create Associated Application

Loan request # 165885

Primary Applicant

Household # 56040
Account base 5 MARY SMITH

Select Primary Applicant's Spouse

Account # or SSN BILL SMITH

Co-Applicant

Account # or SSN JANE JONES

Select Co-Applicant's Spouse

Account # or SSN TOM JONES

Save/Continue
Global Search

Navigation icons: back, forward, up, down, print, search, help, refresh

TR (5634) 1110314

- NOTE: In the example used in this booklet, both Mary and Jane are married, but this feature can also be used if only one is married. In this case, you would leave the appropriate spouse field blank.

At this point, you would use **Save/Continue** (F10).

- NOTE: In the background CU*BASE creates a duplicate loan request for the secondary application and links it to the primary loan request so that ratios can be based on all relevant parties.

WORKING THE TWO LOAN APPLICATIONS

You then return to a slightly different version of the *Loan Application – Select Cosigners* screen. This is the access point for working both loan applications associated with this loan request.

Primary Applicant		Co-Applicant	
Household #	56040 <input type="checkbox"/> Created	Household #	56041 <input type="checkbox"/> Created
Account base	5 MARY SMITH	Account base	5 JANE JONES
Primary Applicant's Spouse		Co-Applicant's Spouse	
Household #	7545	Household #	56040
Account/SSN	BILL SMITH	Account/SSN	12345 TOM JONES

NOTE: Once the co-applicants are selected, this screen is also shown every time you select “Complete Loan Application” from the “Loan Recap” screen. This allows you to select which application you wish to work and also to change the applicants. To change the applicants, use the “Associated Application” button.

From the screen shown above, use **Work Primary App** (F10) to enter the primary associated loan application (Mary’s application).

Use **Work Secondary App** (F17) to complete the secondary loan application (Jane’s application).

- *NOTE:* The screen above includes a checkbox indicating if each application has already been created. This will assist you in determining which application still needs to be worked in order to complete the application.

The same loan application screens are used for the primary and secondary associated application. The difference is that you will see different loan application numbers in the upper right corner of the screens. Of course the data you enter into each application will be different since one is for Mary’s family details and one is for Jane’s family details.

- **IMPORTANT NOTE:** The order in which you complete the applications is not important. Both applications must be created in order to retain the entered spouse data. Until that point it is possible to “lose” this information if you completely exit the loan request.

Collateral for an associated application should always be entered against the primary associated application. This will allow it to carry to the final loan.

The forms assigned to each application can be printed on the Print screen for each application.

CHANGING CO-BORROWERS AND SPOUSES

At any time you can re-enter the screen to make changes to the people linked with the associated application (other than the primary applicant).

To change the co-applicants or spouses attached to this loan request, use **Associated App** (F14) from the screen shown on the previous page to enter the *Create Associated Application* screen (shown on Page 7). When changes are made to these entries it may automatically delete previously created applications in order to ensure they are re-worked with the proper persons.

CLEARING THE LOAN APPLICATION

To clear both loan applications use the **Clear App Data** (F24) button. As with a standard loan application, this will clear both the primary loan application (as well as the secondary loan application if already created) so you can start over. At this point there will be no secondary application number associated with the loan request so you can proceed as a standard loan request or define a new associated application.

Processing Details		Payment Summary	
Disbursement date	Nov 05, 2014	Amount requested	25,000.00
First payment date	Dec 05, 2014	Total amount financed	25,000.00
Maturity date	Feb 05, 2018	+ Total finance charges	9,824.75
Amort term date		+ Total CDI premiums	0.00
Frequency	MONTHLY	+ Total SCL premiums	0.00
Payment	892.95	+ Total JCL premiums	0.00
Final payment	892.65	Total amount in payments	34,824.75
# of payments	039	Misc coverages in loan	0.00
Interest rate	21.240 %	Other misc coverages	0.00
Modified APR	21.240 %		
Loan fees to include in modified APR	0.00		

RUNNING CREDIT PULLS

The screen that pulls a credit score is presented more often with the associated loan application process (if only because there are two associated applications). You will only have to pull the credit score once for each applicant, and the names will be indicated on the screen.

LOAN CREATION PROCESS

As with any loan application, when the loan officer is ready to create the loan, the loan officer will select *Create Loan Account* on the Loan Recap screen.

Session 0 CU*BASE GOLD - ABC CREDIT UNION

File Edit Tools Help

Loan Request Recap

Application # 165895

Account base **MARY SMITH** Clear App Data

Loan category **04 SIGNATURE LOAN** App created **YES** Secondary Created **YES**

Loan product **014 SIGNATURE LOAN - NO SECURITY** App date **Nov 05, 2014** Secondary App # **165896**

Processing Details		Payment Summary	
Disbursement date	Nov 05, 2014	Amount requested	25,000.00
First payment date	Dec 05, 2014	Total amount financed	25,000.00
Maturity date	Feb 05, 2018	+ Total finance charges	9,824.75
Amort term date		+ Total CDI premiums	0.00
Frequency	MONTHLY	+ Total SCL premiums	0.00
Payment	892.95	+ Total JCL premiums	0.00
Final payment	892.65	Total amount in payments	34,824.75
# of payments	039	Misc coverages in loan	0.00
Interest rate	21.240 %	Other misc coverages	0.00
Modified APR	21.240 %		
Loan fees to include in modified APR	0.00		

Edit Loan UW Comments Checklist Save/Done Override View/Print Amort

Centralized Underwriting Complete Loan App Create Loan Account OTB Approval/Denial Deny Loan

Code
 ID
 PW (Control Off)

TR (5122) 11/05/14

- One difference to the Loan Recap screen (shown above) is that it shows a secondary application number (Jane's). This indicates that this loan request is using the Associated Application feature.

CREATING THE LOAN

If you use the Associated Application feature, when you click *Create Loan Account* on the Loan Recap screen (shown above) you may be presented with a warning message if both the primary and secondary applications have not been created. If this message is not displayed or if you choose to continue regardless, you will be presented with a new screen that is only shown for associated applications.

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

Associated Application Select Co-Signer

Loan account # MARY SMITH
Loan category 04 SIGNATURE LOAN
Application # 165895

Select the Co-Borrower for This Loan Account

BILL SMITH	<input type="radio"/> Co-Applicant	<input type="radio"/> Spouse	<input type="radio"/> Guarantor	<input checked="" type="radio"/> N/A
JANE JONES	<input type="radio"/> Co-Applicant	<input type="radio"/> Spouse	<input type="radio"/> Guarantor	<input checked="" type="radio"/> N/A
TOM JONES	<input type="radio"/> Co-Applicant	<input type="radio"/> Spouse	<input type="radio"/> Guarantor	<input checked="" type="radio"/> N/A

Navigation icons: back, forward, up, down, search, help, info, question mark, @

TR (5635) 11/05/14

This screen presents the primary applicant for the first associated application (in this case Mary). Below the primary applicants name all possible people to be co-applicant on the final loan will also be shown.

At this point, you will select the person who will be the co-borrower on the final booked loan. (Generally this would be Jane, but you can select any of the other names on this screen.)

Select the appropriate co-borrower type (co-applicant, spouse or guarantor).

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

Associated Application Select Co-Signer

Loan account # MARY SMITH
Loan category 04 SIGNATURE LOAN
Application # 165895

Select the Co-Borrower for This Loan Account

BILL SMITH	<input type="radio"/> Co-Applicant	<input type="radio"/> Spouse	<input type="radio"/> Guarantor	<input checked="" type="radio"/> N/A
JANE JONES	<input checked="" type="radio"/> Co-Applicant	<input type="radio"/> Spouse	<input type="radio"/> Guarantor	<input type="radio"/> N/A
TOM JONES	<input type="radio"/> Co-Applicant	<input type="radio"/> Spouse	<input type="radio"/> Guarantor	<input checked="" type="radio"/> N/A

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TR (5635) 11/05/14

Press Enter to advance to the *Loan Creation* screen.

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

Loan Creation

Loan account # MARY SMITH
Loan category 04 SIGNATURE LOAN
Application # 165895 Open date Nov 03, 2014
Co-borrower JANE JONES

Printer P1
Drawer 2

Note Information

Assign account type 645 Low 645 High 650

Include in open-end loan contract

Approval ID Collector ID XX Interviewer ID 92
File verification date Nov 23, 2014 [MMDDYYYY] Credit report # (Primary borrower) CU risk level

i If a recent credit report exists for this member, the Credit report # and CU risk level fields will be filled in automatically, using the most recent report on file for the primary borrower. This links the report to this loan so that it will be archived and available for viewing throughout the life of the loan. Any additional signers on this loan will also be linked to the most recent credit report in their name, if one exists in the file.

Additional Information				Forms to Print			
<input type="checkbox"/> Collateral	<input type="checkbox"/> Link to dealer	<input type="checkbox"/> Additional signers	<input type="checkbox"/> Variable rate loan	1 <input type="text"/>	2 <input type="text"/>	3 <input type="text"/>	4 <input type="text"/>
<input type="checkbox"/> Automatic transfer	<input type="checkbox"/> Participation loan	<input type="checkbox"/> Payment matrix	<input type="checkbox"/> Credit card maintenance	5 <input type="text"/>	6 <input type="text"/>	7 <input type="text"/>	8 <input type="text"/>
<input type="checkbox"/> Payroll deduction	<input type="checkbox"/> Disburse funds	<input type="checkbox"/> Pledged shares	<input type="checkbox"/> ACH maintenance				

Form Window Unlock Fields View Credit Report

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TR (2346) 11/03/14

One difference with this screen is that the secondary (in this case Jane) account number or Social Security number will appear on the screen as the co-borrower. This will indicate that this is an associated application.

Once the loan is approved and you press Enter on this screen, the primary associated application is marked as “booked” and the secondary loan application is marked as “deleted.”

ONLINE LOAN APPLICATION FEATURES

REQUIRING THE ENTRY OF SPOUSAL INFORMATION ON THE ONLINE LOAN APPLICATION

Your credit union can require the input of spousal information when a married person applies for a loan online.

If *require co-applicant if marital status is married* is checked on the Update Credit Union Online Banking Settings screen (shown below) and the applicant indicates that they are married, the fields for entering information about their spouse will be required to complete an online loan application.

Online/Mobile/Text Banking VMS Config (Tool #569), then "Online/Mobile Web Banking"

Check this and the online loan application will require the entry of details on the member's spouse.

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

Update Credit Union Online Banking Settings

Corp ID 01

Allow new membership application online Member Instructions
 Apply membership application fee
Dividend application to be used SH

Activate savings rate board Member Instructions
 Activate certificate rate board Member Instructions
 Activate loan rate board Member Instructions
 Require co-applicant if marital status is Married

Allow maint of personal info by member (online) Direct update (no approval) Reviewed update (approval required) No

Allow member to enter account nicknames
of days a new member has to log in to online banking 7 (1-7)
 Allow member to change Reg E Opt In/Out choice Member Instructions

Update

FR (4238) 6/30/15

- Be sure to use the *Update* button on this screen to save your changes.

ADDITIONAL INFORMATION

WHAT TO DO IF A LOAN REQUEST NEEDS TO BE DENIED

You deny a loan request using the Associated Application feature the same way you would deny any loan request. The only difference is that you will move through the denial screens for both the primary and secondary applications. You will need to deny both applications.

You may need to fill out denial forms for up to four people. For example with the scenario used in this booklet of Mary and Jane's families, you would fill out denial forms for Mary, Mary's spouse, Jane, and Jane's spouse.

LOAN REQUEST QUEUE

When looking at loan requests on the Lending Functions (MNLOAN) screen, any loan request using the Associated Application feature will be listed as one request. There will not be, for example, two pending loan requests shown.

LOAN APPLICATION STATISTICS

Associated applications will be represented as a single application for the purposes of loan-application statistics such as denial-to-application ratios. For example, on the Activity Tracking screen, this loan will be counted as one application.

EFFECT ON FORMS

Associated Applications has no effect on loan forms.

USING REPORT BUILDER (QUERY)

Two fields are included in the member and non-member loan request files (LNAP and NLNAP). A "Y" in PRIMRQ indicates that this is the primary loan request (Mary's). (A "Y" also is used for an application when the associated application feature is not used.) An 'N' in this field indicates that this is a secondary loan request (Jane's) and is part of an associated application. The AAPP# field documents the loan request number (which is the same as the application number) for the Associated Application secondary application.