Debit Card Round Up

**INTRODUCTION**

Debit Card Round Up, CU*BASE takes on the Saving the Change programs offered by other financial institutions, where your credit union can assist members by automatically “rounding up” each debit card purchase (attached to a configured checking account) and depositing the funds into a designated savings or checking account. This product is available for credit unions using either online or batch ATM/Debit processing. Transfers are made during end of day processing.

When a debit card purchase is made, the transaction is rounded up to the nearest dollar, and the increased amount is then transferred to the savings or checking account selected by the member. This transfer account is selected when the member opens a checking account configured for the debit card round up program, or via Member Personal Banker. *These “round up” funds that are deposited come from the member’s checking account to which the debit card is attached, so this service can be provided to members at no cost to the credit union.*

The round up program can be used with checking accounts only (application type SD), and is configured as part of the Dividend Application (DIVAPL) code. In this manner, the credit union can define which checking products are eligible. This program is at the *account* level, not the debit card level. If a member has multiple debit cards, all card activity will be treated the same on that specific account. Members are configured to start or stop the round up via Member Personal Banker.

The most important element of the Debit Card Round Up feature is one that might not be obvious at first glance. The round up process is *not* posted immediately, on a per-transaction basis. Instead, a daily process will calculate the round up amount for all debit card transactions posted that day and post a single transfer from the checking account to the savings account.
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PRODUCT FEATURES

OVERVIEW OF PROGRAM CONFIGURATION

Your credit union can assist members by automatically “rounding up” each debit card purchase (attached to a configured checking account) and depositing the funds into a designated savings or checking account. This product is available for credit unions using either online or batch ATM/Debit processing. Transfers are made during end of day processing.

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The debit card roundup program can be used by credit unions using online and batch ATM/Debit card processing.

HOW DO TRANSFERS WORK?

The most important element of the Debit Card Round Up feature is one that might not be obvious at first glance. The round up process is not posted immediately, on a per-transaction basis. Instead, a daily process will calculate the round up amount for all debit card transactions posted that day and post a single transfer from the checking account to the savings account. These transfers are made during end of day processing.

To put it another way, if you go to Macy’s and spend $94.73, the transaction that posts to your account will be exactly $94.73, not $95.00. At the end of the day, that extra 27¢ (along with any other amounts calculated on other purchases throughout the day) will be transferred from your checking to your savings account.

The primary reason for this, of course, is that we do not want to do anything that would potentially interfere with the normal handling of the transaction between the member and the merchant. If you buy something from Macy’s for $94.73, all of the parties involved (Macy’s, the debit card vendor, the
member, the credit union, and CU*BASE) need to use that $94.73 figure, especially if the transaction ends up needing to be reversed.

Of course, a member might choose to write down $95 in their checkbook to make the math easier, but ultimately, they still need to be able to see that the debit card transaction on their statement matches the receipt for the stuff they bought.

**More Information on Transfers**

Members can select which savings or checking account receives the round-up funds by choosing another one of their accounts (IRA and HSA accounts are not eligible) or even another member’s account. The credit union can, however control which *types* of accounts members can choose from, and can even specify a single, specially designed dividend application.

- One caveat with this is that if you transfer funds to a checking account, it must be of a different Dividend Application than the checking account accruing the round-up funds.

The funds transferred to this account come from “rounding up” debit card purchases, so the member is actually funding this program, not the credit union.

One transfer of all calculated funds will be made each day, and transfers are rounded to the nearest whole dollar. (A $1.75 charge will result in a 25 cent transfer). Since the round-up transfer is not tied to the individual transaction(s) in any way, if a transaction is reversed, this will have no effect on the transfer, even if the reversal was done the same day as the transaction.

Funds are transferred only if they are available (i.e. the account is frozen or the funds are secured). If the designated transfer account is closed or frozen against deposits, the transfer will be skipped and a notation will appear on the Transaction Exception report. Round up transfers will not cause the account to post to a negative balance nor post below available funds. Partial transfers may be allowed (according to the credit union configuration, but they are noted on the Transaction Exception report as well.

There will be no catch-up transfers – if the transfer can’t happen on Monday, then Monday’s transactions never get rounded up. (This too will appear on the Transaction Exception report.) But if come Tuesday there’s money, then Tuesday’s transactions will be rounded up.

**Included Transactions**

Only debit card transactions will be included in the round-up calculations. Configuration will allow the credit union to decide whether to include signature-based transactions, PIN-based POS transactions, or both. Returns and reversals will not be included in the program.

**Controls for the Transfer Account**

Members won’t automatically be prevented from spending the money that’s in the transfer account, nor will that account necessarily be blocked from being used as overdraft protection on the checking account. But if a credit
union wants to market this as more of a “forced” savings plan, the configuration allows them to specify only a certain DIVAPL(s) that can receive the funds, then use existing CU*BASE controls on that savings account:

- Set up a default Secured Shares record to freeze a certain portion of the account so the member has to keep at least a minimum in the account, or
- Set up a Club Account DIVAPL that works like a Christmas Club and simply freeze that account from withdrawals until a designated expiration date.
- NOTE: CU*BASE dividend configuration allows a credit union to require a minimum balance to earn dividends in the account that receives the transfers.

**Offer Debit Card Round Up Accounts Through Online Banking**

Your credit union can configure your checking accounts to be an optional add-on debit card round up account and add it for sale in your rate board. Additionally, if your member wants to use the debit card round-up features, you can configure your program so that members can enroll online. In this case, you will want to contact your credit union (via phone or in branch) to set up the debit card.

In this case, you will want to compose your Sales Information so that it is marketing materials for the member to see when they enroll.

**What Appears on Members’ Statements for a Round Up Contribution to Another Membership?**

If a member pays a round up amount to an account that is not their own, they will not see that account on their statements.

- While this is not the reason for the design, what it does allow is for credit unions to use a credit union account for charitable giving. If the member were to contribute their round up funds to a charity fund created by your credit union, your member will not see your credit union account on their statement. [Learn more here.](#)
**Configuration**

The activation of the Debit Card Round Up and its configuration are accessed in the Share Dividend Configuration.

Learn how to activate your debit card round up step by step in the Shown Me the Steps Online help.

https://help.cubase.org/steps/Content/Activate_Debit_Card_Round_Up.html

Following are some screens used in the process:

*Savings/Checking Products Configuration (Tool #777)*

On this screen check the *Offer debit card round up program* box. The use *Debit Card Round Up (F21)* to access the configuration for the selected Dividend.
**“Round Up Config” (F21)**

**Configure Debit Card Round Up**

- **Dividend application**: SD SHARE DRAFT
- **Round up to nearest 1.00**
- **Transactions to be included in the round up calculations:**
  - Debit card signature-based purchases
  - Debit card PIN-based POS transactions

**Accounts eligible to receive transfers**

**Transactions description for round-up transfers**

- **Post partial transfers**
- **Allow Debit Card Round Up to be activated in online banking**

### Field Name | Description
---|---
Round up to nearest 1.00 | Defaults to $1.00 and cannot be changed. A transaction amount will be rounded up to the nearest whole dollar and the additional amount will be transferred to the transfer account configured according to the account. For example, if the transaction was $1.75, twenty-five cents would be transferred to the account.

Transactions to be included in the round-up calculations:

- Debit card signature-based purchases | Includes Debit Card purchases that are PIN based (origin 13). This defaults to being checked. This will not include returns or reversal. (The round up will not be removed later if the item is returned.) If this is unchecked the next checkbox must be checked.

- Debit card PIN-based POS transactions | Include Debit Card purchases that are signature based (origin 16). This will not include returns or reversal. (The round up will not be removed later if the item is returned.) This defaults to being checked. If this is unchecked the previous checkbox must be checked.

Accounts eligible to receive transfers | Use the Select button to view all products with application type SH or SD (excluding IRA and HSA accounts). Select the accounts eligible to receive transfers by clicking the account and holding down the Ctrl key or use F9-Select All to select all accounts. Use Select to return to the configuration screen.

- This allows the credit union to specify a single special savings product that can be set up for secured shares, special rates, etc., if desired, or to select all accounts.
<table>
<thead>
<tr>
<th>Field Name</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Transaction description for round up transfers</td>
<td>Enter the transaction description for the transfer that will appear on the member’s statement and in the account history in Online Banking.</td>
</tr>
<tr>
<td>Post partial transfers</td>
<td>Select whether to allow partial transfers. Defaults as checked.</td>
</tr>
<tr>
<td>Allow Debit Card Round Up to be activated in Online Banking</td>
<td>Check this box if you wish for your members to enroll in Debit Card Round Up online. This feature is accessed via the contextual menu in online banking. To learn more refer to the section on what the member sees.</td>
</tr>
</tbody>
</table>

**Selection of Accounts Eligible for Transfers**

```
<table>
<thead>
<tr>
<th>Code</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>BC</td>
<td>BUSINESS CLUB</td>
</tr>
<tr>
<td>BS</td>
<td>BUSINESS/SAVINGS</td>
</tr>
<tr>
<td>BU</td>
<td>BUSINESS CHECKING</td>
</tr>
<tr>
<td>CD</td>
<td>CHECKING</td>
</tr>
<tr>
<td>CS</td>
<td>CHECKING</td>
</tr>
<tr>
<td>DC</td>
<td>CHECKING</td>
</tr>
<tr>
<td>ES</td>
<td>EDUCATION SAVINGS</td>
</tr>
<tr>
<td>ET</td>
<td>ETA</td>
</tr>
<tr>
<td>FF</td>
<td>SAVINGS</td>
</tr>
<tr>
<td>GT</td>
<td>GROWTH SAVINGS I</td>
</tr>
<tr>
<td>GS</td>
<td>GROWTH SAVINGS II</td>
</tr>
<tr>
<td>GG</td>
<td>GROWTH SAVINGS IV</td>
</tr>
<tr>
<td>HS</td>
<td>HIGH CHECKING</td>
</tr>
<tr>
<td>SS</td>
<td>SAVINGS</td>
</tr>
<tr>
<td>HP</td>
<td>PLUS SAVINGS</td>
</tr>
<tr>
<td>ST</td>
<td>STUDENT SAVINGS</td>
</tr>
</tbody>
</table>

Hold the Ctrl key and click to select as many items as desired, then click Select to proceed.
```
In the Sales Information area, enter the text you wish for your members to see when they enroll online.

"Sales Information" (F11)
OPENING AN ACCOUNT

When credit union employees open an account with a debit card attached that applies to the Debit Card Round Up program at the credit union, they will need to check the box to activate the program for the account and enter the account that will receive the transferred funds. These fields are conditional and will only appear on eligible accounts.

Directions for this process are found in Show Me the Steps online help at:

https://help.cubase.org/steps/Content/Enroll_New_Member_in_Debit_Card_Round_Up.htm

Opening a New Account

Check Activate debit card round up and enter the transfer account. You can also activate and enter a transfer account via Member Personal Banker.
Once the member has opened an account with a debit card, credit union employees can use Member Personal Banker to activate the account for the Debit Card Round Up program (if the member opened the account online for example. Credit union employees can also change or enter the account to receive the transferred funds.

Directions for this process are found in Show Me the Steps at:

https://help.cubase.org/steps/Content/Enroll_Existing_Member_in_Debit_Card_Round_Up.htm

Following are some screens used in the process:

*Member Personal Banker (Tool #14)*
Select “Debit Card Round Up (enroll or change transfer account)"
MEMBER ENROLLS ONLINE

Alternatively, you can activate online enrollment in your configuration.

PROVIDING ACCESS TO THE MEMBER TO THE FEATURE

After setting up your configuration for online enrollment, you must grant the member access to enroll online. This is done via the contextual menus in It’s Me 247.

You configure contextual menu access to both products using ItsMe247 Manager using the default “Debit Card Roundup”. This grants the member access via the contextual menu, as shown in the following example. (You can also customize the wording the member sees.

- For more information, contact the Internet Retailer Support Center at irsc@cuanswers.com.
- To purchase ItsMe247 Manager, go to the CU*Answers store at https://store.cuanswers.com/store/irsc/cupublisher-self-service/

Contextual Menu Access to Debit Card Roundup

Mega Menu and Widgets

You can also grant access to Debit Card Round Up via the Mega Menu or widgets.
**MEMBER ENROLLS ONLINE**

Once the member selects *Debit Card Roundup* from the contextual menu, they enter the enrollment screens.

First, they select a general selection screen with default text, which is below. Then they enter the actual enrollment screens and see your marketing message you entered when you configured the program.
Debit Card Round Up

With Debit Card Round Up, use your debit card for everyday purchases and work towards your savings goals at the same time! After enrolling a checking account for Debit Card Round Up, every time you use your debit card, we'll round up the transaction to the next even dollar amount. At the end of each day we'll add up the rounded-up amounts and make a single transfer for that total from your checking account to another savings or checking account of your choice!

From here they select to enroll and the account where the round up funds will be deposited.
Finally, they see confirmation that they are enrolled.

At this point the member is enrolled. Your credit union does not need to take further action.
Posting and Exception reports are archived daily in the Member Service category of CU*SPY. The posting report show all transfers made, while the exception report shows any cases where the funds weren't transferred along with a reason description (funds not available, account frozen, etc.).

**Round Up Transaction Register (TRUPST)**

<table>
<thead>
<tr>
<th>ACCOUNT #</th>
<th>DIVAPL</th>
<th>DEPOSIT</th>
<th>WITHDRAW</th>
<th>BALANCE</th>
<th>BALANCE</th>
<th>DESCRIPTION</th>
</tr>
</thead>
<tbody>
<tr>
<td>12742-110</td>
<td>CK</td>
<td>1.00</td>
<td>467.59</td>
<td>466.59</td>
<td></td>
<td></td>
</tr>
<tr>
<td>12742-030</td>
<td>EC</td>
<td></td>
<td>1.00</td>
<td>.85</td>
<td>1.05</td>
<td></td>
</tr>
</tbody>
</table>

**TOTAL NUMBER OF TRANSFERS --** 1

**TOTAL AMOUNT OF TRANSFERS --** 1.00

**Round Up Transfer Exception Register (TRUPST2)**

<table>
<thead>
<tr>
<th>ACCOUNT #</th>
<th>TRANSFER</th>
<th>CURRENT</th>
<th>AMOUNT NOT ATTEMPTED</th>
<th>BALANCE</th>
<th>TRANSFERED</th>
<th>ERROR REASON</th>
</tr>
</thead>
<tbody>
<tr>
<td>40926-002</td>
<td>.40</td>
<td>8.85</td>
<td>.40</td>
<td>.50</td>
<td>.51</td>
<td>SAVINGS ACCOUNT FROZEN</td>
</tr>
<tr>
<td>43059-070</td>
<td>.99</td>
<td>.51</td>
<td>.48</td>
<td>.48</td>
<td></td>
<td>PARTIAL NOT TRANSFERED</td>
</tr>
</tbody>
</table>

**TOTAL NUMBER OF EXCEPTIONS --** 1

- **NOTE:** If partial transfer is posted, the amount that was not transferred appears on the Exception Register report.