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# Debit Card Round Up

## INTRODUCTION

*“Although we’ve only had about 100 members sign up for our Round Up Debit program so far, their feedback has been very positive. We look at this as a service to help our members save, and are hoping over the long term we’ll see increased balances in our core deposits.”*

*Stacy Trisler, Vice President of Marketing, Community Credit Union*

Introducing Debit Card Round Up, CU\*BASE take 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

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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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day and post a single transfer from the checking account to the savings account.

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SERVICES “JUST TURN IT ON” FOR  
YOU



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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.

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. *The “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.

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.

## NOTE ON OFFERING DEBIT CARD ROUND UP ACCOUNTS THROUGH ONLINE BANKING

The system allows credit unions to offer Debit Card Round Up accounts through Online Banking, but it does not have the mechanism in place for the member to select the transfer account for the transferred funds or activate the account for the debit card round up program. If your credit union chooses to offer this product online, use the Sales Information text to encourage the member to come into the credit union (or whatever procedure your credit union selects) complete the setup of the account. The credit union employee will use Member Personal Banker to update the account.

# CONFIGURATION

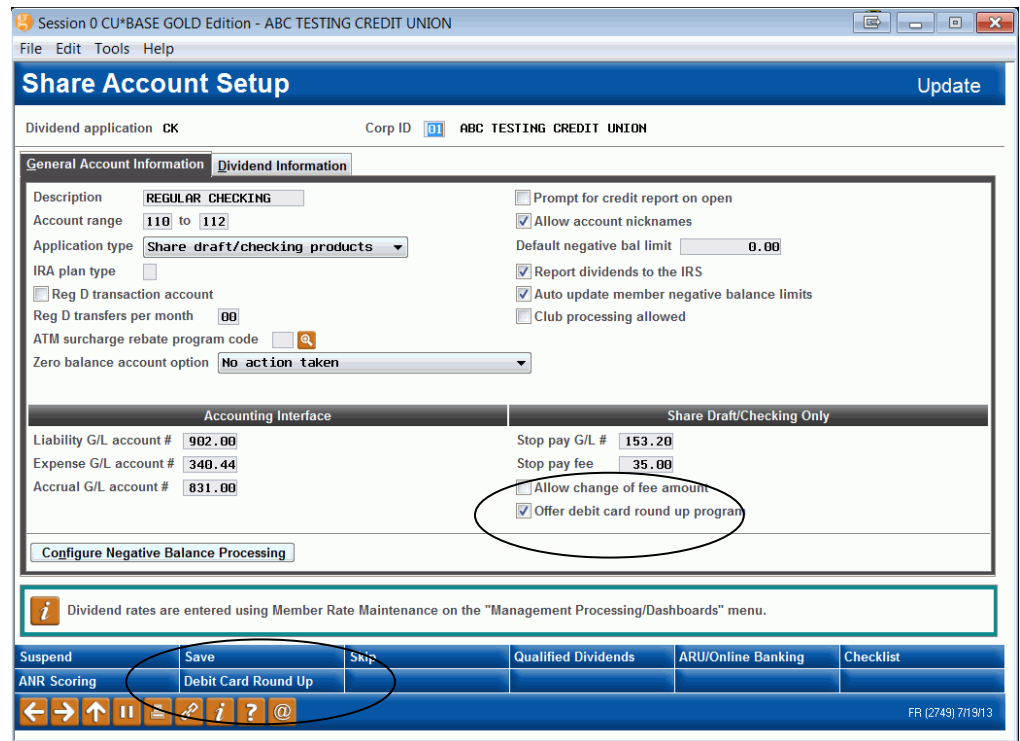
The activation of the Debit Card Round Up and its configuration are accessed in the Share Dividend Configuration.

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

[http://help.cubase.org/steps/steps.htm#Activate\\_Debit\\_Card\\_Round\\_Up.htm](http://help.cubase.org/steps/steps.htm#Activate_Debit_Card_Round_Up.htm)

**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)

Session 0 CU\*BASE GOLD Edition - ABC TESTING CREDIT UNION

File Edit Tools Help

### Configure Debit Card Round Up

Dividend application **CK** REGULAR CHECKING

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 **Select** **09** selected

Transaction description for round-up transfers **DEBIT ROUND UP**

Post partial transfers

Sales Info

Continue

FR (3784) 7/19/13

Text entered on the Sales Information screen currently can only be viewed by credit union staff. With future enhancements, this text will also be viewed in **It's Me 247** to assist members when they open accounts online.

| 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.<br>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. <ul style="list-style-type: none"> <li>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.</li> </ul> |



| Field Name                                     | Description   |
|--|---|
| Transaction description for round up transfers | Enter the transaction description for the transfer that will appear on the member's statement and in the account history in Online Banking. |
| Post partial transfers                         | Select whether to allow partial transfers. Defaults as checked.   |

### Selection of Accounts Eligible for Transfers

Session 0 CU\*BASE GOLD Edition - Dividend Application Selection

| Code | Description          | Code | Description         |
|------|----------------------|------|---------------------|
| BC   | BUSINESS CLUB        | MC   | MC CLASSIC          |
| BS   | BUSINESS/ORG SAVINGS | MG   | MC GOLD             |
| BU   | BUSINESS CHECKING    | MK   | MEGA MONEY MARKET   |
| CC   | CHRISTMAS CLUB       | MM   | MONEY MARKET        |
| CK   | REGULAR CHECKING     | OC   | ORG. CHECKING       |
| EC   | ESCROW               | PC   | PREMIER CHECKING    |
| ES   | EDUCATION SAVINGS    | PD   | PAYDAY SAVINGS      |
| ET   | ETA                  | PR   | PREMIER II CHECKING |
| FE   | SAFE N EASY CHECKING | PS   | PLUS SAVINGS - TC   |
| GS   | GROWTH SAVINGS I     | PV   | PRIME VISA GOLD     |
| GT   | GROWTH SAVINGS II    | SC   | SAVINGS CLUB        |
| GU   | GROWTH SAVINGS III   | SD   | SHARE DRAFT - TC    |
| GV   | GROWTH SAVINGS IV    | SH   | REGULAR SAVINGS     |
| HC   | HOMETOWN CHECKING    | SL   | SELECT CHECKING     |
| HS   | HSB CHECKING         | SP   | PLUS SAVINGS        |
| IP   | INT PLUS CHECKING    | SS   | SYSTEMATIC SAVINGS  |
| LS   | LIFE SAVINGS         | ST   | STUDENT CHECKING    |

Select All Unselect All

Hold the Ctrl key and click to select as many items as desired, then click Select to proceed.

FR (3790)

### "Sales Information" (F11)

Session 0 CU\*BASE GOLD Edition - ABC TESTING CREDIT UNION

File Edit Tools Help

## Member Sales Information CHANGE

Enter online banking sales information for the following specific product.

Product Type: CK Debit Card Roundup

ABC's Debit Round Up program is a great way for members to save while they shop

Open new window for link

Comments:

For those who choose the Debit Round Up option, every time you use your Debit card and say Credit, the transaction will be rounded up to the next even dollar amount at the end of the day and those proceeds will be deposited in to a savings account of your choosing.

When you add or remove characters, it might cause fragmented lines of text. Place the cursor at the end of the shortened line and press the Delete key to remove the line break and clean up the paragraphs as needed.

Save Changes

MESSAGE TIP: If you insert text or copy and paste text that exceeds the space provided, a pop-up window will appear. Select Yes to retain text you have written or pasted, but be careful, this may delete following text. Select No to cancel a paste. WARNING: Never check the "Remember my decision" checkbox on this pop-up window.

Talking Points Copy Text

FR (2633) 7/19/13

- NOTE:** The example above contains member facing text since it will be used with future enhancements planned for **It's Me 247** online banking. (In this future iteration, you will use this screen to post helpful text to members opening an account online.) Currently, this

screen can only be viewed by credit union staff using CU\*BASE and can be used to include helpful sales tips for staff talking to members.

# 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:**

[http://help.cubase.org/steps/steps.htm#Activate Debit Card Round Up.htm](http://help.cubase.org/steps/steps.htm#Activate%20Debit%20Card%20Round%20Up.htm)

## Opening a New Account

Session 0 CU\*BASE GOLD Edition - ABC TESTING CREDIT UNION

File Edit Tools Help

### New Account Creation

Individual

Name **MARY MEMBER**

New account # **110** **REGULAR CHECKING** Share draft check digit **1**

Opened **Jul 19, 2013** Corp ID **01**

Joint Owner/Beneficiary  
 Print starter checks  
 Order checks

**Dividend Payment**  
Dividend pay code **Addback**

**Automated Non>Returns**  
Maximum negative balance  (Only if eligible)  
 Lock this limit so it will not be changed by automated scoring

**Round Up**  
 Activate debit card round up  
Round up debit card to nearest **\$1.00** and post an end of business transfer to the following savings account

**Overdraft Service for ATM & Everyday Debit Card Transactions**  
Opt in/out:  IN = Member wants the CU to authorize & pay overdrafts on ATM & everyday debit card transactions  
 OUT = Member does NOT want the CU to authorize & pay overdrafts on ATM & everyday debit card transactions  
Verified **Jul 19, 2013** By ;v

Create Skip Round Up Info Work Checklist Procedures Dividend Pay To

Unlock Fields

FR (2417) 7/19/13

These fields are conditional and will only show on accounts that are configured for debit card round up.

Check *Activate debit card round up* and enter the transfer account. You can also activate and enter a transfer account via Member Personal Banker.

# MEMBER PERSONAL BANKER OPTIONS

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:**

[http://help.cubase.org/steps/steps.htm#Enroll\\_Member\\_in\\_Debit\\_Card\\_Round\\_Up.htm](http://help.cubase.org/steps/steps.htm#Enroll_Member_in_Debit_Card_Round_Up.htm)

**Following are some screens used in the process:**

*Member Personal Banker (Tool #14)*

Session 0 CU\*BASE GOLD Edition - ABC TESTING CREDIT UNION

File Edit Tools Help

### Member Personal Banker

Account # [REDACTED] Date opened Nov 23, 1982

Name MARY MEMBER

Agreement accepted Jun 25, 2013

E-Statements 000000  PIB

Bill payment 000000  eAlerts/eNotices

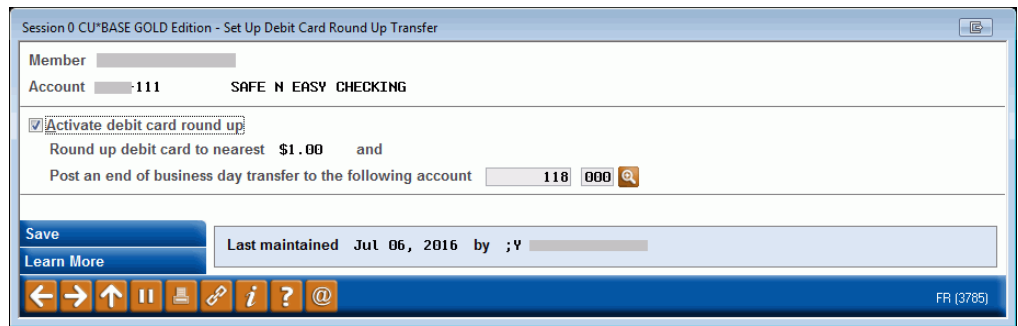
- E-statements (enroll or change enrollment status)
- Choose style for printed statements
- Bill Payment (enroll or change enrollment status)
- Bill Payment PIN reset
- Online banking/ARU (activate, change PIN/password; view password history)
- Online banking/ARU Transfer Control (update or add transfer accounts)
- See/Jump relationships (allow other members to access your account online)
- Personal Internet Branch (enroll or change PIB settings)
- PIB password reset (change PIB password or view PIB username)
- eAlerts/eNotices (subscribe or change settings; view eAlert history)
- A2A account relationships (add, modify, or remove relationships)
- Email address maintenance
- Reset online banking security questions
- Mobile banking (view member access and mobile devices)
- Debit card round up (enroll or change transfer account)
- Reg E opt in/out preference
- Promise deposits (subscribe or change status)

Skip

Navigation icons: back, forward, home, stop, print, refresh, help, search, @

FR (2640) 7/19/13

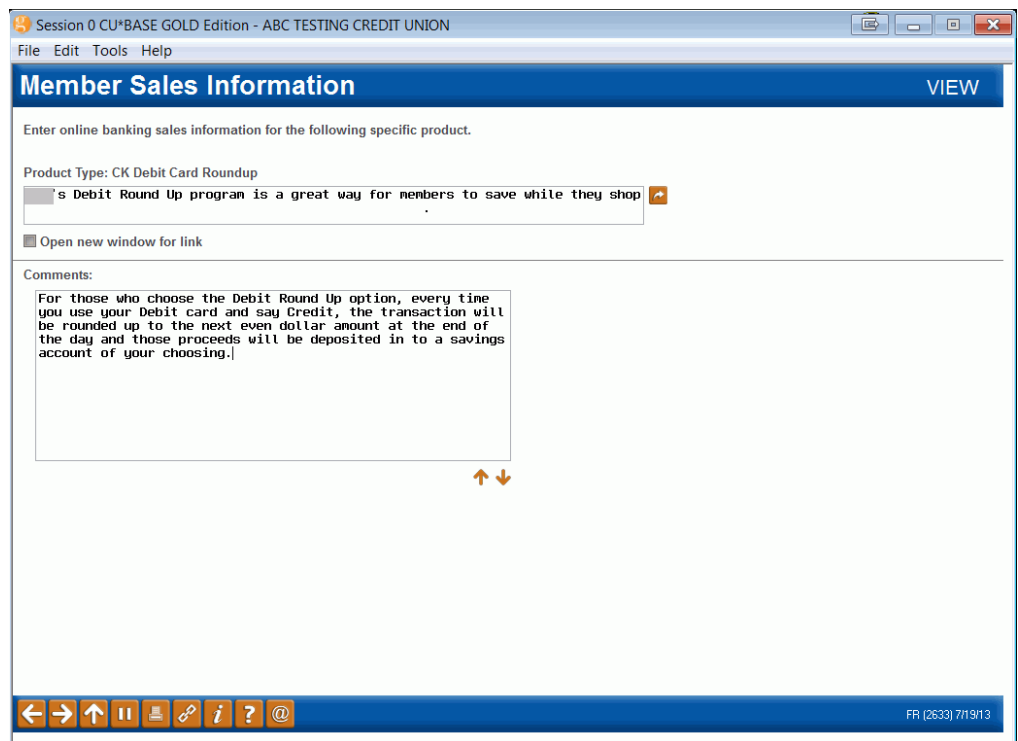
Select "Debit Card Round Up (enroll or change transfer account)"



On this screen you can activate debit card round up and enter a transfer account. Use Enter to save any changes.

Use *Learn More* (F11) from this screen to view the Sales Information created for the dividend application.

"Learn More" (F11) (view-only of Sales Information)



# REPORTS

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)

| 3/14/10 14:06:49                |        | TEST CREDIT UNION                      |          |                  |                 | TRUPST      | PAGE |
|---------------------------------|--------|--|----------|------------------|-----------------|-------------|------|
| RUN ON 4/26/10                  |        | ROUND UP TRANSFER TRANSACTION REGISTER |          |                  |                 |             |      |
| ACCOUNT #                       | DIVAPL | DEPOSIT                                | WITHDRAW | PREVIOUS BALANCE | CURRENT BALANCE | DESCRIPTION |      |
| 12742-110                       | CK     |  | 1.00     | 467.59           | 466.59          |             |      |
| 12742-030                       | EC     | 1.00                                   |          | .05              | 1.05            |             |      |
| ** TOTAL NUMBER OF TRANSFERS -- |        |  | 1        |                  |                 |             |      |
| ** TOTAL AMOUNT OF TRANSFERS -- |        |  | 1.00     |                  |                 |             |      |

## Round Up Transfer Exception Register (TRUPST2)

| 3/14/10 15:59:00              |                    | TEST CREDIT UNION                    |                        |                        | TRUPST2 | PAGE |
|-------------------------------|--------------------|--------------------------------------|------------------------|------------------------|---------|------|
| RUN ON 4/26/10                |                    | ROUND UP TRANSFER EXCEPTION REGISTER |                        |                        |         |      |
| ACCOUNT #                     | TRANSFER ATTEMPTED | CURRENT BALANCE                      | AMOUNT NOT TRANSFERRED | ERROR REASON           |         |      |
| 400926-002                    | .40                | 8.85                                 | .40                    | SAVINGS ACCOUNT FROZEN |         |      |
| 43059-070                     | .99                | .51                                  | .48                    | PARTIAL NOT TRANSFERED |         |      |
| TOTAL NUMBER OF EXCEPTIONS -- |                    | 1                                    |                        |                        |         |      |

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