



# Lending

This workbook completed by: \_\_\_\_\_

Date: \_\_\_\_\_

## [EXERCISES FOR SUCCESS]

Practice exercises for use with the BEDROCK Credit Union

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# What is *Exercises for Success*?

Exercises for Success is a workbook series designed to provide practice exercises for credit union employees using CU\*BASE BEDROCK Credit Union. Each workbook is broken down into four sections.

First is an introduction to online resources that will assist learners in successfully completing the exercises in the workbook.

Next, the workbook includes helpful instructions which guide learners in selecting appropriate accounts for use while practicing the activities covered in the booklet.

The exercises are the main section of the workbook. Each exercise focuses on a specific activity in CU\*BASE. Each exercise has both scenarios to follow to master the material, as well as a following “Test What You’ve Just Learned” section including questions for review.

*Exercises for Success* culminates with a final *Check Your Knowledge* section. Learners can use this workbook to take stock of what they have learned and to note which areas need further review.

We wish you success with these exercises!

## **IMPORTANT NOTE ON THE USE OF PERSONAL INFORMATION IN BEDROCK CREDIT UNION**

BEDROCK Credit Union allows many credit union employees to practice using CU\*BASE. For security reasons, we recommend you **do not enter any personal information into this database**, including, but not restricted to, your own social security number, email address, physical address, or your first or last name. Any personal information entered into the BEDROCK database can be viewed by anyone using the practice credit union.

# Introduction: Online Resources

Want help with the following exercises? Check out your online resources for assistance! Included in this section is an introduction to three available online resources: the online courses and two online help systems. All three resources can be used to successfully complete the activities in this workbook.

## Online Courses

### REQUIRED ONLINE COURSES FOR THE MEMBER SERVICE EXERCISES FOR SUCCESS:

Two courses in the CU\*BASE Lending category are required for the *Lending Exercises for Success – Level 1*. Be sure to complete the highlighted courses before continuing on to work with the exercises in this workbook.

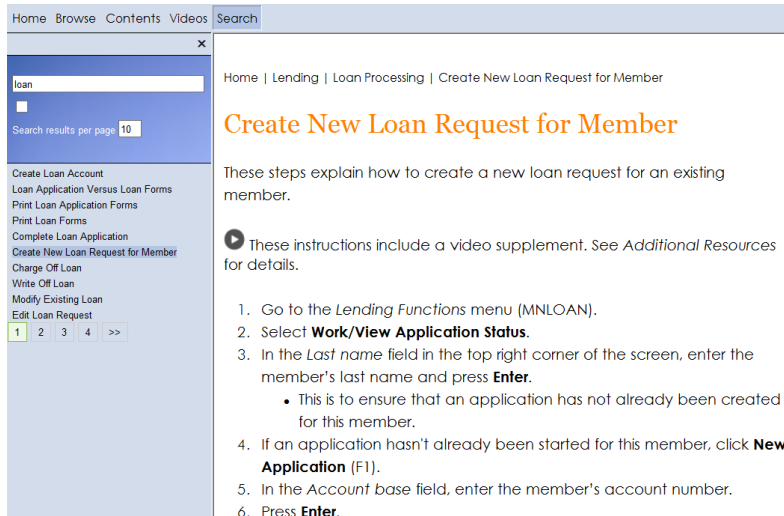
The required online courses include information on different Lending functions in CU\*BASE. Included in the courses are “Show Me” videos that demonstrate how to do the activity, along with “Let Me’s,” that allow you to try the activities on your own.

The screenshot shows the TLC PRO Personal Training Plan interface. The page title is "Personal Training Plan" and the URL is "https://www.cutrainingonline.com/?employeeid=2205&FirstName". The interface includes a navigation sidebar with icons for Home, Overview, Training Plan, Calendar, and All Courses. The main content area displays a list of "All Available Courses" under the heading "All Courses". The list includes the following courses:

All Available Courses
CAB 100 - CU*BASE General Ledger 1
CAB 200 - Daily Share Draft Processing
CAB 201 - Daily ACH Processing
CAB 202 - Daily Payroll Processing
CCS 100 - Collections Basics
CCS 101 - Advanced Daily Work
<b>CLS 100 - Lending Basics</b>
<b>CLS 101 - Lending 2: Creating and Disbursing Loans for Members and Non-Members</b>
CMS 100 Report Builder - Canned Query
CMS 101 Report Builder - Basic Custom Query
CNV 100 - Preparing for Your Conversion to CU*BASE
CNV 101 - Leading Change: Conversion Preparation for CU Management


## Show Me the Steps Online Help

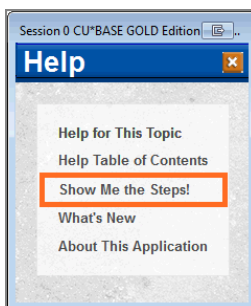
Take a moment to check out this online resource before trying the exercises. Directions for accessing the help are below.



Check out Show Me the Steps online help. This help system includes step-by-step directions and videos on many lending tasks and will help you step by step with the activities in many of these exercises. Use the Search to find the directions you are looking for.

### HOW TO FIND THE SHOW ME THE STEPS! ONLINE HELP:

1. You can access this system by clicking  on the bottom of any menu screen in CU\*BASE.
2. Then click the **Show Me the Steps!** link.

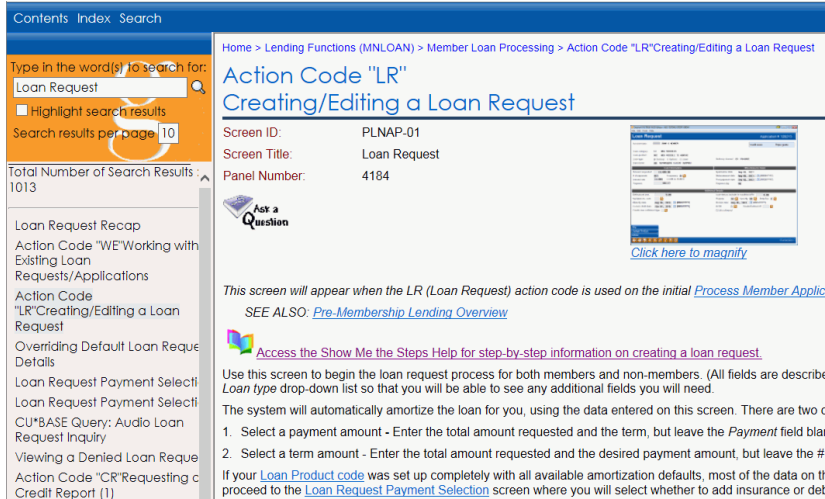


For a more direct route to the Show Me the Steps online help, visit:

### CU\*BASE Online Help

<http://help.cubase.org/steps/steps.htm#Welcome.htm>

Take a moment to check out this online resource before trying the exercises. Directions for accessing the help are below.





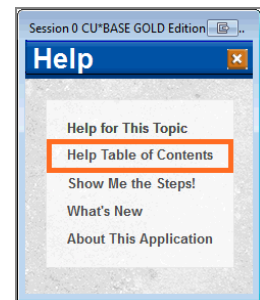
CU\*BASE online help includes more detailed information about the screens you will use in CU\*BASE. Don't know something about CU\*BASE? Check this help out for the answer!

Use the Table of Contents, Index, and Search features to find the information you need. This help system also includes links to videos, examples of reports and pictures of each screen.

To view a close-up of each CU\*BASE screen, click the [Click here to magnify](#) under the small graphic at the top of the topic. (View image above.) A larger picture of the screen will appear.

### HOW TO FIND CU\*BASE ONLINE HELP:

1. Click  in the bottom corner of each screen in CU\*BASE.
2. You can also access this system by clicking  on the bottom of the screen and the **Help Table of Contents** link.



For a more direct link to the help use <http://help.cubase.org/cubase/cubase.htm>.

# Getting Started

You will use the BEDROCK Credit Union to practice your exercises. (Please see your manager or education coordinator for your credentials to sign on to BEDROCK.)

## What Do I Need for this Course?

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In order to complete this course, you will first need to create four practice memberships and fund their sub accounts. You will need to create:

- Four new memberships in the BEDROCK credit union
- A base share (000) account for each membership

## Use “Step by Step Help” Help to Get Started!

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Directions on creating memberships and adding sub accounts – all this is available in Show Me the Steps online help!

In a web browser navigate to Show Me the Steps online help using the directions on Page 6.

Use the Index and the following keywords to find directions on opening memberships and savings accounts:

- Open Membership
- Open Additional Savings or Checking Account

**IMPORTANT:** For security reasons, do not enter your own email address or any other personal information in the BEDROCK database.

## My Accounts

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List your practice membership accounts below:

<b>Account #1:</b>	
<b>Member Name:</b>	
<b>Account #2:</b>	
<b>Member Name:</b>	
<b>Account #3:</b>	
<b>Member Name:</b>	
<b>Account #4:</b>	
<b>Member Name:</b>	



# Lending Exercises

Now it's time for the Member Service exercises! Following are six exercises with practice questions. After the exercises, you will "Flex Your Muscles" and review what you have learned.

1

## Activity 1: Creating a Loan Request



### THE GOAL: CREATING SEVERAL LOAN REQUESTS

Let's create loan requests for our four members. Each loan request scenario will be slightly different to give you lots of practice.

Activity:	Notes:
<p>1. Member #1 would like to get a line of credit at your credit union. This loan does not have any collateral.</p> <p>Here are the details:</p>	

Loan product: <b>Overdraft Line of Credit</b> Amount: <b>\$2,500.00</b> Collateral: <b>No collateral</b> Insurance: <b>No insurance</b>	
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<p>2. Member #2 has found a used car and wants to apply for a loan. The member would like to use the car as collateral for the loan.</p> <p>Here are the details: Loan Product: <b>Used Auto 60 Months</b> Amount: <b>\$25,000.00</b> Make and Model: <b>2016 Ford Focus</b> Car Value: <b>\$25,000.00</b> Collateral information: <b>You know the make and model and how much it is worth!</b> Use your imagination for the rest of the needed collateral information. Insurance: <b>No insurance</b></p>	
<p>3. Member #1 returns to your credit union. You do some cross selling and find that the member just got a loan with a higher interest rate on the family car at another financial institution. This member now wants to apply for a used car loan at your credit union. The member also wants to buy insurance on the loan (single coverage).</p> <p>Here are the details: Loan Product: <b>Used Auto 60 Months</b> Amount: <b>\$15,500.00</b> Make and Model: <b>2012 Chevy Malibu</b> Car Value: <b>\$16,000.00</b> Collateral: <b>You know the make and model and how much it is worth!</b> Use your imagination for the rest of the needed collateral information. Insurance: <b>Single Life</b></p>	

<p>4. Member #3 comes to your credit union and sees that you are offering a holiday special in your lending department. This member would like to apply for a signature loan to go on vacation to the Bahamas in January. This loan does not have any collateral.</p> <p>Here are the details: Loan product: <b>Signature Loan</b> Interest Rate: <b>6.000%</b> Amount: <b>\$5,000.00</b> Collateral: <b>No collateral</b> Insurance: <b>No insurance</b></p>	
<p>5. Member #4 wants to get a loan to cover part of the cost of a used truck.</p> <p>Here are the details: Loan Product: <b>Used Auto 60 Months</b> Amount: <b>\$4,000.00</b> Make and Model: <b>2013 Ford Ranger</b> Car Value: <b>\$10,000.00</b> Collateral: <b>You know the make and model and how much it is worth!</b> Use your imagination for the rest of the needed collateral information. Insurance: <b>Single Life</b></p>	

6. Member #4 also wants to apply for a signature loan.

Here are the details:

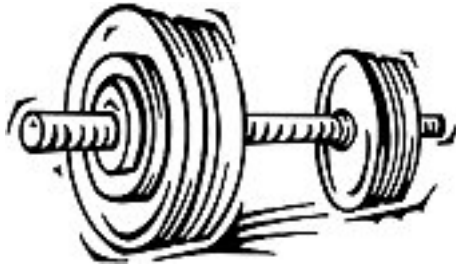
Loan product: **Signature Loan**

Amount: **\$10,000.00**

Interest Rate: **6.000%**

Collateral: **No collateral**

Insurance: **No insurance**



## Activity 1: Flex Your Muscles!

Congratulations! You have completed the exercises for Activity 1. This section is designed for you to review what you just learned to make sure you understand everything covered in this lesson. If you want, you can write some notes to refer to later.

Question:	Notes:
1. How did you create a loan request for a member? How did this change with each loan request?	
2. How do you add collateral to the loan request?	
3. How do you add insurance to a loan request?	

# 2

## Activity 2: Updating a Loan Request

In these exercises you will update the loan requests you made in Lesson 1. Each exercise will be slightly different to give you practice.

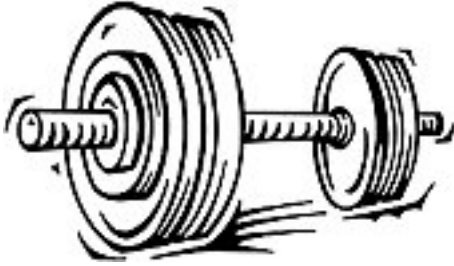
### THE GOAL: UPDATING A LOAN REQUEST

Activity:	Notes:
<p>1. Member #2 comes to your credit union with an updated VIN number for the car being used as collateral.</p> <p>Update the VIN on the collateral to X123456789.</p>	
<p>2. Your credit union runs a special promotional rate for VIP members on signature loans. Member #3 qualifies and returns to have the rate changed on his/her loan request for the trip.</p> <p>Update the loan request to decrease the rate by two percent.</p>	
<p>3. Member #1 decides s/he wants a loan on the truck for 48 months instead of 60 months.</p> <p>Edit the loan request to adjust the length of the term and to update the monthly payment accordingly.</p>	

4. Member #4 decides s/he does not want loan insurance on his car loan after all and returns to the credit union and asks you to remove it.

Edit the loan request to remove the insurance.





## Activity 2: Flex Your Muscles!

Congratulations! You have completed the exercises for Activity 2. This section is designed for you to review what you just learned to make sure you understand everything covered in this lesson. If you want, you can write some notes to refer to later.

Question:	Notes:
1. How do you update a loan request with a different number of payments?	
2. How do you update a loan request with a different rate?	
3. How do you update a loan request with a different term?	
4. How do you remove or add insurance to a loan request?	
5. How do you change the VIN of this second collateral item?	

# 3

## Activity 3: Booking a Loan and Disbursing Funds

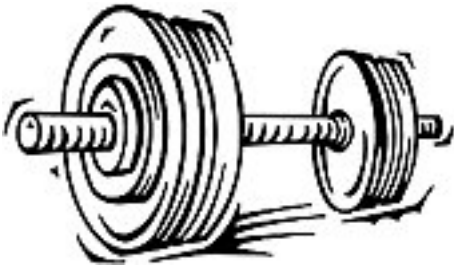
### THE GOAL: BOOKING LOANS AND DISBURSING FUNDS

For these exercises, you will create three of your member's loans. Then, you'll disburse the loan funds from the loan to the member. One member will receive the funds in the form of a check, and the other member will receive a transfer to his savings account.

**This chapter covers disbursing funds as a transfer, but you can also disburse funds as a check. Printing is not warranted in Bedrock.**

Activity:	Notes:
<p>1. Let's assume that the loan applications for all four loans are completed.</p> <p>Create the loans, <b>for the first three members only</b> using the following Approval ID and Collector ID:</p> <p>Approval ID = 96 Collector ID = 96</p> <p><b>Remember! Do not complete the loan requests for Member 4. We will deny these loans in the next section.</b></p>	
<p>2. Move to the "Booked" tab to view the loans you have just created. What option do you use from this screen to disburse the loan funds?</p> <p>Disburse the funds from Member 1's car loan as a transfer to the member.</p>	

<p>3. Move to the “Booked” tab to view the loans you have just created.</p> <p>This time, disburse the funds from Member 2’s car loan by transferring all the money from the new car loan to the member’s base (000) savings account.</p>	
<p>4. Move to the “Booked” tab to view the loans you have just created.</p> <p>This time, disburse \$350.00 to a GL (pick any code for training) and then transfer the rest of the loan funds to the member’s base share (main savings) account.</p>	



## Activity 3: Flex Your Muscles!

Congratulations! You have completed the exercises for Activity 3. This section is designed for you to review what you just learned to make sure you understand everything covered in this lesson. If you want, you can write some notes to refer to later.

Question:	Notes:
1. How do you create a loan?	
2. Where do you enter the Approval ID and Collector ID?	
3. How do you disburse all of the loan funds as transfer?	
4. How do you disburse a portion of the loan funds to the member as a GL transfer?	
5. How do you disburse the loan funds to another account, such as a savings account?	

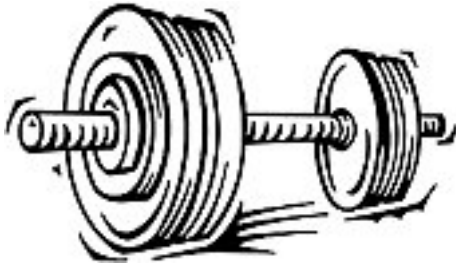
# 4

## Activity 4: Denying a Loan

### THE GOAL: DENYING A LOAN AND PRINTING THE NECESSARY ADVERSE ACTION NOTICES

For these exercises, you will deny the remaining loan request. Since you are in the practice BEDROCK credit union, you will practice using the screen for printing the associated notices, but will not print them.

Activity:	Notes:
<p>1. Return to the Pending tab to view the loan requests you made for Member 4.</p> <p>Deny the loan request. Pick whichever denial reasons you wish. While processing the denial, change the credit bureau to Equifax. While you cannot print from the practice library, review the steps for printing the denial notice.</p>	
<p>2. Return to the Denial tab. View the denied loan screens for the loans you just denied and practice the steps for reprinting a second denial notice.</p>	



## Activity 4: Flex Your Muscles!

Congratulations! You have completed the exercises for Activity 4. This section is designed for you to review what you just learned to make sure you understand everything covered in this lesson. If you want, you can write some notes to refer to later.

<b>Question:</b>	<b>Notes:</b>
1. How do you deny a loan request?	
2. How do you print the denial notice?	
3. How can you view the loan denial screens to review the denial once it is completed? How do you reprint the denial notice?	

# 5

## Activity 5: Pre-Member Lending

### THE GOAL: CREATING A LOAN REQUEST FOR A NON-MEMBER AND THEN SIMULTANEOUSLY APPROVING THE LOAN AND OPENING A MEMBERSHIP

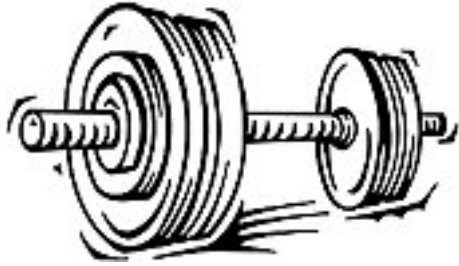
In these exercises you will practice creating a loan request for two people who are not members of the BEDROCK credit union. You will then approve both requests and simultaneously open memberships for them.

**Remember:** Do not enter any personal information into this database, including, but not restricted to, your own social security number, email address, physical address, or your first or last name. Any personal information entered into the BEDROCK database can be viewed by anyone using the practice credit union.

Activity:	Notes:
<p>1. Non-member Sue Smith sees that your rates are competitive and wants to apply for a loan at your credit union. How do you create the following non-member loan request? <b>NOTE:</b> You may need to try a few numbers as the Social Security Number to find one that is available in the system.</p> <p>Here are the details: Loan Product: <b>Used Auto 60 Months</b> Amount: <b>\$14,000.00</b> Make and Model: <b>2015 Subaru Outback</b> Car Value: <b>\$14,500.00</b> Collateral: <b>You know the make and model and how much it is worth!</b> Use your imagination for the rest of the needed collateral information. Insurance: <b>No insurance</b></p>	

<p>2. Nonmember, John Jones was told by his brother to apply for a loan at your credit union.</p> <p>How do you create the following non-member loan request? <b>NOTE:</b> You may need to try a few numbers as the Social Security Number to find one that is available in the system.</p> <p>Here are the details:  Loan Product: <b>Used Auto 60 Months</b>  Amount: <b>\$33,000.00</b>  Make and Model: <b>2017 Ford Fusion</b>  Car Value: <b>\$35,000.00</b>  Collateral: <b>You know the make and model and how much it is worth!</b>  Use your imagination for the rest of the needed collateral information.  Insurance: <b>No insurance</b></p>	
<p>3. Approve the loan application for Sue and open a membership for her.</p>	
<p>4. Approve the loan application for John and open a membership for him.</p>	





## Activity 5: Flex Your Muscles!

Congratulations! You have completed the exercises for Activity 5. This section is designed for you to review what you just learned to make sure you understand everything covered in this lesson. If you want, you can write some notes to refer to later.

Question:	Notes:
1. How do you create a loan request for someone who is not a member at your credit union? Can you do this prior to their becoming a member at your credit union?	
2. How do you open a membership for a non-member? When in the process does this step happen?	
3. How do you approve a loan request for a non-member? If you did not know that these people were non-members, how could you tell that this was a non-member request?	
4. Can you approve the loan request created for a non-member without also opening a membership for that person?	

# Check Your Knowledge!

Have you learned the material in the *Exercises for Success - Level 1: Member Service*?

Answer the following eleven questions on the material you just learned – and try to answer *without using your notes*. (You may use CU\*BASE.) Place a check mark in the “I Can Answer It!” column if you know how to answer the question. Following this section is a place to enter what you still need to review.

This is your opportunity to check and make sure you are now skilled at all the material covered in this workbook.

Good Luck!

Can You Answer the Following?	I Can Answer It!
1. How do you create a loan request for a member?	
2. How do you create a loan request for a non-member? What identifies this as a non-member request?	
3. How do you add collateral to a loan request? How do you change the VIN number at a later time?	
4. How do you add insurance to a loan request? How do you change or remove this insurance at a later time?	
5. How do you update a loan request with a different term or interest rate?	
6. How do you create a loan? Where do you enter the Approval ID and Collector ID?	

7. How do you disburse all of the loan funds as a transfer? What if you only want to disburse some of the loan funds as a GL transfer? How do you do that?	
8. How do you disburse the loan funds as a transfer to another account, such as to a savings account?	
9. How do you deny a loan request? How do you change the credit bureau to Equifax? How do you print the loan denial forms?	
10. Once a loan is denied, how do you review the denial screens and print another loan denial form?	
11. How do you approve a non-member loan request? When approving a non-member loan request, you also need to open a membership for the person. How do you open the membership during the loan approval process?	
<b>Out of 11 Review Exercises, I Can Do This Many Without Notes!</b>  (Note areas you need to review below.)	

## Areas for Further Review

After completing the final review, I see I need to review the following areas further:

1.
2.
3.
4.