
IRA Processing with CU*BASE

Overview of System Features

INTRODUCTION

This CU*BASE Reference Guide has been created to specifically explain how CU*BASE processes IRA accounts and/or transactions.

CU*Answers is not authorized to provide instructions on which IRA processing code(s) to use or offer any other legal advice on how to manage your IRA accounts. Please contact your IRA administrator for assistance with understanding IRS regulations regarding IRA accounts.

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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 IRA PLAN TYPES

The most important component of the CU*BASE IRA tracking system involves the use of multiple **IRA Plan Types**, one for each of the different IRA options available to your members:

- T Traditional
- E Coverdell Education Savings Account
- S SEPP (Simplified Employee Pension Plan)
- R Roth
- C Roth Conversion

CU*BASE identifies the IRA plan type differently for shares and certificates, starting with product configuration. In addition, there will now be multiple IRA Balance File records, one for each plan type that a member needs. As transactions are processed for the IRA accounts, the system will determine the plan type associated with the account and then automatically update the appropriate IRA Balance File. Annual tax reporting will be done for each balance file, according to the specifications of that plan type.

ACTIVATING PLAN TYPES

Plan Types must be **activated** before they can be used to set up products or accounts. This prevents users from accidentally coding an account with a plan type code that your credit union does not even offer, causing problems with verification and reporting later.

IRA Plan Type Activation (Tool #414)

Session 0 CU*BASE GOLD - Activate IRA Plan Types

IRA Plan Type	Status	Deposit Limit	Catch-Up Contribution	
			Amount	Applies to Ages
T TRADITIONAL	<input checked="" type="radio"/> Active <input type="radio"/> Suspended <input type="radio"/> Not offered	5,500.00	1,000.00	50 to 70.5
R ROTH	<input checked="" type="radio"/> Active <input type="radio"/> Suspended <input type="radio"/> Not offered	5,500.00	1,000.00	50 and above
E COVERDELL	<input checked="" type="radio"/> Active <input type="radio"/> Suspended <input type="radio"/> Not offered	2,000.00		
C ROTH CONVERSION	<input type="radio"/> Active <input type="radio"/> Suspended <input checked="" type="radio"/> Not offered	99,999.99		
S SEP	<input checked="" type="radio"/> Active <input type="radio"/> Suspended <input type="radio"/> Not offered	99,999.99		

HSA Limits

Navigation icons: back, forward, up, down, print, link, info, help, search

FR (6537)

Plan Types marked “Active” will be allowed when creating accounts and products. Plan Types marked “Suspended” may have existing accounts coded with that plan type, but no new accounts can be opened. Plan Types marked “Not offered” cannot be used when creating accounts or products.

The *Deposit Limit* shown for each account is used when the IRA Balance File is created, to indicate the maximum amount that can be deposited to the IRA plan during any given year.

NOTE: For members that have multiple IRA plan types, the system will automatically combine deposits to Roth, Traditional and SEP plans and flag any that go over the limit.

Catch-Up Contributions: As per usual, EOY processing floods the adjusted contribution limits when building the new year's IRA and HSA balance records. Beginning with 2017 year-end, the system began adding any catch-up contributions if the member meets the age criteria specified by the IRS. Defaults are set to a catch-up contribution amount of \$1,000, to apply to members aged 50 and above for Traditional and Roth IRA plans. These new limits are flooded to your member balance files on January 1 when the new tax year begins.

- **NOTE:** This change does not affect brand-new balance file records created during 2018 for members opening their first IRA or HSA account. Those balance file records will be set up with the default contribution limits but will not include the catch-up amount automatically. If the member wants to make catch-up contributions during the 2018 tax year, you'll need to manually adjust their contribution limit. Then during next year's year-end cycle, the system will take over adjusting the limit to include the catch-up for eligible members.

Upper Age Limit for Traditional IRA Contributions: In 2018 we further refined that process to include an upper age limit for Traditional IRAs as well. Members who will reach age 72 during the tax year are given a contribution limit of \$0 when the balance file record is created during beginning-of-year processing. You'll see this change for the first time when the 2019 IRA balance file records are created on January 1, 2019. Just like with the catch-up contribution, remember that this is just a starting point. You are still able to manually adjust each individual member's contribution limit as needed using **Tool #896 Update IRA Balance Information**.

IRA SAVINGS ACCOUNTS

With share accounts, the plan for any given IRA share product is identified by the Plan Type Code in the Dividend Application (DIVAPL) configuration.

Savings/Checking Products Configuration (Tool #777)

Session 0 CU*BASE GOLD Edition - ABC CREDIT UNION

File Edit Tools Help

Share Account Setup Update

Dividend application RT Corp ID 01 ABC CREDIT UNION

General Account Information **Dividend Information**

Description ROTH IRA SHARES

Account range 022 to 023

Application type **IRA share products**

IRA plan type R

☐ Reg D transaction account

Reg D transfers per month 00

ATM surcharge rebate program code

Zero balance account option No action taken

☐ Prompt for credit report on open

☒ Allow account nicknames

☐ Report dividends to the IRS

☐ Club processing allowed

Accounting Interface	Share Draft/Checking Only
Liability G/L account # 903.10	Stop pay G/L #
Expense G/L account # 341.80	Stop pay fee 0.00
Accrual G/L account # 830.53	<input type="checkbox"/> Allow change of fee amount

i Dividend rates are entered using Member Rate Maintenance on the "Management Processing/Dashboards" menu.

Suspend Save Skip Qualified Dividends ARU/Online Banking Checklist

← → ↑ ↓ ⌂ 🔗 ⓘ ? @ FR (2749) 11/22/13

The member records for IRA share accounts themselves will not contain a plan type code in the record; rather, they will look to the configuration on this DIVAPL record to determine the plan type to which transactions should be recorded in the IRA Balance File.

CREATING SHARE ACCOUNTS

To make sure accounts are opened correctly, the Plan Type description will be displayed on the account creation screen when opening share accounts.

Open Memberships/Accounts: Add New Sub-Account

Session 0 CU*BASE GOLD Edition - ABC CREDIT UNION

File Edit Tools Help

New Account Creation

Individual

Name TON MEMBER

New account # 020 TRAD IRA SHARES IRA plan type TRADITIONAL

Opened Nov 22, 2013 Corp ID 01 Member branch 01

Dividend Payment

IRA limit \$5,500.00

Birthday Jan 01, 1970

☒ Update IRA beneficiary

This screen allows you to select a member's Opt In/Opt Out Reg E selection (at the bottom of the screen with the two checkboxes). These checkboxes allow for a selection at the membership level.

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 Nov 20, 2013 By

Create
Skip
Work Checklist
Procedures
Unlock Fields

FR (2418) 11/22/13

If a Share Account With the Wrong Plan Type Is Opened

If the wrong share account is opened by mistake, and the funds should actually be placed in a share account with a *different* IRA Plan Type, use the following maintenance steps to make the correction so that the involved IRA Balance Files are updated properly:

- ♦ Open the new, correct account and transfer the funds to the new account, using an IRA withdrawal code of "N" and the correct deposit code to the new account.
- ♦ Change the IRA posting type code to "N" on the deposit transaction that was created when the wrong account was originally opened. This will ensure the balance file for the wrong plan type will be in balance.

After end-of-day processing has been completed for that day and all transaction information has been updated in the balance file, be sure to verify both balance files to be sure they reflect the correct totals.

SHARE ACCOUNT INQUIRY

The Plan Type will also appear on the account inquiry screen:

Account Inquiry: IRA Shares

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

Member Account Inquiry

MSR	Account #	TOM MEMBER		Date opened	Nov 22, 2013	
ATM ID				G/L account	903.00-01	
# ATM W/D	Account type	020	TRAD IRA SHARES			
# ATM overdrafts	Div appl	IR	TRAD IRA SHARES			
# Withdrawals	IRA plan type	TRADITIONAL				
# Transfers	Outstanding accrued club benefits	0.00				
Frozen	0	NO	Current balance	1,014.21	Annual b/u withholding	0.00
Passbook	NO				Period average balance	0.00
AFT	NO		- secured	0.00	Period minimum balance	0.00
Payroll	NO		- uncollected	0.00		
			= Net available	1,014.21	YTD club benefits	0.00
			1st date negative	00000000		

New Account

New Account Type

Dividend Calculator

NSF

Uncollected Funds

Secured Funds

IRA/HSA

Payroll

Tracker Review

Overdraft Protection

Dividend Information

Quarter 1	0.00	Total	0.00
2	0.00	Accrued	0.00
3	0.00		
4	0.00		

Transaction inquiry date Nov 22, 2013 [MMDDYY]

FR (3758) 11/22/13

Use *IRA/HSA* (F18) to see IRA balance file information (see Page 14) as well as IRA Beneficiary and Payout Tracking settings (see Pages 25 and 30) for this member.

IRA CERTIFICATE ACCOUNTS

With certificate accounts, the plan type is stored directly on the MEMBER3 account record itself, not in product configuration. This is so that a “generic” IRA CD Type can be configured for each of the certificate products (based on terms, rates, minimum and maximum amounts, GL accounts, etc.) offered by the credit union, then each individual member account is simply flagged with the appropriate plan type code when the account is created.

For example, your credit union may offer a 6-month IRA certificate with a \$500 minimum, a 12-month IRA certificate with a \$500 minimum, and a 12-month IRA certificate with a \$1,000 minimum, etc., each with different rates and other parameters.

A member wishing to open a 6-month IRA certificate for his Roth plan could use the same certificate type as a member who wants two 6-month IRA CDs, one for her Traditional plan and another for her Roth plan.

The Member Service Representative would use the same CD Type for all three accounts, but would then code each one individually with the Plan Type code the member wants for that account.

Since CU*BASE allows only 99 different CD types to be created, this method gives credit unions the maximum flexibility in setting up and offering certificate products, without the need to create a separate set of certificate types for each of the IRA plans.

CREATING CERTIFICATE ACCOUNTS

When certificates are created, the user simply chooses the desired IRA certificate type as usual, then uses the new *IRA Plan Type* field on the second screen to designate with which IRA Plan this account should be associated:

Open Memberships/Accounts: Open Share Certificates

The screenshot shows the 'Create/Open New Certificate' window in CU*BASE GOLD Edition. The window title is 'Session 0 CU*BASE GOLD Edition - ABC CREDIT UNION'. The menu bar includes 'File', 'Edit', 'Tools', and 'Help'. The main title bar is 'Create/Open New Certificate'.

Account Information:

- Account #: [] - 400
- CD type: 71 3 MONTH IRA CERT
- CD amount: 500.00
- Issue date: Nov 22, 2013
- Maturity date: Feb 22, 2014 [MMDDYY]
- IRA plan type: Traditional

Member Information:

- TOM MEMBER
- 123 TEST ROAD
- GRAND RAPIDS MI 55555

How Should the Dividends be Paid?

- Dividend disburse code: Addback
- Dividend payment/transaction frequency: Monthly
- Dividend rate: 0.050 %
- Dividend variable rate code: []

How Should the Certificate be Handled at Maturity?

- Renewal code: Auto Renew
- Renewal CD type: 71
- Renewal incentive: 0.000 %
- Renew only this amount: 0.00 and put the rest in [] - 000
- ☒ Update IRA beneficiary info

Navigation and Footer:

- Buttons: Post, Skip, Procedures, Pay to
- Navigation icons: Back, Forward, Up, Down, Print, Copy, Paste, Info, Help, Search
- Footer: FR (1511) 11/22/13

RENEWING CERTIFICATES

Both automated and manual certificate renewals will retain the same Plan Type throughout the life of the CD. If manually renewing an IRA CD and rolling the balance to a new CD, the system will require that the new CD is also an IRA type, and will automatically use the same IRA Plan Type as the original CD.

Close Memberships/Accounts (Tool #22) > Redeem Certificates

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

Certificate of Deposit Redemption

CD account #	-400	MARK	
CD account type	73 9 MONTH IRA CERT	11170	DR
IRA plan type	TRADITIONAL		, MI

Current CD rate	0.100	Date issued	Jan 24, 2013
Original CD amount	70,205.46	Maturity date	Oct 24, 2013
Total dividends	169.12	Date opened	Jul 24, 2011
Dividend withdrawn	0.00		

Current balance	70,716.16
Accrued dividends +	4.65
Accrued benefit +	11.61
Dividend withholding -	0.00
Penalty amount -	0.00
Total CD payout =	70,732.42
CD redemption amount -	70,732.42
New CD balance	0.00

Redemption Options

Check amount	0.00	Account #	000
Transfer amount	0.00	IRA/HSA	
<input checked="" type="checkbox"/> Pay benefits			
<input type="checkbox"/> Open a new CD with all or part of the funds			
New CD amount	0.00		
New CD type	(Blank for default)		
Reason code		IRA deposit code	

IRA withdrawal code

Check pay to

Transaction amount 0.00

Post
Penalty Calculator
Checklist

FR (1467) 11/22/13

CERTIFICATE ACCOUNT INQUIRY

Account Inquiry for certificates will show the Plan Type associated with the certificate account:

Account Inquiry: IRA Certificates

Member Account Inquiry

Account # [REDACTED] MARK Q MEMBER

Date opened Jul 24, 2011
G/L account 900.21-01

Account type 400 IR IRA CERTIFICATES
CD type 73 9 MONTH IRA CERT
IRA plan type TRADITIONAL

Rate bumped 0 of 0 times

Current balance 70,716.16
- Secured 0.00
- Penalty 0.00
+ Accrual dividend 4.65
= Redemption 70,720.81

Current rate 0.100
Daily accrual 0.19
Original purchase 70,205.46
Last rollover balance 70,563.69
Partial renewal amount 0.00
Principal distribution amount 0.00
Renewal code 1 Auto Renewal
Trnsfr/redempt/princ distrib account
Term dividend earned 169.12
Term dividend withdrawn 0.00
Available dividend 164.47

MSR 54
Frozen 0 NO
AFT N IRA Y
Payroll N

Variable rate code
Original purchase Jul 24, 2011
Last renew/roll Jan 24, 2013
Present term 03
Current maturity Oct 24, 2013
Renewal incentive 0.000 Type 73
Dividend disburse code 1 ADD DIV. TO CURRENT
Dividend transfer account 000000000-000
Dividend frequency MONTHLY
Calc method DIVIDEND COMPUTED ON BALANCE
Penalty code Days 0
Current YTD dividend 185.41
Accrued club benefit 11.61
YTD club benefits 132.46

Transaction inquiry date Jan 24, 2013 [MMDDYY]

FR (3760) 11/22/13

Use *IRA/HSA* (F18) to see IRA balance file information (see Page 14) as well as IRA Beneficiary and Payout Tracking settings (see Pages 25 and 30) for this member.

UPDATING CERTIFICATE ACCOUNT INFORMATION

Because the Plan Type Code is recorded on the certificate account itself, you can maintain this code on the account update screen for certificate accounts.

Important Note Regarding Changing Plan Types On Certificates

Because the Plan Type assigned when a certificate is created is vital to determining how activity is reported to the IRS, if a certificate is opened with the wrong Plan Type code, it will be necessary to complete the following maintenance activity to correct the account and the IRA Balance File records:

- ◆ First, update the Plan Type code on the certificate account record (as shown below).
- ◆ Second, create or update the correct IRA Plan by entering any deposit or withdrawal information for the correct account type. See Page 13 for more information.
- ◆ Third, delete or update the incorrect IRA Plan by removing any deposit or withdrawal information entered while the account was coded with the incorrect type. See Page 13 for more information.

This will, of course, require careful evaluation of account activity since the account was opened, as well as verification of any IRA Balance File amounts that relate to accounts other than this one. As you can see, it will definitely pay to use the correct Plan Code when the account is opened!

HINT: If you catch the mistake the same day the original certificate was opened, all you will need to do is update the Plan Type code on the certificate account record. Then during end-of-day processing the system will automatically record the deposit transaction in the correct balance file.

Of course, you may still wish to verify totals the next day on both balance file records to ensure everything balances properly. Don't redeem the CD and open a new one, however, because this can actually cause more problems with verification and reporting later on.

Update Account Information (Tool #20) > Certificate Accounts

Session 0 CU*BASE GOLD Edition - Account Information Update

File Edit Tools Help

Account Information Update

Certificate of Deposit

Account # 400
MARK Q MEMBER
123 FAKE STREET
ANY CITY MI 55555

SSN/TIN
Last maintenance date Sun Jul 24, 2011
Current balance 70,716.16
Account opened by MSR 54

Application **IR** CD type 73
IRA plan **T** O/L account 908.21

Original purchase date Jul 24, 2011
Last renew/roll Jan 24, 2013
Current term mature Oct 24, 2013
Dividend paid date Sep 24, 2013
Dividend transfer date Sep 24, 2013
Dividend accrual date Oct 18, 2013
Div disburse code Addback
Div transfer frequency M
Dividend transfer 00000000 000
Allow princ distrib N
Renewal code Auto-renew
Trnsfr/rdmpt/princ dist acct 00000000 000
Principal dist amt 0.00
Freeze 0 = All activity allowed
Passbook process ID

Statement indicator 0
CD branch # 10
Renewal CD type 73
CD penalty code
CD penalty days 000
Term dividend paid 164.47
Term dividend W/D 0.00
Total deposit 0.00
Part renew amount 0.00
Dividend accrued 4.65
Dividend paid: Q1 60.81
Q2 62.24
Q3 62.36
Q4 0.00
Last roll balance 70,563.69
Original purchase amt 70,205.46
Annual B/U withheld 0.00
Penalty amount 0.00
Secured balance 0.00

Accrued club benefits 11.61
YTD club benefits 132.46
Dividend calc type C
Dividend payment freq M
Dividend payment type I
Current dividend rate 0.100
Rate after maturity 0.00
Variable rate group
Original dividend rate 0.100
Renewal incentive 0.000
Rate bumped 00 of 00 times
Set Div Checks Pay To/Address

Joint Owner/Beneficiary Checklist Div Check Pay to

Navigation icons: back, forward, up, down, search, help, etc.

FR (2451) 11/22/13

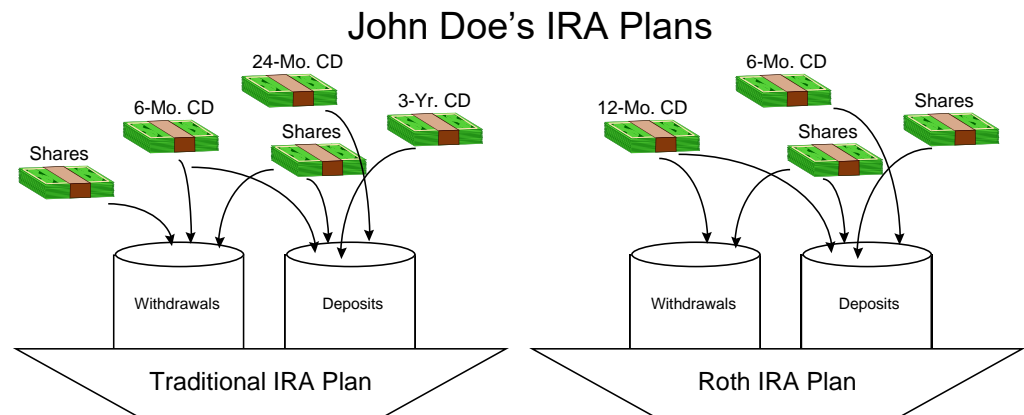
After this code is changed, all transactions performed during that day (even those that happened before this change was made) will be recorded in the new, correct IRA balance file.

THE IRA BALANCE FILE

The IRA Balance File is used to track all deposit and withdrawal activity for a member's IRA plans for an entire year, and is used for reporting member tax information. The IRA Balance File is cleared and a new one created for all members with IRA accounts during beginning-of-year processing each year.

A separate IRA Balance File is maintained for each of the different IRA Plan types. Therefore, there could be up to five separate balance file records for each membership, one for each plan type in which the member participates. Share and certificate accounts are coded with the plan type, and the system will funnel the transaction information into the deposit and withdrawal "buckets" of the appropriate plan type balance file.

Following is a simple graphical example of a member who participates in both the Traditional and Roth IRA programs:



Notice that each of John's IRA Plans has multiple share and certificate accounts associated with it. All of the deposit and withdrawal transactions performed on those accounts are automatically recorded in the correct balance file based on either the share product configuration (DIVAPL) or the plan type code on the certificate account record (MEMBER3).

Balance file totals are updated immediately whenever a transaction is posted to a member account.

IRA BALANCE FILE CREATION AND MAINTENANCE

As activity occurs throughout the year on a member's IRA accounts, it may be necessary to modify information stored in the IRA balance file, to ensure that tax reporting is done correctly.

HINT: These same screens in a "VIEW" mode will also be used for Inquiry, as accessed via IRA/HSA (F18) on savings and certificate Account Inquiry screens.

Update IRA Balance Information (Tool #896) - Screen 2

Session 0 CU*BASE GOLD Edition - ABC CREDIT UNION

File Edit Tools Help

Member IRA Balance File Information CHANGE

Member MARK Q MEMBER SSN/TIN Corp ID 01

Year 2013 Age 58

Year and plan type to change: Year 0000 Plan type

Type	Year	Deposits	Withdrawals	Beginning Year Balance	Net Transactions	Ending Year Balance
R	2002	90.21	8.00	6,484.85	82.21	6,567.06
R	2003	50.96	8.00	6,567.06	42.96	6,610.02
R	2004	47.99	8.00	6,610.02	39.99	6,650.01
R	2005	3,076.43	8.00	6,650.01	3,068.43	9,718.44
R	2006	182.19	12.00	9,718.44	170.19	9,888.63
R	2007	528.76	12.00	9,888.63	516.76	10,405.39
R	2008	356.72	12.00	10,405.39	344.72	10,750.11
R	2009	277.58	12.00	10,750.11	265.58	11,015.69
R	2010	6,412.92	12.00	11,015.69	6,400.92	17,416.61
R	2011	6,332.55	0.00	17,416.61	6,332.55	23,737.16
R	2012	6,336.54	12.00	23,737.16	6,324.54	30,061.70
R	2013	6,159.36	12.00	30,061.70	6,147.36	0.00

■ Select

Totals 49,672.67 236.00 49,436.67

Highlighted lines indicate that the member's IRA Balance File totals do not match the IRA Transaction totals for that plan and year.

← → ↑ ↓ ⏏ ⌂ ⓘ ? @

FR (2307) 11/22/13

All plan types will be grouped in order by plan year, so that it is easy to see the beginning and ending year totals flow from one year to the next. This screen makes it easy to compare figures across all of this member's plan types.

To view balance file details for a particular year, enter the year and plan type (or select the record in the list) and use Enter. If a balance file record does not exist for that plan type, the system will automatically create the record and display a "blank" screen for input. This is used if an account is created incorrectly and a corrected balance file needs to be created manually.

Screen 3

Session 0 CU*BASE GOLD Edition - Member IRA Balance File Information

File Edit Tools Help

Member IRA Balance File Information CHANGE

Member **MARK Q MEMBER** SSN/TIN Corp ID **01**
 Year **2013** Age **58** Plan type **ROTH**

Deposits		Distributions	
Current year	6,000.00	Early distribution with exception	0.00
Previous year	0.00	Transfer	0.00
Dividend	159.36	Normal distributions	0.00
Transfer	0.00	Recharacterized cont current year	0.00
Rollover	0.00	Recharacterized cont previous year	0.00
Recharacterization	0.00	Early distribution without exception	0.00
Conversion contribution to Roth	0.00	Prohibited	0.00
Total contributions	6,159.36	Disability	0.00
		Death	0.00
		Excess cont current year	0.00
		Excess cont previous year	0.00
		Other non-reportable	12.00
		State withholding	0.00
		Federal withholding	0.00
		Rollover due to death	0.00
		Rollover to qualifying plan	0.00
		Qualifying distribution from Roth	0.00
		Total distributions	12.00

Recap	
Beginning balance	30,061.70
Net transactions	6,147.36
Ending balance	0.00
Contribution limit	6,500.00

Delete
 Add/Update
 Beneficiaries
 Payout

Access to both beneficiary and payout information is also available from this screen by using *Beneficiaries* (F10) or *Payout* (F11).

FR (2305) 11/22/13

This screen shows totals for all of the deposit and withdrawal activity, separated by IRA Code. When in “CHANGE” mode for updating balance file amounts, using Enter will automatically recalculate all screen totals so you can quickly see if the figures entered add up properly. When done, **Add/Update** (F5) must be used to actually save all of the changes made.

If a balance file is created by mistake, **Delete** (F4) lets you completely remove the balance file with all of its totals from the system. There will be one confirmation message.

IRA BALANCE LIMIT WARNING MESSAGES

CU*BASE will provide interactive, online warnings when a deposit will cause a member to exceed his or her annual limit on an IRA account.

Session 0 CU*BASE GOLD Edition - IRA Annual Deposit Limit

IRA annual deposit limit will be exceeded if transaction posted.

Deposit limit	5,500.00
YTD deposits	1,856.34
Maximum deposit allowed	3,643.66

Override/Continue

FR (16)

The following direct post programs will read the member’s IRA Balance File and display a warning pop-up window showing the amount that would exceed the limit:

- ◆ Teller Posting

- ◆ Transfers (Teller, Tool 516: Member Transfers, Phone)
- ◆ Mail / Direct Post
- ◆ Account Adjustments (regular and coded)
- ◆ Opening/Redeeming an IRA Certificate
- ◆ Wire Transfers (Tool 73: Post Wire Transfer to Member Account, Phone)

IMPORTANT: *Batch posting programs such as ACH will still post regardless of the deposit limit. Therefore, one of your daily tasks will be to monitor the daily IRA Balance File Transaction Exception Report (PBLIRA) as usual for any miscellaneous activity that causes the deposit limit to be exceeded. See Page 32 for details about this daily report.*


When the warning appears, you can choose to back up and change the deposit amount, or, if you do not want your tellers to have to counsel your members on the spot, you can override and post the deposit and it will appear on the daily report, to be handled by the appropriate back office personnel.

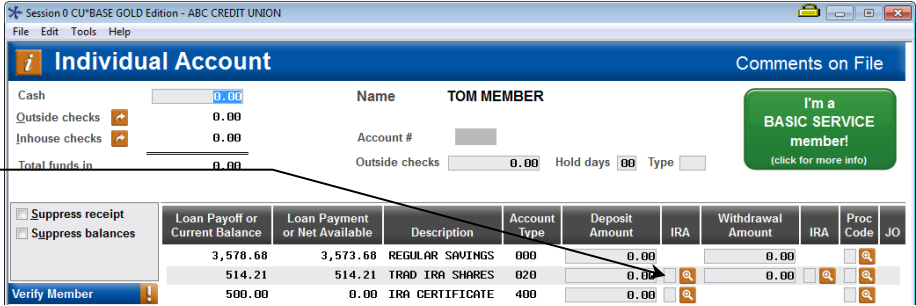
IRA TRANSACTION CODES



CU*BASE will need to record an IRA posting code on every deposit or withdrawal transaction that is posted on an IRA savings or checking account. This will be recorded in a new field (**TRIHPC**) in TRANSx and HTRANSx records.

CU*TIP: This same new field will be used for the HSA posting code on HSA accounts and can be used for Query purposes as needed.

You will use the IRA/HSA code field on various CU*BASE screens to enter an appropriate deposit or withdrawal for each transaction posted. For example, when using Teller Processing, use the IRA code column to enter the appropriate IRA deposit or withdrawal code:

Click the lookup button  to choose a valid posting code.



Loan Payoff or Current Balance	Loan Payment or Net Available	Description	Account Type	Deposit Amount	IRA	Withdrawal Amount	IRA	Proc Code	JO
3,578.68	3,573.68	REGULAR SAVINGS	000	0.00		0.00			
514.21	514.21	TRAD IRA SHARES	020	0.00		0.00			
500.00	0.00	IRA CERTIFICATE	400	0.00					

Likewise, when posting something like a phone or journal transfer, you'll need to specify either the deposit or withdrawal code for the IRA account:

Click the lookup button  to choose a valid posting code.



Transfer date: Nov 22, 2013 Transfer amount: 0.00

From account: 020 To account: 000 Description: PHONE TRANSFER

IRA/HSA code:  IRA/HSA code: 

☐ Print receipt ☒ Charge fee [My Other Accounts](#)

For any programs where a posting code cannot be entered (such as when deposits are made via ACH, etc.), CU*BASE will automatically mark the transaction record as follows:

- ♦ Deposits will use the code for a normal current-year deposit
- ♦ Withdrawals will use the code for a normal current-year withdrawal

IRA POSTING CODES LOOKUP

As mentioned above, CU*BASE will help you fill in transaction posting codes (not only for IRAs, but for HSA accounts as well). Current posting codes will be recorded in a global configuration file in CU*BASE and updated on an annual basis according to IRS guidelines.

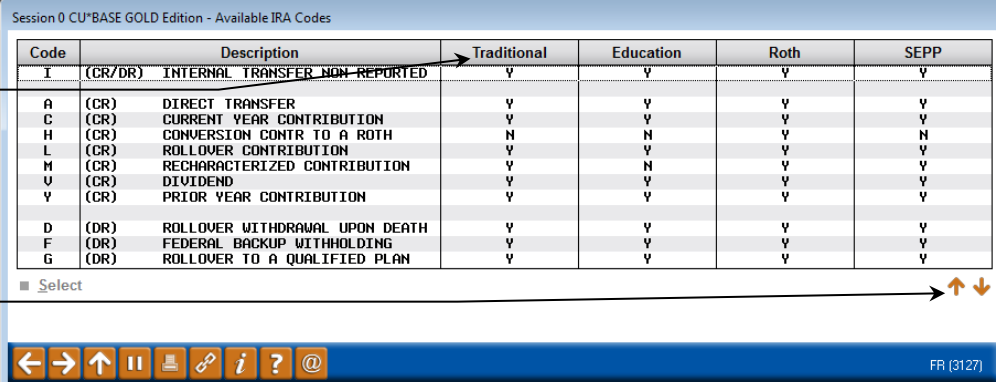
Lookup buttons will be available from CU*BASE posting programs such as:

- ♦ Teller Processing
- ♦ Direct/Mail Post
- ♦ Loan Disbursements
- ♦ Account Adjustments
- ♦ Phone and Member/Journal Transfers, including Wire Transfers
- ♦ Configurations for repeat postings such as payroll and ACH distributions, AFT/CFT, etc.

IRA Posting Code Lookup Window

Make sure that the IRA code you select is appropriate for the IRA plan type.

Use the arrow to scroll down to additional codes.



Code	Description	Traditional	Education	Roth	SEPP
I	(CR/DR) INTERNAL TRANSFER NON-REPORTED	Y	Y	Y	Y
A	(CR) DIRECT TRANSFER	Y	Y	Y	Y
C	(CR) CURRENT YEAR CONTRIBUTION	Y	Y	Y	Y
H	(CR) CONVERSION CONTR TO A ROTH	N	N	Y	N
L	(CR) ROLLOVER CONTRIBUTION	Y	Y	Y	Y
M	(CR) RECHARACTERIZED CONTRIBUTION	Y	N	Y	Y
U	(CR) DIVIDEND	Y	Y	Y	Y
Y	(CR) PRIOR YEAR CONTRIBUTION	Y	Y	Y	Y
D	(DR) ROLLOVER WITHDRAWAL UPON DEATH	Y	Y	Y	Y
F	(DR) FEDERAL BACKUP WITHHOLDING	Y	Y	Y	Y
G	(DR) ROLLOVER TO A QUALIFIED PLAN	Y	Y	Y	Y

FR (3127)

UPDATING IRA CODES ON INDIVIDUAL TRANSACTIONS

If a transaction was coded incorrectly, you can adjust the code that is stored on the transaction record, thus correcting both the member's transaction history as well as updating the respective IRA Balance File buckets.

*Remember that IRA transaction information can be modified for a previous year only until the deadline date when records are reported to the IRS. Refer to the current CU*BASE Year-End Processing Guide for more information on these annual deadlines.*

Update Trans Desc & IRA/HSA Post Codes (Tool #918) - Screen 2

Session 0 CU*BASE GOLD Edition - Transaction Process Setup

File Edit Tools Help Options

Transaction Process Setup

Account # 020 MARY MEMBER

Transaction Date	Sequence #	Amount	Current Balance	Transaction Description	Transfer Account	ID	Suppress
Oct 01, 2013	07620	3.14	18,965.76	SHARE DIVIDEND		90	
Sep 24, 2013	07618	188.44	18,962.62	ACCTG TRANSFER	-110	22	
Sep 01, 2013	07602	3.25	19,151.06	SHARE DIVIDEND		90	
Aug 01, 2013	07581	3.25	19,147.81	SHARE DIVIDEND		90	
Jul 01, 2013	07560	3.17	19,144.56	SHARE DIVIDEND		90	
Jun 24, 2013	07554	2.00	19,141.39	PHONE TRANSFER FEE	-110	MA	
Jun 24, 2013	07553	188.44	19,143.39	PHONE TRANSFER	-110	MA	
Jun 01, 2013	07538	3.28	19,331.83	SHARE DIVIDEND		90	
May 01, 2013	07513	3.18	19,328.55	SHARE DIVIDEND		90	
Apr 01, 2013	07484	3.31	19,325.37	SHARE DIVIDEND		90	
Mar 25, 2013	07478	188.44	19,322.06	ACCTG TRANSFER	-110	37	
Mar 01, 2013	07459	2.99	19,510.50	SHARE DIVIDEND		90	
Feb 01, 2013	07424	12.00	19,507.51	IRA MAINTENANCE FEE		99	
Feb 01, 2013	07423	3.31	19,519.51	SHARE DIVIDEND		90	

☐ Description/Statement
 ☐ IRA/HSA Code

Toggle Description

FR (2677) 11/22/13

Select a transaction from the list and select *IRA/HSA Code* to proceed to the next screen.

Screen 3

Session 0 CU*BASE GOLD Edition - ABC CREDIT UNION

File Edit Tools Help

IRA Posting Type Update

Account MARY MEMBER Year 2013

SSN/TIN Plan type Traditional

Contributions		Distributions	
Current year	0.00	Early distribution with exceptions	0.00
Previous year	0.00	Transfer	0.00
Dividend	32.25	Normal distributions	753.76
Transfer	0.00	Rechar. cont. - current year	0.00
Rollover	0.00	Rechar. cont. - previous year	0.00
Recharacterization	0.00	Early distribution - no known exceptions	0.00
Conversion contribution to Roth	0.00	Prohibited	0.00
		Disability	0.00
		Death	0.00
		Excess contribution - current year	0.00
		Excess contribution - previous year	0.00
		Other-non reportable	14.00
		State W/H	0.00
		Federal W/H	0.00
		Rollover to IRA	0.00
		Rollover to QP	0.00
		Qualifying distribution from Roth	0.00

Transaction Information

Date	Sep 24, 2013	Current IRA process code	7
Amount	188.44	Description	NORMAL DISTRIBUTION
Last balance	18,962.62	New IRA process code	<input type="text"/>

FR (3222) 11/22/13

This third screen displays the IRA balance file details for this account and the IRA Code used when the transaction was originally posted.

Simply enter the appropriate code for this transaction and use Enter to save and return to the previous screen. Both transaction history and the member's IRA Balance File will be updated.

IRA REQUIRED MINIMUM DISTRIBUTION INQUIRY

This inquiry tool is used to calculate the yearly Required Minimum Distribution amount for an individual's IRA, letting you experiment with “what if” scenarios to help a member plan for his or her future IRA distributions whether the member has an IRA account or not. This calculator is simply a quick way to look up RMD amounts using either the IRS Uniform Lifetime or the Joint Life and Last Survivor Tables.

IRA Required Minimum Distrib. Inquiry (Tool #415)

The screenshot shows a web application window titled "Session 0 CU*BASE GOLD - ABC CREDIT UNION". The main heading is "Required Minimum Distribution Inquiry". Below this, there are input fields for "Owner birth date" (with a calendar icon and a placeholder [MMDDYYYY]) and "Expected amount at payout" (with a value of 0.00). A checkbox labeled "Utilize uniform table" is checked. A green-bordered information box contains the text: "In order to not use the uniform table, the primary beneficiary must be the spouse and the spouse must be at least 10 years younger." At the bottom, there is a navigation bar with icons for back, forward, up, down, search, and help, along with a status indicator "FR (5657) 4/24/15".

Start by entering the birth date for the owner of the IRA. This is used to determine life expectancy. Next, enter the amount the owner anticipates having in his or her IRA at age 72, when annual distributions are required. Then choose whether or not the Uniform Table (Table III) should be used when calculating the RMD.

- Refer to current IRS guidelines when deciding whether or not to use the Uniform Table for calculating a member's minimum distribution. Typically, the Uniform tables used in most cases except when the beneficiary is a sole spousal beneficiary that is more than 10 years younger than the primary member, where *Table II is used*. (See IRS Publication 590 for more details.)

Use Enter to begin the calculation. If the uniform table is not being used, additional fields will appear to allow you specify how the calculation should be performed.

Second Screen (Shown in Uniform Table is Not Used)

Session 0 CU*BASE GOLD - ABC CREDIT UNION

File Edit Tools Help

Required Minimum Distribution Inquiry

Life expectancy is joint.

☒ Primary beneficiary is my spouse

Primary beneficiary birth date [MMDDYYYY]

2264-Invalid Date (Date format MMDDCCYY). FR (5658) 3/26/15

Field Descriptions

Setting	Choices
Life Expectancy	(Life Expectancy will be set to JOINT and appears only when the <i>Utilize Uniform Table</i> Flag is set to <i>No</i> .
Primary Beneficiary is my Spouse (Y/N)	(Will appear only if <i>Utilize Uniform Table</i> is set to <i>No</i>).The Primary Beneficiary is required to be the sole spousal beneficiary to use <i>Table II</i> .
Primary Beneficiary Birth Date	(Will appear only if <i>Utilize Uniform Table</i> is set to <i>No</i> .) If the Primary Beneficiary is the sole spousal beneficiary AND is more than 10 years younger than the Account Holder, Table II will be used for the RMD calculation. If the primary beneficiary is less than 10 years younger, the Uniform Table will be used for the RMD calculation.

When all fields have been completed, use Enter again to perform the calculation.

The table will show a year-by-year breakdown of the required distribution amounts, starting when the owner reaches age 72 and continuing to age 115.

Final Screen

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

Required Minimum Distribution Inquiry

Owner birth date Jan 01, 1939
Expected amount at payout 60,000.00
☒ Utilize uniform table

Age	RMD Amount	Age	RMD Amount	Age	RMD Amount	Age	RMD Amount	Age	RMD Amount	Age	RMD Amount
		78	2,688.23	86	2,404.89	94	1,809.60	102	915.53	110	193.92
		79	2,660.66	87	2,351.05	95	1,704.39	103	792.29	111	140.43
		80	2,632.20	88	2,295.51	96	1,599.18	104	679.11	112	102.62
		81	2,602.79	89	2,238.12	97	1,493.97	105	588.56	113	68.42
		82	2,572.35	90	2,159.59	98	1,388.76	106	490.46	114	45.61
		83	2,540.79	91	2,079.61	99	1,264.39	107	402.43	115	26.41
76	2,727.27	84	2,508.01	92	1,998.06	100	1,143.97	108	315.42		
77	2,701.54	85	2,457.17	93	1,914.80	101	1,027.64	109	250.48		

FR (5659) 3/26/15

- NOTE: Remember that the IRS requires a minimum distribution beginning **in the calendar year** in which the individual reaches age 72. Therefore, depending on the owner's birth date, the RMD Calculator may or may not show an amount in the slot for age 72.

BENEFICIARY AND PAYOUT TRACKING

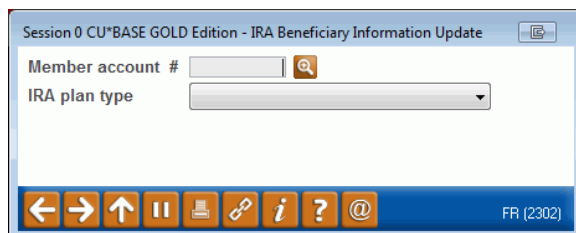
When looking at key personal databases, one critical area is making sure your members' IRA plans have the correct beneficiary information. Not only are these records crucial for the correct handling of your members' funds, but the organization and efficiency of the record-keeping system is important for your members' peace of mind.

What was once an off-line file tracking problem for your IRA administrator is now an online CU*BASE system. Whether the beneficiary is a member or not, CU*BASE will track the name and SSN, distribution percentages, key dates, and even contingency beneficiary data.

While entering this information will be a big project for your IRA department, this database can really help the credit union communicate key IRA information to every department and required terminal. When partnered with the new Required Minimum Distribution calculator and automated funds transfer systems, your credit union's IRA administration is set to make sure these members get the utmost in quality service.

UPDATING IRA BENEFICIARY INFORMATION

Update IRA Beneficiary Information (Tool #897) - Screen 1



This is the first of two screens used to record beneficiary information for a member's IRA plan. Because all of a member's IRA accounts, whether shares or certificates, are considered part of a single IRA "plan," beneficiaries for all IRA-type accounts are recorded in one place. Each IRA Plan Type can have a separate set of beneficiary names. Enter the member's account base and IRA Plan Type and use Enter to proceed to the second screen.

CU*TIP: When creating either an IRA share or certificate account, the option *Update IRA Beneficiary Info* is available so that you can create the account then automatically proceed to the beneficiary information screen to fill in the beneficiary information. This simply saves you the step of returning to the home screen and selecting the *Update IRA Beneficiary Info* command manually.

Screen 2

Use *Add* (F6) to add a beneficiary. See the following image.

Use *Payout Info* (F10) to move directly to the Payout screen.

Use *Distributions* (F15) to record the distributions made to a beneficiary.

Session 1 CU*BASE GOLD Edition - ABC CREDIT UNION

File Edit Tools Help

IRA Beneficiaries

Account # [REDACTED] JOHN MEMBER SSN [REDACTED]

Plan type TRADITIONAL Date of birth Apr 30, 1934 Date of death Jan 01, 2015




Type	SSN	Name	Spouse	Distribution %	1099	Date of Death
P	123-45-6789	JANE MEMBER		100		
S	[REDACTED]	JANET MEMBER		50		
S	[REDACTED]	PHIL MEMBER		50		

Save/Update Add Skip Payout Info Distributions

Type: P = Primary; S = Secondary.
1099: An asterisk (*) indicates that 1099 distribution data has been recorded for this beneficiary.

FR 3/18/15

When this second screen first appears, the only field that can be edited is the Distribution % field.

There are several buttons on the screen. The envelope button on the screen moves you to the screen where you can access the beneficiary's membership information including his or her address for creating a mailing to the beneficiary. In the center section, buttons allow you to view beneficiary information , update beneficiary information , or delete a beneficiary .

To add additional beneficiaries use *Add* (F6) to add additional beneficiaries.

Session 0 CU*BASE GOLD Edition - IRA Beneficiary Information

Account # [REDACTED] MARY MEMBER ADD

IRA plan type TRADITIONAL

Beneficiary SSN/TIN [REDACTED]

Beneficiary type ☐ Primary ☐ Secondary

☐ Beneficiary is spouse of primary member

Save/Update Global Search

FR 3/19/15

This screen allows you to add a beneficiary to the account. Enter the social security number of the beneficiary and the beneficiary type (primary or secondary). Check the box if the beneficiary is a spouse of the member.

The *Date of Birth*, *Name* and *Date of Death* of the beneficiary will be included with this record using data from your membership or non-membership

master files. This information will be available if you later view or edit the beneficiary. See notes on view or editing the beneficiary below.

If a SSN is entered for an individual that is not already recorded in the member or non-member database, a Non-Member Information screen will appear first to allow you to enter name, address and other personal information about the individual.

If this member is planning to use “Joint” Life Expectancy when calculating Required Minimum Distribution, the system will use only the first primary beneficiary shown on this screen.

Session 0 CU*BASE GOLD Edition - IRA Beneficiary Information

Account # MARY MEMBER CHANGE

IRA plan type TRADITIONAL

Beneficiary SSN/TIN TOM MEMBER

Name for beneficiary records TOM MEMBER

Date of birth for beneficiary records Jan 01, 1938 [MMDDYYYY]

Beneficiary type ☒ Primary ☐ Secondary

☒ Beneficiary is spouse of primary member

Beneficiary date of death [MMDDYYYY]

Save/Update

Global Search

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This is the view you will see if you select the *Update* view of the beneficiary. Depending on the Privacy Controls the social security number may be masked in the *View* version of the screen.

The date of birth shown on this screen will be the one used for calculating RMD, if appropriate.

RECORDING DISTRIBUTIONS FOR BENEFICIARIES

IRS regulations state that when an IRA distribution is paid out to a beneficiary the 1099-R form needs to be reported under the beneficiary’s SSN or TIN, not the IRA holder’s SSN or TIN. To facilitate this, we have created a new IRA Beneficiary Distributions file that will act as a supplement to the IRA Beneficiary file, allowing you to record a total distribution amount for each beneficiary, including the reporting year.

In a nutshell, after a member dies you’ll post withdrawal transactions as usual, coding them with the IRA posting code for death distribution. Then your IRA program coordinator will need to use *Distributions* (F15) on the IRA Beneficiaries maintenance screen (Tool #897 – see page 25) to record individual beneficiary distribution records to show which beneficiary actually received the money.

IMPORTANT: It’s not an automated process, but rather a way to record the information so that it is available when needed for tax reporting. **That means you’ll have to add it to your to-do list;**

otherwise all of the distributions would be reported under the member's SSN/TIN.

Distributions for Roth IRAs

NOTE: This feature is available for Roth IRAs, as well as Traditional IRAs. The main difference between Roth and Traditional IRAs when it comes to beneficiary distributions is that instead of a single bucket in the balance file, Roth IRAs have two possible locations for the total distributions to be logged, depending on the primary member's age and how long the IRA has been open. Therefore it's still up to your credit union to understand and use the appropriate posting codes based on the member's situation. Warning messages on various screens and verification reports are designed to help avoid duplicate or invalid entries wherever possible.

Otherwise the process for recording the distributions is the same as for traditional IRAs, and 1099-R forms will be produced for primary and beneficiary owners who receive distributions.

Recording a Distribution

During the course of the year, you can add records of the distributions you pay out to beneficiaries. To add a distribution for a beneficiary, use *Distributions* (F15) on the screen on page 25 to move to the following screen:

Session 0 CU*BASE GOLD Edition - ABC CREDIT UNION

File Edit Tools Help

1099 Distribution Data for Beneficiaries

Account # JOHN MEMBER Plan type TRADITIONAL

Year	IRA Balance File		Difference
	Total Distributions	Death Distribution Amount	
2015	1,500.00	1,500.00	0.00
Grand total	<u>1,500.00</u>	<u>1,500.00</u>	<u>.00</u>

☒ Edit Distributions
 ☐ View Distributions
 ↑ ↓

Select the plan year and use the Edit Distributions option.

These fields allow you to record federal and state tax information.

This area shows the amount disbursed and the amount that was disbursed. It is not required that these numbers be in balance to use this screen.

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

File Edit Tools Help

1099 Distributions Data For Beneficiaries

Account # [REDACTED] JOHN G MEMBER
Plan type TRADITIONAL Tax year 2013

Type	SSN	Name	Spouse	Dist %	Amount	Fed W/H Amt	State W/H Amt	Deceased
P	999-[REDACTED]	JANE MEMBER	Y	100	498.00	0.00	0.00	
P	999-[REDACTED]	JOHN K MEMBER		100	0.00	0.00	0.00	

Total distributions for tax year 2013	498.00	0.00	0.00
IRA balance file	498.00	0.00	0.00
Net difference	0.00	0.00	0.00

Save/Update
Calculate Totals

Navigation icons: [Back] [Forward] [Up] [Down] [Print] [Refresh] [Help] [Search] [Exit]

FR (4484) 8/20/13

Enter your distribution amount as well as tax withholding (Federal and State) to record it and press Enter to refresh the screen as shown above. When you have completed entering all of the distributions, use Save/Update (F5) to move to the previous screen.

- NOTE:** Helpful messaging will remind credit union employees to enter non-member information needed for IRA beneficiary reporting. When maintenance is performed on an IRA beneficiary distribution for beneficiaries with incomplete information, CU*BASE will show the following message - "Beneficiary info missing. Non-member record must be created to continue." Before proceeding, a non-member record will need to be created for the beneficiary using **Tool #997 Work With Non-Member Database**. This will assure that CU*BASE has the necessary information needed for IRS reporting.

Verifying Your Death Distributions

Tool #942 Verify IRA Balances Report prints two reports. The second report lists members that show withdrawals flagged as death distributions. You'll want to compare the total amount flagged against the individual records of distribution as part of your regular IRA monitoring and verification activities. See page 39 for an example of this report.

Reporting Beneficiary Distributions to the IRS

When tax forms are created at year-end, if you've recorded information in the beneficiary distributions file (by using the process that was just explained previously), the distributions will be recorded as being received by the beneficiary under the beneficiary's SSN/TIN. However, if the amount in the IRA Beneficiaries file does not match the distribution amounts, CU*BASE will record the distributions in the following manner:

Distributions available (from the IRA Beneficiaries file) matches the total distributions amount that was paid to beneficiaries	Distributions will be reported for the associated beneficiaries.
Distributions available (from the IRA Beneficiaries file) is greater than the total distribution amount that was paid to beneficiaries	Distributions that have been made to a beneficiary will be reported for the associated beneficiary. Any additional amount that is not distributed will be reported under the primary (deceased) owner.
Distributions available (from the IRA Beneficiaries file) is less than the distribution amount that was paid to beneficiaries	Since CU*BASE cannot determine the reason for the mismatch, all distributions will be reported under the primary (deceased) member.

- Same rules apply for state and federal tax withholdings.

UPDATING IRA PAYOUT INFORMATION

Update IRA Payout Information (Tool #898) - Screen 1

This is the first of two screens used to record information about a member's wishes for handling the payout of his or her IRA plan. Payout is required when a member reaches 72 years of age, and this system lets you record how payout is handled for a particular member.

Enter an account base and IRA plan type and use Enter to proceed to the second screen.

NOTE: The system will check the member's IRA Balance File records, and access will not be allowed unless a balance file exists for this member (meaning they have an actual IRA share or certificate account). If no IRA account information is found, the following message will appear:

1602-No IRA balance file information found for member. Please correct.

You may either enter a different account number, or use the back arrow to exit and proceed with any account creation that is necessary.

Screen 2

CU*TIP: Use *Auto Transfer/Check* (F14) to access the AFT/CFT system and set up either an automatic transfer or an automatic check distribution from the member's IRA accounts every month.

Session 1 CU*BASE GOLD Edition - ABC CREDIT UNION

File Edit Tools Help

IRA Payout Information CHANGE

Account base E IT

Fair market value 17,569.83 Birthdate 4/30/34

YTD distributions 0.00 Age 80

Plan type TRADITIONAL

Life expectancy ☐ Joint ☒ Single

Required minimum distribution amount 939.56

Elect to waive RMD for year of

Comments

Add/Update
Beneficiaries
Auto Transfer/Check

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FR (2312) 3/18/15

This second screen is used to record basic details and comments about the payout status of this member's IRA plan. This screen is also used to calculate the Required Minimum Distribution amount to be used when planning payout amounts for the current year. Remember that this amount changes each year as the member ages.

When done, use *Add/Update* (F5) to record all changes to return to the previous screen.

HINT: As a shortcut, Beneficiaries (F10) allows quick access to the beneficiary information screen for this member. The screen shown on Page 25 will appear. After using Add/Update (F5) on that screen, this screen will reappear and Add/Update (F5) can be used to complete the update.

Field Descriptions

Field Name	Description
Fair market value	The total balance of all of this member's IRA accounts, as taken from the IRA Balance File, effective December 31 of the previous year.
YTD distributions	The total amount of distributions that have been taken from the member's IRA accounts for the current year. This is taken from the IRA Balance File records, which are updated whenever a transaction involving an IRA account is performed.
Plan type	The Plan Type for this IRA plan. Remember that payout information is set up separately for each Plan Type.

<i>Field Name</i>	<i>Description</i>
Life expectancy	<p>This flag is used when calculating the Required Minimum Distribution Amount. Enter one of the following to indicate how the member wishes the RMD to be calculated:</p> <p>Single (S) - RMD is calculated using the life expectancy tables for the primary IRA owner only; no beneficiary information is used in this calculation.</p> <p>Joint (J) - RMD is calculated using the life expectancy for both the IRA owner and the first primary beneficiary.</p> <p>NOTE: In order for the “Joint” calculation to work properly, at least one primary beneficiary must have been entered on the IRA Beneficiaries screen. If necessary, use Beneficiaries (F10) to toggle to that screen and update beneficiary information for this member.</p> <p>The Uniform Table (Table III) will be used for both the Single or Joint unless the Primary Beneficiary is the Spouse, is more than ten years younger, and is the Sole Beneficiary (% 100). In this case Table II is used. These tables can be found in IRS Publication 590.</p>
Required minimum distribution amount	<p>This amount is calculated by the system according to the Life Expectancy settings, using the IRS Life Expectancy tables. The final calculation shows the total amount that is required to be paid out of the member’s IRA plan each year once age 72 is reached.</p> <p>Remember that this amount will change from one year to the next as the member ages.</p>
Elect to waive RMD for year of	<p>This field can be used if the member has elected to take distributions from another institution for a particular year, and will therefore not be taking a distribution from the credit union during that time.</p>
Comments	<p>Because a member can elect to receive their required minimum distribution in many different ways (cash, check, automatic transfer, etc.), this screen does not include exact details about how this member is electing to receive payout. The Comments field is available for notes regarding this member’s wishes.</p>

IRA PROCESSING REPORTS

Following is a brief review of the various reports that are available in CU*BASE for IRA processing and tracking.

DAILY IRA BALANCE FILE TRANSACTION EXCEPTION REPORT

Access: Automated Daily Report
Report Name: LIRALMT

This report shows IRA accounts where deposits have exceeded deposit limits, as well as other IRA transaction exceptions.

Although most interactive posting programs such as teller processing, transfers, etc., will warn the user at the time of the transaction if the deposit limit is being exceeded, this report is still necessary for batch posting processes (such as ACH) as well as in case of an override at the time of an interactive transaction. Refer to Page 15 for more details.

Report Sample

12/23/06	1:09.04	CU*BASE TEST CREDIT UNION	LIRALMT	PAGE	1
		IRA BALANCE FILE TRANSACTION EXCEPTION REPORT	USER OPER		
ACCOUNT NO.	PLAN TYPE				
TRAN CODE 75 ON ACCOUNT	1000106	- 13 - 02630	WOULD HAVE CAUSED A NEGATIVE BALANCE. BUCKET ZEROED		
102720	T	*** PREVIOUS YEAR DEPOSITS EXCEEDS IRA DEPOSIT LIMIT - \$ 4,000.00 ***			
248011	T	*** CURRENT YEAR DEPOSITS EXCEEDS IRA DEPOSIT LIMIT - \$ 4,000.00 ***			

NOTE: This report will combine contributions for plan types "S" (SEP), "T" (Traditional) and "R" (Roth) and report on current year contributions over the deposit limit for all three plans combined. Plan type "E" (Coverdell Education), has a different contribution limit; accounts that contribute over this amount will also be included on this report. Plan type "C" (Roth Conversion) are not verified during this process because these plans have no contribution limits.

IRA BALANCE FILE/ACCOUNT TRANSACTION DETAIL

Access: **IRA Balance File/Acct Trans Detail (Tool #411)**
 Report Name: LIRA

This report shows complete detailed information about a member's balance file and IRA transaction activity. This report is helpful for researching IRA balance file discrepancies and confirming that all transaction activity has been properly coded for tax reporting.

Report Sample

9/15/98 11:36.45		CU*BASE TEST CREDIT UNION (TD) IRA Balance File / Account Transaction Detail Report As Of 9/15/98					PAGE 1 LIRA								

Name- DANIEL M MEMBER		IRA Limit-		2,000.00	Age-	71									
SSN- 111-22-4444		Beg. Year Balance-		43,243.06	Maintenance Date-		1/01/98								
Year- 1998		End. Year Balance-		24,263.71	Account Base-		3413								
Plan- TRADITIONAL															
Deposits					Withdrawals										

Curr Yr Reg-		Dividend-		1,771.29	Prem W/Exc-		20,000.00	Disability-							
Curr Yr Sep-		Transfer-			Transfer-		750.64	Death-							
Prev Yr Reg-		Rollover-			Distribute-			Curr Excv -							
Prev Yr Sep-					Premature-			Prev Excv -							
					Prohibited-			Other-							
					State W/H-			Federal W/H-							
					Roll to IRA-			Roll to QP -							

Transaction Listing															
ACCOUNT NUMBER	TRANS SEQ NO	DATE	TYPE	DEPOSIT AMOUNT	WITHDRAWAL AMOUNT	BALANCE	DESCRIPTION	IRA PROCESS CODE							

3413-019	2212	7/14/98	21			41,653.30	ACCOUNT TRANSFER	N/NO EFFECT	41,64						
3413-019	2215	7/14/98	21			44,263.71	ACCOUNT TRANSFER	N/NO EFFECT	2,61						
3413-019	2216	7/14/98	37		20,000.00	24,263.71	IRA ACCT CHECK W/D	S/TRANSFER WDR.							
3413-019	2217	7/14/98	41			7.64	C/D ACCOUNT TRANSFER	N/NO EFFECT	24,25						
3413-600	2199	7/06/98	09	229.41		41,577.31	DIVIDEND EARNED	V/DIVIDEND DEP.							
3413-600	2200	7/06/98	45			.00	REDEMPTION ROLLOVER	N/NO EFFECT	41,57						
3413-600	2201	7/06/98	25			41,577.31	REDEMPTION ROLLOVER	N/NO EFFECT	41,57						
3413-600	2210	7/14/98	08	68.35		41,645.66	DIVIDEND EARNED	V/DIVIDEND DEP.							
3413-600	2211	7/14/98	41			.00	REDEMPTION TRANSFER	N/NO EFFECT	41,64						

IRA CONTRIBUTIONS & FAIR MARKET VALUE REPORT

Access: **IRA Contributions & Fair Market Value (Tool #412)**
 Report Name: LIRACT

This report shows IRA contribution data and is useful for reporting to a third-party IRA processor via paper. The report is grouped by Corporation, then sorted by SSN, then Plan Type Code.

Report Sample

10/06/98	10:11.22	CU*BASE TEST CREDIT UNION (AC)				Page 6
		1997 IRA Contributions & Fair Market Value				LIRACT
		Report as of 10/06/98				
Plan #	CU*BASE TEST CREDIT UNION (AC)				Phone #: 555-5068	Federal Tax ID# 38-1234567
Account	Member Name	Plan	SSN#	12/31/97 Fair Market Value	*	Total 1997 for 1997 CONTRIBUTIONS
5010605	ELIZABETH MEMBER	C	999-99-9999	18,456.79	*	.00
5010605	ELIZABETH MEMBER	T	999-99-9999	8,321.32	*	.00
5003272	JOHN C. MEMBER	T	999-99-9999	8,825.29	*	.00
5003719	MARY P. MEMBER	T	999-99-9999	3,896.04	*	.00
5006240	JOHN P. THOMAS	C	999-99-9999	12,389.33	*	.00
5006240	JOHN P. THOMAS	R	999-99-9999	1,007.22	*	.00
5006240	JOHN P. THOMAS	T	999-99-9999	2,337.24	*	.00
5008471	JOHN M. ROBERTS	T	999-99-9999	.00	*	30.00
5001410	MARY M. SMITH	E	999-99-9999	413.06	*	.00
TOTAL NUMBER OF ACCOUNTS:		31		240,257.55		30.00
TO THE BEST OF MY KNOWLEDGE, THIS INFORMATION IS COMPLETE AND ACCURATE.						
SIGNATURE _____ DATE _____						

IRA AGE ANALYSIS BY PLAN TYPE

Access: **IRA Age Analysis Report by Plan Type (Tool #409)**
 Report Name: LIRAAG

This report shows members with IRA accounts according to age. This report is helpful for checking on members who have reached or are soon to reach the age where minimum annual distributions are required. The report is grouped by Corporation, then sorted by Account base, then Plan Type Code.

Report Sample

10/06/98 11:26.01		CU*BASE TEST CREDIT UNION IRA Age Analysis by Plan Type Report As Of 10/06/98						Page 1 LIRAAG	
Ages 30.0 to 35.0 (Date of Birth between 10/06/63 and 10/06/68)									
Account#	Member Name	SSN	Birthdate	Present Age		IRA Plan	Current IRA Balance	No. of Accounts	
				Yrs	Mos.				
21568	JOHN G JONES	222-22-2222	9/27/64	34		R	34227.03	3	
21568	JOHN G JONES	222-22-2222	9/27/64	34		T	3803.98	1	
56001	JOHN P EDWARDS	555-55-5555	8/21/66	32	1	T	4329.77	2	
701798	JOHN D THOMAS	777-77-7777	5/18/66	32	4	C	13082.00	1	
701798	JOHN D THOMAS	777-77-7777	5/18/66	32	4	R	1730.00	1	
701798	JOHN D THOMAS	777-77-7777	5/18/66	32	4	T	504.03	1	
702145	JOHN S ROBERTS	888-88-8888	7/04/65	33	3	T	4332.08	2	

NOTE: Current Balance is the "Ending Balance" as taken from the IRA Balance File record and No. of Accounts is a count of the number of share and certificate accounts with this plan type.

IRA LISTING BY PROCESSING CODE

Access: **IRA Transaction Process Code Report (Tool #417)**
 Report Name: LIRAPC

This report shows individual IRA transactions according to IRA Code. This report is helpful when researching IRA balance file discrepancies and confirming that all transaction activity has been properly coded for tax reporting. The report will be grouped by Corporation, then sorted by IRA Code (if "all" are included on the report), then Plan Type (grouped and subtotaled for each code), then Account, with a grand total by Corporation.

Report Sample

9/15/98 14:41.22	CU*BASE TEST CREDIT UNION (TD) IRA Listing By Processing Code As of 9/15/98					Page 1 LIRAPC
PLAN TYPE: ROTH						
Account No.	Member Name	IRA Code	Transaction Description	Tran Date	Tran Amount	Current Balance

20568-030	KATE Z MEMBER	C	AUTO. FUNDS TRANSFER	7/03/98	40.00	765.27
700475-030	SUSIE S SMITH	C	PAYROLL TRANSFER	7/06/98	40.00	805.89
705036-030	JOHN U DOE	C	PER CYNTHIA	7/17/98	20.00	20.00
Total Number of Accounts For Code C		3	Total Amount For Code C		100.00	
PLAN TYPE: TRADITIONAL						
Account No.	Member Name	IRA Code	Transaction Description	Tran Date	Tran Amount	Current Balance

20568-019	THOMAS L MEMBER	C	AUTO. FUNDS TRANSFER	7/17/98	40.00	765.27
20568-019	THOMAS L MEMBER	C	AUTO. FUNDS TRANSFER	9/01/98	40.00	765.27
20568-019	THOMAS L MEMBER	C	AUTO. FUNDS TRANSFER	9/01/98	1.16	765.27
700475-019	JIM J DOE	C	PAYROLL TRANSFER	7/06/98	40.00	805.89
705036-019	JANE U SMITH	C	PER CYNTHIA	7/17/98	20.00	20.00
Total Number of Accounts For Code C		9	Total Amount For Code C		301.16	
Corporation Total of Accounts For Code C		12	Total Amount For Code C		401.16	

MEMBER IRA GOVERNMENT REPORT / 5498 FORMAT

Access: **IRA Govt. Report/5498 (Tool #413)**
 Report Name: LGVIRA

This report is used to view what your current IRA Balance File holds for deposits to IRA accounts, and is used to verify contribution data before 5498 forms are printed and filed. The report will be grouped first by Corporation, then by Plan Type (each Plan on its own page), then sorted by Account.

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

File Edit Tools Help

Print 5498 Report

Report Options		Response	
Year to process	2012 [YYYY]		
Sort by	Account		
Plan type	All	Optional	
Print for Corp ID	00	Optional	

☒ Job queue
 Copies
 Printer

FR (714) 0723113

Report Sample

9/21/98	CU*BASE TEST CREDIT UNION (TD)							PAGE	1		
9:28.29	MEMBER IRA GOVERNMENT REPORT / 5498 FORMAT							LGVIRA			
FOR YEAR 1998											
PLAN TYPE: ROTH											
ACCOUNT		TAX ID	- - - - C O N T R I B U T I O N S - - - - -				FAIR MARKET				
NUMBER	NAME	NUMBER	AGE	FOR 98	IN 98	FOR 98	IN 99	TOTAL	ROLLOVERS	VALUE	MESSAGE

16272	SMITH, CHRISTINA M	282-28-2828	36	.00		.00		.00	3412.54	.00	
20054	MEMBER, EDGAR W	353-35-3535	55	.00		.00		.00	5000.00	.00	
20568	TESTMEMBER, HERBERT L	141-14-1414	52	761.16		.00		761.16	.00	.00	
**TOTAL NUMBER OF ACTIVE IRA ACCOUNTS --			3	761.16		.00		761.16	8412.54	.00	

9/21/98	CU*BASE TEST CREDIT UNION (TD)								PAGE	2	
9:28.29	MEMBER IRA GOVERNMENT REPORT / 5498 FORMAT								LGVIRA		
FOR YEAR 1998											
PLAN TYPE: TRADITIONAL											
ACCOUNT		TAX ID	- - - - C O N T R I B U T I O N S - - - - -				FAIR MARKET				
NUMBER	NAME	NUMBER	AGE	FOR 98	IN 98	FOR 98	IN 99	TOTAL	ROLLOVERS	VALUE	MESSAGE
16272	MEMBER, CHRISTINA M	282-28-2828	36		.00		.00	.00	3412.54		.00
20054	SMITH, EDGAR W	353-35-3535	55		.00		.00	.00	5000.00		.00
20568	TEST, HERBERT L	141-14-1414	52		761.16		.00	761.16	.00		.00
21935	MEMBER, RICHARD C	424-55-5555	52		.00		.00	.00	2514.57		.00
60447	JOHNS, MIKE	419-55-5555	46		100.00		.00	100.00	.00		.00
704334	MEMBER, CARL D	421-55-5555	36		200.00		.00	200.00	.00		.00
705036	MEMBER, DAVID M	383-55-5555	38		20.00		.00	20.00	.00		.00
705065	MEMBER, TINA M	420-55-5555	33		1226.81		.00	1226.81	.00		.00
SEP											
**TOTAL NUMBER OF ACTIVE IRA ACCOUNTS --		13			5107.97		.00	5107.97	29155.64		.00

IRA REQUIRED MINIMUM DISTRIBUTION REPORT

Access: **IRA Required Minimum Distribution Report (Tool #416)**
 Report Name: LIRAMD

This report shows all members aged 72 or older who have one or more IRA accounts. This report is generally pulled during the fall to review any members who have not yet taken their annual required minimum distribution amount and to make any arrangements necessary to handle the distributions.

NOTE: This report is needed for Traditional and SEP IRA plans ONLY. It does not apply to Roth, Roth Conversion, or Education IRA plans.

Report Sample

DATE: 3/18/2015		ABC CREDIT UNION						PAGE	
TIME: 8:59:51		IRA REQUIRED MINIMUM DISTRIBUTION						LIRAMD	
		(TRADITIONAL IRA AND SEP PLANS ONLY)							
Account	Primary Name	DOB	Age as of 12/31/15 Mbr Benef	AFT/ CFT?	YTD Dist	R M D	Fair Market Value	Life Expect.	
2222	KENNETH MEMBER	8/02/38	77		.00	124.96	2,649.18	S	
2223	WILLIAM MEMBER	4/21/37	78		.00	1,898.00	38,529.47	S	
2224	EUGENE MEMBER	8/07/35	80		.00	197.93	3,701.43	S	
2225	JOHN MEMBER	10/15/38	77		.00	942.19	19,974.59	S	
2226	PAT MEMBER	10/22/30	85	Y	.00	1,147.13	16,977.62	S	
2227	GARY MEMBER	6/15/42	73		.00	576.28	14,234.22	S	
2228	BETTY MEMBER	4/19/40	75	Y	.00	411.16	9,415.66	S	
2229	VIRGIL MEMBER	2/15/34	81		.00	379.17	6,787.19	S	
2230	NORMAN MEMBER	7/06/40	75		.00	399.08	9,139.13	S	
2231	EDWARD MEMBER	5/22/34	81		.00	35.21	630.43	S	

IRA VERIFICATION REPORT

Access: **Verify IRA Balances Report (Tool #942)**
Report Name: LIRAVR

This report is used to compare the totals of the members' IRA transactions by IRA Plan Type and Code to the IRA reporting "buckets" in the IRA Balance File. The report shows those situations where these two totals do not match, broken down by Plan Type. Records are grouped by Plan Type, then sorted by Account (corporations are combined on a single report).

A second report prints beneficiary distribution information and lists members that show withdrawals flagged as death distributions. You'll be able to compare the total amount flagged against the individual records of distribution as part of your regular IRA monitoring and verification activities. A * Mismatch next to a record indicates that the amount to be distributed and the distributions are not a match. Refer to page 26.

The screenshot shows a software window titled "Session 0 CU*BASE GOLD Edition - ABC TESTING CREDIT UNION". The window has a menu bar with "File", "Edit", "Tools", and "Help". Below the menu bar is a blue header bar with the text "IRA Verification Report". Underneath the header bar is a section titled "Report Options" with a "Response" column. The "Report Options" section contains two rows: "Enter year to process" with a text box containing "2013" and a placeholder "[YYYY]", and "Plan type" with a dropdown menu showing "All" and a label "(optional)". To the right of the "Report Options" section is a "Job queue" section with a checked box, "Copies" set to "1", and "Printer" set to "P1". The main area of the window is a large empty white space. At the bottom of the window is a blue bar with a row of icons: a left arrow, a right arrow, an up arrow, a pause icon, a print icon, a link icon, an information icon, a question mark icon, and an at-sign icon. In the bottom right corner of the blue bar, the text "FR (732) 07/23/13" is displayed.

Report Sample (1)

12/02/09 14:45.06	TEST CREDIT UNION				LIRAVR	PAGE
IRA VERIFICATION REPORT FOR 2009						
TRANSACTION TOTALS / IRA BALANCE TOTALS COMPARISON						
PLAN TYPE: EDUCATIONAL						
ACCOUNT NO.	MEMBER NAME	IRA BUCKET	TRANS TOTAL	IRA BAL TOTAL	NET DIF	
PLAN TYPE: ROTH						
ACCOUNT NO.	MEMBER NAME	IRA BUCKET	TRANS TOTAL	IRA BAL TOTAL	NET DIF	
PLAN TYPE: SEP						
ACCOUNT NO.	MEMBER NAME	IRA BUCKET	TRANS TOTAL	IRA BAL TOTAL	NET DIF	
PLAN TYPE: TRADITIONAL						
ACCOUNT NO.	MEMBER NAME	IRA BUCKET	TRANS TOTAL	IRA BAL TOTAL	NET DIF	
9	TEST A MEMBER	DEATH W/D	.00	1.00	1.00-	
82	DARRELL H NENBER	DEATH W/D	.00	125.00	125.00-	
128	SYLVIA J MEMBER	CURR YEAR DEP	.00	100.00	100.00-	
13217	EUGENE H MEMBER	CURR YEAR DEP	5,000.00	2,000.00	3,000.00	
8348	JEANNY MEMBER	DIVIDENDS PAID	653.22	2,234.24		

Report Sample – Beneficiary Distribution (Traditional)

4/10/17 10:23.55	RELEASE CONTROL CREDIT UNION				LIRAVR3	PAGE	1
RUN ON 4/10/17	IRA VERIFICATION REPORT FOR 2016						
	BENEFICIARY DISTRIBUTIONS COMPARISON					USER	
PLAN TYPE: TRADITIONAL							
***** IRA BALANCE FILE DATA *****				***** DISTRIBUTIONS TO BENEFICIARIES *****			
ACCT NO.	MEMBER NAME	DEATH DIST TTL	SSN/TIN	BENEFICIARY NAME	DIST AMOUNT		
35373	MARY TESTING	7,211.46	999-99-9887	LINDA TESTING	3,717.35		
			999-99-9402	DONALD E HOOVER	3,494.11		
					7,211.46		
400556	SHIRLEY MEMBER	3,899.44	999-99-9976	FREDERICK MEMBER	1,899.44		
					1,899.44 * MISMATCH		
END OF REPORT							

Report Sample – Beneficiary Distribution (Roth)

4/10/17 10:23:55	RELEASE CONTROL CREDIT UNION				LIRAVR3	PAGE	1
RUN ON 4/10/17	IRA VERIFICATION REPORT FOR 2016						
	BENEFICIARY DISTRIBUTIONS COMPARISON					USER	
PLAN TYPE: ROTH							
***** IRA BALANCE FILE DATA *****				***** DISTRIBUTIONS TO BENEFICIARIES *****			
ACCT NO.	MEMBER NAME	EARLY DIST TTL	QUAL DIST TTL	SSN/TIN	BENEFICIARY NAME	DIST AMOUNT	
35373	MARY TESTING	7,211.46		999-99-9887	LINDA TESTING	3,717.35	
				999-99-9402	DONALD E HOOVER	3,494.11	
						7,211.46	
400556	SHIRLEY MEMBER	2,899.44	1,000.00	* 999-99-9976	FREDERICK MEMBER	1,899.44	
						1,899.44 *	
END OF REPORT							