
Write-off/Charge-off Tools for Loans

Maximizing Collections of Your Underperforming Loans

INTRODUCTION

The CU*BASE Loan Write-off feature provides a way for credit unions to reclassify underperforming loans without giving up the ability to continue collecting on the loan and reduce potential losses.

In addition to automating and streamlining the procedure, the system will also take a snapshot of the loan status at the time of write-off. This history will allow for more detailed trend analysis, providing details such as the amount of funds collected while the loan was in a write-off status.

The tool also includes a separate function for automating the charge-off and account closing for uncollectible loans, including all related G/L entries. As with write-offs, the system will take a snapshot of loan status details for use in historical tracking and analysis.

The Write-off/Charge-off dashboard will let you monitor these loans for board approvals and compliance with your policies. It also gives your lending management valuable insight into your credit union's efforts to manage balance sheet examiner concerns and your overall loan yield.

*Assistance for this booklet was provided by CU*Answers Collections Services.*



Revision date: February 26, 2024

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 THE DIFFERENCE BETWEEN A WRITE-OFF AND A CHARGE-OFF

What's the difference between writing off a loan and charging one off? When it comes to CU*BASE tracking tools, it's all about whether the debt is still collectible or not. In a nutshell, writing off a loan reclassifies how it appears in the system but still allows you to collect on the debt through all of the usual channels. It changes the accounting to declassify it as an interest-earning asset. This does not affect the contract itself. The contract is still fully in force. Charging off a loan is done when collectability is extremely unlikely and closes the account and writes off the entire remaining balance against your loan-loss G/L.

Tools to Manage Examiner Concerns

CU*BASE write-off/charge-off tools not only help you minimize your potential losses, they also help you manage examiner concerns related to your loan portfolio.

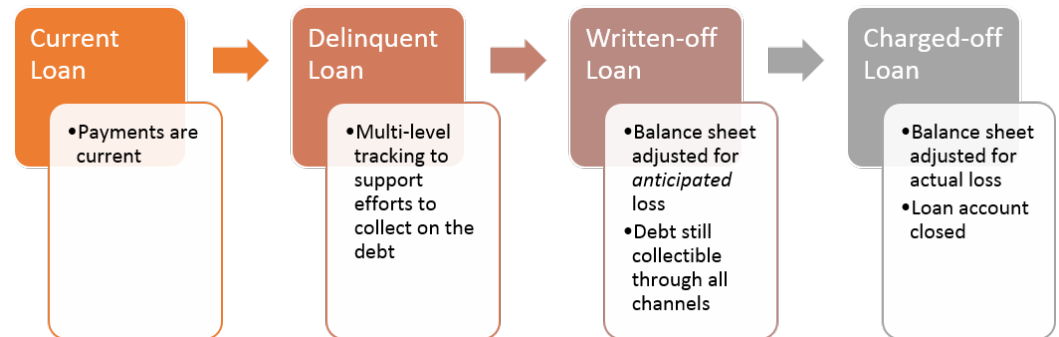
What do examiners want? First and foremost, examiners want good balance-sheet management and a credit union that recognizes the fair value of its loan portfolio every month. At the same time, a credit union must be diligent in not giving up on a loan's performance too soon, before it must take a loss.

To balance both perspectives, CU*BASE offers write-off management capabilities to remove the loan from the balance sheet's performing portfolio numbers, while still keeping the loan top-of-mind with both the credit union and the member. Writing off a loan helps you manage your balance sheet and the expense processing, moving a loan from the active portfolio to the allowance for loan-loss reserve, without creating a final loss before it is warranted.

Written-off loans can still be collected through any member service channel and have a full memo-trial balance presence to make collections easy. The examiner is happy to have the loans properly removed from the active balance-sheet portfolio, and the credit union is happy for the chance to continue to collect and ultimately reduce its losses.

Life Cycle of a Charged-Off Loan

The following illustrates the stages a loan goes through before it's charged off and the account closed.



Credit unions sometimes choose to skip the write-off stage and go directly from “doubtful collections” to “loss taken,” removing it from both the balance sheet and the active-member trial balance. But this effectively destroys any chance a credit union has to further collect on the loan.

Tools to Monitor Bankruptcies More Effectively

At a time when bankruptcies are commonplace, it's too easy to get in a groove and just assume that debts will be forgiven, that the member will automatically receive their bankruptcy release. These assumptions and a lack of attention to bankruptcy procedures can cost credit unions money.

On the other hand, resisting the examiner's desire to address your fair assessment of potential losses in the active portfolio and insisting on waiting for bankruptcy resolution can cause stress between the examiner and the credit union. CU*BASE write-off tools can help manage the concerns on both sides of the relationship towards a positive outcome.

For example, you may write off a loan for lack of performance in January, but still be able to collect on it until the member files for bankruptcy proceedings in August. The written-off status of the loan keeps it top-of-mind for the credit union and active with the member the entire time, maximizing your chances of negotiating other arrangements with the member.

Tools to Improve Your Lending Team

In fact, moving loans to a written-off status actually *encourages* the collection of the debt. With the status of these accounts right at their fingertips, collectors are urged to keep working these accounts. And comparing loan performance to the initial underwriting input can make for better lenders in the long run too.

Tools to Analyze Your Loan Performance

Of course, if the member's circumstances eventually do force the charge-off of the loan, CU*BASE makes it easy to move the loan from its written-off status in the loan-loss allowance portfolio to a closed-loan status, which would incur loss for the credit union.

In both cases, at the time a loan is written off, and again at the time of a charge-off, CU*BASE takes a snapshot to record the complete status of the loan so that it can be included in analyses related to loan yield and the performance of your credit union's underwriting policies.

CONFIGURING WRITE-OFF/CHARGE-OFF MEMO TYPES

When a loan is charged off or written off, a pre-configured memo type is used for the system-generated Tracker conversation that is created to document the change. Additionally, the write-off and charge-off process offers you the option of creating a personalized note in a separate Tracker conversation. Memo types are configured via **Tool #260 Configure Memo Type Codes for Trackers**.

CU*Answers Collections Services recommends you create special memo types to use for write-off and charge-off conversations. This will assist in tracking and reporting for the future.

Recommended configurations include the following:

Write-Off Memo Type

The screenshot shows the 'Memo Type Definition' window for a 'Write Off' memo type. The 'Tracker type' is set to 'XX' with a magnifying glass icon, and the 'Memo type' is 'WO'. The 'Memo type description' is 'Write Off'. There are four checkboxes: 'Used for links to external documents' (unchecked), 'Used for permanent underwriting comments' (unchecked), 'Used to monitor loan account daily for specific transaction activity (e.g., promise to pay)' (unchecked), and 'Memo type for note when transaction occurs' (unchecked). There are also two magnifying glass icons for the last two checkboxes. A 'Delete' button is at the bottom left. The bottom bar contains navigation icons and the number '(2686)'.

Charge-Off Memo Type

The screenshot shows the 'Memo Type Definition' window for a 'Charge Off' memo type. The 'Tracker type' is set to 'XX' with a magnifying glass icon, and the 'Memo type' is 'CO'. The 'Memo type description' is 'Charge Off'. There are four checkboxes: 'Used for links to external documents' (unchecked), 'Used for permanent underwriting comments' (unchecked), 'Used to monitor loan account daily for specific transaction activity (e.g., promise to pay)' (unchecked), and 'Memo type for note when transaction occurs' (unchecked). There are also two magnifying glass icons for the last two checkboxes. A 'Delete' button is at the bottom left. The bottom bar contains navigation icons and the number '(2686)'.

CONFIGURING WRITE-OFF/CHARGE-OFF CODES/REASON CODES

Once you have created the memo types as recommended by CU*Answers Collections Services (see previous section), you can configure which memo types will be used for the system-generated Trackers. These memo types will also be used for the additional Tracker conversations containing free-form text that can be created at write-off and charge-off. **See page 19.**

This screen also allows you to create reason codes to indicate the reason for the write-off or charge-off (such as Chapter 7). Tip: Only configure reasons that are frequently used. These codes are required each time a loan is written off or charged off; however, the same code can be used at write-off and charge-off.

- Sample write-off reason codes recommended by CU*Answers Collections Services can be found here:

http://www.cuanswers.com/wp-content/uploads/Write_off_reason_codes.pdf

Write-off/Charge-off Code Configuration (Tool #1007)

The screenshot shows a software window titled "Session 0 CU*BASE GOLD - ABC CREDIT UNION" with a menu bar (File, Edit, Tools, Help). The main title is "Write Off/Charge Off Code Configuration". Below the title, there are two input fields: "Tracker memo type for write off" and "Tracker memo type for charge off", each with a small icon to its right. In the center is a table with two columns: "Write Off/Charge Off Reason Code" and "Write Off/Charge Off Reason Description". The table has several empty rows. Below the table are buttons for "Edit" and "Delete", and a vertical double-headed arrow icon. At the bottom left is an "Add Code" button. At the bottom right is a status bar with navigation icons and the text "[5/23] 3/13/15".

1. On this screen, enter the write-off and charge-off memo types in the *Tracker memo type for write off* and *Tracker memo type for charge off* fields. You must enter a code for both a write-off and a charge-off.

Session 0 CU*BASE GOLD - ABC CREDIT UNION

File Edit Tools Help

Write Off/Charge Off Code Configuration

Tracker memo type for write off **UO** Tracker memo type for charge off **CO**

Write Off/Charge Off Reason Code	Write Off/Charge Off Reason Description

■ Edit ■ Delete ↑ ↓

Add Code

← → ↑ || ⌂ 🔗 i ? @ (5723) 3/13/15

- Then use *Add Code* (F6) to add the reason codes that are used when the loan is written off or charged off.

Add Reason Code

Session 0 CU*BASE GOLD - Write Off/Charge Off Reason Code Configuration

Write off/Charge off reason code

Write off/Charge off reason description

← → ↑ || ⌂ 🔗 i ? @ (5724)

- Fill in the reason code and description. The code must be three characters and can be alphanumeric. No spaces are allowed. For the description, thirty alphanumeric characters are allowed and spaces are allowed. Punctuation is allowed for both the code and the description.

Completed Reason Code

Session 0 CU*BASE GOLD - Write Off/Charge Off Reason Code Configuration

Write off/Charge off reason code **ABC**

Write off/Charge off reason description **Bankruptcy Chapter 13**

← → ↑ || ⌂ 🔗 i ? @ (5724)

Sample reason codes for both bankruptcy Chapter 13 and bankruptcy Chapter 7 are shown below. You may create additional codes as well.

Session 0 CU*BASE GOLD - ABC CREDIT UNION

File Edit Tools Help

Write Off/Charge Off Code Configuration

Tracker memo type for write off Tracker memo type for charge off

Write Off/Charge Off Reason Code	Write Off/Charge Off Reason Description
ABC	Bankruptcy Chapter 13
BK7	Bankruptcy Chapter 7

Edit

Delete

Add Code

(5723) 3/13/15

WRITING OFF A LOAN

BEGINNING THE WRITE-OFF PROCESS

To write off a loan, select **Tool #1006 Write Off / Charge Off Loans**. The following entry screen will appear.

Write Off/Charge Off Loans (Tool #1006), Entry Screen

Session 0 CU*BASE GOLD - Write Off or Charge Off Loan Account

Account # 000000000 000

Navigation icons: back, forward, up, down, print, link, info, help, search. FR (5126)

Enter the account number and suffix of the loan you wish to write off and use Enter to move to the second screen.

Second Screen

Session 0 CU*BASE GOLD - ABC CREDIT UNION

File Edit Tools Help

Write Off or Charge Off Loan Account

Account 610 JOHN H MEMBER Approved by ID SV SUE
Interviewer/processor ID SH SHAUN Collector ID XX CU*ANSWERS COLLECTIONS

Loan Summary		Delinquency Information	
Disbursed amount	11,000.00	Days/months	0 / 0
Balance	8,054.23	Amount	0.00
Interest due	20.35	# of times	0
Total owed credit union	8,074.58	Delinquency fine amount	0.00

Loan Identification		Payment Information	
Category	USED VEHICLES	Date opened	Aug 02, 2013
Type	USED AUTO	First pay date	Sep 13, 2013
Security	AUTOMOBILE	Next pay date	Mar 13, 2015
Estimated value of collateral	12,600.00 Update	Maturity date	Nov 13, 2018
		Last payment date	Jan 09, 2015
		# of payments	63
		# of payments left	45
		Payment frequency	M
		Interest rate	8.400
		Payment amount	219.05

Is this debt still collectible? ☐ Yes, I want to write off the loan
☐ No, I want to charge off the loan & close the account
☒ N/A

Navigation icons: back, forward, up, down, print, link, info, help, search. (5127) 3/13/15

This screen displays various information about the loan, such as the interest rate, payment frequency, and date opened and is a summary of what the loan looks like at write-off or charge-off. This should be used to ensure that you have accessed the correct loan and that the numbers match as expected. These fields are collected at write-off and charge-off for research purposes.

Refer to online help for descriptions of all the fields on the screen. NOTE: All the details included on this screen are saved to the Loan Write-off file (LNWRTOFF). This file is documented in the Appendix.

DETERMINING WHETHER THE LOAN IS STILL COLLECTIBLE

On this screen you need to decide if the loan is still collectible. This will determine whether the loan should just be written off or charged off.

At the bottom of the screen is the “Is this debt still collectible?” selection.

Screen on entry

Is this debt still collectible? ☐ Yes, I want to write off the loan
☐ No, I want to charge off the loan & close the account
☒ N/A

If it is still collectible and to begin the write-off, select *Yes, I want to write off the loan*, as shown below. (If it is not collectible, choose the charge off option, which is covered starting on page 24.)

Selection If Debt Is Still Collectible – Write Off Loan

Is this debt still collectible? ☒ Yes, I want to write off the loan
☐ No, I want to charge off the loan & close the account
☐ N/A

If the loan does not have collateral, press *Enter*. This will advance you to the third write-off screen (shown on page 15).

If the loan has collateral, refer to the following page.

MAINTAINING COLLATERAL

If the loan has collateral, you can maintain the collateral on this screen. When dealing with secured loans, it is always a good step to review the collateral attached to the loan.

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

Write Off or Charge Off Loan Account

Account: 610 JOHN H MEMBER
Interviewer/processor ID: SH SHAWN
Approved by ID: SU SUE
Collector ID: XX CU*ANSWERS COLLECTIONS

Loan Summary		Delinquency Information	
Disbursed amount	11,000.00	Days/months	0 / 0
Balance	\$,054.23	Amount	0.00
Interest due	20.35	# of times	0
Total owed credit union	\$,074.58	Delinquency fine amount	0.00

Loan Identification		Payment Information	
Category	USED VEHICLES	Date opened	Aug 02, 2013
Type	USED AUTO	First pay date	Sep 13, 2013
Security	AUTOMOBILE	Next pay date	Mar 13, 2015
Estimated value of collateral	12,600.00 Update	Maturity date	Nov 13, 2018
		Last payment date	Jan 09, 2015
		# of payments	63
		# of payments left	45
		Payment frequency	M
		Interest rate	8.400
		Payment amount	219.05

Is this debt still collectible? ☐ Yes, I want to write off the loan
☐ No, I want to charge off the loan & close the account
☒ N/A

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

Select the *Update* button next to the *Estimated value of collateral* field. This will take you to the screens where you can maintain the collateral.

This is a good place to adjust the actual value of the security to see if there are issues with your valuation procedures. This creates a more precise loss amount. If the collateral has been liquidated, a zero value should be in place here.

This also allows you to make adjustments, if needed, to the description.

Session 0 CU*BASE GOLD Edition - ABC CREDIT UNION

File Edit Tools Help

Collateral Selection

[CHANGE](#)

Account base JOHN M MEMBER Loan # 610 Loan category 15	Loan amount 11,000.00 Purpose 2 USED AUTO Security 2 AUTOMOBILE
---------------------------------------------------------------------------------------------------------------------------------------------------	------------------------------------------------------------------------------------------------------

Collateral type ☐ Update Collateral item (type A) exists - use Cmd/11 to update

Type	Description
A	AUTO COLLATERAL
B	MOTORCYCLE
C	SHARE SECURED
D	LIFE INSURANCE
E	MISCELLANEOUS
F	FARM EQUIPMENT/AGRIC
G	DURABLE GOODS COLLAT
I	INSURED HOME IMPROVE
L	LAWN AND GARDEN
M	MORTGAGE COLLATERAL
O	OTHER - INDIRECT
R	REC VEHICLE
S	STOCKS COLLATERAL

☐ Select ↑ ↓

i When creating a new loan request (or working with an existing loan account), you can copy the collateral from another current or closed account. This is not a link to any existing records; this simply makes a copy of existing data so you don't have to enter it manually.

This procedure is especially helpful for complex collateral items such as real estate to avoid tedious re-typing of data.

Update
Copy From Loan

← → ↑ ↓ ⏸ 🔗 i ? @
(4315) 3/13/15

“Update” to View Collateral Details

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

File Edit Tools Help

Collateral Item Summary

CHANGE

Account base	JOHN M MEMBER	Loan amount	11,000.00		<button style="background-color: #dcdcdc; padding: 2px 5px;">Scan e-Document</button>
Loan category	15	Current balance	8,054.23		
Application #	610				

Line	Coll Type	Description	Estimated Current Value	Pledged Amount	Owner SSN
001	A	BUTICK	12,600.00	11,000.00	

☐ Select
 12,600.00
11,000.00
↑ ↓

For all collateral using Estimated Values

LTV % based on:	Current balance is	63.92%	(8,054/12,600)
	Original balance is	87.30%	(11,000/12,600)

Use Pledged Amount

← → ↻ ⏸ 🖨 🔗 ⓘ ? @
(5520) 3/13/15

Write-off/Charge-off Tools **13**

Second Screen

Session 0 CU*BASE GOLD - ABC CREDIT UNION

File Edit Tools Help

Write Off or Charge Off Loan Account

Account 610 JOHN M MEMBER Approved by ID SV SUE
 Interviewer/processor ID SH SHAWN Collector ID XX CU*ANSWERS COLLECTIONS

Loan Summary		Delinquency Information	
Disbursed amount	11,000.00	Days/months	0 / 0
Balance	8,054.23	Amount	0.00
Interest due	20.35	# of times	0
Total owed credit union	8,074.58	Delinquency fine amount	0.00

Loan Identification		Payment Information	
Category	USED VEHICLES	Date opened	Aug 02, 2013
Type	USED AUTO	First pay date	Sep 13, 2013
Security	AUTOMOBILE	Next pay date	Mar 13, 2015
Estimated value of collateral	12,600.00 <input type="button" value="Update"/>	Maturity date	Nov 13, 2018
		Last payment date	Jan 09, 2015
		# of payments	63
		# of payments left	45
		Payment frequency	M
		Interest rate	8.400
		Payment amount	219.05

Is this debt still collectible? ☐ Yes, I want to write off the loan
☐ No, I want to charge off the loan & close the account
☒ N/A

← → ↑ ↓ ⏏ 🔑 ? @

(5127) 3/13/15

Press Enter to move to the next write-off screen.

FINALIZING THE WRITE-OFF

Use this screen to record the details associated with the write-off. The *Reason for write off* and *Write off approved by* are required fields on this screen.

This screen is where you are required to answer questions such as:

- What do you want done with the statements?
- Do you want to market to the member again?
- Has the payment matrix changed to match policy?
- Do you report to bureau and do you need to add additional codes?
- What (from the list you created earlier) is the reason for the loss?
- On what date was it approved by the board?

The dates that follow are optional but important. They allow you to start collecting information on your losses that pertain to those who are bankrupt, those who were sued, and those who have collateral sold already.

Since write-offs do not have a monthly due date, the *Fine amount* field is defaulted to 3 to stop further fines.

This is also where you decide to report to the bureau (you should) and add any additional codes. These fields are optional but important to prevent disputes.

Third Write-Off Screen

Session 0 CU*BASE GOLD - ABC TEST CREDIT UNION

File Edit Tools Help

Write Off Loan Account

Loan will be written off

Account # 610

Written off to loan category 99 WRITE OFF LOANS

Contact Information		Payment Matrix Priority		
		Payment Type	Before WO	After WO
Statement mail group 0 (0 = Print & mail, 1 - 9 = CU-defined)		Fine amount	1	3
<input checked="" type="checkbox"/> 3rd-party marketing opt out		Interest Due	2	2
<input checked="" type="checkbox"/> CU contact opt out		Principal	3	1
		Escrow	0	0
		Misc G/L Processing	0	0

Reason for write off [icon]

Approved at board mtg on [icon] [MMYYYY]

Write off approved by [icon]

Bankruptcy date [icon] [MMDDYYYY] Type [icon]

Judgment amount 0.00

Judgment obtained on [icon] [MMDDYYYY]

Collateral liquidation date [icon] [MMDDYYYY]

Estimated recovered amt 0.00

Total collection expenses 0.00

Total other fines/fees 0.00

☒ Report to credit bureau

CB comments [icon]

Status [icon]

Consumer information indicator [icon]

Compliance condition code [icon]

☐ Add additional comments to tracker note

☐ Add member to blocked persons list

☐ Exclude from dormancy

Delinquency fine control 3 [icon]

Freeze code 0 [icon]

Note: When a loan is written off, the loan category changes to the designated category code for written off loans and the balance is debited from the loan loss allowance G/L. The loan will still reflect the current balance and payments can be made.

Comments Write Off Loan

← → ↑ ↓ [icon] [icon] [icon] [icon] [icon] [icon] [icon] [icon] [icon] [icon]

FR (5721) 4/07/22

Refer to online help for descriptions of all the fields on the screen.

NOTE: Almost all details of this screen are saved to the Loan Write-off file (LNWRTOFF). This file is documented in the Appendix. Several fields (such as judgement date) that are written to the LNWRTOFF file can be updated at charge-off or via the write-off maintenance feature (see page 29).

Third Write-Off Screen

Session 0 CU*BASE GOLD - ABC TEST CREDIT UNION

File Edit Tools Help

Write Off Loan Account

Loan will be written off

Account # **610**

Written off to loan category **99 WRITE OFF LOANS**

Contact Information		Payment Matrix Priority	
		Payment Type	Before WO After WO
Statement mail group 0 (0 = Print & mail, 1 - 9 = CU-defined)		Fine amount	1 3
<input checked="" type="checkbox"/> 3rd-party marketing opt out		Interest Due	2 2
<input checked="" type="checkbox"/> CU contact opt out		Principal	3 1
		Escrow	0 0
		Misc G/L Processing	0 0

Reason for write off

Approved at board mtg on [MMYYYY]

Write off approved by

Bankruptcy date [MMDDYYYY] Type

Judgment amount 0.00

Judgment obtained on [MMDDYYYY]

Collateral liquidation date [MMDDYYYY]

Estimated recovered amt 0.00

Total collection expenses 0.00

Total other fines/fees 0.00

☒ Report to credit bureau

CB comments

Status

Consumer information indicator

Compliance condition code

☐ Add additional comments to tracker note

☐ Add member to blocked persons list

☐ Exclude from dormancy

Delinquency fine control 3

Freeze code 0

Note: When a loan is written off, the loan category changes to the designated category code for written off loans and the balance is debited from the loan loss allowance G/L. The loan will still reflect the current balance and payments can be made.

Comments Write Off Loan

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

FR (5721) 4/07/22

The *Reason for write off* field is required to write off a loan. Use the lookup next to *Reason for write off* to access the write-off/charge-off reason codes configured in **Tool #1007 Write-off/Charge-off Code Configuration**. (See page 7.)

Loan Write-Off Reason Code Selection

Session 0 CU*BASE GOLD - Loan Write Off/Charge Off Reasons

Reason Code	Description
ABC	Bankruptcy Chapter 13
BK7	Bankruptcy Chapter 7

Select

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

(5720)

The *Write off approved by* field is also required. Use the lookup next to *Write Off Approved by* to select an employee ID.

Adding a Person to the Blocked Persons List



Compliance condition code 

☐ Add additional comments to tracker note

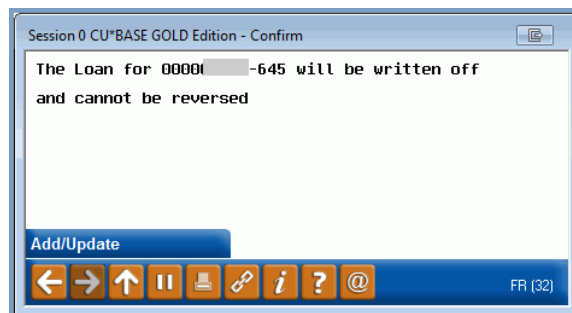
☒ Add member to blocked persons list

When writing off a loan, one option you have is to also add this person to the new membership blocked persons list. Checking this box will add this member to this block list. This database allows you to record names and, if known, SSNs of individuals for whom membership should be denied. It can also serve as a flag that additional verification of a person's identity may be required before opening a membership, when adding a secondary name to an account, or during pre-membership lending. You can also add a person to the New Membership block list by using **Tool 892 Update Fraud Alert/Blocked Persons List** and selecting the New Membership block list. (The member's SSN, type and a comment will be added. The comment will include the date of the write-off.)

Once you have filled in the details on the third screen, click the *Write Off Loan* button to advance to the confirmation screen for the write-off and the process will be complete.

- NOTE: If the box labeled *Add additional comment to tracker note* is checked, you will then advance to the Tracker Review screens. (See page 19.)
- NOTE: If the loan is a variable rate loan, an additional confirmation screen will appear notifying you that the variable rate records for the loan will be deleted. Click Add Update (F5).

Confirmation Screen



Select *Add/Update* (F5) to complete the write-off process.

- IMPORTANT NOTE: At the time of write-off, the system will generate a snapshot of the data and save it to the LNWRTOFF file. This data can be viewed on the Write-off/Charge-off dashboard (see page 32) and the Write-Off History screen (see page 37). The LNWRTOFF file is documented in the Appendix.

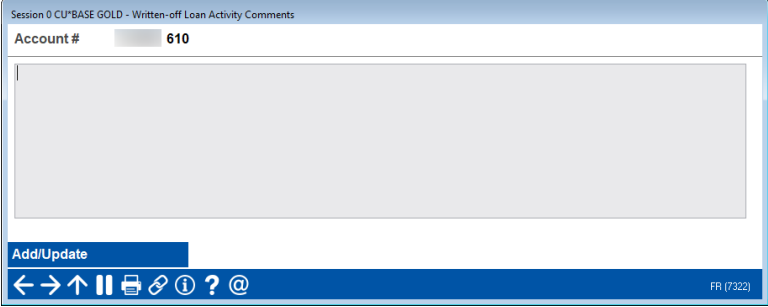
See page 23 for a detailed explanation of the write-off process and the steps taken by the system when a loan is written off.

ADDING COMMENTS IN THE WRITE OFF SYSTEM

From this third write-off screen, you can access the Comments window where you can enter additional information about the write off. This might include judgement fees or information on the composition of the write off. This is separate from creating a tracker note record which is covered in the following section.

To access the Comments window, use the Comments button on the third Write off screen (shown previously).

Comments Screen

The screenshot shows a software window titled "Session 0 CUPBASE GOLD - Written-off Loan Activity Comments". Inside the window, there is a label "Account #" followed by a text box containing the number "610". Below this is a large, empty rectangular area for entering comments. At the bottom left of the window is a button labeled "Add/Update". At the bottom right is a blue bar containing navigation icons (back, forward, up, down, print, link, info, help, search) and the text "FR (7322)".

Use Add/Update to save your changes.

The benefit of using this tool to document the write off is that this screen is also accessible on other loan write off screens, including the loan charge off screen.

ADDING ADDITIONAL COMMENTS TO TRACKER NOTE

If you check the optional *Add additional comments to tracker note* field on the write-off screen (as shown below), you will advance to the Tracker conversation screen where you can enter a personalized tracker conversation that will be added to the system-generated conversation once the loan is written off.

“Add Additional Comments to Tracker Note” Checked

Session 0 CU*BASE GOLD - ABC TEST CREDIT UNION

File Edit Tools Help

Write Off Loan Account

Loan will be written off

Account # **610**

Written off to loan category **99 WRITE OFF LOANS**

Contact Information		Payment Matrix Priority	
		Payment Type	Before WO
Statement mail group	(0 = Print & mail, 1 - 9 = CU-defined)		
<input checked="" type="checkbox"/> 3rd-party marketing opt out		Fine amount	1
<input checked="" type="checkbox"/> CU contact opt out		Interest Due	2
		Principal	3
		Escrow	0
		Misc G/L Processing	0

Reason for write off **004**

Approved at board mtg on **[MMYYYY]**

Write off approved by **AE**

Bankruptcy date **Dec 20, 2021** [MMDDYYYY] Type **CHAPTER 7**

Judgment amount **550.00**

Judgment obtained on **Apr 03, 2022** [MMDDYYYY]

Collateral liquidation date **Feb 20, 2022** [MMDDYYYY]

Estimated recovered amt **0.00**

Total collection expenses **0.00**

Total other fines/fees **0.00**

☒ Report to credit bureau

CB comments **[MMYYYY]**

Status **[MMYYYY]**

Consumer information indicator **E**

Compliance condition code **[MMYYYY]**

☒ Add additional comments to tracker note

☐ Add member to blocked persons list

☐ Exclude from dormancy

Delinquency fine control **3**

Freeze code **0**

Note: When a loan is written off, the loan category changes to the designated category code for written off loans and the balance is debited from the loan loss allowance G/L. The loan will still reflect the current balance and payments can be made.

Comments Write Off Loan

FR [5721] 4/07/22

In the example below, you can see the entry of a personal message and the system-generated text. See Page 39 for examples of the Tracker conversations that are created.

Session 0 CU*BASE GOLD Edition - ABC CREDIT UNION

File Edit Tools Help

Member Tracker Entry

Account # -000 JOHN M MEMBER

Memo type WO

Speaking to JOHN M MEMBER Conversations 56

Added to blocked person's list since they caused credit union a loss. ABK

Save/Continue Page Up/Down ↑ ↓

Phone Inquiry
Save/Continue
Contact
Previous
Filter
First
Last
Next
Household
Additional Signers
Conversations
Print Notice

Date Mar 13, 2015
Time 15:25:04
Memo type Write Off
Created by ;V
Need group
Task
Assigned
Contact
Follow up
Complete

Acct# 0000-610 was written off by Employee ID ;V on 3/13/2015
For more details, see the written off loan history file.

Shift + Page Up/Down ↑ ↓

i Conversations are ordered newest (First) to oldest (Last).

← → ↑ ↓ ⌂ 🔗 ⓘ ? @ (4500) 3/13/15

At this point, you will save the comments and complete the Tracker conversation screens.

Session 0 CU*BASE GOLD Edition - ABC CREDIT UNION

File Edit Tools Help

Member Tracker Entry

Member account # JOHN M MEMBER

Speaking with JOHN M MEMBER on Mar 13, 2015 at 15:26:58

☒ Update last contact date for this account

☒ Entry just made requires a follow-up

Follow-up date [MMDDYYYY]

Person to call back ⓘ

Contact person JOHN M MEMBER

← → ↑ ↓ ⌂ 🔗 ⓘ ? @ (3014) 3/13/15

No follow-up is required, so uncheck this box.

Session 0 CU*BASE GOLD Edition - ABC CREDIT UNION

File Edit Tools Help

Member Tracker Entry

Member account # [REDACTED] JOHN M MEMBER

Speaking with JOHN M MEMBER on Mar 13, 2015 at 15:26:58

☒ Update last contact date for this account

☐ Entry just made requires a follow-up

← → ↑ || 📄 🔗 ⓘ ? @

(3014) 3/13/15

Press Enter to complete the process.

CLOSING A CREDIT CARD DURING A WRITE-OFF

If you write-off a credit card loan, you will have the option to do maintenance on the credit card attached to it. This way you can close the card without leaving the write-off screens.

Third Write-Off Screen (Credit Card)

Session 0 CU*BASE GOLD - ABC CREDIT UNION

File Edit Tools Help

Write Off Loan Account

Loan will be written off

Account #

Written off to loan category WRITE OFF LOANS

Contact Information		Payment Matrix Priority		
		Payment Type	Before WO	After WO
Statement mail group <input type="text" value="0"/> <input type="text" value="0"/> (0 = Print & mail, 1 - 9 = CU-defined)		Fine amount	1	3
<input type="checkbox"/> 3rd-party marketing opt out		Interest Due	2	2
<input type="checkbox"/> CU contact opt out		Principal	3	1
		Escrow	0	0
		Misc G/L Processing	0	0

Reason for write off [MMYYYY]

Approved at board mtg on [MMYYYY]

Write off approved by [MMDDYYYY] Type [MMDDYYYY]

Bankruptcy date [MMDDYYYY]

Judgement obtained on [MMDDYYYY]

Collateral liquidation date [MMDDYYYY]

Estimated recovered amt

Delinquency fine control

Freeze code

☒ Report to credit bureau

CB comments

Status

Consumer information indicator

Compliance condition code

☐ Add additional comments to tracker note

☐ Exclude from dormancy

Note: When a loan is written off, the loan category changes to the designated category code for written off loans and the balance is debited from the loan loss allowance G/L. The loan will still reflect the current balance and payments can be made.

Write Off Loan **Card Status**

FR (5721) 3/13/15

Click the *Card Status* (F9) button to access the Credit Card Maintenance screen (shown below).

Credit Card Maintenance

Session 0 CU*BASE GOLD Edition - Credit Card Maintenance

File Edit Tools Help

Credit Card Maintenance

UPDATE

Account #

Card #	Acct Type	Embossed Name	#	Card Status	Last Used	Last Maint	Card Description
001	*MARY H MEMBER		2	OPEN ACTIVE STATUS	6/03/2014	6/03/2014	VISA CREDIT CARD
001	*MARY H MEMBER		1	LOST ACCOUNT	6/03/2014	6/03/2014	VISA CREDIT CARD
001	*MARY H MEMBER		1	LOST ACCOUNT	6/03/2014	6/03/2014	VISA CREDIT CARD

☐ Card Status
 ☐ Emboss Order/History
 ☐ Rate Maint
 ☐ Card Inquiry
 ☐ Status History

☐ Authorized Users
 ☐ Activity
 ☐ Tracker

From here, you can close the card or perform other maintenance based on your credit union policy.

WRITE-OFF PROCESS

The following are the steps taken when the loan is written off:

- The principal amount of the loan is debited from the loan allowance G/L account (such as 719.xx).
- The principal balance of the loan is credited to the original loan G/L account (such as 701.xx). (This G/L account is from the loan category definition.)
- The interest due on the loan is credited to the interest due G/L account (such as 781.xx or the accrued interest G/L account from the loan category definition) and is debited to the corresponding income account (such as 111.xx or the interest earned G/L account from the loan category definition).
- The loan category changes to the “Loan category for write offs” from the loan category definition.
- The write-off indicator (WRTOFF) in MEMBER5/6 is changed from 0 to 1 (written-off loan).
- The Interest Calc Code changes to 2.
- The *Review Date* field will show a description of “Write Off Date” in Account Inquiry and the date will update to the current date.
- The *statement mail group*, *3rd-party opt out*, and *CU contact* fields are updated (if applicable).
- The credit report codes are updated (if applicable).
- The payment matrix is updated to the following:

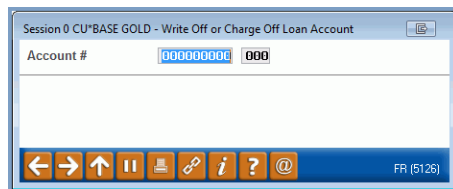
Fine amount	3
Interest due	2
Principal	1

- A system-generated Tracker conversation is created to document the write-off.
- The delinquency fine control is updated (if applicable).
- The freeze code is updated (if applicable).
- Maintenance is performed to the credit card loan (if applicable).
- Maintenance will be performed on the variable rate table, if applicable. (*NOTE: Credit card loans are not updated.*)
- Add the member to the blocked persons list, if applicable.
- On Account Inquiry screens, the loan account will be highlighted on the screen and the description will change to the description for the new loan category (e.g., “Loans in Collection” or “Written Off”). A comment will also be added indicating the date the loan was written off.
- Additionally, a snapshot is taken of the data and saved to the **LNWRTOFF** file.
- Any Member Notices generated for this member henceforth will remain unprinted, and a Tracker will generate with an NL Memo Type (NoPrint/WrtnOff).
 - NOTE: If the account was flagged to be excluded from dormancy on the third write off screen, this will occur during EOD/BOD processing.

CHARGING OFF A LOAN

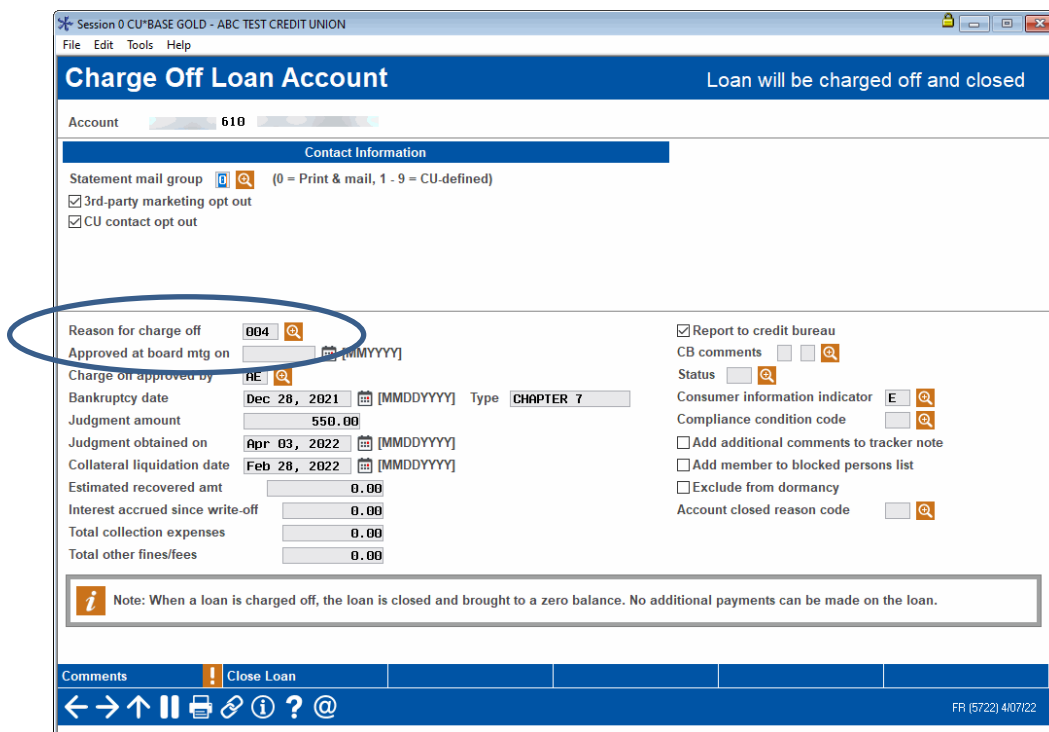
CHARGE-OFF PROCESS

Write Off / Charge Off Loans (Tool #1006)



Enter the account number corresponding to the loan that will be charged off and use Enter. If the loan is not already written off, you will advance to the next write-off screen (shown on page 15) to complete the write-off process first, before proceeding to charge the loan off and close it. If the loan was already written off, you will advance directly to the charge-off screen (shown below).

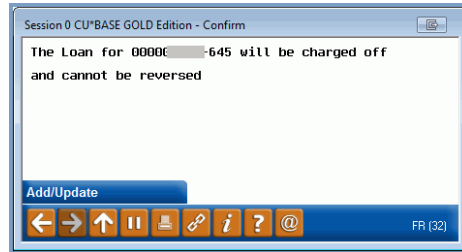
NOTE: All the details included in the charge-off (including what is entered on the screen below) is saved to the Loan Write-Off file (LNWRTOFF). This file is documented in the Appendix.



You will need to enter a **Reason for charge off** on this screen. (The example above already has one selected.) Use the look up button to make a reason code selection. This can be the same reason code that was used for the write-off.

Alert/Blocked Persons List and selecting the New Membership block list. (The member's SSN, type and a comment will be added. The comment will include the date of the charge off.)

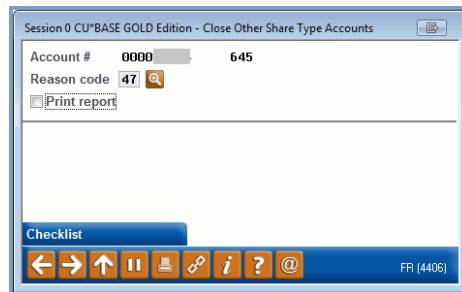
Then click the *Close Loan* button to advance to the confirmation screen.



This will finalize the charge-off process.

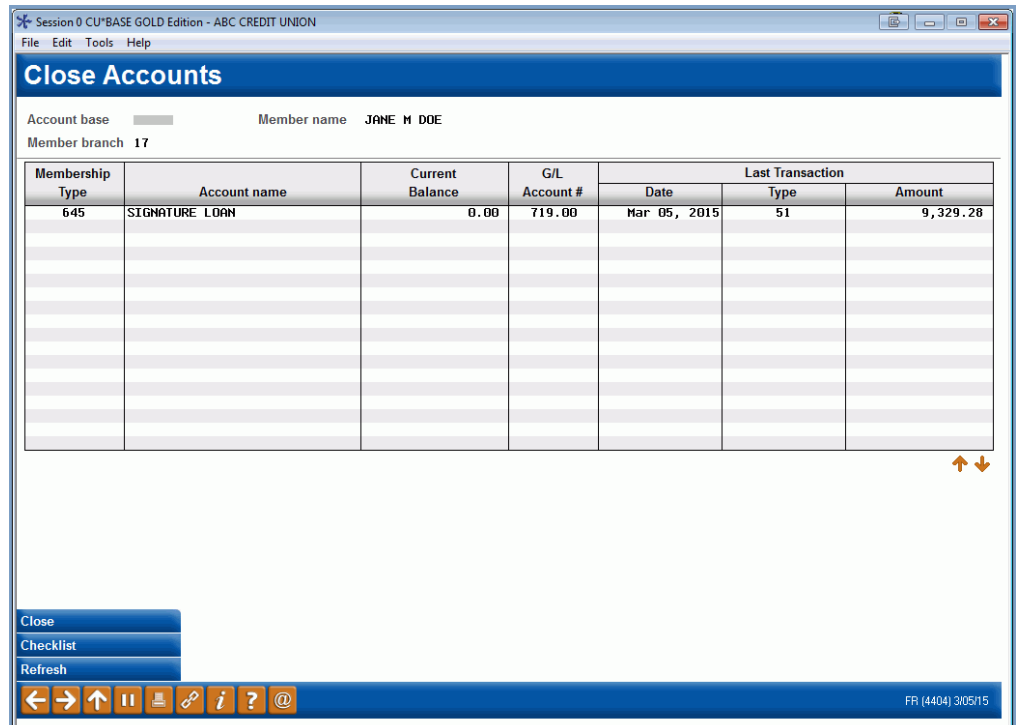
Click *Add/Update* or use Enter to advance to the close account screens. You then advance through the standard screens used when you close a loan.

Close Account Screen 1



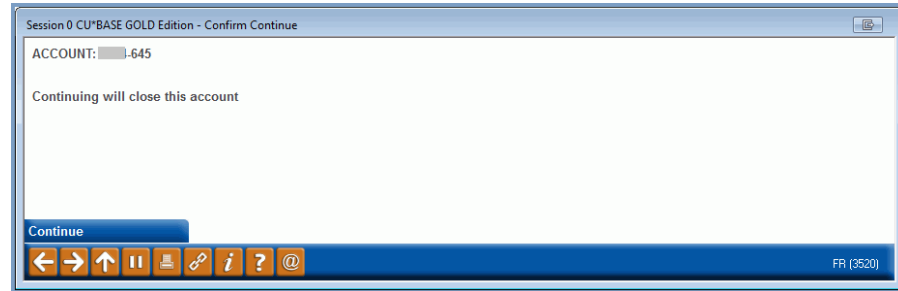
Press Enter on this screen.

Screen 2



Click *Close*.

Close Account Screen 3



Finalize the closing of the account by clicking *Continue*.

NOTE: If the box labeled Add additional comment to tracker note was checked on the final charge-off screen, you will advance to the Tracker Review screens. (See page 19.)

Miscellaneous maintenance as specified by the charge-off screen will occur, and a Tracker record will be created for the charge-off. A snapshot is taken of the data and is saved to the **LNWRTOFF** file. Then the system will process an account-adjustment transaction for the amount of the loan balance (principal plus accrued interest):

Origin 08/Tran Type 82/Tran Code 24

The result of this transaction will be G/L entries that both debit and credit the 719.xx G/L account. The account is then closed. After end-of-day processing is complete, it will reside in the closed accounts list.

The member will be added to the blocked persons list, if applicable.

- If account was flagged to be excluded from dormancy on the charge off screen, this will occur during EOD/BOD processing.

Reporting a Charged Off Loan as Paid in Full

To report a loan as paid in full that was previously charged off and closed, use the credit reporting information screen within **Tool #887 Update Closed Account Information**. Update the Status field to 64 ("ACCOUNT PAID IN FULL, WAS A CHARGE-OFF"). When loans are sent in the next credit bureau transmission, the bureau will pick up the change in status.

Update Closed Account Information Screen 2

Closed Account Info Update		Loans
Member Information		
Account #	712	Address
Branch #	1	12078
G/L account #	701.64	MI
Current balance	0.00	
Account Information		
Loan note #	0000000	Purpose code
Security code	07	Date open
1st delinquency	00000000 [MMDDYYYY]	Open/closed ID
# of ext	000	ECOA account code
CB comments		Status
<input type="checkbox"/> Report to credit bureau		Var int
Teller disb		YTD interest
% calc date	00000000 [MMDDYYYY]	Loan category
Loan process type	M	
Student Loans Only		Indicators
Government reimbursement ID	0	Frozen disbursement
Government int % before payout	000	Passbook process ID
Government int % before payout	000	Write off ID
Mortgage Loans		CUNA loan insurance
Tax escrow acct		Statement indicator
Census tract		

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FR (5263) 6/26/15

WRITE-OFF/CHARGE-OFF MAINTENANCE FEATURE

The Write-off/Charge-off Maintenance feature allows you to update certain fields in the LNWRTOFF file after the write-off or charge-off is completed. This allows you to write-off a loan without the need to know information such as bankruptcy date. This information can be updated after the write-off.

Write-off/Charge-off History Maint (Tool #1030)

On the entry screen enter the account that has been written off or charged off and use Enter to advance to the second screen.

Second Screen (Approval/Judgment Tab)

Loan account # 610		Interviewer 54	Approved by 01 LOAN REVIEW
Collector XX CU*ANSWERS COLLECTIONS	Write off by ;Y	Charge off by	Business unit
Branch 25 Corp ID 01	Loan cat at write off 15	Loan purpose 02	
Loan security 12	Dealer ID		
Write off date 04/07/2022	Charge off date	DTI at loan creation 48.2	
Date opened 01/28/2022	Last payment date	LTV at loan creation 95.2	
Original loan amount 15,576.00	# of payments left 75	WO/CO status W	
Disbursement limit 15,576.00	Maturity date 04/20/2028	Scheduled payment amount 245.84	
Loan bal at write off 15,586.12	Loan balance at charge off 0.00	# of refinances 0	
Est recovered amount 0.00	Tiered Services score 185	# additional signers 1	
Delinq fines at write off 0.00	Delinquency balance at write off 0.00	Tiered Services level 1	
Delinquent months 0 Delinq days 0	Delinquency fines at charge off 0.00	Rate at write-off 4.750	
Original credit score primary borrower 668	Credit score at write off 668	Int due at write-off 20.30	
Risk score grade level X	Insurance Y	Int calc code at write-off 0	
Int accrued since write-off 0.00	Total collections expenses 0.00	Total other fines/fees 0.00	

Approvals/Judgments		Collateral Info	
WO approved by AE	CO approved by	WO reason code 004	CO reason code
Approved at board meeting on [MMYYYY]	Bankruptcy type CHAPTER 7	Bankruptcy date Dec 28, 2021	Judgment date Apr 03, 2022
Loan seasoning at WO 2 months	Loan seasoning at CO 0 months	Judgment amount 550.00	

Session 0 CU*BASE GOLD - ABC TEST CREDIT UNION			
File Edit Tools Help			
Written Off Loan History Maintenance			CHANGE
Loan account #	610	Interviewer	54
Collector	XX CU*ANSWERS COLLECTIONS	Write off by	;Y
Branch	25 Corp ID 01	Loan cat at write off	15
Loan security	12	Dealer ID	
Approved by	01 LOAN REVIEW	Charge off by	
Business unit		Loan purpose	02
Write off date	04/07/2022	Charge off date	
Date opened	01/28/2022	Last payment date	
Original loan amount	15,576.00	# of payments left	75
Disbursement limit	15,576.00	Maturity date	04/20/2028
Loan bal at write off	15,586.12	Loan balance at charge off	0.00
Est recovered amount	0.00	Tiered Services score	185
Delinq fines at write off	0.00	Delinquency balance at write off	0.00
Delinquent months	0 Delinq days 0	Delinquency fines at charge off	0.00
Original credit score primary borrower	668	Credit score at write off	668
Risk score grade level	X	Insurance	Y
Int accrued since write-off	0.00	Total collections expenses	0.00
DTI at loan creation	48.2	LTV at loan creation	95.2
WO/CO status	W	Scheduled payment amount	245.84
# of refinances	0	# additional signers	1
Tiered Services level	1	Rate at write-off	4.750
Rate at write-off	4.750	Int due at write-off	20.30
Int calc code at write-off	0	Int other fees/fees	0.00
Int other fees/fees	0.00		
Approvals/Judgments Collateral Info			
Collateral type	U	Collateral liquidated date	Feb 28, 2022 [MMDDYYYY]
Est value of collateral at WO	16,350.00	Est value of collateral at CO	0.00
LTV at write off	95.3	LTV at charge off	00.0
Comments ! Update			
< > ↑ ↓ ⏮ ⏭ 🔍 ? @			
FR (6128) 4/07/22			

- Estimated recovered amount
- WO approved by
- CO approved by
- WO reason code
- CO reason code
- Approved at Board Meeting on
- Bankruptcy date
- Bankruptcy type
- Judgement date
- Judgement amount
- Collateral liquidated date
- Est recovered amount
- Int accrued since write-off
- Total collection expenses
- Total other fines/fees

Session 0 CU*BASE GOLD - ABC TEST CREDIT UNION				CHANGE	
Written Off Loan History Maintenance					
Loan account #	<input type="text" value="610"/>	Interviewer	<input type="text" value="54"/>	Approved by	<input type="text" value="01"/> LOAN REVIEW
Branch	<input type="text" value="25"/>	Collector	<input type="text" value="XX"/> CU*ANSWERS COLLECTIONS	Charge off by	
Loan purpose	<input type="text" value="02"/>	Write off by	<input type="text" value=";Y"/>	Business unit	
Loan security	<input type="text" value="12"/>	Dealer ID		Loan cat at write off	<input type="text" value="15"/>
Write off date	<input type="text" value="04/07/2022"/>	Charge off date		DTI at loan creation	<input type="text" value="48.2"/>
Date opened	<input type="text" value="01/28/2022"/>	Last payment date		LTV at loan creation	<input type="text" value="95.2"/>
Original loan amount	<input type="text" value="15,576.00"/>	# of payments left	<input type="text" value="75"/>	WO/CO status	<input type="text" value="W"/>
Disbursement limit	<input type="text" value="15,576.00"/>	Maturity date	<input type="text" value="04/20/2028"/>	Scheduled payment amount	<input type="text" value="245.84"/>
Loan bal at write off	<input type="text" value="15,586.12"/>	Loan balance at charge off	<input type="text" value="0.00"/>	# of refinances	<input type="text" value="0"/>
Est recovered amount	<input type="text" value="0.00"/>	Tiered Services score	<input type="text" value="185"/>	# additional signers	<input type="text" value="1"/>
Delinq fines at write off	<input type="text" value="0.00"/>	Delinquency balance at write off	<input type="text" value="0.00"/>	Tiered Services level	<input type="text" value="1"/>
Delinquent months	<input type="text" value="0"/>	Delinquency fines at charge off	<input type="text" value="0.00"/>	Rate at write-off	<input type="text" value="4.750"/>
Original credit score primary borrower	<input type="text" value="668"/>	Credit score at write off	<input type="text" value="668"/>	Int due at write-off	<input type="text" value="20.30"/>
Risk score grade level	<input type="text" value="X"/>	Insurance	<input type="text" value="Y"/>	Int calc code at write-off	<input type="text" value="0"/>
Int accrued since write-off	<input type="text" value="0.00"/>	Total collections expenses	<input type="text" value="0.00"/>	Total other fines/fees	<input type="text" value="0.00"/>
WO approved by	<input type="text" value="AE"/> [Q]	CO approved by	<input type="text" value=""/> [Q]		
WO reason code	<input type="text" value="004"/> [Q] BANKRUPTCY 12	CO reason code	<input type="text" value=""/> [Q]		
Approved at board meeting on	<input type="text" value=""/> [MMYYYY]				
Bankruptcy date	<input type="text" value="Dec 28, 2021"/> [MMDYYYY]	Bankruptcy type	<input type="text" value="CHAPTER 7"/>	Judgment date	<input type="text" value="Apr 03, 2022"/> [MMDYYYY]
Loan seasoning at WO	<input type="text" value="2"/> months	Loan seasoning at CO	<input type="text" value="0"/> months	Judgment amount	<input type="text" value="550.00"/>
Collateral type	<input type="text" value="V"/>	Collateral liquidated date	<input type="text" value="Feb 28, 2022"/> [MMDYYYY]		
Est value of collateral at WO	<input type="text" value="16,350.00"/>	Est value of collateral at CO	<input type="text" value="0.00"/>		
LTV at write off	<input type="text" value="95.3"/>	LTV at charge off	<input type="text" value="00.0"/>		
Comments <input type="button" value="Update"/>					
<input type="button" value="←"/> <input type="button" value="→"/> <input type="button" value="↶"/> <input type="button" value="⏮"/> <input type="button" value="🔍"/> <input type="button" value="❓"/> <input type="button" value="@"/> FR (6128)L 4/07/22					

When you have completed your updates use Update (F5) to save the changes to the LNWRTOFF file.

ANALYSIS TOOLS: THE WRITE-OFF/CHARGE-OFF DASHBOARD

Loan Write-off/Charge-off History Dashbd (Tool #476)

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

Written Off Loan History Dashboard

Written off between [] and [] [MMDDYYYY] ☐ View indirect loans only
Approved at board meeting on [] [MMYYYY] Branch [] WO/CO reason code []

Interviewer [Select] 000 selected WO/CO approved by [Select] 000 selected Loan category at WO [Select] 000 selected
Business unit [Select] 000 selected Loan purpose [Select] 000 selected Loan security [Select] 000 selected

Toggle

Account	Type	Rsn Code	WO Date	Last Name	Closed Date	Chrgd Off	Balance at Write Off	Current Balance	Net Change \$	Net Change %
645			Jun 29, 2009			N	0,374.00	0,374.00	.00	.00
693			Jun 26, 2009			N	994.08	994.08	.00	.00
011			Jun 26, 2009			N	7,359.13	7,359.13	.00	.00
645			Oct 25, 2011		Mar 18, 2020	N	.00	.00	.00	.00
920			Oct 25, 2011		Mar 18, 2020	N	.00	.00	.00	.00
900			Sep 29, 2008		Feb 26, 2018	N	.00	.00	.00	.00
811	007		Sep 28, 2015			N	3,714.06	3,714.06	.00	.00
866	007		Feb 23, 2022			N	7,597.89	7,597.89	.00	.00
900			Jun 30, 2011		Aug 25, 2016	N	.00	.00	.00	.00
866			Oct 25, 2011			N	14,511.99	13,811.22	700.77-	4.82
693	010		Apr 28, 2018			N	3,793.07	3,707.37	85.70-	2.25
600			Feb 11, 2014		Feb 11, 2014	V	.00	.00	.00	.00
601			Feb 11, 2014		Feb 11, 2014	V	.00	.00	.00	.00
800			Feb 11, 2014		Feb 11, 2014	V	.00	.00	.00	.00
800			Feb 13, 2013		Feb 13, 2013	V	.00	.00	.00	.00
600			Apr 19, 2005		Apr 19, 2005	V	.00	.00	.00	.00

☐ Credit Score history
 ☐ Account Inquiry
 ☐ Written off loan history
 ☐ Tracker review
 ↑ ↓

Records 7,995 Members 5,592 Active 5,807 72.6 % Closed 10,183 127.4 % Total net change \$ 2,274,632.66-

Highlighting means the loan was written off outside the period being analyzed; recovery amounts are not applicable.

View Filters Analysis Export Member Connect View CO Loans Common Bonds
Save Filters Use Saved Filters Refresh Open/Close Date

← → ↑ ↓ ⏏ ⌂ ? @ FR (5718) 4/17/23

This view includes written-off loans that are still open and considered collectible. To view only charged-off loans, use *View CO Loans* (F11).

“View CO Loans” (F11)

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

Charged Off Loan History Dashboard

Charge off between [] and [] [MMDDYYYY] ☐ View indirect loans only
Approved at board meeting on [] [MMYYYY] Branch [] WO/CO reason code []

Interviewer [Select] 000 selected WO/CO approved by [Select] 000 selected Loan category at WO [Select] 000 selected
Business unit [Select] 000 selected Loan purpose [Select] 000 selected Loan security [Select] 000 selected

Account	Type	Rsn Code	CO Date	Last Name	Closed Date	Chrgd Off	Balance At Charge Off
600			Feb 11, 2014		Feb 11, 2014	V	.00
601			Feb 11, 2014		Feb 11, 2014	V	.00
800			Feb 11, 2014		Feb 11, 2014	V	.00
800			Feb 13, 2013		Feb 13, 2013	V	.00
600			Apr 19, 2005		Apr 19, 2005	V	.00
600			Nov 29, 2013		Nov 29, 2013	V	.00
601			Nov 29, 2013		Nov 29, 2013	V	.00
600			Feb 11, 2014		Feb 11, 2014	V	.00
601			Feb 11, 2014		Feb 11, 2014	V	.00
800			Feb 11, 2014		Feb 11, 2014	V	.00
600			Nov 29, 2013		Nov 29, 2013	V	.00
600			Nov 08, 2004		Nov 08, 2004	V	.00
615			Feb 24, 2014		Feb 24, 2014	V	.00
811			Feb 24, 2014		Feb 24, 2014	V	.00
900			Feb 24, 2014		Feb 24, 2014	V	.00
800			Feb 11, 2014		Feb 11, 2014	V	.00

☐ Credit Score history
 ☐ Account Inquiry
 ☐ Written off loan history
 ☐ Tracker review
 ↑ ↓

Records 1,081 Members 756 Active .0 % Closed 2,162 200.0 % Total net change \$.00

Highlighting means the loan was written off outside the period being analyzed; recovery amounts are not applicable.

View Filters Analysis Export Member Connect View ALL Loan Common Bonds
Save Filters Use Saved Filters Refresh Open/Close Date

← → ↑ ↓ ⏏ ⌂ ? @ FR (5718) 5/02/23

Use the date range at the top of the screen to view only loans that were written off (or charged off) during that time period.

NOTE: Some data may not be available if a loan was charged off or written off prior to the implementation of the 15.0 release (April 19, 2015 for online credit unions).

- You can access the *Written Off Loan History* screen (shown on page 37) by selecting a loan and then the *Written off loan history* option.
- You can also access the member's Tracker conversations (shown on page 39) by selecting a loan and then clicking the *Tracker Review* option.

Want even more detail on the write-off? When a loan is written off, the system converts the *Review Date* field to *Write Off Date*. Therefore, you can run the Selective Loan Trial Balance report for Loan Category 99 (or the Loan Categories used for write-off) and Date Reviewed (also representing Date Written Off) for the period of time you wish to review. This report can be accessed via **Tool #788 Selective Loan Information Report**.

To see summary statistics on all of the written off and charged off loans, use the Analysis button. See the next page for a sample of the screen that will appear.

Filter Descriptions

<i>Field Name</i>	<i>Description</i>
Written off between MMDDYYYY and MMDDYYYY	Enter From and To write-off/charge-off dates to filter the written-off loan information.
View indirect loans only	If this box is checked, the dashboard will display only loans with a Dealer ID in the indirect dealer file. Default is unchecked.
Approved at board meeting on	Select the appropriate MMYYYY and pull loans written off or charged off on the selected date.
Branch	Select to filter by a branch.
WO/CO reason code	This is a lookup of the current write-off and charge-off reason codes. (See page 7.)
Interviewer WO/CO approved by Loan category at WO* Business unit Loan purpose Loan security	For these miscellaneous filters, use the <i>Select</i> button to move to a screen where you can select one or more items. Use the Shift and Ctrl keys to select multiple items on the screen and then click Select to return to the dashboard. Choose to filter by interviewer, the employee ID of the staff member who approved the write-off, the loan category at WO, the business unit, the loan purpose code, or the loan security code.

**The loan category filter uses the loan category in effect prior to when the loan was written/charged off for loans written/charged off after April 2015.*

Analyzing Net Change

The dashboard displays a Net Change \$ and Net Change % which by default is calculated by comparing the Balance at Write Off with the Current Balance. You have the flexibility to select which balances to compare for determine the net change.

Toggle Balance (F17)

Session 0 CU*BASE GOLD - Balances to Compare

Calculate net change by comparing

☐ Balance at write-off to current balance

☐ Balance at write-off to end of month balance as of to current balance

☐ End of month balance as of to current balance

☒ End of month balance as of to end of month balance as of

Navigation icons: < > ↑ ↓ ⏸ ⏹ ⏶ ⏷ ⓘ ? @

FR ILNW0-06

Using end-of-month (EOM) balances for comparison may help to gather loan recovery amounts for the 5300 Call Report. For example, after filtering the main dashboard with the appropriate loan grouping, you can compare EOM December 2022 with EOM March 2023 to determine the amount recovered for quarter 1 2023.

WRITTEN OFF/CHARGE OFF ANALYSIS

Session 0 CU*BASE GOLD - ABC CREDIT UNION

File Edit Tools Help

Written Off/Charge Off Analysis

Written off

W/O between Jan 01, 2023 and Apr 17, 2023

	Dollars	%	Count	%	Members	Usable Scores	Org Avg Crd Score	Event Avg Crd Score	Avg Crd Score Chg Orig to Event	Avg Seasoning Months
Total written off	132,925	100.0	32	100.0	23	28	616	552	64-	35
Total charged off	.0			.0					0	
Combined	132,925		32		23	28	616	552	64-	35

Key Facts for Written Off Loans

Top Reasons	Dollars	%	Count	%	Top 3 Dealers	Dollars	%	Count	%
DIVORCE	30,637	23.0	2	6.2	MCDONALD GMC CADILLA	6,907	5.1	1	3.1
NO CONTACT	24,828	18.6	12	37.5	PRIME ALLIANCE APPLI	.0		1	3.1
BK-13: DIVORCE	18,879	14.2	1	3.1		.0			.0
JOB LOSS	14,440	10.8	3	9.3	View Totals	6,907	5.1	2	6.2
BK-13: LEGAL	13,101	9.8	1	3.1	Top 3 Categories	Dollars	%	Count	%
BK-13: INCOME LOSS	10,324	7.7	2	6.2	15 USED VEHICLES	51,481	38.7	4	12.5
View Totals	112,209	84.4	21	65.6	04 SIGNATURE LOAN	22,753	17.1	4	12.5
					98 SIGN LN -SECUR	22,509	16.9	5	15.6
					View Totals	96,743	72.7	13	40.6
Top 3 Employees	Dollars	%	Count	%	Top 3 Members	Dollars	%	Count	%
6	35,149	26.4	6	18.8		19,895	14.9	2	6.2
TEST TELLER	30,831	23.2	3	9.4		17,581	13.2	1	3.1
	20,369	15.3	2	6.3		15,502	11.6	3	9.3
View Totals	86,349	65.0	11	34.4	View Totals	52,978	39.8	6	18.7

Bankruptcy Board Approval View Filters Alternate Views View Without Filters

Navigation icons: < > ↑ ↓ ⏸ ⏹ ⏶ ⏷ ⓘ ? @

FR (5937) 4/17/23

This screen shows summary statistics about the group of loans selected on the dashboard, including the “top 3” members, employees, dealers, loan categories, and write-off reasons. Use the **View** button in any top 3 section to see a window showing a complete list of those items.

For example, clicking this button in the Top 3 Categories section shows all of the loan categories included in the current filters, with total dollars written off by loan category, as shown in this sample. →

Loan Category	Dollars	%	Count	%
15 USED VEHICLES	51,481	38.7	4	12.5
04 SIGNATURE LOAN	22,753	17.1	4	12.5
98 SIGN LN -SECUR	22,509	16.9	5	15.6
87 PLATINUM	13,101	9.8	1	3.1
65 SIMPLY PLATINU	8,204	6.1	1	3.1
01 MC DIAMOND	5,899	4.4	6	18.7
43 SIMPLY PLATINU	3,052	2.2	1	3.1
16 REG VEHICLES	2,120	1.5	1	3.1
08 CREDIT BUILDER	1,255	.9	5	15.6
69 SIMPLY PLATINU	1,015	.7	1	3.1
12 OVERDRAFT PROT	1,000	.7	1	3.1
22 BUS LOAN FIXED	531	.3	1	3.1
FI CDFI MORTG		.0	1	3.1

13 records

Totals	132,925	100.0	32	100.0
Average	4,153			

MONITORING YOUR BOARD

APPROVALS OR BANKRUPTCIES

Use the **Board Approval** button to see a recap of all write-offs and/or charge-offs with documentation of their approval at a board meeting, or use the **Bankruptcy** button to see details about bankruptcy status.

*NOTE: Items will be shown in the **Bankruptcy** summary only if they were properly coded as bankruptcies when they were written off/charged off (see Page 15 for more details). This may or may not correspond with the reason codes that were assigned, since those codes are CU defined and not used by this bankruptcy summary analysis.*


Board Approval (F5)

Session 0 CU*BASE GOLD - Board Approval Information by Year

records 17

Written Off		Board Approved		Total Loans		
Year	Count	\$ Amount	Count	\$ Amount	% Approved	
2016	41	178,766	56	221,283	73.2	
2015	213	1,378,623	366	2,116,172	58.1	
2014	0	0	665	1,946,257	.0	
2013	0	0	347	1,442,470	.0	
2012	0	0	232	1,691,225	.0	
2011	0	0	295	2,036,213	.0	
2010	0	0	329	2,267,187	.0	
2009	0	0	303	2,398,033	.0	
2008	0	0	210	1,258,390	.0	
2007	0	0	209	560,730	.0	
2006	0	0	150	321,084	.0	
2005	0	0	203	283,317	.0	
Totals	254	1,557,389	3,593	16,699,024	7.0	

Show Charged off

By default the written-off loans will appear first; use **Show Charged off** to see only charge-offs. Use  to drill down to a monthly recap for a particular year:


Session 0 CU*BASE GOLD - Board Approval Information for Year 2015

records 12

Written Off		Board Approved		Total Loans		
Month	Count	\$ Amount	Count	\$ Amount	% Approved	
January	0	0	27	147,339	.0	
February	0	0	37	147,903	.0	
March	0	0	29	143,071	.0	
April	0	0	29	177,216	.0	
May	0	0	29	109,871	.0	
June	35	206,231	36	216,449	97.2	
July	35	256,297	35	256,297	100.0	
August	24	224,723	24	224,723	100.0	
September	38	227,496	39	229,424	97.4	
October	26	155,972	26	155,972	100.0	
November	20	68,617	20	68,617	100.0	
December	35	239,283	35	239,283	100.0	
Totals	213	1,378,619	366	2,116,165	58.1	

Navigation icons: back, forward, up, down, print, link, info, help, search. (5931)

From here you can drill down again on a particular month to see the list of member accounts that make up that monthly total.

For more details while working on these dashboard analysis screens use the  online help button.

WRITE OFF LOAN HISTORY SCREEN

The Write Off Loan History screen records a snapshot of the loan at write-off. When the loan is charged off, this screen is updated. (This displays the information collected in the LNWRTOFF table. This table is documented in the Appendix of this booklet.)

NOTE: Some data may not be available if a loan was charged off or written off prior to the implementation of the 15.0 release (April 19, 2015 for online credit unions).

Written Off Loan History Screen

File Edit Tools Help			
Written Off Loan History			
Loan account #	1 700	Interviewer	89 CU*ANSWERS CLIENT SUPPORT
Collector	89 CU*ANSWERS CLIENT SUPPORT	Write off by	:6
Branch	01 Corp ID 01	Loan cat at write off	01
Loan security	06	Dealer ID	
Approved by	/4	Business unit	
Loan purpose	02		
Write off date	10/09/2019	Charge off date	10/09/2019
Date opened	01/12/2017	Last payment date	07/31/2018
Original loan amount	50,000.00	# of payments left	46
Disbursement limit	50,000.00	Maturity date	07/30/2022
Loan bal at write off	0.00	Loan balance at charge off	37,687.09
Est recovered amount	0.00	Tiered Services score	
Delinq fines at write off	0.00	Delinquency balance at write off	0.00
Delinquent months	0 Delinq days 0	Delinquency fines at charge off	0.00
Original credit score primary borrower	0	Credit score at write off	0
Risk score grade level		Insurance	N
Int accrued since write-off	.00	Total collections expenses	.00
DTI at loan creation	.0	WO/CO status	C
LTV at loan creation	.0	Scheduled payment amount	883.73
# of refinances	0	# additional signers	0
Tiered Services level		Rate at write-off	.000
Int due at write-off	.00	Int calc code at write-off	
Total other fines/fees	.00		
WO approved by	AD ADMINISTRATION	CO approved by	AD ADMINISTRATION
WO reason code	004 Test 04	CO reason code	004 Test 04
Approved at board meeting on			
Bankruptcy date		Bankruptcy type	
Loan seasoning at WO	32 months	Loan seasoning at CO	32 months
Judgment date		Judgment amount	.00
Collateral type		Collateral liquidated date	
Est value of collateral at WO	0.00	Est value of collateral at CO	0.00
LTV at write off	00.0	LTV at charge off	00.0
Comments			
← → ↑ ↓ ⏸ ⏹ ⏶ ⏷ ⓘ ? @			
TR (5719) 5/16/22			

The sample above includes charge-off information since this loan was not only written off, but also charged off.

*The fields on this screen are documented in CU*BASE online help, accessible by clicking the ⓘ button on this screen. **Also refer to the Appendix of this document.***

If the screen contains zeros in all fields, the loan currently is not written off nor charged off.

This screen is accessed from three different access points. One access point is via *Written off loan history* on the Write-off/Charge-off dashboard shown in the previous section:

Access Point on Write-off/Charge-off Dashboard

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

Written Off Loan History Dashboard

Written off between and [MMDDYYYY] ☐ View
Approved at board meeting on [MMYYYY] Branch

Interviewer 000 selected WO/CO approved by 000 selecte
Business unit 000 selected Loan purpose 000 selecte

Account	Type	Rsn Code	WO Date	Last Name	Closed Date	Chrgd Off
29 645			Jun 29, 2009	HAIZKE		N
29 693			Jun 26, 2009	HAIZKE		N
29 811			Jun 26, 2009	HAIZKE		N
30 645			Oct 25, 2011	SAHR	Mar 18, 2020	N
30 920			Oct 25, 2011	SAHR	Mar 18, 2020	N
42 900			Sep 29, 2008	CONFIELD	Feb 26, 2018	N
84 811	007		Sep 28, 2015	RUSHFORD		N
152 866	007		Feb 23, 2022	RUSHFORD		N
379 900			Jun 30, 2011	COMPAU	Aug 25, 2016	N
664 866			Oct 25, 2011	MURLEY		N
723 693	018		Apr 26, 2018	CONWAY JR		N
804 600			Feb 11, 2014	BENDER	Feb 11, 2014	V
804 601			Feb 11, 2014	BENDER	Feb 11, 2014	V
804 800			Feb 11, 2014	BENDER	Feb 11, 2014	V
816 800			Feb 13, 2013	ZISSLER	Feb 13, 2013	V
838 600			Apr 19, 2005	MOELLER	Apr 19, 2005	V

☐ Credit Score history
 ☐ Account Inquiry
 ☒ Written off loan history
 ☐ Tracker review

Records 7,995 Members 5,552 Active 3,001 12.8 % Closed 16

Another access point is via the *Write Off History* option on the Collections Member Inquiry screen, accessed via **Tool #982 Work Collections:**

Access Point from Collections Inquiry

Session 0 - ABC CREDIT UNION
File Edit Tools Help

Collections Member Inquiry

Position to account

Coll ID	Yes	Mo/Day	Account	Type	Memo Type	Name	Type
28		Jun 08		900	LM		DELQ
28		Nov 08		811			DELQ
28		Feb 08		900	LM		DELQ
28		Apr 01		811	CU		DELQ
XX				956			DELQ
28		Feb 10		811	CL		DELQ
28		Jan 09		901	PP		DELQ
				039	CL		NEGB
HY		Jan 17		645	PP		DELQ
28		Jul 06		866	LM		DELQ
28		May 28		110	PP		NEGB
22		Apr 02		846	CU		DELQ
28		Feb 01		866	CU		DELQ

☐ Assign
 ☐ Chg Neg Bal Limit
 ☐ Household
 ☐ Follow-up
 ☐ Notices
 ☐ Participation Loan
 ☐ Work Member
 ☐ Work Loans
 ☐ Underwriting Comm
 ☐ More Info
 ☐ Contact Info
 ☐ Last Note
 ☐ Inquiry
 ☐ All Relationships
 ☒ Write-Off History

Another access point is via the delinquency pop-up window. The *Write-Off History* button is always visible, regardless of whether the loan is written off:

Access Point on Delinquency Pop Up

Session 0 CU*BASE GOLD Edition - Payment Information

Use Reporting History to see a history of credit bureau reporting for this loan, showing each time the loan was reported to the bureau(s).

View Credit File
Payment Change
Reporting History
CPI History
Disb Level History
Write-Off History

Summary Escrow detail

Delinquency Details

Fine ID 3 \$30 LATE FEE CONS/CLASSIC LOC
Control N 0/00/0000
Notice level 1 Fines paid 0.00
Delinquent interest due 0.00
Written Off Loan
Months 0 Days 15 # times 1
1st date delinquent Jan 06, 2015 # pmts 1

Amount Due

Amount delinquent 173.57
Fine amount 0.00
Amount due 173.57
Partial payment 0.92

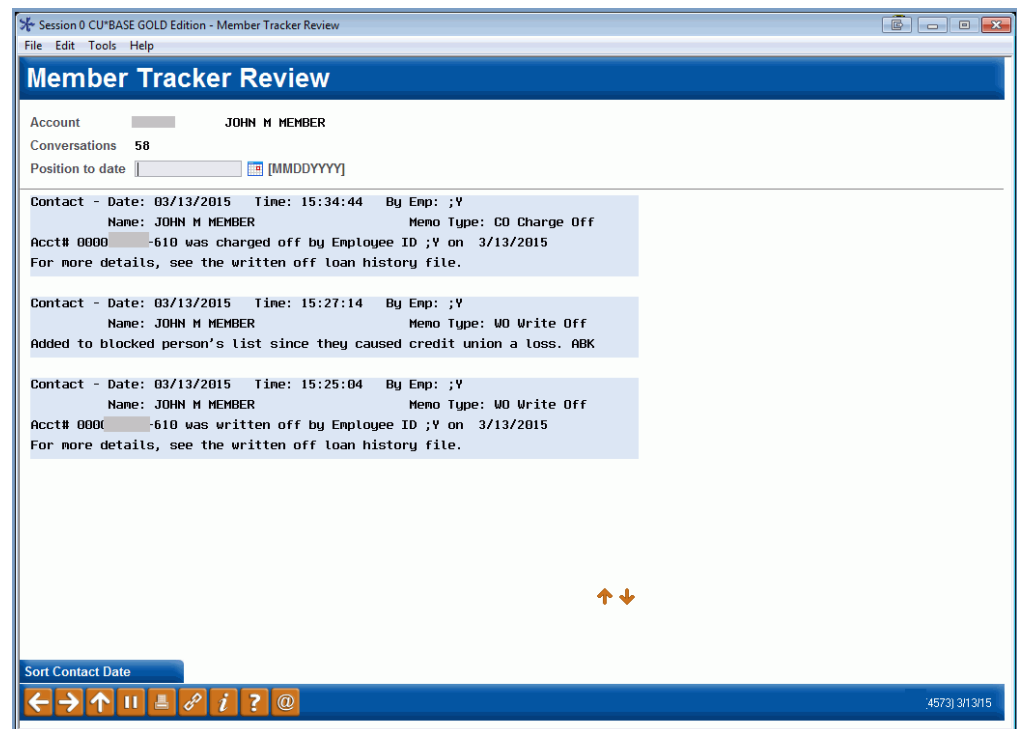
TRACKER CONVERSATIONS/COMMENTS

When the loan is written off and when the loan is charged off, a system-generated Tracker conversation is created and is added to the member's Collection (XX) Tracker. You also have the option of creating an additional Tracker conversation when you write-off the loan and also when you charge-off the loan.

Below are full-screen and close-up views of the Tracker conversations created during the write-off and charge-off process. The top and bottom ones are system generated. The middle Tracker conversation was created using the *Add additional comments* feature. (See **page 19** for details.)

The screen below is accessed via *Tracker Review* from the Write-Off/Charge-Off History dashboard. It is also accessed from Phone Operator and Account Inquiry.

Full-Screen View



A close-up of this screen is shown on the following page.

Close-Up View of Tracker Conversations

Contact - Date: 03/13/2015 Time: 15:34:44 By Emp: ;Y
Name: JOHN M MEMBER Memo Type: CO Charge Off
Acct# 0000 [REDACTED]-610 was charged off by Employee ID ;Y on 3/13/2015
For more details, see the written off loan history file.

Contact - Date: 03/13/2015 Time: 15:27:14 By Emp: ;Y
Name: JOHN M MEMBER Memo Type: WO Write Off
Added to blocked person's list since they caused credit union a loss. ABK

Contact - Date: 03/13/2015 Time: 15:25:04 By Emp: ;Y
Name: JOHN M MEMBER Memo Type: WO Write Off
Acct# 0000 [REDACTED]-610 was written off by Employee ID ;Y on 3/13/2015
For more details, see the written off loan history file.

The fact that the loan is written off or charged off is also recorded on the Member Account Comments screen.

Comments Screen

Session 0 CU*BASE GOLD Edition - Member Account Comments

Type	Comment	ID	Date
000	Open End Credit Plan 12/21/06 Ind. No Insurances	55	Dec 22, 2006
000	***MEMBER TOLD ABOUT DEBIT HOLDS/ FEE REVERSED**	22	Dec 14, 2012
610	LOAN WRITTEN OFF 3/13/15		Mar 13, 2015
610	LOAN CHARGED OFF 3/13/15		Mar 13, 2015

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TRACKING CHARGE OFFS AND RECOVERIES FOR 5300 CALL REPORT

The NCUA requires that credit unions report year to date (YTD) loan charge-off and recovery information every quarter on the 5300 Call Report. The Loan Charge Off and Recoveries section of the Call Report encompasses both written off (debt is deemed still collectible) and charged off (debt is deemed not collectible) per the classifications in CU*BASE.

Loan Charge Offs and Recoveries page of 5300 Call Report

Credit Union Name: _____		Federal Charter/Certificate Number: _____	
SCHEDULE A			
LOANS, SUPPLEMENTAL INFORMATION AS OF: _____			
Back to Navigation Page			
SECTION 2 - DELINQUENT LOANS & LEASES (continued)			
22. Amount of reportable delinquency included in Total Delinquent Loans and Leases (Account 041B) that relates to:	a. Participation Loans Purchased Under 701.22 (Account 691L)	Amount	Account
	b. Indirect Loans (Account 618A)		DL0142
	c. Whole or Partial Loans Purchased Under 701.23		DL0144
23. Amount of Consumer Loans in Non-Accrual Status			DL0145
24. Amount of Commercial Loans in Non-Accrual Status			DL0146
25. Total outstanding balances of loans affected by bankruptcy claims			971
26. Total outstanding Troubled Debt Restructured loans (if you have not adopted ASC Topic 326: Financial Instruments - Credit Losses (CECL)) or Modifications to Borrowers Experiencing Financial Difficulties (if you have adopted ASC Topic 326: Financial Instruments - Credit Losses (CECL))	Number	Account	Amount
		1000F	1001F
SECTION 3 - LOAN CHARGE OFFS AND RECOVERIES			
LOAN LOSS INFORMATION		YTD Charge Offs	YTD Recoveries
Non-Commercial Loans/Lines of Credit		Account	Account
1. Unsecured Credit Card Loans		680	681
2. Payday Alternative Loans (PALs I and PALs II) (FCU Only)		136	137
3. Non-Federally Guaranteed Student Loans		550T	551T
4. All Other Unsecured Loans/Lines of Credit		CH0007	CH0008
5. New Vehicle Loans		550C1	551C1
6. Used Vehicle Loans		550C2	551C2
7. Leases Receivable		550D	551D
8. All Other Secured Non-Real Estate Loans/Lines of Credit		CH0015	CH0016
9. Secured by 1st Lien on a single 1- to 4-Family Residential Property		CH0017	CH0018
10. Secured by Junior Lien on a single 1- to 4-Family Residential Property		CH0019	CH0020
11. All Other (Non-Commercial) Real Estate Loans/Lines of Credit		CH0021	CH0022
Commercial Loans/Lines of Credit			
12. Construction and Development Loans		CH0023	CH0024
13. Secured by Farmland		CH0025	CH0026
14. Secured by Multifamily		CH0027	CH0028
15. Secured by Owner Occupied, Non-Farm, Non-Residential Property		CH0029	CH0030
16. Secured by Non-Owner Occupied, Non-Farm, Non-Residential Property		CH0031	CH0032
17. Loans to finance agricultural production and other loans to farmers		CH0033	CH0034
18. Commercial and Industrial Loans		CH0035	CH0036
19. Unsecured Commercial Loans		CH0037	CH0038
20. Unsecured Revolving Lines of Credit for Commercial Purposes		CH0039	CH0040
21. Total Charge Offs and Recoveries (Sum of Items 1 - 20)		550	551
22. Of the Total Charge Offs and Recoveries reported in Accounts 550 and 551, report the charge offs and recoveries related to:	a. Participation Loans Purchased Under 701.22 (Account 691L)	550F	551F
	b. Indirect Loans (Account 618A)	550E	551E
	c. Whole or Partial Loans Purchased Under 701.23	CH0047	CH0048
NCUA 5300 Effective March 31, 2023 Previous Editions Are Obsolete			
OMB No. 3133-0004		Version 2023.1 8	

Per the NCUA's Call Report Instructions, credit unions are required to report the dollar amount of loans charged off year-to-date by collateral category in the left column. Report the dollar amount of recoveries year-to-date by collateral category in the right column.

We understand that each credit union has their own unique method for tracking written and charged off loans within CU*BASE. The suggestions in the next sections may not benefit every credit union equally.

GATHERING YTD CHARGE OFF INFORMATION

Credit unions can use Tool #476 "Loan Write-off/Charge-off History Dashbd" (discussed in detail starting on page 32) to obtain the total count and amount of written/charged off loans. Filter the dashboard by the appropriate "WO between" date range (1/1/YYYY to end of quarter) and

include both charged off and written off loans. Use the Analysis button to see the count and amount of written off/charged off loans combined.

Analysis Feature of Tool #476 “Loan Write-off/Charge-off History Dashboard”

Written Off/Charge Off Analysis				
W/O between Jan 01, 2021 and Jun 30, 2021				
	Dollars	%	Count	%
Total written off	8,504	60.7	6	85.7
Total charged off	5,505	39.3	1	14.3
Combined	14,009		7	

Note: The dollar amount total above represents the balances at the time of write-off/charge-off.

The trial balance feature of Tool #788 “Loan Information Report” can also be used for obtaining charge-off amounts for the Call Report. Enter the appropriate quarter end for the process date, filter the loan category(s) used for write-offs and filter by the loan code(s) that correlate with the NCUA grouping. Use Review/write off date range of 1/1/YYYY to end of quarter date. Totals for the selected loans are listed in the Statistical Summary section at the end of the report.

Keep in mind that the figures for loans that are charged off in CU*BASE will not be included in the Loan Information Report totals because charged off loans no longer reside in CU*BASE.

GATHERING YTD RECOVERY INFORMATION

The Call Report asks for the dollar amount of recoveries that have occurred YTD regardless of when the loan was written or charged off. As an example, for 2nd quarter 2021, the Call Report requires recovery amounts received between January 1, 2021 and June 30, 2021.

For tracking recovery amounts, most credit unions reconcile their loan allowance G/L account(s), usually 719.xx and consider credit transactions to be recoveries. G/L credit totals are gathered each month and can be tracked via an internal spreadsheet. The appropriate months in the current year are added to determine YTD recovery amounts. For example quarter 2 would include the current year January-June recovery amount totals.

A suggestion for making it easier to track recoveries for the 5300 Call Report is to configure separate loan allowance G/L accounts for each of the NCUA’s loan groupings (Unsecured Credit Card Loans, New Vehicle Loans, etc.). See the below Chart of Accounts for an example.

Tool #202 “Chart of Accounts/Budget Groups Maint” > F1=Full Chart

Maintain Chart of Accounts

Company 01
Budget group Select
G/L type

Accounts ☐ Cash ☐ Non-cash ☒ Both
Status ☐ Active ☐ Suspended ☒ Both

Position to account # 71900
Contains description
of records displayed 476

Account	Description	Cash	Type	Budget Group	Reversal Acct	Status	Inc/Exp Acct	Accrual Acct
719.00	ALLOWANCE FOR LOAN LOSS	N	A			A	719.00	719.00
719.01	ALLOWANCE FOR LOAN LOSSES - VISA	N	A			A	719.01	719.01
719.03	ALLOWANCE FOR LOAN LOSSES - REAL ESTATE	N	A			A	719.03	719.03
719.04	ALLOWANCE FOR LOAN LOSSES-NEW VEHICLE	N	A			A	719.04	719.04
719.05	ALLOWANCE FOR LOAN LOSSES-USED VEHICLE	N	A			A	719.05	719.05
719.06	ALLOWANCE FOR LOAN LOSS-SIGNATURE	N	A			A	719.06	719.06
719.07	ALLOWANCE FOR LOAN LOSS-LINE OF CREDIT	N	A			A	719.07	719.07

In addition, a separate “write-off” loan category for each of the same groupings is defined via Tool #458 “Loan Category Configuration”.

92	WRITTEN OFF LOANS-LOC
93	WRITTEN-OFF LOANS-SIGNATURE
94	WRITTEN OFF LOANS-USED VEHICLE
95	WRITTEN OFF LOANS-NEW VEHICLE
97	WRITTEN OFF LOANS
98	WRITTEN OFF VISA LOANS
99	WRITTEN OFF LOANS

The appropriate loan allowance G/L account then gets assigned to the corresponding written off loan category:

Tool #458 “Loan Category Configuration”

Loan Category Definition

Category code 95 WRITTEN OFF LOANS-NEW VEHICLE

General Ledger Interface

Loan category 719.04

Interest earned 719.04

Accrued interest 719.04

Loan category for write-offs 95

With the above configurations in effect, the credit union will reconcile multiple 719.xx G/L accounts to determine recovery amounts however the individual totals for each 719.xx will match to the NCUA loan categories.

Another suggestion for tracking recoveries for the Call Report is to review the Net Change figures on Tool #476 “Loan Write-off/Charge-off History Dashbd” (discussed in detail starting on page 32). After you have filtered the main dashboard appropriately based on the NCUA loan groupings, select to Toggle the balances for comparison.

Toggle Balance (F17)

Session 0 CU*BASE GOLD - Balances to Compare

Calculate net change by comparing

☐ Balance at write-off to current balance
☐ Balance at write-off to end of month balance as of [MMYYYY]
☐ End of month balance as of [MMYYYY] to current balance
☒ End of month balance as of Dec 2022 [MMYYYY] to end of month balance as of Mar 2023 [MMYYYY]

← → ↑ || ⏏ ⏏ ⓘ ? @

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Use the appropriate end-of-month (EOM) balances for comparison based on the Call Report quarter. The example above compares EOM December 2022 with EOM March 2023 to determine the amount recovered for quarter 1 2023.

Written Off Loan History Dashboard

Written off between and [MMDDYYYY] ☐ View indirect loans only

Approved at board meeting on [MMYYYY] Branch WO/CO reason code

Interviewer 000 selected

WO/CO approved by 000 selected

Loan category at WO 000 selected

Business unit 000 selected

Loan purpose 000 selected

Loan security 000 selected

Toggle

Account	Type	Rsn Code	WO Date	Last Name	Closed Date	Chrgd Off	EOM Balance As of 12/2022	EOM Balance As of 03/2023	Net Change \$	Net Change %
610	008		Nov 06, 2019			N	2,813.58	.00	2,813.58	100.00
610	023		Dec 11, 2019			N	17,450.56	.00	17,450.56	100.00

BANKRUPTCY INFORMATION

Page 8 of the Call Report asks for the total outstanding balances of loans affected by bankruptcy claims. This figure may be able to be obtained via the Analysis feature on Tool #476 “Loan Write-off/Charge-off History Dashbd” if loans were properly coded as bankruptcies at the time of write-off/charge-off. Use the Analysis feature, then use the Bankruptcy button to view the total amount of loans in bankruptcy.

Bankruptcy (F4)

Bankruptcy/ Judgement Data by Year							Bankruptcy
Year	Board Approved		Total Loans			% Approved	
	Count	\$ Amount	Count	\$ Amount			
2021	0	0	1	0	.0		
2020	0	0	0	0	.0		
2019	0	0	0	0	.0		
2018	0	0	0	0	.0		
2017	13	0	13	0	100.0		
<div># records 5</div> <div>Totals 13 0 14 0 92.8</div>							

TRACKING INTEREST FOR WRITTEN-OFF LOANS

Beginning with the 22.05 release, the system calculates daily interest amounts on written-off loans via a memo process, completely separate from other loan accruals (and not written to the MEMBER files or your GL). The per diem calculation uses the rate and current balance (CURBAL) from the loan account record and applies the 365 daily interest calculation. The results of this daily calculation are recorded in a new “bucket” in the Written-off Loan History (LNWRTOFF) table.

The “Interest accrued since write-off” is an informational figure only; these “accruals” will not interface with the credit union’s books.

The “Interest accrued since write-off” increments every day so that you have a record of interest owed should the member offer to make payments on all or part of the loan balance.

For loans written off prior to the implementation of the 22.05 release (May 15, 2022 for online credit unions), remember that “Interest accrued since write-off” started being calculated with the 22.05 release so this figure may not contain all on the interest accrued since write-off.

MANUAL UPDATE OF INTEREST ACCRUED SINCE WRITE-OFF

If you had been tracking interest accrued since write-off manually, you can add your existing figures to the new “Interest accrued since write-off” field so that the figure is up to date. Here are the steps to add your existing interest figures to the new field:

- 1) Launch **Tool #1030 Write-off/Chart-off Loan History Maint** (shown starting on page 29) and enter the written-off loan account number.
- 2) Calculate the sum of whatever amount appears in the *Int accrued since write-off* field now plus your tracked figure, and enter that total into the field. Click Update (F5) to save.

ACCRUAL HISTORY

A history of daily accruals for written off loans is stored in the LWOACRHST table. Each day that the accrued amount is updated, a record is written with the current balance, accrual date, accrual rate and daily interest accrued. This table can then be queried to review accrual history on individual written off loans.

The Accrual History table stores what the system actually calculated and does not include any manual updates to “Interest accrued since write-off”.

ANSWERS TO OTHER FREQUENTLY ASKED QUESTIONS (FAQ)s

Below is some additional information about write-offs and charge-offs that is included in AnswerBook.

Click the link to view the answer and related information.

1. [When a loan is written off, will the payment matrix automatically change so that if payments are made, the amount will be applied to principal first?](#)
2. [Can written off loans be suppressed from member statements?](#)
3. [How do I obtain a listing of loans that were written off during a particular period of time \(e.g., for the month\)?](#)
4. [If a member has a written off loan, is there any way I can keep him/her from receiving a statement at all?](#)
5. [Why can't I write off a Student Loan using the "Write Off Loans" tool?](#)
6. [Is my credit union charged a monthly membership fee for members who have written off loans?](#)
7. [How do I send 1099C forms to members that are written off or charged off?](#)

APPENDIX: LNWRTOFF TABLE

Below are the contents of the LNWRTOFF file. Data is captured at write-off and at charge-off. The final column below indicates if this field is updated at charge-off (if a value exists) when the loan has already been written off in CU*BASE. If the loan is being written and charged off at the same time, then all the appropriate fields get populated in the history file.

Field Name	Comments	Update at CO*
Branch	Branch from MEMBER 5/6	No
WO/CO off status	Indicates whether the WO/CO status of the loan could be used in displaying loans on the dashboard Either W or C	Yes
Loan Category at Write Off	Loan category code from MEMBER 5/6 NOTE: This is generally the loan category on the loan before it was assigned to the written-off loan category. But if the loan was written off before the software for this screen was implemented (spring 2015), this will show the write-off category.	No
Business Unit at Write off	From the loan category configuration	No
Loan Purpose Code	Loan purpose code from MEMBER 5/6	No
Loan Security Code	Loan security code from MEMBER 5/6	No
Dealer ID	Dealer ID from the Dealer/Account file	No
Write Off Date	Write-off date MMDDYYYY	No
Charge Off Date	Charge-off date MMDDYYYY	Yes
Loan Balance at WO	Loan current balance from MEMBER 5/6 at the time of write-off	No
Loan Balance at CO	Loan current balance from MEMBER 5/6 at the time of charge-off	Yes
Delinquency Fines at Write Off	Delinquent fine amount from the MEMBER 5/6	No
Delinquent Balance	Delinquent balance at write-off from MEMBER 5/6	No
Months/days delinquent	The delinquent days and delinquent months from the MEMBER 5/6 file	No
WO Reason Code	Write-off reason code	No
CO Reason Code	Charge-off reason code	Yes
Bankruptcy Date	The date of the bankruptcy MMDDYYYY (asked at time of WO/CO, can be overridden at time of charge-off)	Yes
Bankruptcy Type	Free-form text field used to indicate bankruptcy type; "Chapter 7" as an example (asked at time of WO/CO, can be overridden at CO) 15 positions	Yes
Judgement Date	The date of the judgement that was obtained MMDDYYYY (asked at time of WO/CO, can be overridden at CO)	Yes
Collateral type	Collateral type from the first collateral record on file (not overridden)	No
Collateral Liquidated Date	The date that the collateral was liquidated MMDDYYYY (asked at time of WO/CO, can be overridden at CO)	Yes
Estimated value of collateral at WO	Add up the "Estimated Value" of all the collateral records on file for this loan.	No

Field Name	Comments	Update at CO*
Estimated value of collateral at CO	Add up the “Estimated Value” of all the collateral records on file for this loan.	Yes
Estimated recovered amount	Estimated amount that has been recovered from the loan at WO (asked at time of WO/CO, can be overridden at CO)	Yes
Interviewer ID	Interviewer ID	No
Approved By	Approved By	No
Collector ID	Collector ID	No
Date Opened	Date opened from MEMBER 5/6	No
Original Loan Amount	Disbursed Amount MEMBER 5/6	No
Disbursement Limit	Disbursement Limit from MEMBER 5/6	No
Maturity Date	Maturity date from MEMBER 5/6	No
Last Payment Date	Last payment date from MEMBER 5/6	No
# of Payments Left	Number of payments left from MEMBER 5/6	No
Payment Amount	Scheduled payment amount from MEMBER 5/6	No
# of refinances	Refinance count from MEMBER 5/6	No
Original Credit Score Primary Borrower	Credit score of the primary borrower when the loan was created; from MEMBER file	No
Credit Score at Write Off	Current credit score of the primary borrower; from OPENDLF file	No
Risk Score Grade Level	Risk score grade level from MEMBER 5/6	No
Loan Seasoning at WO	Number of months the loan was on the books; calculated by comparing the current date at time of write-off to the date opened	No
Loan Seasoning at CO	Number of months the loan was on the books; calculated by comparing the current date at time of charge-off to the date opened	Yes
# of additional signers	Number of ADSL records	No
Insurance	This is a Y/N flag that indicates if there is insurance on the loan at the time of write-off. If any of the following fields from the MEMTRL3 file has a value, then this flag is Y: ACTBL6, ACTBL7, ACTBL8	No
LTV at WO	Loan-to-value calculated using the Estimated value of collateral at WO from this history file (which adds up the Estimated value of all collateral records on file for this loan); compared to the loan balance at WO.	No
LTV at CO	Loan-to-value calculated using the estimated value of collateral at CO from this history file (which adds up the estimated value of all collateral records on file for this loan); compared to the loan balance at WO	Yes
Tiered Services score	Tiered services score from the TIERDL file	No
Tiered Services level	Tiered services level from the TIERDL file	No
Approved at Board Meeting	MMYYYY of the board meeting where the charge-off was approved (asked at time of WO/CO)	Yes
WO Approved By	Employee ID of the staff member who approved the write-off (asked at time of WO/CO)	No

Field Name	Comments	Update at CO*
CO Approved By	The Employee ID of the staff member who approved the charge-off (asked at time of WO/CO)	Yes
Rate at write-off*	Loan interest rate at write-off from MEMBER5/6	No
Interest due at write-off*	Interest amount due at write-off from MEMBER5/6	No
Interest calculation code at write-off*	Interest calculation code at write-off from MEMBER 5/6	No
Interest accrued since write-off*	Amount of interest accrued since write-off Note: If the loan was written off prior to 5/16/2022 this will be zeroes unless manually updated.	Yes
Judgment amount*	The judgment amount if applicable (asked at time of WO/CO)	Yes
Total collection expenses*	Total amount of collection expenses (asked at time of WO/CO)	Yes
Total other fines/fees*	Amount of other fees/fines (asked at time of WO/CO)	Yes
Comments*	Free form comments that can be added at the time of WO/CO	Yes

NOTE: Some of the data may not be available for loans charged off or written off prior to the implementation of the 22.05 release (May 15, 2022 for online credit unions). Fields marked with an asterisk (*) were added with the 22.05 release.