

# Why Select an In-house Credit Card Processing Solution?



**SettleMINT<sup>EFT</sup>**  
CU\*ANSWERS Management Services



## Overview: The CU\*Answers Online Credit Card Program

So, you're interested in a credit card loan program at your credit union! Great, a credit card program can create value and build member loyalty, along with the bonus of adding an additional stream of revenue to the credit union. Here at CU\*Answers, we offer two different types of program styles; **in-house** and **full-service**. This guide will help you begin your investigation on which method best meets your needs.

While the intent of this guide is to help you understand the different options and help you make an informed decision on how you want to service your credit cards going forward, we make no secret that we strongly support the in-house solution! We believe in the power of our core, which gives the in-house solution the power to save you money, allows for quick setup of promotional campaigns, and provides simple access tools that give your staff the ability to view and maintain member plastics all in one system with no separate logins. As such, this guide will highlight the in-house solution a bit further.

# The Difference Between In-house and Full-service Programs

Before we can highlight the benefits of the in-house program, let's start by outlining the differences between the two.



## In-House Program

The in-house program is self-administered through your own internal core processing system; this structure allows for more control on how you want your credit card portfolio to run. This means you can set up promotional rates and programs through the core without needing to contact your supporting vendor (see more about this below in the *promotions* section). Not only this, member transactions are authorized and posted in real time for view on the core system, and your members can see this in **It's Me 247**, our online banking product. As you're servicing your own program, members will contact the credit union for any questions related to their credit card loan, giving you instant access to member questions, and allowing you to use the tools at your disposal to quickly service the member's inquiry.



## Full-Service Program

The full-service program offers a more limited credit union involvement, as your vendor will act as the program administrator. This means that after you approve and establish the member's loan, any further contact with the member is handled at the vendor level; members will call your vendor's support line for questions, the vendor will handle disputes and provisional credits to the members loan record without your approval. The vendor will also decide how the credit card program runs, meaning that promotions and rates are built between you and the vendor; historically, this means that any changes you want to implement will need to be coordinated ahead of time with the vendor, which may come with an associated cost or fee, and additional lead time.

## In-House vs. Full-Service Support Options

Let's take a closer look at some of the more detailed actions between the full-service and the in-house solutions offered by CU\*Answers using the comparison table below.

Task or Service Supported	In-House	Full-Service
<b>Application Process</b>	Yes	Yes, CU approves using their normal process
<b>Card Ordering</b>	Yes, cards ordered on the core system during or after approval process, and nightly file will be sent to your vendor	Yes, CU orders the card on the vendor site
<b>Promotional Campaigns</b>	Yes, self-administer or assisted with SettleMINT EFT Team	Yes, requests are sent to the vendor, may include fee and lead time
<b>Reward Programs</b>	Yes, cash back reward program automatically offered if desired – no special BIN or administrator needed	Yes, varies by vendor, likely need additional 3rd party to manage the program
<b>Settlement</b>	Yes	Yes
<b>Real Time Payments</b>	Yes	Potentially. If payments are made directly on the site, it may be real time.
<b>Fraud Prevention</b>	Yes, need to setup and purchase with your vendor	Yes, offered from vendor
<b>Authorizations/Completions</b>	Yes, real time posting and adjusting of available balances	Yes
<b>Member Services</b>	Yes, credit union	Yes, vendor service
<b>Statement</b>	Yes, will be mailed with your member statement	Yes
<b>Account management</b>	Yes, within the core	Yes, within the vendor site

## Benefits of an In-House Solution

As you can see from the above, choosing to move to an in-house credit card platform has many inherent benefits to both your credit union and to your members. Let's dive in deeper to what we've highlighted in the table above.

### Member Benefits

Your members will be able to see their loans while in **It's Me 247**, the online banking product that they will use to view all other account information, such as savings and checking, or other loans that are serviced by your credit union; this means that they don't have to log into another site and can feel secure using a product that they are familiar with. This also allows them to pay their loan like any other loan on the system using the features available in online banking. Members can see their account and their transactions in real time, allowing them to see available balances and understand their credit limits prior to making purchases and payments. The value to your members to feel in control of managing their credit card loan is monumental! Additionally, since credit union staff can set up promotional rates and Cash Back Reward programs without using a 3rd party, all that information is available to members within their online banking site or app as well.

## Credit Union Benefits

To reiterate, the credit union benefits by having the loans readily available on the core software system to service, review, maintain, and inquiry. These loans become part of your standard books at CU\*Answers, allowing your accounting team to easily integrate these loan portfolios into income and balance statements, as well as use our analytics tools to review data for board packets and market research. When assisting members, you only need to access a tool to have all of your member's pertinent details available at your fingertips, no need to log into a 3rd party site or learn a new management software. Using our documentation and resources, as well as the SettleMINT EFT team's expansive knowledge, you can setup and run your own promotional campaigns – these typically come without any additional costs or fees associated with them. Using our analysis tools is a great way to gather information for these promotions, and to focus your marketing on retention, additional loans, and card usage. In particular, having your credit card loans on the core system allows your staff to use a credit card portfolio analysis tool that provides detailed information on transaction, loan, BIN and interest rate statistics (again, great information to pass along to your board!) **Now, for our favorite part: in addition to the added benefits of an in-house program, credit unions will typically see this solution saving them 32%-42% off their monthly bill!**



## Marketing, Promotions, and Campaigns

We've been doing a lot of talk about offering credit card promotions, or cash back reward programs for your members, and how offering these rewards to your members can increase your revenue; and for our in-house clients, this process is baked right into the core software and accomplished very simply with a few clicks through our toolset, with all the supporting resources you may need.

To start, CU\*Answers has many resources available to assist with self-service options, such as long form booklets, and our CU\*BASE online help. If you need a bit further instruction, our SettleMINT EFT team is always available to assist. Along with promos and campaigns, our teams can connect you with the right people here to establish marketing call campaigns, email blasts, and statement insert marketing. Taking it one step further, we also offer *1 Click Offers* for credit card loans. This program allows you to set the criteria and display pre-approved offers in **It's Me 247**; once the member accepts the offer the work is done behind the scenes with minimal efforts needed from the credit union.

## Concerns With an In-House Program

We would be remiss to not address some of the concerns we've heard when it comes to adopting an in-house solution with CU\*Answers. We understand the sentiment that many credit unions have, and that usually can be summarized as "sure you may save money, but do you have the staff to manage the program?" We hear you, and we want to reassure you that when using the CU\*Answers in-house solution, you are not left alone to your own devices; the CU\*Answers SettleMINT EFT team is here for you!

If you have questions or are thinking about a promotional campaign and not sure how to do it, you can reach out to the SettleMINT EFT Team. We are your experts in this area and can help you walk through what is needed and how it can be done and or assist you with the work as well. We are also your managed services high-level support team for questions that may arise in daily operations that are a bit out of the norm, or that perhaps you have yet to understand from the member experience.

In our many years that we have offered this solution, we have not heard that any credit union has had to bring on additional team members to manage the credit card portfolio. In fact, the simple fact is, this is a line of credit loan on CU\*BASE that has a plastic attached, so however your staff is already handling your lending process, as well as the debit card process, is what you'll need to do to handle your credit card loan



process. Once your staff is trained and into the swing of things, it very much mirrors any other software tasks already on the core system.

Another area of common concerns is processing chargebacks for a member. When you use a full-service solution, they post provisional credits and work with **VISA/MasterCard** on the solution after the review is done, which does remove your credit union from the process. However, with the in-house solution, you can simply post a member account adjustment if you want to provide provisional credit, and still work with our vendor on the **VISA/MasterCard** resolution. Again, this process mirrors how you would complete chargebacks for your member's debit cards.

Lastly is the compliance factor. Our teams work consistently on maintaining compliance as a rule. We receive, review, and implement both vendor and top level mandates from **VISA/MasterCard**. We also continuously review statement compliance and in conjunction with your credit union, ensure that the proper information is always contained on the statement. CU\*Answers prides itself on maintaining the utmost compliance in all areas of the credit union service experience, and you should expect no less from the credit card compliance perspective.

## The In-House Implementation Process

So, maybe we've piqued your interest now in the in-house program and you're wondering how to get started. Well, we're excited to tell you that the implementation process is just as simple as the management process. About six months prior to your intended go-live date, the SettleMINT EFT team will kick off the process with the initial paperwork, after which we will begin to have conference calls with you and your card vendor. Together, we create a conversion plan that includes program mapping and reviews that help ensure your program is set up correctly in the online environment prior to going live (another benefit of having this information in the core software!) Two test runs will be completed to ensure your data will be coming over correctly and to make your conversion day a success. Your conversion coordinator will provide reports after each test run, so you can review and clean up your cards prior to conversion, a process that allows your program to start with clean, fresh, and accurate data. During the implementation process, in depth training will be provided for your staff, as well as introducing you to our documentation resources on our various websites that are integral to continued assistance and training following your implementation. And don't forget – we are here to support you every step of the way!

## In Summary

The CU\*Answers in-house credit card program offers you the ability to provide credit card loans and plastics that meet your credit union and member needs for a fraction of the cost of other full-service programs. The in-house solution also helps your credit union provide the opportunities to easily add ancillary enhancements. With our process that has been proven to be successful and beneficial for our network of credit unions, you will be in full control of your portfolio allowing easy and quick promotions, Cashback Rewards set ups, and easy access to monitoring tools. We are proud to be your strategic partner and look forward to aligning your credit card program toward growth and increased profitability.

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## Interested in more information?

Contact the SettleMINT EFT team at CU\*Answers today.

*We can provide a demonstration and answer all your questions.*

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