

Household Database Automatic Generation

Refreshing Your Household Database automatic Refresh/Generation of Households

Rev. July 5, 2006

To assist credit unions in using the CU*BASE Household Database feature, CU*Answers can generate an entire household database from existing member accounts in a “batch” mode. During the process, we will locate members with *exactly* the same address information and group them under a single household number. You can choose from the following options:

- ◆ **Generate Entire Household** - With this method, all existing household data (including assets, debts, income, employment info, etc.) will be cleared and new household numbers will be assigned to your member and non-member records. This is perfect for new credit unions just converting to CU*BASE, or for credit unions that have want to refresh all household database information.
- ◆ **“Append” to Existing Household Database** - With this option, you can elect to enroll into your Household database any members or non-members that have not already been enrolled. This helps you “catch up” any memberships and non-member joint owners, IRA beneficiaries, etc., that were created without being enrolled into a household.
 - ✉ NOTE: With the implementation of Member Service enhancements in November/December 2005, all existing memberships will be enrolled into households using this feature, and all new member and non-member records created from that point on will be enrolled into a household as part of the account opening process. (From this point on, the “append” feature will primarily be used to leave the existing database alone and simply apply the Head of Household designation.)
- ◆ **Apply “Head of Household” Designations** - This option is designed primarily for when you are generating all households, not appending (see *note below). While the households are being generated the system can ensure that every household in the database has one member designated with the member type code of “H” for head of household. The system simply chooses the lowest account number (SSN/TIN, for non-members) among all of the household members.

Remember that this designation is simply a way to choose one member from a household to be used when creating mailing labels, custom file downloads, etc., to avoid duplicate mailings going to the same household. Members do not see this designation, and it can be changed manually at any time by updating your Household Database records.

**If this is used with the “Append” method, the system is not able to move any new member/non-member records into existing households. For example, say you have an existing household with a husband and wife in it. Their two kids are also members of the credit union, but were not put into a household. With the append process, the kids would be put into their parents' household (assuming their addresses matched exactly, of course). However, with the “apply head of household” feature, the kids would get their own household, with one of them assigned as head of household.*

Important Considerations

Because of the time and amount of storage space the batch generation process will require, it is very important that your credit union considers carefully the following requirements and recommendations:

- ◆ To ensure that the generation process does not encounter problems with invalid duplicate records (two *different* people with the same SSN), the SSN Verification Reports must be reviewed prior to running auto generation. Any duplicates that exist either within the MASTER member file or between the MASTER file and the MSNONMBR non-member file must be resolved before households can be generated. Refer to the “CU*BASE Standards for Social Security Numbers” booklet for complete information on running and reviewing these reports.
- ◆ CASS certification must have been completed on your membership addresses at least twice, and it is best if it was done recently to ensure that all addresses have been standardized using CASS rules. This makes it much more likely that members at the same address will be grouped correctly within the same household.

- ◆ The system will require household enrollment as part of its normal member service new account processing. Some pointers:
 - It is only necessary to create the household number and enroll the member; the MSR does not need to complete all of the household data screens at the time the member is opening the account.
 - The MSR should screen for additional family members and enter the SSNs to set up non-member leads.
 - The MSR should point out to members that they are being enrolled in the “auto-lending system” and applications will now be online, so that they will not need to fill out loan applications in the future.
 - It is recommended that some paper form be available to collect data if the member would like to send the information at a later time.

- ◆ In order to complete a CU*BASE Loan Application, the member (or non-member) must be enrolled into a household. When using the “Complete a Loan Application” feature on the loan recap screen, the system will evaluate whether or not a household enrollment record exists, and, if necessary, automatically take the user through the enrollment process. All changes to the loan application will automatically update both the application and the household database.

How the Auto-Generation Process Works

During the automated household number generation process, each member with a unique address will be assigned a sequential household number. Members that have addresses that match exactly will be grouped within the same household. Unless you specify otherwise, any existing households will remain in place as you created them.

Duplicates are matched using a special sort process to locate members with exactly the same address information. Member records are sorted as follows: **State, ZIP Code, City**, then **Address1** and **Address2**.

Exception Reports

When the generation program is run, reports will be generated showing all member and non-member records that were not placed into a household:

- Members and non-members where the State field is blank
- Members and non-members who have been assigned an “imitation” SSN according to the new CU*BASE SSN standards (first two digits of the SSN = 99)
- Members and non-members who are flagged not to be CASS certified
- Members and non-members with foreign addresses
- Organizational accounts in the member and non-member files that were not included in the household generation process
- If the system encounters more than 20 members with the same address, only the first 20 found will be added to the household. Remaining members with that same address will appear on an exception report.

Getting Started

For online credit unions, auto generation is performed for you by a CU*BASE representative. You may call a Client Service Representative, or complete and fax the form below. (Self processors can access the command via the On-Demand Processing OPER menu. Please contact a CSR to review your options and ensure your files are ready for household generation.)

Automatic Household Refresh REQUEST FORM

If you are interested in having us set up Households for you, complete this form and return it to Client Services. A Client Service Representative will contact you to discuss how and when the process will be implemented for your credit union. If you have any questions, please contact a CSR at 800-327-3478 or 616-285-5711.

- Yes, our credit union authorizes CU*Answers to automatically generate Households for our member database. We have read and understand the requirements and other recommendations outlined above. We would like to use the following options:

Generate all households or append to existing database: Generate All Append Only*
*(*The Append option should be used only in special circumstances. Contact a Client Service Rep.)*

Include Organizational type accounts: Yes No

Ensure all households have a "Head" designation: Yes No

Credit Union Name _____

Contact _____ Phone _____

**RETURN THE COMPLETED FORM TO CU*BASE CLIENT SERVICES
FAX # 616-285-5735**