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# Skip-a-Pay for Online Credit Cards

## INTRODUCTION

Now you can set up a batch skip-a-pay program for your online credit cards any time you wish and run it in an automated fashion at no charge.

Using **Credit Card Skip-a-Pay Config** on the ATM/Debit/Credit Card Configuration (MNCNFG) menu, you can define multiple programs (such as a “Holiday Visa Platinum Skip-Pay” or “MasterCard Summer Break”) according to loan category and statement period. Set up eligibility rules such as delinquency status, how long the account has been opened, presence of a block code, etc. Simulation reports help you to tweak the settings as needed ahead of time.

The program is automatic for all eligible members (no opt-in is necessary), so for the designated statement period the minimum amount due for the account will be set to \$0.00 for one month only. The following month the normal payment will resume automatically. You can define a marketing message that includes the required “finance charges will continue to accrue” language, and it will appear in the transaction detail area of the credit card statement.

Members can still make their regular payment if they wish, and automated payment features such as ACH distributions or AFT will continue to work as before. (HINT: If you’ve set up any AFTs to automatically pay the minimum payment amount, since the minimum will be \$0, those members who qualify won’t have a transfer that month.)

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# TIMELINE OF THE PROCESS

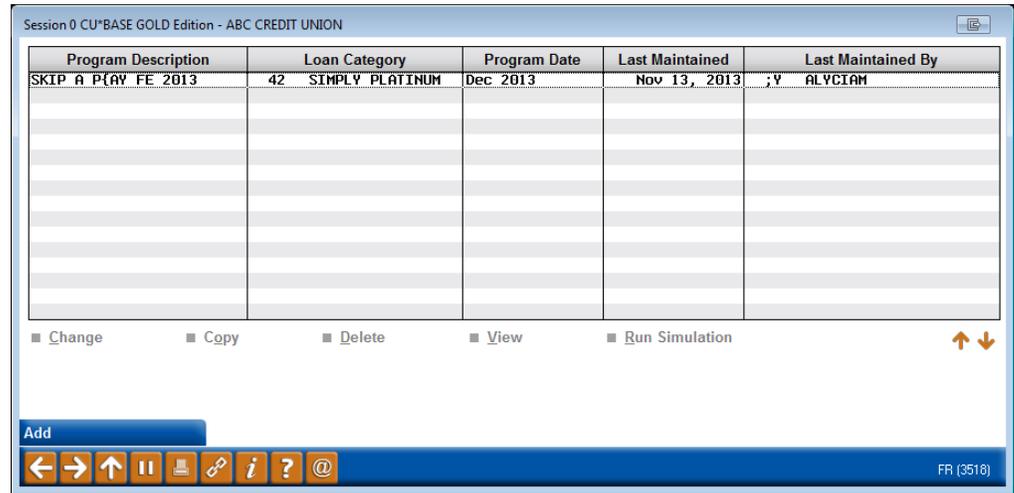
This section of the manual outlines an overview of the steps (configured and automatic) which happen in the course of a CU\*BASE Batch Skip-a-Pay Program. Refer to sections within this book for detailed descriptions on each step.

1. The credit union configures a Skip-a-Pay program (for each online credit card loan category offered) which details the month the batch program will be run, indicates which online credit card category is affected, composes the text the members see in their credit card statement, and sets the exclusions (which members will not be included in the batch offering).
  - These programs must be configured during the month prior to month when the offer will be extended. For example, if a credit union wants to offer a holiday Skip-a-Pay on the December statement, this step should be completed early in the month of November. That way members will receive a Minimum Balance due of \$0.00 and a message alerting them of the Skip-a-Pay offer on their December credit card statements.
2. The credit union then runs a simulation of the batch program and CU\*BASE generates two “Simulation” reports, one listing the members who will receive the Skip-a-Pay offer and another listing the members who will not receive the offer.
3. The credit union has the option of adjusting the Skip-a-Pay program based on the results of these “Simulated” reports. These changes must be completed prior to the last day of the month. It is recommended that this step is completed a few days prior to month end.
4. During Beginning-of-Day on the last day of the month (in our example, this would be BOD on November 30<sup>th</sup> since November has 30 days) CU\*BASE automatically runs the programs scheduled for that current month and adds a payment change record to included accounts. CU\*BASE generates “Update” versions of the reports, which are sent to the credit union’s OUTQ. These reports list members who are scheduled to receive the Skip-a-Pay offer, as well as those who are not scheduled (and will not receive the offer).
5. During the last day of the month (during November 30<sup>th</sup>) the credit union can add or remove individual payment change records using **Miscellaneous Loan Maintenance** on the Lending Functions (MNLOAN) menu
6. At end-of-day on the last day of the month (still November 30<sup>th</sup>) CU\*BASE processes the batch program. Accounts that are included are updated so that a minimum payment of zero is posted. This information is recorded in the transaction history of the account. Additionally, these accounts are marked appropriately for statement processing.

7. At beginning-of-day on the first of the month the scheduled payment date of accounts with a zero payment amount are current are advanced ahead a month.
8. When CU\*BASE runs statement processing, the members included in the batch program will have the following adjustments made to their credit card statements: their minimum payment will be set to \$0.00, and they will receive a statement message (which will appear below the transaction record) alerting them to the fact that they can elect not to pay during that current month. This statement message will also alert members that finance charges will still accrue during this period.

# CONFIGURING A PROGRAM

“Credit Card Skip-a-Pay Config” in the ATM/Debit/Credit Card Configurations (MNCNFG) menu

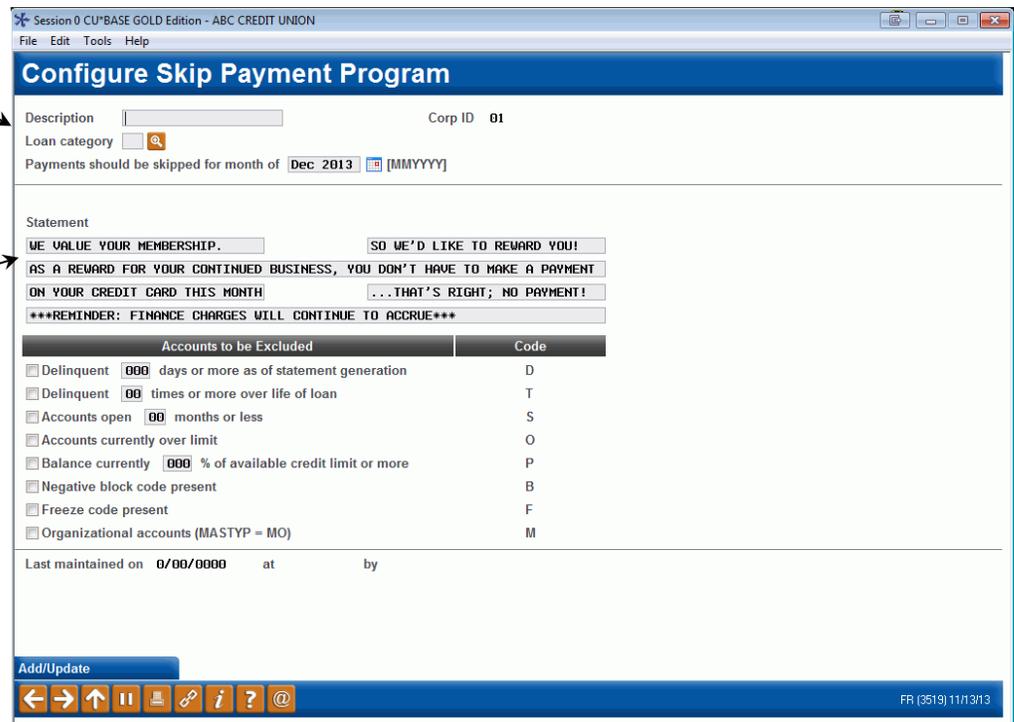


Use this screen to begin configuring your programs. The screen lists previously scheduled programs, with their scheduled run dates (if any exist). To configure a new program, use F6-Add (or use the Copy option to create a program based on one that is already created).

“Add” (F6)

Select the online loan category and indicate the month the offer will be extended here.

See the following note on this statement message as well as an example of what it looks like on a member's credit card statement.



- For more information on the fields on the previous screen, refer to the CU\*BASE online help by clicking on  in the lower right hand corner of the screen.

## EXAMPLE OF STATEMENT TEXT

Below is an example of the marketing text that a member will see on his or her credit card statement. This message will appear below the transaction records, as a zero dollar transaction message. It will not appear at the top of the statement, since not all members will receive this Skip-a-Pay message.

- Note: Regulations require that you alert members that finance charges will continue to accrue during the month the Skip-a-Pay is offered.

### Example of Statement

Summary of Account			Account Information	
Previous Balance		7,451.29	Member Number	██████████
Payments, Credits, Benefits	(-)	150.00	VISA CLASSIC	*****
Purchases, Cash Adv, Bal Transfers	(+)	60.94	Statement Date	12/31/2008
Finance Charges and Other fees	(+)	99.23	Payoff Amount	\$7,461.46
<b>Misc Adjustments</b>		.00	Minimum Payment	\$ .00
New Balance		7,461.46	Payment Due Date	1/25/2009
<b>Available Credit</b>				
Credit Limit		7,500.00		
<b>New Balance</b>		<b>7,461.46</b>		
Credit Available		38.54		

Transactions				
POST	TRANS	TRANSACTION DESCRIPTION	LOCATION OF ACTIVITY	AMOUNT
Dec 08	Dec 08	PC CU TRANSFER	Transfer Acct: ██████████-000	150.00 CR
Dec 08	Dec 07	RUDYS MARKET	CLARKSTON , MI	13.78
Dec 09	Dec 07	RITE AID STORE 4592	CLARKSTON , MI	18.96
Dec 09	Dec 08	GEB CLARKSTON	CLARKSTON , MI	6.25
Dec 10	Dec 08	SUNOCO SVC STATION	CLARKSTON , MI	16.00
Dec 30	Dec 29	CR *CONSUMERREPORTS.	800-333-0663 , NY	5.95
Dec 31	Dec 31	FIN CHG PURCHASE		99.23
Dec 31	Dec 31	WE VALUE YOUR MEMBERSHIP.. AND WOULD LIKE TO REWARD YOU.		.00
		AS A REWARD FOR YOUR CONTINUED BUSINESS, YOU DON'T HAVE TO MAKE A		
Dec 31	Dec 31	CREDIT CARD PAYMENT THIS MONTH THAT'S RIGHT; NO PAYMENT.		.00
		***REMINDER: FINANCE CHARGES WILL CONTINUE TO ACCRUE***		

# RUNNING A SIMULATION

Once the program is configured, you will move to another screen that will allow you to run simulation of the project run to identify how many members are affected. This will generate two reports, one of members who qualify and one of members who do not. These reports are printed on demand as well as being archived in CU\*SPY under the Miscellaneous category.

## Skip-a-Pay Batch Confirmation



Run the simulation by pressing Enter. The following two reports will print.

## Report of Qualifying Members

```

12/29/08 16:40:00          COMMUNITY CU          PLNSKPI          PAGE 1
RUN ON 12/29/08          MEMBERS ELIGIBLE FOR SKIP-A-PAY          USER NADINET
Program  JAN 08 SKIP CB1          **SIMULATION**
Program Date 01/2009 Loan Category 20 VISA CLASSIC

Member No.  /Suffix Name  Card No.  BLN  FRZ  Current  Credit  Open DLQ.  DLQ. Over  Amount
           /Suffix Name  No.  CD  CD  Balance  Limit  Date Time  MO-DA  %  Due

1  -800  1  0  0  .00  3,000.00  08/01/87  -  0%  .00
4  -801  1  0  0  238.07  5,000.00  07/20/05  -  5%  .00
4  -801  1  0  0  .00  3,000.00  12/01/87  -  0%  .00
4  -800  1  0  0  .00  2,000.00  10/01/86  -  0%  .00
10 -800  1  0  0  .00  7,500.00  10/01/84  -  0%  .00
14 -800  1  0  0  178.39  7,500.00  04/11/90  -  2%  .00
18 -800  1  0  0  .00  7,500.00  11/01/86  -  0%  .00
20 -800  1  0  0  167.32  10,000.00  12/01/86  -  2%  .00
23 -800  1  0  0  145.14  7,500.00  08/01/87  -  2%  .00
25 -800  1  0  0  421.73  7,500.00  03/01/87  -  6%  .00
25 -800  1  0  0  988.85  2,000.00  04/01/87  -  49%  .00
26 -800  1  0  0  .40-  3,000.00  03/01/86  -  0%  .00
26 -800  1  0  0  .00  5,000.00  09/01/88  -  0%  .00

READ 819 Error 202 Wrote Warnings
Accounts to be excluded (Y/N):
Y Delinquent 1 days or more as of statement generation D
Y Delinquent 2 times or more over life of loan T
Y Accounts open 12 months or less S
Y Accounts currently over limit O
N Balance currently % of available credit limit or more F
Y Negative block code present B
Y Freeze code present F
N Organisational accounts (MASTYP=MO) M
WE VALUE YOUR MEMBERSHIP... AND WOULD LIKE TO REWARD YOU.
AS A REWARD FOR YOUR CONTINUED BUSINESS, YOU DON'T HAVE TO MAKE A
CREDIT CARD PAYMENT THIS MONTH THAT'S RIGHT; NO PAYMENT.
Last maintained 12/29/2008 16:39.56 by -S NADINET          ***END OF REPORT***
  
```



# AUTOMATIC PROCESSING

During Beginning-of-Day on the last day of the month, CU\*BASE processes the programs scheduled for that particular month and prepares CU\*BASE for the final posting that takes place during End-of-Month (EOD that same day). At this time, CU\*BASE creates a payment change record of \$0.00 for every account included in the program. Final reports are also posted to the credit union's OUTQ, listing the members who received this treatment, as well as those that did not. These are similar to the Simulation reports; however the title of the report is Update instead of Simulation. On both reports, the "Error" figure indicates the number of members who did not receive a payment record, while the "Wrote" figure indicates the number of members who did receive a payment change record.

## Report of Qualifying Members

```

12/31/08 1:36:25 COMMUNITY CU PAGE 1
RUN ON 12/31/08 MEMBERS ELIGIBLE FOR SKIP-A-PAY USER OPERATOR
Program JAN 09 SKIP CB2 ** UPDATE **
Program Date 01/2009 Loan Category 21 VISA CLASSIC
Member No. Card BLK FRZ Current Credit Open DLQ DLQ Over Amount
/Suffix Name No. CD CD Balance Limit Date Time MO-DA % Due
1 -800 JOEL 0 9,929.83 10,000.00 10/02/05 - 99% .00
1 -800 MATTHEW 0 7,362.23 7,500.00 02/01/05 - 98% .00
2 -800 RICHARD 0 4,870.23 5,000.00 07/06/06 - 91% .00
2 -800 NADINE 0 2,487.71 2,500.00 12/07/06 - 100% .00
4 -800 MEGAN 0 .00 500.00 11/23/07 - 0% .00
4 -800 DAVID 0 1,897.18 2,000.00 08/20/07 - 95% .00
5 -800 MELISSA 0 600.00 2,000.00 08/31/05 - 30% .00
6 -800 ALEXANDER 0 1.45- 500.00 05/17/06 - 0% .00
6 -800 DANIEL 0 .00 200.00 06/09/05 - 0% .00
6 -800 DANIELLE 0 205.87 300.00 06/29/06 - 69% .00
7 -800 STEPHANIE 0 492.96 500.00 05/02/05 - 99% .00
8 -800 CHELSEA 0 19.34 250.00 04/17/07 - 8% .00
9 -800 STEPHEN 0 80.10- 2,500.00 01/03/07 - 0% .00
1 -800 GARRETT 0 150.40 200.00 07/23/07 - 75% .00
1 -800 JEREMY 0 .00 500.00 04/16/07 - 0% .00
1 -800 AMY 0 .00 500.00 04/01/05 - 0% .00
1 -800 MICHAEL 0 37.10- 300.00 09/07/07 - 0% .00
1 -800 SARAH 0 .00 500.00 06/26/07 - 0% .00
1 -800 CHRISTINE 0 1,495.99 1,500.00 10/19/07 - 100% .00
1 -800 ANDREW 0 2,444.28 2,500.00 10/05/05 - 98% .00
1 -800 TIMOTHY 0 17.99 200.00 02/21/07 - 9% .00
1 -800 CATHERINE 0 239.95 250.00 10/10/06 - 96% .00
1 -800 CHRISTOPHER 0 497.65 500.00 09/18/06 - 100% .00
1 -800 DIANE 0 3,397.46 3,500.00 11/14/06 - 97% .00
1 -800 JULIE 0 3,729.78 5,000.00 12/18/04 2 - 75% .00
1 -800 JEAN 0 6,751.41 7,000.00 11/07/07 - 96% .00
1 -800 ALEX 0 105.85- 1,000.00 09/10/07 - 0% .00
1 -800 ROBERT 0 .00 2,500.00 02/17/06 - 0% .00
1 -800 NATHAN 0 39.85- 250.00 08/06/07 - 0% .00
1 -800 BETHANY 0 1,441.84 1,500.00 06/04/07 - 96% .00
1 -800 TIMOTHY 0 .00 250.00 07/25/07 - 0% .00
1 -800 FRANKLIN 0 252.86 500.00 07/25/07 - 51% .00
1 -800 WILLIAM 0 132.88 400.00 07/30/07 - 33% .00
  
```

READ 87 Error 54 Wrote 33 Warnings  
 Accounts to be excluded (Y/N):  
 Y Delinquent 1 days or more as of statement generation D  
 Y Delinquent 2 times or more over life of loan T  
 Y Accounts open 12 months or less S  
 Y Accounts currently over limit O  
 N Balance currently % of available credit limit or more P  
 Y Negative block code present B  
 Y Freeze code present F  
 Organizational accounts (MASTYP=MO) M  
 WE VALUE YOUR MEMBERSHIP. AND WOULD LIKE TO REWARD YOU.  
 AS A REWARD FOR YOUR CONTINUED BUSINESS, YOU DON'T HAVE TO MAKE A

```

12/31/08 1:36:25 CLARKSTON BRANDON COMMUNITY CU PAGE 2
RUN ON 12/31/08 MEMBERS ELIGIBLE FOR SKIP-A-PAY USER OPERATOR
Program JAN 09 SKIP CB2 ** UPDATE **
Program Date 01/2009 Loan Category 21 VISA CLASSIC
Member No. Card BLK FRZ Current Credit Open DLQ DLQ Over Amount
/Suffix Name No. CD CD Balance Limit Date Time MO-DA % Due
CREDIT CARD PAYMENT THIS MONTH THAT'S RIGHT; NO PAYMENT.
  
```

## Report of Non-Eligible Members

```

12/31/08 1:36.25 COMMUNITY CU PAGE 1
RUN ON 12/31/08 MEMBERS NOT ELIGIBLE FOR SKIP-A-PAY PLNSKP2 USER OPERATOR
Program JAN 09 SKIP CB2 ** UPDATE **
Program Date 01/2009 Loan Category 21 VISA CLASSIC
Member No. Card BLK FRZ Current Credit Open DLQ DLQ Over Amount
/Suffix Name No. CD CD Balance Limit Date Time MO-DA % Due RSN
-800 ANDREW 0 0 367.14 500.00 01/07/08 - 73% .00 S
-800 LORI 0 0 932.71 1,000.00 03/04/08 - 93% .00 S
-800 SCOTT B 1 413.01 .00 06/22/06 1 2- 6 0% 80.00 F
-800 ZI H 1 2,499.23 2,500.00 08/09/07 - 100% .00 F
-800 MAI 0 0 119.54 3,000.00 05/05/08 - 4% .00 S
-800 HE J 0 56.56 500.00 07/03/07 4 - 11% .00 B
-800 BRI 0 0 207.87 500.00 04/10/08 - 42% .00 S
-800 MICHA 0 0 4,477.23 5,000.00 01/25/08 - 90% .00 S
-800 MAF 0 0 479.74 500.00 12/14/07 - 96% .00 S
-800 RDU 0 0 7,315.62 10,000.00 01/31/08 - 6 73% 142.00 S
-800 ERA H 1 1,096.50 .00 07/23/07 2 6- 6 0% 211.00 F
-801 MAI 0 0 .00 500.00 07/21/08 - 0% .00 S
-800 JA L 0 .00 200.00 02/05/08 - 0% .00 B
-800 JU 0 0 .00 300.00 06/10/08 - 0% .00 S

Read 87 Error 54 Wrote 33 Warnings
Accounts to be excluded (Y/N): RSN
Y Delinquent 1 days or more as of statement generation D
Y Delinquent 2 times or more over life of loan T
Y Accounts open 12 months or less S
Y Accounts currently over limit O
N Balance currently % of available credit limit or more P
Y Negative block code present B
Y Freeze code present F
Organizational accounts (MASTYP=MO) M
WE VALUE YOUR MEMBERSHIP. AND WOULD LIKE TO REWARD YOU.
AS A REWARD FOR YOUR CONTINUED BUSINESS, YOU DON'T HAVE TO MAKE A
CREDIT CARD PAYMENT THIS MONTH THAT'S RIGHT; NO PAYMENT.
Last maintained 12/29/2008 16:41:30 by -5 NADINET
***END OF REPORT***

```

It is important to leave time to review these reports during the day. Last minute changes in accounts, for example newly delinquent loans (or for that matter delinquent loans that have been paid!) may make small changes in the accounts that appear on these reports versus those on the Simulated ones.

During the day, the credit union has the option of removing the payment change record from individual accounts so that these accounts are not included in the final Skip-a-Pay offer. Or the credit union can choose to add payment change records to accounts that were not included, thereby including these members in the Skip-a-Pay offer. Step-by-Step instruction on how do this are included in the next section of this book.

Then during End-of-Month (EOD of that day), the CU\*BASE posts a zero dollar payment as configured. The minimum payment for these accounts is then set to \$0.00 and the payment date is advanced ahead a month.

Then when statement processing is run, the accounts included in the batch receive the following treatments: The accounts' credit card statements list a minimum balance of \$0.00 and the statement message, configured in the original program, is added to the statement below the transaction descriptions. Because some members will not receive a Skip-a-Pay offer, the statement message does not appear at the top of the statement. (To view an example of the statement message see page 6.)

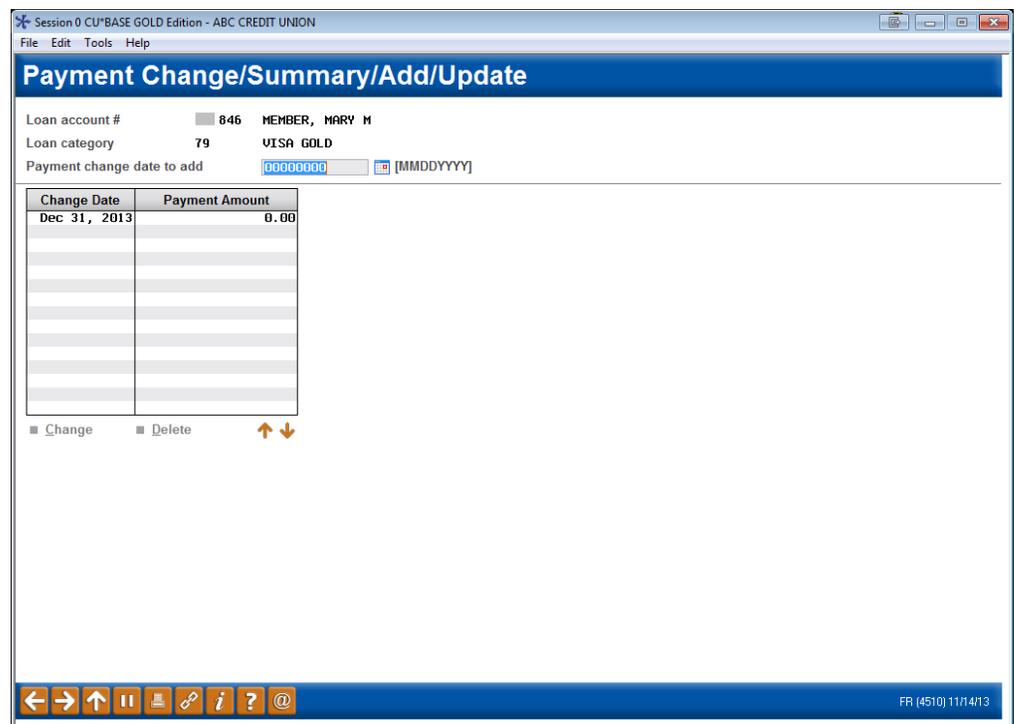
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# EDITING THE BATCH PRIOR TO POST

During the last day of the month, a credit union can choose to add or remove payment records to individual credit card accounts. The presence of these records determines if the account is included in the Skip-a-Pay program. The credit union might choose not to extend the offer to a particular member who was included or choose to include a member who was not included in the Skip-a-Pay batch. To edit payment records prior to posting, use MNLOAN #5-Miscellaneous Loan Maintenance, then Payment Changes. This same screen is used to add or remove a member.

## REMOVING A MEMBER FROM THE BATCH

If a member is included in the batch, he or she will have a next scheduled payment of \$0.00 as shown below.



To remove this zero dollar payment, enter the date of the payment and press Enter. Then delete this \$0.00 payment by selecting the payment and then *Delete*. The member will be removed from the batch.

## ADDING A MEMBER TO THE BATCH

This same screen is used to include a member in the batch. In this case a next payment amount of \$0.00 will need to be added by entering the last day of the month and adding a \$0.00 to the payment amount field. Press Enter to add the payment record to the credit card account.

# VIEWING THE SKIP-A-PAY RECORD IN CU\*BASE

Once a Skip-a-Pay program is posted, CU\*BASE records the action in the Inquiry view of the loan account:

The amount due on this loan is set to \$0.00 and the next payment has advanced to the next month.

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

### Member Account Inquiry

Account # JAMES

Date opened Nov 22, 2002  
G/L account 705.30-01

Account 811 VISA CLASSIC  
Category 73 VISA CLASSIC  
Purpose 36 VISA  
Security 40 SIGNATURE  
Proc type U CREDIT CARD LOAN CC# \*\*\*\*\*2834

Current balance 187.55  
+ Interest 0.00  
+ Delinquent fine 0.00  
- Insurance rebate 0.00  
= Loan payoff 187.55

YTD interest 41.23  
Review date Jul 31, 2014

Disbursement limit 5,000.00  
Interest accrued through Jun 23, 2006  
Last disbursed balance 187.55  
Last payment 1.00  
Regular payment 25.00  
Amount due 0.00  
Partial pay 0.00

Secured funds 0.00  
Total disbursed 27,122.45  
Last disbursed Sep 27, 2013  
Last payment May 29, 2013  
Next payment Dec 31, 2013  
# pmts remaining  
Frequency MONTHLY

Available funds 4,812.45  
First payment Dec 22, 2002  
ECOA code 1  
Escrow  
Escrow payment 0.00  
# of refinances 0

Transaction inquiry date Sep 27, 2013 [MMDDYY]

The payment history also records a zero dollar payment. Select *Credit Card Inq.* (F10), then *History* (F5) from the previous screen to view the record of this payment:

Notice how the Current Minimum Due is set to \$0.00.

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

## Statement History

Account # **811**

Grace amount **0.00**

1st delinquent

Next payment date **Dec 31, 2013**

Next payment amount **25.00**

Delinquency #

Delinquent months

Delinquent days

Amt delq	0.00
+ Fine amt	0.00
= Amt due	0.00

Billing Date	Due Date	Min ID	Balance	Prev Unpaid Min Due	Current Min Due	Overline	Minimum Payment
Dec 31, 2012	Jan 28, 2013		187.55	0.00	0.00	0.00	25.00
Nov 30, 2012	Dec 28, 2012		0.95	0.00	0.00	0.00	0.00
Oct 31, 2012	Nov 28, 2012		0.95	0.00	0.00	0.00	0.00
Sep 30, 2012	Oct 28, 2012		0.95	0.00	0.00	0.00	0.00
Aug 31, 2012	Sep 28, 2012		0.95	0.00	0.00	0.00	0.00
Jul 31, 2012	Aug 28, 2012		0.05	0.00	0.05	0.00	0.05
Jun 30, 2012	Jul 28, 2012		12.25	0.00	12.25	0.00	12.25
May 31, 2012	Jun 28, 2012		2,576.46	0.00	78.00	0.00	78.00
Apr 30, 2012	May 28, 2012		2,562.89	0.00	77.00	0.00	77.00
Mar 31, 2012	Apr 28, 2012		2,626.53	0.00	79.00	0.00	79.00
Feb 29, 2012	Mar 28, 2012		2,794.64	84.00	84.00	0.00	168.00
Jan 31, 2012	Feb 28, 2012		2,778.88	0.00	84.00	0.00	84.00

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