
Non-Member Teller Services

Providing Check Cashing and Other Lobby Services to Non-Members

INTRODUCTION

This booklet describes how to configure and use both the CU*BASE Teller Processing system and the CU*BASE Non-Member Database to perform services for individuals who are not members of the credit union.

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For an updated copy of this booklet, check out the Reference Materials page of our website:
http://www.cuanswers.com/client_reference.php
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OVERVIEW

The CU*BASE Teller Processing system lets you serve financial service customers who are not members of the credit union, by allowing them to cash checks, get cash advances on a credit card, or even to purchase traveler's checks at the teller line. You can control who can receive these services and what they can do.

Activity is tracked using the same teller reports and other balancing routines you already use for members, so you make the most efficient use of the resources you already have.

Your credit union's ability to offer non-member services will depend on the parameters of your charter and/or the specific regulations for your state. For example, Wisconsin recently passed a law which gave state-chartered credit unions the authority to cash checks for non-members as long as they have a certificate from the state regulatory body. This is not allowed, however, for federally-chartered credit unions unless they have set up a CUSO to perform this function. And the rules vary from state to state. Therefore, it will be important to research the rules that apply to your situation.

SERVICES YOU CAN OFFER...

The CU*BASE Teller Processing system allows credit unions to perform basic teller transactions for non-members, including:

- Cashing checks
- Miscellaneous Receipts (purchasing traveler's checks, tickets, etc.)
- Miscellaneous Advances (credit card cash advances)
- Miscellaneous Receipts (cashing in- house checks) (Credit unions should evaluate the risk of offering these services)
- Creating a corporate check (Credit unions should evaluate the risk of offering these services)

All are optional, so you can activate any or all of them as you wish, depending on the services you wish to offer. For example, you may offer check-cashing services and credit card advances to non-members, but not allow non-members to purchase misc. receipts.

⇒ See Page 4 for more details.

SPECIALIZED FEE STRUCTURE...

Check cashing fees for non-members are configured separately from the fees you charge to members. This allows you to set up a special fee structure for individuals who do not want to join the credit union but still wish to cash their weekly paychecks.

⇒ See Page 5 for more details.

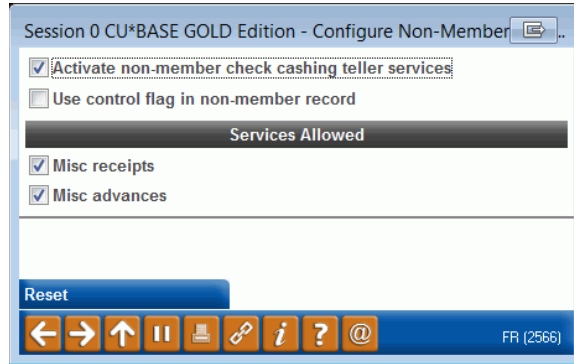
QUALIFYING NON-MEMBERS FOR SERVICE...

Non-members can be “qualified” or approved for teller services. A flag is available on the CU*BASE non-member database record that must be checked in order for the non-member to be allowed to receive your configured services. For example, your credit union procedure may require that identity be confirmed and a credit check or other verification performed, or even that a document of some sort be signed by the non-member agreeing to pay all appropriate fees. Once this procedure is done, the non-member record can be flagged to allow teller services to be performed.

⇒ See Page 7 for more details.

CONFIGURING AND ACTIVATING NON-MEMBER SERVICES

“Define Non-Member Teller Svcs” on the General Configuration 1 (MNCNFC) menu



The primary teller non-member service is check cashing, so this must be activated in order to perform any non-member services. However, both Misc. Receipts and Misc. Advances are optional, so you could allow only check cashing services to your members, but nothing else, if you wish.

CU*TIP: *If you charge a fee for misc. cash advances, such as Visa or MasterCard advances, the fee is charged using a Misc. Receipt. Therefore, you would need to activate both features.*

If the *Use control flag in non-member record* is checked, the system will require that the non-member record be flagged to allow teller services. See Page 7 for details on setting this flag.

CONFIGURING CHECK CASHING FEES FOR NON-MEMBERS

“Cashed Check Fee Configuration” on the General Configuration 2 (MNCNFD) menu

The Non Member configurations are in this section of the screen.

This fee configuration contains a separate set of parameters specifically for non-member activity: the *Non-Member Cashed Checks* section controls fees for non-members who are allowed to cash checks at the teller line. Notice that no “free” items are allowed for non-members.

Be sure that the “Activate Check Cashing Fees” box is checked in order to begin charging these fees.

Like the fees for members, you can choose one of two methods to calculate the fee amount:

- ◆ **Flat Fee** - This option lets you specify a flat fee to be charged regardless of the amount of the checks being cashed.
- ◆ **Percentage of Checks Cashed** - With this option, the fee is calculated at the time of the transaction by adding the total amount of checks being cashed and multiplying by a percentage. Similar to the “quick cash” check-cashing centers which are becoming common in most cities, this method is particularly helpful in offsetting the specific costs associated with processing cashed checks.

This is an interactive fee, charged as a miscellaneous receipt through the teller auditing system (for both members and non-members). The system uses these fees when *Cash* (F5) is used in the Teller Funds In screen. These fees are charged immediately at the time of the transaction, reducing the

amount of cash back, and the income is processed as a miscellaneous receipt. (See Page 9 for more information about how non-member transactions are posted.)

The fee configuration allows you to decide what miscellaneous receipt G/L code will be used to post the fee income, and a separate code can be used for members and non-members, so that you can track this income separately.

For field descriptions and other tips, please refer to

*CU*BASE Online Help (Click  while working in these screens.)*

MAINTAINING NON-MEMBER DATABASE RECORDS

CREATING OR MODIFYING A NON-MEMBER RECORD

Non-member records are created to document many different relationships in CU*BASE, including joint owners, IRA beneficiaries, or loan co-borrowers that are not currently credit union members. In addition, non-member records can be created manually, to enter a record of an individual for future use.

If non-member services are activated, tellers will be allowed to add non-member records to the database before proceeding to the Funds In screen.

QUALIFYING NON-MEMBERS FOR SERVICE

The procedure your tellers and MSR's should follow when deciding whether or not a non-member should be allowed to request teller services will depend on your regulatory requirements and an assessment of the risk associated with cashing checks.

"Update Non-Member Information" on the Update Functions 1 (MNUPDA) menu or "Work With Non-Member Database" on the Marketing Functions (MNMKT) menu or

During posting when the SSN is not in your non-member database

Check this box for this member to qualify for Teller Services.

The screenshot shows the 'Non-Member Information' form in CU*BASE GOLD Edition. The form is titled 'Non-Member Information' and has a 'CHANGE' button in the top right corner. The form is divided into several sections: 'Personal Information' (Name (FML), Birth date, Name ID, Corp ID, SSN, Date of death, Gender), 'Address Information' (Current Address, Previous Address), 'Contact Information' (Home phone, Work phone, Cell phone, Landlord phone), 'Other Information' (Moved, Own/rent, Landlord, Foreign address, Certify address, Sort field, Letter code, Department/sponsor #, DBA name, License #/State, Photo ID on file, Marital status, Work With Email Address), and 'Actions' (Delete, Organization, ID Check, Verify Name, Blocked Persons). A callout box points to the 'Allow teller transactions' checkbox, which is checked.

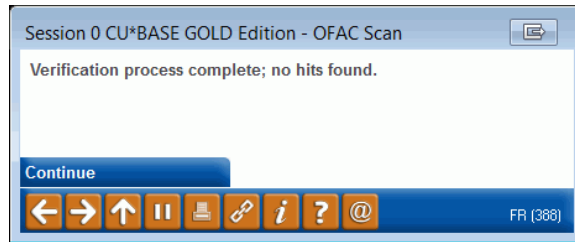
This screen will appear if you are assisting the non-member in Teller but the person's Social Security number is not in your non-member database.

Regardless of the verifications you decide to perform, if they are required before allowing teller services, remember to activate the *Use control flag in non-member record* box in the Non-Member Teller Service Configuration (see Page 4).

After the proper verifications have been performed, check the *Allow teller transactions* on the non-member information screen as shown previously.

(You must also check or uncheck the *Deny Membership* checkbox. Check the box to prevent a membership from being opened for this person. If this exact SSN is entered when opening a new membership, the system will display an error message and prevent a membership from being opened. Leave the box unchecked to allow a membership to be opened for this person.)

Once the information is entered an OFAC scan will be run on the non-member information.



If you are in processing this non-member through Teller, the Verify Non-Member screen will appear next (as shown on Page 11).

POSTING NON-MEMBER TRANSACTIONS

“Teller Line Posting” on the Member Service (MNSERV) menu

Press *Non-Member Svcs* (F14) to perform services for a non-member at the teller line. (Your Employee ID and Password must be entered first.)

Non-Member Teller - Screen 1

After clicking the Non-Member Services button, enter the non-member's Social Security or Tax ID number. (You may also enter a name in the Search fields to locate an existing record in your non-member database.)

- To cash a check or purchase a Misc. Receipt (if allowed), choose the *Funds In* process code and use Enter to proceed to the Funds In screen (shown on Page 10). If this field does not appear, simply use Enter to proceed automatically to Funds In.
- To post an advance against a credit card (if allowed), choose the *Misc. Advances* process code and use Enter to proceed to the Misc. Advances screen (shown on Page 12). This feature can also be used to cash an in-house check.

Tips:

- If there is no existing non-member record on file for this individual, the screen shown on Page 7 will automatically appear before proceeding. Follow your credit union's procedures for creating the database record and qualifying the non-member to receive teller services.
- If the SSN/TIN entered matches an existing member record, an error message will appear; use F14 again to return to the previous teller screen for working with members.
- If the *Allow Teller Transactions* checkbox on the non-member record is NOT checked, and your non-member teller services configuration requires this control (see Page 4), an error message will appear and the teller will not be allowed to perform transactions for this non-member.
- If a member wants to take a credit card advance and use the money to purchase travelers checks, tickets, or another misc. receipt item:
 1. Post the Misc. Advance as usual.
 2. Then take the cash and post a second transaction to purchase the Misc. Receipt (use the Funds In process code, then the M/R command key).
- If a member wants to cash a in-house check (and then receive a corporate check):
 1. Post the Miscellaneous Receipt as usual.
 2. Then use the corporate check feature to issue a check.

A CU must evaluate the relative risk of any non-member services and establish good internal procedures to mitigate any identified risk due to human error or fraudulent activity.

NON-MEMBER TELLER VERIFY ID AND TELLER POSTING

If the *Funds In* process code is selected, the next screen is a slightly-modified version of the Member Verify ID screen. This screen allow you to verify the photo identification of the non-member, sell him or her other credit union products or services, or view secondary names associated with the account.

Session 0 CU*BASE GOLD Edition - Verify Member

SSN/TIN ***-**-6852 Non-Mbr **TEST MCTEST**

Birthdate:
Oct 10, 1980

SSN/TIN 123456852 Name ID MC Corp ID 01

Details

Address 123 TST
 WYOMING, MI 49519

Home ph 555-555-5555

Email No Email Address On File

Cross Sales
Online Banking

| Type | Comment | ID | Date |
|--------|---------|----|------|
| 000000 | | | |

No ID on File

Tracker Review

TR (4475)

Press Enter to move to the Teller Posting Screen.

Session 0 CU*BASE GOLD Edition - BEDROCK COMMUNITY CREDIT UNION

File Edit Tools Help

Non-Member Account

Cash 0.00 Non-Mbr **TEST MCTEST**

Outside checks 0.00 SSN/TIN 123456852

Inhouse checks 0.00 Outside checks 0.00

Total funds in 0.00

Suppress receipt
 Suppress balances


| Loan Payoff or Current Balance | Loan Payment or Net Available | Description | Account Type | Deposit Amount | IRA | Withdrawal Amount | IRA | Proc Code | JO |
|--------------------------------|-------------------------------|-------------|--------------|----------------|-----|-------------------|-----|-----------|----|
|--------------------------------|-------------------------------|-------------|--------------|----------------|-----|-------------------|-----|-----------|----|

Verify Member
Post
Misc Receipts
In-House Checks
Outside Checks


Total funds in 0.00 Post
Check cash fee - 0.00 Refresh Cash Back
Transaction net total - 0.00 Deposit Calculator
Cash back 0.00


TR (3104) 71913

This is just a slightly-modified version of the normal Teller Posting screen. Only those features that can be performed for non-members will appear, according to your configuration settings.

- **To cash a check:** To cash checks, use the **Outside checks** field or click the  buttons next to Outside checks or In-house checks.

NOTE: Because there is no account against which to hold the funds, check holds cannot be placed for non-members.

Outside Checks: Click the  button to move to the Outside Check screen. On this screen you can enter each check to itemize them separately.

In-House Checks: If any in-house checks (checks that are drawn on your own credit union against another member's account) are being cashed or deposited, click the  button to move to the In-house Checks screen. Here you can individually enter each check.

- **To purchase a miscellaneous receipt** (if allowed): Enter the check and/or cash amounts and use *Misc Receipts* (F8) to proceed to the Misc. Receipts screen (shown on Page 14) and post the transaction. **NOTE:** This can be used with the corporate check feature to cash an in-house check.

See Page 17 for more information about how these transactions are posted.

If the fee is changed or cleared, a record will appear on the Fee Waiver Information report, which is available on the Reports C (MNRPTC) menu.

NON-MEMBER MISCELLANEOUS ADVANCES

If the *Misc. Advances* process code was selected on the initial screen, the following screen will appear:

| Amount | Code - OR - G/L # | Advance Description | G/L Description |
|--------|-------------------|---------------------|-----------------|
| 0.00 | | | |
| 0.00 | | | |
| 0.00 | | | |
| 0.00 | | | |
| 0.00 | | | |
| 0.00 | | | |
| 0.00 | | | |
| 0.00 | | | |
| 0.00 | | | |
| 0.00 | | | |
| 0.00 | | | |
| 0.00 | | | |
| 0.00 | | | |
| 0.00 | | | |
| 0.00 | | | |

This is the same screen used to post Misc. Advances for members. Simply enter the amount, the appropriate configured Misc. Advance code and any desired descriptions. Use Enter to confirm, then *Post Advance* (F5) to complete the transaction.

CU*TIP: Misc. Advance codes are configured using **“Misc Receipt/Advances Config”** (MNCNFC). For more information, refer to the separate booklet, *“Teller Miscellaneous Advances.”*

If you wish to charge a fee for this transaction, add the fee amount to the advance transaction. After the advance is posted, post a separate Misc. Receipt using the appropriate code for the fee. (For example, if the member wants a \$500 cash advance and you charge a \$2 fee for this service, post the Misc. Advance for \$502, and then post a Misc. Receipt for \$2.)

NON-MEMBER MISCELLANEOUS RECEIPTS

If *Misc Receipts* (F8) is used on the Non-Member Funds In screen, the following screen will appear next to allow you to post the Misc. Receipt and any remaining cash back.

The screenshot displays the 'Shared Branching' interface for 'Miscellaneous Advances'. At the top, the window title is 'Session 0 CU*BASE GOLD Edition - BEDROCK COMMUNITY CREDIT UNION'. Below the title bar, there is a menu bar with 'File', 'Edit', 'Tools', and 'Help'. The main header area shows 'Shared Branching' on the left and 'Miscellaneous Advances' on the right. Below this, the member information is 'Member 123456852 TEST MCTEST'. To the right of this, there is a 'Cash back' field with the value '0.00'. The main area contains a table with the following columns: 'Amount', 'Code - OR - G/L #', 'Advance Description', and 'G/L Description'. The table has 12 rows, each with a '0.00' in the 'Amount' column and a magnifying glass icon in the 'Code - OR - G/L #' column. Below the table, there are three buttons: 'Post Advance', 'Bal Fwd/New Member', and 'Bal Fwd/This Member'. At the bottom of the screen, there is a navigation bar with several icons (back, forward, up, down, print, search, help, etc.) and the text 'TR (1533) 7/19/13'.

| Amount | Code - OR - G/L # | Advance Description | G/L Description |
|--------|-------------------|---------------------|-----------------|
| 0.00 | | | |
| 0.00 | | | |
| 0.00 | | | |
| 0.00 | | | |
| 0.00 | | | |
| 0.00 | | | |
| 0.00 | | | |
| 0.00 | | | |
| 0.00 | | | |
| 0.00 | | | |
| 0.00 | | | |
| 0.00 | | | |

This screen works just the same as the screen used for members. Once all of the information is entered, use Enter to confirm then use *Post* (F5) to complete the transaction.

If you want to issue a corporate check to the non-member for an in-house check that they cash, fill out the amount of the check(s) to be issued, choose the Miscellaneous Receipt code configured for this purpose and type the G/L description. Press Enter to confirm. Then use *Post* (F5). Then use the corporate check screen to issue the check. See Page 16.

- A CU must evaluate the relative risk of any non-member services and establish good internal procedures to mitigate any identified risk due to human error or fraudulent activity.

NON-MEMBER TRANSACTION RECEIPTS

Receipts will be printed the same way as for member transactions; however, only the non-member's name will appear on the receipt. There will be no account number, and to protect the non-member's privacy, the SSN/TIN will not be printed on the receipt.

Data that will appear on a non-member receipt:

| | | | |
|----------------------|----|-------|-----------|
| CHECK IN | | | 750.00 |
| MISC FEES AND CHARGE | | | 150.00 |
| CASH BACK | | | 600.00 |
| 9/15/03 | 01 | 16:12 | 89 |
| FRED A. NONMEMBERSKI | | | CU-000/89 |

For research purposes, any receipt that does not show an account number indicates a non-member transaction.

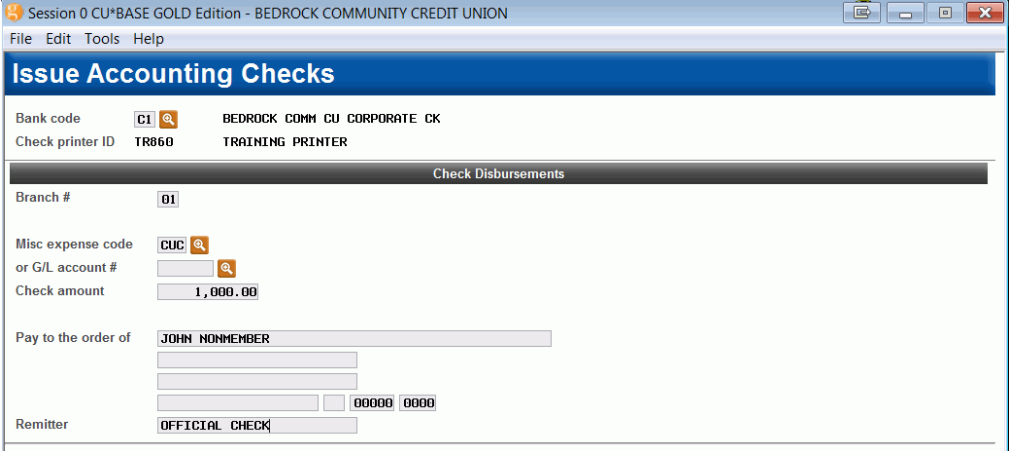
PRINT A CORPORATE CHECK FOR THE MEMBER

If you want to issue a corporate check to the non-member for an in-house check that they cash, fill out the amount of the check(s) to be issued, on the Miscellaneous Receipt screen (see Page 14). Choose the Miscellaneous code configured for this purpose and type the G/L description. Press Enter to confirm. Then use *Post* (F5).

- A CU must evaluate the relative risk of any non-member services and establish good internal procedures to mitigate any identified risk due to human error or fraudulent activity.

Then print the check using the Corporate Check screen (shown below).

“Print Miscellaneous CU Checks” on the Member Service (MNSERV) menu



Select the Expense Code used with the Miscellaneous Receipt and fill out the check amount and Pay To information and press enter (twice) to print the check.

TRACKING NON-MEMBER TELLER ACTIVITY

Non-member teller transactions are posted the same as member transactions and will “sweep” to the G/L in the same way as member cashed checks, misc. receipts and misc. advances transactions are handled. These transactions will be included on all of the normal teller daily reports and will be balanced in the teller drawer along with member transactions.

TELLER AUDIT KEY INQUIRY

“Teller Line Processing” on the Member Service (MNSERV) menu, then “Drawer Control/Audit (F24), then “Audit” (F3)

| Teller ID | Time | Audit Key | Audit Key Type | MR/MA Description | Account # | Transaction Amount | Delete Flag |
|-----------|----------|-----------|-----------------|-------------------|-----------|--------------------|-------------|
| 92 | 13:30:53 | 504 | Misc Receipt | TEST | 1 | 152.00 | |
| 92 | 16:33:39 | 619 | Cash In | | 1 | 151.00 | |
| 92 | 16:33:43 | 624 | Misc Receipt | TEST | 1 | 151.00 | |
| 92 | 11:27:30 | 85C | Corp Checks | | 6 110 | 200.00 | |
| 92 | 14:25:50 | 134E | Escrow Transfer | | 1 790 | 175.75 | |
| 92 | 14:25:50 | 135E | Escrow Transfer | | 1 037 | 175.75 | |
| 92 | 10:56:26 | 159B | Cash Out | | 2 | 200.00 | |
| 92 | 12:45:50 | 2176 | Outside Check | | 8 | 200.00 | |
| 92 | 12:45:50 | 218B | Cash Out | | 8 | 200.00 | |
| 92 | 12:46:40 | 2199 | Cash In | | 8 | 150.00 | |
| 92 | 12:46:40 | 2202 | Deposit/Payment | | 8 000 | 150.00 | |
| 92 | 12:58:43 | 2344 | Misc Receipt | TEST | 2 | 190.00 | |
| 92 | 11:05:34 | 2429 | Cash In | | 999999999 | 200.00 | |
| 92 | 11:05:34 | 243B | Cash Out | | 999999999 | 200.00 | |

All teller transactions, whether for members or for non-members, will appear in the Teller Audit Key inquiry feature available through Teller Drawer Control. Notice that audit keys for non-member transactions show the non-member’s SSN/TIN in the *Account* column.

ADJUSTING AUDIT KEYS FOR NON-MEMBER TRANSACTIONS

If adjustments are needed to a non-member audit key, you must use the **Adjust Teller Drawer/Audit Keys** on the Member Account Adjustment (MNADJ) menu to delete the audit key. The Member Transaction Reversal feature does not apply to non-member transactions. Use the inquiry feature (above) to locate the audit key number to be used on the initial Teller Drawer Adjustments screen.