

Credit Scores in Online Banking



A Tool to Start Conversations with Your Members

INTRODUCTION

You can now share with members a history of the FICO® credit scores you have on file for them. If you've signed up for FICO® Score Open Access with FICO, you can activate the **Credit Score History** page in **It's Me 247** online banking. With this feature you can share your records with members, but more importantly, *start a conversation with a member* who is curious about their score and how your credit union uses it.

Scores display based on how long ago they were pulled. Members who don't have recent scores on file will instead see a message that encourages them to contact the credit union to find out more.

You can configure instructions to appear on the page as well as an optional link to a page on your website. There's even a new Smart Message you can activate to encourage members to check out the new feature.

This feature is especially popular among credit unions that run regular soft credit pulls to keep member credit scores up to date.

You've paid for the score. Through FICO® Score Open Access, FICO grants a license to share the score with your members. Why not use it to get your member's attention, give them a bit of education, and **then tell them how you can set up a loan that's just right for them?**



Revision date: July 20, 2015

For an updated copy of this booklet, check out the Reference Materials page of our website:
<http://www.cuanswers.com/resources/doc/cubase-reference/>
CU*BASE® is a registered trademark of CU*Answers, Inc.

CONTENTS

<u>ACTIVATION CONSIDERATIONS AND CONFIGURATION SETTINGS</u>	3
WHAT THE FEATURE IS...AND WHAT IT ISN'T	3
THE FICO® CONNECTION	3
"RECENT" SCORES VS. CREDIT SCORE HISTORY	4
FAQS	4
GETTING STARTED	6
<u>WHAT THE MEMBER SEES IN ONLINE BANKING</u>	9
MEMBER WITH A RECENT SCORE	9
MEMBER WITH A RECENT SOFT-PULL SCORE (NO ATTRIBUTES)	11
MEMBER WITH NO RECENT SCORE ON FILE	11
ACCESS POINTS	12
ACTIVATING THE SMART MESSAGES	13
<u>FOLLOWING UP WITH MEMBERS</u>	14

ACTIVATION CONSIDERATIONS AND CONFIGURATION SETTINGS

WHAT THE FEATURE IS...AND WHAT IT ISN'T

With the **It's Me 247** Credit Score History, your credit union can be transparent about what records you have on file for making decisions about the member's creditworthiness. Even more important, it creates an opportunity to connect with a member who is curious about their score and how the credit union uses it.

It's Me 247 will show members *the data you have on file*. That means the scores are only as recent as the last time you pulled a score for that member. Some credit unions routinely pull credit scores for all their members ("soft pulls"), while others only obtain a score when a member applies for a loan. So it's important to keep in mind that it's **not the member's current score**...it's simply the **most recent score you have on file** in CU*BASE for them.

Simply put, this feature is intended to leverage data you've already purchased to let you reach out to your members. Its main purpose is to encourage members *to get a loan*. Every chance you get, you're talking to your members about how the credit union can help them. This is just one more topic of conversation to make that possible.

THE FICO® CONNECTION

While developing this tool, representatives from FICO emphasized to us that FICO® scores are proprietary to FICO, and credit unions purchase them with the sole intention of using them for underwriting and pricing loans through your credit bureau. CU*Answers did review FICO guidelines when designing how scores and history would display in **It's Me 247**; however, we did not go through the formal "certification" process that FICO requires if a credit union wants to share FICO® Scores. Unless your credit union already has a license to share the scores, your first step is to sign up for FICO® Score Open Access.

FICO® Score Open Access outlines the requirements for displaying credit scores directly to members through channels such as online banking. Among other things, this process includes a thorough review of the site for their approval and a signed agreement to use the FICO® Score for purposes other than the underwriting of the loan. There is no additional cost for this program. An agreement is required so that you are not in breach of your End User Agreement with your credit bureau. FICO requires that soft-pulls occur at least quarterly for participants in this program.

You can learn more about the Open Access program at <http://www.fico.com/en/products/fico-score-open-access>, or submit a request for information at <http://subscribe.fico.com/open-access>.

“RECENT” SCORES VS. CREDIT SCORE HISTORY

As shown in the samples later in this document, there are two basic blocks of data shown to members: A **recent** score and a graph showing a **history** of previous scores on file, if any.

The recent score is the one that drives everything – if a member doesn’t have a score on file that falls within the configured definition of “recent,” they will not see any scores at all. If a member does have a recent score, then a separate configuration setting controls how far back scores will be displayed via the history feature.

FAQs

Q: Can I review the scores my members might see if I decided to activate this feature?

A: Yes, via the **CU*BASE Credit Score History Dashboard**, available on the Management Processing/Active Beta Tests (MNMGMT) menu:

The screenshot displays the 'Credit Score History Analysis' dashboard. At the top, there are filters for Date range (Feb 13, 2014 to May 14, 2014), Credit score (0000 to 0900), Change of +/- (00000 %), Pull method (ALL), Grade/level, and Bureau (ALL). Summary statistics show 412 credit scores, 75 converted to loans, and a 18% conversion ratio. The main table lists members with columns for SSN/TIN, Name, Requested date, Loan Date, # Rpts, Score, % Change, # Mths, Level, Method, and Bureau. A legend indicates that non-members are marked with an asterisk (*) and highlighted rows show scores converted to loans. The dashboard includes navigation buttons for Inquiry, Outstanding Loan Recap, Credit History, and Graph, along with a status bar at the bottom showing 'FR (5444) 5/14/14'.

SSN/TIN	Name	Requested	Loan Date	# Rpts	Score	% Change	# Mths	Level	Method	Bureau
	AMA	Feb 14, 2014		1	713		0	5	FULL PULL	Experian
	JUL	Feb 18, 2014	Apr 11, 2013	8	567	2-	3	X	FULL PULL	Experian
	JEN	Feb 18, 2014		1	565		0	X	FULL PULL	Experian
	DAL	Feb 18, 2014	Aug 20, 2012	6	679	2	18	X	FULL PULL	Experian
	NIC	Feb 18, 2014	Dec 11, 2013	4	566	3-	2	X	FULL PULL	Experian
	SRN	Feb 18, 2014		1	714		0	X	FULL PULL	Experian
	FOU	Feb 13, 2014	Jan 19, 2012	9	690	7-	4	X	FULL PULL	Experian
	LAN	Feb 14, 2014		1	534		0	X	FULL PULL	Experian
	TAR	Feb 18, 2014		1	626		0	X	FULL PULL	Experian
	KAT	Feb 20, 2014		1	588		0	X	FULL PULL	Experian
	ELI	Feb 18, 2014	Feb 18, 2014	4	805		18	2	FULL PULL	Experian
	MAR	Feb 20, 2014		1	622		0	X	FULL PULL	Experian
	MIC	Feb 18, 2014	Feb 20, 2014	6	763	2	14	3	FULL PULL	Experian
	GRI	Feb 17, 2014		1	635		0	X	FULL PULL	Experian
	LAN	Feb 14, 2014	Feb 14, 2014	2	638	5-	0	X	MANUAL	None
	LAU	Feb 20, 2014		2	545		0	X	FULL PULL	Experian
	BET	Feb 13, 2014	Nov 23, 2013	8	673	2-	4	X	FULL PULL	Experian
	LAU	Feb 20, 2014		2	692	3	0	X	FULL PULL	Experian
	SER	Feb 20, 2014		1	605		0	X	FULL PULL	Experian

Review this history to see what scores your members will see online, and determine what configuration settings make the most sense with your procedures, the score data you have on file, and the license provisions in your agreement with FICO®. Sort by date to see how recent your scores typically are. Filter by date range to decide what history you wish to show online. Use the *Credit History* and *Graph* features to sample what an individual member’s experience would be online and see how many scores a typical member might have on file.

Q: I run soft-pulls regularly. Will these scores be shown to members?

A: Yes. Soft-pull scores behave the same when it comes to determining the most recent score, and will also appear in the history graph. The main difference is that with soft pulls, CU*BASE currently does NOT retain any of the attributes for soft-pull scores. That means that the “Key Factors” section that typically appears immediately below the most recent score would not show. (This same thing might also happen if a member’s score is high enough where there were no attributes included in the report.)

Q: What if I haven’t pulled any score yet for a member?

A: Instead of the score at the top of the page, those members would simply see a message encouraging them to contact the credit union. See the sample on Page 11.

Q: I ran a couple of credit reports for a member during the same week. Will the member see all of those scores?

A: Yes. Obviously this happens rarely, but if you were to pull 5 scores in a day, the member would see all 5, even if they are the same score or have the same date or credit bureau. Remember, you’re simply sharing your history file as is with your members.

Q: I have some older score data that I don’t trust as much as recent data. Can I hide that from members?

A: Yes. You can choose how far back the history goes. FICO requires this to be set to one year.

Q: What education can I provide to my members about credit scores and my procedures?

A: There are two ways you can set up explanatory content: Free-form text can be entered that will appear just below the three pushbuttons near the bottom of the page. Use this for instructions and tips on how your credit union pulls scores and uses them. You can also enter a URL for the “Learn More About Credit Scores” pushbutton, to link to a page on your website.

Q: Is this feature available via **It’s Me 247** Mobile Web?

A: Not at this time.

Q: I’ve seen credit reports come in with a score of 0. How will those appear?

A: These records will be bypassed and treated as if they do not exist at all. Likewise for scores greater than 9000 (which indicate not a score, but special conditions).

GETTING STARTED

After you've signed your FICO® Score Open Access agreement, there are three steps to activating the Credit Score History feature for your members:

1. Choose Your Configuration Settings
2. Configure the Text Members Will See
3. Complete an ARU/Online Banking Change Request

Step 1: Choose Your Configuration Settings

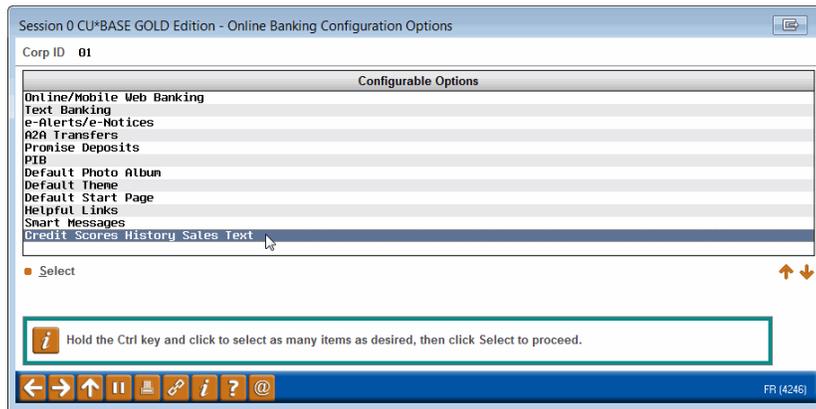
Activating credit scores online requires a few configuration settings that help determine which scores to show members, and how to handle member traffic to that page:

<i>Setting</i>	<i>Description</i>
Show only if most recent score is no more than xxx days old	This controls how old the most recent score can be in order to show scores to the member at all. In other words, if the most recent score in file is older than this period, treat it like the member has no scores on file. The maximum allowed by the software is 999 days. FICO-required setting: 100 days
Maximum years of history to show	This controls how far back the scores go when the member clicks the "Show previous scores" button. The maximum allowed by the software is 9 years. FICO-required setting: 1 year
Tracker type and Memo type to use if scores are viewed by the member	Since the main purpose of this tool is to start a conversation with members who are curious about their credit history, every time a member visits the credit score page, we'll log a Tracker note automatically. You can choose the Tracker Type and Memo Type code you wish to use for these notes. (See Page 14 for tips on following up with these members.) If these fields are left blank then no Trackers will be created.

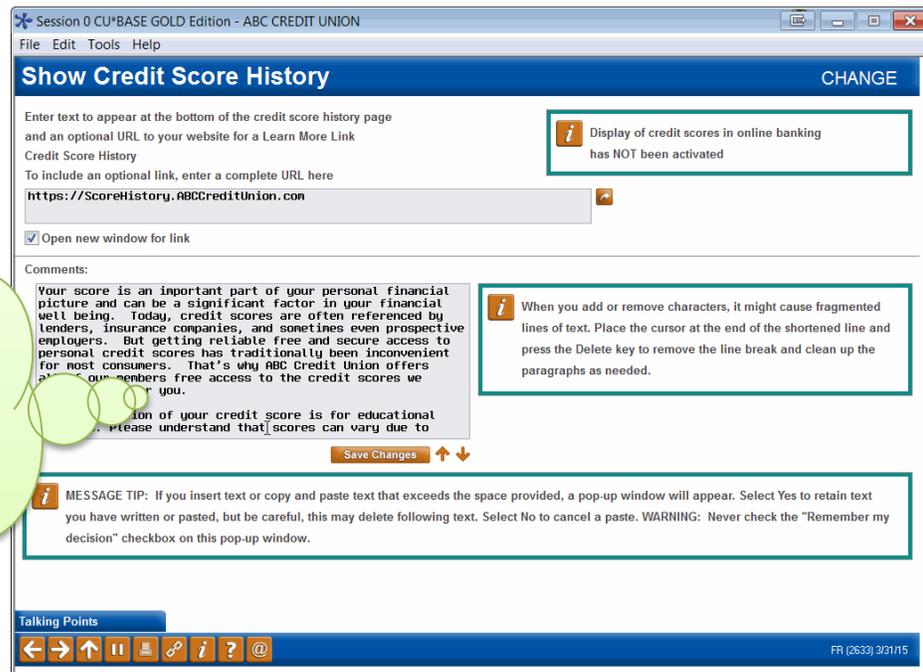
Step 2: Configure the Text Members Will See

Before activating the feature, you'll need to set up the instructions and sales messages you want members to read on the credit scores history page (see Page 10 for a sample of the areas of the page you can customize).

1. Choose the **Online/Mobile Banking VMS Config** command on the **Internet Member Services Config (MNCNFE)** menu



2. Select the **Credit Scores History Sales Text** option to proceed to the following screen:



Here you can enter instructions, warnings, education, or any other content you wish members to see on the credit score history page. FICO® requires that you submit a copy of this content to them for review and approval.

3. Enter a URL (this controls the middle green “Learn More About Credit Scores” pushbutton below the recent score information). Remember it should be a complete address, including http:// or https:// as appropriate.
4. Enter text for the instructions/disclosure portion that appears below the green pushbuttons. Use Ctrl+Enter to start a new line within the text box, and ↓ arrows to add more lines of text.
5. Click Save Changes (Enter) when done.

Ideas for what to include in your content:

- ☑ An explanation about where the data came from and why your credit union shows this data online.
- ☑ Information about how to get a free credit report at www.annualcreditreport.com.

- ☑ Disclaimers about how scores that can purchased online use different formulas from what the credit union receives from the credit bureau, and that they will vary from one credit company to another. (“Don’t be surprised if this score is slightly different from what you might see somewhere else.”)
- ☑ Reiterate that looking at the score here won’t affect their score. *(Note: This is also mentioned in the introduction on the page as well as a link on the history pop-up window for members who have soft-pull scores. See Page 9 for samples.)*

Step 3: Complete an ARU/Online Banking Change Request

When you are ready to activate the feature for your members to see, complete the **It’s Me 247 Configuration Change Request** form (Also known as the ARU/Online Banking Change form) and fax it to any Client Services & Education team member. This form is available on the CU*BASE Reference Page under “I.”

Self Processors can access this configuration using ARU/Online Banking Configuration, available via OPER > 10 > 8.

WHAT THE MEMBER SEES IN ONLINE BANKING

MEMBER WITH A RECENT SCORE

Part 1: Recent Score and Key Factors

The top portion of the page includes the most recent score. The date on this score is what drives everything else on the page. If your configuration settings require a score be no more than 90 days old, and the member's most recent score is older than that, the member will not see any scores at all on the page. (See Page 11 for a sample of what those members would see.)

The screenshot displays the 'Success Credit Union' online banking portal. The main content area is titled 'CREDIT SCORE | I'M A VIP'. It features a 'Your Credit Score History' section with the following text: 'Below is the most recent credit score the credit union has on file for you, from the last time a score was obtained (notice the "as of" date). Viewing your score here does not initiate a request for credit information directly from any bureau. Contact us if you have questions or would like tips on how to improve your score.' Below this, it states 'Your credit score on file as of 1/19/2015'. A large 'FICO SCORE' box shows the score '560' with the tagline 'The score lenders use.' To the right is a 'FICO Score Meter' gauge ranging from 300 to 850, with the needle pointing to 560. A 'Show previous scores' button is visible. Below the score, 'Key Factors affecting your FICO Score' are listed:

- Reason: Ratio of balance to limit on bank revolving or other revolving accounts is too high**
Your FICOSM Score evaluates your balances in relation to available credit on revolving accounts. The extent of your credit usage is one of the most important factors in your FICOSM Score. In your case, this proportion of balances to credit limits on these accounts is too high.
Actions You Can Take:
Try to pay down your credit cards or other revolving balances. Consolidating or moving your debt from one account to another can help lower your FICOSM Score since the total amount owed remains the same.
- Reason: Time since delinquency is too recent or unknown**
Missed and late payments, including the number of late payments, how many were, and how recently they occurred, are an important part of your credit history. Your score was hurt because the time since your most recent past due payment was too recent.
Actions You Can Take:
Focus on continually paying all your bills on time. This will demonstrate a good payment history so that your last missed payment will have less of an impact on your FICOSM Score as time passes.

At the bottom, there are three buttons: 'Apply for a New Credit Card', 'Learn More About Credit Scores', and 'Contact Me About My Credit Score'.

This is generic introductory text (cannot be customized).

A score appears here if the member's most recent score falls within your configured time frame.

This area shows the first two score attributes (reasons) that were attached to the credit report. This content only appears for a full-pull score (soft pulls do not currently retain this data). On occasion, a very high score might also have come in with no attributes attached to it.
(This content was provided by FICO and is based on the reason codes found in your files for this score.)

This link goes to <http://www.myfico.com/CreditEducation/CreditScores.aspx>

This button appears only if the member has previous scores (within your defined time period).

This sample shows a member whose most recent score is within the configured period (90 days), and who also has additional scores older than that, going back to the maximum configured period (1 year).

Part 2: Clickable Buttons and Credit Union-Defined Text

This goes to the **It's Me 247** loan rate board.

This button goes to the URL you define.

This is the instructional text you configure.

This generic disclaimer appears automatically and cannot be customized.

This button displays the **It's Me 247** "Contact Me" window.

Page will timeout in 14:57

Requests made via the "Contact Me" button can be monitored via the **Work Online Banking Apps/Requests** command on the Member Service (MNSERV) menu.

Part 3: Credit Score History

When a member clicks the "Show previous scores" button the following pop-up window will appear:

Notice this indicator showing a soft-pull score. The link goes to <http://www.myfico.com/crediteducation/questions/inquiry-credit-score.aspx>

History of Scores We've Pulled For You

Min 300 Max 850

ON 12/14/2014, WE PULLED YOUR CREDIT REPORT AND YOUR SCORE WAS 706.

ON 3/1/2010, WE PULLED YOUR CREDIT REPORT AND YOUR SCORE WAS 708.

ON 12/22/2009, WE PULLED YOUR CREDIT REPORT AND YOUR SCORE WAS 710.

Remember this is only a history of the credit scores we have pulled for you. This is not all of the scores you might have had over time, and it might not even be your most current one. But we'd love to help you make the most out of your score! Contact a lending representative today to learn about your options!

Soft Inquiry only. [Learn more about inquiry types and how they affect your score](#)

Close

The most recent score will appear along previous scores that fall within the maximum time period in your configuration (a total of 12 can be displayed).

MEMBER WITH A RECENT SOFT-PULL SCORE (NO ATTRIBUTES)

This sample shows what a member would see if his or her most recent score on file did not have attributes attached to it, either because it was a soft-pull score, or due to a high score where no attributes were reported.

The screenshot shows a web interface for a credit union. At the top, there is a navigation bar with links: Accounts, New Accounts, Pay Bills, My Documents, Go Mobile, and Contact Us. Below this is a header area with a home icon, a refresh icon, an envelope icon, a gear icon, a printer icon, and an information icon. The main heading is "CREDIT SCORE | I'M A VIP-PLATINUM MEMBER".

The main content area is titled "Your Credit Score History". Below this, there is a paragraph explaining that the score is the most recent one on file and that viewing it does not initiate a request for credit information. A sub-heading reads "Your credit score on file as of 10/21/2014".

The central focus is a "FICO SCORE" section. It features the FICO logo with the tagline "The score lenders use." and a large display of the score "636". To the right is a "FICO Score Meter" which is a semi-circular gauge ranging from 300 (min) to 850 (max), with markers at 580, 670, 740, and 800. The needle points to 636. To the right of the meter, there is text explaining that the score is the same as the one used by the credit union and a link for more credit education. Below this, there is a disclaimer about FICO and "The score lenders use" trademarks.

Below the score section, there is a call to action: "If you would like to see how your Credit Scores have changed over time, take a look at your Credit Score History!" with a "Show previous scores" button.

At the bottom of the main content area, there are three green buttons: "Apply for a Loan Today", "Learn More About Credit Scores", and "Contact Me About My Score".

At the very bottom, there is a small paragraph: "Your score is an important part of your personal financial picture and can be a significant factor in your financial well being. Today, credit scores are often referenced by lenders, insurance companies..."

MEMBER WITH NO RECENT SCORE ON FILE

This sample shows what a member will see if they have no scores on file, or if the last score pulled for them is too old to be considered "recent."

The screenshot shows a web interface for a credit union, identical in layout to the first screenshot. The navigation bar and header are the same. The main heading is "CREDIT SCORE | I'M A VIP-PLATINUM MEMBER".

The main content area is titled "Your Credit Score History". Below this, there is a paragraph explaining that the score is the most recent one on file and that viewing it does not initiate a request for credit information. A sub-heading reads "No recent scores were found".

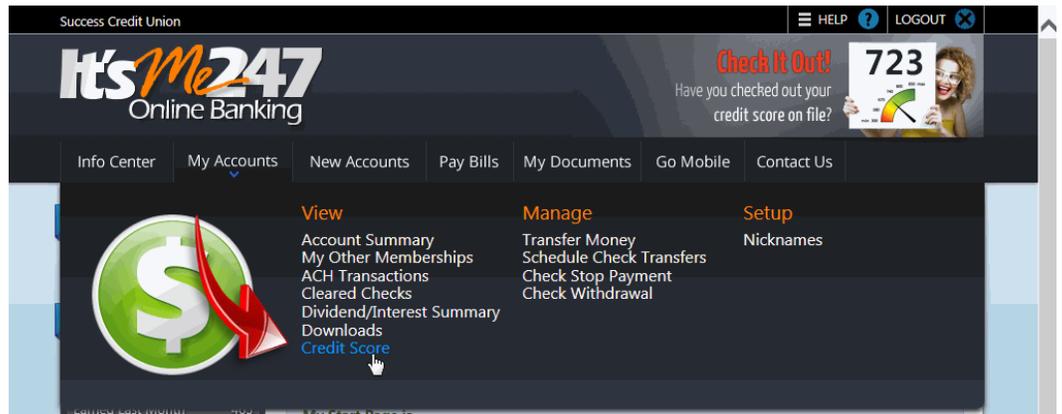
To the right of the "No recent scores" message, there is a text box that says: "We'd love to have the chance to pull your credit score and help you achieve your dreams! Whether you need financing for a needed home improvement or have your eye on that gorgeous new car, we can help! Contact a credit union loan associate today!".

Below this, there are three green buttons: "Apply for a Loan Today", "Learn More About Credit Scores", and "Contact Me About My Score".

At the very bottom, there is a small paragraph: "Your score is an important part of your personal financial picture and can be a significant factor in your financial well being. Today, credit scores are often referenced by lenders, insurance companies..."

ACCESS POINTS

In the navigation:



From the Loan Rate Board:

NEW ACCOUNTS | I'M A VIP-PLATINUM MEMBER

Loan Rate Board

Thank you for your interest in a loan with Frankenmuth Credit Union. We offer a large variety of loan services at a variety of terms to meet your specific needs.

Looking at buying car, need money for college, buying or building a home? We can finance it all.

Attention business owners, we have a variety of business lending services for you also. All at competitive rates.

Contact us for more information.

Loan Type	APR as low as	Description	Available Online
New Vehicles and Motorcycles	2.490%	Enjoy that new vehicle purchase!	Apply Online
Used Vehicles and Motorcycles	2.490%	All rates are currently the same as a New Vehicle Purchase!	Apply Online
ATV, Snowmobile, Jet Ski, etc	3.750%	Lawn & Garden, Trailers and more	Apply Online
RV - Boats, Travel Trailers	5.000%	Get that RV, Boat or Travel Trailer for your summer fun.	Apply Online
Signature Loan	9.240%	A loan for any season or any reason!	Apply Online
Share Pledged Loan	4.000%	Build your credit back up with our share secured loan!	Apply Online
Overdraft LOC	11.240%	Protect your checking account with an overdraft loan	Apply Online
Simply Platinum Online	7.990%	Apply for your Visa card today	Apply Online

[View My Credit Score](#)

When viewing information about a loan account:

ACCOUNT SUMMARY | I'M A VIP-PLATINUM MEMBER

610 - USED VEHICLES

Loan Details	
Delinquent?:	Yes
Due Date:	12/19/2014
Amount Due:	\$696.67
Regular Payment:	\$344.77
Payoff Balance:	\$22,388.40
Disbursement Limit:	\$22,996.76
Available Amount:	\$0.00
Maturity Date:	7/19/2021
Annual Percentage Rate:	4.200%
Payment Frequency:	Monthly

Account Detail Pay Now Skip-A-Pay Print Loan Coupons

[View My Credit Score](#)

NOTE: Contact the Credit Union for the exact payoff amount for this account.

Page will timeout in 14:57

ACTIVATING THE SMART MESSAGES

To catch a member's eye and encourage them to view their score while in online banking, you can activate the new Credit Score History Smart Message. This is done via **Online/Mobile Banking VMS Config** on the Internet Member Services Config (MNCNFE) menu. Clicking on either graphic will bring the member directly to the credit score history page.

NOTE: These are pictures with a static score; they will not show the member's actual score number.

Cartoon City FCU HELP LOGOUT

It's Me 247
Online Banking

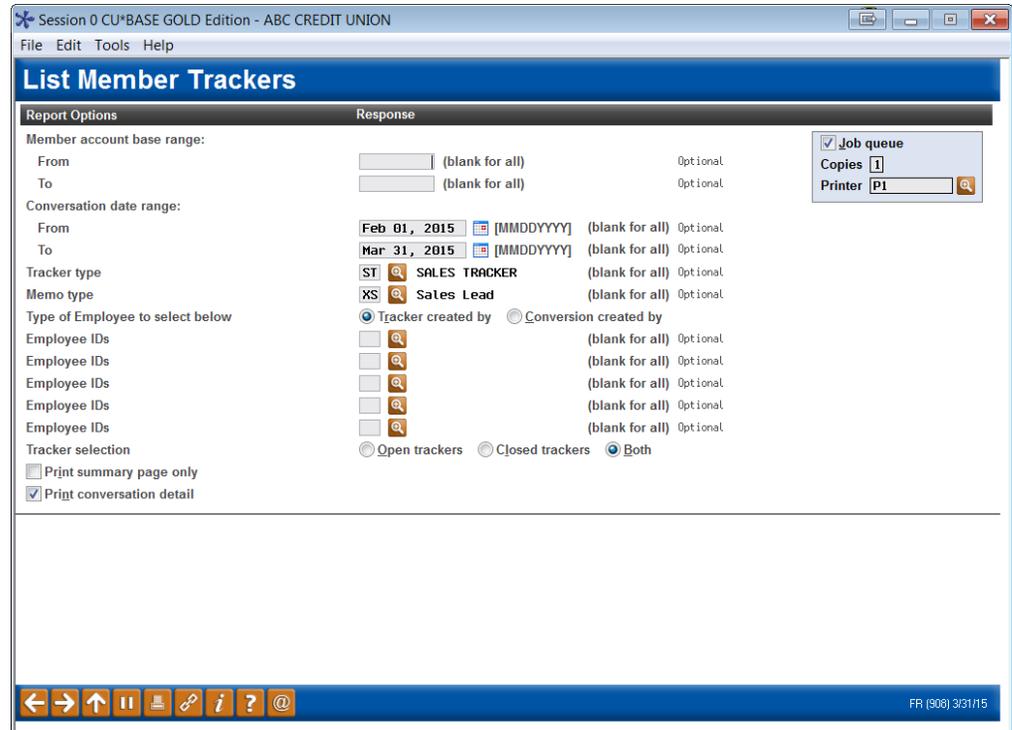
Check It Out!
Have you checked out your credit score on file? **723**

Check It Out!
Have you checked out your credit score on file? **785**

FOLLOWING UP WITH MEMBERS

Any time a member views the credit score page in **It's Me 247**, a Tracker note will be created.

"Print Member Trackers" on the Member Tracker Tools (MNTRAK) menu



Select a date range and enter the Tracker and Memo type codes you requested be used to log credit score activity. Use Enter to produce a report showing members with those notes:

Call Date	Call Time	Account #	Follow Up Name	Memo type	Follow-up Date	Created By	Assigned To	Completed By	Completed Date
03/20/2015	8:55:16	32414	Conversation: Credit score via online banking	Sales Lead selected by member - scores were found.		96			
03/20/2015	10:13:23	32414	Conversation: Credit score via online banking	Sales Lead selected by member - scores were found.		96			
03/31/2015	13:03:36	49861	Conversation: Credit score via online banking	Sales Lead selected by member - scores were not found.		96			

These notes will use an employee ID of 96 (for online banking).