

SPRING
2007

CU*BASE® Software Upgrade

Online Credit Unions	Self Processing Credit Unions
May 21, 2007	June 11-12, 2007

Here we go again! Time to gear up for another important release! There's a little something for everyone in this one, so check it out. Remember our handy coding system as you scan the summary:



Immediate Effect

Changes automatically in place on the day the release is implemented.



Must be Activated

Your CU must make a decision either to activate it or modify configuration parameters. May require contacting a CSR.



Team Implementation

Work with CU*Answers before implementation.

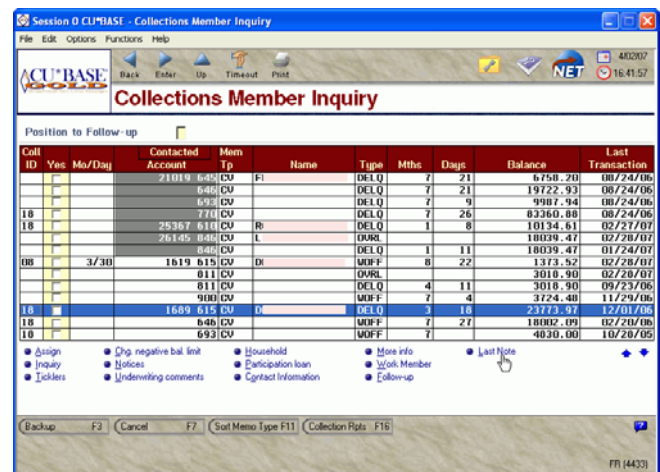
Updated booklets mentioned in this summary will be available on our website no later than May 14, 2007. Updated online help , including the "What's New" summary list of all changes, will be included when you receive the release.

! Collections Enhancements

Collectors, this upgrade's for you! Look for new features and tools on the Work Collections screen and a completely new way to record member conversations and track follow-ups. We're making it easier and quicker than ever to track member contacts and handle your collections tasks!

Collections Screen Changes

- Say goodbye to Ticklers, hello to Trackers: a completely new format for working, viewing, and updating a member's Collection Card. (Read more about this below.)
- A highlighted account number in the Collections list means there is a follow-up due (either due today or past due) on this member.
- We added a new column for a CU-defined Memo Type code from the last recorded conversation with the member. Could be "Promise to Pay" or "Repossession Ordered"...or anything you like! (Configure this via the "Configure Memo Type Codes" command on menu MNTRAK. See below for more information.)
- New sort and "position to" options:
 - Sort by account number...*jump directly to a specific member*
 - Sort by accounts that need follow-up...*work your pending follow-ups first*
 - Sort by months/days delinquent...*jump right to the accounts that have been delinquent the longest*
 - Memo type from the last conversation...*jump right to your "promise to pay" accounts!*
- New options:
 - **Followup** - goes to a revamped version of the "Work With Follow-ups" screen with account suffix already filled in
 - **Last Note** - displays a new pop-up window showing just the last conversation (from the XX tracker record)
 - **Contact Info** - displays a new pop-up window with the member's home, work, and other phone numbers, fax number, and email address (start an email message at the click of a button, too!)

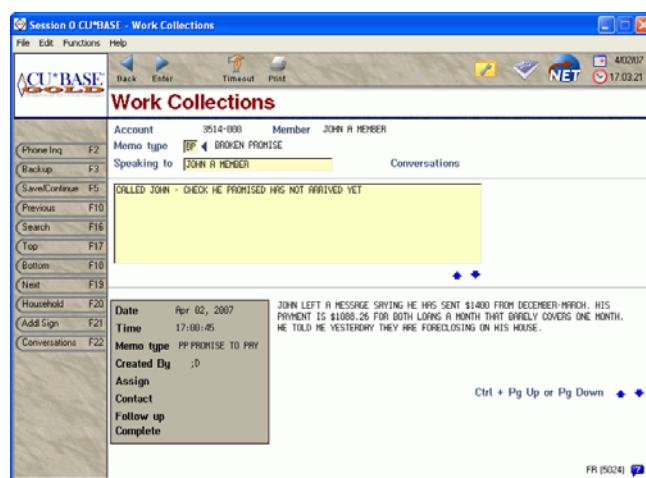


- **Work Member** - goes to the full Collections Tracker (XX tickler on the 000 account) using a completely new screen design that allows you to quickly scroll through previous conversations (see below for more information about the redesigned Trackers system)

Ticklers are Now "Trackers" . . . Introducing Collections Trackers

Ticklers are now **Trackers!** In a nutshell, we've rewritten the entire tickler file structure and creation/entry programs so they will be much easier to use, more flexible, and hopefully clean up the ongoing problems of lost ticklers. What we're now calling the "Collections Tracker" was formerly referred to as the XX collection card or the XX tickler. You can still define as many different Tracker (tickler) types as you like, and the types you had before will still exist, but with some great new features:

- Record **multiple conversations** per tracker record - every tracker is an ongoing one, where results of subsequent follow-up conversations are easily recorded for a complete conversation thread. Each conversation will be **marked with date, time, and employee ID** automatically. Think of a conversation as a way to break down your tracker record into individual chunks, one for each time you contact the member, instead of one long, continuous block of text like it is now. Conversations are numbered and you can see how many there have been and which one you are viewing. And you can quickly scroll through past conversations to see just what you need to see!
- To ensure that a complete record of member interactions is maintained, you **cannot change conversations** once they are saved. However, you can easily add new conversations to any type of tracker record. (Previously the configuration controlled this; now all tracker types allow updates, just not to past conversations.)
- Each conversation can have its own follow-up—meaning **multiple follow-ups per Tracker record**. For example, the Collection Card previously could have just one follow-up, but now you could have separate follow-ups for different conversations, one about a repossession, another about a bankruptcy proceeding, another about a payment being sent, etc., and each follow-up could even be assigned to a different employee!
- Each conversation can be flagged with a **Memo Type** code, and the memo type from the most recent conversation is even displayed on the main Work Collections screen. Since these are credit union-defined, you can use them any way you want to flag an account as "Promise to Pay" or "Bankrupt" or "Disability Insurance Coverage Begun" or "Disability Insurance Claim Pending," and so on. These are configured via the "Configure Memo Type Codes" command on menu MNTRAK, and we'll give you a few common ones to get you started.



Data Conversion Note: All old XX tickler records will be converted as a single conversation; there is no foolproof way to break existing lines of text into individual conversations. However, additions from this point on will be treated as separate conversations. CUs who have multiple XX records per member will still have multiples, but we do recommend that you stick with just one per member from now on.

Coming soon...In the future, we'll be creating the Sales Lead Tracker with an aggregation system similar to collections where you can work multiple outstanding leads, tied to your credit union's Cross Sales tracking system. We're also working on an Audit Tracker where the system will write out conversation records every time an OFAC scan is run (or a FIDM scan, etc.), or you can manually create records for an audit trail, also with an aggregation system for follow-up by your internal auditor. Let us know if you have any ideas for other Tracker tools!

 Details for all related screens will be available via CU*BASE GOLD Online Help with the release.

! Dormancy Predictor

For credit unions that want to warn members who are about to go dormant about the dormancy fees that will soon be assessed to their account, this new tool is for you.

During EOD processing on the first day of every month, the system will take a look at all accounts that will be going dormant in one month's time. Any accounts that are expected to go dormant in the next month will be added to a file called DIWARN in your credit union's QUERYxx library. This file contains the account base only. (NOTE: Since this is done during EOD, that means this file will be ready for you starting on the 2nd of each month.)

This file can then be used with Member Connect features to generate mailing labels or send emails to these members before they actually become dormant. You could even use the Member Mailing Labels/Database feature on menu MNPRTC to use this file to produce a database file of names and addresses that could be downloaded to your PC and used in a personalized mailing.

 Refer to the "Dormancy and Escheat Monitoring" booklet for details.

e-Documents are Here!

CU*Answers and RDI (Reed Data) are pleased to introduce the first project in our dynamic new partnership that was announced at the June 2006 Leadership Conference. With this release, **e-Receipts and Electronic Photo ID Capture** tools will now be integrated into CU*BASE.

Read all about it in the separate flyer, and get your credit union on the list for a pre-installation evaluation and price quote! It's not as expensive as you might think, and the savings you'll enjoy because of your participation in the CUSO is significant. Now e-document technology is within the reach of every CU*BASE credit union!



! G/L Average Daily Balance Calculator

Ever wanted to know what the average daily balance was for your member share accounts over a 2-month period? It's not easy to calculate, is it? Because there are many days when there is no account balance record in the GLBALA file (such as on Sundays or holidays when daily processing is not run), you can't really use Query, because the average calculation will be off due to those missing days.

Well, we've got the answer now! A new command key on the Loan/Share Trial Balance Review screen (MNMGMT #8) will calculate the average daily balance for your Member Trial Balance G/L accounts.

You can calculate the average across any date range, and the system will automatically compute the average properly, taking into account any days where no balance record exists. (For example, if there is no balance record for a Sunday, it will use the balance from Saturday so that the average can be calculated properly.)

Application	Principal	Accrued Div/Int
00 70101 SECURED CLOSED END LOAN	1,507,491.09	10,490.97
00 70102 STUDENT LOANS	814,549.25	2,598.85
00 70103 SHARE PLEDGE	523,281.13	2,171.77
00 70104 SIGNATURE LOAN	12,603,084.82	100,770.37
00 70106 PAYMENT SAVINGS	74,231.21	162.62
00 70108 BUSINESS ADJ RATE MORTGAGE	2,304,271.26	21,637.95
00 70110 FIXED RATE MORTGAGE	311,704.63	408.67
00 70111 BUSINESS R/E FIXED RATE	376,875.38	1,141.76
00 70112 BUSINESS LOAN FIXED RATE	462,163.00	2,129.44
00 70113 BUSINESS LOAN ADJ RATE	489,686.61	5,475.13

You can see summary or detail records by branch. You can even export the results to Excel for additional analysis. A great new tool for your management analysis and Board reporting!

 Details for all related screens will be available via CU*BASE GOLD Online Help with the release.

! G/L Verification Tools Enhancements

Trial Balance / General Ledger Verification Enhancements

The Trial Balance/GL Verification Tool (MNGELE #11) will now visually indicate when certain accounts are in or out of balance. You will quickly be able to see that an out-of-balance condition exists for any of the following categories: Savings Balance, Savings Accruals, Loan Balances, and Loan Interest Due.



Because certain G/L accounts are often legitimately out of balance, such as your loan loss G/L 719.00, a new configuration screen (available via MNGELE #2 Chart of Accounts configuration) will allow those accounts to be excluded from the "Quick Verify" analysis.

Quick Verify	
<input checked="" type="checkbox"/>	indicates out of balance condition
<input type="checkbox"/>	Savings Balance
<input type="checkbox"/>	Savings Accrued Int/Div
<input checked="" type="checkbox"/>	Loan Interest Due
<input type="checkbox"/>	Loan Balance

In addition, a new F15-Display Offages feature will let you view a summary of out-of-balance situations for a range of dates, including comments.

Vault / General Ledger Verification Enhancements

The Vault/GL Verification Tool (MNGELE #12) will also visually indicate when certain accounts are in or out of balance. The inquiry now will compare the teller system and GL by ending balance, in addition to daily net activity as it does now. The existing report has been enhanced with new selection criteria, including the ability to print comments, and you can also use F15-Display Offages to view the report data on the screen instead of printing it.

	Refer to the booklet, "General Ledger Balancing Tools" for details.
	Details for all related screens will be available via CU*BASE GOLD Online Help with the release.

! Know Your Member Enhancements

- **Where Your Members Borrow Enhancement** - This tool (MNMGMA #6) will now include data from any non-member records for which credit report data exists, showing from which financial institutions and lenders your co-signers and joint owners are borrowing money.
- **NEW! "Where Your Members Branch" Shared Branch Analysis Tool** - A companion to the popular "Where Your Members Shop" and "Where Your Members Borrow" tools and a great new addition to the CU*BASE Shared Branch platform! See "Shared Branching Enhancements" below for more information.
- **Channel Activity by Member Age Group** - This tool (MNMGMA #1, formerly called the "Checking Account Activity by Age Group") is being revamped not only to simplify the data presented, but also to add more flexibility. You can choose up to 5 different delivery channels (transaction origins) to analyze side by side, summarizing transaction activity according to age groups. And all transaction activity will be included, not just members with checking accounts.

	Refer to the "Knowing Your Members" booklet for details.
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Lending Products Enhancements

! Collateral Information Enhancements

A new **loan-to-value ratio** field will now appear on the collateral information screen, and will be calculated automatically once an estimated value amount has been entered. In addition, for real estate collateral types, the **State** field has been separated into separate fields for State, ZIP, and ZIP+4.

Important Data Conversion Note: Existing data will be split into the new fields as much as possible. For example, if we see "Michigan" in the State field, we'll convert it to the MI state abbreviation, and numbers will be converted into the ZIP code fields. We will be checking against a table of valid state abbreviations (so "Connecticut" will be "CT" not "CO" and "Milwaukee" won't become MI).

If we find any text that is not a valid state name (or if the state name was misspelled), the data that was in the State field will be moved to a different field in the same collateral file. That way you can use the CU*BASE Report Builder to Query the file for any data you need to retype into the collateral record. (For example, in our testing we came across collateral records with "Allstate" in the State field.) The field name is **CLMA56** and it will be available in all three of the collateral data files (CLML for loan collateral, CLMA for application collateral, and CLMCL for closed account collateral).

! Loan Officer Worksheet and Summary Enhancement Loan-to-value ratio will now be calculated and will print automatically on the standard Loan Officer Worksheet, for any loan requests that have collateral. This same information will also appear on the equivalent summary screen (the final tab on the loan application) in CU*BASE. If a loan account has multiple collateral items, the LTV shown on the report and summary screen will take all collateral items into account.

Custom Loan Form Alert: Although no custom loan forms were actually changed with this project, they all had to be "refreshed" to be able to work with a new underlying file format. We tried our best to catch all of them, but it is possible that a little-used form might have been missed. It is very easy to refresh any form, so if you notice problems with any of your custom loan forms, let us know and we'll take care of it right away!

 **Default Loan Collector ID**

When configuring your loan products (MNCNFB #6) you can now specify a default Collections Officer to be assigned for all loans created under that product. This can be changed at the time an individual loan is created, of course, just like any other default setting in the loan product.

 **Prime Alliance Mortgage App Display in CU*BASE**

CU*Answers and Prime Alliance have formed a partnership for promoting web-based mortgage services to credit union members. Whether you simply want members to electronically complete and transmit a mortgage loan application, or you want to take advantage of a complete Loan Origination System (LOS), including the completion of all required paperwork, 50-state compliance for re-selling mortgages to various third parties (such as Freddie Mac and Fannie Mae) or a desire to retain service related income within your credit union (versus paying a third party), this program provides it all.

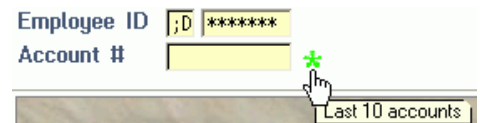
In a nutshell, all mortgage and home equity applications completed on a special new web-based mortgage application site will import the loan request into the CU*BASE lending dashboard (MNLOAN #8). In addition to notifying your staff that they have a loan request to work on the site, this integration into CU*BASE allows your real estate work to be tracked and included in your loan production numbers. **Contact gjohnson@cuanswers.com or visit www.lendervp.com for more information!**

 Details for all related screens will be available via CU*BASE GOLD Online Help with the release.

! **Remember My Last Account Number, Please!**


You know how it is...you finish working with an account, and move on to your next task, then suddenly remember just one more thing you need to do with that same member. Now what was that account number again?

With this release, CU*BASE will remember the last 10 account numbers you used and let you select one of the account numbers again at the click of a button! The list will be stored by Employee ID and will not be purged (unless the Employee ID itself is deleted), so it will be available even when you use a different computer, or when you need to finish up something in the morning that you started last night!



So far we'll be adding the new button (look for the bright green asterisk) to Inquiry, Phone Operator, Update Membership Info, Update Account Info, Process Loan Applications, and Teller Posting. (Got ideas for other places where this feature would be helpful? Let us know!)

Important Note: In order to use this feature in regular Member Inquiry, your credit union must require employee security (Employee ID & password) for Member Inquiry. After all, we need to know your employee ID in order to show the last 10 accounts you worked on! Online CUs, contact a CSR to activate this feature. Self Processors, this flag can be found in Master CU Parameters (OPER #10, then #1).

 Details for all related screens will be available via CU*BASE GOLD Online Help with the release.

Security Questions for CU*@HOME

How would you like to see a *significant* reduction in the number of calls you receive to reset a member's home banking password? The new CU*@HOME Security Questions were designed to do just that! And if your credit union has already launched PIB, these questions will also replace the old ones such as birth year or SSN that were previously asked when members logged in.

We've also designed some beautiful new login pages that contain lots of great information about online banking services as well as some great security education (and a few teasers about PIB, too!).


Remember that these changes will affect all members immediately when they log in starting on May 21. Get the word out so they aren't taken by surprise! Refer to the separate flyer you received early in April for more details.



Share Draft Exception Handling Enhancements

We've made some helpful improvements to the screen you use to work your daily share draft exceptions as well as to the draft repost option. Here's a summary of the changes:

- When reposting, any items that are able to be posted to the member accounts will now be removed from the exception list, rather than leaving them in the list with a status of "paid." This will make the list a little less cluttered by showing only those items that are still actual exceptions.
- If an item has an invalid account number, once that account number is corrected, when the repost option is taken the system will attempt to post the draft as usual. If the account does not have sufficient funds, the repost system will post the draft then reverse it, the same as in normal share draft posting. This means that the member's transaction history will show the item hitting the account as NSF and then being backed off the account. Then when returns are processed and fees assessed, the account would also show the NSF fee transaction.
- To make it easier to perform common tasks, the share draft exceptions screen now lets you select multiple items at the same time. Click to select as many items as desired (you don't even have to hold the Ctrl key on this screen!) then select the desired option, such as Maintenance, and the system will display the maintenance screen for each selected item, one after the other. (You'll just need to use F5-Update instead of Enter to save changes and proceed to the next item.)
- You can now sort the exception list by status code, and a new "position to" field lets you go directly to a particular code (such as 35 invalid account), so it is easier to work that batch of items.

 Details for all related screens will be available via CU*BASE GOLD Online Help with the release.


Shared Branching Enhancements

Separate Weekend / Weekday Processing Fees

The CU*BASE Shared Branching Configuration feature will now let you set a different processing fee for Saturday and Sunday transaction activity. All days will be set the same for now, but you can change the fees if needed using MNCNFC #16 "Shared Branch Config."

! NEW! “Where Your Members Branch” Shared Branch Analysis

This great new tool will let you see at a glance the shared branch locations where your members are conducting their business. You can see the total number of members, transactions, and aggregate dollars, organize the data according to weekends versus weekdays, and even export the resulting detail to a file of your members for use with Member Connect marketing tools. You can also see a summary analysis of where your branches are being used by members of other credit unions. Look for this feature on both the MNMGMA “Know Your Members Analysis Tools” and MNHTLA “Teller & Cash Analysis Tools” menus.

 Refer to the “Shared Branching” booklet for more details.

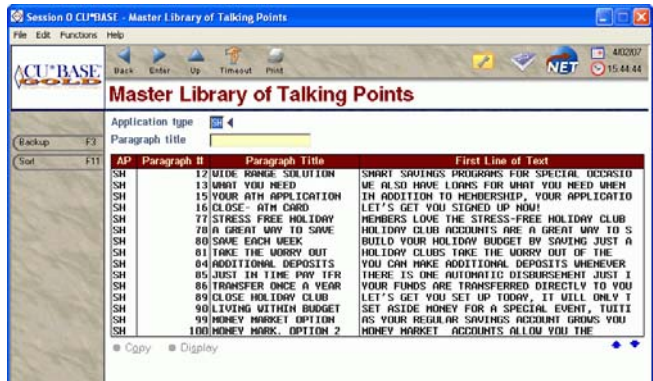
 Talking Points

Sales tips right at your fingertips, for all your credit union savings, certificate, and loan products—even purpose and procedure text for your general ledger accounts. Sounds great, right? CU*BASE has had them for years. But the hard part is staring at that blank page and figuring out what to write—what *should* your MSR’s and other staff say to members to help them decide to choose your products and services?


For many CUs, time constraints keep you from ever attacking this project with the attention it deserves. And you tell us all the time, “we’d use those tips if you could just fill them in for us!” Okay, we hear you, and with this release we’re going to try to help!

We teamed up with Tag Marketing, a new partner that has experience in marketing for credit unions, and our own Member Reach team to develop a database of **Talking Points**. These are little sound bytes that your staff can use when they are speaking with your members about your products and services.

The marketing tips configuration screens have been changed so that you can pull in as many of the Talking Points paragraphs as you wish, and you can modify the tips or use them as is.



Ultimately, the idea with this database is to gather contributions from all credit unions that can be shared with your other partners in the CUSO. Watch for more information coming soon about how you can pass on the work you’ve already done so that it can help others reach their members in a new way!


To check it out, go to MNMGMT #2 Member Rate Maintenance and use the F22-Marketing Tips feature on any of your share, certificate, or loan products (when viewing loan products, click the  button). The new **F9-Talking Points** feature will display items in the Talking Points database and let you copy them into your product configuration.

 Details for all related screens will be available via CU*BASE GOLD Online Help with the release.

! Tiered Services Enhancements



Tiered Services Pop-Up Window

The pop-up window that appears when you click the participation button in Teller, Inquiry, and Phone has been enhanced to include the member’s earned points from this month *and* the previous month, so it is easy to compare how a member’s level changed from the previous month.

Tiered Points			
	Return		
	Possible	This Month	Last Month
Score	1827	420	300
Primary	2997	0	0
Savings	310	60	140
Lending	400	280	160
Self Service	270	0	0
Deposit	110	00	0
Club	0	0	0
YTD		840	600
Life		840	600
# of products		6	5
# of services		3	2
 Lifetime Points Catalog			
<< Show Graph			

Points for Continuous Years of Membership

A new field has been added to the Tiered Service Levels scoring configuration that lets you grant points based on how long someone has been a member. For example, you could give 5 extra points for every year of continuous membership, starting after someone has been a member for at least 5 years (measured from the date the membership was opened). An account that had been open for 7 years would get 35 extra points when Tiered Service scores were calculated every month (7 years times 5 points per year of membership = 35 points).

	Refer to the booklet, "Tiered Services Levels - Implementation Guide" for details.
	Details for all related screens will also be available via CU*BASE GOLD Online Help with the release.

! Other Miscellaneous Enhancements

- **A/P Vendors** - You can now suspend an accounts payable vendor record so that it can no longer be used for new invoices and payments, but will still remain in the file so you can view payment history.
- **Marketing Club Rate Benefits** - Now you can define a separate range of account opened dates for applying savings, loan, and certificate rate benefits, instead of a single "one size fits all" parameter that controlled all rate benefits for the club. (Refer to the "Marketing Clubs: Configuration, Benefits and Enrollment" booklet for details.)
- **Membership Analysis Report** - A new option has been added to the Membership Analysis Report (MNMRKT #21) so that you can choose whether or not to include a separate sub-total for memberships with written-off loans.

- **Risk Score Analysis Report** - The Loan Risk Score Analysis Report (MNCOLL #22), which breaks down loan accounts into delinquency aging categories, will now exclude written-off loans.

- **ADDITION Loan Delinquency Calculation Change** - Two new optional flags have been added for use by credit unions in states such as Wisconsin where regulations allow special treatment of delinquency fines: *Stop applying fine after maturity date* and *Waive fine if regular payment made in current period*. Both flags can be set using the Loan Fines Configuration feature on menu MNCNFB.

With the first flag activated, the system will not add a fine to a loan account if the current date is greater than the loan's maturity date. (If allowed by regulation and appropriate according to your disclosures, you could set this flag on so you can let loans go past their maturity date and not have to worry about fines being assessed.)

If activating the second flag, the system will consider any payments made during the current payment cycle* as being made for the current month, and therefore will not add any additional fines, even though the loan's next payment date might still be in arrears. (**In this context, the cycle is actually measured from one month's grace period to the next month's grace period. If you have a 10-day grace before fines kick in, this means that any payment made between February 11 and March 10 is considered to be March's payment.*)

- **ADDITION Tiered Service Scoring Change** - We made an adjustment to two scoring flags that will affect how your member receive points as of June 1:

⇒ **"All other loans"** (under Goal 3): This item will now exclude credit card loans.

⇒ **"OTB or online credit card"** (under Goal 4): This newly revised flag previously scored once if a member had any OTB credit card records. Now it will score once if the member has any OTB credit cards OR any online credit card loan accounts.

If your credit union was using the "All other loans" feature as a way to grant extra points to your credit card users, you may need to adjust your current configuration. **Please check your Tiered Services points configuration (MNCNFD #1) before May 31 and make any changes to your settings as needed.**

As usual, other minor enhancements and miscellaneous fixes will be noted in the online help "What's New" topic when the release is implemented.

Coming Soon!

Missed it by just a hair! (We hate it when that happens!) We had several projects that were just *this* close to being included in this release, but we just didn't feel comfortable implementing them without a bit more development and testing time. So watch for more information about the release of the following projects:

Health Savings Accounts (HSA) Processing Tools

This project will add new HSA processing tools to CU*BASE. While the title implies Savings accounts, the application can be used as a savings or checking account with rules and tracking systems that follow a pattern similar to IRAs, including year-end tax reporting. We've worked with a number of credit unions who are already offering HSA programs and tracking them manually, and they have been invaluable partners in helping us design these new tools to be effective and efficient for your credit union.

Loan Insurance Enhancements: Add Gap and Other Misc. Coverages to Your Loan Products!

This project will allow your credit union to define additional "coverage" codes that can be attached to loan accounts, to track things such as gap insurance, mechanical breakdown insurance (MBI), maintenance contracts, and the like. We're also making a few enhancements to the way that debt protection coverage is handled for quoting loan payments to members, to allow for the unique properties of this type of coverage. It's gonna be cool!

Payment Change History Part 2

If you recall, Part 1 of this project was implemented in the Fall 2006 release. For that release we created a new Payment Change History file with associated inquiry (have you seen it yet?), and started gathering this historical data on all loan accounts.

Now we're working on Part 2: We will be changing the delinquency calculator to determine a loan's delinquent amount using the number of payments delinquent and the detail of the actual payments involved, instead of using multiples of the *current* payment amount. In the case where a payment has been consistent for the entire delinquent period, the end result will be the same. The change is designed primarily for loans such as interest-only payment or variable rate loans where the payment amount changes frequently. The system will now be more intuitive to allow these members to catch up loan payments using the actual payment amounts they were *supposed* to pay.