Reference Guide

Configuring Tools for Your Loan Team

Standardize and Streamline Your Lending Department

INSIDE THIS GUIDE:

This guide describes tools are designed to increase the productivity, accuracy, and efficiency of your credit union's lending efforts to give your loan interviewers and underwriters more time to take care of your members' borrowing needs.

Last Revision date: October 10, 2025

Find other Reference Materials page on our website: https://www.cuanswers.com/resources/doc/cubase-reference/

Start your online help journey here:
https://help.cubase.org/cubase/Welcome.htm

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Companion Booklets

Be sure to check out these companion booklets:

- Big-Picture Planning for Your Loan Configurations: What to Consider When Setting Up Your Lending Codes and Configurations
- Collateral: Tools for Tracking Property Security Loans
- Configuring Tools for Collectors: Developing a Collections Strategy
- Credit Cards: Configuration Guide
- Escrow Processing
- Interest Payment Only Loans (CBX Mortgage Products)
- Lease Loan Tools
- Mortgage Products: 360-Day Interest Calculation
- Packaging Loans for Sale: Managing Your Concentration Risk
- Participation Lending: FHLB Secondary Market Loan Servicing
- Participation Lending: Fannie Mae Secondary Market Loan Servicing
- Participation Lending: Freddie Mac Secondary Market Loan Servicing
- Participation Lending: Standard 365 Loans and Other Loans
- Variable Rate Loan Products

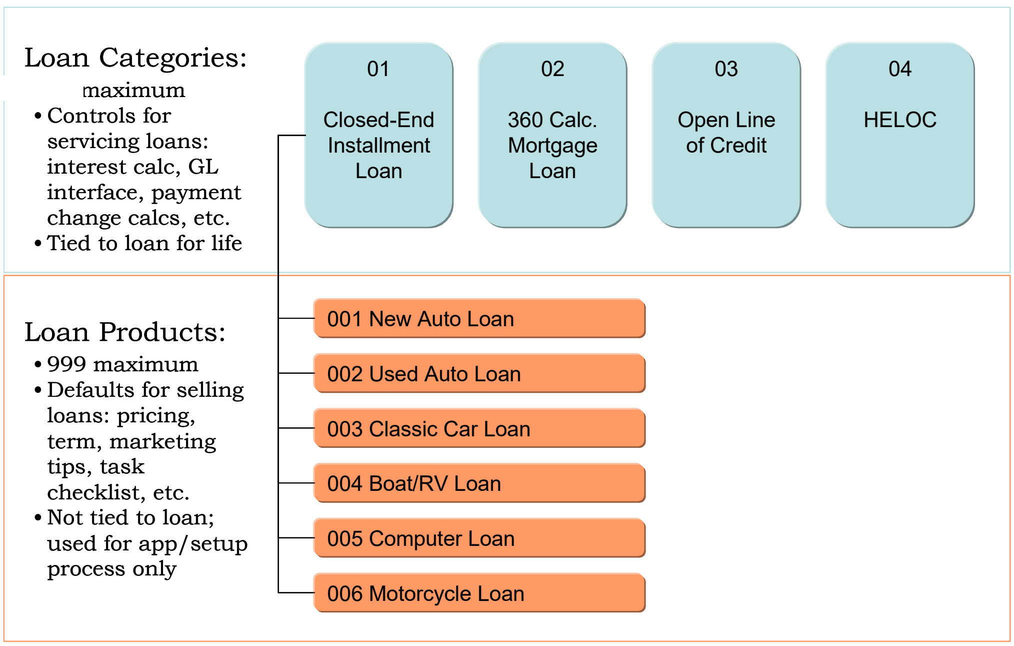
All these booklets can be found posted on the CU*Answers Reference Page: https://www.cuanswers.com/resources/doc/cubase-reference/

Loan Product Codes: What Do You Sell to Your Members?

There are two key codes that are configured in CBX to allow your credit union to lend to your members: Loan Category Codes and Loan Product Codes. In addition to myriad other codes that record the purpose of the loan, collateral, payment protection, and other loan features, these two codes are the key codes that control the lending experience from initial application to loan payoff.

- The **Loan Category** is the configuration that governs how the loan is **serviced** (payment and interest calculations, payment spread, G/L accounts, etc.).
- A **Loan Product** is a template for how a specific type of loan is **sold** to your members.

Multiple loan products can be tied to individual loan categories. Examples of loan products include your credit union's used car loan offering, new car loan, RV loan, etc.—these products could all be tied to the same generic "closed-end installment loan" or "vehicle loan" category.



You can create, delete, relabel, and reorganize loan product templates any time you like, without affecting apps in the queue or booked loans...so get creative! Create promos, introduce products...maybe just give things a new name occasionally!

Up to 999 loan products can be configured per corporation. Up to 50 of those products can be flagged to appear in the Loan Rate Board in **It's Me 247** or from any external website, similar to share and certificate products, complete with "sales information" describing the loan and how to apply, and an online loan application that is integrated directly into CBX.

Setting Up Loan Category Codes

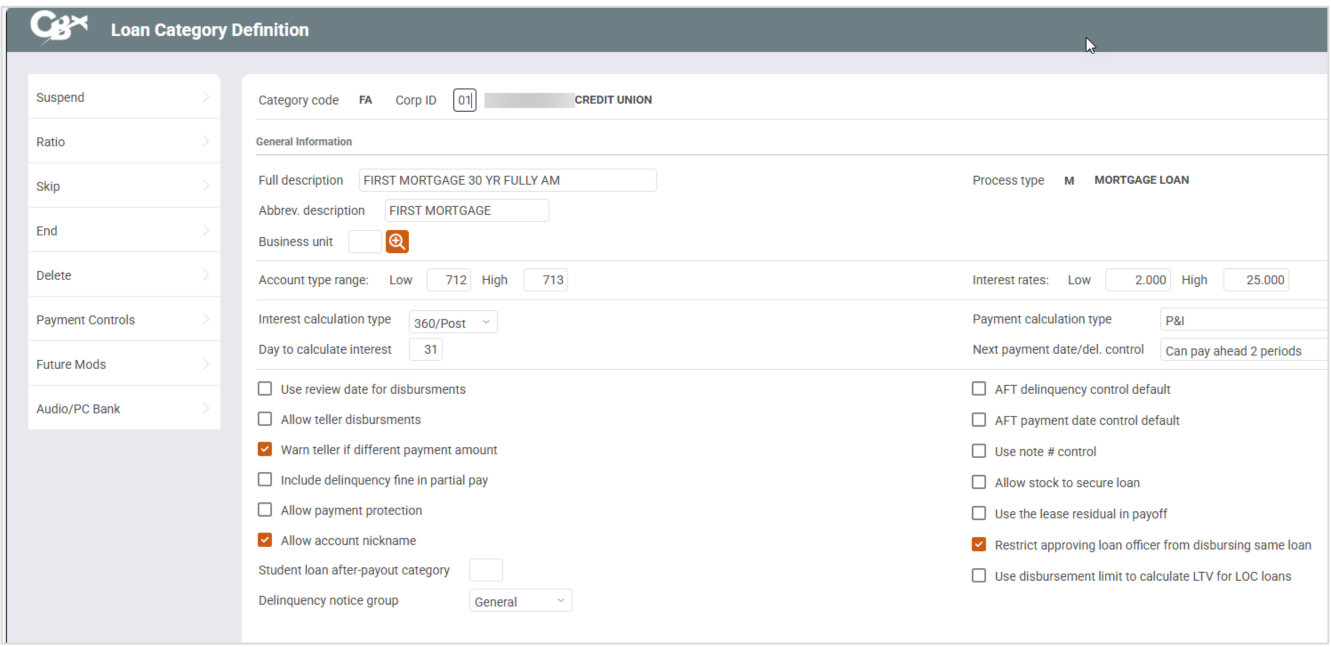
Loan Category Codes are set up using **Tool #458 *Loan Category Configuration***.

Setting up loan categories requires you spend time evaluating how loan accounts are disclosed to members and determining how the accounts should be handled on a day-to-day basis, including interest accruals, daily G/L interface for loan income, payment matrix settings to control the spread, etc.

- To ensure that your loan categories behave the way you expect and disclose to your members, a Client Service and Education Representative can work with you as you set up the various control parameters. Also refer to the “Big-Picture Planning for Your Loan Configurations” booklet and the “Credit Cards: Configuration Guide” for tips on what to consider when setting up your lending codes and configurations.

- For complete details, refer to CBX Online Help.

Tool #458 Loan Category Configuration



- *Business unit* allows you to group similar loans to assist with daily work and filtering. Refer to the explanation on page 10.

- Check *Allow teller disbursements* if you want your tellers to be able to disburse loan funds from within the Main Teller Posting screen.

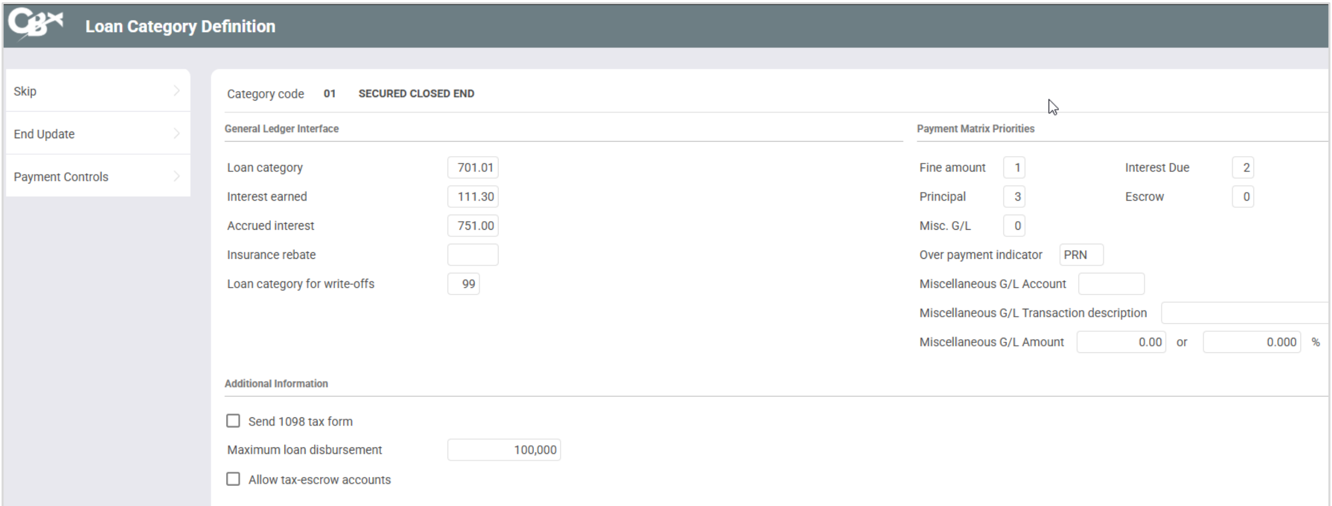
- Use the *Delinquency notice group* feature and save money by using targeted notices using unique text and date ranges for 4 different types.

- Use **Audio/PC Bank** to allow disbursements through Audio Banking or Online Banking.

- Using the *Payment calculation* type drop-down, payments can be calculated as the standard principal & interest (P&I), or as interest-only, or even principal-only.

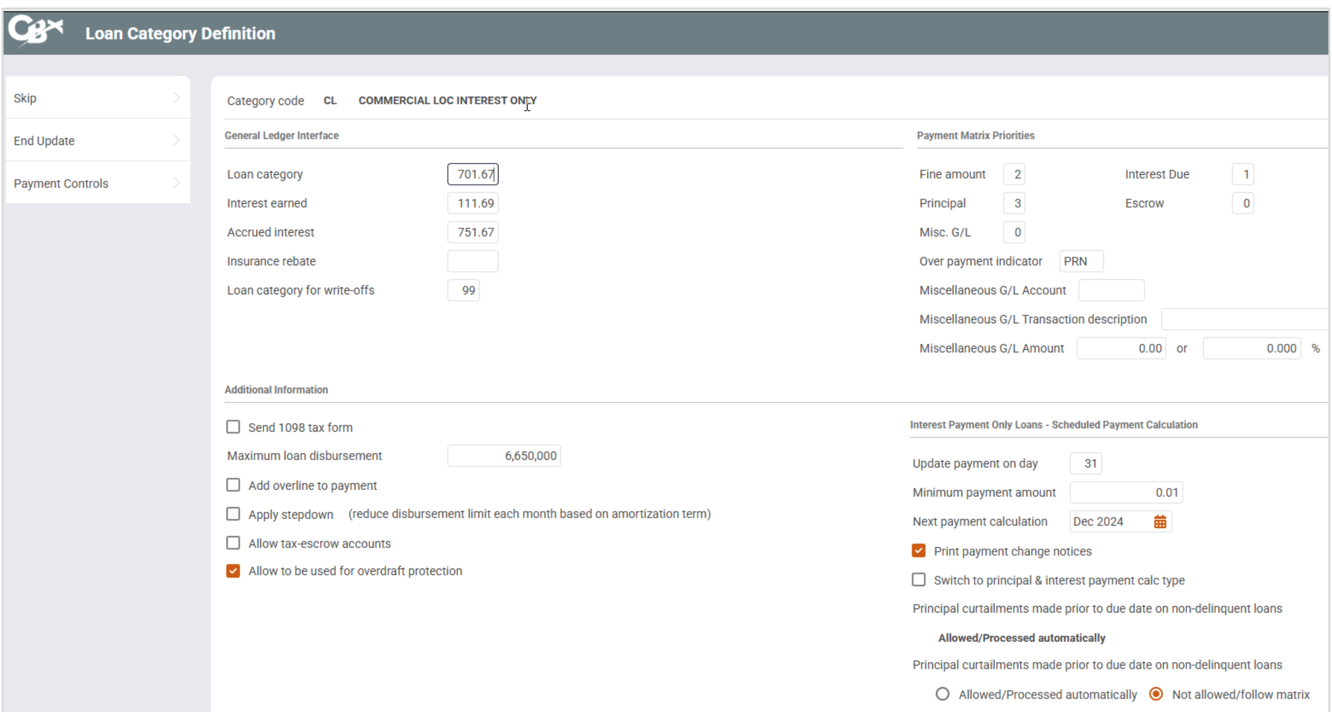
- Check *Use disbursement limit to calculate LTV for LOC loans* to require that different people approve the loan and disburse the loan funds.

Tool #458 (Sample A: Closed-end loan)



- Prevent fat-finger errors and loan amounts outside of your policy limits by entering an amount in *Maximum loan disbursement*.
- Loans can be written off to more than one category (secured, unsecured, mortgage, etc. using the *Loan category for write-offs* field.
- Post a portion of every payment to a G/L (auto leases, forced savings) by entering data in the *Miscellaneous G/L Amount* fields.

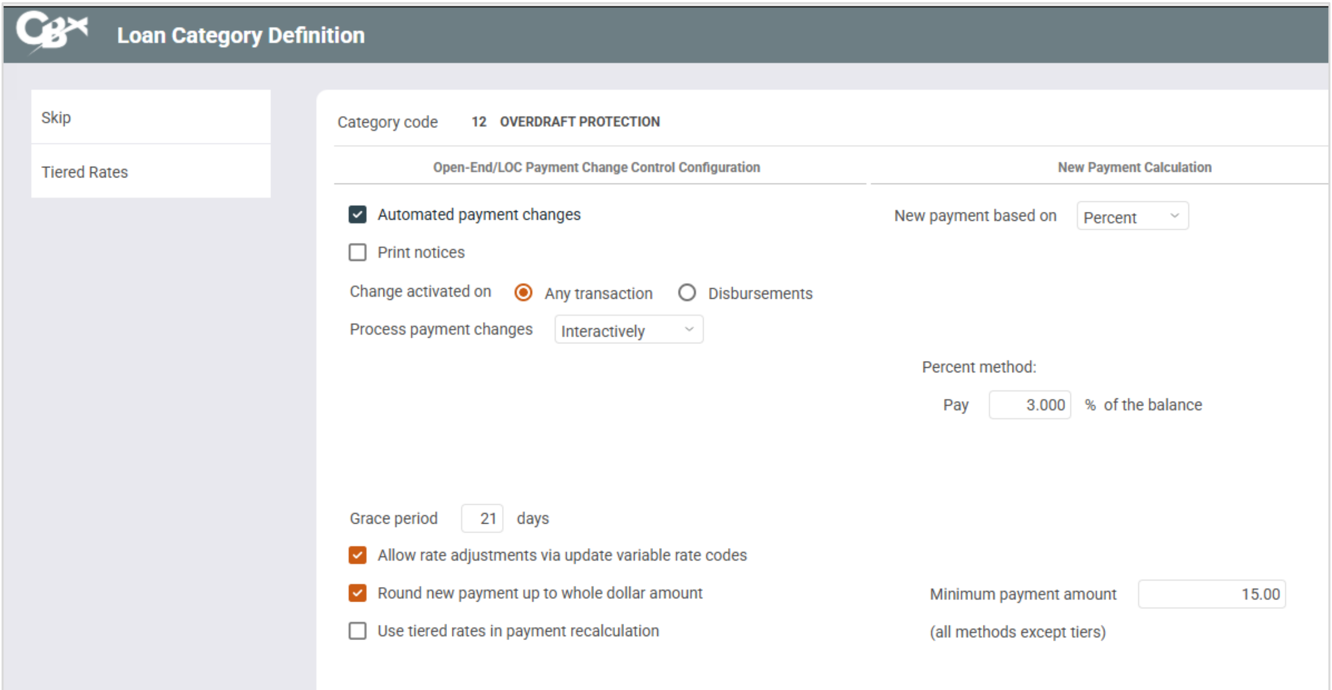
Tool #458 (Sample B: Interest-only LOC)



- In addition to credit cards, *Add overline to payment* can also be used for stepdown interest-only LOCs.
- Remember escrows aren't just for 360 interest calc loans. Check *Allow tax escrow accounts* to allow them with this category.

- For interest-payment only loans, you can automatically shift the calculation to the standard P&I calc after a specified period, with or without having to move the loan to a different loan category. Use *Switch to principal & interest payment calc type*.

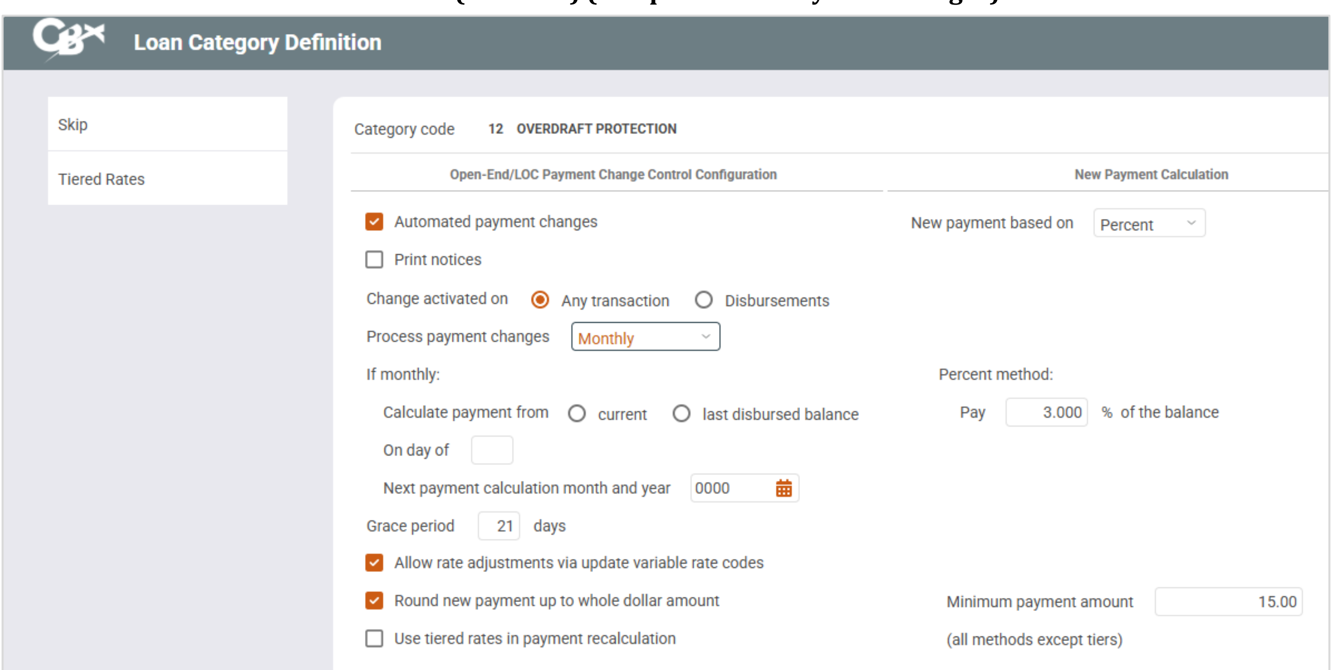
Tool #458 (Screen 3) (Sample A: Interactive Pmt Changes)



These fields show if *Interactively* is selected for *Process payment changes*.

- A *Grace period* means that if a member takes a draw, they won't have to make a payment for *at least* these many days.

Tool #458 (Screen 3) (Sample B: Monthly Pmt Changes)



These fields show if *Monthly* is selected for *Process payment changes*.

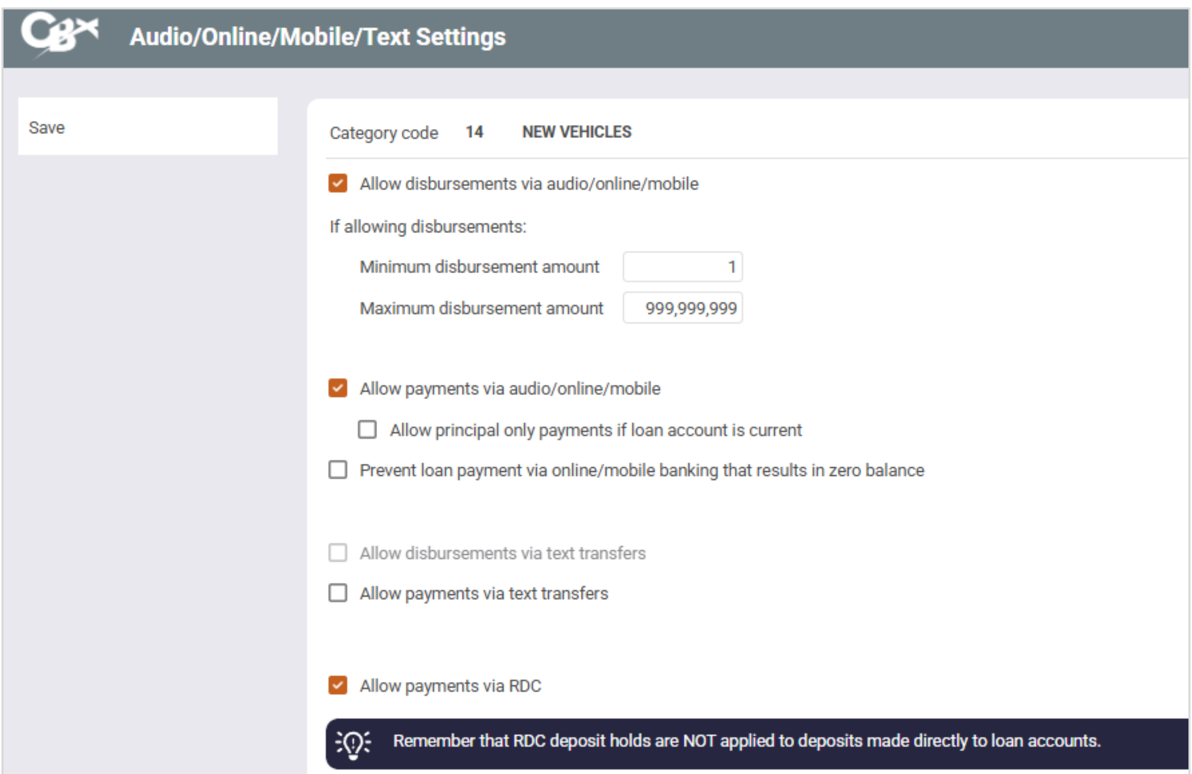
- Notices are optional, so it is not necessary to check *Print notices* on this screen, especially when your monthly statements already communicate the same details.

Disbursing Funds

Certain checkboxes in the Loan Category configuration determine how loan funds can be disbursed. Others do not require special configuration. Additionally, the initial disbursement of the loan funds can be restricted so that the person approving the loan cannot also disburse the loan.

Following is a list of ways that loan funds can be disbursed:

- The loan funds can be disbursed directly when the loan is created.
- Loan funds can be disbursed through **Tool #50 *Disburse Member Loan Funds***.
  - By pressing Enter on this screen, you can post all the loan funds or individual loan fund amounts at separate times. The Total Disbursed records the entire amount disbursed.
- Via Phone Operator and regular funds transfer
  - Tellers can transfer money from **Tool #516 *Member Transfers*** and from Phone Inquiry. Additionally, this screen is accessed via **Transfer** from the Teller Processing screen.
- Via Online and Audio Banking if the correct configuration is set in the Loan Category configuration. Just select **Audio/PC Bank** from within the Category configuration and check to *Allow payments via audio/online/mobile*. (See following image.)



5. Funds can also be disbursed via teller processing (a withdrawal field will be available) if the configuration in the Loan Category configuration allows for it. (See the image on Page 6.)
   - Additionally, the Loan Category configuration can restrict who can disburse the loan funds. Check "Restrict approving loan officer from disbursing same loan" to require that two different people approve the loan and disburse the funds. (See the image on Page 6.)

Business Unit

Credit unions can group loans with a specific purpose, such as mortgage loans, via use of the new Business Unit codes. Credit unions first configure their Business Unit code(s) via **Tool #177 *Business Unit Configuration***, then enter that code in the *Business Unit* field on the first Loan Category configuration screen of the related loan categories.

Using this feature simplifies analysis and day-to-day work since Business Unit has been added to several reports and filtering tools, such as the Loan Queue and Activity Tracking dashboards.

Loan Product Codes

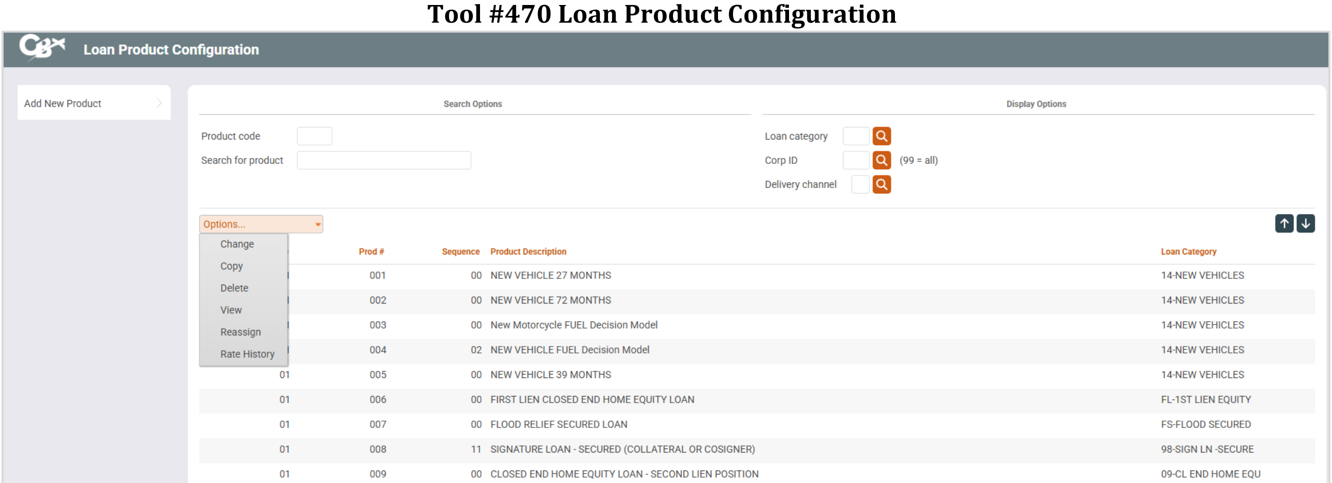
Loan Product Codes are set up using **Tool #470 *Loan Product Configuration***.

Setting up loan product codes first requires a thorough understanding of the categories you have configured, as well as a plan for the types of loans you will be offering to your members. Since loan product codes also control what appears on the electronic rate sheet in CBX Rate Inquiry, your current loan rate sheet is a good place to start.

Following are samples of the screens used to configure loan product codes.

- For complete details on all fields and options, refer to online help.

Tool #470 Loan Product Configuration



- The *Prod #* represents the order in which your loan officers will see the product when they start new loan request, so give some thought as to what products you want to keep front and center!
- The *Sequence* represents the order in which products will be display to members in online/mobile banking.
- Use *Reassign* to rearrange the product code numbers so the products appear in a logical order for your loan officers in their day-to-day work.
- Use *Copy* to take an existing product and use it as a template for creating a new one.
- Use **Add New Product** to create a new code.

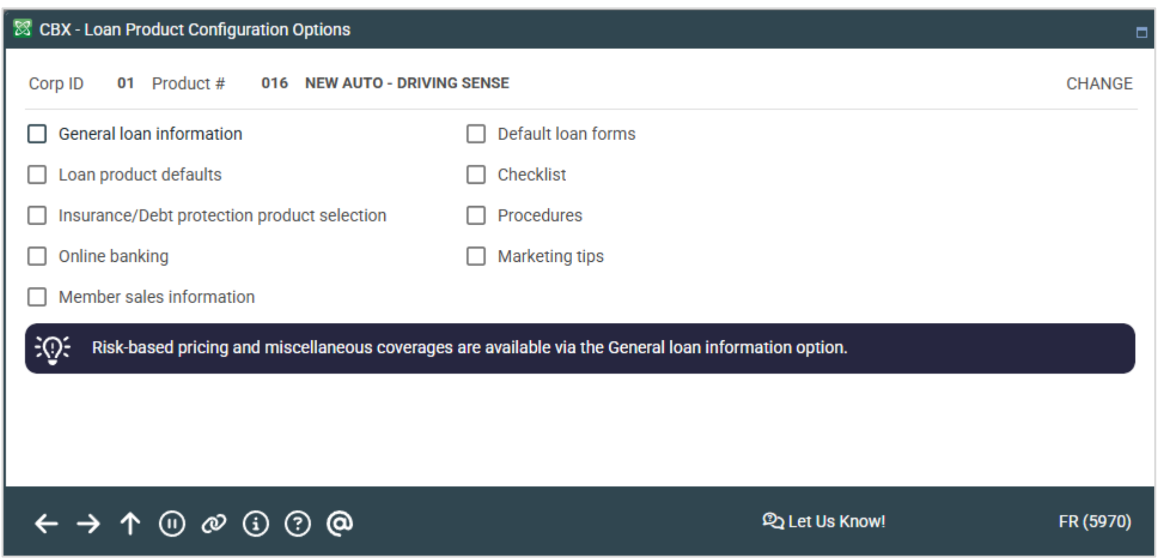
Use the **Display Options** at the top of the screen to narrow down the list of products.

Show only those products that have been tied to a particular loan category – helpful for making sure all of your categories have at least one product configured.

Use this to display products according to delivery channel. This groups products according to where they are listed:

- Loan Processing
- Loan Quoter
- **It's Me 247** online/mobile
- Other external channels

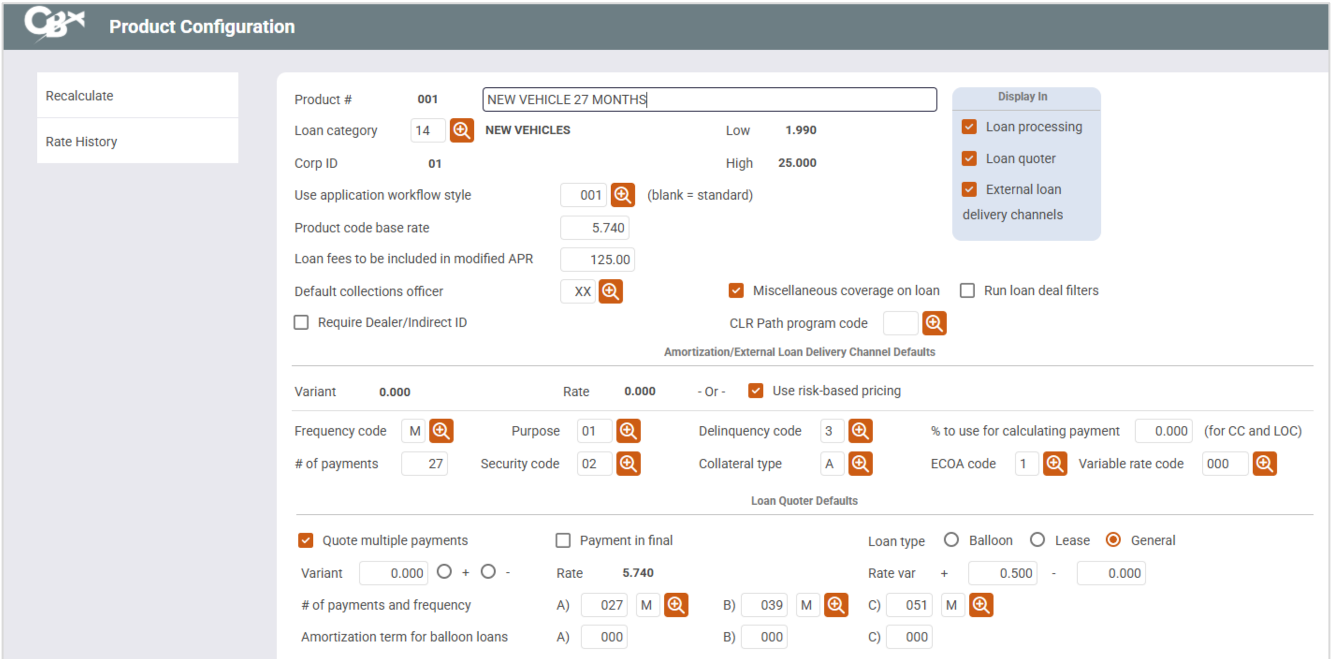
Loan Product Configuration Options



This screen appears only when you are editing an existing product.

If editing a product, check the boxes for only the configuration feature(s) you need to access. (When adding a new product, all screens are displayed automatically in order, so this window is not displayed.)

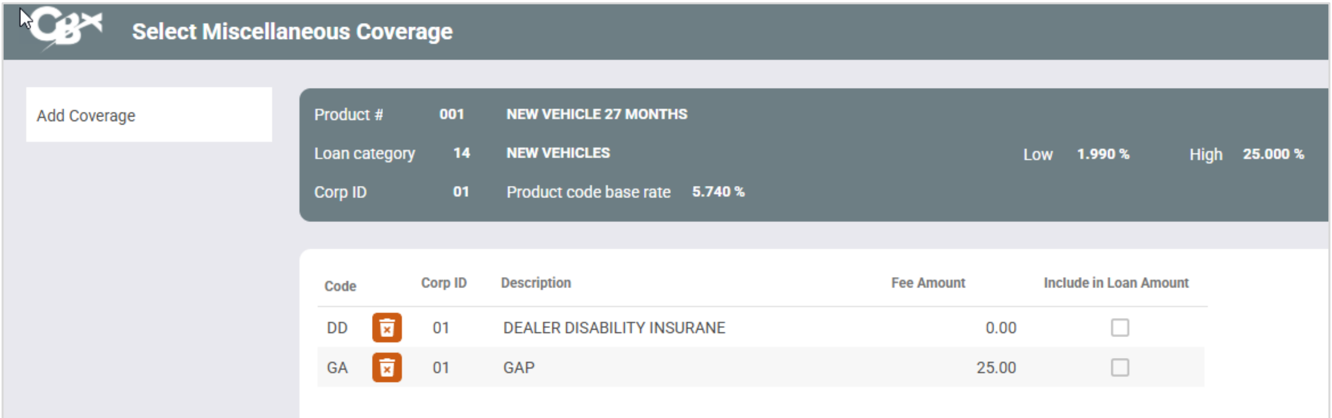
General Product Information



Notice that **only one rate** is entered for the product; all other rates, including risk-based pricing and the online banking offered rate, will be entered as a variant (plus or minus xx.xxx) based on that rate.

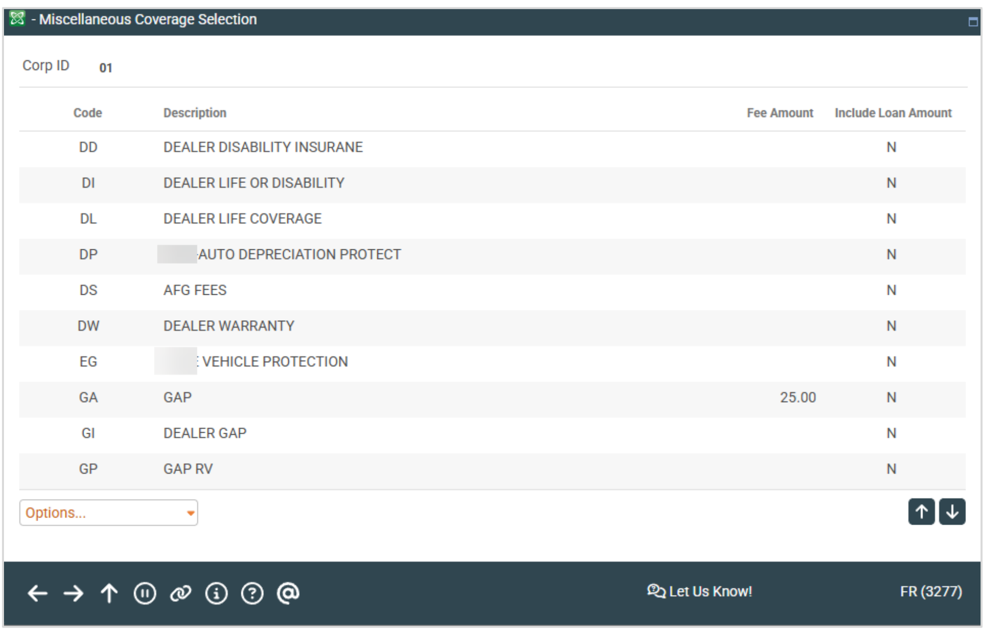
- The checkboxes in the upper right corner of the screen control where this loan product can be sold, including external loan delivery channels (SEG web site, Dealer Track, etc.). Online banking access is controlled on the Online Banking screen.
- The middle section of the screen contains defaults used when creating new loan requests. These save more time and make your products consistent. (More defaults will also be available on a subsequent screen.)
- To quote up to 81 payments in Loan Quoter, check *Quote multiple payments* and fill in the fields in the bottom section.
- Simplify and speed things up for your loan officers with workflow styles by checking *Use application workflow style*. (See page 69).
- You must check *Miscellaneous coverage on loan* if you want to be able to offer misc. coverages for this product, such as gap insurance.
- If *Use risk-based pricing* is checked, the risk-based pricing screen will display after you use Enter on this screen.

Miscellaneous Coverage

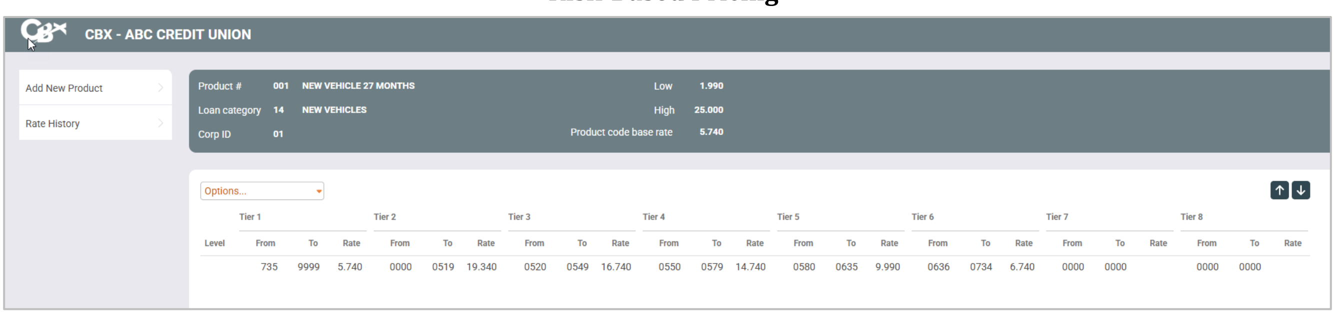


This screen appears automatically when the Miscellaneous coverage on loan checkbox is checked on the general product information screen. You must configure all products you potentially want to offer to members on this type of loan. The choice to add them to the loan or not is made at the time the loan request is set up.

Miscellaneous Coverage (Detail)

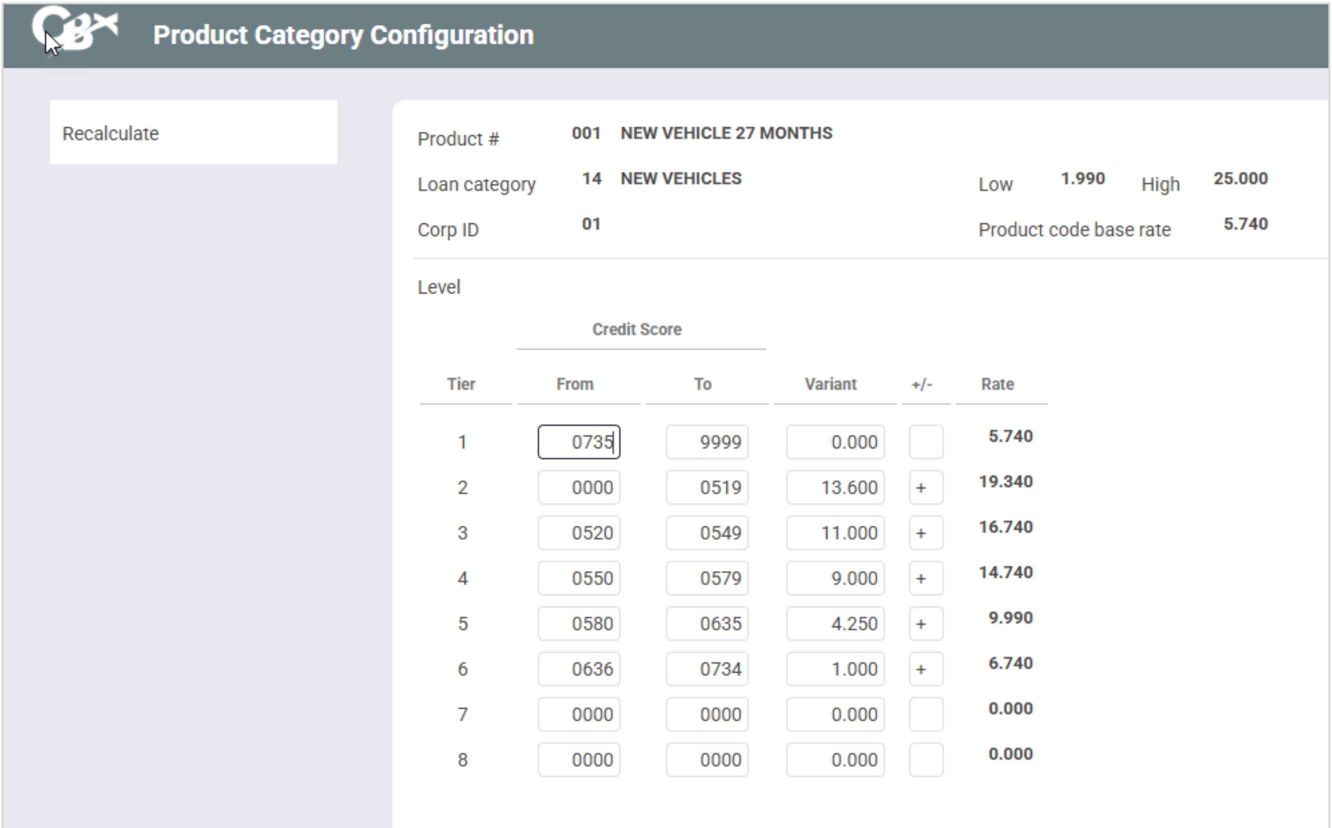


Risk-Based Pricing



If you like, up to 8 different prices can be set for each risk level (paper grade).

Risk-Based Pricing (Detail)



Product Category Configuration

Recalculate

Product # 001 NEW VEHICLE 27 MONTHS

Loan category 14 NEW VEHICLES — Low 1.990 High 25.000

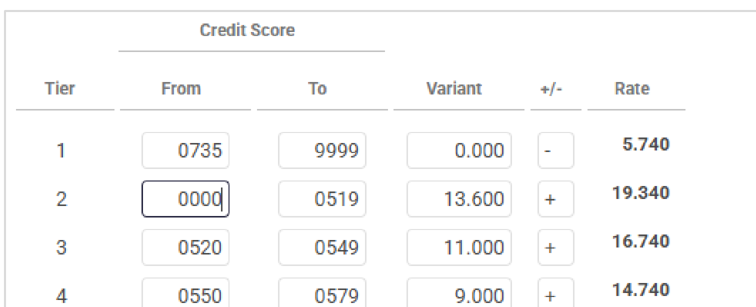
Corp ID 01 — Product code base rate 5.740

Level

Tier	Credit Score From	Credit Score To	Variant	+/-	Rate
1	0735	9999	0.000		5.740
2	0000	0519	13.600	+	19.340
3	0520	0549	11.000	+	16.740
4	0550	0579	9.000	+	14.740
5	0580	0635	4.250	+	9.990
6	0636	0734	1.000	+	6.740
7	0000	0000	0.000		0.000
8	0000	0000	0.000		0.000

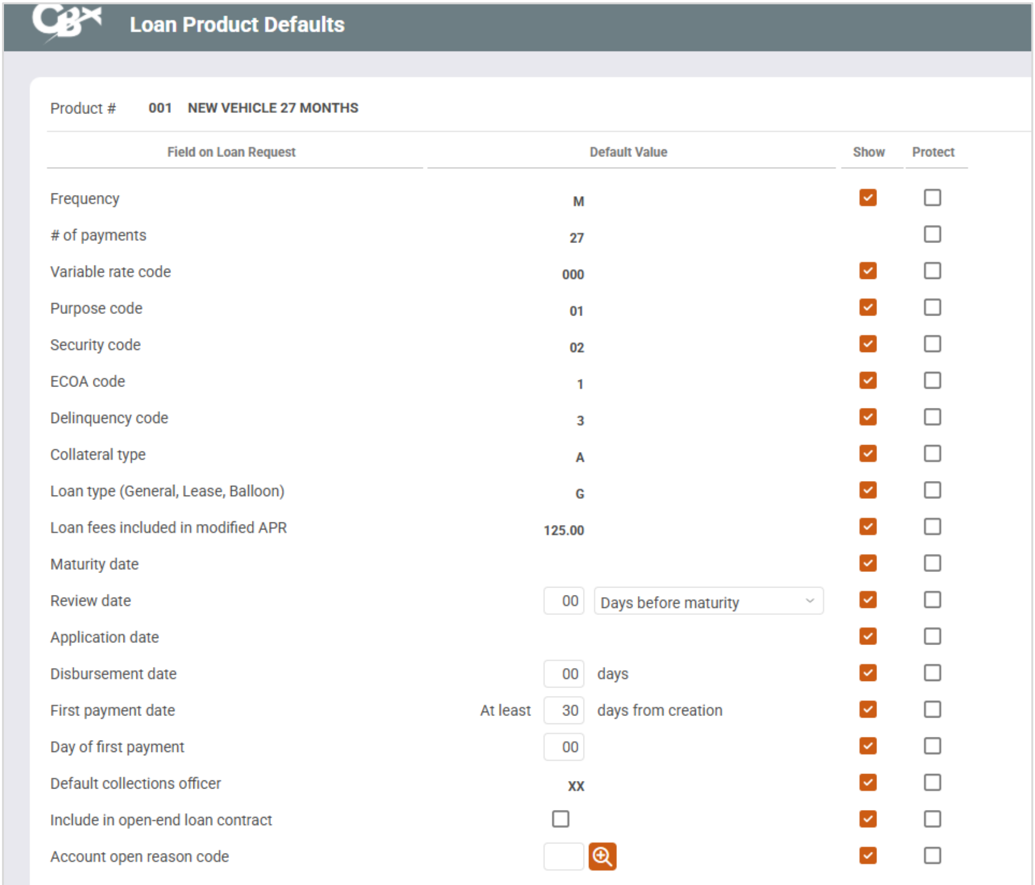
You can set default rates according to credit score for up to eight different score ranges.

Another alternative to consider is to is to set a – (minus) to give a *better* rate to your high-scoring members...allowing you to quote a different "base" rate for the product.



Tier	Credit Score From	Credit Score To	Variant	+/-	Rate
1	0735	9999	0.000	-	5.740
2	0000	0519	13.600	+	19.340
3	0520	0549	11.000	+	16.740
4	0550	0579	9.000	+	14.740

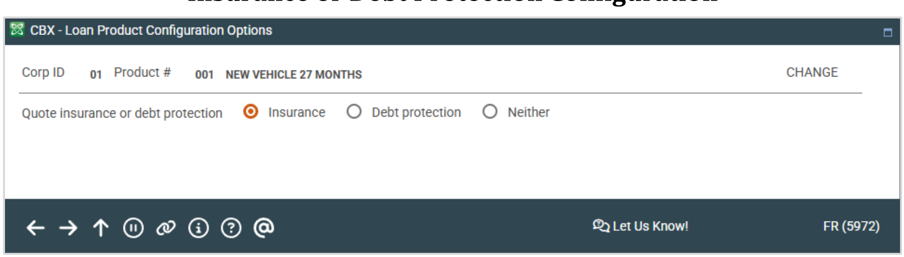
Loan Product Defaults



Unless a field has been hidden, loan officers will be able to modify any default values you specify. If protected, the "Unlock" button will need to be used first before the field will allow changes to be made, preventing accidental alterations.

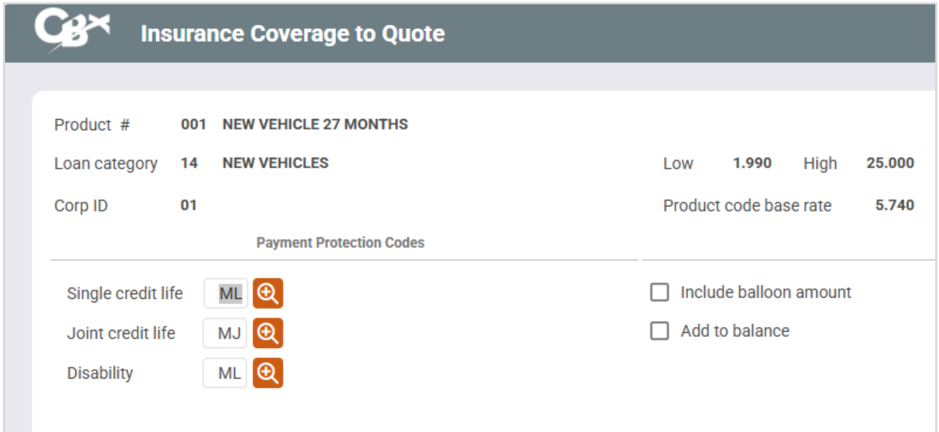
- Set default values for more consistency and to save time for your loan officers.
- If you want to display the item but keep it from being changed accidentally, check *Protect* to prevent changes until a special "unlock" button is used.
- Items that will never be needed for this product can be hidden altogether by unchecking *Show*.

Insurance or Debt Protection Configuration



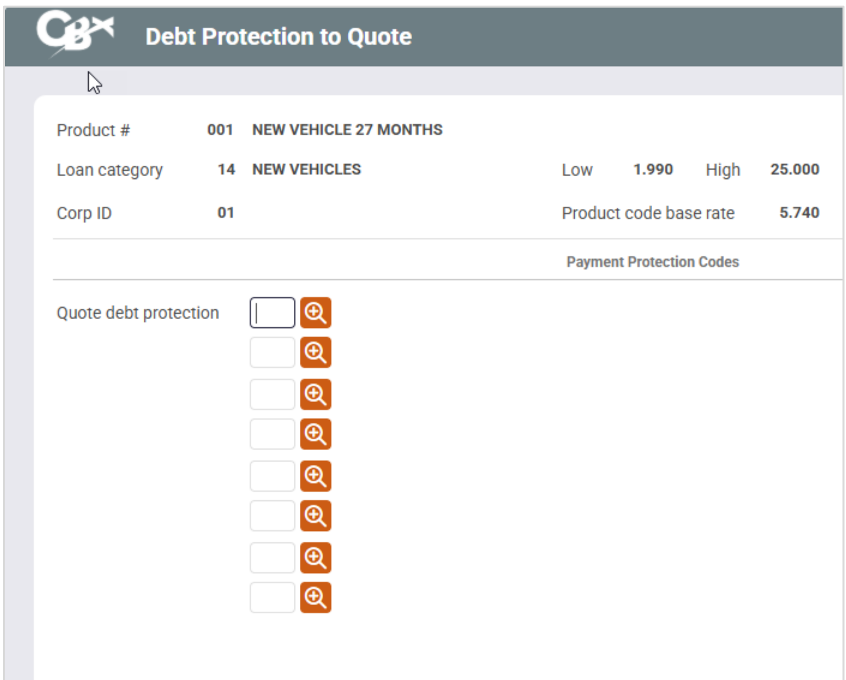
This screen lets you choose which coverage type will be quoted on new loan requests.

Insurance



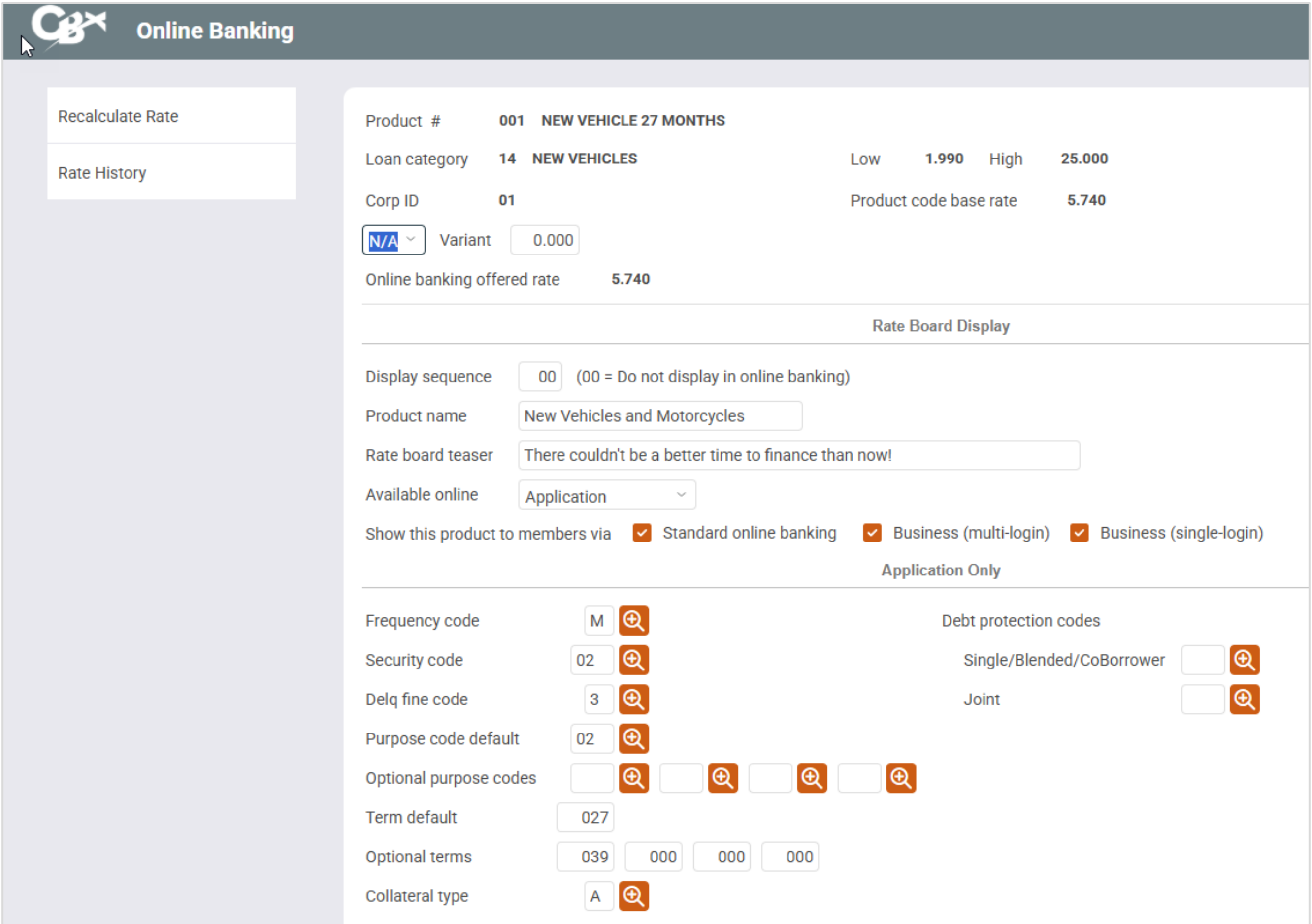
When Insurance, the screen shown above is accessed.

Debt Protection



When debt protection is selected on the initial window, this is the screen that you advance to. Filling in defaults here means these premiums will always be quoted on new loan requests for this product.

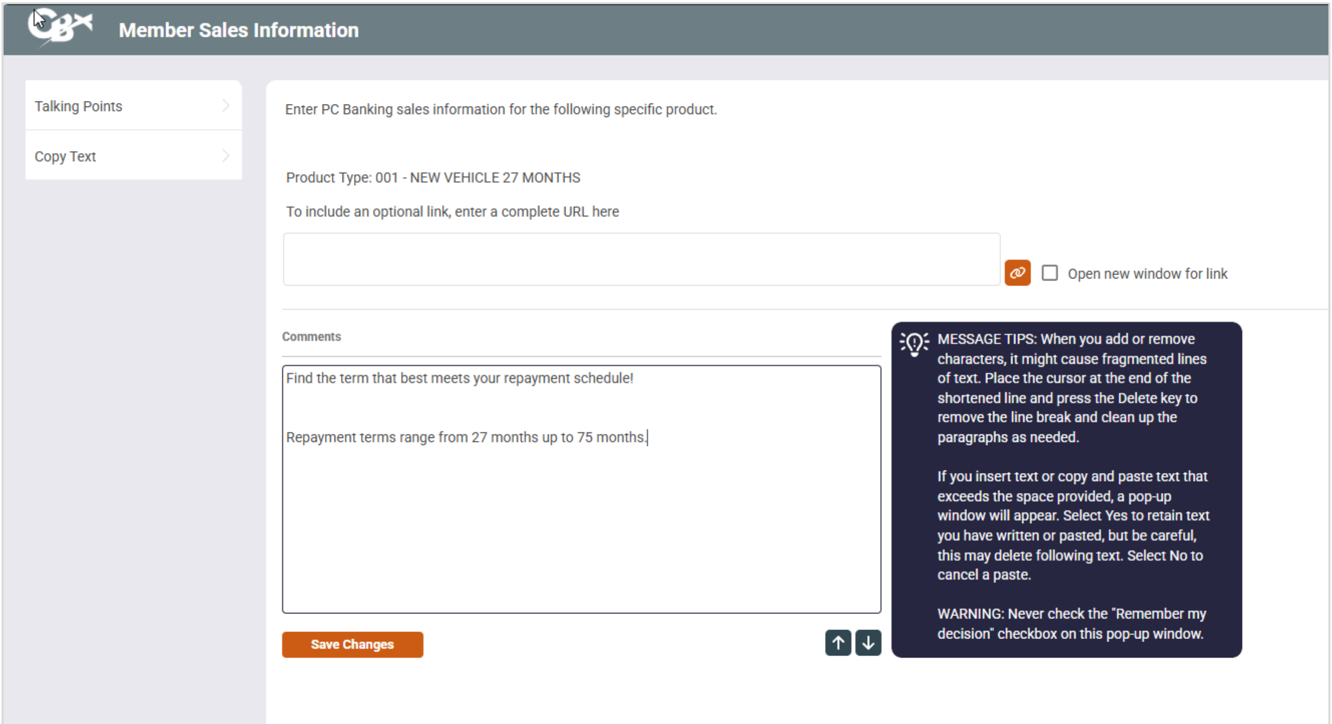
Online Banking Configuration



Important Note! *If you set up any products to be offered via online banking, also be sure to review your Delivery Channel configuration to control how those incoming applications will be coded by the system.* *See Page 21 for details.*

- A number entered in the *Display sequence* field means this product will be shown to members on the **It's Me 247** loan rate board.
- The settings at the bottom of the screen are used to control the loan application process for members through online banking.

Member Sales Information

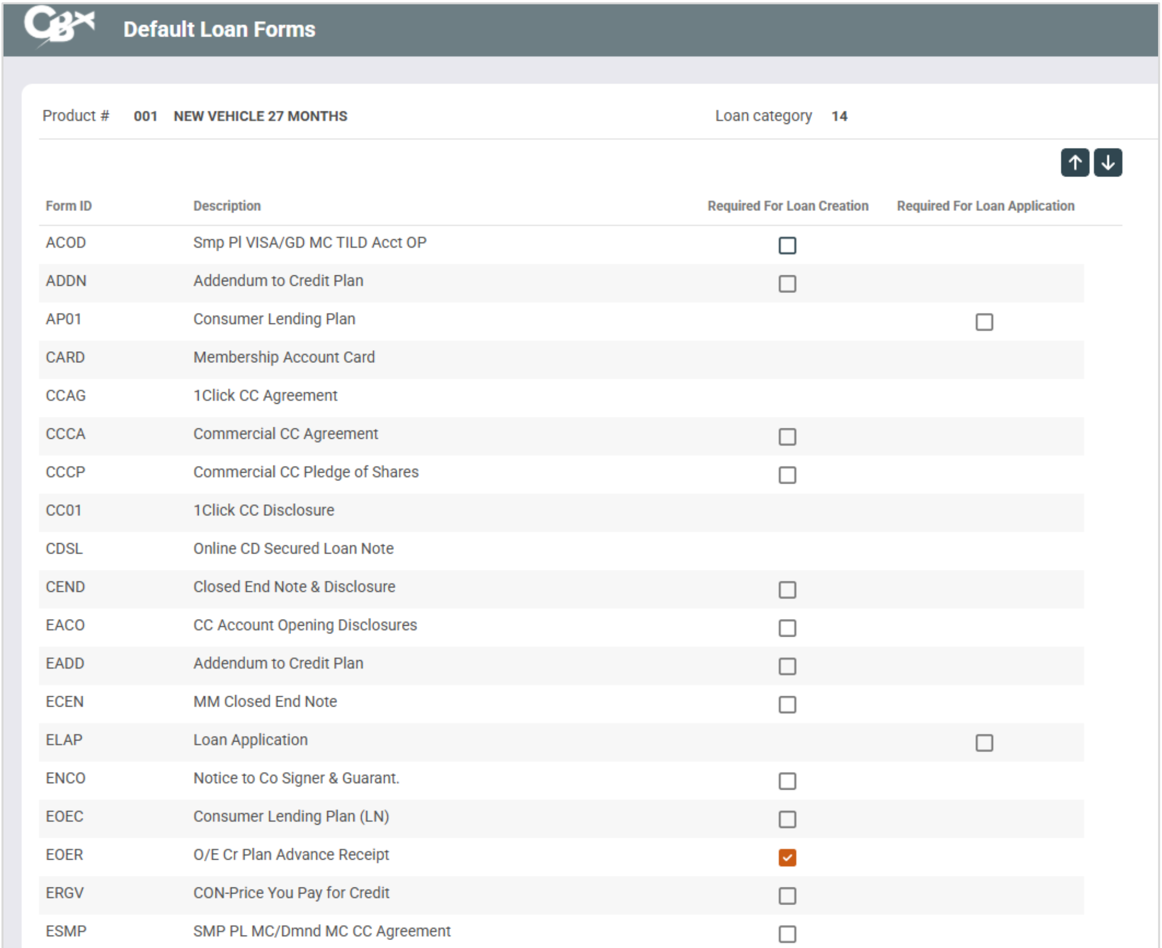


This screen appears automatically for loans that are being included in the **It's Me 247** Rate Board.

A URL and/or free-form text should be configured to sell the loan to the online banking member.

IDEA: Link to your disclosures, then add "By clicking Submit you agree to the terms & conditions outlined on…" language to your comments.

Default Loan Forms



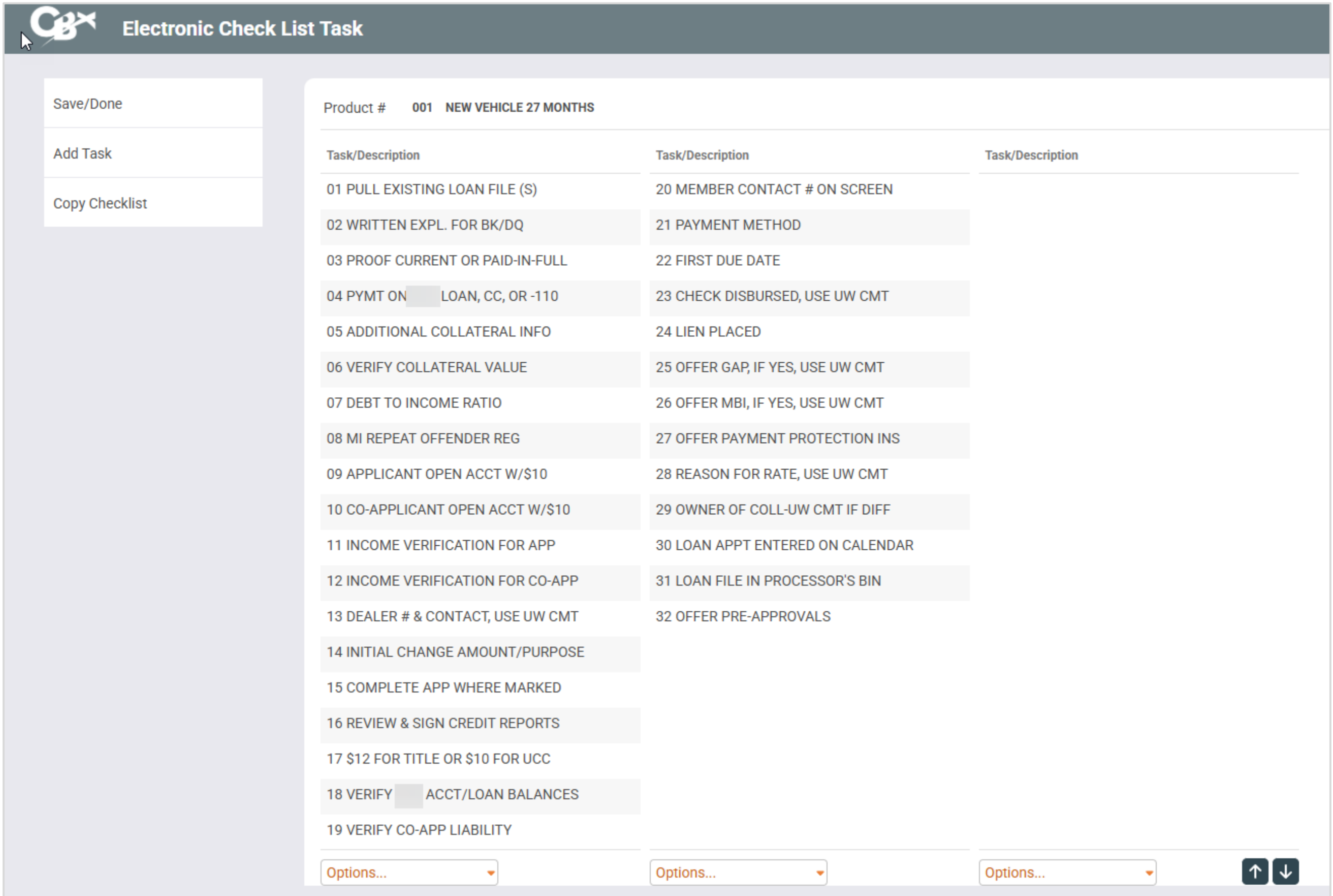
Default Loan Forms

Product # 001 NEW VEHICLE 27 MONTHS   Loan category 14

Form ID	Description	Required For Loan Creation	Required For Loan Application
ACOD	Smp Pl VISA/GD MC TILD Acct OP	☐	
ADDN	Addendum to Credit Plan	☐	
AP01	Consumer Lending Plan		☐
CARD	Membership Account Card		
CCAG	1Click CC Agreement		
CCCA	Commercial CC Agreement	☐	
CCCP	Commercial CC Pledge of Shares	☐	
CC01	1Click CC Disclosure		
CDSL	Online CD Secured Loan Note		
CEND	Closed End Note & Disclosure	☐	
EACO	CC Account Opening Disclosures	☐	
EADD	Addendum to Credit Plan	☐	
ECEN	MM Closed End Note	☐	
ELAP	Loan Application		☐
ENCO	Notice to Co Signer & Guarant.	☐	
EOEC	Consumer Lending Plan (LN)	☐	
EOER	O/E Cr Plan Advance Receipt	☑	
ERGV	CON-Price You Pay for Credit	☐	
ESMP	SMP PL MC/Dmnd MC CC Agreement	☐	

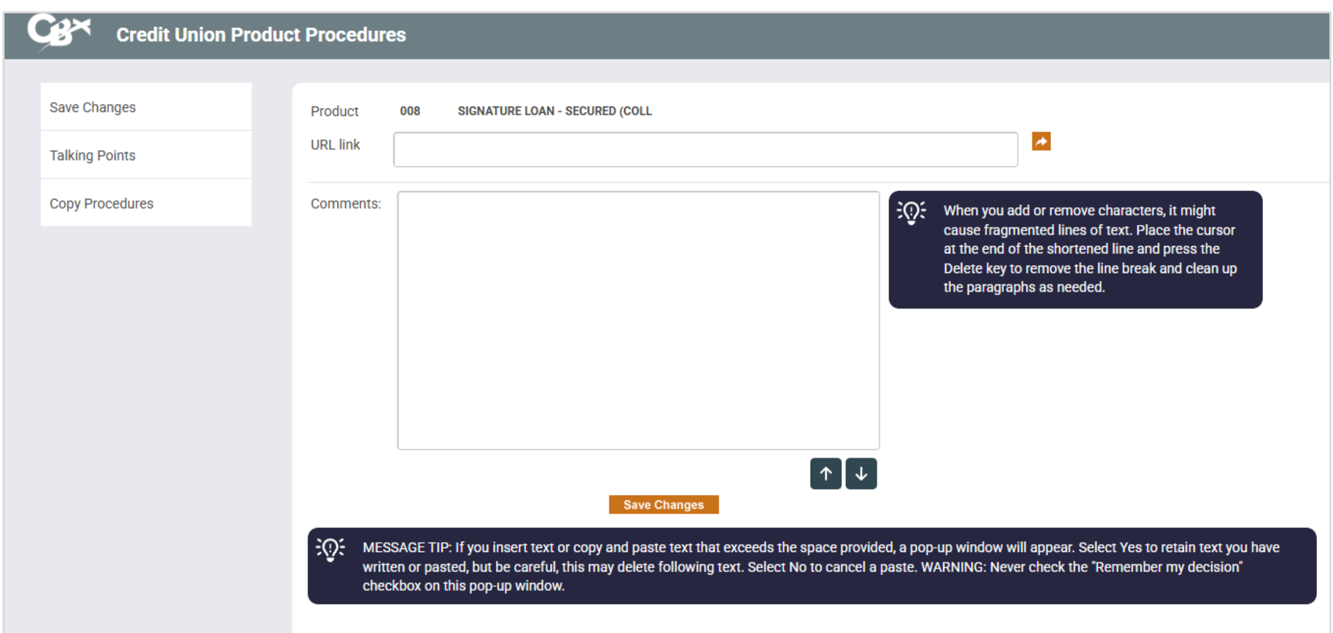
Checkboxes appear based on the type of form. Check as many as you like to include this form automatically on this product (loan officers can adjust when printing).

Checklist



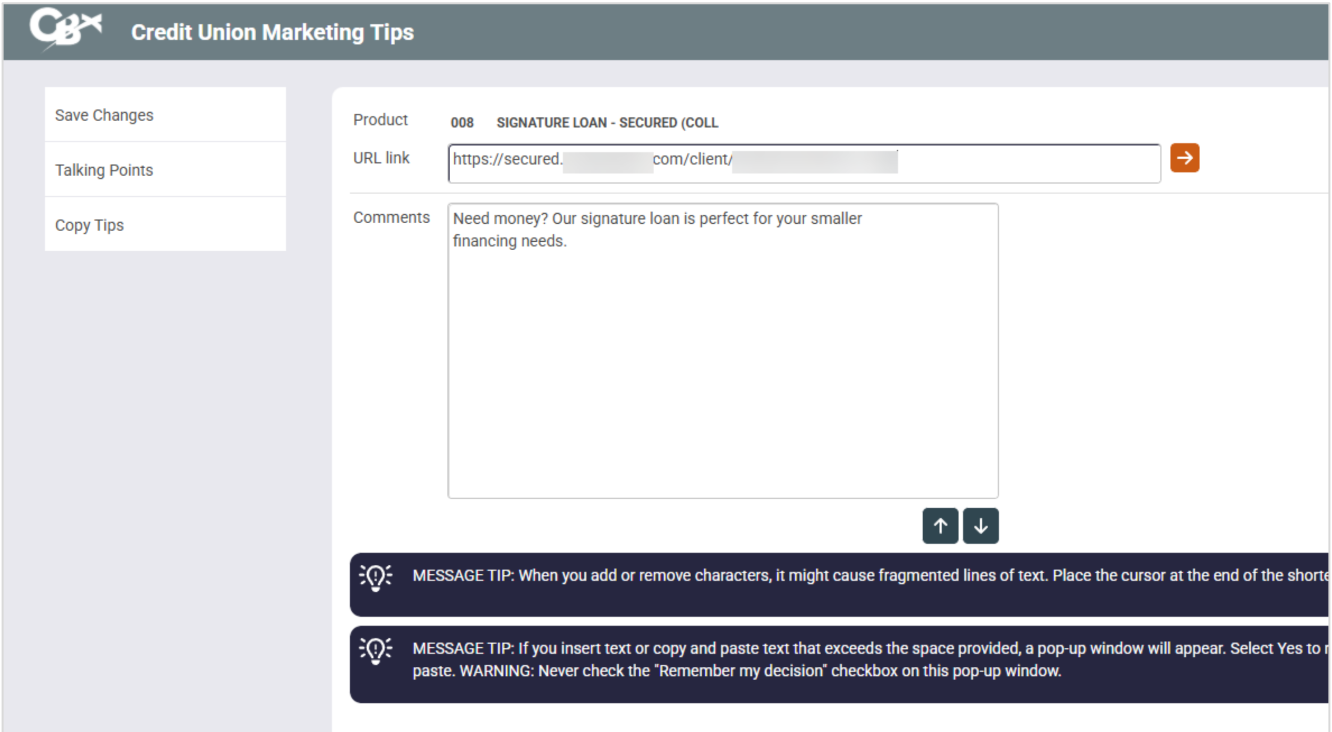
Keep things organized and consistent. Tasks can be marked as completed, one at a time, during the application process and after the loan account has been created.

Product Procedures



A URL and/or free-form text can be configured to help staff sell the loan to members, and to document the steps required to process it.

Product Marketing Tips



These tips should help your staff sell the loan to members. You can link to a page on your website that contains member-friendly content your staff should also be using.

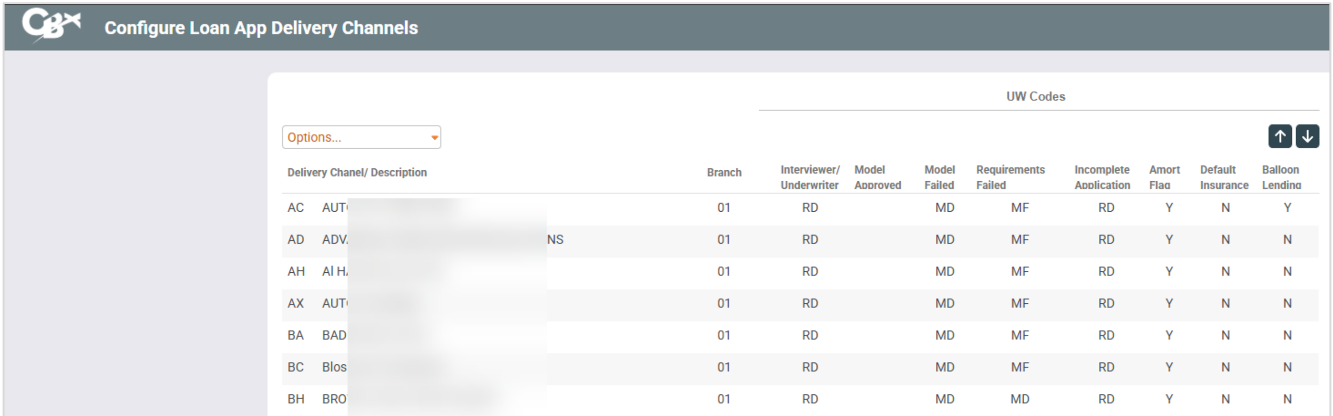
Configuring Loan Delivery Channels

One of the unique features of the CBX loan application processing system is that it can handle applications that come from many different sources. An application that comes directly from a member using online banking is handled using the same tools as one keyed by a credit union employee at a loan officer desk—without time-consuming re-keying of application data.

Likewise, CBX can also receive, process, and respond to any type of Internet loan application through its XML Lending Gateway, which allows applications from external sources to be funneled through CBX loan processing tools.

Even if your credit union will not be using an external source for applications (such as Dealer Track or a web site), you must use the Loan Delivery Channel Configuration to control how loan applications entered in **It's Me 247** online banking will be coded for handling by CBX.

Tool #462 Loan Delivery Channel Configuration

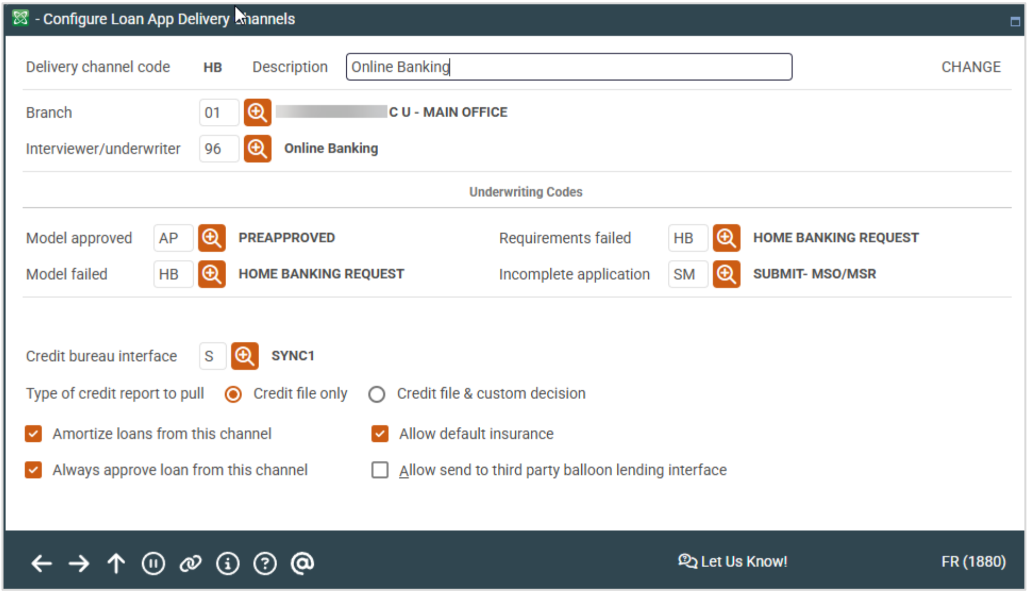


This is the first screen used to configure default settings used by loan delivery channels. In this context, a Delivery Channel is simply a source of loan applications funneled from any source into the CBX loan application database. Currently there are four main sources, and more will be added over time:

CU*BASE (CU)	This channel represents loan applications entered directly into CBX using loan processing. ▪ There are no configuration options for this channel; it is listed here for information only.
Dealer Track (DT)	This channel is our first link to a third-party source of loan applications. If your credit union has been set up to use this channel, you may access various configuration screens here that will allow you to define which CBX loan products correspond to incoming Dealer Track loan applications, including free-form text for stipulations to be communicated back to an automotive dealer via the Dealer Track software. ▪ Contact a Client Service Representative for assistance planning for and setting up an integration with Dealer Track.
Online Banking (HB)	This channel represents loan requests that come to CBX from an **It's Me 247** online banking loan application.
Prime Alliance (PA)	This channel represents loan applications originating from third-party service Prime Alliance. ▪ Contact a Client Service Representative for assistance planning for and setting up an integration with Prime Alliance.

Currently this configuration is used primarily to set default settings used by online banking loan applications. Select the **HB** channel and click *Change* to proceed to the second screen:

Tool #462 (Screen 2)



Use these fields to designate which branch, employee ID, and underwriting codes should be used on applications that come in from **It's Me 247**. When done, use Enter to save and return to the previous screen.

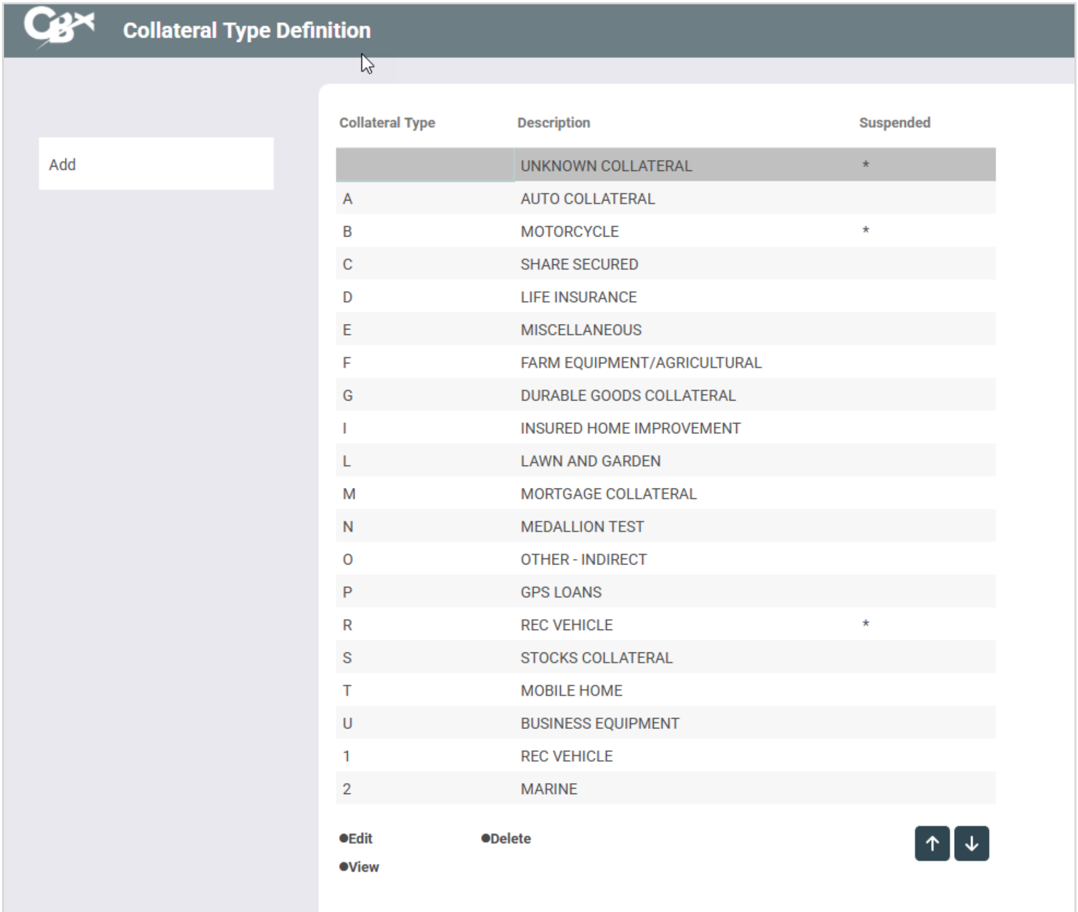
- For complete details, refer to CBX Online Help.

Configuring Collateral

The primary purpose of a Collateral Type code is to define what the screen will look like (which fields and field labels will appear) when detailed information about the collateral is recorded in CBX. Each collateral type, such as vehicles, mortgages, bonds, durable goods, and stock, has a corresponding definition type which controls the data fields that are relevant for that type of collateral.

It is not unusual to use Collateral Type for the purposes of aggregating data for the 5300 and risk concentration, but it would typically not be used for any of the other areas such financial reports, ALM, etc., and cannot be used to control credit bureau reporting on CBX. Most credit unions typically configure fewer than 20 collateral type codes.

Tool#223 Collateral Type Configuration



Collateral Type	Description	Suspended
	UNKNOWN COLLATERAL	*
A	AUTO COLLATERAL	
B	MOTORCYCLE	*
C	SHARE SECURED	
D	LIFE INSURANCE	
E	MISCELLANEOUS	
F	FARM EQUIPMENT/AGRICULTURAL	
G	DURABLE GOODS COLLATERAL	
I	INSURED HOME IMPROVEMENT	
L	LAWN AND GARDEN	
M	MORTGAGE COLLATERAL	
N	MEDALLION TEST	
O	OTHER - INDIRECT	
P	GPS LOANS	
R	REC VEHICLE	*
S	STOCKS COLLATERAL	
T	MOBILE HOME	
U	BUSINESS EQUIPMENT	
1	REC VEHICLE	
2	MARINE	

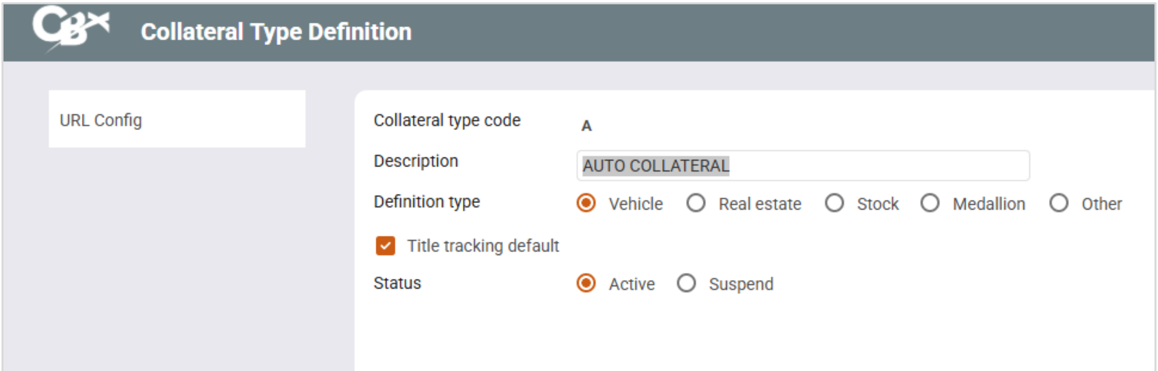
This screen is used to create a credit union-defined collateral code and choose the Definition Type that determines which fields are used for the collateral items. There are only five collateral definition types:

V=Vehicle
R=Real Estate
S=Stocks
O=Other
M=Medallion

However, your credit union can configure up to 26 different collateral codes for EACH of those five definitions (for example, “Automobile” and “Watercraft” may both use definition type “V”).

Any Collateral Type codes that are configured with definition type “V” have the Title Tracking feature. You can check to have the Title Tracking box checked by checking the *Title Tracking default* box in the detail screen. This assists with title tracking since it is easier to review in the collateral report.

Collateral Configuration Detail



Any Collateral Type codes that are configured with definition type “R” have the Property Tax Tracking feature as well as a free-form text box for legal property description.

- Also refer to this companion booklet: [Collateral – Tools for Tracking Property Securing Loans]

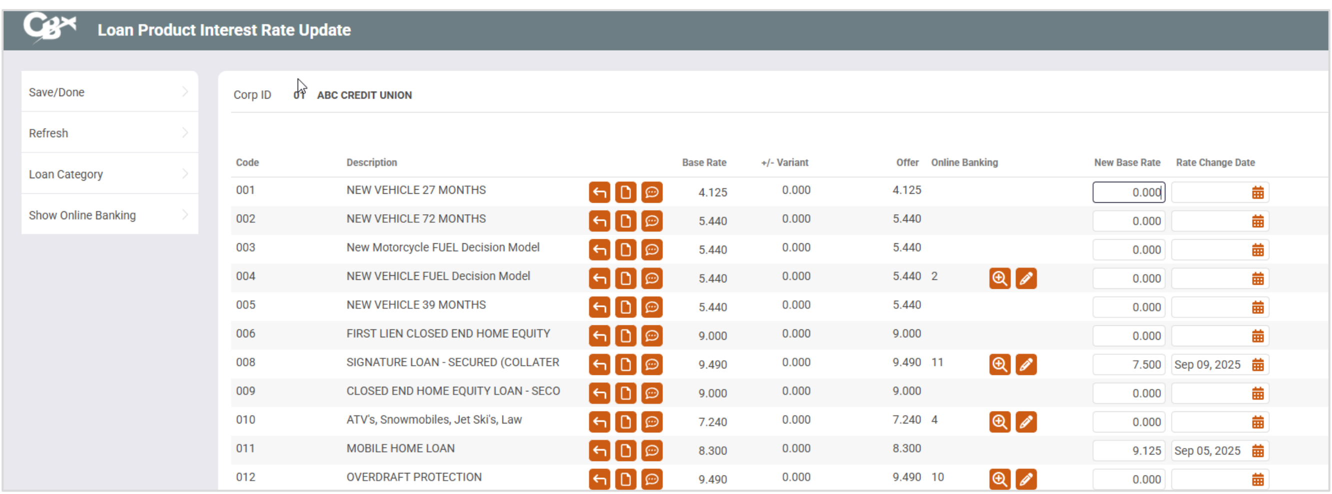
Managing Loan Rates and Rate Changes

After your loan products are set up, you should not need to access the Loan Product configuration again except to make changes to default settings. For rate changes, a much easier and more efficient method is to use the same Rate Maintenance feature you use to update savings and certificate rates.

Rate Maintenance

On this screen you can update the base rate for all your loan products in the same place.

Tool #506 Member Rate Maintenance



To schedule a base rate change, simply click enter the desired rate in the *New Base Rate field* (use three places past the decimal point) for each item. Enter the date for the rate to change in the *Rate Change Date* field and use **Save/Done**.

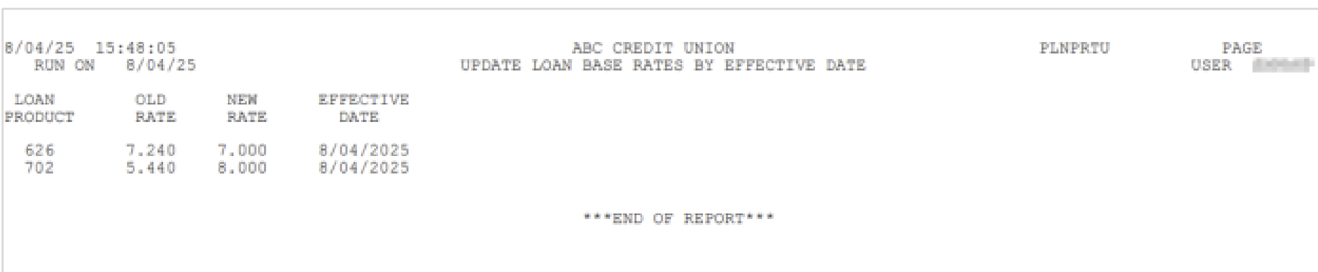
NOTE: If the rate change is for the current date, the Rate Maintenance screen will note that the rate will change immediately.

- *Any deviation from the base rate, including risk-based pricing, will change accordingly.*

- *Variable rate changes must be configured in the variable rate change configuration screens.*
- *Rate changes cannot be configured out more than twelve months in advance.*

Use **Add/Update** on the confirmation screen to save the changes.

On the scheduled date during beginning of day processing, the rate will be changed. The *Update Loan Rates by Effective Date* (PLNPRTU) report is generated at beginning of day on the date on the change and is archived to CU*Spy.



8/04/25 15:48:05 ABC CREDIT UNION PLNPRTU PAGE 1
RUN ON 8/04/25 UPDATE LOAN BASE RATES BY EFFECTIVE DATE USER

LOAN PRODUCT	OLD RATE	NEW RATE	EFFECTIVE DATE
626	7.240	7.000	8/04/2025
702	5.440	8.000	8/04/2025

END OF REPORT

Other Navigation of the Rate Maintenance Screen (Shown Previous Page)

- Use the buttons in the middle of the screen to update the Procedures and Marketing Tips for each product.
- Use the buttons in the upper left corner to limit which products are displayed, making it easier to verify rates.
- Click the icons under *Online Banking* to modify the rate that is initially quoted to members in online banking and to enter Sales information.

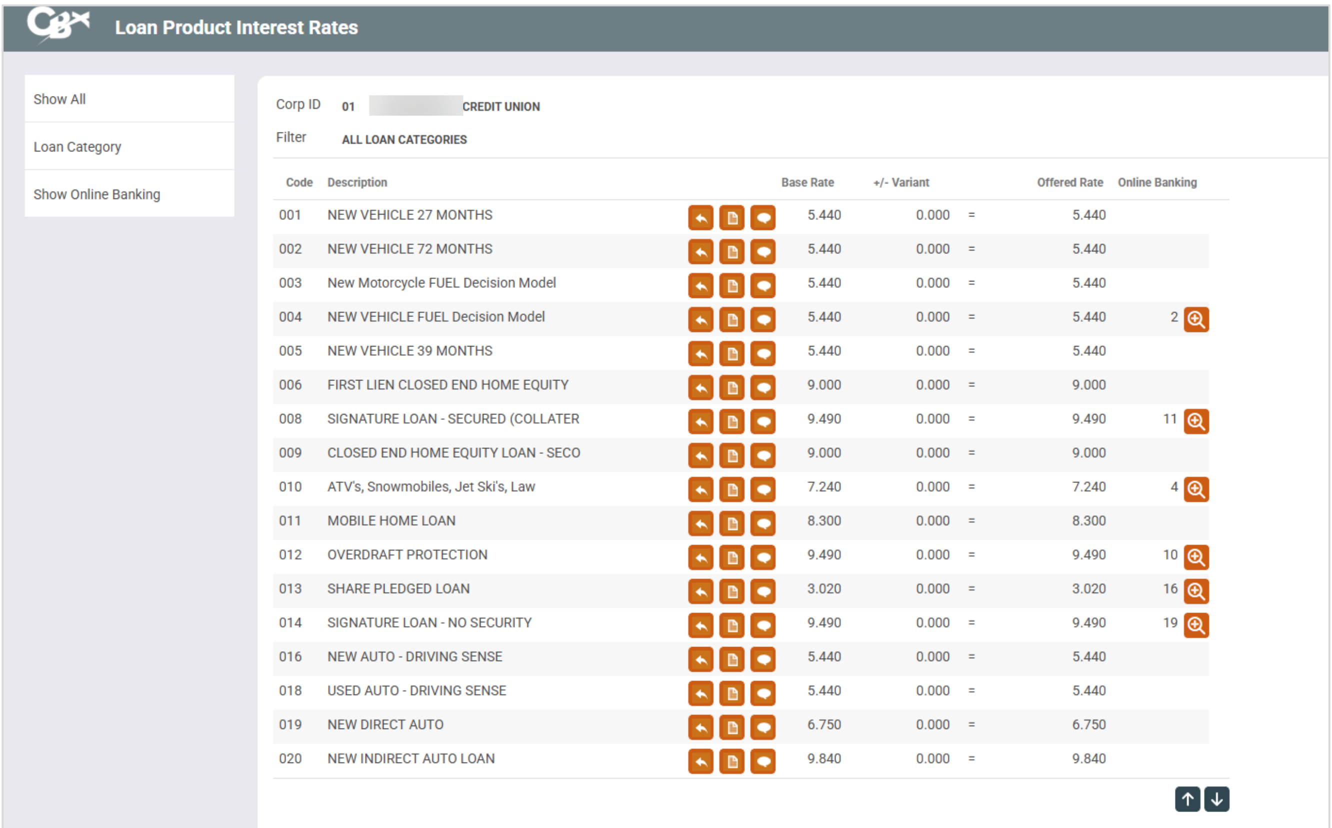
Rate Inquiry

Like rate maintenance, the Rate Inquiry screen provides “one stop shopping” for rates on any of your credit union’s loan products. Because these rates are updated immediately after any rate maintenance, this online inquiry can provide an excellent alternative to the traditional paper quote sheets that often clutter up your employees’ desks.

As shown below, the Rate Inquiry screen is simply a view-only version of the same screen used for rate maintenance.

Click the Rate Inquiry button to access this screen.

Rate Inquiry



Loan Product Interest Rates

Show All
Loan Category
Show Online Banking

Corp ID 01 CREDIT UNION
Filter ALL LOAN CATEGORIES

Code	Description	Base Rate	+/- Variant		Offered Rate	Online Banking
001	NEW VEHICLE 27 MONTHS	5.440	0.000	=	5.440	
002	NEW VEHICLE 72 MONTHS	5.440	0.000	=	5.440	
003	New Motorcycle FUEL Decision Model	5.440	0.000	=	5.440	
004	NEW VEHICLE FUEL Decision Model	5.440	0.000	=	5.440	2
005	NEW VEHICLE 39 MONTHS	5.440	0.000	=	5.440	
006	FIRST LIEN CLOSED END HOME EQUITY	9.000	0.000	=	9.000	
008	SIGNATURE LOAN - SECURED (COLLATER	9.490	0.000	=	9.490	11
009	CLOSED END HOME EQUITY LOAN - SECO	9.000	0.000	=	9.000	
010	ATV's, Snowmobiles, Jet Ski's, Law	7.240	0.000	=	7.240	4
011	MOBILE HOME LOAN	8.300	0.000	=	8.300	
012	OVERDRAFT PROTECTION	9.490	0.000	=	9.490	10
013	SHARE PLEDGED LOAN	3.020	0.000	=	3.020	16
014	SIGNATURE LOAN - NO SECURITY	9.490	0.000	=	9.490	19
016	NEW AUTO - DRIVING SENSE	5.440	0.000	=	5.440	
018	USED AUTO - DRIVING SENSE	5.440	0.000	=	5.440	
019	NEW DIRECT AUTO	6.750	0.000	=	6.750	
020	NEW INDIRECT AUTO LOAN	9.840	0.000	=	9.840	

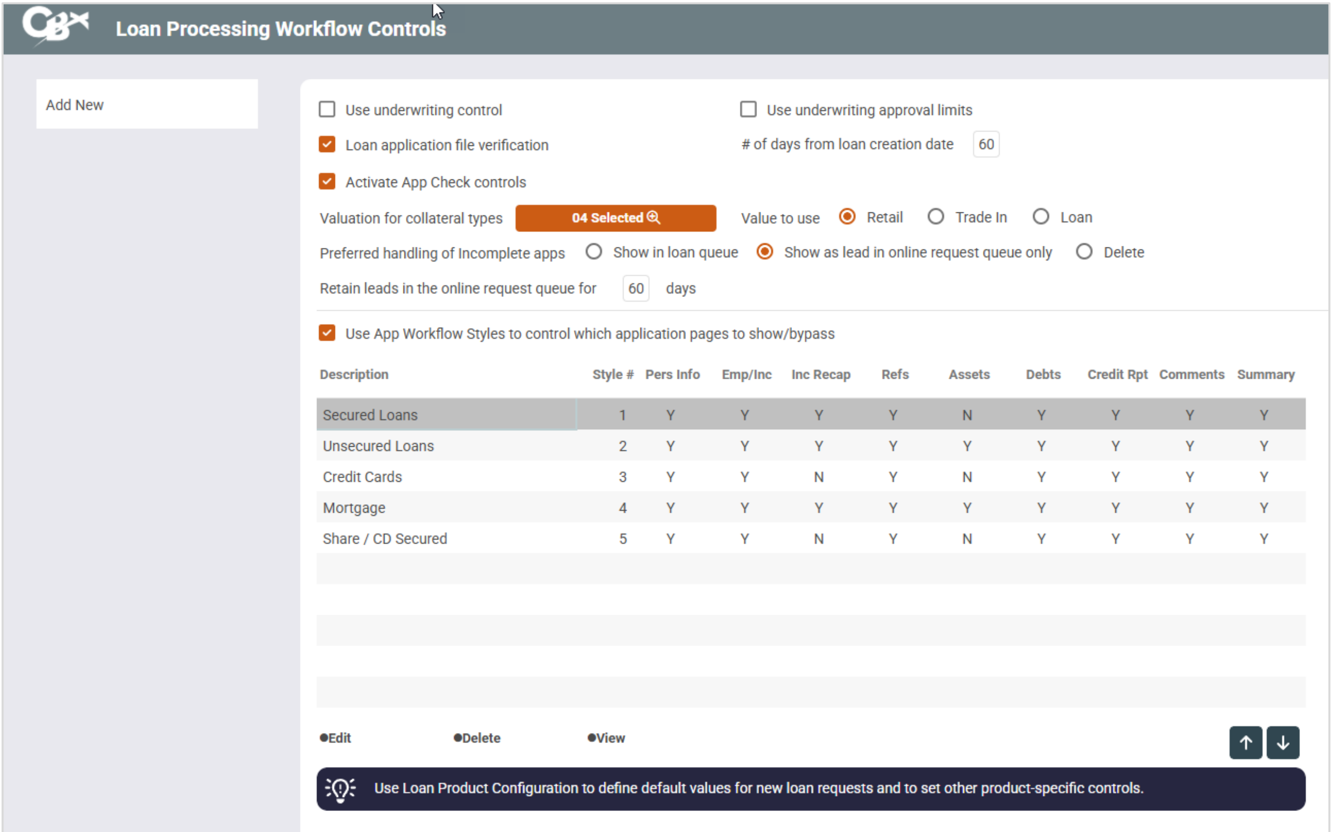
Loan Application Workflow Controls

The Loan Processing Workflow Controls screen houses several different types of configurable controls that will allow your credit union to further define the experience for a loan officer working member applications, even according to the type of loan being worked in the queue.

There are several configuration settings your loan team can use to control how loan applications work for your teams. These can be found on **Tool #475 *Loan Workflow/App Check Configuration***, so online credit unions can adjust without having to contact a CSR.

- Changes made to loan underwriter control, underwriter approval limits, collateral valuation, and loan application file verification are recorded in CUFMNT. Search for program name ULNCL.

Tool #475 Loan Workflow/App Check Configuration (all features activated)



Controls that credit unions have on this screen include:

- **Underwriting controls.** Activate this feature to prevent a user from creating or denying a loan application without the proper Underwriting Code entered on the Loan Recap screen. **See page 61 for more details.**

- **Underwriter approval limits.** Underwriter approval limits are used to control the loan dollar amount a loan officer can approve for underwriting. Underwriting controls must also be activated to use this feature. **See page 44 for more details.**

- **Loan application verification** – Activate this feature to require a verification date to be recorded for all new loan accounts. This feature is used to track the paperwork associated with loan processing. When activating this feature, you must enter the number of days that should be used to calculate the verification date. The calculated date will be entered into the *File verification date* field on the Loan Creation screen when the loan account is created. **See page 61 for more details.**

- **App check** – Activate this feature to give the application a "final check" so you can be sure your loan officer doesn't forget to get everything needed to complete the application. This can be activated at the employee level and can be used as a training tool. **See page 73 for more details.**

- **App workflow styles** – A standard CBX loan application has 10 different screens, but not all of them are critical for every type of loan. "Loan App Workflow Styles" controls the automatic forward momentum through the CBX loan application screens, bypassing pages that are not required by the particular loan product (such as skipping over the employment, income, and assets screens for a CD-secured loan). **See page 69 for more details.**

- **Integrated valuation of collateral** - Your credit union can implement a tight integration between CBX and J. D. Power or Kelley Blue Book (KBB) to populate the automobile's current value directly into the collateral record. **See page 47 for more information.**

- **Sending incomplete online banking leads to a different tool than the LOS loan queue** (**Tool #2**) **–** This feature allows you to have these leads moved to **Tool #13 *Work Online Banking Apps/Requests***, where online banking requests are worked. This allows you to have another team, such as your call center work these leads. **See page 77 for more information.**

Refer to the CBX Online help for more field-level descriptions and additional information about the features beyond what is included in this booklet. Enter the feature name in quotes in the Search field and use Enter. The results will supply topics on the subject.

Underwriting Codes and Controls

In the past, if a credit union decision maker wished either to deny or to approve a member's loan on the CBX system, it meant that either the account had to be created or the actual loan request be processed as a denial. An interim step was needed to allow a "memo" posting of the decision, pending action.

With CBX, a loan application can be worked by more than one credit union employee, and the status can be communicated to the member or any other credit union employee through an Application Status inquiry, or report. This is often used by multiple-office credit unions where approvals on loan requests/applications must be obtained from a second party before the actual account is created.

In most cases, member loan requests are granted some form of action (whether approval or denial) immediately, but certain situations may require some delay. In these cases, either a reply to the loan interviewer or a member's inquiry into the status of the request comes into play.

Following are some examples of situations where Underwriting Codes, and Application Status inquiry are used to communicate and process loan request information:

Example 1

ABC Credit Union has three satellite offices with only a small service staff. The branch staff conduct loan interviews, process paperwork, and distribute loans but do not approve loans.

Using the Application Status inquiry, the underwriter would review pending requests submitted by branch personnel and then approve or deny the loans using Underwriting Codes.

The branch employee then processes the request based upon the underwriter's decision using the same Application Status software.

Example 2

Bill Smith comes into ABC Credit Union's main office and drops off a loan application on his lunch hour for a loan officer's review. The loan receptionist tells Bill that the loan application will be processed, and a decision made within an hour. Bill arranges to call later from work for an update and to schedule an appointment.

When Bill calls, his loan application status is brought up on the CBX terminal through the Application Status inquiry. The loan application is still pending. The loan receptionist checks the application checklist to see what portion of the application is still outstanding.

She tells Bill that his loan is only waiting for proof of insurance, and that if he would like to bring it in with him, she would be happy to schedule a loan closing. She schedules an appointment.

Example 3

Jill Jones, a new loan officer at ABC Credit Union, has an approval limit of $5,000 on signature loans. A long-time participating member, Jack Miller, comes in to apply for a line of credit with a disbursement limit of $15,000. Jill is the only loan officer available, so after entering the information into CBX, she sends a message to her loan supervisor at the main branch requesting an immediate approval on Jack's application. The loan supervisor reviews the loan request on CBX, records her approval, and sends a return message to Jill indicating that the loan is ready for processing.

In addition, to ensure that Underwriting Codes are used consistently according to your credit union's policies, a special **Underwriting Control** feature is available. This control ensures that a loan is not created or denied without a specific Underwriting Code being in place. See Page 61.

About Underwriting Codes

Underwriting Codes are credit union-defined codes that are used to flag a loan with an underwriter's approval, denial, or even "memo" notes regarding tasks to be completed in order for a determination to be made. Key features include:

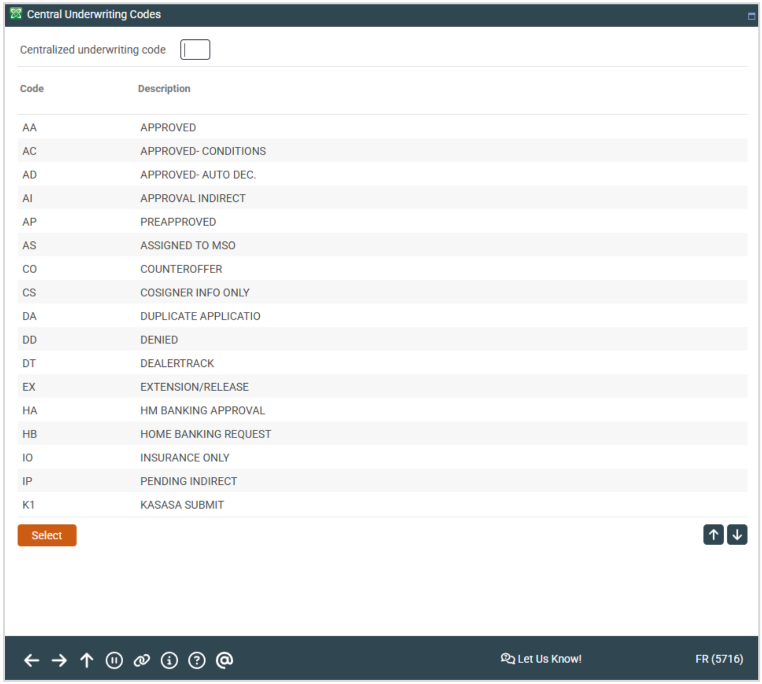
- **Comprehensive security** attached to Underwriting Codes, to prevent unauthorized users from marking a loan or changing the loan information after underwriter review.
- **Workflow automation** options to prompt underwriters to fill in comments or complete appropriate notices.
- A credit union can control the actual creation and denial processing on a loan account, so that a loan account cannot be created without proper **underwriting approval**.
- Underwriting **Auditing** lets you review daily all underwriting activity on loan requests.
- Notify your underwriters and loan processors when the status is updated on a pending application, by **flagging an underwriting code to trigger an email alert**.

Even if you decide not to use underwriting codes, CBX has Special Employee Security settings to control who can create loans and process denial notices. (See page 34.)

Configuring Underwriting Codes

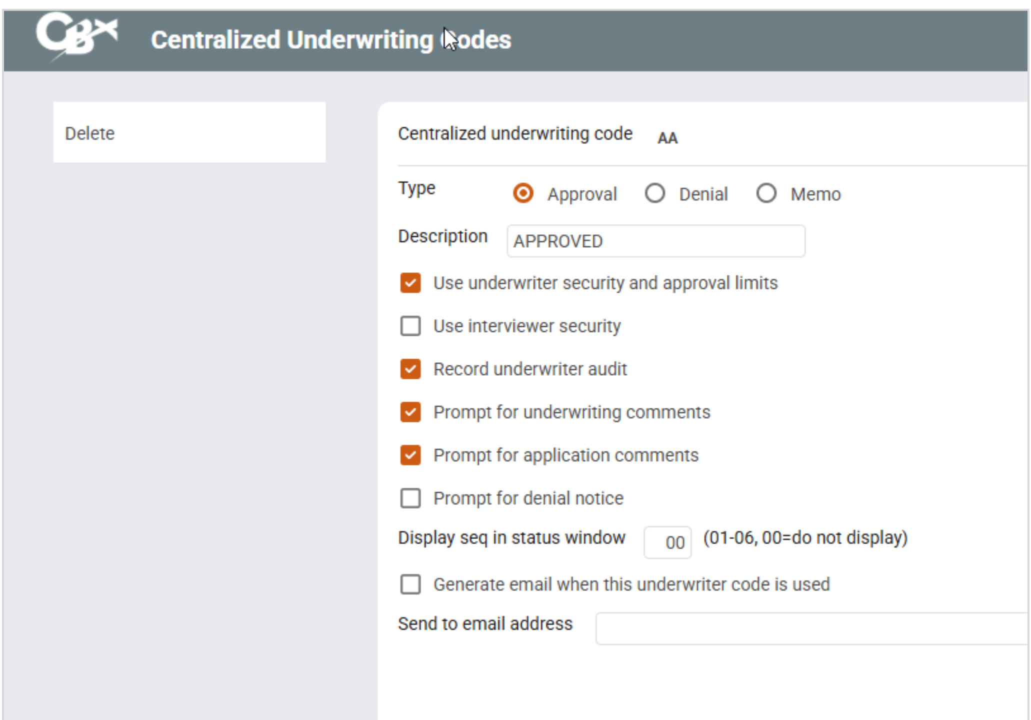
The Underwriting Codes feature does more than just mark a loan approved or denied. It allows the credit union to create up to 99 codes, each indicating a different pending status. In addition, each code can be set up with special security and automation features, depending on the credit union's underwriting policies.

Tool #880 Underwriting Code Configuration



This is the first of two screens used to configure an Underwriting Code. Enter a two-character code (both numbers and letters are allowed) and use Enter to proceed to the second screen.

Screen 2



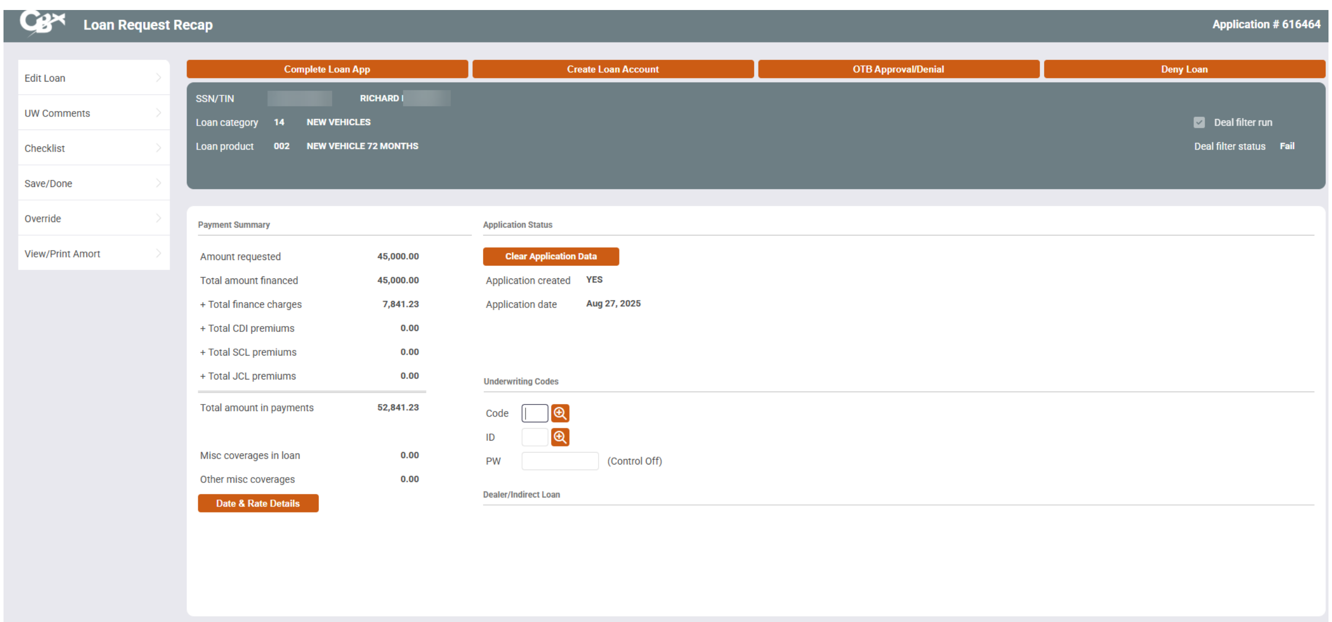
This is the second screen used to specify the description, parameters, and security for this Underwriting Code. When done, use Enter to record all changes and return to the previous screen.

- The first two options relate to settings in Employee Special Security (see Page 34). Refer to the following section on page 44 for more information on underwriter approval limits. *NOTE: The text “& approval limits” is conditional on the “Underwriter Approval Limits” feature being activated.*

- Check *Generate email when underwriter code is used* and enter an email address to receive a notification email whenever this code is entered onto a pending loan application. Only one email address can be specified per underwriting code, so use a group email address that you can adjust separately as your team changes. *(If you configure this feature for your HB (online banking) underwriting code only, an email will be sent when an online loan application is received in the lending queue in CBX.)* NOTE: You'll also need to specify a "from" address for these emails and any bounce-backs. Use this store tile to update your FROM address.
- Check *Record underwriter audit* to track changes made to loans once a final determination is made and are typically used on Approval and Denial type codes only. See Page 35 for more details.
- The "Prompt" options are workflow controls that streamline the process and minimize keystrokes.
- Use *Display seq in status window* to display counts for this code on the Application Status screen (see Page 58). Great for "submitted for approval" memo-type codes to make sure they are handled promptly
- For complete details, refer to CBX GOLD Online Help.

Marking Loans with Underwriting Codes

This is the Loan Recap screen, used to display information about the loan application. It is also used to flag the application with one of the Underwriting Codes. (See page 31 for information on configuring these codes.)



- See page 40 for details about deal filters.
- Use this to see payment and maturity dates and the rate used in the calculations.
- This shows the Underwriting Control setting for your credit union. See page 37 for details

To mark a loan with an Underwriting Code, enter the 2-character code (click the lookup button to see a list of your credit union's configured codes) as well as the underwriter's Employee ID and password, then press Enter. If the ID and password entered are not valid or do not have the proper security to assign this code, an error message may appear. Otherwise, the code description and employee name will be filled in, and if this code is configured to send an email, the email notification will be initiated (it may take a few moments to process).

If the Underwriting Code you entered is configured to display Comments or Notice screens, those screens will automatically appear next.

> *NOTE: If the wrong code is accidentally entered, it is necessary to enter both the correct code and reenter the password. This prevents someone from changing a code without the proper authorization.*

Changing or Overriding an Existing Loan Request

Once an Underwriting Code has been entered on the Recap screen, the system will assess that code whenever an attempt is made to edit the original loan request using **Edit Loan** or **Override**.

If an Underwriting Code with a type "D" (denial) or "A" (approval) is already assigned to the loan, both **Edit Loan** and **Override** will be disabled. **To modify the loan request or override loan terms, it is necessary to clear all Underwriting Code fields (*Code*, *ID* and *Password*).** If the code was originally configured to record an Underwriter Audit record, the process of clearing the code will cause a record to be written to the Audit Report, and a warning message will appear:

2460-Audit record will be written: Enter to continue, F7 to Cancel

Using Enter at this time will add a record to the Underwriter Audit Report (see page 36 for details about this report), giving underwriters and lending managers a written record that changes were attempted on the loan request. It will be important to monitor this report to ensure that these requests are followed up. For information on tracking all underwriting activity on outstanding loan requests, see "Underwriter Auditing" on page 35.

After the original code has been cleared, use **Edit Loan** or **Override** and make changes to the loan request as needed. Once the changes have been made, one way to ensure that the Underwriter is made aware of the changes is to add a special Underwriting Code such as "CHANGE & RESUBMIT" or something similar. This code would also be configured with *Record underwriter audit* feature turned on so that another audit record, showing the change made to the loan request, will be added to the audit report.

- Although the use of a "CHANGE" type Underwriting Code is optional, if your credit union uses this type of code to record an audit record and alert your Underwriters of the change, it is best to add the code after the change has been made. If you assign the code before editing the loan, the audit record will not include the changes made to the loan request.

> ***Important Note!*** *The only way to ensure that changes made to loan requests after initial underwriter approval or denial are carefully controlled and tracked is through the Underwriter Audit system. Therefore, it is important that these codes be configured with the Record underwriter audit flag turned on in the Underwriting Code configuration (see page 31).*

Who Can Create or Deny a Loan?

The system will NOT allow a user to use **Create Loan Account** or **Deny Loan** on the Loan Recap screen unless that employee (the one who originally accessed the loan recap screen) is set up as a loan interviewer in employee security (*Loan interviewer/processor* flag is checked).

In addition, if your credit union uses Underwriting Control (see page 37), the system will check the same employee security, but will also check to make sure there is an appropriate "A" type code in the

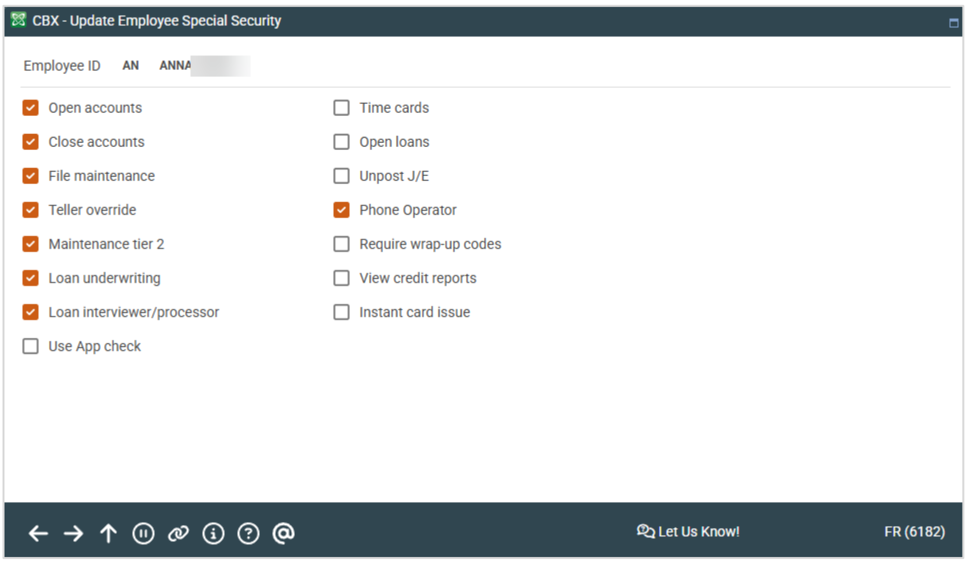
Underwriting Code field, with an ID that is set up as an underwriter, before allowing **Create Loan Account** or a "D" type code before allowing **Deny Loan**. Therefore, the employee must be an interviewer, and the loan must also have been coded by an authorized underwriter.

> ***Important Note!*** *If you want your underwriters to also be able to create a loan account or process a denial notice, you must also make them interviewers/processors in their employee security. See Page 34 for details on setting up employee security.*

- **CU*TIP:** Underwriting Security does not apply to the Process OTB Approval/Denial feature - no special security or underwriting codes are required to approve or deny an application when processed as an OTB credit card application with this feature.

Setting Underwriter / Interviewer Security

Tool #327 Employee Security > Special Security



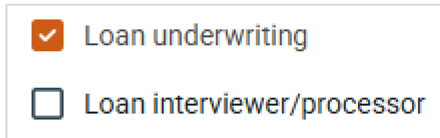
By default, the *Loan underwriting* and *Loan interviewer/processor* flags are checked for all existing employees, meaning that the employee can add <u>any</u> Underwriting Code, create loan accounts, and process denial notices. You must manually remove the checkmark from these flags if you wish to revoke Underwriter or Interviewer privileges for an individual employee. Following is a synopsis of the privileges for each:

An Underwriter:	***An Interviewer:***
• CAN enter any Underwriting Code marked with *Use underwriter security* turned on (see Page 31) • CANNOT enter any Underwriting Code marked with *Use interviewer security* turned on • CANNOT create a loan account • CANNOT process a denial notice	• CAN enter any Underwriting Code marked with *Use interviewer security* turned on (see Page 31) • CANNOT enter any Underwriting Code marked with *Use underwriter security* turned on • CAN create a loan account* • CAN process a denial notice*

*Remember that if your credit union uses Underwriting Control (see page 61), the system will still require that the proper code has been entered by an underwriter before the Interviewer/Processor can create the loan account or process a denial notice.

> ***Important Note:*** *If you want your Underwriters to also be able to process denial notices and create loan accounts, it is best to check both flags for those employees. However, to keep loan Interviewers from marking loans as approved or denied, uncheck "Loan underwriter" for those employees and make sure to turn on "Use underwriting security" for all of the Underwriting Codes that you do not want interviewers to use (see page 31).*

CU*TIP: For credit unions who use a special employee ID to represent a loan committee that performs underwriting tasks, that ID would be set up as follows:



Underwriter Auditing

One of the most important features of CBX Underwriting Codes is their ability to track an audit trail showing underwriting activity on a loan application. This auditing feature is flexible in that your credit union can configure the types of activities that should be included in the written audit records.

For example, you may configure several Underwriting Codes that are just "memo" type codes for notifying other staff of the status of the request, such as "submitted to underwriting," "pending income verification", or other similar codes. With these, it is not important to audit the loan information at each stage since it may be changed often while handling the request.

However, once a loan request has been reviewed by an underwriter and marked either "approved" or "denied" as it was submitted, any changes made after that must be carefully monitored, so that a change is not made without additional underwriter review. After all, if your underwriter approves a $5,000 loan, you don't want the loan to be bumped up to $25,000 without the underwriter reviewing it again!

To assist you in monitoring and controlling these requests, two security features are in place:

- First, any Underwriting Code can be configured to record an audit record showing all loan information (amount, term, rate, etc.) at the time the code is attached to the loan request. This flag, called *Record underwriter audit* (see page 31), should be turned on for any codes that indicate a final decision by an underwriter, such as "Approved" or "Denied."
- Second, once an Underwriting Code type "A" (approved) or type "D" (denied) has been entered on a loan request, no changes will be allowed on that request. If the code is removed, an audit record will be written (assuming the *Record underwriter audit* flag is on), with an initial warning message to keep employees from changing the request without proper authority.

In addition, if you wish to track requests that have been changed intentionally and need to be reviewed again by an underwriter, a special "CHANGE & RESUBMIT" code can be helpful, and this code would also be set up to record an audit record. As you will see in the following scenario, this provides a complete picture of the key underwriting activity on a loan request for an accurate and safe audit trail:

> *ABC Credit Union has a central underwriting department that reviews all loan requests submitted by branch locations. On Tuesday, underwriter John Smith reviews application # 372 for a $5,000 home equity loan. Based on the member's application, he marks the loan as "Approved" using*

Underwriting Code "AA." (This code has been configured as type "A" and is set up to record an audit record.)

When John presses Enter on the Recap screen after entering the Code and his ID and password, the system automatically adds a record to the Underwriter Audit Report showing the loan amount and other terms and conditions:

App #	Applic. Date	Acct #	Member Name	Loan Type	Amount	Pmt Freq	# of Pmts	Payment Amount	Rate	--UNDERWRITER INFO-- Code	Emp ID	Date
372	04/01/05	56789	EDWARD ANYBODY	02	5,000.00	M	60	327.38	8.725	AA	32	04/13/05

Later that day, the member calls and asks if he could increase the loan amount to $7,500. In order to be able to change the loan information, the branch loan officer clears the original underwriting codes, causing a second audit record to be written:

App #	Applic. Date	Acct #	Member Name	Loan Type	Amount	Pmt Freq	# of Pmts	Payment Amount	Rate	--UNDERWRITER INFO-- Code	Emp ID	Date
372	04/01/05	56789	EDWARD ANYBODY	02	5,000.00	M	60	327.38	8.725	AA	32	04/13/05
372	04/01/05	56789	EDWARD ANYBODY	02	5,000.00	M	60	327.38	8.725			

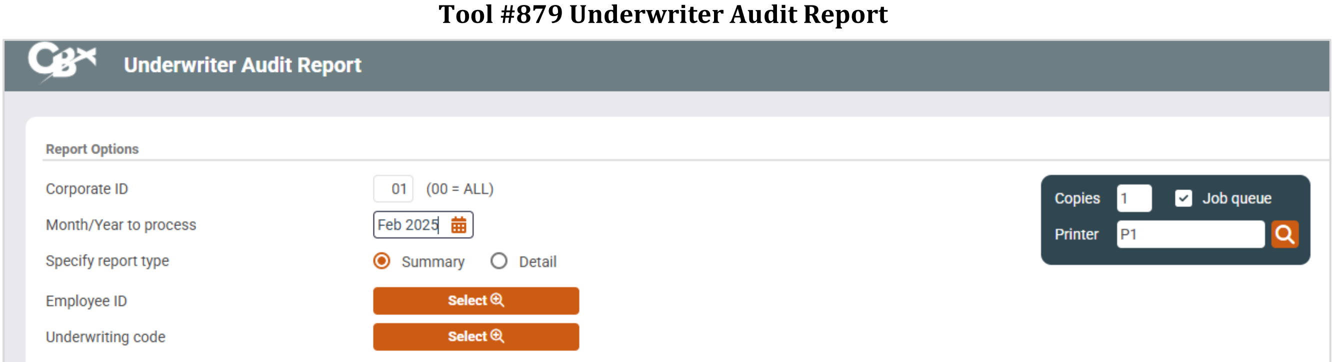
The loan officer makes the changes to the loan account, then enters Underwriting Code "CH," which the credit union has configured to indicate "change and resubmit to underwriting." Because this code is also configured to write an audit record, a third record is added to the report:

App #	Applic. Date	Acct #	Member Name	Loan Type	Amount	Pmt Freq	# of Pmts	Payment Amount	Rate	--UNDERWRITER INFO-- Code	Emp ID	Date
372	04/01/05	56789	EDWARD ANYBODY	02	5,000.00	M	60	327.38	8.725	AA	32	04/13/05
372	04/01/05	56789	EDWARD ANYBODY	02	5,000.00	M	60	327.38	8.725			
372	04/01/05	56789	EDWARD ANYBODY	02	7,500.00	M	60	450.97	8.725	CH	47	04/13/05

Important Note: *If the credit union had not configured the "CH" code, the audit report would not include the third item showing the change that was made. However, the second record (with no Underwriting Code) would be a warning flag that this loan requires further follow-up.*

Underwriter Audit Report

Tool #879 Underwriter Audit Report



Remember that this report is designed to show an audit trail of key underwriter action on loan requests, using Underwriting Codes that have been configured to record an audit record (see Page 31). Therefore, not every loan request that is currently pending will be included on this report. Its main purpose is to monitor discrepancies between what is approved and what gets processed.

- For complete details, refer to CBX Online Help.

Records will be sorted by member account number, then by loan application number (for members with more than one loan request), making it easy to see the chain of events that affect each loan request, even if more than one employee was involved.

- Remember that for both reports, records are written <u>only</u> when a code is either added or cleared if that code was configured with Record underwriter audit turned on. Therefore, not every loan request that is currently pending will be included.

Activation and Use of "Underwriting Controls"

To ensure that Underwriting Codes are used consistently according to your credit union's policies, be sure to activate the feature in the **Loan Processing Workflow Controls**. **See page 27.**

- If **Use Underwriter Control** is turned on, the system will not allow **Create Loan Account** or **Deny Loan** on the Loan Recap screen to be used without the proper Underwriting Code being entered.

- If **Use Underwriter Approval Limits** is turned on, the system will review the approval limits for the Emp ID to see if the user can approve a loan at that dollar amount. (See page 44 for more information on this separate feature.)

As discussed earlier, Underwriting Codes also have their own security system to prevent an unauthorized user from marking a loan with an underwriting code. This control flag adds another layer to that security by preventing a loan from being created or denied unless an underwriter has marked the loan request. In other words, to create a loan, there must be an "A" (approved) type Underwriting Code on the loan request (with an ID authorized as an underwriter). To deny a loan, there must be a "D" (denied) type code in place. Without this control, a loan that has been marked "denied" by an underwriter could actually be created.

This control is only necessary if your credit union wishes to make the use of underwriting codes <u>mandatory</u> to allow the creation or denial of a loan. You may still use the full functionality of the underwriting codes system, including employee security for entering the codes themselves and making changes to existing loan requests, regardless of the setting in this control.

In addition, the system will *always* check to see if a person has proper security clearance to create a loan account or process a denial notice. The main difference with this control is whether an Underwriting Code must be assigned to process the loan account. Turning this control on provides the highest level of control and security.

Remember, this employee security only applies when a user tries to create a loan or process a denial notice from the Loan Recap screen. All employees that have access to those Lending Functions tools can create a loan request, fill out an application, and check loan details at any time.

Sample Underwriting Codes and Scenarios

Because setting up a comprehensive underwriting security system can be complex, here are two common scenarios to give you ideas for setting up your own system:

Test Case 1: ABC Credit Union

ABC Credit Union is a small credit union with two loan officers who share the responsibilities of processing and approving all loan requests. Because of their size and configuration, they do not have a need for an entire system of underwriting codes. However, to make sure that approvals and denials are handled correctly according to all credit union policies, they want to ensure that only the two loan officers can create loan accounts and process denial notices.

Because they are not going to require the use of Underwriting Codes, ABC Credit Union leaves the Underwriting Control flag turned off. All they need to do, then, is edit the Special Security for all their employees, and ensure that only the two loan officers are set up as Underwriters and Interviewers. They may choose to use some memo-type Underwriting Codes for their own tracking purposes, but the system will not require them for the purpose of creating or denying a loan account.

Test Case 2: XYZ Credit Union

XYZ Credit Union is a large credit union with a central headquarters and several branches. Each branch has at least one loan officer that interviews members and submits loan requests. Underwriters are located at the main headquarters and are responsible for evaluating all loan requests before the branch officer can process the paperwork.

XYZ Credit Union wants to ensure that no branch officer can create or deny a loan request without the proper authorization from an underwriter. Therefore, they set the Underwriting Control system flag to Yes to ensure that loans cannot be created or denied without the proper Underwriting Code type being assigned. They set up their “Approved” and “Denied” Underwriting Codes to use Underwriter employee security, so only Underwriters can assign these approval and denial codes.

In addition, XYZ Credit Union also wants to divide the responsibilities so that the actual creation or denial processing on a loan account is not handled by the Underwriters, but rather by the branch loan officers (interviewers). Therefore, employee security is set up to grant only underwriter authority to the underwriters, and only interviewer/processor authority to the branch loan officers.

Because Underwriting Control is turned on for this credit union, loan officers can create a loan only after code “AA” has been assigned by the underwriter and can deny a loan only after code “DD” has been assigned by the underwriter. If Underwriting Control was turned *off*, the loan officers would still be the only ones who could handle the actual creation and denial process, but it would be possible to create a loan that an underwriter had denied.

Following is a description of the Underwriting Codes set up by XYZ Credit Union, with a description of how each code is used:

Sample Underwriting Code Configuration - XYZ Credit Union

Code	*Type*	*Description*	*Use underwriter*	*Use interviewer*	*Record underwriting*	*Prompt for underwriting*	*Applicant comments*	*Prompt for denial notice*
AA	A	Approved	☑	☐	☑	☐	☐	☐
CH	M	Change and resubmit	☐	☑	☑	☑	☐	☐
DD	D	Denied	☑	☐	☑	☑	☐	☐
MD	D	Member Denied	☐	☐	☐	☑	☐	☐
PV	M	Pending Verification	☐	☐	☐	☐	☐	☐
SB	M	Submitted	☐	☑	☐	☐	☐	☐

AA	This code is set up to be used only by Underwriters to mark that a loan is approved as submitted. It is also set up so that an audit record will be written every time this code is added or cleared on a loan request. Because it is code type “A,” no changes will be allowed to any loan that has been marked with this code, unless the code is cleared (causing an audit record to be written).
CH	This code is used when changes need to be made to a loan that has already been marked with an “AA” or “DD” code by an underwriter and can be used only by loan interviewers/processors. This code also writes out an audit record to record the change and flag an underwriter to review it again. In addition, this code is set up to automatically prompt the processor to enter Underwriting Comments, explaining the reason for the change. (If the comments should print as part of the loan application, the *Applicant comments* option would be turned on.) It is code type “M” so that additional changes to the loan request are not restricted.
DD	This code can be used only by Underwriters to mark that a loan is denied as submitted. It is set up to record an audit record when the code is added or cleared on a loan request. Because it is code type “D,” no changes will be allowed to any loan that has been marked with this code, unless the code is removed (causing an audit record to be written). In addition, this code also displays the Underwriting Comments screen to prompt the underwriter to enter notes about why the loan was denied. (If the comments should print as part of the loan application, the *Applicant comments* option would be turned on.) If XYZ Credit Union wanted their Underwriters to process the actual denial notice at the same time as this code is entered, the *Prompt for denial notice* setting would need to be turned on. In addition, the underwriters’ Employee Security would need to include Interviewer/Processor privileges in order for them to have the proper authorization to process a denial notice.
MD	This code is designed to be used when a member indicates they do not want the loan as quoted. This code does not require any special security, so it can be assigned by any employee. To ensure that a record is kept as to why the member denied the loan, the Underwriting Comments screen will be displayed automatically. (If the comments should print as part of the loan application, the *Applicant comments* option would be turned on.)

PV	This code is a general-purpose code to be attached to any loan that is awaiting further verification, paperwork, or tasks that must be completed before an underwriter reviews the request. This code would be helpful for keeping track of outstanding loan requests to keep them moving quickly and make sure things don't fall through the cracks. The code can be assigned by any employee.
SB	This code is designed to be assigned only by an Interviewer/Processor to indicate that everything is in order and the loan is ready for underwriter review. These items could easily be tracked to ensure prompt underwriter action. If these items need to appear on the Underwriting Audit Report, the *Record underwriter audit* flag would be turned on.

Loan Deal Filters for Collateral-Based Lending

For many types of loans, an underwriting decision is dependent not only on an applicant's creditworthiness but also on the quality of the collateral. A member might be approved to borrow money, but your credit union might still be concerned about LTV or the value of the collateral item in securing the loan. The most common scenario is for used-car loans, where the age of the vehicle can be important in deciding whether or not the loan is a "good deal" for the credit union. Each product has its own set of filter settings.

Loan Deal Filters compare the member's loan request and collateral against a series of tests you configure for:

- Maximum LTV
- Maximum age of collateral vehicle
- Maximum mileage on the collateral vehicle
- Minimum monthly income for the applicant
- Minimum monthly income for the co-applicant
- Minimum combined monthly income for both applicants

While working a loan request a loan officer can adjust the loan terms and collateral, then re-run the request through the deal filters as many times as desired.

Since deal filters are completely independent of the credit report or any decision model tools your credit union may use, **deals filters are a FREE tool** that will help your credit union make faster, more consistent decisions on your collateral-based loan products.

IMPORTANT: Deal Filters are not tied in any way to the CBX Underwriting Controls you may have activated to control whether loans can be created or not. You will need to establish appropriate procedures for loans that fail your deal filters but are still approved for underwriting.

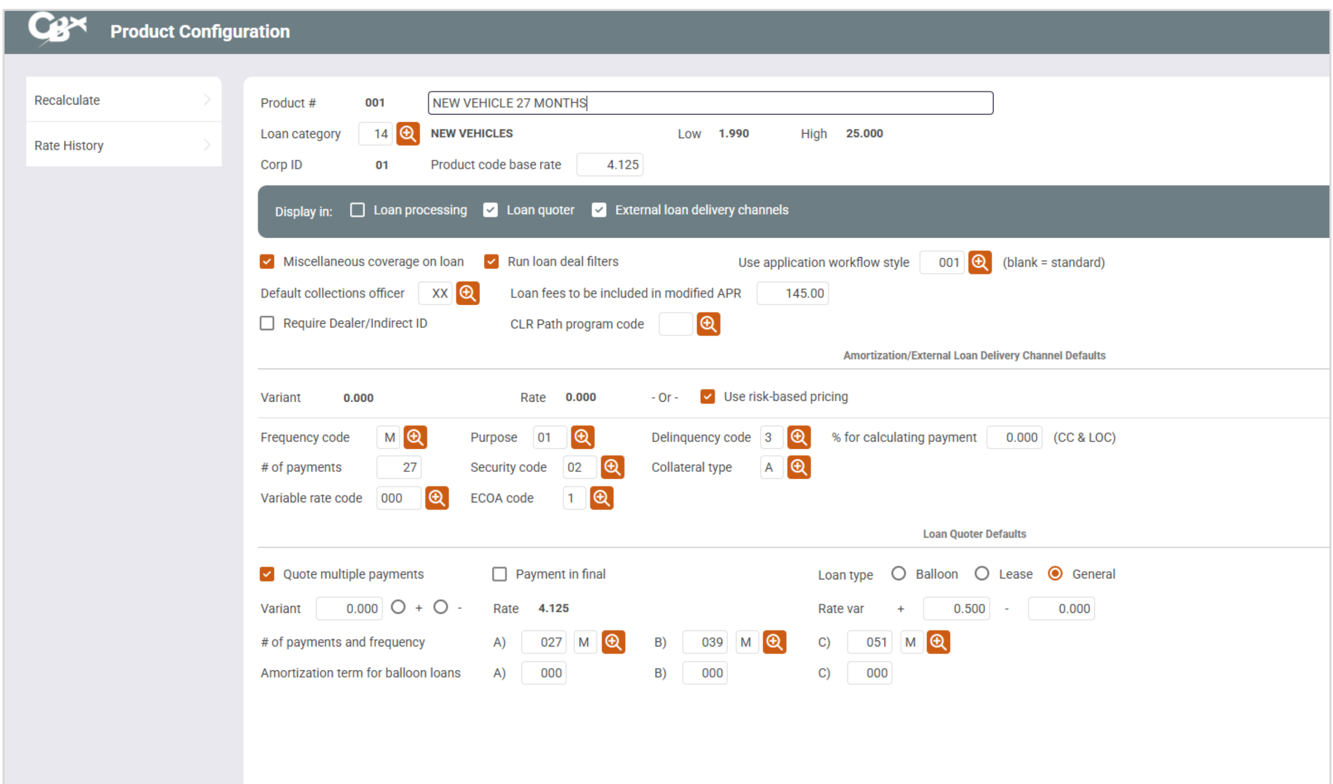
Loan Deal Filters and Your Decision Model

Following is a comparison of decision model filter and loan deal filters.

Decision Model Filters	Loan Deal Filters
Used in determining a member's overall creditworthiness	Used in evaluating the specific loan request and collateral quality for an otherwise creditworthy member
Some of the filters control whether or not a decision model is run, while others evaluate key ratios to control whether the member is pre-approved for your configured products and services	These filters simply present the results of an evaluation to assist the loan team in setting up the loan terms and making an underwriting decision
A failure here might prompt the underwriter to investigate the member's credit history or other factors	A failure here might prompt the loan officer to adjust the terms of the loan request and collateral
Decision model filters are independent of loan deal filters	Loan deal filters are independent of the automated decision altogether

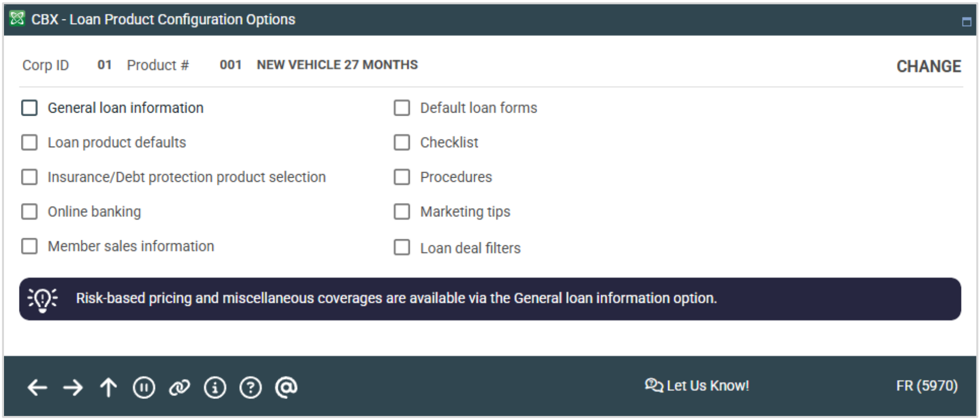
Configuring Loan Deal Filters

Tool #470 Loan Product Configuration > Existing product > General loan information



Start by checking *Run loan deal filters* (top of screen) to enable the deal filters for this product. Once this is checked, you'll need to access the Loan Deal Filters configuration window to set up the parameters you wish to evaluate.

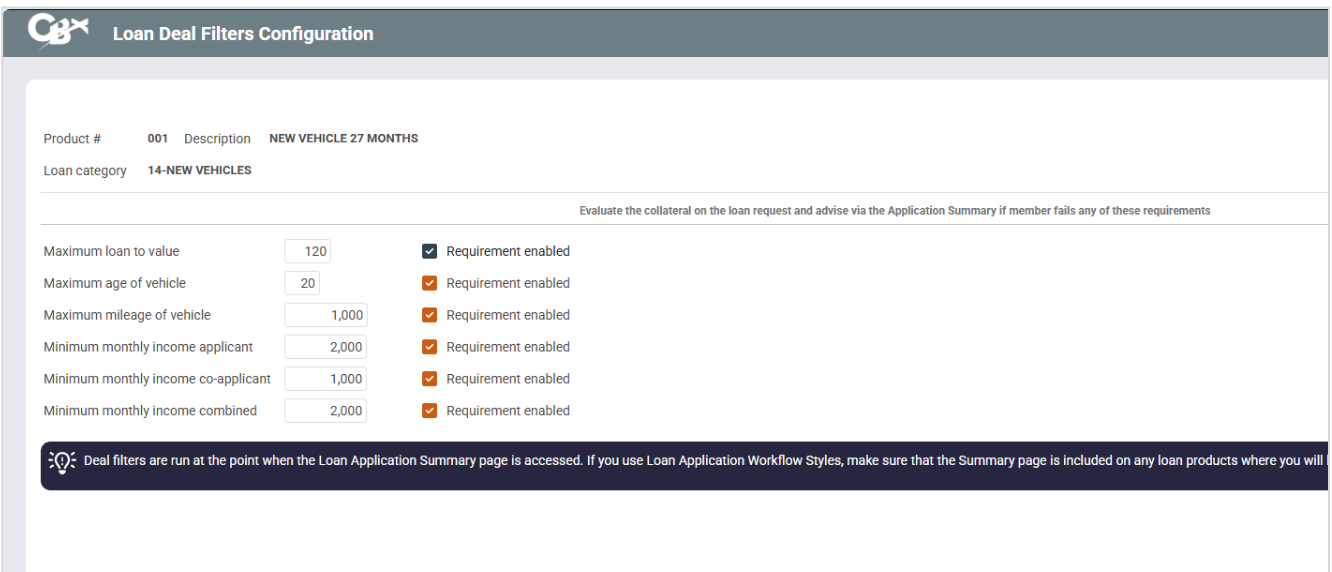
Tool #470 Loan Product Configuration > Existing product



The *Loan deal filters* checkbox will only appear if *Run loan request filters* is checked on the General Info configuration screen (shown previously).

Check the Loan deal filters option and use Enter to proceed to the Loan Deal Filters Configuration screen.

Loan Deal Filters



IMPORTANT: If you check the box on the General Info screen but do not access this screen to enable any of the filters, the system will still run the evaluation on loan requests but will show all as "passed."

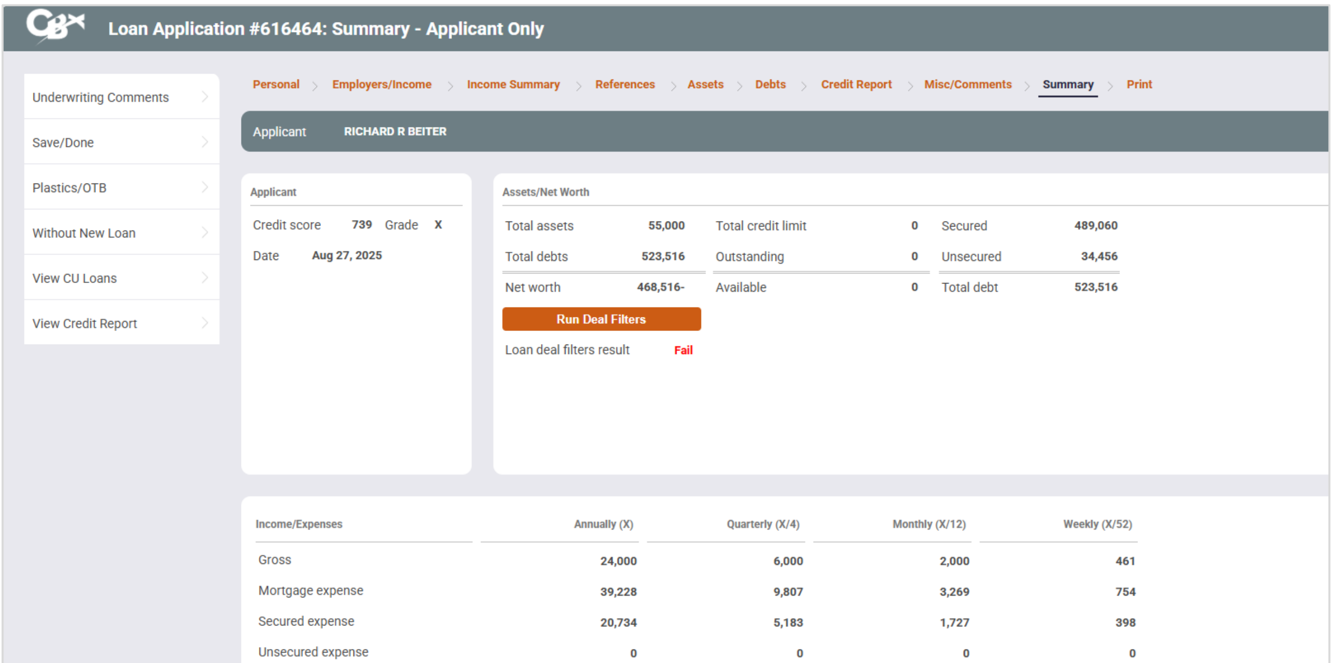
For each of the settings you want to use, be sure to check the *Requirement enabled* box then specify the value for each. **For complete details on how each of these filters works, refer to CBX Online Help.**

Running and Viewing Deal Filters

Deal filters are run automatically the first time the **Loan Application Summary** screen is accessed during a session, and the results will appear on that screen, as shown on the next page.

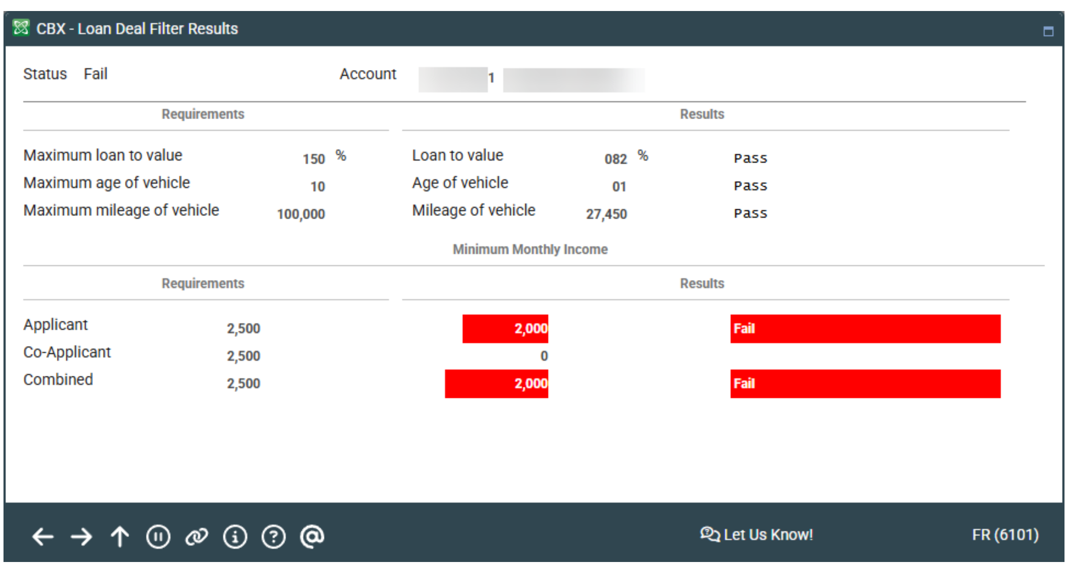
You can also initiate a re-evaluation of the loan request against your filters at any time, such as if you've modified the collateral or adjusted the member's income information, by using the **Deal Filters** button on that screen.

Loan Application Summary



This shows the results of the deal filters evaluation. If the filters did not pass, you may click the **Deal Filters** button to run the evaluation again and display the results window shown below.

Deal Filter Results Window



This window shows deal filter results in situations where the filters either failed or could not be run due to incomplete or invalid information on the loan request or collateral. You will see this window automatically when you access the Loan Application Summary screen for the first time during a particular session or when you click the *Deal Filters* button on that screen to re-run the deal filters evaluation.

Viewing Filter Results on the Loan Request Recap

Results of the deal filters evaluation will also appear on the **Loan Request Recap** screen. A notation will appear near the Underwriting Codes area for any loan products with deal filters activated. Shown to the right are the four possible statuses you might see on the Loan Recap. If the *Deal filter run* checkbox is not checked, then use the **Complete Loan Application** (or External Loan App) button, then click the **Summary** button to run the filters again and see the most up-to-date status.

IMPORTANT: These statuses are part of the loan application record only and will not be saved with the loan account should the loan be approved/booked (or denied).

Loan Underwriter Approval Limits

Credit unions can restrict the dollar amount that a loan officer (configured with loan underwriting privileges) can approve. These limits are configured using Loan Underwriter Approval Limits. (See page 61 for more information on Underwriter Controls, which must be activated to use this feature.)

Activation

To ensure that Underwriting Codes are used consistently according to your credit union's policies, ***Use Underwriting Control*** and ***Use Underwriter Approval Limits*** must both be activated in the **Loan Processing Workflow Controls. See page 27.** If "Use underwriter approval limits" is checked in this configuration, CBX refers to the loan officer's configured limits before allowing him or her to approve a loan.

Underwriter Approval Limits are set through employee Update Special Security (only when the loan underwriter approval limits feature is activated). Underwriter approval limits are set by employee ID and by loan category. You can, for example, limit the size of loan an underwriter can approve for your mortgage categories.

A Word of Caution: Once Activated Limits are Required

One word of caution for credit unions considering using underwriting approval limits: once this feature is activated in the Loan Processing Workflow Controls (see page 27), underwriter approval limits are required for all loan officers approving loans using codes with underwriter security. The absence of a limit (configured by loan category) will be viewed by the system as a limit of zero. Since the underwriter limit feature has a Copy option, it is recommended that credit unions create a "Loan Officer" Employee ID and add limits to this ID. Then, the Copy feature can be used to copy these limits to all loan officers' Emp IDs, with individual adjustments made to each Emp ID as needed.

How Can Limits Be Deleted?

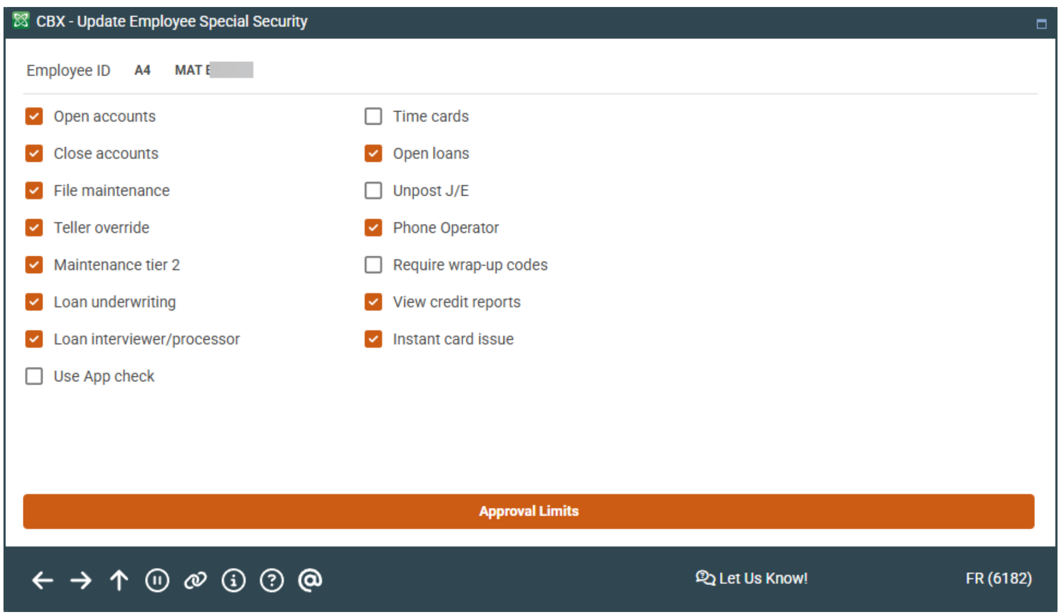
Approval Limits are deleted from the system in the following instances:

- All existing limits are removed if the flag in the Loan Processing Workflow Controls (see page 27) is unchecked after being checked. (See above.)
- Limits can be deleted from the "Approval Limits" screen (shown on the next page). If new limits are desired for one loan officer, then the limit needs to be removed for all loan officers.
- Limits are deleted if the Employee ID is archived.

Adding an Underwriter Approval Limits to an Employee ID

Underwriter approval limits are added by Employee ID and by category by using the Update Special Security screen. Once the feature is activated, **Approval Limits** will appear allowing you to set limits for the employee ID by category.

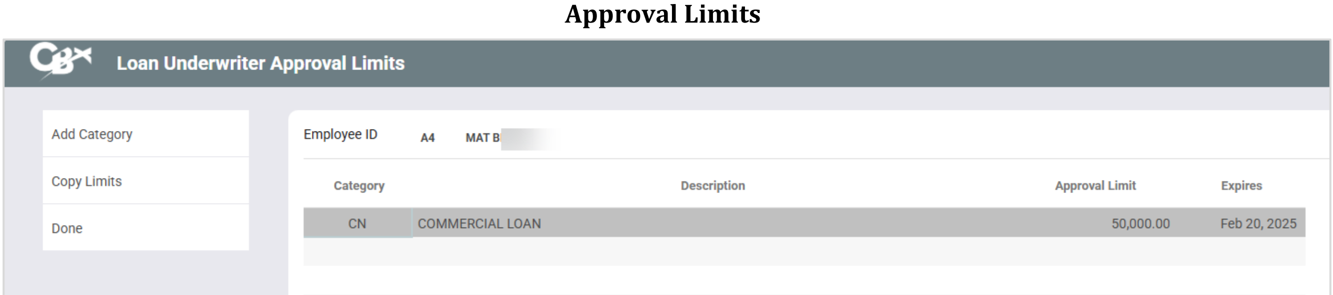
Tool #327 Employee Security > Emp ID > Special Security



Use **Approval Limits** from this screen to reveal the listing of limits for the Emp ID and to add new limits.

> ***Important Note!*** *The "Approval Limits" button is not shown until the Underwriter Approval Limits feature is activated in the Loan Processing Workflow Controls (see page 27) and the employee has "Loan underwriting" checked in Special Security above.*

Approval Limits



From the Underwriter Approval Limits screen, you can add new limits by using **Add Category**. On the next screen, enter a limit and an expiration date for this category for this Emp ID (shown below).

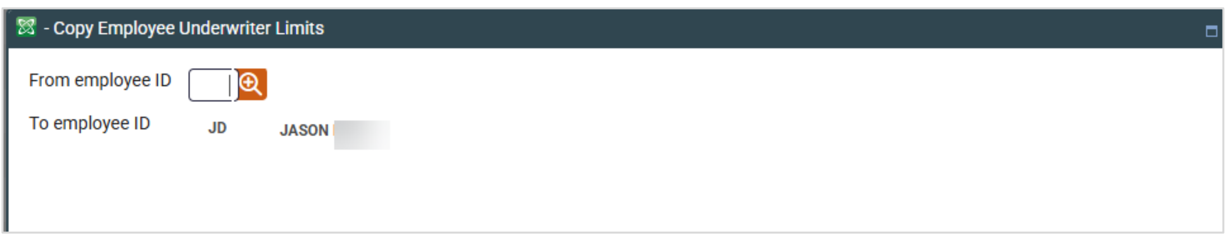
Add Category

- NOTE: All 9s in the Approval limit field indicates the Emp ID can approve any amount (unlimited). All 9s in the Expiration date field means the limits never expire.

Use **Copy Limits** to copy the limits from one Emp ID to another. It is recommended that you set up baseline limits for a “Loan Officer” Emp ID, then copy these limits to each Loan Officer’s Emp ID.

- NOTE: This is a copy/append feature, meaning you can add new limits using this feature. This is not a copy/replace. If the loan officer has loan limits for a category, and you would like that person to have a different limit, then delete the category (and remove limits for all loan officers). Then, read the category and assign new limits to all loan officers.

Copy Limits



Approving a Loan with Loan Underwriter Approval Limits

Every time a loan officer enters an underwriter code (such as AA) that requires a limit check, CBX checks the Emp ID of the loan officer to review the configured limits (after first confirming the password).

If the loan is greater than the limit, the following messaging will appear.

Do Automated Channels Use Approval Limits?

Automated approval systems such as approvals per Decision Modeling do not check underwriter approval limits. When a loan underwriter adds a second approval, however, the underwriter approval limits are used.

Automated Collateral Valuation (J. D Power/Kelley Blue Book)

Your credit union can implement a tight integration between CBX and two supported vendors to populate the automobile's current value directly into the collateral record. Currently, the J. D. Power Association and Kelley Blue Book are supported.

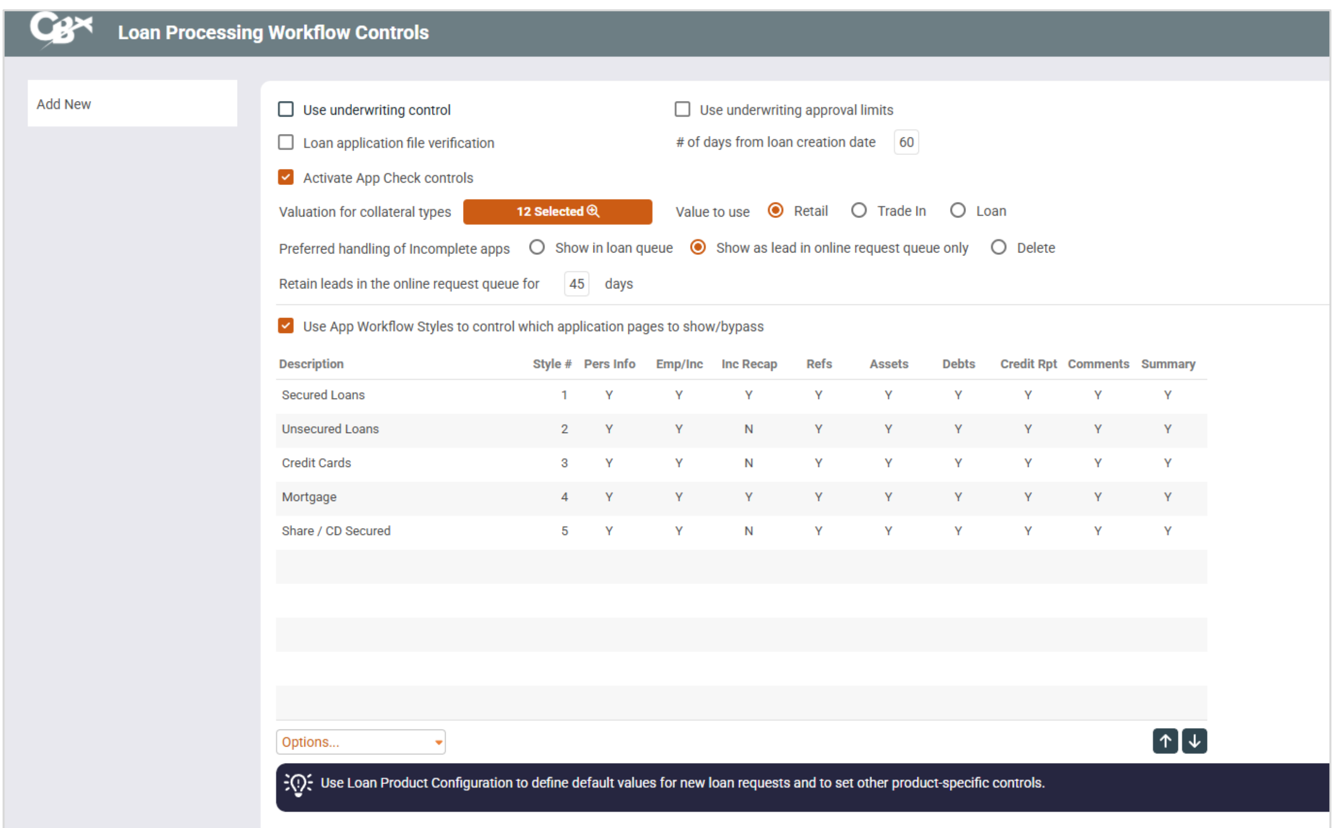
> ***Important Note!*** *Prior to activation, you will need to work with Lender*VP to set up the connection to collect the data. Contact them at lendervp@cuanswers.com for more information on how to get started.*

- **NOTE:** This feature cannot be used with commercial vehicles at this time. Only automobile valuation can be populated.
- Activation of the feature is done by selecting the vendor for the *Activate automated valuation* field in the CU Master Parameters screen. ***Self Processor credit unions:*** To use this new feature, you will need to add new subsystem.

Activation in CBX

To select up the feature on the CBX side and select the applicable collateral types use **Tool #475 *Loan Workflow/App Check Configuration***. Then, for J.D. Power only, select the type of value you would like to populate and select the collateral types that will use this feature.

Tool #475 Loan Workflow Controls



Then, click **Selected** to reveal a screen listing your collateral types with collateral definition V (vehicle). Select the collateral types to apply.

- NOTE: This feature can only be used for automobile valuation at this time.

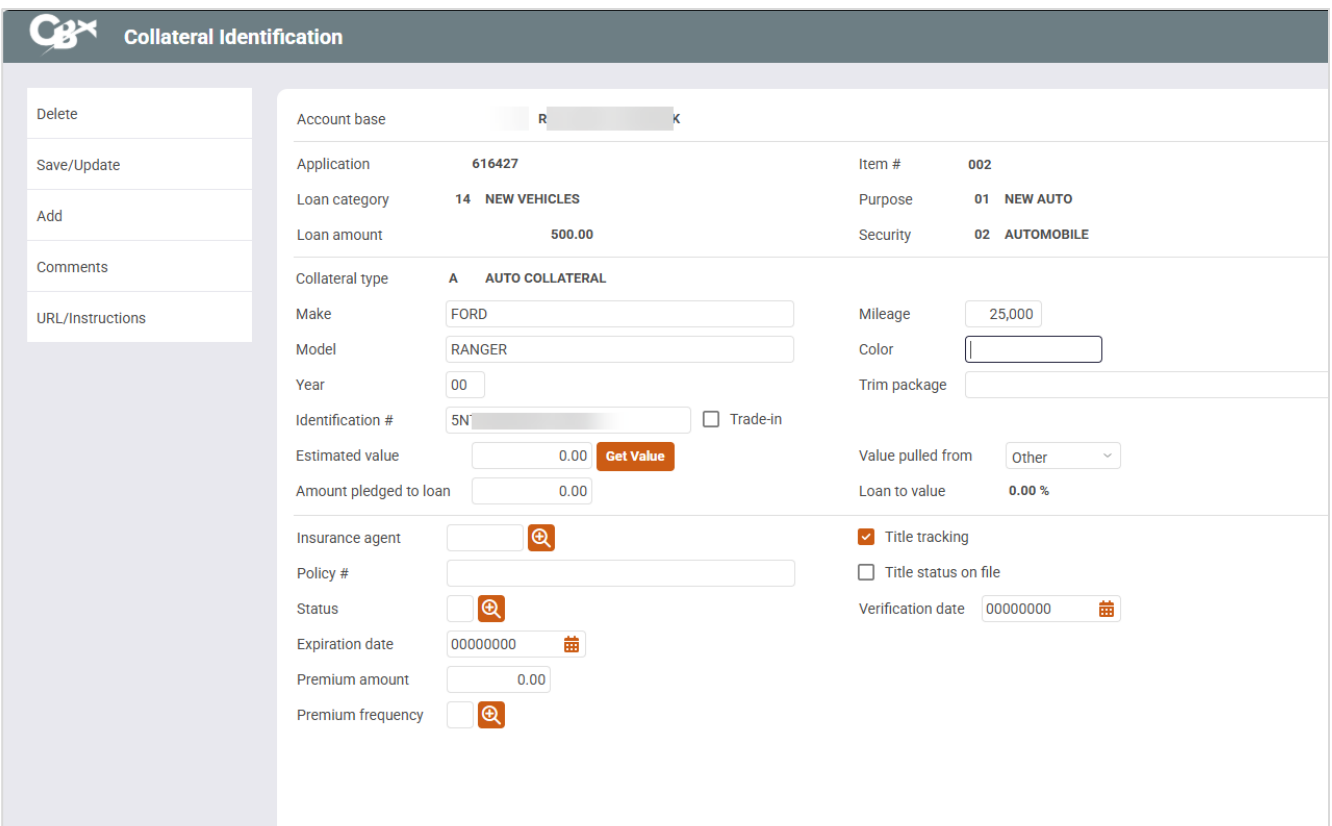
(J. D. Power only) The screen will default to *Retail*; however, *Trade In* and *Loan* can also be used. These are the values that can be provided by J. D. Power Association. *(Kelley Blue Book not shown. Retail will be used, so the Value based on fields will not appear.)*

Adding the Value to the Collateral Record in CBX

Once the feature is activated and the collateral types are selected, lending officers can get current J. D. Power or Kelley Blue Book values entered in the CBX collateral screen. The *Collateral Identification* screen is used to add collateral to a loan request or when updating collateral on an existing loan via **Tool #51 *Miscellaneous Loan Maintenance***.

The loan officer enters the vehicle make and identification number (VIN). (Other fields are optional.) For J. D. Power, mileage is optional; however, omitting it will result in a less accurate value.) For Kelley Blue Book, you will be able to enter the mileage later to receive a more accurate valuation.

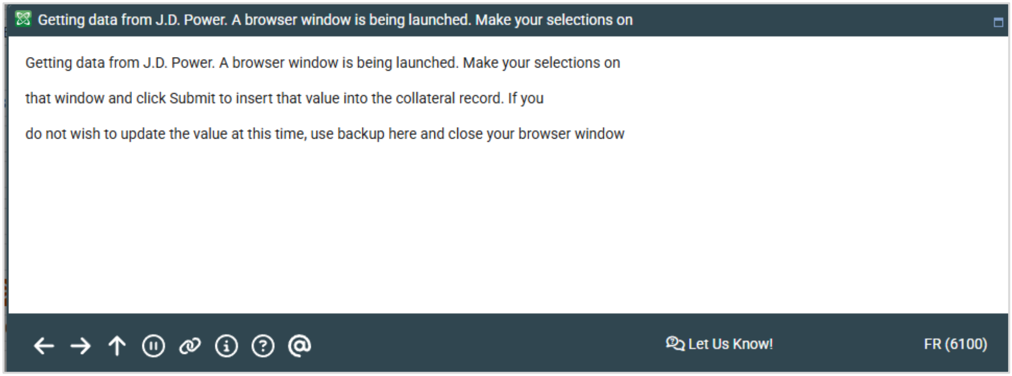
You may leave the *Value Type* as *Other* as shown in the following example.



To get the J. D. Power/Kelley Blue Book value, click **Get Value** to update the collateral record with the vehicle's current value. This button is only available on collateral types selected in the configuration mentioned in the previous section.

Once the button is clicked, a window will appear informing the loan officer that the collateral is in the process of being updated. This protects you from inadvertently not completing the collateral value update. At this point, the collateral value record is locked.

J. D. Power Window (formerly NADA)



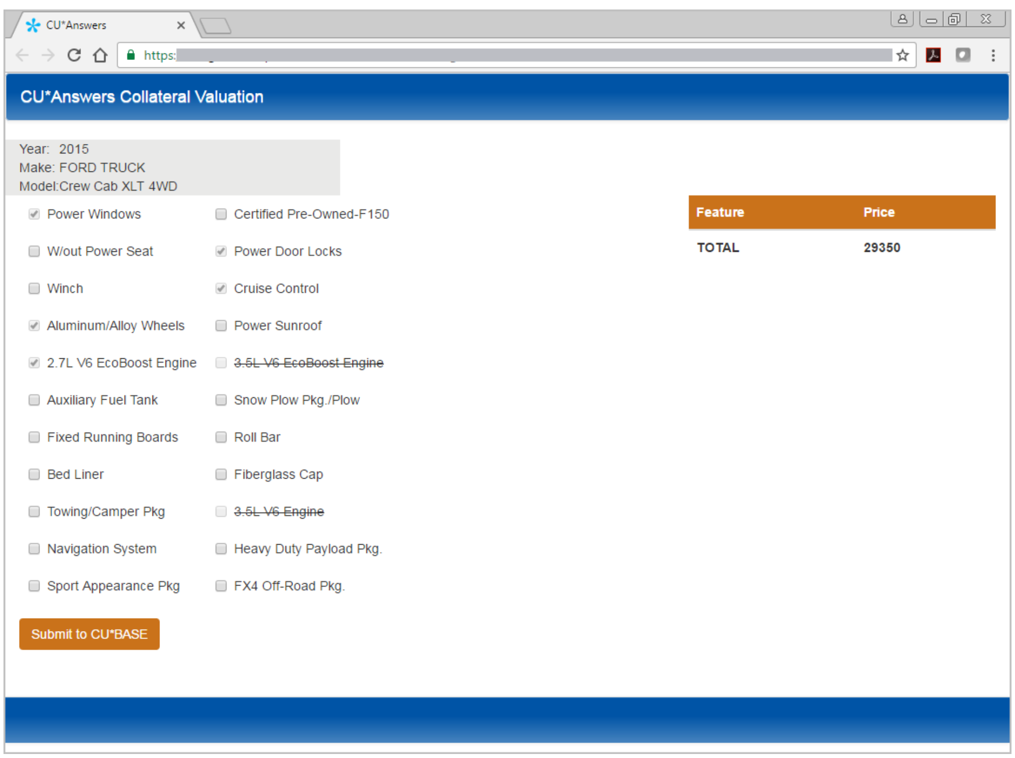
A similar window appears for Kelley Blue Book.

A browser window is also launched, allowing you to identify additional features about the vehicle such as leather seats and mileage to ensure the value used is valid.

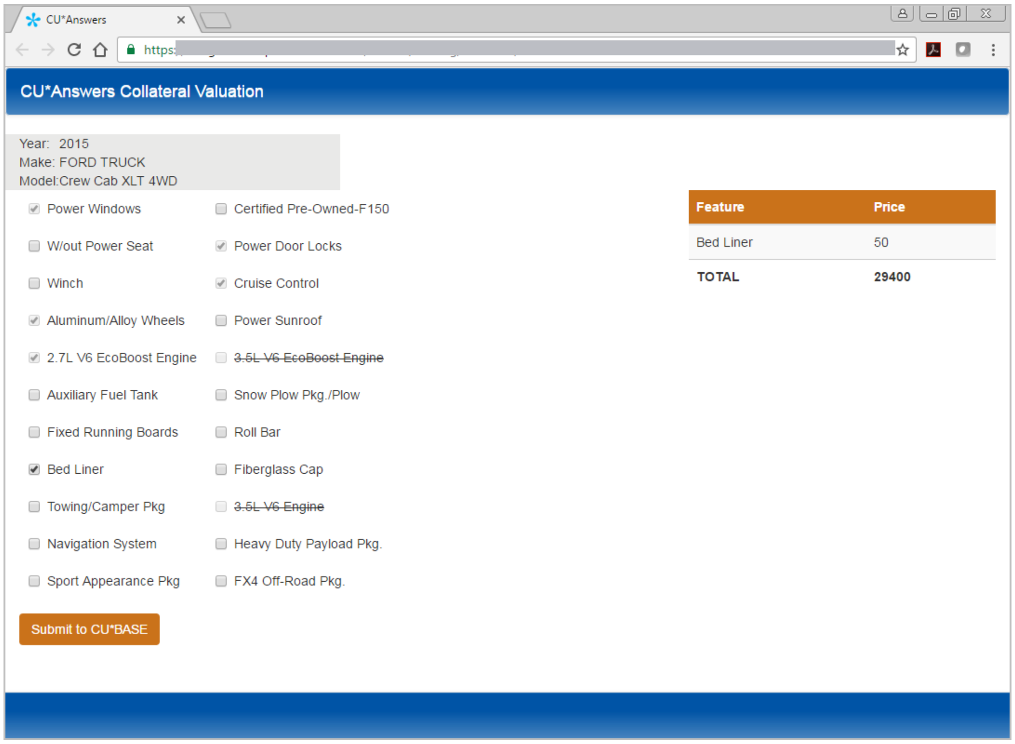
NOTE: If you close this window, the collateral record will NOT be updated.

Following are examples of screens you will see with the J. D. Power and Kelley Blue Book valuation feature. Since they are different, they are shown separately.

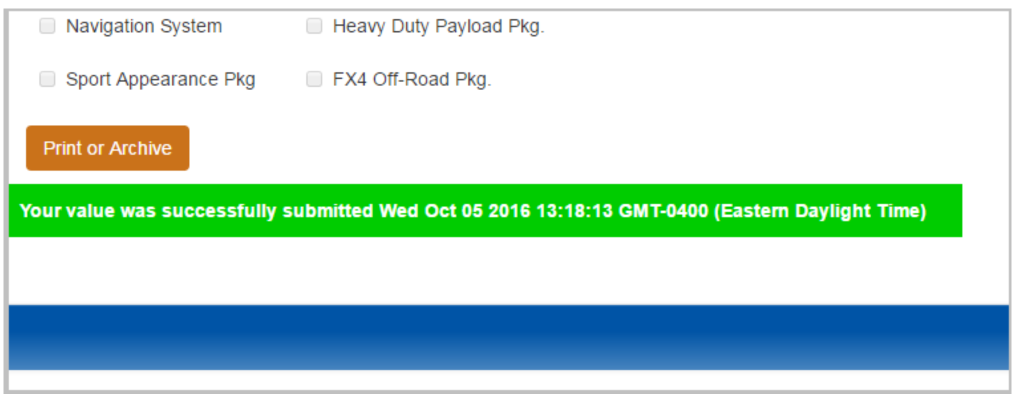
J. D. Power Screens



Items that are crossed out are not available. (For example, if you select a soft top convertible, a moon roof will not be an available feature.) In this example, we have added a bed liner. The TOTAL is updated.



Click **Submit to CU*BASE**.

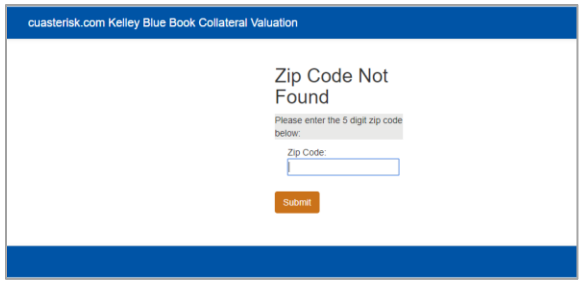


The screen message then alerts you that the value was successfully updated. The button text changes to **Print or Archive**. If you click this button, you can print a copy for your records. The following things will happen in CBX. (See page 52.)

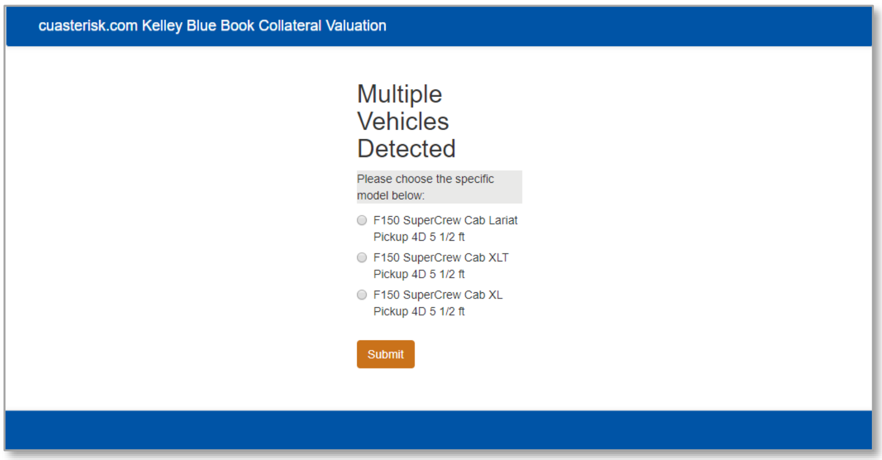
Kelley Blue Book (KBB) Screens

The Kelley Blue Book integration screens are a bit different. The first two screens (shown below) are only shown when additional data is needed for the valuation.

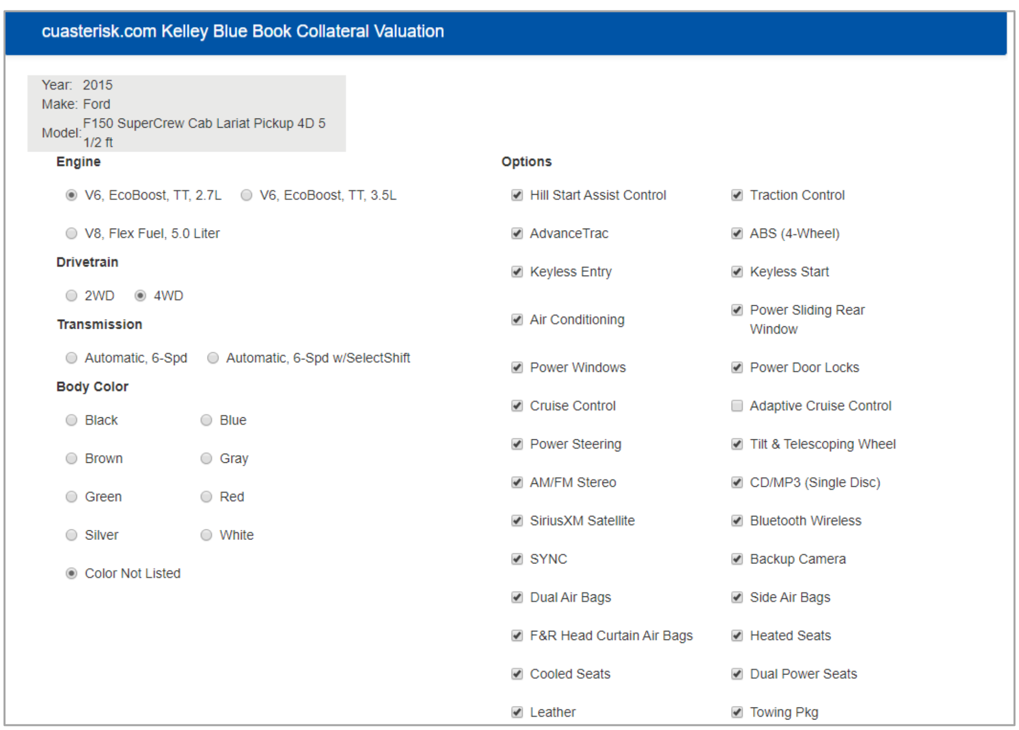
The Kelley Blue Book valuation is based on zip code. The zip code used is the one found in either the member or non-member record. If one cannot be ascertained from these files, the following screen will appear allowing you to enter the zip code for the applicant. Enter the zip code and then **Submit**.

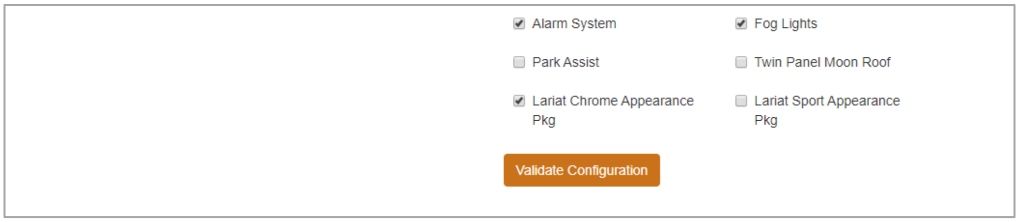


If multiple vehicles are available for your VIN, such as multiple Ford F150s, you will need to select the correct model. Then select **Submit**.

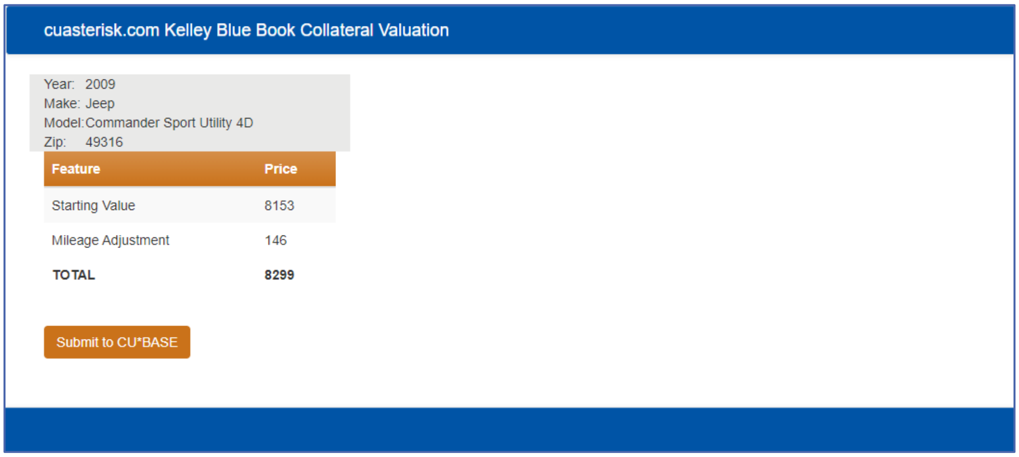


On the first valuation screen, you will select any additional features. Unlike J. D. Power, all features shown are available for the vehicle. However, if you select two competing items, such as two types of wheels, the most expensive option will be included in the valuation.





Then click **Validate Configuration** to move to the next screen.

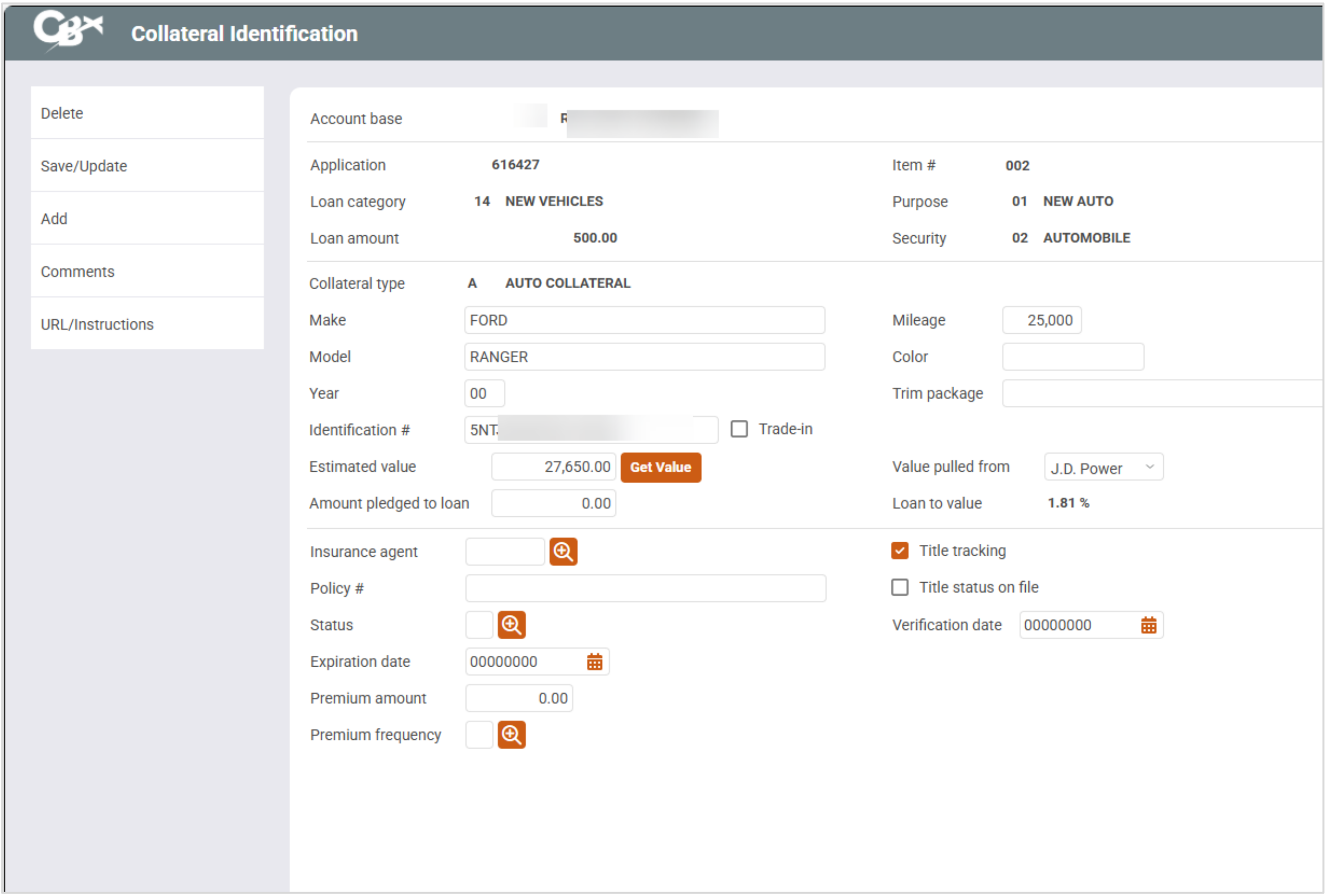


At this point you move to the final KBB screen. Click **Submit to CU*BASE**. The following things will happen in CBX.

In CBX After "Submit to CU*BASE" is Clicked

Once **Submit to CU*BASE** is clicked (with either vendor) the following changes will be made in CBX:

- The *Estimated value* will be updated to the J.D. Power or Kelley Blue Book value.
- The *Value pulled from* field will be updated to NADA (former name of J. D. Power) or Kelley Blue Book.
- The back arrow will be disabled.
- **NOTE:** The J. D. Power value that is used is based on the state of the credit union. The Kelley Blue Book value is based on the zip code, either the one entered in the screen shown previously, or the one found in the member or non-member record.



To advance you must save these changes by using **Save/Update**. If you do not wish to save the changes, use **Delete**, and the collateral record will be deleted.

Integrating Misc. Coverage Providers into the CBX LOS

Your credit union can implement a tight integration between CBX and Allied, TruStage, and Frost to populate GAP and Mechanical Breakdown coverage in your loan payment.

CU*Answers has developed SSO integrations with Allied's IQQ, CUNA TruStage's Protection Advisor, and Frost's VisualGAP products to help your lenders streamline the process of quoting premiums and issuing certificates for GAP and mechanical breakdown coverage to members.

SSO connectivity between the CBX LOS and your vendor's online tool eliminates re-keying data, which increases loan officer efficiency and improves the member experience.

Refer to Booklets

For more information, refer to the booklets written on the subject.

- Allied IQQ Integration Guide
- TruStage Protection Advisor Integration Guide
- Frost VisualGAP Integration Guide

How it Works

Prior to activation, you set up the connection with the vendor. Lender*VP will assist you with the activation of this feature, the special set up of the Miscellaneous coverage, and the login of your lending officers into the vendor website.

If a loan product is configured to use one or more of the miscellaneous coverage codes set up for the Allied, TruStage, or Frost integration, the vendor website will automatically be opened in a separate browser at the time the loan payment is selected in the CBX loan request process.

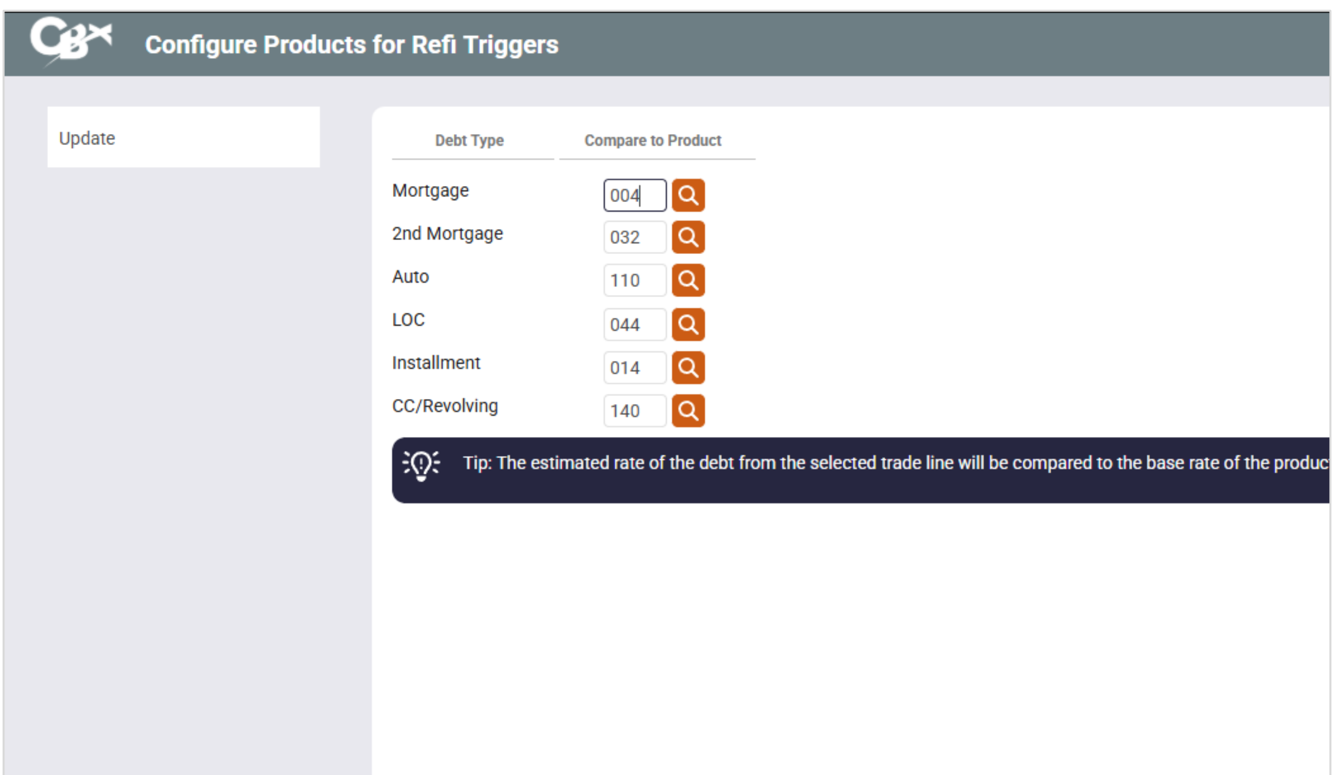
You can also elect to add the additional coverage by editing the loan and adding the coverage from the Miscellaneous coverage screen.

"Refi-Triggers" Highlights Other Loan Opportunities and Provides Tracking for Cross Sales

There is no better time to cross-sell a loan than during the loan application interview stage. The enhanced "Refi Triggers" feature integrated into the CBX LOS (Loan Origination System) makes it even easier to recognize opportunity and track offers made. Once activated, the Loan Application: Debts screen alerts the loan officer of opportunities. See following page.

First, you need to associate tradelines with specific loan products. The tradeline association is configured via **Tool #1996 *Refinance Trigger Product***.

Refinance Trigger Product (Tool #1996)



This screen allows you to match a specific product with each of the major loan groups (mortgage, second mortgage, auto, line of credit, installment, and credit card or revolving credit). Based on the product configuration, the estimated rate shown on the Debts screen is based either on the "Product code base rate" or, if you use risk-based pricing, the calculated rate based on the member's credit score.

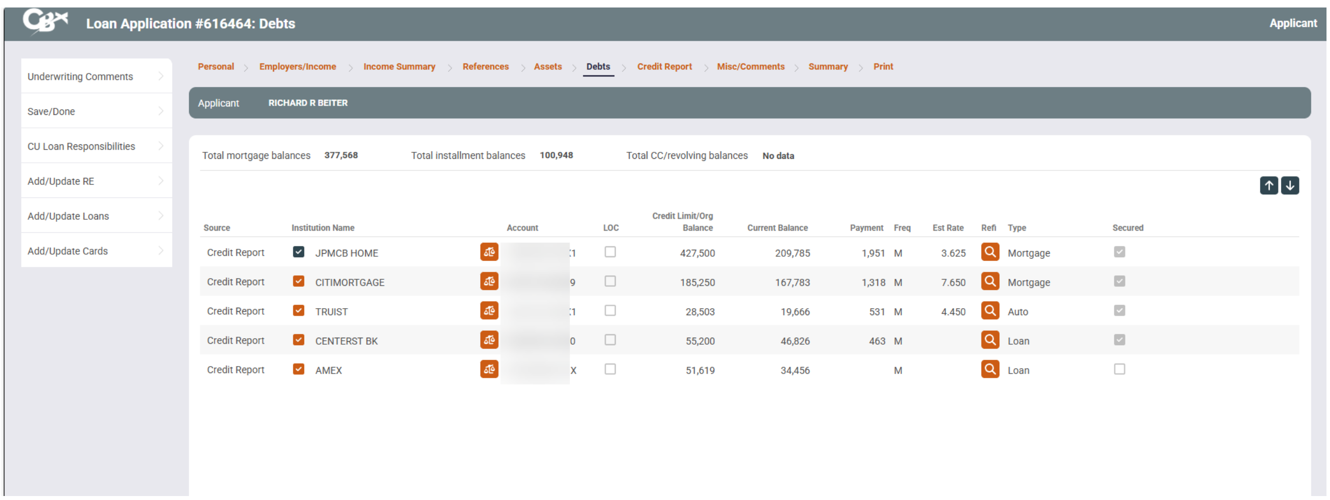
- **Helpful hint:** Select products with a lower rate and longer term. With this setup, however, the Debts screen will highlight the most opportunities for investigation. When working on a deal for a new loan, you may find your member's credit score, or other factors mean that your member does not qualify for the best rate.

- Find the rates used for the calculation via **Tool #470 *Loan Product Configuration***. The base rate is found on the first *General Loan Information* screen (Product code base rate). If risk-based pricing is used, the rate will appear in the following *Amortization Defaults – Risk Based Pricing* screen.

Using the Feature

Then, if the rate used for comparison is lower based on the calculations CBX makes from the tradeline data, the Loan Application Debts screen will show the estimate rate in the *Est Rate* column.

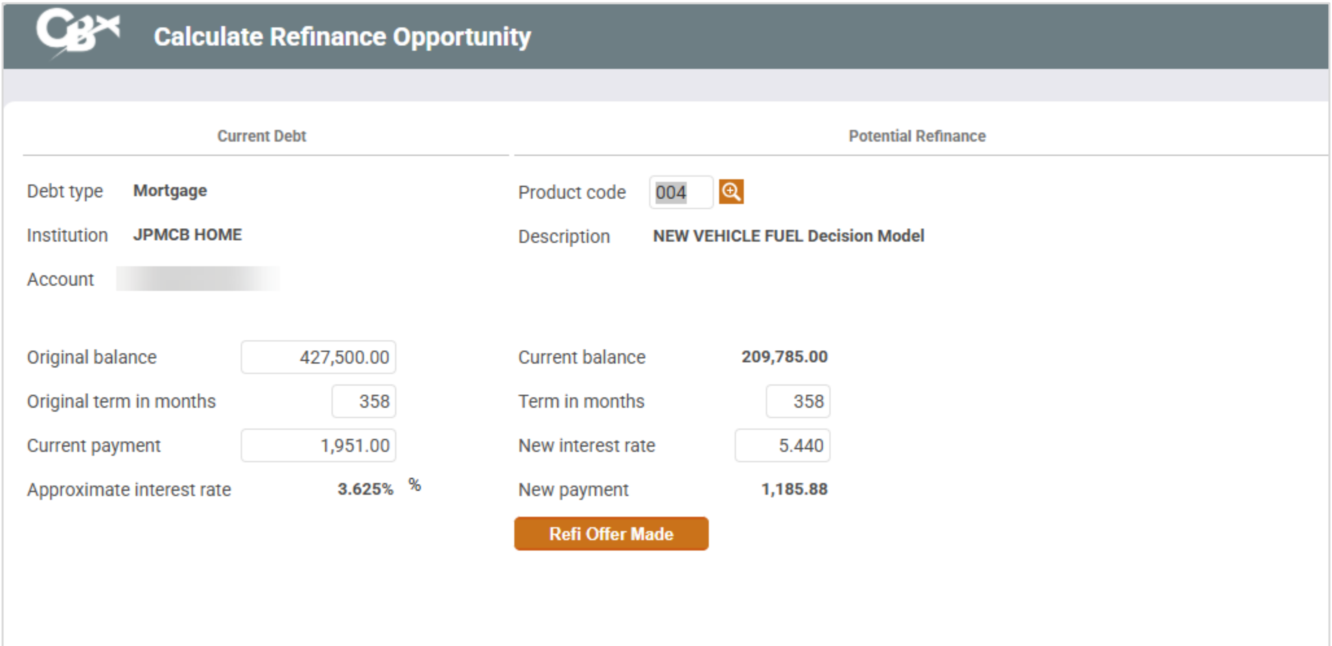
Loan Application Debts Screen with Feature Activated



To start the counteroffer, click on the look up next to the appropriate estimated rate. Yellow is used when you can offer a better credit card rate. Green is used for consumer loans.

To start the counteroffer process, click the button next to the appropriate trade line. This will take you to the *Calculate Refinance* screen where you can calculate the details of the counteroffer (shown on next screen).

Calculate Refinance Opportunity Screen (Ready for Offer)

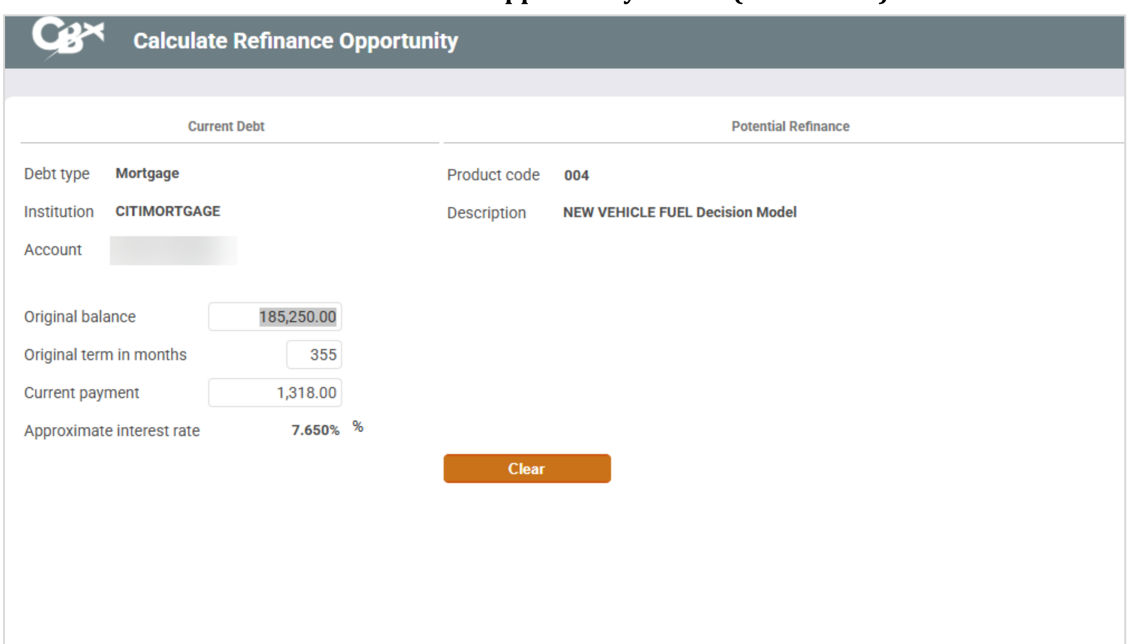


Once you have the terms for the new loan, click this button to document that the offer has been made. A check mark will appear on the Debts screen.

On the left side of the *Calculate Refinance Opportunity* screen you can see the estimated original balance, original term in months, and current payment. On the right, you are given the current balance, calculated payment, and interest rate based on the selected product (matched to that tradeline).

While talking to the member, you can adjust the open fields on the right to calculate a new offer for the member. You can even select a different and more appropriate product code by using the lookup next to the *Product code* field. (This will display a list of your loan product codes.) When you have an offer to make, click **Refi Offer Made**.

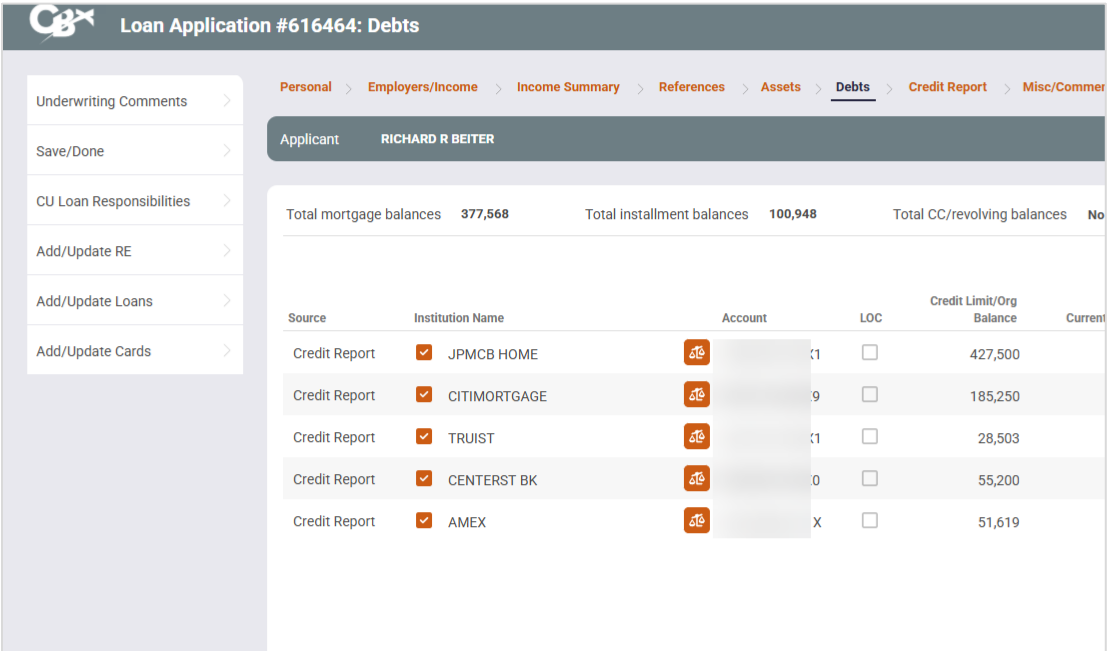
Calculate Refinance Opportunity Screen (Offer Made)



The label will now read **Clear**.

- The offer will be recorded in the LAPHAD file. (This *Calculate Refinance Opportunity* screen can also be accessed from the Household Debts screen. In this case, the offer is written to the HAD file.)

Then, when you return to the *Loan Application Debts* screen, a check mark will appear next to the tradeline, indicating that an offer has been made.



This check mark indicates that an active offer has been made. You can clear this offer by clicking on the check and then **Clear** (shown in the previous graphic).

- If you click the check mark, you will return to the previous screen. You can then click **Clear** to reveal the calculation again to make a different offer.
- Query the files the offers are saved for further analysis and to determine if you are making the most of this amazing cross-sales tool.

Application Status Inquiry: A "Dashboard" Approach

With the CBX Application Status feature, any credit union employee at any CBX workstation can view the status of all loan requests, including those that have been recently booked or denied. Instead of a member having to call and get shuffled from one employee to another to locate the original loan officer, any employee who answers the phone can give the member an update right over the phone.

In addition, this feature provides a centralized place where underwriters and loan processors can review applications and mark approvals or denials quickly and efficiently. Direct access is available to process a new loan request or update or review underwriting comments.

Up to six underwriting codes can be configured to display right on the Application Status screen, with a button to display all additional codes. Each code shows a record count of applications currently sitting at each status. This was designed especially for central underwriting teams to show a quick count of all newly submitted applications awaiting underwriter action.

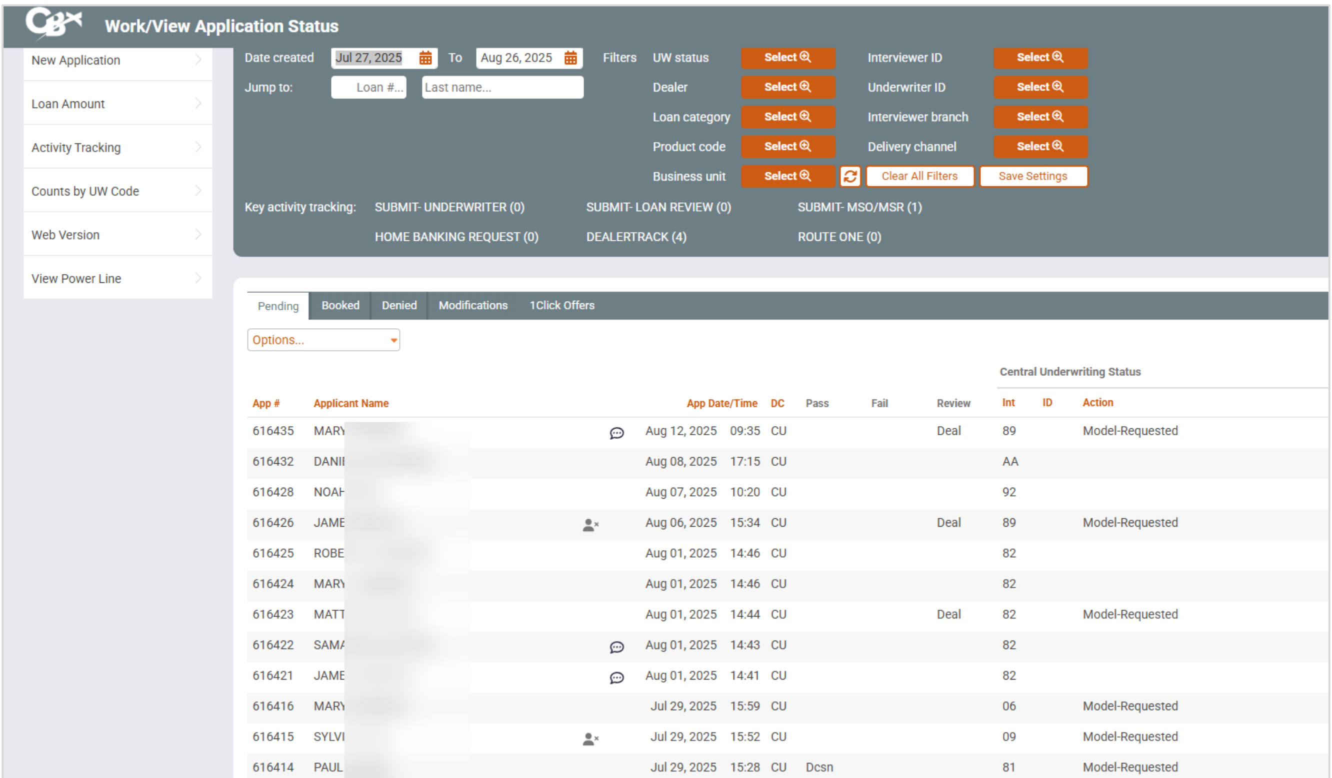
The Activity Tracking statistics provide a status "dashboard" for your loan team's daily efforts, so lending managers can tell at a glance where to "step on the gas" to make sure the department meets its goals.

Loan Application Status Inquiry

The Work/View Application Status system consists of three screens that can be used to view pending, booked (loan accounts created), and denied loan requests. The Application Status system is great for:

- Checking on the status of a loan request to answer a member inquiry.
- Reviewing the progress of various tasks on the Electronic Checklist.
- Updating Underwriting Comments for a member.
- "Working" a loan request, including assigning Underwriting Codes, printing or viewing amortization data, updating Household information, and even creating the loan account or processing a denial notice.

Tool #2 Work/View Loan Application Status



- Use one or more of the filters to narrow down your listing to just the applications you want to view.
- The person icon indicates a pre-membership application.
- The balloon notation indicates there are comments on this application.
- For busy loan departments, the "Wait times" feature is a great way to keep tabs on loan applications waiting to be handled. (Applies to this week's incoming apps, regardless of what apps are being displayed in the list.)
- To get a "dashboard" view of the loan team's activity and progress towards team goals, use **Activity Tracking** to display a statistical analysis screen showing all applications in the pipeline. See below for more details.
- The Pass/Fail/Review decision columns show either the results of your automated decision model or, if the model passed, the results of the Loan Deal Filters. Refer to online help for a list of all statuses.

- The Application Status inquiry displays the current status of all loan applications “in the pipeline,” showing their status as they are handled by different members of the loan team.
- Use the fields at the top of the screen to choose a range of dates to display. Search and selection fields are available to find a particular application quickly or to display only applications with certain attributes.
- Use **Refresh** at any time to update the list with new loan requests as they are submitted by staff throughout the day.
- For complete details, refer to CBX Online Help.

Statistical Analysis: The “Dashboard”

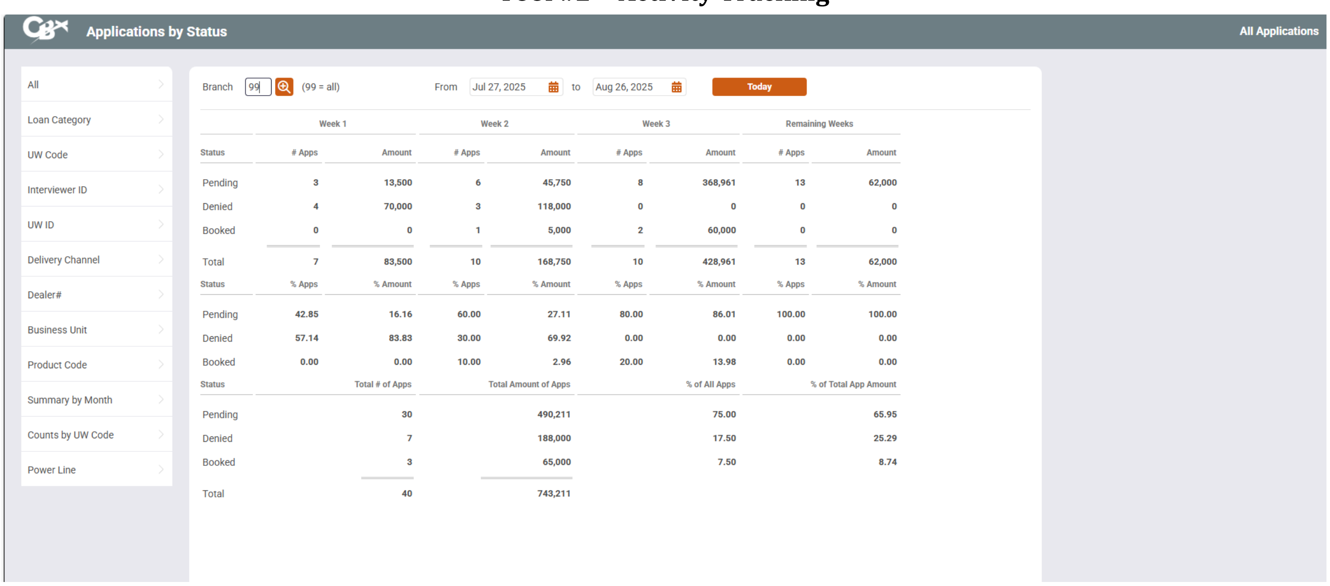
Introducing a "Statistical Dashboard" for Loan Department Activity: An instant view of the lending team’s output at any time during the month.

Today’s credit unions want an instant look at where they are throughout the month in relationship to their goals and where they hope to end up. In the past, you simply ran a report after the fact to see how you did. Today, we need to stay aware of how many days we have left to meet our goals, to affect how fast we’re moving toward those goals. We need to make sure we inspire the right people to stay on track.

That’s what this Loan "Statistical Dashboard" is all about. This feature should help you get a team-wide awareness of where you are and where you are going.

Now leadership can pop in on the loan department any time they want. Data can be displayed for any time period and grouped by employee, loan category, branch, or delivery channel. At a glance, the stats can point to the need to encourage an employee on an individual goal, counsel a branch leader on the team’s goals, touch base with an indirect lender, or even work with the web team to try and increase the number of applications coming in through the Internet.

Tool #2 > Activity Tracking



	Week 1		Week 2		Week 3		Remaining Weeks	
Status	# Apps	Amount	# Apps	Amount	# Apps	Amount	# Apps	Amount
Pending	3	13,500	6	45,750	8	368,961	13	62,000
Denied	4	70,000	3	118,000	0	0	0	0
Booked	0	0	1	5,000	2	60,000	0	0
Total	7	83,500	10	168,750	10	428,961	13	62,000
Status	% Apps	% Amount	% Apps	% Amount	% Apps	% Amount	% Apps	% Amount
Pending	42.85	16.16	60.00	27.11	80.00	86.01	100.00	100.00
Denied	57.14	83.83	30.00	69.92	0.00	0.00	0.00	0.00
Booked	0.00	0.00	10.00	2.96	20.00	13.98	0.00	0.00

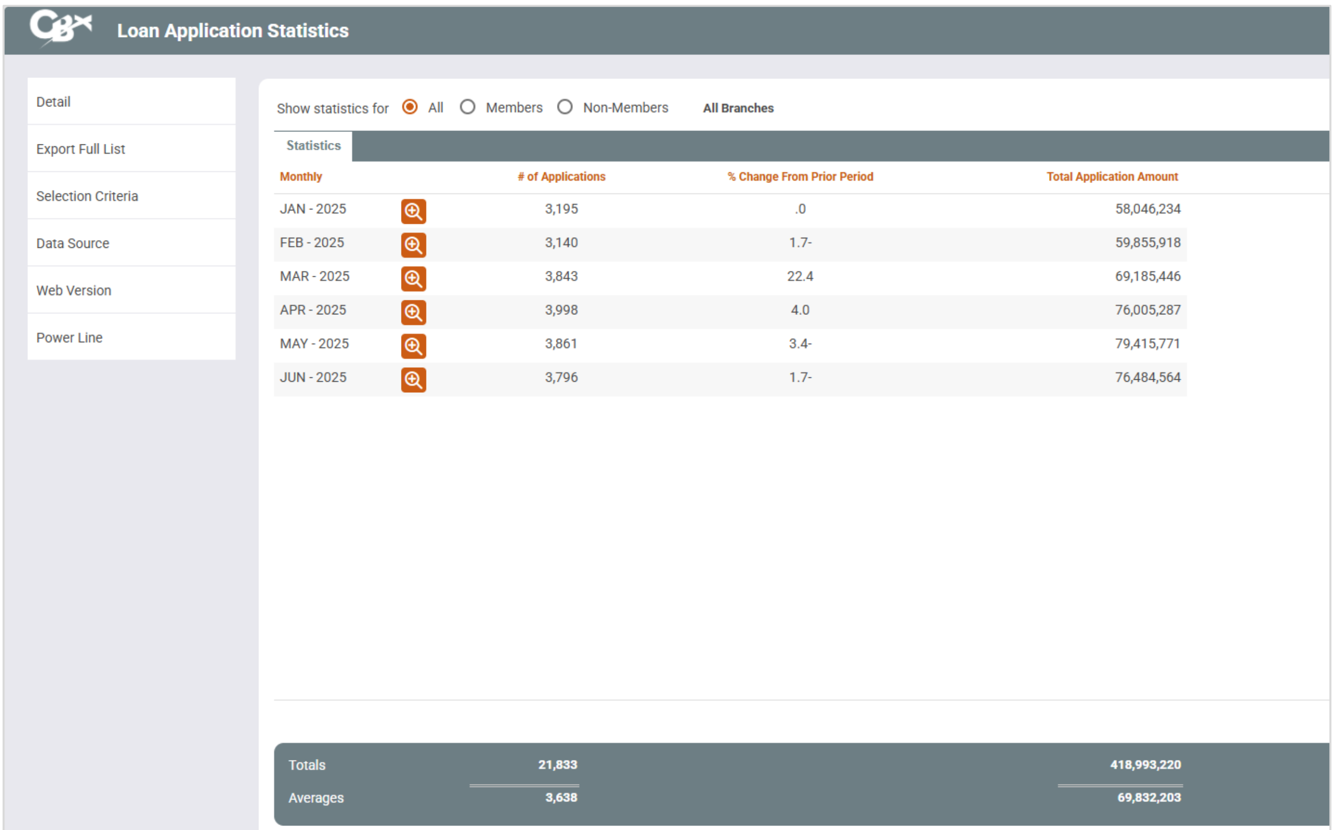
Status	Total # of Apps	Total Amount of Apps	% of All Apps	% of Total App Amount
Pending	30	490,211	75.00	65.95
Denied	7	188,000	17.50	25.29
Booked	3	65,000	7.50	8.74
Total	40	743,211		

The idea with this screen is to show how many applications were added to the pipeline during the chosen period. In this context, the date range relates to the date on which the application record was created. So, if an application was created during the time period specified at the top of the screen, it will be included in the analysis.

To group applications according to status (Pending, Denied, Booked), the system looks at the current status of the app as it sits in the pipeline now. Among other things, the analysis answers the question, "How many of the applications that came in during the week of ________ are sitting at a pending (or denied, or booked) status today?

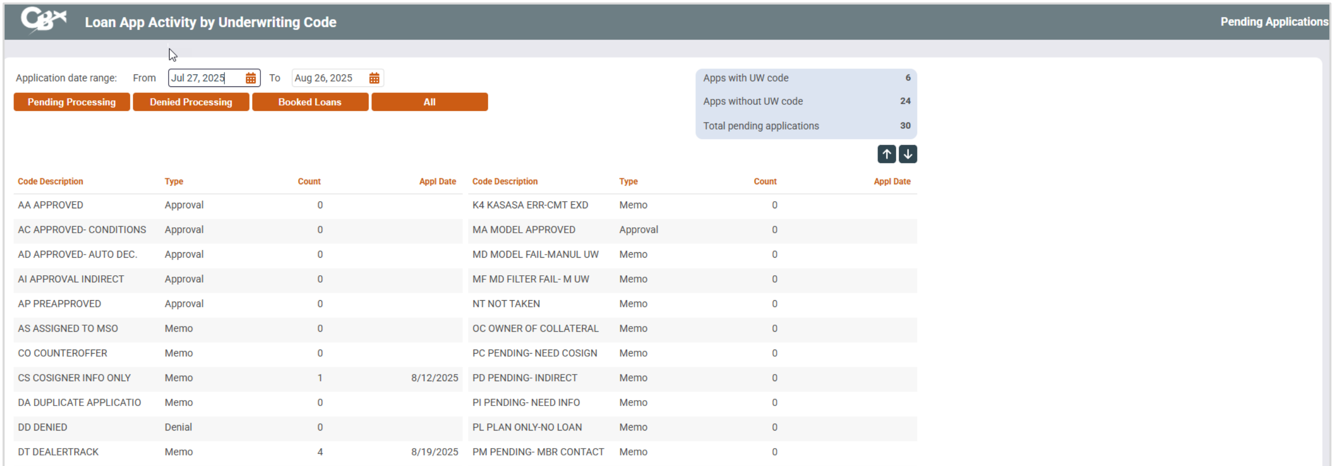
- For the range of dates selected, Week 1 is always the last (most recent) week in that range. Week 2 would be the next most recent, and so on. (Basically, the system starts at the end of the range (the "To" date) and works backwards.)
- Use the buttons to filter the summary to show statistics for only certain applications.
- For complete details, including an explanation of the calculations used to define these statistics refer to CBX Online Help.

To view a summary of these statistics, click **Summary by Month**. Use the tabs across the top to see graphical images of the data.



Monthly	# of Applications	% Change From Prior Period	Total Application Amount
JAN - 2025	3,195	.0	58,046,234
FEB - 2025	3,140	1.7-	59,855,918
MAR - 2025	3,843	22.4	69,185,446
APR - 2025	3,998	4.0	76,005,287
MAY - 2025	3,861	3.4-	79,415,771
JUN - 2025	3,796	1.7-	76,484,564
Totals	21,833		418,993,220
Averages	3,638		69,832,203

Use **Counts by UW Code** to see a summary of activity which can be sorted by status (booked, pending, denied) or for all loans in the specified period:



Click on any orange column heading to sort the list by that column. By default, only booked loans for the specified period will be shown; click the tabs along the top of the list to reveal other summary lists.

Loan File Verification: Keeping Up with Paperwork

Few processes in the day-to-day life of a credit union produce more paperwork than a loan application file. From start to finish, the file can contain multiple forms, copies, and notes, all of which must be filed and maintained as part of your normal record-keeping process. Who makes sure this paperwork gets to its destination? How can you know if all the forms have been filled out and everything has been done according to credit union procedures?

The CBX **Loan Application File Verification** feature lets you record a date on which loan application records are to be verified after the loan has been finally approved (created). A report can be produced showing files due for verification, with special features that allow you to "mark" a file as verified.

In addition, this feature combines with the **Electronic Check List** feature to let you track all necessary tasks that should be completed, both before and after the loan is approved.

Activation and Controls for Loan File Verification

To ensure that File Verification features are used consistently according to your credit union's policy, you will need to check *Loan application file verification* in the **Loan Processing Workflow Controls (Tool #475).** This screen will also require the entry of the number of days from loan creation date. **See page 27.**

If this control setting is turned on, the system will <u>require</u> a file verification date to be entered into the Loan Creation screen when a loan account is being created. You may also enter a default number of days, and the system will automatically calculate the verification date by adding that number of days to the date on which the loan was created.

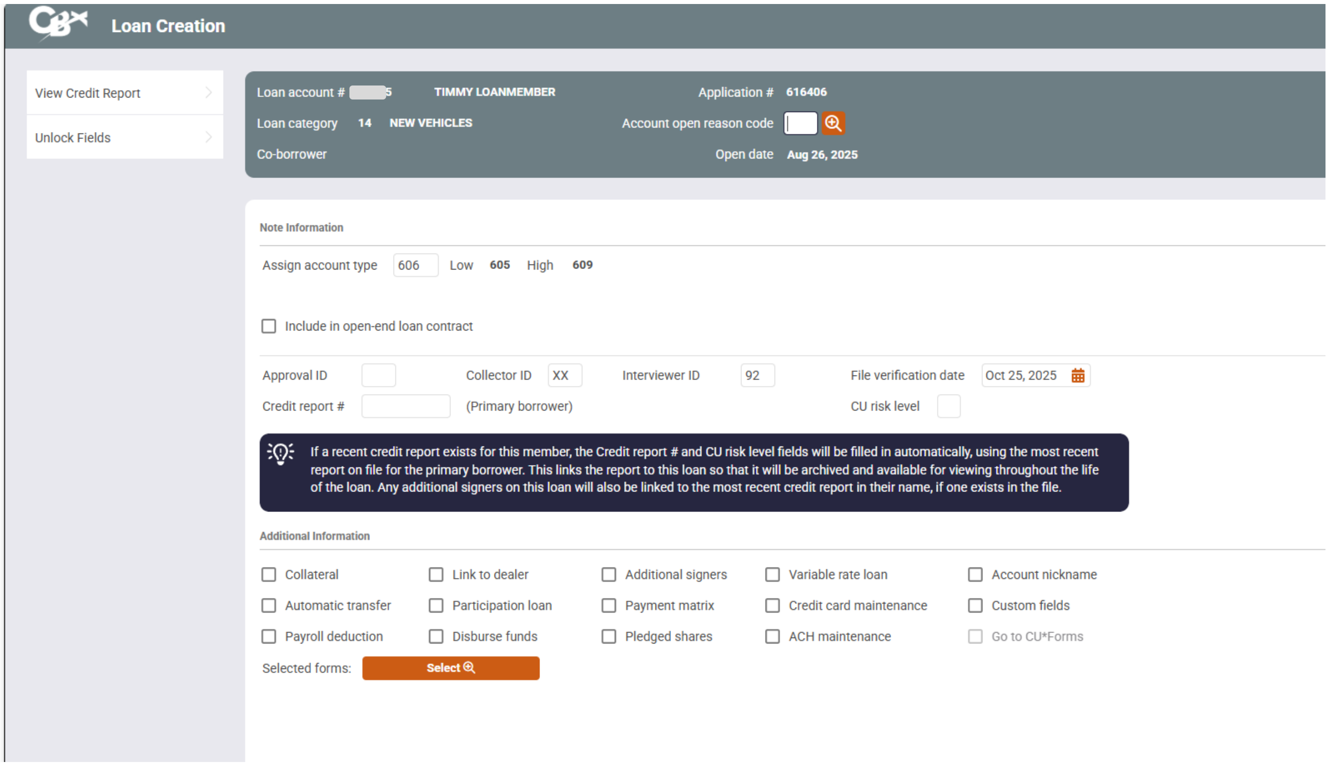
- For example, if you wish to allow 15 days from when a loan is created to when the final paperwork is verified by your records department, this setting will automatically calculate a verification date 15 days from the loan creation date. Therefore, a loan created on April 1 would have a verification date of April 16.

The verification date will appear on reports and the Electronic Check List screen for use by record-keeping personnel in tracking the status of loan application file paperwork.

If this control setting is turned off, a verification date can still be entered, and the reports can still be pulled but will not be required or calculated automatically by the system.

Recording Verification Dates for New Loans

Loan Creation Screen



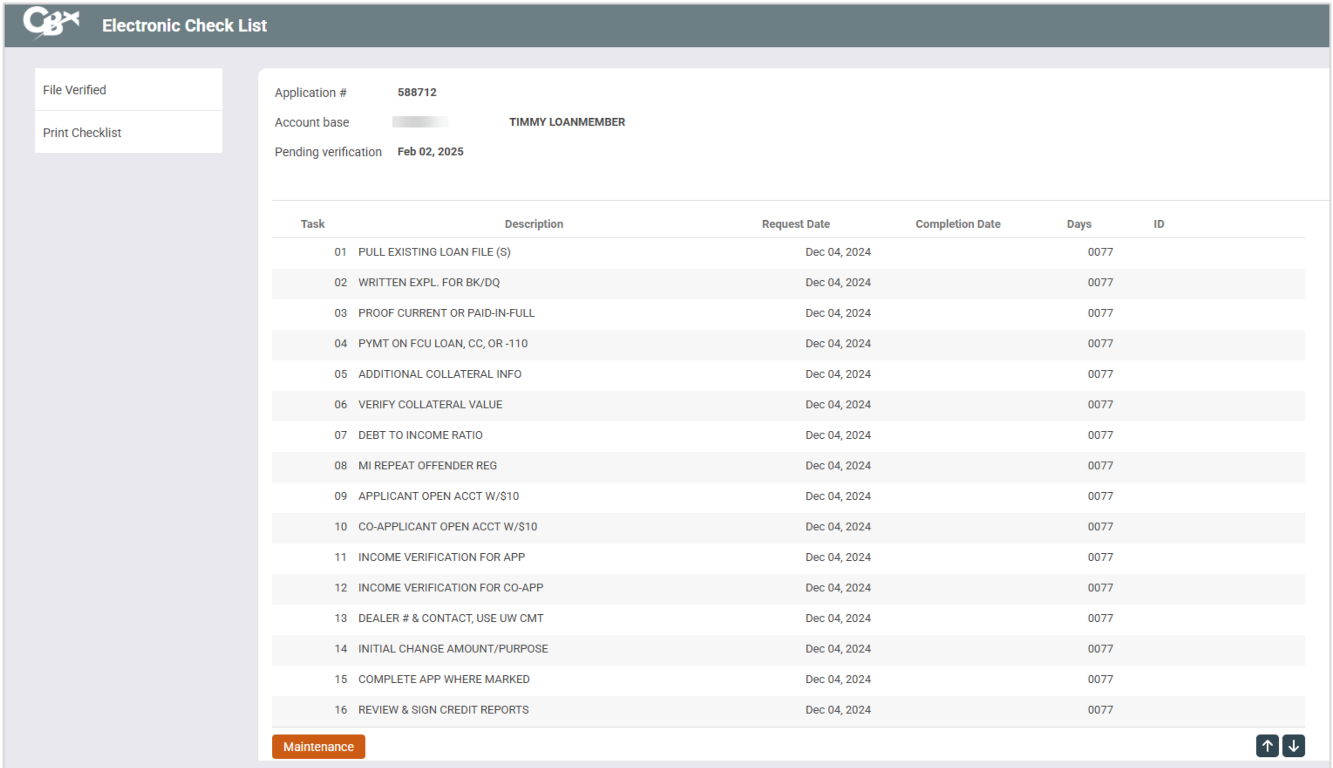
This is the screen used to create a loan account. When a loan is being created, the *File verification date* field is available to record the date on which the paperwork from this loan application needs to be verified for accuracy and completeness.

- NOTE: Depending on the Loan Configuration, the same person may not be able approve a loan and disburse the loan funds. If this setting is set, separate people will need to authorize these actions.
- If you wish this date to be mandatory for all loans being created, use the File Verification system control feature described on page 61. If this control has been turned on, the system will automatically fill in a date using the default number of days configured.

Using the Electronic Check List for File Verification

As shown on Page 19, an Electronic Checklist is a great way to make sure all the i's are dotted and t's are crossed in completing a member's loan request. Before the loan is approved and the loan account created, you can work the checklist from the Loan Recap screen.

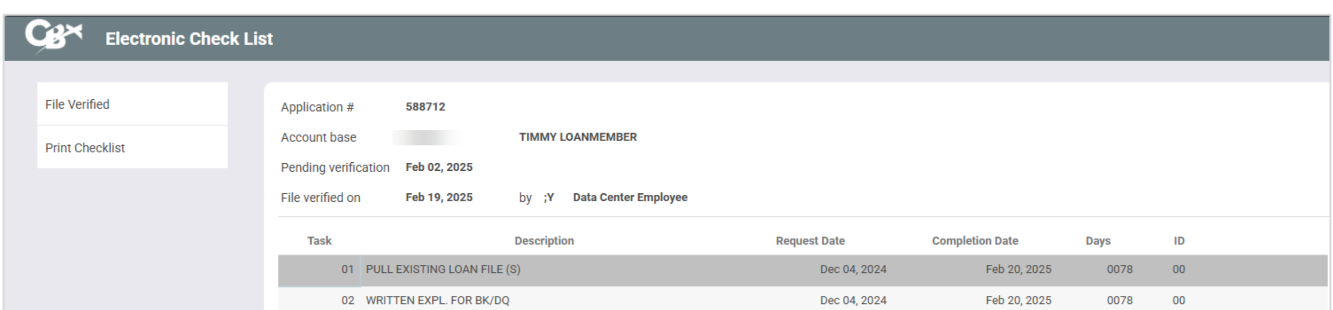
After the loan has been created, you can still access the checklist by using **Tool #454 *Loan App File Verification***. Enter the member's account base and loan suffix and use the forward arrow to proceed to the following screen.



To mark a task as completed, select the item in the list then use the *Maintenance* option. The following window will appear:

Enter the date on which the task was completed, and the Employee ID of the person completing the tasks. The system will automatically calculate the number of days between the initial loan request date and the completion date for the task. Use the forward arrow to mark the task(s) and return to the check list.

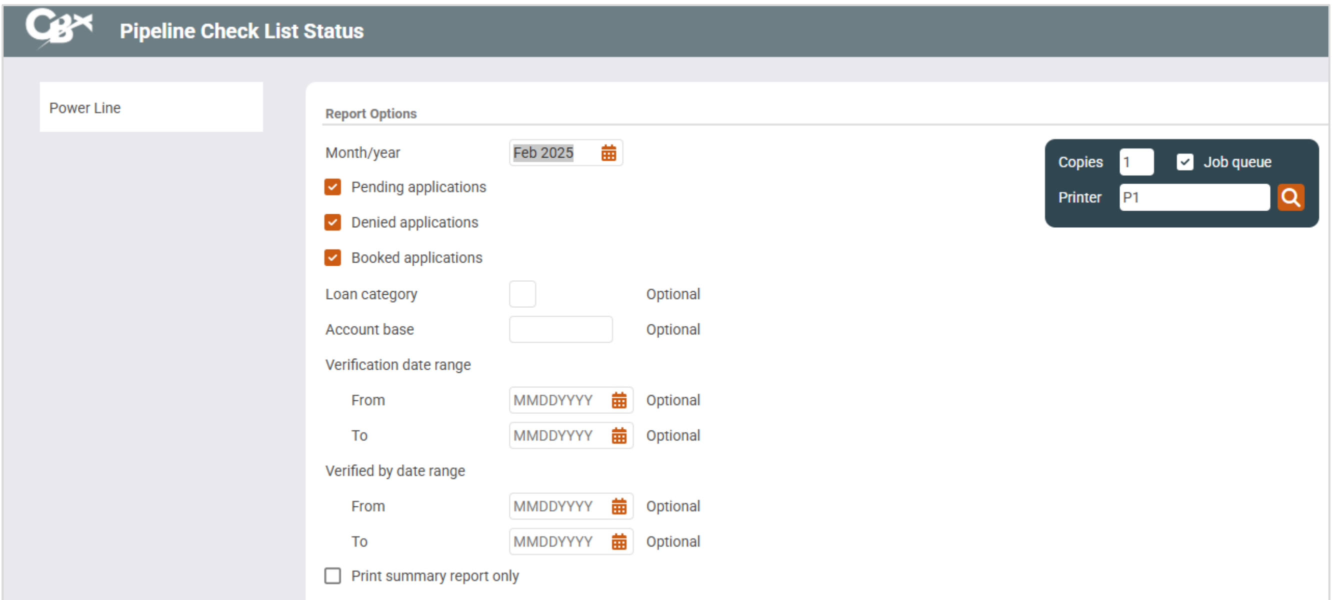
Once all the tasks are completed and all necessary paperwork has been verified, use **File Verified**. Because the system will automatically insert your ID and the current date, and these fields cannot be changed, a warning message will appear. Use Enter to confirm, and a notation will appear near the top of the screen showing the verification date and employee ID.



Printing the File Verification Report

This report, also called the "Pipeline" report, is traditionally used to show the status of tasks for all pending loan requests. It can also be used to show the status of tasks after a loan has been created, as well as a summary of File Verification information for your records department.

Tool #469 Loan Pipeline Analysis



There are two reports available: the normal Detail report showing the status of all tasks for each individual loan request and a Summary report that lists basic details about loans with the file verification dates included.

- For complete details, refer to CBX Online Help.

Permanent Underwriting Comments

Lending officers use underwriting comments to record information that they use for approvals and denials of a loan. These comments are not permanent and can be changed, allowing loan officers to edit and adjust their comments. Credit unions wanted to protect certain underwriting comments from being changed (either accidentally or purposely), for example maximum-approval limit or other special instructions about a particular member. For this purpose, we have developed the permanent underwriting comments feature, which uses the Tracker system to record comments that cannot be altered or edited.

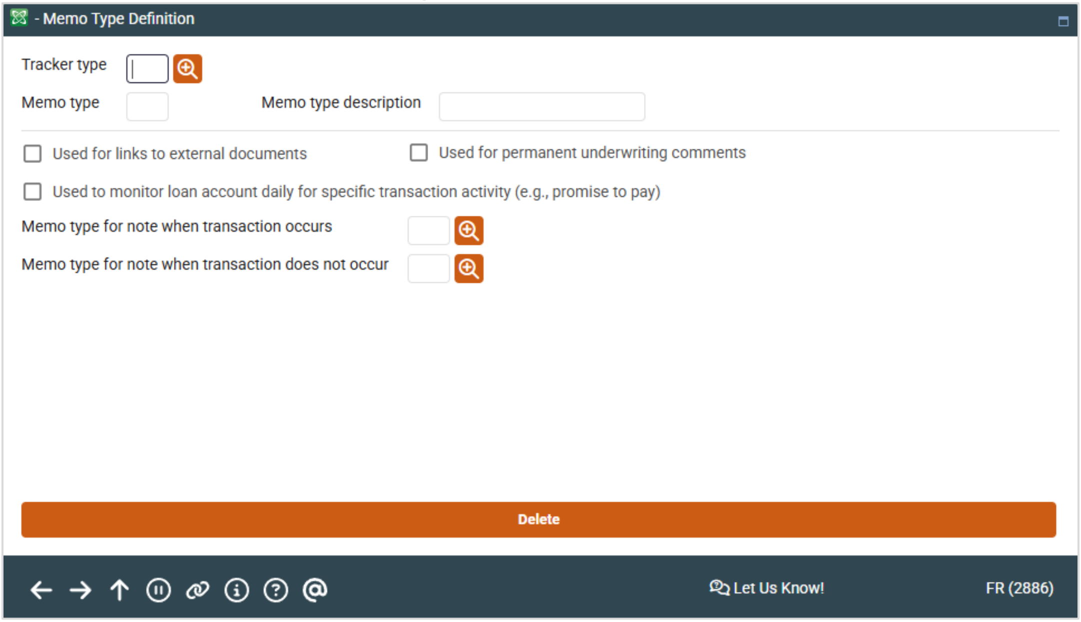
To use this feature, first configure a Memo Type to support underwriting comments (see page 65). This option is only available for Memo Types associated with Collection Tracker (XX) Types. Then, when recording a permanent underwriting comment, simply add a Tracker conversation and use this configured Memo Type. To review permanent underwriting comments at a later time, access the Underwriting Comments screen for the member (see page 66).

- Remember that Trackers are only available for members. If you are assisting a non-member, simply use the comment feature that is currently available to enter your underwriting comments.

Configuring Memo Code for Permanent Underwriting Comments

To record permanent underwriting comments, use the Tracker feature.   First, create a Memo Type to support underwriting comments by checking the *Used for permanent underwriting comments* box in the Memo Type configuration. Check this box if you want to use this Memo Code for permanent underwriter comments.

Tool #260 Configure Memo Type Codes for Trackers



This feature is only available for Memo Types associated with Collection Tracker (XX) Types.

Then, when you want to record a permanent underwriting comment, simply use the Tracker feature. One access point is **Tracker Review** on the Underwriting Comments screen (see page 66), but there are many other access points to adding Tracker conversations to a member. When adding a conversation that is a permanent underwriting comment, use the configured Memo Type.

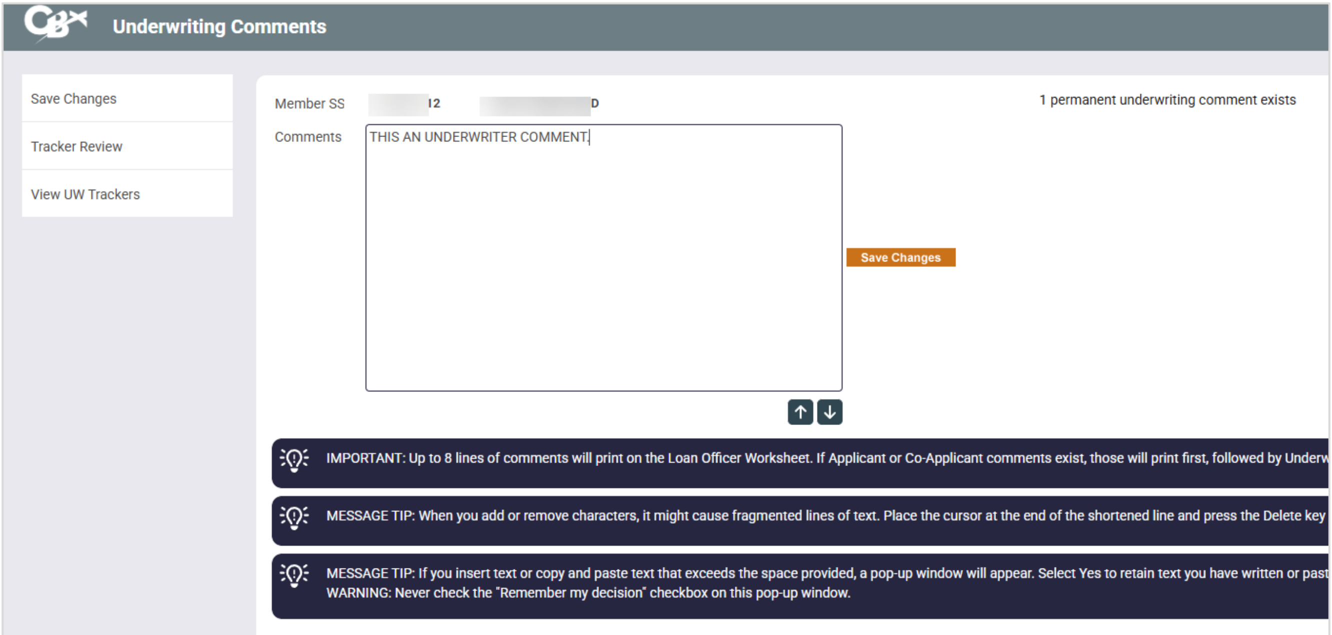
Reviewing Permanent Underwriting Comments

The top right-hand corner of the screen indicates if permanent comments have been entered. To view them, select the *View Underwriting Trackers* button on the Underwriting Comments screen for the member (shown below). This will take you to the Tracker Conversation screen, filtered to show only the permanent underwriting comments (Tracker conversations with the specified Memo Type for underwriting comments).

(The Underwriting Comments screen is accessed from many loan application screens including via **Tool #2 *Work/View Loan Application Status***.

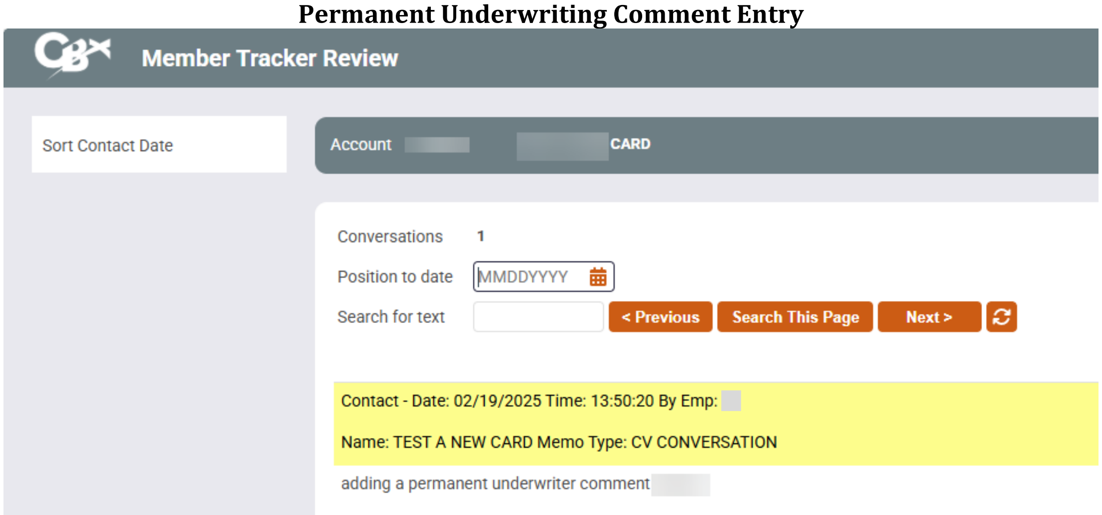
The “x permanent underwriting comment exists” note indicates that a permanent underwriter comment has been recorded for this member.

Underwriting Comments Screen



Select **Tracker Review** to view the permanent underwriting comments as shown below.

Permanent Underwriting Comment Entry

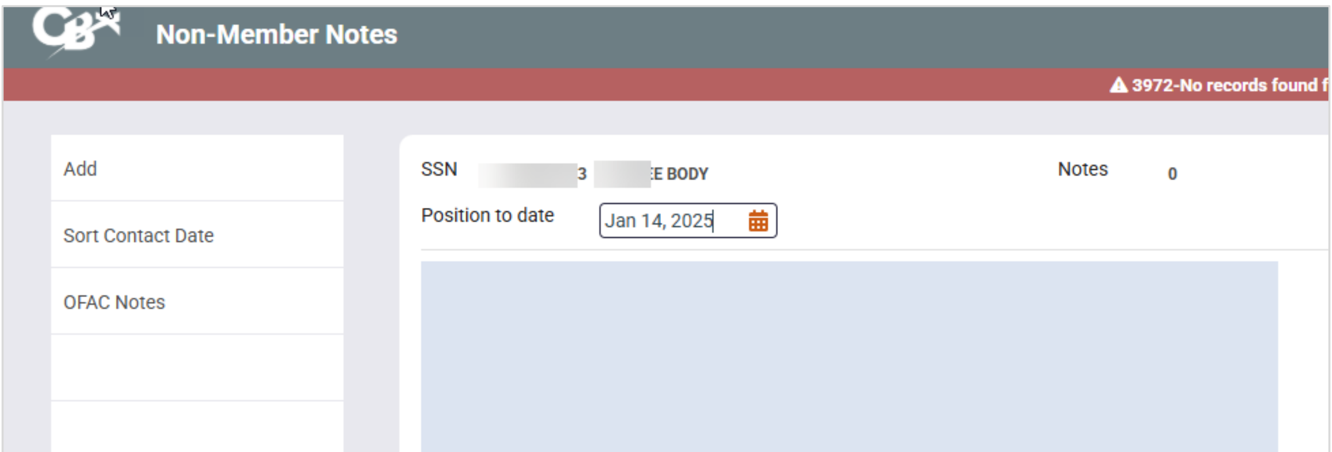


- NOTE: The number next to “Conversations" at the top of this screen indicates the total number of conversations on that Tracker. It does not indicate the number of permanent underwriting comments.

Non-Member Notes

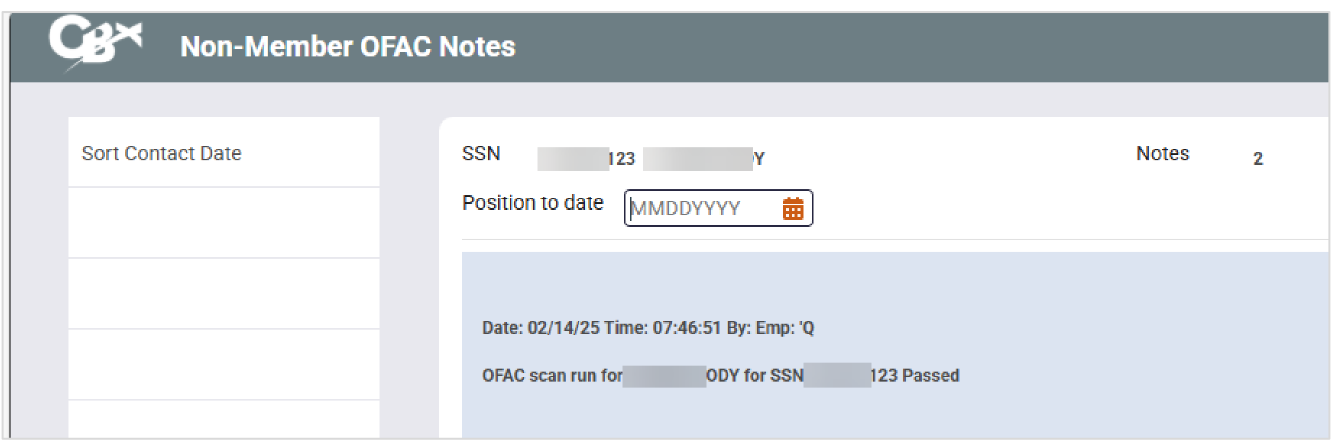
No matter which avenue your credit union uses to find new members (loans, membership applications, and online applications), your staff can now all follow the same process to add notes to non-members that are permanently saved for later review. With the "Non-Member Notes" feature, employees can record notes about non-members (co-borrowers, new applicants, and joint owners) via the Non-Member Information screen, the Underwriter Comments screen (for pre-membership loan applications), and the New Member Application screen. Just use **Add** on the new *Non-Member Notes* screen to add a note or view the chronological record of notes on the member.

Non-Member Notes Screen (Access Points Above)



You can make these notes part of a permanent record on the membership once the non-member becomes a member! Then, they can be easily accessed and viewed by all employees.

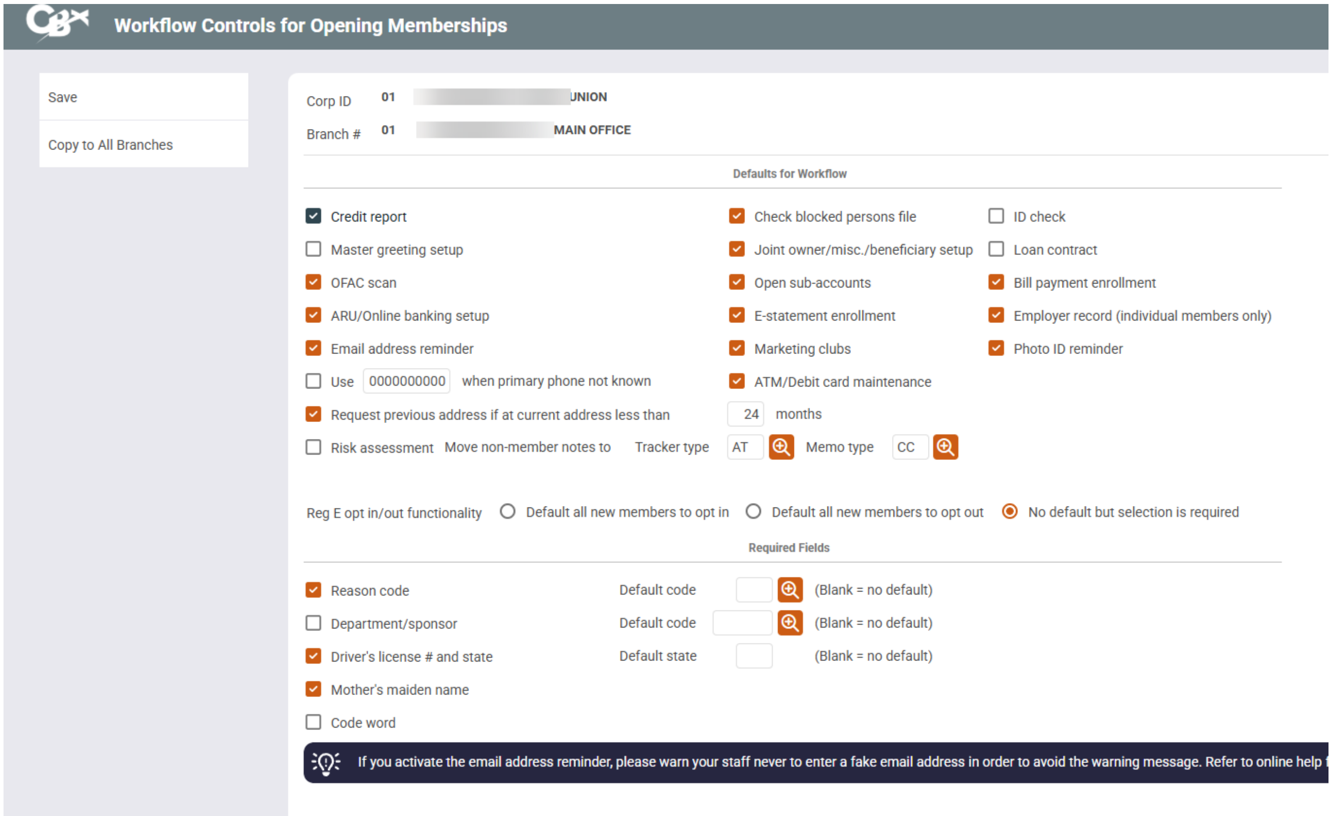
As a nice extra, you can also access OFAC scans run for the non-member from the Non-Member Notes screen by selecting **OFAC Notes**.



To make these notes part of the permanent record once the non-member is converted to a member, configure a Tracker and Memo Type in **Tool #1004 *Workflow Controls: Open Mbrships/Accts***. Use the fields next to *Move non-member notes to*.

- NOTE: You may want to configure a Tracker and Memo Type specifically for use with this feature.

Tool #1004 Workflow Controls: Open Mbrships/Accts



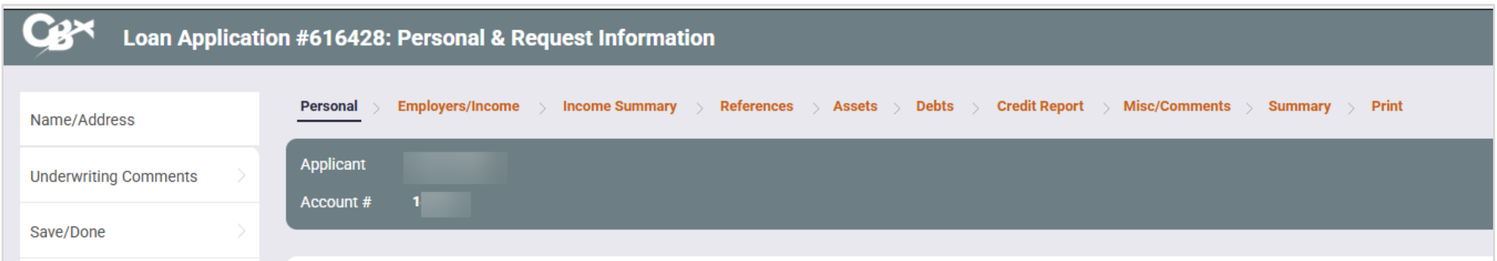
Once the membership is created, the non-member notes will be converted into Tracker conversation on the membership base share (000) account. If no Tracker and Memo Types are configured, the non-member notes automatically purge if the non-member converts to a member. (In either case, the OFAC records run while the member was a non-member can still be found via **Tool #559 *OFAC Non-Member Scan History***.)

Additionally, if a membership application is denied, the system-generated "Other Information/More Info" notes from the online membership screens (including the indicator that it was a MAP/MOP application) are saved to a Non-Member Note.

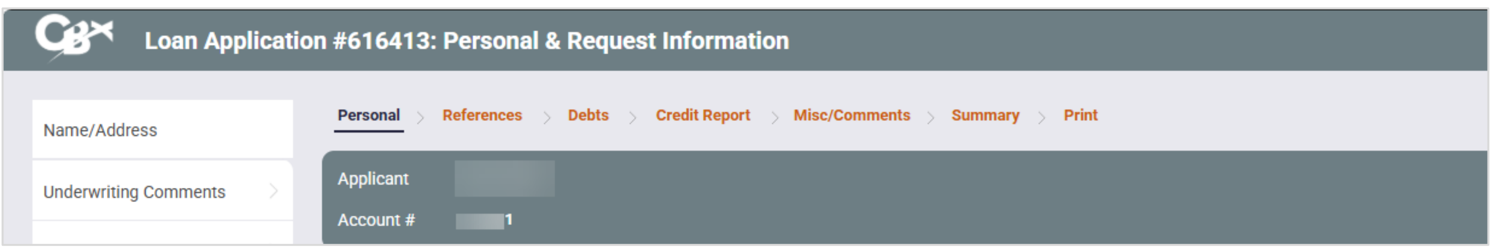
Loan App Workflow Styles

A normal CBX loan application has 10 different screens, but not all of them are critical for every type of loan. The "Loan App Workflow Styles" controls the automatic forward momentum through the CBX Loan Application screens, bypassing pages that are not required by the loan product (such as skipping over the employment, income, and assets screens for a CD-secured loan).

Instead of this:



A loan officer could see this:

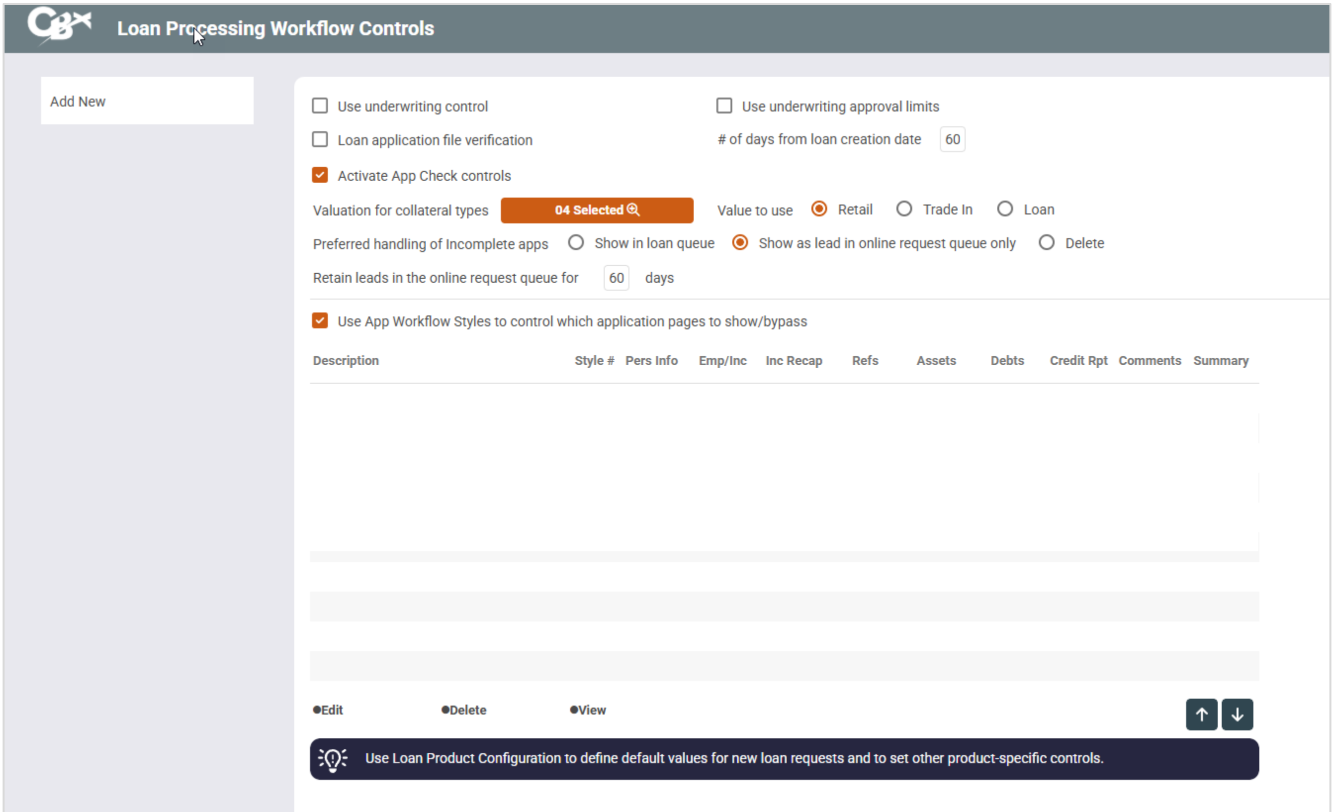


IMPORTANT: All normal "behind the scenes" actions still happen even if you loan officer does not actually view a screen. For example, if your credit union auto-fills debts from the credit report this will still happen regardless of whether the officer views the Debts screen. This feature simply means that the loan officer will not be presented with the button to access the screen and will not be able to make changes to it.

Activation and Configuration

Start by configuring workflow styles in the Loan Workflow Controls (see below and page 27) and then attach the appropriate style to your loan products via **Tool #470 *Loan Product Configuration***.

Tool #475 Loan Workflow/App Check Configuration



To activate the feature, first check *Use App Workflow Styles to control which application pages to show/bypass* and use the forward arrow (Enter).

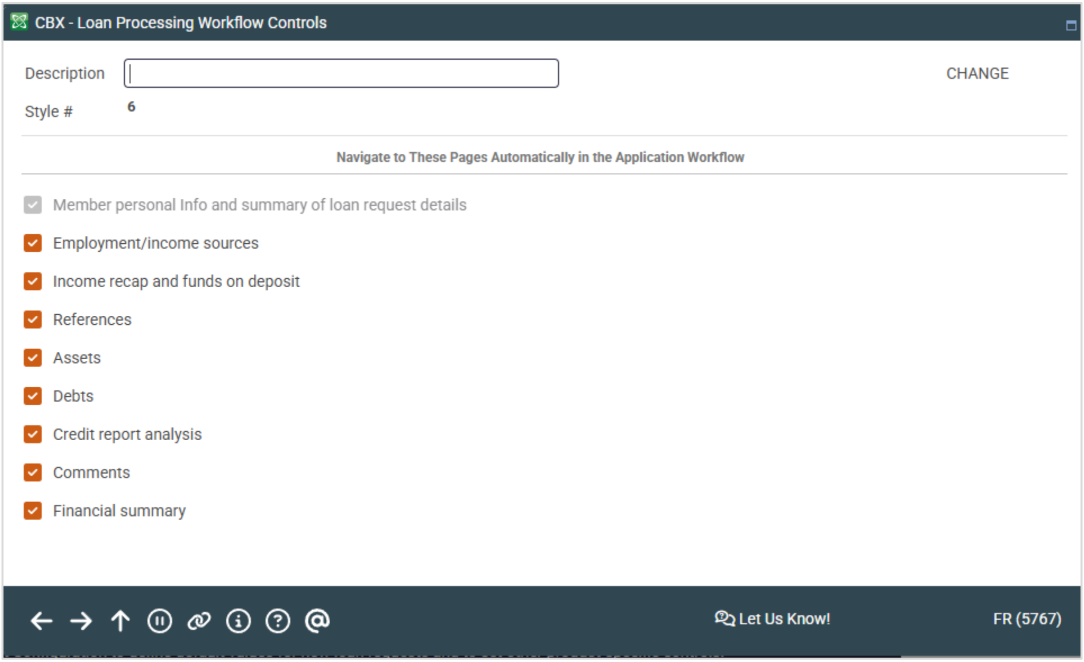
- NOTE: It will not affect your loan officers until these styles are attached to a loan product. This step simply allows you to create and edit the styles you will use.

Once the feature is activated, the system-generated styles will appear. Above you can see these styles. Each style is given a Style # and the columns indicate which screens (and corresponding buttons) are shown on the loan application. You may choose to use these default styles. You may also edit them to fit your credit union needs. Or you may create a new style using the *Add New* button.

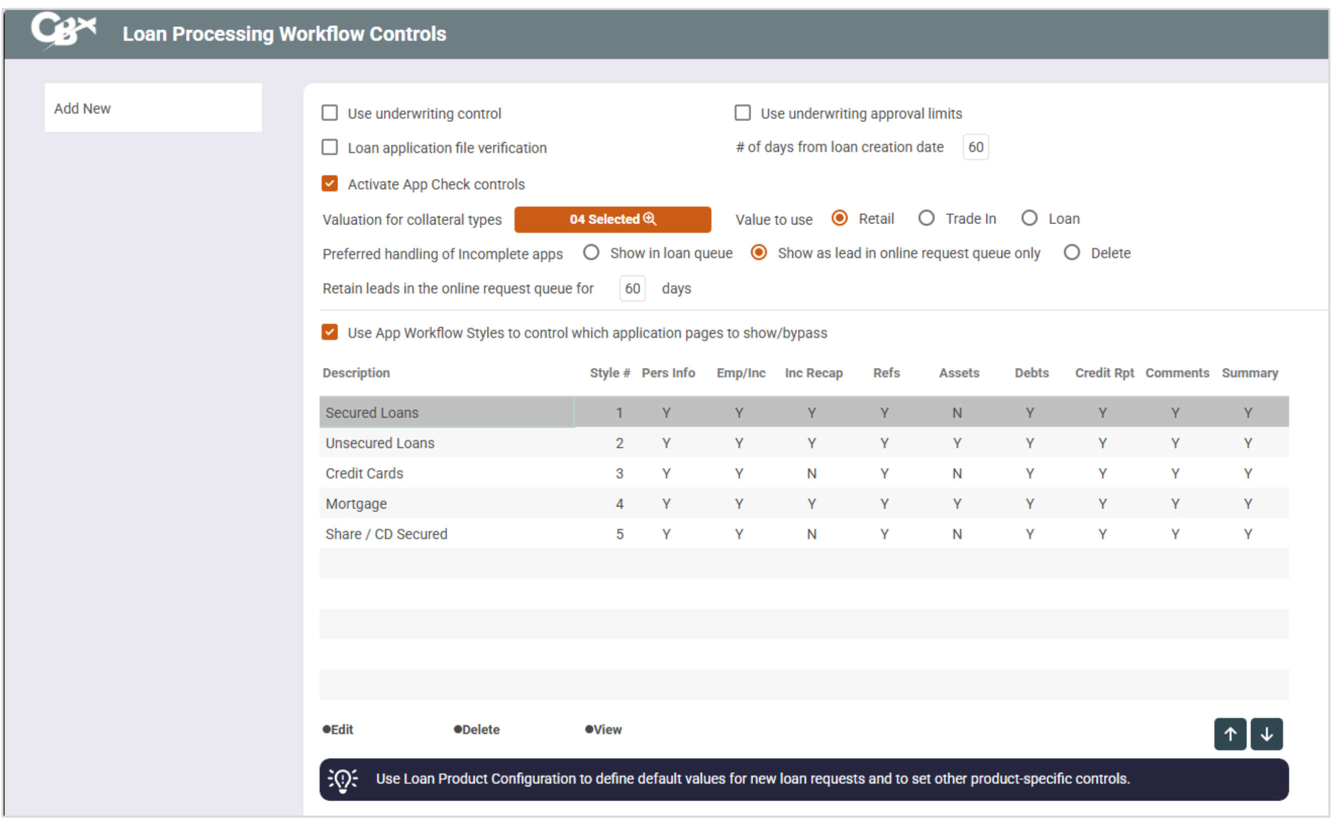
- The styles and the Add New button will not appear until you activate the feature by checking the box at the top of the screen and pressing Enter.

To edit an existing style, select the style and use Edit. Then, you can edit the selections. To add a new style, click **Add New**.

Both actions will take you to the following screen. (When selecting *Edit*, the Description line will be filled in.)



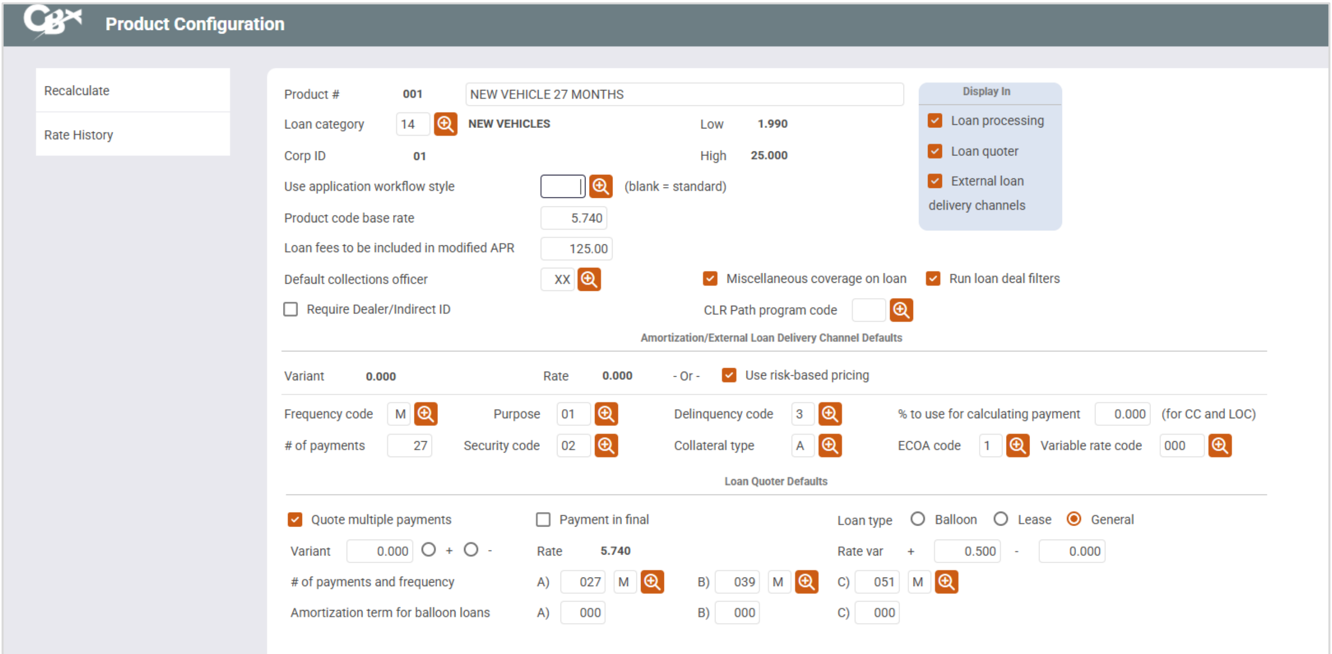
On this subsequent screen you will enter a description (if adding a new style) and select/de-select the screens you want/do not want to have shown to a loan officer when filling out a loan app for loans of the loan product you assign this Loan Workflow Style to. Press Enter to save the style/style changes.



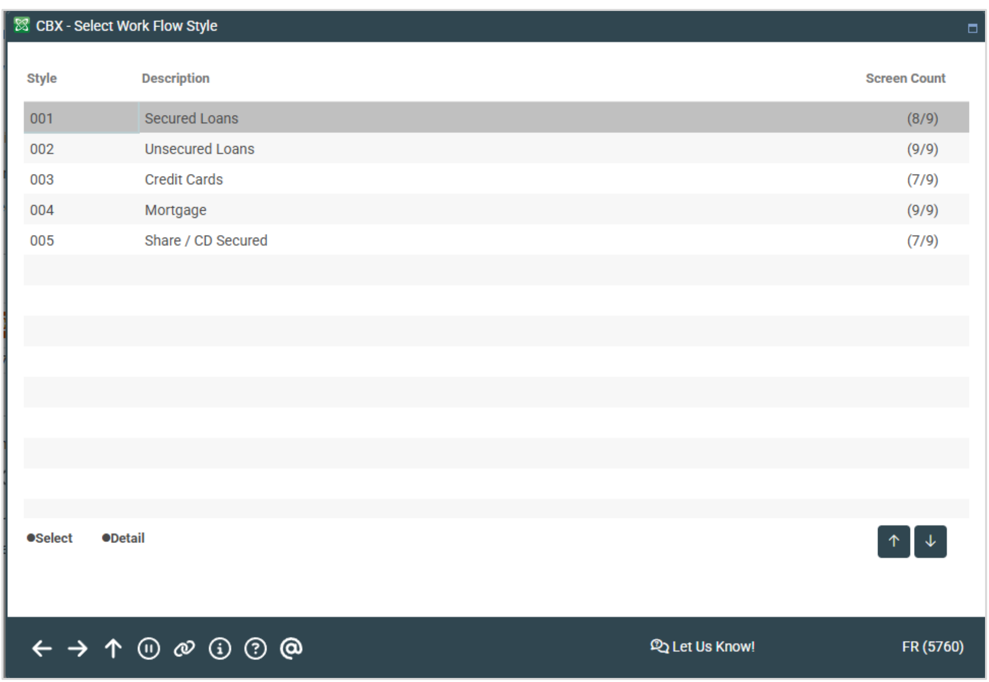
Next, you will need to associate the Loan App Workflow style to a loan product. Indicate the style on the first loan product screen.

Configuration at the Loan Product Level

Tool #470 Loan Product Configuration

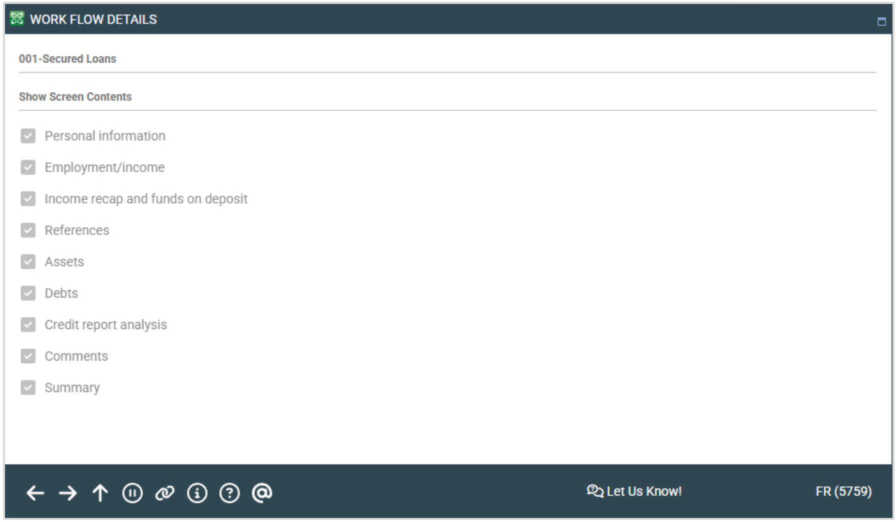


The *Use application workflow style* field is used to attach a loan application workflow style to the loan product. Use the lookup to attach a style to the product. A window will appear with the available styles to select from. This screen lists the style numbers, description, and the number of screens that the loan officer will see.



The Secured Loans style above displays 8 of the 9 possible app screens.

To view more details about the screens, select a style and the *Detail* option.



To attach a style, use the *Select* option. (See image on last page.) The style will then be attached to the product. Press Enter on the Loan Product screen to save the changes.

App Check

The name says it all! App Check simply gives the application a "final check", so you can be sure your loan officer doesn't forget to get everything needed to complete the application.

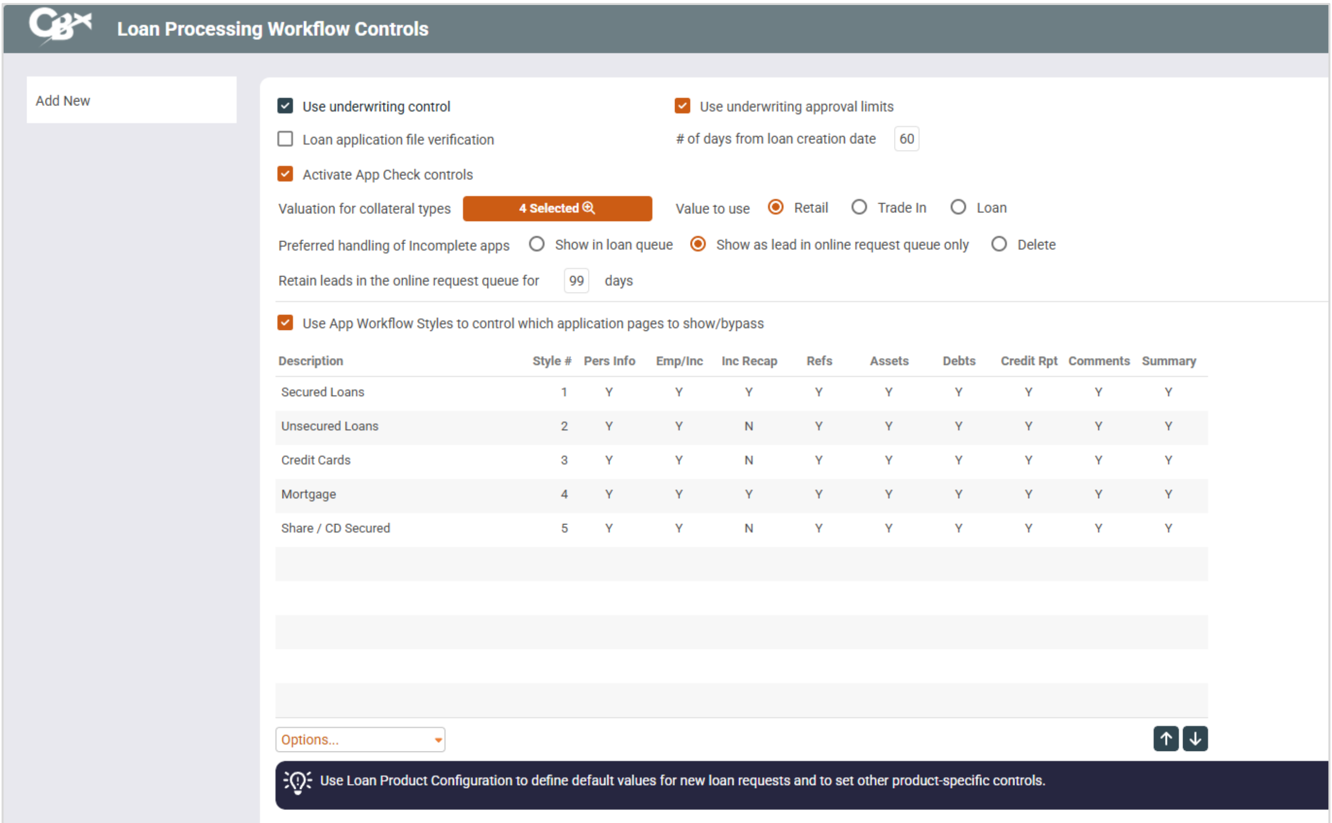
Because App Check is activated at the employee level, you can use this as a training tool and implement it only with your new lending officers. Once activated, when these new officers select **Save** on any loan application screen, CBX reviews the application and alerts them which data is missing on the new Loan App Check Results screen.

- App Check does not stop the loan officer from exiting the loan application. There may be a good reason for doing so, such as waiting for co-signer information. It simply alerts them about what is missing and allows them to either return to the loan application, print a report of what is missing, or save and exit the application.

Activation

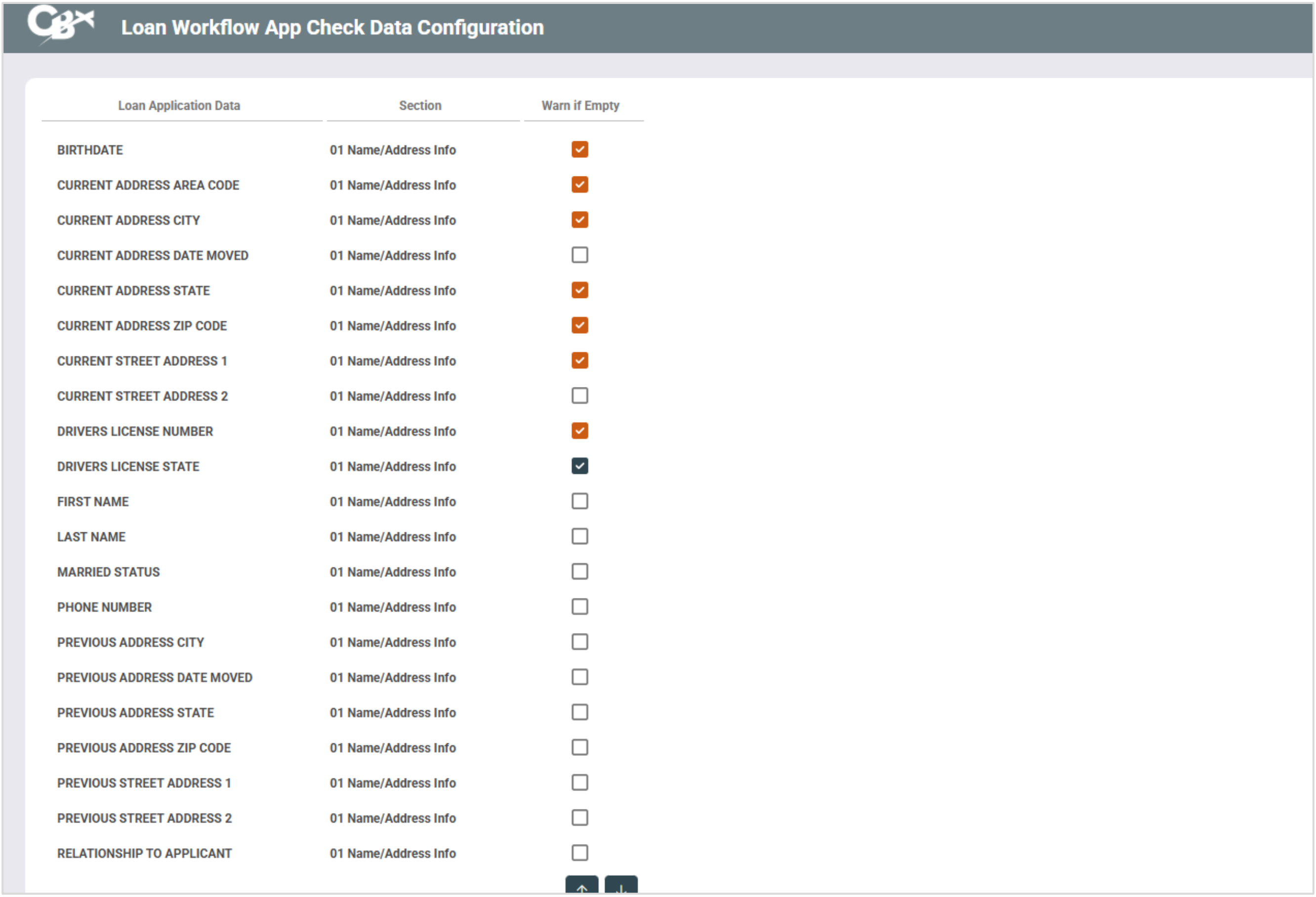
Activate the feature for your credit union by checking *Activate App Check controls* on **Tool #475 *Loan Workflow/App Check Configuration***.

Tool #475 Loan Workflow/App Check Configuration



(The *Loan App Workflow Styles feature* at the bottom of this screen is covered on page 69.)

Press Enter to move to the next screen. Check the *Warn if Empty* box for each piece of data you want to be required for an application.



Loan Workflow App Check Data Configuration

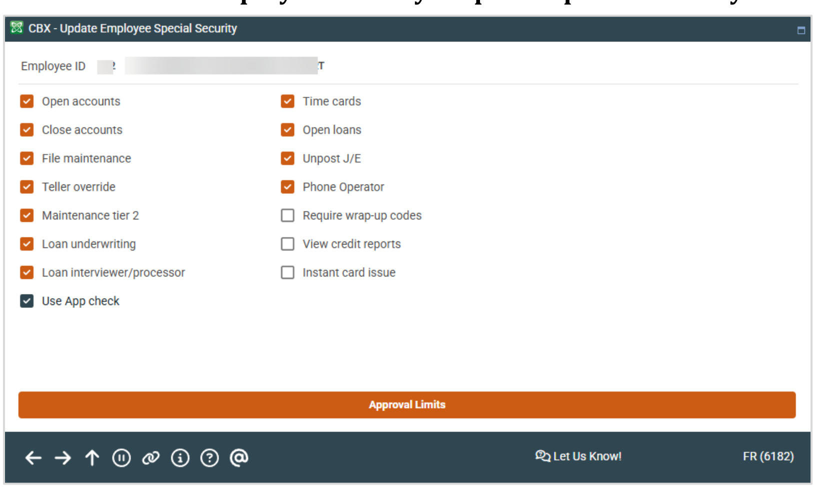
Loan Application Data	Section	Warn if Empty
BIRTHDATE	01 Name/Address Info	☑
CURRENT ADDRESS AREA CODE	01 Name/Address Info	☑
CURRENT ADDRESS CITY	01 Name/Address Info	☑
CURRENT ADDRESS DATE MOVED	01 Name/Address Info	☐
CURRENT ADDRESS STATE	01 Name/Address Info	☑
CURRENT ADDRESS ZIP CODE	01 Name/Address Info	☑
CURRENT STREET ADDRESS 1	01 Name/Address Info	☑
CURRENT STREET ADDRESS 2	01 Name/Address Info	☐
DRIVERS LICENSE NUMBER	01 Name/Address Info	☑
DRIVERS LICENSE STATE	01 Name/Address Info	☑
FIRST NAME	01 Name/Address Info	☐
LAST NAME	01 Name/Address Info	☐
MARRIED STATUS	01 Name/Address Info	☐
PHONE NUMBER	01 Name/Address Info	☐
PREVIOUS ADDRESS CITY	01 Name/Address Info	☐
PREVIOUS ADDRESS DATE MOVED	01 Name/Address Info	☐
PREVIOUS ADDRESS STATE	01 Name/Address Info	☐
PREVIOUS ADDRESS ZIP CODE	01 Name/Address Info	☐
PREVIOUS STREET ADDRESS 1	01 Name/Address Info	☐
PREVIOUS STREET ADDRESS 2	01 Name/Address Info	☐
RELATIONSHIP TO APPLICANT	01 Name/Address Info	☐

Activate at Employee Level

As mentioned earlier, this feature can be activated by employee so you can use it for new lending officers as a training tool.

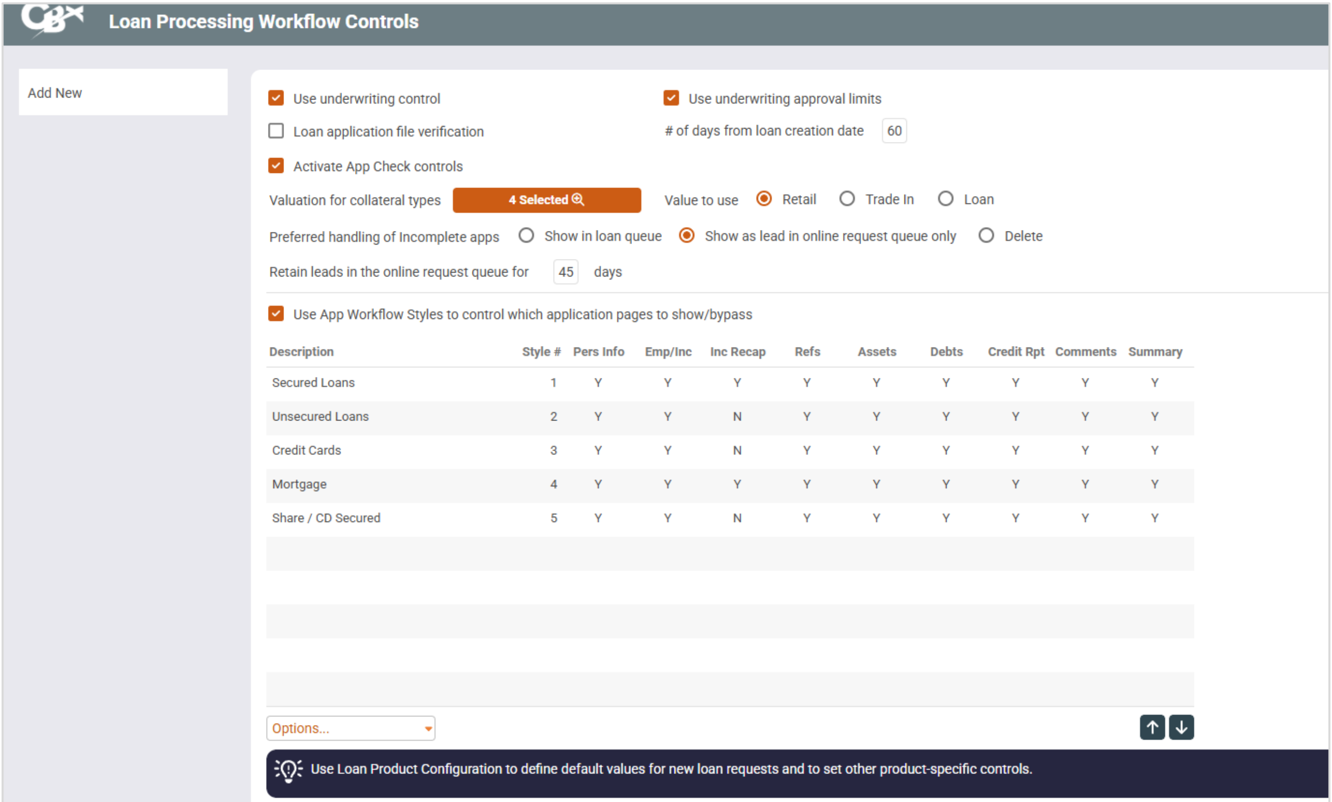
Activate the feature by Employee ID by checking *Use app check* in the special security of Employee Security.

Tool #327 Employee Security > Update Special Security



Using App Check

Once activated, when loan officers (configured to use App Check) select **Save** on any loan application screen, CBX reviews the application and alerts them to which data is missing on the new Loan App Check Results screen.



As mentioned earlier, the lending officer can then select to exit the application by clicking **Confirm**, print the results of the screen by clicking **Prin***t*, or re-enter the application to add the missing information.

If the employee chooses to print the report, they will first need to select a printer. Then, the following report will print:

Loan App Check Results Report

```
10/28/12   8:59:09                                ABC CREDIT UNION                        PAPPCHK        PAGE
    RUN ON  10/30/12                           LOAN APP CHECK RESULTS                                    USER

  APPLICANT  MARY L MEMBER                             APP # 117284
  THE FOLLOWING DATA IS MISSING FROM THE LOAN APPLICATION:
  LOAN APPLICATION DATA            SECTION                  APPLICANT
  MARRIED STATUS                   01 Name/Address Info     Primary
  REFERENCE #1 CITY                04 Reference Info        Primary
  REFERENCE #1 NAME                04 Reference Info        Primary
  REFERENCE #1 STATE               04 Reference Info        Primary
  REFERENCE #1 STREET ADDRESS      04 Reference Info        Primary
  REFERENCE #1 ZIP CODE            04 Reference Info        Primary
                                                          ***END OF REPORT*
```

Handling Incomplete Online Banking Loan Applications

Another feature that is activated in **Tool #475** ***Loan Workflow/App Controls*** is where you can configure where your incomplete online banking loan leads are worked. This configuration helps your credit union reduce the clutter in your LOS CBX loan queue (Tool #2) by deleting incomplete apps, or by sending them to **Tool #13** ***Work Online Banking Apps/Requests*** to be worked by someone other than the loan team.

Related Knowledgebase Items

- I would like to have my call center call the members for incomplete information on their online loan applications. How can I configure these incomplete leads, so they appear in a different tool instead of my regular loan queue (Tool #2)?

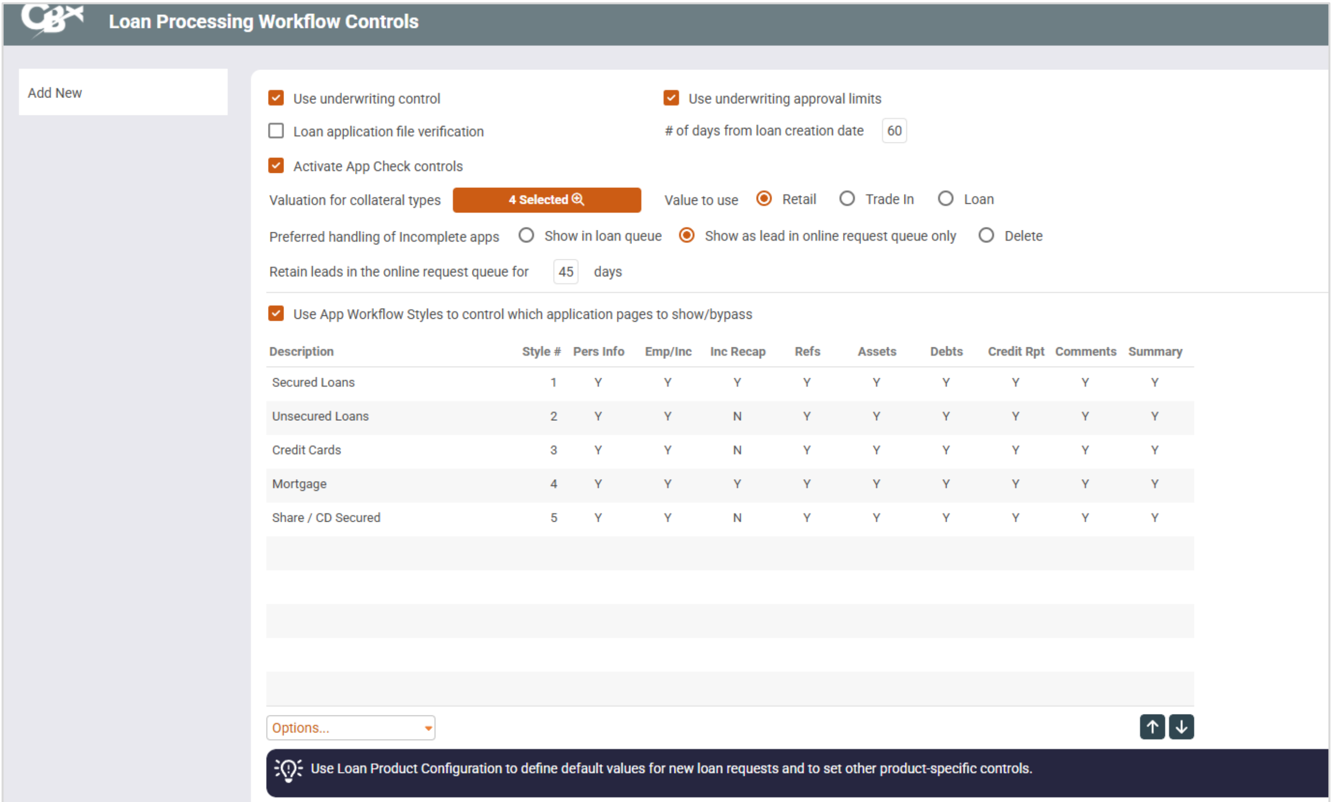
- I would like to purge my incomplete loan leads from appearing in Online Banking Requests (Tool #13) on a specific schedule. How do I configure this, and how does the purge work? When are the loan leads completely purged from the files?

- My loan analysis tools reflect different loan application totals than my loan queue. Why might this be the case?

Configuring Loan Leads to Show in the Online Banking Queue

Tool #475 defaults to having incomplete online banking applications to be shown in the loan queue. Credit unions can elect to delete them completely, or to *Show as lead in online request queue only* which will send them to **Tool #13** (see following section). If the online request queue is selected, your credit union will also need to configure how long the leads are retained.

Tool #475 Loan Workflow/App Controls



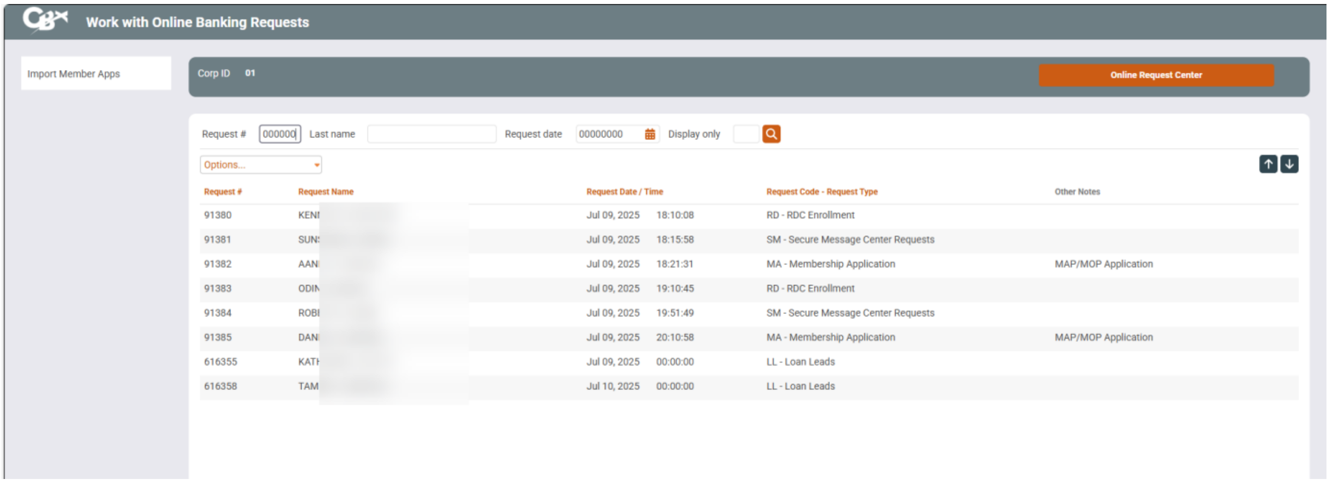
- For the loan queue option to work, you must first configure a loan delivery channel code for "incomplete application" for the HB Online Banking delivery channel in **Tool #462 *Loan Delivery Channel Configuration***. This identifies these incomplete loan leads to the system, so they are correctly routed.
- Loan leads are purged on the second Saturday of the month. At that time, incomplete online banking applications (loan leads) that have been in the queue equal to or greater than the configured days (set in the *Retain loan leads in the online request queue for xx days* field) are purged from the LNAP table and related tables and will no longer appear in Tool #13.

Working Loan Leads

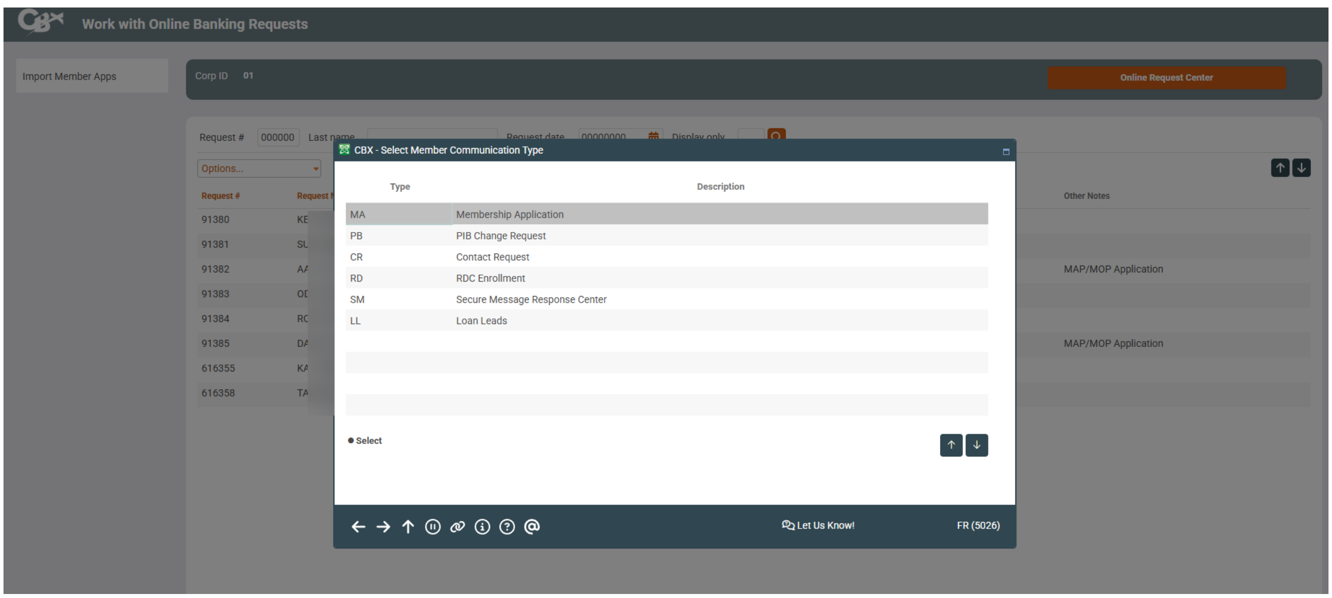
Once the loan leads selection is configured for online banking queue, loan leads then appear in **Tool #13** (as shown below). The queue shows other online banking requests, such as membership applications and personal information change requests, for example.

> ***Important Note!*** *Since these leads are incomplete, you may decide to include in your procedures to not pull a credit report on the applicant until they are fully vetted by your credit union.*

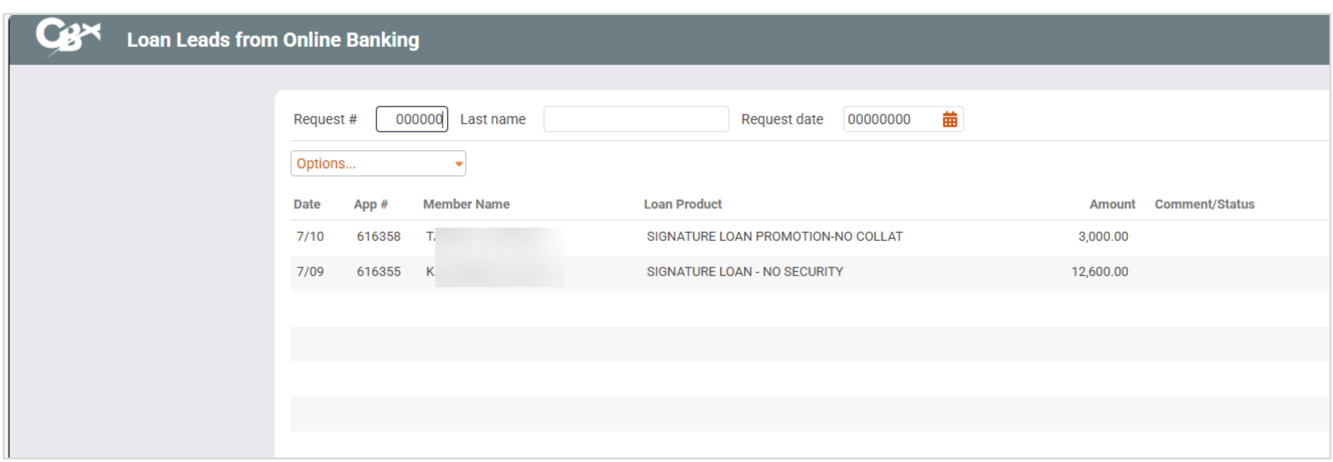
Tool #13 Work Online Banking Apps/Requests > With Loan Leads



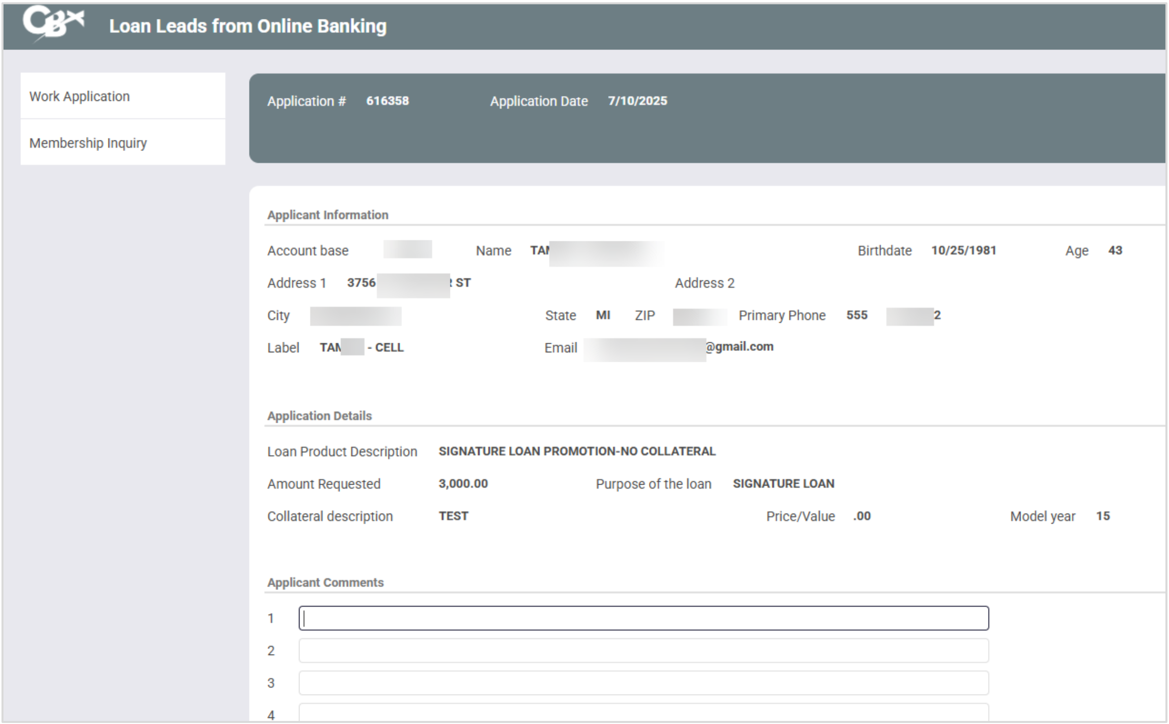
- If there are duplicate loan leads, they can be deleted from this screen.
- The screen can be filtered to only show leads, by using the *Display only* filter at the top of the screen.



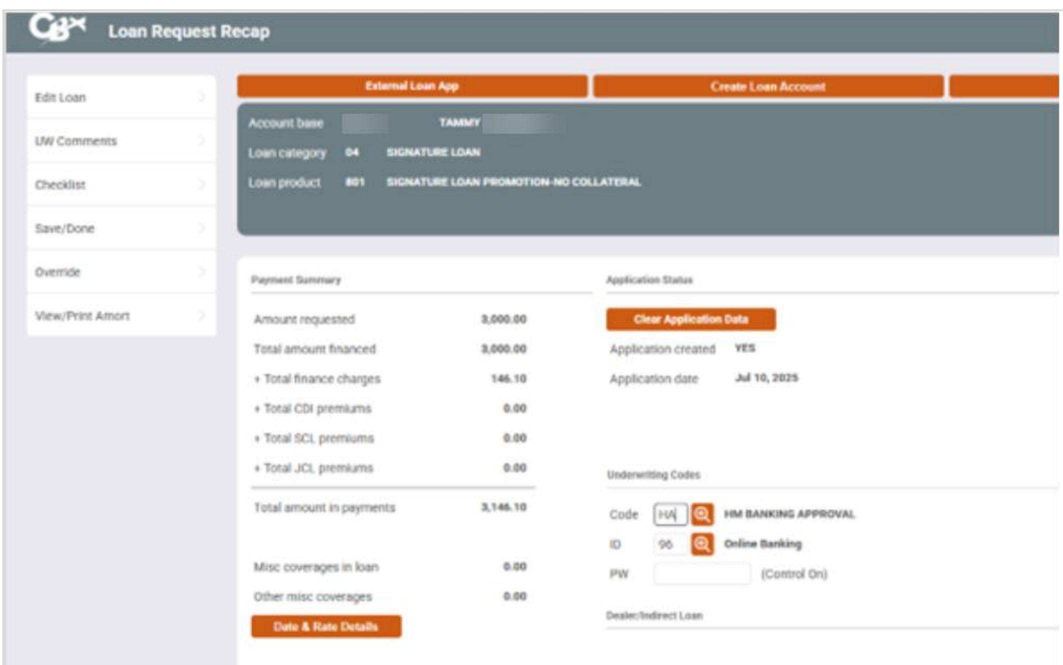
The employee selects *Loan Leads* to filter for only these requests.



The employee highlights a loan lead and selects *Work Lead*, and the following screen will appear, which shows the loan lead details.



When the employee selects *Work Application*, they advance through the loan application selection process until they finally reach the *Loan Request Recap* screen. Here the underwriting code can be adjusted or other changes to the loan request can be made.



If they change the underwriting code (to for example "Waiting for info" or "Approved with conditions," etc.), the lead will then appear in the loan queue with the other loan applications.