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# Member Service Denial Notices

## Printing Customized Denial Notices for Any Member Service Need

### INTRODUCTION

Many credit unions perform credit checks and other verifications in order to approve a member's application for a checking account, ATM card, debit card, or other similar service. Typing denial notices to these members by hand is not only time-consuming and unprofessional in appearance, it also makes it very difficult to track the volume and reasons why these applications were denied.

The **Miscellaneous/Member Service Denial Notices** feature lets your credit union configure multiple application types (membership, checking, ATM, debit card, etc.), generate denial notices on-line, and print them on your laser printer. Any notice generated is added to a report which can be produced each month to show any applications denied during the month.

Obviously, the goal of any credit union is not to deny applications, but to approve them wisely, making the best decision for both the credit union and the member. But in those cases where a denial is called for, this system makes the paperwork easier, and lets management keep on top of WHO, WHAT, WHY and WHEN for the individuals being denied.

This booklet describes the initial configuration necessary for setting up the Member Service Denial Notice system, the day-to-day procedures for filling out and printing a Denial Notice form, and instructions for printing the monthly statistical report.

*NOTE: Denial Notices will print only on configured laser printers. Refer to the handbook, "Laser Printing and CU\*BASE" for more information about setting up laser printing at your credit union.*

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For an updated copy of this booklet, check out the Reference Materials page of our website:  
[http://www.cuanswers.com/client\\_reference.php](http://www.cuanswers.com/client_reference.php)  
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## CONTENTS

<u>ACCESSING THE DENIAL NOTICES SYSTEM</u>	<u>3</u>
DENYING MISCELLANEOUS MEMBER SERVICES	3
DENYING A MEMBERSHIP	4
<u>CONFIGURING MEMBER SERVICE DENIAL NOTICE TYPES</u>	<u>6</u>
SAMPLE PRINTED DENIAL NOTICE	8
<u>GENERATING A DENIAL NOTICE</u>	<u>9</u>
<u>MEMBER SERVICE DENIED APPLICATIONS STATISTICS</u>	<u>12</u>

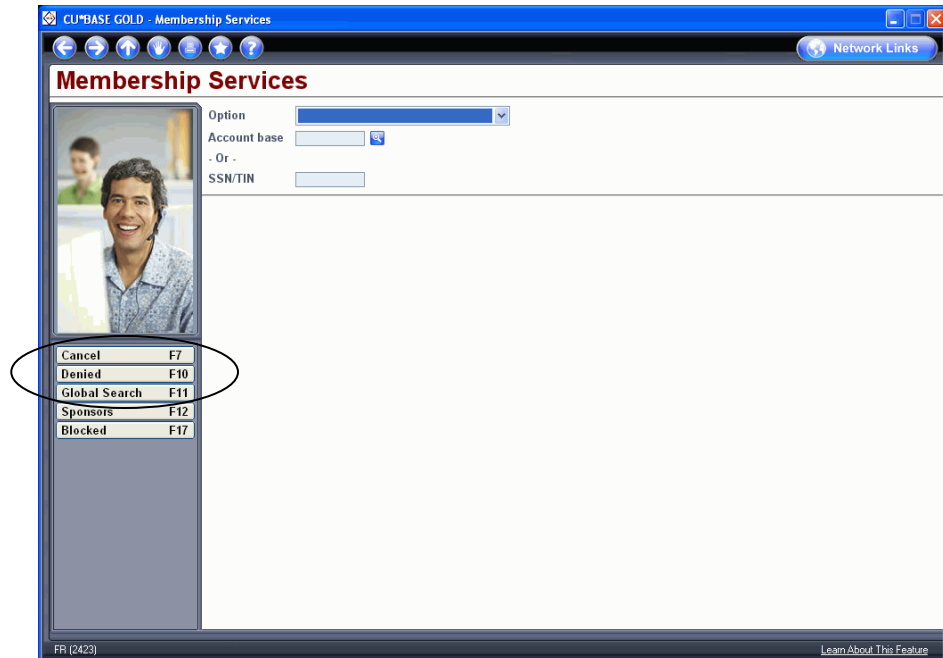
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# ACCESSING THE DENIAL NOTICES SYSTEM

## DENYING MISCELLANEOUS MEMBER SERVICES

When denying a miscellaneous service such as an ATM or debit card, etc., use the Open/Maintain Memberships/Accts feature available on the MNSERV menu.

MNSERV #13 "Open/Maintain Memberships/Accts"

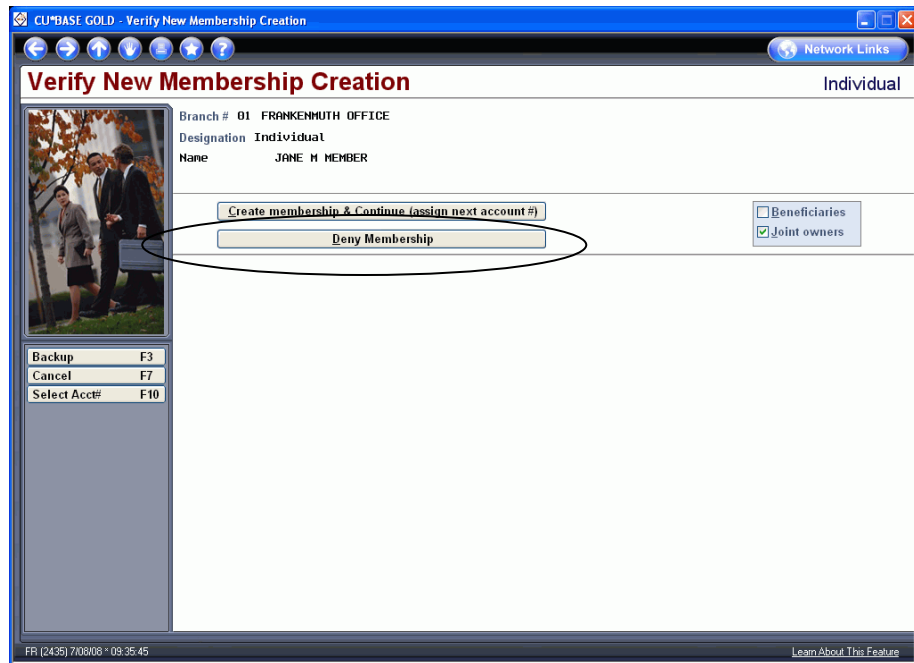


Once the initial screen appears, use **F10-Denied** to display the screen shown on Page 9.

*This is also the method you can use to access the configuration for setting up different Denial Notice Type codes. See Page 5 for more details.*

## DENYING A MEMBERSHIP

The system can also be accessed via the final membership creation confirmation screen:

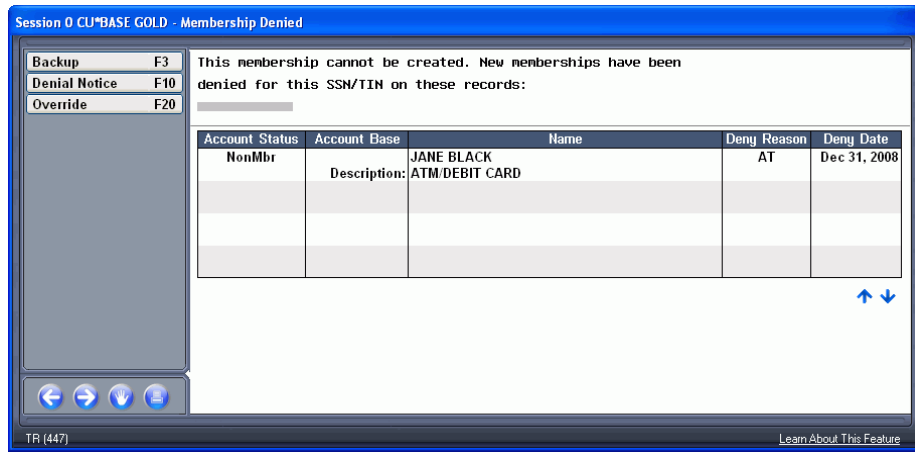


Click the **Deny Membership** button to display the screen shown on Page 9.

The difference here is that if a denial notice is printed via this option (the notice must actually be *printed*), the system will automatically mark the member or non-member record as denied, with the Denial Notice type code entered as the reason. This flag will appear on the member or non-member information screen as follows:

<input checked="" type="checkbox"/> <b>Deny membership</b>	
Reason	<input type="text" value="CO"/>
Date	<input type="text" value="Jan 09, 2009"/> [MMDDYYYY]

If this flag is checked, in the future if a membership is opened using this same SSN/TIN, the system will warn the member service representative as follows:



Another denial notice can then be printed at that time.

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# CONFIGURING MEMBER SERVICE

## DENIAL NOTICE TYPES

The first step in generating miscellaneous denial notices is to configure Denial Notice Type Codes for each of the different types of applications that might be denied. For example, if your credit union processes applications for checking accounts, ATM cards, and Debit cards, a different code would be configured for each. This code serves several purposes:

- To control the descriptive text that will appear at the top of the actual denial notice form. For example, if the application being denied is for a checking account, the code description might be, “Checking Account Application.” (See the sample on Page 8.)
- To group and sort the list of denied applications on the monthly analysis report. (See Page 12.)
- When denying a membership, this code serves to record the reason for the denial, displayed as *Denial Reason* on the Update Membership Info screen. (See Page 4.)

First, access the Denial Notice program as described on Page 3. The following screen will appear:

To configure the Denial Notice Type Codes, use **F12-Configure Denial**. The following window will appear:

CU\*BASE GOLD - Configure Denial Notice Types

Denial notice type code

Current Denial Notice Type Codes	
Code	Description
AT	ATM DENIAL NOTICE
CO	COLLECTION
DD	DEBIT CARD
LD	LOAN DENIAL
MB	MEMBERSHIP APPLICATION
UD	VISA CARD
VR	VISA REISSUE

Cancel F7

FR (1902) 7/08/08 13:59:54

To create or modify a denial notice type, enter a 2-character code and use Enter to proceed to the next screen.

CU\*BASE GOLD - Configure Denial Notice Types

Denial notice type code

Description

Your application dated XX/XX/XX

Bypass F8  
Delete F16

Answers filled in above will appear on the Statement of Credit Denial.

FR (1903) 8/12/08 16:12:30

There are two description fields to be completed on this screen. The first field is used for a description of the type of application being denied. This will appear at the top of the form. The second field finishes a sentence that begins on the form. This sentence will vary depending on the type of application. When done, use Enter to record the change and return to the previous screen.

See the following page for a sample of the printed form showing the placement of these two statements.

# SAMPLE PRINTED DENIAL NOTICE

The Description entered in Denial Notice Type configuration will appear here.

## Notice

ATM CARD

CU\*BASE TEST CREDIT UNION (CU)  
1234 MAIN STREET  
ANYCITY MI 49000

### Statement of Credit Denial, Termination, or Change

Applicant Name and Address

JOHN A. NONMEMBER  
3434 ANYSTREET  
ANYCITY MI 49002

Your application dated 7/16/03 FOR AN ATM CARD HAS BEEN CONSIDERED AND  
(see checked box A, B, or C below)

A. We are unable to make a decision on your application because it is missing the following information:

In order to give your application further consideration, this information must be sent to the lender's address at the top of this form no later than 0/00/00

B. We are unable to offer credit for the reasons shown under "C" below, but can offer you credit on the following terms:

If this is acceptable, please notify us no later than 0/00/00 at the lender's address shown at the top of this form.

C. Your application has been denied because of the following reason(s): (see checked boxes)

- Credit**       Incomplete Application     No credit file     Insufficient number of credit references  
 Unacceptable type of credit references     Unable to verify credit references  
 Delinquent past or present credit obligations     Limited credit experience     Bankruptcy past or present  
 Garnishment, attachment, foreclosure, collection action or judgement, repossession or suit  
 Excessive obligations in relation to income     Poor credit performance with us
- Employment**       Unable to verify employment     Length of employment     Temporary or irregular employment  
 Unemployed
- Income**       Insufficient income for amount of credit requested     Unable to verify income     Excessive obligations  
 Information refused
- Residence**       Temporary residence     Length of residence     Unable to verify residence
- Other**

### Disclosure of Use of Information Obtained From An Outside Source

Our credit decision was based in whole or in part on information obtained in a report from the consumer reporting agency listed below. You are entitled under the Fair Credit Reporting Act to a free copy of your credit file from the consumer reporting agency within 60 days of the date of this notice, and to dispute with the consumer reporting agency the accuracy or completeness of any information in your credit file. The reporting agency played no part in our decision and is unable to supply specific reasons why we have denied credit to you.

Agency Name and Address: CHECK-4-U      Agency Telephone: 800-555-1234  
1234 STREETVILLE, DALLAS, TX 12345

Our credit decision was based in whole or in part on information obtained from an outside source other than a consumer reporting agency. Under the Fair Credit Reporting Act, you have the right to make a written request, no later than 60 days after you receive this notice, for disclosure of the nature of this information.

Disclosure inapplicable.

The Federal Equal Opportunity Act prohibits creditors from discriminating against applicants on the basis of race, color, religion, national origin, sex, marital status, age (provided that the applicant has the capacity to enter into a binding contract); because all or part of the applicant's income derives from any public assistance program; or because the applicant has in good faith exercised any right under the Consumer Credit Protection Act. The federal agency that administers compliance with this law concerning this creditor is

OFFICE OF FINANCIAL AND INSURANCE SERVICES  
PO BOX 30224 LANSING MI 48909

Should you have any additional information which might assist us in evaluating your credit worthiness, please let us know. Thank you for applying.

Date: 7/18/03

By: CU\*ANSWERS CLIENT SUPPORT (89)

WESCO\FORMS\DENIAL (10/06/97)

This is the sentence that is completed by the text you enter in the Denial Notice Type configuration screen.

# GENERATING A DENIAL NOTICE

First, access the Denial Notice program as described on the Page 3. The following screen will appear:

Cancel	F7
Accept	F10
Configure Denial	F12

The Corp ID determines which CU name will appear on the printed form. Enter the account base (for a member) or Social Security number (for a non-member), then enter one of your credit union's configured Denial Notice Type codes. (Click the help button to see a list of your credit union's configured codes.) Also enter the date on which the original application was made.

*If denying a new membership at the end of the member account opening process (see Page 4), the account number/SSN information will already be filled in and all you need to do is select a notice type (reason code). Also, assuming there is not already a membership on file for this person, a non-member record will be created automatically.*

Use Enter to confirm. If an account base was entered, the system will display the member's name and the description of the notice type selected. If a new non-member was entered, a Non-Member Information screen will appear to allow you to record a name, address, and other basic information about the non-member. Otherwise, if the information shown is correct, use **F10-Accept** to proceed.

The next three screens that will appear are used to indicate the reason for the denial notice. Place a checkmark and fill in the blanks wherever appropriate and use Enter to proceed through the screens.

Screen 1

Session 0 CU\*BASE GOLD - Statement of Credit Denial, Termination, or Change

### Statement of Credit Denial, Termination, or Change

**Part 1**

Your application dated  [MMDDYY] in the amount of  has been given careful consideration and:

A. We are unable to make a decision on your application because it is missing the following information:

In order to give your application further consideration, this information must be sent to the lender no later than  [MMDDYY]

B. We are unable to offer credit for the reasons shown under C below, but can offer you credit on the following terms:

If this is acceptable, please notify us no later than  [MMDDYY]

Backup F3  
Cancel F7

TR (1899) 12/31/08 13:51:43 Learn About This Feature

NOTE: This last portion of this sentence will be replaced by the text entered in the Denial Notice Type Code configuration.

Screen 2

CU\*BASE GOLD - Statement of Denial, Termination, or Change

### Statement of Denial, Termination, or Change

**Part 2**

C. Your application has been denied because of the following reason(s):

Credit

- Incomplete application
- Insufficient # of references
- Unable to verify references
- Garnishment, attachment, foreclosure, collection action or judgement, repos or suit
- Limited credit experience
- Excessive obligations in relation to income
- No credit file
- Unacceptable type of references
- Delinquent past / present credit obligation
- Bankruptcy past or present
- Poor credit performance

Employment

- Unable to verify employment
- Temporary or irregular employment
- Length of employment
- Unemployed

Income

- Insufficient income for amount of credit
- Excessive obligations
- Unable to verify
- Information refused

Residence

- Temporary residence
- Unable to verify
- Length of residence

Other

Backup F3  
Cancel F7

FR (1900) 7/28/08 09:43:01 Learn About This Feature

Screen 3

To fill in a consumer reporting agency name, use **F1-Credit Bureau** to see a list of configured names.

Configuration of these agency names as well as the EOA compliance agency is done via the "Loan Denial Notice Agency Cfg" command located on the CU\*BASE Loan Products menu (MNCNFB).

Session 0 CU\*BASE GOLD - Statement of Denial, Termination, or Change

Statement of Denial, Termination, or Change

Part 3

Disclosure of Use of Information Obtained From an Outside Source (check only one)

Decision based on report from consumer reporting agency

Decision based on outside source

Not applicable

Federal agency administering this CU for EOA compliance  
Office of Financial and Insurance Services  
PO Box 30224, Lansing, MI 48909

Date: Dec 31, 2008      Last modified: Dec 31, 2008 [MMDDYY]

Denied by:       # of copies: 1

Credit report #: 0000000 (primary borrower)      CU risk level:

Save      Ent  
Credit Bureau      F1  
Backup      F3  
Cancel      F7  
Print Denial Notice      F14  
Credit Report      F20

**IMPORTANT:** In order to actually print the first agency option, you must place a checkmark to select it. Otherwise the agency name will be cleared when you save and/or print the notice.

TR (1901) 12/21/08 13:56:03      Learn About This Feature

When all information has been entered, use **F14-Print Denial Notice** to print the notice (it is not necessary to use Enter for these miscellaneous notices). The following message will appear:

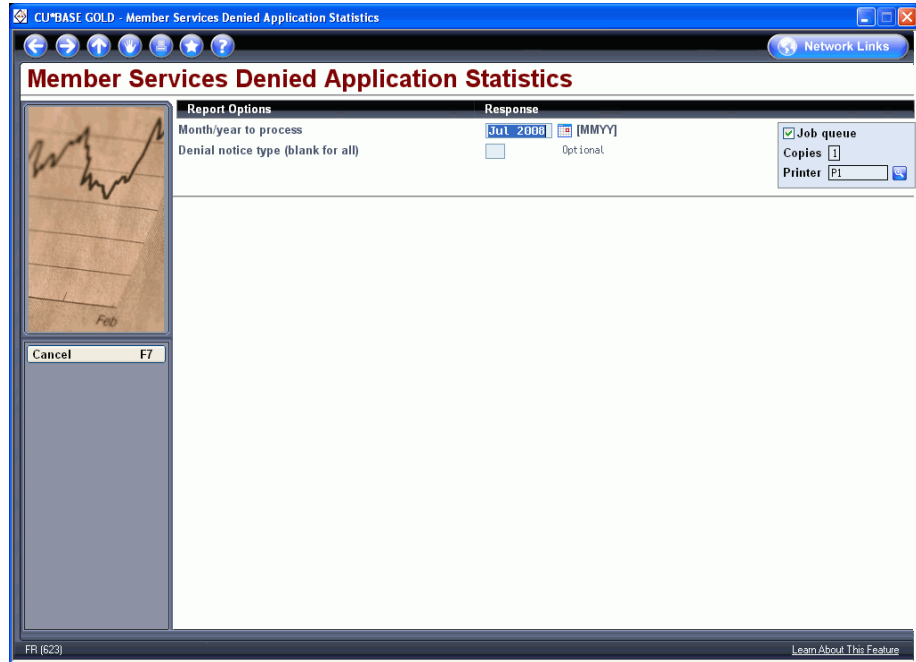
**2315-Notice printed, verify output before using Cmd/7-CANCEL**

**IMPORTANT: Unlike loan denial notices, misc. member service denial notices are not saved.** Make sure the notice has printed properly, then use F7-Cancel to return to the first screen and create another notice.

*Remember that if a denial notice is printed via the open memberships system (by checking "Deny Membership" on the final confirmation screen), the member or non-member record will be flagged not to allow a new membership to be opened in the future. See Page 4.*

# MEMBER SERVICE DENIED APPLICATIONS STATISTICS

MNRPTD #15 "Member Svc Denied App Statistics"



This statistical report can be printed each month to show all miscellaneous/member service denied application activity for the month. Enter the month and year (current month or previous month). If you wish to include only one type of notice on the report, enter the Denied Notice Type code; leave the field blank to include all types. When ready, use Enter to produce the report.

## Report Sample

SSN/ ACCOUNT	NAME	DATE	DENIED BY
11/28/05 DENIAL NOTICES ISSUED PAGE: 1			
REPORTING PERIOD: 11/05			
01 CU*BASE TEST CREDIT UNION			
AT ATM CARD			
000576385	EDWARD M. SMITH	05/05/1997	KAREN A STAFF
000047209	CHARLES MILLER	05/05/1997	MARY N EMPLOYEE
2 RECORD(S)			
CK CHECKING ACCOUNT			
444555666	DAWN M. PERSON	05/05/1997	MARY N EMPLOYEE
778998778	JOHN TESTPERSON	05/05/1997	MARY N EMPLOYEE
2 RECORD(S)			
10 TOTAL DENIAL NOTICES			