



The Cost of Compliance

Contest Submission – Part 2
June 5, 2015

SUBMITTED BY:

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June 4, 2015

Introduction:

Our initial submission for the first Cost Of Compliance contest involved work in the following areas: identifying and determining actual compliance-related costs (methodology); identifying and determining actual compliance-related costs (findings); two methods of using tools currently available within the CU*Answers system to track compliance-related costs; and a proposed programming change to the system that could potentially make tracking compliance-related costs even easier. Our submission for the second Cost of Compliance contest will focus on the following areas:

- The template used to calculate and track the credit union's cost of compliance on a quarterly basis.
- Adjustments that we have made to the template since the initial contest submission.
- The cost of compliance at Pathways Financial Credit Union.
- "Winning the argument" – evidence and suggestions proving the cost of compliance is a genuine burden to credit unions.
- Making tracking the cost of compliance easier: once again, our proposal for a system programming enhancement.

We note from our previous submission that the CU*Answers system had two existing tools that could be used to help track compliance costs:

1) Creation of Additional General Ledger Accounts:

This method requires that additional general ledger accounts be set up on a subsidiary basis in the 200 and 300 series (or operating expense portion) of the G/L, and there may be a couple of G/L accounts that could simply be renamed with a "compliance" word tag. However, for many credit unions, the majority of compliance costs are partial allocations of existing expenses, such as salary expenses and benefit expenses. For these G/Ls, one would need to set up a separate G/L account as a subsidiary. Once the G/L accounts for all compliance related expenses are built, then the Financial Report Configuration menu option (MNGELE # 4) can be used to configure an income statement style report that captures all of the credit union's compliance-related expenses on a periodic basis.

2) Utilization of Branch Coding:

While it won't work for multiple-branch credit unions who are utilizing the system's branch accounting capabilities, this is a great method of single branch credit unions to use. The methodology is easy: develop a separate branch code for compliance costs, and then use that code on your G/L Entries in MNGELE # 1, or on the screen MNACCK # 1 when paying bills.

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Please note that we do not utilize either of these available system tools. We do not utilize the creation of addition G/L accounts model because our general ledger chart of accounts is already quite lengthy, with over 500 accounts. Adding additional subsidiary accounts for compliance related expenses would make it even more so, and would furthermore create a burden in terms of the additional line-item entries needed each time a journal entry is made. We cannot utilize the branch accounting system to calculate compliance costs because we already utilize it extensively for our seven branches, as well as isolating indirect lending and corporate costs.

Now that we have a well-developed template at Pathways, it takes our VP of Finance approximately two hours per quarter to input the numbers in order to calculate the costs using an Excel spreadsheet, which we have included with our submission.

However, we once again offer forth in this submission our suggestion for a programming enhancement which would enable all CU*Answers credit union clients to fully automate the calculation of their compliance costs. This proposal is contained in section E.

A) The Pathways Template For Calculating The Costs Of Compliance

Since we spent a number of hours in developing our template for the initial Cost of Compliance contest, and furthermore feel that the template accurately captures our compliance costs, we continue to utilize the Pathways template, which consists of both direct and indirect costs. A summary of our template methodology is as follows:

- 1) Direct Cost Items: the following items are rather easily tied back to compliance related costs, either partially or entirely, on a percentage basis.

Item	Percentage	Focal Points
• State Examination Fees	50%	All Regulatory Areas
• Experian AS1 Reports	100%	Red Flag ID Theft Rules
• Chex Systems	50%	Red Flag ID Theft Rules, FCRA
• Credit Reports	20%	FCRA, Red Flag ID Theft Rules, ECOA
• IRS Tax Filings: 990 & 990-T	100%	IRS Rules for State Chartered CUs
• IRA Tax Filings: 1098 & 1099	100%	IRS Rules for reporting mortgage interest paid by consumers, and reporting dividends and interest paid to consumers

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Item	Percentage	Focal Points
• IRA Tax Reporting: 1098 & 1099	100%	IRS Rules for reporting mortgage interest paid by consumers, and reporting dividends and interest paid to consumers
• All Audit Costs	75%	All Regulatory Areas Includes annual audit, quarterly extended audit procedures, ACH audit, BSA audit, SAFE Act audit
• NMLS Fees	100%	State laws regarding registration of mortgage loan officers, Reg. Z
• Compliance Attorney Retainer	100%	All Regulatory Areas
• Ohio Credit Union League Dues	25%	All Regulatory Areas; portion of dues allocated to compliance specialists and InfoSight compliance access portal
• CUNA Insurance Bond	100%	All Regulatory Areas; does not include property and casualty insurance.
• Compliance Training Webinars	100%	All Regulatory Areas covered
• IRA/HSA Administration Fees	75%	IRS rules governing IRA and HSA accounts, Truth In Savings
• Form Licensing Costs	50%	Truth In Lending, Truth In Savings, ECOA, FCRA
• Mortgage Origination Platform	50%	Truth In Lending, FCRA, ECOA, CFPB Rules For Mortgage Lenders, RESPA
• Mortgage QC Provider	100%	Truth In Lending, FCRA, ECOA, CFPB Rules For Mortgage Lenders, RESPA
• Annual Privacy Disclosure	100%	Gramm-Leach-Bliley Act
• Rate & Fee Schedule	100%	Truth In Savings
• Quarterly Statement Costs	50%	Truth In Savings
• NCUSIF Share Insurance	100%	NCUA Rules (12 CFR 701.22, 701,703, part 748)

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2) Indirect Cost Items: the calculation of indirect costs are based upon multiple factors, including cost analysis of time spent by employees on compliance-related issues and tasks mandated in order to be compliant with all applicable rules and regulations. Indirect cost items include IT personnel costs, IT software, hardware and maintenance costs, and salary costs directly related to compliance in each functional area of the credit union. This information was fully expanded upon in our initial Cost Of Compliance contest submission, and summarized below:

- IT Costs: 75% allocated to compliance
- Teller Salaries: 10% allocated to compliance
- Member Service Representatives: 20% allocated to compliance
- Loan Officers & Support Staff: 25% allocated to compliance
- VP of Human Resources: 10% allocated to compliance
- Accounting/Finance Staff: 7% allocated to compliance
- Plastic Card Staff: 60% allocated to compliance
- Compliance & Training Staff: 100% allocated to compliance
- Marketing Specialist: 25% allocated to compliance
- President: 25% allocated to compliance
- VP of Operations: 20% allocated to compliance
- VP of Finance: 25% allocated to compliance

As we stated our initial submission, these job cost analyses are based upon our experience in terms of our credit union. Every credit union is different in terms of its structure, operating environment, and the scope of products and services offers, so these numbers will vary by credit union.

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B) Adjustments To The Initial Pathways Template

As with any template, it needs to be analyzed periodically in order to determine if anything has changed. Unfortunately, compliance within the credit union industry is not static, and changes have to be made to account for that. It is quite likely that at the end of 2015, we will need to adjust the template in terms of personnel costs for those engaged in mortgage lending-related functions in order to accurately account for the increased amount of time spent on TILA/RESPA disclosures, and the costs involved in ensuring that the disclosures are compliant.

However, since our initial template was developed six months ago, we have made two changes, both of which ironically lead to a slight decrease in our calculated cost of compliance. After further review, we reduced the direct cost allocation to compliance of our state supervisory fees from 100% to 50%, on the basis that we are not only examined for regulatory compliance, but also for safety and soundness as well. We also reduced the compliance cost allocation for quarterly statement production from 100% to 50% as well, based on the fact that good member service would dictate that we would send our members without checking accounts or electronic funds activity a statement at least a couple times a year. Sometimes, it's a good idea to go back and review your initial logic in order to see if it still holds.

At Pathways, we plan on reviewing our template on an annual basis for potential adjustments, in order to ensure it continues to accurately reflect our credit union's cost of compliance. We expect that, going forward, our costs will continue to increase as the regulatory compliance burden increases.

C) The Cost Of Compliance At Pathways Financial Credit Union

In our initial submission, we indicated that as of the end of the third quarter of 2014, we had calculated our compliance-related costs to be 10.68% of our total annualized operating expenses, or 44 basis points of assets. At the time, the credit union's assets were about \$215 million. After making the aforementioned template adjustments and calculating actual costs incurred during the fourth quarter of 2014, **our total compliance related costs for 2014 were \$947,905, or 10.64% of actual operating expenses.** We ended 2014 with assets totaling \$217,093,448, so compliance costs for the year totaled 44 basis points. We also ended the year with a Return on Assets totaling 35 basis points. We maintain that if we could have saved 50% of those costs, the credit union's ROA would have been 57 basis points. Or, alternatively, we could have taken that 50% reduction in compliance costs, equaling 22 basis points, and distributed a patronage dividend of nearly \$473,953 to our members. We're pretty confident that they would have appreciated that.

The cost of compliance for Pathways Financial Credit Union seems to be holding steady during the first quarter of 2015 as well. First quarter costs were calculated at 10.41% of operating expenses, or \$235,715. We had pretty significant asset growth during the first quarter; assets stood at \$232,885,745 as of March 31, 2015. Annualized, compliance costs totaled 41 basis points. On the following pages, you will find a spreadsheet summarizing the credit union's compliance costs for 2014 and the first quarter of 2015, and the credit union's 2014 income statement with compliance related expenses as a line item.

**Pathways Financial Credit Union
Compliance Cost**

			2014	2014	2014	2014	2014	2014	2014	2014	2014	2014	2014	2014	2014	2015	2015	2015	2015
			31	28	31	30	31	30	31	31	30	31	30	31	365	31	28	31	90
Description	Rate	%	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Total	Jan	Feb	Mar	Q1
Salaries	#####		35,443	32,013	35,443	34,299	35,443	34,299	35,443	35,443	34,299	35,443	34,299	35,443	417,307	35,443	32,013	35,443	102,898
State Examination Fees	41,181	50%	1,716	1,716	1,716	1,716	1,716	1,716	1,716	1,716	1,716	1,716	1,716	1,716	20,591	1,716	1,716	1,716	5,148
Red Flag - CUA ID Authentication	2,400	100%	162	150	189	184	182	183	237	261	184	175	327	166	2,399	175	175	175	525
Chex Systems	8,626	50%	359	359	359	359	359	359	359	359	359	359	359	359	4,313	359	359	359	1,078
Credit Reports	37,969	20%	633	633	633	633	633	633	633	633	633	633	633	633	7,594	529	484	517	1,530
Tax Reporting		100%	435	435	435	435	435	435	435	435	435	435	435	435	5,223	435	435	435	1,306
All Audit Costs	42,250	75%	2,641	2,641	2,641	2,641	2,641	2,641	2,641	2,641	2,641	2,641	2,641	2,641	31,688	2,641	2,641	2,641	7,922
All NMLS Fees	1,200	100%	100	100	100	100	100	100	100	100	100	100	100	100	1,200	100	100	100	300
Sherpy		100%			325			325			325			325	1,300			325	325
League Dues	40,962	25%	853	853	853	853	853	853	853	853	853	853	853	853	10,240	853	853	853	2,560
CUNA Bond - Less P & C	48,316	100%	4,026	4,026	4,026	4,026	4,026	4,026	4,026	4,026	4,026	4,026	4,026	4,026	48,316	4,026	4,026	4,026	12,079
Seminar's for Compliance Staff	1,500	100%	125	125	125	125	125	125	125	125	125	125	125	125	1,500	125	125	125	375
Ascensus Fees	20,219	75%	1,264	1,264	1,264	1,264	1,264	1,264	1,264	1,264	1,264	1,264	1,264	1,264	15,164	1,264	1,264	1,264	3,791
CUNA Form Licensing	25,812	50%	1,076	1,076	1,076	1,076	1,076	1,076	1,076	1,076	1,076	1,076	1,076	1,076	12,906	1,076	1,076	1,076	3,227
Prime Alliance	24,000	50%	1,725	1,911	2,305	2,390	2,397	2,316	970	2,441	2,093	1,874	2,286	1,893	23,107	1,666	2,201	2,707	6,574
Wetzel Trott	3,000	100%	250	250	250	250	250	250	250	250	250	250	250	250	3,000	250	250	250	750
Privacy Notice	994	100%	83	83	83	83	83	83	83	83	83	83	83	83	994	83	83	83	249
Rate Schedule	-	100%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fee Schedule	-	100%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Quarterly Statement Costs	31,466	50%	1,311	1,311	1,311	1,311	1,311	1,311	1,311	1,311	1,311	1,311	1,311	1,311	15,733	1,160	1,160	1,160	3,480
Share Insurance			769	268	296	873	296	287	883	296	287	882	287	296	5,721	874	268	296	1,438
ADA Compliance			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
IT Department		75%	15,811	36,225	24,915	25,443	26,022	26,234	25,636	28,259	27,693	27,406	27,327	27,146	318,117	26,650	26,940	26,571	80,161
Total			68,781	85,438	78,344	78,060	79,211	78,515	78,040	81,571	79,752	80,652	79,398	80,140	947,905	79,425	76,168	80,122	235,715
Total Operating Cost			769,926	713,267	703,095	749,283	729,639	726,466	770,104	734,485	741,533	764,150	751,829	755,908	8,909,685	764,150	745,020	755,908	2,265,078
% Compliance/Operating Cost			8.93%	11.98%	11.14%	10.42%	10.86%	10.81%	10.13%	11.11%	10.76%	10.55%	10.56%	10.60%	10.64%	10.39%	10.22%	10.60%	10.41%

**PATHWAYS FINANCIAL CREDIT UNION
CONSOLIDATED INCOME STATEMENT
AS OF DECEMBER 31, 2014**

	YTD 12/31/2014
INCOME	
INTEREST ON LOANS	
REGULAR	2,216,542
CREDIT CARD	438,809
REAL ESTATE	2,263,527
BUSINESS LOANS	542,723
MERGER PREMIUM	(145,547)
TOTAL INTEREST ON LOANS	5,316,054
MERGER FMV- DISC ON INVEST RATE	(118,847)
INTEREST ON INVESTMENTS	1,469,390
TOTAL INTEREST ON INVESTMENTS	1,350,543
TOTAL INTEREST	6,666,596
INTEREST ON BORROWINGS	29,539
DIVIDENDS	
REGULAR SHARES	119,110
SHARE DRAFTS	19,869
MONEY MARKET ACCOUNT	59,857
MERGER RELATED DISCOUNT	(257,053)
SHARE CERTIFICATES	502,182
TOTAL DIVIDENDS	443,965
TOTAL INTEREST EXPENSE	473,504
NET INTEREST INCOME (NII)	6,193,092
FEE INCOME	2,858,097
OTHER INCOME	1,073,923
TOTAL NON-INTEREST INCOME	3,932,020
EXPENSES	
COMPENSATION & BENEFITS	3,495,542
CREDIT UNION EMPLOYEE/BOARD	314,962
ASSOCIATION DUES	34,145
OFFICE OCCUPANCY	760,562
OFFICE OPERATING	2,024,968
MARKETING	288,381
LOAN SERVICING	608,966
OTHER PROFESSIONAL SERVICES	37,974
DATA PROCESSING	288,372
OPERATIONAL FEES	22,323
MISCELLANEOUS	85,585
¹ COST OF COMPLIANCE	947,905
NON-INTEREST EXPENSE	8,909,685
NET INCOME (LOSS) PRE-PROVISION	1,215,427
PROVISION FOR LOAN LOSS	351,534
PROVISION FOR CHECKING LOSS	52,900
TOTAL PROVISION EXPENSE	404,434
LOSS(GAIN) ON SALE OF INVESTMENTS	(19,013)
LOSS(GAIN) ON SALE OF ASSETS	70,000
NET INCOME	760,006

¹ PORTIONS OF COST OF COMPLIANCE TAKEN FROM VARIOUS EXPENSE LINES

D) Winning The Compliance Burden Argument

In addition to actively tracking your credit union's compliance costs, and reviewing your cost template on an annual basis to ensure accuracy, there is additional information that you can present to your Board, auditors, regulatory authorities, and state and federal legislators that will help illustrate the increasing burden that regulatory compliance has become, and continues to become, for credit unions.

On the following two pages, you will find a spreadsheet, and a graph. The spreadsheet is a compilation of data taken directly from the National Credit Union Administration's 2013 Annual Report, located conveniently on the NCUA's website at www.ncua.gov (we would have much rather used data from their 2014 report, but that report was not yet posted on their website).

The first part of the spreadsheet compares over a 10 year period the number of NCUA insured credit unions with the number of credit unions considered "troubled" (CAMEL 4 & 5). This section of the spreadsheet clearly indicates that while the number of credit unions has decreased by 27%, the percentage of troubled credit unions during that period has increased by 65%. Are there other factors involved? Earnings pressure? Core sponsor issues? Economic issues? Sure, absolutely. But do we think that the complexity and costs of the compliance burden that credit unions face also play a factor? Sure – absolutely!

The graph also helps bear this out as well. Used with the permission of the Ohio Division of Financial Institutions, the graph is a clear representation of the aggregate percentage of Ohio state chartered credit unions rated CAMEL 1 to 5 from 2010 through 2015. As the graph illustrates, 38% of OSCCUs were rated CAMEL 1 in 2010. There were 175 of them back then, so 66 earned that rating. By contrast, in 2015, just 12% of Ohio's state chartered credit unions, or 17, carry a CAMEL 1 rating in 2015. Ask anyone in an administrative position at ODFI why that might be, and the first possible reason offered isn't earnings pressures, or economic issues. It's the complexity and burden of compliance that is most often offered as a possible reason first.

The bottom line: it's become increasingly more difficult and complex to operate a credit union in the United States from a regulatory compliance standpoint, and everybody, including our regulators, know it. At least now we are able to put some numbers to it.

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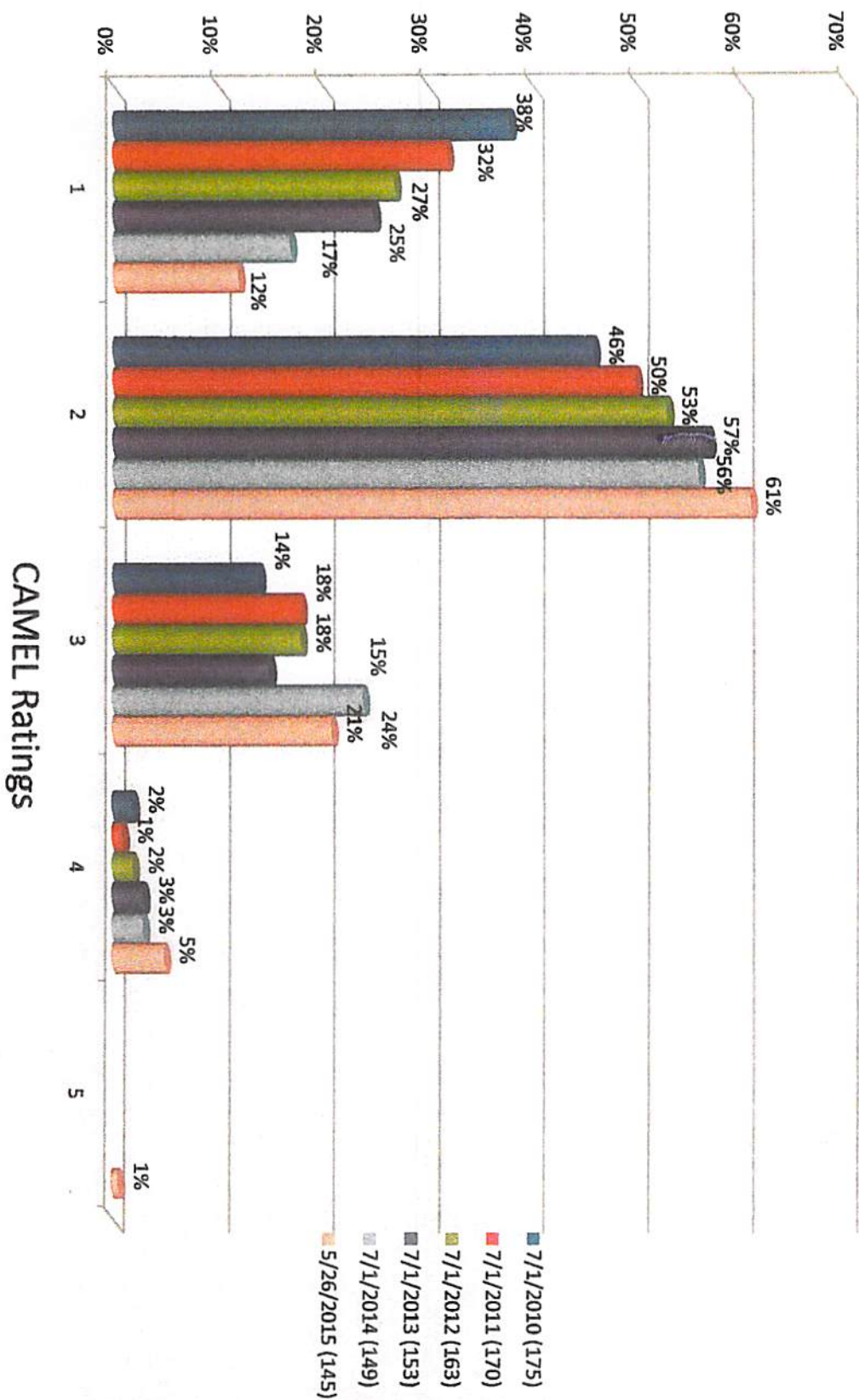
Percentage of NCUA-Insured Credit Unions Considered "Troubled" (CAMEL 4 & 5), 2004 - 2013 (Source: 2013 NCUA Annual Report)

Year	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Total NCUA Insured CUs	9014	8695	8362	8101	7806	7554	7339	7094	6819	6554
CAMEL 4 & 5 CUs	255	280	240	211	271	351	365	409	370	307
Percentage	2.83%	3.22%	2.87%	2.60%	3.47%	4.65%	4.97%	5.77%	5.43%	4.68%

Analysis of Operating Expenses & ROA, NCUA-Insured Credit Unions, 2004 - 2013 (In Millions) (Source: 2013 NCUA Annual Report)

Year	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Assets At Year End (Federal Charters)	\$336,585	\$358,701	\$377,827	\$394,131	\$417,578	\$447,124	\$482,684	\$500,075	\$525,633	\$557,119	\$571,326
Assets At Year End (FISCCUs)	<u>\$273,572</u>	<u>\$288,295</u>	<u>\$300,868</u>	<u>\$315,817</u>	<u>\$335,885</u>	<u>\$364,132</u>	<u>\$402,069</u>	<u>\$414,395</u>	<u>\$436,121</u>	<u>\$464,612</u>	<u>\$490,588</u>
Total NCUA-Insured CU Assets	\$610,157	\$646,996	\$678,695	\$709,948	\$753,463	\$811,256	\$884,753	\$914,470	\$961,754	\$1,021,731	\$1,061,914
Operating Expenses (Federal Charters)		\$12,128	\$13,308	\$13,900	\$15,225	\$19,131	\$19,766	\$20,084	\$19,259	\$19,306	\$19,546
Operating Expenses (FISCCUs)		<u>\$10,252</u>	<u>\$10,805</u>	<u>\$11,348</u>	<u>\$12,725</u>	<u>\$15,967</u>	<u>\$16,668</u>	<u>\$16,512</u>	<u>\$15,863</u>	<u>\$15,773</u>	<u>\$16,104</u>
Total Operating Expenses		\$22,380	\$24,113	\$25,248	\$27,950	\$35,098	\$36,434	\$36,596	\$35,122	\$35,079	\$35,650
Operating Expenses/Average Assets:		3.56%	3.64%	3.64%	3.82%	4.49%	4.30%	4.07%	3.74%	3.54%	3.42%
Net Income (Federal Charters)		\$3,351	\$3,295	\$3,420	\$2,909	\$284	\$1,098	\$2,468	\$3,541	\$4,650	\$4,220
Net Income (FISCCUs)		<u>\$2,438</u>	<u>\$2,364</u>	<u>\$2,303</u>	<u>\$1,828</u>	<u>(\$451)</u>	<u>\$575</u>	<u>\$2,118</u>	<u>\$2,868</u>	<u>\$3,893</u>	<u>\$3,918</u>
Total Net Income:		\$5,789	\$5,659	\$5,723	\$4,737	(\$167)	\$1,673	\$4,586	\$6,409	\$8,543	\$8,138
Return On Average Assets:		0.92%	0.85%	0.82%	0.65%	-0.02%	0.20%	0.51%	0.68%	0.86%	0.78%

Historical CAMEL Breakdown



E) A CU*Answers System Programming Proposal Revisited

You may recall from our initial Cost of Compliance contest submission that we have developed an additional proposal for utilizing the system to track a credit union's compliance costs, albeit one which would require some additional system programming. We reiterate that CU*Answers would need to decide if it is feasible from a cost-benefit standpoint to commit resources to developing the programming, and subsequently including it in a future system upgrade. That would most likely be determined by the costs involved, and the amount of client credit unions that would be motivated enough to utilize it in order to measure their compliance costs. As a client credit union, we felt it was worth putting forth yet again.

Our proposal is as follows, illustrated by accompanying "screen shot" exhibits:

- 1) Add a compliance flag (or checkbox) to each G/L entry line on the MNGELE # 1 screen. Along with the checkbox, there would need to be two radio buttons, one of which is to be clicked if the flag is activated: one designated as "\$" (which would indicate that a certain set dollar amount of the G/L entry is to be designated as a compliance cost), and one designated as "%" (which would indicate that a certain percentage of the G/L entry is to be designated as a compliance cost). The final box would allow the entry of a set dollar amount, or a percentage, depending upon which radio button was clicked. Please refer to Exhibit 1.
- 2) The same methodology would be utilized on the MNACCK # 1 screen. This covers the compliance cost of items which are paid by check, without creating the need for any more multiple G/L entries to be used other than to cover the range of expenses for the invoice. Please refer to Exhibit 2.
- 3) The final piece of programming that would need to be done (at least from a front-end user interface standpoint) would be the addition of a "compliance" report option to MNGELE 16, that when accessed, would produce all flagged compliance costs noted in 1) and 2) above for a monthly period. Please refer to Exhibit 3.

Once again, we have no programmers on our team, so in truth, we have no idea of what the costs would be to implement such programming changes to the CU*Answers system. However, it definitely would count as a cost of compliance! We are simply providing an idea of what such a system enhancement would look like from the standpoint of a user. We very much appreciate the opportunity to participate in this project the second time around, and we thank CU*Answers for their continuing efforts to conduct these contests in order to raise awareness regarding the true costs of compliance.

MNGELE #1 - Exhibit 1

Maintain Journal Entries

Jump to seq # Corp ID 1 Effective posting date Oct 15, 2014 Using J/E ID SM Using J/E # 141015
Batch label ☐ Template

Seq	Br #	G/L Account #	Debit	Credit	Source #	Description	Records imported	Records in error
1	<input type="button" value="Q"/>	<input type="button" value="Q"/> <input type="button" value="Go"/>	0.00	0.00				0
2	<input type="button" value="Q"/>	<input type="button" value="Q"/> <input type="button" value="Go"/>	0.00	0.00				
3	<input type="button" value="Q"/>	<input type="button" value="Q"/> <input type="button" value="Go"/>	0.00	0.00				
4	<input type="button" value="Q"/>	<input type="button" value="Q"/> <input type="button" value="Go"/>	0.00	0.00			Debit	0.00
5	<input type="button" value="Q"/>	<input type="button" value="Q"/> <input type="button" value="Go"/>	0.00	0.00			Credit	0.00
6	<input type="button" value="Q"/>	<input type="button" value="Q"/> <input type="button" value="Go"/>	0.00	0.00			Net	0.00
7	<input type="button" value="Q"/>	<input type="button" value="Q"/> <input type="button" value="Go"/>	0.00	0.00				
8	<input type="button" value="Q"/>	<input type="button" value="Q"/> <input type="button" value="Go"/>	0.00	0.00				
9	<input type="button" value="Q"/>	<input type="button" value="Q"/> <input type="button" value="Go"/>	0.00	0.00				
10	<input type="button" value="Q"/>	<input type="button" value="Q"/> <input type="button" value="Go"/>	0.00	0.00				
11	<input type="button" value="Q"/>	<input type="button" value="Q"/> <input type="button" value="Go"/>	0.00	0.00				
12	<input type="button" value="Q"/>	<input type="button" value="Q"/> <input type="button" value="Go"/>	0.00	0.00				
13	<input type="button" value="Q"/>	<input type="button" value="Q"/> <input type="button" value="Go"/>	0.00	0.00				
14	<input type="button" value="Q"/>	<input type="button" value="Q"/> <input type="button" value="Go"/>	0.00	0.00				
15	<input type="button" value="Q"/>	<input type="button" value="Q"/> <input type="button" value="Go"/>	0.00	0.00				
16	<input type="button" value="Q"/>	<input type="button" value="Q"/> <input type="button" value="Go"/>	0.00	0.00				
17	<input type="button" value="Q"/>	<input type="button" value="Q"/> <input type="button" value="Go"/>	0.00	0.00				
18	<input type="button" value="Q"/>	<input type="button" value="Q"/> <input type="button" value="Go"/>	0.00	0.00				
19	<input type="button" value="Q"/>	<input type="button" value="Q"/> <input type="button" value="Go"/>	0.00	0.00				
20	<input type="button" value="Q"/>	<input type="button" value="Q"/> <input type="button" value="Go"/>	0.00	0.00				

Special Posting Features

Status Active
Reversing
Year end
Recurring

Compliance ☒
\$ ☐ % ☐

Note: The compliance check box would need to be available on each journal entry.

MNACCK #1 - Exhibit 2

File Edit Tools Help

Open Payables Maintenance

Add

Corp ID 01
Sequence # 00000

Vendor 11 SWEEP A LOT, INC.
2005 HENDRIX DRIVE

Scan Document



GROVE CITY OH 43123 N

Invoice Information

Invoice #
Date Oct 15, 2014 [MMDDYY]

Purchase order
Due date 000000 [MMDDYY]

Add Multiple Details For This Invoice

Enter information below for single item

Invoice Detail

Assigned to branch # 01

Expense/credit description

Expense amount 0.00 To G/L account 252.00 BUILDING MAINTENANCE

Compliance ☒ \$ ☐ % ☐

- Or -

Credit G/L amount 0.00 To G/L account

Sequence	Invoice #	Location	Debit	Credit	Description

Change

Invoice(s) total 0.00

Next Invoice / New Vendor

Multiple Details	Delete	Skip	Duplicates	Subsidiary Inquiry	Vendor Inquiry
←	→	↑	↓	⌂	?

WE (1649) 10/15/14

MNGELE #1 - Exhibit 3

Session 4 CU*BASE GOLD Edition - Financial Statement Report

Corp ID

Report #

Corp ID	Report #	Description
1	51	LOAN INTEREST INCOME
1	52	VERIFY NON-DIVIDEND EXPENSES
1	53	VERIFY DIVIDEND EXPENSES
1	80	XTEND SRS CHECKLIST
1	83	XTEND FNMA MORTGAGE SERVICING FINANCIAL
1	99	NET FINANCIAL
1	84	Compliance

Select



Search Company/Report



WE [672]