



Cost of Compliance Standard

Contest Submission

October 14, 2014

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Pathways 
Financial Credit Union

**Pathways Financial Credit Union
Cost of Compliance Standard Submission
October 14, 2014**

Overview:

This submission consists of the following parts:

- A) Identifying and determining actual compliance-related costs: findings
- B) Identifying and determining actual compliance-related costs: methodology
- C) Using the CU*Answers system to track compliance-related costs
- D) Conclusion: A Proposal

A) Identifying and Determining Actual Compliance-Related Costs: Findings

Pathways Financial Credit Union assembled a project team to begin working on the Cost of Compliance project on August 8, 2014. The three team members involved spent a total of over 40 man-hours working to determine the true cost of compliance at Pathways Financial Credit Union, using both cost accounting and actual G/L and accounts payable review. An additional 12 man-hours were devoted to brainstorming ways by which the CU*Answers system could be utilized to track a credit union's compliance related costs, and narrowing down on our proposed solution for that tracking mechanism.

In terms of our overall findings regarding the true cost of compliance incurred by Pathways Financial Credit Union on an annual basis, we were collectively, in a word, stunned. Our research indicated that compliance related costs account for 10.68% of the credit union's total annual operating expenses. As a credit union with \$215 million in assets, the \$947,300.00 that we incur in direct and indirect compliance related costs on an annual basis accounts for 44 basis points. As of the end of the third quarter of 2014, the credit union's ROA is 35 basis points. If we could claw back just half of the direct and indirect compliance costs that we currently incur, we would increase our ROA by 63%, to 57 basis points. These costs consisted of the following:

- Direct costs – goods or services for which all or a portion of the cost is self-evident in terms of its relevance to a compliance need or aid.
- Indirect costs – consisting mainly of salary / human resource costs and information technology costs, the team employed cost accounting, time studies and estimates in order to determine the appropriate allocation to compliance-related costs.

A spreadsheet outlining all of the credit union's compliance related costs by month is displayed on the following page.

Pathways Compliance Costs

| | | | | | | | | | | | | | | | | | | | |
|----------------------------------|-----------|------|---------|---------|---------|-----------|---------|---------|---------|-----------|---------|---------|---------|-----------|---------|---------|---------|-----------|-----------|
| Salaries | 2,580,730 | | 35,443 | 32,013 | 35,443 | 102,898 | 34,299 | 35,443 | 34,299 | 104,041 | 35,443 | 35,443 | 34,299 | 105,184 | 35,443 | 34,299 | 35,443 | 105,184 | 417,307 |
| State Examination Fees | 40,508 | 100% | 3,376 | 3,376 | 3,376 | 10,127 | 3,376 | 3,376 | 3,376 | 10,127 | 3,376 | 3,376 | 3,376 | 10,127 | 3,376 | 3,376 | 3,376 | 10,127 | 40,508 |
| Red Flag - CUA ID Authentication | 2,400 | 100% | 162 | 150 | 189 | 501 | 184 | 182 | 183 | 548 | 237 | 261 | 184 | 682 | 175 | 175 | 175 | 525 | 2,256 |
| Chex Systems | 10,000 | 50% | 417 | 417 | 417 | 1,250 | 417 | 417 | 417 | 1,250 | 417 | 417 | 417 | 1,250 | 417 | 417 | 417 | 1,250 | 5,000 |
| Credit Reports | 38,000 | 20% | 633 | 633 | 633 | 1,900 | 633 | 633 | 633 | 1,900 | 633 | 633 | 633 | 1,900 | 633 | 633 | 633 | 1,900 | 7,600 |
| 990/990T | 1,700 | 100% | 142 | 142 | 142 | 425 | 142 | 142 | 142 | 425 | 142 | 142 | 142 | 425 | 142 | 142 | 142 | 425 | 1,700 |
| 945/941 | | 100% | | | | - | | | | - | | | | - | | | | - | |
| 1098/1099 | 3,223 | 100% | 269 | 269 | 269 | 806 | 269 | 269 | 269 | 806 | 269 | 269 | 269 | 806 | 269 | 269 | 269 | 806 | 3,223 |
| Tax Reporting | | 100% | 410 | 410 | 410 | 1,231 | 410 | 410 | 410 | 1,231 | 410 | 410 | 410 | 1,231 | 410 | 410 | 410 | 1,231 | 4,923 |
| All Audit Costs | 34,300 | 75% | 2,144 | 2,144 | 2,144 | 6,431 | 2,144 | 2,144 | 2,144 | 6,431 | 2,144 | 2,144 | 2,144 | 6,431 | 2,144 | 2,144 | 2,144 | 6,431 | 25,725 |
| All NMLS Fees | 1,200 | 100% | 100 | 100 | 100 | 300 | 100 | 100 | 100 | 300 | 100 | 100 | 100 | 300 | 100 | 100 | 100 | 300 | 1,200 |
| Sherpy | | 100% | | | 325 | 325 | | | 325 | 325 | | | 325 | 325 | | | 325 | 325 | 1,300 |
| League Dues | 39,332 | 25% | 819 | 819 | 819 | 2,458 | 819 | 819 | 819 | 2,458 | 819 | 819 | 819 | 2,458 | 819 | 819 | 819 | 2,458 | 9,833 |
| CUNA Bond - Less P & C | 48,316 | 100% | 4,026 | 4,026 | 4,026 | 12,079 | 4,026 | 4,026 | 4,026 | 12,079 | 4,026 | 4,026 | 4,026 | 12,079 | 4,026 | 4,026 | 4,026 | 12,079 | 48,316 |
| Seminar's for Compliance Staff | 1,500 | 100% | 125 | 125 | 125 | 375 | 125 | 125 | 125 | 375 | 125 | 125 | 125 | 375 | 125 | 125 | 125 | 375 | 1,500 |
| Ascensus Fees | 21,000 | 75% | 1,313 | 1,313 | 1,313 | 3,938 | 1,313 | 1,313 | 1,313 | 3,938 | 1,313 | 1,313 | 1,313 | 3,938 | 1,313 | 1,313 | 1,313 | 3,938 | 15,750 |
| CUNA Form Licensing | 25,812 | 50% | 1,076 | 1,076 | 1,076 | 3,227 | 1,076 | 1,076 | 1,076 | 3,227 | 1,076 | 1,076 | 1,076 | 3,227 | 1,076 | 1,076 | 1,076 | 3,227 | 12,906 |
| Prime Alliance | 24,000 | 50% | 1,000 | 1,000 | 1,000 | 3,000 | 1,000 | 1,000 | 1,000 | 3,000 | 1,000 | 1,000 | 1,000 | 3,000 | 1,000 | 1,000 | 1,000 | 3,000 | 12,000 |
| Wetzel Trott | 3,000 | 100% | 250 | 250 | 250 | 750 | 250 | 250 | 250 | 750 | 250 | 250 | 250 | 750 | 250 | 250 | 250 | 750 | 3,000 |
| Privacy Notice | 994 | 100% | 83 | 83 | 83 | 249 | 83 | 83 | 83 | 249 | 83 | 83 | 83 | 249 | 83 | 83 | 83 | 249 | 994 |
| Rate Schedule | 636 | 100% | 53 | 53 | 53 | 159 | 53 | 53 | 53 | 159 | 53 | 53 | 53 | 159 | 53 | 53 | 53 | 159 | 636 |
| Fee Schedule | 636 | 100% | 53 | 53 | 53 | 159 | 53 | 53 | 53 | 159 | 53 | 53 | 53 | 159 | 53 | 53 | 53 | 159 | 636 |
| Quarterly Statement Costs | 13,792 | 100% | 1,149 | 1,149 | 1,149 | 3,448 | 1,149 | 1,149 | 1,149 | 3,448 | 1,149 | 1,149 | 1,149 | 3,448 | 1,149 | 1,149 | 1,149 | 3,448 | 13,792 |
| NCUSIF | 1,889,026 | 100% | 289 | 261 | 289 | 838 | 279 | 289 | 279 | 848 | 289 | 289 | 279 | 857 | 289 | 279 | 289 | 857 | 3,400 |
| ESI | | 100% | 473 | | | 473 | 586 | | | 586 | 586 | | | 586 | 586 | | | 586 | 2,231 |
| Share Insurance | | | 762 | 261 | 289 | 1,311 | 866 | 289 | 279 | 1,434 | 875 | 289 | 279 | 1,443 | 875 | 279 | 289 | 1,443 | 5,631 |
| Branch Remodels | | | | | | - | | | | - | | | | - | | | | - | |
| ATM Signage | | | | | | - | | | | - | | | | - | | | | - | |
| ATM Accessibility | | | | | | - | | | | - | | | | - | | | | - | |
| ADA Compliance | | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Audits/Exams | 4,000 | 75% | 250 | 250 | 250 | 750 | 250 | 250 | 250 | 750 | 250 | 250 | 250 | 750 | 250 | 250 | 250 | 750 | 3,000 |
| Hardware | 12,000 | 75% | 750 | 750 | 750 | 2,250 | 750 | 750 | 750 | 2,250 | 750 | 750 | 750 | 2,250 | 750 | 750 | 750 | 2,250 | 9,000 |
| Software | | 75% | 14,061 | 34,475 | 23,165 | 71,701 | 23,693 | 24,272 | 24,484 | 72,449 | 23,886 | 26,509 | 25,943 | 76,338 | 25,000 | 25,000 | 25,000 | 75,000 | 295,487 |
| Maintenance | 12,000 | 75% | 750 | 750 | 750 | 2,250 | 750 | 750 | 750 | 2,250 | 750 | 750 | 750 | 2,250 | 750 | 750 | 750 | 2,250 | 9,000 |
| IT Department | | 75% | 15,811 | 36,225 | 24,915 | 76,951 | 25,443 | 26,022 | 26,234 | 77,699 | 25,636 | 28,259 | 27,693 | 81,588 | 26,750 | 26,750 | 26,750 | 80,250 | 316,487 |
| Total | | | 69,204 | 85,675 | 78,187 | 233,065 | 77,818 | 78,961 | 78,347 | 235,126 | 79,217 | 81,277 | 79,807 | 240,302 | 80,269 | 78,530 | 80,008 | 238,807 | 947,300 |
| Total Operating Cost | | | 769,926 | 713,267 | 703,095 | 2,186,288 | 749,283 | 729,639 | 726,466 | 2,205,388 | 770,104 | 734,485 | 741,533 | 2,246,122 | 745,000 | 745,000 | 745,000 | 2,235,000 | 8,872,798 |
| % Compliance/Operating Cost | | | 8.99% | 12.01% | 11.12% | 10.66% | 10.39% | 10.82% | 10.78% | 10.66% | 10.29% | 11.07% | 10.76% | 10.70% | 10.77% | 10.54% | 10.74% | 10.68% | 10.68% |

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B) Identifying and Determining Actual Compliance-Related Costs - Methodology:

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 | 100% | 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 |
| • 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* (*) Includes annual audit, quarterly extended audit procedures, ACH audit, BSA audit, SAFE Act audit | 75% | All Regulatory Areas |
| • NMLS Fees loan officers, Reg Z | 100% | State laws regarding registration of mortgage |
| • Compliance Attorney Retainer | 100% | All Regulatory Areas |
| • Ohio Credit Union League Dues to compliance specialists and Infosight compliance access portal | 25% | All Regulatory Areas; portion of dues allocated |
| • CUNA Insurance Bond and casualty insurance. | 100% | All Regulatory Areas; does not include property |
| • Compliance Training Webinars | 100% | All Regulatory Areas covered |

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Direct Cost Items (continued):

| Item | Percentage | Focal Points |
|---|------------|---|
| • IRA/HSA Administration Fees In Savings | 75% | IRS rules governing IRA and HSA accounts, Truth |
| • Form Licensing Costs | 50% | Truth In Lending, Truth In Savings, ECOA, FCRA |
| • Mortgage Origination Platform Mortgage Lenders, RESPA | 50% | Truth In Lending, FCRA, ECOA, CFPB Rules For |
| • Mortgage QC Provider Mortgage Lenders, RESPA | 100% | Truth In Lending, FCRA, ECOA, CFPB Rules For |
| • Annual Privacy Disclosure | 100% | Gramm-Leach-Bliley Act |
| • Rate & Fee Schedule | 100% | Truth In Savings |
| • Quarterly Statement Costs | 100% | Truth In Savings |
| • NCUSIF Share Insurance | 100% | NCUA Rules (12 CFR 701.22, 701,703, part 748) |

2) Indirect Cost Items – IT Department:

Our IT department analysis was based upon two approaches: a job cost analysis of the time spent by our IT department employees in ensuring the security of the credit union's sensitive member information (both internal and external) as well as all aspects of regulatory compliance; and the compliance-related costs of software and hardware utilized in the credit union's operating environment.

Overall, our findings were that 75% of IT costs, both from a staff time utilization standpoint, and from the actual dollars spent on system platforms, software and hardware, could be attributed to our efforts to achieve regulatory compliance in all areas, including the Bank Secrecy Act, Red Flag, all relevant Federal Reserve Regulations (TIS, TILA, ECOA, Gramm-Leach-Bliley and Funds Availability), NCUA Rules, IRS Rules, and the ODFI Rules for State Chartered Credit Unions. Obviously, our core processing system must be compliant in all of these areas, and virtually every ancillary IT platform used must also be compliant in the area that it serves (such as mortgage lending, in the case of our Prime Alliance platform).

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One area that we did not elect to include in our analysis, although after much consideration, was the direct cost and labor of replacing plastic cards as result of merchant data breaches. The primary reason we elected to not to include these costs was because ultimately, Pathways as an organization has no control over data security of merchants that our members make purchases from. Had we elected to include these costs, which in our opinion are more directly correlated to fraud prevention, our compliance-related costs would have increased by \$21,000.00 thus far during 2014.

3) Indirect Cost Items – Salaries:

In order to correctly allocate labor costs utilized by staff members according to the amount of time spent on regulatory compliance, we looked at each position in the credit union and determined the average amount of time that someone in said position spends addressing regulatory compliance matters, or performing compliance-related duties. We found the following:

- **Tellers:** on average, a Pathways teller spends approximately 10% of their time on compliance related duties; primarily in terms of compliance with the Bank Secrecy Act, Red Flag Rules, and Regulation CC (funds availability), and to a lesser extent Member Information Security, Gramm-Leach-Bliley, and Truth In Savings.
- **Member Service Representatives:** on average, Pathways MSRs spend approximately 20% of their time on compliance-related matters, primarily in the areas of Bank Secrecy Act & OFAC compliance, Regulation E, Red Flag Rules, Truth In Savings, Truth In Lending, the Fair Credit Reporting Act, and Gramm-Leach Bliley.
- **Consumer and Mortgage Loan Underwriters and Support Staff:** on average, employees working in this area also spend 20% to 25% of their time addressing and achieving regulatory compliance, but in this area, the concentration is much more focused. Underwriters and support staff's compliance efforts are devoted to Truth In Lending, RESPA, the Fair Credit Reporting Act, and the Equal Credit Opportunity Act, as well as NCUA and ODFI regulations governing the credit union's lending activities.
- **Human Resources:** our VP of HR finds that she spends 10% of her time on compliance matters, although many of these are outside the scope of financial institution regulatory requirements. Time in this area is spent on the Equal Employment Opportunity Act, HIPPA, the Affordable Health Care act, and IRS Rules regarding pensions and employee retirement plans.
- **Accounting:** our accounting area staff members spend 7% of their time addressing regulatory compliance issues, specifically Funds Availability, Bank Secrecy Act and OFAC screening, Red Flag rules, Regulation E, and NACHA ACH Operating Rules. By contrast, our Plastic Card Supervisor spends almost 60% of her time performing compliance related duties. She directly administers all debit and credit card fraud cases, as well as the new card and reissuance processes for our credit card portfolio. Thus, she is deeply involved with Regulation E and Truth In Lending.

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- **Compliance & Training Staff Members:** this is fairly intuitive. Pathways has a two person compliance and training staff, consisting of a Compliance & Training Manager, and a Compliance and Training Specialist. We are allocating 100% of this department's salaries to compliance, as they are either directly addressing compliance issues, or training staff on what is needed to be done to comply with regulatory requirements, at all times.
- **Marketing Specialist:** the credit union's marketing specialist, who maintains the credit union's website produces the bulk of the credit union's marketing materials, spends approximately 25% of her time ensuring that the credit union's communications with members and potential members are in compliance with all applicable rules and regulations, including TIS, TILA, UDAAP, ECOA and Member Information Security.
- **Other Senior Management Positions:** the President of the credit union has four main areas of responsibility that he spends equal time in: accounting/finance, business services, marketing and regulatory compliance. As a result, 25% of his salary is allocated to addressing matters of regulatory compliance. Our VP of Operations also supervises our mortgage lending department, and our consumer loan manager, in addition to six branch managers. Mortgage lending, with its heavy emphasis on regulatory compliance, dictates that 20% of his salary be allocated accordingly. Finally, our VP of Finance spends approximately 25% of his time ensuring that his department operates in a compliant manner, with a focus on Regulation E, BSA and OFAC, ACH Rules, NCUA Rules, and ODFI Rules for State Chartered Credit Unions.

Obviously, these job 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 estimates will in all probability not apply.

C) Using The CU*Answers System To Track Compliance-Related Costs

Now that we have developed mechanisms to capture the indirect costs of compliance, particularly staff salaries and IT related costs, our focus turns towards utilizing the CU*Answers system to accurately capture these costs so that an income statement-style report can be produced on a periodic basis to aggregate and measure these costs in terms of ROA. From the standpoint of using existing system resources, we have focused on two methods by which this can be done. Both, however, have downsides and could be problematic in terms of the extra work, beyond what we have already done internally, that would be required to get the costs aggregated into the system.

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1) Creation of Additional General Ledger Accounts:

Probably the most favorable of the two methods, this would require that additional general ledger accounts be set up on a subsidiary basis for in the 200 and 300 series (or operating expense portion) of the G/L. There are a couple of G/L accounts that could simply be renamed with a "compliance" word tag. Example: current G/L # 231.00 (Supervisory Fee) could be renamed to "Supervisory Fee-Compliance". But the majority of our compliance costs are partial allocations of existing expenses, such as salary expenses and benefit expenses. For these G/Ls, we would need to set up a separate G/L account as a subsidiary. Once again, an example: our current salary expense G/L is 211.00. We could easily set up an additional G/L account for salary expenses related to compliance (211.01: Salary Expense-Compliance). This could also be done for other expense G/Ls in which expenses are partially allocated to compliance. 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.

The downsides to utilizing this method to aggregate and track compliance costs are as follows:

- The credit union currently has over 500 active G/L accounts, so the chart of accounts is already somewhat unwieldy. The addition of more G/L accounts will only make it more so.
- The addition of subsidiary G/L accounts will create the need for additional accounting entries, particularly when making entries to record accruals, and to amortize fixed assets and prepaid expenses. We currently utilize branch accounting, and we have seven branch codes, a branch code for indirect lending, and a branch code for "corporate" allocations. Thus, when making payroll G/L entries, we are already making nine separate line item entries for each aspect of payroll (Salaries, employer payroll taxes, employer 401(k) matching, etc.). Splitting out the compliance costs of each G/L entry line item, while still maintaining the integrity of our branch accounting, would mean doubling the numbers of G/L entries to be made to 18 for each aspect of payroll. We are not convinced that the time involved in breaking out the compliance costs at a branch level, and then making the entries on NMGELE # 1, would be worth it from the standpoint of measuring the costs.
- From an accounts payable standpoint, there are no real downsides, as the MNACCK # 1 screen accommodates the aggregation of multiple G/L accounts that feed into the payment of one invoice.

Clearly, although somewhat labor intensive, the system could be utilized to track compliance costs in this manner.

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2) Utilization of Branch Coding:

While this would probably be an ideal method for a single branch credit union to utilize in terms of capturing compliance costs, it doesn't work well for credit unions with multiple branches currently utilizing branch accounting. While the methodology is great (put your branch codes in on your G/L Entries in MNGELE # 1, or on the screen MNACCK # 1), it will spoil the integrity of branch accounting, because you end up siphoning off all of the compliance costs, and routing them to the compliance branch number, as opposed to having these costs spread across each applicable branch.

So, this method will work well for a credit union not already utilizing branch accounting, but it is not an option for those that are.

D) Conclusion & Proposal:

After examining these methods of tracking compliance costs, we have developed an additional proposal, albeit one which would require additional system programming. Ultimately, 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. After all, why are we doing this? To provide our state and federal legislators, and our state and federal regulators with direct, accurate feedback regarding the true hard dollar costs of regulatory compliance. And in turn, why would we be providing that feedback? In order to affect change, obviously. If credit unions are not willing to do the work to provide the feedback, then nothing is going to change, and it makes no economic sense for CU*Answers to sink resources into the programming enhancements that would allow the aggregation and measurement of compliance costs.

On the other hand, if credit unions are willing to spend the time developing the tools to do the cost allocation analysis necessary to measure compliance costs, and then revisit those calculations to make adjustments on an annual basis, then having an easy means by which to separate, calculate and aggregate compliance costs on the system might be worthwhile.

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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.

The team members that compiled this analysis and proposal are not programmers, so in truth, we have no idea of what the costs would be to implement such programming changes to the CU*Answers system. We simply wished to provide 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, and we thank CU*Answers for their efforts to conduct this contest in order to raise awareness regarding the true costs of compliance.

MNGELE #1 - Exhibit 1

Maintain Journal Entries

Jump to seq # **Go!** 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 |
|-----|------|---------------|-------|--------|----------|-------------|---------------------------------|
| 1 | | Go! | 0.00 | 0.00 | | | Records in error 0 |
| 2 | | Go! | 0.00 | 0.00 | | | |
| 3 | | Go! | 0.00 | 0.00 | | | |
| 4 | | Go! | 0.00 | 0.00 | | | Debit 0.00 |
| 5 | | Go! | 0.00 | 0.00 | | | Credit 0.00 |
| 6 | | Go! | 0.00 | 0.00 | | | Net 0.00 |
| 7 | | Go! | 0.00 | 0.00 | | | |
| 8 | | Go! | 0.00 | 0.00 | | | |
| 9 | | Go! | 0.00 | 0.00 | | | |
| 10 | | Go! | 0.00 | 0.00 | | | Special Posting Features |
| 11 | | Go! | 0.00 | 0.00 | | | Status Active |
| 12 | | Go! | 0.00 | 0.00 | | | Reversing |
| 13 | | Go! | 0.00 | 0.00 | | | Year end |
| 14 | | Go! | 0.00 | 0.00 | | | Recurring |
| 15 | | Go! | 0.00 | 0.00 | | | |
| 16 | | Go! | 0.00 | 0.00 | | | |
| 17 | | Go! | 0.00 | 0.00 | | | |
| 18 | | Go! | 0.00 | 0.00 | | | |
| 19 | | Go! | 0.00 | 0.00 | | | |
| 20 | | Go! | 0.00 | 0.00 | | | |

Compliance ☒

\$ %

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



| | | | | | |
|---------|------|-------------------|----------------|------|-----------------------|
| Special | Post | New Journal Entry | Import Entries | Skip | Suspend Journal Entry |
| | | | | | |


WE (2122) 10/15/14

MNACCK #1 - Exhibit 2

File Edit Tools Help

Open Payables Maintenance Add

Corp ID **01** Vendor **11** SWEEP A LOT, INC.
 Sequence # **00000** 2005 HENDRIX DRIVE

Scan e-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)