

## Investments (Optional Software)

Investments is an optional software package that can be purchased. This software enables the credit union to easily monitor financial investments of Certificates of Deposit and Government Securities. The software is fully integrated with the general ledger system, and will auto-post based on the general ledger numbers defined in the investment screens. The program provides accrual figures and investment maturity reports, cash flow forecasts, composite interest rate yields and investment activity.

To access Investments, select one of the following:

- Select Accounting on the Navigation Bar then Investments.
- Select Go on the Menu Bar then Investments.

A list of the available options for Investments is displayed, as well as, the Ledger Account Setup selection.

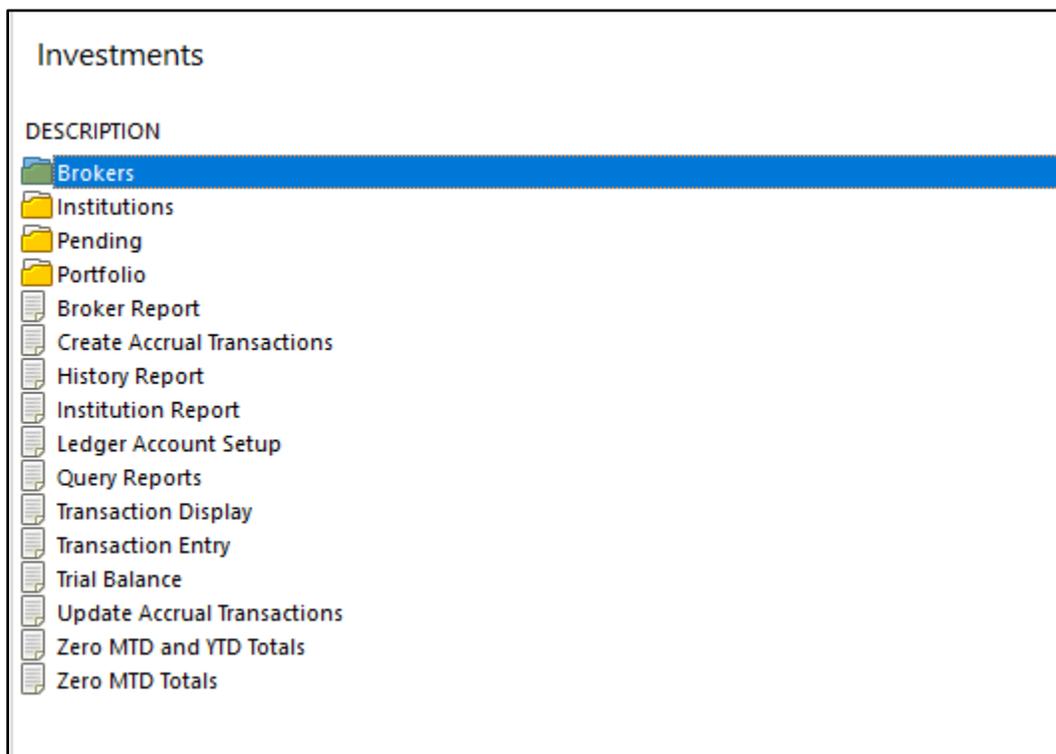


Figure 1

## **Getting Set Up For Investments (New and Existing)**

1. Change Teller Security to allow under Investment Menu – System Administration – Teller Administration – Basic tab. Check the option which means “Permitted”.
2. Define ledger numbers for Investments - Investments on Navigation Bar – Ledger Account Setup.
3. Define each current Institution under Investment Institutions – Investments – Investment Institutions.
4. Define each current Broker under Investment Broker – Investments – Investment Broker.
5. Add New Investments as purchased.
6. Use Transaction entry to purchase the Investment which will set the beginning Investment figures. If adding an existing investment, it may be necessary to post additional transactions such as Premium Amortization transactions and Interest Payments to reflect where in the investment period this investment stands.
7. Run Investment Trial and verify information entered. Use Investments – Edit Investments to make any corrections.
8. Print Broker and Institution Reports and verify all information.
9. Review the “Monthly Steps for Investment Processing”. **Month-to-Date Totals must be reset each month** after all processing has been completed.
10. YTD Totals must be reset after all the processing has been completed for the current year.

## **Monthly Steps for Investment Processing**

1. New Investments must be set up on the system.
2. Purchase transactions for new investments must be processed. Use the transaction entry option to post transactions to the Investment software.
3. Maintenance, if needed, on existing investments is completed.
4. Payments received during the month are entered on the system. Use the Transaction Entry option to post transactions to the Investment Software.
5. Create Accrual Transactions. The following will occur:
  - The system calculates interest from either the opening date (for new investments) or the first of the month through the end of the month.
  - The system calculates the Premium Amortization and Discount Accretion amounts.
  - For redeemed investments, the system accrues from the first until the close date.
6. Review the report for accuracy (i.e. look for accrual figures that are out of line, compare totals to last month, etc.). Investment Accrual Report IN100-01.
7. If necessary, make corrections and repeat steps 4-6.
8. Update Investment Accrual Transactions (this will auto-post to general ledger). The following will occur:
  - The system reduces the Premium/Discount balance amount.
  - The system posts the appropriate general ledger entries.
9. Print Investment Trial Balance. This report should now show the monthly accrual figures.
10. Run any Investment Query reports that need MTD fields. Each credit union will decide what Query reports they need or want to run.
11. Reset the MTD Totals using the "Zero MTD Totals" options.
12. In December, use the "Zero MTD and YTD Totals" option.
13. **\*\*\*Note:** Backup Investment software at any time. A recommended time would be after monthly processing is finished. Use the main console and tape drive on the Datamatic server. Select Special Operations – Special Backup – Backup Restore Individual Files – Investments. Keep the tapes in a safe environment.

## **System Setup**

### **Teller Security**

System Administration

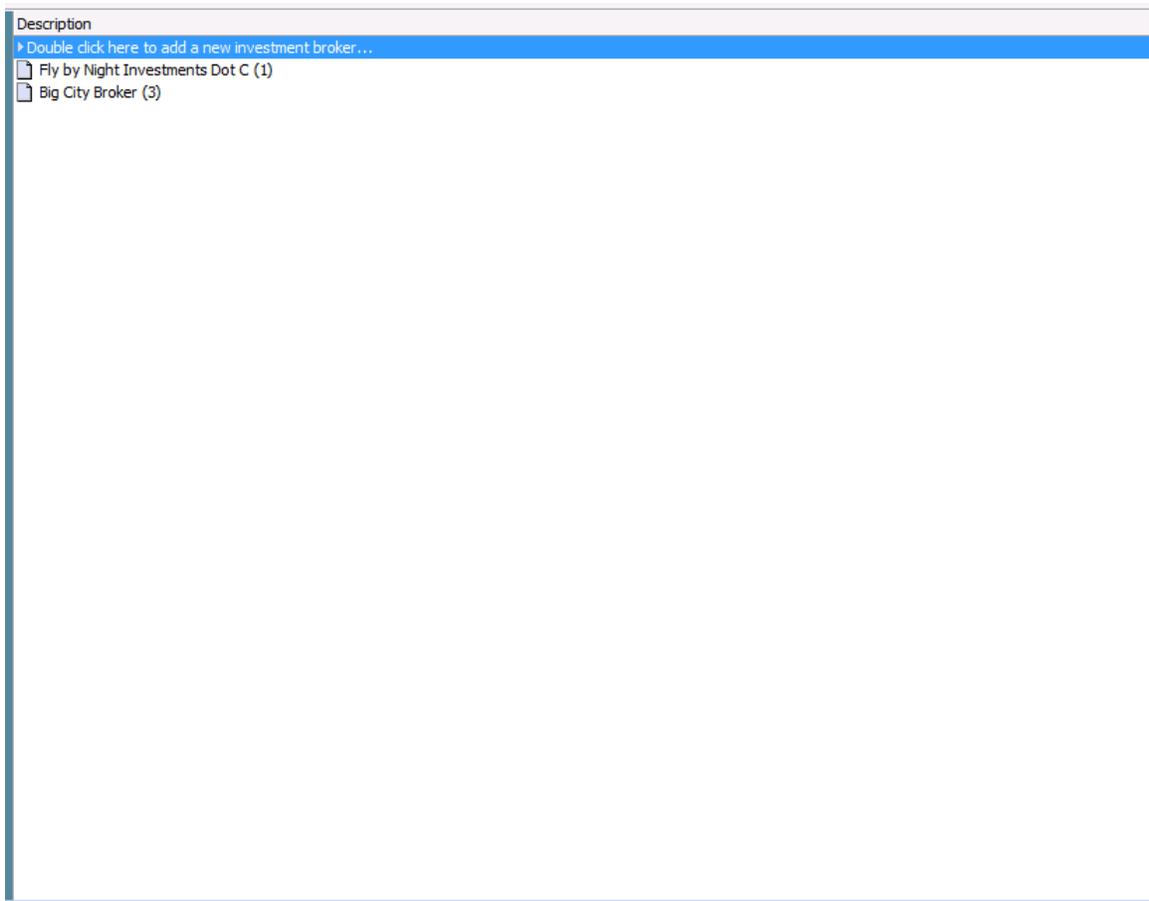
Teller Administration

Basic Security tab

Investments – Must be checked which means “Permitted”.

## **Brokers**

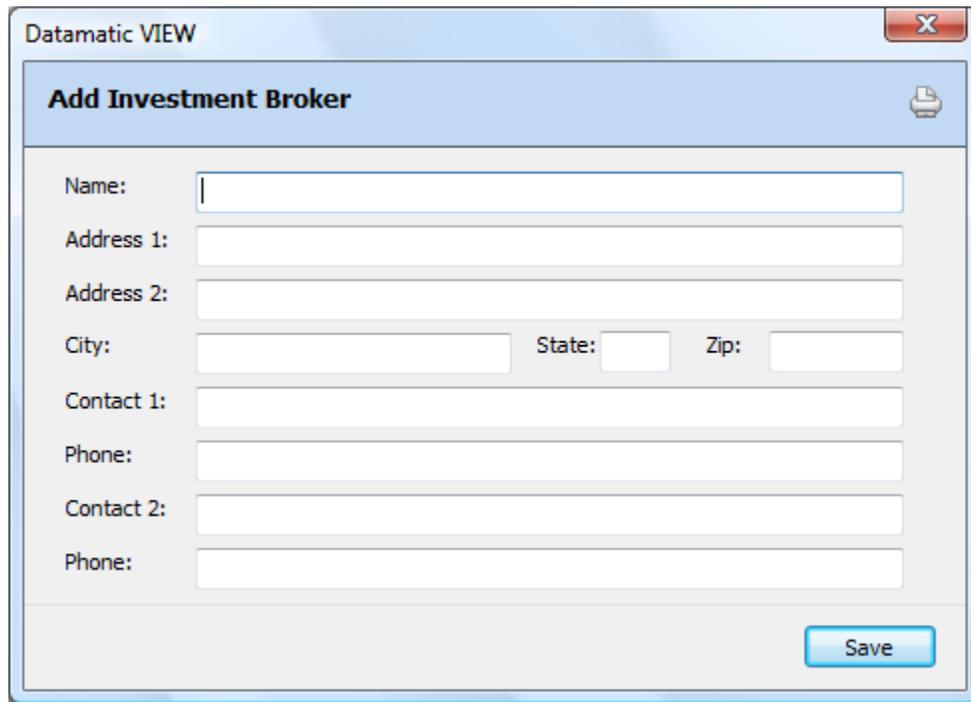
The Brokers folder displays a list of the investment brokers that are currently on the system.



**Figure 2**

Select "Double click here to add a new investment broker..." line.

The system displays the Add Investment Broker window.



The screenshot shows a window titled "Datamatic VIEW" with a sub-header "Add Investment Broker". The form contains the following fields:

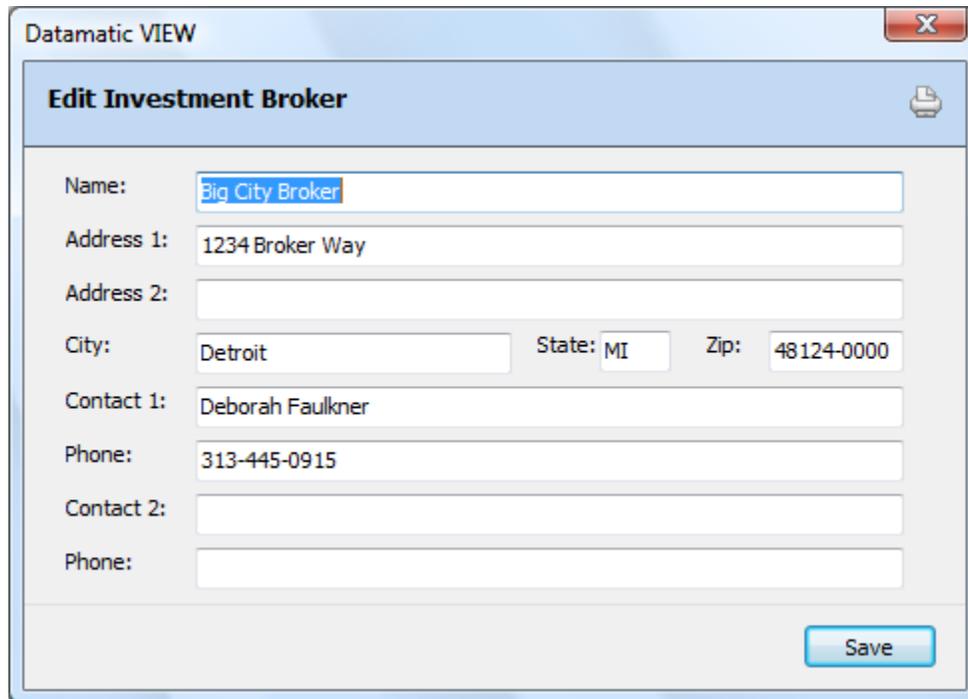
- Name:
- Address 1:
- Address 2:
- City:  State:  Zip:
- Contact 1:
- Phone:
- Contact 2:
- Phone:

A "Save" button is located at the bottom right of the form.

**Figure 3**

Enter the information for the new investment broker. Select Save.

To display the information for a specific investment broker, select a specific broker name from the list. The system displays.



The screenshot shows a window titled "Datamatic VIEW" with a sub-header "Edit Investment Broker". The form contains the following fields and values:

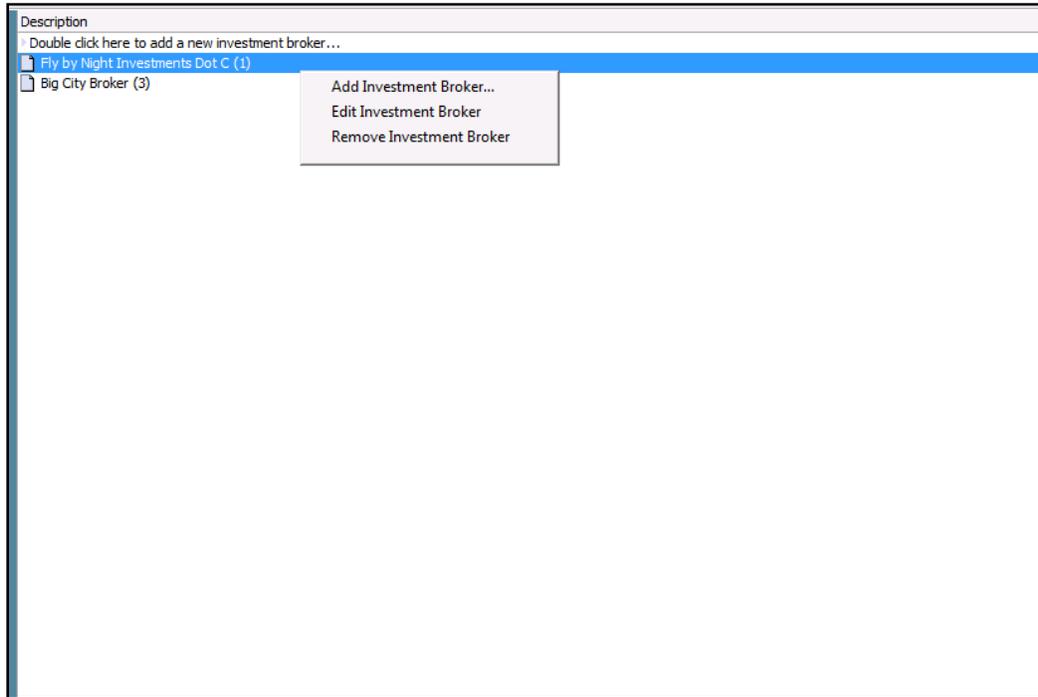
Field	Value
Name:	Big City Broker
Address 1:	1234 Broker Way
Address 2:	
City:	Detroit
State:	MI
Zip:	48124-0000
Contact 1:	Deborah Faulkner
Phone:	313-445-0915
Contact 2:	
Phone:	

A "Save" button is located at the bottom right of the form.

**Figure 4**

Changes can be made, if necessary. When finished, select Save.

Right click on the investment broker's window and the system displays.



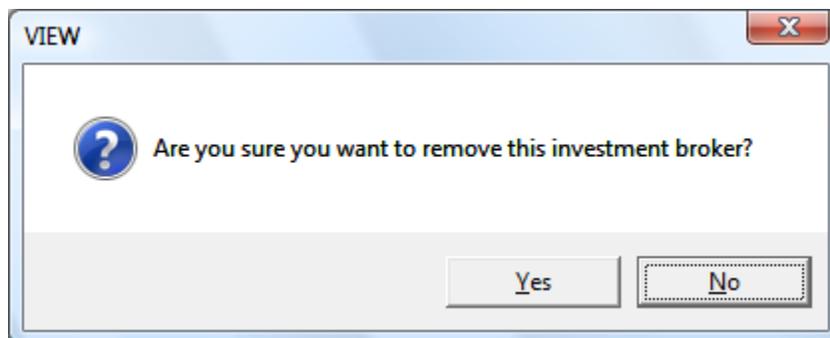
**Figure 5**

Click on a selection.

**Add Investment Broker** - Displays the Add Investment Broker window.

**Edit Investment Broker** - Displays the Edit Investment Broker window.

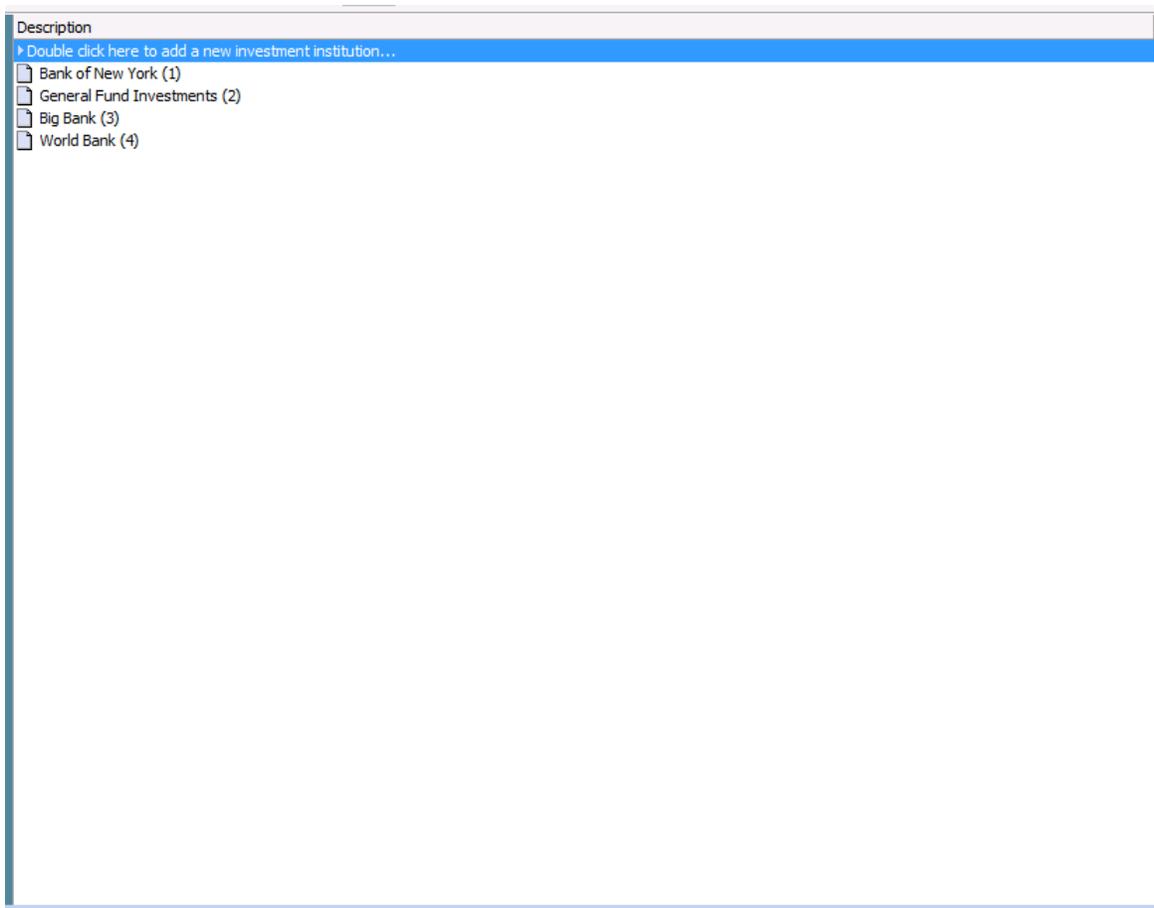
**Remove Investment Broker** - Displays the following window.



Select Yes to remove the investment broker. Otherwise, select No.

## **Institutions**

The Institutions folder displays a list of the investment institutions that are currently on the system.



**Figure 6**

To add a new investment institution, select “Double click here to add a new investment institution...” line.

The system displays the Add Investment Institution window. The add Investment Institution window will open with two tabs of information to fill out.

**Name and Address tab** – Add Name, Address, Contact Name and Phone number.

Datamatic VIEW

**Add Investment Institution**

Name and Address | Institution Details

Name:

Address 1:

Address 2:

City:  State:  Zip:

Contact:  Phone:

Save

**Figure 7**

**Institution Details Tab**

Datamatic VIEW

**Add Investment Institution**

Name and Address | Institution Details

Rank:  Grade:

Investment Limit:

Wire Instructions:

Effective Date:   Money Market:

30 Day Rate:  60 Day Rate:

90 Day Rate:  120 Day Rate:

Save

**Figure 8**

Enter the information that applies for the new investment institution for both tabs. Select Save.

To display the information for a specific investment institution, select the specific investment institution from the list. The system displays the Edit Investment Institution window.

The screenshot shows a software window titled "Datamatic VIEW" with a sub-header "Edit Investment Institution". There are two tabs: "Name and Address" (selected) and "Institution Details". The "Name and Address" tab contains the following fields:

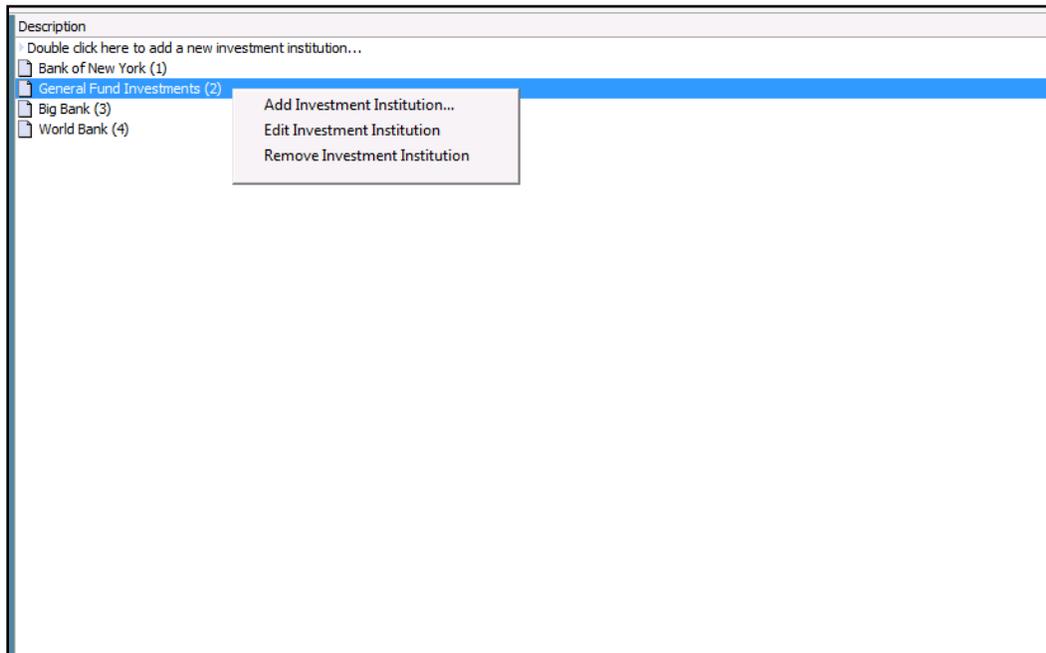
Name:	Big Bank		
Address 1:	1234 Bankers Way		
Address 2:			
City:	Detroit	State:	MI
		Zip:	48341-0000
Contact:	James George	Phone:	517-663-9876

A "Save" button is located at the bottom right of the window.

**Figure 9**

Changes can be made for either tab, if necessary. When finished, select Save.

Right click on the investment institution window and the system displays.

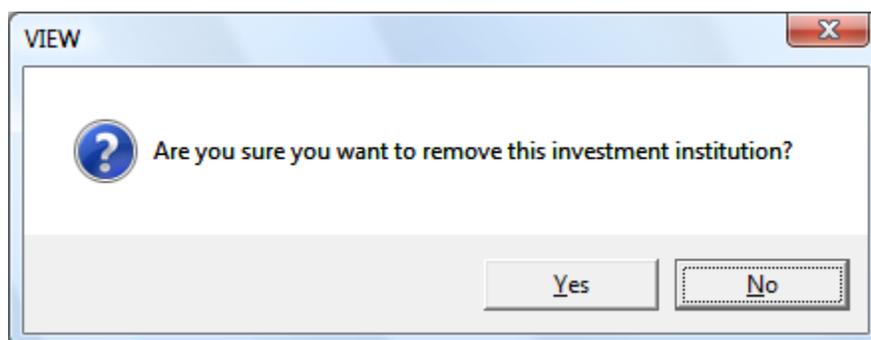


**Figure 10**

**Add Investment Institution** - Displays the Add Investment Institution window.

**Edit Investment Institution** - Displays the Edit Investment Institution window.

**Remove Investment Institution** - Displays the following window.



Select Yes to remove the investment. Otherwise, select No.

## Pending

The Pending folder displays a list of the pending investments that are currently on the system. The system allows for the adding of all the information about an investment ahead of time and to have it waiting until the credit union is ready to purchase the investment.

Description	Type	Maturity Date
▶ Double click here to add a new pending investment...		
Money Magic Investments (1)	Certificate	09-01-2005
Secure Savings (2)	Certificate	10-01-2007

**Figure 11**

To add a new pending investment, highlight the “Double click here to add a new pending investment...” line and press enter or double click on that line.

The system displays the New Pending Investment window.

The screenshot shows a software window titled "Datamatic VIEW" with a sub-header "Add Pending Investment". The window contains the following fields and controls:

- Name:
- Comments:
- Institution:
- Broker:
- Investment Type:  Pool:
- Market Value:  Market Value Pct:
- Payment Type:
- Interest Rate:  Calc Method:
- Premium/Discount:
- Prem/Disc Amount:  Total Months:
- Face Amount:
- Factor:  Maturity Date:

A "Save" button is located at the bottom right of the window.

Figure 12

Enter the information for the new pending investment. Select the **“Save”** button.

To display the information for a pending investment, highlight the pending investment and press enter or double click on the pending investment. The system displays.

**Datamatic VIEW**

**Edit Pending Investment**

Name: ABC Credit Union

Comments: This is where to enter any comments.

Institution: General Fund Investments

Broker: Big City Broker

Investment Type: Certificate Pool:

Market Value: \$50,000.00 Market Value Pct: 8.1700%

Payment Type: Interest Only

Interest Rate: 3.2500% Calc Method: 365 Day

Premium/Discount: Discount

Prem/Disc Amount: \$50,000.00 Total Months: 12.000

Face Amount: \$51,000.00

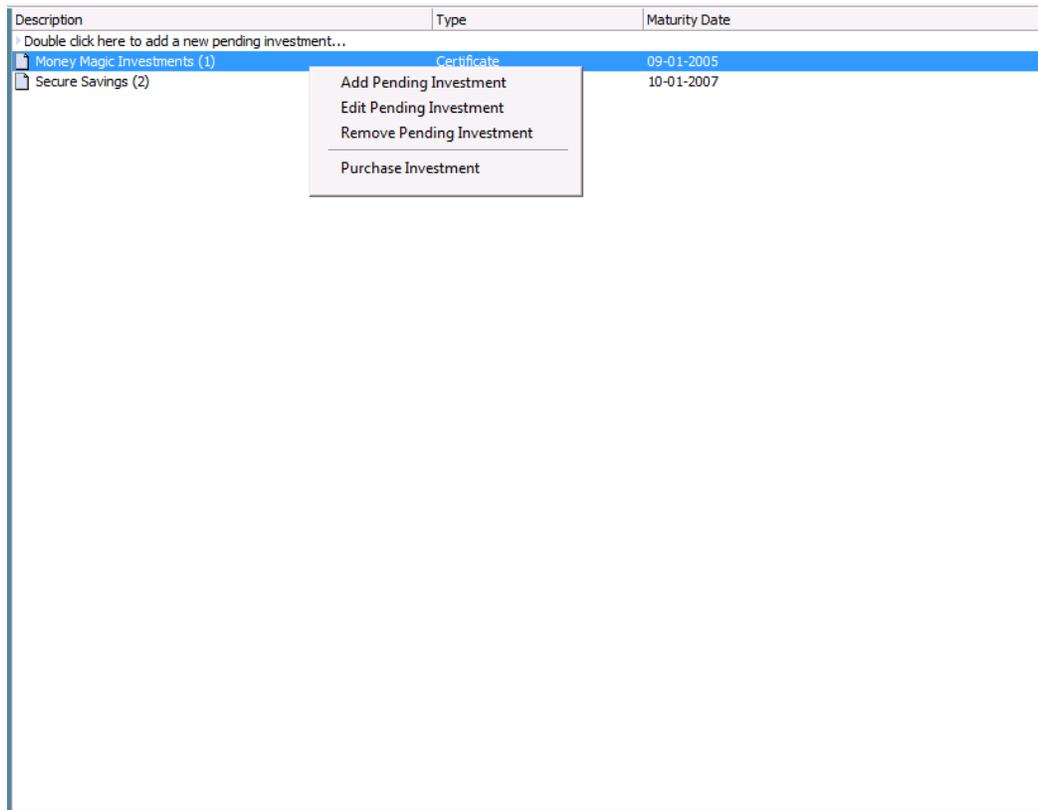
Factor: 1.3330 Maturity Date: 02-09-2015

Save

**Figure 13**

Changes can be made, if necessary. When finished, select the **“Save”** button.

Right click on the pending investments window and the system displays.



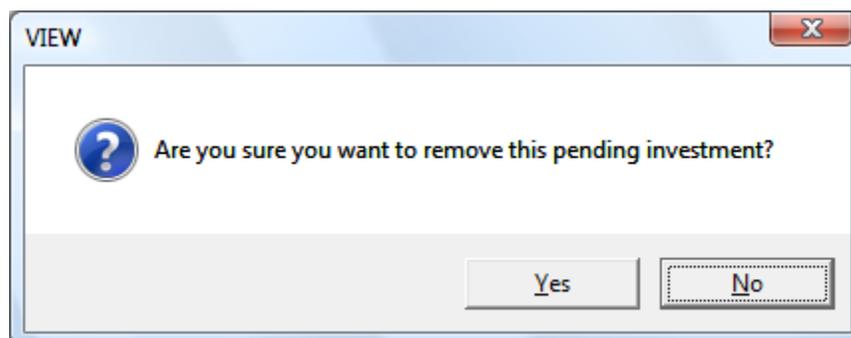
**Figure 14**

Use the arrow keys to highlight a selection and press enter or double click on a selection.

**Add Pending Investment** - Displays the Add Pending Investment window.

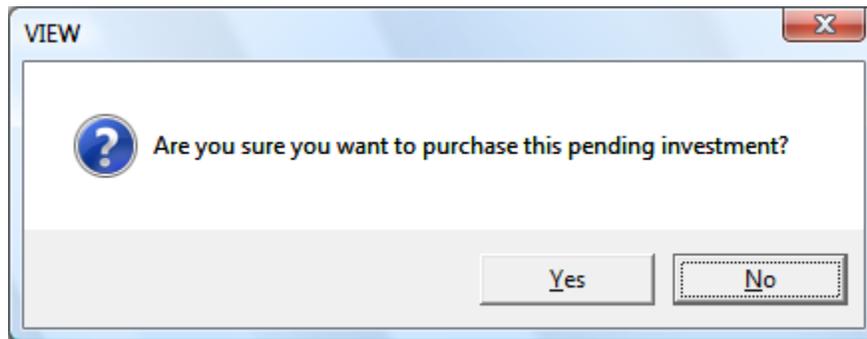
**Edit Pending Investment** - Displays the Edit Pending Investment window.

**Remove Pending Investment** - Displays the following window.



Select Yes to remove the pending investment. Otherwise, select No.

**Purchase Investment** - Displays the following window.



Select Yes to purchase the pending investment. Otherwise, select No.

Once the Investment is purchased, it becomes a New Investment and will display in the Investment list. The purchase transaction must be run for the correct dollar amounts to complete the necessary fields in the new investment.

## Portfolio

The Portfolio folder displays a list of the investments that are currently on the system.

Description	Type	Maturity Date
▶ Double click here to add a new investment...		
Alan's Investment (22)	Government Security	07-01-2006
Big Bank 90 Day (25)	Certificate	(none)
Big Money investment (29)	Certificate	09-01-2006
Big Pay (24)	Government Security	01-01-2005
Boondogle Investments (27)	Government Security	09-23-2006
Converted Investment (35)	Certificate	05-01-2005
Double Day Security (32)	Certificate	08-15-2009
Gov Bond (36)	Government Security	09-01-2005
High Interest CD (30)	Certificate	07-01-2009
High Yield Pay (19)	Government Security	(none)
Invest Wisely (26)	Government Security	04-25-2008
Lockhart Mortgage (37)	Government Security	09-01-2006
Looser Bank CD (18)	Certificate	(none)
Miser Millions (33)	Certificate	08-01-2006
New Age Investment (2)	Government Security	10-20-2008
Rainy Day Fund (20)	Government Security	(none)
Safe Keeping (34)	Certificate	06-01-2005
Today Test (28)	Certificate	08-01-2005
Triple Investment (31)	Certificate	12-01-2007

Figure 15

## Add New Investment

To add a new investment, select “Double click here to add a new investment...” line.

The system displays the New Investment window.

### **Investment Tab**

**Figure 16**

Enter the applicable information in the fields for the specific investment.

#### **Description of fields:**

**Name:** Enter a descriptive name for the investment. This will appear on the Investment Trial Balance report.

**Comment:** Enter any applicable comments for the investment. This will appear on the Investment Trial Balance report.

**Institution:** Use the drop down arrow to select the institution that holds the investment. A list of the institutions setup on the system will display from which to make the selection.

**Broker:** Use the drop down arrow to select the broker, if applicable. A list of the broker's setup on the system will display from which to make the selection.

**Premium/Discount:** This option applies to government securities only and does not apply to certificates of deposit. Use the drop down arrow to make a selection.

**CD Accrual:** This option is for certificates of deposit and determines if the system will accrue for the first day (traditional way) or last day of the CD.

**Accrue First**

**Accrue Last**

**Status:** Use the drop down arrow to make a selection.

**Interest Rate:** Enter the interest rate for the investment.

**Type:** Use the drop down arrow to select the investment type.

**Certificate**

**Government Securities**

**Ledger Class:** Use the drop down arrow to select the ledger class for the investment. The list will display class numbers added in the Ledger Account setup.

**Safe Receipt:** This field is used to indicate where the investment is stored (alpha field).

**Pool:** This field is used to enter the code assigned by the government for government securities (alpha/numeric field).

**Market Value:** Enter the face value of the certificate of deposit or what the certificate of deposit is worth when purchased. CU defined. (Optional)

**Market Value %:** Enter a percentage defined by the CU such as Market Value divided by Par Value. (Optional)

**Payment Type:** Use the drop down arrow to select the payment type. This determines how the interest payment is calculated on a monthly basis.

**Principal and Interest** (Government Securities)

**Interest Only** (Certificates of Deposit)

**Calc Method:** Use the drop down arrow to select the calculation method.

**365 Day** = Current Par Value \* IR / 365 \* # days

**360 Day** = Current Par Value \* IR / 360 \* # days

**360 Alternate** = Current Par Value \* IR / 12 \* # months (the system assumes 30-day months for government securities)

**Face Amount:** Enter the original amount of the investment.

**Factor:** This is a credit union defined field. (If premium, # should be greater than 1, if no premium/discount, the factor = 1.)

**Purchase Date:** Enter the date the investment was purchased.

**Maturity Date:** Enter the date the investment matures.

**Last Accrual Date:** This is filled in by the system. (Last time accruals were posted.)

**Sales Date:** Enter the date that the investment was sold.

When finished, select the **“Save”** button.

### Totals Tab

The screenshot shows a software window titled "Datamatic VIEW" with a sub-header "Add Investment". Below the header are two tabs: "Investment" and "Totals". The "Totals" tab is active. The form contains the following fields:

- Current Book Value:
- Original Par Value:
- Cost:
- Gain Or Loss:
- Current Par Value:
- Orig. Premium / Discount:
- Purchase Interest:
- Gain Or Loss Amount:

There are four summary sections, each with "Month To Date" and "Total" fields:

- Earnings:** Month To Date: ; Year To Date: ; Total:
- Premium Or Discount Expensed:** Month To Date: ; Year To Date: ; Total:
- Interest Received:** Month To Date: ; Total:
- Principal Repaid:** Month To Date: ; Total:

A "Save" button is located at the bottom right of the window.

**Figure 17**

As investment transactions are processed, the system fills in the information for the fields above.

**Current Book Value:** Current value (i.e. face value) of principal of asset plus premium or minus discount. This value will be filled in by the initial purchase transactions “Total” field.

- Premium Amortization will Decrease this amount each month.
- Discount Accretion will Increase this amount each month.
- Also the Principal Amount from a Redemption Transaction will subtract from the total in this field.

**Current Par Value:** Face value of asset (normally the same as the Current Book Value for CD's or for Government Securities it will be the Purchase price +/- the premium or discount). This value will be filled in by the initial purchase transaction "Principal" field.

The Principal Amount from a Redemption Transaction will subtract from the total in this field.

**Original Par Value:** The total purchase price of the asset. This value will be filled in by the initial purchase transaction "Total" field.

**Original Prem/Discount:** The total amount of the Premium or Discount filled in by the initial purchase transaction "Premium" or "Discount" field. If the purchase was for a CD, typically the amount will be zero.

**Cost:** What the credit union paid for the investment.

**CD** = Face Value

**Government Security** = Par Value +/- Premium or Discount

**Purchase Interest:** When the credit union purchases the investment, it is the amount of interest to be paid to the seller. (Purchaser is paying to seller, accrued for the month to date, since you are getting an interest check).

**Gain or Loss:** This must be changed to "none".

**Gain or Loss Amount:** N/A

#### Earnings:

**Month to Date:** Update Accrual Transaction will record the monthly accrual amount in this field. This field will reset to zero with the "Zero MTD Totals" option.

**Year to Date:** Update Accrual Transaction will record the monthly accrual in this field. This will be an accumulative total of monthly accruals for the current year. This field will reset to zero with the "Zero MTD and YTD Totals" option.

**Totals:** Update Accrual Transaction will record the monthly amount in this field. This will be an accumulative total of all monthly accruals since the purchase of the investment.

#### Interest Received:

**Month to Date:** The "Interest" field on the Payment transaction will be recorded in this field. This field will reset with the "Zero MTD Totals" option.

**Total:** The "Interest" field on the Payment transaction will be recorded in this field. This will be an accumulative total of monthly Interest for the current year. This field will reset with the "Zero MTD Totals" option.

#### Premium or Discount Expensed:

**Month to Date:** Update Accrual Transaction will record the monthly expense amount in this field. This field will reset to zero with the "Zero MTD Totals" option.

**Year to Date:** Update Accrual Transaction will record the monthly expense amount in this field. This will be an accumulative total of monthly amounts for the current year. This field will reset to zero with the "Zero MTD and YTD Totals" option.

**Total:** Update Accrual Transaction will record the monthly expense amount in this field. This will be an accumulative total of monthly amounts since the purchase of the investment. This field will reset to zero with the “Zero MTD and YTD Totals” option.

**Principal Repaid:**

**Month to Date:** The Principal Amount from a Redemption Transaction will record in this field. The Principal Amount for a Payment with Principal and Interest will be recorded in this field. This field will reset to zero with the “Zero MTD Totals” option.

**Total:** The Principal Amount from a Redemption Transaction will record the monthly amount in this field. The Principal Amount for a Payment with Principal and Interest will be recorded in this field. This will be an accumulative total of monthly amounts since the purchase of the investment.

When finished, select the “**Save**” button.

## Premium/Discount Tab

The Premium/Discount tab is displayed for **Government Securities** and is visible when the Premium or Discount is select on the Investment tab.

The screenshot shows the 'Add Investment' form in the 'Premium / Discount' tab. The form includes the following fields:

- Amortization Type: (Dropdown menu)
- Manual Amortization Amount: (Text input field)
- Premium / Discount Amount: (Text input field)
- Premium / Discount Balance: (Text input field)
- Remaining Months: (Text input field)
- Total Months: (Text input field)

Premium / Discount Tab		
Field	Comments	
<b>Amortization Type</b>	Selection	
	Liquid Yield	Percent of principal portion repaid divided by the original principal at the beginning of investment. Guarantees when principal hits zero, the premium or discount will also be expensed to zero. This is the most popular method. This type considers that some or all the principal might be repaid with the monthly interest payments.
	Straight Line	Total value divided by total term (assuming payment is made each month). The premium or discount is expensed using the same amount each month.
	Manual	Allows credit union to enter amortization amount
<b>Manual Amortization Amount</b>	Enabled when amortization type is set to manual.	
<b>Premium / Discount Amount</b>	Amount from a Purchase transaction will record in this field	
<b>Premium / Discount Balance</b>	Amount from a Purchase transaction will record in this field. This field will be reduced by the amount of the monthly Premium Amortization or Discount Accretion amount created by the Monthly Accrual process.	
<b>Remaining Months</b>	After the purchase transaction is processed, the credit union must enter the term that the amortization will be calculated. If this is blank the system will not calculate the premium or discount each month. This value will decrease by each Monthly Accrual processed. The must be file maintained by the credit union after the purchase transaction.	

## Edit Investment

To display or change the information for a specific investment, highlight the specific investment from the Investment list and press enter or double click on the investment. The system displays.

Datamatic VIEW

**Edit Investment**

Investment Premium / Discount Totals

Name: City of Littleville

Comments:

Institution: General Fund Investments

Broker: Big City Broker

Premium/Discount: Discount CD Accrual: Accrue First

Status: Open Interest Rate: 3.0000%

Type: Government Security Ledger Class: Class 1

Safe Receipt: yes Pool:

Market Value: \$96,000.00 Market Value Pct:

Payment Type: Interest Only Calc Method: 365 Day

Face Amount: \$94,000.00 Factor:

Purchase Date: 12-09-2013 Maturity Date: 12-09-2014

Last Accrual Date: Sale Date:

Save

**Figure 18**

Changes can be made, if necessary. When finished, select the **“Save”** button.

Right click on the investments window and the system displays.

Description	Type	Maturity Date
Double click here to add a new investment...		
Alan's Investment (22)	Government Security	07-01-2006
Big Bank 90 Day (25)	Certificate	(none)
Big Money investment (29)	Certificate	09-01-2006
Big Pay (24)	Government Security	01-01-2005
Boondogle Investments (27)	Government Security	09-23-2006
Converted Investment (35)	Certificate	05-01-2005
Double Day Security (32)	Certificate	08-15-2009
Gov Bond (36)	Government Security	09-01-2005
High Interest CD (30)	Certificate	07-01-2009
High Yield Pay (19)	Government Security	(none)
Invest Wisely (26)	Government Security	04-25-2008
Lockhart Mortgage (37)	Government Security	09-01-2006
Looser Bank CD (18)	Certificate	(none)
Miser Millions (33)	Certificate	08-01-2006
New Age Investment (2)	Government Security	10-20-2008
Rainy Day Fund (20)	Government Security	(none)
Safe Keeping (34)	Certificate	06-01-2005
Today Test (28)	Certificate	08-01-2005
Triple Investment (31)	Certificate	12-01-2007

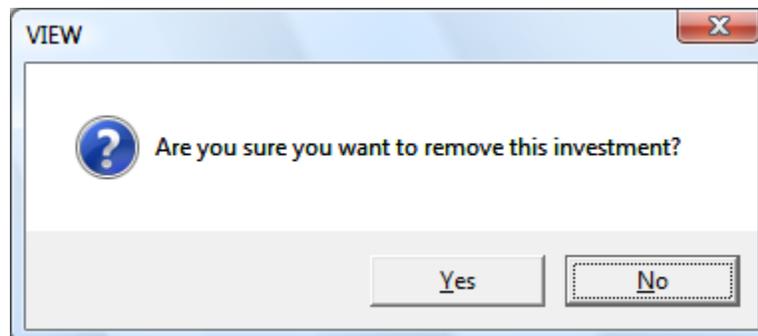
Figure 19

Use the arrow keys to highlight a selection and press enter or double click on a selection.

**Add Investment** - Displays the New Investment window.

**Edit Investment** - Displays the Edit Investment window.

**Remove Investment** - Displays the following window.



Select Yes to remove the investment. Otherwise, select No.

## **Broker Report**

The Broker Report can be generated as needed by the credit union. This report gives information on the brokers that are used by the credit union that have been entered in the system.

After making a printer selection, the system displays.



**Figure 20**

The "Report Date" is the date that will print on the report. It has no affect on the data. The default date is today's date.

Change the date, if applicable, and press enter. Press enter again to process and the report will be generated.

Example of report.

Investment Broker Report

09/03/2004  
Test Credit Union ( 1)

Investment Broker Report PAGE 1  
REPORT NO. IN250-01

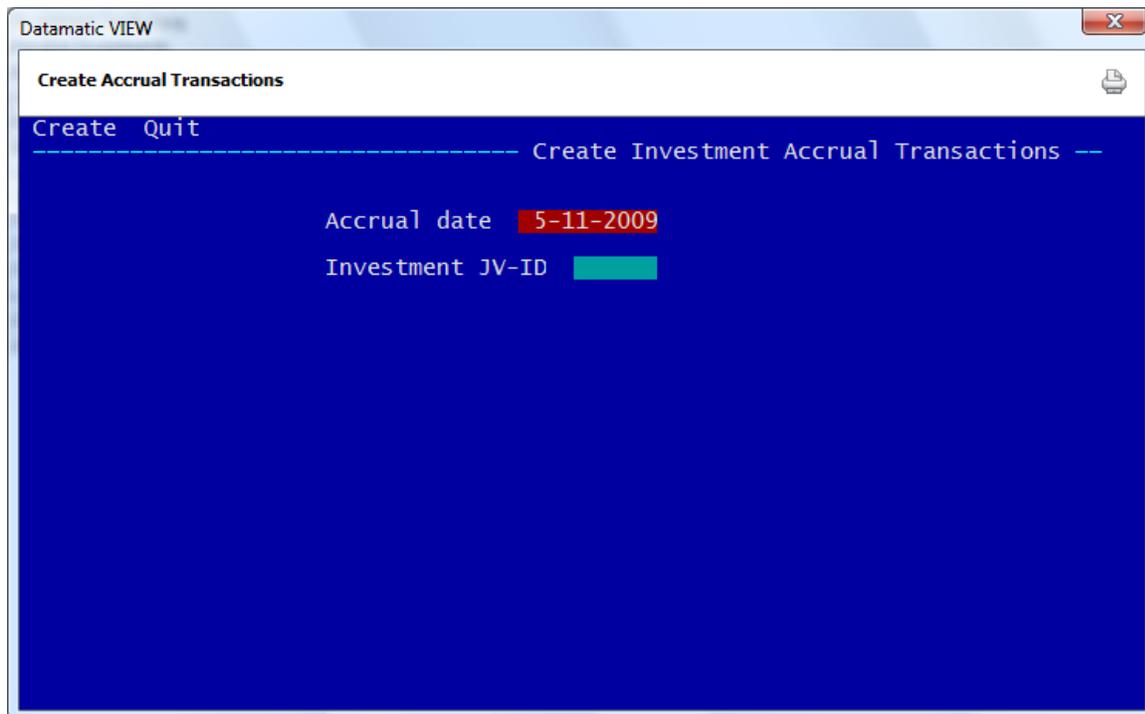
Broker ID	Init Date	Broker Name	Contact Person	Contact Phone
1	09-01-2004	Fly by Night Investments Dot C 159781 deli COUNTRY rd Address2 Lansing MI 48910-5555	contact 1 Joe J. Schimizzi	882-4401 882-5550
3	07-01-2004	Big City Broker 1234 Broker Way Detroit MI 48124-0000	Deborah Faulkner	(313) 445-0915

Figure 21

## Create Accrual Transactions

The Create Accrual Transactions selection is used to generate interest accruals for all the investments that have been entered. The credit union must create and update accrual transactions each month.

After making a printer selection, the system displays.



**Figure 22**

The report that will be generated is called Investment Tracking Accrual Report. This shows the interest accrual for each investment and a general ledger totals page (FOR ACCRUALS ONLY, plus premium or discount updates.)

**Accrual Date** - Enter the last day of the month (defaults with today's date)

**Investment JV-ID** - JV-ID's are credit union defined. **Example:** IN0620

Press enter and the system will calculate the investment accruals. A message of Create Completed... will display when finished.

The system will create a JV to be posted during update. The accrual figures cannot be seen until after the update is finished. Review the Investment Accrual Report. If for any reason you need to adjust an individual investment or add additional transactions, the Create Accrual Transactions may be rerun as many times as needed. **\*\*\*Review the report after each process until totals are correct. Once you have Updated Accrual Transactions totals cannot be changed.**



Example of report.

09/03/2004  
Test Credit Union ( 1)

Investment Tracking Transaction History

PAGE 1  
REPORT NO. IN035-01

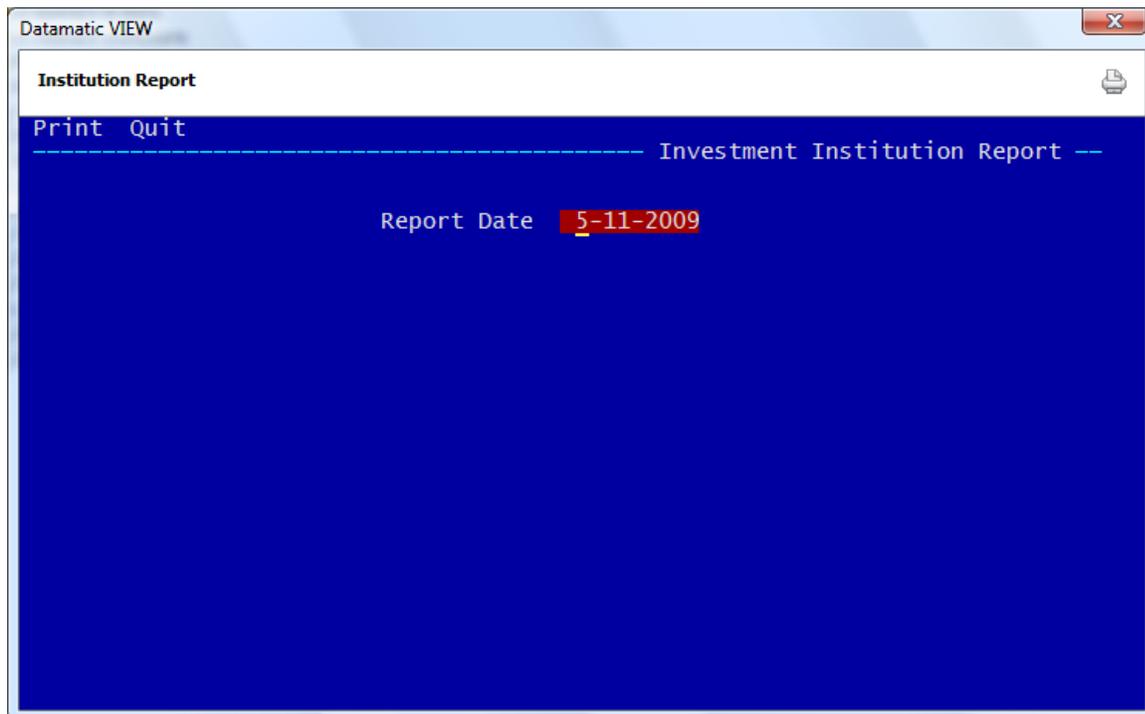
Investment Number	Transaction	Effective Date	Total	Principal	Interest	Purchase Interest	Premium	Discount
2	Purchase	07-01-2004	10,000.00	10,000.00				
	Payment	07-01-2004	100.00	100.00				
	Payment	07-01-2004	125.00	100.00	25.00			
	Interest Accrual	07-01-2004	400.00		400.00			
	Premium Amortization	09-01-2004	53.00				53.00	
	Premium Amortization	09-01-2004	50.00				50.00	
14	Discount Accretion	07-01-2004	8.33					8.33
	Discount Accretion	07-01-2004	8.33					8.33
	Discount Accretion	07-01-2004	8.33					8.33
	Discount Accretion	07-01-2004	8.33					8.33
	Discount Accretion	07-01-2004	8.33					8.33
	Discount Accretion	07-31-2004	8.33					8.33
18	Purchase	07-01-2004	125,000.00	125,000.00				
22	Interest Accrual	07-01-2004	234.56		234.56			
	Interest Accrual	11-01-2004	1.23		1.23			
	Premium Amortization	11-01-2004	12.50				12.50	
	Interest Accrual	09-01-2004	1.23		1.23			
	Premium Amortization	09-01-2004	12.50				12.50	
	Interest Accrual	09-01-2004	1.23		1.23			
	Premium Amortization	09-01-2004	12.50				12.50	
	Interest Accrual	11-01-2004	1.23		1.23			
	Premium Amortization	11-01-2004	12.50				12.50	
	Interest Accrual	09-01-2004	1.23		1.23			
	Premium Amortization	09-01-2004	12.50				12.50	
	Interest Accrual	09-30-2004	1.23		1.23			
	Premium Amortization	09-30-2004	12.50				12.50	
	Interest Accrual	09-03-2004	1.23		1.23			
	Premium Amortization	09-03-2004	12.50				12.50	
	Purchase	09-03-2004	60,000.00	55,000.00			5,000.00	
	Interest Accrual	09-03-2004	271.65		271.65			
	Premium Amortization	09-03-2004	138.88				138.88	
	Interest Accrual	09-03-2004	271.65		271.65			
	Premium Amortization	09-03-2004	138.88				138.88	
	Interest Accrual	10-03-2004	280.70		280.70			
	Premium Amortization	10-03-2004	138.88				138.88	

Figure 24

## Institution Report

The Institution Report can be generated as needed by the credit union. This report gives information on the institutions that are used by the credit union and that have been entered in the system.

After making a printer selection, the system displays.



**Figure 25**

The "Report Date" is the date that will print on the report. It has no effect on the data. The default date is today's date.

Change the date, if applicable, and press enter. Press enter again to process and the report will be generated.

Example of report.

09/03/2004		Investment Institution Report				PAGE 1
Test Credit Union ( 1 )						REPORT NO. IN260-01
Instit ID: 1	Instit Type: 32	Rank: 36	Grade: 88			
	Limit: \$125,000.00	Eff Date: 12-15-2005	Creation Date: 09-01-2004			
	30 Day Rate: 0.3300	60 Day Rate: 0.4550	90 Day Rate: 1.2100			
	120 Day Rate: 0.1230	Money Market Rate: 0.7800	Phone: (616) 555-1212			
	Instit Contact: Alvin Jones					
	Instit Name: Bank of New York					
	1 Madison Ave					
	Address two					
	New York NY 48910					
	Wiring Instructions: Wire instructions one					
	Wire instructions two					
Instit ID: 2	Instit Type: 32	Rank: 1	Grade: 10			
	Limit: \$5,555.55	Eff Date: 08-05-2001	Creation Date: 09-01-2004			
	30 Day Rate: 1.3330	60 Day Rate: 1.4400	90 Day Rate: 2.0900			
	120 Day Rate: 2.5500	Money Market Rate: 1.4450	Phone: 882-1515			
	Instit Contact: Joe					
	Instit Name: General Fund Investments					
	address1					
	address2					
	CITY MI 48842					
	Wiring Instructions: See joe					
	See joe again					
Instit ID: 3	Instit Type: 32	Rank: 23	Grade: 0			
	Limit: \$100,000.00	Eff Date: 07-01-2005	Creation Date: 07-01-2004			
	30 Day Rate: 3.0000	60 Day Rate: 3.4500	90 Day Rate: 4.0000			
	120 Day Rate: 4.3700	Money Market Rate: 2.1200	Phone: (517) 663-9876			
	Instit Contact: James George					
	Instit Name: Big Bank					
	1234 Bankers Way					
	Wiring Instructions: Detroit MI 48341					
	Wire every other Thursday					
Instit ID: 4	Instit Type: 32	Rank: 45	Grade: 0			
	Limit: \$25,000.00	Eff Date: 09-21-2006	Creation Date: 09-01-2004			
	30 Day Rate:	60 Day Rate:	90 Day Rate:			
	120 Day Rate:	Money Market Rate:	Phone: (777) 555-1212			
	Instit Contact: Joe Smith					
	Instit Name: World Bank					
	1234 Main Street					
	Wiring Instructions: Sienna Heights MI 78945					

Figure 26

## Ledger Account Setup

### Accounting

Investments

Ledger Account Setup

The ledger numbers added here will dictate the postings of accruals and the transactions for each investment assigned with the corresponding Class number.

Class	Investment	Accrual	Cash Received	Gain/Loss	Income	Discount	Premium
1	740000	786000		420000	121000	740100	740200
2	741000	786000		420000	121600	741100	741200
3							
4							
5							
6							
7							
8							
9							
10							

**Figure 27**

**\*\*Note:** This is for example only and not intended as an example of the exact general ledger numbers to be used on this window. Each credit union will decide which general ledger accounts are used in each column. Currently, the Cash Received general ledger is not used.

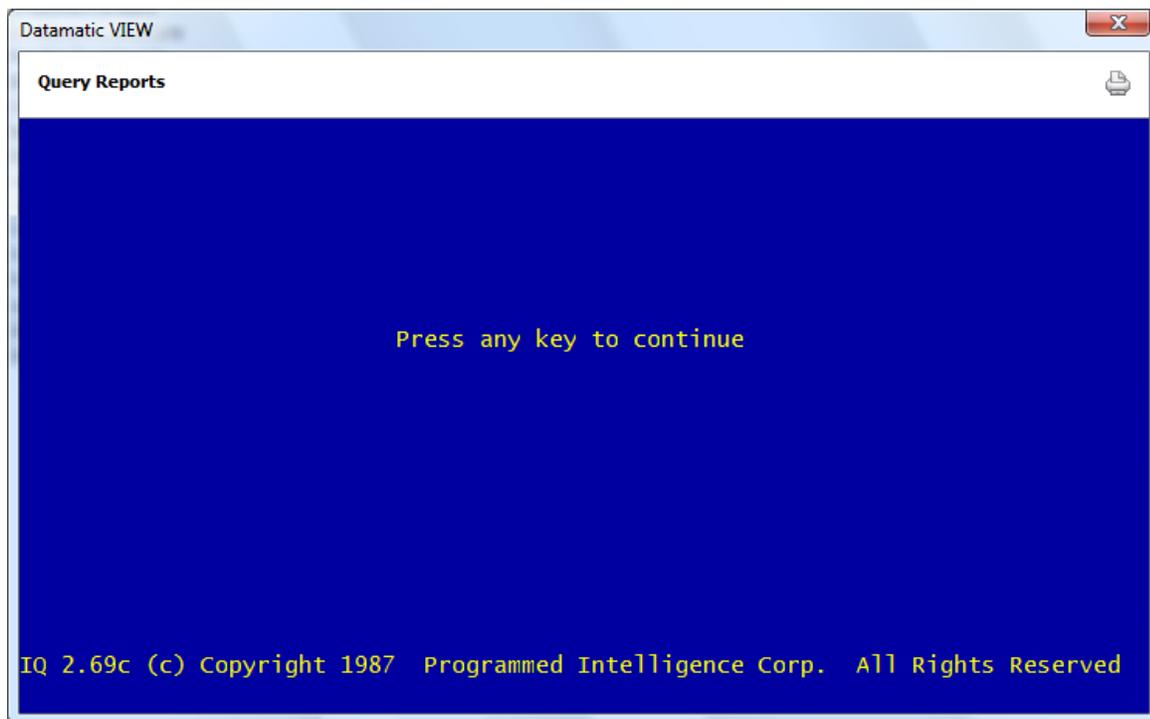
The General Ledger Account Numbers entered here are used for Auto Post when investment accruals are created. Up to 10 different classes can be setup.

When finished, select Save.

## Query Reports

The Query Reports can be generated as needed by the credit union. This selection takes the user directly to the Query software. This allows the credit union to create specialized reports for the investments. (\*\*Note: The credit union must also be licensed for the Query optional software to be able to use this selection.) Remember to create and run reports before resetting Month to Date figures if these fields are needed for your reporting.

The system displays.



**Figure 28**

Press any key to begin using Query.

(See the Query Report Examples Manual and the Query - Version 3 manual to learn more about using this software.)

**Investment Query Data Fields**

IR-ANNIVERSARY-VALUE – Value of the investment at Maturity  
 IR-BROKER – Broker number  
 IR-CALC-METHOD – 1 = 365 days, 2 = 360 days, 3 = 360 alternate  
 IR-COMMENTS – Comments entered about investment (60 characters)  
 IR-COST – Face amount of investment (from the Totals screen)  
 IR-CUR-BOOK-VALUE – Current value of investment  
 IR-CUR-PAR-VALUE – Current par value  
 IR-DEPRECIATION-TYPE – L = Liquidation Yield, S = Straight Line  
 IR-EARNINGS-MTD – Total accrual entries for month  
 IR-EARNINGS-TOTAL – Total accrual entries on investment  
 IR-EARNINGS-YTD – Total accrual entries for the year  
 IR-EXPENSED-MTD – Total premium/discount entries expensed for the month  
 IR-EXPENSED-TOTAL – Total premium/discount entries expensed  
 IR-EXPENSED-YTD – Total premium/discount entries expensed for the year  
 IR-FACTOR – Factor entered on Investment Maintenance screen  
 IR-GAIN-OR-LOSS-AMT – Amount entered when investment was sold.  
 IR-GAIN-OR-LOSS-CODE – 0 = Blank, G = Gain, L = Loss, N = None  
 IR-GL-CLASS – Class number assigned to investment  
 IR-ID – Investment number assigned to the investment  
 IR-INSTITUTION – The institution number assigned  
 IR-INT-RECEIVED-MTD – Total interest received for the month  
 IR-INT-RECEIVED-TOT – Total interest received  
 IR-LAST-INT-DATE – Last date accrual entries were updated  
 IR-MARKET-VALUE – Face value of interest at purchase  
 IR-MARKET-VALUE-PCT – Percent entered on the Investment Maintenance screen  
 IR-MATURITY-DATE – Date the investment matures  
 IR-MONTHS-REMAIN – Remaining months until the Premium/Discount is written off  
 IR-MONTHS-TOTAL – Total months the Premium/Discount is expensed  
 IR-NAME – Broker Name or Institution Name, or the Investment Name  
 IR-ORIG-BOOK-VALUE – Face amount from the Investment Maintenance screen  
 IR-ORIG-PAR-VALUE – Amount originally paid for the investment  
 IR-PAYMENT-TYPE – P = Principal and Interest, I = Interest Only  
 IR-POOL – Pool number assigned to the investment  
 IR-PREM-OR-DIS-AMT – Dollar amount of the premium or discount  
 IR-PREM-OR-DIS-BAL – Balance of the investment due after adding or subtracting the premium or discount  
 IR-PREM-OR-DIS-CODE – N = None, P = Premium, D = Discount  
 IR-PRIN-REPAID-MTD – Total principal collected on investment for the month  
 IR-PRIN-REPAID-TOTAL – Total principal collected so far  
 IR-PURCHASE-DATE – Date the investment was purchased  
 IR-PURCHASE-INTEREST – Interest paid at the time of purchase  
 IR-RATE – Interest rate of the investment  
 IR-RATE-TABLE – Not used  
 IR-SAFE-RECEIPT – Alpha/numeric comment entered in Investment Maintenance  
 IR-SALE-DATE – Date investment was sold.  
 IR-SEQ – Sequence number assigned as the Broker Number or Institution Number

IR-STATUS – O = Open, C = Closed

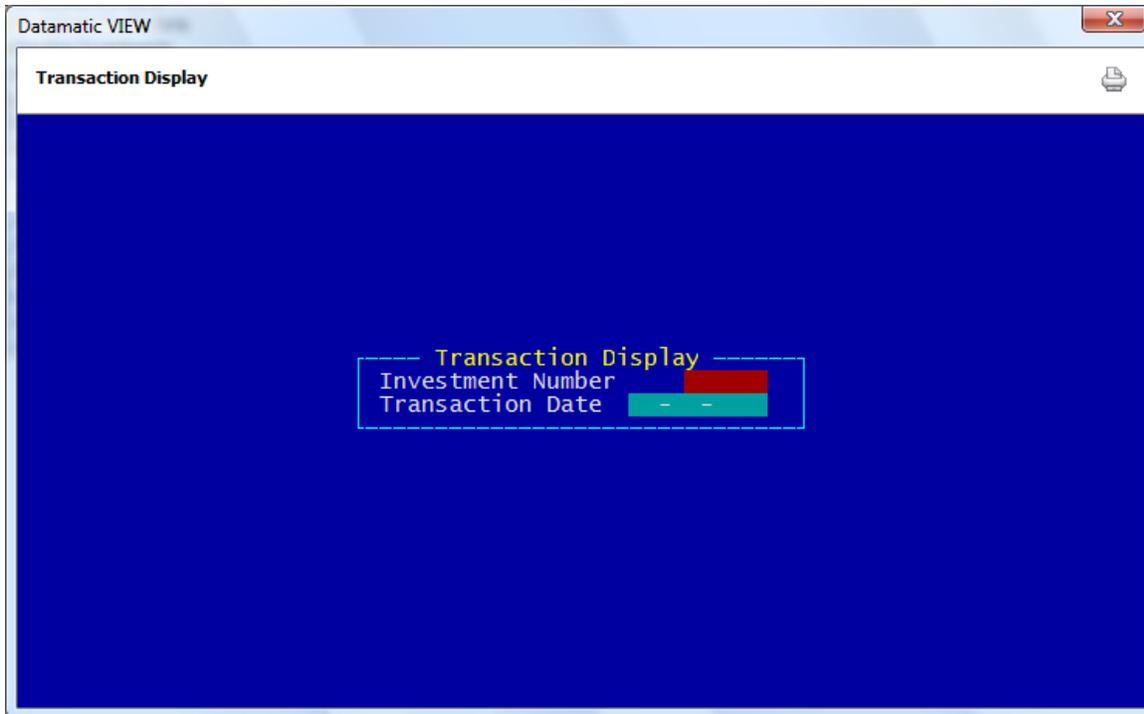
IR-TYPE – Investment Type C = Certificate, G = Government Security

IR-VARIANCE – Not used

TODAYS-DATE – Today's system

## Transaction Display

The Transaction Display selection can be used to display history on investment transactions.



**Figure 29**

Enter the Investment Number and Transaction Date (optional). Press enter.

The system displays.

Datamatic VIEW

Transaction Display

Investment Transaction Display

Investment Number: 55 Name: Certificate of New York

Transaction	Effective Date	Total Principal	Interest	Purchase Interest	Premium
Purchase	02-10-2009	5000.00	5000.00		
R-Purchase	02-10-2009	5000.00	5000.00		
Purchase	01-25-2009	5014.89	5000.00	14.89	
Payment	01-31-2009	18.13	18.13		
Accrual	01-31-2009	4.17	4.17		
Payment	02-28-2009	18.13	18.13		
Accrual	02-28-2009	16.68	16.68		
Payment	03-25-2009	3.06	3.06		
R-Payment	03-11-2009	3.06	3.06		

More ...

Figure 30

Select the printer icon to print the information.

## Transaction Entry

The Transaction Entry selection is used to purchase, redeem and disburse principal and interest transactions to the investment and will affect the investment totals only. **No General Ledger entries will be created.** All transactions should be recorded before Monthly Accrual processing is performed. The current investment totals will be used for the Accrual process.

Figure 31

### Transaction Codes:

0	Blank	11	Purchase Reversal
1	Purchase	12	Accrual Reversal
2	Accrual	13	Payment reversal
3	Payment	14	Redemption Reversal
4	Redemption	15	Premium Amortization Reversal
5	Premium Amortization	16	Discount Accretion Reversal
6	Discount Accretion		

Examples:

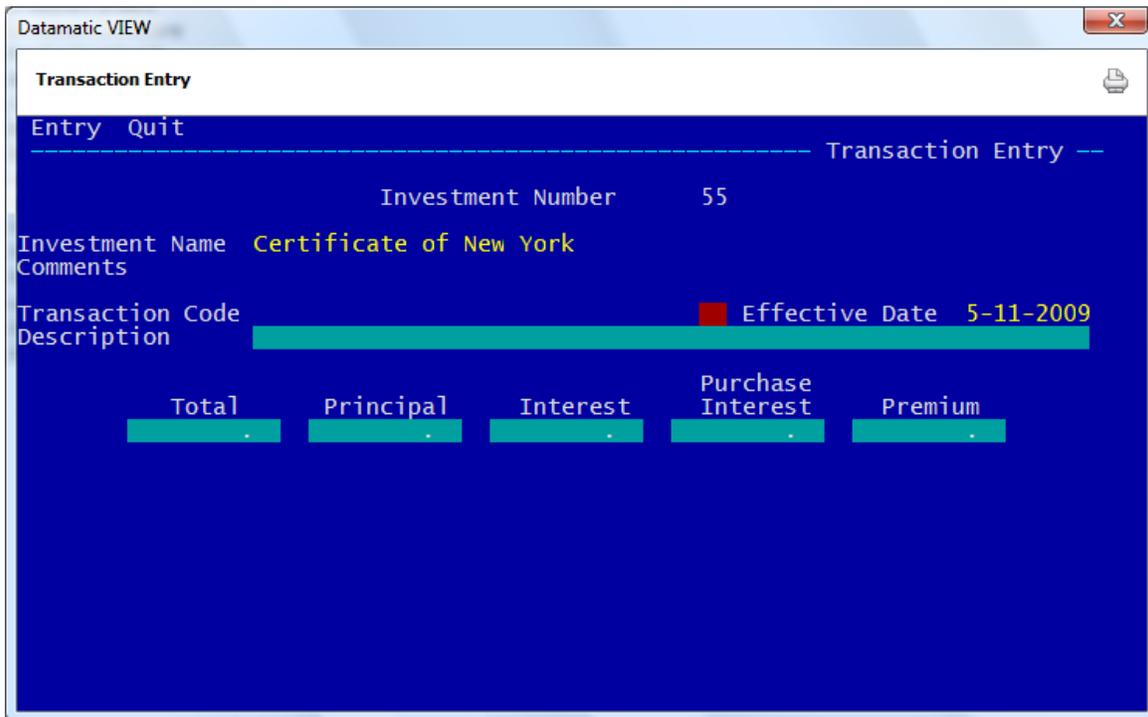


Figure 32

Transaction Code	Total	Principal	Interest	Purchase Interest	Discount/ Premium
1 - Purchase	X	X		X	X
2 - Accrual (manual)	X		X		
3 - Payment	X	X(GS Only)	X		
4 - Redemption	X	X			
5 - Premium Amort.	X				X
6 - Discount Accretion	X				X

**Examples:**

To purchase a CD, fill out: Total, principal, purchase interest (if any), and premium (if any).

To post manual accrual, fill out: Total and interest.

To record payment, fill out: Total, principal (for Government securities only), and interest.

To record payment, fill out: Total and interest. (for Certificates)

Redemption (final pmt), fill out: Total, principal, and interest.

Redemption (final pmt) with Discount: 2 transactions  
 Process Discount Accretion for remaining Balance (if before maturity)

Process redemption for the Total Par Value

Redemption (final pmt) with Premium: 2 transactions  
 Process Premium Amortization for remaining Balance (if before maturity)

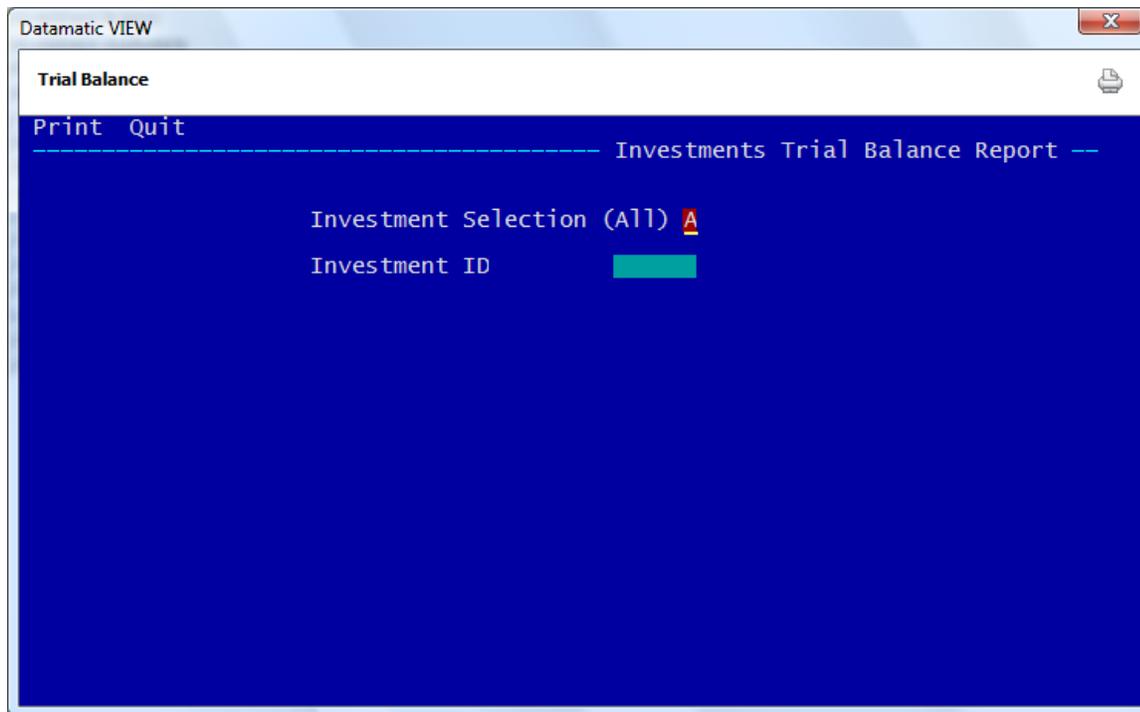
Process Redemption for the Total Par Value

- MUST ALWAYS USE TOTAL FIELD! Also, the transactions entered must balance to the total entered.
- INVESTMENT TOTALS WILL CHANGE WITH EACH TRANSACTION PROCESSED.
- ONCE RETURN IS PRESSED, THE TRANSACTION IS IMMEDIATELY UPDATED AND CAN BE VIEWED ON THE "INVESTMENT TRANSACTION DISPLAY".

## Trial Balance

The Trial Balance report can be generated as needed by the credit union. This report gives information on the current investments that are on the system.

After making a printer selection, the system displays.



**Figure 33**

**Investment Selection** - The valid options for this are:    A = All Investments  
  O = One Investment

**Investment ID** - If "O" for One Investment is entered for the Investment Selection, enter the Investment ID. The Investment ID is assigned by the credit union.

After making the appropriate selections, press enter. Press enter again to process and the report will be generated.

Example of report.

----- <Page Break> -----

09/03/2004 Investment Tracking Trial Balance PAGE 5  
 Test Credit Union ( 1) REPORT NO. IN025-01

Investment Number	Investment Name	Premium Govt Sec	Type	Government Sec
39	Premium Govt Sec			
41	Spend Wise Security			
42	Discount Gov't Security			

Current Book Value	Current Par Value	Premium Balance	Discount Balance	Interest Accrued	Purchase Interest
517,314.97	506,750.00	56,580.40	9,277.93	22,898.37	5,551.55
Totals For All Investments:					
849,614.97	839,050.00	56,580.40	9,277.93	30,324.41	8,151.55

Figure 34

The “Current Book Value” is the “Current Par Value” plus the “Premium Balance” minus the “Discount Balance”. However, if any of these figures have been changed or adjusted by the credit union, the previous sentence may not be true.

## Update Accrual Transactions

The Update Accrual Transactions selection is used to update investment accrual transactions after the accruals have been created using the "Create Accrual Transactions" selection. This selection updates the general ledger, as well as, updates MTD earnings, Last Interest Accrual Date and creates a Rejection Report (Posting Error Report). (DIN\*).

**IMPORTANT:** The accruals are posted in the General Ledger month set at the time the accrual transactions are updated. Verify that the correct General Ledger month is set before updating the accrual transactions.

Using the arrow keys, highlight "**Update**" in the upper left corner of the screen and press enter.

The following will be displayed:

- Batch Posting
- Posting Investment JV...
- Posting General Ledger Transactions
- Update Investment Accruals Completed
- Press RETURN to continue: (Takes cursor back to Investment window)

**\*\*\*DO NOT RUN THIS MULTIPLE TIMES. If for any reason you receive an error or a cancelled message STOP..... Complete the following steps.**

Check for an error report. Report @Inv\_Post\_Err and make corrections.

Check for a pending JV in your Journal Voucher folder.

General Ledger

Journal Vouchers

Select the Investment voucher to display accrual amounts. If the voucher is in a complete status and has the appropriate debit and credit entries, you may manually update voucher with online.

## Zero MTD Totals

The Zero MTD Totals selection is used to zero out the Month to Date Totals, as needed by the credit union. This can be done any time after processing the accruals for the month but before doing any transactions and processing for the next month.

## Zero MTD and YTD Totals

The Zero MTD and YTD Totals selection is used to zero out both the Month to Date and Year to Date Totals, as needed by the credit union.

**\*\*\*\*Optional:** Backup the Investment software after completing process. See page 3 for instructions.