

## Loan Application Setup

The Loan Application Setup selection is used to enter some information which will affect Loan Applications in a couple ways. It can be used to enter the number of days from the last loan application date where the system will automatically import existing credit report debts and the credit score into a new application. **IMPORTANT:** The number of days is from the application date not from the credit report date. If the number of days is exceeded, a new credit report will need to be ordered.

Also, this can be used to enter a description for the Internal Debts coming from the member record, if desired.

This is for users of the Loan Application Optional Software and that use VIEW to order credit reports.

Figure 1

**Policy Days\* (Debts, Scores):** Enter the number of credit union policy days that the system will import the debts and credit score for a member from the previous loan application. The default number of days is 30, if nothing is entered by the credit union. The minimum number of days is 1. **When determining the number to enter here, keep in mind the following scenario in the example below.**

**Example:** August 1, 2014 an application is started and the credit report is pulled and uploaded into that application. That application is either approved or one of the other decision options has been selected. The application is now saved on the system with the imported debts and score entered. The debt information on August 1st could be from a credit report for as early as the month of July. These debt records could be already a month old.

If the policy days are set to 30 (default set at the time of the release) and on August 29 the member applies for a loan and a new application is started and the old credit report debts are carried forward to the new application. These debts are now 29 days old and possible almost 2 months old. This application is now the latest application on the system with the date set for August 29 and the debts are from a report pulled August 1.

Member applies for a loan and an application is created September 20 which is within the 30-day parameter from the latest application on August 29. This application carries forward the imported debts from the August 29 application but the actual debts are from the August 1 credit report. These debts are now at least 1 month and 20 days old and possibly could be debt information from July.

The credit unions are going to have to make a decision on whether to allow old debts and credit score to be carried forward and for how long that period will be. The only way to be able to determine the age of the debts is to display them on the Debt tab (in Loan Application) and look at the individual debt reporting dates.

**Internal Debts Title:** Enter the description that will display in Loan Application (Debts tab) for the Internal Debts coming from the member record. Currently the description shows as <internal> for all internal debts. However, the credit union can enter a different description such as their credit union name, if desired. If left blank, the default description is <internal>. A 30-space maximum is allowed.