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CorporateCash Delivering Money...and Peace of Mind

Though it may seem we're a "plastic society", good old-fashioned cash is still in high demand and credit unions continue to need secure, reliable and timely access to currency and coin. Many credit unions have turned to competing financial institutions in their communities for currency servicing simply for the convenience. However, in recent years, many of these institutions have begun to implement hefty fees for this service. If this situation sounds all too familiar at your credit union, then let us introduce you to the CorporateCash program.

Kansas Corporate, through the CorporateCash program, facilitates currency and coin ordering, delivery and deposit for credit unions. We manage relationships with multiple armored carriers to provide your credit union with the perfect fit for your specific currency needs. Use of this program eliminates reliance on a local competing correspondent financial institution for your currency.

Program participants enjoy...

- **Simplified Ordering** – Secure online platform for order placement
- **Easy reconciliation** - Settlement of coin deposits, currency orders and program fees flow through your KCCU settlement account
- **Peace of Mind** - Armored carriers and armed guards provide added safety for your members, your credit union and currency
- **Time Savings** - Your valuable time can be spent on other initiatives as we manage carrier relationships on your behalf



Already have an armored carrier...

But like the sound of the CorporateCash program? It's easier than you think to begin currency processing through KCCU and the FRB instead of relying on a competing correspondent financial institution. We'll work with your current armored carrier and the Federal Reserve Bank to meet your currency needs and best of all you'll enjoy many of the same benefits of the CorporateCash program!

For more information or a customized proposal on the CorporateCash or FRB direct program, contact Sarah Holt, Business Development Representative, or Circe Gleeson, Marketing Manager, at 800.721.2677 | Ext. 122 or 106, respectively, or email marketing@kansascorporate.org.

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APEX-ACH

News & Notes

Back-end Conversion

With ACH payments increasing exponentially each year, processing software demands continue to grow in response. US Central, one of the largest ACH processors and our partner for APEX-ACH, anticipates processing a total of 477 million transactions this year, valued at \$400 billion, making their processing volumes equivalent to those of the top ten receiving institutions and the largest 50 originating institutions. To ensure the continued ability to keep pace with ACH processing growth, and due to some uncertainty of the current software provider’s ability to continue supporting USC, a conversion of the APEX-ACH back office processing is currently underway.

The conversion is to Fiserv’s PEP+ software, a processing engine utilized by 25 of the top 30 banks in the U.S. The process began in March of 2006, with a 10 member board, a core team of seven and extended team of 34 full time equivalents devoting over 50,000 hours to its successful completion. These efforts have resulted in a stable platform that will ensure the credit union movement has continued access to an outsourced, industry-leading platform facilitating continued regulatory compliance, a semi-fixed cost structure, and best practices for electronic payments processing.

Corporate credit unions were given the option of three conversion weekends, with the first two already completed. Kansas Corporate is scheduled to convert with the final group, the weekend of November 14th. Following the conversion, APEX-ACH users can expect to see changes in the appearance and names of existing reports, along with five new reports. In addition, a few minor screen changes will be evident and there will be some changes in the timing of information availability within the Host Inquiry and Derived Processing functions. Report changes are summarized in the accompanying box.

Please note, following the conversion, the effective date in the batch header five record of your receipt files will reflect the items’ effective date as received from the Fed, which will not always be the Julian settlement date. For more information on this change or other questions regarding the scheduled conversion, please contact Kip Poe, AAP, VP, Information & Technology, at 800.721.2677 | Ext. 104, or email kipp@kansascorporate.org.

APEX-ACH Report Changes

Old Report ID	New Report ID	New Name
C03	RC150-02 RC150-04	Originated Items Origination Returns
New	RC300-02	Cumulative Origination
New	RC300-03	Cumulative Origination Return
C10	RC250-02	Receipt Items
C10R	RC250-04	Receipt Return
C10I	RCIAT-02	IAT Receipt Items
New	RC310-02	Cumulative Receipt
New	RC310-04	Cumulative Merger Receipt
New	RC315-02	Cumulative Receipt Return
C06	RC150-03	Origination Reject
New	RC140-02	Manual Exception

ACH Contingency Test

Part of our annual Business Recovery Plan Risk Assessment involves reviewing critical systems and the contingency plans in place with respective system vendors. During a previous assessment of our APEX-ACH vendor, US Central, it was determined that their second contingency plan, the “Contingency Splitter Program,” might not sufficiently meet all the needs of our APEX-ACH users in terms of ACH origination. After thoroughly researching alternative options, we chose Mid-Atlantic Corporate Federal Credit Union, who has developed their own ACH product for their member credit unions, as our alternative ACH contingency location. In 2008, we began the process of having all APEX users complete required documentation allowing the FRB to reroute ACH files to Mid-Atlantic in a contingency situation.

(See APEX-ACH page 3)

CUBG Reaches New Milestone \$2 Billion in Loans Reviewed

CU Business Group, LLC (CUBG), began providing business lending, deposit and consulting services to credit unions in 2002. Since that time, they have reached many landmarks, including becoming the largest business services CUSO in the industry, serving over 300 credit unions in 40 states. Recently, they reached yet another milestone, successfully reviewing more than \$2 Billion in member business loans on behalf of credit unions.

While reaching this dollar figure is quite an accomplishment in and of itself, even more impressive is the solid loan quality they continue to maintain. A compilation of industry business loan quality data from the June 30, 2009, NCUA and FDIC reports revealed that credit union delinquency and charge-offs remain consistently lower than their banking counterparts, with delinquencies at 4.23% and charge-offs at .38%. CUBG member credit union's statistics were even more impressive than these national averages, with loan delinquencies for CUBG credit unions at just 1.15% and charge-offs at .25%.

As banks continue tightening their lending belts, many credit unions are experiencing increased volumes in business loan applications. The aforementioned numbers are a true testament to the value-added services provided by CU Business Group, especially during these challenging economic times.

CUBG has been a valued partner of Kansas Corporate, assisting many of our member credit unions in meeting their small business members' needs, since 2006. To learn more about the business services expertise and products available through CU Business Group, be sure to attend their **FREE** webinar, Bringing Business To You, Monday, November 23rd, at 1:00 pm. For more information, contact Sarah Holt or Circe Gleeson, at 800.721.2677 | Ext. 122 or 106, respectively, or email marketing@kansascorporate.org.

Upcoming CUBG Webinars*

- **Effective Interviewing**
Nov. 16, 2009 | 11:00 AM
- **Managing Deposit Fraud Risk**
Nov. 18, 2009 | 2:00 PM
- **CU Business Group's Portfolio Risk Manager**
Nov. 19, 2009 | 1:00 PM
- **Commercial Real Estate Appraisals**
Nov. 20, 2009 | 12:00 PM
- **Bringing Business to You**
Nov. 23, 2009 | 1:00 PM
- **Basic Collections and Dealing with Problem Loans**
Nov. 30, 2009 | 12:00 PM

**For a complete list of all upcoming webinars, along with regional training and on-demand training options, visit the CUBG website - www.cubusinessgroup.org.*

APEX-ACH *(continued from page 2)*

On October 6th we completed our first test with our new contingency partner, sending two test files which were successfully posted to Mid-Atlantic's ACH system. We also tested the creation of derived returns and a PPD origination item, all of which was completed without incident. All tests showed Mid-Atlantic to be a satisfactory alternative to using US Central's contingency splitter program. We will continue to conduct testing with Mid-Atlantic on at least an annual basis, ensuring all APEX-ACH users have adequate business continuity for their ACH payments.

APEX-ACH users should be aware - in the event of a true contingency situation, logon IDs, passwords and procedures will be distributed to all users for retrieving and originating ACH payments. Template data will be unavailable in such situations. It is therefore good business practice to maintain copies of all templates outside the system to use in the unlikely event APEX-ACH should be unavailable.

If you have any questions regarding our contingency plan or tests for APEX-ACH, please contact Tonya Johnston, Operations Manager, at 800.721.2677 | Ext. 113, or tonyaj@kansascorporate.org.



A Heartfelt Thank You from KCCU...

During this season of thanksgiving, we want to take the opportunity to thank each and every one of you for your continued support and patronage. We look forward to serving you and helping meet the product and service needs of your credit union and your members.

Something for Everyone

Our newsletter speaks to many different credit union staff positions – with operational updates, new product enhancements and offerings, as well as current events – it just makes sense to sign up individual staff at your credit union instead of having to forward out articles to multiple folks. Simply email us their contact information and we'll notify them by email every time a new issue of Corpor@teLink is published – currently bi-monthly!

You can also receive eNotices for Upcoming Events, the Daily Rate Monitor and ISI Offerings! Email us today at marketing@kansascorporate.org to get KCCU delivered direct to your Inbox!



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Please direct questions or comments to Circe Gleeson, Marketing Manager, or Sarah Holt, Business Development Representative, at 800.721.2677 | Ext. 106 or 122, respectively, or email marketing@kansascorporate.org.

Holiday Reminder

Kansas Corporate will close in observance of the following upcoming holidays. Please mark your calendars and adjust cash ordering schedules accordingly.

Thanksgiving Day
Thursday, November 26, 2009

Christmas Day
Friday, December 25, 2009

New Year's Day
Friday, January 1, 2010

Martin Luther King, Jr. Day
Monday, January 18, 2010