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Introduction

This guide will take the reader through the full range of Symitar’s credit, debit, and ATM processing services. In spite of fears regarding regulatory restrictions on interchange, credit unions continue to produce income with card programs through APR, interchange, enhanced member retention, and deeper member relationships that lead to the use of other services. Should you choose in-house or outsourced card processing, we provide options and support.

For outsourced processing, Symitar can supply a custom software package to improve customer support. For those who choose in-house processing, we offer solutions that take maximum advantage of you being in the driver’s seat.

In-house processors can benefit from Symitar’s Episys Card Processing Module and PowerLink Online, the card processing interface from our Payment Processing Solutions (PPS) division. Both are intuitive and make managing your card programs easy. Near-real-time data integration between the card processor and the core enables front-line personnel to effectively answer member questions. Our solution also provides a complete package of tools, support, and advice to make the most of your portfolio. We offer the combined experience of hundreds of credit unions offering strategies to make your card program a valuable asset.

Another essential feature of our credit program is extraordinary customer service. We will not leave you hanging when a critical issue needs resolution. Keep that in mind as you peruse the options in the sections of this guide. Each one is backed by world-class support.

As a final note of introduction, it’s good to know that PPS is fully compliant with PCI DSS (Payment Card Industry Data Security Standards) regulations. We will continue to maintain compliance with the stringent standards and safeguards that govern our industry so that cardholder data is always protected.
The Transaction Processing Service

Make it simple. If you’re going to use in-house processing, why negotiate with different vendors for different card-related services? PPS provides a full range of complementary services offering you a single contact point to make life easier. For example, if a credit and debit card processor provides ATM services, then the same vendor handles all settlements, reconciliations, and adjustments. Business dealings, as a whole, are consolidated and simplified if a card processor also provides a good loyalty program, card manufacturing, chargeback services, and other programs.

There are other considerations beyond one-stop shopping. When you call your vendor for assistance, do you currently get an expert who not only knows the credit union business but genuinely wants to help? It’s hard to overstate the importance of customer service in terms of efficiency and member assistance.

Another consideration: a vendor that truly wants a long term, mutually beneficial relationship won’t send you a confusing, multi-page invoice that leaves you guessing about what you’re actually paying for. Honesty is the best policy. In fact, the vendor should be happy to share numerous current references that attest to the organization’s trustworthiness and competence.

Symitar offers a simplified, service-driven, “under one roof” experience, beginning with our Credit and Debit Processing solution. As your processor, we manage the flow of authorizations and transactions between your institution, Visa®, and MasterCard®. Your members’ cards and transaction activity are visible to you through our user-friendly PowerLink Online interface. A few highlights of this service include:

- **Low processing costs.** It isn’t unusual for our customers to report as much as a 30 percent reduction in processing charges when switching to PPS. The reason: we do not nickel-and-dime customers with a multitude of fees, such as report fees, report storage fees, and database fees. We also send a straightforward, easy-to-read invoice of only one or two pages.
- **One hundred percent interchange reimbursement daily.** There is no reason to wait for your settlement; you get full reimbursement every day.
- **Chargeback services.** The majority of our customers choose to take advantage of our professional chargeback team. If you do, you’ll have a dedicated account representative who is up to date on the latest regulations and will also keep track of deadlines. You can deliver documentation to PPS through a secure Web-based document drop-off service.
- **Card management.** PPS manages your card production from embossing, to encoding, to mailing. Card design assistance is available. You can receive next-day service for 250 or fewer cards and three-day service for larger orders.
- **First-class implementation and training.** Our experienced technicians work closely with your transaction processor, data processor, and ATM provider to ensure a seamless transition. Following implementation, an experienced trainer will come to your site to make sure your staff knows the ropes.

We offer ancillary services to make life easier for card holders. PPS supports an interface with instant issue card production vendors so members can receive or replace a card and activate it immediately. We provide a toll-free audio response line and a secure website for card activation.

Other features of the service include two authorization options: a positive balance file or an online interface using a virtual private network (VPN). Settlements can be delivered as a batch file or as an online completion. PPS also stands in for you if the link to your financial institution is unavailable. A wide variety of activity, history, and statistical reports are available to customers.
As mentioned above, you don’t need to go to a different source for **ATM Services**. The ATM is an important service delivery channel, and cardholders need and expect quality and simplicity. The same is true for POS processing. We give credit unions the control and information they need for a successful, PCI-compliant program. A few of the features of our service:

- **ATM driving.** PPS drives virtually all types of ATM devices, supporting a full range of media and transaction types. We also enable interchange processing for those wanting to drive their own ATMs.

- **Monitoring.** You’ll get a sophisticated Web portal which enables significant control and flexibility. Users can send commands, view ATM cash positions, and much more from remote locations including branches or home. ATM journals are accessible from the Web portal if your machine supports this, eliminating the manual process of pulling information from the ATM. Comprehensive hardware and troubleshooting information puts you in control at all times.

- **Network connections.** Link your members with any of the major networks; Alaska Option Network, American Express, Cirrus, CO-OP, Credit Union 24, Discover, MasterCard/ Maestro, NYCE, Plus, Pulse, Quest EBT, STAR, and Visa.

- **Debit transaction processing.** We handle PIN-secured transactions, both POS and ATM.

- **PPS supports cardholder-selected PINs.** For member convenience, nothing beats allowing cardholders to select their own ID number. We also enable members to change PINs at the ATM.

### Fraud Detection and Prevention

We understand that institutions work hard to gain member trust. Using your credit union’s credit, debit, and ATM cards implies confidence and reliance on the part of your cardholders. Fraud can cut at the heart of that confidence and threaten profitable services and relationships.

PPS takes a holistic view of fraud prevention. There is not one single weapon that will significantly reduce card crime, so our **Fraud Management** solution combines an array of tools. We depend on layers of security and the ability to respond quickly. PPS, your institution, and even the card member all have an opportunity for rapid response.

Our first priority is prevention, but if and when fraud happens, we focus on stopping crime in its tracks rather than leaving you helpless as incidents continue to occur. A few of the most notable features of our multifaceted program include:

- **Live monitoring.** We employ a team of fraud analysts around the clock who keep watch on transactions. They, in turn, are aided by a PRISM® neural network that learns cardholder behavior and provides an alert if that behavior changes. It also sends an alert when preset limits and parameters are breached or other high-risk activity occurs. Analysts can use a tool called PinPoint™ that helps zero in on points of compromise; and another product called RulesPlus™ enables analysts to test and refine fraud alert rules through statistical measurement.

- **SMS Guardian™**. This service sends transaction alerts directly to cardholders via text message, enabling immediate response to unauthorized activity. If a cardholder returns a text and confirms suspicious activity, a fraud analyst is alerted, greatly diminishing the time frame in which a compromised card can be used.

- **Near-real-time authorization restrictions.** These authorization rules start at the BIN (Bank Identification Number) level. Institutions can immediately set restrictions according to merchant, POS entry mode, merchant category code, country code, state code, amount (fixed or variable ranges), or a combination of these. The rules can also be overridden at the account level.

- **Auto decline/auto block.** This tool enables Visa card-issuing credit unions to establish customizable blocks or decline parameters based on Visa’s Advanced Authorization information.

- **PPS Chip Cards.** These cards provide significant skimming protection where chip terminals are in use in the U.S. or abroad. The cards also have a magnetic stripe for use with standard domestic terminals.

- **A monthly fraud webinar.** Every month our fraud experts present the latest trends, regional criminal activities, and scams. We share tips and strategies for countering card crime.
The measures listed above are only some of the wide-ranging strategies available. You can set BIN/ account spending limits daily; you can set them by merchant category group and override them at the account level. We also provide name and expiration date mismatch detection. This service matches the names encoded in the card stripe against our names database for card numbers and uses the first eight characters of the last name to make matches. Failures are declined, displayed on PPS screens, and reported daily.

PPS encourages customers to authorize our access to their compromised card reports from Visa’s Card Alert Management Service and MasterCard’s Risk Alerts. The dates of the compromises assist our fraud analysts when they follow up on fraud, and after collecting the data, we’ll provide a report back to you. As mentioned above, PPS provides 24-hour English and Spanish card activation and lost/stolen card reporting by phone voice response or website. For card activation, validation options include Caller ID, mother’s maiden name, last four digits of the Social Security Number, full Social Security Number, phone number, date of birth, or member number.

As you might expect, we use CVV/CVC and CVV2/CVC2 numbers with all debit and credit cards we issue. PPS supports Verified by Visa and MasterCard SecureCode, and Visa Preauthorized Payment Cancellation. Address Verification Service (AVS) is typically used for “card not present” transactions or certain card-present transactions such as gas pumps. AVS checks the billing address of the credit card provided by the user against the address on file at the credit card company. Associated services:

- **Cardholder Alert Letters.** PPS can generate letters to your cardholders when cards need to be reissued due to Visa Card Alert Management Service notices and MasterCard Risk Alerts.
- **Decline Line.** PPS provides a toll-free response line for cardholders who have after-hours questions regarding a declined transaction.

Last but not least, approximately 40 different risk reports are available for analyzing your transaction data, learning about your member spending habits, and locating areas of risk. It’s our experience that when used strategically, the methods and information we provide minimize loss and enhance member trust.

**The Core Processor’s Role in Credit Card Service**

A good core processor should provide immediate access to transaction detail and account balances. This can facilitate proactive handling of delinquent accounts and collections. A processor should support batch or ongoing processing and also support merchant authorizations with balance files. It should provide card-related accounting and member service functions.

If you are an Episys user, you have an excellent platform for in-house card processing. The **Episys Credit Card Processing Module** enables all of the above and more. As with all Episys functions, you have “drag and drop” usability, wizard-based assistance, and user-friendly toolbars. Features include:

- **Flexibility.** Episys enables the user to make on-demand rate, due date, cycle, and fee changes. It supports a wide variety of card types, finance charge rates, authorization holds, and payment calculations.
- **Control.** Episys provides transaction processing, accounting, and administration.
- **Customization.** The module has extensive parameter-driven customization capability. It can support complex credit card programs and diverse processing environments. You can augment the credit card module with InterVoice Audio Response, and with NetTeller Online Banking®. If you want to add functionality, you can customize the Episys card module using PowerOn®, the Episys utility for modifying the system to support the needs of your credit union.

For those using outsourced card processing, we have a custom software package for Episys that uses account-level tracking records to store information about a member’s credit card account. These records are updated by a file from your third-party processor. This gives front-line staff timely member data. Symitar can also provide software to take card payments from members and create a payment file that is sent to your processor.
Loyalty, Retention, and Promotion

PPS has been involved in card processing for more than 20 years. We know payments, and we know what motivates a member to choose your card over any other. Loyalty programs such as rewards can be an important component to credit union services and growth, but it’s also important to do your homework before plunging in.

Do you have business goal for a rewards plan and a reasonable expectation of reaching it? In some markets, competition from other institutions may be an important driver that impels a credit union to initiate a loyalty plan. In such cases, it’s necessary to decide how your program will be different from others and best suited to your members. You should know who your target members are and how best to satisfy them.

The simplest and most common rewards plan is a points-based program. You have flexibility; you can vary the rate at which a member earns points and the point redemption levels. Special promotions, such as double points for particular periods are easy to manage.

Symitar’s PPS offers Extra Awards®, which is among the most robust plans in the industry. It offers point redemptions for travel, gift cards, or cash. There’s an optional cash rebate program that simply calculates a reward dollar amount, which you automatically deposit into the member’s account.

Some of the highlights of Extra Awards include:

- The ability to select your own name and branding for the program.
- The ability to set your own point values and expiration dates.
- A branded Web portal for reward redemption. Your members can visit this portal to check their point totals and redeem points for retail gift cards, cash, or travel. Members can book their own flights with a system that operates much like popular commercial travel sites.
- Extra Awards Travel Rebate enables members to redeem points and receive reimbursement for travel they booked on their own. Members must use your credit or debit card to book the travel.

Members who use our travel awards earn points they can redeem for available flights, not miles that are tied to a specific airline. Hotel and rental car certificate options are available to card holders who can also purchase ticket cancellation insurance. Those who prefer gift cards will find cards for the most popular retail and online merchants, as well as cards for restaurants and gas stations.

For those who will only settle for cash, the plan enables you to disburse money to your members in whatever form you wish. Other options include “relationship” rewards – you can award members for any activity, such as opening an account or taking advantage of a loan promotion. This feature can be especially useful for internal promotions, if you want to reward employees for reaching specific goals.

Extra Awards supports (1) “householding” of points – combining points from more than one card with all earned points going to a single account balance; (2) merchant awards, enabling you to build community ties by offering bonus points for shopping at specified local merchants; and (3) charity awards, so members can redeem points as a donation to a charity.

Awards clients who have done their homework will find a good return on their investment. It’s common to see an upswing in new accounts and higher numbers of transactions per account per month among awards participants.
Portfolio Profitability

As a processor with two decades of experience, PPS has examined hundreds of portfolios around the nation and looked at their best practices. We’ve seen what works for credit unions of different sizes in different regions of the country in a wide range of environments. Give us the opportunity to put our knowledge to work for you with a free Profitability Analysis.

Our success depends on your success. That’s why we don’t simply hand you a few pages of statistics without interpretation. We provide a thorough analysis, looking both at the big picture and the intricate details that help guide an institution’s growth. Our experts will examine:

- **Economic trends.** This will include the national economic outlook including sales, employment, prime rate, bankruptcies, and debt; and it will include the same statistics for your state, county, and city.
- **Financial industry trends.** We’ll gather data on credit card usage, new products, rates, fees, regulations, and demographics.
- **Your institution’s statistics.** This includes an examination of your products, market penetration, customer loyalty, sales history, balances, usage, and transaction volume.
- **Comparisons.** How do your card products, interest rates, and successes stack up against those of similar institutions in your area?

Based on this information we can often make specific, realistic suggestions for boosting your bottom line. We’ll spend the time to present our research thoroughly and discuss your strengths, weaknesses, and opportunities. Along the way, you’ll learn about the reporting tools available through PPS and how to best make use of them.

Summary

What may stand out as you read this guide is the range of opportunities offered by your card portfolio. You know your members better than anyone else, and our programs hand you the reins and enable you to provide maximum service.

Another stand-out is the promise of a unified card service. From the core processor to the ATM service to the loyalty program, you are dealing with an integrated solution. Rather than hopping from vendor to vendor or screen to screen, you’ve got a single package. The result is efficiency and economy.

There are two other clear benefits that come into play when using Symitar and PPS:

- **Expertise.** When you work with our training department, our implementations team, our chargeback team, our fraud management team, or any other department, you’ll know you’re working with high-caliber professionals. We know payments, and we know the technological and human needs of this business.

- **Customer service.** PPS customer service is known throughout the industry for its bend-over-backwards attention to your needs. It’s a considerable relief to know that when you pick up the phone with a question, you’ll get serious and undivided attention – every time.

We hope this guide has provided both an overview and an inspirational look at the possibilities inherent in a card program that really works. Take a look at what you have now and imagine what your portfolio could be. We’re here to help make it an exceptional service for your members and a growing, profitable part of your institution. The cards are in your hands.