

10/30/2015

The logo for Yavapai Credit Union (YCU) is displayed in a grey rectangular box. The letters 'YCU' are written in a bold, red, sans-serif font.

Independent Mathematical Contractors
Yavapai College
1100 E. Sheldon St.
Prescott, AZ 86301

Yavapai Credit Union Card Services
PO Box 66667
Prescott, AZ 86301

Dear IMC

Yavapai Credit Union is interested in improving the monthly statement it mail to customers of its Classic Visa Card. Our customer service representatives have indicated that customers have a high degree of confusion with how finance charges are computed as well as the federally mandated payoff information. We would like your team to design a new statement of two pages or less (so that we can print on the front and back of a single piece of paper) for a typical customer.

This typical customer pays an APR of 15.99% on purchases and 24.99% on cash advances. This statement should have a previous balance of \$1624.17 and correspond to the time period from 12/2/2014 to 1/1/2015. Your team should account for the following list of transactions:

- Payment of \$152 transacted on 12/1?/2014 and posted on 12/1?/2014. In this transaction, ? represents your team number.
- A charge of \$17.95 from Amazon Marketplace transacted on 12/??/2014 and posted on 12/??+1/2014. In this transaction, ?? is the day of the month the team member was born who handles this transaction.
- A charge of \$45.00 from Verizon Wireless transacted on 12/??/2014 and posted on 12/??+2/2014. In this transaction, ?? is the day of the month the team member was born who handles this transaction.
- A charge of \$52.74 from Sprouts Market transacted on 12/??/2014 and posted on 12/??+1/2014. In this transaction, ?? is the day of the month the team member was born who handles this transaction.
- A charge of \$115.62 from Walmart transacted on 12/??/2014 and posted on 12/??+1/2014. In this transaction, ?? is the day of the month the team member was born who handles this transaction.
- A charge of \$9.95 from Netflix transacted on 12/??/2014 and posted on 12/??+1/2014. In this transaction, ?? is the day of the month the team member was born who handles this transaction.

You will complete this project through two technology assignments.

Technology Assignment 4 (Find the Average Daily Balance) - In this assignment, you and your team members use Google Sheets to calculate the average daily balance and finance charge for the statement. Each team member should use the same payment above and one or

two of the charges to calculate the average daily balance. This means that each team member will have different average daily balances.

Technology Assignment 5 (How Long to Pay Off Balance) - In this assignment, you and your team members use Google Sheets to figure how long it will take to pay off the New Balance if certain payments are made. Each team member will use a different payment and obtain a different length of time based on the payment. As you might expect, the higher the payment, the less time it will take to pay off the balance.

We have provided you with a shared Google Drawing containing our current statement. We would like you to modify the statement with the information in this letter. We would also like you to improve upon the statement so that the calculations are more transparent. This sample is embedded in a larger infographic which you can use to document your improvements in.

At a minimum, the infographic your team produces should include

- All of the information in the current statement like Previous Balance, Interest / Finance Charge, Charges, Credits, Transactions, and Payoff Information. You should update these values to reflect the information and transactions in this letter.
- Documentation of the major improvement you have made to the current statement.

Clarity and transparency is valued above artistic merit. Our goal is to make the calculation we use as clear as possible and possible reduce the number of customer service calls we receive regarding the calculation. Also keep in mind that the statement is printed on a black and white printer and that the page can be no larger than 8.5 inches by 11 inches. Your instructor will evaluate your infographic using the same rubric he used on your first project. Consulting that rubric will help you to maximize your scores on the infographic.

Please consult your instructor's website for information on the due dates for these assignments and the infographic. If any part of this project is unclear and your team needs clarification, please consult your instructor well in advance of the due date.

Sincerely yours,

Barlow Baumgartner

Yavapai Credit Union