



Kofax Case Study

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– Leanne Phelps, SECU Senior Vice President of Card and Record Services

State Employees' Credit Union®



The North Carolina State Employees Credit Union (SECU) is the second largest credit union in the United States, with 240 branches and 1,000 ATMs in 100 counties. Founded in 1937, SECU headquarters are located in Raleigh, North Carolina, and are home to more than 3,500 employees, which serve its 1.4 million members. SECU's membership is comprised primarily of teachers, state employees and their family members.

As a non-profit financial cooperative owned by its members, SECU places a high priority on member services. Member benefits include lower fees on financial products and services, higher rates on deposits and member security. In 2006, SECU provided nearly \$258 million in financial benefits to its members. For this reason, it has a 98 percent member satisfaction rating.

One of the most significant member benefits is access to affordable mortgage programs. SECU provides competitively-priced credit services and seeks to meet its members' needs for credit with programs that include mortgages, vehicle, personal and credit card loan services.

North Carolina State Employees Credit Union Utilizes Kofax Enterprise Capture Platform to Create Distributed Capture Solution for Mortgage Processing

Kofax Solution Enables State Credit Union to Process 700,000 Mortgage Documents

The Challenge

With nearly three-quarters of a million mortgages established and an average of four documents per loan transaction, the SECU branches had become increasingly overwhelmed by processing the huge volume of paper documents and needed a way to transition away from hard-copy files and filing stations.

The credit union's multiple branches and operating locations meant that documents had to be transported to and from branches, making it easy for files to get lost in transit. The credit union wanted a mortgage solution that would ensure all loan documents were electronically captured and then stored in one central location. Documents would also need to be easily accessible in real-time from any credit union location.

SECU wanted to expand its online and branch offerings to allow members more freedom in obtaining their financial information, as well as minimize the time it would take for a member service representative to retrieve information while serving members. Whether in-person at a branch location or through the call center, which receives millions of calls per year, SECU wanted to improve and accelerate communications through the use of a distributed capture application.

With three credit union operating centers in Raleigh and hundreds of branches located throughout the state, the process to transition to a new distributed capture system would take some time. SECU wanted to locate a mortgage solutions provider and distributed capture platform that could maximize efficiency and security, further satisfying members.

“We needed a way to get mortgage-related documentation digitized efficiently so that our members could access their own file information and our employees no longer needed to go searching for files,” said Leanne Phelps, SECU Senior Vice President of Card and Record Services. “At the same time, the solution needed to be flexible and able

to work in conjunction with our Check 21 and photo identification programs already in place.”

The Solution

To identify and implement a solution, SECU turned to DTI Integrated Business Solutions, a local Kofax Certified Solutions Provider (CSP). Founded in 1984, DTI delivers integrated Enterprise Content Management (ECM) and workflow solutions that increase business efficiency, provide rapid access to mission-critical business information and maintain document security.

The decision was made by DTI and SECU to implement a Kofax distributed capture solution, which is included in Kofax enterprise capture platform, the foundation for Kofax’s strategy to help organizations streamline business processes. The solution included:

- **Kofax Capture, the world’s leading automated information capture platform**

“After reviewing the particular needs of the credit union for an enterprise-level solution, we knew that Kofax Capture would be a perfect fit. In fact, we didn’t consider any other products,” said John Gorham, Senior Account Manager for DTI. “Kofax is the only capture solution we provide on an enterprise basis because it represents our company well and offers superior flexibility during implementation.”

The Kofax solution automates business processes by capturing paper and electronic documents and forms into a digital format, transforms the content into accurate data and delivers the resulting information to an organization’s business applications and repositories.

With features that are vital to business-critical applications in enterprise environments, Kofax Capture allows for customized applications, such as specialized routing and processing, to meet the specific needs of the credit union.

DTI assisted SECU in successfully planning and delivering the mortgage solution in six months. Together, they created a test environment for the distributed capture solution and then installed it at each branch location. With the test environment in place, any updates to programming could be developed and then sent remotely to all branch locations.

Taking a special interest in managing the new solution internally, SECU partnered with Kofax Professional Services to create a custom instruction course for credit union employees. This course provides a simple and easy method for trained employees to receive the knowledge necessary to manage the Kofax solution individually. Now, SECU employees are able to provide their own support system for the distributed capture solution, saving SECU time and money.

The Results

Since implementing the Kofax solution at all branch locations, SECU has already seen significant improvements in productivity, efficiency and member service across its mortgage program. With the Kofax solution, a total of 700,000 loan documents have been captured and made available to branch employees.

By digitizing the loan files, SECU has reduced the time it takes for Financial Service Officers to access member information and respond to inquiries. In addition, SECU now guarantees 100 percent quality assurance to members that their files will be accurately processed and available.

“The more we develop this project, the more we realize that the Kofax solution will allow us to migrate into other areas of our business,” said Phelps. “The mortgage program is just the tip of the iceberg. The next phase is to consolidate our paper-based forms and capture them, along with new account opening forms and all correspondence.”

SECU’s future plans include making loan documents available to SECU members online.

Gorham added, “This distributed solution started with 250 work stations and has doubled to 500, representing the success that we have had with the project.”

About Kofax

Kofax plc (LSE: KFX) is a leading provider of capture driven process automation solutions. For 25 years, Kofax has provided award-winning solutions that streamline the flow of information throughout an organization by managing the capture of business critical information arising in paper, fax and electronic formats in a more accurate, timely and cost effective manner. These solutions provide a rapid return on investment to thousands of customers in banking and financial services, insurance, government, business process outsourcing and other markets. Kofax delivers these solutions through its own sales and service organizations, and a global network of more than 800 authorized partners in more than 70 countries throughout the Americas, EMEA and Asia Pacific.

For more information, visit www.kofax.com.