

## **Teller Capture Case Study**

# **Heritage USA Community FCU stops running to the bank with its deposits, and saves money in the process**

By Mike Lawson

April 2010

To think a credit union would have to work with a bank is almost blasphemous – especially in this day and age when banks are so upside down in their finances as well as customer service. But smaller credit unions working with banks is a common practice that could be falling out of favor, thanks to Check 21 and the peripheral technology solutions that surround this electronic process.

One credit union that was mired in that “working with a bank” mode was \$45 million, 8,278-member Heritage USA Community Federal Credit Union, Midland, Texas. Heritage USA Community FCU used to physically take its member deposits to Bank of America every day after closing. While it was useful that the deposit could be made nearby, the credit union incurred a fee of nearly \$2,000 each month to do so – adding insult to injury.

Heritage USA Community FCU’s VP/information technology, Adam Ortega, wanted to get away from being so dependent on the bank for the credit union’s deposits. He wanted to adopt the Check 21 electronic process for deposits instead. But he had to do some research on vendors that could help before he could make that move.

“After I did some research, I really discovered how Check 21 could benefit us,” Ortega says. “By doing Check 21, it would be easier to process our end-of-day Cash Letter. It was faster to get a response on checks that would not pay, including counterfeit checks or insufficient checks, or were

returned for some other reason.”

Having already worked with [Millennial Vision Inc.](#), Salt Lake City, in the past for other document management systems, Heritage USA Community FCU found it a natural fit to adopt the company’s teller capture system, Teller C21. Teller C21 could easily integrate with the credit union’s core system, Open Solutions, a CUES Supplier member based in Glastonbury, Conn. Heritage USA Community FCU implemented MVi’s Teller C21 solution in July 2009 and hasn’t looked back.

“We quickly discovered that we could research items faster and conduct electronic retrievals faster – all at the time of the teller transaction. This aspect alone saves us so much time,” Ortega explains. “Best of all, we don’t have to run to the bank anymore.”

MVi’s Teller C21 capture lets tellers scan their checks into a daily batch file at the time of deposit. It can also be integrated with MVi’s Receipt Capture product, which allows tellers to attach deposit items, generate receipts with signatures and create an individual teller balancing report prior to cash letter submission.

The credit union saves nearly \$2,000 a month in bank fees and another \$1,000 or so in supplies not used anymore. The cost of the system is in line with similar solutions in the marketplace.

Heritage USA Community FCU has also made the deposit process increasingly simple with Teller C21. The credit union, which has 13 tellers at three branches, used to make 13 cumbersome, separate deposits for each teller. Now, with Teller C21, Heritage USA Community FCU consolidates the entire deposit processing operation and sends one electronic file to the Federal Reserve in minutes.

“We’re now going to the ‘green side,’ recycling paper that’s used instead

of throwing it away, or using it for our deposits,” Ortega says. “We are able to send our deposit electronically. We don’t have to use gas to drive to the bank. We recycle the shredded checks, and we don’t have to use as much power using a big scanner scanning additional work, which included deposit slips and receipts.”

The new system is “great because we’re looking to save money in every aspect of our operations – especially in this economy. It all equals better service for our members in the long run,” as tellers now have more time for members since they’re spending less time researching and retrieving documents.

He adds that his staff trained on Teller C21 for about a month and after that the operations flowed smoothly. In addition, Teller C21 allows the credit union to use any clearing house it wishes.

“We feel that we’re a more independent credit union now since moving away from the bank,” Ortega admits. “In addition, our tellers are doing less scanning now and they don’t have to run to the back of the credit union to research a member request anymore. Everything is done electronically at the time of the transaction. We save paper, gas, and time – which is great for us and especially our members.”

**Mike Lawson** owns [DML Communications](#).

© 2010. CUES. All Rights Reserved.