



TTCU Credits DocuSign Electronic Signature Services with Faster Loan Processing

Summary

- Reduced turnaround time from one week to less than one day
- Able to distribute loans more quickly to members
- Expedited loan process improved TTCU's revenue stream
- Enabled the opening of a new loan-by phone call center

Since 1934, TTCU "The Credit Union" (formerly Tulsa Teachers Credit Union) has offered members lower interest rates, fewer fees and distributed higher dividends than competing commercial banking institutions. As credit unions are non-profit organizations, owned by their membership, TTCU reinvests revenue earned into the organization or distributes revenue in the form of higher interest on deposits. TTCU offers 82,000 members financial services at 12 branches in the Tulsa metro and surrounding areas.

Challenge

Manually packaging loans is a labor-intensive process for any financial institution. Considerable time is spent sending the loan documents to the credit union member by expressed or regular mail and waiting for the signed documents to be returned. This process can consume up to 10 working days. Often the process is stalled and repeated when borrowers inadvertently miss a signature or forget an initial on a loan document.

"You just hope they signed everything where they were supposed to," says Cassie Mangold, TTCU's director of consumer lending. "If one document comes back without a signature, you're stuck. You've got to send it back again."

This long signing process also affected the credit union's revenue stream. Since finalizing loans was lengthy, member re-payment schedules were also pushed out.



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Cassie Mangold

Director of Consumer Lending, TTCU

The credit union wanted a solution that would provide member satisfaction while improving the credit union's revenue stream.

"We wanted to please our members by offering a smoother path to quick cash, but we also wanted to improve our cash flow," says Mangold. "The sooner the loan gets on the books, the sooner interest payments can flow into the institution."

Solution

Mangold heard about the DocuSign product from one of TTCU's vendors, All ied Solutions, which provides insurance for credit unions. She was immediately intrigued. "I went to the Website to read about it," Mangold recalled. "It sounded like a dream come true." Mangold leveraged DocuSign's free trial to distribute about 15 test envelopes to company executives and branch managers. "Everybody said—wow, that's cool," she says.

Soon after, TTCU decided to deploy DocuSign's Enterprise electronic signature solution for its loan contract execution to better serve its 82,000 members in 14 counties in northeastern Oklahoma.

Results

"Before, if you were missing a signature, you had to send it back," says Mangold. "That's the joy of DocuSign. The member signs and initials it exactly where they have to—and it's not finished until they do. You'll never get a packet back with a missing signature."

With the digital DocuSign solution, most contracts are returned electronically in less than a day, compared to the lengthy turnaround time with paper documents. In addition, the DocuSign solution prevents signers from sending back a contract prior to being complete. This was a "big sell to the lending department," she says.

TTCU compliance officer is a fan as well. TTCU employs ID verification in their loan eSigning process, which has enhanced compliance. TTCU's compliance officer, formerly of the National Credit Union Association (NCUA), is pleased with DocuSign's audit trail and authentication.

"Getting the loan on the books, based on your average loan size, just a day earlier pays for the DocuSign service," says Mangold. For example, a member takes out a \$15,000 loan at 6% accruing interest at \$2.64/day. Getting that loan on the books in one day versus 10 creates additional value to the credit union and more than pays for the DocuSign service.

In addition, the institution, which has some \$930 million in assets, now can distribute loans to its members faster—a key benefit as the credit union has members, such as military personnel and college professors, living outside of the country. TTCU also experiences higher

loan completion rates as members can sign where ever email can be accessed. TTCU members can even electronically sign auto loan documents while sitting at the auto dealership ensuring the credit union doesn't lose the loan to the dealership's financing department, which is often at a higher interest rate.

"I think if financial institutions are not doing something like this, they're going to lose business," she says.

TTCU has also leveraged the DocuSign service with an additional credit union loan service offering. TTCU opened a loan-by-phone call center in February 2009. The department is staffed by four people who process loans using DocuSign eSignature services.

"DocuSign is the engine for our loan-by-phone center," says Mangold. "DocuSign makes it possible for our loan staff to complete the loan signing process quickly without ever having to meet the borrower. We can do everything faster and more securely electronically. DocuSign sets us apart from other financial institutions."

TTCU continues to recognize additional uses for DocuSign and incorporates DocuSign into its workflows. Recently the credit union employed DocuSign in its indirect lending process and usage has steadily increased. The credit union continues to uncover opportunities to streamline processes and eliminate paper while creating additional value for its vast membership. With DocuSign, this journey is much easier.

About DocuSign

DocuSign® is the Global Standard for Digital Transaction Management™. DocuSign accelerates transactions to increase speed to results, reduce costs, and delight customers with the easiest, fastest, most secure global network for sending, signing, tracking, and storing documents in the cloud.

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