



Case Study: The Bankers Bank

The Bankers Bank of Oklahoma Selected Clearingworks - Payment Switching to Provide Scalable and Flexible Image Cash Letter Service

The Bankers Bank exists for one reason: to provide the highest quality of correspondent services to community banks. The unique ownership of 107 community banks with no majority shareholders gives The Bankers Bank the ability to offer a full range of correspondent bank and cash management services at a reasonable cost.

The Bankers Bank was chartered in August 1985 and opened for business on May 28, 1986. The core focus is to deliver superior client experiences to their member banks and the other correspondent banks they serve.

The Situation

The Bankers Bank was providing image cash letter services to their correspondent banks, however their previous software solution was unable to keep up with the increasing volume of checks as new correspondent banks were added. The Bankers Bank has a talented information technology team and a wealth of experience in providing correspondent check clearing services which afforded them the ability to pursue either of two options: build their own solution or select a technology partner. Time to market was critical in order to keep true to the core mission of delivering high quality services.

The Solution

Mark Keeling, the Chief Operating Officer for the bank, and Malinda Rickel, Senior Vice President of Operations, explored various off-the-shelf solution providers and also evaluated the time and cost to build their own internally developed solution. Key decision criteria included:

- Ability to scale to meet the increasing demands as more correspondent banks were added to the network
- Flexibility in configuration so that banks could be added without technical support or long testing delays
- Timeliness in processing since most image cash letter files come later in the day, leaving a very small window of time to make upstream clearing deadlines
- Reliability of the vendor partner to deliver what is promised, when it is promised
- Simple pricing that allows The Bankers Bank to offer a competitively priced service

Making the Decision

The Bankers Bank was able to cut their processing time by 75% compared to their current system.

U.S. Dataworks allowed The Bankers Bank to take a full test drive of the Clearingworks - Payment Switching Network as part of the product and vendor evaluation. The Bankers Bank arrived on site at the US Dataworks office with two large check volume days ready to process. Using the Clearingworks - Payment Switching Networks test system, The Bankers Bank simulated each day by fully processing the work, routing to each clearing destination and balancing to the penny.

The first day of production simulation took four hours to complete since it was the first run and there were some minor configuration changes that needed to be made in order to balance. The second day of production simulation contained a similar volume of checks, but was completed, balanced and verified in two hours. This represented a 75% reduction in processing time when compared with their previous system.

Benefits

Simplified Cash Letter Processing

Clearingworks - Payment Switching Network provided a simple way for The Bankers Bank to automate acknowledgement files, returns, NOCs, and NCIs. Previous processes involved a number of manual steps and external one-off processes. Clearingworks - Payment Switching Network also made it simple to adjust tier-level pricing for various volumes and end points.

Ongoing Partner Relationship

The Bankers Bank values the partner approach of US Dataworks. In fact the solution was so successful, The Bankers Bank was able to expand the service to other Bankers Banks. US Dataworks continues to improve and enhance the feature set of Clearingworks - Payment Switching Network. The goal of these enhancements is to improve the user--experience, make it easier to brand, and to simplify the handling of special requests from community banks.

For More Information

For more information about US Dataworks products and services, visit our website at www.usdataworks.com or contact us by email at info@usdataworks.com or by phone at 281-504-8000.

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