



Bellco Credit Union Cashes in on DocuSign eSignature Services

DocuSign helps Colorado credit union reduce costs by 50% annually



CASE STUDY

Founded in 1936, the second-largest credit union in Colorado and the largest in the Denver area, Bellco Credit Union is the steward of over \$2 billion in member assets. The company services more than 191,000 members who are a part of more than 1,500 Select Employee Groups and executes thousands of vehicle and home loans each month.

Business Challenge

While Bellco wasn't necessarily facing a business problem, per se, with its pen and ink signature processing of lending contracts, the organization is constantly on the lookout for new ways to re-engineer business processes for greater efficiency, says Ryan Klassen, director of lending services for Bellco.

He says that he saw e-signature services and electronic contract management as an opportunity to move toward a more efficient paperless process.

"Bellco always wants to offer our members good alternatives and options and a lot of convenience," Klassen says. "When we started looking a little bit deeper into e-signatures we were presented with DocuSign as a possible vendor. The wheels just started spinning fast."

DocuSign Solution

As a conservative financial organization, Bellco decided to take its deployment of DocuSign slowly, says Klassen. The first step was to create a pilot program of 20 unsecured business loan contracts. When 20 out of 20 members came back with rave reviews for the system, the lending department was given the green light to roll out to all unsecured business loans and then all unsecured consumer loans.

Once all unsecured loans were successfully running through the DocuSign e-signature system, Klassen saw a big opportunity to deploy it also within the process of loan modification of existing vehicle and home loans. The liens are already perfected on these loans, and DocuSign allows lending personnel to send out loan modification contracts electronically.

Summary

- Saved 50% annually on tasks using DocuSign services
- Document turnaround in several hours rather than several days
- Manage triple the loan modification volume without adding additional staff

Results

Bellco Credit Union implemented DocuSign with the goal to improve process efficiency and a year later, the organization is finding that the solution has lived up to the task.

According to Klassen, "The return on investment is dramatic. Bellco has reduced annual costs by 50% for tasks now managed through DocuSign. It really pays to have the DocuSign solution in place."

The system also allows Klassen's department to easily scale to increased demand for contract execution, as was the case for refinancing. Bellco actually started moving to DocuSign before the financial markets took a nosedive and the need for vehicle and home loan modifications among its membership skyrocketed. Since October 2008, he says his department has seen requests for loan modifications triple.

It still takes Bellco a couple of weeks to verify a lot of the information from members necessary to make a loan modification and to determine if the member is eligible. However, the credit union is able to lop off several more weeks in processing time that a lot of banks and other financial institutions take to manually receive an ink signature.

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Ryan Klassen
Director of Lending Services, Bellco Credit Union

"During those weeks, it is a critical point in time because more payments are coming due, the borrower is growing more past due and they could drop out of this modification process completely and end up with a foreclosure or a repossession or a charge off," Klassen says. "Meanwhile, the institution takes a loss."

Once Bellco finds that a member is eligible, lending personnel will call the member and send the DocuSign electronic envelope simultaneously. After talking the members through the process and the modification details, Klassen says some members have even completed their loan documents before they even get off the phone.

Though Bellco could have never foreseen this use of DocuSign before it deployed the solution, the organization is now able to process a volume of modifications that would not have been possible without the technology, he says. "With DocuSign, we are more efficient, save money and can better serve our membership."

About DocuSign

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