Client Testimonial:

CU Companies

CU Companies Produces Enterprise-Wide Reporting and Holistic Risk Mitigation with ACES Audit Technology™

✳ Company

CU Companies, a Credit Union Service Organization, was founded in 1987 by 3 Minnesota credit unions to offer a competitive mortgage solution for its members. Today, more than 60 credit unions in Minnesota share ownership of CU Companies.

✳ Challenge

To manage its underwriting, origination, post-closing, title and quality control (QC) auditing, CU Companies was using two competing systems with disappointing results. The first system, Vendor X, was an outsourced provider running all QC audits, and the second, Vendor Y, was brought in after implementing Vendor X in an effort to bring QC in-house. Both systems failed to support CU Companies' audit needs.

Vendor X took too long to turn around audits, most of which usually contained errors. "We had no control over the turnaround time on audits. There were many errors in the QC findings, and Vendor X made it very difficult to communicate with them," said Joseph Prettner, QC Manager at CU Companies.

"There have been significant findings found through ACES that have highlighted areas of improvement, helping us to become better at our origination process. ACES has improved the loan quality in our organization and reduced the amount of risk like never before."

Joseph Prettner
Quality Control Manager at CU Companies

ARMCO
ACES RISK MANAGEMENT

Vendor Y came with its own set of disappointments. "The system was too automated and didn't allow for much configuration. Vendor Y didn't allow us to go in and cite exceptions on individual questions. It was a very rigid set of automated reviews and didn't prove to be very useful -- very gimmicky with little real value in the review," Prettner added.

✳ Specific QC goals for CU Companies included:

- Bring QC auditing process in-house to increase profitability and accountability
- Implement a QC platform that can be configured to meet CU Companies' needs
- Streamline QC processes through automation
- Incorporate industry-defined selection processes consistently across all audits
- Improve internal communication to remove audit deficiencies and boost QC compliance requirements
- Utilize managed question sets to stay on top of regulatory changes
- Leverage existing solutions to unify QC reporting across the organization
- Significantly reduce reliance on internal IT support

✳ Results

- Reduce executive reporting turn-times from 5 days to 2
- Improve audit efficiency and organization
- Immediately identify procedural or compliance gaps
- Provide structure to the QC department to allow for future growth.

✳ Solution

CU Companies didn't need to look far to find its next QC platform, as it was already using ARMCO's ACES Audit Technology in its originations department. "We had already tested out a few other vendors before ACES so we knew it would be the best fit to allow us to achieve our organizational growth," Prettner explained.

Key components of ACES that were of interest to CU Companies included:

- Easy configuration
- Vendor Managed Questionnaires
- Communications Portal
- Business Objects Reporting
- Action Plans

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