

Case study: Educational Employees Credit Union

QAS Pro Improves Member Services, Reduces Costs at EECU



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— Paula Minugh
Manager of Support Services
Educational Employees
Credit Union

Situation

Incorrect addresses led to increasing volumes of returned mail and impacted Educational Employees Credit Union’s efforts to communicate with members in a timely manner.

Solution

QAS Pro validates addresses in real-time at the point-of-entry, ensuring compliance with customer identification program (CIP) processes.

Results

With QAS Pro, Educational Employees Credit Union increased overall efficiency, enhanced fraud detection efforts, and reduced the costs associated with returned mail.

Incorrect Addresses Impact Customer Service, Increase Costs

Founded in 1934, Educational Employees Credit Union (EECU) is one of the oldest credit unions in California. Today, with more than \$1.5 billion in assets, EECU is the 16th largest credit union in the state and the 68th largest credit union in the nation.

EECU has 13 branches and a call center, and provides a full range of financial products and services to more than 158,000 members—including school employees, students, members of school organizations, and many of their family members.

With an average of 1,600 new accounts being opened each

month, EECU mails many essential documents—such as disclosure forms, loan forms, personal identification numbers, and ATM cards—to members in the first weeks after their account is opened. When the credit union began to experience increasing volumes of returned mail due to addresses that were incomplete or inaccurate, the institution grew concerned about the impact these delayed documents would have on members’ trust and satisfaction levels.

“These mailings are the first correspondence members receive from their credit union,” explained Paula Minugh, the manager of support services at EECU, “and

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we're committed to providing our members with accurate, timely information." The credit union is also required to ensure that members receive certain types of documentation, including disclosure statements, within a specified timeframe.

With one to two percent of all addresses being incomplete or inaccurate, EECU sought an address verification solution to ensure that member addresses were entered accurately when new accounts were opened as well as when addresses were updated. "It was impossible for us to determine if an address was invalid by simply looking at it, particularly if an address was incomplete due to something like a missing apartment number or incorrect directional information," Minugh said. "We were troubled by the impact returned mail had on member service, but we also knew we were wasting valuable resources trying to research and correct incorrect addresses manually."

Real-time Address Verification Supports Positive Customer Experience

EECU chose QAS Pro, which validates addresses against official postal records and provides options for partial or incorrect addresses automatically and in real-time. Today the solution is deployed in credit union branches for use during account set up as part of the customer identification program (CIP) process and in Support Services to maintain the accuracy of address information when addresses on existing accounts are updated.

"Every address is now verified with QAS Pro," Minugh noted. "The solution prompts for apartment numbers and directional information, and will not allow an address to update unless it is accurate. With QAS Pro, incorrect addresses are almost impossible."

In EECU branches, QAS Pro is credited with saving time whenever a new account is opened. "We used to enter a member's address multiple times in the process of opening a new account," explained Carrie Swanson, a financial services representative at EECU. "With QAS Pro in place, the process has been streamlined. We now enter the address only twice, with QAS Pro auto-populating many of the fields. Accounts are opened more quickly and accurately, allowing us to better serve all our members." Swanson noted that QAS Pro added EECU-required ZIP + 4 to each member's address, improving the accuracy of the address even further.

The fact that QAS Pro is a comprehensive, easy-to-use solution has also been especially important to EECU. "QAS Pro is a highly intuitive product and is very easy to learn," said Minugh. "In fact, our users were trained only once when we implemented the solution. New employees are easily trained by managers at each branch or back-office location, streamlining the training process."

Stronger Member Communication, Greater Member Satisfaction

With QAS Pro in place, EECU only experiences returned mail when members move and fail to notify the

credit union. The reduction in returned mail saves postage costs—\$2,500 annually on new account mailings alone—as well as the time of credit union personnel who can focus their energies on other member services rather than on manual address correction. "QAS has enabled us to perfect the accuracy of our addresses, and our members are reaping the benefit. With correct address information, we facilitate stronger communication with our members, which promotes good member relationships," noted Minugh. "We know that with QAS Pro, we've been able to improve our service levels. It's a great product."

In addition, QAS Pro has helped EECU comply with the federal regulations outlined in the Sarbanes-Oxley, Patriot and Banking Secrecy Acts for the delivery of legal documents, such as disclosures or dividend reports. QAS Pro also assisted in fraud detection efforts. "QAS Pro has helped us enhance our fraud detection efforts," Minugh concluded. "Most fraud begins at the address change, so we've centralized address changes in Support Services to minimize risk. We work diligently to verify a member's signature each time we receive a request to update an address. With QAS Pro, if an address is unmatched, it can be flagged automatically, so that we know to send the member a document requiring a signature before an address change is made. This has reduced the risk of fraud."

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