

Case Study



Purdue Federal Credit Union

ReserveLink® Provides Greater Automation, Efficiency and Sweep Rate to Free Up Capital for Investment

Purdue Federal Credit Union's deposit reclassification solution lacked flexibility, full automation and integration capabilities, so the credit union looked for a better solution. They found it in ReserveLink from Fiserv, which automatically sweeps over 90 percent of reservable account balances.



As a member-owned financial cooperative with more than 77,000 members nationwide and assets exceeding \$1.1 billion, Purdue Federal Credit Union always bases its decisions on what's best for its members.

Knowing the ability to reduce nonearning assets and expand asset income to produce additional free capital for investment is critical to a bank's overall profitability strategy, the credit union replaced its outdated deposit reclassification solution with ReserveLink.

"Our previous solution didn't make general ledger entries for us, had a static threshold and required time-intensive manual work. Plus, it crashed often," said Janice Coleman, Accounting Services manager. "This is definitely a better product, with higher sweep rates and much greater reliability and efficiency."

ReserveLink offers robust deposit reclassification that sweeps transaction account balances into nontransaction accounts – transforming previously idle funds, such as a noninterest-bearing Federal Reserve account, into an earning asset. All analysis, funds-sweeping and reporting is handled in an automated,



Client Profile

Headquartered in West Lafayette, IN, Purdue Federal Credit Union was founded on the Purdue University campus in 1969 by a group of Purdue employees searching for a place where they, their families and their fellow employees could save and borrow money safely, confidentially and at a fair rate of interest.

Today, Purdue Federal Credit Union is a member-owned financial cooperative with more than 77,000 members nationwide and assets exceeding \$1.1 billion. Through its eight full-service branches, three satellite branches, and online and mobile banking services, the credit union offers its members an array of financial products.

unattended fashion, which reduces manual analysis and execution by staff.

“We looked at other solutions but once we saw ReserveLink, we wanted it. The full automation, dynamic thresholds and integration with Prologue™ Financials from Fiserv really sealed the deal for us,” said Steve Bailey, an accountant who oversees ReserveLink at the credit union.

Smooth Implementation

As part of the implementation, the credit union decided to run its current system and ReserveLink in parallel for two weeks to analyze the core files and see what was needed to include and not include. Due to its cautious approach, the implementation took about two months to implement from the first meetings to moving solely to ReserveLink.

“Implementation was easy,” Coleman said. “And the support from Fiserv has been fantastic.”

ReserveLink runs after demand deposit account (DDA) posting and before general ledger (GL). This process requires no change to existing GL entries from the current DDA process. It requires no modifications to existing applications.

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Accountant
Purdue Federal Credit Union

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Full Automation Saves Time

Unlike the previous solution, ReserveLink “runs itself automatically. We just check reports and GL balances, which takes about 10 minutes compared to 30-40 minutes under the previous solution. I can spend more time analyzing the reports,” Bailey said. “It’s freed up staff.”

Coleman added, “We’re more confident in the information we’re getting from ReserveLink and what we’re reporting internally and externally.”

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Of course, one of the biggest reasons for having a deposit reclassification solution is to free up capital for investment. Coleman said with ReserveLink, the credit union reduces its Federal Reserve amount and provides more reliable numbers.

“Especially in light of the higher interest rates, we are carefully monitoring our reports and giving updates to the finance department daily. We feel secure in the information from ReserveLink,” Coleman added.

Fiserv is driving innovation in Payments, Processing Services, Risk & Compliance, Customer & Channel Management and Insights & Optimization. Our solutions help clients deliver financial services at the speed of life to enhance the way people live and work today. Visit fiserv.com to learn more.



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Challenge

Purdue Federal Credit Union's accounting team realized their outdated deposit reclassification solution provided less flexibility, automation and integration than they needed to efficiently reduce nonearning assets and expand asset income.

Solution

Knowing that producing additional free capital for investment is critical to a bank's overall profitability strategy, the credit union replaced its deposit reclassification solution with ReserveLink, a robust deposit reclassification that automatically sweeps on average over 90 percent of reservable account balances, reducing required manual analysis and execution by staff.

Proof Points

- Automatically sweeps on average over 90 percent of reservable account balances
- Reduces manual execution by about 75 percent
- Helps meet regulatory requirements such as Regulation D
- Provides greater reliability, efficiency and higher confidence in the reporting