

CASE STUDY

ArgosRisk®

Keesler Federal Credit Union Monitors Indirect Lenders

THE CHALLENGE

Monitoring the Volatile World of Indirect Lenders

Thomas Curtis, is the Senior Credit Officer and has worked at Keesler Federal Credit Union for over 12 years. With their expansion outside of Mississippi and into Louisiana, not only has their loan portfolio grown exponentially, their department has grown from two to eleven employees. Also, with growth comes the need for better processes and control.

Prior to signing up for AR Surveillance™, the Credit Union faced concerns and challenges, such as how much they really knew about commercial customers. Especially, what was the true business health, long-term viability, and the likelihood of receiving consistent payments. They needed to be able to keep a close eye on the financial health and stability of car dealerships and relied primarily on the Better Business Bureau, Google Alerts, physically visiting each customer, and ultimately requesting financials. Overall, when dozens of dealerships are involved, the process became extremely time consuming.

According to Thomas Curtis, "If we are working with a company that has consistent updates and been in business several years, they may or may not provide us with in-depth information needed on their financials. To further complicate the situation, many car dealerships that we work with are privately owned, making it even more cumbersome to find financial details."

Given the National Credit Union Administration (NCUA) requires considerable due diligence on all vendor transactions, this was not only an inconvenience, but an obstacle in being able to properly conduct business as a credit union. They needed a comprehensive view of the overall health of a company and the ability to compare their business health to other companies in the industry, to get a sense of the overall market.

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Argos Risk Surveillance gives us the confidence to add more dealerships and achieve our growth objectives.

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~ Thomas Curtis, Senior Credit Officer - Keesler Federal Credit Union

THE SOLUTION

AR Surveillance™

Keesler Federal realized that to be compliant with NCUA regulations, they needed to find a Third-Party Risk monitoring solution beyond legacy scoring systems or Google Alerts. It had to be insightful, cost-effective, user-friendly, and allow for rapid, in-depth information delivery to keep Keesler Federal in a proactive mode. "With the implementation of AR Surveillance, we get a clear picture of the business health index and likelihood of consistent payment. We see an easy to read overall risk score of doing business with that customer and how they pay their bills in comparison to the industry norm" said Thomas Curtis.

“Auditors ask us about monitoring our customers and we show them the types of alerts and information available with AR Surveillance. If I see a 30-day score trending down or becoming a high risk, then I call or visit the dealership to ask questions and find out why they are not performing well.”

~ Thomas Curtis, Senior Credit Officer - Keesler Federal Credit Union

AR Surveillance is designed to obtain and analyze, data and news from multiple trusted sources as well as business information networks. Then composite scores are delivered via an easy to use, color-coded dashboard. All the information is automatically reviewed and updated nightly, providing a 365/24/7 watch for any changes to metrics or events that may impact the businesses ability to perform as expected. Actionable alerts are sent when it requires a detailed review. Alerts include information such as Risk Profile adjustments, liens, lawsuits and even personal changes.

Keesler Federal also uses Argos for their mission-critical vendors. "AR Surveillance allows us to precisely monitor our commercial customers daily and has increased our productivity and efficiency. In 2017, we added 32+ dealerships which represented 25% growth. It gives us the confidence to add more dealerships and achieve our goal of 29% growth" said Thomas Curtis.

Contact us for more information at
info@argosrisk.com or sales@argosrisk.com



**KEESLER FEDERAL
CREDIT UNION**

Founded in 1947, Keesler Federal Credit Union has operated solely for the benefit of their members and grown to 29 branches and nearly 200,000 members worldwide with a diverse range of financial goals. Keesler Federal serves Mississippi, Louisiana, two Air Force bases, and four overseas branches in the United Kingdom.

Keesler Federal has a strong commitment to its communities—whether a large loan customer or a first-time student checking account—is based on the concept of providing excellent service to its member-owners. Well known for its affordable loan products, Keesler Federal also offers a full array of financial products, from checking and savings accounts, retirement advice, investment options, and even a weekly "Swap-n-Shop" publication for its members in which members can post classified ads. In addition, Keesler Federal was voted Air Force Credit Union of the Year in 2015 and received the prestigious award from the Department of the Air Force at the 53rd Defense Credit Union Council Conference. Keesler Federal was recognized in the category of "greater than \$1 Billion in assets" as the financial institution that goes above and beyond by providing the Keesler Air Force Base community with superior financial education and customized services.

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