KeyNotes

A Once-in-a-Lifetime Conversion

Conversions - and core conversions in particular - are far from an everyday occurrence. In fact, they are typically rare to occur to a single credit union twice within the span of a decade. Although members of a credit union's upper management and board of directors may be involved with a few conversions over the course of their careers, most within the credit union industry can look at core conversions similarly to the way they see Halley's Comet: a once-in-a-lifetime experience. Conversions, however, are our business. It is at the crux of what we do at Corelation. We recognize that with the wide array of moving parts and connections to third-party vendors involved in daily operations, it is important to make the conversion process as seamless as possible for staff and most importantly for credit union members.

So imagine if you will a credit union that experienced the stress of outgrowing and converting from their core system then facing the difficult reality of having to convert for a second time within a seven-year span. Imagine the reaction of staff to the news that they'd need to learn and adapt to a third system in that timeframe. That is where Desert Schools FCU (Phoenix, AZ; $3.8B assets; 309,000

members) stood in early 2014 when it elected to convert to Corelation's KeyStone.

On the other side of the same coin, imagine the pressure our company was experiencing at the same point in time by being the "new kid on the block." Sure, Corelation had established its bona fides as a pioneer in the industry by dint of its several contributors of renown, but there were some who stated that its potential had yet to truly translate into a tier one product. As stated by Corelation President Theresa Benavidez in *Credit Union Times* back in March of 2014, "This is a game changer for us. We haven't had a chance to get in front of a lot of billion-dollar credit unions and this opens a whole new market for our technology." Corelation faced a daunting challenge, and yet was also provided an opportunity to prove its mettle.

Anticipation and expectations were high on both sides. As with any successful endeavor, Desert Schools and Corelation decided to approach this event as a partnership with responsibilities and deliverables from each party. It is the type of relationship that Corelation strives to achieve with each of its clients, working in tandem in the interest of providing the best possible product not only for the individual institution, but for the entire rapidly expanding client base. In the credit union's press release regarding the signing of the contract, Executive Vice President Ron Amstutz said, "We couldn't be more excited about this partnership. This team understands the credit union industry and the pain points of being tied to a rigid, inflexible core system. KeyStone was built with today's technology for easy integration and flexibility in an ever-changing market."

The level of confidence placed in Corelation served to strengthen our resolve to remain flexible and make all the little things happen that are required to complete a conversion. However, with Desert Schools being the larg-

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est client signed to date, there was one thing to keep in mind: billion-dollar credit unions have billion-dollar demands. In the same press release mentioned above, Benavidez stated, "We are so honored to have Desert Schools as our first credit union exceeding the billion-dollar in assets mark. We look forward to working side by side with Desert Schools to provide them with our solutions so they can better serve their members well into the future."

The hard work began immediately. Through an iterative, collaborative process, staff from across Corelation's and Desert Schools' organizations identified and defined opportunities for enhancement in painstaking detail. Long hours were spent whittling broad concepts into pointed changes in functionality. Custom processes were formed around new approaches to member service, every element of each process was tested repeatedly to expose any possible flaw, and training was delivered to over 1,000 employees across 50 branches.

It all built to a conversion on Labor Day Weekend, September 5-8, where both organizations were able to witness how well that hard work paid off. It was a resounding success and both sides stand significantly stronger as a result. Amstutz said, "Our staff was waiting for the other shoe to drop during conversion weekend because it was going so smoothly. It never did!" Senior Vice President and Chief Information Officer Peter Farrow added, "Reminded me of going through Y2K, it was a non-event." The positivity didn't stop there, the results of adequate planning and a successful conversion carried through following weeks. CEO Susan Frank stated, "There are so many moving parts that have to work together, but I had total confidence in our team and Corelation that going live would be a success – and it was." Farrow offered, "I went out to branches days after the conversion and the response was amazing. 'The system is amazing, it is so much easier to use.' They were ecstatic." Amstutz also provided, "We had some branches balanced and on their way home in as little as 13 minutes from the time they closed their doors at the end of the first business day on KeyStone. That is unheard of!" In addition, it seems as if the results will continue moving forward with Farrow stating, "When prospective Keystone clients call me and I tell them how well it went, they won't believe me."

The success of this conversion highlights an important point in any industry: successful collaboration can only happen through communication and a high level of dedication and participation from both sides. In this case, the diligent efforts resulted in not only satisfying the credit union's business needs, but also acted as the catalyst for dozens of enhancements to KeyStone. The result is a more robust system full of features from which all current and future clients will benefit.

To see this momentous project in action – the organizations working in tandem, the buzz of more than a thousand people pulling in the same direction towards a common goal, and the testimonials of its success – take a look at the videos published on CUBroadcast that can be found via the following hyperlinks. Judging by the reaction of the leaders of Corelation and Desert Schools Federal Credit Union, it's a fair estimate to say that their next conversion may not take place until Halley's Comet can be seen blazing across the horizon... in 2061. C

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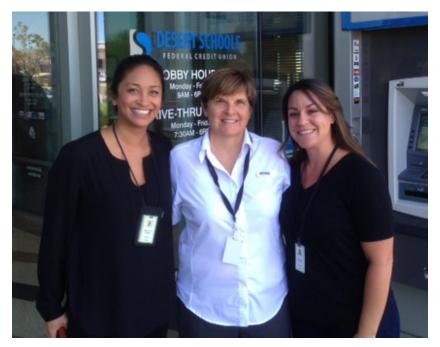
Employee Profile

Stephanie Dozmati
Product Manager

As a Product Manager for Corelation, Stephanie Dozmati's job is to interview new clients about how their current environment is set up, what's working well now, which third-party products they'll continue to use after conversion, and how they use various ancillary services. Then, of course, it's up to her to figure out how all of this will be smoothly integrated into the KeyStone platform.

Stephanie was born in California's San Gabriel Valley region and, with the exception of a brief move to Miami due to her father's work, lived what she called a typical southern California childhood. "It was weekends at the beach and a pool in the backyard for my two brothers and me," she said.

Corelation team members: Priscilla Gloria, Implementations Consultant; Stephanie Dozmati, Product Manager; Caroline Rochin, Client Services Specialist

Stephanie started her credit union career with Telephone Employees Credit Union, which eventually became Wescom Credit Union. She worked what she called the "junk desk," handling ACH, share drafts, insurance add-ons, and a wide range of other tasks.

"That's where I really grew to appreciate the credit union environment," said Stephanie. "That back office experience also helped me get into the IT area." Eventually, Stephanie would finish her career at Telephone Employees as the supervisor of the IT area.

When her partner was transferred to San Diego, Stephanie parlayed her credit union experience into a training position with a credit union data processor that was based in San Diego. This would be the first of four credit union data processors for which Stephanie has worked during her career.

When Stephanie and her partner moved to St. Louis, she began work at her second data processor. However, as her daughter reached the formative age of seven, Stephanie decided it was time to come in off the road. She thus took a position at Vantage Credit Union in St. Louis as the manager of data processing and operations. While at Vantage, she was involved with three mergers, which only enhanced her experience moving credit unions from one core platform to another.

After Vantage, Stephanie worked briefly for her third data processor, but eventually ended up back at that first data processor in San Diego. "After you get into that core vendor environment, it just sticks," she said with a smile.

Stephanie was already aware of Corelation's growing reputation when she ran into a colleague who now worked at Corelation. This colleague told her what a great environment Corelation offered. Stephanie told this individual to keep her in mind if anything opened up. A week later, she got a call from Corelation President Theresa Benavidez. And the rest, as they say, is history.

Stephanie's latest project was the Desert Schools FCU conversion. She said that although the deadlines were very aggressive, the Corelation team handled it with ease. "I may have been the person there onsite," she said, "but I was never alone. I had amazing talent back at Corelation supporting everything I did."

Summing up her one and a half years at Corelation, she added, "I feel very fortunate that I got into this amazing team environment." C

CFM, the Cash Automation Experts

"I guess you have to have a problem if you want to invent a contraption." – Jack White

Before CFM was founded in 2006, the problem with cash dispensing and recycling machines was the lack of a universal driver that could integrate directly into the teller platform. There were a few solutions out there, but they were limited in choice of hardware, software integration was weak, balancing was difficult for the teller, and these products carried a very heavy footprint.

The founders of CFM set out to invent a better contraption for cash automation – one that offered solid integration, real hardware choices, and a small footprint based on modern technology. "We thought that adding a cash machine should be as easy as plugging a printer into a Microsoft Windows PC," said Nathan Moore, Executive Vice President at CFM.

Nathan Moore

The company realized success in this pursuit when it created CFMS4. This zero-footprint solution currently manages cash automation for Wells Fargo Bank and Navy Federal Credit Union, among others. The solution has been successfully integrated into several credit union core processors, the latest of which is Corelation's KeyStone.

Moore said that he heard about Corelation through the usual market buzz and was surprised that a new core platform had arrived on the scene. The more he learned, the more interested he became. He was also impressed by the names behind the company, namely John Landis and Theresa Benavidez.

"We said to ourselves, 'We need to go talk to these people. They're new, the architecture is new from the ground up, and the whole concept about how they're going about building the system is new,'" said Moore. The two companies met and, as expected, it became clear that they shared a common vision of how modern software should be architected.

According to Moore, the two companies worked for about a year making sure they got everything right. The first KeyStone credit union to go live with CFMS4 was Orion FCU in Memphis, Tenn. CFM now boasts 18 Corelation credit union clients representing 166 branches and 201 cash machines.

Desert Schools Federal Credit Union was a longtime CFM customer when the credit union converted to the Key-Stone platform. In fact, Desert Schools was one of the first credit unions to deploy CFMS4.

"We know from a vision and strategy standpoint how critical this conversion is, not only for Corelation, but for us, as well," said Moore, "because we know that what Corelation is capable of and what we're capable of together is not going to go very far if there aren't clients like Desert Schools behind it."

Moore said that he expects in-branch automation to be the next big thing, and that CFM and Corelation, partnered with Desert Schools, will be at the forefront. "We know we're going to do great things together," he concluded. **C**

Our 2015 Conversions

A Note From the President

It's incredible to me how an idea, once it blossoms into a vision, begins to take on a life of its own. When we started, KeyStone was a bold idea: a brand new product, created with the latest technology, with the unlimited potential to empower credit unions to address the needs of their members.

What does unlimited look like? An open-architecture interface that gives you the power to choose any vendor, freeing you to select the vendors who are the perfect fit for your membership. A flexible system that never misses a beat when your tellers manage multiple transactions and work areas at the same time. A partnership where your input guides the direction of development so we move forward together.

KeyStone started as an idea. At first, it was a few lines of code and a twinkle in John Landis' eye. Over time, it grew into a dynamic solution that we shared at our "Friends and Family" meeting six years ago. Not long after that, our first three clients came on board. When they shared their goals, we listened and we added the features they valued. Our core solution continued to transform as we worked toward the same vision together. The industry noticed. Soon, many others followed suit.

Today, 40 credit unions with almost $14 billion in total combined assets have chosen KeyStone. In just four and a half years since our first conversion, the asset size of our largest client has skyrocketed to $3.8 billion with the addition of Desert Schools Federal Credit Union to the family. And, I'm thrilled to say that more than 850,000 members are served by credit unions that are powered by KeyStone. That number will rise to 1.2 million by January 2017.

As we gain more partners, we've increased our ranks to meet the needs of our burgeoning client base. When we started six years ago, our team of industry veterans worked out of a former dentist's office in San Diego. Today, our team of 67 hand-picked professionals has filled up our second office. We plan to move into a beautiful new building next year that can keep up with us as we expand.

As we grow—both in terms of the clients who partner with us and the number of desks in our building—our vision continues to expand while our approach remains the same. We do what we do best so you can give members the best experience in terms of efficiency, quality, and cutting-edge technology. Together, our future is unlimited.

Theresa

corelation

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reputation, relationship, results

Welcome, New Clients

Reliant Community FCU
37,000 / $386M
June 2016
Sodus, NY 14551
Ms. Pamela Heald,
President/CEO

Nutmeg State Financial CU
36,000 / $382M
July 2016
Rocking Hill, CT 06067
Mr. John D Holt,
President/CEO

Industrial CU
24,400 / $199M assets
January 2017
Bellingham, WA 98225
Terri Salstrom,
President/CEO