

# Imagine. . . Imaging Loans

*"Now, all our branches can view their loan files and all loan files within the bank because of the imaging process," says John Mills, vice president of the Tyler, Texas-based Citizens State Bank. "With BankManager's imaging technology, tellers have electronic access to signature cards and loan officers can simultaneously review a client's loan account – all from different branches."*

Faced with constantly changing lending regulations, keeping up with the demands of compliance while maintaining a cost-efficient system to manage loan documents can be a major challenge for any bank. For smaller community banks, such as Tyler, Texas-based Citizens State Bank, with just \$150 million in assets, the daily paperwork alone can be stifling.

"Compliance is the greatest challenge," says John Mills, vice president, Citizens State Bank. "The laws that are out there that banks have to comply with are constantly changing. That is probably the greatest challenge – to make sure that we are in compliance [and] to provide all the paperwork."

To get a better handle on the paperwork, which Mills says consumed an inordinate amount of time and money, the bank invested in loan and document software from GulfPak Corp. (Jackson, Miss.) and ABS' (Oklahoma City) BankManager imaging and document management software in September 2004. With the integrated BankManager and GulfPak solution, Citizens State Bank completes a loan transaction in GulfPak, such as opening an account; then the solution automatically updates the customer's complete account portfolio in BankManager to include that transaction.

Initially, the bank did not plan to invest in imaging technology for loan documents, according to Mills. But, after examining the operating efficiencies and cost savings that it could gain from the BankManager solution, Citizens opted for the imaging software, he relates.

Now, "All branches can view their loan files and all loan files within the bank because of the imaging process," Mills says. With BankManager's imaging technology, tellers have electronic access to signature cards and loan officers can simultaneously review a client's loan account – all from different branches.

And, Mills adds, the timing was right for an investment in imaging software, as the bank was experiencing an increase in loan volume. "One of our newest offices is

having some good volume in addition to the other branches," he explains. "We felt like this was a time to go ahead – we had a good year and were ready to make an upgrade."

Prior to implementing the document imaging software, Citizens State Bank used document matrix printers to print and file loan documents. After discussions with ABS, Mills says, the bank realized it could keep better track of the documents by upgrading to an imaging solution and eliminating paper forms. "We spoke to ABS and learned they provided the forms and helped with the compliance issues with those forms," he notes.

Ultimately, the integrated processing and imaging solution has enabled the bank to originate, produce and file forms without the use of paper, which has earned the bank more than it imagined when it decided to invest in imaging software, according to Mills. "The newest thing to us is that the imaging provides a great amount of flexibility," he says.

Perhaps the most important result of the new system, though, is Citizens' ability to centralize all loan documents. That has been helpful in compiling documents for auditing procedures, Mills relates.

"Imaging all of our loan files is an awesome experience," says Mills. In fact, he continues, the experience has been so successful that "We had a company come in and image all of our backlog of our loan products."

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*BankManager is developed by American Bank Systems. For more information, see [www.americanbanksystems.com](http://www.americanbanksystems.com).*

  
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