

First Citizens Federal Credit Union & Mendix partner with Kinetech to build investor portal and reporting system.



Summary

First Citizens' Federal Credit Union ("FCFCU") is a member owned credit Union in Massachusetts that focuses on auto, mortgage, and small business loans. In 2014 as they began to originate and package portfolios of auto loans to sell to other credit unions (while servicing the loans and debt collection) they looked for a way to streamline their portfolio reporting to their co-investors.

Challenge

While servicing thousands of auto-loans to ensure repayment and simultaneously remaining compliant with ever changing regulatory reporting requirements, FCFCU needed a better way to streamline and automate (where possible) comprehensive reporting to their co-investors. They needed a solution that aggregated monthly cash payments against the original loan agreement that was also integrated with their home-grown origination system and fiserv accounting system.

The solution had to integrate with legacy systems but also allow for manual overrides for cash adjustments, day-to-day mark to market and delinquency reporting so investors could see how their portfolio of loans was performing. In addition, the portal had to calculate loan servicing fees (incurred by FCFCU monthly) before calculating the final payment due to the investor(s).

Solution

The final solution is an integrated payment aggregation, reporting and investor portal. Working together, a Kinetech and Mendix engineering team created a customized application from scratch that delivers the exact capabilities they need, with the flexibility to create new functionality in the future - a unique characteristic of the app platform that has been [recognized by Gartner](#).

The solution leverages the Mendix App Platform, batch-processing and a secure FTP to create a comprehensive solution that meets the unique needs of FCFCU. As a result, investor reports are created automatically on a monthly basis and delivered through the portal for their review.

Results

Within a matter of days the Kinetech / Mendix team was able to deliver a working prototype and launched the full application after a few months of successful testing. The end-result has created significant efficiencies across FCFCU. Most notably, the end of month reporting now takes a few days for generation and verification versus a week or more using the old processes. "The FCFCU project was a challenge from the beginning as the final solution had to comply with several regulatory and self-imposed requirements. Anyone familiar with servicing a portfolio of loans with varying interest rates can appreciate the complications and necessity for manual overrides. We are very proud of Kinetech's contribution to the ultimate solution and are happy we were able to assist FCFCU achieve the project's strategic goals" said Michael Guido, CEO of Kinetech.

About FCFCU

First Citizens' Federal Credit Union was originally named Bristol Credit Union and was organized as a State Chartered Credit Union on November 17, 1937, to serve employees and residents of Bristol County, Massachusetts. Our name was changed to Citizens' Credit Union when we expanded our operating field of membership to include Bristol, Plymouth, Barnstable, Dukes, Nantucket and Norfolk Counties. In 1987 the credit union converted from State Charter to a Federal Charter. In doing so the Credit Union became regulated and its deposits Federally-insured by the NCUA. At that time we became First Citizens' Federal Credit Union.

Over the past seventy five years, the Credit Union has grown considerably and expanded the number of locations available to our customers. First Citizens' has grown from a \$200,000 institution in 1950 to a \$600 million plus financial institution today. The first branch office was opened in the north end of New Bedford in May of 1978, with a second branch to follow soon in Taunton.



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