1st Community FCU Achieves Greater Efficiency and Faster Decisions with

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Customer Challenge

1st Community Federal Credit Union has a "small shop" devoted to commercial and small business lending. With one loan officer, two to three loan processors and one credit analyst, maintaining operational efficiency is key to the organization's success. In addition, with a credit analyst relatively new to their role, the Credit Union sought to provide additional support through automated spreading capabilities. "It's important for us to be able to work smart and efficiently," says Drew Schmid, EVP Special Projects at 1st Community. "We really wanted to standardize the spreading process and ensure it was consistent all the way through regardless of who did the analysis."

1st Community sought a commercial loan origination system (LOS) that would provide automated, robust reporting and tracking covering key portfolio metrics including loan review due dates, risk ratings and collateral exceptions. In a competitive marketplace, speed is also a differentiator. 1st Community desired a solution that would allow it to decision, process and close business loans at a faster rate.

nCino and AWS Solutions

To solve these challenges, 1st Community Credit Union selected the nCino Cloud Banking Platform, and went live on the nCino Commercial LOS with Automated Spreading and Customer Portal in its business lending operations. The Credit Union is also currently piloting the Online Loan Application and Auto Decisioning features. nCino's Automated Spreading Solution, powered by nCino IQ (nIQ), leverages artificial intelligence (AI), machine learning (ML) and optical character recognition (OCR) to reduce the time it takes to spread financial statements and improve spreading consistency. Automated Spreading captures the minimum set of data required to enable analysts to perform the automated spreading process. This AWS captured data is stored in the following data stores for optimal security and performance: S3, DynamoDB and AuroraDB.

Using Automated Spreading, underwriters can easily extract and interpret data from financial statements and tax returns. The data is then automatically inputted into Spreads, nCino's powerful credit analysis tool. Once the analysis is complete, underwriters can seamlessly import data from Spreads into nCino's Credit Memo for further time savings. Since implementing nCino, 1st Community has enjoyed greater efficiency in its commercial lending operations. "nCino has allowed us to eliminate our traditional paper loan files, replacing them with a member-centric place to track, monitor and store information about our borrowers and guarantors and run reports on that information," Schmid says.

"Gone are the days of financial statements falling out of bulky files and missed filed documents. Today the only hard copy documents we maintain are those required by law."

nCino and AWS Solutions (continued)

With the online loan application (currently in pilot), the Credit Union will be able to collect a loan application, pull credit and gather financial statements and other documents at the time of application. For small dollar loan requests, Auto Decision allows 1st Community to provide a conditional approval within minutes, meeting a borrower's funding needs and discouraging them from pursuing funding elsewhere.

With support from nCino, the Credit Union has also developed credit memos and annual review templates that prepopulate the borrower's information, saving time on every deal and allowing staff to focus on serving members.

Results

- **Faster decisions:** With the introduction of nCino Automated Spreading, 1st Community has seen decisioning times decline dramatically. "Automated Spreading has allowed us to consistently and accurately spread larger, more complex financial statements in 30 to 45 minutes, versus three to four hours previously," Schmid says.
- **Portfolio growth:** Since implementing the nCino Bank Operating System, 1st Community has enjoyed strong growth, seeing its commercial loan portfolio expand by 25%.
- **Smoother regulatory exams:** With nCino's robust reporting and data analysis capabilities, 1st Community is now able to provide its examiners with all the information they need, quickly and efficiently. "When the examiners or auditors come in, we can provide them with a list of all our credit and collateral exceptions," Schmid says. "We can generate and provide those reports immediately, which demonstrates to the examiners that we understand the current state of our portfolio. It's extremely powerful."
- **Do more with less:** With fewer manual processes and better communication among staff, 1st Community has been able to accelerate and streamline operations, allowing staff to focus on more critical tasks like serving members' needs. "nCino has allowed us to do more with fewer people," Schmid says. "Without this solution, we would probably need another loan officer and possibly an additional loan processor to handle the business we have today."
- **Faster time to close:** With the support of nCino Automated Spreading, Customer Portal and accelerated loan processing, 1st Community is attaining greater consistency in credit decisions and achieving faster time to close. "With nCino, we are more responsive to requests, and it allows us to book loans more quickly," Schmid says. "It has definitely improved our throughput of loan applications and helped us to standardize our underwriting process."

nCino and Amazon Web Services

As nCino expands its cloud banking platform to support and enable digital capabilities of financial institutions, it leverages partners like Amazon Web Services (AWS) to provide maximum benefit to its customers. With nCino's Automated Spreading, intelligent automation is made possible by leveraging AWS capabilities—improving the speed and quality of data analysis behind the scenes, through artificial intelligence, to help financial institutions gain insights faster and reduce the time it takes to spread financials. nCino combines Salesforce and AWS to form a data-secure, multi-tenant environment to deliver a best-in-class experience directly to financial institutions and their customers.

About nCino

nCino (NASDAQ: NCNO) is the worldwide leader in cloud banking. The nCino Bank Operating System® empowers financial institutions with scalable technology to help them achieve revenue growth, greater efficiency, cost savings and regulatory compliance. As nCino expands the Bank Operating System (BOS) to support and enable the digital banks of tomorrow, it partners with services like Amazon Web Services (AWS) to provide the maximum benefit to its customers. nCino combines Salesforce and AWS to form a data-secure, multi-tenant environment that seamlessly merges with nCino software. Transforming how financial institutions operate through innovation, reputation and speed, nCino is partnered with more than 1,750 financial institutions of all types and sizes on a global basis. For more information, visit www.ncino.com.