

# To Fulfill Compliance, Outdated Solutions Need Replacing

**ALL-NEW OVERDRAFT STRATEGY LEADS TO FULL COMPLIANCE, IMPROVED SERVICE AND INCREASED REVENUE**

As regulatory expectations on financial products and services increased following the economic downturn, the leadership at First Century Bank of Tazewell, Tennessee, made the decision to discontinue use of its overdraft program because of compliance concerns when Regulation E was implemented on ATM and one-time debit card transactions. "There was a lot of uncertainty about the program from a regulatory perspective," said Overdraft Privilege Program Administrator Amy Earl. "We didn't want to put the bank or its customer service initiatives at risk. Plus, at the time there was no one dedicated to managing the program full time."

Since implementing JMFA OVERDRAFT PRIVILEGE®, the bank has experienced many positive results, both internally and from a customer service perspective.

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## MORE ACCESSIBILITY TO EXPERT ADVICE

According to Amy, during the initial implementation JMFA's experts worked closely with bank staff to provide the information they needed to get on board. Since then, they have continued to offer ongoing support and advice to help keep the program running smoothly. This support is very important to her. "We talk every month and I know that JMFA's expertise is just a quick email away whenever I need anything," she said. "We are very happy with the amount of help we get—no matter what time it is, it is easy to get a hold of JMFA."

Additionally, the company's monthly newsletter, Industry Insights and periodic Compliance Update bulletins help to keep bank personnel up-to-date with timely information. "The details JMFA provides are very helpful to keep everyone up-to-speed—from a program management and compliance perspective," she continued.

BENEFITS	
INTERNAL	EXTERNAL
Expert advice and support	Better communication
Training opportunities	Increase in opt-ins and program use
Increased revenue	

The reports provided through Privilege Manager CRM® software are also a big part of JMFA's support. "Before we implemented JMFA OVERDRAFT PRIVILEGE®, we spent time manually preparing many of

the reports we relied on to manage our program," Amy said. "Now, we can obtain customized reports at the touch of a button."



"This has allowed staff members who contact customers when they overdraw their account to keep track of the program and how it is being used much better than with their previous provider. "This has allowed staff members who contact customers when they overdraw their account to keep track of the program and how it is being used much better than with their previous provider. "We use Privilege Manager CRM® religiously," she continued. "People are in and out of the program all day. It is very helpful for me when I need information on such things as charge offs and recoveries, and making sure customer calls are made in a timely manner."

## INCREASED TRAINING RESOURCES AND SUPPORT

Bank personnel also have benefited from JMFA's ongoing staff training focus. In addition to the time JMFA consultants have spent in the bank's six branches, Amy and a colleague attended a recent session of the JMFA Academy in the company's Houston training center. "They provided the latest information on compliance, tips on program reporting and different benefits of Privilege Manager CRM® software, as well as a very thorough refresher on some of the information and resources that had been presented when we initially implemented our program," she said. "When you are in the process of learning something new, there is a lot to take in. So, this was a good reminder for us."

She continued, "Once we were back at the bank, I realized that having a second person attend the sessions was really helpful. There are some things she picked up regarding overall processes and procedures that I missed and vice versa."

## BETTER CUSTOMER COMMUNICATIONS

With the guidance that JMFA provides, the bank is now much more able to communicate effectively with account holders. "We definitely use the materials to make sure customers know when they are overdrawn, as well as to explain how the overdraft program works," said Amy. "When customers receive notification and contact us to check on their account status, our staff has an opportunity to point out the benefits of the program, describe how it works and provide all the details. This helps to alleviate customer concerns and puts them more at ease with the process."

## RESULTS BEYOND EXPECTATIONS

Initial income projections for the bank's overdraft program potential were impressive. And thanks to the commitment of management and staff to follow JMFA's program recommendations, actual results have far exceeded initial projections, with a 141 percent increase in revenue.

Moreover, front line staff is more knowledgeable about how to explain the proper usage of the program. As a result, customer response has been positive. And it shows, based on program use and an increase in opt ins for extended coverage on debit and ATM transactions. "Customers appreciate having access to the additional convenience and service the program provides," said Amy.

## THE ADVANTAGES OF FOLLOWING EXPERT ADVICE

Since accepting the initial peer recommendation for JMFA OVERDRAFT PRIVILEGE®, First Century Bank management has been very happy with the overall program results, according to Amy. "Our first impression has been fortified by the peace of mind provided by the compliance guarantee, the ease of program management, and the ongoing advice and support that JMFA provides," she said.

Now, someone is looking at the bank's overdraft program every day to keep track of how it is working. Plus, with better training and customer communications support, bank personnel have stronger confidence in the service they are offering to customers.

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"We rely on JMFA and know that if they tell us to do something, it will work. We were missing out on a lot of income opportunity. JMFA has provided us with the guidance and direction we needed to run our program effectively," Amy concluded. "All of the pieces are working smoothly together and it has been great for us and our customers. We would absolutely recommend JMFA to another institution."

### About JMFA

*JMFA is one of the most trusted names in the industry. Whether it's recovering lost revenue, uncovering new savings with vendor contract negotiations, creating more value, serving members better or delivering a 100% compliant overdraft service—JMFA can help you deliver measurable results with proven solutions.*