

## CASE STUDY

### Extraco Banks

Saving time and money with more efficient vendor management



#### About Extraco Banks:

**Size:** \$1.4 billion

**Location:** Waco, TX

**Customer since:** 2013

**Primary examiner:** OCC



#### Challenge:

Concerned by unwanted auto-renewals slipping through the cracks and to help with exam preparation, Extraco Banks needed a way to organize contracts scattered across the bank and support the bank's LEAN initiative.



#### Benefits of Ncontracts:

- Centralized digital contract storage
- Eliminated unwanted auto-renewals thanks to auto alerts
- Saved money through increased efficiency and identification of unnecessary products
- Improved exam experience
- Exemplary customer service

**Extraco Banks, a \$1.4 billion-asset bank based in Waco, Texas, decided it was time to adopt a new management system for vendors.**

**“The current system was contracts in a binder or boxes. They were scattered throughout the bank,” says Eric Vogelsinger, assistant vice president and support manager at the bank. “We needed a system to centralize and consolidate them in one program and then automate alerts.”**

**The task fell to the manager of Extraco Banks' LEAN initiative, who wanted a way to digitize and centralize vendor management. The clear choice was Ncontracts' Ncontracts Manager, a complete vendor contract management solution designed to eradicate the errors and unknowns that lead to higher risks and costs in contracts.**

#### Saving time and money on vendor management

Five years after implementation, Extraco Banks is enjoying the benefits of Nvendor. The bank is alerted to auto-renewals, avoiding unintentional renewals. It has all of its contracts in one place, making it easy to see exactly what products and services the bank has and review whether they are needed. It can also track start dates and exceptions like missing signatures. “Tracking those exceptions would take someone a tremendous amount of time. The savings on that is substantial,” says Vogelsinger.

“We are more efficient and there is a cost savings,” he says. “Even though we had to spend more to get the system, we could see the cost savings based on what we weren't paying for, i.e. the time involved in trying to figure out which contracts were coming up for renewal. I can almost guarantee any new bank that would get Nvendor would do the same thing if they do not have a quality program right now.”



I feel more confident and comfortable with the entire policy, knowing that someone who looks at a variety of community bank policies is providing professional feedback. That's one of the best parts of dealing with Ncontracts.

**–Eric Vogelsinger, Assistant Vice President, Support Manager, Extraco Banks**

### **Managing vendor risk confidently**

Nvendor, a complete vendor management solution, helps them manage third-party risk through vendor policy and procedures reviews, vendor risk assessments and other critical tasks.

“Once we used the products, we were able to create a formal vendor management policy,” says Vogelsinger, who got Ncontracts’ recommendations on the bank’s risk assessments of critical, high-risk, and strategic-risk vendors. “I feel more confident and comfortable with the entire policy knowing that someone who looks at a variety of community bank policies is providing professional feedback. That’s one of the best parts of dealing with Ncontracts.”

### **Responsive, approachable support**

It was also easy for Vogelsinger to get up to speed. He came into his vendor management role in 2016 after eight years in consumer lending and had “no previous knowledge of vendor management, policies or systems,” he says. “I think it’s a compliment to Ncontracts on providing an abundance of training,” Vogelsinger says. “I never felt like I was putting someone else out. They have a very responsive team. Whenever I’ve asked a question, which is numerous times, I’ve never felt like I was called out for asking. They just gave me the answer and a positive attitude.”

### **Positive exam experience**

The response from examiners has been positive too. “We recently had an audit specifically of GLBA associated with vendor management, and there is nothing to improve,” he says. “We gave them audit access to the system and they had no comments.”