Lessons Learned Using HORIZON Teller Capture

Russell High, Product Manager
May 24, 2017
Agenda for Today

• What is Teller Capture
  – How will it help my institution?
  – What will change?

• How Does it Work
  – HORIZON Teller Capture experience
  – Development update

• Lessons Learned

• Questions
What is Teller Capture?

- Teller Capture provides deposit automation at the teller line
  - Customer presents a transaction to the teller
  - Teller initiates transaction normally
  - Checks or other paper items are scanned right away (in most cases)
  - System reads amounts and assists with balancing
  - Discrepancies are resolved
  - Customer is presented with a receipt
  - Transaction is delivered back office for processing in minutes
The Branch Image Capture Revolution

- **We started at the back counter**
  - Focus was on paper to image
  - Speed of processing
  - Reduce courier runs

- **Evolution continues to the front counter**
  - Efficiency (back office AND front)
  - Cost savings
  - Rising costs

- **Branch traffic declines – but isn’t going away**

Source: Vendor surveys 2006–2017, Celent analysis
How Will Teller Capture Help?

- Improved customer service
- Speed of transaction
- Greater accuracy of transaction
- Extended deposit cutoffs

Customer:
- Supports single handling of transaction
- More efficient/no missing items, etc.
- Reduced manual data entry
- More face time with the customer

Teller:
- Reduction in data cleanup
- Reduction in day 2 work
- Virtual tickets bring cost savings

Back office:
Introducing HORIZON Teller Capture

- Add-on component to HORIZON Teller
  - Uses capture devices to scan checks and tickets at the teller line
  - Integrates scanned item amounts with HORIZON Teller balancing
  - Creates virtual tickets to fully balance transactions

- Streamlined transaction processing and delivery to Item Processing

- Reduces costs and errors associated with back counter scanning
Feature Notes

• **Capture transactions are reversible**
  – Transactions are subject to a ‘Holding period’ which allows for reversals
  – Useful for mistakes or if customer returns

• **BOFD item spray**
  – Print BOFD information on back of scanned items
  – Virtual BOFD endorsement

• **Improved reading item information**
  – Correct for upside down or backwards orientation
  – Reads MICR information

• **Configurable**
  – Capture dialog display and functions
  – Acceptable image quality results and thresholds
  – Item retention periods

• **TellerReserve support**
How It Works

• **HORIZON Teller Capture works with two types of items**
  - Physical items: capture device scans checks, customer items and back counter items
  - Virtual items
    • Saves on paper costs
    • Reduces errors

• **Physical items are processed into HORIZON Teller balancing**

• **Virtual items are created to completely balance transaction**
Sample Transactions
Sample Transaction

- Customer has two checks and cash
- Teller chooses hot key for checking deposit
Sample Transaction

• Teller enters cash in

• Cash machines (TCR/TCD) may be utilized on this screen

• Prompt appears to scan or bypass
  – Scan is selected when physical items need to be scanned
  – Bypass is selected when teller performs an all virtual transaction (no items are scanned)
Sample Transaction

- When scan is selected, capture dialog is shown
- Items dropped into the device are automatically fed and read
- Items scanned may not be fully balanced
- Teller may choose to omit scanning a deposit ticket
Sample Transaction

- After scanning, amounts are brought into HORIZON Teller
- Cash out is auto-calculated
- Transaction is now balanced
- Teller can go back to capture dialog and edit items captured
• Teller then proceeds with normal HORIZON Teller workflow
  – Exception messages/overrides
  – CTR
  – REG CC
  – Count cash out (TCD/TCR)
  – Print receipt
Virtual Items

- Reviewing transaction reveals virtual items created
  - Virtual deposit ticket
  - Virtual Cash in ticket
  - Virtual information item
2016 Development in Review

- Windows 10 support
- Direct V14.1 API
- New deployment models
  - Centralized Capture
  - DirectLink
- Streamlined upgrade process
  - Automated scripting
  - Version rollback
- TellerReserve optimizations
Legacy Architecture
Still Supported in 2017 with V14.1 API

• Workstation
  – Scanned items temporarily stored on disk
  – Store and forward service is utilized if next level is unavailable

• Capture Engine
  – Runs on branch server at each branch
  – Stores items during holding period

• Aggregator
  – Receives capture items from multiple branches
  – Hosted by FIS (Sendpoint) or licensed to bank
  – Prepares items for export to item processing

• Item Processing
  – ImageCentre or VisionIP
  – Prepares POD extracts for HORIZON Core
New Deployment Models

Centralized

- Eliminates branch servers (red X)
- Easy migration for Sendpoint banks

DirectLink

- Eliminates transaction aggregator (orange X)
- Transactions flow directly to ImageCentre
2017-2018 Development Roadmap

2017 Release

- Citrix/VMware support

2017-2018

- Direct V16 API
- eSignature for Virtual Items
- Workflow improvements for Release All
Lessons Learned – Large Deposits / Busy Branches

• **Proactively identify your busiest branches and largest deposits**
  – Promote Remote Deposit Capture
  – Provide ‘high speed’ options
  – Plan a ‘commercial window’ workflow
    • Defer image capture
    • Develop ‘expert users’
    • Move work away from teller line
    • Train on efficient balancing
  – Define policy for complex transactions
  – Incent customers to batch large deposits
  – Consider outsourcing extremely large deposits
Lessons Learned – Training

• **Teller Capture brings change - training is the key**
  – Providing consistent training to all branches is critical
  – Knowledge of basic branch / image capture basics will help Train on End-of-Day Balancing / Reconciliation
  – Training should occur immediately before rollout for highest impact
  – Provide test / training environment for practice
  – Who
    • Training department
    • Designated ‘trainer’
    • Project team member(s)
    • Train-the-trainer’ (Supervisor from a converted branch trains another branch)
  – Scanner maintenance
Lessons Learned – Support

- Prepare your central help desk function
- Identify a ‘power user’ at each branch
- Provide Tellers with appropriate procedures

- Plan for hardware failures
  - Stock spare scanners (at each branch, centrally, or regional depots)
  - Arrange for vendors to provide replacements next day

- Plan for network failures.
  - Document offline “blotter” methods for recording deposits until network restored
  - Document alternative process for when branch is hard down (e.g., transport to another branch, courier to a central site, etc.)
Lessons Learned – Balancing / Reconciliation

- Check items should be balanced similar to cash
- Teller Capture history files store all submitted capture information
- POD Items imported from Item Processing can be linked to Teller Capture history
- Reports provide information comparing Teller Capture and POD items for the current processing day
- Three reports are generated during BOSS
  - The first report (P1) tells if any capture items submitted did not post for account
  - The second report (P2) tells if data integrity in history files is inconsistent
  - The third report (P3) tells if Teller Capture POD items are present that aren’t listed in the history files
    - Also reports if current processing day’s POD items match any Teller Capture items from previous processing days
P1 and P2 Reports

85 InfoShare Bank

Transaction Run ID | Process Date | System Date | Tran Amount | User ID | Workstation
---|---|---|---|---|---
0001044900568920 | 8/18/2015 | 8/19/2015 | 1,908.66 | UGSMMAHA | UGSMMAHA

Group ID | Appl | Account | TC Description | Tran Nbr | DD | DOD | Checking Deposit
---|---|---|---|---|---|---|---
00001044900568920 | 5204 | 9600 | Checking Deposit | 9

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8/13/2015 thru 8/18/2015
Capture History Date Range:
8/13/2015 thru 8/18/2015

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Lessons Learned – Stay Current

• Get current
  – Apply Teller Capture/TellerReserve 2017 Release (cumulative)
  – Upgrade to Direct V14.1 API
  – Configure reconciliation reports

• It’s time to start thinking about
  – Rolling out Windows 10
  – Migrating to Centralized or DirectLink
  – Whether to use a virtualization solution like Citrix or VMware
  – Any other considerations such as new branches, managed IT, etc…
  – To discuss these options with an implementation specialist, submit a Request for Professional Services (RPS) through the Client Portal.
Questions
Russell High, russell.high@fisglobal.com
Ryan Hodges, ryan.hodges@fisglobal.com
Chester Murphy, chester.murphy@fisglobal.com