LOAN PROCESSING

As anyone who's ever applied for a loan knows, getting a loan requires filling out a lot of paperwork that must then be processed and maintained by the lender.

This section contains the Texas Higher Education Coordinating Board's solution for accelerating loan payment processing by improving the flow of information within the organization.

Texas Higher Education Coordinating Board   **110**

TEXAS HIGHER EDUCATION COORDINATING BOARD

Industry: Higher Education
Number of employees: 100 - 500
Headquarters: Austin, TX
Existing Laserfiche integrations:
Higher Education Loan Management System

The Texas Higher Education Coordinating Board (THECB) provides leadership and coordination for the Texas higher education system.

THECB provides low-interest loans for students who are eligible to pay in-state tuition. All loans are serviced at THECB until they are paid in full.

Processing loans is a very paper-heavy process—they process an average of 1.5 million documents a year. After purchasing Laserfiche Avante in 2010, THECB used Laserfiche to streamline loan payment processing and ensure a smooth flow of information throughout the loan operations department.

Deborah Whitis, Manager of Operational Support Services, describes how Laserfiche Workflow improved the efficiency of the Texas Higher Education Coordinating Board's loan processing operations department.

IMPORT DOCUMENTS

Loan applications arrive at THECB in two ways:

▸ **Electronically**.
These applications are then transferred to the Laserfiche repository by Laserfiche Import Agent.

▸ **By mail**.
These applications are scanned and indexed manually.
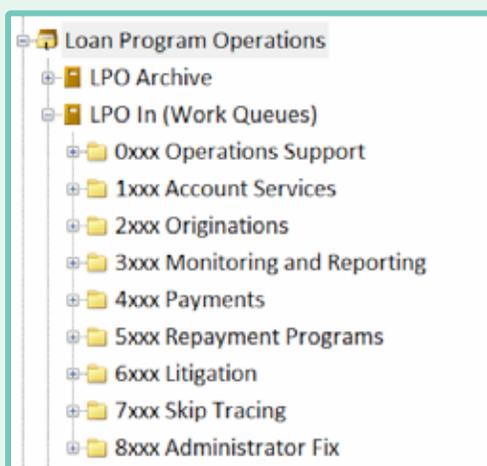
Due to federal and state mandated regulations and the prospect of future litigation, we have to document and archive every single piece of information regarding the loans we process. This results in a great deal of supplemental documentation—ranging from e-mail and electronic customer service requests to screenshots of our Loan Management System and several other third-party systems—that must be archived for each loan. We use Laserfiche Snapshot to quickly and efficiently print these supplemental documents into the Laserfiche repository.

During the Snapshot process, we select the required template and manually enter the required metadata, the most important of which is the "LPO Department" field and "LPO Document Type" which are provided in a drop-down list.
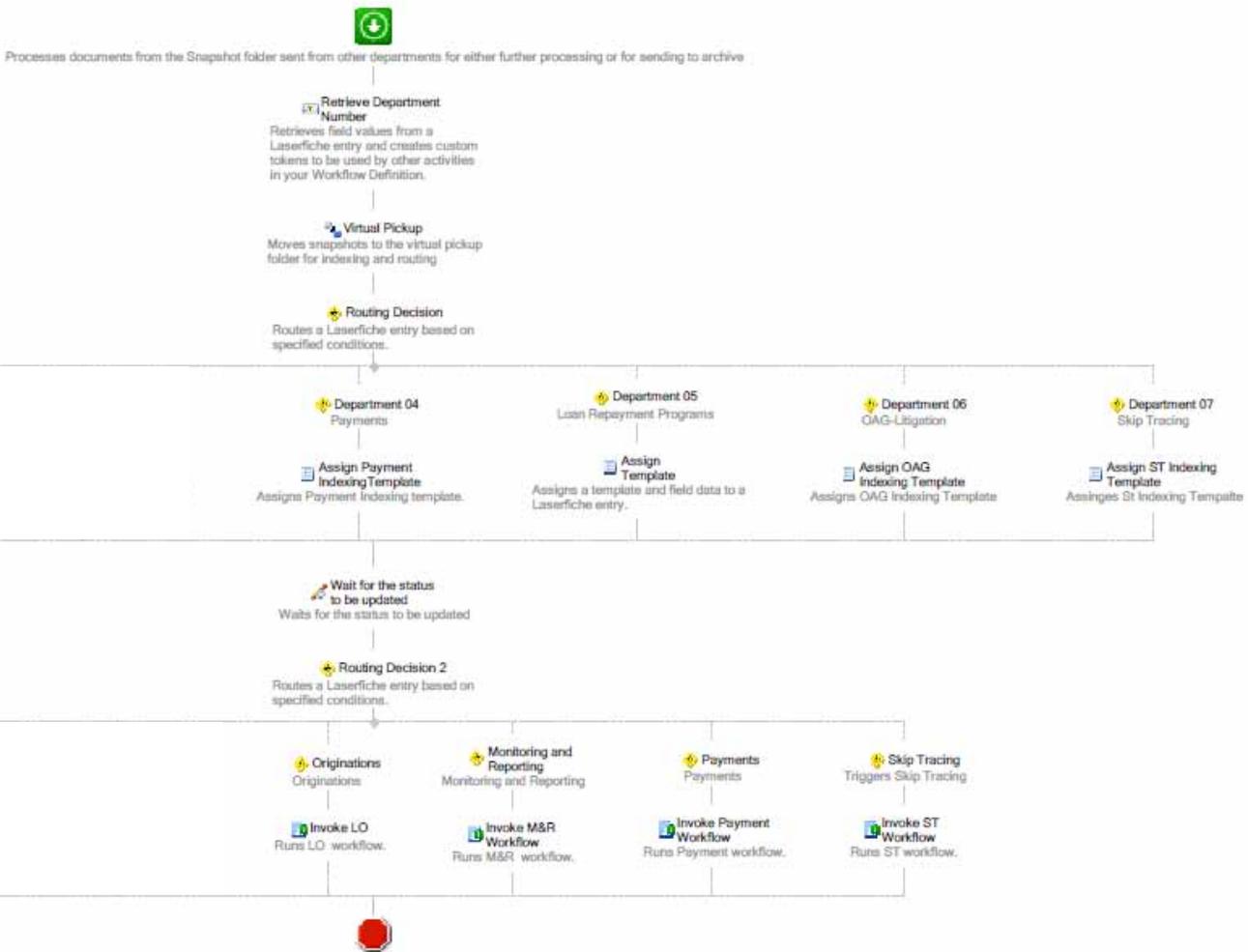
PROCESS DOCUMENTS WITH LASERFICHE WORKFLOW
Documents that have been printed with Laserfiche Snapshot

Once the supplemental documents have been printed into Laserfiche, the "Virtual Pickup" workflow is invoked. It routes the newly imported document to the "Virtual Pickup" folder in the repository. Depending on the value of the "LPO Department" field, it assigns the correct document template. The document is then routed to the correct folder in the Laserfiche repository based on the value of the "LPO – Document Type" field.

The document then waits in the folder for a reviewer to read through it and manually update the value of the "Status" field. Depending on the status update, another workflow is invoked for further document processing. For example, if the document happens to be a copy of a personal check, the "Payment Workflow" gets invoked. Here is what the "Virtual Pickup" workflow looks like:

Processes documents from the Snapshot folder sent from other departments for either further processing or for sending to archive

Retrieve Department Number
Retrieves field values from a Laserfiche entry and creates custom tokens to be used by other activities in your Workflow Definition.

Virtual Pickup
Moves snapshots to the virtual pickup folder for indexing and routing

Routing Decision
Routes a Laserfiche entry based on specified conditions.

| Department 04 | Department 05 | Department 06 | Department 07 |
| Payments | Loan Repayment Programs | OAG-Litigation | Skip Tracing |

Assign Payment Indexing Template
Assigns Payment Indexing template.

Assign Template
Assigns a template and field data to a Laserfiche entry.

Assign OAG Indexing Template
Assigns OAG Indexing Template

Assign ST Indexing Template
Assinges St Indexing Tempalte

Wait for the status to be updated
Waits for the status to be updated

Routing Decision 2
Routes a Laserfiche entry based on specified conditions.

| Originations | Monitoring and Reporting | Payments | Skip Tracing |
| Originations | Monitoring and Reporting | Payments | Triggers Skip Tracing |

Invoke LO
Runs LO workflow.

Invoke M&R Workflow
Runs M&R workflow.

Invoke Payment Workflow
Runs Payment workflow.
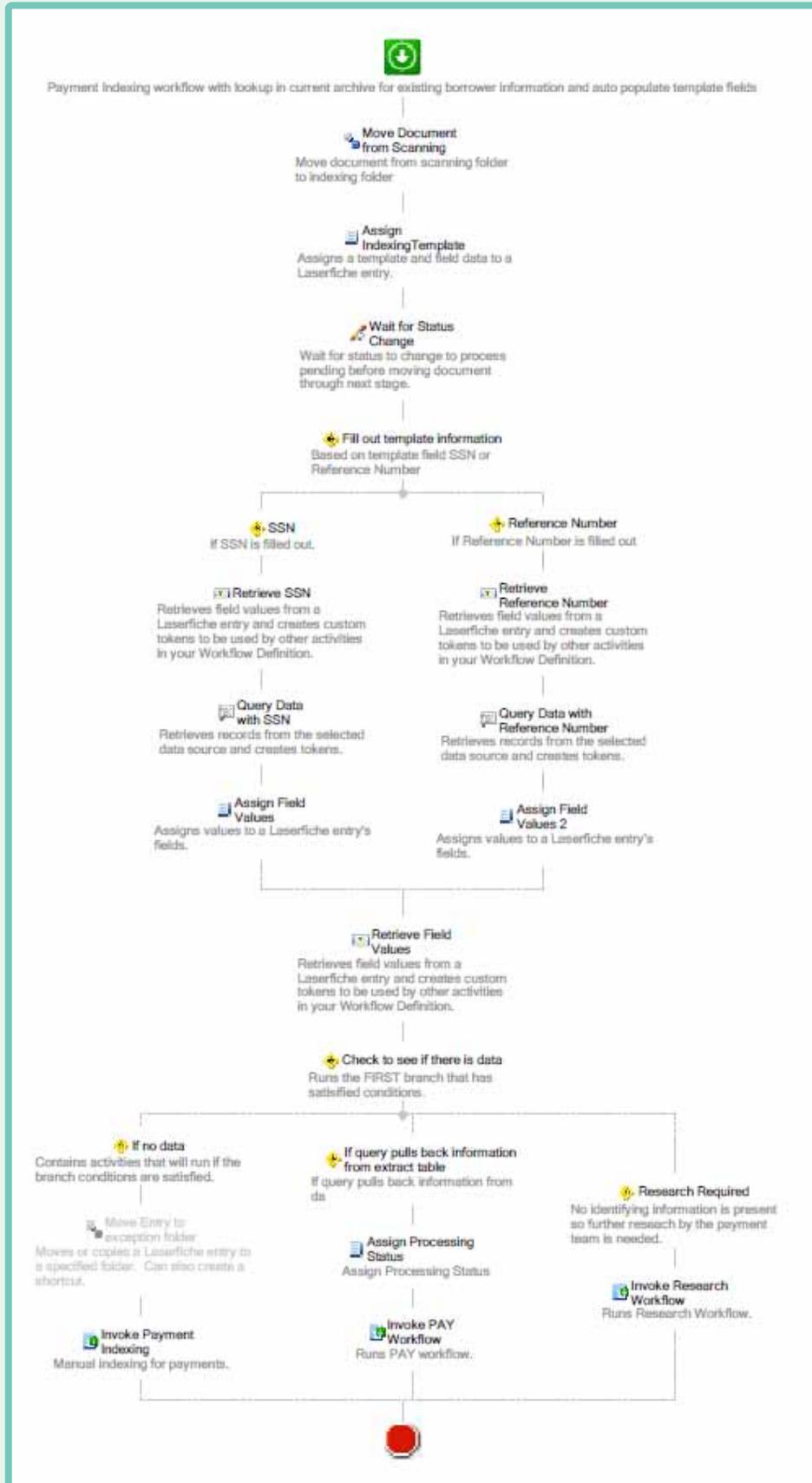
Invoke ST Workflow
Runs ST workflow.

Documents that have been scanned

Once payment documents are scanned into the "Scanning" folder, the "Payment Indexing" workflow is invoked. Here is what the "Payment Indexing" workflow looks like:
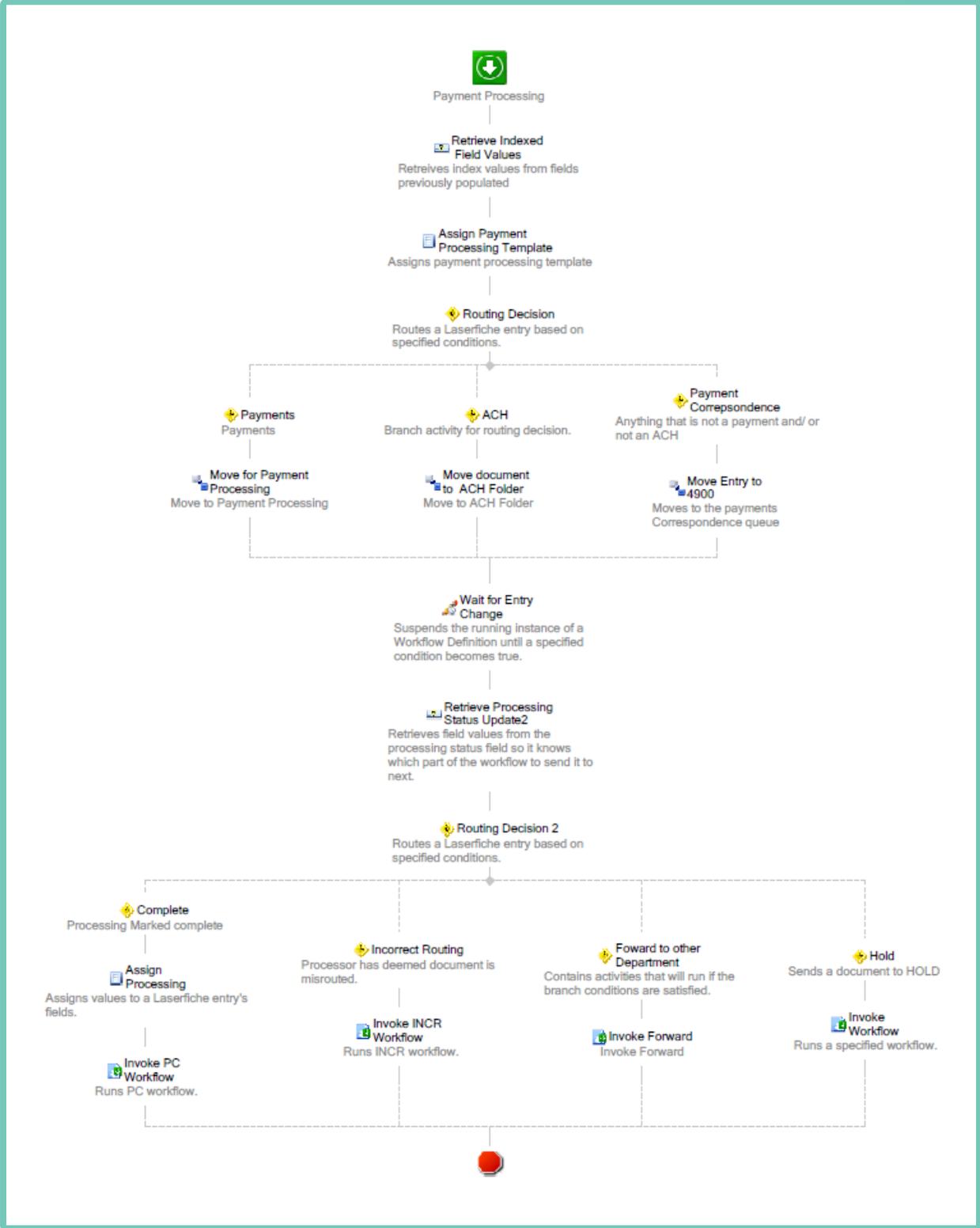
▶ The documents are moved from the "Scanning" folder into the "Indexing" folder and assigned to the "Indexing" template.

▶ A technician looks at the documents in the "Indexing" folder and manually fills out either the "SSN" field or the "Reference Number" field. He then changes the "Status" field to "Process Pending".

▶ Laserfiche Workflow uses the Query Data activity to pull the rest of the information from the database based on the Social Security Number or Reference Number (depending on which was filled in by the technician). The Assign Field Values activity is then used to populate the remaining fields. This eliminates manual user entry error.

▶ Next, Laserfiche Workflow checks to make sure that the template was filled in completely.

   • If most fields are blank, which means the database lookup failed due to an incorrect Social Security Number or Reference Number, the document is routed to an "Exceptions" folder. The "Payment Indexing" workflow is invoked again, giving the technician an opportunity to correct the mistake.

   • If all of the data is successfully populated, the "Payment Processing" workflow is invoked.

   • If somehow there is no Social Security Number or Reference Number filled out, the issue needs researching by the payment team and the "Research Workflow" is invoked.

Payment indexing workflow with lookup in current archive for existing borrower information and auto populate template fields

Move Document from Scanning
Move document from scanning folder to indexing folder

Assign IndexingTemplate
Assigns a template and field data to a Laserfiche entry.

Wait for Status Change
Wait for status to change to process pending before moving document through next stage.

Fill out template information
Based on template field SSN or Reference Number

SSN
If SSN is filled out.

Reference Number
If Reference Number is filled out

Retrieve SSN
Retrieves field values from a Laserfiche entry and creates custom tokens to be used by other activities in your Workflow Definition.

Retrieve Reference Number
Retrieves field values from a Laserfiche entry and creates custom tokens to be used by other activities in your Workflow Definition.

Query Data with SSN
Retrieves records from the selected data source and creates tokens.

Query Data with Reference Number
Retrieves records from the selected data source and creates tokens.

Assign Field Values
Assigns values to a Laserfiche entry's fields.

Assign Field Values 2
Assigns values to a Laserfiche entry's fields.

Retrieve Field Values
Retrieves field values from a Laserfiche entry and creates custom tokens to be used by other activities in your Workflow Definition.

Check to see if there is data
Runs the FIRST branch that has satisfied conditions.

If no data
Contains activities that will run if the branch conditions are satisfied.

If query pulls back information from extract table
If query pulls back information from da

Research Required
No identifying information is present so further reseach by the payment team is needed.

Move Entry to exception folder
Moves or copies a Laserfiche entry to a specified folder. Can also create a shortcut.

Assign Processing Status
Assign Processing Status

Invoke Research Workflow
Runs Research Workflow.

Invoke Payment Indexing
Manual indexing for payments.

Invoke PAY Workflow
Runs PAY workflow.

PAYMENT WORKFLOW

▸ The "Payment Workflow" uses the Retrieve Field Values activity to obtain the field values from the template, including the "LPO Department Number", and turns them into tokens for later use.

▸ It then assigns the "Payment Processing" template to the document using the Assign Field Values activity. Depending on the value of the "LPO – Document Type" field, the document gets routed to the "Payments Processing" folder, the "ACH Folder" or the "Correspondence" folder using the Move Entry activity.

▸ The Wait for Entry Change activity waits until the value of the "Status" field is updated by the reviewer who monitors the particular folder on a regular basis.

▸ The Retrieve Field Values activity then converts the "Status" field into a token that is used in the Routing Decision activity to determine where the document needs to be routed next.

▸ This document can be completed, routed incorrectly (some documents originally appear to belong to one department but really should be processed by another), sent to another department for further processing (some documents need to be processed by multiple departments) or put on hold. Each of these actions invokes a separate workflow.

Here is the full "Payment Workflow" design.

Payment Processing

Retrieve Indexed Field Values
Retreives index values from fields previously populated

Assign Payment Processing Template
Assigns payment processing template

Routing Decision
Routes a Laserfiche entry based on specified conditions.

Payments
Payments

ACH
Branch activity for routing decision.

Payment Correpsondence
Anything that is not a payment and/ or not an ACH

Move for Payment Processing
Move to Payment Processing

Move document to ACH Folder
Move to ACH Folder

Move Entry to 4900
Moves to the payments Correspondence queue

Wait for Entry Change
Suspends the running instance of a Workflow Definition until a specified condition becomes true.

Retrieve Processing Status Update2
Retrieves field values from the processing status field so it knows which part of the workflow to send it to next.

Routing Decision 2
Routes a Laserfiche entry based on specified conditions.

Complete
Processing Marked complete

Incorrect Routing
Processor has deemed document is misrouted.

Foward to other Department
Contains activities that will run if the branch conditions are satisfied.

Hold
Sends a document to HOLD

Assign Processing
Assigns values to a Laserfiche entry's fields.

Invoke INCR Workflow
Runs INCR workflow.

Invoke Forward
Invoke Forward

Invoke Workflow
Runs a specified workflow.

Invoke PC Workflow
Runs PC workflow.

KEEP TABS ON EVERYTHING THAT IS BEING PROCESSED

Since there are more than 29 different workflows running regularly, it is very important that I, as the manager of operational support services, am able to track their progress quickly and effectively. The Laserfiche Workflow Administration Console makes it easy to monitor where any document is at any given time. The first thing I do each morning is look in the "Wait Conditions" tab in the "Monitoring Node" to see if there are documents that have been stuck in any of our workflows for 24 hours or more.
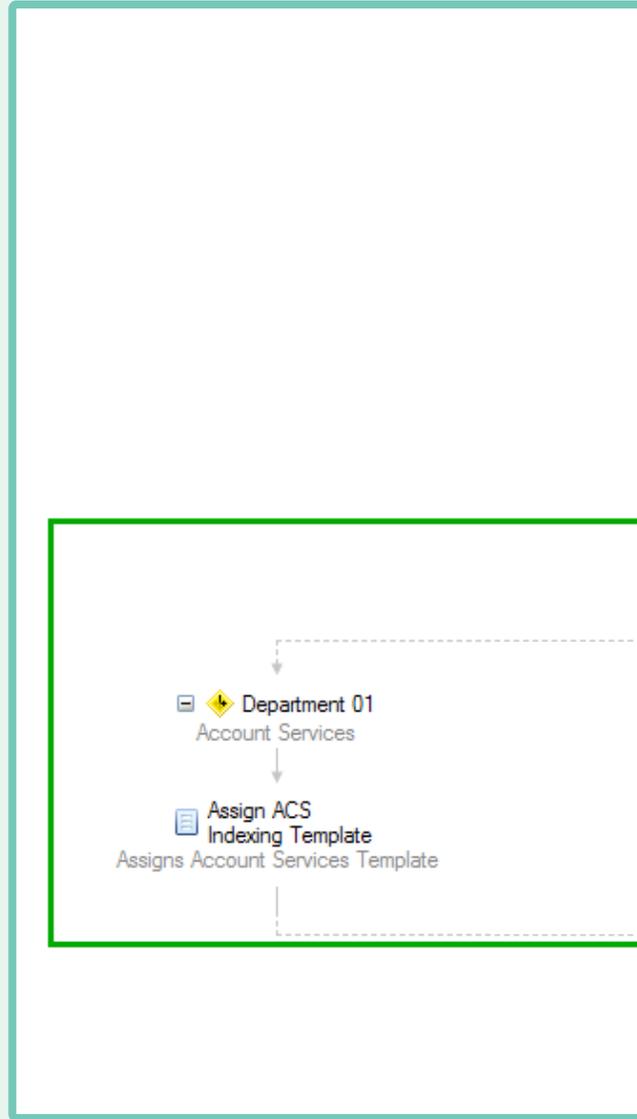
Selecting a document in the "Wait Conditions" node returns its "Entry ID" in the "Actions" pane. I can copy this number and, after clicking on "Open Workflow", open the particular workflow in the Workflow Designer. I can then use the "Search" function in Workflow Designer to search by the "Entry ID" (which I had copied previously).
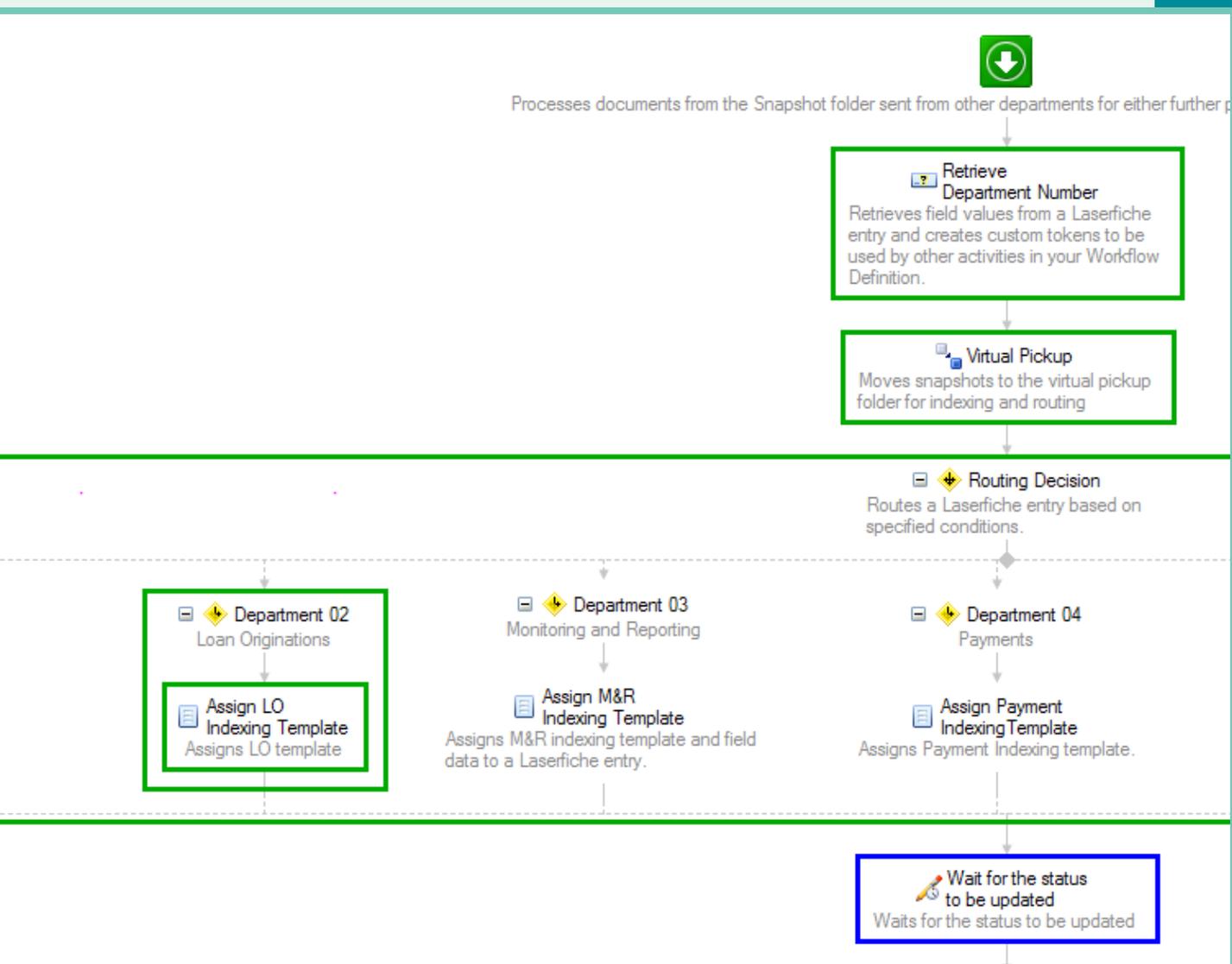
This search will return all of the workflows that are currently processing the selected document.

Workflow Name	Workflow ID	Total Instances	Running Instances	Average Time	Maximum Time	Minimum
LPO-00 Snapshot Processing (SR)	5	25	25	42 m 10 s	2 h 6 m	6 s 927 n
LPO-00 Incorrect Routing(I)	8	2	2	1 h 3 m	1 h 12 m	54 m 34 s
LPO-01 Account Services Processing(I)	16	10	10	1 h 23 m	1 h 28 m	1 h 19 m
LPO-02 Originations Data Entry(I)	17	2	2	2 h 9 m	2 h 10 m	2 h 8 m
LPO-02 Originations Processing(I)	19	50	50	1 h 34 m	1 h 35 m	1 h 34 m
LPO-05 LRP Indexing (SR)	25	103	103	1 h 5 m	1 h 13 m	1 m 20 s
LPO-00 Hold (I)	36	1	1	57 m 59 s	57 m 59 s	57 m 59 s
LPO Archiving	40	97	97	21 m 43 s	33 m 30 s	183 ms

⊟ ◆ Department 01
Account Services

↓

▤ Assign ACS
Indexing Template
Assigns Account Services Template

Double-clicking on one workflow opens it in the designer pane. The path that the document took through the workflow is clearly marked in green and the place where the document is stuck is marked in blue. I can then investigate the problem and resolve it.

Processes documents from the Snapshot folder sent from other departments for either further p

Retrieve Department Number
Retrieves field values from a Laserfiche entry and creates custom tokens to be used by other activities in your Workflow Definition.

Virtual Pickup
Moves snapshots to the virtual pickup folder for indexing and routing

Routing Decision
Routes a Laserfiche entry based on specified conditions.

Department 02
Loan Originations

Department 03
Monitoring and Reporting

Department 04
Payments

Assign LO Indexing Template
Assigns LO template

Assign M&R Indexing Template
Assigns M&R indexing template and field data to a Laserfiche entry.

Assign Payment Indexing Template
Assigns Payment Indexing template.

Wait for the status to be updated
Waits for the status to be updated

I can also view workflow statistics under the "Monitoring – Statistics" node.

Workflow Name	Workflow ID	Version	Total Instances	Running Ins
LPO-00 Snapshot Processing (SR)	5	3	28	28
LPO-00 Incorrect Routing(I)	8	40	5	5
LPO-00 Letter Required (I)	9	3	4	4
LPO-01 Account Services Processing(I)	16	8	1	1
LPO-01 Account Services Processing(I)	16	11	1	1
LPO-01 Account Services Processing(I)	16	12	41	41
LPO-02 Originations Data Entry(I)	17	2	2	2
LPO-02 Originations Indexing(SR)	18	4	1	1
LPO-02 Originations Processing(I)	19	7	275	275
LPO-03 Monitoring and Reporting(I)	21	4	37	37
LPO-03 Monitoring and Reporting(I)	21	5	25	25
LPO-04 Payment Processing(I)	23	5	1	1
LPO-04 Payment Processing(I)	23	7	3	3
LPO-05 LRP Indexing (SR)	25	2	100	100
LPO-06 OAG Indexing (SR)	26	4	1	1
LPO-07 Skip Tracing Processing(I)	29	18	62	62
LPO-07 Skip Tracing Processing(I)	29	19	35	35
LPO-00 Hold (I)	36	7	2	2
LPO-00 Hold (I)	36	9	24	24
LPO Archiving	40	3	95	95
LPO-01 Account Services Return (I)	42	2	11	11
LPO-01 Account Services Return (I)	42	4	1	1

SUMMARY OF BENEFITS FOR TEXAS HIGHER EDUCATION COORDINATING BOARD

▶ Documents are now available immediately after being scanned or printed into Laserfiche.

▶ Business processes can be monitored efficiently and problems identified and resolved as they occur.

▶ Unnecessary and redundant processes have been eliminated.

▶ Data entry error is significantly reduced.