Great Lakes Credit Union

Gains From Renegotiating Card Processing Contracts with Credit Union Advisory Firm SRM

Knowledge that Provides an Edge

In the Credit Union arena, Great Lakes Credit Union (GLCU) is powered by a wealth of industry knowledge that runs deeper than most. GLCU has negotiated nearly a century's worth of vendor contracts. How do they stay on top of their game? By making changes and incorporating cost savings when an opportunity arises. They also understand the advantages of partnering with an organization that knows how to navigate the shifting playing field of contract negotiations.

> "There were no disruptions to our business and we had zero concerns about working with SRM."

The first project that GLCU partnered with SRM on involved renegotiating their contract for debit and credit card processing. Initial conversations began after Steven Bugg, President & CEO of GLCU, was introduced to an SRM representative, who began by gaining an understanding of what obligations and opportunities GLCU's contract contained.

GLCU had been with the same card processing vendor for over 25 years. What could they do to save money and lower costs? SRM 's veteran project managers went to work, evaluating exceptions, reducing processing fees, and negotiating a potential marketing bonus.

SRM outlined the areas that needed review to secure the most benefits. "We are very pleased with the savings and additional income from the marketing allowance," said Bugg. "All the work was on time; no delays or concerns. The contract was renegotiated so that it started earlier than the one expiring, giving us a head start on savings."

Turning the Old Into New

Another benefit of working with SRM that GLCU has come to appreciate is gaining a complete understanding of what an existing contract encompasses. This insight became valuable when the SRM manager reviewed a secondary network for debit card contracts and uncovered previously unidentified information.

> "There may have been some differences between what was stated in our contract versus what we were receiving."

It turned out that there were possible differences between what was stated in the contract versus what was delivered. This finding prepared GLCU to readjust the vendor to a primary position in order to earn the most income. SRM's project manager was diligent in reviewing the contract details and subsequently found additional savings.

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>
> **Steve Bugg,**
> **President & CEO of Great Lakes Credit Union**

Trust, But Verify

GLCU had another contract that had been negotiated internally with what felt like a solid position. As verification, SRM reviewed that agreement and then negotiated further on GLCU's behalf. "We may have done the initial leg work, but SRM uncovered funds left on the table," said Bugg.

The Bottom Line

Once the project work was complete, Bugg noted, "Our team has come to rely on SRM to mediate our vendor relationships. Their negotiation skills can be very successful, whether it's reviewing a new vendor contract or reviewing one that's established and in place. We've seen significant, long-term improvements involving both types of agreements."

About Great Lakes Credit Union

In 1938, Great Lakes Credit Union, a low income designated credit union and a community development credit union, was organized to create a financial institution that put the best interests of the members first, allowing civil servants to borrow money at reasonable rates and have a safe place to save for the future.

Since then, annual membership and assets have grown quickly due to GLCU's dedication to member service, which remains GLCU's top priority. In recent years, new innovative products and services have been added to focus on our members' financial needs and those of the communities that GLCU serves in Northern Illinois.

Today, GLCU has over billion in assets with over 79,000 members. We have a larger branch network and enhanced digital delivery channels to satisfy the ever-changing needs of our members. GLCU is also one of fewer than 10 credit unions nationally with a HUD certified counseling program.

About SRM

SRM (Strategic Resource Management) has helped 1,000+ financial institutions add more than $5 billion of value to their bottom line in areas such as payments, digital transformation, core processing, artificial intelligence, digital assets, and overall operating efficiency. SRM – now in its 30th year in business – has lowered costs, created revenue opportunities, increased productivity, and provided a competitive edge for clients in an environment of constant and accelerating change.

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