

## Pathfinder Bank Decreases Risk, Saves Money with QuestSoft Compliance Tools

**Who:** Reyne Pierce, mortgage underwriter  
Oswego, N.Y.-based Pathfinder Bank

**When:** 2005 to present – CRA RELIEF  
2000 to present – HMDA RELIEF

**What:** As Pathfinder Bank grew through acquisition, its regulatory requirements changed. The bank was now responsible for complying with the Community Reinvestment Act. Bank officials immediately turned to a trusted compliance vendor partner, QuestSoft, and expanded its relationship to include CRA RELIEF.

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### Challenge:

A bank acquisition in 2004 meant Oswego, N.Y.-based Pathfinder Bank (\$230 million in assets) would now have to gather and submit loan data to demonstrate adherence to the Community Reinvestment Act (CRA). The biggest issue was not complying with the legislation, but meeting the submission deadline, which was just months away. The need to meet CRA requirements coupled with tremendous growth in commercial lending led Pathfinder Bank officials to research CRA compliance software. The bank immediately turned to the provider of its HMDA software for guidance.

*“Our commercial loan department had grown from one employee to seven,” said Reyne Pierce, mortgage underwriter for Pathfinder Bank. “It became clear that with the number of loans we were processing, manual entry was no longer feasible. We were also facing a tight deadline for submitting the CRA data. It was imperative to handle the compliance side of our growth and get that data turned around, while not sacrificing customer service. QuestSoft had helped us accomplish that with HMDA reporting, so we turned to them first.”*

### Solution:

QuestSoft’s CRA RELIEF ensures lenders meet all federal CRA regulations for performance ratings and produces the same Lending Test reports that the examiners use. It is designed to offer a practical solution that further simplifies the collection of data and performance analyses done to verify compliance. Based on Pathfinder Bank’s established relationship with QuestSoft and the success the bank had with HMDA RELIEF, adding CRA RELIEF was the logical next step in further simplifying the bank’s compliance processes.

*“Pathfinder Bank is engaged in its community, whether that means outstanding customer support or making residential or commercial loans,” said Pierce. “CRA RELIEF enabled us to continue to do both, as the software ensured data accuracy and compliance with minimal oversight. Just as we expect our customers to rely on us, we wanted to be able to depend on a vendor with proven software and service. QuestSoft had both.”*

### Result:

Since purchasing CRA RELIEF, CRA legislation has changed. Pathfinder Bank must comply with CRA on a national and state level, but not submit data every year. Regardless of requirements, bank officials have continued to proactively follow their federal compliance program. Having the solution integrated with the bank's LOS system enables Pathfinder Bank to keep track of its community reinvestment loans without manual entry or risk of reentry errors. The increased accuracy leads to a true picture of the bank's investment in its community, increasing its standing with state and federal regulators.

For example, Pathfinder Bank is audited by federal and up to three state agencies. CRA RELIEF produces thorough, reader-friendly reports based on accurate information without taking up manpower or risking in accurate data entry and fines. Instead of having to look through hand-written and electronic files, auditors receive all community reinvestment loan information in the report. This simplifies the audit process for the bank, as well as for regulators.

*"When the need arose for a CRA system, our first thought was QuestSoft's solution," said Pierce. "With the success we experienced with HMDA RELIEF, we knew CRA RELIEF would make a tedious and time-consuming task simple, accurate and efficient. Customer service is responsive and complete, and we were able to use QuestSoft's Instant Geocoder software on the CRA side since we already used it on the HMDA side."*

#### **About Pathfinder Bank**

Pathfinder Bank began as Oswego City Savings Bank in 1859 and is the oldest savings institution in Oswego County, N.Y. The bank has seven full-service offices located in Oswego, Fulton, Mexico, Lacona and Central Square. For more information, visit [www.pathfinderbank.com](http://www.pathfinderbank.com).

#### **About QuestSoft**

Laguna Hills, Calif.-based QuestSoft is an established provider of comprehensive and automated compliance software and services to the mortgage, banking and credit union industries. The company's products enable more than 1,500 banks, credit unions and mortgage companies to simplify the collection, analysis, compilation and reporting of key lending regulatory report data.

For more information about QuestSoft and its products, visit the company's Web site at [www.questsoft.com](http://www.questsoft.com).

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