

## Designing the Smartest Way to Manage Cash



DouglasCeto

Not long ago, visiting a bank to deposit or withdraw cash was the norm. However, when technology adoption began intensifying in the banking industry, everyday operations became simpler and more user-friendly. Driven by customer demand, financial institutions continued to update legacy systems, and for good reason—to meet immediate customer demands. Now, riding on this bandwagon, automation technologies have become monumental for optimizing processes, improving productivity, and ensuring cost savings.

However, as the trend of branch transformation started becoming more commonplace, it also brought to light just how disjointed cash management systems at bank branches, ATMs, and ITMs had been from each other. Douglas Ceto, a financial industry veteran, explains that it was primarily because financial institutions were reliant on legacy systems and processes to manage their cash. To overcome these shortcomings, Ceto took it upon himself to unify the decentralized systems with a new SaaS-based approach, and his resolution led to the foundation for Logicpath™ in 2008.

Over the past decade, Logicpath positioned itself as a market leader in cash inventory management while doing business with more than 2,000 banks and credit unions across the United States and Canada. “As a firm, we have always worked hard to educate everyone about new ways to embrace cash inventory management inside their banks, credit unions, or financial institutions,” says Ceto, President and CEO of Logicpath.

### Optimizing the Cash Supply Chain

Logicpath™ improves earnings, maximizes efficiencies, and manages risk with its web-based branch, ATM, and vault cash management and forecasting application, C3 Financial™. “We have taken manual cash supply chain processes and automated them, ultimately creating a ‘turnkey and efficient cash management solution’ for financial institutions,” explains Ceto. It seamlessly receives data from the client’s teller platforms and pushes data to money suppliers and armored cars. C3 Financial is equipped with an adjustable forecasting algorithm and predictive analytics feature to help clients determine their desired risk tolerance. The application predicts the cash demand at the denomination level and recommends the amount of money to put in the branch or other cash end points. With the click of a button, the cash order goes to the money supplier, and from there, it goes to the cash-in-transit (CIT) provider.

C3 Financial™ streamlines cash operations and reduces risk while offering control and visibility with centralized and automated cash ordering. The centralization of cash also reduces a high number of decision-makers to a handful of key members.



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Ceto further highlights that to manage the significant amount of money flowing through the cash cycle well, good reporting is essential. C3 Financial’s real-time reporting allows C-level executives to manage and monitor cash inventory across the board. The advanced analytics-based reporting allows CFOs to form a thorough report of the performance and present it to the board of directors. Not only this, but the reports and dashboards for audit controls can also help when regulators audit the institution. “We believe that controlling the algorithm is important, but also understanding it and interpreting it through reporting is certainly critical,” says Ceto. Another feature of C3 Financial is device-level management. As the application receives data from the client’s teller platform and other device systems, the

algorithm ensures a healthy amount of cash in the recycler or other cash endpoints. The algorithm offers a centralized cash management system and predictive analytics right down to every device. “This really transforms how an institution works,” remarks Ceto.

### Seamless Implementation

Logicpath works with clients at every step of implementation. Typically a 90-day process, its first step begins with understanding the client’s needs, cash goals, and data. Based on the initial evaluation, the company receives data into C3 Financial from the client’s teller platform system and other systems. Meanwhile, Logicpath gets a granular understanding of the client’s cash optimization and centralization goals in order to serve their customers and align with their bottom line. After that, Logicpath presents the client with the data inside database system collected by the solution in approximately 60 days. Additionally, the implementation consultant and account manager share their observations with the client to improve their overall cash supply chain.

Beyond the implementation process itself, what differentiates Logicpath’s cash management system from others is the human aspect. The client service team comprises cash management experts who understand data inputs, algorithms, reporting, and the structure of a bank or a credit union. Leveraging their deep expertise, the Logicpath team helps clients find answers to their cash management related needs.

“Our consultative approach has enabled us to solve challenges for an extensive list of clients around cash centralization and automation,” says Kelly MacConnell, VP of Sales at Logicpath. For example, one of our clients was submitting individual cash orders to the Federal Reserve Bank and 10-key typing per denomination,

intensifying the difficulty of managing the cash ordering and receiving process. The client needed a streamlined and centralized cash ordering system for all of its branches and wanted to eliminate the branches from weekly cash ordering and 10-key typing. When the client adopted Logicpath’s C3 Financial solution, they went through the training Logicpath provided and users were able to adopt the application quickly. “Our software eliminated the need to manually order the cash from each of the 22 locations and aligned all branches into one centralized system with complete visibility,” informs Kelly.

### Thriving in the Pandemic

Right now, Logicpath is helping financial institutions navigate the operational limitations brought forth by the COVID-19 pandemic. Even though branches temporarily shut down, it did not stop the regular banking day-to-day activities or cash transactions. Logicpath clients can remotely log in to the C3 Financial application and monitor all data across their cash network. Moreover, C3 Financial’s adjustable predictive analytics and forecasting algorithm can help them mitigate risks and keep adaptive cash levels in their branches and ATMs to satisfy customer needs at all times.

With these proven benefits in mind, it is no surprise that Logicpath is a leading innovator driving change in the cash management space. Nevertheless, Ceto highlights that Logicpath is poised to enhance its capabilities further. Logicpath is now working on the release of the application’s fourth version with robust features. Driven by this fervor, Logicpath is expanding its services within the retail and casino markets as two additional areas of focus in the coming months. **CT**