

USE CASE: BUSINESS PAYMENT PROCESSING SOLUTION

Utilities save time and money by increasing payment processing efficiency

Improve check and deposit processing efficiency and save



Checks still relevant

According to the 2011 Consumer Trends Survey,¹ 59% of online households had paid a bill with a check in the same time period in which 73% had paid a bill online.² So, while bill payment by check is generally on the decline, consumers want flexibility in their payment choices above all. The most current Federal Reserve data shows that 27.8 billion checks – \$32.4 trillion – were written in 2009,³ evidence that checks still play a vital role in the bill payment landscape.

Reasons cited for paying bills by check include:

- Some billers only accept checks
- Paper trail helps keep track of paying bills
- Uncomfortable with security of paying bills over Internet

Utilities still process large numbers of paper checks, and the per-item cost of processing those checks is rising. Utilities are forced to rein in costs by improving

check- and deposit-processing efficiency. Promoting stronger cash flow is another critical piece of this strategy – accomplished by converting check payments to available funds as quickly as possible after receipt. Processing check payments electronically helps utilities achieve both goals, creating additional savings by eliminating the need to transport checks.

Multiple payment types, multiple processes

Accepting multiple forms of payment is beneficial from a customer service perspective, but it increases employee workloads and associated payment handling costs at a time when staff reductions are common. Consequently, many utilities have fragmented processes for handling payments.

Multiple devices, work stations and operators create a division between steps in the process. Work is compartmentalized and shuttled between physical areas, increasing the likelihood of lost time, lost documents and errors. Customer service complaints arise when mistakes are made, or the bank calls to report an inaccurate deposit amount.

In a manual process, checks are typically totaled with a 10-key calculator, magnifying the potential for errors. Many utilities photocopy both sides of the checks and file or archive the copies after recording payments. The work doesn't end there, of course – because checks must also be prepared for deposit and delivered to the financial institution (FI).

These tasks might all be performed by a single individual, divided between several people, or even distributed throughout an entire office. How much of your organization's process is still performed

manually? How often have you thought, as this utility did, “there must be a better, faster way to do this?”

Utility seeks total system solution

A city water department was looking for a faster, more efficient way to handle payments. They receive cash and check payments with remittance coupons from residents. Cashiers count the currency by hand. Checks and remittance coupons are fed through a tabletop pocket scanner that is interfaced with an online payment-processing system.

They wanted these challenges addressed:

- Counting currency by hand is labor intensive and prone to error
- Their check scanner operates slowly – 60 to 80 documents per minute
- The process requires significant overtime to get work done, driving up payroll expenses
- A total system solution is needed to maximize efficiency

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¹ 2011 Consumer Trends Survey: Financial Services Continue the Digital Shift, Fiserv

² 2011 Billing Household Survey: Consumer Survey of Billing and Payment Practices Underscores the Need to Offer and Promote Multiple Billing and Payment Options, Fiserv

³ 2010 Federal Reserve Payments Study (citing the 2010 Depository Institutions Payments Study)



Successful automation: device is key

The large check volumes processed by utilities require a robust solution. Although remote deposit capture (RDC) is an adequate means of check electronication for many bank customers, it is frequently less than ideal for utilities. For one thing, RDC makes no provision for the expedient processing of cash payments. The currency must either be hand-counted, or a currency counter must be used in addition to the check scanner.

Accelerated processing of both cash and checks enables employees to spend more time providing customer service and tending to other value-added tasks. While most repetitive manual processes can benefit from automation – the fewer devices used, the greater the benefit. The utility needed one piece of equipment that could be used to process cash, checks and payment coupons – as well as to interface with the payment system provider.

From their FI, the water department learned about a device that would meet this challenge head-on. What's more, the implementation of this ideal solution was simple and straightforward. In this case, the device used was key to their success.

Keep cash and checks together

Due to the tremendous amount of overtime spent hand-counting cash payments, the utility's purchase of a Cummins Allison JetScan iFX® was immediately justified by the machine's industry-leading currency

Utility companies all over the country are learning about and implementing a new solution for automating a time-consuming manual process, with excellent results.

processing speed; but in the same footprint they had the fastest tabletop check processor, too. At 400 documents per minute, no other check scanner can match the speed of JetScan iFX.

No other scanner processes currency as well as checks, either. Now utilities like the water department can process both their cash and check payments quickly and accurately on one device. With optional software, check archiving and deposit balancing can also be accomplished with JetScan iFX, still using one machine and in a fraction of the time that they previously spent just counting their cash.

Save time, and affordably improve productivity

Utility companies all over the country are learning about and implementing a new solution for automating a time-consuming manual process, with excellent results. When all items can be processed on one



Processing cash and checks using JetScan iFX

device, by the same person, in whatever sequence makes the best sense for your operation, real efficiency can be achieved. With a single piece of equipment, you can:

- Stop moving work from station to station
- Reduce down time
- Lower maintenance costs
- Shorten training and transition period

Many companies continue using error-prone manual processes in the belief that their volumes do not merit an automated solution. If the real cost of lost documents and errors is not known, you may think that the price of automating is too high – or that the solutions you have seen are not the best answer for your needs. The cost-effective JetScan iFX proves its value with immediate results that justify your investment.

All gain, no pain with JetScan iFX

Take advantage of these industry-leading benefits:

- Process currency at 1,600 bills per minute
- Employ highly advanced detection of counterfeit bills
- Process checks at 400 items per minute
- Archive scanned check images quickly and eliminate physical storage
- Easily integrate deposit balancing functionality

When you begin transmitting your deposits to the bank electronically via image cash letter (ICL), you will have closed the loop on the fastest, most efficient payment processing available.

Process your cash and checks and get work done faster. Save employees' time, reduce bank fees and improve customer service. Add deposit preparation on the same machine and there is simply no logical argument for keeping the status quo.



Learn how you can bring greater efficiency to your payment and deposit processing with JetScan iFX. Visit cumminsallison.com/checks



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Generations of Vision and Excellence

Cummins Allison sets the standard for accuracy and dependability.

Cummins Allison is a global leader in developing solutions that quickly and efficiently count, sort and authenticate currency, checks and coin. With a 125-year heritage of leadership in technology and product innovation, Cummins Allison serves the majority of financial institutions worldwide, as well as leading organizations in retail, gaming, law enforcement and government. Ninety-seven percent of our customers recommend our products and services.

CA holds more than 350 U.S. patents and invests double the industry average in R&D. Our world-class sales and service network includes hundreds of local representatives in more than 50 offices in North America, 4 wholly-owned subsidiaries in Europe and is represented in more than 70 countries around the world.

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