

Banking Efficiencies – Team Charter

Chartering Group	Team Sponsor(s)	Team Lead	Kickoff Date	Target End Date
n/a	Thomas Lannom and Rich Goward	Michael Montgomery, Janice Hammond Getten	December 2011	n/a
Mission Statement:	Identify efficiencies and recommend how those can be implemented			
Problem Statement:	The banking industry has been evolving with new online processes becoming available. Could any of those be implemented by the Revenue Bureau?			
Goals/Deliverables:	Streamline Revenue Bureau banking transactions such as check handling, deposits and the SAP document entry			
Customer(s)	Revenue Bureau			
Success Indicators	Improve daily banking functions			
Scope & Constraints	<p>Scope includes: Revenue Bureau bank deposit functions</p> <p>Scope excludes: Other Revenue Bureau processes</p> <p>Constraints & Boundary Conditions: The costs associated with implementing an efficiency may out weigh the benefit</p>			
Decision Ratifier:	Thomas Lannom			
Decision Communication:	Recommendations will be communicated to the decision ratifiers as they become known			
Level of Authority / Decision Process	Recommendations will be presented to the decision ratifiers via meetings and/or emails for final approval			
Other Team Processes:	Ad-hoc meetings and emails to address new technology and processes as they become available			
Team Members	Michael Montgomery, Alan Erland, Janice Hammond Getten, Julie Shervey			
Sunset:	Ongoing on an as needed basis			

Milestones:

1st Meeting - December 23, 2011

From our discussion yesterday, I only see a few items that could be presented as recommendations for efficiency:

- Drop the step of taking the checks to Treasury for deposit to the bank, but continue our other processes as they are done now
 - perhaps "day drop" deposit process can be setup with Wells Fargo
 - would save time for Treasury staff
 - would lose the additional review/verification process done by Treasury
 - would add some steps to the Revenue Bureau process
- Setup electronic check deposit through Water Bureau's system
 - Would require programming changes to existing electronic deposit setup
 - Cost of programming changes needs to be determined
 - Net cost/savings incurred from Wells Fargo needs to be determined
 - Would eliminate the step of taking checks to Treasury after scanning
 - Would eliminate the review/verification process done by Treasury and save them the step of taking the checks to the bank
- Determine if the Revenue Bureau has, or should have, deposit slips with a bureau specific code on them
 - Due to changes by Revenue Bureau's Regulatory Division we are taking larger deposits directly to the bank on a more regular basis.
 - Below is a file of the SAP bank statement showing the "Cash Drawer" deposits we took directly to the bank recently.
 - Would it be helpful if we had coded deposit slips? Alan could you confirm whether or not Revenue Bureau has been assigned a special deposit code?

Follow-up email - January 18, 2012 from Montgomery, Michael (Treasury)

A quick update for you - as I met with the Water Bureau to discuss the scanning options for checks only. Barb is going to put some specs together and forward to her software vendor to discuss the objectives, and try to obtain a general estimate on the costs. It won't be exact but should give us a good idea of the cost, and then Barb can work up the potential change in her manual costs (inter-agency). I'll let you know as soon as I hear back from them.

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Treasury ordered deposit slips specially coded as Revenue Bureau deposits. Revenue began using them February 2011.

Next Meeting – when Water Bureau vendor provides cost proposal

Discuss next steps and lists pros/cons. Provide the data to Rev Bur Exec Team.

3-22 Update from Michal Montgomery:

I recently sent Barb (Streeter@ Water Bureau) a message to check on this again, but have not heard back as of yet. I'm at a conference this week, but promise to reach out to her again when I return, and will be able to provide more details next week. I met with Barb in person to discuss the objectives, so she is aware of the structural changes that would need to be implemented to her group's daily functions. I hope it's something that can be implemented and affordable.

April 10, 2012 - Update from Michael Montgomery

Received preliminary quotes on the cost to do this project (preliminary cost estimates), depending upon final setup choice in the Water Bureau. There are time constraints and operational issues that the Water bureau will need to address also. They are going to be doing some upgrades to their processing software in preparation of moving to Windows7. It would be best to coordinate these activities for Barb (Streeter) and the rest of her staff. I've requested an estimated timeline for those modifications, but do not have that information yet. I'll reply when the Water Bureau has more information regarding the timing and scheduling of those activities.

Quote Details:

City of Portland Water Bureau

Unisys R & L Customization for Revenue Checks Budgetary Quote Only

3-14-12

1-Pass Without Virtual Endorsement

Modifying the Water Bureau and Agency worksources requires some common tasks as well as the unique tasks associated with each worksource. I have broken the effort into groups of tasks that will hopefully explain the effort required to modify each.

Revenue Bureau - \$2,614.00

Modify the existing Agency worksource to process Revenue Bureau checks in one pass – includes new distribution and endorsement parameters and modification of the extract parameters to use the Pass 1 images instead of Pass 2 images.

Unit test the modified worksource at Water Bureau facility.

Water Bureau - \$2,614.00

Modify the existing Water Bureau worksource to process Water Bureau transactions in one pass – includes new distribution and endorsement parameters parameters and modification of the extract parameters to use the Pass 1 images instead of Pass 2 images.

Unit test the modified worksource at Water Bureau facility.

Common Tasks - \$10,528

Installation of worksource(s).
Operator training for one-pass operations.
On site acceptance test support.
On site production support.
Telephone support after implementation.

Estimated Travel Expenses - \$2,300

Total Price for 1-Pass without Virtual Endorsement is \$18,056.

Assumptions if we do not include the Virtual Endorsement option:

Endorsement requirements will include only that data which is available during Pass 1 processing. Specific field data, such as amounts and account numbers will not be included in the endorsement. Amounts will not be encoded on checks.

The current level of R&L software will not be upgraded.

City of Portland will inform Wells Fargo Bank of changes to operations and will obtain related data from Wells Fargo, such as the deposit account number for Revenue Bureau cash letters.

Wells Fargo has indicated that no additional ICL testing is required, however, Unisys assumes one test file containing both Water Bureau and Revenue Bureau cash letters will be sent to Wells Fargo for testing similar to "Cycle 2" testing but using live transactions.

Unisys and City of Portland will co-ordinate with Wells Fargo for scheduling.

**City of Portland Water Bureau
Unisys R & L Customization for Revenue Checks Budgetary Quote Only
4-3-12**

2-Pass Without Virtual Endorsement

Modifying the Water Bureau and Agency worksources requires some common tasks as well as the unique tasks associated with each worksource. I have broken the effort into groups of tasks that will hopefully explain the effort required to modify each.

Revenue Bureau - \$2000.00

Modify the existing Agency worksource to process Revenue Bureau checks for ICL processing.
Unit test the modified worksource at Water Bureau facility.

Water Bureau - \$0

No changes to the Water Bureau worksource.

Common Tasks - \$10,528

Installation of worksource.
On site acceptance test support.
On site production support.
Telephone support after implementation.

Estimated Travel Expenses - \$2,300

Total Price for 2-Pass without Virtual Endorsement is \$14,828.00.

Assumptions if we remain in a 2-Pass environment:

No changes to the current PWB worksource.
No changes to the current Revenue Bureau endorsement.
Amounts will be encoded on checks.
The current level of R&L software will not be upgraded.
City of Portland will inform Wells Fargo Bank of changes to operations and will obtain related data from Wells Fargo, such as the deposit account number for Revenue Bureau cash letters.
Wells Fargo has indicated that no additional ICL testing is required, however, Unisys assumes one test file containing both Water Bureau and Revenue Bureau cash letters will be sent to Wells Fargo for testing similar to "Cycle 2" testing but using live transactions.
Unisys and City of Portland will co-ordinate with Wells Fargo for scheduling.

1-Pass With Virtual Endorsement

If data that is not available in Pass 1 needs to be endorsed, Unisys will add “Virtual Endorsement” functionality to the R&L software. This software will overlay an endorsement on the Pass 1 image and store it as a Pass 2 image.

Additional customization to define the Virtual Endorsements will be required.

All data that is available for traditional paper Pass 2 endorsements will be available for the Virtual Endorsements.

Revenue Bureau - \$4,406.00

Modify the existing Agency worksource to process Revenue Bureau checks in one pass – includes new distribution, Pass 1 endorsement parameters and Virtual Endorsement parameters.

Unit test the modified worksource at Water Bureau facility.

Water Bureau - \$4,406.00

Modify the existing Water Bureau worksource to process Water Bureau transactions in one pass – includes new distribution, Pass 1 endorsement parameters and Virtual Endorsement parameters.

Unit test the modified worksource at Water Bureau facility.

Common Tasks - \$10,528

Installation of worksource(s).
Operator training for one-pass operations.
On site acceptance test support.
On site production support.
Telephone support after implementation.

Estimated Travel Expenses - \$2,300

Additional charge for adding Virtual Endorsement - \$15,840.00

Total Price for 1-Pass with Virtual Endorsement is \$37,480.00.

Assumptions if we include the Virtual Endorsement option:

Fields that are updated and/or verified during workstation operations (amount, account number, etc.) are available for endorsement.

Images that are overlaid with a virtual endorsement will be stored as "Pass 2" images.

The current level of R&L software will not be upgraded.

City of Portland will inform Wells Fargo Bank of changes to operations and will obtain related data from Wells Fargo, such as the deposit account number for Revenue Bureau cash letters.

Wells Fargo has indicated that no additional ICL testing is required, however, Unisys assumes one test file containing both Water Bureau and Revenue Bureau cash letters will be sent to Wells Fargo for testing similar to "Cycle 2" testing but using live transactions.

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