

The City of Baltimore

Client



The City of Baltimore's Bureau of Revenue Collections is responsible for collecting all of the monies owed to the city through taxes, fines, fees and penalties. The City accepts payments via mail, online, and at a walk-in counter at their Baltimore offices.



Situation

For many years, the City handled the processing of payments received via mail in-house. They would pick up the mail from the Post Office and manage the staff, facility and equipment necessary to open the envelopes, scan the documents, and deposit the checks.

Unfortunately, trying to handle the entire process internally led to problems the City couldn't overcome. "The processing machines we had were extremely unreliable," said Janice Simmons, Chief of the City of Baltimore. "Even with both machines under service contracts, they would break down so often that at least one of them was out of service at any given time. This downtime made processing the payments slower and much more difficult. It also caused backlogs and a lot of other problems."

A cost-analysis done by one of the City of Baltimore's Program Analysts determined it would be more cost-effective for the Bureau to outsource its remittance processing. Baltimore issued an RFP, and eventually chose Merkle Response because of the company's technical capabilities, competitive costs and attention to detail.

Approach

When The City chose Merkle Response, they were looking for a vendor. Instead, they found a partner that brought a professional approach and innovative solutions to work on their remittance processing issues.

Our implementation team began by gathering detailed information on the City's processing requirements. Because the City collects bills in about 100 different categories, it is especially critical to make sure payments are applied to the right accounts. To complicate matters, Baltimore's block/lots are surprisingly inconsistent; some blocks have 4- or 5-digits, while others add a letter designation, increasing the risk of a payment being misapplied.

Once Merkle understood the specific issues that needed to be addressed, Merkle Response staff captured the City's business rules in a Work Instruction document as required by the company's ISO certification. The operation team used that

"Merkle Response has helped our efforts tremendously over the years and continues to improve our processes. They've shown they can handle any task we give them efficiently and professionally. Merkle Response is a company we can depend on to do the job right."

Janice Simmons
Chief of the Bureau of Revenue Collections

information to custom program the scanning/imaging technology that would be used to process the City's remittances. It was also used for the initial and ongoing training of the staff who would be working on the City's account.

With this foundation in place, Merkle Response began picking up all mail from the City's P.O boxes early each day and processing it for same day deposit and data capture at the company's facility in Hagerstown, Maryland. Working closely with City staff, Merkle Response continued to optimize processes after the initial successful launch of services. Over time, Merkle Response's professionalism and innovation earned the City's trust, and they decided to expand the company's involvement to other needed services. Merkle Response provides mail management services for Baltimore's payment collections agent for the City's parking fines, collecting and processing delinquent payments from a designated P.O. box. Another new effort includes processing bills for other City of Baltimore offices.

Results

With Merkle Response's support, the City now handles its mail and remittance processing more efficiently and accurately. They have shortened their deposit cycle by one day and can access images of specific documents using Merkle Response's Arch-e image search, retrieval, and archive tool. With all of these changes in place, the City can serve their customers more effectively and significantly reduce costs associated with managing their remittance processing in-house.

Since the beginning of this relationship, the City's managers have remained impressed with Merkle Response's motivation and dedication. "Finding Merkle Response has been a real win for us," Simmons said. "They've always responded well to our needs, helped us improve our business processes and taken the initiative to find ways to improve our payment processes as well. They even make sure to do a face-to-face meeting every quarter, because they understand good customer service means keeping the lines of communication open. It has become a terrific partnership."

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