



Case Study: Moreno Valley

Moreno Valley First City Live with Active Network, Government's Check 21 Technology

Background

Moreno Valley, California, ranked one of the fastest growing cities in Southern California in the U.S. by the Census Bureau, has a lot to be proud of. Deemed the city of "People, Pride, Progress"; Moreno Valley has successfully adopted a new Check 21 technology, exemplifying its dedication to all three principles.

Challenge

For the City of Moreno Valley, improving back-end efficiencies for processing checks was of the utmost importance, as approximately 80 percent of the city's payments are received via check. With a population of more than 180,000 people, the city receives anywhere from 40 to 200 checks per day.

Until this year, Moreno Valley staff accepted checks at each facility's front counter, entered the information into a software system and, at the end of the day, prepared the batch and balanced the checks. The next morning, the checks were recounted, consolidated and picked up by armored courier. Big item checks, such as property taxes from the county worth well over a million dollars, had to be hand-carried to the bank.

Solution

When Moreno Valley's Finance Department experienced some issues with the point-of-sale software it was using, Treasury Operations Division Manager Brooke McKinney sought new software. Moreno Valley's Parks and Community Services Department had been using Active Network, Government's software in its department for over a year and staff provided great feedback, as did the city's Technology Services team, a group of knowledgeable individuals who oversee the city's ongoing technology initiatives.

"While our Technology Services staff members tend to be conservative with their praise, they gave Active Network's product the highest marks for customer support and product stability," said McKinney. "We received solid recommendations from both our Technology Services team and the Parks and Community Services staff, so selecting Active as the software provider for City Hall was an easy decision."

At the time of software installation, McKinney already had a vision for the city's next steps. He wanted to electronically capture check images for improved document retention.

Customer at a Glance

Customer: Moreno Valley, CA

Solution: Check 21 Technology

URL: www.moreno-valley.ca.us

"[Active Network, Government] is one of the few partners that we would consider to get into a new project with because they say what they're going to do and they deliver as promised, sometimes taking it even one step further for the benefit of the customer."

– Brooke McKinney, Treasury Operations Division Manager, Moreno Valley

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What is Check 21?

Check 21 permits organizations to generate substitute checks to be processed electronically and submitted to banks. A substitute check is a legal equivalent of the original check and includes all information contained on the original check.

Check 21 Technology Results:

- 1. Improved back-end efficiencies**
- 2. Enhanced document retention and accounting reconciliation**
- 3. Reduced float and improved earning potential on check deposits**
- 4. Reduced cost of local government services due to streamlined processes**
- 5. Reallocated staff time to enhance citizen services**

Implementation

Over the next year-and-a-half, McKinney stayed in constant communication with the city's steering committee.

"The ongoing communication helped push the initiative through quickly and easily," said McKinney. He also noted that "the price tag wasn't bad either." Since the Check 21 technology was considered a product enhancement by Active, all the city had to pay for were check scanners.

With checks accounting for approximately 80 percent of the city's payments received, the Check 21 technology saves the city a lot of man hours handling checks and reduces a day of deposit float, "When you have large checks, reducing a day of float has a significant impact on the ability to improve earnings on that money in the bank," explained McKinney. "We're also now able to avoid insurance penalties when sending large checks through armored courier."

With the Check 21 technology, checks are now keyed into the system, the batch is balanced at the end of the day and the file is immediately sent to the bank so checks can be deposited the same day. "What's amazing is that the Active Network team took a conversation from years ago and expanded on it to make the vision a reality," said McKinney. "We wanted to move forward with Active for this project because of our relationship with the company, its history of delivering what's promised, and its excellent customer support. We intentionally selected Active Network and Wells Fargo Bank because of their synergistic vision. Wells Fargo Bank required stringent tests to approve Check 21 technology and Active Network's product passed on the first test. We owe a great deal of credit to the Active Network team that developed the technology."

Results

"Until Check 21, our city didn't have the manpower to copy checks for document retention purposes," said McKinney. "Now we simply scan the check which links the payment to Active Network's point-of-sale software, and we have an electronic copy of the check with every transaction. We don't have to physically handle the check as many times and the auditing process has become far more efficient. Active Network's Check 21 technology has been an extremely useful tool for us."

Future

With the success Moreno Valley's City Hall has experienced using Check 21 technology, McKinney anticipates having all facilities using electronic deposit within the next two years, including Parks and Community Services, Animal Services and Library Services.

"The success of the Check 21 technology is dependent on how strong your partners are," said McKinney. "Implementing Check 21 technology made so much sense for us because Active Network, Wells Fargo Bank and the city's Technology Services Division made it such an easy process. Active Network is one of the few partners that we would consider to get into a new project with because they say what they're going to do and they deliver as promised, sometimes taking it even one step further for the benefit of the customer."