

Want to Improve Your Utility's Cash Flow? Today's Banking Technology Can Help

If your utility is looking for ways to strengthen its cash flow, it may be time to contact your bank.

There are a variety of technologies designed to speed the processing of customer payments, helping you gain access to your funds faster – and much more. Let's take a closer look at a couple of options.

Remote deposit – This easy-to-use technology makes it possible for you to scan customer checks on an office computer and deposit them directly into your utility's bank account.

Once considered a novelty, businesses and organizations of all sizes have discovered that remote deposit can tangibly improve their cash flow, while creating other business efficiencies. Between 2008 and 2010 alone, the number of remote deposit capture scanners installed skyrocketed from 500,000 to three million, according to Boston-based research firm Celent.

Why the growing popularity? For one thing, remote deposit enables an organization to deposit checks immediately, rather than holding on to them until it's worthwhile to make a trip to the bank.

Remote deposit also increases the accuracy of your back-office deposit process by guaranteeing that batches of checks are balanced prior to submission. It improves both the timeliness and the accuracy of financial reporting as well. If you have multiple locations, it may reduce your need to maintain multiple bank accounts and funds concentration systems.

Plus, remote deposit is easy to use. In most cases, all you have to do is plug a small scanner into your computer and download a driver from your bank's website. Minutes later, you can be processing deposits. It's like having a secure dedicated deposit window you can use any time you'd like.

While every system is a little different, most share some common characteristics.

- ◆ When users wish to deposit a check, they put it in the scanner, which takes digital images of both sides. The user then verifies the image and submits the deposit into the bank account using a secure, encrypted Internet connection.
- ◆ Check images are typically stored in a searchable database for easy reference. So you'll save on paper and storage costs, too.
- ◆ Deposits can be made at any time of the day or night. To find out when the funds become available to you, check with your financial institution; every bank is different. At Commerce Bank, for example, if checks that are scanned and deposited by 7 p.m., funds are generally available the next business day.

Select Payment – Ideal for utilities and other organizations with recurring payments, this technology enables you to automatically receive payments from your customers' bank accounts by ACH transaction.

By automating the billing process, you will not only save your customers' time, you'll also create a more predictable, steady cash flow for your utility.

Select Payment makes scheduling these recurring payments easy. Once you obtain written authorization from your customer, Select Payment technology can be configured to process payments on virtually any payment schedule you desire: once or twice a year, monthly, semi-monthly, quarterly, weekly – that decision is between you and your customer.

Because the amount charged each time remains the same (except for periodic adjustments), Select Payment is a good choice for customers who use dollar-cost averaging on their water bills, or who are on a payment plan.

Your utility, meanwhile, will be much better able to predict cash flow, thanks to customized, real-time reports you can access of the payments you will receive on any given day.

Select Payment also makes it possible for your personnel to accept a one-time payment over the phone. With your customers' authorization, the technology can verify bank routing numbers and then process the transaction through the Automated Clearinghouse Network.

You get paid, and you look good in your customers' eyes for offering convenient payment options. So what are you waiting for? If you're not already taking advantage of services like remote deposit and Select Payment, the time to upgrade is now.

Interested in learning more? Additional information about the technology to strengthen cash flow is available at <http://www.commercebank.com/commercial/treasury>. You can also call Christian at 316-261-4779.

Christian is a Treasury Services officer at Commerce Bank. For the past four years, he has provided technological solutions to help his customers increase their cash flow.

Christian has more than ten years of banking experience, all with Commerce Bank. During the past six years his emphasis has been in commercial banking, in particular Merchant Services and for the last four years his current role in Treasury Services. Other previous positions include inside sales, retail insurance sales, marketing and group operations. He received his B.A. in Integrated Marketing Communications from

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