

Request for Legislative Action

Res. #20822

Sponsor: Charlie Franklin

Date: November 22, 2021

Completed by County Counselor's Office

Action Requested:	Resolution	Res.Ord No.:	20822
Sponsor(s):	Charlie Franklin	Legislature Meeting Date:	11/22/2021

Introduction

Action Items: ['Authorize']

Project/Title:

Authorizing the Director of Finance and Purchasing to execute an addendum to the UMB Bank of Kansas City, MO agreement for Lockbox services for use by the Collection department.

Request Summary

Request is made for the authorization of the Director of Finance and Purchasing to execute an addendum to the UMB Bank of Kansas City, MO agreement for Lockbox services for use by the Collection department. The lock box services were last bid as TS 58-18 and authorized by the Legislature 11/13/18 Resolution 20033 for a thirty-six month term and supply contract with two twelve-month options to extend. The UMB Treasury Management Services Request form would be updated to include new services that would help the Collection department more efficiently process taxpayer payments. The Lockbox Exceptions module will allow Collections to digitally view & approve, edit, or reject payments instead of having to wait to receive the hard copies of documents, which should decrease mail processing times. The Remote Deposit service will reduce the amount of financial liability for Collections' Armored Transport services by digitally depositing paper check payments instead of physically transporting for deposit. E-Lockbox (Electronic Data Interchange) services will speed up the depositing of payments made through taxpayer online banking sites by posting electronically rather than processed manually through paper checks. Quoted pricing for these additional services is attached.

Contact Information

Department:	Collections	Submitted Date:	10/28/2021
Name:	Karey A. Schulze	Email:	KSchulze@jacksongov.org
Title:	Office Administrator	Phone:	816-881-3038

Budget Information

Amount authorized by this legislation this fiscal year:	\$ 0
Amount previously authorized this fiscal year:	\$ 0
Total amount authorized after this legislative action:	\$
Is it transferring fund?	No
Single Source Funding:	

Request for Legislative Action

Fund:	Department:	Line Item Account:	Amount:
			!Unexpected End of Formula

Request for Legislative Action

Prior Legislation	
Prior Ordinances	
Ordinance:	Ordinance date:
Prior Resolution	
Resolution:	Resolution date:
20033	November 5, 2018

Purchasing	
Does this RLA include the purchase or lease of supplies, materials, equipment or services?	Yes
Chapter 10 Justification:	Formal Bid
Core 4 Tax Clearance Completed:	Yes
Certificate of Foreign Corporation Received:	Yes
Have all required attachments been included in this RLA?	Yes

Compliance	
Certificate of Compliance	
In Compliance	
Minority, Women and Veteran Owned Business Program	
Goals are waived - insufficient MBE or WBE firms available	
MBE:	.00%
WBE:	.00%
VBE:	.00%
Prevailing Wage	
Not Applicable	

Fiscal Information	
<ul style="list-style-type: none"> This award is made on a need basis and does not obligate Jackson County to pay any specific amount. The availability of funds for specific purchases will, of necessity, be determined as each using agency places its order. 	

Request for Legislative Action

History

Karey A. Schulze at 10/28/2021 2:10:47 PM - [Submitted | TMS MA Exhibit A & TMS Request form wo AcctNo attachments both need to be signed, but you will need to get a different .pdf file from me that will have the full bank account numbers included on the form before it is signed. The .pdf attached has the account numbers removed for confidentiality.]

Department Director: Whitney S. Miller at 10/28/2021 2:35:34 PM - [Approved |]

Finance (Purchasing): Barbara J. Casamento at 10/28/2021 3:18:49 PM - [Approved |]

Compliance: Katie M. Bartle at 10/29/2021 9:51:04 AM - [Returned for more information | UMB Bank is not in compliance. They can go to jacomocompliance.com to apply for a Certificate of Compliance. Any questions can go to Ikeela Alford at ialford@jacksongov.org.]

Submitter: Karey A. Schulze at 11/2/2021 9:09:56 AM - [Submitted | UMB has submitted the renewal information]

Department Director: Whitney S. Miller at 11/2/2021 1:25:28 PM - [Approved |]

Finance (Purchasing): Barbara J. Casamento at 11/2/2021 1:40:53 PM - [Approved |]

Compliance: Katie M. Bartle at 11/2/2021 2:32:04 PM - [Approved |]

Finance (Budget): Mark Lang at 11/3/2021 3:01:57 PM - [Approved | The fiscal note has been attached.]

Executive: Troy Schulte at 11/3/2021 3:35:24 PM - [Approved |]

Legal: Elizabeth Freeland at 11/8/2021 4:55:04 PM - [Returned for more information | Please correct the date on previous legislation. The "introduced on" date is used in this field. Thanks!]

Submitter: Karey A. Schulze at 11/10/2021 9:03:10 AM - [Submitted | changed date]

Department Director: Whitney S. Miller at 11/10/2021 10:50:37 AM - [Approved |]

Finance (Purchasing): Barbara J. Casamento at 11/10/2021 11:11:45 AM - [Approved |]

Compliance: Katie M. Bartle at 11/10/2021 12:58:46 PM - [Approved |]

Finance (Budget): Mark Lang at 11/11/2021 9:22:58 PM - [Approved |]

Executive: Sylvia Stevenson at 11/12/2021 8:41:42 AM - [Approved |]

Legal: Elizabeth Freeland at 11/17/2021 9:24:25 AM - [Returned for more information | Changes per Jay's e-mail]

Submitter: Karey A. Schulze at 11/17/2021 3:42:26 PM - [Submitted | made changes per Jay's e-mail]

Department Director: Whitney S. Miller at 11/17/2021 3:52:00 PM - [Approved |]

Finance (Purchasing): Barbara J. Casamento at 11/17/2021 4:09:25 PM - [Approved |]

Compliance: Katie M. Bartle at 11/17/2021 4:26:43 PM - [Approved |]

Finance (Budget): Mark Lang at 11/18/2021 9:02:55 AM - [Approved |]

Executive: Sylvia Stevenson at 11/18/2021 9:28:35 AM - [Approved |]

Legal: Elizabeth Freeland at 11/18/2021 11:22:34 AM - [Approved |]



UMB Bank, n.a.
1010 Grand Blvd
Kansas City, MO 64106

June 25, 2021

To Whom It May Concern:

Jackson County has recently inquired with UMB Bank regarding potential updates to the County's existing product suite. The proposed updates and supplemental services will provide process efficiencies for the County, which will be especially noticeable during the County's high-volume tax collection season.

Currently UMB processes property tax payments for the County through our Image Lockbox Service. The proposed services would provide additional channels to expedite property tax collections to the County's bank account, while minimizing several manual-intensive processes today. UMB has proposed the following supplemental services to Jackson County to improve the current deposit process, which will save the Collections Department valuable time during its busiest time of year.

- Remote Deposit Capture Processing
- Smart Safe Services for Cash Deposits
- E-Lockbox (also known as RPPS Electronic Data Interchange)
- Online Exceptions Module for the existing Image Lockbox Service

Enclosed you will find the proposed service costs and an updated "Exhibit A" to the existing Treasury Management Master Agreement between Jackson County and UMB signed in 2012.

Thank you,

A handwritten signature in black ink that reads "Lanie Sedlacek". The signature is fluid and cursive.

Lanie Sedlacek
SVP Treasury Management Officer

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Kansas City, MO 64106
P: (816) 860.1879
E: Lanie.Sedlacek@umb.com
www.umb.com

Member FDIC



Account Analysis Statement Pro forma for:
Jackson County: EDI Services, Smart Safe, Remote Deposit & LBX Exceptions Module

Service Description

Proposed Unit Price

Depository Account Services

CASH SERVICES

COIN & CURRENCY

Smart Safe - Per Location Fee	\$ 20.00
Smart Safe - Per \$100 Deposited	\$ 0.05

Treasury Management Services

REMOTE DEPOSIT CAPTURE

Monthly Maintenance per account - Desktop	\$ 20.00
Deposited Items per item - Desktop	\$ 0.10

LOCKBOX SERVICES

OL Intraday Decisioning Maint	\$ 175.00
OL Intraday Decision per Item	\$ 0.40

e-LOCKBOX (RPPS SOLUTION)

Electronic Lockbox of Consumer Payments:

Monthly Maintenance	\$ 8.00
Remittance Item - per month	\$ 0.10

Jackson County, Missouri

Receivables Strategies

April 8, 2021

Anne Bowman/Lanie Sedlacek
SVP Commercial Relationship Manager/SVP Treasury Management
Phone number 816.860.7156
Anne.Bowman@umb.com

UMB Bank, n.a.
1010 Grand Blvd.
Kansas City, MO 64106

UMB.com

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- ii. Remote Deposit
- iii. Smart Safe
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UMB Receivables

UMB Lockbox Services

Current Processing Details:

- Lockbox Data File – can be customized/modified if not efficient as-is
- Lockbox Image File
- 5 year Image/Data Retention

Alternative Processing Available:

- Lockbox Exceptions Module – electronic presentation of unprocessable items or ideal for WFH environment
- 7 year Image/Data Retention

Recommendation for Additional Efficiency Gains:

Change of Address: Last season Jackson County received 3400-3500 address changes through lockbox where the customers write their new address on the back of the coupon. Jackson County then updates your internal system and makes those updates. The County could eliminate the address change option for their statements/coupons. Instead, JaCo could make a notation on the statements that customers go to a website to make address changes. This eliminates UMB having to look for address changes and also eliminates a lot of time spent by Jackson doing the updates on your internal system. If address update option is not available on the Website today, we recommend JaCo look to offer that option.

UMB Lockbox Exceptions Module

Intra-Day Exceptions Decisioning eliminates the movement of most paper by providing to you online images of remittance documents and the corresponding payment that cannot be processed. It lets you add information or make the corrections needed to process the payment transaction. Intra-Day Exceptions Decisioning provides intra-day processing of exception payments, accelerates accounts receivable posting, and can decrease overnight courier expense.

Product Features:

- Displays transactions in need of correction or additional information.
- Links transaction details to check and remittance document images for your convenient decision making.
- Enables your authorized user to make accept, reject, or hold decisions.
- Provides your authorized user with an explanation as to why an item requires your attention.
- Alerts your designated users via e-mail when items are available for disposition.

How You Benefit:

- Provides 'real time' correction and/or special handling.
- Reduces manual data entry exception items into your accounts receivable system.
- Maintains transaction integrity between payment instrument and remittance document.
- Improves customer service because exception items posted through Intra-day Exceptions Decisioning can be applied to your customer's account in a timely manner.
- Improves back-office efficiency by reducing the use and movement of paper.

UMB Remote Deposit

Checks are scanned at your convenience from your office. Checks are reviewed for duplicate items, automatically analyzed for image quality using CAR/LAR, and converted to electronic (Check21) images through UMB's Remote Deposit Application.

How You Benefit:

- **Improved Availability** - Make more frequent and timely deposits throughout the day while enjoying an extended deposit cut-off time up to 8 p.m. CT.
- **Save Time and Money** - Reduce or eliminate courier service transportation costs: No more nightly courier runs or costly expedited shipments to make cutoff deadlines.
- **Mobile Deposit Compatible** – Deposit checks directly via UMB's Commercial Mobile Deposit app or review and approve all mobile deposits online before submittal to the bank.
- **Improved Control** - Easy to use system with audit and dual controls available, duplicate detection and workflow reporting resulting in a more reliable, informative deposit process.
- **Online Image and Data Access** - View check images and transaction details online for up to 25 months.
- **Capture Payment Information** - Ability to scan coupons and/or remittance items and key in additional data fields.
- **Real-Time Integration to A/R Systems** - Customize the application to interface real-time to the your A/R system.**

Recommended Scanner Options:

- **Check Only**- Scan up to 90 checks per minute: EPSON CaptureOne 90 DPWA41A266211 **\$899.19**
- **Check Plus Invoice/Tax Bill**- Scan Checks plus Remittance documents to sync the two images for researching. Scans up to 70 docs per minute: DIGITAL CHECK SmartSource Adaptive SSA165105-P20 **\$1,609.00**

UMB Smart Safe

UMB Smart Safe is a cash management solution that helps you optimize your daily cash flow and reduces time spent on cash handling. UMB currently partners with Loomis, Brinks and Garda for provisional credit on Smart Safe* services.

How it Works

- Your on-site Smart Safe* counts and handles your day-to-day operating cash
- At a set time each day, your safe transmits a deposit amount report to UMB
- UMB provides provisional credit for funds deposited to your Smart Safe unit daily Pick-up and verification
- On your schedule, your service provider picks up your deposits and delivers change orders
- The service provider validates the pick-up amount
- Physical funds are delivered to a UMB location
- UMB validates the amount, makes any necessary adjustments, and confirms the credit

How You Benefit

- Optimize cash flow - Your selected Smart Safe service provider is responsible for the physical safe and its servicing. Receive daily provisional credit without making a physical bank deposit
- Improve efficiency - Increase on-site staff productivity by streamlining cash handling and improve reporting of day-to-day cash deposits per location
- Reduce fraud risk - Reduce fraud and theft opportunities through secure storage, bill validation and counterfeit detection

UMB E-Lockbox

UMB's E-Lockbox solution creates an electronic gateway between consumer billers and their customers, so bill payments can be posted electronically rather than processed manually through paper checks. While most online payment services can deliver bill payments electronically from consumers directly to billers, UMB's E-Lockbox, a solution leader since 2001, offers a single payment receivables connection to virtually all originators of consumer online bill payment providers.

How You Benefit:

- Billers can receive remittance data and funds faster.
- Increase the accuracy of automated payment process.
- Increase back-office efficiencies by eliminating paper checks.
- Reduce the number of payment originator relationships to a single service.

UMB's E-Lockbox service leverages relationships with all leading consumer bill payment concentrators.

- FIS Global
- Fiserv
- MasterCard RPPS
- Online Resources
- iPay
- JP Morgan Chase
- Wes Com
- FNII
- Payment Services Network (PSN)

UMB Online Payment Solutions

UMB Online Payment Solutions assists you in the collection of receivables by providing a method for you to collect payments online. Your customers will have the ability to make payments or donations online with a credit card, debit card or a direct debit from their bank account via ACH

- Built for configuration to reduce customization charges
 - Business Rules can be enacted to set payment limits and prevent duplicate payments.
 - Brand with your logo and colors via Cascading Style Sheets.
 - On-screen text can be updated without developer intervention.
- Multi-Channel Integration
 - Web, Agent, and IVR payments are all reflected in a single posting file.
- PCI Compliant
 - Payment data is encrypted, tokenized, and secure lowering your burden of compliance costs.

Configuration Options:

- Choose delimited or fixed-width posting files
- Choose the funding sources to be offered
 - Cards (Debit, Credit, or Both)
 - ACH
- Choose whether your employees can enter payments on behalf of your customers.
- Choose whether recurring payments should be offered, including auto pay options.
- Convenience Fees
 - Can be added to the payment amount, or Can be settled as a separate transaction to a different UMB Account
- Statement Presentation
 - Can be pulled from a web-exposed repository
 - Can be loaded into the application
- Integrated Voice Response :: for automated inbound telephone payments.
- Mobile Payments :: for automated outbound IVR payments

Lockbox Exception Research Menu

- The exception research screen allows users to decision and edit exception items.
- Exception items will be available to work through for up to 3 business days. If the item expires before it has been worked, it will be returned in the mail to you for manual review.
- Exception items are separated into different categories depending on why the item is considered an exception. Amount Variance, Derogatory Item, Missing Information, or out of balance transaction are some of the categories that may be used.
- To access an item to review and correct, simply click on the blue hyperlinked item number.
- Multiple operators may work in the exceptions module at the same time. The application will “lock” the item being worked by another operator to ensure items are not double-presented.

Exception Research - SORT BY COLUMN Help - Tools -

Customer: Demo(R)-Shadow Falls

Drag a column header here and drop it to group by that column.

Row	Item	Date Captured	Date Expires	Exception	Status	Run Type	Amount
1	8100000183238	4/4/2016	4/7/2016	Missing Information	No Decision	5 - Remittance	\$205.62
2	8100000183250	4/4/2016	4/7/2016	Derogatory Item	Hold	5 - Remittance	\$108.52
3	8100000183266	4/4/2016	4/7/2016	Amount Variance	Hold	5 - Remittance	\$96.42
4	8100000183253	4/4/2016	4/7/2016	Transaction Balance	Accepted	5 - Remittance	\$92.75
5	8100000183247	4/4/2016	4/7/2016	Transaction Balance	No Decision	5 - Remittance	\$77.92
6	8100000183241	4/4/2016	4/7/2016	Missing Information	Accepted	5 - Remittance	\$77.38
7	8100000183256	4/4/2016	4/7/2016	Derogatory Item	Rejected	5 - Remittance	\$76.45

FILTER ITEMS

Exception Queues All No-Decision

Amount Variance

Hold - 1

Derogatory Item

Hold - 1
▲ Rejected - 1

Missing Information

Accepted - 1
i No Decision - 1

Transaction Balance

Accepted - 1
i No Decision - 1

DECISION STATUS

NOTE INDICATOR

CLICK AN ITEM NUMBER TO DECISION ITEM

Ready...

Exception Item Processing

- The Exception Item page allows users to make corrections and decisions about their exception items.
- The left hand side represents the remittance information received with the payment. The right hand side represents the payment.
- To correct an item, simply enter the missing or correct the invalid information in the lower right hand pane.
- To add a line for multiple remittance accounts (such as a single payment, multiple remittance accounts) you may click the green plus sign under actions on the right, then enter additional information as needed.
- Once the item is corrected, you may choose to “Accept” “Reject” or place the item on “Hold” if additional research is needed.
- When a decision to Accept or Reject has been made, the exceptions module grid will reflect that the item has been decided. These items will sweep out at the cut-off time indicated in the yellow box on the dashboard page. Any item placed on Hold will remain in the exceptions module for up to 3 business days.

The screenshot displays the Exception Item Processing interface. On the left, a document viewer shows remittance information with a red arrow pointing to it labeled "INVOICE INFORMATION". Below this, a table lists transaction items with a red arrow pointing to it labeled "TRANSACTION ITEMS". The table has columns for Stubs, Item, Record Type, Missing Data, and Amount.

Stubs	Item	Record Type	Missing Data	Amount
1	8100000183238	_Payment Detail	No	\$0.00
2	8100000183240		No	\$0.00

In the center, a check image is displayed with a red arrow pointing to it labeled "PAYMENT ITEM". The check is for \$205.62, dated 12/31/15, payable to JAMES C. MORRISON and MARY A. MORRISON. The check number is 1620.

Below the check image is a table with columns: Checks, Record Type, Item, Account, Serial, Amount, and Payor.

Checks	Record Type	Item	Account	Serial	Amount	Payor
1	Check	8100000183239	123456	1620	\$205.62	

At the bottom, there is a table with columns: Line Item, Account*, Amt Due*, and Actions. The Actions column contains icons for adding comments, transactions, and line items, with red arrows pointing to them and labels: "ADD ACCOUNT INFORMATION", "ADD AMOUNT", "ADD COMMENT TO TRANSACTION", and "ADD LINE ITEMS".

At the very bottom, there is a decision dropdown menu with a red arrow pointing to it labeled "ACCEPT, REJECT OR HOLD ITEM". The dropdown is currently set to "Decision:". Other buttons include "Cancel", "Comment", "Complete", and "Complete/Next".



Additional TM Services

Accounts Payable Management

ACH ORIENTATION*

Our treasury management professionals will work with you to determine the ACH payment applications that can save you the most money, time and effort. And you can access fast, flexible and convenient same day ACH payments with your UMB account.

WIRE TRANSFERS

Our experience and technology can help you move money quickly, securely and efficiently. Online, real-time reporting gives you greater visibility into your incoming funds.

POSITIVE PAY

Positive pay is a fraud detection service that reviews check transactions to help ensure authenticity and accuracy. We offer several options for implementing positive pay for your accounts that can help improve fraud control.

CONTROLLED DISBURSEMENT ACCOUNT

Our controlled disbursement service enables you to take advantage of investment opportunities and gain maximum interest income while minimizing idle balances.

BUSINESS CREDIT CARDS

Our purchasing, travel and rewards credit cards can help you simplify your payment process with online reporting and account management tools.

ACCOUNT RECONCILIATION

UMB's account reconciliation services include a suite of products designed to help reduce your administrative expenses and clerical workload.

Integrated Payables Solution

PAYMODE-X

Paymode-X's established network allows you to draw from the power of the 400,000 businesses already accepting electronic payments. Comprehensive vendor onboarding services help you manage and execute campaigns to your vendor community, including gathering and authenticating details and banking information.



SEAMLESS

UMB Integrated Payables works seamlessly with your accounting system in a single, simplified process across systems, bank accounts and payment types.



SECURE

UMB Integrated Payables can help you significantly reduce the risk of payment fraud that results from account takeover, intercepted payments, business email compromise and other schemes.



EFFICIENT

Improve control over payment timing to help your business manage your cash float each month and increase efficiency with single payment files and electronic processing.



Quick and easy payment automation



Effectively manage your team's productivity



Eliminate payment obstacles like manual processing



Increase accounts payable efficiency



Maximize your revenue share opportunities



Automate day-to-day functions



Improve your vendor experience with value-add tools



Accelerate payables optimization



Transform AP from a cost center to a revenue generator

Fraud Management

ACH BLOCK/FILTER SERVICES

With the steady increase of ACH activity, the risk of unauthorized ACH transactions to corporate accounts has also increased. UMB's ACH block/filter service helps ensure that only authorized electronic transactions will post to your account.

INTEGRATED PAYABLES

UMB Integrated Payables can help you significantly reduce the risk of payment fraud that results from account takeover, account validation, business email compromise and other schemes.

MASKED ACCOUNT NUMBERS

Universal Payment Identification Codes (UPICs) are unique account identifiers that look and act like a real account number on ACH payment transactions. These codes mask your business bank account numbers on invoices or websites, which can reduce your fraud risk.

POSITIVE PAY

Positive pay is a fraud detection service that reviews check transactions to help ensure authenticity and accuracy. This feature helps identify check information that doesn't match the issue information, marking those payments as exception to be reviewed and authorized.

PAPER DEBIT BLOCK

Paper debit block is a simple fraud prevention tool that prohibits the posting of debits to your account. Blocking debit transactions on a depository account helps reduce fraud and minimize risk by only allowing deposits and credits to post to your account.

ELECTRONIC PAYMENTS PROTECTION

To ensure your transaction processing is as secure as possible and to protect your organization against fraud, UMB requires its customers to implement risk mitigation strategies of dual control and enhanced login security through use of a security token.



Thank You

UMB BANK

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