



Donation Processing for Fundraising Organizations

The Business

Non-profit charitable organizations typically find themselves trapped in a dilemma. Their mission is to provide help to a target client base. An important part of providing that help involves organizing fundraising campaigns and ensuring that donations are put to their intended use as quickly and accurately as possible. The processing of donations is a challenge for many of these organizations, taking them beyond their core competencies. As a result, when non-profits need help in the area of donation processing, they turn to PEP Direct.

PEP Direct Inc. is a full-service direct marketing firm with over 30 years of experience meeting and exceeding the fundraising goals of non-profit organizations. Their electronically secured processing facility in Wilton, New Hampshire utilizes state-of-the-art high-speed mail extraction and imaging technology with the ability to open, data enter, image and transmit donations.

The Problem

Donation processing has always been a very manual environment based on the fact that solicitation for donations is driven by direct marketing fundraising efforts and little has been done to ensure that the reply device could be processed in an automated environment. The "package" has to support the fundraising campaign and get the individual to make a donation, therefore the reply devices cannot look like a typical financial transaction document such as an invoice. Customer information contained on the reply device has to be entered into the

system, to keep track of payments and also to capture donor information in a database – information such as who contributed, how much, their contact information, and the campaign to which they responded. This information will be analyzed and used to shape future fundraising campaigns. Accuracy and timeliness in capturing this information is crucial, but the lack of standardization in size and format of the reply devices has hindered attempts at automation.

Previously, no software perfectly fit PEP Direct's workflow. They opened each piece of mail on a mail opening machine and manually sorted it into various categories - scannable, non-scannable, etc. Items containing correspondence were handled separately with the correspondence and the check going in different directions to be "married up" later in the workflow. Due to the wide variety of design layouts of reply devices, PEP Direct could only run a portion of their overall volume in an imaging environment.

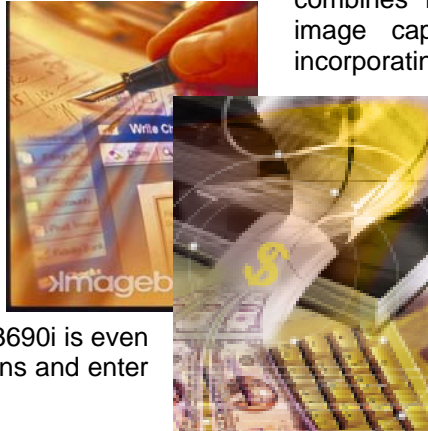


The decision was made to upgrade PEP Direct's donation processing environment to take advantage of today's advances in automation and imaging technology.

The Solution

PEP Direct upgraded their entire donation processing platform to the latest hardware and software tools, using a combination of custom designed in-house software, J&B Software and OPEX hardware to achieve substantial automation of their workflow.

The Company uses the OPEX MPS 30 Multi-Purpose Sorter to sort all incoming mail by PO Box, size, thickness, etc., virtually eliminating manual sorting. Mail opening and imaging of single-payment items is accomplished by the OPEX System 150 high speed extractor with IEM (Image Export Module), while special handling payments accompanied by correspondence or other full-page documents are opened and imaged on OPEX AS3690i's. The AS3690i combines mail extraction and image capture in one device. Scanning payments and correspondence immediately after removing them from the envelope ensures the highest level of accuracy and efficiency. The OPEX 3690i is even used to image cash donations and enter cash amounts.



To utilize this hardware platform to its fullest advantage PEP Direct is also upgrading its software to J&B Software's full-featured TMS 1200 platform, which features:

- CAR/LAR and MICR reading
- Full-page document processing
- Mark sense to detect change of address, special contribution instructions, etc.
- Archive of data and images
- NetQuery browser-based image retrieval
- In-line credit card processing
- Custom workflow design for donor services

Liz Gerardi, donation processing manager at PEP Direct, said "the new system will allow us to add image processing for all incoming donations and apply technologies such as

CAR/LAR, mark sense and custom workflows for donor services. Partnering with J&B gives us state-of-the-art software that isn't typically found in organizations like ours. J&B came through when others could not".

The Result

The flexibility and functionality of PEP Direct's upgraded system allows for the management of each client with a high degree of automation by using image based workflows and multiple workflow options to support the widest variety of incoming transactions: cash, checks only, stubs only, full page and correspondence. The system combines high-speed mail extraction with image capture in just one step while incorporating business rules, edits and a variety of recognition engines to ensure that donor data is captured accurately and is available for fast data management purposes. Cash donations are processed with specially designed workflows that allow the cash amount to be balanced against a reply device as if it were a check and to be included in a cash letter report.

Gerardi further states, "through partnerships with J&B and OPEX we have been able to work with our in-house creative staff to design reply devices that support the automation we are implementing. Although we may never get to the point that all incoming donations are 'scannable', we are working towards a mix that supports fundraising efforts, provides all the benefits of a sophisticated backend system to reduce our overall costs - allowing more of the clients' money to be used for their cause while still supporting the special handling requirements that are required in the fundraising industry."

The Partners

PEP Direct

PEP Direct Inc. is a full-service direct marketing firm with over 30 years of experience meeting and exceeding the fundraising goals of non-profit clients. The company provides a unique combination of integrated strategic expertise, creative design coupled with complete in-house production capabilities, producing over 150 million direct mail packages annually. Its donation processing services provide flexible industry leading applications which include image based processing for a high degree of automation, that support both scannable and non-scannable transactions.

PEP Direct and their sister company, Brickmill Marketing Services, are owned by Quadriga Art, Inc., which provide multi-faceted manufacturing, creative design, database management, publishing, premiums, fundraising counsel and direct mail marketing services.

J&B Software

J&B Software provides market-leading systems for processing and managing automated electronic payment transactions to over 165 organizations worldwide. The company maintains a reputation for excellence built upon industry expertise, a commitment to optimizing the use of open-architecture platforms and an extensive library of core applications and product modules. Designed specifically to enhance productivity and to quickly maximize ROI, J&B's application suite includes solutions for remote image capture, ARC and Check 21/image exchange, wholesale and retail lockbox, full-page forms processing and on-line customer query.

J&B's list of clients include some of the world's top banks, insurance companies, mutual fund providers, credit card processors, telecom companies, utilities, government agencies, and non-profit organizations. J&B Software is proud to have pioneered the payment processing industry over 25 years ago and remains the leader in innovation today.

OPEX

OPEX Corporation is a recognized global technology leader in high-speed digital mailroom automation and document image capture solutions. Founded in 1973, OPEX systems have provided performance enhancing workflow solutions and cost-effective results to thousands of organizations around the world.