



6 Tips for Modernizing Payment Collection Systems

Payment collection systems may not be a flashy concern, but they keep agencies running and may be a constituent's main interaction with government. According to the [Tax Policy Center](#), as much as 46% of local revenue can come from charges such as fees, fines, licenses and local taxes that residents and businesses pay directly.

But the private sector has changed the public's expectations about paying for goods and services. Customers are very comfortable with an Amazon-like online payment experience and the payment options available at in-person retail stores. Efficient payment processing is essential to the business of government and to building public respect and trust.

At a recent [GovLoop online training](#), three experts met to discuss how — and why — to upgrade your payment technology. Here are their takeaways.

Governments need to standardize their payment collection systems.

Because agencies traditionally have managed their own billing, many governments have ended up with a patchwork of different merchant software solutions from multiple vendors. Constituents face multiple domains with inconsistent rules for taking payments and a separate payment process for every department — whether online or in person.

"We want our citizens, whether they need to pay the city or the county, or something like the health district, to be able to come to one place and pay all the different agencies," said Crystal Dean, with the City of Reno.

Consolidate the back end.

Agencies also must resolve their behind-the-scenes fragmentation. Finance departments upstream in the organization need to record and tabulate funds from agency sources. That can involve complex systems for integrating multiple merchant systems, and some may not even be compatible with the overall accounting structure.

"Unfortunately, my experience is that when departments are going off to find payment collection solutions, they never actually think about the back-end finance piece of it," Dean said. A unified system at the front end can translate to a consistent internal process that easily plugs into your financial infrastructure.



SPEAKERS

Crystal Dean
Accounting Manager,
City of Reno, Nevada

Abhi Nemani
Senior Vice President,
Product Strategy,
Euna Solutions

Greg Wepler
Product Director,
Euna Payments

Collaborate from the beginning.

To make it work, all the internal stakeholders need to be consulted from the outset. The finance department, IT, and the agencies involved all need to be at the table to create a payment process that works for everyone.

“Bringing the teams together early is the way to go,” said Dean. “Too often, they don’t invite the finance team in until the very end, when they need to [authorize] the merchant account. You need to ask, ‘will it work with our current system? Is it supported?’ Those things really need to be at the forefront, not picked up at the end when there’s a rush to get it done.”

Plan for scalability.

Modernizing payment collection systems can seem expensive and complex, but with the right vendor, it doesn’t have to be. “It can be a massive initiative,” said Greg Wepler, Product Director at Euna Payments. Rather than staging the change one agency at a time, look at updating the method of payment.

For example, he suggested, “Maybe folks say, ‘let’s start with our in-person experience. We’ll do the deployment there. Let’s get in-person really buttoned up. And then when we’re ready, we can turn on online.’” A vendor that offers multiple options in an integrated system can help you scale the adoption, so it doesn’t need to happen all at once.

Create the motivation for change.

Government systems can’t risk an outage, and that need for stability can make agencies resistant to any disruption, even for the sake of long-term improvement. “A big challenge is balancing the need for innovation with that hesitation and the need for risk mitigation,” said Euna’s Abhi Nemani.

It can help to have a change champion within the organization — a bellwether agency that has clout. “Find the biggest department that would get on board and get them excited,” Nemani suggested. “Find the champion in the most compelling, largest, most influential department that you can and build a team around that,” he said.

Provide a familiar and reliable customer interface that builds trust.

When systems are inefficient or outdated, it not only increases the chance of delinquent payments, but the public loses confidence in government. A standardized process can help constituents feel their city is modern and the payment process is safe.

“That modern feel matters from an adoption perspective for constituents,” Wepler said. “You want something that’s really easy, extremely intuitive. We want familiarity there. There’s no reason why the public sector should be behind the private sector from a user experience perspective. I think that technology is now accessible and available to the public sector.”

→ [For more insights, watch the full event on demand.](#)

