

Helping North Texas To Clear The Air

For residents and visitors to the Dallas-Forth Worth area, it's hard not to see and feel the effects of poor air quality, particularly during the hot summer months. Indeed, for both man-made and natural reasons, north central Texas has been named a nonattainment area by the federal government for failing to maintain standards for ambient air quality. The AirCheckTexas Drive a Clean Machine Program, administered in part by the North Central Texas Council of Governments (NCTCOG), is working to improve air quality in the Dallas-Fort Worth region by reducing the number of polluting vehicles on area roads. To do this, the program offers up to \$3,500 in financial assistance to qualified individuals to help them purchase a new or recent model, low-emission vehicle.

The program's annual budget of \$25 million is funded by fees collected on annual state vehicle inspections. Since its inception, the Drive a Clean Machine Program has been an overwhelming success and it served as a model for the nationwide Car Allowance Rebate System (CARS) "Cash for Clunkers" program. An interim payment reconciliation solution was executed in October, 2008 whereby NCTCOG manually assigned a unique card account to each voucher until Single-Use Accounts could be implemented.

Objective: Automate Payment Reconciliation, Improve Service And Reduce Costs

The coordination of the payment and reconciliation processes among NCTCOG and car dealerships presented significant financial and administrative challenges. Their existing process created the potential for delays and duplicate payments. NCTCOG sought to quickly deploy a solution that would automate and streamline the entire process—from payment to reconciliation. NCTCOG took the lead in collaborating with J.P. Morgan on the project and this led J.P. Morgan to identify a fit for Single-Use Accounts designed for government benefit programs.

Solution: J.P. Morgan Single-Use Accounts

NCTCOG began using J.P. Morgan Single-Use Accounts in May, 2009 to optimize the payment and reconciliation processes of the Drive a Clean Machine Program.

Result: Optimized Reconciliation And Achieved Measurable Savings

Single Use Accounts from J.P. Morgan have proven to be an ideal solution, helping NCTCOG to administer the Drive a Clean Machine Program with enhanced efficiency, service levels and oversight of public funding. Specific benefits include the elimination of a reconciliation backlog and the potential for duplicate payments, a reduction in 1.5 FTEs and the need for contract labor to perform reconciliation, faster and more efficient payments to automobile dealerships and strengthened accounting controls and reporting.

CLIENT

North Central Texas Council of Governments

OBJECTIVE

Automate and streamline the payment and reconciliation process of a popular program that provides individuals with financial assistance to replace a polluting vehicle with a new, low-emission vehicle.

SOLUTION

J.P. Morgan Single-Use Accounts

RESULT

- The elimination of a reconciliation backlog and the potential for duplicate payments
- A reduction in 1.5 FTEs and the need for contract labor to perform reconciliation
- Faster and more efficient payments to automobile dealerships
- Enhanced service levels for automobile dealerships
- Strengthened accounting controls and reporting

"Single-Use Accounts have helped us to quickly identify duplicate payment requests and reduce the time and cost associated with reconciliation. Plus, accounting tasks that used to require days or even weeks to complete, can now be done in a matter of hours. This has resulted in a 1.5 FTE reduction in personnel, and reduced financial liabilities for NCTCOG due to Single Use Accounts' quick reconciliation features."

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