

Technology in the Mail Room

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Abstract

The University of Virginia's Mail Services department is responsible for delivering and processing mail for over 400 departments at the University and the Health System. The University installed and implemented an Enterprise Resource Planning (ERP) system of integrated software applications. With the implementation of the Finance module of the ERP system, the chart of accounts was redesigned and a project-based accounting system was implemented. With the redesign of the chart of accounts, the University changed their eleven-digit departmental account code to a 26 alphanumeric project centric account code. This major change forced Mail Services to reevaluate their method of charging back user departments for the postage cost of their outgoing mail. In order to accommodate the new account code as well as keeping efficiency as a top priority, Mail Services implemented a state-of-the-art Mail Management System. This system would utilize bar code and scanning technology to capture essential data to bill departments for their postage costs. The Mail Management System used a software interface that would create a billing file that would be automatically uploaded to the ERP system. The Mail Management System also enables end users to view the detail of their postal charges via a web-based tool.

Introduction of The University of Virginia

The University of Virginia, founded by Thomas Jefferson in 1819, is located in Charlottesville, Virginia. A public institution of higher education, the University is charged with teaching, research, public service and patient care. The University has a student enrollment of approximately 19,000. U.S. News and World Report has consistently ranked the University as one of the top public institutions among the nation's top 25 research universities.

Students are exposed to a wide spectrum of disciplines – from arts and athletics to humanities and technology. Our students also enjoy a unique connection to the world beyond college through the University's outstanding professional training, exemplified by its nationally ranked schools of Law, Business and Medicine.

The University of Virginia is noted for the architectural beauty of the historic Rotunda and Lawn, the heart of the "academical village" designed by Thomas Jefferson, and for a tradition of academic excellence. Many of the University's programs such as Law, Business, Medicine, Architecture, and English have ranked among the top ten in the country over the past decade or so.

Statement of the Problem

When the University of Virginia implemented an integrated ERP system, many aspects of its traditional approach to financial accounting and reporting went through major changes. One of the major changes was the redesign of the chart of accounts and the implementation of a project-based accounting system. The required redesign of the chart of accounts caused the University

to change their eleven-digit departmental account code to a twenty-six alphanumeric project centric account code. Prior to the ERP implementation, Mail Services staff would manually key an eleven-digit account code in order to charge the departments for their postal costs. With the implementation of the new twenty-six alphanumeric account code, Mail Services had to reevaluate their daily tasks of processing and billing departmental mail. Mail Services processes approximately eight thousand pieces of mail resulting in at least 500 billing transactions per day. Mail Services uses three computer stations utilizing Ascent and Access software with three operators manning the stations. Manually inputting a twenty-six alphanumeric account code would not only be time consuming but the accuracy would most likely be compromised. Also, Mail Services had no means of exporting the postage costs into the ERP financial system. Prior to the new Mail Management System being implemented, Mail Services would key daily mail transactions into their system. At month end, a billing report would be generated and the data would be re-keyed into our financial accounting system. This process was redundant, labor intensive and prone to data entry errors. In order to have the capability to capture, bill and report postal charges to University departments, a new Mail Management System was necessary.

Another associated issue that needed to be addressed was how the departmental postal charges would be reported to the user departments. Previously, Mail Services generated paper-billing statements that had to be sorted and delivered to user departments. Not only was this process labor intensive and costly, it was not in line with the University's vision to be a paperless organization. In addition, departments were not able to review their postal charges on a timely basis and Mail Services did not recover its expenses in a timely manner.

Design

A task force of ERP project members, Mail Services personnel and Business Operations staff was formed to devise a way to efficiently capture user department billing data and transmit the data to the ERP system. The first obstacle that needed to be addressed was the inputting of the new account code into the Mail Management System. After evaluating several potential methods, the task force determined the best method would be to use a bar code containing the department's twenty-six alphanumeric account code that could be scanned into the Mail Management System. The next issue was how to generate the bar code efficiently for all of the 400+ user departments. The design team created a secure website where departments would enter their departmental account code and a bar code containing their account code would be generated. The end user would access the website, input the new account code and print out the web-generated bar code. The department would then attach the card to their outgoing mail. Mail Services staff would scan the bar code and process the mail through the Mail Management System. At the end of the day, a file containing all departmental mail charges is automatically extracted from the Mail Management System and is uploaded into the ERP system.

Initially, Mail Services intended user departments to review their postal charges using the standard reporting functions accompanying the new ERP system. It was the intention of Mail Services that these standard reports would replace the monthly paper billing statements.

Implementation

The go-live date for the ERP system and the Mail Management System were simultaneous. Not only were end users learning a new integrated financial system, which had an enormous learning

curve, but they also had to modify their procedures to process outgoing mail. Mail Services worked closely with the ERP project team in developing training on the new mailing procedures. Mail Service employees provided training to the University's fiscal administrators. The Mail Services staff received 2 days of intense training to learn how to operate the Mail Management System. With a well-prepared and dedicated staff, the transition went very smoothly.

Several months after go-live, feedback from user departments indicated that the standard ERP reports were not providing sufficient information. After soliciting ideas from the end users, Mail Services developed a comprehensive web-based report where departments can review in detail all of their postal charges.

Benefits

The implementation of the new Mail Management System has resulted in a more efficient and effective mail services operation. With the use of the bar codes and scanning technology, Mail Services keying errors have been basically eliminated and mail-processing efficiency has been significantly improved. Also, the previous dual keying process has been eliminated with the software interface that automatically uploads the departmental billing from the Mail Management System to the ERP financial application. This has resulted in Mail Services recovering their costs in a more timely manner and departments being able to view their postage charges on a daily basis. Overall, the time to process the mail has decreased dramatically. The creation of the web-based billing reports eliminated the need to print and deliver hundreds of paper statements to the user departments each month. Also, with the more extensive and elaborate web-based report, departmental inquiries about charges decreased significantly.

Retrospect

In retrospect, the implementation of the web-based billing reports should have been done simultaneously with the go-live date of the ERP and Mail Management System. Further research of the reports generated from the ERP would have indicated the level of detail did not meet the needs of the departments.