

Strategic Lean Project Report



For Reporting Period: July 1, 2015 through December 31, 2015

I. General Information:

Lead agency name: Washington State Department of Revenue

Partner agencies:

Improvement project title: Transfer Business Licensing Service (BLS) Renewals from U.S. Bank Lockbox to Revenue's Treasury Management operations

Date improvement project was initiated: 1/22/2015

Project type: Previously reported project

Project is directly connected to: **If applicable, specify the alignment:**

- Results Washington performance measure
- Agency Strategic Plan
- Other

Report reviewed and approved by: Vikki Smith, Director

II. Project Summary:

The Department of Revenue improved the BLS Renewal process, resulting in the elimination of bank lockbox fees of \$1,200 per month.

III. Project Details:

Identify the problem: Using US Bank lockbox to process 2,000 paper business license renewals with the "tear-off" coupon per month costs \$1,200 and creates additional work for the Department's Treasury Management staff. Additional work includes using a separate workflow and special handling for the paper renewals, reconciling multiple bank accounts and monthly statements, sending multiple Cash Journals (A8) to the Office of the State Treasurer to account for revenue, and using multiple unique work processes (e.g. checks that cannot be processed, dishonored checks, ImageLook check lookup, and validation number research). The BLS forms for renewals and applications also have an inconsistent location where DOR prints important identification information onto documents which increases the amount of time to process BLS payments.

Problem statement: Currently, paper business license renewals are processed by U.S. Bank lockbox costing \$1,200 per month compared to our target of no cost per month, which we want to reach by 4/30/2015.

Improvement description: The Treasury Management staff at the Department of Revenue eliminated the U.S. Bank lockbox for licensing renewals and is now processing the 2,000 paper renewals in house. This is possible because additional work required to manage multiple accounts and workflows has been eliminated. The BLS forms for renewals and

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applications were revised to have a consistent location on documents where DOR can print identification information, thereby reducing processing time.

Customer involvement: Internal customers from the Taxpayer Services and Taxpayer Account Administration divisions participated in the Lean workshop and provided improvement ideas.

IV. Project Details:

| Improved process as measured by: <i>(Click those that apply)</i> | Specific results achieved: <i>(Complete the narrative boxes below)</i> | Total Impact: <i>(Actuals; Current Reporting Period)</i> | Results status: |
|---|--|---|-----------------|
| <input checked="" type="checkbox"/> Cost | Decreased bank fees from \$1,200 per month to \$0 per month. | \$1,200 per month | Final |

V. Contact information:

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VI. Optional Visuals: Delete section if not using. Provide before and after photos or simple charts. If using an image, please keep the image file size under 100KB.

