



Washington State Liquor Control Board

Financial Division

Lean Project Report – Balance Due and Credit Letter Implemented July 2014

Wine and Beer Privilege Licensees

Wine and Beer privileges held with the Liquor Control Board allow businesses to perform any one of the following activities; produce wine or beer products, sell and/or buy beer products. Not all activity results in taxes due.

Our balance due/credit letter process has been reduced on the average from six working days to two and a half working days on a monthly basis. This is actual time taken to complete the process.

Below is an estimate of the cost avoidance results:

Cost Avoidance	Old	New
# of letters sent (paper)	383	40
Postage	\$188 (at \$0.49 apiece)	\$25 (at \$0.49 apiece)
FTE savings	6 days	2.5 days

The biggest time saver is due to not printing backup documentation for all balance/credit letters. The process would start with researching the cause of the balance due/credit, printing those documents, printing all balance due/credit letters generated from the tax system, making a copy of both the letters and back-up documentation. Additionally, all copies were filed for retrieval when the balance was paid, or credit taken. The time spent includes sitting at a desk, looking in the tax system, using the Oracle Imaging System and time making copies.

Below is an overview of the changes made to our processes:

Old	New
Print all balance due/credit letters generated from the tax system – on average 475 letters	Print only letters that will be mailed – on average 40 letters
Print backup documents	Print back up documents only for distributors
Send letters every month after cash month closed	Send letters every month after cash month closed
Send balance due letters for all over \$1 Letters sent until balance paid	Balance due over \$1 – will receive two letters, third time email
Send credit balance letters on all over \$10 Letters sent until credit taken	Credit balance over \$10 – will receive one letter, second time email
Make a copy to send to licensee	Licensee gets original letter mailed – no copies made
Save originals in file folder	Scan and index letters to imaging system

The time saved allows staff to address licensee issues more in depth, work on updating, compiling new desk manuals, Kanban boards and cross training with other team members. During this time of budget constraints our team is able to assist other sections that may be shorthanded.