



# Detailed Lean Improvement Project Report

For the June 1, 2014, through December 31, 2014, reporting period

**Agency name:** LIQUOR CONTROL BOARD

**Improvement project title:** Electronic Funds Transfer (EFT) Reimbursement Payments

**Date improvement project initiated:** 10/2014

**Summary:** The EFT Reimbursement Payments to LCB Employees project significantly reduced the time and expenses associated with processing an employee reimbursement (such as travel).

## **Details:**

Description of the problem: Payments are processed to LCB employees for reimbursement expenses (example: travel). The default to process the payments is with a regular warrant. There is no process currently in place to inform an employee that being paid with an EFT is available as an option. Requesting that an employee signs up for EFT payments should cost the agency less time and money when processing these reimbursements.

Description of the improvement: This improvement would increase customer satisfaction in the following ways:

For employees the main benefits are:

- Receiving their payments sooner.
- Convenience and security.
- Having travel and other payments directly deposited saves the employee a trip to the bank and eliminates the chance of lost or stolen warrants thus saving on additional steps needing to be performed by the General Ledger Staff and the State Treasurer's Office.

From the agency perspective:

- There are direct cost savings in paying by EFT such as the elimination of warrant and mailing costs.

Cost savings for the State of Washington as a whole:

- It is less expensive for the State Treasurer's Office to process EFT's than warrants.

## Specific results achieved:

- From January through November 2014, 330 employee reimbursements were processed by EFT, saving the agency \$293.70.
- We reduced the number of steps it takes for Accounts Payable to process an employee reimbursement from 10 steps to 2 steps.

- Processing an EFT versus a warrant allows for time savings for the employee not having to physically drive to their financial institution to deposit a warrant.
- We had a conversation with our Payroll Department and they agreed to give a copy of the EFT Form to all new hires during the New Employee Orientation. This allowed us to “get in front” of the problem as opposed to waiting for the employee reimbursement to be submitted and then having to request an EFT form be filled out by the employee (additional unnecessary time waiting just added to the process).
- We published an article on our LCB Intranet Page encouraging employees to sign up for EFT. This resulted in several employees communicating to us that they did not know that EFT was an option.
- Staff time previously spent mailing or delivering warrants can be redirected to more important tasks.

**How we involved customers or stakeholders in this effort:**

- We had a conversation with our Payroll Department and they agreed to give a copy of the EFT Form to all new hires during the New Employee Orientation.
- We check to see if an employee is signed up for EFT when we get a request for reimbursement. If they are not signed up we send them an email with instructions on how to sign up.
- We published an article on our LCB Intranet Page encouraging employees to sign up for EFT.

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