

Cabinet Agencies' Performance Audit Action Item(s) & Status

Department of Licensing Master License Service

(See also [cabinet agency response](#) for full context to Washington State Auditor's Office (SAO) [report](#), December 2010)

Agencies included in the performance audit: Department of Licensing (Note: As of July 1, 2011, the Master License Service (MLS) program transferred from the Department of Licensing (DOL) to the Department of Revenue (DOR).)

SAO Issues Summary:

1. The Master License Service (MLS) has achieved many of its legislative goals; however, many businesses still don't receive one-stop service.
2. The MLS lacks a long term expansion plan that aligns with its financial resources.
3. The MLS has short-term opportunities to add licenses and streamline service.

The table below shows the current status of action items the agency initiated to address issues identified in the performance audit report. Please see the [cabinet agency response](#) for additional context and any additional steps already taken.

For an explanation of the columns below, [see the legend](#).

Issue	Status	Action Steps	Lead Agency	Due Date	Current Resources?	Budget Impact?	Legislation Required?	Notes
1	N/A	N/A						
2	Completed	Develop a formal, five-year strategic expansion plan for the MLS program.	DOL DOR	12/11	Yes	Yes	No	As of July 1, 2011 the MLS - BLS program will transfer from DOL to the Department of Revenue (DOR). A BLS expansion plan has been included in DOR's Strategic Business Plan.
2	Completed	Incorporate MLS performance measures into the Governor's GMAP report on Economic Vitality.	DOL	N/A	Yes	No	No	
2	Complete	Conduct a comprehensive study to re-evaluate overhead cost allocations within the Department	DOL DOR	6/12 1/13	Yes	No	No	Since BLS was transferred to DOR, the agency has developed an overhead cost allocation that captures the agency's significant administrative costs.
2	Completed	Propose legislation to increase Master License Service fees.	DOL	N/A	No	Yes	Yes	
3	Completed	Follow through on existing	DOL	1/12	Yes	No	No	As of July 1, 2011 the MLS program will

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		expansion plans for new partnerships with state agencies and cities.	DOR					transfer from DOL to the Department of Revenue (DOR). Deferred to DOR. / DOR continues to expand BLS partnerships - 10 cities and one agency division partner have been added since July 2011. Seven more cities are interested in the new employee fee model that will become available after Spokane joins as a partner in fall 2012. BLS will have 54 city partners and 10 state agency partners by the end of 2012.
3	Completed	Review MLS BLS statute, determine if barriers exist for expanding service, and propose legislation as needed.	DOL DOR	8/11	Yes	No	Yes-No	Deferred: As of July 1, 2011 the MLS program will transfer from DOL to DOR. / BLS is able to expand service without new legislation at this point in time.
3	Completed	Review Department's priorities for implementation of electronic payment options.	DOL DOR	8/11	Yes	No	No	Deferred: As of July 1, 2011 the MLS program will transfer from DOL to DOR. / E-check was added as an additional payment option in May 2012, reducing credit card fees paid by BLS and its partners.
3	Completed	Review and prioritize existing requests for system changes to allow for more online filings of original applications and renewals.	DOL DOR	8/11 1/13	Yes	No	No	Deferred: As of July 1, 2011 the MLS program will transfer from DOL to DOR as the BLS program. / DOR used Lean improvement tools to discover ways to improve BLS processes and increase online filings.
3	Completed	Work with DOL and the Office of the State Treasurer to explore the feasibility of using automated clearing house (ACH) transactions for MLS payments.	OFM	6/11	Yes	No	No	Status: ACH payments determined as viable option to include in future expansion of MLS online services.