

Strategic Lean Project Report



For Reporting Period: July 1, 2016 through December 31, 2016

I. General Information:

Lead agency name Department of Revenue:

Partner agencies: None

Improvement project title: Cash Bond Process

Date improvement project was initiated: 4/20/2016

Project type: New Project

Project is directly connected to:

If applicable, specify the alignment:

Other

Agency project intended to improve customer service.

Report reviewed and approved by: Vikki Smith, Director

II. Project Summary:

Taxpayers can have their business tax accounts revoked when they fail to pay the taxes they owe and are unable to maintain payments on amounts in arrears. When a taxpayer's business account is revoked, they are precluded from operating their business. Taxpayers who wish to reopen their revoked account are required to post a cash bond to show they can pay the tax. The credit remains on the account until the taxpayer becomes delinquent or it is refunded, generally. Delays in correctly posting cash bonds can create frustration for taxpayers since this is a requirement for them to begin legally operating their businesses again.

The Department of Revenue improved the cash bond process, resulting in an increase in the percentage of cash bonds completed within four days from 28.3% to 92%. Prior to the event, cash bonds were taking an average of 6.6 days to complete compared to an average of 3.4 days after implementation.

III. Project Details:

Identify the problem: The current process for approving and establishing a cash bond for taxpayers whose business accounts have been revoked includes multiple handoffs and increased lead time.

Problem statement: Currently, 28.3% of cash bonds are posted to taxpayer accounts in four days, compared to our target of 75%, which we want to reach by 7/20/2016.

Improvement description: Improvement efforts were focused on standardization, communication, and streamlining the process in general. The team agreed on the information needed on the initial internal cash bond memorandum, which eliminates duplicate memos. The divisions involved, Taxpayer Account Administration (TAA), Compliance, and Treasury Management, all understand the documents needed for the process. The Compliance Division will make every attempt to ensure a Business License

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Application is submitted with the cash bond; Treasury Management will notify TAA of the cash bond receipt by 2:30 pm each day; and TAA staff will post the cash bond to the account the same day they are notified by Treasury Management.

Customer involvement: Customers were not involved in this improvement project.

IV. Impact to Washingtonians:

By reducing the amount of time it takes to post a cash bond to the system, taxpayers can reopen their account and begin operating their business sooner.

V. 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"/> Quality	Decreased the number of cash bonds posted incorrectly from 2 per calendar year to zero per calendar year.	Zero cash bonds posted incorrectly	Final
<input checked="" type="checkbox"/> Time	Increased the number of cash bonds completed within four days from 23.8% to 92%.	Of the 12 cash bonds posted, 11 posted within 4 days of receipt.	Final

VI. Contact information:

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VII. 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.

