MINUTES OF THE HOUSE COMMITTEE ON TAXATION

Members of the Committee gathered in the lobby of the Docking Building at 10:00 a.m. on March 15, 2002 for an informational tour of the Department of Revenue.

Committee staff present:	Winnie Crapson, Secretary
Conferrees conducting the tour:	Steve Richards, Secretary of Revenue
	Rick Clelland
	Jeffrey Lochow
	Jeff Scott
	Ken Rackstraw
Others Attending:	None

Ken Rackstraw, Core Process Manager-Channel Management, explained the process and told the Committee that the Department now processes larger volumes of returns in shorter periods of time and captures more information from those returns. Both refunds and checks to the bank are processed faster now. He said the systems have many edits reducing opportunities for data entry errors.

Chairman Edmonds asked about processing procedures and how long it took to get checks to the bank. Mr. Rackstraw said it did take a long time a few years ago before the remittance/check/voucher processing machines were up and running at peak performance. The system was initially designed to have checks run through the transports with no voucher. To reduce the chance of not being able to link a payment to a specific account, an automated voucher process was developed to allow quick deposit of the check while maintaining payment tracking.

In response to a question about returns being lost by putting one behind another causing the second return to be supporting documents for the first, Mr. Rackstraw said that would have been a very rare occasion and he knew of no circumstance where this had happened. To address the possible issue, separator sheets were developed that help in the identification process.

A complete overhaul of the processing system has been conducted and every employee within the tax operation had to reapply for their jobs because of the substantial changes in job description, skill and responsibilities.

Rick Clelland, Core Process Manager-Customer Relations, discussed the volume of calls received and how the ACD system receives input and the ability to easily access a customer's return. Response to customer inquiries and updating their account is now done in real time rather than having to hunt for the original. He described the process of developing a "worklist", a list of accounts that require manual review. The lists are prioritized, assigned and monitored at the individual customer representative level.

Jeff Scott, Core Process Manager-Compliance, explained Civil Tax Enforcement (CTE) from bankruptcy and garnishments to warrant and warrant execution. He described Customer Account Resolution and explained how accounts flow through the case management system and its different functional areas; Decision Analytics-the methodology for case risk scoring and how it works; and what the Federal/State Team does with the federal and state matching data.

Chairman Edmonds thanked Secretary Richards for arranging the tour.

Next meeting is March 19.