

**Quality and Productivity Commission
31st Annual Productivity and Quality Awards Program
"Celebrating Quality Service"**

2017 APPLICATION

Title of Project (Limited to 50 characters, including spaces, using Arial 12 point font):

NAME OF PROJECT: SIGNED, SEALED, DELIVERED!

DATE OF IMPLEMENTATION/ADOPTION: SEPTEMBER 15, 2015
(Must have been implemented at least one year - on or before July 1, 2016)

PROJECT STATUS: Ongoing One-time only

HAS YOUR DEPARTMENT PREVIOUSLY SUBMITTED THIS PROJECT? Yes No

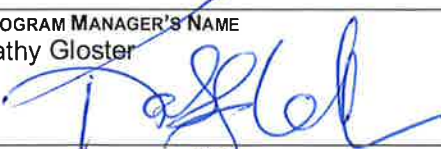


EXECUTIVE SUMMARY: Describe the project in 15 lines or less using Arial 12 point font. State clearly and concisely what difference the project has made.

1 One of the Treasurer and Tax Collector's (TTC) critical mandates is to print, mail, and
2 account for each of the County's 2.5 million property tax bills and notices, which
3 represent \$17.5 billion a year in taxes. Prior to September 2015, printing, stuffing,
4 applying postage, and mailing of bills and notices was a manual process. The TTC
5 partnered with the Internal Services Department (ISD) for printing the bills, the TTC staff
6 reviewed the bills for quality control, one vendor stuffed and sorted, and another vendor
7 applied postage and mailed the bills. The multiple handoffs, coupled with reprinting of
8 damaged or defective bills, made accounting for the bills difficult. When the TTC
9 learned that ISD wanted to opt out of the high-volume print business due to the costs of
10 leasing special printers, the TTC decided to develop a Request for Information (RFI) for
11 an All-In-One bill printing and mailing solution. The TTC reviewed the RFI responses,
12 conducted site visits, and then developed a Request for Proposal (RFP) that contained
13 historical volumes, timelines, sample bills, and requirements for printing annual,
14 impound account, weekly, adjusted, and supplemental bills, notices, inserts, as well as
15 our certified mail process. The awarded contract, in its first fiscal year, realized a cost
savings of \$111K and allowed the TTC to implement significant process improvements.

BENEFITS TO THE COUNTY

(1) ACTUAL/ESTIMATED ANNUAL COST AVOIDANCE	(2) ACTUAL/ESTIMATED ANNUAL COST SAVINGS	(3) ACTUAL/ESTIMATED ANNUAL REVENUE	(1) + (2) + (3) = TOTAL ANNUAL ACTUAL/ESTIMATED BENEFIT	SERVICE ENHANCEMENT PROJECT
\$ 0.00	\$ 111,084.45	\$ 0.00	\$ 111,084.45	<input checked="" type="checkbox"/>

ANNUAL = 12 MONTHS ONLY

SUBMITTING DEPARTMENT NAME AND COMPLETE ADDRESS Treasurer and Tax Collector 500 West Temple Street, Room 437 Los Angeles, CA 90012		TELEPHONE NUMBER (213) 974-0704
PROGRAM MANAGER'S NAME Kathy Gloster 		TELEPHONE NUMBER (213) 974-2077 EMAIL kgloster@ttc.lacounty.gov
PRODUCTIVITY MANAGER'S NAME AND SIGNATURE (PLEASE CALL (213) 893-0322 IF YOU DO NOT KNOW YOUR PRODUCTIVITY MANAGER'S NAME) Tom Ivey 	DATE 7/6/17	TELEPHONE NUMBER (213) 974-7677 EMAIL tivey@ttc.lacounty.gov
DEPARTMENT HEAD'S NAME AND SIGNATURE Joseph Kelly 		TELEPHONE NUMBER (213) 974-2101

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1st FACT SHEET – LIMITED UP TO 3 PAGES ONLY: Describe the **challenge(s), solution(s), and benefit(s)** of the project. What quality and/or productivity-related outcome(s) has the project achieved? Provide measures of success. Use Arial 12 point font.

The Challenge:

The printing and mailing of Property Tax bills is one of TTC's most critical statutory obligations. The California Revenue and Taxation Code, Section 2610.5 states in part, "Annually, on or before November 1, the tax collector shall mail or electronically transmit a county tax bill or a copy thereof for every property on the secured tax roll." Annually, TTC mails 2.5 million property tax bills and notices, which equal a value of \$17.5 billion a year.

Prior to September 2015, as delineated below, these processes were heavily dependent on manual staff processes, and compromised per piece accountability and quality assurance due to multiple handoffs with different vendors, who had competitively bid and been awarded components of the process. These processes were costly as Systems (information technology) staff worked overtime, which diverted them from other high priority projects.

- TTC ordered and shipped from an East Coast vendor, who printed Annual Secured and Annual Unsecured Property Tax bill stock that, once received, the ISD had to hold them for days to adjust to environmental conditions before bill printing commenced.
- ISD printed the bills in Downey where numerous TTC staff conducted manual quality assurance, which included multiple days of fanning through hundreds of cases of printed bills to identify smudged or misaligned bills or any other defects.
- TTC returned the defective bills to ISD for reprinting. After all bills passed the quality assurance review, ISD re-boxed the bills, and another vendor picked up and inserted the bills into envelopes.
- After the vendor completed the insertion of the bills into envelopes, the second vendor sent the bills to a third vendor who sorted the bills by zip code, applied postage, and delivered the bills to the United States Postal Service (USPS) for mailing.
- Any damaged, destroyed, or missing bills identified through these handoffs were reprinted by ISD and the process had to be repeated for those bills.
- After the mailing, TTC Systems delivered archived copies of the printed bills from another vendor to TTC staff on CD-ROM discs, indexed by zip codes, bill type, or Assessor Identification Number.

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- Finally, TTC staff used the discs to research archived bills and respond to taxpayer inquiries. These discs loaded slowly, were cumbersome to search, and created inefficiencies in responding to taxpayers' inquiries.

Furthermore, TTC had to complete all of the functions by the statutory deadlines each year, which caused additional stress on the staff and the vendors, especially when unexpected errors occurred in the process.

The Solution:

Because our partner for a number of years, ISD wanted to cut down on large-scale leased printers utilized for specific huge County print jobs, like ours, TTC determined that it should explore contracting this critical service for better process continuity, management, and effectiveness.

Through an intensive RFI and RFP process and numerous site visits for process demonstrations, TTC recommended its selected vendor for approval. The Board of Supervisors approved a contract with the recommended vendor in September 2015. Since then the TTC and its vendor have implemented process improvements, including:

- All-In-One Printing, Packaging and Mailing.
- Quality Assurance through online approval.
- Maximization of discounted USPS mailing costs.
- Online archive records access.
- USPS Certified Mail Tracking.

All-In-One Services

After design and implementation sessions, the vendor recreated our property tax bills and implemented technologies to improve the bill printing process. The vendor prints, packages and mails all of TTC's property tax bills and notices in one facility, from start to finish. This eliminates the handoff from one vendor to another and allows for better quality assurance and accountability.

Quality Assurance

TTC completes quality assurance and product approval through a vendor-supported online portal prior to production. This eliminates the previous manual review process, paper waste from print errors, and duplicated print jobs that the print errors caused, and allows staff time for other high-priority information technology projects.

USPS Mailing Costs

Because the vendor prints, packages, applies postage, and delivers the bills to the USPS, TTC is able to purchase postage at the maximum discounted USPS rate.

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Online Archive

Previously, TTC staff accessed archived tax bills and notices through CD-ROMs to respond to taxpayer inquiries. The process was time consuming, as TTC staff would insert the CD-ROMs into their work computers manually, wait for it to load and search for properties by restricted search criteria. The online electronic statement portal allows staff to log on within seconds to an online portal database and use several different search criteria, and locate and print duplicate copies of property tax bills and notices quickly.

USPS Certified Mail Tracking

Historically, TTC mailed legally mandated Notices of Auction through certified mail notifying taxpayers who have defaulted property taxes that their property was Subject to the Tax Collector’s Power to Sell at a public auction. TTC had to wait, sometimes a week or more, for the USPS returned certified mail receipts before it could process the property file. With the introduction of real-time certified mail tracking through its vendor, TTC is able to access and view the certified mail receipts and the electronic signature quickly, and update the property file accordingly.

The Benefits

Streamlined process

One vendor packages and mails all TTC property tax bills and notices in one facility, from start to finish. TTC has also used this process to handle certified mailing of pending auction notices required by State law.

Increased accountability

Through the vendor’s online portal, TTC verifies sample PDFs of property tax bills and notices prior to approving printing and production. This enhanced the quality assurance process and accountability of the secured and unsecured property tax bills and drastically reduced paper waste.

Leveraged functionalities

TTC increased efficiencies by incorporating technological advances, such as electronic certified mailing services, Quick Response two-dimensional bar coding, and real-time job tracking. Additionally, TTC was able to effectively operationalize Business Continuity Planning.

Reduced operational costs

The All-In-One Services eliminated the use of multiple vendors involved in the printing, sorting and mailing of property tax bills. The streamlined process, in its first complete fiscal year, created efficiencies and achieved a total cost savings of \$111K.

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Linkage to the County Strategic Plan – 1 page only. Which County Strategic Plan goal(s) does this project address? Explain how. Use Arial 12 point font.

The streamlined approach to printing, sorting and mailing our annual property tax bills supports **Strategic Plan Goal III.3: Pursue Operational Effectiveness, Fiscal Responsibility, and Accountability.** TTC’s analysis and utilization of state-of-the-art technologies have improved the property tax billing process and have produced an efficient and cost-effective operation. Through improved quality assurance and mail tracking capacities, TTC increased property tax revenues and continues to make an important contribution to the County’s fiscal stability.

COST AVOIDANCE, COST SAVINGS, AND REVENUE GENERATED (ESTIMATED BENEFITS TO THE COUNTY): If you are claiming cost benefits, include a calculation on this page. Please indicate whether these benefits apply in total or on a per unit basis, e.g., per capita, per transaction, per case, etc. You must include an explanation of the County cost savings, cost avoidance or new revenue that matches the numbers in the box. Remember to keep your supporting documentation. Use Arial 12 point font

Cost Avoidance: Costs that are eliminated or not incurred as a result of program outcomes. Please indicate whether these are costs to the County or to other entities.

Cost Savings: A reduction or lessening of expenditures as a result of program outcomes. Please indicate whether these were expenditures by the County or by other entities.

Revenue: Increases in existing revenue streams or new revenue sources to the County as a result of program outcomes.

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