

# Project Closeout Report

**Project Name:** Taxpayer Access Point Business Registration and Webfile

**Agency:** Tax Department

**Business Unit/Program Area:** Tax Department

**Project Sponsor:** Lucas Asche

**Project Managers:** Brandi Fagerland, Callie Wachendorf

Objectives		
Project Objectives	Measurements	
	Met/Not Met	Description
Increase usage of electronic services by utilizing new technology, in turn, reducing costly paper processes.	Met	<p><b>Description:</b> Increase Webfile utilization by five percent for sales and withholding taxes within the first six months after project completion. For taxes new to Webfile, have an adoption rate of 50% in the first six months after project completion.</p> <p><b>Result:</b>            Sales Tax - North Dakota law identifies any sales tax account that is required to file on a monthly basis and electronically. Prior to TAP, there were 14,445 accounts registered to electronically file. On February 12, 2015 the accounts number had risen to 15,799 for those registered to electronically file. The increase of 1,354 accounts or 9.4% has been measured.            Income Tax Withholding– prior to TAP there were 16,746 accounts registered to electronically file. On February 12, 2015 a measurement of 17,734 accounts was taken for those who want to electronically file. The increase is measured at 790 accounts or 5.9%.            Lodging– On February 12, 2015 there were 1,189 City Restaurant and Lodging accounts, 709 of those accounts were registered to electronically file. This adoption rate translates to 59.6%.</p>

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Increase usage of electronic services by utilizing new technology, in turn, reducing costly paper processes.	Met	<p><b>Description:</b> Have eighty percent of new taxpayers register online through TAP within six months of project completion.</p> <p><b>Result:</b> The Registration Section manually tracked the number of paper applications received and processed for new Sales and Use Tax permits and Income Tax Withholding accounts. During the timeframe of January 1, 2015 to January 31, 2015 the Registration Section received 119 paper applications. During that same timeframe, 517 applications were electronically submitted through TAP. This results in 81% of the applications received during the timeframe being submitted electronically through TAP.</p>
Increase usage of electronic services by utilizing new technology, in turn, reducing costly paper processes.	Not Met	<p><b>Description:</b> Have eighty percent of new taxpayers who submit electronic applications also file/pay electronically within six months of project completion.</p> <p><b>Result:</b> The planned process has changed on this measurement which is the reason it was not met. The application process provides the taxpayer with an access code to get signed up for TAP; Because we have third parties involved, some filers only file annually, and not every taxpayer has filed a return since TAP went live, we are unable to, without assumptions, get exact numbers and feel this objective could have been more clearly defined. For those that do sign up and still file on paper, letters are sent reminding them that they should be filing electronically.</p>
Increase usage of electronic services by utilizing new technology, in turn, reducing costly paper processes.	Met	<p><b>Description:</b> Reduce the time it takes to process applications to less than two business days within the first three months of project completion.</p> <p><b>Result:</b> As of December 30, 2014 there were 323 electronic applications that were received and worked to completion in December. The average number of days that it took to completely work these applications was 1.916 days. It should also be noted that this average also included weekends, holidays, and waiting time when requesting additional information from the taxpayer.</p>
Increase usage of electronic services by utilizing new technology, in turn, reducing costly paper processes.	Not Met	<p><b>Description:</b> Reduce mailing costs for the associated tax types by ten percent within six months of project completion.</p> <p><b>Result:</b> This measurement was not met. Originally our intentions were to eliminate all correspondence and replace it with emails. Due to some legal challenges, this was put on hold and will be looked at in the future. Some emails are being sent in place of letters, but with the volume of taxpayers increasing so quickly, the total cost of mailings, we assume, has increased. The main decrease in mailing costs were for mailing returns, and we expect to further reduce mailing costs in the future once we start to utilize email over paper letters.</p>
Eliminate the need to contract for expensive and time-sensitive application programming changes to accommodate legislative and business process changes	Met	<p><b>Description:</b> Eliminate ITD application programming costs for the taxes referenced in the scope of services within three months after project completion.</p> <p><b>Result:</b> Once TAP was live, ITD was no longer billing the Tax Department for ITD's services.</p>
Eliminate the need to contract for expensive and time-sensitive application programming changes to accommodate legislative and business process changes	Met	<p><b>Description:</b> Department staff will have the knowledge to configure other applications/processes in TAP within six months after project completion.</p> <p><b>Result:</b> The department staff is able to operate applications and processes effectively.</p>

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Schedule Objectives					
Met/ Not Met	Original Baseline Schedule (in Months)	Final Baseline Schedule (in Months)	Actual Schedule (in Months)	Variance to Original Baseline	Variance to Final Baseline
Met	12	12	12	0	0

Budget Objectives					
Met/ Not Met	Original Baseline Budget	Final Baseline Budget	Actual Costs	Variance to Original Baseline	Variance to Final Baseline
Met	\$1,000,000	\$1,000,000	\$966,688.98	4.6% under	4.6% under

Major Scope Changes					
None					

Lessons Learned					
<ul style="list-style-type: none"> <li>- Not receiving the necessary exemptions, e.g. state login system, caused unnecessary work and has potentially compromised the security of our system until a resolution is determined. Also, an application was submitted for large project reporting, which I was disappointed with the response that it was over \$500,000 (the exact reason for the waiver request). I feel both could have been granted, and now that the project is over, we still see the value in this.</li> <li>- The procurement process was painful, considering our circumstances. We would have liked to have some more flexibility in drafting our contract based on what we know (we have legal counsel on staff) and previous experience/interaction/projects with the contractor, versus having to argue with AG office about damages when we knew there would be none. There was no consideration given to us that we already have a contract in place with Fast (for much more money than this whole project), and that Fast actually has their people relocate for the duration of the project (as well as onsite support of Gentax). They also have contracts in half the states, so we knew they were not going to pick up and leave in the middle of the project.</li> <li>- This project was completed on time and under budget, and because of the staff and contractors assigned to work on this project, it went very well as we had no major issues to deal with. The major issues we dealt with were all due to large project oversight.</li> </ul>					

Success Stories					
<ul style="list-style-type: none"> <li>- Because the filing deadline for those taxes implemented in TAP is the end of September, we have yet to see overall results of our work. Many people have registered their business in TAP, which we see as a positive thing. In 6 months, we will be able to measure our objectives, one of which we have already met.</li> <li>- Someone sitting next to a friend on an airplane read about TAP in the newspaper and thought it was really cool the state was providing this.</li> <li>- The pre-registration process that was implemented was very successful both in getting the word out about TAP, but also allowing phone calls and questions to be spread out over a number of weeks as opposed to a few days.</li> </ul>					