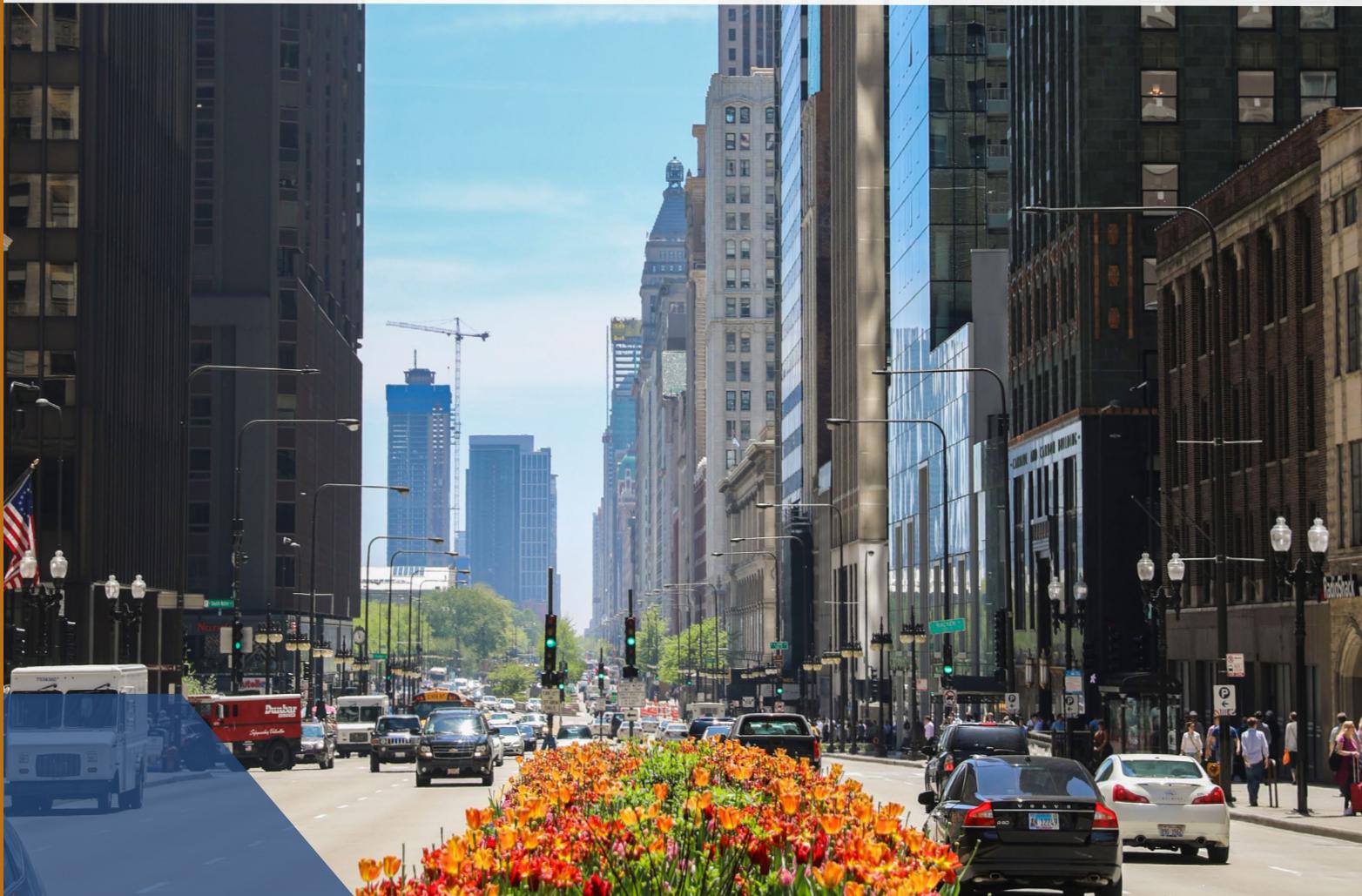


ILLINOIS IDES

Project Highlight



"This was the best project that I've been involved in. I think everyone enjoyed being a part of it. They felt good about what they were accomplishing."

– Linda DeMore, IDES CFO

In 2015, the Illinois Department of Employment Security (IDES), whose central office is in Chicago, IL, wanted to replace their existing unemployment insurance tax systems with something modern. Ten years prior and 200 miles away in Springfield, IL, the Illinois Department of Revenue (IDOR) had implemented a new, modern tax system. As part of the contract for that system, IDOR was able to add access to the system for another agency in a more cost-effective way. From July 2016 to September 2017, both IDES and IDOR worked with Fast Enterprises to add IDES's unemployment insurance tax to IDOR's existing GenTax implementation. This system replaced five legacy systems from IDES, and upgraded IDOR's system to the latest version of GenTax.

Collaboration Between Leaders



Jeff Mays



Connie Beard

Leading the effort to combine two agencies into one system were a pair of directors with a long-standing relationship. IDES Director Jeff Mays and IDOR Director Connie Beard had known each other for over 30 years. “We had an extraordinary amount of trust and that comes from a strong relationship throughout the years,” Jeff Mays said. This existing trust was part of the reason why the two agencies agreed to come together, and part of what made the project successful. “The UI and tax directors really worked together, and that cooperation flowed through the agencies,” said Katina Radi, FAST Architect with IDES. Bob Acamovic, IDES Project Manager (PM) agreed, “The commitment of Jeff Mays and Connie Beard set up a culture where it was okay to disagree, but, at the end of the day, you needed to work it out.”

“We took on an extraordinary challenge even beyond the normal scope of replacing our system, in the sense that we were then merging into a system that was used by another agency.”

– Kevin Denny, IDES SME



Left to right: Front row: Algie Crivens, Venkata Twarakavi, Linda DeMore, Gabriel Cozart, Chris Knowlan, Matthew Platt, Christy Norwood, LaVerna Poindexter, Lorena Zavalza; Back row: Bob Acamovic, Daniel Ault, Andrew Morland, Jacob Lantz, Steven Donald, Justin Boggs, Tony Siegel, Michael Murphy, James Turkette, Nirjhar Vermani

Coming to an Agreement

Not only did IDOR and IDES come to share one system, they also became a more unified team. "It was really a case of different cultures and different attitudes coming together," said Kevin Denny, IDES Subject Matter Expert (SME). "We emerged from the project as something stronger," Denny said. To come together took a significant amount of compromise from both agencies. Lois Cuevas, IDES Revenue Manager, explained that sometimes this meant going with the other team's ideas. "Even though we liked our ideas, we needed to be open to change," Cuevas said. Throughout these discussions, IDOR tried to provide IDES with guidance on best practices, based on their 10 years of experience with the system.

"IDOR was instrumental in

guiding us through this process," said Christy Norwood, IDES SME. Kendra Banning, IDOR GenTax Business Lead, explained that IDOR was also open to IDES's suggestions,

"We tried to strike that balance of offering lessons learned, but also trying new ideas."

This collaboration resulted in new relationships between the agencies. "We're so much more comfortable asking anyone anything," said Michael Eckert, IDOR SME. Bob Acamovic, IDES PM said, "You can actually reach out to someone in Springfield and ask about a specific customer." Kendra Banning explained that this enhances the ability of both agencies to help their customers on a day-to-day basis. "Any time you add a level of awareness, it helps you to better assist the taxpayer," Banning said.

"The people that we have in IDOR are just as committed and just as involved as the people we have in IDES."
- Bob Acamovic, IDES PM



Left to right: Christy Norwood, Bob Acamovic, Linda DeMore, and Algie Crivens

Project Highlights

ELECTRONIC FILING

Paper filing of quarterly wage reports was reduced from 100,000 to **LESS THAN 30,000** per quarter

CLEAN DATA

27,000+ customer accounts with missing or mismatched Federal Employer Identification Numbers (FEINs) were cleansed from the system

CUSTOMER CORRESPONDENCE

Agency processes were modernized so that customers receive their first bill **75% FASTER** and all correspondence was simplified to follow plain language guidelines

ADDED REVENUE

MORE THAN \$1 MILLION collected in new revenues in less than six months after the implementation of the Treasury Offset Program (TOP)

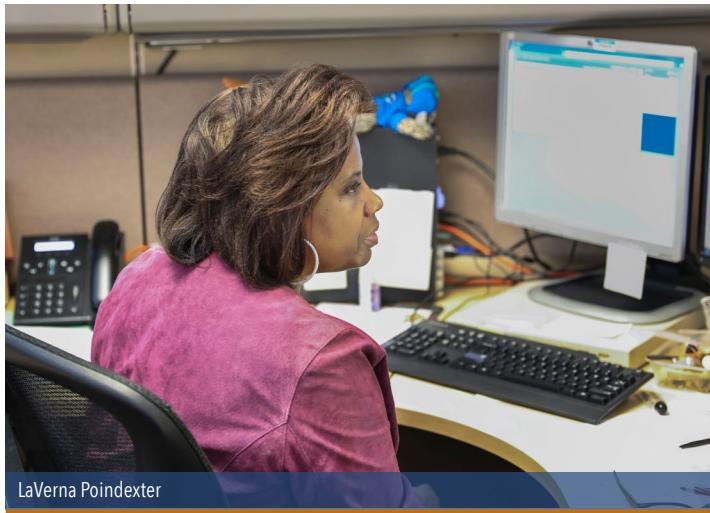
CUSTOMER SELF SERVICE PORTAL

NEW FEATURES

- Registering for and managing all IL taxes
- Viewing tax rates, account balances, and correspondence in real-time
- Requesting refunds or extensions

Benefits

- IDES is better able to collect overdue taxes. “Our collections are going to be much easier to manage now that we have consolidated our records,” said IDES Director Jeff Mays. Since rollout, IDES has also implemented functionality to collect via bank levies, which has allowed them to collect from more delinquent accounts than ever before.



LaVerna Poindexter

- Additionally, IDES is moving away from paper wherever possible. Algie Crivens, IDES SME, explained that they now offer their customers the option of receiving correspondence electronically in their online portal, MyTax Illinois. The agency will send customers notifications to inform them when they receive electronic correspondence. Customers can then log into MyTax Illinois to view their messages. IDES estimates more than \$800,000 annual savings through the reduction of paper-based processes and IT support costs.

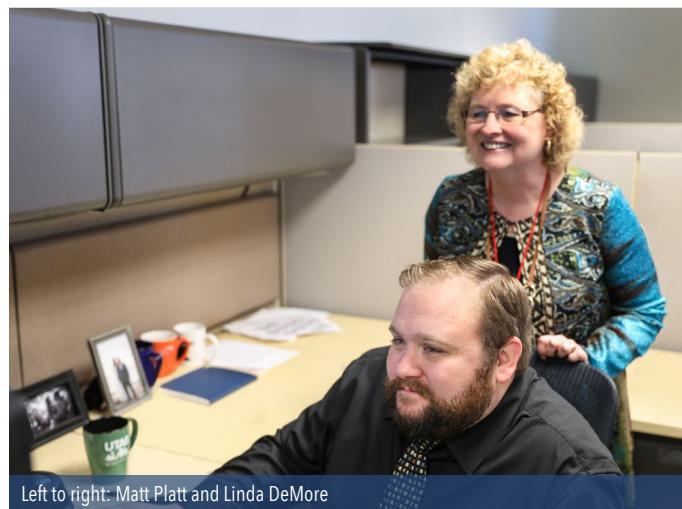
“The project came in on time and on budget, and the Department of Employment Security recognized significant processing improvements and savings within the first quarter of operation.”

- Debbie Price, IDOR CIO



Left to right: Justin Boggs, Bob Acamovic, and Christy Norwood

- IDOR is now helping IDES to print customer letters more efficiently. Previously, IDES sent correspondence to a third party for printing. The additional time this required meant statements were often out-of-date before customers even received them, causing many employers to call in to verify the current state of their accounts. Now, IDOR prints correspondence for IDES, which means IDES doesn’t have to print so far in advance. “I no longer have to worry about printing and mailing for UI tax,” IDES CIO Tom Revane said.



Left to right: Matt Platt and Linda DeMore

- Throughout the rollout, IDES actively communicated with payroll providers, keeping them informed and soliciting their input. These efforts have resulted in better relationships between IDES and their customers.



Overcoming Obstacles

Embarking on a partnership of this scope inevitably presents both challenges and opportunities. IDOR Director Connie Beard said, “With no roadmap available for this type of partnership, we did face some obstacles that were truly unique.”

Reconciling Data and Records

To combine their data into one system, IDES and IDOR needed to reconcile their customer records. Sarah Engelbrecht, IDOR PM for the MyTax Illinois online portal, explained that the agencies often had records on the same employer, but one agency or the other had more details. Reconciliation required coming to an agreement that made sense for the procedures and laws of both agencies. “In some cases, their laws are different from ours, even though we’re in the same state,” said Lois Cuevas, IDES UI Tax Revenue Manager. “Certainly, their procedures and processes were different,” Cuevas continued. Ultimately, reconciling IDOR’s and IDES’s records allowed both agencies to benefit from each other’s information.

Reevaluating Past Choices

Both agencies discovered a need to reevaluate past choices. Venkata Twarakavi, Chief Technical Officer for IDES, said that one of their biggest challenges during the project was determining how the legacy systems were processing various transactions. “It was sometimes very hard to come up with conclusive evidence that this was the way things worked,” Twarakavi said. To determine the new system’s needs, IDES explored the inner workings of the legacy systems. Twarakavi continued, “We got to really dive into the details.” On IDOR’s part, a similar process was taking place. “It was a good time to reflect on why we made some decisions,” said Sarah Engelbrecht. IDOR took the opportunity to streamline some processes and incorporate new ideas from IDES.

Sheer Distance

The approximately 200 miles between IDES’s and IDOR’s project teams meant communication could be difficult. “You couldn’t just have that easy, candid, direct conversation with people,” said Justin Boggs, FAST PM for IDES. Sarah Engelbrecht said, “What helped us most was to take time and have IDOR staff travel up to Chicago.” Staff from both agencies travelled to visit each other several times throughout the project. “We were willing to travel up there, they were willing to travel down here,” said Michael Eckert, IDOR SME. When visits weren’t possible, the sites would communicate via video conference.

Agency Names
Illinois Department of Employment Security (IDES) and Illinois Department of Revenue (IDOR)

Project Type
Unemployment Insurance Tax

Project Dates
July 11, 2016 to September 11, 2017

IDES Systems Replaced
5

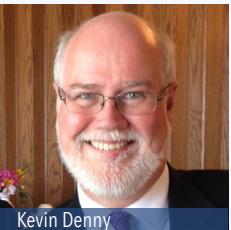
Number of Users
IDES 747
IDOR 1300

Distance Between Projects
~200 miles

Employers Now Filing Electronically
Over 90%



Throughout the project, IDES made sure there were opportunities for everyone to have a say in the final product. “There was a constant dialogue, staff-to-staff, issue-to-issue, both within this department and between agencies,” IDES Director Jeff Mays said. To facilitate this involvement, IDES reached out to the entire staff, not just their managers. “We treated all staff equally. There was no bad idea,” said Linda DeMore, IDES CFO. Algie Crivens, IDES SME, explained that the agency brought the right people to each meeting. “They included people who could think about how the process should work for the future,” Crivens said. In turn, the staff involved took this responsibility to heart. Lorena Zavalza, a Tester on the project, explained her mindset while testing, “I asked myself ‘will this make the job easier for everyone—employers, IDES, and IDOR?’”



Kevin Denny



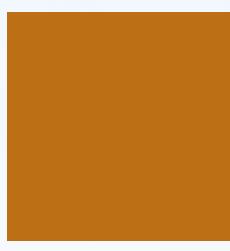
Michael Eckert



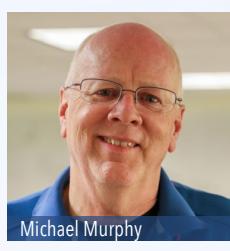
Lorena Zavalza



Kendra Banning



Katina Radi



Michael Murphy



Justin Boggs



Sarah Engelbrecht



Lois Cuevas



What's Next?

After a successful implementation, IDES is eager to keep improving the system. “This system is foundational to our future,” said IDES Director Jeff Mays. Continued improvement on that foundation is a goal of many of IDES’s staff. “We can always do better,” said Algie Crivens, IDES SME. FAST Team Manager Matt Platt said that this mindset has changed from that at the beginning of the project, “They went from saying ‘this is how we used to do it’ to ‘this is how we used to do it, but maybe there’s a better way.’” So, what’s on the list for future improvements? The two agencies plan to share communication and collection efforts and continue to improve relationships with the payroll providers in Illinois. IDOR Director Connie Beard said, “We look forward to nurturing this partnership to ensure Illinois taxpayers are effectively served.”