

Process Improvement for ST-10 Applications
For
Exemption Certificate Processing



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SC Department of Revenue
CPM Project
May 2009 Class

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**Process Improvement for ST-10 Applications for Exemption Certificates
Certified Public Manager Program Project**

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Process Improvement for ST-10 Applications for Exemption Certificates Certified Public Manager Program Project

I. Problem Statement: Delayed processing time for ST-10 exemption certificates to be issued to the taxpayers of South Carolina. The Application for Certificate (ST-10) is completed by the taxpayer to request special exemptions to be issued according to the statute of South Carolina. (SC Code 12-36-2120 of Article 21, See Appendix 1) Upon completion, an employee of the Department of Revenue contacts the taxpayer to determine if the exemption meets state guidelines for issuance. The exemptions include items such as, but not limited to, fuel exemptions, containers, electricity, packaging, machines, direct pay certificates and wholesale certificates. A visual inspection is necessary in most instances to determine the issuance of these exemption certificates.

The goal of this project is to reduce the processing time of the issuance of the exemption certificates to the taxpayers of South Carolina (currently a forty-five day response as a standard guideline). Applications can take up to six or eight weeks to process, depending on the circumstances. This time period can be reduced by streamlining the assignment process to the field personnel by using existing technology in the Department of Revenue.

The License and Registration Section in Columbia's Market Pointe location receives all applications from the mail center. The applications are sent to the appropriate district for processing with a forty-five day deadline date listed on the correspondence. The applications are expected to be assigned to an auditor for a visual inspection of the site. The application report

should be completed by the auditor, approved by the audit supervisor and returned to License and Registration for issuance of the exemption certificate to the taxpayer.

I. Data Collection

Data collected for this process analysis includes the following:

- Interviews with the staff of License and Registration
- Surveys of current audit supervisors
- Auditor's interview of the process
- Interview with Office Audit Sales Tax Supervisor
- Interview of Sharepointe Website Administrator

An interview was held with the supervisor of License and Registration and the Manager of Processing. An examiner in this section also attended the meeting. Several exhibits were obtained from this meeting to include **Exhibit 1** and **Exhibit 2** attached which are samples of internal documents issued by this section.

Surveys were completed by all field audit supervisors to determine what commonalities exist throughout the district offices. Surveys and results are attached in **Exhibit 3**. Audit supervisors also provided me with a list of their tracking schedules as well. (This information has not been included due to the confidentiality of the information of the spreadsheets.)

The auditor's input is also a crucial concern in the completion of the field examination; therefore, an interview with a field auditor was performed.

Several meetings were held with the Sharepointe Website Administrator. Guidance by this individual has allowed this process to be achieved with the knowledge she possesses about the Sharepointe system.

II. Analysis of Data Collected

A. Interview Supervisor and Manager of License and Registration

When the Application for Exemption Certificate (ST-10) is received in Columbia's Market Pointe mail room, the application can be logged in manually by one of six employees in this department. **(See Flowchart of Current Process Attached.)** The examiner who receives the application will do preliminary audit work to include the following checks:

1. Verify if the taxpayer is registered with the Secretary of State's office.
2. Verify if the taxpayer is registered on our licensing system.
3. Notate to the audit supervisor any additional comments or concerns.
4. ST-10 applications are given priority treatment by employees in License and Registration. This is the highest priority for documents without monetary requirements.

If the pre-audit work results in missing information, the taxpayer is sent a letter indicating the additional requirements. The original application is returned along with the letter to the taxpayer. Hard copies are not maintained by registration's staff; the returned item to the taxpayer is not documented in any way. The responsibility now falls on the taxpayer to provide any additional information.

Upon completion of the preliminary audit work, the examiner forwards the ST-10 application with a P.C. work order form (I-286) to the administrative assistant (**Exhibit 1**). This internal document is a work request for the administrative assistant to issue a memorandum along with the original application to the appropriate field audit supervisor. Any comments or special notes to the audit supervisor can be made on this memorandum (**Exhibit 2**). This memorandum indicates a forty-five day deadline for completion; therefore, delaying a response to the taxpayer as long as forty-five days or longer.

B. Survey of Current Audit Supervisors:

Surveys were completed by all audit supervisors in the district offices. Some commonalities exist in the processing of ST-10 applications as well as some differences (**Exhibits 3**). All audit supervisors maintain a tracking system of applications received from Columbia's License and Registration Section at Market Pointe. The logs contain valuable information such as the taxpayer's name, the date assigned to an auditor, the auditor's name along with an expected completion date. Some audit supervisors use the forty-five day follow-up date provided by the License and Registration Section, and other supervisors use a range of five to seven days to a range of fourteen to thirty days. This inconsistency is a major factor in the delay in the issuance of the exemption certificate to the taxpayer. Standardizing the "expected response date" in this case will result in a reduction of processing time for taxpayers; this will require guidelines to be established by the management staff.

Audit supervisors also have differing schedules of assigning the applications to the audit staff. Most supervisors make ST-10 assignments upon receipt while others only make assignments once a week. Some of the audit supervisors make copies of the ST-10 application for their files, while others do not. The delay in the audit assignment process is also a result of multiple applications received within a given week and the time associated with maintaining the log and making copies of the application. This log is again updated upon the completion of the ST-10R report from the auditor. The auditor will provide a copy for the supervisor's files if requested and the supervisor will return the completed application and ST-10R to Columbia.

On average, each office receives approximately 108.4 applications over a twelve month period based on information supplied by the individual audit supervisors. (When a range was noted by the supervisor, the median was used in this calculation). A noticeable increase in the number of applications received has been present in recent months. The applications are

assigned to the audit staff within the office for review. The auditors may be out of the office on other audit assignments and may not receive the ST-10 assignment for up to seven days. The auditor will contact the taxpayer when he/she returns into the office pending his/her current workload.

C. Auditor's Interview of Taxpayer's Process

Common practices of field auditors have also been noted. The auditor receives the ST-10 application from the audit supervisor. The auditor's first review of the application will include reviewing our system for any prior registrations with our agency. Also, the auditor checks for any delinquent accounts relating to the application. Exemptions cannot be given to taxpayers who are not current on all business filings with the Department of Revenue. Auditors may then contact the taxpayer and schedule an on-site visual inspection of the site. Upon completion of the inspection, an ST-10R or Application Report is completed with the auditor's recommendation. The exemption may be granted or denied based on the findings of the inspection and interview with the taxpayer. All ST-10R's are submitted to the audit supervisor for approval/denial. Some audit supervisors will then ask for a duplicate ST-10R Application Report for his/her records for future law references.

The auditors must make the visual inspections for these applications along with their normal audit workload. Auditors have varying time responses depending on supervisory expectations, their own audit schedules, as well as the taxpayer's schedules. These factors hinder the prompt response time expected by business owners of South Carolina. Scheduling difficulties will always exist in this process, but the immediate receipt of the application can reduce processing time by alleviating the courier mail service from location to location.

D. Interview with Office Audit Sales Tax Supervisor

The final approval process of an ST-10 is done at the Office Audit stage. The audit supervisor sends all completed applications, approved or denied to the office audit sales tax supervisor. The purpose of this final process is to ensure continuity throughout the state. The supervisor's first course of action is to log the information into a spreadsheet. He then completes the review of the Application Report and notates on his spreadsheet a brief comment on this application. The supervisor then sends the approved or denied application to License and Registration. His goal is to review the application by the following day and submit it to License and Registration for issuance.

IV. Overview of Sharepointe Application and its Capabilities

The Sharpointe website is a new and unique system recently adopted for use by the SC Department of Revenue. This system is an individualized internal website which serves as a central location for information from each section within the agency. Several shared documents are stored and can be retrieved at this site. This system also allows for "electronic folders" to be assigned through the "task manager" application and forwarded throughout the process and returned to the proper area in the same manner. The new system can be accessed by everyone in the agency to determine the current status of an application. Sharepointe also has an email alert system that will notify the employee when an application is in their "in box." This application will immediately show up in their appropriate work folder, reducing delays which currently include the processing of the I-286 and mail processing time to the district offices. At a minimum, an immediate reduction of 6-10 days is possible in the new process.

V. Implementation of New System

The new proposed ST-10 process system will create a more efficient process with the use of the Sharepointe website. Every stakeholder in the current system will receive a benefit in this

process. The following steps have been tested in the Charleston District Office. The auditors have been able to view the scanned ST-10 application, processes the ST-10R Report and return to me all electronically. The following procedures have been established to make this entire process a reality.

A. Receipt and Dissemination to the Field District Office

An application is received in the mail center at Market Pointe and delivered to the License and Registration section. **(See Flowchart of New Process attached)** The administrative assistant logs the application received into a shared Excel spreadsheet uploaded to Sharepointe. The spreadsheet will include the taxpayer's name, address and date received in the Columbia office. The administrative assistant will also scan the application and send the "task" or "electronic folder" to an examiner within the License and Registration section. It is important to note that some applications are received directly in the district offices as walk-in applications. When this scenario arises, the district offices have scanning equipment that will allow these applications to be scanned and entered on the shared spreadsheet and proceed through the new processing system.

The preliminary audit work is completed by the examiner as the current process allows. If the application needs additional information from the taxpayer; the examiner must notate on the shared spreadsheet in Sharepointe that the original application has been returned to the taxpayer. The examiner will notify the administrative assistant to prepare the appropriate letter and return the original application to the taxpayer with additional instructions. If the preliminary audit work indicates the application is complete, the examiner will assign the "electronic folder" to the audit supervisor in the appropriate district office. Special notes or comments to the audit supervisor are notated on the assignment or "electronic folder" in the

same manner as an email. The audit supervisor will receive an email alert in Outlook indicating an ST-10 has been assigned to his/her district office for review.

B. Audit Supervisor Assignment to Field Auditors

The audit supervisor may choose two options. He can open the email link in Outlook, or proceed to the Sharepoint Home Page. When navigating to the district's site, the appropriate "electronic folder" can be opened by the audit supervisor. The supervisor can now review the application and proceed with the assignment. The assignment is made by simply editing the folder and removing the supervisor's email address and entering the auditor's email address. The audit supervisor can indicate the appropriate follow-up date or deadline for the processing of this application. The "electronic folder" also allows for any additional comments or special instructions to be made for the processing of this application. After completion of the assignment, the audit supervisor and the auditor will now receive an email alert in Outlook indicating the assignment has been made.

The results in the above changes will drastically reduce process time. It is now *possible* for the auditor to begin processing the application within a day received in the mail room. In reality, the application process time may be reduced by at least 8-10 days at the point the ST-10 application is received and reached the auditor's desk for contact. This process reduction time includes the removal of the internal document (I-286) and the processing of the memorandum to the audit supervisor. Elimination of these steps along with the reduction of the mail processing time from the Columbia mail room to the district offices will allow a more prompt response to the taxpayers.

The following screen shot indicates the activity taken on this application. The task folder will track dates the audit supervisor assigns the task to an auditor and it will also track when the ST-10R has been attached by the auditor. The attachment section indicates the scanned ST-10 application and the completed ST-10R. Note the due date field is available and can be utilized by the supervisor as part of the assignment process.

Tasks - ST-10 #78 - Windows Internet Explorer provided by SC Department of Revenue

http://dor.sctax.org/divisions/field_operations/audcol/charleston/Lists/Tasks/DispForm.aspx?ID=4&Source=http%3A%2F%

File Edit View Favorites Tools Help

Tasks - ST-10 #78

SC Dept. of Revenue > Divisions > Field Operations > Audit and Collections > Sites > Charleston District

Tasks: ST-10 #78

The content of this item will be sent as an e-mail message to the person or group assigned to the item.

Close

New Item Edit Item Delete Item Workflows Alert Me Version History

Title	ST-10 #78
Priority	(1) High
Status	Completed
Assigned To	Cindy Chitty
Body	<p>Jay Guerry (7/28/2008 9:55 AM): ST-10R attached</p> <p>Jay Guerry (7/28/2008 9:52 AM): ST-10R attached</p> <p>Jay Guerry (7/28/2008 9:48 AM): ST-10R attached</p> <p>Cindy Chitty (7/14/2008 2:19 PM): [REDACTED]</p> <p>Cindy Chitty (7/14/2008 11:22 AM): [REDACTED]</p>
Start Date	7/14/2008
Due Date	8/8/2008
Target Audiences	No targeting
Attachments	scan0003.jpg ST10R.RTF

Version: 5.0
Created at 7/14/2008 11:22 AM by Cindy Chitty
Last modified at 7/28/2008 9:55 AM by Jay Guerry

Close

start Final Proje... New Proce... Tasks - ST... 9:15 AM

C. Field Auditor Contact and Procedures

The auditor will continue the current process of checking for existing registrations and

delinquencies in our system. The auditor will make contact with the taxpayer and set an appointment for a visual inspection of the site when necessary. The auditor will make the decision to issue or deny the application request. At this time, the auditor will complete the ST-10R Application Report in *Taxmaster (Appendix II)* and attach it to the existing “electronic folder” in Sharepointe. The auditor is then able to return the ST-10R to his/her audit supervisor through Sharepointe. The same return procedures can include any comments such as “the auditor recommends issuance of exemptions number 7, 11, 12, and 17 for this business per my inspection.” By submitting the “electronic folder” the file will be reassigned to the audit supervisor and an email alert will be sent to the auditor and the audit supervisor indicating the file has been reassigned.

D. Audit Supervisor Duties

The audit supervisor now has the completed ST-10R application report in his folder. The audit supervisor will accept or deny the auditor’s recommendation. If the audit supervisor accepts the recommendation of the auditor, the audit supervisor will approve the application and send the “electronic folder” to the office audit supervisor for final approval. The office audit supervisor is the central employee who is assigned the task of ensuring consistency within the agency with issuance of the exemption certificates. Comments or specific recommendations for this individual can be made as well. Upon submission, the audit supervisor and office audit supervisor will both receive an email alert that the file has been reassigned.

If the office audit supervisor is in agreement of the issuance of the exemption certificate and approves the ST-10R Application Report, he can then send the “electronic folder” to the License and Registration Section for issuance. He can also make any comments he feels is necessary on the shared spreadsheet in Sharepointe.

E. License and Registration's Final Steps

The examiners in License and Registration will receive the completed ST-10R reports which will allow them to issue the exemption certificates that are appropriate for this taxpayer. The examiner will issue the exemption certificate and update the shared spreadsheet to indicate the application process has been completed.

VI. Summary and Recommendation

The goal of my Certified Public Manager Project is to reduce the processing time of issuing the exemption certificates to the taxpayers of South Carolina. Currently, employees in License and Registration request a forty-five day response period. Taxpayers currently have a processing time which ranges from 30 to 60 days. This is extremely unacceptable with today's technology. With the Sharepoint website, this 30 to 60 day processing time can be reduced to a two to three week issue date. This streamlined approach is available in a system which has already been adopted for use by the SC Department of Revenue, therefore, alleviating the cost of extensive equipment purchases during these harsh budgetary times while improving service to the citizens of South Carolina.

Minimal training is required for the implementation of this process since it utilizes an email-based system. However, some managerial decisions will need to be made. When scanning ST-10 Applications, the question has arisen as to how the system will provide applications with a file number. Currently, the applicant may or may not have an existing file number. If the taxpayer has an existing file number, this file number is sufficient to begin the process. However, if the taxpayer does not have a current registration number with our agency, a

determination will need to be made as to whether a “dummy” number can be assigned to this application. The applications which do not have a registration number include taxpayers such as wholesalers. Again, this is an administrative decision which will need to be resolved prior to the implementation of this process.

Auditor’s scheduling of site inspections will also be an issue of concern. With the new process, auditors will receive the ST-10 Application for Certificate in an email alert and will immediately be aware the taxpayer is awaiting a response. Upon the completion of the ST-10R Report, the audit supervisor will have the capability of reviewing the electronic report and clicking a button to move it to the next step. Several days of processing and hold times can be eliminated in this process. While testing in the Charleston District Office, auditors were immediately alerted to an assignment and were able to contact the taxpayer as soon as possible.

Sharepointe or any electronic system that is available to the agency is an asset to consider in reducing the process time of these applications. Overall, six to eight hundred applications are received by our agency within a year and the number of these applications will continue to rise. With the utilization of an electronic system, we can reduce copying costs to the Department of Revenue. Currently, multiple copies are maintained for a single taxpayer. Also, multiple spreadsheets are prepared at each level. The adoption of the new ST-10 process will streamline the variances between the audit supervisors. Management expectations will dictate the response time at each level. The ease of the process will reduce the delay time since notification is made to each individual along the process. Audit supervisors will need to stipulate the appropriate deadline to his field auditor. This streamlined process will reduce handling time of the applications and reports by the supervisors and allow them to focus on more important issues in the agency.

The taxpayers of South Carolina have high expectations for our agency. We have always been a leader in state government. We want to continue to provide courteous, professional and timely services to the taxpayers. With the benefit of existing technology in our agency, we can continue to meet or exceed expectations in an efficient way. The taxpayers in this group deserve the same rapid response from the Department of Revenue in the same manner we mandate for other processes in our agency.

APPENDIX 1

SCHEDULE OF EXEMPTION UNDER SECTION 12-36-2120 OF ARTICLE 21

(7) Coal, or coke or other fuel sold to manufacturers, electric power companies, and transportation companies for:

(a) Use or consumption in the production of by-products;

(b) The generation of heat or power used in manufacturing tangible personal property for sale. For purposes of this

item, 'manufacturer' or 'manufacturing' includes the activities of a processor;

(c) The generation of electric power or energy for use in manufacturing tangible personal property for sale; or

(d) The generation of motive power for transportation. For purposes of this item, 'manufacturers' and 'manufacturing' includes the activities of mining and quarrying.

(9) Supplies and machinery used by laundries, cleaning, dyeing, pressing or garment or other textile rental establishments in the direct performance of their primary function, but not sales of supplies and machinery used by coin-operated laundromats;

(11) Wrapping paper, wrapping twine, paper bags and containers, used incident to the sale and delivery of tangible personal property;

(12) Electricity used by cotton gins, manufacturers, miners, or quarriers to manufacture, mine or quarry tangible personal property for sale. For purposes of this item, 'manufacturer' or 'manufacture' includes the activities of processors.

(13) Machines used in manufacturing, processing, recycling, compounding, mining, or quarrying tangible personal property for sale. 'Machines' include the parts of machines, attachments, and replacements used, or manufactured for use, on or in the operation of the machines and which

(a) are necessary to the operation of the machines and are customarily so used, or (b) are necessary to comply with the order of an agency of

the United States or this State for the prevention or abatement of pollution of air, water, or noise that is caused or threatened by any machine

used as provided in this section. This exemption does not include automobiles or trucks. As used in this item 'recycling' means any process by

which materials that otherwise would become solid waste are collected, separated, or processed and reused, or returned to use in the form of

raw materials or products, including composting, for sale. In applying this exemption to machines used in recycling, the following percentage of

the gross proceeds of sale, or sales price of, machines used in recycling are exempt from the taxes imposed by this chapter: Fiscal Year of Sale

Percentage, Fiscal year 1997-98 fifty percent; after June 30, 1998, one hundred percent.

(26) All supplies, technical equipment, machinery, and electricity sold to radio and television stations, and cable television systems, for use in producing, broadcasting, or distribution of programs;

(43) All supplies, technical equipment, machinery, and electricity sold to motion picture companies for use in filming or producing motion pictures.

For the purposes of this item, 'motion picture' means any audiovisual work with a series of related images either on film, tape, or other

embodiment, where the images shown in succession impart an impression of motion together with accompanying sound, if any, which is

produced, adapted, or altered for exploitation as entertainment, advertising, promotional, industrial, or educational media; and a 'motion picture company' means a company generally engaged in the business of filming or producing motion pictures;

(56) "Machines used in research and development. 'Machines' includes machines and parts of machines, attachments, and replacements which are used or manufactured for use on or in the operation of the machines, which are necessary to the operation of the machines, and which are customarily used in that way. 'Machines used in research and development' means machines used directly and primarily in research and development, in the experimental or laboratory sense, of new products, new uses for existing products, or improvement of existing products."

Effective for tax years beginning after June 30, 2001.

(71) Any device, equipment or machinery used to generate, produce or distribute hydrogen and designated specifically for hydrogen applications or for fuel cell applications, and any device, equipment or machinery used predominantly for the manufacturing of, or research and development involving hydrogen or fuel cell technologies.

(72) Any building materials used to construct a new or renovated building or any machinery or equipment located in a research district.

However, the amount of the sales tax that would be assessed without the exemption provided by this section must be invested by the taxpayer in hydrogen or fuel cell machinery or equipment located in the same research district within twenty-four months of the purchase of an exempt item.

EXCLUSIONS UNDER SECTION 12-36-120 of Article 1

(17) Tangible personal property to a manufacturer or compounder as an ingredient or component part of the tangible personal property or products manufactured or compounded for sale;

(18) Tangible personal property to licensed retail merchants, jobbers, dealers or wholesalers for resale, and do not include sales to users or consumers;

DIRECT PAY PERMIT UNDER SECTION 12-36-2510 of Article 25

(19) Notwithstanding other provisions of this chapter, when, in the opinion of the Department of Revenue, the nature of a taxpayer's business renders it impracticable for the taxpayer to account for the sales or use taxes, as imposed by this chapter, at the time of purchase, the

Department of Revenue may issue its certificate to the taxpayer authorizing the purchase at wholesale and the taxpayer is liable for the taxes imposed by this chapter with respect to the gross proceeds of sale, or sales price, of the property withdrawn, used or consumed by the taxpayer within this State.

CERTIFICATE UNDER SECTION 58-25-80

(50) Transit authorities are exempt from any state or local ad valorem, income, sales, fuel, excise, or other use taxes or other taxes from which municipalities and counties are exempt.

CERTIFICATE UNDER SECTION 44—96-160 (V) (I)

(96) A motor carrier, which purchases lubricating oils not for resale used in its fleet, is exempt from the solid waste fee. The motor carrier must:

(a) have maintenance facility to service its own fleet and properly store waste oil for recycling collections;

- (b) have on file with the Environmental Protection Agency the existence of storage tanks for waste oil storage;
- (c) maintain records of the dispensing and servicing of lubrication oil in the fleet vehicles; and
- (d) have a written contractual agreement with an approved waste oil hauler.

APPENDIX II GLOSSARY OF TERMS

Sharepointe-An internal website used by the Department of Revenue. This website serves as a centralized location for sharing of information within the Department. Information stored at this site includes updated internal policies, Agency Determinations, staffing updates, etc. Differing levels of access can be granted on an employees' need. Spreadsheets can be attached, checked out and updated, and returned to the master site. The system allows a work flow process as described in this project.

Taxmaster-Specially designed audit template package for use by Department of Revenue field auditors. This package allows all audit documents to be maintained in one file to include audit schedules, correspondence, billing sheets and the ST-10R as it relates to a specific taxpayer.

State of South Carolina
Department of Revenue
301 Gervais Street, P.O. Box 125, Columbia, South Carolina 29214

10/27/2008

MEMORANDUM

TO: [REDACTED] Audit Manager
Charleston Taxpayer Service Center
Field Services Division

FROM: [REDACTED]
Department of Revenue
Registration, Licensing and Local Government Services
Registration/Database Maintenance

SUBJECT: [REDACTED]

FILE: [REDACTED]

FU: 11/27/08

Please assign the enclosed application for a certificate of exemption (Form ST-10) for field investigation to determine if a certificate should be issued and if the taxpayer has sufficient books and records to account for sales and/or use tax.

Please furnish a detail report (Form ST-10R) concerning this taxpayer's business activity attached to this correspondence.

Your attention to this matter will be appreciated.

Additional Information:

Enclosure



STATE OF SOUTH CAROLINA
DEPARTMENT OF REVENUE
P.C. WORK ORDER

I-286
(Rev. 3/14/00)
3253

Section _____ Requested By [REDACTED] Date Needed 10-23-08
Letter of Document Requested EXCERPT FRM [REDACTED] WP

Number of Originals _____ Number of Copies _____

Date to appear on Letter _____

Name _____

Address _____

Indicate in space next to the Blank Number the information to be typed into the corresponding blank in the letter. If the data is to be obtained from another document, circle the data and place the proper Blank Number (in red) next to it.

BLANK #

1. [REDACTED] Audit Supervisor
2. Charleston District
3. [REDACTED] Sent by
4. [REDACTED] Taxpayer Name
5. [REDACTED] File #
6. 45 days Response time
7. _____
8. _____
9. _____
10. _____
11. _____
12. _____
13. _____
14. _____
15. _____

TOTAL # OF DOCUMENTS FOR THIS WORK ORDER: _____

Digitized by South Carolina State Library

CPM SURVEY RESULTS FOR AUGUST 08

1 Tracking System	Yes	No
Excel Spreadsheet	4	0
Tickler file	1	0
2 How many per year?	Total Average	
80-100	108.4	
150		
77		
150		
50-100		
3 Walk-ins received?	Yes	No
	4	1
4 How often do you assign?		
Upon Receipt	4	
Once a Week	1	
Once every Two Weeks	0	
Once a Month	0	
5 Requested Completion Date		
Less than five days		
Five to seven days	1	
Seven to ten days		
Ten to fourteen days	1	
Other:		
As time permits by auditor's schedule.	1	
Thirty day follow-up used	1	
Two or more weeks	1	
6 Do you return to Gary Heuer?	Yes	No
	4	1

Improvement for ST-10 Processing
CPM Project for Cindy L. Chitty
August 2008

The Certified Public Management Program requires individuals to focus on a particular process improvement which involves feedback from a large group of users. To begin my project, I would like to begin gathering some preliminary information from you, the Audit Supervisors. The goal of my project is to reduce process time for individuals to receive their Exemption Certificate through the utilization of current electronic means available to all DOR employees. If you would please complete the short questionnaire, it would greatly be appreciated. I will contact you later for more information as I begin gathering data to determine potential delays in the current system. Please call if you have any questions. My number is (843) 852-3600 Ext. 145. Thank you in advance for your assistance.

1. Do you maintain a tracking system for ST-10's received from Columbia? Yes ☒ No ☐
If yes, what type of tracking system do you use? Please explain.
Sickler file @ T/P, auditor date assigned, FU date and Registration contact
2. Approximately, how many ST-10's are assigned to your District per year? 50 - 100
3. Does your District receive walk-in applications as well? Yes ☒ No ☐
4. How often do you assign ST-10's to your auditors?
A. Upon receipt ☒
B. Once a week ☐
C. Once every two weeks ☐
D. Once a month ☐
5. What standards have you set for a completion date for the ST-10R from your auditors?
A. Less than five days ☐
B. Five to seven days ☒ (TO CONTACT TAXPAYER)
C. Seven to ten days ☐
D. Ten to fourteen days ☐
E. Other ☐ Please specify: Completion time depends on Taxpayer.
6. Do you return all of your ST-10R reports to Gary Heuer in Sales Tax? Yes ☐ No ☒
If no, please state who you mail completed reports to: Some to Gary - some to Registration -

THANK YOU!

Name: _____ District Office: _____
Phone Number: (_____) _____

pt -
- issue in field -

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1. Do you maintain a tracking system for ST-10's received from Columbia? Yes ☒ No ☐
If yes, what type of tracking system do you use? Please explain. When an ST-10 is received I log it into an ~~Excel~~ worksheet listing the Company or TP name, the auditor it is assigned to, the date received, and the follow up date. When the auditor completes it - I then record the date it was sent to Columbia.
2. Approximately, how many ST-10's are assigned to your District per year? 80 to 100
3. Does your District receive walk-in applications as well? Yes ☒ No ☐
4. How often do you assign ST-10's to your auditors?
 - A. Upon receipt ☒
 - B. Once a week ☐
 - C. Once every two weeks ☐
 - D. Once a month ☐
5. What standards have you set for a completion date for the ST-10R from your auditors?
 - A. Less than five days ☐
 - B. Five to seven days ☐
 - C. Seven to ten days ☐
 - D. Ten to fourteen days ☐
 - E. Other ☒ Please specify: I use the follow up date on the ST-10 assigned from Columbia. Per walk ins, faxes from the TP etc. I usually give them two or more weeks to complete them.
6. Do you return all of your ST-10R reports to Gary Heuer in Sales Tax? Yes ☒ No ☐
If no, please state who you mail completed reports to: _____

THANK YOU!

Name: Mike Lollis

District Office: Greenville

Phone Number: (864) 241-1200

c
[REDACTED]

**Improvement for ST-10 Processing
CPM Project for Cindy L. Chitty
August 2008**

The Certified Public Management Program requires individuals to focus on a particular process improvement which involves feedback from a large group of users. To begin my project, I would like to begin gathering some preliminary information from you, the Audit Supervisors. The goal of my project is to reduce process time for individuals to receive their Exemption Certificate through the utilization of current electronic means available to all DOR employees. If you would please complete the short questionnaire, it would greatly be appreciated. I will contact you later for more information as I begin gathering data to determine potential delays in the current system. Please call if you have any questions. My number is (843) 852-3600 Ext. 145. Thank you in advance for your assistance.

1. Do you maintain a tracking system for ST-10's received from Columbia? Yes X No _____
If yes, what type of tracking system do you use? Please explain.

I have an ~~Excel spreadsheet~~ into which I enter each application. I use taxpayer name, date Received, follow up date, auditor assigned and notes as to whether or not the exemption Was recommended or denied. I highlight the completed certificates in the file. I also Maintain a paper copy of the application and ST-10R in another file.

2. Approximately, how many ST-10's are assigned to your District per year? 150
3. Does your District receive walk-in applications as well? Yes _____ No X
4. How often do you assign ST-10's to your auditors?
A. Upon receipt _____
B. Once a week X
C. Once every two weeks _____
D. Once a month _____
5. What standards have you set for a completion date for the ST-10R from your auditors?
A. Less than five days _____
B. Five to seven days _____
C. Seven to ten days _____
D. Ten to fourteen days _____
E. Other X Please specify: They complete them as time permits within
The follow up date
6. Do you return all of your ST-10R reports to Gary Heuer in Sales Tax? Yes X No _____
If no, please state who you mail completed reports to: _____

THANK YOU!

**Improvement for ST-10 Processing
CPM Project for [REDACTED]
August 2008**

The Certified Public Management Program requires individuals to focus on a particular process improvement which involves feedback from a large group of users. To begin my project, I would like to begin gathering some preliminary information from you, the Audit Supervisors. The goal of my project is to reduce process time for individuals to receive their Exemption Certificate through the utilization of current electronic means available to all DOR employees. If you would please complete the short questionnaire, it would greatly be appreciated. I will contact you later for more information as I begin gathering data to determine potential delays in the current system. Please call if you have any questions. My number is (843) 852-3600 Ext. 145. Thank you in advance for your assistance.

1. Do you maintain a tracking system for ST-10's received from Columbia? Yes ☒ No ☐
If yes, what type of tracking system do you use? Please explain.

[REDACTED]

2. Approximately, how many ST-10's are assigned to your District per year? [REDACTED]
[REDACTED]

[REDACTED] No

4. How often do you assign ST-10's to your auditors?

A. Upon receipt ☒
B. Once a week _____
C. Once every two weeks _____
D. Once a month _____

5. What standards have you set for a completion date for the ST-10R from your auditors?

A. Less than five days _____
B. Five to seven days _____
C. Seven to ten days _____
D. Ten to fourteen days _____
E. Other ☒

Please specify: [REDACTED]

6. Do you return all of your ST-10R reports to Gary Heuer in Sales Tax? Yes ☒ No ☐
If no, please state who you mail completed reports to: _____

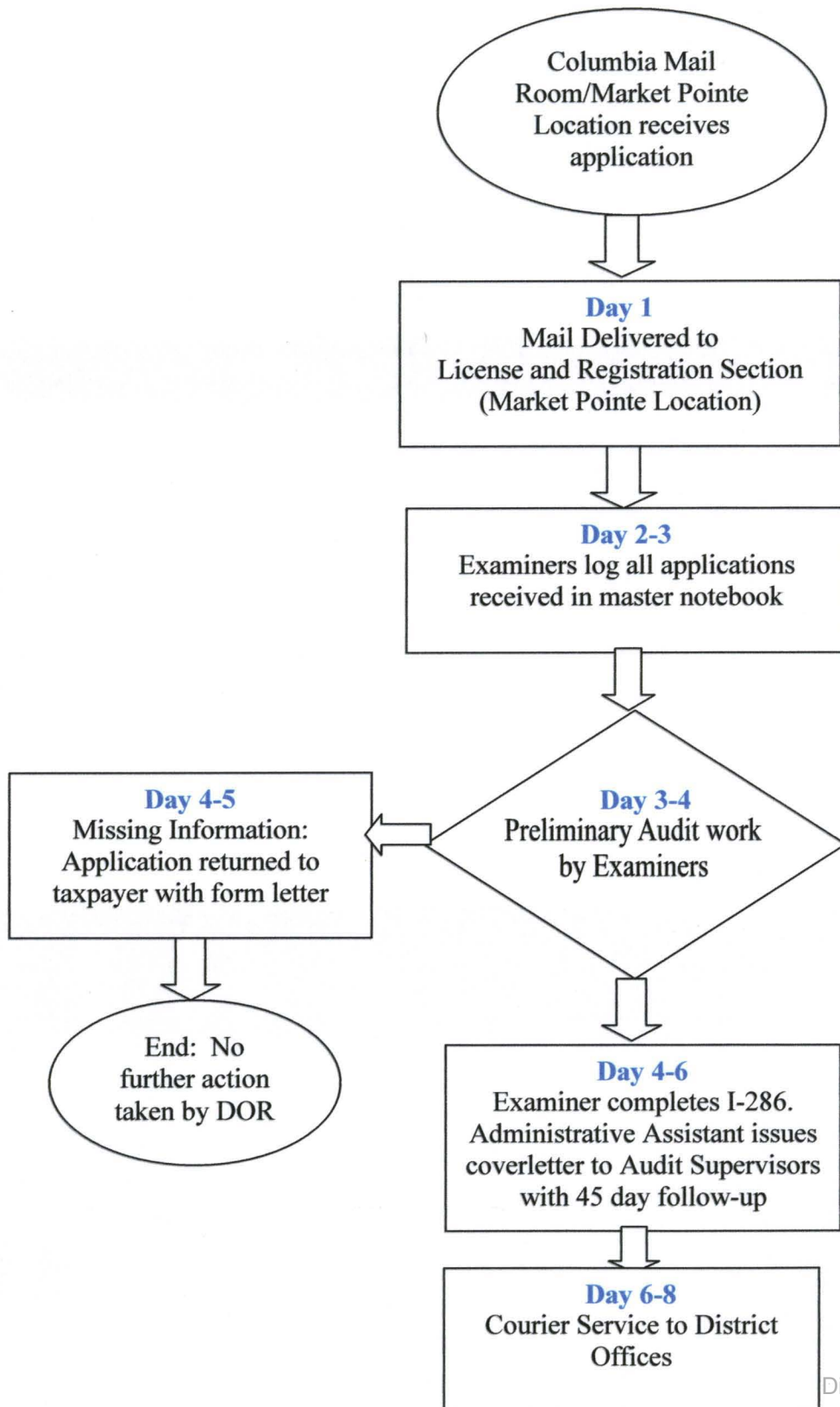
THANK YOU!

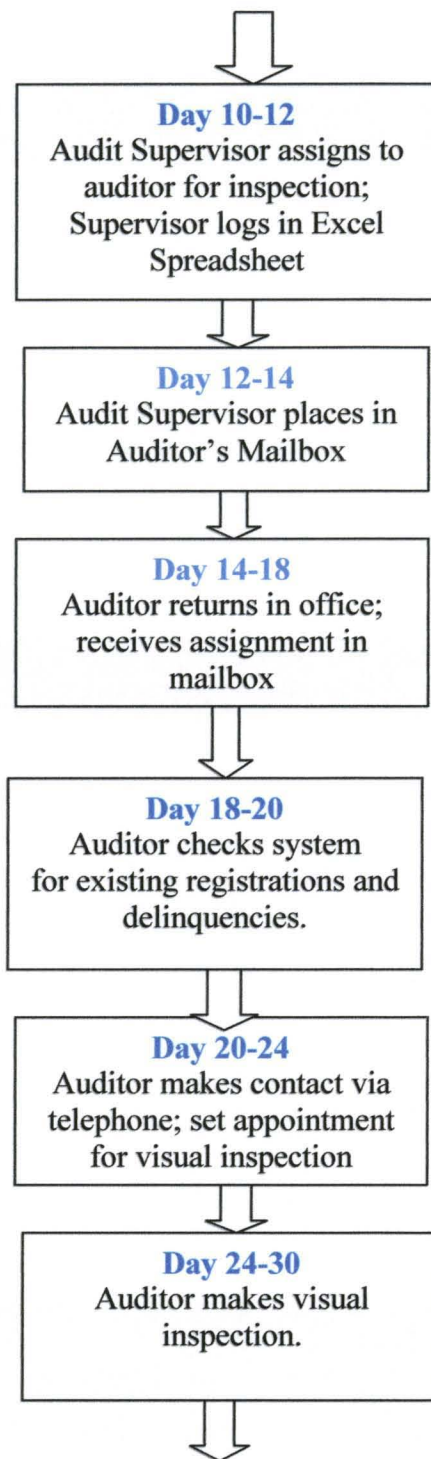
Name: [REDACTED] District Office: [REDACTED]
Phone Number: [REDACTED]

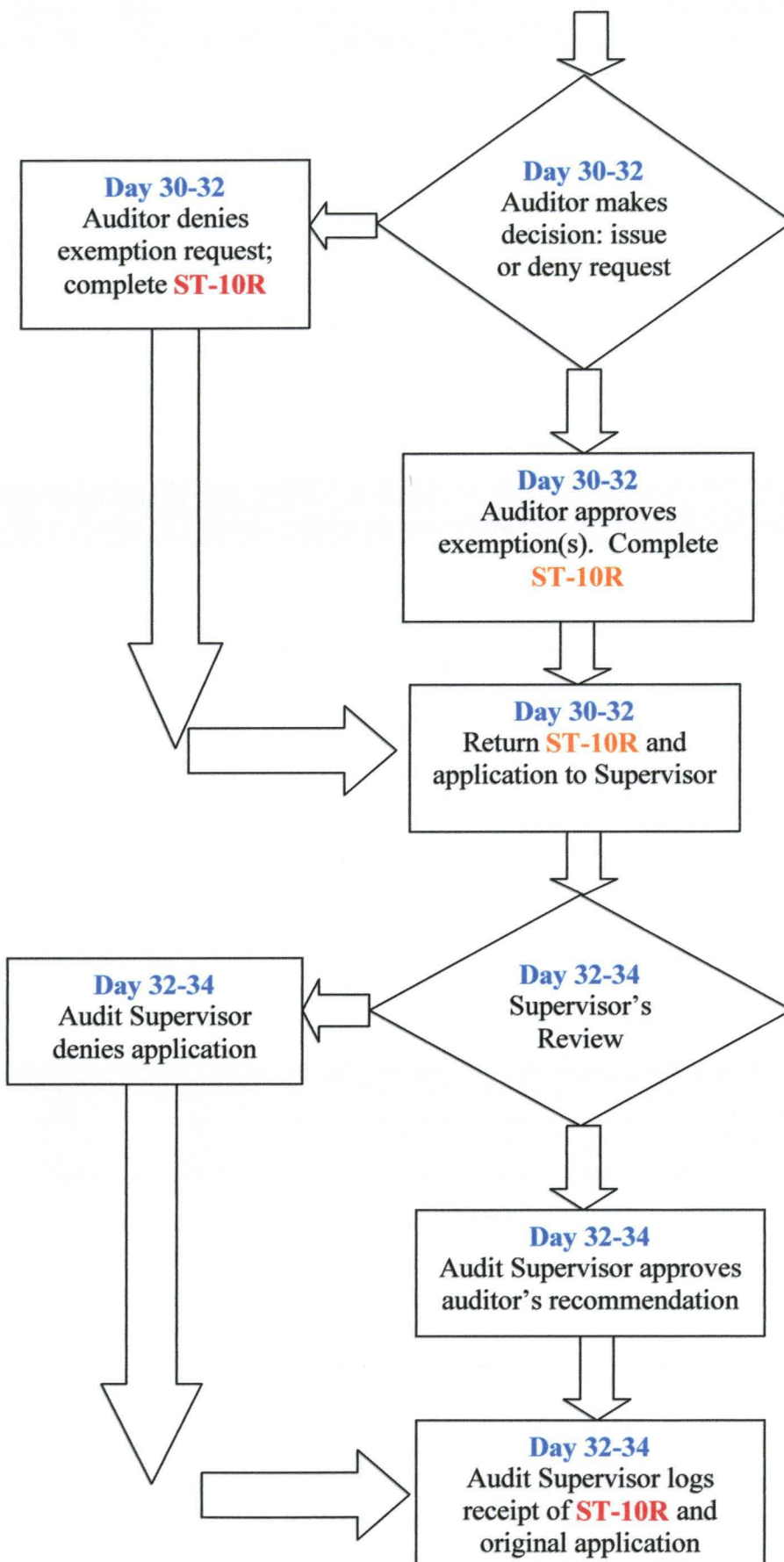
Exemption Certificate Applications

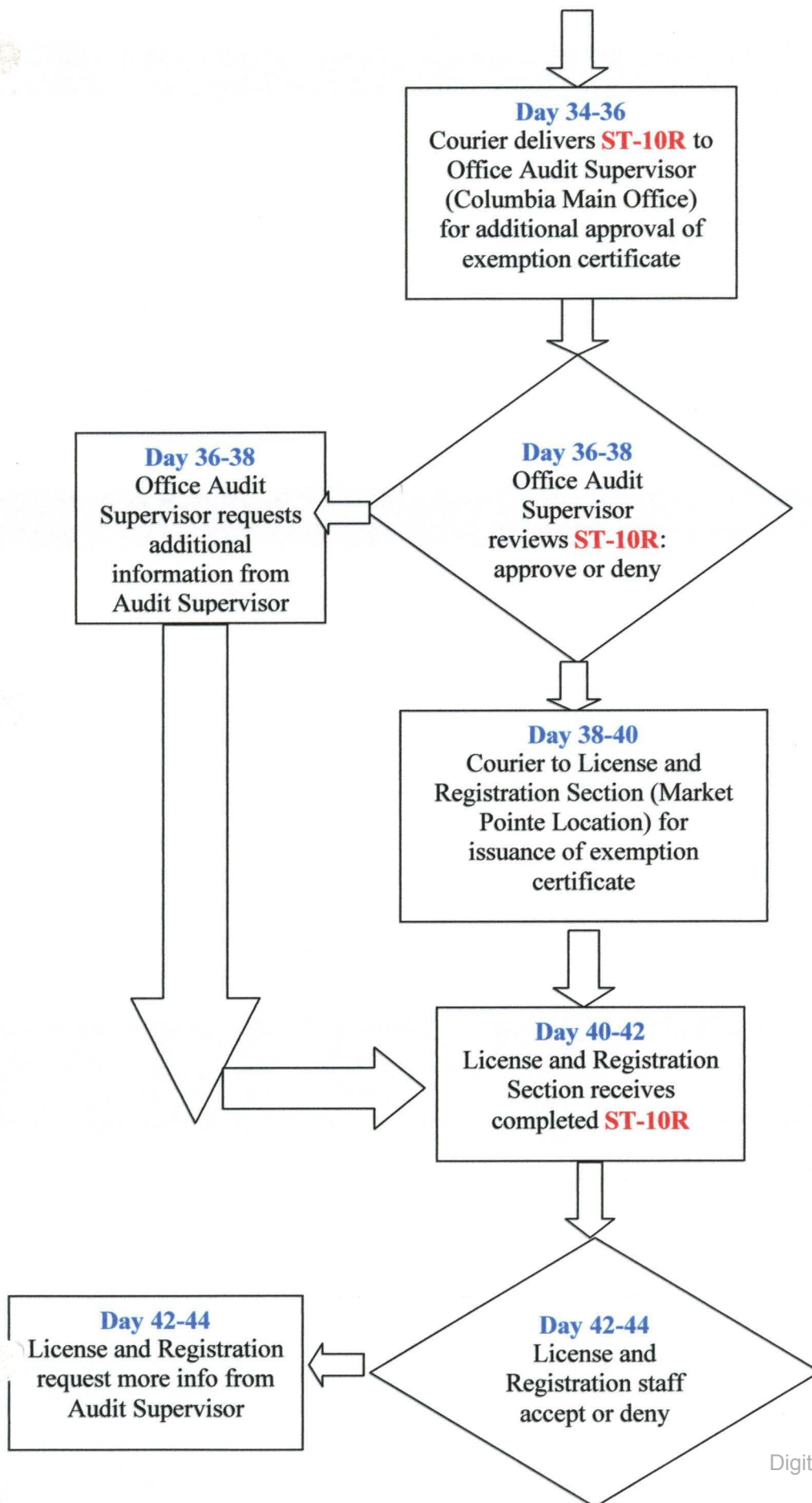
Current Process

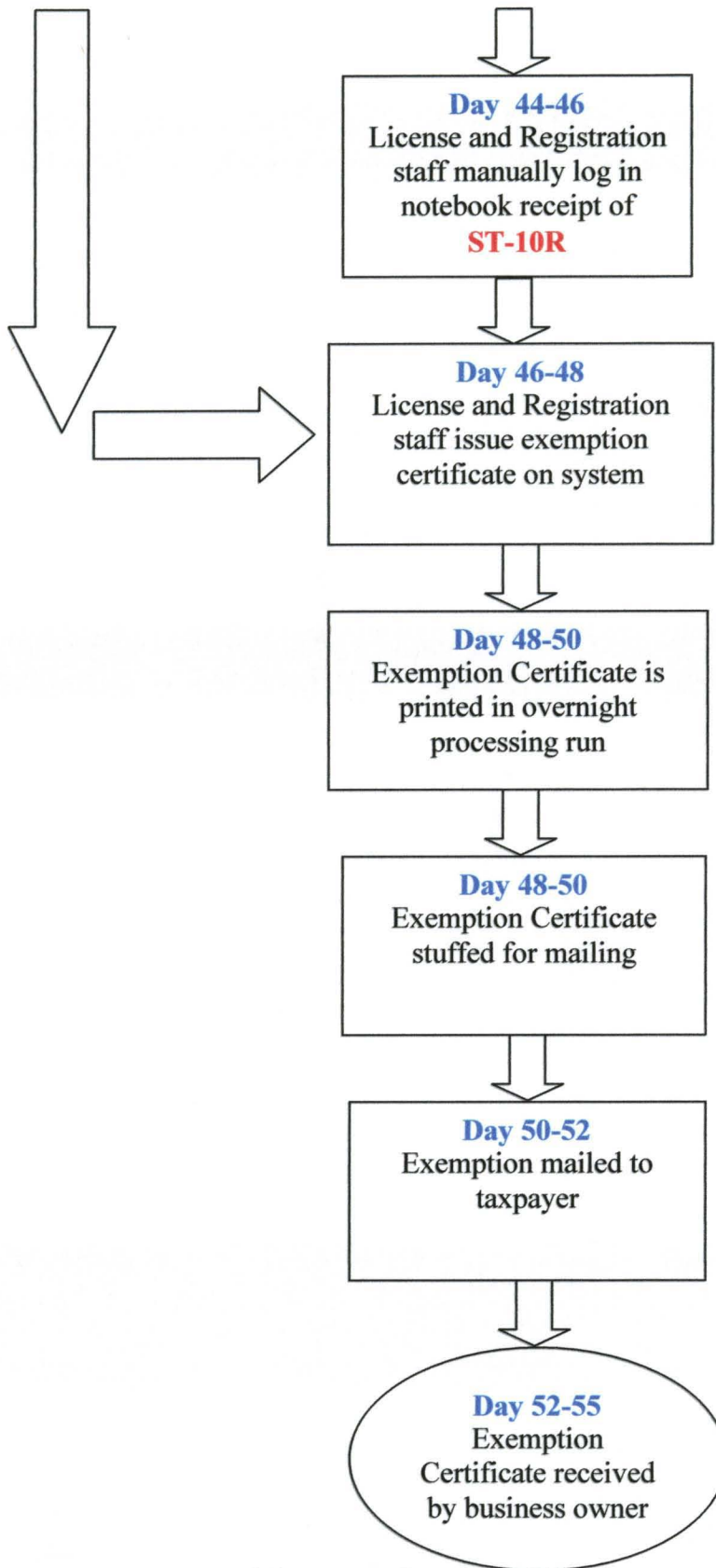
(ST-10 Application)



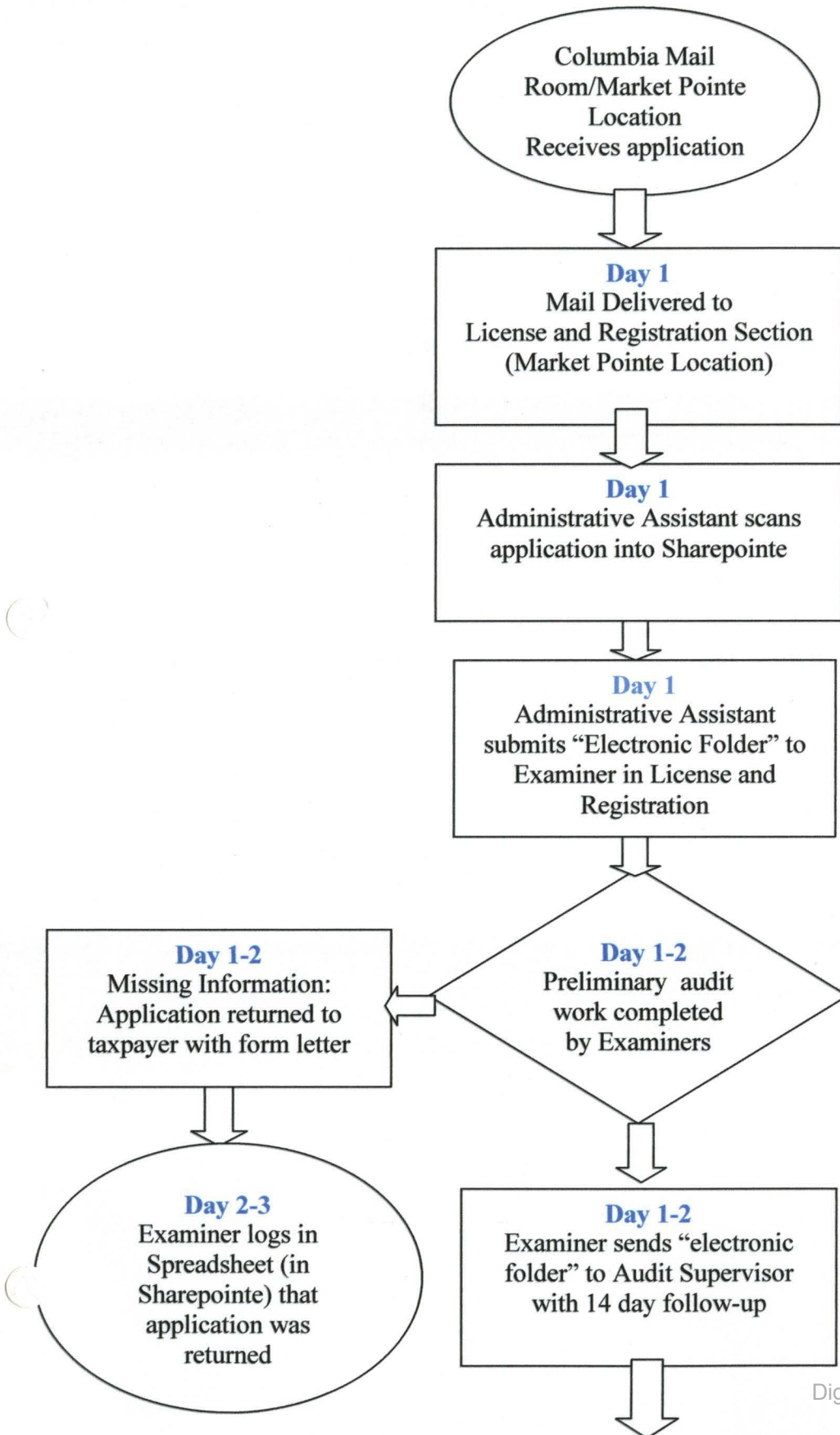


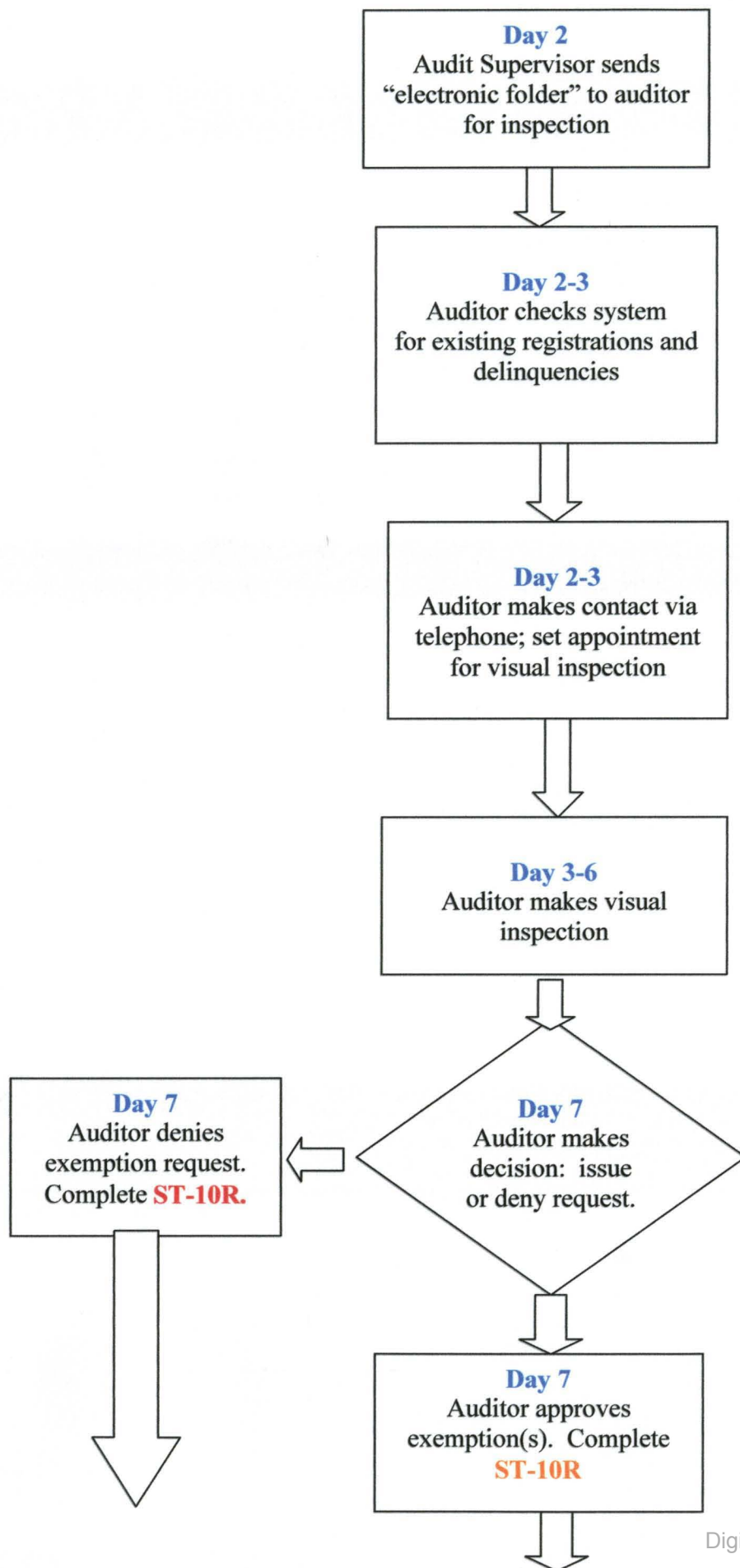


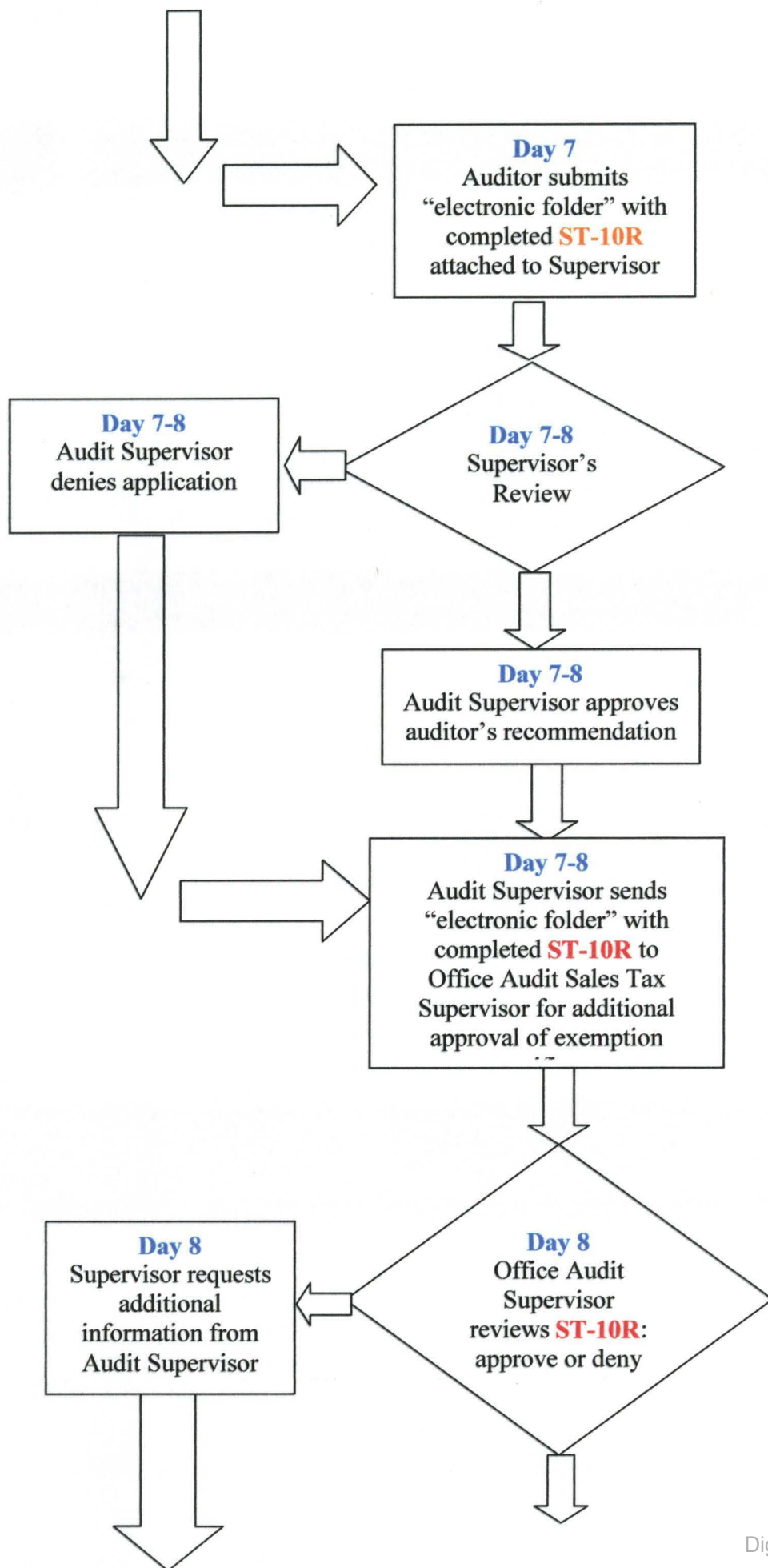


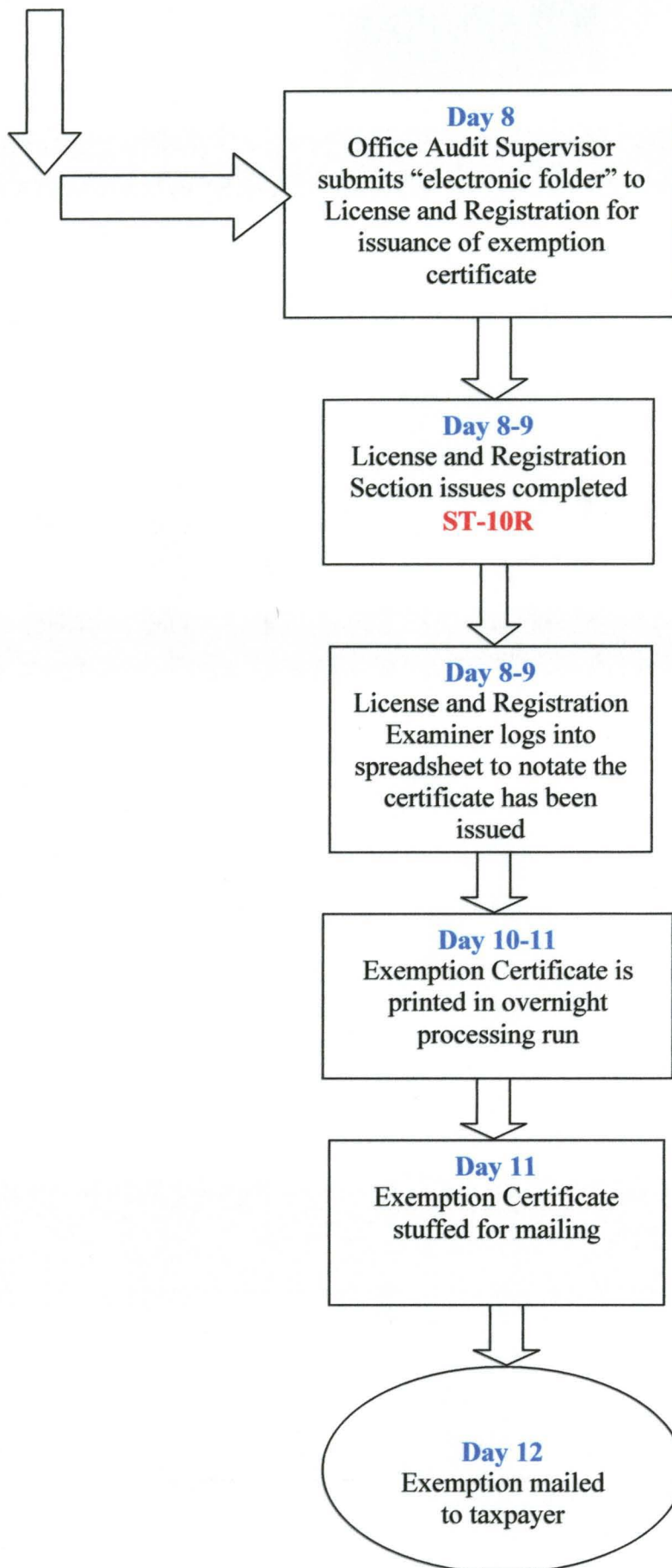


Proposed New Process (ST-10 Application)









Note: This flowchart shows what time frame is possible with this new process. It is possible for this process to be accomplished at even a faster pace. The Charleston District office has tested the procedures and note the ease of the new process.