



Iowa Finance Authority:
Title Guaranty/Single Family/Centralized Services

Cash Receipt Kaizen Event
Report Out

“#ApplyItRight”

December 16 - 20, 2013

The Opportunity

Gerri Huser, Director, Title Guaranty
Steve Harvey, Chief Operating Officer, IFA
Cindy Harris, Chief Financial Officer, IFA



The “#ApplyItRight” Team

Denise



Judy Peterson - IFA, Amanda Jenkins - IFA, Denise Ashley - IFA, Penne Beauchamp – IFA, Christine Wetzler – IFA, Carla Pope – IFA, Michelle Thomas – IFA, Sheri Krohn – IFA, Lynn Michl – McGladery, Marcia Tope – IDOM, Sara Throener – DIA, Shan Sasser – IDA, Erin Bothwell - ABD



Scope

Christine

This event will address the cash receipt process from when a payment is received at IFA to when the transaction invoice(s) and cash receipt(s) are correctly allocated and fully balanced. This process includes Single Family and Title Guaranty divisions.



Goals

Sheri

1. Decrease the number of hand-offs by 25%.
2. Reduce the number of unresolved open items to zero.

Objectives

Amanda

1. Documented and implemented standard operating procedure for cash application process (matching invoices to cash receipts).
2. A streamlined and efficient process
3. Develop adequate internal controls



Objectives

Amanda

4. Identify where technology can be utilized in the process for future programming.
5. Develop standard definitions for commonly used terms within the cash receipt process.
6. Identify and address causes for problem open invoices and open cash receipts.



Kaizen Methodology

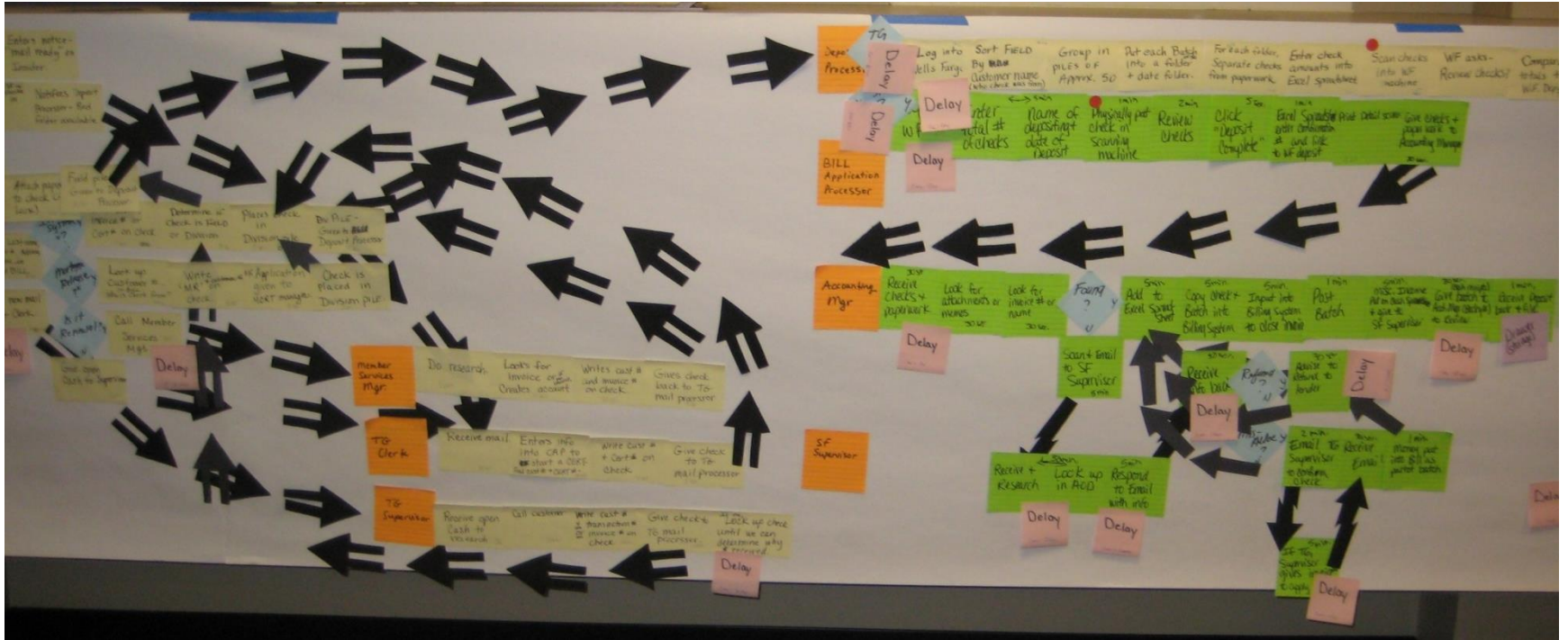
Lynn

- Clear objectives
- Team process
- Tight focus on time
- Quick & simple
- Necessary resources immediately available
- Immediate results (new process designed by end of week)
- 5S “mindset”--use the steps to support the event activities
 - Sort, Set in order, Shine, Standardize, Sustain



Current Process

Judy



Brainstorming

Michelle

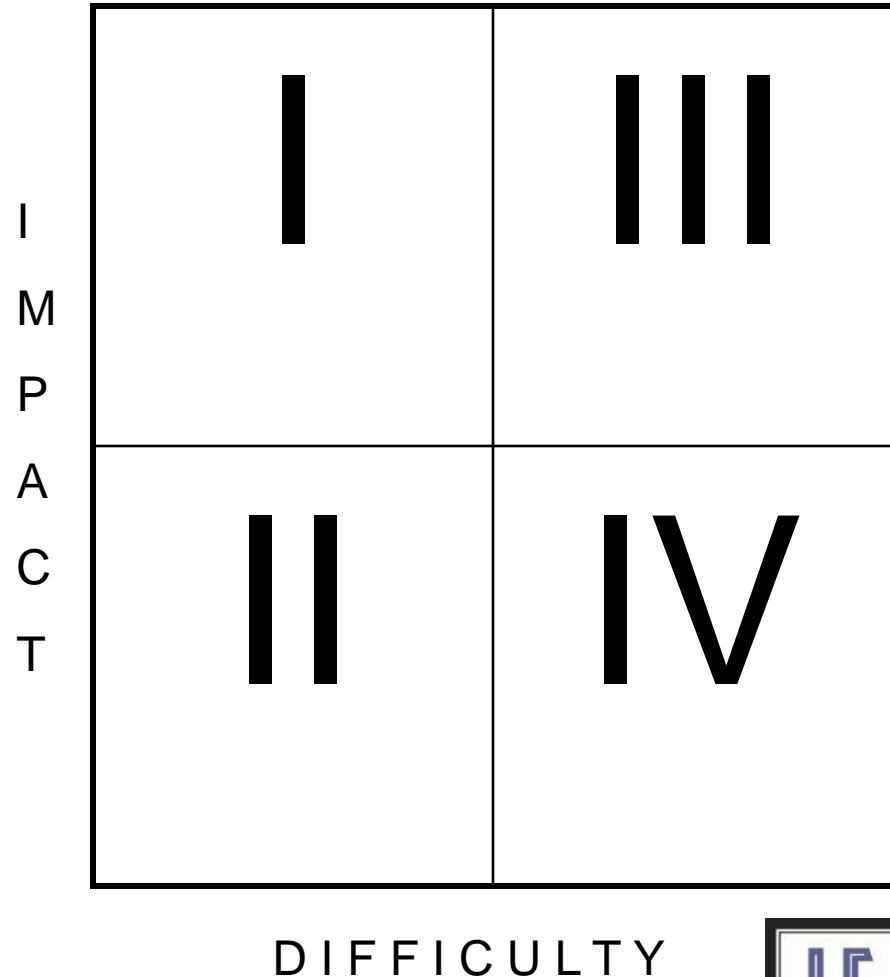
- Itemized invoices
- Bar codes on invoices
- Research done first before the deposit
- Standard Operating Procedure manual for all functions
- Cross training for research/clean up team
- Open communication – internally
- Use Wasker spreadsheet as model



De-selection Process

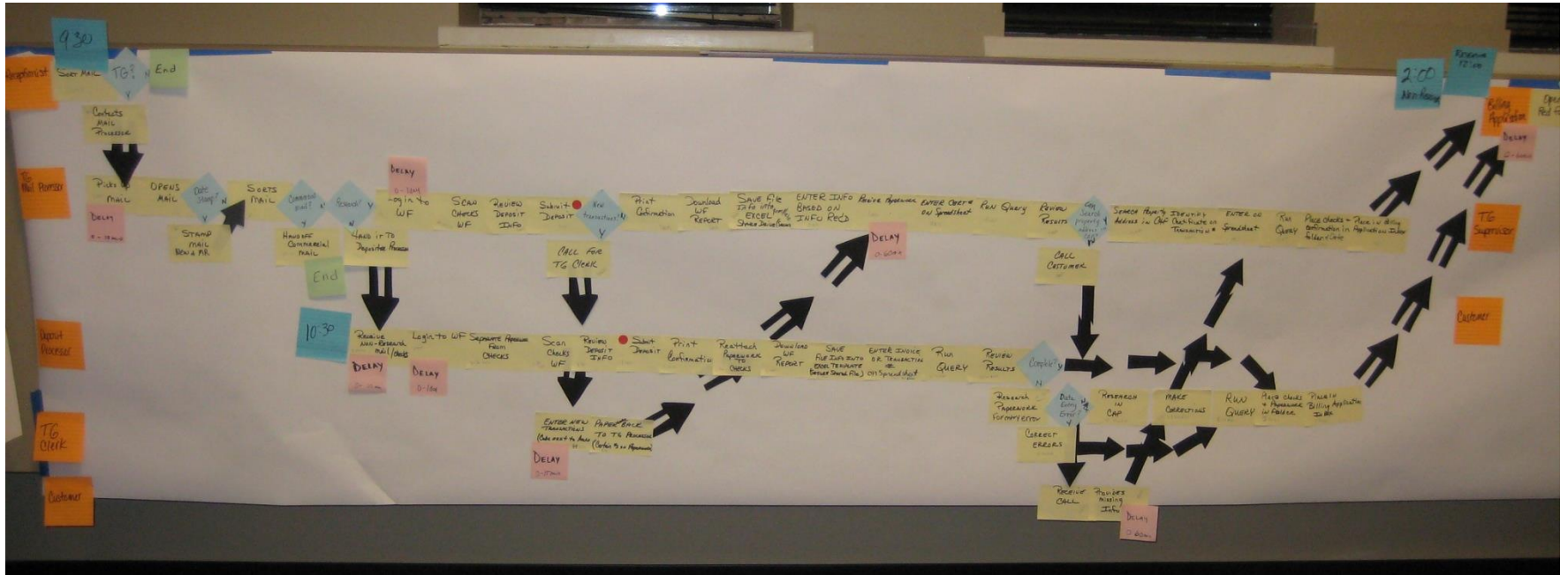
Judy

- Identifies
 - Impact to customer
 - Difficulty implementing
- Helps to rate/rank solutions to resolve issues while identifying ease of implementation



New Process

Carla



Results

Lynn

	Current	New	% Change
Total Steps	154	73	-53%
Total Delays	22	10	-55%
Average Delay Time - Hours	42	0	100%
Value Added Steps	3	3	0
Decisions	26	11	-58%
Loop Backs	6	0	100%
Total Handoffs	18	6	-67%
Lead Time - Hours	77	16	-79%



Homework

Judy

Implementation/Communication Plan	Person Responsible	Due Date
A2 - Require Division Issue (applicants & attorneys) lenders to complete an online application & require electronic - nothing comes in except check & invoice	Carla	6/24/2014
A3 - Allow a check to be pre-allocated to multiple transactions (cert # or comm #)	Carla	3/24/2014
A9 - renewals & new Apps need automated	Carla	3/24/2014
A9 - MORT apps need automated	Carla	6/24/2014
B2 - Electronic payments are tied directly to an invoice; A. No payment w/o identified invoice; B. Interface btw payment system & CAP/BILL to show invoice has been paid	Judy	6/24/2014
B8 - Invoices should be itemized so customer knows what they are paying for	Penne	1/21/2014
B4 - Top 5 customers get set up with automatic payments	Judy	6/24/2014
B5 - Bar codes on invoices & QCR codes for CAP & BILL	Carla	4/1/2014
B1 - Re-Word the invoice to make it more obvious a check & invoice comes in together	Penne	1/21/2014
B9 - Total amount due should be bold & large	Penne	1/21/2014
B10 - All coverages are linked to one number (invoice or transaction #) - - correlation between transaction #s and invoice #	Judy	1/21/2014



Team Member Experience

Lynn Michl

Michelle Thomas

Comments

Sara Throener

Department of Inspections & Appeals

Marcia Tope

Department of Management



**We welcome your
questions and comments!**

