

# Supporting Constituents with Modern Automation Solutions: Extending the Value of Our Tax Dollars

## The Problem

In 2016, a large government agency that is responsible for promoting economic prosperity and ensuring the financial security of the United States wanted to modernize its document capture solution. At the time, they processed over 60 million pages annually using a legacy solution. Unfortunately, this legacy solution was a thick client solution that required multiple decentralized servers with additional software installed on all users' computers, only ran on Windows, had no ability to load balance across locations and didn't provide the flexibility they were looking for. Upgrading to new releases required updates to all of the decentralized servers and hundreds of users' computers, which took a long time to complete.

## The Solution

A five-year project was awarded after an extensive proof of concept along with conducting a thorough project review. The agency's extensive evaluation and comparison for the project included reviewing complete taxpayer case files, receiving feedback from caseworkers and making a final determination based on efficiencies seen in process automation and reduced paper handling.

At the conclusion of the review, the agency selected Ephesoft Transact as their new, intelligent document classification and data extraction solution for mailroom and handling taxpayer correspondence. Primarily, the solution helps process "Offers in Compromise" cases, which are negotiated settlements that involve taxpayer correspondence.

### Customer

Federal Agency

### Industry

Government

### Use Case

Mailroom and Correspondence

### Results

- Over 450,000 documents with over 61 million pages processed yearly
- Processing went from hours to minutes
- Reduced IT salaries by 87.5%
- Replaced legacy system for greater productivity and flexibility
- 10 standalone location-based installations were replaced with one centralized Transact environment
- Ability to scale operations during the COVID-19 pandemic





Ephesoft Transact was selected based on the following criteria: support of the Linux operating system, ease of integration with existing technology investments and overall system throughput and accuracy. The legacy system was a thick-client solution that required installing software on hundreds of users' computers, compared to Ephesoft Transact's browser-based solution that requires no additional software installations. Previously, the agency used a batch system, which didn't control every case, and therefore, was costly and time-consuming.

**"Deployments have gone from hours, having to deploy changes on each of the 10 instances, to minutes using Ephesoft Transact deployed on the central site," noted a government official.**

## The Results

Today, the agency employs between 300 to 400 users and processes over 450,000 documents with 61 million pages annually. In terms of cost savings, the agency saw a 87.5% decrease in IT salaries with increased efficiency and productivity. From an IT perspective, we used to have two full-time employees dedicated to supporting the previous product. Now, with Ephesoft, it's about .25, with a little surge of

additional full-time employees when we upgrade." However, this calculation doesn't include the time savings and productivity gains from reducing hours to minutes for the hundreds of employees processing the documents, which could potentially be a 10-fold to 50-fold savings.

Other efficiency gains were uncovered by moving to a central site and web-based scanning. The agency was able to reduce overtime costs by allowing a less busy site to work on backlogs at other sites. **"Also, when COVID-19 impacted operations, we were able to quickly spin up users with the ability to work remotely to process eFaxes even when the mailroom and scanning functions were temporarily shut down."**

The agency also uses Ephesoft Transact's validation technology when needed. Barcoded correspondence is allowed to completely skip the validation process, but for correspondence without barcodes, any extraction issues will alert the user for validation. At the end of the workflow, the processed documents and extracted metadata are exported into their Account Management System (AMS). Users now have digitized data that they can easily access and take the necessary next steps.

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