

# Interactive Database Solution for RetroTax



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Angie Newcomb Mackey, Chief Analytics Officer - RetroTax

## About RetroTax:

RetroTax is a full service administrator of federal and state tax credit programs. They provide services to companies in a wide variety of industries.

Headquartered in Indianapolis, Indiana, with offices in Florida, Georgia, Illinois, Ohio, Pennsylvania, and Colorado, they have plans to expand nationally.

RetroTax specializes in administering geographic and demographic tax credit programs, new hire programs, and job creation tax incentives.

One of the most complex programs they administer is the Work Opportunity Tax Credit (WOTC) information.

WOTC is a federally mandated program designed to encourage employers to invest in hiring individuals typically considered "hard to employ."

Groups which qualify for the tax credit include individuals with criminal records, veterans, and individuals completing vocational rehabilitation.

## Challenge:

In order to expand their services nationally, RetroTax needed a more efficient system for tracking and reporting WOTC information.

A strong player in the industry, RetroTax developed their own unique systems to collect information and prepare monthly reports and submissions to track project statuses. There was no "off the shelf" product which would meet their needs.

However, as the business grew, the system became extremely cumbersome. Each month three employees worked three full days, compiling complex spreadsheets to complete the necessary reports.

On a regular basis, state and local agencies would send information which needed to be added to the spreadsheets. Unfortunately, the information often came back with just an employee name and a social security number, which required the RetroTax staff to open multiple spread sheets to find employee records.

Further confounding matters, if an individual client wanted feedback on their compliance level and their tax credits, RetroTax staff had to manually search each of the individual spreadsheet to find the client's information.

The system also lacked an automated method for sending notifications or alerting RetroTax to any records that needed immediate attention. Everything had to be tracked manually.

*"We were looking through 200 spreadsheets to match the record of the individual we were looking for."*

Angie Newcomb Mackey  
Chief Analytics Officer - RetroTax



The system could not support an interactive database. Their goal was to create a system which would automate routine procedures and expedite interactive queries, producing required reports and search results at the touch of a button.

### **Solution:**

"It's easy for a doctor's office or a construction company to get the software they need," said Mack Earnhardt, owner of Agile Reasoning. "But it's challenging for a niche business, with very specific requirements. That's when you need custom software."

Agile Reasoning created an automated database which consolidated RetroTax's hundreds of spreadsheets into one central location. An online application, the database is now accessible from any computer.

Reports can be compiled in a matter of minutes rather than days, automated notices can be sent to clients, and the system is streamlined and centralized.

### **Implementation:**

On January 1, 2010, RetroTax rolled all of its clients into the new database system. RetroTax can now bring on additional clients and franchises, knowing they have a system in place which can handle the expansion without additional manpower.

### **Results:**

RetroTax has greatly increased its efficiency and its capacity to bring on new clients and expand to new franchises. Rather than poring through dozens of spreadsheets to find information, employees can access all client data with just a few clicks.

"We are a small business with just 15 employees, a small fish playing in a big pond. We are going up against significantly large companies with hundreds of employees. This new automated system gives us a true competitive advantage," said Angie Newcomb Mackey, Chief Analytics Officer for RetroTax.

### **Next steps:**

RetroTax hopes to continue its work with Agile Reasoning in the future. The company would like to see a system enhancement that would include client and franchisee portals, in order to allow individual companies access to real time information.

The portal will allow RetroTax to deliver a higher level of service to more clients at a lower cost, without increasing their manpower.