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Director
Lisa Echeverri

Child Support
Enforcement
Ann Coffin
Director

General Tax
Administration
Jim Evers
Director

Property Tax
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September 30, 2009

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Tallahassee, Florida 32399-0001

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House Full Appropriations Council on General Government & Health Care
221 Capitol
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Skip Martin, Council Director
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221 Capitol
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Cynthia Kelly, Staff Director
Senate Policy and Steering Committee on Ways and Means
201 Capitol
Tallahassee, Florida 32399-1300

Dear Directors:

The Department of Revenue's *Long Range Program Plan* is submitted in accordance with Chapter 216, Florida Statutes, and in the format prescribed in the budget instructions. The information provided electronically and contained herein is a true and accurate presentation of our mission, goals, objectives and measures for Fiscal Year 2010-11 through Fiscal Year 2014-2015.

As executive director of the Department of Revenue, I have approved this submission. The plan is posted on the *Florida Fiscal Portal*, with a link on the "About Us" page of our website at http://dor.myflorida.com/dor/about_us.html.

This year marks the 40th anniversary of the creation of the Department of Revenue. I am grateful and proud to work for an organization that, through continual improvement and innovation, has earned the respect of management experts and government officials in other states and countries. Revenue's accomplishments are due to the dedication and determination of the exceptional public servants who have served over the years.

Today's 5000+ Revenue workforce takes an active role in the development of strategies to save state funds and improve our effectiveness. The process of creating this *Long Range Program Plan* began with employees sharing their observations and suggestions. Their collective experience and insight help the leadership team develop strategies with the highest potential for significantly improving our performance.

In this plan, I'm pleased to report the continued high performance of our three operating programs: General Tax Administration, Property Tax Oversight, and Child Support Enforcement. I am especially proud of our employees for continuing to meet new challenges and strive for greater effectiveness during difficult economic times. Our employees bring a spirit of commitment and service to their jobs every day.

On behalf of all Revenue employees, I want to express our appreciation for the support of the Governor, the Cabinet, and the Legislature as we strive to provide the best service possible to our state and its citizens. If you have any comments or questions, please do not hesitate to contact Lia Mattuski, Director of Financial Management at 850-488-5009.

Sincerely,

Lisa Echeverri

Lisa Echeverri

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40 Years
of Serving
Florida



Long Range Program Plan

FY 2010-2011 through 2014-2015

Planning for the Future

Department Vision, Mission, Values, and Guiding Principles

Vision of the Florida Department of Revenue:

VISION

An agency that is accessible and responsive to citizens, provides fair and efficient tax and child support administration and achieves the highest levels of voluntary compliance.

MISSION

- ◆ To serve citizens with respect, concern and professionalism;
- ◆ To make complying with tax and child support laws easy and understandable;
- ◆ To administer the laws fairly and consistently; and
- ◆ To provide excellent service efficiently and at the lowest possible cost.

WHAT WE BELIEVE

We believe that we must make a positive difference in the lives of the people we serve. We commit to being accessible and responsive, and serving with integrity.

We believe that public service is a public trust. The public deserves a government that is open and honest. We will display the highest ethical standards and serve taxpayers, parents, local governments, and our partners fairly and professionally.

We believe that we must make it as easy as possible for people and businesses to pay their taxes and pay and receive child support. We will communicate in a clear, easily understood manner to explain their responsibilities, and we will enforce the law consistently and fairly.

We believe that we must continue to improve the way we do our work. We will provide excellent service at the lowest possible cost. We will seek innovations from public and private organizations, our employees, and the people we serve.

We believe that people in public service have a responsibility to each other. We will ensure an atmosphere of respect and trust throughout our organization. We will succeed only if we trust each other, invest in each other and bring honest, willing hearts to our daily work.

V ALUES

The Department of Revenue subscribes to the following fundamental beliefs that guide the actions of every individual member of the agency, as well as the agency collectively. In our recruitment and hiring processes, we seek individuals who display these values, and we recognize and reward employees who model these values in the daily performance of their jobs. It is as a result of the exceptional display of these values that we are able to create an environment in which the value of diversity is appreciated and the organization thrives.

Of Character

- Integrity*** – We conduct and express ourselves in accordance with our values.
- Honesty and Trust*** – We have the courage to be honest and to trust others.
- Fairness*** – We treat everyone without bias and based upon facts.
- Respect*** – We appreciate, honor, and value others.
- Concern for Others*** – We empathize with and care for others.

Of Performance

- Service*** – We provide quality customer service.
- Excellence*** – We achieve quality performance through our commitment to continual improvement.
- Innovation*** – We seek ways to be innovative in our programs and services.
- Commitment*** – We achieve our mission through enablement and determination.
- Communication*** – We express ourselves freely and share information openly.
- Teamwork*** – We cooperate to get things done and never willingly let a team member fail.
- Knowledge*** – We grow through education, experience, and communication.

G UIDING P RINCIPLES

As employees of the Florida Department of Revenue, we will:

- ◆ Increase voluntary compliance.
- ◆ Reduce the burden on those we serve.
- ◆ Increase productivity.
- ◆ Reduce costs.
- ◆ Improve service.

Department Goals and Objectives

Department goals based on our guiding principles are listed in priority order.

Goal #1: Increase voluntary compliance.

Child Support Enforcement (CSE)

CSE 1A:

Objective: Increase collections on current obligations in IV-D cases.

Outcome: Percent of current support collected (federal definition).

General Tax Administration (GTA)

GTA 1A:

Objective: Improve the quality of educational information/assistance rendered.

Outcome: Percent of educational information/assistance rendered meeting or exceeding taxpayers' expectations.

Property Tax Oversight (PTO)

PTO 1A:

Objective: Improve the just valuation and uniformity of all classes and subclasses of property studied.

Outcome: Percent of classes/subclasses studied (for in-depth counties) and found to have a level of at least 90%.

Goal #2: Increase productivity and reduce costs.

Child Support Enforcement (CSE)

CSE 2A:

Objective: Ensure that all cases are available for any appropriate action.

Outcome: Percent of cases with missing critical data elements which prevent next appropriate action.

CSE 2B:

Objective: Increase support order establishment for children in IV-D cases.

Outcome: Percent of IV-D cases with an order for support (federal definition).

General Tax Administration (GTA)

GTA 2A:

Objective: Improve the productivity of compliance examinations.

Outcome: Percent of compliance examinations resulting in an adjustment.

GTA 2B:

Objective: Improve the timeliness of resolving compliance resolution cases.

Outcome: Percent of cases resolved in less than 90 days.

Department Goals and Objectives

Goal #3: Improve service.

Child Support Enforcement (CSE)

CSE 3A:

Objective: Improve distribution of identifiable IV-D and appropriate non- IV-D payments to families and other states.

Outcome: Percent of state disbursement unit collections disbursed within two business days of receipt.

General Tax Administration (GTA)

GTA 3A:

Objective: Improve the timeliness of processing a tax return.

Outcome: Percent of tax returns reconciled within 30 days.

Property Tax Oversight (PTO)

PTO 3A:

Objective: Improve customer/supplier satisfaction with program products and services.

Outcome: Percent of users of PTO aid and assistance satisfied with the services provided.

Department Goals, Objectives and Performance Projection Tables

Department goals based on our guiding principles are listed in priority order. After each prioritized Department goal, the program's related objectives and outcomes are listed alphabetically.

Goal #1: Increase voluntary compliance.

Child Support Enforcement (CSE)

CSE 1A:

Objective: Increase collections on current obligations in IV-D cases.

Outcome: Percent of current support collected (federal definition).

FY 1998-99 (Baseline Actual)	FY 2010-11	FY 2011-12	FY 20012-13	FY 2013-14	FY 2014-15
48.6%	54.0%	55.5%	56.0%	56.5%	57.0%

General Tax Administration (GTA)

GTA 1A:

Objective: Improve the quality of educational information/assistance rendered.

Outcome: Percent of educational information/assistance rendered meeting or exceeding taxpayers' expectations.

FY 2004-05 (Baseline Actual)	FY 2010-11	FY 2011-12	FY 20012-13	FY 2013-14	FY 2014-15
95.0%	96.0%	96.0%	96.0%	97.0%	98.0%

Property Tax Oversight (PTO)

PTO 1A:

Objective: Improve the just valuation and uniformity of all classes and subclasses of property studied.

Outcome: Percent of classes/subclasses studied (for in-depth counties) and found to have a level of at least 90%.

FY 1997-98 (Baseline Actual)	FY 2010-11	FY 2011-12	FY 20012-13	FY 2013-14	FY 2014-15
92.6%	94.0%	94.0%	95.0%	95.0%	95.0%

Department Goals, Objectives and Performance Projection Tables

Goal #2: Increase productivity and reduce costs.

Child Support Enforcement (CSE)

CSE 2A:

Objective: Ensure that all cases are available for any appropriate action.

Outcome: Percent of cases with missing critical data elements which prevent next appropriate action.

FY 2007-08 (Baseline Actual)	FY 2010-11	FY 2011-12	FY 20012-13	FY 2013-14	FY 2014-15
17.0%	16.0%	15.5%	15.0%	15.0%	15.0%

*Baseline estimate based on monthly trend analysis exclusive of systematic changes directly impacting this measure. Includes the impact of pending improvements in the FLORIDA/OVS interface.

CSE 2B:

Objective: Increase support order establishment for children in IV-D cases.

Outcome: Percent of IV-D cases with an order for support (federal definition).

FY 1998-99 (Baseline Actual)	FY 2010-11	FY 2011-12	FY 20012-13	FY 2013-14	FY 2014-15
48.9%	75.5%	75.5%	76.0%	77.0%	78.0%

General Tax Administration (GTA)

GTA 2A:

Objective: Improve the productivity of compliance examinations.

Outcome: Percent of compliance examinations resulting in an adjustment.

FY 2004-05 (Baseline Actual)	FY 2010-11	FY 2011-12	FY 20012-13	FY 2013-14	FY 2014-15
87.0%	80.0%	80.0%	80.0%	80.0%	82.0%

GTA 2B:

Objective: Improve the timeliness of resolving compliance resolution cases.

Outcome: Percent of cases resolved in less than 90 days.

FY 2004-05 (Baseline Actual)	FY 2010-11	FY 2011-12	FY 20012-13	FY 2013-14	FY 2014-15
76.0%	75.0%	75.0%	80.0%	75.0%	77.0%

Department Goals, Objectives and Performance Projection Tables

Goal #3: Improve service.

Child Support Enforcement (CSE)

CSE 3A:

Objective: Improve distribution of identifiable IV-D and appropriate non- IV-D payments to families and other states.

Outcome: Percent of state disbursement unit collections disbursed within two business days of receipt.

FY 2000-01 (Baseline Actual)	FY 2010-11	FY 2011-12	FY 20012-13	FY 2013-14	FY 2014-15
96.5%	98.0%	98.0%	98.0%	98.0%	98.0%

General Tax Administration (GTA)

GTA 3A:

Objective: Improve the timeliness of processing a tax return.

Outcome: Percent of tax returns reconciled within 30 days.

FY 2004-05 (Baseline Actual)	FY 2010-11	FY 2011-12	FY 20012-13	FY 2013-14	FY 2014-15
82.0%	99.0%	99.0%	99.0%	99.0%	99.0%

Property Tax Oversight (PTO)

PTO 3A:

Objective: Improve customer/supplier satisfaction with program products and services.

Outcome: Percent of users of PTO aid and assistance satisfied with the services provided.

FY 2004-05 (Baseline Actual)	FY 2010-11	FY 2011-12	FY 20012-13	FY 2013-14	FY 2014-15
*90.0%	93.0%	94.0%	95.0%	95.0%	95.0%

*Program has limited historical information on customer/supplier satisfaction.

Organizational Overview

In 1969, the Florida Legislature reorganized state government, creating several new executive branch agencies, including the Department of Revenue. The Governor and Cabinet were designated the official head of the Department. The executive director, appointed by the Governor and Cabinet, provides leadership and direction for the agency. The law creating the Department of Revenue and setting forth its responsibilities is contained in section 20.21 of the Florida Statutes. As of July 1, 2009, the Department had 5,178 authorized full-time equivalent positions located at 58 sites throughout the state and at seven facilities in five other states.

Through the summer of 2009, as we were planning for the next five years, we also took some time to look back over our forty year history, to understand the achievements that paved the way for us, and to gain insights for our future.

Forty years of tax administration

When the Legislature created the Department of Revenue, it centralized most of the state's general revenue collection activities into one division, and established a second division to provide guidance to local officials on the assessment of property taxes. These two divisions have evolved into our current General Tax Administration and Property Tax Oversight programs.

Over four decades, as the Legislature has created new taxes and transferred the responsibility for others, the number of major taxes and fees Revenue administers has grown from 4 to over 30. Total annual collections have risen from about \$900 million in 1969 to nearly \$35 billion in 2008-09. Over the same period, the assessed value of Florida's land and buildings has grown from approximately \$27 billion to over \$1.5 trillion, more than a 5,000 percent increase. In response to Florida's rapid population growth and this dramatic rise in property value, the Legislature has enacted several major changes to property tax law over the years.

Fifteen years of child support enforcement

A third major area of responsibility, child support enforcement, was assigned to the Department in 1994. A relatively new program, first established by the federal government in 1975, Child Support Enforcement has also seen rapid growth and change. Since Child Support became part of Revenue, both federal requirements and state legislation have added new enforcement methods and new responsibilities. In 1994, when Child Support moved to Revenue, annual collections were roughly \$388 million and in 2008-09, over \$1.4 billion were collected.

Leadership through change

Thanks to the vision of past leaders, the Department of Revenue has developed a culture of proactive adaptation and improvement. Understanding that reacting to changes after they occur is already too late, the Department's leaders have used private sector planning methods to prepare for and capitalize on change. The Department's effective use of business process management and technological innovation to continually improve tax and child support administration has been acknowledged through many awards, including:

- **Governor's Sterling Award:** This award is Florida's equivalent of the national Malcolm Baldrige Award for organizational performance excellence. In 1998, the Department of Revenue became the first state agency to receive this award.
- **Rochester Institute of Technology/USA TODAY Quality Cup:** This national competition recognizes the successful implementation of quality principles and tools. Revenue received this award in 2000 for the reengineering of Florida's estate tax administrative practices.
- **National Excellence Award, Lyndon B. Johnson School of Public Affairs:** This award, given in 2000, recognized Revenue's achievements in implementing a customer-focused approach to tax and child support enforcement administration.

National publications such as *Government Technology* magazine and *eWeek Newsweekly* have reported on the Department as an innovator in the application of new, efficient technology systems to public administration. Representatives of government agencies from other states and countries have contacted and visited Revenue to help them get started on the path to better performance.

Results

While recognition from external organizations is encouragement that we are going in the right direction, the true measure of success is results. We have continued to apply the principles and tools that we have used in the past and to embrace new methods and technologies to achieve our goals. Our achievements since the beginning of this decade include:

- **Increased Paternity Establishment** From FFY (federal fiscal year) 2001 to FFY 2007, the Department's Child Support Enforcement program increased the percentage of children with paternity established from 85.6 percent to 98.1 percent.
- **Increased Order Establishment** From FFY 2001 to FFY 2007, the Department increased the percentage of child support cases with support orders from 53.6 percent to 74.3 percent.
- **Reduction in Undistributed Child Support Collections** In 2003, the federal Office of Child Support Enforcement presented the Department with an Exemplary Service Award for dramatically reducing undistributed child support collections.
- **Implementation of Administrative Order Establishment** The Department successfully completed a pilot project for the administrative establishment of child support orders, and in 2003 was authorized by the Legislature to implement administrative order establishment throughout the state.
- **Child Support Collections** Child support collections reached a billion dollars for the first time in FY (State Fiscal Year) 2003-04, with over \$1.07 billion collected and distributed on behalf of Florida's children. Annual collections have exceeded \$1 billion for the past six years with \$1.414 billion collected and distributed in FY 2008-09
- **Integration of Taxes** In 2008, the Department's General Tax Administration Program completed the integration of the taxes managed by the Department of Revenue into one enterprise system, improving both efficiency and customer service.
- **Tax Collections** Between FY (state fiscal year) 2000-01 and FY 2007-08, the Department's annual collections of taxes and fees grew 38 percent, resulting in the collection of over \$9.6 billion more in FY 2007-08 than in FY 2000-01. Over the same period, the General Tax Administration program gave up 397 FTEs (full-time equivalent positions), 14.6 percent of its workforce.

- **Improvements in Unemployment Tax Administration** When compared to all other states on four measures of performance, Florida's ranking has improved from among the bottom half of the states to among the top ten.
 - From 26th in the nation to 6th in the timeliness of determining changes to rate status
 - From 42nd to 6th in 90 day status determinations
 - From 42nd to 8th in 180 day status determination
 - From 34th to 5th in percent of wage item changes resulting from employer audits—increasing from 2.4% to 10.4%

In 2007, the United States Department of Labor recognized the Department of Revenue as having the most improved unemployment tax program among the southeastern states.

- **Implementation of New Property Tax Oversight Responsibilities** Over the past three years, new laws and four constitutional amendments have added complexity to property tax law and substantial new responsibilities to the Property Tax Oversight program, including verifying the compliance of over 600 local governments with new limits on property tax rate increases and increasing its oversight of the 67 counties' value adjustment boards. The program's 177 employees have successfully implemented these new laws within their existing resources.

The Department of Revenue's Primary Responsibilities

This table summarizes the Department's primary responsibilities as established by section 20.21, F.S., and provides additional information on each program. The *Florida Statutes* can be accessed online at www.leg.state.fl.us.

Programs	Description	Outputs
Child Support Enforcement (CSE)	<p>The Department of Revenue is responsible for the administration of Florida's Child Support Enforcement Program.</p> <p>The Department's Child Support Enforcement Program helps children get the financial support they need when it is not received from one or both parents. Child support collections have climbed steadily from \$388 million in 1994 to over \$1.414 billion in SFY 2008.</p>	<ul style="list-style-type: none"> • Establishment of paternity • Orders establishing support obligations • Support collections to families • Health care coverage for children • Enforcement actions for non-support • Reimbursements to federal and state governments for temporary cash assistance payments
General Tax Administration (GTA)	<p>The Department of Revenue is responsible for the administration of tax collection, tax enforcement, tax processing, taxpayer registration, and fund distribution, as well as providing taxpayer assistance and resolution of taxpayer complaints.</p> <p>The Department's General Tax Administration Program administers approximately 33 taxes and fees. Total receipts for GTA-administered taxes were \$30.2 billion in FY 2008-2009. Major taxes include sales, documentary stamp, corporate income, unemployment, fuel, and communications services.</p>	<ul style="list-style-type: none"> • Establishment and maintenance of taxpayer accounts • Taxpayer requirements and assistance • Processed returns and revenue • Distributed revenue to GR, trust funds and local governments • Enforcement actions • Resolution of disputes
Property Tax Oversight (PTO)	<p>The Department of Revenue oversees a local property tax system that in 2008 had more than 11 million parcels of real property and tangible personal property, with a total market value of \$2.57 trillion and more than \$29 billion in property taxes levied by local governments and taxing authorities. The Department reviews and approves the property tax rolls for each of Florida's 67 counties every year. The Department also:</p> <ul style="list-style-type: none"> • approves the annual budgets of property appraisers and most tax collectors • ensures that 1,014 levying authorities comply with millage levying procedures and public disclosure laws • provides technical support for GIS, aerial photography, forms design, and legal guidance to local officials • reviews certain property tax claims for refunds • provides training to elected officials and levying authorities • centrally assesses railroad properties • Provides training and oversight to value adjustment boards in each county 	<ul style="list-style-type: none"> • Ratio studies of local tax rolls • Guidelines and regulation to ensure equitable and uniform assessment levels • Decisions on local taxing authorities' compliance with millage (property tax rate) levying limitations • Reviews of taxpayer applications for refunds in excess of \$400 and tax certificate cancellations/corrections • Decisions on annual budgets for property appraisers and tax collectors • Certifications and training for property appraisers, tax collectors, and value adjustment boards • Aerial photographs • Central assessments of railroads and private car lines • Assistance for local governments and taxpayers
Executive Direction and Support Program Information Services Program	<p>The Department of Revenue's executive leadership manages by business process and leads the agency's efforts to become more effective through technological innovation, process improvement, and the implementation of new strategies. The planning process involves all 5000+ employees by encouraging employees to share improvement ideas and embrace the critical changes necessary for each program to continually improve performance.</p> <p>The Information Services Program and the support offices within the Executive Direction and Support Program assist in achieving operational objectives by providing the information systems management, financial, and human resource services that are necessary for the operational programs to become more efficient and serve their customers. The Executive Direction and Support Program also ensure that the Department is in compliance with legal requirements.</p>	<ul style="list-style-type: none"> • Leadership • Workforce and financial support services • Information technology • Compliance actions

Figure 1.1: DOR Primary Responsibilities and Outputs

Major Suppliers and Partnerships

Department of Revenue Suppliers

The Department partners with city, county, state, and federal agencies to exchange data for the efficient administration of its programs. For example, the Department exchanges information with the Internal Revenue Service to identify patterns of potential tax evasion and to collect past-due child support from parents. The Department also shares information with other state agencies and the federal government to locate parents and to enforce support orders, and shares information with local governments to identify potential homestead exemption abuses.

Child Support Enforcement Program

Major partners in the Child Support Enforcement Program include: (1) circuit courts, which issue and enforce support orders; (2) county clerks of court, who maintain all court and support payment records; (3) law enforcement officials, who serve summonses and execute arrest warrants for parents ordered to pay support who fail to appear in court for nonpayment; (4) other state agencies that share data used to locate parents; (5) employers who report newly hired employees, implement wage withholding to collect support from their employees' paychecks and enroll children in available health care coverage; and (6) hospitals and other state agencies involved in establishing paternity. The Department of Revenue also has contractual arrangements with public and private legal service providers who represent the state in legal actions to establish paternity and to establish and modify support orders and enforce them when necessary. Individuals or companies who pay child support to the Department are considered suppliers.

General Tax Administration Program

Individuals or companies who collect and remit taxes on behalf of the state or who pay taxes are considered suppliers. Tax collectors and other local government officials collect some taxes on behalf of the state and remit them to the Department. We partner with the Agency for Workforce Innovation to ensure efficient and accurate collection of unemployment tax.

Property Tax Oversight Program

The Property Tax Oversight (PTO) Program is in the unique position of being responsible for overseeing the performance of elected officials. While property appraisers and tax collectors are constitutionally designated officials elected by the voting public, PTO is statutorily responsible for approving tax rolls as well as overseeing tax collection functions and the valuation appeals process. To deal with the potential challenges of such a relationship, PTO has historically emphasized its role of providing aid and assistance to local governments and officials to improve awareness, increase efficiency and reduce taxpayer burden.

Major Suppliers and Partnerships

Program Area	Service Provided	Customers (provide legal requirements/ expectations)	Direct Beneficiaries (receive DOR products/ services)	Products and Services	Major Suppliers
Child Support Enforcement	<ul style="list-style-type: none"> Establishment of paternity and child support orders, enforcement of these orders, location of parents and distribution of support collections by the Child Support Enforcement Program (CSE) 	<ul style="list-style-type: none"> Congress Federal government Florida Legislature Governor Cabinet Citizens 	<ul style="list-style-type: none"> Children and parents requesting or required by law to receive services <hr/> <ul style="list-style-type: none"> Federal and state governments 	<ul style="list-style-type: none"> Paternity establishments Support orders Distribution of monies Enforcement of financial and medical support obligations Located parents <hr/> <ul style="list-style-type: none"> Temporary cash assistance reimbursement 	<ul style="list-style-type: none"> Parents ordered to provide support
General Tax Administration	<ul style="list-style-type: none"> Collection and distribution of the state's primary taxes by the General Tax Administration Program (GTA) 	<ul style="list-style-type: none"> Florida Legislature Governor Cabinet Local governments Other state agencies Citizens 	<ul style="list-style-type: none"> Other state agencies <hr/> <ul style="list-style-type: none"> Local governments 	<ul style="list-style-type: none"> Monies through state budgeting system Shared state revenues 	<ul style="list-style-type: none"> Sales tax dealers Local governments Employers Corporate income tax filers Other filers (principally businesses)
Property Tax Oversight	<ul style="list-style-type: none"> Oversight of local property tax assessment, levying and collection. Aid and assistance to local government. 	<ul style="list-style-type: none"> Florida Legislature Governor Cabinet Citizens 	<ul style="list-style-type: none"> Property owners <hr/> <ul style="list-style-type: none"> Florida public schools <hr/> <ul style="list-style-type: none"> County tax collectors, property appraisers and value adjustment boards 	<ul style="list-style-type: none"> Equitable and uniform property tax assessments Monies through Department of Education Training, information, and consultation 	<ul style="list-style-type: none"> County tax collectors (elected officials) County property appraisers (elected officials) Local taxing authorities

Figure 1.2: DOR Program Identifiers

The Economic, Social, and Regulatory Environment

Economic

The nation is currently in its twentieth month of recession—the longest recession in post-war history. The contraction which was initially concentrated in the financial sector has spread to almost every other industry. While the initial problems associated with tight credit markets and high energy prices have abated, the economy continues to shed jobs and growth in personal income has come to a standstill. In addition, the drop in the value of homes has put additional stress on households—statewide home prices have fallen approximately 22% since their peak in the fourth quarter of 2006. As of June 30, 2009, almost a third of all mortgaged properties nationwide were in a negative equity position. All of this has manifested itself in rising foreclosures. Nationwide there were 3.16 million foreclosure filings in 2008, up 81.2% from 2007. And for the first half of this year there have been 1.53 million filings, up 14.7% from the same period last year. Florida registered the nation's second highest state foreclosure rate in 2008, with 4.5% of its housing units receiving at least one foreclosure filing during the year. The impact of the stress on real estate can be seen in real estate-related tax collections. While local governments have been adversely impacted by falling ad valorem tax rolls, the state's documentary stamp tax collections and mortgage intangibles tax collections fell for the third consecutive fiscal year and stood 72.5% and 77.6% below their fiscal year 2005-06 peaks, respectively. Collections from both sources are projected to fall further this year then begin growing in FY 2010-11.

With the rising number of foreclosures in the state the supply of homes for sale has risen dramatically—in some areas of the state it is estimated that there is as much as a four year supply at current sales levels. This has brought new construction to a virtual standstill. Private housing starts have fallen almost 90% from their peak in the third quarter of 2005, and for the first seven months of 2009 activity is down 50% over the same period last year. The impact of the drop in new construction can be seen in falling sales tax collections. In particular, taxes collected on the sale of building materials have fallen in each of the last three fiscal years. The problems in real estate and construction have also impacted the profitability of corporations engaged in these industries. There are also indirect impacts on sales of durable goods. When buying an existing home or building a new one there is usually additional purchases of household appliances and house wares. Sales taxes collected on consumer durable goods purchases have fallen for the past three fiscal years. Both of these categories of sales tax collections are projected to fall again this fiscal year.

Many of the state's tax sources are dependent on income and/or population growth. Florida personal income is projected to fall in calendar year 2009 for the first time since 1946. Florida resident population is projected to remain flat if not actually decline this year, also for the first time since 1946. The state has historically relied on population growth to bolster revenue collections. However, the national recession is much more widespread throughout all regions of the U.S. than has typically been the case, and the inability of potential in-migrants to sell their homes has slowed, if not halted, net migration to the state. The result has been declining employment and falling revenue collections. In fact, since the peak in March 2007 businesses in Florida have cut their payrolls by almost 690,000 jobs, or 8.5%--the largest percentage decline since 1943-1945 when the state lost a large number of jobs due to the base closings that accompanied the end of World War II. General revenue collections had never fallen before fiscal year 2006-07, and now the state has experienced its third consecutive annual decline. The continued weakness in the labor market along with stagnant growth in population, weakness in tourism, and falling new construction are projected to affect revenue collections over the near term. The projection is for general revenue collections to fall another 1.6%.

Symptomatic of the decline in business activity and rising unemployment is the rise of compliance issues in tax and child support remittances. Businesses and parents may delay payment of their legal obligations as they deal with financial stress. This puts an additional burden on the Department of Revenue to perform audits and enforcement actions in an attempt to maintain compliance levels.

Social

While 67 percent of children in the United States live with both parents, 29 percent live with just one parent (the remaining four percent live with relatives, are in foster care, etc.). In Florida during calendar year 2008, there were 108,486 births to unwed mothers. Also in 2007, the Florida Department of Health's Office of Vital Statistics reported more than 36,919 dissolutions of marriage that affected 52,777 children. The persistently high divorce rate and the number of births to unwed mothers suggest that the national and state trend of an

increased demand for child support services will continue.

Regulatory

The Department receives its direction from Florida citizens through their elected leaders. The Legislature communicates its requirements with specificity through the *Florida Statutes* and its expectations through legislation and the General Appropriations Act. Tax bases, tax rates, due dates, impacted suppliers (tax return filers), and other requirements may be changed every year. Areas of law that require additional interpretation are addressed in administrative rules which are subject to review and approval by the Governor and Cabinet. The Governor and Cabinet provide additional direction through general planning and budget oversight. The judicial branch often addresses significant areas of legal ambiguity. Requirements and expectations for the Child Support Enforcement Program come from the United States Congress, the federal Office of Child Support Enforcement, the Florida Legislature, and the judiciary.

Over 350,000 parents have elected to receive their support payments by direct deposit or stored value card. In May 2008 the Legislature passed a law requiring the State Disbursement Unit to send all on-going support payments to parents electronically. If a parent does not provide a personal account for direct deposit, the State Disbursement Unit deposits payments into a stored-value account. The Department and State Disbursement Unit continue to notify parents with a support order of the mandatory electronic distribution requirements and options. Over 90% of all child support disbursements are now sent electronically.

On February 8, 2006, the President signed into law the Deficit Reduction Act of 2005. This law reduces federal funding for states' child support enforcement programs, implements new state mandates, and provides improvements in some enforcement and location tools that are regulated by the federal government. Two provisions reduce the federal funds made available to states to provide child support services. First, effective October 1, 2006, the federal government reduced its participation in the cost of conducting genetic tests to establish paternity from 90 percent to 66 percent. The second, more dramatic reduction took effect on October 1, 2007, and eliminated states' ability to use Federal Incentive Funds as state match to draw down federal monies for allowable expenditures. This created a funding gap which the Legislature funded through a combination of recurring general revenue, use of trust fund balances and a Child Support Enforcement (CSE) Program reduction.

The American Recovery and Reinvestment Act (ARRA) temporarily suspends the provision of the Deficit Reduction Act of 2005 that eliminated states' ability to use Federal Incentive Funds as state match. Under the ARRA, states can match Federal Incentive Funds for federal fiscal years 2009 and 2010. The program continues to monitor federal changes of funding and performance requirements to aid in the maximizing of federal funding to the program.

Technological Advances and Opportunities

The Department strives to support and improve business effectiveness through the delivery of quality information technology services that are aligned with and responsive to its business needs. We are implementing an Information Technology Strategic Plan to ensure the technology infrastructure promotes efficiency and supports the overall agency goals. Information architecture should be designed so that it quickly satisfies the business requirements and provides reliable and consistent information and seamlessly integrates applications into business processes. To accomplish this, the Information Services Program, working in conjunction with the operating programs, determines the technology direction to support the business needs. This requires a technology infrastructure plan that sets clear and realistic expectations of what technology can offer in terms of products, services and delivery. The plan is regularly updated and includes information about systems architecture, technological direction, acquisition plans, standards, migration strategies and contingency plans. This makes it possible to respond timely to changes in the competitive environment. It also helps improve coordination between platforms and applications.

The Department is in the early phases of adopting ITIL (Information Technology Infrastructure Library) for the management of Revenue's information technology infrastructure. ITIL provides best practices drawn from the public and private sectors. The Department has a strategic initiative to obtain International Organization for Standardization (ISO) 20000 certification by 2012. Adopting ITIL and ISO certification help the Department

ensure that shrinking technology resources are used in the most efficient way possible.

Leveraging Technology Improvements to Reduce Costs and Ensure Continuity of Operations

Information technology components will continue to improve performance, while shrinking in size and cost. Communications protocols will continue to improve the carrying capacity of existing media, and new connectivity options will extend the reach and performance of public networks. Wireless communications have revolutionized the way we live and work. In addition, the rapid growth of extremely powerful, server-based systems poses both risks and opportunities. Designing integrated data networks and business warehouses to store, manipulate, and display enterprise-wide information becomes absolutely vital for state agencies as development costs of these systems continue to decline and implementation of these systems becomes more commonplace.

In 2009 the Department capitalized on technology hardware and software improvements by migrating the SUNTAX system (Florida's unified system for managing taxes) to a more cost-effective hardware and operating system. This will significantly reduce the operating and maintenance costs of the system along with reducing the long-term replacement costs.

The Department will continue moving to a Standard Operating Environment (SOE). Further standardization of programming languages, operating systems, servers, and database platforms will reduce operating and maintenance costs for CAMS and other applications in addition to increasing individual employee productivity.

Continuity of operations is critical to any organization. Over the next year the department will implement a new backup and disaster recovery solution for the Child Support Automated Management System (CAMS), which is located at the Northwest Regional Data Center, and SUNTAX, which is located at the Southwood Shared Resource Center. In the event of an outage at one of the locations, the backup can be replicated at the other location overnight, which will reduce overall downtime. Replacing the current Sunguard contract for disaster recovery and using the Northwest Regional Data Center (NWRDC) in Atlanta as the disaster recovery site will allow the Department to significantly reduce the cost and time needed to restore full operations in the event of a disaster.

Shared Resource Centers and Full Service Transfer

The Information Services Program is responsible for the operation and maintenance of the technical infrastructure supporting the operations of the Department. In 2005, the Department received legislative direction and funding to consolidate the equipment hosting into the Southwood Shared Resource Center (SRC) at the Capital Circle Office Center (CCOC) complex. The physical relocation of this major data center was scheduled to occur in three phases. Phase One occurred in July 2006 and relocated the infrastructure that supports the General Tax Administration's SUNTAX application. Phase Two occurred in November 2006 and relocated the infrastructure supporting the Child Support Enforcement CAMS application to the Northwest Regional Data Center. Phase Three will coincide with the Department's consolidated move to CCOC for the remaining equipment.

The Southwood Shared Resource Center provides redundant power, communications, chilled water heating, ventilation and air conditioning (HVAC), back-up water supply, and dual action fire suppression and detection systems. The Department currently occupies 912 square feet of co-located space in that facility.

In 2008 and 2009 the Legislature revised the requirements for the consolidation of technology services into the state designated Shared Resource Centers. These responsibilities include system administration, print services, disaster recovery, data storage backup and recovery, operating system support, database administration, help desk, job control, production control, security, and others. The transition of these services will involve the transfer of people, equipment, budget and responsibilities. The scope of this project will require dedicated staff to achieve the various deliverables mandated by the legislation and to ensure the success of the transition. The overall effect of this transition cannot be determined at this time but it has the potential to affect all programs in the department.

Growth of the Internet, Evolution of Internet Protocols, and Access Methods

Government must continue to become more accessible and responsive as the technologies improve to permit citizens to locate government information on their own and to conduct the routine business of the state. Access 24/7, self service and e-service capabilities have become the norm in customer expectations for both

public and private sector services. We must be ready to respond to our customers' expectations for the improved service and accessibility that technological innovations have made possible.

Risks and vulnerabilities increase as more government services become automated and accessible on the Internet. Risks associated with hackers, viruses, and network or system outages are increasing as more people depend on public systems. Citizens expect government information systems to perform accurately, securely, consistently, and continuously. Cooperative interagency planning is required to maintain statewide data integrity and consistency, to reduce costs and redundancies, and to help ensure programmatic effectiveness and efficiencies. In addition to providing increased self-service and e-services, the Department will increase efforts to maintain and improve the security of the confidential information of our employees and the citizens we serve. Efforts to increase security will not be confined to the implementation of technological systems, but will include updating policies and procedures to meet the new legal requirements and ensure that all employees receive regular training and information to help them effectively safeguard information.

Over the next few years the Department will continue to enhance services through the use of secure electronic portals. In addition we are implementing process changes that will continue to improve performance.

General Tax Administration - System for Unified Taxation (SUNTAX)

The SUNTAX system now contains integrated registration, collection, and distribution for 100 percent of the state's general revenue enforced by the Department of Revenue. Unemployment tax activities carried out by the Department were integrated into the SUNTAX system in March 2008. As a result of the integration and other process improvements, Florida's performance in the area of unemployment tax has improved. Florida has moved into the top 6-8 states in several areas in the last two years. Now the Department will work on leveraging new technology to enhance the SUNTAX system by using new business rule functionality in the SAP environment and expanding the use of secure electronic portals to provide better service to taxpayers and improve efficiency.

New law changes require significant updates to the SUNTAX system. Initial priorities in FY 2009-10 include implementation of the new 10 percent penalty for taxpayers delinquent more than 90 days, new thresholds for unemployment compensation, and collection analytics. The addition of collection analytics tools to the SUNTAX system will help the Department improve collection performance. This technology uses historical information on accounts to help prioritize collections work and effectively deploy shrinking staff resources.

Electronic portals provide opportunities for taxpayers and other government partners to do business with the Department in a secure environment. Partnering with other government agencies, the Department will continue to streamline activities and reduce the cost of operations. For corporate income tax, the Department will "piggyback" on federal filings so it can collect information electronically from taxpayers and reduce the need for them to file duplicate information. The Department will work with the sixty-seven Clerk of the Court offices to move the filing of nearly 150,000 paper liens and warrants annually to an electronic system. The Department will also expand its motor fuel electronic filing programs to include terminal suppliers and importers. These projects will be prioritized to maximize the use of internal resources since funding for additional information technology resources is currently unavailable.

Electronic communication directly with taxpayers can also reduce the overall costs of tax administration. Using electronic portals and e-mail communication the department could implement electronic billing reminder and collection activity and reduce mailing costs. The Department is exploring legislation that would authorize the use of electronic communication of notices.

Child Support Enforcement - Child Support Automated Management System (CAMS)

The first phase of the Child Support Automated Management System (CAMS) has been completed and is now in use. The functionality in Phase I includes: compliance determination, enforcement, location activities, and customer assistance support for enforcement. CAMS uses SAP solutions as the basis for its implementation. This software provides the core data structures, business process frameworks, functions, and features. First Logic is used to support system functions such as address matching and normalization.

The implementation of the first phase of CAMS, while automating many of our enforcement actions, has not

yet produced the targeted improvement in collections as the Department had forecasted in the first year of implementation. In the first year of implementation, collections grew 1.48 percent over the prior year. Staff identified additional process improvements to help increase collections. In state fiscal year 2007-08 collections increased by 5.27 percent over the previous year. Again in 2008-09 the program saw an increase in collections over the previous year of 6.26 percent. The Department continues to identify improvements and increased automation of enforcement that can be implemented as part of CAMS Phase II.

The development of the second phase of the CAMS project started in February 2008 with a scheduled statewide implementation date of March 2012. This phase will include functionality to support case creation, paternity establishment, support order establishment and modification, payment processing and fund distribution activities. With the completion of this second phase, CAMS will replace the legacy Title IV-D automated system that is currently part of the FLORIDA system, which is managed by the Department of Children and Families.

As CAMS Phase II comes online, routine activities and tasks will be automated and streamlined. This will allow more staff time to be devoted to serving parents. The performance of CAMS will be systematically monitored, analyzed, and improved to ensure that the children and the state are receiving the most benefit possible out of this system.

Property Tax Oversight

The Department's Property Tax Oversight program has an opportunity to leverage a number of newer technologies to provide a single web-based user interface, linking the necessary information and data to improve service levels, efficiency and overall program effectiveness. The implementation of a comprehensive data storage strategy will allow the Department to display the entire profile and transaction history with the Property Tax Oversight Program of each local government or taxing authority and provide much greater data analysis and storage capabilities needed for roll evaluation, maximum millage compliance, and implementation of the constitutional amendment that established homestead portability. Some of the benefits of this technology upgrade are: ensuring equitable assessments, increasing the productivity of the Roll Approval Process, automating the TRIM Process which would increase efficiency and effectiveness and reduce costs for local governments, automating other processes, and increasing data accuracy.

Agency Response to a Changing Environment – Beyond Technology

Elected leaders and private citizens properly ask public agencies to efficiently and effectively spend the funds provided to them, to increase productivity, and to improve services for Floridians. To do that, public agencies need a strategy for targeting resources where they will deliver the best results to Florida's citizens. In short, we need professional, well-designed management systems.

Some of the most successful U.S. companies use the Baldrige National Performance Criteria to improve business results. Working from examples such as the Baldrige-based Florida Sterling model, the Florida Department of Revenue has implemented a Strategic Leadership System.

Built on a decade of progress in advanced technology, management expertise, and private-sector-style strategic planning and performance measurement, our Strategic Leadership System is delivering positive business results for the citizens of Florida.

While the application of technology is certainly one way to expand service delivery and reduce costs, another very important effort is the improvement of business processes. By monitoring performance and determining the root causes of problems or inefficiency, organizations can improve the way they do business. The Department's business process owners are charged with continually looking for opportunities to streamline their activity, improve cycle time, and reduce costs by implementing best practices collected from other organizations, responding to customer/supplier feedback or implementing suggestions from employees who work in each area.

Following are examples of improvements that have been implemented recently or will be implemented in the near future:

- Improvements to the Department's process for responding to internal audit findings, developing corrective action plans and tracking improvements include more oversight of these activities by senior managers to ensure that plans are implemented timely and results are reported regularly.
- Through an analysis of the functions and staffing of our Executive Support Program and Administrative Support Program, we identified some overlapping responsibilities and inefficient workflows. We merged these two programs into the Executive Direction and Support Services Program. Within the new program, we aligned related services, creating two new offices—Financial Management and Workforce Management—from several previously separate offices. The resulting greater efficiency has enabled us to make significant reductions in budget and positions, while maintaining service to our customers: the operating programs and our employees. As we continue to capitalize on a more functional alignment of personnel and tasks, we believe our service and responsiveness will improve over previous levels.
- In preparation for the implementation of CAMS Phase II the Child Support Enforcement Program is critically evaluating and streamlining processes. The program is reviewing all of the support establishment activities and partner interactions to determine how these actions can be done in less time, with fewer errors, and with fewer steps while still serving the best interests of the parents and the state.

- The General Tax Administration Program is focusing on improving the audit lead development system. By coupling new business rule technology with detailed analysis of audit history and information on industry compliance issues, the Program will improve the efficiency of audit lead development and improve compliance.
- Self-service education for taxpayers and the general public will replace face-to-face presentations previously made by the Department. Tax education experts will develop information that is industry-specific and aimed at current compliance mistakes made by taxpayers. While the distribution system will use web technology, the real focus of this effort will be the development of more relevant tax information to help taxpayers comply more easily with the law.
- Faced with dramatically increased responsibilities and decreasing budgets, the Property Tax Oversight Program determined to use its limited resources to produce the most benefit for the state. The Program undertook a complete review and analysis of all business processes, position descriptions, and property tax-related statutes. The Program then eliminated non-value-added or limited-value-added activities, streamlined its structure, and reallocated personnel to implement new requirements. The Program also investigated the use of new technology and new methods to decrease costs while maintaining or improving quality. To lower the annual cost of reviewing the 67 counties' property assessment rolls, the Program is implementing new, state-of-the-art sales ratio methodologies, reducing the need for appraisals. The Program's overall review and analysis also produced a comprehensive information technology vision that will ultimately result in the online submission of all information required from local governments.

Our cutting-edge management and technology systems drive our continually increasing productivity. We must earn our right to continue to serve the public by delivering continually improved services at the same or lower costs than the private sector.

The economic challenges Florida has been facing and is forecast to face in the next few years have resulted in reduced operating budgets for state agencies. Our ability to continue to provide services at current levels without negatively impacting customer service may be affected by these difficult economic times and budgetary challenges. We will monitor and address concerns as needed and as possible within existing resources.

Changing environment for employees

As we look at our most valuable resource—our employees—we know there will be many changes in their future environment. We must adapt successfully to the changes. For example, recent technological changes indicate there is a need for hiring a different type of employee and training existing employees in new skills. We want to attract and retain highly qualified individuals who will continue our history of excellence in serving Florida, and help us constantly reshape the Department of Revenue to meet our customers' needs. We are focused on building a workplace of the future that will be an ideal choice for promising future employees.

In all but a few job classifications, current economic conditions provide opportunities to hire highly competent employees more easily than ever before. However, as the economy improves the Department will be challenged with retaining these individuals. The Department has placed a priority on professional development, improving internal communication and emphasizing employee programs that make business sense to improve the work climate for employees.

Our workplace learning and performance system provides a way for employees to develop within the Department and helps the Department retain highly skilled individuals who will contribute to long-term gains in performance. One improvement is the introduction of Certified Public Management training offered by Florida State University. This program is being offered to 50 managers statewide annually to improve basic supervisory skills and provide training in planning and improving operations. This program is recognized by the Governor's Office as being the provider of choice for Florida's public managers.

Employee programs that focus on wellness, community service and recognition not only improve the working climate for employees, they make business sense. Employees who contribute to community service programs

Trends and Conditions

often explore new skills that they can bring back to the organization. Recognition provides incentive to continue to explore new and innovative ways to improve individual/work unit performance. Encouraging wellness programs not only improves employee well-being, but also reduces the use of sick leave.

We are examining a variety of ways to more immediately listen to and communicate with each other about important issues such as customer service, measurement and performance, privacy and open government, and safety and security. While the traditional methods of communicating, through periodic newsletters and news magazines, are still used for communicating about these issues, we have also instituted other methods of gathering input such as an internal blog as well as special e-mail accounts to receive ideas for improvement.

Trends and Conditions – Potential Policy Changes Affecting the Department’s Budget Request

The House Bill 1B, House Bill 909, Senate Bill 4D and Senate Bill 1588 property tax reform packages placed new and additional responsibilities on the Department of Revenue’s Property Tax Oversight Program without providing any additional resources or staffing to implement and oversee the provisions of these new laws.

The program’s new aid and assistance and oversight responsibilities include verifying that more than 600 local governments properly calculate their TRIM rolled-back millage rates and that they properly advertise and hold annual budget adoption hearings that are open to the public. Noncompliance by a local government could result in the loss of its ½ cent revenue sharing distribution for one year. A recent survey of local taxing authorities highlighted the significant difficulty many local governments faced in reaching program staff and/or finding answers to their questions on millage rates and budget hearings due to the overwhelming new workload required by House Bill 1B.

Under Senate Bill 4D, the Department has the responsibility to monitor the implementation and administration of homestead portability, a new tangible personal property tax exemption, a 10% assessment cap on all nonhomestead property, and an expanded homestead exemption; and provide aid and assistance to county Property Appraisers to ensure that the amendment that established homestead portability is implemented timely, correctly and uniformly. Senate Bill 1588 made further changes to the state’s property tax system and millage-levying process that require further oversight and aid and assistance by the program.

House Bill 909 significantly expands the program’s oversight role of local value adjustment boards (VAB) and requires the program to develop and provide training to VAB members, VAB attorneys, special magistrates and the general public, in addition to developing and implementing uniform policies and procedures that are to be used statewide. Historically, the program did not oversee the value adjustment board process. Consequently, the program does not have any staff knowledgeable about or dedicated to this very complex area of the property tax system.

The Property Tax Oversight Program redirected existing staff to assist with data entering the thousands of forms submitted by local governments to verify compliance with the new millage levying process. However, the program has only a handful of professional staff in Tallahassee who possess the knowledge, experience or skills necessary to assist with the new oversight and aid and assistance requirements of HB1B, HB909, SB4D, and SB1588. Moreover, all of these professional staff are already dedicated full time to handling the program’s traditional oversight and aid and assistance functions such as the annual review and approval of the county property tax rolls, and responding to inquiries from property appraisers and citizens on exemptions, property valuations, refunds, tangible personal property, valuation and exemption appeals, and other issues. The program has no additional resources that can be redirected to handle the additional workload of the new legislation.

The Department is requesting 10 additional positions to ensure that local governments comply with the new legislation, that local governments avoid the loss of their Revenue Sharing distribution, that citizens receive the benefits of the amendment that established homestead portability, and that taxpayers receive fair and impartial hearings from value adjustment boards throughout Florida. A summary of the positions and their responsibilities are provided in the Department’s Legislative Budget Request 2009-10.

In addition, the property tax reform proposals recently enacted through HB1B, Amendment 1, Senate Bill 1588 and House Bill 909 have placed significantly increased demands on the program’s oversight and aid and assistance business processes. The Property Tax Oversight Program’s business processes are manual, labor intensive, and do not effectively use technology to improve process efficiencies or service levels. In order for PTO to achieve its mission of ensuring the equity and uniformity of the state’s \$30.4 billion local property tax system, better technology resources and support tools are needed.

Trends and Conditions – Changes Which Would Require Legislative Action

Medical Support Improvements

CURRENT SITUATION: The Department has identified additional ways to improve Florida law to help the state comply with the federal requirements to obtain orders for health insurance and payment of medical expenses in Title IV-D child support enforcement cases.

PROPOSED CHANGE: Create and amend medical support provisions.

- Amend s. 409.25635(7), F.S., to clarify that the Department may collect noncovered medical expenses in installments by adding a periodic payment to an income deduction notice issued by the Department.
- Amend s. 409.910, F.S., to authorize the Agency for Health Care Administration to share data it receives from health insurers with the Department.

Modification of Support Obligations

CURRENT SITUATION: Pursuant to s. 409.2564(11), F.S., the Department periodically reviews temporary cash assistance cases and by request, other child support cases to determine if a modification of the support obligation is warranted under the State's child support guidelines. The review includes a recalculation of the support obligation, using updated financial information from each parent. When the review indicates that the current support obligation should be changed, the Department initiates a modification action. Currently, notice of the action must be by personal service (process server), and a hearing must be held before a judge or hearing officer to make a final determination regarding a change in the support obligation. Also, s. 61.30(15), F.S., authorizes the Department to submit a financial affidavit to the court when a parent who receives temporary cash assistance fails to complete an affidavit as requested.

PROPOSED CHANGE: Amend current law to streamline the modification process when the Department's review shows that the current support obligation should be changed. The Department will be able to serve petitions to modify judicial cases by regular mail if the parties have participated in the review process. The Department will be required to provide both parties with a proposed order showing the new support obligation. Either parent can object to the proposed order, and if an objection is filed timely, a hearing will be held in court. If a timely objection is not filed, a final modified order with the same provisions as the proposed order may be entered by the court.

The procedure would be limited to situations where the Department has made a determination pursuant to the existing statutory procedure that the current support obligation should be changed, using the criteria provided in s. 61.30 (b) and (c), F.S., or that the order needs to be modified to address medical support.

Amend s. 61.30(15), F.S., to allow the option of filing a written declaration under penalty of perjury, instead of a financial affidavit when a parent who receives TANF does not cooperate with the Department as required. A financial affidavit must be executed manually, whereas a written declaration will facilitate electronic filing when it becomes available.

E-Mailing Taxpayers General Information

CURRENT SITUATION: Current law does not specifically authorize the Department to send general information to taxpayers through regular electronic systems. General information includes items such as Taxpayer Information Publications, due date reminders, or other general notices.

PROPOSED CHANGE: This proposal would clearly authorize the Department to send general information to taxpayers using regular electronic systems. The information could be provided by telephone, electronic mail, facsimile, or similar electronic means. Services could be expanded through ongoing development of our internet e-portal site. This proposal would enhance and improve communication with taxpayers.

Twenty-Five Percent Food Rule

CURRENT SITUATION: Certain food products are exempt from sales tax. Difficulties arise when taxable items and nontaxable items are sold together for a single price. The Department had a rule in place for

Trends and Conditions – Changes Which Would Require Legislative Action

nearly 20 years that provides that when the nontaxable item is food, if value of the taxable item does not exceed 25% of the value of the complete package, the entire sales is exempt. It has recently become clear that the Department does not have the requisite statutory basis for this rule.

PROPOSED CHANGE: The proposal will clarify that these transactions are exempt.

Financial Information Data Match

CURRENT SITUATION: The 2007 Legislature directed the Department to conduct a pilot program to match electronic data from financial institutions with public records to recover delinquent tax liabilities. The Department conducted the pilot program with a financial institution and identified accounts for 5% of the 39,000 delinquent taxpayers submitted for the match. However, the Department was not allowed to take action against taxpayer accounts during the pilot program.

PROPOSED CHANGE: The proposal would make the program permanent and allow the Department to take action to collect these outstanding tax liabilities.

Enterprise Zones – Building Materials Refunds

CURRENT SITUATION: Florida exempts building materials from sales tax by refund when the materials are used to rehabilitate real property located in an enterprise zone. This program has grown significantly, creating several administrative issues. First, when the real property is being developed and then later sold, it is unclear whether the developer or the ultimate property owner is the taxpayer that qualifies for the exemption. Second, numerous applications are being required for a single development. Finally, the statute requires the taxpayer to provide building permits as documentation of rehabilitation, but on some projects, full building permits are not required.

PROPOSED CHANGE: This proposal would clarify that the owner of the property at the time the improvements are made is the owner entitled to the exemption, that only one application is needed to request exemption for multiple properties within a development, and that any permit issued by a local government building department will satisfy the permit requirement.

Integrated Revocations

CURRENT SITUATION: Florida law permits the Department to revoke a dealer's sales tax registration when the dealer fails to pay its sales tax liability. However, the Department does not have the authority to revoke registrations of delinquent taxpayers for other taxes.

PROPOSED CHANGE: The proposal would allow the Department to revoke a taxpayer's certificate of registration for any tax when the taxpayer owes any tax liability where a tax warrant has been issued.

Short Sales Clarification

CURRENT SITUATION: Florida imposes tax on the deeds and similar documents that convey real property. The tax is imposed on the "consideration" given for the deed or instrument. Consideration includes money paid and mortgages on the property, as well as any cancellation of indebtedness given in return for the deed.

Recent changes in the real estate market have increased the number of "short sales," sales where the purchaser is paying less than the owner owes on the property. In these transactions, the owner's original lender will sometimes agree to cancel a portion of the owner's debt.

As a result of receiving numerous questions regarding the correct application of law of this issue, the Department has issued administrative advisements which conclude that the consideration does not include the portion of the seller's debt that is cancelled by the lender to the extent that all parties are dealing with each other at arm's length. However, these advisements are only binding for the taxpayers that specifically request them.

PROPOSED CHANGE: In order to provide clarity for all taxpayers, amend s. 201.02, F.S., to clearly state that the statute does not impose tax on the portion of a seller's debt that a lender cancels pursuant to a short sale of real property between unrelated parties.

Trends and Conditions – Changes Which Would Require Legislative Action

Unemployment Compensation Tax/Wage Reports Compliance

CURRENT SITUATION: Florida law requires employers to pay unemployment compensation tax and file quarterly wage reports. It is imperative that these reports be correct and complete. Insufficient reports may delay the payment of unemployment benefits to unemployed workers, delay the completion of certain federal administrative requirement, and impair the efforts of numerous agencies, such as the U.S. Department of Homeland Security, Immigration and Customs Enforcement, the Social Security Administration, and Florida's child support enforcement program, that use information in the database to conduct their respective duties. The Department frequently receives erroneous, incorrect, or insufficient reports, and efforts to enforce the reporting requirements have been unsuccessful.

PROPOSED CHANGE: This proposal would impose a penalty of \$50 or 10 percent of the tax due, not to exceed \$300, for erroneous, incomplete, or insufficient tax/wage reports. The Department will waive the penalty if an accurate and complete report is filed within 30 days of the penalty notice. An automatic penalty waiver would be allowed once during a 12-month period or, as with other penalties imposed under Chapter 443, F.S., the penalty may be waived if imposition is inequitable. Employers would not be penalized for erroneous information supplied by employees if the employer was unaware of the inaccuracy.

Meritorious Service Awards Program

CURRENT SITUATION: Chapter 2001-43, L.O.F., eliminated state agencies' authority to use agency funds for a meritorious service awards programs.

PROPOSED CHANGE: State agencies would be allowed to develop a meritorious service awards program for employees who make exceptional contributions to the operations of state government. Monetary awards would be limited to a total of \$100 plus applicable taxes per individual employee for each fiscal year. No additional funding would be necessary; agencies would use existing budgets.

Trends and Conditions – Task Forces and Studies In Progress

The Department of Revenue has no task forces or studies in progress at this time.



**Performance Measures and Standards –
LRPP Exhibit II**

Performance Measures and Standards - Exhibit II

Department: DEPARTMENT OF REVENUE

73010000 Program: Administrative Services Program
 73010100 Executive Direction and Support Services

Approved Performance Measures (Words)	Approved FY 2008-09 Standard (Numbers)	Prior Year Actual FY 2008-09 (Numbers)	Approved FY 2009-10 Standard (Numbers)	Requested FY 2010-11 Standard (Numbers)
Administrative costs as a percent of total agency costs (not including revenue sharing)	4.87%	4.46%	5.16%	4.76%
Administrative positions as a percent of total agency positions	6.13%	5.41%	5.42%	5.25%

Performance Measures and Standards - Exhibit II

Department: DEPARTMENT OF REVENUE

73200000 Program: Property Tax Oversight Program
 73200500 Compliance Determination

Approved Performance Measures (Words)	Approved FY 2008-09 Standard (Numbers)	Prior Year Actual FY 2008-09 (Numbers)	Approved FY 2009-10 Standard (Numbers)	Requested FY 2010-11 Standard (Numbers)
Percent of classes/subclasses studied (for in-depth counties) & found to have a level of assessment of at least 90%	95%	88.2%	95.6%	90.0%
Number of in-depth classes studied with a statistically valid sample	80	85	85	85
Number of refund/tax certificate applications processed	4,250	5,295	4,500	5,000
Number of Truth-in-Millage / Millage Adoption forms processed	New Measure Requested	5,144	5,000	5,000
Number of railroad and private carlines centrally assessed	Moved to Education & Assistance			

73200700 Education and Assistance

Approved Performance Measures (Words)	Approved FY 2008-09 Standard (Numbers)	Prior Year Actual FY 2008-09 (Numbers)	Approved FY 2009-10 Standard (Numbers)	Requested FY 2010-11 Standard (Numbers)
Percent of users of PTO aid and assistance satisfied with the services provided	90.0%	96.8%	91.0%	90.8%
Number of student training hours provided	38,000	36,030	40,250	38,000
Number of hours of Aid & Assistance consultation provided to elected officials	8,000	2729	4,000	3,000
Number of railroad and private carlines centrally assessed	210	235	165	225
Number of tangible personal property compliance study audits provided to property appraisers	609	0	Request Delete Measure	Measure Deleted

Performance Measures and Standards - Exhibit II

Department: DEPARTMENT OF REVENUE

**73300000 Program: Child Support Enforcement Program
73300600 Case Processing**

Approved Performance Measures (Words)	Approved FY 2008-09 Standard (Numbers)	Prior Year Actual FY 2008-09 (Numbers)	Approved FY 2009-10 Standard (Numbers)	Requested FY 2010-11 Standard (Numbers)
Percent of IV-D cases available for the next appropriate action	86.0%	91.9%	Request Delete Measure	Measure Replaced
Percent of IV-D cases missing critical data elements necessary for next appropriate action	New Measure	16.3%	17.0%	16.0%
Total number of cases maintained during the year	900,000	1,072,805	1,030,000	1,130,000
Total number of individual educational contacts and inquiries answered	7,800,000	13,709,042	12,500,000	14,500,000

73300700 Remittance and Distribution

Approved Performance Measures (Words)	Approved FY 2008-09 Standard (Numbers)	Prior Year Actual FY 2008-09 (Numbers)	Approved FY 2009-10 Standard (Numbers)	Requested FY 2010-11 Standard (Numbers)
Percent of State Disbursement Unit collections disbursed within 2 business days of receipt	98.0%	98.7%	98.0%	98.0%
Total number of collections processed	8,000,000	10,168,329	9,750,000	11,100,000
Total number of collections distributed	7,600,000	9,618,826	9,555,000	10,500,000

73300800 Establishment

Approved Performance Measures (Words)	Approved FY 2008-09 Standard (Numbers)	Prior Year Actual FY 2008-09 (Numbers)	Approved FY 2009-10 Standard (Numbers)	Requested FY 2010-11 Standard (Numbers)
Percent of IV-D cases with an order for support	80.0%	73.2%*	75.0%	75.5%
Total number of paternities established and genetic testing exclusions	81,000	100,171*	114,000	110,000
Total number of newly established and modified orders	38,000	39,197	38,000	42,000

* Estimated performance on federal measure. Final data available January 2010

* Estimated performance with processing lag. Final data available January 2010

73300900 Compliance

Approved Performance Measures (Words)	Approved FY 2008-09 Standard (Numbers)	Prior Year Actual FY 2008-09 (Numbers)	Approved FY 2009-10 Standard (Numbers)	Requested FY 2010-11 Standard (Numbers)
Percent of current support collected (federal definition)	68.0%	51.9%*	53.5%	54.0%
Total number of obligated unique cases identified for compliance resolution	475,000	607,421	617,000	650,000
Total number of actions processed during the year	2,000,000	3,084,556	2,470,000	3,300,000

* Estimated performance on federal measure. Final data available January 2010

Performance Measures and Standards - Exhibit II

Department: DEPARTMENT OF REVENUE

73400000 Program: General Tax Administration Program
73401000 Tax Processing

Approved Performance Measures (Words)	Approved FY 2008-09 Standard (Numbers)	Prior Year Actual FY 2008-09 (Numbers)	Approved FY 2009-10 Standard (Numbers)	Requested FY 2010-11 Standard (Numbers)
Percent of tax returns reconciled within 30 days	90%	99%	99%	99%
Average number of days from receipt of payment to deposit	NA	NA	New Measure	32%
Percentage of unemployment taxes deposited within 3 days of receipt	NA	NA	New Measure	99%
Percent of taxpayer-claimed refunds processed within 90 days	NA	NA	New Measure	90%
Percent of distributions made timely	NA	NA	New Measure	100%
Number of accounts maintained	2,073,000	1,409,618	1,400,000	1,400,000
Number of tax returns processed	10,100,000	9,597,729	9,400,000	9,400,000
Number of distributions made	38,701	40,400	38,600	38,600

73401100 Taxpayer Aid

Approved Performance Measures (Words)	Approved FY 2008-09 Standard (Numbers)	Prior Year Actual FY 2008-09 (Numbers)	Approved FY 2009-10 Standard (Numbers)	Requested FY 2010-11 Standard (Numbers)
Percent of educational information/ assistance rendered meeting or exceeding taxpayers' expectations	95%	98%	96%	96%
Number of taxpayers provided with direct assistance or education	NA	NA	New Measure	6,100,000
Number of individual educational contacts made	2,800,000	1,011,106	1,500,000	1,500,000
Number of taxpayers provided with assistance	2,200,000	1,978,971	2,000,000	2,000,000
Number of refund claims processed (change in budget entity requested)	100,000	109,359	120,000	120,000

73401200 Compliance Determination

Approved Performance Measures (Words)	Approved FY 2008-09 Standard (Numbers)	Prior Year Actual FY 2008-09 (Numbers)	Approved FY 2009-10 Standard (Numbers)	Requested FY 2010-11 Standard (Numbers)
Percent of compliance examinations resulting in an adjustment (to a taxpayers account) - change in title and methodology	80%	81%	80%	65%
Number of filing compliance exams completed and resulting a notice of additional liability	1,200,000	1,787,951	2,000,000	1,700,000
Number of taxpayers selected for a tax compliance examination	83,600	36,245	34,850	34,720
Number of audits completed	33,000	21,829	16,000	20,000
Number of discovery examinations completed	50,000	13,696	18,000	14,000
Number of criminal investigations completed	600	720	850	720
Number of audit disputes resolved	NA	NA	New Measure	400

73401300 Compliance Resolution
(Requesting Title Change to Receivables Management)

Approved Performance Measures (Words)	Approved FY 2008-09 Standard (Numbers)	Prior Year Actual FY 2008-09 (Numbers)	Approved FY 2009-10 Standard (Numbers)	Requested FY 2010-11 Standard (Numbers)
Percent of (collection) cases resolved in less than 90 days - changes in both title and methodology	80%	76%	75%	90%
Account receivables as a percent of total revenues	NA	NA	New Measure	2%
Percent of receivables reaching uncollectible status/available for write-off	NA	NA	New Measure	0%
Percent of collection cases resolved in less than 90 days	NA	NA	New Measure	90%
Number of collection cases resolved	750,000	1,406,429	1,200,000	1,700,000
Number of disputes resolved	115,000	298,769	200,000	Deleted

***Department will request official measure changes through budget amendment process**

Performance Measures and Standards - Exhibit II

Department: DEPARTMENT OF REVENUE

73710000 Program: Information Services Program
 73710100 Information Technology

Approved Performance Measures (Words)	Approved FY 2008-09 Standard (Numbers)	Prior Year Actual FY 2008-09 (Numbers)	Approved FY 2009-10 Standard (Numbers)	Requested FY 2010-11 Standard (Numbers)
Information technology costs as a percent of total agency costs	4.21%	3.40%	3.40%	3.44%
Information technology positions as a percent of total agency positions	3.33%	3.79%	3.79%	4.19%



**Assessment of Performance for Approved
Performance Measures – LRPP Exhibit III**

Exhibit III – CSE Performance Measures Assessment Forms

Department: Department of Revenue

Program: Child Support Enforcement

Service/Budget Entity: Establishment

Measure: Percent of IV-D Cases with an Order for Support (Federal Definition)

Action:

- | | |
|--|--|
| <input checked="" type="checkbox"/> Performance Assessment of <u>Outcome</u> Measure | <input type="checkbox"/> Revision of Measure |
| <input type="checkbox"/> Performance Assessment of <u>Output</u> Measure | <input type="checkbox"/> Deletion of Measure |
| <input type="checkbox"/> Adjustment of GAA Performance Standards | |

Approved Standard	Actual Performance Results	Difference (Over/Under)	Percentage Difference
78.0%	73.2%	-4.8%	-6.1%

Factors Accounting for the Difference:

Internal Factors (check all that apply):

- | | |
|---|--|
| <input type="checkbox"/> Personnel Factors | <input type="checkbox"/> Staff Capacity |
| <input type="checkbox"/> Competing Priorities | <input type="checkbox"/> Level of Training |
| <input checked="" type="checkbox"/> Previous Estimate Incorrect | <input type="checkbox"/> Other (Identify) |

Explanation: Total caseload growth impacting the denominator of this measure was underestimated at the time the standard was set by approximately 3%. Had the total caseload growth underpinning the original target remained as previously estimated, the measure would have reflected an actual performance of 76.4%.

External Factors (check all that apply):

- | | |
|--|--|
| <input type="checkbox"/> Resources Unavailable | <input type="checkbox"/> Technological Problems |
| <input type="checkbox"/> Legal/Legislative Change | <input type="checkbox"/> Natural Disaster |
| <input type="checkbox"/> Target Population Change | <input checked="" type="checkbox"/> Other (Identify) |
| <input type="checkbox"/> This Program/Service Cannot Fix The Problem | |
| <input type="checkbox"/> Current Laws Are Working Against The Agency Mission | |

Explanation: The number of judicial orders established has been decreasing steadily over the past few years and the trend continues.

Management Efforts to Address Differences/Problems (check all that apply):

- | | |
|------------------------------------|--|
| <input type="checkbox"/> Training | <input type="checkbox"/> Technology |
| <input type="checkbox"/> Personnel | <input checked="" type="checkbox"/> Other (Identify) |

Recommendations: The Department has submitted modified targets for out years reflecting a reassessment of our future targets to ensure they are reasonable given the environment and resources available. Additionally, the Department continues to assess root causes for the decrease in judicial support (and paternity) orders and to implement process improvements. The Department continues to increase the number of support orders (and paternities) established through the administrative paternity and support process, which uses internal Department resources.

Exhibit III – CSE Performance Measures Assessment Forms

Department: Department of Revenue

Program: Child Support Enforcement

Service/Budget Entity: Establishment

Measure: Total Number of Newly Established and Modified Orders

Action:

- | | |
|---|--|
| <input type="checkbox"/> Performance Assessment of <u>Outcome</u> Measure | <input type="checkbox"/> Revision of Measure |
| <input checked="" type="checkbox"/> Performance Assessment of <u>Output</u> Measure | <input type="checkbox"/> Deletion of Measure |
| <input type="checkbox"/> Adjustment of GAA Performance Standards | |

Approved Standard	Actual Performance Results	Difference (Over/Under)	Percentage Difference
40,000	35,278	(4,722)	-11.8%

Factors Accounting for the Difference:

Internal Factors (check all that apply):

- | | |
|--|--|
| <input type="checkbox"/> Personnel Factors | <input checked="" type="checkbox"/> Staff Capacity |
| <input type="checkbox"/> Competing Priorities | <input type="checkbox"/> Level of Training |
| <input type="checkbox"/> Previous Estimate Incorrect | <input type="checkbox"/> Other (Identify) |

Explanation: While Department efforts to increase the number of administrative support orders have been working, the number of judicial orders established has been decreasing steadily over the past few years and the trend continues.

External Factors (check all that apply):

- | | |
|--|---|
| <input type="checkbox"/> Resources Unavailable | <input type="checkbox"/> Technological Problems |
| <input type="checkbox"/> Legal/Legislative Change | <input type="checkbox"/> Natural Disaster |
| <input type="checkbox"/> Target Population Change | <input type="checkbox"/> Other (Identify) |
| <input type="checkbox"/> This Program/Service Cannot Fix The Problem | |
| <input type="checkbox"/> Current Laws Are Working Against The Agency Mission | |

Explanation: N/A

Management Efforts to Address Differences/Problems (check all that apply):

- | | |
|------------------------------------|--|
| <input type="checkbox"/> Training | <input type="checkbox"/> Technology |
| <input type="checkbox"/> Personnel | <input checked="" type="checkbox"/> Other (Identify) |

Recommendations: Efforts are underway by the Department to determine the root cause for the decrease in judicial support (and paternity) orders. Several areas being reviewed are those with competing priorities within the judiciary (less docket time available for establishment cases versus enforcement or pro se action filings) and inconsistent workload of the judiciary (hearing officers around the state set different limits on their establishment dockets and these limits vary wildly from one hearing officer to another, limiting the available resources to hear establishment cases). The Department has been taking action to increase the number of support orders (and paternities) established through the administrative paternity and support process which uses internal Department resources. The internal administrative support process was restructured to increase internal resources dedicated to establishing new support orders.

Exhibit III – CSE Performance Measures Assessment Forms

Department: Department of Revenue

Program: Child Support Enforcement

Service/Budget Entity: Compliance

Measure: Percent of Current Support Collected (Federal Definition)

Action:

- | | |
|--|--|
| <input checked="" type="checkbox"/> Performance Assessment of <u>Outcome</u> Measure | <input type="checkbox"/> Revision of Measure |
| <input type="checkbox"/> Performance Assessment of <u>Output</u> Measure | <input type="checkbox"/> Deletion of Measure |
| <input type="checkbox"/> Adjustment of GAA Performance Standards | |

Approved Standard	Actual Performance Results	Difference (Over/Under)	Percentage Difference
58.0%	51.9%	-6.1%	-10.5%

Factors Accounting for the Difference:

Internal Factors (check all that apply):

- | | |
|---|--|
| <input type="checkbox"/> Personnel Factors | <input type="checkbox"/> Staff Capacity |
| <input checked="" type="checkbox"/> Competing Priorities | <input type="checkbox"/> Level of Training |
| <input checked="" type="checkbox"/> Previous Estimate Incorrect | <input checked="" type="checkbox"/> Other (Identify) |

Explanation: A software upgrade of CAMS Phase I was initiated in the FY 2007/08 and was completed in December 2008. Due to the nature of the upgrade, the CAMS production environment was closed from February through December 2008 and resources were dedicated to the upgrade project. This resulted in the inability to make configuration or coding changes (enhancements) to improve automated processes. The production environment and resources became available for enhancement requests in January 2009. Enhancement projects completed once the system was available were not made in time to impact the performance of this outcome measure.

External Factors (check all that apply):

- | | |
|--|--|
| <input type="checkbox"/> Resources Unavailable | <input type="checkbox"/> Technological Problems |
| <input type="checkbox"/> Legal/Legislative Change | <input type="checkbox"/> Natural Disaster |
| <input type="checkbox"/> Target Population Change | <input checked="" type="checkbox"/> Other (Identify) |
| <input type="checkbox"/> This Program/Service Cannot Fix The Problem | |
| <input type="checkbox"/> Current Laws Are Working Against The Agency Mission | |

Explanation: The Program conducted trend forecasting and realized that our previous performance expectation of 58% was aggressive based on previous years' economic trends; therefore, we recalculated our performance standard at 52%. The current economic condition is affecting the number of collections received, which is evident by the increase in unemployment collections. The amount of collections distributed from intercepting unemployment compensation benefits SFY 08/09 is \$22 million higher than SFY 07/08 and the number of cases receiving unemployment in SFY 08/09 increased over 16,000.

Management Efforts to Address Differences/Problems (check all that apply):

- | | |
|------------------------------------|--|
| <input type="checkbox"/> Training | <input type="checkbox"/> Technology |
| <input type="checkbox"/> Personnel | <input checked="" type="checkbox"/> Other (Identify) |

Recommendations: The Department has submitted modified targets for out years reflecting a reassessment of our future targets to ensure they are reasonable given the environment and resources available. The Program has identified additional enhancements to the CAMS Phase I system; however, the CAMS Phase II project is reaching a state where the Phase I production environment will be closed to changes. Since the Phase II project will build on the existing Phase I environment, the changes to Phase I will be limited to emergencies only to allow a static environment. The Program is continuing to research alternative solutions to increase child support collections that are not dependent upon technology changes. In addition, the Program is focusing efforts on data integrity for Phase II.

Exhibit III – CSE Performance Measures Assessment Forms

Department: Department of Revenue

Program: Child Support Enforcement

Service/Budget Entity: Establishment

Measure: Total number of Paternities Established and Genetic Testing Exclusions

Action:

- | | |
|--|--|
| <input checked="" type="checkbox"/> Performance Assessment of <u>Outcome</u> Measure | <input type="checkbox"/> Revision of Measure |
| <input type="checkbox"/> Performance Assessment of <u>Output</u> Measure | <input type="checkbox"/> Deletion of Measure |
| <input type="checkbox"/> Adjustment of GAA Performance Standards | |

Approved Standard	Actual Performance Results	Difference (Over/Under)	Percentage Difference
120,000	100,171	-19,829	-16.5%

Factors Accounting for the Difference:

Internal Factors (check all that apply):

- | | |
|---|--|
| <input type="checkbox"/> Personnel Factors | <input type="checkbox"/> Staff Capacity |
| <input type="checkbox"/> Competing Priorities | <input type="checkbox"/> Level of Training |
| <input checked="" type="checkbox"/> Previous Estimate Incorrect | <input type="checkbox"/> Other (Identify) |

Explanation: This measure is based on the estimated number of paternities that would be established during the year plus the number of genetic testing exclusions that would occur. The estimated number of paternities is based upon the number of estimated out-of-wedlock births and the targeted Paternity Establishment Percentage (PEP). The Department had previously established an aggressive PEP target measure of 101% for the current reporting year. The actual number of out-of-wedlock births for the reporting year was less than projected, which affected the number of in-hospital paternities established and, in turn, the total number of paternities established during the year. While the Department has increased the number of paternities established through its internal administrative paternity establishment process, this increase has not been sufficient to fill the gap between the expected and actual number of in-hospital paternities established. Additionally, there continues to be a downward trend in the total number of judicial paternities established.

External Factors (check all that apply):

- | | |
|---|--|
| <input type="checkbox"/> Resources Unavailable | <input type="checkbox"/> Technological Problems |
| <input type="checkbox"/> Legal/Legislative Change | <input type="checkbox"/> Natural Disaster |
| <input checked="" type="checkbox"/> Target Population Change | <input checked="" type="checkbox"/> Other (Identify) |
| <input checked="" type="checkbox"/> This Program/Service Cannot Fix The Problem | |
| <input type="checkbox"/> Current Laws Are Working Against The Agency Mission | |

Explanation:

Target Population Change: The majority of paternity establishments occur through the in-hospital acknowledgment process at the time the out-of-wedlock birth occurs (approximately 67% of all paternities established). The number of out-of-wedlock births that actually occurred during the year was less than anticipated (actual 104,257 vs. estimated 113,879.), resulting in a reduction in the population that produces the largest portion of paternity establishments. The percent of total paternities still averaged about 67% from the in-hospital acknowledgment process. However, due to increasing out-of-wedlock birth rates over the past several years, the actual PEP attained by the Program has been decreasing, as the previous years out of wedlock birth rate becomes the denominator of the measure for the subsequent year, and the birth rate increase has not resulted in a comparable paternity establishment increase.

Other agency impact: Several other state agencies also establish paternity in the course of their daily business; however, many of these are not reported to the Office of Vital Statistics to update the child's paternity status. The Department attempts to identify these and reach out to the appropriate agencies to

Exhibit III – CSE Performance Measures Assessment Forms

ensure paternities are accurately recorded at the Office of Vital Statistics, the major source of our reporting data for this measure.

Management Efforts to Address Differences/Problems (check all that apply):

- | | |
|--|--|
| <input checked="" type="checkbox"/> Training | <input type="checkbox"/> Technology |
| <input type="checkbox"/> Personnel | <input checked="" type="checkbox"/> Other (Identify) |

Recommendations:

The Program has begun including allowable interstate paternity establishments in its total paternity measure to help compensate. Staff requires additional training and monitoring to help ensure all appropriate paternity status updates are provided to the Office of Vital Statistics, especially those obtained through the interstate child support process, as well as paternity establishments that occur through the efforts of other state agencies. The program continues to reach out to these agencies in partnership with the Office of Vital Statistics to assist and educate them on the necessity of ensuring complete documentation occurs. Additionally, the program should reassess the paternity establishment percentage target to ensure it is set at a realistic level.

Exhibit III – GTA Performance Measures Assessment Forms

Department: Revenue

Program: General Tax Administration

Service/Budget Entity: Taxpayer Aid

Measure: Number of individual educational contacts made

Action:

- | | |
|--|--|
| <input type="checkbox"/> Performance Assessment of Outcome Measure | <input type="checkbox"/> Revision of Measure |
| <input checked="" type="checkbox"/> Performance Assessment of Output Measure | <input type="checkbox"/> Deletion of Measure |
| <input type="checkbox"/> Adjustment of GAA Performance Standards | |

Approved Standard	Actual Performance Results	Difference (Over/Under)	Percentage Difference
2,600,000	1,011,106	(1,588,894)	-61.1%

Factors Accounting for the Difference:

Internal Factors (check all that apply):

- | | |
|---|--|
| <input type="checkbox"/> Personnel Factors | <input type="checkbox"/> Staff Capacity |
| <input type="checkbox"/> Competing Priorities | <input type="checkbox"/> Level of Training |
| <input checked="" type="checkbox"/> Previous Estimate Incorrect | <input type="checkbox"/> Other (Identify) |

Explanation: This measure includes tax returns mailed to taxpayers. As more and more taxpayers opt to file electronically, the output is reduced. The earlier estimate failed to take this impact into account. Also, the department added a variety of web-based information and tutorials that greatly expanded the use of electronic taxpayer education tools. This measure did not include these contacts in its count.

Explanation: External Factors (check all that apply):

- | | |
|---|---|
| <input type="checkbox"/> Resources Unavailable | <input type="checkbox"/> Technological Problems |
| <input checked="" type="checkbox"/> Legal/Legislative Change | <input type="checkbox"/> Natural Disaster |
| <input type="checkbox"/> Target Population Change | <input type="checkbox"/> Other (Identify) |
| <input checked="" type="checkbox"/> This Program/Service Cannot Fix The Problem | |
| <input type="checkbox"/> Current Laws Are Working Against The Agency Mission | |

Explanation: The estimate of 2,600,000 assumed that 2008-09, as in immediately preceding years, would have legislatively mandated "Sales Tax Holidays" that require the mailing of hundreds of thousands informational bulletins. Since no such legislation passed for 2008-09, the number of educational contacts required was reduced substantially.

Management Efforts to Address Differences/Problems (check all that apply):

- | | |
|------------------------------------|--|
| <input type="checkbox"/> Training | <input type="checkbox"/> Technology |
| <input type="checkbox"/> Personnel | <input checked="" type="checkbox"/> Other (Identify) |

Recommendations: The department, in its 2010-11 LBR, is requesting a change to this measure that eliminates the inclusion of tax returns mailed in the output count as well as including the count of web-based educational contacts. These changes will more accurately reflect the entire taxpayer aid program.

Exhibit III – GTA Performance Measures Assessment Forms

Department: Revenue

Program: General Tax Administration

Service/Budget Entity: Taxpayer Aid

Measure: Number of taxpayers provided with assistance

Action:

- Performance Assessment of Outcome Measure
- Performance Assessment of Output Measure
- Adjustment of GAA Performance Standards
- Revision of Measure
- Deletion of Measure

Approved Standard	Actual Performance Results	Difference (Over/Under)	Percentage Difference
2,200,000	1,978,971	(221,039)	-10.0%

Factors Accounting for the Difference:

Internal Factors (check all that apply):

- Personnel Factors
- Competing Priorities
- Previous Estimate Incorrect
- Staff Capacity
- Level of Training
- Other (Identify)

Explanation: Two factors directly contributed to the reduction in taxpayers provided with assistance in 2008-09. First was a reduction in the inbound calls due to the complexities of the sales tax holiday. Nearly 120,000 additional calls are received each year from both taxpayers and businesses during the 90 day period before, during and after the sales tax holiday. With no sales tax holiday in 2009 there was not an additional demand placed on the call center for this activity.

Additional factors that may have contributed to the reduced assistance demand were the increase in self-service web options available to taxpayers and efforts to simplify forms. Taxpayers and citizens now have more access to tax information and services on the web than ever before. The agency is still trying to measure the impact this has on the demand for call center services. General usage of the web for all types of services and information has been up the last three years. Web based self-service transactions such as the use of tutorials, form requests and publications downloads have increased to over 2.5 million in 2008-09. That's an annual increase of over 38% over the previous year. Additionally, the department has undertaken an effort to revise and simplify numerous forms that are sent to taxpayers.

External Factors (check all that apply):

- Resources Unavailable
- Legal/Legislative Change
- Target Population Change
- This Program/Service Cannot Fix The Problem
- Current Laws Are Working Against The Agency Mission
- Technological Problems
- Natural Disaster
- Other (Identify)

Explanation: This output is a "demand" measure, in that the estimate is based on taxpayers' demand for services. Incoming calls and correspondence were lower for the year than expected. One additional factor is the weak economy resulting in fewer new registrants for the year, which lessened the need for assistance to those least familiar with the requirements.

Management Efforts to Address Differences/Problems (check all that apply):

- Training
- Personnel
- Technology
- Other (Identify)

Recommendations: Adjust standard to appropriate level.

Exhibit III – GTA Performance Measures Assessment Forms

Department: Revenue

Program: General Tax Administration

Service/Budget Entity: Compliance Determination

Measure: Number of filing compliance exams completed

Action:

- | | |
|--|--|
| <input type="checkbox"/> Performance Assessment of Outcome Measure | <input type="checkbox"/> Revision of Measure |
| <input checked="" type="checkbox"/> Performance Assessment of Output Measure | <input type="checkbox"/> Deletion of Measure |
| <input type="checkbox"/> Adjustment of GAA Performance Standards | |

Approved Standard	Actual Performance Results	Difference (Over/Under)	Percentage Difference
2,000,000	1,787,951	(212,049)	-10.6%

Factors Accounting for the Difference:

Internal Factors (check all that apply):

- | | |
|--|---|
| <input type="checkbox"/> Personnel Factors | <input type="checkbox"/> Staff Capacity |
| <input type="checkbox"/> Competing Priorities | <input type="checkbox"/> Level of Training |
| <input type="checkbox"/> Previous Estimate Incorrect | <input type="checkbox"/> Other –Process improvement |

Explanation: N/A

External Factors (check all that apply):

- | | |
|---|---|
| <input type="checkbox"/> Resources Unavailable | <input type="checkbox"/> Technological Problems |
| <input type="checkbox"/> Legal/Legislative Change | <input type="checkbox"/> Natural Disaster |
| <input checked="" type="checkbox"/> Target Population Change | <input type="checkbox"/> Other (Identify) |
| <input checked="" type="checkbox"/> This Program/Service Cannot Fix the Problem | |
| <input type="checkbox"/> Current Laws Are Working Against the Agency Mission | |

Explanation: This output is a “demand” measure, in that the measure is solely dependent on the number of tax returns filed. The weak economy resulted in fewer new registrants than prior years, which reduced the number of tax returns filed. Additionally, the number of non-monthly (quarterly, semi-annual, and annual) sales tax filers increased in relation to monthly filers, thus reducing the number filing examinations required.

Management Efforts to Address Differences/Problems (check all that apply):

- | | |
|------------------------------------|--|
| <input type="checkbox"/> Training | <input type="checkbox"/> Technology |
| <input type="checkbox"/> Personnel | <input checked="" type="checkbox"/> Other (Identify) |

Recommendations: Adjust standard to appropriate level.

Exhibit III – GTA Performance Measures Assessment Forms

Department: Revenue

Program: General Tax Administration

Service/Budget Entity: Compliance Determination

Measure: Number of taxpayers selected for a tax compliance examination

Action:

- Performance Assessment of Outcome Measure Revision of Measure
 Performance Assessment of Output Measure Deletion of Measure
 Adjustment of GAA Performance Standards

Approved Standard	Actual Performance Results	Difference (Over/Under)	Percentage Difference
44,700	36,245	(8,455)	-18.9%

Factors Accounting for the Difference:

Internal Factors (check all that apply):

- Personnel Factors Staff Capacity
 Competing Priorities Level of Training
 Previous Estimate Incorrect Other –Process improvement

Explanation: Two factors contributed to the reduced outputs for this activity. First, the department undertook an effort to improve the selection criteria for identifying non-compliant taxpayers. As a result the activity selected fewer discovery examination candidates, while maintaining nearly the same level of collection recovery. Second, the department decreased the number of audit candidates selected due to staff capacity issues. Several areas (in and out of state) are having difficulty hiring and retaining experienced auditors to meet the production targets. The department must compete with both private and public organizations for these highly skilled employees. In addition, the number of small less complex audits that are quickly completed were reduced in order to more efficiently use the limited audit staff.

External Factors (check all that apply):

- Resources Unavailable Technological Problems
 Legal/Legislative Change Natural Disaster
 Target Population Change Other (Identify)
 This Program/Service Cannot Fix The Problem
 Current Laws Are Working Against The Agency Mission

Explanation: Due to budget cuts over the past few years, the department has reduced its audit staff by 20%, resulting in a significant reduction in the number taxpayers selected for audit due to reduced staff capacity to conduct audits.

Management Efforts to Address Differences/Problems (check all that apply):

- Training Technology
 Personnel Other (Identify)

Recommendations: The department is in the process of redeploying central staff in the conduct of documentary stamp tax cases that will continue to impact this measure. The standard will also be adjusted to an appropriate level based on the changes. Additionally, the department received additional auditor positions in 2009-10, and is requesting further additions to auditor staffing in the 2010-11 LBR. The department has also initiated an aggressive hiring campaign to fill vacant auditor positions as soon as practicable.

Exhibit III – GTA Performance Measures Assessment Forms

Department: Revenue

Program: General Tax Administration

Service/Budget Entity: Compliance Determination

Measure: Number of audits completed

Action:

- | | |
|--|--|
| <input type="checkbox"/> Performance Assessment of Outcome Measure | <input type="checkbox"/> Revision of Measure |
| <input checked="" type="checkbox"/> Performance Assessment of Output Measure | <input type="checkbox"/> Deletion of Measure |
| <input type="checkbox"/> Adjustment of GAA Performance Standards | |

Approved Standard	Actual Performance Results	Difference (Over/Under)	Percentage Difference
24,000	21,829	(2,171)	-9.0%

Factors Accounting for the Difference:

Internal Factors (check all that apply):

- | | |
|---|--|
| <input type="checkbox"/> Personnel Factors | <input type="checkbox"/> Staff Capacity |
| <input type="checkbox"/> Competing Priorities | <input type="checkbox"/> Level of Training |
| <input checked="" type="checkbox"/> Previous Estimate Incorrect | <input type="checkbox"/> Other (Identify) |

Explanation: The department's decrease in audits completed is a direct result of staff capacity issues. Several areas (in and out of state) are having difficulty hiring and retaining experienced auditors to meet the production targets. The department must compete with both private and public organizations for these highly skilled employees. In addition, the number of small less complex audits that are quickly completed have been reduced in order to more efficiently use the limited audit staff.

External Factors (check all that apply):

- | | |
|--|---|
| <input checked="" type="checkbox"/> Resources Unavailable | <input type="checkbox"/> Technological Problems |
| <input type="checkbox"/> Legal/Legislative Change | <input type="checkbox"/> Natural Disaster |
| <input type="checkbox"/> Target Population Change | <input type="checkbox"/> Other (Identify) |
| <input type="checkbox"/> This Program/Service Cannot Fix The Problem | |
| <input type="checkbox"/> Current Laws Are Working Against The Agency Mission | |

Explanation: Budget cuts, resulting in an auditor staffing decrease of 20%, reduced the department's capacity to conduct audits. Since the department's priority to insure that the largest taxpayers are included in its audit coverage, audits of smaller taxpayers, which take less time, have disproportionately decreased the number of audits eliminated annually.

Management Efforts to Address Differences/Problems (check all that apply):

- | | |
|---|---|
| <input type="checkbox"/> Training | <input type="checkbox"/> Technology |
| <input checked="" type="checkbox"/> Personnel | <input type="checkbox"/> Other (Identify) |

Recommendations: The department received additional auditor positions in 2009-10, and is requesting further additions to auditor staffing in the 2010-11 LBR. The department has also initiated an aggressive hiring campaign to fill vacant auditor positions as soon as practicable.

Exhibit III – PTO Performance Measures Assessment Forms

Department: Department of Revenue

Program: Property Tax Oversight

Service/Budget Entity: Compliance Determination

Measure: Number of hours of Aid & Assistance Consultation Provided to Elected Officials

Action:

- Performance Assessment of Outcome Measure Revision of Measure
 Performance Assessment of Output Measure Deletion of Measure
 Adjustment of GAA Performance Standards

Approved Standard	Actual Performance Results	Difference (Over/Under)	Percentage Difference
8,000	2,729	-5,271	-66%

Factors Accounting for the Difference:

Internal Factors (check all that apply):

- Personnel Factors Staff Capacity
 Competing Priorities Level of Training
 Previous Estimate Incorrect Other (Identify)

Explanation: Recent law changes and significant reforms to Florida's property tax system have required the Department to reallocate staff from this function to other areas, notably those focusing on local government millage levying compliance, Amendment 1 implementation, and county value adjustment board rules of procedure.

External Factors (check all that apply):

- Resources Unavailable Technological Problems
 Legal/Legislative Change Natural Disaster
 Target Population Change Other (Identify)
 This Program/Service Cannot Fix the Problem
 Current Laws Are Working Against The Agency Mission

Explanation: N/A

Management Efforts to Address Differences/Problems (check all that apply):

- Training Technology
 Personnel Other (Identify)

Recommendations: Adjust standard to reflect staff redistribution to other priorities and establish an additional measure to reflect performance in the new area of activity.

Exhibit III – PTO Performance Measures Assessment Forms

Department: Department of Revenue

Program: Property Tax Oversight

Service/Budget Entity: Compliance Determination

Measure: Percent of Classes/Subclasses Studied (For In-Depth Counties) and Found to Have A Level of Assessment of at Least 90%

Action:

- | | |
|--|--|
| <input checked="" type="checkbox"/> Performance Assessment of <u>Outcome</u> Measure | <input type="checkbox"/> Revision of Measure |
| <input type="checkbox"/> Performance Assessment of <u>Output</u> Measure | <input type="checkbox"/> Deletion of Measure |
| <input type="checkbox"/> Adjustment of GAA Performance Standards | |

Approved Standard	Actual Performance Results	Difference (Over/Under)	Percentage Difference
94%	88.8%	-5.8	-6.1%

Factors Accounting for the Difference:

Internal Factors (check all that apply):

- | | |
|--|--|
| <input type="checkbox"/> Personnel Factors | <input type="checkbox"/> Staff Capacity |
| <input type="checkbox"/> Competing Priorities | <input type="checkbox"/> Level of Training |
| <input type="checkbox"/> Previous Estimate Incorrect | <input type="checkbox"/> Other (Identify) |

Explanation: N/A

External Factors (check all that apply):

- | | |
|---|--|
| <input type="checkbox"/> Resources Unavailable | <input type="checkbox"/> Technological Problems |
| <input type="checkbox"/> Legal/Legislative Change | <input type="checkbox"/> Natural Disaster |
| <input type="checkbox"/> Target Population Change | <input checked="" type="checkbox"/> Other (Identify) |
| <input checked="" type="checkbox"/> This Program/Service Cannot Fix The Problem | |
| <input type="checkbox"/> Current Laws Are Working Against The Agency Mission | |

Explanation: This is a measure of the percentage of property value groups reviewed by DOR that are in substantial compliance with Florida law with regard to just valuation. County Property Appraisers have the constitutional responsibility to assess all property at market value as of January 1 each year. The Department reviews each county's tax roll every year to verify the Property Appraisers' assessments on more than 9 million parcels of real property. The wide fluctuations in Florida's real estate market over the past two years have made assessments more difficult.

Management Efforts to Address Differences/Problems (check all that apply):

- | | |
|--|---|
| <input checked="" type="checkbox"/> Training | <input type="checkbox"/> Technology |
| <input type="checkbox"/> Personnel | <input type="checkbox"/> Other (Identify) |

Recommendations: DOR will continue its aid and assistance training efforts to attempt to mitigate the impact of the current anomalous market.

Exhibit III – GTA Performance Measures Assessment Forms

Department: Revenue

Program: General Tax Administration

Service/Budget Entity: Compliance Determination

Measure: Number of discovery examinations completed

Action:

- | | |
|--|--|
| <input type="checkbox"/> Performance Assessment of Outcome Measure | <input type="checkbox"/> Revision of Measure |
| <input checked="" type="checkbox"/> Performance Assessment of Output Measure | <input type="checkbox"/> Deletion of Measure |
| <input type="checkbox"/> Adjustment of GAA Performance Standards | |

Approved Standard	Actual Performance Results	Difference (Over/Under)	Percentage Difference
20,000	13,696	(6,304)	-31.5%

Factors Accounting for the Difference:

Internal Factors (check all that apply):

- | | |
|---|---|
| <input type="checkbox"/> Personnel Factors | <input type="checkbox"/> Staff Capacity |
| <input type="checkbox"/> Competing Priorities | <input type="checkbox"/> Level of Training |
| <input checked="" type="checkbox"/> Previous Estimate Incorrect | <input checked="" type="checkbox"/> Other – process improvement |

Explanation: The department undertook an effort to improve the selection criteria for identifying non-compliant taxpayers. As a result the process performed fewer discovery examinations, while maintaining nearly the same level of collection recovery. This improvement had the added benefit of reducing the number of taxpayers required to provide unnecessary information to the department as part of discovery projects.

External Factors (check all that apply):

- | | |
|--|---|
| <input type="checkbox"/> Resources Unavailable | <input type="checkbox"/> Technological Problems |
| <input type="checkbox"/> Legal/Legislative Change | <input type="checkbox"/> Natural Disaster |
| <input type="checkbox"/> Target Population Change | <input type="checkbox"/> Other (Identify) |
| <input type="checkbox"/> This Program/Service Cannot Fix The Problem | |
| <input type="checkbox"/> Current Laws Are Working Against The Agency Mission | |

Explanation: N/A

Management Efforts to Address Differences/Problems (check all that apply):

- | | |
|------------------------------------|--|
| <input type="checkbox"/> Training | <input type="checkbox"/> Technology |
| <input type="checkbox"/> Personnel | <input checked="" type="checkbox"/> Other (Identify) |

Recommendations: The standard will be adjusted to an appropriate level based on the strategy improvement to reduce the number of unnecessary and non-productive discovery examinations.

Exhibit III – GTA Performance Measures Assessment Forms

Department: Revenue

Program: General Tax Administration

Service/Budget Entity: Compliance Resolution

Measure: Percent of compliance examinations resulting in an adjustment

Action:

- Performance Assessment of Outcome Measure
- Performance Assessment of Output Measure
- Adjustment of GAA Performance Standards
- Revision of Measure
- Deletion of Measure

Approved Standard	Actual Performance Results	Difference (Over/Under)	Percentage Difference
86%	81%	(5%)	-5.8%

Factors Accounting for the Difference:

Internal Factors (check all that apply):

- Personnel Factors
- Competing Priorities
- Previous Estimate Incorrect
- Staff Capacity
- Level of Training
- Other (Identify)

Explanation: At the time the estimate was made (August, 2007), it was difficult to predict the exact impact of SUNTAX integration on the accuracy of identifying non-compliant taxpayers. Further, the integration of unemployment tax into SUNTAX during 2007-08 required the redeployment of programming resources into that effort, limiting the department's ability to enact system enhancements that may have had a positive impact on this measure.

External Factors (check all that apply):

- Resources Unavailable
- Legal/Legislative Change
- Target Population Change
- This Program/Service Cannot Fix The Problem
- Current Laws Are Working Against The Agency Mission
- Technological Problems
- Natural Disaster
- Other (Identify)

Explanation: Budget reductions enacted over the past three years have resulted in the elimination of a large portion of the department's funding for contractual services, most of which would have been used for SUNTAX system enhancements intended to improve performance in this area.

Management Efforts to Address Differences/Problems (check all that apply):

- Training
- Personnel
- Technology
- Other (Identify)

Recommendations: The department has received funding for the implementation of Collection Analytics, a technical tool that will provide for improved case prioritization based on predictive modeling. This tool is expected to improve the "collectability" of cases thus improving the measure.

Exhibit III – GTA Performance Measures Assessment Forms

Department: Revenue

Program: General Tax Administration

Service/Budget Entity: Compliance Resolution

Measure: Percent of cases resolved in less than 90 days

Action:

- | | |
|---|--|
| <input checked="" type="checkbox"/> Performance Assessment of Outcome Measure | <input type="checkbox"/> Revision of Measure |
| <input type="checkbox"/> Performance Assessment of Output Measure | <input type="checkbox"/> Deletion of Measure |
| <input type="checkbox"/> Adjustment of GAA Performance Standards | |

Approved Standard	Actual Performance Results	Difference (Over/Under)	Percentage Difference
80%	76%	(4%)	-5.0%

Factors Accounting for the Difference:

Internal Factors (check all that apply):

- | | |
|---|--|
| <input type="checkbox"/> Personnel Factors | <input checked="" type="checkbox"/> Staff Capacity |
| <input type="checkbox"/> Competing Priorities | <input type="checkbox"/> Level of Training |
| <input checked="" type="checkbox"/> Previous Estimate Incorrect | <input type="checkbox"/> Other (Identify) |

Explanation: The department overestimated the potential for rapid case resolution based on current staffing levels and current technology.

External Factors (check all that apply):

- | | |
|--|---|
| <input checked="" type="checkbox"/> Resources Unavailable | <input type="checkbox"/> Technological Problems |
| <input type="checkbox"/> Legal/Legislative Change | <input type="checkbox"/> Natural Disaster |
| <input type="checkbox"/> Target Population Change | <input type="checkbox"/> Other (Identify) |
| <input type="checkbox"/> This Program/Service Cannot Fix The Problem | |
| <input type="checkbox"/> Current Laws Are Working Against The Agency Mission | |

Explanation: The department also held vacancies open to meet additional budget reductions.

Management Efforts to Address Differences/Problems (check all that apply):

- | | |
|------------------------------------|--|
| <input type="checkbox"/> Training | <input checked="" type="checkbox"/> Technology |
| <input type="checkbox"/> Personnel | <input checked="" type="checkbox"/> Other (Identify) |

Recommendations: The department received funding in 2009-10 for the implementation of Collection Analytics, a technical tool that provides for improved case prioritization based on predictive modeling. Additionally, the department has increased the dollar threshold of collection cases assigned to private collection agencies. This will provide for a higher volume of cases available to the collection agencies thus freeing-up departmental collection staff to more effectively handle their caseloads.

Exhibit III – GTA Performance Measures Assessment Forms

Department: Revenue

Program: General Tax Administration

Service/Budget Entity: Compliance Resolution

Measure: Number of refund claims processed

Action:

- Performance Assessment of Outcome Measure Revision of Measure
 Performance Assessment of Output Measure Deletion of Measure
 Adjustment of GAA Performance Standards

Approved Standard	Actual Performance Results	Difference (Over/Under)	Percentage Difference
120,000	109,359	(10,641)	-8.9%

Factors Accounting for the Difference:

Internal Factors (check all that apply):

- Personnel Factors Staff Capacity
 Competing Priorities Level of Training
 Previous Estimate Incorrect Other (Identify)

Explanation: It is difficult to predict with absolute certainty the number of refund claims that will be filed for a period 2 years in advance.

External Factors (check all that apply):

- Resources Unavailable Technological Problems
 Legal/Legislative Change Natural Disaster
 Target Population Change Other (Identify)
 This Program/Service Cannot Fix The Problem
 Current Laws Are Working Against The Agency Mission

Explanation: This output is a “demand” measure, in that the measure is solely dependent on the number of refund claims filed and/or overpayments made.

Management Efforts to Address Differences/Problems (check all that apply):

- Training Technology
 Personnel Other (Identify)

Recommendations: Adjust standard to appropriate level.

Exhibit III – PTO Performance Measures Assessment Forms

Department: Department of Revenue

Program: Property Tax

Service/Budget Entity: Education and Assistance

Measure: Number of student training hours provided

Action:

- Performance Assessment of Outcome Measure Revision of Measure
 Performance Assessment of Output Measure Deletion of Measure
 Adjustment of GAA Performance Standards

Approved Standard	Actual Performance Results	Difference (Over/Under)	Percentage Difference
40,000	36,030	-3,970	-9.9%

Factors Accounting for the Difference:

Internal Factors (check all that apply):

- Personnel Factors Staff Capacity
 Competing Priorities Level of Training
 Previous Estimate Incorrect Other (Identify)

Explanation: N/A

External Factors (check all that apply):

- Resources Unavailable Technological Problems
 Legal/Legislative Change Natural Disaster
 Target Population Change Other (Identify)
 This Program/Service Cannot Fix the Problem
 Current Laws Are Working Against The Agency Mission

Explanation: As local governments have had to reduce their budgets and cut back on hiring new staff, the number of property appraiser and tax collector staff able to attend the Department's certification and continuing education classes has decreased. The Department anticipates attendance to continually fall even more in the out years as revenues and budgets at the local level continue to come under pressure.

Management Efforts to Address Differences/Problems (check all that apply):

- Training Technology
 Personnel Other (Identify)

Recommendations: Adjust standard to reflect reduced demand for certification and continuing education classes due to local government budget constraints.



**Performance Measure Validity and Reliability – LRPP
Exhibit IV**

Exhibit IV - CSE Performance Measures Validity and Reliability

Department: Revenue

Program: Child Support Enforcement

Service/Budget Entity: Child Support Case Processing

**Measure: Percent of Cases Missing Critical Data Elements
Necessary for Next Appropriate Action**

Action (check one):

- Requesting revision to approved performance measure.
- Change in data sources or measurement methodologies.
- Requesting new measure.
- Backup for performance measure.

Data Sources and Methodology:

The source of the data is the Child Support Enforcement (CSE) Decision Support System (DSS), a data repository built upon weekly data extracts from the FLORIDA system.

Methodology:

This measure defines the percentage of Department (IV-D) cases missing critical data elements that precludes business processes from taking the next appropriate action. The computation of this measure is monthly. The summed monthly numerators and denominators generate the end of year percentage.

Numerator: The numerator is the sum of unique cases that are open at the end of the month and the unique closed cases with undistributed collections (UDC) which are missing critical data elements from the following categories:

- Case Level Data
- Member Level Data
- Financial Level Data

If a case is missing one or more critical data elements, the case is counted in the numerator.

Denominator: The denominator is the sum of unique cases open at the end of the month and the unique cases closed at the end of the month that have undistributed collections.

Terms:

Case Level Data

- Cases missing the Noncustodial Parent (NCP), Custodial Parent (CP), and/or Dependent Party (DP)
- Cases with unobligated collections
- Cases with no depository number

Member Level Data

- No CP address for obligated or unobligated cases
- No NCP address for obligated or unobligated cases
- No valid NCP social security number
- No grant information
- NCP, CP, or DP with "unknown" name or variations thereof in the name field

Financial Level Data

- Collections that can not be assigned to a case
- UDC on public assistance (PA) cases
- UDC on non assistance (NA) cases
- UDC in a CP support account with a no disbursement indicator
- UDC in a NCP refund account designated to be refunded with a no disbursement indicator
- UDC associated with cases where there is a balance error between the unreimbursed public assistance (URPA) and the child support collection

Unreimbursed Public Assistance (URPA) – The cumulative amount of assistance paid to a family from the

Exhibit IV - CSE Performance Measures Validity and Reliability

state during a specific period not repaid by assigned support collections

Depository Number – A unique number designated by CSE using the Clerk of Court case number for payment processing

Disbursable – A collection that meets all criteria for full or partial distribution as child support

Disbursement Indicator – An indicator on FLORIDA either manually or systemically placed on an account to show whether payments should complete distribution or wait for additional information

Grant – Cash amount family receives from public assistance

No Grant – Collections received during a month the CP is on public assistance and the grant information screen is missing critical data to complete distribution

Obligated – An open case with a court order for support

UDC – Undistributed collections – a collection that does not meet all criteria for full or partial distribution

Unidentified – Collections where adequate information is not available to post a collection to the proper case

Unobligated Case – A case in the CSE open case inventory in the process of getting an order for paternity and support, support only, medical support only, or paternity with zero support order

Unobligated Collection – A collection posted to a case unable to allocate properly to an account

Validity:

This measure is a reflection of the work performed by the Case Maintenance process in identifying and populating missing critical data elements, which enables business processes to take the next appropriate action. A careful review of every case identifies the next appropriate action to ensure the case moves timely and accurately to the subsequent action.

Reliability:

CSE continually endeavors to identify and correct critical data elements within the FLORIDA system and CAMS. The program also conducts a yearly self-assessment to comply with federal requirements. The self-assessment requires case samples be drawn at the statewide level. The sample cases are then reviewed to determine compliance with Federal regulations. This monitoring function is also used to identify systematic problems in the data collection and reporting system.

Further, the Office of the Inspector General performs periodic reviews of performance measures. The scope of these reviews will vary, depending on an annual risk assessment.

Exhibit IV - CSE Performance Measures Validity and Reliability

Department: Revenue

Program: Child Support Enforcement

Service/Budget Entity: Child Support Case Processing

Measure: Total Number of Cases Maintained During the Year

Action (check one):

- Requesting Revision to Approved Measure
- Change in Data Sources or Measurement Methodologies
- Requesting New Measure
- Backup for Performance Outcome and Output Measure

Data Sources and Methodology:

The source of the data is the CSE Decision Support System (DSS), a data repository, built upon monthly data extracts from the FLORIDA system.

Methodology:

This measure includes the total number of cases open at any point within the state fiscal year. The total number of cases includes case type 1 – 16. Each case will be counted only once regardless of the number of times the case was closed and re-opened during the reporting period.

Validity:

This measure is an indicator or overall workload for the CSE program. It measures and reports the total number of cases requiring monitoring and processing throughout the reporting period reflecting total workload for the program.

Reliability:

CSE continually endeavors to identify and correct critical data elements within the FLORIDA system and CAMS. The program also conducts a yearly self-assessment to comply with federal requirements. The self-assessment requires case samples be drawn at the statewide level. The sample cases are then reviewed to determine compliance with Federal regulations. This monitoring function is also used to identify systematic problems in the data collection and reporting system.

Further, the Office of the Inspector General performs periodic reviews of performance measures. The scope of these reviews will vary, depending on an annual risk assessment.

Exhibit IV - CSE Performance Measures Validity and Reliability

Department: Revenue

Program: Child Support Enforcement

Service/Budget Entity: Child Support Case Processing

Measure: Total Number of Individual Educational Contacts and Inquiries Answered

Action (check one):

- Requesting Revision to Approved Measure
- Change in Data Sources or Measurement Methodologies
- Requesting New Measure
- Backup for Performance Outcome and Output Measure

Data Sources and Methodology:

The source of the data is the Legislative Inquiries Access database, the Educational Presentation Excel spreadsheet, manual logs in the service centers, mail-outs, the State Disbursement Unit (SDU), the CSE customer call center, the Miami-Dade Call Center, and the Correspondence Access database.

Methodology:

This measure is the total count of the number of contacts Child Support Enforcement has with custodial or noncustodial parents or any individual seeking information regarding the program. The measure includes contacts requesting case information from other states; contacts resulting from letters, faxes, e-mails and phone calls to the Legislative Inquiries Section; the number of attendees at educational presentations by CSE or coordinated by CSE; walk-ins without appointments; the number of clients appearing for up-front cooperation; educational mail-outs sent by CSE to custodial or noncustodial parents; customer inquiries received by the customer call centers including Miami-Dade; inquiries to the Automatic Payment Line, and client-related correspondence received by the program.

Validity:

This measure captures the output of responses to letters, faxes, e-mails, and walk-in customers, as well as educational presentations, mail-outs, and customer call center contacts, including the Automatic Payment Line (APL). The information collected through the customer call centers is collected through automated systems. The information for the responses to the letters, faxes, e-mails, walk-ins, educational presentations, and mail-outs is collected manually. Every effort is made to ensure the data collected manually is reported timely and accurately.

Reliability:

The technology to monitor phone call volume and calls answered is well developed. The technology makes the electronic data reporting very reliable. The call centers are also monitored for accurate representation of information relayed to clients.

Furthermore, the Office of the Inspector General performs periodic reviews of performance measures. The scope of these reviews will vary, depending on an annual risk assessment.

Exhibit IV - CSE Performance Measures Validity and Reliability

Department: Revenue

Program: Child Support Enforcement

Service/Budget Entity: Child Support Remittance and Distribution

Measure: Percent of State Disbursement Unit Collections Disbursed within 2 Business Days of Receipt

Action (check one):

- Requesting Revision to Approved Measure
- Change in Data Sources or Measurement Methodologies
- Requesting New Measure
- Backup for Performance Outcome and Output Measure

Data Sources and Methodology:

Two components comprise this measure, IV-D collections and non-IV-D collections. The data source for the IV-D component is the Child Support Enforcement Decision Support System (DSS); the data source for the non-IV-D component is the State Disbursement Unit Repository (SDUR) system.

The numerator for the measure is the sum of both the identifiable IV-D and non-IV-D collections disbursed within two business days of their receipt. The denominator for the measure is the sum of the total number of identifiable IV-D and non-IV-D collections.

The disbursement of all identifiable collections within two business days of their receipt is also a federal requirement placed on all states' State Disbursement Units.

The SDU PAM does not measure the FACC, the CSE, the SDU, or any other individual entity. Instead, it is a cumulative and collective measure of the entire collections and disbursement process as it relates to the State Disbursement Unit. It takes a cooperative effort between all of these organizations for a collection to disburse on time.

Methodology for Calculating the SDU PAM

1. Retrieve all collections received (typically the FLORIDA Depository Date Field) within the month that is being examined that are Regular Support (Collection Type '01'), Income Deduction Order (Collection Type '02'), or Bond Payments (Collection Type '16').
2. For each of the collections retrieved in Step 1, use the FLORIDA Batch ID to identify all of the Allocation Transactions (Transaction Code '02' and '52' in ACHS) that were made for the collection to accounts that are considered disburseable. These are defined as:
Account Types '25', '28', or '36' or
Account Type '99' with a Collection Case Type of '03', '06', '07', '08', '09', '10', '11', '12', '14', or '15'
OR
Account Types '10', '12', '13', '19', or '21' with a Collection Case Type of '03', '06', '07', '08', '09', '10', '11', '12', '14', or '15' and with an Assignment Code of 'ND' (Never), 'CD' (Conditional), 'DD' (During), or 'BD' (Before)
3. Add together all of the dollar amounts of each Disburseable Allocation Transaction identified in Step 2 above. This sum represents the total disburseable dollar amount of each collection that was allocated, and is used below in Step 7.
4. Count the number of unique collections with Disburseable Allocation Transactions identified in Step 2 above. This is the Denominator of the SDU PAM Measurement, representing the number of identifiable and disburseable collections received within the reporting period.
5. For each of the collections retrieved in Step 1, use the FLORIDA Batch ID to identify all of the Disbursement Transactions (Transaction Codes '03', '04', '07', '08', '10', '11', '12', '13', or '14' in ACHS) from accounts that are considered disburseable as defined in Step 2 above.

Exhibit IV - CSE Performance Measures Validity and Reliability

6. Add together all of the dollar amounts of each Disbursement Transaction identified in Step 5 above. This sum represents the total disburseable dollar amount of each collection that was disbursed, and is used below in Step 7.
7. Start with a count of zero. For each collection, compare the dollar amounts calculated in Steps 3 and 6. If these amounts are the same, compare the End Date of each and every disbursement (Check Date) with the Start Date of its corresponding collection (typically the FLORIDA Depository Date Field). If each of these date comparisons for a collection yields a difference of 2 business days or less, then add 1 to the count. After each collection has been processed, this count will become the Numerator of the SDU PAM Measurement.

Business Terms

- Identifiable:** A collection received by the SDU that can be matched to a case. For a collection to be identifiable, it must provide enough information to identify who the payee is. However, there may or may not be sufficient information, either as part of the collection or elsewhere, to identify the current whereabouts of that payee. The SDU Post Date, which is defined later in this document, tracks when a collection is identified.
- Disburseable:** A term defined and used in this document to indicate collections that should be counted in the SDU PAM measurement. They are collections that are allocated to a disburseable account, or to a disburseable assignment within an account. It is important to note that there are collections that are received and disbursed that are not considered disburseable with regards to the SDU PAM. The phrases *should be disbursed* and *are disburseable* are therefore quite different. The "Methodology" section of this document provides a complete description of the procedure to determine if a collection is disburseable.
- FLORIDA Batch:** An arbitrary grouping of collections that are received and input into FLORIDA from the SDU. Each FLORIDA batch is identified by the FLORIDA Batch ID, which consists of a Batch Date, Batch Number, and Batch Item.
- FLORIDA Batch Date:** The date that a batch of collections was input into FLORIDA.
- Collection Case Type:** The case type of a case at the time a collection was received, as determined by the FLORIDA Receipt Date.
- FLORIDA Depository Date Field:** The date a collection is received and issued a receipt by the SDU. This is the date that money first comes into the SDU, and therefore, with the exception of Suspense Receipts, is the "Start" date for the 2 business-day time frame calculation used in the SDU PAM.
- The SDU refers to this date as the Batch Date, although it is different from the FLORIDA Batch Date. Therefore, the FLORIDA Depository Date can also be referred to as the SDU Batch Date.
- Check Date:** The date that appears on a disbursement check sent by the SDU on behalf of CSE. All disbursements have a check date. If there was an EFT, the date of the EFT is recorded as the check date.
- The Check Date of the disbursement that completes all of the disburseable components of a collection is the "End" date for the 2-day time frame calculation, and is considered the Disbursement Date with regards to the SDU PAM calculation.
- Collection Type:** A category type, for the purposes of classifying collections.
- SDU Post Date:** The Post Date is the date that the SDU relates money that it receives to a specific case. However, the SDU does not provide this date to CSE, and therefore it can not be used in any way in the SDU PAMS calculations.

Exhibit IV - CSE Performance Measures Validity and Reliability

Over the Counter (OTC): In the FACC-DOR Collection File, field 13 (Hybrid/OTC flag) has a value of 'O' if the receipt was received Over the Counter by the Clerk of the Courts, and is blank if it was received by the SDU.

As with other collections, Over the Counter collections are included in the SDU PAM, and their "Start" date with regards to the 2-day time frame calculation is the date the collection was received by the SDU (FLORIDA Depository Date Field).

Suspense Receipts: Suspense Receipts refer to collections that are received by the SDU, but are lacking the necessary information to be immediately identifiable. Because there is not a specific field or flag to indicate such situations, there is inherent uncertainty when attempting to isolate their occurrence. To estimate their existence, it is assumed that if the SDU Post Date of a collection is more than one business day greater than the FLORIDA Depository Date Field, then it is a Suspense Receipt.

When determining the "Start Date" of the 2 business-day time frame calculation for the SDU PAM, Suspense Receipts use the SDU Post Date rather than the FLORIDA Depository Date Field. Furthermore, to add to the uncertainty, CSE does not receive the SDU Post Date from the SDU. Therefore, for the purposes of the SDU PAM calculation only, the FLORIDA Batch Date is assumed to be, and treated as though it were, the SDU Post Date, because it is assumed that in the majority of situations, these dates will be equal.

Methodology for the Non-IV-D component:

The numerator portion of this calculation is the total number of Type 2 receipts disbursed within two business days for the measurement period. All Type 2 receipts for the measurement period are directly linked to disbursement data via a unique 21-digit SDU payment identifier. Once a receipt is matched to a disbursement, it is aged and added to the numerator based upon the aging method. Receipts are categorized and measured as follows:

- Regular Receipts are defined as Type 2 SDU receipts in which the "post date" equals the "receipt date." These are receipts that are identified and posted the same day as received by the SDU. Once a regular receipt is identified, it is matched to its disbursement data. Then the receipt's "receipt date" is measured against the disbursement's "check date." Any receipt disbursed within two business days is added to the numerator.
- Carryover Receipts are defined as Type 2 SDU receipts in which the "post date" is one business day greater than the "receipt date." These are receipts that are identified and posted one business day after they are received by the SDU. Once a carryover receipt is identified, it is matched to its disbursement data. Then the receipt's "receipt date" is measured against the disbursement's "check date." Any receipt disbursed within one business day is added to the numerator.
- Suspense Receipts are defined as Type 2 SDU receipts in which the "post date" is more than one business day greater the "receipt date." These are receipts that cannot be initially identified and are posted more than one business day after they are received by the SDU. Once a suspense receipt is identified, it is matched to its disbursement data. Then the receipt's "post date" is measured against the disbursement's "check date." Any receipt disbursed within two business days is added to the numerator.

The denominator portion of this calculation consists of the total number of Type 2 SDU receipts for the measurement period. This data is calculated using the SDU Receipts File. Receipts are categorized as regular, carryover, and suspense in the same manner as above.

Terms:

Type 2 Receipts: Receipts for Non-IV-D cases with Income Deduction Orders after January 1, 1994 contained on SDU Receipt File (ICD 270-01).

ICD 270-01: Layout for the FACC Receipt File generated by SDU.

ICD 305-01: Layout for the FACC Private Disbursement File generated by SDU. The SDU

Exhibit IV - CSE Performance Measures Validity and Reliability

	Disbursement File (ICD 305-01) is the source for disbursement data.
Receipt date:	The date a receipt is received by the SDU (per ICD 270-01). This date is called the "batch date" by the SDU.
Post Date:	The date a receipt is identified and posted by the SDU (per ICD 270-01).
Check Date:	The date a receipt is disbursed by the SDU (per ICD 305-01).

Validity:

This measure is a current legislative performance accountability measure.

The disbursement of all identifiable collections within 2 business days of their receipt is the federal requirement placed on all states' State Disbursement Units.

The calculation of the measure has been expanded to include initially non-identifiable collections once they are properly identified. A more comprehensive measure is achieved by including receipts initially placed into the suspense account and monitoring the number of these items disbursed within two business days of their batch (identification) date.

As a result of requiring research to obtain missing information, the vast majority of suspense items cannot be submitted by the SDU to FLORIDA during the receipt date; therefore the items carry a batch date that differs from the receipt date. However, this condition is true also for carryover and OTC items. The lack of additional pertinent information on the DSS prevents the DSS from separately identifying these components. The OTC transactions should be disbursed within two business days from their receipt date. Their inclusion in the numerator monitored from the batch date rather than the receipt date will result in a slight overstatement of the performance measure. The OTC transactions account for less than one percent of all monthly transactions.

In addition, a slight understatement of performance may result from classifying some suspense items as carryover with only one day difference between the receipt date and the batch date, but requiring more than one day to disburse. True carryover items are expected to decrease over time. This group of transactions accounts for less than one percent of all monthly transactions.

This measure assesses the program's success towards achieving the desired outcome of increasing the percentage of collections disbursed to recipients in a timely manner. It measures the efficiency of the entire disbursement process, encompassing the SDU as well as the Florida Association of Court Clerks and the Department of Revenue.

Reliability:

CSE continually endeavors to identify and correct critical data elements within the FLORIDA system and CAMS. The program also conducts a yearly self-assessment to comply with federal requirements. The self-assessment requires case samples be drawn at the statewide level. The sample cases are then reviewed to determine compliance with Federal regulations. This monitoring function is also used to identify systematic problems in the data collection and reporting system.

Further, the Office of the Inspector General performs periodic reviews of performance measures. The scope of these reviews will vary, depending on an annual risk assessment.

Exhibit IV - CSE Performance Measures Validity and Reliability

Department: Revenue

Program: Child Support Enforcement

Service/Budget Entity: Child Support Remittance and Distribution

Measure: Total Number of Collections Processed

Action (check one):

- Requesting Revision to Approved Measure
- Change in Data Sources or Measurement Methodologies
- Requesting New Measure
- Backup for Performance Outcome and Output Measure

Data Sources and Methodology:

The source of the data is the CSE Decision Support System (DSS), a data repository built using monthly data extracts from the FLORIDA system. Additional information from the State Disbursement Unit Repository (SDUR) system and a report of IRS intercepts is also used in computing this measure.

This is an output measure that reflects the total number of support collections during the period under evaluation. The number of support collections includes the number of collections for the IV-D cases (DSS) as well as the number of collections for the non-IV-D cases (SDUR). It describes the number of cases for which the noncustodial parent made a partial or full payment.

Validity:

This measure assesses the program's success towards achieving the desired outcome of increasing the number of support collections. It captures the total number of collections processed through DOR (IV-D cases) as well as the number of collections for the non-IV-D cases, thus capturing the majority of the workload within the process.

Reliability:

CSE continually endeavors to identify and correct critical data elements within the FLORIDA system and CAMS. The program also conducts a yearly self-assessment to comply with federal requirements. The self-assessment requires case samples be drawn at the statewide level. The sample cases are then reviewed to determine compliance with Federal regulations. This monitoring function is also used to identify systematic problems in the data collection and reporting system.

Further, the Office of the Inspector General performs periodic reviews of performance measures. The scope of these reviews will vary, depending on an annual risk assessment.

Exhibit IV - CSE Performance Measures Validity and Reliability

Department: Revenue

Program: Child Support Enforcement

Service/Budget Entity: Child Support Remittance and Distribution

Measure: Total Number of Collections Distributed

Action (check one):

- Requesting Revision to Approved Measure
- Change in Data Sources or Measurement Methodologies
- Requesting New Measure
- Backup for Performance Outcome and Output Measure

Data Sources and Methodology:

The source of the data is the CSE Decision Support System (DSS), a data repository built using monthly data extracts from the FLORIDA system. Information from the Florida Association of County Clerks database (CLERC) and FLORIDA system reports of Internal Revenue Service tax refund intercepts are also used to compute this measure.

This is an output measure that reflects the total number of support collections disbursed during the period under evaluation. The number of support collections disbursed includes the number of collections disbursed for the IV-D cases (DSS & IRS) as well as the number of collections disbursed for the non-IV-D cases (CLERC). It describes the number of collections that were partially or fully disbursed.

Validity:

This measure assesses the program's success towards achieving the desired outcome of increasing the number of support collections disbursed. It captures the total number of collections disbursed through DOR (IV-D cases) as well as the number of collections disbursed for the non-IV-D cases.

Reliability:

CSE continually endeavors to identify and correct critical data elements within the FLORIDA system and CAMS. The program also conducts a yearly self-assessment to comply with federal requirements. The self-assessment requires case samples be drawn at the statewide level. The sample cases are then reviewed to determine compliance with Federal regulations. This monitoring function is also used to identify systematic problems in the data collection and reporting system.

Further, the Office of the Inspector General performs periodic reviews of performance measures. The scope of these reviews will vary, depending on an annual risk assessment.

Exhibit IV - CSE Performance Measures Validity and Reliability

Department: Revenue

Program: Child Support Enforcement

Service/Budget Entity: Child Support Establishment

**Measure: Percent of Department (IV-D) cases with an Order for Support (*Federal Definition*)
(*Service Outcome*)**

Action (check one):

- Requesting Revision to Approved Measure
- Change in Data Sources or Measurement Methodologies
- Requesting New Measure
- Backup for Performance Outcome and Output Measure

Data Sources and Methodology:

The source of the data is the Child Support Enforcement Annual Data Report, OSCE-157 Report. This report is prepared using the FLORIDA system report "GCQ434RA."

This measure is calculated by dividing the total number of IV-D cases with an order for support (line 2) by the total number of open IV-D cases at the end of the Federal Fiscal Year (line 1). Both the numerator and denominator include current, former, and never assisted cases.

The Numerator: IV-D cases with an order – total number of IV-D cases with an order for support, including zero support and medical support only but excludes non-jurisdictional cases at the end of the year.

The Denominator: total population of IV-D cases – total number of open IV-D cases at the end of the year. Cases associated with custodial parents that have applied for, but have not yet been approved for public assistance benefits are excluded.

Terms (Federal Definitions)

Open Case: A case with a status other than "closed" and with a case type other than locate only (16) or PA pending (17), i.e., types 1-15 of cases where more than one person is identified as the possible father, only one case is counted (a mother may have identified two or more potential fathers; until paternity is established to identify the father, all potential fathers are counted as one case).

Current Assistance: A case where the children are (1) recipients of Temporary Assistance for Needy Families (TANF) or (2) entitled to Foster Care maintenance payments under the Social Security Act.

Former Assistance: A case where the children formerly received TANF or Foster Care services.

Never Assistance: A case where the children are receiving services under the IV-D program, but are not currently eligible for or have not previously received assistance under TANF or Foster Care. A never assistance case includes cases where the family is receiving IV-D services as a result of a written application for IV-D services, including cases where the children are receiving state (not title IV-E) foster care services or a cases where they are Medicaid recipients not receiving additional assistance.

Medicaid Only: A case where the children have been determined eligible for or are receiving Medicaid under title XIX of the Social Security Act but whom are not current or former recipients of aid under title IV-A or IV-E of the Act. Medicaid Only cases are reported as never assisted cases.

IV-D Case: A parent (mother, father, or putative father) who is now or eventually may be obligated under law for the support of a child or children receiving services under the IV-D program.

Exhibit IV - CSE Performance Measures Validity and Reliability

Non-jurisdiction: A case that involves an individual over whom the agency has no civil jurisdiction available to pursue or effectuate any support actions (i.e. do not count cases where there is no reciprocity and no assets).

Zero case support: An order established with no amount of cash support included in the order, typically established for health insurance only.

Validity:

This measure assesses the program's success towards achieving the desired outcome of increasing the percentage of IV-D cases with ordered support. The order is a determination of the amount that the noncustodial parent must pay for support. Support may be monetary payments or an obligation to provide medical insurance. An order establishing the obligation must exist before CSE can begin receiving collections or enforce the order.

The measure provides a ratio of IV-D cases with an order to the entire population of IV-D cases. Support orders can be established through either the Administrative Order (Consent Order) or Judicial Process. The number of orders achieved through the Administrative Order Process is dependent entirely upon the cooperation of the noncustodial parent. The Judicial Process can be impacted by the performance of CSE's process partners. The number of hearing officers and hours available to hear CSE cases and the legal service providers who represent the state in pursuing judgments for support also affect this measure. In addition, the effective and timely service of process further impacts this indicator for either Administrative or Judicial.

Reliability:

CSE continually endeavors to identify and correct critical data elements within the FLORIDA system and CAMS. The program also conducts a yearly self-assessment to comply with federal requirements. The self-assessment requires case samples be drawn at the statewide level. The sample cases are then reviewed to determine compliance with Federal regulations. This monitoring function is also used to identify systematic problems in the data collection and reporting system.

The Federal Office of Child Support Enforcement annually audits this data to ensure the reliability of the data. The auditors' review is based upon a sample of the total population reported for both the numerator and denominator. In addition, the Office of the Inspector General performs periodic reviews of performance measures. The scope of these reviews will vary, depending on an annual risk assessment.

Exhibit IV - CSE Performance Measures Validity and Reliability

Department: Revenue

Program: Child Support Enforcement

Service/Budget Entity: Child Support Establishment

Measure: Total Number of Paternities Established and Genetic Testing Exclusions

Action (check one):

- Requesting Revision to Approved Measure
- Change in Data Sources or Measurement Methodologies
- Requesting New Measure
- Backup for Performance Outcome and Output Measure

Data Sources and Methodology:

The source of the data is the birth records of the Office of Vital Statistics (OVS), and information from the Genetic Contract monthly performance reports.

This measure is defined as the total number children where paternity is determined for the child and the total number of potential fathers excluded through the use of genetic testing. Paternity may be determined positively by parental acknowledgement or by court order. Children with newly established paternity make up the majority of this output (95%) for FFY 2007-08. Only 5% of the total count for this standard is composed of the exclusion of potential fathers.

Validity:

This measure captures a majority of the workload within the process. It measures the work being done by the staff both internally through genetic testing, working with noncustodial parents, judicial action, and efforts with external business partners. The measure is calculated by combining the completed output of several groups within the process by assessing the combination of paternity establishment and paternity exclusion. Only by properly establishing paternity for a child can an order for child support or medical support be pursued against the appropriate party. This measure accounts for the effort made towards improving paternity acknowledgement rates in Florida hospitals and birthing centers. CSE provides training for hospital staff and other partners to ensure the federal requirements for the paternity acknowledgement program are met. CSE also develops educational materials for parents to raise awareness of availability of the paternity acknowledgement program. This measure does not include paternity established for children not born in Florida.

Reliability:

CSE continually endeavors to identify and correct critical data elements within the FLORIDA system and CAMS. The program also conducts a yearly self-assessment to comply with federal requirements. The self-assessment requires case samples be drawn at the statewide level. The sample cases are then reviewed to determine compliance with Federal regulations. This monitoring function is also used to identify systematic problems in the data collection and reporting system.

The CSE paternity data is provided electronically via an interface with the Department of Health, Office of Vital Statistics. This arrangement allows for the data to directly load from the official record keeper for all children born in Florida (DOH-OVS) to the FLORIDA system. This enhancement was implemented in the last 14 months and has greatly increased the timeliness and accuracy of the data.

The Federal Office of Child Support Enforcement annually audits the paternity data to ensure the reliability of the data. In addition, the Office of the Inspector General performs periodic reviews of performance measures. The scope of these reviews will vary, depending on an annual risk assessment.

Exhibit IV - CSE Performance Measures Validity and Reliability

Department: Revenue

Program: Child Support Enforcement

Service/Budget Entity: Child Support Establishment

Measure: Total Number of Cases with Newly Established and Modified Order

Action (check one):

- Requesting Revision to Approved Measure
- Change in Data Sources or Measurement Methodologies
- Requesting New Measure
- Backup for Performance Outcome and Output Measure

Data Sources and Methodology:

The source of the data is the CSE Decision Support System (DSS), a data repository built upon weekly data extracts from the FLORIDA system.

A support order is defined as the legal establishment of: (1) an amount of money that is due and owed by a parent for the support of the parent's children and/or (2) the responsibility to provide health insurance and/or medical support for those children. This amount or responsibility must be established by court order or administrative process, voluntary agreement or other legal process. This includes a judgment for arrears.

This measure reports the number of cases in which an original order for support was established by the IV-D agency during the federal fiscal year. It includes original support orders established for medical support or health insurance. This measure includes modified support orders, but only in situations where the provisions of the modified order establish the obligation of a noncustodial parent to provide for support of a child or children who were not previously represented in the terms of the original order for support. This measure does not include judgments under state laws that create a debt owed to the state by the noncustodial parent for public assistance paid for that parent's child or children (laws of general obligation).

The measure is calculated by selecting all orders with an order date in the period being reported or with an update date during the period. These are identified through the DSS data extract representing the FLORIDA system's Financial Management Court Order Maintenance (FMCO) screen. Orders are then screened further based upon the combination of the order reason code, order date, update date, active order indicator, and the Federal Information Processing Standards (FIPS) code for the order.

Further validation is applied to screened orders by referencing the DSS extract representing the FLORIDA system's case transaction history (TRCH) screen. Any order records where there is insufficient or contradictory information are checked to ensure that TRCH referral and order transactions support identification of an order as a newly established order or a qualifying modified order.

Summary tables are housed and maintained within the DSS reflecting cases previously identified as obligated based on this methodology and/or methods of new order identification in effect prior to the creation of the FMCO screen on FLORIDA. Newly identified order records are compared to these tables to either disqualify them as newly established or identify them as a qualifying modified order.

Validity:

This output measure assesses the program's success towards achieving the desired level of productivity resulting in the increase of newly established orders for child support over the course of each federal fiscal year. The measure is instrumental in the success of the program in achieving and maintaining the percent of IV-D cases with an order for federal reporting and calculating the percentage of IV-D cases with an order. The order for support can be accomplished either through an Administrative Support Order (Consent Order) or through the judicial process. The number of orders achieved through the Administrative Support Order process is dependent upon the number of noncustodial parents who choose to participate in the administrative process versus the judicial. When the case is not processed as administrative but is pursued through the judicial process, the measure can be impacted by the performance of CSE's business partners. The number of hearing officers and the hours available to hear

Exhibit IV - CSE Performance Measures Validity and Reliability

CSE cases directly affects this measure. The legal service providers who represent the state in pursuing judgments for support also affect this measure. In addition, the effective and timely service of process further influences this indicator for either administrative or judicial.

Reliability:

CSE continually endeavors to identify and correct critical data elements within the FLORIDA system and CAMS. The program also conducts a yearly self-assessment to comply with federal requirements. The self-assessment requires case samples be drawn at the statewide level. The sample cases are then reviewed to determine compliance with Federal regulations. This monitoring function is also used to identify systematic problems in the data collection and reporting system.

The Federal Office of Child Support Enforcement annually audits this data to ensure the reliability of the data. In addition, the Office of the Inspector General performs periodic reviews of performance measures. The scope of these reviews will vary, depending on an annual risk assessment.

Exhibit IV - CSE Performance Measures Validity and Reliability

Department: Revenue

Program: Child Support Enforcement

Service/Budget Entity: Child Support Compliance

Measure: Percent of Current Support Collected (*Federal Definition*) (*Service Outcome*)

Action (check one):

- Requesting Revision to Approved Measure
- Change in Data Sources or Measurement Methodologies
- Requesting New Measure
- Backup for Performance Outcome and Output Measure

Data Sources and Methodology:

The source of the data is the Child Support Enforcement Annual Data Report, OCSE-157 Report. This report is prepared using the FLORIDA system report "GCQ434RA."

This measure is defined as the ratio of the payments collected and distributed as current support during the federal fiscal year to the total amount of current support due during the federal fiscal year.

The numerator (OCSE 157 line 25): total amount of support collected and distributed as current support is the dollar amount of collections distributed during the federal fiscal year, which was collected towards a current support obligation within the month the payment was due. This measure includes regular obligation payments received as well as Unemployment Compensation collections, and other intercepts. Payments received for which an account cannot be found, but which are distributed as voluntary payments, are included. This occurs when payments begin before an account can be set up for the case.

The denominator (OCSE 157 line 24): total amount of current support due which consists of the dollar amount of current support due during the federal fiscal year. An obligated case is defined by a charge (scheduled payment) posted to a current account (type 10) or spousal support account (type 19). Included in this total are the voluntary collections as amounts due.

Terms:

Current Obligation Account:	An account type '10' (current), or '19' (spousal support)
Current Obligation:	The charge (transaction codes '01' and '51') posted to an obligation account
Current Support:	Amount of obligation owed to the custodial parent on a regular basis as stated in the court order for support
Paying Case:	An obligated case with a collection

Validity:

This measure assesses the program's success towards achieving the desired outcome of increasing the number of cases receiving payments toward current support. This serves as both a federal and GAA measure.

Reliability:

CSE continually endeavors to identify and correct critical data elements within the FLORIDA system and CAMS. The program also conducts a yearly self-assessment to comply with federal requirements. The self-assessment requires case samples be drawn at the statewide level. The sample cases are then reviewed to determine compliance with Federal regulations. This monitoring function is also used to identify systematic problems in the data collection and reporting system.

The Federal Office of Child Support Enforcement annually audits this data to ensure the reliability of the data. The auditors' review is based upon a sample of the total population reported for both the numerator and denominator. In addition, the Office of the Inspector General performs periodic reviews of performance measures. The scope of these reviews will vary, depending on an annual risk assessment.

Exhibit IV - CSE Performance Measures Validity and Reliability

Department: Revenue

Program: Child Support Enforcement

Service/Budget Entity: Child Support Compliance

Measure: Total Number of Obligated Unique Cases Identified for Compliance Resolution

Action (check one):

- Requesting Revision to Approved Measure
- Change in Data Sources or Measurement Methodologies
- Requesting New Measure
- Backup for Performance Outcome and Output Measure

Data Sources and Methodology:

The source of the data is the CSE Decision Support System (DSS), a data repository built upon monthly data extracts from the FLORIDA system and the Child Support Enforcement Annual Data Report, OCSE-157 Report. This report is prepared using the FLORIDA system report "GCQ434RA."

Methodology:

This measure is defined as the total number of cases not in full compliance with the terms of the child support order during the state fiscal year.

The total number of unique cases identified for compliance resolution is calculated by identifying the total number of cases with a child support order either charging or fully charged with a balance due open at any time during the state fiscal year not in full compliance with the order. Cases not in compliance with the order are defined as those cases not making full payments within the month due for each month the order is in existence and open during the reporting period. Medical support compliance is determined by using the OCSE 157 report information from line 21 (total number of cases obligated to supply medical support) and line 21A (total number of cases in compliance with the medical support terms). The measure is calculated monthly.

Terms:

Current Obligation Account: An account type 10 (current)

Current Obligation: The charge (transaction code 01) posted to an obligation account

Current Support: Amount of obligation owed to the custodial parent on a regular basis as stated in the court order for support

Arrears Obligation Account: An account type 21 (arrears)

Arrears Obligation: The charge (transaction code 01) posted to an obligation account

Arrears: The amount determined by the court to be owed by the NCP due to a previous delinquency

Paying Case: An obligated case with a collection

Charging Account: An account with an obligation to submit a payment for a given amount on a specified schedule

Fully Charged Accounts: Those accounts where all charges have been recorded and are outstanding

With a Balance: Balance of either current or arrears exists

Financial Refunds: Distribution from Account 91

Dispute Resolution: Informal and formal considerations of disputed collections for an obligated case

Exhibit IV - CSE Performance Measures Validity and Reliability

Medical Support: Includes cash medical support and/or health insurance

Validity:

This measures the work being done by the staff. This measure counts the cases identified for an enforcement action. These enforcement actions result in more paying cases and increased collections. This measure assesses the success of the program toward achieving the goal of increased compliance.

Reliability:

CSE continually endeavors to identify and correct critical data elements within the FLORIDA system and CAMS. The program also conducts a yearly self-assessment to comply with federal requirements. The self-assessment requires case samples be drawn at the statewide level. The sample cases are then reviewed to determine compliance with Federal regulations. This monitoring function is also used to identify systematic problems in the data collection and reporting system.

The Federal Office of Child Support Enforcement annually audits this data to ensure the reliability of the data.

In addition, the Office of the Inspector General performs periodic reviews of performance measures. The scope of these reviews will vary depending on an annual risk assessment.

Exhibit IV - CSE Performance Measures Validity and Reliability

Department: Revenue

Program: Child Support Enforcement

Service/Budget Entity: Child Support Compliance

Measure: Total Number of Actions Processed During the Year

Action (check one):

- Requesting Revision to Approved Measure
- Change in Data Sources or Measurement Methodologies
- Requesting New Measure
- Backup for Performance Outcome and Output Measure

Data Sources and Methodology:

The source of the data is the CSE Decision Support system (DSS), a data repository built upon monthly data extracts from the FLORIDA system, the Child Support Enforcement Automated Management System (CAMS) Business Warehouse, logs maintained for administrative complaint resolution, and reports from DCF providing information regarding Administrative Hearing actions.

Methodology:

This measure is defined as total number of compliance actions for cases with an order during the state fiscal year.

The measure is calculated by selecting all recorded compliance actions during the year for cases with an order. Compliance actions will be identified from data stored in the data cubes within the CAMS Business Warehouse. The data cubes are designed to store information about each enforcement activity indicating what activity occurs, when it occurs and the result of the activity. The information is available for reporting and monitoring compliance enforcement activity. The CAMS Business Warehouse also records the number of administrative dispute resolutions. The administrative dispute resolutions are both formal and informal actions either within CSE or through the Administrative Hearings Office through letter of agreement with the Department of Children and Families. Refund distributions are downloaded and maintained in the DSS for reporting purposes.

Terms:

Case with an Order: An open case with an order for obligation, medical support order or zero support order

Paying Case: An obligated case with a collection

Activity Data: Credit Reporting – ZCRA
Criminal Non-support (State) – ZSA
Criminal Non-support (Federal) – ZUSA
NCP Past Due Notice 1 – ZPN1
NCP Past Due Notice 2 – ZPN2
NCP Past Due Notice 3 – ZPN3
Driver's License Suspension – ZDLS
Enforcement Contempt – ZEC
Employer Contempt – ZECE
Income Deduction Notice – ZIDN
National Medical Support Notice – ZMSE
NCP Request for Medical Insurance – ZEMS
Passport Denial - ZPD
Unemployment Withholding – ZUEC
Interstate – ZIE
Insurance Intercept – ZIIN
Business, Professional, and Recreational License Suspension – ZBPL

Unclaimed Property – ZUCP
Real Property Lien – ZRPL
Personal Property Lien – ZAPP

Exhibit IV - CSE Performance Measures Validity and Reliability

Written Agreement – ZWAG
Secretary of Treasury Offset – ZIRS
Secretary of Treasury Full Collections Services –ZFCP
Lottery - ZLTO
Lottery intercepts – Collection Type 04
Financial Institution Data Match

Financial Refunds: Distribution from Account 91

Dispute Resolution: Informal and formal considerations of disputed collections for an obligated case

Validity:

This measures the work being done by the staff. This measure counts the cases with enforcement action. These enforcement actions result in more paying cases and increased collections. This measure assesses the success of the program toward achieving the goal of increased compliance.

Reliability:

CSE continually endeavors to identify and correct critical data elements within the FLORIDA system and CAMS. The program also conducts a yearly self-assessment to comply with federal requirements. The self-assessment requires case samples be drawn at the statewide level. The sample cases are then reviewed to determine compliance with Federal regulations. This monitoring function is also used to identify systematic problems in the data collection and reporting system.

Further, the Office of the Inspector General performs periodic reviews of performance measures. The scope of these reviews will vary, depending on an annual risk assessment.

Exhibit IV – GTA Performance Measures Validity and Reliability

Department: Revenue
Program: General Tax Administration
Service: Tax Processing
Activity:
Measure: Percent of Tax Returns Reconciled within 30 days (Primary Outcome)

Action (check one):

- Requesting Revision to Approved Measure
- Change in Data Sources or Measurement Methodologies
- Requesting New Measure
- Backup for Performance Outcome and Output Measure

Data Sources and Methodology:

This measure is calculated by dividing the number of tax returns reconciled within 30 days by the total number of tax returns received in the same period. The primary data source is the Resource Management Database (RMDB) where selected tables and fields are downloaded monthly from the SAP (SUNTAX) R-3 transaction system.

Validity:

Thirty days represents the primary cycle time associated with all monthly tax filers. In addition, the reconciliation of tax returns filed is the primary driver of the issuance of tax deficiency notices (bills), thus measuring the Department's ability to notify taxpayers of potential additional liabilities timely. This 30-day period also coincides with the distribution cycle wherein receipts are distributed to local and state government entities. The measure represents a "cradle-to-grave" cycle of all activities occurring in GTA's Tax Processing core process.

Reliability:

The use of the Resource Management Database provides for direct access to all detailed individual revenue processing as well as all SAP transactions, including access to underlying extract queries and algorithms that comprise the reported measure. This ensures that a constant audit trail is maintained for review to ensure the accuracy of reported data. Outputs of the queries are reviewed cyclically to ensure the integrity of reported data.

Exhibit IV – GTA Performance Measures Validity and Reliability

Department: Revenue
Program: General Tax Administration
Service: Tax Processing
Activity:
Measure: Average number of days from receipt of payment to deposit

Action (check one):

- Requesting Revision to Approved Measure
- Change in Data Sources or Measurement Methodologies
- Requesting New Measure
- Backup for Performance Outcome and Output Measure

Data Sources and Methodology:

This measure is a dollar-weighted measure that provides an indicator of the value to the state of timely depositing money into the state treasury. It is displayed as a decimal, with one day = 1.00. The prevailing daily interest rate can be applied to the fractional number of days (+/-) to show the amount of interest earned by the state as a result of the timely deposit of funds. The calculation is based on “dollar-days”, so that \$90 deposited in “zero” days (same day as receipt) and \$10 deposited in 10 days would yield 1.00 days $(\$90 \times 0) + (\$10 \times 10)$ divided by \$100 (total deposits). The data source is the daily deposit record.

Validity:

Every deposit made is included in the measure. This measure is also used to provide a formula that can be utilized to show the amount of interest earned by the state as a result of timely deposits.

Reliability:

Data is drawn directly from the daily deposit record which is reconciled daily to the state accounting system, there by creating and maintaining an “audit trail” allowing for an ongoing review of accuracy and data integrity.

Exhibit IV – GTA Performance Measures Validity and Reliability

Department: Revenue
Program: General Tax Administration
Service: Tax Processing
Activity:
Measure: Percent of Unemployment Taxes deposited within 3 days of receipt

Action (check one):

- Requesting Revision to Approved Measure
- Change in Data Sources or Measurement Methodologies
- Requesting New Measure
- Backup for Performance Outcome and Output Measure

Data Sources and Methodology:

An actual sample of paper checks received and the total percentage of electronic fund transfers (EFT) are used to extract this outcome measure. The sample of checks is pulled directly from trays of checks received in the mailroom on the day received. The EFT proportion is determined by dividing total taxes paid via EFT by total taxes received for the quarter. By definition, EFT receipts are deposited on the same day as receipt.

The measure's actual computation is as follows: $P = (w \times 100) + [(1 - w) \times p]$

Where:

P= overall % of unemployment compensation tax dollars deposited within 3 days

w= proportion of EFT tax dollars received

p= sample % of tax dollars deposited within 3 days

Validity:

This annual assessment of the timeliness of tax deposits verifies the % of UC tax dollars deposited within 3 days. The assessment evaluates both the checks received and processed manually as well as EFT dollars received and processed electronically. The overall percentage reflects the agency's ability to consistently deposit UC tax dollars timely. The measurement criteria come directly from the Federal Handbook for the federally mandated Tax Performance System (TPS).

Reliability:

The sample, consisting of between 300 & 500 checks, is pulled for each assessment or test period and is considered statistically valid. The dates of receipt are manually verified by external reviewers. The EFT dollars are confirmed by bank statements and daily deposit runs. This method assures the reliability of the outcome.

Exhibit IV – GTA Performance Measures Validity and Reliability

Department: Revenue
Program: General Tax Administration
Service: Tax Processing
Activity:
Measure: Percent of distributions made timely

Action (check one):

- Requesting Revision to Approved Measure
- Change in Data Sources or Measurement Methodologies
- Requesting New Measure
- Backup for Performance Outcome and Output Measure

Data Sources and Methodology:

This measure is computed as follows: Numerator: Total number of distributions made by the 25th day of the month following the month in which a receipt is validated. Denominator: Total number of distributions made for receipts validated during a given month. The data source is a monthly file provided by the Department of Financial Services (DFS) that shows the distributions made in a month and the dates of each distribution. For reference purposes, there are approximately 3,200 separate distributions mad each month to local governments and state trust funds.

Validity:

The department is legally mandated by statute and/or local ordinance to timely distribute revenue to the appropriate jurisdiction to fund governmental operations and programs. This measure directly reflects that ability and is therefore a valid measure of the distribution process. Every distribution made is included in the measure.

Reliability:

Data is drawn directly from DFS transaction detail, thus creating a continuous “audit trail” allowing for an ongoing review of accuracy and data integrity.

Exhibit IV – GTA Performance Measures Validity and Reliability

Department: Revenue
Program: General Tax Administration
Service: Tax Processing
Activity:
Measure: Percent of taxpayer-claimed refunds processed in less than 90 days

Action (check one):

- Requesting Revision to Approved Measure
- Change in Data Sources or Measurement Methodologies
- Requesting New Measure
- Backup for Performance Outcome and Output Measure

Data Sources and Methodology:

This measure is calculated by dividing the number of refunds claimed on forms DR26 (Refund Claim), Corporate Income Tax Return, and Insurance Premium Tax Return that are processed within 90 days of receipt by the department by the total number of refunds processed from the same sources in a given time period. A “processed” refund claim is defined as one that was withdrawn, approved, or denied. The data source is the Refund Management System (RMS) data base that tracks all refunds claimed by taxpayers.

Validity:

By law, the department must pay interest to taxpayers on any refund that takes longer than 90 days to process. This measure is a direct indicator of the department’s ability to issue claimed refunds within that time period, thereby saving the state interest payments as well as insuring that taxpayers are provided timely service. The measure includes every refund claim subject to the payment of interest.

Reliability:

The use of the Refund Management System Database provides for direct access to information associated with all refunds claimed by taxpayers and all pertinent data (e.g., receipt date, amount of claim, issue date, etc.) This ensures that a constant audit trail is maintained for review to ensure the accuracy of reported data. Outputs of the database queries used to extract the measure are reviewed cyclically to ensure the integrity of reported data.

Exhibit IV – GTA Performance Measures Validity and Reliability

Department: Revenue
Program: General Tax Administration
Service: Tax Processing
Activity: Manage Accounts
Measure: Number of Accounts Maintained

Action (check one):

- Requesting Revision to Approved Measure
- Change in Data Sources or Measurement Methodologies
- Requesting New Measure
- Backup for Performance Outcome and Output Measure

Data Sources and Methodology:

This measure is calculated by annually averaging the total number of active accounts reported monthly for all taxes. The primary data sources are the SAP (SUNTAX) registration database for those taxes integrated into the SUNTAX system plus the stand-alone tax databases for those taxes not yet included in the SUNTAX system, plus the unemployment tax (UT) TRAIN system. For intangible tax, the number of accounts maintained is based on the number of returns received.

Validity:

This measure is the total average number of active accounts registered and maintained by GTA for all taxes. By reporting the average of the monthly account totals, it takes into account both new registrants as well as those registrations that are either canceled or are deemed inactive. The number of accounts required to be maintained is one of GTA's two main cost-drivers (the other being tax returns processed). This fact alone identifies this measure as the most valid to represent the process of managing accounts.

Reliability:

The data underlying this measure is drawn directly from the databases containing all of GTA's registered filers and is maintained in the secure SUNTAX environment and the UT TRAIN system for unemployment tax. Internal analyses are performed regularly at both the reporting level and the Process Management Group (PMG) level to ensure reliability and to monitor fluctuations in the measure. UT data is subject to an annual review by AWI for accuracy, security, and completeness.

Exhibit IV – GTA Performance Measures Validity and Reliability

Department: Revenue
Program: General Tax Administration
Service: Tax Processing
Activity: Process Returns and Revenue
Measure: Number of Tax Returns Processed

Action (check one):

- Requesting Revision to Approved Measure
- Change in Data Sources or Measurement Methodologies
- Requesting New Measure
- Backup for Performance Outcome and Output Measure

Data Sources and Methodology:

This measure is a count of the tax returns and tax payments received and processed. A processed tax return is defined as one in which payments (if any) are deposited into state accounts, credited to the appropriate taxpayer account, and for which tax return detail data is captured. Larger taxpayers are legally required to transmit tax returns, data, and funds electronically. Smaller and less sophisticated filers send paper returns and paper checks requiring manual processing. The count includes both individual tax return payments as well as those returns for which no tax was due. The primary data source is the Resource Management Database (RMDB) where selected tables and fields are downloaded monthly from the SAP (SUNTAX) R-3 transaction system and the revenue processing databases.

Validity:

This measure describes the primary output of the entire returns and revenue processing activity. It includes all of the tax returns processed for all DOR-administered taxes as well as those monies processed by DOR for other state agencies. It completely encompasses all the outputs of this activity and comprises the chief cost-driver for all of GTA's processes.

Reliability:

The data underlying this measure is drawn directly from the databases utilized for all tax return and remittance processes activities. Selected data fields and tables are uploaded monthly to the Resource Management Database that provides for detailed access to each record stored. Internal analyses are performed regularly at both the reporting level and the Process Management Group (PMG) level to ensure reliability and to monitor fluctuations in the measure. UT data is subject to an annual review by AWI for accuracy, security, and completeness.

Exhibit IV – GTA Performance Measures Validity and Reliability

Department: Revenue
Program: General Tax Administration
Service: Tax Processing
Activity: Account for Remittances
Measure: Number of Distributions Made

Action (check one):

- Requesting Revision to Approved Measure
- Change in Data Sources or Measurement Methodologies
- Requesting New Measure
- Backup for Performance Outcome and Output Measure

Data Sources and Methodology:

This measure is the count of individual fund distributions made by the Department during the fiscal year. A distribution of funds is accomplished by bank transfer (95%) or the issuance of a check (5%). The Department currently distributes funds to counties, municipalities, and trust funds from a variety of tax sources on a monthly basis. The data source is a monthly manual count of the number of unique Treasury disbursements (journal transfers and checks) conducted and reported by the Distribution Unit staff.

Validity:

This measure fully describes the ultimate output of all activity associated with fund accounting and distribution. The measure includes the distribution of all remittances for all taxes.

Reliability:

The data underlying this measure is drawn directly from the staff that performs distribution activities. Since all distributions occur on a predictable and routine basis, the reliability of reported data is virtually self-ensuring.

Exhibit IV – GTA Performance Measures Validity and Reliability

Department: Revenue
Program: General Tax Administration
Service: Tax Processing
Activity: Return Reconciliation/Filing Compliance Verification
Measure: Number of filing compliance examinations resulting in a notice of additional liability

Action (check one):

- Requesting Revision to Approved Measure
- Change in Data Sources or Measurement Methodologies
- Requesting New Measure
- Backup for Performance Outcome and Output Measure

Data Sources and Methodology:

The measure is a count of additional tax, penalty, or interest due notices sent to taxpayers and notices of failure to file a required tax return issued for all taxes. The data source for is an extract of the SAP R-3 transaction data for all tax returns processed for which a notice of additional liability was issued. SAP data is downloaded monthly to a separate data store for analysis and review.

Validity:

This measure describes the primary and final output of the entire Filing Compliance Determination Process, and is therefore the only valid representation of this process's output.

Reliability:

Data is drawn directly from SUNTAX transaction detail, thus creating a continuous "audit trail" allowing for an ongoing review of accuracy and data integrity. Additionally, specified fields and tables are uploaded monthly to the Resource Management Database that provides a stand-alone source that is utilized for comparative purpose to further ensure the accuracy of reported data. Analysis is performed cyclically, at both the reporting level and the Process Management Group (PMG) level, to ensure reliability and to monitor fluctuations in the measure.

Exhibit IV – GTA Performance Measures Validity and Reliability

Department: Revenue
Program: General Tax Administration
Service: Taxpayer Aid
Activity:
Measure: Percent of Educational Information / Assistance Rendered Meeting Or Exceeding Taxpayers' Expectations (Primary Outcome)

Action (check one):

- Requesting Revision to Approved Measure
- Change in Data Sources or Measurement Methodologies
- Requesting New Measure
- Backup for Performance Outcome and Output Measure

Data Sources and Methodology:

This measure is computed by surveying a group of randomly-selected taxpayers that received Department educational materials/instructions or requested assistance. The surveys provide taxpayers with a series of statements for which the respondent is asked to state whether assistance rendered/education received met expectations on a 5-point rating scale from "Far exceeded expectations" to "Fell far below expectations." The data is compiled centrally using scanning software, maintained in a database, and reported periodically. Surveys will be conducted on an ongoing basis.

Validity:

Statistical samples are drawn quarterly from taxpayers that have requested assistance via phone or correspondence. For taxpayers attending seminars, attendees are provided with surveys to complete at the conclusion of each session. Surveys directed towards other educational materials (i.e., taxpayer information bulletins, tax return instructions) have not been finalized but are expected to be developed in the future.

Reliability:

All data associated with surveys conducted and their results are maintained in reliable databases designed specifically for survey usage by a variety of industries, both public and private. Detailed responses are readily accessible to ensure the integrity of reported summaries.

Exhibit IV – GTA Performance Measures Validity and Reliability

Department: Revenue
Program: General Tax Administration
Service: Taxpayer Aid
Activity: Taxpayer Assistance
Measure: Number of taxpayers provided with direct assistance and education

Action (check one):

- Requesting Revision to Approved Measure
- Change in Data Sources or Measurement Methodologies
- Requesting New Measure
- Backup for Performance Outcome and Output Measure

Data Sources and Methodology:

This measure is the sum of all educational materials sent, tax returns mailed, number of taxpayers interacting with the department's web-based training site, a count of all incoming calls and correspondence answered in the taxpayer assistance units, including service center visits made for the purpose of requesting assistance. The incoming call reports are captured and maintained on the Automated Call Distribution system as well as the Mosaix call-center system. Data regarding the volume of incoming mail wherein assistance is required is captured and reported by the correspondence section in the Taxpayer Services Process. Service center volume of incoming calls, correspondence, and front-counter visits is captured monthly at the service centers and is compiled centrally.

Validity:

Educational materials are sent to specific groups of taxpayers for select topics that are applicable to the group and/or general information is sent to all filers. The balance of educational materials is provided via web access. This measure fully describes the output of activity associated with educating taxpayers and reports the total number of educational contacts made for all taxes. This measure also includes all activity associated with assisting taxpayers upon their request whether by phone or in written correspondence. It is therefore valid from the perspective that all activities conducted in the Taxpayer Assistance Process are included, regardless of the organizational units performing these activities

Reliability:

Detailed mailing records (counts, postage paid) are maintained to ensure the accuracy of reported summary data. Analysis is performed at both the reporting level and the Process Management Group (PMG) level to ensure reliability and monitor fluctuations in the measure. Data from the inbound phone system maintained in GTA's centralized call center is automatically captured and monitored via a software package specifically designed for such use. The software/system utilized is a standard industry package used by most call centers, both nationally and internationally. Data is constantly monitored by supervisory and management staff. Service centers provide monthly reports of a variety of activities including all taxpayer assistance inquiries made and are monitored by management to ensure timely and accurate reporting. Data associated with website visits is captured and maintained by software specifically designed to track such activity.

Exhibit IV – GTA Performance Measures Validity and Reliability

Department: Revenue
Program: General Tax Administration
Service: Compliance Determination
Activity:
Measure: Percent of tax compliance examinations resulting in an adjustment to a taxpayer's account

Action (check one):

- Requesting Revision to Approved Measure
- Change in Data Sources or Measurement Methodologies
- Requesting New Measure
- Backup for Performance Outcome and Output Measure

Data Sources and Methodology:

This measure is calculated by dividing the number of completed tax enforcement (audit, discovery, or criminal investigation contacts made resulting in either additional liability, an identified overpayment, a change in a reported tax district, or the filing of criminal charges (numerator) by the total number of taxpayer contacts for audit, discovery, and criminal investigation activities for the same time period (denominator).

Numerator composition:

Number of audits completed with a finding of additional liability, overpayment, or requiring a change to reported data + Number of discovery cases completed with a finding of additional liability + Number of criminal investigation cases resulting in the filing of criminal charges

Denominator composition:

Total number of audits completed + Total number of discovery cases completed + Total number of criminal investigation cases completed

Sources:

- Audit information from Audit Tracking System and/or SUNTAX ACM system
- Discovery case information from Enforcement Operations Case Management System.
- Extracted files used may be reported from direct R3 extracts, SUNTAX Business Warehouse, or Resource Management Database

Validity:

The methodology measures the success of all Department efforts relating to tax compliance determination to ensure accurate and timely reporting. This measure is an indicator of successful and effective resource deployment, case selection, and a focus on non-compliant taxpayers. It covers all facets of this process.

Reliability:

Counts for this measure are drawn from six separate data sets, each of which can be traced back to the individual records giving rise to reported totals. Internal analysis is performed continuously, at both the reporting level and the Process Management Group (PMG) level, to ensure reliability and to monitor fluctuations in the measure

Exhibit IV – GTA Performance Measures Validity and Reliability

Department: Revenue
Program: General Tax Administration
Service: Compliance Determination
Activity: Determine Filing Compliance
Measure: Number of Filing Compliance Exams Completed

Action (check one):

- Requesting Revision to Approved Measure
- Change in Data Sources or Measurement Methodologies
- Requesting New Measure
- Backup for Performance Outcome and Output Measure

Data Sources and Methodology:

The measure is a count of bills and notices of delinquency issued for all taxes. The data source for sales and corporate taxes is an extract of the SAP R-3 transaction data for all sales and corporate tax returns processed for which a filing compliance notice (bills and notices of delinquency) was issued. The data source for intangible tax is the miscellaneous tax database.

Validity:

This measure describes the primary and final output of the entire Filing Compliance Determination Process, and is therefore the only valid representation of this process's output.

Reliability:

Data is drawn directly from SUNTAX transaction detail, thus creating a continuous "audit trail" allowing for an ongoing review of accuracy and data integrity. Additionally, specified fields and tables are uploaded monthly to the Resource Management Database that provides a stand-alone source that is utilized for comparative purpose to further ensure the accuracy of reported data. Analysis is performed cyclically, at both the reporting level and the Process Management Group (PMG) level, to ensure reliability and to monitor fluctuations in the measure.

Exhibit IV – GTA Performance Measures Validity and Reliability

Department: Revenue
Program: General Tax Administration
Service: Compliance Determination
Activity: Select Cases for Tax Compliance Determination
Measure: Number of Taxpayers Selected For a Tax Compliance Examination

Action (check one):

- Requesting Revision to Approved Measure
- Change in Data Sources or Measurement Methodologies
- Requesting New Measure
- Backup for Performance Outcome and Output Measure

Data Sources and Methodology:

This measure is a count of the number of audits, discovery cases, and criminal investigations selected for review. Audit data is captured and maintained in the SUNTAX Service Notification records for sales and communications services taxes, and on the stand-alone Audit Tracking System for all other taxes. Cases selected for Discovery efforts are captured and maintained on the Enforcement Operations Case Management System, and cases selected for criminal investigation are captured and maintained on the Investigations Case Management System. Counts of new cases selected are compiled and reported monthly.

Validity:

This measure describes the primary and final output of the process. It therefore properly considers the end result of the activity associated with the selection of cases for tax compliance determination.

Reliability:

Counts for this measure are drawn from five separate data sets, each of which can be traced back to the individual records giving rise to reported totals. Internal analysis is performed continuously, at both the reporting level and the Process Management Group level, to ensure reliability and to monitor fluctuations in the measure.

Exhibit IV – GTA Performance Measures Validity and Reliability

Department: Revenue
Program: General Tax Administration
Service: Compliance Determination
Activity: Perform Audit
Measure: Number of Audits Completed

Action (check one):

- Requesting Revision to Approved Measure
- Change in Data Sources or Measurement Methodologies
- Requesting New Measure
- Backup for Performance Outcome and Output Measure

Data Sources and Methodology:

This measure is a count of the number of Notices of Proposed Assessments or Audit Results (unemployment tax) issued to taxpayers pursuant to the completion of an audit, plus the number self-audits completed by taxpayers and returned to the Department. This count includes notices sent for audits that resulted in additional liability as well as those notices mailed pursuant to audits where no additional liability was found. Data describing proposed assessments issued, except unemployment tax, are captured and maintained in the SUNTAX ACM or on the Audit Tracking System. Data for the unemployment tax audits are captured and maintained in the UT TRAIN system. Data for the self-audit component is captured and maintained on the Self-Audit Tracking System and is comprised of a count of all completed self-audits returned.

Validity:

By definition, the Registered Filer Tax Compliance Examination process includes all audits, and ends with the issuance of a notice of assessment or notice of a completed audit with no liability found. Since the entire population of notices issued comprises the measure, it is the only valid representation of this process.

Reliability:

Counts for this measure are drawn from four separate data sets, each of which can be traced back to the individual records giving rise to reported totals. Internal analysis is performed continuously, at both the reporting level and the Process Management Group (PMG) level, to ensure reliability and to monitor fluctuations in the measure. Additionally, an audit of the UT TRAIN system is conducted annually by the Office of the Auditor General.

Exhibit IV – GTA Performance Measures Validity and Reliability

Department: Revenue
Program: General Tax Administration
Service: Compliance Determination
Activity: Discover Unregistered Taxpayers
Measure: Number of Discovery Cases Completed

Action (check one):

- Requesting Revision to Approved Measure
- Change in Data Sources or Measurement Methodologies
- Requesting New Measure
- Backup for Performance Outcome and Output Measure

Data Sources and Methodology:

This measure is a count of the taxpayers that have been notified of the findings and/or have been registered to file tax returns as the result of a discovery review. The discovery activity is the identification of taxpayers that may be required to register to collect and/or pay taxes but have nevertheless failed to register with the Department. Discovery also consists of the identification of taxes owed from taxpayers that are not required to register, such as isolated purchases of boats, airplanes, or internet and mail-order purchases. Data associated with this activity is captured in the Enforcement Operations Case Management System (EOCMS) and contains information on the cases completed by discovery staff statewide. As each field discovery activity is closed, the relevant case information is transmitted to the Compliance Enforcement Process office for data entry.

Validity:

This activity identifies those unregistered taxpayers that appear to have a filing requirement or have a tax liability resulting from a specific transaction and may include discovering new registrations and additional collections. Since this measure is a compilation of the total output of the Discovery Sub-process statewide (actual cases closed), it is a valid representation of this activity.

Reliability:

Data from the EOCMS is traceable at the detail level back to the individual actually conducting the activity, thereby creating a complete auditable trail to ensure reliability. Internal analysis is performed continuously, at both the reporting level and the Process Management Group (PMG) level, to ensure reliability and to monitor fluctuations in the measure.

Exhibit IV – GTA Performance Measures Validity and Reliability

Department: Revenue
Program: General Tax Administration
Service: Compliance Determination
Activity: Investigate Criminal Tax Avoidance
Measure: Number of Criminal Investigations Completed

Action (check one):

- Requesting Revision to Approved Measure
- Change in Data Sources or Measurement Methodologies
- Requesting New Measure
- Backup for Performance Outcome and Output Measure

Data Sources and Methodology:

This measure is a count of the investigation cases finalized with an investigative report and a recommendation to prosecute (or not). If there is such a finding, the results of the investigation are referred to the State Attorney's Office for legal prosecution. This activity conducts investigations of tax theft or fraudulent tax schemes. Most commonly, tax theft arises when a taxpayer collects sales tax from customers but intentionally and frequently fails to report taxes collected, instead retaining the tax monies for his or her own use. The Investigations Case Management System contains information on the cases assigned to all investigators statewide. As each field investigation is completed the relevant case information is transmitted to the Compliance Enforcement Process office for data entry.

Validity:

This measure is a compilation of the total output of criminal investigation activity statewide (actual criminal cases finalized) for all taxes. Since this is the only defined output of this process, the measure shown is a valid indicator of the measure.

Reliability:

Data from the Investigations Case Management System is traceable at the detail level back to the individual actually conducting the activity, thereby creating a complete auditable trail to ensure reliability. Internal analysis is performed continuously, at both the reporting level and the Process Management Group (PMG) level, to ensure reliability and to monitor fluctuations in the measure.

Exhibit IV – GTA Performance Measures Validity and Reliability

Department: Revenue
Program: General Tax Administration
Service: Compliance Determination
Activity: Resolve Disputes
Measure: Number of Disputes Resolved

Action (check one):

- Requesting Revision to Approved Measure
- Change in Data Sources or Measurement Methodologies
- Requesting New Measure
- Backup for Performance Outcome and Output Measure

Data Sources and Methodology:

This measure counts the number of sales, corporate, intangible, and fuel tax collection cases that resulted in an adjustment (correction) to the initial value of a receivable for which a taxpayer was notified, plus the number of audit-related disputes completed by the Dispute resolution Sub process in the Office of the General Counsel. Data for the sales tax collection component is captured by an extract of SAP R-3 transaction data. All other tax collection information is captured in the respective tax systems. Audit-related dispute information is captured and maintained on the General Counsel's Case Management System (CMS).

The SAP Business Information Warehouse will supplement and replace some of these data sources when the data is available in the warehouse.

Validity:

This measure includes all collection-related disputes and audit disputes where an audit's results were formally appealed or litigated through the Office of the General Counsel. For general collections cases that result in a payment of the initially determined liability, however, the data cannot distinguish whether or not a dispute occurred during the collections process, so the number of disputes recorded may be somewhat understated, negatively impacting the validity of the count. The two processes (collections and dispute resolution) are so intertwined that it simply isn't feasible to attempt to distinguish the two in some instances.

Reliability:

All data for this measure is drawn directly from SAP financial transaction fields that are uploaded monthly to the Resource Management Database. This provides for both a reporting mechanism and the ability to trace transaction-level detail to ensure accuracy and completeness of reported data. Internal analysis is performed on a monthly basis, at both the reporting level and the Process Management Group (PMG) level, to ensure reliability and to monitor fluctuations in the measure.

Exhibit IV – GTA Performance Measures Validity and Reliability

Department: Revenue
Program: General Tax Administration
Service: Compliance Resolution
Activity: Refund Tax Overpayments
Measure: Number of Refund Claims Processed

Action (check one):

- Requesting Revision to Approved Measure
- Change in Data Sources or Measurement Methodologies
- Requesting New Measure
- Backup for Performance Outcome and Output Measure

Data Sources and Methodology:

This measure is a count of all refund claims processed (closed) in the period. A refund claim is considered "processed" when it is either paid to a taxpayer or the taxpayer has been provided with a notice of refund denial. The current data sources are the Department's Refund Management System, and the UT TRAIN system. Much of this transactional detail will be integrated into the SAP/SUNTAX system, at which time much of the data will be maintained and reported via that source. The measure is simply a count of the number of individual refunds claims processed and/or refunds generated via overpayments identified by the Department.

Validity:

This measure describes the primary output of the entire refund process, in that the results of every refund claim filed or overpayment discovered are included in the measure, even if a refund claim is wholly or partially denied. It includes all tax types and all activities associated with the refund process.

Reliability:

Data is drawn directly from the Refund Management System's transaction detail, thus creating a continuous "audit trail" allowing for an ongoing review of accuracy and data integrity. Analysis is performed cyclically, at both the reporting level and the Process Management Group (PMG) level, to ensure reliability and to monitor fluctuations in the measure.

Exhibit IV – GTA Performance Measures Validity and Reliability

Department: Revenue
Program: General Tax Administration
Service: Receivables Management
Activity:
Measure: Percent of collection cases resolved in less than 90 days (Primary Outcome)

Action (check one):

- Requesting Revision to Approved Measure
- Change in Data Sources or Measurement Methodologies
- Requesting New Measure
- Backup for Performance Outcome and Output Measure

Data Sources and Methodology:

The numerator of this measure is the number of collection cases resolved within 90 days of the opening of the case. The denominator is the total number of collection cases opened for the period being measured. The measure will be tracked on a monthly and year-to-date basis with the measurement made for the period 90 days prior to being reported. For example, collection cases opened in the month of April will be measured the following July; collection cases opened in the month of May will be measured in the month of August, etc. Collection cases are tracked in the SUNTAX financials and all database tables are uploaded monthly to the Resource Management Database for analysis and the application of measurement queries.

Validity:

This measure is a compilation of all collection cases initiated and therefore tracks the entire process.

Reliability:

Data is drawn directly from SUNTAX transaction detail, and all tables are uploaded monthly to the Resource Management Database that provides a stand-alone source that provides direct access to all detail records and data underlying the measure to insure reliability, accuracy, and completeness. Analysis is performed cyclically, at both the reporting level and the Process Management Group (PMG) level, to ensure reliability and to monitor fluctuations in the measure.

Exhibit IV – GTA Performance Measures Validity and Reliability

Department: Revenue
Program: General Tax Administration
Service: Receivables Management
Activity:
Measure: Accounts receivable as a percent of total revenues

Action (check one):

- Requesting Revision to Approved Measure
- Change in Data Sources or Measurement Methodologies
- Requesting New Measure
- Backup for Performance Outcome and Output Measure

Data Sources and Methodology:

The numerator of this measure is the total value of current receivables excluding those receivables that have reached uncollectible status (in Suntax, uncollectible = dunning level 17). The denominator is the total revenues for the reported fiscal year. For interim reporting purposes (during the course of a fiscal year), the denominator will be the current REC estimate for the fiscal year. The data source is the Suntax (SAP) business warehouse.

Validity:

This measure is considered the industry standard for measuring a business's ability to manage its accounts receivable and provides for direct comparison with world-class organizations.

Reliability:

Receivables data is drawn directly from the SUNTAX business warehouse, and all data is refreshed daily to insure accurate and reliable data. Data analysis is performed cyclically, at both the reporting level and the Process Management Group (PMG) level, to ensure reliability and to monitor fluctuations in the measure.

Exhibit IV – GTA Performance Measures Validity and Reliability

Department: Revenue
Program: General Tax Administration
Service: Receivables Management
Activity:
Measure: Percent of receivables reaching uncollectible status

Action (check one):

- Requesting Revision to Approved Measure
- Change in Data Sources or Measurement Methodologies
- Requesting New Measure
- Backup for Performance Outcome and Output Measure

Data Sources and Methodology:

The numerator of this measure is the total value of receivables reaching uncollectible status (in Suntax, uncollectible = dunning level 17) in the fiscal year reported. The denominator is the total current receivables for the reported fiscal year. For interim reporting purposes (during the course of a fiscal year), the numerator is the value of receivables reaching uncollectible status in the immediate preceding 12 consecutive months. The data source is the Suntax (SAP) business warehouse.

Validity:

This measure is a direct indicator of the ability of the program to effectively manage and work collection cases as they arise. Failure to timely follow-up on collection cases will result in a higher percentage of uncollectible amounts. Collection industry data clearly links the collectability of accounts receivable with the length of time from the realization of a debt to the initiation of collection efforts.

Reliability:

Data is drawn directly from the SUNTAX business warehouse, and all data is refreshed daily to insure accurate and reliable data. Data analysis is performed cyclically, at both the reporting level and the Process Management Group (PMG) level, to ensure reliability and to monitor fluctuations in the measure.

Exhibit IV – GTA Performance Measures Validity and Reliability

Department: Revenue
Program: General Tax Administration
Service: Receivables Management
Activity: Collect Identified Liabilities
Measure: Number of Collection Cases Resolved

Action (check one):

- Requesting Revision to Approved Measure
- Change in Data Sources or Measurement Methodologies
- Requesting New Measure
- Backup for Performance Outcome and Output Measure

Data Sources and Methodology:

This measure is a count of the number of collection cases resolved arising from tax return filing errors. A collection case is considered "resolved" when an identified liability (receivable) has been reduced to zero by a collection, adjustment, and/or compromise. Data is maintained and captured from SAP financial history for all collection cases.

Validity:

This measure describes the primary output of the Collect Identified Liabilities activity, the number of collection cases resolved. It encompasses the Department's efforts to collect all of the taxes due to the state and resolve findings of noncompliance.

Reliability:

All data for this measure is drawn directly from SAP financial transaction fields that are uploaded monthly to the Resource Management Database. This provides for both a reporting mechanism and the ability to trace transaction-level detail to ensure accuracy and completeness of reported data. Internal analysis is performed on a monthly basis, at both the reporting level and the Process Management Group (PMG) level, to ensure reliability and to monitor fluctuations in the measure.

Exhibit IV – GTA Performance Measures Validity and Reliability

Department: Revenue
Program: General Tax Administration
Service: Receivables Management
Activity: Collect Identified Liabilities
Measure: Number of Collection Cases Resolved

Action (check one):

- Requesting Revision to Approved Measure
- Change in Data Sources or Measurement Methodologies
- Requesting New Measure
- Backup for Performance Outcome and Output Measure

Data Sources and Methodology:

This measure is a count of the number of cases that required enforced collection efforts to reach resolution. A collection case is considered "resolved" when an identified liability (receivable) has been reduced to zero by a collection, adjustment, and/or compromise. Data is maintained and captured from SAP financial history for all collection cases.

Validity:

This measure describes the primary output of the Collect Identified Liabilities activity, the number of collection cases resolved. It encompasses the Department's efforts to collect all of the taxes due to the state and resolve findings of noncompliance.

Reliability:

All data for this measure is drawn directly from SAP financial transaction fields that are uploaded monthly to the Resource Management Database. This provides for both a reporting mechanism and the ability to trace transaction-level detail to ensure accuracy and completeness of reported data. Internal analysis is performed on a monthly basis, at both the reporting level and the Process Management Group (PMG) level, to ensure reliability and to monitor fluctuations in the measure.

Exhibit IV – PTO Performance Measures Validity and Reliability

Department: Revenue
Program: Property Tax Oversight
Service: Property Tax Compliance Determination
Activity:
Measure: Percent of Classes/Subclasses Studied (for In-Depth Counties) and Found to Have a Level of at Least 90 Percent

Action (check one):

- when requesting revisions to approved measures,
- when data sources or measurement methodologies change,
- when requesting new measures, and
- when providing backup for performance outcome and output measures

Data Sources and Methodology:

This measure provides an indication of compliance with the just valuation standard for property throughout the state and assessment uniformity among and between groupings of property in all counties submitting tax rolls as part of the in-depth and non-in-depth studies. The measure is calculated by dividing the number of classes/subclasses studied (for in-depth counties) which are found to have a level of assessment of at least 90% (numerator) by the total number of classes/subclasses studied (for in-depth counties) (denominator).

The numerator is calculated by adding the number of classes (strata) sub-class groupings which are found to have a level of at least 90%. The denominator is calculated by adding the total number of classes/subclasses studied (for in-depth counties).

All of the data necessary to calculate the measure is available during the tax roll approval process which begins with the submittal of tax rolls [Name, address, and legal description (NAL) tapes] by county property appraisers on or about July 1, and ends when the last county tax roll is approved in August or September.

Validity:

The methodology used to measure the percent of classes/subclasses studied and found to have a level of assessment of at least 90% (of just value) accurately identifies the extent of just valuation of real property and assessment uniformity throughout in-depth study counties in the State of Florida. The Department evaluates the level of assessment in seven classes or strata for each county. These classes include single family residential, multi-family residential, agriculture, vacant lots, non-agricultural undeveloped parcels, commercial/industrial, and taxable institutions. In addition, any of these classes may be grouped into an eighth class when the assessed value within the class does not comprise at least 5% of the county's total assessed value.

Given sufficient sales and/or appraisal information, the Department can be confident in the accuracy and reliability of its determination of a level of assessment, i.e., the county property appraiser's just value divided by the Department's determination of fair market or just value.

County property tax rolls are currently evaluated with two methodologies: in-depth and non-in-depth. A non-in-depth analysis and evaluation requires the tax roll to have an estimated overall level of assessment of at least 90%. This evaluation does not require any particular type or stratum of property to meet the requirement. An in-depth analysis, however, requires that each stratum that contains at least 5% of the county's just value to have an estimated level of assessment of at least 90%.

Exhibit IV – PTO Performance Measures Validity and Reliability

Reliability:

Internal analysis is performed at both the reporting level and the program level to ensure reliability of the data and to monitor fluctuations in the measure. The Property Tax Oversight Program has in place procedures that provide for an internal annual review of the documentation for all legislatively reported measures to ensure that the reported data are reliable and correct. Furthermore, the Office of Inspector General performs periodic reviews of performance measures. The scope of these reviews will vary, depending on an annual risk assessment.

Exhibit IV – PTO Performance Measures Validity and Reliability

Department: Revenue
Program: Property Tax Oversight
Service: Property Tax Compliance Determination
Activity: Real Property Roll Evaluation and Approval
Measure: Number of In-Depth Classes Studied with a Statistically Valid Sample

Action (check one):

- when requesting revisions to approved measures,
- when data sources or measurement methodologies change,
- when requesting new measures, and
- when providing backup for performance outcome and output measures

Data Sources and Methodology:

The number of in-depth classes of property studied refers to the number of strata groupings of real property according to the type or category of properties. Only strata or class groupings comprising at least 5% of the county's total assessed value are subject to the in-depth study methodology. The numbers of strata or classes of property comes from computer program analyses of tax rolls submitted by county property appraisers during each fiscal year. The computer printouts used to obtain the total number of classes studied include the AV17, AV21, AV147, and the AV150.

Validity:

The Department strives to use a statistically valid number of sample parcels when studying each class or grouping of property as this requirement provides a 95% level of confidence in the statistical indicators (LOA, PRD, COD) derived from such study.

The sample size (i.e., number of sample parcels drawn and studied within the class of property) for each class studied as part of the in-depth study is initially determined by computing the Coefficient of Variation (COV) for the assessment ratio of the respective class during the prior in-depth study year. The determination of the statistical validity of the sample drawn prior to initiating the study is subsequently made upon completion of the in-depth study through comparison of the post-study COV with the pre-study COV. For example, if the post-study COV is higher than the pre-study COV, the required sample size is higher than the sample size that was obtained from the smaller pre-study COV, and the sample size might be considered statistically invalid or too small to have the required 95% confidence in the statistical indicators.

Reliability:

Internal analysis is performed at both the reporting level and the program level to ensure reliability of the data and to monitor fluctuations in the measure. The Property Tax Oversight Program has in place procedures that provide for an internal annual review of the documentation for all legislatively reported measures to ensure that the reported data are reliable and correct. Furthermore, the Office of Inspector General performs periodic reviews of performance measures. The scope of these reviews will vary, depending on an annual risk assessment.

Exhibit IV – PTO Performance Measures Validity and Reliability

Department: Revenue
Program: Property Tax Oversight
Service: Property Tax Compliance Determination
Activity: Central Assessment Compliance
Measure: Number of Railroad and Private Car Lines Centrally Assessed

Action (check one):

- when requesting revisions to approved measures,
- when data sources or measurement methodologies change,
- when requesting new measures, and (reinstating former measure from 2003-04)
- when providing backup for performance outcome and output measures

Data Sources and Methodology:

This activity is responsible for the central assessment of all railroad property sited within Florida and for all private car lines operating in Florida on January 1. To do this, the Department requires that some thirteen railroad companies and over 200 private car lines submit returns to the Department by April 1. By June 1, the Department provides the apportioned taxable values to the appropriate county property appraiser of any railroad and/or private car line having situs in his/her respective county.

Validity:

This LRPP measure provides an activity indicator on the production of the Program Railroad Section. Chapter 193, Florida Statutes, requires the central assessment of railroad and private car line rolling stock each year by the Department of Revenue. As indicated above, railroads and car line companies are required to file a return by April 1 each year. The central assessment of railroads is based on the three approaches to value (Income, Market, and Cost) while the valuation of private car lines is performed strictly on a cost basis.

Reliability:

Internal analysis is performed at both the reporting level and the program level to ensure reliability of the data and to monitor fluctuations in the measure. The Property Tax Oversight Program has in place procedures that provide for an internal annual review of the documentation for all legislatively reported measures to ensure that the reported data are reliable and correct. Furthermore, the Office of Inspector General performs periodic reviews of performance measures. The scope of these reviews will vary, depending on an annual risk assessment.

Exhibit IV – PTO Performance Measures Validity and Reliability

Department: Revenue
Program: Property Tax Oversight
Service: Property Tax Compliance Determination
Activity: Review Refunds & Tax Certificates
Measure: Number of Refund/Tax Certificate Applications Processed

Action (check one):

- when requesting revisions to approved measures,
- when data sources or measurement methodologies change,
- when requesting new measures, and
- when providing backup for performance outcome and output measures

Data Sources and Methodology:

This measure is the combination of two sub-activities – refund requests processed and tax certificate cancellations/corrections processed. The number of property tax refund requests and tax certificate requests processed refers to the applications received from county tax collectors and completed by a program reviewer who either approves or denies each request on the merits of the application. A computer-generated report of refund and tax certificate activity is used to record the processing of applications according to a subject matter coding system. Processed applications are recorded and logged out upon completion of review. The cumulative number of applications processed each month is derived by a count of the number of applications processed from the first working day of the month through the last working day of the month.

Validity:

The measure provides an activity indicator on the production of the Refund Section in reviewing and approving refund and tax certificate applications received during each month. The accuracy of review decisions is ensured by multiple reviews among program staff and by legal review for the more complex applications. Given a stable property tax system with relatively few legislative changes impacting assessment administration, the desired goal would be for a decreasing number of refund and tax certificate applications reviewed each month/year. The standard for this measure, however, is meant to be achieved or exceeded to indicate the Department is processing all applications received in an accurate and timely manner.

Reliability:

Internal analysis is performed at both the reporting level and the program level to ensure reliability of the data and to monitor fluctuations in the measure. The Property Tax Oversight Program has in place procedures that provide for an internal annual review of the documentation for all legislatively reported measures to ensure that the reported data are reliable and correct. Furthermore, the Office of Inspector General performs periodic reviews of performance measures. The scope of these reviews will vary, depending on an annual risk assessment.

Exhibit IV – PTO Performance Measures Validity and Reliability

Department: Revenue

Program: Property Tax Oversight

Service/Budget Entity: Property Tax Compliance Determination

Measure: Number of Truth-in-Millage/Millage Adoption Processed

Action (check one):

- Requesting revision to approved performance measure.
- Change in data sources or measurement methodologies.
- Requesting new measure.
- Backup for performance measure.

Data Sources and Methodology:

This activity is responsible for the review of the forms for use in the maximum millage calculations required by section 200.185, F.S., Chapter 2008-321, and Chapter 2008-173 (Senate Bill 1588), Laws of Florida. This is measured by recording each form submitted by each taxing authority. These forms are maintained in Property Tax Oversight's Oracle database.

Validity:

This LRPP measure provides an activity indicator on the production of the TRIM section. In 1980, the legislature passed the "Truth-in-Millage" (TRIM) act. This law is designed to inform taxpayers which governmental entity is responsible for the taxes levied and the amount of tax liability owed to each taxing entity. The Notice of Proposed Property Taxes is known as the TRIM notice.

Reliability:

Internal analysis is performed at both the reporting level and the program level to ensure reliability of the data and to monitor fluctuations in the measure. The Property Tax Oversight Program has in place procedures that provide for an internal annual review of the documentation for all legislatively reported measures to ensure that the reported data are reliable and correct. Furthermore, the Office of Inspector General performs periodic reviews of performance measures. The scope of these reviews will vary, depending on an annual risk assessment.

Exhibit IV – PTO Performance Measures Validity and Reliability

Department: Revenue
Program: Property Tax Oversight
Service: Property Tax Education and Assistance
Activity: Aid and Assistance
Measure: Percent of users of PTO Aid and Assistance Satisfied with the Services Provided

Action (check one):

- when requesting revisions to approved measures,
- when data sources or measurement methodologies change,
- when requesting new measures, and
- when providing backup for performance outcome and output measures

Data Sources and Methodology:

This is an outcome for the Compliance Assistance Core Process. As such, this measure provides an indication of the program's performance in meeting the needs of its customers and suppliers when providing aid and assistance products and services. This core business process or service provides numerous aid and assistance products and services primarily to the four customer/supplier groups of county property appraisers, tax collectors, clerks of the court, and local taxing authorities.

These products and services are primarily in the form of central assessments of railroad and private car line property by the Railroad Sub-process; digital mapping and aerial photography support by the Mapping – GIS sub-process, forms printing, delivery, and design support assistance by the Forms Work Unit, and real property technical appraisal assistance by the Resource Assistance Sub-process. But, additional aid and assistance products and services are provided by the Budget Compliance and TRIM Compliance activities in assisting county officials to comply with the standards and requirements stipulated in statute and rule.

Each of the program's primary four customer/supplier groups will be surveyed at least annually to determine the level of "overall satisfaction" with the products and services provided by the program. The cumulative average of the overall satisfaction level from each group will be averaged (and weighted, if appropriate) to obtain the annual level of satisfaction for the program.

Validity:

Determining the level of satisfaction among the four primary customer/supplier groups will provide the program with an indication of each group's perceptions of its Compliance Assistance products and services. This feedback can then be used to improve the design and delivery of aid and assistance products and services with the goal of improving ultimate compliance of each customer/supplier group with appropriate statute and rule.

Reliability:

Internal analysis is performed at both the reporting level and the program level to ensure reliability of the data and to monitor fluctuations in the measure. The Property Tax Oversight Program has in place procedures that provide for an internal annual review of the documentation for all legislatively reported measures to ensure that the reported data are reliable and correct. Furthermore, the Office of Inspector General performs periodic reviews of performance measures. The scope of these reviews will vary, depending on an annual risk assessment.

Exhibit IV – PTO Performance Measures Validity and Reliability

Department: Revenue
Program: Property Tax Oversight
Service: Property Tax Education and Assistance
Activity: Training
Measure: Number of Student Training Hours Provided to Property Appraisers, Tax Collectors and Their Staffs and PTO Staff.

Action (check one):

- when requesting revisions to approved measures,
- when data sources or measurement methodologies change,
- when requesting new measures, and
- when providing backup for performance outcome and output measures

Data Sources and Methodology:

This is an output measure. This activity provides aid and assistance services to internal PTO staff, to county property appraisers and to county tax collectors and staff by conducting training to upgrade assessment skills. The process begins with a training needs assessment and subsequent gap analysis. One-week schools are conducted at large Florida hotel sites. Participants pay registration fees, lodging, meals, and travel expenses. Although much of the training is currently print-based with instructors in a classroom environment, computer-based-training (CBT) modules are being developed and implemented to reduce costs, increase accessibility, and improve services for tax collectors and their staff. Training courses and delivery services are contracted with the International Association of Assessing Officers (IAAO) for county and state appraiser employees. Continuing education hours are also provided to address other training needs identified.

The number of student training hours is calculated at the completion of each school/course/class by multiplying the number of students in each course by the number of classroom training hours. The student hours for each course is added together to obtain the total student hours for each one-week school delivery. Then the totals of each school/course/class conducted during the fiscal year are added together to obtain the total student training hours for the fiscal year.

Validity:

This LRPP measure primarily provides an activity indicator of the aid and assistance services authorized in section 195.002, Florida Statutes, where the Department is charged with the conduct of schools to upgrade the assessment skills of both state and local assessment personnel. Therefore, this activity output provides a direct reporting of the provision by the Department of Revenue of the aid and assistance services to maintain and improve the assessment skills of all public property tax assessment personnel in the state and to maintain and improve the collection skills of public property tax collection personnel in the state.

Reliability:

The number of student training hours is recorded on training program attendance forms and entered into the program's training database system. This system maintains individual participant data and training course summary data and information. Furthermore, the Office of Inspector General performs periodic reviews of performance measures. The scope of these reviews will vary, depending on an annual risk assessment.

Exhibit IV – PTO Performance Measures Validity and Reliability

Department: Department of Revenue
Program: Property Tax Oversight
Service: Property Tax Education and Assistance
Activity: Aid and Assistance
Measure: Number of Counties Receiving Aid and Assistance

Action (check one):

- when requesting revisions to approved measures,
- when data sources or measurement methodologies change,
- when requesting new measures, and
- when providing backup for performance outcome and output measures

Data Sources and Methodology:

This is an output measure. This activity provides aid and assistance services in any one of many forms to county property appraisers. Aid and assistance can be to centrally assess all railroad and private car line companies that operate in Florida on an equitable basis and distribute these values to the counties and the various taxing jurisdictions; provide mapping products (aerial photography), mapping resources (grant money), or mapping services (technical assistance and training); provide all forms for the assessment and collection of property taxes to the constitutional officers (this applies to only those counties whose population is 100,000 or less); or provide assistance which may be information, administrative or analytical consultation, or physical data collection.

Each time a county receives aid and assistance in any one of the aforementioned, the county is counted. During the course of each year, every county is expected to have received aid and assistance in at least one of these areas.

Validity:

This LRPP measure provides an activity indicator of the aid and assistance services authorized in:

- Section 195.022, Florida Statutes, where the Department of Revenue shall prescribe all forms to be used by property appraisers, tax collectors, clerks of the circuit court and value adjustment boards in administering and collecting ad valorem taxes. The Department shall prescribe a form for each purpose. For counties with a population of 100,000 or less, the Department of Revenue shall furnish the forms.
- 193.085(4), Florida Statutes, where the Department shall promulgate such rules as are necessary to ensure that all railroad property of all types is properly listed in the appropriate county and shall submit the county railroad property assessments to the respective county property appraisers not later than June 1 in each year.
- Program responsibilities are mandated by Florida Statutes and implemented by rules in the Florida Administrative Code (FAC) to enable and facilitate their voluntary compliance with all constitutional, statutory, and rule requirements and standards in the performance of their constitutional duties and responsibilities with regard to mapping of all property in the county.
- 195.002(1), Florida Statutes, where the supervision of the Department shall consist primarily of aiding and assisting county officers in the assessing and collection functions, with particular emphasis on the more technical aspects.

Reliability:

Internal analysis is performed at both the reporting level and the program level to ensure reliability of the data and to monitor fluctuations in the measure. The Property Tax Oversight Program has in place procedures that provide for an internal annual review of the documentation for all legislatively reported measures to ensure that the reported data are reliable and correct. Furthermore, the Office of Inspector General performs periodic reviews of performance measures. The scope of these reviews will vary, depending on an annual risk assessment.

Exhibit IV – PTO Performance Measures Validity and Reliability

Department: Revenue
Program: Property Tax Oversight
Service: Property Tax Education and Assistance
Activity: Tangible Personal Property Tax Compliance
Measure: Number of Tangible Personal Property Compliance Study Audits Provided to Property Appraisers

Action (check one):

- when requesting revisions to approved measures,
- when data sources or measurement methodologies change,
- when requesting new measures, and
- when providing backup for performance outcome and output measures

Data Sources and Methodology:

Effective July 1, 2001, the program began conducting an in-depth study of approximately half the 67 counties each year. Effective September 1, 2005, the program began conducting an in-depth study of approximately one third of the 67 counties each year for the 2005-2006 study. This mandated a change to the 2005 – 2006 standards and the requested 2006 – 2007 standard. A random sample of commercial properties is pulled from the real property tax roll to identify taxpayers in business as of the assessment date of the subject tax year. The sample size is determined based on 10% of the sample population, not to exceed 30 samples. The majority of counties will have 30 samples. Samples are pulled from Strata 03, 06 and 07 based on the strata value in ratio to the value of the whole. Samples are then divided evenly within the strata between four value groups. Program staff audit each taxpayer's account by requesting the books and records necessary to arrive at the original cost of assets subject to tangible personal property taxes. The program auditor compiles the results and ensures review by a tax audit supervisor before transmitting summary work papers for inclusion as part of the TPP compliance study process. These compliance study audits are then provided to the county property appraiser to assist with improving their tangible personal property rolls.

The program's tax audit supervisors maintain the monthly production data in a computer report. An audit is deemed complete upon review by the tax audit supervisor. Only audits reviewed from the first working day of each month through the last working day of each month are counted in the monthly performance report.

Validity:

This LRPP measure provides an activity indicator on the production of program TPP audit staff and serves as an indication of the need county property appraisers have for program support in their efforts to improve the TPP tax rolls. The full measure of the compliance study cycle crosses the fiscal year-end; therefore, this measure will not capture a complete cycle process from start to finish. To conform to fiscal year reporting and provide consistent output production reporting, however, audits completed in each month will be reported, regardless of the applicable or relevant compliance study year.

Reliability:

Internal analysis is performed at both the reporting level and the program level to ensure reliability of the data and to monitor fluctuations in the measure. The Property Tax Oversight Program has in place procedures that provide for an internal annual review of the documentation for all legislatively reported measures to ensure that the reported data are reliable and correct. Furthermore, the Office of Inspector General performs periodic reviews of performance measures. The scope of these reviews will vary, depending on an annual risk assessment.

Exhibit IV – PTO Performance Measures Validity and Reliability

Department: Department of Revenue
Program: Property Tax Oversight
Service: Property Tax Education and Assistance
Activity: Aid and Assistance
Measure: Number of hours of Aid & Assistance consultation Provided to Elected Officials

Action (check one):

- when requesting revisions to approved measures,
- when data sources or measurement methodologies change,
- when requesting new measures, and
- when providing backup for performance outcome and output measures

Data Sources and Methodology:

This is an output measure. This activity provides aid and assistance services in the form of consultation on technical issues to county elected officials. Aid and assistance can be to provide budget development and submission consultation services; provide consultation on mapping/ GIS products such as aerial photography or services such as the use of mapping data in a GIS for analysis, valuation and quality control of property tax roll data; provide consultation on real property mass appraisal procedures such as physical data collection, systematic land valuation, base rate calibration, market area and neighborhood identification, and quality control; provide consultation on tangible personal property discovery and valuation procedures, and in-depth review results; provide consultation on the development and use of all forms for the assessment and collection of property taxes to the constitutional officers; provide technical information, administrative or analytical consultation; and provide consultation on TRIM procedures.

Each time a county receives aid and assistance in any one of the aforementioned, the number of hours spent providing the consultation services are counted. During the course of each year, every county is expected to have received aid and assistance in at least one of these areas. This measure is intended to quantify the resources invested in consultation activities and serves as a counterweight to the quantification of training services provided.

Validity:

This LRPP measure provides an activity indicator of the aid and assistance consultation services authorized in:

- Section 195.022, Florida Statutes, where the Department of Revenue shall prescribe all forms to be used by property appraisers, tax collectors, clerks of the circuit court and value adjustment boards in administering and collecting ad valorem taxes. The Department shall prescribe a form for each purpose. For counties with a population of 100,000 or less, the Department of Revenue shall furnish the forms.
- Program responsibilities are mandated by Florida Statutes and implemented by rules in the Florida Administrative Code (FAC) to enable and facilitate their voluntary compliance with all constitutional, statutory, and rule requirements and standards in the performance of their constitutional duties and responsibilities with regard to mapping of all property in the county.
- 195.002(1), Florida Statutes, where the supervision of the Department shall consist primarily of aiding and assisting county officers in the assessing and collection functions, with particular emphasis on the more technical aspects.

Reliability:

Internal analysis is performed at both the reporting level and the program level to ensure reliability of the data and to monitor fluctuations in the measure. The Property Tax Oversight Program has in place procedures that provide for an internal annual review of the documentation for all legislatively reported measures to ensure that the reported data are reliable and correct. Furthermore, the Office of Inspector General performs periodic reviews of performance measures. The scope of these reviews will vary, depending on an annual risk assessment.



**Associated Activities Contributing to Performance
Measures –
LRPP Exhibit V**

LRPP Exhibit V: Identification of Associated Activity Contributing to Performance Measures

Measure Number	Approved Performance Measures for FY 2009-10 (Words)	Associated Activities Title
		PROGRAM: CHILD SUPPORT ENFORCEMENT PROGRAM
		CASE PROCESSING
1	Total number of cases maintained during the year	MAINTAIN CHILD SUPPORT CASES
2	Total number of individual educational contacts and inquiries answered	PROVIDE EDUCATION AND ASSISTANCE
		REMITTANCE AND DISTRIBUTION
3	Total number of collections processed	PROCESS SUPPORT PAYMENTS
4	Total number of collections distributed	DISTRIBUTE SUPPORT PAYMENTS
		ESTABLISHMENT
5	Total number of paternities established and genetic testing exclusions	ESTABLISH PATERNITY
6	Total number of newly established and modified orders	ESTABLISH AND MODIFY SUPPORT ORDERS
		COMPLIANCE
7	Total number of obligated unique cases identified for compliance resolution	DETERMINE COMPLIANCE WITH SUPPORT ORDERS
8	Total number of actions processed during the year	RESOLVE COMPLIANCE DISCREPANCIES

LRPP Exhibit V: Identification of Associated Activity Contributing to Performance Measures

Measure Number	Approved Performance Measures for FY 2009-10 (Words)	Associated Activities Title
		PROGRAM: GENERAL TAX ADMINISTRATION PROGRAM
		TAX PROCESSING
9	Number of accounts maintained	MANAGE ACCOUNTS
10	Number of tax returns processed	PROCESS RETURNS AND REVENUE
11	Number of distributions made	ACCOUNT FOR REMITTANCES
		TAXPAYER AID
12	Number of individual educational contacts made	EDUCATE TAXPAYERS
13	Number of taxpayers provided with assistance	ASSIST TAXPAYERS
		COMPLIANCE DETERMINATION
14	Number of filing compliance exams completed	DETERMINE FILING COMPLIANCE
15	Number of taxpayers selected for a tax compliance examination	SELECT CASES FOR TAX COMPLIANCE DETERMINATION
16	Number of audits completed	PERFORM AUDITS
17	Number of discovery examinations completed	DISCOVER UNREGISTERED TAXPAYERS
18	Number of criminal investigations completed	INVESTIGATE CRIMINAL TAX AVOIDANCE
		COMPLIANCE RESOLUTION
19	Number of collection cases resolved	COLLECT IDENTIFIED LIABILITIES
20	Number of refund claims processed	REFUND TAX OVERPAYMENTS
21	Number of disputes resolved	RESOLVE DISPUTES

LRPP Exhibit V: Identification of Associated Activity Contributing to Performance Measures

Measure Number	Approved Performance Measures for FY 2009-10 (Words)	Associated Activities Title
		PROGRAM: PROPERTY TAX OVERSIGHT PROGRAM
		COMPLIANCE DETERMINATION
22	Number of in-depth classes studied with a statistically valid sample	DETERMINE REAL PROPERTY ROLL COMPLIANCE
23	Number of refund/tax certificate applications processed	REVIEW REFUNDS/TAX CERTIFICATES/TAX DEEDS
24	Number of railroad and private carlines centrally assessed	CENTRAL ASSESSMENT OF RAILROADS
		COMPLIANCE ASSISTANCE
25	Number of student training hours provided	PROVIDE INFORMATION (TRAINING)
26	Number of counties receiving aid and assistance	PROVIDE AID AND ASSISTANCE
27	Number of tangible personal property compliance study audits provided to Property Appraisers	DETERMINE TANGIBLE PERSONAL PROPERTY TAX COMPLIANCE

REVENUE, DEPARTMENT OF		FISCAL YEAR 2008-09			
SECTION I: BUDGET		OPERATING		FIXED CAPITAL OUTLAY	
TOTAL ALL FUNDS GENERAL APPROPRIATIONS ACT			606,489,599	0	
ADJUSTMENTS TO GENERAL APPROPRIATIONS ACT (Supplementals, Vetoes, Budget Amendments, etc.)			-3,313,598	0	
FINAL BUDGET FOR AGENCY			603,176,001	0	
SECTION II: ACTIVITIES * MEASURES		Number of Units	(1) Unit Cost	(2) Expenditures (Allocated)	(3) FCO
<i>Executive Direction, Administrative Support and Information Technology (2)</i>					0
Central Assessment Of Railroads *		235	2,554.84	600,388	
Determine Real Property Roll Compliance * Number of in-depth classes studied with a statistically valid sample		85	108,458.01	9,218,931	
Review Refunds/Tax Certificates/Tax Deeds * Number of refund/tax certificate applications processed		5,295	35.61	188,580	
Provide Information * Number of student training hours provided		36,030	21.02	757,252	
Provide Aid And Assistance * Number of hours of aid and assistance consultation provided to elected officials		2,729	4,416.39	12,052,333	
Maintain Child Support Cases * Total number of cases maintained during the year		1,072,805	70.81	75,962,902	
Provide Education And Assistance * Total number of individual educational contacts and inquires answered		13,709,042	2.20	30,170,443	
Process Support Payments * Total number of collections processed		10,168,329	2.56	26,045,678	
Distribute Support Payments * Total number of collections distributed		9,618,826	2.15	20,655,400	
Establish Paternity * Total number of paternities established and genetic testing exclusions		100,171	384.27	38,492,765	
Establish And Modify Support Orders * Total number of newly established and modified orders		39,197	1,333.46	52,267,825	
Determine Compliance With Support Orders * Total number of obligated cases identified for compliance resolution		607,421	29.56	17,956,661	
Resolve Compliance Discrepancies * Total number of actions processed during the year		3,084,556	15.79	48,703,045	
Manage Accounts * Number of accounts maintained		1,409,618	6.50	9,156,910	
Process Returns And Revenue * Number of tax returns processed		9,597,729	2.33	22,363,041	
Account For Remittances * Number of distributions made		149,759	50.19	7,517,118	
Determine Filing Compliance * Number of filing compliance exams completed		1,787,951	3.95	7,065,488	
Select Cases For Tax Compliance Determination * Number of taxpayers selected for a tax compliance examination		36,245	116.30	4,215,293	
Perform Audits * Number of audits completed		21,829	2,603.41	56,829,858	
Discover Unregistered Taxpayers * Number of discovery examinations completed		13,696	790.74	10,829,944	
Investigate Criminal Tax Avoidance * Number of criminal investigations completed		720	6,989.02	5,032,097	
Collect Identified Liabilities * Number of collection cases resolved		1,406,429	17.05	23,981,668	
Resolve Disputes * Number of disputes resolved		298,769	39.48	11,794,502	
Educate Taxpayers * Number of individual educational contacts made		1,011,106	5.94	6,003,644	
Assist Taxpayers * Number of taxpayers provided with assistance		1,978,971	3.08	6,085,858	
TOTAL				503,947,624	
SECTION III: RECONCILIATION TO BUDGET					
PASS THROUGHS					
TRANSFER - STATE AGENCIES					
AID TO LOCAL GOVERNMENTS					
PAYMENT OF PENSIONS, BENEFITS AND CLAIMS					
OTHER				38,385,552	
REVERSIONS				60,842,893	
TOTAL BUDGET FOR AGENCY (Total Activities + Pass Throughs + Reversions) - Should equal Section I above. (4)				603,176,069	

SCHEDULE XI/EXHIBIT VI: AGENCY-LEVEL UNIT COST SUMMARY

(1) Some activity unit costs may be overstated due to the allocation of double budgeted items.

(2) Expenditures associated with Executive Direction, Administrative Support and Information Technology have been allocated based on FTE. Other allocation methodologies could result in significantly different unit costs per activity.

(3) Information for FCO depicts amounts for current year appropriations only. Additional information and systems are needed to develop meaningful FCO unit costs.

(4) Final Budget for Agency and Total Budget for Agency may not equal due to rounding.

ACTIVITY ISSUE CODES SELECTED:

TRANSFER-STATE AGENCIES ACTIVITY ISSUE CODES SELECTED:

1-8:

AID TO LOCAL GOVERNMENTS ACTIVITY ISSUE CODES SELECTED:

1-8:

THE FOLLOWING STATEWIDE ACTIVITIES (ACT0010 THROUGH ACT0490) HAVE AN OUTPUT STANDARD (RECORD TYPE 5) AND SHOULD NOT:

*** NO ACTIVITIES FOUND ***

THE FCO ACTIVITY (ACT0210) CONTAINS EXPENDITURES IN AN OPERATING CATEGORY AND SHOULD NOT:
 (NOTE: THIS ACTIVITY IS ROLLED INTO EXECUTIVE DIRECTION, ADMINISTRATIVE SUPPORT AND INFORMATION TECHNOLOGY)

*** NO OPERATING CATEGORIES FOUND ***

THE FOLLOWING ACTIVITIES DO NOT HAVE AN OUTPUT STANDARD (RECORD TYPE 5) AND ARE REPORTED AS 'OTHER' IN SECTION III: (NOTE: 'OTHER' ACTIVITIES ARE NOT 'TRANSFER-STATE AGENCY' ACTIVITIES OR 'AID TO LOCAL GOVERNMENTS' ACTIVITIES. ALL ACTIVITIES WITH AN OUTPUT STANDARD (RECORD TYPE 5) SHOULD BE REPORTED IN SECTION II.)

BE	PC	CODE	TITLE	EXPENDITURES	FCO
73200700	1601000000	ACT2070	GEOGRAPHIC INFORMATION SYSTEMS	1,750,052	
73200500	1601000000	ACT2210	DETERMINE TRIM COMPLIANCE	528,642	
73200500	1601000000	ACT2220	VERIFY BUDGET COMPLIANCE	192,303	
73300700	1304000000	ACT3350	DISTRIBUTE INCENTIVE EARNINGS TO	507,905	
73401000	1601000000	ACT4200	AID TO LOCAL GOVERNMENT - HALF-CENT	19,445,920	
73401000	1601000000	ACT4320	HURRICANE RELIEF	15,960,730	

TOTALS FROM SECTION I AND SECTIONS II + III:

DEPARTMENT: 73	EXPENDITURES	FCO
FINAL BUDGET FOR AGENCY (SECTION I):	603,176,001	
TOTAL BUDGET FOR AGENCY (SECTION III):	603,176,069	
DIFFERENCE:	68-	
(MAY NOT EQUAL DUE TO ROUNDING)	=====	=====

A

Action Plans – Action plans are established to accomplish those things the organization must do for its strategies to succeed. Action plan development represents the critical stage in planning when general strategies and goals are made specific so that effective organization-wide understanding and deployment are possible. Deployment of action plans requires analysis of overall resource needs and creation of aligned measures for all work units.

Alignment – Alignment refers to the consistency of plans, processes, actions, information decisions, results, analysis, and learning to support key organization-wide goals.

Annual Performance Report – This report complies with the requirements of Chapter 187, F.S., and the instructions set forth by the Governor and Cabinet. In addition, it assists the public in evaluating the Department's accomplishments. It presents an objective-by-objective evaluation of how the Department implemented the LRPP.

Annual Training Plan – This report is submitted to the Department of Management Services in accordance with Rule 60L-14, Florida Administrative Code. The content of the Annual Training Plan is structured to include the following required elements:

- Department mission and goals
- Training goals and objectives
- Training resources such as funding, equipment, materials, and staff
- Employee(s) responsible for development, implementation, and evaluation of the plan
- A process or method to assess human resource development needs within specific organizational units and department-wide
- A method of training program evaluation
- Basic supervisory skills training program

Assumptions – Those presumptions made from the existing external trends that will significantly affect the plan's results and that are the foundation on which the plan rests. Their validity must be monitored throughout the plan. If actual events deviate from expectation, it may be necessary to review or adjust the plan.

B

Benchmarking – An improvement process in which a company measures its performance against that of best-in-class companies, determines how those companies achieved their performance levels, and uses the information to improve its own performance. The subjects that can be benchmarked include strategies, operations, processes, and procedures.

Best Practice (BP) – This is a structured approach that identifies best practices outside of the current operation in public and private sectors and adapts these findings into existing processes. This level of change management indicates that the process is worth an investment of time by a select team to consider a different approach to achieving the goal of the process.

Bottom-Up Improvement – Improvement that emanates from suggestions from the frontline, non-managerial employees in the organization.

Business Processes – Business processes are simply a set of activities that transform a set of inputs into value-added products and services (outputs) for the internal or external customer with the use of employees and tools. This is the level where value is added to input and the work is actually accomplished by employees of the organization.

Business Process Owner – A change champion held accountable for the business process success in achieving the identified level of change and held responsible for completing the strategic planning

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document.

C

Champion – A manager who oversees specific quality improvement projects and aids staff in obtaining appropriate resources and buy-in. Same as management sponsor.

Common Causes – Causes of variation that are inherent in a process over time. They affect every outcome of the process and everyone working in the process (see also “special causes”).

Competencies – A mixture of observable, measurable patterns of knowledge, skills, abilities and attributes that provide the foundation for implementing a uniform, consistent way to describe work. Competencies describe not only what you are to do, but also how you do the work. They help identify specific elements of performance, not just document knowledge, skills and abilities. When incorporated into human resource operations such as recruitment/selection or performance improvement, they help predict performance, measure performance, and identify the potential for improving an employee’s performance.

Competitor Analysis – Analysis of the key competitor’s services, products, processes, and prices. Since customers evaluate services against competitors’ offerings, each company needs to do likewise.

Complaint Tracking – Detailing when complaints come in, what is done about them, and when they are closed.

Conditions – A narrative description of key elements and circumstances in Florida’s recent past and current climate affecting the Department or its customers/clients. Factors to be considered are changes and/or attitudes affecting demographic data and political, economic, societal, technological, educational, and/or physical forces.

Continuous Improvement (CI) – The ongoing improvement of products, services, or processes through incremental and breakthrough improvements. This is a proactive approach to resolve issues or streamline the process. There may not be a need for major improvement, but the process may benefit from a slight adjustment or refinement to the work system.

Core Competencies – skills and knowledge required of all employees in order to achieve the mission and vision of the organization.

Core Process – Process which has a DIRECT impact on the product/service delivered to external customers. A collection of sequential integrated processes spanning multiple business processes.

Corrective Action – The implementation of solutions resulting in the reduction or elimination of an identified problem.

Cost of Poor Quality – The costs associated with providing poor-quality products or services. There are four categories of costs: internal failure costs (costs associated with defects found before the customer receives the product or service); external failure costs (costs associated with defects found after the customer receives the product or service); appraisal costs (costs incurred to determine the degree of conformance to quality requirements); and prevention costs (costs incurred to keep failure and appraisal costs to a minimum).

Cross-Functional Team – A quality improvement team that consists of representatives from different departments and/or layers of the organization. Many functions (i.e., strategic planning, budget, recruitment and hiring, etc.) cross departmental lines and need to involve various functions to analyze problems and achieve goals.

Culture – A system of values, beliefs, and behaviors inherent in an organization. To optimize business

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performance, top management must define and create the necessary culture. A culture is communicated by hero stories, by the reasons people get promotions and recognition, by hall talk, and by the questions that are asked by upper management. A total quality service culture is one that is rigorous and customer-focused and that values employees. Culture can be assessed and improved through the use of climate surveys.

Customer – An organization or person who receives or uses a product or service. The customer may be a member or part of another organization or the organization or an end user. See “internal customer” and “external customer.”

Customer Focus – Focus on what the customers need and prefer.

Customer Satisfaction – The result of delivering a product or service that meets customer requirements.

Customer Satisfaction Surveys – Surveys done in writing or by phone to measure the satisfaction levels of either internal or external customers.

Cycle Time – Cycle time refers to performance time – the time required to fulfill commitments or to complete tasks.

D

Data – Information used as a basis for reasoning, discussion, determining status, decision making and analysis.

Data Driven – Using data to make decisions rather than just gut-level intuition. Going beyond opinions and biases in decision making.

Deming Cycle – See “plan-do-check-act cycle.”

Deming, W. Edwards (deceased) – A prominent consultant, teacher, and author on the subject of quality. After sharing his expertise in statistical quality control to help the U.S. war effort during World War II, the War Department sent Deming to Japan in 1946 to help that nation recover from its wartime losses. Deming published more than 200 works, including the well-known books *Quality, Productivity, and Competitive Position* and *Out of the Crisis*. Deming developed the 14 points for managing.

E

Effectiveness – The extent to which a business process produces intended results.

Efficiency – The effort or resources required to produce desired results. More efficient processes need fewer resources than do less efficient processes.

Employee Involvement – A practice within an organization whereby employees regularly participate in making decisions on how their work areas operate, including making suggestions for improvement, planning, goal setting, and monitoring performance.

Employee Well-Being – Includes such issues as employee satisfaction, benefits, recognition, training, and support services (for example, recreation facilities, counseling and daycare).

Empowerment – A condition whereby employees have the authority to make decisions and take action in their work areas without prior approval. For example, an operator can stop a production process if he or she detects a problem, or a customer service representative can send out a replacement product if a customer calls with a problem.

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Environmental Assessment – (Analysis of trends and conditions) an assessment of internal and external trends and conditions that can help or hurt the organization in the future.

- **Internal Assessment** – an assessment of internal capabilities and performance leading to the identification of strengths and weaknesses. Typical areas examined include organizational structure, competence of people, capital assets, systems, technology, financial structure, service, and quality.
- **External Assessment** – an assessment of external trends which leads to the identification of opportunities and threats. Trends are usually examined in the following areas: markets/customers, competition, socio-demographics, technology, and factors of production, government/legislative, and economy.

External Customer – A person or organization that receives a product, a service, or information but is not part of the organization supplying it. (See also “internal customer”).

F

Flowchart – A graphic representation of the steps in a process. Flowcharts are drawn to better understand processes. The flowchart is one of the seven tools of quality.

Focus Group – A small group led by a trained facilitator assembled for the purpose of exploring a topic or set of questions. Focus groups usually help companies explore in-depth customer needs and preferences.

Forecast – A forecast is a prediction of some future event or condition based on an analysis of available pertinent data and correlated observations over time. As a department tracks trend data over time, statistical analysis and historical comparisons of trend data will allow the department to describe scenarios of future events, conditions and possibilities.

Function – An activity or set of activities.

G

Gantt Chart – A type of bar chart used in process planning and control to display planned work and finished work in relation to time.

Gap Analysis – Comparing existing reality against goals or a competitor.

Goal – Long-range ends toward which an organization directs its efforts by stating policy intentions. Achievement of a strategic goal moves the organization closer to realizing/solving the strategic issue.

H

Indicator – When two or more measurements are required to provide a more complete picture of performance, the measurements are called *indicators*. For example, the number of complaints is an indicator of dissatisfaction, not an exclusive measure of it. Customer dissatisfaction indicators include complaints, claims, refunds, recalls, returns, repeat services, litigation, replacements, downgrades, repairs, warranty work, warranty costs, misshipments, and incomplete orders.

Industry Trend Analysis – Trends that are taking place in the whole industry. This is important in service because the bar keeps rising on customer expectations and needs. What delights customers one day is an expectation the next.

Innovation – Innovation refers to the adoption of an idea, process, technology, or product that is considered new or new to its proposed application.

Inputs – Materials, information, forms, or services received that start a process or what the process uses to produce the output.

Integrated – Refers to the interconnections between the processes of a management system. For example, to satisfy customers an organization must understand their needs, convert those needs into designs, and produce the product or service required, deliver it, assess ongoing satisfaction, and adjust the processes accordingly. People need to be trained or hired to do the work, and data must be collected to monitor progress. Performing only a part of the required activities is disjointed and not integrated.

Internal Customer – The recipient, person, or department, of another person's or department's output (product, service, or information) within an organization (see also "external customer").

J

Joint Planning – A planning process that includes the company, suppliers and customers.

Just-In-Time (JIT) – An optimal material requirement planning system for a process in which there is little or no material inventory on hand at the site and little or no incoming inspection.

K

Key Success Factors – The things that must be done, the criteria that must be met, or the performance indicators that must be satisfied to survive and prosper in the external environment.

L

Leadership – An essential part of a quality improvement effort. Organization leaders must establish a vision, communicate that vision to those in the organization, and provide the tools and knowledge necessary to accomplish the vision.

M

Malcolm Baldrige National Quality Award (MBNQA) – An award established by Congress in 1987 to raise awareness of quality management and to recognize U.S. companies that have implemented successful quality management systems. Two awards may be given annually in each of three categories: manufacturing company, service company, and small business. The award is named after the late Secretary of Commerce Malcolm Baldrige, a proponent of quality management. The U.S. Commerce Department's National Institute of Standards and Technology manages the award, and ASQ administers it.

Management Sponsor – The person responsible for responding to the needs of the business process owner. This position will provide the necessary resources, lobby for legislative concepts, etc. necessary for breakthrough results.

Measures – Measures refer to numerical information that quantifies (measures) input, output, and performance dimensions of processes, products, services, and the overall organization.

Methodology – A set of phases, threads, or steps that have been developed to guide a planning or design effort: a framework or procedure that describes what tasks to perform, when to perform them, how to perform them, and how to manage the process. A methodology provides step-by-step instructions for planning, developing, and implementing change management, projects and process management in an organization.

Mission Statement – The mission statement is a broad enduring statement of purpose, which describes what the department does, for whom, and how it does it. It answers the question, "Why does the department exist?" An ideal mission statement is short and concise and provides the framework for the department's priorities.

N

N – sample size (the number of units in a sample)

O

Objective – A performance or improvement target that supports the strategic goal and is measurable in terms of time, quality, quantity, and/or dollars. In order for objectives to be effective, they must be specific, measurable, assignable, realistic, and time-bounded (SMART).

Outcomes – A measure which outlines the social impact and payoffs of providing the outputs or the result a business process should achieve.

Operational Plan – A process facilitated by the business process owners to implement strategies in the strategic plan. The operational plan assigns a specific action plan per each strategy to be accomplished in the strategic plan. The action plan breaks down into tasks which are assigned to task lead person(s) who is held accountable for the completion of these tasks by a specified due date. The operational plan is no more than one fiscal year in duration.

Out-of-Control Process – A process in which the statistical measure being evaluated is not in a state of statistical control, i.e., the variations among the observed sampling results can be attributed to a constant system of chance causes (see also “in-control process”).

Outputs – Delivered service and/or product; the final end product or deliverable.

P

Pareto Chart – A graphical tool for ranking causes from most significant to least significant. It is based on the Pareto principle, which was first defined by J. M. Juran in 1950. The principle, named after 19th-century economist Vilfredo Pareto, suggests that most effects come from relatively few causes; that is, 80% of the effects come from 20% of the possible causes. The Pareto chart is one of the seven tools of quality.

PDCA Cycle – See plan-do-check-act cycle.

Performance – Performance refers to output results information obtained from processes, products, and services that permit evaluation and comparison relative to goals, standards, past results, and other indicators. Performance might be expressed in non-financial and financial terms.

Performance Report – A report that provides information for future department planning by formalizing the evaluation cycle of the department planning process, and assessing and disseminating information to observers and decision-makers so they can gauge department and state progress during the prior fiscal year.

Plan-Do-Check-Act Cycle – A four-step process for quality improvement. In the first step (plan), a plan to effect improvement is developed. In the second step (do), the plan is carried out, preferably on a small scale. In the third step (check), the effects of the plan are observed. In the last step (act), the results are studied to determine what was learned and what can be predicted.

Prevention-Based – Seeking the root cause of a problem and preventing its recurrence rather than merely solving the problem and waiting for it to happen again (a reactive posture).

Priority Issues – Those select strengths, weaknesses, opportunities, or threats that must be dealt with because either they have high, long-term impact on profitability or competitive advantage, or timing is critical and quick action is essential to take advantage of fleeting or rapidly developing situations.

Process – Process refers to linked activities with the purpose of producing a product or service for a customer (user) within or outside the organization. Generally, processes involve combinations of people, machines, tools, techniques, and materials in a systematic series of steps or actions. In some situations, processes might require adherence to a specific sequence of steps, with documentation (sometimes formal) of procedures and requirements, including well-defined measurement and control steps.

Product or Service Liability – The obligation of a company to make restitution for loss related to personal injury, property damage, or other harm caused by its product or service.

Productivity – Productivity refers to measures of efficiency of the use of resources. Although the term is often applied to single factors such as staffing (labor productivity), machines, materials, energy, and capital, the productivity concept applies as well to total resources used in producing outputs.

Projection Table – This table provides for incremental performance targets that are manageable over the next five fiscal years.

Public Condition – A state or circumstance that affects or impacts the health, safety or welfare of Floridians.

Q

Quality – A subjective term for which each person has his or her own definition. In technical usage, quality can have two meanings: 1) the characteristics of a product or service that bear on its ability to satisfy stated or implied needs, and 2) a product or service free of deficiencies.

Quality Function Deployment (QFD) – A structured method in which customer requirements are translated into appropriate technical requirements for each stage of product development and production. The QFD process is often referred to as listening to the voice of the customer.

Quality Trilogy – A three-pronged approach to managing for quality. The three legs are quality planning (developing the products and processes required to meet customer needs), quality control (meeting product and process goals), and quality improvement (achieving unprecedented levels of performance).

R

Radical Reengineering – Radical reengineering efforts signify that the current process is in need of major change. It is the radical redesign of business processes for dramatic improvement. Dramatic is not about making things a little bit better, but when a magnitude of improvement in performance is needed. Radical is not tinkering at the margin, but about going to the beginning, to a white sheet of paper. Such a clean slate perspective enables creators of business processes to disassociate themselves from the current process, and focus on a new process based on a vision of “what should be.” The business process has been prioritized to change by 100-300% with the understanding that it will take legislative, technological and/or major procedural changes.

Root Cause – The original cause or reason for a condition. The root cause of a condition is that cause which, if eliminated, guarantees that the condition will not recur.

S

Situation Analysis – (a.k.a. SWOT Analysis) an evaluation of an organization's strategic situation, including internal performance and competencies and external trends that can significantly affect the organization.

- **Strengths** – Current capabilities that are superior to those of the competition and that help meet a customer need or give a significant advantage over the competition in the marketplace.
- **Weaknesses** – Areas in current capabilities that prevent the company from achieving advantage and/or meeting customer needs or strategic objectives.

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- **Opportunities** – Trends, events and ideas that can be capitalized on to increase future profits and market share. Common opportunities include emerging market segments, new technologies, new products or services, geographic expansion, acquisitions, divestitures, a faltering competitor, and cost reductions.
- **Threats** – Possible events outside the organization's control that management needs to plan for or try to mitigate. Typical threats include the entrance of a new competitor, competitor's actions, legislation or regulations, and declining core product or market.

Special Causes – Causes of variation that arise because of special circumstances. They are not an inherent part of a process. Special causes are also referred to as assignable causes (see also “common causes”).

Stakeholder – Any person, group, or organization that can place a claim on an organization's attention, resources, or output or is affected by that output. Examples of state government stakeholders include citizens, taxpayers, service recipients, the Legislature, employees, unions, interest groups, political parties, the financial community, businesses, and other governments.

Strategic – Matters which are long-term and structural in nature; the fundamental ways you will conduct business in the future. For example, strategic changes often involve target markets, product and service categories offered, geographic area served, and organizational structure.

Strategic Goal – Strategic goals are long-term ends toward which a department directs its efforts by stated policy intentions. Achievement of a strategic goal moves the department closer to realizing/solving the strategic issues. Goals are consistent with the department's mission usually requiring a substantial commitment of resources and achievement of short-term and mid-term objectives.

Strategic Objective – A strategic objective is a measurable, intermediate short-term (2-3 years) or mid-term (4-5 years) performance or improvement target that is achievable and supports the strategic goal. It provides a means of defining in quantifiable, measurable and time-related terms how a strategic goal will be achieved. Objectives are outcome, rather than output, oriented. An objective also can be used to evaluate the policy direction of a strategic issue, as well as how well resources are being used. Strategic objectives should not be limited only to what a department has control over; rather they should be more global and written to include what an agency may only partially influence. Objectives should be SMART (specific, measurable, achievable, responsible, and time certain).

Strategic Planning – A decision making process, based on asking simple (but deep) questions, analyzing the range of answers, and choosing among them:

What do we do?	Where are we going?
Where are we now?	How will we get there?
How did we get here?	When will we get there?
Why are we in business?	What will it cost?

Strategic planning links the total organization – people, processes, and resources – with a clear, powerful, and desired future state.

Strategy – A strategy is a methodology or means of achieving a strategic goal and its objectives. It can/should address available funding. It also can relate to internal actions that need to be taken to make the agency more efficient. While goals and objectives show what is to be achieved, strategies show how they will be achieved. Strategies are not in themselves operational, but they are the link between the strategic objectives and the action/operational plans and activities of an agency. Rather than being a short-term “action step” that is completed rather quickly, a strategy usually comprises many tasks and directs agency staff in accomplishing an objective, often at the program level.

Strategy Lead Person – The person responsible for ensuring the implementation of a strategy.

Sub-Task – The lowest unit of performance necessary to complete the outlined tasks to implement a strategy.

Supplier – Those people or organizations that provide inputs to a business process. This may include data, materials, information or reports.

Supplier Quality Assurance – Confidence that a supplier's product or service will fulfill customers' needs. This confidence is achieved by creating a relationship between the customer and supplier that ensures the product will be fit for use with minimal corrective action and inspection. According to J. M. Juran, there are nine primary activities needed: 1) define product and program quality requirements, 2) evaluate alternative suppliers, 3) select suppliers, 4) conduct joint quality planning, 5) cooperate with the supplier during the execution of the contract, 6) obtain proof of conformance to requirements, 7) certify qualified suppliers, 8) conduct quality improvement programs as required, and 9) create and use supplier quality ratings.

System – A set of well-defined and well-designed processes for meeting the organization's quality and performance requirements.

Systematic Approach – A process that is repeatable and predictable, rather than anecdotal and episodic. A systematic approach also integrates other systematic activity, to ensure high levels of efficiency, effectiveness, and alignment.

T

Task – A unit of performance that makes up a major milestone strategy.

Task Analysis – Breaks down major milestone strategies into the lowest level of "units of performance" that are identified.

Task Lead Person – The person responsible for completing the task.

360 Degree Management Feedback – Performance review that includes feedback from superiors, peers, subordinates, and (internal/external) customers.

Top-Management Commitment – Participation of the highest-level officials in their organization's quality improvement efforts. Their participation includes establishing and serving on a quality committee, establishing quality policies and goals, deploying those goals to lower levels of the organization, providing the resources and training that the lower levels need to achieve the goals, participating in quality improvement teams, reviewing progress organization-wide; recognizing those who have performed well, and revising the current reward system to reflect the importance of achieving the quality goals.

Trends – A trend is a general movement in the course of time of a statistically detectable change. In addition, it can be a prevailing tendency or inclination of related historical or projected changes in forces which impact the agency.

Trends and Conditions Analysis (TCA) – The TCA is a summary of selected portions of the SWOT analysis that is tailored to set up strategic issues and the associated goals and objectives. Each TCA identifies and analyzes factors observed by the agency that impact the agency's ability to perform its mission and meet the needs of its stakeholders in relation to the strategic issues. The TCA includes an analysis of current conditions and trends, and forecasting of future trends and conditions. Projections or forecasts are presented as either opportunities or agency capabilities that can be used to capitalize on the opportunities or combat threats. The TCA provides sufficient information to aid decision-makers and interested readers in understanding the agency's strategic issue(s) and to "set up" associated goals and objectives.

V

Values – The principles and beliefs that guide an organization and its people toward the accomplishment of its mission and vision.

Appendix - Glossary

Vision – A vision statement outlines what a company wants to be. It focuses on tomorrow; it is inspirational; it provides clear decision-making criteria; and it is timeless.

W

World-Class Quality – A term used to indicate a standard of excellence: best of the best.

Z

Appendix- Acronyms

ASP	Administrative Services Program
AWI	Agency for Workforce Innovation
BPOs	Business Process Owners
CAA	Computer-Assisted Audits
CAMA	Computer-Assisted Mass Appraisal
CAMS	CSE Automated Management System
CBT	Computer Based Training
CI	Continual Improvement
CSE	Child Support Enforcement
CSENet	Child Support Enforcement Network
DCF	Department of Children and Families
DOR	Department of Revenue
D/W	Data Warehouse
EAP	Employee Assistance Program
EDI	Electronic Data Interchange
EFT	Electronic Funds Transfer
FAC	Florida Administrative Code
FAQ	Frequently Asked Questions
FACC	Florida Association of Court Clerks
FIDM	Financial Institution Data Match
FS	Florida Statutes
FTE	Full-Time Equivalent
GIS	Geographic Information System
GTA	General Tax Administration
IDP	Individual Development Plan
IRS	Internal Revenue Service
ISP	Information Services Program
IV-D	(Four-D) Section D, Title IV of the Social Security Act – CSE cases
LBR	Legislative Budget Request
LC	Legislative Concepts
LOA	Level of Assessment
LOST	Legislative OverSight Team
LRPP	Long Range Program Plan
LSP	Legal Service Provider
LTY	Listening to You Program
NA	Non-Assistance Category Case
NAL	Name, Address, Legal
NEO	New Employee Orientation
NCP	Noncustodial Parent
OGC	Office of the General Counsel
OLT	Online Transaction
OPB	Governor's Office of Planning and Budgeting
P-Card	Purchasing Card
PA	Public Assistance Category Case
PAMs	Performance Accountability Measures
PB2	Performance-Based Program Budgeting
PMG	Process Management Group
PRWORA	Personal Responsibility and Work Opportunity Reconciliation Act of 1996
PTO	Property Tax Oversight

Appendix- Acronyms

RMC	Revenue Management Council
RR	Radical Reengineering
SCP	State Comprehensive Plan
SCR	State Case Registry
SDU	State Disbursement Unit
SLOT	Strategic Leadership Oversight Team
SP Liaisons	Strategic Planning Liaisons
SSN	Social Security Number
SUNTAX	System for Unified Taxation
SWOT	Strengths, Weaknesses, Opportunities and Threats
T-Card	Travel Card
TADR	Technical Assistance and Dispute Resolution
TANF	Temporary Assistance for Needy Families
TPP	Tangible Personal Property
TRIM	Truth in Millage
TUWYT	Tell Us What You Think Program
UIFSA	Uniform Interstate Family Support Act
UT	Unemployment Tax
ZBB	Zero Based Budgeting