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September 30, 2010

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221 Capitol  
Tallahassee, Florida 32399-1300

David Coburn, 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 instructions. The information provided electronically and contained herein is a true and accurate presentation of our mission, goals, objectives and measures for Fiscal Year 2011-12 through Fiscal Year 2015-16. As executive director of the Department of Revenue, I have approved this plan, pending review and approval by the Governor and Cabinet. 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](http://dor.myflorida.com/dor/about_us.html).

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—and to outline our strategies for continued improvement over the next five years. We are grateful for the leadership and support of the Governor, the Cabinet, and the Legislature as we strive to improve service and performance during difficult economic times.

I am proud of the way Revenue employees have responded to this challenge, accepting additional responsibilities, identifying opportunities to reduce costs, and developing innovative methods and tools to enhance productivity. It is a privilege for me to be part of this organization of dedicated public servants whose commitment to meeting the needs of their customers is unwavering.

On behalf of all Revenue employees, thank you for the opportunity to serve our state and its citizens. If you have any comments or questions, please contact Lia Mattuski, Director of Financial Management, at 850-717-7059.

Sincerely,

*Lisa Echeverri*

Lisa Echeverri



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**Florida Department of Revenue**

**Long Range  
Program Plan**

**FY 2011-2012 through 2015-2016**

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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.

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## Department Goals, Objectives and Performance Projection Tables

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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 2011-12	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16
48.6%	53.0%	54.0%	54.5%	55.0%	55.5%

#### *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 2011-12	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16
95.0%	96.0%	96.0%	96.0%	96.0%	96.0%

#### *Property Tax Oversight (PTO)*

PTO 1A:

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

Outcome: Statewide level of assessment for Real Property

2009-10 (Baseline Actual)	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16
96.8%	96.8%	96.9%	97.0%	97.1%	97.2%

\*Baseline estimate based on methodology change in FY 2010-11

**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 IV-D cases missing critical data elements necessary for next appropriate action.

FY 2007-08 (Baseline Actual)	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16
17.0%	16%	15.0%	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 2011-12	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16
48.9%	74.5%	75.5%	76.5%	77.5%	78.0%

*General Tax Administration (GTA)*

GTA 2A:

Objective: Improve the productivity of tax compliance examinations.

Outcome: Percent of tax compliance examinations resulting in an adjustment (to a taxpayers account).

FY 2009-10 (Baseline Actual)	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16
57.0%	60.0%	60.0%	62.0%	64.0%	65.0%

\*Baseline estimate based on methodology change in FY 2010-11

GTA 2B:

Objective: Improve the timeliness of resolving collection cases.

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

FY 2009-10 (Baseline Actual)	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16
64.0%	66.0%	66.0%	68.0%	70.0%	72.0%

\*Baseline estimate based on methodology change in FY 2010-11

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## Department Goals, Objectives and Performance Projection Tables

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### 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 2011-12	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16
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 2011-12	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16
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 2011-12	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16
90.0%	94.0%	95.0%	95.0%	96.0%	96.0%

## **Organizational Overview**

The Department of Revenue's primary areas of responsibility are established in section 20.21 of the Florida Statutes. Revenue carries out these responsibilities through its three operational programs: Child Support Enforcement, General Tax Administration, and Property Tax Oversight. The tables on the next page and in the "Stakeholders" section of the "Organizational Overview" provide an overview of Revenue's organization, functions, and stakeholders.

### **Child Support Enforcement**

Each state is required by the federal government to operate a child support enforcement program as a condition for receiving the Temporary Assistance for Needy Families federal block grant. The purpose of the program is to help children get the financial support they need when it is not received from one or both parents. To accomplish this purpose, Revenue locates parents, establishes paternity, establishes and enforces child support orders, and receives and distributes child support payments.

A parent or caregiver who applies for or is receiving temporary cash assistance, Medicaid, or food assistance on behalf of a child is automatically referred to the Department of Revenue for assistance, and is required to cooperate with the Department. Most of the child support payments collected by the Department are disbursed to the parent or caregiver of the child. Payments are also used to reimburse the federal and state governments for the amount of temporary cash assistance the family received. Any parent can ask the Department to provide child support services, even if the family is not receiving public assistance.

### **General Tax Administration**

The purpose of Revenue's General Tax Administration program is to collect and distribute state taxes accurately and efficiently. The Department administers 32 taxes and fees, including sales and use tax, corporate income tax, motor fuel tax, documentary stamp tax, communications services tax, unemployment tax, and insurance premium tax. Revenue is responsible for registering taxpayers and processing tax payments, and for using education, collection, dispute resolution, investigation, and enforcement methods to bring taxpayers into compliance with the law, resulting in the collection of taxes that are owed to the State.

Businesses are Revenue's partners in tax administration, collecting most of the state's taxes and remitting them to the Department. Revenue strives to promote voluntary compliance by making compliance as easy as possible, assisting taxpayers, and enforcing the law fairly and effectively.

### **Property Tax Oversight**

Local governments administer Florida's property tax, including assessment, tax collection, and dispute resolution. Revenue's Property Tax Oversight program is charged with overseeing this process. The Department's key responsibility is the review and approval of all county tax rolls to ensure that they are uniform and equitable, within each county and across the state.

Revenue oversees local governments' compliance with constitutional and statutory requirements for property valuation, property classification and exemptions, Truth in Millage (TRIM) and millage levying, refunds and tax certificate cancellations, value adjustment board proceedings, and annual budgets. Revenue also offers technical and legal assistance to local governments, provides education and certification for property tax officials, and coordinates statewide efforts such as mapping and aerial photography for Florida's Geographic Information System (GIS).



**Department of Revenue Programs, Functions, and Outcomes**

Program & Purpose	Primary Functions	Outcomes
<b>Child Support Enforcement</b>		
<p>To help children get the financial support they need when it is not received from one or both parents</p>	<ul style="list-style-type: none"> <li>• Locate parents.</li> <li>• Establish paternity.</li> <li>• Establish child support orders.</li> <li>• Enforce child support orders.</li> <li>• Receive and distribute child support payments.</li> <li>• Educate and assist parents and the public.</li> <li>• Work with other entities that carry out critical steps in the child support process, including state agencies, county officials, other states and countries.</li> </ul>	<ul style="list-style-type: none"> <li>• Legal establishment of paternity</li> <li>• Legal obligations to pay support</li> <li>• Support payments to families</li> <li>• Health insurance and medical support for children</li> <li>• Reimbursements to federal and state governments for temporary cash assistance payments</li> </ul> <p>Child support collections have climbed steadily from \$388 million in 1994 to \$1.467 billion in FY 2009-10.</p>
<b>General Tax Administration</b>		
<p>To collect and distribute state taxes and fees accurately and efficiently</p> <p>Revenue administrators 32 taxes and fees.</p>	<ul style="list-style-type: none"> <li>• Register businesses for the collection of taxes.</li> <li>• Receive and deposit tax payments.</li> <li>• Review tax returns and notify taxpayers of errors.</li> <li>• Help taxpayers with questions and problems.</li> <li>• Audit taxpayers to ensure compliance with the law.</li> <li>• Investigate tax fraud.</li> <li>• Collect overdue taxes.</li> <li>• Process tax refunds.</li> <li>• Distribute funds to state accounts &amp; local governments.</li> <li>• Receive &amp; process payments for other state agencies.</li> </ul>	<ul style="list-style-type: none"> <li>• Registration of Florida businesses for the taxes that apply to them</li> <li>• Timely and accurate payments by taxpayers</li> <li>• Collection of past due amounts</li> <li>• Prompt deposits into state, local, and trust fund accounts of payments received by the Department</li> <li>• Taxpayer compliance with the law</li> </ul> <p>Total receipts for taxes and fees administered by Revenue were \$29.7 billion in FY 2009-10. In addition, Revenue processed over \$5.8 billion in receipts for other state agencies.</p>
<b>Property Tax Oversight</b>		
<p>To ensure fair and equitable administration of Florida's local property tax system</p>	<ul style="list-style-type: none"> <li>• Review and approve the property tax rolls for each of Florida's 67 counties every year.</li> <li>• Review and approve the annual budgets of property appraisers and most tax collectors.</li> <li>• Ensure that the over 1,000 levying authorities comply with millage levying procedures, and public disclosure laws.</li> <li>• Provide technical and legal guidance to local officials.</li> <li>• Review certain property tax claims for refunds.</li> <li>• Provide training to elected officials, levying authorities.</li> <li>• Provide training and oversight to value adjustment boards.</li> <li>• Centrally assess railroad properties.</li> <li>• Respond to questions from the public.</li> </ul>	<ul style="list-style-type: none"> <li>• The Florida Constitution requires that real property be assessed at 100% of its market value. The Department of Revenue's annual analysis of county tax rolls consistently shows that property appraisers' assessments are within 4% of this target.</li> <li>• Local property tax officials' compliance with specific provisions of property tax law is verified by the Department of Revenue.</li> <li>• Local officials receive guidance, education, and certification in administering property tax.</li> </ul> <p>In 2010, Florida's local governments and taxing authorities levied more than \$28 billion in property taxes on 11 million parcels of real and tangible personal property, total market value: \$2.21 trillion. Statewide average level of assessment was 96.8%.</p>
<b>Executive Direction and Support Services</b>		
<p>To lead the Department to increased effectiveness and cost efficiency, and better service to the state of Florida</p> <p>To provide support services that help each program reach its goals</p>	<ul style="list-style-type: none"> <li>• Provide day-to-day leadership for the agency.</li> <li>• Lead the planning process, ensuring that all employees can contribute their ideas, and that all programs follow Revenue's Strategic Leadership planning process.</li> <li>• Respond to requests and requirements from the Governor, Cabinet, and Legislature.</li> <li>• Provide financial management oversight and support.</li> <li>• Provide human resources support.</li> <li>• Develop and provide agencywide training.</li> <li>• Manage legal matters and provide legal counsel.</li> <li>• Review operations for compliance with legal requirements.</li> <li>• Inform employees of work-related issues and actions.</li> <li>• Prepare for and manage emergency situations.</li> </ul>	<ul style="list-style-type: none"> <li>• An effective, continually improving agency</li> <li>• An appropriately trained and skilled workforce</li> <li>• Safe, economical workplaces that meet the needs of our customers and our employees</li> <li>• Compliance with legal requirements</li> <li>• Wise use of resources, and accurate accounting</li> <li>• An engaged and committed workforce</li> <li>• Emergency preparedness</li> </ul> <p>In FY 2009-10, the Department merged its executive and administrative programs into one program, reducing positions by 19 and aligning administrative business processes to improve coordination and efficiency.</p>
<b>Information Services</b>		
<p>To provide technology services to enable the Department to operate efficiently and effectively</p>	<ul style="list-style-type: none"> <li>• Provide, manage, and maintain computer system infrastructure.</li> <li>• Select, implement, and support software solutions to meet the needs of the Department.</li> <li>• Provide information and support Revenue employees need to use technology resources effectively.</li> <li>• Ensure that the Department's information resources are protected against internal and external threats.</li> </ul>	<ul style="list-style-type: none"> <li>• Secure, effective information systems</li> <li>• Increased efficiency in carrying out Revenue's responsibilities</li> </ul> <p>In September 2010, as part of the State's Full Service Transfer initiative, Revenue's Information Services program completed the transfer of fourteen FTE and \$3.9 million in salary and contracts to the two Primary Data Centers that house Revenue equipment.</p>

## *Results*

The Department of Revenue has long been recognized as a leader in modernizing public administration, using tools and techniques of the most successful private sector entities to become more effective and accountable. Revenue was the first Florida state agency to receive the Sterling Award (Florida's equivalent of the Deming Award) for its agencywide operations. National publications, such as *Government Technology*, *eWeek Newsweekly*, and *Governing* magazine have reported on the Department's innovative application of new, efficient technology systems to public administration. Representatives of the Internal Revenue Service and of government agencies from twenty-five other countries and numerous other states have visited Revenue, seeking guidance on developing and improving public administration systems.

While recognition from external organizations is encouraging, the true measure of success is results. We continue to embrace new methods and technologies to improve our performance. Recent achievements include:

- **Increased Order Establishment** From FFY (Federal Fiscal Year) 2001 to the present, Revenue increased the percentage of child support cases with support orders from 53.6 percent to 73.7 percent. In FY (State Fiscal Year) 2009-10 the Department established 49,090 new support orders, a 25 percent increase from the previous year's total of 39,197.
- **Child Support Collections** Annual collections continue to increase, with \$1.467 billion collected and distributed in FY 2009-10, \$53 million more than the previous year. Child support collections reached a billion dollars for the first time in FY 2003-04.
- **Administrative Order Establishment** The administrative process provides a cost-effective order establishment method that supplements the judicial process. In FY 2009-10 the Department established 14,851 administrative support orders, an increase of 70% over the 8,676 established in FY 2008-09, and the most since the Legislature authorized the administrative establishment of support orders in 2002.
- **Undistributed Collections** Between March and July of 2010, Child Support Enforcement employees resolved a record amount of undistributed collections, decreasing by more than three million dollars the total collections that have been undistributed for three or more years.
- **Integration of Taxes** In 2008, the Department's General Tax Administration Program completed the integration of taxes managed by the Department of Revenue into one enterprise system, improving both efficiency and customer service.
- **Promoting Prompt Payment** Despite position reductions, the General Tax Administration Program continues to maintain an accounts receivable percentage that is significantly lower than the standard for institutions that rely on their customers to make payment on obligations previously incurred. Revenue's current accounts receivable total is approximately 1.7% of annual revenues; the standard is 2%.
- **Record Collections by the Tax Audit Process** Collections resulting from audits totaled \$257 million in FY 2009-10, a substantial increase from FY 2008-09's total of \$176.2 million.

- **Criminal Investigation Process** Revenue's General Tax Administration Criminal Investigation Process collected a total of \$4.67 million in FY 2009-10. This amount does not include the significant sums directly or indirectly collected through our non-prosecution dispositions.

On a historical basis, 93-95 percent of our prosecution referrals result in a favorable disposition for the State—FY 2009-10's favorable disposition rate was 99 percent. An equally important but unmeasurable effect of the success of Revenue's Criminal Investigation Process is as a deterrent to deliberate noncompliance.

- **Improvements in Unemployment Tax Administration** In 2007, the United States Department of Labor recognized Florida's Department of Revenue as having the most improved unemployment tax (UT) program among the southeastern states. Recently, the federal Department of Labor praised the Department of Revenue for achieving the best possible record of timeliness for UT deposits. In 2009, Revenue deposited 100% of payments within three days of receipt.
- **Implementation of New Property Tax Oversight Responsibilities** Over the past four 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 approximately 170 employees have successfully implemented these new laws within their existing resources.
- **Improved Methodology for Property Tax Roll Review** With an emphasis on sales data, Revenue has developed and continues to refine new models for applying mathematical and statistical techniques to the evaluation of property tax rolls. As a result, the statistical representativeness of Revenue's sample methodology has increased, and the need for Revenue staff to conduct property appraisals has decreased.
- **Digital Mapping of Florida Real Property** Over the past ten years, the Property Tax Oversight program has been coordinating the digital mapping of Florida's real property parcels and the integration of these maps into one central Geographic Information System (GIS). This system, a collaborative effort between local and federal governments, other state agencies, and Revenue is a valuable tool for property assessment, as well as for emergency management, urban planning, and a broad range of business interests. This system is now complete. By coordinating statewide aerial photography procurement with federal, local, and other state agencies, Revenue saved Florida taxpayers \$700,000 annually over the five year life of the photography project.

Since the Deepwater Horizon oil spill began in April of 2010, Florida's GIS has served as a valuable reference for state and federal officials involved in assessing the impact of the spill.

- **Consolidation of Tallahassee Offices** During calendar year 2010, Revenue consolidated sixteen Tallahassee facilities to a new three-building high-efficiency campus owned by the State. Over 2200 employees were moved into buildings that are compliant with Department of Management Services space allocation guidelines, reducing total square footage occupied by these employees by approximately nine percent. The move came in under budget and was accomplished without disruption to services and with minimal downtime for employees.

- **Mitigating Increases in Leasing Costs** Through better lease management and space consolidation, the Department of Revenue has decreased leasing costs for many of its facilities, reducing the amount that will be spent on those facilities by a total of three million dollars over the next five years. We expect these savings to offset a significant portion of the unavoidable increases in overall leasing costs. (More information on Revenue's efforts to reduce leasing costs is provided in the "Agency Response to a Changing Environment" section of this report.)
- **Reducing Travel Expense** For some Revenue employees, including auditors and property assessors, travel is an unavoidable part of the job. However, when services can be provided effectively remotely, Revenue is developing web applications to replace face-to-face interactions, saving both employee time and travel expense. Since FY 2007-08, Revenue has decreased its annual travel costs forty percent, from approximately \$3.2 million to approximately \$1.9 million.

## Stakeholders

To carry out its responsibilities, each of the Department's programs depends on the support and cooperation of external stakeholders. A stakeholder may have one or more of the following relationships with the Department:

- Directors: Establish policy, requirements, and expectations.
- Customers: Receive services.
- Partners: Perform tasks that are an essential part of the Department's work processes.
- Suppliers: Provide information or resources as inputs to the Department's processes.

<b>Major Stakeholders—Child Support Enforcement</b>		
<b>Stakeholder</b>	<b>Relationship</b>	<b>Role</b>
<b>Congress</b>	Director and Supplier	Establish legal requirements for child support programs. Provide funding.
<b>Federal Government</b>	Director	Establish expectations and evaluate performance.
<b>Florida Legislature</b>	Director and Supplier	Establish state child support law. Provide funding.
<b>Governor and Cabinet</b>	Director	As head of the agency, provide direction and guidance.
<b>Children</b>	Customer	Have legal paternity established if needed. Receive the support they need and deserve.
<b>Parents and Caregivers</b>	Customer and Supplier	Receive or remit support payments. Receive assistance with child support matters. Provide the information necessary for child support actions.
<b>State of Florida</b>	Customer	Avoid costs to public assistance programs when families receive child support payments. Receive reimbursement for temporary cash assistance paid to families.
<b>Citizens</b>	Customer	Benefit from children growing up with support from both parents. Benefit from reduced public assistance program costs.
<b>Other states and countries</b>	Partner	Collaborate on interstate and international cases.
<b>Circuit Courts</b>	Partner	Issue and enforce support orders.
<b>County Clerks of Court</b>	Partner	Maintain all court and support payment records.
<b>Law enforcement officials</b>	Partner	Serve summonses and execute arrest warrants for parents ordered to pay support who fail to appear in court for nonpayment.
<b>Hospitals</b>	Partner	Assist parents in establishing paternity.
<b>Department of Children and Families</b>	Supplier and Partner	Refer parents to Revenue for services. Share data used to locate parents. Assist parents in establishing paternity.
<b>Internal Revenue Service</b>	Supplier and Partner	Withhold tax refunds to pay past-due child support obligations. Share data used to locate parents.
<b>Other state agencies</b>	Supplier and Partner	Share data used to locate parents. Assist parents in establishing paternity.
<b>Employers</b>	Supplier and Partner	Report newly hired employees. Implement wage withholding to make support payments. Enroll children in health insurance.

<b>Major Stakeholders—General Tax Administration</b>		
<b>Stakeholder</b>	<b>Relationship</b>	<b>Role</b>
<b>Florida Legislature</b>	Director and Supplier	Establish state tax law. Provide funding.
<b>Governor and Cabinet</b>	Director	As head of the agency, provide direction and guidance.
<b>State of Florida</b>	Customer	Receive revenues to pay for government programs and service.
<b>Businesses (registered taxpayers)</b>	Supplier and Customer	Collect sales tax and other taxes and remit to the State. Receive assistance in understanding and complying with tax law.
<b>Employers</b>	Supplier and Customer	Remit unemployment tax to the State. Receive assistance in understanding and complying with tax law.
<b>Other tax filers</b>	Supplier and Customer	Remit taxes to the State. Receive assistance in understanding and complying with tax law.
<b>Local governments</b>	Supplier and Customer	Collect some taxes on behalf of the State. Receive shared state revenues.
<b>Other state agencies</b>	Customer	Use Revenue's fee collection services.
<b>Agency for Workforce Innovation</b>	Partner	Collaborate in the administration of unemployment tax.
<b>Internal Revenue Service</b>	Supplier	Share data to identify patterns of potential tax evasion.

<b>Major Stakeholders—Property Tax Oversight</b>		
<b>Stakeholder</b>	<b>Relationship</b>	<b>Role</b>
<b>Florida Legislature</b>	Director and Supplier	Establish state property tax law. Provide funding.
<b>Governor and Cabinet</b>	Director	As head of the agency, provide direction and guidance.
<b>State of Florida</b>	Customer	Benefit from oversight of the State's property tax system to ensure compliance with the law.
<b>Property Owners</b>	Customer	Benefit from oversight that helps ensure fair and accurate property assessments. Receive assistance in understanding property tax law.
<b>Citizens</b>	Customer	Benefit from a fair and equitable property tax system that is local government's largest single source of revenue. Receive assistance in understanding property tax law and their appeal rights.
<b>School Boards</b>	Customer	Receive property tax information from Revenue for use in determining school millage rates and local effort funding requirements.
<b>Local governments</b> Tax collectors, property appraisers, levying authorities, and value adjustment boards	Partner and Customer	Administer Florida's property tax system. Submit tax rolls, budgets, and other documents for review and approval by Revenue. Receive education, certification, and assistance from Revenue.

## Operating Environment

### Economic Conditions

The nation is slowly recovering from the longest and most severe recession in post–World War II history. The contraction, which was initially concentrated in the financial sector, spread to almost every other industry. The credit market, while much improved, remains sluggish and difficult to access. U.S. consumers are responding to the massive wealth destruction and tighter credit conditions. The drop in the value of homes has put additional stress on households—statewide home prices have fallen approximately 46% since their peak in the fourth quarter of calendar year 2006. While the weak housing market was temporarily brought to life by the homebuyers’ tax credit, sales of existing homes are expected to resume their decline with the expiration of the credit.

Nationwide there were 3.96 million foreclosure filings in 2009, up 21.0% from 2008. And for the first half of 2010, there have been 1,961,894 filings, up 8.0% from the same period last year. Florida registered the nation’s third highest foreclosure rate in 2009, with 5.9% 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 73% and 84% below their Fiscal Year 2005-06 peaks, respectively. Collections from both sources are projected to begin growing, although slowly, 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. Private housing starts (beginning the construction of a new home) are currently down 90% from their peak in the third quarter of 2005, even though there has been some growth in recent months with housing starts increasing 17% from July 2009 to May 2010. The impact of reduced new construction can be seen in sales tax collections. In particular, taxes collected on the sale of construction-related materials fell in each of the last three fiscal years, but have gradually begun to rebound since December 2009. 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, most homeowners also purchase household appliances and housewares. Sales taxes collected on consumer durable goods purchases fell for the past three fiscal years, but have begun to rebound since the first quarter of 2010.

Many of the State’s tax sources are dependent on income and/or population growth. Florida personal income fell in calendar year 2009 for the first time since 1946, with a decline in personal income of 3.3%. Florida resident population fell by 0.3% in 2009 and is projected to remain flat—averaging only a 0.4% growth rate between 2009 and 2021. The State has historically relied on population growth to bolster revenue collections. However, the national recession was much more widespread throughout all regions of the U.S. than has typically been the case, and people who would like to move to Florida have been unable to because they cannot sell their existing homes. Net migration to the state has slowed, if not halted. The result has been declining employment and falling revenue collections. Since the peak in March 2007, businesses in Florida have cut their payrolls by almost 875,000 jobs, or 10.7%—the largest percentage decline since the end of World War II when the state lost a large number of jobs due to base closings. After three consecutive years of decline, general revenue collections are expected to increase slightly in the next few fiscal years. The slight increase in the forecast is indicative of an economy that is stabilizing, but the continued weakness in the labor market along with stagnant growth in population indicates that the economy will remain fragile in the short term. Florida is on a different recovery path than the nation as a whole—the Deepwater Horizon oil spill exacerbates these differences.

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 strain on the Department of Revenue's resources to maintain compliance rates at historical levels.

### **Social Trends**

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 2009, there were 105,777 births to unwed mothers. The Florida Department of Health's Office of Vital Statistics reported that 35,782 marriages were dissolved in 2008, affecting 50,554 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.

### **Workforce Trends**

In the current economic climate, there are many qualified job seekers applying for positions at government agencies as well as private sector businesses. However, as economic conditions improve, it will become more difficult to attract and retain highly qualified individuals.

It will be increasingly important to understand the expectations of today's skilled job seekers and to create workplaces that accommodate those expectations. Younger workers today have grown up with instant electronic communication that is not tied to a work or home location. They expect greater flexibility in their work schedules and work environments than previous generations. They tend to have less loyalty to the organization that employs them, but place a high value on personal relationships and maintaining a work/life balance.

At the same time, economic conditions are keeping many older workers in the workplace longer. Today's workplace is likely to include a large range of ages and expectations.

### **Regulatory Environment**

#### **Property Tax Law**

Florida's property tax system has changed significantly in the past four years. In 2007, the Florida Legislature enacted millage limitations on local governments and taxing authorities. This legislation requires local governing boards to pass—by supermajority or unanimous vote—millage rates that increase property tax levies in excess of the prior year's levy after taking into consideration new construction and changes in Florida's per capita income.

Amendment 1, 2008, was passed by Florida voters in January 2008, making four significant changes to the property tax provisions of Florida's Constitution. One provision gives homestead properties an additional \$25,000 exemption on assessed values between \$50,000 and \$75,000, but only on non-school levies. A second provision allows homestead owners to transfer, or port, any assessment limitation difference they may have from their current homestead to a newly established Florida homestead, provided they received a homestead exemption on their prior homestead in either of the previous two years. Amendment 1 also contains an annual assessment increase limitation of 10% per year for non-homestead properties and a \$25,000 exemption on tangible personal property.

Three other constitutional amendments affecting property taxes were passed by Florida voters in January 2008. Amendment 3 prohibits property appraisers from considering for assessment any changes made to a residential property to harden it against storm damage and/or the installation of a renewable energy



source device. Amendment 4 exempts from taxation real property dedicated in perpetuity for conservation purposes. Amendment 6 provides for the assessment of specified working waterfront properties based on their current use as opposed to their highest and best use.

In 2008, the Legislature passed House Bill 909, which gave the Department of Revenue a greatly expanded role in overseeing the local value adjustment board process. In order to bring greater uniformity, consistency, and fairness to this process, HB909 required the Department to produce a comprehensive procedures manual that all value adjustment boards are required to follow. The Department also created more than a dozen new forms to be used by taxpayers, property appraisers, and value adjustment boards and developed training for special magistrates, value adjustment board members, and value adjustment board attorneys. House Bill 909 also added two citizen members to each county's value adjustment board and requires each value adjustment board to have private legal counsel that is independent from any of the local taxing authorities, property appraisers, or tax collectors.

Other property tax law changes passed in 2008 include provisions for the Department of Revenue to distribute funds to fiscally constrained counties to offset the impact of property tax reductions from Amendment 1, and the requirement that county tax collectors provide annual non-ad valorem assessment rolls to the Department of Revenue. This provision allows the Legislature to determine whether local taxing authorities are shifting revenue-generating activities from property taxes (that have new millage limitations) to non-ad valorem assessments.

In 2009, the Florida Legislature passed language that substantially changed the presumption of correctness previously afforded to property appraisers in value adjustment board proceedings. This legislation also requires property appraisers to demonstrate in value adjustment board hearings how they arrived at the property's just value pursuant to Florida law and professionally accepted appraisal practices.

The 2010 Legislature enacted property tax relief for single-family properties impacted by toxic drywall. Additional property tax relief legislation may be forthcoming related to the impact of the Deepwater Horizon oil spill on property values in affected areas.

## Resource Availability

The economic conditions Florida has been facing and is forecast to face in the next few years have resulted in reduced operating budgets for state agencies. Positions have been reduced each year for the past five years, and funding for new technological solutions to increase productivity is limited. Agencies are challenged to meet increasing demand for services with fewer resources.

Gradually decreasing resource availability presents several challenges for state agencies:

- sharing workload among fewer employees
- ensuring that critical activities are maintained at the same (or greater) level of performance
- keeping up with evolving customer expectations at little or no cost
- implementing new requirements within existing resources
- responding to emergency situations without additional resources

## **Technology Environment**

### **Advances in Technology**

Information technology components continue to shrink in size and cost, while performance capability increases. Communications protocols continue to improve, and the carrying capacity of existing media is increasing. 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 vital for state agencies as development costs of these systems continue to decline and implementation becomes more commonplace.

### **Trends in Internet Use**

Access 24/7, self-service, and e-service capabilities have become the norm in customer expectations for both public and private sector services. Government must continue to become more accessible and responsive as the technologies improve to permit customers to locate information and conduct business transactions on their own. We must be ready to respond to our customers' expectations for the improved service and accessibility that technological innovations have made possible.

Citizens expect government information systems to perform accurately, securely, consistently, and continuously. Risks associated with hackers, viruses, and network or system outages are increasing as more government services become automated and people begin to rely on these online services. 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.

### **State Information Technology Management**

Over the past few years, the Florida Legislature has passed several measures that will centralize many of the information technology functions of state agencies. None of these measures has been fully defined at this time, so the effect on individual agencies cannot be determined. However, all of these measures have a workload impact, requiring the participation of agency personnel in developing and implementing new systems. They also have the potential to affect resource availability, workflows, and information technology costs.

#### ***Full Service Transfer***

In 2008 and 2009 the Legislature revised the requirements for the consolidation of technology services into state-designated Primary Data Centers. Since then, Revenue has dedicated staff time to assist in achieving the goals set out in the legislation.

Revenue's transfer of positions, budget, and responsibilities to the two Primary Data Centers where Revenue equipment is currently housed was completed in September 2010. The contracts supporting the maintenance on the equipment will transition as the contracts expire or come up for renewal.

#### ***Data Center Consolidation***

The Agency for Enterprise Information Technology (AEIT) is required by statute to recommend by October 1 of each year at least two non-primary data centers for consolidation into a primary data center. Data center consolidation will be implemented in "waves," with each wave consisting of the consolidation of several agency data centers that together house a total of approximately 1000 servers. AEIT has identified Revenue as a candidate for consolidation during FY 2012-13.

### ***E-mail Transition***

The 2010 Legislative Session produced a law requiring the implementation of a single e-mail service for all state agencies over the course of five years. The Department of Revenue is scheduled to be included in the first phase of the transition, which is projected to be completed by July 1, 2012. Each agency will include the budget issues necessary for migration to the single e-mail service in its legislative budget request for the first full year it will be using the new system. Revenue is a member of the multi-agency project team which will develop a competitive bid solicitation, a business case analysis for the proposed service, and an implementation plan.

### ***Security***

By December 31, 2010, the Agency for Enterprise Information Technology is required to develop, and submit to the Governor, the President of the Senate, and the Speaker of the House of Representatives, a proposed implementation plan for information technology security. The plan will include the scope of operation; costs and requirements analyses; an inventory of all existing information technology security resources; and strategies, timeframes, and resources for statewide migration.

## Agency Response to the Changing Environment

The Department of Revenue views these difficult budget times as both a challenge to be met and an opportunity to improve in ways that will benefit the agency and the state for years to come. We are maintaining our focus on improving effectiveness and meeting our customers' needs, while streamlining and innovating to reduce costs. We are also implementing evaluation processes that ensure that our limited resources are put to use in ways that provide the most benefit to the state. The result will be an agency that makes the best use of the resources allocated to it, both during difficult budget times and when the economic outlook improves.

The Department of Revenue's planning process is based on an annual environmental assessment, identification of upcoming challenges, and evaluation of program effectiveness. All employees are encouraged to share improvement ideas and participate in strategy development. The Strategic Leadership Board, which includes Revenue's Deputy Executive Director, Chief of Staff, and four program directors, reviews proposed new strategies and projects and makes recommendations to the Executive Director.

Our biggest challenge for the next several years is to find ways to improve performance and cost-effectiveness without decreasing the quality of our service. The Department has developed four basic criteria for strategy development within our current operating environment:

- Reduce costs.
- Increase performance through process improvement and more effective use of technology.
- Improve customer service within existing resources.
- Maintain a skilled, effective workforce.

The Department has developed many specific strategies for the next five years, each of which is based on one or more of these criteria.

## Department-wide Strategies

### Improving Information Technology Management

#### *Information Technology Planning*

The role of the people who create, manage, and maintain computer systems has evolved from a support function to a critical part of business process management. Revenue's Information Services Program strives to support and improve business effectiveness through the delivery of quality information technology services that are aligned with and responsive to business needs. Prioritization of the work of the Information Services Program and decisions about acquiring new technology are central planning activities. All the agency's senior leaders, including the directors of each program, are involved in these decisions, which can have major impacts on our effectiveness.

To position the Department to meet evolving needs and make informed decisions, information architecture must be designed so that it quickly satisfies business requirements, provides reliable and consistent information, and seamlessly integrates applications into business processes. To accomplish this, the Information Services Program has developed 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.

### ***Adopting best practices for information technology***

The Department is in the third year of its five year plan to roll out ITIL (Information Technology Infrastructure Library) best practices for the management of Revenue's information technology infrastructure. ITIL provides best practices drawn from both public and private sectors.

To provide further impetus toward the development of an agile and efficient information management structure, the Department has established a goal of obtaining International Organization for Standardization (ISO) 20000 certification by 2012. Adopting ITIL and ISO certification will help the Department ensure that shrinking technology resources are used in the most efficient way possible.

### ***Information technology security***

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 ensuring that all employees receive regular training and information to help them effectively safeguard information.

## **Reducing Information Technology Costs**

### ***Migrating to less expensive hardware and software***

A key strategy of our Information Services Program is to continually reevaluate existing systems and commercially available alternatives to find opportunities to standardize and decrease costs.

For example, during FY 2008-09, we replaced the hardware platform of our unified tax administration system, SUNTAX. Annual maintenance costs for the SUNTAX system on its original hardware platform over the next several years would have been approximately \$.5 million. Costs for maintenance of the new configuration are approximately \$60,000 per year.

### ***"Buy it once; deploy it many times"***

A key strategy for reducing costs now and in the future is to purchase commercial off-the-shelf software solutions that can be adapted to many uses, rather than developing single-purpose applications or purchasing proprietary systems. This strategy not only saves initial costs, but also helps build a standard operating environment that requires less maintenance and can be managed by fewer dedicated staff persons.

We also benefit from the frequent upgrades that major commercial software packages offer, enabling us to keep up-to-date with current technological developments without reprogramming or buying new software. Most importantly, by selecting software that focuses on efficiency in the management of information and tasks, we can improve employee productivity, a key requirement for continuing to meet our responsibilities during a time of decreasing resources.

We have recently implemented Hewlett Packard's Service Manager 7, which manages workflows and reporting in the live environment, and fully integrates Change Management, Incident Management, Service Catalog, and Configuration Management. This system automates the requesting, assigning, routing, and tracking of work assignments and enables reporting to evaluate process effectiveness. We have also acquired HP's Project Portfolio Management, which supports strategic planning, and project approval, prioritization, and governance.

Microsoft SharePoint is gradually being implemented throughout the agency to manage and share information both internally and with external customers. SharePoint makes accessing documents quick and easy, streamlines and coordinates review and revision, and minimizes errors in document handling.

### **Reducing Leasing Costs**

In FY 2009-10, Revenue's total cost for leasing both private and state-owned space was \$26.7 million, about 55.7% of all of our expenditures within the Expense Appropriation Category (040000). We recognized that these leases, many of which were due to expire within the next few years, presented an opportunity to offset some of the increases in our leasing costs. We developed an agency-wide approach to reducing leasing costs that includes the following strategies:

1. Reduce square footage by adhering to Revenue-specific office space guidelines based on the standards established by the Department of Management Services.
2. Negotiate rate reductions as leases come up for renewal. (Shorten lease terms to no more than five years.)
3. Consolidate Revenue locations.
4. Seek opportunities to co-locate with other agencies.
5. Develop and implement a telework policy that is coordinated with the leasing process.

Three years ago, the Department of Revenue leased 91 sites with a total of nearly 1,500,000 square feet of space, predominantly office space. Ongoing lease negotiations and space reductions, including the relocation of 2200 Tallahassee Revenue employees to efficient new state buildings, continue to reduce our total lease portfolio. Our square footage is estimated to be reduced to approximately 1,320,000 by the beginning of FY 2011-12—an overall reduction of 180,000 square feet.

Through better lease management and space consolidation, the Department of Revenue has decreased leasing costs for many of its facilities, reducing the amount that will be spent on those facilities by a total of three million dollars over the next five years. We expect these savings to offset a significant portion of the overall increase in leasing costs.

As we continue working to decrease leasing costs now, we are also assessing future space needs in anticipation of changes in how Revenue conducts business. The Department's progress toward a paperless environment; implementation of additional technology, including web self-service; and continued improvements in efficiency will affect office space needs. We are also evaluating the use of alternate work programs that decrease office space requirements, such as telework (working from a home office) and "hoteling." (In "hoteling," two or more staff members share the same office space, coming into the office on different days, alternating their time in the office with their off-site work.) We plan to implement alternate work arrangements in situations where they will enhance employee and Department effectiveness.

### **Maintaining a Skilled, Effective Workforce**

Revenue's success in achieving its mission depends on the talents, skills, and commitment of our workforce. Our innovative technology and strategic planning process will not accomplish anything without the participation of skilled, motivated, and engaged employees. So, one of our most important strategies for improving productivity is to improve processes for managing and meeting the needs of our workforce. These workforce-related business processes include employee relations; classification; compensation; benefits; staffing services such as recruitment, hiring and on-boarding; training and employee development; emergency management; recognition; health and wellness; and workforce information management.

We have combined the offices responsible for these processes into one organizational unit, the Office of Workforce Management. We are now better positioned to identify and address trends in the workforce in general and in our own workforce. Following are some of our workforce strategies:

### ***Improving analysis of workforce data***

Effective planning requires meaningful data analysis. The Office of Workforce Management is focusing on implementing low-cost technological solutions to improve how workforce-related data is captured, communicated, reported, and used to manage processes across the agency. The ability to identify trends in the workforce and in workforce processes will allow Revenue to include this information in its strategy development.

### ***Providing opportunities for employee learning***

The creation of an enterprise-wide training plan, including career development opportunities, is critical to the success of employee development. Revenue continues to provide new training opportunities and to use technology to make training less costly and more flexible. The training plan will include policy and procedures, a governance structure which supports the training efforts throughout the agency, and a complete training calendar. This plan will establish a foundation for decision-making that supports organizational requirements, effectively manages resources, reduces risk, and increases performance.

### ***Protecting employees through emergency preparedness***

Emergency management has become much more than hurricane preparation and planning. Emerging issues in the country such as pandemics, bioterrorism and stress-related incidents pose potential safety and security risks to our workforce and our customers. The Office of Workforce Management will continue to focus on fine-tuning the COOP (Continuity of Operations Plan), developing detailed Emergency Action Plans, and implementing drills and exercises for the workforce. Timely and ongoing communication and training will keep Revenue's workforce prepared to respond appropriately in an emergency situation.

### ***Ensuring consistency in human resources policies***

To keep pace with technological, legal, and state policy changes that impact the employer-employee relationship, over the next several years the Office of Workforce Management will review and revise existing human resources policies, and develop new policies and procedures as needed. The first policy to be addressed is employee discipline and corrective action. The goal for this revision is to ensure consistency across the agency and promote collaboration among offices who work within the process (program management, the Inspector General's Office, the Ombudsman, the General Counsel's Office, and Employee Relations). Improvements will include clarification of the discipline process for at-will employees; enhancing the Corrective Action Plan process to encourage employee performance; establishment of a comprehensive discipline-related data collection and reporting process; and implementation of an education program for supervisors and employees regarding the corrective action and discipline processes.

## **Improving Financial Management**

The Office of Financial Management within the Executive Direction and Support Program coordinates and aligns Revenue's budget, purchasing, and accounting functions to ensure that the Department manages resources consistent with the Legislature's intent, avoids waste and fraud, and continually identifies opportunities to increase efficiency and save money. This office identifies and allocates financial resources, tracks expenditures, and determines the causes of exceptions or deviations from our financial resource plan. The Office of Financial Management is working closely with the Department's programs to

achieve a full integration of financial information and processes. Key strategies for the management of Revenue's finances include:

- Develop financial management policies and practices to enhance the effectiveness and efficiency of the Department's programs and operations.
- Develop short and long-term budget objectives that are linked to the Department's strategies and goals. Develop sound and credible legislative priorities which articulate clear business strategies.
- Leverage strategic sourcing opportunities to maximize fiscal resources at the Department level as well as the program level.
- Evaluate procurement opportunities to ensure purchases for services or commodities align with operational needs.
- Develop tools to leverage financial management information for strategic planning and budgeting and to identify departmental responsibilities in data and resource management. These improvements will allow for the integration of the Department's financial data for use in budgeting and forecasting of resources and to improve the accuracy of plans and budgets.
- Capture costs at various levels of activity to understand underlying relationships and acquire a detailed picture of how resources are used and can be better aligned with priorities.
- Incorporate analytics into budgets and plans, improving the accuracy of forecasting and enabling the on-demand production of comprehensive reports.

### **Additional Agencywide Cost-Saving Strategies**

While areas like leasing or information technology offer opportunities for major savings, small decreases in costs in many areas can add up to major savings. Revenue is encouraging every employee to look for ways to save money, big or little.

For example, an employee in a service center tracked mail volumes and compared costs for different postage options. He learned that, below a certain volume, an office could save money by using stamps instead of a postage meter. As a result, postage meters are being eliminated in service centers that do not have sufficient volume or, when possible, meters are shared between programs that are co-located. This change will save thousands of dollars every year.

Other employees are saving money and improving performance through a variety of efforts, including designing forms that require less paper or postage, developing software applications that increase efficiency, changing their printing practices, or taking on additional tasks.



## **Child Support Enforcement Strategies**

### **Child Support Automated Management System (CAMS)**

The most critical strategy of our Child Support Enforcement program at this time and for the next several years is the completion and implementation of the Child Support Enforcement Automated Management System (CAMS). The only way the ever-increasing workload of Florida's child support program (854,541 cases as of June 30, 2010) can be managed effectively by the Program's approximately 2000 employees is through automation that incorporates high efficiency and flexibility. The legacy system Revenue has been using to manage the child support program was created in 1991, and is inefficient and inflexible compared to computer systems being developed today. User action is required for hundreds of routine tasks and modifying or improving the system is difficult and costly.

CAMS will produce the following results:

- automate routine tasks to free up staff time for more complex tasks
- increase collections
- improve data integrity and reporting
- improve performance on federal incentive measures to increase the potential for additional federal funding
- increase customer access to services
- be flexible to quickly and inexpensively accommodate changes in federal and state requirements

The first phase of 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.

The development of the second phase of CAMS started in February 2008 with a scheduled statewide implementation date of March 2012. This phase includes 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 complex case situations and serving parents. The performance of CAMS will be systematically monitored, analyzed, and improved to ensure that the Program meets performance requirements for receiving federal incentive funding, and that the children and the State are receiving the most benefit possible out of this system.

### **Improving Workflow**

As we review and define workflow for the development of CAMS, we are identifying opportunities to streamline processes. We are incorporating improvements into our current procedures as well as into CAMS specifications.

In FFY (federal fiscal year) 2009-10, the Program identified eleven changes to procedures, forms and workflows, many of which have already been implemented. We will continue to complete implementation of the identified improvements and look for additional opportunities. By implementing these changes prior to CAMS Phase II roll-out, staff and partners will begin to learn the new procedures and become more comfortable with them prior to CAMS being implemented. This should help staff focus on learning the new CAMS technology when CAMS training begins in late 2011 and early 2012.

### **Increasing Productivity through Flexible Staff Allocation**

We recognize that the typical method of assigning staff is not the most effective way to meet the challenges of increasing workloads during a time of position reductions. We have developed a flexible staffing strategy through which we identify opportunities to significantly enhance productivity and shift staff to those tasks temporarily.

For example, during FY (State Fiscal Year) 2009-10, we focused on the establishment of new support orders, achieving a 25 percent increase in support order establishment (from 39,197 in FY 2008-09 to 49,090 in FY 2009-10). Instead of becoming a bottleneck, the support order establishment process is generating opportunities for the collection of more funds to support Florida's children. Over the next several years, we plan to continue identifying areas to focus on to maximize productivity.

### **Using Available Technology to Increase Efficiency**

We are continually looking for ways to adapt software we already have to automate routine tasks or streamline work flows. For example, a small investment in programming hours resulted in increased efficiency in the child support enforcement location process. A Revenue employee developed a "net caster" application to search multiple internet sites and government databases for the location of parents. Instead of taking up to 15 minutes to run a series of searches, "net caster" completes its search in 15 to 30 seconds. The results are presented to a child support employee on a single screen, enabling the employee to interact with the material more efficiently, saving time and increasing productivity. The developer continues to refine the application and add more sites to its search capability.

### **Data Cleansing**

The Program will continue targeted data cleansing activities to prepare data for conversion to the final CAMS environment and to improve performance on federal measures, increasing the amount of federal funds Revenue qualifies to receive. The top priorities for data cleansing are case inventory and undistributed collections.

In FFY 2009-10, Revenue developed a process for handling funds that cannot be distributed to the intended recipient, applied to another case, or refunded to the sender. Through this process, which is implemented only when all possible efforts to locate the intended recipient or the sender have been exhausted, these amounts can be removed from our automated case management system, and the funds divided between the federal government and the State.

### **Decreasing the Cost of Legal Services**

The Child Support Enforcement program contracts with private sector legal service providers for completion of legal actions. Employees are developing innovative ways to improve the cost-effectiveness of these contracts. For example, we renegotiated a number of legal service provider contracts to have payment related to the outcome. Providers receive a partial payment up front and additional payments at the conclusion of the legal process, one if a final order is obtained, and another if the provider obtains the order within a specified amount of time. This contractual arrangement allows Revenue to increase the amount of work given to legal service providers within the same level of funding.

### **Improving Customer Service through Internet Technology**

Effective August 23, 2010, the Department implemented its e-Services initiative for persons who are owed child support under a Florida support order. E-Services is an internet application available on the Department's home page that allows users to securely view and update confidential case information. Users can update their personal contact information, view support order information, and obtain case

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## Trends and Conditions

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status information, including the amount due, enforcement actions taken, and collections received and disbursed.

CAMS Phase II will offer additional e-Services capabilities and greater access to case information for our customers. E-Services helps customers stay better informed about their cases and enables them to communicate with the Department in a convenient, cost-effective manner.

## **General Tax Administration Strategies**

To improve effectiveness in collecting the tax dollars owed to the State during a time of limited resources, Revenue's General Tax Administration Program is focusing on strategies that:

- increase efficiency by automating processes.
- focus resources and staff time effectively through data analysis.
- increase the effectiveness of collection efforts.

### **Increasing the Benefits from Florida's System for Unified Taxation (SUNTAX)**

The Department of Revenue's technology focus for tax administration over the past decade has been the development of an integrated system for managing all of the taxes it administers. The SUNTAX system now contains integrated registration, collection, and distribution for all of the taxes administered by the Department. SUNTAX has automated many processes and centralized access to a taxpayer's multiple accounts, saving time and effort for both the Department and the taxpayer. Now Revenue is focusing on smaller technology initiatives that build on the many capabilities of SUNTAX to improve service and productivity. These efforts are critical during a time of reduced resources.

#### ***Collection analytics***

In addition to carrying out tax administration processes, SUNTAX has been designed to make data available for reporting and analysis, so Revenue can allocate resources in a more effective manner. The data are available, but tools must be added to the system to evaluate, analyze, and report on the data. Currently, through a contract with a consultant, Revenue is developing collection analytics to work in conjunction with SUNTAX. This technology uses historical information on accounts to help prioritize collections work and deploy staff resources where there is the highest potential for collecting more of the tax money owed to the State.

#### ***E-portals***

Electronic portals provide opportunities for taxpayers and other government partners to do business with the Department in a secure environment. The first SUNTAX e-portal is planned for roll-out in FY 2011-12. Sales tax filers will be able to directly access their own registration data to update as needed. Taxpayers will also have the option to receive general information, such as Revenue's informational publications and electronic filing reminders, as well as notices specific to that taxpayer, such as bills and account status. While providing improved service to taxpayers, e-portals will decrease mailing costs and reduce the workload of Revenue employees, enabling them to focus on tasks that are more productive.

#### ***Increasing the number of e-filers***

When taxpayers submit documents electronically, errors and processing costs are reduced, and less staff time is needed to process the information. Revenue continues to promote the use of e-registration and e-filing and to improve the online experience for taxpayers. In early 2010, we completed a redesign of our website ([www.myflorida.com/dor](http://www.myflorida.com/dor)) to make access to online tools easier and more intuitive.

Electronic registrations comprised 68 percent of the total registrations in FY 2009-10, a three percent increase from the prior year and a nearly 60 percent increase from the base year of 2004-05.

Thirty-four percent of registered sales tax filers now file and pay electronically, up from 27 percent in FY 2008-09. The law requires businesses that pay over a certain amount of tax annually to file electronically, but Revenue encourages all taxpayers to use this method. Of all the taxpayers who

filed electronically in 2009-10, 62 percent did so voluntarily. In 2008-09, 48 percent were voluntary e-filers.

### ***Adding new e-filing applications***

We continue to develop new e-filing components for SUNTAX. In 2010, we implemented an electronic lien-filing system with the Clerks of the Circuit Court, replacing the age-old method of physically recording paper documents in the courthouse. Our next e-filing addition will be including terminal suppliers and importers in motor fuel e-filing.

### ***Motor fuel inventory tracking***

Revenue's Information Services Program is completing programming for tracking and comparing fuel transactions between suppliers to identify transactions that are listed by one supplier but not shown in the records of the other. These identified transactions will be filtered through a scoring system to determine the likelihood of under-reported taxes and assigned to a desk auditor for review. This project is expected to be in production by the end of 2010. Revenue projects the collection of an additional \$10 to \$13 million annually as a result of this enhancement to SUNTAX.

## **Educating Taxpayers**

To provide education, at low cost, to help taxpayers understand and fulfill their tax obligations, Revenue's General Tax Administration Program has been creating user-friendly online courses, and featuring them on our redesigned website. These courses received 255,000 "hits" in FY 2008-09, and 646,000 in FY 2009-10. The more knowledgeable Florida's taxpayers are, the less likely they are to overlook taxes they owe, or to make errors or late payments. Taxpayer education has the potential to increase revenues and decrease processing time for the Department.

## **Increasing the Use of E-Mail**

The Department continues to identify paper processes that can be converted to e-mail. This is an effective strategy for decreasing costs while improving productivity.

The General Tax Administration Program has expanded the use of secure e-mail to reduce postage costs and provide better customer service in the audit and collection processes. Audit files and work papers are all electronic, allowing for faster and more efficient data gathering and resolution of disputes. The majority of distribution payments and refunds are transmitted electronically.

Revenue is also increasing the use of e-mail for the exchange of general (nonconfidential) information, enabling us to deliver more messages to taxpayers and tax practitioners, and to save paper and mailing costs. For example, the Department has expanded its subscription e-mail services to inform taxpayers and practitioners of changes in Florida tax laws, and sends automatic due-date reminders to help taxpayers stay in compliance.

## **Implementing New Collection Techniques**

With fewer staff to carry out collection enforcement activities on severely delinquent accounts, Revenue is implementing new techniques and technologies to maintain and enhance our effectiveness.

### ***Forensic accounting***

In FY 2010-11, Revenue began using a legal services provider (through our contract with a collection agency) to research certain collection cases after we have exhausted all other enforcement tools. Most of the accounts to be referred will be ones that owe more than \$100,000 and that either are located out of state or are out of business. The legal services provider follows accounting trails to

locate assets of nonresponsive taxpayers so delinquent taxes can be collected. We expect to refer as many as 100 cases in FY 2010-11.

### ***Credit card intercepts***

This initiative, currently being piloted in General Tax Administration's Orlando region, follows the same steps as our current "cash levy" process, but adds a new source for collecting amounts owed to the State by a noncompliant business. A cash levy instructs a bank to release funds to the Department from the bank account of a noncompliant business. A credit card intercept instructs a credit card company to withhold funds from its payments to a business for transactions processed for the business. Once the credit card intercept process has been tested and refined, it is intended to become a normal part of our enforcement process statewide.

### **Implementing Improvements to the Audit Process**

The General Tax Administration program plans several steps for the near future to improve the audit process: use more third party leads to enhance and improve audit selection; team with Revenue's Office of Technical Assistance and Dispute Resolution to reduce the current backlog of cases in the appeal process; and focus resources on identifying tax gap issues and taking follow-up actions to "close the gap." Additionally, Revenue plans to partner with the IRS for the receipt of vendor credit card transactions to aid in audit selection. These data will be matched with taxpayer-reported sales to verify the accuracy of tax returns filed.

### **Establishing Remote Deposit in Service Centers**

Currently in the final stages of development, electronic direct deposit of funds outside of Revenue's Tallahassee mail processing center will be piloted in two Tallahassee locations (Tallahassee Central Audit and the Tallahassee Call Center) in late 2010. Equipment has been purchased to extend this capability to ten service centers by the end of FY 2010-11. Once implemented throughout the General Tax Administration Program, this initiative will provide for deposit of all checks by Image Cash Letter (ICL) technology and end the practice of bundling checks received in the service centers and mailing them to Tallahassee for deposit. Significant savings in mailing costs and labor will result, and the State's money will be in the bank earning interest sooner.

### **Tax Gap Study**

Florida's Senate, in conjunction with the Office of Economic and Demographic Research and the Department of Revenue, is in the initial phase of determining and classifying the Florida "Tax Gap" for the purpose of quantifying unpaid taxes and identifying potential strategies for collecting these revenues. For the current year, efforts are focusing on sales, corporate, and communications services tax. General Tax Administration management and support staff will be providing most of the needed support, and audit staff may be asked to assist in data collection. This project could result in legislation that would impact Revenue's planning for FY 2011-12 and beyond.

## **Property Tax Oversight Strategies**

### **Use low-cost technology solutions to increase productivity**

Revenue's Property Tax Program currently is allocated 176 positions. This is approximately the same number of positions as before the Program's responsibilities were significantly increased through four years of legislative changes. To continue to keep pace with the demand for services and to maintain diligence in overseeing critical property tax activities, Revenue must use technology to streamline or automate work processes, improve communication with local officials, and make data easier to access and analyze. We have developed a comprehensive information technology vision for the program to migrate toward the electronic submission of all information required from local governments.

Revenue has the opportunity to leverage a number of newer technologies, most of which the Department is already using for other purposes, to provide a single web-based user interface for the oversight of property tax. The benefits of this technology upgrade will include increased assurance that assessments are equitable and uniform, increasing the productivity of the Roll Approval Process, automating the TRIM (Truth in Millage) process and other processes, and increasing data accuracy. The components of this system will include:

#### ***Integrated property tax business warehouse***

The implementation of a comprehensive data storage strategy will allow the Department to access through one application the entire profile and transaction history of a local government or taxing authority. Increased data storage and analysis capabilities will assist the Department in evaluating tax rolls, determining compliance with millage levying, and streamlining the verification process for homestead portability.

#### ***E-portals for submission of documents by local officials***

By establishing e-portals for the submission of property tax documents by local officials, Revenue will streamline the review process for both local governments and the Department. The system will perform automatic error checks as data is entered by a local official, eliminating most of the errors that can occur with paper documents. We expect to reduce cycle time for the review of TRIM and millage levying information by 30%.

We are currently developing online submission systems for central assessment tax returns and annual budget submissions from property appraisers and tax collectors.

#### ***E-portals for railroad data***

Within the next several years, we plan to develop an external portal to accept digital records from railroads and private car lines.

#### ***Improved internal workflows through automation***

The Property Tax Oversight Program is developing an internal document-sharing environment in Microsoft SharePoint to automate workflows and streamline content management. This tool will help eliminate redundant effort and ensure quick access to information, increasing individual productivity.

### **Increase tax roll statistical reliability**

Revenue continues to focus on the improvement of our most critical oversight responsibility: tax roll evaluation. With more than ten million parcels of property statewide, we must rely on statistical sampling to verify the level of assessment of each county's tax roll. The Department continues to implement mass appraisal and statistical sampling best practices from other states and international experts.

### **Focus on the most critical processes and reduce the emphasis on others**

Budget limitations make it necessary for us to make difficult choices: To ensure that we can allocate enough resources to fully carry out our most critical responsibilities, we identify activities that are less critical and decrease the amount of resources devoted to them or, in some cases, eliminate the activities entirely. Over the past few years, based on our suggestions, the Legislature has eliminated some time-consuming property tax-related activities that had limited value, including the DR-219 tax form and tangible personal property audits. Other activities that have been reduced or eliminated include mapping grants, subsidies for forms and aerial photographs, and specialized training courses.

Property appraisers have the responsibility under Florida law of ensuring that their assessments are correct and that all the information they use and maintain is complete, accurate and up to date. Contract funding for Revenue's required procedural reviews of property appraisers and exception properties was eliminated in FY 2009-10 (\$445,000). This prevents the program from hiring expert contract appraisers to review and verify the assessments and characteristics of specialty properties, such as power plants, large manufacturing concerns, and resorts. Due to the loss of contract funding, the program will perform these reviews with existing staff, but will extend its procedural review cycle of property appraiser offices to five years from the current three years. The impact of these reductions in procedural reviews is indeterminate as the program is still in its first full cycle of this process.

### **Mitigate financial impact of budget reductions on counties**

The elimination or curtailment of certain state subsidies, such as those for forms and aerial photographs, has a financial impact on some counties. To mitigate this, the program is working with local governments to transition to the use of electronic forms as much as possible.

The program has also coordinated the procurement of aerial photographs with several other federal, state and local agencies to reduce duplication of effort, ensure high quality photographs, and obtain the lowest possible cost.

By developing online training and certification courses, Revenue is enabling local governments to reduce travel and training costs while still obtaining the education and certifications they need.

### **Improve the data provided to the Revenue Estimating Conference**

To assist the State in the difficult process of estimating revenues under these unprecedented economic conditions, Revenue will provide more accurate, complete and timely tax roll information and analysis to the Revenue Estimating Conference. This will be accomplished by ensuring that property appraisers completely and accurately record all data on the tax rolls and by implementing more thorough data quality checks in the tax rolls received by the Department.

### **Assist in assessing the impact of the Deepwater Horizon oil spill**

The Property Tax Oversight program is working with county property appraisers and tax collectors to assess the impact of the Deepwater Horizon oil spill on Florida's property values, including any loss of value to public lands and buildings, and to assist taxpayers who may need additional time to pay their 2010 property taxes. The Department is also developing processes to assist county property appraisers in using appropriate methodologies to develop accurate assessments for the 2011 tax year.



## **Changes That Would Require Legislative Action**

The 2007 and 2008 legislative sessions passed significant changes to Florida's property tax system. These changes placed additional responsibilities on the Department, and have brought about new administrative issues that may require legislative consideration.

Additionally, to manage its increasing workload during a time of budget reductions, the Department continues to identify statutory changes that will provide gains in efficiency, with minimal effects on Florida's property tax system.

### **New Legal and Administrative Issues in Florida's Property Tax System**

House Bill 909 (2007) significantly increased the Department's oversight of the value adjustment board process. For many months, the Department has been engaged in the development of rules governing the conduct of value adjustment boards at the local level. This rule effort uncovered several issues with value adjustment board requirements that may require additional legislative consideration.

Under Senate Bill 4D (2007), the Department must monitor the implementation and administration of homestead portability, an expanded homestead exemption, and a new ten percent assessment cap on non-homestead property. These changes have created new administrative issues that may require additional legislative consideration.

### **General Improvements to Gain Efficiency in Property Tax Oversight**

Several statutes require the Department and other parties to provide paper copies of property tax-related documents. Revenue is required to provide paper copies of reports to legislative staff and county officials, and to provide paper copies of forms to property appraisers, while other statutes require local value adjustment boards to provide paper copies of decisions to the Department and other interested parties. Given the availability of much of this information in electronic form, the provision of paper documents appears unnecessary.

While the Department primarily provides general oversight of local property tax functions, some statutes require the Department to oversee the disposition of certain activities on an individual basis. For instance, current statutes require the Department to approve many individual applications for refund and to oversee certain economic development exemptions. The primary administration of these activities is accomplished at the local level. Efficiencies could be gained by authorizing the Department to review these activities by audit, rather than overseeing the individual disposition of these cases.

The Department intends to suggest several concepts related to these issues in its administrative package for the 2011 regular legislative session.

## **Potential Policy Changes Affecting the Agency's Budget Request**

At this time, the Department of Revenue has not identified any potential policy changes affecting the agency's budget request.

## **Task Force Participation**

Governor Charlie Crist created the Gulf Oil Spill Economic Recovery Task Force by Executive Order 10-101 to assist Florida businesses and industries in recovering from lost business and revenues due to the Deepwater Horizon oil spill. Goals of the Task Force include the following:

- Coordinate state agencies' efforts to assist businesses and industries.
- Make certain the public is accurately informed on the status of Florida's beaches and waters.
- Coordinate efforts to gather and report on economic loss data and industry economic indicators.
- Provide information to the public in a timely and effective manner.

The Executive Director of the Department of Revenue was appointed by the Governor to serve on the Task Force.



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

**Performance Measures and Standards - Exhibit II**

**Department: DEPARTMENT OF REVENUE**

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

Approved Performance Measures (Words)	Approved FY 2009-10 Standard (Numbers)	Prior Year Actual FY 2009-10 (Numbers)	Approved FY 2010-11 Standard (Numbers)	Requested FY 2011-12 Standard (Numbers)
Administrative costs as a percent of total agency costs (not including revenue sharing)	5.16%	5.25%	4.76%	5.05%
Administrative positions as a percent of total agency positions	5.42%	5.00%	5.04%	5.07%

**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 2009-10 Standard (Numbers)	Prior Year Actual FY 2009-10 (Numbers)	Approved FY 2010-11 Standard (Numbers)	Requested FY 2011-12 Standard (Numbers)
Percent of classes/subclasses studied (for in-depth counties) & found to have a level of assessment of at least 90%	95.6%	91.7%	90.0%	Requesting Measure Deletion
Statewide Level of Assessment for Real Property	NA	96.8%	New Measure Requested FY 2011-12	96.8%
Number of in-depth classes studied with a statistically valid sample	85	75	85	Requesting Measure Deletion
Number of parcels studied to establish in-depth level of assessment	NA	19,140	New Measure Requested FY 2011-12	20,000
Number of budget and budget amendment submissions reviewed	NA	485 e	New Measure Requested FY 2011-12	485
Number of refund/tax certificate applications processed	4,500	5,088	5,000	5,000
Number of Truth-in-Millage / Millage Levy forms processed (title change)	5,000	6,450	5,000	5,000

Approved Performance Measures (Words)	Approved FY 2009-10 Standard (Numbers)	Prior Year Actual FY 2009-10 (Numbers)	Approved FY 2010-11 Standard (Numbers)	Requested FY 2011-12 Standard (Numbers)
Percent of users of PTO aid and assistance satisfied with the services provided	91.0%	96.8%	90.8%	94.0%
Number of student training hours provided	40,250	17,441	38,000	15,225
Number of hours of Aid & Assistance consultation provided to elected officials	4,000	0	3,000	Request Measure Deletion
Number of inquiries from taxpayers and local governments answered	NA	26,504	Request New Measure FY 2011-12	14,400
Number of railroad and private carlines centrally assessed	165	282	225	237
Number of square miles mapped using aerial photography	NA	16,850	Request New Measure FY 2011-12	15,000
Number of tangible personal property compliance study audits provided to Property Appraisers	Request Delete Measure	NA	Measure Deleted	NA

**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 2009-10 Standard (Numbers)	Prior Year Actual FY 2009-10 (Numbers)	Approved FY 2010-11 Standard (Numbers)	Requested FY 2011-12 Standard (Numbers)
Percent of IV-D cases available for the next appropriate action	Request Delete Measure	NA	Measure Replaced	NA
Percent of IV-D cases missing critical data elements necessary for next appropriate action	17.0%	15.6%	16.0%	15.5%
Total number of cases maintained during the year	1,030,000	1,101,444	1,130,000	1,220,000
Total number of individual educational contacts and inquiries answered	12,500,000	15,715,075	14,500,000	17,000,000

**73300700 Remittance and Distribution**

Approved Performance Measures (Words)	Approved FY 2009-10 Standard (Numbers)	Prior Year Actual FY 2009-10 (Numbers)	Approved FY 2010-11 Standard (Numbers)	Requested FY 2011-12 Standard (Numbers)
Percent of State Disbursement Unit collections disbursed within 2 business days of receipt	98.0%	99.0%	98.0%	98.0%
Total number of collections processed	9,750,000	10,498,372	11,100,000	11,400,000
Total number of collections distributed	9,555,000	9,786,272	10,500,000	10,600,000

**73300800 Establishment**

Approved Performance Measures (Words)	Approved FY 2009-10 Standard (Numbers)	Prior Year Actual FY 2009-10 (Numbers)	Approved FY 2010-11 Standard (Numbers)	Requested FY 2011-12 Standard (Numbers)
Percent of IV-D cases with an order for support	75.0%	73.7%*	75.5%	74.5%
Total number of paternities established and genetic testing exclusions	114,000	100,158	110,000	100,000
Total number of newly established and modified orders	38,000	49,090	42,000	40,000

\* Estimated performance on federal measure. Final data available January 2011

\* Estimated performance with processing lag. Final data available January 2011

**73300900 Compliance**

Approved Performance Measures (Words)	Approved FY 2009-10 Standard (Numbers)	Prior Year Actual FY 2009-10 (Numbers)	Approved FY 2010-11 Standard (Numbers)	Requested FY 2011-12 Standard (Numbers)
Percent of current support collected (federal definition)	53.5%	52.4%*	54.0%	53.0%
Total number of obligated unique cases identified for compliance resolution	617,000	660,923	650,000	715,000
Total number of actions processed during the year	2,470,000	3,159,769	3,300,000	3,400,000

\* Estimated performance on federal measure. Final data available January 2011

**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 2009-10 Standard (Numbers)	Prior Year Actual FY 2009-10 (Numbers)	Approved FY 2010-11 Standard (Numbers)	Requested FY 2011-12 Standard (Numbers)
Percent of tax returns reconciled within 30 days	99%	99%	99%	99%
Average number of days from receipt of payment to deposit	New Measure FY 2010-11	0.18	0.32	0.17
Percentage of UC taxes deposited within 3 days of receipt	New Measure FY 2010-11	100%	99%	99%
Percent of taxpayer-claimed refunds processed within 90 days	New Measure FY 2010-11	85%	90%	90%
Percent of distributions made timely	New Measure FY 2010-11	94%	94%	94%
Number of accounts maintained	1,400,000	1,371,314	1,400,000	1,350,000
Number of tax returns processed	9,400,000	9,279,820	9,400,000	9,200,000
Number of distributions made	38,600	38,548	38,600	38,500
Number of refund claims processed (change in budget entity requested)	120,000	135,144	120,000	120,000

**73401100 Taxpayer Aid**

Approved Performance Measures (Words)	Approved FY 2009-10 Standard (Numbers)	Prior Year Actual FY 2009-10 (Numbers)	Approved FY 2010-11 Standard (Numbers)	Requested FY 2011-12 Standard (Numbers)
Percent of educational information/ assistance rendered meeting or exceeding taxpayers' expectations	96%	97%	96%	96%
Number of taxpayers provided with direct assistance or education	New Measure FY 2010-11	9,224,430	6,100,000	6,100,000
Number of calls answered by Call center agents	NA	960,242	New Measure Requested FY 2011-12	1,007,700
Number of individual educational contacts made	1,500,000	2,490,500	1,500,000	Request Measure Deletion
Number of taxpayers provided with assistance	2,000,000	1,720,917	2,000,000	Request Measure Deletion

**73401200 Compliance Determination**

Approved Performance Measures (Words)	Approved FY 2009-10 Standard (Numbers)	Prior Year Actual FY 2009-10 (Numbers)	Approved FY 2010-11 Standard (Numbers)	Requested FY 2011-12 Standard (Numbers)
Percent of compliance examinations resulting in an adjustment (to a taxpayers account ) - changed FY 2010-11 - see below	80%	83%	New methodology FY 2010-11	NA
Percent of tax compliance examinations resulting in an adjustment (to a taxpayers account ) - change in title and methodology FY 2010-11	NA	57%	65%	60%
Number of filing compliance exams completed and resulting a notice of additional liability	2,000,000	1,554,512	1,700,000	1,600,000
Number of taxpayers selected for a tax compliance examination	34,850	33,271	34,720	34,900
Number of audits completed	16,000	19,837	20,000	20,000
Number of discovery examinations completed	18,000	12,516	14,000	14,000
Number of criminal investigations completed	850	918	875	900
Number of audit disputes resolved	New Measure FY 2010-11	1,751	1,600	1,600



**Performance Measures and Standards - Exhibit II**

**Department: DEPARTMENT OF REVENUE**

**73401300 Receivables Management**

Approved Performance Measures (Words)	Approved FY 2009-10 Standard (Numbers)	Prior Year Actual FY 2009-10 (Numbers)	Approved FY 2010-11 Standard (Numbers)	Requested FY 2011-12 Standard (Numbers)
change in title and methodology - see new measure below	75%	73%	Methodology Change FY 2010-11	NA
Percent of collection cases resolved in less than 90 days	Methodology Change FY 2010-11	64%	66%*	66%
Account receivables as a percent of total revenues	New Measure FY 2010-11	1.7%	2%	2%
Percent of receivables reaching uncollectible status/ava	New Measure FY 2010-11	22%	20%	18%
Number of collection cases resolved	1,200,000	1,355,164	1,300,000	1,300,000
Number of disputes resolved	200,000	245,226	Deleted	NA

\* FY 2010-11 standards were incorrectly stated last year, the agency will submit a budget amendment for FY2010-11 to correct

**Performance Measures and Standards - Exhibit II**

**Department: DEPARTMENT OF REVENUE**

73710000 Program: Information Services Program  
 73710100 Information Technology

Approved Performance Measures (Words)	Approved FY 2009-10 Standard (Numbers)	Prior Year Actual FY 2009-10 (Numbers)	Approved FY 2010-11 Standard (Numbers)	Requested FY 2011-12 Standard (Numbers)
Information technology costs as a percent of total agency costs	3.40%	4.01%	3.44%	3.87%
Information technology positions as a percent of total agency positions	3.79%	3.79%	3.63%	3.53%



## **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:**

- 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
75.0%	73.7%	-1.3%	-1.7%

**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:**

Cases that warrant closure in accordance with federal closure criteria are not being systematically closed due to a system programming deficiency. Failure to close these cases negatively impacts the denominator of this measure – total open Title IV-D cases.

**External Factors** (check all that apply):

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

**Explanation:**

The Program established a record high number of new orders, 49,090, during SFY 2009/10. However, the Program experienced an unanticipated 10 percent increase in new cases requiring child support services. This increase, likely due to economic conditions, was the major contributing factor in the Program not meeting this standard.

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

- Training
- Personnel
- Technology
- Other (Identify)

**Recommendations:**

**Technology:** The Program is designing the order establishment processes for Phase II of the Child Support Enforcement Automated Management System (CAMS) to leverage automation when possible to improve efficiency of administrative and judicial processes. Additionally, the case closure process design for CAMS Phase II is intended to correct current deficiencies.

**Other:** The Program has been identifying barriers to improving the order establishment process, both judicially and administratively, over the past year. Changes that have been implemented during this time include renegotiation of private legal service provider contracts, which allowed more referrals to be initiated within the same budget allocation. In concert with external partners, such as the judiciary and sheriffs, additional resources were used to increase the number of judicial orders that were obtained. Additional court time was secured from the judiciary to manage the increase in legal referrals, and modified noticing procedures were implemented in some areas to expedite the time to order for judicial

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## Exhibit III – CSE Performance Measures Assessment Forms

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cases. Additional Program resources were assigned to the administrative support process to increase the number of administrative obligations entered.

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:**

- 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
114,000	100,158	-13,842	-12.1%

**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:**

The approved standard was based upon the estimated total statewide out-of-wedlock births. The majority of paternities established each year are obtained through the in-hospital paternity acknowledgment program. An unanticipated downward trend in statewide out-of-wedlock births resulted in the standard being inflated.

**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:**

The performance deficit is located in the number of paternities obtained. The majority of paternities are established within one year of birth and are obtained through the in-hospital paternity acknowledgment program. An unanticipated two consecutive year decline in statewide out-of-wedlock births, the population of children readily available to have paternity established, negatively affected the Program's ability to meet this standard.

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

- Training
- Personnel
- Technology
- Other (Identify)

**Recommendations:**

The Program has adjusted future year estimates to account for this demographic change.

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:**

- 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
53.5%	52.3%	-1.2%	-2.2%

**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:**

The Program has locked down the production environment while work is being completed on the second phase of the system build for the Child Support Enforcement Automated Management System (CAMS). A prioritization process was implemented to allow only emergency changes to CAMS. As a result, any new enhancement projects to improve automated processes are being deferred until post implementation of CAMS Phase II.

**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:** Florida's unemployment rate averaged 11-12 percent during the state fiscal year. The Program experienced an increase in the number of partial paying and non-paying cases this fiscal year primarily due to high unemployment. Unemployment collections were \$57 million more than the previous state fiscal year. However, since no more than 40 percent of an unemployment benefit can be intercepted, there was a loss of collections because the Program may not receive the full amount of child support due. These factors contributed to the Program not meeting this standard.

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

- Training
- Personnel
- Technology
- Other (Identify)

**Recommendations:** The Child Support Program collected a record amount of child support and increased the overall performance relative to percent of current support collected by 0.4 percent over the prior year. Several projects have been implemented in an effort to further increase total collections.

Three new interfaces with the Department of Business & Professional Regulation, the Department of Education, and the Florida Fish & Wildlife Conservation Commission were added in CAMS to load business, professional, and recreational licenses for persons who are ordered to pay support. The number of license suspension activities initiated in SFY 2009/10 increased by 64 percent over the prior fiscal year.

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## Exhibit III – CSE Performance Measures Assessment Forms

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The Program began participating in two federal intercept programs. The federal insurance data matching program increased overall insurance intercept collections by almost \$1 million. The Administrative Offset program, which intercepts payments that federal agencies pay to federal vendors, brought in a total of \$1.5 million.

The Program implemented the State New Hire Reporting Center in-house on 10/1/2009. Policy Studies, Inc. had previously provided this service. The Program increased the number of records processed by 47 percent. The increase in new hire records has likely contributed to the \$26.5 million increase in income deduction collections received in SFY 2009/10.



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Exhibit III – GTA Performance Measures Assessment Forms

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**Department:** Revenue

**Program:** General Tax Administration

**Service/Budget Entity:** Tax Processing

**Measure:** Number of accounts maintained

**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
1,400,000	1,371,314	(28,686)	-2.0%

**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 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 type="checkbox"/> This Program/Service Cannot Fix The Problem         |  |
| <input type="checkbox"/> Current Laws Are Working Against The Agency Mission |  |

**Explanation:** Economic conditions and other external factors have resulted in a reduction in the overall number of open tax accounts and therefore the number that require maintenance.

**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 as appropriate.

---

Exhibit III – GTA Performance Measures Assessment Forms

---

**Department: Revenue**

**Program: General Tax Administration**

**Service/Budget Entity: Tax Processing**

**Measure: Number of tax returns processed**

**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
9,400,000	9,279,820	(120,180)	-1.3%

**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**

**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 agency processed all tax returns received. However, the number of tax returns received was lower than expected during the period due to economic conditions that resulted in a reduction in the overall number of open tax accounts and therefore a slightly reduced number of returns filed. This output is a “demand” measure, in that the measure is solely dependent on the number of tax returns filed.

**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: Tax Processing**

**Measure: Number of distributions 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
38,600	38,548	(52)	-0.1%

**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:** The number of entities receiving monthly distributions was 1/10 of one percent less than expected. This is a demand measure and 100% of the distributions required were made.

**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 entities receiving monthly distributions was 1/10 of one percent less than expected. This is a demand measure and 100% of the distributions required were made.

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

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

**Recommendations:** N/A

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
2,000,000	1,720,917	(279,083)	-14.0%

**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:** .

**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:** Several factors directly contributed to the reduction in taxpayers provided with assistance in 2009-10. First was a reduction in the estimated number of inbound calls due to the lack of a sales tax holiday in 2008-10. The estimate, made in 2008, assumed there would be a sales tax holiday as there had been in the last 3 years. 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 2009-10. 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

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	1,554,512	(445,488)	-22.3%

**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 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 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:**

- |  |  |
|--|--|
| <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
34,850	33,271	(1,579)	-4.5%

**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 type="checkbox"/> Previous Estimate Incorrect | <input checked="" type="checkbox"/> 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):

- |  |   |
|--|---|
| <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:** 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):

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

**Recommendations:** The department received funding for 25 additional auditor positions in 2009-10, and an additional 25 in 2010-11. 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 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
18,000	12,516	(5,484)	-30.5%

**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 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
75%	73%	(2%)	-2.7%

**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 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 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. This is expected to be implemented in the current fiscal year. The department has also 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 – 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:**

- 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
94%	91.7%	2.3%	

**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:** N/A

**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 is a measure of the percentage of property value groups reviewed by DOR that are in substantial compliance with Florida law for 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):

- Training
- Personnel
- Technology
- Other (Identify)

**Recommendations:** DOR will continue its aid and assistance training efforts to attempt to mitigate the impact of the current anomalous market. While this measure may continue to be an internal measure of the process, the department will also request a new outcome measure that better reflects the overall goal of the process (service). The statewide level of assessment is a more complete outcome measure for the process because it encompasses all of the counties studied in each year and not just those in-depth counties. The department’s goal is to have property appraisers produce assessments that come as close to 100% as possible, reflecting true equity and uniformity in tax rolls.

Exhibit III – PTO Performance Measures Assessment Forms

**Department:** Department of Revenue

**Program:** Property Tax Oversight

**Service/Budget Entity:** Compliance Determination

**Measure:** Number of in-depth classes studied with a statistically valid sample

**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
85	75	10	-11.7%

**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:** N/A

**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:** Each year the department plans its next year's in-depth study using the best information available to generate samples for appraisal and estimating which strata can be studied using most recent sales. The recent downturn in real estate sales caused some strata that would normally have been studied using sales information to become strata that required supplemental appraisal to retain statistical validity. However, budget reductions have stretched the department's appraisal resources to capacity.

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

- Training
- Personnel
- Technology
- Other (Identify)

**Recommendations:** The department has consulted national experts to find ways to better utilize sales information to study some strata using best practice time trending techniques. In addition the department has continued to increase the number of complete/accurate appraisals completed by each appraiser. The combined effect of increased productivity and improved use of sales information will lead to higher numbers of strata studied using statistically valid samples in 2011-12.

The department will also request a new output measure that better reflects the effort to study value and establish county and statewide levels of assessment.

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
4000	0	-4000	-100%

**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:** For several years the department provided significant face to face consulting for local elected officials to help them improve their performance and implement new technology. This type of face to face assistance is now no longer feasible due to budgetary constraints, nor is it the most efficient way to approach the type of assistance that these groups need now.

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

- Training       Technology  
 Personnel       Other (Identify)

**Recommendations:** Request new measure to reflect staff redistribution to other priorities. This new measure will better reflect the services provided by the department to elected officials, taxpayers and other stakeholders.

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
- 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
40,250	17,441	-22,809	-56.0%

**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:** N/A

**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:** 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
- Personnel
- Technology
- Other (Identify)

**Recommendations:** Adjust standard to reflect reduced demand for certification and continuing education classes due to local government budget constraints. Offering more certification and training programs in a virtual training environment to reduce costs and travel time for participants and instructors.



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

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## Exhibit IV - CSE Performance Measures Validity and Reliability

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**Department: Revenue**

**Program: Child Support Enforcement**

**Service/Budget Entity: Child Support Case Processing**

**Measure: Percent of IV-D 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 current source for the data is the Child Support Enforcement (CSE) Decision Support System (DSS), a data repository built upon weekly data extracts from the FLORIDA system. The implementation of the Child Support Automated Management System (CAMS) Phase II is planned for early 2012. CAMS specification identity Z040Q02119 will serve as the primary data source for this measure after implementation.

**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 one or more case participants
- Cases with unobligated collections
- Cases with no depository number

Member Level Data

- No case participant address
- No valid social security number for the person from whom support is sought or the person ordered to pay support
- No grant information
- One or more case participants 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 support account with no disbursement indicator for a person ordered to receive support
- UDC in a refund account with no disbursement indicator designated to be refunded to a person ordered to pay support

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## Exhibit IV - CSE Performance Measures Validity and Reliability

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- 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 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 person ordered to receive support 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.

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## Exhibit IV - CSE Performance Measures Validity and Reliability

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**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 current source for the data is the Child Support Enforcement (CSE) Decision Support System (DSS), a data repository built upon weekly data extracts from the FLORIDA system. The implementation of the Child Support Automated Management System (CAMS) Phase II is planned for early 2012. CAMS specification identity Z040Q02119 will serve as the primary data source for this measure after implementation.

**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.



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## Exhibit IV - CSE Performance Measures Validity and Reliability

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**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. The implementation of the Child Support Automated Management System (CAMS) Phase II is planned for early 2012. CAMS specification identity Z040Q02119 will serve as an additional data source for this measure after implementation.

**Methodology:**

This measure is the total count of the number of contacts Child Support Enforcement has with individuals who receive services or any other 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; contacts to the DOR CSE web page, the number of attendees at educational presentations by CSE or coordinated by CSE; walk-ins without appointments; the number of customers appearing for up-front cooperation; educational mail-outs sent by CSE to individuals who receive services; customer inquiries received by the customer call centers including Miami-Dade; inquiries to the Automatic Payment Line, and customer-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, web site inquiries, and customer call center contacts, including the Automatic Payment Line. The information collected through the customer call centers is collected through automated systems and inquiries to the web site are collected through Google Analytics. 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 customers.

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.

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## Exhibit IV - CSE Performance Measures Validity and Reliability

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**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 implementation of the Child Support Automated Management System (CAMS) Phase II is planned for early 2012. CAMS specification identity Z040Q02119 will serve as the primary data source for this measure after implementation.

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.

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## Exhibit IV - CSE Performance Measures Validity and Reliability

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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.
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 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.

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## Exhibit IV - CSE Performance Measures Validity and Reliability

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**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 cannot be used in any way in the SDU PAMS calculations.

**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 receipts 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 receipts 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 receipts 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

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## Exhibit IV - CSE Performance Measures Validity and Reliability

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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 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.

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## Exhibit IV - CSE Performance Measures Validity and Reliability

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**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.

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## Exhibit IV - CSE Performance Measures Validity and Reliability

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**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 current source for the data is the Child Support Enforcement (CSE) Decision Support System (DSS), a data repository built upon weekly data extracts from the FLORIDA system. The implementation of the Child Support Automated Management System (CAMS) Phase II is planned for early 2012. CAMS specification identity Z040Q02119 will serve as the primary data source for this measure after implementation. Additional information from the State Disbursement Unit Repository (SDUR) system is also used in computing this measure.

**Methodology:**

This is an output measure reflecting 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/CAMS) as well as the number of collections for the non-IV-D cases (SDUR). It describes the number of cases that received 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.

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## Exhibit IV - CSE Performance Measures Validity and Reliability

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**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 current source for the data is the Child Support Enforcement (CSE) Decision Support System (DSS), a data repository built upon weekly data extracts from the FLORIDA system. The implementation of the Child Support Automated Management System (CAMS) Phase II is planned for early 2012. CAMS specification identity Z040Q02119 will serve as the primary data source for this measure after implementation. 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.

**Methodology:**

This output measure 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.



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## Exhibit IV - CSE Performance Measures Validity and Reliability

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**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. The implementation of the Child Support Automated Management System (CAMS) Phase II is planned for early 2012. CAMS specification identity Z040Q02119 will serve as the primary data source for this measure after implementation.

**Methodology:**

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 a person seeking support services that has applied for, but has 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 Cash Assistance or (2) entitled to foster care maintenance payments under the Social Security Act.

**Former Assistance:** A case where the children formerly received Temporary Cash Assistance 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 Temporary Cash Assistance 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.

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## Exhibit IV - CSE Performance Measures Validity and Reliability

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**IV-D Case:** A parent (mother, father, or alleged 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.

**Non-jurisdiction:** A case that involves an individual over whom the agency has no civil jurisdiction available to pursue or effect 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 person ordered to pay support must pay. 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 person from whom support is sought. 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 affects 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.

**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. The implementation of the Child Support Automated Management System (CAMS) Phase II is planned for early 2012. CAMS specification identity Z040Q02119 will serve as the primary data source for this measure after implementation.

**Methodology:**

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 an order (DOR-Administrative or Judicial). 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 alleged fathers, administrative and judicial actions, 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 father. 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 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.

Currently, the CSE paternity data is provided electronically every week via an interface with the Department of Health, Office of Vital Statistics. This arrangement allows the data to load directly from the official record keeper for all children born in Florida (DOH-OVS) to the FLORIDA system. Under CAMS in 2012, the interface will increase to a daily download. This enhancement will lead to more timely case processing.

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.

**Department: Revenue**

**Program: Child Support Enforcement**

**Service/Budget Entity: Child Support Establishment**

**Measure: Total Number of Established and Modified Orders**

**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 current source for the data is the Child Support Enforcement (CSE) Decision Support System (DSS), a data repository built upon weekly data extracts from the FLORIDA system. The implementation of Child Support Automated Management System (CAMS) Phase II is planned for early 2012. CAMS specification identity Z040Q02119 will serve as the primary data source for this measure after implementation.

**Methodology:**

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 when the modified order establishes an obligation for the person ordered to pay support to provide for a child or children who were not previously covered by the original support order. This measure does not include judgments under state law that create a debt owed to the state by the person ordered to pay support when cash assistance was 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

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## Exhibit IV - CSE Performance Measures Validity and Reliability

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Administrative Support Order process is dependent upon the number of persons from who support is sought 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 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.

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## Exhibit IV - CSE Performance Measures Validity and Reliability

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**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." The implementation of the Child Support Automated Management System (CAMS) Phase II is planned for early 2012. CAMS specification identity Z040Q02119 will serve as the primary data source for this measure after implementation.

**Methodology:**

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 person ordered to receive support on a regular basis as stated in the support order

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.

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## Exhibit IV - CSE Performance Measures Validity and Reliability

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**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.

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## Exhibit IV - CSE Performance Measures Validity and Reliability

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**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 current source for the data is the Child Support Enforcement (CSE) Decision Support System (DSS), a data repository built upon weekly data extracts from the FLORIDA system. The implementation of the Child Support Automated Management System (CAMS) Phase II is planned for early 2012. CAMS specification identity Z040Q02119 will serve as the primary data source for this measure after implementation. Additional information is received from 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 person ordered to receive support on a regular basis as stated in the support order

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 person ordered to pay support 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



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## Exhibit IV - CSE Performance Measures Validity and Reliability

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Financial Refunds:	Distribution from Account 91
Dispute Resolution:	Informal and formal considerations of disputed collections for an obligated case
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.

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## Exhibit IV - CSE Performance Measures Validity and Reliability

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**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  
Past Due Notice 1 – ZPN1  
Past Due Notice 2 – ZPN2  
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  
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

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## Exhibit IV - CSE Performance Measures Validity and Reliability

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Real Property Lien – ZRPL  
Personal Property Lien – ZAPP  
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.

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## Exhibit IV – GTA Performance Measures Validity and Reliability

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**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.

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## Exhibit IV – GTA Performance Measures Validity and Reliability

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**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.

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## Exhibit IV – GTA Performance Measures Validity and Reliability

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**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.

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## Exhibit IV – GTA Performance Measures Validity and Reliability

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**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 25<sup>th</sup> 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.

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## Exhibit IV – GTA Performance Measures Validity and Reliability

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**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.



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## Exhibit IV – GTA Performance Measures Validity and Reliability

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**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.

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## Exhibit IV – GTA Performance Measures Validity and Reliability

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**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.

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## Exhibit IV – GTA Performance Measures Validity and Reliability

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**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.

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## Exhibit IV – GTA Performance Measures Validity and Reliability

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**Department:** Revenue  
**Program:** General Tax Administration  
**Service:** Tax Processing  
**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.

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## Exhibit IV – GTA Performance Measures Validity and Reliability

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**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.

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## Exhibit IV – GTA Performance Measures Validity and Reliability

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**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.

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## Exhibit IV – GTA Performance Measures Validity and Reliability

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**Department:** Revenue  
**Program:** General Tax Administration  
**Service:** Taxpayer Aid  
**Activity:** Taxpayer Assistance  
**Measure:** Number of calls answered by Call Center Agents

**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 incoming calls answered in the taxpayer assistance call center. The incoming call reports are captured and maintained on the Automated Call Distribution system as well as the Mosaix call-center system.

**Validity:**

This measure describes the level of all activity associated with the GTA Taxpayer Assistance Call Center. It counts every agent-answered call and is therefore a fully accurate representation of this process's output.

**Reliability:**

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.

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## Exhibit IV – GTA Performance Measures Validity and Reliability

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**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



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## Exhibit IV – GTA Performance Measures Validity and Reliability

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**Department:** Revenue  
**Program:** General Tax Administration  
**Service:** Compliance Determination  
**Activity:** Determine Filing Compliance  
**Measure:** Number of Filing Compliance Exams Completed and 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 bills and notices of delinquency issued for all taxes. The data source for all taxes is an extract of the SAP R-3 (financial system) transaction data for all tax returns processed for which a filing compliance notice (bills for additional liability and notices of delinquency) was issued.

**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.

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## Exhibit IV – GTA Performance Measures Validity and Reliability

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**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.

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## Exhibit IV – GTA Performance Measures Validity and Reliability

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**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 are captured and maintained in the SUNTAX Audit Case Management 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.

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## Exhibit IV – GTA Performance Measures Validity and Reliability

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**Department:** Revenue  
**Program:** General Tax Administration  
**Service:** Compliance Determination  
**Activity:** Discover Unregistered Taxpayers  
**Measure:** Number of Discovery Examinations 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 Discovery Case Management System of SUNTAX 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.

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## Exhibit IV – GTA Performance Measures Validity and Reliability

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**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.

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## Exhibit IV – GTA Performance Measures Validity and Reliability

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**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.

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## Exhibit IV – GTA Performance Measures Validity and Reliability

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**Department:** Revenue  
**Program:** General Tax Administration  
**Service:** Receivables Management  
**Activity:** Collect Identified Liabilities  
**Measure:** Percent of collection cases resolved 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:**

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. For the calculation of the year-to-date total, the numerator is the sum of each measured month's cases cleared within 90 days, and the denominator is the sum of the total cases initiated for each month. 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.

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## Exhibit IV – GTA Performance Measures Validity and Reliability

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**Department:** Revenue  
**Program:** General Tax Administration  
**Service:** Receivables Management  
**Activity:** Collect Identified Liabilities  
**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 arising from notices sent to taxpayers informing them of unpaid liabilities. 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.



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## Exhibit IV – GTA Performance Measures Validity and Reliability

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**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.

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## Exhibit IV – GTA Performance Measures Validity and Reliability

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**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.

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## Exhibit IV – GTA Performance Measures Validity and Reliability

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**Department:** Revenue  
**Program:** General Tax Administration  
**Service:** Compliance Determination  
**Activity:** Resolve Audit Disputes  
**Measure:** Number of Audit 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 audit-related disputes completed by the Dispute resolution Sub process in the Office of the General Counsel. 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 audit disputes where an audit's results were formally appealed or litigated through the Office of the General Counsel. Since all disputes resolved are included in the measure, it is a valid measure of the outputs of this process.

**Reliability:**

All data for this measure is drawn directly from the General Counsel's Case Management System (CMS). 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.

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## Exhibit IV – PTO Performance Measures Validity and Reliability

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**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%.

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## Exhibit IV – PTO Performance Measures Validity and Reliability

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**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.

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## Exhibit IV – PTO Performance Measures Validity and Reliability

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**Department:** Revenue  
**Program:** Property Tax Oversight  
**Service:** Property Tax Compliance Determination  
**Activity:**  
**Measure:** Statewide Level of Assessment for Real Property

**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 Determination Core Process. As such, this measure provides an indication of the program's performance in meeting the needs of its stakeholders, including taxpayers and local governments. This measure provides an indication of compliance by the property appraisers with the just value standard of property and assessment uniformity of property in all counties submitting tax rolls. This measure is calculated by taking the average of the weighted (just value) overall level of assessment for each county.

Each county's level of assessment is calculated by taking the property appraiser's aggregate just value for their entire county as the numerator and dividing it by our estimate of the aggregate just value for the entire county as the denominator. We determine each county's aggregate just value by using qualified sales and appraisals.

All of the data necessary to calculate this measure are available through the tax rolls submitted by the property appraisers on or about July 1 of each year, qualified sales information that we receive from the Clerk of Courts filings and MLS sales listings, and field/ contract appraisal work that is conducted throughout the year.

**Validity:**

This measure represents the overall performance of the property appraisers. 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%.

**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.

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## Exhibit IV – PTO Performance Measures Validity and Reliability

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**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.

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## Exhibit IV – PTO Performance Measures Validity and Reliability

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**Department:** Revenue  
**Program:** Property Tax Oversight  
**Service:** Property Tax Compliance Determination  
**Activity:** Real Property Roll Evaluation and Approval  
**Measure:** Number of Parcels Studied for the In-Depth Level of Assessment

**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 parcels studied for the in-depth level of assessment refers is provided in the Statewide Report 2.11 produced by the Oracle system. This measure is calculated by taking the sum of parcels with a current year appraisal or qualified sale used to develop the county level of assessment.

A qualified sale is defined as a transaction where neither buyer nor seller faces any undue burden and the transaction is considered “arms-length” (i.e. neither party is related and the price settled upon is reflective of market value; not influenced by any familial or other personal ties.

**Validity:**

While this measure only reports the output of the in-depth roll approval process, it focuses on the Department’s statutory requirements (Chapter 195.096, F.S.). However, in the future, this output measure will be broadened to include parcels studied during the non-in-depth process.

**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.



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## Exhibit IV – PTO Performance Measures Validity and Reliability

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**Department:** Revenue  
**Program:** Property Tax Oversight  
**Service:** Property Tax Compliance Determination  
**Activity:** Budget Compliance  
**Measure:** Number of Budget Submissions and Amendments Reviewed

**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 annual budgets for all of Florida's property appraisers and 51 of 67 Florida's tax collectors (51 of 67 Florida tax collectors are fee-based). This is measured by recording each budget submission and amendment received and reviewed by Budget Compliance section. It begins with the design, development, and electronic distribution of budget forms and instructions to the property appraisers and tax collectors. These forms are updated each year to reflect current rules and circumstances. The property appraisers and tax collectors complete these forms and submit their requests by June 1<sup>st</sup> of each year. By July 15<sup>th</sup>, a preliminary budget must be provided by the Department to the property appraiser or tax collector with copies to their Board of County Commissioners. During the next 30 days, both the official and the Board of County Commissioners have the opportunity to provide additional information or justification for further changes. By August 15<sup>th</sup>, a final budget is approved and provided to the property appraiser or tax collector and their Board.

**Validity:**

The measure reflects the major activities carried out by Budget Compliance as statutorily required (Chapter 195.087, F.S.) and provides an indicator of the output of this activity. By performing this activity, uniform and equitable execution of state laws and statutes can be assured at the local level.

**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.

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## Exhibit IV – PTO Performance Measures Validity and Reliability

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**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.

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## Exhibit IV – PTO Performance Measures Validity and Reliability

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**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.

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## Exhibit IV – PTO Performance Measures Validity and Reliability

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**Department:** Revenue  
**Program:** Property Tax Oversight  
**Service:** Property Tax Compliance Assistance  
**Activity:**  
**Measure:** Percent of users of PTO Compliance 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 compliance assistance products and services. This core business process or service provides numerous compliance assistance products and services primarily to the local governments and taxpayers.

These products and services take several forms:

- Certification and training of county officials
- Central assessments of railroad and private car line property
- Digital mapping and aerial photography support
- Responding to question and inquiries from local officials and taxpayers
- Publishing property tax data
- Certifying school taxable values
- Providing assistance to Value Adjustment Boards
- Compiling information to support distributions to fiscally-constrained counties

Additional compliance assistance products and services are provided by the Budget Compliance and TRIM Compliance units as they assist county officials with compliance issues.

Local governments and taxpayers are surveyed 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 from local governments and taxpayers provides the program with an indication of each group's perceptions of its compliance assistance products and services. This feedback is used to improve the design and delivery of compliance assistance products and services with the goal of improving ultimate compliance. Currently training, certification and value adjustment board participants are systematically surveyed for customer satisfaction. Other methods of collecting customer satisfaction are being designed and will be in place in the future. Until then, interim feedback is collection from local officials and taxpayers to identify improvement opportunities.

**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.

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## Exhibit IV – PTO Performance Measures Validity and Reliability

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**Department:** Revenue  
**Program:** Property Tax Oversight  
**Service:** Property Tax Compliance Assistance  
**Activity:** Certification and Training  
**Measure:** Number of Student Training Hours Provided to Local Governments

**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 compliance assistance services to county property appraisers and tax collectors (and their staffs) by conducting training to upgrade 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 compliance assistance services authorized in section 195.002, Florida Statutes, where the Department is required to conduct training to upgrade the assessment skills of both state and local assessment personnel. Therefore, this activity output provides a direct reporting of the Department of Revenue's efforts to provide the services to maintain and improve the assessment skills of all public property tax assessment personnel in the state. As well as measuring the efforts to maintain and improve the collection skills of local 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.

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## Exhibit IV – PTO Performance Measures Validity and Reliability

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**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.

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## Exhibit IV – PTO Performance Measures Validity and Reliability

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**Department:** Department of Revenue  
**Program:** Property Tax Oversight  
**Service:** Property Tax Compliance Assistance  
**Activity:** Technical Assistance  
**Measure:** Number of Inquiries from Local Governments and Taxpayers Answered

**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 technical assistance services in the form of consultation on technical issues to local governments and taxpayers. Technical assistance is defined as

- 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 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.
- Provide technical information and consultation (administrative or analytical) to Value Adjustment Boards and taxpayers with valuation issues.

Each request for services or information is tracked using a central inquiry system within the program. Each inquiry is logged and the subsequent response is recorded. This measure is intended to quantify the resources invested in consultation activities and identifies areas for improvement in communication, forms, and procedures.

**Validity:**

This LRPP measure provides an activity indicator of the technical 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.

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## Exhibit IV – PTO Performance Measures Validity and Reliability

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**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.



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## Exhibit IV – PTO Performance Measures Validity and Reliability

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**Department:** Revenue  
**Program:** Property Tax Oversight  
**Service:** Property Tax Compliance Assistance  
**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.

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## Exhibit IV – PTO Performance Measures Validity and Reliability

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**Department:** Department of Revenue  
**Program:** Property Tax Oversight  
**Service:** Property Tax Compliance Assistance  
**Activity:** Mapping Assistance  
**Measure:** Number of Square Miles Mapped Annually

**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 activity is responsible for the mapping and imaging of all land in Florida. The state is mapped using aerial photography on a three-year cycle. A database and spreadsheets are maintained in order to detail: the square miles of land mapped, the cost of the aerial photography / mapping, and a schedule of when and where government agencies and private contractors will photograph and map their assigned sections of land.

The Department coordinates mapping activities with the Florida Department of Transportation, Department of Environmental Protection, and various Federal agencies. The square miles mapped by each agency/contractor for the fiscal year is summed. By combining resources and coordinating with other State and Federal agencies, this activity is able to receive maps, images, and data with a high level of efficiency.

**Validity:**

This measure reports the total square miles mapped in each year of the three year cycle and reflects the efforts of the department to most efficiently use state resources by combining efforts with other state and federal agencies. This activity is necessary to ensure that all properties are reflected on the tax rolls. As well as provided other agencies with critical information used for enforcement, disaster preparedness, emergency management, transportation planning and environmental protection activities pursuant to State laws, statutes, and rules.

**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.

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## Exhibit IV – PTO Performance Measures Validity and Reliability

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**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.



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

<b>LRPP Exhibit V: Identification of Associated Activity Contributing to Performance Measures</b>		
<b>Measure Number</b>	<b>Approved Performance Measures for FY 2010-11 (Words)</b>	<b>Associated Activities Title</b>
		<b>PROGRAM: CHILD SUPPORT ENFORCEMENT PROGRAM</b>
		<b>CASE PROCESSING</b>
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
		<b>REMITTANCE AND DISTRIBUTION</b>
3	Total number of collections processed	PROCESS SUPPORT PAYMENTS
4	Total number of collections distributed	DISTRIBUTE SUPPORT PAYMENTS
		<b>ESTABLISHMENT</b>
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
		<b>COMPLIANCE</b>
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

<b>LRPP Exhibit V: Identification of Associated Activity Contributing to Performance Measures</b>		
<b>Measure Number</b>	<b>Approved Performance Measures for FY 2010-11 (Words)</b>	<b>Associated Activities Title</b>
		<b>PROGRAM: GENERAL TAX ADMINISTRATION PROGRAM</b>
		<b>TAX PROCESSING</b>
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
	Number of refund claims processed	REFUND TAX OVERPAYMENTS
		<b>TAXPAYER AID</b>
12	Number of individual educational contacts made	EDUCATE TAXPAYERS
13	Number of taxpayers provided with assistance	ASSIST TAXPAYERS
		<b>COMPLIANCE DETERMINATION</b>
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
		<b>COMPLIANCE RESOLUTION</b>
19	Number of collection cases resolved	COLLECT IDENTIFIED LIABILITIES
20	Number of disputes resolved	RESOLVE DISPUTES

<b>LRPP Exhibit V: Identification of Associated Activity Contributing to Performance Measures</b>		
<b>Measure Number</b>	<b>Approved Performance Measures for FY 2010-11 (Words)</b>	<b>Associated Activities Title</b>
		<b>PROGRAM: PROPERTY TAX OVERSIGHT PROGRAM</b>
		<b>COMPLIANCE DETERMINATION</b>
21	Number of in-depth classes studied with a statistically valid sample	DETERMINE REAL PROPERTY ROLL COMPLIANCE
22	Number of refund/tax certificate applications processed	REVIEW REFUNDS/TAX CERTIFICATES/TAX DEEDS
23	Number of taxing authority TRIM compliance packages reviewed and evaluated for compliance	DETERMINE TRIM COMPLIANCE
24	Number of property appraiser and tax collector budgets reviewed	VERIFY BUDGET COMPLIANCE
		<b>COMPLIANCE ASSISTANCE</b>
25	Number of student training hours provided	PROVIDE INFORMATION (TRAINING)
26	Number of inquires from taxpayers and local governments answered	PROVIDE AID AND ASSISTANCE
27	Number of railroad and private carlines centrally assessed	CENTRAL ASSESSMENT OF RAILROADS
28	Number of square miles mapped using aerial photography	GEOGRAPHIC INFORMATION SYSTEMS

REVENUE, DEPARTMENT OF		FISCAL YEAR 2009-10				
SECTION I: BUDGET		OPERATING		FIXED CAPITAL OUTLAY		
TOTAL ALL FUNDS GENERAL APPROPRIATIONS ACT			583,359,541	0		
ADJUSTMENTS TO GENERAL APPROPRIATIONS ACT (Supplementals, Vetoes, Budget Amendments, etc.)			-27,549,884	0		
FINAL BUDGET FOR AGENCY			555,809,657	0		
SECTION II: ACTIVITIES * MEASURES		FTE	Number of Units	(1) Unit Cost	(2) Expenditures (Allocated)	(3) FCO
<i>Executive Direction, Administrative Support and Information Technology (2)</i>		455.00				0
Geographic Information Systems * Number of square miles mapped using aerial photography		14.00	16,850	102.88	1,733,496	
Central Assessment Of Railroads * Number of railroads and private car lines centrally assessed		5.00	282	1,956.16	551,638	
Determine Real Property Roll Compliance * Number of in-depth classes studied with a statistically valid sample		116.00	75	122,921.16	9,219,087	
Review Refunds/Tax Certificates/Tax Deeds * Number of refund/tax certificate applications processed		2.00	5,088	36.50	185,696	
Determine Trim Compliance * Number of taxing authority TRIM compliance packages reviewed and evaluated for compliance		8.00	6,450	88.18	568,729	
Verify Budget Compliance * Number or property appraiser and tax collector budgets reviewed		2.00	485	367.58	178,277	
Provide Information * Number of student training hours provided		7.00	17,441	50.26	876,589	
Provide Aid And Assistance * Number of inquiries from taxpayers and local governments answered		22.00	26,504	76.98	2,040,332	
Maintain Child Support Cases * Total number of cases maintained during the year		698.00	1,101,444	66.95	73,742,599	
Provide Education And Assistance * Total number of individual educational contacts and inquires answered		343.00	15,715,075	1.87	29,459,660	
Process Support Payments * Total number of collections processed		63.00	10,498,372	3.20	33,553,584	
Distribute Support Payments * Total number of collections distributed		0.00	9,786,272	1.44	14,062,497	
Establish Paternity * Total number of paternities established and genetic testing exclusions		183.00	100,158	330.34	33,086,592	
Establish And Modify Support Orders * Total number of newly established and modified orders		381.00	49,090	1,042.86	51,194,123	
Determine Compliance With Support Orders * Total number of obligated cases identified for compliance resolution		89.00	660,923	20.66	13,651,554	
Resolve Compliance Discrepancies * Total number of actions processed during the year		555.00	3,159,769	17.10	54,029,912	
Manage Accounts * Number of accounts maintained		104.00	1,371,314	6.03	8,274,257	
Process Returns And Revenue * Number of tax returns processed		253.50	9,279,820	2.17	20,168,501	
Account For Remittances * Number of distributions made		23.00	38,548	47.47	1,829,884	
Determine Filing Compliance * Number of filing compliance exams completed		104.50	1,554,512	5.14	7,984,431	
Select Cases For Tax Compliance Determination * Number of taxpayers selected for a tax compliance examination		55.00	33,271	126.31	4,202,333	
Perform Audits * Number of audits completed		778.50	19,837	2,998.54	59,482,100	
Discover Unregistered Taxpayers * Number of discovery examinations completed		143.00	12,516	872.97	10,926,063	
Investigate Criminal Tax Avoidance * Number of criminal investigations completed		66.00	918	5,493.24	5,042,798	
Collect Identified Liabilities * Number of collection cases resolved		332.50	1,355,164	17.87	24,222,538	
Refund Tax Overpayments * Number of refund claims processed		78.00	135,144	42.05	5,682,279	
Resolve Disputes * Number of disputes resolved		160.00	245,226	47.53	11,655,957	
Educate Taxpayers * Number of individual educational contacts made		2.00	2,490,500	0.06	161,672	
Assist Taxpayers * Number of taxpayers provided with assistance		135.00	1,720,917	6.34	10,912,820	
TOTAL		5,178.00			488,679,998	
SECTION III: RECONCILIATION TO BUDGET						
PASS THROUGHS						
TRANSFER - STATE AGENCIES						
AID TO LOCAL GOVERNMENTS					38,563,170	
PAYMENT OF PENSIONS, BENEFITS AND CLAIMS						
OTHER						
REVERSIONS					27,437,533	
TOTAL BUDGET FOR AGENCY (Total Activities + Pass Throughs + Reversions) - Should equal Section I above. (4)					554,680,701	

### 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.



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ACTIVITY ISSUE CODES SELECTED:

TRANSFER-STATE AGENCIES ACTIVITY ISSUE CODES SELECTED:

1-8:

AID TO LOCAL GOVERNMENTS ACTIVITY ISSUE CODES SELECTED:

1-8: ACT2300 ACT3350 ACT4200

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

\*\*\* NO ACTIVITIES FOUND \*\*\*

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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 \*\*\*

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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.)

\*\*\* NO ACTIVITIES FOUND \*\*\*

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TOTALS FROM SECTION I AND SECTIONS II + III:

DEPARTMENT: 73	EXPENDITURES	FCO
FINAL BUDGET FOR AGENCY (SECTION I):	555,809,657	
TOTAL BUDGET FOR AGENCY (SECTION III):	554,680,701	
DIFFERENCE:	1,128,956	
(MAY NOT EQUAL DUE TO ROUNDING)	=====	=====

The Department was appropriated \$1,234,000 on June 3, 2010 to implement the Tax Amnesty program. The Legislature authorized the re-appropriation of any unspent funds in FY 2010-11. The Department expended \$105,037 before June 30, 2010. The Amount of \$1,128,963 was re-appropriated on July 1, 2010. These funds were neither spent nor reverted and therefore; are listed as a "difference". The remaining \$7 is 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 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 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.

**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.

- **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

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## Appendix - Glossary

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of its mission and vision.

**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**

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## Appendix- Acronyms

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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

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## Appendix- Acronyms

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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