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October 1, 2012

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Senate Budget Committee  
201 Capitol  
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Dear Directors:

The Department of Revenue's Long Range Program Plan is submitted in accordance with Chapter 216, Florida Statutes, and in the format prescribed in the budget instructions. The information provided electronically and contained herein is a true and accurate presentation of our mission, goals, objectives and measures for Fiscal Years 2013-14 through 2017-18. The plan is posted on the Florida Fiscal Portal and on our website, with a link on the "About Us" page ([http://dor.myflorida.com/dor/about\\_us.html](http://dor.myflorida.com/dor/about_us.html)). As interim executive director of the Department of Revenue, I have approved this plan, pending review and approval by the Governor and Cabinet.

This Long Range Program Plan explains how we plan to continue increasing our efficiency and effectiveness to optimize our contribution to the economic well-being of the state, its businesses and citizens. On behalf of all Revenue employees, thank you for your support of our efforts to serve our customers and our state.

If you have any comments or questions, please call Lia Mattuski, Director of Financial Management (850-717-7059) or me (850-617-8950).

Sincerely,

*Marshall Stranburg*

Marshall Stranburg  
Interim Executive Director

# Long Range Program Plan

FY 2013-14 through FY 2017-18



## FLORIDA Department of Revenue

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## 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 is committed to the following 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 2013-14	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18
48.6%	54.5%	55.0%	55.5%	56.0%	56.0%

#### *General Tax Administration (GTA)*

GTA 1A:

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

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

FY 2010-11 (Baseline Actual)	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18
88.0%	89.0%	90.0%	91.0%	92.0%	92.0%

*\*Although the outcome measure has been maintained since FY 2004-05, FY 2010-11 is now referenced as baseline actual based on methodology change in FY 2010-11.*

#### *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 2013-14	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18
96.8%	97.0%	97.1%	97.2%	97.3%	97.4%

**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 2013-14	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18
17.0%	15.0%	15.0%	14.5%	14.0%	14.0%

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 2013-14	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18
48.9%	76.5%	77.5%	78.0%	78.5%	79.0%

*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 2011-12 (Baseline Actual)	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18
72.0%	72.0%	72.0%	72.0%	72.0%	72.0%

*\*Due to a methodology change in FY 2011-12 data presented for future years is estimated. The Department will update this goal once additional information is available in December 2012.*

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 2013-14	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18
60.0%	60%	60%	60%	60%	60%

*\*Due to the implementation of Collection Analytics the data presented for future years is estimated. The Department will update this goal once additional information is available in December 2012.*

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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 2013-14	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18
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 25 days.

FY 2004-05 (Baseline Actual)	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18
Unavailable	99.0%	99.0%	99.0%	99.0%	99.0%

*\*Approved new measure as of FY 2011-12 with standard change from 30 days to 25 days.*

*Property Tax Oversight (PTO)*

PTO 3A:

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

Outcome: Percent of users of PTO Compliance Assistance satisfied with the services provided.

FY 2004-05 (Baseline Actual)	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18
90.0%	95.0%	96.0%	96.0%	96.0%	96.0%



### How do Department goals link to the Governor's seven priorities?

As the state's primary revenue collection department, the Department of Revenue's purpose is to collect and distribute the revenue that funds the state's needs including the collection and distribution of child support payments. Our goals are directly linked to the accomplishment of several of the Governor's priorities.

	<b>Governor's Priorities</b>	<b>DOR's Programs/Goals</b>
1	Accountability budgeting	Goal #2: Increase productivity and reduce costs
2	Reduce government spending	Goal #2: Increase productivity and reduce costs
3	Regulatory reform	Goal #1: Increase voluntary compliance Goal #2: Increase productivity and reduce costs
4	Focus on job growth and retention	Goal #1: Increase voluntary compliance
5	World class education	N/A
6	Reduce taxes	Property Tax Oversight ensures fair and equitable administration of Florida's local property tax system, which provides the funding for public education programs.
7	Phase out Florida's Corporate Income Tax over seven years	General Tax Administration ensures that state taxes are administered fairly and uniformly.

## **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" describe 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 (TANF) 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. 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 revenues 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, reemployment tax (formerly known as unemployment tax), and insurance premium tax. Revenue is responsible for registering taxpayers and processing tax payments, and distributing revenue to state and local governments. The General Tax Administration Program provides taxpayer assistance through its call center, service centers, and website, including web-based tutorials; and uses collection, audit, dispute resolution, and investigations to bring taxpayers into compliance with the law.

Businesses are Revenue's primary 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, by assisting taxpayers, and by 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).

# Trends and Conditions

## Department of Revenue Programs, Functions, and Outcomes

Program & Purpose	Primary Functions	Outcomes
<b>Child Support Enforcement</b>		
To help children get the financial support they need when it is not received from one or both parents	<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>Total child support collected and distributed to Florida families was \$1.61 billion in SFY 2011-12, a 2.1% increase from SFY 2010-11's total of \$1.58 billion.</p>
<b>General Tax Administration</b>		
To collect and distribute state taxes and fees accurately and efficiently  <i>Revenue administers 32 taxes and fees.</i>	<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 and 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 approximately \$33.8 billion in FY 2011-12. Revenue also processed approximately \$4.3 billion in receipts for other state agencies.</p>
<b>Property Tax Oversight</b>		
To ensure fair and equitable administration of Florida's local property tax system	<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 Florida's 644 local 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 and 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>• Property tax rolls in compliance with constitutional and statutory standards.</li> <li>• Millage levies in compliance with constitutional and statutory standards.</li> <li>• Local officials trained and in compliance with property tax laws and standards.</li> </ul> <p>In 2011, Florida's local governments and taxing authorities levied more than \$24.4 billion in property taxes on 9.9 million parcels of real and tangible personal property, with a total market value of \$1.85 trillion. Statewide average level of assessment was 99.4%.</p>
<b>Executive Direction and Support Services</b>		
To lead the Department to increased effectiveness and cost efficiency, and better service to the state of Florida  To provide support services that help each program reach its goals	<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 agency wide 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>• Efficient use of resources and accurate accounting.</li> <li>• An engaged and committed workforce.</li> <li>• Emergency preparedness.</li> </ul>
<b>Information Services</b>		
To provide technology services to enable the Department to operate efficiently and effectively	<ul style="list-style-type: none"> <li>• Provide, manage, and maintain computer systems.</li> <li>• Select, implement, and support software solutions to meet the needs of the Department.</li> <li>• Provide information and support the effective use of technology resources by Revenue employees.</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 and effective information systems.</li> <li>• Increased efficiency in carrying out Revenue's responsibilities.</li> </ul>

## Results

Throughout State Fiscal Year (FY) 2011-12, the Department of Revenue continued applying the following principles to increase productivity without increasing cost:

- Emphasis on functions that support our core mission
- Cyclical strategy development based on employee input
- Decision-making based on measurement and analysis
- Streamlining of processes
- Efficient resource allocation
- Realizing increased productivity through automation

Our accomplishments and external recognition through the end of FY 2011-12 include the following.

### ***Child Support Enforcement***

#### **New automated child support enforcement system completed**

In early 2012, Revenue completed its multi-year project to develop a new automated system for managing child support cases and automating routine child support activities. The new Child Support Automated Management System (CAMS) was built using an off-the-shelf suite of business software, making it more flexible and upgradable. As technology evolves and as state or federal laws create new requirements, CAMS can be configured to incorporate those changes.

The chief benefit of CAMS is to eliminate the manual performance of routine tasks, carrying out these activities automatically. Not only will the Department complete more of these routine actions leading to the collection of child support, but also child support specialists will have more time to assist customers directly and to focus on complex activities that can further increase effectiveness. Time saving features of CAMS include:

- Automatic performance of activities that were formerly performed manually
- Intelligent data flow based on programmable business rules
- Automated workflow
- User-friendly graphical interface
- “Near real-time” processing for some data instead of batch processing

#### **First in the nation in increasing collections**

For Federal Fiscal Year (FFY) 2011 (ending September 30, 2011), Florida's Child Support Enforcement Program collected and distributed \$1.63 billion, an increase of 10.1 percent over the prior year, while the eight other largest states (in population) realized a 3.1 percent increase and the nation as a whole increased by 2.8 percent. Florida's percentage growth in distributed collections was the highest in the nation.

Child Support Enforcement		
Percentage Increase in Collections FFY 2010 – FFY 2011		
Florida	Large States	All States
10.1 %	3.1 %	2.8 %

**\$1.61 billion collected in FY 2011-12**

The Child Support Enforcement Program collected and distributed \$1.61 billion in State Fiscal Year 2011-12, an increase of 2.1 percent over the previous year.

**Web chat customer service initiated**

The Department of Revenue received a federal grant to implement web chat technology for child support customer service, offering customers a new communication method with the Department. Software was selected and modified to meet the Department's security and confidentiality requirements. All information entered into the system is Secure Socket Layer encrypted.

On May 15, 2012, the child support program launched the two-year web chat pilot—one of the first statewide online chat programs to be implemented by a child support agency. Web chat enables child support customer representatives to respond in real time. Representatives can serve more customers than by phone, since they can maintain chats with several customers simultaneously. Customer response has been positive, and before the two-year pilot concludes the Department will evaluate whether to continue using the web chat technology.

**e-Services expansion**

The Department expanded the child support e-Services portal to enable more customers to access their account information online. Customers who use e-Services can get the information they need instantly, at any time of the day or night. When customers use e-Services instead of calling or visiting a local office, our staff can respond to other customers more quickly. In July of 2011 the e-Services portal was visited by 67,035 unique visitors. In July of 2012 that number rose to 99,032 unique visitors.

**New service model improves service and decreases square footage needs**

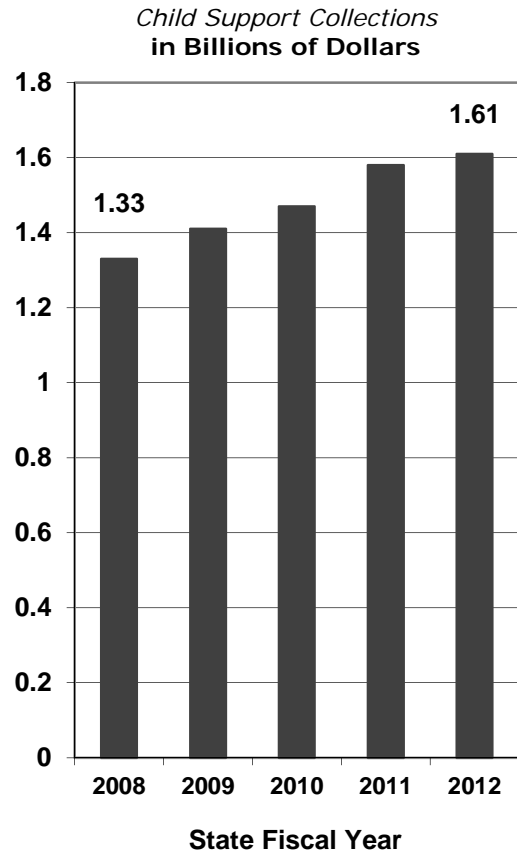
One of our strategies for improving child support customer service is the implementation of a new walk-in service delivery model. This approach to providing in-person service is based on an open floor plan with a walk-up counter, similar to a bank lobby or tax collector's office. The goal of the new service model is to serve customers more quickly. It will also decrease the amount of office space needed for walk-in services by an estimated four percent.

**Program office customer service team receives award from the federal government**

On September 14, 2011, the Federal Office of Child Support Enforcement recognized Revenue's program office customer service team for their excellent customer service. This team is being recognized by the federal government "for their tireless effort, hard work and consistent support of our customer service activities."

**Florida's Child Support Enforcement Program exceeds federal standards**

Each state is required to evaluate its child support enforcement program's performance annually to determine whether the state met the requirements established by the federal government. In the most recent assessment period, Florida's Child Support Enforcement Program met and exceeded all nine



federal standards as described in 45 CFR 308.2: Case Closure, Establishment of Paternity and Support Orders, Enforcement of Orders, Disbursement of Collections, Securing and Enforcing Medical Support Orders, Review and Adjustment of Orders, Intergovernmental Services, Expedited Processes (6-month), and Expedited Processes (12-month).

### **Electronic transfer of child support payments improves security and timeliness**

Florida is one of the top five states in the percentage of child support payments received electronically, with 70 percent of our collections received through Electronic Funds Transfer (EFT).

The Child Support Enforcement Program has also steadily increased the number of recipients who receive their payments by one of our e-disbursement methods – direct deposit, debit card, or electronic funds transfer (interstate payments). In Florida, 94 percent of child support is now sent by e-disbursement.

## ***General Tax Administration***

### **Major compliance campaigns promote a fair business environment**

Florida's businesses are Revenue's partners in tax collection by receiving and remitting most of the State's tax revenues. The Department helps ensure businesses performing this critical function are provided a level playing field by conducting compliance campaigns.

Revenue conducts periodic compliance campaigns for specific industry groups or tax types to ensure businesses within a group are paying the appropriate amount of tax. By analyzing data related to businesses in selected groups, the Department identifies individual businesses that may be obligated to pay tax but have not registered or are under-reporting. These businesses receive individualized letters that explain the tax for which they may be liable and request that they report their taxable activities.

In FY 2011-12, approximately \$40 million was collected through several major campaigns: the Commercial Vehicle Information Systems and Networks program (in collaboration with the Florida Department of Highway Safety and Motor Vehicles), Commercial Rentals, Boat Sales, Motor Fuel Collections, and Reemployment Tax. As a result of these campaigns, many businesses are now established on the path of accurate tax collection and reporting.

### **New compliance campaign helps to level the playing field**

Legislation passed in 2011 requires wholesalers and distributors of alcoholic beverages and tobacco products to submit reports to the Department on sales to retailers in Florida. The purpose of these reports is to identify Florida retailers that are underreporting sales and use tax, gaining an unfair competitive advantage over businesses that are collecting and paying the right amount of tax. The Department compares the retailers' wholesale purchases of alcohol and tobacco products with the amount of sales reported by the retailer. The passage of this law and the cooperation of wholesalers have provided an efficient method for ensuring the integrity of the sales tax collected and submitted by the retail industry.

The first campaign based on these reports was conducted in early 2012. The Department selected approximately 200 retailers that appeared to be underreporting gross sales and sent letters asking them to correct their filings as appropriate. Almost half of these retailers have since increased the amount of sales tax they report and pay by an average of 67%, resulting in additional collections of almost \$300 thousand in the last two months of FY 2011-12. The Department also issued estimated assessments of approximately one million dollars for past reporting periods.

### **Underpaid reemployment tax corrected**

In 2005, as required by a federal law, Florida passed legislation to identify and prevent SUTA dumping (state unemployment tax administration “dumping” of benefit charges). SUTA dumping is the practice of manipulating an employer’s experience rating through tax evasion schemes, such as transfers of workforce and payroll, restructuring, acquisitions, mergers and shell corporations.

In FY 2011-12, the Department collected more than \$3.5 million under this law, an increase of approximately 28 percent over last year’s collections. This law encourages businesses to pay their fair share of taxes and restores revenues to the trust fund, increasing the amount available for providing reemployment benefit payments.

### **Helping small business by auto-correcting tax period errors**

One of the most frequent errors on paper returns submitted by sales tax dealers is not indicating the correct filing period. When this error occurs, it may appear that a taxpayer is delinquent in submitting a return. As a result, a delinquency notice is automatically issued and the business has to contact the Department to resolve the error.

A group of Revenue employees recognized an opportunity to save small businesses time and money by developing a software program to auto-correct these common filing errors. As returns are filed, this program identifies returns that indicate a filing period for which a return has already been received, and returns that indicate a future filing period. The program then looks for a tax period for which a return is missing, and reapplies the incorrectly dated return to the missing tax period. From December 2011 through August 2012, the program auto-corrected over 36,000 returns, eliminating the need to mail over 20,000 delinquency notices.

### **Remote deposit improves security, gets money in the bank faster, and reduces costs**

Electronic deposit of checks from remote locations improves security, saves labor and postage costs, and increases the interest the State receives on tax payments. Revenue has implemented remote deposit of sales tax checks through Image Cash Letter technology at 23 in-state service centers and headquarters locations. Over 254,954 deposits (exceeding \$214.5 million) were processed in FY 2011-12 compared to 142,970 deposits (\$127.2 million) processed in FY 2010-11 using this technology. The State began earning interest on these funds four to five days earlier because checks were deposited on the day received instead of being bundled and mailed to Tallahassee for deposit.

### **Improved access to tax information**

Florida has established various tax credits, refunds, and incentives to promote business development and job creation. To make it easier for businesses to identify any programs for which they may be eligible, Revenue has compiled information on the new Tax Incentives web page:

[http://dor.myflorida.com/dor/taxes/tax\\_incentives.html](http://dor.myflorida.com/dor/taxes/tax_incentives.html).

Revenue has also modernized its online Tax Law Library, now known as the “Revenue Law Library,” by implementing new software that provides advanced search capabilities and easier access to all resources.

### **Integrated tax registration saves time for new businesses**

The Department of Revenue continues improving its customer interfaces to make it as easy as possible for businesses to understand and comply with their tax obligations. In July 2011, we replaced the existing tax registration system with a wizard application written in .net platform. The wizard asks new businesses questions to help them identify and register for the applicable taxes in one online session. The Department received over 126,000 new-business applications using the wizard during the fiscal year.

## Trends and Conditions

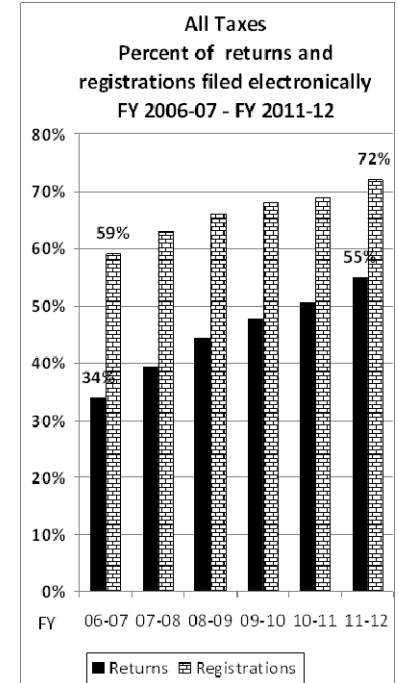
The wizard application can be leveraged to identify business requirements for other state agencies. The Department is working with several agencies to link their registration systems during the same online session and provide the framework for a one-stop registration system for businesses.

### More taxpayers submit information and payments electronically

Revenue continues to improve the e-services website to make interaction with the Department convenient and less time-consuming for businesses, and to encourage taxpayers to submit information and payments online. When taxpayers register, file, and pay electronically, errors and processing costs are reduced and tax payments are deposited into state bank accounts sooner.

In FY 2011-12, 72 percent of tax registrations were completed electronically, up from 69 percent the previous year. Fifty-five percent of registered sales tax filers filed and paid sales tax electronically during FY 2011-12, up from fifty-one percent in FY 2010-11.

Although only businesses that pay over \$20,000 of tax annually are required to file and pay electronically, Revenue encourages all taxpayers to use this method. Of all taxpayers who filed electronically in FY 2011-12, 74 percent did so voluntarily, up from 69 percent the previous year.



## Property Tax Oversight

### Equity and uniformity

With oversight and assistance from the Department, Florida's 67 county property appraisers continued to achieve a high statewide average level of assessment in 2012. Greater uniformity in assessments results in more equitable tax burdens across property types, and the appropriate amount of revenue for public schools and other vital services.

Statewide Average Level of Assessment			
2009	2010	2011	2012
96.8%	96.2%	99.4%	97.4%

### Reducing costs for state and local government

Since FY 2007-08, the annual General Revenue operating budget for Revenue's Property Tax Oversight program has been reduced by 17 percent. During the same time period, county property tax officials, with support from Revenue's implementation of time- and cost-saving online tools, have reduced their costs significantly. The result, statewide, is a recurring annual savings of approximately \$40 million and a decrease in total positions of 255.

The annual cost to the State of Florida for the Department of Revenue's oversight of the administration of property tax is less than 48 cents for every \$1,000 in local property taxes collected.

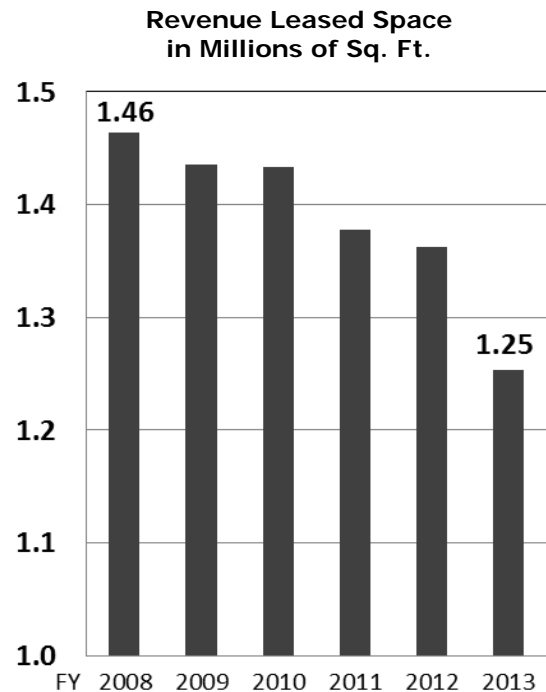


## Support Programs

### Reduced leasing cost

The Department has 46 offices in Florida and seven in other states. For most of these facilities, we have a five-year lease agreement with a private sector landlord. In FY 2010-11 through FY 2011-12, twenty-one of the Department's private sector leases expired. The total cost for these leases over the five years prior to their expiration was \$25 million. Using its centralized lease management process, the Department reduced square footage, moved or consolidated some offices, and negotiated lower rental rates. The replacement leases for these Revenue offices will cost \$14 million over the next five years, saving the Department \$11 million. This reduction will offset most of the overall annual rent escalation.

One component of Revenue's lease management process is an agency space calculator, which ensures cost-effective and consistent allocation of space throughout the Department. Total square footage leased by Revenue has been reduced by 14 percent since FY 2007-08.



### Decreased the Department's Purchasing Card risk exposure

The State's Visa Purchasing Card Program makes it easier for agencies to purchase the goods and services they need to operate, saving significant staff time. However, each Purchasing Card account also presents a potential financial risk to the State in the amount the cardholder is authorized to spend each month. The Department of Revenue has completed its first annual review of cardholders' spending limits using a formula that compares both monthly and single transaction limits to actual spending. Another formula uses actual spending to produce recommended spending limits for the cardholder. This information is provided to the supervisor, who considers likely future use and decides whether to change the cardholder's limits. Revenue's first application of this review process has resulted in a 46 percent decrease in the Department's total monthly Purchasing Card risk exposure while still maintaining the benefits provided by the use of the card.

### Department of Revenue receives Florida Exceptional Employer Award

The Department of Revenue was one of nine organizations state-wide to receive the 2012 Florida Exceptional Employer Award. This recognition is awarded by the Agency for Persons with Disabilities to organizations that demonstrate an exceptional commitment to hiring and retaining people with disabilities, including creating unique employment opportunities. Revenue was nominated by the Division of Blind Services and is the only state agency to receive this award.

### Personnel file conversion

The Department of Revenue completed the conversion of all of its paper personnel files to digital images. Over 5,000 files were scanned and stored in a secure database with limited access. Going forward, all personnel records will be saved as electronic documents. This conversion has decreased the work hours required to file and retrieve documents and reduced the amount of space needed for file rooms.

### **Recognition for quality information technology service**

The Florida Department of Revenue Information Services Program was awarded the ISO/IEC 20000 Certification in Information Technology Service Management. This international certification validates the information technology services and processes operated by Revenue as meeting recognized best practices. The certification is an internationally recognized standard for Information Technology Service Management. Revenue is the first public sector organization in the United States to earn this certification.

## 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 court orders based on judicial filings.
<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 reemployment 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>Department of Economic Opportunity</b>	Partner	Collaborate in the administration of reemployment 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 and their appeal rights.
<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.
<b>Department of Education &amp; 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	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 continues to recover from the longest and most severe recession in post–World War II history. Florida's economy began to decline as early as November 2007, a full year earlier than the nation as a whole. This decline was driven primarily by the real estate crisis, as a real estate boom of many years' duration in the state came to a sudden end.

The impact of the collapse of the real estate market can be seen in the amount of real estate–related tax collections. Local government property tax revenues have been adversely impacted by the fifth consecutive year of falling property values, with tax valuations dropping 24.7 percent for school purposes from 2007 to 2012. Collections of state taxes related to real estate, documentary stamp tax and mortgage intangibles tax, fell for three consecutive years, then stabilized in FY 2010-11 at only 30 percent of the revenues that were received in FY 2005-06. The level of documentary stamp tax collections in FY 2011-12, while 9.1% above 2010-11 amounts, compares to FY 1999-2000 collections in nominal terms.

As indicated by sales tax collections, much of the economic activity outside of the real estate market has stabilized as well, although also at substantially reduced levels compared to peak activity. For FY 2011-12, business investment has declined 19.2 percent from its FY 2006-07 high, the purchase of taxable durable goods is down 28.8 percent compared to FY 2005-06 peak activity, and automobile-related activity is down 29 percent compared to peak FY 2005-06 activity. On a more positive note, FY 2011-12 sales tax collections on tourism and recreation spending exceeded peak FY 2007-08 activity, and consumer nondurable taxable consumption exceeded peak FY 2006-07 activity. While certain categories are still down compared to the peak activity level, sales tax overall is showing significant year over year growth, up 5.1 percent in FY 2011-12 compared to the prior year (FY 2010-11).

Many of the state's tax sources are dependent on income and/or population growth. Personal income growth in Florida returned in FY 2010-11, after falling for back to back years in FY 2008-09 and FY 2009-10. The state has historically relied on population growth to bolster revenue collections. From FY 1993-94 to FY 2005-06, population growth in Florida exceeded two percent every year. However, the national recession was much more widespread throughout all regions of the U.S. than has typically been the case, and many 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—projections are for a 1.18 percent annual growth rate between 2010 and 2020.

Florida's continued recovery will be dependent on a number of factors including business expansion and the real estate recovery. While construction-related activity has shown some recovery in recent periods, it is not expected to return to normal activity levels until the marketplace has absorbed the large number of foreclosed homes, as well as those that are pending foreclosure.

Florida's current tax laws affect the ability of businesses in the state to fairly compete on price for similar products. Sales tax statutes that were predominantly written before 1950 do not contemplate such changes as movement from tangible goods to digitally delivered media, internet purchases, and remote reservation services. These marketplace changes are creating a shift in business activity from Florida's main street merchants, who employ Floridians and contribute to state and local tax bases.

While business activity has increased in recent periods and the unemployment rate has dropped, taxpayers and parents may continue to face difficulties in meeting their remittance obligations. In some cases, they may delay payment as they deal with financial stress. This puts an additional demand on the Department of Revenue's resources to maintain and improve compliance rates.

### **Social Trends**

In Florida during calendar year 2011, there were 101,466 births to unwed mothers. The Florida Department of Health's Office of Vital Statistics reported that 33,558 marriages were dissolved in 2011, affecting 53,525 minor children. The persistently high divorce rate and the number of births to unwed mothers suggest that the national and state trend of increased demand for child support services will continue.

### **Regulatory Environment**

A proposed constitutional amendment to limit assessment increases on non-homestead properties to five percent a year is scheduled to be on the November 2012 ballot. If the amendment is enacted, both local governments and the Department of Revenue will be required to devote resources to its implementation.

### **Resource Availability**

The economic conditions Florida has been facing and is forecasted 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.

Decreased 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
- identifying and eliminating services or activities of less value to citizens
- responding to emergency situations without additional resources

### **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 qualified individuals.

For some specialized Department of Revenue positions, it is already difficult to attract qualified applicants and retain current employees. When attempting to fill tax auditor positions in some regions, the Department is not able to offer competitive salaries. Because of high turnover in these positions and the difficulty in finding replacements, Revenue frequently does not have a full complement of trained, productive employees to perform the critical task of auditing. Other difficult-to-fill positions are in the fields of property appraisal and information technology.

Social and communication trends are evolving rapidly, creating significant differences in what workers expect from their employers and employment experiences. Many workers who are just entering the workforce have grown up with instant electronic communication not tied to a work or home location. They expect greater flexibility in their work schedules and work environments than previous generations.

As employers adjust to meet the needs and expectations of an influx of employees new to the workforce, economic conditions are keeping some seasoned workers in the workplace longer. To be successful, organizations must be flexible enough to attract and retain new workers while continuing to benefit from the contributions of longtime employees.

Although some employees plan to work longer because of economic conditions, others may choose to retire sooner because of changes to employment conditions or benefits. Currently, the Department of Revenue has 443 employees in the Deferred Retirement Option Program and approximately 1,000 employees (20 percent of our workforce) who will become eligible to retire within the next five years. Succession planning and knowledge transfer will be important to maintain continuity of operations and avoid losses in productivity as longtime employees retire and new employees take on their responsibilities.

### **Trends in State Government**

The Governor, Cabinet, and Legislature continue to look for ways to reduce state spending while maintaining key services. For several years, all agencies have been actively participating in the consolidation of information technology services. Another concept that has been under discussion is the centralization of administrative support functions that are common to all agencies.

In March 2012, the Governor designated a chief operating officer for the state. The chief operating officer is to take an enterprise-wide approach to improving agency productivity and reducing government bureaucracy. The current enterprise projects include: HR (human resources) performance improvement, HR shared services, real estate optimization, managed desktop mobility services, strategic sourcing, fleet management and vendor performance management. The Department is actively participating in a number of these initiatives to identify and implement efficiencies in state government.

In June 2012, the Government Efficiency Task Force presented recommendations for improving governmental operations and reducing costs. The recommendations of the task force cover a wide variety of topics ranging from state employee health insurance benefits to business regulation, enterprise information technology, and state procurement.

### **Technology Environment**

#### **Advances in Technology**

Information technology hardware and software are evolving so rapidly that organizations must constantly be alert to changes and trends that could benefit their operations. In addition to providing enhanced performance, new solutions often save money. Hardware components now available are smaller, perform better, and are much less expensive to purchase, operate, and maintain. The cost of new hardware can often be recouped within one year through the reduced cost of maintenance. Powerful and flexible off-the-shelf software packages can meet many business needs without extensive programming, enhancing employee productivity without creating a burden on information technology staff. These opportunities to reduce costs and increase productivity are especially important when resources are scarce.

#### **Trends in Internet Use**

Continuous access, self-service, and the use of social media have become the norm in customer expectations for both public and private sector services. 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.

### **Employee Focus**

While the past decade has reduced employee-delivered transactions in favor of customer self-service (such as interactive voice response), the focus is shifting to employees as the main agents of delivery and transformation of more complex services, such as web chat and utilization of social media. Bring Your Own Devices (BYOD) policies and mobile device management will be structured to take advantage of consumer preferences for media tablets and other devices. Software and tools supporting employee use of social media or cross-agency case management will become platforms to increase collaboration and integrate services produced by different agencies and jurisdictions.

### **Commoditization of Services**

To obtain greater economies of scale, governments have long sought to standardize and consolidate assets and processes. The greatest scale of economies comes not from standardization at the level of the individual government program or enterprise, but rather at the level of consumer tools and applications designed for extended user communities. The benefits of cloud computing continue to generate high levels of interest within government. A growing number of federal, state and local institutions are venturing into public cloud computing in areas like Customer Relationship Management (CRM), collaboration tools and email. Discussions are focusing on the nature, characteristics and sourcing models for government clouds, and organizations are sorting out distinctions between private cloud services and virtualization in government data centers. The shift to the cloud and shared services is forcing agencies to determine which services and activities are strategic and essential (to be maintained under close control) and which can be sourced to other entities.

### **Information Governance**

The need for information governance increases as the information collected and managed by government or licensed intermediaries and providers is greatly expanded by information that is collected. Government agencies today need to deal with multiple open government data initiatives, which present larger-scale challenges in terms of information declassification and redaction. Traditional enterprise information management is being supplemented with big data information management to deal with the high volume, high velocity and wide variety of structured and unstructured data from a growing multitude of sources and streams. Particular focus will be put on business intelligence for performance management as a response to the need for sustainable cost savings and productivity improvement. Traditional business intelligence will be augmented by advanced analytics to measure results, as well as discover new patterns of cause and effect to improve performance.



## Agency Response to the Changing Environment

The Department of Revenue's planning process is based on an annual environmental assessment, identification of upcoming challenges, and evaluation of operational 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 (who serves as program director for the Executive Direction and Support Services Program), and four program directors, reviews proposed strategies and projects and makes recommendations to the Executive Director.

Revenue's mission statement includes the following general strategies:

- Make complying with tax and child support laws easy and understandable.
- Administer the law fairly and consistently.
- Provide excellent service efficiently and at the lowest possible cost.

Pursuing these strategies helps to create a healthy business environment and improve the economic well-being of the State and its citizens. The strategies are directly related to the goals of the Florida Strategic Plan for Economic Development.

Specifically, Revenue contributes to the following strategies from the 2012-2017 statewide strategic plan:

1. Strengthen collaboration and alignment among state, regional and local entities toward the state's economic vision.
18. Renovate permitting, development, and other regulatory processes to meet the changing business needs and provide a predictable legal and regulatory environment.
19. Ensure state, regional and local agencies provide collaborative, seamless, consistent and timely customer service to businesses.
20. Reduce barriers to small/minority business and entrepreneurial growth.
24. Support and sustain statewide and regional partnerships to accomplish Florida's economic and quality of life goals.
25. Improve the efficiency and effectiveness of government agencies at all levels.

Revenue's five programs have developed specific strategies for the next five years, each of which is based on one or more of the three general strategies identified above.

To ensure that strategies result in the highest possible benefit to the state, each program continues to apply the following principles to strategy development and implementation:

- Emphasis on functions that support our core mission
- Cyclical strategy development based on employee input
- Decision-making based on measurement and analysis
- Streamlining of processes
- Efficient resource allocation
- Realizing increased productivity through automation

## ***Child Support Enforcement Strategies***

As the demand for child support services continues to grow, the Child Support Enforcement Program's strategic direction is to increase performance in activities critical to the achievement of our core mission: to help families receive the support they need and deserve allowing them to become and remain self-sufficient.

We have established four goals to guide us toward the most effective use of our resources.

- Increase the number of support orders established.
- Increase the amount of current support collected and the total support collected.
- Improve customer service and increase efficiency through new service models.
- Ensure the effectiveness of CAMS.

### **Increase the number of support orders established**

The Program receives over 240,000 service requests each year and over 80 percent of the requests require initial support order establishment. Before money can be collected for the family, child support professionals must facilitate the complex process of obtaining a support order, either administratively or through the courts. The more quickly we can get orders established, the greater the potential for increasing collections.

To ensure that support orders reflect the current circumstances of families, we must also increase the number of support order modifications we complete. Sixty-two percent of our obligated cases are older than three years. As a family's circumstances change, it is important that support order modifications are made as soon as possible, so children's needs continue to be met.

For these reasons, the Child Support Enforcement Program continues to focus on support order establishment and modification, refining strategies each year to make the most effective use of our limited resources. We are pursuing three strategies that, at this time, have the potential to have the most impact on the overall goal. These three strategies, and our key current projects based on them, are listed below.

#### **Increase the number of newly established orders using the administrative process**

- Implement new automation for administrative order establishment activities.
- Establish administrative order performance targets.

#### **Increase the number of judicial modification actions**

- Implement new automation to identify cases needing modification (such as adding a child to an order or redirection of support due to a change in the household).
- Implement the new automated review for modification process to improve timeliness of modification reviews.

#### **Increase the efficiency of the judicial process**

- Implement e-filing.
- Implement workflow changes to increase the number of orders.

### **Increase the amount of current support collected and the total support collected**

The Department collects both the past-due support owed to families and the ongoing support payments required by the child support order. To help families become and remain self-sufficient, Revenue must not only increase total collections, but also improve the reliability of current child support payments.

Annually 10 percent of the child support collected by Revenue's Child Support Program is paid voluntarily. The rest is received as a result of enforcement actions taken by the Department. With over 600,000 cases to pursue, Revenue must increase the efficiency of its collection processes so families can begin receiving child support sooner and continue receiving payments when they are due.

Employers are some of our most important partners in the collection of child support. Through income withholding, they submitted approximately \$990 million out of the \$1.61 billion collected in State Fiscal Year 2011-12. Income withholding makes it possible for families to receive regular payments, without additional action by the Department, for as long as the paying parent is employed. Employers also provide information on employment, wages, addresses, and insurance availability. To ensure that businesses are not burdened by performing these vital services for Florida families, Revenue must make the process simpler and provide focused customer support to these key partners.

We have identified three strategies with the greatest potential for increasing collections within our current resources. These strategies and current key projects are listed below:

**Increase payments received through wage withholding and make it easier for employers to comply with wage withholding**

- Implement the federal Electronic Income Withholding Order (e-IWO) interface that will allow participating employers to receive wage withholding notices electronically.
- Develop an Employer Services Unit to provide focused services and assistance to employers and other payors of income.
- Create an employer-focused website to improve access to information, resources, and tools.

**Improve collections and customer service through creation of child support collector positions**

- Revise position description and establish new knowledge, skills, and abilities; critical job tasks; and performance standards for new specialized position type.
- Improve training for collection work.
- Develop new performance measurement and feedback process for continued professional development.

**Increase enforcement actions on nonpaying cases**

- Develop new processes to identify missing critical data on nonpaying cases and target data matching and loading activities to increase available enforcement remedies on these cases.

**Improve customer service and increase efficiency through new service models**

Four key factors are driving our implementation of new ways of serving our customers:

- Our customers' increasing expectation of quick, electronic access to information and assistance.
- The need to improve the efficiency of our walk-in services, increasing the number of individuals served and decreasing wait times.
- The ongoing high number of customer service requests.
- The need to achieve cost savings as we implement more effective methods of providing service.

During FY 2011-12, we expanded our e-Services portal, implemented web-chat, and implemented a new walk-in service delivery model in two service centers. This new approach to providing in-person service is based on an open floor plan with a walk-up counter, similar to a bank lobby or tax collector's office. This arrangement is more efficient, enabling employees to spend less time managing customer intake and more of their work hours helping customers.

Over the next several years, we will continue implementing and refining our strategies for improving customer service. Below are our strategies and key current projects:

### **Expand self-service options for customers**

- Enhance e-Services portal to increase services and information available.
- Implement self-service areas in local office lobbies.

### **Improve customer service performance**

- Implement skill-based call routing to direct callers to representatives with greater detailed knowledge in specific areas.
- Implement new walk-in service model to reduce customer wait times.
- Implement customer service satisfaction survey for customer service points.

### **Ensure the effectiveness of CAMS**

The Child Support Automated Management System (CAMS) was fully implemented statewide in January 2012. To ensure the system's potential for increased productivity is realized, we are focusing on the stabilization and refinement of the new workflows and automation, and on helping our workforce adjust to the new system and realignment of resources. We must continue to devote adequate resources in support of CAMS to ensure that needed adjustments can be made swiftly and successfully.

### ***General Tax Administration Strategies***

The General Tax Administration Program's current strategic focus is to support Florida's economic development by pursuing the following goals:

- Minimize the cost to businesses of complying with tax law.
- Ensure the fair application of Florida's tax laws.
- Improve the efficiency of tax administration processes to make the most effective use possible of the Department's resources.

### **Minimize the cost to businesses of complying with tax laws**

Businesses are Revenue's partners in collecting state taxes. They collect and remit most of the State's tax revenue to the Department. We want to make their role as simple, clear, and convenient as we can, so they can focus their time and energy on making their businesses successful. By adding new online capabilities and streamlining the tax registration, payment, and reporting processes, the Department will continue making compliance convenient and less costly for businesses. The following are our strategies and key projects for accomplishing this goal.

#### **Expand e-services and integrate emerging technologies to make complying with tax obligations simple and convenient**

- Implement mobile applications for filing and paying taxes and accessing tax information.
- Establish credit card payment options for all e-pay and e-file applications.
- Implement an e-filing process for amended returns for all taxes.
- Enhance e-filing application to allow taxpayers to "self-correct" their tax returns before submission, helping taxpayers avoid errors and enabling them to satisfy the obligation immediately, avoiding an additional billing and payment.
- Expand the use of credit and debit cards as a payment option.

#### **Improve the accessibility and usefulness of information on Revenue's website**

- Redesign the online Questions and Answers system.

### **Improve e-auditing capabilities to ease the burden on businesses**

- Use electronic documents to streamline the audit process, lessening the workload and the inconvenience to businesses while reducing costs for the Department.

### **Collaborate with other state agencies to implement a one-stop business registration portal**

In 2012, a state law was enacted authorizing the creation of an online one-stop business registration portal for all business activities regulated by the State. The goal of the one-stop system is to foster new business and facilitate the creation of jobs by making it easier for businesses to understand and comply with requirements for doing business in Florida.

The Department of Revenue is serving as lead agency for the first phase of this project, which will result in a one-stop portal for the Departments of Business and Professional Regulation, Lottery, Management Services, Revenue, and State. On March 15, 2012, Revenue issued an Invitation to Negotiate for the development and implementation of the portal and is currently in the evaluation phase of the procurement process. The contract is expected to be awarded in November 2012 with work beginning soon thereafter.

## **Ensure the fair application of Florida's tax laws**

### **Create a resource model that will blend enforcement activity between field audit and campaign operations to maximize return on investment**

Enhanced coordination between compliance campaigns staff and auditors will enable the Department to use these resources more effectively.

### **Modernize the lead development system with a focus on reducing the tax gap**

The Department will develop an integrated case management system and integrated lead management scoring analytics.

### **Use third-party data to improve effectiveness**

Use of third-party data can enhance and improve audit selection, enabling the Department to assign its auditors effectively and increase focus on tax gap issues. The legislatively mandated sales reports by alcohol and tobacco wholesalers are examples of third-party data provided to the Department. The Department compares a retailer's wholesale purchases with the amount of sales tax reported by the retailer to identify possible under-reporting of retail sales.

The Department is establishing a Financial Information Data Match (FIDM) program, which is another example of the use of third-party data. In a FIDM program, an electronic file of the names and federal tax identification numbers of entities with outstanding tax warrants is compared to a bank's electronic file of account holders, which will provide the Department with immediate reports of possible matches for collection activity.

### **Enhance reporting and monitoring capabilities of collection analytics**

Collection analytics uses the historical account information in SUNTAX (Revenue's integrated tax system) to prioritize collections work and assign staff to cases with the highest potential for collecting taxes owed to the state. The Department will be completing the implementation of the collection analytics system by improving reporting and monitoring capabilities.

## **Improve the efficiency of tax administration processes**

### **Realign resources to maximize performance and efficiencies**

In June 2012, the program began realigning tasks and activities into business processes. This

initiative includes staff development and training, standardization of procedures for consistency, and process automation to maximize performance and efficiencies. This initiative will lead to a “fluid” workforce and potentially free up resources for reallocation. Last fiscal year, the Program surpassed the legislatively recommended span of control of 1:8 FTEs. The Program will continue its efforts to streamline operations and reduce costs.

### **Improve the timeliness and accuracy of updates to taxpayer account information**

- Develop imaging capabilities for timely dissemination and resolution of correspondence.
- Develop mass account maintenance functionality.
- Configure the system for comprehensive postal data cleansing updates.
- Complete data capture functionalities in service centers.

### **Complete the implementation of remote deposit**

Revenue is currently completing the development of applications to enable the remote deposit of all taxes collected by the Department. Electronic deposit of checks from remote locations improves security, saves labor and postage costs, and increases the interest the state receives on tax payments.

### **Eliminate the handling of cash in service centers**

Efforts are underway to expand the use of debit and credit cards as payment options throughout our in-state service centers. While this capability serves as an additional convenience for taxpayers, the elimination of cash payments also reduces risk for the Department, by reducing the possibilities of theft and receipt of counterfeit money. New York, Illinois, and Iowa are among the states that no longer accept cash payments.

## ***Property Tax Oversight Strategies***

To ensure that Florida’s property tax system operates fairly and efficiently, contributing to a positive economic environment for businesses and individuals, Florida’s Property Tax Oversight Program is focusing on the following four goals:

- Reduce costs for state and local government.
- Eliminate unnecessary regulations.
- Ensure greater uniformity and equity in property taxes paid by businesses and individuals.
- Deliver excellent customer service.

Following are our strategies and current key projects for accomplishing these goals:

### **Reduce costs**

#### **Automate processes and workflows**

The program is using standardized, off-the-shelf, easy-to-maintain software to re-engineer labor-intensive processes. The Property Tax Oversight Program has developed an internal document-sharing environment in Microsoft SharePoint to automate workflows and streamline content management. This tool enables the Department to eliminate some redundant and labor-intensive activities and ensures quick access to information, increasing individual productivity.

#### **Deploy e-portals for local governments**

A great deal of the program’s oversight and aid & assistance activities are paper based and therefore very costly and time consuming for state and local governments. Allowing local governments to submit information to the Department electronically will reduce costs and processing times significantly.

### **Maximize existing property data and analyses**

There are a number of private companies that collect, verify, analyze, store, and report property-related data. The program will continue to utilize these external data sources as much as possible to eliminate unnecessary and costly duplication of effort.

## **Eliminate unnecessary regulations**

### **Streamline tax forms and reporting requirements**

The program has identified eight property tax forms it will recommend eliminating in FY 2012-2013. In addition, there are more than a dozen forms that are in the process of being streamlined and simplified to reduce the burden on businesses and individuals.

### **Increase participation by the private sector**

In FY 2012-2013 the program will expand its outreach to businesses and other interested parties to promote greater participation in the review of proposed rules, forms, training materials, and informational bulletins.

## **Ensure greater uniformity and equity in property taxes paid by businesses and individuals**

### **Implement assessment best practices**

A level playing field in taxation is a vital component of a healthy and growing economy. To that end, Revenue is implementing internationally recognized best practices to verify that county property appraisers assess businesses uniformly and that property tax exemptions and classifications are granted in accordance with Florida law.

### **Increase oversight of value adjustment boards**

The program will increase its oversight of county value adjustment boards (VABs) to ensure businesses and property owners receive fair, impartial hearings conducted with uniform, statewide procedures. This focus on oversight includes increased access to all VAB data and Department provided training for all VAB special magistrates, VAB members, and VAB attorneys.

### **Provide advanced tools for property appraisers, tax collectors, levying authorities, and value adjustment boards**

As the program's information and workflows become automated, we are able to provide local governments with more in-depth analyses and insightful recommendations to further improve the administration of property taxes in each of Florida's 67 counties.

## **Deliver excellent customer service**

### **Provide rapid response to taxpayers**

The program strives to acknowledge every call or email within four hours, and provide a final response to routine inquiries within 48 hours. (Some inquiries are very complex and require several days of legal research and analysis. In these instances, the taxpayer is notified and is given an estimated time frame for a final response.)

### **Provide accessible, accurate, and up-to-date information**

Having access to current millage rates, potential property tax exemptions, value adjustment board actions and related information helps business owners make informed decisions about relocating to or expanding operations in Florida. The program's website contains detailed and historical property tax information for each of Florida's 640+ taxing authorities and value adjustment boards, and it is updated daily with the most recent information available.

## ***Executive Direction and Support Services Strategies***

### **Maintain a skilled, effective workforce**

Revenue's success in achieving its mission depends on the participation of skilled, motivated, and engaged employees. Therefore, 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.

Strategies for the next five years include the following:

#### **Develop an accurate and responsive classification and compensation system**

To support the application of consistent criteria to the classification and pay of individual Revenue positions, the Office of Workforce Management is developing processes and tools that will provide up-to-date classification and pay information by position and geographic area. Projects for implementing this strategy include:

- Develop gap analysis methodology for position descriptions.
- Develop guidelines and procedures to ensure efficiency and equity in agency reorganizations.
- Develop a methodology to determine pay and benefit inequities.
- Align class titles and pay to the type of work performed.

#### **Decrease the time and cost of filling vacancies**

Carrying out the hiring process for positions that turn over frequently is a significant workload issue for supervisors and other staff involved in the process. The Office of Workforce Management will be implementing several strategies to make the process less time-consuming, while ensuring that all hiring requirements continue to be met. Projects for implementing this strategy include:

- Identify and eliminate non-value-added tasks in the hiring process.
- Streamline the applicant skills verification process.
- Simplify the interviewer certification requirements.
- Improve the on-boarding process.

#### **Develop solutions for hard-to-fill positions**

In some geographic areas, it is difficult to hire and retain qualified individuals in certain types of positions, such as tax auditor, information technology, and property appraiser jobs. Factors may include better compensation offered by local government or the private sector, or an inadequate supply of job seekers with the required expertise. For the Department to achieve optimal productivity, we must be able to attract and retain qualified professionals. Projects for implementing this strategy include:

- Develop innovative methods to recruit and hire hard-to-fill positions.
- Develop internship and volunteer programs.
- Establish qualified candidates' pool for hard-to-fill and high-turnover positions.

#### **Increase employee job-specific and employment policy knowledge**

The Office of Workforce Management seeks to ensure that employees have access to all the training they need, that compliance with required training is monitored, and that training costs are reduced.

Projects for implementing this strategy include:

- Implement enterprise-wide training governance.
- Implement annual training calendar curriculum.
- Implement supervisor education processes and sessions.



- Improve the online systems for accessing, delivering, and managing training.

### **Improve operations and reduce costs through interagency collaboration**

In 2011, the Governor asked all agencies to review their administrative processes to determine which could be efficiently administered centrally, reducing overall costs for state government. Revenue's Executive Direction and Support Services Program is monitoring and participating in opportunities to implement this effort.

Staff from the Office of Financial Management is participating in the Vendor Performance Management project and the Real Estate Optimization project as part of the Statewide Enterprise Efficiency Initiatives program. Agency staff also are assisting and providing information to other initiatives. The purpose of these initiatives is to identify and implement opportunities for state government to operate more efficiently and realize significant savings for the state.

### **Increase efficiency and reduce costs through effective internal financial management**

The Office of Financial Management within the Executive Direction and Support Services Program coordinates and aligns Revenue's budget, purchasing, facilities, 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. Key strategies for improving the management of Revenue's finances include the following:

#### **Make meaningful financial data more accessible to decision-makers**

Revenue's Office of Financial Management is developing a tool that would allow management to have more immediate access to financial data – to allow multiple comparisons of data between like units, per FTE, per square footage, per performance measure, for example. Ultimately, this detailed operational cost data will be combined with performance metrics at the service center and other levels to produce a performance index. The Department's leadership team will be able to use this tool to evaluate not only performance but also the cost-effectiveness of achieving specific performance levels. Managers will be better informed when making process improvement decisions because they will have both cost and performance data provided by a single index. The incorporation of database query tools will allow the implementation of an agency dashboard by the end of FY 2013-14.

#### **Reduce leasing costs**

Using the leasing process Revenue implemented in 2009, the Department will continue decreasing the amount of square footage it occupies and obtaining more favorable lease terms, mitigating projected increases in lease costs. Using the new process, Revenue has reduced the five-year cost of its private sector leases by approximately \$11 million over the next five years.

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 using alternate work arrangements, such as telework (working from a home office) and "hoteling," in certain limited circumstances, where they will enhance employee and Department effectiveness. We anticipate future increased use of these arrangements will help to decrease office space square footage requirements.

#### **Improve payment processing**

Improving the Department-wide process for managing receipts, invoices, and payments increases efficiency and ensures compliance with statutory payment requirements. During FY 2011-12, the

Department's Finance and Accounting staff implemented an automated invoice management system that tracks each staff member's invoice processing activities, enabling us to monitor performance, give relevant feedback to help employees improve and identify areas where additional training should be provided. We are currently developing enhancements to the automated system that will enable us to track invoices beginning with their first point of entry into the Department, such as a contract manager in one of our programs or an employee who travels on business. Ongoing evaluation of timeliness and accuracy will enable us to correct problems more quickly and provide training targeted to identified needs.

### **Prevent waste by increasing the effectiveness of review processes**

The Department will reduce work time and decrease costs by improving review procedures and internal controls that could be streamlined and/or made more effective. For example, in December 2011, the Department implemented a procedure for the review of long distance phone calls. Because of the volume of long distance call activity, a review of every item is not possible. Finance and Accounting staff developed parameters for identifying possible non-business calls, which are used to produce exception reports. Managers review these exception reports to identify actual non-business calls and identify telephone accounts that need further review. Based on a pilot completed in 2011, the Department decided to conduct these reviews twice a year for a randomly selected month.

Another financial management process Revenue has improved is the recovery of money owed due to salary overpayments. In FY 2010-11, the Department developed and implemented a Salary Overpayment Policy that establishes a more efficient process for recovering these overpayments.

### **Ensure accountability by improving consistency and reporting for contracts**

To ensure contracted services meet the Department's objectives, we are improving and ensuring a consistent contract management process across the Department and creating a centralized system of recordkeeping for deliverables, vendor performance, budget, and corrective action plans.

In response to Senate Bill 2096 (Ch. 2011-49, Laws of Florida) the state's Chief Financial Officer has developed a contract/grant reporting website for use by the citizens of Florida. The Florida Accountability Contract Tracking System (FACTS) is a comprehensive online tool that offers Floridians greater visibility into how government is doing business. FACTS make state contracting processes transparent through a centralized, statewide contract reporting system. The Department is making enhancements to its Contract Accountability Tracking System (CATS) to provide the ability to upload information directly from CATS into FACTS, thereby eliminating the need for duplicate manual input.

### **Centrally manage procurements within the agency**

Revenue has been identifying opportunities within the agency to save money by procuring some commodities and services centrally. In 2011, the Department combined all copier leases into one contract, resulting in better pricing and more control over decisions that impact the cost of copying, thereby reducing costs by approximately \$290,000 a year. The strategies that reduced copying costs were researched and developed by a cross-program team. Revenue has established a similar team to identify and evaluate strategies for reducing the cost of office printing. The team will be authorized to develop and propose agency-wide guidelines regarding the use and procurement of printing devices, taking into account the special needs of different programs and individual offices.

### **Decrease costs through effective asset management**

To ensure the best use of state resources and compliance with statutes and rules, the Department is redesigning its process for asset management, including acquisition, recording, inventory, and disposal. In FY 2010-11, a cross-program team developed a new surplus property procedure formalizing best practices to ensure that usable surplus property is made available throughout the

Department and to other state agencies before being disposed of in any other way. We are currently developing an asset management tracking system to allow for notification of new property items, create decal labels, and transmit property notices, and track decal memos and required actions. An approval workflow for transfers of property will replace the manual paper process currently used.

### ***Information Services Strategies***

The Information Services Program's goals for the next five years are to:

- Improve support of the strategic and operational objectives of the agency.
- Improve efficiency and customer service while reducing costs.

The Program plans to transform the business operations and cost models of Revenue's technology functions to reduce the staffing and costs required for operations and maintenance. Resources will be realigned to better meet the strategic and operational objectives of the Department of Revenue's Child Support Enforcement, General Tax Administration, and Property Tax Oversight programs. Revenue will also support state-government-wide information technology initiatives.

Following are Information Services' key strategies and projects for achieving these goals.

#### **Improve support of the strategic and operational objectives of the agency**

##### **Ensure application development units are integrated with and embedded in the lines of business**

- Migrate to Standard Operating Environment (SOE) and replace legacy applications.
- Increase available resources for projects.
- Improve information access for internal and external customers (i.e., mobile computing solutions, expanding web enablement).

##### **Implement enterprise-wide governance for requirements management**

- Establish policies, process descriptions, and procedures for requirement management.

##### **Develop and retain an IT workforce with the necessary skill to meet the present and future goals of the business objectives**

- Document required skills and abilities, evaluate current competencies, and align training plans.

#### **Improve efficiency and customer service while reducing costs**

##### **Minimize the costs of IT Services**

- Develop and refine service costing models.

##### **Increase the number of employees that complete skills validation in the training area**

- Document required skills and abilities and align training plans to close deficiencies.

##### **Optimize resource utilization to better meet customers' needs and expectations**

- Identify and evaluate program resource needs.

## Changes That Would Require Legislative Action

### CHILD SUPPORT ENFORCEMENT

#### **REQUESTS FOR INFORMAL DISCUSSION**

**Statutory Reference:** Section 409.2563, Florida Statutes

**Current Situation:** The administrative support process provides that a parent from whom support is being sought may request to informally discuss a proposed administrative support order with the Department of Revenue (Department) by making the request to “a department representative, at the address or telephone number in the notice.” Due to the informal manner of the request, it is not always clear if such a request has been made.

**Proposed Change:** In order to clarify when a request has been made and use limited resources more efficiently, amend current law to require that a request for an informal discussion be made in writing. Additionally, the concept would extend the time to make the request from 10 days to 15 days from the date of mailing or other service of the proposed administrative support order.

#### **CAREGIVER PATERNITY AFFIDAVIT**

**Statutory Reference:** Section 409.256, Florida Statutes

**Current Situation:** Section 409.256, Florida Statutes, allows the Department to commence an administrative paternity proceeding if certain conditions are met. One of the conditions is that the child’s mother or putative father has stated in an affidavit, or in a written declaration, that the putative father is or may be the child’s biological father. In cases where a caregiver is receiving services and paternity is an issue, the Department cannot proceed with an administrative action to establish paternity without the completion of the paternity declaration.

It can be difficult to obtain the declaration from the mother or putative father if they are not the current custodian of the child and the Department is proceeding against them to obtain support.

**Proposed Change:** This concept would amend Section 409.256, Florida Statutes, to allow a caregiver with knowledge of who the alleged father is to complete the paternity declaration (affidavit or written declaration). This will allow the Department to proceed with an administrative action to establish paternity based on genetic testing.

#### **DEPOSITORY ROLE IN TITLE IV-D CASES**

**Statutory Reference:** Section 61.13, Florida Statutes

**Current Situation:** The Department of Revenue is required to provide child support services in public assistance cases and also when a citizen requests services. In all cases handled by the Department (Title IV-D cases), state and federal laws require support payments to be made to the State Disbursement Unit.

When the Department begins providing services in what had been a private case, if all payments are up to date, some clerks of court will not establish the necessary payment accounts for processing by the State Disbursement Unit. The statute only authorizes them to provide services if payments are delinquent.

**Proposed Change:** Amend current law to require the clerk of court to create the necessary payment accounts in private cases that become Title IV-D cases. Also, clarify that in Title IV-D cases all payments must be made to the State Disbursement Unit.

### **CLARIFICATION OF DRIVER'S LICENSE SUSPENSION**

**Statutory Reference:** Sections 61.13016 and 322.058, Florida Statutes

**Current Situation:** A person who is at least 15 days late on child support payments may have his or her driver's license suspended after notice and the opportunity for a hearing. After 20 days if the person does not pay the delinquency in full, enter into a written agreement or file a petition in circuit court to contest the suspension, the Department of Revenue notifies the Department of Highway Safety and Motor Vehicles to suspend the license

**Proposed Change:** This concept amends current law to clarify that when support payments are being made by income deduction order, payment of the full amount of the delinquency is not required to avoid suspension. It also authorizes the Department to stop the suspension process when appropriate; for example, if the obligor becomes disabled, begins receiving unemployment benefits or files bankruptcy.

### **ADMINISTRATIVE LIENS**

**Statutory Reference:** Section 409.2575, Florida Statutes

**Current Situation:** The Department is authorized to place liens only on vehicles and vessels registered to obligors who owe past due support that exceeds \$600. To place a lien on other types of personal property the Department must proceed in circuit court.

**Proposed Change:** Authorize the Department to also place administrative liens on personal injury claims, settlement proceeds and judgments of delinquent obligors. Clarify that an administrative lien may be placed on vehicles and vessels owned free and clear by delinquent obligors.

### **UNCONTESTED UNCLAIMED PROPERTY CASES**

**Statutory Reference:** Section 409.25658, Florida Statutes

**Current Situation:** The Department works jointly with the Department of Financial Services (DFS) to identify persons who owe past due support and who have unclaimed property held by DFS. When identified, the Department sends a notice to the obligor advising of the intent to intercept and informing the obligor of the right to an administrative hearing. A final order is statutorily required before DFS can transfer the property to the Department, even when the claim is not contested by the obligor.

**Proposed Change:** Authorize the intercept notice to be sent by regular mail to the address the obligor provided to DFS. When the intercept is uncontested and the protest period has concluded, permit DFS to transfer the unclaimed property to the Department without a final order.

### **GARNISHMENT**

**Statutory Reference:** Section 409.25656, Florida Statutes

**Current Situation:** The Department is authorized to garnish personal property or credits of persons who owe past due support. The current garnishment process requires multiple registered mail notifications even for uncontested actions. The existing data matching requirements with the Chief Financial Officer (CFO) and the provisions to withhold payments to delinquent obligors are problematic and thus have not been utilized.

**Proposed Change:** Amend current law to authorize the Department to issue garnishment notices by regular mail instead of registered mail and improve automated data matching with the CFO to identify delinquent obligors who have income or property that may be garnished.

### **SERVICES FOR OBLIGORS**

**Statutory Reference:** Section 409.2564, Florida Statutes

**Current Situation:** Federal law requires the Department, as the state's Title IV-D agency, to provide child support services to all applicants, including obligors seeking a modification of their support order. The court's opinion in McLeod v. McLeod 37 Fla. L. Weekly D1986 (Fla. 1<sup>st</sup> DCA August 17, 2012) restricts the Department from providing Title IV-D services in certain cases where services are requested. The state is required to have a compliant Title IV-D State Plan in order to receive the Temporary Needy Assistance for Needy Families (TANF) block grant of \$562.3 million for FY 2012-13.

**Proposed Change:** Amend current law to comply with federal requirements by authorizing the Department to seek a modification of child support regardless of whether or not either party or the child is receiving public assistance; the obligor has failed to make support payments; or the Department is enforcing the order for the person to whom support is owed.

## **GENERAL TAX ADMINISTRATION**

### ***CORPORATE INCOME TAX***

#### **CORPORATE INCOME TAX "PIGGYBACK"**

**Statutory Reference:** Section 220.03, Florida Statutes

**Current Situation:** Florida uses portions of the Internal Revenue Code as the starting point in calculating Florida corporate income tax. Each year, the Legislature decides what portions of the new code should be adopted by Florida.

**Proposed Change:** The proposal would adopt the 2013 version of the Internal Revenue Code.

### ***SALES & USE TAX***

#### **CRIMINAL STATUTE GLITCH LANGUAGE**

**Statutory Reference:** Sections 212.07, 212.12 and 212.18, Florida Statutes

**Current Situation:** Recent amendments to the criminal penalties imposed on registration and collection violations do not specifically state the level of offense. Additionally, including the registration violation and the failure to collect violation with the violation for filing of false or fraudulent returns may be confusing.

**Proposed Change:** The proposal would specify that a person who willfully fails to register after receiving notice commits a third degree felony and will establish graduated offense degrees for failure to collect taxes after notice. This proposal would clarify these penalties by moving the "failure to register after notice" provision to s. 212.18, F.S., and moving the "failure to collect" provision to s. 212.07, F.S., which are the respective provisions of the statutes that deal with these issues. No new penalties are being created by this proposal.

#### **DELINQUENT TAXPAYERS: SECURITY REQUIREMENTS FOR NEW REGISTRATIONS**

**Statutory Reference:** Section 212.14, Florida Statutes

**Current Situation:** Delinquent sales tax dealers are able to close down their business with tax liabilities, and to reopen under a new name. This allows the business operators who were in actual control of the business and responsible for non-payment to repeatedly fail to remit sales and use tax for successive businesses.

In these instances, Florida Statutes require businesses to provide a cash deposit, bond, or other security as a condition to register the new business. However, the current provision does not clearly apply to all of the individuals that were operating the prior business.

**Proposed Change:** The proposed statutory revision would clearly authorize the Department to require security for individuals or entities that are responsible for prior delinquent tax accounts when they seek to register new businesses.

### ***REEMPLOYMENT TAX***

#### **STANDARD RATE FOR NON-COMPLIANCE WITH AUDIT RECORD REQUESTS**

**Statutory Reference:** Section 443.131, Florida Statutes

**Current Situation:** Florida law provides a standard reemployment tax rate. However, many businesses earn a lower, preferential rate if they are in compliance. When not in compliance, the law permits the rate to increase to the standard rate. However, this “non-compliance” treatment does not clearly apply to situations where the taxpayer is not complying with records requests during audits.

**Proposed Change:** This proposal would permit employer’s rates to increase to the standard rate when the business fails to comply with audit records requests. Once the requested records are provided, the earned rate will be restored.

#### **FLOATING INTEREST RATE FOR REEMPLOYMENT TAX**

**Statutory Reference:** Section 443.141, Florida Statutes

**Current Situation:** Reemployment assistance tax contributions or reimbursements that are unpaid on the due date bear an interest rate of 1 percent per month (an effective rate of 12 percent). Other taxes that are administered by the Department have an interest rate of prime plus 4 percent, not to exceed an effective rate of one percent per month, adjusted twice per year.

**Proposed Change:** This proposal would reduce and make interest rate provisions for reemployment tax the same as other taxes administered by the Department.

### ***ADMINISTRATION***

#### **“ZAPPERS”**

**Statutory Reference:** Section 213.295, Florida Statutes

**Current Situation:** Automated sales suppression devices or “zappers” are software programs that falsify the records of electronic cash registers and other point-of-sale systems. This technology allows dealers to fraudulently create a virtual second set of records in order to evade state and federal taxes. In the case of sales tax this results in the theft of taxes collected from citizens.

**Proposed Change:** This proposal would make it illegal to sell, purchase, install, transfer or possess sales suppression software or devices.

#### **IDENTITY CONFIRMATION**

**Statutory Reference:** Section 322.142, Florida Statutes

**Current Situation:** Currently, the Department tax staff does not have a way to verify the identity of business owners prior to visiting businesses during audits. This situation makes it difficult for staff to ensure that the business owner is the person with whom staff is working during field visits.

**Proposed Change:** This proposal would permit the Department’s tax staff access to driver license photos thus providing a means to verify the identity of business owners.

#### **CLERKS OF THE COURT REMITTANCES – CONFORMING AMENDMENT**

**Statutory Reference:** Section 213.13, Florida Statutes

**Current Situation:** In 2010, the Legislature changed the remittance date for funds collected by the Clerks of the Court from the 20<sup>th</sup> to the 10<sup>th</sup> day of the month immediately after the month in which the

funds are collected. The provision in Section 213.13, Florida Statutes, regarding electronic remittance and distribution of funds by the Clerks of the Court was not updated in the legislation.

**Proposed Change:** This proposal would amend Section 213.13, Florida Statutes, concerning electronic remittance and distribution of funds from the 20<sup>th</sup> to the 10<sup>th</sup>, to conform and be consistent with the 2010 legislation.

### **INCREASE COMPROMISE AUTHORITY**

**Statutory Reference:** Section 213.21, Florida Statutes

**Current Situation:** The current statute allows the Executive Director to enter into a closing agreement compromising tax if there is a “doubt as to liability” or “doubt as to collectability” of the tax assessed. The statute limits the Department’s compromise authority to reduce the tax by \$250,000 or less.

**Proposed Change:** This proposal would amend Section 213.21, Florida Statutes, to allow the Executive Director to compromise tax up to \$500,000.

### **DEPARTMENT OF HIGHWAY SAFETY AND MOTOR VEHICLE INFORMATION SHARING**

**Statutory Reference:** Section 213.053, Florida Statutes

**Current Situation:** The current statute authorizes the Department to share only names, addresses, and federal employer identification numbers (FEIN), or similar identifiers, with the Department of Highway Safety and Motor Vehicles for use in the conduct of its official duties. The Department is not authorized to inform the Department of Highway Safety and Motor Vehicles when an automobile dealer failed to file tax returns (when the dealer is delinquent) until such time as an assessment has been made and a warrant recorded with the Clerk of Court in the county in which the business is located.

**Proposed Change:** This proposal would amend Section 213.053, Florida Statutes, to allow the Department to share automobile dealer delinquency information governed by Chapter 212, F.S., with the Department of Highway Safety and Motor Vehicles in the conduct of its official duties.

## **ADMINISTRATIVE**

### **VOLUNTEERS**

**Statutory Reference:** Sections 110.502, 110.503, 110.506, and 213.053, Florida Statutes

**Current Situation:** All state agencies are authorized to recruit, train and accept volunteers to assist with agency programs and volunteers are required to comply with applicable agency rules. However, applicable statutes do not specifically state that agencies are authorized to conduct security background checks on volunteers, nor do they provide specific authority for a volunteer’s access to confidential information.

**Proposed Change:** Under the proposal, agencies would be authorized to provide volunteers, including interns, access to confidential information as appropriate and volunteers would be subject to the same confidentiality requirements applicable to agency employees. As appropriate, volunteers would be subject to security background checks and agencies would be authorized to pay the costs of such background checks



## **Potential Policy Changes**

### **Affecting the Agency's Budget Request**

The Department is requesting Fiscal Year 2013-14 funding to replace its current, inadequate email system with a new, agency-wide system. The Department had previously anticipated transitioning from the present system to a statewide email solution in spring of 2012. Since that did not occur, the agency was compelled to retain its existing system for Fiscal Year 2012-13. The requested funding will enable the Department to acquire a more up-to-date system with greater functionality and more robust user support services. This initiative is consistent with the commitment to improve the efficiency and effectiveness of government at all levels, as described in strategy 25 of the 5-Year Statewide Strategic Plan for Economic Development.

## Task Force Participation

**Communications Services Tax Working Group.** The 2012 Florida Legislature created a working group to study and report on tax issues related to the sale of communications services. The working group is hosted by the Department of Revenue for administrative purposes. A report is due to the Governor and Legislature by February 1, 2013.

**Reemployment Tax Working Group.** As directed by the 2012 Florida Legislature, the Department of Economic Opportunity is convening a work group to study Florida's reemployment assistance contribution calculation and provide findings and recommendations to the Legislature for changes to the calculation by December 31, 2012. The Department of Revenue has designated two representatives to serve on this work group.



**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 2011-12 Standard (Numbers)	Prior Year Actual FY 2011-12 (Numbers)	Approved FY 2012-13 Standard (Numbers)	Requested FY 2013-14 Standard (Numbers)
Administrative costs as a percent of total agency costs (not including revenue sharing)	5.05%	4.76%	5.19%	5.12%
Administrative positions as a percent of total agency positions	5.07%	5.06%	5.05%	5.04%

**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 2011-12 Standard (Numbers)	Prior Year Actual FY 2011-12 (Numbers)	Approved FY 2012-13 Standard (Numbers)	Requested FY 2013-14 Standard (Numbers)
Number of refund/tax certificate applications processed	5,000	2,544	3,000	3,000
Number of Truth-in-Millage / Millage Levy forms processed	5,000	6,199	5,000	5,000
Number of parcels studied to establish in-depth level of assessment	20,000	21,340	20,000	20,000
Statewide Level of Assessment	96.8%	99.6%	97.0%	97.0%
Percent of property value studied with a statistically reliable sample*	New measure requested FY 2012-2013	99.1%	90.0%	90.0%

**73200700 Compliance Assistance**

Approved Performance Measures (Words)	Approved FY 2011-12 Standard (Numbers)	Prior Year Actual FY 2011-12 (Numbers)	Approved FY 2012-13 Standard (Numbers)	Requested FY 2013-14 Standard (Numbers)
Percent of users of PTO Compliance Assistance satisfied with the services provided*	94.0%	93.4%	94.0%	94.0%
Number of student training hours provided	15,225	15,348	16,000	16,000
Number of railroad and private carlines centrally assessed	237	239	237	237
Number of inquiries from taxpayers and local governments answered	14,400	13,437	14,000	13,000
Number of square miles mapped using aerial photography	15,000	16,446	15,000	15,000
Number of Budget Submissions and Amendments Reviewed	485	503	475	475
Number of reports produced for the Revenue Estimating Conference and other stakeholders	New measure requested 2012-2013	294	270	270

**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 2011-12 Standard (Numbers)	Prior Year Actual FY 2011-12 (Numbers)	Approved FY 2012-13 Standard (Numbers)	Requested FY 2013-14 Standard (Numbers)
Percent of IV-D cases missing critical data elements necessary for next appropriate action (SFY) <sup>(1)</sup>	15.5%	N/A <sup>(2)</sup>	15.0%	15.0%
Total number of cases maintained during the year (SFY)	1,200,000	1,070,154	1,120,000	1,100,000
Total number of individual educational contacts and inquiries answered (SFY)	17,000,000	16,333,968	18,000,000 <sup>(3)</sup>	12,000,000

<sup>(1)</sup>SFY = State Fiscal Year

<sup>(2)</sup>Due to the implementation of CAMS data will not be available until December, 2012

<sup>(3)</sup>Agency will submit a budget amendment requesting revision of the standard to 12,000,000

**73300700 Remittance and Distribution**

Approved Performance Measures (Words)	Approved FY 2011-12 Standard (Numbers)	Prior Year Actual FY 2011-12 (Numbers)	Approved FY 2012-13 Standard (Numbers)	Requested FY 2013-14 Standard (Numbers)
Percent of State Disbursement Unit collections disbursed within 2 business days of receipt (SFY)	98.0%	N/A <sup>(1)</sup>	98.0%	98.0%
Percent of State Disbursement Unit IV-D collections disbursed within 1 business day of receipt (SFY)	New measure requested 2012-2013	N/A <sup>(1)</sup>	99.0%	99.0%
Total number of collections processed (SFY)	11,400,000	N/A <sup>(1)</sup>	10,750,000	10,750,000
Total number of collections distributed (SFY)	10,600,000	N/A <sup>(1)</sup>	10,200,000	10,200,000

<sup>(1)</sup>Due to the implementation of CAMS data will not be available until December, 2012

**73300800 Establishment**

Approved Performance Measures (Words)	Approved FY 2011-12 Standard (Numbers)	Prior Year Actual FY 2011-12 (Numbers)	Approved FY 2012-13 Standard (Numbers)	Requested FY 2013-14 Standard (Numbers)
Percent of IV-D cases with an order for support (federal definition) (FFY) <sup>(1)</sup>	74.5%	76.8% <sup>(2)</sup>	75.5%	76.5%
Total number of paternities established and genetic testing exclusions (FFY)	100,000	101,822 <sup>(2)</sup>	100,500	100,500
Total number of newly established and modified orders(FFY)	40,000	50,396 <sup>(2)</sup>	43,800	56,000

<sup>(1)</sup>FFY = Federal Fiscal Year

<sup>(2)</sup> Estimated through the end of FFY 2011-12. Final data available January 2013.

**73300900 Compliance**

Approved Performance Measures (Words)	Approved FY 2011-12 Standard (Numbers)	Prior Year Actual FY 2011-12 (Numbers)	Approved FY 2012-13 Standard (Numbers)	Requested FY 2013-14 Standard (Numbers)
Percent of current support collected (federal definition)(FFY)	53.0%	52.5% <sup>(1)</sup>	54.0%	54.5%
Percent of Support Collected and Distributed during the Year that was due Within the Federal Fiscal Year(FFY)	New measure requested 2012-2013	68.8% <sup>(1)</sup>	67.0%	67.5%
Total number of obligated unique cases identified for compliance resolution (SFY)	715,000	686,580	705,000	700,000
Total number of actions processed during the year (SFY)	3,400,000	3,723,535	3,400,000	3,400,000

<sup>(1)</sup> Estimated through the end of FFY 2011-12. Final data available January 2013.

**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 2011-12 Standard (Numbers)	Prior Year Actual FY 2011-12 (Numbers)	Approved FY 2012-13 Standard (Numbers)	Requested FY 2013-14 Standard (Numbers)
Percent of tax returns reconciled within 25 days	98.0%	97.0%	98.0%	99.0%
Average number of days from receipt of payment to deposit	0.28	0.24	0.28	0.24
Percent of tax returns filed timely and accurately <sup>(1)</sup>	New measure requested FY 2012-2013	N/A	88.0%	89.0%
Percent of unemployment compensation taxes deposited within three days of receipt <sup>(2)</sup>	100.0%	100.0%	Request Measure Deletion	N/A
Percent of taxpayer-claimed refunds processed within 90 days* <b>Methodology change in FY 2011-12</b> <sup>(1)</sup>	94.0%	58.0%	94.0%	95.0%
Percent of distributions made timely	95.0%	95.4%	96.0%	97.0%
Number of accounts maintained* <b>Methodology change beginning in FY 2011-12</b>	940,000	960,821	Methodology Change FY 2012 -13	N/A
Number of accounts maintained* <b>Methodology change in FY 2012-13</b> <sup>(1)</sup>	Methodology Change FY 2012 -13	1,008,616	1,075,000	1,100,000
Number of tax returns processed	8,400,000	8,418,331	8,400,000	8,500,000
Number of distributions made	39,600	39,875	39,600	39,600
Number of refund claims processed	125,000	132,392	125,000	125,000

<sup>(1)</sup>Agency will submit a budget amendment requesting the new measure and/or standard for FY 2012-13.

<sup>(2)</sup>Agency will submit a budget amendment requesting the deletion of the measure and standard for FY 2012-13.

**73401100 Taxpayer Aid**

Approved Performance Measures (Words)	Approved FY 2011-12 Standard (Numbers)	Prior Year Actual FY 2011-12 (Numbers)	Approved FY 2012-13 Standard (Numbers)	Requested FY 2013-14 Standard (Numbers)
Percent of educational information/assistance rendered meeting or exceeding taxpayers' expectations	88.0%	90.0%	88.0%	88.0%
Number of taxpayers provided with direct assistance or education	8,500,000	7,934,415	8,500,000	8,500,000
Number of calls answered by Call Center agents	1,007,700	642,532	983,000	950,000

**73401200 Compliance Determination**

Approved Performance Measures (Words)	Approved FY 2011-12 Standard (Numbers)	Prior Year Actual FY 2011-12 (Numbers)	Approved FY 2012-13 Standard (Numbers)	Requested FY 2013-14 Standard (Numbers)
Percent of tax compliance examinations resulting in an adjustment to a taxpayer's account - change in title and methodology FY 2010-11	65.0%	72.0%	72.0%	72.0%
Number of filing compliance exams completed and resulting in a notice of additional liability <sup>(1)(2)</sup>	1,700,000	1,070,209	Request Measure Deletion	N/A
Number of taxpayers selected for a tax compliance examination <sup>(2)</sup>	34,890	25,058	Request Measure Deletion	N/A
Number of audits completed	20,000	19,364	22,000	18,500
Number of discovery examinations completed* <b>Methodology change in FY 2011-12</b> <sup>(3)</sup>	14,000	4,714	5,200	5,200
Number of criminal investigations completed	890	980	900	900
Number of audit disputes resolved	1,600	2,130	1,600	1,680

<sup>(1)</sup>Reported data is through March 2012. Due to the implementation of Collection Analytics, updated information will be provided in December 2012.

<sup>(2)</sup>Agency will submit a budget amendment requesting the deletion of the measure and standard for FY 2012-13.

<sup>(3)</sup>Agency will submit a budget amendment requesting the new measure and/or standard for FY 2012-13.

**Performance Measures and Standards - Exhibit II**

**Department: DEPARTMENT OF REVENUE**

**73401300 Compliance Resolution**

Approved Performance Measures (Words)	Approved FY 2011-12 Standard (Numbers)	Prior Year Actual FY 2011-12 (Numbers)	Approved FY 2012-13 Standard (Numbers)	Requested FY 2013-14 Standard (Numbers)
Percent of collection cases resolved in less than 90 days	66.0%	58.8% <sup>(1)</sup>	66% <sup>(2)</sup>	N/A
Accounts receivables as a percent of total revenues	2.0%	1.4%	2% <sup>(2)</sup>	1.5%
Percent of receivables reaching uncollectible status/available for write-off	7.0%	21.7% <sup>(1)</sup>	15% <sup>(2)</sup>	N/A
Number of collection cases resolved	1,200,000	745,208 <sup>(1)</sup>	1,200,000 <sup>(2)</sup>	N/A

<sup>(1)</sup>Reported data is through March 2012. Due to the implementation of Collection Analytics, updated information will be provided in December 2012.

<sup>(2)</sup>Due to the implementation of Collection Analytics, data presented for fiscal year 2012-13 is estimated. The Department will update information in December 2012.



**Performance Measures and Standards - Exhibit II**

**Department: DEPARTMENT OF REVENUE**

73710000 Program: Information Services Program  
 73710100 Information Technology

Approved Performance Measures (Words)	Approved FY 2011-12 Standard (Numbers)	Prior Year Actual FY 2011-12 (Numbers)	Approved FY 2012-13 Standard (Numbers)	Requested FY 2013-14 Standard (Numbers)
Information technology costs as a percent of total agency costs	3.87%	3.98%	4.69%	4.58%
Information technology positions as a percent of total agency positions	3.53%	3.38%	3.38%	3.38%



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

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Exhibit III – CSE Performance Measures Assessment Forms

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**Department: Department of Revenue**  
**Program: Child Support Enforcement**  
**Service/Budget Entity: Case Processing**  
**Measure: Total Number of Cases Maintained During the Year**

**Action:**

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

Approved Standard	Actual Performance Results	Difference (Over/Under)	Percentage Difference
1,200,000	1,070,154	-129,846	-9.2%

**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 (Identify) |

**Explanation:** The Program dedicated resources to reviewing our case inventory, which resulted in case closures and reduced the total number of cases maintained during the state fiscal year. The way a case is represented prior to acceptance into the IV-D caseload has also changed. Before a case is created, a service request is used to make sure all critical data elements are present to allow the case to proceed to the next appropriate action. The new case structure will assist in monitoring workload between current cases and service requests.

**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:**

**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 Program will continue refine future targets based on the change to the case structure.

Exhibit III – CSE Performance Measures Assessment Forms

**Department: Department of Revenue**  
**Program: Child Support Enforcement**  
**Service/Budget Entity: Case Processing/Child Support Aid**  
**Measure: Total Number of Individual Educational Contacts and Inquiries Answered**

**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
17,000,000	16,333,968	-666,032	-3.9%

**Factors Accounting for the Difference:**

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

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

**Explanation:** The annual number of calls handled through the Automatic Payment Line was used to calculate the standard for SFY 2011-2012. The Automated Payment Line was discontinued in January 2012.

**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:**

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

- Training       Technology  
 Personnel       Other (Identify)

**Recommendations:** The Program will update future targets to exclude the Automated Payment Line.

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Exhibit III – CSE Performance Measures Assessment Forms

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**Department: Department of Revenue**  
**Program: Child Support Enforcement**  
**Service/Budget Entity: Compliance**  
**Measure: Percent of Current Support Collected (Federal Definition)**

**Action:**

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

Approved Standard	Actual Performance Results	Difference (Over/Under)	Percentage Difference
53.0%	52.5%	-0.5%	-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 checked="" type="checkbox"/> Other (Identify) |

**Explanation:** The actual performance results for this measure are under reported.

**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:** During the calendar year 2011 the Florida unemployment rate was 10.5% based upon data from the Department of Labor Statistics with a Florida exceeding the U.S. average by 1.6%. Although Florida's Unemployment rate since January has reduced from 9.6% to the current rate of 8.6%, unemployment in Florida continues to be a contributing factor.

**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:** Work is currently underway to change the report query to align with the approved calculations for the measure. It is expected to be completed by the end of the federal fiscal year.

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Exhibit III – CSE Performance Measures Assessment Forms

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**Department:** Department of Revenue  
**Program:** Child Support Enforcement  
**Service/Budget Entity:** Compliance  
**Measure:** Total Number of Obligated Unique Cases Identified for Compliance Resolution

**Action:**

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

Approved Standard	Actual Performance Results	Difference (Over/Under)	Percentage Difference
715,000	686,580	-28,420	-4.0%

**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 checked="" type="checkbox"/> Other (Identify) |

**Explanation:** The actual performance results for this measure are under reported.

**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:** Work is currently underway to change the report query to align with the approved calculation for the measure. It is expected to be completed by the end of the federal fiscal year.

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Exhibit III – GTA Performance Measures Assessment Forms

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**Department:** Department of Revenue  
**Program:** General Tax Administration  
**Service/Budget Entity:** Tax Processing  
**Measure:** Percent of tax returns reconciled within 25 days

**Action:**

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

Approved Standard	Actual Performance Results	Difference (Over/Under)	Percentage Difference
98%	97%	(1%)	-1.0%

**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 checked="" type="checkbox"/> Other (Identify) |

**Explanation:** Upgrades to system software caused a short term slowdown in processing tax returns. While the upgrades were scheduled for the slow part of the months to minimize the impact, problems with SAP code interacting with an upgraded version of the ISP Kernel caused a delay in processing March and April returns.

**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:** N/A. Upgrades to system software do not occur on an annual basis. Software upgrades are installed only as new versions (release) become available.

Exhibit III – GTA Performance Measures Assessment Forms

**Department:** Department of Revenue  
**Program:** General Tax Administration  
**Service/Budget Entity:** Tax Processing  
**Measure:** Percent of taxpayer-claimed refunds processed within 90 days

**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
94%	58%	(36%)	-38.3%

**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:** This metric was impacted by a significant staff turnover (including frontline supervisors) in the refund unit. The turnover:

1. Resulted in fewer employees and supervisors available to process refund requests;
2. Hampered the Department's efforts to hire replacements; and
3. Reduced the refund unit's productivity while new employees were trained and became familiar with procedures.

All of these factors contributed to the lower performance results for this measure.

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

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

**Explanation:** N/A

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

- Training       Technology  
 Personnel       Other (Identify)

**Recommendations:** The Department is filling vacancies and training new staff. The Department is also implementing new procedures for efficiency improvements as recommended by external auditors. These procedures will provide new and existing staff with the guidelines needed to ensure that refunds are properly handled to minimize risk.



Exhibit III – GTA Performance Measures Assessment Forms

**Department:** Department of Revenue  
**Program:** General Tax Administration  
**Service/Budget Entity:** Taxpayer Aid  
**Measure:** Number of taxpayers provided with direct assistance or education

**Action:**

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

Approved Standard	Actual Performance Results	Difference (Over/Under)	Percentage Difference
8,500,000	7,934,415	(565,585)	-6.7%

**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:** This output measure is primarily a function of the number of registered taxpayers that were sent educational materials or provided assistance via phone or correspondence. The downturn in the economy had a greater than expected impact on the estimate (e.g., fewer new taxpayer accounts and an increase in account cancellations.)

**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:** The economic downturn has resulted in fewer new taxpayer accounts and an increase in account cancellations. Also, the Department reduced operating costs by decreasing the mailing of educational materials by encouraging taxpayers to use web-based information sources including electronic file and pay. In addition, there were occasional service disruptions in the newly installed phone system.

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

- Training       Technology  
 Personnel       Other (Identify)

**Recommendations:** The Department will recommend adjusting the standard as appropriate to conform to future economic outlook. The Department will continue to work with the vendor on improving phone system performance and will seek additional training to address future technical difficulties that may arise.

Exhibit III – GTA Performance Measures Assessment Forms

**Department: Department of Revenue**  
**Program: General Tax Administration**  
**Service/Budget Entity: Taxpayer Aid**  
**Measure: Number of calls answered by Call Center agents**

**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
1,007,700	642,532	(365,168)	-36.2%

**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:** This measure is primarily a function of the number of taxpayers. The downturn in the economy had a greater than expected impact on the estimate (e.g., fewer new taxpayer accounts and an increase in account cancellations.)

**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:** The economic downturn has resulted in fewer new taxpayer accounts and an increase in account cancellations which reduced the number of in-coming calls to the call center.

The Department also experienced numerous problems with the implementation of a new phone system which impacted call center performance. This instability in the phone system caused excessive downtime of the 1-800 number, problems with delivery of calls to the agents, agents unable to log into the system (thus, less agents were available to answer calls.) prolonged queue wait times, and increased busy signals at the 800 number level.

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

- Training       Technology  
 Personnel       Other (Identify)

**Recommendations:** The Department will recommend adjusting the standard as appropriate to conform to future economic outlook. The Department will continue to work with the vendor on improving phone system performance and will seek additional training to address future technical difficulties that may arise.

Exhibit III – GTA Performance Measures Assessment Forms

**Department:** Department of Revenue  
**Program:** General Tax Administration  
**Service/Budget Entity:** Compliance Determination  
**Measure:** Number of filing compliance exams completed and resulting in a notice of additional liability

**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
1,700,000	1,070,209	(629,791)	-37.0%

Reported data are through March 2012. Fourth quarter data will not be available until December due to the implementation of Collection Analytics. It is anticipated that the new methodology for this measure will be completed and approved at the end of this budget amendment cycle.

**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:** This measure is primarily a function of the number of tax returns filed. The downturn in the economy had a greater than expected impact on the estimate (e.g. fewer new taxpayer accounts and an increase in account cancellations.)

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

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

**Explanation:** This measure is sensitive to any shift in the State's economic conditions and other external factors. For example, the downturn in the economy resulted in fewer business registrations and cancelation of accounts, causing a reduction in the overall number of active tax accounts and therefore the number that require a notice of additional liability.

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

- Training       Technology  
 Personnel       Other (Identify)

**Recommendations:** The Department will recommend adjusting the standard as appropriate to conform to future economic outlook.

Exhibit III – GTA Performance Measures Assessment Forms

**Department:** Department of Revenue  
**Program:** General Tax Administration  
**Service/Budget Entity:** Compliance Determination  
**Measure:** Number of taxpayers selected for a tax compliance examination

**Action:**

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

Approved Standard	Actual Performance Results	Difference (Over/Under)	Percentage Difference
34,890	25,058	(9,832)	-28.2%

**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:** This measure is the combined output for Compliance Determination which includes audits, discovery campaigns and criminal investigations. The alignment in definition is necessary and reflective of the actual performance output at the core process level.

This measure is negatively impacted by two factors: (a) the change in the definition of “completed” discovery campaigns to be consistent with audit examinations and (b) the change in the federal target for reemployment tax.

- a) In the past, a “completed” discovery campaign meant positive contact with the taxpayer by mail or telephone regardless of outcome. The term “completed” now means that the taxpayer has been notified of the findings and/or has been registered to file tax returns as a result of a discovery examination. The actual performance result (4,714) is a subset of the approved standard (14,000) for completed discovery campaigns and therefore a smaller number.
- b) This measure was established two years ago with a built-in Federal requirement to audit 2% or 9700 accounts of the reemployment tax (RT) population. The standard was lowered to 1.2% or 5820 accounts; thus, the reduction in the number of RT audits completed negatively impacted this measure.

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

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

**Explanation:** N/A

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

- Training       Technology  
 Personnel       Other (Identify)

**Recommendations:** The Department will propose deleting this measure during the budget amendment cycle. This measure is duplicative because it is the combined output for the three sub-processes - Compliance Campaigns, Compliance Determination and Criminal Investigation – which are reported separately.

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Exhibit III – GTA Performance Measures Assessment Forms

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**Department:** Department of Revenue  
**Program:** General Tax Administration  
**Service/Budget Entity:** Compliance Determination  
**Measure:** Number of audits completed

**Action:**

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

Approved Standard	Actual Performance Results	Difference (Over/Under)	Percentage Difference
20,000	19,364	(636)	-3.2%

**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 (Identify) |

**Explanation:** This measure was established two years ago with a built-in Federal requirement to audit 2% or 9700 accounts of the reemployment tax (RT) population. The standard was lowered to 1.2% or 5820 accounts; thus, the reduction in the number of RT audits completed negatively impacted this measure. However, the number of audits completed among other taxes remains consistent with prior years. The reduction in reemployment tax audit coverage allowed the Department to focus on increasing collection recoveries.

**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 Department will continue to assess the reasonableness of the current approved standards and will propose adjustments accordingly for next fiscal year.

Exhibit III – GTA Performance Measures Assessment Forms

**Department:** Department of Revenue  
**Program:** General Tax Administration  
**Service/Budget Entity:** Compliance Determination  
**Measure:** Number of discovery examinations completed

**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
14,000	4,714	(9,286)	-66.3%

**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:** The actual performance results reflect a methodology change in counting the number of discovery examinations completed. The definition of “completion” for discovery examinations is now consistent with audits. In the past, a “completed” discovery campaign meant positive contact with the taxpayer by mail or telephone regardless of outcome. The term “completed” now means that the taxpayer has been notified of the findings and/or has been registered to file tax returns as a result of a discovery examination. The actual performance result (4,714) is a subset of the approved standard (14,000) for completed discovery campaigns and therefore a smaller number.

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

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

**Explanation:** N/A

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

- Training       Technology  
 Personnel       Other (Identify)

**Recommendations:** The Department will continue to assess the reasonableness of the current approved standards and will propose adjustments accordingly for next fiscal year. The Compliance Determination Process will create a resource model that will blend audit and discovery campaigns operations to maximize return on investment.

Exhibit III – GTA Performance Measures Assessment Forms

**Department: Department of Revenue**  
**Program: General Tax Administration**  
**Service/Budget Entity: Compliance Resolution**  
**Measure: Percent of collection cases resolved in less than 90 days**

**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
66%	58.8%	(7.2%)	-10.9%

Reported data are through March 2012. Fourth quarter data will not be available until December due to the implementation of Collection Analytics. It is anticipated that the new methodology for this measure will be completed and approved at the end of this budget amendment cycle.

**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:** The Department was unable to complete the reporting for the fiscal year end performance due to the implementation of Collections Analytics in the fourth quarter. Collections Analytics is a collections process with built-in efficiencies and emphasis on the best collection treatment strategy. The Department is gathering data in the new collections process to establish baseline measures for accounts receivables. The comparison of the first three quarters in the prior year with the same period in the current reporting period indicates fewer bills (6% less) and delinquencies (10% less) were issued in this fiscal year. The creation of fewer bills and delinquencies is expected to be the new “norm” under collections analytics treatment strategies. Additionally, a high turnover among collector positions reduced the resolution rate.

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

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

**Explanation:** N/A

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

- Training       Technology  
 Personnel       Other (Identify)

**Recommendations:** The Department will continue to assess the reasonableness of the current approved standards and will propose adjustments accordingly for next fiscal year. The Program will work in conjunction with the Department’s Human Resources office to find potential staffing solutions, including piloting the continual advertisement for high turnover positions as well as changes in skill testing and new-hire training.

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Exhibit III – GTA Performance Measures Assessment Forms

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**Department:** Department of Revenue

**Program:** General Tax Administration

**Service/Budget Entity:** Compliance Resolution

**Measure:** Percent of receivables reaching uncollectible stats/available for write-off

**Action:**

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

Approved Standard	Actual Performance Results	Difference (Over/Under)	Percentage Difference
7.0%	21.7%	14.7%	210%

Reported data are through March 2012. Fourth quarter data will not be available until December due to the implementation of Collection Analytics. It is anticipated that the new methodology for this measure will be completed and approved at the end of this budget amendment cycle.

**Factors Accounting for the Difference:**

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

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

**Explanation:** The standard set for this metric was considered a stretch goal based on the old collections process. This measure will be revised with the implementation of Collections Analytics - a collections process with built-in efficiencies and emphasis on the best collection treatment strategy.

**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 Department will continue to assess the reasonableness of the current approved standards and will propose adjustments accordingly for next fiscal year.



Exhibit III – GTA Performance Measures Assessment Forms

**Department:** Department of Revenue  
**Program:** General Tax Administration  
**Service/Budget Entity:** Compliance Resolution  
**Measure:** Number of collection cases resolved

**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
1,200,000	745,208	(454,792)	-37.9%

Reported data are through March 2012. Fourth quarter data will not be available until December due to the implementation of Collection Analytics. It is anticipated that the new methodology for this measure will be completed and approved at the end of this budget amendment cycle.

**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:** This measure is primarily a function of the number of tax returns filed. The downturn in the economy had a greater than expected impact on the estimate (e.g. fewer businesses, employees, transactions, etc.).

**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:** Economic conditions and other external factors (e.g. fewer business registrations, accounts closures, etc.) resulted in a reduction in the overall number of active tax accounts and therefore the number that require a notice of additional liability and the number of collection cases resolved. In other words, there is a direct correlation between the number of notice of tax actions generated and collections cases resolved.

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

- Training       Technology  
 Personnel       Other (Identify)

**Recommendations:** The Department will recommend adjusting the standard as appropriate.

---

Exhibit III – PTO Performance Measures Assessment Forms

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**Department:** Department of Revenue  
**Program:** Property Tax Oversight  
**Service/Budget Entity:** Compliance Determination  
**Measure:** Number of refund/tax certificate applications processed

**Action:**

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

Approved Standard	Actual Performance Results	Difference (Over/Under)	Percentage Difference
5,000	2,544	-2,456	-49.12%

**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 checked="" 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:** This measure is a demand output. Legislative changes limited refunds reviewed by the program in Fiscal Year 2011-2012 to those exceeding \$2,500. Refunds under \$2,500 will not require prior review by the program.

**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 approved standard was adjusted for FY 2012-13 to 3,000.

---

Exhibit III – PTO Performance Measures Assessment Forms

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**Department:** Department of Revenue

**Program:** Property Tax Oversight

**Service/Budget Entity:** Compliance Assistance

**Measure:** Percent of users of PTO Compliance Assistance satisfied with the services provided

**Action:**

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

Approved Standard	Actual Performance Results	Difference (Over/Under)	Percentage Difference
94.0%	93.4%	-0.6%	-0.6%

**Factors Accounting for the Difference:**

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

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

**Explanation:** N/A

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

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

**Explanation:**

The overall survey response rate was down slightly for the performance period. This factored into this measure being marginally below the approved standard.

**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 program is continually seeking to maximize the survey response rate to ensure accurate measurement reporting.

---

Exhibit III – PTO Performance Measures Assessment Forms

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**Department: Department of Revenue**

**Program: Property Tax Oversight**

**Service/Budget Entity: Compliance Assistance**

**Measure: Number of inquiries from taxpayers and local governments answered**

**Action:**

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

Approved Standard	Actual Performance Results	Difference (Over/Under)	Percentage Difference
14,400	13,437	-963	-0.06%

**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 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:**

The reduction in expected performance is explained by the program making additional on-line resources available for customers to self-serve in addressing their data requests or inquiries.

**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:**

We will continue to monitor the approved standard to ensure it reflects the expected baseline of inquiries from taxpayers and local governments.



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

**Department: Revenue**

**Program: Child Support Enforcement**

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

**Activity: Case Maintenance**

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

**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 source of the data is the Child Support Automated Management System (CAMS) Business Warehouse (BW), a data warehouse used to transform data into usable information to support the business processes in decision-making.

**Methodology:**

This measure defines the percentage of CSE (IV-D) cases missing critical data elements that preclude 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 unique closed cases with undistributed collections (UDC) that are missing critical data elements from the following categories:

- Case Level Data
- Business Partner 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 unique cases closed at the end of the month that have undistributed collections which are not potentially eligible for assignment to program income pursuant to section 409.2558 of federal statute.

Business Terms:

Case Level Data

- A case missing one or more business partners
- A case with cash on hand
- A case with no depository number

Business Partner Level Data

- Business partner with no business partner address
- Business partner with no valid social security number for the business partner for whom support is sought or for the business partner ordered to pay support
- Business partner for whom support is sought with no grant information
- Business partner for whom paternity is sought with no paternity declaration on record
- Business partner for whom paternity is sought, who was born outside of Florida and a copy of the birth certificate is not on record

Financial Level Data

- A payment that cannot be assigned to a case or business partner
- UDC on a public assistance (PA) case
- UDC on a non-assistance (NA) case

---

## Exhibit IV - CSE Performance Measures Validity and Reliability

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- UDC in a support account with a clearing lock for the business partner ordered to receive support
- UDC in a business partner contract account with a clearing lock associated with the payment waiting to be refunded to the business partner ordered to pay support
- UDC associated with a case where there is a balance error between the unreimbursed public assistance (URPA) and the child support payment

**Business Partner** - A business partner is a person, organization, or group. The business partners mentioned in this measure apply to the person for whom support is sought or the person ordered to pay support

**Clearing Lock** – A lock placed on an account, either manually or systematically, to show whether payments should complete revenue distribution or wait for additional information

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

**Disbursable** – A payment that meets all criteria for full or partial revenue distribution as child support

**Grant** – The cash amount a family receives from public assistance

**No Grant** – During a month the business partner ordered to receive support is on public assistance and the grant information is missing critical data, payment cannot complete revenue distribution

**Obligated Case** – An open case with a court order for support

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

**Undistributed Payment** – Cash on hand associated with a case where a hold is placed on an account, stopping revenue distribution for a specific reason

**Unidentified** – Payments made through the SDU where adequate information is not available at the SDU to post the payment to the proper case or business partner

**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 only

**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 payments

### **Validity:**

This measure is a reflection of the work performed by the Case Maintenance process in identifying and populating missing critical data elements. Identifying and populating these data elements enables CAMS to take the next appropriate action and helps ensure the case moves timely and accurately to the subsequent action.

### **Reliability:**

CSE continually endeavors to identify and correct critical data elements within CAMS. The Office of the Inspector General performs periodic reviews of performance measures. The scope of these reviews will vary, depending on an annual risk assessment.

---

## Exhibit IV - CSE Performance Measures Validity and Reliability

---

**Department: Revenue**

**Program: Child Support Enforcement**

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

**Activity: Case Maintenance**

**Measure: Total Number of Cases Maintained During the Year**

**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 source of the data for this measure is the Child Support Automated Management System (CAMS) Business Warehouse (BW), a data warehouse used to transform data into usable information to support the business processes in decision-making.

**Methodology:**

This measure is a count of the total number of cases or service requests open at any point within the state fiscal year. The total count includes open cases at the beginning of the reporting period that require establishment, maintenance, or enforcement of an order for paternity and/or support and new service requests associated with Public Assistance referrals, Foster Care referrals, applications for IV-D services from non-public assistance customers, and requests for services from other states, tribes or international child support agencies. Each case or request is counted only once regardless of the number of times the case or request was closed and re-opened during the reporting period.

**Validity:**

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

**Reliability:**

CSE continually endeavors to identify and correct critical data elements within CAMS. The Office of the Inspector General performs periodic reviews of performance measures. The scope of the review will vary, depending on an annual risk assessment.



**Department: Revenue**

**Program: Child Support Enforcement**

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

**Activity: Education and Assist**

**Measure: Total Number of Individual Educational Contacts and Inquiries 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:**

The sources of the data are the State Disbursement Unit (SDU) Call Center, the CSE Customer Call Center, the Miami-Dade Call Center, and Google Analytics. Additionally, the Child Support Automated Management System (CAMS) will supply the number of walk-ins without appointments, legislative inquiries, educate and assist contacts, and correspondence tracking.

**Methodology:**

This measure is the total count of the number of contacts the Child Support Enforcement program has with individuals who receive services or individuals seeking information regarding the program.

The measure includes:

- Requests for case information from other states
- Letters, faxes, e-mails and phone calls to the Legislative Inquiries Section
- Hits on the Department's CSE web page
- Attendees at educational presentations hosted or coordinated by CSE
- Walk-ins without appointments
- Educational mail-outs sent by CSE to individuals who receive services
- Customer inquiries received by the Customer Call Centers, including Miami-Dade
- Customer-related correspondence received by the program

**Validity:**

This measure captures the workload of the Child Support Aid Process, whose purpose is to provide general program and case-specific child support information to service recipients, program partners, and the public. The program is no longer using an automated payment line for business partners to receive information, which is the reason for the requested decrease in the 2012-13 approved standards. Other automated information systems available to our customers include e-Services; State Disbursement Unit automated payment line, and MyFloridaCounty.com website (operated by the Florida Association of Court Clerks). The Child Support Aid Process continues to look for innovative ways to better serve our customers by focusing on new and enhanced service delivery methods. The customer contact unit is working on a pilot to check the added value of web chat in their delivery model.

**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 the review will vary, depending on an annual risk assessment.

**Department: Revenue**

**Program: Child Support Enforcement**

**Service/Budget Entity: Child Support Remittance and Distribution**

**Activity: Fund Distribution**

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

**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:**

Two components comprise this measure: IV-D payments and non-IV-D payments. The data source for the IV-D component is the Child Support Automated Management System (CAMS) Business Warehouse (BW), a data warehouse used to transform data into usable information to support the business processes in decision-making. The data source for the non-IV-D component is the KidStar system operated by the Department's State Disbursement Unit (SDU) vendor.

The numerator for the measure is the sum of both the identifiable IV-D and non-IV-D payments disbursed within two business days of receipt during the state fiscal year. The denominator for the measure is the sum of the total number of identifiable, disburseable IV-D and non-IV-D payments.

Business Terms

**Identifiable:** A payment received by the SDU that can be matched to a case. For a payment to be identifiable, it must provide enough information to associate the payment with the appropriate payee.

**Disburseable:** Payments allocated to a disburseable account or to a disburseable assignment within an account. Although some payments are received and disbursed, they may not be deemed as disburseable for computing this measure. IRS holds or other account lock reasons can legitimately preclude certain payments from being evaluated for timely processing.

**Validity:**

The disbursement of all identifiable payments within two business days of receipt is a federal requirement placed on each state's SDU. This measure is also a legislative performance accountability measure. It 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, the Florida Association of Court Clerks, and CSE.

**Reliability:**

CSE continually endeavors to identify and correct critical data elements within CAMS. The Office of the Inspector General performs periodic reviews of performance measures. The scope of the review 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**

**Activity: Revenue Processing**

**Measure: Percent of State Disbursement Unit IV-D Collections Disbursed within 1 Business Day of Receipt**

**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 data source for this measure is the Child Support Automated Management System (CAMS) Business Warehouse (BW), a data warehouse used to transform data into usable information to support the business processes in decision-making.

The numerator for the measure is the number of identifiable IV-D payments disbursed within one business day of receipt by the State Disbursement Unit (SDU) during the state fiscal year. The denominator for the measure is the total number of identifiable, disburseable IV-D payments.

**Business Terms:**

**Identifiable:** A payment received by the SDU that can be matched to a case. For a payment to be identifiable, it must provide enough information to associate the payment with the appropriate payee.

**Disburseable:** Payments allocated to a disburseable account or to a disburseable assignment within an account. Although some payments are received and disbursed, they may not be deemed as disburseable for computing this measure. IRS holds or other account lock reasons can legitimately preclude certain payments from being evaluated for timely processing.

**Validity:**

This measure is a cumulative and collective evaluation of the entire payment and disbursement process. A cooperative effort between the SDU and CSE is required for a payment to be disbursed on time. This measure reflects the efficiency of the entire disbursement process.

**Reliability:**

CSE continually endeavors to identify and correct critical data elements within CAMS. The Office of the Inspector General performs periodic reviews of performance measures. The scope of the review 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**

**Activity: Revenue Processing**

**Measure: Total Number of Collections 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:**

The source of the data is the Child Support Automated Management System (CAMS) Business Warehouse (BW), a data warehouse used to transform data into usable information to support the business processes in decision-making.

Additional information from the State Disbursement Unit (SDU) KidStar system is used in computing this measure.

**Methodology:**

This output measure reflects the total number of support payments either partially or fully cleared during the state fiscal year. The number of support payments includes the number of payments for IV-D cases (CAMS) and for non-IV-D cases processed by the SDU.

**Validity:**

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

**Reliability:**

CSE continually endeavors to identify and correct critical data elements within CAMS. 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**

**Activity: Fund Distribution**

**Measure: Total Number of Collections Distributed**

**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 source of the data is the Child Support Automated Management System (CAMS) Business Warehouse (BW), a data warehouse used to transform data into usable information to support the business processes in decision-making, and information from the Florida Association of Court Clerks database (CLERC).

**Methodology:**

This output measure reflects the total number of support payments either partially or fully disbursed during the state fiscal year. The number of support payments disbursed includes the number of payments disbursed for IV-D cases (CAMS) as well as the number of payments disbursed for non-IV-D cases (CLERC).

**Validity:**

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

**Reliability:**

CSE continually endeavors to identify and correct critical data elements within CAMS. 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**

**Activity: Support Order Establishment and Modification**

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

**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 data for this measure is compiled for the Federal Child Support Enforcement Annual Data Report (OCSE-157 Report). The source of the data is the Child Support Automated Management System (CAMS) Business Warehouse (BW), a data warehouse used to transform data into usable information to support the business processes in decision-making.

**Methodology:**

This measure is calculated by dividing the total number of IV-D cases with an order for support (OCSE 157 line 2) by the total number of open IV-D cases at the end of the Federal Fiscal Year (OCSE 157 line 1). Non-jurisdictional cases are excluded from the count.

The Numerator: total number of IV-D cases with an order for support, including zero support and medical support only orders.

The Denominator: total number of open IV-D cases at the end of the year.

Federal Definitions

**Business Partner:** A business partner is a person, organization, or group. The business partners mentioned in this measure apply to the person for whom support is sought or the person ordered to pay support

**Open Case:** A case with a status other than "closed"

**IV-D Case:** A case consisting of a child or children who are receiving services under the IV-D program and a business partner (mother, father, or alleged father) who is now or may become obligated under law for the support of the child or children

**Non-jurisdictional case:** A case that involves an individual over whom CSE has no civil jurisdiction available to pursue or effect any support actions

**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 support that the business partner is obligated to provide. Support may be monetary payments or an obligation to provide medical insurance. An order establishing the obligation must exist before CSE can begin receiving payments or enforcing the order.

**Reliability:**

CSE continually endeavors to identify and correct critical data elements within CAMS. The Federal Office of Child Support Enforcement audits this data annually 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 the review will vary, depending on an annual risk assessment.

**Department: Revenue**

**Program: Child Support Enforcement**

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

**Activity: Paternity Establishment**

**Measure: Total Number of Paternities Established and Genetic Testing Exclusions**

**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 source of Florida birth records is the Office of Vital Statistics (OVS). Information concerning genetic testing and paternities established by the program for children born in other states is housed in the Child Support Automated Management System (CAMS). The data is stored in the CAMS Business Warehouse (BW), a data warehouse used to transform data into usable information to support the business processes in decision-making.

**Methodology:**

This measure is a count of the total number of Florida-born children for whom paternity was established during the federal fiscal year as well as the total number of children born in another state for which paternity was established by the Title IV-D program during the federal fiscal year. Also included is the number of alleged fathers excluded by genetic testing.

**Validity:**

Paternity is established either by parental acknowledgement or by an order. Paternity establishment may involve working with alleged fathers, facilitating genetic testing, processing administrative and judicial actions, and conducting educational outreach with external business partners. This measure captures a majority of the workload within the paternity establishment process and is a valid representation of this process.

**Reliability:**

CSE continually endeavors to identify and correct critical data elements within CAMS. CSE paternity data is provided daily 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 CAMS.

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 the review 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**

**Activity: Support Order Establishment and Modification**

**Measure: Total Number of Cases with Newly Established and Modified Orders**

**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 source of the data is the Child Support Automated Management System (CAMS) Business Warehouse (BW), a data warehouse used to transform data into usable information to support the business processes in decision-making.

**Methodology:**

This measure counts the number of instances in which an original order for support is established by CSE during the federal fiscal year. Also counted is the number of instances in which a support order is modified to include a child or children not previously covered by the original support order. A given case could have one or more instances, all of which would be counted for this measure.

Business Terms

Support order: The legal establishment of an amount of money that is due and owed by a parent for the support of the parent's children and/or the responsibility to provide health insurance or medical support for those children.

**Validity:**

One of the goals of CSE is to establish and/or modify support orders for children in need of CSE services to ensure families receive the support necessary. This measure reflects the program's ability to meet this goal and is therefore a valid measure of the order establishment process.

**Reliability:**

CSE continually endeavors to identify and correct critical data elements within CAMS. 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**

**Activity: Compliance Resolution**

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

**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 data for this measure is compiled for the Federal Child Support Enforcement Annual Data Report (OCSE-157 Report). The source of the data is the Child Support Automated Management System (CAMS) Business Warehouse (BW), a data warehouse used to transform data into usable information to support the business processes in decision-making.

**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): the total amount collected and distributed as current support during the federal fiscal year for all IV-D cases. This measure includes regular obligation payments, voluntary payments, and intercepts received.

The denominator (OCSE 157 line 24): the total amount of current support due during the federal fiscal year for all IV-D cases. Support due is defined by posting a receivable to a current child support account.

Business Terms:

Business Partner:	A business partner is a person, organization, or group. The business partners mentioned in this measure apply to the person for whom support is sought or the person ordered to pay support.
Current Support Account:	An account type '10' (current child support), '19' (current spousal support), '15' (Cash Medical), or '17' (Medical Insurance Premium)
Current Obligation:	The posting of receivables (transaction FPDUDC) to a current support account
Current Support:	Amount of obligation owed to the business partner ordered to receive support on a Regular basis as stated in the support order

**Validity:**

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

**Reliability:**

CSE continually endeavors to identify and correct critical data elements within the CAMS system. The Federal Office of Child Support Enforcement audits this data annually 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 the review 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**

**Activity: Compliance Resolution**

**Measure: Percent of Support Collected and Distributed during the Year that was due Within the Federal Fiscal Year**

**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 source of the data for this measure is the Child Support Automated Management System (CAMS) Business Warehouse (BW), a data warehouse used to transform data into usable information to support the business processes in decision-making.

**Methodology:**

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

The numerator is the total amount of support paid and distributed. This measure includes regular obligation payments, Unemployment Compensation payments, and other intercepts.

The denominator is the total amount of receivables posted during the federal fiscal year. The total support due during the federal fiscal year does not include arrears accrued in previous federal fiscal years.

Business Terms:

**Current Support:** Amount of obligation owed to the business partner ordered to receive support on a regular basis as stated in the support order

**Arrears:** The amount of past due child support determined by the court as owed by the business partner ordered to pay support. The court orders a monthly obligation to assist in paying said arrears.

**Validity:**

This measure assesses the program's success towards achieving the desired outcome of increasing the number of cases for which payments were received and distributed.

**Reliability:**

CSE continually endeavors to identify and correct critical data elements within CAMS. The Office of the Inspector General performs periodic reviews of performance measures. The scope of the review 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**

**Activity: Compliance Resolution**

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

**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 source of the data is the Child Support Automated Management System (CAMS) Business Warehouse (BW), a data warehouse used to transform data into usable information to support the business processes in decision-making.

**Methodology:**

This measure counts the cumulative number of unique cases not in full compliance with the provisions of the child support order during the state fiscal year. The case could be out of compliance with either financial support and/or medical support.

Business Terms:

Full Compliance: All provisions of the child support order are met

Provisions: The obligations set forth in a child support order that could include current support, arrears, and/or medical support

**Validity:**

One of the goals of CSE is increased compliance. This measure counts the cases identified for enforcement action. These actions are known to result in more paying cases and increased collections.

**Reliability:**

CSE continually endeavors to identify and correct critical data elements within CAMS. In addition, the Office of the Inspector General performs periodic reviews of performance measures. The scope of the review 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**

**Activity: Compliance Determination**

**Measure: Total Number of Actions Processed During the Year**

**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 source of the data for this measure is the Child Support Automated Management System (CAMS) Business Warehouse (BW), a data warehouse used to transform data into usable information to support the business processes in decision-making. Several compliance remedies are not active on the CAMS system yet. The compliance information for these remedies is retrieved from Access databases maintained by the Compliance process.

**Methodology:**

This measure is defined as the total number of compliance actions taken during the state fiscal year for cases with an order. The measure is calculated by selecting all recorded compliance actions taken for cases in need of enforcement. There are many types of compliance actions available to the program when enforcement of an order is required. Examples include past due notices; driver's license suspensions; suspension of business, professional and recreational licenses; income deduction; unemployment withholding; income tax refund offset; insurance intercepts; and judicial motions for contempt. In addition, administrative dispute resolution actions are included in this output measure.

Business Terms:

Case with an Order: Any open case with a legal obligation to support a child financially or to supply medical support

Compliance Actions: Administrative or judicial remedies available to the program to achieve adherence to the provisions of the support order

Dispute Resolution: The formal or informal consideration of disputed collections

**Validity:**

This measure counts the number of enforcement actions taken during the state fiscal year. These enforcement actions result in increased compliance with the provisions of the order. This measure assesses the success of the program toward achieving the goal of increased compliance, whether it is increased payments or provision of medical support.

**Reliability:**

CSE continually endeavors to identify and correct critical data elements within CAMS. The Office of the Inspector General performs periodic reviews of performance measures. The scope of the review 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/Budget Entity: Tax Processing**

**Measure: Percent of tax returns reconciled within 25 days (Primary Outcome)**

**Action** (check one):

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

**Data Sources and Methodology:**

The data source is the Resource Management Database where selected data are downloaded monthly from SUNTAX.

This outcome measure is calculated by dividing the number of tax returns reconciled within 25 days by the total number of tax returns received in the same period. All tax returns administered by the agency are included in the counts.

$$\frac{\text{Number of Tax Returns Reconciled Within 25 Days}}{\text{Total Number of Tax Returns Received}}$$

**Validity:**

Reconciliation means to verify the accuracy and intent of taxpayer filed return data to ensure an accurate distribution and taxpayer filing history. The rate at which returns are reconciled is the primary driver of the issuance of tax deficiency notices (bills) so that taxpayers are notified of additional liabilities in a timely fashion.

**Reliability:**

The Resource Management Database provides direct access to detailed individual revenue processing, as well as all SUNTAX transactions, including underlying extract queries and algorithms in the reported measure. This maintains a constant audit trail for review to ensure the accuracy of reported data. The measure is monitored continuously, at both the reporting level and the Process Management Group level, to ensure reliability and to analyze 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/Budget Entity: Tax Processing**

**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:**

The data source is the daily deposit record extracted from SUNRISE, an imaging management system.

The number of days for each deposit is weighted by multiplying the dollar value of each deposit by the number of days– including weekend days - it took to complete the deposit. The sum of all weighted deposits is then divided by the total value of the deposits to get the average. This outcome measure is displayed as a decimal, with one day represented as 1.00.

$$\frac{\sum (\text{Dollar Value of Deposit} \times \text{Number of Days to Deposit})}{\text{Total Dollar Value of All Deposits}}$$

For example, if \$3,331 is deposited in “zero” days (the same day as receipt) and \$290 deposited in 3 days, the calculation would be:

$$\frac{(\$3,331 \times 0 \text{ days}) + (\$290 \times 3 \text{ days})}{(\$3,331 + \$290)} = \frac{(\$0) + (\$870)}{\$3,621} = 0.24 \text{ days}$$

**Validity:**

This measure is dollar-weighted to provide an indicator of the benefit of timely depositing money into the state treasury. Every deposit made is included in the measure. The measure is also used to estimate 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, thereby creating and maintaining an “audit trail” allowing for an ongoing review of accuracy and data integrity. The measure is monitored continuously, at both the reporting level and the Process Management Group level, to ensure reliability and to analyze 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/Budget Entity: Tax Processing**

**Measure: Percent of reemployment 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:**

The data source for the count of electronic fund transfer deposits is taken from bank statements and daily deposit runs. The data source for paper checks is a sample of checks pulled directly from trays of checks received in the mailroom on the day received.

This outcome measure is calculated in two parts. All electronic fund transfers (EFT) are deposited on the same day of transmission. The percent of those payments deposited within 3 days, by definition, is 100%. The residual of the payments are paper checks. A sample is used to weight the timeliness of the deposit of paper check payments.

$$(e \times 100) + [(1.00 - e) \times p]$$

Where:

e = % of EFT tax dollars received

p = sample % of paper checks deposited within 3 days

For example, in a given month if 90% of all reemployment taxes are paid using electronic fund transfer, it implies that the remaining 10% is paid with paper checks. A daily sample estimates that 95% of the paper checks are deposited within 3 days.

e = 90% of all deposits are EFT

p = 95% of paper checks are deposited in 3 days

$$\begin{aligned} \text{\% of RT deposited within 3 days} &= (.90 \times 100) + [(1.00 - 0.90) \times 0.95] \\ &= 90 + [0.10 \times 0.95] \\ &= 90 + 9.5 \\ &= 99.5\% \end{aligned}$$

**Validity:**

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

**Reliability:**

The sample, consisting of between 300 and 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 electronic fund transfers 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/Budget Entity: Tax Processing**

**Measure: Percent of taxpayer-claimed refunds processed within 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 data source for this outcome measure is the Refund Case Management System's transaction detail in SUNTAX which tracks all refunds claimed by taxpayers.

Refunds can be claimed on the Application for Refund (form DR-26) as well as on tax returns with refund claim provisions. The numerator of the measure is the number of refunds processed within 90 days. The denominator is the total number of refunds processed. A "processed" refund claim is defined as one that was approved, withdrawn, or denied. The 90 day period begins on the date the refund application is deemed complete by the Department. If the refund application is not complete, the 90 day period begins on the receipt date of subsequent documentation needed to finalize the refund application.

$$\frac{\text{Number of Refunds Processed within 90 Days}}{\text{Total Number of Refunds Processed}}$$

**Validity:**

Section 213.255, F.S., requires the agency to pay interest on any refund not paid within 90 days from the date a refund application is deemed complete by the Department. This measure is a direct indicator of the ability to issue claimed refunds within the prescribed time period. The measure includes every refund claim subject to the payment of interest.

**Reliability:**

The Refund Case Management System provides 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 system ensures that a constant audit trail is maintained and the data is reported accurately. The measure is monitored continuously, at both the reporting level and the Process Management Group level, to ensure reliability and to analyze 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/Budget Entity: Tax Processing**

**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:**

The data source is a monthly file provided by the Florida Department of Financial Services that shows the distributions made in a month and the dates of each distribution.

This outcome measure is the total number of distributions made by the 25<sup>th</sup> day of the month following the month in which a receipt is validated divided by the total number of distributions made for receipts validated during a given month.

$$\frac{\text{\# of Distributions Made by the 25<sup>th</sup> of the Month Following the Month in Which a Receipt is Validated}}{\text{Total \# of Distributions Made for Receipts Validated During the Month}}$$

**Validity:**

The agency is legally mandated to timely distribute revenue to the appropriate jurisdiction to fund state and local 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 Florida Department of Financial Services transaction detail. This provides a continuous “audit trail” allowing for an ongoing review of accuracy and data integrity. The measure is monitored continuously, at both the reporting level and the Process Management Group level, to ensure reliability and to analyze 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/Budget Entity: Tax Processing**

**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:**

The primary data source is the SUNTAX registration data base.

The methodology for this input measure was changed for FY 2012-13. Prior to this change, the count for this measure was at the business location or tax obligation level. The new methodology aligns the measurement with the SUNTAX one-stop approach to managing tax obligations at the entity, or business partner, level as opposed to the business location level.

The number of (business partner) accounts maintained includes only those cases where at least one tax obligation is active and required to file. Since the number of accounts can vary over time - due to the addition, inactivation or closure of accounts - this measure is calculated by taking the annual average of the monthly counts of active, required to file, taxpayer accounts.

**Validity:**

This measure includes all active business partners registered and maintained for all taxes administered by the agency. Given that the majority of business partners are associated with more than one obligation, this is a more accurate representation of the number of persons or entities GTA supports and serves. The number of business partners maintained is one of two significant tax administration cost drivers (the other being tax returns processed). This makes this measure the most valid number to represent the workload associated with managing active business partners.

**Reliability:**

The data underlying this measure is drawn directly from the databases containing all of the agency's registered filers and is maintained in the secure SUNTAX environment. The measure is monitored continuously, at both the reporting level and the Process Management Group level, to ensure reliability and to analyze fluctuations in the measure. Reemployment tax data is subject to an annual review by the Florida Department of Economic Opportunity 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/Budget Entity: Tax Processing**

**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:**

The data source for this output measure is the Resource Management Database where selected data are downloaded monthly from the SUNTAX transaction system and the revenue processing databases.

This output measure is a count of all tax returns received and processed. A tax return is defined as the filing of certain information in a prescribed format to report the tax due for a specific period and tax type. A tax return may be in the form of a paper document or may be received through various electronic methods. The data in the return is captured and posted to the appropriate taxpayer account in SUNTAX. For purposes of this measure, a return is included when it is initially posted into SUNTAX.

**Validity:**

This measure describes the primary output of the returns processing activity. It includes all taxes administered by the agency.

**Reliability:**

The data underlying this measure is drawn directly from the databases used for all tax return activities. Selected data fields and tables are uploaded monthly to the Resource Management Database which provides for detailed access to each record stored. The measure is monitored continuously, at both the reporting level and the Process Management Group level, to ensure reliability and to analyze fluctuations in the measure. Reemployment tax data is subject to an annual review by the Florida Department of Economic Opportunity 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/Budget Entity: Tax Processing**

**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:**

The data source for this output measure is the Refund Case Management System's transaction detail in SUNTAX which tracks all refunds claimed by taxpayers.

This output measure is a count of all refund claims processed in the period. A "processed" refund claim is defined as one that was withdrawn, approved, or denied. The measure is a count of the number of individual refunds claims processed. It includes refunds generated when overpayments are identified by the agency.

**Validity:**

This measure describes the primary output of the entire refund process. 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 Case 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 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/Budget Entity: Tax Processing**

**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:**

The data source is a monthly file provided by the Florida Department of Financial Services that shows the unique Treasury disbursements (journal transfers and checks) conducted and reported by distribution staff made in a month and the dates of each distribution.

This output measure is the manual count of individual fund distributions made during the fiscal year. A distribution of funds is accomplished by bank transfer or the issuance of a check. Funds are distributed to counties, municipalities, and state trust funds from a variety of tax sources on a monthly or quarterly basis.

**Validity:**

This measure fully describes the output of all activity associated with fund accounting and distribution. The measure counts every distribution of the taxes as required by Florida statute.

**Reliability:**

The data underlying this measure is recorded by staff performing distribution activities. Since all distributions occur on a predictable and routine basis, the reliability of reported data is virtually self-ensuring. The measure is monitored continuously, at both the reporting level and the Process Management Group level, to ensure reliability and to analyze 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/Budget Entity: Taxpayer Aid**

**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:**

The data source is a compilation of survey responses concerning educational information and taxpayer assistance services: paper surveys are provided to taxpayers seeking technical and service center assistance; web-based surveys are used to get feedback on Tax Information Publications (TIPs), brochures, the agency's newsletter Facts-on-Tax, e-mail correspondence; and automated telephone surveys are offered to taxpayers receiving telephone assistance.

This outcome measure is the number of taxpayers expressing satisfaction with the educational information and assistance services divided by the number of taxpayers responding to the surveys. Taxpayers express satisfaction by responding that the services met their needs and was clear and timely.

$$\frac{\text{Number of Taxpayers Expressing Satisfaction with Educational Information and Assistance Services}}{\text{Total Number of Taxpayers Responding to the Surveys}}$$

**Validity:**

Taxpayers receiving educational information or assistance are given an opportunity to provide feedback on the timeliness, clarity and satisfaction (i.e., met their needs) of educational information and taxpayer services. The measure is compiled and reported on a quarterly basis.

**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 information on individual responses is readily accessible to ensure the integrity of reported summaries. The measure is monitored continuously, at both the reporting level and the Process Management Group level, to ensure reliability and to analyze 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/Budget Entity: Taxpayer Aid**

**Measure: Number of taxpayers provided with direct assistance or 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:**

The incoming call reports are captured and maintained on the Enterprise Phone System as well as outbound call campaigns. 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.

This output measure is the count of educational materials sent, taxpayers interacting with the web-based training site, and all incoming calls and correspondence answered in the taxpayer assistance units, including service center visits made for the purpose of requesting assistance.

**Validity:**

This measure 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 related activities 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. Data from the inbound phone system maintained in the agency's centralized call center is automatically captured and monitored via a software package specifically designed for such use. The software is a standard industry package used by most call centers, both nationally and internationally. 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. The measure is monitored continuously, at both the reporting level and the Process Management Group level, to ensure reliability and to analyze 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/Budget Entity:** Taxpayer Aid

**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:**

The incoming call reports are captured and maintained on the Enterprise Phone System.

This measure is a count of all incoming calls answered in the taxpayer assistance call center. It includes taxpayer returned calls from outbound call campaigns.

**Validity:**

This measure tracks all incoming call activity associated with the 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 is automatically captured and monitored with a software package specifically designed for such use. The system used is a standard industry package used by most call centers, both nationally and internationally. The measure is monitored continuously, at both the reporting level and the Process Management Group level, to ensure reliability and to analyze 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/Budget Entity: Compliance Determination**

**Measure: Percent of tax compliance examinations resulting in an adjustment to a tax payer's account (Primary Outcome)**

**Action** (check one):

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

**Data Sources and Methodology:**

The data sources for this measure are the Audit Case Management System in SUNTAX, the Discovery Case Management System, the Investigations Case Management System and the Resource Management Database.

This outcome measure is calculated by dividing the number of completed tax compliance examinations (audit, compliance campaigns, 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).

$$\frac{\text{Number of Completed CA + CC + CI Resulting in an Adjustment to a Taxpayer's Account}}{\text{Total Number of CA + CC + CI Completed}}$$

Where CA = compliance audits  
CC = compliance campaigns  
CI = criminal investigation cases

**Validity:**

This measure reflects the effectiveness of tax compliance examinations.

**Reliability:**

Counts for this measure are drawn from the Audit Case Management System in SUNTAX, the Discovery Case Management System, the Investigations Case Management System and the Resource Management Database and can be traced back to the individual records giving rise to reported totals. The measure is monitored continuously, at both the reporting level and the Process Management Group level, to ensure reliability and to analyze 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/Budget Entity: Compliance Determination**

**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 data source is an extract of the SUNTAX transaction data.

This output measure is a count of bills and notices of delinquency issued for all taxes administered by the agency.

**Validity:**

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

**Reliability:**

Data is drawn directly from SUNTAX transaction detail, 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 to provide a standalone source used for comparative purpose to further ensure the accuracy of reported data. The measure is monitored continuously, at both the reporting level and the Process Management Group level, to ensure reliability and to analyze 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/Budget Entity: 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:**

Audit data is captured and maintained in the Audit Case Management System in SUNTAX. Cases selected for compliance campaigns are captured and maintained on the Discovery Case Management System, and cases selected for criminal investigation are captured and maintained on the Criminal Investigation Case Management System. Counts of new cases selected are compiled and reported monthly.

This output measure is a count of the number of audits, compliance campaign cases, and criminal investigations selected for review.

**Validity:**

This measure describes the primary and final output of the case selection 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 Audit Case Management System in SUNTAX and can be traced back to the individual records giving rise to reported totals. The measure is monitored continuously, at both the reporting level and the Process Management Group level, to ensure reliability and to analyze 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/Budget Entity: Compliance Determination**

**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:**

Data describing proposed assessments issued are captured and maintained in the Audit Case Management System in SUNTAX.

This output measure is a count of the number of Notices of Proposed Assessment issued to taxpayers after the completion of an audit, plus the number of self-audits completed by taxpayers and returned to the agency. This count includes all final notices sent to taxpayers whether or not additional liability exists.

**Validity:**

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 is included in the measure, it is the only valid representation of this process.

**Reliability:**

Counts for this measure are drawn from Audit Case Management System in SUNTAX and can be traced back to the individual records giving rise to reported totals. The measure is monitored continuously, at both the reporting level and the Process Management Group level, to ensure reliability and to analyze 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/Budget Entity: Compliance Determination**

**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:**

Data associated with this activity is captured in the Discovery Case Management System and contains information on the cases completed by staff statewide.

Compliance campaigns use discovery examinations to identify taxpayers that may be required to register to collect and/or pay taxes but have not registered. Discovery examinations also identify taxes owed by taxpayers that are not required to register, such as isolated purchases of boats and airplanes or internet and mail-order purchases. This output 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 examination.

**Validity:**

Since this measure is a compilation of the total output of the statewide compliance campaigns, it is a valid representation of this activity.

**Reliability:**

Data from the Discovery Case Management System is traceable at the detail level back to the individual who conducted the activity, thereby creating a complete auditable trail to ensure reliability. The measure is monitored continuously, at both the reporting level and the Process Management Group level, to ensure reliability and to analyze 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/Budget Entity: Compliance Determination**

**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:**

The Criminal Investigation Case Management System tracks information on the cases assigned to all investigators statewide. As each field investigation is worked and completed, the relevant case information is entered into the system and is accessible on a real time basis.

This output measure is a count of the investigation cases finalized with an investigative report. 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 and remit taxes collected.

**Validity:**

This measure represents the total output of criminal investigation cases finalized for all taxes.

**Reliability:**

Data from the Criminal Investigation 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. The measure is monitored continuously, at both the reporting level and the Process Management Group level, to ensure reliability and to analyze 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/Budget Entity: Compliance Determination**

**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:**

The denial of refunds information is captured in Technical Assistance and Dispute Resolution's Case Management System. Other audit-related dispute information is captured and maintained in the SUNTAX Audit Case Management System.

This output measure counts the number of taxpayer protests closed after formal Notices of Proposed Assessment (audit) or Notices of Proposed Refund Denial are issued. Refund cases with multiple refund applications under a single taxpayer for a single period (Enterprise Zone refunds, for example) are counted as one refund case for that period.

**Validity:**

This measure includes all audit disputes or refund denials where a Notice of Proposed Assessment (form DR-832) or a Notice of Refund Denial (form DR-832R) is issued and the taxpayer submits a timely protest of the notice. 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 SUNTAX Audit Case Management System and the Technical Assistance and Dispute Resolution Case Management System. This provides for both a reporting mechanism and the ability to trace transaction-level detail to ensure accuracy and completeness of reported data. The measure is monitored continuously, at both the reporting level and the Process Management Group level, to ensure reliability and to analyze 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/Budget Entity: Compliance Resolution**

**Measure: Percent of collection cases resolved in less than 90 days (Primary Outcome)**

**Action** (check one):

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

**Data Sources and Methodology:**

Collection cases are tracked in SUNTAX and all database tables are uploaded monthly to the Resource Management Database for analysis and measurement queries.

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. For example, collection cases opened in the month of April are measured the following July; collection cases opened in the month of May are 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.

$$\frac{\text{Number of Collection Cases Resolved Within 90 Days of the Opening of the Case}}{\text{Total Number of Collection Cases Opened for the Period}}$$

**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. The database is a stand-alone archive that provides direct access to all detail records and data underlying the measure to ensure reliability, accuracy, and completeness. The measure is monitored continuously, at both the reporting level and the Process Management Group level, to ensure reliability and to analyze 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/Budget Entity: Compliance Resolution**

**Measure: Accounts receivables 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:**

Accounts receivables are tracked in SUNTAX and all database tables are uploaded monthly to the Resource Management Database for analysis and measurement queries

The numerator of this measure is the total value of current receivables from notices sent to taxpayers informing them of unpaid liabilities. The denominator is the total value of receivables for the reported fiscal year. For interim reporting purposes (during the course of a fiscal year), the denominator is the current Florida Revenue Estimating Conference estimate for the fiscal year.

**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:**

Accounts receivables data is drawn directly from the SUNTAX business warehouse, and all data is refreshed daily to ensure accurate and reliable data. The measure is monitored continuously, at both the reporting level and the Process Management Group level, to ensure reliability and to analyze 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/Budget Entity: Compliance Resolution**

**Measure: Percent of receivables reaching uncollectible status/available for write-off**

**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:**

Accounts receivables are tracked in SUNTAX and all database tables are uploaded monthly to the Resource Management Database for analysis and measurement queries.

The numerator of this measure is the value of receivables reaching uncollectible status in the fiscal year reported. The denominator is the total value of 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.

$$\frac{\text{Value of Receivables Reaching Uncollectible Status}}{\text{Total Value of Current Receivables}}$$

**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. Data is refreshed daily to ensure accurate and reliable data. The measure is monitored continuously, at both the reporting level and the Process Management Group level, to ensure reliability and to analyze 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/Budget Entity: Compliance Resolution**

**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:**

Accounts receivables are tracked in SUNTAX and all database tables are uploaded monthly to the Resource Management Database for analysis and measurement.

This measure is the count of the number of collection cases (bills and delinquencies) arising from tax return filing errors that are resolved within the time period. A collection case is considered "resolved" when an identified liability (receivable) has been reduced to zero by a collection, adjustment, and/or compromise.

**Validity:**

This measure describes the primary output of the Collect Identified Liabilities activity: the number of collection cases resolved. It encompasses the collection of all taxes due to the state and the resolution of noncompliance findings.

**Reliability:**

Data for this measure is drawn directly from the SUNTAX 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. The measure is monitored continuously, at both the reporting level and the Process Management Group level, to ensure reliability and to analyze 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/Budget Entity: Property Tax Compliance Determination**

**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 levy forms 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 and reviewed for each taxing authority. This information is maintained in Property Tax Oversight's Oracle database.

This activity collects data about local taxing authority compliance by requiring the following forms to be submitted: DR-420, DR-420S, DR-420 DEBT, DR-420 TIF, DR-420 MM-P, DR-420 MM, DR-422, DR-422 DEBT, DR-487, and DR-487V. These forms indicate how local governments calculate, vote and manage their local millage rates. Information from these forms is reviewed to ensure that each taxing authority follows the appropriate statutes and rules pertaining to setting and advertising millage rates.

**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. In 2010, additional requirements were mandated for all taxing authorities and new responsibilities were placed on the Department. All of the forms for both existing and new requirements are included in this measure.

**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 parcels studied to establish 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 is provided in the Statewide Report 2.11 produced by the Oracle application. 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.

**Department: Revenue**

**Program: Property Tax Oversight**

**Service/Budget Entity: Property Tax Compliance Determination**

**Measure: Statewide level of assessment (Primary Outcome)**

**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 fair market value standard of property and assessment uniformity of property in all counties submitting tax rolls. This measure is calculated by taking the weighted average (according to value) of overall level of assessment for each county.

Each county's level of assessment is calculated by taking the property appraiser's value for their entire county as the numerator and dividing it by our estimate of the value for the entire county as the denominator. We determine each county's 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 value divided by the Department's determination of 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 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/Budget Entity: Property Tax Compliance Determination**

**Measure: Percent of property value studied with a statistically reliable 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:**

This measure is calculated by dividing the value of the sample studied (numerator) over the value of all Florida property we are required by statute to study (denominator). Florida Statute 195.096(3)(a) states that only strata or class groupings comprising at least five percent of the county's total assessed value are subject to the in-depth study methodology.

The data required to calculate this measure is found in Oracle reports 8.2.8 and 3.2 for each county. This Oracle data is created when each county's property tax roll is submitted to the Department in a comma-delimited formatted (.csv) file and electronically downloaded into the Oracle system, which generates the aforementioned reports.

**Validity:**

The Department strives to use a statistically valid number of sample parcels when studying each class or grouping of property reaching the five percent threshold, as this requirement provides a 95% level of confidence in the statistical indicators (LOA, PRD, and 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 (in Oracle 8.2.8). 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. The value of all Florida property we are required by statute to study is calculated in Oracle 3.2

**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 Assistance**

**Measure: Percent of users of PTO Compliance Assistance satisfied with the services provided  
(Primary Outcome)**

**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 collected 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.

**Department: Revenue**  
**Program: Property Tax Oversight**  
**Service/Budget Entity: Property Tax Compliance Assistance**  
**Activity: Certification and Training**  
**Measure: Number of student training hours 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 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: Revenue**

**Program: Property Tax Oversight**

**Service/Budget Entity: 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: Revenue**

**Program: Property Tax Oversight**

**Service/Budget Entity: 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/Budget Entity: Property Tax Compliance Assistance**

**Activity: Mapping Assistance**

**Measure: Number of square miles mapped using aerial photography**

**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/Budget Entity: Property Tax Compliance Assistance**

**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 67 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>, the Department must provide a preliminary budget 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/Budget Entity: Property Tax Compliance Assistance**

**Activity: Research and Analysis**

**Measure: Number of reports produced for the revenue estimating conference and other stakeholders**

**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 sums the reports produced by the Program. The number of reports produced includes the following documents: Tables published in the Department's on-line Data Portal; millage reports used to assist revenue estimating activities; roll approval and assessment reports; other statutorily required reports; and ad hoc reports requested by the Cabinet, Legislature, other state agencies, stakeholder organizations, media, and citizen inquiries.

The data for this measure is stored in a database that tracks all required reports to be completed and ad hoc reports requested from the Program.

**Validity:**

The Department strives to provide the most accurate information available and model the values of expert knowledge and transparency. The primary purpose of this activity is to provide information and analysis in order to meet statutory requirements, legislative needs, and information requests from citizens and stakeholders.

This LRPP measure quantifies the level of research and analysis services performed. These research activities are authorized in several sections of Florida Statutes (including but not limited to 195.052, F.S., 195.096 (3)(a), F.S., and 1011.62 (4)(a), F.S.) where the Department is required to provide research and analysis in support of other statutory functions. Therefore, this output reports the Department of Revenue's efforts to provide services in support of revenue estimating activities and laws governing public information requests.

**Reliability:**

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





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

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

<b>Measure Number</b>	<b>Approved Performance Measures for FY 2012-13 (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

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

Measure Number	Approved Performance Measures for FY 2012-13 (Words)	Associated Activities Title
		<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
12	Number of refund claims processed	REFUND TAX OVERPAYMENTS
		<b>TAXPAYER AID</b>
13	Number of taxpayers provided with direct assistance or education	EDUCATE OR ASSIST TAXPAYERS
14	Number of calls answered by Call Center agents	ANSWER CALLS IN CALL CENTER
		<b>COMPLIANCE DETERMINATION</b>
15	Number of filing compliance exams completed and resulting in a notice of additional liability	DETERMINE FILING COMPLIANCE
16	Number of taxpayers selected for a tax compliance examination	SELECT CASES FOR TAX COMPLIANCE DETERMINATION
17	Number of audits completed	PERFORM AUDITS
18	Number of discovery examinations completed	DISCOVER UNREGISTERED TAXPAYERS
19	Number of criminal investigations completed	INVESTIGATE CRIMINAL TAX AVOIDANCE
20	Number of audit disputes resolved	RESOLVE DISPUTES
		<b>COMPLIANCE RESOLUTION (Receivables Management)</b>
21	Number of collection cases resolved	COLLECT IDENTIFIED LIABILITIES

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

Measure Number	Approved Performance Measures for FY 2012-13 (Words)	Associated Activities Title
		<b>PROGRAM: PROPERTY TAX OVERSIGHT PROGRAM</b>
		<b>COMPLIANCE DETERMINATION</b>
22	Number of parcels studied to establish in-depth level of assessment	DETERMINE REAL PROPERTY ROLL COMPLIANCE
23	Number of refund/tax certificate applications processed	REVIEW REFUNDS/TAX CERTIFICATES/TAX DEEDS
24	Number of Truth-in-Millage / Millage Levy forms processed	DETERMINE TRIM COMPLIANCE
		<b>COMPLIANCE ASSISTANCE</b>
25	Number of student training hours provided	PROVIDE INFORMATION
26	Number of inquiries 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
29	Number of property appraiser and tax collector budgets reviewed	VERIFY BUDGET COMPLIANCE

REVENUE, DEPARTMENT OF		FISCAL YEAR 2011-12			
SECTION I: BUDGET		OPERATING		FIXED CAPITAL OUTLAY	
TOTAL ALL FUNDS GENERAL APPROPRIATIONS ACT			548,170,119	0	
ADJUSTMENTS TO GENERAL APPROPRIATIONS ACT (Supplementals, Vetoes, Budget Amendments, etc.)			-10,657,185	0	
FINAL BUDGET FOR AGENCY			537,512,934	0	
SECTION II: ACTIVITIES * MEASURES		Number of Units	(1) Unit Cost	(2) Expenditures (Allocated)	(3) FCO
<i>Executive Direction, Administrative Support and Information Technology (2)</i>					0
Geographic Information Systems * Number of square miles mapped using aerial photography		16,446	112.50	1,850,216	
Central Assessment Of Railroads * Number of railroads and private carlines centrally assessed		239	1,312.42	313,669	
Determine Real Property Roll Compliance * Number of parcels studied to establish in-depth level of assessment		21,340	392.00	8,365,285	
Review Refunds/Tax Certificates/Tax Deeds * Number of refund/tax certificate applications processed		2,544	35.30	89,798	
Determine Trim Compliance * Number of Truth-in-Millage / Millage Levy forms processed compliance		6,199	90.86	563,228	
Verify Budget Compliance * Number of budget submissions and amendments reviewed		503	433.30	217,949	
Provide Information * Number of student training hours provided		15,348	1,637.69	25,135,338	
Provide Aid And Assistance * Number of inquiries from taxpayers and local governments answered		13,437	30.49	409,649	
Maintain Child Support Cases * Total number of cases maintained during the year		1,070,154	65.20	69,778,739	
Provide Education And Assistance * Total number of individual educational contacts and inquires answered		16,333,968	1.66	27,113,985	
Establish Paternity * Total number of paternities established and genetic testing exclusions		101,822	186.10	18,948,839	
Establish And Modify Support Orders * Total number of newly established and modified orders		50,396	1,299.81	65,505,327	
Determine Compliance With Support Orders * Total number of obligated cases identified for compliance resolution		686,580	10.47	7,187,423	
Resolve Compliance Discrepancies * Total number of actions processed during the year		3,723,535	15.59	58,063,213	
Educate Or Assist Taxpayers * Number of taxpayers provided with direct assistance or education		7,934,415	0.87	6,920,682	
Manage Accounts * Number of accounts maintained		960,821	8.44	8,106,555	
Process Returns And Revenue * Number of tax returns processed		8,418,331	2.37	19,976,979	
Account For Remittances * Number of distributions made		39,875	45.96	1,832,639	
Determine Filing Compliance * Number of filing compliance exams completed and resulting in a notice of additional liability (See Note 1 below)		1,070,209	6.02	6,442,969	
Select Cases For Tax Compliance Determination * Number of taxpayers selected for a tax compliance examination		25,058	123.18	3,086,649	
Perform Audits * Number of audits completed		19,364	2,460.65	47,648,096	
Discover Unregistered Taxpayers * Number of discovery examinations completed		4,714	1,876.83	8,847,369	
Investigate Criminal Tax Avoidance * Number of criminal investigations completed		980	3,977.63	3,898,074	
Collect Identified Liabilities * Number of collection cases resolved		745,208	54.15	40,355,224	
Refund Tax Overpayments * Number of refund claims processed		132,392	30.23	4,002,771	
Resolve Disputes * Number of audit disputes resolved		2,130	4,518.35	9,624,090	
Answer Calls In Call Center * Number of calls answered by Call Center agents		642,532	5.26	3,379,303	
TOTAL				447,664,058	
SECTION III: RECONCILIATION TO BUDGET					
PASS THROUGHS					
TRANSFER - STATE AGENCIES					
AID TO LOCAL GOVERNMENTS				17,163,111	
PAYMENT OF PENSIONS, BENEFITS AND CLAIMS					
OTHER (SEE NOTE 2 BELOW)				46,772,517	
REVERSIONS				25,888,295	
TOTAL BUDGET FOR AGENCY (Total Activities + Pass Throughs + Reversions) - Should equal Section I above. (4)				537,487,981	

### 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.

#### Notes:

- (1) Data reported is through March 2012. Due to the implementation of Collection Analytics, the validation and reconciliation process for the final quarter's data will not be completed until December 2012.
- (2) Final output data for activities ACT3330 and ACT3340 will not be available until December 2012 pending validation of data resulting from implementation of CAMS earlier in the year. Since outputs were not entered for these activities, their expenditures do not appear in the Unit Cost Summary.

ACTIVITY ISSUE CODES SELECTED:

TRANSFER-STATE AGENCIES ACTIVITY ISSUE CODES SELECTED:

1-8:

AID TO LOCAL GOVERNMENTS ACTIVITY ISSUE CODES SELECTED:

1-8: ACT3350 ACT4200

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

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

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

\*\*\* NO OPERATING CATEGORIES FOUND \*\*\*

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

BE	PC	CODE	TITLE	EXPENDITURES	FCO
73300700	1304000000	ACT3330	PROCESS SUPPORT PAYMENTS	33,906,065	** See Note 1 Below **
73300700	1304000000	ACT3340	DISTRIBUTE SUPPORT PAYMENTS	12,866,452	** See Note 1 Below **

TOTALS FROM SECTION I AND SECTIONS II + III:

DEPARTMENT: 73	EXPENDITURES	FCO
FINAL BUDGET FOR AGENCY (SECTION I):	537,512,934	
TOTAL BUDGET FOR AGENCY (SECTION III):	537,487,981	
DIFFERENCE:	24,953	** See Note 2 Below **
(MAY NOT EQUAL DUE TO ROUNDING)	=====	=====

Notes:

(1) Final FY 2011-12 output data for these activities will not be available until December 2012 pending validation of data resulting from implementation earlier in the year. Since outputs were not entered for these activities, their expenditures do not appear in the Unit Cost Summary.

(2) Section 23 of 2012 House Bill 7087 provided \$226,884 in non-recurring funding in FY 2011-12 for purposes of administering the August 2012 sales tax holiday. Pursuant to the provisions of that section, \$24,976 of the funding that was not expended or encumbered during FY 2011-12 was reappropriated in 2012-13. Since the reappropriated funds were not a part of either expenditures or reversions for FY 2011-12, they are not reported in the Section III Total Budget Figure, and therefore account for \$24,976 of the difference shown above. The remaining (\$23) difference is the result of rounding.

## Glossary of Terms

### **Business Process**

A set of activities that transforms inputs into value-added products and services (outputs) for an internal or external customer.

### **Business Process Owner**

The employee responsible for planning and performance for a business process. The business process owner is not necessarily the manager of the employees working in the process.

### **CAMS – Child Support Automated Management System**

The Florida Department of Revenue's computer system for managing child support case information and carrying out automated case actions.

### **Core Business Process (Core Process)**

A sequence of integrated business processes that contribute directly to the product or service that will be delivered to the external customer.

### **FIDM – Financial Institution Data Match**

The process of matching a list of account holders at a bank or other financial institution with a list of individuals owing money to a government agency, so that agency can take the appropriate actions to collect the amount owed.

### **FY – State Fiscal Year (also, SFY)**

Florida government's accounting year, which begins on July 1 and ends on June 30

### **FFY – Federal Fiscal Year**

The federal government's accounting year, which begins on October 1 and ends on September 30

### **Image Cash Letter (ICL)**

An electronic image of a check (meeting certain specifications) that is used or accepted by a bank as equivalent to a paper check.

### **ITIL – Information Technology Infrastructure Library**

A comprehensive library of best practices for delivering information technology services that align with and support the business goals of an organization. It is a holistic approach that links all phases of the service lifecycle, from strategy and design through operation and continual improvement. Developed by the British government beginning in the late 1980s, ITIL is the most widely adopted approach for IT Service Management in the world.

### **ITSM – Information Technology Service Management**

A process-based practice for managing information technology (IT) systems, focused on designing and providing services that enable the organization to achieve its desired business outcomes. ITSM transforms the role of information technology specialists from the development and management of individual components to the delivery of end-to-end services using best practice models.

### **Legal Services Provider**

An attorney or law firm providing contracted legal services to the Department of Revenue.

**Remote Deposit**

The process of making a bank deposit by creating electronic images of checks using a special check scanner and scanning software and then transmitting the images to the bank.

**SUNTAX**

The Florida Department of Revenue's unified tax administration system, providing centralized access and recordkeeping for the 32 taxes and fees administered by the Department. (The acronym is derived from "System for Unified Taxation.")

**TANF – Temporary Assistance for Needy Families**

A federal government program administered by the U.S. Department of Health and Human Services (HHS). Each state designs and implements its own program, funded by a federal block grant, for assisting families with dependent children.

**Tax Gap**

The difference between the amount of tax that taxpayers should pay and the amount that they voluntarily pay on time.

**Tax Roll**

A list of all taxable property within a given jurisdiction.

**TRIM – Truth in Millage**

An act passed by the Florida Legislature in 1980 establishing requirements for taxing authorities that levy a tax on property, including informing property owners of the components of their property tax liability. The Notice of Proposed Property Taxes, which is known as the "TRIM notice," lists the governmental entities responsible for the proposed taxes and the amount of tax liability that will be owed to each taxing entity.