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**Florida Department of Revenue**

**2010**  
**Annual Report**

**FY 2009-2010**

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## ***Message from the Director***

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The past several years have been challenging times for our state—for businesses, for property owners, and especially for families. The impact of the recession on the state and its people makes it more important than ever that the Department of Revenue carry out its responsibilities efficiently and effectively.

The Department of Revenue ensures that Florida's tax laws are administered fairly and effectively, collecting the revenues that fund essential state and local services, and ensuring a level playing field for businesses. We carry out special programs created by the Legislature to assist taxpayers or local governments and we serve an increasing number of taxpayers through our Taxpayer Assistance and Dispute Resolution processes, and the Office of the Taxpayer Advocate. Property appraisers and other local officials rely on our guidance, training, and assistance as they implement changes to the property tax system and consider the impacts of the housing crisis and the oil spill.

We are also responsible for managing the child support cases of more than one million children. Parents who care for a child, as well as parents who are obligated to pay support, have a greater need for assistance when they lose their jobs or experience other financial hardships.

It is my privilege to work for an organization of dedicated individuals who are committed, not only to maintaining services during this time of increased demands and decreasing resources, but to improving service and increasing productivity for the benefit of the people of Florida. They do this by taking on additional responsibilities, developing innovative strategies, streamlining processes, and finding ways to reduce costs. This annual report is a record of their achievements.

If you have questions about our services or suggestions on how we can improve, please write to us. Many of our current strategies for improvement began as suggestions from customers.

On behalf of all Revenue employees, thank you for the privilege of serving you.

*Lisa Vickers*

Executive Director

Florida Department of Revenue

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# Introduction

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## ***Florida Department of Revenue 2010: Meeting Customers' Needs during Difficult Times***

### ***Our challenge:***

***Recognize changing needs.***

***Develop strategies to meet those needs.***

***Focus our efforts where we can have the most impact.***

The past few years have been difficult for many of the Department of Revenue's customers. Businesses have a difficult time meeting their tax obligations; parents find it harder to support their children; and local governments have to reduce budgets because of lower property tax revenues. In this environment, our customers need more, and in some cases different, services from the Department. Our challenge has been to recognize our customers' changing needs, to develop strategies for meeting those needs within our resource limitations, and to focus our efforts where we can have the most positive impact.

Local and state services that the people of Florida rely on are funded by the taxes Revenue collects and the local property tax system that Revenue oversees. Because the recession has significantly reduced the amount of activity subject to tax, it is especially important now to ensure that businesses understand their tax obligations and remit the state's general taxes accurately and on time. At the same time, there is a greater need for the Department to assist businesses that are experiencing financial stress.

The role of property tax as the major funding source for education and local government makes the accurate, fair, and consistent valuation of property across the state and within each county critical. The impact of the recession and housing crisis on property owners and on local governments has made achieving this goal both more important and more difficult. Local government officials' need for Revenue's guidance, training, and individual assistance has been increasing each year. Revenue has also been responding to property owners' increased need for help in understanding their rights and obligations.

Many of Revenue's child support customers struggle to make ends meet in the best of times. When either parent loses a job, families may not be able to meet their basic needs. Parents, both those who care for a child and those who pay child support, may need increased services from the Department. The assistance Revenue provides to child support customers not only benefits children and their families, but also benefits the state. When children are provided for from the resources of both parents, they are less likely to need financial assistance from the state.

## **Our priorities:**

*Increase productivity and reduce costs.*

*Improve the quality and convenience of our services.*

*Plan effectively.*

## **Increasing Productivity**

Despite growing workloads and budget limitations, the Department of Revenue has continued to increase productivity. For example, Revenue has reduced its general tax accounts receivable total from approximately 3.6 percent of annual revenues in FY (State Fiscal Year) 2004-05 to 1.95 percent in FY 2009-10; the industry standard is 2 percent; and improvements in our audit process resulted in collections of \$257 million in FY 2009-10, a 20 percent increase from the previous year's total of \$176.2 million.

Our Property Tax Oversight Program's approximately 170 employees have successfully added major new responsibilities every year since 2005, despite budget reductions. And, even in these difficult times, our Child Support Enforcement Program's collections on behalf of Florida's children continue to rise each year, with \$1.481 billion collected and distributed in FFY (Federal Fiscal Year) 2009-10, \$71.7 million more than the previous year. These and other accomplishments are described in the "Accomplishments" section of this report.

## **Improving Customer Service**

While striving to increase performance to meet the needs of the state and its citizens, the Department has also focused on improving the quality and convenience of our services to the customers we interact with directly: taxpayers, child support customers, and local governments. Over the past year, we have improved online account access for each of these customer groups; created more "e-services" applications for the submission of information, forms, and documents; increased the capacity of our call centers through low-cost system improvements; and automated routine processes so employees can focus more of their time on helping customers.

## **Planning for Continued Improvement**

Our biggest challenge for the next several years is to continue finding ways to improve performance and cost-effectiveness without decreasing the quality of our service. We are confident we can continue to do this through the establishment of measurable goals, development of more effective strategies for meeting those goals, and ongoing analysis of our performance. We rely on employees to contribute their observations and suggestions; we research and adopt best practices of successful private sector enterprises; and we learn from the feedback of our customers. The strategies we are planning to use over the next several years are explained in the "Strategies" section of this report. This year, as every year, we evaluated and revised previous strategies and developed new ones to ensure that we continue providing the most benefit possible to our customers and the State of Florida.

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# About Us

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## *Responsibilities, Vision, and Mission*

### ***Our mission:***

*Serve with respect.*

*Make compliance easy.*

*Administer the law fairly.*

*Provide excellent service.*

The Florida Legislature has entrusted us with three major responsibilities:

**Child Support Enforcement:** Help parents provide the financial support their children need and deserve.

**General Tax Administration:** Collect state taxes fairly and efficiently, and make complying with Florida's tax laws as simple and convenient as possible.

**Property Tax Oversight:** Oversee Florida's property tax system to ensure accuracy, uniformity, and fairness in property valuation throughout the state.

### **Our 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.

### **Our Mission**

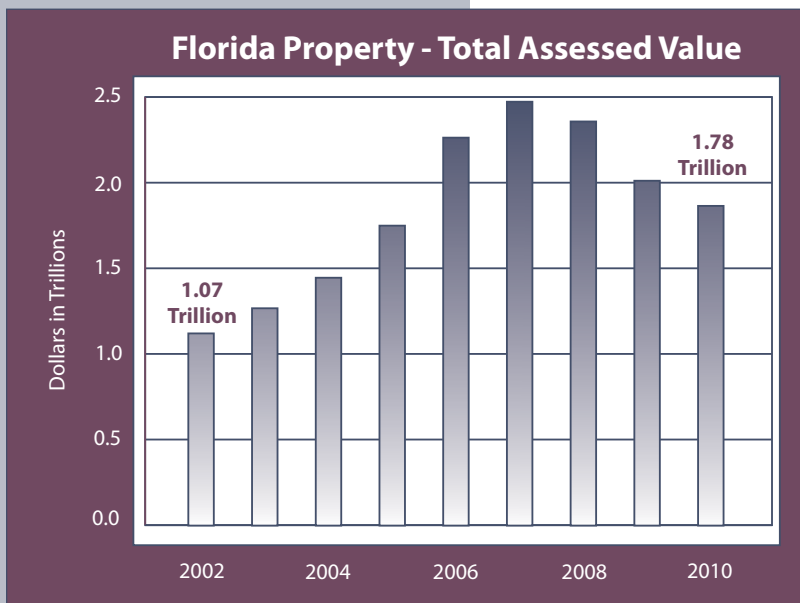
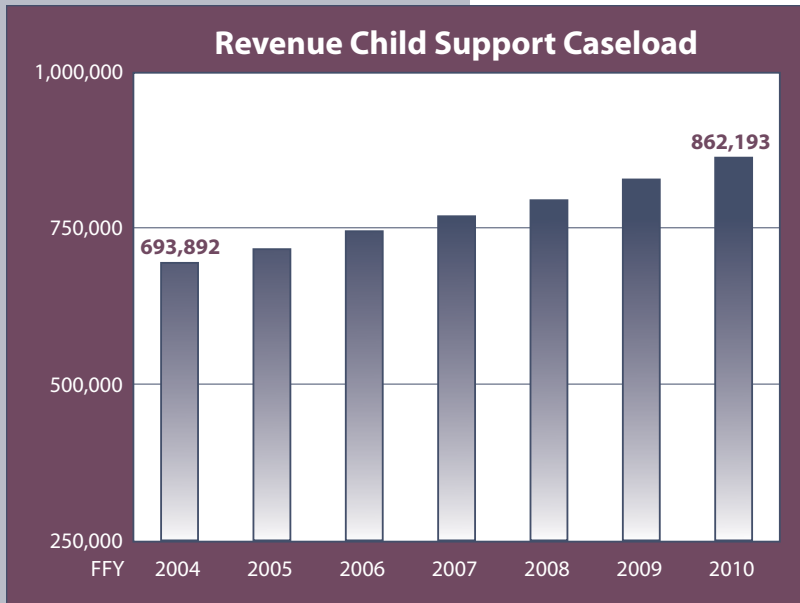
To serve citizens with respect, concern and professionalism;

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.

## Quick Facts about the Florida Department of Revenue



- Works on behalf of more than a million children to establish and collect child support.
- Collects and distributes more than \$1.4 billion a year in child support payments.
- Helps establish paternity for more than 90,000 children a year.
- Collects over \$30 billion a year in taxes and fees.
- Processes over \$4.8 billion in receipts for other state agencies annually.
- Processes more than 9 million tax filings annually.
- Distributes over a billion dollars in discretionary sales surtax collections each year to 235 local jurisdictions, including counties, cities, and school districts.
- Oversees the local assessment and collection of taxes on more than 11 million parcels of property with a total market value of over \$1.9 trillion and a total assessed value of \$1.78 trillion.
- Reviews the property tax roll for each of Florida's 67 counties every year.
- Provides education, assistance and certification to 640 local government entities every year.
- Responds annually through our toll-free help lines to approximately 1.75 million calls from child support customers and 750,000 from taxpayers. (calls handled by call center agents)

### **For more information**

Revenue's Child Support  
Web Page

[http://dor.myflorida.com/dor/  
childsupport/](http://dor.myflorida.com/dor/childsupport/)

### **For assistance**

Customer Service:  
800-622-5437

Mailing Address:  
Department of Revenue  
Child Support Enforcement  
P. O. Box 8030  
Tallahassee, FL 32314-8030

[More Contact Information](#)  
can be accessed  
from our web page

## **Child Support Enforcement Program**

### **What we do**

We serve Florida's families by helping children receive the support they deserve.

We continually review and improve our services to help parents support their children.

### **How we do it**

- Find parents
- Establish paternity
- Get child support orders
- Collect child support payments
- Send child support payments to families

### **Our customers**

*Parents:* Any parent or other person who cares for a child may ask for child support services. Parents or caregivers who receive public assistance through the Florida Department of Children and Families are automatically referred to us for child support services.

*Parents who are required to pay child support:* Parents can also ask for our help in arranging a convenient way to pay child support.

*Possible fathers:* A man who has been identified as a possible father can ask for a paternity test to determine if he is the father of the child.

*Children:* Although our direct customers are parents, everything we do is for the benefit of children. When a child does not have a legal father, we help establish paternity. And our primary purpose is to help children receive the financial support they need and deserve.

We provide child support services to families in all but two Florida counties:

- In *Miami-Dade County*, the State Attorney's Office provides child support services.
- In *Manatee County*, the Clerk of Court provides child support services.

### **Our partners**

The federal government, Florida's courts, the state Attorney General's office, local law enforcement, financial institutions, employers, other state agencies, and child support agencies in other states and countries are our partners in child support enforcement. We rely on their assistance to get child support to Florida's children.

### **For more information**

Revenue's General Tax Web Page  
<http://dor.myflorida.com/dor/gta.html>

### **For assistance**

Customer Service:  
800-352-3671

Mailing Address:  
Department of Revenue  
General Tax Administration  
5050 West Tennessee Street  
Tallahassee, FL 32399-0100

[More Contact Information](#)  
can be accessed from our web  
page

## **General Tax Administration Program**

### **What we do**

We administer 32 taxes and fees, including sales and use tax, unemployment tax, communications services tax, corporate income tax, and fuel taxes.

We collect the money that pays for state and local government services Floridians depend on.

We continually improve our technology and customer service to make reporting and paying taxes as convenient and easy as possible.

### **How we do it**

- Register businesses for the collection of taxes
- Receive and deposit tax dollars
- Review tax returns and notify taxpayers of errors
- Help taxpayers with questions and problems
- Audit taxpayers to ensure compliance with the law
- Investigate tax fraud
- Collect overdue taxes
- Process tax refunds
- Distribute funds to state accounts and local governments
- Receive and process payments made to several state agencies

### **Our customers**

*State government, local governments, and the people of Florida* are our customers. To meet the needs of the state, its communities, and its citizens, we maintain and continually improve an efficient system for administering Florida taxes.

### **Our partners**

Florida's businesses make the state's tax system work. Businesses calculate, collect, and transmit the tax money that funds state government and the services it provides. An overwhelming majority of Florida's businesses voluntarily and conscientiously carry out these responsibilities, keeping the state's tax collection costs low.

We provide a unified tax system so businesses can resolve issues related to many different taxes through a single contact with us. We provide an electronic filing and payment system to save time and reduce errors. To protect our business partners from unfair competition, we also identify businesses that are not fulfilling their tax obligations and bring them into compliance.

### **For more information**

Revenue's Property Tax Web Page  
<http://dor.myflorida.com/dor/property/>

### **For assistance**

Florida's property tax is administered by local officials. Contact Information for [Property Appraisers](#) and [Tax Collectors](#) can be accessed from our web page

Revenue's Property Tax Oversight program:  
850-717-6570

Mailing Address:  
Department of Revenue  
Property Tax Oversight  
P. O. Box 3000  
Tallahassee, FL 32315-3000

## **Property Tax Oversight Program**

### **What we do**

We ensure that the county property taxes that fund local governments and schools are assessed, levied, collected, and appealed in accordance with Florida law.

We review county tax rolls and the operations of property appraiser offices to ensure fair, uniform, and accurate property assessments throughout the state.

We continually improve our methods, data systems, and services so we can better assist local governments in fulfilling their property tax responsibilities.

### **How we do it**

- Review and approve the property tax roll of each of Florida's 67 counties every year.
- Review and audit property appraiser, tax collector, and value adjustment board procedures and practices.
- Ensure that local governments comply with maximum millage levying and public disclosure laws.
- Review and approve property appraiser and tax collector budgets.
- Review tax sale certificate corrections and property tax refund applications in excess of \$400.
- Respond to questions from the public about the property tax process.
- Provide education and assistance to property appraisers, tax collectors, levying authorities, and their staffs; and to value adjustment board members, attorneys, and special magistrates.

### **Our customers**

*Local governments:* In addition to our oversight role, we provide technical assistance, training, and professional certifications to local officials responsible for the assessment, levying, and collection of property taxes, and for handling appeals.

*Property owners:* We serve property owners by continually improving the accuracy, uniformity, and fairness of Florida's local property tax system. We also answer property owners' questions about property tax, explaining their rights and the steps they may take to exercise those rights.

*Florida's public schools:* We provide the property tax information School Boards need to determine school millage rates and local effort funding requirements.

*The people of Florida:* The tax system we oversee provides the funds for local government services and schools.

## **Our partners**

Property owners and local governments are not only our customers, but also our partners in the property tax system. We seek their input in problem solving and rule development, and their cooperation is essential in making improvements to the state's property tax system.

## ***Executive Direction and Support Services Program***

### ***For more information***

*Department of Revenue Website*  
[www.myflorida.com/dor](http://www.myflorida.com/dor)

### ***For assistance***

*Executive Director's Office:*  
850-617-8600

*Mailing Address:*  
*Department of Revenue*  
*5050 West Tennessee Street*  
*Tallahassee, FL 32399-0100*

### **What we do**

The Executive Direction and Support Services Program provides the vision and direction for all agency functions, while also allocating and managing human and financial resources. The Program's purpose is to enable the operational programs—General Tax Administration, Child Support Enforcement, Property Tax Oversight—to achieve their objectives.

Employees within the Executive Direction and Support Services Program ensure that the Department fulfills its legal responsibilities, manages its resources wisely, identifies and meets challenges proactively, and continually improves its performance.

### **How we do it**

- Receive direction from the Governor and Cabinet and the Legislature, and communicate this direction throughout the Department.
- Develop strategies for increasing effectiveness and decreasing costs.
- Submit budget requests and legislative concepts to enable Revenue to implement strategies that will improve effectiveness, efficiency, and customer service.
- Communicate goals, plans, and other information to all employees.
- Evaluate the Department's effectiveness, identify gaps, and make corrections.
- Manage Revenue's budget, purchasing, and accounting.
- Coordinate and oversee human resources functions, such as hiring and evaluation.
- Develop and implement training on agency-wide requirements such as information security, public records, and standards of conduct.
- Encourage, receive, and act on communications from employees.
- Provide legal guidance and services for the agency.
- Provide technical tax guidance to taxpayers, tax practitioners, and the General Tax Administration Program.
- Assist customers who have disagreements with the Department, through both informal and formal dispute resolution programs.
- Report to the Governor and Cabinet and the Legislature on Revenue's activities, results, and financial management.

## **Our customers**

The Executive Direction and Support Services Program serves the customers of all of Revenue's programs, including *child support clients, taxpayers, local governments*, and all *Floridians*. In addition, the other *Revenue programs* and all *Revenue employees* are customers of the executive program.

## **Our partners**

The Executive Direction and Support Services Program partners with other state agencies in the administration of its programs. These agencies include the Agency for Workforce Innovation, the Attorney General's Office, the Division of Emergency Management, and the Departments of Children and Families, Financial Services, and Management Services.

## ***Information Services Program***

### **What we do**

Each of Revenue's other programs depends on technology solutions developed and supported by the Information Services Program. The Program supports and improves Revenue's effectiveness through the delivery of quality information technology services that are cost-effective and sustainable.

### **How we do it**

- Provide, manage, and maintain the operating environment, which includes servers, platforms, and networks.
- Provide user services, such as account set-up, access to secure applications, installation of hardware and software, and help with computer problems.
- Develop and modify business applications.
- Minimize service disruptions by proactively identifying and preventing problems.
- Select, implement, and support software that will provide the best value to the Department.
- Restore normal operations quickly when problems occur.
- Maintain the security of the information in the Department's computer systems so information is not lost or improperly released.
- Continually improve the Program's effectiveness through adoption of information technology best practices.

### **Our customers**

As a support program, the Information Services Program provides services directly to the other *Department of Revenue programs* and *individual employees*. By making Revenue more effective, the Program serves all of the Department's customers, including *child support clients, taxpayers, local governments, and all Floridians*.

### **Our partners**

As Florida government centralizes many information technology functions, we are working closely with the state's Agency for Enterprise Information Technology to ensure the success of this transition. The Agency for Enterprise Information Technology, Florida's Shared Resource Centers, and Revenue's Information Services Program will be partners in meeting the Department of Revenue's technology needs now and in the future.

## ***Our Leaders***

*The Governor and Cabinet* (Attorney General, Chief Financial Officer, and Commissioner of Agriculture and Consumer Services) are the head of the Department of Revenue. These four statewide elected officials appoint an Executive Director to guide and manage the operations of the Department. The Executive Director takes direction from and reports to the Cabinet.

Executive Director: Lisa Vickers

Deputy Executive Director: Jeff Kielbasa

Chief of Staff: Blanca Bayó

Child Support Enforcement Program Director: Ann Coffin

General Tax Administration Program Director: Jim Evers

Property Tax Oversight Program Director: James McAdams

Information Services Program Director: Tony Powell

*Strategic Leadership Board:* The Deputy Executive Director, Chief of Staff, and four Program Directors make up the Department of Revenue's Strategic Leadership Board. The Board is responsible for gathering facts and providing advice to the Executive Director on the direction for the agency. The Board also reviews, recommends, and monitors the implementation of department-wide projects and policies, subject to the approval of the Executive Director.

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# Our Workforce

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## Values and Beliefs

### Our Values

Revenue recognizes that providing excellent service and meeting the needs of our customers and the state begins with the character and commitment of each individual employee. To share this understanding throughout the agency, we have identified a list of values that Revenue employees demonstrate every day and that we believe are essential to effective public service.

#### Character Values

Integrity  
Honesty  
Trust  
Fairness  
Respect  
Concern for others

#### Performance Values

Service  
Excellence  
Innovation  
Commitment  
Communication  
Teamwork  
Knowledge

### 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.

*Honesty*  
*Integrity*  
*Trust*  
*Fairness*  
*Concern for others*  
*Service*  
*Excellence*  
*Teamwork*  
*Respect*  
*Communication*  
*Innovation*  
*Commitment*  
*Knowledge*

## ***Facts about Our Workforce***

- Revenue employs approximately 5,100 people.
- The average length of state service of current Revenue employees is 13.6 years.
- 85 percent of all Revenue employees are Career Service.
- 63 percent of the workforce is 45 years of age or older.
- 68 percent of employees are women.
- Revenue's average annual salary is \$35,943.
- Our annual turnover rate for FY 2009-10 was 8.8 percent.
- 395 of Revenue's employees are scheduled to retire over the next five years.
- An additional 1,224 employees will be eligible to retire over the next five years.

## ***Our Focus on Employees***

All Revenue employees are expected to participate in planning, evaluation, and improvement; to be partners in the development of a more efficient and effective organization. With every employee watchful for changes in environment or customer expectations, and for opportunities to reduce costs or increase productivity, Revenue's leaders can add insights from the "front-lines" to the facts and data they gather for use in strategy development and decision-making.

Since Revenue expects this kind of involvement from its employees, it has to provide them with more than a job description and a set of expectations. Revenue must create a work environment that engages employees in their work processes and in the goals of the agency. Employees have to see the thread that links their individual work tasks to the accomplishment of the agency's goals, to understand how the work flows from one process to the next and how it is measured. As importantly, managers must establish relationships of trust in which employees feel confident sharing their observations and ideas.

To give employees the knowledge and the confidence to contribute meaningfully to the planning process, Revenue's senior leaders stress open communication, employee education, employee feedback, and recognition.

### **Sharing Knowledge**

Senior leaders communicate frequently and openly with employees about goals, accomplishments, and current and potential strategies, as well as external events that may affect their work or the work of the agency. Supervisors and local managers discuss strategies, measures, and process linkages in their work units. Each month, senior leaders provide agency-wide and program-specific key communications for supervisors to discuss with their work units. These key communications provide timely

***All employees are partners in the development of a more efficient and effective organization.***

***Revenue's senior leaders stress communication, education, feedback, and recognition.***

explanations of expectations, planning activities, business requirements, and agency policies.

Our biweekly email newsletter, *News You Can Use*, keeps employees informed about agency-wide activities, human resource-related requirements and deadlines, and opportunities that are available to all state employees. Supervisory issues are discussed in our interactive *News You Can Use - Supervisors' Edition*.

## **Providing Training**

In addition to providing job-specific classroom and online training to help them be more productive in their jobs, Revenue offers all employees the opportunity to take online courses in many business-related subjects, including problem-solving, process improvement, performance measurement, and other topics related to effective organizational management. Through our "RevenueU" website, employees can access training and career development resources at work with supervisor approval, as well as from home at any time. Required periodic training on critical topics for all Revenue employees is provided through an online training management system that tracks completion of the courses.

## **Encouraging Employee Feedback**

The Executive Director takes the lead in encouraging employee input by sharing information through emails, intranet messages, and an occasional blog, and by encouraging all employees to submit ideas and concerns to her directly by email or through the agency's other internal feedback channels.

Employees are encouraged to submit their ideas for new strategies, process improvements, and cost savings to their supervisors or through email accounts that go directly to our business process owners. A link on our intranet site allows employees to submit questions or comments on any subject to our "Listening to You" program coordinator. The coordinator forwards the inquiries to the appropriate senior manager and follows up to ensure the employee receives a response.

Each year, we administer an agency-wide climate survey that gives employees the opportunity to share opinions anonymously about their job, their workplace, and the Department. Through our annual "360 Degree Feedback Survey," employees provide anonymous feedback to their managers on the effectiveness of their leadership. Managers use the survey results to gain insight into their effectiveness and develop plans for improving their skills and management practices.

Feedback from all these sources is reviewed and compiled to identify possible new strategies, as well as trends in employee concerns. Leaders report to employees on the actions taken in response to employee input.

## **Recognizing Employee Achievements**

Revenue celebrates both the everyday and the extraordinary achievements of our employees through our online employee newsletter, our agency-wide recognition program, and participation in external awards programs like the Davis Productivity Awards. The nomination criteria for our agency-wide recognition include innovating to improve customer service or a work process, and producing measurable increases in productivity. This year, 1,296 Revenue employees received agency-wide recognition for their achievements. A total of 137 Revenue employees received Davis Productivity Awards in 2010—most as participants in winning teams, two as individuals.

## ***Employee Innovations and Improvements***

**R**evenue employees, working singly and in teams, are continually improving the way we work and the results we achieve. Out of the numerous projects they have recently completed, following are a few examples.

### **Tampa “Lump Sum” Negotiations**

Child Support Enforcement employees in Tampa determined to increase collections resulting from face-to-face negotiations with parents who owe past-due child support. The desired result of these negotiations is an agreement on a one-time “lump sum” payment and the establishment of periodic payments on remaining amounts. The team focused on improving the way new employees are trained and integrated into the unit’s work. Monthly goals were established for each staff member based on the previous year’s collections, staff’s level of knowledge, and the current monthly collection rates for staff at various levels. At the time, six out of seven of the team’s Revenue Specialist II’s were in their first year of employment.

The team leader established an on-the-job, gradual training method that enabled staff to be productive while concentrating on learning one part of the process at a time. For example, staff members gained initial negotiation experience by staffing a phone line for parents who call in about driver’s license suspensions. As cases were assigned to new staff members, experienced staff worked closely with them, reviewing the cases in detail and providing ongoing feedback, while maintaining their own performance. The team developed negotiation guidelines based on case assessments to help them arrive at the largest lump sum amount that could reasonably be paid.

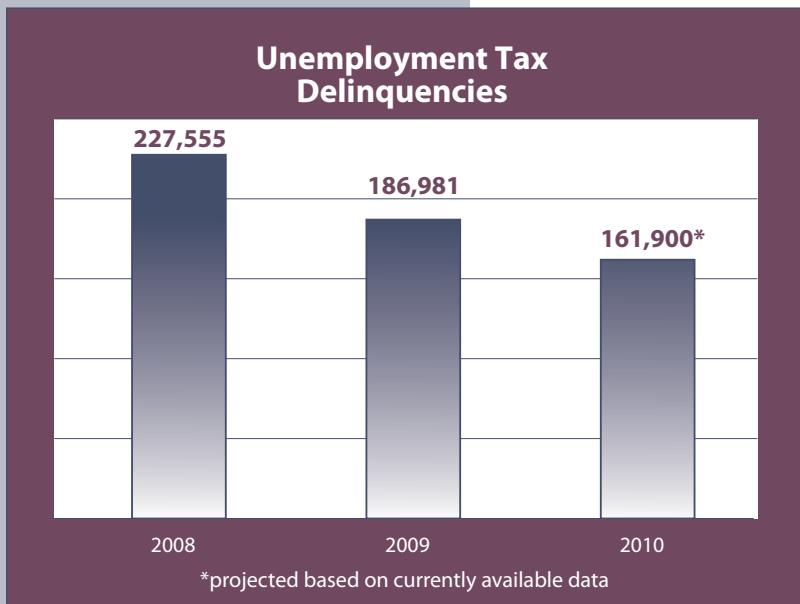
These new procedures enabled new staff members to reach their goals more quickly than had previously been possible. At the beginning of Fiscal Year 2008-09, 75 percent of the staff met their monthly collection goal and 84 percent met the goal for number of cases reviewed. By the end of the fiscal year, 100 percent of the staff met or exceeded both goals. Together, the team collected over \$2 million in one year, exceeding its annual collection goal of \$1,260,000 by more than 60 percent.

Child Support Program managers shared information on new approaches to negotiation training with managers throughout the state, so they can determine whether implementing this method will help them increase collections. Several child support offices have adopted strategies similar to that developed by the Tampa office.

***The team collected over \$2 million, 60 percent more than its annual collection goal of \$1,260,000.***

## Unemployment Tax Delinquency Reduction

A General Tax Administration team identified the causes of an ongoing increase in the number of unemployment tax delinquencies. The team validated the causes, evaluated potential solutions, established a plan for reducing delinquencies, and monitored its implementation. Solutions include more frequent use of address verification software, modifying the unemployment tax form, improving online information about filing unemployment tax, establishing a subscription email due date reminder, and creating a web-based unemployment tax tutorial. Unemployment tax delinquencies decreased from 227,555 for calendar year 2008 to 186,981 for calendar year 2009, an approximately 18 percent decrease. Delinquencies in the first two quarters of calendar year 2010 were approximately 13 percent lower than in the first two quarters of 2009, decreasing from 102,810 to 89,020.



*The team's RMS application saves each Clerk's office ten hours a month.*

## Random Moment Sampling Application

Three Child Support Enforcement employees pooled their knowledge and creativity to create an automated Random Moment Sampling (RMS) application for use by Florida Clerks of the Circuit Court. Using information technology resources already in place—local email systems, the Department of Revenue website, and a central database for validation and storage of electronic responses—the internet application automates the process of determining the percentage of time the Clerk's staff spends in support of the state's Title IV-D Child Support Enforcement Program. This percentage determines the portion of each Clerk's costs that are eligible for federal financial participation, which totals \$23 million dollars annually.

This application saves approximately 10 hours of work monthly for each Clerk's office that is using it, and there are no added costs associated with its implementation or use. The application also ensures better data and produces immediate reports.

The Department provides procedures and over-the-phone assistance to each Clerk's office that implements Revenue's RMS application, and continues to update and enhance the system. By the end of FY 2009-10, 23 of the 30 Clerks' offices required to conduct monthly surveys had adopted the system.

*In FY 2009-10, the team located 2,194 hard-to-find parents out of a group of 2,321.*

## Locating Parents so We Can Send Payments

The Department receives some child support payments intended for parents for whom we no longer have a valid address. In some cases, we cannot locate them despite using all of our standard location tools. The Orlando Statewide Processing Center Locate Team determined to find a way to ensure that these payments reach the families to whom they are owed. In November 2008, as a pilot project, the team was asked to find 1,431 parents so we could send them money that we had received on their behalf.

The team reviewed the Department's existing locate processes and proposed changes specifically designed to find these parents. New procedures include searching secure internet resources and making phone calls to family members. As team members implemented the new procedures, they analyzed their results and redesigned the process to use the most effective locate sources first. After the successful completion of the pilot project, the team assisted with the development of the "Manual Locate for Undistributed Collections" section of the Department's Child Support Enforcement Policy and Procedures Manual.

During the nine month pilot project, the team located 88.5 percent (1,267 out of 1,431) of the parents in the pilot group giving us the opportunity to potentially distribute a total of \$824,459. Continuing the process in Federal Fiscal Year 2009-10, the team reviewed 2,321 cases and located 2,194 parents, resulting in total potential distributions of \$701,065. (The average amount of money that we received per case was lower for this group than for it had been for the pilot group.)

The results not only show the effectiveness of the new process, but also demonstrate the importance of personal interaction for the successful completion of some child support tasks. The process that the Orlando team developed is currently being transferred to the Jacksonville Central Locate Team in preparation for the implementation of Revenue's automated child support system (CAMS) in 2012. As CAMS automates routine tasks, the Central Locate Team will have more time to devote to processes, like this one, that require personal interaction.

## Resolving Driver's License Actions on Saturday

One of the enforcement tools used by Revenue to bring about the payment of child support is the driver's license suspension process. The goal of the process is to encourage parents to avoid license suspension by paying what they owe. A team in Sanford decided to pilot a way to make it easier for parents to resolve driver's license actions. They invited parents who had previously been sent a Notice of Intent to Suspend Driver's License to come into the office on a Saturday morning to discuss and try to resolve the pending driver's license action. The team prepared an information packet for those who came in, including Department brochures and community resource contact numbers. A representative from the Agency for Workforce Innovation was also present to provide

***In one session, the Sanford office collected \$27,797 and generated 15 new income deduction orders.***

***Through one online public meeting, the team saved approximately \$19,000 in travel costs.***

parents information about job and training opportunities that are available through that agency.

On November 14, 2009, the first Saturday the team offered this service, 25 parents came to the office and paid a total of more than \$5,500 in child support.

On March 27, 2010, the team conducted another Saturday session for parents whose driving privileges were in jeopardy of suspension. One hundred twenty-two parents attended. Collections totaled \$27,797, and several other case actions were completed, including the generation of 15 new income deduction orders.

The Sanford team is planning future driver's license sessions. Other child support enforcement offices are also making plans to hold special events to help parents resolve driver's license actions and provide support to their children.

### **Online Public Workshops**

An important part of the state's rule-making process is receiving citizen input. This is usually accomplished by conducting rule workshops in various locations around the state, as well as by inviting written comment. In 2009, the Legislature charged the Department of Revenue with developing new rules for the conduct of Value Adjustment Board (VAB) proceedings. (The VAB is the county's appeal board for property taxes.)

A team of Revenue employees used existing internet technology to conduct a public meeting for two Value Adjustment Board rule issues on August 4, 2009, saving the Department approximately \$19,000 in direct travel costs and avoiding travel time. Local governments and private groups representing taxpayers at these meetings enjoyed similar savings in time and travel costs. Using a virtual meeting also resulted in greater citizen participation. Based on the success of this workshop, Revenue has expanded the use of online public meetings, holding four online rule development or rule hearing workshops in 2010.

### **Printing Costs for the Tax Revenue Processing Work Unit**

The processing Equipment and Supplies Workgroup is responsible for acquiring and maintaining the equipment and supplies to meet the printing needs of the revenue processing work unit, which include creating batch headers for the processing of checks and documents. The team analyzed costs and decided to find ways to decrease toner costs, which were running about \$24,000 a year. Consulting with staff members, the team determined that the biggest consumers of ink were the top and bottom portions of the web header sheets, large print jobs, and old equipment. The team made the following suggestions, which were implemented by staff: a less thick top bar, the removal of the top portion of certain headers, replacing old equipment, and routing large jobs to copy machines.

***The work unit's toner costs decreased from \$24,000 to \$8,000.***

Through these changes, toner costs for Revenue Processing decreased from \$24,000 per year to approximately \$8,000. The team also developed a maintenance plan to ensure the continual review of the cost-effectiveness of the use of equipment and supplies.

This team's work is one example of the efforts that work units throughout Revenue are making to reduce operating costs. In addition to local efforts, the Department is implementing cost-saving practices agency-wide to reduce the cost of printing and other expenses.

# Fiscal Year 2009-2010

## Performance Measures and Standards

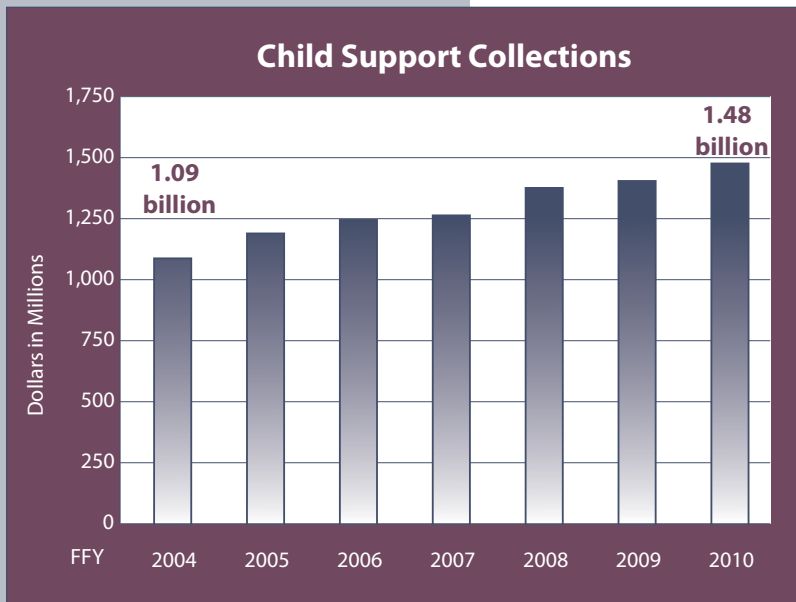
Measure	Approved FY 2009-10 Standard	FY 2009-10 Actual	Meets Standard?	Approved FY 2010-11 Standard
<b>Property Tax Oversight Program (PTO)</b>				
Percent of classes/subclasses studied (for in-depth counties) & found to have a level of assessment of at least 90%	95.6%	91.7%	Below**	90.0%
Percent of users of PTO aid and assistance satisfied with the services provided	91.0%	96.8%	Exceeds	90.8%
<b>Child Support Enforcement Program (CSE)</b>				
Percent of IV-D cases missing critical data elements necessary for next appropriate action	17.0%	15.6%	N/A	16.0%
Percent of State Disbursement Unit collections disbursed within 2 business days of receipt	98.0%	99.0%	Exceeds	98.0%
Percent of IV-D cases with an order for support*	75.0%	73.7%	Below***	75.5%
Percent of current support collected (federal definition)*	53.5%	52.4%	Below***	54%
* Estimated performance on federal measure. Final data available January 2011.				
<b>General Tax Administration Program (GTA)</b>				
Percent of tax returns reconciled within 30 days	99%	99%	Meets	99%
Percent of educational information/ assistance rendered meeting or exceeding taxpayers' expectations	96%	97%	Exceeds	96%
Percent of compliance examinations resulting in an adjustment	80%	83%	Exceeds	Change in title and methodology FY 2010-11
Percent of tax compliance examinations resulting in an adjustment (to a taxpayers account) - change in title and methodology FY 2010-11	Change in title and methodology FY 2010-11	57%	N/A	65%
Percent of (collection) cases resolved in less than 90 days	75%	73%	Below****	Methodology Change FY 2010-11
Percent of collection cases resolved in less than 90 days	Methodology Change FY 2010-11	64%	N/A	66%

\*\* PTO – The Compliance Determination outcome measure is below standard for the third year mainly due to the volatility of the real estate market. Increased levels of aid and assistance to counties will improve the compliance level over time.

\*\*\* CSE – Both the actual number of support orders established and the current support collected increased over this time period although the Program did not meet the stretch targets for its federal measures. One factor that influenced performance was a higher than expected growth in new cases needing services in 2009-10. Additionally, there was a substantial increase in unemployment collections resulting in reduced payment of amounts due. This was evidenced by an increase in partial paying cases. Poor economic conditions will continue to be the driving factor in collection performance.

\*\*\*\* GTA – Performance for compliance examinations resulting in an adjustment, although improved over recent years, needs further improvement to reach the desired level in FY 2010-11. Enhanced case selection techniques (data mining, use of third-party data) are being put into place to reduce the number of non-productive examinations. Performance for collection cases resolved in less than 90 days is near the desired standard. GTA received additional funding and has contracted with a private vendor to implement a collection analytics system that is anticipated to substantially improve performance in this area. The Program's efforts to resolve collection cases in a timely fashion has reduced the accounts receivable balance to 1.95 percent of annual revenues, exceeding the financial industry standard of 2 percent.

## Child Support Enforcement Accomplishments



### More Money Collected

Revenue's annual child support collections continue to increase, with \$1.481 billion collected and distributed in FFY (Federal Fiscal Year) 2009-10.

### More Federal Incentive Earnings

Because of its annual increases in collections, Revenue will receive a higher percentage of federal performance incentive earnings for FFY 2008-09, and is projected to receive an increase for FFY 2009-10, which ended on September 30, 2010.

### Administrative Order Establishment

The administrative process provides a cost-effective order establishment method that supplements the judicial process. In FY (State Fiscal Year)

2009-10 the Department established 14,851 administrative support orders, an increase of 70 percent over the 8,676 established in FY 2008-09, and the most since the Legislature authorized the administrative establishment of support orders in 2002.

### Resolution of Undistributed Collections

Between March and September of 2010, Revenue resolved a record amount of undistributed collections, decreasing by more than \$4.3 million dollars the total collections that have been undistributed for one or more years.

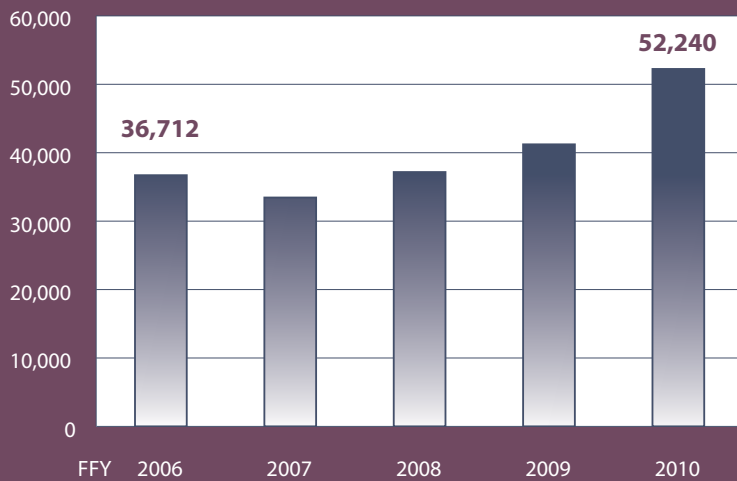
### Child Support Enforcement Program Federal Performance Incentive Earnings

FFY 2007-08 Actual	FFY 2008-09 Preliminary <sup>1</sup>	FFY 2009-10 Estimated <sup>2</sup>
<b>5.38%</b>	<b>5.55%</b>	<b>5.70%</b>
\$25,981,157	\$27,950,587	\$28,713,298

<sup>1</sup> Based on the Office of Child Support Enforcement Preliminary Data Report for FFY 2008-09.

<sup>2</sup> Estimated assuming that each state's distributed collections increase or decrease from FFY 2008-09 to FFY 2009-10 by the amount of increase or decrease that occurred from FFY 2007-08 to FFY 2008-09.

### Child Support Orders Established

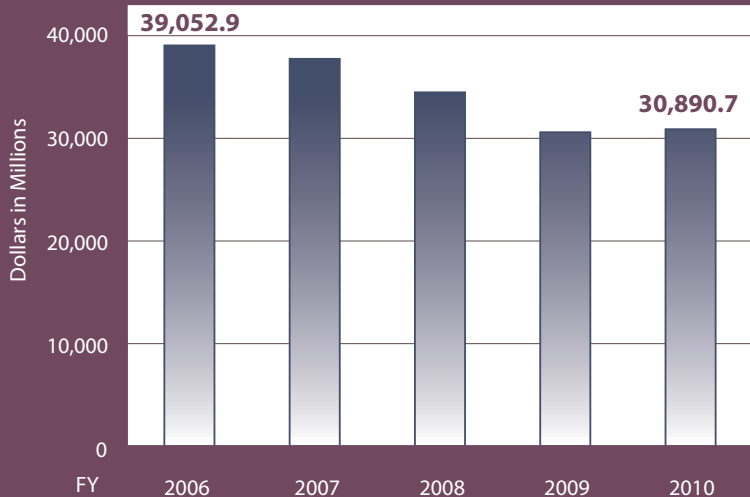


### Increased Order Establishment

Revenue established 52,240 new support orders in FFY 2009-10, a 27 percent increase from the FFY 2008-09 total of 41,223. In FFY 2007-08, Revenue established 37,174 support orders. From FFY 2001 to the present, Revenue increased the percentage of child support cases with support orders from 53.6 percent to 73.5 percent.

## General Tax Administration Accomplishments

### General Tax Administration Total Collections



### Total Collections

Because of the recession, Revenue's total collections of taxes and fees have declined since FY 2005-06. In FY 2009-10, Revenue collected approximately \$30.9 billion in taxes and fees that are administered by the Department. Revenue also processed an additional \$4.8 billion received on behalf of other state agencies.

### Promoting Prompt Payment

The General Tax Administration Program continues to maintain an accounts receivable percentage that is significantly lower than the standard for similar organizations. Revenue's current accounts receivable total is

approximately 1.95 percent of annual revenues; the standard is 2 percent.

### Record Collections and Assessments by the Tax Audit Process

Collections resulting from audits totaled \$257 million in FY 2009-10, a substantial increase from FY 2008-09's total of \$176.2 million. Audit assessments increased from \$532 million in FY 2008-09 to over \$900 million in FY 2009-10.

## Promoting Compliance through Criminal Investigation

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

Historically, 93 to 95 percent of our prosecution referrals result in a favorable disposition for the state—FY 2009-10's favorable disposition rate was 99 percent.

The most important though unmeasurable effect of the success of Revenue's Criminal Investigation Process is as a deterrent to deliberate noncompliance.

## Improvements in Unemployment Tax Administration

In 2007, the United States Department of Labor recognized Florida's Department of Revenue as having the most improved unemployment tax (UT) program among the southeastern states. Recently, the federal Department of Labor praised the Department of Revenue for achieving the best possible record of timeliness for UT deposits. In calendar years 2009 and 2010, Revenue deposited 100 percent of payments within three days of receipt.

## Promoting Electronic Registration and Filing

In 2010, Revenue restructured its internet site to make it as easy as possible for visitors to find and use e-services. In FY 2009-10, 68% of new registrations were submitted through our website.

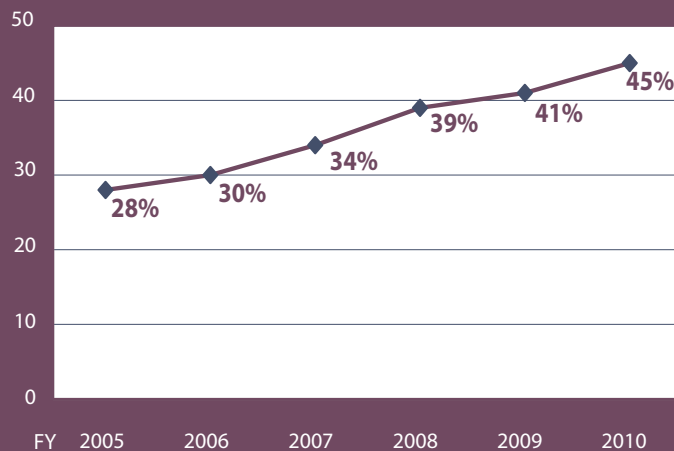
Electronic filing of tax returns decreases errors and saves staff time. The law mandates electronic filing for businesses that pay over a certain amount of tax, but most Florida businesses are not required to participate. In FY 2009-10, 45% of all tax returns filed with the Department of Revenue were filed electronically, up from 41% in FY 2008-09. Sixty-five percent of all FY 2009-10 electronic filers had enrolled voluntarily, up from 48 percent in FY 2008-09.

## Saving Money through Internet Communications

Revenue is avoiding the costs of generating and mailing paper documents by converting to email whenever possible.

The General Tax Administration Program has expanded the use of secure email to reduce postage costs and provide better customer service in the audit and collection processes. Audit files and work papers are all

**Percent of Tax Returns Filed Electronically**



electronic, allowing for faster and more efficient data gathering and resolution of disputes. The majority of distribution payments and refunds are transmitted electronically.

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

### **Reducing the Cost of Taxpayer Education**

Educating taxpayers about tax law and their obligations encourages voluntary compliance, which increases collections and reduces the need for interventions by the Department. To save salary and travel expense while expanding the reach of the Department's educational efforts, Revenue has stopped providing in-person seminars and is creating, within our existing resources, self-learning online courses that individuals can take at any time. On our website, we have a question and answer system that allows visitors to access information immediately, as well as to submit questions for a personal response. In FY 2009-10, our online tax courses and question and answer system were accessed a total of 646,000 times, up from 255,000 in FY 2008-09.

### **Working with External Partners to Reduce Costs**

During 2010, Revenue worked with the Florida Clerks Association to develop an electronic lien-filing system, replacing the age-old method of physically recording paper documents in the courthouse. The new online process saves money and staff time for both Revenue and the Clerks' offices.

### **Saving Money for Other State Agencies**

Because the efficiency of its mail and revenue processing is competitive with private sector enterprises offering these services, Revenue's General Tax Administration Program is able to save other state agencies money by handling their incoming mail, including depositing checks. In FY 2009-10, Revenue processed over \$4.8 billion for other agencies.

## ***Property Tax Oversight Accomplishments***

### **Implementation of New Property Tax Oversight Responsibilities**

Over the past four years, new laws and four constitutional amendments have added complexity to property tax law and substantial new responsibilities to the Property Tax Oversight program, including

***Revenue's Property Tax Oversight Program reduces costs for local governments as well as for the State.***

***By coordinating aerial photography, Revenue saved state and local government over \$3,500,000.***

increased oversight of the 67 counties' value adjustment boards. During FY 2009-10, Revenue developed and implemented a comprehensive set of procedures, forms, and training for Florida's value adjustment boards. These materials will promote greater uniformity, consistency and fairness for taxpayers when they appeal their property assessments.

### **Online TRIM Submission**

Revenue developed and implemented E-TRIM, a system that allows local governments to submit truth in millage (TRIM) compliance documentation to the Department electronically. E-TRIM identifies possible math errors and data entry errors before documentation is submitted so most mistakes are corrected before receipt by Revenue. The process is more efficient saving both time and money for local governments and Revenue.

### **Saving Costs on Training provided to Tax Collectors**

The Department is required to provide training and professional certification to tax collectors, property appraisers, and their staff members. In FY 2009-10, to reduce costs, Revenue developed the first courses in its planned curriculum of online training for tax collectors. By reducing the number of in-person classes, travel costs will be eliminated, and Revenue staff will have more time to devote to addressing other critical responsibilities. Courses will also be more accessible and less costly for local elected officials and their employees.

### **Improved Methodology for Property Tax Roll Review**

With an emphasis on sales data, Revenue has developed and continues to refine new models for applying mathematical and statistical techniques to the annual evaluation of property tax rolls. As a result, the statistical representativeness of Revenue's sample methodology has increased, and the need for Revenue staff to conduct in-field property appraisals has decreased.

### **Digital Mapping of Florida Real Property**

Over the past ten years, the Property Tax Oversight program has been coordinating the digital mapping and aerial photography of Florida's real property parcels and the integration of these maps into one central Geographic Information System (GIS). This system, a collaborative effort between local and federal governments, other state agencies, and Revenue is a valuable tool for property assessment, as well as for emergency management, urban planning, and a broad range of business interests. By coordinating statewide aerial photography procurement with federal, local, and other state agencies, Revenue saved Florida taxpayers \$700,000 annually over the past five years.

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

## **Executive Direction and Support Services Accomplishments**

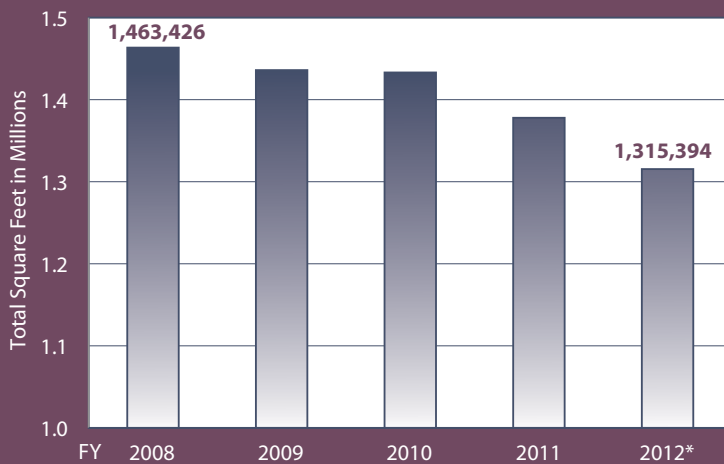
### **Consolidated Tallahassee Offices**

During calendar year 2010, Revenue consolidated 16 Tallahassee facilities to a new three-building high-efficiency campus owned by the state. More than 2,200 employees were moved into buildings that are compliant with Department of Management Services space allocation guidelines, reducing total square footage occupied by these employees by 46,000 square feet, approximately nine percent. We expect lease and utility costs for these facilities to be approximately a million dollars less each year than for the previously occupied facilities. These savings will offset a portion of the overall increase in Department lease and utility costs. In addition, we will save office expense and employee time through increased efficiency and centralization.

### **Decreased Overall Square Footage**

Three years ago, the Department of Revenue leased 91 sites with a total of nearly 1,500,000 square feet of space, predominantly office space. The Department developed new agency-wide leasing standards based on the Department of Management Services space allocation guidelines. Over the next three years, through office consolidation and better utilization of space (including the relocation of Tallahassee employees to new state buildings), Revenue's total square footage has been reduced to approximately 1,320,000 by the beginning of FY 2011-12—an overall reduction of 180,000 square feet, approximately 12 percent.

#### **Revenue Leased Space**



\* projected based on current leasing actions

### **Mitigated Increases in Leasing Costs**

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

*Revenue has decreased travel costs by forty percent since FY 2007-08.*

## **Reduced Travel Expense**

For some Revenue employees, including auditors and property assessors, travel is an unavoidable part of the job. However, when services can be provided effectively remotely, Revenue is developing web applications to replace face-to-face interactions, saving both employee time and travel expense. Since FY 2007-08, Revenue has decreased its annual travel costs 40 percent, from approximately \$3.2 million to approximately \$1.9 million.

## **Provided Training and Career Development Resources at Low Cost**

Through our annual climate survey, Revenue employees have told management they would like more opportunities to learn skills that will help them in their jobs and prepare them for career advancement. Both the Department and our customers benefit when employees gain knowledge and skills related to their work. Because of budget reductions, employees cannot travel to attend centralized classes. Revenue's Office of Communication and Professional Development has developed several online courses that employees can take at their desks. The Office has also created "RevenueU," a website that provides access to free resources for skills assessment, skills training, and career development. Employees can access this website from home.

Many individual employees and work units have helped to fill the education gap: creating online program-specific training, setting up informal classes led by an employee with expertise in a particular software or subject, and establishing mentoring relationships.

## ***Information Services Program Accomplishments***

### **Completed "Full Service Transfer" to Primary Data Centers**

In September 2010, as part of the state's Full Service Transfer initiative, Revenue's Information Services Program completed the transfer of 14 FTE and \$3.9 million in salary and contracts to the two Primary Data Centers that house Revenue equipment.

### **Redesigned the Department of Revenue Internet Website**

During 2009, we redesigned the Department of Revenue's website to make it easier for our customers to access the information and services they need. The website had not been comprehensively redesigned since it was created in the late 1990s. The new site integrates content and online activities more effectively, provides quicker and more intuitive navigation options, and adds index pages that contain appropriate links for various audiences.

*By retiring its mainframe, Revenue has reduced annual technology expenses by \$650,000.*

## **Migrated All Applications from the Mainframe**

In early 2010, we completed the migration of all tax administration applications remaining on our Unisys mainframe to various current technology solutions. The Department will realize an annual reduction of over \$650,000 in technology expenses from the retirement of our mainframe.

## **Reduced Costs by Migrating from Oracle to MS SQL Server**

We have completed a major step toward the accomplishment of our strategic objective to migrate to a Standard Operating Environment. We have migrated from Oracle to MS SQL Server. This database platform migration will result in a 40 percent reduction in annual maintenance costs.

## **Increased Productivity Using Low-Cost Off-the-Shelf Software**

We recently implemented Hewlett Packard's Service Manager 7, which manages workflows and reporting in the live environment, and fully integrates Change Management, Incident Management, Service Catalog, and Configuration Management. This system automates the requesting, assigning, routing, and tracking of work assignments and enables reporting to evaluate process effectiveness. Significant time is saved for individuals requesting services, managers who approve requests, and service staff who manage the requests.

We also began implementing Microsoft SharePoint to manage and share information. SharePoint makes accessing documents quick and easy, streamlines and coordinates review and revision, and minimizes errors in document handling. We will be adapting this software for many uses, both internally and for information sharing with our external customers. The cost for developing SharePoint applications will be far less than the cost of developing stand-alone applications; support of the software will be easier; and applications will be able to communicate with each other, increasing efficiency and reporting capability.

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## **Strategies:** **Fiscal Year 2011-12 and Beyond**

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In the current economic environment, the biggest challenge facing us continues to be finding ways to improve performance and cost-effectiveness without decreasing the quality of our service.

We continue to focus on:

- Improving customer service within existing resources.
- Increasing performance through process improvement and more effective use of technology.
- Evaluating services to identify any non-value-added or low-value-added activities that could be eliminated or deemphasized.
- Looking for opportunities to lower costs.

Each of our operating programs has identified key strategies for the next three to five years.

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

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

Development and implementation of Florida's automated child support enforcement system is Revenue's most critical strategy for increasing the productivity of the Child Support Enforcement Program. To manage the Program's increasing workload effectively (862,193 cases as of June 30, 2010), Revenue must have a highly efficient, flexible system to perform routine tasks and facilitate the completion of more complex tasks by employees. The legacy system Revenue has been using to manage the child support program was created in 1991, and is inefficient and inflexible compared to computer systems being developed today. User action is required for hundreds of routine tasks and modifying or improving the system is difficult and costly.

The first phase of CAMS has been completed and is now in use. The functionality in Phase I includes: compliance determination, enforcement, location activities, and customer assistance support for enforcement. The development of the second phase of CAMS started in February 2008 with a scheduled statewide implementation date of March 2012. This phase includes functionality to support case creation, paternity establishment, support order establishment and modification, payment processing and fund distribution activities.

As CAMS Phase II comes online, routine activities and tasks will be automated and streamlined. This will allow more staff time to be devoted to complex case situations and serving parents. The performance of

### **Key Strategies**

**Complete CAMS.**

**Improve workflow.**

**Use flexible staff allocation.**

**Automate routine tasks.**

**Cleanse data.**

**Decrease legal services costs.**

**Improve online services.**

CAMS will be systematically monitored, analyzed, and improved to ensure that the Program meets performance requirements for receiving federal incentive funding, and that the children and the state are receiving the most benefit possible out of this system.

### **Improve Workflow**

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

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

### **Increase Productivity through Flexible Staff Allocation**

We recognize that the typical method of assigning staff is not the most effective way to meet the challenges of increasing workloads during a time of position reductions. We have developed a random moment survey that provides us data on where staff resources are dedicated. We compare this data to the trends in the type of service requests and areas of the state receiving the service requests. The Program reviews the allocation model monthly and reviews possible shifts in staff on a quarterly basis based on service demands. This flexible staffing strategy allows us to identify opportunities to significantly enhance productivity and shift staff to those tasks temporarily.

For example, during FFY 2009-10, we focused on the establishment of new support orders, achieving a 27 percent increase in support order establishment (from 41,223 in FFY 2008-09 to 52,240 in FFY 2009-10). We renegotiated contracts with private attorneys to an outcome-based compensation methodology, which allows increased judicial actions within the same budget. Then we shifted staffing to order establishment to increase the number of judicial requests sent to private attorneys, as well as the number of administrative orders produced by the Department. Over the next several years, we plan to continue identifying areas to focus on to maximize productivity.

### **Use Available Technology to Increase Efficiency**

We are continually looking for ways to adapt software we already have to automate routine tasks or streamline workflows. For example, a small investment in programming hours resulted in increased efficiency in

the child support enforcement location process. A Revenue employee developed a “net caster” application to search multiple internet sites and government databases for the location of parents. Instead of taking up to 15 minutes to run a series of searches, “net caster” completes its search in 15 to 30 seconds. The results are presented to a child support employee on a single screen, enabling the employee to interact with the material more efficiently, saving time and increasing productivity. The developer continues to refine the application and add more sites to its search capability.

### **Continue Data Cleansing**

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

In FFY 2009-10, Revenue developed a process for handling funds that cannot be distributed to the intended recipient, applied to another case, or refunded to the sender. Through this process, which is implemented only when all possible efforts to locate the intended recipient or the sender have been exhausted, these amounts can be removed from an undistributed collection status.

### **Decrease the Cost of Legal Services**

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

### **Improve Customer Service through Internet Technology**

On August 23, 2010, the Department implemented the first phase of its e-Services initiative for persons who are owed child support under a Florida support order. E-Services is an internet application available on the Department’s home page that allows users to securely view and update confidential case information.

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

## **Key Strategies**

*Use SUNTAX to increase productivity.*

*Educate taxpayers.*

*Increase the use of email.*

*Implement new collection techniques.*

*Improve the audit process.*

*Establish remote deposit.*

*Assist with Tax Gap Study.*

## **General Tax Administration Key Strategies**

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

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

#### **Collection analytics**

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

#### **E-portals**

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

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

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

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

We continue to develop new e-filing components for SUNTAX. In 2010, we worked with the Clerks of Court to convert the filing of liens and warrants from paper to an e-portal application. Our next e-filing addition will be including terminal suppliers and importers in motor fuel e-filing.

### **Motor fuel inventory tracking**

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

## **Educate Taxpayers**

We will continue to develop user-friendly online courses and feature them on our redesigned website. The more knowledgeable Florida's taxpayers are, the less likely they are to overlook taxes they owe, or to make errors or late payments. Taxpayer education has the potential to increase revenues and decrease processing time for the Department.

## **Increase the Use of Email**

The Department continues to identify paper processes that can be converted to email. This is a highly effective strategy for decreasing costs while improving productivity.

## **Implement New Collection Techniques**

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

### **Forensic accounting**

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

### **Credit card intercepts**

This initiative, currently being piloted in General Tax Administration's Orlando region, follows the same steps as our current "cash levy" process, but adds a new source for collecting amounts owed to the state by a noncompliant business. A cash levy instructs a bank to release funds to

the Department from the bank account of a noncompliant business. A credit card intercept instructs a credit card company to withhold funds from its payments to a business for transactions processed for the business. Once the credit card intercept process has been tested and refined, it is intended to become a normal part of our enforcement process statewide.

### **Implement Improvements to the Audit Process**

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

### **Establish Remote Deposit in Service Centers**

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

### **Assist with Tax Gap Study**

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

## Key Strategies

*Implement low-cost technology solutions.*

*Increase tax roll equity and uniformity.*

*Focus on critical processes.*

*Help counties reduce costs.*

*Improve data for revenue estimating.*

*Assist in assessing oil spill impact.*

# Property Tax Oversight Key Strategies

## Use Low-Cost Technology Solutions to Increase Productivity

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

Revenue has the opportunity to leverage a number of newer technologies, most of which the Department is already using for other purposes, to provide a single web-based user interface for the oversight of local property taxes. The benefits of this technology upgrade will include increased assurance that assessments are equitable and uniform and that local government millage levying activities comply with Florida law. The Property Tax Oversight Program will also be able to increase the productivity of the Roll Approval Process, automate paper-based processes, and increase data accuracy. The components of this system will include:

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

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

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

By establishing e-portals for the submission of property tax documents by local officials, Revenue will streamline the review process for both local governments and the Department. The system will perform automatic error checks as data is entered by a local official, eliminating most of the errors that can occur with paper documents. In 2010, we implemented our E-TRIM e-portal. We are currently developing online submission systems for central assessment tax returns, county tax roll data, non-ad valorem assessment rolls, and annual budget submissions from property appraisers and tax collectors.

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

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

### **Increase Tax Roll Equity and Uniformity**

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

### **Focus on the Most Critical Processes and Reduce the Emphasis on Others**

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

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

### **Mitigate Financial Impact of Budget Reductions on Counties**

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

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

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

### **Improve the Data Provided to the Revenue Estimating Conference**

To assist the state in the difficult process of estimating revenues under these unusual economic conditions, Revenue will conduct additional data quality checks on the counties' tax rolls, ensuring that property appraisers record all data completely and accurately.

### **Assist in Assessing the Impact of the Deepwater Horizon Oil Spill**

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

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

### **Reduce Leasing Costs**

Revenue recognized that our workplace leases present significant opportunities to reduce costs without decreasing productivity or service. These opportunities arise when a leasing agreement expires or comes up for renewal. We developed a consistent agency-wide approach to reducing leasing costs:

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

## ***Key Strategies***

***Reduce leasing costs.***

***Maintain an effective workforce.***

***Improve financial management.***

Through better lease management and space consolidation, the Department of Revenue has decreased leasing costs for many of its facilities, reducing the amount that will be spent on those facilities by a total of four million dollars over the next five years. We expect these savings to offset a significant portion of the unavoidable increases in overall leasing costs. We continue to evaluate leasing options for leases that will expire or renew within the next two years. Revenue's total square footage, which was nearly 1,500,000 three years ago, will be reduced to approximately 1,320,000 by the beginning of FY 2011-12. As we consolidate employees into facilities that meet space standards, we are also saving significantly on utilities and other office expenses.

## **Maintain a Skilled, Effective Workforce**

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

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

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

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

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

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

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

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

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

To keep pace with technological, legal, and state policy changes that impact the employer-employee relationship, over the next several years the Office of Workforce Management will review and revise existing human resources policies, and develop new policies and procedures as needed. The first policy to be addressed is employee discipline and corrective action. The goal for this revision is to ensure consistency across the agency and promote collaboration among offices who work within the process.

## **Improve Financial Management**

The Office of Financial Management within the Executive Direction and Support Program coordinates and aligns Revenue's budget, purchasing, and accounting functions to ensure that the Department manages resources consistent with the Legislature's intent, avoids waste and fraud, and continually identifies opportunities to increase efficiency and save money. This office allocates financial resources, tracks expenditures, and determines the causes of exceptions or deviations from our financial resource plan. The Office of Financial Management is working closely with the Department's programs to achieve a full integration of financial information and processes. The key strategy for the management of Revenue's finances is to develop financial management policies and practices that ensure that financial resources are used wisely across the agency.

## **Information Services Program Key Strategies FY 2010-11**

### **Key Strategies**

*Improve technology management.*

*Reduce technology costs.*

### **Improve Information Technology Management**

#### **Information technology planning**

The Information Services Program has developed a technology infrastructure plan that sets clear and realistic expectations of what technology can offer in terms of products, services and delivery. The plan is regularly updated and includes information about systems architecture, technological direction, acquisition plans, standards, migration strategies, and contingency plans. This makes it possible to respond timely to changes in the competitive environment. It also helps improve coordination between platforms and applications.

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

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

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

#### **Information technology security**

The Department will increase efforts to maintain and improve the security of the confidential information of our employees and the citizens we serve. Efforts to increase security will not be confined to the implementation of technological systems, but will include updating policies and procedures to meet the new legal requirements and ensuring that all employees receive regular training and information to help them effectively safeguard information.

### **Reduce Information Technology Costs**

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

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

For example, during FY 2008-09, we replaced the hardware platform of our unified tax administration system, SUNTAX. Annual maintenance costs for the SUNTAX system on its original hardware platform over the next several years would have been approximately \$0.5 million. Costs for maintenance of the new configuration are approximately \$60,000 per year.

**“Buy it once; deploy it many times”**

A key strategy for reducing costs now and in the future is to purchase commercial off-the-shelf software solutions that can be adapted to many uses, rather than developing single-purpose applications or purchasing proprietary systems. This strategy not only saves initial costs, but also helps build a standard operating environment that requires less maintenance and can be managed by fewer dedicated staff persons. We also benefit from the frequent upgrades that major commercial software packages offer, enabling us to keep up-to-date with current technological developments without reprogramming or buying new software. Most importantly, by selecting software that focuses on efficiency in the management of information and tasks, we can improve employee productivity, a key requirement for continuing to meet our responsibilities during a time of decreasing resources.

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***Appendix***  
***Program Data and Financial Highlights***

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## Department of Revenue Budget Summary\*

(not including pass-throughs)

Fiscal Year 2009-10 All information is unaudited.	FY 2009-10 Appropriation	FY 2009-10 Expenditures	Line item total as a percentage of the category total	Category total as a percentage of total expenditures
<b>Personnel Costs</b>				
Salaries & Benefits (5,178 FTE)	\$259,097,492	\$256,417,759		
Other Personal Services (OPS)	1,902,367	1,321,002		
<b>Personnel Category Total</b>	<b>\$260,999,859</b>	<b>\$257,738,761</b>		<b>53%</b>
<b>Expenses</b> (ongoing costs that must be paid every year, such as rent, supplies, and utilities)				
Rent		\$26,606,835	52%	
Postage		7,458,429	15%	
Telephone Service		4,116,295	8%	
Office Supplies		3,612,464	7%	
Travel		1,900,270	4%	
Printing & Copying		1,813,299	4%	
Information Technology Supplies		1,785,408	4%	
Utilities		563,120	1%	
Miscellaneous Expenses		3,351,317	7%	
<b>Expense Category Total</b>	<b>\$57,859,681</b>	<b>\$51,016,284</b>	<b>100%</b>	<b>11%</b>
<b>Operating Capital Outlay</b> (costs for equipment and other items that do not have to be purchased every year)	<b>\$10,732,830</b>	<b>\$7,172,665</b>		<b>1%</b>
<b>Contracted Services</b> (costs for work performed by external service providers such as attorneys, information technology specialists, and other government agencies)				
CAMS - Automated CSE System (development, operation and maintenance)		\$31,643,784	20%	
Clerks of the Circuit Court		22,840,352	15%	
Miami-Dade Child Support Enforcement		21,258,170	14%	
Legal Services		18,606,028	12%	
State Disbursement Unit (SDU) (disbursement of child support payments)		18,099,471	12%	
DCF Data Center		13,594,102	9%	
Office of State Court Administrator		5,916,023	4%	
Manatee Co. Child Support Enforcement		3,360,219	2%	
Information Technology Services		2,659,111	2%	
Applications Software		2,222,352	1%	
Sheriff Service of Process		2,074,588	1%	
Intercepts (information for intercepts of child support payments)		1,613,987	1%	
Electronic Funds Transfer		1,501,044	1%	
SUNTAX - Integrated Tax System (operations and maintenance)		1,060,076	1%	
State Case Registry		370,976	Δ	
Depository Cost Analysis		316,980	Δ	
New Hires Reporting		144,041	Δ	
Mailing and Delivery Service		106,980	Δ	
Other Contracts		8,846,938	6%	
<b>Contracted Services Category Total</b>	<b>\$171,625,467</b>	<b>\$156,234,222</b>	<b>100%</b>	<b>32%</b>
<b>Other Appropriation Categories</b>	<b>\$15,083,424</b>	<b>\$12,036,199</b>		<b>2%</b>
<b>Total Expenditures</b>	<b>\$515,849,657</b>	<b>\$484,354,279</b>		<b>100%</b>

\* The \$555,809,657 budget appropriation for the Department of Revenue includes \$16,760,000 to be distributed directly to municipalities and counties by the General Tax Administration Program and \$23,200,000 to be distributed directly to municipalities and counties by the Property Tax Oversight Program. Those amounts are not included in this budget summary.

Δ less than 0.5%

## Child Support Enforcement Program Data

	2006	2007	2008	2009	2010
<b>Child Support Cases (by federal fiscal year: October-September)</b>					
Cases with no court order in effect	191,245	194,546	199,903	216,985	227,959
Cases with court order in effect	555,430	573,542	594,067	610,489	632,224
<b>Total cases</b>	<b>746,675</b>	<b>768,091</b>	<b>793,970</b>	<b>827,474</b>	<b>860,183</b>
<b>Collections in Millions of Dollars (by state fiscal year: July-June)</b>					
<b>Total received</b>	<b>1,253.8</b>	<b>1,256.9</b>	<b>1,352.2</b>	<b>1,402.4</b>	<b>1,467.0</b>
Dollars received through income deduction orders	787.2	800.6	866.9	909.5	936.0
<b>Paternity Establishment (by federal fiscal year)*</b>					
Children born out of wedlock in this state for whom paternity was established	89,487	95,389	96,108	99,327	99,310
Percentage of children with paternity established	99.2%	98.1%	90.7%	90.0%	91.5%

\* Numbers are for paternitys established during the previous calendar year

Note: Fiscal years are designated by the year in which they end. For example, Fiscal Year 2005 begins in 2004 and ends in 2005.

## Child Support Enforcement Budget Summary

Fiscal Year 2009-10 All information is unaudited.	FY 2009-10 Appropriation	FY 2009-10 Expenditures	Line item total as a percentage of the category total	Category total as a percentage of total expenditures
<b>Personnel Costs</b>				
Salaries & Benefits (2,312 FTE)	\$100,979,015	\$100,118,308		
Other Personal Services (OPS)	1,085,536	1,003,230		
<b>Total Personnel Costs</b>	<b>\$102,064,551</b>	<b>\$101,121,538</b>		<b>37%</b>
<b>Expenses</b> (ongoing costs that must be paid every year, such as rent, supplies, and utilities)				
Rent		\$12,845,988	56%	
Postage		3,627,569	16%	
Telephone Usage		1,695,303	7%	
Office Supplies		1,331,209	6%	
Information Technology Supplies		746,248	3%	
Printing & Copying		691,346	3%	
Travel		220,176	1%	
Miscellaneous Expenses		1,799,617	8%	
<b>Total Expenses</b>	<b>\$25,608,133</b>	<b>\$22,957,456</b>	<b>100%</b>	<b>8%</b>
<b>Operating Capital Outlay</b> (costs for equipment and other items that do not have to be purchased every year)	<b>\$6,064,712</b>	<b>\$2,763,663</b>		<b>1%</b>
<b>Contracted</b> (and other purchased) <b>Services</b> (costs for work performed by external service providers such as attorneys, information technology specialists, and other government agencies)				
CAMS - Automated CSE System (development, operation and maintenance)		\$31,643,784	22%	
Clerks of the Circuit Court - Depositories		22,840,352	16%	
Miami-Dade Child Support Enforcement		21,258,170	15%	
State Disbursement Unit (SDU) (disbursement of child support payments)		18,099,471	13%	
Legal Services Providers		17,172,695	12%	
DCF Data Center		13,594,102	9%	
State Court Administrator - hearing officers		5,916,023	4%	
Manatee Co. Child Support Enforcement		3,360,219	2%	
Sheriff Service of Process		2,074,588	1%	
Intercepts (information for intercepts of child support payments)		1,613,987	1%	
State Case Registry		370,976	Δ	
Depository Cost Analysis		315,980	Δ	
New Hires Reporting		144,041	Δ	
Mailing and Delivery Service		106,980	Δ	
Other Contracts		4,809,308	3%	
<b>Total Contracted Services*</b>	<b>\$153,260,346</b>	<b>\$143,320,676</b>	<b>100%</b>	<b>52%</b>
<b>Other Appropriation Categories</b>	<b>\$5,819,184</b>	<b>\$5,229,423</b>		<b>2%</b>
<b>Total</b>	<b>\$292,816,926</b>	<b>\$275,392,756</b>		<b>100%</b>

\* includes DCF Data Processing appropriation  
Δ less than 0.5%

## General Tax Administration Program Data

FY 2005-06 through FY 2009-10  
(\$ Millions)

	Actual Deposits				
	2005-06	2006-07	2007-08	2008-09	2009-10
<b>General Revenue Sources</b>					
1 Sales and Use Tax	\$22,814.4	\$22,854.6	\$21,518.0	\$19,227.7	\$18,537.0
2 Communications Services Tax	\$2,338.5	\$2,420.8	\$2,507.2	\$2,516.9	\$2,419.2
3 Corporate Income and Excise Tax	\$2,405.9	\$2,442.5	\$2,211.8	\$1,836.6	\$1,793.2
4 Documentary Stamp Tax	\$4,105.4	\$3,064.5	\$1,977.5	\$1,128.4	\$1,093.6
5 Insurance Premium Tax	\$685.8	\$785.9	\$714.7	\$651.3	\$667.8
6 Intangible Tax B & D (annual)	\$187.9	\$40.0	\$2.1	\$0.8	\$0.7
7 Intangible Tax C	\$891.3	\$726.7	\$436.5	\$199.9	\$158.9
8 Estate Tax	\$71.3	\$43.4	\$12.2	\$4.8	\$3.3
9 Severance Tax - Oil & Gas	\$9.3	\$9.4	\$12.8	\$8.0	\$3.9
10 Severance Tax - Solid Mineral	\$46.5	\$36.5	\$43.2	\$73.3	\$67.1
11 Audit Clearing Account	\$111.1	\$129.2	\$107.3	\$123.0	\$116.7
12 Warrant Clearing Account	\$1.0	\$0.5	\$0.4	\$0.1	\$0.0
13 GR Sources - Refunds	(\$313.9)	(\$360.5)	(\$460.9)	(\$596.8)	(\$536.5)
<b>Subtotal: General Revenue</b>	<b>\$33,350.4</b>	<b>\$32,218.6</b>	<b>\$29,082.8</b>	<b>\$25,173.8</b>	<b>\$24,370.7</b>
<b>Other Tax Sources</b>					
14 Governmental Leasehold Tax	\$1.0	\$0.5	\$0.4	\$0.7	\$0.9
15 Fuel-Related Taxes and Fees	\$3,379.3	\$3,427.7	\$3,392.0	\$3,287.0	\$3,330.1
16 Gross Receipts Tax - Utility	\$562.4	\$603.1	\$648.3	\$653.2	\$660.0
17 Solid Waste Return Taxes	\$188.7	\$185.7	\$187.6	\$166.1	\$160.8
18 Warranty Fee (Lemon Law)	\$2.3	\$2.3	\$2.1	\$1.5	\$1.3
19 Lakebelt Mitigation Fee	\$3.5	\$4.5	\$5.0	\$4.5	\$4.3
20 Lakebelt Plant Upgrade Fee	\$0.0	\$2.8	\$5.4	\$3.4	\$2.7
21 Clerk of Court - DOR	\$189.7	\$152.6	\$169.6	\$287.8	\$198.9
22 Clerk of Court - Other Agencies	\$140.8	\$149.1	\$153.2	\$174.8	\$1,027.1
23 Miscellaneous	\$2.4	\$2.1	\$5.4	\$3.9	\$9.2
24 Other Sources - Refunds	(\$11.7)	(\$52.0)	(\$54.7)	(\$61.1)	(\$59.5)
25 Unemployment Tax	\$1,244.2	\$1,047.4	\$885.8	\$900.7	\$1,184.2
<b>Subtotal: Other Tax Sources</b>	<b>\$5,702.5</b>	<b>\$5,525.7</b>	<b>\$5,400.0</b>	<b>\$5,422.6</b>	<b>\$6,520.0</b>
<b>Total Revenue Administered Taxes</b>	<b>\$39,052.9</b>	<b>\$37,744.3</b>	<b>\$34,482.8</b>	<b>\$30,596.4</b>	<b>\$30,890.7</b>
<b>Annual Percent Change</b>	<b>11.5%</b>	<b>-3.4%</b>	<b>-8.6%</b>	<b>-11.3%</b>	<b>1.0%</b>
<b>Total Authorized FTE (June)</b>	<b>2,411</b>	<b>2,377</b>	<b>2307.5</b>	<b>2267</b>	<b>2235</b>
<b>Annual Percent Change</b>	<b>0.0%</b>	<b>-1.4%</b>	<b>-2.9%</b>	<b>-1.8%</b>	<b>-1.4%</b>
<b>Change over 5 years</b>					<b>-7.3%</b>
<b>Distributions</b>					
General Revenue	\$25,286.5	\$24,427.9	\$22,292.4	\$19,687.5	\$19,018.8
State Trust Funds	\$6,346.2	\$6,176.4	\$5,728.3	\$4,863.6	\$5,669.6
Local	\$6,250.8	\$6,357.5	\$6,092.6	\$5,769.8	\$5,500.4
Admin Trust Funds	\$39.3	\$37.3	\$49.1	\$49.7	\$54.1
	<b>\$37,922.8</b>	<b>\$36,999.1</b>	<b>\$34,162.4</b>	<b>\$30,370.6</b>	<b>\$30,242.9</b>

**Note:** As a result of refinements to our methodology, total collections for previous years are changed from the amounts listed in our last annual report. We now include all fees collected through the Clerk of Court Remittance System, which is administered by Revenue. Additional corrections have been made to the miscellaneous collection figures and refund amounts.

## General Tax Administration Budget Summary\* (not including pass-throughs)

Fiscal Year 2009-10 All information is unaudited.	FY 2009-10 Appropriation	FY 2009-10 Expenditures	Line item total as a percentage of the category total	Category total as a percentage of total expenditures
<b>Personnel Costs</b>				
Salaries & Benefits (2,240 FTE)	\$119,060,683	\$117,493,200		
Other Personal Services (OPS)	504,409	54,962		
<b>Total Personnel Costs</b>	<b>\$119,565,092</b>	<b>\$117,548,162</b>		<b>80%</b>
<b>Expenses</b> (ongoing costs that must be paid every year, such as rent, supplies, and utilities)				
Rent		\$10,716,910	49%	
Postage		3,813,979	17%	
Telephone Usage		1,569,527	7%	
Travel		1,484,286	7%	
Office Supplies		1,407,720	6%	
Printing & Copying		979,571	4%	
Utilities		563,120	3%	
Information Technology Supplies		254,233	1%	
Miscellaneous Expenses		1,043,132	5%	
<b>Total Expenses</b>	<b>\$25,446,789</b>	<b>\$21,832,478</b>	<b>100%</b>	<b>15%</b>
<b>Operating Capital Outlay</b> (costs for equipment and other items that do not have to be purchased every year)	<b>\$1,125,338</b>	<b>\$1,084,552</b>		<b>1%</b>
<b>Contracted Services</b> (costs for work performed by external service providers such as attorneys, information technology specialists, and other government agencies)				
Electronic Funds Transfer		\$1,501,044	31%	
SUNTAX - Integrated Tax System (operations and maintenance)		1,060,076	22%	
Information Technology Services		492,153	10%	
Tax Return Processing Server Maintenance		295,151	6%	
Banking Fees		251,622	5%	
Application Software Maintenance		217,350	5%	
Data Processing - Disaster Recovery		82,260	2%	
Other Contracts		923,336	19%	
<b>Total Contracted Services</b>	<b>\$9,944,783</b>	<b>\$4,822,992</b>	<b>100%</b>	<b>3%</b>
<b>Other Appropriation Categories</b>	<b>\$2,266,755</b>	<b>\$1,233,117</b>		<b>1%</b>
<b>Total</b>	<b>\$158,348,757</b>	<b>\$146,521,301</b>		<b>100%</b>

\* The \$175,108,757 budget appropriation for the Department of Revenue's General Tax Administration Program includes \$16,760,00 to be distributed directly to municipalities and counties. That amount is included in the distributions reported on the GTA program data page, and is not included in this budget summary.

## Property Tax Oversight Program Data

	2005	2006	2007	2008	2009	2010**
Just (market) value of Florida real, personal and centrally assessed property	\$1.90 Trillion	\$2.43 Trillion	\$2.66 Trillion	\$2.57 Trillion	\$2.21 Trillion	\$1.94 Trillion
<b>Percentage increase over previous year</b>	<b>20.40%</b>	<b>28.70%</b>	<b>9.30%</b>	<b>-3.40%</b>	<b>-13.80%</b>	<b>-12.21%</b>
Real property assessment differential value of homestead capped parcels	\$246.46 Billion	\$404.78 Billion	\$427.45 Billion	\$313.81 Billion	168.29 Billion	84.56 Billion
<b>Percentage increase over previous year</b>	<b>49.20%</b>	<b>64.20%</b>	<b>5.60%</b>	<b>-26.60%</b>	<b>-46.30%</b>	<b>-49.70%</b>
Value of homestead exemptions to Florida taxpayers	\$106.84 Billion	\$109.08 Billion	\$111.71 Billion	\$206.99 Billion*	\$204.02 Billion*	\$199.27 Billion*
<b>Percentage increase over previous year</b>	<b>2.20%</b>	<b>2.10%</b>	<b>2.40%</b>	<b>85.29%*</b>	<b>-1.40%</b>	<b>-2.39%</b>
Property taxes levied by counties, cities, school boards and other taxing districts	\$25.69 Billion	\$30.42 Billion	\$31.04 Billion	\$30.21 Billion	\$28.09 Billion	\$25.8 Billion (e)
<b>Percentage increase over previous year</b>	<b>15.50%</b>	<b>18.40%</b>	<b>2.20%</b>	<b>-2.67%</b>	<b>-7.01%</b>	<b>-8.15%</b>

\* Reflects implementation of Additional \$25,000 Homestead Exemption

\*\* Based on Preliminary Summary data received 7-1-10 from Property Appraisers

(e) Estimate based on 63 final reports and 4 preliminary estimates as of 11-24-10

Source publication: *2010 Florida Property Valuations & Tax Data*

## Property Tax Oversight Budget Summary\*

(not including pass-throughs)

Fiscal Year 2009-10 All information is unaudited.	FY 2009-10 Appropriation	FY 2009-10 Expenditures	Line item total as a percentage of the category total	Category total as a percentage of total expenditures
<b>Personnel Costs</b>				
Salaries & Benefits (177 FTE)	\$10,612,546	\$10,561,538		
Other Personal Services (OPS)	37,170	34,471		
<b>Total Personnel Costs</b>	<b>\$10,649,716</b>	<b>\$10,596,009</b>		<b>77%</b>
<b>Expenses</b> (ongoing costs that must be paid every year, such as rent, supplies, and utilities)				
Rent		\$635,989	52%	
Travel		156,707	13%	
Office Supplies		145,960	12%	
Telephone Usage		85,325	7%	
Printing & Copying		37,158	3%	
Information Technology Supplies		33,269	3%	
Postage		16,881	1%	
Miscellaneous Expenses		109,182	9%	
<b>Total Expenses</b>	<b>\$1,431,674</b>	<b>\$1,220,471</b>	<b>100%</b>	<b>9%</b>
<b>Operating Capital Outlay</b> (costs for equipment and other items that do not have to be purchased every year)	<b>\$131,012</b>	<b>\$128,631</b>		<b>1%</b>
<b>Contracted Services</b> (costs for work performed by external service providers such as attorneys, information technology specialists, and other government agencies)				
Consulting		\$112,154	20%	
Information Technology Services		97,492	17%	
Applications Software		88,988	16%	
Appraisal Services		66,980	12%	
Instruction (External instructors to provide required training for local officials)		49,346	9%	
Other Contracts		143,154	26%	
<b>Total Contracted Services</b>	<b>\$613,993</b>	<b>\$558,114</b>	<b>100%</b>	<b>4%</b>
<b>Other Appropriation Categories</b>	<b>\$2,267,430</b>	<b>\$1,345,077</b>		<b>10%</b>
<b>Total</b>	<b>\$15,093,825</b>	<b>\$13,848,302</b>		<b>100%</b>

\* The \$38,293,825 budget for the Department of Revenue's Property Tax Oversight Program includes \$23,200,000 to be distributed directly to municipalities and counties. That amount is not included in this budget summary.

## Executive Direction and Support Services Budget Summary

Fiscal Year 2009-10 All information is unaudited.	FY 2009-10 Appropriation	FY 2009-10 Expenditures	Line item total as a percentage of the category total	Category total as a percentage of total expenditures
<b>Personnel Costs</b>				
Salaries & Benefits (261 FTE)	\$17,322,129	\$17,251,868		
Other Personal Services (OPS)	208,740	177,529		
<b>Total Personnel Costs</b>	<b>\$17,530,869</b>	<b>\$17,429,397</b>		<b>63%</b>
<b>Expenses</b> (ongoing costs that must be paid every year, such as rent, supplies, and utilities)				
Rent		\$1,474,864	58%	
Office Supplies		569,693	22%	
Telephone Service		192,223	8%	
Information Technology Supplies		84,388	3%	
Printing & Copying		77,333	3%	
Travel		31,912	1%	
Miscellaneous Expenses		127,861	5%	
<b>Total Expenses</b>	<b>\$2,572,377</b>	<b>\$2,558,274</b>	<b>100%</b>	<b>9%</b>
<b>Operating Capital Outlay</b> (costs for equipment and other items that do not have to be purchased every year)	<b>\$2,190,632</b>	<b>\$2,090,855</b>		<b>8%</b>
<b>Contracted Services</b> (costs for work performed by external service providers such as attorneys, information technology specialists, and other government agencies)				
Legal Services		1,433,333	81%	
Other Contracts		339,896	19%	
<b>Total Contracted Services</b>	<b>\$1,936,417</b>	<b>\$1,773,229</b>	<b>100%</b>	<b>6%</b>
<b>Transfer to Division of Administrative Hearings</b> (approximately 98% is for administrative paternity establishment for child support enforcement)	<b>\$1,408,035</b>	<b>\$1,408,035</b>		<b>5%</b>
<b>Human Resources Contract</b>	<b>\$2,078,714</b>	<b>\$2,078,716</b>		<b>8%</b>
<b>Other Appropriation Categories</b>	<b>\$196,817</b>	<b>\$196,817</b>		<b>1%</b>
<b>Total</b>	<b>\$27,913,861</b>	<b>\$27,535,323</b>		<b>100%</b>

## Information Services Program Budget Summary

Fiscal Year 2009-10 All information is unaudited.	FY 2009-10 Appropriation	FY 2009-10 Expenditures	Line item total as a percentage of the category total	Category total as a percentage of total expenditures
<b>Personnel Costs</b>				
Salaries & Benefits (188 FTE)	\$11,123,119	\$10,992,845		
Other Personal Services (OPS)	66,512	50,810		
<b>Total Personnel Costs</b>	<b>\$11,189,631</b>	<b>\$11,043,655</b>		<b>53%</b>
<b>Expenses</b> (ongoing costs that must be paid every year, such as rent, supplies, and utilities)				
Rent		\$933,084	38%	
Information Technology Supplies		695,161	28%	
Telephone Usage		573,917	23%	
Office Supplies		157,882	6%	
Travel		7,189	0%	
Miscellaneous Expenses		80,372	3%	
<b>Total Expenses</b>	<b>\$2,800,708</b>	<b>\$2,447,605</b>	<b>100%</b>	<b>12%</b>
<b>Operating Capital Outlay</b> (costs for equipment and other items that do not have to be purchased every year)	<b>\$1,221,136</b>	<b>\$1,104,964</b>		<b>5%</b>
<b>Contracted Services</b> (costs for work performed by external service providers such as attorneys, information technology specialists, and other government agencies)				
Information Technology Services		\$2,069,466	36%	
Applications Software		1,916,014	33%	
Other Contracts		1,773,731	31%	
<b>Total Contracted Services</b>	<b>\$5,869,928</b>	<b>\$5,759,211</b>	<b>100%</b>	<b>28%</b>
<b>Other Appropriation Categories</b>	<b>\$594,885</b>	<b>\$545,014</b>		<b>3%</b>
<b>Total</b>	<b>\$21,676,288</b>	<b>\$20,900,449</b>		<b>100%</b>