



Long Range Program Plan

FY 2009-2010 through 2013-2014

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.

Lisa Echeverri
Executive Director





Executive
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Lisa Echeverri

Child Support
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General Tax
Administration
Jim Evers
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Administrative
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Nancy Kelley
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Tony Powell
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September 30, 2008

Mr. Jerry L. McDaniel, Director
Office of Policy and Budget
Executive Office of the Governor
1701 Capitol
Tallahassee, FL 32399-0001

Dear Mr. McDaniel:

This Long Range Program Plan reflects the Department of Revenue's commitment to serve the State of Florida: to provide fair and efficient tax administration and child support enforcement; to achieve the highest levels of compliance; and to serve citizens with respect and professionalism.

I am proud that this Plan reflects the continued high performance of our three operating programs: general tax administration, property tax oversight, and child support enforcement. This is of special note during these challenging economic times. Our employees bring a spirit of commitment and service to their jobs and to our citizens every day that makes me proud to work with them at the Department of Revenue.

Our general tax administration program has completed its integration of the Florida tax system (SUNTAX) by adding unemployment compensation to the system this past March. The property tax oversight program has established, in a short period of time and with a small number of employees, the tools and data necessary to support a number of significant constitutional and statutory reforms to Florida's property tax system enacted in the last two years. The child support enforcement program continues to innovate in the areas of technology to ensure unprecedented collections on behalf of Florida's children.

On behalf of our more than 5,000 employees, I want to express our appreciation for the support of the Governor, the Cabinet, and the Legislature as we strive to provide the best service possible to our State and its citizens. If you have any comments or questions, please contact Jeff Kielbasa at (850) 921-2787.

Sincerely,

Lisa Echeverri

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Vision of the Florida Department of Revenue:

VISION

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

MISSION

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

WHAT WE BELIEVE

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

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

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

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

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

V ALUES

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

Of Character

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

Of Performance

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

G UIDING P RINCIPLES

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

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

Department Goals, Objectives, and Performance Projection Tables

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

Goal #1: Increase voluntary compliance.

Child Support Enforcement (CSE)

CSE 1A:

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

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

FY 1998-99 (Baseline Actual)	FY 2009-10	FY 2010-11	FY 2011-12	FY 20012-13	FY 2013-14
48.6%	53.5%	54.0%	55.5%	56.0%	56.5%

General Tax Administration (GTA)

GTA 1A:

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

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

FY 2004-05 (Baseline Actual)	FY 2009-10	FY 2010-11	FY 2011-12	FY 20012-13	FY 2013-14
95.0%	96.0%	96.0%	96.0%	96.0%	97.0%

Property Tax Oversight (PTO)

PTO 1A:

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

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

FY 1997-98 (Baseline Actual)	FY 2009-10	FY 2010-11	FY 2011-12	FY 20012-13	FY 2013-14
92.6%	94.0%	94.0%	94.0%	95.0%	95.0%

Goal #2: Increase productivity and reduce costs.

Child Support Enforcement (CSE)

CSE 2A:

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

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

FY 2007-08 (Baseline Actual)	FY 2009-10	FY 2010-11	FY 2011-12	FY 20012-13	FY 2013-14
17.0%	17.0%	16.0%	15.0%	15.0%	15.0%

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

CSE 2B:

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

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

FY 1998-99 (Baseline Actual)	FY 2009-10	FY 2010-11	FY 2011-12	FY 20012-13	FY 2013-14
48.9%	75.0%	75.5%	76.0%	76.5%	77.0%

General Tax Administration (GTA)

GTA 2A:

Objective: Improve the productivity of compliance examinations.

Outcome: Percent of compliance examinations resulting in an adjustment.

FY 2004-05 (Baseline Actual)	FY 2009-10	FY 2010-11	FY 2011-12	FY 20012-13	FY 2013-14
87.0%	80.0%	80.0%	80.0%	85.0%	87.0%

GTA 2B:

Objective: Improve the timeliness of resolving compliance resolution cases.

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

FY 2004-05 (Baseline Actual)	FY 2009-10	FY 2010-11	FY 2011-12	FY 20012-13	FY 2013-14
76.0%	75.0%	75.0%	75.0%	80.0%	82.0%

Department Goals, Objectives, and Performance Projection Tables

Goal #3: Improve service.

Child Support Enforcement (CSE)

CSE 3A:

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

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

FY 2000-01 (Baseline Actual)	FY 2009-10	FY 2010-11	FY 2011-12	FY 20012-13	FY 2013-14
96.5%	98.0%	98.0%	98.0%	98.0%	98.0%

General Tax Administration (GTA)

GTA 3A:

Objective: Improve the timeliness of processing a tax return.

Outcome: Percent of tax returns reconciled within 30 days.

FY 2004-05 (Baseline Actual)	FY 2009-10	FY 2010-11	FY 2011-12	FY 20012-13	FY 2013-14
82.0%	99.0%	99.0%	99.0%	99.0%	99.0%

Property Tax Oversight (PTO)

PTO 3A:

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

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

FY 2004-05 (Baseline Actual)	FY 2009-10	FY 2010-11	FY 2011-12	FY 20012-13	FY 2013-14
*90.0%	91.0%	91.5%	92.0%	93.0%	93.5%

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

Organizational Overview

The Florida Department of Revenue (DOR), created under section 20.21, *Florida Statutes*, is a public organization in the executive branch of Florida state government. The Governor and Cabinet serve as the official head or “board of directors” of the Department; however, the executive director sets the vision, establishes the mission, and provides leadership for the Department. As of July 1, 2008, the Department had 5,257 authorized full-time equivalent positions located at 61 sites throughout the state and at seven facilities in five other states.

The Department has received national and international recognition for its world-class administration of taxes and child support, and for its innovative integration of cutting-edge technology. In 2004, *Governing* magazine recognized DOR with its highest rating in the area of tax administration. The Department was one of only six state agencies in the country—and one of only two large state agencies—to receive this important distinction. *Governing* praised the Department for its application of SUNTAX (System for Unified Taxation) technology and it acknowledged that the Department’s revenue management system is “widely admired around the country.” Other accolades received by the Department include:

- In 1998, DOR was the first state department to win Florida’s Sterling Award. This prestigious award is Florida’s equivalent of the national Malcolm Baldrige Award for organizational performance excellence.
- In 2000, the Department won the Rochester Institute of Technology/USA TODAY Quality Cup Competition for its use of quality principles and tools during the reengineering of Florida’s estate tax administrative practices.
- Also in 2000, the Department won the National Excellence Award presented by the Lyndon B. Johnson School of Public Affairs in recognition of its customer-focused approach to tax and child support enforcement administration.
- In 2003, the federal Office of Child Support Enforcement presented the Department with an Exemplary Service Award for its achievements in reducing Florida’s undistributed collections.
- Also in 2003, the Department was recognized by the Governor and Cabinet as a “Trailblazer” state department for its 29 percent Department-wide participation in mentoring and volunteer work.
- In 2004, DOR was awarded three Bronze Quill awards for outstanding communications from the International Association of Business Communicators. These awards recognized the Department for its 2003 tax amnesty communications program, its 2003 annual report, and its DOR leadership performance guide.
- In the May 2004 and August 2006 issues of *Government Technology* magazine, DOR was featured as an innovator in the application and deployment of cutting-edge technology to cost-effectively administer taxes and child support.
- In the May 23, 2005 issue of *eWeek Newsweekly*, DOR was featured for its implementation of a Customer Relationship Management initiative as a component of its SUNTAX integrated tax system.
- In 2006, the Department received seven Davis Productivity Awards, including one “Distinguished” award and one “Notable” award.

Trends and Conditions

- In 2007, the Department's General Tax Administration Program was recognized by the United States Department of Labor as having the most improved unemployment tax program among the southeastern states. Since 2006, the department has improved from 26th to 6th in the nation in the timeliness of determining changes to the rate status of employers.
- In a relatively short period of time, the Florida Department of Revenue improved its ranking in unemployment tax for status determinations in 90 and 180 days from 42nd in the country to 6th and 8th in the country, respectively.

The Department of Revenue's Primary Responsibilities

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

Programs	Description	Outputs
Child Support Enforcement (CSE)	<p>The Department of Revenue is responsible for the administration of Florida's Child Support Enforcement Program.</p> <p>The Department's Child Support Enforcement Program helps children get the financial support they need when it is not received from one or both parents. Child support collections have climbed steadily from \$388 million in 1994 to over \$1.35 billion in FY 2008.</p>	<ul style="list-style-type: none"> • Establishment of paternity • Orders establishing support obligations • Support collections to families • Health care coverage for children • Enforcement actions for non-support • Reimbursements to federal and state governments for temporary cash assistance payments
General Tax Administration (GTA)	<p>The Department of Revenue is responsible for the administration of tax collection, tax enforcement, tax processing, taxpayer registration, and fund distribution, as well as providing taxpayer assistance and resolution of taxpayer complaints.</p> <p>The Department's General Tax Administration Program administers approximately 36 taxes and fees. Total receipts for GTA-administered taxes were \$34.7 billion in FY 2007-2008. Major taxes include sales, documentary stamp, corporate income, unemployment, fuel, and communications services.</p>	<ul style="list-style-type: none"> • Establishment and maintenance of taxpayer accounts • Taxpayer requirements and assistance • Processed returns and revenue • Distributed revenue to GR, trust funds and local governments • Enforcement actions • Resolution of disputes
Property Tax Oversight (PTO)	<p>The Department of Revenue oversees a local property tax system that in 2007 had more than 11 million parcels of real property with a market value of \$2.57 trillion, an assessed value of \$2.26 trillion and more than \$29 billion in property taxes levied by local governments and taxing authorities. The Department reviews and approves the property tax rolls for each of Florida's 67 counties every year. The Department also:</p> <ul style="list-style-type: none"> • approves the annual budgets of property appraisers and most tax collectors • ensures that 1,014 levying authorities comply with millage levying procedures and public disclosure laws • provides technical support for GIS, aerial photography, forms design, and legal guidance to local officials • reviews certain property tax claims for refunds • provides training to elected officials and levying authorities • centrally assesses railroad properties 	<ul style="list-style-type: none"> • Ratio studies of local tax rolls • Guidelines and regulation to ensure equitable and uniform assessment levels • Orders enforcing compliance with millage (property tax rate) levying procedures • Reviews of taxpayer applications for refunds in excess of \$400 and tax certificate cancellations/corrections • Decisions on annual budgets for property appraisers and tax collectors • Workshops and certifications for property appraisers and tax collectors • Aerial photographs • Central assessments of railroads and private car lines • Assistance for local governments and taxpayers
Executive and Department Support	<p>The Department of Revenue provides a workplace where employees participate in the development of new strategies and embrace the critical changes necessary for each program to continually improve effectiveness.</p> <p>The support programs assist in achieving operational objectives by enabling the operational programs to be more effective.</p>	<ul style="list-style-type: none"> • Executive direction • Administrative services • Information technology

Figure 1.1: DOR Primary Responsibilities and Outputs

Major Suppliers and Partnerships

Department of Revenue Suppliers

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

Child Support Enforcement Program

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

General Tax Administration Program

Individuals or companies who remit taxes on behalf of the state or who pay taxes are considered suppliers.

Property Tax Oversight Program

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

Major Suppliers and Partnerships

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

Figure 1.2: DOR Program Identifiers

The Economic, Social, and Regulatory Environment

Economic

Like many states, Florida is facing challenging economic conditions. The Florida economy has been impacted by tightening of the credit markets, escalating energy prices, falling employment, and a weakening housing market. These conditions reflect the economic contraction that is occurring on the national level. State revenues have been greatly impacted by the slowdown in the housing market. This revenue impact has occurred in those taxes directly related to the housing market, with tax receipts declining in both documentary tax collections and mortgage intangible tax collections. Documentary tax collections for 2008-09 are estimated at a level that is 63% below the 2005-06 collections level.

The impact of the decline in the housing market has also been felt directly in sales tax collections with a reduction in the tax collected on sales of building materials due to reduced new construction, as well as in corporate income tax, as previously profitable construction firms showed reduced profitability or losses. Taxable sales for building investment are estimated for 2008-09 at a level 32% below peak 2005-06 activity. There is also an indirect impact to sales tax as purchases of durable goods dropped. Taxable sales of durable goods for 2008-09 are estimated at a level 21% below peak activity in 2005-06. Typically, there are substantial purchases of durable goods that accompany the purchase of either a new home or an existing home.

The problems in the financial sectors have also resulted in tighter credit availability. There is reason to be concerned that companies with cash flow and credit issues may consider reducing estimated tax payments. This could have an effect on the timing of tax remittances for certain tax sources, particularly corporate income tax or insurance premium tax.

Other issues that are affecting the Florida economy include increased gas prices, reductions in corporate profits, and continued expansion of internet commerce. Continual increases in the price of gasoline have resulted in consumption that might have occurred in other taxable goods being redirected to fuel consumption. As Florida's fuel tax operates as a set tax per gallon, the price increases have not resulted in any additional revenue to the state. Related to the uncertainty faced by consumers due to gasoline price volatility is the drop in sales tax collection on purchases of new vehicles that has occurred over the recent year.

Increased food prices also have the potential of indirectly impacting state revenue collections. While unprepared food is generally not taxable, increased food prices have the effect of crowding out other taxable purchases for those households faced with budget constraints. To the extent that consumers respond to tightened budget constraints by reducing restaurant purchases and instead eat at home, the purchase is converted from a transaction that is subject to sales tax to a transaction that is exempt.

Corporate profits for Florida firms fell in 2007-08 for the second consecutive year and are estimated for 2008-09 to be at a level 19.8% below the 2006-07 peak. If profits by the business community, the state's foremost tax remitter, continue to fall this may result in lower state tax revenues as well as cause a larger than normal number of companies to face bankruptcy. When facing survival of the business entity, some owners may choose to delay their tax remittances. For instance, taxpayers may not comply with use tax obligations on taxable purchases. This puts an additional burden on the state treasury and puts pressure on the Department of Revenue to perform audits in an attempt to keep up compliance. At the same time, the Department's General Counsel's Office will face additional requests for compromise, as some businesses will argue that the assessments will force them to close.

One reaction by the private sector in dealing with lower profits is to lay off employees. Increased unemployment and perceived job insecurity can result in decreased sales tax revenues. In addition, to the extent that laid-off employees have child support obligations, their payments may stop or decrease and the Department's Child Support Enforcement Program may have to deal with more non-compliance with support orders.

The continued growth of the internet economy will at least partially come at the expense of "main street" businesses located in Florida and will impact the amount of revenue collected by the Department. Current

law prevents a state from requiring a seller to charge and collect sales tax unless the seller has employees, representatives, or facilities in the state. Many internet businesses are therefore not required to collect sales tax for the state of Florida. The amount of future state and local revenue losses is uncertain, but estimates range from approximately \$100 million to over \$1 billion in lost revenues. Administratively, it would be extremely difficult to collect these revenues directly from the consumer. There are efforts on the national level that would result in a "simplified" sales tax system with common definitions throughout the United States. However, a number of definitions in Florida's statutes would need to be amended and changed to comply with this mandate.

While slowing in these recent periods, Florida's economy continues to migrate toward service-oriented industries that are exempt from sales tax, which represents over 70 percent of all general revenue collections. As a result, the sales tax base continues to erode. Over the last 35 years, the share of Florida taxable sales as a percent of total Florida personal income has dropped from approximately 70 percent to 48.4 percent.

Social

While 67 percent of children in the United States live with both parents, 29 percent live with just one parent (the remaining four percent live with relatives, are in foster care, etc.). During calendar year 2007, Florida experienced 110,302 births to unwed mothers. This represents an unwed birth rate of 46.1 percent, which is an increase from 2003's mark of 39.9 percent. Also in 2006, the Florida Department of Health's Office of Vital Statistics reported more than 35,732 dissolutions of marriage that affected 51,800 children. This persistently high divorce rate and the increasing number of births to unwed mothers suggest that the national and state trend of an increased demand for child support services will continue.

Regulatory

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

Over 225,000 custodial parents have elected to receive their support payments by direct deposit or stored value card voluntarily. In May 2008 the legislature passed a law requiring the State Disbursement Unit to send all child support payments to custodial parents electronically. If a custodial parent does not provide a personal account for direct deposit, the State Disbursement Unit must deposit payments into a stored-value account. The Department and State Disbursement Unit will notify all custodial parents with a support order of the mandatory electronic distribution requirements and options in September 2008. By the end of state fiscal year 2008-09, distribution of support payments will be done electronically for all appropriate custodial parents.

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

Technological Advances and Opportunities

The Department strives to support and improve business effectiveness through the delivery of quality information technology (IT) services that are aligned and responsive to its business needs. We are developing an Information Technology Strategic Plan to ensure the technology infrastructure promotes efficiency and supports the overall agency goals. The Department is also in the early phases of adopting ITIL (Information Technology Infrastructure Library) for its process management. ITIL provides best practices drawn from the public and private sectors. The Department has a strategic initiative to obtain International Organization for Standardization (ISO) 20000 certification by 2012.

The following are some critical issues and trends that the Department takes into account in planning for current and future information resources:

EXTERNAL

Hardware and Communications

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

The Department is in the process of revising its COOP (Continuity of Operations Plan) and has completed revisions to its Disaster Recovery Plan. A recent test of system restoration for CAMS (Child Support Automated Management System) at the contracted recovery site was successfully completed. In addition, the agency tested its ability to respond to a catastrophic hurricane by conducting a hurricane exercise which took place June 10 and 11, 2008. The lessons learned will help better plan for catastrophic events and improve the Department's processes.

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

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

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

Communications capabilities are greatly improving with the increased use of the internet. The use of common browsing tools will continue to lead to greater ease of use while permitting broader access to global information repositories. This change in computer and communications interfaces, combined with the increased use of the internet and further development of publicly accessible networks, will lead to common, standards-based approaches to information systems development and use. Public access to automated information systems will continue to grow. Government will become more accessible and responsive as the technologies improve to permit citizens to locate government information on their own and to conduct routine business with the state.

Security and Data Integrity Needs

Risks and vulnerabilities increase as more government services become automated and accessible on the internet. Risks associated with hackers, viruses, and network or system outages are increasing as more people depend on public systems. Citizens expect government information systems to perform

accurately, securely, consistently, and continuously. Cooperative interagency planning is required to maintain statewide data integrity and consistency, to reduce costs and redundancies, and to help ensure programmatic effectiveness and efficiencies.

INTERNAL

Determine Technological Direction at DOR

Information architecture should be designed so that it quickly satisfies the business requirements and provides reliable and consistent information and seamlessly integrates applications into business processes. To accomplish this, the Information Services Program, working in conjunction with the operating programs, determines the technology direction to support the business needs. This requires a technology infrastructure plan that sets clear and realistic expectations of what technology can offer in terms of products, services and delivery. The plan is regularly updated and includes information about systems architecture, technological direction, acquisition plans, standards, migration strategies and contingency. This makes it possible for timely response to changes in the competitive environment. It also helps improve coordination between platforms and applications.

The Department needs to continue moving to a Standard Operating Environment (SOE). Further standardization will reduce operating and maintenance costs for CAMS and other applications in addition to increasing individual employee productivity.

System for Unified Taxation (SUNTAX)

The Department's General Tax Administration Program successfully implemented significant additional functionality to the SUNTAX system during the last fiscal year. The integration of unemployment tax into the SUNTAX application was completed in March 2008. This consolidation of taxes added an additional 3,500 users to the application from the Agency for Workforce Innovation (AWI) and other external agencies, leveraging the employer and wage information in the business operations.

The Department's SUNTAX system now contains integrated registration, collection, and distribution for more than 92 percent of the state's general revenue. This percentage will continue to increase as the Department integrates several smaller remaining taxes into the SUNTAX system in FY 2008/2009.

The Department also successfully implemented ICL (Image Cash Letter), presenting an electronic image of checks and banking information, increasing interest earnings for the state.

In addition, the Department will modernize its electronic filing program for corporate income tax by implementing a new electronic filing system that "piggybacks" electronic filing for the IRS. The Department will also expand its motor fuel electronic filing programs to include terminal suppliers and importers.

Child Support Automated Management System (CAMS)

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

The second phase of the CAMS project started in February 2008 with a scheduled delivery date of March 2011. This phase will include functionality to support case creation, paternity establishment, support order establishment and modification, payment processing and fund distribution activities. With the completion of this second phase, CAMS will replace the legacy Title IV-D automated system that is currently part of the FLORIDA system.

As CAMS Phase II comes online, routine establishment and enforcement activities and tasks will be automated and streamlined. This will allow more staff time to be devoted to serving custodial and noncustodial parents.

Agency Response to a Changing Environment

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

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

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

For example, between FY 2001 and FY 2008, the Department's General Tax Administration Program increased its collection of taxes and fees by more than \$9.6 billion, or 38 percent, while reducing its authorized FTEs by 397, or 14.6 percent. During the same time, taxpayers' satisfaction with DOR's services and enforcement activities consistently exceeded 95 percent.

The Department's Child Support Enforcement Program has experienced similarly impressive results. From FFY 2001 to FFY 2007, the program increased the percentage of children with paternity established from 85.6 percent to 98.1 percent and increased the percentage of cases with support orders from 53.6 percent to 74.3 percent. The annual collections have exceeded \$1 billion for the past five years and are expected to reach \$1.39 billion for FFY 2008.

Although the Department does not assess or collect property taxes in Florida, the Property Tax Oversight Program is responsible for oversight of this process at the county level and ensuring that local governments administer property taxes equitably and uniformly as defined by the Florida Constitution and Florida Statutes.

The responsibilities placed on the Property Tax Oversight Program have increased significantly in the past two years as a result of dramatic fluctuations in the real estate market, the enactment of House Bill 1B in June 2007, the approval by the voters of Amendment 1 in January 2008, and the passage of House Bill 909 and Senate Bill 1588 during the 2008 legislative session. The program is successfully implementing these new laws although it received no additional resources and its general revenue budget is 11.7 percent less in fiscal year 2008-2009 than in 2007-2008. In addition, the program continues to review every county's tax roll every year, it processes 100 percent of all refunds and tax certificate cancellations within 30 days, and it consistently maintains a 95 percent satisfaction rating on its education and certification workshops from property appraisers and tax collectors.

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

One cautionary note is that the economic challenges Florida has been facing and is forecast to face in the next few years have had an impact on reducing the operating budgets of state agencies. Our ability to continue to provide services at current levels without experiencing declining customer service may be impacted by the budgetary challenges and difficult economic times faced in Florida. This is something we will monitor and address as needed and as possible within existing resources.

Changing environment for employees

As we look at our most valuable resource—our employees—we know there will be many changes in their future environment. We must adapt successfully to the changes. For example, recent technological changes indicate there is a need for hiring a different type of employee and training existing employees in new skills.

The changing workplace, both because of state budget constraints and personal economic pressures, is having an impact on how we look at the 40-hour workweek and other employee issues. We are using this opportunity to continue to look at ways to provide flexibility to our employees who have a wide range of issues such as child care and caregiver concerns.

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

We face the continuing issue of replacing a significant percentage of those who are preparing to retire from our agency in the next five years. We want to attract and retain highly qualified individuals who can learn from our retiring experts, continue our history of excellence in serving Florida, and help us reshape the Department of Revenue to constantly meet our customers' needs. We are focused on building a workplace of the future that will be an ideal choice for promising future employees.

Changing environment for customers

As we look to the future, we know that our external customers will also have different expectations and requirements, which will necessitate strategic planning to meet the new customer requirements.

Access 24/7 and increased self service and e-service capabilities have become the norm in customer expectations; this means there is a need for increased efforts in securing personal/confidential information.

The speed that our customers expect service delivery, because it is available in other areas of their life, is something we must be ready to respond to. We will also have a greater need overall to communicate with our customers in different ways and in different languages, based on their needs.

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

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

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

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

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

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

The Department is requesting 10 additional positions to ensure that local governments comply with the new legislation, that local governments avoid the loss of their Revenue Sharing distribution, that citizens receive the benefits of Amendment 1, and that taxpayers receive fair and impartial hearings from Value Adjustment Boards throughout Florida. A summary of the positions and their responsibilities are provided in the Department’s Legislative Budget Request 2009-10.

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

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

PTO has an opportunity to leverage a number of SAP technologies currently employed in the General Tax Administration and Child Support Enforcement Programs within the Department of Revenue to provide a single web-based user interface, linking the necessary information and data to improve service levels, efficiency and overall program effectiveness. The implementation of a comprehensive data storage strategy will allow PTO to display the entire profile and transaction history with the Property Tax Oversight Program of each local government or taxing authority and provide much greater data analysis and storage capabilities needed for roll evaluation, maximum millage compliance, and Amendment 1 implementation. Some of the benefits of this technology upgrade are: ensuring equitable assessments, increasing the productivity of the Roll Approval Process, automating the TRIM Process which would significantly reduce costs for local governments and increase the efficiency and effectiveness of the TRIM process, automating other processes, and increasing data accuracy.

Medical Support Enforcement

Current Situation: A new regulation issued by the federal Office of Child Support Enforcement on July 21, 2008, requires states to implement new requirements for medical support. To comply with the regulation the state must change the legal standard for determining when health care coverage for dependent children is available to the obligated parent at reasonable cost and establish when health care coverage is accessible to the child. Current statutory provisions need updating to help the state comply with the federal requirements to obtain orders for health insurance and payment of medical expenses in Title IV-D child support enforcement cases.

Proposed Change: Create and amend medical support provisions.

- Amend s. 61.13, F.S., to create standards for “reasonable cost” and “accessibility” pursuant to new federal regulations. Health care coverage would be presumed reasonable if the cost of adding insurance for the child only does not exceed 5 percent of the obligor’s gross income. The presumption can be rebutted and deviations ordered in the same manner as the calculation of the support amount under the child support guidelines. Health care coverage would be considered accessible if the insurance is available in the county where the child resides or in another county if the parent with whom the child resides most of the time agrees.
- Amend s. 61.13, F.S., to provide a method for calculating each parent’s share of non-covered medical expenses when the order only addresses medical support.
- Amend medical support definitions and terms used in Chapters 61 and 409, F.S., to ensure that terms conform to federal regulations and are used consistently in state law.
- Amend s. 409.2561, F.S., to authorize the Agency for Health Care Administration to share data it receives from health care insurers with the Department.
- Amend s. 409.25635(7), F.S., to clarify that the Department may collect non-covered medical expenses in installments by adding a periodic payment to an income deduction notice issued by the Department.

Administrative Support Improvement

Current Situation: The administrative process for establishing support orders was implemented statewide in 2003. The Department has since identified ways to improve the process.

Proposed Change: Streamline the current administrative process by:

- Amending current law to allow the Department to resolve cases when the facts are unclear by referring them to the Division of Administrative Hearings for an evidentiary hearing.
- Authorizing the Department to use regular mail notice to suspend or terminate an administrative support order when the parents are living together with the child. This will provide a faster, less costly method for terminating a support order in appropriate cases.
- Moving definitions from s. 409.2563, F.S., to s. 409.2554, F.S., so all definitions are in the same section.

Streamlining Modification of Support Orders

Current Situation: Pursuant to s. 409.2564(11), F.S., the Department periodically reviews public assistance child support cases, as well as other child support cases by request, to determine if a modification of the support obligation is warranted under the state’s child support guidelines. The review includes a re-calculation of the support obligation using updated financial information from each parent. When the review indicates that the current support obligation should be changed, the Department initiates a modification action. Currently, notice of the action must be by personal service (process server) in judicial cases and a hearing must be held before a judge or hearing officer to make a final determination regarding a change in the support obligation unless both parents agree to the modification.

Proposed Change: Amend current law to streamline the modification process when the Department's review shows that the current support obligation should be changed. The Department will be able to serve petitions to modify judicial cases by certified mail, similar to the current practice in administrative cases pursuant to s. 409.2562, F.S. The Department will be required to provide both parties with a proposed order showing the new support obligation. Either parent can object to the proposed order and if an objection is filed timely, a hearing will be held in court for judicial support orders or before the Division of Administrative Hearings for administrative support orders. If a timely objection is not filed, a final modified order with the same provisions as the proposed order will be entered by the court in judicial actions and the Department in administrative actions.

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

Trends and Conditions – Task Forces and Studies In Progress

The 2008 Legislature (SB 1588, section 15) required the Department to prepare a report examining the “consistency, completeness and accuracy” of the information provided to taxpayers on the TRIM Notice of Proposed Taxes “in light of the recently enacted exemptions from property tax and assessment increase limitations.” These recent changes include the portability of Save Our Homes, the \$25,000 tangible personal property exemption, the additional \$25,000 homestead exemption, and a 10 percent assessment increase limitation on non-homestead property. The Department’s report is due to the President of the Senate and the Speaker of the House of Representatives by February 1, 2009.

Performance Measures and Standards - Exhibit II

Department: DEPARTMENT OF REVENUE

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

Approved Performance Measures (Words)	Approved FY 2007-08 Standard (Numbers)	Prior Year Actual FY 2007-08 (Numbers)	Approved FY 2008-09 Standard (Numbers)	Requested FY 2009-10 Standard (Numbers)
Administrative costs as a percent of total agency costs (not including revenue sharing)	5.93%	5.37%	5.40%	5.16%
Administrative positions as a percent of total agency positions	6.17%	6.00%	6.11%	5.42%

Performance Measures and Standards - Exhibit II

Department: DEPARTMENT OF REVENUE

73200000 Program: Property Tax Oversight Program
 73200500 Compliance Determination

Approved Performance Measures (Words)	Approved FY 2007-08 Standard (Numbers)	Prior Year Actual FY 2007-08 (Numbers)	Approved FY 2008-09 Standard (Numbers)	Requested FY 2009-10 Standard (Numbers)
Percent of classes/subclasses studied (for in-depth counties) & found to have a level of assessment of at least 90%	94%	90.7%	94%	95.6%
Number of in-depth classes studied with a statistically valid sample	80	96	80	85
Number of refund/tax certificate applications processed	4,250	7,152	4,250	4,500
Number of Truth-in-Millage / Millage Adoption forms processed	NA	NA	New Measure Requested	5,000
Number of railroad and private carlines centrally assessed	Moved to Education & Assistance			

73200700 Education and Assistance

Approved Performance Measures (Words)	Approved FY 2007-08 Standard (Numbers)	Prior Year Actual FY 2007-08 (Numbers)	Approved FY 2008-09 Standard (Numbers)	Requested FY 2009-10 Standard (Numbers)
Percent of users of PTO aid and assistance satisfied with the services provided	90.4%	97.0%	90.6%	91.0%
Number of student training hours provided	40,000	43,581	40,000	40,250
Number of hours of Aid & Assistance consultation provided to elected officials	8,000	7102	8,000	4,000
Number of railroad and private carlines centrally assessed	140	255	210	165
Number of tangible personal property compliance study audits provided to Property Appraisers	609	78	609	Request Delete Measure

Performance Measures and Standards - Exhibit II

Department: DEPARTMENT OF REVENUE

73300000 Program: Child Support Enforcement Program
73300600 Case Processing

Approved Performance Measures (Words)	Approved FY 2007-08 Standard (Numbers)	Prior Year Actual FY 2007-08 (Numbers)	Approved FY 2008-09 Standard (Numbers)	Requested FY 2009-10 Standard (Numbers)
Percent of IV-D cases available for the next appropriate action	91.0%	92.5%	92.0%	Request Delete Measure
Percent of IV-D cases missing critical data elements necessary for next appropriate action	NA	NA	New Measure	17.0%
Total number of cases maintained during the year	950,000	1,036,405	985,000	1,030,000
Total number of individual educational contacts and inquiries answered	7,800,000	12,513,399	10,500,000	12,500,000

73300700 Remittance and Distribution

Approved Performance Measures (Words)	Approved FY 2007-08 Standard (Numbers)	Prior Year Actual FY 2007-08 (Numbers)	Approved FY 2008-09 Standard (Numbers)	Requested FY 2009-10 Standard (Numbers)
Percent of State Disbursement Unit collections disbursed within 2 business days of receipt	98.0%	98.0%	98.0%	98.0%
Total number of collections processed	10,500,000	9,666,677	9,500,000	9,750,000
Total number of collections distributed	10,000,000	9,345,692	9,200,000	9,555,000

* Estimated performance on federal measure. Final data available January 2007

73300800 Establishment

Approved Performance Measures (Words)	Approved FY 2007-08 Standard (Numbers)	Prior Year Actual FY 2007-08 (Numbers)	Approved FY 2008-09 Standard (Numbers)	Requested FY 2009-10 Standard (Numbers)
Percent of IV-D cases with an order for support	80.5%	* 74.0%	78.0%	75.0%
Total number of paternities established and genetic testing exclusions	100,000	98,718	120,000	114,000
Total number of newly established and modified orders	40,000	35,278	38,000	38,000

* Estimated performance on federal measure. Final data available January 2008

* Estimated performance with processing lag. Final data available January 2008

73300900 Compliance

Approved Performance Measures (Words)	Approved FY 2007-08 Standard (Numbers)	Prior Year Actual FY 2007-08 (Numbers)	Approved FY 2008-09 Standard (Numbers)	Requested FY 2009-10 Standard (Numbers)
Percent of current support collected (federal definition)	64.0%	* 52%	58.0%	53.5%
Total number of obligated unique cases identified for compliance resolution	556,000	592,659	575,000	617,000
Total number of actions processed during the year	2,090,000	2,702,883	2,250,000	2,470,000

* Estimated performance on federal measure. Final data available January 2008

Performance Measures and Standards - Exhibit II

Department: DEPARTMENT OF REVENUE

73400000 Program: General Tax Administration Program
73401000 Tax Processing

Approved Performance Measures (Words)	Approved FY 2007-08 Standard (Numbers)	Prior Year Actual FY 2007-08 (Numbers)	Approved FY 2008-09 Standard (Numbers)	Requested FY 2009-10 Standard (Numbers)
Percent of tax returns reconciled within 30 days	90%	99%	95%	99%
Number of accounts maintained	1,500,000	1,400,416	1,400,000	1,400,000
Number of tax returns processed	9,500,000	9,432,708	9,500,000	9,400,000
Number of distributions made	38,600	39,989	38,600	38,600

73401100 Taxpayer Aid

Approved Performance Measures (Words)	Approved FY 2007-08 Standard (Numbers)	Prior Year Actual FY 2007-08 (Numbers)	Approved FY 2008-09 Standard (Numbers)	Requested FY 2009-10 Standard (Numbers)
Percent of educational information/ assistance rendered meeting or exceeding taxpayers' expectations	96%	97%	96%	96%
Number of individual educational contacts made	2,800,000	1,438,593	2,600,000	1,500,000
Number of taxpayers provided with assistance	2,400,000	2,076,237	2,200,000	2,000,000

73401200 Compliance Determination

Approved Performance Measures (Words)	Approved FY 2007-08 Standard (Numbers)	Prior Year Actual FY 2007-08 (Numbers)	Approved FY 2008-09 Standard (Numbers)	Requested FY 2009-10 Standard (Numbers)
Percent of compliance examinations resulting in an adjustment	86%	79%	86%	80%
Number of filing compliance exams completed	1,800,000	1,967,447	2,000,000	2,000,000
Number of taxpayers selected for a tax compliance examination	70,200	37,420	44,700	34,850
Number of audits completed	30,000	18,401	24,000	16,000
Number of discovery examinations completed	39,500	18,144	20,000	18,000
Number of criminal investigations completed	700	875	700	850

73401300 Compliance Resolution

Approved Performance Measures (Words)	Approved FY 2007-08 Standard (Numbers)	Prior Year Actual FY 2007-08 (Numbers)	Approved FY 2008-09 Standard (Numbers)	Requested FY 2009-10 Standard (Numbers)
Percent of cases resolved in less than 90 days	84%	75%	80%	75%
Number of collection cases resolved	900,000	1,272,800	800,000	1,200,000
Number of refund claims processed	118,000	125,726	120,000	120,000
Number of disputes resolved	129,600	272,020	115,000	200,000

Performance Measures and Standards - Exhibit II

Department: DEPARTMENT OF REVENUE

73710000 Program: Information Services Program
 73710100 Information Technology

Approved Performance Measures (Words)	Approved FY 2007-08 Standard (Numbers)	Prior Year Actual FY 2007-08 (Numbers)	Approved FY 2008-09 Standard (Numbers)	Requested FY 2009-10 Standard (Numbers)
Information technology costs as a percent of total agency costs	4.17%	3.67%	3.76%	
Information technology positions as a percent of total agency positions	3.35%	3.51%	3.37%	

Exhibit III – CSE Performance Measures Assessment Forms

Department: Department of Revenue

Program: Child Support Enforcement

Service/Budget Entity: Compliance

Measure: Percent of Current Support Collected (Federal Definition)

Action:

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

Approved Standard	Actual Performance Results	Difference (Over/Under)	Percentage Difference
64.0%	52.0%	-12.0%	-18.8%

Factors Accounting for the Difference:

Internal Factors (check all that apply):

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

Explanation: Efforts to analyze collection performance indicated design and functional gaps in the Child Support Enforcement Automated Management System (CAMS). Some enhancements were implemented to correct gaps; however, additional enhancements cannot be implemented due to the software upgrade of CAMS Phase I.

External Factors (check all that apply):

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

Explanation: The slowing economic condition could be affecting the number of collections received.

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

- Training
- Personnel
- Technology
- Other (Identify)

Recommendations: The program created a team to conduct a root cause analyses of the flattened collection performance. This team is continuing its research. Some additional enhancements to CAMS have been identified; however, these enhancements cannot be implemented at this time due to the software upgrade to CAMS Phase I and the schedule to implement the final phase of CAMS.

Exhibit III – CSE Performance Measures Assessment Forms

Department: Department of Revenue

Program: Child Support Enforcement

Service/Budget Entity: Establishment

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

Action:

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

Approved Standard	Actual Performance Results	Difference (Over/Under)	Percentage Difference
80.5%	73.8%	-6.7	-8.3%

Factors Accounting for the Difference:

Internal Factors (check all that apply):

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

Explanation: Overall caseload growth impacting the denominator of this measure was greater than estimated, resulting in the projected standard being inaccurate.

External Factors (check all that apply):

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

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

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

- Training
- Personnel
- Technology
- Other (Identify)

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

Exhibit III – CSE Performance Measures Assessment Forms

Department: Department of Revenue

Program: Child Support Enforcement

Service/Budget Entity: Establishment

Measure: Total Number of Newly Established and Modified Orders

Action:

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

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

Factors Accounting for the Difference:

Internal Factors (check all that apply):

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

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

External Factors (check all that apply):

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

Explanation: N/A

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

- Training
- Personnel
- Technology
- Other (Identify)

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

Exhibit III – CSE Performance Measures Assessment Forms

Department: Department of Revenue

Program: Child Support Enforcement

Service/Budget Entity: Establishment

Measure: Total number of Paternities Established and Genetic Testing Exclusions

Action:

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

Approved Standard	Actual Performance Results	Difference (Over/Under)	Percentage Difference
100,000	98,718	-1,282	-1.3%

Factors Accounting for the Difference:

Internal Factors (check all that apply):

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

Explanation: N/A

External Factors (check all that apply):

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

Explanation: Paternities are established through voluntary acknowledgment in the hospitals, through administrative paternity orders or judicial paternity orders. Establishment of paternity through the judicial process has decreased significantly over the past few years. The Department has reduced the number of post-hospital acknowledgments it pursues in favor of establishing paternity through the administrative process which relies on genetic testing to ensure accuracy and reduce possible paternity disestablishment in the future.

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

- Training
- Personnel
- Technology
- Other (Identify)

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

Exhibit III – CSE Performance Measures Assessment Forms

Department: Department of Revenue

Program: Child Support Enforcement

Service/Budget Entity: Remittance and Distribution

Measure: Total Number of Collections Distributed

Action:

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

Approved Standard	Actual Performance Results	Difference (Over/Under)	Percentage Difference
10,000,000	9,345,692	-654,308	-6.5%

Factors Accounting for the Difference:

Internal Factors (check all that apply):

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

Explanation: The total number of collections distributed is dependent on the total number of collections received. The estimated number of collections distributed was overstated. While the Department's total amount collected increased, the individual number of collections received declined. This had a direct impact on the number of collections available for distribution.

External Factors (check all that apply):

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

Explanation: The slowing economic condition could be affecting the number of collections received, affecting the number of collections distributed.

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

- Training
- Personnel
- Technology
- Other (Identify)

Recommendations: The Department's efforts to increase the obligation rate and collection of current support and arrears will assist in improving this measure.

Exhibit III – CSE Performance Measures Assessment Forms

Department: Department of Revenue

Program: Child Support Enforcement

Service/Budget Entity: Remittance and Distribution

Measure: Total Number of Collections Processed

Action:

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

Approved Standard	Actual Performance Results	Difference (Over/Under)	Percentage Difference
10,500,000	9,666,667	-833,323	-7.9%

Factors Accounting for the Difference:

Internal Factors (check all that apply):

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

Explanation: The total number of collections processed is dependent on the total number of obligated cases and the collection of current support and arrears. The estimation of this measure overstated the increase in obligated cases and number of collections.

External Factors (check all that apply):

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

Explanation: The slowing economic condition could be affecting the number of collections received.

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

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

Recommendations: The Department's efforts to increase the obligation rate and collection of current support and arrears will assist in improving this measure.

Exhibit III – GTA Performance Measures Assessment Forms

Department: Revenue

Program: General Tax Administration

Service/Budget Entity: Tax Processing

Measure: Number of Accounts Maintained

Action:

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

Approved Standard	Actual Performance Results	Difference (Over/Under)	Percentage Difference
1,500,000	1,400,416	(99,584)	-6.6%

Factors Accounting for the Difference:

Internal Factors (check all that apply):

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

Explanation: N/A

External Factors (check all that apply):

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

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

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

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

Recommendations: Adjust standard to appropriate level using the best available information.

Exhibit III – GTA Performance Measures Assessment Forms

Department: Revenue

Program: General Tax Administration

Service/Budget Entity: Tax Processing

Measure: Number of Tax Returns Processed

Action:

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

Approved Standard	Actual Performance Results	Difference (Over/Under)	Percentage Difference
9,500,000	9,432,708	(67,292)	-0.7%

Factors Accounting for the Difference:

Internal Factors (check all that apply):

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

Explanation: N/A

External Factors (check all that apply):

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

Explanation: The agency processed all tax returns received. However, the number of tax returns received was lower than expected during the period. Economic conditions have resulted in a reduction in the overall number of open tax accounts and therefore a slightly reduced number of returns filed.

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

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

Recommendations: Adjust standard to appropriate level using the best available information.

Exhibit III – GTA Performance Measures Assessment Forms

Department: Revenue

Program: General Tax Administration

Service/Budget Entity: Taxpayer Aid

Measure: Number of Individual Educational Contacts Made

Action:

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

Approved Standard	Actual Performance Results	Difference (Over/Under)	Percentage Difference
2,800,000	1,438,593	(1,361,407)	-48.6%

Factors Accounting for the Difference:

Internal Factors (check all that apply):

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

Explanation: External Factors (check all that apply):

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

Explanation: The estimate of 2,800,000 assumed that 2007-08, as in immediately preceding years, would have legislatively mandated “sales tax holidays” and other law changes that require the mailing of hundreds of thousands of informational bulletins. Since no such legislation passed for 2007-08, the number of educational contacts required was reduced substantially. In 2006-07, 1.16 million sales tax holiday documents were mailed to registered sales tax dealers.

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

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

Recommendations: Adjust standard to appropriate level using the best available information.

The Department will also seek legislation to allow the distribution of more taxpayer educational material by e-mail to combat the rising cost of postage and make this activity more cost effective.

Exhibit III – GTA Performance Measures Assessment Forms

Department: Revenue

Program: General Tax Administration

Service/Budget Entity: Taxpayer Aid

Measure: Number of Taxpayers Provided with Assistance

Action:

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

Approved Standard	Actual Performance Results	Difference (Over/Under)	Percentage Difference
2,400,000	2,076,237	(323,763)	-13.5%

Factors Accounting for the Difference:

Internal Factors (check all that apply):

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

Explanation: Two factors directly contributed to the reduction in taxpayers provided with assistance in 2007-08. First was a reduction in the inbound calls due to the complexities of the sales tax holiday. Nearly 120,000 additional calls are received each year from both taxpayers and businesses during the 90 day period before, during and after the sales tax holiday. With no sales tax holiday in 2008 there was not an additional demand placed on the call center for this activity. Secondly, with an annual reduction of nearly 350,000 bills and delinquency notices (2.37m down to 2.0 m) 100,000 fewer calls for collection assistance were received and resolved.

Additional factors that may have contributed to the reduced assistance demand were the increase in self-service web options available to taxpayers and efforts to simplify forms. Taxpayers and citizens now have more access to tax information and services on the web than ever before. The agency is still trying to measure the impact this has on the demand for call center services. General usage of the web for all types of services and information was up in 2007-08 (5.6 million transactions/searches) from 2006-07 (4 million transactions/searches). Additionally, the Department has undertaken an effort to revise and simplify numerous forms that are sent to taxpayers.

External Factors (check all that apply):

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

Explanation: N/A

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

- Training
- Personnel
- Technology
- Other (Identify)

Recommendations: Adjust standard to appropriate level using the best available information.

Exhibit III – GTA Performance Measures Assessment Forms

Department: Revenue

Program: General Tax Administration

Service/Budget Entity: Compliance Resolution

Measure: Percent of Compliance Examinations Resulting in an Adjustment

Action:

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

Approved Standard	Actual Performance Results	Difference (Over/Under)	Percentage Difference
86%	79%	(7%)	-8.1%

Factors Accounting for the Difference:

Internal Factors (check all that apply):

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

Explanation: While the Department improved its performance in this area from 58% in 2006-07 to 79% in 2007-08 further improvements are needed. At the time the estimate was made (August 2006), it was difficult to predict the exact impact of SUNTAX integration on the accuracy of identifying non-compliant taxpayers. In 2007-08 nearly all of the SUNTAX resources were deployed to the integration of unemployment tax limiting the Department’s ability to enact system enhancements that may have had a positive impact on this measure.

External Factors (check all that apply):

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

Explanation: Budget reductions enacted in the fall of 2007 resulted in the elimination of a large portion of the Department’s funding for contract programming services, most of which would have been used for SUNTAX system enhancements. The Department also held vacancies open to meet additional budget reductions.

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

- Training
- Personnel
- Technology
- Other (Identify)

Recommendations: Two efforts will be undertaken to improve this measure. Additional upgrades to SUNTAX to refine the billing and delinquency model will be done. The Department is also requesting funding for the implementation of Collection Analytics, a technical tool that provides for improved case prioritization based on predictive modeling.

Exhibit III – GTA Performance Measures Assessment Forms

Department: Revenue

Program: General Tax Administration

Service/Budget Entity: Compliance Determination

Measure: Number of Taxpayers Selected for a Tax Compliance Examination

Action:

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

Approved Standard	Actual Performance Results	Difference (Over/Under)	Percentage Difference
70,200	37,420	(32,780)	-46.7%

Factors Accounting for the Difference:

Internal Factors (check all that apply):

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

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

External Factors (check all that apply):

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

Explanation: Due to budget cuts over the past few years, the Department has reduced its audit staff by 20% and this year held vacancies open to respond to budget cuts, resulting in a significant reduction in the number of taxpayers selected for audit.

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

- Training
- Personnel
- Technology
- Other (Identify)

Recommendations: The Department is in the process of redeploying central staff in the conduct of documentary stamp tax cases that will continue to increase discovery activity in 2008-09. The standard will also be adjusted to an appropriate level base on the changes and available resources.

Exhibit III – GTA Performance Measures Assessment Forms

Department: Revenue

Program: General Tax Administration

Service/Budget Entity: Compliance Determination

Measure: Number of Audits Completed

Action:

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

Approved Standard	Actual Performance Results	Difference (Over/Under)	Percentage Difference
30,000	18,401	(11,599)	-38.6%

Factors Accounting for the Difference:

Internal Factors (check all that apply):

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

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

External Factors (check all that apply):

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

Explanation:

Due to budget cuts over the past few years, the Department has reduced its audit staff by 20% and this year held vacancies open to respond to budget cuts, resulting in a significant reduction in the number of audits that can be completed.

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

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

Recommendations: The standard will be adjusted to an appropriate level based on the available resources and most efficient use of staff.

Exhibit III – GTA Performance Measures Assessment Forms

Department: Revenue

Program: General Tax Administration

Service/Budget Entity: Compliance Determination

Measure: Number of Discovery Examinations Completed

Action:

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

Approved Standard	Actual Performance Results	Difference (Over/Under)	Percentage Difference
39,500	18,144	(21,356)	-54.1%

Factors Accounting for the Difference:

Internal Factors (check all that apply):

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

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

External Factors (check all that apply):

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

Explanation: N/A

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

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

Recommendations: The Department will redeploy staff to conduct additional documentary stamp tax reviews that will increase discovery activity in 2008-09. The standard will also be adjusted to an appropriate level based on the changes in process and available resources.

Exhibit III – GTA Performance Measures Assessment Forms

Department: Revenue

Program: General Tax Administration

Service/Budget Entity: Compliance Resolution

Measure: Percent of Cases Resolved in Less Than 90 Days

Action:

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

Approved Standard	Actual Performance Results	Difference (Over/Under)	Percentage Difference
84%	75%	(9%)	-10.7%

Factors Accounting for the Difference:

Internal Factors (check all that apply):

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

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

External Factors (check all that apply):

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

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

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

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

Recommendations: The Department is requesting funding for the implementation of Collection Analytics, a technical tool that provides for improved case prioritization based on predictive modeling. Additionally, the Department is piloting a procedure whereby field agents will access potentially difficult cases more quickly with the aim of improving timely resolution.

Exhibit III – PTO Performance Measures Assessment Forms

Department: Department of Revenue

Program: Property Tax Oversight

Service/Budget Entity: Compliance Determination

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

Action:

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

Approved Standard	Actual Performance Results	Difference (Over/Under)	Percentage Difference
94%	90.7%	-3.3	-0.4%

Factors Accounting for the Difference:

Internal Factors (check all that apply):

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

Explanation: N/A

External Factors (check all that apply):

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

Explanation: Florida has experienced unprecedented swings in the real estate market the last 2-3 years. This has made both annualized assessments and statistical review of sales data more difficult due to wide fluctuations occurring throughout the year. This is a measure of the uniformity of local tax rolls. County Property Appraisers have the responsibility to assess property equitably and properly, which is more difficult when there are fewer sales on which to gauge property values.

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

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

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

Exhibit III – PTO Performance Measures Assessment Forms

Department: Department of Revenue

Program: Property Tax Oversight

Service/Budget Entity: Compliance Determination

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

Action:

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

Approved Standard	Actual Performance Results	Difference (Over/Under)	Percentage Difference
8000	7102	-898	-11%

Factors Accounting for the Difference:

Internal Factors (check all that apply):

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

Explanation: We have redirected personnel from this process to the legislatively mandated review of local taxing authorities' millage setting and budget adoption.

External Factors (check all that apply):

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

Explanation: N/A

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

- Training Technology
 Personnel Other (Identify)

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

Exhibit IV - CSE Performance Measures Validity and Reliability

Department: Revenue

Program: Child Support Enforcement

Service: Child Support Case Processing

Activity:

Measure: Percent of Department (IV-D) Cases Available for the Next Appropriate Action

Action (check one):

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

Data Sources and Methodology:

The source of the data is the CSE Decision Support System (DSS), a data repository, built upon monthly data extracts from the FLORIDA System and the Child Support Enforcement Automated Management System (CAMS) Business Warehouse.

Methodology:

This measure is defined as the percentage of total Department (IV-D) cases open at any time during the state fiscal year available for the next appropriate action of establishment or enforcement of a support order or distribution of collections. This measure is calculated monthly. The sum of the monthly numerators and denominators is used to generate the end of year percentage.

The Numerator: the total number of cases open at any time during the month excluding cases without location, cases missing social security numbers, noncustodial parents who are unavailable for next appropriate action due to incarceration, or in a country with no reciprocity, and cases without noncustodial parent names.

The Denominator: the total number of cases open at the beginning of the month plus new cases received during the month, excluding noncustodial parents who are unavailable for next appropriate action due to incarceration, or in a country with no reciprocity, and cases without noncustodial parent names.

Validity:

This outcome reflects the percentage of cases available for the next appropriate action during the year. Every case must be carefully reviewed to identify the next appropriate action to ensure that the case is timely and accurately moved on to the next action.

Reliability:

CSE has an ongoing effort to identify and correct data problems with the FLORIDA system. The program also conducts a yearly self-assessment to comply with federal requirements. The self-assessment requires case samples be drawn at the statewide and region level for each of the eight federal criteria. The sample cases are then reviewed for proper action and data integrity. This monitoring function focuses on compliance with federal regulations; however, it is also used to identify systematic problems in the data collections and reporting system. Some reporting reliability may be lost for cases needing location in 2006-07 during the Department's data conversion from the FLORIDA system to the new Child Support Enforcement Automated Management System (CAMS) Business Warehouse. This temporary reduction in reliability would be corrected by 2007-08 if not sooner. Further, the Office of the Inspector General performs periodic reviews of performance measures. The scope of these reviews will vary, depending on an annual risk assessment.

Department: Revenue

Program: Child Support Enforcement

Service/Budget Entity: Child Support Compliance

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

Action (check one):

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

Data Sources and Methodology:

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

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

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

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

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

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

Terms:

Case Level Data

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

Member Level Data

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

Financial Level Data

- Collections that can not be assigned to a case
- UDC on public assistance (PA) cases
- UDC on non assistance (NA) cases
- UDC in a CP support account with a no disbursement indicator

Exhibit IV - CSE Performance Measures Validity and Reliability

- UDC in a NCP refund account designated to be refunded with a no disbursement indicator
- UDC associated with cases where there is a balance error between the unreimbursed public assistance (URPA) and the child support collection

Unreimbursed Public Assistance (URPA) – The cumulative amount of assistance paid to a family from the state during a specific period not repaid by assigned support collections

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

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

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

Grant – Cash amount family receives from public assistance

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

Obligated – An open case with a court order for support

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

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

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

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

Validity:

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

Reliability:

CSE has an ongoing effort to identify and correct critical data elements within the FLORIDA and CAMS systems. The program also conducts a yearly self-assessment to comply with federal requirements. The self-assessment requires case samples be drawn at the statewide and region level for each of the seven federal criteria. The sample cases are then reviewed for proper action and data integrity. This monitoring function focuses on compliance with federal regulations; however, it uses this function to identify systematic problems in the data collection and reporting system. Further, the Office of the Inspector General performs periodic reviews of performance measures. The scope of these reviews will vary, depending on an annual risk assessment.

Exhibit IV - CSE Performance Measures Validity and Reliability

Department: Revenue

Program: Child Support Enforcement

Service: Child Support Case Processing

Activity: Manage Child Support Cases

Measure: Total Number of Cases Maintained During the Year

Action (check one):

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

Data Sources and Methodology:

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

Methodology:

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

Validity:

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

Reliability:

CSE has an ongoing effort to identify and correct data problems with the FLORIDA system. The program also conducts a yearly self-assessment to comply with federal requirements. The self-assessment requires case samples be drawn at the statewide and region level for each of the eight federal criteria. The sample cases are then reviewed for proper action and data integrity. This monitoring function focuses on compliance with federal regulations; however, it is also used to identify systematic problems in the data collections and reporting system. Further, the Office of the Inspector General performs periodic reviews of performance measures. The scope of these reviews will vary, depending on an annual risk assessment.

Exhibit IV - CSE Performance Measures Validity and Reliability

Department: Revenue

Program: Child Support Enforcement

Service: Child Support Case Processing

Activity: Provide Education and Assistance

Measure: Total Number of Individual Educational Contacts and Inquiries Answered

Action (check one):

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

Data Sources and Methodology:

The source of the data is the CSE Decision Support System (DSS), a data repository built upon monthly data extracts from the FLORIDA System, the Child Support Enforcement Automated Management System (CAMS) Business Warehouse, the Legislative Inquiries Access database, Educational Presentation Excel spreadsheet, manual logs in the service centers, mail-outs, the State Disbursement Unit (SDU), CSE customer call centers and the Correspondence Access database.

Methodology:

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

Validity:

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

Reliability:

CSE has an ongoing effort to identify and correct data problems with the FLORIDA system. The program also conducts a yearly self-assessment to comply with federal requirements. The self-assessment requires case samples be drawn at the statewide and region level for each of the eight federal criteria. The sample cases are then reviewed for proper action and data integrity. This monitoring function focuses on compliance with federal regulations; however, it is also used to identify systematic problems in the data collections and reporting system.

The technology to monitor phone call volume and calls answered is well developed. The advanced technology makes the electronic data reporting very reliable. Furthermore, the Office of the Inspector General performs periodic reviews of performance measures. The scope of these reviews will vary, depending on an annual risk assessment.

Exhibit IV - CSE Performance Measures Validity and Reliability

Department: Revenue

Program: Child Support Enforcement

Service: Child Support Remittance and Distribution

Activity:

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

Action (check one):

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

Data Sources and Methodology:

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

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

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

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

Methodology for Calculating the SDU PAM

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

Exhibit IV - CSE Performance Measures Validity and Reliability

5. For each of the collections retrieved in Step 1, use the FLORIDA Batch ID to identify all of the Disbursement Transactions (Transaction Codes '03', '04', '07', '08', '10', '11', '12', '13', or '14' in ACHS) from accounts that are considered disburseable as defined in Step 2 above.
6. Add together all of the dollar amounts of each Disbursement Transaction identified in Step 5 above. This sum represents the total disburseable dollar amount of each collection that was disbursed, and is used below in Step 7.
7. Start with a count of zero. For each collection, compare the dollar amounts calculated in Steps 3 and 6. If these amounts are the same, compare the End Date of each and every disbursement (Check Date) with the Start Date of its corresponding collection (typically the FLORIDA Depository Date Field). If each of these date comparisons for a collection yields a difference of 2 business days or less, then add 1 to the count. After each collection has been processed, this count will become the Numerator of the SDU PAM Measurement.

Business Terms

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

Exhibit IV - CSE Performance Measures Validity and Reliability

SDU Post Date: The Post Date is the date that the SDU relates money that it receives to a specific case. However, the SDU does not provide this date to CSE, and therefore it can not be used in any way in the SDU PAMS calculations.

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

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

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

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

Methodology for the Non-IV-D component:

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

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

The denominator portion of this calculation consists of the total number of Type 2 SDU receipts for the measurement period. This data is calculated using the SDU Receipts File. Receipts are categorized as

Exhibit IV - CSE Performance Measures Validity and Reliability

regular, carryover, and suspense in the same manner as above.

Terms:

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

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

ICD 305-01: Layout for the FACC Private Disbursement File generated by SDU. The SDU Disbursement File (ICD 305-01) is the source for disbursement data.

Receipt date: The date a receipt is received by the SDU (per ICD 270-01). This date is called the "batch date" by the SDU.

Post Date: The date a receipt is identified and posted by the SDU (per ICD 270-01).

Check Date: The date a receipt is disbursed by the SDU (per ICD 305-01).

Validity:

This measure is a current legislative performance accountability measure.

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

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

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

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

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

Reliability:

CSE has an ongoing effort to identify and correct data problems with the FLORIDA system. The program also conducts a yearly self-assessment to comply with federal requirements. The self-assessment requires case samples be drawn at the statewide and region level for each of the eight federal criteria. These sample cases are then reviewed for proper action and data integrity. This monitoring function focuses on compliance with federal regulations; however, it is also used to identify systematic problems in the data collection and reporting system. Further, the Office of the Inspector General performs periodic reviews of performance measures. The scope of these reviews will vary, depending on an annual risk assessment.

Exhibit IV - CSE Performance Measures Validity and Reliability

Department: Revenue
Program: Child Support Enforcement
Service: Child Support Remittance and Distribution
Activity: Process Support Payments
Measure: Total Number of Collections Processed

Action (check one):

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

Data Sources and Methodology:

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

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

Validity:

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

Reliability:

CSE has an ongoing effort to identify and correct data problems with the FLORIDA system. The program also conducts a yearly self-assessment to comply with federal requirements. The self-assessment requires case samples be drawn at the statewide and region level for each of the eight federal criteria. The sample cases are then reviewed for proper action and data integrity. This monitoring function focuses on compliance with federal regulations; however, it is also used to identify systematic problems in the data collection and reporting system. Further, the Office of the Inspector General performs periodic reviews of performance measures. The scope of these reviews will vary, depending on an annual risk assessment.

Exhibit IV - CSE Performance Measures Validity and Reliability

Department: Revenue

Program: Child Support Enforcement

Service: Child Support Remittance and Distribution

Activity: Distribute Support Payments

Measure: Total Number of Collections Distributed

Action (check one):

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

Data Sources and Methodology:

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

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

Validity:

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

Reliability:

CSE has an ongoing effort to identify and correct data problems with the FLORIDA system. The program also conducts a yearly self-assessment to comply with federal requirements. The self-assessment requires case samples be drawn at the statewide and region level for each of the eight federal criteria. The sample cases are then reviewed for proper action and data integrity. This monitoring function focuses on compliance with federal regulations; however, it is also used to identify systematic problems in the data collections and reporting system. Further, the Office of the Inspector General performs periodic reviews of performance measures. The scope of these reviews will vary, depending on an annual risk assessment.

Exhibit IV - CSE Performance Measures Validity and Reliability

Department: Revenue

Program: Child Support Enforcement

Service: Child Support Establishment

Activity:

Measure: Percent of Department (IV-D) cases with an Order for Support
(federal definition)(Service Outcome)

Action (check one):

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

Data Sources and Methodology:

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

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

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

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

Terms (Federal Definitions)

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

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

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

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

Medicaid Only: A case where the children have been determined eligible for or are receiving Medicaid under title XIX of the Social Security Act but whom are not current or former recipients of aid under title IV-A or IV-E of the Act. Medicaid Only cases

Exhibit IV - CSE Performance Measures Validity and Reliability

are reported as never assisted cases.

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

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

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

Validity:

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

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

Reliability:

CSE has an ongoing effort to identify and correct data problems with the FLORIDA system. The program also conducts a yearly self-assessment to comply with federal requirements. The self-assessment requires case samples be drawn at the county, region, and statewide level. These sample cases are then reviewed for proper action and data integrity. This monitoring function focuses on compliance with federal regulations; however, it is also used to identify systematic problems in the data collections and reporting system. Further, the Office of the Inspector General performs periodic reviews of performance measures. The scope of these reviews will vary, depending on an annual risk assessment.

In addition, the Federal Office of Child Support Enforcement Auditors annually audits this data to ensure the reliability of the data. The auditors' review is based upon a sample of the total population reported for both the numerator and denominator.

Exhibit IV - CSE Performance Measures Validity and Reliability

Department: Revenue

Program: Child Support Enforcement

Service: Child Support Establishment

Activity: Establish Paternity

Measure: Total Number of Paternities Established and Genetic Testing Exclusions

Action (check one):

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

Data Sources and Methodology:

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

This measure is defined as the total number children where paternity is determined for the child and the total number of potential fathers excluded through the use of genetic testing. Paternity may be determined positively by parental acknowledgement or by court order. Children with newly established paternity make up the majority of this output (90%) for FFY 2001-02. Only 10% of the total count for this standard is composed of the exclusion of potential fathers.

Validity:

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

Reliability:

CSE has an ongoing effort to identify and correct data problems with the FLORIDA system. The program also conducts a yearly self-assessment to comply with federal requirements. The self-assessment requires case samples be drawn at the statewide and region level for each of the eight federal criteria. The sample cases are then reviewed for proper action and data integrity. This monitoring function focuses on compliance with federal regulations; however, it is also used to identify systematic problems in the data collections and reporting system.

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

Exhibit IV - CSE Performance Measures Validity and Reliability

Department: Revenue

Program: Child Support Enforcement

Service: Child Support Establishment

Activity: Establish and Modify Support Orders

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

Action (check one):

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

Data Sources and Methodology:

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

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

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

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

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

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

Validity:

This output measure assesses the program's success towards achieving the desired level of productivity resulting in the increase of newly established orders for child support over the course of each federal fiscal year. The measure is instrumental in the success of the program in achieving and maintaining the percent of IV-D cases with an order for federal reporting and calculating the percentage of IV-D cases with an

Exhibit IV - CSE Performance Measures Validity and Reliability

order. The order for support can be accomplished through either an Administrative Support Order (Consent Order) or through the judicial process. The number of orders achieved through the Administrative Support Order process is dependent upon the number of noncustodial parents who choose to participate in the administrative process versus the judicial. When the case is not processed as administrative but is pursued through the judicial process, the measure can be impacted by the performance of CSE's business partners. The number of hearing officers and the hours available to hear CSE cases directly affects this measure. The legal service providers who represent the state in pursuing judgments for support also affect this measure. In addition, the effective and timely service of process further impacts this indicator for either administrative or judicial.

Reliability:

CSE has an ongoing effort to identify and correct data problems with the FLORIDA system. The program also conducts a yearly self-assessment to comply with federal requirements. The self-assessment requires case samples be drawn at the statewide and region level for each of the eight federal criteria. The sample cases are then reviewed for proper action and data integrity. This monitoring function focuses on compliance with federal regulations; however, it is also used to identify systematic problems in the data collections and reporting system.

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

Exhibit IV - CSE Performance Measures Validity and Reliability

Department: Revenue

Program: Child Support Enforcement

Service: Child Support Compliance

Activity:

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

Action (check one):

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

Data Sources and Methodology:

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

This measure is defined as the ratio of current support owed during the federal fiscal year and the payments received as current distributed during the federal fiscal year.

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

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

Terms:

Current Obligation Account: An account type '10' (current), or '19' (spousal support)

Current Obligation: The charge (transaction codes '01' and '51') posted to an obligation account

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

Paying Case: An obligated case with a collection

Validity:

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

Due to the constraint that the payment is made within a specific time frame, some collections will not be captured by this measure. System program modifications are underway to adjust for timing delays, which occur to posting payments, received through the SDU. This modification will provide a more accurate accounting of current receipts. A payment received after the month for which it was due will not be

Exhibit IV - CSE Performance Measures Validity and Reliability

counted as a collection in this measure.

Reliability:

CSE has an ongoing effort to identify and correct data problems with the FLORIDA system. The program also conducts a yearly self-assessment to comply with federal requirements. The self-assessment requires case samples be drawn at the statewide and region level for each of the eight federal criteria. The sample cases are then reviewed for proper action and data integrity. This monitoring function focuses on compliance with federal regulations; however, it is also used to identify systematic problems in the data collections and reporting system.

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

Exhibit IV - CSE Performance Measures Validity and Reliability

Department: Revenue

Program: Child Support Enforcement

Service: Child Support Compliance

Activity: Determine Compliance with Support Orders

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

Action (check one):

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

Data Sources and Methodology:

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

Methodology

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

The total number of unique cases identified for compliance resolution is calculated by identifying the total number of cases with a child support order either charging or fully charged with a balance due open at any time during the state fiscal year not in full compliance with the order. Cases not in compliance with the order are defined as those cases not making full payments within the month due for each month the order is in existence and open during the reporting period. The measure is calculated monthly and totaled for the year with each case reported as a unique instance.

Calculations will not include cases with medical support only in either the numerator or denominator. At this time there is not sufficient detail to distinguish these cases in order to report compliance status. Work is under way to resolve the lack of information so that these orders may be included in the count at a later date. When the data is made available, the definition for the numerator and denominator will be modified.

Terms:

Current Obligation Account: An account type 10 (current)

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

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

Arrears Obligation Account: An account type 21 (arrears)

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

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

Paying Case: An obligated case with a collection

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

Exhibit IV - CSE Performance Measures Validity and Reliability

Fully Charged Accounts:	Those accounts where all charges have been recorded and are outstanding
With a Balance:	Balance of either current or arrears exists
Financial Refunds:	Distribution from Account 91
Dispute Resolution:	Informal and formal considerations of disputed collections for an obligated case

Validity:

This measures the work being done by the staff. This measure counts the cases identified for an enforcement action. These enforcement actions result in more paying cases and increased collections. This measure assesses the success of the program toward achieving the goal of increased compliance. The measure does not currently include medical support enforcement actions; future updates will include this information. System and procedure changes are pending to support the requirements of the updated state requirements for medical support enforcement.

Reliability:

CSE has an ongoing effort to identify and correct data problems with the FLORIDA system. The program also conducts a yearly self-assessment to comply with federal requirements. The self-assessment requires case samples be drawn at the statewide and region level for each of the eight federal criteria. The sample cases are then reviewed for proper action and data integrity. This monitoring function focuses on compliance with federal regulations; however, it is also used to identify systematic problems in the data collections and reporting system.

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

Exhibit IV - CSE Performance Measures Validity and Reliability

Department: Revenue

Program: Child Support Enforcement

Service: Child Support Compliance

Activity: Resolve Compliance Discrepancies

Measure: Total Number of Actions Processed During the Year

Action (check one):

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

Data Sources and Methodology:

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

Methodology:

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

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

Terms:

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

Paying Case: An obligated case with a collection

Activity Data:

- Credit Reporting
- Criminal non-support
- Delinquency notice
- Driver's license suspension
- Enforcement contempt
- Income deduction notice
- Medical insurance notice
- Unemployment withholding
- Other tax offset
- IRS refund intercept – AMT – NA- IRS PROC and/or AMT- PA-IRS-PROC
- Lottery intercepts – Collection Type 04
- Lien activity
- Financial Institution Data Match

Exhibit IV - CSE Performance Measures Validity and Reliability

Financial Refunds: Distribution from account 91

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

Validity:

This measures the work being done by the staff. This measure counts the cases with enforcement action. These enforcement actions result in more paying cases and increased collections. This measure assesses the success of the program toward achieving the goal of increased compliance. The measure does not currently include medical support enforcement actions; future updates will include this information. System and procedure changes are pending to support the requirements of the updated state requirements for medical support enforcement.

Reliability:

CSE has an ongoing effort to identify and correct data problems with the FLORIDA system. The program also conducts a yearly self-assessment to comply with federal requirements. The self-assessment requires case samples be drawn at the statewide and region level for each of the eight federal criteria. These sample cases are then reviewed for proper action and data integrity. This monitoring function focuses on compliance with federal regulations; however, it is also used to identify systematic problems in the data collections and reporting system.

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

Exhibit IV - GTA Performance Measures Validity and Reliability

Department: Revenue

Program: General Tax Administration

Service: Tax Processing

Activity:

Measure: Percent of Tax Returns Reconciled within 30 days

Action (check one):

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

Data Sources and Methodology:

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

Validity:

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

Reliability:

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

Exhibit IV - GTA Performance Measures Validity and Reliability

Department: Revenue

Program: General Tax Administration

Service: Tax Processing

Activity: Manage Accounts

Measure: Number of Accounts Maintained

Action (check one):

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

Data Sources and Methodology:

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

Validity:

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

Reliability:

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

Exhibit IV - GTA Performance Measures Validity and Reliability

Department: Revenue

Program: General Tax Administration

Service: Tax Processing

Activity: Process Returns and Revenue

Measure: Number of Tax Returns Processed

Action (check one):

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

Data Sources and Methodology:

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

Validity:

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

Reliability:

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

Exhibit IV - GTA Performance Measures Validity and Reliability

Department: Revenue

Program: General Tax Administration

Service: Tax Processing

Activity: Account for Remittances

Measure: Number of Distributions Made

Action (check one):

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

Data Sources and Methodology:

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

Validity:

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

Reliability:

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

Exhibit IV - GTA Performance Measures Validity and Reliability

Department: Revenue

Program: General Tax Administration

Service: Taxpayer Aid

Activity:

Measure: Percent of Educational Information / Assistance Rendered Meeting Or Exceeding Taxpayers' Expectations

Action (check one):

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

Data Sources and Methodology:

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

Validity:

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

Reliability:

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

Exhibit IV - GTA Performance Measures Validity and Reliability

Department: Revenue

Program: General Tax Administration

Service: Taxpayer Aid

Activity: Educate Taxpayers

Measure: Number of Individual Educational Contacts Made

Action (check one):

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

Data Sources and Methodology:

This measure is the sum of all educational materials sent, tax returns mailed, and the number of taxpayers attending seminars. Seminar attendance counts are made by tax specialists when seminars are conducted and reported centrally. Tax return and educational mailing records are compiled centrally at the time of mailing.

Validity:

Educational materials are sent to specific groups of taxpayers for select topics that are applicable to the group and/or general information is sent to all filers. Tax return instructions include detailed information for filling out the return and complying with the applicable tax laws. Taxpayers attending seminars receive a review of common requirements and have direct contact with our tax specialists to request clarification on additional requirements for their industry. This measure fully describes the output of activity associated with educating taxpayers and reports the total number of educational contacts made for all taxes.

Reliability:

Detailed mailing records (counts, postage paid) are maintained to ensure the accuracy of reported summary data. Analysis is performed at both the reporting level and the Process Management Group (PMG) level to ensure reliability and monitor fluctuations in the measure.

Exhibit IV - GTA Performance Measures Validity and Reliability

Department: Revenue

Program: General Tax Administration

Service: Taxpayer Aid

Activity: Assist Taxpayer

Measure: Number of Taxpayers Provided With Assistance

Action (check one):

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

Data Sources and Methodology:

This measures the volume of taxpayer assistance rendered. The measure is a count of incoming calls and correspondence answered in the registration, taxpayer assistance, bills and delinquency work units. The incoming call reports are captured and maintained on the Automated Call Distribution system as well as the Mosaix call-center system. Data regarding the volume of incoming mail wherein assistance is required is captured and reported by the correspondence section in the Taxpayer Services Process. Service center volume of incoming calls and correspondence is captured monthly at the service centers and is compiled centrally.

Validity:

This measure includes all activity associated with assisting taxpayers upon their request whether by phone or in written correspondence. It is therefore valid from the perspective that all activities conducted in the Taxpayer Assistance Process are included, regardless of the organizational units performing these activities.

Reliability:

Data from the inbound phone system maintained in GTA's centralized call center is automatically captured and monitored via a software package specifically designed for such use. The software/system utilized is a standard industry package used by most call centers, both nationally and internationally. Data is constantly monitored by supervisory and management staff. Service centers provide monthly reports of a variety of activities including all taxpayer assistance inquiries made and are monitored by management to ensure timely and accurate reporting. Of course, any such data captured can only be as good as what individuals report (as is true for any reporting scheme that requires individual employees to account for their time and activities). However, any inconsistencies and/or anomalies are easily visible, providing a great deal of confidence in reported summary data.

Exhibit IV - GTA Performance Measures Validity and Reliability

Department: Revenue

Program: General Tax Administration

Service: Compliance Determination

Activity:

Measure: Percent of Compliance Examinations Resulting in an Adjustment

Action (check one):

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

Data Sources and Methodology:

This measure is calculated by dividing the number of taxpayer contacts made resulting in additional liability (numerator) by the total number of taxpayer contacts for Filing Compliance, Audit, and Discovery activities (denominator). Both the numerator and the denominator include only closed (completed) cases, and exclude cases wherein any determined liability is closed/cleared/compromised/written off due to doubt as to collectibility.

Numerator composition:

- Number of closed (resolved) bills and delinquency notices resulting in additional revenues or receipt of a delinquent tax return
- +Number of audits completed with a finding of additional liability, overpayment, or requiring a change to reported data
- +Number of discovery cases completed with a finding of additional liability

Denominator composition:

- Total number of closed (resolved) bills and delinquency notices
- +Total number of audits completed
- +Total number of discovery cases completed

Sources:

- Bills and delinquency notice information from SAP R3 extract files
- Audit information from Audit Tracking System, SUNTAX ACM system, or UT TRAIN system for unemployment tax
- Discovery case information from Enforcement Operations Case Management System.
- Extracted files used may be reported from direct R3 extracts, SUNTAX Business Warehouse, or Resource Management Database, or from TRAIN ETA 581 reports.

Validity:

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

Reliability:

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

Exhibit IV - GTA Performance Measures Validity and Reliability

Department: Revenue

Program: General Tax Administration

Service: Compliance Determination

Activity: Determine Filing Compliance

Measure: Number of Filing Compliance Exams Completed

Action (check one):

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

Data Sources and Methodology:

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

Validity:

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

Reliability:

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

Exhibit IV - GTA Performance Measures Validity and Reliability

Department: Revenue

Program: General Tax Administration

Service: Compliance Determination

Activity: Select Cases for Tax Compliance Determination

Measure: Number of Taxpayers Selected For a Tax Compliance Examination

Action (check one):

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

Data Sources and Methodology:

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

Validity:

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

Reliability:

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

Exhibit IV - GTA Performance Measures Validity and Reliability

Department: Revenue

Program: General Tax Administration

Service: Compliance Determination

Activity: Perform Audit

Measure: Number of Audits Completed

Action (check one):

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

Data Sources and Methodology:

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

Validity:

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

Reliability:

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

Exhibit IV - GTA Performance Measures Validity and Reliability

Department: Revenue

Program: General Tax Administration

Service: Compliance Determination

Activity: Discover Unregistered Taxpayers

Measure: Number of Discovery Cases Completed

Action (check one):

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

Data Sources and Methodology:

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

Validity:

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

Reliability:

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

Exhibit IV - GTA Performance Measures Validity and Reliability

Department: Revenue

Program: General Tax Administration

Service: Compliance Determination

Activity: Investigate Criminal Tax Avoidance

Measure: Number of Criminal Investigations Completed

Action (check one):

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

Data Sources and Methodology:

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

Validity:

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

Reliability:

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

Exhibit IV - GTA Performance Measures Validity and Reliability

Department: Revenue

Program: General Tax Administration

Service: Compliance Resolution

Activity:

Measure: Percent of Cases Resolved in Less Than 90 Days

Action (check one):

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

Data Sources and Methodology:

The numerator of this measure is the number of cases resolved (refunded or denied for refund claims, zero balance due for collections, and a notice of decision or notice of reconsideration for disputes) within 90 days of the opening of the case. The denominator is the total number of cases closed in the same period. This measure is a summary of collection cases, refunds, and disputes. Collection cases are tracked in the SUNTAX financials, refunds are tracked either in the SUNTAX financials for corporate income tax, and all other tax refund data is maintained in the Refund Tracking System. Disputes are tracked both in the SUNTAX financials (for collection and audit-related disputes for sales and corporate taxes, in the Audit Tracking System for other taxes, or in the miscellaneous tax databases for collection cases associated with fuel and intangible tax.

Validity:

This measure is a compilation of all refund claims processed, collection cases completed, and disputes resolved; all activities associated with Compliance Resolution are represented in the measure. Additionally, each of the sub processes included will be measured separately to provide a further breakdown of the outcome for each sub process in addition to the overall process outcome. Since the primary desired outcome of this process, particularly from the taxpayers' perspective, is the timely resolution of cases, this measure serves to ensure that cases are promptly handled.

Reliability:

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

Exhibit IV - GTA Performance Measures Validity and Reliability

Department: Revenue

Program: General Tax Administration

Service: Compliance Resolution

Activity: Collect Identified Liabilities

Measure: Number of Collection Cases Resolved

Action (check one):

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

Data Sources and Methodology:

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

Validity:

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

Reliability:

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

Exhibit IV - GTA Performance Measures Validity and Reliability

Department: Revenue

Program: General Tax Administration

Service: Compliance Resolution

Activity: Refund Tax Overpayments

Measure: Number of Refund Claims Processed

Action (check one):

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

Data Sources and Methodology:

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

Validity:

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

Reliability:

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

Exhibit IV - GTA Performance Measures Validity and Reliability

Department: Revenue

Program: General Tax Administration

Service: Compliance Resolution

Activity: Resolve Disputes

Measure: Number of Disputes Resolved

Action (check one):

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

Data Sources and Methodology:

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

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

Validity:

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

Reliability:

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

Exhibit IV - PTO Performance Measures Validity and Reliability

Department: Revenue

Program: Property Tax Oversight

Service: Property Tax Compliance Determination

Activity:

Measure: Percent of Classes/Subclasses Studied (for In-Depth Counties) and Found to Have a Level of at Least 90 Percent

Action (check one):

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

Data Sources and Methodology:

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

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

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

Validity:

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

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

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

Exhibit IV - PTO Performance Measures Validity and Reliability

Reliability:

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

Exhibit IV - PTO Performance Measures Validity and Reliability

Department: Revenue

Program: Property Tax Oversight

Service: Property Tax Compliance Determination

Activity: Real Property Roll Evaluation and Approval

Measure: Number of In-Depth Classes Studied with a Statistically Valid Sample

Action (check one):

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

Data Sources and Methodology:

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

Validity:

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

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

Reliability:

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

Exhibit IV - PTO Performance Measures Validity and Reliability

Department: Revenue

Program: Property Tax Oversight

Service: Property Tax Compliance Determination

Activity: Central Assessment Compliance

Measure: Number of Railroad and Private Car Lines Centrally Assessed

Action (check one):

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

Data Sources and Methodology:

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

Validity:

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

Reliability:

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

Exhibit IV - PTO Performance Measures Validity and Reliability

Department: Revenue

Program: Property Tax Oversight

Service: Property Tax Compliance Determination

Activity: Review Refunds & Tax Certificates

Measure: Number of Refund/Tax Certificate Applications Processed

Action (check one):

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

Data Sources and Methodology:

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

Validity:

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

Reliability:

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

Exhibit IV - PTO Performance Measures Validity and Reliability

Department: Revenue

Program: Property Tax Oversight

Service/Budget Entity: Property Tax Compliance Determination

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

Action (check one):

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

Data Sources and Methodology:

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

Validity:

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

Reliability:

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

Exhibit IV - PTO Performance Measures Validity and Reliability

Department: Revenue

Program: Property Tax Oversight

Service: Property Tax Education and Assistance

Activity: Aid and Assistance

Measure: Percent of users of PTO Aid and Assistance Satisfied with the Services Provided

Action (check one):

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

Data Sources and Methodology:

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

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

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

Validity:

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

Reliability:

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

Exhibit IV - PTO Performance Measures Validity and Reliability

Department: Revenue

Program: Property Tax Oversight

Service: Property Tax Education and Assistance

Activity: Training

Measure: Number of Student Training Hours Provided to Property Appraisers, Tax Collectors and Their Staffs and PTO Staff.

Action (check one):

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

Data Sources and Methodology:

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

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

Validity:

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

Reliability:

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

Exhibit IV - PTO Performance Measures Validity and Reliability

Department: Department of Revenue

Program: Property Tax Oversight

Service: Property Tax Education and Assistance

Activity: Aid and Assistance

Measure: Number of Counties Receiving Aid and Assistance

Action (check one):

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

Data Sources and Methodology:

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

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

Validity:

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

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

Exhibit IV - PTO Performance Measures Validity and Reliability

Reliability:

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

Exhibit IV - PTO Performance Measures Validity and Reliability

Department: Revenue

Program: Property Tax Oversight

Service: Property Tax Education and Assistance

Activity: Tangible Personal Property Tax Compliance

Measure: Number of Tangible Personal Property Compliance Study Audits Provided to Property Appraisers

Action (check one):

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

Data Sources and Methodology:

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

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

Validity:

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

Reliability:

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

Exhibit IV - PTO Performance Measures Validity and Reliability

Department: Department of Revenue

Program: Property Tax Oversight

Service: Property Tax Education and Assistance

Activity: Aid and Assistance

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

Action (check one):

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

Data Sources and Methodology:

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

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

Validity:

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

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

Exhibit IV - PTO Performance Measures Validity and Reliability

Reliability:

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

LRPP Exhibit V: Identification of Associated Activity Contributing to Performance Measures		
Measure Number	Approved Performance Measures for FY 2008-09 (Words)	Associated Activities Title
		PROGRAM: PROPERTY TAX OVERSIGHT PROGRAM
		COMPLIANCE DETERMINATION
1	Number of in-depth classes studied with a statistically valid sample	DETERMINE REAL PROPERTY ROLL COMPLIANCE
2	Number of refund/tax certificate applications processed	REVIEW REFUNDS/TAX CERTIFICATES/TAX DEEDS
3	Number of railroad and private railroads centrally assessed	CENTRAL ASSESSMENT OF RAILROADS
		COMPLIANCE ASSISTANCE
4	Number of student training hours provided	PROVIDE INFORMATION (TRAINING)
5	Number of counties receiving aid and assistance	PROVIDE AID AND ASSISTANCE
6	Number of tangible personal property compliance study audits provided to Property Appraisers	DETERMINE TANGIBLE PERSONAL PROPERTY TAX COMPLIANCE
		PROGRAM: GENERAL TAX ADMINISTRATION PROGRAM
		TAX PROCESSING
7	Number of accounts maintained	MANAGE ACCOUNTS
8	Number of tax returns processed	PROCESS RETURNS AND REVENUE
9	Number of distributions made	ACCOUNT FOR REMITTANCES
		TAXPAYER AID
10	Number of individual educational contacts made	EDUCATE TAXPAYERS
11	Number of taxpayers provided with assistance	ASSIST TAXPAYERS
		COMPLIANCE DETERMINATION
12	Number of filing compliance exams completed	DETERMINE FILING COMPLIANCE
13	Number of taxpayers selected for a tax compliance examination	SELECT CASES FOR TAX COMPLIANCE DETERMINATION
14	Number of audits completed	PERFORM AUDITS
15	Number of discovery examinations completed	DISCOVER UNREGISTERED TAXPAYERS
16	Number of criminal investigations completed	INVESTIGATE CRIMINAL TAX AVOIDANCE
		COMPLIANCE RESOLUTION
17	Number of collection cases resolved	COLLECT IDENTIFIED LIABILITIES
18	Number of refund claims processed	REFUND TAX OVERPAYMENTS
19	Number of disputes resolved	RESOLVE DISPUTES
		PROGRAM: CHILD SUPPORT ENFORCEMENT PROGRAM
		CASE PROCESSING
20	Total number of cases maintained during the year	MAINTAIN CHILD SUPPORT CASES
21	Total number of individual educational contacts and inquiries answered	PROVIDE EDUCATION AND ASSISTANCE
		REMITTANCE AND DISTRIBUTION
22	Total number of collections processed	PROCESS SUPPORT PAYMENTS
23	Total number of collections distributed	DISTRIBUTE SUPPORT PAYMENTS
		ESTABLISHMENT
24	Total number of paternities established and genetic testing exclusions	ESTABLISH PATERNITY
25	Total number of newly established and modified orders	ESTABLISH AND MODIFY SUPPORT ORDERS
		COMPLIANCE
26	Total number of obligated unique cases identified for compliance resolution	DETERMINE COMPLIANCE WITH SUPPORT ORDERS
27	Total number of actions processed during the year	RESOLVE COMPLIANCE DISCREPANCIES

REVENUE, DEPARTMENT OF		FISCAL YEAR 2007-08			
SECTION I: BUDGET		OPERATING		FIXED CAPITAL OUTLAY	
TOTAL ALL FUNDS GENERAL APPROPRIATIONS ACT			562,629,085	0	
ADJUSTMENTS TO GENERAL APPROPRIATIONS ACT (Supplementals, Vetoes, Budget Amendments, etc.)			(3,227,152)	0	
FINAL BUDGET FOR AGENCY			559,401,933	0	
SECTION II: ACTIVITIES * MEASURES		Number of Units	(1) Unit Cost	(2) Expenditures (Allocated)	(3) FCO
<i>Executive Direction, Administrative Support and Information Technology (2)</i>					0
Central Assessment Of Railroads * Number of railroads and private car lines centrally assessed		255	2,015.43	513,934	
Determine Real Property Roll Compliance * Number of in-depth classes studied with a statistically valid sample		96	91,482.02	8,782,274	
Determine Tangible Personal Property Tax Compliance *		78	10,332.64	805,946	
Review Refunds/Tax Certificates/Tax Deeds * Number of refund/tax certificate applications processed		7,152	129.87	928,838	
Provide Information * Number of student training hours provided		43,581	26.77	1,166,530	
Provide Aid And Assistance * Number of hours of aid and assistance consultation provided to elected officials		7,102	593.88	4,217,715	
Maintain Child Support Cases * Total number of cases maintained during the year		1,036,405	86.23	89,365,839	
Provide Education And Assistance * Total number of individual educational contacts and inquires answered		12,513,399	3.43	42,917,295	
Process Support Payments * Total number of collections processed		9,666,677	3.29	31,771,296	
Distribute Support Payments * Total number of collections distributed		9,345,692	1.67	15,637,699	
Establish Paternity * Total number of paternities established and genetic testing exclusions		98,718	222.40	21,955,311	
Establish And Modify Support Orders * Total number of newly established and modified orders		35,278	1,319.75	46,558,011	
Determine Compliance With Support Orders * Total number of obligated cases identified for compliance resolution		592,659	14.96	8,865,806	
Resolve Compliance Discrepancies * Total number of actions processed during the year		2,702,883	17.02	45,993,181	
Manage Accounts * Number of accounts maintained		1,400,416	6.58	9,215,312	
Process Returns And Revenue * Number of tax returns processed		9,432,708	2.39	22,558,941	
Account For Remittances * Number of distributions made		165,715	44.69	7,406,008	
Determine Filing Compliance * Number of filing compliance exams completed		1,967,447	7.12	14,011,175	
Select Cases For Tax Compliance Determination * Number of taxpayers selected for a tax compliance examination		37,420	115.36	4,316,912	
Perform Audits * Number of audits completed		18,401	2,854.18	52,519,678	
Discover Unregistered Taxpayers * Number of discovery examinations completed		18,144	618.40	11,220,264	
Investigate Criminal Tax Avoidance * Number of criminal investigations completed		875	5,918.10	5,178,340	
Collect Identified Liabilities * Number of collection cases resolved		1,272,800	19.00	24,181,585	
Resolve Disputes * Number of disputes resolved		272,020	43.65	11,872,850	
Educate Taxpayers * Number of individual educational contacts made		1,438,593	4.20	6,043,019	
Assist Taxpayers * Number of taxpayers provided with assistance		2,076,237	2.93	6,083,458	
TOTAL				494,087,217	
SECTION III: RECONCILIATION TO BUDGET					
PASS THROUGHS					
TRANSFER - STATE AGENCIES					
AID TO LOCAL GOVERNMENTS					
PAYMENT OF PENSIONS, BENEFITS AND CLAIMS					
OTHER				42,869,091	
REVERSIONS				22,389,102	
TOTAL BUDGET FOR AGENCY (Total Activities + Pass Throughs + Reversions) - Should equal Section I above. (4)				559,345,410	

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

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

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

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

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

(5) The attached FLAIR documents identify the reason for a \$56,594 difference in Section I and Section III. The discrepancy is in BE 73300800, category 102877, and fund 2339.

The Department of Revenue's account closure on June 30, 2008 shows an ending release balance of \$3,463,405. On July 14, 2008, State Accounts posted a release reduction of \$56,595 on document # C9000000697. This changed our available certified release to only \$3,406,811. The Department of Revenue does not know why the release balance was reduced by state accounts.

The reduction of the Department's certified release had no effect on operations because the Department only certified \$3,377,196 in this BE/Category/Fund.

ACTIVITY ISSUE CODES SELECTED:

TRANSFER-STATE AGENCIES ACTIVITY ISSUE CODES SELECTED:

1-8:

AID TO LOCAL GOVERNMENTS ACTIVITY ISSUE CODES SELECTED:

1-8:

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

*** NO ACTIVITIES FOUND ***

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

*** NO OPERATING CATEGORIES FOUND ***

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

BE	PC	CODE	TITLE	EXPENDITURES	FCO
73300700	1304000000	ACT3300	FEDERAL DEFICIT REDUCTION -	2,241,987	
73300700	1304000000	ACT3350	DISTRIBUTE INCENTIVE EARNINGS TO	503,720	
73401000	1601000000	ACT4200	AID TO LOCAL GOVERNMENT - HALF-CENT	17,623,941	
73401000	1601000000	ACT4320	HURRICANE RELIEF	608,563	
73401000	1601000000	ACT4400	CLERK OF COURTS DISTRIBUTION -PASS	21,890,880	

TOTALS FROM SECTION I AND SECTIONS II + III:

DEPARTMENT: 73	EXPENDITURES	FCO
FINAL BUDGET FOR AGENCY (SECTION I):	559,401,933	
TOTAL BUDGET FOR AGENCY (SECTION III):	559,345,410	
DIFFERENCE:	56,523	
(MAY NOT EQUAL DUE TO ROUNDING)	=====	=====

SAID BALANCE FILE - BUDGETARY 09/25/2008 16:02:41

L1 GF SF FID	BE	IBI CAT	YR	MO	RT		
73 20 2	339106	73300800	00 102877 00	06	2		
		PRIOR				CURRENT	CURRENT
		MONTH BALANCES				MONTH ACTIVITY	MONTH BALANCE
WARRANT DISB		9,401,839.93				1,125,772.44	10,527,612.37
JOURNAL DISB		7,256,379.27				543,600.89	7,799,980.16
TRANSFER DISB		.00				.00	.00
*CURR YR DISB		14,183,547.89				1,669,373.33	15,852,921.22
*CERT FWD DISB		2,474,671.31				.00	2,474,671.31
*CURR YR UNEXP REL		5,421,331.11				1,957,925.33-	3,463,405.78
*CERT FWD UNEXP REL		.00				.00	.00
CASH 73 20 2 339106		29,154,480.38				GRANTS & DONATIONS TF/CHILD SUP	

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SAID BALANCE FILE - BUDGETARY 09/25/2008 15:53:22

L1 GF SF FID	BE	IBI CAT	YR	MO	RT		
73 20 2	339106	73300800 00	102877 00	07	2		
		PRIOR				CURRENT	CURRENT
		MONTH BALANCES				MONTH ACTIVITY	MONTH BALANCE
APPROPRIATIONS ACT		.00				.00	.00
SUPPLEMENTAL APPROP		.00				.00	.00
ADDITIONAL APPROP		.00				.00	.00
CERT FWD APPROP		.00				3,406,810.78	3,406,810.78
CANC & REST		.00				.00	.00
TRANSFER APPR		.00				.00	.00
AGENCY TRANSFERS		.00				.00	.00
RESERVES		.00				.00	.00
*TOTAL APPR		.00				3,406,810.78	3,406,810.78
*APPROVED BUDGET		.00				3,406,810.78	3,406,810.78
*CURR YR RELEASE		.00				.00	.00
*CERT FWD REL		.00				3,406,810.78	3,406,810.78

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SASD

DOCUMENT SUMMARY FILE - BUDGETARY ACCOUNT

L1	GF	SF	FID	BE	IBI	CAT	YR	RT	STWD	DOC-NO	MO	DAY
73	20	2	339106	73300800	00	102877	00	2			07	
APPROPRIATIONS APPROVED BUDGET								RESERVE		RELEASES		
BALANCES								BALANCES		YTD BALANCES		
070108				.00			.00		.00			.00
073108			3406810.78				3406810.78		.00			3406810.78
AUDIT STATEWIDE AGENCY TR CF								TRANSACTION		UNEXPENDED		
DATE	DOC NO	DOC NO	CD	I				AMOUNT				RELEASE BALANCE
07/01/08												
071408	D9000010299	VDB0037	12	C				10,726.76				3,429,193.79
071408	D9000010297	VDB0035	10	C				15,470.11				3,413,723.68
071408	C9000000697	0005	91					56,595.00-				3,357,128.68
071408	C9000000697	0005	92					56,595.00				3,357,128.68
071508	D9000013163	VLW0061	10	C				3,649.80				3,353,478.88
071508	D9000013163	VLW0061	10	C				7,286.40				3,346,192.48

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TYPE SEL

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A

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

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

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

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

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

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

B

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

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

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

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

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

C

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

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

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

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

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

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

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

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

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

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

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

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

Culture – A system of values, beliefs, and behaviors inherent in an organization. To optimize business performance, top management must define and create the necessary culture. A culture is communicated by hero stories, by the reasons people get promotions and recognition, by hall talk, and by the questions that are asked by upper management. A total quality service culture is one that is rigorous and customer-

focused and that values employees. Culture can be assessed and improved through the of climate surveys.

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

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

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

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

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

D

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

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

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

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

E

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

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

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

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

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

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

- **Internal Assessment** – an assessment of internal capabilities and performance leading to the identification of strengths and weaknesses. Typical areas examined include organizational structure,

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competence of people, capital assets, systems, technology, financial structure, service, and quality.

- **External Assessment** – an assessment of external trends which leads to the identification of opportunities and threats. Trends are usually examined in the following areas: markets/customers, competition, socio-demographics, technology, and factors of production, government/legislative, and economy.

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

F

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

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

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

Function – An activity or set of activities.

G

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

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

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

H

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

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

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

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

Integrated – Refers to the interconnections between the processes of a management system. For example, to satisfy customers an organization must understand their needs, convert those needs into designs, and produce the product or service required, deliver it, assess ongoing satisfaction, and adjust the processes accordingly. People need to be trained or hired to do the work, and data must be collected

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to monitor progress. Performing only a part of the required activities is disjointed and not integrated.

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

J

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

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

K

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

L

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

M

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

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

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

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

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

N

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

O

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

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

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

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

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

P

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

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

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

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

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

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

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

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

Product or Service Liability – The obligation of a company to make restitution for loss related to

personal injury, property damage, or other harm caused by its product or service.

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

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

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

Q

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

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

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

R

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

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

S

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

- **Strengths** – Current capabilities that are superior to those of the competition and that help meet a customer need or give a significant advantage over the competition in the marketplace.
- **Weaknesses** – Areas in current capabilities that prevent the company from achieving advantage and/or meeting customer needs or strategic objectives.
- **Opportunities** – Trends, events and ideas that can be capitalized on to increase future profits and market share. Common opportunities include emerging market segments, new technologies, new products or services, geographic expansion, acquisitions, divestitures, a faltering competitor, and cost reductions.
- **Threats** – Possible events outside the organization's control that management needs to plan for or try to mitigate. Typical threats include the entrance of a new competitor, competitor's actions, legislation or regulations, and declining core product or market.

Special Causes – Causes of variation that arise because of special circumstances. They are not an

inherent part of a process. Special causes are also referred to as assignable causes (see also “common causes”).

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

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

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

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

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

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

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

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

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

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

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

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

Appendix - Glossary

conduct quality improvement programs as required, and 9) create and use supplier quality ratings.

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

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

T

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

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

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

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

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

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

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

V

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

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

W

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

Z

Appendix- Acronyms

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

Appendix- Acronyms

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



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