



Executive
Director
Lisa Vickers

Child Support
Enforcement
Ann Coffin
Director

General Tax
Administration
Jim Evers
Director

Property Tax
Oversight
James McAdams
Director

Information
Services
Tony Powell
Director

September 30, 2011

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

JoAnne Leznoff, Staff Director
House Appropriations Committee
221 Capitol
Tallahassee, Florida 32399-1100

Terry Rhodes, Staff Director
Senate Budget Committee
201 Capitol
Tallahassee, Florida 32399-1300

Dear Directors:

The Department of Revenue's Long Range Program Plan is submitted in accordance with Chapter 216, Florida Statutes, and in the format prescribed in the budget instructions. The information provided electronically and contained herein is a true and accurate presentation of our mission, goals, objectives and measures for Fiscal Years 2012-13 through 2016-17. As executive director of the Department of Revenue, I have approved this plan. The plan was also approved by the Governor and Cabinet at the September 20 Cabinet meeting. The plan is posted on the Florida Fiscal Portal, with a link on the "About Us" page of our website (http://dor.myflorida.com/dor/about_us.html).

Revenue employees continue to increase productivity, reduce costs, and manage growing workloads. In the state fiscal year just ended, our Child Support Enforcement Program increased collections to \$1.58 billion, 7.7 percent more than the previous year—Florida now ranks fourth in the nation in percentage increase in collections. The General Tax Administration Program's audits brought in \$323 million in FY 2010-11, a 25.7 percent increase. Our Property Tax Oversight Program's effective implementation of new property tax laws was recognized with a Davis Productivity Eagle Award, and our facilities program received national recognition for its cost reduction strategies.

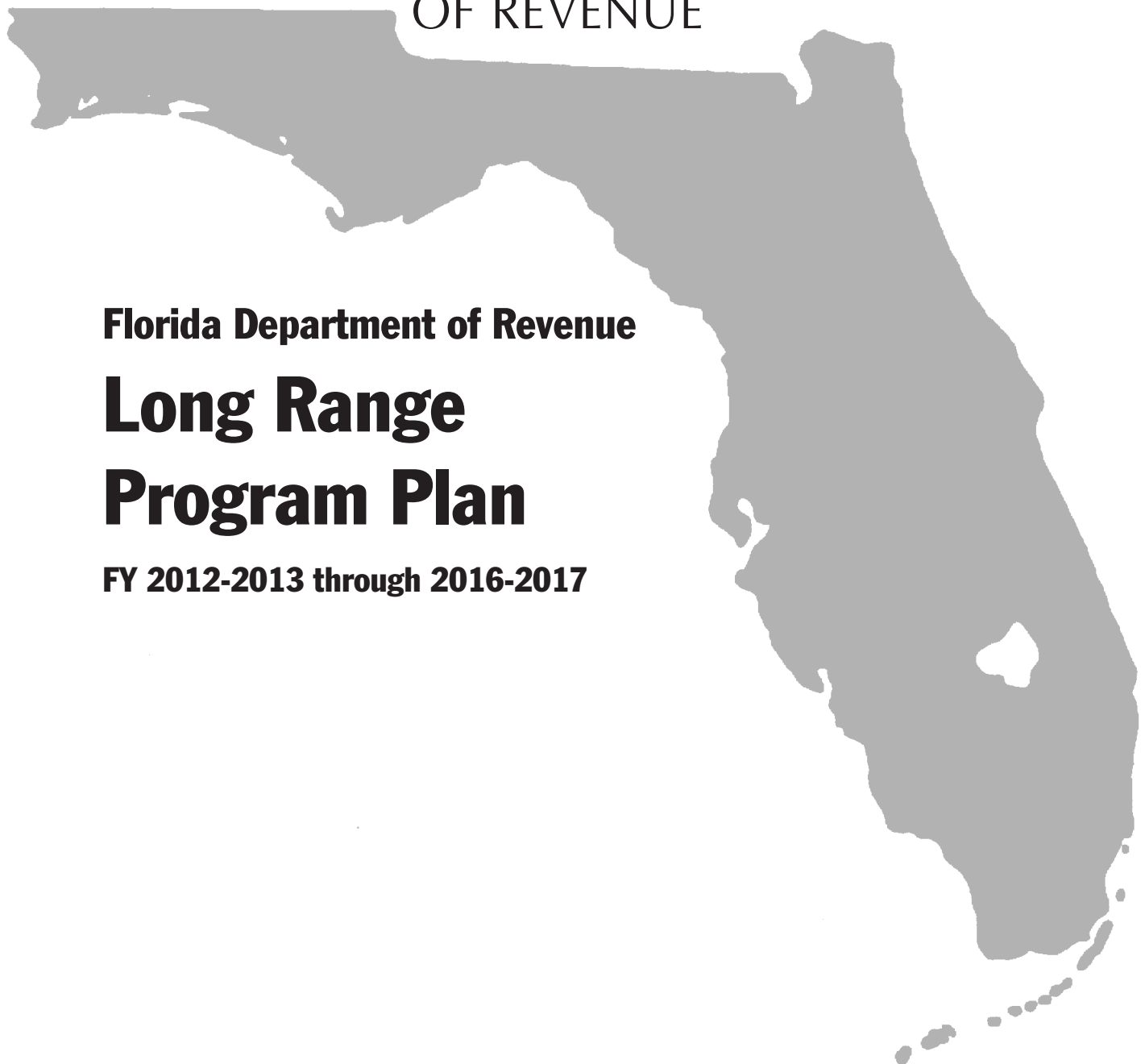
On behalf of all Revenue employees, I want to express our appreciation for the support of the Governor, the Cabinet, and the Legislature as we strive to provide the best service possible to our state and its citizens. If you have any comments or questions, please call Lia Mattuski, Director of Financial Management (850-717-7059) or me (850-617-8950).

Sincerely,

Lisa Vickers

Lisa Vickers

Tallahassee,
Florida
32399-0100
www.myflorida.com/dor



Florida Department of Revenue

**Long Range
Program Plan**

FY 2012-2013 through 2016-2017

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 2012-13	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17
48.6%	54.0%	54.5%	55.0%	55.5%	56.0%

General Tax Administration (GTA)

GTA 1A:

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

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

FY 2010-11 (Baseline Actual)	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17
88.0%	88.0%	89.0%	90.0%	91.0%	92.0%

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

Property Tax Oversight (PTO)

PTO 1A:

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

Outcome: Statewide level of assessment for Real Property

2009-10 (Baseline Actual)	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17
96.8%	97.0%	97.0%	97.1%	97.2%	97.3%

Goal #2: Increase productivity and reduce costs.

Child Support Enforcement (CSE)

CSE 2A:

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

Outcome: Percent of IV-D cases missing critical data elements necessary for next appropriate action.

FY 2007-08 (Baseline Actual)	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17
17.0%	15.0%	15.0%	15.0%	15.0%	15.0%

CSE 2B:

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

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

FY 1998-99 (Baseline Actual)	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17
48.9%	75.5%	76.5%	77.5%	78.0%	78.0%

General Tax Administration (GTA)

GTA 2A:

Objective: Improve the productivity of tax compliance examinations.

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

FY 2009-10 (Baseline Actual)	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17
57.0%	65.0%	66.0%	67.0%	68.0%	69.0%

GTA 2B:

Objective: Improve the timeliness of resolving collection cases.

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

FY 2009-10 (Baseline Actual)	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17
60.0%	66.0%	67.0%	68.0%	69.0%	70.0%

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 2012-13	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17
96.5%	98.0%	98.0%	98.0%	98.0%	98.0%

General Tax Administration (GTA)

GTA 3A:

Objective: Improve the timeliness of processing a tax return.

Outcome: Percent of tax returns reconciled within 25 days.

FY 2004-05 (Baseline Actual)	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17
Unavailable	98.0%	99.0%	99.0%	99.0%	99.0%

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

Property Tax Oversight (PTO)

PTO 3A:

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

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

FY 2004-05 (Baseline Actual)	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17
90.0%	95.0%	95.0%	96.0%	96.0%	96.0%

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

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

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

Organizational Overview

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

Child Support Enforcement

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

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

General Tax Administration

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

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

Property Tax Oversight

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

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

Trends and Conditions

Department of Revenue Programs, Functions, and Outcomes

Program & Purpose	Primary Functions	Outcomes
Child Support Enforcement		
To help children get the financial support they need when it is not received from one or both parents	<ul style="list-style-type: none"> • Locate parents. • Establish paternity. • Establish child support orders. • Enforce child support orders. • Receive and distribute child support payments. • Educate and assist parents and the public. • Work with other entities that carry out critical steps in the child support process, including state agencies, county officials, other states and countries. 	<ul style="list-style-type: none"> • Legal establishment of paternity • Legal obligations to pay support • Support payments to families • Health insurance and medical support for children • Reimbursements to federal and state governments for temporary cash assistance payments <p>Total child support collected and distributed to Florida families was \$1.58 billion in SFY 2010-11, a 7.7 percent increase from SFY 2009-10's total of \$1.467 billion.</p>
General Tax Administration		
To collect and distribute state taxes and fees accurately and efficiently Revenue administers 32 taxes and fees.	<ul style="list-style-type: none"> • Register businesses for the collection of taxes. • Receive and deposit tax payments. • Review tax returns and notify taxpayers of errors. • Help taxpayers with questions and problems. • Audit taxpayers to ensure compliance with the law. • Investigate tax fraud. • Collect overdue taxes. • Process tax refunds. • Distribute funds to state accounts & local governments. • Receive & process payments for other state agencies. 	<ul style="list-style-type: none"> • Registration of Florida businesses for the taxes that apply to them • Timely and accurate payments by taxpayers • Collection of past due amounts • Prompt deposits into state, local, and trust fund accounts of payments received by the Department • Taxpayer compliance with the law <p>Total receipts for taxes and fees administered by Revenue were approximately \$32.4 billion in FY 2010-11. Revenue also processed approximately \$5.2 billion in receipts for other state agencies.</p>
Property Tax Oversight		
To ensure fair and equitable administration of Florida's local property tax system	<ul style="list-style-type: none"> • Review and approve the property tax rolls for each of Florida's 67 counties every year. • Review and approve the annual budgets of property appraisers and most tax collectors. • Ensure that Florida's 644 local levying authorities comply with millage levying procedures, and public disclosure laws. • Provide technical and legal guidance to local officials. • Review certain property tax claims for refunds. • Provide training to elected officials, levying authorities. • Provide training and oversight to value adjustment boards. • Centrally assess railroad properties. • Respond to questions from the public. 	<ul style="list-style-type: none"> • Property tax rolls in compliance with constitutional and statutory standards. • Millage levies in compliance with constitutional and statutory standards. • Local officials trained and in compliance with property tax laws and standards. <p>In 2010, Florida's local governments and taxing authorities levied more than \$25.8 billion in property taxes on 11 million parcels of real and tangible personal property, total market value: \$1.93 trillion. Statewide average level of assessment was 96.2%.</p>
Executive Direction and Support Services		
To lead the Department to increased effectiveness and cost efficiency, and better service to the state of Florida To provide support services that help each program reach its goals	<ul style="list-style-type: none"> • Provide day-to-day leadership for the agency. • Lead the planning process, ensuring that all employees can contribute their ideas, and that all programs follow Revenue's Strategic Leadership planning process. • Respond to requests and requirements from the Governor, Cabinet, and Legislature. • Provide financial management oversight and support. • Provide human resources support. • Develop and provide agency wide training. • Manage legal matters and provide legal counsel. • Review operations for compliance with legal requirements. • Inform employees of work-related issues and actions. • Prepare for and manage emergency situations. 	<ul style="list-style-type: none"> • An effective, continually improving agency • An appropriately trained and skilled workforce • Safe, economical workplaces that meet the needs of our customers and our employees • Compliance with legal requirements • Efficient use of resources and accurate accounting • An engaged and committed workforce • Emergency preparedness
Information Services		
To provide technology services to enable the Department to operate efficiently and effectively	<ul style="list-style-type: none"> • Provide, manage, and maintain computer system infrastructure. • Select, implement, and support software solutions to meet the needs of the Department. • Provide information and support the effective use of technology resources by Revenue employees. • Ensure that the Department's information resources are protected against internal and external threats. 	<ul style="list-style-type: none"> • Secure, effective information systems • Increased efficiency in carrying out Revenue's responsibilities

Results

Strategy development, streamlining of processes, efficient resource allocation, automation, and the elimination of less productive functions—by applying these principles throughout the organization, the Department of Revenue continues to increase productivity while improving service and decreasing costs. Our accomplishments and external recognition through the end of State Fiscal Year 2010-11 include the following:

Child Support Enforcement

\$1.58 billion collected for Florida families

The Child Support Enforcement Program collected and distributed \$1.58 billion in State Fiscal Year 2010-11, an increase of 7.7 percent over the previous year.

Fourth in the nation in increasing collections

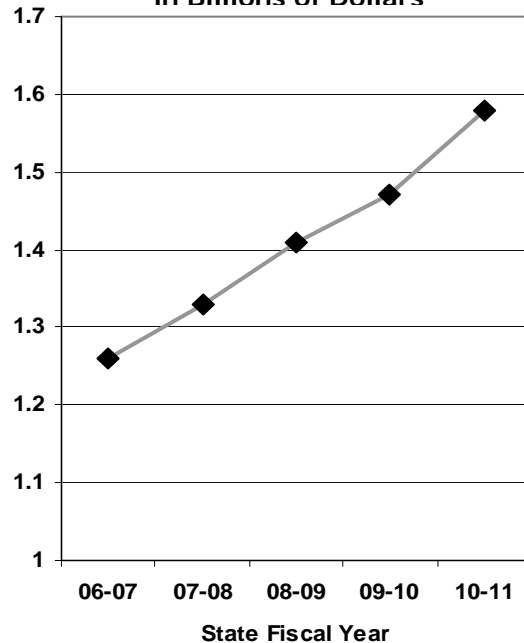
For Federal Fiscal Year (FFY) 2010 (ending September 30, 2010), Florida's Child Support Enforcement Program collected and distributed \$1.48 billion, an increase of 5.0 percent over the prior year, while the eight other largest states (in population) realized a 0.2 percent increase and the nation as a whole increased by 0.7 percent. Florida's percentage growth in distributed collections was fourth highest in the nation.

Child Support Enforcement		
Percentage Increase in Collections FFY 2009 – FFY 2010		
Florida	Large States	All States
5.0 %	0.2 %	0.7 %

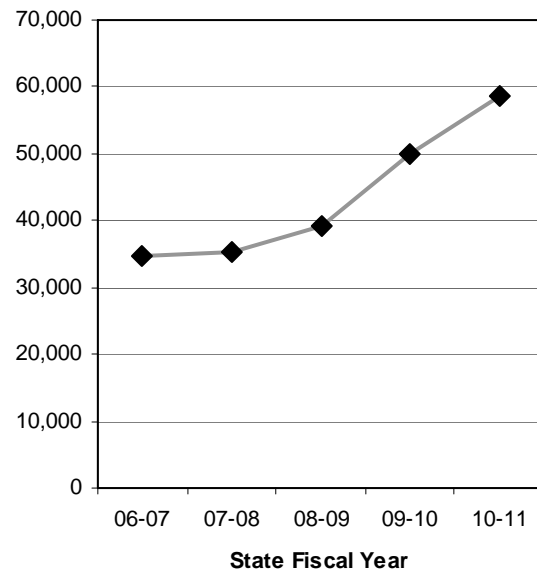
Increased order establishment

In State Fiscal Year (SFY) 2010-11, the Department established 58,484* new support orders, a 16.8 percent increase from the previous year's total of 50,087** and a 49 percent increase from two years ago.

Child Support Collections
in Billions of Dollars



Child Support Orders Established



* As of June 30, 2011 – Number may increase due to the time lag in order entry.

** This number has increased from the amount reported in last year's LRPP (49,090) due to the time lag in order entry.

General Tax Administration

Audits produce record collections

Collections resulting from audits totaled \$323 million in FY 2010-11, a record for the General Tax Administration Program and a 25.7 percent increase over the prior year's amount of \$257 million. The 2010 tax amnesty program and improvements in the audit process contributed to the increase.

Tax amnesty brings in over \$277 million

From July 1 through September 30, 2010, the Department of Revenue conducted a tax amnesty program authorized by the 2010 Legislature. Through the end of the fiscal year, the Department collected over \$277 million in payments under amnesty agreements and paved the way for additional increases in tax collections by registering more than 2,800 businesses to pay taxes or fees on an ongoing basis.

Accounts receivable percentage beats the industry standard

At the end of FY 2010-11, Revenue's accounts receivable were approximately 1.4 percent of annual revenues, significantly better than the financial industry standard of 2 percent, and an improvement over the previous year's percentage of 1.95. The accounts receivable balance at the end of FY 2010-11 was approximately \$148 million (21.4 percent) less than the prior year.

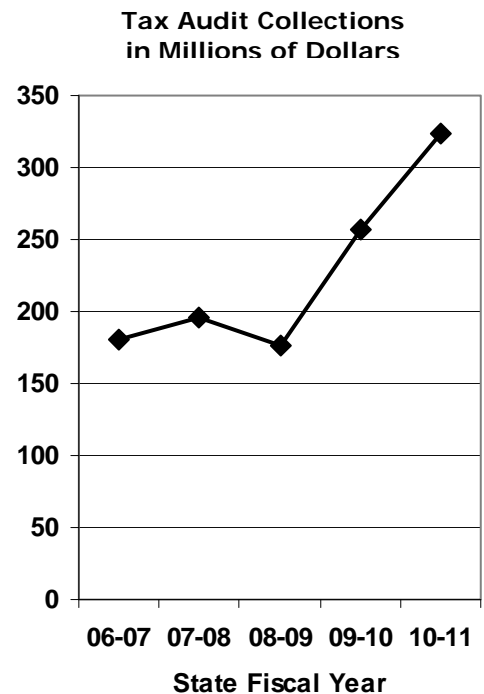
Electronic deposit gets tax money in the bank four to five days sooner

During FY 2010-11, the Department implemented remote deposit of checks via ICL (image cash letter) technology for sales tax at 16 in-state service center and headquarters locations. Over 140,000 deposits exceeding \$125.5 million were processed using this technology. The State began earning interest on these funds four to five days earlier because checks were deposited on the day received instead of being bundled and mailed to Tallahassee for deposit.

Criminal investigation collections up 33 percent

Revenue's General Tax Administration Criminal Investigation Process collected a total of \$6.23 million in FY 2010-11, up 33 percent from \$4.67 million the year before. Specifically, collections associated with the Tax Collection Enforcement Diversion Program (TCEDP) increased by 30 percent from the prior fiscal year. This amount does not include the significant sums directly or indirectly collected through our non-prosecution dispositions.

For the second year in a row, Revenue's Criminal Investigation Process achieved a 99 percent favorable disposition rate on its prosecution referrals, a significant improvement over our historical benchmark of 93-95 percent. An important but unmeasurable effect of the success of Revenue's Criminal Investigation Process is as a deterrent to deliberate noncompliance.



Property Tax Oversight

Equity and Uniformity

With improved oversight and assistance from the Department, Florida's 67 county property appraisers achieved an estimated 99.6 percent statewide average level of assessment in 2011. Greater uniformity in assessments results in more equitable tax burdens across property types, and the appropriate amount of revenue for public schools and other vital services.

Statewide Average Level of Assessment			
2008	2009	2010	2011
96.8%	96.8%	96.2%	99.6%^e

Business association ranks Florida one of the top five states in property tax fairness

In 2010, the Council On State Taxation (COST), an association of approximately 600 multistate corporations, conducted a study on the fairness of the property tax systems of all 50 states.

The only one of the nation's five most populous states to be ranked among the top five is Florida. Florida and three other states received a B+; only the State of Maryland achieved a higher grade. COST's criteria for fairness include efficient, standardized filing, remittance, and appeal procedures throughout the state; centralized oversight of local property tax procedures (when the tax is administered locally); an independent appeals process; and a property tax burden that is balanced and uniform.

COST Property Tax Scorecard		
Top Five States		
State	Grade	Rank
Maryland	A-	1
Oregon	B+	2
Georgia	B+	3
Florida	B+	4
Kentucky	B+	5

Revenue's Property Tax Oversight Program receives Davis "Eagle" Exemplary Agency Award

Since 2007, the Department of Revenue's Property Tax Oversight Program has successfully guided the implementation of 12 reform initiatives that saved Florida citizens approximately \$2.4 billion in property taxes between 2008 and 2009. For this accomplishment, the Property Tax Oversight Program was awarded the 2011 Davis Productivity "Eagle" award, which is the highest award in the Sustained Exemplary Performance category.

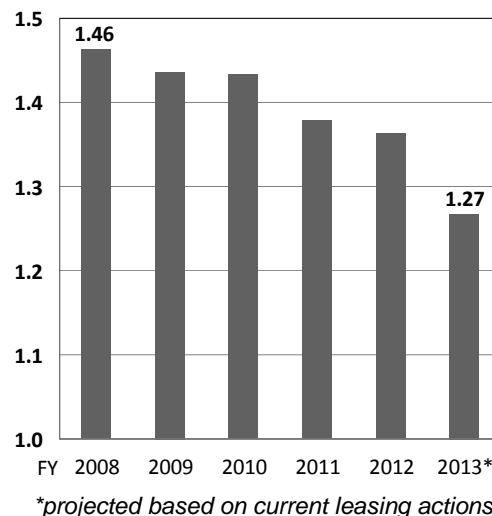
Support Programs

National recognition for facilities management

The Department of Revenue is one of two state agencies nationwide to receive recognition in the 2011 Innovation Awards competition of the National Association of State Facilities Administrators. The Innovation Award recognizes a state facilities organization for establishing an innovative program that produces cost savings and measurable improvements, and that could serve as a model for other state agencies.

The Department was awarded "Honorable Mention" for reengineering its management of leases of privately-owned facilities. Using the new lease management process, Revenue has negotiated more favorable lease terms and reduced the total square footage of its service centers, resulting in a projected cost avoidance of over \$4.5 million over the next five years. (More information on Revenue's efforts to reduce leasing costs is provided in the "Agency Response to a Changing Environment" section of this report.)

Revenue Leased Space
in Millions of Sq. Ft.



Saving money on copying and printing

By evaluating copying and printing practices for efficiency, implementing new, consistent guidelines for leasing copiers, and negotiating new copier contracts, the Department has reduced its copier lease costs by approximately \$289,000.

Additional savings are being realized through the elimination of desktop printers, setting defaults to duplex, and converting paper processes to electronic.

Realizing savings from consolidation of Tallahassee offices

Now that the State's new Revenue facilities at the Capital Circle Office Center in Tallahassee have been fully occupied for more than six months, the Department is beginning to realize the savings projected for this move. Leasing cost for housing these approximately 2,000 employees has been reduced from approximately \$7.9 million to \$6.6 million; \$415,000 in annual utilities costs has been eliminated, and additional cost reductions are being achieved through increased efficiency and resource sharing.

Stakeholders

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

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

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

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

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

Operating Environment

Economic Conditions

The nation continues to recover from the longest and most severe recession in post–World War II history. Florida's economy began to decline as early as November 2007, a full year earlier than the nation as a whole. This decline was driven primarily by the real estate crisis, as a real estate boom of many years' duration in the state came to a sudden end.

The impact of the collapse of the real estate market can be seen in the amount of real estate–related tax collections. Local government property tax revenues have been adversely impacted by the fourth consecutive year of falling property values, with tax valuations dropping 24 percent for school purposes from 2007 to 2011. Collections of state taxes related to real estate—documentary stamp tax and mortgage intangibles tax—fell for three consecutive years, then stabilized in State Fiscal Year (SFY) 2010-11 at only 30 percent of the revenues that were received in FY 2005-06. The level of documentary stamp tax collections in FY 2010-11 compares to FY 1998-99 collections in nominal terms.

As indicated by sales tax collections, much of the economic activity outside of the real estate market has stabilized as well, although also at substantially reduced levels compared to peak FY 2006-07 activity. Business investment has declined 22 percent from its FY 2006-07 high, the purchase of taxable durable goods is down 32 percent, and automobile-related activity is down 25 percent. On a more positive note, FY 2010-11 sales tax collections on tourism and recreation spending were only 3.6 percent below peak FY 2006-07 activity, and consumer nondurable taxable consumption was only 2.5 percent below its peak.

Many of the State's tax sources are dependent on income and/or population growth. Personal income in Florida fell in calendar year 2009 for the first time since 1946, declining 3.3 percent. Florida resident population fell by 0.3 percent in 2009. The State has historically relied on population growth to bolster revenue collections. However, the national recession was much more widespread throughout all regions of the U.S. than has typically been the case, and many who would like to move to Florida have been unable to because they cannot sell their existing homes. Net migration to the state has stalled—projections are for only a 0.4 percent annual growth rate between 2009 and 2021. The result has been declining employment and falling revenue collections through 2010. Florida's unemployment rate peaked in December 2010 at 12 percent and has since fallen to 10.7 percent in July 2011.

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

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

The decline in business activity and the high unemployment rate make it more difficult for some taxpayers and parents to meet their remittance obligations. In some cases, they may delay payment as they deal with financial stress. This puts an additional demand on the Department of Revenue's resources to maintain and improve compliance rates.

Social Trends

While 67 percent of children in the United States live with both parents, 29 percent live with just one parent (the remaining four percent live with relatives, are in foster care, etc.). In Florida during calendar year 2010, there were 101,966 births to unwed mothers. The Florida Department of Health's Office of Vital Statistics reported that 33,992 marriages were dissolved in 2009, affecting 48,804 minor children. The persistently high divorce rate and the number of births to unwed mothers suggest that the national and state trend of increased demand for child support services will continue.

Regulatory Environment

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

Resource Availability

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

Gradually decreasing resource availability presents several challenges for state agencies:

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

Workforce Trends

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

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

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

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

Although some employees plan to work longer because of economic conditions, others may choose to retire sooner because of changes to employment conditions or benefits. The Department of Revenue currently has about 470 employees in the Deferred Retirement Option Program and approximately 1,000 employees (20 percent of our workforce) who will become eligible to retire within the next five years. Succession planning and knowledge transfer will be important to maintain continuity of operations and avoid losses in productivity as longtime employees retire and new employees take on their responsibilities.

Trends in State Government

The Governor, Cabinet, and Legislature continue looking for ways to reduce state spending while maintaining key services. For several years, all agencies have been actively participating in the consolidation of information technology services. (See "Technology Environment – State Information Technology Management" below.) Another concept currently under discussion is the centralization of administrative support functions that are common to all agencies. The Governor has asked all agencies to review their administrative processes and identify those that could be efficiently administered centrally.

Technology Environment

Advances in Technology

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

Trends in Internet Use

Continuous access, self-service, and the use of social media have become the norm in customer expectations for both public and private sector services. Citizens expect government information systems to perform accurately, securely, consistently, and continuously. Risks associated with hackers, viruses, and network or system outages are increasing as more government services become automated and people begin to rely on these online services. Cooperative interagency planning is required to maintain statewide data integrity and consistency, to reduce costs and redundancies, and to help ensure programmatic effectiveness and efficiencies.

State Information Technology Management

Over the past few years, the Florida Legislature has passed several measures that require the centralization of many of the information technology functions of state agencies.

Full Service Transfer/Data Center Consolidation

The transfer of positions, budget, and responsibilities to the two Primary Data Centers where Revenue equipment is currently housed was completed in September 2010. Revenue transferred selected hardware and software contracts to the Southwood Shared Resource Center (SSRC) in June of 2011, retaining the hardware and software contracts for assets at the Northwest Regional Data Center (NWRDC). Under the direction of the Agency for Enterprise Information Technology, the

final wave of data center consolidation is currently under way. The transfer of information technology assets from the Department of Revenue data center at 5050 West Tennessee Street to the SSRC is scheduled for FY 2012-13 and will complete the incorporation of the Department's technology systems into the State's Shared Resource Centers.

Email Transition

With the Agency for Enterprise Information Technology taking the lead, the State has selected Microsoft Outlook as the single email service for all state agencies. The Department of Revenue is included in Phase One of the implementation, which is scheduled for completion by the end of calendar year 2011. Revenue will be transitioning from Novell GroupWise to Outlook.

Security

Effective November 15, 2010, Rule 71-A of the Florida Administrative Code, the "Florida Information Technology Resource Security Policies and Standards," established uniform procedures for all state agencies to follow to ensure the security of information systems. Revenue's Information Security Manager participated on the interagency team that developed the security strategic planning process, which is established in the rule. The rule affects agencies' hiring and personnel management practices as well as the management of information systems and the data they contain. As directed by the Agency for Enterprise Information Technology, Revenue is reviewing all security policies, procedures, and systems to identify and correct gaps between our practices and the requirements of the rule.

Agency Response to the Changing Environment

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

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

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

Each of Revenue's five programs has developed many specific strategies for the next five years, each of which is based on one or more of these criteria. Below are listed each program's key strategies.

Child Support Enforcement Strategies

Understanding the impact of the current economic climate on customers and resource availability, the Child Support Enforcement Program has identified four critical areas of strategic focus for the next five years.

- Implement the Child Support Enforcement Automated Management System (CAMS).
- Increase new support order establishments.
- Increase performance on current support and total collections.
- Implement new service delivery models.

Implement CAMS

For the next two to three years, increasing productivity through the implementation and refinement of CAMS will be Revenue's highest priority for the Child Support Enforcement Program. Several years ago, the Department realized that an effective automated system would be critical for the ongoing management of its ever-increasing workload (865,461 cases as of June 30, 2010). The legacy system Revenue has been using to manage child support was created in 1991, and is inefficient and inflexible compared to computer systems being developed today. User action is required for hundreds of routine tasks and modifying or improving the system is difficult and costly.

The first phase of CAMS was implemented in 2006. The functionality of Phase I includes: compliance determination, enforcement, location activities, and customer assistance support for enforcement.

The development of the second phase of CAMS began in February 2008. Implementation is planned for early in calendar year 2012. This phase includes functionality to support case creation, paternity establishment, support order establishment and modification, payment processing and funds 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 Online Recipient Integrated Data Access (FLORIDA) system, which is managed by the Department of Children and Families.

The full implementation of CAMS is expected to produce the following results:

- Automate routine tasks to free up staff time for more complex tasks.
- Increase collections.
- Improve data integrity and reporting.
- Improve performance on federal incentive measures to increase the potential for additional federal funding.
- Increase customer access to services.
- Reduce the expense and difficulty of implementing modifications to accommodate changes in federal and state requirements.

Following any major new technology implementation, the system's operations must be carefully monitored to identify functions or workflows that are not producing the intended results. The performance of CAMS will be systematically analyzed and improved to ensure that the Child Support Enforcement Program meets performance requirements for receiving federal incentive funding, and that the children and the State are receiving the most benefit possible from this system. The Program has identified the performance measures that will provide leading indicators of performance successes and possible declines post-CAMS implementation. These measures will be monitored closely to allow the Program to quickly prioritize system changes as well as to identify changes needed to overall strategies, performance targets, and allocation of resources.

Increase new support order establishments

Many enforcement and collection activities are being automated through CAMS. But before child support can be collected, a support order must be established. To take full advantage of the productivity potential of CAMS, we must establish support orders as quickly as possible. Over the past two years, the Department has implemented several strategies for increasing the number of support orders established, including flexible staffing, workflow improvements, and streamlining tasks using available technology. The number of orders established per year has increased 49 percent, from 39,279 in State Fiscal Year (SFY) 2008-09 to 58,484 in SFY 2010-11. However, the number of new requests for services per year also continues to increase, to approximately 165,000 in SFY 2010-11.

Strategies for increasing new support order establishments:

- Increase docket capacity by working with partners to add temporary hearing officers in judicial circuits with high pending workloads.
- Improve the efficiency of judicial referrals by changing the workflow of business processes leading up to initial judicial filing. These changes will reduce the number of judicial filings that result in dismissal.
- Increase the number of judicial referrals available for new order establishment by focusing resources on the business process and by continuing new performance measures and incentives implemented in FY 2010-11.

Increase performance on current support and total collections

To help families become and remain self-sufficient, Revenue must improve the reliability of child support payments. During the last federal fiscal year completed (FFY 2009-10), collections of current support increased 6.3 percent over the previous year. With increased support order establishment and more than 15,000 new service requests annually for enforcement of an existing order, the Program must increase its efficiency in bringing about the regular payment of support obligations.

Strategies for increasing performance on current support and total collections:

- Maximize the use of both automation and manual intervention through staff awareness and understanding of the CAMS design for compliance activities.
- Develop a standard communication approach that will maximize the effectiveness of staff interactions with noncompliant noncustodial parents.
- Improve the income withholding process.
- Select cases with no payments for review by region staff.
- Study the impact of policy decisions on performance.

Implement new service delivery models.

An important component of increasing productivity is handling customer service requests more effectively. The Department is implementing new service delivery models based on customer expectations, best practices research, pilot projects, and technology developments. In SFY 2010-11, the Department began the implementation of two strategies that are part of this focus. One is the implementation of a new call center system that has advanced capabilities for increasing efficiency. The system provides more flexibility for managing call volumes and can be configured for skill-based routing, directing calls to specialists based on their skill level. We expect to implement skill-based routing in 2012 with the deployment of CAMS. By providing a better service experience for the caller and enabling the resolution of more issues on first contact, our new call center system has the potential to make more productive use of employee time.

The second new service delivery model implemented in SFY 2010-11 is our first e-Services portal, through which parents can update their personal information and obtain case information. At its initial implementation in August of 2010, e-Services were available to approximately 442,000 customers. In May 2011, access was made available to an additional 225,000 customers. So far, more than 70,000 customers have signed up for e-Services.

Strategies for implementing new service delivery models:

- Expand the e-Services portal to include all customer types, case actions, and employers.
- Implement a new walk-in service delivery model that includes walk-up customer service stations and self-service computer terminals where customers can access the e-Services portal. The Program has also applied for a federal grant to pilot web-chat capabilities.
- Improve contact center performance by implementing skills-based routing that aligns with the CAMS system.

General Tax Administration Strategies

To improve effectiveness in collecting the tax dollars owed to the State in the current economic environment, Revenue's General Tax Administration Program is focusing on strategies in three key areas:

- Focus resources and staff time effectively through data analysis.
- Increase efficiency by automating processes.
- Make compliance easier for taxpayers through internet technology.

Employ collection analytics to increase tax collections

SUNTAX (Florida's unified tax administration system) was designed to make data available for reporting and analysis, so Revenue can allocate resources in a more effective manner. While the data is readily available, tools must be added to the system to evaluate, analyze, and report on the data. Currently, through a contract with a consultant, Revenue is developing collection analytics tools to work with

SUNTAX. These tools use the historical account information in SUNTAX to prioritize collections work and assign staff to cases with the highest potential for collecting more of the tax money owed to the State. The 2009 Revenue Estimating Conference (REC) projected additional revenues of approximately \$16.3 million annually through the use of collection analytics

Use third-party data to improve effectiveness

Alcoholic beverage and tobacco products data

The Governor's approval of HB 641 authorizes the Department of Revenue to receive reports from wholesalers and distributors of alcoholic beverages and tobacco products regarding their sales to dealers in Florida. By comparing a retailer's net wholesale purchases of alcohol and tobacco products with the amount of sales and use tax the retailer reports, the Department will identify retailers that are underreporting sales and use tax on these products.

Financial Information Data Match

The Department is currently exploring options for implementing a Financial Information Data Match (FIDM) program. In a FIDM program, an electronic file of the names and federal tax identification numbers of entities with outstanding tax warrants is compared to a bank's electronic file of account holders, providing the Department with immediate reports of possible matches for further collection activity.

Improve the audit selection process

Third party data will enhance and improve audit selection, enabling the Department to assign its auditors more effectively and increase its focus on tax gap issues. We will be partnering with the IRS beginning in 2012 (when the IRS will be able to provide this information) to receive vendor credit card transaction information to compare with taxpayer-reported sales. An additional strategy currently being developed is the use of third-party data to identify businesses that are using transfer pricing schemes as a means of minimizing corporate income tax due for either state or federal tax purposes.

Study the tax gap

The Department of Revenue continues work on determining and categorizing the Florida "tax gap." As the tax gap is better defined, existing strategies are reviewed and new strategies are identified for collecting these taxes that are owed to the State to ensure resources are applied for the best return on investment. For the current year, efforts are focusing on sales and use, corporate income, and communications services taxes. The increased use of third party data will play a critical role in identifying strategies to close the gap. The Department also is exploring options to leverage the agency's Rewards Program as a means of providing additional leads in an environment of diminishing resources.

Create one-stop registration for Florida businesses

One-stop registration for all business activities regulated by the State is the next logical step in making it easier for businesses to identify and comply with their obligations. Revenue has implemented online and paper one-stop registration for all the taxes and fees it administers, and looks forward to working with the Department of State, the Department of Business and Professional Regulation, the Florida Lottery, and others to expand this concept to all of state government.

Trends and Conditions

The initial focus for one-stop registration will be to:

1. Establish a common online portal for new businesses to complete registration requirements with various agencies, including the Department of Business & Professional Regulation, Department of Revenue, Department of State, the Florida Lottery and the Department of Financial Services (Worker's Compensation).
2. Expand to existing businesses and provide transactional functionality.
3. Expand to additional agencies.
4. Transition to a permanent structure.

Increase the number of e-filers

When taxpayers register, file, and pay electronically, errors and processing costs are reduced and tax payments are deposited into state bank accounts sooner. Revenue continues to promote the use of e-registration and e-filing and to improve the online experience for taxpayers. In FY 2010-11, 69 percent of tax registrations were completed electronically, up from 68 percent the previous year.

Thirty-seven percent of registered sales tax filers filed and paid sales tax electronically during FY 2010-11, up from 34 percent in FY 2009-10. Although by law only businesses that pay over \$20,000 of tax annually are required to file and pay electronically, Revenue encourages all taxpayers to use this method. Of all taxpayers who filed electronically in 2010-11, 69 percent did so voluntarily, up from 62 percent the previous year.

Increase the use of electronic communication

The Department continues to explore ways to use electronic communication to increase the efficiency of agency operations. Currently the Department is piloting the use of social media to communicate tax information relevant to taxpayers. Our first Twitter message directed taxpayers to information about the August 12-14, 2011, sales tax holiday.

Expand remote deposit

Electronic deposit of checks from remote locations improves security, saves labor and postage costs, and increases the interest the State receives on tax payments. Revenue has implemented remote deposit of sales tax checks through Image Cash Letter technology at 23 in-state service center and headquarters locations. The Department expects to complete the development of software to enable the remote deposit of unemployment tax payments in September 2011. The next tax to be added will be corporate income tax, scheduled for implementation in February 2012.

The Department plans to expand remote deposit to the nine remaining General Tax Administration locations, including out-of-state service centers, during FY 2011-12. The goal for the next several years is to continue adding specific taxes until all checks are deposited by Image Cash Letter technology.

Property Tax Oversight Strategies

Use low-cost technology solutions to increase productivity

Revenue's Property Tax Program currently is allocated 174 positions. This is approximately the same number of positions as before the Program's responsibilities were significantly increased through four years of legislative changes. To continue to keep pace with the demand for services and to maintain diligence in overseeing critical property tax activities, Revenue must use technology to streamline or automate work processes, improve communication with local officials, and make data easier to access and analyze. We have developed a comprehensive information technology vision for the Program to migrate toward the electronic submission of all information required from local governments.

Trends and Conditions

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

Develop an integrated property tax business warehouse

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

Establish e-portals for submission of documents by local officials

By establishing e-portals for the submission of property tax documents by local officials, Revenue will streamline the review process for both local governments and the Department. E-TRIM is the first e-portal developed for property tax. The system performs automatic error checks as data is entered by a local official, eliminating most of the errors that can occur with paper documents. Twenty counties are currently using the E-TRIM system and, as resources permit, we plan to expand its use to the other counties. With full implementation, we expect to reduce cycle time for the review of TRIM and millage levying information by 50 percent.

Improve internal workflows through automation

The Property Tax Oversight Program has developed an internal document-sharing environment in Microsoft SharePoint to automate workflows and streamline content management. This tool enables the Department to eliminate some redundant and labor-intensive activities and ensures quick access to information, increasing individual productivity.

The first workflow implemented is the tax roll review process. Eight or nine different people must each review a county tax roll, focusing on different aspects of the roll. The workflow developed in SharePoint automates the process of transferring responsibility for the document from one reviewer to another, while the document is maintained in an online library that tracks changes and allows version control. This process is so much more efficient that the Department was able to complete 2011 roll review one month earlier than usual. Having the tax roll approved earlier gives the counties more time to schedule budget hearings, produce TRIM notices, and complete other required activities. Spreading the counties' annual budget process workload over a longer time period will reduce stress on county staff, resulting in fewer errors, and lessening the likelihood of having to reissue required notices, which can cost a county hundreds of thousands of dollars.

Enhance tax roll review and analysis

Revenue continues to focus on the improvement of our most critical oversight responsibility: tax roll evaluation. With more than eleven million parcels of property statewide, we must rely on statistical sampling to verify the level of assessment of each county's tax roll. The Department continues to implement state of the art mass appraisal and statistical sampling best practices endorsed by the International Association of Assessing Officers (IAAO).

Mitigate financial impact of budget reductions on counties

Appraising properties is a dynamic profession that is constantly evolving as market conditions fluctuate and new technologies are developed. In addition, the role of tax collectors is rapidly evolving as former state services (such as driver licenses) are being delegated to local governments. Revenue recognizes the need to provide up-to-date information and training to local officials, but also understands that property appraisers and tax collectors need to reduce spending. Revenue is developing online training and certification courses, which enable local governments to reduce travel and training costs while still obtaining the continuing education and professional certifications they need to fulfill their responsibilities.

Executive Direction and Support Services Strategies

Identify opportunities to reduce costs through shared administrative services

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

Revenue has been identifying opportunities within the agency to save money by procuring some commodities and services centrally, most significantly the leasing of copiers. By combining all copier leases into one contract, we obtained better pricing and established more control over decisions that impact the cost of copying, reducing costs by approximately \$290,000 a year. Significant savings might be achieved by centralizing some purchasing decisions, such as the leasing of copiers, across state agencies. (See "Support Programs: Saving money on copying and printing" in the "Results" section.)

Reduce leasing costs

Using the new leasing process Revenue implemented in FY 2009-10, Revenue will continue decreasing the amount of square footage it occupies and obtaining more favorable lease terms, mitigating projected increases in lease costs. Using the new process, Revenue has reduced the projected cost of its private leases by approximately \$4.5 million over the next five years.

Elements of our standardized leasing process include:

- Evaluation of options begins 36 to 24 months out from the date a lease will expire or renew.
- Required use of tenant brokers.
- Cost-reduction strategies, including square footage reduction through more efficient use of space, rate reduction negotiations, alternate work arrangements, and co-location.
- Step-by-step procedures, with time standards for completion of individual tasks.
- A leasing database that tracks information and provides reports.
- Guidelines for the bid process.
- Use of an "office calculator" (formula) for determining space requirements.
- Performance metrics to enable us to identify gaps and possible improvements.
- An exception process, including the requirement for a business case justifying each deviation from space utilization standards.

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

implement alternate work arrangements in situations where they will enhance employee and Department effectiveness.

Maintain a skilled, effective workforce

Revenue's success in achieving its mission depends on the participation of skilled, motivated, and engaged employees. Therefore, one of our most important strategies for improving productivity is to improve processes for managing and meeting the needs of our workforce. These workforce-related business processes include employee relations; classification; compensation; benefits; staffing services such as recruitment, hiring and on-boarding; training and employee development; emergency management; recognition; health and wellness; and workforce information management.

Strategies for the next five years include the following:

Develop an accurate and responsive classification and compensation system to meet the Department's business goals

To support the application of consistent criteria to the classification and pay of individual Revenue positions, the Office of Workforce Management is developing processes and tools that will provide up-to-date classification and pay information about each Revenue position. Included will be position descriptions that accurately describe job duties and expectations; pay and benefit information that includes factors related to geographic location; and an organizational structure that supports Revenue's core processes and identifies occupational groups across the agency. As the first steps in implementing this strategy, the Office of Workforce Management is currently migrating human resources documents and files to an electronic format and enhancing the Department's position description database.

Decrease the time and cost of filling vacancies

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

Activities include:

- Identify and eliminate non-value-added tasks in the hiring process.
- Establish a qualified candidates' pool for hard-to-fill and high turnover positions.
- Streamline the applicant skills verification process.
- Simplify the interviewer certification requirements.

Develop solutions for hard-to-fill positions

In some geographic areas, it is difficult to hire and retain qualified individuals in certain types of positions, such as tax auditor, information technology, and property appraiser jobs. Factors may include better compensation offered by local government or the private sector, or an inadequate supply of job seekers with the required expertise. The Department is conducting comparative pay studies on hard-to-fill positions and will use the data gathered to help in the identification of strategies for hiring and retaining employees in these positions.

Ensure consistency in human resource-related policies

To ensure consistency and fairness in the relationship between the Department and its employees, the Office of Workforce Management is reviewing and revising existing human resources policies, and developing new policies and procedures as needed. One of the key policies to be addressed is

related to employee discipline and corrective action. Improvements will include clarification of the discipline process for at-will employees; enhancing the Corrective Action Plan process to encourage employee performance; establishment of a comprehensive discipline-related data collection and reporting process; and implementation of an education program for supervisors and employees regarding the corrective action and discipline processes.

Improve financial management

The Office of Financial Management within the Executive Direction and Support Services Program coordinates and aligns Revenue's budget, purchasing, facilities, and accounting functions to ensure that the Department manages resources consistent with the Legislature's intent, avoids waste and fraud, and continually identifies opportunities to increase efficiency and save money. Key strategies for improving the management of Revenue's finances include the following.

Make meaningful financial data more accessible to decision-makers

Use available technology tools to create reports that integrate the Department's financial information with performance data for use in budgeting, forecasting, planning, and resource management. In FY 2010-11, Revenue completed two projects that are part of this strategy: We created monthly management reports detailing rate usage and expenditures by program, category and object code; and we streamlined our existing object codes and organizational codes to simplify and standardize expenditure capture within the Department. Location-based cost analysis is currently being developed and will be implemented on our intranet site within the current fiscal year. The incorporation of database query tools will allow the full implementation of an agency dashboard by the end of FY 2012-13.

Improve payment processing

Improve the Department-wide process for managing receipts, invoices, and payments to increase efficiency and ensure compliance with statutory payment requirements. As part of this strategy, during FY 2010-11, the Department's Finance and Accounting staff developed an invoice management system that tracks invoice processing activities. When implemented, the system will produce reports on individual performance, enabling us to identify areas where additional training should be provided and to give helpful feedback to individual employees. Development has begun on a tool to record receipt of checks and warrants electronically.

Prevent waste by increasing the effectiveness of review processes

Save work time and decrease costs by improving review procedures and internal controls that could be streamlined and/or made more effective. For example, the Department is currently piloting a procedure for the review of long distance phone calls. Because of the volume of long distance call activity, a review of every item is not possible. Finance and Accounting staff developed parameters for identifying possible non-business calls, which are used to produce exception reports. Managers review these exception reports to identify actual non-business calls and identify telephone accounts that need further review.

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

Ensure accountability by improving consistency and reporting for contracts

Establish a consistent contract management process across the agency and create a centralized system of recordkeeping for deliverables, vendor performance, budget, and corrective action plans,

ensuring services meet the Department's objectives. Identify and report agency-wide contract management data.

Decrease costs through effective asset management

Redesign the department-wide process for asset management, including acquisition, recording, inventory, and disposal, to ensure the best use of state resources, and compliance with statutes and rules. In FY 2010-11, a cross-program team developed a new surplus property procedure formalizing best practices to ensure that usable surplus property is made available throughout the Department and to other state agencies before being disposed of in any other way. We are currently developing an asset management tracking system to process transfer and surplus documents and streamline approvals. We are also planning the development of a centralized supply management system, to ensure new supplies are not ordered when they are available from another Revenue office.

Information Services Strategies

Improve information technology management

Plan effectively to support business results

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

To position the Department to meet evolving needs and make informed decisions, information architecture must be designed so that it quickly satisfies business requirements, provides reliable and consistent information, and seamlessly integrates applications into business processes. To accomplish this, the Information Services Program has developed a technology infrastructure plan that sets clear and realistic expectations of what technology can offer in terms of products, services and delivery. The plan is regularly updated and includes information about systems architecture, technological direction, acquisition plans, standards, migration strategies, and contingency plans. This makes it possible to respond timely to changes in the competitive environment. It also helps improve coordination between platforms and applications.

Adopt best practices for information technology

Revenue applies the Information Technology Service Management (ITSM) model to its implementation and management of information resources. ITSM focuses on enabling an organization to achieve its business outcomes by providing services that are aligned with and responsive to business needs. Revenue is in the fourth year of its five year plan to roll out ITIL (Information Technology Infrastructure Library) best practices for the management of information technology infrastructure and is also on track to achieve International Organization for Standardization (ISO) 20000 certification by 2012. Adopting ITIL and ISO standards is helping the Department ensure that shrinking technology resources are used in the most efficient way possible.

Improve information technology security

The Department will continually review and improve systems for protecting the confidential information of our employees and the citizens we serve. The Information Services Program is implementing Data Loss Prevention technologies to monitor the movement of sensitive data.

Additionally, the Program is implementing web application security testing on external web applications.

Efforts to increase security will not be confined to the implementation of technological systems, but will include updating policies and procedures to meet the new legal requirements and ensuring that all employees receive regular training and information to help them effectively safeguard information.

Reduce Information Technology Costs

Migrate to less expensive hardware and software

A key strategy of our Information Services Program is to continually reevaluate existing systems and commercially available alternatives to find opportunities to standardize and decrease costs. In August 2011, we replaced the hardware platform for our Child Support Enforcement Automated Management System with hardware that is much less expensive to maintain. A similar transition for our unified tax administration system, SUNTAX, in FY 2008-09 is saving the Department over \$400,000 a year.

"Buy it once; deploy it many times"

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

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

Incident reporting and tracking During the past year, we expanded our use of Hewlett Packard's Service Manager 7 to include incident reporting and service requests to the Northwest Regional Data Center, which now is using Service Manager 7 to track Department of Revenue requests within the Data Center. This system automates the requesting, assigning, routing, and tracking of work assignments and enables reporting to evaluate process effectiveness. Both the Data Center and the Department of Revenue are saving time through increased efficiency.

Project management Within Revenue, additional capabilities of HP's Project and Portfolio Management software have been implemented to establish a more formalized process for review and prioritization of information technology proposals, including the requirement of a business case to ensure resources are only committed when measurable improvement can be demonstrated. Revenue plans to continue identifying opportunities to improve productivity through the use of this powerful tool for managing the use of resources.

Document and workflow management Microsoft SharePoint is gradually being implemented throughout the agency to manage and share information both internally and with external customers. This tool is helping to eliminate redundant effort and ensure quick access to information, increasing individual productivity. SharePoint makes accessing documents quick and easy, streamlines and coordinates review and revision, and minimizes errors in document handling. With user training, non-technical personnel can create and maintain applications using this software. As more employees become proficient in SharePoint, the need for participation of computer experts in the development of

applications for employee use will be lessened. Employees will get time-saving tools more quickly, and technical staff will be able to focus on major IT projects.

In FY 2010-11, the Department completed the development of several SharePoint applications including a major internal document-sharing, workflow, and approval environment for the Property Tax Oversight Program. This application streamlines content management and automates workflows among six different groups, enabling employees to use their time more productively. Several content sites have recently been completed, including a site for employee reporting of possible workplace problems, an ITSM (Information Technology Service Management) document library, and multiple replacements for internal forms and workflows used by the Office of Workforce Management.

Projects currently under development include:

- Rehosting the Department's intranet web pages.
- Migrating the existing Tax Law Library into a SharePoint Site Collection.
- Establishing a Central Document Library to support the implementation of CAMS Phase II.
- Migrating all the Department's web content into SharePoint.

Changes That Would Require Legislative Action

Corporate income tax “Piggyback”

Statutory Reference: Section 220.03, Florida Statutes

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

Proposed Change: The proposal would adopt the 2012 version of the Internal Revenue Code.

Delinquent taxpayers: Security requirements for new registrations

Statutory Reference: Section 212.14, Florida Statutes

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

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

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

“Zappers”

Statutory Reference: Section 213.295, Florida Statutes

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

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

In-depth review standards

Statutory Reference: Section 195.096, Florida Statutes

Current Situation: The level of assessment produced for each classification of property or stratum studied as part of the Department’s in-depth review is required to be produced with a 95 percent level of confidence, which is not always attainable or most appropriate standard due to lack of data or small sample sizes that are available.

Proposed Change: The proposal would change the requirement for 95 percent level of confidence for the level of assessment to a statistically reliable standard that is based on generally accepted standards published by a professional appraisal organization.

Potential Policy Changes Affecting the Agency's Budget Request

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

Task Force Participation

At this time, the Department of Revenue is not participating on any Task Force.



Performance Measures and Standards – LRPP Exhibit II

Performance Measures and Standards - Exhibit II

Department: DEPARTMENT OF REVENUE

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

Approved Performance Measures (Words)	Approved FY 2010-11 Standard (Numbers)	Prior Year Actual FY 2010-11 (Numbers)	Approved FY 2011-12 Standard (Numbers)	Requested FY 2012-13 Standard (Numbers)
Administrative costs as a percent of total agency costs (not including revenue sharing)	4.76%	4.78%	5.05%	5.19%
Administrative positions as a percent of total agency positions	5.04%	5.11%	5.07%	5.05%

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 2010-11 Standard (Numbers)	Prior Year Actual FY 2010-11 (Numbers)	Approved FY 2011-12 Standard (Numbers)	Requested FY 2012-13 Standard (Numbers)
Percent of classes/subclasses studied (for in-depth counties) & found to have a level of assessment of at least 90%	90.0%	90.7%	Measure deletion by approved budget amendment	N/A
Number of in-depth classes studied with a statistically valid sample	85	66	Measure deletion by approved budget amendment	N/A
Number of refund/tax certificate applications processed	5,000	4,084	5,000	3,000
Number of Truth-in-Millage / Millage Levy forms processed	5,000	7,483	5,000	5,000
Number of parcels studied to establish in-depth level of assessment	New measure approved for FY 2011-12	21,340	20,000	20,000
Statewide Level of Assessment	New measure approved for FY 2011-12	96.2%	96.8%	97.0%
Percent of property value studied with a statistically reliable sample*	N/A	N/A	New measure requested FY 2012-2013	90.0%

*Agency will submit a budget amendment requesting new measure and standards for FY 2011-12 and FY 2012-13.

73200700 Compliance Assistance

Approved Performance Measures (Words)	Approved FY 2010-11 Standard (Numbers)	Prior Year Actual FY 2010-11 (Numbers)	Approved FY 2011-12 Standard (Numbers)	Requested FY 2012-13 Standard (Numbers)
Number of hours of Aid & Assistance consultation provided to elected officials	3,000	1,016	Measure deletion by approved budget amendment	N/A
Percent of users of PTO Compliance Assistance satisfied with the services provided*	90.8%	95.3%	94.0%	94.0%
Number of student training hours provided	38,000	18,637	15,225	16,000
Number of railroad and private carlines centrally assessed	225	247	237	237
Number of inquiries from taxpayers and local governments answered	New measure approved for FY 2011-12	16,915	14,400	14,000
Number of square miles mapped using aerial photography	New measure approved for FY 2011-12	15,005	15,000	15,000
Number of Budget Submissions and Amendments Reviewed	New measure approved for FY 2011-12	515	485	475
Number of reports produced for the Revenue Estimating Conference and other stakeholders	N/A	N/A	New measure requested 2012-2013	270

*Agency will submit a budget amendment requesting new measure and standards for FY 2011-12 and FY 2012-13.

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 2010-11 Standard (Numbers)	Prior Year Actual FY 2010-11 (Numbers)	Approved FY 2011-12 Standard (Numbers)	Requested FY 2012-13 Standard (Numbers)
Percent of IV-D cases missing critical data elements necessary for next appropriate action	16.0%	14.8%	15.5%	15.0%
Total number of cases maintained during the year	1,130,000	1,130,320	1,200,000	1,120,000
Total number of individual educational contacts and inquiries answered	14,500,000	17,861,924	17,000,000	18,000,000

73300700 Remittance and Distribution

Approved Performance Measures (Words)	Approved FY 2010-11 Standard (Numbers)	Prior Year Actual FY 2010-11 (Numbers)	Approved FY 2011-12 Standard (Numbers)	Requested FY 2012-13 Standard (Numbers)
Percent of State Disbursement Unit collections disbursed within 2 business days of receipt	98.0%	99.2%	98.0%	98.0%
Percent of State Disbursement Unit IV-D collections disbursed within 1 business day of receipt(SFY)*	New Measure Requested FY 2012-13	99.3%	N/A	99.0%
Total number of collections processed(SFY)	11,100,000	10,634,731	11,400,000	10,750,000
Total number of collections distributed(SFY)	10,500,000	10,085,295	10,600,000	10,200,000

*Agency will submit a budget amendment requesting new measure and standards FY 2012-13.

73300800 Establishment

Approved Performance Measures (Words)	Approved FY 2010-11 Standard (Numbers)	Prior Year Actual FY 2010-11 (Numbers)	Approved FY 2011-12 Standard (Numbers)	Requested FY 2012-13 Standard (Numbers)
Percent of IV-D cases with an order for support (federal definition)	75.5%	75.5%	74.5%	75.5%
Total number of paternities established and genetic testing exclusions	110,000	103,752	100,000	100,500
Total number of newly established and modified orders	42,000	59,822	40,000	43,800

* Estimated through the end of the 2010-11 federal fiscal year. Final data available January 2012.

73300900 Compliance

Approved Performance Measures (Words)	Approved FY 2010-11 Standard (Numbers)	Prior Year Actual FY 2010-11 (Numbers)	Approved FY 2011-12 Standard (Numbers)	Requested FY 2012-13 Standard (Numbers)
Percent of current support collected (federal definition)	54.0%	53.3%	53.0%	54.0%
Percent of Support Collected and Distributed during the Year that was due Within the Federal Fiscal Year(FFY)**	New Measure Requested FY 2012-13	67.0%	N/A	67.0%
Total number of obligated unique cases identified for compliance resolution	650,000	689,914	715,000	705,000
Total number of actions processed during the year	3,300,000	3,516,313	3,400,000	3,400,000

* Estimated through the end of the 2010-11 federal fiscal year. Final data available January 2012.

**Agency will submit a budget amendment requesting new measure and standards for FY 2012-13.

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 2010-11 Standard (Numbers)	Prior Year Actual FY 2010-11 (Numbers)	Approved FY 2011-12 Standard (Numbers)	Requested FY 2012-13 Standard (Numbers)
Percent of tax returns reconciled within 30 days	99.0%	97.9%	Request Measure Deletion	N/A
Percent of tax returns reconciled within 25 days	New Measure Requested FY 2011-12	N/A	98%	98%
Average number of days from receipt of payment to deposit	0.32	0.29	0.28	0.28
Percent of unemployment compensation taxes deposited within three days of receipt	100.0%	100.0%	100.0%	100.0%
Percent of taxpayer-claimed refunds processed within 90 days* Methodology change in FY 2011-12	94.0%	94.0%	94.0%	94.0%
Percent of distributions made timely	94.0%	93.0%	95.0%	96.0%
Number of accounts maintained* Methodology change in FY 2011-12	1,400,000	1,366,871	940,000	940,000
Number of tax returns processed	8,400,000	8,498,336	8,400,000	8,400,000
Number of distributions made	39,600	40,506	39,600	39,600
Number of refund claims processed	125,000	136,574	125,000	125,000

*Agency will submit a budget amendment requesting new standards for FY 2011-12 and FY 2012-13.

73401100 Taxpayer Aid

Approved Performance Measures (Words)	Approved FY 2010-11 Standard (Numbers)	Prior Year Actual FY 2010-11 (Numbers)	Approved FY 2011-12 Standard (Numbers)	Requested FY 2012-13 Standard (Numbers)
Percent of educational information/assistance rendered meeting or exceeding taxpayers' expectations*	96.0%	88.0%	88.0%	88.0%
Number of taxpayers provided with direct assistance or education	8,500,000	8,653,534	8,500,000	8,500,000
Number of calls answered by Call Center agents	983,000	801,098	1,007,700	983,000

*Agency will submit a budget amendment requesting new standards for FY 2011-12 and FY 2012-13.

73401200 Compliance Determination

Approved Performance Measures (Words)	Approved FY 2010-11 Standard (Numbers)	Prior Year Actual FY 2010-11 (Numbers)	Approved FY 2011-12 Standard (Numbers)	Requested FY 2012-13 Standard (Numbers)
Percent of tax compliance examinations resulting in an adjustment to a taxpayer's account - change in title and methodology FY 2010-11	65.0%	61.0%	65.0%	65.0%
Number of filing compliance exams completed and resulting in a notice of additional liability	1,700,000	1,674,585	1,700,000	1,700,000
Number of taxpayers selected for a tax compliance examination	34,880	34,020	34,890	36,900
Number of audits completed	20,000	21,677	20,000	22,000
Number of discovery examinations completed	14,000	11,386	14,000	14,000
Number of criminal investigations completed	880	957	890	900
Number of audit disputes resolved	1,600	2,362	1,600	1,600

Performance Measures and Standards - Exhibit II

Department: DEPARTMENT OF REVENUE

73401300 Compliance Resolution

Approved Performance Measures (Words)	Approved FY 2010-11 Standard (Numbers)	Prior Year Actual FY 2010-11 (Numbers)	Approved FY 2011-12 Standard (Numbers)	Requested FY 2012-13 Standard (Numbers)
Percent of collection cases resolved in less than 90 days	66.0%	60.3%	66.0%	66.0%
Accounts receivables as a percent of total revenues*	2.0%	1.4%	16.0%	15.0%
Percent of receivables reaching uncollectible status/available for write-off	8.0%	17.0%	7.0%	15.0%
Number of collection cases resolved	1,200,000	1,048,019	1,200,000	1,200,000

*Agency will submit a budget amendment requesting new standards for FY 2011-12 and FY 2012-13.

Performance Measures and Standards - Exhibit II

Department: DEPARTMENT OF REVENUE

73710000 Program: Information Services Program
 73710100 Information Technology

Approved Performance Measures (Words)	Approved FY 2010-11 Standard (Numbers)	Prior Year Actual FY 2010-11 (Numbers)	Approved FY 2011-12 Standard (Numbers)	Requested FY 2012-13 Standard (Numbers)
Information technology costs as a percent of total agency costs	3.44%	3.78%	3.87%	4.69%
Information technology positions as a percent of total agency positions	3.63%	3.53%	3.53%	3.38%



Assessment of Performance for Approved Performance Measures – LRPP Exhibit III

Exhibit III – CSE Performance Measures Assessment Forms

Department: Department of Revenue
Program: Child Support Enforcement
Service/Budget Entity: Child Support 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
11,100,000	10,634,731	-465,269	-4.2%

Factors Accounting for the Difference:

Internal Factors (check all that apply):

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

Explanation:

The difference between the actual performance and the approved standard for the measure is due primarily to a decline in non IV-D collection transactions by 7% from the previous SFY and a decline in unemployment intercepts.

External Factors (check all that apply):

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

Explanation:

The Program does not enforce non IV-D cases administered by the Clerks of the Court.

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 shortfall in the Total Number of Collections Processed transactions can be attributed to the economy and the 11.4% unemployment rate in Florida, factors over which the Program has no control. However, the Program received a total of \$1.83 billion (\$1.58 billion Title IV-D; \$253.8 million non IV-D).

Exhibit III – CSE Performance Measures Assessment Forms

Department: Department of Revenue
Program: Child Support Enforcement
Service/Budget Entity: Child Support Remittance and Distribution
Measure: Total number of collections distributed

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	10,085,295	-414,705	-3.9%

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

Explanation:

The difference between the actual performance and the approved standard for the measure is due primarily to a decline in non IV-D collection transactions by 7% from the previous SFY and a decline in unemployment intercepts.

External Factors (check all that apply):

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

Explanation:

The Program does not enforce non IV-D cases administered by the Clerks of the Court.

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 shortfall in the Total Number of Collections Distributed transactions can be attributed to the economy and the 11.4% unemployment rate in Florida, factors over which the Program has no control. However, the Program distributed a total of \$1.834 billion (\$1.58 billion Title IV-D; \$254.4 million non IV-D).

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 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
110,000	103,752	-6,248	-5.6

Factors Accounting for the Difference:

Internal Factors (check all that apply):

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

Explanation:

The approved standard was based upon the estimated total statewide out-of-wedlock births. The downward trend in statewide out-of-wedlock births continues for the third consecutive year, resulting in an inflated standard.

External Factors (check all that apply):

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

Explanation:

For the past three years there has been decline in the number of statewide out-of-wedlock births. The decline in the population of children needing paternity established negatively impacts the Program's ability to meet this standard.

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

- Training Technology
 Personnel Other (Identify)

Recommendations:

The difference between the standard and actual performance is due to the reduction of children available for paternity establishment, a factor outside of the Program's control.

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 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
54%	53.3%	-0.7%	-1.3%

Factors Accounting for the Difference:

Internal Factors (check all that apply):

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

Explanation:

The Program has locked down the production environment while work is being completed on the Child Support Enforcement Automated Management System (CAMS). A prioritization process was implemented to allow only emergency changes to CAMS. As a result, any new enhancement projects to improve automated processes have been deferred until the project's completion.

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:

Florida's unemployment rate averaged 11% during the state fiscal year. Due to the high unemployment rate as well as the effects of the Deep Water Horizon Oil Spill, business partners ordered to provide child support were not able to meet their full obligation. These events had an adverse effect on this measure.

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

- Training Technology
 Personnel Other (Identify)

Recommendations:

Income Deduction is the most reliable way to get support payments timely. The Program initiated several strategies to close the gaps in our income withholding process. In an effort to increase payments through income deduction, the Program sent notices to employers who are not complying with new hire reporting laws. In addition, the Program targeted income sources such as unemployment in other states and pending Social Security benefits to ensure income withholding is initiated for all available income types.

The Program initiated monthly reviews of cases with a current support obligation and no payments in one, two and three years. These reviews generated various actions, some of which resulted in support payments.

CAMS is scheduled to be operational in February of 2012. The Program will then be able to implement projects to enhance enforcement activities.

Exhibit III – GTA Performance Measures Assessment Forms

Department: Department of Revenue
Program: General Tax Administration
Service/Budget Entity: Tax Processing
Measure: Percent of distributions made timely

Action:

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

Approved Standard	Actual Performance Results	Difference (Over/Under)	Percentage Difference
94%	93%	-1%	-1.1%

Factors Accounting for the Difference:

Internal Factors (check all that apply):

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

Explanation:

N/A

External Factors (check all that apply):

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

Explanation: In July, a large fuel wholesaler took advantage of the Amnesty program and filed their return without payment. This created a negative impact for large counties. Distribution gallons were researched and verified delaying the distribution. Revenue distributions are not considered complete until warrants are printed or electronic fund transfers (EFTs) are issued by the Department of Financial Services (DFS). EFTs and warrants were completed beyond the Department's target (25th day of the month) by DFS in August and November of 2010 concerning fuel tax and communications services tax respectively.

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

- Training Technology
 Personnel Other (Identify)

Recommendations: The external factors impacting 2010-11 distribution timeliness were isolated and are not expected to impact future reporting periods.

Exhibit III – GTA Performance Measures Assessment Forms

Department: Department of Revenue
Program: General Tax Administration
Service/Budget Entity: Tax Processing
Measure: Number of accounts maintained

Action:

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

Approved Standard	Actual Performance Results	Difference (Over/Under)	Percentage Difference
1,400,000	1,366,871	-33,129	-2.4%

Factors Accounting for the Difference:

Internal Factors (check all that apply):

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

Explanation:

N/A

External Factors (check all that apply):

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

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

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

- Training Technology
 Personnel Other (Identify)

Recommendations: The Department intends to submit a budget amendment changing the measurement methodology and approved standard regarding this output measure beginning with the 2011-12 fiscal year. Historically, the measure was derived by counting the number of active tax accounts. Our proposed change aligns the measurement with the SUNTAX one-stop philosophy of managing tax obligations at the entity level. Given that the majority of business partners are associated with more than one tax account, or obligation, this will be a more accurate representation of the number of persons/entities the Department supports and serves.

Exhibit III – GTA Performance Measures Assessment Forms

Department: Department of Revenue
Program: General Tax Administration
Service/Budget Entity: Taxpayer Aid
Measure: Percent of educational information/ assistance rendered meeting or exceeding taxpayers' expectations

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
96%	88%	-8%	-8.3

Factors Accounting for the Difference:

Internal Factors (check all that apply):

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

Explanation: During the first quarter of 2011 the Department had a backlog of emails requiring responses. These months historically experience increased demand regarding tax information and it was anticipated that survey responses would reflect a lower satisfaction rating. Upon further review it appears there has been a 31% decline in the number of surveys and responses received in FY 10-11 vs. FY 09-10. In addition, the Department experienced numerous problems with the implementation of the new phone system.

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: Implementation of the new phone system impacted the Department's survey process by automating the phone surveys. The Department has noticed a substantial decline in customer satisfaction since the transition. When Taxpayer Services staff conducted the surveys they had the opportunity to clarify the questions being asked. For example, clarifying that call center staff were not asking about the satisfaction of the answer the taxpayer was given (e.g., denial of a compromise, or told they had to register to pay taxes), but rather questioning the satisfaction of the service provided by the agent. In addition, we've experienced numerous problems with the implementation of our new phone system: excessive downtime of the 1-800 number, problems with delivery of calls to the agents, agents unable to log into the system (thus, less agents), excessive queue wait times, and excessive busy signals at the 800 number level. Although these problems occur less frequently, complications still happen occasionally. We are continuing to work with the phone system vendor to resolve these issues and have requested additional technical training on the system.

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

- Training Technology
 Personnel Other (Identify)

Recommendations: The Department will continue to work with the vendor on improving phone system performance. In addition, the Department will explore options in improving our survey tools.

Exhibit III – GTA Performance Measures Assessment Forms

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

Action:

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

Approved Standard	Actual Performance Results	Difference (Over/Under)	Percentage Difference
983,000	801,098	-181,902	-18.5%

Factors Accounting for the Difference:

Internal Factors (check all that apply):

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

Explanation: The standard for FY 2010-11 included an increase in calls related to the tax amnesty program (July – September 2010) along with anticipated legislative changes regarding unemployment compensation tax and may have been overestimated.

External Factors (check all that apply):

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

Explanation: As previously stated, the Department experienced numerous problems with the implementation of a new phone system which impacted call center performance. Issues such as: excessive downtime of the 1-800 number, problems with delivery of calls to the agents, agents unable to log into the system (thus, less agents), excessive queue wait times, and excessive busy signals at the 800 number level. Although these problems occur less frequently, complications still happen occasionally. We are continuing to work with the phone system vendor to resolve these issues and have requested additional technical training on the system.

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

- Training Technology
 Personnel Other (Identify)

Recommendations: The Department will continue to work with the vendor on improving phone system performance and will seek additional training to address future technical difficulties that arise.

Exhibit III – GTA Performance Measures Assessment Forms

Department: Department of Revenue

Program: General Tax Administration

Service/Budget Entity: Compliance Determination

Measure: Percent of compliance examinations resulting in an adjustment to a taxpayers account

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
65%	61%	-4%	-6.2%

Factors Accounting for the Difference:

Internal Factors (check all that apply):

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

Explanation: The Department changed the methodology used in calculating this outcome measure by excluding "filing compliance examinations" (math audit) from the calculation and isolating tax compliance efforts (audit, discovery/campaigns, and criminal investigations). Although actual performance for 2010-11 was slightly below the revised standard this outcome reflects improvement when compared to last year's performance results of 57%.

External Factors (check all that apply):

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

Explanation:

N/A

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

- Training Technology
 Personnel Other (Identify)

Recommendations: The increased use of third party data will enhance and improve audit selection and discovery/campaign cases. Starting in FY 2011-12 the Department will receive reports from wholesalers and distributors of alcoholic beverages and tobacco products regarding their sales to dealers in Florida. The Department will use this data to identify Florida retailers underreporting sales and use tax on alcoholic beverage and tobacco product sales by comparing net wholesale sales of alcohol and tobacco products with the amount of sales and use tax reported and paid by the retailers. In addition, the Department will begin receiving vendor credit card transactions from the IRS in 2012. This information will aid in audit selection by matching these data to taxpayer-reported sales. Another use of third party data being developed is an enhancement to the Department's corporate income tax audit selection methodology to identify businesses using transfer pricing schemes as a means of minimizing corporate income tax due for either state or federal tax purposes.

Exhibit III – GTA Performance Measures Assessment Forms

Department: Department of Revenue

Program: General Tax Administration

Service/Budget Entity: Compliance Determination

Measure: Number of filing compliance exams completed and resulting in a notice of additional liability

Action:

- | | |
|---|--|
| <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
1,700,000	1,674,585	-25,415	-1.5%

Factors Accounting for the Difference:

Internal Factors (check all that apply):

- | | |
|--|--|
| <input type="checkbox"/> Personnel Factors | <input type="checkbox"/> Staff Capacity |
| <input type="checkbox"/> Competing Priorities | <input type="checkbox"/> Level of Training |
| <input type="checkbox"/> Previous Estimate Incorrect | <input 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 active tax accounts and therefore the number that require a notice of additional liability.

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

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

Recommendations: Adjust standard as appropriate.

Exhibit III – GTA Performance Measures Assessment Forms

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

Action:

- | | |
|---|--|
| <input type="checkbox"/> Performance Assessment of <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
34,880	34,020	-860	-2.5

Factors Accounting for the Difference:

Internal Factors (check all that apply):

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

Explanation: The Department continues in its efforts to improve the selection criteria for identifying non-compliant taxpayers. As a result the process performed fewer discovery/campaign examinations, while maintaining nearly the same level of assessments. This improvement had the added benefit of reducing the number of taxpayers required to provide unnecessary information to the Department as part of discovery/campaign projects. Although actual performance results for FYE 2011 were slightly below the modified target, overall performance increased for this output from the prior fiscal year by 749.

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

Recommendations: The Department continues to evaluate appropriate resource allocations between discovery/campaign projects and compliance audit activities. Additional system enhancements are also being explored to fully capture discovery/campaign efforts. The increased use of third party data, as previously mentioned, is also expected to further improve tax compliance activities.

Exhibit III – GTA Performance Measures Assessment Forms

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

Action:

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

Approved Standard	Actual Performance Results	Difference (Over/Under)	Percentage Difference
14,000	11,386	-2,614	-18.7

Factors Accounting for the Difference:

Internal Factors (check all that apply):

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

Explanation: The Department continues in its efforts to improve the selection criteria for identifying non-compliant taxpayers. As a result the process improved its assessment percentage per taxpayer contact from a historical 13% - 18% to nearly 45%. This allows for fewer discovery examinations, while maintaining the same level of assessments. 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. Also, the number of discovery personnel has been drastically reduced over the last few years (nearly half the personnel); therefore the goal may no longer be realistic.

External Factors (check all that apply):

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

Explanation:

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

- Training Technology
 Personnel Other (Identify)

Recommendations: The Department continues to evaluate appropriate resource allocations between discovery/campaign projects and compliance audit activities. Additional system enhancements are also being explored to fully capture discovery/campaign efforts.

Exhibit III – GTA Performance Measures Assessment Forms

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

Action:

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

Approved Standard	Actual Performance Results	Difference (Over/Under)	Percentage Difference
66%	60%	-6%	-9.1%

Factors Accounting for the Difference:

Internal Factors (check all that apply):

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

Explanation: The Department revised the methodology and standard for this measure during FY 2010-11 in an effort to more accurately and completely measure results.

In the previous calculation, when the Department issued a “failure-to-file-return” notice (delinquency notice) and the taxpayer filed the required return within 90 days, the “case” was considered timely resolved, even if there was additional tax owed. In this scenario, the taxpayer would then be issued a bill informing them of the unpaid liability, and a new case would be counted. If this bill were then paid within 90 days it, too, would be considered timely resolved. Using this methodology the Department would have a performance percentage of 100% related to two cases.

In the new measure’s calculation, a more stringent methodology of counting when a case is resolved is applied. A case is now deemed “resolved” when all liabilities are settled. Given the same set of circumstances outlined above, the Department’s performance percentage would be 0% since the total time from initial notification to final resolution of the delinquency notice and unpaid liability would be longer than 90 days.

External Factors (check all that apply):

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

Explanation:

N/A

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

- Training Technology
 Personnel Other (Identify)

Recommendations: The Department received funding in 2009-10 for the implementation of Collection Analytics, a technical tool that provides for improved case prioritization based on predictive modeling. This initiative will be enhanced further by integrating a financial institution data match (FIDM) program. In a FIDM program an electronic file of the names and federal tax identification numbers of entities with outstanding tax warrants are compared to a bank’s electronic file of account holders, providing the Department with immediate reports of possible matches for further collection activity. Additionally, the Department has increased the dollar threshold of collection cases assigned to private collection agencies. This will provide for a higher volume of cases available to the collection agencies thus freeing-up departmental collection staff to more effectively handle their caseloads. Collection

Exhibit III – GTA Performance Measures Assessment Forms

Analytics is scheduled to be fully implemented by the end of 2011. The Department will continue to assess compliance resolution performance measures and recommend adjustments as necessary once the system is fully operational.

Exhibit III – GTA Performance Measures Assessment Forms

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

Action:

- | | |
|---|--|
| <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
1,200,000	1,048,019	-152,981	-12.7%

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 checked="" type="checkbox"/> Previous Estimate Incorrect | <input type="checkbox"/> Other (Identify) |

Explanation: As previously stated, the Department changed the methodology in quantifying collection cases which impacted this output measure.

External Factors (check all that apply):

- | | |
|--|---|
| <input type="checkbox"/> Resources Unavailable | <input type="checkbox"/> Technological Problems |
| <input type="checkbox"/> Legal/Legislative Change | <input type="checkbox"/> Natural Disaster |
| <input type="checkbox"/> Target Population Change | <input 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: As previously mentioned, the Department is in the process of implementing collection analytics in conjunction with a financial institution data match (FIDM) program. These systems are scheduled to be fully implemented by the end of 2011. The Department will continue to assess compliance resolution performance measures and recommend adjustments as necessary once the system is fully operational.

Exhibit III – GTA Performance Measures Assessment Forms

Department: Department of Revenue

Program: General Tax Administration

Service/Budget Entity: Compliance Resolution

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

Action:

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

Approved Standard	Actual Performance Results	Difference (Over/Under)	Percentage Difference
8%	17%	9%	9.8%

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: This measure calculates the percentage of receivables reaching an uncollectible status to total accounts receivable (active accounts). Data inconsistencies were discovered after initially modifying the target for this outcome from 20% to 8%. Adjustments were made to the query that provides data for the numerator of this measure which resulted in higher than anticipated results.

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 is in the process of implementing collection analytics in conjunction with a financial institution data match (FIDM) program. These systems are scheduled to be fully implemented by the end of 2011. The Department will continue to assess compliance resolution performance measures and recommend adjustments as necessary once the system is fully operational.

Exhibit III – PTO Performance Measures Assessment Forms

Department: Department of Revenue

Program: Property Tax Oversight

Service/Budget Entity: Compliance Determination

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

Action:

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

Approved Standard	Actual Performance Results	Difference (Over/Under)	Percentage Difference
85	66	-19	-22.4%

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 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 checked="" type="checkbox"/> Other (Identify) |
| <input checked="" type="checkbox"/> This Program/Service Cannot Fix the Problem | |
| <input type="checkbox"/> Current Laws Are Working Against the Agency Mission | |

Explanation: The wide fluctuations in Florida's real estate market over the past two years have made obtaining statistically valid samples more difficult. Without a stabilizing of Florida's real estate market, a resolution of current foreclosure and short sale issues impacting the state, and other factors skewing sales data, statistically valid samples will continue to be difficult to obtain due to limited appraisal resources and sales.

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: Request a new measure to replace the current measure and more accurately reflect the goal of the activity. (Percent of property value studied with a statistically reliable sample)

Exhibit III – PTO Performance Measures Assessment Forms

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

Action:

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

Approved Standard	Actual Performance Results	Difference (Over/Under)	Percentage Difference
5,000	4,084	-916	-18.3%

Factors Accounting for the Difference:

Internal Factors (check all that apply):

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

Explanation: 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: This measure is a demand output. The program received fewer refund and tax certificate applications than in previous years and all refund and tax certificate applications received were received and processed timely.

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 the standard to reflect the decline in refund and tax certificate applications processed. In addition, upcoming legislative changes will limit refunds reviewed by the program in Fiscal Year 2011-2012 to those exceeding \$2,500. Refunds under \$2,500 will not require prior review by the program.



Performance Measure Validity and Reliability – LRPP Exhibit IV

Exhibit IV - CSE Performance Measures Validity and Reliability

Department: Revenue

Program: Child Support Enforcement

Service/Budget Entity: Child Support Case Processing

Measure: Percent of IV-D cases missing critical data elements necessary for next appropriate action

Action (check one):

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

Data Sources and Methodology:

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

Methodology:

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

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

- Case Level Data
- Business Partner Level Data
- Financial Level Data

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

Denominator: The denominator is the sum of unique cases open at the end of the month and unique cases closed at the end of the month that have undistributed collections which are not potentially eligible for assignment to program income pursuant to section 409.2558 of federal statute.

Business Terms:

Case Level Data

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

Business Partner Level Data

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

Financial Level Data

- A payment that cannot be assigned to a case or business partner
- UDC on a public assistance (PA) case
- UDC on a non-assistance (NA) case
- UDC in a support account with a clearing lock for the business partner ordered to receive support

Exhibit IV - CSE Performance Measures Validity and Reliability

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

Business Terms:

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

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

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

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

Grant – The cash amount a family receives from public assistance

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

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

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

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

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

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

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

Validity:

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

Reliability:

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

Exhibit IV - CSE Performance Measures Validity and Reliability

Department: Revenue

Program: Child Support Enforcement

Service/Budget Entity: Child Support Case Processing

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

Methodology:

This measure is a count of the total number of cases or service requests (quick locate) open at any point within the state fiscal year. The total number includes not only cases requiring establishment, maintenance, or enforcement of an order for paternity and or support, but also service requests associated with interstate locate-only services or interstate requests for assistance/discovery. Each case or request will be counted only once regardless of the number of times the case or request was closed and re-opened during the reporting period.

Validity:

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

Reliability:

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

Exhibit IV - CSE Performance Measures Validity and Reliability

Department: Revenue

Program: Child Support Enforcement

Service/Budget Entity: Child Support Case Processing

Measure: Total number of individual educational contacts and inquiries answered

Action (check one):

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

Data Sources and Methodology:

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

Methodology:

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

The measure includes:

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

Validity:

This measure captures the workload of the Child Support Aid Process, whose purpose is to provide general program and case-specific child support information to service recipients, program partners, and the public. Improved customer satisfaction and increased program awareness is monitored by this measure.

Reliability:

The technology to monitor phone call volume and calls answered is well developed. The technology makes the electronic data reporting very reliable. The call centers are also monitored for accurate representation of information relayed to customers. Furthermore, the Office of the Inspector General performs periodic reviews of performance measures.

The scope of the review will vary, depending on an annual risk assessment.

Exhibit IV - CSE Performance Measures Validity and Reliability

Department: Revenue

Program: Child Support Enforcement

Service/Budget Entity: Child Support Remittance and Distribution

Measure: Percent of state disbursement unit collections disbursed within 2 business days of receipt

Action (check one):

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

Data Sources and Methodology:

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

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

Business Terms

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

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

Validity:

The disbursement of all identifiable payments within two business days of receipt is a federal requirement placed on each state's SDU. This measure is also a legislative performance accountability measure. It assesses the program's success towards achieving the desired outcome of increasing the percentage of collections disbursed to recipients in a timely manner. It measures the efficiency of the entire disbursement process, encompassing the SDU, the Florida Association of Court Clerks, and CSE.

Reliability:

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

Exhibit IV - CSE Performance Measures Validity and Reliability

Department: Revenue

Program: Child Support Enforcement

Service/Budget Entity: Child Support Remittance and Distribution

Measure: Percent of state disbursement unit IV-D collections disbursed within 1 business day of receipt

Action (check one):

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

Data Sources and Methodology:

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

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

Business Terms:

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

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

Validity:

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

Reliability:

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

Exhibit IV - CSE Performance Measures Validity and Reliability

Department: Revenue

Program: Child Support Enforcement

Service/Budget Entity: Child Support Remittance and Distribution

Measure: Total number of collections processed

Action (check one):

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

Data Sources and Methodology:

The source of the data is the Child Support Enforcement Automated Management System (CAMS) Business Intelligence (BI), a data warehouse used to transform data into usable information to support the business processes in decision-making. Additional information from the State Disbursement Unit (SDU) KidStar system is also used in computing this measure.

Methodology:

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

Validity:

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

Reliability:

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

Exhibit IV - CSE Performance Measures Validity and Reliability

Department: Revenue

Program: Child Support Enforcement

Service/Budget Entity: Child Support Remittance and Distribution

Measure: Total number of collections distributed

Action (check one):

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

Data Sources and Methodology:

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

Methodology:

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

Validity:

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

Reliability:

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

Exhibit IV - CSE Performance Measures Validity and Reliability

Department: Revenue

Program: Child Support Enforcement

Service/Budget Entity: Child Support Establishment

**Measure: Percent of department (IV-D) cases with an order for support (*federal definition*)
(*service outcome*)**

Action (check one):

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

Data Sources and Methodology:

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

Methodology:

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

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

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

Federal Definitions

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

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

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

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

Validity:

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

Reliability:

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

Exhibit IV - CSE Performance Measures Validity and Reliability

Department: Revenue

Program: Child Support Enforcement

Service/Budget Entity: Child Support Establishment

Measure: Total number of paternities established and genetic testing exclusions

Action (check one):

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

Data Sources and Methodology:

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

Methodology:

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

Validity:

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

Reliability:

CSE continually endeavors to identify and correct critical data elements within CAMS. CSE paternity data is provided daily via an interface with the Department of Health, Office of Vital Statistics. This arrangement allows the data to load directly from the official record keeper for all children born in Florida (DOH-OVS) to CAMS.

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

Exhibit IV - CSE Performance Measures Validity and Reliability

Department: Revenue

Program: Child Support Enforcement

Service/Budget Entity: Child Support Establishment

Measure: Total number of cases with newly established and modified orders

Action (check one):

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

Data Sources and Methodology:

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

Methodology:

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

Business Terms

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

Validity:

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

Reliability:

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

Exhibit IV - CSE Performance Measures Validity and Reliability

Department: Revenue

Program: Child Support Enforcement

Service/Budget Entity: Child Support Compliance

Measure: Percent of current support collected (*federal definition*) (*service outcome*)

Action (check one):

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

Data Sources and Methodology:

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

Methodology:

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

The numerator (OCSE 157 line 25): the total amount collected and distributed as current support during the federal fiscal year for all IV-D cases. This measure includes regular obligation payments, voluntary payments, and intercepts received.

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

Business Terms:

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

Validity:

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

Reliability:

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

Exhibit IV - CSE Performance Measures Validity and Reliability

Department: Revenue

Program: Child Support Enforcement

Service/Budget Entity: Child Support Compliance

Measure: Percent of support collected and distributed during the year that was due within the federal fiscal 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 for this measure is the Child Support Enforcement Automated Management System (CAMS) Business Intelligence (BI), a data warehouse used to transform data into usable information to support the business processes in decision-making.

Methodology:

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

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

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

Business Terms:

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

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

Validity:

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

Reliability:

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

Exhibit IV - CSE Performance Measures Validity and Reliability

Department: Revenue

Program: Child Support Enforcement

Service/Budget Entity: Child Support Compliance

Measure: Total number of obligated unique cases identified for compliance resolution

Action (check one):

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

Data Sources and Methodology:

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

Methodology:

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

Business Terms:

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

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

Validity:

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

Reliability:

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

Exhibit IV - CSE Performance Measures Validity and Reliability

Department: Revenue

Program: Child Support Enforcement

Service/Budget Entity: Child Support Compliance

Measure: Total number of actions processed during the year

Action (check one):

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

Data Sources and Methodology:

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

Methodology:

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

Business Terms:

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

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

Dispute Resolution: The formal or informal consideration of disputed collections

Validity:

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

Reliability:

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

Exhibit IV – GTA Performance Measures Validity and Reliability

Department: Revenue

Program: General Tax Administration

Service/Budget Entity: Tax Processing

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

Action (check one):

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

Data Sources and Methodology:

This measure is calculated by dividing the number of tax returns reconciled within 25 days by the total number of tax returns received in the same period. The primary data source is the Resource Management Database (RMDB) where selected tables and fields are downloaded monthly from the SAP (SUNTAX) system.

Validity:

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 25-day period also coincides with the Program's stretch goal regarding the distribution cycle wherein all receipts (rather than state revenue sharing) are distributed to local and state government entities by the 25th of the month. 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/Budget Entity: Tax Processing

Measure: Average number of days from receipt of payment to deposit

Action (check one):

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

Data Sources and Methodology:

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

Validity:

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

Reliability:

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

Exhibit IV – GTA Performance Measures Validity and Reliability

Department: Revenue

Program: General Tax Administration

Service/Budget Entity: Tax Processing

Measure: Percent of unemployment taxes deposited within 3 days of receipt

Action (check one):

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

Data Sources and Methodology:

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

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

Where:

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

w= proportion of EFT tax dollars received

p= sample % of tax dollars deposited within 3 days

Validity:

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

Reliability:

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

Exhibit IV – GTA Performance Measures Validity and Reliability

Department: Revenue

Program: General Tax Administration

Service/Budget Entity: Tax Processing

Measure: Percent of taxpayer-claimed refunds processed within 90 days

Action (check one):

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

Data Sources and Methodology:

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

Validity:

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

Reliability:

The use of RCMS provides for direct access to information associated with all refunds claimed by taxpayers and all pertinent data (e.g., receipt date, amount of claim, issue date, etc.) This ensures that a constant audit trail is maintained for review to ensure the accuracy of reported data. Data are reviewed by process staff and management to ensure the integrity of reported data.

Exhibit IV – GTA Performance Measures Validity and Reliability

Department: Revenue

Program: General Tax Administration

Service/Budget Entity: Tax Processing

Measure: Percent of distributions made timely

Action (check one):

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

Data Sources and Methodology:

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

Validity:

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

Reliability:

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

Exhibit IV – GTA Performance Measures Validity and Reliability

Department: Revenue

Program: General Tax Administration

Service/Budget Entity: Tax Processing

Measure: Number of accounts maintained

Action (check one):

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

Data Sources and Methodology:

This measure is calculated by annually averaging the total number of taxpayer accounts (business partners) which are associated with active tax accounts. For purposes of this measure, these units will be referred to as active business partners. The primary data source is SAP (SUNTAX) registration.

This represents a change in measurement methodology beginning with FY 2011-12. Prior to this change, the measure was derived by counting the number of active tax accounts. This change aligns the measurement with the SUNTAX one-stop philosophy of managing tax obligations at the entity level. Given that the majority of business partners are associated with more than one tax account, or obligation, this is a more accurate representation of the number of persons or entities GTA supports and serves. The number of active business partners managed will always be fewer than the number of tax accounts maintained.

Validity:

This measure is the total average number of active business partners registered and maintained by GTA for all taxes administered. By reporting the average of the monthly active business partner totals, it takes into account both new registrants (from applications) and new accounts created (from other data origins), as well as those business partners that have canceled or inactivated their tax accounts. The number of business partners 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 active business partners.

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. 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/Budget Entity: Tax Processing

Measure: number of tax returns processed

Action (check one):

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

Data Sources and Methodology:

This measure is a count of the tax returns received and processed. A processed tax return is defined as the filing of certain information in the prescribed format that reports the tax due for a specific period and tax type. The tax return may be in the form of a paper document mailed to the FDOR or may be received via various electronic methods. In addition, the tax payment may accompany the return in either medium. The first task is to process and deposit the payment in order to maximize interest earnings on the funds. After deposit is complete, the data in the “return” is captured and posted to the appropriate taxpayer account in SUNTAX. For purposes of this measure, “Number of Tax Returns Processed”, a return is included when it is initially posted into SUNTAX. The primary data source is the Resource Management Database (RMDDB) where selected tables and fields are downloaded monthly from the SAP (SUNTAX) transaction system and the revenue processing databases.

Validity:

This measure describes the primary output of the returns processing activity. It includes all of the tax returns processed for all DOR-administered taxes.

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/Budget Entity: Tax Processing

Measure: Number of distributions made

Action (check one):

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

Data Sources and Methodology:

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/Budget Entity: Tax Processing

Measure: number of refund claims processed

Action (check one):

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

Data Sources and Methodology:

This measure is a count of all refund claims processed (closed) in the period. A “processed” refund claim is defined as one that was withdrawn, approved, or denied. The current data source is the Refund Case Management System (RCM). 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/Budget Entity: Taxpayer Aid

Measure: Percent of educational information / assistance rendered meeting or exceeding taxpayers' expectations (Primary Outcome)

Action (check one):

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

Data Sources and Methodology:

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.

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/Budget Entity: Taxpayer Aid

Measure: Number of taxpayers provided with direct assistance or education

Action (check one):

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

Data Sources and Methodology:

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

Validity:

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

Reliability:

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

Exhibit IV – GTA Performance Measures Validity and Reliability

Department: Revenue
Program: General Tax Administration
Service/Budget Entity: Taxpayer Aid
Measure: Number of call center agent-answered calls

Action (check one):

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

Data Sources and Methodology:

This measure is a count of all incoming calls answered in the taxpayer assistance call center. The incoming call reports are captured and maintained on the Automated Call Distribution system as well as the Mosaix call-center system.

Validity:

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

Reliability:

Data from the inbound phone system maintained in GTA's centralized call center is automatically captured and monitored via a software package specifically designed for such use. The software/system utilized is a standard industry package used by most call centers, both nationally and internationally. Data is constantly monitored by supervisory and management staff.

Exhibit IV – GTA Performance Measures Validity and Reliability

Department: Revenue

Program: General Tax Administration

Service/Budget Entity: Compliance Determination

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

Action (check one):

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

Data Sources and Methodology:

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

Numerator composition:

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

Denominator composition:

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

Sources:

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

Validity:

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

Reliability:

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

Exhibit IV – GTA Performance Measures Validity and Reliability

Department: Revenue

Program: General Tax Administration

Service/Budget Entity: Compliance Determination

Measure: Number of filing compliance exams completed and resulting in a notice of additional liability

Action (check one):

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

Data Sources and Methodology:

The measure is a count of bills and notices of delinquency issued for all taxes. The data source is an extract of the SUNTAX transaction data for which a filing compliance notice (bills and notices of delinquency) was issued.

Validity:

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

Reliability:

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

Exhibit IV – GTA Performance Measures Validity and Reliability

Department: Revenue

Program: General Tax Administration

Service/Budget Entity: Compliance Determination

Measure: Number of taxpayers selected for a tax compliance examination

Action (check one):

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

Data Sources and Methodology:

This measure is a count of the number of audits, discovery/campaign cases, and criminal investigations selected for review. Audit data is captured and maintained in the SUNTAX Audit Case Management (ACM) System via service notification records. Cases selected for discovery/campaign efforts are captured and maintained on the Discovery 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/Budget Entity: Compliance Determination

Measure: Number of audits completed

Action (check one):

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

Data Sources and Methodology:

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

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.

Exhibit IV – GTA Performance Measures Validity and Reliability

Department: Revenue

Program: General Tax Administration

Service/Budget Entity: Compliance Determination

Measure: Number of discovery examinations completed

Action (check one):

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

Data Sources and Methodology:

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/campaign 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/campaigns also consists of the identification of taxes owed from taxpayers that are not required to register, such as isolated purchases of boats, airplanes, or internet and mail-order purchases. Data associated with this activity is captured in the Discovery Case Management System (DCMS) and contains information on the cases completed by staff statewide.

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 DCMS 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/Budget Entity: Compliance Determination

Measure: Number of criminal investigations completed

Action (check one):

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

Data Sources and Methodology:

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 or the Office of Statewide Prosecution 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 Criminal Investigation Case Management System contains information on the cases assigned to all investigators statewide. As each field investigation is worked and completed the relevant case information is entered into the system and accessible on a real time basis.

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 Criminal Investigation Case Management System is traceable at the detail level back to the individual actually conducting the activity, thereby creating a complete auditable trail to ensure reliability. 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/Budget Entity: Compliance Determination

Measure: Number of audit disputes resolved

Action (check one):

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

Data Sources and Methodology:

This measure counts the number of audit-related disputes completed by the Dispute resolution Subprocess in the Office of the General Counsel. Audit-related dispute information is captured and maintained on the General Counsel's Case Management System (CMS).

Validity:

This measure includes all audit disputes where an audit's results were formally appealed or litigated through the Office of the General Counsel. Since all disputes resolved are included in the measure, it is a valid measure of the outputs of this process.

Reliability:

All data for this measure is drawn directly from the General Counsel's Case Management System (CMS). This provides for both a reporting mechanism and the ability to trace transaction-level detail to ensure accuracy and completeness of reported data. Internal analysis is performed on a monthly basis, at both the reporting level and the Process Management Group (PMG) level, to ensure reliability and to monitor fluctuations in the measure.

Exhibit IV – GTA Performance Measures Validity and Reliability

Department: Revenue

Program: General Tax Administration

Service/Budget Entity: Compliance resolution

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

Action (check one):

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

Data Sources and Methodology:

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

Validity:

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

Reliability:

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

Exhibit IV – GTA Performance Measures Validity and Reliability

Department: Revenue

Program: General Tax Administration

Service/Budget Entity: Compliance Resolution

Measure: Accounts receivables as a percent of total revenues

Action (check one):

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

Data Sources and Methodology:

The numerator of this measure is the total value of current receivables arising from notices sent to taxpayers informing them of unpaid liabilities. The denominator is the total revenues for the reported fiscal year. For interim reporting purposes (during the course of a fiscal year), the denominator will be the current REC estimate for the fiscal year. The data source is the SUNTAX (SAP) business warehouse.

Validity:

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

Reliability:

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

Department: Revenue

Program: General Tax Administration

Service/Budget Entity: Compliance Resolution

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

Action (check one):

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

Data Sources and Methodology:

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

Validity:

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

Reliability:

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

Exhibit IV – GTA Performance Measures Validity and Reliability

Department: Revenue

Program: General Tax Administration

Service/Budget Entity: Compliance Resolution

Measure: Number of collection cases resolved

Action (check one):

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

Data Sources and Methodology:

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

Validity:

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

Reliability:

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

Exhibit IV – PTO Performance Measures Validity and Reliability

Department: Revenue

Program: Property Tax Oversight

Service: Property Tax Compliance Determination

Measure: Percent of classes/subclasses studied (for in-depth counties) and found to have a level of at least 90 percent (Primary Outcome FY 2010-11)

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 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 that 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% accurately identifies the extent of 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 value divided by the Department's determination of fair market value.

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

Reliability:

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

Exhibit IV – PTO Performance Measures Validity and Reliability

Department: Revenue

Program: Property Tax Oversight

Service: Property Tax Compliance Determination

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 statistical analyses of tax rolls submitted by county property appraisers during each fiscal year.

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

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: Property Tax Compliance Determination

Measure: Number of truth-in-millage/millage levy forms processed

Action (check one):

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

Data Sources and Methodology:

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

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

Validity:

This LRPP measure provides an activity indicator on the production of the TRIM section. In 1980, the legislature passed the "Truth-in-Millage" (TRIM) act. This law is designed to inform taxpayers which governmental entity is responsible for the taxes levied and the amount of tax liability owed to each taxing entity. The Notice of Proposed Property Taxes is known as the TRIM notice. In 20XX, additional requirements were mandated for all taxing authorities and new responsibilities were placed on the Department. All of the forms for both existing and new requirements are included in this measure.

Reliability:

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

Exhibit IV – PTO Performance Measures Validity and Reliability

Department: Revenue

Program: Property Tax Oversight

Service: Property Tax Compliance Determination

Measure: Number of parcels studied to establish in-depth level of assessment

Action (check one):

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

Data Sources and Methodology:

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

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

Validity:

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

Reliability:

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

Exhibit IV – PTO Performance Measures Validity and Reliability

Department: Revenue
Program: Property Tax Oversight
Service: Property Tax Compliance Determination
Measure: Statewide level of assessment (Primary Outcome)

Action (check one):

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

Data Sources and Methodology:

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

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

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

Validity:

This measure represents the overall performance of the property appraisers. Given sufficient sales and/or appraisal information, the Department can be confident in the accuracy and reliability of its determination of a level of assessment, i.e., the county property appraiser's value divided by the Department's determination of value.

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

Reliability:

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

Exhibit IV – PTO Performance Measures Validity and Reliability

Department: Revenue

Program: Property Tax Oversight

Service: Property Tax Compliance Determination

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

Action (check one):

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

Data Sources and Methodology:

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

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

Validity:

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

The sample size (i.e., number of sample parcels drawn and studied within the class of property) for each class studied as part of the in-depth study is initially determined by computing the Coefficient of Variation (COV) for the assessment ratio of the respective class during the prior in-depth study year (in Oracle 8.2.8). The determination of the statistical validity of the sample drawn prior to initiating the study is subsequently made upon completion of the in-depth study through comparison of the post-study COV with the pre-study COV. For example, if the post-study COV is higher than the pre-study COV, the required sample size is higher than the sample size that was obtained from the smaller pre-study COV, and the sample size might be considered statistically invalid or too small to have the required 95% confidence in the statistical indicators. The value of all Florida property we are required by statute to study is calculated in Oracle 3.2

Reliability:

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

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: Number of hours of aid & assistance consultation provided to elected officials

Action (check one):

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

Data Sources and Methodology:

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

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

Validity:

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

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

Reliability:

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

Exhibit IV – PTO Performance Measures Validity and Reliability

Department: Revenue

Program: Property Tax Oversight

Service: Property Tax Compliance Assistance

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

Action (check one):

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

Data Sources and Methodology:

This is an outcome for the Compliance Assistance Core Process. As such, this measure provides an indication of the program's performance in meeting the needs of its customers and suppliers when providing compliance assistance products and services. This core business process or service provides numerous compliance assistance products and services primarily to the local governments and taxpayers.

These products and services take several forms:

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

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

Local governments and taxpayers are surveyed annually to determine the level of "overall satisfaction" with the products and services provided by the program. The cumulative average of the overall satisfaction level from each group will be averaged (and weighted, if appropriate) to obtain the annual level of satisfaction for the program.

Validity:

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

Reliability:

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

Exhibit IV – PTO Performance Measures Validity and Reliability

Department: Revenue

Program: Property Tax Oversight

Service: Property Tax Compliance Assistance

Activity: Certification and Training

Measure: Number of student training hours provided

Action (check one):

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

Data Sources and Methodology:

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

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

Validity:

This LRPP measure primarily provides an activity indicator of the compliance assistance services authorized in section 195.002, Florida Statutes, where the Department is required to conduct training to upgrade the assessment skills of both state and local assessment personnel. Therefore, this activity output provides a direct reporting of the Department of Revenue's efforts to provide the services to maintain and improve the assessment skills of all public property tax assessment personnel in the state. As well as measuring the efforts to maintain and improve the collection skills of local tax collection personnel in the state.

Reliability:

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

Exhibit IV – PTO Performance Measures Validity and Reliability

Department: Revenue

Program: Property Tax Oversight

Service: Property Tax Compliance Assistance

Activity: Central Assessment Compliance

Measure: Number of railroad and private car lines centrally assessed

Action (check one):

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

Data Sources and Methodology:

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

Validity:

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

Reliability:

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

Exhibit IV – PTO Performance Measures Validity and Reliability

Department: Revenue

Program: Property Tax Oversight

Service: Property Tax Compliance Assistance

Activity: Technical Assistance

Measure: Number of inquiries from local governments and taxpayers answered

Action (check one):

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

Data Sources and Methodology:

This is an output measure. This activity provides technical assistance services in the form of consultation on technical issues to local governments and taxpayers. Technical assistance is defined as

- Budget development and submission consultation services
- Provide consultation on mapping/ GIS products such as aerial photography or services such as the use of mapping data in a GIS for analysis
- Valuation and quality control of property tax roll data
- Provide consultation on real property mass appraisal procedures such as physical data collection, systematic land valuation, base rate calibration, market area and neighborhood identification, and quality control
- Provide consultation on the development and use of all forms for the assessment and collection of property taxes to the constitutional officers
- Provide technical information, administrative or analytical consultation; and provide consultation on TRIM procedures.
- Provide technical information and consultation (administrative or analytical) to Value Adjustment Boards and taxpayers with valuation issues.

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

Validity:

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

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

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 Assistance

Activity: Mapping Assistance

Measure: Number of square miles mapped using aerial photography

Action (check one):

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

Data Sources and Methodology:

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

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

Validity:

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

Reliability:

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

Exhibit IV – PTO Performance Measures Validity and Reliability

Department: Revenue

Program: Property Tax Oversight

Service: Property Tax Compliance Assistance

Activity: Budget Compliance

Measure: Number of budget submissions and amendments reviewed

Action (check one):

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

Data Sources and Methodology:

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

Validity:

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

Reliability:

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

Exhibit IV – PTO Performance Measures Validity and Reliability

Department: Revenue

Program: Property Tax Oversight

Service: Property Tax Compliance Assistance

Activity: Research and Analysis

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

Action (check one):

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

Data Sources and Methodology:

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

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

Validity:

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

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

Reliability:

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



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

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

Measure Number	Approved Performance Measures for FY 2011-12 (Words)	Associated Activities Title
		PROGRAM: CHILD SUPPORT ENFORCEMENT PROGRAM
		CASE PROCESSING
1	Total number of cases maintained during the year	MAINTAIN CHILD SUPPORT CASES
2	Total number of individual educational contacts and inquiries answered	PROVIDE EDUCATION AND ASSISTANCE
		REMITTANCE AND DISTRIBUTION
3	Total number of collections processed	PROCESS SUPPORT PAYMENTS
4	Total number of collections distributed	DISTRIBUTE SUPPORT PAYMENTS
		ESTABLISHMENT
5	Total number of paternities established and genetic testing exclusions	ESTABLISH PATERNITY
6	Total number of newly established and modified orders	ESTABLISH AND MODIFY SUPPORT ORDERS
		COMPLIANCE
7	Total number of obligated unique cases identified for compliance resolution	DETERMINE COMPLIANCE WITH SUPPORT ORDERS
8	Total number of actions processed during the year	RESOLVE COMPLIANCE DISCREPANCIES

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

Measure Number	Approved Performance Measures for FY 2011-12 (Words)	Associated Activities Title
		PROGRAM: GENERAL TAX ADMINISTRATION PROGRAM
		TAX PROCESSING
9	Number of accounts maintained	MANAGE ACCOUNTS
10	Number of tax returns processed	PROCESS RETURNS AND REVENUE
11	Number of distributions made	ACCOUNT FOR REMITTANCES
12	Number of refund claims processed	REFUND TAX OVERPAYMENTS
		TAXPAYER AID
13	Number of taxpayers provided with direct assistance or education	EDUCATE OR ASSIST TAXPAYERS
14	Number of calls answered by Call Center agents	ANSWER CALLS IN CALL CENTER
		COMPLIANCE DETERMINATION
15	Number of filing compliance exams completed and resulting in a notice of additional liability	DETERMINE FILING COMPLIANCE
16	Number of taxpayers selected for a tax compliance examination	SELECT CASES FOR TAX COMPLIANCE DETERMINATION
17	Number of audits completed	PERFORM AUDITS
18	Number of discovery examinations completed	DISCOVER UNREGISTERED TAXPAYERS
19	Number of criminal investigations completed	INVESTIGATE CRIMINAL TAX AVOIDANCE
20	Number of audit disputes resolved	RESOLVE DISPUTES
		COMPLIANCE RESOLUTION (Receivables Management)
21	Number of collection cases resolved	COLLECT IDENTIFIED LIABILITIES

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

Measure Number	Approved Performance Measures for FY 2011-12 (Words)	Associated Activities Title
		PROGRAM: PROPERTY TAX OVERSIGHT PROGRAM
		COMPLIANCE DETERMINATION
22	Number of parcels studied to establish in-depth level of assessment	DETERMINE REAL PROPERTY ROLL COMPLIANCE
23	Number of refund/tax certificate applications processed	REVIEW REFUNDS/TAX CERTIFICATES/TAX DEEDS
24	Number of Truth-in-Millage / Millage Levy forms processed	DETERMINE TRIM COMPLIANCE
		COMPLIANCE ASSISTANCE
25	Number of student training hours provided	PROVIDE INFORMATION
26	Number of inquiries from taxpayers and local governments answered	PROVIDE AID AND ASSISTANCE
27	Number of railroad and private carlines centrally assessed	CENTRAL ASSESSMENT OF RAILROADS
28	Number of square miles mapped using aerial photography	GEOGRAPHIC INFORMATION SYSTEMS
29	Number of property appraiser and tax collector budgets reviewed	VERIFY BUDGET COMPLIANCE

REVENUE, DEPARTMENT OF		FISCAL YEAR 2010-11			
SECTION I: BUDGET		OPERATING		FIXED CAPITAL OUTLAY	
TOTAL ALL FUNDS GENERAL APPROPRIATIONS ACT			555,967,067	0	
ADJUSTMENTS TO GENERAL APPROPRIATIONS ACT (Supplementals, Vetoes, Budget Amendments, etc.)			21,076,665	0	
FINAL BUDGET FOR AGENCY			577,043,732	0	
SECTION II: ACTIVITIES * MEASURES		Number of Units	(1) Unit Cost	(2) Expenditures (Allocated)	(3) FCO
<i>Executive Direction, Administrative Support and Information Technology (2)</i>					0
Geographic Information Systems * Number of square miles mapped using aerial photography		15,005	105.09	1,576,811	
Central Assessment Of Railroads * Number of railroads and private car lines centrally assessed		247	1,851.95	457,431	
Determine Real Property Roll Compliance * Number of in-depth classes studied with a statistically valid sample		66	132,752.48	8,761,664	
Review Refunds/Tax Certificates/Tax Deeds * Number of refund/tax certificate applications processed		4,084	43.03	175,720	
Determine Trim Compliance * Number of taxing authority TRIM compliance packages reviewed and evaluated for compliance		7,483	72.50	542,512	
Verify Budget Compliance * Number or property appraiser and tax collector budgets reviewed		515	337.90	174,019	
Provide Information * Number of student training hours provided		18,637	41.76	778,268	
Provide Aid And Assistance * Number of inquiries from taxpayers and local governments answered		16,915	125.41	2,121,259	
Maintain Child Support Cases * Total number of cases maintained during the year		1,130,320	70.90	80,141,817	
Provide Education And Assistance * Total number of individual educational contacts and inquires answered		17,861,924	1.71	30,548,044	
Process Support Payments * Total number of collections processed		10,634,731	3.60	38,236,705	
Distribute Support Payments * Total number of collections distributed		10,085,295	1.41	14,269,582	
Establish Paternity * Total number of paternities established and genetic testing exclusions		103,752	289.69	30,056,244	
Establish And Modify Support Orders * Total number of newly established and modified orders		59,822	1,024.03	61,259,356	
Determine Compliance With Support Orders * Total number of obligated cases identified for compliance resolution		689,914	9.89	6,825,821	
Resolve Compliance Discrepancies * Total number of actions processed during the year		3,516,313	17.70	62,238,070	
Educate Or Assist Taxpayers * Number of taxpayers provided with direct assistance or education		8,653,534	0.80	6,882,555	
Manage Accounts * Number of accounts maintained		1,366,871	8.54	11,677,818	
Process Returns And Revenue * Number of tax returns processed		8,498,336	3.39	28,793,826	
Account For Remittances * Number of distributions made		40,506	65.01	2,633,233	
Determine Filing Compliance * Number of filing compliance exams completed and resulting in a notice of additional liability		1,674,585	4.13	6,909,819	
Select Cases For Tax Compliance Determination * Number of taxpayers selected for a tax compliance examination		34,020	107.73	3,664,882	
Perform Audits * Number of audits completed		21,677	2,488.47	53,942,475	
Discover Unregistered Taxpayers * Number of discovery examinations completed		11,386	844.92	9,620,314	
Investigate Criminal Tax Avoidance * Number of criminal investigations completed		957	4,707.16	4,504,751	
Collect Identified Liabilities * Number of collection cases resolved		1,048,019	37.31	39,101,316	
Refund Tax Overpayments * Number of refund claims processed		136,574	41.91	5,724,419	
Resolve Disputes * Number of audit disputes resolved		2,362	4,622.48	10,918,293	
Answer Calls In Call Center * Number of calls answered by Call Center agents		801,098	4.20	3,361,246	
TOTAL				525,898,270	
SECTION III: RECONCILIATION TO BUDGET					
PASS THROUGHS					
TRANSFER - STATE AGENCIES					
AID TO LOCAL GOVERNMENTS				24,124,599	
PAYMENT OF PENSIONS, BENEFITS AND CLAIMS					
OTHER					
REVERSIONS				21,650,808	
TOTAL BUDGET FOR AGENCY (Total Activities + Pass Throughs + Reversions) - Should equal Section I above. (4)				571,673,677	

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

(1) Some activity unit costs may be overstated due to the allocation of double budgeted items.
(2) Expenditures associated with Executive Direction, Administrative Support and Information Technology have been allocated based on FTE. Other allocation methodologies could result in significantly different unit costs per activity.
(3) Information for FCO depicts amounts for current year appropriations only. Additional information and systems are needed to develop meaningful FCO unit costs.
(4) Final Budget for Agency and Total Budget for Agency may not equal due to rounding.

ACTIVITY ISSUE CODES SELECTED:

TRANSFER-STATE AGENCIES ACTIVITY ISSUE CODES SELECTED:

1-8:

AID TO LOCAL GOVERNMENTS ACTIVITY ISSUE CODES SELECTED:

1-8: ACT3350

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.)

*** NO ACTIVITIES FOUND ***

TOTALS FROM SECTION I AND SECTIONS II + III:

DEPARTMENT: 73	EXPENDITURES	FCO
FINAL BUDGET FOR AGENCY (SECTION I):	577,043,732	
TOTAL BUDGET FOR AGENCY (SECTION III):	571,673,677	
	-----	-----
DIFFERENCE:	5,370,055	
(MAY NOT EQUAL DUE TO ROUNDING)	=====	=====

The Department was appropriated \$6,703,621 in funding to complete the relocation to the Capital Circle Office Complex. Of this amount, \$5,194,400 was expended. This amount is not associated with an activity and is therefore listed as "other."

The Department was appropriated \$218,905 in fiscal year 2010-11 to implement the Tax Credits program (HB143). The Legislature authorized the re-appropriation of any unspent funds in FY 2011-12. The Department expended \$142,932 prior to June 30, 2011. The amount of \$75,973 was re-appropriated July 1, 2011.

The Department was also appropriated \$99,740 in FY 2010-11 to implement the Corporate Income Tax (Piggyback) legislation (HB7185). The Legislature also authorized the re-appropriation of any unspent funding to implement this bill. The Department had not expended any dollars as of June 30, 2011, and the full amount was re-appropriated July 1, 2011.

The unused funding for HB143 and HB7185 was neither spent nor reverted, and therefore, are listed as a "difference."

The remaining \$58 is due to rounding.

Glossary of Terms

Business Process

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

Business Process Owner

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

CAMS – Child Support Enforcement Automated Management System

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

Core Business Process (Core Process)

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

FIDM – Financial Institution Data Match

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

FY – State Fiscal Year (also, SFY)

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

FFY – Federal Fiscal Year

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

Image Cash Letter (ICL)

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

ITIL – Information Technology Infrastructure Library

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

ITSM – Information Technology Service Management

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

Legal Services Provider

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

Remote Deposit

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

SUNTAX

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

TANF – Temporary Assistance for Needy Families

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

Tax Gap

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

Tax Roll

A list of all taxable property within a given jurisdiction.

TRIM – Truth in Millage

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