

**AGENCY PERFORMANCE PLAN
FY 2007**

July 28, 2006

Name of Agency: Iowa Department of Revenue			
Agency Mission: Provide comprehensive and timely education and enforcement programs to collect all taxes due which any person may be required to pay, but no more.			
Core Function	Outcome Measure(s)	Outcome Target(s)	Link to Strategic Plan Goal(s)
CF: Local Government Assistance Provide services or funding to local entities. This would include property tax appraisal and equalization functions, property tax relief, as well as other types of financial assistance to local governments not tied to the provision of services. (43)			
Desired Outcome(s):			
Provide Comprehensive and timely education, service & enforcement programs to property tax officials and property tax payers of Iowa, that will result in fair and equitable property assessments.	Percent of jurisdictions within statutory assessment level tolerance (625_43_001)	Equalization orders issued by August 15, 2007	Improve assessment processes to provide timely & accurate services to our customers in local government, and to provide a fair & equitable property tax program.
Provide assessed values and replacement tax liabilities to county auditors based on appraisals of railroads and utilities and generation, transmission, and delivery of electricity and natural gas	Percent of assessments completed in a timely manner	100% By October 31, 2006	Improve assessment processes to provide timely & accurate services to out customers in local government, and to provide a fair & equitable property tax program.
Activities, Services, Products	Performance Measures	Performance Target(s)	Strategies/Recommended Actions
Property Tax Division (PT05) (625_43101)			
A. Equalization	Number of Declaration of Value documents processed (625_43101_002) Percent of agricultural jurisdictions within statutory assessment level tolerance. (625-43101-005) Percent of residential jurisdictions	By May 10, 2007 Agricultural 63% (67) Residential 79% (85)	Compile and send final sales listing Analyze data and issue orders in order to bring assessments to statutory level

	<p>within statutory assessment level tolerance. (625-43101-006)</p> <p>Percent of commercial jurisdictions within statutory assessment level tolerance. (625-43101-007)</p>	Commercial 65% (70)	
Appraisals	Percentage of appraisals completed in a timely manner	100% complete by August 15, 2007 (1,284 commercial appraisals)	Select, measure, list, and value 12 commercial properties per jurisdiction
Assessor Education	<p>Percentage of assessors meeting continuing education requirements.</p> <p>Number of exam applications</p>	<p>100% notification (214) by August 31, 2006 and January 31, 2007.</p> <p>Hold exams and notify with results by November 7, 2006 and May 9, 2007</p>	Maintain continuing education files of 214 assessment officials and administer eligibility exams
Credits/Exemptions, Transfer Tax	Percentage of timely responses	<p>Oral response \leq 2 working days</p> <p>Written response \leq 5 working days</p>	Provide timely and accurate technical information to customers
Central Assessments			
(1) Assess utility and railroad companies for property tax purposes	Number of utility and railroad assessments completed (625_43101_003)	Assessments (261) completed by October 31, 2006	Improve property tax assessment processes to provide time and accurate services to our customers in local government.
(2) Administer replacement tax; excise tax on generating plants for kWh generated and on electric and gas distribution companies for electricity and natural gas deliveries to consumers.	Number of replacement tax assessments completed (602_43101_004)	Assessments (138) due before October 31, 2006	Improve property tax assessment processes to provide time and accurate services to our customers in local government.

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CF: Research, Analysis and Information Management. Provides relevant information and technical services in a timely manner to customers, stakeholders and policy makers to help make informed decisions. Activities may include collection, analysis, management, interpretation and dissemination of information. (64)			
Desired Outcome(s):			
To provide analysis of proposed legislation, analysis of tax revenues and refunds, analysis of tax policy issues, and statistical reports to the Governor, legislators, other State government departments, local governments, and the general public so that they may make more informed decisions when preparing budgets and proposing changes to state law.	Time Required for Analysis (625_64_001)	Varies by project and customer.	Expand and enhance the scope and analytical capabilities of the tax research and program analysis functions
Activities, Services, Products	Performance Measures	Performance Target(s)	Strategies/Recommended Actions
Tax Research & Program Analysis (TR03) (625_64101)			
A. Statistical Reports	Statistical reports completed timely. (625_64101_001)	100% Individual income tax- School district report - March 1 Low Income Report-M arch 5 Final Full Income Tax Report- May 31 st Sales Tax Quarterly-Month after receipt of final corrected file	Review and revise quarterly and annual statistical reports and the programs used to generate these reports. Identify and evaluate alternatives for generating and disseminating reports.

		Annual-One week after publication of March 31 st quarter.	
B. Receipts and Refunds Report	Percent of refunds and receipts reports completely timely. (625_64101_002)	Complete monthly report by end of the second business day of the next month.	Review and update Procedures for monitoring and reporting on tax receipts and refunds. Work to integrate the process with the state's new I3 accounting information system.
C. REC Briefing Papers			Research factors influencing state tax revenues and refunds to allow for improved tax revenue and refund estimates.
D. State Fiscal Impact Estimates	Percent of state fiscal impact estimates completed timely. (625_64101_003)	Acknowledge receipt of and notification if estimate can be performed within 5 days of receipt.	Develop improved and more efficient models for analyzing State tax legislation.
E. Federal Legislation Analysis	Percent of federal legislation analysis published timely. (625_64101_004)	100% completed timely	Investigate internal tracking and reporting services to identify a more efficient way to stay informed concerning federal legislation.
F. Local Option Sales Tax Estimates	Estimates released timely.	100% By August 15	Improve Local option sales tax and School local option sales tax estimation processes, databases, and programs.
G. Special Tax and Policy Studies			Work to enhance staff knowledge in all areas of federal and state tax policy.

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CF: Resource Management Provides vital infrastructure needs necessary to administer and support agency operations. Key activities may include financial and personnel services such as payroll, accounting and budget; purchasing of goods and services; media management; information technology enhancement, management and support; staff development; leadership; planning; policy development; and maintenance of physical infrastructure. (67)			
Activities, Services, Products	Performance Measures	Performance Target(s)	Strategies/Recommended Actions
Technology and information Management Division (TM03) (625_67_103)			
Desired Outcome(s):			
The purpose of Technology & Information Management is to provide information technology resources that will provide reliable access to secure department information resources, enable increased utilization of e-services by taxpayers, and enable the agency to meet service goals.	Percent of Utilization of Electronic Filing Program (625_67103_001)	71% of individual income tax returns	We will systematically improve our methods of processing tax returns and payments and managing tax revenues so that these transactions will become more timely, accurate and cost-effective
	Percent of Utilization of the Iowa E-File Services system. (Returns) (Withholding & Sales). (625_67103_005)	95% of returns processed thru EFile Program	
	Percent of Utilization of the Iowa E-File Services system (Payment Transactions) (Withholding & Sales Tax). (625_67103_006)	45% of payment transactions thru EFile Program.	
	Percent of online system work time availability (Iris, Network, EFile)	Access to all major online systems 99 percent of normal work hours	We will provide an environment supporting department operations

	(625_67103_002)		through continuing employee development programs and coordination of technology initiatives while aligning these goals with budgetary planning
Provide effective management of fiscal and human resources, facilities and internal services.	Percent of budget to expenditures (625_67103_004)	Percent of expenditures does not exceed 100% of authorized budget.	Align financial and human resources with department priorities (T-5)
Activities, Services, Products	Performance Measures	Performance Target(s)	Strategies/Recommended Actions
Administration			
A. Director's Office (DR03) (625_67101)	Percent of internal audit project hours spent on high risk work functions. (625_67101_001)	75% of internal audit project hours will be spent on high risk work functions.	
B. Internal Services Division (IS03) (625_67102)			
(1) Succession Planning	Number of participants (625_67102_002)	3 employees per year in CPM Program	Participate in Certified Public Manager Program.
(2) Workforce Development	Percent of Workforce surveyed annually to obtain training needs (625_67102_003)	1/3 of workforce assessed each fiscal year	Conduct employee needs assessment.
	Span of Control Supervisor-Employees (625_67102_006)	one supervisor to 18 employees	Consistently maintain a higher span of control than the 1:12 required by DAS.
	Average Number of sick days taken per employee (625_67102_007)	8.95 or less	Decrease sick leave use.
(3) Facilities Management	Percent of employee evaluations completed each year. (625_67102_008)	100%	Each employee will receive an annual evaluation.
(4) Forms Distribution	Square feet of utilization (625_67102_005)	5% reduction in space utilization	Adjust utilization of floor space to fit agency needs.
	Number of forms distributed in Jan-April. (625_67101_004)	Receive 6,094 phone calls for forms orders.	Reduce the forms distributed.
Technology and information Management Division	Motor Fuel Tax Administration (625_67103_002)	100%	Code Code

	Printing Cigarette Stamps	100%	
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CF: Revenue Collections & Compliance (AC00,AC06) (625_73_001)			
Administer tax laws and collect & distribute revenues in compliance with Iowa's laws. Key activities include; tax processing, collections, policy development, examination, audit, and resolution of disputed tax issues.			
Desired Outcome(s):			
Serve the taxpayers of Iowa by processing tax information and payments in an accurate and timely manner so that questions, taxpayer mistakes, or adjustments are dealt with expeditiously.	Percent of tax revenues received by electronic funds transfer. (625_73_101)	75% of tax revenues will be received by electronic funds transfer by 6-30-07.	We will systematically improve our methods of processing tax returns and payments and managing tax revenues so that these transactions will become more timely, accurate and cost-effective.
Serve the taxpayers of Iowa by processing tax information and payments in an accurate and timely manner so that any refunds, or other distribution of funds or information, meets statutory or management directed time requirements.	Percent of paper filed individual income tax refunds issued within 60 days of receipt. (625_73101_002) Percent of electronic filed individual income tax refunds issued within 14 days of receipt.(625_73101_003)	90% of paper filed individual income tax refunds will be issued within 60 days in processing year 2007. 95% of electronic filed individual income tax refunds will be issued within 14 days in processing year 2007.	
Resolve the outstanding debt owed to the Department of Revenue to assure timely resolution and collection of tax billings.	Percent of billed accounts resolved within 180 days. (625_73101_004) Percent of net debt collected within 365 days. (625_73101_005)	Resolve 75% of billed accounts within 180 days of entry into the system. Collect 65% of net debt that did not get protested within 365 days of entry into the system	We will enhance our statewide collection services as an integral part of the department's overall compliance efforts.
Oversee the operation of the Collections Partnership to assure	Ratio of costs to collections (625_73101_006)	Maintain the level of costs to collections at or below \$10 per \$100	

timely resolution and collection of debt owed to the Department of Revenue and other contracting agencies.		collected	
Assure voluntary compliance with Iowa's tax laws so the correct amount of taxes are paid, but no more, through policy development, taxpayer education and assistance, examination, audit, and the timely resolution of disputed tax issues.	Dollars collected per audit enforcement dollar expended. (625_73101_007)	Collect \$8.10 for each enforcement dollar expended.	We will seek to improve the voluntary compliance with Iowa's tax system.
Activities, Services, Products	Performance Measures	Performance Target(s)	Strategies/Recommended Actions
Document Processing & Deposit (PR01, CA01) (625_73101)			
A. Document Processing (PR01)	Percent of dollars deposited on the same day of receipt. (625_73101_001) Documents Processed (625_73101_003)	75% of tax receipts will be deposited within 1 day of receipt.	Increase the portion of general fund tax revenues received by electronic funds transfer Continue to support electronic filing options and improve resource management during peak processing periods.
B. Customer Accounts (CA01)	Percent of income tax returns requiring review completed timely . (625_73101_004) Percent of local option sales tax and school local option sales tax timely distributed each year. (625_73101_005)	70% of income tax returns going to review will be worked within 60 days of going to review. 95% of local option sales tax and school local option sales tax will be distributed on a monthly basis during the year.	Maintain efforts and time frames to resolve returns sent to the return resolution process. Maintain accuracy of distributions to local governments and schools which requires timely processing of sales tax returns and resolving exception transactions.

Collections (CC06)			
	Percent of net debt collected within 90 days (625_73201_001) Dollars of debt collected within 90 days. (625_73201_009)	Collect the net debt placed with the collection facility within the following time parameters: a) 40% within 90 days b) \$38 M	Maintain existing tax collection resources and capacity.
	Percent of net debt collected within 210 days (625_73201_010) Dollars of debt collected within 210 days (625_73201_011) Dollars recovered for clients (625_73201_006)	Collect the net debt placed with the collection facility within the following time parameters: a) 50% within 210 days b) \$53 M c) \$44 M	Maintain existing tax collection resources and capacity. Acquire new customers and related debt for the collection service.
	Percent of net debt collected within 365 days (625_73201_007) Dollars of debt collected within 365 days (625_73201_008)	Collect the net debt that did not get protested placed with the collection facility within the following time parameters: a) 65% within 365 days b) \$62 M	Maintain existing tax collection resources and capacity.

Examination (EX04) (625_73301)	Revenue established (625_73301_001) Hours spent conducting exams (625_73301_002) Revenue collected (625_73301_003) Percent of protests resolved within 12 months. (625_73301_004)	Using 41,458 Examination hours, establish \$50,225,000 in revenue and collect \$43,070,000.	Develop an automated audit reporting system that will evaluate the performance of auditors and assist in selecting audit candidates in a more efficient manner. Expand the use of data mining and statistical analysis tools to identify under reporting of tax by taxpayers.
Field Audit (FO04, IV04, OS04) (625_73302)			
A. In-State Field Audit (FO04)	Revenue established (625_73302_001) Audit Hours (625_73302_002) Revenue collected (625_73302_003)	Using 27,439 Audit hours, establish \$ 6,795,000 in revenue and collect \$ 4,895,000.	
B. Investigative Audit (IV04)	Revenue established (625_73302_004) Audit Hours (625_73302_005) Revenue collected (625_73302_006)	Using 7,488 Audit hours, establish \$ 555,000 in revenue and collect \$ 300,000.	
C. Out-of-State Field Audit (OS04)	Revenue established (625_73302_007) Audit Hours (625_73302_008) Revenue collected (625_73302_009)	Using 3,936 Audit hours, establish \$ 3,500,000 in revenue and collect \$2,500,000.	
Taxpayer Services / Policy (TS04, PO04) (625_73303)			
A. Audit Services	Percent of protests resolved	Resolve 80% of protests within 12 months.	
B. Call Centers (TS04)	Percent of all services calls answered in one minute. (Taxpayer Services & E File)(625_73303_002)	Answer at least 85% of calls requesting a live person within 1 minute.	Implement additional self-help options to help taxpayers comply with tax laws.

	<p>Percent of all calls abandoned. (625_73303_003)</p> <p>Percent of Emails answered in one day. (625_7303_004)</p>	<p>Less than 4% of calls will be abandoned before answered by a live person.</p> <p>Respond to at least 90% of emails received during the day by 4:30 PM.</p>	
TAX GAP (625_73304)	<p>Revenue established (625_73304_001)</p> <p>Audit Hours (625_73304_002)</p> <p>Revenue collected (625_73304_003)</p>	<p>Using 19,275 examination hours, establish \$ 22,500,000 in revenue and collect \$ 15,200,000.</p>	

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