

**AGENCY PERFORMANCE PLAN
FY 2009**

July, 2008

Name of Agency: Iowa Department of Revenue			
Agency Mission: To serve Iowans and to support government services in Iowa by collecting all taxes required by law, 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 taxpayers 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 before By Aug 15 2009	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, 2008	Improve assessment processes to provide timely & accurate services to our 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	Reduction in the number of equalization orders issued. (625_43101_008)	5% reduction in the number of equalization orders issued.	Complete appraisals before January 1st so assessors have time to adjust their values. Make sales available with our coding on-line before July 1st.
	Percent of agricultural jurisdictions within statutory assessment level tolerance. (625-43101-005)	Agricultural 75%	Analyze data and issue orders in order to bring assessments to statutory level.

	<p>Percent of residential jurisdictions within statutory assessment level tolerance. (625-43101-006)</p> <p>Percent of commercial jurisdictions within statutory assessment level tolerance. (625-43101-007)</p>	<p>Residential 75%</p> <p>Commercial 75%</p>	
B. Appraisals	Percentage of appraisals completed in a timely manner	100% complete by January 1, 2009 (1,092 commercial appraisals)	Work with Tax Research and Program Analysis section to create SAS data base of assessment and real estate sales information. Bring GIS into equalization process.
C. Data Management	Automate the collection of information from counties into a data base. Reports to be automated include: Abstracts Board of Review Reports Utility Reports Exempt Property Reports	75% of reports will be automated by June 30, 2009	Work with assessors in creating a summary record that enables effective queries. Work with Tax Research to create database.
D. Assessor Education	<p>Percentage of assessors meeting continuing education requirements.</p> <p>Number of exam applications</p>	<p>100% notification (214) by August 31, 2008 and January 31, 2009.</p> <p>Hold exams and notify with results by November 7, 2008 and May 9, 2009</p>	Establish an education plan for property tax division. Broaden the educational opportunities for assessment official by improving ties to IAAO and by broadening types of courses approved for Deputy and Assessor credit.
E. 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, 2008	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 (625_43101_004)	Assessments (138) due before October 31, 2008	Improve property tax assessment processes to provide time and accurate services to our customers in local government.

Activities, Services, Products	Performance Measures	Performance Target(s)	Strategies/Recommended Actions
Property Appeal Board (PA05) (625_43102)			
(1) Hear protests of decisions made reached by a local board of review on assessments, valuation or application of equalization orders.	Number of Protests from Board of Review. (625_43102_001)	350 protests in reassessment years and 50 protests in non-reassessment years	Educate external customers regarding the assessment appeal process.
(2) Render a decision on the appeal.	Processing time for Appeal Process. (625_43102_002)	90% of the decisions prior to properties' second delinquency date.	Establish a uniform docket system to timely process appeals.

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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)	Individual income tax-School district report - March 1 Low Income Report-March 21 Final Full Income Tax Report- May 31 st Sales Tax Quarterly-Month after receipt of final corrected file Annual-One week after	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.

		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.
C. REC Briefing Papers		Complete report in time for DOM-LSA briefing session.	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	
F. Local Option Sales Tax Estimates	Estimates released timely.	100% By August 15	Develop new analysis and estimation procedures to insure school districts receive the appropriate amounts of SILO replacement and property tax relief funds. Develop GIS capability in order to be able to implement new LOST tax increment finance legislation.
G. Special Tax and Policy Studies			Work to enhance staff knowledge in all areas of federal and state tax policy.
H. Tax Credits Program	Number of Contingent & Evaluation Reports Completed	4 Qtrly Contingent liability reports completed each year. 2-3 Evaluation Studies completed each year.	Provide basis for better decision making and better revenue estimates.

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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) Percent of Utilization of the Iowa E-File Services system. (Returns) (Withholding, Sales, and Fuel). (625_67103_005) Percent of Utilization of the Iowa E-File Services system (Payment Transactions) (Withholding, Sales, and Fuel Tax). (625_67103_006)	72% of individual income tax returns 96% of returns processed thru EFile Program 57% of payment transactions thru EFile Program.	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, secure and cost-effective.
	Percent of online system work time availability (Iris, Network, EFile) (625_67103_002)	Access to all major online systems 99 percent of normal work hours	We will provide an environment supporting department operations through continuing employee development programs and coordination of technology initiatives.
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.	Meet with Audit Committee for input on high risk work functions.

<p>B. Internal Services Division (IS03) (625_67102)</p>			
<p>(1) Succession Planning</p>	<p>Number of participants (625_67102_002)</p>	<p>3 employees per year in CPM Program.</p>	<p>Participate in Certified Public Manager Program.</p>
	<p>Number of employees enrolled in Revenue Professional Development Program (625_67102_012)</p>	<p>10 employees per year</p>	
<p>(2) Workforce Development</p>	<p>Employee satisfaction (625_67102_009)</p>	<p>Average composite score of 4.0 on a 1 to 5 scale on the employee satisfaction survey.</p>	<p>Conduct annual employee survey.</p>
	<p>Span of Control Supervisor-Employees (625_67102_006)</p>	<p>one supervisor to 18 employees</p>	<p>Consistently maintain a higher span of control than the 1:12 required by DAS.</p>
	<p>Average Number of sick days taken per employee (625_67102_007)</p>	<p>8.95 or less</p>	<p>Decrease sick leave use.</p>
	<p>Percent of employee evaluations completed each year (625_67102_008)</p>	<p>100%</p>	<p>Each employee will receive an annual evaluation.</p>
<p>(3) Facilities Management</p>	<p>The level of physical security at my work location is satisfactory. (625_67102_010)</p>	<p>Composite score of 4.0 or > on a 1 to 5 on each question.</p>	<p>Provide a safe and supporting work location to employees.</p>
	<p>I feel safe from physical injury at my work Location. (625_67102_011)</p>		
<p>(4) Budget and Accounting</p>	<p>Percent of budget to expenditures (625_67102_013)</p>	<p>Percent of expenditures does not exceed 100% of authorized budget.</p>	<p>Align financial and human resources with department priorities.</p>

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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)	74% of tax revenues will be received by electronic funds transfer by 6-30-09.	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, meet 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 2008. 95% of electronic filed individual income tax refunds will be issued within 14 days in processing year 2008.	
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 210 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 timely resolution and collection of debt owed to the Department of	Ratio of costs to collections (625_73101_006)	Maintain the level of costs to collections at or below \$10 per \$100 collected	

Revenue and other contracting agencies.			
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 \$9.00 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 SAVE 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) \$46 M	Maintain existing tax collection resources and capacity.
	Percent of net debt collected within	Collect the net debt placed	Maintain existing tax collection resources and

	<p>210 days (625_73201_010)</p> <p>Dollars of debt collected within 210 days (625_73201_011)</p> <p>Dollars recovered for clients (625_73201_006)</p>	<p>with the collection facility within the following time parameters:</p> <p>a) 50% within 210 days</p> <p>b) \$58 M</p> <p>c) \$48 M</p>	<p>capacity.</p> <p>Acquire new customers and related debt for the collection service.</p>
	<p>Percent of net debt collected within 365 days (625_73201_007)</p> <p>Dollars of debt collected within 365 days (625_73201_008)</p>	<p>Collect the net debt that did not get protested placed with the collection facility within the following time parameters:</p> <p>a) 65% within 365 days</p> <p>b) \$75 M</p>	<p>Maintain existing tax collection resources and capacity.</p>
<p>Examination (EX04) (625_73301)</p>	<p>Revenue established (625_73301_001)</p> <p>Hours spent conducting exams (625_73301_002)</p> <p>Revenue collected (625_73301_003)</p>	<p>Using 45,000 Examination hours, establish \$65,000,000 in revenue and collect \$51,000,000.</p>	<p>Develop an automated audit reporting system that will evaluate the performance of auditors and assist in selecting audit candidates in a more efficient manner.</p> <p>Expand the use of data mining and statistical analysis tools to identify under reporting of tax by taxpayers.</p>
<p>Field Audit (FO04, IV04, OS04) (625_73302)</p>			
<p>A. In-State Field Audit (FO04)</p>	<p>Revenue established (625_73302_001)</p>	<p>Using 32,000 Audit hours, establish</p>	<p>Develop audit programs using prior audit information and targeted businesses. Improve audit</p>

	Audit Hours (625_73302_002) Revenue collected (625_73302_003)	\$ 7,600,000 in revenue and collect \$ 5,000,000.	methods and use statistical sampling where appropriate.
B. Investigative Audit (IV04)	Revenue established (625_73302_004) Audit Hours (625_73302_005) Revenue collected (625_73302_006)	Using 7,200 Audit hours, establish \$ 535,000 in revenue and collect \$ 360,000.	Continue to identify cases for criminal prosecution and publish results or criminal cases.
C. Out-of-State Field Audit (OS04)	Revenue established (625_73302_007) Audit Hours (625_73302_008) Revenue collected (625_73302_009)	Using 4,500 Audit hours, establish \$ 3,000,000 in revenue and collect \$1,800,000.	
Taxpayer Services / Policy (TS04, PO04) (625_73303)			
A. Audit Services (PO04)	Percent of protests resolved within 12 months. (625-73301-004)	Resolve 75% of protests within 12 months of receipt of protest.	
B. Call Centers (TS04)	Percent of all services calls answered in one minute. (Taxpayer Services & E File)(625_73303_002) Percent of all calls abandoned. (625_73303_003) Percent of Emails answered in one day. (625_7303_004)	Answer at least 85% of taxpayer service calls and 80% of e-service calls requesting a live person within 1 minute. Less than 6% of taxpayer service calls and e-service calls will be abandoned before answered by a live person. Respond to at least 90% of emails received within one business day.	Implement additional self-help options to help taxpayers comply with tax laws.
TAX GAP (625_73304)	Revenue established (625_73304_001) Audit Hours (625_73304_002) Revenue collected (625_73304_003)	Using 17,000 examination hours establish \$ 30,000,000 in revenue and collect \$ 16,500,000.	Review existing programs and add and evaluate new programs using data warehouse information.