ITEM | SUBJECT | RECOMMENDATION
--- | --- | ---
1. | Respectfully request approval of the minutes of the February 7, 2017 meeting. | (ATTACHMENT 1) RECOMMEND APPROVAL
2. | Respectfully submit the Annual Performance Review and Leadership Assessment. | (ATTACHMENT 2) INFORMATION/DISCUSSION
ATTACHMENT 1
STATE OF FLORIDA

IN RE: MEETING OF THE GOVERNOR AND CABINET

CABINET MEMBERS: GOVERNOR RICK SCOTT
ATTORNEY GENERAL PAM BONDI
CHIEF FINANCIAL OFFICER JEFF ATWATER
COMMISSIONER OF AGRICULTURE ADAM PUTNAM

DATE: TUESDAY, FEBRUARY 7, 2017

LOCATION: CABINET MEETING ROOM LOWER LEVEL, THE CAPITOL TALLAHASSEE, FLORIDA

REPORTED BY: NANCY S. METZKE, RPR, FPR COURT REPORTER

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* * * *
GOVERNOR SCOTT: Next I would like to recognize Leon Biegalski with the Department of Revenue.

Good morning.

EXECUTIVE DIRECTOR BIEGALSKI: Good morning, Governor Scott, Attorney General Bondi, CFO Atwater, Commissioner Putnam.

The Department has got four items for you today. The first item is that we respectfully request approval of the minutes from the December 6th, 2016, meeting.

GOVERNOR SCOTT: Sure. Is there a motion?

ATTORNEY GENERAL BONDI: So move.

GOVERNOR SCOTT: Is there a second?

CFO ATWATER: Second.

GOVERNOR SCOTT: Comments or objections?

(NO RESPONSE).

GOVERNOR SCOTT: Hearing none, the motion carries.

EXECUTIVE DIRECTOR BIEGALSKI: The second item, we respectfully request approval to file and certify with the Secretary of State for final adoption under Chapter 120 of the Florida Statutes
a rule related to general tax administration.

GOVERNOR SCOTT: Okay. Go ahead and do 3; we'll just do them together.

EXECUTIVE DIRECTOR BIEGALSKI: We can, but since they're in separate programs, I really want to keep them separate, just in case something comes up with a --

GOVERNOR SCOTT: Okay. Is there a motion?

COMMISSIONER PUTNAM: So moved.

GOVERNOR SCOTT: Okay. Is there a second?

ATTORNEY GENERAL BONDI: Second.

GOVERNOR SCOTT: Comments or objections?

(NO RESPONSE).

GOVERNOR SCOTT: Hearing none, the motion carries.

EXECUTIVE DIRECTOR BIEGALSKI: Thank you.

The third item, we respectfully request approval to file and certify with the Secretary of State for final adoption under Chapter 120 of the Florida Statutes rules related to property tax oversight.

GOVERNOR SCOTT: Okay. Is there a motion on the item?

ATTORNEY GENERAL BONDI: So moved.

GOVERNOR SCOTT: Second?
COMMISSIONER PUTNAM: Second.

EXECUTIVE DIRECTOR BIEGALSKI: And then our final item, we respectfully submit our Agency's second quarter performance report for fiscal year, '16/'17.

GOVERNOR SCOTT: All right. So on Item 3 everybody is okay, right?

(AFFIRMATIVE INDICATIONS).

GOVERNOR SCOTT: Item 4, does anybody -- we just accept this one. Everybody is okay?

(AFFIRMATIVE INDICATIONS).

GOVERNOR SCOTT: All right. Thanks, Leon.

EXECUTIVE DIRECTOR BIEGALSKI: That's all we've got today.

GOVERNOR SCOTT: Thanks.

EXECUTIVE DIRECTOR BIEGALSKI: Thank you.

GOVERNOR SCOTT: Thank you.

* * * * *
ATTACHMENT 2
1. How do you define success in your agency?

I define success by how effectively the Department of Revenue (DOR) is implementing our guiding principles; how well we are meeting our performance measures; and how successful we are in recruiting and retaining a skilled workforce.

A. Implementing Our Guiding Principles

When I interviewed for the Executive Director position, I stated that my personal approach to my professional responsibilities focused on three guiding principles: clarity, communication, and compliance. I believed then, and still do believe, that these guiding principles can be applied to all facets of the Department. Since I have been Executive Director, I have added a fourth guiding principle, and that is consistency. These 4Cs guide DOR as we work to support our public service responsibilities in every way possible. By focusing our efforts to get it right at the front-end of the process, less time, effort and resources will be needed by all parties to resolve issues on the back-end.

- **Clarity** means ensuring our internal and external audiences have a positive experience working and interacting with the agency, all Department information and instruction must be easy to understand and thorough.

- **Communication** means that the Department is responsive and provides information that is easily accessible and understandable to all. It also includes effective follow-up with customers/stakeholders.

- **Compliance** means creating an environment that eases the burden on those we serve by promoting voluntary conformance with laws and regulations through increased awareness, education and collaboration.

- **Consistency** means ensuring our processes and procedures are implemented fairly, reliably and uniformly.

DOR has a significant impact across the state, particularly on Florida taxpayers, Florida families and county officers. People and businesses want to know what is expected of them so they can plan and continue to progress. The outward facing programs of the Department are uniquely positioned to serve a distinctive set of customers and stakeholders. Additionally, the Department’s support services work with each of the programs and are key to the operational success of the Department.
The roles and responsibilities of DOR are extensive; we serve millions of customers each year and have a workforce of more than 5,100 individuals. Through our operations, the revenue that is distributed by our Department has an impact on the lives of nearly every Floridian.

By placing a Department-wide focus on the 4Cs, our team continues to provide a more streamlined and effective approach to the day-to-day operations, as well as to the process of developing a vision for the Department’s long-term success.

The 4Cs have been adopted in DOR’s strategic planning processes. They are also routinely communicated in Department messages to employees, in senior leadership meetings and in supervisory trainings. I personally meet with our new supervisors about our four guiding principles and convey to them the responsibility to provide this vision to their staff – in effect, carrying the banner for the agency. I feel that we have been very effective in deploying and implementing our four guiding principles.

B. Meeting Performance Measures

The performance measures are a valuable and visual gauge of the Department’s success. The data for the first three quarters of my tenure with the Department indicate that DOR is meeting or exceeding its key performance measures. I am continuously monitoring our progress using the performance measures as a foundational benchmark.

Through the lens of the 4Cs, I regularly review DOR’s key performance measures to ensure that we as a Department are assessing the most critical indicators and are being responsive to changes in technology, the workforce and our customer’s needs.

C. Retaining a Skilled Workforce

The collective success of the Department depends on thousands of decisions and actions made by our employees every day. Through my regular interactions with employees across all program areas and supervisory levels, I am provided an opportunity to hear their opinions of the Department’s performance and share the vision guided by the 4Cs.

The Department has well-organized training programs, both virtual and face-to-face, to ensure that employees are provided with the resources and knowledge they need to be successful and accomplish their goals. Strengthening and increasing the skills and abilities of our team is critical to adeptly implementing the core functions of our programs at DOR. Along with our program directors, I attend each supervisory training to express my gratitude of their drive for excellence and share the overall
vision for the Department so that each employee feels supported and encouraged to carry it forth in their management of day-to-day operations.

In addition, all team members are encouraged to share achievements and accomplishments with me, and I dedicate time each week to send personalized thank you notes to them for their contributions to the Department and the state. We have many hard-working, knowledgeable team members at DOR who deserve to be recognized for their innovation and dedication to serving the people of Florida.

2. What services does your agency provide that are most undervalued?

The Department offers a variety of important services, some of which I believe are undervalued, including services provided by the Taxpayers’ Rights Advocate Office and the Child Support Program.

DOR’s Taxpayers’ Rights Advocate Office assists Florida businesses and families with some of the most complicated and complex tax and child support matters. This office provides a critical service to Floridians. Although most of the cases are resolved through procedural mechanisms at the Department, this independent office serves as a collective voice for taxpayers and families.

Another undervalued service is paternity establishment. Since April 1, 2016, the agency has established the paternity for 7,644 children in Florida. The Department’s paternity establishment services are an important component in maintaining the Federal Temporary Assistance for Needy Families (TANF) grant. Paternity establishment means more than having a father listed on the child’s birth certificate or obtaining an order for child support. Establishing paternity creates a legal relationship between a father and his child. The establishment of paternity offers rights, benefits and privileges to the father, mother and child by providing:

- Additional information about family medical history;
- Access to health and life insurance benefits from the father, if available; and
- Social Security or Veteran’s benefits, military allowances and inheritances.

3. What outcomes do you plan to accomplish as agency head as it relates to your short and long term priorities?

At the time of my appointment, there were several key leadership positions that were vacant, including the General Counsel and Chief of Staff. Additionally, within my first month the Human Resources Director left to work at another state agency. Through the interview process, we selected candidates to fill these positions that we believe are a good fit for the Department.

My next priority was to gain a better understanding of not only central office operations, but also how customer service is delivered through our local offices. In my first year, in addition to visiting with staff at our main campus and supporting
buildings, I also visited 40 of the 41 in-state service centers locations which include a combination of child support, general tax and property tax oversight teams, totaling 61 distinct offices. This experience provided me with an opportunity to hear from and speak with employees at all levels of the Department, as well as gain hands-on exposure to the customer experience throughout the state.

Through these efforts, we now have in place a solid senior leadership team to assist me in carrying out my vision for the agency. In addition, I am more knowledgeable of the agency’s operations and have developed a rapport with the staff that work hard for the agency every day to achieve our goals.

Looking forward, I have also been focused on assessing the agency for areas where we can make additional process improvements so that we are operating as effectively and efficiently as possible. To this end, longer term priorities that we are working on are highlighted below:

**Managed Security Service Project (MSSP)**
The Department processes nearly $41 billion annually, which makes clear the need to ensure information technology security. Prior to my tenure, the Department submitted an LBR for the MSSP, which was subsequently approved. The implementation of the MSSP provides value through the reporting and detection of security threats. In addition, the Department has deployed a phishing campaign to better educate and inform our more than 5,100 employees to recognize and report phishing scams, which are one of the biggest threat factors in the cyber security area for both public and private entities.

We are following this project closely to ensure that the allocated budget provided to the Department by the Legislature and approved by the Governor is spent appropriately and that the MSSP is progressing successfully.

**NIST Grant**
In September 2016, the Department’s Child Support Program was awarded a Federal grant from the National Institute of Standards and Technology (NIST) to fully fund and develop a new pilot that will provide customers with enhanced security when accessing our customer service portals. Although the project is still in its early stages, the long-term goal is to ensure increased security for online services available to customers.

**Review and Develop e-Services**
E-Services provided by the Department are continually assessed to ensure that we are taking advantage of new technology to develop customer-centric services that increase efficiency and reduce costs. Currently, a formal assessment of e-Services is underway in the General Tax Administration Program to determine which additional services and transactions can be best provided online for Florida businesses. The goal is to:
• Maximize voluntary compliance;
• Enhance efficiency and minimize costs;
• Expand self-service options for customers;
• Improve data integrity and accuracy; and
• Enhance the safeguarding of data.

In March 2017, the Child Support Program deployed additional e-services to assist with gathering information with the goal of collecting and distributing child support. In the first 10 days of the release, parents due support provided 27,113 entries of information such as phone numbers, addresses and current employment for the other parent via e-Services.

**Solidifying Leadership Teams in Property Tax Oversight**
The Property Tax Oversight Program conducted a nationwide search for a director, and selected a candidate whose tenure began in July 2015. The program’s core mission is to ensure uniform tax administration across the state. This new director was tasked with going into the field and meeting with property appraisers and tax collectors to build professional relationships with local offices, as well as obtain feedback about the Department. In addition, the vacant deputy director position was filled in August 2016. With new leadership installed in the program, we will continue to advance the mission of the Department and solidify processes and procedures that improve our operations.

**2017 Legislative Concepts to Ease Burdens and Improve Efficiency**
This year, the Department developed legislative concepts that were presented and approved at the September 20, 2016, Cabinet meeting. All 10 concepts, currently contained in proposed legislation, eliminate fees and unnecessary requirements to create a more business-friendly environment while reducing burdensome processes at the Department. I am proud of the work that we’ve done to develop and propose these concepts as it demonstrates that our team continues to focus on developing ways to improve customer service and find efficiencies.

In conclusion, our short term and long term priorities are focused on ensuring that we are developing and facilitating a Department that:

• Values its employees;
• Is accessible and efficient;
• Uses best practices for information security, operational processes, and communication efforts;
• Is responsive to changes in technology, the workforce and our customer needs;
• Remains prudent stewards of state resources;
• Reduces burdens on taxpayers and families;
• Increases voluntary compliance through clear communication, education and simplification;
• Continues to improve performance; and
• Provides excellent customer service.
I believe that in the past year we have been successful in furthering these objectives.

a. **Do your resources align with your priorities in order to achieve these outcomes?**

Yes, the Department’s operational, budget, infrastructure and workforce resources are currently aligned with the priorities we’ve established at the Department. Resources are regularly evaluated and assessed to develop goals and strategies to support improving efficiencies, while reducing costs. As we analyze operations of the Department and our public service to our stakeholders, customers and employees, we will propose possible resource realignments to improve operations as needed.

b. **How do your priorities align with the agency’s legislative proposals and legislative budget requests?**

The Department’s priorities to increase efficiencies, improve customer service, reduce the burden on customers and remain prudent stewards of state resources are reflected in our legislative concepts and Legislative Budget Request (LBR).

**Legislative Proposals**

The Department’s 2017 legislative proposal will eliminate registration fees for several different taxes. In addition, the Department’s proposal contains a concept that will eliminate a processing fee required for quarterly refunds. Businesses are required by law to register with the Department to collect and remit various taxes. Charging a fee to register or receive a tax refund is an unnecessary burden for businesses.

The Department’s legislative proposal also eliminates unnecessary reporting and noticing requirements. Two reporting requirements for estates in probate will be eliminated. In addition, a required notice on vending machines will also be removed. The reports for estates in probate are no longer necessary to due to tax law changes. The required notice on vending machines was intended to improve tax compliance, but is burdensome and has not achieved its intent.

In addition to eliminating unnecessary, obsolete or burdensome provisions, the Department’s legislative proposal addresses improvements in reemployment tax (RT) administration. Provisions would be added to allow a penalty waiver in certain circumstances and to allow extension of due dates when the dates fall on a weekend or holiday. Authority exists to waive RT penalties except the penalty imposed for failure to file electronically. Adding waiver authority would align this penalty with all other RT penalties. Most RT taxpayers receive an automatic extension when a due date falls on a weekend or holiday. The same
extension is proposed to be added to those filing annually or paying by installments.

Operational improvements are also addressed in the legislative proposal. Specific guidelines for the imposition and expiration of certain local ordinances will be added to provide clarification for local officials and the Department. Certain local fuel taxes lack clear direction regarding their imposition and expiration. This is problematic for local officials and the Department because tax distribution could be adversely affected if adequate timeframes are not met.

All or portions of the Department’s legislative concepts are contained in various bills currently being considered by the Florida Legislature.

**Legislative Budget Request**

This year’s LBR includes items that serve a specific need to meet the Department’s mission, which includes the following:

- Non-recurring Federal Grants Trust Fund spending authority to implement the NIST grant; and
- Vehicles for agricultural appraisers, to replace two vehicles that have accrued significant mileage and are costly to repair.

In addition, the Department is required by statute to address two items relating to local governments each year. The first relates to transfers to fiscally constrained counties. Our LBR requests an increase in transfer authority to ensure that the emergency and supplemental distributions are available to select counties that meet certain fiscal-related eligibility requirements or have an inmate population of greater than 7% of the total county population. The Department is responsible for transferring these distributions to county governments as defined in section 218.65, F.S.

The second item relates to aerial photography. Under section 195.022, F.S., the Department has a statutory obligation to provide aerial photography to counties with a population of 25,000 or less, or to counties with higher populations as provided in legislation.

Two of the requests are statutorily required, and the third is a request for spending authority for a federal grant. In that context, the LBR only represents a 0.2% increase in total recurring funding, which is indicative of my approach and the Department’s philosophy in ensuring that we are prudent stewards of our resources.

**c. What are the drivers and resistors that will help or hinder you from meeting these priorities?**
Information technology and innovative ideas from a skilled and experienced workforce are the main drivers for achieving success. Technology drives opportunities for creating easily accessible information and services for customers, as well as efficient processes for critical revenue transactions with local governments, businesses and families.

Technology changes rapidly and we remain focused on proactive measures to seize opportunities and manage challenges. As previously referenced, this fiscal year we are implementing the MSSP which is just one strategy to ensure the security of our confidential data. We must also continuously evaluate our systems to maximize automation so that we may ease the burden on those individuals, businesses, families, and government officials who interact with the Department.

As an example, we are currently in the process of evaluating our e-Services capabilities in the Department’s General Tax Administration Program. The purpose of this review is to recommend solutions to ease taxpayer burdens by simplifying the process to file returns and remit taxes. This review will compare the current system against best practices and may result in a budget request for next year.

Maintaining a skilled and engaged workforce is also key to achieving the Department’s goals. The job market is very competitive and we will need to continue our diligent efforts to recruit and retain qualified, skilled and customer-service oriented individuals.

d. How does the agency organizational structure support these priorities?

The organizational structure of the Department supports our priorities by ensuring appropriate levels of management are applied throughout the agency. After an assessment of the Department’s operations, we modified the organizational chart to design a more effective reporting flow of the senior leadership team. The direct reports to the Executive Director are focused on executive-level management. The Deputy Executive Director’s direct reports include program directors and legislative and cabinet services. The Chief of Staff’s direct reports include directors who oversee administrative, strategic, communications and technology functions of the Department.

We also reevaluated the process by which agency-wide decisions were made. The previous process for strategic decisions was cumbersome and oftentimes lengthy. A new process was put in place to consider senior leadership input while making agency-wide decisions in a more timely manner. Additionally, the support programs have been utilized to a greater extent to provide their services to the outward facing program. This allows the outward facing programs to focus on their core missions.
e. How are you measuring your progress toward outcomes?

Progress toward outcomes is measured both quantitatively and qualitatively. The Department has established key performance measures, which are actively monitored monthly and discussed at internal quarterly executive briefings. In addition, I challenge senior leaders to discuss the effectiveness of current measures, or the need to revise or add additional measures.

We also employ a subjective component to assessing progress. From senior leaders to front-line employees, our team is made up of hardworking and dedicated individuals ready to carry out the 4Cs – clarity, communication, compliance and consistency. When talking with staff, they frequently mention how their actions relate to our strategies and goals. The message that we’ve been communicating has reached every level of the agency.

As a step in measuring and further implementing the guiding principles of the 4Cs, the Department is undertaking an audit of all Department communications, both internal and external, to its employees, customers and stakeholders. This assessment will provide data on the type, frequency, message, tone, delivery methods and resources involved with each communication output. Once information is collected, the Department will have an opportunity to assess the effectiveness of each communication output including the creation, design, content, delivery and reception of our message, in consideration of the priorities of the Department.

4. What program areas of your agency face challenges in achieving desired outcomes?

While the outward facing programs are meeting their key performance measures, all programs are facing similar challenges in recruiting and retaining highly qualified staff, which could impact performance in the future.

a. What major issues are contributing to each area’s weakness?

The common challenge facing the Department is recruiting and retaining a skilled workforce.

b. What internal or external threats exist?

DOR has a very skilled workforce that provides critical services to its customers and Florida’s citizens. Our team members are key to helping the Department achieve the established priorities. Recruiting and retaining highly skilled, talented individuals poses a challenge in a growing economy with competitive job opportunities. In addition, there are large portions of the Department’s highly experienced team members who are within five years of retirement eligibility.
c. What are the strategies you have planned to address these issues?

DOR is taking steps to develop a comprehensive recruitment and retention plan that focuses on hiring highly skilled individuals and providing opportunities for upward mobility to increase retention. Strategies that are currently being implemented include:

- Developing, streamlining and centralizing Human Resources processes;
- Determining if there are internal resources to develop an agency-wide compensation plan;
- Assessing performance-based recognition programs to determine success and possible expansion throughout the Department; and
- Deploying exit surveys and assessing separation data to determine the Department’s position when compared to other state agencies, as well as the private sector.

d. What major changes need to occur to achieve the desired outcomes?

We continue to develop strategies to address our challenges in order to achieve our desired outcomes. As more data and information becomes available through the completion of various projects, strategies may change and available resources will need to be reassessed to ensure we can meet our established goals. Presently, we are in the early stages of implementing our various projects. In my initial assessment, I feel we are on a good path to achieving the desired outcomes with the current resources we have dedicated to our projects.

5. What do you view as the greatest risk in the next fiscal or calendar year?

As discussed earlier, staff recruitment and retention, as well as the upcoming departure of experienced staff as they near retirement age, will pose a challenge that we will focus on this coming year.

In addition, aging technology is an area that our leadership team is working to address. In particular, the Department has a custom-built system that performs critical payment transactions and document processing. More than $1 billion and over 14 million images are processed through this system annually. Additionally, this system provides services that support other agencies (DBPR, DHSMV, FDLE, and DEO) as well as the imaging of child support correspondence. The core Imaging Management System (IMS) was developed by an external vendor more than two decades ago. Given its age and evolving customer requirements, the Department is at a critical juncture in attempting to sustain this dated but vital system.

a. How do you plan to mitigate the risk and address the issue?
The Department is actively reviewing and assessing the current situation. A third-party vendor was selected to perform the analysis of the technology and processing risks related to the IMS system. We hope to use the deliverables of this engagement as a foundation for potential items in a future legislative budget request.

6. **What current agency responsibilities do you consider unnecessary or obsolete, or would be best accomplished by another agency?**

At this point, I have not identified any responsibilities of the agency that would be best accomplished by another agency.

Regarding unnecessary or obsolete responsibilities; during the development of the Department’s legislative concepts, we identified a number of provisions in the area of general tax administration that were unnecessary or obsolete. (See overview of our legislative proposal under response to question 3.) In addition, as part of the LBR submission, the Department also identified several areas where resources could be deployed to other areas or reduced to due efficiencies that have been achieved, including automating manual processes. Highlights of efficiencies that have been achieved due to eliminating unnecessary or obsolete functions or otherwise achieving efficiencies are listed below. Much of this spending reduction has already been achieved. There will be no adverse impact on customers or services from the corresponding budget reductions.

Highlights of efficiencies that have been achieved due to eliminating unnecessary or obsolete functions or otherwise achieving efficiencies are listed below.

**Leased Space Reduction:** $329,167.37 in Savings
Since April 2016, the Department has reduced its leased space and made other adjustments at its main campus in Tallahassee by 20,471 square feet with an annual savings of $329,167.37.

**State Disbursement Unit Cost Reduction:** $5,129,710 in Savings
The Department has realized savings of $5,129,710 due to the procurement of a new contract for State Disbursement Unit Services. Not only does the new contract result in lower costs, it expands the services available to child support customers.

**Mailing Cost Reduction:** $89,312 in Savings
The Department received $94,500 in recurring expense budget to cover the costs associated with printing and mailing coupon booklets for the Emergency 911 Fee beginning in Fiscal Year 15-16. As a result of consolidating reporting requirements, the Department was able to significantly reduce the number of mailings and associated costs to only $5,188.

**Replaced Commercial Application with In-House System:** $60,241 in Savings
The Department developed a new data capture system called the Resource Information System to replace a vendor provided application. As a result, the Department has realized an annual cost savings of $60,241.

**Improvements to SUNTAX: $124,417 in Savings**

Due to the implementation of an automated correction feature in the System for Unified Taxation System (SUNTAX) for the sales tax due date, taxpayer filing error rates have been reduced, which in turn has increased efficiencies in the reconciliation and collection units of the General Tax Administration Program. This improvement has resulted in a savings of 3 positions and $124,417.

**Automation of the Sole Proprietor Registration Process: $207,362 in Savings**

The Department has realized savings of 5 positions and $207,362 based on the reengineering of the business registration process and the development of a systematic solution to auto register sole proprietor accounts.

**Operational Expense Reduction: $337,300 in Savings**

The Child Support Program has reduced its need for consumable office supplies through automation and other cost saving measures. For example, the Program has moved to electronic case files, which has reduced the need for supplies for paper files. As the result of actions already implemented and those that will be implemented, spending will decline by approximately $147 per position.

7. **Stakeholders:**

   a. **Identify your stakeholder groups and opportunities for stakeholders to interact/provide input to your agency.**

   The responsibilities of the Department are extensive and affect many stakeholders including Florida families, taxpayers, businesses, tax attorneys, accountants, tax collectors, property appraisers, clerks of the court, local governments, related professional associations, the Governor, the Cabinet, the Legislature, other states and other state agencies.

   The Department provides many opportunities for stakeholders to provide input. Highlights of some of the ways input is received includes the following:

   - The Department participates in round table discussions with various associations, and business and professional groups to obtain feedback and discuss specific issues.
   - The Department participates in speaking engagements and presents information to and receives information from stakeholders.
   - Stakeholders may provide feedback through various surveys deployed to assess customer satisfaction. Customers are surveyed when they receive services through our local tax service centers, customer contact centers,
and e-Services, as well as when training is provided through the Property Tax Oversight Program.

- Taxpayers are also surveyed as part of the audit process. Surveys are provided at the time the audit is completed. In addition, the Taxpayer Rights Advocate sends customer surveys to taxpayers who have recently been audited.
- Customers may submit comments through the Department’s website to provide input regarding informational publications, our website, and other areas.
- The Department also routinely receives feedback from child support customers via webchat services and email.

The feedback that the Department obtains through these various avenues frequently results in improved processes and enhanced customer service. An example of a suggested change that the Department is currently implementing is the tax audit survey. When a tax audit is completed, taxpayers are given the opportunity to provide feedback about their audit experience. This is currently done through a paper form sent to our customers; they complete the survey and return it in a postage paid envelope.

To enhance this feedback effort, the Department is transitioning from a paper-based survey to a web-based version of the Tax Audit Satisfaction Survey, which will provide increased opportunities and benefits for both the taxpayers and the Department. Administering the survey online will increase flexibility by providing easier access and the ability for the taxpayer to respond to the survey over multiple platforms (e.g., desktop or laptop computer, tablet and smartphone). It will also enhance customer service through quicker response times when the taxpayer requests contact from the Department. Another feature of the new system will be to accept feedback from not only the taxpayer, but also their accountant or tax attorney.

b. What are the top issues communicated by stakeholders, and what plans are in place to address these issues?

A top issue in the General Tax Administration (GTA) Program is the need for more opportunities to provide taxpayer education. Over the years, the Department has provided online tutorials and educational publications. However, based on stakeholder feedback, it is apparent that there is a growing desire for additional, more dynamic taxpayer education. This has become an area of key focus and we are implementing strategies to address this need.

One initiative that we have deployed involves a partnership with business leaders. In December 2016, the Department held its first live webinar, which was developed in partnership with the Service Corps of Retired Executives (SCORE). SCORE is a nonprofit association of volunteer business counselors supported by the U.S. Small Business Administration. The webinar – Sales and Use Tax
Basics: Foundation for Business Success – was announced using a variety of communications strategies, including emails to new businesses that recently completed a registration with the Department. Information was also shared on the Department’s website and social media posts leading up to the webinar.

Nearly 700 participants, exceeding SCORE’s average number of participants for webinars, tuned into the presentation and many actively engaged in the question and answer session at the end. Following the webinar, 400 survey participants confirmed they would like to receive information from the GTA Program. GTA also answered 75 questions through email. The live webinar was recorded and posted on SCORE’s website. To inform the public, the Department also included a link to the recorded SCORE webinar on the Department’s Taxpayer Education page at http://floridarevenue.com/taxes/Pages/education.aspx. We are continuing to work with SCORE to develop additional educational programs.

In addition to our partnership with SCORE, the Department has dedicated a team of experienced staff to support the Department’s priority to broaden taxpayer education and enhance communications. Focusing specific resources on communications and taxpayer education ensures clarity and consistency in messaging and promotes taxpayer compliance. Additionally, it permits further exploration and leveraging of web-based options and partnership opportunities. Effective communication and education have a vital role in helping individuals, businesses and stakeholders understand and comply with the law.

In the Child Support Program, a top issue is long wait times in local offices and the volume of calls received by the customer contact center. To address the long wait times, the Department is continuing the implementation of the new walk-in service delivery model. This approach to providing in-person service is based on an open floor plan with a walk-up counter, similar to a bank lobby or tax collector’s office.

When a customer service center lease expires, the Child Support Program explores whether the office can be reconfigured based on the new model. Since 2011, the new customer service delivery model has been implemented in 15 service sites. The new service model serves customers more quickly, 64% faster than the original office layout. It also decreases, by approximately 4%, the amount of office space needed.

To address the large volume of calls that come into the customer contact center, the Department is implementing a number of options for customers to contact the Child Support Program. For example, on March 5, 2017, e-Services was enhanced to allow customers to be able to add employment information for themselves or the other parent online at any time without the assistance of a Child Support Program team member. Through the system’s notifications, parents who are due support receive notification if personal or contact information is needed for the other parent. These features were implemented
after receiving feedback from our customers. Prior to this enhancement, parents relied on calling, using web chat or visiting a local office during office hours to provide this information.

In Property Tax Oversight, a top issue is how the Department will implement statutes through the rulemaking process. The Department has been diligently working to address outstanding rulemaking. Since April 2016, the Department has presented and received approval from the Governor and Cabinet to file for final adoption with the Department of State of three property tax rule packages. There are additional rule packages that are currently in development that will be proceeding to workshop in the coming months.

c. **How do you assess whether or not your stakeholder needs are met?**

Utilizing the various methods of collecting customer feedback, the Department consistently measures customer and stakeholder satisfaction, and is responsive to specific recommendations for how we may serve our customers better. We survey customers on a regular basis, and we collect feedback from stakeholders during direct conversations with them or their offices. These surveys and conversations assess their satisfaction, as well as provide specific recommendations for how we may serve our customers better. We use this feedback to improve our processes and delivery of services. Additionally, we receive feedback from our taxpayer education team, the Taxpayers’ Rights Advocate Office, and various meetings and conferences that the Department attends with stakeholder groups.

Through monitoring the progress on our objective performance measures, we are able to analyze a snapshot at each reporting to ensure the Department is meeting or exceeding expectations and focusing on priority outcomes.
# Objective Performance Measures

**Florida Department of Revenue**  
**Objective Performance Measures**  
**April 1, 2016 – December 31, 2016**

*State Fiscal Year (SFY 7/1 – 6/30)*  
*Federal Fiscal Year (FFY 10/1 – 9/30)*

<table>
<thead>
<tr>
<th>Objective</th>
<th>Weight</th>
<th>Range</th>
<th>Result</th>
<th>Score</th>
<th>Weighted Score</th>
</tr>
</thead>
</table>
| Average number of days from receipt of payment to deposit                | 10%    | 5 = Less than 1  
4 = 1-2 days  
3 = 3-4 days  
2 = 5-6 days  
1 = 7 days or more | < 1 day  | 5  | .50  |
| Percent of revenue distributions made timely                             | 15%    | 5 = 98 -100%  
4 = 95 - 97%  
3 = 92 - 94%  
2 = 90 - 92%  
1 = 87-89% | 100%  | 5  | .75  |
| Median number of days to process a refund                                | 5%     | 5 = Less than 30 days  
4 = 30-39 days  
3 = 40-49 days  
2 = 50-59 days  
1 = 60 days or more | 32 days  | 4  | .20  |
| Percent of IV-D cases with an order of support (FFY)                    | 10%    | 5 = 90-100%  
4 = 80-89%  
3 = 70-79%  
2 = 60-69%  
1 = 50-59% | 82.1%  | 4  | .40  |
| Percent of current support collected (FFY)                               | 5%     | 5 = 80-100%  
4 = 60-79%  
3 = 40-59%  
2 = 20-39%  
1 = Less than 19% | 63.2%  | 4  | .20  |
| Percent of support collected and distributed during the year that was due within the federal fiscal year (FFY) | 10%    | 5 = 90-100%  
4 = 80-89%  
3 = 70-79%  
2 = 60-69%  
1 = 50-59% | 82.0%  | 4  | .40  |
| Percent of State Distributions Unit collections disbursed within two business days of receipt (SFY) | 10%    | 5 = 100%  
4 = 99%  
3 = 98%  
2 = 97%  
1 = 96% | 99.4%  | 4  | .40  |
| Statewide Level of Assessment for real property                          | 10%    | 5 = 90% and up  
1 = 89.9% and below | 94.8%  | 5  | .50  |
| Percent of training participants satisfied with services provided        | 5%     | 5 = 100%  
4 = 99%  
3 = 96-98%  
2 = 93-95%  
1 = 90-92% | 98.4%  | 3  | .15  |

**Total** 80%  
**3.50**
<table>
<thead>
<tr>
<th>NUMBER</th>
<th>MEASURE</th>
<th>RANKING (1-5)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>How do you define success in your agency?</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>What services does your agency provide that are most undervalued?</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>What outcomes do you plan to accomplish as agency head as it relates to your short and long term priorities?</td>
<td></td>
</tr>
<tr>
<td></td>
<td>a. Do your resources align with your priorities in order to achieve these outcomes?</td>
<td></td>
</tr>
<tr>
<td></td>
<td>b. How do your priorities align with the agency’s legislative proposals and legislative budget requests?</td>
<td></td>
</tr>
<tr>
<td></td>
<td>c. What are the drivers and resistors that will help or hinder you from meeting these priorities?</td>
<td></td>
</tr>
<tr>
<td></td>
<td>d. How does the agency organizational structure support these priorities?</td>
<td></td>
</tr>
<tr>
<td></td>
<td>e. How are you measuring your progress toward outcomes?</td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>What program areas of your agency face challenges in achieving desired outcomes?</td>
<td></td>
</tr>
<tr>
<td></td>
<td>a. What major issues are contributing to each area’s weakness?</td>
<td></td>
</tr>
<tr>
<td></td>
<td>b. What internal or external threats exist?</td>
<td></td>
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<tr>
<td></td>
<td>c. What are the strategies you have planned to address these issues?</td>
<td></td>
</tr>
<tr>
<td></td>
<td>d. What major changes need to occur to achieve the desired outcomes?</td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>What do you view as the greatest risk in the next fiscal year or calendar year?</td>
<td></td>
</tr>
<tr>
<td></td>
<td>a. How do you plan to mitigate the risk and address the issue?</td>
<td></td>
</tr>
<tr>
<td>6</td>
<td>What current agency responsibilities do you consider unnecessary or obsolete, or would be best accomplished by another agency?</td>
<td></td>
</tr>
<tr>
<td>7</td>
<td>Stakeholders</td>
<td></td>
</tr>
<tr>
<td></td>
<td>a. Identify your stakeholder groups and opportunities for stakeholders to interact/provide input to your agency.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>b. What are the top issues communicated by stakeholders, and what plans are in place to address these issues?</td>
<td></td>
</tr>
<tr>
<td></td>
<td>c. How do you assess whether or not your stakeholder needs are met?</td>
<td></td>
</tr>
</tbody>
</table>
# Annual Performance Review – Score Totals

## Overall Score

<table>
<thead>
<tr>
<th>Florida Department of Revenue</th>
<th>Weight</th>
<th>Score</th>
<th>Weighted Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>Objective Performance Measures Score</td>
<td>80%</td>
<td></td>
<td>3.50</td>
</tr>
<tr>
<td>Subjective Leadership Assessment</td>
<td>20%</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Total Weighted Score</th>
</tr>
</thead>
</table>

## Weighted Average Scale

<table>
<thead>
<tr>
<th>Expectation</th>
<th>Score Range</th>
</tr>
</thead>
<tbody>
<tr>
<td>Significantly Exceeds Expectations</td>
<td>4.6 and above</td>
</tr>
<tr>
<td>Exceeds Expectations</td>
<td>3.6-4.5</td>
</tr>
<tr>
<td>Meets Expectations</td>
<td>2.6-3.5</td>
</tr>
<tr>
<td>Does Not Meet Expectations</td>
<td>1.6-2.5</td>
</tr>
<tr>
<td>Fails Expectations</td>
<td>1.5 and Below</td>
</tr>
</tbody>
</table>
### Subjective Leadership Assessment Score

<table>
<thead>
<tr>
<th>Role</th>
<th>Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>Governor</td>
<td></td>
</tr>
<tr>
<td>Attorney General</td>
<td></td>
</tr>
<tr>
<td>Chief Financial Officer</td>
<td></td>
</tr>
<tr>
<td>Commissioner of Agriculture</td>
<td></td>
</tr>
<tr>
<td><strong>Governor &amp; Cabinet Total</strong></td>
<td></td>
</tr>
<tr>
<td>Governor &amp; Cabinet Average Score</td>
<td>(Total/4)</td>
</tr>
<tr>
<td><strong>Weight 20%</strong></td>
<td>.20</td>
</tr>
<tr>
<td><strong>Weighted Score</strong></td>
<td></td>
</tr>
</tbody>
</table>

**Annual Performance Review – Score Totals**