



# Agency Strategic Plan

2019-2023





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# Agency Strategic Plan 2019-2023



## Overview

### I. AGENCY SCOPE AND FUNCTIONS

The Comptroller of Public Accounts, created by the Texas provisional government on Dec. 30, 1835, was directed to keep an accounting of the infant nation's debts and pay them as money became available. The office continued as an appointed position in the Republic of Texas and, after statehood, became an elected position authorized by Article IV, Section 23, of the Texas Constitution of 1850.

Today, the Comptroller's office serves virtually every citizen in the state. As Texas' chief tax collector, accountant, revenue estimator, treasurer and purchasing manager, the agency is responsible for writing the checks and keeping the books for the multi-billion-dollar business of state government. If Texas were a country, it would have had the 10th largest economy in the world in 2017. Texas' economy continues to grow, with a focus on job and business creation.

As chief financial officer, the Comptroller's office collects taxes and fees owed the state. Most of the office's duties and powers are enumerated in the Texas Tax Code and in Chapter 403 of the Texas Government Code. As guardian of the state's fiscal affairs, agencies depend on the Comptroller's office to pay their bills and issue paychecks to state employees. Legislators rely on the Comptroller's office to chart the course of the Texas economy, produce annual financial reports and estimate future state revenues. Local officials and businesses look to the agency for economic development guidance and data analysis. Taxpayers rely upon it for assistance and guidance regarding compliance with tax laws. All Texas residents depend on the integrity and efficiency of the Comptroller's office to safeguard their tax dollars and ensure they are handled wisely.

The Comptroller's office also receives, disburses, counts, safeguards, records, allocates, manages and reports on the state's cash. In addition, the Comptroller chairs the state's Treasury Safekeeping Trust, which invests, manages and oversees more than \$50 billion in assets.

The work of the Comptroller's office doesn't end there. The agency is committed to cultivating a healthy economic environment in Texas by providing a range of services to a variety of stockholders, including business owners, taxpayers, local officials, HUBs and everyday Texans alike. In addition to the economy, the Comptroller's office promotes energy efficiency programs that help create a healthy, diverse and viable future for generations to come.

### Business Owners and Business Taxpayers

The Comptroller's office provides Texas business owners with many online resources to help them get ahead, from tax help and economic data to up-to-the-minute information on the impact of proposed legislation. The agency's website, [Comptroller.Texas.Gov](http://Comptroller.Texas.Gov), offers business owners and taxpayers:

- online tax payments, sales tax permitting, downloadable tax forms and registration as a state vendor;
- general information about state taxes, including relevant statutes, Comptroller rules and preprinted tax-related forms;
- the latest news, trends and analysis on issues affecting the state's economy and business climate, including economic indicators and forecasts and in-depth reports;
- the Transparency Data Center, which allows users to tap into data and analysis, including customizable research, for revenue planning, financial analysis, economic

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forecasting, site-location decisions and issues affecting trade, industry and growth;

- Where the Money Goes, the Comptroller's award-winning transparency tool, which can be used to identify opportunities to do business with the state through a review of state agency expenditures and vendors;
- access to the state's Centralized Master Bidders List, which offers registered vendors opportunities to do business with the state; and
- up-to-date information on federal actions related to endangered species, air and water that could affect Texans and the Texas economy, including interactive maps that display endangered species habitats, pending environmental action alerts, economic impacts and more.

In addition to its web resources, the Comptroller's office offers telephone assistance for each of the taxes it administers, as well as toll-free telephone filing for certain sales tax reports. Agency field offices throughout Texas can accept tax returns and payments, assist with tax permit applications and returns, answer taxability and collection-related questions and process requests for permits, licenses and decals. The agency also provides taxpayer seminars at locations around the state as well as online to provide useful information for buyers, sellers and service providers.

## Historically Underutilized Business (HUB) Owners

Texas law requires state agencies and universities to work with businesses certified as HUBs. The goal of the Comptroller's Statewide HUB Program is to actively involve HUBs in the Texas procurement process and ensure they receive a fair share of state business.

Minority members, woman and service-disabled veteran owned businesses can apply for certification as HUBs and pick up valuable tips for winning a share of billions in state contracts and subcontracting opportunities. HUB-certified companies received more than \$2 billion in contracts and nearly \$893 million in subcontracting opportunities in fiscal 2017. During that same year, more than 890 HUBs were certified to conduct business with the state, bringing the total number of HUBs to 15,833. The Comptroller's office continues to promote these opportunities as part of its long-term goal and provide assistance and guidance whenever possible.

## Local Officials

The state of Texas provides a number of local economic development programs for Texas communities. The Data Analysis and Transparency Division provides detailed information about these programs, serving as a turnkey information source for improving government efficiency and achieving economic growth. Information can be found on:

- tax programs and incentive support;
- job creation initiatives;
- economic impact analysis;
- financial transparency;
- ways to limit financial exposure; and
- budgeting and purchasing efficiencies.

The Comptroller's office also provides local governments with vital management assistance to help them streamline operations, improve customer service and ensure compliance with state laws. The agency provides a wealth of online information for local taxing authorities, including local sales and use tax information and tax rate histories for each taxing jurisdiction, answers to frequently asked questions and historical information on local sales and use tax and mixed beverage tax allocation payments.

- The agency's TxSmartBuy initiative provides an online shopping cart system that allows local governments to purchase goods and services from existing, prearranged state contracts. The system greatly simplifies the purchasing process for hundreds of thousands of common items.
- The Texas Cooperative Purchasing Program (CO-OP) gives member governments access to approximately 550 state contracts.
- Local governments can obtain up-to-date data for revenue planning and analysis, economic forecasting and site location decisions.
- The Comptroller's office oversees TexPool, a \$20.1 billion local government investment pool that serves more than 2,700 participants throughout the state. The TexPool program offers a convenient and effective choice for the investment of local funds. As an AAA-rated local investment vehicle, it's a vital tool for maintaining safe and stable community revenues.
- The agency's Property Tax Assistance Division provides advisory and monitoring services for Texas' system of local property taxation, including explanations of exemptions and reporting requirements and rights and remedies under Texas law.

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- The Texas State Energy Conservation Office (SECO), helps the state make the most of domestic energy, reduce state and local government energy costs and promote cost-effective technologies. SECO achieves these goals by promoting and administering loans and grants to state and local entities. These loans and grants deliver a variety of energy efficiency and renewable energy programs that significantly reduce energy costs and consumption for state and local governments. These programs also provide technical resources to utilize energy efficiency, financial assistance to complete energy retrofits and educational materials to make the public aware of the necessity for an energy efficient society. In 2017 alone, the SECO program achieved more than \$38.8 million in energy savings by state and local governments for building retrofit projects.

## Everyday Texans

From economic news to in-depth special reports, the Comptroller's office offers cutting-edge analysis and data on issues that affect all Texans. By leveraging the power of modern communication tools, including the internet, social media and video, the agency keeps Texans up to date with a changing world.

- The Comptroller's transparency pages provide detailed information about state spending. This information includes downloadable tax and financial data from a variety of sources in raw, machine-readable, platform-independent datasets. Links to local government transparency efforts and general information about the state budget process are available as well. By demystifying state spending and providing easy access to those numbers, the agency ensures greater accountability to the public.
- Anyone can sign up to receive agency email updates on topics ranging from franchise taxes to economic indicators, or subscribe to *Fiscal Notes*, which provides in-depth articles on issues and events affecting the state.
- The agency offers a searchable online database of unclaimed property to reunite owners or their heirs with abandoned or unclaimed properties. Claims can be generated online.
- Fraud can be reported to the agency's Criminal Investigations Division, which works to keep taxes as low as

possible by detecting, deterring and publicizing criminal conduct and fraud involving state tax laws.

- The Comptroller's office offers a variety of programs to support and develop an educated and trained Texas workforce, including a one-stop center for planning a college career in Texas, with information on Texas colleges and universities, scholarships, savings strategies and more.
- The Comptroller's office also administers the Texas Achieving a Better Life Experience (Texas ABLE) Program. Texas ABLE, based on federal and state legislation, provides Texans with disabilities and their families the opportunity to save money for disability-related expenses in a tax-advantaged account without losing their eligibility for certain public benefits such as Supplemental Security Income (SSI), Social Security Disability Insurance (SSDI) and Medicaid. Texas residents who experience the onset of a disability before the age of 26 and meet program eligibility requirements may open a Texas ABLE account.

## II. AGENCY MISSION

The Office of the Texas Comptroller of Public Accounts will serve the people of Texas by applying the tax and fiscal laws fairly and consistently. We will continue to improve our services through innovative management and technology, carrying out all our duties with integrity, openness and at the least cost to the taxpayer.

## III. AGENCY PHILOSOPHY

We will carry out our duties openly, ethically and fairly. We will emphasize transparency and ensure greater accountability by making records freely accessible. We will listen to those we serve and ask them to judge our performance. We will deliver more services at lower costs by continually examining and improving the efficiency of our work. Employees will be rewarded for initiative, good ideas and productivity. While mindful that the human element is the source of creativity, we will seek out and use innovative technology to do our jobs simpler, smarter and faster. We will keep our word and deliver what we promise.

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## IV. COMPACT WITH TEXANS – WHAT YOU CAN EXPECT

The Comptroller's office serves every citizen in the state in its role as steward of the state's fiscal affairs. Each of the agency's strategic goals supports the desire to provide the public with quality customer service.

### Customer Service Principles

- Dynamic Assistance
- Quality Work
- Accessible Staff and Facilities
- Respectful, honest and timely communication
- Innovation and Improvement
- Privacy and Confidentiality
- Fast Response to Problems

### Dynamic Assistance

The Taxpayer Bill of Rights summarizes the agency's commitment to customer service for Texas taxpayers. It is designed to ensure that the service received from the Comptroller's office not only meets your needs, but exceeds your expectations.

As a Texas taxpayer you have the right to the following:

- Fair and Equitable Treatment
- Privacy and Confidentiality
- Understand the Taxes You Pay
- Pay Only What You Owe
- Representation
- Contest a Decision
- Request a Waiver of Penalties
- Simpler Tax Filing
- Courteous, Accessible Assistance from a Real Person
- Know How Government Spends Your Tax Dollars

### Quality Work

The agency's trained, professional staff aims to get every aspect of your affairs right the first time. If our staff does not deliver quality service, contact our customer service liaison at 888-334-4112.

### Accessible Staff and Facilities

You may contact agency staff by e-mail, telephone or letter or visit any of the offices located across Texas.

#### Headquarters Address:

111 East 17th Street  
Austin, Texas 78774

#### Mail correspondence, including requests for private letter rulings and general information letters, to:

P.O. Box 13528 Capitol Station  
Austin, Texas 78711-3528

#### Agency switchboard:

1-800-531-5441  
(8 a.m. - 5 p.m., CST, Mon.-Fri.)

### Fair and Equitable Treatment

The Comptroller's office promises tax and fiscal processes that are fair, equitable and timely.

### Innovation and Improvement

Customer input is critical to the agency's continuous improvement efforts. Customers are surveyed on a regular basis to obtain input and ideas to improve agency processes.

### Privacy and Confidentiality

The Comptroller's office will follow the letter of the law when it comes to your privacy and confidentiality.

### Fast Response to Problems

Despite the agency's best efforts, problems may arise. All complaints are handled with a sense of urgency. If you file a complaint you can expect a response within 10 working days. Contact our customer service liaison at 888-334-4112, via the web <https://comptroller.texas.gov/web-forms/support/> or by letter to Customer Service Liaison, P.O. Box 13528, Austin, Texas 78711.

### Fraud Prevention

The State Auditor's Office is authorized to investigate allegations of fraud and illegal acts affecting state resources. Anyone with information about the misuse or misappropriation of state resources can report this information by phone to 800-TX-AUDIT or use the State Auditor's fraud website.



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## Our Customer Service Standards

Agency staff will treat all customers with care and attention whether filing a tax return, undergoing an audit or simply seeking information.

- Online tax information will be available 24 hours a day, seven days a week.
- Qualifying taxpayers can file a variety of state sales tax returns via the internet 24 hours a day, seven days a week.
- Telephone messages will be returned within 24 hours.
- Complaint letters will receive responses within 10 working days.

The Comptroller's office regularly assesses its customer satisfaction levels through a number of surveys and report cards. Because of the complexity and range of duties performed by the agency, service areas individually survey their customers. The agency also monitors its progress through the use of performance measures designed to evaluate the level of customer satisfaction with major areas of the agency. A separate Comptroller's *Report on Customer Service* is available on the agency's website at <https://comptroller.texas.gov/>.



# Agency Strategic Plan

2019-2023



## Agency Goals and Action Plan

### GOAL I. IMPROVE VOLUNTARY COMPLIANCE

#### ACTION ITEMS

- Improve voluntary tax compliance through a fair and effective audit program that balances audit coverage with productivity and cost-effectiveness.
- Assess more than \$1.3 billion in tax on all audits performed.
- Participate in educational seminars to provide the taxpaying population with the most up-to-date information to help ensure that tax laws are understood and fulfilled.
- Maintain agency call center to contact delinquent taxpayers, collect past due liabilities and provide general tax assistance.
- Recover delinquent taxes and encourage future compliance through the use of tools such as business/asset seizures, bond forfeitures, permit suspensions and misdemeanor charges.
- Achieve more than \$900 million in total delinquent taxes collected.
- Provide clear, consistent, accurate and timely guidance to all customers on tax-related agency policies, procedures and processes to promote greater understanding within the taxpayer population.
- Respond to more than 6,000 inquiries from the public on tax-related subjects, process tax exempt applications and review documentation provided by taxpayers to ensure they comply with applicable tax laws.
- Obtain at least a 92 percent favorable rating from taxpayers concerning the speed and accuracy of information provided.
- Issue timely position letters, resolution agreements or motions to dismiss, informing taxpayers of the agency's position on taxpayers' legal responsibilities under the state's tax laws.
- Provide more than 2,200 letters, agreements and motions related to tax disputes.
- Defend the state in more than 1,500 active tax dispute hearings.

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## GOAL I. IMPROVE VOLUNTARY COMPLIANCE (continued)

### STATEWIDE OBJECTIVES

- **Accountable to tax and fee payers of Texas.**

The Comptroller's office is able to best serve its customers by providing them with the information they need to conduct their business with the agency as quickly and as efficiently as possible. The agency is committed to ensuring that its customers are informed of their rights and responsibilities.

Tax or fee payers can request to speak with an auditor's supervisor or manager at any time during the audit process or ask for a reconciliation conference, taxability guidance or an independent audit review. Every tax or fee payer also may engage the person of their choice to represent them should they wish to contest a decision. Should extraordinary circumstances cause unavoidable late filing or payment of taxes, or the need to amend reports due to error, Comptroller staff will consider waiving penalties in a first-time audit situation or in the absence of a prior history of late filing or payment.

- **Efficient by producing maximum results with no waste of taxpayer funds and by identifying any function or provision you consider redundant or not cost-effective.**

The easier it is for taxpayers to register, file and pay taxes, the higher the degree of voluntary tax compliance. The Comptroller's office has aggressively pursued the use of technology to give taxpayers access to services through the internet and automated telephone systems. The WebFile tool allows tax and fee payers to register, pay and file taxes online 24 hours a day, seven days a week, saving time, postage and paper, and enables the agency to operate more efficiently. Currently, the agency is engaged in a multi-year modernization initiative to update core agency tax systems for even greater customer convenience, to expand taxpayer self-service options and provide a one-stop tax solution.

- **Effective in successfully fulfilling core functions, achieving performance measures and implementing plans to continuously improve.**

Taxes make up almost half of Texas state government's revenue. A combination of voluntary compliance and effective tax administration are critical to the state's finances. Key performance indicators and measures are reviewed monthly, quarterly and annually to ensure agency goals and objectives are being met. Each area also develops an annual business plan for the upcoming year to define its goals and objectives and determine strategies for accomplishing them. Outcome measures are used to assess effectiveness by comparing actual results with intended results.

- **Provide excellent customer service.**

The agency's Taxpayer Bill of Rights is designed to ensure that the service received from the Comptroller's office not only meets customers' needs but exceeds their expectations. All tax and fee payers will be treated with courtesy and respect, no matter how large or small the issue is. Tax specialists are accessible through dedicated phone lines and email accounts or in person at offices located throughout the state. A customer service liaison is also available online or by phone to address any concerns. The Comptroller's office is committed to helping individuals who have questions related to taxes administered by the agency and administers a quality assurance survey by phone, online and print to assess the quality of its customers' experience.

- **Transparent such that agency actions can be understood by any Texan.**

A key element of voluntary compliance is the dissemination of up-to-date tax information. Through a well-organized, easy-to-navigate website, tax and fee payers can find useful information, including tax laws and rules, policies and procedures, forms, due dates and helpful publications. Staff members present taxpayer education seminars throughout the state to groups such as the Texas Parent Teacher Association, the Association of General Contractors, the Utility Excise Tax Association of Texas, the Texas Taxpayers and Research Association and county tax assessor-collectors to encourage voluntary compliance and keep taxpayers and their representatives up-to-date on the latest agency policies. Comptroller employees also participate in and make presentations to the Taxpayer Advisory Group, a small group of industry representatives and tax practitioners, to encourage dialogue and information exchange on tax topics and agency processes.

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## **GOAL I. IMPROVE VOLUNTARY COMPLIANCE** (concluded)

### **OTHER CONSIDERATIONS**

The agency's investment in training staff on tax laws and policies makes its employees valuable assets that are highly sought by the private sector. The loss of highly experienced staff, particularly in the audit and enforcement area, is a constant challenge. Flexible works schedules, teleworking options and wellness programs are all strategies that the agency has implemented and expanded to further assist with retention of the agency's most valuable resource.

## **GOAL II. EFFICIENTLY MANAGE THE STATE'S FISCAL AFFAIRS**

### **ACTION ITEMS**

- Facilitate the flow of financial resources in support of the state's fiscal functions by attaining a good or excellent rating from 98 percent of customers surveyed.
- Ensure 100 percent compliance with statutory mandates and deadlines.
- Interpret and respond to national accounting and reporting standards and provide training and individual assistance to state agencies and institutions of higher education in preparing their annual financial reports.
- Establish and enforce rules and policies pertaining to the reporting of the state's capital assets and providing assistance and training to state agencies and institutions of higher education in all areas of property accounting.
- Research and analyze fiscal, property and budgetary laws and prescribe policies and procedures for state agencies and institutions of higher education.
- Project state government receipts and disbursements and provide this information to the governor and the legislature for use in the legislative appropriations process.
- Monitor and report on the condition of the Texas economy.
- Produce fiscal impact analyses of proposed legislation, administrative rules and other proposals affecting state revenue.
- Analyze the state's cash flow position.
- Achieve a percentage variance between estimated and actual total state tax revenue collections of +/- 3.5 percent or less each biennium.
- Include sufficient number of sample properties in the school district property value study (PVS) to ensure the state is receiving the appropriate revenue.
- Obtain a 5 percent margin of error, or less, in at least 95 percent of the total value of all school district studies.
- Respond to approximately 2,500 telephone, e-mail and written requests for property tax information per month.
- Conduct mandatory annual training seminars for appraisal review boards.
- Assists taxpayers, taxing units, appraisal districts, appraisal review boards, local government officials, property tax organizations and arbitrators with property tax information and responsibilities.
- Maximize state revenue by processing at least 99 percent of funds electronically so that funds may be invested as quickly as possible.
- Generate a monthly cash flow comparison report that compares the general revenue forecast of revenues and expenditures to actual figures. The report also includes a fiscal year to fiscal year comparison as well as various revenue, expenditure and fund balances.
- Provide updated financial forecasts and other economic information to ensure that the state receives the highest bond ratings.

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## GOAL II. EFFICIENTLY MANAGE THE STATE'S FISCAL AFFAIRS (continued))

### ACTION ITEMS (concluded)

- Manage the statewide procurement process to maximize competition and create business opportunities for historically underutilized businesses.
- Achieve 100 percent usage of statewide service contracts in each fiscal year.
- Certify more than 800 new HUBs annually.
- Conduct more than 3,600 field and desk audits to ensure that HUBs are in compliance with state laws.

### STATEWIDE OBJECTIVES

- **Accountable to tax and fee payers of Texas.**

The Comptroller's office offers a wide range of resources to demystify state spending and provide easy access to financial information. A number of data visualization tools provide interactive reports, charts and graphs highlighting key economic and financial information, including Where the Money Goes, which allows Texans to see state spending by fiscal year, agency, category, purchase code, vendor and economic development fund. Another tool, Where the Revenue Comes From, depicts state revenue by category, fiscal year, county and agency.

- **Efficient by producing maximum results with no waste of taxpayer funds and by identifying any function or provision you consider redundant or not cost-effective.**

The efficient management of the state's fiscal affairs depends on universal access to detailed financial information from state agencies and institutions of higher education. To further financial and reporting uniformity throughout state government, the Comptroller's office is deploying the Centralized Accounting and Payroll/Personnel System (CAPPS), with both financial and human resources/payroll components, to all agencies over the next few years. The agency's website is continually updated to make it easier for the public to access up-to-the-minute information online.

- **Effective in successfully fulfilling core functions, achieving performance measures and implementing plans to continuously improve.**

The agency's *Comprehensive Annual Financial Report* has received the Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officers Association every year since 1991. As the state's leader in financial accountability and fiscal responsibility, the Comptroller's office continues to promote openness in government and financial transparency at all levels, while using technology to explore new opportunities for improved services and greater cost-efficiency. Key performance indicators and measures are reviewed monthly, quarterly and annually to ensure agency goals and objectives are met. Each area of the agency develops an annual business plan for the upcoming year to define its goals and objectives and determine strategies for accomplishing them. Outcome measures are used to assess effectiveness by comparing the actual result with the intended result.

- **Provide excellent customer service.**

As the state's chief accountant, the Comptroller's office serves every Texas citizen. Legislators rely on the agency's revenue estimators and fiscal management staff to chart the course of the Texas economy, produce annual financial reports and estimate future state revenues. State agencies trust the agency to pay their bills and issue paychecks to their employees. Local officials and businesses look to the Comptroller's office for economic development guidance and data analysis. The agency provides training to state agencies, citizens and businesses to improve their compliance with fiscal reporting and accounting policies, procedures and obligations. The agency monitors customer requests, concerns and comments to gather valuable taxpayer feedback. That information is used to ensure agency policies, procedures, processes, taxpayer resources and technology solutions work together to provide a high level of customer satisfaction.

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## GOAL II. EFFICIENTLY MANAGE THE STATE'S FISCAL AFFAIRS (concluded)

### STATEWIDE OBJECTIVES (concluded)

- **Transparent such that agency actions can be understood by any Texan.**

The agency's online transparency warehouse contains one of the nation's largest selections of data on state and local government finances. The warehouse offers detailed information about state spending, downloadable datasets, links to local government transparency efforts and general information about the state budget process. This expansive amount of information allows Texans to see exactly where their tax dollars go. Reports, such as the *Texas Annual Cash Report*, which details revenue and expenditure information for all funds in the state's treasury; the *Comprehensive Annual Financial Report*, the state's annual financial statement; and the *Biennial Revenue Estimate* are all available online and provide the public with a clear picture of the state's financial condition and our commitment to transparency in government.

### OTHER CONSIDERATIONS

Because the Comptroller's office is responsible for the state's financial systems, the ongoing deployment and support of CAPPs and the maintenance of other statewide systems will require significant staff time for training, agency support, documentation and system evaluation and testing. As a service provider, the Comptroller's office will continue to see workloads increase as it provides support to agencies that were traditionally responsible for procuring and managing internal financial and human resources/payroll systems. Future legislatures are likely to rely on CAPPs to provide additional reporting and transparency as needed.

## GOAL III. EXPEDITIOUSLY MANAGE THE RECEIPT AND DISBURSEMENT OF STATE REVENUE

### ACTION ITEMS

- Ensure that refund requests for taxes administered by the agency are received, analyzed and, if approved, submitted for processing quickly and efficiently.
- Maintain a turnaround time of 10 days or less for taxpayer refunds.
- Verify and allocate local option tax collections to more than 1,600 local jurisdictions that receive a local sales and use or mixed beverage tax allocation.
- Return monthly tax allocations to local jurisdictions in an average of 22 days or less.
- Increase the number of sales tax reports filed electronically to allow for faster deposits and interest accruals and reduce processing costs and errors by 2 percent.
- Maintain the receipt of approximately 98 percent of tax payments submitted via direct deposit.
- Achieve a reduction in the amount of data entered manually by increasing the number of tax returns and tax information captured electronically by approximately 1.5 percent per year.

### STATEWIDE OBJECTIVES

- **Accountable to tax and fee payers of Texas.**

All Texas residents depend on the agency to safeguard their tax dollars and ensure they are handled wisely and professionally. As the state's chief tax collector, the Comptroller is responsible for collecting more than 60 separate taxes, fees and assessments, including local sales taxes. This responsibility includes maintaining taxpayer accounts and processing tax payment exceptions, adjustments and allocations quickly and efficiently. Service standards for staff ensure that established production rates per hour are maintained for all primary functions; proper actions are taken; and accurate and detailed documentation is available to support the actions taken. Toll-free lines are available by tax type for assistance with specific questions from the public. Telephone calls and emails are answered professionally within a prescribed time. A help desk provides technical assistance with electronic reporting or web filing questions or issues.

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## GOAL III.

### EXPEDITIOUSLY MANAGE THE RECEIPT AND DISBURSEMENT OF STATE REVENUE (concluded)

#### STATEWIDE OBJECTIVES (concluded)

- **Efficient by producing maximum results with no waste of taxpayer funds and by identifying any function or provision you consider redundant or not cost-effective.**

One of the agency's most important responsibilities is the efficient management of state revenue. Increasing the number of reports filed electronically saves the state money by reducing processing costs and decreasing the number of processing errors that must be corrected after the report is filed. The agency continues to modernize the state's tax systems and provide greater functionality to customers for the long-term. Since some taxpayers still prefer to send paper returns through the mail, the agency has invested in technologies for imaging and electronically capturing these returns to allow for faster processing and more rapid receipt of revenue.

- **Effective in successfully fulfilling core functions, achieving performance measures and implementing plans to continuously improve.**

In fiscal 2017, the Comptroller's office processed approximately 5.4 million tax returns and 4.1 million electronic payments and checks worth around \$62.1 billion, and allocated more than \$8.8 billion in sales and mixed beverage taxes. It is imperative that these funds be received and disbursed as expeditiously as possible. Agency performance is reviewed monthly, quarterly and annually to identify areas of improvement and to ensure agency goals and objectives are being met.

- **Provide excellent customer service.**

By investing in technology and staff, the Comptroller's office continues to make it easier and faster for Texas citizens to do business with the agency. Technological innovations have spurred a significant increase in the online filing and payment of taxes. Only 10 taxes could be filed or paid online in January 2007, compared to 63 taxes in 2017. In fiscal 2017, more than 5.4 million tax returns were received online versus slightly more than 900,000 in fiscal 2007. Online payment allows the agency to deposit money in the state treasury faster and allocate funds to local authorities more quickly. Staff training and education make the processing of claims and distribution of payments more efficient and reliable for taxpayers around the state.

- **Transparent such that agency actions can be understood by any Texan.**

Online users can access a significant amount of information about the agency and tax-related matters. Tax statutes, rules, requirements, forms, rate calculations, reports and due dates, as well as "how-to" tutorials on creating accounts and filing and paying electronically, are all accessible and reflect the most up-to-date information. Examples of information offered online include a tax rate locator that enables the public to determine local sales tax rates for any address; local sales and use tax rate histories by local jurisdictions showing the current and prior sales tax rates imposed; and the components of the rate and the effective date and end date of each rate. Phone lines are available for taxpayers who want to speak directly with a tax specialist. Updates to keep the public current with tax news can be obtained by signing up for email notifications.

#### OTHER CONSIDERATIONS

Between 1980 and 2017, Texas' total population increased by 99 percent, from about 14.2 million to more than an estimated 28.3 million, according to U.S. Census Bureau data. The increase in the state's population continues to place additional demands on staff to provide timely, high quality customer service. Continued improvements to the agency's electronic reporting and payment processes to accommodate an increasingly more technically sophisticated taxpayer are critical to the expeditious management of state tax revenue.



## REDUNDANCIES AND IMPEDIMENTS

Service, Statute, Rule or Regulation	Description	Recommendation	Cost Savings or Other Benefit
Government Code, Section 651.004	<p>An agency management-to-staff ratio of one full-time manager for every 11 full-time non-managerial employees was established in 1997. A “one-size-fits-all” approach, however, limits the ability of an agency to effectively manage its staff and workload. The appropriate ratio depends on the work being performed, the experience level of staff and other considerations. There is no ideal ratio that works across all agencies or all divisions within an agency. An insufficient number of supervisors hinder the ability to adequately and effectively train and develop staff, deal with issues and manage workload volumes.</p>	<p>Revise Government Code, Section 651.004, to establish the management-to-staff ratio as a target rather than a mandate.</p>	<p>An across-the-board ratio is difficult to apply consistently and fairly agency wide. The work being performed should drive the number of managers needed to effectively accomplish each area’s duties and responsibilities. For example, technologically complex processes may require smaller spans of control due to a greater need for interaction and coaching. A call center performing lower-level tasks at the same agency, however, could have a larger span of control since the manager isn’t involved in every call, and fewer disparate tasks are being performed. A division that has a large number of employees processing paperwork could have fewer managers to oversee more employees since the employee’s duties are essentially identical.</p> <p>Smaller ratios allow for more coaching, direction and mentoring, particularly when numerous and/or complex tasks are being performed. Smaller ratios also enhance effectiveness by ensuring that managers aren’t pulled in too many directions. Focused managers with small teams have more time for communicating with and mentoring staff, which can help improve employee commitment and retention.</p>
Government Code, Section 2262.004	<p>Requires agency purchasing personnel to sign a nepotism disclosure form. Currently, staff attorneys that review contracts are required to sign these forms, which adds significant delay and administrative burden to the purchasing process.</p> <p>Attorneys providing legal review of contracts already have an ethical duty to disclose conflicts of interest pursuant to the State Bar of Texas Disciplinary Rules of Professional Conduct.</p>	<p>Amend statute to clarify that staff attorneys are not considered purchasing personnel and are not required to sign the nepotism disclosure form.</p>	<p>This change would reduce administrative burden and speed up agency processes.</p>

## REDUNDANCIES AND IMPEDIMENTS (continued)

Service, Statute, Rule or Regulation	Description	Recommendation	Cost Savings or Other Benefit
Government Code, Section 51.607	<p>The Comptroller's office is required to prepare a list of each court cost or fee enacted by the legislature that imposes or changes the amount of a court cost or fee collected by the clerk of a district, county, statutory county, municipal, or justice court from a party to a civil case or a defendant in a criminal case and publish the list in the Texas Register no later than August 1 after the end of the regular session.</p>	<p>Move the collection and responsibility from the Comptroller's office to the Office of Court Administration (OCA) with final approval of the list prior to submission by both the OCA and Comptroller's office.</p>	<p>Time savings and efficiencies would be realized by moving this function to the Office of Court Administration, which works closely with the court system to gather and report judicial information.</p>
Finance Code, Chapter 395	<p>The Community Reinvestment Work Group (group), created by the Texas Legislature in 1997 to develop statewide community reinvestment strategies, includes representatives and contributors from the Comptroller's office and seven other state agencies. By statute, the Comptroller's representative is the presiding officer.</p> <p>Each biennium, the Comptroller's office publishes a report that summarizes the work group's community reinvestment programs and evaluates the effectiveness of its strategies.</p>	<p>Amend statute to abolish the Community Reinvestment Work Group.</p>	<p>Time savings and efficiencies would be realized by all agencies required to attend work group meetings and publish a report.</p>
Local Government Code, Section 391.0095(e)	<p>Texas Local Government Code, Section 391.0095(e) requires regional planning commissions to send to the Comptroller's office any report of the commission's productivity and performance and audit reports required under this section or under Section 391.009.</p>	<p>Amend statute to remove the Comptroller's office from the distribution list.</p>	<p>Savings and efficiencies would be gained by removing the Comptroller's office from the distribution list. Elimination of this requirement would also save printing and mailing costs for the local governments. The agency has no responsibility related to this statute.</p>

## REDUNDANCIES AND IMPEDIMENTS (concluded)

Service, Statute, Rule or Regulation	Description	Recommendation	Cost Savings or Other Benefit
Government Code, Section 2003.108	<p>The State Office of Administrative Hearings (SOAH) is required to provide the Comptroller a monthly status report that lists pending tax hearing cases and provide information on any case that exceeds the Comptroller's timelines for issuing a proposal for decision or an agreed order. At least quarterly, SOAH shall review with the Comptroller the status of pending cases.</p> <p>The Comptroller's office tracks pending cases before SOAH internally, making the required status reports unnecessary.</p>	Amend statute to eliminate the required status reports.	Removing the required status reports would create time savings and efficiencies for both the Comptroller's office and SOAH.
Tax Code, Section 201.059	<p>The statutes for low-producing oil and gas well exemptions base eligibility on volumes reported to the Texas Railroad Commission (RRC). If volumes exceed the threshold allowed for the exemptions, they are not eligible.</p> <p>This requirement is challenging because volumes reported to the Comptroller's office and the RRC are often different due to timing or other issues.</p> <p>Additionally, operators can amend their reports to the RRC at any time and not file those amendments with Comptroller's office. This could result in exemptions being provided on leases that may not actually qualify.</p>	Determine exemption eligibility based on either RRC or Comptroller data, whichever is greater.	This change would provide for more accurate information related to the issuance of exemptions and capture appropriate tax owed to the state.



# Agency Strategic Plan 2019-2023



## Appendix A Agency Budget Structure

To accomplish its mandated functions, the Comptroller's office has developed goals that reflect its priorities and direct its efforts toward the achievement of those functions. The goals are clear statements of where the agency wants to be in the future and what it intends to accomplish.

Six primary goals, three of which are non-funded, direct the agency's efforts.

### FUNDED GOALS

#### I. Improve voluntary compliance with the tax laws.

*Texas Tax Code, Titles 2 and 3.*

As state government's chief tax collector, the Comptroller administers the state's tax laws through auditing, enforcement and the dissemination of tax policy information. Voluntary compliance is viewed as the cornerstone of tax administration. The state's ability to fund its many programs depends in large part on taxpayers meeting their tax responsibilities willingly.

#### II. Efficiently manage the state's fiscal affairs.

*Texas Constitution, Art. III, Sections 49a, 49g, 49k; Texas Local Gov't Code, Sections 112.003, 154.008; Texas Gov't Code, Chapters 41, 401, 403, 404, 604, 608, 659-662, 666, 815, 825, 830, 840, 1201, 2101, 2103, 2155-2157, 2175, 2252, 2254; Texas Election Code, Chapter 19; Texas Property Code, Chapter 74.*

As Texas' chief financial officer, the Comptroller manages most of the state's fiscal affairs. The Comptroller is state government's primary accountant, responsible for writ-

ing the state's checks and monitoring all spending by state agencies. The Comptroller is also the state's official revenue estimator, providing the Legislature with anticipated state revenue information.

Texas' constitution mandates that the Legislature may only pass a budget that is within the amount of anticipated revenue collected and precludes the occurrence of a deficit. Therefore, the job of accurately estimating future revenue is an important function in order to ensure stable funding is maintained for state government.

#### III. Expediently manage the receipt and disbursement of state revenue.

*Texas Gov't Code, Chapter 403; Texas Tax Code, Titles 2 and 3; Texas Property Code, Chapters 72-77.*

As the state's chief tax collector, the Comptroller is responsible for collecting more than 60 separate taxes, fees and assessments, including local sales taxes on behalf of more than 1,600 local jurisdictions. This responsibility includes maintaining taxpayer accounts and processing tax payment exceptions and adjustments.

### NON-FUNDED GOALS

#### IV. Develop and maintain a skilled work force, committed to quality performance.

*(No specific statutory authorization.)*

The Comptroller's complex and varied duties require experienced, highly trained employees. The Comptroller's pledge is to provide useful training and educational opportunities for all staff. Extensive efforts have been made to make

high-quality training available and accessible to those who need it, when they need it. Respectful, honest and timely communication with the public and government officials is key to the agency. Keeping employees and customers well informed about policies, issues and other concerns is important to helping them make sound and well informed decisions.

**V. Maximize customer satisfaction by improving services while minimizing administrative burdens on those we serve.**

*(No specific statutory authorization.)*

The Comptroller’s office serves two types of customers. The agency’s external customers are the taxpayers, vendors, state agencies and government officials for whom it provides various services. The nature of the agency’s relationship to its external customers is different from those in the private sector, in that most of the agency’s customers are required by law to do business with the Comptroller’s office. Success in

improving voluntary compliance with tax laws depends in large part on the level of satisfaction external customers feel toward the agency’s services.

Within the Comptroller’s office, divisions support each other, thus creating internal customers. The level of service provided internally is a crucial factor in efforts to achieve the agency’s goals externally.

**VI. Establish and carry out policies governing purchasing and all contracting that foster meaningful and substantive inclusion of Historically Underutilized Businesses (HUBS).**

*Texas Gov’t Code, Chapter 2161.*

The Comptroller’s HUB Program is committed to promoting equal opportunities in the contract awards process for HUBs statewide and to serving as an exemplary model for other state agencies in meeting the HUB mandate.

AGENCY GOAL I (BUDGETED)	IMPROVE VOLUNTARY COMPLIANCE WITH THE TAX LAWS
<b>FIRST OBJECTIVE</b>	<b>Guarantee that the accuracy rate on tax amounts reported by taxpayers does not fall below 97 percent on original audits; permit non-permitted businesses operating in Texas each fiscal year; and guarantee that audits are efficiently performed with average dollars assessed to dollar cost of \$25 or higher, based on historical performance.</b>
<i>Outcome Measures</i>	<ol style="list-style-type: none"> <li>1. Percent accuracy rate of reported amounts on original audits</li> <li>2. Number of non-permitted businesses permitted</li> </ol>
<b>STRATEGY</b>	Maintain an ongoing program of audit and verification activities in support of improved tax compliance.
<i>Output Measures</i>	<ol style="list-style-type: none"> <li>1. Number of audits and verifications conducted</li> <li>2. Number of non-permitted taxpayers contacted through correspondence</li> <li>3. Number of hours spent on completed refund verifications</li> </ol>
<i>Efficiency Measure</i>	<ol style="list-style-type: none"> <li>1. Average dollars assessed to dollar cost</li> </ol>
<i>Explanatory/Input Measures</i>	<ol style="list-style-type: none"> <li>1. Percent of audit coverage</li> <li>2. Number of taxpayers participating in Independent Audit Reviews</li> </ol>
<b>SECOND OBJECTIVE</b>	<b>Average at least 269 delinquent account closures per Enforcement Collector; average a 116 day turnaround time or less for closing delinquent accounts; and obtain 95 percent positive survey responses from attendees at taxpayer seminars.</b>
<i>Outcome Measures</i>	<ol style="list-style-type: none"> <li>1. Average turnaround time for closing delinquent and other accounts (days)</li> <li>2. Average monthly delinquent and other account closure rate per Enforcement Collector</li> <li>3. Percent of positive surveys received from attendees at taxpayer seminars</li> </ol>

AGENCY GOAL I (BUDGETED)	IMPROVE VOLUNTARY COMPLIANCE WITH THE TAX LAWS <i>(concluded)</i>
<p><b>STRATEGY</b></p> <p><i>Output Measures</i></p> <p><i>Efficiency Measure</i></p> <p><i>Explanatory/Input Measures</i></p>	<p>Improve voluntary compliance with tax laws by maximizing the efficiency of the delinquent taxpayer contact and collection program.</p> <ol style="list-style-type: none"> <li>1. Number of field office service area evaluations conducted</li> <li>2. Average taxpayer contacts by a call center collector per phone hour</li> <li>3. Number of taxpayer seminars conducted</li> </ol> <ol style="list-style-type: none"> <li>1. Delinquent taxes collected per collection-related dollar expended</li> </ol> <ol style="list-style-type: none"> <li>1. Minimum percent of field collector time in the field</li> <li>2. Total delinquent dollars collected (in millions)</li> </ol>
<p><b>THIRD OBJECTIVE</b></p>	<p><b>Obtain at least a 92 percent favorable rating from taxpayers concerning the speed and accuracy of information disseminated.</b></p>
<p><i>Outcome Measure</i></p> <p><b>STRATEGY</b></p> <p><i>Output Measures</i></p> <p><i>Efficiency Measures</i></p> <p><i>Explanatory/Input Measure</i></p>	<ol style="list-style-type: none"> <li>1. Percent of favorable responses obtained to quality control surveys sent to taxpayers concerning speed and accuracy of information disseminated</li> </ol> <p>Provide accurate and timely tax information to taxpayers, tax professionals, state officials and the citizens of Texas.</p> <ol style="list-style-type: none"> <li>1. Number of calls handled by Tax Assistance specialists</li> <li>2. Total number of responses issued by Tax Policy</li> </ol> <ol style="list-style-type: none"> <li>1. Average time taken (in work days) to respond to correspondence assigned to Tax Policy</li> <li>2. Average number of calls handled per Tax Assistance telephone specialist per work day</li> <li>3. Percent of responses issued by Tax Policy within seven working days</li> </ol> <ol style="list-style-type: none"> <li>1. Average overall monitoring score for Tax Assistance telephone specialists</li> </ol>
<p><b>FOURTH OBJECTIVE</b></p>	<p><b>Issue position letters, resolution agreements or motions to dismiss in 85 percent of all cases within 90 days of receipt of the file in the Administrative Hearings Section.</b></p>
<p><i>Outcome Measure</i></p> <p><b>STRATEGY</b></p> <p><i>Output Measure</i></p> <p><i>Efficiency Measure</i></p> <p><i>Explanatory/Input Measure</i></p>	<ol style="list-style-type: none"> <li>1. Percentage of all cases in which position letters, agreements or motions to dismiss are issued within 90 days of receipt of the file in the Administrative Hearings Section</li> </ol> <p>Provide fair and timely hearings, represent the agency in administrative hearings on tax matters, and provide legal counsel and research to the agency.</p> <ol style="list-style-type: none"> <li>1. Number of position letters, agreements and motions to dismiss issued for all cases received by the Administrative Hearings Section</li> </ol> <ol style="list-style-type: none"> <li>1. Average length of time (work days) taken to issue a position letter, motion to dismiss or reach agreement for all cases received by the Administrative Hearings Section</li> </ol> <ol style="list-style-type: none"> <li>1. Number of new requests for hearings received in Administrative Hearings Section</li> </ol>

**AGENCY GOAL II  
(BUDGETED)**

**EFFICIENTLY MANAGE THE STATE’S FISCAL AFFAIRS**

**FIRST OBJECTIVE**

**Achieve a percent variance between estimated and actual total state tax revenue collections of +/- 3.5 percent or less each biennium; ensure that 100 percent of proposed state expenditures are entirely supported by a valid revenue estimate before certification of the General Appropriations Act; facilitate the flow of financial resources in support of the state’s fiscal functions by achieving a good or excellent rating in 98 percent of customers surveyed; issue at least 90 percent of payroll and retirement payments via direct deposit; and ensure 100 percent compliance with statutory mandates and deadlines.**

*Outcome Measures*

1. Percent of targeted state agencies with improved performance
2. Percentage of proposed state expenditures guaranteed to be entirely supported by a valid revenue estimate before certification of the General Appropriations Act for the next biennium
3. Percent variance (plus or minus) between estimated and actual total state tax revenue collections
4. Percent of payroll and retirement payments issued via direct deposit
5. Percentage of Fiscal Management Division customers who return an overall customer service rating of good or excellent on the Fiscal Management Customer Service Survey

**STRATEGY**

Project, account, audit and report the state’s receipts, claims and disbursements efficiently, accurately and timely; provide assistance and training to state agencies.

*Output Measures*

1. Number of Texas economic update and outlook narratives published each fiscal year
2. Total number of payments (excluding WES Child Support warrants) issued
3. Number of post-payment audits completed

*Efficiency Measure*

1. Percentage of ad hoc report requests responded to within 10 working days in compliance with the Texas Public Information Act

*Explanatory/Input Measure*

1. Number of WES Child Support payments issued

**STRATEGY**

Implement a Statewide Enterprise Resource Planning System

**SECOND OBJECTIVE**

**Ensure the effectiveness of the property value study in each scheduled school district by obtaining at least a 95 percent level of targeted Independent School Districts’ (ISDs) total value in which Property Tax Assistance Division (PTAD) met the target margin of error.**

*Outcome Measure*

1. Percentage of scheduled Independent School Districts’ total value in which PTAD met the target margin of error

**STRATEGY**

Fulfill tax code and education code mandates by conducting an annual property value study; providing technical assistance; and reviewing appraisal methods, standards and procedures.

*Output Measures*

1. Number of properties included in the Property Value Study
2. Number of public outreach activities conducted annually

*Efficiency Measure*

1. Average cost of staff changes to certified preliminary findings expressed as a percentage of total cost



<b>AGENCY GOAL II (BUDGETED)</b>		<b>EFFICIENTLY MANAGE THE STATE'S FISCAL AFFAIRS</b> (concluded)
<i>Explanatory/Input Measures</i>		<ol style="list-style-type: none"> <li>1. Percentage of Independent School District reports of property value produced electronically from central appraisal district (CAD) appraisal roll data</li> <li>2. Average direct cost per property included in the Property Value Study</li> </ol>
<b>THIRD OBJECTIVE</b>		<b>Maximize the efficiency of managing state revenue by processing at least 98 percent of monies electronically.</b>
<i>Outcome Measure</i>		<ol style="list-style-type: none"> <li>1. Percentage of funds processed electronically</li> </ol>
<b>STRATEGY</b>		Ensure that the state's assets, cash receipts and warrants are properly secured, processed, deposited and accounted for.
<i>Output Measures</i>		<ol style="list-style-type: none"> <li>1. Number of rapid deposit transactions processed</li> <li>2. Number of checks deposited</li> <li>3. Number of warrants processed</li> </ol>
<i>Explanatory/Input Measures</i>		<ol style="list-style-type: none"> <li>1. Average daily amount of securities and assets safekept (billions)</li> <li>2. Number of days required to provide the quarterly updates to bond appendix</li> </ol>
<b>FOURTH OBJECTIVE</b>		<b>Manage a statewide procurement system that ensures that the state receives quality, cost-effective goods and services by maximizing competition, facilitating business opportunities for Historically Underutilized Businesses and providing support services to state agencies in a timely, cost-effective manner.</b>
<i>Outcome Measures</i>		<ol style="list-style-type: none"> <li>1. Percentage increase in dollar value of purchases made through term contracts for the CO-OP Program</li> <li>2. Number of new HUBs certified</li> <li>3. Presort and barcode savings achieved</li> </ol>
<b>STRATEGY</b>		Provide statewide procurement and support services to state agencies and cooperative entities that ensure the receipt of quality, cost-effective goods and services and maximize competition while facilitating business opportunities for Historically Underutilized Businesses.
<i>Output Measures</i>		<ol style="list-style-type: none"> <li>1. Number of new and renewed statewide volume contracts awarded</li> <li>2. Number of service solicitations reviewed for agencies and delegated to agencies</li> <li>3. Number of one-time contracts awarded for other state agencies</li> <li>4. Number of new and renewed certifications issued</li> <li>5. Number of HUB field audits conducted</li> <li>6. Number of HUB desk audits conducted</li> <li>7. Number of HUB seminars and outreach efforts conducted</li> <li>8. Number of pieces of mail processed</li> </ol>
<i>Efficiency Measure</i>		<ol style="list-style-type: none"> <li>1. Number of business days to process non-delegated open market requisitions from client agencies (under Texas Government Code Annotated §2155.132) using the most appropriate competitively bid procurement method</li> </ol>
<i>Explanatory/Input Measure</i>		<ol style="list-style-type: none"> <li>1. Number of new HUB applications received</li> </ol>

<b>AGENCY GOAL III (BUDGETED)</b>	<b>EXPEDITIOUSLY MANAGE THE RECEIPT AND DISBURSEMENT OF STATE REVENUE</b>
<b>FIRST OBJECTIVE</b>	<b>Maintain the 10-day turnaround time required to generate taxpayer refunds; return monthly tax allocations to local jurisdictions in an average of 22 days; and maintain the average tax document processing time within established limits.</b>
<i>Outcome Measures</i>	<ol style="list-style-type: none"> <li>1. Time required to generate taxpayer refunds (days)</li> <li>2. Time taken to return tax allocations to local jurisdictions (days)</li> <li>3. Average tax document processing time (hours)</li> </ol>
<b>STRATEGY</b>	Provide for and improve the processing of tax and voucher data, collection and allocation of tax revenue and the disbursements of tax refunds.
<i>Output Measures</i>	<ol style="list-style-type: none"> <li>1. Number of tax returns processed</li> <li>2. Number of payments deposited</li> <li>3. Number of permits and licenses issued</li> <li>4. Number of taxpayer account verifications and adjustments</li> <li>5. Number of collection actions performed</li> <li>6. Number of tax refunds issued</li> <li>7. Number of staff hours spent allocating local option taxes to government entities</li> </ol>
<i>Efficiency Measure</i>	<ol style="list-style-type: none"> <li>1. Average number of hours to deposit receipts</li> </ol>
<i>Explanatory/Input Measure</i>	<ol style="list-style-type: none"> <li>1. Percent of tax payments received via direct deposit</li> </ol>

<b>AGENCY GOAL IV (NON-BUDGETED)</b>	<b>DEVELOP AND MAINTAIN A SKILLED WORK FORCE, COMMITTED TO QUALITY PERFORMANCE</b>
<b>FIRST OBJECTIVE</b>	<b>Ensure that each year the Comptroller's work force will be able to attend classes that will enable them to become more productive and knowledgeable employees.</b>
<i>Outcome Measures</i>	<ol style="list-style-type: none"> <li>1. Percent of agency management completing management training</li> <li>2. Percent of employees completing job-related training</li> </ol>
<b>STRATEGY</b>	Make high-quality training available and accessible to those who need it, when they need it.
<i>Output Measures</i>	<ol style="list-style-type: none"> <li>1. Number of agency management training hours completed</li> <li>2. Number of employee job-related training hours completed</li> </ol>

<b>AGENCY GOAL V (NON-BUDGETED)</b>		<b>MAXIMIZE CUSTOMER SATISFACTION BY IMPROVING SERVICES WHILE MINIMIZING ADMINISTRATIVE BURDENS ON THOSE WE SERVE</b>
<b>FIRST OBJECTIVE</b>	<b>Attain highest ratings possible from those we serve as evidenced by feedback provided through surveys, cards or any other measuring device used in the agency.</b>	
<i>Outcome Measures</i>	<ol style="list-style-type: none"> <li>1. Percentage of surveyed customer respondents expressing overall satisfaction with services received</li> <li>2. Percentage of surveyed customer respondents identifying ways to improve service delivery</li> </ol>	
<b>STRATEGY</b>	Improve services delivered to our internal and external clients in support of the Comptroller of Public Accounts' mission to serve the people of Texas.	
<i>Output Measures</i>	<ol style="list-style-type: none"> <li>1. Number of customers surveyed</li> <li>2. Number of customers served</li> </ol>	
<i>Efficiency Measure</i>	<ol style="list-style-type: none"> <li>1. Cost per customer surveyed</li> </ol>	
<i>Explanatory/Input Measures</i>	<ol style="list-style-type: none"> <li>1. Number of customer groups inventoried</li> <li>2. Number of customers identified</li> </ol>	

<b>AGENCY GOAL VI (NON-BUDGETED)</b>		<b>ESTABLISH AND CARRY OUT POLICIES GOVERNING PURCHASING AND ALL CONTRACTING THAT FOSTER MEANINGFUL AND SUBSTANTIVE INCLUSION OF HISTORICALLY UNDERUTILIZED BUSINESSES (HUBs)</b>
<b>FIRST OBJECTIVE</b>	<b>Include HUBs in at least 32.9 percent of all agency dollars spent for special trade construction; 26 percent of all agency dollars spent for other services; and 21.1 percent of all dollars spent for commodities.</b>	
<i>Outcome Measure</i>	<ol style="list-style-type: none"> <li>1. Percentage of agency dollars spent on HUBs (with subcontracting)</li> </ol>	
<b>STRATEGY</b>	Maintain ongoing program of activities to ensure HUB vendor participation in the procurement process.	
<i>Output Measures</i>	<ol style="list-style-type: none"> <li>1. Number of purchase orders issued directly to HUB vendors</li> <li>2. Number of HUB Economic Opportunity Forums attended or co-hosted</li> <li>3. Number of internal agency HUB training sessions conducted</li> <li>4. Amount of agency dollars spent on HUBs (without subcontracting)</li> <li>5. Number of HUB subcontracting dollars</li> <li>6. Number of non-HUB prime contractors reporting HUB subcontracting</li> <li>7. Number of non-HUB prime contractors contacted for HUB subcontracting</li> <li>8. Number of HUB outreach opportunities conducted</li> </ol>	

**STATE ENERGY  
CONSERVATION  
OFFICE (SECO)**

**DEVELOP AND ADMINISTER PROGRAMS THAT PROMOTE ENERGY  
EFFICIENCY**

**FIRST OBJECTIVE**

**Maintain \$150 million balance in LoanSTAR Program.**

*Outcome Measures*

1. Utility dollars saved as a percentage of utility expenditures
2. Utility dollars saved by LoanSTAR projects (in millions)

**STRATEGY**

Promote and manage energy programs.

*Output Measure*

1. Number of active LoanSTAR loans processed and managed by SECO

*Efficiency Measure*

1. Utility dollars saved per dollar spent for utility retrofit programs

## Appendix B

# Performance Measure Definitions

### STRATEGY: ONGOING AUDIT ACTIVITIES

<b>Measure: Percent Accuracy Rate of Reported Amounts on Original Audits</b>	
<i>Short Definition:</i>	Percent accuracy rate is a comparison of the tax amounts reported from audited taxpayers to the tax amounts due as a percentage after verification through an audit.
<i>Purpose/Importance:</i>	Since we do thousands of audits a year, this measure helps provide some idea of the level of reporting accuracy of the taxpayer population. A decrease of even one percent could cost the state millions of dollars of timely reported tax revenue and may indicate trends in voluntary compliance.
<i>Source/Collection:</i>	Reported amounts are collected in each tax system, and audited tax information is from original audits and verifications on the Work Manager system.
<i>Method of Calculation:</i>	The measure is calculated by dividing the amounts reported from the audited taxpayers by the sum of the audited tax change and the amounts reported.
<i>Data Limitations:</i>	Data for this measure relies on the integrity of automated systems, where occasional loss of data is a risk.
<i>Calculation Type:</i>	Non-cumulative
<i>New Measure:</i>	No
<i>Desired Performance:</i>	Target or higher
<b>Measure: Number of Non-Permitted Businesses Permitted</b>	
<i>Short Definition:</i>	A count of operating non-permitted businesses, which are identified and brought into compliance through permitting.
<i>Purpose/Importance:</i>	Helps to improve voluntary compliance, improves fair application of the tax laws to all business operators and preserves substantial sums of tax revenue for the state on the front end.
<i>Source/Collection:</i>	Data is collected from the Work Manager system and a procedure creates a report entitled Taxpayers Permitted by BART.
<i>Method of Calculation:</i>	The report automatically sums the original Business Activity Research Team (BART) assignments where the TAX_SETU_Dt is within the report period.
<i>Data Limitations:</i>	Data for this measure relies on the integrity of automated systems, where occasional loss of data is a risk.
<i>Calculation Type:</i>	Non-cumulative
<i>New Measure:</i>	No
<i>Desired Performance:</i>	Target or higher
<b>Measure: Number of Audits and Verifications Conducted</b>	
<i>Short Definition:</i>	Any original verification of compliance or performance with laws and rules as conducted or provided by Audit Division staff.

**STRATEGY: ONGOING AUDIT ACTIVITIES** (continued)

<i>Purpose/Importance:</i>	To improve voluntary compliance with, and fair application of Texas' tax laws.
<i>Source/Collection:</i>	Data is gathered from the Work Manager system from the tables Audit_Dtl and Work_Item.
<i>Method of Calculation:</i>	The sum of audit and verifications data from the Work Manager system where the completion date is within the reporting period.
<i>Data Limitations:</i>	Data for this measure relies on the integrity of automated systems, where occasional loss of data is a risk.
<i>Calculation Type:</i>	Cumulative
<i>New Measure:</i>	No
<i>Desired Performance:</i>	Target or higher

**Measure: Number of Non-Permitted Taxpayers Contacted Through Correspondence**

<i>Short Definition:</i>	The number of non-permitted potential taxpayers who are identified and contacted through letters by the staff of the Business Activity Research Team (BART).
<i>Purpose/Importance:</i>	To improve voluntary compliance with, and fair application of Texas' tax laws.
<i>Source/Collection:</i>	Data is gathered from the Work Manager system from the tables Audit_Dtl and Work_Item.
<i>Method of Calculation:</i>	The sum of audit and verifications data from the Work Manager system where the completion date is within the reporting period.
<i>Data Limitations:</i>	Due to IRS restrictions, some BART assignments are not entered into the Work Manager system until after the first letter date, so assignment generation is used instead. This results in a slight delay in the availability of data for this measure.
<i>Calculation Type:</i>	Cumulative
<i>New Measure:</i>	No
<i>Desired Performance:</i>	Target or higher

**Measure: Number of Hours Spent on Completed Refund Verifications**

<i>Short Definition:</i>	Total hours spent on completed original refund verifications as input to the Work Manager system.
<i>Purpose/Importance:</i>	Hours represent time spent safeguarding the State from inaccurate or fraudulent refund of tax monies through taxpayer generated refund requests.
<i>Source/Collection:</i>	Data is obtained from the Work Manager system and a procedure creates a report entitled REFUND_TIME.
<i>Method of Calculation:</i>	Mainframe program summarizes total hours on completed original refund assignments (WT03's).
<i>Data Limitations:</i>	Data for this measure relies on the integrity of automated systems, where occasional loss of data is a risk. Additionally, the accuracy of the data relies on the integrity of a manual entry system. The risk of erroneous time accounting data is mitigated by regular management review of staff entries.
<i>Calculation Type:</i>	Cumulative
<i>New Measure:</i>	No
<i>Desired Performance:</i>	Target or lower

## STRATEGY: ONGOING AUDIT ACTIVITIES (continued)

<b>Measure: Average Dollars Assessed to Dollar Cost</b>	
<i>Short Definition:</i>	Auditor generated tax adjustments per dollar spent to generate them.
<i>Purpose/Importance:</i>	Efficiency measure representing the State's return in terms of auditor generated total tax adjustments as a ratio to the costs associated with generating those adjustments.
<i>Source/Collection:</i>	Total dollars adjusted on original audit data, including refund assignments, come from the Work Manager system. Cost data is extracted from expenditure reports maintained on the agency's internal accounting system. This data is provided by Budget and Internal Accounting.
<i>Method of Calculation:</i>	Original audit and refund assignments are obtained from the Work Manager system. The absolute value of both is totaled. Cost data associated with field audit offices are summed. The sum of dollars assessed is divided by the sum of dollar-cost to arrive at this measure.
<i>Data Limitations:</i>	Data for this measure relies on the integrity of automated systems, where occasional loss of data is a risk.
<i>Calculation Type:</i>	Non-cumulative
<i>New Measure:</i>	No
<i>Desired Performance:</i>	Target or higher
<b>Measure: Percent of Audit Coverage</b>	
<i>Short Definition:</i>	Annualized audit and verification completions as a percent of taxpayers eligible for audit.
<i>Purpose/Importance:</i>	The audit process establishes our regulatory presence with the taxpayer population thereby enhancing voluntary compliance by providing an incentive for accurate and timely reporting and payment of taxes collected.
<i>Source/Collection:</i>	Assignment summaries for audits and verifications from the Work Manager system are totaled. The automated procedure retrieves taxpayer population counts from the Audit Select system
<i>Method of Calculation:</i>	The sum of assignments is divided by the population of active and inactive taxpayers eligible for an audit during the time period in question.
<i>Data Limitations:</i>	Data for this measure relies on the integrity of automated systems, where occasional loss of data is a risk.
<i>Calculation Type:</i>	Non-cumulative
<i>New Measure:</i>	No
<i>Desired Performance:</i>	Target or higher
<b>Measure: Number of Taxpayers Participating in Independent Audit Reviews</b>	
<i>Short Definition:</i>	The count of taxpayers who request and attend a meeting with an Independent Audit Reviewer.
<i>Purpose/Importance:</i>	Participation in an Independent Audit Review can reduce or eliminate the burdens and costs associated with participating in the hearings process for both the taxpayer and the State.
<i>Source/Collection:</i>	Reported monthly via email from the Independent Audit Reviewers and summarized on the general performance summary spreadsheet for that month and fiscal year.

## STRATEGY: ONGOING AUDIT ACTIVITIES (concluded)

<i>Method of Calculation:</i>	As reported monthly by the Independent Audit Reviewers, a count of the total number of taxpayers who request and attend (either in person or through a representative) a meeting with an Independent Audit Reviewer (IAR) concerning contested issues in their audit. The count of taxpayers participating would be taken from the “Independent Audit Review Report Form” issued by the IAR. If more than one taxpayer is represented at a conference, the count would reflect the actual number of taxpayers represented, even though only one conference and report form was generated. This is a manual count gathered on a monthly basis from the various IARs.
<i>Data Limitations:</i>	Often driven by complex, external factors such as taxpayer requests, consultant’s activities, tax law issues and rulings.
<i>Calculation Type:</i>	Non-cumulative
<i>New Measure:</i>	No
<i>Desired Performance:</i>	Target or higher

## STRATEGY: TAX LAWS COMPLIANCE

### Measure: Average Turnaround Time for Closing Delinquent and Other Accounts (Days)

<i>Short Definition:</i>	The average number of days it takes to close accounts (cases), beginning with when they are created on the agency’s Work Manager (a mainframe inventory system) and ending on their closure date during the reporting period. The time an account is assigned to a private collection agency is not included in this measure.
<i>Purpose/Importance:</i>	This measure provides an indication of the efficiency of the entire collection program, including initial taxpayer notification, taxpayer contact, collection activity and final resolution.
<i>Source/Collection:</i>	The case closure (resolution) date for all accounts closed which were available for Comptroller collection activity during the reporting period, the date those cases were activated, and the number of cases closed during the reporting period are obtained from the agency’s Work Manager.
<i>Method of Calculation:</i>	Using the agency’s Work Manager as the source of data, the average turnaround time is calculated by adding the number of days from case activation date to the case closure date for all cases closed which were available for Comptroller activity during the reporting period, and dividing the result by the total number of cases closed which were available for Comptroller activity during the reporting period. The number of days accounts are assigned to a private collection agency because they do not qualify for certification to the Attorney General is excluded from this calculation. When calculating the second, third and fourth quarter, the year-to-date total is recalculated based on monthly data maintained in a summary file.
<i>Data Limitations:</i>	Data for this measure is well defined, although it relies on the integrity of automated systems, where occasional loss of data is a risk.
<i>Calculation Type:</i>	Non-cumulative
<i>New Measure:</i>	No
<i>Desired Performance:</i>	Target or lower



**STRATEGY: TAX LAWS COMPLIANCE** (continued)

<b>Measure: Average Monthly Delinquent and Other Account Closure Rate Per Enforcement Collector</b>	
<i>Short Definition:</i>	The average number of accounts (cases) closed per Enforcement collector (phone/field collector) per month.
<i>Purpose/Importance:</i>	This measure gives an indication of the productivity of the division's collection staff as it relates to closing accounts.
<i>Source/Collection:</i>	The number of cases closed by Enforcement collectors during the reporting period is obtained from the agency's Work Manager. Total enforcement minutes for field collectors are obtained from the agency CAPPs time accounting system. Total enforcement minutes for phone collectors are obtained from the agency phone system and agency CAPPs time accounting system.
<i>Method of Calculation:</i>	This measure is calculated by dividing the number of cases closed by Enforcement collectors during the reporting period by the number of available collectors during the reporting period. The number of available collectors is calculated by adding total field collector enforcement minutes and total phone collector enforcement minutes for the reporting period, dividing the sum by the available work minutes (440 minutes) during a day and dividing the result by the number of working days in the reporting period. When calculating the second, third and fourth quarter, the year-to-date total is recalculated based on monthly data maintained in a summary file.
<i>Data Limitations:</i>	Data for this measure is well defined, although it relies on the integrity of automated systems, where occasional loss of data is a risk. Additionally, the accuracy of the data obtained from the agency CAPPs time accounting system relies on the integrity of a manual entry system. The risk of erroneous agency time accounting data is mitigated by regular management review of staff entries.
<i>Calculation Type:</i>	Non-cumulative
<i>New Measure:</i>	No
<i>Desired Performance:</i>	Target or higher
<b>Measure: Percent of Positive Surveys Received from Attendees at Taxpayer Seminars</b>	
<i>Short Definition:</i>	The number of positive surveys received at the end of taxpayer seminars, expressed as a percentage of all surveys received. Positive surveys are defined as a "yes" response to the question about the overall quality of the seminar.
<i>Purpose/Importance:</i>	This measure evaluates the perceived benefit of a critical customer outreach program. Data obtained from the surveys will also be used to assist with improving the overall customer service program of the division.
<i>Source/Collection:</i>	Survey results data are obtained from the division's Taxpayer Seminar database after Headquarters staff enters response data.
<i>Method of Calculation:</i>	Using the Taxpayer Seminar database as the source of data, the number of positive surveys is divided by the total number of survey respondents to determine the percent of positive surveys. When calculating the second, third and fourth quarter, the year-to-date total is recalculated based on monthly data maintained in a summary file.
<i>Data Limitations:</i>	Data for this measure is well defined, although it relies on the integrity of automated systems, where occasional loss of data is a risk. Additionally, the accuracy of reported response data relies on the integrity of a manual entry system.
<i>Calculation Type:</i>	Non-cumulative

**STRATEGY: TAX LAWS COMPLIANCE** (continued)

*New Measure:* No

*Desired Performance:* Target or higher

**Measure: Number of Field Office Service Area Evaluations Conducted**

*Short Definition:* The number of semi-annual evaluations of field office workload conducted by Enforcement Headquarters.

*Purpose/Importance:* This measure accounts for a significant investment in staff resources used to determine workload efficiencies/inefficiencies and to prepare scenarios for affecting positive change in field resource allocation and office alignment within geographic areas.

*Source/Collection:* Documentation of field office service area evaluations is maintained in Headquarters' files for a minimum of four years.

*Method of Calculation:* A manual count is taken of the total number of field service area evaluations conducted by Headquarters during the reporting period.

*Data Limitations:* None

*Calculation Type:* Cumulative

*New Measure:* No

*Desired Performance:* Target or higher

**Measure: Average Taxpayer Contacts by a Call Center Collector Per Phone Hour**

*Short Definition:* The average number of inbound and outbound telephone contacts per hour handled by call center collectors. Inbound calls primarily consist of delinquent taxpayers responding to collection notices and returning collection calls. Outbound calls are the result of call campaigns designed to initiate contact with taxpayers who have delinquent accounts with the agency.

*Purpose/Importance:* This measure gives an indication of the productivity of the division's phone collection staff as it relates to making contact with delinquent taxpayers.

*Source/Collection:* The total number of inbound and outbound calls handled, and the total sign-in time for all phone collectors, are obtained from the agency phone system.

*Method of Calculation:* This measure is calculated by adding all inbound and outbound calls handled by call center collectors during the reporting period and dividing by the total sign-in time (minutes converted to hours) for all call center collectors during the period. When calculating the second, third and fourth quarter, the year-to-date total is recalculated based on monthly data maintained in a summary file.

*Data Limitations:* Data for this measure is well defined, although it relies on the integrity of automated systems, where occasional loss of data is a risk.

*Calculation Type:* Non-cumulative

*New Measure:* No

*Desired Performance:* Target or higher

## STRATEGY: TAX LAWS COMPLIANCE (continued)

<b>Measure: Number of Taxpayer Seminars Conducted</b>	
<i>Short Definition:</i>	The number of taxpayer seminars conducted during the reporting period. These seminars provide taxpayers with information regarding filing requirements, tax laws and rules and agency services.
<i>Purpose/Importance:</i>	This measure accounts for a significant investment of staff resources in a critical customer outreach program.
<i>Source/Collection:</i>	The number of taxpayer seminars conducted during the reporting period is entered on the division's Taxpayer Seminar database by Headquarters staff.
<i>Method of Calculation:</i>	Using the Taxpayer Seminar database as the source of data, this measure is the sum of taxpayer seminars conducted during the reporting period.
<i>Data Limitations:</i>	Data for this measure is well defined, although it relies on the integrity of automated systems, where occasional loss of data is a risk. Additionally, the accuracy of seminar data relies on the integrity of a manual entry system.
<i>Calculation Type:</i>	Cumulative
<i>New Measure:</i>	No
<i>Desired Performance:</i>	Target or higher
<b>Measure: Delinquent Taxes Collected Per Collection-Related Dollar Expended</b>	
<i>Short Definition:</i>	The amount of delinquent tax dollars collected for every dollar expended by the division that has been allocated to collection activities.
<i>Purpose/Importance:</i>	This measure gives an indication of the rate of return for expenditures related to collection activities.
<i>Source/Collection:</i>	Data for this measure is obtained from the agency Work Manager (delinquent dollars collected), the Centralized Accounting and Payroll/Personnel System (CAPPS expenditure data), the agency phone system and agency CAPPS time accounting system.
<i>Method of Calculation:</i>	Using the agency Work Manager, CAPPS, and the agency phone system as the sources of data, total delinquent dollars collected is divided by the sum of Enforcement division expenses attributed to collection activities in the field, total expenses attributed to the phone center and any fees paid to contracted private collection vendors. Enforcement division expenses attributed to collection activities in the field are calculated by office based on the ratio of enforcement hours to total hours for the reporting period. Headquarters' total expenses are allocated between the field and the phone center based on the ratio of field to phone center FTEs for the reporting period. When calculating the second, third and fourth quarter, the year-to-date total is recalculated based on monthly data maintained in a summary file.
<i>Data Limitations:</i>	Data for this measure is well defined, although it relies on the integrity of automated systems, where occasional loss of data is a risk. Additionally, the accuracy of the data for field collector enforcement hours relies on the integrity of a manual entry system, where field collectors enter their time allocation to an agency CAPPS time accounting system. The risk of erroneous CAPPS time data is mitigated by regular management review of staff entries. Further, the division is reliant on the accuracy and availability of expenditure data from CAPPS.
<i>Calculation Type:</i>	Non-cumulative
<i>New Measure:</i>	No
<i>Desired Performance:</i>	Target or higher

## STRATEGY: TAX LAWS COMPLIANCE (concluded)

### Measure: Minimum Percent of Field Collector Time in the Field

*Short Definition:* The percent of a field collector's time that is spent conducting compliance activities in the field.

*Purpose/Importance:* This measure is an indication of the percentage of time that is available to field collection staff for conducting compliance activities after accounting for required administrative, travel and in-office responsibilities. Time requirements are driven by staffing and workload.

*Source/Collection:* Field collectors enter their daily time allocation on the CAPPs time accounting system based on functions performed during the day.

*Method of Calculation:* Using the agency CAPPs time accounting system as the source of data, enforcement field hours (enforcement field and enforcement field travel) are divided by total enforcement hours (including enforcement field, enforcement field travel and enforcement office hours), to determine the percent of field collector time actually spent out of the office on compliance activities. When calculating the second, third and fourth quarter, the year-to-date total is recalculated based on monthly data maintained in a summary file.

*Data Limitations:* Data for this measure is well defined, although it relies on the integrity of automated systems, where occasional loss of data is a risk. Additionally, the accuracy of the data for field collector work hours relies on the integrity of a manual entry system, where field collectors enter their time allocation to an agency CAPPs time accounting system. The risk of erroneous CAPPs agency time accounting system data is mitigated by regular management review of staff entries.

*Calculation Type:* Non-cumulative

*New Measure:* No

*Desired Performance:* Target or higher

### Measure: Total Delinquent Dollars Collected (In Millions)

*Short Definition:* The total delinquent dollars collected from all facets of the collection program, including the field, the call center and any private collection vendors.

*Purpose/Importance:* This is an explanatory measure that gives an indication of the final results of the collection program.

*Source/Collection:* Delinquent dollars collected are obtained from the agency Work Manager.

*Method of Calculation:* Using the agency Work Manager as the source of data, delinquent dollars collected are summed for the reporting period.

*Data Limitations:* Data for this measure is well defined, although it relies on the integrity of automated systems, where occasional loss of data is a risk.

*Calculation Type:* Non-cumulative

*New Measure:* No

*Desired Performance:* Target or higher

## STRATEGY: TAXPAYER INFORMATION

<b>Measure: Percent of Favorable Responses Obtained to Quality Control Surveys Sent To Taxpayers Concerning Speed and Accuracy of Information Disseminated</b>	
<i>Short Definition:</i>	On each hard copy response, we include a hard copy customer survey. In each email response, we include wording inviting customers to complete our online customer service survey. The survey asks the taxpayer to agree or disagree with five short statements about their satisfaction with our service and provides room for comment. The responses are compiled and analyzed to determine the percentage of favorable responses.
<i>Purpose/Importance:</i>	This measure allows the division to determine the taxpayers' level of customer service satisfaction when they contact our office with tax policy questions and issues.
<i>Source/Collection:</i>	Information gathered from the questionnaires is maintained on our local area network (LAN).
<i>Method of Calculation:</i>	The percent equals the number of favorable responses divided by the total number of responses returned. Responses are defined as "agree," "disagree" and "not applicable." A favorable response occurs when the taxpayer selects "agree" in response to the statements in the survey.
<i>Data Limitations:</i>	None
<i>Calculation Type:</i>	Non-cumulative
<i>New Measure:</i>	No
<i>Desired Performance:</i>	Target or higher

<b>Measure: Number of Calls Handled by Tax Assistance Specialists</b>	
<i>Short Definition:</i>	Number of calls handled captures the number of telephone inquiries regarding tax assistance that are handled by our Tax Assistance specialists. A call is considered handled when the caller is connected with a tax specialist.
<i>Purpose/Importance:</i>	This captures the total number of telephone inquiries handled by Tax Assistance specialists.
<i>Source/Collection:</i>	Information is captured electronically by the Cisco phone system.
<i>Method of Calculation:</i>	Calls handled are determined by subtracting the number of abandoned calls from the number of calls offered. A call is considered offered when it is accepted into the Cisco telephone system automated call distributor.
<i>Data Limitations:</i>	None
<i>Calculation Type:</i>	Cumulative
<i>New Measure:</i>	No
<i>Desired Performance:</i>	Target or higher

<b>Measure: Total Number of Responses Issued by Tax Policy</b>	
<i>Short Definition:</i>	This measure is the number of responses issued by Tax Policy Division. The responses are issued in order to answer general information correspondence assigned to the Tax Policy Division. The responses may be in the form of a letter, email, fax or telephone call.
<i>Purpose/Importance:</i>	This is a workload measure that tells us the total number of responses issued to taxpayers by Tax Policy.

**STRATEGY: TAXPAYER INFORMATION** (continued)

<i>Source/Collection:</i>	The information is received from the Agency Work Manager (AWM) System from a report entitled D35-02, Statistics of Completed Correspondence.
<i>Method of Calculation:</i>	The total number of responses is automatically calculated from a Statistics of Completed Correspondence report from the Agency Work Manager System.
<i>Data Limitations:</i>	None
<i>Calculation Type:</i>	Cumulative
<i>New Measure:</i>	No
<i>Desired Performance:</i>	Target or higher

**Measure: Average Time Taken (In Work Days) to Respond to Correspondence Assigned to Tax Policy**

<i>Short Definition:</i>	This measure reflects the average time taken to issue a response to correspondence assigned to Tax Policy.
<i>Purpose/Importance:</i>	The information is important to the division in that we can determine from the total if we are responding to taxpayers in the required timely manner.
<i>Source/Collection:</i>	The information is received from the Agency Work Manager (AWM) System from a report entitled D35-02, Statistics of Completed Correspondence.
<i>Method of Calculation:</i>	The average time taken (in work days) to respond to correspondence assigned to Tax Policy is automatically calculated from a Statistics of Completed Correspondence report from the Agency Work Manager system.
<i>Data Limitations:</i>	None
<i>Calculation Type:</i>	Non-cumulative
<i>New Measure:</i>	No
<i>Desired Performance:</i>	Target or lower

**Measure: Average Number of Calls Handled Per Tax Assistance Telephone Specialist Per Work Day**

<i>Short Definition:</i>	This measure is the average number of incoming calls handled on a daily basis by telephone specialists in Tax Assistance.
<i>Purpose/Importance:</i>	To provide accurate and timely tax information to taxpayers, tax professionals, state officials and the citizens of Texas and to promote voluntary compliance.
<i>Source/Collection:</i>	Information is obtained electronically from a Cisco Webview report.
<i>Method of Calculation:</i>	The measure is calculated by dividing the average number of calls handled per work day by the average number of tax specialists available per day. The average number of calls handled per day is determined by dividing the total number of calls handled each month by the number of work days in that month. The average number of tax specialists available per day is automatically calculated by a Cisco Webview report.
<i>Data Limitations:</i>	None

## STRATEGY: TAXPAYER INFORMATION (concluded)

<i>Calculation Type:</i>	Non-cumulative
<i>New Measure:</i>	No
<i>Desired Performance:</i>	Target or higher
<b>Measure: Percent of Responses Issued by Tax Policy Within 7 Working Days</b>	
<i>Short Definition:</i>	This measure reflects the percentage of general information responses issued by Tax Policy within 7 working days.
<i>Purpose/Importance:</i>	This measure reflects the percentage of correspondence assigned to Tax Policy to which a response was issued within 7 working days. It is our primary method of monitoring turnaround time.
<i>Source/Collection:</i>	The information is received from the Agency Work Manager System Report ID-3503, Processing Time Percentages in Working Days.
<i>Method of Calculation:</i>	The percent of responses issued by Tax Policy areas within 7 working days is automatically calculated by running processing time percentages on the Agency Work Manager system.
<i>Data Limitations:</i>	None
<i>Calculation Type:</i>	Non-cumulative
<i>New Measure:</i>	No
<i>Desired Performance:</i>	Target or higher
<b>Measure: Average Overall Monitoring Score for Tax Assistance Telephone Specialists</b>	
<i>Short Definition:</i>	Telephone specialists in Tax Assistance are regularly monitored by their supervisors on how they handle phone calls based on predetermined criteria.
<i>Purpose/Importance:</i>	This measure assists in determining the quality and accuracy of the information being disseminated by the Tax Assistance telephone specialist.
<i>Source/Collection:</i>	The supervisors in Tax Assistance gather information on Tax Assistance telephone specialists. These statistics are calculated and maintained on a management summary file.
<i>Method of Calculation:</i>	The average is computed by adding together the weekly monitoring scores and dividing this number by the total number of weekly monitoring sessions for the month. The monitoring scores are computed by the supervisors in Tax Assistance and are determined by supervisors monitoring incoming phone calls and grading how these phone calls are handled based on predetermined criteria.
<i>Data Limitations:</i>	None
<i>Calculation Type:</i>	Non-cumulative
<i>New Measure:</i>	No
<i>Desired Performance:</i>	Target or higher

## STRATEGY: TAX HEARINGS

### Measure: Percentage of All Cases in which Position Letters, Agreements or Motions to Dismiss are Issued Within 90 Days of Receipt of the File in the Administrative Hearings Section

*Short Definition:* A position letter analyzes and responds to the statement of grounds the taxpayer submits when a hearing is requested. A case resolution agreement resolves all disputed issues between the parties and ends the hearing process. A motion to dismiss, in the context of this outcome, is a unilateral motion to grant full relief to the taxpayer.

*Purpose/Importance:* This measure helps track the timeliness and efficiency of the Administrative Hearings Section in addressing contested cases brought by taxpayers. Not all hearings can be addressed with a position letter, resolution agreement or motion to dismiss within 90 working days for various reasons, such as hearings on a litigation or bankruptcy hold, or being reviewed for possible settlement at the taxpayer's request. However, most hearings should at least be addressed by a position letter, if not resolved outright through agreement or dismissal, within 90 working days from assignment to the Administrative Hearings Section. This measure calculates the percentage of hearings in which position letters, resolution agreements or motions to dismiss are timely issued.

*Source/Collection:* Agency Work Manager (AWM). AWM records a position letter as issued on the date it is mailed, records a case resolution agreement as issued on the date it is executed by both parties, and records a motion to dismiss on the date it is served on the Special Counsel for Tax Hearings.

*Method of Calculation:* Using AWM as the source of data, for the numerator, count the number of position letters, resolution agreements issued in cases without a position letter and motions to dismiss issued in cases without a position letter issued by the Administrative Hearings Section within the 90 working-day/135 calendar-day window. For the denominator, count the total number of position letters, agreements issued in cases without a position letter and motions to dismiss issued in cases without a position letter issued by the Administrative Hearings Section during the reporting period.

*Data Limitations:* AWM requires section staff to manually update hearings status and the issuance of documents. While nearly all status and document updates are correctly entered, input errors may occur.

*Calculation Type:* Non-cumulative

*New Measure:* No

*Desired Performance:* Target or higher

### Measure: Number of Position Letters, Agreements and Motions to Dismiss Issued for All Cases Received by the Administrative Hearings Section

*Short Definition:* A position letter analyzes and responds to the statement of grounds the taxpayer submits when a hearing is requested. A case resolution agreement resolves all disputed issues between the parties and ends the hearings process. A motion to dismiss, in the context of this outcome, is a unilateral motion to grant full relief to the taxpayer.

*Purpose/Importance:* Measuring the number of position letters, case resolution agreements, and motions to dismiss issued during a period has proven to be a useful indication of the Administrative Hearings Section's overall productivity. While this measure does not consider all activities and output of the Section, such as engaging in discovery or preparing for and participating in hearings at the State Office of Administrative Hearings, this measure does fairly indicate how well the Section is managing its docket by responding to taxpayers' contentions and resolving cases, especially when compared to the number of new cases being referred to the Section.

*Source/Collection:* Agency Work Manager (AWM).



**STRATEGY: TAX HEARINGS** (continued)

<i>Method of Calculation:</i>	Using the AWM as the source of data, the number of position letters, resolution agreements and motions to dismiss issued in the period is counted.
<i>Data Limitations:</i>	AWM requires section staff to manually update hearings status and the issuance of documents. While nearly all status and document updates are correctly entered, input errors may occur.
<i>Calculation Type:</i>	Cumulative
<i>New Measure:</i>	No
<i>Desired Performance:</i>	Target or higher

**Measure: Average Length of Time (Work Days) Taken to Issue a Position Letter, Motion to Dismiss or Reach Agreement for All Cases Received by the Administrative Hearings Section**

<i>Short Definition:</i>	A position letter analyzes and responds to the statement of grounds the taxpayer submits when a hearing is requested. A case resolution agreement resolves all disputed issues between the parties and ends the hearings process. A motion to dismiss, in the context of this outcome, is a unilateral motion to grant full relief to the taxpayer.
<i>Purpose/Importance:</i>	In order to reduce the overall number of days before the final resolution of a contested case, it is important that the initial Administrative Hearings Section response to the taxpayer is timely. In some cases, the case may be resolved by agreement fairly quickly, or the Administrative Hearings Section may conclude fairly quickly that the taxpayer is entitled to full relief. In most cases, where an early resolution is not possible, a position letter is required to provide the taxpayer a clear response to their contested issues. Whether the Administrative Hearings Section’s initial response is a resolution agreement, motion to dismiss or position letter, timely issuance of this initial response is a useful measure of the Section’s overall efficiency in addressing taxpayers’ contested cases.
<i>Source/Collection:</i>	Agency Work Manager (AWM). AWM records a position letter as issued on the date it is mailed, records a case resolution agreement as issued on the date it is executed by both parties, and records a motion to dismiss on the date it is served on the Special Counsel for Tax Hearings.
<i>Method of Calculation:</i>	Using AWM as the source of data, the number reflects the average count of working days from the Administrative Hearings Section’s receipt of a case file and the issuance of a position letter, motion to dismiss or resolution agreement, excluding “hold periods.” A “hold period” is the period of time during which action on a case is abated because of policy review, court action, bankruptcy, the taxpayer’s request, or other considerations.
<i>Data Limitations:</i>	AWM requires section staff to manually update hearings status and the issuance of documents. While nearly all status and document updates are correctly entered, input errors may occur.
<i>Calculation Type:</i>	Non-cumulative
<i>New Measure:</i>	No
<i>Desired Performance:</i>	Target or lower

**Measure: Number of New Requests for Hearings Received in Administrative Hearings Section**

<i>Short Definition:</i>	Taxpayers are entitled to dispute tax assessments or denied tax refund claims in a contested case process by requesting a redetermination or a refund hearing. If not resolved by the Audit Division or the other referring divisions, the contested case will be referred to the Administrative Hearings Section. The Administrative Hearings Section may either resolve the contested case or represent the agency in a hearing conducted by the State Office of Administrative Hearings.
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## STRATEGY: TAX HEARINGS (concluded)

<i>Purpose/Importance:</i>	The number of contested cases referred to the Administrative Hearings Section is the key measure of the workload the Section is expected to efficiently and effectively manage. Increases in the number of incoming cases may indicate that additional resources are required to maintain efficient operations. In addition, comparing the number of incoming cases to the number of cases finally resolved through agreement or following a hearing is useful to show whether the Section is reducing, maintaining, or increasing the number of cases on its docket.
<i>Source/Collection:</i>	Agency Work Manager (AWM).
<i>Method of Calculation:</i>	A contested case is referred to the Administrative Hearings Section by the Audit Division or another referring division by creating a task for the section on AWM. AWM accurately calculates the number of new hearing tasks for the period.
<i>Data Limitations:</i>	None
<i>Calculation Type:</i>	Non-cumulative
<i>New Measure:</i>	No
<i>Desired Performance:</i>	Target or lower

## STRATEGY: ACCOUNTING/REPORTING

### Measure: Percent of Targeted State Agencies With Improved Performance

<i>Short Definition</i>	The percent of targeted state agencies and institutions of higher education, which, over the course of the year, improve their performance in selected areas from the previous fiscal year.
<i>Purpose/Importance</i>	This measure is intended to gauge Fiscal Management Division's performance in providing information and assistance to state agencies regarding applicable statutes, administrative rules and guidelines.
<i>Source/Collection:</i>	Prior to the beginning of the fiscal year, the division will review data that contains relevant information about each agency. Areas of focus may include, but are not limited to, late interest paid, number of warrant cancellations, number of Letters of Authorization (LOAs), ITV payments, callbacks, cancellations, contractual agreements, bailment contract violations, etc. Based on this review, the division will identify poorly performing areas and select a group of agencies to apply appropriate strategies (training, one-on-one meetings, etc.) to improve their performance. The targeted agencies' initial performance level will be used to gauge improvement at year end.
<i>Method of Calculation:</i>	A spreadsheet will track performance of selected state agencies and areas of focus each year. Although the targeted agencies and areas of focus may change from year to year, the method for calculating the percent of targeted agencies with improved performance will remain the same from year to year. It will consist of: 1) Prior to the beginning of the fiscal year, poorly performing specific areas will be selected for analysis and tracking; 2) A group of poorly performing state agencies will be targeted for appropriate strategies (training, etc.); 3) These targeted agencies' performance will be tracked throughout the year to see if the chosen strategies are improving performance; 4) At year end, the division will extract performance results and compare to the beginning of the fiscal year to determine if performance improved in any of the focus areas; and 5) Total number of agencies with improved performance divided by total targeted agencies equals percent of targeted state agencies with improved performance.
<i>Data Limitations:</i>	None
<i>Calculation Type:</i>	Non-cumulative

**STRATEGY: ACCOUNTING/REPORTING** (continued)

<i>New Measure:</i>	No
<i>Desired Performance:</i>	Target or higher
<i>Measure:</i>	Percentage of Proposed State Expenditures Guaranteed to be Entirely Supported by a Valid Revenue Estimate Before Certification of the General Appropriations Act for the Next Biennium
<i>Short Definition:</i>	The total percentage of all program costs in the General Appropriations Act and other legislation containing appropriations that are supported by estimated revenues.
<i>Purpose/Importance:</i>	Demonstrates whether proposed appropriations are supported by the Comptroller's revenue estimates.
<i>Source/Collection:</i>	Bills are reviewed by Legislative Affairs and forwarded to divisions to identify those that generate revenue or appropriate expenditures. All identified bills are forwarded to the Appropriations Control section of Fiscal Management where a manual "costing" process is applied to each bill.
<i>Method of Calculation:</i>	This measure is calculated by dividing the total revenue estimate by total program costs in the General Appropriations Act and other appropriation bills.
<i>Data Limitations:</i>	Revenue Estimating Division estimates revenue used in the calculation.
<i>Calculation Type:</i>	Non-cumulative
<i>New Measure:</i>	No
<i>Desired Performance:</i>	Target or higher

**Measure: Percent Variance (Plus or Minus) Between Estimated and Actual Total State Tax Revenue Collections**

<i>Short Definition:</i>	The difference, for all state funds excluding trusts, between the estimated state tax revenue collections and the actual total state tax revenue collected for the fiscal biennium. The Certification Revenue Estimate (CRE) is used to provide the estimated revenue value because it takes into account changes made during the regular legislative session affecting revenue collections and changes in the state's economic condition. In addition, where necessary, CRE figures are adjusted for the impact of revenue-related legislation that passed during special sessions (that is, items passed after the CRE process had been concluded and, thus, were unknown to estimators at that time).
<i>Purpose/Importance:</i>	As directed by the State Constitution (Article III, Section 49a), the Comptroller must provide the Legislature and the Governor with a Biennial Revenue Estimate (BRE) at the beginning of each regular legislative session. The BRE contains a forecast of all state revenues expected for the remainder of the current fiscal year in which the BRE is prepared, along with revenues for the upcoming biennium for which the Legislature will be preparing a budget. By law, after the session the Comptroller also must produce a revenue estimate (incorporating the session's revenue-related legislation) used by the Comptroller to certify there will be sufficient revenue to fund the state's general purpose spending in the next biennium. The latter is known as the Certification Revenue Estimate.
<i>Source/Collection:</i>	Estimated and actual tax revenue are obtained from reports produced using computer programs and databases maintained by the Revenue Estimating Division.
<i>Method of Calculation:</i>	The percent variance is computed by taking the difference between estimated total state tax revenue collections and the actual state tax revenue collections for a biennium, and dividing that difference by the estimated biennial revenues as presented in the CRE. Revenue Estimating staff maintain programs which compile the necessary statistics from the agency's accounting databases. Performance will be reported in odd-numbered fiscal years only, to reflect biennial variance.

**STRATEGY: ACCOUNTING/REPORTING** (continued)

*Data Limitations:* None  
*Calculation Type:* Non-cumulative  
*New Measure:* Yes  
*Desired Performance:* Target or lower

**Measure: Percent of Payroll and Retirement Payments Issued Via Direct Deposit**

*Short Definition:* The percent of payroll and retirement payments issued via direct deposit.  
*Purpose/Importance:* The purpose of this measure is to track and measure the relationship between payroll and retirement payments made through Direct Deposit and the total number of payroll and retirement payments.  
*Source/Collection:* Data is collected using reports produced by the statewide accounting systems (USAS, USPS, SPRS) that generate payroll and retirement payments, both warrants and direct deposits. “A” is defined as the total number of payroll and retirement warrants issued. “B” is defined as the total number of payroll and retirement payments issued via direct deposit.  
*Method of Calculation:*  $B$  (total payroll and retirement direct deposits) divided by  $C$  (total payroll and retirement payments) =  $D$  (percent of payroll and retirement payments issued via direct deposit).  $C$  is defined as  $A$  (total payroll and retirement warrants) +  $B$  (total payroll and retirement direct deposits).  
*Calculation Type:* Non-cumulative  
*New Measure:* No  
*Desired Performance:* Target or higher

**Measure: Percentage of Fiscal Management Division Customers Who Return an Overall Customer Service Rating of Good or Excellent on the Fiscal Management Customer Service Survey**

*Short Definition:* This number represents the number of users who returned a good or excellent rating for the overall customer satisfaction question on the customer service survey expressed as a percentage of the total surveys returned.  
*Purpose/Importance:* This measure provides an indication of the level of customer service provided by Fiscal Management staff and identifies any areas that may need improvement or enhancement.  
*Source/Collection:* Customer service surveys returned from all state agencies annually.  
*Method of Calculation:* This measure is calculated by taking the total number of good or excellent customer responses to the Overall Satisfaction survey question and dividing this total by the total number of surveys returned.  
*Data Limitations:* None. Note: Customer service surveys are well defined, but are dependent on a successful return rate from the customer.  
*Calculation Type:* Non-cumulative  
*New Measure:* No  
*Desired Performance:* Target or higher

## STRATEGY: ACCOUNTING/REPORTING (continued)

<b>Measure: Number of Texas Economic Update and Outlook Narratives Published Each Fiscal Year</b>	
<i>Short Definition:</i>	Texas economic update and outlook narratives contain information and data on the state's current economic condition and in some cases results from the most recent state economic forecast. Narratives may also analyze current economic topics.
<i>Purpose/Importance:</i>	The process of developing written analyses for current economic conditions and for economic forecasts output, along with the feedback received from readers, helps the Revenue Estimating Division in evaluating its economic analysis work. These narratives also serve as vehicles for disseminating useful information to interested parties in the state.
<i>Source/Collection:</i>	In each fiscal year there are at least eight narratives that are part of agency publications (Biennial or Certification Revenue Estimates; Annual Cash Report; Comprehensive Annual Financial Report; the annual cash flow analysis documentation; and the quarterly Bond Appendix updates).
<i>Method of Calculation:</i>	A manual count to the number of narratives published in each fiscal year is conducted by the Revenue Estimating Division.
<i>Data Limitations:</i>	None
<i>Calculation Type:</i>	Cumulative
<i>New Measure:</i>	No
<i>Desired Performance:</i>	Target or higher
<b>Measure: Total Number of Payments (Excluding WES Child Support Warrants) Issued</b>	
<i>Short Definition:</i>	The total number of payments issued is the total of all payments issued via warrants (except WES Child Support warrants) and payments issued via direct deposit.
<i>Purpose/Importance:</i>	The purpose of this measure is to track and measure the relationship between payments issued by warrant, excluding child support, and by Direct Deposit for all payments.
<i>Source/Collection:</i>	Data is obtained using reports produced by the statewide accounting systems (USAS, USPS, SPRS) that generate payments, both warrants and direct deposit transactions. "A" is defined as the total number of warrants generated, including manual Expedite warrants, but excluding WES Child Support warrants. "B" Is defined as the total number of payments issued via direct deposit. "C" is defined as the sum of "A" (warrants) + "B" (direct deposits) for the total number of payments issued.
<i>Method of Calculation:</i>	$A \text{ (total warrants)} + B \text{ (total direct deposits)} = C \text{ (total number of payments issued)}$ .
<i>Data Limitations:</i>	None
<i>Calculation Type:</i>	Cumulative
<i>New Measure:</i>	No
<i>Desired Performance:</i>	Target or higher
<b>Measure: Number of Post-Payment Audits Completed</b>	
<i>Short Definition:</i>	The measure is the quantity of state agency post-payment audits, desk audits, and other specialized audits completed each fiscal year.
<i>Purpose/Importance:</i>	The purpose of this measure is to track and monitor the post-payment audits in the division audit plan and other desk or specialized audits completed by the Expenditure Audit Section.

**STRATEGY: ACCOUNTING/REPORTING** (continued)

<i>Source/Collection:</i>	The source documents used to collect the data are the final audit reports sent to state agencies.
<i>Method of Calculation:</i>	The total of all final post-payment and other desk or specialized audit reports sent to state agencies each fiscal year. This data will be tracked by the Expenditure Audit Section.
<i>Data Limitations:</i>	None
<i>Calculation Type:</i>	Cumulative
<i>New Measure:</i>	No
<i>Desired Performance:</i>	Target or higher

**Measure: Percentage of Ad Hoc Report Requests Responded to Within 10 Working Days in Compliance With the Texas Public Information Act**

<i>Short Definition:</i>	Percent of ad hoc report requests for information from the State Government Accounting systems responded to within 10 working days in compliance with the Texas Public Information Act. The response may include a completed report or written acknowledgement that the request has been received.
<i>Purpose/Importance:</i>	This measure provides an indication of the responsiveness of Fiscal Management staff in generating a response to ad hoc report requests, compliance with the 10 day mandate and resource requirements needed to perform the function.
<i>Source/Collection:</i>	All ad hoc requests are logged into the Open Records Tracking System. Statistics can be obtained from this system, including percentage of requests responded to within 10 working days.
<i>Method of Calculation:</i>	The percentage will be calculated by using the total number of ad hoc report requests responded to within 10 working days divided by the total number of ad hoc report requests received.
<i>Data Limitations:</i>	None
<i>Calculation Type:</i>	Non-cumulative
<i>New Measure:</i>	No
<i>Desired Performance:</i>	Target or higher

**Measure: Number of WES Child Support Payments Issued**

<i>Short Definition:</i>	The total number of payments issued is the total of all WES Child Support payments issued through warrants by the OAG.
<i>Purpose/Importance:</i>	This measure is used to monitor the total volume of the Office of Attorney General’s Child Support payments issued through warrants. It is important because it allows us to make projections in terms of quantities of supplies (warrant stock) and in terms of staff required for warrant distribution and administration.
<i>Source/Collection:</i>	Data is collected from the daily USAS report DAFR3641, Payment Number Assignment Summary.
<i>Method of Calculation:</i>	Sum the number of WES Child Support payments listed on each daily DAFR3641 for the reporting period.

**STRATEGY: ACCOUNTING/REPORTING** (concluded)

<i>Data Limitations:</i>	The number of WES Child Support payments is based on the volume of payments the Office of the Attorney General transmits to us for payment. The overall volume of activity is not within our control.
<i>Calculation Type:</i>	Non-cumulative
<i>New Measure:</i>	No
<i>Desired Performance:</i>	Target or lower

**STRATEGY: PROPERTY TAX PROGRAM**

<b>Measure: Percentage of Scheduled Independent School Districts' Total Value in which PTAD Met the Target Margin of Error</b>	
<i>Short Definition:</i>	The percentage of total value determined by the Property Value Study (PVS) with an actual margin of error at or less than 5 percent. Each ISD's margin of error is determined by employing standard statistical methods that consider sample variability for weighted mean ratios.
<i>Purpose/Importance:</i>	To measure the precision of the Property Value Study (PVS) conducted by the Property Tax Assistance Division.
<i>Source/Collection:</i>	The ratios are calculated and maintained on the Property Tax System (PTS) mainframe system.
<i>Method of Calculation:</i>	A sum of the total value of all scheduled ISD studies where the actual margin of error is at or below the targeted margin of error divided by the total value of all scheduled ISD studies (95 percent of the total ISD value studied). This quotient is then multiplied by 100.
<i>Data Limitations:</i>	Availability of sales data from County Appraisal Districts (CADs) and Multiple Listing Service (MLS) real estate data. Affected by CAD performance. CADs with very poor performance may require unattainable sample size.
<i>Calculation Type:</i>	Non-cumulative
<i>New Measure:</i>	No
<i>Desired Performance:</i>	Target or higher
<b>Measure: Number of Properties Included in the Property Value Study</b>	
<i>Short Definition:</i>	The total number of property value ratios (i.e., actual comparisons of CAD tax roll values in a given ISD to PTAD researched market sales and/or appraised values) included in the "current" PVS for the purpose of determining ISD taxable values for certification to the Texas Education Agency (TEA) in July. The number does not include any sales gathered that are not included in the annual PVS.
<i>Purpose/Importance:</i>	Necessary for completion of statutorily mandated annual Property Value Study.
<i>Source/Collection:</i>	The Property Value Study (PVS) systems are the source of actual property value and appraisal information. The monthly totals obtained from those systems are compared with the County Appraisal District (CAD) tax roll values.
<i>Method of Calculation:</i>	The number is calculated by summing the number of comparisons used in the PVS.
<i>Data Limitations:</i>	None
<i>Calculation Type:</i>	Cumulative

**STRATEGY: PROPERTY TAX PROGRAM** (continued)

*New Measure:* No

*Desired Performance:* Target or higher

**Measure: Number of Public Outreach Activities Conducted Annually**

*Short Definition:* The number of property tax related public outreach activities conducted, including publications (written or updated for distribution), webinars, live seminars, training opportunities and public presentations to taxpayers, appraisal districts, taxing jurisdictions, other property tax professionals, state officials, the media and the public.

*Purpose/Importance:* Provides vital information concerning property tax data to interested parties.

*Source/Collection:* Division maintains files of completed publications, webinars, training sessions, seminars and other outreach activities.

*Method of Calculation:* Manual summation of the number of public outreach activities.

*Data Limitations:* None

*Calculation Type:* Cumulative

*New Measure:* No

*Desired Performance:* Target or higher

**Measure: Average Cost of Staff Changes to Certified Preliminary Findings Expressed as a Percentage of Total Cost**

*Short Definition:* The average cost of staff changes to certified preliminary findings expressed as a percentage of total cost.

*Purpose/Importance:* Efficient use of division resources based on cost of corrections after preliminary certification.

*Source/Collection:* Direct costs consist of the following: staff salaries from sections within PTAD, i.e. Field Studies (100%), Analysis and Intake Area (100%), and Administration (50%), division travel costs (70%); and data purchases. Direct cost is based on expenses at the end of the fiscal year. Indirect costs of mainframe support and miscellaneous administrative expenses are excluded. Salary, travel and contract appraiser expenses are maintained by the Budget and Internal Accounting Division. PTAD maintains computer files of property value comparisons (or ratios) included in the annual Property Value Study. The cost per correction is estimated at 50 percent of the average cost of a sample.

*Method of Calculation:* This number is equal to the total direct annualized costs of the initial certified Property Value Study (PVS) findings divided by the total cost of the certified findings plus the cost of the amended certified findings minus one.

*Data Limitations:* The cost per amended preliminary finding is difficult to track and weigh. Using 50 percent of the total cost per parcel is based on management experience with the PVS over the past twenty years.

*Calculation Type:* Non-cumulative

*New Measure:* No

*Desired Performance:* Target or lower



**STRATEGY: PROPERTY TAX PROGRAM** (concluded)

<b>Measure: Percentage of Independent School District Reports of Property Value Produced Electronically from Central Appraisal District (CAD) Appraisal Roll Data</b>	
<i>Short Definition:</i>	The percentage of ISD Reports of Property Value accepted and produced electronically from CAD appraisal roll data.
<i>Purpose/Importance:</i>	Electronic data submission by CADs improves the efficiency of the Property Tax Assistance Division (PTAD) staff by saving the amount of keystrokes required and by limiting data entry error.
<i>Source/Collection:</i>	CADs submit electronic tapes or paper reports by mail. Reports that cannot be produced from electronic appraisal rolls must be completed on paper forms by CADs, or ISDs within a CAD, and sent to PTAD.
<i>Method of Calculation:</i>	Manual summation of tapes of ISD Reports of Property Value accepted and produced electronically from CAD appraisal roll data is computed. The number of reports accepted from electronic appraisal roll data is then divided by the total number of reports processed for the annual Property Value Study (generally one per ISD). This quotient is then multiplied by 100.
<i>Data Limitations:</i>	Some CADs do not have the capability to produce appraisal roll data electronically.
<i>Calculation Type:</i>	Non-cumulative
<i>New Measure:</i>	No
<i>Desired Performance:</i>	Target or higher

<b>Measure: Average Direct Cost Per Property Included in the Property Value Study</b>	
<i>Short Definition:</i>	The average total direct annualized cost of each property (value comparison or ratio) used in the annual Property Value Study (PVS).
<i>Purpose/Importance:</i>	Efficient use of budgeted funds.
<i>Source/Collection:</i>	Direct costs consist of the following: staff salaries from sections within PTAD, i.e., Field Appraiser Operations (100%), Administration (50%), and Information Analysis & Security Area (100%); division travel costs (90%); and data purchases. Direct cost is based on expenses at the end of the fiscal year. Indirect costs of mainframe support and miscellaneous administrative expenses are excluded. Salary, travel and contract appraiser expenses are maintained by the Budget and Internal Accounting Division. PTAD maintains computer files of property value comparisons (or ratios) included in the annual Property Value Study.
<i>Method of Calculation:</i>	This number is equal to the total direct annualized costs of the Property Value Study (PVS) divided by the total number of properties (property value comparisons or ratios) used in the annual PVS.
<i>Data Limitations:</i>	Dependent on number of parcels required. Not all data is available in electronic format at CAD offices. Rural areas have few sales to analyze and more properties must be appraised, which is more expensive. Some CADs may fail the property value study in their assigned year and must be included in the study for the following year. This may lead to variations in the sample size from year to year.
<i>Calculation Type:</i>	Non-cumulative
<i>New Measure:</i>	No
<i>Desired Performance:</i>	Target or lower

## STRATEGY: TREASURY OPERATIONS

### Measure: Percentage of Funds Processed Electronically

<i>Short Definition:</i>	Percentage of total monies processed electronically.
<i>Purpose/Importance:</i>	This measurement reflects the optimum method in which funds can be processed. EFT deposits received and electronic cash letters to banks ensure funds are available more quickly for investment purposes.
<i>Source/Collection:</i>	All deposits (checks and electronic) are captured in the check processing system. Reports are generated using the totals calculated by this system.
<i>Method of Calculation:</i>	The check processing system calculates the availability of funds for every deposited item based on schedules provided by clearing banks for electronic cash letters. The system also provides data to calculate the percentage of electronic transactions.
<i>Data Limitations:</i>	None
<i>Calculation Type:</i>	Non-cumulative
<i>New Measure:</i>	No
<i>Desired Performance:</i>	Target or higher

### Measure: Number of Rapid Deposit Transactions Processed

<i>Short Definition:</i>	Total number of transactions originated and received through: 1) Automated Clearing House (ACH) entries (includes credit card payments received); 2) Wire transfers received in the TEXNET program; and 3) Payments processed by the Lockbox area. An ACH transaction is considered processed when the ACH entry is successfully transmitted to or received from the bank and the appropriate deposit document is produced. A wire transfer is considered processed when notification of payment is received from the Texas Treasury Safekeeping Trust Company and a deposit document is produced. Lockbox transactions are considered processed when payments are processed by the Lockbox area.
<i>Purpose/Importance:</i>	This measurement reflects the results of the Banking and Electronic Processing (BEP) Division encouraging the use of innovative cash management (“rapid deposit”) programs that speed up the deposit of revenue so funds may be invested as soon as possible.
<i>Source/Collection:</i>	Reports to calculate the number of transactions processed come from the EFT/EDI system and lockbox applications.
<i>Method of Calculation:</i>	Reports from EFT/EDI systems and lockbox applications are manually entered onto summary spreadsheets that cumulatively total all transactions processed.
<i>Data Limitations:</i>	Some rapid deposit programs are required by statute, so their use is not solely the result of encouragement by the BEP Division. The BEP Division cannot encourage the use of Lockbox transactions due to constraints on number of staff persons.
<i>Calculation Type:</i>	Cumulative
<i>New Measure:</i>	No
<i>Desired Performance:</i>	Target or higher

## STRATEGY: TREASURY OPERATIONS (continued)

<b>Measure: Number of Checks Deposited</b>	
<i>Short Definition:</i>	The total number of checks processed through the Banking and Electronic Processing Division for deposit to the state.
<i>Purpose/Importance:</i>	This measure is an indicator of the amount of work processed by the Check Processing staff.
<i>Source/Collection:</i>	A report, "Item Count Report - Checks and Warrants" produced by the Item Processing System, contains the number of checks deposited.
<i>Method of Calculation:</i>	The Item Processing System automatically counts the number of checks processed.
<i>Data Limitations:</i>	None
<i>Calculation Type:</i>	Cumulative
<i>New Measure:</i>	No
<i>Desired Performance:</i>	Target or higher
<b>Measure: Number of Warrants Processed</b>	
<i>Short Definition:</i>	The total number of warrants processed. Warrants are considered processed when they are either paid or returned.
<i>Purpose/Importance:</i>	This measure is an indicator of the amount of work performed by the Warrant Section staff.
<i>Source/Collection:</i>	A monthly summary report, the "Item Count Report - Checks and Warrants," containing the total number of warrants processed is produced by the Item Processing System.
<i>Method of Calculation:</i>	The Item Processing System automatically counts the number of warrants processed.
<i>Data Limitations:</i>	None
<i>Calculation Type:</i>	Cumulative
<i>New Measure:</i>	No
<i>Desired Performance:</i>	Target or higher
<b>Measure: Number of Days Required to Provide the Quarterly Updates to Bond Appendix</b>	
<i>Short Definition:</i>	Number of days required to provide quarterly updates to the Bond Appendix at the end of each quarterly month.
<i>Purpose/Importance:</i>	The agency is responsible to review and update the Bond Appendix as an official disclosure document of the state. The document should be compiled, reviewed, disclosed and published prior to the end of the quarterly month (November, February, May and August).
<i>Source/Collection:</i>	After the end of each quarter, the number of business days necessary to complete and make the Bond Appendix available is counted. The assigned analyst documents when the Bond Appendix updates are complete after the end of each quarter and e-mails that information to the Treasury Operation Public Finance Manager who maintains this information.
<i>Method of Calculation:</i>	The number of days required to complete the Bond Appendix are counted each quarter. To determine an annual average the numbers are added and then divided by 4 (quarters).
<i>Data Limitations:</i>	None

## STRATEGY: TREASURY OPERATIONS (concluded)

*Calculation Type:* Non-Cumulative

*New Measure:* Yes

*Desired Performance:* Target or lower

### Measure: Average Daily Amount of Securities and Assets Safekept

*Short Definition:* The average daily amount of securities and assets safekept represents the sum of the average daily balances of agency investment securities safekept, securities held in trust for state agencies (e.g., Department of Insurance), and collateral pledged by financial institutions holding state deposits. These numbers do not include the value of items collected from bank safe-deposit boxes or stock certificates held in the vault for Unclaimed Property.

*Purpose/Importance:* The average daily amount of securities and assets safekept is an important indicator of state agency and depository activity and helps in anticipating Securities Management's workload.

*Source/Collection:* Information used to calculate an overall average daily amount of securities and assets safekept is obtained from the operating systems used in daily processing.

*Method of Calculation:* A calculation will be made using system generated data.

*Data Limitations:* None. Note: The data is valid. The amount of securities and assets safekept, however, is determined by participating entities.

*Calculation Type:* Non-cumulative

*New Measure:* No

*Desired Performance:* Target or higher

## STRATEGY: PROCUREMENT

### Measure: Percent Increase in Dollar Value of Purchases Made Through Term Contracts for the CO-OP Program Members

*Short Definition:* The increase in dollar value of purchases made through term contracts for the Cooperative (CO-OP) Program compared to the dollar value of purchases made by the CO-OP members through term contracts in the previous (baseline) year.

*Purpose/Importance:* The CO-OP Program expands availability of competitively bid goods and services to governmental entities such as cities, counties and school districts. Increasing the dollar value of purchases made through the CO-OP Program allows the state to maximize its volume buying power, resulting in lower costs to all state agencies. It also provides the CO-OP members with a cost-effective procurement mechanism.

*Source/Collection:* TXSmartBuy Business Objects Spend Report.

*Method of Calculation:* The increase in the dollar value of purchases made through the CO-OP Program on term contracts will be calculated as the difference between the dollar value of the purchases made in the current fiscal year and the dollar value of purchases made during the same reporting period in the previous fiscal year on term contracts. The increase in the dollar value of purchases will be divided by the total dollar value of the purchases to determine the percent increase in CO-OP purchases on term contracts.

**STRATEGY: PROCUREMENT** (continued)

*Data Limitations:* Measure reporting is dependent on CO-OP members submitting term contract orders through the TXSmartBuy online statewide purchasing system, or reporting term contract orders when not using the system.

*Calculation Type:* Non-cumulative

*New Measure:* No

*Desired Performance:* Target or higher

**Measure: Number of New HUBs Certified**

*Short Definition:* Number of new HUBs certified during a reporting period.

*Purpose/Importance:* Increasing the number of HUBs will increase state agencies' and institutions of higher education's ability to contract with HUBs. The number of new certified HUBs can best measure the program growth based on vendors that meet the certification criteria.

*Source/Collection:* Cold Fusion System.

*Method of Calculation:* The HUB program staff will set report parameters, with the actual report being generated from the Cold Fusion System.

*Data Limitations:* Data is currently available on the Cold Fusion System.

*Calculation Type:* Non-cumulative

*New Measure:* No

*Desired Performance:* Target or higher

**Measure: Presort and Barcode Savings Achieved**

*Short Definition:* Report of the dollar value, expressed in thousands, of postage savings achieved for all classes of mail processed receiving postage discounts for presorting and/or bar coding.

*Purpose/Importance:* Measures postage savings achieved for all classes of mail achieved by using presort and bar coding methods to process the mail.

*Source/Collection:* Vendor invoices and current mailing rates.

*Method of Calculation:* Volume information is calculated from vendor invoices. Savings are calculated by applying the contract costs to monthly volume and comparing it to the same volume at the full postage rate.

*Data Limitations:* Mail volume is customer driven and postage rates are influenced by external factors.

*Calculation Type:* Non-cumulative

*New Measure:* No

*Desired Performance:* Target or higher

**Measure: Number of New and Renewed Statewide Volume Contracts Awarded**

*Short Definition:* The number of new and renewed statewide contracts (Term, Managed and TXMAS) awarded during the reporting period.

**STRATEGY: PROCUREMENT** (continued)

<i>Purpose/Importance:</i>	Statewide volume contracts allow the state to maximize the benefits of volume buying thereby increasing cost savings.
<i>Source/Collection:</i>	PeopleSoft and NetSuite Systems and Business Objects reports.
<i>Method of Calculation:</i>	Actual count of new and renewed statewide volume contracts awarded by the end of the reporting period.
<i>Data Limitations:</i>	Contingent on customer agencies' needs for common goods and services.
<i>Calculation Type:</i>	Cumulative
<i>New Measure:</i>	No
<i>Desired Performance:</i>	Target or higher

**Measure: Number of Service Solicitations Reviewed for Agencies and Delegated to Agencies**

<i>Short Definition:</i>	The number of service solicitations reviewed by Statewide Procurement staff and delegated to agencies for solicitation and contract award.
<i>Purpose/Importance:</i>	State agencies rely on Statewide Procurement's expertise to review and provide guidance on various procurement service solicitations (RFPs, etc.) that are then returned to the agency for solicitation and award.
<i>Source/Collection:</i>	CATRAD Web-based system.
<i>Method of Calculation:</i>	Actual count of the total number of solicitations reviewed and delegated to agencies.
<i>Data Limitations:</i>	Contingent on customer agency requests for review of solicitations.
<i>Calculation Type:</i>	Cumulative
<i>New Measure:</i>	No
<i>Desired Performance:</i>	Target or higher

**Measure: Number of Contracts Awarded for Other State Agencies**

<i>Short Definition:</i>	Number of solicitations created and contracts awarded for other state agencies in response to an Open Market Requisition (OMR) for one-time buy.
<i>Purpose/Importance:</i>	Agencies rely on Statewide Procurement's expertise to award certain contracts procured through a one-time competitive procurement process.
<i>Source/Collection:</i>	Open Market inbox and Access.
<i>Method of Calculation:</i>	Actual count of the total number of one-time contracts awarded for other state agencies.
<i>Data Limitations:</i>	Contingent on expertise and requirements of customer agencies and number of requisitions submitted by customer agencies to Statewide Procurement.
<i>Calculation Type:</i>	Cumulative
<i>New Measure:</i>	No
<i>Desired Performance:</i>	Target or higher

## STRATEGY: PROCUREMENT (continued)

<b>Measure: Number of New and Renewed Purchasing Certifications Issued</b>	
<i>Short Definition:</i>	The number of new and renewed certifications issued to Contract Managers and Contract Developers through the Training and Certification Program.
<i>Purpose/Importance:</i>	Measures the results of the Training and Certification Program and the ongoing qualification of procurement professionals through training, education and testing.
<i>Source/Collection:</i>	Internal certification tracking system.
<i>Method of Calculation:</i>	Actual count of the total number of procurement professionals receiving certification or recertification each reporting period.
<i>Data Limitations:</i>	Subject to agency requirements.
<i>Calculation Type:</i>	Cumulative
<i>New Measure:</i>	No
<i>Desired Performance:</i>	Target or higher
<b>Measure: Number of HUB Field Audits Conducted</b>	
<i>Short Definition:</i>	A manual count of the number of field audits conducted of applicants and registered HUBs.
<i>Purpose/Importance:</i>	Field audits ensure vendors are in compliance with HUB certification requirements.
<i>Source/Collection:</i>	Cold Fusion System.
<i>Method of Calculation:</i>	Actual count of the number of field audits conducted during a reporting period.
<i>Data Limitations:</i>	None
<i>Calculation Type:</i>	Cumulative
<i>New Measure:</i>	No
<i>Desired Performance:</i>	Target or higher
<b>Measure: Number of HUB Desk Audits Conducted</b>	
<i>Short Definition:</i>	A manual count of the number of desk audits conducted of applicants and registered HUBs.
<i>Purpose/Importance:</i>	Desk audits ensure vendors are in compliance with HUB certification requirements.
<i>Source/Collection:</i>	Cold Fusion System.
<i>Method of Calculation:</i>	Actual count of the number of desk audits completed during a reporting period.
<i>Data Limitations:</i>	None
<i>Calculation Type:</i>	Cumulative
<i>New Measure:</i>	No
<i>Desired Performance:</i>	Target or higher

**STRATEGY: PROCUREMENT** (continued)

**Measure: Number of HUB Seminars and Outreach Efforts Conducted**

*Short Definition:* Measures the total number of statewide educational training/outreach seminars conducted for vendors and purchasers on an annual basis.

*Purpose/Importance:* To provide HUBs and purchasers relevant information to increase the availability and utilization of HUBs in the state’s procurement opportunities. HUBs are listed in the HUB directory and are encouraged to be listed on the Centralized Master Bidders List (CMBL).

*Source/Collection:* Statewide Procurement Division maintains a database that tracks Economic Opportunity Forums (EOFs) and other HUB training and educational events. Outreach efforts include seminars, forums, one-on-one meetings, training and networking events. Tracking information includes the dates, locations, type of information provided and participation of vendors and state agencies.

*Method of Calculation:* A sum of the number of seminars/outreach events conducted.

*Data Limitations:* None

*Calculation Type:* Cumulative

*New Measure:* No

*Desired Performance:* Target or higher

**Measure: Number of Pieces of Mail Processed**

*Short Definition:* The number of pieces of mail processed through Statewide Procurement Division postage meters.

*Purpose/Importance:* Statewide Procurement Division provides the maximum available discount on postal rates. Providing this service to other state agencies will serve to reduce duplication of services by state government.

*Source/Collection:* Mail is metered through postage meters. Piece volumes are automatically recorded on the Pitney Bowes Business Manager System.

*Method of Calculation:* Sum the total number of pieces of mail processed through Statewide Procurement Division postage meters at the end of each reporting period.

*Data Limitations:* Volume of mail metered is customer driven.

*Calculation Type:* Cumulative

*New Measure:* No

*Desired Performance:* Target or higher

**Measure: Average Number of Business Days to Process a Solicitation in Response to Non-Delegated Open Market Requisitions from Client Agencies (Under Texas Government Code Annotated §2155.132) Using the Most Appropriate Competitively Bid Procurement Method**

*Short Definition:* The average number of business days needed by the Statewide Procurement Division to process individual agency requirements and solicitations through the most appropriate competitively bid procurement method for goods and services that are not available on term contracts or scheduled purchases.

*Purpose/Importance:* Measure demonstrates and documents the efficiency of using the most appropriate competitively bid procurement method to process larger open market purchases.



## STRATEGY: PROCUREMENT (concluded)

<i>Source/Collection:</i>	PeopleSoft System and Business Objects reports.
<i>Method of Calculation:</i>	All non-delegated open market requisitions reported in the “final disposition” status during the month are included. The program tracks the business days each open market requisition took to get to the final disposition status. Business days that are outside of Statewide Procurement’s jurisdiction (on hold for referral or additional detail) are not included. The report calculates the average business days by dividing the net business days in Statewide Procurement status by total number of requisitions using the most appropriate competitively bid procurement method to arrive at the average business days to process these open market requisitions.
<i>Data Limitations:</i>	The processing of open market requisitions using the most appropriate competitively bid procurement method may be affected by statutory posting requirements and addendums to solicitations.
<i>Calculation Type:</i>	Non-cumulative
<i>New Measure:</i>	No
<i>Desired Performance:</i>	Target or lower

### Measure: Number of New HUB Applications Received

<i>Short Definition:</i>	Number of new HUB applications received during the reporting period.
<i>Purpose/Importance:</i>	Reporting the number of new HUB applications received will provide more planning information, i.e., level of resources vs. demand for service. In addition, it will provide the necessary information to derive the number/percentage of HUB denials.
<i>Source/Collection:</i>	Cold Fusion System.
<i>Method of Calculation:</i>	Electronically calculated based on information entered.
<i>Data Limitations:</i>	None
<i>Calculation Type:</i>	Non-cumulative
<i>New Measure:</i>	No
<i>Desired Performance:</i>	Target or higher

## STRATEGY: REVENUE AND TAX PROCESSING

### Measure: Time Required to Generate Taxpayer Refunds (Days)

<i>Short Definition</i>	This measure provides a monthly indicator of the average number of days to generate a taxpayer refund.
<i>Purpose/Importance</i>	Over 80 percent of refund requests for taxes administered by this agency are received, analyzed and submitted for processing by the Account Maintenance and Revenue Accounting divisions. Using data from the three taxes with the highest volume (Sales, Franchise and Fuels), this measure provides a barometer of the time it takes to review a potential refund and enter its approval/denial into the computer system.
<i>Source/Collection:</i>	OTC and SAS reports are generated monthly for Sales, Fuels and Franchise Tax Overpayments, as well as Fuels Tax Refund Claims. The section responsible for these taxes extracts the appropriate information for each of the four components and reports it to the Operations Support (OS) section on its monthly MIS report. The OS section collates the data and makes the final calculation.

**STRATEGY: REVENUE AND TAX PROCESSING** (continued)

<i>Method of Calculation:</i>	For each of the four components of the measure, two pieces of information are reported: “numdays” – which is the number of days from the generation date of an overpayment notice (or the process date of a refund claim) to the release date of the notice or claim (note: numdays are counted only for those items released during the reporting period); and, “frequency” – which is the actual number of overpayment notices and refund claims released during the reporting period. The total of the “numdays” for each of the four components is then divided by the corresponding “frequency” total. The resulting quotient is the reported measure.
<i>Data Limitations:</i>	None
<i>Calculation Type:</i>	Non-cumulative
<i>New Measure:</i>	No
<i>Desired Performance:</i>	Target or lower

**Measure: Time Taken to Return Tax Allocations to Local Jurisdictions (Days)**

<i>Short Definition</i>	This measure determines the actual number of days between the current monthly sales tax return due date and the date the allocation payments are released to local jurisdictions.
<i>Purpose/Importance</i>	Tax allocation is one of the primary functions performed in this division. We have a responsibility to local jurisdictions to return local taxes collected in the most efficient and effective manner possible. This measure provides an indicator of how timely the allocation is returned.
<i>Source/Collection:</i>	The division utilizes a calendar to determine the number of days from the return due date to the date the payments are released.
<i>Method of Calculation:</i>	The number of calendar days is counted between the tax return due date to the date the allocation payments are released to local jurisdictions. The allocation warrants are released the second Friday of each month. An exception to the second Friday rule would occur if a state-observed federal banking holiday fell during the allocation week. In that case, allocation payments would be released the following Monday. The return due date is the 20th of each month unless it falls on a holiday or weekend, in which case the due date becomes the next business day. The target was derived by manually calculating the number of days between the return due dates to the date payments are released; adding the number of days between the return due dates and the payment release dates for a 12 month period; and dividing the number of days by 12 months. This calculation determines the average number of days to return tax allocation payments to local jurisdictions.
<i>Data Limitations:</i>	None
<i>Calculation Type:</i>	Non-cumulative
<i>New Measure:</i>	No
<i>Desired Performance:</i>	Target or lower

**Measure: Average Tax Document Processing Time (Hours)**

<i>Short Definition</i>	The average tax document processing time is the average processing time in hours during both peak and non-peak processing periods, calculated from the time a paper tax document or return is received by the Revenue Processing division until it is keyed into the tax systems. This average is based on a 24-hour day (including weekends and holidays).
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**STRATEGY: REVENUE AND TAX PROCESSING** (continued)

<i>Purpose/Importance</i>	This measure captures the speed with which tax return information is updated to the tax systems. This information is necessary for accurate, up-to-date data accessibility for agency personnel to use while working with taxpayer accounts. In addition, this data is used in the allocation of tax monies to local tax entities and governmental agencies and used in forecasting the economic condition of the state.
<i>Source/Collection:</i>	A random sample of documents and tax returns received from the database of the Electronic Content Management System (ECMS). This sample is measured from the date of receipt in Revenue Processing until completion in the ECMS.
<i>Method of Calculation:</i>	A random sampling of documents and tax returns processed throughout the month will be compiled from the ECMS database. An automated report will calculate the average turnaround time by taking the actual time it took to process each document divided by the total documents sampled to derive the turnaround time. This average is based on a 24-hour workday, seven days a week.
<i>Data Limitations:</i>	Data is collected from random samples. Data could be impacted by system downtimes and/or changes in agency-imposed tax.
<i>Calculation Type:</i>	Non-cumulative
<i>New Measure:</i>	No
<i>Desired Performance:</i>	Target or lower
<b>Measure: Number of Tax Returns Processed</b>	
<i>Short Definition</i>	Number of Tax Returns Processed is a measure of documents identified as tax returns received from taxpayers, which are processed through agency systems.
<i>Purpose/Importance</i>	This measure is intended to show the number of tax returns processed by the agency in administering agency taxes. It is an important measure for determining staffing, system needs and effectiveness of administration.
<i>Source/Collection:</i>	All documents processed in the agency have a transaction code, which is captured at the source of entry or data capture. This code is maintained in a database along with the associated taxpayer information.
<i>Method of Calculation:</i>	A computer-generated register of transaction codes of documents identified as tax returns received from the taxpayer is compiled on the agency mainframe computer on a monthly basis. This register identifies all tax returns entered on a monthly basis and indicates the source of entry of the document. Additional registers and ad hoc reports are used to gather numbers of returns entered via electronic methods, such as WebFile and TELEFILE. All return totals are combined to arrive at the final result.
<i>Data Limitations:</i>	This measure allows for the collection of data of tax returns processed through all systems in the agency, both manual entry and through electronic means. This data is checked periodically for accuracy. Implementation of new data capture systems may change methodology and source data.
<i>Calculation Type:</i>	Cumulative
<i>New Measure:</i>	No
<i>Desired Performance:</i>	Target or higher

## STRATEGY: REVENUE AND TAX PROCESSING (continued)

Measure: Number of Payments Deposited	
<i>Short Definition</i>	Number of Payments Deposited is the total number of checks, cash remittances and electronic payments deposited to the State Treasury by the agency. All payments processed in the agency have a transaction code, which is captured at the source of entry. This code is maintained in a database along with the associated taxpayer information.
<i>Purpose/Importance</i>	This measure provides information as to the effectiveness of the agency in processing tax receipts and maximizing interest to the state and in helping to determine the level of economic activity in the state.
<i>Source/Collection</i>	The number of tax payments processed is captured off of a mainframe entry program, RMIXIS, through an automated program, ITIMS Proc, which captures both deposit and data entry information.
<i>Method of Calculation</i>	A computer-generated register of transaction codes of documents identified as payments received from the taxpayer is compiled on the agency mainframe computer on a monthly basis. This register identifies all payments entered on a monthly basis and indicates the source of entry of the document.
<i>Data Limitations</i>	This measure allows for collection of data of tax payments processed through all systems in the agency, both manual entry and through electronic means. This data is checked periodically for accuracy. Implementation of new data capture systems may change methodology and source data.
<i>Calculation Type</i>	Cumulative
<i>New Measure</i>	No
<i>Desired Performance</i>	Target or higher
Measure: Number of Permits and Licenses Issued	
<i>Short Definition</i>	This is the number of permits, decals and licenses verified and issued through Account Maintenance. Permits are issued for sales tax, fuels tax, tobacco tax and Maquiladoras. Licenses and decals are issued for amusement tax and International Fuel Tax Agreement (IFTA).
<i>Purpose/Importance</i>	A permit or license is required for doing certain types of business in the state of Texas which involve the collection of taxes.
<i>Source/Collection</i>	Permits and amusement license totals come from a TSO report entitled LBBPERM; totals for the remaining types are located on various reports maintained by the division.
<i>Method of Calculation</i>	The TSO program LBBPERM captures data from the Account Maintenance Division time accounting system. Accounts examiners working permits, decals or licenses allocate their time to a designated function code along with quantity processed for these tasks. Data from the time accounting system is summed.
<i>Data Limitations</i>	None
<i>Calculation Type</i>	Cumulative
<i>New Measure</i>	No
<i>Desired Performance</i>	Target or higher

**STRATEGY: REVENUE AND TAX PROCESSING** (continued)

<b>Measure: Number of Taxpayer Account Verifications and Adjustments</b>	
<i>Short Definition</i>	The total number of verifications and adjustments made to taxpayer accounts. Adjustments can be exceptions, historic credit, low producing oil and gas wells, adjustment notices and file maintenance entries to a taxpayer's account.
<i>Purpose/Importance</i>	Corrections or updates are made to taxpayer accounts to ensure all data is current. Other areas of the agency, such as Enforcement and Audit, view this data via the mainframe system; taxpayer account information must be correct and current.
<i>Source/Collection:</i>	Each accounts examiner processes exceptions, adjustment notices and file maintenance records and enters their time and the quantity of adjustments made to the time accounting system on a daily basis. A TSO program entitled LBBTAXES captures the data.
<i>Method of Calculation:</i>	Totals are derived from information in the automated time accounting system function codes. A TSO program is submitted on a monthly basis giving the total number of exceptions, adjustment notices and file maintenance processed. These three totals are added.
<i>Data Limitations:</i>	None
<i>Calculation Type:</i>	Cumulative
<i>New Measure:</i>	Yes
<i>Desired Performance:</i>	Target or lower
<b>Measure: Number of Collection Actions Performed</b>	
<i>Short Definition</i>	Total number of collection actions performed in the division, including the number of returned payment billings, liens filed, certifications filed with the Attorney General, judgments issued, bankruptcy claims filed, successor liability audits performed, security forfeitures, warrants held and determinations issued.
<i>Purpose/Importance</i>	Advanced collections make up approximately one-third of the overall division operations. A number of these collection processes have related expenses that must be included in our annual budget. Performance measures are maintained to assist in forecasting the associated costs.
<i>Source/Collection:</i>	The number of collection actions performed is either entered to the agency's time accounting system, obtained from other mainframe system-generated reports or maintained on a manual spreadsheet. This information is obtained on a monthly basis from each affected section.
<i>Method of Calculation:</i>	Monthly reports are utilized to gather the total number of actions performed in each category and are added together for a monthly grand total. Reports used are either mainframe system-generated or maintained on a manual spreadsheet. Mainframe system reports are supported by the Information Technology Division and an in-house subject matter expert.
<i>Data Limitations:</i>	The Time Accounting System is used by all division employees to account for their time and inventory items cleared. We utilize this system for obtaining performance measure data, capturing the number of cleared inventory items and to assist us in workload management. In some instances we rely on other system-generated reports and manual spreadsheets to retrieve the reported data.
<i>Calculation Type:</i>	Cumulative
<i>New Measure:</i>	No
<i>Desired Performance:</i>	Target or lower

**STRATEGY: REVENUE AND TAX PROCESSING** (continued)

**Measure: Number of Tax Refunds Issued**

<i>Short Definition</i>	This measure counts the total number of tax and fee refunds processed through the Fund and Payment Reconciliations section of Revenue Accounting.
<i>Purpose/Importance</i>	This measure allows us to track the total number of tax refunds being issued each month, including those reviewed and processed outside the division. This is important in that it allows the division to track, with one number, the volume of tax refunds issued and to identify the impact of any refunds being processed outside the division.
<i>Source/Collection:</i>	A mainframe computer-generated report from the Uniform Statewide Accounting System (USAS) is received by the Fund and Payment Reconciliations section each month which details refunds issued. Adjustments are made to some figures by the section to account for manual adjustments not reflected in the report. Also, “refunds” issued for Unclaimed Property are deleted because they do not fall into the category of tax refunds. The report is then turned over to the Operations Support section along with other monthly MIS data from the section for the final calculations.
<i>Method of Calculation:</i>	The method of calculation is a straightforward sum. No formulas are applied in the process. From the report turned over to the Operations Support section, taxes and fees are grouped together and totaled for the division’s internal MIS report. The grand total of these groups, exclusive of Unclaimed Property, represents the final reported measure.
<i>Data Limitations:</i>	None
<i>Calculation Type:</i>	Cumulative
<i>New Measure:</i>	No
<i>Desired Performance:</i>	Target or lower

**Measure: Number of Staff Hours Spent Allocating Local Option Taxes to Government Entities**

<i>Short Definition</i>	This measure indicates the total number of staff hours spent verifying and allocating local option taxes to government entities.
<i>Purpose/Importance</i>	We have a responsibility to local jurisdictions to return local taxes collected in the most efficient and effective manner possible. This measure provides an indicator of how many hours are spent analyzing data and processing necessary transactions prior to the release of the allocation.
<i>Source/Collection:</i>	This measure includes time spent allocating sales tax, mixed beverage gross receipts tax, hotel tax, the Law Enforcement Officers Standards and Education distribution to government entities and International Fuel Tax Agreement (IFTA) settlements between states. Hours also include the time spent on tasks directly affecting allocation such as reallocations, direct deposit, registers, election results, tax adoptions and annexations.
<i>Method of Calculation:</i>	Section monthly Time Accounting Reports are utilized to gather the total number of hours spent allocating local option taxes. Time Accounting is a mainframe system supported by the Information Technology Division and an in-house subject matter expert.
<i>Data Limitations:</i>	The Time Accounting System is used by all division employees to account for their time and inventory items cleared. We utilize this system for obtaining performance measure data, capturing the number of cleared inventory items and to assist us in workload management.
<i>Calculation Type:</i>	Cumulative

**STRATEGY: REVENUE AND TAX PROCESSING** (continued)

<i>New Measure:</i>	No
<i>Desired Performance:</i>	Target or lower
<b>Measure: Average Number of Hours to Deposit Receipts</b>	
<i>Short Definition</i>	This measure is intended to measure the effectiveness of depositing receipts, tax and fee payments, which are defined as checks received in the Revenue Processing Division.
<i>Purpose/Importance</i>	This measure reflects the effectiveness of the agency in identifying and processing receipts from the public and maximizing interest revenue opportunities for the state.
<i>Source/Collection:</i>	A random sampling of receipt deposits is collected from the database of the Electronic Content Management System (ECMS). This sample is measured from the date of receipt in Revenue Processing until completion in the ECMS when the data is sent to the mainframe.
<i>Method of Calculation:</i>	The average number of hours from the receipt of the payment in Revenue Processing through the remittance entry batch completion time in the ECMS is measured. A random sampling of receipt deposits processed throughout the month will be compiled from the ECMS database. This sampling will be run through a report which calculates the average turnaround time by taking the actual time it took to process each deposit divided by the total deposits sampled to derive the turnaround time. This average is based on a 24-hour workday, seven days a week.
<i>Data Limitations:</i>	Data is collected from random samples. Data could be impacted by system downtimes and/or changes in agency-imposed tax. Implementation of new data capture systems may change methodology and source data.
<i>Calculation Type:</i>	Non-cumulative
<i>New Measure:</i>	No
<i>Desired Performance:</i>	Target or lower
<b>Measure: Percent of Tax Payments Received Via Direct Deposit</b>	
<i>Short Definition</i>	The percent of all tax and fee payments processed by agency systems, which are remitted to the state via direct deposit or electronic funds transfer (EFT).
<i>Purpose/Importance</i>	Tax payments made via direct deposit or EFT are a more efficient means of processing state revenue, versus the handling of paper checks. Money is deposited into the treasury faster, which allows the state to immediately begin collecting interest on the funds deposited. Processing paper payments (checks), requires extensive handling of paper and creates “float time” from the time of deposit until the time the state is credited with the payment and interest begins to accrue. Direct deposit results in funds being immediately available to the state, while paper payments can take several days to deposit due to mail and agency handling times, resulting in delayed availability of funds to the state.
<i>Source/Collection:</i>	Data is collected through an automated remittance inquiry system (RMIXIS) on the agency’s mainframe computer. The Cashier’s Office in the Revenue Processing Division also issues a monthly report entitled “Cashier’s Statistics” reflecting this data.
<i>Method of Calculation:</i>	The percentage is calculated by dividing the total dollar amount of tax payments received via direct deposit by the total amount of tax payments received from all sources (paper and electronic).
<i>Data Limitations:</i>	None

## STRATEGY: REVENUE AND TAX PROCESSING (concluded)

*Calculation Type:* Non-cumulative

*New Measure:* No

*Desired Performance:* Target or higher

## STRATEGY: STATE ENERGY CONSERVATION OFFICE

### Measure: Utility Dollars Saved as a Percentage of Utility Expenditures

*Short Definition:* The percentage of annual utility savings achieved by LoanSTAR participants as compared to annual pre-retrofit utility costs.

*Purpose/Importance:* This measure demonstrates the value of the LoanSTAR program in terms of return on investments.

*Source/Collection:* Data is entered into an Excel database by the LoanSTAR Program Manager.

*Method of Calculation:* Savings calculations are based on stipulated utility savings for loans in repayment status, which are predetermined/estimated annual savings identified in a detailed utility assessment report of a particular facility. This data provides an annual pre-retrofit consumption baseline, which is then used to determine if the utility savings are being achieved. The measure is calculated by dividing the annual stipulated utility savings by the total 12 months of pre-retrofit utility costs.

*Data Limitations:* None

*Calculation Type:* Non-cumulative

*New Measure:* No

*Desired Performance:* Target or higher

### Measure: Utility Dollars Saved by LoanSTAR Projects (In Millions)

*Short Definition:* The total utility dollars saved for the current fiscal year attributed to retrofits implemented through the LoanSTAR Program.

*Purpose/Importance:* This is a key measure that accounts for the total utility savings attributed to the LoanSTAR Program.

*Source/Collection:* Savings data is entered into an Excel database by the LoanSTAR Program Manager.

*Method of Calculation:* Savings calculations are based on stipulated utility savings for loans in repayment status, which are pre-determined/estimated annual savings identified in a detailed utility assessment report of a particular facility. This data provides a snapshot of stipulated savings, in dollars, within a state fiscal year quarter. The measure is calculated by adding the stipulated savings of each quarter in a state fiscal year to derive an annual total savings amount.

*Data Limitations:* None

*Calculation Type:* Non-cumulative

*New Measure:* No

*Desired Performance:* Target or higher



**STRATEGY: STATE ENERGY CONSERVATION OFFICE** (concluded)

<b>Measure: Number of Active LoanSTAR Loans Processed and Managed by SECO</b>	
<i>Short Definition:</i>	The number of active LoanSTAR loans administered by the State Energy Conservation Office.
<i>Purpose/Importance:</i>	Loans in this category have been approved and are currently in some stage of completion between contract execution and final closeout.
<i>Source/Collection:</i>	Data is collected and entered into a program database (P.M. Loanstar Active Loans) by the Loan-STAR Program Administrator.
<i>Method of Calculation:</i>	The number of loans approved and in some stage of completion between contract execution and final closeout during the period being reported are manually summed based upon internal SECO documents. This number includes all state and federally funded loans. The number shown is an independent snapshot of activity for the time period being reported.
<i>Data Limitations:</i>	None
<i>Calculation Type:</i>	Non-cumulative
<i>New Measure:</i>	No
<i>Desired Performance:</i>	Target or higher
<b>Measure: Utility Dollars Saved Per Dollar Spent for Utility Retrofit Programs</b>	
<i>Short Definition:</i>	Identifies the ratio between Utility dollars saved by the LoanSTAR Program and the administrative dollars invested in program delivery.
<i>Purpose/Importance:</i>	The ratio established is critical in evaluating the overall administrative efficiency.
<i>Source/Collection:</i>	Data is entered into an Excel database by the LoanSTAR Program Manager.
<i>Method of Calculation:</i>	Savings calculations are based on stipulated savings for loans in repayment status, which are pre-determined/ estimated annual savings identified in a detailed utility assessment report of a particular facility. This data compares stipulated savings in the current quarter to the total of administrative expenses in the current quarter. The measure is calculated by dividing the stipulated savings, in dollars, within a quarter of a state fiscal year by the total of administrative expenses for the quarter of a state fiscal year.
<i>Data Limitations:</i>	None
<i>Calculation Type:</i>	Non-cumulative
<i>New Measure:</i>	No
<i>Desired Performance:</i>	Target or higher

# Historically Underutilized Business Plan

## Fiscal Year 2017 Annual HUB Report

The Comptroller's office continues to be fully committed to making a good faith effort to effectively promote and increase contract opportunities directly with Historically Underutilized Businesses (HUBs) and indirectly through subcontracting opportunities. To date, 30 percent of the agency's expenditures have been with HUBs. "Good faith efforts" to ensure continuing HUB participation include the following:

### HUB Outreach:

- Contacted and encouraged agency's non-certified HUB vendors to obtain Texas HUB Certification.
- Contacted and encouraged HUB vendors to review procurement opportunities on the Electronic State Business Daily.
- Included a HUB Subcontracting Plan in all formal solicitations \$100,000 and over to increase subcontracting opportunities with HUB vendors.
- Contacted and encouraged non-HUB vendors to consider subcontracting with Texas Certified HUBs
- Responded to email and phone inquiries from HUB vendors requesting information on how to do business with the state, how to obtain Texas HUB certification and how to register on the Certified Master Bidders List.
- Participated in HUB Discussion Workgroup meetings to promote and enhance an effective statewide HUB program through education, networking and proactive feedback.
- Participated in Economic Opportunity Forums (EOFs) throughout the state, connecting with different vendors during one-on-one sessions, to actively recruit HUB vendors and provide assistance on "How to Do Business" with the Comptroller's office.
- Connected with vendors around the state during several roundtable discussions and conducted presentations to promote their products and/or services.
- Worked diligently with the agency's Memorandum of Cooperation (MOC) partners, the Texas Association of African American Chambers of Commerce, the Texas Association of Mexican American Chambers of Commerce to enhance education on "How to Do Business" with the Comptroller's office and promote their EOFs.

The Comptroller's office will continue to strengthen its agency's HUB Program by working to increase opportunities for HUB participation in all categories.

HUB Category	Fiscal 2016	Fiscal 2016	Fiscal 2017	Fiscal 2017	Fiscal 2018
	Agency-Specific HUB Goal	Actual Percentage of Dollars Spent w/HUBs	Agency-Specific HUB Goal	Actual Percentage of Dollars Spent w/HUBs	Agency-Specific HUB Goal
Heavy Construction Other Than Buildings	N/A	N/A	N/A	N/A	N/A
Building Construction, including General Contractors and Operative Builders Contracts	N/A	N/A	N/A	N/A	N/A
Special Trade Construction Contracts	32.70%	9.51%	32.90%	12.87%	32.90%
Professional Services Contracts	23.60%	0.00%	23.70%	0.00%	23.70%
Other Services Contracts	24.60%	34.10%	26.00%	33.49%	26.00%
Commodities Contracts	21.00%	17.35%	21.10%	15.63%	21.10%

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## Appendix D

# Workforce Plan

### I. CURRENT WORKFORCE PROFILE (SUPPLY ANALYSIS)

#### CORE FUNCTIONS AND CRITICAL WORKFORCE SKILLS

##### Core Functions

- Collect state taxes and fees
- Enforce tax laws
- Provide tax assistance
- Oversee the state's fiscal affairs
- Estimate state revenue
- Monitor state expenditures
- Process and deposit state revenue
- Manage statewide purchasing and contracts

##### Critical Workforce Skills

A number of critical skills are important to the agency's ability to operate. The Comptroller's office could not effectively accomplish basic business functions without these skills:

- Customer service
- Analysis/research
- Problem solving
- Communication (verbal and written)
- Computer proficiency (skills requirements range from entry-level end-user to highly skilled information technology specialist)
- Information security analysis
- Project management
- Investigation
- Auditing/accounting
- Financial analysis
- Management

##### Workforce Demographics

As of April 2018, the Comptroller's office had a total headcount of 2,738 employees. The following tables profile the agency's workforce, including both full-time and part-time employees.

The Comptroller's workforce is 41.5 percent male and 58.5 percent female. More than 41 percent of the agency's workforce is 50 years or older.

Approximately 63 percent of the workforce has 10 years or less of experience working in the Comptroller's office with proficiency levels ranging from minimal knowledge to working knowledge of processes. Less than 20 percent of the Comptroller's workforce has 11 to 20 years of tenure, with expertise ranging from working knowledge to the mastery level. Employees with 21 years or more of experience with the Comptroller's office, with expertise levels ranging from mastery to acknowledged subject-matter expertise, comprise 17.2 percent of the workforce. These employees are also keepers of institutional business knowledge.

To prevent a decline in knowledge and experience levels within the next five years, strategies have been implemented to address the transfer of institutional business knowledge and professional expertise.

## WORKFORCE BREAKDOWN

### Gender

	Number of Employees	Percent of Employees
Male	1,137	41.5%
Female	1,601	58.5%

Source: Centralized Accounting and Payroll/Personnel System

### Agency Tenure

	Number of Employees	Percent of Employees
0–5 years	1,214	44.3%
6–10 years	506	18.5%
11–15 years	300	11.0%
16–20 years	246	9.0%
21–25 years	145	5.3%
26–30 years	153	5.6%
31–35 years	68	2.4%
36–40 years	70	2.6%
Over 40 years	36	1.3%

Source: Centralized Accounting and Payroll/Personnel System

### Agency Age

	Number of Employees	Percent of Employees
20–29 years	245	8.9%
30–39 years	679	24.8%
40–49 years	678	24.8%
50–59 years	711	26.0%
60–69 years	394	14.4%
70 and older	31	1.1%

Source: Centralized Accounting and Payroll/Personnel System

## COMPTROLLER WORKFORCE VERSUS STATEWIDE CIVILIAN WORKFORCE

The following table compares the percentage of African American, Hispanic and female Comptroller employees (as of April 2018) to the statewide civilian workforce as reported by the Texas Workforce Commission's Civil Rights Division. For most job categories, the agency's workforce is well represented in proportion to their availability in the statewide civilian workforce.

### Statewide Employment Statistics

Job Category	African American Comptroller	African American State	Hispanic American Comptroller	Hispanic American State	Female Comptroller	Female State
Officials/Administrators	13.9%	7.4%	25.7%	22.1%	54.5%	37.4%
Administrative Support	25.7%	14.8%	38.8%	34.8%	69.1%	72.1%
Professionals	15.7%	10.4%	25.1%	19.3%	53.7%	55.3%
Protective Services	8.0%	19.8%	28.0%	31.3%	20.0%	25.6%
Technicians	9.4%	14.4%	13.8%	27.2%	43.8%	55.3%

Source: Centralized Accounting and Payroll/Personnel System and Texas Workforce Commission (TWC); statistics extracted from TWC's Equal Employment Opportunity and Minority Hiring Practices Report Fiscal Years 2015-2016

## Employee Turnover

While the state's turnover rate has hovered around 18 percent during the past five years, the agency's turnover rate has averaged about 7 percentage points lower, at 11 percent. During the past two years, the average gap between the agency and state turnover rates — 6.9 percent — has been close to that experienced during the economic downturn in 2009, when the agency's turnover rate was 7.3 percentage points lower than the state average.

### Overall Turnover

Fiscal Year	Comptroller	State
2017	10.0%	18.6%
2016	11.6%	17.6%
2015	10.8%	18.0%
2014	10.1%	17.5%
2013	12.7%	17.6%
2012	12.0%	17.3%
2011	11.4%	16.8%
2010	9.3%	14.6%
2009	7.1%	14.4%

Source: State Auditor's Office (SAO); SAO statistics derived from An Annual Report on Full-Time Classified State Employees Turnover (for respective fiscal years)

As indicated by the following table, however, 48.8 percent of the employees lost in fiscal 2017 were in job classifications critical to the agency's tax and revenue administration functions.

### Turnover by Job Classification

Classification Job Series	Total Terminations
Tax Auditor	51
Tax Compliance Officer	43
Accounts Examiner	25
Program Specialist	15
Tax Analyst	3

Source: Centralized Accounting and Payroll/Personnel System (Fiscal 2017 data)

Despite its relatively low staff turnover, 2,717 employees left the agency during the past nine years. Approximately 48.8 percent of the employees lost were within the first five years of employment, as indicated in the following table. Only 24.8 percent of the employees with more than 20 years of experience left the agency.

### Turnover by Length of Service

Fiscal Year	# Terms	0-5 Years	6-10 Years	11-15 Years	16-20 Years	21-25 Years	26-30 Years	31+ Years
2017	281	149	23	27	13	23	26	20
2016	324	158	49	42	17	22	20	16
2015	307	153	49	23	15	20	28	19
2014	286	143	35	20	14	27	19	28
2013	350	158	43	37	18	29	25	40
2012	338	169	27	37	27	20	19	39
2011	339	184	39	23	15	23	28	27
2010	286	125	31	14	20	24	35	37
2009	206	88	25	15	19	17	28	14

Source: Centralized Accounting and Payroll/Personnel System

When looking at turnover by age, the number of employees under 50 who have left over the past seven years is roughly equivalent to those who are over 50, as indicated by the following table. Both age groups are hovering around 50 percent.

### Turnover by Age

Fiscal Year	# Terms	<20	20-29 Years	30-39 Years	40-49 Years	50-59 Years	60-69 Years	70-79 Years
2017	281	2	46	60	51	71	48	3
2016	324	1	44	62	58	92	61	6
2015	307	0	44	62	48	80	66	7
2014	286	1	51	50	50	75	55	4
2013	350	1	66	64	38	98	82	1
2012	338	0	49	75	47	105	59	3
2011	339	0	49	68	65	100	51	6
2010	286	0	42	44	36	119	44	1
2009	206	0	24	33	31	82	35	1

Source: Centralized Accounting and Payroll/Personnel System

Some level of turnover will always occur, of course, with both positive and negative outcomes. There can be a financial gain as experienced employees are replaced with entry-level staff. Losing experienced employees, however, can negatively affect the agency due to the loss of knowledge and skill.

### Retirement Eligibility

From 2008 to 2017, an average of 113 employees, approximately 4 percent of the agency’s workforce, retired each year. Data from the Centralized Accounting and Payroll/Personnel System shows that approximately 12 percent of the agency’s staff will become eligible to retire within the next five years. A total of 398 employees have already passed the eligibility requirement. Together, almost 26 percent of the agency’s workforce will become eligible during the next few years.

The loss of institutional business knowledge and expertise in key management and senior-level professional positions, coupled with normal attrition, makes it important to minimize the loss of technical knowledge and organizational experience.

### Employees Eligible to Retire

Fiscal Year	Eligible Employees	Percent of Total Agency FTE Cap
2018	63	2.2%
2019	61	2.1%
2020	88	3.1%
2021	64	2.2%
2022	69	2.4%
Total Eligible Employees	342	12.0%

Source: Centralized Accounting and Payroll/Personnel System

## II. FUTURE WORKFORCE PROFILE (DEMAND ANALYSIS)

### Critical Functions

- Possible expansion or changes to existing taxes or the enactment of new taxes.
- Legislative mandates affecting the administration and delivery of agency services.

### Expected Workforce Changes

- Increased demand for web-related services.
- Continued use of technology to revise and streamline work processes.

- Expanded contract management skills due to the increased use of vendors that supply service technology solutions.

### Anticipated Increase/Decrease in Number of Employees Needed

- Current staff can maintain existing service levels, but attrition creates overload and leads to backlogs and decreased customer service. Additionally, about 26 percent of agency employees will be eligible to retire over the next five years, potentially creating a loss of institutional knowledge, specifically in management and subject-matter-expert level positions.
- Continuous review and development of efficient work processes and reallocation of resources as needed must occur to ensure “smarter” working.
- Planning must be used effectively to prevent knowledge and skills gaps.
- The likelihood of new or additional programs being added to the agency is high, as each legislative session results in revisions to the Texas tax codes, which affects the number of employees needed to do the work.

### Future Workforce Skills Needed

As the agency increasingly employs technology to streamline processes, meet the demands of customers and provide more efficient services, additional skills may be required for the future workforce, including advanced systems design and analysis, complex web design and information security analytics. Other skill requirements with increased focus include contract management, problem solving and analytical skills. The need for staff with communication skills, both verbal and written, continues to rise. Current staff will continue to interact with taxpayers, legislators and others and more than minimal communications proficiency is required to perform these duties effectively.

To serve its constituency, the agency also requires a workforce able to communicate in multiple languages. The agency may need to establish minimal proficiency standards for some of its employees and provide training in common conversational phrases, expanding into tax specific-phrases and complex dialogue.

## III. GAP ANALYSIS

### Anticipated Surplus or Shortage of Workers or Skills

Workforce information gathered from agency divisions makes it clear that the primary gap that must be addressed between the agency’s current workforce supply and future demands is the transfer of institutional business knowledge and technical expertise (mastery level). Overall, the agency workforce currently has the skills needed to do the required work. In the next five years, however, the agency could experience a shortage of required skills, particularly in management and senior-level professional positions, due to potential retirements and normal attrition.

- A potential skills “gap,” in terms of institutional business knowledge and technical expertise, exists between tenured/skilled employees (those with 15+ years of service) and employees with less tenure (10 years or less).
- New technologies are continually introduced as current and legacy systems are replaced.
- The agency will continue its efforts to identify critical positions for succession planning.

As part of the workforce planning process, Human Resources distributed a questionnaire to division management and used the responses to develop a profile of current division skill levels and future workload demands. The following skills were identified as priorities for employees during the next five years:

- Accounting
- Advanced financial analysis
- Advanced information technology analysis
- Analytics
- Auditing
- Budgeting
- Collections
- Communication
- Compliance (federal/state agency)
- Computer Proficiency (basic/end user)
- Contract management
- Contract negotiations
- Customer service
- Information security analysis/cybersecurity
- Investigation
- Management
- Privacy/confidentiality
- Problem solving

- Project management
- Property appraisal
- Procurement
- Recruitment
- Research and analysis
- Software applications (CAPPs, COBOL, Java, Natural, NetSuite, etc.)
- Training
- Web Administration/graphics/social media

In general, the survey results found mastery-level proficiency in these areas. The agency’s immediate focus will be to retain employees who are performing at acceptable levels and to identify future needs and develop strategies to either train existing staff to fill potential gaps or to develop recruiting strategies to select and hire employees with skills in gap areas.

Few significant gaps in workers or skill needs were identified during the planning period. Survey results indicate minimal skill gaps in problem solving, management, research and analytics. Human Resources will work with agency divisions to identify the source of these gaps and determine appropriate solutions.

#### IV. STRATEGY DEVELOPMENT

One of the agency’s six primary goals is to:

*Develop and maintain a skilled workforce, committed to quality performance*

To address any deficits between the Comptroller’s current staff and future demands, several strategic goals have been incorporated into the agency’s workforce plan. These objectives were developed based on factors identified through an agency workforce analysis. The Comptroller’s future workforce requirements can be met through the accomplishment of two key objectives:

### Objective: Develop a Competent, Well-Trained Workforce

*Rationale* Almost 26 percent of the Comptroller’s staff is expected to be eligible for retirement within the next five years. One of the most critical issues facing the agency is the potential skills gap that could occur due to employee retirements. The agency relies heavily on a competent and knowledgeable staff and the loss of mastery-level expertise and institutional business knowledge will have a significant impact on agency services. The training and development of current employees is critical to the success of the agency. The agency must continually assess existing staff to determine which employees demonstrate the potential or interest to develop new competencies and assume new or modified positions.

- Action Steps*
- With input from divisions, annually reassess the critical skills and competencies needed to stay “ahead of the curve” of anticipated need.
  - Monitor the level of risk facing the agency regarding the potential loss of knowledge, particularly in areas where loss is likely due to the imminent retirement of employees in key positions, and identify potentially critical knowledge losses.
  - Develop recruiting strategies to attract and select for the potential knowledge loss. Through this process, the agency can create a pipeline of qualified candidates prior to the knowledge loss.
  - Develop knowledge-transfer strategies to ensure that institutional business knowledge and technical expertise are transferred to less-experienced employees. Promote these strategies, including cross-training, as an agency priority and include accountability measures.
  - Enhance and expand the agency’s management development program, including task-specific training for new or up-and-coming managers.
  - Enhance the existing internship program to create a pipeline of potential employees with appropriate knowledge and skills.
  - Encourage employees to pursue professional certification(s) in their areas of employment when feasible and available.
  - Expand virtual training and just-in-time training opportunities to enable employees to complete training as needed, remotely if necessary.



## Objective: Attract and Retain the Right Employees for the Job

*Rationale* Recruitment is the cornerstone of any effort to build a quality workforce. Retaining employees in a competitive market remains a continuing challenge. Retention of state employees requires a partnership between state leadership and state agencies. State leaders must continue to offer competitive salaries and benefits packages. State agencies should take responsibility to recruit quality workers, recognize excellent performance and provide development opportunities. The Comptroller's office will focus on identifying strategies to retain employees and increase overall applicant interest in positions with the agency.

- Action Steps*
- Enhance and expand recruiting efforts to portray the Comptroller's office as an employer of choice.
  - Improve the Comptroller's marketing materials to better reflect a modern workplace that offers positions and responsibilities similar to those in the private sector.
  - Create programs that allow employees seeking new challenges to work on special projects, rotations and/or developmental or "stretch" assignments.
  - Assess the impact of flexible work schedules such as telecommuting and alternative work schedules to determine their impact on overall employee satisfaction and retention. Maintain or enhance such programs when applicable and consistent with the agency's overall business objectives.
  - Develop a recruiting plan/strategy to minimize possible knowledge gaps with a strong pipeline of new employees.

## V. SUCCESSION PLANNING PROGRESS

The Comptroller's office has implemented and will continue to put into practice the action steps outlined above. Various divisions have implemented strategies such as opportunities for employees to work on special projects, development projects or "stretch assignments"; staff cross-training with subject-matter experts; structured on-the-job training programs; and recognition programs.

The agency has created an eight-month Leadership Academy program to further develop the skills and enhance the growth of high-potential managers, including team leads and supervisors. As part of this program, members are assigned to action-learning project teams to address current agency challenges. These projects culminate in presentations, recommendations and potential solutions such as

mentoring opportunities and non-monetary rewards. These items have been identified in the action steps listed above to attract, retain and develop employees. The agency is pursuing creative collaborations such as these to promote innovative approaches to employee engagement and knowledge transfer.

In conjunction with the agency's business continuity team, divisions promote effective planning throughout the agency. The agency's objective is to develop a sustainable business continuity program that includes communication planning, with testing, training and exercises, and continuous monitoring and improvement. With these initiatives, the Comptroller's office is taking a renewed approach to business continuity planning.







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