

FY2017 Annual Performance Evaluation (October 2017)**Strategic Policy Initiatives**

In 2012, the Department of Revenue (DOR) developed its first integrated Strategic Plan. This plan was developed by an employee committee that worked in conjunction with the Department's executive leadership team to incorporate all aspects of the work the Department does to include: taxation, lottery, enforcement, and motor vehicles. Although it may seem that the Department performs diverse functions, they are similar in many ways. The Department of Revenue has identified several operational measures. For this performance evaluation, the Department has updated progress on the selected measures that best capture some of the Department's strategic and operational priorities, and reflects the overall direction as identified by Department leadership. The updates include data as of June 30, 2017.

Additional details for these, and other, strategic policy initiatives are available in the Department's Performance Plan, which may be accessed [here](#).

Customer Service – Be respectful to our customers by providing processes that are clear, simple, timely, and convenient.

The Department achieved 86% of its Customer Service SPI outcomes, with increased individual income tax e-filings, and timely service in Driver License offices. The Department is working with the Governor's Office to establish processes to increase customer feedback and utilize the feedback to enhance customer's overall experience in the Motor Vehicle and Taxation Divisions. The Liquor Enforcement Division met 94.6% of its 95% completion rate for issuing license renewals within 60 days of receipt, due to a resource shortage.

DOR is unique in that, through its services it touches almost every resident in the State. Even though most customers are required to interact with the Department, i.e. paying taxes or obtaining a license, Department staff strives to serve customers with respect. In doing so, the goal is to resolve matters at first contact, reduce the time it takes to interact with the Department, provide education to the public regarding what is required to obtain the services needed, and provide various ways that our customers can interact with the Department to achieve the services they desire.

Fiduciary Responsibility – Provide responsible financial, resource, and project management that builds a sustainable foundation utilizing a high standard of care.

The goal for depositing funds collected by the Department within 24 hours of receipt 95% of the time was exceeded in FY17 with a 97% success rate. The Lottery achieved its targeted profitability percentage in FY17, meeting its objective.

The Department of Revenue collected \$13.8 billion dollars during FY17 on behalf of the residents of Colorado. It is the Department's responsibility to ensure that those funds are collected in a fair and consistent manner and in accordance with the law. In addition, the Department has a responsibility with the funds that are allocated to the Department to ensure that the residents receive the best service possible. The Colorado Lottery distributed \$133.5 million dollars during FY17 to four statutory beneficiaries: Conservation Trust Fund, Great Outdoors Colorado, Colorado Parks and Wildlife, and the Public School Capital Construction Fund.

Statutory Responsibility – Promote fairness and consistency in the application of the law.

The Department achieved 100% of its Statutory Responsibility SPI outcomes by meeting the goal to inspect racing facilities within specified timelines, and the issuance of both new medical and retail marijuana licenses. Since these goals have been continually met, new goals have been established to measure compliance rates in both the Racing Division and retail marijuana enforcement operations.

In order for horse racing to continue to be fair and safe for all participants in Colorado, it is necessary for the Division of Racing to maintain a robust drug testing program. By having a comprehensive testing program that identifies all substances and or practices on race day, the Department ensures the integrity of racing in Colorado and continues to promote animal welfare throughout the industry. In an effort to increase compliance rates of underage sales at retail marijuana businesses, the Marijuana Enforcement Division will employ enhanced state-wide enforcement with age compliance operations involving underage operatives; expanded education and training outreach for licensees and; increase the number and tempo of regular meetings with stakeholder groups to include public safety and health advocates, as well as industry representatives.

Employees – Recruit, develop, retain, and value a high-quality, diverse workforce in an environment that promotes collaboration, professional development, and employee innovation.

This SPI outcome is based on data from the DPA employee engagement survey results. This survey was conducted during FY16 and based on those survey results the Department has revised its objective for measuring trust and confidence in Department leadership. Survey results showed that 36% of employees that answered the FY16 survey have trust and confidence in Department leaders. This is a goal that is being addressed through the Employee Engagement Action Plan. The Department is currently working to provide better internal communication, act on employee feedback and increase Department-wide engagement activities. The next DPA Employee Engagement survey is to be conducted in the Fall of 2017 and action items will be re-evaluated based on those results.



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Department of Revenue employees perform very important functions for the residents of Colorado. To achieve our goals and serve the public, it is paramount that we recruit and retain the best possible employees, provide professional development to those employees, and create an environment where employees can be creative, innovative, and have confidence in their Department leaders.

Public Confidence – Maximize public trust through responsible stewardship and transparent processes.

The Department achieved 100% of its public confidence SPI outcome by meeting the goal of conducting compliance inspections for all licensed Colorado casinos within established timeframes.

So many of the Department’s regulatory functions exist to ensure that the public is protected, ranging from inspecting gaming machines, licensing liquor and marijuana establishments, ensuring that auto dealer complaints are investigated, and ensuring the integrity of lottery games. It is paramount that the public have confidence that the Department is doing its job, so they feel protected when they partake in these activities. Public confidence is achieved through education, a regulatory presence, setting expectations and living up to them.

Operational Measures

Customer Service

Process – Division of Motor Vehicles (DMV) serves walk-in customers with or without pre-scheduled appointments through in-person transactions or kiosks using Wait-Less technology

Measure	FY13 Actual	FY14 Actual	FY15 Actual	FY16 Actual	FY17 Actual	1-Year Goal	3-Year Goal
Reduce wait times for Driver License customers from the baseline of an average of 60 minutes 65% of the time established in FY14 to an average of 15 minutes 65% of the time in FY17. *	N/A	N/A	N/A	54.10%	73.00%	70.00%	80.00%
Increase the number of Driver License customers with pre-scheduled appointments called to the counter within 15 minutes of their scheduled appointment time in offices with Wait Less in accordance with the baseline of 90% to 92% in FY18.	91.89%	95.36%	87.01%	90.90%	94.50%	92.00%	95.00%

*This is a new objective for the Motor Vehicle Division beginning in FY16.

Process – Provide online options for taxpayers to file their income and sales tax returns

Measure	FY13 Actual	FY14 Actual	FY15 Actual	FY16 Actual	FY17 Actual	1-Year Goal	3-Year Goal
Increase e-filed sales tax returns as a percentage of total sales tax returns filed from the baseline of 13% in FY10 to 77% in FY17.	48.00%	60.80%	70.22%	77.30%	82.00%	80.00%	84.00%
Increase e-filed individual income tax returns as a percentage of total individual income tax returns filed from the baseline of 64% in FY10 to 84.5% in FY17.	80.40%	81.00%	82.36%	84.07%	84.70%	85.00%	86.00%

Process – Review and issue liquor licenses

Measure	FY13 Actual	FY14 Actual	FY15 Actual	FY16 Actual	FY17 Actual	1-Year Goal	3-Year Goal
Maintain the number of final agency actions (defined as approvals or notices of denial) for renewal applications for liquor business licenses within 60 days with the baseline of 95%.*	N/A	N/A	N/A	98.20%	94.60%	95.00%	95.00%
Increase the number of final agency actions (defined as approvals or notices of denial) for new applications for liquor business licenses within 90 days from the baseline of 67% to 75% by the end of FY17.*	N/A	N/A	N/A	80.90%	91.00%	77.50%	80.00%

*The new application and renewal application objective was combined until FY16. These processes are now tracked separately.

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Process – Resolve auto industry consumer complaints by conducting investigations as needed

Measure	FY13 Actual	FY14 Actual	FY15 Actual	FY16 Actual	FY17 Actual	1-Year Goal	3-Year Goal
Increase the number of initial investigations and complaints concluded within 180 days from the baseline of 70% in FY13 to 84% by the end of FY17.	84.15%	81.49%	87.43%	87.57%	92.43%	86.00%	90.00%

Fiduciary Responsibility
Process – Handle cash responsibly by making timely deposits

Measure	FY13 Actual	FY14 Actual	FY15 Actual	FY16 Actual	FY17 Actual	1-Year Goal	3-Year Goal
Maintain the established FY13 baseline of 95% of funds deposited within 24 hours of receipt.	92.75%	93.00%	95.00%	93.00%	97.00%	95.00%	95.00%

Process – Implement a market strategy to increase sales and profits

Measure	FY13 Actual	FY14 Actual	FY15 Actual	FY16 Actual	FY17 Actual	1-Year Goal	3-Year Goal
Grow Colorado Lottery sales and profits to maximize proceeds for beneficiaries that are receiving distributions at percentages as defined in CRS 33-60-104, and achieve a profitability percentage of 23.00% by the end of FY18.	23.83%	23.87%	23.70%	24.15%	23.70%	23.00%	23.50%

Statutory Responsibility
Process – Inspect horse racing facilities

Measure	CY13 Actual	CY14 Actual	CY15 Actual	CY16 Actual	CY17 Actual	1-Year Goal	3-Year Goal
Maintain the FY13 baseline of 100% of the inspections of racetrack facilities completed within 45 days (measured on calendar year)*	100.00%	100.00%	100.00%	100.00%	N/A	N/A	N/A

*This objective has consistently been met and will no longer be reported beginning in CY18.

Process – Process marijuana license applications

Measure	FY13 Actual	FY14 Actual	FY15 Actual	FY16 Actual	FY17 Actual	1-Year Goal	3-Year Goal
Increase the number of final agency actions (defined as approvals or notices of denial) for new applications for medical business licenses within 90 days from the baseline of 69% to 80% by the end of FY17.*	N/A	N/A	N/A	86.00%	94.00%	85.00%	90.00%
Maintain the number of final agency actions (defined as approvals or notices of denial) for new applications for retail business licenses within 90 days of 100% by the end of FY16 and going forward.* **	N/A	N/A	N/A	100.00%	100.00%	N/A	N/A
Increase the number of final agency actions (defined as approvals or notices of denial) for renewal applications for medical and retail marijuana business licenses within 90 days from the baseline of 63% to 70% by the end of FY17.	92.50%	96.00%	89.00%	86.00%	93.00%	75.00%	85.00%

*The new application for medical marijuana licenses and retail marijuana licenses objective was combined until FY16. These processes are now tracked separately.

**This objective has consistently been met and will no longer be reported beginning in FY18.

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Employees
Process – Conduct a periodic employee satisfaction survey

Measure	FY13 Actual	FY14 Actual	FY15 Actual	FY16 Actual	FY17 Actual	1-Year Goal	3-Year Goal
Increase employee knowledge of Department direction and increase employee trust and confidence in Department leadership from the baseline of 36% established in FY16 by 10% by the end of FY18.	N/A	N/A	N/A	36.00%	N/A*	39.69%	43.76%

*Results based on data collected through the DPA Employee Engagement Survey.

Public Confidence
Process – Inspect new slot machines

Measure	FY13 Actual	FY14 Actual	FY15 Actual	FY16 Actual	FY17 Actual	1-Year Goal	3-Year Goal
Maintain the number of compliance inspections of license casinos ensuring 90% compliance with the FY16 baseline of 90% for FY17.	N/A	N/A	N/A	95.07	94.00%	92.50%	95.00%

FY2018 Performance Plan
FY2018 Strategic Policy Initiatives

The Department of Revenue Strategic Policy Initiatives will remain the same for FY 2018 as they were in FY 2017. These SPI's represent the five overarching goals of the Department and those concepts that are considered to be most important in working towards providing efficient, effective and elegant service to the residents of Colorado.

FY 2018 Strategies and Operational Measures

Based on the year-end results of the FY 2017 Performance Management system, some measures had consistently been met and it was determined that these measures would no longer be reported. New measures have been developed that are more aligned with the goals that the Department is striving to achieve. These new measures have been developed and presented by management staff to address areas in which they would like to see performance improvement. The Performance Management plan is key to providing insight and guidance around the Department's strategies to achieve desired outcomes that have been established by the Executive Director and the executive leadership team.