



Department of Revenue

Q3 FY2018 Performance Evaluation (April 2018)

Strategic Policy Initiatives

The Department of Revenue has identified several strategic policy initiatives for FY2017-18 and beyond. For this performance evaluation, the Department has updated progress on the initiatives identified in the FY2017-18 Performance Plan that capture the Department’s strategic and operational priorities, and reflect the overall direction as identified by Department leadership. The updates reflect data as of March 31, 2018. Additional detail for these, and other, strategic policy initiatives is 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.

DOR is unique in that through our services, we touch every person in the State. Because of this, our customer base is mainly outwardly focused. Even though most of our customers are required to interact with us, i.e. paying taxes or getting a license, DOR has the responsibility to treat our customers with respect. We strive to resolve matters at first contact, reduce the time it takes to interact with us, provide education to the public regarding what is required, and provide various ways that our customers can interact with us to get 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 Department of Revenue collects billions of dollars a year on behalf of the citizens of Colorado. It is our responsibility to ensure that those funds are collected in a fair and consistent manner and in accordance with the law. In addition, we have a responsibility with the funds that are allocated to the Department to ensure that the citizens are getting the best services possible with the dollars provided.

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

The DOR is governed by the statutes of the state of Colorado. In many areas, those statutes are subject to interpretation by the Department. We strive to offer opportunities for stakeholders and the public to provide input prior to rules and regulations being adopted as well as making sure that current rules and regulations are reviewed on a regular basis to ensure relevance, necessity, and ease in understanding and implementation.

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

The employees of the Department of Revenue perform very important functions for the citizens of Colorado. To achieve our goals and serve the public, it is paramount that we recruit and hire the best possible employees, provide professional development to those employees, and create an environment where employees can be creative, innovative, and problem solvers.

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

So many of DOR’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 claims are investigated, and ensuring the integrity of lottery games. It is paramount that the public have confidence that we are doing our job so that they feel protected when they partake in these activities. We do that through education, how we present ourselves, setting expectations and then living up to them.

Operational Measures

Customer Service
Process – Serve walk-in customers with in-person transactions using Wait-Less technology

| Measure | FY15 Actual | FY16 Actual | FY17 Actual | Q1 FY18 | Q2 FY18 | Q3 FY18 | Q4 FY18 | 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 70% of the time in FY18. | N/A | 54.10% | 73.00% | 63.20% | 66.10% | 68.20% | | 70.00% | 80.00% |



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

| Measure | FY15 Actual | FY16 Actual | FY17 Actual | Q1 FY18 | Q2 FY18 | Q3 FY18 | Q4 FY18 | 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 80% in FY18. | 48.00% | 77.30% | 82.00% | 85.20% | 85.50% | 86.00% | | 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 85% in FY18. | 80.40% | 84.07% | 84.70% | 76.70% | 76.31% | 88.80% | | 85.00% | 86.00% |

Process – Review and issue liquor licenses

| Measure | FY15 Actual | FY16 Actual | FY17 Actual | Q1 FY18 | Q2 FY18 | Q3 FY18 | Q4 FY18 | 1-Year Goal | 3-Year Goal |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------|-------------|-------------|---------|---------|---------|---------|-------------|-------------|
| 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 77.5% by the end of FY18. | N/A | 80.90% | 91.00% | 77.90% | 78.40% | 78.00% | | 77.50% | 80.00% |

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

| Measure | FY15 Actual | FY16 Actual | FY17 Actual | Q1 FY18 | Q2 FY18 | Q3 FY18 | Q4 FY18 | 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 86% by the end of FY18. | 87.43% | 87.57% | 92.43% | 95.67% | 95.83% | 95.88% | | 86.00% | 90.00% |

Process – Enhance the customer experience in the Motor Vehicle and Taxation Divisions through customer feedback

| Measure | FY15 Actual | FY16 Actual | FY17 Actual | Q1 FY18 | Q2 FY18 | Q3 FY18 | Q4 FY18 | 1-Year Goal | 3-Year Goal |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------|-------------|-------------|---------|---------|---------|---------|-------------|-------------|
| By the end of FY18, establish a baseline for customer feedback scores, increase responses by 10%, and develop a closed loop feedback system for in office services in the Motor Vehicle Division in order to move from a level 2 to a level 3 on the Customer Feedback Maturity Index. | N/A | N/A | N/A | N/A | N/A | N/A | | 10.00% | 10.00% |
| By the end of FY18, establish a baseline for customer feedback scores, increase responses by 10%, and develop a closed loop feedback system in the Taxation Division in order to move from a level 2 to a level 3 on the Customer Feedback Maturity Index. | N/A | N/A | N/A | N/A | N/A | N/A | | 10.00% | 10.00% |

*This is a new goal for the Department beginning in FY2017-18. Data will be recorded on a fiscal year basis.



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Fiduciary Responsibility

Process – Decrease variance between expenditure projections and expenditure actuals in DOR budget process

| Measure | FY15 Actual | FY16 Actual | FY17 Actual | Q1 FY18 | Q2 FY18 | Q3 FY18 | Q4 FY18 | 1-Year Goal | 3-Year Goal |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------|-------------|-------------|---------|---------|---------|---------|-------------|-------------|
| Decrease the percentage of variance between the year-end expenditure projection performed at the end of the second quarter and the actual year-end expenditure total for all of DOR from a baseline of 10% established in FY16 to 6% in FY18. | N/A | 10.00% | 1.00% | N/A | N/A | N/A | | 6.00% | 4.00% |

* This is a new goal for the Department beginning in FY2017-18 and will be measured on an annual basis when actual expenditure data is available.

Process – Implement a market strategy to increase sales and profits

| Measure | FY15 Actual | FY16 Actual | FY17 Actual | Q1 FY18 | Q2 FY18 | Q3 FY18 | Q4 FY18 | 1-Year Goal | 3-Year Goal |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------|-------------|-------------|---------|---------|---------|---------|-------------|-------------|
| Grow Colorado Lottery sales and profits to maximize proceeds for recipients that are receiving funding at levels defined by the state and achieve profitability percentage of 23.00% by FY18. | 23.83% | 24.15% | 23.70% | 24.80% | 23.02% | 23.65% | | 23.00% | 23.50% |

Statutory Responsibility

Process – Process marijuana license applications and increase compliance rates

| Measure | FY15 Actual | FY16 Actual | FY17 Actual | Q1 FY18 | Q2 FY18 | Q3 FY18 | Q4 FY18 | 1-Year Goal | 3-Year Goal |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------|-------------|-------------|---------|---------|---------|---------|-------------|-------------|
| Increase the compliance rate of underage sales at retail marijuana licensees through enhanced statewide enforcement, education, training and engagement of stakeholders and problem solving from a baseline of 85% established in FY17 to 87.5% in FY18. | N/A | N/A | 85.00% | 96.90% | 95.30% | 95.30% | | 87.50% | 92.50% |
| Increase the number of final agency actions (defined as approvals or notices of denial) for new applications for medical marijuana business licenses within 90 days from the baseline of 69% to 85% by the end of FY18. | N/A | 86.00% | 94.00% | 94.00% | 95.00% | 96.00% | | 85.00% | 90.00% |
| 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 75% by the end of FY18. | N/A | 86.00% | 93.00% | 78.00% | 86.00% | 86.00% | | 75.00% | 85.00% |



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Process – Regulate use of medications and prohibited use of illicit drugs and performance enhancing substances in sanctioned horse racing events

| Measure | CY15 Actual | CY16 Actual | CY17 Actual | Q1 CY18 | Q2 CY18 | Q3 CY18 | Q4 CY18 | 1-Year Goal | 3-Year Goal |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------|-------------|-------------|---------|---------|---------|---------|-------------|-------------|
| Increase the percentage of all blood, urine and other biological samples taken that are in compliance with rules and regulations regarding authorized use of medications and prohibited use of illicit drugs and performance enhancing substances of equine participants in sanctioned racing events from a 95% baseline established in CY16 to 96% in CY18. | N/A | 95.00% | 98.40% | N/A^^ | | | | 96.00% | 97.00% |

* This is a new goal for the Department beginning in FY2017-18 and will be measured on a calendar year basis to concur with the horse racing season.

** This data will be reported in quarters 2 and 3 when the horse racing season is underway.

Employees

Process – Conduct an employee satisfaction survey

| Measure | FY15 Actual | FY16 Actual | FY17 Actual | Q1 FY18 | Q2 FY18 | Q3 FY18 | Q4 FY18 | 1-Year Goal | 3-Year Goal |
|--------------------------------------------------------------------------------------------------------------------------|-------------|-------------|-------------|---------|---------|---------|---------|-------------|-------------|
| Improve employee satisfaction rating in the area of Leadership from the FY12 baseline of 34% to 42% by the end of FY18.* | N/A | 34.00% | N/A | N/A | N/A | 37.00% | N/A | 39.69% | 43.76% |

*Data obtained from DPA survey which is conducted biennially. Survey is being conducted in October of 2017.

Public Confidence

Process – Conduct compliance inspections in casinos

| Measure | FY15 Actual | FY16 Actual | FY17 Actual | Q1 FY18 | Q2 FY18 | Q3 FY18 | Q4 FY18 | 1-Year Goal | 3-Year Goal |
|-------------------------------------------------------------------------------------------------------------------------------------|-------------|-------------|-------------|---------|---------|---------|---------|-------------|-------------|
| Increase casino compliance through compliance inspections from the baseline of 90% established in FY15 to 92.5% by the end of FY18. | N/A | 95.07% | 94.00% | 95.90% | 95.90% | 97.50% | | 92.50% | 95.00% |