



STATE OF COLORADO

CLASS SERIES DESCRIPTION

July 1, 2001

REVENUE AGENT

B3F1IX TO B3F5XX

DESCRIPTION OF OCCUPATIONAL WORK

This class series uses five levels in the Financial Services Occupational Group and describes tax and other revenue auditing and research work in specialized audit program areas administered by the state. Tax and other revenue program areas include, but are not limited to: Income, Sales, Consumer and Retailers Use, Wage Withholding, City/County/Special District, Severance, Oil and Gas Withholding, International Fuel Tax Agreement, International Registration Plan, Gasoline and Special Fuels, Tobacco and Liquor Excise, Commercial Transportation, Oil and Gas Conservation Commission Levy, and Federal and State Oil/Gas/Solid Mineral Royalties. Positions may audit tax programs for municipalities, counties, other states, and Canadian provinces.

Work involves analyzing and selecting organizations for audit; conducting audits at the organization's location of financial records and company reports used to prepare tax returns and other reports; determining the correct tax liability, penalty, and interest due; interpreting and ensuring compliance with applicable statutes, rules, regulations, departmental policy and guidelines, and professional auditing and accounting standards. The work also includes recommending proposed tax adjustments and jeopardy assessments and, when necessary, prosecution of criminal actions; researching legal tax issues and developing arguments to substantiate agency position(s); disseminating information to promote voluntary tax compliance; advising taxpayers, their representatives, and industry groups on tax laws and their rights; and directly representing the agency to corporate officers, executives, legal counsel, and financial auditors, CPA's, and estate trustees. The work also involves contracting and cooperating with other governmental entities such as federal agencies, other states, cities, counties, and local taxing authorities for the purpose of auditing tax programs; preparing various reports reflecting specialized tax issues and problems; testifying as an expert witness on issues relative to specialized tax laws and/or audit procedures; and other activities to ensure the state receives its share of taxes and other revenues. Some position's work may include developing and advising on regulations, policies, and procedures pertaining to tax law; evaluating the intent and impact of proposed tax legislation on unit and agency operations; and proposing legislation relative to specialized tax areas.

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The work may also include the review of referred cases, developing sources of information from financial documents, investigating the circumstances, obtaining evidence for possible prosecution, transferring cases to prosecuting authorities, supporting trial preparations, calculating tax liabilities and restitution amounts, and testifying in courts. This class of work, by agency mission and policy, primarily focuses on law enforcement activities related to tax auditing as opposed to compliance of regulated activities. The results of an investigation are typically presented to an attorney general to consider prosecution. Although positions may have peace officer status, the focus of the work is better related to the Financial Services Occupational Group, rather than Enforcement and Protective Services Occupational Group because of the tax auditing focus of the work.

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REVENUE AGENT INTERN

B3F1IX

CONCEPT OF CLASS

This class describes the entry level. Work is designed to train positions for a higher level in the class series. Although tax audit tasks are similar to those of the first-working level, assignments are structured and performed with direction and assistance from others. Positions carry out established work processes and operations by learning to apply and follow procedures, techniques, rules, and regulations. Once training has been completed, the position is to be moved to the next level. Positions should not remain in this class indefinitely.

REVENUE AGENT I

B3F2TX

CONCEPT OF CLASS

This class describes the first working level. Positions in this level plan and conduct audits where the process has been defined or is limited to one of a few methods. Positions learn how to treat non-standard record keeping practices and how to apply tax liability formulas and principles. Positions confer with taxpayers to explain processes and tax requirements. Positions generally work under the guidance of higher-level agents and, may function as a member of a larger audit team performing tax reviews of large businesses.

FACTORS

Allocation must be based on meeting all of the four factors as described below.

Decision Making -- The decisions regularly made are at the defined level, as described here. Within limits prescribed by the operation, choices involve selecting alternatives that affect the manner and speed with which tasks are carried out. For example, positions choose the sequence of audit actions when planning and conducting tax audits. These choices do not affect the standards or results of the operation itself because there is typically only one correct way to carry out the operation. These

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alternatives include independent choice of such things as priority and personal preference for organizing and processing the work, proper tools or equipment, speed, and appropriate steps in the operation to apply. By nature, the data needed to make decisions can be numerous but are clear and understandable so logic is needed to apply the prescribed alternative. Positions can be taught what to do to carry out assignments and any deviation in the manner in which the work is performed does not change the end result of the operation. For example, positions have discretion on the depth of record reviews in a particular audit.

OR

The decisions regularly made are at the operational level, as described here. Within limits set by the specific process, choices involve deciding what operation is required to carry out the process. This includes determining how the operation will be completed. By nature, data needed to make decisions are numerous and variable so reasoning is needed to develop the practical course of action within the established process. Choices are within a range of specified, acceptable standards, alternatives, and technical practices. For example, during field audits, positions decide how to proceed when record-keeping discrepancies occur.

Complexity -- The nature of, and need for, analysis and judgment is patterned, as described here. Positions study tax regulations, statutes, legal decisions, and department policy information to determine what it means and how it fits together in order to get practical solutions in the form of determinations of tax liabilities. Guidelines in the form of statutes, revenue codes, audit manuals and standards, legal decisions, and governmental policies exist for most situations. For example, positions study taxpayer records to determine if adequate documentation exists to support deductions or exemptions claimed. Judgment is needed in locating and selecting the most appropriate of these guidelines that may change for varying circumstances as the task is repeated. This selection and interpretation of guidelines involves choosing from alternatives where all are correct but one is better than another depending on the given circumstances of the situation. For example, positions choose the appropriate guideline to apply when dealing with incomplete records or for a variation with industry standards for accounting reports.

Purpose of Contact -- Regular work contacts with others outside the supervisory chain, regardless of the method of communication, are for the purpose of both of the following:

Detecting, discovering, exposing information, problems, violations or failures by interviewing or investigating where the issues or results of the contact are not known ahead of time. For example, positions probe taxpayers for background or supporting information to determine missing information.

Securing regulatory compliance by requiring the issuance or revocation of licenses and persuading or training others to correct problems. Regardless of the methods used to attempt to obtain compliance, the position can ultimately rely on legal authority to impose sanctions and penalties. For example, positions can impose penalties and interest for non-payment of tax liabilities.

Line/Staff Authority -- The direct field of influence the work of a position has on the organization is as an individual contributor. The individual contributor may explain work processes and train others. The

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individual contributor may serve as a resource or guide by advising others on how to use processes within a system or as a member of a collaborative problem-solving team.

REVENUE AGENT II

B3F3XX

CONCEPT OF CLASS

This class describes the fully-operational level. Positions at this level apply auditing and accounting standards in conducting audits of taxpayer accounts and records. Positions plan and conduct audits of taxpayer accounts and associated records to determine compliance with tax requirements. The work includes auditing of differing automated tax and record-keeping systems and is conducted at the taxpayer place of business, typically in an adversarial environment. The work entails documenting findings and providing case law precedent, statute, regulation, or tax conferee decisions to support the findings. Once the tax liability has been determined, positions advise taxpayers or their representatives of any discrepancies. Positions attempt to reach agreements on tax treatments and liabilities with the taxpayer to resolve discrepancies. Positions may testify as expert witness when cases proceed to hearings or court. This class differs from the Revenue Agent I class in the Decision Making and Purpose of Contact factors, and may differ in Complexity.

FACTORS

Allocation must be based on meeting all of the four factors as described below.

Decision Making -- The decisions regularly made are at the process level, as described here. Within limits set by professional standards, the agency's available technology and resources, and program objectives and regulations established by a higher management level, choices involve determining the process, including designing the set of operations. For example, positions decide the scope and objectives of the audit, sequence of examinations, the audit methodologies to be used, and the content of reports. The general audit pattern, program, or system exists but must be individualized. This individualization requires analysis of data that is complicated. Analysis is breaking the problem or case into parts, examining these parts, and reaching conclusions that result in processes. For example, positions analyze initial audit findings to determine whether additional tests should be conducted. This examination requires the application of known and established theory, principles, conceptual models, professional standards, and precedents in order to determine their relationship to the problem. For example, positions consider professional auditing principles, standards, and statutes when planning and conducting audits. New processes or objectives require approval of higher management or the agency with authority and accountability for the program or system.

Complexity -- The nature of, and need for, analysis and judgment is patterned, as described here. Positions study tax regulations, statutes, legal decisions, and department policy information to determine what it means and how it fits together in order to get practical solutions in the form of determinations of tax liabilities. Guidelines in the form of statutes, revenue codes, audit manuals and standards, legal decisions, and governmental policies exist for most situations. For example, positions study taxpayer records to determine if adequate documentation exists to support deductions or exemptions claimed. Judgment is needed in locating and selecting the most appropriate of these guidelines that may change

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for varying circumstances as the task is repeated. This selection and interpretation of guidelines involves choosing from alternatives where all are correct but one is better than another depending on the given circumstances of the situation. For example, positions choose the appropriate auditing practice to apply when dealing with incomplete records or for a variation with industry standards for accounting reports.

OR

The nature of, and need for, analysis and judgment is formulative, as described here. Positions evaluate the relevance and importance of auditing and accounting theories, concepts, and generally accepted standards and principles in order to tailor them to develop a different approach or tactical plan to fit specific circumstances. While general policy, precedent, or non-specific practices exist, they are inadequate so they are relevant only through approximation or analogy. For example, due to differing automated and manual accounting systems, positions adapt audit processes using generally accepted audit principles. In conjunction with theories, concepts, and principles, positions use judgment and resourcefulness in tailoring the existing auditing guidelines so they can be applied to unique circumstances and to deal with emergencies. For example, position may independently interpret tax regulations and case law precedents to apply them to a variety of situations for formulating justification on tax determinations.

Purpose of Contact -- Regular work contacts with others outside the supervisory chain, regardless of the method of communication, are for the purpose of clarifying underlying rationale, intent, and motive by educating others on unfamiliar concepts and theories. This goes beyond what has been learned in training or repeating information that is available in another format. For example, agents clarify to CPAs and attorneys the intent of Tax Conferee decisions on unusual tax cases.

Line/Staff Authority -- The direct field of influence the work of a position has on the organization is as an individual contributor. The individual contributor may explain work processes and train others. The individual contributor may serve as a resource or guide by advising others on how to use processes within a system or as a member of a collaborative problem-solving team. This level may include positions performing supervisory elements that do not fully meet the criteria for the next level in this factor.

REVENUE AGENT III

B3F4XX

CONCEPT OF CLASS

This class describes the workleader or staff authority. In addition to work described by the Revenue Agent II class, positions in this level perform work as auditor-in-charge of the larger audits, multi-state audits, international audits or compliance reviews; or function as a staff authority as described in the Line/Staff Authority factor of this class. The work involves consideration of other taxing entities, differing automated tax and record-keeping systems, or apportioned income. As work leaders, positions make decisions on assigning, directing, coordinating, and reviewing the work of other auditors or agents. This class differs from the Revenue Agent II class in the Line/Staff Authority factor and may differ in Complexity.

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FACTORS

Allocation must be based on meeting all of the four factors as described below.

Decision Making -- The decisions regularly made are at the process level, as described here. Within limits set by professional standards, the agency's available technology and resources, and program objectives and regulations established by a higher management level, choices involve determining the process, including designing the set of operations. For example, positions decide the scope and objectives of the audits that may require the position to schedule and delegate audit tasks to team members when additional support is needed. The general pattern, program, or system exists but must be individualized. This individualization requires analysis of data that is complicated. Analysis is breaking the problem or case into parts, examining these parts, and reaching conclusions that result in processes. For example, when faced with time constraints on large, multi-state audits, positions analyze the statistical sampling needs and decide the audit processes. This examination requires the application of known and established theory, principles, conceptual models, professional standards, and precedents in order to determine their relationship to the problem. New processes or objectives require approval of higher management or the agency with authority and accountability for the program or system.

Complexity -- The nature of, and need for, analysis and judgment is formulative, as described here. Positions evaluate the relevance and importance of accounting and tax theories, concepts, and principles in order to tailor them to develop a different approach or tactical plan to fit specific circumstances. While general policy, precedent, or non-specific practices exist, they are inadequate so they are relevant only through approximation or analogy. For example, due to differing companies' automated accounting and tax systems, positions must adapt audit processes to each multi-state corporation. In conjunction with theories, concepts, and principles, positions use judgment and resourcefulness in tailoring the existing guidelines so they can be applied to particular circumstances and to deal with emergencies. For example, due to differing tax circumstances in a particular corporation, positions must tailor regulations, standards and precedents to such things as combined and/or apportioned income.

Purpose of Contact -- Regular work contacts with others outside the supervisory chain, regardless of the method of communication, are for the purpose of clarifying underlying rationale, intent, and motive by educating others on unfamiliar concepts and theories. This goes beyond what has been learned in training or repeating information that is available in another format. For example, agents clarify to CPAs and attorneys the intent of tax conferee decisions on unusual tax cases involving multi-state corporations.

Line/Staff Authority -- The direct field of influence the work of a position has on the organization is as a work leader or staff authority. The work leader is partially accountable for the work product of two or more full-time equivalent positions, including timeliness, correctness, and soundness. At least one of the subordinate positions must be in the same series or at a comparable conceptual level. Typical elements of direct control over other positions by a work leader include assigning tasks, monitoring progress and work flow, checking the product, scheduling work, and establishing work standards. The work leader provides input into supervisory decisions made at higher levels, including signing leave

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requests and approving work hours. This level may include positions performing supervisory elements that do not fully meet the criteria for the next level in this factor.

OR

The staff authority is a pacesetter who has a rare level of technical expertise in a field or profession that, as part of the assignment, is critical to the success of an agency. This authority directly influences management decisions at least on an agency-wide basis. Managers and peers recognize and seek this level of technical guidance and direction for development of an agency-wide system or regarding the application of a statewide system within the agency or to its clients. For example, a position may be recognized by management and peers as the authoritative leader in auditing financial and tax activities in a particular industry. NOTE: as a tradeoff for this authoritative leader definition, positions with ongoing responsibilities for conducting audits of multi-state or multi-national corporations which apportion some or all of their income, of major corporations with complex, sophisticated tax and accounting structures and are represented by higher professional levels of legal or tax specialists, or other audits with distinct and increased decision making and complexity characteristics, may be allocated to this class.

REVENUE AGENT IV

B3F5XX

CONCEPT OF CLASS

This class describes the supervisor or senior authority level. Positions in this level oversee units of revenue agents or other positions at similar levels, and are responsible to insure audits are conducted according to work plans and objectives established by the chief auditor or other official. The work includes resolving conflicts between audit findings, deciding audit treatment for unusual cases, and directing accomplishment of audits out of cycle. A significant portion of these positions work entails resolving taxpayer protests and complaints that are not resolved at lower levels, before these actions enter the tax resolution or conferee processes. Positions make decisions that affect the pay, status, or tenure of others. Some positions may head units involved in the selection, tracking, resolution, or policy processes of the audit program.

This class also describes the fully-operational level tax investigative auditor. Positions use the principles of auditing, accounting, and investigation in accomplishing the work. Positions in this level review complex cases of suspected financial or tax fraud or evasion for probable criminal prosecution. The work includes reviewing financial data for violations of statutes, laws, or regulations; identifying and preserving evidence of fraud or evasion; and preparing cases for prosecution. After cases have been referred to prosecuting authorities, positions support their trial preparations and participate in judicial proceedings.

This class differs from the Revenue Agent III class in the Line/Staff Authority factor and possibly in the Decision Making and Purpose of Contact factors.

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FACTORS

Allocation must be based on meeting all of the four factors as described below.

Decision Making -- The decisions regularly made are at the process level, as described here. Within limits set by professional standards, the agency's available technology and resources, and program objectives and regulations established by a higher management level, choices involve determining the process, including designing the set of operations. For example, positions may establish the audit selection and tracking processes for the agency. The general pattern, program, or system exists but must be individualized. This individualization requires analysis of data that is complicated. Analysis is breaking the problem or case into parts, examining these parts, and reaching conclusions that result in processes. This examination requires the application of known and established theory, principles, conceptual models, professional standards, and precedents in order to determine their relationship to the problem. For example, a position may determine the audit quality control review processes by analyzing professional audit principles and accounting standards. New processes or objectives require approval of higher management or the agency with authority and accountability for the program or system.

OR

The decisions regularly made are at the interpretive level, as described here. Within limits of the strategic master plan and allocated human and fiscal resources, choices involve determining tactical plans to achieve the objectives established by the higher management (strategic) level. This involves establishing what processes will be done, developing the budget, and developing the staffing patterns and work units in order to deploy staff. For example, based on the audit objectives, positions decide the staffing pattern to accomplish future audits based on changing audit needs or patterns recently discovered. This level includes inventing and changing systems and guidelines that will be applied by others statewide. By nature, this is the first level where positions are not bound by processes and operations in their own programs as a framework for decision making and there are novel or unique situations that cause uncertainties that must be addressed at this level. Through deliberate analysis and experience with these unique situations, the manager or expert determines the systems, guidelines, and programs for the future. For example, positions review results and/or protests of audits of specific industries to determine when audit guidelines or tax legislation/regulations should be changed.

Complexity -- The nature of, and need for, analysis and judgment is formulative, as described here. Positions evaluate the relevance and importance of tax and accounting theories, concepts, and principles in order to tailor them to develop a different approach or tactical plan to fit specific circumstances. For example, positions review new tax legislation to plan audit programs and develop the Field Audit Performance Measurement System. While general policy, precedent, or non-specific practices exist, they are inadequate so they are relevant only through approximation or analogy. In conjunction with theories, concepts, and principles, positions use judgment and resourcefulness in tailoring the existing guidelines so they can be applied to particular circumstances and to deal with emergencies. For example, positions tailor the application of director's decisions and court precedents to fit particular tax adjustments made on city or county tax or international fuel tax by the field audit staff.

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Purpose of Contact -- Regular work contacts with others outside the supervisory chain, regardless of the method of communication, are for the purpose of any of the following:

Detecting, discovering, exposing information, problems, violations or failures by interviewing or investigating where the issues or results of the contact are not known ahead of time. For example, positions probe taxpayers for background or supporting information to determine evidence of criminal intent or action.

Clarifying underlying rationale, intent, and motive by educating others on unfamiliar concepts and theories. This goes beyond what has been learned in training or repeating information that is available in another format. For example, positions explain the motives of audit processes to taxpayers and their representatives during protests regarding audit problems or issues.

Negotiating as an official representative of one party in order to obtain support or cooperation where there is no formal rule or law to fall back on in requiring such action or change from the other party. Such negotiation has fiscal or programmatic impact on an agency. In reaching settlements or compromises, the position does not have a rule or regulation to enforce but is accountable for the function. For example, positions negotiate settlements on tax protests when it is advantageous to the state to do so; hence this has fiscal impact on state revenue.

Line/Staff Authority -- The direct field of influence the work of a position has on the organization is as a unit supervisor or senior authority. A few investigator positions may be at the work leader or staff authority level. The unit supervisor is accountable, including signature authority, for actions and decisions that directly impact the pay, status, and tenure of a minimum of three full-time equivalent positions. Positions supervised must be in this class series or at similar conceptual level in other auditing or examiner classes. The elements of formal supervision must include providing documentation to support recommended corrective and disciplinary actions, signing performance plans and appraisals, and resolving informal grievances. Positions start the hiring process, interview applicants, and recommend hire, promotion, or transfer.

OR

The senior authority is a pacesetter who has a rare level of technical expertise in a field or profession that, as part of the assignment, is critical to the success of an agency. This authority directly influences management decisions beyond the agency. Managers and peers seek this level of technical guidance and direction as the designer of a statewide system or in a subject area for all of state government. For example, such a position influences management and peers by designing a field audit system for emerging industries.

OR

The work leader is partially accountable for the work product of two or more full-time equivalent positions, including timeliness, correctness, and soundness. At least one of the subordinate positions

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must be in the same series or at a comparable conceptual level. Typical elements of direct control over other positions by a work leader include assigning tasks, monitoring progress and work flow, checking the product, scheduling work, and establishing work standards. The work leader provides input into supervisory decisions made at higher levels, including signing leave requests and approving work hours. This level is only used with tax investigative positions.

OR

The staff authority is a pacesetter who has a unique level of technical expertise in a field or profession that, as part of the assignment, is critical to the success of an agency. It is an essential component of the work assignment that has been delegated by management to the position. This authority directly influences management decisions within an agency. For example, management relies on such a position when making decisions regarding the direction that policy or a program should take in the staff authority's field of expertise. Managers and peers recognize and seek this level of technical guidance and direction regarding the application of a program or system within the agency or to its clients. For example, a position is recognized by managers and peers as the agency expert on criminal tax and financial activities and auditing of wholesale liquor businesses or other industries. This level is only used with tax investigative positions.

ENTRANCE REQUIREMENTS

Minimum entry requirements and general competencies for classes in this series are contained in the State of Colorado Department of Personnel web site.

For purposes of the Americans with Disabilities Act, the essential functions of specific positions are identified in the position description questionnaires and job analyses.

CLASS SERIES HISTORY

Revised 7/1/01 (DLF). Converted Tax Investigative Auditor to Revenue Agent IV class as part of the FS consolidation study. Proposed published 4/17/00 and final 7/1/01.

Revised 7/1/00 (DLF). Changed class codes and consolidated Tax Investigative Auditor (B2D2TX) into Revenue Agent IV. Published as proposed 4/17/00.

Effective 9/1/93 (DLF). Job Evaluation System Revision project. Published as proposed 6/1/93, 5/1/94.

Revised 7/1/84. Changed relationship all classes (A1140-43, A1151-52).

Created 7/1/84. Revenue Agent Supervisor I (A1151).

Revised 7/1/81. Changed relationship and grades for Revenue Agent Group Supervisor II (A1152).

Revised 7/1/80. Changed relationship and grade for Senior Revenue Agent (A1143).

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Revised 10/1/79. Changed grade and relationship, Revenue Agent B and C (A1141-42).

Revised 2/1/79. Changed relationships, grades, nature of work, and knowledge, skills and abilities for classes (A1141-43, A1151-52).

Revised 7/1/78. Changed grade and relationship for Revenue Agent B and C (A1141-42).

Created 1/1/75. A1140-42, A1143, A1152.

SUMMARY OF FACTOR RATINGS

Class Level	Decision Making	Complexity	Purpose of Contact	Line/Staff Authority
Revenue Agent Intern	na	na	na	na
Revenue Agent I	Defined or Operational	Patterned	Detect & Secure	Indiv. Contributor
Revenue Agent II	Process	Patterned or Formulative	Clarify	Indiv. Contributor
Revenue Agent III	Process	Formulative	Clarify	Work Leader or Staff Authority
Revenue Agent IV	Process or Interpretive	Formulative	Detect, Clarify or Negotiate	Unit Supervisor, Senior Authority, Work Leader *, or Staff Authority *

Note: These levels of Line/Staff Authority are only used in conjunction with investigative positions.