



PERFORMANCE MANAGEMENT PLAN

2017-2018



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Vision

To become a premier Department of Revenue known for its outstanding customer service, innovation, and dedicated employees.

Mission

The Department of Revenue will provide quality service to our customers in fulfillment of our fiduciary and statutory responsibilities while instilling public confidence through professional and responsive employees.

Values

C - Communication

D - Dedication

O - Ownership

R - Responsible Government

T -Teamwork

R - Respect

U - Unity

S - Stewardship

T -Transparency

Values

Communication - Encourage an inclusive environment that fosters ongoing creative exchange of information and ideas between employees, management, and the public

Dedication - Demonstrate a strong support for the mission of the organization and service to the people of Colorado

Ownership -

- Promote active and constructive participation in the organization
- Take pride in the organization and what you do
- Create a sense of community

Responsible Government - Guarantee responsiveness, accountability, and pursue policies and ideas that are prudent and consistent.

Teamwork - Work collaboratively to achieve a common goal

Respect - Value customers' and employees' opinions and thoughts and treat them with dignity

Unity - Foster a unified Department of Revenue

Stewardship - Ensure careful and responsible collection and distribution of the public's money and information

Transparency - Utilize processes, procedures, and forms that are understandable and easy to use

Department Goals

The Department's FY 2017-18 Strategic Plan focuses on five overarching goals which are also the strategic policy initiatives for the Department:

- *Customer Service*
- *Fiduciary Responsibility*
- *Statutory Responsibility*
- *Employees*
- *Public Confidence*

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

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

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

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

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

This plan outlines, by strategic policy initiative, the performance measures that the Department will employ to achieve these goals.

Department Description

The **Executive Director's Office** provides administrative support for the Department through: central budgeting, revenue and expenditure accounting, purchasing and contract administration, statistical research and analysis, human resources, internal audit, project management, facility safety and security, and a hearings division. The office is funded through direct and indirect costs charged to the divisions. In addition, the Executive Director's Office includes a Citizen's Advocate who assists citizens and taxpayers with issues, grievances or inquiries. It also includes a Communications Team whose Director is the primary contact for all media queries and requests for information and a Legislative Liaison who directs all legislative matters for the Department.

Physical locations:

- Denver and Lakewood

The **Taxation Division** is charged with the collection, administration, audit, and enforcement responsibilities pertaining to all taxes, fees, bonds and licenses covered under Colorado's tax laws. The business group is directed by an administrative section. Senior management, policy-making, and budgetary support for the division are contained in this section. This division is primarily funded from General Fund appropriations, but does receive some funding from the Highway Users Tax Fund (HUTF) and federal programs.

The *Taxation and Compliance Division (TAC)* utilizes various methods to assist in the collection of monies due the State such as: filing bankruptcy claims; recording and releasing tax liens and judgments; garnishment of wages and bank accounts; income tax distraint warrants; resolution of taxpayer disputes; and the utilization of private collection agencies. The Division also audits or examines Colorado tax returns both at the Department through its Discovery program and at business locations through its Field Audit program. Audits are also conducted for the purpose of ascertaining whether royalties have been properly submitted to the State from operating and royalty mineral interests in Colorado.

The *Taxpayer Service Division (TPS)* administers the State's tax programs and provides assistance and information to Colorado taxpayers. The division maintains five service centers in Colorado Springs, Denver, Fort Collins, Grand Junction, and Pueblo, as well as a tax information call center. The division produces public information campaigns, administers tax classes to promote voluntary compliance, and distributes information to the public to explain the State's tax laws and policies. TPS also issues licenses and permits, processes tax forms and requests for refunds, resolves taxpayer problems, and intercepts income tax refunds for payment of debts owed to other State agencies and the Internal Revenue Service.

The *Tax Conferee* serves as an intermediary in the hearing process and acts as the Executive Director's official designee for tax hearings. These can include tax assessment disputes and refund denials. Employees in this unit conduct reviews, legal research, investigations, interviews, and negotiations. They also assist taxpayers in clarifying decisions. If a meeting with the Tax Conferee fails to achieve a successful resolution, a formal hearing with the Executive Director is granted. Finally, if a feasible resolution is not attained, the aggrieved party

may elevate the dispute to the judicial system.

Physical locations:

- Administration: Denver
- Field Audit District Offices: Colorado Springs, Denver (headquarters), Fort Collins, Grand Junction, and Pueblo, Colorado; San Francisco and Los Angeles, California; Chicago, Illinois; New York, NY; Dallas and Houston, Texas
- Tax Auditing and Compliance District Offices: Colorado Springs, Denver, Grand Junction, and Pueblo
- Taxpayer Service Centers: Colorado Springs, Denver, Fort Collins, Grand Junction, and Pueblo

The **Division of Motor Vehicles** consists of Administration, Driver Services, and Vehicle Services programs. These programs are responsible for the enforcement and administration of the laws governing driver licensing, and vehicle titling and registration. For FY 2017-18, this division is primarily funded with cash fund appropriations.

Motor Vehicle Administration provides oversight, investigative resources, budgetary and administrative support for the Driver Services and Vehicle Services programs. This includes investigating fraud related to driver licenses, identification documents and vehicle ownership documents.

The responsibilities of *Driver Services* include: issuing driver licenses, identification cards, and permits; verifying documents presented for identification, including the status of the applicant's legal presence in the U.S.; maintaining and updating driver records; identifying and assessing administrative sanctions against drivers, including all restraints for alcohol related driving offenses, and suspension of driving privileges for uninsured motorists. This section also provides oversight to interlock ignition device providers and regulating commercial driving schools and commercial driver license testing units.

Vehicle Services is responsible for: the issuance of legal, negotiable certificates of title to protect the public when purchasing motor vehicles. Program staff examines all high-risk title applications to verify that the assignment of ownership has been properly made. The program provides operations support and coordination for the statewide vehicle titling and registration system (CSTARS), motor vehicle titling and registration process and license plate ordering and distribution. This section is also responsible for verifying compliance with registration requirements for the federal International Registration Plan. The program facilitates the management of the Motorist Insurance Identification Database (MIIDB) which helps law enforcement officers verify driver compliance with the State's motor vehicle insurance requirements. The Emissions section licenses emissions testing site operators, inspectors, and mechanics; conducts inspections of the contractor's emissions testing facilities to ensure compliance with statutory requirements; and validates inspector and mechanic performance standards.

Physical locations:

- Administration: Lakewood
- Driver and Vehicle Services: Lakewood (headquarters)
- Full-Service Driver License Offices: Alamosa, Aurora, Boulder, Burlington, Canon City, Cheyenne Wells,

Colorado Springs, Cortez, Craig, Delta, Denver, Durango, Fort Collins, Fort Morgan, Frisco, Glenwood Springs, Golden, Grand Junction, Greeley, Gunnison, Holyoke, Hot Sulphur Springs, Hugo, Julesburg, La Junta, Lakewood, Lamar, Littleton, Longmont, Montrose, Northglenn, Parker, Pueblo, Salida, Steamboat Springs, Sterling, Trinidad, and Wray

- Limited Service Driver License Offices: Akron, Arapahoe County (Littleton), Castle Rock, Centennial, Colorado Springs (4 locations), Eads, Lakewood, Leadville, Loveland, Saguache, Springfield, and Yuma
- Air Care Colorado (Emissions Contractor) Testing Stations: Arvada, Aurora, Boulder, Broomfield, Castle Rock, Dacono, Denver (2 locations), Ft. Collins, Golden, Greeley, Littleton (2 locations), Longmont, Loveland, Northglenn, Parker, and Sheridan

The **Enforcement Division** regulates limited stakes gaming; enforces the State's liquor and tobacco laws through licensing and compliance checks; regulates the horse racing industry; regulates and licenses the motor vehicle dealer industry; and regulates and licenses the cultivation, distribution, and sale of medical and retail marijuana. With the exception of tobacco grants and a very small amount of General Fund to support the tobacco enforcement operations, programs within this division are wholly supported by specific cash funds.

The *Limited Gaming Division* licenses and regulates the Colorado limited gaming industry including gaming devices, facilities, personnel, and activities. This division also enforces the laws contained in the Limited Gaming Act, as well as rules and regulations promulgated by the Colorado Limited Gaming Control Commission. The Commission has the constitutional authority to allocate monies to the Division from the Limited Gaming Fund and is not subject to appropriation by the General Assembly.

The *Liquor Enforcement Division* licenses persons who manufacture, import, distribute or sell alcoholic beverages, and regulates the sale and distribution of liquor within the State by promoting awareness of and enforcing the provision of Liquor, Beer and Special Events Codes.

The *Tobacco Enforcement Program* enforces laws that prohibit the sale of tobacco products to minors. This allows the State to meet federal standards and qualify for the Substance Abuse Prevention and Treatment block grant.

The *Division of Racing Events* licenses and regulates horse racing events as well as off-track betting establishments; enforces all laws, rules and regulations related to racing activities; and are responsible for ensuring the health and welfare of horses racing in Colorado.

The *Motor Vehicle Dealer Licensing Board* is responsible for licensing and regulating the sale and distribution of motor vehicles, and promulgating consumer protection regulations. These responsibilities include licensing all salespersons and those with ownership interests in new and used auto dealerships.

The *Marijuana Enforcement Division* is responsible for the regulation and licensing of the cultivation, manufacture, distribution, and sale of medical and retail marijuana in the state.

Physical locations:

- Limited Stakes Gaming Offices: Golden (headquarters), Central City/Black Hawk, and Cripple Creek
- Liquor and Tobacco Enforcement Offices: Lakewood (headquarters), Colorado Springs, Grand Junction,

- and Greeley
- Marijuana Enforcement Offices: Lakewood (headquarters), Colorado Springs, Grand Junction, and Longmont
- Motor Vehicle Dealer Licensing Board: Lakewood (headquarters), Colorado Springs, Ft. Collins, and Grand Junction
- Racing Offices: Lakewood (headquarters), and Aurora

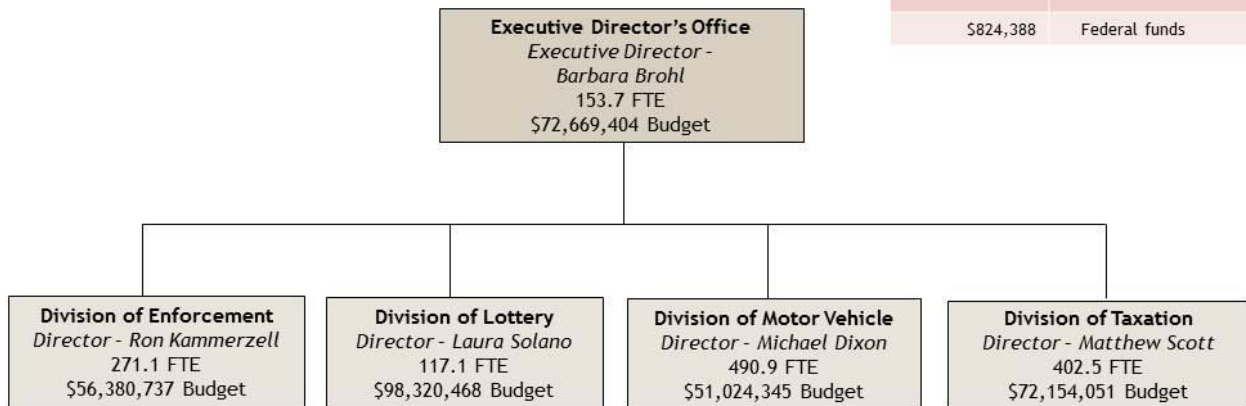
The **State Lottery Division** is designated as a TABOR enterprise under Article X, Section 20 of the Colorado Constitution and supports its operations through lottery ticket sales, all of which are deposited into the Lottery Fund. The Colorado Lottery Commission governs the overall activities of the Lottery. The Colorado Lottery offers the following jackpot games (Powerball, Lotto, Cash 5, Pick 3, and Mega Millions) and several scratch ticket games at more than 3,000 retailers statewide. Proceeds are distributed according to Article XXVII, Section 3 of the Colorado Constitution on a quarterly basis in the following manner: 40 percent to the Conservation Trust Fund for distribution to eligible municipalities and counties for parks, recreation, and open space purposes; 10 percent to the Colorado Division of Parks and Outdoor Recreation for the acquisition, development, and improvement of parks land; and remaining proceeds to the Great Outdoors Colorado Trust Fund (GOCO Fund) up to \$35 million per fiscal year that is adjusted each year according to the 1992 Consumer Price Index-Denver. Any amount exceeding the GOCO cap is distributed according to Section 22-43.7-104(2)(b)(III), C.R.S., to the Public School Capital Construction Assistance Fund to be used for supplemental assistance to school districts for capital expenditures to address immediate safety hazards or health concerns within existing school facilities. The Lottery also distributes proceeds to the Public School Capital Construction Fund.

Physical locations:

- Pueblo (headquarters), Denver, Fort Collins, and Grand Junction

Colorado Department of Revenue

Total Department FTE & budget breakdown (based on FY 2017-18 appropriations)	
DOR	1,435.3 FTE
\$355,833,948	Total funds
\$107,585,406	General funds
\$241,178,908	Cash funds
\$6,245,246	Re-appropriated funds
\$824,388	Federal funds



*Additional \$5,284,943 ITD Budget
(Includes DMV IT System - DRIVES)

In 2012, the Colorado Department of Revenue (CDOR) developed its first integrated strategic plan. This plan was developed by an employee working group that worked in conjunction with the Department's Executive Leadership Team to incorporate all aspects of the work of the Department for its five divisions. The divisions within the CDOR include Taxation, Motor Vehicles, Enforcement, Lottery, and Administration. These five divisions impact almost every citizen within the state in some way. Because of that, the Department is focused on providing outstanding customer service and guidance to assist the citizens of Colorado in complying with the state's laws, rules and regulations. This Performance Management Plan is a living document that the Department uses to set objectives to be achieved and measure progress throughout the year. The quarterly data shown in each of the Outcomes table is cumulative data.

Strategic Policy Initiatives

Major Program Area – Customer Service

The CDOR customer base is mainly outwardly focused. Even though most of the customers are statutorily required to do business with this Department, i.e. paying taxes or getting a license, CDOR still maintains a sense of responsibility that customers are to be treated with respect. In doing so, the staff strives to resolve matters at first contact, reduce the time it takes to obtain the services needed, provide education to the public to assist them in having a successful outcome and to offer a variety of options for citizens to use to transact business.

Call Centers (Tax, Title & Registration and Driver Control)

Tax Call Center

Processes:

- Answer telephone calls at the Tax Call Center.

Inputs:

- Total call volume was 484,297 through 3rd quarter FY2016-17.
- Total of 37 FTE (including 4 supervisors and one manager) and up to 12 temporary staff assigned to the Tax Call Center through 3rd quarter FY2016-17.

Outputs:

- Total number of calls answered was 183,022 through 3rd quarter FY2016-17.
- Total number of calls blocked was 87,040 through 3rd quarter FY2016-17.
- Total number of calls abandoned was 69,944 through 3rd quarter FY2016-17.

Outcomes: The Tax Call Center will answer calls within an average of nine minutes and 15 seconds of entering the queue for FY2017-18, with a reduction annually.

	FY16	FY17 Qtr1	FY17 Qtr2	FY17 Qtr3	FY17 Qtr4	FY17	FY18	FY19	FY20
Objective	0:09:25	0:09:20	0:09:20	0:09:20	0:09:20	0:09:20	0:09:15	0:09:10	0:09:05
Actual	0:10:15	0:08:16	0:07:06	0:08:52					
Difference	0:00:50	0:01:04	0:02:14	0:00:28					

Outcomes: The Tax Call Center will block less than 23% of calls in FY2017-18 and decrease annually beginning in FY2018-19.

	FY16	FY17 Qtr1	FY17 Qtr2	FY17 Qtr3	FY17 Qtr4	FY17	FY18	FY19	FY20
Objective	23.00%	23.00%	23.00%	23.00%	23.00%	23.00%	23.00%	21.00%	20.00%
Actual	34.70%	17.87%	10.87%	25.54%					
Difference	11.70%	5.13%	12.13%	2.54%					

Strategy: The Tax Call Center strives to provide updated and relevant information to taxpayers when they call with questions regarding their sales or income tax obligations. The Department continues to find ways to improve customer service for taxpayers through reducing the wait time for calls to be answered and blocking fewer calls, which allows more taxpayers to speak with an agent. The Department continues to improve online services that provide the capability for customers to find answers to questions online as well as file returns and query their account status. It is envisioned that by expanding online services, calls will be reduced over time. Additionally, the Department reviews its correspondence with taxpayers for clarity and its tax return processes for efficiencies that benefit the taxpayer.

Titles and Registration Call Center

Processes:

- Answer telephone calls at the Title and Registration Call Center.

Inputs:

- Total call volume was 88,934 through 3rd quarter FY2016-17.
- Total of 7 FTE answered calls through 3rd quarter FY2016-17.

Outputs:

- Total number of calls answered was 85,012 through 3rd quarter FY2016-17.
- Total number of abandoned calls was 3,922 through 3rd quarter FY2016-17.
- Total calls answered within one minute and 30 seconds of entering the queue was 85,012 through 3rd quarter FY2016-17.

Outcomes: Title and Registration Call Center will answer 100% of calls within an average of one minute and 30 seconds of entering the queue on an annual basis and maintain this percentage each year going forward.

	FY16	FY17 Qtr1	FY17 Qtr2	FY17 Qtr3	FY17 Qtr4	FY17*
Objective	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
Actual	100.00%	100.00%	100.00%	100.00%		
Difference	0.00%	0.00%	0.00%	0.00%		

*This objective is consistently being met and will no longer be tracked following FY2016-17.

Driver Control Call Center

Processes:

- Answer telephone calls at the Driver Control Call Center.

Inputs:

- Total call volume was 431,127 through 3rd quarter FY2016-17.
- Total of 20 FTE answered calls through 3rd quarter FY2016-17.

Outputs:

- Total number of calls answered was 304,474 through 3rd quarter FY2016-17.
- Total number of blocked calls was 7,522 through 3rd quarter FY2016-17.
- Total number of abandoned calls was 119,131 through 3rd quarter FY2016-17.

Outcomes: The Driver Control Call Center will have an average call wait time of ten minutes on an annual basis decreasing in FY2018-19.

	FY16	FY17 Qtr1	FY17 Qtr2	FY17 Qtr3	FY17 Qtr4	FY17	FY18	FY19	FY20
Objective	0:10:00	0:10:00	0:10:00	0:10:00	0:10:00	0:10:00	0:10:00	0:09:30	0:09:00
Actual	0:08:39	0:07:36	0:07:34	0:09:18					
Difference	0:01:21	0:02:24	0:02:26	0:00:42					

Outcomes: The Driver Control Call Center will block less than 4.0% of calls for FY2017-18 and decrease annually.

	FY16	FY17 Qtr1	FY17 Qtr2	FY17 Qtr3	FY17 Qtr4	FY17	FY18	FY19	FY20
Objective	5.00%	4.50%	4.50%	4.50%	4.50%	4.50%	4.00%	3.50%	3.50%
Actual	1.57%	0.02%	0.20%	1.70%					
Difference	3.43%	4.48%	4.30%	2.80%					

Strategy: The Department continues to improve customer service provided by the Motor Vehicle Call Centers to meet the informational needs of all customers. The Call Center staff has been cross trained in all areas of Driver Control. This allows a more efficient way to meet the informational needs of the customers as there is a goal of “first call resolution” with all customers. By cross training the staff they are able to address the questions of the customer without having to transfer the caller to another area. The cross training combined with “active

management” of the supervisors and lead staff allows for a more efficient way of achieving first call resolution.

The Department implemented the first phase of the Driver License Record Identification and Vehicle Enterprise Solution (DRIVES) project on February 21, 2017. The cross training by the call center staff has prepared them to utilize the DRIVES tool in an efficient and effective manner ensuring that the combination of utilization of this new technology combined with staff trained in all areas of Driver Control allows for the Department to build on past strategies to reduce wait times, reduce block rates and improved overall customer service.

Customer Service in Driver License Offices

Processes:

- Provide driver license services in statewide offices.

Inputs:

- Total of 269 FTE staffed Driver License offices where the Wait-Less system is deployed through 3rd quarter FY2016-17.
- 70 kiosks were in use in 31 Driver License offices through 3rd quarter FY2016-17.
- Total of 1,153,467 queuing tickets were issued to customers through 3rd quarter FY2016-17.

Outputs:

- Total of 87,570 customers had pre-scheduled appointments through 3rd quarter FY2016-17.
- Total of 82,021 customers with pre-scheduled appointments were called to the counter within 15 minutes of their scheduled appointment time through 3rd quarter FY2016-17.
- 93.6% of customers with prescheduled appointments were seen within 15 minutes.
- Total of 1,064,345 transactions were completed in the Driver License offices where Wait-Less was deployed through 3rd quarter FY2016-17. Transactions include: initial issuance of driver licenses, identification cards, and instruction permits; out of state driver license transfers; renewal of Colorado driver licenses and identification cards; issuance of commercial driver permits and licenses; obtaining motor vehicle records; changes of addresses; and testing (written and drive).

Outcomes: Reduce wait times for Driver License customers from the baseline of an average of 60 minutes 65% of the time established in FY2013-14 to an average of 15 minutes 70% of the time in FY2017-18.

	FY16	FY17 Qtr1	FY17 Qtr2	FY17 Qtr3	FY17 Qtr4	FY17	FY18	FY19	FY20
Objective	50.00%	65.00%	65.00%	65.00%	65.00%	65.00%	70.00%	75.00%	80.00%
Actual	54.10%	63.50%	69.40%	70.40%					
Difference	4.10%	1.50%	4.40%	5.40%					

Outcomes: Driver License customers with pre-scheduled appointments will be called to the counter within fifteen minutes of their scheduled appointment time 92% of the time in FY2017-18 in Driver License offices where Wait Less is deployed, increasing annually.

	FY16	FY17 Qtr1	FY17 Qtr2	FY17 Qtr3	FY17 Qtr4	FY17	FY18	FY19	FY20
Objective	90.00%	90.00%	90.00%	90.00%	90.00%	90.00%	92.00%	94.00%	95.00%
Actual	90.90%	92.30%	93.20%	93.70%					
Difference	0.90%	2.30%	3.20%	3.70%					

Strategy: The Department continues to focus on working to meet customer needs in a timely, efficient and convenient manner. The Department has expanded hours of service in the following offices; Boulder, Longmont, Northglenn, Colorado Springs, Parker and Westgate. These offices all open at 7:00 a.m. Monday through Friday. Additionally, The Department continues to focus on working to meet customer needs in a timely, efficient and convenient manner. Upfront customer service to ensure customers are prepared when they are called to the counter has been implemented in offices where appropriate and managers and assistant managers in the Driver License offices continue to be trained to improve customer service.

Online Renewal and Payment – Driver License

Processes:

- Renew and accept payment of driver licenses online.

Inputs:

- Total of 757,315 adult driver licenses were issued online through 3rd quarter FY2016-17.
- Total of 108,225 identification cards were issued online through 3rd quarter FY2016-17.

Outputs:

- Total of 151,240 driver license and identification card renewals and payments were processed online through 3rd quarter FY2016-17.

Outcomes: Increase the number of driver license renewals processed online by 5% over the previous year objective on an annual basis.

	FY16	FY17 Qtr1	FY17 Qtr2	FY17 Qtr3	FY17 Qtr4	FY17	FY18	FY19	FY20
Objective	142,224	195,998	195,998	195,998	195,998	195,998	205,798	216,088	226,892
Actual	186,665	48,511	90,517	151,240					
Difference	44,441	147,487	105,481	44,758					
% Difference	31.20%	75.25%	53.82%	22.80%					

* Beginning in FY2016-17, the data is displayed using the actual percentage (increase or decrease) of online renewals in comparison to the total number of online renewals to be consistent with the desired outcome.

Strategy: With the February 21, 2017 launch of 11 new online services the DMV expanded online offerings from seven to 18 total services. The addition of these services continues the Department’s commitment to serving customers in a convenient and efficient manner and extends ongoing efforts to reduce wait times in driver license offices. For the second consecutive year the Department continues to spend operating dollars on advertising in order to make our customers aware of the online services available.

Electronic Filing of Income and Sales Tax Returns

Processes:

- File taxes online.

Inputs:

- Total number of individual taxpayers that filed income tax returns was 1,754,156 through 3rd quarter FY2016-17.
- Total number of sales tax returns filed was 1,931,770 through 3rd quarter FY2016-17.

Outputs:

- Total of 1,554,263 individual income tax returns were filed electronically through 3rd quarter FY2016-17.
- Total of 1,570,622 sales tax returns were filed electronically through 3rd quarter FY2016-17.

Outcomes: Increase e-filed individual income tax returns as a percentage of total individual income tax returns filed from the baseline of 64.00% in FY10 to 85.00% in FY2017-18.

	FY16	FY17 Qtr1	FY17 Qtr2	FY17 Qtr3	FY17 Qtr4	FY17	FY18	FY19	FY20
Objective	83.60%	84.50%	84.50%	84.50%	84.50%	84.50%	85.00%	85.50%	86.00%
Actual	84.07%	76.24%	75.28%	88.70%					
Difference	0.47%	8.26%	9.22%	4.20%					

Outcomes: Increase e-filed sales tax returns as a percentage of total sales tax returns filed from the baseline of 13.00% in FY10 to 80.00% in FY2017-18.

	FY16	FY17 Qtr1	FY17 Qtr2	FY17 Qtr3	FY17 Qtr4	FY17	FY18	FY19	FY20
Objective	75.00%	77.00%	77.00%	77.00%	77.00%	77.00%	80.00%	82.00%	84.00%
Actual	77.30%	80.00%	80.80%	81.01%					
Difference	2.30%	3.00%	3.80%	4.01%					

Strategy: The Department continues to make strides in providing online options for taxpayers to file their returns to encourage timely and accurate filing. Through outreach and information sharing efforts, the Department strives to increase the number of returns filed online annually. Without a statutory mandate to file electronically, some taxpayers will continue to file paper documents. Therefore, the Department estimates that 90% of tax returns will be filed electronically when online options are fully utilized.

Liquor License Processing

Processes:

- Process liquor license applications.

Inputs:

- Total of 1,102 new liquor license applications were received through 3rd quarter FY2016-17.
- Total of 9,095 renewal liquor license applications were received through 3rd quarter

FY2016-17.

- Total of four licensing clerks processed license applications through 3rd quarter FY2016-17.

Outputs:

New Applications:

- Total of 1,052 new liquor license applications received final agency action through 3rd quarter FY2016-17.
- Total of 960 new liquor license applications received final agency action within 60 days of local approval through 3rd quarter FY2016-17.

Renewal Applications:

- Total of 9,528 liquor license renewal applications received final agency action through 3rd quarter FY2016-17.
- Total of 9,026 liquor license renewal applications received final agency action within 60 days of local approval through 3rd quarter FY2016-17.

Outcomes: Maintain a completion rate of 95% of final agency actions (defined as approvals or notices of denial) for renewal license applications of liquor business licenses within 60 days of receipt in FY2017-18 and going forward.

	FY16	FY17 Qtr1	FY17 Qtr2	FY17 Qtr3	FY17 Qtr4	FY17	FY18	FY19	FY20
Objective	95.00%	95.00%	95.00%	95.00%	95.00%	95.00%	95.00%	95.00%	95.00%
Actual	98.20%	96.90%	95.40%	94.70%					
Difference	3.20%	1.90%	-0.40%	0.30%					

Outcomes: 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 FY2017-18.

	FY16	FY17 Qtr1	FY17 Qtr2	FY17 Qtr3	FY17 Qtr4	FY17	FY18	FY19	FY20
Objective	70.00%	75.00%	75.00%	75.00%	75.00%	75.00%	77.50%	80.00%	80.00%
Actual	80.90%	91.80%	91.40%	91.30%					
Difference	10.90%	16.80%	16.40%	16.30%					

Strategy: The Liquor Enforcement Division (LED) has taken many steps to ensure that businesses in Colorado receive their liquor licenses as soon as practicable. To continue providing excellent customer service, the LED has increased the number of licensing specialists (due to SB16-197) that process liquor license applications. In the event of a licensing specialist vacancy, the division works to backfill the vacancy with temporary employees. Additionally, the overall management of the licensing section has changed to include an Office Manager and two Administrative III positions. Adding supervision ensures complex licenses are handled in a timely manner and issued correctly. These staffing enhancements ensure 75% of new licenses are issued within 90 days and 95% of license renewals are issued within 60 days. The LED strives to continue working with Local Licensing authorities to educate, communicate and create a process that is efficient and effective.

Auto Industry Complaint Resolution

Processes:

- Resolve consumer complaints.

Inputs:

- The Division has a total of 160 open investigations through 3rd quarter FY2016-17.
- Total of 779 consumer complaints were received through 3rd quarter FY2016-17.
- Total of 12 FTE (including criminal and compliance investigators) were assigned to investigate consumer complaints through 3rd quarter FY2016-17.

Outputs:

- Total of 905 consumer complaints initial investigations were concluded through 3rd quarter FY2016-17.
- Total of 760 consumer complaints initial investigations were concluded within 180 days through 3rd quarter FY2016-17.

Outcomes: By the end of the FY2017-18, the Auto Industry Division will reach the objective of concluding the initial investigation on complaints within 180 days of case initiation 86.00% of the time increasing the percentage annually.

	FY16	FY17 Qtr1	FY17 Qtr2	FY17 Qtr3	FY17 Qtr4	FY17	FY18	FY19	FY20
Objective	82.00%	84.00%	84.00%	84.00%	84.00%	84.00%	86.00%	88.00%	90.00%
Actual	87.57%	88.17%	90.38%	91.60%					
Difference	5.57%	4.17%	6.38%	7.60%					

Strategy: Consumer protection continues to be a critical component in effectively regulating the auto industry. The Auto Industry Division (AID) continues to identify and place a high priority on processing complaints that negatively impact consumers. Because consumer complaints are of a high priority and are sometimes high profile, the AID would ultimately like to continue to increase its percentage of investigation conclusion within 180 days by streamlining existing procedures. Timely investigations support the overarching goal of achieving greater compliance throughout the industry resulting in fewer consumer complaints. The AID continues to become more proficient in using a new computer database that enhances the reporting component of the timeliness of completed investigations.

International Registration Plan (IRP) Electronic Registration

Processes:

- Issue and renew IRP registrations through electronic filing.

Inputs:

- Total of 6,320 registration applications were processed through 3rd quarter FY2016-17.
- Total of 8 FTE processed IRP registrations through 3rd quarter FY2016-17.

Outputs:

- Total of 2,117 IRP registrations were processed electronically through 3rd quarter FY2016-17.

Outcomes: The percentage of International Registration Plan (IRP) registrations completed through electronic filing will reach 32.50% in FY2017-18, increasing to 35.00% by FY2018-19.

	FY16	FY17 Qtr1	FY17 Qtr2	FY17 Qtr3	FY17 Qtr4	FY17	FY18	FY19	FY20
Objective	30.00%	30.00%	30.00%	30.00%	30.00%	30.00%	32.50%	35.00%	37.50%
Actual	32.34%	30.55%	31.11%	30.60%					
Difference	2.34%	0.55%	1.11%	0.60%					

Strategy: The Department offers online registration for motor carriers in an effort to provide better customer service. The goal is to steadily increase the number of motor carriers using the online IRP registration application process for new registrations, renewals, and supplemental requests. The Department would also prefer to register the majority of motor carriers online to reduce the number of walk-in customers and increase customer convenience. The Department continues to work with the Colorado Motor Carrier Association (CMCA) to educate the industry on utilizing online registration through training. The Department developed several online videos for training that have been posted to the Department website to further educate the trucking industry on the process of online renewal.

Improve Customer Experience

Processes:

Conduct Customer Service Surveys in the Motor Vehicle Division and Taxation Division

Inputs:

- Because this is a new objective, there is currently no input data to report.

Outputs:

- Because this is a new objective, there is currently no output data to report.

Outcomes: By the end of FY2017-18, establish a baseline for the number of customer feedback responses received and favorable scores in the Motor Vehicle Division, and improve upon the baseline by 10%.

	FY16	FY17 Qtr1	FY17 Qtr2	FY17 Qtr3	FY17 Qtr4	FY17*	FY18	FY19	FY20
Objective	N/A	N/A	N/A	N/A	N/A	N/A	10.00%	10.00%	10.00%
Actual % of Responses Received	N/A	N/A	N/A	N/A	N/A	N/A			
Actual % of Favorable Responses	N/A	N/A	N/A	N/A	N/A	N/A			
Difference	N/A	N/A	N/A	N/A	N/A	N/A			

*This is a new goal for the Department beginning in FY2017-18.

Outcomes: By the end of FY2017-18, establish a baseline for the number of customer feedback responses received and favorable scores in the Taxation Division, and improve upon the baseline by 10%.

	FY16	FY17 Qtr1	FY17 Qtr2	FY17 Qtr3	FY17 Qtr4	FY17*	FY18	FY19	FY20
Objective	N/A	N/A	N/A	N/A	N/A	N/A	10.00%	10.00%	10.00%
Actual % of Responses Received	N/A	N/A	N/A	N/A	N/A	N/A			
Actual % of Favorable Responses	N/A	N/A	N/A	N/A	N/A	N/A			
Difference	N/A	N/A	N/A	N/A	N/A	N/A			

*This is a new goal for the Department beginning in FY2017-18.

Strategy: The Department currently solicits customer feedback in the Motor Vehicle and Taxation Divisions. However, the feedback that is collected is not always used to improve processes related to the customer experience. The Department will set individual targets for customer feedback scores and establish a closed loop service recovery process for customers who provide suggestions or negative feedback. In the Driver License Offices, the Department hopes to increase customer feedback by having the advisors who greet customers distribute customer feedback surveys as customers arrive. Additionally, the Taxation Division will establish feedback survey functions for each customer facing section in the division and explore customer feedback options for callers using the new phone system that is to be installed in the latter part of CY2017.

Major Program Area – Fiduciary Responsibility

The CDOR collects nearly \$14 billion dollars per year on behalf of the citizens of Colorado. It is the Department’s responsibility to ensure that those funds are collected and distributed in a fair and consistent manner as well as in accordance with the law. Additionally, it is the Department’s responsibility to provide the best services possible for the citizens of Colorado in accordance with state fiscal rules and within its appropriation.

Lottery Sales and Profits

Processes:

- Marketing strategy.

Inputs:

- Total of 2,984 Lottery retailers through 3rd quarter FY2016-17.
- Total of 34 sales representative FTE through 3rd quarter FY2016-17.
- Total of \$9,320,204 was spent on marketing through 3rd quarter FY2016-17.
- Total of \$29,261,140 was spent on Colorado Lottery administrative costs through 3rd quarter FY2016-17.

Outputs:

- Total sales for the Colorado Lottery were \$416,694,140 through 3rd quarter FY2016-17.
- Total proceeds distributed were \$100,294,907 through 3rd quarter FY2016-17.

Outcomes: 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 FY2017-18.

	FY16	FY17 Qtr1	FY17 Qtr2	FY17 Qtr3	FY17 Qtr4	FY17	FY18	FY19	FY20
Objective	22.20%	22.20%	22.20%	22.20%	22.20%	22.20%	23.00%	23.30%	23.50%
Actual	24.15%	26.00%	23.70%	24.00%					
Difference	1.95%	3.80%	1.50%	1.80%					

Strategy: The Lottery is focused on increasing sales and increasing the proceeds distribution amount and percentage to its beneficiaries. Additionally, the Lottery continues to develop system and process improvements, resulting in decreased administrative costs. Through targeted initiatives to reduce operating expenses, enhance Lottery brand loyalty, engage players through new technology, new distribution channels, and the deployment of new and enhanced games for the players, the Lottery strives to strengthen its overall performance each year.

Cash Handling

Processes:

- Receive and deposit cash.

Inputs:

- Total of \$3,704,154,166 was deposited through 3rd quarter FY2016-17.

Outputs:

- Total of \$3,661,319,799 was deposited within 24 hours of receipt through 3rd quarter FY2016-17.

Outcomes: Deposit funds within 24 hours of being received 95% of the time on an annual basis.

	FY16	FY17 Qtr1	FY17 Qtr2	FY17 Qtr3	FY17 Qtr4	FY17
Objective	95.00%	95.00%	95.00%	95.00%	95.00%	95.00%
Actual	93.00%	99.19%	99.00%	99.00%		
Difference	2.00%	4.19%	4.00%	4.00%		

*This objective is consistently being met and will no longer be tracked following FY2016-17.

Outcomes: 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 FY2017-18.

	FY16	FY17 Qtr1	FY17 Qtr2	FY17 Qtr3	FY17 Qtr4	FY17*	FY18	FY19	FY20
Objective	N/A	N/A	N/A	N/A	N/A	8.00%	6.00%	5.00%	4.00%
Actual	10.00%	N/A	N/A	N/A	N/A	N/A			
Difference	N/A	N/A	N/A	N/A	N/A	N/A			

*This is a new goal for the Department beginning in FY2017-18. Actual for FY17 will become available upon the close of the fiscal year and will be updated at that time.

Strategy: DOR continues to focus on fully utilizing all available resources to operate its lines of business as efficiently as possible and to provide the best customer experience for the citizens of Colorado. Accurate projections are vital in this effort by tracking all resources and planned spending. Accuracy of projections is most dependent on thorough communication between the business sections and the support staff within the Department’s Financial Services section. Monthly meetings are held with each section within the Department to facilitate this communication. Accuracy is also dependent upon proactive planning of available resources and business needs for each fiscal year coupled with standard projection techniques based on trend analysis, variance analysis, and various other methodologies to produce the most accurate projection possible. These efforts will continue through FY2017-18 to continue to improve communication and accuracy of expenditure projections.

Project Management

Processes:

- Manage projects.

Inputs:

- Total number of seven FTE (one Program Manager and six Project Managers) was assigned to the Project Management Office through 3rd quarter FY 2015-16.

Outputs:

- Total of 16 bills passed in the 2017 legislative session requiring implementation activities.

Outcomes: The Department will complete 100% of its projects related to legislation implementation within the required implementation date.

	FY16	FY17 Qtr1	FY17 Qtr2	FY17 Qtr3	FY17 Qtr4	FY17
Objective	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
Actual	100.00%	100.00%	100.00%	100.00%		
Difference	0.00%	0.00%	0.00%	0.00%		

*This objective is consistently being met and will no longer be tracked following FY2016-17.

Outcomes: By the end of FY2017-18, 50% of all Department projects will be properly tracked using project milestones with identified owners and timelines.

	FY16	FY17 Qtr1	FY17 Qtr2	FY17 Qtr3	FY17 Qtr4	FY17*	FY18	FY19	FY20
Objective	N/A	N/A	N/A	N/A	N/A	N/A	50.00%	50.00%	50.00%
Actual	N/A	N/A	N/A	N/A	N/A	N/A			
Difference	N/A	N/A	N/A	N/A	N/A	N/A			

*This is a new goal for the Department beginning in FY2017-18.

Strategy: One of the major goals for the Project Management Office (PMO) is to standardize the status of projects and to make this information easily accessible using online dashboards. The PMO is implementing new methods and tools to ensure that all Department projects are developed, tracked, and implemented thoroughly and timely. The PMO Program Manager will

work with project management staff and program staff to deliver consistent and specific information regarding project status. These tools will also benefit the project selection and prioritization process.

Major Program Area – Statutory Responsibility

As with all other state services, CDOR is governed by the statutes of the State of Colorado. Many times, those statutes are subject to interpretation by Department staff. The management staff of CDOR works hard to provide opportunities for stakeholders and the public to provide input as rules and regulations are being drafted to further define the statute. It is a priority of the Department that all current rules and regulations are reviewed on a regular basis to ensure that the existing rule is relevant, necessary, easy to understand and can be easily implemented. To comply with the Governor’s Vision 2018 rulemaking requirements, the Department is establishing guidelines to measure customer impacts resulting from Department rules and regulations.

Rule and Regulation Review

Processes:

- Ensure stakeholder engagement in rule promulgation and review and update all promulgated rules.

Inputs:

- Conducted early stakeholder engagement for each rule promulgated throughout the Department through 3rd quarter of FY2016-17.

Outputs:

- All divisions that conducted rulemaking through 3rd quarter FY2016-17 required stakeholder engagement 100% of the time.
- Made ten new sales tax types available for online processing to improve efficiencies for businesses.

Outcomes: The Department will implement Vision 2018 key rulemaking activities to include ensuring early stakeholder engagement rule promulgation 100% of the time in FY2017-18 and ongoing.

	FY16	FY17 Qtr1	FY17 Qtr2	FY17 Qtr3	FY17 Qtr4	FY17	FY18	FY19	FY20
Objective	N/A	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	
Actual	N/A	100.00%	100.00%	100.00%					
Difference	N/A	0.00%	0.00%	0.00%					

*This objective is a new rulemaking objective beginning in FY2016-17 that aligns with the Governor’s strategic policies outlined in Vision 2018.

Outcomes: In compliance with Vision 2018, the Department will identify at least one rule or process to improve and estimate the impact to business in FY2017-18 and ongoing.

	FY16	FY17 Qtr1	FY17 Qtr2	FY17 Qtr3	FY17 Qtr4	FY17	FY18	FY19	FY20
Objective	N/A	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Actual	N/A	N/A	N/A	N/A					
Difference	N/A	N/A	N/A	N/A					

Strategy: It is understood that in order to instill public confidence, the Department needs to have rules that are relevant, relate to state statutes, and provide guidance to the public on complex matters. The rulemaking process is addressed in the Governor’s Economic Development and Infrastructure Roadmap – Vision 2018. To ensure compliance with the rulemaking requirements outlined in Vision 2018, the Department is working to develop a central repository for all rules and rulemaking protocol that will be easily accessible to the public and include a web link from the DOR homepage to rulemaking information on the Secretary of State’s website. The Department continues to ensure standardization and efficiency in tracking the promulgation of rules. Additionally, work continues on establishing guidelines for department staff to evaluate opportunities to streamline processes and reduce customer impact as part of the rule review process.

Racing Compliance

Processes:

- Test equine participants in racing events.

Inputs:

- Total of 12 horse racing facilities through 1st quarter of CY2017 (The horse racing season is from Memorial Day weekend through Labor Day weekend. This number will be updated at the end of 2nd quarter CY2017 after the season has begun, to include all facilities – not just off-season facilities).
- Total of 2 investigators conducted racing compliance inspections through 1st quarter of CY2017.

Outputs:

- Total of 67 inspections were conducted by the Racing investigators through 1st quarter of CY2017.
- Total of 67 inspections were completed within 45 days through 1st quarter of CY2017.

Outcomes: The Division of Racing shall conduct facility inspections for its racetrack licensees 100% of the time prior to opening and all stables within 45 days after opening to ensure compliance with the Colorado Racing Act and Colorado racing regulations on an annual basis.

	CY16	CY17 Qtr1	CY17 Qtr2	CY17 Qtr3	CY17 Qtr4	CY17
Objective	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
Actual	100.00%	100.00%	100.00%			
Difference	0.00%	0.00%	0.00%			

*This objective is consistently being met and will no longer be tracked following CY2017.

Outcomes: 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 CY2016 to 95.50% in CY2017.

	CY16	CY17 Qtr1	CY17 Qtr2	CY17 Qtr3	CY17 Qtr4	CY17*	FY18	FY19	FY20
Objective	N/A	95.50%	95.50%	95.50%	95.50%	95.50%	96.00%	96.50%	97.00%
Actual	95.00%	98.00%							
Difference	N/A	2.50%							

*This is a new goal for the Department beginning in FY2017-18.

Strategy: 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. By maintaining a comprehensive testing program at or above the current level acts as a deterrent to participants and maintains a level field of competition. The Department will employ the same tactics currently used and introduce new technology as it becomes available to ensure a high rate of compliance; therefore maintaining a deterrent to competitors to race and perform fairly. This level of testing of the racing industry provides proactive and invaluable feedback to the Division concerning compliance with statutory and regulatory requirements within the racing industry.

Marijuana License Processing

Processes:

- Process marijuana license applications and increase compliance rates of underage sales.

Inputs:

- Total of 102.5 FTE assigned to the Marijuana Enforcement Division through 3rd quarter FY2016-17.
- Total of 53 FTE assigned to processing retail and medical licenses through 3rd quarter FY2016-17.
- Total of 341 new retail marijuana license applications received final agency action through 3rd quarter FY2016-17. Final agency action includes license issuance, denial or voluntary withdrawal.
- Total of 127 new medical marijuana license applications received final agency action through 3rd quarter FY2016-17. Final agency action includes license issuance, denial or voluntary withdrawal.
- Total of 1,703 (941 medical and 762 retail) renewal marijuana license applications received final agency action through 3rd quarter FY2016-17. Final agency action includes license issuance, denial or voluntary withdrawal.

Outputs:

- Total of 341 new retail marijuana license applications received final agency action within

90 days through 3rd quarter FY2016-17.

- Total of 121 new medical marijuana license applications received final agency action within 90 days through 3rd quarter FY2016-17.
- Total of 1,602 renewal marijuana license applications received final agency action within 90 days through 3rd quarter FY2016-17.

Outcomes: Increase the number of final agency actions (defined as approvals or notices of denial) of new applications for medical marijuana business licenses within 90 days from the baseline of 69.00% to 85.00% by the end of FY2017-18.

	FY16	FY17 Qtr1	FY17 Qtr2	FY17 Qtr3	FY17 Qtr4	FY17	FY18	FY19	FY20
Objective	75.00%	80.00%	80.00%	80.00%	80.00%	80.00%	85.00%	87.50%	90.00%
Actual	86.00%	92.30%	93.30%	95.00%					
Difference	11.00%	12.30%	13.30%	15.00%					

Outcomes: Maintain the number of final agency actions (defined as approvals or notices of denial) of new applications for retail marijuana business licenses within 90 days 100.00% of the time in FY2017-18 and ongoing.

	FY16	FY17 Qtr1	FY17 Qtr2	FY17 Qtr3	FY17 Qtr4	FY17
Objective	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
Actual	100.00%	100.00%	100.00%	100.00%		
Difference	0.00%	0.00%	0.00%	0.00%		

*This objective is consistently being met and will no longer be tracked following FY2016-17.

Outcomes: 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 63.00% to 75.00% by the end of FY2017-18.

	FY16	FY17 Qtr1	FY17 Qtr2	FY17 Qtr3	FY17 Qtr4	FY17	FY18	FY19	FY20
Objective	70.00%	70.00%	70.00%	70.00%	70.00%	70.00%	75.00%	80.00%	85.00%
Actual	86.00%	88.00%	95.00%	94.00%					
Difference	16.00%	18.00%	25.00%	24.00%					

Outcomes: 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 FY2016-17 to 87.5% in FY2017-18.

	FY16	FY17 Qtr1	FY17 Qtr2	FY17 Qtr3	FY17 Qtr4	FY17*	FY18	FY19	FY20
Objective	N/A	N/A	N/A	N/A	N/A	N/A	87.50%	90.00%	92.50%
Actual	N/A	N/A	N/A	N/A	N/A	85.00%			
Difference	N/A	N/A	N/A	N/A	N/A	N/A			

*This is a new goal for the Department beginning in FY2017-18.

Strategy: The Department continues to refine processes and procedures to accommodate the licensure and enforcement of retail marijuana facilities as well as the continued licensing of medical marijuana businesses. The Marijuana Enforcement Division (MED) will continue to work with all stakeholders to ensure that this industry is properly licensed within the statutory timeframes and proper enforcement mechanisms are in place. Through strategic plan development, training program enhancements, adoption of lean process improvements and other

methods, MED is continuing to create efficiencies in the licensing and enforcement processes. To address the new objective related to an increase in compliance for underage sales, the MED is employing the following tactics: enhanced state-wide enforcement with age compliance operations involving underage operatives; expanded education and training outreach for licensees and; increasing the number and tempo of regular meetings with stakeholder groups to include public safety and health advocates, as well as industry representatives.

Major Program Area – Employees

The employees of CDOR perform very important functions for the citizens of Colorado. To achieve the Department’s goals and serve the public in the manner necessary, it is paramount that the best possible employees are recruited, hired, and retained. To that end, current hiring processes and retention practices are being reviewed to increase efficiencies and reduce turnover rates. The leadership staff is also committed to addressing current DOR employee concerns identified through the Department of Personnel and Administration Employee Engagement Survey results in the areas of Lean, Leadership and Middle Level Management engagement.

Hiring Personnel

Processes:

- Fill vacant positions.

Inputs:

- Total of 394 personnel request forms were submitted for the Department through 3rd quarter FY2016-17.
- Total of 7 FTE were assigned to facilitate the hiring process through 3rd quarter FY2016-17.

Outputs:

- Total of 258 permanent new employees were hired through 3rd quarter FY2016-17.
- Total of 209 employees (81%) were hired within 60 days from the date of the personnel request form arriving in the Office of Human Resources (OHR) through 3rd quarter FY 2016-17.

Outcomes: The average number of days it takes the Department to fill 100% of vacant positions from the submittal of the personnel request form to Human Resources, to the job offer will be 44 days or less on an ongoing basis.

	FY16	FY17 Qtr1	FY17 Qtr2	FY17 Qtr3	FY17 Qtr4	FY17
Objective	44.0	44.0	44.0	44.0	44.0	44.0
Actual	38.5	41.5	40.5	40.5		
Difference	5.5	2.5	3.5	3.5		

*This objective is consistently being met and will no longer be tracked following FY2016-17.

Outcomes: Reduce the average voluntary turnover rate for the Department from the baseline of 13.6% established in FY17 by 2% annually.

	FY16	FY17 Qtr1	FY17 Qtr2	FY17 Qtr3	FY17 Qtr4	FY17*	FY18	FY19	FY20
Objective	N/A	N/A	N/A	N/A	N/A	N/A	11.60%	9.60%	7.60%
Actual	N/A	N/A	N/A	N/A	N/A	13.60%			
Difference	N/A	N/A	N/A	N/A	N/A	N/A			

*This is a new goal for the Department beginning in FY2017-18.

Strategy: Employee turnover can have a chilling effect on an organization both because of the time and resources needed to recruit, hire, and train new employees, but also on employee morale, and a decrease in customer satisfaction. The Office of Human Resources (OHR) strives to promote positive employee relations, employee engagement, training, and policy enhancements around work life balance to impact voluntary turnover rates. To address employee turnover, the OHR plans to provide opportunities for employees to share their knowledge through on-the-job training sessions, presentations, mentoring others, and team assignments. Also, the OHR has developed a flex time/place work policy. Many employees have voiced a desire for a flexible work environment to enable them to successfully balance work and life. OHR plans to communicate and implement the revised flex time/place policy that would allow flexible starting times, core business hours and flexible ending times.

Employee Satisfaction

Processes:

- Conduct employee satisfaction survey.

Inputs:

- This objective is measured using the Department of Personnel and Administration (DPA) Employee Engagement Survey to determine outcomes.
- There were a total of 1,287 permanent employees at the end of September 2015. The survey was conducted in October of 2015.
- The survey is a biennial survey and will be conducted again in the Fall of 2017. The results of the survey are provided to the Department in the year following the year the survey was conducted. Therefore, the data showing the survey results will be shown in the chart in the year following the year the survey was conducted.

Outputs:

- There were 656 DOR employees that responded to the 2015 Employee Engagement survey conducted by DPA.
- A favorable rating was determined by answering the question with agree or strongly agree.

Outcomes: Improve employee satisfaction by an average rate of 5% points on a biennial basis for each of the three categories each year.

- Lean – Increase familiarity with Colorado’s Lean initiative, increase the number of Lean projects in progress throughout the Department, and increase visibility of Department leadership’s support of Lean and process improvement initiatives.

	FY16	FY17 Qtr1	FY17 Qtr2	FY17 Qtr3	FY17 Qtr4	FY17	FY18	FY19	FY20
Objective	N/A	N/A	N/A	N/A	N/A	N/A	56.23%	N/A	61.99%
Actual	51.00%	N/A	N/A	N/A	N/A	N/A		N/A	
Difference	N/A	N/A	N/A	N/A	N/A	N/A		N/A	

*The Actual for FY16 is the average of favorable ratings for the CDOR survey responses for the questions in the Lean category.

- Leadership – Increase employee knowledge of Department direction and increase employee trust and confidence in Department leadership.

	FY16	FY17 Qtr1	FY17 Qtr2	FY17 Qtr3	FY17 Qtr4	FY17	FY18	FY19	FY20
Objective	N/A	N/A	N/A	N/A	N/A	N/A	39.69%	N/A	43.76%
Actual	36.00%	N/A	N/A	N/A	N/A	N/A		N/A	
Difference	N/A	N/A	N/A	N/A	N/A	N/A		N/A	

*The Actual for FY16 is the average of favorable ratings for the CDOR survey responses for the questions in the Leadership Index.

- Middle Level Management – Increase middle level management favorable survey scores in the areas of engagement, efficiency, effectiveness and elegance.

	FY16	FY17 Qtr1	FY17 Qtr2	FY17 Qtr3	FY17 Qtr4	FY17	FY18	FY19	FY20
Objective	N/A	N/A	N/A	N/A	N/A	N/A	55.13%	N/A	60.78%
Actual	50.00%	N/A	N/A	N/A	N/A	N/A		N/A	
Difference	N/A	N/A	N/A	N/A	N/A	N/A		N/A	

*The Actual for FY16 is the average of the CDOR Second Line Supervisor scores for the four indexes in the survey of engagement, efficiency, effectiveness, and elegance.

Strategy: Beginning in FY 2016-17, Department leadership focused on three areas to improve employee satisfaction through engagement which were Lean and process improvement awareness and training, trust and confidence in Department leadership and increasing engagement of Middle Level Managers. An Employee Engagement Action Plan was developed to address these initiatives.

Since then, 32 employees have completed Lean Practitioner training and several Lean projects are in various stages of implementation throughout the Department.

The Executive Director holds bi-monthly Town Hall meetings that are live broadcasts allowing employees to tune in real time or watch a recorded version at a later time. Employees have the opportunity to email or text questions before and during the broadcast to be answered by the Executive Director or other Executive staff. This has become a vehicle to provide information to employees about projects taking place in the Department as well as the vision of the Executive Director and Executive leadership for the divisions within the Department. The Executive Director’s Office also launched a new Intranet for employees to provide current and relevant

information that is easily accessible.

During Summer and Fall of 2016, eight Middle Level Manager focus groups were held with 60 managers attending. The purpose of the focus groups was to identify issues that Middle Level Managers face that lead to disengagement and frustration. Common themes were identified and three were selected for the initial focus: Clear expectations for “on call”, flex time and flex place work schedules; Process Improvement in the areas of staffing/hiring, salary and compensation and travel and travel approvals; and Leadership visibility to employees. Teams of executive staff members analyzed the results and are establishing tactics around these three initiatives to address issues identified by Middle Level Managers.

These efforts will continue through FY2017-18 with the desired outcome of improving Employee Satisfaction scores on the DPA 2017 Employee Engagement survey.

Major Program Area – Public Confidence

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 complaints against auto dealers are investigated, and ensuring the integrity of lottery games. It is vital that the public have confidence that CDOR staff is doing their job to ensure citizens feel protected when they participate in these activities. This confidence is relayed through providing sound education for the public, presenting a positive image of the Department and the industries that it regulates, setting expectations for regulation and enforcement and living up to those expectations.

Gaming Compliance

Processes:

- Conduct compliance investigations of licensed casinos.

Inputs:

- Total of 35 licensed casinos through 3rd quarter of FY 2016-17.
- Total of 4,041 areas within the 35 casinos inspected through 3rd quarter of FY 2016-17.
- Total of 39 FTE (including criminal investigators, auditors and compliance investigators) performed compliance inspections through 3rd quarter of FY 2016-17.

Outputs:

- Total of 582 casino visits were conducted through 3rd quarter of FY 2016-17.
- Total of 237 instances of non-compliance were identified through 3rd quarter of FY 2016-17. This equates to an industry compliance rate of 94.10% during this time period.

Outcomes: The Division of Gaming shall conduct compliance inspections of licensed Colorado casinos on an annual basis to ensure 90% compliance with the Colorado Limited Gaming Act, Colorado Gaming Regulations, and minimum internal control standards increasing the rate to 92.50% in FY2018-19.

	FY16	FY17 Qtr1	FY17 Qtr2	FY17 Qtr3	FY17 Qtr4	FY17	FY18	FY19	FY20
Objective	90.00%	90.00%	90.00%	90.00%	90.00%	90.00%	92.50%	95.00%	95.00%
Actual	95.07%	95.35%	94.40%	92.60%					
Difference	5.07%	5.35%	4.40%	2.60%					

Strategy: The Division of Gaming performs biannual compliance inspections on all areas of casino gaming operations in order to assess the control environment in which each casino operates. The compliance inspections ensure limited gaming is conducted honestly in accordance with the strict requirement of the Colorado Limited Gaming Act. It is important the casinos achieve a high level of compliance to foster confidence in limited gaming in Colorado. In order for the public to continue to have trust and confidence that gaming in Colorado is being conducted legally and casinos are complying with the Colorado Limited Gaming Act, Colorado Limited Gaming regulations, and internal control minimum procedures, the Division continues to perform both criminal and compliance investigations as well as financial audits. Through training and open communication with casino personnel, the Gaming Division strives to have the gaming industry attain and maintain a 90% compliance rate.