

PERFORMANCE BASED BUDGET YEAR-TO-DATE RESULTS THROUGH APRIL 2006

MANAGEMENT, ADMINISTRATION, AND COUNSEL

Performance Goal	Status
Institutionalize project management and portfolio review. In 2003, Tax instituted project management and portfolio review for all significant technology projects. Beginning in 2005, we began to expand the use of these management techniques to non-technology projects throughout the Department. We will build out and institutionalize this initiative and ensure that 100% of major projects enter portfolio review and management.	45 projects in the portfolio, 5 completed in April. The Executive Portfolio Review Board approved major project identification criteria.
Achieve 100% participation in the Leadership Training Program. This program is designed for mid- and high-level departmental managers to enhance skills and plan for succession and knowledge transfer in the face of heavy attrition and rapid technological changes.	<p>94% of the managers and leaders have participated in the Leadership Training Program. The remaining 6% will likely retire or separate from the agency during 2006.</p> <p>Of the 94% participating managers and leaders - 79% have completed at least the minimum amount of training required in the three categories. Of the 79% who completed the required training - 83% have completed more than what was required.</p> <p>Managers still have until 5/31/06 to complete the required training.</p>
Prepare first annual internal Voluntary Compliance Feedback Report that draws upon the actual experience of Tax's various operating units --- such as TSRD (Processing), Audit, and Tax Enforcement --- to document, and make recommendations for addressing recurring issues in processing and compliance.	The template for the report is being formatted and finalized. The report will also contain an agency overview, as well as a report-out of the performance based budget measures.
Respond to 95% of Disclosure and Government Exchange requests for information within 60 days.	99.68% of requests were completed on time.
Pay 98% of travel vouchers within two weeks of receipt.	Paid 100%, or 1,192 travel vouchers, within two weeks of receipt.
Pay 98% of accounts payable invoices within 30 days of Merchandise Invoice Receipt date.	Paid 98.3%, or 344 of 350 invoices, within 30 days of Merchandise Invoice Receipt date.
Complete 95% of signed contract renewals six weeks prior to expiration date.	No contract renewals were projected and none were effectuated.
Forward response to internal requests for legal guidance to Deputy Commissioner and Counsel within 30 days.	<p>Two internal requests received, both had a response time of 1 day.</p> <p>Matter 1: Request from TSRD regarding pari-mutuel taxes.</p> <p>Matter 2: Request from Audit regarding a real estate transfer tax case.</p>
Respond to external requests for legal advice and guidance within 60 days.	Response time was an average of 40 days.
Prepare tax-related budget bills and amendments accurately and on time.	Staff reviewed the Senate and Assembly technical corrections budget bill and prepared short descriptions of portions of these budget bills, including a comparison with similar provisions in the Governor's budget bill.
Resolve 95% of legislatively-referred constituent problems within 15 days.	85% of cases settled within 15 days (105 of 123 cases).

AUDIT, COLLECTION, AND ENFORCEMENT																	
Performance Goal	Status																
Meet or exceed 2006-07 Audit Plan target in first-year collections, including \$50 million from the tax shelter voluntary compliance initiative.	Cumulative fiscal year to date: \$ 292.2 Million.																
Desk Audit: <ul style="list-style-type: none"> ▪ Complete 550,000 reviews 	Cumulative fiscal year to date: 46,943 reviews.																
Corporation Tax Field Audit: <ul style="list-style-type: none"> ▪ Complete 2,800 reviews 	Cumulative fiscal year to date: 249 reviews.																
Income Tax Field Audit: <ul style="list-style-type: none"> ▪ Complete 3,400 reviews 	Cumulative fiscal year to date: 403 reviews.																
Sales Tax Field Audit: <ul style="list-style-type: none"> ▪ Complete 5,700 reviews 	Cumulative fiscal year to date: 733 reviews.																
Transaction & Transfer Tax Audit: <ul style="list-style-type: none"> ▪ Complete 800 reviews 	Cumulative fiscal year to date: 52 reviews.																
Maintain average age of Audit protest inventory of 60 days or less.	Average Age of Protest Inventory 4/30/2006: 93 Days																
Meet or exceed 2006-07 Collection Plan target in total cash collections.	<table border="0"> <tr> <td>Tax Collections</td> <td>Child Support Enforcement</td> </tr> <tr> <td>Plan YTD: \$93,433,796</td> <td>Plan YTD: \$4,450,875</td> </tr> <tr> <td>Actual YTD: \$81,826,488</td> <td>Actual YTD: \$4,166,473</td> </tr> <tr> <td>Actual vs. Plan: (\$11,607,308)</td> <td>Actual vs. Plan: (\$284,402)</td> </tr> <tr> <td colspan="2" style="text-align: center;">Total Collections</td> </tr> <tr> <td colspan="2" style="text-align: center;">Plan YTD: \$ 97,884,671</td> </tr> <tr> <td colspan="2" style="text-align: center;">Actual YTD: \$ 85,992,961</td> </tr> <tr> <td colspan="2" style="text-align: center;">Actual vs. Plan: (\$11,891,710)</td> </tr> </table>	Tax Collections	Child Support Enforcement	Plan YTD: \$93,433,796	Plan YTD: \$4,450,875	Actual YTD: \$81,826,488	Actual YTD: \$4,166,473	Actual vs. Plan: (\$11,607,308)	Actual vs. Plan: (\$284,402)	Total Collections		Plan YTD: \$ 97,884,671		Actual YTD: \$ 85,992,961		Actual vs. Plan: (\$11,891,710)	
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Increase the collections recovery rate by an incremental 3% from 2005-06 baseline levels. The rate is the percentage of average inventory collected on an annual basis. The development and implementation of CISS – Collections, a data warehouse case scoring, selection, and workflow tool, is projected to increase collections in 2007-08 and beyond.	<p>The detail design phase of the CISS 2 project began in April 2006 and is expected to be complete by 8/15/2006.</p> <p>The Application Release Plan and Build 1 Project plan is expected to be in place by 9/15/2006 with Release 1 deployment on 4/30/2007.</p>																
Tax Collections Operations: <ul style="list-style-type: none"> ▪ Complete 1.2 million case contacts (Call Center and District Office incoming and outgoing telephone contacts + public counter) ▪ File 220,000 warrants ▪ Complete 220,000 other enforcement actions (levies served + income executions + business seizures) 	# of Case Contacts: 118,110 # of Warrants Filed: 13,597 # of Other Enforcement Actions: 22,644																
Child Support Enforcement Operations: <ul style="list-style-type: none"> ▪ File 70,000 warrants ▪ Complete 60,000 other enforcement actions (levies served + income executions + business seizures) 	# of Warrants Filed: 4,033 # of Other Enforcement Actions: 4,586																
Achieve an average quality score of more than 90% in annual Call Center Quality Review, an annual customer service/quality review of recorded calls.	The Call Center Study began on 05/01/06. Review still in progress.																

Open at least 19 civil and/or criminal cases arising out of the joint Audit and Enforcement Compliance Intelligence Assessment initiative, which uses data analysis tools to identify areas and patterns of noncompliance.	0 cases.
Refer 150 PATB Enforcement (excise tax) cases for prosecution, a 5% increase over 2005-06.	11 cases.
Refer 120 RCB Enforcement (income, franchise, and sales tax) cases for prosecution, a 5% increase over 2005-06.	7 cases.
Maintain downstate CITE cigarette regulatory compliance rate at 95% or better.	92.5% compliance.

CONCILIATION AND MEDIATION

Performance Goal	Status
Acknowledge 95% of: <ul style="list-style-type: none"> ▪ accepted cases within 14 days ▪ rejected cases within 14 days ▪ dismissed cases within 22 days 	100% accepted cases acknowledged within 14 days. 100% rejected cases acknowledged within 14 days. 100% dismissed cases acknowledged within 22 days.
Schedule 90% of initial cases within 180 days.	97.3% initial cases scheduled within 180 days.
Issue 85% of decisions within three months of conference date.	86.3% decisions issued within 3 months of conference date.

TECHNOLOGY AND INFORMATION SERVICES

Performance Goal	Status
<p>Continue the development, construction, and implementation of the e-MPIRE integrated tax system, thereby allowing complete migration off the existing, antiquated UNISYS platform.</p>	<p>Release 2 (Corporate Tax) system rollout continues to progress as expected. Notable progress has been made on key functions such as COD and an organizational structure suitable for supporting combined maintenance and development activities.</p> <p>Release 3 (Personal Income Tax) planning and design is progressing through a series of requirements definition meetings to refine the high level design.</p> <p>Other areas of progress include:</p> <ul style="list-style-type: none"> ■ Defects: The numbers of defects in production and user testing are at, or below, acceptable levels. ■ Conversion: COD is in production for straight forward cases (even these are very complicated). The e-MPIRE team is working with Audit on expanding COD or developing alternative solutions as needed. The conversion team has begun working with ESD on plans for PIT. ■ Release 3: The architectural board comprised of ESD and e-MPIRE members has made significant progress on project architecture for the release 3 framework.
<p>Ensure access to major online systems during 99% of normal work hours.</p>	<p>Major online systems were available 99% of normal work hours.</p>
<p>Ensure availability of network resources during 99% of normal work hours.</p>	<p>Network resources were available 99% of normal work hours.</p>
<p>Complete and/or advance portfolio of more than 50 discrete technology projects on time and within budget.</p>	<p>ESD is continuing to work with the PMO toward this goal.</p>
<p>Develop and implement prototype State-Wide Authentication Network (SWAN) in consultation with the State CIO. Tax requested approximately \$400,000 in 2006-07 to pilot this advanced e-services gateway and authentication facility.</p>	<p>The SWAN project team has moved forward with the business processes involved in creating an account and granting access to a user. Additionally, a design meeting was held with IBM to scope out the detailed work for SWAN. Work should begin on SWAN with IBM/SBS in April. DTF technical staff are working with OFT Directory Services on the definition of web services required by SWAN (to be delivered by NYSDS). OFT has done some piloting of our web services and has arranged a presentation on its findings.</p>
<p>Implement Corporation Tax e-file by January 2007.</p>	<p>A project kick-off meeting was held. Investigation of the prototypes planned for the project was begun. The high level project plan was created and baselined.</p>

TAX POLICY, REVENUE ACCOUNTING, AND TAXPAYER GUIDANCE

Performance Goal	Status
Issue annual tax forms and instructions on time with 100% accuracy.	Achieved. 40 forms issued.
Issue taxpayer guidance on Tax Law changes (publications, TSB-Ms, forms, instructions) at least 30 days prior to effective date or, if retroactive, within six weeks of DTF becoming aware of need.	Achieved. Documents issued: 20.
Issue advisory opinions within 90 days of receiving a completed petition.	1 Advisory Opinion issued within 90 days of completed petition. Total # of Advisory Opinions issued: 7.
Prepare 100% of fiscal notes within four weeks of request.	Data not available for this period.
Implement a phased program of forms/instructions redesign and simplification, beginning with nonresident income tax return instructions.	Ongoing.
Issue new industry-specific sales tax publications.	Ongoing.
Develop new documents and regulatory proposals that will provide clarification to the taxpayer community on significant outstanding policy issues.	Ongoing.
Implement Kudlow Commission recommendations as enacted into law.	Data not available for this period – under review.

CENTRALIZED OPERATIONS SUPPORT

Performance Goal	Status
Reduce telecommunication costs by 2% from 2005-06 level by more efficiently managing such activities, as well as evaluating the necessity of current usage trends. We will also evaluate implementing Voice over IP (VoIP) with the goal of further reducing expenditures by up to 5% within three years, assuming agency-wide implementation.	April disconnection of underutilized phone lines offset by costs for new services will realize an annual savings of \$105,820, which will be affected by future FY service additions/deletions. This represents more than a 2% savings in annual telecommunications costs.
Reduce printing and mailing expenditures by 2% from 2005-06 levels through more efficient work-flow processes, ongoing validation and refinement of mail volumes, and leveraging the Internet as a means to disseminate information.	We have reviewed Withholding and Miscellaneous taxes and identified potential savings of \$475,000 via use of different grade paper, reducing/merging mailings, etc. There has also been a reduction in postage utilized so far this FY of \$451,064 due to reduced mailings and taxpayer direct deposit of refund monies. This is a 30% reduction from 4/05 expenses and is 3% of all postage spent last FY.
Mail 100% of all documents within deadlines.	97% of all jobs were processed by the requested mailing date. Lack of realistic lead time resulted in 3% that were not met.
Maintain 100% error free inventory control of seized alcohol and tobacco products.	This month we incorporated bar code scanner procedures into the evidence warehouse procedures. A physical inventory will be completed twice a year to confirm our inventory records.

TREASURY MANAGEMENT

Performance Goal	Status
Prepare 99% of monthly reconciliations within 30 days of bank statement receipt. Treasury reconciles over 100* checking accounts each month. * This estimate was adjusted from 150 checking accounts as written in original goal.	99.14% of the 116 bank reconciliations were prepared within 30 days of bank statement receipt.
Mail 100% of General Checking Account checks on time. Daily average is 8,000 checks.	100% of the 353,457 General Checking Account checks were mailed on time.
Issue vendor checks requested by paper warrants within two days and checks requested electronically the same day.	100% of the 213 paper warrants were within the two days; 100% of the 18 electronic warrants on the same day.
Issue PIT replacement checks within a week of receiving affidavit.	99.6% of the 1,616 replacement checks were issued within a week of receiving a Lost Draft Application.
Complete 99% of daily trades by 1 PM to maximize trading efficiency.	99% of the 195 trades were completed by 1:00 p.m.
Deposit and report 99.9% of receipts and disbursements within 24 hours.	100% of 8,874 checks were deposited and reported within one business day.
Issue UIB replacement checks within a week of receiving an LDA (Lost Draft Application).	85.78% of the replacement checks were issued within a week of receiving an LDA.

REVENUE PROCESSING AND RECONCILIATION

Performance Goal	Status
Process approximately 24 million returns (including 8 million coupon returns) and more than \$67 billion in State and local tax payments on time with 100% accuracy.	3.8 million returns were processed in April (including coupon returns). Collected \$10.8 billion in State and local tax payments on time with 100% accuracy.
Reduce exception rates for all tax types through systems improvements and enhanced taxpayer guidance and assistance, provided through written material, telephone support, and the Internet.	Data not available for this period.
Increase E-file and 2-D bar coding of personal income tax returns 25% over 2005-06 levels (to at least 60%).	Increase of 29.4% cumulative through April. 69.9% YTD of returns processed.
Receive 62% of tax revenue by electronic funds transfer.	27% tax revenue received by electronic funds transfer.
Send 95% of PIT refunds to Office of the State Comptroller at least 10 days before interest start date.	100% were sent at least 10 days before the interest start date.
Deposit 99.5% of tax receipts within one day of receipt.	95.5% tax receipts deposited within 1 day of receipt.
Maintain average age of protest inventories at or below target levels: <ul style="list-style-type: none"> ▪ Personal Income Tax - 60 days ▪ Corporation Tax - 60 days ▪ Sales Tax - 60 days ▪ Withholding Tax - 60 days 	23 Days 49 Days 16 Days 28 Days
Maintain average age of exception inventories at or below target levels: <ul style="list-style-type: none"> ▪ Personal Income Tax - 45 days ▪ Corporation Tax - 60 days ▪ Sales Tax - 60 days ▪ Withholding Tax - 60 days 	12 Days 34 Days 19 Days 43 Days
Answer 85% of PIT information telephone inquiries within an average of 5 minutes during peak processing periods, and limit the average number of call attempts during peak to 1.5 attempts or less.	77% service level for PIT info calls. 1.67 average number of call attempts.
Answer 85% of business tax information telephone inquiries within an average of 2 minutes, and limit the average number of call attempts to 1.2 attempts or less.	72% service level for business information calls. 1.09 average number of call attempts.
Achieve an average quality score of more than 90% in our annual Call Center Quality Review, an annual customer service/quality review of recorded calls.	94.1% average quality score.
Resolve 90% of written inquiries (including protests) within 90 days.	Personal Income Tax Protests– 90% resolved within 90 days. Corporation Tax Protests – 86% resolved within 90 days. Sales Tax Protests– 100% resolved within 90 days. Withholding Tax Protests – 99% resolved within 90 days.
Process sales tax registrations within 5 days of receipt.	3.7 days average.
Assist taxpayers in legally dissolving or reinstating corporations within 30 days of receipt.	18.9 days average.
Process enrollments and updates for mandatory and voluntary electronic funds transfer participants within 30 days.	12.9 days average.
Resolve exceptions for mandatory and voluntary electronic funds transfer participants within 60 days.	5.4 days average.
Process cigarette retail license applications/renewals within 10 days.	3.3 days average.