



Work and Performance Plan FY2022 (OTC)

Neal Dixon, Office of the Tax Collector



SECTION 1: DEPARTMENT KEY INITIATIVES

Key Initiative #2 -- Refine Enforced Collections Policy and Procedures

Link to Strategic Business Plan:

No

Description:

Refine Enforced Collections policy and procedures by implementing recommendations from the FY 2021 Internal Audit assessment of enforced collections (Audit Number 2064).

Rationale:

An audit of the Office of the Tax Collector's (OTC) enforced collections policy and procedures was completed by Internal Audit (IA) on April 28, 2021. Leveraging the recommendations resulting from the audit assessment, the OTC will reduce risk by strengthening internal controls and enhancing policies and procedures as detailed in the audit.

Completion Date:

The expected completion date is January 2022.

Updates/Project Milestones:

- Audit Recommendation 1.1: Update enforced collections policies and procedures and train staff accordingly.
- Audit Recommendation 1.2: Implement a formal process to ensure policies and procedures are routinely reviewed, updated, and approved.
- Audit Recommendation 2.1: Implement segregation of garnishment duties by separating incompatible duties or implement proper controls, such as management oversight.

Outcomes/Measures:

- All staff are trained annually on the changes to policies and incorporate the refined procedures into their day to day work.
- Policies and procedure will be readily accessible to all OTC staff.
- OTC management will have documentation of staff's completion of required annual training to hold staff accountable.
- OTC management will have schedule and documentation of policy and procedure reviews, updates, and approvals annually.
- New employees will be trained on the latest policies and procedures during onboarding. A record of that training will be maintained.

Director Comments: (Year-end)**Executive Team Comments: (Year-end)**



Key Initiative #3 -- Departmental Forms Review

Link to Strategic Business Plan:

No

Description:

Review departmental forms to reflect organizational and operational changes and improve customer experiences.

Rationale:

The Office of the Tax Collector (OTC) completed a realignment of the department structure in FY 2020. In FY 2021, operational manuals were reviewed and updated for all business units. The OTC will review, and where required, redesign key forms, notices, and department documentation to align with the current organizational structure and operations.

Completion Date:

The expected completion date is Q4 FY 2022.

Updates/Project Milestones:

- Review key operational forms to identify areas for clarity and uniformity.
- Align notices and forms to create uniformity and ensure information is consistent.
- Revisit request form for Statements of Taxes Due.
- Establish standard reporting documentation for escalated customer service requests.
- Review proration, refund, garnishment, levy, and other collection forms to ensure consistency and compliance.
- Explore how technology may be leveraged to streamline delivery to customers.
- Make other improvements as identified through this process.

Outcomes/Measures:

- Operational efficiency will be enhanced by refinements and modifications to forms.
- Communications, bills, and notices will have a unified look that is consistent in messaging.
- Formalized request forms, such as Request for Statements of Taxes Due, will be available on the public OTC webpage.
- Revised forms will be available for staff utilization.
- All OTC forms will align with organizational and operational changes that were implemented in FY 2020 and FY 2021.

Director Comments: (Year-end)**Executive Team Comments: (Year-end)**



Key Initiative #4 -- Enhance Marketplace Facilitator Transaction Reporting

Link to Strategic Business Plan:

No

Description:

Enhance taxpayer reporting process by modifying how marketplace facilitator transactions are remitted.

Rationale:

The COVID-19 pandemic increased resident's use of marketplace facilitators, for example meal delivery services. These transactions create Prepared Food & Beverage (PF&B) gross receipts taxes that are required to be reported on monthly tax returns to the Office of the Tax Collector (OTC). This effort will enhance the current PF&B tax return to better enable taxpayers to comply.

By incorporating a line item on the tax return and specifying reporting and operational processes for these taxes, taxpayers will have increased clarity about what entity is reporting and paying these taxes. Instructions to taxpayers will be updated as necessary. This will improve the accuracy and consistency of gross receipts taxes reporting.

Completion Date:

The expected completion date is Q4 FY 2022.

Updates/Project Milestones:

- Determine needed changes to protocol and implement.
- Incorporate revised protocol in operations manual.
- Update tax return form with print vendor to add line item for marketplace facilitator transactions.
- Draft and circulate communication to PF&B taxpayers for understanding.
- Explore needed changes to tax system (BizTax).

Outcomes/Measures:

- OTC staff will understand marketplace facilitator transactions and revised protocol.
- Updated tax return with additional line item will be implemented into monthly mailings and filings.
- PF&B taxpayers will be aware of revised tax returns and protocol.

Director Comments: (Year-end)**Executive Team Comments: (Year-end)**



Key Initiative #5 -- Departmental Account Validation

Link to Strategic Business Plan:

No

Description:

Complete review of all active gross receipts accounts to validate the status of businesses post COVID-19.

Rationale:

The COVID-19 pandemic had a significant impact on businesses that engage in and report gross receipts monthly. Many businesses closed during this period and field work by the Office of the Tax Collector (OTC) was paused to comply with local and state health guidelines. As a result, the OTC to review and validate the status of businesses to ensure that records are accurate. The review will include active Prepared Food & Beverage, Room Occupancy, Vehicle Rental/U-Drive It, and Heavy Equipment gross receipts accounts. This represents 5,194 known accounts.

Field work, data from multiple resources, and additional research techniques will be used to validate statuses. This initiative may also capture discoveries businesses for gross receipts and/or ad valorem purposes.

Completion Date:

The expected completion date is Q4 of FY 2022

Updates/Project Milestones:

- Create project plan, methodology, and team.
- Utilize reports that identify active accounts to assign to project team.
- Document results.
- Liaise with County Assessor's Office (CAO) for awareness and establish protocol within confidentiality framework for reporting discovered business personal property.

Outcomes/Measures:

- Gross receipts businesses that are closed will be identified and recorded in the tax system.
- New businesses that have not filed with the OTC will be captured.
- The OTC's tax system (BizTax) will reflect the validated status of businesses that report gross receipts taxes.
- Utilize any efficiencies gained from project for future operations.

Director Comments: (Year-end)**Executive Team Comments: (Year-end)**



Key Initiative #6 -- Bolster BIZTAX & Develop a Framework for Replacement

Link to Strategic Business Plan:

No

Description:

Establish a joint undertaking between the Office of the Tax Collector (OTC), Information Technology Services (ITS), Financial Services, and the County Manager's Office (CMO) to Bolster the BIZTAX system. Ensure uninterrupted gross receipts tax collections in excess of \$125M annually by addressing critical needs of the system and developing a decision framework that will be utilized to determine a long-term replacement

Rationale:

The BIZTAX system is utilized to assess and collect gross receipts taxes. This legacy system needs "bolstering" to ensure it complies with standards, is reliable, performs correctly, and maintains good overall system health for five or more years. A decision framework will be developed that will be utilized to determine the long-term replacement for BIZTAX. The decision framework will be utilized in FY 2023.

Completion Date:

The expected completion of the bolstering of BIZTAX and development of the framework for long-term solution is Q4 of FY 2022. Activating the framework will commence in/after FY 2023.

Updates/Project Milestones:

Bolstering BIZTAX:

- Establish a steering committee with OTC, ITS, and CMO representation.
- Establish a project core team.
- Identify project extended team members, project owner, and business experts.
- Define bolstering, fix, security enhancements, and other requirements.
- Perform document analysis, observation, product backlog refinement, and prototyping tasks.
- Develop and implement a project plan.
- Ensure system continuity during the project.
- Develop code to accomplish objectives.
- User Acceptance Testing
- Deploy bolstered system.

Decision Framework:

- Establish a project team with OTC, ITS, Financial Services/Procurement, and CMO representation.
- Identify stakeholders.
- Develop a framework that complies with information technology and procurement standards, policies, and best practices.
- Document the framework that will be utilized to decide upon a long-term solution (in-house, outsourced, existing vendor scope expansion, and/or other options identified).

Outcomes/Measures:

Bolstering BIZTAX:

- Bolstered system implemented that extends the life cycle by five or more years.
- System security enhanced.
- Continuity of operations is safeguarded.
- Decision framework developed and is ready for implementation

Decision Framework:



- Decision framework is ready to be utilized to determine a long-term solution.

Director Comments: (Year-end)

Executive Team Comments: (Year-end)



Key Initiative #7 -- Equity and Inclusion Initiative

Link to Strategic Business Plan:

Yes

Description:

Continue the implementation of the County's Equity Action Plan.

Rationale:

Mecklenburg County is committed to addressing its racial inequities through an intersectional analysis. In order to become a more equitable institution, strategies must be implemented and enforced that enhance the work Mecklenburg County has already completed to promote equity and inclusion. The County has partnered with the Government Alliance on Race and Equity (GARE) to create both a racial equity training curriculum for County staff, an Equity Action Toolkit and a three-year enterprise-wide Equity Action Plan. To continue to build the capacity of the organization, it is critical that the County continue to implement the agreed upon action items identified in the Equity Action Plan despite COVID-19.

Completion Date:

This is a multi-year project (FY2020-FY2022).

Updates/Project Milestones:

Continue implementation of the County's Equity Action Plan that were postponed due to COVID-19:

- Continue rollout of "Advancing Racial Equity Training" for all County employees to enhance abilities to advance racial equity.
- Re-establish Department Equity Action Teams (DEAT) for select Departments to begin training and to initiate development of department specific equity action plans (pending further guidance from the County Manager's Office); and
- Provide training on Racial Equity Tool usage to County mid-senior management.

Implementation of FY22 Equity Action Plan items for those departments with specific accountabilities.

Outcomes/Measures:

End of year reporting

Director Comments: (Year-end)**Executive Team Comments: (Year-end)**