

**Missouri Department of Revenue**

# **2014**

## **Year-End Review**





*Nia Ray*

*Director of Revenue*

The mission of the Department of Revenue is to facilitate the proper functioning of state and local government by accurately and efficiently collecting and distributing state and local revenues, and to support public safety by effectively administering the laws related to motor vehicle sale and registration, and driver licensing. The Department accomplishes this mission by following the law; fostering innovation in its operations; developing cooperative relationships with other public and private entities; clearly communicating with the public; and treating everyone fairly and with respect.

<b>John Mollenkamp</b>	<b>Deputy Director</b>
<b>Todd Iveson</b>	<b>Director of Taxation Division</b>
<b>Jackie Bemboom</b>	<b>Director of Motor Vehicle and Driver Licensing Division</b>
<b>Wood Miller</b>	<b>Director of Legal Services Division</b>
<b>Lynn Bexten</b>	<b>Director of Administration Division</b>
<b>Paul Harper</b>	<b>Director of Legislation</b>
<b>Michelle Gleba</b>	<b>Director of Communications</b>
<b>Julie Scheppers</b>	<b>Executive Assistant to the Director</b>
<b>Beth Whaley</b>	<b>Executive Assistant to the Deputy Director</b>





**Director of Revenue**  
Nia Ray



**Taxation Division**  
Todd Iveson




**Motor Vehicle and Driver Licensing Division**  
Jackie Bemboom



**Legal Services Division**  
Wood Miller



**Administration Division**  
Lynn Bexten



**Director of Legislation**  
Paul Harper



**Deputy Director**  
John Mollenkamp

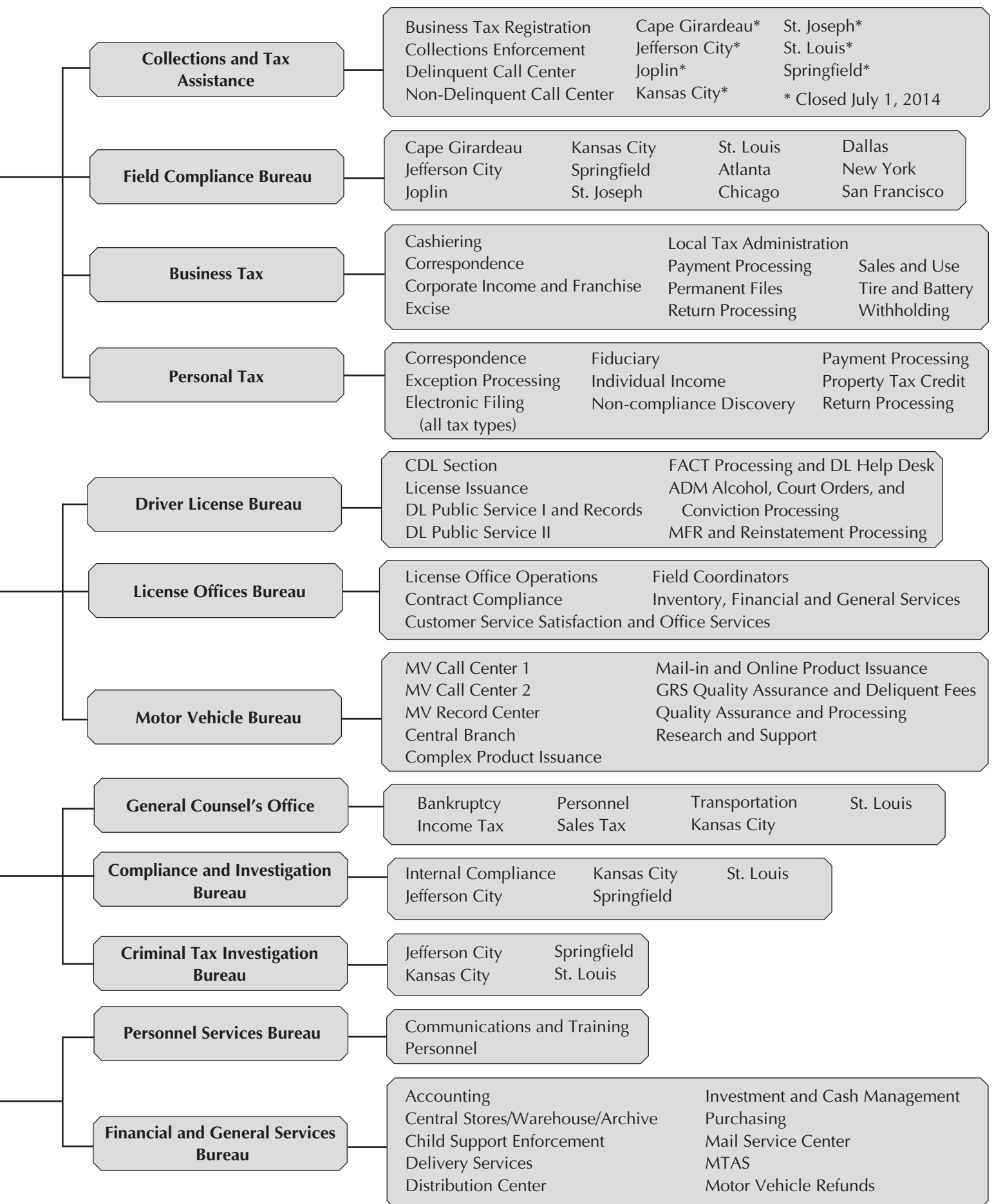


**Director of Communications**  
Michelle Gleba

**Commissions**

Lottery

State Tax





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Here in Missouri, folks don't shy away from challenges – they work together to tackle them. Getting up early... working hard... staying late... and looking out for one another.

*Governor Jay Nixon, State of the State Address, January 21, 2014*



# DEPARTMENT HIGHLIGHTS

## Department 2014 Statistics

### Revenue Collections (FY2014)

Income Tax	\$6,962,298,200
State Sales and Use Tax	\$3,331,915,714
Local Sales and Use Tax	\$2,950,216,388
Fuel Tax	\$705,185,594
Other Taxes	\$385,770,547
Insurance Tax	\$256,315,220
Cigarette Tax	\$104,714,777
Financial Institutions Tax	\$29,391,617

### Local Tax Collections (FY2014)

Local Sales Tax	\$2,827,584,549
Local Option Use Tax	\$122,631,836

### Local Tax Distributions (FY2014)

Cities	\$1,630,825,412
Counties	\$1,378,115,828
Ambulance District	\$43,754,650
Community Improvement	\$30,357,558
Transportation Development	\$60,401,992
Fire Protection Districts	\$15,240,684
Tourism Community	\$7,531,710
Emergency Services District	\$10,430,448
Community Development	\$3,238,916
Regional Jail Districts	\$936,890
School Districts	\$5,549,362
Hospital Districts	\$383,322
Regional Recreation Districts	\$3,857
Zoological Districts	\$14,986,687
Public Library Districts	\$1,064,213

### Federal Grants (CY2014)

Motor Vehicle and Driver Licensing Division	\$928.80
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General Counsel's Office . . . . . \$150,421

### Motor Vehicle and Driver License (CY2014)

Driver Licenses Issued (FY2014)	238,975
Driver Licenses Renewed (FY2014)	607,306
Motor Vehicle and Marine Titles Issued	1,943,826
Motor Vehicle Registrations	4,056,783
License Office Return-to-State Collected	\$1,217,937

### Legislative (CY2014)

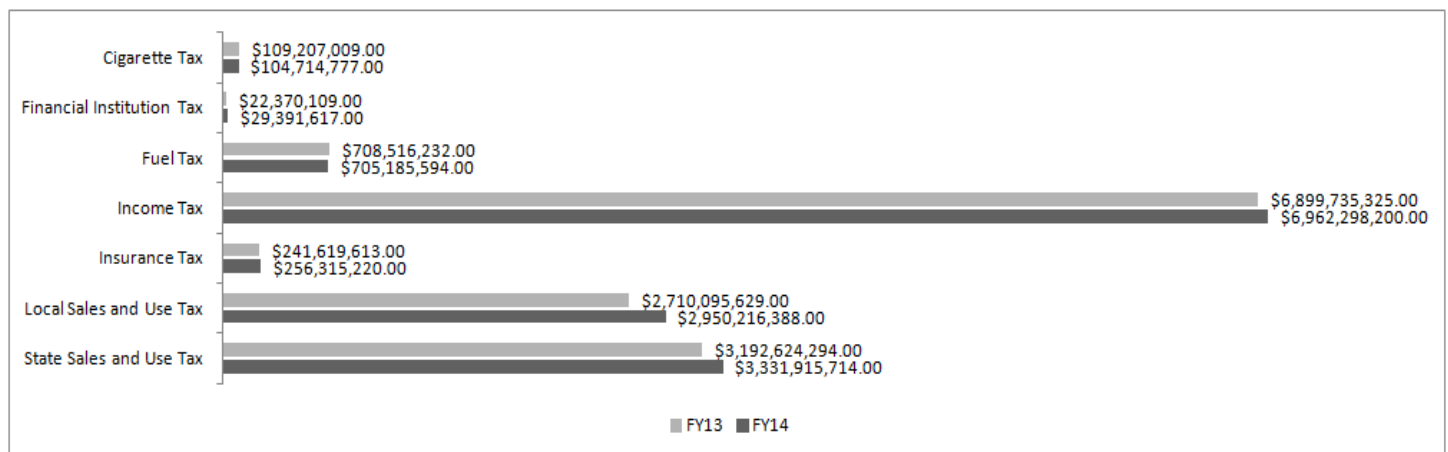
Bills Reviewed	24
Revenue Co-Department Comment Letters	8
Fiscal Notes Reviewed	973
Initiative Petitions Reviewed	45
Administrative Regulations	3
• 1 Emergency Amendment	
• 3 Proposed Amendments	

### License Office Compliance (CY2014)

Contract Compliance Checks	365
Office Visits (includes 2,008 monthly reviews)	3,626
Cash Counts	2,112
Notices to Comply Issued	46
Semi-Annual Inventories	325
Compliance and Investigation Bureau License Office Audits	44
Liquidated Damages	\$15,318

Wait Time Measures - 95% of customer transactions viewed involved less than a 15-minute wait.

## Revenue Collections



## Driver License Bureau Audit Success!

The Driver License Bureau completed two successful compliance reviews. The Federal Motor Carrier Safety Administration (FMCSA) completed a compliance review of Missouri's Commercial Driver License (CDL) program on Dec. 9, 2013. The purpose of the review was to determine if Missouri's CDL program is in substantial compliance with all requirements of 49 U.S.C. section 31311(a), as defined in 49 CFR 384.301. In January, 2014, the FMCSA reported no outstanding program findings.



The Social Security Administration (SSA) completed a compliance review on Dec. 19, 2013. Representatives of the Social Security Administration, Office of Systems, Office of Information Security, and Division of Compliance and Oversight met with representatives from the Driver License Bureau and Office of Administration-ITSD. The purpose of the review was to assess policies, technical controls, and internal controls to protect SSA provided information. Two minor findings were identified during the review and were corrected and implemented in February, 2014.

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## Integrated Revenue System

The first phase of the integrated revenue system was successfully implemented on February 27, 2014, more than a month ahead of schedule. This phase included Tire and Battery Fees, registration, financial and taxpayer accounting, bills and refunds. At implementation time, work had already begun on the next phase: implementation of sales and use, corporate income and franchise, and withholding taxes. Throughout the summer and fall, work has continued on designing business rules, conversion of data from the legacy systems, reports, correspondence, and preparation for training and testing. Phase 2 implementation is expected in early January, 2016.



The integrated revenue system project is benefits based, meaning the vendor is paid only with increased revenue from the project. The project through December 31, 2014, has generated increased revenue of \$139.7 million, an amount sufficient to pay for the entire system. Through December, \$42.5 million has been paid to the contractor, leaving \$97.2 million for use by the State.



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## Lincoln University offers classes in the Truman Building

Lincoln University held an Introduction to Business class this past fall in the Truman Building. This introductory course was intended to provide an overview of business, and provide students with an understanding of business principles, processes, practices, and strategies.

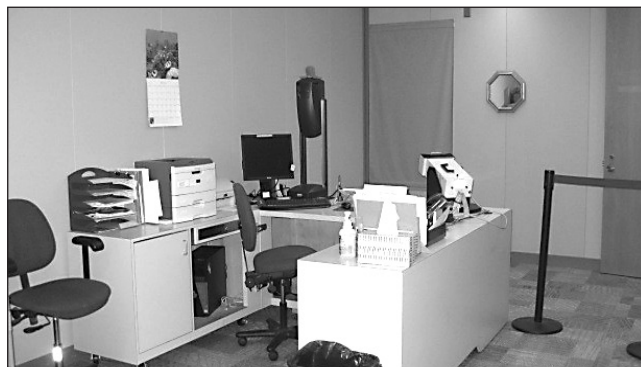
This class was offered for employees who have been considering furthering their education. Five Revenue employees completed this course. Lincoln University plans to offer another class beginning in January.

## Driver License Bureau Relocates “Mini Branch”

The Driver License Bureau (DLB) recently completed renovations to move the “mini branch” – previously located in room 480 of the Harry S Truman state office building – to a new room adjacent to the reception area in room 470.

The move allows citizens conducting business with DLB to come to one location in the Truman Building. They can now get their license reinstated and immediately step into the mini branch (shown to the right) to apply for a driver or nondriver license.

The former mini branch location has been converted into the administrative hearing room for accident and third party tester reviews.



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## Lactation room now available

After months of diligent work, the Department now has a dedicated lactation room available for use by Revenue employees who are also nursing mothers.

The room is located on the second floor of the Harry S Truman State Office Building (Room 215) and boasts the following features:



- Open Monday through Friday, 7:30 a.m. to 5 p.m.;
- No scheduling is required (the room can accommodate three users at once);
- One pump is available for check-out (from the staff in Room 225), but you must provide your own pumping kit.
- You may bring your own pump and pumping kit from home, if you prefer; and
- The room includes a refrigerator with individual trays to label and store pumped breast milk throughout the day.

Detailed information regarding use of the lactation room is available from Personnel.



The Department implemented a new text and e-mail notification system through GovDelivery. Employees are able to subscribe to receive various types of notifications using their cell phone number and their personal e-mail address. Employees may even designate specific notifications to be sent to their e-mail address, while they receive others only by text on the cell phone.

All employees should subscribe to receive the HR-Severe Weather notifications. Implementation of the state’s Hazardous Travel Policy due to inclement weather will be announced using GovDelivery.

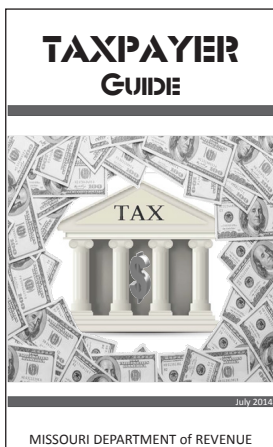


## Midwestern States Association of Tax Administrators (MSATA)

In 2014, the Department sent several speakers to the MSATA conference. This conference is an opportunity for staff to network with their counterparts in other states and learn about innovations and different processes that may be useful at the Department. The speakers this year were:

- Jennifer Childress – 1099K Lessons Learned, Audit Roundtables discussing joint agency and cross state audits, settlement programs, succession planning, Midwest Border States Compact, audit selection processes, procedures, criteria, and scoring.
  - Cindy Doss – Customer Service Roundtable discussing security precautions at walk-in centers, using temporary employees to assist with phone calls, call center turnover, security authentication used for phone calls, using voicemail callback options in phone centers, and the type of services taxpayers want or expect from taxing authorities.
  - Lesa Morrow – Collections Roundtable discussing collections through professional licensee compliance, web-based payment plans, collections performance measures, non-compensatory staff benefits, and risk and collections scoring and thresholds.
  - John Mollenkamp – Panel on fairness in audit selection.
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## Taxpayer Guide



Every citizen pays taxes, so it's important to understand:

- why taxes are collected;
- from what sources the taxes are generated; and
- the ways in which the tax money is spent.

In order to educate the public on these issues, the Department of Revenue recently created a **Taxpayer Guide** that provides basic information about taxes in Missouri.

This publication is easy to understand and we encourage all employees to read this publication to gain an understanding of the different tax types in Missouri.

We are hopeful this publication will become a tool used in many school classrooms as part of personal finance classes or taxation classes to help provide a basic understanding of how taxation is a part of our lives. In 2014, the Department sent 315 guides to 11 schools. The guide also received 23,435 hits on the Internet.

## Internal Revenue Service safeguard review

The Department of Revenue received a visit from the Internal Revenue Service (IRS) as part of a mandatory safeguard review on June 24-26, 2014.

The IRS is required to conduct on-site safeguard reviews every three years with agencies receiving federal data to ensure compliance with the IRS's Publication 1075, Tax Information Security Guidelines for Federal, State and Local Agencies. The review included an on-site evaluation of the Department's use and protection of the physical data and also a computer security review.

The Department receives federal tax information from the IRS for tax administration purposes. The federal data is used by the Department to find businesses and individuals that are not filing returns and paying the taxes they owe or are under-reporting the amounts they owe. In Fiscal Year 2014, the Department collected more than \$140 million using this information.

"With assistance from the Department of Revenue/ Information Technology Services Division (DOR/ITSD), the IRS safeguard review went well," said Personal Tax Administrator **Mike Davis**. "The IRS reviewers even commented in the closing meeting that the Department's overall score was very good compared to other states they have reviewed."

A special thanks to **Jeff Ferguson** (DOR/ITSD) and **Laura Wallendorf** (DOR-Taxation) for the work they did preparing for the IRS visit and for coordinating the review when the IRS was on site.

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## New Shredder Expands Capacity and Ensures Confidentiality



In 2014 the Department purchased an industrial shredder/baler system to destroy all confidential Revenue documents and archive records. The shredder/baler system is located in the Revenue warehouse and archive center located at 605 Howard Street.

By shredding all Department documents on-site using Department staff, we ensure the highest degree of security and confidentiality.

The Department's old shredder was limited in size and capacity. The new shredder safely and completely shreds old documents to protect confidentiality.

The Department destroys more than 650,000 pounds of confidential documents each year. The proceeds from the records destruction material is deposited into the Surplus Property Recycling Fund.





# TAXATION DIVISION



Todd Iveson

The **Taxation Division** serves taxpayers and state and local governments by ensuring every taxpayer pays the right amount of tax through education, technological innovation, and continuous process improvement. The division respects our customers, their private information, and each other.

The **Business Tax Bureau** oversees the processing and administration of the state's business taxes. These include corporation income and franchise taxes, withholding tax, sales and use taxes, motor fuel tax, excise taxes, and many other miscellaneous fees and taxes. The Business Tax Bureau also deposits more than \$13.5 billion annually for all tax types administered by taxation and distributes taxes collected on behalf of cities and counties to the appropriate jurisdictions.

The **Personal Tax Bureau** oversees the processing and administration of the state's individual income tax, fiduciary tax, and property tax credits.

The **Collections and Tax Assistance Bureau** staffs a call center to assist citizens with tax questions, information about refunds, or how to register a business. A delinquent call center also assists citizens to resolve tax bills through additional information, payments, or payment plans. The bureau also is responsible for enforced collection actions such as garnishments, injunctions and levy of tills.

The **Field Compliance Bureau** audits in-state and out-of-state taxpayers to ensure compliance with Missouri's business tax laws.

## *Taxation Division CY2014 Statistics*

Returns Processed . . . . .	5,486,070	Total Amount of Sales and Use Tax	
Over 3.3 million received electronically (61.5%)		Refunds Disallowed . . . . .	\$19,528,143.84
Correspondence Answered. . . . .	316,129	Total Dollars Deposited . . . . .	\$14,026,884,853.52
Telephone Calls Answered. . . . .	722,557	Average Daily Deposited . . . . .	\$56,560,019.57
Refunds Processed . . . . .	1,978,483	Return on Investment (ROI) (1)	
Amount Refunded . . . . .	\$1,112,670,314.50	Non-Compliance Programs (2) . . . . .	\$76:1
Sales and Use Tax Refunds Reviewed. . . . .	3,978	Delinquent Call Center (3) . . . . .	\$31:1
		(Inbound and Outbound)	

(1) ROI is Revenue less costs/costs. (2) Costs include salary, fringe benefits, expense and equipment, costs for vendor development of new discovery programs and refreshes of existing programs, and maintenance for the case management system. Postage costs are not included. Revenues include five years of follow-on revenue representing future compliance that would not have been realized but for these efforts. (3) Costs include salary and fringe benefits, expense and equipment, and call management system maintenance.

# TAXATION DIVISION HIGHLIGHTS

## Integrated Revenue System

The Taxation Division, working with the Integrated Revenue System contractor, implemented the first of three system phases ahead of schedule and under budget in February 2014. The implementation included tire and battery fees, registration, processing, financial and taxpayer accounting, billings, and refunds. Although the first release was for a small tax in terms of number of taxpayers, it included the entire breadth of the system. Taxation employees have expressed enthusiasm about the ease of use and flexibility of the system and are excited to move ahead with implementation of the major taxes.

Work started on the second phase even before the first phase implementation was complete. The second phase will include sales and use taxes, corporate income and franchise taxes, and withholding tax as well as an electronic services portal for businesses to conduct virtually all of their business with Taxation online. Implementation is expected in early January, 2016.

The third phase which will include individual income tax and property tax credit is expected to be implemented in January 2017.

The contract is benefits-based funded which means the contractor is paid only as revenues increase. Benefits through December 2014 total \$139.7 million. The additional revenue was generated from new non-compliance discovery programs, improved collections processes, and improved field audit selection and audit management.

## Non-expiring Renewals

Taxation began issuing non-expiring exemption certifications in 2014.

In 2007, the administration changed exemption certificates from non-expiring to a three year expiring certificate. The number of exemption applications had increased 44 percent in the past two years and was expected to increase again in 2015. The review and issuance process was costing the state more than \$60,000 a year with less than 1 percent of all applications being denied. The Department concluded the compliance benefit from requiring renewals did not justify the cost to the state and taxpayers.

## Tax Credits

The Taxation Division worked with the ITSD to develop an online portal for tax credit recipients to file required annual reports electronically. The Department provided tax credit recipients a personal identification number (PIN) to access the system and file their report. A total of 801 reports were filed in 2014.

## Safeguard Review

The Department had a Safeguard Review in June that was conducted by the Internal Revenue Service's Office of Safeguards (IRS). Department and ITSD staff worked with the IRS to review all access points for federal information to ensure the Department remains in compliance with Publication 1075, Tax Information Security Guidelines for Federal, State and Local Authorities.

## Business Tax Bureau

- The Business Tax Bureau implemented a few pieces of legislation in 2014.
  - o HB 542 - Created urban agriculture zones and required changes to processing, cashing, distribution, and registration systems.
  - o HB 2029 and SB 727 – Removed the expiration date on the sales tax exemption for airplane parts and accessories and created a sales tax exemption for farm products sold at farmer's markets. These bills required changes to the exemption search application and FAQs posted on the Department's website.
- The bureau in coordination with ITSD expanded the Motor Fuel Tax system to allow for consumer and distributor refunds to be sent by ACH rather than by paper check. This process allowed for the banking information to be captured in the Motor Fuel Tax System and then transmitted to the State Treasurer's Office. This reduced the time needed to approve the refunds in SAMII and reduced the costs associated with creating paper checks and mailing them.
- In support of the Integrated Revenue System Release 2 and coordinating with the communication and training area, business tax forms were modified to incorporate features that will support system data capture of the information reported. This effort was completed in 2014 in preparation for testing to occur in 2015. System



data capture of the information will eliminate manual keying of return information and the errors associated with that keying and will facilitate faster processing and deposit of payments.

### **Personal Tax Bureau**

- The modernized e-file (MeF) program was expanded to include fiduciary and partnership returns in 2014. A total of 2,267 fiduciary returns and 39,053 partnership returns were received through the MeF program.
- The business and individual discovery areas increased collections from non-filer and under-reporter programs by 9.6 percent from \$176 million in 2013 to \$193 million in 2014. For purposes of measuring discovery receipts, five years of "follow-on" revenue is included, representing subsequent compliance that would not have been realized but for these efforts. Seventy percent of the increase in 2014 was subsequent compliance.
- The Personal Tax Bureau continued to identify fraudulent individual income tax and property tax credit claims. People filing fraudulent returns are continually changing their methods. Personal Tax participates in a multi-state forum to stay up to date on new methods other states have seen and to share what we have seen on Missouri filings.

In 2014, Personal Tax identified 26,255 fraudulent returns and prevented \$38.8 million from being refunded.

- Personal Tax implemented several pieces of legislation including:
  - SB 509 - Eliminated the tax table in Section 143.021, RSMo, set out certain tax rate reductions when specific revenue thresholds are met, as well as other deductions and revisions. This required changes to the tax system, website, and forms.
  - HB 1710 and SB601 - Created a trust fund check-off for the Missouri National Guard Foundation Fund and extended the home energy audit subtraction and increased the amount that could be claimed by taxpayers. These required tax system changes, including new notice messages, a new trust fund letter to the agency, and form changes.

### **Collections and Tax Assistance Bureau**

- The Taxpayer Assistance Offices located in St. Louis, Kansas City, Springfield, St. Joseph, Joplin, Cape Girardeau, and Jefferson City were closed July 1 due to budget cuts. Some of the tasks they performed such as No Tax Due Letters and Registrations were reassigned to staff within other areas of the division. Considerable outreach was also done to make taxpayers, particularly senior citizens and the disabled, aware of other options for tax assistance. We also worked with the displaced staff that could relocate to Jefferson City to fill other vacant positions and for those who could not we provided assistance applying for jobs in their areas.
- Collections Enforcement worked with ITSD to implement the Virtual Desktop Infrastructure (VDI) for prosecuting attorneys and collection agencies who collect delinquent taxes on behalf of the Department. This infrastructure provides a desktop environment on a server located in the data center of the State of Missouri and has added security with a two-factor authentication process (tokens). Through this, the third party collectors access the information relevant to them in our collection system. This change was necessary to comply with the Internal Revenue Service's policies for protecting federal tax information.
- Collections Enforcement also issued a Request for Proposal for the collection of delinquent taxes by collection agencies. The contract was awarded in May 2014 and took effect June 1, 2014, with two companies being chosen: GC Services – already collecting for the Department, and EOS/CCA – a new collection agency.
- In April 2014, the delinquent call center began a project to cross train staff on both call center and garnishment duties. The cross training over the long term allows telephone agents to work on other collection processes which we anticipate will decrease burnout and reduce the turnover in the call center, which hit 69 percent this year. An unexpected benefit has been an increase in the average number of garnishments prepared going from 276 to 305 weekly. With the increased flexibility we have added additional phone agents on Mondays, the call center's busiest day of the week, resulting in an improved percentage of calls answered; 81 percent compared to 74 percent.

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**Field Compliance Bureau**

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- The Field Compliance Bureau's Computer Audit Specialist (CAS) Manager continued training auditors in 2014 to conduct audits using electronic taxpayer data. The training involved hands-on courses that covered topics from basic navigation and functions of Excel to advanced stratified random sampling techniques. Key areas of the training included return reconciliation, validating data files, purchases population refinement and sampling methods, and point-of-sale file procedures. The CAS Manager spent over 150 hours during 2014 delivering training. These training hours were spread out over nine different classroom training sessions in our various instate and out-of-state offices primarily via net meeting and included 89 auditors. This training will be available in CY2015 as webinars and in a "Highlights" document. In addition to the computer audit training, the CAS Manager also works one-on-one with auditors as they obtained data files and needed further assistance or training.
- Working with the Integrated Revenue System partner, the Field Compliance Bureau furthered its efforts to improve how audits are selected and managed. In 2014, the bureau further refined the risk based audit selection process, which uses audit models to predict the businesses with the greatest risk of non-compliance. The bureau also implemented its second full year audit plan process. The audit plan measures progress toward annual goals. Analyzing monthly data to identify opportunities for changes in the audit process, the bureau is developing specific actionable strategies that assist each auditor to improve overall job performance. A significant improvement of note was reducing audits open greater than 365 days by 22 percent.



# MOTOR VEHICLE AND DRIVER LICENSING DIVISION



Jackie Bemboom

The **Motor Vehicle and Driver Licensing Division (MVDL)** provides accessible and efficient services which allow for compliance with state and federal motor vehicle and driver licensing laws and regulations for issuing driver licenses and motor vehicle titles and registration and collecting required fees and taxes, while ensuring the safety and confidentiality of Missouri motorists and maintaining the integrity of the Department.

The **Driver License Bureau (DLB)** issues commercial and non-commercial driver licenses, nondriver licenses, and permits. It is also responsible for suspending, revoking, and disqualifying licenses. This bureau maintains records relating to traffic violation point assessments, the administrative driving while intoxicated (DWI) and abuse-and-lose laws for alcohol and drug offenses, failure to appear in court for traffic violations, the safety responsibility (mandatory insurance) laws for uninsured motorists,

and a variety of court-ordered driver license suspensions. The bureau participates in compact agreements between jurisdictions by sharing and transmitting driver and conviction information.

The **Motor Vehicle Bureau (MVB)** is responsible for the titling and registration of motor vehicles, all-terrain vehicles, trailers, manufactured homes, and marine craft in the state, and issuing disabled placards and temporary permits. The bureau collects all fees and taxes associated with the registration and titling described above. It is also responsible for licensing and regulating motor vehicle and marine craft dealers and manufacturers, and issuing registration certificates to dealers and businesses.

The **License Offices Bureau (LOB)** manages the operations of 178 license offices throughout the state. These offices process driver licensing, motor vehicle, marine craft, titling, and registration transactions. License office contracts are awarded through the competitive bidding process. The bureau ensures that all license offices comply with applicable laws, policies, procedures, and contractual obligations.

## 2014 License Office Compliance

Contract Compliance Checks .....	365
Office Visits (includes 2,008 monthly reviews) .....	3,626
Cash Counts .....	2,112
Notices to Comply.....	46
Processed requests for license office operational changes (i.e., changes in location, hours of operation, management, etc.).....	186
Semi-Annual Inventories .....	325
Interim Inventories.....	42
Close-out Inventories.....	39
Compliance and Investigation Bureau License Office Audits.....	44
Liquidated Damages Assessed.....	\$15,318
Wait Time Measures – customer transactions viewed that involved less than a 15-minute wait .....	95%

**Motor Vehicle and Driver Licensing Division CY2014 Statistics****Driver License Statistics**

<b>Function</b>	<b>Volume</b>
Driver License (FY2014)	
New Issue.....	238,975
Renewals.....	607,306
Total.....	846,281
Non-Driver License (FY2014)	
New Issue.....	119,106
Renewals.....	18,644
Total.....	137,750
Alcohol Influence Reports Received.....	26,484
Convictions Received.....	844,263
Safety Responsibility Filings	
Received for Reinstatement.....	146,512
Substance Abuse Traffic Offender	
Completion Forms Received.....	23,322
Reinstatement Fees Received.....	71,551
Accident Cases Established.....	5,625
Immigration Verifications Completed.....	57,890
Identification Cards Issued to Offenders	
Released from Dept. of Corrections.....	1,358
Suspension and Revocation	
Actions Placed on Drivers' Records.....	274,807
Driver License Public Service	
Area Calls Received.....	648,099
Driver License Office	
Area Calls Received.....	76,859

**Motor Vehicle Statistics**

<b>Function</b>	<b>Volume</b>
Titles Issued.....	1,943,826*
Number of Registrations.....	4,056,783*
Online Registration Renewals.....	162,307
Walk-ins Served.....	22,020
Enhanced Security Tabs Issued.....	637,540
Dealer Sales Reported Online.....	1,324,526
Franchise Dealer Sales Reported.....	647,308
Used Car Dealer Sales Reported.....	401,634
Franchise Dealers Licensed.....	516
Used Car Dealers Licensed.....	4,543
Dealer License Renewals.....	4,897
Motor Vehicle Liens Filed Online.....	549,546
Online Motor Vehicle Record Lookups.....	693,198
Counties Reporting Property Tax Data Electronically.....	85
Motor Vehicle Public Service	
Calls Received.....	382,026
Motor Vehicle License Office	
Area Calls Received.....	59,311

\*Includes marine and motor vehicle

**2014 License Office RFP Statistics**

RFP's Issued.....	112
Awarded license office contracts.....	157
Transitioned license offices upon contract award.....	117

**2014 License Office Customer Service Survey Results**

98% of responses indicated offices were professional  
97% of customers who responded waited in line less than 15 minutes  
97% of responses indicated offices were courteous  
98% of the responses indicated offices answered their customers' questions correctly  
96% of the responses indicated offices met or exceeded their customers' expectations



# MOTOR VEHICLE AND DRIVER LICENSING DIVISION HIGHLIGHTS

## Driver License Bureau

### System Updates and Process Improvements

- The renewal postcard generation process was modified to generate two files for card generation. One for those who are required to present status verification documentation in addition to other requirements and a newly formatted card to those whose record indicates they had been previously verified and would not be required to provide status verification documents at time of renewal. The postcard changes began occurring on the February 4 renewal file pull.
- The Missouri State Highway Patrol previously e-mailed staff weekly in the Driver License Bureau (DLB) providing information on accidents involving out-of-state uninsured motorists. This process was changed whereby the MSHP now sends an FTP file for ITSD to pick up, convert to an Excel file, and place on a shared drive for the DLB staff to process.
- The driver record portion of the Motor Vehicle Record Sales area transitioned to DL Record Center under the management of DLB. DLB realigned several processing sections between supervisors and management personnel to accommodate this transition. The following tasks were completed in March/April for the transition: 1) weekly and monthly production reports were created for the DL Record Center staff to begin using as a tool for the supervisor to determine if production standards are being met and how to best manage their time and workload; 2) eleven DL Record Center CTG letters were revised to reflect the new section name, bureau name, and minor wording changes; 3) a second supersession feature was set up for two of the clerks so they do not have to back out of the screen they are working in when a telephone call is received; and 4) created an e-mail distribution list for the DL Record Center.
- The DL Record Center staff no longer contacts the court or prosecuting attorney (PA) the day before a subpoena appearance to determine if a custodian needs to appear. Because the custodian needs to speak with the PA to determine the line of questioning, the custodian scheduled to appear will contact the PA the day before the appearance. This will eliminate multiple phone calls being made to the court.
- Form 4678 Request for Security Access Code and Form 5500 Request for Motor Vehicle/Driver License Records/Personal Information were revised to include instructions for applicants to provide a copy of their professional or personal credentials when submitting to the Department. This saves numerous hours of research for the DL Record Center staff.
- The following modifications were made to the Missouri Electronic Driver License System (MEDL):
  - Modified to allow for applicants to retain or add a roman numeral as a valid option for a name suffix.
  - Updated to implement changes to the organ donor registry and symbol. The Department of Health and Senior Services approached the Department with concerns received from Missouri citizens in regard to the specific questions asked at the time of application. Applicants wanted their names added to the registry but did not want a symbol placed on the license, so the one question is now split into two questions to give applicants this option. Modifications to the Missouri Driver License System (MODL) were also required to implement this change.
- The Driver License Bureau implemented the use of electronic signatures for the certification of documents. This new process has a time savings of five hours per week.
- The automation of DL Records Drivers Privacy Protection Act (DPPA) recertification notifications were moved to production. The automation of this process has a time savings of eight hours a month.
- The DLB recently completed renovations in the reception area located in Room 470 and the following benefits were realized: 1) walk-in customers have a one-stop shop for reinstatement and issuance of driver licenses; 2) an additional walk-in window was created to accommodate the disabled; 3) both walk-in staff are now permanently located behind the reception windows so the walk-in cubicles were eliminated; and 4) a new first impression of the

walk-in area was realized with a “professional” decorator’s touch.

- A MEDL support website was created to allow the State Data Center support staff to complete user resets in MEDL after hours.
- The Missouri Driver License System (MODL) basic data purge was completed - 366,627 records met the purge criteria and were removed from the system.
- In an effort to reduce key strokes for repetitious key entry, the driver record sales’ screen in MODL was changed to default several fields. Additionally, a field was added for an “image number” which is now stored in the Action Processing Document Library. This saved keystrokes but it also created a method to store and retrieve requests for records. This eliminates the storing and archiving of paper documents.
- MODL was modified with the following changes: 1) the reinstatement requirement screen was changed to show the ignition interlock device required field for Failure to Maintain actions; 2) the case number in the Add and Modify Document Library screens is now optional for the CORR document type; 3) made cosmetic changes to the date on the Ignition Interlock Device Monitor Add, Modify, and History screens; and 4) added a new paragraph to print on the Notice of Loss of Driving Privilege when the recipient has an out-of-state address.
- Representatives from the Motor Vehicle and Driver Licensing Division met with representatives from the Legal Services Division to flow the subpoena process and look for ways to streamline the process to ensure the subpoenas are processed timely and tracked for completion. The team will make use of the DOR shared drive to accommodate the new process flow.
- Collector Solutions electronic payment application was installed in the Mini Branch for the mail-in application process. This will allow military applicants to mail, fax, or e-mail their applications and supporting documents and pay the fee via a credit or debit card for more expedited processing.
- The upgrade to the Department of Corrections Nondriver Identification Issuance Application to correspond with the MEDL-CI Application was fully implemented on December 4, 2014.

### Compliance

- On April 2, 2014, the DLB received a compliance letter from the Social Security Administration (SSA)

indicating that the “SSA provided information is well managed and in compliance with the security requirements”.

- On November 13, 2014, the DLB completed a successful compliance review of Missouri’s Commercial Driver License (CDL) program with the Federal Motor Carrier Safety Administration (FMCSA). The purpose of the review was to determine if Missouri’s CDL program is in substantial compliance with all requirements of 49 U.S.C. section 31311(a), as defined in 49 CFR 384.301. The FMCSA reported no outstanding program findings.
- The DLB completed an internal system access review for all employees. This review ensures each employee has only the necessary access to complete their job function.
- Wentzville, Peculiar, Valley Park, and Bridgeton Municipal Courts began reporting convictions electronically. Federal law requires the posting of commercial driver license traffic dispositions to an offender’s driving record within ten days of the conviction date. The bureau and the Office of State Courts Administrator continue to work with the municipal courts in the state to enable them to report dispositions electronically.

As of December 2014, there were 242 municipal courts reporting convictions electronically.

### Conferences, Meetings, and Appointments

- Representatives from DLB attended and participated in the following conferences/meetings:
  - Missouri Department of Transportation’s (MoDOT) 2015 Traffic and Highway Safety Grant Application Meeting in Jefferson City.
  - 2014 CDL Coordinators/IT Managers’ Meeting in Houston, Texas.
  - Subcommittee on Elder Mobility and Safety (SEMS) conference in Columbia.
  - 2014 Workshop and Law Institute meeting in St. Louis.
  - Association of Ignition Interlock Program Administrators (AIIPA) conference in Baltimore, Maryland.
  - Pew Charitable Trusts Voter Registration and Motor Vehicle Agencies meetings in San Francisco, California.

- o School Bus Safety Task Force meeting in Jefferson City.
- o Missouri's Blue Print to Save More Lives Conference in St. Louis.
- o National Traffic Records Forum in St. Louis.
- o Subcommittee on Elder Mobility and Safety Meeting in St. Louis.
- o Mid-Missouri Advisors to International Students Network (MAIN) meeting at Columbia College.
- o Third-Party-Tester training at the Missouri State Highway Patrol.
- o Third-Party-Tester examiner training at the Missouri State Highway Patrol to review the new CDL Permit Rule standards.
- o National Center for State Courts meeting in Williamsburg, Virginia, to participate in a project with the National Center for State Courts to develop a reporting structure that is Global Reference Architecture-National Information Exchange Model (GRA-NIEM) compliant.
- Representatives from DLB were key presenters at the following conferences/meetings:
  - o Missouri Bar CLE in Kansas City.
  - o Missouri Trucking Association's 2014 Safety and Maintenance Conference in Branson.
  - o Missouri Association of Court Administrators (MACA) conference held at Tan-Tar-A at the Lake of Ozarks.
  - o Missouri School Bus Contractors Association's Annual Convention at Lake of the Ozarks.
  - o Missouri Association for Pupil Transportation's Conference and Trade Show in Springfield.
  - o Missouri School Bus Task Force summer certification training session in Warrensburg.

### **Legislation Implemented**

- SB 23 – Implemented the third phase of provisions related to ignition interlock monitoring.
- SB 745 - Deleted language for the issuance of a conceal carry permit and provisions related to removal of information from the Department.
- HB 1231 – Changed lawful presence to no longer require re-verification of documentation after initial applications, except for specific circumstances.

- HB 1665 – Allowed for the expungement of arrest records.
- HB 1735 – Modified various provisions related to all-terrain, utility, and recreational off-highway vehicles.

### **Recognition Awards**

- Three Department of Revenue employees were recognized and awarded a certificate for You Make the Difference from the Central Missouri MADD organization at an Impaired Driving Subcommittee meeting. The award was in appreciation for the work and efforts the Department put forth in researching, coordinating, and implementing stronger drunk driving laws, especially the newest ignition interlock legislation.
- The Missouri Coalition for Roadway Safety's Subcommittee on Elder Mobility and Safety (SEMS) nominated the Department with a statewide Partner Award to acknowledge the agency's efforts to reduce serious injury and fatal crashes across the state.
- Six DLB staff members were presented Certificates of Appreciation from the Subcommittee on Elder Mobility and Safety in recognition of their participation and efforts to better identify at-risk drivers.

## **Motor Vehicle Bureau**

### **New Systems, Online Services and System Updates**

- The Title and Registration Intranet Processing System (TRIPS) was enhanced to modify the Enhanced Security Tabs on Demand receipt through the TRIPS registration process. When processing in mail-in mode and an alternate mailing address has been identified, a mail-to address will print on the enhanced security tab receipt. This modification will avoid printing a separate registration receipt for the mail-to address.
- The Temporary Registration Permit Application (TRPA) was modified to allow dealers the ability to reset passwords. Additional changes included: 1) only users with Admin rights can void a temporary permit; 2) dealer section staff can now change the name of a dealership (name change only) and TRPA will keep all associated Admin and users with the account; 3) the auto-generated e-mail that is created when a user is setup in TRPA was modified; and 4) created two additional reports that can be generated and exported to Excel. One of these allows the user to pull all e-mails in the database so that announcements can be sent out to the dealers associated with the TRPA system, when necessary.
- The Motor Vehicle Bureau (MVB) purged 2,572,734



rows of 2006 – 2011 temporary permit and dealer plate information from the IMVDL (Dealer) system.

- Bomgar, a remote desktop connection software, was installed on all telephone operators' workstations. It provides the ability to connect to license office workstations to assist in processing a transaction.
- Successfully transitioned to new IMVDL (Dealer) system servers with no issues or concerns.
- The Notice of Lien system was enhanced to create a new design for the receipt that facilitates the mailing address falling within a standard window envelope and eliminates excessive information. The Department anticipates that with this modification it will reduce operational costs associated with mailing Notice of Lien receipts and toner usage.
- Sixty-three new printers were installed, replacing aging and worn equipment.
- New AutoComplete functionality within TRIPS was introduced improving data security and creating efficiency in data entry.
- Improvements were made to the online Assessors Collectors system to create a new landing (home) page with links to Login, Motor Vehicle Records, Personal Property Tax, and Account Management. An easy navigation bar was placed along the top of the page that includes a Help page with video instructions. Detailed pop-up views of records appear on both Motor Vehicle and Personal Property Tax pages with the ability to view records on any mobile device.
- An enhancement was made to the Online Notice of Lien System that facilitates identifying if the lien was due to a refinance. This eliminated delinquent fee notices being mailed to the public unnecessarily, which ultimately reduced phone calls as well.
- The Online Personalized Plate Reservation System (OPPRS) and plate review programs were modified. The deployment changed how the Department connects to Collector Solutions, Inc., so that the vendor actually collects the credit card information; made the website responsive to look and act properly on mobile devices; increased the reliability of the site to better tell when a plate is available versus not available; and added extra validation on addresses so they format properly in DPPS (Personalized Plates System). Additionally, the system now sends correspondence via e-mail to the requestor versus printing paper letters; this will save a yearly average of \$5,235 on paper and postage.

- Enhancements were made to the Sales Tax Calculator including removing the extra click for the "calculate" button and narrowing the county list based on the zip code selected to make it more user friendly.
- The plates.mo.gov (MORE) application was rewritten in a .net environment with a responsive design (mobile friendly). The system will now complete a vehicle identification number (VIN) verification behind the scenes against the personal property tax system. If a match is found, the user will not have to manually input personal property tax information to complete the transaction; the personal property tax page will be bypassed.

Dallas County began reporting paid personal property tax records for online use by the Department.

### Forms, Procedures, and Efficiencies

- Installed 125 additional monitors for staff. The dual monitors allow the data entry to be performed without having to open multiple screens on one monitor and allow the images to be expanded for ease in reading the handwritten documents. The MVB completed a payback analysis on the dual monitors they received and in three months saved 419 hours which allows for staff to be used in other critical or required areas.
- Two new CTG letters were created to help with efficiency in the phone area.
- The MVB central office receives hundreds of transactions via mail each day from both Missouri and non-Missouri businesses/customers. The majority of these transactions are simple title transactions where a financial institution is adding a lien. In addition, many notice of liens (NOLs) are mailed directly to the central office for processing instead of being filed online. Beginning October 15, 2014, MVB now includes a flier with the returned receipts for those multiple (bulk) transaction customers that encourages them to consider submitting transactions to local license offices and filing the NOLs online. After two months of mailing the flier, analysis shows a decrease in mailed-in bulk title transactions by approximately 2,000 for this two-month period.
- The dealer renewal season deadline was met with a minimal backlog of unprocessed dealer license applications by closing the dealer window, creating an online "where is my renewal", having dealers be responsible for obtaining criminal history checks, etc.



- Approximately 300 MTAS category codes that are no longer utilized in TRIPS were removed so that accounting year-end reports would be more accurate.
- Flex schedules were implemented, including the ability to work four ten-hour days, to improve employee morale, facilitate business needs, and improve the work environment.
- The Document Control application was updated to prevent the image machines from performing “miss” or “no reads” on code 39 bar codes and transitioned the process to use code 128. Using only one bar code for imaging purposes will help with the “miss” or “no read” issues related to bar code 39 and reduce the amount of time necessary to perform quality control and upgrade and test the image machines.
- The Department developed a new Out-of-State Title Numbers resource document. When a customer presents an out-of-state title, this document can help identify the correct number to key into TRIPS Titling. Keying the correct out-of-state title number is essential to a successful National Motor Vehicle and Title Information System (NMVTIS) record search.
- The MVB now accepts faxed or e-mailed reports from the Missouri State Highway Patrol (MSHP) troops in lieu of requiring submission of the Form 4569 (Crime Inquiry and Inspection Report/Authorization to Tow) as MSHP’s reports contain all required information. Prior to this change forms were sent from the troops to MSHP headquarters and forwarded to the MVB. This new process eliminates several days of mailing time.

### Outreach and Appointments

- On January 16, 21, 23, 28, and 30, the MVB offered legislators, executive branch officials, and their staff the opportunity to renew their motor vehicle registrations or apply for their legislator license plates at the Capitol. Sixty-nine renewals were processed while this service was being provided, as well as three title transactions and five miscellaneous motor vehicle transactions. Forty-four customers just had general questions.
- On January 15 the MVB mailed a letter to the county collectors. The letter explained the benefits for reporting personal property tax information to the Department online.
- Representatives from MVB visited Carfax in Columbia for a Data Center Tour.
- Representatives from OA-Accounting visited the MVB to receive a demo of the new fiche machinery.

The MVB mailed out 68 letters to already participating counties with the online personal property tax system to encourage them to put a link to [www.plates.mo.gov](http://www.plates.mo.gov) on their website for the convenience of their citizens to renew a registration online.

- A representative from MVB and the Division attended the LETSAC conference where they provided vehicle and fraud training to law enforcement.
- A representative from MVB attended Missouri’s Blueprint to Save More Lives Conference in St. Louis.
- Two representatives from MVB were invited to speak at the Missouri State Assessors Association Conference. They were asked to present information about the online registration of motor vehicles and water craft and how VINs play an important part in the process. The presentation took them step by step through the online registration process as county offices receive many questions on how to use the program and what information is needed.
- The MVB facilitated a collaborative group discussion at the Missouri State Highway Patrol Troop Headquarters in Macon, Missouri. Invited participants included licensed dealers, local license offices, and Department staff; however, the dealer community was not in attendance at the meeting. This meeting offered networking opportunities and productive conversations to increase the efficiency of the titling and registration process.
- A representative from MVB attended the Missouri Manufactured Housing Association Annual Convention in St. Louis.
- Representatives from the Department and OA-ITSD visited the state of Alabama, specifically the University of Alabama’s Center for Advanced Public Safety (CAPS) and the DMV, to gain knowledge and insight regarding their partnership in modernizing the state’s motor vehicle and driver licensing system.
- Meetings were held with the Missouri State Highway Patrol (MSHP) to discuss mutual motor vehicle and driver licensing issues on March 18, June 24, and December 17.
- The MVB contacted the Missouri State Highway Patrol (MSHP) regarding concerns that inspection station personnel are not writing the complete sticker or decal number on the safety inspection forms (MVI-2). The inspectors were omitting the zeros which are part of the complete sticker/decal number; this becomes a serious issue when

the vehicle owner tries to renew the registration online. The MSHP sent communication out to the inspectors to stress the importance of recording the complete number on the form.

### Compliance

- The annual letters and CDs were mailed to the Missouri County Collectors and Assessors.
- E-mails were sent to Missouri dealers regarding the upcoming 2015 dealer license renewal season and changes regarding the name-based criminal history check. Dealers that renewed their Missouri Dealer License for 2015 obtained a name-based criminal history record using MSHP's Missouri Automated Criminal History Site (MACHS). The fee for this background check is paid directly to the MSHP through the online application. Dealers no longer pay these fees to the Department of Revenue. This eliminated a lengthy reconciliation process to ensure that MSHP received their fees on the backend and resolved an audit issue for the MSHP.
- A new zip code for Truesdale was deployed to TRIPS to reflect 63380.
- The Online Notice of Lien system was updated to ensure the security access code is active in the DMVR system before allowing a Record Lookup to be performed.
- TRIPS was updated as follows:
  - o The "Special Handling" feature was enabled for the Harvester License Office allowing Title Service transactions to be done at the local license office in lieu of mailing them to the central office for processing.
  - o Changes were made to facilitate additional verification acknowledgements for proof of insurance and photos for the driveway permit process.
  - o The system started validating the lease/rental number entered against the IMVDL (Dealer) system to ensure it's active to qualify for a tax exemption. Invalid or inactive lease/rental numbers resulted in an error message and request for taxes to be assessed.
  - o Specialty plate changes were made 1) for the University of Missouri personalized plate name to reflect the current universities' name of Missouri University of Science and Technology; 2) to remove the "We Shall Not Forget" specialty plate from the design type for "non-profit" and put in the "military" design type; and 3) "VO" (Personalized Disabled US Veteran motorcycle) was added as an available plate type.

### Legislative

- SB 491 – changed the penalty for any person who knowingly and intentionally sends in a separate document releasing a lien of another without authority to do so from a class C to a class D felony. This legislation isn't effective until January 1, 2017.
- SB 504 – requires state agencies to post proposed rules, summaries, and fiscal notes on the website.
- SB 600 – modifies provisions for issuing the We Shall Not Forget specialty license plate and creates the Woman Veteran specialty license plate.
- HB 1081 – requires the Department to provide documents, forms, and records in electronic format to the public by January 1, 2021, and allows the Director to notify persons using electronic means to carry out the responsibilities of the Department relating to motor vehicles, driver license, and collection of tax. This bill has not yet been implemented.
- HB 1735 – modifies various provisions related to all-terrain, utility, and recreational off-highway vehicles and authorizes Sunday sales of motorcycles and powersport units.
- HB 2141 – establishes a rate at which compressed natural gas and liquid natural gas will be taxed and specifies who may continue to apply for an alternative fuel decal. This legislation isn't effective until January 1, 2016.

### Notable Accomplishments

- The MVB worked with ITSD to restructure the MV SharePoint home page. They met with staff to determine the most commonly used resources and then had buttons (links) created on the home page with the end result of making things easier to find for the staff.
- The MVB's dealer call group was placed into its own split and removed from the general office line's oversight. This then allowed for a more accurate reflection of both a caller's estimated wait time and number in queue. These items are now included in the recorded message that callers hear while waiting in queue on the MV phone lines.

The number of online registration renewals increased by 5,127 transactions from calendar year 2013 (157,180) to 2014 (162,307).

- The Motor Vehicle Bureau continues to move forward with cross-training the staff who answer delinquent fee telephone inquiries with those who process the correspondence. Due to some turn-over and unexpected

leave events, there is still progress to be made in this area.

- The disciplinary process for dealers was streamlined by eliminating unnecessary steps and making the process more electronic. Additionally, the Counsel to the Division Director was given additional system access to ensure he is provided with all tools and pertinent information available to make decisions.

## License Offices Bureau

### License Office Contracts

The License Offices Bureau (LOB) worked with the Office of Administration (OA) to further improve the Request for Proposal (RFP) that was used for license offices rebid on or after September 1, 2013, by incorporating enhancements to further clarify the Department's intent. The enhanced RFP was used in September 2014. This RFP further simplifies the format and clarifies requirements to ensure bidders understand and provide complete responses which helps to expedite the bid evaluation process. The RFP incorporates new requirements that further ensure license office contract compliance and accountability that will result in better service to Missourians.

### Contract Compliance

Completed 365 contract compliance checks that focused specifically on license office commitments in the proposals, as well as general contract compliance.

- Conducted 3,626 office visits in which 2,008 monthly office operational reviews were completed to verify offices were complying with all required office procedures and other contract requirements. A total of 2,112 cash counts were completed to ensure proper handling of state monies. As a result of concerns noted during monthly reviews, 46 notices were issued to license offices to obtain compliance.
- Assessed \$15,318 in liquidated damages to license offices for failure to comply with specific contract requirements (an increase of \$8,918 over last year).
- Completed 325 semi-annual license office inventory reconciliations to account for all state motor vehicle inventory (license plates, tabs, decals, etc.) and conducted 42 interim inventory reconciliations for offices that transitioned or that had excessive inventory charges to ensure they improved their inventory process.
- Continued to conduct reviews of transactions processed for license office employees to determine compliance of payment of sales tax, personal

property tax, and vision examination requirements.

- Ensured all new license office employees viewed the Department's confidentiality video within ten calendar days of their employment date and submitted an acknowledgement form for compliance verification.

### Tax Enforcement, Collection, and Fraud Prevention

- Continued to initiate programs to identify possible fraud and tax discrepancies. A total of 10,398 transactions were reviewed in 2014 for sales tax and title penalty fraud, resulting in 1,191 letters (includes first and second letters) issued in attempt to collect taxes and fraud penalties. Collections in 2014 were \$273,072. To date, the Transaction Review and Collections team has collected \$1,345,280. Applicants who fail to comply are subject to recall of their title and suspension of their registration.
- Continued to require license offices to use the established reporting system to alert other offices, the Division of Motor Vehicle and Driver Licensing, and the Compliance and Investigation Bureau regarding transactions rejected by their offices that contained confirmed or suspected fraud to ensure other offices would also know not to process these transactions. The License Office Request Form was revised to allow the Compliance and Investigation Bureau, License Offices Bureau, Motor Vehicle Bureau, and Driver License Bureau to submit alerts to offices. Alerts pertaining to sales tax fraud increased by 288% during 2014 compared to 2011 due to the fraud detection and prevention procedures and training that was implemented in December 2011.

During 2014, \$2,125 was identified in additional sales tax and title penalties due to fraud referred by the Delinquent Fees Section.

- The Delinquent Fees Section began notifying LOB last year when they find that a purchase price or purchase date may be incorrect at the time they collect a delinquent fee payment.
- Issued 61 requests for investigation to the Compliance and Investigation Bureau and continued to assist them in identifying applicants and application presenters who assist in committing or commit fraud.
- Compared TRIPS registration records processed in calendar year 2014 when the license office operator indicated they witnessed an emissions inspection against the emissions inspection file we requested from the Department of Natural Resources showing all passed and failed inspections. Approximately



22,418 violations were identified which was 3.4% of the transactions processed. License offices will be provided the number of violations and percentage of errors by clerk. Offices with a violation rate of two percent or more will be required to submit a detailed plan to ensure all staff complies with emissions procedures. The listing of all vehicle registrations incorrectly processed without an emissions inspection will be sent to the Compliance and Investigation Bureau and to the Department of Natural Resources for whatever action they deem appropriate.

### **Public Outreach**

- Met with county collectors and assessors in April and October to resolve issues of mutual concern and improve communication.
- Representatives from the North Carolina Department of Motor Vehicles visited the Division to discuss Missouri's license office contracts, the process for awarding license offices and compensation for contractors, customer service initiatives, and other best practices. They also toured all three bureaus within the Division, a few license offices, and an MSHP examination site.
- A field coordinator participated in a Q&A session regarding motor vehicle and driver licensing issues that the Missouri State Highway Patrol offered to Foreign Nationals in southwest Missouri.
- A field coordinator attended the Project Homeless Connect event in Kennett and helped to respond to questions from about 47 individuals.

### **Staffing**

- Initiated 787 background and tax checks for prospective employees in the license offices.
- Provided additional training on 755 occasions in various license offices to clarify specific procedures or correct performance deficiencies.
- Continued to allow field coordinators to periodically team up with a field coordinator from a different region to complete monthly reviews which enables them to learn from each other, develop efficiencies, and promotes uniformity in completing license office Monthly Reviews and Contract Compliance Checks.

### **Process Improvement**

- Obtained access for license offices to the Temporary Registration Permit application to inquire on temporary registration permits that have been issued to vehicle owners as a tool to help reduce permit fraud.
- Obtained access to Notice of Sale (NOS) documents for license offices through Oracle. This allows offices to respond to customer inquiries and print NOS

documents from Oracle and use them for verification of the purchase price in lieu of rejecting for a bill of sale.

- Developed a solution for identifying shipments in the shipment tracking system that did not have a postmark (e.g. some shipments sent by UPS) so the system will only report shipments that truly have a late postmark for which liquidated damages apply.
- Created the Qualifications for Proposed Contract Manager or Office Manager (Form 5485) to capture additional information to ensure proposed applicant's job experience met or exceeded the contractor's commitments and to comply with the new license office RFP. The new form, which is linked to the License Office Operation Change Form, reduced requests to contractors for additional information.
- Worked with Personnel Services Bureau to modify three informative videos for license offices regarding Cyber Security training that were originally developed by ITSD for state employees. The videos provided important information from online phishing attacks to stress the importance of the security of Department records. All license office employees were required to view the videos by February 28, 2014, and new employees must view within 30 days of their hire date. A log was developed to document when each employee complies.
- Required the license office manager to verify payment or retain the exemption of Federal Heavy Vehicle Use Tax (FHVUT) document in the office and attach to the respective registration receipt for vehicle records randomly selected by field coordinators from the FHVUT listing. This freed up a significant amount of time for the field coordinators who completed this function previously.
- Modified the License Office Employee List form to assist in verifying contractor compliance by adding license office experience options for employees as well as the number of hours per week management and supervisory staff will work in the office which has reduced requests for additional information.
- Added the License Offices Bureau, Compliance and Investigation Bureau, Motor Vehicle Bureau, and Driver License Bureau to the drop down list on the License Office Request Form to allow these four bureaus to issue a fraud alert as needed to all offices or to certain regions as needed.
- Created the Replacing or Removing Equipment Log (Form 5516) that license offices must complete anytime they replace a copy machine, fax machine, or computer that is owned or leased by the office contractor; or if they no longer use the equipment in



office operations to ensure all personal information is wiped/erased from the equipment.

- Created fillable Forms 5525, 5526, and 5527 for the purpose of tracking license office records transferred during office transition, stored at another location, or from a previously closed office. Formerly, these were word documents.
- Created the Complaint Resolution Log (Form 5513) to track customer complaints and assist license offices in complying with new contracts issued September 1, 2013, and after.
- Created the License Office Management Weekly Schedule (Form 5514) to assist license office management who are under contracts issued on or after September 1, 2013, with uniformly complying with the minimum number of working hours proposed each week by the contractor in the RFP Exhibit. This form also assists field coordinators in verifying contract compliance.
- Implemented a new license office closure application with the help of ITSD that interfaces with the License Office Request Form. When an office submits a request to close, the new application receives the request; allows LOB staff to review, approve, or deny the request (or ask for additional information); and automatically generates the appropriate e-mail to the office and the designated distribution list. If the office is approved to close, the new closure application also updates the License Office Location Map on the web. When the date of closure has passed, the date is automatically removed from the web. This new application and process promotes uniformity of communications and has reduced the amount of time spent receiving, reviewing, and distributing e-mails, as well as the time spent updating the web and creating tasks to remind License Offices Bureau staff to remove the date from the web once it has passed.
- Worked with OA's Division of Purchasing and Materials Management to modify the RFP for License Office Management Services to further clarify the state's intent. The new RFP was released to offices up for rebid in September.
- Developed a work plan/spreadsheet of all tasks that must be completed and who is to complete them when a license office either closes permanently or closes for an extended period of time. This tool ensures all tasks are completed in a timely manner by the designated staff member.
- Created an Excel spreadsheet in conjunction with PSB that is sent with Forms 5241 and 5242 once a

license office is awarded that itemizes all of the key tasks and their respective due dates (which are auto-populated based on the date of the notice or the contract effective date, as applicable). The spreadsheet contains a completion date column which serves as a status checklist for both the contractor and the bureau's transition coordinator to ensure all tasks are completed in a timely manner.

- Worked with ITSD to create the Purchasing Additional Equipment for TRIPS Transaction Processing (Form 5530) to inform license offices of both the process for obtaining approval to purchase additional TRIPS equipment and the specifications for the equipment. The form also outlines where printer cartridges and photoconductors may be purchased. This form reduces inquiries and confusion.
- Worked with the Department of Natural Resources to communicate to the license offices all the changes that were made to the Gateway Vehicle Inspection Program (GVIP) screens to assist offices in ascertaining whether a vehicle is exempted from emission inspection requirements, reduce vehicle identification number errors made by inspectors, and improve emissions compliance.
- Published several License Office News articles during calendar year 2014 to remind contractors about specific requirements of the contract and the importance of contract compliance to avoid specified liquidated damages.
- Updated the License Office Implementation Checklists for incumbents and new contractors (Forms 5241 and 5242) to incorporate new RFP requirements to ensure timely compliance. Numerous other forms were also updated to implement new provisions of the RFP, including Optional Holidays and Days of Closure (Form 6000) and License Office Security Certification (Form 6001).
- Revised the Authorization and Release for License Office Management, New Personnel, and Officers (Form 5306) to incorporate the provisions of Forms 5427 and 5439 (which are now obsolete). The form authorizes the Department of Revenue to conduct compliance checks regarding vehicle titling and registration records and payment of taxes and to initiate a request through the Missouri State Highway Patrol for a criminal background check to ensure license office management, new personnel, and officers are compliant with the laws in this regard.

### Organ Donor Registration

As of December 27, 2014, 99.4% of all Missouri organ donor registration enrollments were completed through local license offices. Only .6% were registered through paper or online enrollment.

- The Organ Donation Team's recommendation to change the organ donor registry and symbol question asked at the time of license application was implemented in May.
- The number of Organ Donor Registry enrollments made during a driver license, nondriver license, or permit transaction in fiscal year 2014 decreased by 6.6 percent compared to fiscal year 2013.
- Compared to fiscal year 2013, the Motor Vehicle organ donor fund collections decreased by 24% and Driver License collections decreased by 11.5% in fiscal year 2014.



# LEGAL SERVICES DIVISION



Wood Miller

The **Legal Services Division** strives to preserve and inspire taxpayer confidence by providing timely, expert legal analysis to the Department, the administration, and the taxpayers, and by enforcing and encouraging voluntary compliance with revenue laws and regulations through litigation, investigation, and cooperation with law enforcement, while providing an environment where interaction and innovation are fostered.

The **General Counsel's Office** is responsible for providing legal counsel and representation to the Director and divisions.

The **Compliance and Investigation Bureau** develops information, investigates, and works with law enforcement agencies to assist in the discovery and prosecution of individuals and businesses suspected of violating the laws administered by the Department.

The **Criminal Tax Investigation Bureau (CTIB)** conducts complex financial investigations into alleged criminal conduct and proactively foster relationships with local, state, and federal law enforcement agencies that lead to cooperative endeavors and information sharing.

## *Legal Services Division CY2014 Statistics*

Admin Alcohol Hearings .....	7,262	Local Prosecutor Refusal Cases Lost.....	2,162
BAC Cases Won .....	600	Total Income Tax Cases Opened.....	163
BAC Cases Lost .....	256	Total Sales Tax Cases Opened .....	1,304
Limited Driving Privilege Cases Won .....	1,224	Total Bankruptcy Cases Opened .....	4,007
Limited Driving Privilege Cases Lost .....	3	Bankruptcy Collections.....	\$4,966,001
Department Refusal Cases Won.....	301	Open Criminal Investigation Cases Tax .....	129
Department Refusal Cases Lost.....	33	Open Criminal Investigation Cases Dealers.....	484
Local Prosecutor Refusal Cases Won.....	1,829	Open Criminal Investigation Cases MVDL .....	527

## LEGAL SERVICES DIVISION HIGHLIGHTS

### Bankruptcy Unit

The bankruptcy unit processed more than 50,000 bankruptcy notices and provided representation in more than 10,000 legal proceedings. The staff continued to maintain a high degree of accuracy in the processing of approximately 5,000 claims. The unit is at full staff.

### Income Tax Unit

The income tax unit represents the Department in disputes involving individual income tax, withholding, corporate income tax, corporation franchise tax, and financial institution franchise taxes. It represents the Department in the de novo appeals to the Administrative Hearing Commission. It also represents the Department in investigations during the protest procedures in corporate income tax disputes.

### Sales and Use Tax Unit

The sales and use tax unit represents the Department in disputes involving sales and use taxes, motor fuel taxes, and tobacco taxes. It represents the Department in the de novo appeals to the Administrative Hearing commission.

### Transportation Unit

The transportation unit represents the Department in all 114 counties in cases dealing with driver licensing issues, including commercial driving, and license suspensions, revocations, denials or disqualifications. The unit also conducts administrative alcohol hearings, including trial de novo appeals, five and ten-year denials, and limited driving privilege reinstatements. An additional process includes the review of court-order limited driving privileges for compliance with ignition interlock device and financial responsibility requirements.

### Criminal Tax Investigation Bureau

- The bureau investigates potential criminal violations of Missouri's tax laws. It investigates the crimes of failure to file a return, failure to pay tax, and filing a fraudulent return. These crimes are applicable to cases involving state sales tax, income tax, and withholding.

- Protecting the integrity of Missouri's self reporting tax system is the ultimate goal. When businesses and individuals intentionally decide not to comply with the law, they risk the possibility of criminal investigation that can result in prosecution and even prison time. Knowing the possible consequences provides the necessary deterrent effect to increase voluntary compliance.
- Special Agents assigned to the bureau are extensively trained to conduct complex financial crime investigations. Most of the Special Agents in the bureau are Certified Fraud Examiners. Schemes to defraud the State of Missouri are becoming increasingly sophisticated as technology advances. Combating these schemes requires the Special Agents to have the analytical ability to process an enormous amount of digital and paper evidence that is unique to financial investigations.
- In 2014, Justin Glick, Computer Forensic Investigator, was awarded with the Missouri State Highway Patrol, Division of Drug and Crime Control, Task Force Officer of the Year Award. This award was received for Special Agent Glick's contributions to the Patrol's Digital Forensic Unit. Additionally, the Digital Forensic Unit along with Special Agent Glick received the 2014 Governor's Award for Quality and Productivity.

### Compliance and Investigation Bureau

The bureau investigates motor vehicle violations including motor vehicle sales tax fraud, motor vehicle titling and registration fraud, license plate fraud (including tabs and temporary tags), and odometer fraud; it is also responsible for ensuring compliance and investigating administrative and criminal violation allegations in regards to motor vehicle dealers, salvage dealers, and marine dealers.

The bureau completed motor vehicle/dealer cases; investigated driver license fraud cases including submission of a false statement to the Department, forgery, and identity theft. CIB completed driver license cases. The bureau ensures compliance with Missouri tobacco tax laws through investigations and compliance checks of businesses selling tobacco products. The bureau investigates allegations of misuse of off-road diesel.



The bureau is responsible for conducting internal investigations regarding DOR employees and motor vehicle fee office investigations. It also spends numerous hours each month in fee offices engaged in fraud prevention activities. The CIB is responsible for motor vehicle fee office audits, Internal Revenue Service safeguard review, and auditing of tax credit programs administered by the Department of Economic Development.

The bureau serves as a liaison to local, state, and federal law enforcement agencies to assist with Department related investigations. The bureau provides Peace Officer Standards and Training approved training to other agencies.



# ADMINISTRATION DIVISION



Lynn Bexten

The **Administration Division** provides professional, innovative, and efficient personnel, financial, and general services support that allows the Department's divisions to carry out their core responsibilities, including safeguard of assets, disseminate information, and apply efficient personnel practices.

The **Financial and General Services Bureau** (FGSB) provides fiscal services to the Department and other governmental agencies in the area of finance, accounting, depositing and cashing of state and non-state revenues, and investing and collateralizing non-state revenue collections. This bureau also provides support in the areas of procurement, child support contract oversight, mail processing, archiving, stores, vehicle pool maintenance, delivery services, and facility leasing.

The **Personnel Services Bureau (PSB)** is in charge of personnel issues, training, compliance with state and federal employment laws, and the Department's affirmative action and diversity programs. The Communications and Training section within this bureau works with all of the Department's divisions to update the Department's Internet and Intranet websites, train Department personnel to be more efficient, and update Department forms to be more customer-friendly and effective.

## Administration Division CY2014 Statistics

Workforce Analysis		Function	Volume
Total Number of Employees .....	1,066	Answered Motor Vehicle and Driver License E-Mail Inquiries .....	56,177
Females (76%) .....	811	Legislative Inquiries.....	459
Males (24%).....	255	Modified Motor Vehicle, Driver License, and Taxation Forms.....	2,049
Employees by Ethnicity		New Forms Created .....	71
White (92%) .....	981	Print Orders Processed .....	320
Black/African American (4%) .....	44	Forms Reviewed and Posted for Software Vendors.....	651
Other (4%) .....	41	Forms Posted to Intranet/Internet .....	1,005
Employees by Age		Training Classes Conducted.....	267
18-24 (6%) .....	68	Participants attending all 2014 Training Classes .....	1,318
25-29 (14%).....	152	Procedures updated or created for Motor Vehicle, Driver License, and Taxation .....	413
30-39 (22%).....	234	Procedures Posted to the Intranet.....	98
40-49 (24%).....	252		
50-59 (24%).....	258		
60 or more (10%) ...	102		
Employees by Length of Service			
Less than 1 (14%) ...	144		
1-4 (26%).....	272		
5-9 (15%).....	160		
10-14 (12%).....	130		
15-19 (12%).....	133		
20-29 (15%).....	165		
30-44 (6%) .....	62		
Employees Eligible for Retirement as of January 1, 2015 (14%).....	151		

# ADMINISTRATION DIVISION HIGHLIGHTS

## Records Management

The FGSB began prepping and scanning business tax paper files in FY2014. Bureaus will no longer have to route paper documents off-site for storage or wait for file pull requests. The documents will be readily available through Oracle. Elimination of the paper files will ultimately result in Administration FTE savings and a reduction in leased space. The scanning project will continue through 2015 and into 2016. To date, approximately 1800 boxes of records have been imaged and another 100 boxes have been prepped.

## Taxpayer Guide

In order to educate the public on tax issues, the Department of Revenue created a Taxpayer Guide that provides basic information about taxes in Missouri. In 2014, the Department sent 315 guides to 11 schools. This guide also received 23,435 hits on the Intranet.

## Re-Write of the Bad Check System

The FGSB worked with ITSD to re-write the MV/DL Bad Check System. The new system is more user friendly, created efficiencies in posting payments, generating suspensions/reinstatements, and maintaining payment plans. The update also improved reporting.

## Tax Increment Financing Automation

The Administration Division worked with ITSD to create an online TIF reporting application. This application eliminated manual key entry. This task is now managed by Taxation.

## FY2016 Budget

Prepared and submitted the Department's budget for FY2016 and the FY2015 supplemental budget request by the statutory deadline. The budget book includes Department information, core and new decision item requests including refunds and distribution appropriation requests, tax credit summaries, fund information, and project costs.

## E-Payment Contract

The FGSB assisted a team of Office of Administration and other state agency staff members to award an E-Payment contract. The contract was awarded to Collector Solutions, Inc. in September 2014. The new contract lowers the surcharge fee to the customer.

## Application System Enhancement

The employment application system was modified to allow for masking of applicant names to ensure an unbiased selection process. We began with a pilot in August. In November 2014 we began masking names

for all entry-level positions that are posted.

## Financial and General Services Bureau

- The Financial Services staff compiled the Internal Control Plan and submitted it to OA, Division of Accounting.
- The Financial Services staff compiled and published the FY2013 Financial and Statistical Report.
- The Financial Services staff completed 7 local political subdivision audits to ensure political subdivisions receive their proper share of local taxes. The audits resulted in the Department assessing taxpayers \$34,729.80 and issuing \$1,273.58 in refunds because of the incorrect local tax charged to the taxpayer.
- The Financial Services staff assisted the OA and State Treasurer's Office with the award of the electronic payment contract to Collector Solutions, Inc.
- The Financial Services staff began work with Collector Solutions, Inc., contract license offices and the License Office Bureau to implement credit/debit card acceptance at the driver license stations. FGSB updated user security updates and coordinated equipment orders.
- The General Services area coordinated the return of equipment and documents to the Truman Building after closing the Tax Assistance Centers in Kansas City, St. Louis, St. Joseph, Springfield, Joplin, and Cape Girardeau.
- The Distribution Center worked with OA-ITSD to have all inventory order control worksheets sent to MOBIUS (electronic storage). This eliminated the reports being printed on a dot matrix printer and also eliminated wait time for the Distribution Center to receive these reports. This enabled the Distribution Center to review the order controls timely and complete the inventory in a more efficient and timely manner.

## Personnel Services Bureau

- Rolled out the annual confidentiality training to all employees.

- Personnel worked with ITSD to roll out a mandatory cyber security training program to ensure 100 percent compliance of employees.
- Redesigned Personnel's vacancy database and created an electronic method of generating the monthly vacancy report. This was a manual process prior to these updates and will save staff time each month.
- Created accommodation request and healthcare questionnaire forms and follow-up letters to expand our process for employees needing accommodations to become more proactive, instead of reactive.
- Created a performance incident form to assist supervisors with documenting performance issues, relaying information to employees, and obtaining employee feedback.

Personnel set up a new text and e-mail notification system through GovDelivery. See the Department highlights for more information.

- Completed the Workforce Diversity Plan for Minorities and Women using the new software and guidelines established by the Office of Equal Opportunity.
- Worked with the Department of Social Services to allow some Revenue temporary employees to work for DSS for a limited duration.
- During 2014, approximately 1,729 Employee Status Maintenance (ESMT) transactions were completed in the SAM II HR payroll system to perform personnel actions such as, appointments, salary changes, transfers, separations, promotions, reclassifications, and leaves of absence. Approximately 971 time and leave corrections or payoffs were processed. In addition, approximately 4,228 miscellaneous transactions were completed to make changes to employee addresses, taxes, emergency contacts, personal attributes, names, benefits, service dates, and work assignment attributes. Lastly, approximately 801 position change and reporting to assignment transactions were requested of the Office of Administration or completed by the Personnel Services Bureau.

## Communications and Training

- The Training group reduced the amount of printing by only printing out manuals for students attending class. They also stopped printing large manuals such as TRIPS or Mainframe and employees are referred to the Intranet to view the information on the computer.
- The Training group continues to develop webinars for all in-seat classes to improve outreach for distant Department employees.

- The Communications group developed an Out-of-State Title Numbers resource document for Motor Vehicle Bureau to help identify the correct number to key into TRIPS titling.
- The Forms group finalized the implementation of forms standards by placing an additional 338 forms in the new standards. In reviewing these forms, 39 were able to be made obsolete. This resulted in a cost savings of \$78.53 since only two of these forms were being printed. The overall savings was in efficiencies as these forms no longer need to be maintained.
- The Forms group implemented a 10x6 grid on Taxation's MoRev Forms in an effort to increase data capture read rates on software vendor substitute forms. We expect this to make our form review process more efficient.
- The Forms group made several adjustments to the voucher booklet contract to improve the process so all dates are met and invoices are received without needing to manually calculate them for accuracy.
- The Forms group completely adjusted the artwork for the annual withholding return produced by the vendor. Last year there were issues with this artwork that could not be resolved with the vendor and resulted in the returns needing to be manually keyed rather than ran down the remittance processor machine. The new artwork tested without issue.
- The Communications and Training group received software updates that eliminated many inconsistencies the group was experiencing by not having the same versions of software.
- The Communications and Training Section facilitated a process improvement project for the Motor Vehicle Bureau to identify issues related to returned titles and identify improvements requiring minimal or no cost to the Department. The increase of returned titles inadvertently created a larger time commitment to process the returned titles, including an increase in phone calls from customers inquiring about the status of their title. This also resulted in the Department incurring additional postage expense for re-mailing titles that were returned for inaccurate addresses. The process improvement proposal included quality control initiatives such as posting reminders to processing clerks to verify accuracy of mailing addresses at data entry point through License Office News and Rev-E-News publications. In addition, the Mail Service Center will begin to utilize an address correction service through the United States Postal Service (USPS). The Motor Vehicle Bureau continues to evaluate all recommendations made through this process improvement review.





# INFORMATION TECHNOLOGY SERVICES DIVISION



Phil Reed

The **Office of Administration's Information Technology Services Division (OA-ITSD)** uses technology to enable the Department to become more efficient and effective by providing solutions and services to empower our customers to achieve their business goals through innovative technology in a responsive, transparent, and cost-effective manner.

**OA-ITSD** manages all computer systems within the Department. OA-ITSD performs technical analysis design and development, and implements the Department's data processing systems. OA-ITSD provides system support, production control, technical training, and database administration. OA-ITSD also supports the infrastructure for the 178 license offices throughout the state and works with Department personnel to ensure website information is current.

## **DOR Systems:**

ITSD-DOR maintains approximately 150 applications in its application portfolio. Below are descriptions of DOR's most critical systems:

### **Corporate Income Tax Systems (COINS, BAMS, CAFE & Corporate MeFile)**

The Corporate Income Tax System (COINS) processes all corporate income and franchise tax returns for DOR. This system accepts data received electronically from various sources, performs audit checks, and alerts DOR staff of errors encountered.

### **Delinquent Revenue Collection System (CACS)**

The Computer Assisted Collections System (CACS) centralizes delinquent revenue collection functions for all major taxes, including sales, use, corporate, individual, and withholding taxes.

### **Driver Licensing Systems (MODL, MEDL & associated AAMVA systems)**

The Missouri Driver License System (MODL) is the central driver license record keeping system that contains license issuance, withdrawal, convictions, suspensions, revocations, disqualifications, reinstatements, and driver status information. The system maintains over 6,100,000 driver and nondriver license records.

### **Individual Income Tax Systems (MINITS, SpeedUp, Field 1040, & Individual MeFile)**

The Missouri Individual Income Tax System (MINITS) processes all individual income tax and property tax credit returns. There were more than 3,100,000 returns processed through this system during the past year.

### **Motor Vehicle Systems (GRS, Marine, Titles & TRIPS)**

The major motor vehicle systems include GRS, Marine, Titles, and TRIPS. The General Registration System (GRS) maintains the current ownership and titling of vehicles and provides current and historical information on the registration of motor vehicles. The Marine system maintains the titling and registration of marine and watercraft vehicles and titles boats and motors by generating and distributing legal certificates of ownership. There are more than 11,000,000 records in GRS.

### **Sales and Use Tax System (MITS, MOST & BusEfile)**

MITS is the registration system for corporations, employers, and businesses required to file sales or use tax. In 2014 this system processed more than 600,000 returns.

### **Tax Compliance System**

The Tax Compliance System (TCS) includes an Enterprise Data Warehouse (EDW), Case Audit Management System (CAMS), and WebFocus reporting. The system is used by auditors to manage cases. It is also used extensively for non-compliance identification and resolution and has generated \$412.8 million in additional revenue since its inception in 2005.

### **Withholding Tax System (WITHTX)**

The Withholding Tax System (WITHTX) processes all Missouri withholding tax returns. This system also interacts with the state accounting system to issue refunds on tax over-payments. This system processed more than 1,000,000 returns in the past year.

## INFORMATION TECHNOLOGY SERVICES DIVISION HIGHLIGHTS

### Electronic Court Notification Enhancement

Thirty one new counties will be added to the electronic court notification project that allows DOR to send administrative judgments and garnishments to the courts electronically.

As of October, 2014, there are 56 counties participating in this program. To date, there have been 120,163 judgment documents (77,063 in calendar year 2014) and 25,620 garnishment documents (19,566 in calendar year 2014) sent electronically. The automated court filing process has realized cost savings of over \$10,000 to date, primarily in printing and postage savings. The automated process also shortens the time it takes to get administrative judgments filed to one day. The previous manual process took from four days to several weeks for document filing.

### Tax Increment Financing (TIF) Annual Reporting Application

Executive Order 13-02 transferred the responsibility of collection and disbursement of municipality TIF data from DED to DOR. This application automated a manual process for municipalities to provide an annual tax credit report. The previous process required the municipalities to complete and submit a paper report. The report was then keyed into an MS Access database then reports were generated for publishing. This new public-facing application allows municipalities with TIF-supported development projects to submit required annual reporting information online. The application automatically compiles reports and makes them available for the public. Reporting functionality will also allow DOR to generate an annual report for distribution to state legislators, as required by statute. Access to reports is improved from three to five days to one to two hours. DOR anticipates a savings of 500 FTE hours per year due to the elimination of manual key entry and report creation.

### Integrated Revenue System

This multi-year project for DOR to acquire and configure a commercial-off-the-shelf (COTS) system and related software tools provided by Revenue Solutions Inc. (RSI) began in 2012.

DOR currently uses a combination of software

systems, both mainframe and server based. The most critical of these systems were built on 30-year old technology that is increasingly difficult and expensive to use and maintain. In addition, since the various tax systems were built independently, communication between systems is limited and numerous interfaces between systems are required to allow the systems to communicate at all. The pool of personnel resources with the skills to maintain these old technologies continues to get smaller. The difficulty of timely modification of legacy systems to incorporate legislative changes and technology advancements will increase over time. The aging systems also limit DOR's ability to leverage current technology to realize processing savings or efficiency.

An up-to-date, integrated revenue system will provide a myriad of benefits for the state of Missouri. Some of the general benefits of a new system include:

- Reduced operating and maintenance costs, especially in the area of return processing;
- Tools that enhance collections management, audit selection and non-filer discovery;
- Increased voluntary compliance;
- Faster access to taxpayer data, both by DOR users and taxpayers;
- More frequent data warehouse refreshes, resulting in more accurate analysis;
- Improved productivity through workflow management;
- Elimination of business silos, allowing DOR to view all taxpayer activity across tax types;
- Better modeling and faster implementation of tax law changes;
- More reliable data, with better analytical capabilities; and
- Improved customer service.

Release 1 was implemented in production at the end of **February 2014**. In the first release, an encompassing framework was established that handles the majority of the functionality for all tax types. This includes processing of returns and accounting for payments both on the taxpayer's account and in deposits to various bank accounts, registration and organization of accounts and their inter-relationships, correspondence and noticing,

imaging and automated capture of data, reporting, security, and interfacing with external systems like SAMII. In order to focus on the framework, the small but representative tax type of Tire and Battery Fee was implemented.

This allows the project team to work through all aspects of the system without risks of high volume or large financial transactions. The project has generated enough benefits to enable DOR to pay for the entire system, more than \$125.5 million through September.

#### **Reports to MOBIUS**

OA-ITSD worked with the Administration Division, Distribution Center to place all motor vehicle inventory reports on MOBIUS. This eliminated printed reports and wait time.

#### **Re-Write of Motor Vehicle and Driver License Bad Check System**

OA-ITSD worked with the Administration Division, Financial Services Bureau to re-write the MV/DL bad check system. The new system is more user friendly and created efficiencies in posting payments, generating suspensions/reinstatements, and maintaining payment plans.

#### **Application System**

The employment application system was modified to allow for masking of applicant names to ensure an unbiased selection process.

#### **Cyber Security Training**

ITSD blocks millions of attacks every year via web filtering, e-mail filtering, anti-virus software, intrusion prevention, and advanced threat detection. While these methods provide layers of protection against attackers, they do not protect us from clever phishing attacks and vulnerabilities caused by not following good cyber security practices. Cyber security awareness is a must and all DOR employees play an important role in defending against cyber-attacks and preventing the loss of the sensitive citizen information we maintain.

To help employees understand good cyber security practices and increase employee awareness, ITSD deployed **mandatory training** for all DOR employees in August 2014.

#### **Technology Assessment**

ITSD began working with the DOR on technology assessment to determine if areas can minimize the number of printers, copiers, fax machines, and other devices by optimizing the use of network copiers,

multi-functional printers, and electronic fax options. By reducing equipment the DOR could also reduce supplies and connection fees related to that equipment.

#### **Security – 2-Factor Authentications**

Two-factor authentication for all VDI users was implemented in 2014. Each user was provided a token that periodically changes secondary numerical password sequence. The user must look at their token and key the sequence in addition to their regular password when accessing their computer outside the state network.



# 2014 YEAR IN REVIEW

## JANUARY

**January 6** - The Alton, Houston, Independence, Kahoka, Paris, Princeton, St. Joseph, Sarcoux, Viburnum, and Wentzville License Office RFP's were issued.

**January 6** - Jeriane Jaegers and Kelly Horstman delivered a tax credit presentation for the Association of Government Accountants at the Governor's Office Building.

**January 7** - The Downtown St. Louis License Office contract was awarded to the City of St. Louis Collector of Revenue.

**January 8** - The New Madrid License Office contract was awarded to ABC of Southeast Missouri, LLC in Sikeston.

**January 8** - The Malden License Office contract was awarded to Carla J. McDonald of Malden.

**January 9** - Governor's Prayer Breakfast.

**January 10** - Edition 1, Volume 6 of the Tax Bulletin for Businesses and Tax Professionals was published. This edition included information about tax credits, online return or refund inquiry system, the form 1099-G online inquiry system and the IRS 2014 tax season.

**January 10** - Driver License Bureau attended MoDOT's 2014 Traffic and Highway Safety Grant Application Meeting in Jefferson City.

**January 13** - The Central West End, Heritage, Ironton, Lexington, Louisiana, Mount Vernon, Osceola, Perryville, Platte City, and Troy License Office RFP's were issued.

**January 15** - Letters mailed to county collectors explaining the benefits for reporting personal property tax information to the Department online.

**January 16** - The Chillicothe License Office contract was awarded to Kathryn Harlow of Chillicothe.

**January 16** - The Dexter License Office contract was awarded to ABC of Southeast Missouri, LLC in Sikeston.

**January 16** - The Maysville License Office contract was awarded to Roberta Sue Steiner of Maysville.

**January 16** - The Mexico License Office contract was awarded to Koester and Koester, LLC of Bowling Green.

**January 16** - The Sedalia License Office contract was awarded to Connie S. McLaughlin of Sedalia.

**January 16, 21, 23, 28, and 30** - MVB offered legislators, executive branch officials, and their staff the opportunity to renew their motor vehicle registrations or apply for their legislator license plates at the Capitol. Sixty-nine renewals were processed while this service was being provided, as well as three title transactions and five miscellaneous motor vehicle transactions. Forty-four customers just had general questions.

**January 17** - The Excelsior Springs License Office contract was awarded to Excelsior Springs Area Chamber of Commerce.

**January 17** - The Kirksville License Office contract was awarded to Judy Albin of Kirksville.

**January 17** - Cyber Security Training required for all license offices to complete.

**January 20** - TRIPS was updated with several changes, including not allowing a suspended registration to be transferred after completion of a title transaction.

**January 21** - The Bridgeton, Butler, Charleston, Clayton, Hermann, High Ridge, Mound City, Oakville, Plattsburg, and Unionville License Offices RFP's were issued.

**January 21** - Governor's State of the State Address.

**January 23** - Resiliency Center Ground Breaking Ceremony was held at the National Guard in Jefferson City.

**January 23** - The Bolivar License Office contract was awarded to T&J Stark Enterprises, LLC of Bolivar.

**January 23** - The Buffalo License Office contract was awarded to Toni M. Morris of Lebanon.

**January 23** - The Edina License Office contract was awarded to Barbara J. Hunziker of Edina.

**January 23** - The Grandview License Office contract was awarded to the City of Grandview.

**January 23** - The Moberly License Office contract was awarded to Doug and Cheri LLC of Moberly.

**January 23** - The Sikeston License Office contract was awarded to Terry Ramsey Cole, Inc. of Sikeston.

**January 23** - The St. Charles License Office contract was awarded to License Management, LLC of St. Charles.

**January 23** - The West Plains License Office contract was awarded to Missouri License Office of West Plains, LLC.



**January 24** - The Missouri Department of Revenue provided tax filing tips for taxpayers as they prepare for the tax return filing season.

**January 24** - License office personnel requested to sign annual confidentiality policy statements.

**January 26** - Change made to MVB's TRPA System to add password reset functionality.

**January 27** - The Carthage, Farmington, Fayette, Fredericktown, Grant City, Keytesville, Lamar, Nixa, Overland, and South County License Office RFP's were issued.

**January 29** - Bomgar software was installed on telephone operators' workstations in MVDL Division.

**January 30** - MVB staff visited Carfax in Columbia for a Data Center Tour.

**January 30** - The Caruthersville License Office contract was awarded to Rebecca L. Cole of Caruthersville.

**January 30** - The Pacific License Office contract was awarded to the Pacific Area Chamber of Commerce.

**January 30** - The Richmond License Office contract was awarded to the Lexington Area Chamber of Commerce.

**January 30** - The Salem License Office contract was awarded to Salem License Office, LLC.

**January 30** - The Twin City License Office contract was awarded to the Twin City Area Chamber of Commerce.

**January 30** - The Versailles License Office contract was awarded to Karen A. McCutcheon of Versailles.

**January 31** - Updated Fraud Detection and Remediation (FDR) training made available to license offices.

**January 31** - Taxation received the first e-filed partnership returns.

## — FEBRUARY —

**February 3** - The Ava, Ellington, Elsberry, Gainesville, Glenstone, Ozark, and Rolla License Office RFP's were issued.

**February 3** - Two new CTG letters were implemented to help with efficiency in the MVB phone area.

**February 3** - Thayer license office's last day of business.

**February 4** - National Wear Red Day - Heart Disease Awareness.

**February 5** - Representatives from OA-Accounting visited the MVB to receive a demo of the new fiche equipment.

**February 7** - County collector and assessor letters were mailed out providing the credentials and instructions for accessing annual CDs.

**February 9** - TRIPS was updated with several changes, including adding emblem use validations based upon plate type.

**February 10** - Acting Director John Mollenkamp spoke at Missouri Chamber of Commerce and Industry's Jefferson City Breakfast Club.

**February 10** - Fleet registration renewals were mailed.

**February 10** - Annual county collector and assessor CDs were mailed.

**February 11** - Concordia FBLA class visits the Department for an overview of Department functions and how to apply for vacancies with the Department.

**February 11 and 12** - Two representatives from DLB attended the 2014 National CDL Coordinators/IT Manager's Meeting in Houston, Texas.

**February 13** - MVB mailed letters to the 68 counties participating with the online personal property tax system to encourage them to put a link to [www.plates.mo.gov](http://www.plates.mo.gov) on their website.

**February 13** - The Eminence License Office contract was awarded to Turner Insurance and Financial Services, LLC in Eminence.

**February 13** - The Forsyth License Office contract was awarded to Patricia L. Dreyer of Forsyth.

**February 13** - The Kingston License Office contract was awarded to Melissa S. Prater of Kingston.

**February 13** - The Licking License Office contract was awarded to Alicia Swindell of Licking.

**February 13** - The Mountain Grove License Office contract was awarded to Britney Michel of Mountain Grove.

**February 13** - The Stockton License Office contract was awarded to Linda Sue (Susie) Bolen.

**February 13** - The Trenton License Office contract was awarded to the Trenton Area Chamber of Commerce.

**February 17** - The state of Illinois is now a participating NMVTIS state.

**February 17** - TRIPS now allows adding a new fleet vehicle registration on an existing fleet.

**February 20** - The Bonne Terre License Office contract was awarded to the Bonne Terre Chamber of Commerce.

**February 20** - The Steelville License Office contract was awarded to Cynthia R Crawford of Steelville.

**February 20** - The Washington License Office contract was awarded to the Washington Area Chamber of Commerce.

**February 24-27** - Taxation staff attended the FTA Compliance and Education Workshop in New Orleans, Louisiana.

**February 25** - The Vandalia License Office contract was awarded to the Housing Authority of the City of Vandalia.

**February 27** - Implementation of Release 1 of the Integrated Revenue System

**February 27** - The Kennett License Office contract was awarded to License Office of Kennett, Inc.

**February 27** - The Rock Port License Office contract was awarded to Midwest Data Center, Inc.

**February 27** - The Stanberry License Office contract was awarded to the City of Stanberry.

**February 27** - The Vienna License Office contract was awarded to Maries County.

**February 28** - Tire and Battery Fee Implementation. Phase 1 of the Integrated Revenue Project.

**February 28** - Acting Director John Mollenkamp attended the Hawthorn Foundation Board of Directors Meeting and Luncheon Program.

### MARCH

**March 1** - Six MVB staff transferred to DLB with the deconsolidation of the Record Center.

**March 4** - The Crane License Office contract was awarded to McMenamy Ventures, LLC.

**March 6** - The Houston License Office contract was awarded to Cynthia L. Blades of West Plains.

**March 6** - The Boonville License Office contract was awarded to Boonville License Office LLC.

**March 6** - The Cameron License Office contract was awarded to Cameron License Office.

**March 6** - The Hartville License Office contract was awarded to Freda Barr.

**March 6** - The Cassville License Office contract was awarded to Rebecca R. Brown of Cassville.

**March 6** - The Kahoka License Office contract was awarded to L. Sue Scott of Kahoka.

**March 6** - The Macon License Office contract was awarded to James L. Willis of Bevier.

**March 6** - The Monett License Office contract was awarded to the Monett Chamber of Commerce.

**March 6** - The Shelbyville License Office contract was awarded to Tims Home Center, LLC.

**March 6** - The Pineville License Office contract was awarded to William H. Brower of Anderson.

**March 7** - Two representatives from DLB attended the Subcommittee on Elder Mobility and Safety (SEMS) conference in Columbia.

**March 7** - A representative from DLB attended and presented at the Missouri Bar CLE in Kansas City.

**March 9** - TRIPS was updated with several changes, including an edit to prevent a lien being placed on a junk certificate.

**March 10** - A representative from DLB participated in Third Party Tester training at the Missouri State Highway Patrol.

**March 10** - The Arnold, Cape Girardeau, Greenfield, California, Jefferson City, Linn, Joplin, Neosho, Nevada, and O'Fallon License Office RFP's were issued.

**March 10** - March to Fitness Walk. 721 employees signed up to participate.

**March 12** - Representatives from the Department attended the 2014 Spring Workshop and Law Institute Meeting in St. Louis.

**March 13** - The Cuba License Office contract was awarded to JKM Management Group, LLC.

**March 13** - The Sarcoxie License Office contract was awarded to the City of Sarcoxie.

**March 17** - Strive for Wellness Health Center opened in the Truman Building

**March 17** - Taxation received the first e-filed fiduciary returns.

**March 18** - Representatives from MVDL and MSHP held their quarterly meeting.

**March 18** - Korean Local Government Officials Visit. Division Directors and the Acting Director gave an overview of Department functions.

**March 20** - Wentzville Municipal Court began reporting convictions electronically to DLB.

**March 24** - The Ava, Fayette, and St. Joseph License Office RFP's were issued.

**March 24-28** - A representative from DLB participated at the National Center for State Courts Meeting in Williamsburg, Virginia.

**March 27-28** - A representative from DLB attended the Pew Charitable Trusts Voter Registration and Motor Vehicle Agencies Meeting in San Francisco, California.

**March 31** - The Oregon County License Office RFP was issued.

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**APRIL**

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**April 1** - Edition 1, Volume 7 of the Tax Bulletin for Businesses and Tax Professionals was published. This edition included information about the Show-Me Green Sales Tax Holiday, release 1 of the Missouri's integrated Revenue system, Missouri Sales and Use Tax exemptions and exclusions online system, and withholding tax debts added to the Treasury Offset Program.

**April 3** - The Excise Tax Section began utilizing the expanded motor fuel tax system to provide consumer motor fuel refunds by ACH.

**April 3** - The Montgomery City License Office contract was awarded to the Montgomery County Farm Bureau.

**April 3** - The Viburnum License Office contract was awarded to the Mayfield Group, LLC in Viburnum.

**April 4** - Cabool License Office's last day of business.

**April 7-10** - Gerald Robinett, Excise Tax Supervisor, attended the FTA Central Region Tobacco conference in Cincinnati, Ohio and was elected Regional Governor for the Central Region Tobacco Section.

**April 7** - The Ironton and Poplar Bluff License Office RFP's were issued.

**April 8** - The Missouri Department of Revenue offered tips for tax return filers before the April 15 deadline.

**April 8** - The Monticello License Office contract was awarded to Brenda Sue Redmon of Canton.

**April 8** - The St Clair License Office contract was awarded to the St. Clair Area Chamber of Commerce.

**April 10** - The Imperial License Office contract was awarded to License Office Services, LLC in Jefferson City.

**April 10** - The Maryville License Office contract was awarded to the Maryville Chamber of Commerce.

**April 10** - The Mount Vernon License Office contract was awarded to the Mt. Vernon Area Community Foundation.

**April 10** - The Paris License Office contract was awarded to Toni Barton of Paris.

**April 13** - Changes were made to MVB's TRPA system.

**April 13** - Several enhancements were deployed to TRIPS.

**April 14** - Salvage Business License renewal notices were mailed.

**April 14** - The Green Sales Tax Holiday (April 19-25) was announced.

**April 14** - The Springfield License Office RFP was issued.

**April 14** - The Carthage License Office contract was awarded to License Office Services, LLC in Jefferson City.

**April 14** - The Ozark License Office contract was awarded to the Breast Cancer Foundation of the Ozarks.

**April 15** - State and Federal Income Tax Deadline

**April 17** - The Carrollton License Office contract was awarded to Carrollton Chamber License Bureau.

**April 17** - The Fulton License Office contract was awarded to Koester and Koester, LLC.

**April 17** - The Nixa License Office contract was awarded to the Breast Cancer Foundation of the Ozarks.

**April 17** - The Oakville License Office contract was awarded to License Office Operations, LLC in Clayton.

**April 17** - The Savannah License Office contract was awarded to Connie F. Gordon in Forrest City.

**April 18** - Extended DLB phone hours for the General Municipal Election.

**April 19** - Show-Me Green Sales Tax Holiday from April 19 through April 25.

**April 21** - Representatives from MVDL met with the county collector and assessor working group to resolve issues of mutual concern and improve communication.

**April 21** - An RFP was issued for a second Columbia License Office.

**April 23-24** - A representative from DLB was a presenter at the Missouri Trucking Association's 2014 Safety and Maintenance Conference in Branson.

**April 24** - Elsberry License Office's last day of business.

**April 24** - The Bridgeton License Office contract was issued to License Office Operations, LLC in Clayton.

**April 24** - The Keytesville License Office contract was issued to Doug and Cheri, LLC.

**April 24** - The Louisiana License Office contract was awarded to the City of Louisiana.

**April 25** - Earth Day Celebration sponsored by Missouri Department of Natural Resources.

**April 28** - The Camdenton, Republic, Olivette, and South Fremont License Office RFP's were issued.

**April 30** - Peculiar Municipal Court began reporting convictions electronically to DLB.

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**MAY**

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**May 1** - The Butler License Office contract was awarded to DeeAnn Ventures, LLC in Butler.

**May 1** - The Central West End License Office was awarded to Automobile Club of Missouri in St. Louis.



**May 1** - The Lamar License Office contract was awarded to Joyce E. Moser in Lamar.

**May 1** - The Princeton License Office contract was awarded to Donna D. Herdrich in Princeton.

**May 1** - The Troy License Office contract was awarded to Koester & Koester, LLC in Bowling Green.

**May 1** - The Waynesville License Office Contract was awarded to Pulaski County Growth Alliance.

**May 1** - The Willow Springs License Office contract was awarded to the Willow Springs Chamber of Commerce.

**May 7** - Dallas County began reporting personal property tax records for online use by the Department.

**May 9** - The Milan License Office contract was awarded to Heather LaRae Duvall in Milan.

**May 9** - The Owensville License Office contract was awarded to Gasconade County Farm Bureau Services Inc.

**May 9** - The Warrenton License Office contract was awarded to Wentzville Agency Management, LLC.

**May 9** - The Missouri Bar Spring Committee Meetings and Board of Governors' Meeting was held at the Capitol Plaza.

**May 12-15** - Joel Allison, Sales and Use Taxes Manager, attended the Streamlined Sales and Use Tax Governing Board's spring meetings in Columbus, Ohio.

**May 15** - The Ava License Office contract was awarded to Lisa Turner, LLC in Gainesville.

**May 15** - The Chaffee License Office contract was awarded to Ernst & Sadler Licensing Inc. in Chaffee.

**May 15** - The Lee's Summit License Office contract was awarded to License Office Services, LLC in Jefferson City.

**May 16** - The Palmyra License Office RFP was issued.

**May 16** - Dallas County began providing electronic personal property tax payment files allowing customers from Dallas County to renew online.

**May 18-21** - Two representatives from the Department attended the annual Association of Ignition Interlock Program Administrators (AIIPA) conference in Baltimore, Maryland.

**May 19-22** - Taxation staff attended the E-file Symposium in Norfolk, Virginia.

**May 19** - The state of Michigan is now a participating NMVTIS state.

**May 19** - Changes were made to the organ donor registry and symbol question asked at the time of license application.

**May 20** - MVB representative attended the Missouri

Manufactured Housing Association Annual Convention in St. Louis.

**May 20** - The Arnold License Office contract was awarded to Arnold Jaycees, Inc.

**May 21** - New Commercial Driver License (CDL) Medical Certification changes went into effect.

**May 22** - The Jackson License Office contract was awarded to ABC of Southeast Missouri, LLC, in Sikeston.

**May 22** - The Rolla License Office contract was awarded to License Office Services, LLC in Jefferson City.

**May 26** - Two representatives from the DLB were presenters at the Missouri Association of Court Administrators (MACA) conference held at Tan-Tar-A at the Lake of the Ozarks.

**May 28** - Revenue Employee Recognition Day

## JUNE

**June 2** - The Fayette and Gainesville License Office RFP's were issued.

**June 5** - Title Service renewals are mailed.

**June 5** - Mound City License Office's last day of business.

**June 5** - The Fredericktown License Office contract was awarded to Lee Agencies, LLC in Fredericktown.

**June 5** - The Harrisonville License Office contract was awarded to Red Moon Enterprises, LLC in Parkville.

**June 5** - The Joplin License Office contract was awarded to Breast Cancer Foundation of the Ozarks in Springfield.

**June 5** - The Nevada License Office contract was awarded to License Office Services, LLC in Jefferson City.

**June 5** - The O'Fallon License Office contract was awarded to Elle Management, LLC in O'Fallon.

**June 5** - The Perryville License Office contract was awarded to MCLB Management Company, LLC in Jackson.

**June 6** - Corporate tax sent a file with 72 non-compliant corporations to Secretary of State for possible dissolution.

**June 7-11** - Acting Director John Mollenkamp attended the FTA Annual Meeting in St. Petersburg, Florida.

**June 10** - The first letters went out to tax credit recipients providing them a personal identification number (PIN) to access the system and file their annual report electronically.

**June 11** - The online portal for SB1099 was complete. Corporate and Personal Tax mailed 872 letters to corporations and individuals required to meet the filing



requirements under Senate Bill 1099 with instructions to file online.

**June 12** - Valley Park Municipal Court began reporting convictions electronically to DLB

**June 13** - Notice of Lien System was updated with several changes, including creating a new design to the receipt that facilitates the mailing address falling within a standard window envelope and eliminates excessive printing.

**June 15** - TRIPS was updated with several changes, including the modification of the Enhanced Security Tabs on Demand receipt through the TRIPS registration process which will avoid printing a separate registration receipt for mail-to addresses.

**June 19** - The Charleston License Office contract was awarded to MCLB Management Company, LLC in Jackson.

**June 19** - The Eldon License Office contract was awarded to License Office Services, LLC in Jefferson City.

**June 19** - The Farmington License Office contract was awarded to MCLB Management Company, LLC in Jackson.

**June 19** - The Gladstone License Office contract was awarded to James R. Williams in Osage Beach.

**June 19** - The Memphis License Office contract was awarded to Lisa Grubb in Memphis.

**June 24** - A representative from DLB was a presenter at the Missouri School Bus Contractors Association's annual convention at the Lake of the Ozarks.

**June 24** - Representatives from MVDL and MSHP held their quarterly meeting.

**June 24-26** - The Internal Revenue Service was on-site for a Safeguard Review to ensure the Department was in compliance with Publication 1075 (Tax Information Security Guidelines for Federal, State, and Local Authorities).

**June 26** - One hundred twenty-five dual monitors were installed in MVB.

**June 26** - The Brookfield License Office contract was awarded to Blue Star, LLC in Brookfield.

**June 26** - The Jefferson City License Office contract was awarded to License Office Operations, LLC in Clayton.

**June 26** - The Springfield License Office contract was awarded to License Office Services, LLC in Jefferson City.

**June 27** - KEDS was updated with several changes, addressing fixes and enhancements.

## JULY

**July 1** - MVB upgraded 63 printers.

**July 1** - The Glenstone License Office contract was awarded to Breast Cancer Foundation of the Ozarks.

**July 1** - The Sullivan License Office contract was awarded to Sullivan License Office, LLC from Viburnum.

**July 3** - License Offices notified that FY2015 Surety Bond Premiums were due by July 14, 2014.

**July 7-10** - Representatives from the Business Tax and Criminal and Investigation Bureaus attended the FTA Midwestern Regional Motor Fuel Tax Section conference in Oklahoma City, OK.

**July 7** - Repossession Placard renewal notices were mailed.

**July 9** - A representative from DLB was a presenter at the Missouri Association for Pupil Transportation's Conference and Trade Show in Springfield.

**July 9** - Edition 1, Volume 8 of the Tax Bulletin for Businesses and Tax Professionals was published. This edition included information about 2014 Tax Legislation, the Tax Assistance Center Offices closing, and HJR 68: Sales and Use Tax.

**July 10** - The Grant City License Office contract was awarded to the City of Grant City.

**July 13** - TRIPS was updated with several changes, including adding verification acknowledgements for proof of insurance and photos for driveaway permits, removing approximately 300 MTAS category codes that are no longer utilized in TRIPS, and enabling the "Special Handling" feature for the Harvester License Office.

**July 14** - Franchisor License renewal notices were mailed.

**July 15** - Lease Rental renewal notices were mailed.

**July 16** - DLB started using digitized signatures on certification affidavits.

**July 17** - Representatives from the MVDL presented vehicle and fraud training to law enforcement at the LETSAC Conference.

**July 17** - The Ironton License Office contract was awarded to Amanda Shipman of Ironton.

**July 18** - Successfully transitioned to new IMVDL (Dealer System) servers with no issues or concerns.

**July 18** - The Hermann License Office contract was awarded to the Hermann Area Chamber of Commerce.

**July 23** - A representative from DLB was a presenter at the Missouri School Bus Task Force summer certification

training session in Warrensburg.

**July 24** - The Hermitage License Office contract was awarded to Hickory County Farm Bureau Services, Inc.

**July 24** - The Ellington License Office contract was awarded to Rebecca Darlene Rhea in Ellington.

**July 24** - Disabled Person Placard Renewal notices were mailed. There were 50,022 placards expiring in September 2014.

**July 29** - The Greenfield License Office contract was awarded to Patti Hayes in Greenfield.

**July 29** - The Fayette License Office contract was awarded to Advantage Bookkeeping and Tax Service, LLC.

**July 29-31** - Acting Director John Mollenkamp attended the MTC Annual Meeting in Albuquerque at Old Town.

**July 30** - DPPA recertification notices were automated.

**July 31** - The Lexington License Office contract was awarded to the Lexington Area Chamber of Commerce.

## AUGUST

**August 1** - Dealer renewal notices were mailed.

**August 1-3** - Back-To-School Sales Tax Holiday.

**August 5** - Extended DLB phone hours for the Primary Election.

**August 10-13** - Taxation staff attended the FTA Technology Conference in Portland, Oregon.

**August 11** - The Plattsburg License Office contract was awarded to CPLO Enterprises, LLC in Plattsburg.

**August 11** - The Osceola License Office contract was awarded to Tammy L. Young in Lowry City.

**August 11** - The California License Office contract was awarded to Roberta Elliot in California.

**August 12** - TRIPS was updated with several changes, including AutoComplete functionality to improve data security and create efficiency in data entry.

**August 13** - A representative from the MVDL Division gave a life skills training presentation to youth at the Family Prenger Center in Jefferson City. Topics on motor vehicle title and registration and driver licensing were covered.

**August 14** - E-mails sent to Missouri dealers regarding the upcoming dealer renewal season and changes regarding the name-based criminal history check.

**August 15** - The Linn License Office contract was awarded to the City of Linn.

**August 15** - The Unionville License Office contract was awarded to Jan Mashelle Trimble in Unionville.

**August 15** - Poplar Bluff License Office contract was awarded to License Office Services, LLC.

**August 17-20** - Excise Tax Supervisor attended the FTA Tobacco Tax Uniformity Meeting and Annual FTA Tobacco Tax Conference in Knoxville, Tennessee.

**August 20-21** - A representative from DLB attended the Pew Charitable Trusts Voter Registration and Motor Vehicle Agencies Meeting in San Francisco, California.

**August 24-27** - Acting Director John Mollenkamp, along with Taxation staff, attended the Midwestern States Association of Tax Administrators (MSATA) 2014 Conference in Minneapolis, Minnesota.

**August 25-29** - A representative from DLB participated in the Third Party Tester Examiner training at the Missouri State Highway Patrol to review the new CDL Permit Rule standards.

**August 29** - The Alton Office contract was awarded to Freda Davis in Alton.

## SEPTEMBER

**September 4** - ITSD implemented Two-Factor Authentication for VDI users. A token was provided to each user.

**September 4-5** - Acting Director John Mollenkamp attended the Governor's Conference on Economic Development at Lake Ozark, Missouri.

**September 8** - DLB and OA-ITSD piloted a new Department of Correction software application at the Algoa facility in Jefferson City.

**September 9-10** - North Carolina DMV visited the MVDL Division to discuss Missouri's license office contracts, the process for awarding license offices and compensation of contractors, customer service initiatives, and other best practices.

**September 10-12** - Acting Director John Mollenkamp attended the Missouri Bar Annual Meeting and Judicial Conference in Kansas City, Missouri.

**September 12** - Secretary of State dissolved 46 corporations for non-compliance.

**September 14** - TRIPS was updated with several changes, including validating the lease/rental number entered against the dealer system to ensure it is active.

**September 15** - Bridgeton Municipal Court began reporting convictions electronically to the DLB.

**September 21** - MODL Basic Data purge was completed, removing 366,627 records.

**September 23** - Permanent files finished the delinquent file purge removing 166,122 files.

**September 24** - Changes made to MODL Request Driving Record Screen to gain efficiencies in processing.

**September 28-October 1** - Representatives from the Business Tax and Criminal and Investigation Bureaus attended the Annual FTA Motor Fuel Tax Section conference in Jackson, Wyoming.

**September 29** - The Cape Girardeau License Office RFP was issued.

**September 29-October 1** - The 2014 Blueprint to Save More Lives Conference was held in St. Louis.

**September 30** - The Camdenton, Gainesville, High Ridge, Liberty, Olivette, Republic, St. Joseph, South Fremont, and Union License Office RFP's were issued.

## OCTOBER

**October 1** - A representative from DLB attended the School Bus Safety Task Force Meeting in Jefferson City.

**October 2** - The Affton, Belton, Blue Springs, Clayton, Clinton, DeSoto, Florissant, Gallatin, Harvester, Independence, Lebanon, and Marshfield License Office RFP's were issued.

**October 3** - Two representatives from the DLB were presenters at the Missouri Association of Court Administrators (MACA) conference held at Tan-Tar-A at the Lake of Ozarks.

**October 6** - MVB communicated to county collectors and assessors the benefits of the online Assessor/Collector System, along with an instructional guide on using the system.

**October 6** - The Platte City, Columbia, Neosho, North County, Overland, Palmyra, Parkville, Raytown, South County, South Kingshighway, Warrensburg, Warsaw, Wentzville, and West County License Office RFP's were issued.

**October 8** - Two MVB representatives were speakers at the Missouri State Assessors Association Conference at the Lodge of Four Seasons.

**October 10** - A field coordinator attended the Project Homeless Connect event in Kennett.

**October 12** - An additional field was added to the Online Notice of Lien System to eliminate delinquent fee notices being mailed to the public unnecessarily.

**October 12** - Several improvements were made to the Assessor/Collector system, including creating a new landing (home) page with links to Login, Motor Vehicle Records, Personal Property Tax, and Account Management.

**October 14** - CARES software was upgraded.

**October 14-16** - Taxation staff attended the IRS Safeguards Training Workshop in Denver, Colorado.

**October 15** - Representatives from the MVDL Division met with the county collector and assessor working group to resolve issues of mutual concern and improve communication.

**October 19-23** - Taxation Management attended the Teradata PARTNER's Conference in Nashville, Tennessee.

**October 24** - Acting Director John Mollenkamp met with Forster JC Lee with Taipei Economic and Culture Office.

**October 26-29** - A representative from DLB attended the National Traffic Records Forum in St. Louis.

**October 27** - The Bowling Green and Piedmont/Greenville License Office RFP's were issued.

**October 27-30** - Representatives from the Department and OA-ITSD visited the state of Alabama DMV and University.

**October 30** - Tax Increment Financing (TIF) reporting functions were officially transferred from the Financial Services Division to Taxation.

**October 30** - Governor's Award for Quality and Productivity recognition ceremony was held. Justin Glick, CTIB, was a member of the inter-agency Digital Forensic Investigative Unit (DFIU) that was selected as a winner in the Efficiency/Process Improvement category.

## NOVEMBER

**November 4** - Extended DLB phone hours for the General Election.

**November 7** - Edition 1, Volume 9 of the Tax Bulletin for Businesses and Tax Professionals was published. This edition included information about the new Taxpayer Guide, No Tax Due requests, and the new Non-Expiring exemption certificate.

**November 12** - Withholding staff attended the Community College Missouri Works and New Jobs Training Conference at Lake Ozarks, Missouri.

**November 13** - The Sales Tax Calculator was updated with several changes, including removing the extra click for the "calculate" button and narrowing the county list based on the zip code selected to make it more user friendly.

**November 13** - DLB completed a successful CDL Program Compliance Review with FMCSA.

**November 16** - Two production problems were fixed in TRIPS.

**November 16** - The Online Notice of Lien system was



updated to ensure the security access code is active in the DMVR system before allowing a Record Lookup to be performed.

**November 16** - OPPRS was updated with several changes, including making the website responsive to look and act properly on mobile devices and sending correspondence via e-mail to the requestor versus printing paper letters.

**November 21** - Two representatives from DLB attended the Subcommittee on Elder Mobility and Safety (SEMS) Meeting in St. Louis.

**November 21** - Two representatives from DLB attended the Mid-Missouri Advisors to Internationals Network (MAIN) Meeting in Columbia.

**November 21** - The Potosi and Cassville License Office RFP's were issued.

**November 21** - Acting Director John Mollenkamp attended the Missouri Bar Fall Committee Meeting in Jefferson City.

**November 25** - MVB worked with OA-ITSD to restructure the MV SharePoint home page.

**November 26** - MVB purged 2,572,734 rows from the IMVDL (Dealer) system.

## DECEMBER

**December 1** - Director of Revenue, Nia Ray, began employment.

**December 1** - The Missouri Department of Revenue reminded candidates for elections to file candidate affidavits.

**December 1** - The Department streamlined the disciplinary process for dealers.

**December 1** - CARES was modified to channel the MVB dealer calls to the new dealer split.

**December 1** - Mailed 1,173 notices regarding special fuel decals to vehicle owners of qualifying vehicles.

**December 1** - MVB facilitated a meeting to bring together local dealerships and license offices staff.

**December 4** - The upgrade to the Department of Corrections Nondriver Identification issuance application was fully implemented.

**December 5** - MORE (plates.mo.gov) was updated to improve the product code verification process.

**December 8** - The Department Manager Retreat was held in room 400 in the Truman Building.

**December 9** - A field coordinator participated in a Q&A session on licensing issues that the MSHP offered to Foreign Nationals in southwest Missouri.

**December 9-12** - The Taxation Division notified approximately 11,000 tax exempt entities that they would no longer have to renew their exemption every three years.

**December 15** - The Department's Holiday Event.

**December 16** - The DeSoto License Office contract was awarded to Belle Hart Schmidt, LLC in Imperial.

**December 17** - Several changes made to MORE (plates.mo.gov) addressing fixes and enhancements.

**December 17** - Representatives from MVDL Division and MSHP held their quarterly meeting.

**December 18** - The Dealer Online Notice of Sale system will now assign control numbers ending with the letter "E," instead of the letter "D."

**December 19** - The Gainesville License Office contract was awarded to Robin Morrison in West Plains.

**December 29** - The West County License Office contract was awarded to Elle Management, LLC in O'Fallon.

**December 29** - The Wentzville License Office contract was awarded to Elle Management, LLC in O'Fallon.

**December 29** - The Warsaw License Office contract was awarded to Connie L. Siercks in Lincoln.

**December 29** - The Warrensburg License Office contract was awarded to License Office Services, LLC in Jefferson City.

**December 29** - The Union License Office contract was awarded to License Office Services, LLC in Jefferson City.

**December 29** - The South Kingshighway License Office contract was awarded to Belle Hardt Schmidt, LLC in Imperial.

**December 29** - The South Fremont License Office contract was awarded to License Office Services, LLC in Jefferson City.

**December 29** - The South County License Office contract was awarded to Belle Hart Schmidt, LLC in Imperial.

**December 29** - The Republic License Office contract was awarded to the Breast Cancer Foundation of the Ozarks in Springfield.

**December 29** - The Raytown License Office contract was awarded to Belle Hart Schmidt, LLC in Imperial.

**December 29** - The Platte City License Office contract was awarded to Red Moon Enterprises, LLC in Parkville.

**December 29** - The Parkville License Office contract was awarded to Elle Management, LLC in O'Fallon.



**December 29** - The Palmyra License Office contract was awarded to DWhite, LLC in Hannibal.

**December 29** - The Overland License Office contract was awarded to Beacon Virtual Assistants, LLC in St. Charles.

**December 29** - The Olivette License Office contract was awarded to Beacon Virtual Assistants, LLC in St. Charles.

**December 29** - The North County License Office contract was awarded to Sanguinity, LLC in Chesterfield.

**December 29** - The Marshfield License Office contract was awarded to License Office Services, LLC in Jefferson City.

**December 29** - The Liberty License Office contract was awarded to Belle Hart Schmidt, LLC in Imperial.

**December 29** - The Lebanon License Office contract was awarded to the Lebanon Education Foundation.

**December 29** - The Independence License Office contract was awarded to Belle Hart Schmidt, LLC in Imperial.

**December 29** - The High Ridge License Office contract was awarded to Sanguinity, LLC.

**December 29** - The Harvester License Office contract was awarded to ACM, LLC in Lake St. Louis.

**December 29** - The Florissant License Office contract was awarded to ACM, LLC in Lake St. Louis.

**December 29** - The Clinton License Office contract was awarded to License Office Services, LLC in Jefferson City.

**December 29** - The Clayton License Office contract was awarded to Sanguinity, LLC in Chesterfield.

**December 29** - The Cape Girardeau License Office contract was awarded to MCLB Management Company, LLC in Jackson.

**December 29** - The Camdenton License Office contract was awarded to Belle Hart Schmidt, LLC in Imperial.

**December 29** - The Bowling Green License Office contract was awarded to S & K Licensing, LLC in Frankford.

**December 29** - The Blue Springs License Office contract was awarded to Belle Hart Schmidt, LLC in Imperial.

**December 29** - The Belton License Office contract was awarded to Belle Hart Schmidt, LLC in Imperial.

**December 29** - The Affton License Office contract was awarded to Beacon Virtual Assistants, LLC in St. Charles.

**December 29** - The Columbia License Office contract was awarded to Koester & Koester, LLC in Bowling Green.

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**December 29** - The St. Joseph License Office contract was awarded to Belle Hart Schmidt, LLC in Imperial.

**December 31** - Dealer renewal season deadline was met with a minimal backlog of unprocessed dealer license applications.



# 2014 DEPARTMENT CHALLENGES

## Taxation Division

- Implementing the integrated revenue system was again the biggest challenge for the Taxation Division in 2014. The successful implementation of Release 1 in February was more than a month ahead of schedule. Work had already begun on Release 2 which includes Sales and Use, Corporate Income and Franchise, and Withholding taxes as well as the business electronic services portal. Release 2 is targeted for a January 2016 implementation but much work remains to be done. Successful implementation of Release 2 requires many hours from our very best staff to determine business rules, convert legacy system data, and to test the system. The experience gained with Release 1 is of great benefit moving forward. All administrators, managers, and supervisors continue to balance workloads at least double ordinary circumstances. Several employees have stepped up to assist with workloads in other areas to free up those who need to focus more fully on the new system. A very important activity for 2015 is knowledge transfer to ITSD and some Taxation staff to support the system after all portions are implemented. Requests for ITSD work on legacy systems are extremely restricted to allow ITSD sufficient capacity to learn everything they need to know about the new system and how to maintain it.
- Retaining trained employees continues to be a challenge in Taxation. Vacancies impact how fast money is put in the bank, how quickly taxpayers receive their refunds, increase wait times in our call centers, and decrease the number of delinquent cases resolved. The highest rates of turnover are with auditors (27 percent) and call center staff (69 percent in the delinquent call center and 83 percent in the non-delinquent center). Initiatives in both areas are working to reduce training time and increase job satisfaction. But these initiatives do not address the salaries of Missouri state employees, which continue to be a significant source of dissatisfaction leading to turnover.
- The closing of the six taxpayer assistance offices on July 1, 2014, has strained Taxation resources. Staff shifted to address the increase in transactions in the Tax Clearance and Registration areas. We also

have seen a 35 percent increase in calls to the non-delinquent call center since July.

- Implementing HB 128, which authorized an optional single sales factor apportionment method for corporate income tax filers, required extensive communication between the General Counsel's Office and the Corporate Tax Section to ensure returns were accurately processed.
- Issues with a required upgrade to Windows 7 during peak processing months caused disruption in daily processing and deposit activities. With strategic scheduling of small numbers at a time, we were able to keep close to normal productivity levels.
- Executive Order 13-02 transferred some credit enforcement related duties from the Department of Economic Development to the Department of Revenue. In calendar year 2014, we implemented a new online credit reporting system to efficiently capture and report the required data. The new method of reporting created an increase in telephone calls and e-mails but we also received some good feedback and were able to make some minor revisions to the system to improve usability.
- As the instances of identity theft and breaches of confidential information continue to increase, so does the filing of fraudulent returns. The individuals and groups seeking to defraud the state are continually changing their approach, requiring us to be nimble in changing edits to stop refunds from issuing on fraudulently filed returns. Individual income tax stopped \$38.8 million in fraudulent refunds in 2014 from 26,255 returns. We participate in a suspicious filer forum with most other states where information is shared on the newest fraud attempts. We are constantly looking for better ways to identify returns filed using fraudulently obtained information.
- While making slow progress, changing the culture and processes of the Field Compliance Bureau continues to be a challenge. Results of audit model audits show that audit selection has improved by identifying businesses most at risk for non-compliance. We still have significant opportunity to improve the efficiency of our audits and will be managing that closely in CY2015 to reduce the number of days an audit is open and the number of audits open for greater

than one year. Some process changes that will be implemented with Release 2 of the integrated revenue system will contribute to reducing the amount of time an audit is open.

### **Motor Vehicle and Driver Licensing Division**

- Continuing to work on the requirements of converting the current Oracle Imaging Solution to the new Enterprise Content Management (ECM) Hyland OnBase. OA-ITSD has issued the contractor Results Engineering a letter of deficiency regarding their performance.
- Modifying the Request for Proposal (RFP) and related Exhibits to clarify the Department's intent to ensure license office contractors understood the requirements and what they were actually committing to regarding management experience.
- Completing each Evaluation Summary Report to comply with the Office of Administration's Division of Purchasing and Materials Management's requirements and clearly communicating to bidders in a consistent, informative manner how their evaluation score was derived for each area of the report.
- Keeping a detailed checklist updated for each license office as steps associated with the RFP evaluation process were completed to ensure all tasks get done.
- Rebidding 112 license office contracts, awarding 157 contracts, and transitioning 117 license office contracts; and securing and training sufficient staff (without hiring additional staff) to provide the correct RFP information to DPMM, evaluate bids while maintaining existing workloads, and coordinate the moves, inventories, etc., to transition all the offices.
- Revising and developing all forms and procedures to implement and ensure compliance with the provisions of the new RFP.
- Monitoring compliance with three different RFPs, including conducting contract compliance reviews twice per year in 178 license offices while rebidding offices and keeping up with monthly reviews and following up when needed.
- Allocating resources to review transactions for possible discrepancies and appropriate sales tax collections and complete the related manual

processing and tracking due to all of the RFP related tasks that had to be completed.

- Processing the same amount of work in the dealer licensing section with only half of the staff and still meeting the deadlines. Dealer staff were required to work overtime and staff from other areas were pulled to assist which created delays in other processes.
- Operating on legacy systems that have been in operation for many years, were developed uniquely for each function, and do not communicate with each other.
- The overall employee turnover rate for the Motor Vehicle Bureau was 17 percent.

### **Legal Services Division**

- Complying and meeting the requirements of increased auditing assignments of tax credit programs while maintaining the level of reviews of motor vehicle, drivers licensing, and license office responsibilities.
- Adapting to the increased transportation and financial costs due to AHC hearings now being held in St. Louis and Kansas City.
- Providing additional research and support to the divisions following unexpected outcomes from litigation.
- Providing support to prosecutors who file the criminal changes following investigations.
- Utilize available staff in the most effective way for meeting regional administrative DWI hearing procedures.

### **Administration Division**

- Financial Services staff continues to track Central Bank service charges and interest earnings because of the extremely low interest rates.
- The purchase requisition system is no longer supported by OA-ITSD. Purchasing staff worked with programmers to develop a SharePoint system. However, solutions to SharePoint limitations are not readily identifiable. The Department then worked with OA to try and move the process to ITSD EDocs system. It is now believed that the purchase requisition functionality may be available with the new statewide procurement system. The Department will continue to use our existing purchase requisition system until we get guidance from OA-ITSD.

- The Department received funding to purchase a new inserting machine. The equipment has been procured and delivery and installation is planned for early 2015. The technical functionality of this machine as well as the functionality of new equipment purchased by OA State Data Center resulted in new check stock requirements. The Department worked with OA-Accounting, OA—State Data Center, and the State Treasurer’s Office to identify a check stock solution.
- With the implementation of the new tax integrated system, specific form guidelines and templates had to be created that would be compliant with the new system. This proved to be challenging as forms had to be developed in a specific 10x6 grid format that was not previously used in form development. This created a significant learning curve for the forms staff.





# 2015 DEPARTMENT GOALS

## **Taxation Division**

- Be ready for a successful implementation of Release 2 in early January 2016. Start work on Release 3 this summer, including revising individual income tax forms to facilitate data capture of information.
- Continue to improve audit results using the audit model for audit selection and the audit plan for managing the efficiency with which audits are conducted.
- Provide additional supervisor training for audit staff and develop a mentorship program for all new audit supervisors. This will ensure delivery of training for all audit supervisors and result in a higher level of accountability, knowledge, and consistency within audit.
- Complete the implementation of paperless audit package retention.
- Implement changes to the audit review process. These changes will ensure audit issues are being reviewed during the audit rather than after completion of the audit and will improve consistency of audit practices.
- Create additional registration videos for the Department's web page, which will assist taxpayers to apply for bond refunds and update their registration information.
- Increase the percentage of staff cross trained between the delinquent call center and collections enforcement from 27 percent to 60 percent.
- Continue to work with other state agencies and other states to expand the debt-offset program for collection of state debts.
- Provide leadership opportunities for employees demonstrating a desire to advance within the organization through mentoring and training.
- Open a Business Registration office in the Truman Building to provide same day service for business registrations.
- Continue to encourage electronic filing to improve efficiency, reduce errors, and reduce costs.
- Continue to timely respond to fiscal notes with as accurate of information as possible.

- Continue to utilize staff across the division in ways to minimize time to respond to taxpayers, deposit money, and issue refunds while doing everything necessary to successfully implement Release 2 of the integrated revenue system.

## **Motor Vehicle and Driver Licensing Division**

- Complete the draft of the Driver License RFP.
- Implement HB 103 which contains the Federal CDL Permit Rule legislation by July 8, 2015.
- Continue to work with OA-ITSD on implementing the new Enterprise Content Management (ECM) Hyland OnBase system.
- Work with ITSD to develop an electronic application for completing the Monthly Performance Review (Form 5537) and the License Office Contract Compliance Checklist (Form 5268) to expedite completion of the forms and eliminate keying in the central office.
- Develop and implement training regarding the license office contract and transaction processing for license offices in the various regions throughout the state.
- Continue to work with OA Purchasing and Materials Management to award contracts to all license offices whose contracts are being rebid by evaluating all license office RFP proposals received in a fair, consistent, and timely manner.
- Continue to transition license offices whose contracts are rebid in a smooth, timely manner that minimizes disruption to the office and the public.
- Continue to complete interim contract compliance checks on all offices within 90 days of the contract effective date.
- Continue to evaluate the effectiveness of the new RFP for any improvements needed.
- Train new field coordinators as tenured coordinators plan to retire.
- Continue to identify measures to reduce and identify title, registration, and driver license fraud.
- Devise a method to begin a biennial dealer license cycle.

- Streamline the research process for the telephone information operators so they are better able to resolve each call with one contact.
- Continue to research and increase the number of title and registration edits completed at the time the transaction is processed to decrease the number of transactions that must go through a secondary review by the central office.
- Develop and implement efficiencies in processing transactions to reduce backlogs, which in return will reduce incoming calls.
- Decrease the overall turnover rate for MVB by improving the employee morale and work environment.
- Continue cross-training within teams to reduce all single points of failure.
- Increase online renewals allowing staff to focus on and reduce processing backlogs.
- Reduce the volume of work coming into the MVB by promoting the local license office as a resource, moving select Central Office Only transactions to license offices, and promoting usage of the Online Personalized Plate Reservation System for all standard personalized plate reservation requests.
- Research, analyze, and develop a plan for implementing a new IMVDL (Dealer) system.

### Legal Services Division

- Effectively allocate and manage legal and support staff to meet increased levels of circuit court litigation.
- Increase efficiencies through the use of technology for legal research.
- Take advantage of training and networking opportunities.
- Promote collaboration between the bureaus and the other divisions to maximize staff utilization.
- Continue to provide training for administrative DWI issues.
- Continue providing investigation of criminal acts including efforts to detect and prohibit identity theft.
- Continue efforts to detect and thwart fraudulent activities both locally and regionally.
- Continue to plan for and make arrangements for back up support for mission critical functions.

### Administration Division

- Update the Motor Vehicle Refund System for processing efficiencies and to implement electronic payment of refund requests.
- Work with OA-Procurement to incorporate our Purchase Requisition process in their new procurement system.
- Continue to work with OA-ITSD and Administration Division Personnel to ensure the Department's automated mailings meet USPS Intelligent Mail Bar code (IMB) full service requirements.
- Install a new high volume inserting and mailing machine to replace two older inserting and mailing machines purchased in 1996 and 2000. The production efficiency and versatility of the new equipment will enable the Department to process various types of mailings (including titles, refund checks, and notices) with one fewer machine. The advanced technology and system capability of the new equipment will enable the Department to move towards two-dimensional bar code readability or camera ready technology. This will allow the Department's computer programmers to program mail that is compatible with today's technology. The Department will thereby be able to incorporate that technology into the Integrated Revenue System mailings which are under development. Reducing the overall number of inserting and mailing machines will save the Department approximately \$29,000 per year in maintenance for the life of the new inserter.
- Discontinue printing license office inventory invoices on a three-part form and convert the information to MOBIUS reports.
- Continue to prep and scan the business tax paper files.
- Scan and image returned check and accounts payable files (or find alternative) so staff can access files easier and to reduce physical space required to hold files.
- Work with divisions to maintain or increase electronic payment solutions, and reduce the number of paper checks the Department issues.
- Continue to seek programming to develop Missouri Transportation Accounting System (MTAS) interfaces to other systems to eliminate double and triple keying.
- Continue to work with Field Compliance by facilitating their Audit Review Process Improvement Project.

- Implement the new archive system changes (DORRAS).
- Implement the new US Postal Service Certified Mail requirements.
- Implement the US Postal Service Full Service IMB requirement.
- The forms group will continue to work on development of the forms for the integrated tax system. The expectation is to have all forms completed for Release 3 of the integrated system by the end of calendar year 2015.
- The communications group continues to explore features and services for the Department's website to enhance the site and offer better functionality.
- The public outreach group will continue to work on producing informational videos for the website to better educate citizens regarding the transactions of the Department. Additionally, this group will expand services and availability for informational forums and other public outreach opportunities.
- Complete an internal audit of time and leave practices and procedures throughout the Department to ensure compliance with FLSA.
- Complete an internal audit on the current Form I-9s to ensure compliance with federal regulations.
- Create an Accommodation – ADA training class.
- Create an HR Training class for supervisors.
- Discuss options for going to a paperless personnel file system.
- Review all personnel forms and ensure they are updated and in the new forms standards.
- Review payroll verification reports and streamline the process.
- Review the FMLA process and try to automate some of the reporting and employee notifications.
- Rollout GovDelivery to the public for Motor Vehicle and Driver Licensing notifications.
- Streamline the distribution of personnel reports to the bureaus.
- Update the employee and supervisor LeaveTrack training videos and manuals.
- Use GovDelivery to notify individuals through digital updates when the job opportunities page is updated.
- Work with training to rollout EAP supervisor training.
- Work with training to rollout the mandatory Sexual

Harassment Prevention and Diversity Awareness training.

### Information Technology Services Division

- **Dealer System Replacement**

The current dealer system was developed by a vendor who has since gone out of business, leaving minimal support for the system. Performance and print issues exist due to the current system's reliance on printers that are reaching their end of life. The new system will include functionality to allow Missouri automobile dealers to submit applications online and renewal requests electronically.

- **Driver License Practice Test Mobile App**

A new mobile application will allow citizens to prepare for a Missouri driver license test with mobile devices.

- **Motor Vehicle and Driver License System Modernization**

Continue to research how the DOR's motor vehicle and driver licensing systems should be modernized.

- **Integrated Tax System**

Continue to work with the vendor to implement the next phases of the Integrated Tax System.



# Year-End Review

# 2014

