IOWA

Department of Revenue

FY25 OPERATIONAL PLAN

Director Mary Mosiman

IOWA
DEPARTMENT OF REVENUE

Mission

To serve Iowans through the responsible collection and generation of revenue to support the public good.

Vision

Iowa will be a state that uses innovation to make it simple to comply with revenue laws and deliver fun and fair lottery experiences.

FY25 Strategic Goals

Responsible Revenue Generation
Department Optimization

Integrity first
Dedicated to teamwork
Ready to serve

Iowa Department of Revenue

ORGANIZATIONAL CHART

Governor
Kim Reynolds

Lt. Governor
Adam Gregg

Director
Mary Mosiman

Alcohol & Tax Operations Division
Steve Larson
Administrator

Internal Services Division
Darina Petkova
Chief Operating Officer

Legal Services & Appeals Division
Alana Stamas
Chief Legal Officer

Local Government Services Division
Jon Wolfe
Interim Administrator

Lottery Division
Matt Strawn
Lottery Chief Executive Officer

Research & Policy Division
Robin Anderson
Chief Economist

Alcohol & Tax Compliance Division
Sam Hoerr
Administrator

Financial Services Division
Steve French
Chief Financial Officer

Core Function: *RESPONSIBLE REVENUE GENERATION*

Services, Products, & Activities (SPAs)	SPA Measure Name	Core Function Measure	Frequency	FY25 Target	Strategy / Action
Lottery Operations	Retailer shipments	Percent of Scratch Tickets shipped vs. generated for initial allocations, suggested orders, and direct orders by district sales representatives	Monthly	100%	Monitor ticket order fulfillment for accuracy and make adjustments as needed
Alcohol Operations	Inventory management and control	Actual vs. baseline sales (budgeted amount projected for all spirits for the fiscal year)	Monthly	$445,000,000	Adjust delivery by suppliers and distributors based on retailer orders
Lottery Systems	Guaranteed Low End Prize Structure (GLEPS) Testing	Percent of scratch tickets & pull-tabs that passed testing criteria loaded into Central Gaming System (CGS) production	Monthly	100%	Load successfully tested Scratch-tickets & Pull-Tabs games into gaming system; periodically review a representative sample of successfully tested games to ensure compliance with GLEPS criteria
Lottery Systems	Terminal / self-serve kiosk installation or relocation	Percent completion within 90 days of State Change Action Request (SCAR) for new installation, existing terminals, or self-serve kiosks	Monthly	100%	Monitor timely submission of SCARs to vendor with installations and relocations; periodic follow-up on vendor progress with requested installations and relocations
Problem Gambling Awareness	Problem Gambling Awareness Month - Lottery secured advertising (March)	External advertising placed in dollars; adjusted based on overall advertising spend	Annually	$203,000 in advertising; 3,260,000 in impressions	Capitalize on media outlets providing public service announcements at no cost; negotiate vendor pricing for advertising
Problem Gambling Awareness	World Lottery Association Responsible Gaming Framework (RGF) Certification	Achieve World Lottery Association RGF Level 2 Certification	Annually	Level 2 Certification	Develop a high-quality deliverable, accurately representing Lottery processes and procedures while ensuring compliance with certification requirements
Alcohol Sales & Retail Distribution	Alcohol revenues transferred to the State's General Fund and the Department of Economic Development (IEDA)	Total funds transferred each FY are within two percentage points of the targeted amount	Monthly	<2% of targeted amount	Periodically evaluate operations and capitalize on opportunities to cut cost

Core Function: *RESPONSIBLE REVENUE GENERATION*

Services, Products, & Activities (SPAs)	SPA Measure Name	Core Function Measure	Frequency	FY25 Target	Strategy / Action
Lottery Sales & Retail Distribution	InstaPlay development & management	InstaPlay dollars sold	Monthly	Annual Budget: $23,991,500	Track monthly sales vs. goals to determine overall category performance and individual game performance, supplement with additional promotions as needed
Lottery Sales & Retail Distribution	Lotto development & management	Lotto dollars sold	Monthly	Annual Budget: $117,893,500	Track monthly sales vs. goals to determine overall category performance and individual game performance, supplement with additional promotions as needed
Lottery Sales & Retail Distribution	Pull-tab development & management	Pull-tab dollars sold	Monthly	Annual Budget: $10,800,000	Track monthly sales vs. goals to determine overall category performance and individual game performance, supplement with additional promotions as needed
Lottery Sales & Retail Distribution	Scratch Ticket development & management	Scratch Ticket dollars sold	Monthly	Annual Budget: $265,000,000	Track monthly sales vs. goals to determine overall category performance and individual game performance, supplement with additional promotions as needed
Lottery Sales & Retail Distribution	Lottery sales	Total sales from all product categories	Monthly	Annual budget: $417,685,000	Track monthly sales vs. goals to determine overall category performance and individual game performance, supplement with additional promotions as needed
Appeals	Reduce the average time to close a case or move it to litigation	Average time to closure or move to litigation	Annually	<19 months	Identify and prioritize simple cases for staff to work, reallocating resources; reduce allowance of taxpayer extensions, move to file answers when the case is developed enough to do so. Staff notify Appeals Manager when more than two extensions have been requested. Review Department processes that precede Appeals to identify contributing changes to appeals increase. Review post-triage cases to identify opportunities for Triage Examiner training.

Core Function: DEPARTMENT OPTIMIZATION

Services, Products, & Activities (SPAs)	SPA Measure Name	Core Function Measure	Frequency	FY25 Target	Strategy / Action
Alcohol Portfolio Management	Return of sales and net profit ratios meet key performance benchmarks	Return on sales ratio (net profit over total liquor sales)	Monthly	>30%	Adjust business rules for retailer rebate program; monitor alcohol operations to identify efficiencies in alcohol distributions
Alcohol & Tax Compliance	Increase alcohol licensee / sales tax compliance	Total sales tax liability assessments from alcohol investigations	Annually	$1,600,000	Apply data analytics to generate high-quality leads
Data Analytics	Service satisfaction percentage	Customer satisfaction percentage for Data Analytics services	Quarterly	75%	Apply appropriate corrective actions based on data analytics project closure survey results
Lottery Operations & Advertising	Operations and advertising expense ratio	Percent of operating and advertising expenses to total sales	Annually	4%	Apply data analytics to continuously improve the accuracy of the sales forecasting model and adjust advertising expenses as needed
Human Resource Management	Time to fill vacant positions	Number of days from vacancy to new-hire start	Monthly	< 90 calendar days	Apply a targeted approach to functional areas with frequent vacancies; offer supervisor training; collaborate with Customer Experience Bureau on employee engagement techniques
Human Resource Management	Employee retention	Retention rate	Monthly	> 85%	Apply a tailored and targeted approach to functional areas with high turnover rates; provide supervisor coaching/counseling
IMPACT / GovConnectIowa System Health	Intervention resolution	System interventions (event) time to resolution	Monthly	<30 days	Assess and adjust resource allocation for Production Support, specifically for corrections
IMPACT / GovConnectIowa System Health	Service Request (SQR) resolution rate	Percent resolved SQRs to new SQRs	Monthly	>80%	Assess and adjust resource allocation for Production Support, specifically for changes and corrections

Core Function: *DEPARTMENT OPTIMIZATION*

Services, Products, & Activities (SPAs)	SPA Measure Name	Core Function Measure	Frequency	FY25 Target	Strategy / Action
Financial Services	Issue resolution	Resolve all issues communicated through the IDR EFT mailbox within 10 business days	Monthly	100%	Monitor backlog and adjust staffing levels as needed (resource re-allocation)
Legal Services	Timely completion of requests in SMART	Percent of legal/policy projects completed by agreed-upon deadlines	Annually	75%	Monitor project intake, deadlines, and staff workload to adjust project assignments as needed; work with requestors to understand project priority and set reasonable deadlines
Local Government Services	Local government payment accuracy	Provide accurate payments to local governments according to statutory deadlines	Monthly	100%	Collaborate with subject matter experts in tax research and finance/accounting to ensure accuracy prior to triggering distributions to local governments
Customer Experience	GovConnectIowa interactions: web form abandonment	Percent of web forms abandoned	Monthly	<55%	Analyze webform statistics and update page content based on results
Customer Experience	GovConnectIowa interactions: paperless delivery rate	Percent of eligible customers opted-in to paperless correspondence delivery (those with GovConnectIowa access)	Monthly	>30%	Leverage established communication channels to promote electronic correspondence
Customer Experience	GovConnectIowa interactions: Send a Message (SAM) response time	Percent of SAM responses within one business day	Monthly	>75%	Monitor backlog and adjust staffing levels as needed (resource re-allocation)

Core Function: *COMPLIANCE*

Services, Products, & Activities (SPAs)	SPA Measure Name	Core Function Measure	Frequency	FY25 Target	Strategy / Action
Local Government Services	Ensure local jurisdictions abide by the aggregate valuations thresholds and tolerances	Conduct appraisals and assessments as determined by the Equalization Process according to statutory deadlines	Annually	100%	Manage workloads and prioritize staff responsibilities & efforts as needed
Local Government Services	Assessment accuracy	Provide accurate assessments to local governments according to statutory deadlines	Annually	100%	Manage workloads and prioritize staff responsibilities & efforts as needed
Local Government Services	Provide property tax technical information	Provide accurate property tax technical information to taxpayers and local government officials in <10 business days	Monthly	100%	Manage workloads and prioritize staff responsibilities & efforts as needed
Lottery Prize Payment	Claims above $600 prize payments	Percent of prizes paid within 24 hours of winning ticket(s) verification & player documentation	Quarterly	100%	Staff from Financial Services, Lottery Investigations, and Lottery Systems collaborate and communicate effectively to ensure timely prize payments
Tobacco Compliance	I-Pledge Enforcement Program & FDA Compliance Program	Number of tobacco compliance checks on retail outlets	Annually	7,000	Improve awareness of iPledge Program and increase local law enforcement participation through signed agreements

Core Function: COMPLIANCE

Services, Products, & Activities (SPAs)	SPA Measure Name	Core Function Measure	Frequency	FY25 Target	Strategy / Action
Alcohol Compliance	Alcohol audits	Total audits completed	Monthly	90	Expand partnerships with local law enforcement to increase presence in all counties
Alcohol Compliance	Alcohol inspections	Total inspections completed as required by Chapter 123	Monthly	1200	Expand partnerships with local law enforcement to increase presence in all counties
Alcohol Compliance	Alcohol investigations	Total investigations completed	Monthly	200*	Integrate alcohol regulatory checks with sales tax audits generating efficiencies
Alcohol Enforcement Actions	Non-sale to minor case resolution	Resolution of completed and submitted cases within six months of assignment	Semi-annually	Year over year 25% increase	Prioritize staff assignment to limit disruption and ensure focus on case review; triage by case backlog by case type and category; conduct knowledge transfer, as appropriate
Alcohol Enforcement Actions	Sale-to-minor case resolution	Resolution of issued sales to minor citations and subsequent adjudication in criminal courts within six months of receipt	Semi-annually	Year over year 20% increase	Provide education and outreach to local law enforcement on the process of submitting sale-to-minor citations for administrative processing
Tax Compliance	Enforcement costs as a percent of revenue collected	Tax Gap and compliance costs as a percent of revenue collected	Annually	<10%	Frequently review IMPACT / GovConnectIowa data to identify and implement changes to business processes and procedures; periodically analyze IMPACT data to validate or update return examination and audit criteria; prioritize review of high-dollar refunds and payments
Tax Compliance	Tax refund processing	Average number of days to process individual income tax refunds	Annually	< 30 calendar days	Review audit and examination queues weekly and adjust business rules and staffing levels per queue accordingly

*Note: Investigations have a high level of variability, depending on volume of complaints received.

Core Function: *COMPLIANCE*

Services, Products, & Activities (SPAs)	SPA Measure Name	Core Function Measure	Frequency	FY25 Target	Strategy / Action
Lottery Investigations	Response to retailer complaints raised	Percent of retailers that underwent compliance checks within 45 days of receiving complaint	Quarterly	100%	Manage workloads and prioritize staff responsibilities & efforts as needed
Lottery Investigations	Response to game integrity and security concerns	Percent of game and security concerns investigated	Monthly	100%	Manage workloads and prioritize staff responsibilities & efforts as needed
Lottery Investigations	Response to law enforcement & attorney offices	Percent of responses to law enforcement agencies & attorney offices within 24 hours; reports submitted within 15 days of investigation completion	Monthly	100%	Manage workloads and prioritize staff responsibilities & efforts as needed
Lottery Investigations	Response to requests from Lottery Bureaus	Percent of responses to Lottery Bureaus within 24 hours; reports submitted within 15 days of investigation completion	Monthly	100%	Manage workloads and prioritize staff responsibilities & efforts as needed
Lottery Investigations	Lottery enforcement retailer compliance checks	Percent of established retailers that underwent unannounced compliance checks	Monthly	20%	Manage workloads and prioritize staff responsibilities & efforts as needed
Lottery Investigations	Lottery enforcement retailer compliance checks	Percent of new retailers that underwent compliance check within 90 days	Monthly	100%	Manage workloads and prioritize staff responsibilities & efforts as needed

Core Function: *REPORTING & ANALYSIS*

Services, Products, & Activities (SPAs)	SPA Measure Name	Core Function Measure	Frequency	FY25 Target	Strategy / Action
Tax Research & Program Analysis	High priority and informal State Fiscal Estimates response time	Percent of high priority and informal State Fiscal Estimates completed within five business days	Annually	75%	Manage workloads and prioritize staff responsibilities and efforts as needed to improve timeliness
Revenue Estimating	Provide and ensure accurate Economic Model forecasts	Measure the Economic Forecast Model accuracy using the Mean Absolute Percent Error (MAPE) to compare economic forecasts against actual results	Annually	< 5%	Assess forecasting methodology and included variables