

# STATE OF ARIZONA

Arizona Department of Revenue



Douglas A. Ducey  
**Governor**

Carlton Woodruff  
**Interim Director**

March 8, 2019

Lindsey Perry, Auditor General  
Arizona Office of the Auditor General  
2910 North 44<sup>th</sup> Street, Suite 410  
Phoenix, Arizona 85018

Dear Ms. Perry:

The Arizona Department of Revenue (Department) appreciates the opportunity to respond to the report of the Auditor General, *A Performance Audit: TPT Support and Education Services*. Additionally, the Department would like to thank your staff for the professional and collaborative approach of the Office of the Auditor General during the audit process. As discussed in the enclosed response, the Department will implement all recommendations contained in the report.

Thank you,

Carlton Woodruff  
Interim Director

**Finding 1:** Department should further improve call centers' quality assurance (QA) processes

**Recommendation 1:** The Department's main call center, licensing call center, and collections call center should develop and implement policies and procedures to address situations when a CSR provides incorrect information to a taxpayer, including guidance for what factors should be considered when deciding whether to call a taxpayer back and the procedure for doing so.

Department Response: The finding of the Auditor General is agreed to and the audit recommendation will be implemented.

**Recommendation 2:** The Department's main call center, licensing call center, and collections call center should establish center-wide performance metrics for tracking and monitoring overall call quality.

Department Response: The finding of the Auditor General is agreed to and the audit recommendation will be implemented.

**Recommendation 3:** The main call center should continue to implement and modify, as needed, its new QA evaluation tool.

Department Response: The finding of the Auditor General is agreed to and the audit recommendation will be implemented.

**Recommendation 4:** The main call center should use its QA evaluation tool to help ensure that it meets its QA evaluation goal and to identify trends or areas for improvement.

Department Response: The finding of the Auditor General is agreed to and the audit recommendation will be implemented.

**Recommendation 5:** The licensing call center should continue to follow its new QA process.

Department Response: The finding of the Auditor General is agreed to and the audit recommendation will be implemented.

**Recommendation 6:** The licensing call center should implement its plan to adopt the main call center's QA evaluation tool and use it for monitoring evaluation results to identify trends or areas for improvement.

Department Response: The finding of the Auditor General is agreed to and the audit recommendation will be implemented.

**Recommendation 7:** The collections call center should develop and implement policies and procedures that include guidance for supervisors on how to address low QA evaluation scores with CSRs.

Department Response: The finding of the Auditor General is agreed to and the audit recommendation will be implemented.

**Finding 2:** Education and Outreach Unit (EDU) should improve collaborations with other Department units

**Recommendation 8:** The Department's Education and Outreach Unit (EDU) should perform a systematic review of all Department units to identify potential opportunities for additional collaborations and obtain information that could inform its education and outreach efforts.

Department Response: The finding of the Auditor General is agreed to and the audit recommendation will be implemented.

**Recommendation 9:** The Department's Education and Outreach Unit (EDU) should develop and implement a process to evaluate the effectiveness of its collaborative efforts.

Department Response: The finding of the Auditor General is agreed to and the audit recommendation will be implemented.

**Recommendation 10:** The Department's Education and Outreach Unit (EDU) should document its process for collaborating with other Department units, including how and with whom to collaborate, the type of information that EDU staff should obtain, and what they should do with the information once they obtain it.

Department Response: The finding of the Auditor General is agreed to and the audit recommendation will be implemented.

**Finding 3:** City Services Team (CST) should implement its plans for better managing cities' and towns' TPT questions

**Recommendation 11:** The Department's City Services Team (CST) should use its newly developed management reports to identify trends and areas for improvement.

Department Response: The finding of the Auditor General is agreed to and the audit recommendation will be implemented.

**Recommendation 12:** The Department's City Services Team (CST) should develop and implement policies and procedures that address how CST staff receive, track, monitor, and respond to city/town questions, including time frames for doing so.

Department Response: The finding of the Auditor General is agreed to and the audit recommendation will be implemented.

**Recommendation 13:** The Department's City Services Team (CST) should evaluate how the new database and management reports are working for CST and the cities and towns and adjust them as needed.

Department Response: The finding of the Auditor General is agreed to and the audit recommendation will be implemented.