

	Specific	Measurable	Actionable	Relevant	Timebound
Average # of days to process licenses and registrations	Yes	Yes	Somewhat	Yes / No	Yes
Average # of days to process exam registrations	Yes	Yes	Yes	Yes / No	Yes
Average # of continuing education hours submitted	Yes	Yes	No. Licensees are required to complete 30 hours of CE each year. Average number of CE hours submitted is irrelevant.	No	Yes
Average # of hours to respond to complaints	No. Not clear. Could mean 8-hour day or 24-hour day.	Difficult. Requires time stamping complaints as received. Also not clear how to measure when response is made, i.e. when letter is drafted, when mail is picked up, when voice message is left, etc.	Somewhat. Depends on how response is measured.	Somewhat. Reducing response time is a good goal. However, average response time obscures outliers.	Yes
Percent of customers rating service as excellent or good	Yes	Yes	No	Yes / No	Yes
Percent of best practices used	Yes	Subjective	Yes / No	No	Yes

	Current Measure	Current Goal	Proposed Measure	Proposed Goal	Rationale for Change
KPM 1	Average number of days to process licenses and registrations	5 days	Percent of licenses and registrations processed within 3 days of receipt	95%	More specific, actionable and relevant. Better indicator of agency performance and meeting needs of licensees.
KPM 2	Average number of days to process exam applications	5 days	Percent of exam applications processed within 3 days of receipt	95%	More specific, actionable and relevant. Better indicator of agency performance and meeting needs of licensees.
KPM 3	Average number of continuing education hours licensees receive annually	40	Percent of licensees audited who are in compliance with continuing education requirements	95%	Current measure is not actionable or relevant. Licensees required to complete 30 hours of CE annually, which already exceeds IRS requirement of 24 hours. Percent of licensees who are in compliance with this requirement is more meaningful than whether they completed more than 30 hours of CE.
KPM 4	Average number of hours to make an initial response to a consumer complaint	8 hours	Percent of consumer complaints responded to within 3 days of receipt	95%	Number of hours is too small a unit of measure for this activity. It is also difficult to measure consistently and with precision. In addition, current measure may be misleading as only 8 hours are used for each business day. The important things to know are whether the agency is responding to consumer complaints and whether the responses are made in a timely manner. Changing this measure to percent of consumer complaints responded to within 3 days of receipt addresses both issues.

KPM 5	Percent of customers rating their satisfaction with the agency's customer service as good or excellent	95%	Percent of basic tax course students rating their satisfaction with course content and instructor as good or excellent	75%	<p>The current measure is very good on paper, but lacks utility in practice. Licensees rarely complete and submit satisfaction surveys, which results in a lack of meaningful and useful data. Moreover, the vast majority of licensees only interact with the agency once a year, when they submit their annual license and/or registration renewal. The primary driver of licensee satisfaction with that process is how quickly their application is processed, which is already measured in KPM 1.</p> <p>A more useful measure for the agency would be to gauge student satisfaction with the 80-hour basic tax courses required for entry into the profession. These courses can cost several hundred dollars and require a significant commitment of students' time and energy. Course sponsors and instructors must be approved by the Board. Therefore, student feedback is a better tool to drive decisionmaking and measure success. Every student will be asked to complete a brief, anonymous survey at the end of each course, with the results being sent directly to the Board.</p>
KPM 6	Percent of 15 best practices used by the agency	100%	Percent of students who pass the licensed tax preparer exam	50%	<p>The current KPM is a subjective measure of arbitrary inputs and does not provide any indication of agency performance. Alternatively, the agency proposes the percentage of students who pass the licensed tax preparer exam as a more meaningful and relevant measure. A score of 75% or higher is required to pass the state-administered exam and obtain a license as a tax preparer. The pass rate in recent years has ranged from 30 to 40 percent. The Board would like to have a pass rate of at least 50%. The pass rate on the preparer exam also serves as an outcome measure for the quality of basic tax courses.</p>