APPROACH FOR MANAGING CUSTOMER RECORDS LEADING PRACTICE WORKSHOP

DECEMBER 11, 2018
Welcome

- Facilities
  - Restroom
  - Cafe

- Public Meeting
  - Noticed as Public Meeting due to ESC member participation
  - Materials available on Florida PALM web site for public
  - Recording meeting for note taking purposes
  - Producing official meeting minutes for publication on Florida PALM web site
Introductions

- Angie Robertson – BPS Track Manager
- Bill Kilmartin – Business Value Architect
- Matt Cole – BPS Track Manager
- Workshop Participants
- Project Team Participants
Agenda

- Context
- Definitions
- Brainstorming: Rose/Bud/Thorn
- Design Principles
- Leading Practices
- Break
- Breakout and Group Discussion
- Next Steps
Overview of Today’s Workshops

1. The customer record is pre-requisite to the accounts receivable/billing process
2. The morning session will focus on the customer record
3. The afternoon session will focus on accounts receivable and billing
Florida PALM Timeline

Approach for Managing Customer Records
Leading Practice Workshop

We are here
Florida PALM Timeline

- Two Phases – DDI Phase 1 and DDI Phase 2 with six distinct periods:
  - DDI Phase 1, Pilot – Establish statewide solution and foundation for Departmental functionality to replace core FLAIR and CMS functionality for Pilot agencies
  - DDI Phase 1, Agency Solution Confirmation – Focus on agency readiness, reviewing the Solution as implemented in Pilot to demonstrate how Agencies will conduct business in the Solution and identify any remaining gaps
  - DDI Phase 1, Wave 1 – Extend proven solution to additional Agency users, approx. ½ of end user base
  - DDI Phase 1, Wave 2 – Extend proven solution to remaining Agency users
  - DDI Phase 1, Wave 3 – Deploy Payroll functionality to all Agencies
  - DDI Phase 2 – Deploy additional functionality
Solution Analysis and Design

- **Project Recommended Solution**: Design drafted through activities primarily performed by Project Team members, supported by Division SMEs, and leveraging Prototype 1.

- **Representative Agencies Workgroup Solution**: Design refined through Workgroup meetings with a small group of agencies, Project Team members, and Division SMEs leveraging Prototype 1.

- **All Agencies Confirmation**: Design refined through Workshops with and feedback from all agencies.

- **Project and Executive Steering Committee Review and Approval**: Design finalized through presentation to and feedback from the ESC.

- **All Agencies Workshops**: Finalized design communicated to all agencies through Business Process Workshops.

* During Pilot period only
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Definition: Customer

- Persons or entities remitting revenue related to taxes, charges for services, or other State non-tax revenue sources
- We do not mean customer in the sense of “consumer of services”

Examples include:

- Taxpayers
- Grantors
- Entities remitting fees
- Entities remitting fines
- Entities remitting rents
- Entities acquiring licenses and permits
- Other agencies
Definition: Customer Record

- The master data that describes demographic and relational attributes of the customer, typically in a digitized format residing in a database
- For example:
  - Name
  - Address
  - Unique identifier (e.g., TIN or other identifier)
  - Parent-Child customer relationships
  - Customer type
Definition: Master Data

Throughout today’s session, we will also use the term “master data”

**Master data** is an organization’s single source of basic business data used across multiple applications and processes.

**Master Data Management** is a technology-enabled discipline in which business and IT work together to ensure the uniformity, accuracy, stewardship, semantic consistency and accountability of the enterprise’s official shared master data assets.

- Once a master data record is created within the Solution, it is available for use by all users and cannot be duplicated.
Definition: Payee

- Persons or entities receiving disbursements, whether in a central or distributed disbursement system

Examples include:
  - Vendors
  - Employees
  - Recipients
  - Beneficiaries
  - Fiduciaries
  - Bondholders
  - Other agencies and governments
  - Entities receiving revenue refunds
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Brainstorming Activity: Rose, Bud, Thorn

In this activity, we will think about current customer record processes (i.e., in FLAIR and agency business systems) in terms of:

- **Roses** (*Green Post-it*): What is currently working well, and you would not want to change? (e.g. functionality, process, other items)
- **Buds** (*Blue Post-it*): What is currently working OK, but could use some improvement or additional work?
- **Thorns** (*Pink Post-it*): What are pain points that make it very difficult to do your job and/or reducing productivity and efficiency?

**Activity Instructions**
1. Individually write down your Roses, Buds and Thorns on the Post-it
2. Each participant shares their Rose, Buds and Thorns
3. Collect and combine the Post-its into corresponding categories (Rose, Bud and Thorn)
4. Discuss the results in the full group
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Design Principles

- The customer record and the process used to create it must support agency mission requirements. The customer record is integrated into:
  - Tax management business processes
  - Non-tax revenue agency business processes (e.g., permitting systems, licensing systems, intragovernmental exchanges)
The customer record is most often required to conduct revenue to cash business processes.
WHO NEEDS CUSTOMER DATA?
Who needs customer data?

- Legislature
- CFO
- Executive Office of the Governor
- Economic and Demographic Research
- Department of Revenue
- Agencies
- Public
- Auditors
- Anyone responsible for managing the State’s revenue cycle
- Any state entity (including municipalities) trying to collect delinquent debt

Are there others?
There is significant revenue volume remitted by both tax and non-tax customers

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<th>Tax</th>
<th>$ Billions</th>
<th>Non-Tax</th>
<th>$ Billions</th>
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<tr>
<td>Sales and use tax</td>
<td>$25.3</td>
<td>Licenses and permits</td>
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<tr>
<td>Fuel taxes</td>
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<td>Fees and charges</td>
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<tr>
<td>Corporate income tax</td>
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<td>Grants and donations</td>
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<tr>
<td>Documentary stamp tax</td>
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<td>Investment earnings (losses)</td>
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<tr>
<td>Intangible personal property tax</td>
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<td>Fines, forfeitures, settlements, judgments</td>
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<td>Communications service tax</td>
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<td><strong>Total</strong></td>
<td><strong>$38.2</strong></td>
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</table>
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Leading Practices

Use a common customer identifier to enable data exchange across various types of customer records

- An identifier generated by the financial management system can be used to enable data exchange
- An identifier generated by agency customer systems may be needed to enable data exchange
- There should be an agreement between the business and system owners on how these identifiers would share common data elements
Leading Practices

Build a master customer data approach to enable intercept/offset of accounts payable as a mechanism to collect delinquent debt

- Recognize that payee and customer data is typically not centralized with a single identifier across the entire enterprise
- Include in the discussion and design tax and non-tax agency business systems as they tend to keep their systems and data independent
Leading Practices

Extend a master customer data approach to “intercept” at the point of service delivery as a mechanism to assist in the collection of delinquent debt

- For example:
  - DHSMV withholds the driver’s license renewal for a person delinquent in child support
  - DEP withholds an environmental permit application for a business delinquent in corporate tax
Leading Practices

Allow customer self-service, without diminishing state controls, to enter and update data into the customer record

- Customers know their data the best, so allow customers to edit data in a self-service concept (e.g., changing address)
- However, certain customer record data fields should be managed by a state entity (e.g., changing Tax ID Number, bank account)
Leading Practices

Address the privacy and security of customer records with strict confidentiality restrictions

- Identify the attributes of customer records that require safekeeping and special privacy procedures (e.g., HIPAA, public safety, taxpayer ID)
Leading Practices

**Adopt an enterprise approach to governance for customer data**

- The governance and ownership of the data should be coordinated with the State’s overall enterprise information management strategy (i.e., policies and processes for data definitions, sharing, ownership, and stewardship)
- The customer master data strategy should help state agencies achieve their unique service delivery missions
Break

- Let’s take a 15 minute break
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Breakout and Group Discussion

- We will divide up into 3 groups
- Each group will receive a poster board with two of the leading practices we reviewed in the prior section
- Based on the group’s discussion, you will have 2 tasks:
  1. Identify which current pain points (e.g., “thorns”), or other value the State will realize by adopting this leading practice
  2. Identify obstacles that might keep the State from fully adopting this leading practice
- Be as specific as possible!
- After 15 minutes, groups will rotate (there will be 3 rotations)
- Then, we will reconvene and report back to the full group
Breakout and Group Discussion

- **Green Post-it** = Identify which current pain points (e.g., “thorns”), or other value the State will realize by adopting this leading practice

- **Pink Post-it** = Identify obstacles that might keep the State from fully adopting this leading practice
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Exit Ticket: Leading Practice Ranking

- Before you leave please complete this ranking form
- On a scale of 1-5, rank each leading practice according to the following dimensions:
  - Degree of value the State would realize if the leading practice were fully adopted (5 = highest value)
  - Degree of effort for the State to fully adopt this leading practice (5 = highest effort)
Lunch Break

- Thank you for your participation this morning!
- We will now take a break for lunch
- We will resume at 1:30 in this room
CONTACT INFORMATION

CONTACT US

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