

State of South Carolina
Department of Revenue



HENRY D. MCMASTER
Governor

W. HARTLEY POWELL
Director

300A OUTLET POINTE BOULEVARD
POST OFFICE BOX 125
COLUMBIA, SOUTH CAROLINA 29214
Telephone: (803) 898-5040
Facsimile : (803) 896-0023
Director@dor.sc.gov

August 31, 2018

The Honorable Bruce W. Bannister
Subcommittee Chairman, House Legislative Oversight Committee
Post Office Box 11867
Columbia, SC 29211

Dear Chairman Bannister:

I received your letter of August 16, 2018 requesting a follow-up response to questions resulting from the Department of Revenue's hearing on August 13, 2018. The Department of Revenue is committed to the legislative oversight process, and please find below the requested information.

1. A summary of the results of the agency's FY16 and FY17 employee surveys, omitting any confidential data or information that identifies individual respondents. Also, please describe briefly the survey method used (i.e., was input anonymous).

Employee Survey Method

The Internal Audit (IA) Division conducted the Department's employee surveys. Human Resources provided the IA Director with the most current list of employees and their Divisions. The IA Director compiled and reviewed all responses which were anonymous. The IA Director presented to Senior Management the results from the employee surveys, which included an overall summary, a breakdown of the results, and action items to move forward.

FY16 Employee Survey

Results:

Response Rate: 48%

	Satisfied	Dissatisfied
Salary	45%	55%
Agency Spirit	79%	21%
Cross Divisional Communications	76%	22%
Ethics	88%	12%
Senior Management Contact	54%	46%

Themes from Written Employee Comments:

Salary Dissatisfaction
Stronger Internal Communication with Senior Management
Enhancements of Physical Security

Mitigation Strategies Implemented:

- Implemented a universal employee performance review (EPMS) review date
- Designed and implemented an employee pay for performance plan and bonus program
- Implemented an internal strategic communication campaign to better inform employees of the agency's mission, vision, and culture; customer satisfaction survey results; and strategic performance
- Established employee performance measures and culture classes with executive leadership participation
- Enhanced workplace security by placing protective service agents and metal detectors at all locations
- Included employee input, via survey responses, into strategic and annual business planning

FY17 Employee Survey Results

Results:

The FY17 employee survey was revised to measure a more comprehensive list of workplace topics.
Response Rate: 47%

	Satisfied	Dissatisfied
Security	94%	6%
Salary	30%	70%
Attrition	53%	47%
Contact with Executive Leadership	61%	39%
Contact with Direct Supervisors	58%	42%
Team Spirit in Division	71%	29%
Team Spirit in Agency	57%	43%
Process Improvement Opportunities	71%	29%
Ethics	76%	24%
Internal Communication	62%	38%
Quality of External Customer Service	71%	29%
Management Competency	79%	21%
Non-management Competency	74%	26%
Sufficient Resources, Tools, & Time	79%	21%
Workspace	83%	17%
Work-life Balance	80%	20%

Themes from Written Employee Comments:

Salary Dissatisfaction
Stronger Internal Communication
Lack of Agency Team Spirit

Mitigation Strategies Implemented:

- Established a new intranet, The Huddle, to provide a platform for internal communications, collaboration and engagement of employees
- SCDOR's Communication Guide was revamped to be more user friendly for employees. It was easily accessible through the Department's new intranet, The Huddle
- Implemented a "Get Involved Program" via The Huddle, encouraging employees to volunteer on agency-wide initiatives such as wellness and outreach events and employee appreciation activities
- Implemented an ongoing strategic review process of workspace areas to address the business needs for workspace layout and designs
- Implemented a standard layout of the taxpayer assistance areas at all SCDOR locations

- Provided sit-to-stand desks for employees to promote a healthier workspace for employees
- Improved the quality of employee recognition items
- Implemented a formal presentation process for bonus awards based on employee feedback
- Committed annual allocations towards achievement award bonuses
- Held an agency-wide employee appreciation event with games and a catered lunch

2018 SCDOR Customer Service Survey:

Survey Method:

This survey was conducted by the University of South Carolina’s Institute for Public Service and Policy Research. The purpose of the survey is to assess the public’s perception regarding SCDOR’s service. There were 800 South Carolina citizens (age 18 or older) randomly selected to participate in the survey.

Results:

Awareness: 83.6% of the responders have heard of SCDOR

Impression: 88.5% - Positive Responses

Contact: 61.1% of the state’s adult population contacted SCDOR in 2015

Speed of Refund: 93.8% Satisfaction Rate

Quality of Service: 74.5% satisfied with the overall quality of services received

Courtesy of Service: 79% satisfied with the courtesy and attitude of staff

Accuracy of Service: 85.5% satisfied with the accuracy of the information received

Speed of Service: 81.6% satisfied with the speed of the service provided

Overall Ease of Service: 77.8% satisfied with the overall ease of the process

2. Estimates of the following information related to filing tax liens:

a) Number of tax liens filed in FY18, broken down by county if readily available;

Approximately 56,213 tax liens were filed in FY18. Below is a breakdown of tax liens filed by county:

ABBEVILLE	171	DILLON	170	MARION	197
AIKEN	1,186	DORCHESTER	1,282	MARLBORO	231
ALLENDALE	88	EDGEFIELD	137	MCCORMICK	72
ANDERSON	1,216	FAIRFIELD	317	NEWBERRY	310
BAMBERG	115	FLORENCE	1,175	OCONEE	340
BARNWELL	205	GEORGETOWN	617	ORANGEBURG	1,026
BEAUFORT	1,682	GREENVILLE	4,895	PICKENS	567
BERKELEY	1,835	GREENWOOD	643	*RICHLAND	*15,718
CALHOUN	134	HAMPTON	197	SALUDA	151
CHARLESTON	4,696	HORRY	2,975	SPARTANBURG	2,775
CHEROKEE	491	JASPER	245	SUMTER	899
CHESTER	339	KERSHAW	597	UNION	271
CHESTERFIELD	327	LANCASTER	687	WILLIAMSBURG	346
CLARENDON	371	LAURENS	508	YORK	2,636
COLLETON	317	LEE	178		
DARLINGTON	534	LEXINGTON	2,344		

* All out-of-state liens are filed in Richland County.

b) Current annual agency cost of filing tax liens with counties, including recording fees and staff time;

SCDOR spent a total of \$606,805 to file, expunge and satisfy tax liens in FY18. This amount includes \$562,130 spent on recording fees to counties and \$44,675 in operational costs to include 91,828 expungements and satisfaction notices.

- c) The counties that would currently accept electronic recording through Simplifile or similar services;

Only 19 counties are currently able to accept electronic recording of liens through Simplifile: Aiken, Anderson, Beaufort, Berkeley, Chesterfield, Clarendon, Colleton, Dorchester, Greenville, Greenwood, Horry, Jasper, Lancaster, Laurens, Lexington, Richland, Spartanburg, Sumter and York.

- d) Change in annual agency cost if electronic recording with Simplifile or a similar service is implemented for the counties referenced in part (c), including the cost of an annual contract and any anticipated savings in staff time and postage and;

Estimated cost to modify SCDOR's tax processing system to interface with the counties currently e-recording would be \$800,000 plus an annual contract fee of \$50,000 to \$100,000. SCDOR would no longer incur the annual operational costs of \$44,675.

- e) Change in annual agency cost if the agency is no longer required to file tax liens with counties, including the cost of implementing a statewide recording system and any anticipated savings in staff time and recording fees.

If SCDOR becomes the central statewide recording system for tax liens there would be a total savings of over \$600,000 annually and the elimination of a one-time implementation cost to SCDOR's tax processing system of \$800,000.

If you have questions or need further information, please let me know.

Sincerely,

A handwritten signature in blue ink, appearing to read "W. Hartley Powell", written over a light blue horizontal line.

W. Hartley Powell
Director