



REVENUE
PREMIER



Adaptable. Flexible. Agile.



System Administration
System Configuration

REVENUE PREMIER®



Designed specifically for the Tax and Revenue industry, Revenue Solutions, Inc.'s (RSI) Revenue Premier® provides an integrated, highly functional and advanced technical solution to support the processing, tax accounting and compliance functions of a tax agency. Revenue Premier is comprised of four primary integrated modules: Integrated Tax Processor, Collections Manager, Portfolio Warehouse and Audit Manager. Revenue Premier boasts an open technical design and a set of shared services which provide vast flexibility for reusing services, integrating other products and supporting a variety of technical infrastructure options. Revenue Premier's integrated Business Rules Management System provides maximum control over system behavior and tailoring of the solution to an agency's own policies, without base-code modifications.

As a fully integrated solution, unique functionality and capabilities are encapsulated within each module, thereby avoiding unnecessary system redundancy and improving overall operational efficiency. Capabilities that are common and required by more than one module are provided by integrated shared services, such as the Decision Analytics/Business Intelligence Framework, Case Management/Workflow, Correspondence Management and Administration Services.

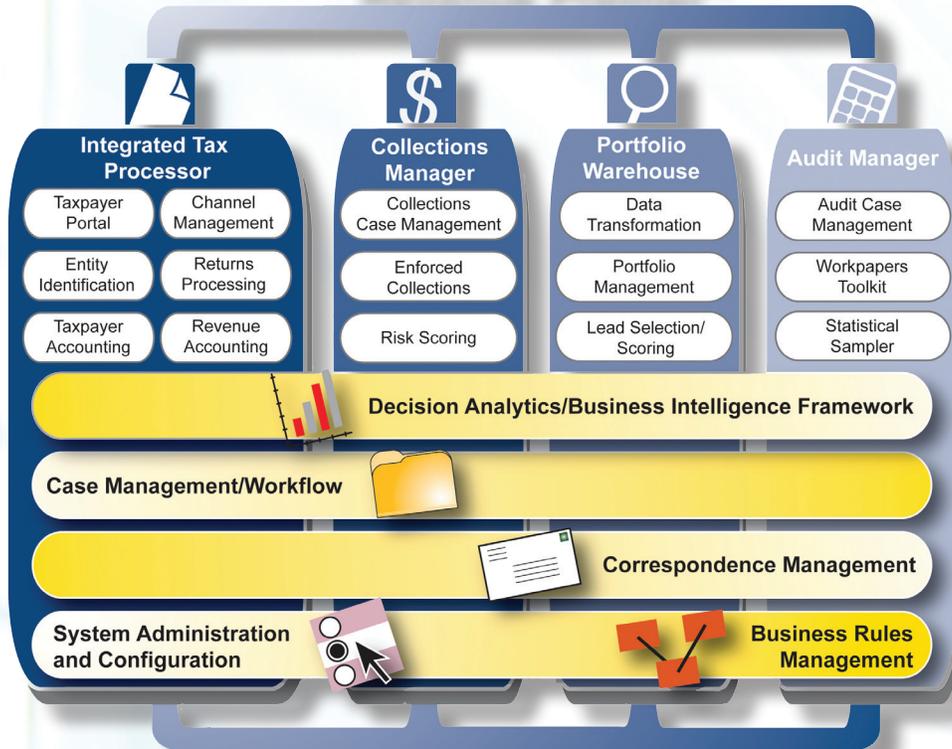
Revenue Premier employs a Service-Oriented Architecture (SOA) that enables flexible and efficient integration of modules and services, as well as integration with other agency systems, external systems and third-party software. This architecture allows Revenue Premier modules to be implemented together as a full solution offering, individually as a point solution (e.g., tax data warehouse or collections system), or together with existing agency software assets. The solution provides options for a phased-implementation approach that meets each customer's specific needs and desired pace of modernization.

Some RSI clients have implemented the compliance modules alongside legacy tax processing systems to extend and enhance the valuable life of their existing software assets. For example, one state agency first implemented the Portfolio Warehouse and Collections Manager modules to drive tens of millions of additional revenue benefits and then implemented the Integrated Tax Processor and Audit Manager modules at a later time — phasing in the tax types in a logical and controlled manner.

RSI's proven and modern SOA-based technical architecture and industry-leading integration of a robust Business Rules Management System to control system behavior, combined with functionally rich tax processing, compliance and data warehouse capabilities and multiple implementation options, differentiates RSI's Revenue Premier from all other products on the market today. This reflects a new raised level of expectations for functionality, configurability, interoperability and flexibility in enabling system technology.

*Revenue Premier® provides **FLEXIBILITY** with **Multiple Implementation Options** that meet each customer's specific need.*

Revenue Premier®



Revenue Premier's Primary Modules and Integrated Shared Services

As the true “Next-generation Integrated Revenue Enterprise Management Solution” for Tax and Revenue agencies, Revenue Premier provides the following advantages and benefits:

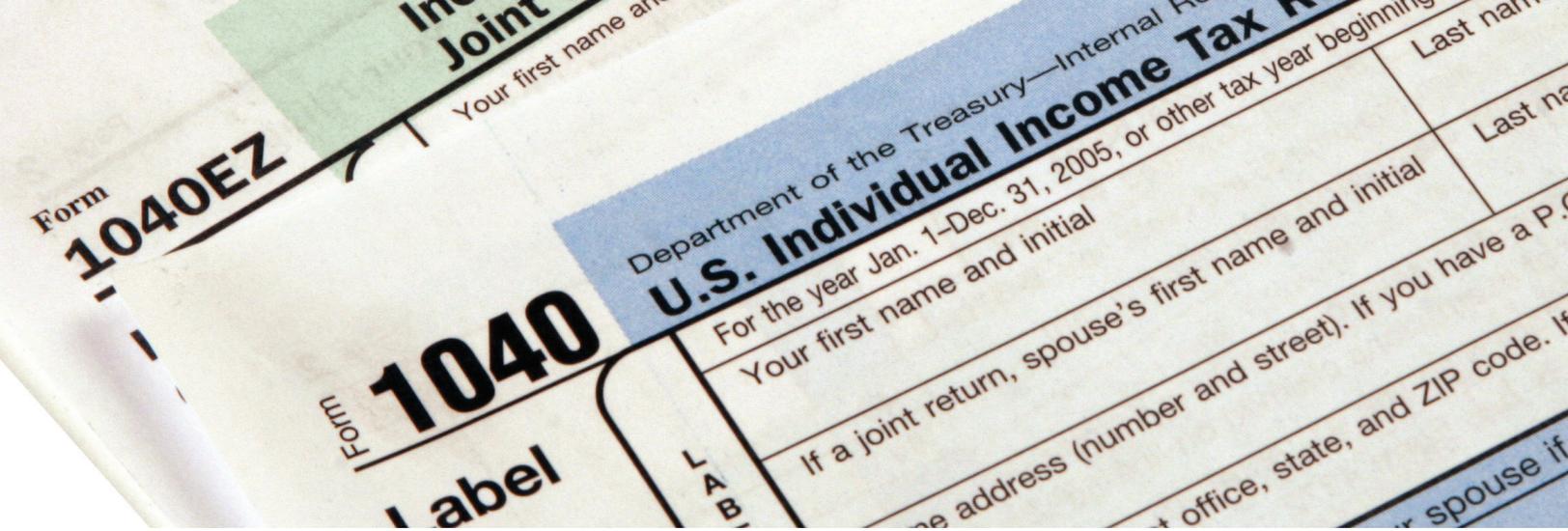
- A modular system that enables phased-implementation approaches and delivers fully configurable and extensible business rules integration. Revenue Premier provides agencies with the flexibility and adaptability to implement the system into their environment as they choose, leverage existing assets if desired, and — in the future — manage changes to business rule logic without code modifications and vendor support.
- By integrating RSI's industry-leading revenue portfolio data warehouse within Revenue Premier, RSI's data-driven, proven approach to compliance enables tax agencies to make better decisions with more certainty. This is seen in registration (e.g., do we have history with this responsible person and were they a good taxpayer?), processing (e.g., is this a fraudulent return?) and accounting (e.g., are locality taxes being correctly reported?) while leveraging the data warehouse for improved detection of non-registration, non-filers and under-reporters.
- Built from the ground up on modern, open, and proven technologies, Revenue Premier has greater system longevity, more cost-effective technical infrastructure and hosting options and a lower long-term cost of ownership than other products.
- With Revenue Premier, agencies have complete, unrestricted access to all of their data, the capability to integrate with other best-of-breed third-party tools and services, and the benefit of ongoing functional improvements as providers of those integrated components continue to innovate in the broader marketplace.
- RSI, dedicated exclusively to the Tax and Revenue industry with over 250 successful projects, brings a highly experienced and tax knowledgeable team, providing less implementation risk and a genuine focus on business results.
- Flexible licensing and maintenance options enable agencies to chart their own course for support, maintenance and system upgrades.

Each of the primary Revenue Premier modules and integrated shared services shown above, are summarized in the following pages.



*Adaptable.
Flexible.
Agile.*





Integrated Tax Processor



Business Challenge

Many Tax and Revenue agencies have undergone major system development efforts over the past 25 years using various solutions to deploy new systems. Called Integrated Tax Systems (ITS), these applications were revolutionary. They took advantage of the best technologies available at the time and enabled agencies to consolidate functionality from multiple legacy systems into one. However, new technology and better software is rapidly making these ITS solutions — even those packaged ITS solutions implemented in the past few years — outdated and less effective. For example, Revenue agencies are recognizing that integrating an external “Business Rules Management System” and “workflow” software into a modern ITS provides ***the flexibility that enables the software to adapt to the agency’s business, rather than compelling the agency to adapt to the software.***

Revenue agencies that have sought to take advantage of these recent improvements in technology are frequently hindered by the lack of flexibility and openness of first-generation ITS applications. The ITS solutions of the last decade and earlier, both custom developed and Commercial-off-the-Shelf (COTS), were built on platforms whose architecture prevents integration of best-of-breed third-party software, extensions and agency modifications. These constraints limit an agency’s ability to adapt to tax and legislative changes. Today, agencies confront business and system challenges that extend beyond simple rate or form line-item changes to include requirements such as linking taxes, credits or deductions to other government programs (e.g., health care). Agencies shouldn’t be forced to follow an outdated or less effective business process or policy, based on what the software does or does not do. Similarly, an agency should not be locked into an arrangement where the agency is reliant on the vendor to modify inflexible, proprietary software.

For those agencies that are still operating on systems even older than these first-generation ITS’, the situation is more critical. An aging workforce has made the operation and maintenance of older systems, often developed with legacy programming languages, more challenging. These tax applications have become increasingly complex and difficult to maintain in a timely and cost effective manner, due to modifications and patches that have occurred over the years.

Solution

RSI, a recognized expert in the Tax and Revenue industry, has developed and deployed the next-generation Integrated Tax System. RSI’s Revenue Premier Integrated Tax Processor was designed and built with flexibility, adaptability and agility as its core principles. Revenue Premier employs a Service-Oriented Architecture (SOA) and open technology standards along with best-of-breed technologies, such as a Business Rules Management System and workflow, to facilitate change.

Maximizing Flexibility and Facilitating Change

Business rules are the lifeblood of revenue agencies, yet they are often the most challenging aspect of system maintenance. Many ITS applications embed business rules directly into the application code. The Revenue Premier Integrated Tax Processor's visionary approach is to manage and execute business rules through the use of a Business Rules Management System. The Business Rules Management System abstracts business rules away from the application code and has several advantages over traditional application programming:

- **Central Rules Management** — eases impact analysis as a result of new legislation or the introduction of new programs.
- **Resource Involvement** — makes it possible for non-IT personnel to change and maintain business rules, reducing dependency on scarce technical resources.
- **Simplifies Testing** — changes are made to business rules, not core application logic, which allows testing to focus on the impacted business rules.

In addition to business rules, the Integrated Tax Processor is workflow-enabled. Workflow is configurable and allows the agency to determine how best to direct work to the appropriate resources. This supports the automation of existing labor-intensive manual processes, reduces reliance on paper and significantly

streamlines overall processing. Workflow empowers managers to effectively leverage limited employee resources by providing state-of-the-art tools to manage tasks, track team performance and automate processes.

Another feature of Revenue Premier is the extensible database schema. With Revenue Premier, an agency can extend the database schema to include custom data elements, which are unique to a given agency. These custom data elements can be defined at multiple levels, including entity, account, case and license, without impacting software upgrades and maintenance. Similar to any core data element, the custom data elements are available to the Business Rules Management System, can be reported on and included in system generated correspondence to the taxpayer.

Revenue Premier Integrated Tax Processor Provides All Core Processing “Out-of-the-Box”

Revenue Premier was built specifically for the Tax and Revenue industry using best-practice techniques gained over 25 years of client experience. The Integrated Tax Processor provides out-of-the-box functionality for all core processing functions within the agency. It consists of the following core components: Taxpayer Portal, Channel Management, Entity Identification, Tax Processing, Taxpayer Accounting and Revenue Accounting. The Integrated Tax Processor operates on an open platform, which provides an agency with the flexibility to integrate with existing technology investments (e.g., content management and correspondence generation solutions) and/or other Revenue Premier modules.

The User Interface for the Revenue Premier Integrated Tax Processor is intuitive, providing the opportunity for a smooth transition from legacy applications.

COTS ownership does not have to be a one size fits all approach. Revenue agencies differ as to how they strategically view software maintenance.

[Taxpayer Portal](#)

Taxpayer Portal is a mission-critical component that provides individuals and businesses ready access to modern online self-services, including return and payment filing, account balance/history, email, online chat, electronic billing/noticing and mobile access. At the taxpayer's discretion, access can be granted to third parties, such as an accountant. Third parties can be given different levels of access rights, including view-only access, return filing access or permission to remit payments. These self-services improve customer service while simultaneously reducing agency costs by diminishing the agency's customer service workload.

[Channel Management \(Returns and Payments\)](#)

Channel Management enables the system to receive forms – both paper and electronic – from a wide variety of sources (e.g., Lockbox, Portal, Modernized e-File, etc.) and in various formats (e.g., comma-separated values, fixed-block, XML, etc.). Channel programs translate inbound documents to XML, Revenue Premier's standard format for tax form data, and checks for duplicate files. The system is flexible enough to have multiple files per day from multiple sources, each tracked and stored separately. Each channel is equipped with its own schedule and business rules, prompting the user to take action if a potential error is found within a file.

[Entity Identification and Registration](#)

All information related to taxpayers and non-taxpaying entities, including demographics, tax eligibility requirements, tax type and fee accounts and licenses, are managed within Entity Identification and Registration. Relationships among these entities are maintained, as are interactions between the taxpayer and agency, recording both inbound telephone and outbound correspondence contact history. Workflow and business rules are used to drive issue resolution by the appropriate resource. In addition, third parties such as other government entities or other authorized parties can be given access to provide additional electronic services.

[Tax Processing \(Returns and Payments\)](#)

Tax Processing supports the processing of tax returns, payments, extension requests and other information provided to the agency by performing validations, automatic calculations, payment application and transaction posting to Taxpayer Accounting.

[Taxpayer Accounting](#)

All financial transactions related to taxpayer accounts, and their financial impact, are managed within Taxpayer Accounting. A wide variety of financial transactions are standard to the Integrated Tax Processor. At the same time, much of how Taxpayer Accounting processes financial transactions is defined by the agency's business rules in the Business Rules Management System rather than rigid software constraints. Additionally, the robust taxpayer accounting model also supports an unlimited number of accounting events and an unlimited number of tax, penalty and interest types. This is particularly useful when multiple taxes are processed on the same return and/or when the tax has a local jurisdiction component.

[Revenue Accounting](#)

Revenue Accounting functionality encompasses deposit reconciliation, allocations and distributions, posting to the general ledger, fund distributions, close outs, historical information and communications to State Treasurer. Accounting features such as vouchering, reporting and auditability are built into the Integrated Tax Processor. The financial transactions can be traced to the fund accounts in Revenue Accounting. Historical views allow the agency to compare the state's performance between the current and prior fiscal years, as well as current and prior fiscal months.



Architected with the Future in Mind

Revenue Premier employs a highly modular structure by grouping related functional capabilities (as listed above) supported by a set of shared common services. This approach ensures uniformity across the enterprise. It allows for flexibility and integration by supporting the inclusion or exclusion of components based on an agency's environment and business needs.

The Revenue Premier N-tier, Service-Oriented Architecture leverages the best hardware and operating system for each tier (user interface, business logic and data). A tiered architecture also allows for future expansion or change without the need for complete rewrites of the application. Utilizing the Microsoft .Net framework for the user interface and leveraging web services to deliver both messaging and enterprise integration capability, Revenue Premier's architecture enables the reuse of services across the enterprise.

The Revenue Premier architecture simplifies integration with other state agencies, customers and business partners through the use of business services and data access functions that can be exposed at the enterprise level. The architecture also enables current and future system expansion, while simplifying overall system maintenance.

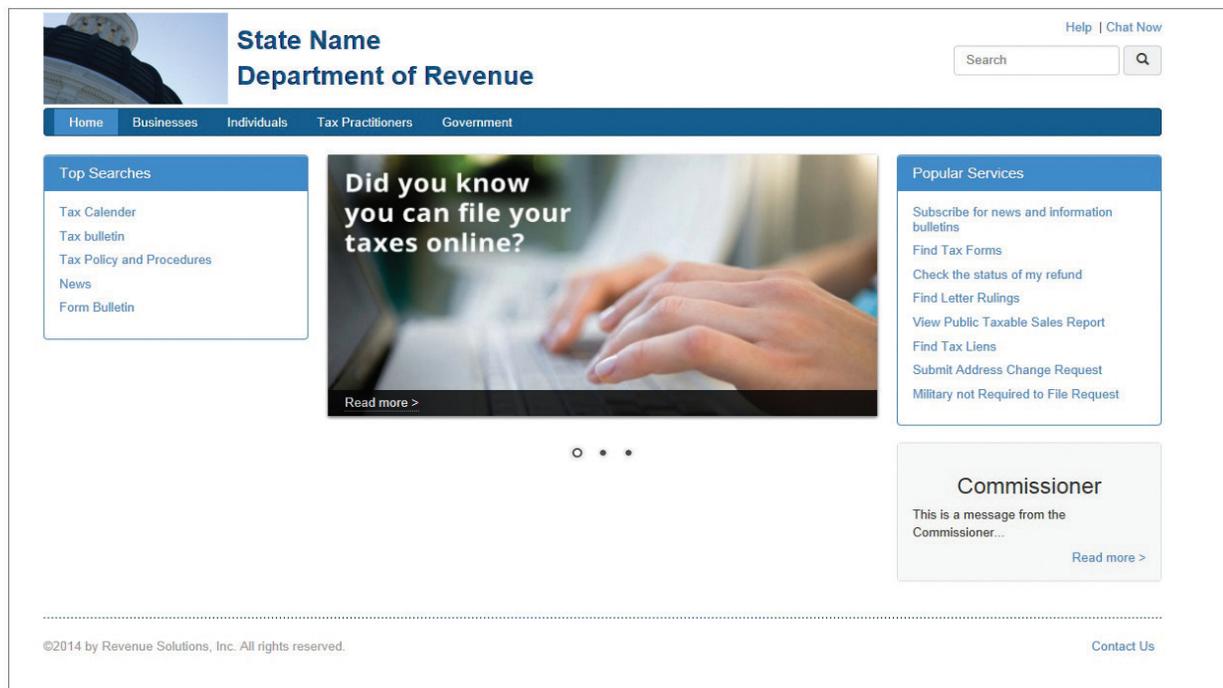
Flexible Partnership

COTS ownership does not have to be a "one size fits all" approach. Revenue agencies differ as to how they strategically view software maintenance. Some agencies prefer to have total control of application software and perform maintenance and configuration with their own personnel. Others may prefer vendor assistance. RSI understands this and provides an agency with a variety of maintenance and support options. In all cases, future upgrades for enhanced functionality are provided.

As your trusted partner, RSI's knowledgeable team of tax and system experts will work with your agency to ensure that our solution meets your needs.

Summary

If your legacy tax processing system is nearing the end of its life cycle, or you are constrained to meet your strategic objectives or legislative mandates by an inflexible software solution, consider RSI's Revenue Premier Integrated Tax Processor.



Taxpayer Portal is a mission-critical component of Revenue Premier that provides individuals and businesses ready access to modern online self-services

COLLECTIONS MANAGER



Business Challenge

Tax and Revenue agencies continue to strive for ways to improve their ability to locate delinquent taxpayers, identify assets and improve overall compliance and collections management. As their accounts receivable grows, agencies are asked to collect more with less resources. Managers need effective tools to track collector progress, monitor changes to accounts receivable and ensure timely collection actions against liabilities. In an effort to operate more effectively and efficiently, many agencies are relying on improved technology and consolidation of data to increase collections. To achieve these higher levels, agencies are looking for technical and business solutions centered on enabling a data-driven approach to case management and risk-based scoring to manage their case load.

Solution

RSI offers a range of products and services from Revenue Premier Collections Manager to business process consulting services which utilize internal and external data sources to dramatically improve an agency's ability to prioritize, manage and report on their accounts receivable. Each solution focuses on integration with the data necessary for skip-tracing, asset identification, responsible person management and management reporting. Collections Manager includes a single point of access for collectors to effectively manage their inventories: allowing for better identification of addresses, taxpayer assets and potential responsible persons, while providing external offset capabilities with external agencies. Online reporting capabilities allow supervisors to view their collectors' cases and productivity in real time, with the ability to filter and sort on specific attributes, enabling them to quickly identify potential issues. RSI also provides consulting services and best practices ranging from Business Process Re-engineering/Improvement (BPR/BPI) to system and process enhancements, all directed towards providing agencies with a significant ongoing lift to collections.

PAID



RSI's approach focuses on quick-hit initiatives, or high return on investment initiatives, to help fund the overall project. By doing so, agencies experience actual benefits early in the project instead of waiting for the final solution to be implemented. Experienced RSI staff work directly with the agency using a proven methodology to determine which aspects of the project will provide a significant early return on investment, as well as determine the criteria by which to measure these benefits. What follows is a breakdown of the specific areas of functionality for Collections Manager.

Collections Case Management

Collections Manager provides a robust set of case management functions tailored specifically to the needs of agency collectors and management. The solution provides up-to-the-minute detailed

The screenshot displays the 'REVENUE PREMIER' interface for 'Case Summary for Case ID: 171777'. The interface is divided into several sections:

- Primary Info - REVENUE PREMIER:**
 - FEIN: 92-9292929
 - Case Type: Bill Staging
 - Sub Type: Business Income Balance Due
 - Case Status: Open
 - Current Step: Create the case
 - Next Step: Score the case to determine workflow (treatment scenario)
 - Next Step Date: 05/19/2015
 - Priority: Medium Priority
 - Work List
 - Primary User: Case Amount: \$5,537.00
 - Period Begin: 01/01/2014
 - Period End: 03/31/2014
 - Current SQL Date:
- Case Details:**
 - Home Phone:
 - Work Phone:
 - Address: 445 OPPORTUNITY DR, SACRAMENTO, CA 95878
 - Created: 05/19/2015
 - Case Source: Process Period Balance
 - Last Comm: No Entries
 - Org. Unit:
 - Start Date:
 - Department: Operations Department
 - General Reason: Underpayment Exception Exists
 - Specific Reason:
 - Combined Group: N
 - Parent Case:
 - Parent Case ID:
 - Case Flag:
 - Case Score:
 - Ref. ID Type: Transaction Group
 - Ref. ID: 17480
 - NACIS:
 - Hold Status: N
 - Hold Reason:
 - Hold Exp:
 - Appeal Date:
 - Appeal Notes:
 - Appeal Compl: DR
 - Appeal Disp:
 - Appeal Hold: N
 - POA: N
- Transaction Groups:** A table with columns for Transaction Groups (1), Notes (2), History (2), Content (2), Case Attachments (2), Related Cases (2), Entity Relationships (2), Selection, and Bookmarks.

status of all in-progress cases based on a set of comprehensive case tracking and review features, all of which are part of an electronic case folder. The case folder contains the complete contents of the case, including all taxpayer history, financials, assets and taxpayer submitted records. From the case, the collector may issue or release a lien or levy, establish a payment plan or transfer specific periods to bankruptcy as part of the bankruptcy management process. All case log entries, contact details, approval history, correspondence, notes and document attachments are maintained in the case folder and can be reviewed online by staff authorized to review the case.

Collections Manager provides several utilities for managing work across the agency, including case assignment, workflow, messaging, approval rules, next steps, case closure types,

appointment tracking and time recording for collectors. Collections Manager supports and enhances the detailed review of taxpayer data by collectors, creating a comprehensive holistic view of taxpayer information through integration with Revenue Premier Integrated Tax Processor or an agency's legacy taxpayer accounting system; eliminating the need to manually re-enter taxpayer demographics, filed return data and other data required for the case.

Enforced Collections

Through data interfaces and data aggregation methods, Revenue Premier Collections Manager facilitates enforcement activity through searches, both automated and manual, to identify attachable assets. Once the asset identification process is complete, liens and levies can be manually or automatically generated. For liens, the system allows for issuance, release, management and reporting of all liens to the appropriate external agencies.

Consolidation of Data

Consolidation of internal and external agency data is the foundation of an effective collections system. Collections Manager, integrated with Revenue Premier Portfolio Warehouse, focuses on integration with the data sources

collectors use most by building comprehensive taxpayer "portfolios" and allowing both the users and system to leverage those data sources to drive collections management. This includes a summary view of all taxpayer information, financials, contact information, bank accounts, wages, licenses, real property and responsible person data.

Inventory Management

Utilization of workflow technology and data to better perform inventory management allows supervisors to assign cases to certain users or user groups and target specific segments of the inventory (e.g., case age, balance, tax type or risk). With data-driven prioritization of cases, based on agency defined business rules, management can ensure that the right collection action is being taken on the right taxpayer at the right time. Inventories are prioritized and collectors have

the ability to sort and filter their inventories, or have the system determine the “next best case” to work. Strategies may also be driven by agency objectives such as the implementation of special enforcement projects to generate additional revenue. In addition, system alerts can be sent to staff based on activity that has occurred on taxpayers assigned to them. Examples might include taxpayer change in address, a new receivable has entered collections or new asset information exists for the taxpayer.

Research and Skip-Tracing

As is the case of any collection operation, taxpayer research and skip-tracing are mission critical components to ensure successful account resolution. These steps also, if done manually, consume a significant portion of collector’s time working a case. Collections Manager identifies and consolidates those data sources necessary for the collector to search for asset information such as bank, wage and property, as well as license and address information.

Noticing and Billing

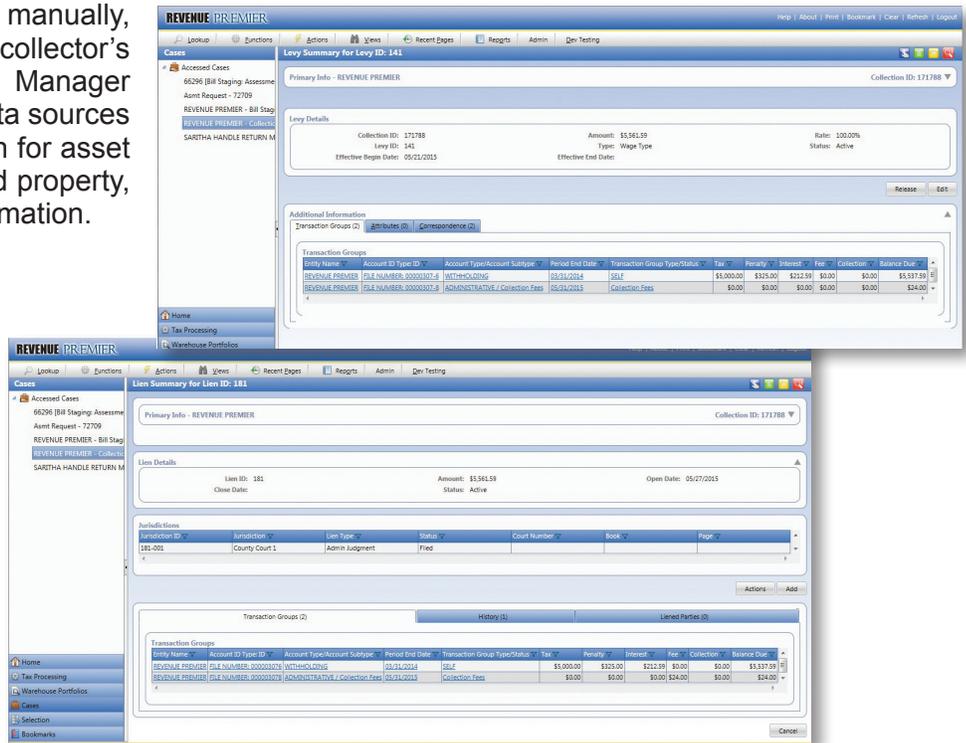
Incorporated into the automated case flows are notice and billing functionality. While maintaining the ability to manually generate notices, implementing automated noticing and billing functionality allows for collection through configurable agency workflow rules and account criteria, postponing user intervention until absolutely necessary.

Payment agreement monitoring is a time-consuming activity for collectors if not automated. Often, a taxpayer may be paying less than the agreed to terms, making every other payment or have new debt that has not been consolidated with the existing case. RSI’s enhanced approach to monitoring automatically recognizes defaults, or potential defaults, based on agency-defined business rules and applies the appropriate case treatment. This may entail, automatically or manually, placing an account back into the case flow for review, generating a notice to the taxpayer or simply notifying the collector that new debt has been added for this taxpayer.

In addition, Collections Manager supports the bankruptcy process. Bankruptcy cases are created upon receipt of the bankruptcy information and the appropriate correspondence, such as Proof of Claims, are generated and submitted. Periodic updates back from the courts are tracked to verify bankruptcy status.

Responsible Person and Taxpayer Relationship Management

For the collection of business taxes, the ability to identify and manage taxpayer relationships is an essential part of effectively resolving that tax liability. Businesses may be unable to pay their tax liability, however there will always be responsible person(s) for the taxes owed on that business. For personal income taxes, it can be difficult to determine which spouse was responsible for which tax liabilities. Identifying those persons, the liabilities for which they are responsible and tracking individual payments against those liabilities ensures that the proper collection activity is being performed against each taxpayer.



Collections Manager manages taxpayer relationships at the detail level so that all liabilities may be included as part of enforced collection activities.

Outside Collection Agency Management

Through RSI’s outside collection agency management functionality, agencies can more effectively manage their outsourced accounts receivable. This functionality incorporates business rules for automatically placing delinquent accounts with the appropriate outside collection agency. The business rules employ metrics to allow for extensive reporting and tracking, allowing for up-to-date analysis of vendor productivity on those outsourced accounts.



RSI's approach focuses on quick-hit initiatives, or high return on investment initiatives, to help fund the overall project.

Collections Configuration

No longer do configuration changes such as the timing of next case actions, adding correspondence templates, changing user security or the implementation of special inventory initiatives, to name a few, require significant IT programming efforts. The agency's management team can simply use Revenue Premier's System Administration and Configuration shared service to configure business rules and content.

Risk Scoring

Risk-based scoring, using Revenue Premier Decision Analytics/Business Intelligence Framework, allows agencies to more effectively prioritize and work their accounts receivable, by assessing the likelihood of taxpayer behavior such as payment on a receivable at the time it enters collections. As new information is added or current information is modified, predictive scores are updated for each account. RSI's scoring solution incorporates highly sophisticated and proven algorithms, producing optimum prioritization of accounts for assignment to the most appropriate collections treatment strategies, as well as recommended next best enforcement action on that account. Refer to the Decision Analytics/Business Intelligence Framework shared service for more information on our decision analytics solutions.

Summary

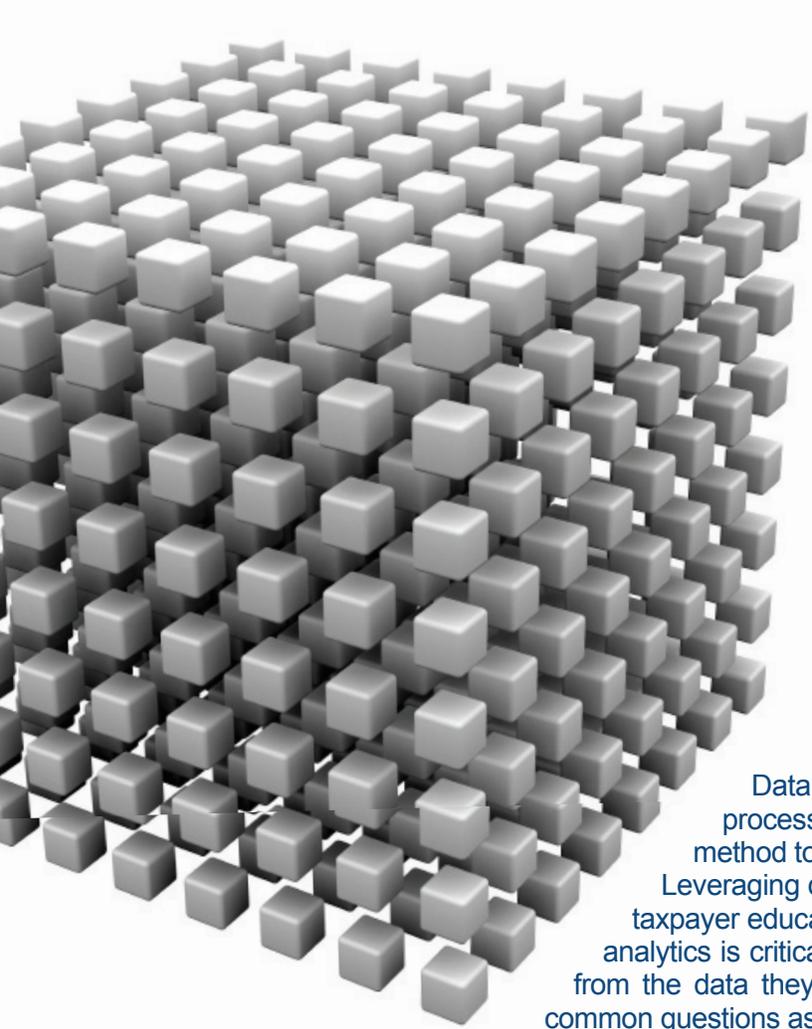
RSI is devoted to working with agencies to address the complexities of accounts receivable administration and providing these agencies with measurable efficiency gains through the intelligent use of data, enhanced case tracking, data-driven inventory management and performance measurement management reporting. Revenue Premier Collections Manager provides agencies, collectors and supervisors with a powerful case management solution and consulting services designed to increase productivity by providing collectors with the information they need to more effectively identify taxpayer information and collect outstanding accounts receivable.

The screenshot displays the Revenue Premier Collections Manager interface. The main content area shows the 'Collection Summary for Collection ID: 171788'. The 'Collection Details' section includes the following information:

- Collection Type: Business
- General Reason: General Case Creation
- Specific Reason:
- Case Source: Manual Case Creation
- Hold Status: N
- Hold Reason:
- Hold Expiration Date:
- Status: Open
- Open Date: 05/27/2015
- Close Date:
- Close Reason:

The 'Additional Info' section contains a table of Transaction Groups:

Entity Name	Account ID	Type	ID	Account Type/Account Subtype	Period End Date	Transaction Group Type/Status	Balance Due	Tax	Penalty	Interest	Collection	Fee
REVENUE PREMIER	FILE NUMBER, 00000307-6			WITHHOLDING	03/31/2014	SELF-ACTIVE	\$5,537.59	\$5,000.00	\$325.00	\$212.59	\$0.00	\$0.00
REVENUE PREMIER	FILE NUMBER, 00000307-8			ADMINISTRATIVE / Collection Fees	05/31/2015	Collection Fees-ACTIVE	\$24.00	\$0.00	\$0.00	\$0.00	\$0.00	\$24.00
Total							\$5,561.59	\$5,000.00	\$325.00	\$212.59	\$0.00	\$24.00



PORTFOLIO WAREHOUSE



Business Challenge

Tax and Revenue agencies are under continuous pressure to improve compliance and collect more of the unreported tax revenue.

For years, agencies have accumulated vast quantities of operational data and collected external data from other agencies, municipalities and third-party sources. The challenge lies in finding ways to better leverage available data to improve compliance and collect additional tax revenue.

Data can be utilized to improve the effectiveness of many processes within a revenue agency, is proven to be a dependable method to increase revenues and, in many instances, reduce costs. Leveraging data in areas such as enforcement (audit and collections), taxpayer education, policy analysis, management reporting and decision analytics is critical for agencies. It enables them to derive maximum value from the data they already own and to drive revenue generation. Several common questions asked of revenue agencies by stakeholders are:

- Is there a more accurate, dependable method to identify individual non-filers or business non-registrants?
- Of the top corporations in our state, who is paying the least in taxes? Why?
- If a proposed tax law is enacted, how much revenue will be impacted and who will it affect?
- Can a risk score be applied to delinquent taxpayers to vary the enforcement treatment applied, making collection efforts more efficient and freeing resources to work the more difficult cases?
- Can statistical analysis or other pattern detection algorithms of past audit history be applied to determine the attributes of a high-yield audit case and assist in selecting the best leads?
- Was pursuing a particular audit/issue worth the effort after all appeals and abatements are factored into the analysis?
- How can agencies use the totality of information available for taxpayers, first-time filers and non-taxpayers to confirm taxpayer identities, validate their refund claims and reduce fraudulent claims/returns?

Most agencies are yet to effectively leverage one of their most valuable assets to address these business challenges — data. Consolidating into a central data repository all of the information an agency has about its taxpayers (and non-taxpayers) provides the foundation necessary to address these various business challenges and to drive increased compliance and revenue generation.

Solution

Revenue Premier Portfolio Warehouse provides the tools and functionality agencies seek for their warehousing and business intelligence (BI) needs. Portfolio Warehouse helps agencies get the most out of valuable taxpayer data. Current implementations are recovering more than \$250 million annually for state revenue agencies.

Portfolio Warehouse was exclusively designed for Tax and Revenue agencies to attack the compliance “tax gap” and provide a data warehouse foundation to support initiatives across operations, policy, enforcement and management functions. The Portfolio Warehouse provides a state-of-the-art tax data warehouse solution



Most agencies are yet to effectively leverage one of their most valuable assets — data.

which interconnects individual and business data from multiple sources creating a single-entity or portfolio view of each business and individual taxpayer, and the relationships between them. These comprehensive taxpayer portfolios increase overall effectiveness of Discovery (e.g., individual non-filers, business non-registrants and NEXUS cases) and Audit programs by targeting agency resources to those accounts that are truly non-compliant, resulting in accurate and revenue-maximizing detection and recovery of non-registrants, non-filers, under-reporters and fictitious taxpayers. The Portfolio Warehouse provides Collections a data foundation used to determine assets, employment, location and responsible persons, and to support analysis of the most effective and economical collection treatment strategy for each case. The totality of information that can be reliably assembled across taxpayer filing history, IRS information, data from other agencies (e.g., Motor Vehicles), employers, and commercial providers all serve to allow agencies to move away from simple refund fraud filters and towards robust identify verification and Fraud and Issue Detection techniques. Additionally, the Portfolio Warehouse provides a tool to conduct case research, economic analysis, legislative and policy analysis, executive management reporting and better understanding of trends and changes while they are happening.

Portfolio Warehouse can be installed and configured in a short period of time, providing your agency with quick results. The Portfolio Warehouse's comprehensive tax data warehouse toolset, advanced data standardization and matching routines, tax calculation builder, scoring engine, case selection and management functionality, configurability and open design readily accommodate new data sources, new compliance initiatives, new fraud detection patterns, changes in case workflow, additional reporting requirements and more. The majority of available external data sources (e.g., IRS IRMF) and compliance initiatives (e.g., individual non-filer) are pre-configured, allowing your agency to start loading data more quickly and begin realizing benefits sooner than with custom-built solutions or other industry offerings.

Security features meet IRS Guidelines and safeguard the agency from unauthorized access and disclosure of FTI (Federal Tax Information). All inquiries via the Portfolio Warehouse's windows are secure and generate an audit trail of "who looked at what," meeting IRS Common Criteria requirements.

The three core components of functionality in Revenue Premier Portfolio Warehouse are Data Transformation, Portfolio Management and Lead Selection/Scoring.

Data Transformation

Internal and external data sources are recorded with appropriate contact, security, retention and file characteristics. An Extract, Transform and Load (ETL) tool is used to map the external data source layout to the Portfolio Warehouse standardized format. ETL maps are reusable and can be easily modified when future data source releases (e.g., next tax year) include new data fields. The transformation process handles data parsing, consolidation, format changes, edits, record filtering and address standardization and verification using a point-and-click user interface. Upon completion, the source is fully staged and ready for matching and the warehouse build process.

RSI's "Compliance Library" contains a host of potential government and private sector data sources listing possible uses, contact information and predefined data transformation maps. Many of the most commonly identified data source mappings (e.g., IRS data sources) have already been defined and tested, reducing the time it takes to load your data warehouse and begin realizing benefits.

Portfolio Management

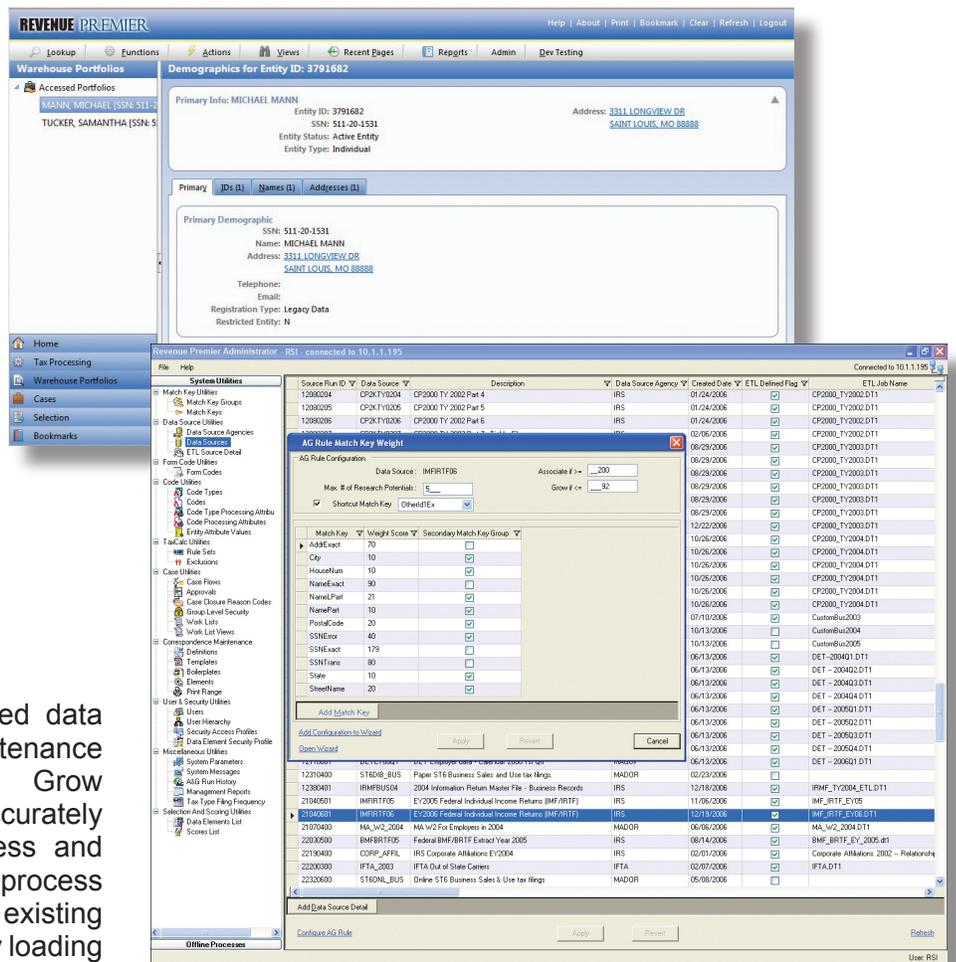
Complete access to information within the portfolio warehouse is available via the browser-based user interface. Through search windows, users can find taxpayers by using combinations of exact, partial and wildcard searches. All information stored in a taxpayer portfolio, including demographics, income, returns, payments and assets, is viewable using the inquiry windows. Imagine a non-filer calling your agency to dispute a bill and your

taxpayer service representative, empowered with this data online, reminds the taxpayer of past employment, unreported 1099 income or use tax due on imports of luxury items.

Portfolio Warehouse also provides a service to determine the best ID, name type and address to use for display and noticing, and also allows for all IDs, names and addresses to be shown and cross-referenced to the data source. In addition, the relational structure of the data warehouse design allows for ad hoc reports to be easily developed via Revenue Premier's Selection Builder or any third-party SQL builder.

The Portfolio Warehouse's advanced data matching and entity portfolio maintenance process, called Associate and Grow (A&G), builds the warehouse by accurately constructing comprehensive business and individual portfolios. The A&G process matches new external data to existing taxpayer portfolios initially created by loading your tax system(s) data. If the process detects a match, it "associates" the external data to the existing taxpayer, building a more complete portfolio of information for them. If a match is not determined, the process "grows" the data warehouse by adding the external data as a new business or individual portfolio – a new entity. An online function is also provided to research and resolve undetermined matches.

The A&G process utilizes numerous matching algorithms including exact ID, transposed ID and standardized name and address matching (including phonetic matches, partial matches and alpha checks), as well as, matches of telephone number, date of birth and much more. The match keys and rules are configured online for each external data source and new match keys can easily be added. A match rule "wizard" quickly supports match rule definition for each new data source. RSI's extensive experience with various sources of data is imbedded in several "best practices" configurations of match keys that can be used as a safe starting point for most sources.



Lead Selection/Scoring

To increase effectiveness of compliance initiatives, Portfolio Warehouse provides Decision Support functionality to aid in the selection and treatment assignment for discovery, audit, fraud and collection leads. Taxpayer portfolios can be scored using configurable business rules or predictive model score cards to determine specific taxpayer compliance risk, such as probability of non-payment within six months or of under-reporting. Tax calculation formulas can also be defined, and each taxpayer's proposed assessment computed, for non-filers and under-reporter cases.

Once scored, the Portfolio Warehouse Selection Builder identifies leads based on taxpayer portfolio scores as well as any other attributes in the warehouse. An unlimited number of risk analysis scores can be created and defined; and, an unlimited number of lead selections/queries can be saved and reused within a centralized and secure selection library in the system. Selected leads can be viewed online and passed to the Revenue Premier Case Management/Workflow shared service or interfaced to the agency's legacy case management system for follow-up action.



Portfolio Warehouse Highlights

Increase Revenue

With complete end-to-end tax data warehousing support and a single-entity portfolio view of the taxpayer, agencies can increase the overall effectiveness of compliance initiatives by targeting resources to those taxpayers that have the highest probability of non-compliance, resulting in more accurate and revenue-maximizing detection and recovery of non-registrants, non-filers, under-reporters and fraudulent taxpayers. Effective treatment strategies can be determined on outstanding bills, resulting in better allocation of collection resources. New data source loads and compliance programs can be activated quickly with little overhead, allowing agencies to run various scenarios to find the most effective compliance initiatives. The return on investment (ROI) for a Revenue Premier Portfolio Warehouse project is so significant, RSI will implement the solution without any up-front costs to the agency and will agreed to be paid only from the resulting benefits.

Increase Productivity – While Reducing Workload

Revenue Premier Portfolio Warehouse provides tax agencies with a state-of-the-art tax data warehouse solution which interconnects data from multiple sources and provides the tools to automate the majority of data warehouse loading & matching, lead selection, noticing and recovery case management tasks. Agencies can spend less time manipulating data and more time collecting revenue from the right taxpayers. Using the portfolio approach to properly manage identities, and having all taxpayer data easily viewable in a single place to answer questions and address issues, results in a greater return on investment from leads generated by the system.

*Agencies can
spend less time
manipulating data
and more time
collecting revenue
from the right
taxpayers.*

Increase Voluntary Compliance

In addition to the detection and recovery of tax gap revenue, the Revenue Premier Portfolio Warehouse and integrated decision analytics and business intelligence tools can be used to determine patterns of non-compliance for the development of new taxpayer education and outreach programs. As new taxpayers are registered, letters can be sent automatically, welcoming and educating them about their filing requirements. Combined with the effectiveness of targeted initiatives designed to address the tax gap, agencies will see an increase in voluntary compliance levels in future tax years.

Improve Customer Service

Revenue Premier Portfolio Warehouse provides your customer service representatives and enforcement staff with a single repository of information required to answer taxpayer questions and assist them with their compliance issues. All data, including contact information, employment, income sources, other assets, returns and payments are available in the taxpayer portfolios and easily accessible using the Revenue Premier web-based user interface. Additionally, you will improve your relationship with the compliant taxpaying population by reducing erroneous contacts. Compliant taxpayers will applaud your efforts to focus on those that are not “paying their fair share.”

Understand Your Constituents Better

Building a tax data warehouse, complete with portfolios on all individuals and businesses within your jurisdiction, will provide you with valuable information and insights on your taxpayer population. You can detect specific cases of taxpayer non-compliance, as well as patterns of both compliance and non-compliance, by geography, time period, business type and other dimensions. The Revenue Premier Portfolio Warehouse provides the foundation for agency-wide advanced business intelligence initiatives.

Summary

Data Warehousing and Business Intelligence is an important ingredient in successful Compliance Management — applying the right action, to the right taxpayer, at the right time, through the intelligent use of information.



AUDIT MANAGER



Business Challenge

Tax and Revenue agencies are continually striving to improve efforts to identify and efficiently assess under-reported tax.

Audit supervisors and managers need to effectively manage cases, monitor audit case progress and have the ability to easily identify the cases that require their involvement.

Audit organizations are pressed to conduct more and better audits and auditors asked to complete more audits and perform more complex audit functions in less time and with less support staff.

Managers, supervisors and auditors want easy access, in one place, to all information about an audit. For revenue agencies today, an effective audit case management system must provide the following:

- Tools to effectively track and manage audit case inventories.
- Facilities to alert supervisors that their involvement in certain cases is required, to maximize return and accelerate completion.
- A complete auditor “toolkit” to produce consistent workpapers in a package that includes time-saving analysis and data-handling functions, reduces errors through standardization and facilitates supervisory and taxpayer review by way of consistent audit result reports.
- Simple maintenance of tax, interest and penalty rates to ensure that most recent tax law and locality rate changes are incorporated into the audit.
- An end-to-end, integrated audit solution from case creation to detailed audit workpapers analysis that significantly increases efficiency and audit productivity.
- Easy access, regardless of the auditor’s location, to the complete audit workpapers package and associated case information via a single electronic case folder.

Modern Compliance Management techniques, including leading-edge technology solutions, are needed to maximize output from an agency’s audit resources and produce the highest return on each audit hour expended.

Solution

Revenue Premier Audit Manager is designed to assist audit managers, supervisors and auditors in completing audits with maximum efficiency. Audit Manager consists of three core components of functionality: Audit Case Management, Workpapers Toolkit and Statistical Sampler. Each component is designed to work independently or as part of an integrated suite to provide an industry-leading integrated Audit Management solution for both auditors and audit managers. Over 1,700 users utilize one or more of Audit Manager’s core components to conduct audits every day.

Audit Case Management

The Audit Manager’s Audit Case Management core component includes a robust set of case management functions and features for auditors and supervisors. The solution manages a single, fully electronic case folder and provides comprehensive case tracking and review features. The case folder contains the complete contents of the case, including all workpapers, forms, adjustment schedules, taxpayer-provided records, the complete case log of activities and hours, assessment details, approval history, correspondence, notes and any other important audit files acquired during the course of an audit, and can be reviewed online by supervisors and managers throughout the lifecycle of the



audit. Audit Case Management also provides several collaboration and workflow utilities for managing work across what is often a disparate workforce, including automated case assignment, auditor messaging, configurable approval rules and workflow management, appointment tracking and time recording.

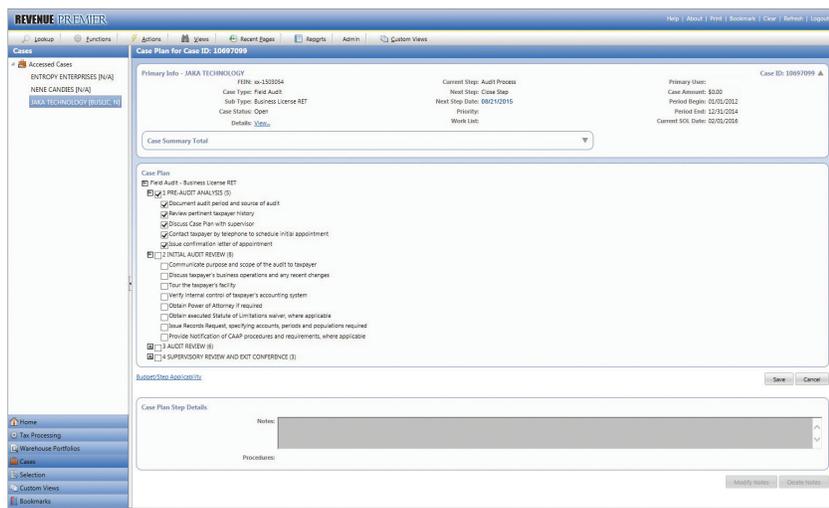
With Audit Case Management, auditors have complete mobility and can check-out and download assigned cases to their laptop to conduct field audit activities using Audit Manager's Workpapers Toolkit. When away from the office, the changes made in the field are automatically synchronized to a central server and any recent taxpayer activity is pushed to the auditor's laptop. This ensures that auditors have the most up-to-date information about the taxpayers they are auditing and, at the same time, ensures that their supervisors have the most up to date information on case progress.

Over 1,700 users utilize one or more of Audit Manager's core components to conduct audits every day.

Workpapers Toolkit

The Audit Manager's Workpapers Toolkit core component significantly improves audit efficiency and productivity by providing:

- the necessary functions and features required by auditors to complete their detailed analysis of a taxpayer's records and compute any additional tax due.
- support to easily adapt and change to state (and local) taxes, and the frequent changes in tax rates.
- continuous innovation and enhancement from knowledgeable staff who regularly implement modifications and improvements to the software, most of which are requested by Revenue Premier clients.



A number of states and numerous local jurisdictions have already concluded that the Workpapers Toolkit component is the right solution to meet their needs. Workpapers Toolkit is an integrated suite of tools that enhance auditors' capabilities, both in the field and in the office, by facilitating the completion of audits in less time and with fewer errors. The Workpapers Toolkit contains a toolset that meets virtually every detailed audit function need out of the box for all tax types.

The Workpapers Toolkit component supports:

- the ability to define templates for all letters, adjustment schedules, worksheets and forms utilized to conduct an audit.
- the ability for auditors to customize templates to address the circumstances of a particular audit situation.
- standard audit results reporting, whether standard or customized templates were utilized to conduct an audit.
- various data import channels for electronic records and time-saving features for keying data when electronic records are not available.
- tools to support multiple block-sampling methods and projection back to full population.
- the ability to connect auditors to various supporting resources such as policy and legislative repositories, external web sites, or standard audit operating procedures.
- the ability to attach critical external files obtained during the course of an audit, including database files, PDF files and any other file type.

Revenue Premier Workpapers Toolkit

File Edit Search Row Column View Tools Set Up Help

New Open Save Save All Close Close All Print Append Insert Col Prop Sch Prop Undo Redo

C:\...Sample Audits

Current Audit: BeefSteak (AL)

Schedules (3)

Deductions

Rental

Documents (3)

Appointment Letter

Audit Cover Sheet

CAR Cover Sheet

Forms (2)

Consent

STSL

Worksheets

Filing Detail (5)

Rental Tax

Sales Tax [7004]

Sales Tax [STATE]

Sales Tax

Seller's Use Tax

Tax Paid/Credits

Repairs (2)

Rental Tax

Seller's Use Tax

PDFs (1)

Seller's Use Tax

Attachments (2)

SeataNexusQuestio

Waiver.doc

AWB Managed Audits

Local Audits

County	City	T	S	Date	Invoice #	Sold To	Description	City	AMOUNT
7004	9681	G		01/31/97	97-01-882	Darold Ratliff	Turbine shaft	MR	2,858.55
7004	9681	G		01/31/97	97-01-830	Bob Runner	oil pump	RE Ridgeland	2,817.09
7004	9681	G		01/31/97	97-01-212	James Harris	Cowling	MR	2,785.91
7004	9681	G		01/31/97	97-01-682	Debbie Kennedy	cowling repair	RE Edisto Beach	2,674.76
7004	9681	G		03/31/97	97-03-99	John Sullivan	collins 390R	RE Denmark	12.71
7004	9681	G		11/30/99	99-11-727	Joel Frampton	cowling repair	MR	157.03
7004	9681	G		09/30/99	99-9-44	Joel Frampton	turbine blades	MR	187.21
7004	9681	G		08/31/99	99-8-857	Joel Frampton	Tire	MR	192.05
7002	9623	G		02/28/98	98-2-92	Bill Seabrook III	huey rt door	RE Bonneau	224.13
7004	9681	G		10/31/99	99-10-964	Joel Frampton	oil gauge	MR	226.55
71004	9681	G		11/30/98	98-11-270	Joyce Simmons	cyl rings, set	RE Rockville	232.94
7004	9681	G		10/31/99	99-10-231	Phillip Snow	camshaft arms	RE Ware Shore	256.69
7004	9681	G		02/28/97	97-02-917	John Posey	brake calibers	RE Lake View	269.05
7002	9623	G		08/31/98	98-8-318	Judy H. Able	timing chain	RE York	327.58
7004	9681	G		03/31/97	97-03-846	Joel Frampton	turbine blades	MR	343.70
7004	9681	G		07/31/99	99-7-540	Joel Frampton	Cowling	MR	349.60
7004	9681	G		09/30/98	98-9-959	Charlie Frampton	drain plugs	MR	427.83
7004	9681	G		04/30/97	97-04-910	Charlie Frampton	oil gauge	MR	438.83
7001	9679	G		08/31/99	99-8-623	R. F. Smith	fire extinguisher	RE Beaufort	447.11
7004	9681	G		04/30/98	98-4-836	Joyce Simmons	drain plugs	RE Ridgeland	468.93
7004	9681	G		10/31/97	97-10-948	Charlie Frampton	elec gauge	MR	490.42
7004	9681	G		09/30/97	97-09-362	Charlie Frampton	Chrome&Polish	MR	490.74
7004	9681	G		06/30/99	99-6-906	Charlie Frampton	radio rack	MR	497.47
7004	9681	G		02/28/98	98-2-135	Charlie Frampton	engine rings	MR	504.65
7004	9681	G		04/30/97	97-04-541	Springfield Inc	prop gear	RE Quinby	517.52
7004	9681	G		09/30/97	97-09-618	Sammy Ray Brown	F4 tail hook	RE Noris	529.20
7004	9681	G		04/30/99	99-4-463	Charlie Frampton	cyl rings, set	MR	535.48
7004	9681	G		07/31/99	99-7-97	Bob Runner	drive shaft	RE Ridgeland	539.47
7002	9623	A		07/31/99	99-7-97	Bob Runner	drive shaft	RE Ridgeland	539.47
7004	9681	G		03/31/99	99-3-715	Ann E. Smith	cartridges, jetstart	RE Fort Lawn	550.49
7004	9681	G		02/28/97	97-02-846	Harvey Smith	Tire	MR	552.27
7004	9681	G		07/31/97	97-07-987	Harvey Smith	brake calibers	MR	556.69
7004	9681	G		12/31/98	98-12-719	Harvey Smith	valve cover	MR	559.03
7004	9681	G		12/31/99	99-12-505	Harvey Smith	seat assy	MR	559.80
7002	9623	G		04/30/98	98-4-665	Harvey Smith	lear portglass	MR	585.39
7004	9681	G		11/30/97	97-11-595	Harvey Smith	prop gear	MR	603.47
7004	9681	G		04/30/99	99-4-399	Harvey Smith	hyd oil filters	MR	644.24
7004	9681	G		01/31/99	99-1-969	George Scott	bomb release assy	RE Hollywood	645.14
T									286,158.28

Joe's Aircraft Museum

Audits [System]

Joe's Aircraft Museum 149 39K Disallowed Deductions [STATE]

Taxpayer Information Deductions

WARNING! CONFIDENTIAL TAXPAYER INFORMATION

User: testauditor2

the hands of their auditors. The Statistical Sampler is a configurable utility that allows an administrator to establish and maintain the set of accepted sampling parameters, confidence intervals and other options in a central location, ensuring that all statistical sample audits conducted adhere to the agency's process and procedure. This enables auditors to perform their work with reduced reliance on a small group of statistics experts in a central office, yet maintains the consistency of procedure required to produce a defensible statistical sample audit result. The auditor is led through the process of conducting a statistical sample audit in a simple wizard-like, step-by-step process.

With Workpapers Toolkit, configuration and maintenance of tax types, reporting requirements, taxing jurisdictions, current and historical rates for state, county and locality taxes are made easy through simple configuration for any state, county or local tax structure. As tax, penalty or interest rates (or calculations) change, the configuration settings are managed centrally and distributed to auditors automatically.

Revenue Premier Audit Manager is the industry leader in state and local tax auditing software and is used by city, county and state agencies. Recent deployments encompass more than 30 different state and local taxes, including sales and use, corporate income, local option, accommodations, admissions, individual income, solid waste tax, international Fuel Tax Agreement (IFTA), International Registration Plan (IRP) and many more.

Statistical Sampler

RSI continually improves and enhances its products through our partnerships with state and local agencies. A noteworthy example is the Audit Manager's Statistical Sampler for statistical audits.

Statistical Sampler enables states to decentralize the sampling function and put those capabilities in

The Statistical Sampler allows auditors to connect to a variety of data sources for defining the sampling frame, maintain a detailed log of each step of the sampling process (including the random number seed and random number generator utilized) and automatically generate the "pull" sample. After detailed examination of the sample by an auditor, the projection back to the full population is automatically generated based on the errors identified in the sample.

Recent deployments encompass more than 30 different state and local taxes.



The Statistical Sampler component provides:

- the ability to rely less on a small group of statistics experts and pursue a less centralized approach for statistical auditing.
- the ability to connect to a variety of data sources for defining the sampling frame.
- an easy and intuitive way of establishing the sampling frame, including checklists and drop-down menus.
- administrator control of all parameters of the sampling methodology.
- a detailed log of each and every step of the sampling process and all sampling parameters utilized to generate the sample including the random number seed utilized to generate the sample, allowing for regeneration of the exact original sample population at any point in the future.
- a step-wise wizard approach to the sampling process, based on the established parameters, set and maintained by the administrator, which are deployed to the auditor's laptop automatically.
- a Diehard certified Random Number Generator.
- seamless integration with Workpapers Toolkit, automatically pulling the sample transactions from the population for detailed review and mark-up by the auditor.
- automatic generation of projection schedules based on the results of the auditor's detailed review of the sample population.

Statistical Sampler enables states to decentralize the sampling function and put those capabilities in the hands of their auditors.

Summary

RSI's Revenue Premier Audit Manager is dedicated to addressing the complexities that auditors and audit supervisors face to ensure that all audit resources are as productive as possible. The Audit Case Management, Workpapers Toolkit and Statistical Sampler core components provide all auditors, desk and field, and their supervisors and managers with a powerful integrated suite of tools, all designed and proven to increase accuracy, consistency, efficiency and productivity of the end-to-end audit process.

Revenue Premier - Statistical Sampling Wizard

The estimate for each stratum is displayed below. The detailed results can be exported to a schedule which includes a period level distribution of the estimate.

Build Projection Schedules

Stratum	Lower	Upper	Frame Count	Frame Total	Sample Size	Sample Total	Error Total	Error Count	Error Rate	Projected Amount
1	0	25	1,626	\$6,976.59	0				0.5600	\$3,906.89
2	25	525	9,589	\$1,889,533.06	39	\$7,573.82	\$4,241.71	11	0.5600	\$1,058,229.21
3	525	2,775	3,582	\$3,145,284.95	57	\$54,523.34	\$19,407.99	22	0.3560	\$1,119,586.19
4	2,775	6,225	1,462	\$5,661,187.96	81	\$273,984.95	\$17,714.25	3	0.0647	\$366,018.44
5	6,225	9,750	1,437	\$10,009,595.51	130	\$922,177.95	\$26,009.13	3	0.0282	\$282,310.63
6	9,750	15,000	1,119	\$11,601,339.85	138	\$1,409,365.86	\$21,559.37	2	0.0153	\$177,465.69
7	15,000		1,527	\$34,672,525.08	1,527	\$34,672,525.08	\$735,443.56	29	0.0212	\$735,443.56
			20342	\$66,986,443.00	1972	\$37,340,151.00	\$824,376.01	70		\$3,742,960.61

Overall Effective Error Rate = 2.21%

Estimation Method

- Ratio Estimator (Separate)
- Ratio Estimator (Combined)
- Regression Estimator (Separate)
- Regression Estimator (Combined)
- Difference Estimator
- Mean-per-unit Estimator

3. Verification 4. Frame Selection 5. Stratify 6. Sample Size 7. Sample Review 8. Record Errors 9. Projection

Demo1



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