



STATE OF MICHIGAN
DEPARTMENT OF TREASURY

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DATE: October 22, 2018

TO: Members of the State Tax Commission

FROM: Heather S. Frick, Executive Director

SUBJECT: Business Process Review Initiative (BPRI) for Continuous Improvement
Regarding the State Equalization Project Update

On October 30, 2017 staff informed the State Tax Commission of the Department of Treasury's BPRI initiatives and commitment to process enhancement to provide for form automation to develop an integrated web system for the benefit of external and internal stakeholders.

Staff worked over the last year to build a custom work process solution consisting of procedures, data capture and software management for the State Equalization, Audit of Minimum Assessment Reviews (AMAR) and Assessor Certification processes surveying customer needs through focus groups, documenting procedures and providing recommendations for process redesign to further provide for great transparency, efficiency, growth and improved customer service.

The Commission approved moving forward with the BPRI recommendations and delegated to staff to implement an integrated web-based State Equalization process beginning with the 2019 cycle; however, due to delays beyond staff control, these initiatives cannot be implemented for the 2019 cycle. As of today, the Department of Treasury's Procurement has provided that once a final budget and approvals are received, Treasury Purchasing staff will submit an Invitation to Negotiate (ITN) request to the Department of Technology Management and Budget (DTMB) Central Procurement for the AMAR, Essential Service Assessment (ESA) and related services contract. Once the ITN process is complete, the State can enter directly into contract negotiations with the chosen vendor. It is anticipated by Treasury's Procurement staff that two new contracts for both the AMAR, ESA and equalization data collection and reporting services will be implemented within the next fiscal year.

Staff will continue to update the Commission on the progress of these initiative, present a revised timeline for proposed implementation once the contractual matters are resolved and will proceed forward with the Commission's directives from October 30, 2017 for continuous improvement pursuant to the BPRI and in support of further improving the quality of assessment administration in Michigan.