Agency 5-Year Plan

Issue 1  Optimize Employee Culture - Enhance Employee Centric Culture
Description: Start Year: 2021

Create an environment focused on well-being, goal alignment, vision, and purpose from recruitment to retirement.

Year over year increase in Employee Engagement Scores (May 2022); Winner of "Top companies to Work for in Arizona"; Created Job Matrixes for 10 positions within ADOR supporting Leader Standard Work, required job competencies, and critical agency positions. Introduced Core Value Awards and Spot Incentives to drive engagement and behaviors in the Agency.

Solutions:
Annual Objective: Improve the process to attract, recruit, and extend timely offers to external candidates.

Objective Metric: Increase the percentage of employment offers accepted within target number of calendar days by 90%

- Update standard work
- Train staff on updated process, roles and recruiting software
- Enhance Marketing and sourcing strategies

Issue 2  Maximize Agency Effectiveness & Efficiency - Increase Voluntary Compliance
Description: Start Year: 2021

Review processes to ensure focus on what is required and realistic. Prioritize by impact and frequency with financial tools that promote reduction in time, costs, and resources.

Implemented new standard work for the collections team to increase by 10% over prior year; Process Mapping Audit refund process eliminating waste and increasing efficiency; Increased outreach to Property Management Companies and revamped training with a 90% satisfaction; Pilot for remote seller analytics yielded $4M in new ongoing revenue streams.

Solutions:
Annual Objective: Reduce TPT Accounts Receivable
Objective Metric: Reduce percentage of monthly TPT accounts receivable by 24% (cumulative percent)

- Initiate automatic levy streams
- Cleanup data management
- Identify TPT notice thresholds
- Gain budget approval

Issue 3  Enhanced Customer Experience
Description: Start Year: 2021

Creating a unique experience enabling a positive customer interaction through increased availability, reduced wait times, first contact resolution, and by responding to customer needs with urgency while utilizing feedback to improve processes.

Customer Journey map and metrics based process map completed for Transaction Privilege Tax (TPT) process, reducing backlog inventory levels; created standard work for process mapping to replicate with other tax types.

Solutions:
Annual Objective: Improve customer experience with the call center (Breakthrough)

Objective Metrics:
Reduce Average time to answer calls to 10 minutes in FY23 and 7 minutes in FY24
Increase percentage of the first call resolution by 75%
Increase the customer experience quality score by 75% in FY23 and 80% in FY24

- Match capacity to demand with increased headcount and broader schedule coverage
- Supplier management initiative to improve accountability to metrics with countermeasures
- Leverage Artificial Intelligence (AI) solution to resolve low complexity call types via automation (may not be fully implemented in FY23
Issue 4  Legislative Agility
Description: Start Year: 2021
Enable agency to respond to changing priorities quickly to better support the taxpayers of Arizona through implementing legislation in a technically sound and administratively feasible manner.

Brought SB 1783 to implementation in record time; Completed interjurisdictional Transfer (IJT) process with Cities/Towns; Prioritized agency efforts behind critical legislative priorities for intentional focus; Collaborated with Attorney General Office (AGO) to streamline reporting and funding.

Solutions:
Annual Objective: Implement House Bill (HB) 2696: amends A.R.S. § 41- 1006 to require certain written communications from a state agency to a person, to provide direct contact information of the sender.

Objective Metric: Complete 60% of the project to optimize written communications in accordance with HB 2696 in FY23 and 100% in FY24 (cumulative percent)
- Develop scope of project impact to correspondence
- Identify current service level agreements
- Complete letter changes and implement new SLA
- Revise and propose recommendations

Annual Objective: Develop Business One Stop

Objective Metric: Complete 54% of the project for Business One Stop within estimated timeframe in FY23 and 100% in FY24 (cumulative percent)
- Identify business processes
- Build form in systems over four quarters
- Go live with new PTE form

Annual Objective: Prepare for the State Tax Accounting and Reconciliation System (STARS) (Breakthrough)

Objective Metric: Meet 100% of the project milestones according to schedule (percent)
- Data Cleanse for Phase 1
- Request for Proposal and vendor selection
- Roll out staffing plan
- Submit legislative budget
- Create a Communication Plan

Annual Objective: Prepare for the State Tax Accounting and Reconciliation System (STARS) (Breakthrough)

Objective Metric: Adhere to annual project budget 6,187.1 in FY23 and 7,575.3 in FY24 (dollars are presented in thousands)

Annual Objective: Implement HB 2838: A.R.S. § 43-1014, create new or modify existing methods for partnerships and S Corporation and amends A.R.S. § 43-581 to develop a new or modify existing methods to Partnerships and S Corps taxpayers.

Objective Metric: Complete 45% of the project to accept and process Partnerships and S Corps tax returns who elect to pay tax at the entity level in accordance with HB 2838 in FY23 and 100% in FY24 (cumulative percent)
- Draft pass-through entity (PTE) form.
- Build form in systems over four quarters.
- Go live with new PTE form

Resource Assumptions

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