

Vision: Funding Arizona’s priorities through excellence in innovation, exceptional customer experience and public servant-led continuous improvement.

Mission: Serving Taxpayers!

Agency Description:

The mission of the Arizona Department of Revenue is to serve taxpayers. The department administers collection and distribution of individual and corporate income tax, transaction privilege (sales), use, luxury, withholding, property, fiduciary, bingo, and severance taxes. The department oversees county assessors in the administration of locally-assessed property taxes.

Executive Summary: The Arizona Department of Revenue has identified four strategic priorities in furtherance of fulfilling our vision. This holistic strategy engaged every level of the ADOR workforce and is aligned to the agency’s core purpose of collecting and distributing revenue to the State of Arizona. We will accomplish this through focus on the foundational pillars of the Department of Revenue:

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

Maximize Agency Effectiveness & Efficiency: 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.

Enhance Services & Automation: Real-time taxpayer data available on demand used to identify trends, needs, and opportunities by increasing automation of key processes that eliminates waste.

Legislative Agility: 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.

Summary of 3-Year Strategic Priorities

#	Multi-Year Strategy	Start Year	Progress / Successes
1	Optimize Employee Culture - Enhance Employee Centric Culture	2021	Developed succession planning outline and elements of career pathing; implemented framework for telecommuting.
2	Maximize Agency Effectiveness & Efficiency - Increase Voluntary Compliance	2021	Education and compliance has provided workshops for taxpayers and preparers to increase understanding of Arizona tax requirements.
3	Enhance Services & Automation - Mature Agency Data Management	2021	Data Maturity Management initial review has been conducted. More than 50% filings received electronically for the first time.
4	Legislative Agility	2021	Tax system replacement feasibility study completed with Grant Thornton. Simultaneously implemented two major tax reforms (economic nexus, income tax conformity) and created E-Commerce Compliance and Outreach team.

Strategy #	FY21 Annual Objectives	Objective Metrics	Annual Initiatives
1	Support ADOR's remote work transformation by defining and developing the leader behaviors needed to sustain a highly engaged workforce in the new work environment.	<ul style="list-style-type: none"> -Improve quarterly agency engagement scores. -Optimize the number of positions enabled for telework. 	<ul style="list-style-type: none"> -Develop a quarterly engagement assessment tool. -Define the new/changing needs of our workforce in a remote work environment. -Develop a culture plan framework for leadership. -Develop an ADOR Leadership Academy for Executive Leadership team to complete the first wave (Director through Deputy Assistant Directors). -Reinforce Leader Standard Work across the agency to build consistency in leader behaviors.
1	Develop a robust employee development, retention, and succession plan.	-Increase the number of critical positions with at least one "ready now" candidate.	<ul style="list-style-type: none"> -Develop a skills matrix for each agency position. -Define and develop scope of employee development at ADOR. -Integrate employee development with agency 1:1 standard work. -Complete identification of critical positions for agency succession plan. -Implement recommendations of succession plan gap assessment.
2	Recognize top areas of opportunity to support voluntary compliance.	-Voluntary compliance education efforts	-Develop internal and external data to support measurement, identify areas of opportunity, and document successes.
2	Enhance relationships and education surrounding voluntary compliance.	-Increase in voice of customer response rating.	<ul style="list-style-type: none"> -Continue feedback extraction and implementation from external partners. -Enhance relationships with stakeholders and other state agencies to identify gaps in system and develop strategy to reduce gap.
3	Implement assessment for increasing the democratization and governance of the agency's data.	-Increase Data Management Maturity (DMM) model score.	-Develop and implement an agency-wide data management strategy, governance, quality, operations, platform, architecture, and supporting processes.
3	Create the Business Intelligence (BI) roadmap for the agency.	-Meeting key milestones in BI roadmap and readiness to implement new system.	-Define data needs throughout the agency and identify tools to support agency wide business intelligence needs.
4	Increase capacity to address and sustain major executive initiatives and enacted legislation.	<ul style="list-style-type: none"> -Map processes and align resources. -Implement legislation and other administrative mandates within required deadline. 	<ul style="list-style-type: none"> -Define resilience structure and map process to support implementation. -Identify, improve and repeal outdated necessary administrative rules creating a better experience for taxpayers and simplifying compliance.
4	Refine and present proposal for new tax system.	-Completion of pre-implementation tasks.	-Receive and refine tax system feasibility study, create funding proposal, engage, and promote with key stakeholders.