

**Vision:** We envision being a leader in state liquor licensing and enforcement, focused entirely on delivering exceptional services that meet customers needs and enrich the communities we serve.

**Mission:** To protect public safety and support economic growth through the responsible sale and consumption of liquor, and to efficiently license qualified applicants.

**Agency Description:** The Department licenses and regulates the production, distribution and sale of alcoholic beverages throughout the state of Arizona.

In instances involving allegations against licensees, the Department investigates complaints, develops police reports, and enforces civil and criminal laws. State liquor laws are in Arizona Revised Statutes, Title 4 with supporting rules in Arizona Administrative Code, Title 19.

The Department maintains key partnerships in and outside government with emphasis on youth education and outreach addressing underage drinking.

**Executive Summary:** The Department endeavors to realize the Governor's vision to deliver *government at the speed of business*, applying effort in key areas tied to its mission.

Technology improvements and leveraging technology present the greatest accelerators to success. A new licensing system, implemented in February 2018 and buildout of website tools in 2020 connect stakeholders to a central system and provides for essential services online like never before. This impacts the speed of business, department performance and economic opportunities. More is planned on the horizon in the coming years.

A commitment to continuous improvement through the Arizona Management System (AMS) has proven instrumental for leveraging and developing talent, eliminating waste in processes, and optimizing resources. Continued application of AMS to analyze processes is certain to result in further process improvement wins.

The number of licensed businesses compared to department staff makes securing public safety challenging. At FY2021 close, there were 15,169 active licenses and 27 employees. To set safety policy, enforce laws, and protect children and families, innovative solutions and mobilizing partnerships are needed.

### Summary of Multi-Year Strategic Priorities

#	Five Year Strategy	Start Year	Progress / Successes
1	21 <sup>st</sup> Century Business - enrich technology tools and opportunities.	2016	Replaced 26-year old data base system in 2018 with new e-license tool. Spent FY2019 creating and implementing e-license user orientation training and supporting FAQ page on the website. In FY2020, built eight web-based licensing tools orphaned in the new e-license system project, and completed eight system enhancements. COVID-19 mitigation strategies focused on licensee relief and employee telework dominated late FY2020 and most of FY2021 efforts.
2	Accelerate agency performance.	2016	In FY2017, reduced the # of days to issue a new license and updated agency forms to retain only value-added content. Next, standardized license application processing methods to improve staff effectiveness. In FY2019, reduced the # of days to complete a site inspection which impacted the # of days to issue a license. Also increased training opportunities for civilian staff. In FY2020, created a web-based audit tool to simplify annual reporting for licensees and save staff time through automation. In FY2021, initiated a second forms update project to reduce applicant error rates.
3	Promote and act to create safe communities.	2015	In fiscal years 2016 and 2017, reduced the # of days to resolve a citizen complaint. In FY2018, tackled reducing alcohol sales to persons under 21. In 2019, increased prevention activities to promote abstinence of alcohol among those under 21, plus collaborated with other state agencies on addressing wrong way driver fatality cases on freeways. In FY2020, created the web-based audit tool shown in Strategy 2. Pandemic mitigation strategies aimed at promoting public health were central to FY2020 and 2021 efforts.

Strategy #	FY22 Annual Objectives	Objective Metrics	Annual Initiatives
1	Implement program requirements specific to HB 2773 Alcohol-To-Go, Mixed Cocktails To Go, and Contracted Delivery Driver provisions.	<ul style="list-style-type: none"> <li>Phase 1 - % of project plan milestones timely completed to meet legislative implementation date of October, 1, 2021.</li> <li>Phase 2 - % of project plan milestones timely completed to meet full implementation of program requirements.</li> </ul>	<ul style="list-style-type: none"> <li>Develop project plan based on deliverables and dates from the bill language and vendor availability.</li> <li>IT e-license project to create electronic systems capability for alcohol-to-go licensing.</li> <li>Empanel representative employee group to participate.</li> <li>Engage external resource support: procurement, legal, risk, technology, accounting, industry authors, professional services vendors, and e-license system vendor.</li> <li>Execute project plan.</li> </ul>
1	Implement information technology improvements.	<ul style="list-style-type: none"> <li>% of annual milestones completed.</li> </ul>	<ul style="list-style-type: none"> <li>Assess the IT infrastructure.</li> <li>Plan and design.</li> <li>Procure systems.</li> <li>Install systems.</li> <li>Conduct applicable internal user training.</li> </ul>
2	Reduce customer error rate on application forms at the initial point of submission.	<ul style="list-style-type: none"> <li>% of customers accurately completing forms.</li> </ul>	<ul style="list-style-type: none"> <li>Update forms by eliminating multi-use forms and replace with single use forms drafted by staff.</li> <li>All forms are to include instructions.</li> <li>Empanel external stakeholder group for input on proposed forms.</li> <li>Update forms.</li> <li>Develop and implement communication plan for rollout of forms to industry members.</li> <li>Publish forms, assess results, and adjust forms where needed.</li> </ul>
2,3	Reduce the compliance case adjudication timeframe.	<ul style="list-style-type: none"> <li># of days to adjudicate a compliance case.</li> </ul>	<ul style="list-style-type: none"> <li>Map current Compliance processes with key deliverables.</li> <li>Utilize assessment tools to challenge assumptions, question current process steps.</li> <li>Explore avenues showing opportunities for improvement.</li> <li>Involve stakeholders for input.</li> <li>Test. Retain process steps resulting in metric improvements.</li> <li>Update Compliance process flow map and document standard work.</li> </ul>
2	Improve customer service and operational abilities.	<ul style="list-style-type: none"> <li>% of unfilled employee positions.</li> </ul>	<ul style="list-style-type: none"> <li>Post listings for job openings on the state's jobs website.</li> <li>Encourage employee outreach to recruit diverse and talented people.</li> <li>Fill identified and budgeted vacant positions in the Licensing section for the new alcohol-to-go program, Information Technology, Investigations and Administrative sections.</li> </ul>