



INDIANA DEPARTMENT OF REVENUE

Budget Committee FY 22 – 23 Budget Request

December 14, 2020

Bob Grennes, Commissioner

Ed Vance, CFO



Presenters

- **Bob Grennes, *Commissioner***

- After serving as DOR's Chief Operating Officer for 3 years, Bob was appointed by Governor Holcomb to be DOR's Commissioner on February 1, 2020.
- Bob has 4 decades of technology, service operations and executive leadership experience. During his four years on the DOR executive leadership team, Bob has played a key role in improving DOR's organizational capability, service delivery, stakeholder relationships and culture. He has also helped lead DOR's successful modernization project – Project NextDOR.

- **Ed Vance, *Chief Financial Officer, CPA/MBA***

- Ed has been DOR's CFO since January 2017. During his four years on the DOR executive leadership team, he has skillfully led DOR's finance team to deliver consistently high-quality results and drive improvements across DOR's financial management functions. Ed and his team work collaboratively with OMB, State Budget, Auditor of State, State Treasurer, and partner agency finance staff to navigate the many complexities associated with DOR's financial and budget operations.
- Ed has over 20 years of private industry experience in various finance & accounting roles for BorgWarner, JP Morgan Chase, Eli Lilly, Ernst & Young



Agenda

- Commissioner Bob Grennes
 - Agency Overview
 - 2020 Accomplishment Highlights
 - FY 22–23 Biennium Challenges
 - Project NextDOR Timeline & Benefits
- CFO Ed Vance
 - Budget Request
 - FY'23 Change Package
 - Project NextDOR Funding by Fiscal Year
 - Project NextDOR FY'22 Capital Request



Agency Overview

Mission: To serve Indiana by administering tax laws in a fair, secure and efficient manner.

Vision: To be recognized as the premier tax administrator in the nation and a great place to work.

Purpose: To provide great government service at a great value to our customers.

Serving Indiana

- 700 team members
- 13 locations
- Administering 65 tax types
- \$20+ billion annually
- Millions of returns and payments
- Thousands of audits
- Hundreds of thousands of service transactions



2020 Accomplishment Highlights

- Successfully served Indiana during COVID
- Successful 2020 individual tax season and identity protection and tax refund fraud prevention
 - ✓ 3.5 M returns, 2.2 M refunds
 - ✓ \$27 M in attempted tax refund fraud stopped
 - ✓ Identified 998 Hoosier ID's stolen
- Project NextDOR – On-time & On-budget
 - ✓ Successful rollouts of DOR's new integrated tax system
- Met budget reduction requirements
- Industry recognition
 - ✓ Federation of Tax Administrator Awards
 - ✓ IndyStar Top Workplace Award



DOR's Modernization Project

PROJECT 
NEXT DOR 



PROJECT NEXTDOR

4 Major Rollouts over 4 Years

High-Level Project Benefits

- ✓ Improved customer and stakeholder services
- ✓ Closure of internal control gaps
- ✓ Improved compliance & revenue processing
- ✓ Improved internal efficiencies
- ✓ Modern technology platform

Start Up
Installation

Rollout 2 -
Sales/WTH

December
2020

Rollout 4 -
Special Taxes

2018

2019

2020

2021

2022

Rollout 1 - Corporate

Rollout 3 - Individual

Maintaining Current Systems and Processes

System Maintenance
& Support

through 2032



FY 22-23 Biennium Challenges

- Budget cuts
 - ✓ Operate this complex agency and deliver accurate and quality service with significantly reduced funding
- Finishing Project NextDOR
 - ✓ Complete the modernization of DOR's mission-critical tax processing systems and service operations
- Building the future DOR
 - ✓ Develop DOR's future service delivery organization for the post Project NextDOR and post COVID world



DOR's Biennium Budget Request

CFO Ed Vance



Budget Request

	Fiscal	Fiscal	Base	Fiscal	Fiscal
	2019	2020	2021	2022	2023
Operating Request					
10850 Collections and Admin (G)	\$ 68,027,890	\$ 64,456,543	\$ 58,604,182	\$ 58,604,182	\$ 63,404,182
10920 Outside Collections (G)	\$ 4,820,918	\$ 4,135,885	\$ 4,585,887	\$ 4,585,887	\$ 4,585,887
32810 Motor Carrier (D)	\$ 7,628,217	\$ 9,172,637	\$ 8,114,579	\$ 8,114,579	\$ 8,114,579
Total	\$ 80,477,025	\$ 77,765,065	\$ 71,304,648	\$ 71,304,648	\$ 76,104,648
Capital Request					
Project NextDOR	\$ 24,238,435	\$ 18,827,420	\$ 28,776,346	\$ 20,300,000	\$ -
Grand Total	\$ 104,715,460	\$ 96,592,485	\$100,080,994	\$ 91,604,648	\$ 76,104,648

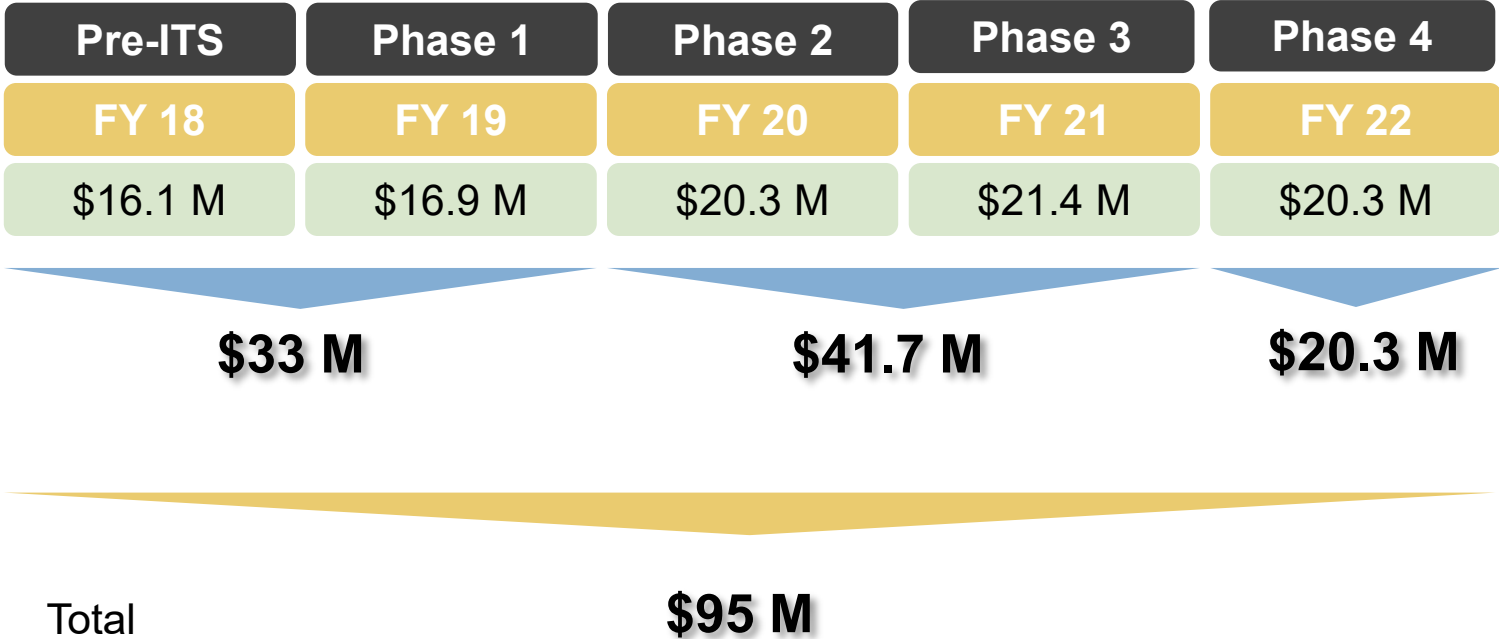


Change Package Use: Modernized System Post Implementation Support

	Total
Contractual Services (FAST Support)	\$ 4,000,000
Indiana Office of Technology Charges for IT Services	\$ 800,000
Grand Total	\$ 4,800,000



Project NextDOR Funding by Fiscal Year



FY'22 Project NextDOR Capital Request

	Fiscal 2022
E51 Personnel	\$ 5,631,648
E53 External Services	\$ 15,069,751
E54 Supplies, Materials, Parts	\$ 3,000
E55 Capital	\$ 5,000
E59 Admin and Operating	\$ 55,500
E65 Interagency Charges	\$ 950,000
Total	\$ 21,714,889
Carryover	\$ (1,414,889)
Grand Total	\$ 20,300,000

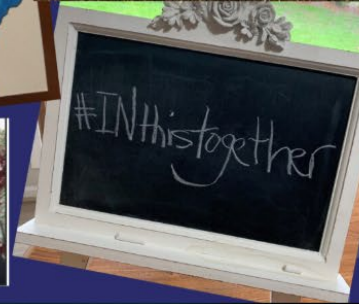
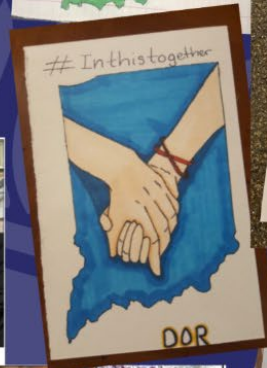
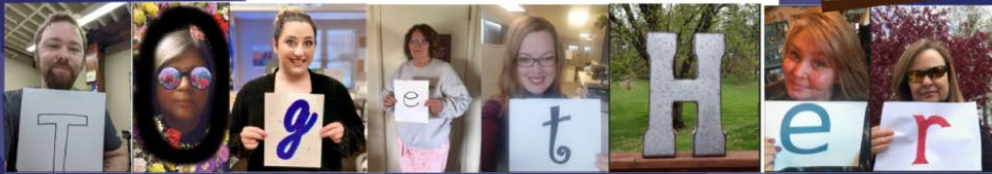
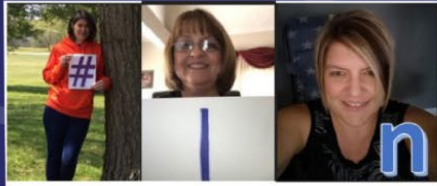


THANK YOU

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IN this together



#WeAreDOR

INDIANA DEPARTMENT OF REVENUE

