

Oregon Department of Revenue

# Annual Agency Information Technology Strategic Plan Progress Report

Information Technology Services Division

June 2026

## Executive Summary

The Oregon Department of Revenue's Information Technology Services Division (ITSD) has achieved steady and sustained progress in implementing its IT Strategic Plan, which aligns with the agency's key strategic priorities: simplifying customer interactions, preparing the workforce for future needs, and enhancing data accessibility. This year marks a pivotal moment, as we approach the culmination of our modernization journey with the successful retirement of legacy mid-range computing and storage services—a major milestone that positions the agency for greater agility and reliability.

Our commitment to innovation, empowerment, IT service excellence, and staff investment has yielded tangible results. The Contact Center Modernization project is now underway, further improving customer service, while nearly half of all correspondence letters have been rewritten and deployed. Enhanced transparency for taxpayers has been realized through improvements to the Where's My Refund tool, and the introduction of Doug the chatbot and Direct File Oregon contributed to a streamlined and predictable tax season. The Core26 upgrade to GenTax, now underway, ensures a stable foundation for our tax platform, keeping us current with critical technology.

Workforce training and support have been strengthened through expanded online self-service tools, targeted PowerBI training via Workday, and customer journey mapping training—all designed to equip staff with essential technical and customer service skills. ITSD has also advanced artificial intelligence (AI) governance, establishing frameworks for responsible and ethical use of AI, and deployed Microsoft Copilot to enhance staff productivity. The first release of the Electronic Valuation Information System (ELVIS), the department's industrial property valuation tool, has modernized property assessment processes, while new IT service management and asset management tools have transformed service desk operations.

While progress on data access and analytics continues incrementally, ITSD is proactively developing a data strategy and delivering sophisticated capabilities in partnership with agency staff. Significant investment in data infrastructure remains a challenge, but our approach ensures ongoing improvement and alignment with modernization goals.

ITSD's accomplishments over the past year reflect dedication, innovation, and a clear trajectory toward completing our modernization efforts. As we retire outdated systems and reach new milestones, our progress is making a lasting impact on the agency and the Oregonians we serve.

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## Strategic Objectives

The IT Strategic Plan is structured around the four primary focus areas of innovation, empowering the agency, IT service delivery, and investing in IT staff.

### Innovation

*Priority 1: Support the agency's strategic projects by developing innovative systems and services to move the agency forward in its goal to provide a clear and easy experience for our customers.*

**Goal 1.1: Support the Customer Service Center of Excellence.**

During fiscal year (FY) 2026, ITSD worked with the Customer Service Center of Excellence on two primary projects.

- a. The first is the "Where's My Refund?" (WMR) application improvements project, completed in April 2026. This effort accomplished several objectives including providing additional details regarding refunds in progress, improved navigation for customers to log in to receive more information, and clear customer prompts when action is needed by them. As a result, the returning customer frequency rate (checking the WMR tool four times or more in a month) has significantly decreased compared to the previous kicker year.
- b. The second is the Contact Center Modernization project. The project will oversee the implementation of a new, modernized contact center solution for the Department of Revenue (DOR). The new solution aims to streamline customer experience, offer new features, and reduce DOR overhead through AI and automation tools. The project kicked off in April 2025 and is estimated to close in the first and second quarter of 2028.

**Goal 1.2 – Improve the correspondence coming out of GenTax.**

The agency identified an additional 13 individual letters, bringing the total to 415 letters within the GenTax system. These letters have been rewritten by program areas to use plain language and to be accessible. As of May 2026, ITSD has updated the language on all 415 letters, and they are ready for deployment. So far, 223 have been deployed and are in production, and DOR IT is making consistent progress. It is expected to finish deployment as of the first and second quarter of 2027.

**Goal 1.3 – One Payment.**

Significant functional and business process changes are required to complete this goal. While the implementation of the Managed Payments module in GenTax was completed in December 2025, it did not address all the issues. The scope and timeline of the "One Stop Shop" project is being reevaluated.

**Goal 1.4 – Implement electronic filing of personal income tax returns on Revenue Online.**

IRS Direct File was discontinued; however, DOR will continue with the unlinked version, Direct File Oregon, so Oregon taxpayers can still file their Oregon taxes for free. New efforts will focus on determining if navigation can be improved and the extent to which filings can be pre-populated for filers.

### Goal 1.5 – Expand data management capabilities.

ITSD has worked within its budget constraints to improve data governance, PowerBI use, and prototype data models. The agency is planning a data strategy as part of its Agency Strategic Plan; however, it needs more specialized staff, such as data architects, to support these initiatives.

#### *Priority 2: Explore emerging technology for use at the agency to transform delivery of its mission.*

While no specific goals were identified in the 2023-27 DOR IT Strategic Plan centered around emerging technologies, ITSD has taken several structural steps to enable the exploration and adoption of new technologies:

- a. ITSD established an Emerging Technologies unit within the IT Section. This unit was previously named application development and was responsible for any project that did not fit within the GenTax platform. This group has been focusing on retiring its technical debt with modern tools and languages and has already made progress in the Request for Computer Access (RCA) application re-write, mobile application development for ELVIS, and full evaluation of the Microsoft Power Platform suite.
- b. DOR established the AI Governance Committee to review requests for the adoption of AI tools and to ensure compliance with statewide policy and risk management priorities.

## Empower the Agency

#### *Priority 3: Create training roadmaps for specific technology products to increase the technology skills of agency employees.*

##### Goal 3.1 – Build technology knowledge acquisition roadmaps.

This goal was focused on creating data as an asset for DOR, and in support of this effort, we have released PowerBI self-study training in Workday. The agency is seeing significant progress in the use of data and dashboards in the Personal Tax and Compliance Division (PTAC). This is creating interest across the agency. The recent emergence of generative AI requires us to pivot training and tools to both utilize this transformation capability but also manage risk. Work is currently underway developing a roadmap.

##### Goal 3.2 – Provide additional training opportunities for GenTax and other technology products.

Core26 will have Help 2.0 - Self-Study enhancements when fully implemented; it is currently scheduled for December 2026.

#### *Priority 4: Invest in self-service technology to allow agency employees to manage their IT needs better.*

##### Goal 4.1 – Develop self-service capabilities in the ITSM tool for employees to manage their tickets.

ITSD developed and released this capability, per our last report this is completed.

##### Goal 4.2– Develop self-service capabilities for managers to view and manage the IT equipment of their teams.

ITSD still has not attained this goal. Limitations in the IT Service Management (ITSM) tool means that ITSD will need to find another asset inventory tool to accomplish this. We are actively working on assessing Service Now as a replacement for our ITSM platform in part to deliver on this goal.

## IT Service Delivery

*Priority 5: Mature IT services in all areas to optimize delivery.*

### Goal 5.1— Focus on foundations.

ITSD has completed the adoption of a new service account management tool, Multi-Factor Authentication for the remaining legacy applications, and has developed a training plan for Amazon Web Services (AWS) in support of the new Contact Center. The IT Section is currently working on the YubiKey Sign-In project that will provide a password-less option for Windows login while decreasing our risk exposure.

### Goal 5.2 – Complete the process for documentation for IT operations.

The Service Desk Operations Manual is up to date, and significant progress has been made with the Infrastructure Operations Manual. Full completion of this goal is dependent on the ITSM platform replacement to ensure we have a central repository and regular updates to the manuals built into daily operations.

### Goal 5.3 – Complete the modernization effort.

With the completion of the first three releases of the ELVIS for industrial properties, the agency has scheduled the retirement of our legacy midrange computing and storage and has achieved the last major milestone for the modernization effort. ITSD has two significant minor components left with the Legal Opinions Library (LegOps) and the RCA system with current projects underway to leverage modern Microsoft productivity tools to address these needs without a significant software development effort. We have decommissioned the E-Time system, and the Appraiser Continuing Education Database (ACED) is now in Workday.

### Goal 5.4 – Improve cyber security footprint.

The Corrective Action Plan (CAP) is still being worked through and reported quarterly. The agency also successfully migrated from RSA tokens to YubiKeys for multifactor authentication (MFA) as stated in the last report. Enterprise Information Services (EIS) completed a subset of the Center for Internet Security (CIS) control review, and rated DOR compliance at 84 percent—a dramatic improvement in compliance from the initial assessment a couple of years ago. We are now looking at the entire set, and we will complete that report shortly.

## Invest in IT Staff

*Priority 6: Create and maintain a culture that attracts IT talent.*

### Goal 6.1 – Streamline IT onboarding.

ITSD continues to evaluate onboarding processes. The Project Management Office updated all onboarding activities, as well as processes and procedures to make our processes clearer to new hires.

### Goal 6.2 – Identify IT capacity limitations.

As part of the agency's fiscal impact process this legislative session, ITSD has reviewed and revised its estimation of staffing requirements to include service desk personnel as overall staffing levels for the agency increase following a standard ratio of 1:50, and IT supervisory and management positions to try

and bring the span of control down to a ration of 1:11 as per Chief Human Resources Office (CHRO) recommendations. ITSD continues to look at overall resource management to ensure that it has project expectations in alignment with capacity.

#### Goal 6.3 – Succession management.

As part of the overall agency wide succession management plan, ITSD has identified key personnel that represent a risk to operations and is formulating succession plans around those positions including backup duties and developmental opportunities for junior staff.

#### *Priority 7: Develop IT skills to support the agency now and into the future*

#### Goal 7.1 – Create Opportunities for IT staff to grow and develop.

DOR ITSD successfully completed its first Hackathon. There was a great deal of interest in making it agencywide, and planning is underway for the next one. In addition, ITSD reorganized creating new management opportunities within the IT Section and the Process Center Section.

We also sent staff to various training opportunities throughout the year:

- The Emerging Manager program by the Oregon Department of Administrative Services – four employees
- Microsoft Ignite – one employee
- Oregon Project Management & Business Analysis training – one employee
- Leadership Oregon – one employee
- Information Technology Infrastructure Library (ITIL)training – three employees
- ASCENT – two employees
- Quarterly GenTax workshops attended in person by roughly 50 employees
- Power Platform trainings – 16 employees
- Rotated in two new team leads
- Two job related college courses taken – one employee
- Project Management Professional (PMP) training – one employee

## Tracking Progress

The IT Strategic Plan envisioned tracking progress on a set of progress indicators and metrics associated with the goals noted above. Upon review, progress would best be measured by tracking metrics associated with the seven individual priorities identified within each of the focus areas. Achieving measurable progress on ITSD's priorities is a clear indication of success in achieving its strategic objectives.

## Innovation

*Priority 1: Support the agency's strategic projects by developing innovative systems and services to move the agency forward in its goal to provide a clear and easy experience for our customers.*

Success is measured by completion of governance approved projects that are in line with the agency priorities and strategic plan. ITSD has completed six large, governed projects.

*Priority 2: Explore emerging technology for use at the agency to transform delivery of its mission.*

Success is measured by engagement with new technologies and the identification of potential to transform delivery of the agency mission.

**Artificial Intelligence (AI)**

Assessments of Copilot Chat, Hootsuite, Allyant CommonLook, Canva, GitHub Copilot, and Vidcruiter were done in the last year. Security, policy, and cost concerns remain barriers to adoption. However, AI technology would greatly enhance productivity for the agency communications team, offer significant potential for dramatically increasing the accuracy of the department's scanning of paper documents into GenTax for processing, and could address organization and retrieval needs for reference material currently met by one of the two remaining legacy applications.

**Microsoft PowerPlatform**

The suitability of low-code development using the PowerPlatform was investigated as a potential solution for RCA replacement and mobile on-site valuation application for ELVIS. The result of the investigation is that the PowerPlatform does not yet provide a sustainable and supportable platform for production applications and is more suited to limited business automation.

**Modern Application Development**

With the determination that PowerPlatform was not appropriate for agency production applications, ITSD has moved forward with the current version of .NET (MAUI) for RCA replacement and has also begun development of an IOS based application for the mobile on-site valuation application for ELVIS.

**Contact Center**

Procurement efforts are nearing completion with the selection of AWS Contact Center under a statewide enterprise call center contract. With the formal launch of the multi-year project to replace our legacy call center with an omni-channel contact center, we continue to explore emerging technology to integrate state-of-the-art features with our GenTax system of record to create a streamlined and personalized experience for our customers. The expectation is that the new system will allow the department to track and meet clear, measurable goals to increase customer service as articulated in the agency strategic plan.

**Empower the Agency**

*Priority 3: Create training roadmaps for specific technology products to increase the technology skills of agency employees.*

Success is measured in the adoption of specific technology products as a reflection of skill development. The department has adopted Microsoft PowerBI and Microsoft SQL (MS SQL) for data insights, and success will be measured in number staff connecting directly to create insights. The department also offers online GenTax trainings, and success will be measured in the number of staff completing training modules. Current year numbers have not changed from last year; however, with Core26 scheduled to be implemented by December 2026, we expect increased numbers next year.

- |  |     |
|--|-----|
| a) Number of staff connecting directly to MS SQL | 45  |
| b) Number of staff taking GenTax trainings       | 180 |

*Priority 4: Invest in self-service technology to allow agency employees to manage their IT needs better.*

Success is measured in the adoption of self-service IT tickets and the decrease in IT ticket volume. As this is the first year of measurement it will serve as the baseline.

- |                                       |            |
|---------------------------------------|------------|
| a) Percentage of self-service tickets | 15 percent |
| b) Volume of tickets opened overall   | 10,623     |

## IT Service Delivery

*Priority 5: Mature IT services in all areas to optimize delivery.*

Success is measured in the IT Service Management Maturity Score using Gartner’s current assessment tool. ITSD has retroactively assessed the state of the organization as it was in 2021 and then again in the current year 2025 for comparison. ITSD’s target is 3 (Service Optimized), and significant progress is dependent on the new ITSM tool deployment. The next assessment is scheduled for 2027.

- |  |
|--|
| a) 2021 – IT Section Assessed at a 1 (Asset Optimized)   |
| b) 2025 – IT Section Assessed at a 2 (Process Optimized) |

## Invest in IT Staff

*Priority 6: Create and maintain a culture that attracts IT talent.*

Success is measured in the ability to attract and maintain IT staff. Median tenure indicates the division is retaining staff longer than the state of Oregon as a whole, and the size of IT applicant pools indicates a strong ability to attract talent.

- |  |          |
|--|----------|
| a) IT staff median tenure vs. state as a whole | +2 years |
| b) Average size of IT applicant pools          | 18       |

*Priority 7: Develop IT skills to support the agency now and into the future*

Success is measured first by identifying skills needed now and into the future and identifying the number of IT staff currently proficient.

- |                                    |    |
|------------------------------------|----|
| a) Project Management Professional | 3  |
| b) Amazon Web Services             | 1  |
| c) GenTax                          | 33 |
| d) PowerPlatform                   | 3  |
| e) PowerBI                         | 0  |
| f) SQL Server                      | 5  |

## Initiatives

ITSD initiatives in each focus area either achieve specific strategic goals or support priorities in general. Work plans are developed and redefined in conjunction with the IT governance process and the annual IT operational plan.

## Innovation

### *Customer Service Center of Excellence*

#### Completed

- Where's My Refund Improvements 2025. Improve the experience of personal taxpayers contacting DOR by phone and e-mail to inquire about tax refund status. Strengthen DOR's ability to assess the long-term impact of PTAC changes and identify additional opportunities for improvement. Improve DOR's ability to provide accurate, consistent and meaningful status updates on individual taxpayer returns internally and to the customer. Enhance reporting tools to enable PTAC and DOR's Customer Experience Center of Excellence to better evaluate customer experience and data accuracy, allowing for more targeted future improvements. Streamline workflow automation by incorporating input from DOR's Taxpayer Services Unit and PTAC return processors where feasible.

#### In Progress

- Contact Center Platform Modernization. This project is tentatively scheduled for completion in 2028. Challenges encountered here include narrow procurement paths and rapid technological change with AI enabled capabilities.

### *Correspondence and Letters*

#### Completed

- Statement of Account Letter (SOA). Redesign the Statement of Accounts letter using the design and writing guidance established in the Agency Letters Project (accessibility, body text, free form text, text, layout, etc.) to make it clearer and easier to understand. We also changed the SOA mail template and its logic in GenTax.

#### In Progress

- Letters Project. This project involves rewriting all letters automatically sent to customers to improve accessibility, clarity, and customer satisfaction while also improving the automatic tracking and completing of tasks associated with the letters. Projected completion in the first and second quarter of 2027.

### *One Stop Shopping for Payments*

#### Completed

- Federal Audit Approval. This project added a bulk audit approval function to streamline the audit function. Completed in August 2025.

#### Completed

- Managed Payments. This project changed the IT platform to handle payments in a streamlined manner. Completed in December 2025.

#### Not Started

- One Stop Shop Project. This project will create a single place for customers to make payments. It is being re-scoped based on what we learned from the managed payments project and is not yet scheduled.

#### *Data Management*

##### In Progress

- Data Strategy. This project will develop and adopt a formal data strategy for the agency based on an incremental rather than transformational approach. Earlier strategies involved significant investments that were not approved.

##### Not Started

- Data Pilot. This project will demonstrate how to create actionable data sets for wide use throughout the agency based on appropriate security controls and data definitions.

## Empower the Agency

#### *Training Initiatives*

##### Completed

- PowerBI Training in Workday. This project offers training for agency staff on the use of PowerBI to interact with agency data.

## IT Service Delivery

#### *IT Service Management Rollout*

##### Completed

- IT Service Management Tool. This project enables the IT staff to track and process all service requests from agency staff and ensure that the IT tools they rely on to do their jobs are working well and meeting their needs. The system is in place; however, it does not fully meet agency expectations and will be replaced.
- Asset Management. This project enables IT staff to track and manage all IT assets for the agency and ensure that all agency staff have the appropriate technology to do their jobs. The system is in place; however, it does not fully meet agency expectations.

##### In Progress

- IT Operations Desk Manual. This project will document current processes and procedures in a Desk Reference Manual for IT staff to ensure consistency of operations. The project is projected to be completed by the end of 2026.

##### In Progress

- IT Service Management Replacement. An assessment was completed, and ServiceNow was determined to meet agency needs. Budget has been allocated, and procurement efforts and deployment planning are underway.

### *Other Modernization Efforts*

#### In Progress

- ELVIS Industrial. This project enables the Property Tax Division to manage the appraisal of complex industrial properties so that local tax jurisdictions can appropriately assess these properties. It will replace manual processes and legacy IT systems currently used. The project is projected to be completed by July 2027 and has already completed three of five planned releases.
- Request for Computer Access. This project will enable the agency to appropriately manage agency staff access to computer systems. The project is anticipated to be completed by the end of 2026.

#### Not Started

- Legal Opinions Library. This project will leverage current AI capabilities within the Microsoft CoPilot suite to enable agency staff to reference legal opinions that pertain to agency operations and tax administration quickly and accurately. It replaces a legacy IT system currently in use; however, it requires authorization to utilize Level 3 data and is dependent on obtaining that authorization from EIS.

### *Cyber Security Initiatives*

#### Completed

- IRS Audit. This project ensures that the agency is following IRS cyber security standards and ensures that Oregon taxpayers' information is kept safe.
- Cyber Security Services Review. This project ensures that the agency is following the state of Oregon cyber security standards and has the appropriate controls in place for all IT systems and practices.

#### In Progress

- Internal Review of Security Controls. This project ensures that the agency continues to improve its cyber security practices and is ongoing.

### Invest in IT staff

#### *Onboarding Simplification*

#### Completed

- Onboarding Streamline. DOR underwent a large onboarding redesign that covered all staff, not just IT. As a result, feedback from new IT staff was positive and the need for specific IT onboarding is not apparent.
- Succession Management. An agencywide succession plan was developed and submitted to the Governor's Office that included the IT section. Key personnel were identified and coverage strategies identified.

## *Skill Development*

### In Progress

- IT capacity limitations. As part of the end of session review of the fiscal impact study process for DOR, IT capacity limitations were reviewed, and future guidelines were formally established. Development of a formal IT resource management practice is underway with the adoption of Workday WorkTags for reporting and planning purposes.
- Skill Gap Targeting. With the identification of key skills needed for future capabilities to advance the agency strategic plan, targeted training will be developed and progress on closing the gap will be reported annually.

### Completed

- DOR Hackathon. The inaugural DOR Hackathon was completed in early September 2025 and was a huge success.

## Resource Allocation

Total resources provided in the 2025-27 Legislatively Adopted Budget (LAB) for the Information Technology Services Division (which includes the Processing Center Section) included \$67,815,967, which was later changed during the short session with the addition of salary COLAs and four additional self-funded positions for ELVIS resulting in a total Legislatively Approved Budget of \$70,073,787. In addition to the LAB, \$14 million in bond funds were allocated for the ELVIS projects.

DOR maintains an IT Governance Committee that sets priorities on agencywide projects in support of the agency strategic plan, and resources are balanced between legislative mandates, basic operational needs, and project needs based on the availability of resources, prioritization, and deadlines. EIS oversight maturity assessment for 2025 was scored at 3.0 on a 4.0 scale, indicating a mature project and portfolio management practice within the agency.

## Risks and Mitigations Strategies

The three primary risks impacting the achievement of strategic objectives are:

- Funding for Data Management. The mitigation strategy for this risk is to increase the agency's timeline for achieving results for the data management capabilities required for the agency. A Data Governance Framework is being developed, and work is being done to complete a formal data strategy; however, a data capability roadmap that is dependent on IT resources will need to span several biennia unless dedicated resources are allocated.
- Addressing the Skills Gap. The mitigation strategy for this risk is to target individuals for just in time training as part of prioritized projects and tasks.
- GenTax Upgrade. ITSD will be migrating to the current version of GenTax in calendar year 2026 to ensure that the agency remains current and is able to position itself to be cloud ready. This work will limit ITSD progress on GenTax enhancements that are part of the strategic objectives. The mitigation strategy for this risk is to prioritize non GenTax dependent projects during 2026.

## Next Steps

DOR will continue making progress on the initiatives and maintain the momentum created in the first three years of the strategic plan, while developing the next four-year plan. As noted earlier, more appropriate metrics have been identified to track progress, and ITSD will continue to evaluate its ability to achieve the priorities. In addition to continuing project work around strategic and operational priorities, ITSD will work closely with agency leadership on the development of the 2027-31 IT Strategic Plan as the new agency Strategic Plan is developed and finalized.

## Conclusion

Over the past three years, the Information Technology Services Division (ITSD) has propelled the Oregon Department of Revenue forward by executing its IT Strategic Plan with clarity and purpose. Through a disciplined approach to resource allocation and project prioritization, ITSD has successfully balanced legislative requirements, operational demands, and strategic modernization initiatives. Its mature project and portfolio management practices—reflected in a strong EIS oversight maturity score—have empowered the agency to navigate risks and implement effective mitigation strategies, particularly across data management, workforce training, and technology upgrades.

Notable achievements include the enhancement of customer experience through new digital options and chatbot support, modernization of correspondence to reduce reliance on paper, and progress toward a service environment tailored to advance the agency's vision to create a clear and easy experience for our customers. The division's focus on workforce development is starting to pay dividends, equipping staff with skills and infrastructure for emerging challenges as the agency approaches the completion of its modernization journey. Despite persistent funding constraints impacting data management, ITSD's measured, incremental improvements continue to deliver secure and actionable information for the agency and Oregonians.

Collaboration with agency leadership and a commitment to ongoing evaluation and strategic planning have set the foundation for sustained progress. The culmination of these efforts was the 2026 tax season, marked by increased efficiency, accessibility, and high customer satisfaction—solidifying ITSD's pivotal role in advancing Oregon's revenue collection and public service objectives.

The IT Strategic Plan is anchored by three agency priorities: making it easier for customers to interact with the department, preparing the workforce for the demands of the future, and enhancing access to and use of data. By expanding digital services, streamlining communication, investing in workforce training, and incrementally strengthening data capabilities, ITSD is paving the way for continued innovation and excellence in service delivery.