

# BOARD OF DIRECTORS

---

Public Session, FY17, Q1  
November 2, 2016

A nighttime photograph of the Arizona Commerce Authority building complex, featuring several modern, curved glass structures illuminated from within. The buildings are reflected in a calm body of water in the foreground. The sky is dark with some light clouds, and a bridge is visible on the right side of the image.

**ARIZONA**  
COMMERCE AUTHORITY

zenreach

Limelight NETWORKS



Abbott Nutrition

ciOX HEALTH

BARTON ASSOCIATES THE LOCUM TENENS EXPERTS

Alliance Home Loans

ROGERS CORPORATION

BOMBARDIER

connexta

truckstop.com

yodle success simplified.

SOGETI

HUHTAMAKI

houzz

GALTRONICS A BAYLIN TECHNOLOGIES COMPANY

nrg

West

Vector Space Innovate, Build, Fly

dexcom

LOGICALIS

ACCELERATE DIAGNOSTICS

MCKESSON

CAVU Aerospace The Vision is Clear

Global Equity Finance

SK FOOD GROUP FOOD MANUFACTURING & SERVICES

84 LUMBER

midori SERVICES INC.

Willis Towers Watson

DIAMOND COATINGS

CARVANA

MEDLINE

URSA Information Systems

VIXXO

TYR TACTICAL

John Hancock

308 Opportunities | 61,907 New Jobs | \$52,357 Average Wage | \$8.07 billion in Capex

### Origin (Attraction)



Northeast: 17%



Midwest: 15%



Southwest: 7%



California: 35%



International: 15%



Southeast: 6%

---

### Industry (Total)

- 14% Manufacturing
- 7% Renewable
- 11% A&D
- 10% Traditional
- 12% IT/Software
- 16% Business/Financial
- 25% Consumer Products
- 5% Bio/Healthcare

67 Opportunities | 7,557 New Jobs | \$51,724 Average Wage | \$1.59 billion in Capex

## Origin (Expansion)



Central AZ: 84%

- Phoenix
- Tempe
- Chandler
- Gilbert



Southern AZ: 13%

- Tucson
- Oro Valley



Northern AZ: 3%

- Kingman
- Prescott

## Industry (Expansion)

- 24% Manufacturing
- 8% Renewable
- 4% A&D
- 12% Traditional
- 24% IT/Software
- 13% Business/Financial
- 7% Consumer Products
- 8% Bio/Healthcare

## California Pipeline



Top 3 Industries: Consumer Products, Business/Financial, Manufacturing

18 Net New California Opportunities FYTD

# ACA REVAZ REPORT

---

David Garafano  
Executive Director, RevAZ



**ARIZONA**  
COMMERCE AUTHORITY



83

Assisted 83 companies in FY2016

\$2.7M

\$2.7 million in increased sales

\$3M

\$3 million in cost savings

14

Assisted 14 companies through ExporTech

## RevAZ Support 2015/2016

---



Strategic  
Planning



Executive  
Coaching



ISO 9001  
Certification



SolidWorks Pro  
Design Software



Procurement Process  
Improvement



Value Stream  
Mapping



## RevAZ Support 2016/2017

- Purchase land and building in Prescott
- Strategic Planning – Quarterly Reviews
- Organizational Development – Job Benchmarking
- Staffing – New GM
- Executive Coaching and Mentoring
- Continuous Improvement Training
- ERP and CRM Selection and Implementation

# ARIZONA MANAGEMENT SYSTEM

---



ARIZONA  
COMMERCE AUTHORITY

# ARIZONA

OPPORTUNITY FOR ALL

FOUNDATIONS

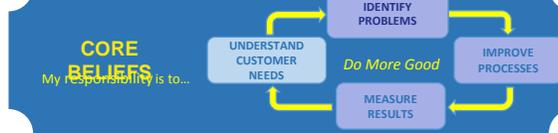


Governor Doug Ducey

**MISSION**  
We will serve, protect, promote and defend the State of Arizona and its citizens in their pursuit of a better life.

**SHARED VISION**

**CORE VALUES**  
• Do the Right Thing  
• Commit to Excellence  
• Care About One Another



**LEADERSHIP**  
True Leaders Change Things to Make them Better

KEY GOALS

- 21<sup>st</sup> Century Education
- Strong, Innovative Economy
- Healthy People, Places & Resources
- Safe Communities
- Efficient & Accountable Government

STATE KEY FUNCTIONS



GOAL COUNCIL CHAIR

- Ensuring World Class Education**  
Dawn Wallace, Senior Advisor, Education
- Driving Economic Opportunity**  
Sandra Watson, Director, Commerce Authority
- Championing the Health of People and Resources**  
Dr. Cara Christ, Director, Health Services
- Protecting and Property Life**  
Gilbert Orrantia, Director, Homeland Security
- Accelerating Agency Performance**  
Craig Brown, Director, Administration

AGENCY KEY FUNCTIONS

- |  |   |   |  |   |
|--|---|---|--|---|
| <ol style="list-style-type: none"> <li>Setting and implementing successful best practices in educational policy that foster critical thinking, communication and collaboration</li> <li>Creating Arizona standards, assessments, and accountability systems that are meaningful</li> <li>Recruiting and retaining quality educational professionals</li> <li>Closing the achievement gap for low-income and minority students</li> <li>Providing access and choice to high-quality early learning opportunity</li> <li>Promoting rigorous pathways to postsecondary education based on each student's interests</li> <li>Strengthening the alignment of education outcomes to workforce needs</li> </ol> | <ol style="list-style-type: none"> <li>Setting economic policy</li> <li>Making it easier to do business and embracing "start up state" positioning</li> <li>Developing, retaining, and attracting skilled workers</li> <li>Expanding, retaining, and attracting businesses</li> <li>Raising Arizona's positive profile nationally and internationally</li> <li>Maintain and expand Arizona's critical public assets and infrastructure</li> </ol> | <ol style="list-style-type: none"> <li>Setting health and natural resource policy</li> <li>Promoting active and healthy people</li> <li>Conserving resources for multiple benefits</li> <li>Ensuring healthy food supply and drinking water</li> <li>Protecting air quality</li> <li>Ensuring appropriate access to healthcare services</li> <li>Ensuring healthy homes and workplaces</li> <li>Preserve water supply for future use</li> </ol> | <ol style="list-style-type: none"> <li>Setting safety policy</li> <li>Enforcing laws</li> <li>Deterring criminal activity</li> <li>Protecting children and families</li> <li>Providing law enforcement and fire services</li> <li>Managing Corrections</li> <li>Mitigating risk through prevention and education</li> <li>Promoting safe workplaces</li> <li>Coordinating emergency readiness</li> <li>Ensuring safe travel</li> </ol> | <ol style="list-style-type: none"> <li>Planning and reviewing performance</li> <li>Improving processes</li> <li>Attracting, developing, and retaining talent</li> <li>Delivering world-class procurement</li> <li>Driving innovative IT solutions</li> <li>Optimizing physical assets</li> <li>Managing risk</li> <li>Balancing the budget</li> </ol> |
|--|---|---|--|---|

LEAD MEASURES

- |   |  |  |  |   |
|---|--|--|--|---|
| <ol style="list-style-type: none"> <li>Student attendance rates</li> <li>Increasing the number of A &amp; B schools</li> <li>Improvement of C, D and F schools</li> <li>Higher-quality school leadership</li> <li>Teacher retention</li> <li>Teacher pay</li> <li>Students enrolled in college &amp; career preparedness programs</li> <li>Postsecondary degrees, certifications &amp; credentials for low-income students</li> <li>Education investment</li> </ol> | <ol style="list-style-type: none"> <li>New company formations</li> <li>Housing costs</li> <li>New construction permits</li> <li>Overnight visitors</li> <li>Skilled worker apprenticeships</li> <li>Labor force participation</li> <li>Public infrastructure investment</li> <li>Private sector capital investment</li> <li>Tort liability</li> <li>Foreign direct investment</li> </ol> | <ol style="list-style-type: none"> <li>Nursing visits for perinatal high risk</li> <li>Teens in pregnancy prevention program</li> <li>Physicians using prescription drug monitoring database</li> <li>Small drinking water system compliance</li> <li>Colorado River water conserved</li> <li>Underserved food areas</li> <li>Delivery of mental health services</li> <li>Hunt/Fish license sales</li> </ol> | <ol style="list-style-type: none"> <li>Uniform crime report data</li> <li>Sexual assault evidence collected/kits</li> <li>Removal rate of children from unsafe homes</li> <li>Children leaving foster care to a permanent home</li> <li>Workplace safety</li> <li>Emergency response plans</li> <li>Wildfire plans</li> <li>Former inmate community supervision program completion</li> <li>Fire risk to people and places</li> <li>Traffic stops</li> <li>DUI arrests</li> <li>Child seats installed/inspected</li> </ol> | <ol style="list-style-type: none"> <li>State employees</li> <li>Regrettable attrition</li> <li>IT Performance</li> <li>Administrative rules eliminated</li> <li>Cost savings</li> <li>Arizona Management System adoption</li> <li>Transactions online</li> <li>Speed of service</li> <li>Taxpayer satisfaction</li> </ol> |
|---|--|--|--|---|

**Government at the Speed of Business: DECIDE FASTER / RESPOND FASTER / RESOLVE FASTER / MORE SERVICES ONLINE / TAX DOLLARS SAVED**

MISSION MEASURES

- |  |  |  |  |  |
|--|--|--|--|--|
| <p><b>EDUCATION OUTCOMES</b></p> <ol style="list-style-type: none"> <li>Preschool Enrollment</li> <li>3rd Grade Reading</li> <li>8th Grade Math</li> <li>High School Completion</li> <li>College-Going</li> <li>Youth Enrolled in School or Working</li> <li>Postsecondary Attainment</li> </ol> | <p><b>ECONOMIC OUTCOMES</b></p> <ol style="list-style-type: none"> <li>Median household income</li> <li>Total personal income</li> <li>Foreign trade</li> <li>Economic diversity</li> <li>Job growth</li> <li>Unemployment</li> <li>Total spending by overnight visitors</li> <li>Tax climate</li> <li>Economic freedom</li> </ol> | <p><b>HEALTH OUTCOMES</b></p> <ol style="list-style-type: none"> <li>Air Quality Index</li> <li>Lake Mead level</li> <li>Drinking water quality</li> <li>Park &amp; outdoor recreation</li> <li>Mental health</li> <li>Smoking</li> <li>Opioid deaths</li> <li>Teen pregnancy</li> <li>Infant mortality</li> <li>Healthy weight</li> </ol> | <p><b>PUBLIC SAFETY OUTCOMES</b></p> <ol style="list-style-type: none"> <li>Juveniles rehabilitated</li> <li>Violent crime</li> <li>Property crime</li> <li>Border strike force seizures</li> <li>Children in out-of-home care</li> <li>Injured workers</li> <li>Traffic fatalities</li> <li>Natural disaster &amp; wildland fire response</li> <li>Acres burned in unwanted wildland fires</li> <li>Recidivism</li> </ol> | <p><b>IMPROVING GOVERNMENT OUTCOMES</b></p> <ol style="list-style-type: none"> <li>Tax Reduction</li> <li>Government Savings</li> <li>Credit Rating</li> <li>Transparency</li> <li>State Debt</li> </ol> |
|--|--|--|--|--|



# ARIZONA

COMMERCE AUTHORITY

[azcommerce.com](http://azcommerce.com) | 602.845.1200 | 800.542.5684