

# Agency Strategic Plan

## Department of Motor Vehicles

### Agency Mission, Vision, and Values

#### Mission Statement:

DMV promotes Security, Safety, and Service through the administration of motor vehicle and tax related laws.

#### Agency Vision:

PEAK Performance/everyone, every time.

PEAK: People, Ethics, Accuracy, and Knowledge

#### People

We provide service that is:

- Engaging
- Friendly
- Compassionate
- Helpful
- Proactive
- Customized

#### Ethics

Our ethics include:

- Honesty
- Integrity
- Security
- Professionalism
- Accountability

#### Accuracy

Our work is:

- Thorough
- Efficient
- Correct
- Consistent

#### Knowledge

We:

- Problem Solve
- Educate
- Inform
- Communicate

### Agency Executive Progress Report

#### Current Service Performance

In a culture obsessed with time, one of the best measures of our success is the amount of time customers wait for service in our customer service centers. During calendar year (CY) 04, the wait time statewide averaged just under 20 minutes with 61 percent of customers waiting 20 minutes or less. This wait time was 42 percent less than CY03 and the percent of customers served in 20 minutes or less increased 16 percent.

To objectively measure the quality of our customer's experiences at the front counter, the agency retained Customer Service Experts to conduct a pilot customer shopping program. This program used paid shoppers to conduct 313 genuine personal transactions with the agency. Overall, 77 percent of the shoppers rated their experience at DMV as meeting or exceeding their expectations.

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DMV's mission includes advancing transportation safety. The agency fulfills this part of its mission by disbursing federal grant funds to localities and non-profit safety organizations and by coordinating public awareness and information campaigns statewide.

During FY04, DMV awarded more than \$32 million to state and local agencies, non-profit organizations, and law enforcement agencies. These funds were used for implementation of comprehensive programs to decrease alcohol-related crashes, injuries, and fatalities and to increase safety belt usage throughout Virginia.

DMV supported and provided funding to three major public awareness campaigns that addressed safety belt use, drinking and driving, and mature drivers. The Click It or Ticket and Checkpoint Strikeforce campaigns combined paid media and law enforcement to increase safety belt use and decrease the incidence of drinking and driving.

For the first time, Virginia's safety belt use rate reached 80 percent during 2004. Alcohol-related crashes and injuries each increased one percent. Alcohol-related fatalities, however, declined five percent.

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### Productivity

DMV's most visible and widely used products and services include driver licensing, vehicle registration and titling, motor carrier credentialing, revenue collection, promotion of transportation safety, and information products. During FY05, the agency conducted:

- 2.05 million driver's licensing transactions, down 2.07 percent from FY04;
- 6.84 million vehicle registration transactions, down 1.03 percent from FY04;
- 2.64 million vehicle title transactions, up 0.04 percent from FY04; and
- collected \$2.17 billion in revenue, up 2.08 percent from FY04.

DMV achieved this level of productivity with a workforce of 1,852 full-time equivalent positions (down 1 FTE from FY04 but still below the pre-layoff level of 1,954 in October 2002) and an operating budget of \$165.27 million (up 0.00 percent from FY04). Cost-per-client averaged \$3.66, down 3.94 percent from FY04.

The following business profile provides a comprehensive snapshot of DMV's performance during FY05.

### Revenues

Gross Revenues Collected \$ 2,165,233,772  
Net Revenues Collected (4) \$ 1,994,846,650

### Customer Base

Number of Licensed Drivers (1) 5,178,156  
Number of Registered Vehicles 7,339,731  
Total Driver and Vehicle 12,517,887

### Expenditures

DMV's Operating Budget \$ 165,271.505  
Cost per Client Served (2) \$ 3.66

### Operations

FTE's (Full-Time Employees) 1,852  
Customer Service Centers (CSCs) 73  
DMV Select Agents 35  
Satellite Offices 1  
Weigh Station: Fixed 13  
Weigh Station: Mobile 11  
IRIS (Infrared Inspection Systems) 3

### Annual Transaction Processing Volumes

#### Driver Licensing

Total Driver Licensing Transactions 2,045,838  
Commercial Drivers Licenses 67,931  
VASAP Program Clients 17,268  
Reinstatements 232,256  
Uninsured Motorist Transactions 39,899

#### Vehicle Registrations and Titling

Total Vehicle Registrations 6,838,079  
Two-Year Vehicle Registrations 966,819  
Vehicle Title Transactions 2,639,469

#### Vehicle Renewals

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CSC Renewals 1,825,280  
HQ Renewals 2,723,296  
    % of customers renewing by mail 40.7%  
    % of customers renewing by internet 16.3%  
    % of customers renewing by touch-tone 2.4%

Motor Carrier  
IFTA Tax Credential Transactions 10,355  
IFTA Tax Filings 27,889  
IRP Vehicle Registration Transactions 43,404

Fuels Tax/ Rental Tax Revenue Transactions  
Liquidated Damages Citations Established 58,361  
Liquidated Damages Revenues Collected 10,692,099

Number of Trucks Weighed 17,790,563

Dealer Activity  
Dealer Licenses 4,805  
Salesperson Licenses 24,281

License Plate Activity  
Reserved Plates 806,755  
Special Plates (3) 422,881

- (1) Includes driver licenses with stops, licenses that expired during the fiscal year.
- (2) Inflation-adjusted costs, using base year of 1975; for the latest fiscal year.
- (3) DMV offers almost 200 different types of special plates including: scenic, heritage, autumn, patriot, college, Chesapeake Bay, wildlife, etc.
- (4) This is a "proforma" number for statistical purposes and is not subject to accounting treatment.

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### **Major Initiatives and Related Progress**

Vehicle title option: DMV is implementing a new title option for vehicle owners. Vehicle owners will be allowed the option of having DMV electronically retain their vehicle's Certificate of Title. They simply check the box on the Application for a Certificate of Title and Registration when they purchase a vehicle at a dealership or when they come into DMV and title a vehicle for the first time.

This new option will eliminate the need for vehicle owners to keep track of their Certificate of Title until they need to sell their vehicle. DMV will flag their file and print their Certificate of Title for them when they need it. This new option will reduce customers' time and the frustration of having to replace their title because they lost or misplaced the original title.

Central issuance of drivers licenses: DMV plans to change the process of issuing driver's licenses and photo identification cards from an over-the-counter issuance process to issuance from a secure, central location. Application processing will continue to occur in a CSC; however, once the application is approved, DMV will mail the driver's license or ID card rather than providing it during the CSC visit. This is similar to the process currently being used today for alternative services, including Internet, telephone and mail-in driver's license renewals.

DMV will issue a receipt to the customer printed on secure paper. This receipt will allow the customer to drive, but cannot be used as proof of identification. Customers who are renewing will be allowed to keep their current license as proof of identification. The receipt will be valid long enough for the customer to receive the driver's license in the mail. A more specific timeframe will be determined closer to implementation in fall 2006.

Driver's license central issuance will enhance security of driver's licenses and ID cards, reduce the risk of fraud and identity theft, reduce the use of false addresses, and deter out-of-state applicants attempting to illegally obtain Virginia licenses. The centralized production of licenses allows for a more thorough review of documents presented for proof of identity, residency and legal presence prior to issuance of the requested document. The technology used in central processing is more advanced than the printers available in customer service centers and can produce licenses with additional security features.

Business Process Analysis (BPA): With the ever-increasing demand on DMV to provide increased security, improve customer service, and satisfy federal and state mandates, came the need to perform an evaluation of DMV operations through a formal business process analysis. This past April, DMV contracted with CGI-AMS to perform a nine-month study of DMV's business processes. This study will document the as-is environment and present opportunities for improvement in a to-be document that is based in part on industry best practices. The analysis focuses primarily on driver, vehicle and motor carrier operations and will address the need to transform DMV into a customer-based service organization that integrates these three operational areas into one common service platform. This BPA will serve as the groundwork needed to move into the next phase of actually reengineering processes in an agency-wide systems redesign effort.

Systems Redesign: In response to the business process analysis and approved funding, DMV will move forward in redesigning/reengineering its business processes and supporting infrastructure. This effort, estimated to take three to four years to implement, will encompass the establishment of new policies and procedures governing operations, include an enhancement/replacement of DMV's twenty- year old computer systems, target services to the customer rather than the transaction, and provide greater controls for security/accountability. DMV plans to contract with an outside consultant to assist with the implementation.

Alternative Services: Alternative service methods, such as Internet, mail, and telephone, offer an efficient strategy for providing quality service to DMV's growing customer base. Vehicle registration and driver's license renewals represent the two highest volume transactions conducted using alternative service options. During FY05, nearly two-thirds of the agency's vehicle registration renewals were conducted using alternative service options, holding steady with the percentage of renewals conducted using alternative service options

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during FY04. The percentage of customers renewing by Internet increased while the percentage of customers renewing by mail decreased.

During FY05 driver's license renewals conducted by alternative service options declined from the percentage conducted during FY04, particularly mail-in renewals. In part, the decrease in driver's license renewals can be attributed to a smaller percentage of customers who are eligible to renew by alternative means. As the number of customers who have already renewed once using an alternative service option continues to increase, the number who are eligible will decline since customers must renew in-person every other license cycle. Implementation of the Real ID Act could also negatively impact driver's license renewals through alternative means.

**Benchmarking:** DMV initiated a multi-jurisdictional motor vehicle administration benchmarking analysis project. Nine jurisdictions are participating in this first-year pioneering effort. Several other jurisdictions have indicated strong interest and the group is likely to grow significantly during the second year. All nine jurisdictions have supplied an array of data to a benchmarking analysis firm, and all have received a draft report. The final first-year reports are due in early August 2005. The data supplied covers all aspects of DMV operations: revenues, costs, activities, service delivery channels, quality of services, and transaction volumes. DMV expects to determine how this agency compares to other motor vehicle operations. From these comparisons, areas needing enhancement will be identified and objectives will be developed for operational, systems, and management improvement. DMV will also utilize the benchmarking analysis to create a revised array of agency performance measures that will become the indicators of how well the agency is performing and providing services, some of which will become data for the new DMV dashboard of management status information.

**Capital Outlay Six Year Plan:** The 2006-2012 capital budget request supports our long-term facility needs and reconfirms our commitment to provide conveniently located, properly maintained facilities. These requests are important to DMV's operations and our continued ability to offer an efficient and effective level of customer service to the citizens of the Commonwealth.

**Communications audit:** DMV has posted an RFP for a vendor to conduct a thorough analysis of the effectiveness and efficiency of the agency's internal and external communication delivery methods. These methods include face-to-face communication, phone interaction, letters, email, web site, publications, forms, and procedures. The analysis will determine whether DMV communication sufficiently enables customers to conduct their transactions in a single visit, phone call or Internet session with DMV; determine the average number of times a customer must touch DMV in order to successfully complete a transaction or obtain information; identify and determine the cost of communication-related issues and provide best practices from other organizations with similar complex work functions and diverse customer base. The best practices will address communication issues identified in the analysis, provide DMV with strategies and tools that we can use to manage our communication, and provide benchmarks to measure our progress.

**Hauling Permit Initiative:** The Hauling Permit program and system was transferred to DMV in September 2003. DMV ensured that the staff and system were available and provided a seamless transition to our customer base. The second phase of the transfer was to examine current practices and the system functionality to identify methods to enhance customer service. As a result, DMV formed the Virginia Hauling Permits System Improvement project team and tasked them to re-design the application to comply with DMV system architecture standards and thoroughly review the current environment – the system and processes – to identify areas for improvement. As a result, DMV has initiated a Hauling Permit System Redesign project that will:

- Ensure the Hauling Permit System meets DMV's security and architectural standards.
- Builds an Extranet application that will provide faster, more efficient, processes for DMV staff.
- Provides customers with the ability to submit applications electronically.
- Provides customers with the ability to self-issue certain types of predefined hauling permits.

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The end result will improve the customer experience, provide the Motor Carrier/Hauling Permits staff with a more efficient interface to complete their tasks, and assimilate the application into the DMV web system architecture.

**Document Imaging:** DMV has completed the first of three phases for implementing document imaging technology. In the first phase, the agency installed imaging equipment at the Headquarters site. This new technology eliminates the need to microfilm customer documents and enables the agency to manage millions of documents effectively and efficiently by scanning them at the initial point of contact and automatically archiving and storing them electronically. Streamlined operations and increased employee productivity will enhance customer service by providing immediate access to customer documents and reducing the amount of time required for transactions. Phase 2 will extend imaging capability to areas that still archive paper documents (and do not use microfilm), such as Medical Control and Motor Carrier Services.

**Traffic Records Electronic Data System (TREDS):** Transportation and public safety crash data is currently warehoused by separate agencies in a variety of formats ranging from paper to mainframe databases to imaging systems. Data is not always consistent because the agencies use the data for different purposes. Databases are not integrated across all agencies.

Paper copies of some critical reports, such as the FR300P Crash Report form used by law enforcement, are handled by multiple agencies with redundant data entry functions that result in inaccuracies and data availability delays. Currently law enforcement agencies and DMV/VDOT capture the data from the FR300P Crash Report twice.

TREDS will streamline the process to ensure that data from traffic crashes is captured accurately once and then shared in a timely manner between multiple state, federal and other transportation-related entities.

TREDS will allow the state and other transportation-related entities to obtain traffic crash information as soon as possible to identify and improve road network systems, make better use of law enforcement initiatives, be preventive in high crash areas, and reduce the number of crashes on Virginia's roadways.

TREDS will allow the state agencies and other transportation-related entities to enhance regulation based on current traffic crash information.

### **Virginia Ranking and Trends**

Virginia's population and business entities continue to increase each month/year. The demand for DMV services, therefore, continues to increase for most products. Identification security requirements will make DMV's driver licensing procedures significantly more complex and likely much more expensive to provide in coming years. The number of registered vehicles is likely to exceed the total population of the state in the next 3 to 4 years. According to a recent multi-jurisdictional motor vehicle administration survey, Virginia ranks very high among DMV peers in providing services to Virginia's citizens/businesses. Virginia ranks relatively low in the cost of providing services. Virginia also ranks relatively low in revenues collected for driver's licenses and ID cards. Virginia's transportation safety goals continue to be realized and highway safety improved to the benefit of all citizens. In order to cope with the increasing volume and complexities of administration, DMV has embarked on an overall re-design of its aged automated information systems.

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### Customer Trends and Coverage

- Aging population: As the baby boomers reach retirement age and beyond we will see an increased number of older drivers. Older drivers often have medical conditions or age-related physical limitations that impair their ability to safely operate a motor vehicle. The agency, as well as all of society, is confronted with the issues of determining when drivers are no longer capable of safely operating a motor vehicle and finding suitable alternatives to fulfill their transportation needs.
- Increased cultural diversity: Virginia's Hispanic and other ethnic communities continue to grow. While this enriches our communities, it also poses issues concerning language and cultural differences. To meet the needs of our culturally diverse populations, DMV will need to find ways to address these issues.
- Increased demand for mobility: As noted in the section on Virginia trends, the number of vehicles in the state will likely exceed the population within 3 to 4 years. Clearly, Virginians depend on automobiles to meet their transportation needs. These transportation needs include essential transportation to their employment as well as quality-of-life transportation for entertainment, shopping, and other non-essential activities.

### Future Direction, Expectations, and Priorities

DMV's future focus will center on balancing safety, security and service. The agency continues to increase the security surrounding issuance of all credentials through initiatives such as centralized driver's license issuance and the title holding option. The federally legislated Real ID bill will have a profound impact on DMV's credentialing processes, tightening security requirements to the point that customer service will be negatively impacted. As we prepare to comply with the Real ID bill, we will need to look for ways to maintain our service quality and to meet the requirements of Real ID while minimizing the negative impact on customers.

### Impediments

Real ID: This federal legislation will require Virginians to apply for and renew driver's licenses in person and to provide proof of identification, legal presence and Virginia residency. DMV will be required to verify, with the issuing entity, every document presented as proof of identity, legal presence, social security number (SSN) and Virginia residency. In addition, the Real ID Act calls for scanning and storing copies of all documents presented as proof of identity, legal presence, SSN and Virginia residency.

With no substantial dedicated federal funding, Virginia must decide whether to expend taxpayer dollars to implement the legislation and if so, at what level to provide DMV services in a timely manner. Driver's licenses or identification cards issued from a jurisdiction not in compliance with these federal standards will not be accepted by federal agencies for any official purpose. However, obtaining compliance dramatically changes the agency's service model. Under the Real ID Act, the service delivery time for licensing and ID card transactions could increase from minutes to weeks.

Systems redesign: The computer processing systems used by DMV employees were implemented in 1991. Serving customers today with a system built during that era presents obvious problems, such as lack of speed, efficiency and security features. An upgraded system will significantly improve our ability to offer customers faster, more personalized service, and will include features to help lessen the chance for identity theft and other security risks.

## Agency Background Information

### Statutory Authority

Code of Virginia: Title 46.2, 46.2-703, 46.2-703.1, 46.2-704, 46.2-110a – 46.2-1156.1, 46.2-2000 – 46.2-2726, 46.2-1200-1208, Title 46.2, Chapters 1, 2, 3, 6, 8,10, 12.1,16, 17, 20, 21, Title 46.2-206,207, 215, 216, 222-224. Title 58.1, 58.1-2200 – 58.1-2290, 58.1-2401 – 58.1-2426, 58.1-2700 – 58.1-2712.2; Title 58.1, Section 2404, and conforms to state policy for handling transfer payments between State and political subdivisions; Title 58.1, Section 2402, and state policy for handling transfer payments between state entities and political subdivisions; Title 58.1, Chapters 17, 21 and 24; Title 46.2, Article 2, Sections 222 through 224; 49 CFR –part 18 – Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments.

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### **Customer Base:**

<b>Customer Description</b>	<b>Served</b>	<b>Potential</b>
Legislators (state and federal)	0	0
General public (drivers, ID card recipients, vehicle owners)	0	0
Government agencies (federal, state and local)	0	0
Licensed drivers	5,112,523	0
Private sector entities	0	0
Registered vehicles	7,132,421	0

### **Anticipated Changes In Agency Customer Base:**

- Aging population: As the babyboomers reach retirement age and beyond we will see an increased number of older drivers. Older drivers often have medical conditions or age-related physical limitations that impair their ability to safely operate a motor vehicle. The agency, as well as all of society, is confronted with the issues of determining when drivers are no longer capable of safely operating a motor vehicle and finding suitable alternatives to fulfill their transportation needs.
  
- Increased cultural diversity: Virginia’s Hispanic and other ethnic communities continue to grow. While this enriches our communities, it also poses issues concerning language and cultural differences. To meet the needs of our culturally diverse populations, DMV will need to find ways to address these issues.
  
- Increased demand for mobility: As noted in the section on Virginia trends, the number of vehicles in the state will likely exceed the population within 3 to 4 years. Clearly, Virginians depend on automobiles to meet their transportation needs. These transportation needs include essential transportation to their employment as well as quality-of-life transportation for entertainment, shopping, and other non-essential activities.

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### **Agency Products and Services:**

#### **Current Products and Services**

- Issue credentials
- Provide transportation safety services
- Provide information to customers
- Enforce motoring and tax laws
- Collect transportation-related revenues
- Manage data and disseminate information
- Serve as a portal for other government agencies and services

#### **Factors Impacting Agency Products and Services**

##### Demographic changes

- Aging population
- Increasing cultural diversity
- Increasing mobility

##### National security demands

- More inconvenience for customer
- Increased data collection
- Demands/conflicts surrounding privacy
- More use of national databases
- Increased federal involvement in DMV business
- DL changed to become the national ID card – our role continues to change

##### Governmental shifts

- Continued centralization of state government
- Privatization of government
- Level or reduced funding levels
- Conflict – no tax versus progressive forces
- Federal mandates (HR 418)

##### Workforce changes

- Complexity of job driving who we hire, what we pay employees
- Changing workforce
- Aging workforce and “me” generation
- State compensation lagging behind private industry

##### Customer demands

- 7 days a week access
- Longer hours

##### Technology advances

- Benchmarking against best practices driving the technology we adopt
- Technological demands for data versus demands for increased data security

#### **Anticipated Changes in Agency Products and Services**

DMV anticipates providing the same types of products and services; however, a growing population and increased demand for services as well as factors such as the Real ID act may change the way we deliver our services.

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**Agency Financial Resources Summary:**

DMV's resources come from a mixture of special funds. The major operating fund is the Motor Vehicle Special Fund (0454) which derives its revenues from fees and taxes as specified in the Motor Vehicle Code of Virginia. These funds are dedicated to DMV's operational and capital costs. Several other special funding sources are available to DMV through the Appropriation Act and are for specific use. These include the Motor Carrier Fund, Uninsured Motorist Fund, Motorcycle Safety Fund, and the Federal Trust Funds .

DMV also provides financial aid to localities, other state agencies, and non-profit organizations through Federal Trust Funds which support the state's Transportation Safety Program, as well as the taxes collected and distributions made from the Additional Automobile Rental Tax Fund and the Mobile Home SUT Fund.

	<u>Fiscal Year 2007</u>		<u>Fiscal Year 2008</u>	
	<b>General Fund</b>	<b>Nongeneral Fund</b>	<b>General Fund</b>	<b>Nongeneral Fund</b>
<b>Base Budget</b>	\$0	\$246,041,818	\$0	\$246,041,818
<b>Changes To Base</b>	\$0	\$15,245,710	\$0	\$19,632,019
<b>AGENCY TOTAL</b>	<b>\$0</b>	<b>\$261,287,528</b>	<b>\$0</b>	<b>\$265,673,837</b>

**Agency Human Resources Summary:**

**Human Resources Overview**

The Department of Motor Vehicles (DMV) serves a customer base of approximately five million persons, and has more daily face-to-face contact with Virginia's citizens than any other state agency. DMV operates 73 customer service centers and conducts vehicle titling and registration, driver licensing, maintenance of driver and vehicle histories transactions. Additionally, the agency provides credentialing services for Virginia-based motor carriers, CDL licensing, IFTA and IRP tax collection as well as commercial vehicle titling and registration.

The agency is authorized an FTE level of 1,943 positions; however, as a result of budget reduction strategies during the past two years, the agency continues to hold personnel costs down through its self imposed internal maximum employment level of 1,845. As the agency concentrates on new technology to provide advanced service options and begins plans for implementing the federal Real ID Act, preparation of the agency's workforce to handle a different mode of operation becomes essential for the agency's success.

**Full-Time Equivalent (FTE) Position Summary**

Effective Date: 6/1/2005

Total Authorized Position level .....	1943
Vacant Positions .....	103
Non-Classified (Filled).....	2
Full-Time Classified (Filled) .....	1837
Part-Time Classified (Filled) .....	1
Faculty (Filled) .....	0
Wage .....	193
Contract Employees .....	61
Total Human Resource Level .....	<b>2094</b>

**Factors Impacting Human Resources**

DMV's workforce consists of 12.3% (232 employees) who are currently eligible to retire. A new

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technological environment will require the agency to provide training opportunities for staff to develop and/or enhance skills to understand, analyze, manage and process complex information. Problem solving and decision making skills will be required of the newly defined agency knowledge worker. As the current workforce is trained and as a new workforce is recruited, the anticipated costs of salaries to recruit and retain workers will increase.

### **Anticipated Changes in Human Resources**

To remain successful in today's business environment DMV must ensure that the workforce has a sound foundation in customer service and must have the resources in place to build new skill sets to meet future challenges. A number of agency initiatives, as well as state and federal mandates, will define a different DMV. The implementation of programs and operations affected by the Patriot Act, the Homeland Security Act, and the Real ID Act will create staffing needs, but until operational, these needs are uncertain. The agency's central system re-design will impact the workforce, requiring the need for more analytical employees and knowledge workers to manage data. Other operational changes such as implementation of digitized document imaging processes will require staff to be deployed, re-trained and/or re-located.

A major initiative to centralize the issuance of driver licenses will have an impact on positions in headquarters and in our field operations.

Additionally, the agency's review and revision of its leadership program will incorporate the Governor's recent mandate for establishing the Commonwealth competencies for leaders as set forth in the statewide management curriculum program referred to as The Managing Virginia Program (MVP). Training of all employees, with a strong emphasis on technical training for our customer service centers and our customer service contact centers, will provide a systematic approach to training that involves the continuous improvement of employees' technical skill sets and coaching for improved performance. There will be associated costs tied to these initiatives.

### **Agency Information Technology Summary:**

#### **Current State / Issues**

DMV provides a multitude of services to private citizens, transportation entities, courts, law enforcement agencies, insurance companies, and related transportation clients. The most commonly provided DMV services include vehicle registration and titling, driver testing and licensing, commercial motor carriers credentialing, and oversight of related transportation safety and information management programs.

Due to the nature of DMV business processes, the type of work performed by the agency requires substantial use of information technology products, services, solutions, and automated systems. It is imperative that the agency operate its programs and facilities in an efficient and economical manner, incorporating into its operation those technological developments and improvements that will enhance the delivery of services to DMV's transportation clients.

The Virginia DMV has a robust in-house custom application development capability with highly skilled IT technical staff to support its business needs. DMV maintains several large-scale systems and a variety of technologies that collectively are used to deliver its services. Many of the various systems and technologies are constructed in such a manner that multiple software components operating on different hardware platforms are required to complete a given business transaction.

In addition, DMV contracts for goods and services with vendors supplying information technology products, services, and solutions.

Over the past several years, DMV has focused on the innovative use of technology in service delivery processes to provide faster, more convenient service as well as to reduce operational costs. Examples include:

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- Deploying an updated computerized driver's license testing system
- Deploying an electronic document imaging solution to replace microfilm processes
- Continued enhancements to DMV's website and related internet transaction processing
- Expanding self-service speech recognition transactions
- Implementing DMV Select to support license agent processing (implementation in progress)
- Transitioning the administrative functions of hauling permits and related support systems to DMV
- Implementing State Police driver's license photo image access

### **Factor Impacting Information Technology**

Factors impacting information technology at DMV include:

- Customer expectations for fast and efficient DMV services
- Aging systems and infrastructure supporting DMV's core business functions and services
- Identity and security issues that affect DMV's ability to maintain the integrity and security of its business processes

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### Anticipated Changes / Desired State

In order to continue to perform its core business functions and provide services effectively and efficiently, DMV must continue to focus on utilizing technology to strengthen DMV's system infrastructure so that the agency can accomplish its mission and support its core business processes and customers.

DMV must identify and implement new technologies, driven by business needs, that streamline processes that support the agency in achieving its mission.

DMV must redesign its core legacy systems and subsystems to integrate all DMV motorist information.

DMV must continue to standardize and integrate system applications and databases, aligning with VITA technology and standards as necessary.

DMV must continue to replace existing systems where necessary to ensure that current technology deployed meets or exceeds agency goals. Additionally, as needed, DMV must continue to develop and deploy new solutions, as well as upgrade its technical infrastructure, to continue to provide necessary services to customers.

DMV must continue to emphasize alternative service delivery platforms while leveraging our existing infrastructure and taking advantage of mutually beneficial technology partnerships.

DMV must continue to look for operational and service improvement opportunities from advanced technology solutions. Our long-term goal must be to define and demonstrate leading edge technology that enables us to fulfill our mission and meet the motor vehicle-related service needs of our customers and stakeholders.

DMV anticipates the following major IT projects during the 2006-2008 biennium.

#### Integrated Systems Redesign:

The Integrated Systems Redesign effort focuses on the fragmented processing of DMV's three major business areas: driver, vehicle, and motor carrier. The purpose of the redesign is to transform these fragmented fifteen-year-old systems into one modernized system that is responsive to the ever-changing need for internal security, homeland security, legislative mandates, and customer relationship management. Project completion is estimated to take 3 years, with a total estimated cost of 32.6 million dollars. The solution to the fragmentation/modernization issue may come in the form of commercial off-the-shelf software and in-house development, or a combination of both.

To begin the redesign effort, DMV has contracted with a vendor to perform a business process analysis (BPA) effort focusing on what DMV is doing today (as-is) and where DMV can be in the future (to-be). In addition to the BPA, a business impact analysis (BIA) and risk assessment (RA) must also be completed.

#### TREDS:

The Traffic Records Electronic Data System (TREDS) effort involves the development of an automated system for use by law enforcement, DMV, and VDOT for improved processing of the FR300P crash report. This effort will:

- Streamline and simplify data collection, especially for law enforcement officers in the field and agency staff;
- Increase efficiency and improve data quality by the using automated edit checks and other new updated quality assurance methods;
- Provide the ability to process FR300P crash reports electronically (improving accuracy and speeding processing);
- Eliminate duplication of data entry for the FR300P crash report information within agencies;

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- Provide information from the FR300P crash report, available in computerized files that are easy-to-access and easily formatted for different reporting needs; and,
- Eliminate data entry backlogs.

DMV is also in the process of completing the following procurement for implementation during the 2006-2008 biennium:

**Secure DL/ID Services:**

This effort will establish a new service contract to implement a turn-key vendor solution that supports the driver's licensing process and produces driver's licenses from a centralized production facility. This new service contract will replace the current driver's license service contract which will expire in April, 2006.

To create an enhanced and secure driver's licensing process, DMV intends to implement a centralized issuance process with card production and mailing of driver's licenses and ID cards handled by a vendor at an off-site facility. Using this process, DMV will accept and review customers' applications, perform the necessary identity verification processes, and conduct the required testing at DMV offices. Applicants meeting identity, legal presence, Virginia residency, social security, and testing requirements (as applicable) will be issued a temporary driver's license that will allow the customer to operate a vehicle until he or she receives the final product in the mail.

Centralized issuance of driver's licenses and identification cards is the trend in the motor vehicle industry. Currently 15 other states use a centralized issuance process. This centralized process will eliminate all production of driver's licenses and identification cards at DMV offices and headquarters. If Virginia does not remain current with practices in other states, this state could become a target for increased driver's license fraud in the future and perpetrators could take advantage of weaknesses in Virginia's over-the-counter issuance. States already using centralized processing report a decrease in fraudulent driver's license activity.

Implementing a centralized driver's license process will:

- Enhance security of DMV-issued documents;
- Provide a high quality, highly secure and durable license;
- Eliminate backlogs and improve customer service; and,
- Promote alternative services.

DMV's non-major IT projects will include new automated solutions, updates, and enhancements to support DMV business processes, customer service, and external customers.

DMV's non-major procurements will address new software and equipment needs, equipment replacement and refresh needs, and software maintenance and upgrades.

**Agency Information Technology Investments:**

	<u>Cost-Fiscal Year 2007</u>		<u>Cost-Fiscal Year 2008</u>	
	<b>General Fund</b>	<b>Nongeneral Fund</b>	<b>General Fund</b>	<b>Nongeneral Fund</b>
Major IT Projects	\$0	\$5,600,300	\$0	\$16,637,000
Non-Major IT Projects	\$0	\$6,500,000	\$0	\$7,700,000
Major IT Procurements	\$0	\$1,300,000	\$0	\$0
Non-Major IT Procurements	\$0	\$4,100,000	\$0	\$4,200,000
<b>Totals</b>	<b>\$0</b>	<b>\$17,500,300</b>	<b>\$0</b>	<b>\$28,537,000</b>

# Agency Strategic Plan

## Department of Motor Vehicles

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### Agency Capital Investments Summary:

#### **Current State / Issues**

Current State / Issues - Maintenance Reserve

- DMV operates a network of 73 customer service centers (16 owned, 57 leased) located throughout Virginia.
- DMV-owned customer service centers range in age from 9 to 31 years old.
- Type of construction and materials used vary widely among the facilities maintained by DMV.
- DMV facility inspectors visit all locations annually and complete an extensive survey of all major building components. Needed repairs/replacements are recommended as a result of:
  1. Annual facility inspections
  2. Repair history (based on maintenance records maintained by DMV)
  3. Age of the facility

Current State / Issues - Capital Outlay

- The DMV Headquarters facility is currently served by an emergency generator that only provides power for life safety requirements, one elevator and limited computer operations.
- The Suffolk Motor Carrier Service Center was constructed in 1980 and is 750-square feet in size. Due to age and lack of renovations, this facility has a variety of mechanical, electrical, plumbing and accessibility deficiencies.

#### **Factors Impacting Capital Investments**

Factors Impacting Capital Investments - Maintenance Reserve

- Critical preventative maintenance projects, such as HVAC, roof and parking lot renovations replace systems that are quickly approaching the end of their useful life or have become functionally obsolete. These projects will protect valuable assets owned by DMV and assure a safe, comfortable environment to conduct business.

Factors Impacting Capital Investments - Capital Outlay

- The HQ emergency generator project for DMV Headquarters will provide an additional generator that will supply emergency power to critical areas of the facility, in the event of power disruptions or outages. This ability is crucial since in emergency situations we provide support to the Department of Emergency Management and all Capital West agencies.
- The Suffolk Motor Carrier Service Center project will provide for renovation of the existing space and addition of approximately 1300 square feet of new space. Improvements will include the upgrade/replacement of the mechanical, electrical and plumbing systems; compliance with current accessibility standards; and additional space for operational needs.

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### Capital Investment Alignment

Capital Investment Alignment – Maintenance Reserve

Strategically located, well-maintained facilities are critical to DMV's ability to provide driver and vehicle services to its customers. Proper maintenance of these facilities continues to be an essential component of DMV's long-term facility improvement program. The projects included in our capital request focus on renewal/renovation of existing, owned facilities and our responsibility to provide ongoing maintenance in order to extend the useful life of these structures and their associated building systems as well as site improvements.

Capital Investment Alignment – Capital Projects

The HQ emergency generator project will provide the ability to continue normal operations in emergency situations. This is especially important, as our Headquarters facility houses the Governor's Response Hotline call center and serves as a back-up site for the Virginia Information Technologies Agency and Department of Accounts computer operations.

The Suffolk Motor Carrier Service Center project will provide needed renovations and additional operational space to carry out the requirements of the Virginia Truck Weigh Program.

## Agency Goals

### Goal #1:

***Ensure that credentials are issued in an accurate, secure and efficient manner***

#### **Goal Summary and Alignment:**

Heightened state and national security concerns require DMV to document legal presence and verify identity prior to the issuance of driver's licenses or other forms of identification. A high degree of accuracy is also required when certifying vehicle records and transactions and licensing various transportation-related businesses. Accuracy and security of information must be balanced with customers' needs for efficient and timely services.

Statewide Goals Supported by Goal #1

- Be recognized as the best managed state in the nation
- Engage and inform citizens to ensure we serve their interests
- Protect the public's safety and security, ensuring a fair and effective system of justice and providing a prepared response to emergencies and disasters of all kinds
- Ensure that Virginia has a transportation system that is safe, enables easy movement of people and goods, enhances the economy, and improves the quality of life

# Agency Strategic Plan

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### **Goal #2:**

#### ***Improve the safety of Virginia's highway system***

##### **Goal Summary and Alignment:**

##### Goal Summary and Alignment:

A safe and efficient highway system is critical for transporting motorists and goods to their destinations. Protection of cyclists and pedestrians is also an important component of the highway system. Informing motorists about safe driving practices, coupled with programs targeted at removing unsafe drivers helps reduce crashes, thereby saving lives and preventing injuries.

##### Statewide Goals Supported by Goal #2

- Be a national leader in the preservation and enhancement of our economy
- Engage and inform citizens to ensure we serve their interests
- Inspire and support Virginians toward healthy lives and strong and resilient families
- Protect the public's safety and security, ensuring a fair and effective system of justice and providing a prepared response to emergencies and disasters of all kinds
- Ensure that Virginia has a transportation system that is safe, enables easy movement of people and goods, enhances the economy, and improves the quality of life

### **Goal #3:**

#### ***Provide customers the information they need to access DMV services and comply with state laws and regulations***

##### **Goal Summary and Alignment:**

Ensuring safe and lawful operation of motor vehicles requires a thorough understanding of relevant laws and regulations. Transportation-related businesses also need accurate and timely information to help ensure compliance with applicable operating standards and laws.

##### Statewide Goals Supported by Goal #3

- Be recognized as the best managed state in the nation
- Be a national leader in the preservation and enhancement of our economy
- Engage and inform citizens to ensure we serve their interests
- Elevate the levels of educational preparedness and attainment of our citizens
- Inspire and support Virginians toward healthy lives and strong and resilient families
- Protect the public's safety and security, ensuring a fair and effective system of justice and providing a prepared response to emergencies and disasters of all kinds
- Ensure that Virginia has a transportation system that is safe, enables easy movement of people and goods, enhances the economy, and improves the quality of life

# Agency Strategic Plan

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### **Goal #4:**

#### ***Effectively enforce motoring and transportation-related tax laws***

##### **Goal Summary and Alignment:**

Virginia requires effective enforcement of its motoring laws to help ensure that unsafe drivers are kept off its highways and that motorists are covered by adequate insurance. Enforcement of transportation-related tax laws ensures that vehicle and business owners consistently comply with provisions of the State Code.

##### Statewide Goals Supported by Goal #4

- Be recognized as the best managed state in the nation
- Be a national leader in the preservation and enhancement of our economy
- Engage and inform citizens to ensure we serve their interests
- Protect the public's safety and security, ensuring a fair and effective system of justice and providing a prepared response to emergencies and disasters of all kinds
- Ensure that Virginia has a transportation system that is safe, enables easy movement of people and goods, enhances the economy, and improves the quality of life

### **Goal #5:**

#### ***Efficiently collect and distribute transportation-related revenues***

##### **Goal Summary and Alignment:**

DMV collects transportation-related revenues from a wide variety of sources to provide funds for the construction of new highways and the maintenance of the existing highway infrastructure. Individuals and businesses expect efficient and convenient payment options. Recipients of funds require accurate projection of revenue streams and prompt disbursement of funds.

##### Statewide Goals Supported by Goal #5

- Be recognized as the best managed state in the nation
- Be a national leader in the preservation and enhancement of our economy
- Protect the public's safety and security, ensuring a fair and effective system of justice and providing a prepared response to emergencies and disasters of all kinds
- Ensure that Virginia has a transportation system that is safe, enables easy movement of people and goods, enhances the economy, and improves the quality of life

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### **Goal #6:**

#### ***Accurately collect and manage transportation data and disseminate information***

##### **Goal Summary and Alignment:**

A wide variety of transportation data is collected, managed, analyzed and distributed to a variety of consumers. Customers expect a high degree of accuracy, ease of access and information that is provided in a timely manner. This information helps ensure unsafe drivers and vehicles are not on the highways, identifies highway safety trends and needs, and provides critical information for law enforcement personnel.

##### Statewide Goals Supported by Goal #6

- Be recognized as the best managed state in the nation
- Be a national leader in the preservation and enhancement of our economy
- Inspire and support Virginians toward healthy lives and strong and resilient families
- Protect the public's safety and security, ensuring a fair and effective system of justice and providing a prepared response to emergencies and disasters of all kinds
- Ensure that Virginia has a transportation system that is safe, enables easy movement of people and goods, enhances the economy, and improves the quality of life

### **Goal #7:**

#### ***Provide a convenient portal for citizens to access other state agency services***

##### **Goal Summary and Alignment:**

DMV customer service centers are located in every geographic region of the state. An increasing number of governmental entities use these locations to help residents access their organization's information and services.

##### Statewide Goals Supported by Goal #7

- Engage and inform citizens to ensure we serve their interests
- Inspire and support Virginians toward healthy lives and strong and resilient families
- Protect the public's safety and security, ensuring a fair and effective system of justice and providing a prepared response to emergencies and disasters of all kinds
- Ensure that Virginia has a transportation system that is safe, enables easy movement of people and goods, enhances the economy, and improves the quality of life