***FY 2015 Budget Questions—Dept. of Motor Vehicles***

1. DMV has a capital fund lifetime balance of $2,168,551 for inspection station upgrades. According to budget oversight information received in advance of FY 2014, the agency said that spending this balance has been delayed because DMV is waiting on requirements from the Department of Public Works for inspecting diesel vehicles and increased emission requirements.

* What is the current status of inspection station upgrades and why has this fund balance not been spent?

**Response:** Due to a vacancy in the Department of Public Works (DPW) Fleet Management Administration, there was a delay in moving forward with having DPW conduct emission inspections for government vehicles during preventive maintenance. However, DMV has resumed discussions with the new Fleet Management Administrator. Additionally, the remaining inspection station capital funds are also being used to consolidate inspection reports, implement a camera monitoring system for increased security and system auditing and the renovation of the employee and customer station areas.

2. According to pre-hearing submissions, the DMV only spent 25.8% of its FY 2013 budget for its Service Integrity Program, and has only spent 13.7% so far in FY 2014. For FY 2015, the Mayor is proposing a $127,000 increase in its Service Integrity Program.

* Why does the agency need an additional $127,000 in funds when it only spent 25.8% of its funds in FY 2013 and only 13.7% of its FY 2014 budget?

**Response**: The proposed $127,000 increase in FY15 is for the two additional investigators for which one-time funding was provided to DMV in FY13 and FY14 in support of the Driver’s Safety Amendment Act.

*NOTE: The next question appears to have been included in error from last year’s question. Therefore, the same response has been given from last year.*

The Mayor’s proposed FY 2014 budget increases DMV’s local funds nonpersonal services budget by $431,217 to accommodate higher projected costs of the MOU with DPW and OAG for legal services, ticket processing costs, driver licensing, and ticket printing contract estimates.

* What are the primary drivers of these cost increases?

**Response**: Increased local funding of the MOUs with both DPW and OAG are a result of the shifting of funding from special purpose revenue funds (Fund 6258 & Fund 6100 respectively) given the decrease in revenue projections. The ticket processing cost estimate has increased based on the contract extension cost estimate. The cost for driver license production has increased given the anticipated 5% increase in production needs based on population increases. The small increase in the ticket printing contract estimate is due to the price increase in the option year of the contract.

3. The FY 2013 and FY 2014 revised budgets for the Service Integrity program show an increase from the approved amount of $220,000 to a revised amount of $306,510 in FY 2013 and an increase from the approved amount of $94,000 to a revised amount of $224,629 in FY 2014.

* Why did the budgets for this program get revised upward, particularly given the inability of the agency to spend its funding even at the approved budgetary levels?

**Response**: From the FY13 to FY14 budgets, the Service Integrity program was reduced by $126,000 (to $94,000) due to moving and converting the Service Integrity Officer position to another Correspondence Unit position. The person in the Service Integrity Officer position was moved to the Associate Director position. However, as indicated in response 2, additional one-time funds were also added to DMV’s Service Integrity program in FY13 in support of the Driver’s Safety Amendment Act. In the FY14 budget, the one-time amount of $127,000 for the two investigator positions was given to us again. This amount, and two FTEs, is now reflected permanently in the proposed FY15 budget.

4. The Customer Contact Services Program (6000) has no approved budget for FY 2014 and no proposed budget for FY 2015.

* What purpose, if any, does this program serve?

**Response**: For DC DMV, this program was eliminated in FY11. However, it is still being listed because it had funding in prior years.

5. DMV’s local funds budget is decreasing by $450,049 for Contractual Services—Other (CSG 41), as a result of changes in the L1D licensing contract.

* What changes have been made to the L1D licensing contract that resulted in a savings of $450,049?

**Response**: There are no savings for our licensing contract; instead there is an increase of about $300,000. The L1D/MorphoTrust contract was cancelled in December 2013 and replaced by Marquis ID Systems (MIDS). The majority of the funding for MIDS, which includes increased security features, is being covered by capital funds in FY15.

6. The Mayor’s FY 2015 budget proposes increasing funding for Contractual Services – Other (CSG 41) by $877,000 to $16 million, which is nearly 50% greater than the $11.5 million spent in CSG 41 in FY 2013.

* Please explain why DMV expects to spend 50% more in CSG 41 in FY 2015 than it did in FY 2013.

**Response**: In FY13, DC DMV returned $2,200,000 in intra-district funds to MPD due to lower than expected photo enforcement ticket issuance. For FY15, MPD is projecting increased issuance. Also, we could not execute over $1M in purchase orders (PO) and contracts due to the inability of the vendors to deliver the service/goods by September 2013. However, with the implementation of Procurement Reform, DC DMV will receive the dedicated services of a Procurement Officer which will expedite PO/contract approvals.

7. The Mayor’s FY 2015 budget proposes an increase of $240,728 in local funds for 4.0 FTEs that will “provide auxiliary services” for the new Georgetown Service Center.

* What are the specific duties of these 4.0 additional FTEs?

**Response**: We are requesting a technical correction for this statement in the proposed budget. The 4 additional FTEs are in support of the Driver’s Safety Amendment Act. Two driver examiner positions are needed due to the requirement for all Limited Purpose credential applicants to take both the knowledge and road tests. Also, based on the implementation of credentials to undocumented residents by other jurisdictions, two investigator positions are included to address potential fraud.

8. The Mayor’s FY 2015 budget proposes includes a $1 million increase in funding from MPD for automated traffic enforcement ticket processing, adjudication, and cashier services.

* With this increase in funding, intra-district funding from MPD now cover the entire cost of handling automated traffic enforcement tickets?

**Response**: For the past several years, MPD has been covering the entire cost of handling automated traffic enforcement tickets. The proposed increase in the FY15 budget is based on MPD’s projection of increased issuance.

9. In 2013 and 2014, DMV has spent nearly $25,000 on building maintenance and repair services:



Why did DMV hire outside contractors to perform these services in lieu of asking the Department of General Services to make these repairs?

**Response**: All of the above costs, except the three charges for JP, are related to the annual maintenance and upkeep of the DC DMV Inspection Station. DC DMV has been procuring these services directly from the vendors for over twenty years. We also have our own dedicated equipment technicians and laborer personnel.

10. In December 2013, DMV issued a $170,000 purchase order for organizational development consulting services:



Please explain this project and its deliverables.

**Response**: The $170,000 purchase order represents expert assistance for DMV’s Inspection Program. The vehicle inspection program has gone through significant changes over the past several years and many of the changes were accomplished with the assistance of an outside technical expert in the field of air pollution control, vehicle inspection and EPA regulations. The District continues to implement changes to the station to reduce wait times for motorists, improve testing security, reduce the chances for fraud, coordinate with EPA, provide outside auditing of operations and keep the District in compliance with EPA regulations. Some of the deliverables include the creation of the necessary EPA reports which the District Department of the Environment must submit annually; research and recommendations of system upgrades to maintain EPA requirements; coordination with the equipment vendor to integrate network-based brake testing equipment into the lanes to replace outdated brake testing equipment; develop integrated emission inspection system for DPW; and lane testing to ensure proper equipment calibration.