

FY 2020 Pre-Hearing Budget Oversight Questions
Department of Motor Vehicles

1. Please explain the DMV's approach to formulating the FY 2020 Budget.

Response: The Mayor's proposed budget supports DMV's funding requirements, allowing us to fulfill our mission and deliver our programs. Budget formulation is an essential step toward securing financial resources for the agency. At DMV, we look at historical data, existing programs and data, and future programs to determine where funding is needed.

- For which specific priorities is the DMV looking to increase spending in FY 2020?

Response: See the chart below.

*Increases over \$50k

Description	FY20 Increase
OCTO Server Ops MOU (ARTS & Appt Scheduling)	\$69,016
ARTS Tablet Refresh	\$70,000
ESP - Inspection Station Emission Equipment Maintenance	\$130,340
Tags	\$150,000
Contract IT Program Manager	\$200,000

- What was the agency's process for identifying reductions from FY 2019 budget levels?

Response: Most reductions are related to projection decreases (i.e. DGS fixed cost projects for security and occupancy costs) and the removal of programs and FTE with one-time funding.

Operating Budget

2. Please explain why, after increasing FTEs in FY 2019 by 1, the FTEs in Hearings for Adjudication Services (2010) in the Mayor's FY 2020 proposed budget is back at 26 FTEs. Will this affect the relevant performance metrics?

Response: This position reflects the removal of FY19 one-time funding for chat adjudication pilot. This will not impact relevant performance metrics.

3. Please explain the increase in Adjudication Services (2000) Regular Pay (CSG 11) in the Mayor's proposed FY 2020 budget. Regular Pay is budgeted for \$4,371,000 in the Mayor's proposed budget, a \$1,549,000 increase from FY 2019. This is especially curious given that Adjudication Services is losing an FTE.

Response: The law creating the Automated Traffic Enforcement program required all costs, including adjudication costs, to be covered by the program. However, this was not done for the FTE Local adjudication costs. Therefore, in the last three years, DMV has slowly been transferring the full ATE Local FTE adjudication costs to MPD, which managed the program. In FY18 and 19, \$1.5M of the \$3.4M adjudication FTE cost was transferred. In FY20, an additional \$1.549M was transferred to reflect a total of 14 FTEs supporting the ATE program.

4. Please explain why the Mayor's proposed FY 2020 budget decreases money for Ticket Processing (2030) by \$3,086,000. Will this be sufficient? The performance oversight responses did not indicate a decrease in the number of tickets DMV is processing per year.

Response: Of this reduction, \$2.4M reflects the removal of credit card merchant fees from the ticket processing contract due to the OCFO absorbing the costs. The remaining \$686,000 reflects an anticipated one-time decrease in photo enforcement tickets due to the FY20 transfer of the program to DDOT.

5. Please explain why funds for out-of-state vehicle registrations (3030) are down \$129,000 in the Mayor's proposed budget. Only \$30,000 were used in FY 2018 but \$133,000 were used in FY 2017. Why is this number fluctuating so much as of recent?

Response: Per the legislation, DMV transfers 75% of the Out-of-State Registration fund collections to the Department of For Hire Vehicles (DFHV) Consumer Service Fund. In prior years, DMV transferred the funds via the intra-district process, and, if DFHV did not spend all the funds, the funds were sent back to DMV at the end of the year. Beginning in FY20, DMV will directly transfer revenues to DFHV's Consumer Service Fund to allow all funds to be used by DFHV.

6. How is the ATE program shifting from MPD to DDOT affecting the DMV's budget? Why is the agency no longer using intra-district funds to pay ATE adjudication services?

Response: In prior years, DMV shared the cost of the ticket processing contract with MPD, and this cost sharing was handled via the intra-district process. The Mayor's FY20 budget proposal eliminates this intra-district process by putting all the funding in DMV's local budget such that funding is available at the beginning of the year. The shift of the ATE program from MPD to DDOT does not directly impact DMV's budget.

7. The Mayor's proposed budget puts no money towards Overtime Pay (CSG 15) for Driver Services (4000). The Committee has been told the plan is to have employees work overtime starting in January 2020 to meet the increased demand for REAL ID. Is this funding reflected somewhere else?

Response: For FY20, DMV will be requesting grant funding from DDOT to assist in overtime for entering out-of-state convictions on District residents' driver records. This will allow the proposed FY20 \$100,000 in overtime funding to be used for the REAL ID project without additional funding being required.

8. Please explain why Equipment Rental (CSG 70) within Technology Services (8000) was \$25,000 for FY 2017 and FY 2018, but the Mayor's proposed budget increases the amount to \$95,000 this year.

Response: Every few years, DMV must refresh technology in various areas to prevent breakdowns. For FY20, the \$95,000 increase primarily reflects the need for DMV to purchase new information technology equipment for the Automated Road Test Scheduling (ARTS) system.

9. Please explain why the Mayor's proposed budget decreases Property Management (1030) by \$302,000.

Response: For FY20, the Department of General Services decreased its occupancy and security cost projections by \$102,037 and \$206,534 respectively.

10. Please explain the \$315,000 increase in Performance Management (1090) funds in the Mayor's proposed budget.

Response: \$100,000 is for individual customer service rating kiosks at each workstation and \$215,000 is for the creation of an enterprise data warehouse and agency dashboard development.

11. Please explain the \$304,000 increase in Information Technology (1040) funds in the Mayor's proposed budget.

Response: \$200,000 represents funds to obtain a contract Information Technology Program Manager to manage the ticket processing and license/registration contracts. As indicated at DMV's performance oversight hearing, we are having difficulties hiring a program manager due to the low salary. The remaining \$104,000 is primarily for the ARTS system indicated in the response to Question 8 and the need to replace check card readers at employee workstations.

Capital Budget

12. The Destiny Replacement Project (KV0-MVS16) lists \$2,000,000 as existing and requires an additional \$3,000,000 in both FY 2020 and FY 2021. The Capital Budget has included this project since at least 2015, yet no progress has been made, despite the Committee's recommendation that DMV issue a request for proposals for the project.

- Please provide a spending plan for this project.

Response: See below table.

- Why has the existing \$2,000,000 not been spent?

Response: The Office of the Chief Technology, which has a dedicated group of programmers supporting DMV's licensing/registration system, is in the process of rescoping the modernization project. The project rescope will focus on making the current licensing/registration system web-based so DMV personnel can make changes to the database without the need to wait for the programmers to make changes. Additionally, the programmers have indicated they need to stabilize the system platform with the latest technology.

KV0-DEPARTMENT OF MOTOR VEHICLES										
Capital Projects Activity (As of Feb 05, 2019)										
Project No	Project Title	Project Description	Approp Fund	Agcy Fund	Budget	FY 2018 Comm	FY 2019 Comm	Available Budget	Project Status	Planned Remaining Spending
MVS16C	DESTINY REPLACE-MENT PROJECT	The District of Columbia, Department of Motor Vehicles (DMV) has a requirement for a modernized, state-of-the art licensing and registration system. DMV seeks to acquire contract services for the development, customization, and systems integration through the issuance of a Request for Proposal (RFP) for new	0300	0300	2,000,000	0	0	2,000,000	Due to delays in the project, OCA worked with DMV to reassess the project. After determining the project could proceed in a different manner, \$4M of the original \$6M was reprogrammed for School Small Caps projects. This reprogramming was approved by the Council earlier this year. DMV is in the process of re-scoping the project, which will be developed in-house	The project rescope will focus on making the current licensing/ registration system web-based so DMV personnel can make changes to the data-base without the need to wait for the programmers to make the change. Additionally, the programmers have indicated they need to stabilize the system platform with the latest technology.

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		application software for the web-based motor vehicle's system.							by OCTO programmers.	
TPS01C	TICKET PROCESS-ING SYSTEM	The DMV proposes to replace the existing contractor hosted ticket processing system with a new state of the art technology solution	0300	0300	5,500,000	5,500,000	0	0	Although a Request for Proposal was out to bid, with a February 15, 2019 closing date, due to the amount of vendor questions received, OCP, OCTO and DMV decided to bring in a technical writer to develop a Request for Information (RFI). The RFI will allow vendors to submit a streamlined proposal based on best practices and new ways of addressing the adjudication and ticket processing functionality.	Approximately \$100k will be used in FY19 to hire a technical writer to create a RFI to allow vendors to formulate a better proposal. The remaining funds will then be available for system development, integration and implementation.
TOTALS					7,500,000	5,500,000	0	2,000,000		