

FY 2022 Pre-Hearing Budget Oversight Questions  
**Department of Motor Vehicles**

*Operating Budget*

1. When does DMV plan to open up to allow walk-ins at service centers?

**Response:**

The DMV does not have a date to return to unscheduled walk-in hearings. Many DMVs around the country are opting to keep the appointment system in place after the pandemic restrictions end. The idea is to offer appointments at the same daily volume of people the DMV served prior to the pandemic.

2. Now that the federal deadline has been extended, is DMV planning on offering a credential extension for non-REAL ID complaint licenses and IDs?

**Response:**

The REAL ID extension granted by the Federal Government allows individuals to use non-REAL ID credentials until May 3, 2023. However, those same individuals should renew their credential during their natural renewal period and should not carry an expired credential beyond September 9, 2021.

3. The agency's budget proposes only 1.0 total increase in FTEs, in Performance Management, and a slight decrease in overtime. However, due to the public health emergency, DMV delayed enforcement of certain credential and inspection requirements until summer 2021.

- Does DMV anticipate an increase in customer engagements in early FY 2022, as compared to prior years? If no, why not?

**Response:**

No. Most DMV customer have been able to complete their business during the pandemic in-person (using one of the over 254,000+ appointments), online, through the mail, or using the DC DMV free mobile app. There may be increase demand for knowledge testing and non-REAL ID credential renewals. However, the DMV is taking steps now in FY21 to minimize the impacts in FY22 for these two transactions.

- In FY 2020, DMV saw a tremendous increase in the percentage of adjudicated moving violation tickets – from 26.5% in FY 2019 to 52.6% in FY 2020.
  - i. Did this increase result in an increase in amount of hours needed to adjudicate tickets? If so, what were those costs?
  - ii. Is DMV seeing a similar increase in adjudicated moving violations in FY 2021? If so, why hasn't DMV proposed an increase in the Adjudication Services Program budget for FY 2022?

**Response:**

- i. No. N/A
- ii. No. N/A

- As enforcement begins again this summer, does DMV anticipate an increase in moving and parking violations? Does DMV believe it has sufficient staffing to cover any resultant increase in adjudications?

**Response:**

DMV expects ticket issuance to increase to pre-pandemic levels. DMV has enough staffing to cover the increase of tickets back to pre-pandemic levels.

4. Please explain the \$1,186,000 decrease in special purpose revenue funds.

**Response:**

The agency anticipates Inspection Station fund balance available for use in FY22 will be \$208,000; fund balance included in FY21 budget was \$1,394,000. The reduction of fund balance availability explains \$1,186,000 decrease.

5. Please explain the \$275,000 increase in Occupancy Fixed Costs (CSG 35).

**Response:**

DGS anticipates a \$275,000 year-over-year occupancy cost increase for DMV.

6. Please explain the \$244,000 increase in Property Management (1020).

**Response:**

DGS anticipates the following year-over-year DMV cost increases: Occupancy (\$275K); Telecommunications (\$32K); Fleet Maintenance (\$3K). DGS anticipates these increases to be partially offset by decreases in Energy (\$65K) and Security (\$1K) costs. NOTE: Property Management activity code is '1030' (vs. '1020').

7. Please explain the \$386,000 decrease in Ticket Processing (2030).

**Response:**

FY22 ticket processing forecast was \$384K less than the one-time ticket processing contract funding removed from the FY21 budget. The remaining \$2K of the difference is attributable to miscellaneous rounding.

8. Please explain the reasoning why the BSA Subtitle DMV Kiosk Fund is necessary.

**Response:**

The need for the kiosks:

The DMV Kiosks will operate as an extra layer of service to customers, providing options outside of the scope of in-person, and online services. Kiosks, which will be located at various locations throughout the city, will allow customers to execute such services as duplicate REAL ID requests, REAL ID renewals, vehicle registrations, driver record requests, and other vehicle sticker renewals. As the kiosks will be available to the public during (and outside of) DMV Service Center hours (and will not require an appointment), the Kiosks will add an additional customer benefit, to serve customer needs.

The need for the fund:

As residents who will utilize the kiosks, will pay small convenience fee for each transaction, a non-lapsing special purpose revenue fund will collect the proceeds from those fees, which will be used to support the installation, rent, operating, maintenance and related supply costs associated with operating the kiosks.

9. Where is the DMV in the process of finding and constructing the next DMV kiosk? Is the project fully funded?

**Response:**

DMV started building the OBD kiosk, however the project was stopped due to FY20 Mid-Year Budget cuts. The project is not currently funded.

10. Please explain the \$254,000 decrease in Inspections (3010).

**Response:**

In FY22, the agency intends to pay for Shared Services with Performance Management (1090) money; in FY21, these costs were funded with Inspections (3010) money.

11. Please explain the \$307,000 increase in Information Technology (1040).

**Response:**

The FY22 budget includes a \$307K CDL grant which was not in FY21 budget.

12. In past years, DMV has sent employees to conferences in order to ensure its employees are educated and up-to-date on a multitude of DMV related topics. Please explain where in DMV's budget the funding for this comes from. How much funding is budgeted for conferences and seminars in FY 2021 and how much is proposed for FY 2022?

**Response:**

The DMV's FY21 Training and Travel budget was reduced to \$10K during the mid-year budget exercise. The proposed FY22 Training and Travel Budget is \$20K. Funding for this line item is located in SPR 6258.

13. The budget description states there is a \$331,000 enhancement to support forgiveness of taxi fees. Please explain where this money is allocated in the agency's budget proposal and what it is covering.

**Response:**

- The \$331K enhancement is in the Licensing (4010) activity.
- The Mayor is planning a moratorium on various fees, including vehicle inspection fees for taxi operators to assist with recovery from the pandemic. DMV's FY22 budget is being enhanced by \$331K to offset SPR revenues DMV will not collect (at the inspection station) due to the moratorium. The \$331K will be used to partially pay the secure credentialing contract.

14. The DMV's budget narrative (page F-67 and F-68) states that "The FY2022 budget for DMV includes a reduction of \$3,584,054 to account for the removal of one-time funding

appropriated in FY2021 for costs related to a ticket processing contract with a third-party vendor.”

The narrative also states that “The budget proposal for DMV contains a one-time increase of \$4,324,249 to the Adjudication Services division. Of this amount, \$3,200,000 will support projected costs related to DMV’s ticket processing contract with a third-party vendor...”

Please explain the changes going on here in greater detail to reconcile both statements.

**Response:**

Table 5 budget narrative explains year-over-year changes in the agency’s local recurring budget. One-time funding included in the current approved budget is not recurring and must be deducted from the approved FY21 budget; this explains the \$3,584,054.

Pertaining to the \$4,324,249; this amount represents two one-time fundings: 1) \$3,200,000 into the Adjudication Services division to support the ticket processing contract and 2) \$1,124,249 into the Agency Management Division to support Occupancy and Security related fixed costs.

15. The agency’s budget narrative states that the agency budget is decreased by \$916,869 in the Agency Management Division to reflect fixed cost estimates for Energy, Telecommunications, Security, and Occupancy; however, the agency is also seeing an enhancement of \$1,124,249 to support operational fixed cost estimates from DGS for security.

- Does this reflect a recharacterization of security funds from one budget activity to another?

**Response:**

- In FY21, DMV is using special purpose resources to pay for a portion of the fixed costs discussed in the narrative (this is the \$916,869).
  - For FY22, DMV does not anticipate having the requisite resources to pay these costs with special purpose money but notwithstanding this fact, DMV will still need these services in FY22 and must pay for them.
  - The \$1,124,249 enhancement is the solution to DMV needing services but not having sufficient SPR resources.
  - The \$207,380 difference between the enhancement (\$1.124 mil) and the fixed costs DMV is unable to fund via SPR money (\$916.9K) partially funds the \$244K year-over-year increase in DMV’s fixed costs.
- These numbers do not appear to be reflected in the budget charts. For example, the budget narrative states that there is a \$4.3 million increase to the Adjudication Services Program, while the charts suggest the Program is seeing a decrease of \$233,000. Please explain the discrepancy between the changes explained in the budget narrative and the budget charts.

**Response:**

- \$4,324,249 figure is explained in response to question 14.
- DMV doesn't see the \$233,000 Adjudication Services Program decrease figure in Table 5 (or its narrative); DMV believes it's from Table 4.
- As these two tables present the budget from two entirely different perspectives, it's not possible to precisely reconcile Tables 4 and 5. The best we can do is reconcile the \$386,000 year-over-year decrease in the Ticket Processing (2030) activity budget shown in Table 4 as shown below:

Item	\$'s (in 000)
Table 5: Removal of One-Time Costs	(\$3,584.0)
Table 5: Ticket Processing Contract Enhancement	\$3,200.0
<i>Table 5: Ticket Processing (2030) activity related changes</i>	<i>(\$384.0)</i>
<i>Table 4: (2030) Ticket Processing Change From FY 2021</i>	<i>(\$386.0)</i>
<b>Reconciling Item: Miscellaneous Rounding</b>	<b>\$2.0</b>

16. The budget proposal includes funding for a new Deputy Director position to manage customer-facing operations. Which Director-level agency staffer is currently overseeing this work? Why does DMV need a new Deputy Director to manage these operations?

**Response:**

The DMV Director currently serves as the Director and the Deputy Director. Like most agencies in the District, the Director needs a high-level official to manage the day-to-day operations. This enhancement starts the process of addressing DMV's potential organizational deficiencies, by balancing out the leadership structure within the organization. With a Deputy Director, the Director will be able to appropriately shape the vision, and expectation of DMV's mission-focused goals, with the ability to evenly assign initiatives, goals, and objectives to the appropriate parties, who are well equipped to take action, successfully execute, and increase successes for DMV.

17. The DMV's performance indicators state that the DMV's goal is to have 10% of licenses renewed online. Does DMV plan to increase this goal now that the vast majority of residents have REAL ID and therefore are likely permitted to renew online?

**Response:**

No.

18. The performance indicators state that only 50% of employees rate DMV as satisfactory or better. Does this mean that 50% of employees rate the agency as unsatisfactory?

**Response:**

No. Only 34% of DMV employees responded to the voluntary survey. Of the 34% of respondents, 50% rated the agency satisfactory, 10 rated the agency unsatisfactory and 40% skipped the question.

How is this data collected, and how is the agency addressing employee's impressions of the agency's quality?

**Response:**

The data is collected using an anonymous online survey that allows the employees to express their opinions without reservations. The majority of the employees' unsatisfactory impressions were regarding opportunities for professional growth. Since the survey, DC DMV has provided employees with more opportunities for professional growth by promoting from within the agency, providing resume writing assistance and interview coaching, as well as encouraging employees to apply for agency positions that are outside of their current administration, or are within the District Government.

Do employees' surveys include recommendations to enhance agency services?

**Response:**

Yes. Employees are allowed a textbook with unlimited characters through which they can provide their recommendations.

19. In your proposed FY22 budget, which reductions may burden certain communities more than others? If applicable, what strategies has your department taken to mitigate any potential adverse impacts?

**Response:**

No reductions were proposed that would impact or burden certain communities more than others.

20. Consider one operational data point and one performance data point where your agency collects information by race or could collect information by race. How could your department use this data to inform future budget decisions?

**Response:**

DCEM currently does not collect any race related information. DMV is working to add geographical data to individual records as accessibility to a DMV location is often the challenge facing most communities as it relates to DMV services.

21. Please provide a hiring plan, including age of vacancy, for each of the following vacant positions:

**Response:**

- 00020899 – Correspondence Management Specialist. Interviews were held on 6/7/2021 and a candidate was selected. Vacant for 64 days.
- 00082437 – Legal Instrument Examiner. Will recruit from a resource pool that will be open until the end of the fiscal year. Vacant for 64 days.
- 00022612 – Communications Specialist. Interviews will take place on 6/15 and 6/24/2021. Vacant for 218 days as the PD had to be reclassified.
- 00018644 – Legal Instrument Examiner. Will recruit from a resource pool that will be open until the end of the fiscal year. Vacant for 72 days.
- 00082410 – Filled 5/23/2021.

- 00016071 – Supervisory Legal Instrument Examiner. Interviews were held on 6/7 and 6/9/2021, and candidate was selected. Vacant for 92 days.
- 00031420 – IT Specialist (Application Software). Position is being reclassified to an IT Project Manager. Vacant for 272 days. DC DMV has extended an offer to 2 candidates and each declined.
- 00012455 – Driver License Examiner. Candidate has been selected and is going through the background process. Vacant for 72 days.
- 00025765 – Driver License Examiner. Candidate was selected and was determined to be unsuitable. After the current job requisition closes, DC DMV will report the position to the public. Vacant for 59 days.
- 00017643 – Legal Instrument Examiner. Vacancy closed on 6/7/2012, and agency is ranking and rating 262 applications. Vacant for 82 days.
- 00031474 – Supervisory Hearing Examiner. Candidate selected. Vacant for 142 days.
- 00018251 – Legal Instrument Examiner. Will recruit from a resource pool that will be open until the end of the fiscal year. Vacant for 22 days.
- 00023882 – Filled 5/23/2021.
- 00087662 – Accounting Tech. This position belongs to the OCFO.
- 00023611 – Appeals Board Member. Candidate selected. Expected OBD is 6/21/2021. Vacant 156 days.
- 00017922 – Staff Assistant (DS). Posted on 6/10/2011 and closes on 6/17/2021. Vacant for 72 days. The interview dates are June 21st and June 22nd.
- 00034679 – Supervisory Legal Instrument Examiner. Interviews were held on 6/7 and 6/9/2021, and candidate was selected. Vacant for 92 days.
- 00005825 – Motor Vehicle Inspector. Will recruit for this position after all of the Grade 8s are on-board. Will recruit for multiple Grade 6s from one job posting. Vacant for 218 days.
- 00027368 – Filled 5/24/2021.
- 00025117 – Motor Vehicle Inspector (Grade 8). Candidate selected. Expected OBD is 6/20/2021. Vacant for 293 days.
- 00020845 - Motor Vehicle Inspector. Will recruit for this position after all of the Grade 8s are on-board. Will recruit for multiple Grade 6s from one job posting. Vacant for 120 days.
- 00019649 – Lead Motor Vehicle Inspector. Will recruit for this position after all of the Grade 8s are on-board. Will recruit for multiple Grade 6s from one job posting. Vacant for 159 days.
- 00009992 – Motor Vehicle Inspector (Grade 8). Candidate selected. Expected OBD is 6/20/2021. Vacant for 233 days.
- 00031475 – Motor Vehicle Inspector. Will recruit for this position after all of the Grade 8s are on-board. Will recruit for multiple Grade 6s from one job posting. Vacant for 159 days.

Capital Budget

22. The Destiny Replacement Project (KV0-MVS16) lists \$3,854,000 as existing funding and requires an additional \$6,700,000 in FY 2022, \$6,500,000 in FY 2023, 2,500,000 in FY 2024, and 3,200,000 in FY 2025.

- Please provide an update on the progress and timeline of this project.

**Response:**

As of June 2021, DMV has spent \$9 Million with OCTO on this project. We have accomplished the following items with the funds:

1. Completed DMV User Journeys detailing the new requirements for the project from business users.
2. Hired Technical writers, Data Engineers, Infrastructure specialists
3. Procured equipment & software for the infrastructure
4. Setup a state-of-the-art Infrastructure at OCTO Data centers. This includes 2 development clusters & production cluster which will come online by December of 2021.
5. Beginning setup of the testing environment for state of the art Batch printing of DMV notices (that includes Printing, Mail in, Tracking of each of the notices & auditing).

- Please provide a spending plan for this project.

**Response:**

	<b>Grand Total for FY21 &gt;&gt;</b>	<b>\$ 9,854,000.00</b>
<b>FY22</b>	Development of Title, Identification Card, Adjudication, Business Transactions - Wave 3	\$ 2,950,000.00
	Unit and Functional Testing of General Services, Drivers License, Vehicle Registration, Title, Adjudication and Business Transactions	\$ 2,450,000.00
	Infrastructure Setup for PROD Environment	\$ 300,000.00
	Production Deployment of Web Page Front End and Post Production Support	\$ 1,000,000.00
	<b>Grand Total for FY22 &gt;&gt;</b>	<b>\$ 6,700,000.00</b>

<b>FY23</b>	Infrastructure Setup for Mainframe Migration	\$ 2,000,000.00
	Development of BackEnd program to Micro Services - Wave 4	\$ 4,000,000.00
	Functional Testing	\$ 500,000.00
	<b>Grand Total for FY23 &gt;&gt;</b>	<b>\$ 6,500,000.00</b>

<b>FY24</b>	Development of BackEnd program to Micro Services - Wave 5	\$ 2,000,000.00
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	Functional Testing	\$ 500,000.00
	<b>Grand Total for FY24 &gt;&gt;</b>	<b>\$ 2,500,000.00</b>

<b>FY25</b>	Development of Backend program to Micro Services - Wave 6	\$ 1,000,000.00
	User Acceptance Testing	\$ 700,000.00
	Production Deployment and Post Production	\$ 1,500,000.00
	<b>Grand Total for FY25 &gt;&gt;</b>	<b>\$ 3,200,000.00</b>

- Why has the existing \$3,854,000 not been spent?

**Response:**

The \$3.854 million was not spent in FY20 due to impacts of COVID-19. This fund will be expended during the last quarter of FY 2021.

- Will more funding need to be added to this project in the out years?

**Response:**

No. At this point, the current proposed funding earmarked for the outyears is forecasted to be sufficient.

23. The Ticket Processing Project (KVO-TPS01) lists \$5,300,000 as existing funding and has no money budgeted in the out years.

- Please provide an update on the progress and timeline of this project.

**Response:**

DMV is working with OCTO and OCP to formulate an RFP that can be put on the street. We have hired a technical writer to take all our existing SOWs and material to create an RFP that OCP can work with and put on the street. We anticipate that the RFP will be on the street by end of July.

Timeline:

Schedule for RFP

- RFP on the street - 8/21 to 11/21
  - Evaluation of RFP due – 2/1/2022 (due to holidays our evaluation will be longer)
  - BAFO due – 2/28/2022
  - Contract Award – 5/2022.
- Why has the existing \$5,300,000 not been spent?

**Response:**

A portion of the existing funds have been spent on consultant services, through OCTO, for a Technical Writer, to draft the requirements, and deliverables components of the RFP. The bulk of the funding will be spent, after the RFP is on the street.

- How will the remaining funding for this project be spent?

**Response:**

See the response above. Additionally, DMV fully expects a final contract in FY22 and the major expenditures will start for this project.

- Will more funding need to be added to this project in the out years?

**Response:**

We do anticipate that more funding will be required for this project in the outgoing years, but we will know more when the RFP process is concluded, and bids are received.