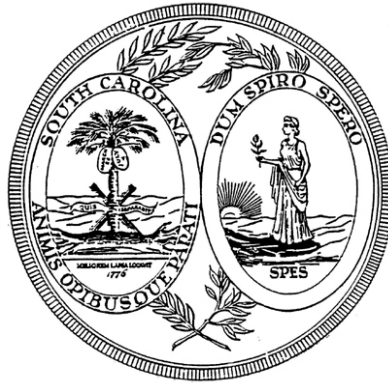


***STATE OF
SOUTH CAROLINA***

DEPARTMENT OF MOTOR VEHICLES



Agency Accountability Report

Fiscal Year 2005-06

September 15, 2006

Accountability Report Transmittal Form

Agency Name: South Carolina Department of Motor Vehicles

Date of Submission: September 15, 2006

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Section I – Executive Summary

1. Mission and Values

DMV's mission is to support the Governor's efforts to promote economic growth, deliver cost effective and efficient services, enhance quality of life, and increase educational opportunity for the citizens of South Carolina.

DMV accomplishes this mission by administering South Carolina's motor vehicle laws in an efficient, effective and professional manner in order to deliver accuracy and security in all transaction documents and to provide the highest levels of customer service to the citizens of South Carolina.

Inherent in this mission are the following DMV values:

- Promote economic growth in the state and among our employees
- Deliver cost effective and efficient services
- Enhance quality of life; Increase educational opportunity
- Administer laws fairly and equitably
- Improve service efficiency
- Improve service effectiveness
- Increase professionalism

2. Major Achievements from Past Year (Details reported in Section III, category 7)

- a. Expanded pilot for issuance of registration and decals by county from 1 to 10 participating counties
- b. Introduced a pilot program for electronic liens and titling;
- c. Expanded electronic vehicle registration by dealers
- d. Expanded program to administer driver knowledge tests through area high schools
- e. Developed requirements and conducted testing for implementation of Motor Carrier Safety Improvement Act
- f. Maintained reduced statewide customer wait times
- g. Expanded the functionality of the Automobile Liability Insurance Reporting System (ALIR)
- h. Implemented expanded employee training for new employees
- i. Implemented school bus driver recertification program
- j. Began defining requirements for the implementation of the REAL ID Act

3. Key Strategic Goals for the Present and Future Years

- **Strategy 1.** Improve DMV products and services by exploring alternative methods of service delivery
- **Strategy 2.** Ensure customers receive timely, accurate and consistent service in a professional manner
- **Strategy 3.** Invest in employee development and accountability
- **Strategy 4.** Raise awareness of DMV organization, policies and services externally
- **Strategy 5.** Improve communications among employees

- **Strategy 6.** Maintain the integrity and validity of DMV's products, services and records to foster a program for continuous improvement
- **Strategy 7.** Maintain safe, professional and functional working facilities
- **Strategy 8.** Develop and maintain IT systems to support agency operations

4. Opportunities and barriers that may affect the agency's success in fulfilling its mission and achieving its strategic goals.

The primary challenge and opportunity for the agency in the next two years will be in defining and implementing the requirements for the REAL ID Act. Under the Act, the entire process for issuing, renewing or replacing driving credentials or ID cards will change. The challenge will be to maintain our high level of customer service while meeting the requirements of the Act for more diligence, oversight and third-party verification over information provided by applicants for a driver's license or ID card.

5. Accountability Report Used to Improve Organizational Performance

The Department of Motor Vehicles uses its mission and strategic plan throughout the year to chart its strategic course and guide its tactical decisions. The accountability plan serves as our report card in how well we plan and how well we execute our plans. By comparing our actual results as reported in the accountability plan with our projected results, we can continue to improve our planning and execution activities.

Section II – Business Overview

The Department of Motor Vehicles first served the citizens of South Carolina in 1917 as a division under the Department of Highways and Public Transportation. During government restructure in 1993, the division was removed from that agency and split between the Department of Revenue (DOR) and the Department of Public Safety (DPS). In 1996, the division was reunited under DPS and remained under that parent agency until June 5, 2003, when Governor Mark Sanford signed the DMV Reform Act, making DMV a stand-alone agency.

Agency Staff

At the end of FY 2005-06, DMV employed 1,256 permanent, 242 temporary, 6 grant funded positions, with 115 vacancies, for a total of 1,619 employees.

Operational Locations

All of the agency's headquarter operations were consolidated in the Blythewood complex during fiscal year 2004-05. DMV added a customer service center in the Blythewood office during FY 06. We now have 69 field customer service centers across the state and anticipate adding 3 more in FY07:

Abbeville	Aiken	Allendale
Anderson	Bamberg	Barnwell
Batesburg	Beaufort	Belton
Bennettsville	Bishopville	Bluffton
Camden	Charleston (Ashley Oaks)	Charleston (Leeds Ave.)
Charleston (Lockwood Blvd.)	Charleston (Dealer Central)	Chester
Chesterfield	Columbia (Shop Rd.)	Columbia (Decker Mall)
Columbia (Dutch Plaza)	Conway	Darlington
Dillon	Edgefield	Florence
Fountain Inn	Gaffney	Georgetown
Greenville (Saluda Dam Rd.)	Greenville (Laurens Rd.)	Greenwood
Greer	Hampton	Irmo-Ballentine
Kingstree	Ladson	Lake City
Lancaster	Laurens	Lexington
Manning	Marion	McCormick
Moncks Corner	Mt. Pleasant (East Cooper)	Myrtle Beach
Myrtle Beach (Little River)	Newberry	North Augusta
Orangeburg	Pageland	Pickens
Ridgeland	Rock Hill (Hands Mill Rd.)	Rock Hill (York Cty Complex)
Saluda	Seneca	Spartanburg (Fair Forest Rd.)
Spartanburg (Southport Rd.)	St. George	St. Matthews
Sumter	Union	Walterboro
Winnsboro	Woodruff	Blythewood

Base Budget Expenditures and Appropriations

Major Budget Categories	04-05 Actual Expenditures		05-06 Appropriations Act		FY 2006 Actual Expenditures		FY 2007 Appropriations Act	
	Total Funds	General Funds	Total Funds	General Funds	Total Funds	General Funds	Total Funds	General Funds
Personal Service	\$32,216,605	\$14,905,694	\$25,738,885	\$8,115,835	\$37,074,147	\$8,661,900	\$35,524,292	\$0
Other Operating	\$22,939,196	\$185,133	\$31,689,971		\$21,320,591	\$64,348	\$19,943,796	\$0
Special Items	\$	\$	\$	\$		\$	\$	\$
Permanent Improvements	\$272,837	\$	\$	\$	\$1,134,130	\$	\$	\$
Case Services	\$	\$	\$	\$		\$	\$	\$
Distributions to Subdivisions	\$	\$	\$	\$		\$	\$	\$
Fringe Benefits	\$9,944,192	\$4,851,720	\$7,498,498	\$2,737,751	\$10,979,149	\$2,562,280	\$10,812,429	\$0
Non-recurring	\$	\$				\$	\$	\$
Total	\$65,372,830	\$19,942,547	\$64,927,354	\$10,853,586	\$70,508,017	\$11,288,528	\$66,280,517	\$0

Other Expenditures

Sources of Funds	FY 04-05 Actual Expenditures	FY 05-06 Actual Expenditures
Supplemental Bills	0	0
Capital Reserve Funds	0	0
Bonds	0	0

Major Program Areas Chart

Program Number and Title	Major Program Area Purpose (Brief)	FY 04-05		FY 05-06		Key Cross References for Financial Results*
		Budget Expenditures		Budget Expenditures		
I. Administration 01000000	Includes: Administrative Support Services, Communications, Constituent Services, General Counsel, Director's Office and agency Operations Support activities such as Planning, Policy and process development, Training and Change Management.	State: 1,853,319	2.80%	State: 1,001,762	1.42%	CSA424CM 08/09/06
		Federal: 0	0.00%	Federal: 0	0.00%	
		Other: 4,242,670	6.50%	Other: 4,464,581	6.33%	
		Total: 6,095,989		Total: 5,466,343		
		% of Total Budget:	9.30%	% of Total Budget:	7.75%	
IIA1. Customer Service Centers 10102000	Includes all 69 field offices, providing full range of customer services and products.	State: 7,354,191	11.20%	State: 4,438,800	6.30%	CSA424CM 08/09/06
		Federal: 0	0.00%	Federal: 0	0.00%	
		Other: 18,457,417	28.20%	Other: 27,144,492	38.50%	
		Total: 25,811,608		Total: 31,583,293		
		% of Total Budget:	39.50%	% of Total Budget:	44.79%	
IIA2. Customer Service Delivery 10103000	Includes all alternative customer service delivery centers at headquarters: Call Center, Mail In Titles and Registration, Alternative Media	State: 1,435,620	2.20%	State: 757,118	1.07%	CSA424CM 08/09/06
		Federal: 0	0.00%	Federal: 0	0.00%	
		Other: 3,351,305	5.10%	Other: 2,423,820	3.44%	
		Total: 4,786,925		Total: 3,180,938		
		% of Total Budget:	7.30%	% of Total Budget:	4.51%	
IIB. Procedures and Compliance 10200000	Includes: Compliance, Customer Records, Financial Responsibility, Dealer Licensing, Document Review and Fraud Detection, Driver Improvement	State: 2,852,356	4.40%	State: 1,749,944	2.48%	CSA424CM 08/09/06
		Federal: 0	0.00%	Federal:	0.00%	
		Other: 2,220,288	3.40%	Other: 5,244,020	7.44%	
		Total: 5,072,644		Total: 6,993,964		
		% of Total Budget:	7.80%	% of Total Budget:	9.92%	

Program Number and Title	Major Program Area Purpose (Brief)	FY 04-05 Budget Expenditures		FY 05-06 Budget Expenditures		Key Cross References for Financial Results*
IIC. Motor Carrier Services 10300000		State: 213,902	0.3%	State: 259,062	0.37%	CSA424CM 08/09/06
		Federal: 913,985	1.4%	Federal: 649,353	0.92%	
		Other: 1,835,639	2.8%	Other: 2,103,459	2.98%	
		Total: 2,963,526		Total: 3,011,874		
		% of Total Budget:	4.5%	% of Total Budget:	4.27%	
IID. Technology & Product Development 10300000		State: 1,381,440	2.1%	State: 519,562	0.74%	CSA424CM 08/09/06
		Federal: 0	0.0%	Federal: 0	0.00%	
		Other: 9,316,506	14.3%	Other: 7,638,764	10.83%	
		Total: 10,697,946		Total: 8,158,326		
		% of Total Budget:	16.4%	% of Total Budget:	11.57%	
Contributions 95050000	Contributions	State: 4,851,720	7.40%	State: 2,562,281	3.63%	CSA424CM 08/09/06
		Federal: 78,402	0.10%	Federal: 97,931	0.14%	
		Other: 5,014,070	7.70%	Other: 8,318,941	11.80%	
		Total: 9,944,192		Total: 10,979,152		
		% of Total Budget:	15.20%	% of Total Budget:	15.57%	
Capital Projects 99000000	Capital Projects	State:		State:		CSA424CM 08/09/06
		Federal:		Federal:		
		Other:		Other: 1,134,130	1.61%	
		Total:		Total: 1,134,130		
		% of Total Budget:		% of Total Budget:	1.61%	

65,372,830

70,508,020 100.00%

Key Customers Linked to Products and Services

DMV provides more than 400 different products and services to the general public and to business and governmental entities such as insurance companies, financial institutions, county tax offices, law enforcement, vehicle dealers, the legislature, judges and court administrators, federal and S.C. state agencies, as well as to other states and countries. Because DMV is focused on providing superior customer service, these products and services are delivered through multiple service channels, including face-to-face service in our customer service centers, mail-in and web services, and call center operations. Our web services are constantly expanding so that customers can avoid a trip to a local DMV office. Key customer products and services are detailed below:

- **Key Customer – General Public**
 - **Representative Products:**
 - **Driving Credentials** - More than 20 different types and functions of Driver's Licenses, Beginner's Permits and ID card credentials; **Titles** – original, duplicate, transfer, salvage and junk, lien processing; **Registration Certificates and Decals** – more than 10 different product types and functions; **Vehicle Plates** – 320 different vehicle plate classes, including regular and specialty plates; **Motor Vehicle Records** – 3 and 10-year driver records, title history, plate history and vehicle ownership history, accident reports, copies of uniform traffic tickets; **Other Customer Products** – permanent and temporary handicapped placards, temporary license plates, golf cart permits.
 - **Representative Services:**
 - **Call Center** responds to customer inquiries, requests for information; **Ombudsman/Constituent Service Center** addresses customer concerns and complaints; **International Customer Service Centers** service international customers obtaining driving credentials; **Knowledge and skills test** administration for driving credentials, administered in our customer services centers and through area high schools; **Driver medical oversight; Driver improvement** services, including at-risk driver review; **Processing of statewide driving documents**, including accident reports, court orders related to driver suspensions and clearances and Uniform Traffic Tickets.
- **Key Customer – Motor Carriers**
 - **Products:** International Registration Plan Certificates and Certificates of Compliance
 - **Services:** Collection and administration of International Fuel Tax through International Fuel Tax Agreement (IFTA); Administration of Single State Registration System (SSRS) for Motor Carriers; CDL Third Party Tester audits; Administration of Certificate of Compliance (COC) program for Motor Carriers; New Entrant Program for new motor carriers; Exempt program for haulers of exempt commodities; disqualification and clearance of CDL licenses for violation of Federal Motor Carrier violations.

- **Key Customer – Dealers**
 - **Products:** Vehicle titles, registration and tags for vehicles sold through dealers; Dealer Tags; Dealer Licenses.
 - **Services:** Dealer licensing, inspection and oversight; Electronic Vehicle Registration Program – allowing dealer agents to provide DMV titling and registration products directly to customer.

- **Key Customer – Business Customers**

Our business customers include insurance companies, attorneys, financial institutions, information management commercial entities, commercial vehicle industry and employers.

 - **Products:** driver records, vehicle history information, suspended and newly licensed driver information, accident reports, Uniform Traffic Tickets.
 - **Services:** Direct Access Network enabling commercial account customers to purchase DMV information; web services with insurance industry and information resellers.

- **Key Customer – Law Enforcement and Judicial Entities**
 - **Products:** driver records and history, driver photos, vehicle history information, suspended and newly licensed driver information, accident reports, Uniform Traffic Tickets.
 - **Services:** Assistance with criminal investigations; Direct interface with SLED and Highway Patrol Systems allowing the interchange of driver and vehicle information; Image exchange with SLED for distribution to local law enforcement; Response to requests for driver and vehicle information needed for criminal and civil court proceedings; Maintenance and reconciliation of Uniform Traffic Ticket Inventory for Highway Patrol and local law enforcement.

- **Key Customer – S.C. Counties**
 - **Services:** Development and maintenance of interface with counties that enable transfer of vehicle information between counties and DMV; Biennial Renewal Program - Joint program between DMV and Counties enabling customers to pay county vehicle taxes and renew vehicle registration in one transaction; County Issuance of Decals and Registrations - web-based program enabling counties to issue registration renewal decals directly in county offices to mutual customers; Suspension of driver license and vehicle tags for non-payment of taxes

- **Key Customer – Other County, State and Federal Agencies**
 - **Services:** Collection of vehicle sales tax and remission to S.C. Department of Revenue; Suspension and clearance of driver’s license for non-payment of child support; Collection and maintenance of Alcohol and Drug Safety Program (ADSAP) information for DAODAS; Suspension and clearance of driver’s license and tags for court-ordered civil proceedings related to accidents (non-payment of judgments, installment agreements, etc.); administration and reporting for Federal Motor Carrier Safety Administration; electronic interface with Social Security Administration for online verification of social security numbers of CDL

applicants; providing DL application information to Bureau of Citizens and Immigration Services; collection and data entry of accident information for Highway Safety statistical reporting; collection of fingerprint and background application information on CDL Hazmat drivers for Transportation Safety Administration Security Threat Assessment program; providing applicant information to Selective Service; providing voter registration services for state and local Election Commissions; providing applicant information to courts for jury duty; providing citizenship information to DHHS for benefit eligibility verification.

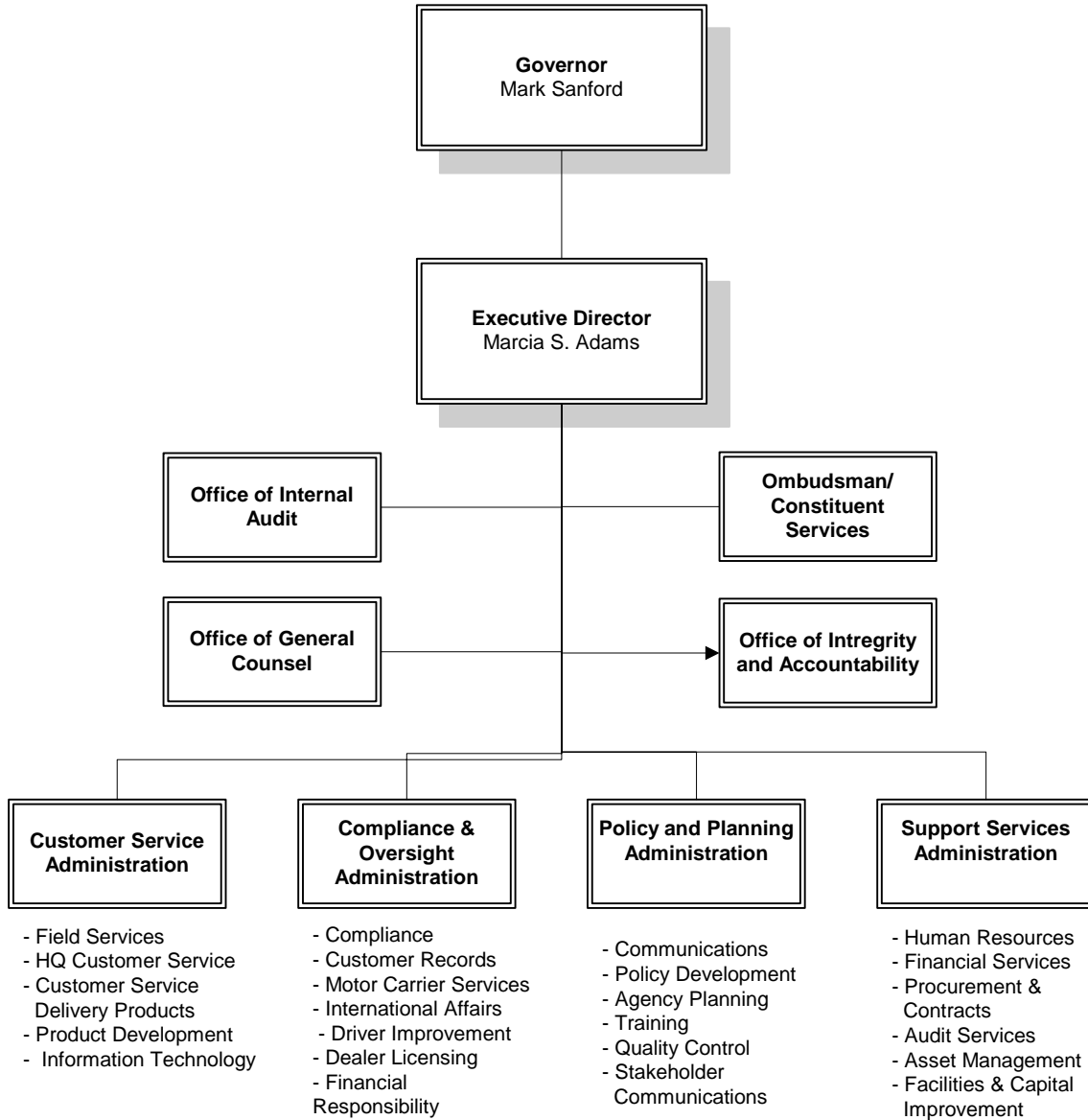
- **Key Stakeholders**

The agency's key stakeholders include law enforcement, insurance companies, financial institutions, public and private educational institutions, driving schools, commercial vehicle industry, automobile sales industry, the Governor's Office and General Assembly, federal, state and local government agencies.

- **Key Suppliers**

The key suppliers to the Department of Motor Vehicles include other state agencies; city, county and federal government; the judicial system; local, regional and national associations; eligible vendors and contractors; the legislature; law enforcement at the local, state and federal levels.

Organizational Structure



Section III - Category 1 – Leadership

1.1 Communicating Short and Long Term Direction

Short and long term direction: DMV senior leadership communicates the agency's short-term and long-term goals on an ongoing basis through interactive management meetings, employee presentations and in-house communication materials.

Performance Expectations: The high level organizational goals set through the strategic plan are operationalized by establishing priorities for each agency administration through weekly senior staff meetings attended by the Executive Director, Administrators and General Counsel (senior leaders). Senior leaders are responsible for communicating performance expectations to area managers. The agency utilizes the state's Employee Performance Measurement System (EPMS) to set individual employee expectations during the planning stage of the EPMS cycle.

Organizational Values: DMV's organizational values are made clear in the agency's mission statement and manifested through the agency's strategic plan. Senior leaders routinely hold employees accountable to these agency values, positively through rewards and recognition and negatively through disciplinary actions where warranted.

Empowerment and Innovation: With customer service as the number one goal of the agency, employees and management are encouraged to find new and more efficient ways of providing and improving service and operations. The Executive Director and senior staff encourage direct feedback from employees and elicit that feedback through employee focus groups, direct visits to field locations and an open email communication channel.

Organizational and Employee Learning: To demonstrate the agency's commitment to organizational and employee learning, the Policy and Planning Administration's primary mission is to provide to employees the tools through which they can confidently, professionally and accurately deliver cost effective and efficient services to our customers. Through the establishment of the agency's Training and Change Management section, the agency instituted a formalized program to train new employees, update employees on organizational changes affecting their work and develop future leaders in the organization. A key learning tool is the weekly Operational Newsbreak online newsletter that details operational changes on a weekly basis.

Ethical Behavior: Ethical standards under which the agency operates are modeled by senior leadership and clearly communicated to employees through agency HR policies that are modeled after state OHR guidelines. The agency utilizes all disciplinary and performance system tools at its disposal to address and take action on unethical behavior. The agency has established an Office of Integrity and Accountability charged with overseeing ethical behavior among employees as well as with detecting fraud by employees and customers.

1.2 Promoting Focus on Customers and Other Stakeholders

To maintain a customer-focused direction, DMV continually takes steps to obtain valuable customer feedback through customer surveys, constituent correspondence, and

telephone contact. By continuously seeking feedback, DMV is better able to determine what works and doesn't work for the agency and its customers.

Likewise, the agency has established formal communications through regular meetings with stakeholders such as county officials, insurance industry representatives, law enforcement, the trucking industry, the dealer industry, and international customer advocates. In addition, agency senior leaders have established formal partnerships with other agencies such as the Department of Public Safety, the Department of Insurance, Department of Natural Resources, Department of Corrections and Department of Probation, Parole and Pardon Services in order to better serve our mutual stakeholders. Finally, agency leadership routinely meets with representatives from the banking establishments, legal community, law enforcement and commercial purchases of DMV information to determine methods of providing more and better services to these stakeholders.

1.3 Maintaining Fiscal, Legal, and Regulatory Accountability

Senior leaders ensure compliance with federal and state laws and regulations by establishing reporting mechanisms through which activities can be monitored. Our finance and budget offices ensure that fiscal controls are in place to prevent the misuse of agency financial resources. Area managers monitor employee transaction activity to ensure that employees are held to the highest ethical standards in the processing of work. The agency has formal policies, procedures and processes that detail the manner in which transactions should be performed in order to minimize the possibility for fraudulent activity. Our internal fraud unit actively searches for fraudulent activity both among our employees and among the public who seek to obtain our products through fraudulent means. DMV is also responsible for reporting compliance with federal and state mandates through annual reporting of compliance with Federal Motor Carrier Services Administration, OSHA, FLSA and EEOC guidelines. On the state level, DMV participates in annual accountability and budget reporting and regular reporting to the governor through cabinet meetings and reports.

1.4 Key Performance Measures Regularly Reviewed by Senior Leaders

Senior leaders routinely review office and online transactions, backlogs, wait times, call center activity and customer feedback tools to measure the agency's performance, responsiveness and customer service levels. The agency has implemented an accountability tracking program through which individual unit managers must respond to reports of unsatisfactory customer service, transaction processing, or excessive backlogs. Managers are charged with providing explanations and developing action plans that address specific measures to be taken to prevent future occurrences of performance shortcomings.

1.5 Using Organizational Performance Review Findings and Employee Feedback

Through use of accountability reporting, senior leaders can monitor and respond to trends indicating systemic rather than individual performance problems. For example, as a result of accountability reporting, senior leaders have determined needs for additional manager and employee training and have embarked on developing a new training curriculum. Similarly, senior leaders have identified a need for more timely

communications with managers and employees regarding changes affecting operations. As a direct result of this need, the agency has implemented an employee intranet through which employees can gain information regarding current and prospective initiatives, policies, procedures and processes.

1.6 Potential Impact of Products and Services on the Public

DMV affects the lives of nearly every citizen in South Carolina. We can begin providing services to an individual as early as age five and continue to provide services for the remainder of that individual's life. Because of DMV's high impact on the public, senior leaders regularly monitor DMV's service capabilities and customer feedback. DMV monitors customer feedback through the constituent services process and fraud detection measures. Customer surveys are collected and random transaction audits are performed to measure accountability and locate points of concern. South Carolina law mandates DMV policy and the agency maintains strict guidelines for business processes to ensure agency compliance. The agency also employs full-time staff attorneys to offer legal interpretations of the law and guidance for agency compliance.

DMV has also developed the Office of the Ombudsman and Constituent Services to respond directly to customers, members of the General Assembly and the offices of the Governor and Lieutenant Governor. The Office of Communications serves as official liaison with the media and manages requests to the agency under the Freedom of Information Act, as well as develops public information materials.

1.7 Setting and Communicating Key Organizational Priorities

Senior leaders are active participants in the strategic planning process and act as team leaders for the activities and tasks that support the process. They are responsible for communicating the strategic plan to managers and employees, ensuring that goals are met and that tasks are completed. Senior leaders meet weekly to discuss their progress and report any issues that need to be addressed by top management.

1.8 Supporting and Strengthening the Community

All senior managers are involved in activities to support and strengthen the agency and state community and the community at large. Senior managers routinely serve as guest speakers at state and national trade organizations and serve on intra-agency committees and task forces aimed at providing shared services to mutual constituencies. Specific examples include: Executive Director is on the regional and international board of American Association of Motor Vehicle Administrators; a senior DMV leader attends all S.C. Association of County Auditor and Treasurer meetings; senior leaders have spoken at the insurance industry trade organizations' annual meetings; senior leaders partnered with officials from DOT and DPS to develop state Highway Safety Strategic Plan. DMV also encourages employees to participate in various community activities across the state. Priorities are determined by the agency's ability to participate and make valuable contributions. Specifics are listed in Category 5.

Section III - Category 2 – Strategic Planning

2.1 Strategic Planning Process

The agency's strategic plan was developed as soon as DMV became its own agency in June 2003. The Executive Director and senior leaders met in a series of planning meetings to formulate an agency mission and develop the plan. At the beginning of each fiscal and calendar year, senior staff reviews key strategies and validates the agency's mission:

DMV's mission is to support the Governor's efforts to promote economic growth, deliver cost effective and efficient services, enhance quality of life, and increase educational opportunity for the citizens of South Carolina.

DMV accomplishes this mission by administering South Carolina's motor vehicle laws in an efficient, effective and professional manner in order to deliver accuracy and security in all transaction documents and to provide the highest levels of customer service to the citizens of South Carolina.

DMV identified the key values guiding our strategic direction:

- Promote economic growth;
- Deliver cost effective and efficient services;
- Enhance quality of life;
- Increase educational opportunity;
- Administer laws;
- Improve service efficiency;
- Improve service effectiveness;
- Increase professionalism

Incorporating these elements, we designed eight agency strategic objectives that serve as the basis for our action plans. At the semi-annual review, each strategy is validated against the values inherent in our mission to ensure compatibility. Each of the strategies specifically addresses the accountability measure requested in this section of the planning process, as detailed in the next section.

The agency's key strategies remained unchanged in fiscal 2005-2006. All agency actions are geared towards achieving these eight strategic objectives.

2.2 Key Strategic Objectives

The following key strategic objectives are tied back to the accountability measures of the previous section and are linked to specific program areas in the Strategic Planning Chart.

- **Strategy 1.** Improve DMV products and services by exploring alternative methods of service delivery (*a. Customer needs and expectations; e. Supplier/contractor/partner capabilities and needs.*)
- **Strategy 2.** Ensure customers receive timely, accurate and consistent service in a professional manner (*a. Customer needs and expectations; c. Human resource capabilities and needs; d. Operational capabilities and needs*)
- **Strategy 3.** Invest in employee development and accountability (*c. Human resource capabilities and needs; d. Operational capabilities and needs*)

- **Strategy 4.** Raise awareness of DMV organization, policies and services externally (*a. Customer needs and expectations; e. Supplier/contractor/partner capabilities and needs.*)
- **Strategy 5.** Improve communications among employees (*c. Human resource capabilities and needs; d. Operational capabilities and needs*)
- **Strategy 6.** Maintain the integrity and validity of DMV's products, services and records to foster a program for continuous improvement (*b. Financial, regulatory, societal and other potential risks*)
- **Strategy 7.** Maintain safe, professional and functional working facilities (*a. Customer needs and expectations; b. Financial, regulatory, societal and other potential risks; c. Human resource capabilities and needs; d. Operational capabilities and needs*)
- **Strategy 8.** Develop and maintain IT systems to support agency operations (*a. Customer needs and expectations; b. Financial, regulatory, societal and other potential risks; c. Human resource capabilities and needs; d. Operational capabilities and needs*)

2.3 Developing and Tracking Action Plans that Address Key Strategic Objectives

All active strategic initiatives are assigned a project team leader who reports to one of the agency's senior leaders. Team leaders are responsible for developing a project plan, enlisting an implementation team, ensuring that milestones are met, and reporting progress to the responsible senior leader. Senior leaders report progress on key projects in weekly staff meetings.

2.4 Key Action Plans/Initiatives

In FY 05-06, DMV planned and successfully implemented a number of key initiatives, which are reported on the Strategic Planning Chart below. The agency continued its primary strategic focus on improving service to our external customers under strategies 1, 2, 4 and 6. The key strategic focus was to bring services to customers, rather than forcing the customer to make a trip to DMV office to conduct business. Consequently, we utilized technology to continue expansion of our service delivery.

In FY 05-06, however, we also continued focus on developing our employees and improving employee communications through operationalizing components of strategies 3 and 5. We also launched key initiatives aimed at upgrading our facilities and technical infrastructure (Strategies 7 and 8). Details of specific initiative results are reported in Category 7.

Budget program areas do not always correspond with our current organizational structure as reflected in the organizational chart provided in Section II. Organizational unit is shown in parentheses below with the following abbreviations: CSA: Customer Service Administration; COA: Compliance and Oversight Administration; PPA: Policy and Planning Administration; SSA: Support Services Administration; OAI: Office of Integrity and Accountability; OIA: Office of Internal Audit

Strategic Planning Chart

Program Number and Title	Supported Agency Strategic Planning Goal/Objective	Related FY 05-06 Key Agency Action Plan/Initiative(s)	Key Cross Reference for Performance Measures
IID. Technology and Product Development (CSA)	Strategy 1: Improve DMV products and services by exploring alternative methods of service delivery	a. Select vendor and begin program for outsourced plate production and registration fulfillment services.	Vendor selection process has been completed. Final requirements for program are being developed
IID. Technology and Product Development (CSA)		b.. Expand services for commercial customers	Web-based vehicle inquiry products were developed for commercial use. 7.2.1.1
IID. Technology and Product Development IIA2. Customer Service Delivery (CSA)		c. Expand Electronic vehicle registration by Dealers	7.2.1.2
IIB. Procedures and Compliance (COA)		d. Expand program for administration of knowledge tests in high schools	7.2.1.3
IIC Motor Carrier Services (COA)		e. Expand Centralized Motor Carrier Services to 6 additional sites statewide.	7.2.1.4
IID. Technology and Product Development IIA2. Customer Service Delivery (CSA)		f. Complete pilot for county issuance of registration renewals and expand program	7.2.1.5
IIA1.Customer Service Centers (CSA)	Strategy 2. Ensure customers receive timely, accurate and consistent service in a professional manner	a. Maintain reduced wait times in field offices.	7.2.1.6
I. Administration (PPA) IIA2. Customer Service Delivery (CSA)		b. Provide methods of eliciting customer feedback and measuring customer satisfaction from representative sample of all customers utilizing DMV services.	7.1
IID. Technology and Product Development IIA2. Customer Service Delivery (CSA)		c. Improve Call Center Operations. Solicit external vendors to conduct full scale analysis.	7.2.1.7
I. Administration (PPA)		d. Expand New Employee Training.	7.2.1.8
I. Administration (PPA)		e. Develop and implement formal customer service training program for work units throughout the organization	7.2.1.8
I. Administration (SSA)	Strategy 3. Invest in employee development and accountability	a. Revise EPMS review. Establish Agency-wide Universal Review Date; implement short year review and move employees to universal date.	7.2.1.9
I. Administration (PPA)		b. Expand Manager Training program. Have agency managers complete APM program.	7.2.1.10
I. Administration (SSA)		c. Develop and implement employee career path compensation plan	7.2.1.11
IIB. Procedures and Compliance (COA) I. Administration (PPA)	Strategy 4. Raise awareness of DMV organization, policies and services externally	a. Expand outreach to international customers. Expand availability of international customer sites.	7.2.1.12

IID. Technology and Product Development I. Administration (PPA)		b. Develop and implement new public website. Increase navigability make site more user friendly.	New Website rolled out during FY 06. Improved format, navigability and content.
I. Administration (PPA)	Strategy 5. Improve communications among employees	a. Enhance DMV intranet to improve employee/ management communications. Increase navigability, make site more user friendly.	7.2.1.13
IIC Motor Carrier Services (COA)	Strategy 6. Maintain the integrity and validity of DMV's products, services and records	a. LiveScan background check and fingerprinting program for CDL holders seeking Hazardous Materials endorsements	7.2.1.14
IID. Technology and Product Development (CSA) IIB. Procedures and Compliance (COA)		b. Enhance Automobile Liability Reporting System to detect uninsured motorists	7.2.1.15
I. Administration (OAI)		c. Expand fraud detection and investigation capacity as well as provide appropriate security systems to ensure data protection and integrity	7.2.1.16
IIC Motor Carrier Services (COA)		d. Develop and implement requirements for compliance with Motor Carrier Safety Improvement Act.	Have developed all requirements and passed first phase of structured test. Implementation estimated for Jan 07.
		e. Define requirements for REAL ID Act	7.2.1.17
IIB. Procedures and Compliance (COA)		f. Improve communications between courts and DMV	7.2.1.18
IID. Technology and Product Development IIA2. Customer Service Delivery (CSA)		g. Implement pilot program for electronic liens and titling.	Pilot begun in August 2006 with 2 banks. Will report results in 07 report.
IIB.Procedures and Compliance (COA)		h. Partner with DOC and PPP to develop prisoner reentry ID program	Provide outreach program to process entrant IDs annually.
I. Administration (SSA)		Strategy 7. Maintain safe, professional and functional working facilities	a. Develop agency Safety and OSHA program.
IID. Technology and Product Development (CSA)	Strategy 8. Develop and maintain IT systems to support agency operations	a. Expand web services capabilities as preferred platform for data interchange	Migrate all existing mainframe interfaces with counties to web services.
IID. Technology and Product Development (CSA)		b. Replace existing Driver's License Processing Systems	Completed phase I of replacement program.

2.5 Communicating and Deploying Strategic Objectives, Action Plans and Performance Measures

DMV has not formally involved external stakeholders in the development or dissemination of the strategic plan. Internal communications have focused on top-down distribution through administrators to their line managers. Part of our strategic initiatives for the coming year include improving internal communications of our strategic plan and its associated action plans and performance measures to front line employees.

2.6 Online Strategic Plan

The agency's strategic plan is not online.

Section III - Category 3 – Customer Focus

3.1 Key Customers and Stakeholders

DMV defines a customer as any individual or entity that contacts the agency for information or service. This definition includes the general public, business customers, law enforcement, members of the General Assembly, the Governor, the Lieutenant Governor, and other state and federal agencies. Key requirements for these customers are based on the type of transaction or information they are seeking. DMV provides licensing services for drivers, registration and titling services for vehicles, and research and information services for law enforcement and business customers. Because of the many types of services DMV provides, the agency has more contact with South Carolina citizens than most other state agencies; that contact is generally maintained throughout that customer's life.

3.2 Meeting Changing Needs

DMV continually monitors customer feedback obtained through web contact in the Alternative Media Unit, correspondence and telephone calls received through the Office of Communications and Constituent Services, telephone calls received through the DMV Call Center, and customer survey forms. Data collected through these means is logged and tracked through completion. This data is used to identify problems and concerns, recognize service excellence, and report solutions to issues affecting all customers.

3.3 Using Customer/Stakeholder Feedback

DMV uses customer and stakeholder feedback as a barometer for agency performance. The agency maintains close contact with its customers and stakeholders to ensure the collection of vital information needed to improve services. The DMV website solicits customer feedback through an online survey, making it easier for customers to voice their opinions and offer suggestions. Agency officials meet regularly with key stakeholders to resolve issues and improve services. Both customer and stakeholder feedback play an important role in agency decision-making regarding policy and processes. Information collected from customers and stakeholders is used to determine service trends, enhance employee training, address agency communication needs, and develop policies and processes. This type of feedback is a valuable resource for developing a better understanding of customer and stakeholder needs.

3.4 Measuring Customer Satisfaction

DMV measures customer satisfaction through branch office surveys, online surveys, telephone surveys and customer contact. The DMV Constituent Services Office monitors customer contact and tracks both positive and negative feedback received from customers. Each customer inquiry is tracked from the moment it is received until the customer response is complete. Tracking this information, along with customer service surveys, enables DMV to identify problems and solutions regarding agency policies and procedures, employee training and information disbursement. By monitoring customer feedback, DMV can also better determine the public's response to service improvements and employee interaction. DMV also commissioned the University of South Carolina Institute for Public Service and Policy Research to conduct a customer satisfaction survey. Results are reported in Category 7.

3.5 Building Positive Relationships

DMV's focus on quality customer service and "the personal touch" has helped the agency build positive relationships with both customers and stakeholders. The agency takes every opportunity to communicate positively with customers, listen to their concerns and provide assistance that is valuable to the customer. DMV employees are encouraged to "go the extra mile" and DMV management is empowered to seek special services for customers who may benefit from intervention or special consideration in regards to DMV policy. DMV frequently makes personal contact with customers who have difficulty understanding requirements or who report inadequate action on the part of the agency.

DMV frequently participates in stakeholder meetings, conferences and special events to address their needs and concerns. DMV meets with the South Carolina Auditors, Treasurers and Tax Collectors (SCATT) bi-monthly to discuss ways the agencies can work together to provide better services to S.C. citizens. DMV established a County Hotline to provide county officials with an immediate response to their concerns. The agency has also worked with counties to issue registration and decals in county offices.

DMV has partnered with members of the insurance industry to develop an automated liability insurance reporting system that allows insurance companies to report mid-term policy cancellations online rather than manually. This functionality has expanded in 06 to include the processing of other types of transactions as well.

Section III - Category 4 – Measurement, Analysis and Knowledge Management

4.1 Determining Measurable Operations, Processes and Systems

Previously, the operations, processes and systems measured have been largely a function of the reporting means available through our existing financial and transaction processing systems. As a result, existing measures focused on collection and distribution of revenue, measuring customer wait times in offices with automated customer management systems (Q-matic) and measuring the volume of transactions. With the implementation of our agency's Phoenix transaction processing system, the opportunities for not only measuring volumes but also transaction efficiency and effectiveness have increased substantially. Consequently, a key initiative for the coming year is to develop a management reporting and monitoring system that allows us to measure not only how many transactions we process, but also to determine efficiency measures (processing times for key transactions) and effectiveness measures (accuracy of transactions processed, reduced return visits). Since we are providing multiple methods of service delivery, effectiveness measures will become increasingly important in future planning of new customer service delivery options.

4.2 Key Measures

Current key measures used by the Department of Motor Vehicles in making choices and decisions affecting the Agency and the citizens of South Carolina include the following:

- Number of customer service windows staffed daily per field office
- Customer wait times per field office
- Total number of customer transactions performed daily per field office
- Total number of online transactions performed daily
- Total phone calls received in call center
- Backlog volume
- Total number of customer complaints per field office
- Total revenue received and expenses incurred for selected periods
- Total products delivered

4.3 Ensuring Data Integrity, Timeliness, Accuracy, Security and Availability

The Department of Motor Vehicles ensures data integrity, timeliness, accuracy, security and availability over all DMV data and information. The DMV database is accessible only through the use of authorized log-in and password features. Additionally, audit trails are maintained to identify all users accessing the system. Multiple edits and validations have been integrated into the system to ensure all required data is obtained based on the specific transaction processed. Through internal testing of software maintained in its database and interaction with software vendors regarding virus deterrence and firewall development, data protection and availability is ensured to DMV management. DMV continuously focuses on information technology to ensure data is accurate and is provided to management in a timely manner.

The system automatically produces transaction reports on a daily, weekly or monthly basis that are readily available for management review of performance. In the coming

year, we aim to significantly expand and formalize the management reporting and review system to increase our ability to measure operation efficiency and effectiveness.

4.4 Using Data/Information Analysis

The agency utilizes various measurement tools including transaction volumes by office, statewide demographic projections and customer feedback to chart strategic goals in conjunction with mission objectives. DMV data is also used internally and by external stakeholders and customers to determine statewide statistics such as uninsured motorist activity, driver offenses and vehicle registration trends. The availability of this data has led to several key DMV initiatives: partnering with the insurance industry in developing the South Carolina Automated Liability Insurance Reporting system; providing dealers with ability to issue DMV titling and registration products; allowing counties to issue registration decals. All data sources used to collect information regarding driver- and vehicle-related issues are actively used by DMV management personnel and outside sources as allowed by law to make decisions and choices. This same information is provided in a timely manner to all legislative bodies requesting such data. DMV plans on significantly expanding its data collection and reporting capabilities during FY 06-07.

4.5 Selecting and Using Comparative Data

DMV has ready access to benchmarking tools from other states that are then used by the agency to determine its own performance. Specific agencies that provide comparative statistics include: American Association of Motor Vehicle Administrators (AAMVA), National Highway Traffic Safety Administration (NHTSA); Federal Motor Carrier Safety Administration (FMCSA). DMV has recently engaged a benchmarking service that has already garnered data from nine other jurisdictions on key measures such as transaction volume, wait times, and processing times.

4.6 Managing Organizational Knowledge

The Department of Motor Vehicles recently established a Policy and Planning Administration whose mission is to provide employees with the most updated DMV policies, procedures and business processes. Within the Policy and Planning Administration, the Training and Change Management section is charged with determining the best means for delivering training updates, whether through formalized classes or through written training directives. By formally documenting and providing easy access to all policies, procedures, processes and training directives, DMV is ensuring that valuable corporate knowledge is not lost as long term employees leave the agency.

Training and Change Management is also charged with developing and overseeing or delivering all agency training curricula. Through establishing a regular training curriculum, DMV employees are kept abreast of all system and procedures changes along with changes in statute. Additionally, employees are provided the opportunity to share with management all systems-related concerns and customer issues so that changes can be made if deemed necessary.

Section III - Category 5 – Human Resources

5.1 Motivating Employees

DMV has developed a comprehensive employee career path based on employee knowledge and skills. The career path gives employees the opportunity to advance and feel more confident about their future with the agency. Due to budget limitations, funding to support the career path has not been available.

DMV has developed a Rewards and Recognition Program that is both meaningful to agency employees and beneficial to the organization. The program, which is based on the agency mission and strategic plan, will create a comprehensive and achievable rewards program that will help the agency improve morale and develop a more positive workforce. By promoting and rewarding higher standards of performance, DMV is redefining agency ideals and assuring employees of their value in the organization.

DMV holds regular manager meetings to ensure proper communication and compliance in field offices. DMV managers are encouraged to hold regular employee meetings to develop a feedback mechanism between employees and managers.

DMV also supports division-wide communications and encourages employees to submit their ideas and news for the “DMV Motorvator,” the division’s newsletter, which is sent to employees monthly via e-mail. Employees also receive the “Kudos Count!” newsletter highlighting positive customer feedback for DMV employees.

5.2 Key Developmental and Training Needs Identification

The Training and Change Management Office was established to develop and provide a full complement of training opportunities for DMV employees, including both career-enhancement and process training. DMV also provides a comprehensive new employee orientation and transaction processing training to every new employee in the agency.

5.2 EPMS Supporting High Performance

Employees are formally evaluated on an annual basis with one informal evaluation occurring at mid-year to establish high performance standards and a strong work ethic. DMV encourages employee development and involvement in planning and performance reviews, and supervisors are encouraged to communicate performance expectations throughout the review period through discussion and informal reviews. Employees may attach written statements or rebuttals to the EPMS form for review by upper management and Human Resources.

Even though our performance measurement system is in place, we realize that not all managers utilize the system consistently. Effective August 17, 2005, the agency adopted a universal review date for its performance evaluation system that will allow managers to more effectively compare the performance of their employees with one another. By February 2007, all agency employees will have a universal review date of February 17.

5.4 Employee Well-Being and Satisfaction

Employees are also encouraged to voice their opinions and share their ideas and suggestions through the Office of Human Resources. The DMV Office of Human Resources also reviews all exit interviews returned by employees to determine employee satisfaction and identify any problem areas.

5.5 Maintaining Safe and Healthy Work Environment

DMV is committed to providing a safe and healthy work environment for all employees, and its commitment is evidenced in Strategy 7 of the agency's strategic plan: Maintain safe, professional and functional working facilities. Through office inspections, DMV ensures compliance with OSHA, ADA and indoor air quality standards. Employees are encouraged to report safety concerns and conditions that may constrict their job performance.

In FY 05-06 the agency significantly expanded its safety inspection program. It shares a safety officer with the Department of Public Safety. The safety program has included the establishment of a First Responder program in headquarters and OSHA training for all managers and supervisors. The agency has also developed a comprehensive facilities maintenance and upgrade plan. DMV has also installed security cameras in many offices and will continue to upgrade additional offices with these features to ensure the safety of our employees.

5.6 Community Involvement

DMV encourages employees to participate in various community activities across the state. Priorities are determined by the agency's ability to participate and make valuable contributions.

Carolina Children's Home - DMV headquarters employees answered the "wish lists" and purchased Christmas gifts for 30 children housed at the Carolina Children's Home in Columbia.

United Way Campaign - DMV employees support the United Way. In FY 05-06, 51 employees donated money through payroll deduction.

Red Cross - DMV employees donated \$ 2,135.00 to the Red Cross for victims of Hurricane Katrina. The blood drives in March and May collected more than 60 pints of blood for the Red Cross. Many DMV employees are also regular blood donors.

In addition, many of DMV's special plate fees are distributed to educational, non-profit and civic groups, and represent a significant source of income for these entities.

Gift of Life Trust Fund - DMV collected \$122,700.85 in donations for the Gift of Life Trust Fund in FY 05-06.

Other Donations - Following Hurricane Katrina, DMV employees filled the agency's tractor trailer with donations such as new clothing, paper products, toiletries, blankets, pillows, baby supplies and bottled water and delivered to Louisiana state employees.

Section III - Category 6 – Process Management

6.1 Key Processes that Produce, Create or Add Value

The Department of Motor Vehicles has developed a network of key design and delivery processes for the products and services it provides to its employees and citizens of the state. These key processes are based upon the Agency’s mission and the major strategic goals of management and are defined as delivering services directly to external customers. Key processes are delivered across multiple program areas and distribution channels, and utilize various technologies to provide value to our customers. Through direct contact and input from user groups and constituent-based surveys of customers that use the products and services of these delivery processes, the DMV is able to maintain changing customer and legislative requirements.

The chart below shows our key processes broken out by program area:

Program Area	Service Channel	Key Processes
Customer Service Centers	Geographically distributed face-to-face customer service centers	<ul style="list-style-type: none"> • Issue Driving Credentials and ID Cards • Process International Customer Driver Services (17 offices throughout the state) • Issue Titles • Process lien information • Issue Vehicle Registration Credentials • Clear driver and vehicle Reinstatement Requirements • Administer driver knowledge and skills tests • Provide Motor Vehicle Records • Issue IFTA and IRP credentialing to Motor Carriers (3 offices, to be expanded to 10) • Issue and Renew Dealer Licenses • Process customer change requests • Provide information and documents
Customer Service Delivery	Web-based transactions, mail-in transactions, automated interface transactions, Customer Call Center	<ul style="list-style-type: none"> • Issue duplicate and renewal driving credentials and ID cards • Process requests for driver and vehicle records • Issue titles and process title lien requests • Perform title and vehicle research • Perform driver record research • Oversee biennial registration and process exceptions • Respond to customer requests for information
Compliance and Oversight	Mail-in, face-to-face customer service; site visits to dealers, trucking companies, etc., face – to-face hearings, mail-in hearing requests	<ul style="list-style-type: none"> • Maintain driver record information from courts (uniform traffic tickets, court orders, etc.) • Enter and maintain accident data • Add driver and vehicle suspensions • Clear Reinstatement Requirements for Driver and Vehicle Suspensions • Process and Maintain driver medical exclusion information • Oversee uninsured motorist program • Process Dealer Licensing applications • Perform Dealer Licensing Inspections

		<ul style="list-style-type: none"> • Administer program and process transactions for the International Registration Plan (IRP), • Administer program and process International Fuel Tax Agreement (IFTA) transactions • Administer program and process transactions for Single State Registration System (SSRS) • Maintain Performance and Registration Information Management System (PRISM) • Maintain S.C. Commercial Drivers License (CDL) AAMVA reporting system • Perform inspections for third party CDL testers • Administer and oversee New Entrant Safety Assurance Programs • Process Administrative Hearing Requests and Results
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6.2 Incorporating Organizational Knowledge

DMV uses various inputs to determine process improvements. Many of our most innovative improvement initiatives are initiated through AAMVA conferences that showcase key products and services germane to our industry. We take a proactive role in proposing legislation that not only will meet the needs of our customers, but also will streamline the administration of the law. Similarly, we structure many of our Requests for Proposals to solicit new and innovative solutions to technical and process challenges. Finally, our employees are an invaluable source of process improvement suggestions, and management actively solicits input from employees on all levels; many of these suggestions are operationalized into system processes and agency procedures.

6.3 Meeting Key Requirements through Day-to-Day Operations

We constantly monitor business processes and undertake improvements as detailed in 6.2. Since efficient systems are composed of inputs, processes and outputs that have been reengineered, by improving the systems and processes that produce the output measures from our agency, we directly affect performance through the adjustment of the inputs and processes.

6.4 Key Support Processes

DMV defines support processes as those internal agency processes that are required to support key core business processes aimed at external customers. Some key support processes include:

- Information Technology
 - Maintain an information technology system that supports core process transactions
 - Provide technical help desk support to employees
- Communications
 - Maintain and implement internal and external communications plans
- Constituent Services

- Provide ombudsman services, including tracking and follow-up of requests for assistance from external customers
- Policy and Planning
 - Develop, maintain and distribute official agency policies and procedures
 - Develop, maintain and distribute official agency business processes
 - Maintain agency strategic plan
- Training and Change Management
 - Develop and maintain training materials supporting training curricula
 - Communicate official agency operational changes to employees
- Human Resources
 - Maintain employee employment information
 - Administer employee benefits
 - Maintain classification and compensation system
- Financial Services
 - Maintain budget and accounting systems
 - Maintain control over fixed assets and inventory
- Procurement Services
 - Process requisitions and purchase orders

The primary input for support process improvement is the voice of our customers – our employees. The agency realizes that a key element in any superior system is the people who function within the system. DMV feels that systems aimed at supporting employees should be as efficient as those for our external customers, so that our employees can focus on doing their job, not on what the job is doing to them.

6.5 Managing and Supporting Key Suppliers

Support is provided to key suppliers, contractors, and partnerships to improve performance and is based upon the actions and needs of the individual work units within DMV. DMV maintains relationships with contractors and suppliers through a listing in the Procurement Office. DMV holds vendors to a standard required for the specific need and requirement. The DMV Procurement Office and the Finance Office both ensure vendors deliver products and services requested and meet specifications within the required timeframe.

DMV has developed partnerships with many entities in order to provide a process beneficial to the public. These partnerships include the Department of Transportation, the Department of Revenue, the transportation industry, local law enforcement, county tax offices, the media, lien holders, driving schools, the medical community, the Hospital Association, AAMVA, colleges and universities, and others.

Section III - Category 7 – Results

7.1 Performance Levels and Trends for the Key Measures of Customer Satisfaction

DMV uses two means of measuring customer satisfaction:

7.1.1 Customer feedback received/solicited through Constituent Services Office

- DMV established a citizen ombudsman function in August 2003 through the establishment of the Communications and Constituent Services Office. In FY 06, this function was separated to provide more direct ombudsman service to constituents. In FY 06, the DMV Constituent Services Office handled approximately 2900 customer inquiries. These inquiries were often requests for general information, but also included specific complaints or praise for DMV products and services.
- After the establishment of a separate Constituent Services Office, we implemented a new tracking system that will allow us to better measure the types of inquiries that are being received, so that we can begin identifying systemic problems that might need to be corrected.
- If any customer inquiry indicates a negative comment regarding a DMV office or employee, an Accountability Report is issued to the appropriate senior leader for follow-up and required action. The Constituent Services Office monitors these responses.

7.1.2 Customer feedback received through surveys

In FY 05 we began having the University of South Carolina Institute for Public Service and Policy Research include us in their semi-annual state survey. We have now participated in three surveys. Our goal for FY 06 was to improve individual and overall measures by 5% annually. Our goal for FY 07 is to improve all field office measures to above 90% and all Call Center measures to above 80%. Table 7.1.3 shows selected results, shown as percentage of customers responding “very satisfied” or “somewhat satisfied”:

Table 7.1.2 Customer Satisfaction Ratings

Field Offices				
	Spring 05	Fall 05	Spring 06	% change Spring to Spring
% of those surveyed visiting office	50.8%	58.1	50%	-.8%
Courtesy/Attitude of Staff	85.2%	84.6	85.9%	.5%
Overall Ease of Process	81.5%	80.9	86.4%	4.9%
Quality of Service Received	83.1%	79.7	86.7%	3.6%
Speed of Service Provided	75.4%	73.7	82.3%	6.9%
Call Center				
% of those surveyed using Call Center	8%	11.2%	10%	
Courtesy/Attitude of Staff	67.1%	54.6%	80%	12.9%
Accuracy of Information Received	58.7%	50.0%	69.0%	11.7%
Quality of Service Received	49.9%	46.2%	66.3%	16.4%
Promptness of Service	48.3%	50.0%	74.7%	26.4%
Online Services				
% using Online Services	8.4%	12.3%	20.0%	11.6%
Satisfaction with ease of use of online process	82.3%	86.7%	96.2%	13.9%

7.2 Performance Levels and Trends for the Key Measures of Mission Accomplishment and Organizational Effectiveness

Our key measures are geared around two areas: Meeting strategic objectives and monitoring comparative statistics.

7.2.1 Strategic Initiatives

7.2.1.1 Expand web services transactions for commercial, government and law enforcement customers

- Objective: Develop web services business-to-business data interchange capability to migrate existing customers from outdated mainframe operations to business-to-business web services, including state portal customers, insurers, counties, and magistrate courts. Improve service for law enforcement and other government entities. Improve real time access to DMV information by law enforcement through use of web-browser based technology.
- DMV continues to expand its web services capabilities. In FY 06 we began offering vehicle registration products through the web for our business customers. We also successfully migrated most counties to a web-based interface. We are currently developing a web service interface with Court Administration that will facilitate the electronic interchange of traffic ticket dispositions.

7.2.1.2 Enable Electronic vehicle registration by dealers

- In a program begun as a pilot in FY 04, DMV developed a system to allow dealers to directly title and register vehicles onsite. This allows customers to walk away from a dealership with their vehicles already titled and registered.
- Objective: In FY 06 our goal was to enlist additional auto dealers to the system so that we could fully automate at least 30% of all dealer transactions through the EVR system. Actual results are reported in Table 7.2.1.2

Table 7.2.1.2

	FY 04	FY 05	FY 06
Total Approved Dealers	24	164	246
Total EVR Transactions	11,669	73,571	192,995
Total Counter Dealer Transactions	n/a	331,224	355,878
Total Dealer Transactions	n/a	404,795	548,873
EVR as % of total Dealer Transactions		18%	35%

7.2.1.3 Expanded program to administer driver knowledge tests through area high schools

- The program began as a pilot in FY 04 with 5 high schools across the state to administer knowledge tests at the school to eligible students.
- Objective: Double number of participating schools; Results: The program added 55 additional schools in FY 06. The program was also enhanced to allow for special testing of learning-disabled students, who traditionally are unable to pass standard written tests. The tests were administered with the assistance of oral readers; forty-four (44%) of these special students passed. Traditionally, fewer than 1/3 of learning-disabled students are able to pass a written test.

**Chart 7.2.1.3
High School Knowledge Test Administration Results**

	FY 04	FY 05	FY 06
Total Schools Participating	5	22	77
Total Students Tested	473	1611	4873

7.2.1.4 Piloted centralized Motor Carrier Services and CDL test sites at strategic offices throughout the state

- In FY 05, DMV piloted a program to distribute IRP and IFTA transactions to field offices. In FY 06, we added these transactions to the following offices: Chester, Dillon, Greer, Kingstree and North Augusta. All truckers previously needed to come to Columbia to register their fleets and pay their required taxes. These regional offices provide a “one-stop shop” at which truckers can complete their vehicle transactions, as well as obtain or renew their commercial driver’s licenses.

7.2.1.5 Pilot County Decal Issuance Program

- In FY 05, Dorchester County began issuing decals and registrations as part of a pilot program. Richland, Clarendon, Laurens and Aiken Counties began issuing decals in FY 06. In August 2006, Cherokee, Chester, Marion, Saluda and Spartanburg Counties began issuance. In September 2006, Abbeville and Bamberg joined the program, and we expect two additional counties by the end of the year.
- We anticipate that up to 10 additional counties will sign on to the program during FY 07.
- Table 7.2.1.5 shows the number of registrations issued by counties during FY 05, and the associated revenues. Going forward we will provide these statistics for all participating counties.

Table 7.2.1.5 – Issuance of Motor Vehicle Decals and Registrations by Counties

County	Transactions	Revenue
Aiken *	8,084	\$102,144
Clarendon	12,792	\$186,562
Dorchester	48,508	\$615,066
Laurens *	3,362	\$42,178
Richland	35,144	\$384,427
Total	107,890	\$1,330,377

* started on 06/01/2006

7.2.1.6 Maintained reduced statewide customer wait times.

- During FY 04 DMV achieved a dramatic decrease in wait times statewide, when, as a new agency, we focused on proper staffing levels and improving efficiency. Our objective in FY 06 was to continue to keep average wait times under 15 minutes. Table 7.2.1.6 details average annual wait times. Note that the reported times represent an average across offices; wait times were higher for individual transactions in offices with higher activity, and during peak periods.

Table 7.2.1.6 Average Annual Statewide Wait Times in Customer Service Centers

FY 04	FY 05	FY 06
15 minutes	10.1 minutes	7.2 minutes

7.2.1.7 Improve Call Center Operations

DMV completed the RFP process to solicit vendors to conduct the call center analysis and selected a vendor who has just completed the analysis phase of its contract. Specific recommendations focus on technology upgrades that will allow the calls received to be queued more efficiently to prevent busy signals, as well as recommending operational and staffing improvements to cut down the rate of abandoned calls.

Throughout the RFP process, our Call Center management also implemented a series of measures aimed at improving call center operations:

- Raised the daily quota of calls processed/agent
- Increased number of calls handled in the first 6 months of 2006 compared with same period in 2005 from 273,000 to 435,000 (59%)
- Increased the daily call average during the same period increased from 2,200 to 3,500 calls per day
- Both of these increases were achieved while increasing agent staff only 20%
- Cut the average time/call by more than half for the same comparison period. (This statistic measures the agent's knowledge and ability to answer customer's questions.)
- Improved cross training of agents to allow for greater staffing capacity
- Cross trained with other media groups in contact center (mailiin and web transactions) to increase relief capacity
- Streamlined hiring practices to minimize agent downtime from vacancies

7.2.1.8 Develop and implement formal customer service training program for work units throughout the organization

a) Expand New Employee Training

- As part of our continued efforts to prepare our employees to process transactions accurately and professionally, in FY 06 we expanded new employee training to an 8-day curriculum. In FY 07 we will be enhancing the New Employee Training program further to provide more background and depth to the training to teach employees the requirements and policy at the base of our processes, rather than focusing merely on correctly processing a transaction.

b) Continue Customer Service Training Program

In FY 05, DMV partnered with the technical colleges around the state to deliver customer service training to approximately 750 field representatives and 100 HQ representatives who deal directly with the public. In FY 06, we rolled out Phase II of customer service training. Objective: Train 100% of customer facing employees. Results: 98% of all customer representatives trained.

7.2.1.9 Revise EPMS review

Short year reviews and planning stage documents were completed in order to migrate all employees to a universal review date by February 2007. Objective: Implement universal review date of February 17 for all employees. Results: All employees will have moved to this universal review date by February 2007.

7.2.1.10 Implement Manager Training Program

Objective: Develop and implement full Manager Training curriculum to include Associated Public Manager (APM) courses and basic end-of-day reconciliation. Results: Our first group of 30 managers completed the State OHR APM program. The second group will begin training in January, 2007.

7.2.1.11 Establish Employee Career Path Classification, Compensation and Performance Plan

This program is a multi-year program to recruit, train and retain good DMV employees. Part of this program was to base compensation on the skills sets required for particular job types. During the last year, we conducted and implemented a classification and compensation program for all agency employees in pay band 5 and below. We converted approximately 200 long-standing temporary positions to FTE positions to equalize the pay of our temporary and FTE workers.

We are identifying the skill sets required for each level of employee within a particular job function and have identified gaps that will need to be filled with training.

We've expanded our training of both front-line and managerial staff, and are currently revamping our new employee training program to provide a more in-depth program.

The ability to recruit, train and retain efficient and effective employees reduces turnover, a major cost in our annual budget. Our objective is to reduce the current 25% turnover rate by 10% over the next 5 years.

Our initial focus is to implement the career path for our field offices employees first, since that is where we experience the highest rate of turnover. Because we want to raise the bar to make our employees more professional, knowledgeable, efficient and effective, customer-facing employees most directly project the face of the agency to the public.

7.2.1.12 Expanded outreach to international customers

The increase in the number of DMV customers from the international community is reflecting the basic demographics of the state. We are seeing dramatic increases in the number of international customers applying for a driver’s license or ID card.

During FY 06, we piloted a program in which we reconfigured the arrangement in two of our largest offices that process international customer licenses. Because these transactions take longer than the normal driver license issuance process, and because the document verification process can be complex, we wanted to offer a more private environment in which the customers can meet one-on-one with our service specialists in an individual office. The program has proven successful both for the international customers, in that they feel that they are getting more individualized service, and for the office at large, since by taking these more difficult transactions off the front counter we can maintain the flow of our more routine transactions.

We also recently opened another office to process our high volume of corporate international customers in the Upstate, bringing the total number of international centers to 17.

Table 7.2.1.12 details the increase in driving credentials or ID cards processed for international customers.

**Table 7.2.1.12
Credentials Processed for International Customers**

FY 04	FY 05	FY 06	Increase from 05
26,773	28,662	34,304	19.7%

7.2.1.13 Implement and support DMV intranet to improve employee/management communications

- During FY 06, we made numerous enhancements to our agency intranet, which has become the primary intra-agency communication tool. We now post fraud alerts for both title and driver’s licenses. We have also added an organizational section, listing key contacts for each administration. All agency forms used by employees are now interactive and accessible through the intranet, enabling employees to fill out the form on their computer and then print it.

- We are currently in the process of completely redesigning our intranet services, and expect to roll out the new design in the third fiscal year quarter.

7.2.1.14 Implemented Livescan background check and fingerprinting system

- Since January 31, 2005, all applicants for CDL with Hazmat endorsement must be fingerprinted and submit to a security background check by the FBI and the Transportation Safety Administration. DMV implemented this program on time in 10 field offices, using specially trained agents to take and transmit the fingerprints. Table 7.2.1.14 shows the total number of transactions processed between in FY 05 and 06.

Table 7.2.1.14

TESTING SITE	TOTAL FINGERPRINTED	TOTAL PASSED	TOTAL FINGERPRINTED	TOTAL PASSED
	FY 05		FY 06	
Spartanburg	133	93	670	681
Chester	63	51	226	231
Ladson	130	95	520	535
Irmo-Ballentine	132	89	628	631
North Augusta	70	45	263	270
Kingstree	47	30	178	182
Ridgeland	27	23	82	96
Greenwood	39	33	89	82
Pickens	111	82	471	487
Dillon	107	78	381	393
GRAND TOTAL	859	619	3508	3588*

* FY 06 Total Passed totals reflect drivers who were fingerprinted in FY 05, who appealed their initial assessment and subsequently passed the assessment in FY 06.

7.2.1.15 Enhanced the Automobile Liability Insurance Reporting System (ALIR)

- In March 2004 S.C. implemented the ALIR system, aimed at identifying uninsured motorists. The system became mandatory in September 2004 for the electronic reporting of Notices of Cancellation. In January 2005, suspension of the owner’s driver’s license, as well as tags, was implemented as the penalty for failure to obtain insurance subsequent to a cancellation.
- In July 2006, the ALIR system was enhanced to permit electronic reporting of FR10 Verification of Insurance at Time of Accident transactions. Since this enhancement was offered, 76,454 FR10 transactions have been submitted electronically.
- During FY 06 we also added functionality to the system that allows not just insurance companies but also their agents to report insurance information electronically.
- DMV also implemented a pilot program in FY 06 through the ALIR system that allows the Department to verify the insurance information provided at the time of initial registration of a vehicle. As this program becomes

institutionalized, it will further assist in closing the loop on detecting uninsured motorists.

- Chart 7.2.1.14 shows statistics comparing FY 05 and FY 06 cancellation notices received electronically, responses to the cancellation notices (FR4a) reported electronically. Beginning in September 2006, all insurance responses to cancellation notices must be submitted electronically.

**Chart 7.2.1.9
Number of Notices of Cancellation Processed**

	FY 05	FY 06	% change
FR 4 Cancellations	405,032	512,956	26.6
FR4a compliance Transactions submitted electronically	70,253	177,320	152.4%

7.2.1.16 Expanded Fraud Detection Program

During 2006, the following actions were completed under this program area:

- Established Office of Integrity and Accountability to monitor and investigate incidents of potential employee and customer fraud and improper employee conduct.
- Staff from the Office of Integrity and Accountability are attending new employee orientation and field office staff meetings providing guidance on policies, ethics, and reiterating the need to maintain the Departments high standard of customer service.
- The internal affairs unit of this office investigates all allegations of misconduct by employess. Criminal cases are referred to SLED. Since the program started this year, the office has conducted 78 investigations, 25 of which were referred to SLED. Some of these cases have resulted in the arrest of DMV employees.The internal affairs unit is also visiting DMV offices
- The fraud detection unit is focused on identifying customer fraud and works with other agencies (including the Bureau of Vital Statistics in DHEC) to help curtail identity theft cases. Since its establishment, this unit has identified 174 cases of potential identity theft and successfully closed 103 of those cases. This unit also identified 358 cases of potential fraud, 143 and 215 of which were referred to SLED and local law enforcement, respectively.
- Established Risk Mitigation Plan for monitoring activities, to include random sampling of title transactions aimed at detecting fraudulent activities.
- Expanded fraudulent document training for front-line employees to help them identify fake documents presented to obtain DMV products. Many of the customer fraud investigations were the direct result of our employees' vigilance in reviewing acceptable documentation.

Vehicle and identity fraud costs consumers and the state millions of dollars each year. Because the agency is charged with ensuring vehicle registration and driver's license integrity (the driver's license has become the most acceptable form of identification in commerce), every case in which we identify an employee fraudulently issuing DMV products for personal gain, or in which we identify a title washing or fake ID operation reduces the cost to the public.

DMV's fraud office provided a valuable service in the aftermath of Hurricane Katrina by developing and implementing a program through which storm victims could obtain replacement credentials through their home states. The agency worked with DMVs in Louisiana, Alabama and Mississippi to develop a process for verifying the victim's eligibility for a replacement; the fraud unit implemented and oversaw the program, and staffed the Columbia processing center for relocated hurricane victims. Our ability to respond was directly related to having internal systems in place to allow for the verification of identity.

7.2.1.17 Requirements for REAL ID Act

We are in the infancy stages of planning for the REAL ID Act. The agency has developed information packets that were distributed to legislators and the Congressional delegation aimed at educating them about the Act's requirements and their potential impact on S.C.. The Executive Director has held meetings with key legislators to make them aware of these requirements. The primary goal of the agency is that if the Governor and legislature decide to adopt the requirements of the REAL ID Act in S.C., the agency and the state's citizens are prepared for the changes with the least amount of disruption possible.

Currently, American Association of Motor Vehicle Administrators (AAMVA), the National Governor's Association, and the National Conference of State Legislators are meeting regularly with federal officials to help develop regulations.

Because final regulations governing REAL ID enactment will not be released until mid-2007 at the earliest, we are currently phasing the REAL ID project to begin activities in January aimed at getting our systems ready for a possible enactment, and to begin a public education campaign.

7.2.1.18 Improve communications between courts and DMV

SCDMV and the state court system have developed an interface between the DMV Phoenix system and the Court Management System (CMS) for the exchange of traffic citation and disposition data. The Court Management System involves collecting data from magistrate and criminal courts in 46 counties, and involves integrating legacy systems with the new Court Management Systems. DMV's interface will be connected directly with the CMS, as well as with vendor-supported systems in several counties. The system will allow a court data entry person to enter a S.C. driver's license number from a citation and retrieve all of that person's DMV data directly into

the CMS. The court user will then enter the disposition, which will be transmitted electronically to DMV's system and update the driving record

The system is in the final stages of testing and will be deployed on a pilot basis in fourth quarter 2006 for offenses that occurred in a commercial motor vehicle (CMV), or which were committed by a holder of a commercial driver's license (CDL). The primary measure for effectiveness is to reduce the processing time between conviction and posting to a driving record to 10 days or less, from the current time of 30 days or more.

This program lays the groundwork for complete electronic processing of citations currently under consideration by the Department of Public Safety, in which law enforcement enters the citation data which is then transmitted to the court. The court will enter the disposition, which will then be transferred to DMV's system to populate the driving record.

The pilot program is aimed at bringing South Carolina into compliance with the Motor Carrier Safety Improvement Act, which requires that an offense committed in a CMV or by a CDL holder be posted to an offender's record within 10 days of conviction. The program represents a partnership with a key DMV stakeholder - the court system - and lays the groundwork for future partnering with law enforcement.

7.2.1.19 Develop agency Safety and OSHA program

As facilities are constructed and/or renovated, OSHA and ADA improvements are incorporated into the design. These improvements have a direct impact on the working environment and reduce the number of injuries and illnesses to employees and customers. Additionally, many employees have attended a 10-hour OSHA course to make them more aware of hazards in the workplace. This training will allow DMV to address these hazards in a more timely fashion; thereby reducing injuries or illness to our employees and customers. As a result of these efforts, DMV's worker's compensation claims and premiums continue to decline.

- As indicated above, DMV and DPS share an OSHA safety officer. He has developed programs to ensure compliance with many of the applicable OSHA standards. He is continuing to refine the overall program to include additional employee training, inspections and an employee safety committee.
- All branch managers, custodians and other designees have attended Bloodborne Pathogen training delivery by LLR's OVP staff.
- All First Responder volunteers have received First Aid and CPR training.
- A comprehension evacuation plan has been developed for the DMV HQ building. All HQ employees have been trained on this plan.
- Evacuation routes have been drawn for the field offices. Office staff will be trained on the overall evacuation procedures for their specific office in the coming 12 months.

7.2.2 Comparative Results

- Because DMV is now able to track comparative results, wherever possible we will begin reporting statistics and performance measures on a FY to FY comparative basis. Our comparative measures fall within the following categories:

7.2.2.1 Customer Service Transactions

Total Transactions

- Total transactions represent all DMV transactions for which a fee is collected, from all media. The totals include all field, headquarters, web and third party transactions.
- More than 30% of all direct customer transactions are processed through mail and web.
- Approximately 47% of all transactions are processed in field offices.
- Remaining transactions represent business-to-business transactions.
- Note that *Miscellaneous Transactions* include purchase of driver records, payment of reinstatement fees and other transactions not identifiable in one of the other three categories.

**Table 7.2.2.1a
Total DMV Transactions – ALL MEDIA**

	FY 04	FY 05	FY 06	% change
Total Driver Transactions	1,729,493	1,827,208	2,085,913	14.16%
Total Title Transactions	1,623,833	1,620,671	1,654,722	2.10%
Total Registration Transactions	5,134,800	5,409,299	5,265,427	-2.66%
Total Miscellaneous Transactions	3,315,970	3,813,344	4,468,401	17.18%
Total Statewide Transactions	11,804,096	12,670,522	13,474,463	6.34%

Call Center Transactions

Table 7.2.2.1b

	FY 05	FY 06	% change
Total Calls Received	529,658	738,997	39.5%
Avg. Calls/day	2148	2998	

Field Office Transactions

There are 69 customer service centers located throughout the state. With the exception of 3 offices, all offer full service transactions including driver licensing services, vehicle registration, license reinstatements, and titling services. In addition to these services, 16 offices offer transactions for international customers, 34 offices offer skills tests for commercial drivers, and 10 offices provide fingerprinting for CDL hazardous material background checks. Table 7.2.2.1c represents the number of transactions processed in field offices over the last three years.

Table 7.2.2.1c

	Number of Transactions	% Change
FY 04	5,651,178	
FY 05	6,046,756	7%
FY 06	6,392,018	5.7%

Customer Transactions Using Website

- DMV currently offers the following transactions online: Driver’s license renewal; Driver status inquiry; ID renewal; Pay late registration fees; Change address; Obtain duplicate license; Obtain duplicate registration; Pay license reinstatement fees; obtain driver records.
- During FY 06 we have seen a dramatic increase in the use of our public services offered through our website. We have aggressively promoted our online services through all of our correspondence to customers, so more people are becoming aware of our online capabilities. In fact, customer surveys indicate that our web transactions rank highest in customer satisfaction among our service channels.

	FY 04	FY 05	FY 06	% change
Total Payment Transactions				
Duplicate DL	4,389	6,013	14,261	137.17%
Duplicate Registration	2,213	2,529	12,680	401.38%
Modify DL	20,658	22,282	30,331	36.12%
Pay Reinstatement Fee	2,462	2,832	10,951	286.69%
DL Renewal	24,571	28,492	88,389	210.22%
ID Renewal	506	438	1,764	302.74%
Pay Registration Late Fees	591	3163	7,499	137.09%
Total	55,390	55,749	185,248	

- During FY 06, DMV partnered with the State Web Portal to provide driver records through that website. As a result of that partnership, we have seen a decrease in the number of records obtained through direct access to the DMV website, due to driver record traffic routing through the portal. Going forward driver record statistics for the different channels will be reported separately.

	FY 04	FY 05	FY 06	% change
Obtain Driver Record (public site)	*1652	165,107	19,373	-88.27%
Obtain Driver Record (through State Portal or member services)			2,324,168	

7.2.2.2 Compliance and Oversight Transactions

DMV monitors key transactions to determine trends in customer's compliance with the law.

Table 7.2.3.2 Customer Compliance Transaction Activity

Transaction type	FY 04	FY 05	FY 06
Total Uniform Traffic Tickets Processed	1.5 M	1.31 M	1,219,826
DL suspensions processed	178,188	171,704	201,484
Number of other insurance related suspensions	41,886	56,627	43,536
Number of accident reports keyed	158,933	190,167	180,048
Sale of Accident Reports by Mail	58,950	60,218	57,297

7.2.2.3 Motor Carrier Transactions

- The table below indicates the number of transactions or services performed in each Motor Carrier program area.

Table 7.2.2.3 Motor Carrier Services

Activity	FY 04	FY 05	FY 06
International Registration Plan (IRP)			
Active Accounts	6,237	6,333	6,332
Renewed Accounts	5,256	5,263	5,300
New Accounts	981	1,070	1,032
Active Apportioned Vehicles	21,950	21,390	22,752
Audits Conducted	190	172	206
International Fuel Tax Agreement			
Active Accounts	3,846	3,907	3,802
Number of Quarterly Filings	15,384	15,628	11,301
Number of Decals Issued	37,605	45,550	41,471
Exempt			
Active Accounts	606	574	237
Single State Registration System (SSRS)			
Active Accounts	2,082	2,418	2,241
Certificate of Compliance			
Active Accounts	1,247	1,635	1,699
New Accounts	186	438	288
New Entrant			
Safety Audits	379	219	316
Vehicle Inspections	7	147	419

7.2.2.4 Motor Carrier Services – CDL Compliance

- The table below indicates the number of transactions or services performed in the CDL compliance area of Motor Carrier Services.

Table 7.2.2.4 CDL Compliance

Activity	FY 2004	FY 2005	FY 2006
Total Random Recalls	379	17	54
DMV 447 RT Audits	7	2	0
Third Party Tester Audits	251	154	231
DMV CDL Examiner Training	1	1	3
CDL TPT Truck Classes	3	2	3
CDL TPT Bus Classes	3	0	2
TPT Refresher Classes	8	0	0
TPT DOE Refresher Classes	1	0	0
CVSA Inspections	82	41	77
Truck School Inspections	48	58	10

7.3 Performance Levels for Key Measures of Financial Performance

a) **Performance versus Expenditures.** Chart 7.3 – 1 details performance measuring appropriations versus expenditures

Chart 7.3 – 1 Appropriations Versus Actual Expenditures

	2004			2005			2006		
	Original Appropriations	Adjusted Appropriations	Year End Expenditures	Original Appropriations	Adjusted Appropriations	YTD Expenditures	Original Appropriations	Adjusted Appropriations	YTD Expenditures
0114				94,000	96,827	96,827	99,360	102,341	102,341
0158	19,171,987	19,228,770	19,228,770	12,667,159	14,805,143	14,805,143	8,016,475	8,484,778	8,484,778
0160	93,396	33,807	33,807	0	0	0			
0170	<u>602,528</u>	<u>372,103</u>	<u>372,103</u>	<u>0</u>	<u>3,723</u>	<u>3,723</u>	<u>0</u>	<u>74,781</u>	<u>74,781</u>
	19,867,911	19,634,681	19,634,681	12,761,159	14,905,693	14,905,693	8,115,835	8,661,900	8,661,900
1201	530,926	1,183,582	1,183,582	59,954	185,133	185,133	0	64,348	64,348
1300	6,678,842	6,067,996	6,067,996	6,301,121	4,851,720	4,851,720	2,737,751	2,562,280	2,562,280
0700									
State	27,077,679	26,886,258	26,886,258	19,122,234	19,942,547	19,942,547	10,853,586	11,288,528	11,288,528
0158	1,173,224	6,444,703	6,084,738	8,806,795	13,834,067	13,335,909	13,857,751	22,364,156	22,363,993
0170	<u>37,589</u>	<u>3,532,589</u>	<u>3,350,161</u>	<u>3,976,299</u>	<u>3,261,742</u>	<u>3,135,922</u>	<u>3,033,927</u>	<u>4,775,374</u>	<u>4,775,374</u>
	1,210,813	9,977,292	9,434,899	12,783,094	17,095,809	16,471,831	16,891,678	27,139,529	27,139,366
1201	23,676,060	22,401,968	19,310,473	26,802,102	23,290,364	22,112,617	26,737,733	17,627,217	17,365,977
1300	164,000	2,750,500	2,624,101	3,399,567	4,863,308	4,848,150	4,544,524	8,917,189	8,051,129
0700	0	1,008,309	32,543	0	2,797,856	272,837	0	8,481,731	1,134,130
Earmarked	25,050,873	36,138,069	31,402,016	42,984,763	48,047,337	43,705,435	48,173,935	62,165,666	53,690,603
0158	633,467	633,467	439,500	429,834	529,834	500,670	475,701	878,757	841,403
0170	<u>90,000</u>	<u>141,300</u>	<u>135,345</u>	<u>93,750</u>	<u>93,750</u>	<u>65,870</u>	<u>90,600</u>	<u>93,417</u>	<u>83,862</u>
	723,467	774,767	574,845	523,584	623,584	566,540	566,301	972,174	925,264
1201	3,306,332	335,233	6,398	0	0	0	3,464,088	3,644,088	3,588,529
1300	279,606	279,606	162,972	149,645	174,645	165,920	156,223	305,350	267,812
Restricted	4,309,405	1,389,606	744,215	673,229	798,229	732,460	4,186,612	4,921,612	4,781,606
0158	0	74,812	70,788	70,000	119,369	111,093	109,366	120,924	120,924
0170				<u>158,222</u>	<u>171,505</u>	<u>161,447</u>	<u>55,705</u>	<u>226,694</u>	<u>226,694</u>
				228,222	290,874	272,540	165,071	347,618	347,617
1201	0	1,420,010	455,828	1,441,639	2,213,771	641,446	1,487,150	1,462,150	301,736
1300	0	21,335	19,856	80,631	85,832	78,402	60,000	107,453	97,931
Federal	0	1,516,157	546,471	1,750,492	2,590,477	992,388	1,712,221	1,917,221	747,284
0114	0	0	0	94,000	96,827	96,827	99,360	102,341	102,341
0158	20,978,678	26,381,753	25,823,796	21,973,788	29,288,413	28,752,815	22,459,293	31,848,615	31,811,097
0160	93,396	33,807	33,807	0	0	0			
0170	<u>730,117</u>	<u>4,045,992</u>	<u>3,857,610</u>	<u>4,228,271</u>	<u>3,530,720</u>	<u>3,366,962</u>	<u>3,180,232</u>	<u>5,170,265</u>	<u>5,160,710</u>
	21,802,191	30,461,552	29,715,213	26,296,059	32,915,961	32,216,604	25,738,885	37,121,221	37,074,147
1300	7,122,448	9,119,436	8,874,924	9,930,964	9,975,505	9,944,192	7,498,498	11,892,272	10,979,152
0700	0	1,008,309	32,543	0	2,797,856	272,837	0	8,481,731	1,134,130
1201	27,513,318	25,340,793	20,956,280	28,303,695	25,689,268	22,939,196	31,688,971	22,797,803	21,320,590
Total Agency	56,437,957	65,930,090	59,578,960	64,530,718	71,378,590	65,372,829	64,926,354	80,293,027	70,508,020

b) Budget Measures

	FY 05	FY 06
Budget Transfers	330	279
Cash Transfers	209	228
Interdepartmental Transfers	406	350

c) Accounting Measures

	FY 05	FY 06
Vouchers (a/p) processed (non-refund)	3,372	6,580
Refund Vouchers	unavailable	67,676

d) Procurement Measures

	FY 05	FY 06
Total number of POs processed by fiscal mo/year	1,392	1,369

Total # of Sole Sources by Quarter

Quarter	FY 05		FY 06	
	<u>Dollars</u>	<u>Number</u>	<u>Dollars</u>	<u>Number</u>
1	\$336,972	12	175,983	4
2	16,252	5	12,495	1
3	1,097,515	8	1,138,806	11
4	292,050	8	101,635	5
	\$1,742,789	33	1,428,919	21

Total # of Emergency POs by Quarter

Quarter	FY 05		FY 06	
	<u>Dollars</u>	<u>Number</u>	<u>Dollars</u>	<u>Number</u>
1	\$174,811	2	0	0
2	51,240	2	264,096	1
3	49,208	2	0	0
4	27,260	1	0	0
	\$302,519	7	264,096	1

7.4 Performance Levels and Trends for Key Measures of Human Resource Results

a) EEO Goals: reported on federal FY basis. FY 06 figures will be available in October 06.

FY 2002-03	FY 2003-04	FY 2004-05
93.9%	89.6%	89.1%

b) Workers Comp lost time claims:

FY 04	FY 05	FY 06
3 total claims, representing 3 total lost time work weeks with a payment of \$18,951 for 2 of the 3 claims (the third claim has yet to be settled)	4 total claims, representing 26 total lost time work weeks, with a payment of \$15,783 for 1 of the 4 claims (the remaining 3 have not been settled to date.)	5 total claims, representing 4 weeks and 1 day lost time, with a payment of \$1,342.90 for 2 of the 5 claims (out of the remaining 3, 1 has not been settled to date.)

7.5 What are your performance levels and trends for the key measures of regulatory/legal compliance and community support?

a) Agency Compliance

The agency complies with all external regulatory requirements from state and federal regulatory agencies and submits regulatory reports as required. We are audited by a number of state and federal entities. For audits, our performance goal measure is to achieve no material findings in any of our audit reports.

DMV follows the following guidelines:

- Accounting – STARS guidelines, Comptroller General, State Treasurer, CAFR year-end closing package
- HR - State OHR regulations/ State Human Affairs Commission
- Budget – State budget office detailed budget submission
- Fleet – State Fleet guidelines, annual Motor Vehicle Management Review
- Fixed Assets – STARS, state surplus guidelines

b) Regulatory Audits

Financial

- State Auditor’s Office
- State Procurement Auditors
- Legislative Audit council
- State Human Resources Desk Audits
- Procurement – audited at least once every 3 years

Motor Carrier

- FMCSA – CDL and PRISM audits every 3 – 4 years
- IFTA – 3-4 year audit cycle by IFTA, Inc.
- IRP – IRP Inc. every 4-5 years

c) Office of Internal Audit

During FY 06, the South Carolina Department of Motor Vehicles developed and staffed an internal audit function to conduct audits of all areas of the agency. The Office of Internal Audit (OIA) is concerned with the effectiveness and adequacy of internal controls implemented to safeguard agency assets and information. The Office conducts routine audits to validate compliance with applicable policies, procedures, and laws. In addition, the OIA offers consultative services to perform reviews or make evaluations of an area specifically requested by management. Upon

reviewing an area, recommendations are identified where the agency could improve operations, strengthen internal controls, and save or reduce costs.

The OIA staff maintains numerous professional certifications within the areas of auditing and fraud investigations to include: Certified Internal Auditor, Certified Government Audit Professional, Certified Fraud Examiner, Certified Fraud Specialist, and Certified Business Manager.

The OIA submits an annual audit plan to Executive Management listing potential audit areas for the next calendar year. The plan focuses on high risk areas, areas not audited to date, and those areas requested by management. Areas reviewed that receive audit recommendations are required to submit a corrective action plan indicating efforts being made to implement appropriate changes. OIA then conducts a follow-up review to ensure the needed improvements have been implemented.

In addition to the necessary administrative duties required with the setting up of a new department (i.e. staffing, policy and procedure development, etc.), since its inception in FY 06, the OIA has reviewed 8 of 69 (12%) field offices located throughout the State; assisted the Office of Integrity and Accountability with investigations of fraud or employee wrongdoing in two cases, assisted in the audit of the Motor Carrier Division by the Federal Motor Carrier Safety Administration, conducted four consultative reviews requested by executive management, sponsored a request for proposal to contract with an outside vendor to perform audits on companies which purchase information from the SCDMV under the Driver Privacy Protection Act, and actively participated, consulting on internal controls, on four policy development committees.