

**South Carolina Department of Motor Vehicles
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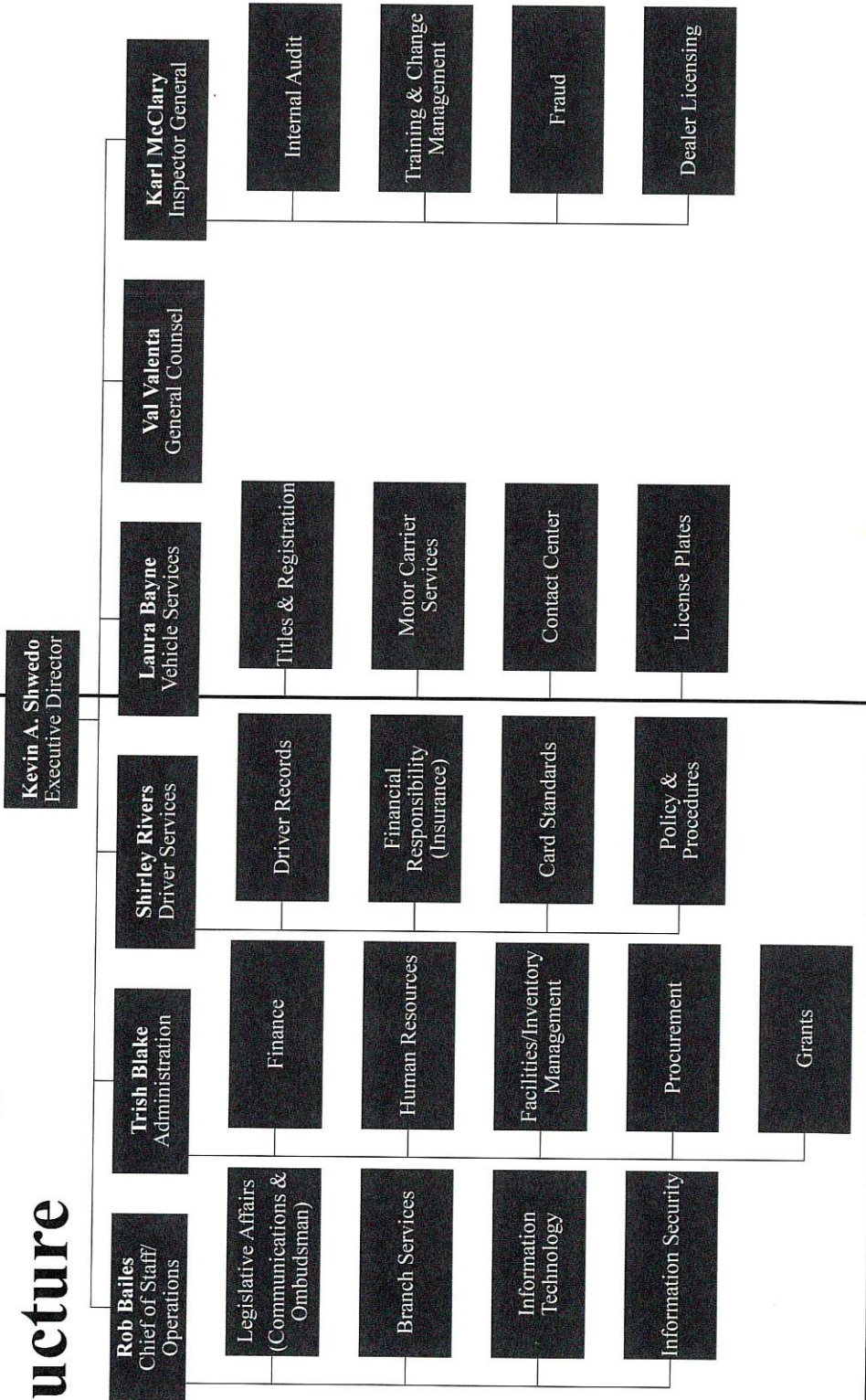
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SCDMV Organizational Structure



SCDMV FY2019

Accountability Report Highlights

- The SCDMV is proud of its partnership with the Donate Life organization. On June 20, 2019, South Carolina had 2,121,948 registered donors compared to January 2014 when the state had 1,122,446 registered donors – an increase of 999,502 donors.
- In addition to the agency's 67 branches, the SCDMV utilizes two mobile rapid response capabilities with our Community Area Response and Emergency Services (CARES) vehicle and Self-Contained Hazard Area Response Kits (SHARK). The CARES and SHARK capabilities stand ready to deploy to areas impacted by natural disasters, though no such deployments were needed in FY19. Instead, the mobile offices were used at several community outreach deployments to state agencies, the legislature, and public hubs (like airports) in FY19.
- In FY19, the agency successfully processed a total of **15,744,086** transactions (including web, county, title, and registration services). Of these transactions, **6,558,400** were processed throughout the state in our branch offices and **4,507,569** were processed in our Headquarters location. In addition to these numbers, SCDMV Headquarters staff processed **27,021** licenses surrendered from out of state, **1,093,510** tickets/violations, and **14,769** financial responsibility suspensions.
- The General Assembly passed six bills in 2019 that directly impacted the SCDMV, including a comprehensive licensing and ID card bill that allowed the agency to extend the issuance periods for the cards to the maximum allowed under federal law. The agency also made significant strides towards implementing REAL ID, the SC Infrastructure Act, and the traceable temporary license plate legislation from the 2018 legislative session.
- **Phoenix, the SCDMV's COBOL-based internal transaction database, was implemented in 2002 and has had approximately 11,000 modifications applied. Within the next several years, the agency will have very limited staff with experience to maintain and support the existing IT architecture. It is imperative that agency receives funding to modernize this system.**

Fiscal Year 2020-21 Budget Request Executive Summary

Priority	Request Type	Request Title	BUDGET REQUESTS			FUNDING			FTE'S			
			State	Federal	Earmarked	Restricted	Total	State	Federal	Earmarked	Restricted	Total
1	B2 - Non-Recurring	Phoenix III Modernization	24,500,000									0.00
2	B1 - Recurring	SCDMV Career Pathing Plan	9,800,000									0.00
3	B1 - Recurring	Cyber Insurance	80,000									0.00
4	B1 - Recurring	IMF Quality Assurance Team	204,500						4.00			4.00
5	B2 - Non-Recurring	Real ID			4,200,000							0.00
6	B2 - Non-Recurring	Motor Carrier System Upgrade - 15% Grant Match	268,300									0.00
7	B1 - Recurring	FTE Reclassifications										0.00
8												0.00
9												0.00
10												0.00
11												0.00
12												0.00
13												0.00
14												0.00
15												0.00
16												0.00
17												0.00
18												0.00
19												0.00
20												0.00
21												0.00
22												0.00
23												0.00
24												0.00
25												0.00
26												0.00
27												0.00
28												0.00
29												0.00
30												0.00
TOTAL BUDGET REQUESTS			34,852,800	0	4,200,000	0	0	39,052,800	4.00	0.00	0.00	4.00

AGENCY NAME:	South Carolina Department of Motor Vehicles		
AGENCY CODE:	R400	SECTION:	82

FORM B2 – NON-RECURRING OPERATING REQUEST

AGENCY PRIORITY
Provide the Agency Priority Ranking from the Executive Summary.

TITLE
Provide a brief, descriptive title for this request.

AMOUNT
What is the net change in requested appropriations for FY 2020-21? This amount should correspond to the total for all funding sources on the Executive Summary.

FACTORS ASSOCIATED WITH THE REQUEST

Mark "X" for all that apply:

<input checked="" type="checkbox"/>	Change in cost of providing current services to existing program audience
<input type="checkbox"/>	Change in case load/enrollment under existing program guidelines
<input type="checkbox"/>	Non-mandated change in eligibility/enrollment for existing program
<input type="checkbox"/>	Non-mandated program change in service levels or areas
<input checked="" type="checkbox"/>	Proposed establishment of a new program or initiative
<input type="checkbox"/>	Loss of federal or other external financial support for existing program
<input type="checkbox"/>	Exhaustion of fund balances previously used to support program
<input checked="" type="checkbox"/>	IT Technology/Security related
<input checked="" type="checkbox"/>	Consulted DTO during development
<input checked="" type="checkbox"/>	Request for Non-Recurring Appropriations
<input type="checkbox"/>	Request for Federal/Other Authorization to spend existing funding
<input type="checkbox"/>	Related to a Recurring request – If so, Priority # _____

STATEWIDE ENTERPRISE STRATEGIC OBJECTIVES

Mark "X" for primary applicable Statewide Enterprise Strategic Objective:

<input type="checkbox"/>	Education, Training, and Human Development
<input type="checkbox"/>	Healthy and Safe Families
<input type="checkbox"/>	Maintaining Safety, Integrity, and Security
<input type="checkbox"/>	Public Infrastructure and Economic Development
<input checked="" type="checkbox"/>	Government and Citizens

ACCOUNTABILITY OF FUNDS

What specific strategy, as outlined in the FY 2019-20 Strategic Planning and Performance Measurement template of agency's accountability report, does this funding request support? How would this request advance that strategy? How would the use of

AGENCY NAME:	South Carolina Department of Motor Vehicles		
AGENCY CODE:	R400	SECTION:	82

these funds be evaluated?

RECIPIENTS OF FUNDS	Contractors and Vendors
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What individuals or entities would receive these funds (contractors, vendors, grantees, individual beneficiaries, etc.)? How would these funds be allocated – using an existing formula, through a competitive process, based upon predetermined eligibility criteria?

JUSTIFICATION OF REQUEST	<p>Phoenix is DMV's internal transaction database and principal information system. The COBOL-based Phoenix application was developed in the late 1990's and implemented in August 2002.</p> <p>DMV has applied approximately 11,000 modifications to the Phoenix system since 2004. With over 11,000 modifications, and twenty years of age, Phoenix will become unmaintainable without modernization.</p> <p>The business processing behind Phoenix is hosted in COBOL which is a legacy computer language. COBOL programmers are nearing retirement and are increasingly difficult to replace. Within the next several years, DMV will have very limited staff with experience to maintain and support the existing IT architecture.</p> <p>Without modernization, DMV will have limited ability to implement changes in law and changes required by law enforcement. An unreliable system will also negatively impact our customers.</p> <p>SCDMV, and the State of South Carolina, can no longer delay Phoenix modernization. It is imperative that DMV gains funding to begin this modernization process.</p> <p>DMV is requesting \$24.5M to implement a full system modernization over four to five years. Options for funding include:</p> <ol style="list-style-type: none"> 1) DMV prefers to receive full project funding of \$24.5M in FY21, with ability to carryforward. 2) \$12.25M funding in FY21 and \$12.25M in FY22, with ability to carryforward. 3) \$4.0M in FY21 with additional funding each fiscal year. <p>See next page for itemized cost estimates.</p>
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Phoenix III Cost Estimates (in millions)

- \$4.00 Project Management / Administration
- \$8.00 Retire COBOL. Rewrite / Rehost business processes.
- \$0.50 Hardware / Infrastructure
- \$0.50 Development Site - offsite from DMV HQ
- \$1.50 eForms & Workflow
- \$0.50 Virtual Customer/Employee Assistant
- \$2.00 Eliminate Phoenix Client
- \$0.50 Omni Channel (Kiosks, Mobile)
- \$1.00 Testing Support
- \$0.75 Supportability Improvements
- \$1.25 Performance Monitoring
- \$1.50 Disaster Recovery - upgrades to existing DR
- \$2.50 Credential Issuance - full CI
- \$24.50 Total Cost**

Please thoroughly explain the request to include the justification for funds, potential offsets, matching funds, and method of calculation. Please include any explanation of impact if funds are not received. Does this non-recurring appropriation request create an annualization or need for recurring funds?

FORM B1 – RECURRING OPERATING REQUEST

AGENCY PRIORITY	2nd Priority <i>Provide the Agency Priority Ranking from the Executive Summary.</i>
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TITLE	SCDMV Equitable Compensation and Employee Retention Career Pathing Plan <i>Provide a brief, descriptive title for this request.</i>
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AMOUNT	General: \$9,800,000 Federal: Other: Total: \$9,800,000 <i>What is the net change in requested appropriations for FY 2020-21? This amount should correspond to the total for all funding sources on the Executive Summary.</i>
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NEW POSITIONS	None <i>Please provide the total number of new positions needed for this request.</i>
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FACTORS ASSOCIATED WITH THE REQUEST	Mark "X" for all that apply:	
	<input type="checkbox"/>	Change in cost of providing current services to existing program audience
	<input type="checkbox"/>	Change in case load/enrollment under existing program guidelines
	<input type="checkbox"/>	Non-mandated change in eligibility/enrollment for existing program
	<input type="checkbox"/>	Non-mandated program change in service levels or areas
	<input checked="" type="checkbox"/>	Proposed establishment of a new program or initiative
	<input type="checkbox"/>	Loss of federal or other external financial support for existing program
	<input type="checkbox"/>	Exhaustion of fund balances previously used to support program
	<input type="checkbox"/>	IT Technology/Security related
	<input type="checkbox"/>	Consulted DTO during development
<input type="checkbox"/>	Related to a Non-Recurring request – If so, Priority # _____	

STATEWIDE ENTERPRISE STRATEGIC OBJECTIVES	Mark "X" for primary applicable Statewide Enterprise Strategic Objective:	
	<input checked="" type="checkbox"/>	Education, Training, and Human Development
	<input type="checkbox"/>	Healthy and Safe Families
	<input type="checkbox"/>	Maintaining Safety, Integrity, and Security
	<input type="checkbox"/>	Public Infrastructure and Economic Development
<input type="checkbox"/>	Government and Citizens	

ACCOUNTABILITY OF FUNDS

- 1.1 Ensure the average initial wait time for a customer stays below 20 minutes per business day
- 1.2 Ensure Revenues collected are distributed in order to provide financial support to outside organizations
- 1.3 Reduce backlogs to ensure a five-business-day turnaround standard
- 2.1 Increase amount of services available online
- 2.2 Secure legislative support for modernization and efficiency efforts
- 2.3 Leverage partnerships for deliverability of products and services
- 3.1 Increase SCDMV security posture of our network infrastructure for B2B transactions to better protect SC citizens data
- 3.2 Maintain and increase internal and external auditing functions
- 3.3 Retain effective measures to reduce fraud and introduce new measures when appropriate
- 4.1 Emphasize career development and employee retention within the SCDMV
- 4.2 Continue to request funding for employee increases and educational opportunities
- 4.3 Continue existing recognition program

What specific strategy, as outlined in the FY 2019-20 Strategic Planning and Performance Measurement template of agency's accountability report, does this funding request support? How would this request advance that strategy? How would the use of these funds be evaluated?

RECIPIENTS OF FUNDS

SCDMV Employees

What individuals or entities would receive these funds (contractors, vendors, grantees, individual beneficiaries, etc.)? How would these funds be allocated – using an existing formula, through a competitive process, based upon predetermined eligibility criteria?

JUSTIFICATION OF
REQUEST**South Carolina Department of Motor Vehicles Budget Submission High-Level Overview**

The South Carolina Department of Motor Vehicles (SCDMV) is requesting \$9.8 million in order to create an Equitable Compensation and Employee Retention Career Pathing Plan that would consist of reclassifications, salary adjustments and step increases based on years of service. Consideration and approval of the additional funding would allow the SCDMV to address its high turnover rate and associated costs. Departing employees continue to emphasize to the agency that SCDMV salaries are non-competitive with other state agencies positions that accomplish comparable work. By recognizing the importance of the work employees do at the SCDMV in protecting the personal information of and serving nearly every individual adult South Carolinian, the agency will be better able to retain our most experienced and critical-need employees.

Key Considerations Detailed in this Request

- Currently, SCDMV is not able to offer career pathing plans for employees due to the agency's insufficient personnel budget, which came from its long-standing status as a non-appropriated agency.
- Pay equity and salary compression are issues due to the difference of salaries, wherein newly joined employees earn close to the same as more experienced employees do.
- Turnover has a detrimental effect on the agency, as we are losing a third of our employee base each year.
- Approximately 70 percent of SCDMV positions are paid less than the state average salary amount for similar positions in the same classification.
- We are competing not only with all other state agencies, who pay more than we do in most job classifications, we are competing externally with the private sector.
- SCDMV's overall compa-ratio is 85 percent, which is in the bottom third of all state agencies.
- The entry level, Customer Service Representatives (CSRs) are incorrectly classified as Administrative Assistant AA50's. SCDMV would like to partner with the Division of State Human Resources (DSHR) to appropriately classify this large group of employees, as well as increase this position's starting salary from \$25,000 to \$28,000 annually, to be in line with the state's average salary for this classification, which is approximately \$28,800
- The transaction count in SCDMV Branch Offices has increased by 17 percent over the past six years and the agency has not increased its headcount to keep up with this demand.

South Carolina Department of Motor Vehicles Budget Submission Justification

The South Carolina Department of Motor Vehicles (SCDMV) would like to request additional recurring funding in order to create a Career Pathing Plan for our employees for equity and retention purposes. With this additional funding, in partnership with DSHR, SCDMV will create a Career Pathing Plan for our employees that will help us to retain our talented employee workforce. SCDMV consistently invests hundreds of hours of detailed and extensive training into our employees, equating to thousands of dollars per employee in onboarding and turnover costs. SCDMV is requesting \$9.8 million in order to create a Career Pathing Plan that would consist of reclassifications, salary adjustments and increases based on years of service. The breakdown of this \$9.8 million request is \$7.3 million for the costs associated with the Career Pathing Plan and the remainder \$2.5 million would be to cover associated fringe costs.

SCDMV's low pay rates make it extraordinarily difficult to compete with other State Agencies and private industry and as such, the agency experiences an extremely high turnover rate annually. In order to maintain our exceptional customer service, retain a qualified workforce, and reduce training costs for approximately a third of our workforce annually, SCDMV would appreciate your consideration of our request. While SCDMV recognizes \$9.8 million is a large sum of money, this amount is being requested to create a career pathing plan that includes: locality increases, promotional increases, step increases to reward employees for time with the agency and salary adjustments to recognize specialty services such as being certified in international services and being multi-lingual.

SCDMV would like to raise the starting salary of our front line, public facing, mission critical positions from \$25,000 to \$28,000 annually, to include increases based on location, specialized services and years of experience with the agency. The average state salary for employees in the AA50 classification is approximately \$28,800 annually, according to DSHR. The SCDMV has the largest population of employees in this classification, which is close to 550 FTE's. By raising the salaries of our AA50 CSR's, SCDMV also has to take into account the compression and equity concerns throughout the agency. To address this across the agency, SCDMV would like to implement an equitable compensation and employee retention career pathing plan agency wide. The breakdown of the \$9.8 million request goes as follows:

- Approximately \$4.6 million will be utilized to address the pay equity and compression concerns in SCDMV Branch Offices, to include the majority of the AA50 CSR positions, approximately 380.
- Approximately \$2.7 million will be utilized to address the pay equity and compression concerns within SCDMV Headquarters, which also includes over 170 AA50 CSR positions.
- The remaining \$2.5 million will be utilized to cover the fringe costs associated with this plan.
- To address the classification concern within SCDMV Branch Offices, we propose approval to reclassify the below positions as follows:
 - AA50 Band 03→JA90 Band 03
 - JA90 Band 03→JA92 Band 04
 - JA92 Band 04→JA95 Band 05
 - AA75 Band 04→AH35 Band 05
 - AH10 Band 05→AH40 Band 06
- To address the compression concerns within the entire agency, wherein newly joined employees earn close to the same as more experienced employees do,

SCDMV would like to implement an initial step increase for time in position as follows:

- 1 year = 3%
 - 2 to 4 years = 6%
 - 5 to 7 years = 7%
 - 8 to 10 years = 8%
 - 11 to 15 years = 10%
 - 16 to 19 years = 12%
 - 20 + years = 15%
- SCDMV will be collaborating with DSHR to accurately assess the remaining positions at Headquarters to implement reclassifications and specialized service increases where needed and applicable. This will better align SCDMV salaries with the state salary averages for comparable positions and appropriate classifications.

SCDMV Historical Information and Current Revenue Collected for the State

In June 2003, SCDMV became a stand-alone cabinet agency reporting to the Governor. Prior to this time, SCDMV had been a division within several other state agencies (Department of Revenue, Department of Transportation, and Department of Public Safety). When SCDMV converted from a division within an agency to a stand-alone agency, salaries remained the same. For example, at the time, the salary of the Deputy Director of the Division of Motor Vehicles stayed the same and became the salary of the Executive Director of the Department of Motor Vehicles. As such, all other salaries remained in line.

Additionally, prior to FY2017, SCDMV was a non-appropriated state agency and received no state appropriated dollars. During the timeframe of 2003 to 2017, when the state would pass a cost of living adjustment (COLA), SCDMV had to absorb the cost of \$8.4 million within our budget, as the agency was not given general funds to cover the increase. Each percentage point given as the COLA, increased SCDMV's salary and fringe cost by \$500,000. Likewise, operating cost were increasing with no increases in fees. Given the fact that SCDMV was a non-appropriated state agency up until three years ago and had to absorb all increases in costs with current revenue streams, the agency has been unable to sustain the state salary average in almost every job class.

For FY2019, SCDMV collected \$668 million for our state and dispersed \$642.3 million to other state agencies as well as non-state agencies, colleges, universities and special interest groups. Some of the state agencies that receive SCDMV collected revenues are: SC Department of Transportation—\$417 million, State Infrastructure Bank—\$123 million, SC Department of Education—\$40 million, State Treasurer's Office—\$28 million and SC Department of Public Safety—\$19 million. SCDMV retained only \$2.7 million out of the \$668 million revenues collected after deducting \$4 million for plate replacement. As information, the revenue that SCDMV collects has doubled with the passing of the roads bill.

SCDMV Current Day and Challenges Faced

SCDMV currently has 1309 classified positions and six unclassified positions. Our total personnel budget currently is \$62.7 million (total salary plus fringe) and our average agency annual salary is \$31,100. When comparing this to other cabinet agencies of similar size or even smaller, the personnel budgets and average agency annual salaries are disproportionate.

The total agency turnover for FY2019 totaled 30 percent. The largest staffed division within our agency, Branch Services, experienced a 32 percent turnover rate for FY2019. Approximately 70 percent of SCDMV positions are paid less than the state average salary amount for similar jobs in the same classification. It is also important to note that because SCDMV has not had the funding, employees who have been here 20+ years are making almost the same as employees working for less than a year, doing the exact same job. This can be extremely demotivating to our tenured employees who have to carry the burden of knowledge as well as continually train all new employees who are on-boarded. We are competing not only with all other state agencies, who pay more than we do in most job classes, we are competing externally with the private sector. Given the inequity in salaries when compared to private and public sector, the SCDMV simply cannot compete.

When comparing this to other cabinet agencies of similar size or even smaller, the personnel budgets and average agency annual salaries are disproportionate. A comparable agency, SC Department of Natural Resources (DNR) currently offer their AA50 employees a higher starting wage, offer step increases for time in position for employees and a career path for growth and development. SCDMV currently cannot offer any type of time in position increases or career path options for its employees. Additionally, DNR's average agency salary is \$42,420 with 924 FTEs, the DMV's average is \$31,100, with 1315 FTE's.

Below are a few additional agencies and their average salary and FTE headcount:

- Dept. of Admin—Average Salary=\$55,132 with 654 FTEs
- Dept. of Public Safety—Average Salary=\$44,983 with 1514 FTEs
- Parks, Recreation & Tourism—Average Salary=\$37,339 with 405 FTEs
- Dept. of Juvenile Justice—Average Salary=\$36,191.32 with 1490 FTEs
- SCDMV—Average Salary=\$31,100 with 1315 FTEs

According to the [Classification and Compensation System Study Project](#) that the state funded in 2016, one major focus on this report is the compa-ratio formula. The compa-ratio formula is commonly used by human resource professionals to assess the competitiveness of an employee's pay level. It is the salary expressed as a percentage of the mid-point of a pay band. SCDMV's overall compa-ratio is 85 percent, which is in the bottom third of all state agencies. The executive summary portion of this report states "when viewed in conjunction with a comparison with the market, shows current salaries lagging other States by an average of 15%, lagging the in-State public sector market by 16% and lagging the in-State private sector market by 18%, means that the State's pay band midpoints and actual pay is uncompetitive. This creates challenges both in recruitment and retention of qualified employees." The report also states, "Unlike in some other States where the overall competitiveness of the benefits package offsets the level of competitiveness of salaries, this is not the case for the State. While annual leave and holidays are above market, the 8.16% employee contribution to the retirement plan is the highest in the Southeastern States and significantly higher than employee contributions to defined benefit plans in the private sector." Please note that this employee contribution increased since this study was completed and is now 9 percent. The report also states, "The employee cost sharing of 21.3% for healthcare is above the 7-15% in other State Governments and in line with the 15-29% in the private sector. The analysis shows that the level of competitiveness of benefits should not be a distraction from dealing with the main focus of the recommendations, that being a redesign of the classification and compensation plan and a move towards funding of salaries to a more competitive level." For entry-level positions at SCDMV, who on

average make approximately \$12 an hour, the take home pay amount is staggeringly low. For a married employee who has family medical coverage, her gross earnings per paycheck equals \$1,041. Her total deductions per paycheck, which includes her 9 percent retirement deduction, family medical costs and life insurance, equals \$317 with \$173 going to taxes. Her net pay per paycheck is \$551. For a single employee who has medical coverage for himself only, his gross earnings per paycheck equals \$1041. His total deductions per paycheck equals \$158, with taxes being \$165, making his net pay per paycheck \$718.

The largest group of SCDMV employees, the entry level Customer Service Representatives (CSRs) are incorrectly classified as Administrative Assistants (class code AA50). These are public facing, mission critical positions and the complexity of the various roles in our Branch Offices and in Headquarters increase substantially from there. SCDMV struggles to compete internally with other state agencies, as the majority of agencies have AA50's in administrative/secretarial type roles that have duties such as answering the telephone, typing up word documents, responding to emails, etc. The type of responsibility that is placed on CSR's, more closely aligns with the paralegal classification as it pertains to interpreting law and making critical decisions with the private and secure information for the citizens of South Carolina. The employees in our Branch Offices and Headquarters have to know over 400 transaction types that heavily involve interpreting law and analyzing critical customer data. SCDMV has requested to be a part of next year's classification study with DSHR to either create our own classification series to align more properly with the work our employees do or edit the classification series for our License Examiners (JA90/JA92/JA95), to better align with all positions in our Branch Offices.

The transaction count in SCDMV Branch Offices has increased by 17 percent over the past six years and the agency has not increased its headcount to keep up with this demand. With the very high turnover amount and increase in transactions, the majority of our Branch Offices cannot properly schedule time off for our employees. SCDMV employee morale is adversely impacted by the pay inequities and increase in transaction counts. SCDMV employees raise concerns through exit surveys about inadequate pay for the work that they do. Employees also raise concerns around not being able to use their earned state benefit of annual and sick leave. These employee concerns are due to the demands that turnover and the increase in transaction count have placed on our employees. We require our Branch Offices to meet the 20-minute wait time standard and management struggles to allow employees to take off the time that they desire and need. Just in the Branch Services division alone, as of September 2019, the annual and sick leave balance for our 739 employees equals 336,007 hours. This number represents approximately 12 weeks of annual and sick leave that each of these 739 employees have not been able to use. In addition, for FY2019, 150 SCDMV employees had to forfeit 4,112 hours, due to not being able to take their annual and sick leave. The impacts of pay inequity and employees not being able to take their earned annual and sick leave result in low morale across the agency.

The agency strives every day to meet and exceed our strategic goals and deliver exceptional customer service. The details of SCDMV's Strategic Plan are outlined on the last portion of this document. Meeting these critical deliverables has become challenging, given the increase in transactions, high turnover rates, and overall low employee morale. The work that SCDMV does is critical for our state. Consideration and approval of the additional funding would allow the SCDMV to address its high

turnover rate and associated costs. Departing employees continue to emphasize to the agency that SCDMV salaries are non-competitive with other state agencies positions that accomplish comparable work. By recognizing the importance of the work employees do at the SCDMV, in protecting the personal information of and serving nearly every individual adult South Carolinian, the agency will be better able to retain our most experienced and critical-need employees. Thank you for your consideration of this very critical agency request.

South Carolina Department of Motor Vehicles Mission and Vision

SCDMV's mission is to administer the State's motor vehicle licensing and titling laws by maintaining strict controls to deliver secure and valid identification, licenses, property records, all while accurately accounting for the receipt and timely distribution of all revenue collected in order to best serve our citizens. Our vision is to be a model state agency who delivers exceptional customer service and promotes effective and efficient business processes, professional employees, innovative technology and strategic partnerships.

SCDMV's Strategic Goals and Performance Measures

1. Deliver an excellent customer service experience while upholding the existing laws that govern agency operations.
 - Ensure the average initial wait time for a customer stays below 20 minutes per business day.
 - Ensure Revenues collected are distributed in order to provide financial support to outside organizations.
 - Reduce backlogs to ensure a five-business-day turnaround standard.
2. Modernize customer delivery service methods
 - Increase amount of services available online
 - Secure legislative support for modernization and efficiency efforts
 - Leverage partnerships for deliverability of products and services
3. Minimize the risk of fraud and breaches .
 - Increase SCDMV security posture of our network infrastructure for B2B transactions to better protect SC citizen's data.
 - Maintain and increase internal and external auditing functions.
 - Retain effective measures to reduce fraud and introduce new measures when appropriate.
4. Invest in employees through development and recognition opportunities
 - Emphasize career development and employee retention within the DMV.
 - Continue to request funding for employee increases and educational opportunities.
 - Continue existing recognition program

Please thoroughly explain the request to include the justification for funds, potential offsets, matching funds, and method of calculation. Please include any explanation of impact if funds are not received. If new positions have been requested, explain why existing vacancies are not sufficient.

AGENCY NAME:	South Carolina Department of Motor Vehicles		
AGENCY CODE:	R400	SECTION:	82

FORM B1 – RECURRING OPERATING REQUEST

AGENCY PRIORITY	3
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Provide the Agency Priority Ranking from the Executive Summary.

TITLE	Cyber Insurance
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Provide a brief, descriptive title for this request.

AMOUNT	General: \$80,000 Federal: Other: Total: \$80,000
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What is the net change in requested appropriations for FY 2020-21? This amount should correspond to the total for all funding sources on the Executive Summary.

NEW POSITIONS	None
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Please provide the total number of new positions needed for this request.

FACTORS ASSOCIATED WITH THE REQUEST	Mark "X" for all that apply:	
	<input type="checkbox"/>	Change in cost of providing current services to existing program audience
	<input type="checkbox"/>	Change in case load/enrollment under existing program guidelines
	<input type="checkbox"/>	Non-mandated change in eligibility/enrollment for existing program
	<input type="checkbox"/>	Non-mandated program change in service levels or areas
	<input checked="" type="checkbox"/>	Proposed establishment of a new program or initiative
	<input type="checkbox"/>	Loss of federal or other external financial support for existing program
	<input type="checkbox"/>	Exhaustion of fund balances previously used to support program
	<input checked="" type="checkbox"/>	IT Technology/Security related
	<input type="checkbox"/>	Consulted DTO during development
<input type="checkbox"/>	Related to a Non-Recurring request – If so, Priority # _____	

STATEWIDE ENTERPRISE STRATEGIC OBJECTIVES	Mark "X" for primary applicable Statewide Enterprise Strategic Objective:	
	<input type="checkbox"/>	Education, Training, and Human Development
	<input type="checkbox"/>	Healthy and Safe Families
	<input checked="" type="checkbox"/>	Maintaining Safety, Integrity, and Security
	<input type="checkbox"/>	Public Infrastructure and Economic Development
<input type="checkbox"/>	Government and Citizens	

AGENCY NAME:	South Carolina Department of Motor Vehicles		
AGENCY CODE:	R400	SECTION:	82

ACCOUNTABILITY OF FUNDS	<p>3.1 Increase SC DMV security posture of our network infrastructure for B2B transactions to better protect SC citizens data</p> <p>3.3 Keep effective measures to reduce fraud and introduce new measures when appropriate</p>
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What specific strategy, as outlined in the FY 2019-20 Strategic Planning and Performance Measurement template of agency's accountability report, does this funding request support? How would this request advance that strategy? How would the use of these funds be evaluated?

RECIPIENTS OF FUNDS	Vendors
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What individuals or entities would receive these funds (contractors, vendors, grantees, individual beneficiaries, etc.)? How would these funds be allocated – using an existing formula, through a competitive process, based upon predetermined eligibility criteria?

JUSTIFICATION OF REQUEST	<p>Cyber Liability Insurance is necessary for the Department of Motor Vehicles to mitigate any losses caused by damage, theft, disruption or corruption of electronic data due to a cyber-attack. Cyber liability insurance is designed to cover losses related to hacking that other insurance policies will not cover.</p> <p>Cyber Attacks have become a prominent threat to public organizations that store Personally Identifiable Information (PII) and the Department of Motor Vehicles has taken adequate precautions to ensure the security of our PII by participating in Cyber Security Awareness Training and Cyber Security initiatives.</p> <p>Even with the precautions taken by DMV, cyber-attacks remain a relevant threat to our agency and the citizens of South Carolina. An example of this would be the South Carolina Department of Revenue (SCDOR) data breach resulting in the theft of 3.6 Million taxpayers' social security numbers and as a result, the State of SC incurred ~\$24 Million in damages/losses.</p> <p>An \$80,000 annual premium will provide \$10M in coverage.</p>
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Please thoroughly explain the request to include the justification for funds, potential offsets, matching funds, and method of calculation. Please include any explanation of impact if funds are not received. If new positions have been requested, explain why existing vacancies are not sufficient.

AGENCY NAME:	South Carolina Department of Motor Vehicles		
AGENCY CODE:	R400	SECTION:	82

FORM B1 – RECURRING OPERATING REQUEST

AGENCY PRIORITY	4
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Provide the Agency Priority Ranking from the Executive Summary.

TITLE	Infrastructure Maintenance Fee Quality Assurance Team
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Provide a brief, descriptive title for this request.

AMOUNT	General: \$204,500 Federal: Other: Total: \$204,500
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What is the net change in requested appropriations for FY 2020-21? This amount should correspond to the total for all funding sources on the Executive Summary.

NEW POSITIONS	4 FTE's
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Please provide the total number of new positions needed for this request.

FACTORS ASSOCIATED WITH THE REQUEST	Mark "X" for all that apply:	
	<input type="checkbox"/>	Change in cost of providing current services to existing program audience
	<input checked="" type="checkbox"/>	Change in case load/enrollment under existing program guidelines
	<input type="checkbox"/>	Non-mandated change in eligibility/enrollment for existing program
	<input checked="" type="checkbox"/>	Non-mandated program change in service levels or areas
	<input type="checkbox"/>	Proposed establishment of a new program or initiative
	<input type="checkbox"/>	Loss of federal or other external financial support for existing program
	<input type="checkbox"/>	Exhaustion of fund balances previously used to support program
	<input type="checkbox"/>	IT Technology/Security related
	<input type="checkbox"/>	Consulted DTO during development
<input type="checkbox"/>	Related to a Non-Recurring request – If so, Priority # _____	

STATEWIDE ENTERPRISE STRATEGIC OBJECTIVES	Mark "X" for primary applicable Statewide Enterprise Strategic Objective:	
	<input type="checkbox"/>	Education, Training, and Human Development
	<input type="checkbox"/>	Healthy and Safe Families
	<input type="checkbox"/>	Maintaining Safety, Integrity, and Security
	<input checked="" type="checkbox"/>	Public Infrastructure and Economic Development
<input type="checkbox"/>	Government and Citizens	

AGENCY NAME:	South Carolina Department of Motor Vehicles		
AGENCY CODE:	R400	SECTION:	82

ACCOUNTABILITY OF FUNDS	1.2 Ensure Revenues collected are distributed in order to provide financial support to outside organizations
	3.2 Maintain and increase internal and external auditing functions
	3.3 Keep effective measures to reduce fraud and introduce new measures when appropriate

What specific strategy, as outlined in the FY 2019-20 Strategic Planning and Performance Measurement template of agency's accountability report, does this funding request support? How would this request advance that strategy? How would the use of these funds be evaluated?

RECIPIENTS OF FUNDS	DMV Employees
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What individuals or entities would receive these funds (contractors, vendors, grantees, individual beneficiaries, etc.)? How would these funds be allocated – using an existing formula, through a competitive process, based upon predetermined eligibility criteria?

JUSTIFICATION OF REQUEST	<p>DMV is requesting four (4) new positions within the Infrastructure Maintenance Fee (IMF) section to assist with the Quality Assurance inspections and reconciliation of dealer sales records for the IMF Program. These positions would consist of three (3) AA75 Administrative Assistants and one (1) AH-30 Program Assistant (QA Manager).</p> <p>DMV currently has one (1) Administrative Assistant that performs quality reviews of IMF transactions. In four months this employee has identified approximately \$300,000 in IMF revenue that was not collected.</p> <p>Due to the time and research required, our current employee has only been able to review between 5%-10% of the total transactions. Adding four positions to this staff will allow DMV to maintain a quality review of approximately 50% of the total IMF and Road Use Fee transactions. Current data show the potential to recover over one million of IMF dollars owed.</p> <p>Maintaining a 50% review capability should significantly reduce lost revenue and improve Dealer transactions by reducing potential errors or fraud.</p> <p>Annual salaries with fringe benefits for three (3) Administrative Assistants is \$147,900. Annual salary with fringe benefits for one (1) Program Assistant is \$56,550.</p>
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Please thoroughly explain the request to include the justification for funds, potential offsets, matching funds, and method of calculation. Please include any explanation of impact if funds are not received. If new positions have been requested, explain why existing vacancies are not sufficient.

AGENCY NAME:	South Carolina Department of Motor Vehicles		
AGENCY CODE:	R400	SECTION:	82

FORM B2 – NON-RECURRING OPERATING REQUEST

AGENCY PRIORITY	5
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Provide the Agency Priority Ranking from the Executive Summary.

TITLE	Real ID
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Provide a brief, descriptive title for this request.

AMOUNT	\$4,200,000 in Earmarked Authority
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What is the net change in requested appropriations for FY 2020-21? This amount should correspond to the total for all funding sources on the Executive Summary.

FACTORS ASSOCIATED WITH THE REQUEST	Mark "X" for all that apply:	
	<input type="checkbox"/>	Change in cost of providing current services to existing program audience
	<input type="checkbox"/>	Change in case load/enrollment under existing program guidelines
	<input type="checkbox"/>	Non-mandated change in eligibility/enrollment for existing program
	<input type="checkbox"/>	Non-mandated program change in service levels or areas
	<input type="checkbox"/>	Proposed establishment of a new program or initiative
	<input type="checkbox"/>	Loss of federal or other external financial support for existing program
	<input checked="" type="checkbox"/>	Exhaustion of fund balances previously used to support program
	<input type="checkbox"/>	IT Technology/Security related
	<input type="checkbox"/>	Consulted DTO during development
	<input checked="" type="checkbox"/>	Request for Non-Recurring Appropriations
	<input type="checkbox"/>	Request for Federal/Other Authorization to spend existing funding
<input type="checkbox"/>	Related to a Recurring request – If so, Priority # _____	

STATEWIDE ENTERPRISE STRATEGIC OBJECTIVES	Mark "X" for primary applicable Statewide Enterprise Strategic Objective:	
	<input type="checkbox"/>	Education, Training, and Human Development
	<input type="checkbox"/>	Healthy and Safe Families
	<input type="checkbox"/>	Maintaining Safety, Integrity, and Security
	<input type="checkbox"/>	Public Infrastructure and Economic Development
<input checked="" type="checkbox"/>	Government and Citizens	

ACCOUNTABILITY OF FUNDS	1.1 Ensure the average initial wait time for a customer stays below 20 minutes per business day
	1.2 Reduce backlogs to ensure a five-business-day turnaround standard
	2.1 Increase amount of services available online
	This request enables DMV to comply with the provisions of Real ID.

What specific strategy, as outlined in the FY 2019-20 Strategic Planning and Performance Measurement template of agency's accountability report, does this funding request support? How would this request advance that strategy? How would the use of

AGENCY NAME:	South Carolina Department of Motor Vehicles		
AGENCY CODE:	R400	SECTION:	82

these funds be evaluated?

RECIPIENTS OF FUNDS	DMV employees and vendors
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What individuals or entities would receive these funds (contractors, vendors, grantees, individual beneficiaries, etc.)? How would these funds be allocated – using an existing formula, through a competitive process, based upon predetermined eligibility criteria?

JUSTIFICATION OF REQUEST	<p>The federal deadline for Real ID is October 1, 2020 (State of SC FY2020-21). DMV expects a high level of requests for Real ID's as the federal deadline approaches. DMV also expects high levels of requests after the federal deadline, when citizens realize they can no longer use their non-Real ID credentials for federal identification (air travel).</p> <p>DMV originally requested Real ID funding for three years – FY18 through FY20. Our original request was based on South Carolina citizens proactively obtaining Real ID credentials. However, DMV data suggests that many of our citizens have procrastinated obtaining their Real ID credentials. Based on current trends, we project to have over One Million outstanding Real ID requests at the end of FY20.</p> <p>DMV is requesting \$4.2 million in Earmarked Authority to continue our Real ID program through FY21.</p> <table border="0"> <tr> <td>Salaries/Employer Contributions</td> <td style="text-align: right;">\$2,920,000</td> </tr> <tr> <td>Credential Supplies</td> <td style="text-align: right;">\$755,000</td> </tr> <tr> <td>Travel/Mileage</td> <td style="text-align: right;">\$125,000</td> </tr> <tr> <td>Advertising</td> <td style="text-align: right;">\$150,000</td> </tr> <tr> <td>Software Licenses/Contractual</td> <td style="text-align: right;">\$250,000</td> </tr> <tr> <td>Total</td> <td style="text-align: right;">\$4,200,000</td> </tr> </table> <p>It is crucial that DMV receives this earmarked authority. If authority is not received, DMV will not have the resources required to service the high level of Real ID's requested by South Carolina citizens.</p>	Salaries/Employer Contributions	\$2,920,000	Credential Supplies	\$755,000	Travel/Mileage	\$125,000	Advertising	\$150,000	Software Licenses/Contractual	\$250,000	Total	\$4,200,000
Salaries/Employer Contributions	\$2,920,000												
Credential Supplies	\$755,000												
Travel/Mileage	\$125,000												
Advertising	\$150,000												
Software Licenses/Contractual	\$250,000												
Total	\$4,200,000												

Please thoroughly explain the request to include the justification for funds, potential offsets, matching funds, and method of calculation. Please include any explanation of impact if funds are not received. Does this non-recurring appropriation request create an annualization or need for recurring funds?

AGENCY NAME:	South Carolina Department of Motor Vehicles		
AGENCY CODE:	R400	SECTION:	82

FORM B2 – NON-RECURRING OPERATING REQUEST

AGENCY PRIORITY	6
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Provide the Agency Priority Ranking from the Executive Summary.

TITLE	15% State Funding for Motor Carrier Services Grant (Federal High Priority Grant will provide 85% of funding)
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Provide a brief, descriptive title for this request.

AMOUNT	\$268,300
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What is the net change in requested appropriations for FY 2020-21? This amount should correspond to the total for all funding sources on the Executive Summary.

FACTORS ASSOCIATED WITH THE REQUEST	Mark "X" for all that apply:	
	<input checked="" type="checkbox"/>	Change in cost of providing current services to existing program audience
	<input type="checkbox"/>	Change in case load/enrollment under existing program guidelines
	<input type="checkbox"/>	Non-mandated change in eligibility/enrollment for existing program
	<input checked="" type="checkbox"/>	Non-mandated program change in service levels or areas
	<input type="checkbox"/>	Proposed establishment of a new program or initiative
	<input type="checkbox"/>	Loss of federal or other external financial support for existing program
	<input type="checkbox"/>	Exhaustion of fund balances previously used to support program
	<input type="checkbox"/>	IT Technology/Security related
	<input type="checkbox"/>	Consulted DTO during development
	<input checked="" type="checkbox"/>	Request for Non-Recurring Appropriations
	<input type="checkbox"/>	Request for Federal/Other Authorization to spend existing funding
<input type="checkbox"/>	Related to a Recurring request – If so, Priority # _____	

STATEWIDE ENTERPRISE STRATEGIC OBJECTIVES	Mark "X" for primary applicable Statewide Enterprise Strategic Objective:	
	<input type="checkbox"/>	Education, Training, and Human Development
	<input type="checkbox"/>	Healthy and Safe Families
	<input type="checkbox"/>	Maintaining Safety, Integrity, and Security
	<input checked="" type="checkbox"/>	Public Infrastructure and Economic Development
<input type="checkbox"/>	Government and Citizens	

ACCOUNTABILITY OF FUNDS	1.2 Ensure Revenues collected are distributed in order to provide financial support to outside organizations
	2.1 Increase amount of services available online
	2.2 Secure legislative support for modernization and efficiency efforts
	3.2 Maintain and increase internal and external auditing functions

What specific strategy, as outlined in the FY 2019-20 Strategic Planning and Performance Measurement template of agency's accountability report, does this funding request support? How would this request advance that strategy? How would the use of

AGENCY NAME:	South Carolina Department of Motor Vehicles		
AGENCY CODE:	R400	SECTION:	82

these funds be evaluated?

RECIPIENTS OF FUNDS	Vendors and contractors
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What individuals or entities would receive these funds (contractors, vendors, grantees, individual beneficiaries, etc.)? How would these funds be allocated – using an existing formula, through a competitive process, based upon predetermined eligibility criteria?

JUSTIFICATION OF REQUEST	<p>The current Motor Carrier Services (MCS) system was implemented in May of 2010 and there have been no upgrades since that time. The lack of support and inability to effectively upgrade, impacts modernization efforts. Current, less innovative practices, impacts the efficiency of MCS and the ability to provide services to carriers and to provide updates for law enforcement to support safer South Carolina highways.</p> <p>MCS has applied for a Federal High Priority Grant to assist with advancements in technology. If awarded, the grant will provides \$1,520,438 (85%) of funding needed for the upgrade. MCS requests funding for the remaining \$268,312 (15%). The total cost for the upgrade is \$1,788,750.</p> <p>It is the objective of SCDMV Motor Carrier Services to provide customers with mobile accessibility via Smart Phone or Tablet. In addition to providing a mobile application, it is our desire to provide real time data reporting. Such reporting would enhance law enforcement’s ability to efficiently evaluate the carrier’s safety.</p> <p>The upgrade will allow Federal Motor Carrier Service Administration updates (Out Of Service orders, Tax Identification Number assignments, carrier name changes, USDOT number applications) to be accessible in real time as opposed to waiting 24-48 hours for FMCSA data. Law enforcement will also be able to receive the status of carriers (OOS, suspensions) in real time via CVIEW/SAFER.</p> <p>Efficient and timely data will be provided for all jurisdictions. It is imperative to have innovative and current technical practices to enforce and support motor carrier safety.</p>
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Please thoroughly explain the request to include the justification for funds, potential offsets, matching funds, and method of calculation. Please include any explanation of impact if funds are not received. Does this non-recurring appropriation request create an annualization or need for recurring funds?

AGENCY NAME:	South Carolina Department of Motor Vehicles		
AGENCY CODE:	R400	SECTION:	82

FORM B1 – RECURRING OPERATING REQUEST

AGENCY PRIORITY	7
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Provide the Agency Priority Ranking from the Executive Summary.

TITLE	FTE Reclassifications
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Provide a brief, descriptive title for this request.

AMOUNT	General: Federal: Other: Total: \$0
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What is the net change in requested appropriations for FY 2020-21? This amount should correspond to the total for all funding sources on the Executive Summary.

NEW POSITIONS	0
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Please provide the total number of new positions needed for this request.

FACTORS ASSOCIATED WITH THE REQUEST	Mark "X" for all that apply:	
	<input checked="" type="checkbox"/>	Change in cost of providing current services to existing program audience
	<input type="checkbox"/>	Change in case load/enrollment under existing program guidelines
	<input checked="" type="checkbox"/>	Non-mandated change in eligibility/enrollment for existing program
	<input type="checkbox"/>	Non-mandated program change in service levels or areas
	<input type="checkbox"/>	Proposed establishment of a new program or initiative
	<input type="checkbox"/>	Loss of federal or other external financial support for existing program
	<input type="checkbox"/>	Exhaustion of fund balances previously used to support program
	<input type="checkbox"/>	IT Technology/Security related
	<input type="checkbox"/>	Consulted DTO during development
<input type="checkbox"/>	Related to a Non-Recurring request – If so, Priority # _____	

STATEWIDE ENTERPRISE STRATEGIC OBJECTIVES	Mark "X" for primary applicable Statewide Enterprise Strategic Objective:	
	<input type="checkbox"/>	Education, Training, and Human Development
	<input type="checkbox"/>	Healthy and Safe Families
	<input type="checkbox"/>	Maintaining Safety, Integrity, and Security
	<input type="checkbox"/>	Public Infrastructure and Economic Development
<input checked="" type="checkbox"/>	Government and Citizens	

AGENCY NAME:	South Carolina Department of Motor Vehicles		
AGENCY CODE:	R400	SECTION:	82

ACCOUNTABILITY OF FUNDS	4.1 Emphasize career development and employee retention within the DMV
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What specific strategy, as outlined in the FY 2019-20 Strategic Planning and Performance Measurement template of agency's accountability report, does this funding request support? How would this request advance that strategy? How would the use of these funds be evaluated?

RECIPIENTS OF FUNDS	DMV employees
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What individuals or entities would receive these funds (contractors, vendors, grantees, individual beneficiaries, etc.)? How would these funds be allocated – using an existing formula, through a competitive process, based upon predetermined eligibility criteria?

JUSTIFICATION OF REQUEST	<p>Convert Attorney V position 60029683 from Classified to Unclassified. A form BD211 was submitted and approved in 2017 to convert the General Council position in Administration (0100.000000.000). DMV was recently informed that a Form B1 is required to make the approval recurring.</p> <p>Convert Program Manager II position 60031468 from Classified to Unclassified. A form BD211 has been submitted to convert the Deputy Director of DMV Customer Service Centers (1000.102000.000) from Classified to Unclassified.</p> <p>No additional appropriations or positions are requested to convert these positions.</p>
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Please thoroughly explain the request to include the justification for funds, potential offsets, matching funds, and method of calculation. Please include any explanation of impact if funds are not received. If new positions have been requested, explain why existing vacancies are not sufficient.

Transportation and Regulatory Subcommittee Proviso Request Summary

Proviso # in FY 20-21 Act	Proviso Title	Short Summary	Agency Recommended Action (keep, change, delete, add)
82.1	Federal, Other Flow Through Funds	Authorized to expend federal and earmarked funds in the current year for expenditures incurred in the prior year	keep
82.2	Cost Recovery Fee/Sale of Photos or Digitized Images	Authorizes collection of fees for providing documents or data sets; forbids sale of digitized or other pictures	change
82.3	DPPA Compliance Audit	Allows fees to defray costs of audits or enforcement of laws	keep
82.4	Underutilized Offices	Director of SCDMV is authorized to reduce or expand hours of operations based on volume of transactions	keep
82.5	Activities Allowed on Special Restricted Driver's License	Dictates activities that may waive or modify restrictions to allow issuing a Special Restricted Driver's License	keep
82.6	Fund Balance Carry Forward	Allows unexpended fund balances to be carried forward	keep
82.7	Phoenix III Migration Pilot	Authorizes DMV to use Earmarked cash balances for Phoenix III proof of concept pilot and data migration	delete
82.7	Real ID	Authorizes DMV to spend available earmarked cash reserves on Real ID	change
82.8	Electronic Verification Processing Fees	DMV is exempt from paying fees to DHEC for birth certificate verifications used for credential issuance	keep
82.90	Minor Identification Card Fees	DMV may waive fee for issuing ID card to someone under 17 if card is issued through an established partnership with a state or federal agency	change
82.10	Temporary License Plate Revenue Direction	Authorizes DMV to retain revenue from the sale of trackable temporary license plates. The revenue should be placed in the Plate Replacement fund.	add

SCDMV Provisos

<i>SECTION 82 FY 19-20</i>	<i>FY 20-21</i>	DEPARTMENT OF MOTOR VEHICLES (R400)
82.1	82.1	Federal, Other Flow Through Funds
82.2	82.2	Cost Recovery Fee/Sale of Photos or Digitized Images
82.3	82.3	DPPA Compliance Audit
82.4	82.4	Underutilized Offices
82.5	82.5	Activities Allowed on Special Restricted Driver's License
82.6	82.6	Fund Balance Carry Forward
82.7	Deleted	Phoenix III Migration Pilot
82.8	82.7	Real ID
82.9	82.8	Electronic Verification Processing Fees
82.10	82.9	Minor Identification Card Fees
	82.10	Temporary License Plate Revenue Direction

82.1. (DMV: Federal, Other Flow Through Funds) In order to complete projects begun in a prior fiscal year, the Department of Motor Vehicles is authorized to expend federal and earmarked funds in the current fiscal year for expenditures incurred in the prior fiscal year.

82.2. (DMV: Cost Recovery Fee/Sale of Photos or Digitized Images) The Department of Motor Vehicles may collect processing fees and fees to recover the costs of the production, purchase, handling and mailing of documents, publications, records and data sets. **The Department of Motor Vehicles may collect and retain fees to defray the costs associated with fulfilling a Freedom of Information Act (FOIA) request.** The amount charged by the Department of Motor Vehicles for any fees collected pursuant to this proviso may not exceed the rates that the department charged as of February 1, 2001. The Department of Motor Vehicles may not sell, provide or otherwise furnish to private parties, copies of photographs, whether digitized or not, taken for the purpose of a driver's license or personal identification card. Photographs and digitized images from a driver's license or personal identification card are not considered public records. Funds derived from these sources shall be retained by the department.

82.3. (DMV: DPPA Compliance Audit) The Department of Motor Vehicles may charge fees to defray the costs associated with auditing and enforcing compliance of all Federal or State statutes and regulations pertaining to personal information for customers receiving information disseminated by the department as allowed by law. This provision does not pertain to state agencies. The Comptroller General shall place the funds into a special restricted account to be used by the department.

82.4. (DMV: Underutilized Offices) The Director of the Department of Motor Vehicles is authorized to develop and implement a plan to reduce the hours of operation in underutilized DMV field offices; however the legislative delegation of the county in which the affected field office is located must be notified prior to implementation of the plan. In addition, the director shall review field offices which have a high volume of traffic to determine whether it would be beneficial to expand the hours of operation.

82.5. (DMV: Activities Allowed on Special Restricted Driver's License) In the current fiscal year, employing funds authorized or appropriated to the Department of Motor Vehicles pursuant to Section 82, Part IA of this act, the department must include employment, school, church-related or sponsored activities, and parentally approved sports activities in the categories for which it may waive or modify restrictions in the special restricted driver's license for certain minors. The licensee must provide the department a statement of the purpose of the waiver or modification of restrictions executed by the parents or legal guardian of the licensee and documents executed by church representatives and/or representatives of the sports entity for which the waiver is being requested.

82.6. (DMV: General Fund Balance Carry Forward) The Department of Motor Vehicles may carry forward any unexpended general fund balance from the prior fiscal year and expend those funds in the current fiscal year.

82.7. (DMV: Phoenix III Migration Pilot) ~~In Fiscal Year 2019-20, the department shall be authorized to expend the remainder of the \$1,000,000 authorized in the prior fiscal year from any available other earmarked cash balances to conduct a proof of concept pilot for Phoenix III development and data migration. Funds may be expended only upon review and approval of the Department of Administration through the IT project governance process established by proviso 117.113. **Delete Proviso**~~

82.7. (DMV: Real ID) For Fiscal Year ~~2019-20~~ **2020-21**, the Department of Motor Vehicles may expend any available earmarked cash reserves, ~~with the exception of the funds designated for the Phoenix III pilot,~~ on the implementation of Real ID.

82.8. (DMV: Electronic Verification Processing Fees) In the current fiscal year, the Department of Motor Vehicles is exempt from paying fees to the Department of Health and Environmental Control associated with the use of the Electronic Verification of Vital Events (EVVE) system to verify or certify birth certificates during the driver's license or identification card issuance process.

82.9. (DMV: ~~Minor~~ Identification Card Fees) In the current fiscal year, the Department of Motor Vehicles may waive the ~~five dollar~~ fee associated with issuing an identification card ~~to someone less than 17 years old~~ if the card issuance is through an established partnership with a state or federal agency.

82.10 (DMV: Trackable Temporary License Plate Revenue) For the current fiscal year, the department shall be authorized to retain the revenue collected from the sale of trackable temporary license plates. The funds shall be placed in the department's Plate Replacement Fund and used solely for the purposes of plate production and reissuance costs. **Add Proviso**

SCDMV Carryforward Information

FY19 General Fund Budget	\$87,488,086
FY19 General Fund Spend	(\$78,939,966)*
FY19 General Fund Remaining	\$8,548,120
FY18 General Fund Remaining	\$1,816,927
FY17 General Fund Remaining	\$3,207,311
Total FY19 General Fund Carryforward	\$13,572,358

*Reduced by \$4,003,301 with fund 3264 spending

Capital Reserve Fund 36340000

FY19 Real ID Fund Budget	\$5,637,990
FY19 Real ID Fund Spend	(\$4,092,527)
FY19 Real ID Fund Remaining	\$1,545,463
FY18 Real ID Fund Carryforward	\$2,602,512
Total FY19 Real ID Fund Carryforward	\$4,147,975**

**Currently using to fund Real ID

SCDMV

FTE Breakdown

Executive Director	1
Administration	
Unclassified	2
Classified	107
Customer Service Centers	
Classified	797
Customer Service Delivery	
Unclassified	1
Classified	168
Procedures & Compliance	
Unclassified	1
Classified	121
Inspector General	
Unclassified	1
Classified	66
Technology & Product Development	
Classified	50
Total FTEs	<u>1,315</u>

SCDMV Key Personnel Changes

- In March 2019, John Laganelli retired as the agency's Chief of Staff and Director of Operations.
- Rob Bailes joined the SCDMV in March 2019 as the agency's Chief of Staff and Director of Operations.
- In June 2019, Larry Murray resigned as the agency's Director of Vehicle Services and is now the Executive Director of the Patriots Point Development Authority in Charleston.
- In September 2019, Laura Bayne was promoted from the Deputy Director of Legislative Affairs to the Director of Vehicle Services.
- In October 2019, Lauren Phillips was promoted from the Chief of Strategic Communications & Community Affairs to the Deputy Director of Legislative Affairs.
- In April 2019, Heather Martin re-joined the agency as the Deputy Director of Human Resources. Heather was once the Employee Relations Manager for the SCDMV.
- In May 2019, Steve Farrell joined the agency as the Chief of Electronic Registration & Titles within Vehicle Services.

SCDMV Phoenix III Development- Itemized Cost Estimates

Item	\$ in Millions	Explanation
Total -->	\$24.50	
Project Management / Administration	\$4.00	SCDMV does not have the FTE capacity to tackle a project of this magnitude. A 3rd party PM / Administration team would be needed to meet the management needs in order for the DMV to continue operations. All business areas will be required to participate in this endeavor to include, Driver, Vehicle, Finance, Inventory, Customer Support, eTicket, eCollision, and more. In order to maintain current operations these areas will need to be supplemented with personnel to test the new system.
Retire COBOL. Rewrite / Rehost business processes.	\$8.00	Replace COBOL business logic with appropriate replacements including C# rehosting, Database Programming, or other 4/5GL technology as appropriate to the specific programming task. Effort will include redesigning DMV business programming model. Primary purpose is to reduce or eliminate dependency upon COBOL as finding qualified COBOL technicians becomes increasingly problematic. Need to look at multiple avenues to execute this task and the possibility of moving some aspects of system design and maintenance to the business analyst level. System documentation, maintenance, and operations documents must be built as an integral part of this effort.
Hardware / Infrastructure	\$0.50	DMV does not have the capacity in place to perform development to this level and maintain current systems. Additional hardware and infrastructure will need to be provided.
Development Site - offsite from DMV HQ	\$0.50	Likewise, SCDMV facilities will not have the capacity to house and maintain this development effort.
eForms & Workflow	\$1.50	DMV needs to move away from a data entry (keypunch operator) business model to a data verification and validation business model allowing the client to enter data once through multiple data entry channels and route that discrete data entry through workflow rules enabling data validation and verification and direct entry to the state data systems of record. Currently a single piece of data is handled multiple times before becoming part of the official record subjecting it to multiple exposures of data transposition and error. This increases the capacity for data errors and requires increased personnel costs to manage that data.
Virtual Customer/Employee Assistant	\$0.50	VEA: As business and legal rules continue to increase in complexity the ability of a DMV Customer Support Representative (CSR) to completely internalize and accurately execute those rules becomes increasingly problematic. There are relatively few business rules embedded with Phoenix especially related to more complex and specialized actions. The example is that if you ask a CSR to execute a set of complex transactions, there is a good chance that you will receive multiple interpretations of the rules as you move down the CSR line. This results in misleading, confusing, and contradictory messages to the SC public. Virtual Employee Assistants are expected to implement consistency across these business rules. VCA: In the same vein, a significant number of telephone inquires to SCDMV customer services can be dispositioned through Virtual Customer Assistants that will provide timely and accurate information to the public and simultaneously reduce DMV manpower. VCA's can be fielded across multiple data channels including internet, mobile, social media, and others 24 hours a day 7 days a week.

SCDMV Phoenix III Development- Itemized Cost Estimates

Item	\$ in Millions	Explanation
Total -->	\$24.50	
Eliminate Phoenix Client	\$2.00	Currently Phoenix operates with a thin client presence on the DMV POS workstations. Requires POS Workstation level maintenance and management. Removing the client presence and moving to a full browser implementation will eliminate individual workstation maintenance and management. Migrate from vb.net UI to MVC for all Phoenix transactions.
Omni Channel (Kiosks, Mobile)	\$0.50	Implementing additional transaction channels and increasing the SCDMV presence in existing transaction channels to include Kiosks, Mobile, and traditional on-line internet technology meets the evolving public technology and transaction behavior and expands the ability of the public to execute government business beyond the traditional business hours. Potential integration of SCDMV data streams with automobile technology such as storing registration information in the vehicle can provide increased vehicle security and law enforcement capability.
Testing Support	\$1.00	In order to streamline long term maintenance and support automated testing capabilities need to be implemented as an integral component of system development, delivery and maintenance in order to facilitate improved build to market times and system quality, and reduce the dependency on siloed knowledgebases for continued system support.
Supportability Improvements	\$0.75	SCDMV needs to move to a more DevOps environment to greatly improve delivery times. This needs to be built in to the new system.
Performance Monitoring	\$1.25	Realtime application performance monitoring, reporting, and self tuning will be required to manage system activities at the application level to facilitate proactive system management. This needs to be designed in to the newest systems.
Disaster Recovery - upgrades to existing DR	\$1.50	There will be updates to the SCDMV BCP and DR capabilities and plans.
Credential Issuance - full CI	\$2.50	While not a Phoenix III planned item this timeframe will coincide with the need to replace or enhance the SCDMV credentialing system as the software, hardware, and credential design move to end of life.

AGENCY RESTRUCTURING REQUEST FY 2020-21

Agency: South Carolina Department of Motor Vehicles

Agency Code: R400

Please complete all sections below as justification for restructuring requests. A restructuring request is necessary when the outline format of the Appropriations Act is changed (I.A.1.a.). A side-by-side view of the current structure compared to the proposed structure must be attached to the request submission. Once new program numbers have been assigned by EBO, the Restructuring Request Detail spreadsheet must be completed.

- Does the restructuring request involve multiple agencies? If so, please list the agency codes and titles.
RESPONSE: No

- Is this request required by recent legislation? If so, include the Act number and appropriate code sections.
RESPONSE: No

- If not required by legislation, explain the need for the restructuring request.

RESPONSE: **DMV is requesting to change the name of two programs- change "Procedures and Compliance" to "Driver Services" and change "Customer Service Delivery" to "Vehicle Services". This will allow easier identification of the responsibilities performed by these two State Funded Programs.** In order to accomplish these changes, DMV is requesting the following:

- 1) Change the name of "Procedures & Compliance" to "Driver Services", keeping the same State Funded Program (1001.200000.000). This program was named "Driver Services" prior to FY13.
- 2) In order to change the name "Customer Service Delivery" to "Vehicle Services", DMV will have to revert to the previously used Vehicle Services State Funded Program 1001.300000.000. Plate Replacement will be under Vehicle Services.
- 3) DMV is open to other solutions that would accomplish these name changes.

- Explain any impact on personnel costs and include any positions affected by this request.

RESPONSE: None

- List new State Funded Programs needed to accomplish the restructuring request and why these are necessary.

RESPONSE: No new State Funded Programs are needed. DMV is requesting to:

- 1) Continue using 1001.200000.000, but revert to the previous name of "Driver Services".
- 2) Discontinue using Customer Service Delivery 1000.103000.000 and revert to the Vehicle Services State Funded Program 1001.300000.000 that was used prior to FY13.
- 3) The Plate Replacement program will need to revert to previously used 1001.300100X000 in order to be included under Vehicle Services.

