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AGENCY REVIEW

DIVISION OF MOTOR VEHICLES DEPARTMENT OF TRANSPORTATION

AUDIT OVERVIEW

Overall, the Division of Motor Vehicles Has Adequate Internal Controls Over Cash Management, But the Policy and Procedures Manual Needs to Be Updated and Communication Needs to Be Improved

Although the Division of Motor Vehicles Provides Relevant Goals and Measures and Shows Good Performance in Important Areas, Many Important Goals Have Been Reported Year After Year and Have Yet to Be Accomplished

While the Division of Motor Vehicles Website Is User-Friendly for the Most Part, Improvements Are Needed to Enhance the Agency's Transparency and Make Additional Online Services Available



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EXECUTIVE SUMMARY

As part of the Agency Review of the Department of Transportation required and authorized by the West Virginia Performance Review Act, Chapter 4, Article 10, of the *West Virginia Code*, as amended, the Legislative Auditor conducted a Performance Review of the Division of Motor Vehicles (DMV). The objectives of this review were to evaluate the internal controls the agency has over cash flows at regional offices; to determine whether the DMV website is user-friendly, transparent, and customer oriented; and to evaluate the performance measures provided by the agency in the FY 2014 State of West Virginia Executive Budget.

Report Highlights

Issue 1: Overall, the Division of Motor Vehicles Has Adequate Internal Controls Over Cash Management, But the Policy and Procedures Manual Needs to Be Updated and Communication Needs to Be Improved.

- The agency's policies and procedures manual needs to be updated to include all of the control activities performed at various levels along the cash and electronic payment process.
- The DMV needs to improve the communication of its procedures.

Issue 2: Although the Division of Motor Vehicles Provides Relevant Goals and Measures and Shows Good Performance in Important Areas, Many Important Goals Have Been Reported Year After Year and Have Yet to Be Accomplished.

- The DMV provides goals and measures in the FY 2014 Executive Budget that are relevant to its mission, and reflect good performance in important areas.
- Several of the goals provided have been carried over from one year to the next, which indicates that they have not been accomplished as desired.
- The agency should establish attainable goals and accompany them with measures on the progress made to achieve each goal.

Issue 3: While the Division of Motor Vehicles Website Is User-Friendly for the Most Part, Improvements Are Needed to Enhance the Agency's Transparency and Make Additional Online Services Available.

- The DMV website could benefit from modest improvements to enhance user-friendliness.
- The DMV website could benefit from additional content elements to enhance transparency.
- Additional online services should be offered to benefit customers and decrease costs.

PERD's Evaluation of the Agency's Written Response

The Office of the Legislative Auditor's Performance Evaluation and Research Division received the DMV's response on November 27, 2013. The agency response can be found in Appendix E. The agency is in agreement with all findings of the report and indicates that efforts will be made to comply with the recommendations made.

Recommendations

1. *The Division of Motor Vehicles should make the internal controls improvements identified by the Legislative Auditor's Office in order to better safeguard assets and prevent and detect errors and fraud.*
2. *The Legislative Auditor recommends that the Division of Motor Vehicles establish attainable goals and accompany them with measures on the progress made in achieving each goal.*
3. *The Division of Motor Vehicles should enhancing the user-friendliness and transparency of its website by incorporating the website elements identified by the Legislative Auditor.*
4. *The Division of Motor Vehicles should develop plans for and implementation of provisions of additional online services.*

ISSUE1

Overall, the Division of Motor Vehicles Has Adequate Internal Controls Over Cash Management, But the Policy and Procedures Manual Needs to Be Updated and Communication Needs to Be Improved.

Issue Summary

The Office of the Legislative Auditor conducted a review of the internal controls in place at the Division of Motor Vehicles (DMV) for cash management. The Legislative Auditor found that the DMV overall has adequate internal controls for cash management; however, there are some areas where internal controls can be strengthened. Although the agency has written policies and procedures, these do not include all of the control activities performed at various levels along the cash and electronic payment process. The agency's policies and procedures manual needs to be updated. In addition, the DMV needs to improve the communication of its procedures. The training received is done on a regional basis and is not uniform from one regional office to another. Other areas of communication need to be improved to ensure that employees have a sufficient understanding of proper cash handling procedures.

Internal controls are vital to safeguarding assets and preventing and detecting errors and fraud.

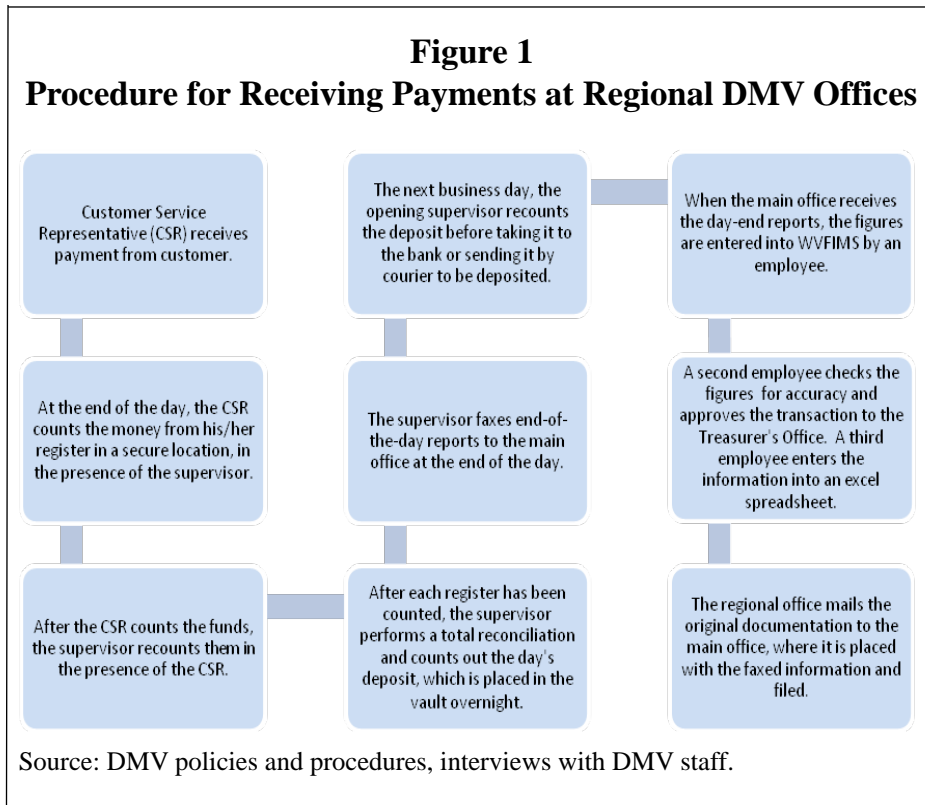
The DMV Has Established an Appropriate Internal Control Environment in Its Cash Management Processes

Internal controls are vital to safeguarding assets and preventing and detecting errors and fraud. The DMV collected from the public nearly \$300 million in FY 2012 in the form of cash, personal checks, debit and credit cards. Given this relatively large amount of revenue being received from the public, it is necessary that the DMV has sufficient internal controls in place to provide reasonable assurance that funds are handled appropriately, accurately accounted for, and the risk of errors and fraud is minimal. The Legislative Auditor sought to determine whether the DMV has sufficient controls in place to prevent and detect theft and fraud by evaluating the agency's written policies over cash and electronic payment handling activities and the actual practices at both the regional office and agency level. These policies and practices were assessed based on GAO standards, which indicate that the following control activities should be present for proper internal control.

- a. **Appropriate documentation of internal controls** – Are internal controls documented in management directives, administrative policies, or operating manuals either electronically or in paper form?

-
- b. **Review of employee compliance with internal controls** – Does management monitor employee compliance with internal controls over the cash and electronic payment process?
 - c. **Communication of policies and procedures** – Is adequate training provided to ensure that employees perform their duties correctly?
 - d. **Controls over information processing** – Are there controls in place to decrease human error in data entry? Is access to data limited?
 - e. **Physical control over vulnerable assets** – What security exists for cash? Is access to cash limited?
 - f. **Segregation of duties** – Are duties and responsibilities pertaining to cash flows segregated in order to reduce the risk of error or fraud?
 - g. **Proper execution of transactions and events** – Are transactions authorized and executed only by persons acting within the scope of their authority?
 - h. **Accurate and timely recording of transactions and events** – Are transactions recorded promptly to maintain their relevance and value?
 - i. **Appropriate documentation of transactions** – Are transactions clearly documented, and is the documentation readily available for examination?

Figure 1 below briefly describes the proper procedures for regional offices to follow in receiving payments from the public.



A. Appropriate documentation of internal controls

As will be detailed in the following sections, the DMV has written policies and procedures concerning the cash management process for CSRs, regional office supervisors and managers, and Accounting Office staff. However, these documents do not reflect all of the internal controls that are or should be in place. For example, the DMV indicated that it requires the opening manager and the closing manager at regional offices not to be the same person. However, this segregation of duties is not written in policy, and it is followed in some offices but not in others. **The Legislative Auditor recommends that the DMV update its written policies and procedures to document all controls in order to ensure that practices are followed uniformly and help to minimize the potential for fraud and abuse.**

The DMV has written policies and procedures concerning the cash management process for CSRs, regional office supervisors and managers, and Accounting Office staff. However, these documents do not reflect all of the internal controls that are or should be in place.

B. Reviews of employee compliance with internal controls

There are several levels at which compliance with internal controls over the processing of cash and electronic payments is evaluated. At the employee level, Customer Service Representatives (CSRs) are evaluated at the end of each shift for fund accuracy. If there is an overage or shortage of cash, an Outage Report is completed and reprimands may be made based on the amount of fund discrepancies. See the CSR Outage Policy in Appendix C.

The DMV Accounting Office also evaluates the performance of the regional offices. Although it is not included in the Accounting Office's written procedures, once per month, Accounting Office staff randomly selects three days' worth of transactions from each regional office for verification. This audit ensures that the documentation for each selected day is correct and that proper procedures were followed. An incidence of embezzlement occurred at the Princeton regional office in 2013 and it was discovered in the course of one of these monthly audits when the Accounting Office employee checking documents noticed that some validated deposit slips had not been received from that office. When slips were received, the validation dates on some deposit slips varied greatly from the date that the deposit amounts had been entered into FIMS by the Accounting Office. In most cases under normal circumstances, the date the bank validates a deposit slip is the same as the date the deposit is entered into FIMS. In some cases there is a variance of one or two days and during certain times, such as around holidays, there may be a larger variance of three to five days. In the Princeton case, there was a variance of up to 20 days. Although comparing the dates of validation with the dates deposits were entered into FIMS was not officially part of the monthly audit process at the time, since the Princeton embezzlement was discovered, this has been incorporated into the items evaluated. In discussions with Accounting Office staff, it was stated that these monthly audits have always been utilized, but that at certain times they may have taken less priority, such as when there were staffing shortages or other more pressing matters to address. Since it was discovered that theft had occurred, the audits have been made more of a priority.

There are several levels at which compliance with internal controls over the processing of cash and electronic payments is evaluated.

The Accounting Office also has an Audit Section that performs unannounced audits of regional offices. These audits occur about every 18 months per office, although the timeframe differs in order to ensure the audits are truly unexpected. The DMV is in the process of hiring an additional auditor in order to conduct audits more frequently. These audits look at all aspects of the operation of the offices and include reviews of fixed assets and inventory as well as tests or observations of

checkout procedures, safekeeping of assets, cashiers' tapes, time keeping, credit card procedures, security systems, and the driver licensing system. These audits are also not included in the agency's written policies and procedures.

The Legislative Auditor finds that the DMV promotes accountability and accuracy in the flow of payments through the DMV regional offices. However, it is important that these processes be included in the agency's written policies and procedures in order to ensure that the process is followed consistently and properly. The agency should update its policies and procedures to include all control measures that are being utilized.

C. Communication of policies and procedures

Although the Director of Regional Office Operations indicated that training is occasionally conducted at the DMV training center for the newest CSRs statewide when funding is available, most employee training is performed on the job by regional office management. The Director further states that regional office management is "periodically" brought to Charleston to receive instruction on new policies and procedures. Although funding limitations and differing hiring timeframes might make it difficult to hold centralized training for new CSRs, **the DMV should consider creating a uniform in-house training program for use by each regional office in order to ensure that all new employees receive the same training and proper instruction on policies and procedures.**

There are written policies concerning the processes CSRs, supervisors, managers, and accounting office staff are to follow in performing their duties. These policies are provided in Appendix C. PERD staff visited two field offices, those located in Huntington and Point Pleasant, to observe operations and speak to CSRs and management to determine how knowledgeable staff members are of these policies and whether the policies are being followed. CSRs and management staff at these locations were familiar with the appropriate processes and followed them properly. However, although the DMV Commissioner indicated that all employees must sign off on the policies when hired, this requirement is not included in the written procedures. The Huntington office was unable to provide signature forms for its employees and the manager of that office indicated that neither he nor the previous manager had ever had employees sign off on them. He later provided all employees with a copy of the policies and procedures and forwarded the signature pages

Although the Director of Regional Office Operations indicated that training is occasionally conducted at the DMV training center for the newest CSRs statewide when funding is available, most employee training is performed on the job by regional office management.

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for each employee to the Legislative Auditor. It is important to ensure that employees are informed of the policies and procedures they are to follow. Requiring employees to confirm receipt of this information both ensures a knowledgeable workforce and protects the agency and the public by preventing mistakes or abuse by employees who are or claim to be uninformed of the correct procedures. **The DMV should incorporate this requirement into its written policies and procedures and include it in any training program that might be developed in the future.**

D. Controls over information processing

As discussed in the next section, the documentation and validation process at the regional office and accounting office levels help to prevent and detect human error. There are also checks in place to limit data access. At the regional offices, each CSR's computer is password protected and must be locked when the CSR is not at his or her station. Accounting Office staff must log onto FIMS using a personal identification number and password. Only certain employees are able to access the DMV deposit information. Once a transaction has been approved and transmitted to the Treasurer's Office, FIMS does not allow any changes to be made to that transaction.

The documentation and validation process at the regional office and accounting office levels help to prevent and detect human error.

E. Physical control over vulnerable assets

All staff members have an ID card and are supposed to wear it where it is easily visible. Only authorized personnel are allowed behind the counter. As discussed in the previous section, all CSRs have an individual password used to lock their terminals and are instructed to do so any time they leave their stations. Both the CSR and the manager or supervisor count the register moneys at the end of the shift in a secure location and the funds are never to be left unattended during this process. Each regional office has a safe in which money is kept and only supervisors and managers have access to these safes. Where available regional offices use a courier service to transport deposits to the bank. If a courier service is not available, a supervisor or manager transports deposits to the bank.

F-G. Segregation of duties/Proper execution of transactions and events

According to the DMV Commissioner, the main reason the theft at the Princeton regional office occurred was that the former manager had eliminated a certain aspect of the segregation of duties. The DMV

Commissioner indicated that there is to be a different opening manager than closing manager in order to ensure that no one is able to deposit inaccurate amounts or delay deposits in order to “borrow” funds for personal use and replace them before depositing the money in the bank. However, this segregation is not detailed in the agency’s policies and procedures, and it was found in PERD’s office visits in Huntington and Point Pleasant that this segregation of duties is not being practiced in the Huntington office, but is being practiced in the Point Pleasant offices. **The DMV should include segregation of management duties in its policies and procedures and ensure that this segregation is practiced.**

The DMV Commissioner indicated that there is to be a different opening manager than closing manager.

There is segregation of duties at the CSR and Accounting Office levels, and checks are in place to ensure that only authorized individuals carry out certain actions. Both the CSR and the manager/supervisor count the cash drawer at the end of the shift to ensure fund accuracy. Additionally, CSRs are not able to issue refunds. In order for a refund to be conducted, a manager must log onto the register to complete the transaction. Deposit amounts are entered into FIMS by the accounting office rather than by regional office management. Once a staff member has entered the deposit amount into FIMS, generating a FIMS cover sheet, the cover sheet and supporting documentation from the regional office are provided to another accounting office staff member, who verifies the accuracy of the deposit amount before approving the transaction to the Treasurer’s Office. These requirements are detailed in the written policies and procedures.

However, this segregation is not detailed in the agency’s policies and procedures, and it was found in PERD’s office visits in Huntington and Point Pleasant that this segregation of duties is not being practiced in all cases.

H. Accurate and timely recording of transactions and events

All transactions that take place at a register are recorded on the register tape as they occur. Transaction totals are transmitted by fax to the Accounting Office the next morning and entered into FIMS that day. PERD staff saw no issues with the timeliness of the recording of transactions, however, the policies and procedures do not specify a timeframe for the transmittal of original documents to the Accounting Office, and based on discussions with regional office staff in Huntington and Point Pleasant, no set schedule seems to be used in practice. **It is recommended that the DMV incorporate into its policies and procedures instructions detailing when original documentation is to be sent to the Accounting Office for filing.**

I. Appropriate documentation of transactions

Transactions are clearly documented along every step of the cash flow process. Each register documents every transaction and at the end of the shift, the register tape showing each transaction and cumulative totals by kind of transaction is printed for each register. Register tapes are then transmitted with other daily paperwork to the Accounting Office. This daily paperwork includes Cashier's Reports for each register, a Master Cashier Report showing all payments received and the fund distribution of these payments, a Credit Card Summary showing the total credit card payments received by type of card, and validated deposit slips. As previously discussed, the Accounting Office documents the deposit transmitted to the Treasurer's Office with a FIMS Deposit Cover Sheet. All of this documentation is filed by month and regional office, and maintained in the Accounting Office for four to six months before being sent to archives where it is held indefinitely. Although the retention of documents was not within the scope of this audit, a retention schedule for documents is clearly necessary to prevent records from being held "indefinitely." The agency indicated that a retention schedule has been developed and is pending approval that would require records to be destroyed after five years.

Transactions are clearly documented along every step of the cash flow process.

The Legislative Auditor's Office conducted a review of these documents to verify that regional offices are submitting all required information and both the regional offices and the Accounting Office are taking all appropriate steps to ensure accuracy and accountability in cash flows. A five percent sample was randomly selected from 23 of the 24 regional offices for the 2013 fiscal year. The Summersville regional office was excluded because it did not open until August 2013. Sampled documents were reviewed for completeness, evidence of proper procedures being followed, and accuracy and validity. Based on the agency's written policies and procedures and interviews with Accounting Office staff, the following criteria were included:

- Completeness – are all required documents included in each file?
 - faxed deposit slip, credit card summary, and master cashier report;
 - bank-validated deposit slip, original credit card summary, original master cashier report, original register tapes; and
 - FIMS cover sheet.
- Were proper procedures followed?
 - explanations provided for any cash overages/shortages,

- FIMS cover sheet initialed by the individual double-checking for accuracy, and
- FIMS ID number generated on the cover sheet written on the Master Cashier Report.
- Is the information shown on the documents valid and accurate?
 - all deposit numbers match (i.e, no data entry mistakes), and
 - bank validation dates match FIMS cover sheet generation date allowing for a few days' variance.

The findings of this review were positive. Every sample file was found to contain all required documentation. In all but three instances all proper procedures were followed. The CSR Outage Policy governs the procedures for handling situations where cash registers are over or under the amount they should be at the end of the shift. These overages or shortages are known as outages. The Outage Policy requires that outage reports be completed for any cash overage or shortage over \$25, but no documentation is required for a single outage of less than \$25. Although it is not included in the written policies and procedures, in practice regional office managers are to include an explanation on the register tape of any outage, regardless of amount. The Morgantown regional office failed to explain two overages, one in the amount of \$5 and one in the amount of \$1, and the Winfield office failed to explain a \$10 cash shortage on the register tape. It is important that the reason for any cash discrepancies be documented in order to ensure accountability, therefore **the DMV should include in its written policies and procedures the requirement that regional offices provide explanations on the tape for all outages.**

A random sample of regional office documentation showed that regional offices are submitting all required information and that appropriate steps are being taken to ensure accuracy and accountability in cash flows.

In all the sample files, deposit numbers on deposit slips, Cashier's Reports, and FIMS cover sheets matched. In most cases the dates on reviewed deposit slips were the same as the date the deposit amount was entered into FIMS. In four instances the dates varied by several days, but these coincided with Veteran's Day, Thanksgiving, the New Year holiday and a weekend, so the variances were not questionable. Only the Weirton regional office had variances with no obvious coinciding holidays to explain the differences, with dates in 5 of the 13 sampled files varying by four to five days. The Accounting Office indicated that the delay in Weirton's deposits being delivered to the bank was caused by an issue with the cash courier service that has been addressed. The service was picking up deposits daily, but keeping the deposits in the courier vault overnight because they could not get to the bank before it closed. The Treasurer's Office has since approved deposits to a different location, which will eliminate the timeliness issue.

Conclusion

The Legislative Auditor found that the DMV has established an adequate control environment to ensure accuracy and accountability in managing cash and electronic payments. However, additional improvements can be made to ensure that all employees are aware of policies, that policies are followed uniformly at all times in the various regional offices and in the Accounting Office, and that adequate segregation of duties is enforced to ensure accountability and reduce the threat of fraud and abuse.

Recommendation

- 1. The Division of Motor Vehicles should make the internal controls improvements identified by the Legislative Auditor's Office in order to better safeguard assets and prevent and detect errors and fraud.*

Issue 2

Although the Division of Motor Vehicles Provides Relevant Goals and Measures and Shows Good Performance in Important Areas, Many Important Goals Have Been Reported Year After Year and Have Yet to Be Accomplished.

Issue Summary

The state budget process requires agencies to submit performance goals and measures in order to increase accountability and provide insight into how well the agency is achieving its mission. The DMV provides goals and measures in the FY 2014 Executive Budget that are relevant to its mission, and reflect good performance in important areas. However, several of the goals provided have been carried over from one year to the next, which indicates that they have not been accomplished as desired. The agency should establish attainable goals and accompany them with measures on the progress made to achieve each goal.

The Division of Motor Vehicles' Mission Statement Is Fully Supported by Statute

The West Virginia Department of Revenue requires state agencies to submit division-level performance measures as part of the appropriation request process. Other information reported includes the agency's mission statement, goals, and objectives. Although appropriations are not based on the performance measures reported by agencies, performance measures are required to ensure accountability and to encourage agencies to be results-oriented. The Legislative Auditor has observed that many state agencies have not provided adequate performance goals or measures in the *Operating Details* of the State's Executive Budget. In some cases, the performance measures are not strongly tied to the agency's overall mission, while in other cases only goals are listed without measures. In addition, state agencies often do not provide goals or benchmarks for their performance measures. Without a performance goal or benchmark, a performance measure does not indicate whether performance is good or needs improvement.

The DMV states its mission as follows:

Division of Motor Vehicles

The DMV provides essential licensing, titling, and vehicle registration to the public; promotes highway safety; and collects revenue for transportation programs.

The Legislative Auditor examined the agency’s mission statement to determine if the agency’s focus is statutorily supported. The performance of an agency is tied to what the agency considers its mission. Therefore, the mission should be clearly understood by the agency and it should not be more or less than what is statutorily required. The Legislative Auditor determines that the agency’s mission statement is supported by statute as shown in the table below.

The DMV’s mission statement is:	
fully supported by statute.	X
not supported by statute.	
less than statutorily required.	
more than statutorily mandated.	
determined administratively as allowed by statute.	

The DMV is created in West Virginia Code §17A-2-1. The agency performs various duties pertaining to vehicles and drivers assigned in the following chapters of West Virginia Code:

- WVC §17A – Motor Vehicle Administration, Registration, Certificate of Title, and Antitheft Provisions
- WVC §17B – Motor Vehicle Driver’s Licenses
- WVC §17C – Traffic Regulations and Laws of the Road
- WVC §17D – Motor Vehicle Safety Responsibility Law
- WVC §17E – Uniform Commercial Driver’s License Act
- WVC §17F – All-Terrain Vehicles
- WVC §17G – Racial Profiling Data Collection Act

Of the twelve goals reported in the FY 2014 Executive Budget, the DMV provided performance measures for four.

Additionally, the agency is responsible for administering the Governor’s Highway Safety Program, which was transferred to DMV authority by executive order in 1998.

The Agency Only Provides Measures for a Few of Its Goals

Of the twelve goals reported in the FY 2014 Executive Budget, the DMV provided performance measures for four. These four goals and performance measures are discussed below.

Goal 1: Improve the availability and use of web-based International Registration Plan (IRP) business processes by increasing the

number of Internet IRP transactions to 35% and the use of electronic payment by customers to 90% by the end of FY 2014.

Table 1						
Percent of IRP Registrations and Payments Made Online						
Fiscal Year	Actual 2010	Actual 2011	Estimated 2012	Actual 2012	Estimated 2013	Estimated 2014
IRP registrations via internet	30%	30%	30%	30%	33%	35%
IRP customers using electronic payments	75%	80%	80%	80%	85%	90%
Source: State of West Virginia FY 2014 Executive Budget (unaudited).						

Increasing the use and availability of online IRP transactions has been listed as an objective in the Executive Budget by the DMV since 2010, with the stated goals increasing from 25% of registrations and 70% electronic payments in 2010 to the current goals of 35% and 90% respectively. The agency exceeded its goals in 2010 and is striving to continue to make improvements each year, as shown by the provided performance measures.

Goal 2: Ensure that 90% of all DMV business transactions can be performed at regional offices by the end of FY 2016.

Table 2						
Percent of Transactions Available at Regional Offices						
Fiscal Year	Actual 2010	Actual 2011	Estimated 2012	Actual 2012	Estimated 2013	Estimated 2014
Transactions that can be completed at regional offices	75%	75%	78%	75%	78%	80%
Source: State of West Virginia FY 2014 Executive Budget (unaudited).						

Ensuring the provision of services at regional offices has also been an objective provided by the DMV since 2010. That year, the stated objective was to make all services available. In the Executive Budget documents since, the objective has been to ensure the provision of 90% of transactions at regional offices. The agency has failed to meet its goal

each year and the actual percentage of transactions that can be completed at regional offices was stagnant from 2010-2012, which shows that the agency needs to make improvements in this area.

Goal 3: Decrease the alcohol-related fatality rate per hundred million vehicle miles traveled (HMVMT) to 0.40 by the end of FY 2017.

Fiscal Year	Actual 2010	Estimated 2011	Actual 2011	Estimated 2012	Estimated 2013	Estimated 2014
Alcohol-related fatality rate per HMVMT	.051	0.48	0.56	0.50	0.48	0.46

Source: State of West Virginia FY 2014 Executive Budget (unaudited).

The objective of decreasing alcohol-related fatality rates has been in place since 2010, with the goal decreasing from a rate of 0.47 in that year to the current goal of 0.40. The agency has never met its set goal and the alcohol fatality rates per HMVMT have fluctuated through the years, which indicates that improvements are needed in this area.

Goal 4: Increase the number of driver's license reinstatements by 3.50% per year through improved awareness of and completion of driver improvement programs.

Fiscal Year	Actual 2010	Actual 2011	Estimated 2012	Actual 2012	Estimated 2013	Estimated 2014
Change in reinstatements	4.01%	9.06%	3.50%	8.94%	3.50%	3.50%
Driver license reinstatements	41,640	45,412	47,001	51,205	52,997	54,852

The objective of increasing the number of driver's license reinstatements has been included in the Executive Budget since 2010. According to the figures reported by the agency, this goal has been exceeded for the past several years, which indicates that the agency is performing well in this area.

The remaining eight goals were listed without performance measures. While most of these goals are what can be considered one-time goals, all have been included in the Executive Budget for multiple years, with only the end-date being updated from one year to the next. These goals are described below.

Goal 5: Migrate from the current embossed registration plate production method to a modern digitalized production method by the beginning of 2015. This goal was also provided as an objective in 2013. The end-date goal provided at that time was 2014.

Goal 6: Complete a 100% reissuance of all registration plates by the beginning of 2018. This goal was also provided as an objective in 2013. The end-date goal provided at that time was 2017.

Goal 7: Implement electronic lien transaction among DMV, dealers, and lien holders by the beginning of 2014. This goal has been included in the Executive Budget every year since FY 2010. Each year the end-date is advanced to the next year.

Goal 8: Implement an on-line personal property tax verification system for registration renewals by the end of FY 2014. This goal has been included in the Executive Budget every year since FY 2010. Each year the end-date is advanced to the next year.

Goal 9: Complete an update of the leasing program to verify tax collections by the lessor by the end of FY 2016. This goal has been included in the Executive Budget every year since FY 2011. Each year the end-date is advanced to the next year.

Goal 10: Develop a customer-centric business system by replacing three outdated stand-alone databases to provide state-of-the-art motor vehicle services to customers in an efficient and cost-effective manner by the end of FY 2018. This goal has been included in the Executive Budget every year since FY 2010. Each year the end-date is advanced by a year.

Goal 11: Complete by the end of FY 2015 the first phase of the customer-centric business system (a point-of-sale case management and inventory system). This goal has been included in the Executive Budget every year since FY 2011. Each year the end-date is advanced.

Goal 12: Implement the National Motor Vehicle Title Information System on-line application by the end of FY 2015. This goal has been included in the Executive Budget since FY 2012. In each year the end-date is advanced to the next year.

The Legislative Auditor requested updates from the DMV concerning the agency's progress in attaining the unmeasured goals listed in the

Eight goals were listed without performance measures. While most of these goals are what can be considered one-time goals, all have been included in the Executive Budget for multiple years, with only the end-date being updated from one year to the next.

Executive Budget. The agency indicated that Goal Twelve has been achieved; Goals Five, Six, and Eleven are on track to be completed on time; progress has been made toward achieving Goal Ten, although it is unclear at this time if the goal will be met; Goals Seven and Eight have been delayed; and Goal Nine is on hold.

These goals are important to the agency's performance and would be beneficial to the driving public. It would appear that the agency is not taking action to meet many of these goals, but rather setting the same goals year after year and moving the end-dates back. Goals should be attainable and measurable. Therefore, goals should be accompanied by measures. If they are one-time goals, there should be a measure on where the agency is in accomplishing them. Pushing the end-date back each year is not being accountable or transparent.

Conclusion

The agency's mission statement is supported by West Virginia Code and some of the goals and measures provided by the agency in the FY 2014 Executive Budget are relevant to this mission. However, most of the goals reported are not measured and are carried over from one year to the next with no apparent action being taken to meet them. The agency should set goals that it intends to meet and provide measures of the progress being made in accomplishing these goals in the Executive Budget.

Recommendation

2. *The Legislative Auditor recommends that the Division of Motor Vehicles establish attainable goals and accompany them with measures on the progress made in achieving each goal.*

It would appear that the agency is not taking action to meet many of these goals, but rather setting the same goals year after year and moving the end-dates back.

Issue 3

While the Division of Motor Vehicles Website Is User-Friendly for the Most Part, Improvements Are Needed to Enhance the Agency’s Transparency and Make Additional Online Services Available.

Issue Summary

The Legislative Auditor’s Office conducted a literature review of government website assessments and, using this information, developed a list of attributes that should be considered for state agency websites. The most common elements in previous studies were applied to establish a set of criteria used to measure how the DMV website supports online citizen engagement (see Appendix D). The website checklist has two major components, User-friendliness and Transparency, which were evaluated to create a total score for the agency. As illustrated in Table 4, DMV integrates 50% of the checklist items within its website. This score indicates that improvements can be made to the agency’s website.

Table 4 DMV Website Evaluation Score			
Substantial Improvement Needed	More Improvement Needed	Modest Improvement Needed	Little or No Improvement Needed
0-25%	26-50%	51-75%	76-100%
	DMV 50%		

Source: The Legislative Auditor’s review of the DMV website.

In addition to assessing the user-friendliness and transparency aspects of the DMV website, an evaluation was also conducted to determine how customer-oriented the DMV website is. Although the agency has increased the number of online services available to customers, there are a number of additional services that could be added. While the DMV provides examples of system enhancements that are being made to enable these additions in the future, there do not seem to be clear plans in place for the development of most of these. The agency should develop plans for offering services such as online vehicle registration, driver’s license renewal, and specialty license plate purchases in order to save costs and increase customer convenience.

The DMV Website Scores Better in User-Friendliness Than Transparency

In order for a citizen to actively engage with an agency online, he or she must first be able to access and comprehend information on the agency's website; therefore, government websites should be designed with citizens in mind. A user-friendly website is readable and allows a citizen to easily navigate from page to page. Government websites should also be transparent and provide citizens with confidence and trust in the agency. Transparency promotes accountability and provides information for citizens about what the government is doing. As illustrated in Table 5, the DMV website's score indicates that there is some room for improvement in user-friendliness and a more substantial need for improvements to elements of transparency.

Category	Possible Points	Agency Points	Percentage
User-Friendly	18	11	61
Transparent	31	13	42
Total	49	24	50

Source: Legislative Auditor's assessment of the DMV website.

The DMV Website Could Benefit From Modest Improvements to Enhance User-Friendliness

The DMV website is easy to navigate and includes some of the core website elements such as a Frequently Asked Questions (FAQ) section, a Site Map, and a search box on every page. Users can access the homepage by clicking on the home button on the navigation bar on any page of the website; however, the site is lacking in foreign language accessibility and does not contain buttons to quickly adjust the font size of the page. Additionally, some citizens may not easily comprehend the language used on the website. In order to be easily understood, website text should be on about the 6th-7th grade reading level. Although some sections of the website fall within this range according to the Flesch-Kincaid Test for measuring readability, other sections are on an 8th or 9th grade reading level.

The DMV website is easy to navigate and includes some of the core website other elements.

User-Friendly Considerations

Some key attributes that the DMV might consider incorporating into its website in order to enhance user-friendliness are:

- **Foreign Language Accessibility** - A link to translate all webpages into other languages other than English.
- **Mobile Functionality** – A mobile version of the agency website.
- **Feedback Options** – A page where users can voluntarily submit feedback about the website or particular section of the website.
- **Social Media Links** – The website should contain buttons that allow users to post an agency’s content to social media pages such as Facebook and Twitter.

The DMV Website Could Benefit From Additional Content Elements to Enhance Transparency

A website that is transparent will have elements such as mail and email contact information, the location of the agency, the agency’s phone number, budget information, and performance measures. A transparent website also allows interaction between the agency and citizens concerning a host of issues. Appendix D demonstrates that the DMV website has less than half of the core transparency elements that are necessary for a general understanding of the agency.

The DMV website has less than half of the core transparency elements.

Transparency Considerations

The DMV website has some elements of transparency, but could benefit from improvements. The following are a few attributes that could be beneficial to the DMV in increasing its transparency:

- **Location of Agency Headquarters** – An embedded map that shows the agency’s location.
- **Administrative Officials** – Names and contact information of administrative officials. Although the site provides the name of the Commissioner and the contact phone number, the names of other officials are not provided, nor is the agency address.
- **DMV Budget**- A link to the annual DMV budget.
- **FOIA Information** – Information on how to submit a DMV FOIA request, ideally with an online submission form.
- **Public Records** – Information relating to the agency’s function, such as statutes, rules and regulations, etc.
- **Agency History** – A page explaining how the agency was created, what it has done, and how, if applicable, its mission has changed over time.
- **Website Updates** – A website update status, ideally for every page.
- **DMV Performance Measures**- A link from the homepage providing the agency’s goals and performance measures.

Additional Online Services Should Be Offered to Benefit Customers and Decrease Costs

The DMV is a customer centric agency, providing services to drivers, automobile owners, automobile dealers, and motor carriers, among others. As such, it is important that the DMV provides services with efficiency and convenience. A 2002 report released by the Legislative Auditor's Office found that the development of online vehicle registration renewal could save the State of West Virginia money while also providing cost savings and increased convenience to citizens. However, in a 2005 compliance review the Legislative Auditor's Office reported that the agency was not offering this service. The DMV indicated at that time that lobbying efforts of county sheriffs had prevented the development of online registration renewal.

Although online registration renewal is still not being offered, the following online services are available to DMV customers.

- Drivers may verify their license status (valid, expired, suspended).
- Requests may be made for duplicate registration cards, decals, or license plates.
- Address changes may be made.
- Vehicle dealers may offer point-of-sale services, such as temporary tags and transfer slips.
- Commercial motor carriers may register, receive invoices, pay for apportioned registrations, and receive out-of-state trip permits.

The Legislative Auditor's Office reviewed other states' DMV websites to see what services are being offered. Table 6 below shows how many states offer online services.

Table 6 Online DMV Services		
Online Service	Number of States Offering Service	Service Offered by West Virginia DMV
Registration renewal	47	N
Duplicate registration request	17	Y
Purchase personalized or specialty plates	24	N
IRP	29	Y
Address change	33	Y
Driver's license/ID renewal	27	N
Driver's license reinstatement	20	N
Duplicate driver's license request	18	N
Voter registration	9	N
<i>Source: State DMV websites</i>		

As the table above illustrates, a number of states offer online services not available to DMV customers in West Virginia. In spite of previous recommendations by the Legislative Auditor's Office, West Virginia is still one of only three states not offering online registration renewal. States have reported that increasing the number of services available online has enhanced customer service and decreased costs. For example, the Virginia Department of Motor Vehicles indicates that it costs the agency only \$3.83 to process a vehicle registration renewal conducted online and only \$11.26 to process an online driver's license renewal, while the same transactions conducted at a customer service center cost \$9.55 and \$22.40, respectively. The agency also reported an average decrease in wait-times of eight minutes in customer service centers.

Although the DMV has not calculated any potential cost savings for offering online services, using Virginia's experience as a basis for estimation shows that possible savings are substantial. For example, in 2012, there were 20,192 Class E non-commercial driver's license renewals in the state and 208,747 renewal registrations. If 40 percent of these customers had utilized online services, the total savings to the agency would have been about \$567,589.

The California Department of Motor Vehicles indicates similar results, with online customers experiencing convenience and cost savings and customers conducting business in person having the benefit of shorter lines and decreased waiting times.

The DMV indicates that the agency is in the process of expanding online services. In response to 2009 legislation, an electronic insurance verification program has been developed and will be active in January 2014. The agency is also working with the Secretary of State's Office to automate the voter registration process and is in the process of developing a pilot program that would enable online issuance of Special State/State Employee ID's, such as those issued to members of the State Bar. Ultimately, it is hoped that this program will serve as the basis for enabling online driver's license renewals that would eliminate the need for customers to visit DMV locations and lengthen the time period for renewals from five to eight years.

The agency indicates that in order for other online services to be offered, further modernization and integration of computer systems must take place. For example, one hindrance to the development of online registration renewals is the lack of online access to personal property tax information. Currently about 38 counties provide personal property tax information online. The agency states that integrating and modernizing DMV systems will allow utilization of online information already maintained by counties.

In line with the goal of modernization and integration, the agency has developed an RFP for a unified cash register system that will enhance auditing and inventory tracking capabilities and serve as the foundation

A number of states offer online services not available to DMV customers in West Virginia.

States have reported that increasing the number of services available online has enhanced customer service and decreased costs.

for a unified system that will allow additional services to be offered. A pilot program is also in process that enables the electronic transmission of registration renewal information from county sheriff's offices. Currently, when renewals are received at sheriff's offices, the money and updated renewal information is sent to the DMV in batches and often several weeks after the transaction is completed.

While the agency has and continues to make advances toward increasing online service offerings, no solid plans seem to be guiding goal-based developments in several strategic areas. Although the agency indicates that modernizing and integrating systems will enable the further expansion of online services into areas such as registration and driver's license renewals, there is no indication as to when this might happen. Because there are such obvious benefits to the agency and to citizens of the state, **the DMV should develop plans for the provision of additional online services.** Providing transactions such as registration renewal, driver's license renewal, and special plates purchasing online would save the agency money, increase convenience and cost-savings to customers, and increase the efficiency of service at DMV centers.

Conclusion

As internet technology continually improves and becomes more accessible, state agencies are utilizing websites to engage citizens as active participants in the government process. The DMV website is missing several elements that would enhance the availability of information to citizens. In order to increase user-friendliness and transparency, the agency should consider incorporating elements such as foreign language accessibility, a site map, mobile functionality, budget and performance measure information, and applicable public records. The agency should also develop plans to offer additional online services in order to increase efficiency and convenience and decrease costs, both for the agency and DMV customers.

Recommendations

3. *The Division of Motor Vehicles should enhancing the user-friendliness and transparency of its website by incorporating the website elements identified by the Legislative Auditor.*
4. *The Division of Motor Vehicles should develop plans for and implementation of provisions of additional online services.*

Appendix A Transmittal Letter

WEST VIRGINIA LEGISLATURE *Performance Evaluation and Research Division*

Building 1, Room W-314
1900 Kanawha Boulevard, East
Charleston, West Virginia 25305-0610
(304) 347-4890
(304) 347-4939 FAX



John Sylvia
Director

November 22, 2013

Steven O. Dale, Commissioner
Division of Motor Vehicles
5707 MacCorkle Avenue, Southeast
Charleston, WV 25317

Dear Commissioner Dale:

This is to transmit a draft copy of the Performance Review of the Division of Motor Vehicles. This report is scheduled to be presented during the December 9-11, 2013 interim meeting of the Joint Committee on Government Operations, and the Joint Committee on Government Organization. We will inform you of the exact time and location once the information becomes available. It is expected that a representative from your agency be present at the meeting to orally respond to the report and answer any questions the committees may have.

We would like the following information to include in the final report:

1. Whether any cost estimates have been performed by your agency to determine the savings that would result from offering services online such as registration renewal and driver's license renewal. If so, please provide these estimates.
2. How does compliance with the Real ID Act affect the ability to offer driver's license renewal online?

If possible, we would like to receive this information by Tuesday, November 26, 2013. If you would like to schedule an exit conference to discuss any concerns you may have with the report, please notify us by Monday, November 25, 2013. We need your written response to the report by noon on Monday, December 2, 2013 in order for it to be included in the final report. If your agency intends to distribute additional material to committee members at the meeting, please contact the House Government Organization staff at (304) 340-3192 by Thursday, December 5, 2013 to make arrangements.

We request that your personnel not disclose the report to anyone not affiliated with your agency. Thank you for your cooperation.

Sincerely,

Handwritten signature of John Sylvia in cursive script.
John Sylvia

c: Keith Chapman, Deputy Secretary, Department of Transportation
Jerry Conrad, Director, Management Services

Joint Committee on Government and Finance

Appendix B

Objective, Scope and Methodology

The Performance Evaluation and Research Division (PERD) within the Office of the Legislative Auditor conducted this performance review of the Division of Motor Vehicles (DMV) as part of the Agency Review of the Department of Transportation as required and authorized by the West Virginia Performance Review Act, Chapter 4, Article 10, of the *West Virginia Code*, as amended. The purpose of the DMV is to perform various duties pertaining to vehicles and drivers as established in West Virginia Code §17A-17G et seq.

Objectives

The objectives of this review are to evaluate the internal controls the agency has over cash flows at regional offices; to determine whether the DMV website is user-friendly, transparent, and customer oriented; and to evaluate the performance measures provided by the agency in the FY 2014 State of West Virginia Executive Budget.

Scope

The scope of this review consisted of the DMV's policies and procedures pertaining to cash flows and the actual practices in place at regional offices and the DMV accounting office as illustrated by documents from FY 2013 and site visits to two regional offices by PERD staff; DMV website content; and performance measures contained in the FY 2014 Executive Budget.

Methodology

PERD gathered and analyzed several sources of information and conducted audit procedures to assess the sufficiency and appropriateness of the information used as audit evidence. The information gathered and audit procedures are described below.

Testimonial evidence gathered for this review through interviews with the DMV's staff or other agencies was confirmed by written statements and in some cases by corroborating evidence. Cash flow processes were verified by site visits to the Huntington and Point Pleasant regional offices, where PERD staff spoke with employees and observed transactions. Compliance with policies and procedures was evaluated using a random sample of five percent of regional office documents from FY 2013. Performance measures provided in the FY 2014 State of West Virginia Executive Budget were evaluated for relevance to the agency's mission and for how well they indicate the agency's performance at meeting this mission. All information was determined to be sufficient and appropriate.

In order to evaluate state agency websites, the Legislative Auditor conducted a literature review of government website studies, reviewed top-ranked government websites, and reviewed the work of groups that rate government websites in order to establish a master list of essential website elements. The Brookings Institute's "2008 State and Federal E-Government in the United States" and the Rutgers University's 2008 "U.S. States E-Governance Survey (2008): An Assessment of State Websites" helped identify the top ranked states in regards to e-government. The Legislative Auditor identified 3 states (Indiana, Maine and Massachusetts) that were ranked in the top 10 in both studies and reviewed all 3 states' main portals for trends and common elements in transparency and open government. The Legislative Auditor also reviewed a 2010 report from the

West Virginia Center on Budget and Policy that was useful in identifying a group of core elements from the master list that should be considered for state websites to increase their transparency and e-governance. It is understood that not every item listed in the master list is to be found in a department or agency website because some of the technology may not be practical or useful for some state agencies. Therefore, the Legislative Auditor compared the DMV's website to the established criteria for user-friendliness and transparency so that the DMV can determine if it is progressing in step with the e-government movement and if improvements to its website should be made.

This performance audit was conducted in accordance with generally accepted government auditing standards. Those standards require that the audit is planned and performed to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. The Legislative Auditor believes that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

Appendix C

DMV Policies and Procedures

GENERAL ACCOUNTING PROCEDURES

DAILY DEPOSITS

The DMV receives revenue from six significant sources as follows:

- 1.) Mailroom (title work, registrations, etc.)
- 2.) County Sheriff Offices (registration renewals)
- 3.) Regional Offices
- 4.) IRP (International Registration Plan) & IFTA (International Fuel Tax Agreement) fees
- 5.) Computerized Vehicle Registrations (dealers use to issue new plates for customer)
- 6.) WV Interactive (dealers use to issue temporary plates or can renew plates)

CHARLESTON DEPOSIT

The deposit known as “Charleston Deposit”, is revenue collected in the central DMV office and turned into the vault each day. A form with a list of the various deposits of checks is sent to Accounting for entry into FIMS (Financial Information Management System). The entire amount is deposited into the Road fund (9007 Year 0802 999 600) and will be broken out via a revenue transfer.

The Mailroom processes title work throughout the day, as they complete a batch of checks, they bring the spreadsheet listing the checks to Accounting for entry into FIMS. Title checks are deposited directly into Privilege Tax (9007 Year 0802 999 601) (See Transfer of Revenue). All other checks collected for renewals, etc. is deposited into the Road fund (9007 Year 0802 999 600). This activity allows the Division to comply with State Statue 12-2-2, which requires 24-hour deposit of funds.

The checks are then picked up by the West Virginia State Treasurer’s Office (WVSTO) and taken to the WVSTO Check Processing Center. Cash is picked up by an armored car service. An employee from the vault emails a copy of a spreadsheet to various employees in Accounting. This spreadsheet consolidates the cashier’s totals coming off the cash register tapes. This information is entered into the spreadsheet by the vault clerk. The vault clerk also completes deposit tickets for the days’ cash receipts. The date of the work is located in the heading of the spreadsheet. The currency, coins, and checks are entered beside the individual cashier name and number. The total for currency, coin, and checks will match the corresponding deposit tickets.

A Summary Report is located in the worksheet which allocates the revenue totals to the individual funds. Accounting reviews the register tapes to ensure accuracy of entry. The first column in this area is the cash deposit, which is placed in the Road fund (9007 Year 0802 999 600). The third column is for title checks. The total for this deposit will be entered under Charleston Title Work as Privilege Tax (9007 Year 0803 999 601). The

second column will represent all other checks received at the central office that has been deposited into the Road fund. A Transfer will be prepared to reallocate money into the correct funds from the Road fund based on the breakdown on the summary report. The Deposit tickets supplied by the vault clerk are attached to the FIMS Coversheets.

TRANSFER OF REVENUE

A report is generated detailing the title work processed and the associated fees. This data is placed on a spreadsheet in order to allocate the fees collected to the proper funds. A transfer is prepared to move money from the privilege tax to the appropriate funds.

ENTRY INTO FIMS OF REGIONAL OFFICE

Monies collected by the Regional Offices is totaled each evening and faxed to Accounting for entry into FIMS the next morning. A master cashier report for each office sums the individual office registers onto one form. The master cashier report, along with, a copy of the deposit ticket completed by the office management and a copy of the credit card summary are faxed to Accounting each morning to be reviewed and entered. The information from the deposit is entered into FIMS to generate a cover sheet. The cover sheet, and supporting documentation is given to another member of the accounting staff that reviews it for accuracy and approves the transactions to the Treasurer's office.

The FIMS ID Number is written on the master cashier report and entered into a spreadsheet ("D# FY"). The FIMS cover sheet is entered into a spreadsheet ("Rev FY") to monitor receipt of all depositing locations, checked for completion from the Auditor's office, matched up with the original documentation and filed based on regional office and month.

SHERIFFS WORK

County sheriff offices collect money for the DMV for vehicle renewals. They are required to send the money to DMV at least monthly. When the checks arrive, the mailroom personnel totals the amount, and the number of registrations then bring it to Accounting for a deposit into FIMS. At which time Accounting deposits the total into the Road fund (9007 Year 0802 999 600). A transfer will be prepared to allocate the money into the correct fund.

CHARGE BACKS

A charge back is a function in FIMS used to correct erroneous deposits. There are various reasons which will necessitate the entry of a charge back. The Treasures' office will notify accounting by email as to what deposit corrections are needed. All charge

backs due to returned checks are handled by the Treasurer's office. Credit Card refunds require a chargeback prepared by accounting.

EFT'S FOR IRP

EFTs (Electronic Funds Transfer) are received for the International Registration Plan, (IRP) are deposited into the Road fund. Accounting notifies IRP of the receipt by email. IRP then provides the accounting section with the necessary information to transfer the appropriate amount to AD Valorem fund maintained by the West Virginia State Auditor's Office. IRP receives electronic transfers from a limited number of jurisdictions which do not participate with the IRP clearinghouse.

FORMS AND POSTAGE

Dealers order miscellaneous forms for use at their dealership. The order form and the check are sent to the DMV Purchasing. Purchasing processes the order and sends the checks, along with the order form to accounting for deposit. Checks are separated from order forms. The number of packages ordered and the price per package is completed on the form. For each package ordered, \$3.00 goes to Postage (9007 Year 0802 099 053). The remaining amount is entered in FIMS into Forms (9007 Year 0802 099 021).

ON-LINE INQUIRY

Companies pay for the ability to have on-line inquiry on driving records. These inquiries are processed through West Virginia Interactive. The Division will generate a report detailing how many inquiries each company has made on a monthly basis. This report is sent to West Virginia Interactive to serve as billing statement. Payment is done by EFT. These funds are deposited to the Road fund (9007 Year 0802 999 600).

COMPUTERIZED VEHICLE REGISTRATION (CVR)

The state code allows the Division to enter into working agreements with service providers that allow approved automobile dealers to enter titling information into the DMV system. This allows the customer to purchase a class "A" registration plate at the time of sale. Titles entered by the dealers go into the DMV vehicle system as a pending title. The paperwork is forwarded to the DMV. As the DMV approves the paperwork, the titles are moved from a "pending" status to an "active" status. Each evening, a report is generated which details the titles added to the system by dealers (added by CVR) and the titles changed to "active" (completed for CVR) status by the DMV. This report is emailed to the DMV and CVR. The accounting section enters a FIMS deposit for the "Completed For CVR" amount. CVR initiates an EFT for the same amount. When the

EFT is received by the treasurer's office it is matched with the pending FIMS deposit and is then completed.

WV INTERACTIVE

WV Interactive (WVI) is the State's Web Portal Provider. They have developed several applications which the Division uses to provide services to the citizens of WV.

Vehicle Registration System (VRS) – This system allows dealers to print a temporary registration plate for the sale of a vehicle and immediately record the titling information in the vehicle system. The title status in the vehicle system is listed as “pending” until the division receives and approves the original paperwork. The dealer collects all fees due from the customer at the time of sale. After 14 days from the completion of the sale, or upon submission and approval of the paperwork, whichever is first, WVI notifies the WV State Treasurer's office (WVSTO) to initiate an ACH to withdraw payment from the dealer's bank account. All funds are initially deposited into the Road fund (9007 YR 0802 999 600) and then transferred to their proper funds as the title work is processed.

Trip permits – Those involved with interstate commerce that are “**not**” registered to travel through WV can purchase trip permits on an as needed basis. This is an internet application and the customers use the credit card payment system hosted by the WVSTO. Each day's revenue is deposited into the Road fund (9007 YR 0802 999 600). The charge to the customer for each permit is \$24 with a \$10 convenience fee. The \$10 convenience fee belongs to WVI and is returned to them as a revenue refund.

Self Serve – Customers can purchase certain duplicate documents via the self-serve application on the internet. This system is similar to the Trip permits listed above except the convenience fee is \$1.

FEDERAL MONEY FOR HIGHWAY SAFETY

The Highway Safety section of DMV operates primarily with federal money. When a “draw down” is submitted for the federal money, the paper work is prepared and submitted to the federal system by Highway Safety personnel. The corresponding deposit and transfer information is submitted to accounting to await the arrival of the funds. The WVSTO notifies accounting of an EFT, at which time the entries are made in FIMS

GRANT REVENUE

Various programs within the DMV are supplemented by Federal Grant Funds. These monies are requested on a reimbursement basis only. When DMV has sufficient supporting documentation, a “draw down” is requested. When the money is received, it

is deposited into the Federal fund (8787 FY 0802 999 *) in FIMS. When the deposit is complete an “expense to expense” transfer is prepared to move the expense from the fund in which it occurred to the Federal fund to match up against the revenue received.

Policy and Procedures

Procedures showing the mechanical operations of the cash register are documented in the "Cash Remittance System Operators Guide."

In order to make the responsibility and the accountability of the cashiers more consistent, the following procedures will be followed by the manager, supervisor and cashiers of each section or branch office.

- 1.) Only one cashier will be working out of their bank, and no one will be using someone else's password. This prevents one Customer Service Representative (CSR) from blaming the other CSR when the drawer does not balance.
- 2.) All cashiers will be using the form DMV-50-AC (revised in June 1999.) This form can be obtained through the supply room (Example I).
 - A.) Section (1) will be completed by the manager, supervisor or lead CSR. This section is referred to as the Audit Trail and must be completed in its entirety.
 - Voids - used in making corrections prior to the CSR completing the transaction (no money accepted)- show the number of voids the cashier had that day - Attach signed, justified receipts to white copy of cashiers' report.
 - Error Corrects - used in making corrections after the CSR has completed the transaction (money has been tendered) - show the number of error corrects the cashier had that day - Attach signed, justified receipts to white copy of cashiers' report
 - Number of transactions - show the total number of transactions for the day.
 - Balance - write bal if the totals balance; if not put the over and under amount here.
 - Date - show the current date that you are performing the work
 - Initials - will show the initials of the person completing this section.
 - B.) Section (2) will be completed by the cashier and must contain the machine number, date, transaction total and name of the cashier.
 - C.) Section (3) will be completed by the cashier. List the total amount of currency, checks and money orders, and the total amount of the collections. The Total Collections per Cash Register Tape is taken from the workstation totals in the CSR's end of the day printout. The overage/shortage is calculated as the difference between these two totals. **Reminder: If the CSR completes these last two lines, the manager, supervisor or lead CSR will double check for accuracy.**
 - D.) Section (4) is to be completed by the manager, supervisor or lead CSR, only if the consolidated report cannot be obtained. All individual Cashier's Reports must have the fee breakdown filled out and then a consolidated Cashier's Report prepared based on the individual Cashier's Reports.
 - E.) In section (4) if a consolidated report can be printed then the top copy of the report will be attached to the Master Cashier's Report and only the fee breakdown is to be prepared on the Master.

Checkouts performed by the Manager, Supervisor or lead CSR are to be performed in a secured area. This cuts down on the chance of money getting stolen. The CSR should include the following with the cashier's report when taking it to the supervisor:

- 1.) One calculator tape verifying the totals of cash, checks and the one hundred dollar (\$100) bank. The bank must always equal \$100. If the tape does not agree with the cash register tape, then a second calculator tape must be prepared. These tapes are to be initialed and dated by the CSR. The manager, supervisor or lead CSR will run a separate tape on each total, compare the totals to the CSR's tapes, then initial and date the tape. Include this tape with the CSR's original calculator tape. The CSR should not leave the area until the manager, supervisor, or lead CSR has agreed with the original totals. The \$100 till should be placed back in the bag and the key removed by the CSR.
- 2.) The CSR's register tape is to be completed by the manager, supervisor or lead CSR with the following information at the bottom: Voids, Errors, Number of Transactions, Balance, Date and Initials (Example II). All offices should have the rubber stamp (Example V), which will eliminate hand writing the information mentioned above.
- 3.) Signed and justified void and error correct receipts. These are to be attached to the white copy of the Cashier's Report.
- 4.) The \$100 bank will be placed in the vault by the manager, supervisor or lead CSR at this time. Do not wait until all CSR's are checked out prior to taking the money to the vault. If the CSR who operated the register is not present to perform the checkout, then the manager, supervisor, or lead CSR and one other CSR should complete the above listed procedures.

At no time during the above listed procedure should the manager, supervisor or lead CSR leave the money unattended.

Prior to completion of the Cashier's Report, each CSR will close out their register by printing the Workstation Totals and the End of the Day Totals. The totals in Cash and Checks must be reconciled to the Cash Drawer (remember to subtract the \$100 bank money from the cash drawer). The manager, supervisor or lead CSR will run a second calculator tape on all monies to verify that the CSR's totals are correct. Any differences in cash and checks must be reconciled and explained to the manager, supervisor or lead CSR. The attached CSR Outage policy was adopted July 1, 1997 and must be strickly followed (Attachment I). This CSR outage will be indicated in Section 3 of the Cashier's Report. An outage report (Attachment I, Page 2) must be prepared for each outage and maintained in the CSR's file as backup for the Accumulated Outage Report. A comparison of the cash register tape to the current day's titles, registrations, applications and the amount validated on the checks will often resolve the outage problems. Once a resolution is reached, the manager, supervisor, or lead CSR will make the corrections. If no resolution can be reached on what accounts the outage affected, then that amount should be adjusted to the State Road Fund. Remember to notify the regional office operations manager if the outage is more than \$10.00. The manager or supervisor must also maintain the Accumulated Outage Report (Attachment II) on each individual CSR. This report must be faxed to the regional office operations manager twice a month.

After all registers have been reconciled, the manager, supervisor or lead CSR prepares a Master Cashier's Report for all revenue received. A consolidated report should be printed, if possible, thus eliminating the need for the manager, supervisor or lead CSR to fill out the individual Cashier's Report fee breakdown.

The following items must be completed on the Master Cashier's Report for auditing purposes:

Section (1): Balance, Date and Initials,

Section (2): the same as the individual Cashier's Report except for the machine number which is to be left blank,

Section (3): must also be completed.

For a detailed explanation of the above listed items see the explanations given on preparation of the individual Cashier's Reports. Four deposit tickets are prepared and the deposit ticket number is written on the top right corner of the Master Cashier's Report. The manager, supervisor or lead CSR prepares a Daily Transaction and Money Total sheet (Example VIII). This sheet includes the date, total number of transactions processed, the total amount of the deposit and the total amount of cash in the deposit. The supervisor signs the sheet, then the manager will recount the cash and sign the sheet if the totals agree.

The following morning, all revenue collected by the regional offices is deposited in the appropriate bank. The money and deposit tickets are placed in a locked money bag and delivered to the bank or picked up by a bonded carrier. **Make sure that the keys to this bag remain at the regional office.** The extra key for this bag should be kept in a locked area by the Manager or the Supervisor. One deposit ticket is kept by the bank and three are validated by the bank and returned to the regional office. The endorsement amount on the returned ticket is checked against the Master Cashier's Report to verify that the correct amount was deposited in the account. If the amounts do not match, the manager or supervisor must notify the bank and investigate to see what the difference is. Once the matter has been resolved, the manager or supervisor must notify the accounting department so the necessary changes can be made to the deposit ticket and FIMS cover sheets. If the amounts on the endorsement match the Master Cashier's Report, the following will be performed. One original validated deposit ticket, bank receipt, white copies of the cashier's reports, end of day cash register tapes, white copy of the Master Cashier's report, and consolidated report tape are sent to the accounting office to be filed. The other two original validated deposit tickets are attached to the yellow master Cashier Report and filed in the regional office. The pink copy of the Cashier's Report is given back to the cashier. The pink copy of the Master Cashier's Report is also retained by either the manager or supervisor in the Regional Office. These records need to be maintained for at least ninety (90) days.

Voids and Error Corrections

When an error is made by a cashier at the window, only the manager, supervisor or the lead CSR (only in the absence of both the manager and supervisor) can perform the error correction or void of the transaction. **The voids and error corrections are to be performed by an independent person; in the case that neither the Manager nor the Supervisor is present, then the lead CSR can perform their own void or error correction, only if they get another CSR to witness the void or error correction and sign off on the receipt.** Error corrections are to be used only when

the CSR has accepted the money and completed the transaction; voids are used when the transaction is still in process and no money has been accepted. The following information needs to be documented on all voids or error corrects.

- The receipt portion of the cash register tape on a void or error correction is to be signed off on by the Supervisor and CSR requesting the transaction to be voided or error corrected. The reason for the void or error corrected must also be documented on the receipt (Customer did not have enough money, rang incorrectly, etc.).
- The number and amount of error corrections and voids made for each cashier are maintained by the manager or supervisor on a Cashier Total form. These are also totaled on the cash register tape and compared with the Cashier Total form on a daily basis.
This form is used as a training tool to inform cashiers of the amount and types of errors they have made (Example VII).
- Signed receipts for voids and error corrections will be attached to the white cashier's report.
- At no time should someone allow another employee to use their password.

Imprest Fund

The Manager of each Regional Office maintains two thousand dollars (\$2,000) in an imprest fund, which is broken down into one hundred dollars (\$100) change funds for each cashier, and the remainder is maintained in the vault. The amount maintained in the vault is used to allow the CSR's to buy change. **The fund will be used for business purposes only.** The imprest fund will be counted once a week and the results recorded on the Cashier Change Fund Audit form (Example IX). **Two people must perform this count (ex. manager and one CSR or supervisor and one CSR; rotate employees so that the same people are not always counting cash).** The form will be signed by both people, the original maintained for the regional office and a copy faxed to the Regional Office Manager. A copy will be obtained by the Accounting Section from the Regional Office Operations Manager. The following steps are to be followed if the imprest fund has an outage:

- Recount all cash - including the \$100 CSR change fund and the current day's deposit.
- Search inside of the safe to be certain that the money was not dropped into a box of decals, etc.
- Search area around the safe.
- Search entire office where the safe is located
- Search the area where CSR's were checked out.
- If the current day's deposit has already been picked up, contact the bank to make sure the money was correct on the deposit ticket.
- Prepare a Cashier Change Fund Audit Form and an Outage Report; then notify the Area Regional Office Manager or the Director of Regional Office Operations, immediately.
- If no determination can be made as to whose mistake it was then both the Manager's and the Supervisor's name must be on the Outage Report.
- The Cashier Change Fund Audit Form will be faxed to the Area Regional Office Manager as normal.
- If the Imprest Fund is over, a cashier's report should be filled out for the amount of the

overage and the deposit placed in the State Road Fund Account. This amount will be deposited with the current day's work and included in the master Cashier Report that is sent to Accounting. The Accounting Section must be notified if there is a shortage, so that a check can be issued to replenish the fund.

The imprest fund will be used for office business only and will not include any of the following:

1. Personal Loans
2. Check Cashing
3. Office Purchases
4. Personal Items (lunch, cigarettes, etc.)

Change Orders

Change orders are prepared when the Imprest Change Fund reaches a point where there are not enough small bills to make change for the CSRs. When the money is received back from the bank (either by motor carrier or employee), the change should be counted as soon as possible. Be sure to count all bundles; do not assume that the correct number of bills is in each bundle.

Safeguarding Assets

Prior to leaving their stations (breaks, lunch, etc.), all CSR's should use the Lock Terminal (F15) function. This function is activated by pressing the shift key and the F5 key at the same time. When returning to the station, the CSR will press any key and the system will ask them for their Cashier Number and Password. Once these are keyed in, hit the enter key and the register will return to the screen used to enter transactions. This feature should even be used in the middle of a transaction, if the CSR is leaving the station for whatever reason. Cash drawers will be kept closed and locked at all times. These steps prevent another employee or a member of the public from having access to the cash drawer while the CSR is away from their station. All decals, checks or cash maintained at the counter by the CSR's will be placed in the locked drawer on the work station. If the work station does not have the locked drawer, then the manager and supervisor needs to determine the safest place to maintain the above listed items. The safe should be secured at all times.

Refunds

Anytime a customer comes in to have work processed with a check that is over the amount of the transaction or transactions, they must either write DMV another check or apply for a refund on the overage. Amounts for \$10.00 or less can be refunded to the customer at the time of the transaction. Under no circumstances should an amount more than \$10.00 be given to a customer. The amount of change given to the customer should be listed either on the memo section of the check or on a separate refund application form (if this form is used be sure to mark it as money refunded and attach it to the customers paperwork so that it will be put on MOVIS) and then signed by the person receiving the money (use a refund stamp, Example VI). This allows the customer to match up the amount of money returned by the person doing the work to the canceled check. Caution all CSR's to make sure that the check is returned by the customer. Anything above \$10.00 should be processed as a Miscellaneous transaction after ringing all other transactions,

before the Check Tendered key is pressed. This should make the total transaction match the check amount. These rules apply to companies as well as individuals. If the customer decides to fill out the refund form, the CSR should help them fill it out, attach any backup and forward to the Accounting Department, Attention Refunds.

Returned Decals

Decals or placards that are returned to the office for various reasons need to be listed on (Example IV) and sent to the accounting office to be reviewed and destroyed. At the end of the month, send these decals along with a copy of the attached list. Voided temporary plates are sent with the returned decals & placards. A copy of the voided (paper) temporary plate is sent to Dealers Section - Temp Desk.

Returned Plates

Use the same form as used for decals (Example IV) to list the plates. Use one copy of the form for decals and one copy for plates. Do not list them all together on the same form.

Plates are sent to:

WV Prison Industries
1 Mountain Side Way
Mt. Olive, WV 25185

DO NOT INCLUDE ANY OF THE PAPERWORK WITH THE PLATES EXCEPT A COPY OF THE PLATE LOG.

Mail (interdepartmental) a copy of the plate log to:

Support Services
ATTN: John

Fax a copy of log:

Every Monday to Compulsory Insurance - Fax #558-2013

The Plates Turned in Due to Insurance Cancellation:

1. CSR will issue a receipt showing plate was turned in
 - a. White copy of receipt is given to the customer
 - b. Pink copy of receipt is sent to Compulsory insurance
 - c. Yellow copy is left in receipt book for your records
2. Form WV-4C (Owner's Notice of Insurance Cancellation) must be completed by customer and sent to Compulsory Insurance Section along with receipt.

When a plate is turned in at your office you must go into IRMA (Mainframe) and show the plate has been returned. This must be done on the day of or day after the plate was returned. The CSR's will turn in their plates at the end of the day so that the manager or supervisor can put the stop codes on

either that evening or the next morning. The CSR should include the year and make of the vehicle as well as the title number. Extreme caution needs to be taken when providing this information so that the manager or supervisor is sure that they are placing a stop code on the correct vehicle. When answering questions for customers regarding stop codes be sure to flip over to the third screen to insure that you are giving accurate information. (Example 3) lists the correct order the stop codes are currently shown in.

Voided Titles

Titles that have been voided are to be sent into the accounting office at the end of each month. The accounting office will compare those voided titles with the listing provided on a daily basis to Information Services. If no problems arise during the reconciliation, all titles are copied and the originals are shredded. The copies are returned to Information Services.

Checks

The following types of checks will not be accepted under any circumstance:

- Two party checks
- Checks drawn on foreign banks
- Credit card checks

The following types of checks can be accepted if the criteria are met:

- Counter Checks - must list all pertinent information such as a name, address, social security number, driver's license number, etc.
- Foreign - must be drawn on a U. S. Bank or a branch that is located in the United States (ex: will say payable in U.S. dollars to a U.S. bank) - If the nine digit routing number has symbols (ex. *,? , etc.) instead of being all numbers, this is also an indication that it is not drawn on an American bank.

Inventory Reconciliation

After reconciling the cashier's cash drawer, the manager or supervisor should reconcile the plate and decal count shown on the fee fund breakdown (at the bottom of the register tape) to the inventory count of each individual CSR. The following steps should be followed in the order listed when reconciling inventory:

- Recount inventory. Inquire entries from the previous day; check class, type, subcode, number of units entered and ending balance.
- Check math on cashiers' daily log (**BE SURE TO PREPARE A CALCULATOR TAPE**)
- Check math on summary sheet and compare with cashiers' daily log.
- The program developed by Debee Noffsinger (Winfield) will help eliminate some of the mathematical errors and transfer errors.
- Check DOH-6's against the bimonthly report.

If the above listed steps do not solve the problem, notify the Comptroller of the problem and the steps that have been taken.

Security Measures

No one should be behind the counter area except authorized personnel. Any employee has the authority to ask for ID on anyone coming behind the counter that they do not know. Rule of thumb is do not assume that just because someone appears to know what they are doing or where they are going that they belong there. All Motor Vehicle employees should be wearing their ID so that it is easily visible.

Access to the building by the public should be limited to the front entrance only. Rear entrance doors should be shut and locked at all times unless an employee is present. Loitering in the office is prohibited. This applies to the public, employees that are off the time clock, employee's family members, etc.

Missing Monies

If in the process of preparing the deposit you discover that the money present does not agree with the checkout amount from the night before:

- Recount all monies to determine if it is possible that there was a mistake in the count.
- Call your area region office manager or the director of Regional Office operations.
- Call the local detachment of the State Police so that an investigation can be started
- Keep traffic in the area to as few people as possible
- Do not allow anyone access until the State Police are on site so that the investigation is not impeded by too many people being in the area.

I have read and understand the attached policies and procedures. I understand that any deviation from these regulations will be subject to disciplinary action based on the severity of the deviation.

Employee Signature

Date

EXAMPLE I

DMV 50-AC 6/99
Form #950 080 000060

Cashier's Report

State of West Virginia
Department of Transportation
Division of Motor Vehicles

Section I →
Completed by
Manager, Supervisor
or Lead CSR

Voids _____
Errors _____
Trans. _____
Balance _____
Date _____
Initials _____

Section II
Completed by CSR

Machine Number _____ Date _____ Transactions _____
Cashier's Name _____

Section III
Completed
by CSR

Currency and Coins
Checks and Money Orders
Total Collections

Total Collections per Cash Register Tape
Over/Short State Road 9007 year 0802 999 600

S
e
c
t
i
o
n

IV

↓

Completed
By:
Manager
Supervisor
or
Lead CSR

Privilege Tax	9007	Year	0802	999	601
State Road	9007	Year	0802	999	600
Litter Control	9007	Year	0802	999	608
General Revenue	0503	Year	0802	999	580
Motorboat DMV	8216	Year	0802	999	651
Motorboat DNR	3204	Year	6201	999	255
Hearing Fees	8202	Year	0802	999	696
Hearings Docket & Witness	8202	Year	0802	999	643
Returned Check Fees	8217	Year	0802	999	644
Insurance Fees	8215	Year	0802	999	696
Reinstate Operators	8213	Year	0802	999	658
Driver Rehab	8214	Year	0802	999	696
Driver Rehab I'lock	8214	Year	0802	999	651
IRP Registration	8207	Year	0802	999	651
Special Reg Plates	8208	Year	0802	999	651
CDL Fees DMV	8209	Year	0802	999	696
CDL Fees DPS	6509	Year	8103	999	696
Inspection Recon Vehicles	8210	Year	0802	999	696
Motorcycle Safety DMV	8212	Year	0802	999	651
Motorcycle Safety DPS	6510	Year	8103	999	696
Motor Voter	1606	Year	1600	999	696
DMV AD Valerum	1237	Year	1200	999	696
DMV AD Valerum ADM	1236	Year	1200	999	696
Special Reg Scenic	8208	Year	0802	999	696
IFTA	7075	Year	0702	999	872
IFTA Interest	7075	Year	0702	999	523
Special Game Plate	3203	Year	6305	999	450
Special Game Plate	3203	Year	6305	999	454

EXAMPLE II

PER BREAKDOWN REPORT
DATE 02/14/88 CASHIER-W07 REGISTER-04

PRIVILEGE TAX	0027	3,992.70
ORIG/AL TITLES	0031	155.00
LEN FEES	0009	40.00
SALEAGE CERTIFICATE	0069	45.00
INSURANCE FEES	0068	24.00
LITTER CONTROL FEES	0003	63.00
APR REG DOC FEES	0007	35.00
DUPLICATE REG. FEES	0004	20.00
DUPLICATE DECALS	0001	5.00
NEW REG - CLASS A	0016	450.00
NEW REG - CLASS A1	0001	28.00
NEW REG - CLASS A2/B	0002	57.00
NEW REG - CLASS C	0001	17.50
REN REG - CLASS A	0038	1,197.00
REN REG - CLASS B	0007	12.00
REN REG - CLASS A	0009	0.00
W/CLIFE SPEC FEE	0002	20.00
NON GRAMS W/CLIFE	0002	30.00
GENIC - CLASS A1	0003	30.00
NEW OPERATORS - E	0002	27.50
REN OPERATORS - E	0013	150.00
DUP OPERATORS - E	0004	20.00
EXP OPERATORS - E	0000	37.50
E. D. L. REN FEE - A	0001	43.75
EXP APR DOC FEES - E	0003	15.00
INSTRUCTORS REN.	0001	4.00
MOTOR VOTER FEES	0018	9.00

GRAND TOTAL 8,519.45

TITLES ISSUED	0034
PLATES ISSUED	0617
SCENIC ISSUED	0001
W/CLIFE ISSUED	0002
DECALS ISSUED	0041
BOAT DECALS ISSUED	0000

CASHIER REPORT

DATE 02/14/88 CASHIER-W07 REGISTER-04

PRIVILEGE TAX	3992.70
STATE ROAD	3240.00
LITTER CONTROL	63.00
GENERAL REVENUE	3.60
MOTOS BOAT (DMV)	0.00
MOTORBOAT (DMV)	0.00
HEARING FEES	0.00
HEARING DOCKET FEES	0.00
RETURNED CHECK FEES	0.00
INSURANCE FEES	34.00
NON STATE OPERATIONS	0.00
DRIVER REHAB.	0.00
DRIVER REHAB. FLOCM	0.00
WRP REGISTRATION	0.00
SPECIAL REG. PLATES	23.00
COL FEES (DMV)	47.75
COL FEES (MFS)	0.00
INSPECTION REC VEH	0.00
LICENSE SERVICE ADJ.	0.00
MOTORCYCLE SAFE. DMV	2.00
MOTORCYCLE SAFE. DPS	2.00
MOTOS VOTER	9.00
JARH DECALS	0.00
SHERIFF'S INTEREST	0.00
SPECIAL FUNDS CEVMS	10.00
FTA	0.00
FTA INTEREST	0.00
NON-BANKER FUND	30.00

TOTAL ALL FUNDS 8,519.45

VOIDS	1
ERRORS	1
# TRANS	140
BALANCE	0.00
DATE	02/14/88
INITIALS	WJL
TRANSACTIONS	Vol-84, Error 36

EXAMPLE III

STOP CODES:	STOLEN PLATE ==>> 0	OPTIONS:	OFF = 0
	LOST PLATE ==>>>> 0		ON = 1
	STOLEN VEHICLE ==> 0		
	INSURANCE ==>>>>> 0		
	LEVY ==>>>>>>>>> 0		
	PLATE RETURNED ==> 0		
	BAD CHECK ==>>>>> 0		
	REFUND ==>>>>>>> 0		
	VEHICLE OPT OUT => 0		
	VEHICLE SOLD ==>>> 0		
	TITLE STATUS ==>>> A		
	STATE MOVED TO ==>		

EXAMPLE V

VOIDS _____
ERRORS _____
TRANS. _____
BALANCE _____
DATE _____
INITIALS _____
TRANSACTIONS _____

EXAMPLE VI

REFUND \$ _____ IN CASH

Signature

EXAMPLE VII

Your Town REGIONAL DMV OFFICE CASHIER TOTALS

September 1998

CASHIER John Doe

DATE	AMOUNT OF TRANS.	AMOUNT OVER	AMOUNT SHORT	VOIDS	ERROR CORRECTS
1	78	BAL			
2	81	BAL			2 47.48 35.00
3	43	BAL			
4	96	BAL		5 1,2,3,5,57 678.75	
7	<i>CLOSED-LABOR DAY</i>				
8					
9					
10					
11					
14					
15					
16					
17					
18					
21					
22					
23					
24					
25					
28					
4. DAYS		0	0	5	2
TOTAL	298	0.00	0.00	\$678.75	\$35.00
AVERAGE	74.5	4	BAL	\$135.75	\$17.50

EXAMPLE VIII

YOUR CITY REGIONAL D M V OFFICE DAILY TRANSACTIONS AND MONEY TOTALS

MONTH _____ YEAR _____

DAY	DATE	TRANS. TOTALS	TOTAL AMOUNT OF CASH AND CHECKS	AMOUNT OF CASH DEPOSITED	CASH AMOUNTS VERIFIED BY:
Friday	1				
Monday	4				
Tuesday	5				
Wednesday	6				
Thursday	7				
Friday	8				
Monday	11				
Tuesday	12				
Wednesday	13				
Thursday	14				
Friday	15				
Monday	18				
Tuesday	19				
Wednesday	20				
Thursday	21				
Friday	22				
Monday	23				
Tuesday	24				
Wednesday	25				
Thursday	26				
Friday	27				
TOTALS					
AVERAGE					

EXAMPLE IX

DIVISION OF MOTOR VEHICLES
YOUR CITY REGIONAL OFFICE
CASHIER CHANGE FUND AUDIT

DATE: November 9, 1999

CASH TILLS: _____ @ \$100.00 each \$

CHANGE ACCOUNT:

CURRENCY:	_____	\$	100.00	\$	\$ _____
	_____	\$	50.00	\$	\$ _____
	_____	\$	20.00	\$	\$ _____
	_____	\$	10.00	\$	\$ _____
	_____	\$	5.00	\$	\$ _____
	_____	\$	1.00	\$	\$ _____

COINS:	_____	\$	1.00	\$	\$ _____
	_____	\$	0.50	\$	\$ _____
	_____	\$	0.25	\$	\$ _____
	_____	\$	0.10	\$	\$ _____
	_____	\$	0.05	\$	\$ _____
	_____	\$	0.01	\$	\$ _____

WRAPPED COINS:	_____	\$	0.50	@	\$	10.00	\$	\$ _____
	_____	\$	0.25	@	\$	10.00	\$	\$ _____
	_____	\$	0.10	@	\$	5.00	\$	\$ _____
	_____	\$	0.05	@	\$	2.00	\$	\$ _____
	_____	\$	0.01	@	\$	0.50	\$	\$ _____

	SUB TOTAL	\$	\$ _____
	BANK CHANGE ORDER	\$	\$ _____
	ADJUSTMENTS	\$	\$ _____
	TOTAL	\$	\$ _____

SIGNATURE / TITLE _____ Trans. Services Manager I

Customer Service Rep

ATTACHMENT I

CSR OUTAGE POLICY

OUTAGE AMOUNT	CORRECTIVE ACTION
Single outage 0 to \$25.00	No Action
Single outage of \$25.01 to \$50.00	Completed Outage Report and verbal warning
Single outage of 50.01 to \$100.00	Completed Outage Report and written warning
Single outage of \$100.01 or over	Completed Outage Report and review by Outage Committee for disciplinary action
Cumulative outage of more than \$100.00	Verbal warning by Supervisor
Cumulative outage of more than \$200.00	Written reprimand placed in employee file
Cumulative outage of more than \$250.00	Written reprimand in employee file and a probation period of 30 working days. Outages will be reviewed by the Outage Committee for further disciplinary action

The outage report is to be completed by the Manager or Supervisor and signed by the Customer Service Representative.

Each section and regional office will maintain a file on each individual that uses a cash register.

All outage reports will be forwarded to the appropriate director.

Cumulative outages will result a "twelve month rolling period" for the individual.

The outage report is to include the absolute amounts for overages and shortages.

The Outage Committee will include the employee's director (or his or her representative), manager and a member selected by the Commissioner or her designee.

Based on guidelines established by the Division of Personnel, disciplinary action can include the following: written reprimand to personnel file, probation, suspension or termination.

PAGE 2 ATTACHMENT I

OUTAGE REPORT

CSR Name: _____ Current Date: _____

CSR Number: _____ Incident Date: _____

Amount of Outage: _____ Office Location: _____

Supervisor: _____

Initial each of the following items upon completion:

Recount Cash Drawer	_____
Recount Cash	_____
Recount Checks	_____
Confirm Against Register Tape	_____
Search Work Area	_____
Search Wastebaskets	_____
Search Imprest Fund	_____
Search Deposit	_____
Amount Over/Short	_____

Explanation:

Committee Re Date: _____

CSR OUTAGE POLICY

OUTAGE AMOUNT	CORRECTIVE ACTION
Single outage 0 to \$25.00	No Action
Single outage of \$25.01 to \$50.00	Completed Outage Report and verbal warning
Single outage of 50.01 to \$100.00	Completed Outage Report and written warning
Single outage of \$100.01 or over	Completed Outage Report and review by Outage Committee for disciplinary action
Cumulative outage of more than \$100.00	Verbal warning by Supervisor
Cumulative outage of more than \$200.00	Written reprimand placed in employee file
Cumulative outage of more than \$250.00	Written reprimand in employee file and a probation period of 30 working days. Outages will be reviewed by the Outage Committee for further disciplinary action

DEFINITION: An outage is the dollar amount of the difference between actual physical count and amount on the cashier totals. An outage results when a cashier and manager cannot find a reason for the difference between the cashier totals and the actual physical. Items processed incorrectly will be error corrected and reentered for the item to be considered reconciled. Items processed correctly, but short or over the balance, must be reconciled with the customer and returned or received on that business day in to be considered reconciled. All reconciled items do not count as outages.

POLICY STANDARDS:

- 1) The outage report is to be completed by the Manager or Supervisor and signed by the Customer Service Representative.
- 2) Each section and regional office will maintain a file on each individual that uses a cash register.
- 3) All outage reports will be forwarded to the appropriate director.
- 4) Cumulative outages will result a "twelve month rolling period" for the individual.

The accumulative outage report is to include the amounts for overages and shortages in the column

- 5) The outage report is to include the absolute amounts for overages and shortages.
- 6) The Outage Committee will include the employee's director (or his or her representative), manager and a member selected by the Commissioner or her designee.
- 7) Based on guidelines established by the Division of Personnel, disciplinary action can include the following: written reprimand to personnel file, probation, suspension or termination.

Appendix D Website Criteria Checklist and Points System

Division of Motor Vehicles			
User-Friendly	Description	Total Points Possible	Total Agency Points
Criteria	The ease of navigation from page to page along with the usefulness of the website.	18	11
		Individual Points Possible	Individual Agency Points
Search Tool	The website should contain a search box (1), preferably on every page (1).	2 points	2 points
Help Link	There should be a link that allows users to access a FAQ section (1) and agency contact information (1) on a single page. The link's text does not have to contain the word help, but it should contain language that clearly indicates that the user can find assistance by clicking the link (i.e. "How do I...", "Questions?" or "Need assistance?")	2 points	2 points
Foreign language accessibility	A link to translate all webpages into languages other than English.	1 point	0 points
Content Readability	The website should be written on a 6 th -7 th grade reading level. The Flesch-Kincaid Test is widely used by Federal and State agencies to measure readability.	No points, see narrative	
Site Functionality	The website should use sans serif fonts (1), the website should include buttons to adjust the font size (1), and resizing of text should not distort site graphics or text (1).	3 points	1 point
Site Map	A list of pages contained in a website that can be accessed by web crawlers and users. The Site Map acts as an index of the entire website and a link to the department's entire site should be located on the bottom of every page.	1 point	1 point
Mobile Functionality	The agency's website is available in a mobile version (1) and/or the agency has created mobile applications (apps) (1).	2 points	1 point
Navigation	Every page should be linked to the agency's homepage (1) and should have a navigation bar at the top of every page (1).	2 points	2 points
FAQ Section	A page that lists the agency's most frequent asked questions and responses.	1 point	1 point

Division of Motor Vehicles			
Feedback Options	A page where users can voluntarily submit feedback about the website or particular section of the website.	1 point	0 points
Online survey/poll	A short survey that pops up and requests users to evaluate the website.	1 point	0 points
Social Media Links	The website should contain buttons that allow users to post an agency's content to social media pages such as Facebook and Twitter.	1 point	0 points
RSS Feeds	RSS stands for "Really Simple Syndication" and allows subscribers to receive regularly updated work (i.e. blog posts, news stories, audio/video, etc.) in a standardized format.	1 point	1 point
Transparency	Description	Total Points Possible	Total Agency Points
Criteria	A website which promotes accountability and provides information for citizens about what the agency is doing. It encourages public participation while also utilizing tools and methods to collaborate across all levels of government.	31	13
		Individual Points Possible	Individual Agency Points
Email	General website contact.	1 point	1 point
Physical Address	General address of state agency.	1 point	0 points
Phone Number	Correct phone number of state agency.	1 point	1 point
Location of Agency Headquarters	The agency's contact page should include an embedded map that shows the agency's location.	1 point	0 points
Administrative officials	Names (1) and contact information (1) of administrative officials.	2 points	1 point
Administrator(s) biography	A biography explaining the administrator(s) professional qualifications and experience.	1 point	1 point
Privacy policy	A clear explanation of the agency/state's online privacy policy.	1 point	1 point

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Public Records	<p>The website should contain all applicable public records relating to the agency’s function. If the website contains more than one of the following criteria the agency will receive two points:</p> <ul style="list-style-type: none"> • Statutes • Rules and/or regulations • Contracts • Permits/licenses • Audits • Violations/disciplinary actions • Meeting Minutes • Grants 	2 points	0 points
Complaint form	A specific page that contains a form to file a complaint (1), preferably an online form (1).	2 points	1 point
Budget	Budget data is available (1) at the checkbook level (1), ideally in a searchable database (1).	3 points	0 points
Mission statement	The agency’s mission statement should be located on the homepage.	1 point	1 point
Calendar of events	Information on events, meetings, etc. (1) ideally imbedded using a calendar program (1).	2 points	1 point
e-Publications	Agency publications should be online (1) and downloadable (1).	2 points	2 points
Agency Organizational Chart	A narrative describing the agency organization (1), preferably in a pictorial representation such as a hierarchy/organizational chart (1).	2 points	0 points
Graphic capabilities	Allows users to access relevant graphics such as maps, diagrams, etc.	1 point	1 point
Audio/video features	Allows users to access and download relevant audio and video content.	N/A	0 points
FOIA information	Information on how to submit a FOIA request (1), ideally with an online submission form (1).	2 points	0 points

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Performance measures/outcomes	A page linked to the homepage explaining the agencies performance measures and outcomes.	1 point	0 points
Agency history	The agency's website should include a page explaining how the agency was created, what it has done, and how, if applicable, has its mission changed over time.	1 point	0 points
Website updates	The website should have a website update status on screen (1) and ideally for every page (1).	2 points	0 points
Job Postings/links to Personnel Division website	The agency should have a section on homepage for open job postings (1) and a link to the application page Personnel Division (1).	2 points	2 points

Appendix E Agency Response



WEST VIRGINIA DEPARTMENT OF TRANSPORTATION Division of Motor Vehicles

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Earl Ray Tomblin
Governor

Paul A. Mattox, Jr., P. E.
Cabinet Secretary

November 27, 2013

John Sylvia, Director
West Virginia Legislature
Performance Evaluation and Research Division
Joint Committee on Government Finance
Building 1, Room W-314
1900 Kanawha Boulevard East
Charleston, West Virginia, 25305



Dear Mr. Sylvia:

I am in receipt of the Performance Review draft of the Division of Motor Vehicles. I appreciate the opportunity to respond to the contents of the Report.

No exit conference is requested or needed. The report was fair and DMV agrees with the findings.

Issue 1: Internal Controls Over Cash Management. Updates will be made to the Policies and Procedures Manual addressing internal controls over cash management and the segregation of duties will be emphasized. Recommendations for improving communication of policies and procedures thru additional training are already being implemented. DMV Regional Office employees are being rotated to our Charleston training facility for four days of training. Starting November of this year we have had three shifts complete the four day cycle.

Issue 2: Goals and Objectives and Measures of Success. The agency agrees with the report's recommendations that agency goals and performance measures be revisited and revised on a regular basis to reflect progress or modification. I concur with the recommendations concerning our agency goals and performance measures to adequately assess either success or failure in meeting benchmarks.

Issue 3: Web Site Improvement and Online Services. The agency is continually working toward increasing internet services and improving our website. The Division of Motor Vehicles is the most visible face of state government and touches more residents of this state than any

John Sylvia, Director
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other state agency. Our website is vital to getting the information out to citizens who need guidance on what process they need to complete or what documents are required. All of the suggestions will be reviewed and implemented if possible. We are particularly interested in advancing the use of social media tools. Our Highway Safety office social media initiatives must be reviewed by DOT as well as the Office of Technology. The DMV Highway Safety office has already implemented a Facebook page.

Online services remain a very high priority for DMV. Just this past year, DMV implemented and promoted new online services encouraging customers to "skip the trip." Those services include online applications and payment for duplicate registration plates, decals and registration cards. The on-line tool for drivers to determine current driver license status (valid, revoked, and expired) has been expanded to include points as well as CDL endorsement/restriction information. A tool to expedite the payment of driver's license reinstatement fees on-line by credit card will shorten the transaction time for drivers attempting to reinstate their driving privileges.

Next, the cumbersome process of taking down credit card information over the phone by voice will be replaced by a website where payment can be entered and verified, allowing DMV personnel to focus on answering questions instead of recording credit card names, addresses and numbers. Our ability to provide online vehicle renewal is reliant on developing online verification of personal property taxes as well as insurance information. Efforts in both areas continue. DMV is recommending legislation to allow drivers to renew their driver's licenses online and to extend the renewal cycle to eight years. Both will be welcomed by our customers.

Please call me if any additional information is needed.

Sincerely,



Steven O. Dale
Commissioner

/em

Cc: Paul A. Mattox, Jr., P. E.
Cabinet Secretary



WEST VIRGINIA LEGISLATIVE AUDITOR

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