

SCOPE STATEMENT

Department of Revenue: Determining Whether the Department Took Adequate Actions to Implement Its New Motor Vehicle System

In 2009, the Department of Revenue awarded a \$40 million contract to 3M Company to replace its aging motor vehicle mainframe systems. That project, referred to as the DMV Modernization Project, consolidated three older systems into one and is used to help track and issue driver licenses as well as process motor vehicle titles and registration. The first phase of the new computer system, the vehicle title and registration system, became operational in May 2012.

The first two months following the systems implementation has revealed several potential problems. Long delays at some county treasurer's offices for license and registration renewals—some as long as eight hours—have raised public concern about the functionality of the new system. Moreover, county treasurers throughout the state have mentioned concerns about the current system's lack of speed, data files being corrupted during conversion, and clerks being routinely disconnected from the system. As of June 2012, the department was still negotiating its contract with 3M because the system was not fully operational.

Legislators would like to know whether the department has adequately managed the implementation of its new motor vehicle system, and why county treasurer staff have had problems operating it.

A performance audit in this area would address the following questions:

- 1. Did the department take appropriate actions to plan and oversee the implementation of its motor vehicle modernization project?** To answer this question, we would review documentation related to the development and testing of the computer system prior to its implementation in May 2012. We would determine what actions the department took to ensure the new computer program was properly developed and tested, and would compare those actions against relevant best practices. Specifically, we would determine whether potential security vulnerabilities and issues were addressed, whether the system was tested by potential users or other independent parties, whether problems were identified, and whether actions were taken to correct any noted deficiencies. We would also determine whether the department provided sufficient training opportunities to help county staff operate the new system. We would perform additional work in this area as necessary.
- 2. What problems have county treasurers had operating the department's new motor vehicle system, and what are the causes?** To answer this question, we would survey and interview staff from all 105 county treasurers to identify significant problems they have had in operating the new computer system. For the problems they identified, we would gather more detailed information and documentation to better understand the exact nature of the problems. To the extent possible, we would use available department and county data to determine if those problems are a result of the current system or whether

they have always existed. We would work with county and department staff to determine how and why these problems occurred, and to determine what actions are needed to correct them. We would perform additional work in this area as necessary.

Estimated Resources: 3 LPA staff

Estimated Time: 4 months (a)

(a) *From the audit start date to our best estimate of when it would be ready for the committee. This time estimate includes a two-week agency review period.*