



Texas Department of Motor Vehicles

HELPING TEXANS GO. HELPING TEXAS GROW.

# Annual Report of Nonfinancial Data

Fiscal Year Ended August 31, 2017





# **Annual Report of Nonfinancial Data**

Fiscal Year Ended August 31, 2017



Texas Department *of* Motor Vehicles

Prepared by  
Finance & Administrative Services Division

December 31, 2017  
*Revised, January, 2018*

## **Texas Department of Motor Vehicles Board**

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Whitney H. Brewster

Executive Director

Published and distributed  
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Texas Department *of* Motor Vehicles  
4000 Jackson Avenue  
Austin, Texas

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December 31, 2017

The Honorable Greg Abbott, Governor  
Ms. Lisa R. Collier, CPA, CFE, CIDA First Assistant State Auditor  
Ms. Ursula Parks, Director, Legislative Budget Board

Ladies and Gentlemen:

We are pleased to submit the Texas Department of Motor Vehicle's *Annual Report of Nonfinancial Data* for the year ended August 31, 2017, in compliance with the TEX. GOV'T CODE ANN. §2101.0115 and in accordance with the instructions for completing the Annual Report of Nonfinancial Data.

The accompanying report has not been audited and is considered to be independent of the agency's *Annual Financial Report*.

If you have any questions, please contact Mr. Sergio Rey, Director of Accounting, at (512) 465-4203, or Ms. Linda M. Flores, CPA, Chief Financial Officer, at (512) 465-4125.

Sincerely,

A handwritten signature in blue ink that reads "Whitney H. Brewster".

Whitney H. Brewster  
Executive Director

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(Unaudited)

## Appropriation Item Transfers\*

For the Fiscal Year Ended August 31, 2017

**ITEM OF APPROPRIATION**

|   | <b>Transfers-In</b>    | <b>Transfers-Out</b>     | <b>Net Transfers</b> |
|---|------------------------|--------------------------|----------------------|
| <b>A. Goal: Optimize Services &amp; Systems</b>       |                        |                          |                      |
| <i>Strategies:</i>                                    |                        |                          |                      |
| A.1.1    13001    Titles, Registrations & Plates      | \$ 1,479,898.91        | \$ (76,836.10)           | \$ 1,403,062.81      |
| A.1.2    13002    Vehicle Dealer Licensing            | 856.00                 | (100,158.00)             | (99,302.00)          |
| A.1.3    13005    Motor Carrier Permits & Credentials | -                      | (1,255,296.91)           | (1,255,296.91)       |
| A.1.4    13006    Technology Enhancement & Automation | 33,000.00              | (249,842.00)             | (216,842.00)         |
| A.1.5    13007    Customer Contact Center             | 201,378.10             | -                        | 201,378.10           |
| Total, Goal A:    Optimize Services & Systems         | \$ 1,715,133.01        | \$ (1,682,133.01)        | \$ 33,000.00         |
| <br>  |                        |                          |                      |
| <b>C. Goal: Indirect Administration</b>               |                        |                          |                      |
| <i>Strategies:</i>                                    |                        |                          |                      |
| C.1.2    13010    Information Resources               | -                      | (33,000.00)              | (33,000.00)          |
| Total, Goal C:    Indirect Administration             | -                      | (33,000.00)              | (33,000.00)          |
| <br>  |                        |                          |                      |
| <b>NET APPROPRIATION ITEM TRANSFERS</b>               | <b>\$ 1,715,133.01</b> | <b>\$ (1,715,133.01)</b> | <b>\$ (0.00)</b>     |

\* This schedule does not include Benefit Replacement Pay transfers or Rider Reduction transfers.

(Unaudited)

## HUB Strategic Plan Progress Report

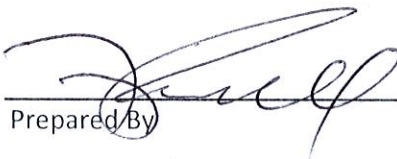
For the Fiscal Year Ended August 31, 2017

Source: Texas Government Code, Section 2161.124

| Category  | Actual for<br>FY 16* | Actual for<br>FY 17* | Goal for<br>FY 18** |
|---|----------------------|----------------------|---------------------|
| Heavy construction other than building contracts                                      |                      |                      |                     |
| Building construction, including general contractors and operative builders contracts |                      |                      |                     |
| Special trade construction contracts  | 13.43%               |                      |                     |
| Professional services contracts   |                      |                      |                     |
| Other services contracts  | 13.82%               | 4.38%                | 5.00%               |
| Commodities contracts   | 28.50%               | 21.33%               | 23.00%              |


\* Actual Percent spent with HUBS from HUB Report

\*\* HUB Goal from the Strategic Plan

  
 Prepared By

Fred Snell  
 Printed Name

512-465-4177  
 Phone Number

  
 Approved By (Signature required.)

David Chambers  
 Printed Name

512-465-1257  
 Phone Number

(Unaudited)

## Indirect Cost Schedule

For the Fiscal Year Ended August 31, 2017

**A. Payroll-related Costs**

*(Exhibit II, Annual Financial Report)*

|                                     |    |              |                         |
|-------------------------------------|----|--------------|-------------------------|
| FICA Employer Matching Contribution | \$ | 2,871,586.15 |                         |
| Group Health Insurance              |    | 7,422,476.51 |                         |
| Retirement                          |    | 3,795,680.66 |                         |
| Unemployment                        |    | 40,168.93    |                         |
| <b>Total Payroll-related Costs</b>  |    |              | <b>\$ 14,129,912.25</b> |

|  |    |           |                      |
|--|----|-----------|----------------------|
| Workers' Compensation                      | \$ | 75,007.61 |                      |
| Benefit Replacement Pay (BRP)              |    | 97,318.73 |                      |
| <b>Total Workers' Compensation and BRP</b> |    |           | <b>\$ 172,326.34</b> |

**B. Indirect Costs**

*(Not reported in Agency's Annual Financial Report)*

|                                       |    |      |                |
|---------------------------------------|----|------|----------------|
| Bond Debt Service Payments            |    |      |                |
| Texas Facilities Commission (TFC)     | \$ | 0.00 |                |
| Texas Public Finance Authority (TPFA) |    | 0.00 |                |
| Other (if applicable)                 |    | 0.00 |                |
| <b>Total Indirect Costs</b>           |    |      | <b>\$ 0.00</b> |

**C. Indirect Costs - Statewide Full Cost Allocation Plan (SWCAP)**

|   |    |            |                      |
|---|----|------------|----------------------|
| Comptroller of Public Accounts (CPA)                              | \$ | 243,139.00 |                      |
| Department of Public Safety (DPS)                                 |    | (212.00)   |                      |
| Texas Facilities Commission (TFC)                                 |    | 2,915.00   |                      |
| Governor Budget & Planning  |    | 2,958.00   |                      |
| <b>Total Indirect Costs - Statewide Full Cost Allocation Plan</b> |    |            | <b>\$ 248,800.00</b> |

|                             |  |  |                         |
|-----------------------------|--|--|-------------------------|
| <b>TOTAL INDIRECT COSTS</b> |  |  | <b>\$ 14,551,038.59</b> |
|-----------------------------|--|--|-------------------------|

(Unaudited)

**Schedule of Professional/Consulting Fees & Legal Service Fees**

For the Fiscal Year Ended August 31, 2017

**Professional/Consulting Fees:**

| <b>Name</b>                                | <b>Service Provided</b>         | <b>Amount</b> |
|--|---------------------------------|---------------|
| Abdeladim & Associates                     | Information Technology Services | 201,327.17    |
| Adjacent Technologies Inc                  | Information Technology Services | 12,480.00     |
| Allied Consultants                         | Information Technology Services | 5,080.00      |
| American Association of Notaries Inc       | Educational/Training Services   | 25.00         |
| Anchor Computer Inc                        | Data Processing Services        | 15,367.93     |
| Apex Systems Inc                           | Information Technology Services | 91,620.00     |
| Black Book National Auto Research Division | Information Technology Services | 93,500.00     |
| C & T Information Tech. Consulting Inc     | Information Technology Services | 144,245.00    |
| Carahsoft Technology Corporation           | Information Technology Services | 805,103.51    |
| Carahsoft Technology Corporation           | Consultant Services - Computer  | 3,279.53      |
| Carahsoft Technology Corporation           | Educational/Training Services   | 7,673.69      |
| Capitol Systems Inc                        | Information Technology Services | 85,455.00     |
| Cogent Infotech Corporation                | Information Technology Services | 107,088.00    |
| Dataspans Holdings                         | Data Processing Services        | 5,603.65      |
| Dell Marketing LP                          | Information Technology Services | 13,552.00     |
| Deloitte Consulting LLP                    | Information Technology Services | 8,846,761.58  |
| Explore Information Services LLC           | Information Technology Services | 732,619.50    |
| Fred Pryor Seminars                        | Educational/Training Services   | 199.00        |
| Galton Cunningham & Bourgeois PLLC         | Professional Services-Other     | 1,175.00      |
| Intellipaat Software Services Pvt. Ltd.    | Educational/Training Services   | 300.00        |
| Inventrum LLC                              | Educational/Training Services   | 14.85         |
| Kaepfel Consulting LLC                     | Information Technology Services | 24,609.50     |
| Learnquest Inc                             | Educational/Training Services   | 2,800.00      |
| Madcap Software Inc                        | Educational/Training Services   | 1,299.00      |
| National Human Resource Group Inc          | Information Technology Services | 189,559.00    |
| Navayuga Infotech LLC                      | Information Technology Services | 152,997.22    |
| NF Consulting Services                     | Information Technology Services | 568,834.50    |
| NTT Data Inc                               | Data Processing Services        | 626,988.84    |
| NU Info Systems Inc                        | Information Technology Services | 196,473.50    |
| Prelude Systems Inc                        | Information Technology Services | 34,125.00     |
| Presidio Networked Solutions Group LLC     | Consultant Services - Computer  | 4,200.00      |

(Unaudited)

**Schedule of Professional/Consulting Fees & Legal Service Fees**

For the Fiscal Year Ended August 31, 2017

**Professional/Consulting Fees:**

| <b>Name</b>                                 | <b>Service Provided</b>          | <b>Amount</b>           |
|---|----------------------------------|-------------------------|
| Promiles Software Development Corp.         | Information Technology Services  | 295,941.78              |
| Safari Books Online LLC                     | Educational/Training Services    | 5,985.00                |
| SHI Government Solutions Inc                | Consultant Services - Computer   | 22,300.00               |
| Skillpath Seminars                          | Educational/Training Services    | 125.95                  |
| Software Engineering Services               | Information Technology Services  | 156,937.51              |
| Southwest Research Institute                | Consultant Services - Other      | 368,026.73              |
| State Bar of Texas                          | Educational/Training Services    | 65.00                   |
| Steel Digital Studios Inc                   | Professional Services-Other      | 600.00                  |
| Texas Comptroller of Public Accounts        | Professional Services-Other      | 10,000.00               |
| Texas Comptroller of Public Accounts        | Educational/Training Services    | 50.00                   |
| Texas Department of Information Resources   | Computer Services-Statewide Tech | 9,348,192.78            |
| Texas Department of Information Resources   | Data Processing Services         | 43,725.00               |
| Texas Department of Transportation          | Data Processing Services         | 38,181.69               |
| Texas Workforce Commission                  | Educational/Training Services    | 2,171.00                |
| TIBH Industries Inc                         | Information Technology Services  | 1,167,700.91            |
| TXC Texas Creative Ltd                      | Consultant Services - Other      | 7,610.08                |
| University of Texas at Austin               | Educational/Training Services    | 11,584.00               |
| Voice Products Inc                          | Information Technology Services  | 5,919.33                |
| Wolters Kluwer Financial Services Inc       | Information Technology Services  | 8,070.00                |
| Workers Assistance Program Inc              | Educational/Training Services    | 1,200.00                |
| Workers Assistance Program Inc              | Professional Services-Other      | 13,245.89               |
| <b>Total, Professional/Consulting Fees:</b> |                                  | <b>\$ 24,481,989.62</b> |

**Legal Service Fees:**

| <b>Name</b>                                    | <b>Service Provided</b>           | <b>Amount</b>       |
|--|-----------------------------------|---------------------|
| State Office of Administrative Hearings (SOAH) | Legal Services - Approved by SOAH | 70,900.00           |
| <b>Total, Legal Service Fees:</b>              |                                   | <b>\$ 70,900.00</b> |

**TOTAL, PROFESSIONAL/CONSULTING FEES & LEGAL SERVICE FEES** **\$ 24,552,889.62**

(Unaudited)

**Schedule of Space Occupied**

For the Fiscal Year Ended August 31, 2017

The Texas Department of Motor Vehicles is headquartered in Austin, Texas and maintains sixteen (16) regional offices across the state to facilitate delivery of services to the motoring public. Effective November 1, 2009, the Texas Department of Transportation allocated office space to the TxDMV through a Memorandum of Understanding as required by HB 3097, 81st Legislature, R.S.

| Location                      | Address   | Lessor                                    | Lease No.      |
|-------------------------------|---|---|----------------|
| <b>State Owned Buildings</b>  |   |   |                |
| Camp Hubbard Complex          | 4000 Jackson Ave, Austin, Texas                           |   |                |
| Building, CH 1                |   |   |                |
| Building, CH 2 (Fiesta Room)  |   |   |                |
| Building, CH 5                |   |   |                |
| Bull Creek Complex            | 4203 Bull Creek, Austin, Texas                            |   |                |
| Building 22                   |   |   |                |
| Building 40                   |   |   |                |
| Building 43 A, B & C          |   |   |                |
| <b>Regional Offices</b>       |   |   |                |
| Abilene                       | 4210 North Clack, Abilene, Texas                          |   |                |
| Amarillo                      | 5715 Canyon Drive, Building H, Amarillo, Texas            |   |                |
| Austin                        | 1001 East Parmer Lane, Suite A, Austin, Texas             |   |                |
| Beaumont                      | 8550 Eastex Freeway, Beaumont, Texas                      |   |                |
| Huntsville Operations         | 810 FM 2821, Huntsville, Texas                            | TDCJ - Wynne Unit                         |                |
| Longview                      | 4549 West Loop 281, Longview, Texas                       |   |                |
| Lubbock                       | 135 Slaton Road, Lubbock, Texas                           |   |                |
| Midland/Odessa                | 3901 East Hwy 80, Odessa, Texas                           |   |                |
| Pharr                         | 600 West Expwy 83, Pharr, Texas                           |   |                |
| *San Antonio                  | TransGuide Building, 3500 NW Loop 410, San Antonio, Texas |   |                |
| Wichita Falls                 | 1601-A Southwest Parkway, Wichita Falls, Texas            |   |                |
| <b>Leased Space</b>           |   |   |                |
| Centimeter Warehouse Facility | 2000 Centimeter Circle, Austin, Texas                     | RUT-3-4-7, LTD                            | MOU with TXDOT |
| CPA Warehouse                 | 1811 Airport Blvd, Austin, Texas                          | 4015 Limited Partnership                  | 6728           |
| <b>Regional Offices</b>       |   |   |                |
| Corpus Christi                | 602 N. Staples Street, Corpus Christi, Texas              | Corpus Christi Regional Transp. Authority | 303-7-20538    |
| Dallas                        | 1925 E. Beltline Road, Carrollton, Texas                  | RDT Leasing                               | 7959           |
| El Paso                       | 1227 Lee Trevino Drive, Suite 100, El Paso, Texas         | Burnham Properties, Ltd.                  | 10263          |
| Fort Worth                    | 2425 Gravel Drive, Fort Worth, Texas                      | Gravel Drive Limited                      | 10462          |
| Houston                       | 2110 East Governors Circle, Houston, Texas                | Ragsdale-Brookwood Joint Venture          | 20399          |
| Waco                          | 2203 Austin Avenue, Waco, Texas                           | Tony Martin, Trustee                      | 8365           |

\*Note: For the majority of FY 2017, the San Antonio office was located at 3500 NW Loop 410, San Antonio, Texas. The San Antonio office was relocated to 15150 Nacogdoches Road, San Antonio, Texas on August 28, 2017.

Texas Department of Motor Vehicles (608)

| Location                            | Type      | Usable<br>Square<br>Footage | FTEs       | Cost Per            |                   |                      | Contract Period     |
|-------------------------------------|-----------|-----------------------------|------------|---------------------|-------------------|----------------------|---------------------|
|                                     |           |                             |            | Month               | Sq.Ft. Per<br>Mo. | Year                 |                     |
| <b>State Owned Buildings</b>        |           |                             |            |                     |                   |                      |                     |
| Camp Hubbard Complex                |           |                             |            |                     |                   |                      |                     |
| Building, CH 1                      | Office    | 71,684                      | 270        |                     |                   |                      |                     |
| Building, CH 2 (Fiesta Room)        | Office    | 1,102                       | -          |                     |                   |                      |                     |
| Building, CH 5                      | Office    | 33,134                      | 116        |                     |                   |                      |                     |
| Bull Creek Complex                  |           |                             |            |                     |                   |                      |                     |
| Building 22                         | Office    | 7,664                       | 51         |                     |                   |                      |                     |
| Building 40                         | Office    | 7,000                       | 35         |                     |                   |                      |                     |
| Building 43 A, B & C                | Office    | 5,030                       | 20         |                     |                   |                      |                     |
| Regional Offices                    |           |                             |            |                     |                   |                      |                     |
| Abilene                             | Office    | 1,900                       | 7          |                     |                   |                      |                     |
| Amarillo                            | Office    | 2,538                       | 5          |                     |                   |                      |                     |
| Austin                              | Office    | 3,131                       | 9          |                     |                   |                      |                     |
| Beaumont                            | Office    | 3,000                       | 8          |                     |                   |                      |                     |
| Huntsville Operations               | Office    | 260                         | 2          |                     |                   |                      |                     |
| Longview                            | Office    | 3,120                       | 10         |                     |                   |                      |                     |
| Lubbock                             | Office    | 2,579                       | 7          |                     |                   |                      |                     |
| Midland/Odessa                      | Office    | 3,618                       | 6          |                     |                   |                      |                     |
| Pharr                               | Office    | 3,500                       | 13         |                     |                   |                      |                     |
| San Antonio                         | Office    | 1,760                       | 16         |                     |                   |                      |                     |
| Wichita Falls                       | Office    | 2,665                       | 11         |                     |                   |                      |                     |
| <b>Total, State Owned Buildings</b> |           | <b>153,685</b>              | <b>586</b> | <b>\$ -</b>         |                   | <b>\$ -</b>          |                     |
| <b>Leased Space</b>                 |           |                             |            |                     |                   |                      |                     |
| Centimeter Warehouse Facility       | Warehouse | 575                         | -          | -                   | -                 | -                    | 09/01/16 - 08/31/19 |
| CPA Warehouse                       | Warehouse | 3,000                       | -          | 1,694.73            | 0.5649            | 20,336.76            | 05/01/15 - 04/30/20 |
| Regional Offices                    |           |                             |            |                     |                   |                      |                     |
| Corpus Christi                      | Office    | 3,141                       | 7          | 3,737.79            | 1.1900            | 44,853.48            | 04/01/17 - 03/31/27 |
| Dallas                              | Office    | 7,865                       | 21         | 10,235.75           | 1.3014            | 122,829.00           | 04/01/15 - 03/31/20 |
| El Paso                             | Office    | 3,771                       | 10         | 4,485.78            | 1.1895            | 53,829.36            | 11/01/14 - 10/31/17 |
| Fort Worth                          | Office    | 5,685                       | 23         | 6,468.75            | 1.1379            | 77,625.00            | 08/01/13 - 09/30/20 |
| Houston                             | Office    | 11,554                      | 33         | 23,164.06           | 2.0049            | 277,968.72           | 11/01/16 - 09/30/24 |
| Waco                                | Office    | 2,307                       | 7          | 3,185.53            | 1.3808            | 38,226.36            | 09/01/15 - 08/31/20 |
| <b>Total, Leased Space†</b>         |           | <b>37,898</b>               | <b>101</b> | <b>\$ 52,972.39</b> |                   | <b>\$ 635,668.68</b> |                     |
| <b>GRAND TOTAL†</b>                 |           | <b>191,583</b>              | <b>687</b> | <b>\$ 52,972.39</b> |                   | <b>\$ 635,668.68</b> |                     |

† Revised totals, January, 2018

(Unaudited)

### Schedule of Vehicles Purchased

For the Fiscal Year Ended August 31, 2017

| <u>Make</u>   | <u>Model</u> | <u>Quantity</u> | <u>Purchase Price</u> | <u>Type of Use</u>           | <u>Fuel Efficiency<br/>In Average<br/>Miles per Gallon</u> |
|---------------|--------------|-----------------|-----------------------|------------------------------|--|
|               |              |                 |                       | No Vehicles Purchased FY2017 |  |
| <b>TOTALS</b> |              | <u>0</u>        | <u>0.00</u>           |                              |  |



(Unaudited)

## Alternative Fuel Program Status

For the Fiscal Year Ended August 31, 2017

### Alternative Fuel Vehicles Received Into Inventory by Fiscal Year

The totals in the chart below represent the number of alternative fuel vehicles received into inventory between September 1 and August 31 of each fiscal year.

| Fiscal Year   | Type Of Fuel Capability |               |                |                     | Total     |
|---------------|-------------------------|---------------|----------------|---------------------|-----------|
|               | Natural Gas (CNG)       | Propane (LPG) | Ethanol (E-85) | Gas/Electric Hybrid |           |
| 2017          |                         |               |                |                     | 0         |
| 2016          |                         |               | 3              |                     | 3         |
| 2015          |                         |               |                |                     | 0         |
| 2014          |                         |               | 8              |                     | 8         |
| 2013          |                         |               | 8              |                     | 8         |
| 2012          |                         |               | 6              |                     | 6         |
| 2011          |                         |               |                |                     | 0         |
| 2010          |                         | 6             | 1              | 11                  | 18        |
| <b>Totals</b> | <b>0</b>                | <b>6</b>      | <b>26</b>      | <b>11</b>           | <b>43</b> |

Texas Department of Motor Vehicles was created by the 81st Legislature with House Bill 3097. The vehicles listed for FY2010 were part of the transfer from Texas Department of Transportation when the TxDMV began operations. The purchases to date were surplus vehicles bought from the Texas Department of Public Safety and one new vehicle procured via the Comptroller of Public Accounts Term Contract.

### Fuel Usage for the Fiscal Year Ended August 31, 2017

|                         | <u>Gallons Used</u> |
|-------------------------|---------------------|
| Unleaded Gasoline       | 19,120              |
| Unleaded for Gas Hybrid | 3,266               |
| Propane                 | 0                   |
| Ethanol                 | 4,416               |

(Unaudited)

**Schedule of Itemized Purchases**

For the Fiscal Year Ended August 31, 2017

| <u>Vendor Name</u>                         | <u>Amount</u>               | <u>Product Purchased</u>  | <u>Justification</u>   |
|--|-----------------------------|---|--|
| <i>Promiles Software Development Corp.</i> | <i>\$ 269,400.00</i>        | <i>Programming and Support Services</i>   | <i>Competing Products Not Satisfactory</i>   |
|  |                             | Software programming to modify our current TxPROS website, including production and disaster recovery, hardware, software and infrastructure. | Promiles Software Development Corporation wrote the source code for the system and currently supports it as well. As such, they are the only vendor that can supply the services required. |
| <b>TOTAL PURCHASES</b>                     | <b>\$ <u>269,400.00</u></b> |   |  |



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