Texas Department *of* Motor Vehicles

HELPING TEXANS GO. HELPING TEXAS GROW.

TxDMV Board
Projects & Operations
Committee Meeting

2:00 p.m.
Wednesday, April 13, 2022

AGENDA
PROJECTS AND OPERATIONS COMMITTEE
TEXAS DEPARTMENT OF MOTOR VEHICLES
WILLIAM B. TRAVIS BUILDING
1701 N. CONGRESS AVENUE, ROOM 1.111, AUSTIN, TEXAS 78701
WEDNESDAY, APRIL 13, 2022
2:00 P.M.

Link to April 13, 2022, TxDMV Board Meeting Documents:
https://www.txdmv.gov/about-us/txdmv-board-meetings

All agenda items are subject to possible discussion, questions, consideration, and action by the Projects and Operations Committee of the Board of the Texas Department of Motor Vehicles (Committee). Agenda item numbers are assigned for ease of reference only and do not necessarily reflect the order of their consideration by the Committee. The Committee reserves the right to discuss any items in closed session where authorized by the Open Meetings Act. A quorum of the Board of the Texas Department of Motor Vehicles (Board) may be present at this meeting for information-gathering and discussion. However, Board members who are not Committee members will not vote on any Committee agenda items, nor will any Board action be taken.

1.   Roll Call and Establishment of Quorum

2.   Pledges of Allegiance - U.S. and Texas

3.   Comments and Announcements from Committee Chair, Committee Members, and Executive Director

BRIEFING AND ACTION ITEMS
4.   Consideration and Possible Recommendation for Action to the Full Board and Briefings:

A.   Accounts Receivable Study - Glenna Bowman and Eric Horn (BRIEFING ONLY)

B.   Headquarters Building Project - Glenna Bowman and Ann Pierce (BRIEFING ONLY)

C.   Active Agency Projects Update - Wendy Barron (BRIEFING ONLY)
            1.   Statewide webDEALER Adoption (SWA) Phase II
            2.   webSALVAGE
            3.   Registration and Title System (RTS) Projects
                i.   Tax Assessor-Collectors (TAC) T1 Upgrade
                ii.   Tax Assessor-Collectors (TAC) Workstation Refresh
                iii.   RTS Batch Cycle
                iv.   RTS Support (formerly RTS Defects)
                v.   RTS Performance Stabilization

4.   Digital License Plates (DLP)
5.   Call Center Upgrade Phase II
6.   Texas International Registration Plan (TxIRP) Upgrade
7.   Texas by Texas (TxT)
8.   Motor Carrier Credentialing System (MCCS) Rewrite

15   D.   Replace Balanced Scorecard with Key Performance Indicators for the Department's Performance Measurement System - Daniel Avitia (ACTION ITEM)

CLOSED SESSION
5.   The Committee may enter into closed session under one or more of the following provisions of the Texas Open Meetings Act, Government Code Chapter 551:
Section 551.071 - Consultation with and advice from legal counsel regarding:
- pending or contemplated litigation, or a settlement offer;
- a matter in which the duty of the attorney to the government body under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with Government Code Chapter 551; or
any item on this agenda.

Section 551.074 - Personnel matters.
- Discussion relating to the appointment, employment, evaluation, reassignment, duties, discipline, and dismissal of personnel.

Section 551.076 - Deliberation Regarding Security Devices or Security Audits; Closed Meeting.
- the deployment, or specific occasions for implementation, of security personnel or devices; or
- a security audit.

Section 551.089 - Deliberation Regarding Security Devices or Security Audits; Closed Meeting.
- security assessments or deployments relating to information resources technology;
- network security information as described by Section 2059.055(b); or
- the deployment, or specific occasions for implementation, of security personnel, critical infrastructure, or security devices.

6.   Action Items from Closed Session

7.   Public Comment

8.   Adjournment

The Committee will allow an open comment period to receive public comment on any agenda item or other matter that is under the jurisdiction of the Committee. No action will be taken on matters that are not part of the agenda for the meeting. For subjects that are not otherwise part of the agenda for the meeting, Committee members may respond in accordance with Government Code Section 551.042 and consider the feasibility of placing the matter on the agenda for a future meeting.

If you would like to comment on any agenda item (including an open comment under the agenda item for Public Comment), you must complete a speaker's form at the registration table prior to the agenda item being taken up by the Committee or send an email to *GCO_General@TxDMV.gov* to register by providing the required information prior to the agenda item being taken up by the Committee:

1. a completed Public Comment Registration Form; or
2. the following information:
    a. the agenda item you wish to comment on;
    b. your name;
    c. your address (optional), including your city, state, and zip code; and
    d. who you are representing.

Public comment will only be accepted in person. Each speaker will be limited to three minutes, and time allotted to one speaker may not be reassigned to another speaker.

Any individual with a disability who plans to attend this meeting and requires auxiliary aids or services should notify the department as far in advance as possible, but no less than two days in advance, so that appropriate arrangements can be made. Contact David Richards by telephone at (512) 465-1423.

I certify that I have reviewed this document and that it conforms to all applicable Texas Register filing requirements.

CERTIFYING OFFICIAL: Aline Aucoin, Interim General Counsel, (512) 465-5665.

Texas Department *of* Motor Vehicles

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Committee Meeting Date: 4/13/2022
BRIEFING ITEM

To: Projects & Operations Committee, Texas Department of Motor Vehicles Board
From: Glenna Bowman, Chief Financial Officer
Agenda Item: 4.A
Subject: Accounts Receivable Study

RECOMMENDATION
Briefing item with no recommendation.

PURPOSE AND EXECUTIVE SUMMARY
Briefing item only to provide an update on the Accounts Receivable Study.

FINANCIAL IMPACT
Funded with $3.5 million supplemental appropriation

BACKGROUND AND DISCUSSION
The department received $3.5 million in supplemental appropriations in HB2 of the 87th legislative session for the deployment of an Accounts Receivable system to ensure revenue collections are tracked accurately and consistently across the department. The system will allow for better tracking of accounts receivable balances and improve the ability to monitor and conduct accounts receivable activities.

TxDMV contracted with Gartner, Inc. on February 5, 2022, to complete the first phase of the project, which is a study of the current decentralized process and to determine recommendations for available software that will best fit the department's needs. The recommendations will Include an integration plan with future process diagrams and estimated costs.

The study will be completed no later than June 30, 2022. The initial phase includes documentation gathering and interviews with each of the program areas throughout the department that have an accounts receivable function. Gartner has completed a first draft of all current process diagrams and has begun peer outreach sessions with similar Texas state agencies and DMV's from California and Florida. These sessions will help Gartner make recommendations to improve current TxDMV processes and recommend future processes, including whether they remain decentralized with the program areas, move to a centralized process within Finance and Administrative Services, or they change to a hybrid process. The recommendations, due by May 1, 2022, will be included in the first of two reports required from Gartner. The second report, due by June 30, 2022, will include software recommendations and an integration plan.

This study will drive implementation efforts to be completed in FY 2023.

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Committee Meeting Date: 4/13/2022
BRIEFING ITEM

To:	Projects & Operations Committee, Texas Department of Motor Vehicles Board
From:	Glenna Bowman, Chief Financial Officer
Agenda Item:	4.B
Subject:	Headquarters Building Project

PURPOSE AND EXECUTIVE SUMMARY
Briefing item only to provide an update on the Headquarters Building Project.

BRIEFING

As discussed in the December 1, 2021 Projects and Operations Committee meeting, HB 2 (87R) (Supplemental Appropriations bill) appropriated TxDMV $6.2 million to fund planning and design of a new headquarters facility at the Camp Hubbard Campus. The planning and design, also referred to as "Phase I," consists of the following components:

1. Site Plan for the Camp Hubbard campus property, including division and analysis;

2. Parking study;

3. Renovation plans for Building 6 to accommodate the relocation of current Building 5 occupants, equipment and the data center, as well as the relocation of Centimeter storage needs to Building 6;

4. Demolition plans for Building 5;

5. Design of a replacement building for Building 5; and

6. Improvements to Building 7, the Central Chiller Plant.

Phase I will include the directives in Texas Government Code §2166.153 to evaluate energy-efficient architectural and engineering design alternatives. There are a multitude of alternative energy design strategies that are applicable to this project.

Recent Activities:

➢ Meeting with Department of Banking – Part of the plan for the Camp Hubbard campus is to transfer the Building 10 property from TxDOT to the Department of Banking. TxDMV representatives attended an introductory meeting with the Department of Banking in January where both agencies agreed to find synergetic opportunities to work together wherever possible as each department moves forward with design, planning and construction on the Camp Hubbard campus. Both departments are working with the Texas Facilities Commission (TFC) and have the same TFC Project Manager.

➢ Project Kick-Off with TFC – TxDMV executed an interagency contract with TFC in January, followed by a kick-off meeting to discuss the project at a high level.

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> Procurement of Architectural/Engineering Services – On January 12, 2022, TFC sent a Request for Quote (RFQ) to 1,315 vendors for architectural and engineering services, with a submittal deadline of February 15, 2022. TFC hosted two, mandatory vendor conferences in January on the 25th and 26th. A total of forty-one vendors (including fourteen HUBs) attended. TFC received twelve quotes and, with input from TxDMV, narrowed down the list to the top three. TFC and TxDMV staff interviewed each of the three finalists on March 8, 2022, and selected a vendor to provide the requested services.

> Site Services/Subsurface Utility Review – TFC directed their already contracted site services and subsurface utility review contractors from Cobb Fendley to conduct a Camp Hubbard site visit to begin identifying utilities for the project in March.

> Site Visit to Similar Properties – TFC will help facilitate a site visit to one or more properties that have workstations, hoteling spaces, and conference rooms that are similar to what TxDMV will be considering in its design choices for the new building.

> Next Steps – TFC staff will present the final selected architectural and engineering candidate at their next Commission meeting on April 21, 2022, and request approval to commence contract negotiations and move forward with these services. Once the selected candidate is formally approved and a contract is in place, the selected candidate will host a kick-off meeting (anticipated to be in May).

> Future meetings have already been scheduled with various trade and technical area subject matter experts (plumbing, electrical, HVAC, fire, safety, technology, etc.) that will help refine the TFC Owner Project Requirements (OPR) document, which outlines the component systems of the new building.

> Additional meetings will be held in the near future with each TxDMV division, so they have an opportunity to participate and share their needs and desires for the new building.

> At the end of Phase I, TxDMV will have a fully detailed construction cost estimate, along with design drawings and specifications, for an FY 2024-25 legislative appropriations request for Phase II (Demolition and Construction).

Phase I (Design and Planning) Cost Estimate

Cost Component	FY 2022-23 Appropriations PHASE 1	Additional Information
LAND		
Legal Fees	$ 7,000	Dividing acreage between TxDMV (11 acres) and Banking Commission (4 acres)
American Land Title Association (ALTA) Survey	$ 30,000	Boundaries, easements and topography
Environmental Analysis	$ 20,000	Phase I Environmental Assessment of acreage
Subtotal, Land	*$ 57,000*	
TECHNICAL SERVICES		
Architect/Engineer	$ 3,750,000	Construction planning and design for new Building 5 and parking garage(s), repair and maintenance recommendations for existing Building 6 (built in 1966), and upgrade of Building 7 Chiller Plant (runs campus utilities; last updated in 1997)

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Phase I (Design and Planning) Cost Estimate (cont'd)

Cost Component	FY 2022-23 Appropriations PHASE 1	Additional Information
Project Management	$ 250,000	Texas Facilities Commission (TFC) project management, procurement and construction inspections
Construction Manager	$ 190,000	Estimating, scheduling and constructability review of design
Site Utility Survey	$ 50,000	Locate and document all underground utility lines
Geotechnical	$ 30,000	Verify soil conditions for foundation design
Environmental Engineer	$ 20,000	Testing in Phase 1 (monitoring and reporting in Phase 2)
3rd Party Architectural/Engineering (A/E) Review	$ 25,000	Code compliance review
Commissioning Agent	$ 50,000	Design in Phase 1 (testing and reporting in Phase 2)
Furniture, Fixtures and Equipment (FFE) Design	$ 50,000	Design in Phase 1 (construction administration in Phase 2)
Subtotal, Technical Services	*$ 4,415,000*	
MISCELLANEOUS		
Moving Costs	$ 50,000	Moving personnel from Building 5 to Building 6 in Phase 1 (from Building 1 and Building 6 to new building in Phase 2)
Subtotal, Miscellaneous	*$ 50,000*	
CONTINGENCY	$ 1,665,500	
TOTAL ESTIMATED PHASE I COSTS	*$ 6,187,500*	

The above budgeted amounts were estimated for FY 22-23 LAR. Actual costs may come in lower than these budgeted amounts.

Texas Department *of* Motor Vehicles
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Committee Meeting Date: 4/13/2022
BRIEFING

To: Projects & Operations Committee, Texas Department of Motor Vehicles Board
From: Wendy Barron, Interim Chief Information Officer
Agenda Item: 4.C
Subject: Active Agency Projects Update

RECOMMENDATION

Briefing only – No recommendation.

PURPOSE AND EXECUTIVE SUMMARY

To brief the Projects and Operations Committee on current active information technology projects including project descriptions, status, budget, and end dates.
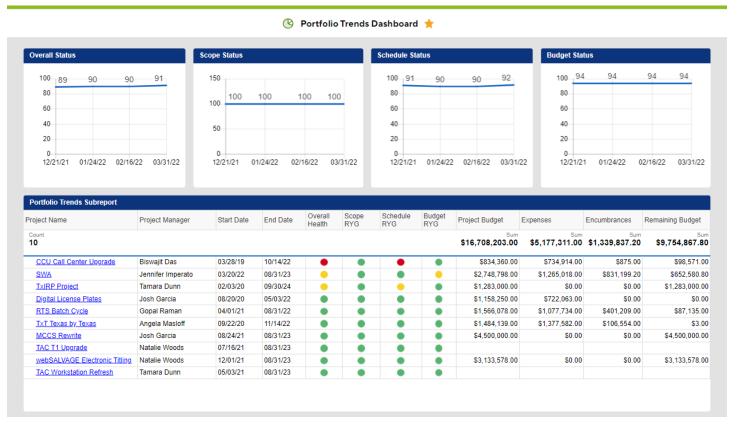
FINANCIAL IMPACT

None

BACKGROUND AND DISCUSSION

The department currently has ten active projects overseen by the Information Technology Services Division (ITSD) and the Project Management Office (PMO) and two operational initiatives supporting the Registration and Title System (RTS). A briefing of each project, including an updated status, budget, and completion date are included in this executive summary.

The project portfolio dashboard is presented on the following page. Seven of the ten projects have a "green" status and are progressing in alignment with their planned scope, schedule, and budgets. Two of the projects are in "yellow" status and one project is in "red" status due to schedule or budget issues. More details as to why these projects are in yellow and red will be provided in the individual project briefings.

Portfolio Trends Dashboard ⭐

Project Name	Project Manager	Start Date	End Date	Overall Health	Scope RYG	Schedule RYG	Budget RYG	Project Budget	Expenses	Encumbrances	Remaining Budget
Count 10								Sum $16,708,203.00	Sum $5,177,311.00	Sum $1,339,837.20	Sum $9,754,867.80
CCU Call Center Upgrade	Biswajit Das	03/28/19	10/14/22	🔴	🟢	🔴	🟢	$834,360.00	$734,914.00	$875.00	$98,571.00
SWA	Jennifer Imperato	03/20/22	08/31/23	🟡	🟢	🟢	🟡	$2,748,798.00	$1,265,018.00	$831,199.20	$652,580.80
TxIRP Project	Tamara Dunn	02/03/20	09/30/24	🟡	🟢	🟡	🟢	$1,283,000.00	$0.00	$0.00	$1,283,000.00
Digital License Plates	Josh Garcia	08/20/20	05/03/22	🟢	🟢	🟢	🟢	$1,158,250.00	$722,063.00	$0.00	$0.00
RTS Batch Cycle	Gopal Raman	04/01/21	08/31/22	🟢	🟢	🟢	🟢	$1,566,078.00	$1,077,734.00	$401,209.00	$87,135.00
TxT Texas by Texas	Angela Masloff	09/22/20	11/14/22	🟢	🟢	🟢	🟢	$1,484,139.00	$1,377,582.00	$106,554.00	$3.00
MCCS Rewrite	Josh Garcia	08/24/21	08/31/23	🟢	🟢	🟢	🟢	$4,500,000.00	$0.00	$0.00	$4,500,000.00
TAC T1 Upgrade	Natalie Woods	07/16/21	08/31/23	🟢	🟢	🟢	🟢				
webSALVAGE Electronic Titling	Natalie Woods	12/01/21	08/31/23	🟢	🟢	🟢	🟢	$3,133,578.00	$0.00	$0.00	$3,133,578.00
TAC Workstation Refresh	Tamara Dunn	05/03/21	08/31/23	🟢	🟢	🟢	🟢				

Statewide webDEALER Adoption (SWA) Phase II

Senate Bill 604, passed during the 86th Texas Legislative Session, required that webDEALER, the department's web-based system for processing title applications, be made available to all state of Texas motor vehicle dealers. To facilitate an increase in application throughput, maximize workflow, streamline processes, and, most importantly, encourage the participation of new users, the Statewide webDEALER Adoption project was initiated. Phase I of the project was completed in June of 2021 and included the highest priority tickets that provided webDEALER enhancements to Texas motor vehicle dealers. Phase II of the project is currently being executed and will implement the remaining priority tickets to improve the system for Texas motor vehicle dealers.

Project Status:

- Most of the contracting resources have been procured.
- Work has been initiated for the first tickets planned to be delivered in the next release, 13.0, in July.
- Project overall health is yellow because the level of effort estimated to complete all tickets is greater than the current budget allocated to the project

Project End Date: Aug 2023

Budget: $1.48M

webSALVAGE

The webSALVAGE project will expand throughput of electronic titling processes in webSALVAGE and the issuance/transfer of electronic titles. webSALVAGE will allow the electronic submission of title applications by insurance companies and Texas salvage motor vehicle dealers for hail damaged, unrecovered thefts, and other non-salvage vehicles directly to county tax offices and will facilitate issuance of electronic titles to the submitting entities. The issuance of electronic titles will facilitate subsequent electronic transfer of title and required reporting for Texas salvage

motor vehicle dealers. The project will expedite processing time and title issuance by eliminating manual processes for stakeholders and internal staff, reduce contract costs for the department, expand system integrations, eliminate fraud associated with paper titles, and reduce theft and fraud associated with rebuilt vehicles.

Project Status:

- Project charter is being reviewed and approved.
- Requirements are being gathered and documented.
- Contracting resources are being planned and procurement activities are being initiated.
- The project overall health is green.

Project End Date: Aug 2023

Budget: $3.1M

REGISTRATION AND TITLE SYSTEM (RTS) PROJECTS

Tax Assessor Collectors (TAC) T1 Upgrade

Current network circuit technology servicing most of the county tax assessor-collector (TAC) offices is outdated, using older T1 technology. This technology is not reliable leading to frequent losses of connectivity for our TAC partners and impacting the department's and the TACs' ability to provide good customer service to our constituents. These types of circuits are being phased out by the major service providers, including TxDMV's vendor AT&T. This project would execute the upgrade of current T1 connections to metro-ethernet. This conversion would increase circuit reliability and increase network speeds for our county TAC partners. In conjunction with the fiber upgrade, the current routing and switching equipment at the county TAC locations would be upgraded to newer equipment with LTE (cellular) capabilities. A second networking route would be established in locations where cellular is available and reliable to act as a failover in the event the fiber route became disabled. This project is anticipated to be a multi-year initiative to be completed in phases. ITSD has initiated discussions with AT&T to develop an initial plan and strategy for implementation.

Project Status:

- Project charter is being reviewed and approved.
- Statement of Work is being reviewed and approved.
- The project overall health is green.

Project End Date: TBD, dependent upon final negotiations with the vendor

Tax Assessor Collectors (TAC) Workstation Refresh

TxDMV provides workstation and printer equipment to the county tax assessor-collector (TAC) offices enabling them to provide vehicle and titling services on the department's behalf. In accordance with industry best practices and Department of Information Resources (DIR) guidelines, this equipment should be replaced every four years. ITSD is moving to an operational deployment strategy by which 25% of the equipment is replaced each year, with 25% of that amount deployed each quarter. The intent of this project is to deploy 50% of the equipment, establishing the operational processes and procedures to transition from a projectized deployment to an operational initiative.

Project Status:

- Project charter is being reviewed and approved.
- Statement of work has been submitted to vendors.
- The project overall health is green.

Project End Date: TBD, dependent upon final negotiations with the vendor

Registration and Title System (RTS) Batch Cycle

The objective of the RTS Batch Refactoring project is to reduce run time of 33 high priority batch jobs. The project will modernize existing batch code, moving from Maxenso to Java. It will optimize the run time of these batch jobs, shortening the run times by as much as 95%.

Project Status:

- The second set of batch updates were released in February.
- The project was extended to August 2022 and a third set of batch updates will be released in July.
- The project overall health is green.

Project End Date: Aug 2022

Budget: $2.18M

Registration and Title System (RTS) Support

The TxDMV has a dedicated capital budget for RTS Support. This budget has been used to procure staff augmentation contract services in support of ongoing RTS modifications and enhancements. Since the start of the fiscal year, RTS Support contractors have been used to implement legislative changes and make system improvements.

Registration and Title System (RTS) Performance Stabilization

The TxDMV is taking multiple approaches to stabilize and improve performance in the RTS application. The ITSD has established a "tiger team" of staff from key sections of the division that are tasked with researching and implementing possible solutions to ongoing issues. Staff from application development and infrastructure meet daily to discuss and review new findings and solution implementation strategies. There are several solutions that are currently being analyzed, tested, and implemented. Additionally, the TxDMV is contracting with two external vendors to provide additional assistance in reviewing the network and identifying any issues that might be contributing to the RTS slowness. Recent modifications have resulted in a reduction of tickets related to "RTS Slowness" and reports of improved performance in the Tax Assessor Collector offices.

Digital License Plates (DLP)

The Digital License Plate project will implement SB 604, to support statutory requirements to allow digital license plates to be displayed on motor vehicles within the state of Texas. Once complete, the project will allow registered commercial fleet owned or operated by governmental entities to equip a digital license plate on the rear of a vehicle. The project will also enhance awareness of emergency notification and public safety alerts. The new technology will benefit law enforcement through automated display of registration expiration and have a potential for use in identifying stolen vehicles.

Project Status:

- Final testing results are pending for Toll Gate Plate Readability and Visibility.
- Tentative production readiness date is end of April
- Project overall health is green.

Project End Date: Summer 2022

Budget: $820K

Call Center Upgrade Phase II

The objective of Phase II of the Call Center Upgrade project is to implement a modern post call survey tool that will improve customer interaction quality with the department. The tool will collect actionable customer feedback, uncover the root cause of good or bad experiences, and track and measure customer satisfaction using industry best practices.

Project Status:

- Statement of work is currently under internal review.
- Project overall health is red because a new statement of work is required to complete the remaining survey work for the project. The schedule has been delayed and a new project end date will be developed pending execution of the procurement.

Project End Date: Summer 2022

Budget: $834K (Total project $834K, survey tool portion $150K)

Texas International Registration Program (TxIRP) Upgrade

The Texas International Registration Program Rewrite project will improve the TxIRP online user experience and reduce Out-of-Service (OOS) fraud. The project will improve user experiences through website responsiveness for mobile devices, add automated financial capabilities, and improved reporting.

Project Benefits:

- The project is currently in the procurement phase.
- Vendor negotiations are in progress.
- Project overall health is yellow because of the delays in funds approval. Now that funds are approved the schedule and task activities are expected to move forward more quickly.

Project End Date: Sept 2024

Budget: $1.3M

Texas by Texas (TxT)

The Texas by Texas project will provide the constituents of Texas a secure, mobile-friendly platform to do business with multiple state agencies using a single user account (single sign-on). TxT will serve as a personal and portable government assistant for customers. It will allow customers to create an account, link to vehicles, and establish a personalized profile

with stored payment information, transaction history, preferences, and other features. Users will be able to choose to receive text and email renewal reminders which helps Texans renew their vehicle registration more efficiently.

Project Status:

- As of the end of March over one million users have set up a TxT account, almost 320,000 vehicles have been linked by TxT users, and almost 200,000 registration renewals have been completed.
- The native mobile application has been downloaded almost 45,000 times.
- TxDMV continues to partner with the Department of Information Resources to participate in the execution of the statewide marketing campaign.
- Deloitte and TxDMV are completing the Electronic Renewal Notification Opt-In to be executed this fall.
- The project overall health is green.

Project End Date: Fall 2022

Budget: $1.5M

Motor Carrier Credentialing System (MCCS) Rewrite

The Motor Carrier Credentialling System Rewrite project will replace the existing legacy MCCS system with a modern, reliable application supported by an external vendor. The project will reduce the operational risk to the department using improved technologies and ensure long-term support and operability.

Project Status:

- Requirements are being gathered and documented.
- The statement of work is being drafted.
- The project overall health is green.

Project End Date: Aug 2023

Budget: $4.5M

Texas Department *of* Motor Vehicles

HELPING TEXANS GO. HELPING TEXAS GROW.

Committee Meeting Date: 4/13/2022
ACTION ITEM

To:	Projects & Operations Committee, Texas Department of Motor Vehicles Board
From:	Daniel Avitia, Acting Executive Director
Agenda Item:	4.D
Subject:	Replace Balanced Scorecard (BSC) with Key Performance Indicators (KPIs) for the Department's Performance Measurement System

RECOMMENDATION
To recommend the full board replace the Balanced Scorecard (BSC) with the Key Performance Indicators (KPIs) as the department's performance measurement system.

PURPOSE AND EXECUTIVE SUMMARY
Department staff worked on the development of the BSC since 2018. The BSC included 26 measures that aligned with the department's mission and vision, strategic goals and objectives, and strategy map.

Strategic Goals and Objectives:

- Performance Driven
  - Effective and efficient services
  - Implement appropriate best practices
- Optimized Services and Innovation
  - Continuous business process improvement and realignment
  - Executive ownership and accountability for results
  - Organizational culture of continuous improvement and creativity
- Customer Centric
  - Focus on the internal customer
  - Increase transparency with external customers
  - Excellent service delivery

BSCs have not proven to be useful in measuring the operational ability of an organization, and more often serve as a distraction from issues and a drain on resources throughout the organization.

FINANCIAL IMPACT
None.

BACKGROUND AND DISCUSSION
Department staff have been providing monthly and/or quarterly reports of the KPIs since Fiscal Year 2013. The board currently receives quarterly reports via the Board SharePoint Site. At the June 14, 2018, board meeting, the board adopted the BSC as the department's performance measurement system as a replacement for the KPIs with an implementation date of July 1, 2018. Staff recommends the Projects & Operations Committee recommend the board adopt the KPIs as the department's performance measurement system, effective April 14, 2022.

Board Policy Documents

Governance Process (10/13/11)

Strategic Planning (10/13/11)

Board Vision (4/7/16)

Agency Boundaries (9/13/12)

Texas Department of Motor Vehicles
TxDMV Board Governance Policy

1. PURPOSE

The directives presented in this policy address board governance of the Texas Department of Motor Vehicles (TxDMV).

2. SCOPE

The directives presented in this policy apply to the TxDMV Board and TxDMV agency personnel who interact with the Board. The TxDMV Board Governance Policy shall be one that is comprehensive and pioneering in its scope.

3. POLICY

3.1.   TxDMV Board Governing Style

The Board shall govern according to the following general principles: (a) a vision for the agency, (b) diversity in points of view, (c) strategic leadership, providing day-to-day detail as necessary to achieve the agency vision, (d) clear distinction of Board and Executive Director roles, (e) collective decision making, (f) react proactively rather than reactively and with a strategic approach. Accordingly:

3.1.1. The Board shall provide strategic leadership to TxDMV. In order to do this, the Board shall:

3.1.1.1. Be proactive and visionary in its thinking.

3.1.1.2. Encourage thoughtful deliberation, incorporating a diversity of viewpoints.

3.1.1.3. Work together as colleagues, encouraging mutual support and good humor.

3.1.1.4. Have the courage to lead and make difficult decisions.

3.1.1.5. Listen to the customers and stakeholders needs and objectives.

3.1.1.6. Anticipate the future, keeping informed of issues and trends that may affect the mission and organizational health of the TxDMV.

3.1.1.7. Make decisions based on an understanding that is developed by appropriate and complete stakeholder participation in the process of identifying the needs of the motoring public, motor vehicle industries,

and best practices in accordance with the mission and vision of the agency.

3.1.1.8. Commit to excellence in governance, including periodic monitoring, assessing and improving its own performance.

3.1.2. The Board shall create the linkage between the Board and the operations of the agency, via the Executive Director when policy or a directive is in order.

3.1.3. The Board shall cultivate a sense of group responsibility, accepting responsibility for excellence in governance. The Board shall be the initiator of policy, not merely respond to staff initiatives. The Board shall not use the expertise of individual members to substitute for the judgment of the board, although the expertise of individual members may be used to enhance the understanding of the Board as a body.

3.1.4. The Board shall govern the agency through the careful establishment of policies reflecting the board's values and perspectives, always focusing on the goals to be achieved and not the day-to-day administrative functions.

3.1.5. Continual Board development shall include orientation of new Board members in the board's governance process and periodic board discussion of how to improve its governance process.

3.1.6. The Board members shall fulfill group obligations, encouraging member involvement.

3.1.7. The Board shall evaluate its processes and performances periodically and make improvements as necessary to achieve premier governance standards.

3.1.8. Members shall respect confidentiality as is appropriate to issues of a sensitive nature.

3.2.   TxDMV Board Primary Functions/Characteristics

TxDMV Board Governance can be seen as evolving over time. The system must be flexible and evolutionary. The functions and characteristics of the TxDMV governance system are:

3.2.1. Outreach

3.2.1.1. Monitoring emerging trends, needs, expectations, and problems from the motoring public and the motor vehicle industries.

3.2.1.2. Soliciting input from a broad base of stakeholders.

3.2.2. Stewardship

  3.2.2.1. Challenging the framework and vision of the agency.

  3.2.2.2. Maintaining a forward looking perspective.

  3.2.2.3. Ensuring the evolution, capacity and robustness of the agency so it remains flexible and nimble.

3.2.3. Oversight of Operational Structure and Operations

  3.2.3.1. Accountability functions.

  3.2.3.2. Fiduciary responsibility.

  3.2.3.3. Checks and balances on operations from a policy perspective.

  3.2.3.4. Protecting the integrity of the agency.

3.2.4. Ambassadorial and Legitimating

  3.2.4.1. Promotion of the organization to the external stakeholders, including the Texas Legislature, based on the vision of the agency.

  3.2.4.2. Ensuring the interests of a broad network of stakeholders are represented.

  3.2.4.3. Board members lend their positional, professional and personal credibility to the organization through their position on the board.

3.2.5. Self-reflection and Assessment

  3.2.5.1. Regular reviews of the functions and effectiveness of the Board itself.

  3.2.5.2. Assessing the level of trust within the Board and the effectiveness of the group processes.

3.3.   Board Governance Investment

Because poor governance costs more than learning to govern well, the Board shall invest in its governance capacity. Accordingly:

3.3.1. Board skills, methods, and supports shall be sufficient to ensure governing with excellence.

3.3.1.1. Training and retraining shall be used liberally to orient new members, as well as maintain and increase existing member skills and understanding.

3.3.1.2. Outside monitoring assistance shall be arranged so that the board can exercise confident control over agency performance. This includes, but is not limited to, financial audits.

3.3.1.3. Outreach mechanisms shall be used as needed to ensure the Board's ability to listen to stakeholder viewpoints and values.

3.3.1.4. Other activities as needed to ensure the Board's ability to fulfill its ethical and legal obligations and to represent and link to the motoring public and the various motor vehicle industries.

3.3.2. The Board shall establish its cost of governance and it will be integrated into strategic planning and the agency's annual budgeting process.

3.4.   Practice Discipline and Assess Performance

The Board shall ensure the integrity of the board's process by practicing discipline in Board behavior and continuously working to improve its performance. Accordingly:

3.4.1. The assigned result is that the Board operates consistently with its own rules and those legitimately imposed on it from outside the organization.

3.4.1.1. Meeting discussion content shall consist solely of issues that clearly belong to the Board to decide or to monitor according to policy, rule and law. Meeting discussion shall be focused on performance targets, performance boundaries, action on items of Board authority such as conduct of administrative hearings, proposal, discussion and approval of administrative rule-making and discussion and approval of all strategic planning and fiscal matters of the agency.

3.4.1.2. Board discussion during meetings shall be limited to topics posted on the agenda.

3.4.1.3. Adequate time shall be given for deliberation which shall be respectful, brief, and to the point.

3.4.2. The Board shall strengthen its governing capacity by periodically assessing its own performance with respect to its governance model. Possible areas of assessment include, but are not limited to, the following:

3.4.2.1. Are we clear and in agreement about mission and purpose?

3.4.2.2. Are values shared?

3.4.2.3. Do we have a strong orientation for our new members?

3.4.2.4. What goals have we set and how well are we accomplishing them?

3.4.2.5. What can we do as a board to improve our performance in these areas?

3.4.2.6. Are we providing clear and relevant direction to the Executive Director, stakeholders and partners of the TxDMV?

3.4.3. The Board Chair shall periodically promote regular evaluation and feedback to the whole Board on the level of its effectiveness.

Texas Department of Motor Vehicles
Strategic Planning Policy

1. PURPOSE

The directives presented in this policy address the annual Strategic Planning process at the Texas Department of Motor Vehicles (TxDMV).

2. SCOPE

The directives presented in this policy apply to the TxDMV Board and TxDMV agency personnel who interact with the Board. TxDMV Strategic Planning Policy attempts to develop, document and expand its policy that is comprehensive in its scope in regards to the strategic planning process of the Board and the Department beyond that of the state strategic planning process.

3. POLICY

3.1. TxDMV Board Strategic Planning

This policy describes the context for strategic planning at TxDMV and the way in which the strategic plan shall be developed and communicated.

    3.1.1. The Board is responsible for the strategic direction of the organization, which includes the vision, mission, values, strategic goals, and strategic objectives.

    3.1.2. TxDMV shall use a 5-year strategic planning cycle, which shall be reviewed and updated annually, or as needed.

    3.1.3. The 5-year strategic plan shall be informed by but not confined by requirements and directions of state and other funding bodies.

    3.1.4. In developing strategic directions, the Board shall seek input from stakeholders, the industries served, and the public.

    3.1.5. The Board shall:

        3.1.5.1. Ensure that it reviews the identification of and communication with its stakeholders at least annually.

        3.1.5.2. Discuss with agency staff, representatives of the industries served, and the public before determining or substantially changing strategic directions.

3.1.5.3. Ensure it receives continuous input about strategic directions and agency performance through periodic reporting processes.

3.1.6. The Board is responsible for a 5-year strategic plan that shall identify the key priorities and objectives of the organization, including but not limited to:

3.1.6.1. The creation of meaningful vision, mission, and values statements.

3.1.6.2. The establishment of a Customer Value Proposition that clearly articulates essential customer expectations.

3.1.6.3. A Strengths, Weaknesses, Opportunities and Threats (SWOT) Analysis, to be updated annually.

3.1.6.4. An assessment of external factors or trends (i.e., customer needs, political factors, economic factors, industry trends, technology factors, uncertainties, etc.)

3.1.6.5. Development of the specific goals and objectives the Department must achieve and a timeline for action.

3.1.6.6. Identification of the key performance indicators to measure success and the initiatives that shall drive results.

3.1.6.7. Engage staff at all levels of the organization, through the executive director, in the development of the strategic plan through surveys, interviews, focus groups, and regular communication.

3.1.6.8. Ensure the strategic planning process produces the data necessary for LBB/GOBPP state required compliance while expanding and enhancing the strategic plan to support the needs of the TxDMV. The overall strategic plan shall be used as a tool for strategic management.

3.1.7. The Board delegates to the Executive Director the responsibility for **implementing** the agency's strategic direction through the development of agency wide and divisional operational plans.

Texas Department of Motor Vehicles
TxDMV Goals and Objectives

1. PURPOSE

The information presented in this policy addresses the goals and key objectives of the Board of the Texas Department of Motor Vehicles (TxDMV) as they relate to the mission, vision, and values of the TxDMV.

2. SCOPE

The scope of this policy is to define the desired state the TxDMV Board is working to achieve. This policy is designed to be inspirational in outlining the desired state of the agency that supports the TxDMV Board vision and meeting agency goals.

3. TxDMV MISSION

To serve, protect and advance the citizens and industries in the state with quality motor vehicle related services.

4. TxDMV VISION

The Texas Department of Motor Vehicles sets the standard as the premier provider of customer service in the nation.

5. TxDMV VALUES

To earn the trust and faith of all citizens of Texas with transparency, efficiency, excellence, accountability, and putting stakeholders first.

   5.1. Transparency – Being open and inclusive in all we do.
   5.2. Efficiency – Being good stewards of state resources by providing products and services in the most cost-effective manner possible.
   5.3. Excellence – Working diligently to achieve the highest standards.
   5.4. Accountability – Accepting responsibility for all we do, collectively and as individuals.
   5.5. Stakeholders – Putting customers and stakeholders first, always.

6. TxDMV GOALS

6.1. GOAL 1 – Performance Driven

The TxDMV shall be a performance driven agency in its operations whether it is in customer service, licensing, permitting, enforcement or rule-making. At all times the TxDMV shall mirror in its performance the expectations of its customers and stakeholder by effective, efficient, customer-focused, on-time, fair, predictable and thorough service or decisions.

6.1.1. <u>Key Objective 1</u>

The TxDMV shall be an agency that is retail-oriented in its approach. To accomplish this orientation TxDMV shall concentrate the focus of the agency on:

6.1.1.1. Delivering its products and services to all of its customers and stakeholders in a manner that recognizes that their needs come first. These needs must be positively and proactively met. TxDMV works for and with its customers and stakeholders, not the other way around.

6.1.1.2. Operating the agency's licensing and registration functions in a manner akin to how a private, for-profit business. As a private, for-profit business, TxDMV would have to listen to its customers and stakeholders and implement best practices to meet their needs or its services would no longer be profitable or necessary. Act and react in a manner that understands how to perform without a government safety net and going out of business.

6.1.1.3. Simplify the production and distribution processes and ease of doing business with the TxDMV. Adapting and maintaining a business value of continuous improvement is central to TxDMV operations and processes.

6.1.1.4. All operations of the TxDMV shall stand on their own merits operationally and financially. If a current process does not make sense then TxDMV shall work within legislative and legal constraints to redesign or discard it. If a current process does not make or save money for the state and/or its customers or stakeholders then TxDMV shall work within legislative and legal constraints to redesign or discard it. TxDMV shall operate as efficiently and effective as possible in terms of financial and personnel needs. Divisions should focus on cost savings without sacrificing performance. Division directors are accountable for meeting these needs and applicable measures. All division directors are collectively responsible for the performance of TxDMV as a whole.

6.1.1.5. Focus on revenue generation for transportation needs as well as the needs of its customers.

6.1.1.6. Decisions regarding the TxDMV divisions should be based on the overriding business need of each division to meet or provide a specific service demand, with the understanding and coordination of overarching agency-wide needs.

6.1.1.7. Developing and regularly updating a long-range Statewide Plan describing total system needs, establishing overarching statewide goals, and ensuring progress toward those goals.

6.1.1.8. The TxDMV shall establish a transparent, well-defined, and understandable system of project management within the TxDMV that integrates project milestones, forecasts, and priorities.

6.1.1.9. The TxDMV shall develop detailed work programs driven by milestones for major projects and other statewide goals for all TxDMV divisions.

6.1.1.10. The TxDMV, with input from stakeholders and policymakers, shall measure and report on progress in meeting goals and milestones for major projects and other statewide goals.

6.2. GOAL 2 – Optimized Services and Innovation

The TxDMV shall be an innovative, forward thinking agency that looks for ways to promote the economic well-being and development of the industries it serves as well as the State of Texas within the legislative boundaries that have been established for the agency.

6.2.1. Key Objective 1

The TxDMV shall achieve operational, cultural, structural and financial independence from other state agencies.

6.2.1.1. Build the TxDMV identity. This means that TxDMV shall make customers aware of what services we offer and how they can take advantage of those services.

6.2.1.2. Build the TxDMV brand. This means that TxDMV shall reach out to the stakeholders, industries we serve and the public, being proactive in addressing and anticipating their needs.

6.2.1.3. Determine immediate, future, and long term facility and capital needs. TxDMV needs its own stand-alone facility and IT system as soon as possible. In connection with these needs, TxDMV shall identify efficient and effective ways to pay for them without unduly burdening either the state, its customers or stakeholders.

6.2.1.4. All regulations, enforcement actions and decision at TxDMV shall be made in a timely, fair and predictable manner.

6.2.2. Key Objective 2

Provide continuous education training on business trends in the industry with a particular emphasis on activities in Texas.

6.2.3. Key Objective 3

Provide continuous outreach services to all customers and stakeholders to access their respective needs and wants. This includes helping frame legislative or regulatory issues for consideration by other bodies including the legislature.

6.2.4. Key Objective 4

Examine all fees to determine their individual worth and reasonableness of amount. No fee shall be charged that cannot be defended financially and operationally.

6.3. GOAL 3 – Customer-centric

The TxDMV shall be a customer-centric agency that delivers today's services and decisions in a positive, solution-seeking manner while ensuring continuous, consistent and meaningful public and stakeholder involvement in shaping the TxDMV of tomorrow.

6.3.1. Key Objective 1

The TxDMV shall seek to serve its customer base through a creative and retail oriented approach to support the needs of its industries and customers.

6.3.2. Key Objective 2

The TxDMV shall develop and implement a public involvement policy that guides and encourages meaningful public involvement efforts agency-wide.

6.3.3. Key Objective 3

The TxDMV shall develop standard procedures for documenting, tracking, and analyzing customer complaint data. Successful problem resolution metrics should be monitored to support continuous improvement activities that shall permanently improve customer facing processes.

6.3.4. Key Objective 4

The TxDMV shall provide a formal process for staff with similar responsibilities to share best practices information.

6.3.5. Key Objective 5

The TxDMV shall provide central coordination of the Department's outreach campaigns.

6.3.6. Key Objective 6

The TxDMV shall develop and expand user friendly, convenient, and efficient website applications.

6.3.7. Key Objective 7

TxDMV shall timely meet all legislative requests and mandates.

Agency Operational Boundaries as Defined by
Department Policies of the TxDMV Board (Board)

The Board is responsible for the policy direction of the agency. The Board's official connection to the day-to-day operation of the Texas Department of Motor Vehicles (TxDMV) and the conduct of its business is through the Executive Director of the TxDMV (ED) who is appointed by the Board and serves at its pleasure. The authority and accountability for the day-to-day operations of the agency and all members of the staff, except those members who report directly to the Board, is the sole responsibility of the ED.

In accordance with its policy-making authority the Board has established the following policy boundaries for the agency. The intent of the boundaries is not to limit the ability of the ED and agency staff to manage the day-to-day operations of the agency. To the contrary, the intent of the boundaries is to more clearly define the roles and responsibilities of the Board and the ED so as to liberate the staff from any uncertainty as to limitations on their authority to act in the best interest of the agency. The ED and staff should have certainty that they can operate on a daily basis as they see fit without having to worry about prior Board consultation or subsequent Board reversal of their acts.

The ED and all agency employees shall act at all times in an exemplary manner consistent with the responsibilities and expectations vested in their positions. The ED and all agency employees shall act in a manner consistent with Board policies as well as with those practices, activities, decisions, and organizational circumstances that are legal, prudent, and ethical. It is the responsibility of the ED to ensure that all agency employees adhere to these boundaries.

Accordingly, the TxDMV boundaries are as follows:

1. The day-to-day operations of the agency should be conducted in a manner consistent with the vision, mission, values, strategic framework, and performance metrics as established by the Board. These elements must not be disregarded or jeopardized in any way.

2. A team-oriented approach must be followed on all enterprise-wide decisions to ensure openness and transparency both internally and externally.

3. The agency must guard against allowing any financial conditions and decision which risk adverse fiscal consequences, compromise Board financial priorities, or fail to

show an acceptable level of foresight as related to the needs and benefits of agency initiatives.

4. The agency must provide timely, accurate, and honest information that will afford the Board, public, stakeholders, executive branch and the legislature the best ability to evaluate all sides of an issue or opportunity before forming an opinion or taking action on it. Any information provided that is intentionally untimely, inaccurate, misleading or one-sided will not be tolerated.

5. The agency must take all reasonable care to avoid or identify in a timely manner all conflicts of interest or even the appearance of impropriety in awarding purchases, negotiating contracts or in hiring employees.

6. The agency must maintain adequate administrative policies and procedures that are understandable and aid in staff recruitment, development and retention.

7. The agency must maintain an organizational structure that develops and promotes the program areas from an enterprise-wide perspective. No organizational silos or sub-agencies will be allowed. We are the TxDMV.

8. The agency must empower its entire staff to deliver a positive customer experience to every TxDMV customer, stakeholder or vendor to reduce their effort and make it easier for them to do business with the TxDMV.

9. The agency must at all times look to flattening its organizational structure to reduce cost as technology advances allow.

10. Agency staff shall anticipate and resolve all issues timely.

11. The agency must maximize the deployment and utilization of all of its assets – people, processes and capital equipment – in order to fully succeed.

12. The agency must not waste the goodwill and respect of our customers, stakeholders, executive branch and legislature. All communication shall be proper, honest, and transparent with timely follow-up when appropriate.

13. The agency should focus its work efforts to create value, make sure that processes, programs, or projects are properly designed, budgeted and vetted as appropriate with outside stakeholders to ensure our assumptions are correct so positive value continues to be created by the actions of the TxDMV.

14. The ED through his or her staff is responsible for the ongoing monitoring of all program and fiscal authorities and providing information to the Board to keep it apprised of all program progress and fiscal activities. This self-assessment must result in a product that adequately describes the accomplishment of all program

goals, objectives and outcomes as well as proposals to correct any identified problems.

15. In advance of all policy decisions that the Board is expected to make, the ED will provide pertinent information and ensure board members understand issues/matters related to the pending policy decision. Additionally, the ED or designee will develop a process for planning activities to be performed leading up to that particular policy decision and the timeframe for conducting these planning activities. It is imperative that the planning process describes not only when Board consideration will be expected but also when prior Board consultation and involvement in each planning activity will occur.

16. In seeking clarification on informational items Board members may directly approach the ED or his or her designee to obtain information to supplement, upgrade or enhance their knowledge and improve the Board's decision-making. Any Board member requests that require substantive work should come to the Board or Committee Chairs for direction.

17. The agency must seek stakeholder input as appropriate on matters that might affect them prior to public presentation of same to the Board.

18. The agency must measure results, track progress, and report out timely and consistently.

19. The ED and staff shall have the courage to admit a mistake or failure.

20. The ED and staff shall celebrate successes!

The Board expects the ED to work with agency staff to develop their written interpretation of each of the boundaries. The ED will then present this written interpretation to the Board prior to discussion between the Board and ED on the interpretation. The Board reserves the right to accept, reject or modify any interpretation. The intent is that the Board and the ED will come to a mutually agreeable interpretation of agency boundaries that will then form the basis of additional written thought on the part of the ED and staff as to how these boundaries will influence the actions of the agency.