
January 2014

Performance Audit
Recommendations and Corrective
Actions for Audit: 09-4

DMV: Performance Measurement
System Could Be Enhanced:

Dated: 07/22/2009

Overview

The SAO makes recommendations designed to improve the operations of state government. For our work to produce benefits, auditees or the General Assembly must implement these recommendations although we cannot require them to do so. Nevertheless, a measure of the quality and persuasiveness of our performance audits is the extent to which these recommendations are accepted and acted upon. The greater the number of recommendations that are implemented, the more benefit will be derived from our audit work.

In 2010, the SAO began to follow-up on the recommendations issued in our performance audits. Experience has shown that it takes time for some recommendations to be implemented. For this reason, we perform our follow-up activities two and four years after the calendar year in which the audit report is issued (e.g., we followed up on recommendations contained in audit reports issued in calendar year 2008 in 2010 and 2012). Our annual performance reports summarize whether we are meeting our recommendation implementation targets.

Act 155 (2012) required that we post on our website “a summary of significant recommendations arising out of the...audit reports... and the dates on which corrective actions were taken related to these recommendations. Recommendation follow-up shall be conducted at least biennially and for at least four years from the date of the audit report.”

This report addresses the requirements of Act 155 to post the results of our recommendation follow-up work on our website. The report does not include follow-up on recommendations issued as part of the state’s financial statement audit and the federally mandated Single Audit, which are performed by a contractor. However, our new contract for this work requires the contractor to provide the results of its recommendation follow-up in the future. Accordingly, we expect that future reports will contain this data.

Audit No., Name & Date	Rec #	Recommendation	Follow-Up Date	Status & Date	Review Comments
09-4 DMV: Performance Measurement System Could Be Enhanced 07/22/2009	1	The Department of Motor Vehicles (DMV) should perform and document a strategic planning process that includes revisiting the department's goals and measures in order to evaluate (1) whether DMV's current goals and measures are still appropriate due to the VT Drives implementation and (2) whether outcome measures could be established for the highway safety goal.	11/23/2011	Not Implemented	The recommendation had not been implemented, but the DMV Commissioner reported that his office was planning a two-day strategic planning retreat.
			12/17/2013	Implemented 1/31/2012	After conducting strategic planning exercises in January 2012, DMV issued a FY 2012-2014 strategic plan. This plan includes five goals (including one for highway safety) and updated measures.
	2	The Department of Motor Vehicles (DMV) should develop, document, and periodically update a strategic plan.	11/23/2011	Not Implemented	The recommendation had not been implemented, but the DMV Commissioner reported that his office was planning a two-day strategic planning retreat.
			12/18/2013	Implemented 5/12/2012	The DMV strategic plan was updated for FY 2012-2014 and was communicated to all DMV employees by the Commissioner on 5/4/12. DMV provided progress updates on strategic goals to its staff on 10/15/12 and 3/27/13.
	3	The Department of Motor Vehicles (DMV) should establish numerical targets for all measures and regularly update them.	12/15/2011	Partially Implemented	DMV's latest performance document shows that numerical targets (benchmarks) have been established for eight of nine performance measures.
			12/18/2013	Implemented	Numerical targets and dates have been established for all the measures. DMV reported that it plans to periodically update the targets.
	4	The Department of Motor Vehicles (DMV) should develop a system with which to track and report actual results, including a comparison of results to numerical targets, for all measures.	12/13/2011	Not Implemented	The DMV Director of Operations reported that implementation of this recommendation had been delayed due to the implementation of DMV's major system initiative--VT Drives.
			12/18/2013	Partially Implemented 5/12/2012	DMV has initiated but not completed a process to report and track actuals to numerical targets for all measures. DMV stated this process will be completed when the strategic plan is updated.

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09-4 DMV: Performance Measurement System Could Be Enhanced 07/22/2009	5	The Department of Motor Vehicles (DMV) should require that the sources and methods used to develop actual performance results be documented, and that actual results be validated for all measures and documentation retained.	12/13/2011	Not Implemented	The DMV Director of Operations reported that no significant action had been taken on this recommendation.
			12/18/2013	Partially Implemented 9/10/2013	DMV has initiated, but not completed, a process to document the sources and methods used to calculate measures.
	6	The Department of Motor Vehicles (DMV) should correct the identified methodology errors in the measures that we reviewed or change the title and/or description of the measures to more accurately reflect the actual results.	12/13/2011	Partially Implemented (no date given)	The SAO reported errors in the methodology associated with 3 performance measures. In DMV's FY 2012 Strategic Overview, (1) data limitations related to the methodology weakness were outlined for two measures (wait times and mail backlogs) and (2) the methodology was changed for one measure (% of registration renewals processed over the web, by kiosk, or via interactive voice response). This recommendation will remain open to check whether the methodology weaknesses in the wait times and mail backlogs measures are fixed rather than just acknowledged in the performance report.
			12/18/2013	Implemented 1/15/2010	The FY 2011 and FY 2012 Strategic Overview documents contain goals, measures, benchmarks (targets), data limitations, actual results, narrative discussions, and planned actions. This performance information is explicitly linked and clear to the reader.
	7	The Department of Motor Vehicles (DMV) should report more complete performance measurement information to the Legislature annually, including (1) linked goals, strategies, measures, actual results & targets, (2) narrative explanations of results, corrective actions that are planned if targets are not met, and (3) data limitations, if applicable.	12/15/2011	Implemented 1/15/2010	The FY 2011 and FY 2012 Strategic Overview documents contain goals, measures, benchmarks (targets), data limitations, actual results, narrative discussions, and planned actions. This performance information is explicitly linked and clear to the reader.