# Texas Department of Motor Vehicles



Strategic Performance Measures
Submitted to the Legislative
Budget Board
Fiscal Year 2011

81st Regular Session, Performance Reporting

Automated Budget and Evaluation System of Texas (ABEST)

Agency code: 608

Agency name: Department of Motor Vehicles

Type/Strategy/Measure	2011 Target	2011 Actual	2011 YTD	Percent of Annual Target	Target Range
Output Measures					
1-1-1 REGISTRATION AN 1 # VEHICLE TITLES I					
Quarter 1	6,528,656.00	1,368,774.00	1,368,774.00	20.97 %	1,305,731.20 - 1,958,596.8
Prior Amount:	1,368,774.00				
Prior YTD: 1,3	368,774.00				
Quarter 2	6,528,656.00	1,257,309.00	2,626,083.00	40.22 % *	2,937,895.20 - 3,590,760.8

Explanation of Variance: 01-01-01 OP 01: The measure target for the Number of Vehicle Titles Issued was conservatively projected based on previous fiscal year totals. In comparing the percentage of title applications supported by Manufacturer Certificates of Origin (MCOs) (new vehicles), there has been a 21.44 percent increase in the number of MCOs surrendered in the first and second quarters of FY 2011 over the same period in FY 2010. If this trend continues, the performance target may be met by end of fourth quarter reporting period. In November of 2009, VTR established a revised target to the LBB; however, we are required to report based on the target projected in August of 2008. See update explanation below.

Explanation of Update: 01-01-01-0P 01: An error was made in the number of vehicle titles issued. Number increased from 1,257,047 to 1,257,309.

Prior Amount: 1,257,047.00

Prior YTD: 2,625,821.00

Prior Amount: 1,257,309.00

Prior YTD: 2,626,083.00

Prior Explanation of Update: 01-01-01-0P 01: An error was made in the number of vehicle titles issued. Number increased from 1,257,047 to 1,257,309.

<sup>\*</sup> Varies by 5% or more from target.

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2011 2011 2011 Percent of Type/Strategy/Measure **YTD** Target Actual Annual Target Target Range

#### **Output Measures**

1 # VEHICLE TITLES ISSUED

Quarter 3

6,528,656.00

1,611,215.00

4,237,298.00

64.90 % \*

4,570,059.20 - 5,222,924.80

Explanation of Variance: The measure target for the Number of Vehicle Titles Issued was projected based on 2008 fiscal year totals. Because the number of titles issued is influenced by current economic trends, the target projections assumed a continued upward trend in the number of vehicle titles to reflect the upward economic trends at that time. The national economy has slowed as have the number of vehicle titles issued to date. At the end of the third quarter, there continues to be an increase in the number of title applications supported by Manufacturer Certificates of Origin (MCOs) and Out of State titles surrendered when compared the data to FY 2010. Though the number of title transactions is trending upward, it is doubtful that the performance target will be met by end of the fourth quarter reporting period. See update explanation below.

Explanation of Update: 01-01-01-0P 01: An error was made in the number of vehicle titles issued. Number decreased from 1,611,458 to 1,611,215.

Prior Amount: 1,611,458.00

Prior YTD: 4,237,279.00

**Quarter 4** 

6,528,656.00

1,424,523.00

5.661.821.00

86.72 % \*

6,202,223.20 - 6,855,088.80

Explanation of Variance: The measure target for the Number of Vehicle Titles Issued was projected based on 2008 fiscal year totals. Because the number of titles issued is influenced by current economic trends, the target projections assumed a continued upward trend in the number of vehicle titles to reflect the upward economic trends at that time. The national economy has slowed as have the number of vehicle titles issued to date. At the end of the fourth quarter, there continues to be an increase in the number of title applications supported by Manufacturer Certificates of Origin (MCOs) and Out of State titles surrendered when compared the data to FY 2010. Though the number of titles issued increased by 4.9% over FY 2010, the performance target was not met by the end of the fourth quarter reporting period. In preparing the fourth quarter numbers we discovered errors in the second and third quarters. The fourth quarter numbers reflect the updated numbers in the second and third quarter.

Prior Amount: 1,424,523.00

Prior YTD: 5,661,802.00

2 TOTAL NUMBER OF REGISTERED VEHICLES

<sup>\*</sup> Varies by 5% or more from target.

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## Actual Performance for Output/Efficiency Measures with Updates

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Agency name: Department of Motor Vehicles

2011 2011 Percent of
Type/Strategy/Measure Target Actual YTD Annual Target Target Target Range

#### **Output Measures**

2 TOTAL NUMBER OF REGISTERED VEHICLES

**Quarter 1** 

23,271,018.00

21,656,069,00

21,656,069.00

93.06 % \*

22,107,467.10 - 24,434,568.90

Explanation of Variance: The measure target for the Total Number of Registered Vehicles was conservatively projected based on previous fiscal year Number of Vehicles Registration Transactions totals. A detailed review of source documents previously used to report this measure has resulted in a change in the source documents now being used. The figure now shown for each quarter will reflect the total number of currently registered vehicles in the RTS database at the end of that quarter, not the number of vehicles actually registered during the quarter. The measure target may be met by the end of the fourth quarter reporting period.

Quarter 2

23,271,018.00

21,708,417.00

21,708,417.00

93.29 % \*

22,107,467.10 - 24,434,568.90

Explanation of Variance: 01-01-02 OP 02: The measure target for the Total Number of Registered Vehicles was conservatively projected based on previous fiscal year Number of Vehicles Registration Transactions totals. The figure now shown for each quarter reflects the total number of currently registered vehicles in the RTS database at the end of that quarter, not the number of vehicles actually registered during the quarter. In November of 2009, VTR established a revised target; however, we are required to report based on the target projected in August of 2008.

**Quarter 3** 

23,271,018,00

21,824,890.00

21.824.890.00

93.79 % \*

22,107,467.10 - 24,434,568.90

Explanation of Variance:

<sup>\*</sup> Varies by 5% or more from target.

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Agency name: Department of Motor Vehicles

	2011	2011	2011	Percent of	
Type/Strategy/Measure	Target	Actual	YTD	Annual Target	Target Range

### **Output Measures**

2 TOTAL NUMBER OF REGISTERED VEHICLES

**Ouarter 4** 

23,271,018.00

21,939,786.00

21,939,756.00

94.28 % \*

22,107,467.10 - 24,434,568.90

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Explanation of Variance: 01-01-02 OP 02: The measure target for the Total Number of Vehicles was projected based on the fiscal year Number of Vehicle Registration Transaction totals in FY 2008. The figure now shown for each quarter reflects the total number of currently registered vehicles in the RTS database and not the number of vehicle registration transactions processed at the end of that quarter, and not the number of vehicles actually registered during the quarter. The variance is attributed not only to the downward trend in vehicle registrations that occurred in 2008 and 2009 but also to the difference in reporting transactions versus currently registered vehicles. Though there has been a 1.71% increase in the number of vehicles currently registered from FY 2010 to FY 2011, the performance target was not met by the end of the fourth quarter reporting period.

## 1-1-2 VEHICLE DEALER REGULATION

1 # MVC COMPLAINTS RESOLVED

Quarter 1

623.00

76.00

76.00

12.20 % \*

124.60 - 186.90

Explanation of Variance: The sharp decline in motor vehicle sales the last two years caused by the downturn in the economy has resulted in fewer complaints being resolved. Until motor vehicles sales have sustained a significant increase for 1-2 years, it is unlikely the target will be met.

Quarter 2

623.00

73.00

149.00

23.92 % \*

280.35 - 342.65

Explanation of Variance: The sharp decline in motor vehicle sales the last two years caused by the downturn in the economy has resulted in fewer complaints being resolved. Until motor vehicles sales have sustained a significant increase for 1-2 years, it is unlikely the target will be met.

<sup>\*</sup> Varies by 5% or more from target.

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Agency name: Department of Motor Vehicles

	<b>2011</b>	<b>20</b> 11	2011	Percent of	
Type/Strategy/Measure	Target	Actual	YTD	Annual Target	Target Range

### **Output Measures**

1 # MVC COMPLAINTS RESOLVED

Quarter 3

623.00

94.00

243.00

39.00 % \*

436.10 - 498.40

Explanation of Variance: The decline in motor vehicle sales the last two years caused by the downturn in the economy has resulted in fewer complaints being filed and resolved. Until motor vehicles sales have sustained a significant increase for 1-2 years, it is unlikely the target will be met.

Quarter 4

623.00

63.00

306.00

49.12 % \*

591.85 - 654.15

Explanation of Variance: The decline in motor vehicle sales the last two years caused by the downturn in the economy has resulted in fewer complaints being filed and resolved. Until motor vehicle sales have sustained a significant increase for 1-2 years, it is unlikely the target will be met.

## **Efficiency Measures**

## 1-1-2 VEHICLE DEALER REGULATION

1 AVG WEEKS TO RESOLVE MVC COMPLAINT

Quarter 1

24.00

27.52

27.52

114.67 % \*

22.80 - 25.20

Explanation of Variance: A significant delay in the closure of the last Chrysler LLC bankruptcy case, which was subject to a court imposed automatic stay, and the reorganization of the department resulted in the deviation from the FY 2011 performance target. With the closure of the last Chrysler LLC bankruptcy case and the completion of the reorganization, it is anticipated performance will improve by the end of the fiscal year.

Quarter 2

24.00

24.80

24.80

103.33 %

22.80 - 25.20

<sup>\*</sup> Varies by 5% or more from target.

22.80 - 25.20

## Actual Performance for Output/Efficiency Measures with Updates

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Automated Budget and Evaluation System of Texas (ABEST)

32.15

Agency name: Department of Motor Vehicles

24.00

2011	2011	2011	Percent of	
Target	Actual	YTD	Annual Target	Target Range

Explanation of Variance: The increase in the average number of weeks to complete a Lemon Law Complaint is due to the resolution of some older cases that raised the time average from the previous quarter. Staff is taking steps to process cases quicker and determine more efficiently which cases can be settled thru vehicle inspections and other means and which should go to SOAH. This will give SOAH some additional time to hold hearings and issue orders but stay within the 150-day deadline. Staff has recently met with SOAH in order to work with them to implement measures to reduce their time to hold hearings and issue PFDs. These measures are gradually expected to reduce average number of weeks to resolve Lemon Law complaints.

28.00

116.67 % \*

24.00 27.64 27.64 115.17 % \* 22.80 - 25.20 **Quarter 4** 

Explanation of Variance: There appears to be a slight uptick in the average number of weeks to complete a Lemon Law Complaint. Some of this is due to the resolution of some older cases that raised the time average from the previous quarter. Staff is taking steps to process cases quicker and determine more efficiently which cases can be settled through vehicle inspections and other means and which should go to SOAH. This will give SOAH some additional time to hold hearings and issue orders but stay with the 150-day deadline. Staff has recently met with SOAH in order to work with them to implement measures to reduce their time to hold hearings and issue PFDs. Further, the section shall be working with the MVD Director to aid in the processing of orders. These measures are gradually expected to reduce average number of weeks to resolve Lemon Law complaints.

#### 1-1-3 AUTOMOBILE THEFT PREVENTION

1 A&S COSTS OF TOTAL EXPENDITURES

Agency code: 608

**Quarter 3** 

<sup>\*</sup> Varies by 5% or more from target.

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Automated Budget and Evaluation System of Texas (ABEST)

Agency code: 608 Agency name: Department of Motor Vehicles 2011 2011 2011 Percent of Type/Strategy/Measure **YTD Target Range** Target Actual **Annual Target** 

## **Efficiency Measures**

1 A&S COSTS OF TOTAL EXPENDITURES

Quarter 1

6.00 %

18.05 %

18.05 %

300.83 % \*

5.70 - 6.30

Explanation of Variance: Grant expenditures were very minimal for the quarter. Until grants expenditures increase substantially, the calculation methodology will cause the A & S percentage to skew out of range. It is expected that the annual target will be met by the end of the fourth quarter.

Explanation of Update: The amount of AY2010 grant expenditures paid in FY2011 were not included in the percentage calculations causing the percentage to be higher in the first quarter. The ABTPA program has approved the correction to include AY2010 grant expenditures paid in the first quarter of FY2011 to reflect the differences paid in the first quarter.

<sup>\*</sup> Varies by 5% or more from target.

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	2011	2011	2011	Percent of	
Type/Strategy/Measure	Target	Actual	YTD	Annual Target	Target Range

## **Efficiency Measures**

1 A&S COSTS OF TOTAL EXPENDITURES

Prior Amount: 18.05

Prior YTD: 18.05

<u>Prior Explanation of Update:</u> The amount of AY2010 grant expenditures paid in FY2011 were not included in the percentage calculations causing the percentage higher in the first quarter. The ABTPA program has approved the correction to include AY2010 grant expenditures paid in the first quarter of FY2011 to reflect differences paid in the first quarter.

Prior Amount: 18.05

Prior YTD: 18.05

<u>Prior Explanation of Update:</u> The amount of the grant funds expended and expenditures were actually higher than what reported.

Prior Amount: 18.05

Prior YTD: 18.05

<u>Prior Explanation of Update:</u> The amount of the grant funds expended and expenditures were actually higher than what was reported in the first quarter of the performance measure.

Prior Amount: 18.05

Prior YTD: 18.05

Prior Explanation of Update: The amount of the grant funds expended and expenditures were actually higher than what was reported.

Prior Amount: 18.05

Prior YTD: 18.05

Prior Explanation of Update: Wrong Amount entered

Prior Amount: 38.35

<sup>\*</sup> Varies by 5% or more from target.

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2011 2011 2011 Percent of
Type/Strategy/Measure Target Actual YTD Annual Target Target Range

**Efficiency Measures** 

1 A&S COSTS OF TOTAL EXPENDITURES

**Prior YTD: 38.35** 

Quarter 2

6.00 %

3.56 %

10.81 %

180.17 % \*

5.70 - 6.30

Explanation of Variance: Second quarter calculations include AY 2010 grant expenditures paid in FY 2011, resulting in a lower than target A&S percentage.

Explanation of Update: The year-to-date entry error.

Prior Amount: 3.56

Prior YTD: 3.56

Prior Amount: 3.56

Prior YTD: 10.81

Prior Explanation of Update: Year to date calculation correction.

<sup>\*</sup> Varies by 5% or more from target.

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	2011	2011	2011	Percent of	
Type/Strategy/Measure	Target	Actual	YTD	Annual Target	Target Range

#### **Efficiency Measures**

1 A&S COSTS OF TOTAL EXPENDITURES

Quarter 3

6.00 %

3.92 %

8.51 %

141.83 % \*

5.70 - 6.30

Explanation of Variance: Expenditures are reflective of low grant and adminstrative expenses during the quarter. It is expected that the annual target will be met by the end of the fourth quarter.

Prior Amount: 3.92

Prior YTD: 8.51

Prior Amount: 3.92

Prior YTD: 8.51

**Quarter 4** 

6.00 %

21.09 %

11.66 %

194.33 % \*

5.70 - 6.30

Explanation of Variance: Expenditures are reflective of low grant expenses during the quarter. Actual expenditures are a significant factor in the calculation of the target percentage. Grantees have 90 days at the end of FY 2011 to submit grant expenses for reimbursement. Remaining AY 2011 grant expense reimbursements will be captured in Q1 FY 2012. We will make a final adjustment to Q4 FY 2011 quarter and year to date percentages in Q2 FY 2012. Based on current projections we will not meet the 6.00 % yearly goal in FY 2011.

<sup>\*</sup> Varies by 5% or more from target.