



# MNLARS ANNUAL REPORT 2011



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# CONTACTS

## **Patricia McCormack**

Director, Driver and Vehicle Services  
patricia.mccormack@state.mn.us  
651-201-7580

## **Semyon Axelrod**

Project Director, Minnesota Licensing and Registration System (MNLARS)  
semyon.axelrod@state.mn.us  
651-201-7550

Web: [dvs.dps.mn.gov](http://dvs.dps.mn.gov)

Email: [dvs.mnlars@state.mn.us](mailto:dvs.mnlars@state.mn.us)

## **MNLARS Steering Team**

**Mona Dohman**, Commissioner, Minnesota Department of Public Safety

**Mary Ellison**, Deputy Commissioner, Minnesota Department of Public Safety

**Patricia McCormack**, Director, Driver and Vehicle Services

**Paul Meekin**, Chief Information Officer, Minnesota Department of Public Safety

**Larry Freund**, Chief Financial Officer, Minnesota Department of Public Safety

**Semyon Axelrod**, Director, MNLARS Project

**Pamela Jo Peters**, Operational Best Practices Lead, MNLARS Project

**Bernadette Lantz**, MNLARS Project Manager/PMO

**Larry Ollila**, MNLARS Project Business Manager



# INTRODUCTION

The Minnesota Department of Public Safety Driver and Vehicle Services (DVS) Division is one of Minnesota's most visible state agencies. It is responsible for issuing vehicle titles and registration, driver's licenses and identification cards, and motor vehicle dealer licenses. It also serves drivers who have lost or are at risk of losing driving privileges, conducts driver tests, and maintains crash record data, among other things.

In 2011, DVS served more than 11 million customers and collected nearly \$1 billion in revenue. Whether they work at the service counter, on the phones, or behind the scenes, DVS staff is providing valuable services to Minnesotans and maintaining partnerships with law enforcement; local, state and federal agencies; courts; and deputy registrars and driver's license agents — all of whom rely on DVS data to conduct their business. For many years, DVS has conducted all this business with an increasingly fragile information technology system.

In 2007, DVS requested that the Minnesota Office of Enterprise Technology (OET) conduct a system analysis of the current DVS information system. The analysis concluded that current DVS processes and technologies were not sound, and that further investment in them was not a viable long-term strategy. Staying with the current information system increased the risk for:

- Inconsistent, unreliable access to information
- Inability to track activities
- Ineffective fraud detection
- Not being in statutory compliance, or compliance with state and federal mandates
- Poor data integrity
- Possible loss of data as it is transferred from business partners to DVS databases
- Inaccurate tracking of financial revenue

DVS embarked on a journey in 2008 to replace its legacy information system with a 21st Century model. The Minnesota Licensing and Registration System (MNLARS) project will replace outmoded, inefficient systems and business processes with a modern, reliable, flexible, and secure system to address current and future business operations.

## **MNLARS replaces the core functionality for the following DVS operations:**

- Driver's Licensing
- Title and Registration
- Driver Compliance
- Dealer Licensing and Inspection
- Inventory
- Finance and Records

# INTRODUCTION

## MNLARS Goals

- Efficient business processes and service delivery
- Effective integration of driver information and motor vehicle information
- Stable, flexible, secure, web-based information system
- Electronic communication with other information systems

## MNLARS Vision

- DVS customers are satisfied
- DVS employees are supported and productive
- DVS partners are well informed and well supported
- DVS fulfills its fiduciary responsibilities

## MNLARS Objectives

- Link 6.4 million vehicle and 4.1 million driver records
- Detect and correct or remove corrupt or inaccurate data in the millions of records in the current system
- Study opportunities to streamline more than 150 business functions
- Simplify/automate data collection activities
- Improve reporting capabilities
- Facilitate data sharing
- Improve access to information

### **With the successful implementation of MNLARS, DVS will be able to:**

- Increase data integrity and system security
- Increase fraud prevention
- Improve accessibility to information
- Improve support for law enforcement, deputy registrars, driver's license agents, and other DVS business partners
- Improve timeliness of services
- Increase customer convenience

# PROJECT PROGRESS

STAGE	DATE	STATUS
<b>Stage I</b>	<b>April – September 2009</b> Highlights: <ul style="list-style-type: none"> <li>■ Procurement of a Functional Requirements Vendor Contracted with Mathtech, Inc., a New Jersey consulting firm, to lead the effort to identify the functional (business) requirements of a new system so that DVS could create a clear and comprehensive Request for Proposals (RFP) for a MNLARS System Vendor</li> </ul>	<b>Completed</b>
<b>Stage II A</b>	<b>October 2009 – May 2010</b> Highlights: <ul style="list-style-type: none"> <li>■ Mathtech Inc., facilitated workshops with DVS staff to identify functional requirements</li> <li>■ Issued Request for Information (RFI) on current products and services related to the implementation of an integrated driver's license and motor vehicle system</li> <li>■ Published Request for Proposals (RFP) for MNLARS System Vendor to be responsible for the design, build, and implementation of MNLARS</li> </ul>	<b>Completed</b>
<b>Stage II B</b>	<b>June – December 2010</b> Highlights <ul style="list-style-type: none"> <li>■ Received proposals from 3M and Hewlett-Packard in response to RFP for MNLARS System Vendor</li> <li>■ Heard oral presentations from 3M and Hewlett-Packard</li> <li>■ Conducted evaluation and scoring of proposals</li> </ul>	<b>Completed</b>
<b>Stage II C</b>	<b>January 2011 – Spring/Summer 2012</b> Highlights <ul style="list-style-type: none"> <li>■ Finalize vendor negotiations and execute contract</li> <li>■ MNLARS supporting projects started in preparation for vendor</li> </ul>	<b>Ongoing</b>
<b>Stage III</b>	<b>Spring/Summer 2012 – 2016</b> Highlights <ul style="list-style-type: none"> <li>■ Design, build, implement MNLARS</li> <li>■ Transition the support of MNLARS to state staff</li> </ul>	<b>Future</b>
<b>Stage IV</b>	<b>2016 and Beyond</b> <ul style="list-style-type: none"> <li>■ Ongoing MNLARS operations and development</li> </ul>	<b>Future</b>

# PROJECT PROGRESS

## MNLARS Added Value

- Simplified or automated data-collection activities
- Standardized processes
- Faster processing times through reduced paperwork and improved process flow
- Potential for more customer service options and web-based services
- Improved document management capabilities
- Improved reporting capabilities
- A 360-degree view of customer information
- Tools to create reports and conduct analysis of data

## Project Funding

In 2008, the Minnesota Legislature authorized a technology surcharge to fund the MNLARS project. In 2010, the legislature authorized additional funding, including an extension of the technology surcharge.

- The technology surcharge is applied to most motor vehicle and driver's license transactions
  - Surcharge of \$1.75 is effective July 1, 2008 through June 30, 2012
  - Beginning July 1, 2012, the surcharge is reduced to \$1 and remains effective through June 30, 2016
- Effective July 1, 2011, \$1.50 of each filing fee collected by DVS on motor vehicle transactions will go to the DVS technology account. This does not apply to filing fees collected by deputy registrar offices
- In fiscal year 2013, there will be a one-time transfer of \$7.1 million from DVS special revenue accounts to the DVS technology account





# 2011 IN REVIEW

## System Vendor Procurement Update

Procuring a system vendor to design, build and implement MNLARS has been the primary objective of the MNLARS project team. In 2011, the team invested significant resources and time to develop a robust Statement of Work that will be the basis of a deliverables-based contract. Meetings between the MNLARS team and their vendor counterparts have been positive and productive. Conversations have centered on several major themes, including system architecture, project governance, data migration, business and technical requirements, and an implementation roadmap. These meetings refine expectations and deliverables for the state and the system vendor.

MNLARS will continue to exercise due diligence in its procurement efforts to ensure that DVS receives a system that meets the needs of employees, business partners, and customers.

## Data Cleanup

MNLARS is making sure that DVS data is prepared for conversion to a new system. Over the past two years, the data team made up of MNLARS technical staff and DVS business experts have been responsible for identifying all sources of data, determining what data needs to be converted to the new system and assessing what data needs to be corrected and/or transformed before or during conversion.

The data team has identified all known sources of DVS data. In 2010, they reported that they had nearly completed extracting and loading data from the DVS mainframe environment to a SQL server for future analysis. In 2011, the MNLARS team completed the extraction and made significant headway in data analysis.

This analysis required the skills and knowledge of technical and business subject-matter experts (SME) who focused on categorizing each data element according to its format. Using their knowledge of the system, the technical SMEs prepared brief descriptions of the data elements. Approximately 95 percent of the data to be converted now has technical metadata. The business SMEs, working with a MNLARS business analyst, wrote the current business metadata for each data element and provided historic metadata to explain how the data has changed over time. The vendor will use this information when mapping data elements from DVS storage to MNLARS, to ensure that data is not lost and is converted accurately.

The MNLARS data team also began data testing in 2011. Testing will continue throughout 2012 to discover anomalies that need to be corrected before conversion to MNLARS. The data team wants to be sure that only valid data is transferred to the new system, and that if additional data elements are needed, they are recognized and labeled for inclusion in MNLARS.

# 2011 IN REVIEW

## Vendor Preparation Activities in 2011

- **Greater Minnesota Footprint.** MNLARS staff and staff from the DPS Office of Technology and Support Services gathered information from driver's license agents, deputy registrars, and DVS exam stations, identifying for each office the type and number of workstations, number of office computers, number of staff, and whether staff is full- or part-time. This information will be valuable not only in the implementation of MNLARS, but also for communication and training purposes.
- **Non-production Environment.** This support project encompassed the analysis, design, and implementation for all non-production infrastructure and software necessary to support the MNLARS project. This included desktops, operating systems, and standard software packages for the vendor staff. This work was completed in 2011. MNLARS staff also identified licensing options and requirements and determined the lead time necessary to see that environments are up and ready when the vendor walks through the door on the first day of the contract.
- **Service Desk Improvements.** The DPS IT Service Desk implemented several enhancements in 2011 to ensure that these tools would be ready when the vendor begins work. Among them are a knowledge management library, a centralized forms library, and a new incident- and problem-management tool that automates the process and sends incident reports or tickets to specific personnel for resolution.

## DVS IN 2011

DVS has approximately 500 employees. Close to 180 employees provide driver's license exam services, and dealer and vehicle inspection services in 98 locations throughout the state. The remaining employees are located in DVS' central office in the St. Paul Town Square facility.

In 2011, DVS staff continued to provide exceptional customer service throughout the state, issue secure documents, protect the privacy of personal information, collect revenue, provide information services, and seek better ways to serve the citizens of Minnesota.

## DVS Mission

Provide fair, accurate, secure, and timely (FAST) service. DVS is committed to providing effective service options, the accurate collection of data, fraud prevention, the efficient collection of state revenue, and quality information and technical support for staff and business partners.

## DVS Highlights

**Going Green.** It is estimated that Americans use 85,000,000 tons of paper every year. For many years DVS has taken an environmentally responsible position, printing the Minnesota driver's manuals on recycled paper. However, in 2011, DVS took green to a new level by eliminating the printed versions of the manuals. Today, the Minnesota Class D Driver's Manual, Commercial Driver's License Manual,



# DVS IN 2011



and Motorcycle Manual are available as portable document files (PDF) on the DVS website. They are ready for easy download or customers may print them directly from the website. In addition, DVS also offers audio files of the Class D Driver's Manual on its website. While it's impossible to say how many trees have been saved by the decision to go paperless, there is a "green" benefit in eliminating thousands of printed pages and a savings in DVS printing and storage costs. At the same time, online manuals meet the needs of customers who are looking for a summary of driving related state laws, rules, and techniques in order to drive safely and legally in Minnesota.

**One Driver, One License.** DVS launched its Triple Check project in October 2011, bringing Minnesota into compliance with certain provisions of the federal Motor Carrier Safety Improvement Act (MSCIA) of 1999. MCISA improves safety on the nation's highways by preventing drivers from obtaining a license from more than one state or hiding convictions among several states and driving records.

Triple Check is a series of checks conducted at the front counter of DVS exam stations and driver's license agents that verify whether a customer is eligible to receive a Minnesota driver's license or instruction permit. Triple Check incorporates into one transaction checks with:

- National Problem Driver Pointer System for all drivers
- Commercial Driver License Information System for all drivers
- Social Security Online Verification system for commercial drivers

These checks prevent a driver who has unresolved sanctions or serious driving violations in other states from obtaining a Minnesota driver's license or instruction permit.

Since Triple Check went live on October 11, 2011, more than 400,000 checks have been conducted. In nearly 4,000 cases, Triple Check indicated a problem and customers were asked to resolve an issue before they could complete their application for a Minnesota driver's license or identification card.

**Enterprise Lean.** One of DVS' most valuable resources is its employees, who hold a wealth of knowledge about DVS policies and processes. DVS tapped into that knowledge when it conducted its first kaizen (Japanese for "improvement" or "change for the better") process improvement event on the expedited title process. Kaizen is part of the Enterprise Lean initiative to improve organizational performance in Minnesota state government. Using the structure of kaizen, DVS was able to find ways to better track expedited title applications, expand hours of service, and develop interactive eLearning modules and guidebooks to reduce errors.

Enterprise Lean is about achieving measurable outcomes, process efficiency and effectiveness. While the MNLARS project will bring many improvements and enhancements in the next few years, DVS recognizes that there are steps it can take today to make its processes more effective and productive. DVS intends to seize these opportunities in 2012, building upon its initial success with the expedited title process.

# DVS IN 2011

## DVS Overview

### Services to Citizens

- Driver's license knowledge (written) and skill (road) testing
- Driver's license, instruction permit, and identification card issuance
- Driver compliance evaluations for drivers who have lost or are at risk of losing driving privileges
- Maintenance of driver history, crash record data, and vehicle registration and ownership information
- Motor vehicle title and registration issuance
- Salvage, reconstructed, and specially assembled vehicle inspections
- Commercial vehicle registration and fuel-tax revenue sharing
- Information assistance available by phone and email
- Motor vehicle dealer licensing
- Driver education program and instructor licensing
- Disability license plate and parking certificate issuing

## By the Numbers in Fiscal Year 2011

- Revenue collected: over \$1 billion
- Vehicle titles issued 1.3 million
- Vehicle registrations processed: 3.7 million
- Driver's license, identification cards issued: 2.6 million
- Driver exam tests conducted: 120,000
- Motor Vehicle Dealers licensed: 2,950
- Customer Phone Contacts: 1.2 million

## DVS Responsibilities

- Assist in the prevention of identify fraud through driver's license and ID card identification requirements
- Assist in the detection of vehicle theft through the inspection of salvage, reconstructed, and specially assembled vehicles
- Appoint, train, and manage driver's license agents and motor vehicle deputy registrars
- Collect and audit state revenue received through DVS offices, driver's license agents, and deputy registrars
- Administer interstate trucking registration and fuel tax agreements for motor carriers/commercial drivers
- Review vehicle registration and title documents for compliance with statutes and rules
- Approve driver education programs, accident prevention courses, and driving-while-impaired clinics
- License commercial and public driver education schools and instructors
- Ensure compliance with state statutes and rules on motor vehicle dealer operation



## Reaching out in 2011

One of DVS' most important responsibilities is reaching out to citizens by going into our communities to assist people with driver-and-vehicle-related issues. Over the years, DVS has participated in events for returning service men and women, victims of Hurricane Katrina, and events promoting safe driving.

Working with various non-profit, private and government organizations, DVS offers services to the homeless, the disabled, returning veterans, and inmates at correctional facilities preparing to rejoin their communities. DVS employees provide information about how to obtain or regain driving privileges, how to apply for state identification cards and disability parking certificates, how to handle fines, and more.

Here are just a few of the events that DVS participated in during 2011.

- Dakota County Jail Resource Fair (April 2011)
- East Metro Youth Connect (May 2011)
- Epilepsy Foundation Support Group (May 2011)
- St. Paul Project Homeless (June 2011)
- Minnesota Assistance Council for Veterans' Stand Down (August 2011)
- Governmental Affairs Stakeholder Conference (October 2011)
- Scott Carver Community Connect (October 2011)



**Minnesota Department of Public Safety**  
**Licensing and Registration System**  
444 Cedar Street, Suite 200  
St. Paul, MN 55101

[dvs.dps.mn.gov](http://dvs.dps.mn.gov)