



Driver and Vehicle Systems Oversight Committee Report from December 10, 2019

February 6, 2020

Agenda

- VTRS Project Update
- FastDS Update
- DVS Systems Status
- Budget Summary
- Minnesota Drive
- Questions

VTRS Project Update

- Phase I
 - Replace MNLARS Title and Registration, Dealer Management, Fleet Management, Document Imaging and Permits
 - Deployment – November 16, 2020
- Phase II
 - Replace Prorate Functions - International Fuel Tax Agreement (IFTA) and International Registration Plan (IRP)
 - Deployment – October 2021

VTRS Project Update – Payment Schedule

MN VS Payment Schedule				
Milestone	Estimated Invoice Date	Cost	Retainage	Payment
FastVS License Fee	Aug. 23, 2019	\$4,000,000	\$0	\$4,000,000
FastVS Software Annual Maintenance Fee	Aug. 23, 2019	\$250,000	\$0	\$250,000
Rollout 1 (R1)				
R1 Definition Complete	Jan. 8, 2020	\$4,250,000	\$425,000	\$3,825,000
R1 Base Configuration Complete	April 8, 2020	\$3,125,000	\$312,500	\$2,812,500
R1 Testing Preparation Complete	May 20, 2020	\$6,500,000	\$650,000	\$5,850,000
FastVS Software Annual Maintenance Fee	Aug. 23, 2020	\$500,000	\$0	\$500,000
R1 System Acceptance, Product Rollout (R1 Go-Live)	Nov. 16, 2020	\$7,625,000	\$762,500	\$6,862,500
Partial Retainage Release (per Section 4.2(b))	Upon acceptance			\$1,075,000
Rollout 2 (R2)				
R2 Definition Complete	March 26, 2021	\$1,500,000	\$150,000	\$1,350,000
R2 Base Configuration Complete	May 14, 2021	\$1,125,000	\$112,500	\$1,012,500
R2 Testing Preparation Complete	June 15, 2021	\$2,250,000	\$225,000	\$2,025,000
R2 System Acceptance, Product Rollout (R2 Go-Live)	Oct. 1, 2021	\$2,625,000	\$262,500	\$2,362,500
Maintenance 8/23/2021-10/01/2021	Aug. 23, 2021	\$104,000	\$0	\$104,000
Final Retainage Release	Upon final acceptance			\$1,825,000
Total Implementation Cost		\$33,854,000		\$33,854,000

VTRS Project Update – Project Teams

- Title & Registration
 - Staffed by DVS, MNIT, MDRA, and FAST
- Finance
 - Staffed by DVS, DRBOA, and FAST
- Inventory & Dealers
 - Staffed by DVS, MDRA, MADA, and FAST
- Conversion
 - Staffed by DVS, MNIT, DRBOA, and FAST
- Interface
 - Staffed by DVS, MNIT, and FAST
- Training
 - Staffed by DVS and FAST
 - MDRA and DRBOA staff to join the team
- Testing
 - Staffed by MNIT and FAST
 - DVS, MDRA, and DRBOA staff to join the team

VTRS Project Update – Project Risks

- Registration Fee Calculation
 - Potential statutory changes from Vehicle Registration Taskforce
- Training Facilities
 - Limited number of facilities available that were used for FastDS project
- Explore Contract – IRP / IFTA
 - Vendor is responding to an audit completed by the Minnesota Dept. of Human Rights
- Scanner Deployment
 - Development of a change management plan to implement the scanning of documents at deputy registrar offices
- Managing Work in Process (WIP)
 - Minimizing the number of transactions that need to be processed at rollout of VTRS
- Conversion
 - Data quality of the conversion of records from MNLARS to VTRS

VTRS Project Update – Project Risks Cont.

- Real ID
 - Real ID goes live on October 1, 2020 impacting Deputy Registrar offices and DVS
- Electronic Vehicle Title and Registration (EVTR) Definitions
 - Complex business process with multiple stakeholders
- Decommissioning of MNLARS and Legacy Systems
 - MNLARS and other legacy systems need to continue to support DVS business activities until VTRS rollout
- Scope Creep
 - Potential to have scope creep impact the project

VTRS Project Update – Independent Validation & Verification (IV&V)

- Contract for IV&V services with BerryDunn
 - CPA and management consulting firm that provides IV&V services
 - Cost - \$240,000
- Quarterly reports to be completed
 - February 28, 2020
 - May 29, 2020
 - August 28, 2020
 - November 25, 2020

VTRS Project Update – Independent Validation & Verification (IV&V) – Cont.

- BerryDunn was onsite the Week of January 13th
 - Interviews were completed
 - Project team members
 - Project governance team members
 - Vehicle Leadership team
 - Senior Executive team
 - Driver & Vehicle Executive Steering Committee members
 - Members of Office of Legislative Auditor
 - Surveys sent to Deputy Registrars
 - Appointees and Office Managers

Status Update - FastDS

- Launched State-to-State on September 28, 2019
 - State-to-State allows states that participate to electronically determine if an applicant has a driver's license or identification card in another state
 - Limiting a person to one driver's license
 - Providing information on all state-issued driver's licenses and identification cards
- Contract amendment completed on November 27, 2019
 - Maintenance and support for driver services system
- Contract negotiation
 - Budget - \$36M
 - Signed - \$33.85M

DVS Systems Status – Technology Surcharge

- Implementation of Technology Surcharge Legislation
 - Incorrectly charging customers technology surcharge twice when a customer completes a title transfer and registration renewal
 - Double charging \$2.25
 - Deputy Registrars can waive / exempt the registration technology surcharge when MNLARS charges the customer twice
 - Refunds to be issued to 150,000 customers for \$2.25

DVS Systems Status – System Availability

- DVS System Status Uptime During the 4th quarter systems maintained an uptime of 99% or higher
 - Driver's System – 100%
 - MNLARS – 99.80%
- MNLARS Support and Maintenance
 - Transitioned to support mode
 - Data fixes and database updates are completed twice a week
 - Operating system and security patches are applied monthly
 - Majority of contractors have transitioned off MNLARS

DVS Systems Status – MNLARS Work Performed to Decommission Legacy Systems

- Decommissioning activities
 - Completed comprehensive systems analysis of MNLARS and other legacy systems
 - Stellant (legacy imaging system) scheduled to be decommissioned by March 2020
 - Legacy and MNLARS system decommissioning work is scheduled to be completed by March 22, 2021

Budget Summary

YTD Financial Reporting for Vehicle & Driver for Reporting Period FY2020 (\$000)			
	YTD FY20		
Revenues	YTD	Encumbered & forecast	Total
Carryforward	4,223	-	4,223
Receipts	6,687	9,880	16,567
DVS Vehicle Registration System	52,669	-	52,669
DVS DL System	3,000	-	3,000
Total Revenue	66,579	9,880	76,459
Expenditures – Driver	YTD spend	Encumbered & forecast	Total
FAST contract	1,500	4,579	6,079
DVS staff	120	165	285
MNIT staff	135	302	437
Technology costs	216	865	1,082
Other spent	-	8	8
Total Driver	1,972	5,920	7,892
Expenditures – Vehicle	YTD spend	Encumbered & forecast	Total
FAST Contract	4,565	13,875	18,440
MNLARS contractors	2,639	2,742	5,381
DVS staff	305	562	867
MNIT staff	1,055	2,180	3,235
Technology costs	933	3,082	4,014
Other spent	9	14	23
Total Vehicle	9,505	22,455	31,961
Total Driver and Vehicle	\$11,477	\$28,375	\$39,852

Minnesota Drive

- Once VTRS is completed the joint driver and vehicle system will be branded Minnesota Drive





Questions?