



# Motor Vehicle Division

June 2008

## Division *Performance Results*

Janet Napolitano, Governor

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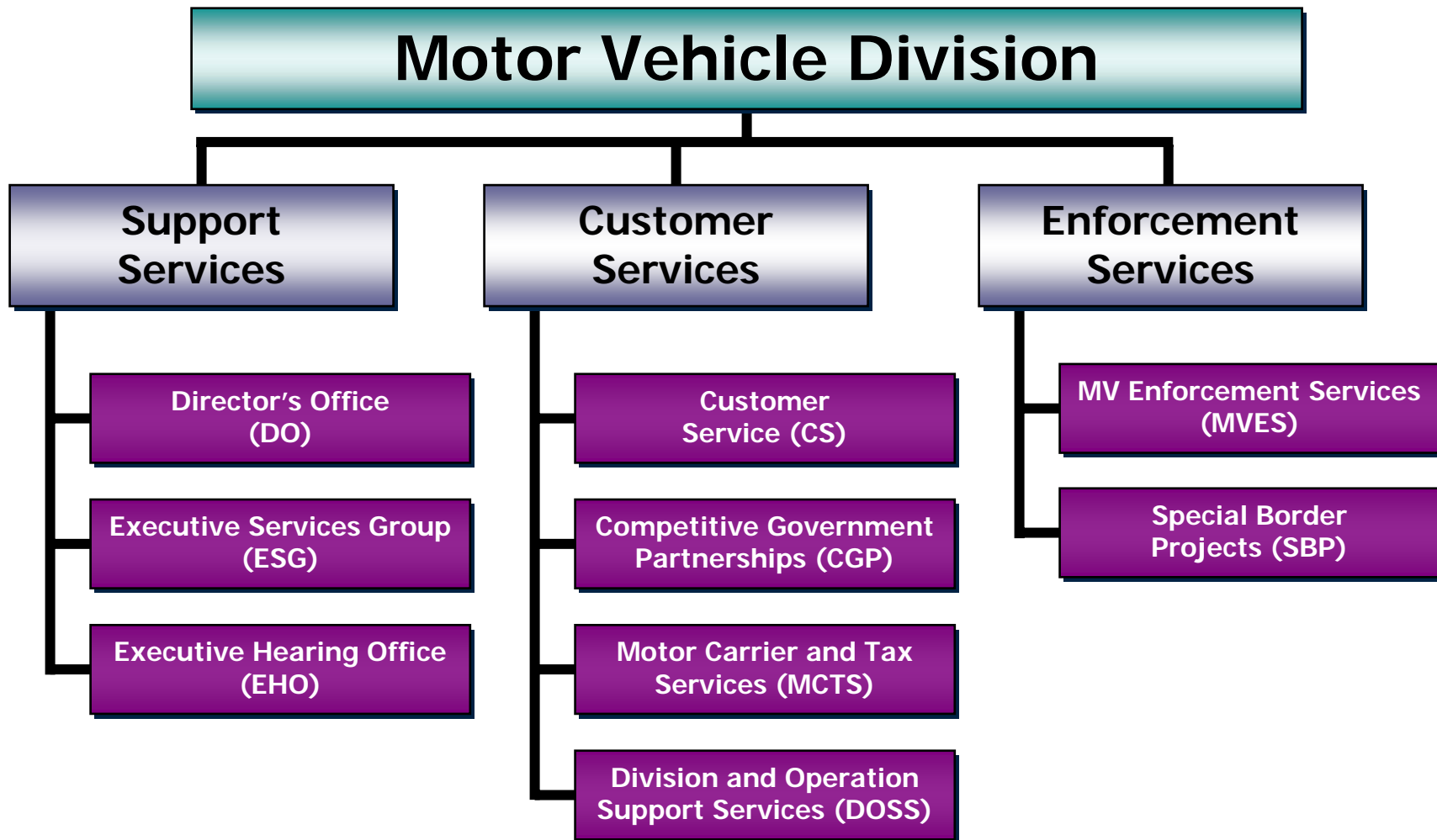
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This report is also available online at:  
[http://www.azdot.gov/mvd/Strategic\\_Planning/strategicplanning.asp](http://www.azdot.gov/mvd/Strategic_Planning/strategicplanning.asp)

# Motor Vehicle Division

## Program and Subprogram Organizational Alignment





# Motor Vehicle Division

## MVD Vision

*Making a difference by setting customer commitment at its highest level.*

## MVD Mission

*MVD supports Arizona through licensing, vehicle credentialing, revenue collection, safety programs, and by promoting compliance with transportation laws.*

## MVD Goals

- To promote public safety and protection through regulation, licensing, and the administration of transportation laws.
- To improve customer service.
- To promote safety and security in the workplace.
- To develop a high-performing, successful workforce.
- To increase the use of electronic service delivery.
- To promote the efficient generation, collection, and management of revenues to meet public needs.

## MVD Values

- Create a safe work environment.
- Recognize and respect the value of our lives outside ADOT/MVD.
- Promote continuous improvement.
- Produce quality work with pride.
- Exhibit integrity and respect.
- Exercise personal accountability.
- Protect and conserve resources.
- Provide excellent customer service.
- Develop and maintain professionalism.

## SUPPORT SERVICES

DTA 3.1, A.R.S. Title 28

### Contacts:

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J.M. 'Jack' McCormick, Chief Administrative Law Judge, Executive Hearing Office, Phone (602) 712-8450

George Delgado, Assistant Division Director, Executive Services Group, Phone (602) 712-6806

### Mission:

To lead and support the Motor Vehicle Division in its provision of services.

### Description:

The Motor Vehicle Support Services (MVSS) Program is comprised of three major components, including:

- ◆ Director's Office
- ◆ Executive Hearing Office
- ◆ Executive Services Group

The **Director's Office (DO)** provides leadership and assistance in legislative, government, public information, and community relations; constituent services, information systems support, human resources, and organizational development.

The **Executive Hearing Office (EHO)** conducts administrative hearings arising from the licensing and enforcement authority of the Arizona Department of Transportation (Title 28, Arizona Revised Statutes). The cases heard involve diverse controversies, ranging from simple to complex issues. Hearings involve DUI-related offenses, driver license suspension and revocation actions, motor vehicle title and registration, motor vehicle manufacturers and franchises, motor carrier safety, motor carrier tax, aviation assessments, and cases regulating outdoor advertising along Arizona's Interstate, secondary, and primary highways. Administrative Law Judges of the Executive Hearing Office also frequently appear before law enforcement agencies and other professional groups to explain Arizona's civil DUI and driver license enforcement actions.

The **Executive Services Group (ESG)** provides management support throughout the Division in the areas of strategic planning and budgeting, traffic records, procurement, facility planning and management, purchasing, warehouse supply and distribution, grant accounting and contracts. In addition, the Division, other governmental entities, businesses, and the general public are served through the provision of statistical information and reports.

# CUSTOMER SERVICES

DTA 3.2, A.R.S. Title 28

## **Contacts:**

Holly Bowers, Acting Assistant Division Director, Customer Service, Phone (602) 712-8968

William Raiford, Acting Assistant Division Director, Competitive Government Partnerships, Phone (602) 712-7969

John Carlson, Assistant Division Director, Division Operational Support Services, Phone (602) 712-8347

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## **Mission:**

To provide exemplary motor vehicle and driver license customer services and improve motor vehicle related products, services, and revenue collection through effective application of private and public sector resources.

## **Description:**

The Customer Service Program is comprised of four major components, including:

- ◆ Customer Service
- ◆ Competitive Government Partnerships
- ◆ Division Operational Support Services
- ◆ Motor Carrier and Tax Services

The **Customer Service Program (CSP)** consists of 61 statewide service locations, Title Production Unit, Driver License Central Production, and Abandoned Vehicle Unit. Services are rendered to all segments of population, from infants to the elderly in need of State Identification Cards, and includes the issuance of Driver Licenses and ownership documents to private citizens, government entities, commercial companies and financial institutions. Responsibilities and services include extensive documentation review for compliance with state statute and federal guidelines, fraud detection, collection and reconciliation of fee collections, conducting vehicle inspections, driver license skill testing and registration reinstatements and permit issuance. CSP also provides mandatory insurance verification, Voter Registration services, Organ Donation Program, Selective Service information collection and distribution, citizen advisement and collection of delinquencies and restitution liens on behalf of state and local courts, Departments of Economic Security and Revenue, County Assessor's/Treasurer's office and other agencies.

**Competitive Government Partnerships (CGP)** is responsible for establishing business relationships with public and private sector partners to enhance delivery of MVD services. The program focuses on developing new and convenient ways for Arizona citizens and businesses to do business with MVD through authorized third party providers and e-government services. In addition to responsibility for the Third Party Program and ServiceArizona, the e-government channel, CGP licenses and provides oversight to motor vehicle dealers, traffic survival schools, professional driving schools, high school driver education programs and motorcycle training schools. CGP also administers electronic delivery of motor vehicle records to authorized commercial and government agencies and coordinates criminal record checks on private sector applicants. In carrying out its responsibilities, CGP develops intergovernmental relationships with state and local agencies, such as the Department of Environmental Quality, Department of Education, Secretary of State's Office, Governor's Information Technology Agency, Arizona Office of the Courts and law enforcement agencies.

**Division Operational Support Services (DOSS)** assists division-wide initiatives by developing and writing policies and rules, operating five public information call centers and one technical support call center that provides support to field offices. Records management is handled through six distinct units: microfilm and document imaging, data entry of citations and court abstracts; DUI, criminal and fraudulent records; certification of records, including the photo lab and film research. Mandatory Insurance and Financial Responsibility and Ignition Interlock Device Unit are now two distinct programs with DOSS. Division technical training required for employee competency is identified, coordinated, and provided through DOSS as well as external training for third parties, including courts, private companies, and other government entities. DOSS also investigates and processes DUI-related license reinstatements, and provides expert testimony in court proceedings. Finally, on behalf of the Division, DOSS coordinates federal interaction and handling of commercial driver license record inquiries through the Commercial Driver License Information System (CDLIS) and supports help desk activities related to the Problem Driver Pointer System (PDPS) and the National Motor Vehicle Title Information System (NMVTIS).

**Motor Carrier and Tax Services (MCTS)** is a diversified program that is responsible for the following: a) fuel tax collection b) accounting for and distributing Highway User Revenue Fund (HURF) and other related revenues c) identification of fuel tax evasion activities d) bad debt collections for the Division e) oversight of the medical review function to process medical eligibility for commercial and noncommercial drivers f) commercial driver licensing to include skill and knowledge testing g) interstate motor carrier registration h) fleet registrations i) International Fuel Tax Agreement (IFTA), International Registration Plan administration and Vendor and Supplier licensing.

Additionally, MCTS works with other agencies and the federal government regarding motor carrier safety programs such as Commercial Vehicle Information System Network (CVISN), Performance and Registration Information Systems Management (PRISM) and Motor Carrier Management Information System (MCMIS). MCTS is responsible for implementation of the North American Free Trade Agreement (NAFTA) as it applies to Mexican motor carriers in the licensing and registering of their vehicles for interstate commerce.

# MOTOR VEHICLE ENFORCEMENT SERVICES

DTA 3.3, A.R.S. Title 28

## Contacts:

Ric Athey, Assistant Division Director, Motor Vehicle Enforcement Services, Phone (602) 712-8735  
George Bays, Special Border Projects Coordinator, Phone (520) 459-7601

## Mission:

To accomplish mandated enforcement and regulatory responsibilities and provide a system that ensures public safety.

## Description:

The Motor Vehicle Enforcement Services Program is comprised of two major components, including:

- ◆ Motor Vehicle Enforcement Services
- ◆ Special Border Projects

The **Motor Vehicle Enforcement Services (MVES)** program utilizes certified peace officers in the enforcement of transportation-related laws and regulations. Through the fixed port of entry system and mobile enforcement, commercial vehicles are checked for compliance with size, weight, and safety laws, including laws relating to the transportation of hazardous materials. In addition, MVES inspects vehicles for authorized ownership and monitors and identifies stolen vehicles and vehicle components.

The **Special Border Projects (SBP)**, an adjunct of MVES, coordinates with other governmental and private sector entities in procuring funding and in the development of border facilities in order to prepare for the full implementation of NAFTA commercial vehicle access accords, which will strengthen international trade. While promoting border crossing efficiencies, the overall aim is to assist regulatory agencies in ensuring that commercial vehicles and operators comply with safety, security, licensing, environmental, and other prescribed standards as a condition of travel on Arizona and federal highways.

<b>Customer Service</b>	AGENCY GOAL	To increase the quality, timeliness and cost effectiveness of our products and services.
	MVD GOAL	To improve customer service.
<b>FY 2008 OBJECTIVE</b>	<b>Achieve an average customer wait time (ticket-to-counter) in field offices of 15 minutes or less.</b>	
<b>Purpose:</b>	MVD strives to maintain acceptable customer service levels and meet the legislative 15-minute wait time for customers visiting field offices.	

PERFORMANCE MEASURES	FY 2007	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	FY 2008	FY 2008 Estimate
Achieve an average customer wait time (ticket-to-counter) in field offices of 15 minutes or less.	17.4	14.7	13.5	13.9	12.6	11.1	10.3	13.4	14.2	13.3	10.4	10.9	12.1	12.5	15.0
Average transaction time at counter (in minutes)	8.1	7.8	8.1	8.2	7.9	7.9	7.9	7.8	7.6	7.8	8.1	7.5	7.4	7.8	9.2
Total average time of customer visit at field office (in minutes)	30.7	22.5	21.6	22.1	20.5	19.0	18.2	21.2	21.8	21.1	18.5	18.4	19.5	20.4	37.0
MVD customers served in field offices (in thousands)	4,332.4	374.9	395.7	320.7	371.2	329.9	309.8	368.2	361.0	370.6	378.4	375.7	372.6	4,328.8	4,275.0
Transactions at counter (in thousands)	5,294.0	443.2	477.3	388.8	447.8	400.5	377.6	443.3	407.3	451.7	448.6	440.5	428.8	5,155.4	5,500.0
Transactions (in thousands) completed for customers served in field offices/through Internet and dealer work	500.3	42.2	42.9	35.6	41.0	34.8	29.4	34.2	32.8	37.5	39.6	35.6	33.8	439.4	555.0
Other transactions (in thousands) completed including driving tests, written tests, inspections, and motorcycle skills tests	658.7	56.5	62.2	48.8	53.4	47.2	43.1	52.5	51.8	59.6	55.7	53.6	57.9	642.3	610.0
Additional services provided that impact workload, affecting customer wait and total visit time in field offices (in thousands) ①	524.1	51.9	57.7	59.1	54.2	47.0	39.7	51.6	49.9	50.5	45.5	48.5	52.5	608.2	535,000
Customers given notice to return (transaction incomplete)	132,290	8,124	8,908	8,446	9,090	6,823	6,125	8,403	7,811	8,545	8,082	7,831	8,328	96,516	130,000
Average number of MVCSAs and MVCSRs	772	785	784	787	781	780	775	780	782	786	774	773	761	779	785
Percent of customers rating overall satisfaction on Customer Service Satisfaction Survey	82.0%	86.0%			83.0%			86.0%			Surveys during this quarter will be compiled and results reported in September 2008			86.0%	83.0%

**NOTES:**

① Additional services include selective service, organ donor program, and voter registration.

The "arrival-to-ticket wait time" measurement was deleted effective November. Methodologies for calculating this wait time were inconsistent and not reflective of all field offices statewide. Data for "total average time of customer visit" for July-October was then modified to reflect the deletion of the "arrival-to-ticket wait time."

## VARIANCE STATEMENT

**JULY:** Overall, ticket-to-counter wait times increased to 14 minutes and 44 seconds, meeting the Division's goal of 15 minutes or less. The decrease in the number of customers (8,100) and transactions (3,100) can be attributed to July having one less business day; 20 days, as compared to 21 in June.

**AUGUST:** The average number of CSAs/CSRs remained steady, which attributed to maintaining a steady ticket-to-counter wait time (13.5 minutes). The increase of customers (by 20,000) and transactions (by 34,000) could be contributed to 23 working days in August, compared to July with 21.

**SEPTEMBER:** Decreases in transaction counts and customer counts are due to fewer business days in September (19) as compared to August (23). Transaction times have increased slightly, which may be attributed to statewide computer/system down time, particularly during the week of 9/17/07, and the rollout of MCSIA (Motor Carrier Safety Improvement Act) on 9/24/07. We have also noted a continued increase in additional services in August and September; these months typically see an increase in the number of driver license transactions for students preparing for school, including 18-year-olds opting for selective service and voter registrations.

**OCTOBER:** The ticket-to-counter wait time and transaction time decreased from last month, in part due to continuing statewide computer/system down time. System down time may contribute to reduced wait time because customers cannot always wait and opt to return when the system comes back online. The increase of customers (50,499) and transactions (58,999) could be contributed to 22 working days in October, compared to September with 19, and the increase in returning customers.

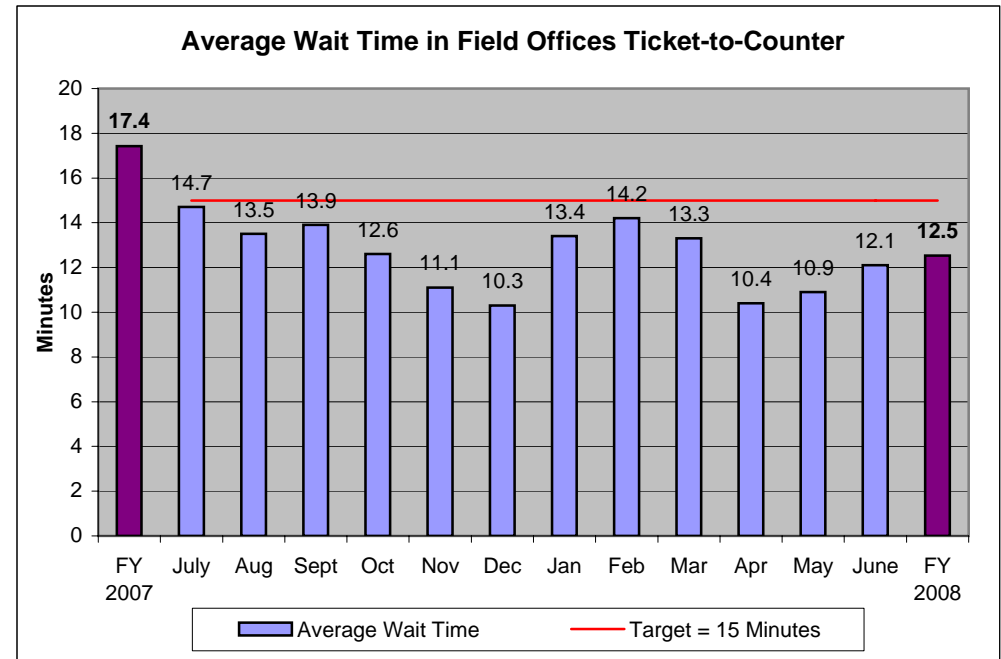
**NOVEMBER:** Ticket-to-counter wait time decreased 1.5 minutes and is the lowest on record this fiscal year (11.1 Minutes). This can be attributed to fewer customers (41,300), fewer transactions (47,300), and a decrease in other transactions (6,200), duplicating last November's downward trend. November also had two less business days than October. Also impacting wait time was the increase in system downtime hours which prematurely terminates a customer transaction.

**DECEMBER:** At 10.3 minutes, December's average wait time is the lowest on record this fiscal year. Most transactions completed in December were types that are less time consuming and less complicated, i.e. duplicate driver licenses and standard license or vehicle registration renewals. December counts are historically in line with previous years' results. Halfway through the year this objective is on track. There is nothing expected to occur during the rest of the year that could negatively impact the achievement of the objective except the possible event of staffing shortfalls due to budget restraints.

**JANUARY:** The 3.1 minute increase in wait time is attributed to an approximate increase of 65,000 transactions and 58,000 customers. This increase is in line with previous trends; historically, January has a pattern of increased customers and transactions as compared to the month of December.

**FEBRUARY:** The decrease in the number of customers (7,200) and transactions (36,000) can be attributed to February having one less business day; 20 days, as compared to 21 in January. Although average wait time (ticket-to-counter) increased by 48 seconds it can be attributed, in part, to a new law requiring a state issued ID to cross the border; Nogales, Douglas and Yuma's wait times have increased and the recent initiation of the Q SUITE pilot being conducted at our South Mountain Facility contributed to the swell in Wait time.

**MARCH:** The average customer wait time (ticket-to-counter) decreased to 13 minutes and 18 seconds, dropping 54 seconds compared to February, despite an increase in customers (9,700) and transactions (44,400). Improvements can be attributed to a decrease in turnover, which creates a more experienced work force and a reduction in vacant positions.



**APRIL:** Wait times decreased by 2.9 minutes, as compared to March, despite an increase of customers (7,800). The increase in customers can be attributed to more working days in the month of April (22), as compared to March (21). Statistics show that April's transactions consisted of those types that are less time consuming and less complicated (i.e., renewals for driver licenses and registrations). The decrease in wait time is in line with previous trends; April has historically reflected lower wait times.

**MAY:** Transaction times decreased and wait times increased slightly compared to April. Similar to FY07, there are no significant changes from April to May. Additional 2nd Quarter surveys were received late and added to the results, changing the percentage from 86% to 83%.

**JUNE:** Wait times increased by 1.2 minutes despite the decrease of customers (3,100) and transactions (11,700). The increase in wait time can be attributed to a higher volume of road tests being conducted (10,325 in June compared to 9,478 in May) resulting in a higher-than-normal number of staff taken away from customer service windows to perform this service. Road tests tend to increase during the summer months because many applicants are out of school. The Division is upgrading the current 32 Qmatic offices with new software (QSuite) and installing hardware/software at the remaining 29 offices, introducing a new process to the small offices, and giving our Division a total of 61 Qmatic offices. With the Qmatic upgrades and the implementation of the wireless handheld units for vehicle inspections wait times may temporarily be effected. Overall, the 12.5 minute wait time average exceeded the 15 minute estimate.

<b>Competitive Government Partnerships</b>	AGENCY GOAL	To increase the quality, timeliness and cost effectiveness of our products and services.
	MVD GOAL	To improve customer service.
<b>FY 2008 OBJECTIVE</b>	<b>Achieve 80% of all vehicle registration renewals through alternate methods.</b>	
<b>Purpose:</b>	The ability to offer alternative methods of vehicle registration renewal provides convenience to customers, frees up staff time and resources, and alleviates customer traffic in MVD field offices.	

PERFORMANCE MEASURES	FY 2007	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	FY 2008	FY 2008 Estimate
Percent of all vehicle registration renewals completed through alternate methods	79.1%	78.6%	78.1%	80.0%	78.5%	76.8%	81.0%	78.4%	78.8%	82.1%	77.9%	79.7%	81.4%	79.4%	80.0%
Total vehicle registration renewals completed through alternate methods ①	2,680,140	224,469	233,530	210,666	228,178	195,932	228,567	216,987	193,529	278,589	215,090	251,212	273,850	2,750,599	3,030,000
Percent of vehicle registration renewals completed by field offices	20.9%	21.4%	21.9%	20.0%	21.5%	23.2%	19.0%	21.6%	21.2%	17.9%	22.1%	20.3%	18.6%	20.6%	20.0%
Vehicle registration renewals completed by field offices	708,656	61,250	65,439	52,510	62,609	59,154	53,682	59,890	52,026	60,699	61,164	63,993	62,457	714,873	759,155
Vehicle registration renewals (field office and alternate methods)	3,388,796	285,719	298,969	263,176	290,787	255,086	282,249	276,877	245,555	339,288	276,254	315,205	336,307	3,465,472	3,789,155
Renew-by-Mail renewal percentage	25.9%	23.3%	23.6%	22.3%	23.4%	22.2%	20.0%	22.9%	22.3%	17.9%	21.4%	20.5%	16.7%	21.2%	23.0%
Internet and Interactive Voice Response (IVR) percentage	40.9%	47.0%	45.9%	47.6%	46.0%	46.0%	44.0%	46.3%	46.5%	41.0%	46.9%	46.3%	42.5%	45.4%	42.8%
Third Party renewal percentage	10.5%	6.3%	6.5%	8.1%	6.9%	7.3%	15.0%	6.9%	7.6%	21.8%	7.4%	11.0%	20.8%	10.9%	10.8%
Average turnaround time for vehicle registration Renew-by-Mail (days) ②	3.6	2.4	1.1	1.3	1.2	1.0	1.1	1.5	1.1	1.1	1.3	1.5	1.5	1.3	3.1

**NOTES:**

- ① Alternate renewal methods include: Renew-by-Mail, Internet and Interactive Voice Response, Third Party, Drop Box, and Fleet.
- ② Turnaround time for Renew-by-Mail is a General Appropriation Act footnote requirement and is reported monthly.

**VARIANCE STATEMENT**

**JULY:** Total overall renewals decreased by 50,283 from June. The biggest decrease (49,486 renewals) was in Third Party due to the large rental and leasing companies hitting lows in their cyclical fleet renewals at the same time. Although not enough to boost the overall alternative renewal percentage, the number of Internet/IVR renewals was the largest ever.

**AUGUST:** No significant change from last month. Renew By Mail maintained a one to two day turnaround this month due to the implementation of the new Tab on Demand process.

**SEPTEMBER:** Although overall counts of renewals were down, cyclical Third Party U-Haul renewals accounted for the increase in the percent of alternative methods this month.

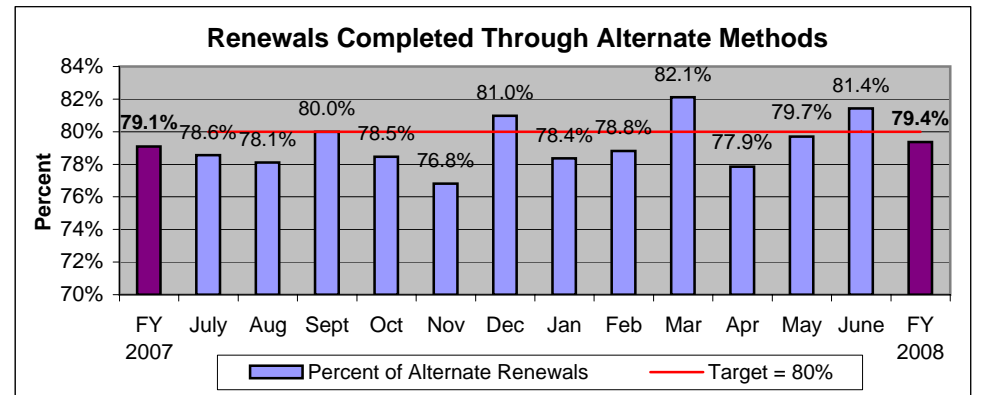
**OCTOBER:** Drop Box renewals were under counted by 728 renewals last month. When corrected, the percent of alternate methods increased to 80% for Sept. There were no significant variances to note in October.

**NOVEMBER:** Totals for all renewals are typically lower during the holiday season.

**DECEMBER:** The percentage of Alternate Renewals decreased due primarily to a significant increase in the number of renewals completed in field offices. It is difficult to predict how the public will choose a method of renewal. This objective is not on track to meet the 80% target. However, there is a good possibility that year-end results will be close to last year's percentage.

**JANUARY:** The Alternative Renewal percent increased as transaction types returned to typical levels of activity.

**FEBRUARY:** Although all transaction counts except Drop Box decreased the ratios between alternate and total transactions resulted in an increased number alternative type percentages.



**MARCH:** The impact of Third Party cyclical fleet company renewals (51,658) is reflected in this month's alternative renewal percent. Additionally, Internet/IVR registration renewals hit a record high this month.

**APRIL:** April numbers reflect a more typical month's activity level. No significant variances were noted.

**MAY:** Internet/IVR renewals reached an all time high this month increasing the overall percentage of renewals from alternate methods.

**JUNE:** All renewal methods, except RBM, increased over last year; however the ratio of field offices to alternative methods was not enough to meet the FY08 goal. However, the final percent was very close to meeting the target and exceeded last year's percentage. NOTE: December data has been modified; the reference to the significant increase in December field office transactions was due to 24,525 transactions that should have been attributed to Third Party.

<b>Competitive Government Partnerships</b>	AGENCY GOAL	To increase the quality, timeliness and cost effectiveness of our products and services.
	MVD GOAL	To increase the use of electronic service delivery.
<b>FY 2008 OBJECTIVE</b>	<b>Increase Internet and IVR transactions and activities to 7.6 million (average 629,750 per month).</b>	
<b>Purpose:</b>	The ability to conduct transactions electronically and via telephone provides convenience to customers, frees up staff time and resources, and alleviates customer traffic in MVD field offices.	

PERFORMANCE MEASURES	FY 2007	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	FY 2008	FY 2008 Estimate
Total Internet and IVR transactions and activities	7,099,558	717,452	729,859	653,783	694,982	616,542	592,769	747,767	717,057	742,424	729,722	758,555	723,594	8,424,506	7,557,000
Government-to-consumer Internet and IVR transactions and activities	5,473,387	587,612	595,522	537,652	570,853	503,533	480,635	627,087	592,960	608,016	600,014	624,787	599,650	6,928,321	5,856,300
Registration Renewal (10-97)	1,201,741	118,875	121,662	111,292	118,389	103,674	110,113	114,437	108,338	124,308	115,931	131,591	128,889	1,407,499	1,400,000
Interactive Voice Response (IVR) for vehicle registrations only (10-97)	184,077	15,266	15,336	13,856	15,176	13,548	13,829	13,628	12,787	14,364	13,383	14,211	13,812	169,196	180,000
Permanent Fleet Registration Renewal (7-99)	2,012	145	20	350	70	230	223	165	123	251	338	274	240	2,429	2,300
Duplicate Registration (2-03)	33,340	3,203	3,136	2,448	2,980	2,704	2,704	3,295	4,053	4,301	3,918	3,445	3,275	39,462	35,000
Duplicate Driver License/ID (2-00)	255,690	22,942	22,876	20,194	20,846	18,543	17,579	23,259	21,159	20,677	19,225	20,341	21,854	249,495	275,000
Driver License Reinstatement (6-02)	14,086	1,240	1,206	1,200	1,331	1,249	1,097	1,355	1,423	1,276	1,249	1,298	1,352	15,276	15,000
Special Plate Order (9-99)	26,332	2,765	2,875	2,650	2,759	2,589	2,628	2,862	2,779	3,079	3,131	3,230	2,534	33,881	35,000
Personalized Plate Order (9-99)	45,983	4,157	4,366	3,905	3,962	3,612	3,485	3,870	3,846	4,090	4,190	4,409	3,868	47,760	50,000
Address Change (3-01)	381,638	29,128	27,521	22,394	25,783	22,299	20,940	27,165	24,994	24,720	23,641	25,257	27,555	301,397	395,000
3-day Restricted Use Permit (1-02)	660,289	41,850	35,224	27,462	33,492	31,527	28,468	32,040	33,934	35,074	33,620	33,465	31,040	397,196	600,000
Plate Credit Inquiry (1-02)	205,463	18,233	17,432	14,775	17,330	14,942	14,455	16,517	15,791	15,979	16,496	15,099	14,310	191,359	210,000
Vehicle Sold Notice (3-02)	156,232	15,880	15,280	13,003	15,789	14,905	12,212	14,560	14,694	17,216	16,405	14,663	15,402	180,009	160,000
De-Insured Certificates (11-01)	39,473	3,294	3,358	3,191	3,212	2,949	2,952	3,489	3,137	3,715	4,682	4,363	4,045	42,387	43,000
Voter Registration (7-02)	184,341	10,628	11,585	10,956	15,526	14,859	16,903	64,551	35,675	13,557	11,564	12,329	13,569	231,702	215,000
30-day Permit (2-04)	41,525	4,117	4,462	4,157	4,399	4,104	3,931	4,371	4,149	4,224	4,220	4,513	4,423	51,070	48,000
PFTO Refund (1-05)	119,743	11,723	12,346	10,978	11,503	10,361	9,831	11,019	10,692	11,819	11,714	11,630	11,522	135,138	130,000
Reinstatement Requirements (6-02)	148,322	13,195	12,790	12,179	14,322	12,018	10,701	15,916	15,521	14,646	13,693	13,687	14,469	163,137	155,000
TR MVR (11-05)	16,355	1,415	1,521	1,462	1,604	1,324	1,239	1,510	1,519	1,826	1,747	1,558	1,641	18,366	20,000
Vehicle Fee Recap (1-06)	27,766	1,171	1,082	1,274	1,578	917	1,072	3,989	9,702	9,575	7,419	1,255	1,128	40,162	38,000
EZ Email (7-06)	388,486	36,611	31,809	28,051	28,590	24,765	23,233	27,768	24,358	29,778	27,016	30,455	29,109	341,543	410,000
DL MVR (7-06)	61,668	7,004	7,408	6,861	7,295	6,363	5,576	8,620	8,140	7,774	8,075	8,011	7,856	88,983	80,000
Personalized Plate Inquiry (1-07)	1,262,523	218,625	236,925	219,866	219,678	191,104	172,723	226,411	230,161	239,074	252,006	263,839	241,470	2,711,882	1,300,000
Insurance Verification (2-07)	16,302	6,145	5,302	5,148	5,239	4,947	4,741	6,290	5,568	6,050	5,641	5,091	5,491	65,653	20,000
Plate Replacement	0	0	0	0	0	0	0	0	0	0	0	0	0	0	10,000
Tab Replacement (2-08)	0	0	0	0	0	0	0	0	417	643	710	773	796	3,339	30,000

PERFORMANCE MEASURES	FY 2007	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	FY 2008	FY 2008 Estimate
Government-to-business Internet transactions and activities	1,626,171	129,840	134,337	116,131	124,129	113,009	112,134	120,680	124,097	134,408	129,708	133,768	123,944	1,496,185	1,700,700
Registration Fee Calculation (1-02)	548,153	39,763	41,308	32,457	40,783	36,110	33,464	38,838	38,085	41,520	42,506	40,844	39,747	465,425	550,000
Non-Resident Permit (8-04)	39,489	2,674	2,725	2,372	2,862	3,299	3,255	4,540	4,225	4,389	3,406	2,831	2,439	39,017	41,000
90-day Resident Registration(6-02)	11,333	1,031	1,056	884	837	607	535	621	639	728	764	783	745	9,230	13,000
Temporary Registration Plate (7-03)	836,945	70,603	71,860	64,052	62,200	56,385	57,408	57,460	61,032	65,137	60,298	64,520	57,949	748,904	850,000
Motor Carrier Permits (pilot 7-03) (phase II pilot 5-04)	11,812	898	1,047	1,019	1,004	952	752	1,005	928	875	920	785	893	11,078	15,000
Dealer License Renewal (11-03)	29,465	54	867	1,363	81	1,311	1,634	238	937	1,289	101	948	1,250	10,073	30,000
Abandoned Vehicle Reporting (pilot 4-04)	7,121	1,169	1,055	1,233	1,319	859	1,237	492	839	469	860	1,199	753	11,484	8,000
30-day Permit (2-04)	15,213	1,366	1,308	1,293	1,429	1,213	1,195	1,280	916	1,136	1,132	1,158	1,052	14,478	16,000
Driver License MVR (8-06)	0	751	875	735	843	1,019	554	970	923	1,470	1,069	904	1,017	11,130	0
TR Motor Vehicle Record (2-05)	70,187	7,038	7,372	6,541	7,661	6,975	6,999	8,745	8,650	10,627	11,310	12,490	11,899	106,307	85,000
EZ Lienholder MVR (4-05)	30,835	2,462	2,678	2,286	2,661	1,990	1,894	2,761	3,122	2,151	2,342	2,400	2,558	29,305	35,000
Ignition Interlock (6-05)	4,344	369	337	252	368	348	428	763	751	811	846	785	873	6,931	4,700
EZ Pay (12-05)	21,003	1,662	1,729	1,599	1,994	1,851	1,684	1,903	1,886	2,010	2,004	1,913	1,906	22,141	23,000
Insurance Verification (2-07)	0	0	120	45	87	90	52	99	50	26	50	44	43	706	0
*Aircraft Registration (12-07)	0	0	0	0	0	0	952	863	443	122	108	22	15	2,525	0
*Aircraft Address Change (12-07)	0	0	0	0	0	0	91	102	59	17	18	4	4	295	0
Dismantle Request (2-08)	0	0	0	0	0	0	0	0	123	807	1,049	769	618	3,366	0
Crush Request (2-08)	0	0	0	0	0	0	0	0	489	824	925	1,369	183	3,790	0
EZ Title	0	0	0	0	0	0	0	0	0	0	0	0	0	0	30,000
Average monthly number of Internet and IVR transactions and activities	591,630	717,452	723,656	700,365	699,019	682,524	667,565	679,022	683,776	690,293	694,236	700,083	702,042	702,042	629,750
Percent increase in Avg monthly Internet & IVR transactions	2.2%	21.3%	0.9%	-3.2%	-0.2%	-2.4%	-2.2%	1.7%	0.7%	1.0%	0.6%	0.8%	0.3%	0.3%	6.4%
Percent of customers rating overall satisfaction with Internet Service	98.8%	98.9%	98.9%	98.8%	99.0%	98.5%	99.1%	98.6%	99.0%	99.0%	98.8%	98.3%	98.1%	98.8%	98.9%

**Government-to-consumer Transactions include:**

Registration renewal, IVR renewal, Fleet renewal, Duplicate registration and driver license/ID, Driver license reinstatement, Special/personalized plate inquiry and order, Address change, 3-day restricted permit, Plate credit inquiry, Vehicle sold notice, De-insured certificate, Voter registration, 30-day permit, Plate fee to owner refund, Reinstatement, Title/Registration Motor Vehicle Records (MVR), vehicle fee recap, EZ Email, DL MVR, and Insurance Verification, Plate Replacement, and Tab Replacement..

**Government-to-business transactions include:**

Registration fee calculation, Non-resident permit, 90-day resident registration, Temporary registration plate, Motor carrier permit, Dealer license renewals, Abandoned vehicle reporting, 30-day permit, MVR, TR Motor Vehicle Record, EZ Lienholder MVRs, Ignition interlock, and EZ Pay Insurance Verification, \*Aircraft Registration, \*Aircraft Address Change, Dismantle Request, Crush Request, and EZ Title.

\* Aircraft Registration and Address Change do not reduce wait time in MVD field offices but do provide a convenience to customers and frees up staff time within the Aeronautics Division

**VARIANCE STATEMENT**

**JULY:** ServiceArizona registration renewals reached an all time record high with 134,141 transactions. The 3-Day Permit service transactions have begun to decline due to a change which disallows some types of VINs to use the service.

**AUGUST:** EZ Registration Renewals reached a new record high of 729,859 transactions (+2,857). 3-Day Permit usage continues to decline (-6,626) due to changes made in July and August which limits vehicle eligibility. Fleet Registrations and Dealer Licensing Renewals fluctuate due to varying renewal cycles.

**SEPTEMBER:** Historically, September begins the winter decline of overall transactions. 3-Day Permit online requests have experienced a reduction due to changes made in August which limits vehicle eligibility.

**OCTOBER:** There were no significant variances in October.

**NOVEMBER:** Transactions continue to decline as the holiday and winter seasons approach.

**DECEMBER:** Aircraft registration and address changes were implemented on December 20th. Halfway through the year this objective is on track with no anticipated reasons not to meet its target. In fact, a new ServiceArizona service, EZ Tab Replacement, will rollout on February 24th and increase monthly transactions.

**JANUARY:** February's primary elections led to an all time high of 64,551 EZ Voter Registrations which helped boost January's overall Internet and IVR transactions and activities to the highest level this fiscal year. The number of duplicate driver licenses, personalized plate inquiries, vehicle fee recap (owner check of registration fees paid), and non-resident permits were also high this month.

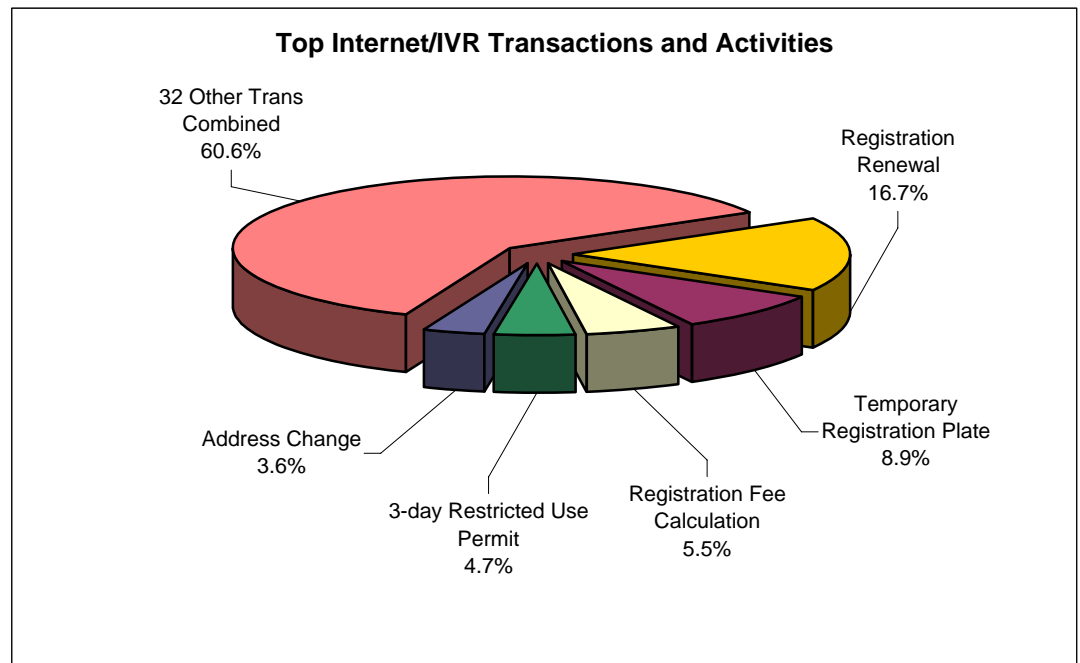
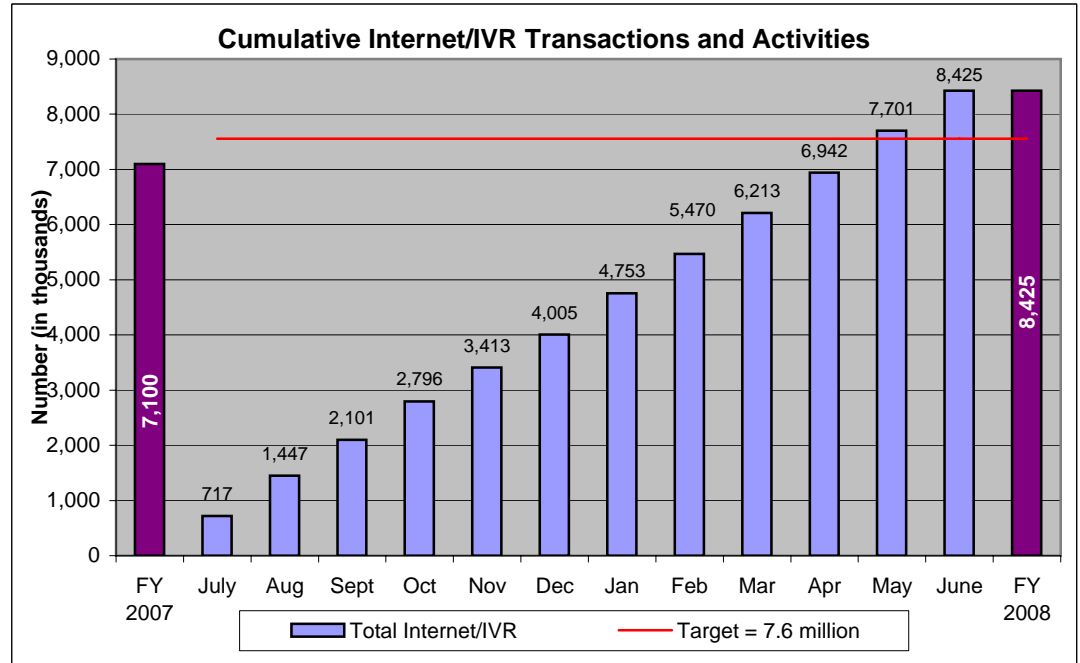
**FEBRUARY:** Three new services were implemented on ServiceArizona this month (EZ Tab Replacement, Crush Requests and Dismantle Requests). Although cyclical influences have resulted in highs and lows for individual activities, overall transactions remain high and are on track to achieve the objective.

**MARCH:** ServiceArizona renewals reached an all time record high with 138,672 renewals for March.

**APRIL:** Although no record highs were reached, transactions remained fairly consistent with March. There was a notable increase of transactions for lien holder MVRs possibly due to the increase in vehicle trade-ins at dealerships. There was also a noticeable decline in non-resident permits due to the decrease in winter visitors.

**MAY:** ServiceArizona transactions reached an all time record high of 758,555. The previous transaction high was set in May 2007 with 754,397 transactions. EZ Renewal (131,591) and Plate Inquiries (263,839) also reached record highs this month.

**JUNE:** ServiceArizona exceeded the objective by 867,506 transactions and exceeded the total for FY07 by 1,324,948 transactions.



<b>Competitive Government Partnerships</b>	AGENCY GOAL	To increase the quality, timeliness and cost effectiveness of our products and services.
	MVD GOAL	To improve customer service.
<b>FY 2008 OBJECTIVE</b>	<b>Increase the number of third party transactions to 4.4 million.</b>	
<b>Purpose:</b>	Companies authorized to conduct transactions on behalf of MVD provide alternative means of services to customers.	

PERFORMANCE MEASURES	FY 2007	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	FY 2008	FY 2008 Estimate
Total number of third party transactions	3,711,128	311,359	319,375	275,038	305,312	266,248	217,260	352,918	283,993	454,731	308,841	318,934	431,189	3,845,198	4,450,424
Total Primary Transactions (driver licenses, titles and registrations)	N/A	203,122	204,136	169,080	187,185	165,426	118,278	184,492	176,256	244,387	190,172	202,655	230,484	2,275,673	2,324,347
Total Secondary Transactions (ⓐ non-terminal, miscellaneous and Level I inspections)	N/A	108,237	115,239	105,958	118,127	100,822	98,982	168,426	107,737	210,344	118,669	116,279	200,705	1,569,525	2,126,077
Title & Registration third party locations	101	105	110	114	114	115	116	116	118	119	119	122	122	122	139
Level I Vehicle Inspection third party locations	444	454	462	461	468	467	469	467	473	473	471	477	475	475	519

ⓐ Non-terminal transactions are manual activities that are not reported in the Division's computer generated statistics (i.e., address change, affidavits of affixture, film requests, hold out receipts, NICI calls, return letters, sold notices, and AZ IRP). Miscellaneous transactions consist of, but are not limited to, refunds and non-fee sessions.

**VARIANCE STATEMENT**

**JULY:** The total number of transactions in July is higher than the typical month in FY07 due to openings of new third party locations (since the relaxing of the moratorium) that are becoming more productive.

**AUGUST:** The total number of transactions in August increased for the same reason as last month. New third party locations (opened since the relaxing of the moratorium) continue to become more productive.

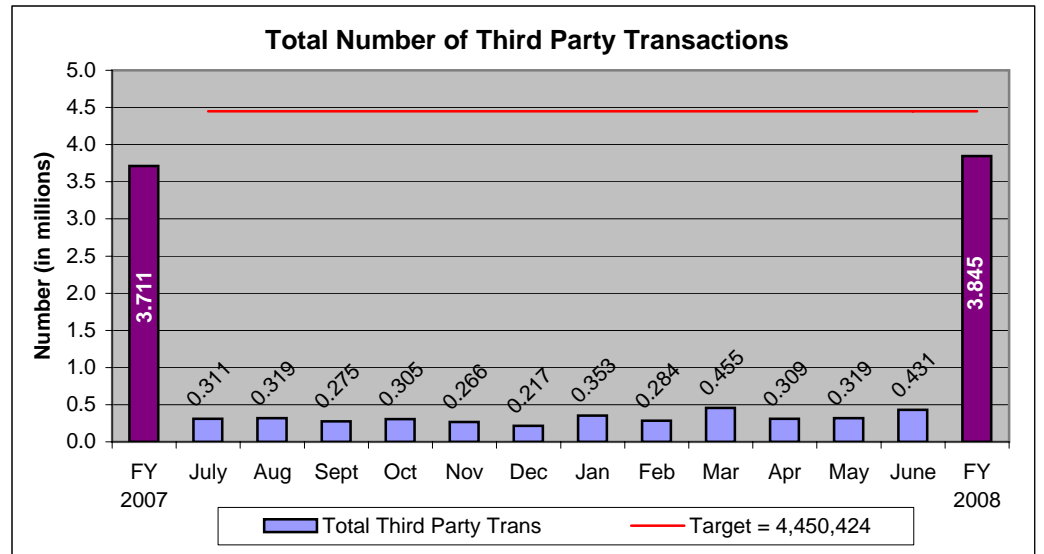
**SEPTEMBER:** There were fewer transactions due to decrease in customer traffic and title transactions. Please note: a modification was made to reported numbers for July and August. Temporary Registration Plate (TRP) counts were removed from Secondary Transactions as they are already reported in the ServiceArizona report. Non-fee counts related to TRPs were also removed as they are not separate transactions. The following counts were removed: 107,388 from July and 107,322 from August.

**OCTOBER:** The number of transactions increased from last month (were higher in July/August due to a large number of fleet transactions) as new third party locations become more productive and existing ones increase customer traffic and title transactions. Note: A modification was made to the July, August, and September secondary transactions. Some non-terminal transactions and inspections were received after the reports were run and had to be added manually.

**NOVEMBER:** The number of transactions decreased from last month due to decrease in fleet processing.

**DECEMBER:** The number of transactions decreased from last month due, in part, to an electronic transfer malfunction on 12/28/07. MVD fees from a third party's fleet were mistakenly applied to the MVD Motor Carrier Fleet. The file had 24,525 vehicle renewals totaling \$6.9 million. Halfway through the year this objective is not on track to meet its target of 4.4 million third party transactions due, in part, to opening fewer than expected Title and Registration Third Party locations and the closing of two existing companies.

**JANUARY:** Fleet processing activities, which include both primary and secondary transactions, increased in January. Overall transactions were up by 135,301.



**FEBRUARY:** Total transactions decreased from last month due, in part, to fewer secondary transactions processed. Third party and secondary transactions are, however, near their fiscal year average.

**MARCH:** Fleet processing activities, which include both primary and secondary transactions, increased in March. Overall transactions were up by 170,738.

**APRIL:** Total transactions decreased due, in part, to fewer fleet processing activities and secondary transactions processed.

**MAY:** There are no significant variances to report.

**JUNE:** Fleet processing activities, which include both primary and secondary transactions, increased. Overall transactions were up by 113,000. This objective did not meet its target of 4.4 million third party transactions. The original projection of miscellaneous transactions was based on a first quarter average of TRPs. However, TRPs were removed in September (see Sept variance statement) with the lower average not considered in the FY08 projection. FY08 transactions still exceeded those in FY07 by 134,070 transactions.

<b>Division Operational Support Services</b>	AGENCY GOAL	To increase the quality, timeliness and cost effectiveness of our products and services.
	MVD GOAL	To improve customer service.
<b>FY 2008 OBJECTIVE</b>	<b>Reduce average Call Center Level II wait time to 15.2 minutes.</b>	
<b>Purpose:</b>	MVD strives to improve customer service by providing timely motor vehicle related information to the public. Level II calls require customer information that cannot be obtained by a Level I agent.	

PERFORMANCE MEASURES	FY 2007	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	FY 2008	FY 2008 Estimate
Average Level II telephone wait time (in minutes) ①	17.1	18.4	16.5	15.6	17.1	14.6	13.4	16.3	14.4	19.1	18.3	17.6	21.3	16.9	15.2
Level I telephone calls received	1,860,930	152,336	162,673	139,656	155,924	135,457	128,744	155,793	143,480	156,854	155,024	141,876	144,765	1,772,582	1,976,129
Level II telephone calls received	670,537	56,989	61,963	50,706	57,076	50,720	47,457	56,940	53,940	55,465	57,892	51,587	49,914	650,649	687,900
Total number of telephone calls received	2,531,467	209,325	224,636	190,362	213,000	186,177	176,201	212,733	197,420	212,319	212,916	193,463	194,679	2,423,231	2,664,000
Percent of abandoned Level II calls	9.6%	35.6%	35.6%	29.0%	29.0%	26.1%	26.0%	28.1%	27.8%	34.4%	33.8%	31.4%	34.3%	31.1%	33.4%
Percent of surveyed Level II customers satisfied with wait-time	78.1%	21.8%	27.3%	31.6%	27.0%	32.9%	40.6%	28.8%	33.9%	44.4%	24.4%	32.9%	20.5%	29.6%	79.1%
Percent of surveyed customers that indicated completed call saved office visit	63.8%	53.0%	57.4%	63.3%	48.1%	58.5%	52.6%	57.5%	55.4%	71.4%	63.0%	60.5%	62.8%	58.3%	54.0%

**NOTES:**

① Wait time average is for calls received Monday through Friday. Limited staff on Saturday impacts wait times by artificially increasing the average.

**Level I** - Inmate workers respond to generic telephone inquiries related to driver licensing and vehicle titling and registration procedures. They have no computer access and do not accept personal information from callers.

**Level II** - Calls requiring more detailed information and/or access to the customer's computer record are transferred to an MVD Level II representative located at the on-site call center at MVD Headquarters or the Tucson Regional facility.

The formula for percent of abandoned Level II calls was modified in FY08 to compare abandoned Level II calls to total Level II calls received.

**VARIANCE STATEMENT**

**JULY:** The decrease in customer satisfaction most likely is related to the increase in wait time. Level II wait times increased 1.3 minutes over last month due to increased unplanned absences and three agents assigned to special projects. We currently have five Level II vacancies.

**AUGUST:** Level II wait times decreased by 1.9 minutes due to more new agents on phones and less unplanned absences. Customer surveys are not available at this time due to computer re-imaging by technician and IVIZE was not reinstalled.

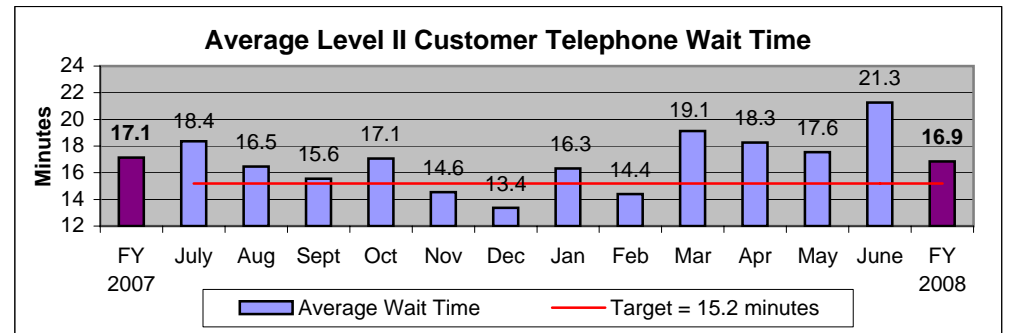
**SEPTEMBER:** A decrease in the number of calls received is due to eliminating Saturday counts from the regular work week and a decrease in mandatory insurance related calls.

**OCTOBER:** Level II wait times went up 1.5 minutes due to: increased incoming calls, four vacancies, telephone malfunctions, and four agents working on intermittent special projects.

**NOVEMBER:** Level II wait times are down by 2.5 minutes due in part to fewer incoming calls over the holiday. In addition, there is a strong emphasis on referring customers to ServiceArizona (by Level I agents) which may also be contributing to fewer Level II calls and lower wait times.

**NOTE:** In December the formula for FY08 percent of abandoned Level II calls was corrected to include only Level II calls. Previously it incorrectly included both Level I and Level II calls which artificially lowered the values.

**DECEMBER:** Level II wait times are down considerably due to fewer customers calling over the holiday. Halfway through the year this objective is on track to meet its target. However, Level II calls traditionally increase in the spring and any decreases in staffing or increases in agents being assigned to other duties could impact target results.



**JANUARY:** Wait time and abandonment rates increased this month as the number of Level II calls increased while the unit had 272 hours of unplanned absences and six vacancies.

**FEBRUARY:** Level II wait times are down from last month due, in part, to fewer incoming calls. There was also a strong emphasis on referring customers to on-line services (by Level I agents) which may have contributed to fewer Level II calls and lower wait times.

**MARCH:** Level II wait times are up due to nine unfilled vacancies, two employees on long-term leave, and 3.5 employees assigned by their AD to special projects and assisting Director's Office. Additionally, 2.5 FTE's are performing other functions of the unit. Longer wait times led to an increase in abandoned calls. The unit continues to refer customers to ServiceArizona.

**APRIL:** Although Level II wait times are down slightly, an increase in MVD system downtime (due to various facility problems at the Tucson Call Center) caused customer satisfaction to decrease significantly because calls could not be received.

**MAY:** Intermittent electrical, telephone, and computer system outages over a three day period at off-site call centers may have had a significant impact on the number (fewer) of incoming calls transferred to Level II call centers.

**JUNE:** Level II wait times increased due to inadequate staffing levels i.e., scheduled leave and unplanned absences, 10 unfilled vacancies, and 3.5 FTEs on assigned special projects which contributed to the increase and abandonment rate. Although halfway through the year this objective was on track to meet its target, the target was not achieved. Level II calls traditionally increase in spring; decreases in staffing and increases in agents being assigned to other duties impacted target results.

<b>Motor Carrier and Tax Services</b>	AGENCY GOAL	To increase the quality, timeliness and cost effectiveness of our products and services.
	MVD GOAL	To promote the efficient generation, collection, and management of revenues to meet public needs.
<b>FY 2008 OBJECTIVE</b>	<b>Complete 200 diesel vendor compliance inspections.</b>	
<b>Purpose:</b>	Vendors that sell diesel fuel are required to have a use fuel license and display an excise tax rate decal on diesel dispensers to ensure that the consumer purchases fuel at the correct tax rate. Through vendor inspections MVD identifies license and decal violations and recovers excise tax revenue that is due to the state.	

PERFORMANCE MEASURES	FY 2007	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	FY 2008	FY 2008 Estimate
Diesel vendor compliance inspections	618	25	39	23	15	10	13	7	23	15	34	10	44	258	200
Vendors not in compliance with license requirements	24	0	4	1	2	3	3	4	2	4	2	7	5	37	8
Vendors not in compliance with decal requirements	218	12	6	4	7	1	5	1	4	2	5	8	7	62	65
Decal violations identified	353	33	63	14	19	1	22	4	20	20	26	37	44	303	120
Dollars recovered as result of decal violation assessments	\$32,501	\$4,100	\$2,200	\$12,900	\$1,700	\$2,100	\$1,600	\$1,300	\$4,200	\$1,200	\$700	\$400	\$800	\$33,200	\$12,000
Dollars recovered following completion of vendor audits	\$316,252	\$0	\$24,234	\$0	\$0	\$221,108	\$0	\$0	\$43,925	\$0	\$0	\$0	\$0	\$289,267	\$35,000
Total dollars recovered	\$348,753	\$4,100	\$26,434	\$12,900	\$1,700	\$223,208	\$1,600	\$1,300	\$48,125	\$1,200	\$700	\$400	\$800	\$322,467	\$47,000
Full-time Positions*	N/A	2	2	2	2	2	2	2	3	3	2	2	2	2	

**Note:** A large number of inspections were completed in FY 07 to enforce compliance due to a legislative decal change. 200 inspections for FY 08 is more typical of the number completed prior to FY 07.

Dollars assessed in FY 2007 included a single \$102,000 assessment which is atypical. The \$12,000 estimate for FY 08 is based on last year's 353 decal violation from 618 inspections. The anticipated decrease in vendor inspections will subsequently reduce revenue from decal violations.

Legislation enacted in FY 07 sets restrictive guidelines to audit vendors; therefore, less revenue will be derived from vendor audits.

\* These positions perform inspections, dyed fuel tests, and surveillance details.

### VARIANCE STATEMENT

**JULY:** This objective has been revised for FY08. No significant changes from June.

**AUGUST:** Vendor compliance inspections are above the monthly average because the Tax Evasion Unit (TEU) was required to inspect additional deactivated vendors (inspected 25 of 29).

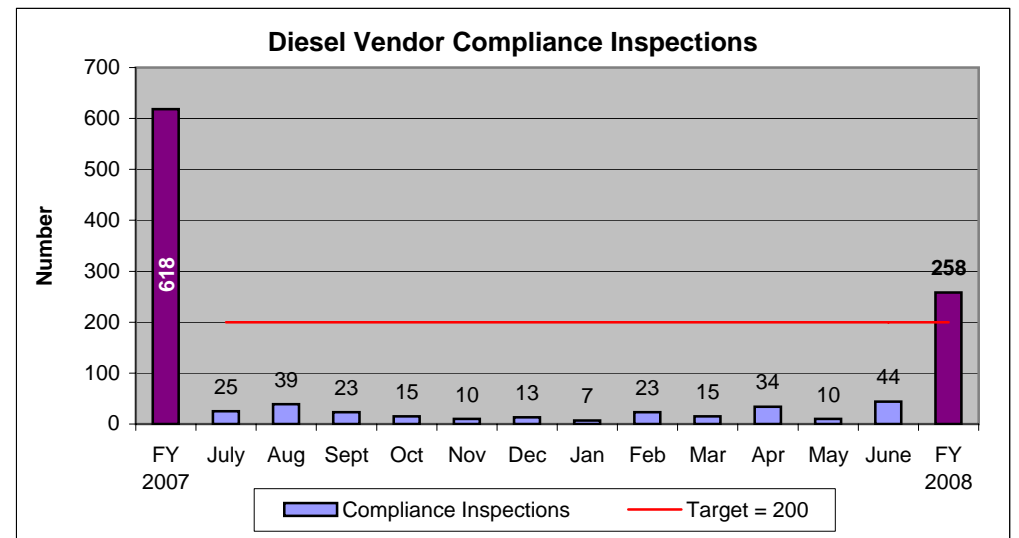
**SEPTEMBER:** Dollars recovered from decal assessment is larger than usual due to a large penalty assessment (\$10,200) imposed last fiscal year and collected this month.

**OCTOBER:** Compliance inspections dipped slightly this month due to the only two (staff shortage of three positions continues) officers working on in-house activities such as investigations and preparing court cases.

**NOVEMBER:** Vendor compliance inspections decreased this month due to TEU efforts focused on light class fuel violation enforcement. Vendor audit dollars recovered was large this month due to two assessments collected by revenue audit as a result of a joint enforcement project.

**DECEMBER:** There are no significant variances to report. Halfway through the year this objective appears to be on track to meet its target of 200 inspections. However, it is possible that the number of inspections could decrease over the next few months due to the Tax Evasion Unit Manager taking on additional responsibilities and not being available to accompany staff in the field.

**JANUARY:** Vendor compliance inspections were low due to TEU efforts being focused on dyed fuel compliance details.



**FEBRUARY:** Inspections increased due to TEU efforts being focused on diesel vendor compliance details rather than dyed fuel test or surveillance details.

**MARCH:** Inspections decreased due to TEU efforts being concentrated on dyed fuel tests.

**APRIL:** More Vendor compliance inspections were completed due to increased number of complaints regarding vendor licensing and missing tax decals.

**MAY:** Inspections were low because the number of compliance issues found took longer to process.

**JUNE:** More Vendor compliance inspections were completed due to out of town travel. All vendors were inspected in towns between Phoenix and Kayenta also between Phoenix and Window Rock. This objective exceeded its target of 200 inspections for FY08 by 58 (29%).

<b>Motor Carrier and Tax Services</b>	AGENCY GOAL	To increase the quality, timeliness and cost effectiveness of our products and services.
	MVD GOAL	To promote the efficient generation, collection, and management of revenues to meet public needs.
<b>FY 2008 OBJECTIVE</b>	<b>Complete 6,000 dyed diesel fuel tests.</b>	
<b>Purpose:</b>	To address fuel tax evasion schemes, enforcement officers set up road details to test diesel powered vehicle fuel tanks for presence of dyed diesel fuel. Penalties and citations promote compliance of fuel excise tax laws and regulations and help recover lost fuel tax revenue that is due to the state and federal government.	

PERFORMANCE MEASURES	FY 2007	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	FY 2008	FY 2008 Estimate
Dyed diesel fuel tests completed	7,883	1,780	494	653	217	335	149	1,032	775	1,239	870	394	6	7,944	6,000
Dyed diesel fuel violations identified	89	11	9	7	2	6	2	7	4	6	5	4	2	65	89
Dollars assessed for dyed fuel citations (estimated @ \$200 each)	\$3,800	\$200	\$400	\$200	\$200	\$0	\$0	\$400	\$600	\$200	\$800	\$600	\$0	\$3,600	\$3,800
Dollars assessed for dyed fuel penalties (for state)	\$134,600	\$11,000	\$4,000	\$16,500	\$4,400	\$3,400	\$365,297	\$5,000	\$8,500	\$8,400	\$2,000	\$4,000	\$0	\$67,200	\$135,000
Revenue collected as result of dyed fuel penalties (for state)	\$81,200	\$7,700	\$6,200	\$7,850	\$6,100	\$6,575	\$2,775	\$136,342	\$5,000	\$4,900	\$4,350	\$3,034	\$1,200	\$192,026	\$81,200
Potential revenue generated by IRS as a result of cases referred by MVD Tax Evasion Unit	\$93,000	\$0	\$33,300	\$3,000	\$11,000	\$0	\$17,000	\$0	\$0	\$18,850	\$0	\$14,000	\$0	\$97,150	\$93,000
Full-time Positions*	N/A	2	2	2	2	2	2	2	3	3	2	2	2	2	

**Note:** \* These positions perform inspections, dyed fuel tests, and surveillance details.

**VARIANCE STATEMENT**

**JULY:** A large number of dyed fuel tests were completed due to MVD port of entry personnel assisting the Tax Evasion Unit (TEU) personnel with road-side details. The estimated number of dyed fuel tests is expected to be lower in FY08 due to a FY07 legislative mandate requiring additional time for surveillance details to identify light class fuel violations.

**AUGUST:** A large number of dyed fuel cases and samples were referred to IRS resulting in a larger than average dollar figure. Cases and fuel samples are not turned over to IRS until TEU has closed the state's case. Last submission was April 07. However, there was a decrease in dyed fuel test due to Tax Evasion Unit (TEU) efforts being concentrated on other enforcement activities. The unit also has three vacant enforcement positions.

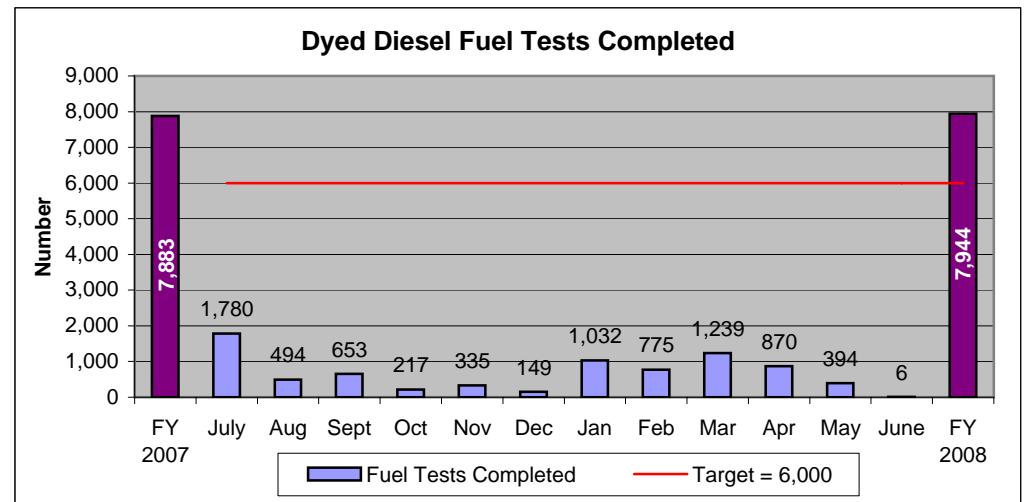
**SEPTEMBER:** There are no significant variances to report for the month.

**OCTOBER:** The unit continues to be understaffed by three positions and depends on other law enforcement agencies (multi-task force) to assist in traffic control during details. However, the location is not our choice and may not be ideal for identifying violations. Additionally, we have no control over the number of details or inspections completed. Even with decreased tests this month, the overall yearly target is on track.

**NOVEMBER:** There are no significant variances to report for the month.

**DECEMBER:** Dollars assessed for dyed fuel penalties was high due to a single assessment in the amount of \$365,000, a result of an investigation that began in June 2007. The assessment was amended by a settlement agreement to \$131,000 and has been satisfied. Halfway through the year this objective appears to be on track to meet its target of 6,000 tests. However, it is possible that the number of tests could decrease over the next few months due to the Tax Evasion Unit Manager taking on additional responsibilities and not being available to accompany staff in the field.

**JANUARY:** TEU continues to be understaffed and has to work in multi-task enforcement details rather than independently. These details take place in locations where dyed fuel violations are not likely to occur. Although overall inspections are high, the number of violation are low. Revenue collected was high due to collection of a single large penalty assessment in the amount of \$131,000.



**FEBRUARY:** There was a decrease in dyed fuel tests due to Tax Evasion Unit (TEU) efforts being concentrated on diesel vendor compliance detail activities.

**MARCH:** Dyed fuel tests objective was high this month due to Tax Evasion Unit efforts being concentrated in this area.

**APRIL:** Dyed fuel inspections decreased from the previous month but were above monthly average.

**MAY:** Dyed fuel inspections decreased due to Tax Evasion Unit efforts being concentrated on other enforcement activities.

**JUNE:** Dyed fuel inspections decreased due to Tax Evasion Unit efforts being concentrated on other enforcement activities. This objective exceeded its target of 6,000 tests for FY08.

<b>Motor Carrier and Tax Services</b>	AGENCY GOAL	To increase the quality, timeliness and cost effectiveness of our products and services.
	MVD GOAL	To promote the efficient generation, collection, and management of revenues to meet public needs.
<b>FY 2008 OBJECTIVE</b>	<b>Achieve 800 hours spent on surveillance details.</b>	
<b>Purpose:</b>	Increasing time spent conducting surveillance details will identify additional fuel excise tax violations. Violations may include: misuse of dyed diesel fuel and observation of heavy class vehicles (vehicles required to pay the higher fuel excise tax rate) obtaining fuel at a designated light class fuel dispenser.	

PERFORMANCE MEASURES	FY 2007	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	FY 2008	FY 2008 Estimate
Total hours spent on surveillance details	N/A <sup>ⓐ</sup>	24	6	76	69	118	132	90	58	36	89	67	16	781	800
Dyed diesel fuel violations as result of surveillance details	2	0	0	3	0	0	0	0	0	0	0	0	0	3	2
Light class fuel violations	N/A <sup>ⓐ</sup>	3	5	7	10	18	21	10	4	11	7	8	7	111	36
Penalties assessed as a result of light class fuel violations	N/A <sup>ⓐ</sup>	N/A	N/A	N/A	7	18	21	12	4	11	3	8	7	91	36
Revenue collected as a result of penalties assessed for light class fuel violations	N/A <sup>ⓐ</sup>	\$4,507	\$3,009	\$1,040	\$6,376	\$4,761	\$7,223	\$8,869	\$14,797	\$5,711	\$3,005	\$8,519	\$7,410	\$75,227	\$36,000
Revenue collected due to enforcement activities including registration compliance, permit sales, citations (other than dyed fuel)	N/A <sup>ⓐ</sup>	\$200	\$200	\$200	\$0	\$1,476	\$400	\$1,400	\$800	\$2,873	\$8,395	\$0	\$8,668	\$24,612	\$2,400
Full-time Positions*	N/A	2	2	2	2	2	2	2	3	3	2	2	2	2	

<sup>ⓐ</sup> This is a new measure for FY 2008.

**Note:** \* These positions perform inspections, dyed fuel tests, and surveillance details.

### VARIANCE STATEMENT

**JULY:** This is a new objective for FY08.

**AUGUST:** Surveillance hours low due to Tax Evasion Unit (TEU) efforts being concentrated on other enforcement activities. The unit also has three vacant enforcement positions.

**SEPTEMBER:** Total hours spent on surveillance is below target due to continued short staffing of Enforcement Officers.

**OCTOBER:** Total hours spent on surveillance continue to be below target due to the TEU being short staffed by three positions. Penalties assessed as a result of light class fuel violations were added to the measurement this month.

**NOVEMBER:** Hours spent on surveillance increased due to efforts focused on light class fuel violation enforcement.

**DECEMBER:** Hours spent on surveillance increased due to efforts focused on light class fuel violation enforcement. Halfway through the year this objective appears to be on track to meet its target of 800 hours. However, it is possible that the number of surveillance hours could decrease over the next few months due to the Tax Evasion Unit Manager taking on additional responsibilities and not being available to accompany staff in the field.

**JANUARY:** No significant variances to note this month.

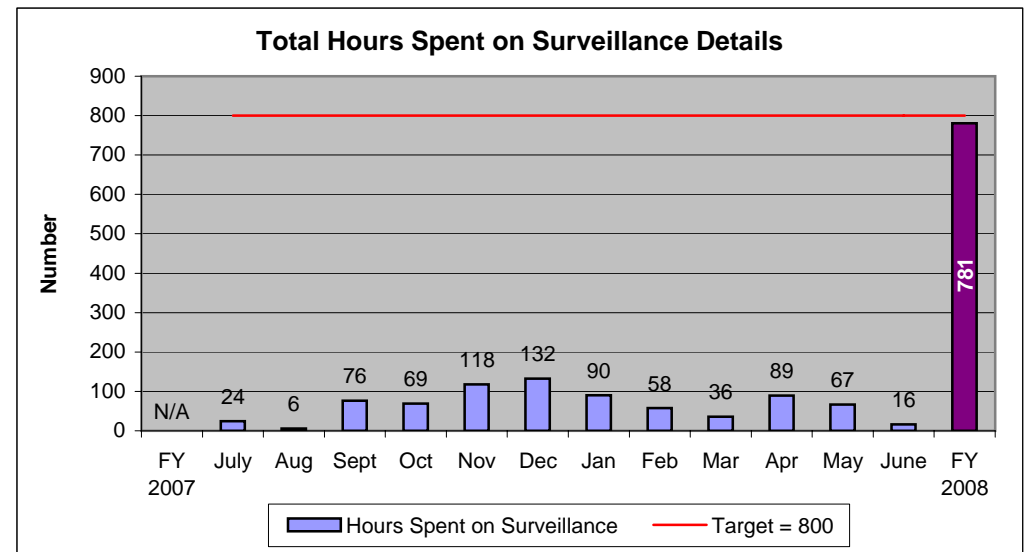
**FEBRUARY:** Surveillance hours are low due to Tax Evasion Unit (TEU) efforts being concentrated on diesel vendor compliance detail activities.

**MARCH:** Surveillance hours are low due to Tax Evasion Unit efforts being concentrated on dyed fuel road details.

**APRIL:** Unit efforts were focused to meet the annual objective.

**MAY:** No significant variances to report this month.

**JUNE:** No significant variances to report. This objective did not achieve its target of 800 hours for FY08. The number of surveillance hours decreased over the last few months due to the Tax Evasion Unit Manager taking on additional responsibilities resulting in less hours spent in the field.



<b>Motor Vehicle Enforcement Services</b>	AGENCY GOAL	To increase the quality, timeliness and cost effectiveness of our products and services.
	MVD GOAL	To promote the efficient generation, collection, and management of revenues to meet public needs.
<b>FY 2008 OBJECTIVE</b>	<b>Increase revenue collected through active enforcement efforts to \$1,640,000.</b>	
<b>Purpose:</b>	Effective registration compliance informs new residents of Arizona's residency requirements, provides information about registration laws, and generates revenue to provide a safe transportation system throughout the state.	

PERFORMANCE MEASURES	FY 2007	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	FY 2008	FY 2008 Estimate
Direct revenues generated from active enforcement efforts	\$1,586,605	\$133,870	\$163,308	\$220,982	\$198,778	\$163,931	\$167,033	\$224,966	\$174,363	\$177,388	\$178,166	\$181,333	\$224,613	\$2,208,731	\$1,640,000
New cases opened ①	22,723	2,086	3,145	2,441	2,745	2,168	2,232	2,803	2,078	2,239	2,867	2,929	3,071	30,804	23,496
Active cases pending from previous months	4,880	5,740	6,504	7,911	8,732	4,586	3,915	3,492	2,574	1,811	1,349	2,265	2,093	2,093	5,046
Total cases open	27,603	7,826	9,649	10,352	11,477	6,754	6,147	6,295	4,652	4,050	4,216	5,194	5,164	32,897	28,542
Number of vehicles registered	8,837	1,277	1,684	1,599	1,655	1,499	1,356	1,807	1,512	1,404	1,499	1,639	1,658	18,589	9,137
Number of cases exempt, unfounded	N/A	25	25	14	35	32	20	21	35	16	29	31	16	299	
Number of cases exhausted or unable to resolve	9,202	20	29	7	5,201	1,308	1,279	1,893	1,294	1,281	1,379	1,431	1,175	16,297	9,515
Total cases closed	18,039	1,322	1,738	1,620	6,891	2,839	2,655	3,721	2,841	2,701	1,951	3,101	2,849	34,229	18,652

**Note:** ① Types of new cases opened: 1-800 calls, special details, warnings, on-views (observations of potential violations), in-person complaints, and website reports.

#### VARIANCE STATEMENT

**JULY:** This is a new objective for FY08.

**AUGUST:** There was a business change to not close cases based only on age (90 days) resulting in the significant decrease in the number and percent of exhausted/unresolved closures for August. Although the actual increase in cases closed due to compliance was not great, the percent change increased significantly due to the ratio between closed due to compliance and closed due to exhausted/unresolved.

**SEPTEMBER:** In the future, all cases where leads have been exhausted after 90 days will be closed. Revenue collected during the first quarter indicates the program is on track for meeting the year-end target.

**OCTOBER:** Revenue collected this month indicates the program is on track to meet the year-end target. All cases where leads have been exhausted after 90 days have been closed; that explains the large increase in the number of cases exhausted for October.

We are now back on track closing cases after 90 days.

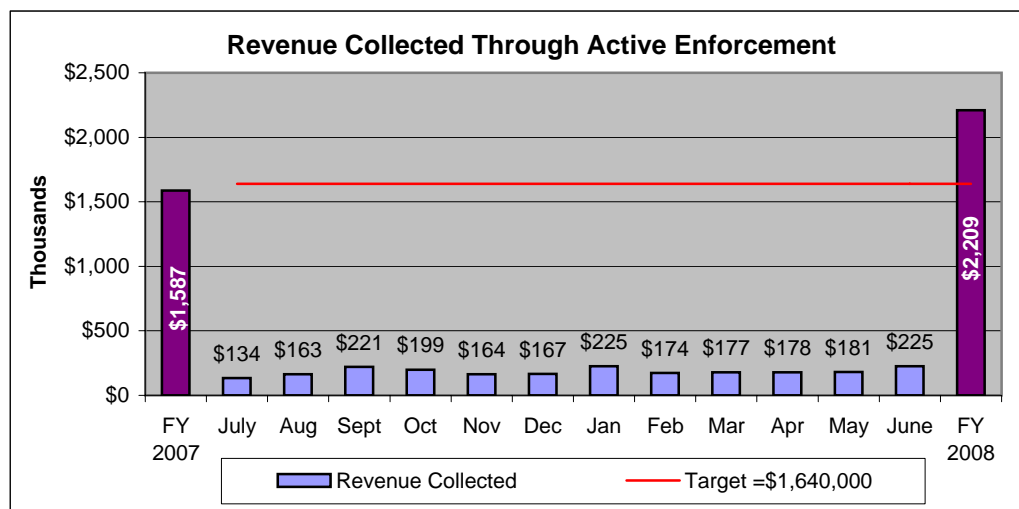
**NOVEMBER:** The reduction in revenue this month is related to the increase in vacation, holiday and sick leave hours taken. However, the revenue collected this month indicates the program is still on track to meet the year-end target.

**DECEMBER:** The revenue is slightly above last month in spite of the increase of sick leave, holiday, and vacation time used. Halfway through the year this objective is on track to meet its target of \$1,640,000 revenue collected.

**JANUARY:** No specific reasons noted for increases in revenue and vehicle registrations.

**FEBRUARY:** Cases closed (exhausted or unable to resolve) automatically by the computer after 90 days were high because the backlog had been building. Over the past six months staffing issues prevented closures within 90 days.

**MARCH:** Data input errors were found for February and have been corrected (Number of cases exhausted or unable to resolve was incorrectly reported as 5,400 and Total cases closed was incorrectly reported as 6,947). The number of cases carried over from last month is not reflective of the work completed. As a result of the temporary relocation of the Mesa office, system issues occurred and few new cases could be created. The work completed by the officers will be apparent in next month's statistics.



**APRIL:** Revenue continues to exceed FY08 estimates. TBD (To Be Determined) due to system issues, an accurate count of open and closed cases cannot be determined.

**MAY:** Officers wrote 3,081 warnings, but entry of new active cases is backlogged due to continuing system issues. Values for Total cases open and Total cases closed for April were reported incorrectly because of system issues and corrected this month.

**JUNE:** Revenue was the second highest for the fiscal year. This month 3,728 warnings were written. June was the second highest in revenue collected because of the extra effort made by all the Admins and Officers to input the case backlog created by the increase in warnings written. Without the admin staff it would not have been possible for this objective to exceed its target of \$1,640,000 revenue collected. System issues reported last month have been resolved.

<b>Motor Vehicle Enforcement Services</b>	AGENCY GOAL	To increase the quality, timeliness and cost effectiveness of our products and services.
	MVD GOAL	To promote public safety and protection through regulation, licensing, and the administration of transportation laws.
<b>FY 2008 OBJECTIVE</b>	<b>Achieve 6.3 million commercial vehicle processing activities at Fixed Ports of Entry.</b>	
<b>Purpose:</b>	MVD is responsible for ensuring that commercial vehicles adhere to federal and state laws regarding size, weight, credentials, and safety. Complying with such laws decreases damage to highways and potential for motor vehicle accidents. Revenues are also collected, resulting in distribution of funds to various agencies, counties, and cities.	

PERFORMANCE MEASURES	FY 2007	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	FY 2008	FY 2008 Estimate
Number of vehicle processing activities (includes credential checks, weighs, safety inspections, and permit sales or some combination thereof)	7,872,603	703,508	720,434	627,017	681,932	655,290	616,298	679,552	646,049	687,447	689,484	655,946	629,839	7,992,796	6,298,082
Total commercial vehicle traffic	7,081,808	650,250	678,272	590,249	629,189	586,718	576,553	620,434	584,647	618,000	640,542	587,708	576,339	7,338,901	5,665,446
Credential-checked vehicles	2,750,757	277,849	275,884	205,345	221,922	211,148	208,161	223,550	206,256	220,711	257,183	208,000	203,650	2,719,659	2,200,606
Vehicles weighed	4,582,314	398,714	418,438	396,390	423,882	399,777	366,113	403,016	387,061	408,774	381,370	388,427	383,797	4,755,759	3,665,851
Vehicles in violation of size/weight requirements	24,341	2,053	2,509	2,241	2,239	2,148	2,249	2,392	2,407	2,594	2,321	2,470	2,386	28,009	19,473
Drivers cited for vehicle size/weight violations	3,818	340	366	286	322	319	274	347	357	351	344	341	391	4,038	3,054
Safety inspections	11,477	1,065	1,281	1,186	1,252	1,265	1,027	1,252	903	834	1,152	882	1,096	13,195	9,182
Total number of safety violations (one driver/vehicle can have multiple violations)	41,538	3,993	4,897	4,928	5,977	5,634	5,152	5,423	3,631	3,375	4,356	3,846	4,276	55,488	33,230
Drivers cited for violating safety requirements	3,033	438	420	360	369	390	320	371	331	368	429	356	342	4,494	2,426
Vehicles/Drivers put out of service due to safety violations	4,728	491	602	526	616	592	498	550	481	371	531	423	496	6,177	3,782
Revenue collected from permit sales	\$14,819,544	\$948,683	\$940,119	1,018,644	1,264,957	1,354,621	1,082,225	1,361,996	1,328,914	1,650,898	1,285,903	1,363,918	1,146,050	\$14,746,928	\$11,855,635
Full-time Positions Filled*	N/A	N/A	N/A	180	178	178	178	178	179	179	181	180	177	177	

\* These positions perform credential checks, size/weight and safety inspections, and permit sales at both fixed ports of entry and mobile enforcement details.

**VARIANCE STATEMENT**

**JULY:** This is a new objective for FY08.

**AUGUST:** The number of activities increased slightly from July, primarily in vehicles weighed (+19,724). The increase in total traffic includes over 30,000 precleared vehicles.

**SEPTEMBER:** Activities decreased due primarily to staffing at the ports resulting in 680 less operational hours during September than in August.

**OCTOBER:** Activity at the ports increased primarily due to produce season. Also, the ports were open 450 hours more than last month.

**NOVEMBER:** Traffic counts were down slightly from October due, in part, to port closures at Thanksgiving. Ports were open 505 less hours in November than in October.

**DECEMBER:** Traffic counts were down primarily due to the holidays. The ports were open 98 hours less in December than November contributing to the reduction of vehicles processed. Halfway through the year this objective is on track to meet its target of 6.3 million commercial vehicle processing activities.

**JANUARY:** Traffic increased back to normal levels after the holidays. Additional traffic increases in the southern ports are due, in part, to the produce season. No other significant variances noted this month.

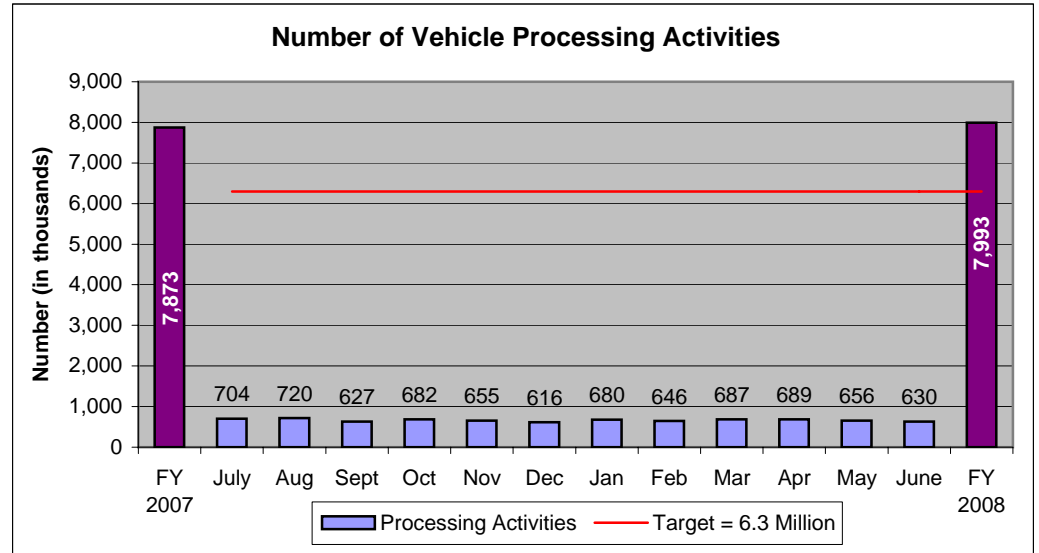
**FEBRUARY:** Due to new outbound details at certain ports, fewer safety inspections were conducted. These new details identify Arizona based carriers exiting the state that are not in compliance with motor carrier laws.

**MARCH:** No significant variances noted this month.

**APRIL:** Total activity has increased from previous months, primarily because of the increase in commercial vehicle traffic being processed through the ports.

**MAY:** Activity decreased slightly this month primarily due to less traffic coming into the ports. Emphasis was placed on weighing vehicles and selling permits.

**JUNE:** Activities decreased, with the exception of safety inspections, which increased due in part to participation in Operation Roadcheck, a nationwide program focusing on commercial vehicle safety. This objective exceeded its target of 6.3 million commercial vehicle processing activities for FY08.



<b>Motor Vehicle Enforcement Services</b>	AGENCY GOAL	To increase the quality, timeliness and cost effectiveness of our products and services.
	MVD GOAL	To promote public safety and protection through regulation, licensing, and the administration of transportation laws.
<b>FY 2008 OBJECTIVE</b>	<b>Increase commercial vehicles processed through Mobile Enforcement Units to 16,500.</b>	
<b>Purpose:</b>	The primary purpose of Mobile Enforcement is to regulate commercial vehicle size and weight laws on intrastate highways and illegal circumvention of fixed ports of entry. The use of mobile enforcement units helps to maximize enforcement-related mandates and increase highway safety.	

PERFORMANCE MEASURES	FY 2007	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	FY 2008	FY 2008 Estimate
Number of vehicles processed (includes credential checks, weighs, safety inspections, and permit sales)	15,995	1,695	2,543	1,886	1,777	2,008	1,052	3,689	6,571	6,535	4,973	4,326	4,815	41,870	16,500
Total commercial vehicle traffic	11,752	769	1,414	896	648	713	408	2,354	3,514	3,885	2,538	2,448	2,656	22,243	12,692
Credential-checked vehicles	8,482	652	1,294	746	501	339	229	1,592	2,943	3,345	2,372	2,102	2,179	18,294	9,161
Vehicles weighed	2,689	740	608	857	932	1,467	748	1,926	3,261	2,984	2,318	2,077	2,075	19,993	2,904
Vehicles in violation of size/weight requirements	125	64	70	74	46	83	44	114	182	332	196	214	207	1,626	135
Drivers cited for vehicle weight/size violations	32	11	17	25	5	15	4	41	62	109	35	19	19	362	35
Safety inspections	4,134	300	641	279	343	202	75	171	358	190	282	146	558	3,545	4,465
Total number of safety violations (one driver/vehicle can have multiple violations)	9,567	588	1,092	518	614	240	114	351	703	357	845	301	893	6,616	10,332
Drivers cited for violating safety requirements	114	20	17	1	14	5	0	7	7	1	6	3	9	90	123
Vehicles/Drivers put out of service due to safety violations	997	71	144	51	57	37	16	42	88	47	55	23	71	702	1,077
Full-time Positions Filled*	N/A	N/A	N/A	180	178	178	178	178	179	179	181	180	177	177	

\* These positions perform credential checks, size/weight and safety inspections, and permit sales at both fixed ports of entry and mobile enforcement details.

## **VARIANCE STATEMENT**

**JULY:** The number of vehicles weighed increased significantly from last month as all scales are now operable.

**AUGUST:** Mobile activity increased significantly from last month. In July, there were 10 details; 27 details were conducted in August. In July, 444 officer hours were spent on mobile details; 1,032 officer hours in August.

**SEPTEMBER:** Mobile activity decreased in September as officers from the two mobile teams were assigned to the fixed Ports and only 12 details with a total of 453 officer hours were conducted.

**OCTOBER:** Activity decreased slightly in October as only 10 details were conducted, the majority of which were in conjunction with a nationwide safety program. Note: Last month's Full-time Positions Filled count was transposed and is now corrected.

**NOVEMBER:** Activity decreased in November with fewer details being conducted; however, more vehicles were weighed by the Southern Scale Team.

**DECEMBER:** Fewer Mobile Details were conducted primarily due to staffing shortages because of the holidays. Halfway through the year this objective is on track to meet its target of 16,500 commercial vehicles processed.

**JANUARY:** Mobile details increased as both staff and equipment became available to participate in 21 details in the Central and Southern Regions. Northern Region did not conduct any details due to inclement weather conditions.

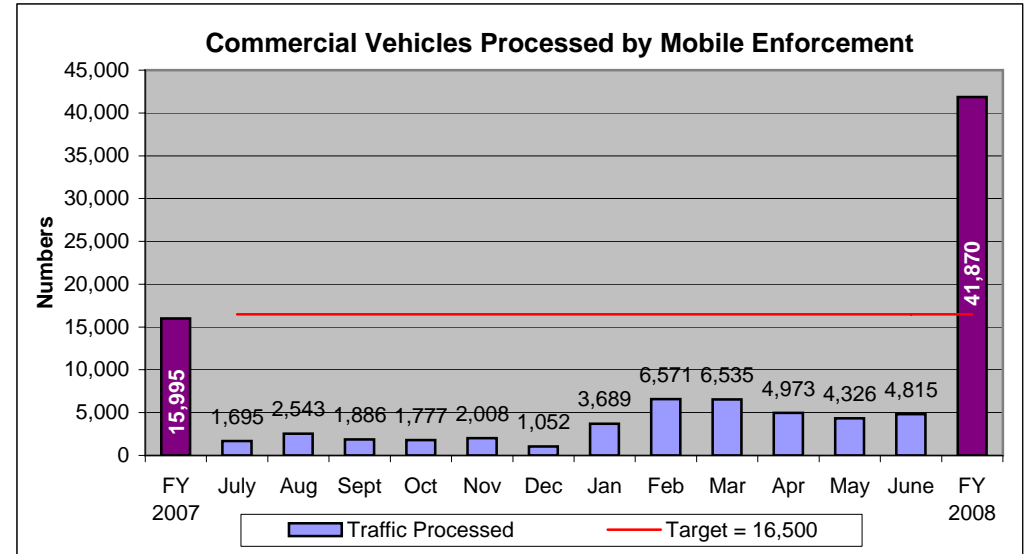
**FEBRUARY:** Besides the typical Mobile Enforcement Details, new outbound details (described in the Fixed Ports of Entry objective) were included as well, increasing the number of vehicles processed.

**MARCH:** Although the number of vehicles processed was high, fewer safety inspections were conducted because the majority of inspections were conducted by the Central Scale Team, whose primary focus was weight enforcement.

**APRIL:** Activity levels decreased during April as fewer details were held. Weight enforcement details were only conducted by the Central Region team.

**MAY:** Activity levels decreased during May; fewer details were held, with only the Central Region participating.

**JUNE:** Activities increased during June, primarily due to participation in Operation Roadcheck, a nationwide program which focuses on commercial vehicle safety. This objective exceeded its target of 16,500 commercial vehicles processed for FY08.



<b>Support Services Executive Services Group</b>	AGENCY GOAL	To optimize the use of all resources.
	MVD GOAL	To promote safety and security in the workplace
<b>CY 2008 OBJECTIVE</b>	<b>Maintain the Division Injury Incidence Rate at 4.00 per 100 employees.</b>	
<b>Purpose:</b>	ADOT strives to promote a safe working environment for employees throughout the agency. Safety data is reported to the agency director monthly.	

PERFORMANCE MEASURES	CY 2007	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	CY 2008	CY 2008 Estimate
Injury Incidence Rate (per 100 employees)	3.866	0.746	2.359	2.264	2.179	1.559	3.167							2.036	4.00
Lost Work Day Rate (per 100 employees)	17.303	0.000	4.717	0.000	2.179	0.000	2.375							1.527	17.00
Number of recordable injuries	61	1	3	3	3	2	4							16	50
Number of lost time injuries	23	0	1	0	1	0	1							3	20
Lost work days due to injury	273	0	6	0	3	0	3							12	250
Total Hours Worked	3,155,579	268,111	254,390	264,987	275,351	256,602	252,627							1,572,069	3,280,000

**Notes:**

Previously reported incidence rates may be changed due to late reported accidents or reported accidents that are later proved to be outside of the work environment and deducted from the count.

Data included in this measurement will be one month behind the reporting month.

Injury Incidence Rate and Lost Workday Rates are based upon OSHA standards and reflect the number per 100 employees on an annualized basis.

**VARIANCE STATEMENT**

