



Texas Department *of* Motor Vehicles

HELPING TEXANS GO. HELPING TEXAS GROW.

TxDMV Board Meeting

9:00 a.m.

Thursday, December 2, 2021

AGENDA
BOARD MEETING
TEXAS DEPARTMENT OF MOTOR VEHICLES
WILLIAM B. TRAVIS BUILDING
1701 N. CONGRESS AVENUE, ROOM 1.111, AUSTIN, TEXAS 78701
THURSDAY, DECEMBER 2, 2021
9:00 A.M.

Link to December 2, 2021, TxDMV Board Meeting Documents:
<https://www.txdmv.gov/about-us/txdmv-board-meetings>

All agenda items are subject to possible discussion, questions, consideration, and action by the Board of the Texas Department of Motor Vehicles (Board). Agenda item numbers are assigned for ease of reference only and do not necessarily reflect the order of their consideration by the Board. Presentations may be made by the identified staff, Board member or other personnel as needed. The Board reserves the right to discuss any items in closed session where authorized by the Open Meetings Act.

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2. Pledges of Allegiance - U.S. and Texas

3. Chair's Reports - Chairman Bacarisse
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[- Recognition of Sandra Menjivar-Suddeath](#)

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B. [Rule Review Proposals under Government Code §2001.039; Chapter 206, Management; Chapter 218, Motor Carriers; and Chapter 221, Salvage Vehicle Dealers - Tracey Beaver \(ACTION ITEM\)](#)

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6. Chapter 208, Employment Practices - Matthew Levitt (ACTION ITEM)
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 - B. University of Missouri - Redesign proposed under Transportation Code §504.851
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8. **Projects and Operations Committee Update - Committee Chair John Prewitt (BRIEFINGS ONLY)**
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 - webLIEN
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CLOSED SESSION

15. **The Board may enter into closed session under one or more of the following provisions of the Texas Open Meetings Act, Government Code Chapter 551:**

Section 551.071 - Consultation with and advice from legal counsel regarding:

- pending or contemplated litigation, or a settlement offer;
- a matter in which the duty of the attorney to the government body under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with Government Code Chapter 551; or
- any item on this agenda.

Section 551.074 - Personnel matters.

- Discussion relating to the appointment, employment, evaluation, reassignment, duties, discipline, and dismissal of personnel.
- Discussion relating to TxDMV dispute resolution process and recent EEOC complaints and internal Civil Rights Office complaints.

Section 551.076 - Deliberation Regarding Security Devices or Security Audits.

- the deployment, or specific occasions for implementation, of security personnel or devices; or
- a security audit.

Section 551.089 - Deliberation Regarding Security Devices or Security Audits.

- security assessments or deployments relating to information resources technology;

- network security information as described by Government Code Section 2059.055(b); or
- the deployment, or specific occasions for implementation, of security personnel, critical infrastructure, or security devices.

16. Action Items from Closed Session

17. Public Comment

18. Adjournment

The Board will allow an open comment period to receive public comment on any agenda item or other matter that is under the jurisdiction of the Board. No action will be taken on matters that are not part of the agenda for the meeting. For subjects that are not otherwise part of the agenda for the meeting, Board members may respond in accordance with Government Code Section 551.042 and consider the feasibility of placing the matter on the agenda for a future meeting.

If you would like to comment on any agenda item (including an open comment under the agenda item for Public Comment), you must complete a speaker's form at the registration table prior to the agenda item being taken up by the Board or send an email to GCO_General@txdmv.gov to register by providing the required information prior to the agenda item being taken up by the Board:

1. a completed [Public Comment Registration Form](#); or
2. the following information:
 - a. the agenda item you wish to comment on;
 - b. your name;
 - c. your address (optional), including your city, state, and zip code; and
 - d. who you are representing.

Public comment will only be accepted in person. Each speaker will be limited to three minutes, and time allotted to one speaker may not be reassigned to another speaker.

Any individual with a disability who plans to attend this meeting and requires auxiliary aids or services should notify the department as far in advance as possible, but no less than two days in advance, so that appropriate arrangements can be made. Contact David Richards by telephone at (512) 465-1423.

I certify that I have reviewed this document and that it conforms to all applicable Texas Register filing requirements.

CERTIFYING OFFICIAL: Tracey Beaver, General Counsel, (512) 465-5665.



Texas Department of Motor Vehicles

2022 Board Meeting Hold Dates are highlighted yellow

Hold dates for full Board Meetings are second Thursdays of February, April, June, August, October and December; and at the call of the Board Chair. Call to Order is 9:00 a.m., unless otherwise updated. Availability and quorum will be confirmed with all board members. See legend below.

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 Committee Meetings

 Full Board Meetings

 State Holidays and Weekends



BOARD MEETING DATE: 12/2/2021
BRIEFING

To: Texas Department of Motor Vehicles Board
From: Whitney Brewster, Executive Director
Agenda Items: 4.A, 4.B
Subject: Customer Service Advisory Committee (CSAC) and Motor Vehicle Industry Regulation Advisory Committee (MVIRAC) Update

RECOMMENDATION

Briefing Only

PURPOSE AND EXECUTIVE SUMMARY

To brief the Board on the activities of the Customer Service Advisory Committee and the Motor Vehicle Industry Regulation Advisory Committee.

FINANCIAL IMPACT

No financial impact

BACKGROUND AND DISCUSSION

The CSAC previously met on November 17, 2021 and discussed maintaining the network of limited-service deputies that process hundreds of thousands of registration renewal transactions on behalf of counties. The committee focused on best practices and means to reduce overhead costs for limited-service deputies serving multiple counties.

The MVIRAC is scheduled to meet to continue discussions about TxDMV's proposed maximum tag limit rules that implement House Bill 3927, which gives the department authority to deny a dealer's or converter's access to the temporary tag database if it is found that tags have been fraudulently obtained from the system. The MVIRAC will review the proposed formulas TxDMV created to set the maximum tag limits and provide advice based on their expertise to ensure the formulas are a valuable to combat temporary tag fraud but are also reasonable and ensure legitimate dealers are able to operate in the marketplace. The rule is currently open for public comment and the comment period ends December 13, 2021.



BOARD MEETING DATE: 12/2/2021
BRIEFING

To: Texas Department of Motor Vehicles Board
From: Whitney Brewster, Executive Director
Agenda Item: 4.C
Subject: Introduction of Consumer Relations Division Director- Amanda Collins

RECOMMENDATION

Briefing only

PURPOSE AND EXECUTIVE SUMMARY

Amanda Collins serves as the Director of Consumer Relations Division for the Texas Department of Motor Vehicles (TxDMV). She is responsible for the operations of the agency's customer contact center.

Before joining TxDMV, Amanda served as the Associate Director of Strategic Initiative and Performance Improvement with the Texas Alcoholic Beverage Commission (TABC). In this role, she oversaw agency initiatives that involved sunset and legislative implementation. She also served as a member of the Marketing Practices Advisory and the TABC Rules and Policy Committees where she helped facilitate stakeholder meetings, the development of agency rulemaking, and established a formal process for marketing practices advisories. Amanda began her state service in November 2009, as a TABC auditor stationed at the Houston Regional Office with the Compliance Division. She was promoted to District and Regional Audit Supervisor in 2014 where she served Texans across the state from North, West, and Southeast Texas by providing regulatory knowledge and exceptional customer service.

Amanda attended Prairie View A&M University where she played Division I soccer and received a bachelor's degree in Marketing. She served on the board of directors for Toast for Charity a nonprofit organization that focused on higher education for underrepresented communities in the Dallas Fort Worth area. She is a graduate of the Governor's Senior Management Development Course and is a Certified Fraud Examiner.

FINANCIAL IMPACT

-NA-

BACKGROUND AND DISCUSSION

-NA-



BOARD MEETING DATE: 12/2/2021
BRIEFING

To: Texas Department of Motor Vehicles Board
From: Whitney Brewster, Executive Director
Agenda Item: 4.D
Subject: Introduction of Government and Strategic Communications Division Director – Keith Yawn

RECOMMENDATION

Briefing Only

PURPOSE AND EXECUTIVE SUMMARY

Keith Yawn has served the people of Texas in state government for 20 years, currently holding the position of Director of Strategic Initiatives at the Employees Retirement System of Texas where he leads enterprise projects and advises agency leadership on financial, operational and organizational strategy. Prior to joining ERS, Keith served as the Director of the Committee on Appropriations for the Texas House of Representatives. Keith has also held senior and executive level positions with the Texas Legislative Budget Board, Texas Facilities Commission, and the Texas Comptroller of Public Accounts.

Keith holds Master of Business Administration and Bachelor of Business Administration degrees from Baylor University, as well as a Master of Public Affairs degree from the Lyndon B. Johnson School of Public Affairs at the University of Texas.

A native Texan, Keith enjoys spending time on the running trails and backroads of central Texas, where he has successfully trained for 10 completed marathons.

Keith's first day will be December 13, 2021.

FINANCIAL IMPACT

-NA-

BACKGROUND AND DISCUSSION

-NA-



BOARD MEETING DATE: 12/2/2021
BRIEFING

To: Texas Department of Motor Vehicles Board
From: Whitney Brewster, Executive Director
Agenda Item: 4.E
Subject: Executive Director's Report – Recognition of Years of Service

RECOMMENDATION

Board Chair and members offer congratulations to employees receiving recognition for an award, reaching a state service milestone, or retirement.

PURPOSE AND EXECUTIVE SUMMARY

The Executive Director announces the name of individuals who retired from the agency and recognizes employees who have reached a state service milestone of 20 years and every five-year increment thereafter. Recognition at the December 2, 2021 Board Meeting for state service awards and retirements include:

- Darrell Adams in Enforcement Division reached 20 years of state service
- Angela Masloff in Information Technology Services Division reached 25 years of state service
- Michelle Lingo in Motor Vehicle Division reached 25 years of state service
- Bradley Beaty in Vehicle Titles & Registration Division reached 30 years of state service
- Charles C. Bennett in Enforcement Division reached 35 years of state service

Finally, the following individuals recently retired from the agency:

- Darrell Adams - Enforcement Division
- Mary Eschenburg - Information Technology Services Division
- Lydia Sahley - Motor Carrier Division

FINANCIAL IMPACT

No financial impact.

BACKGROUND AND DISCUSSION

No additional background and discussion.



BOARD MEETING DATE: 12/2/2021
BRIEFING

To: Texas Department of Motor Vehicles Board
From: Whitney Brewster, Executive Director
Agenda Item: 4.E
Subject: Awards, Recognition of Years of Service, and Announcements - Recognition of Sandra Menjivar-Suddeath

RECOMMENDATION

Briefing only.

PURPOSE AND EXECUTIVE SUMMARY

The Texas Department of Motor Vehicles Board and staff thank Sandra Menjivar-Suddeath for her outstanding contributions to the overall success of the department. She has made it her goal to lead the Internal Audit Division to ensure that the Texas Department of Motor Vehicles Board and agency management are provided with assurance services and information to reduce exposure to risks associated with the operations of the agency. Sandra has also brought a strong focus to identifying, reporting and mitigating fraud, waste and abuse by TxDMV staff. Under her leadership as TxDMV's Internal Audit Director, Sandra has very capably built a strong internal audit team that works closely with the TxDMV Board and agency staff to improve processes and mitigate risks for the overall betterment of the citizens of Texas.

Before joining the TxDMV team in 2016, Sandra was an audit manager at Texas Department of Transportation (TxDOT). In that role, she oversaw audit staff and managed internal Information Technology and operational audits. Prior to TxDOT, Sandra led audits at the Texas Department of Public Safety and was a senior auditor for the Office of Inspector General – U.S. Department of Transportation where she led and worked on audits related to vehicle safety, cross-border trucking, and the Highway Trust Fund.

As Sandra leaves the TxDMV for the private sector, we thank her for her tremendous contributions to the department and wish her great success in her new venture.



BOARD MEETING DATE: 12/2/2021
ACTION ITEM

To: Texas Department of Motor Vehicles Board
From: Tracey Beaver, General Counsel
Agenda Item: 5.A and 5.B
Subject: Rule Review
Rule Review Process Overview
Rule Review Proposals under Government Code §2001.039: Chapter 206, Management; Chapter 218, Motor Carriers; and Chapter 221, Salvage Vehicle Dealers

RECOMMENDATION

Approval to publish the proposed rule reviews in the *Texas Register* for public comment.

PURPOSE AND EXECUTIVE SUMMARY

The department will review 43 Texas Administrative Code, Chapter 206, Management; Chapter 218, Motor Carriers; and Chapter 221, Salvage Vehicle Dealers. This review is being conducted under Texas Government Code §2001.039.

FINANCIAL IMPACT

None.

BACKGROUND AND DISCUSSION

Texas Government Code §2001.039 requires the department to review and consider for readoption each of its rules not later than the fourth anniversary of the date on which the rule takes effect and every four years after that date.

As part of the rule review, the department will only consider whether the reasons for initially adopting these rules continue to exist and whether these rules should be repealed, readopted, or readopted with amendments. Any necessary repeals or amendments identified during the review of these rules will be proposed in a separate rulemaking document and published in the *Texas Register* under the Administrative Procedure Act, Texas Government Code Chapter 2001.

Chapter 206 covers the management of the department, including staff responsibilities, public meetings, advisory committees, and risk-based monitoring. Chapter 206 implements many statutes, including Government Code §2001.021 and Transportation Code §§520.004(4), 1001.031, 1001.0411, 1001.042, and 1004.002.

Chapter 218 prescribes the policies and procedures for the regulation of motor carriers, leasing businesses, and transportation brokers by providing for insurance limits, the issuance of motor carrier credentials, the filing of

performance bonds for transportation brokers, audit and record-keeping functions, and enforcement. Chapter 218 implements sections within Transportation Code Chapters 643, 645, and 648.

Chapter 221 describes the procedures by which a person obtains a salvage vehicle dealer license, the requirements governing how a license holder must operate, and the procedures by which the department administers and enforces Chapter 221 and Occupations Code Chapter 2302.

TITLE 43. TRANSPORTATION
Part 10. Texas Department of Motor Vehicles
Chapters 206, 218, and 221

Proposed Rule Review

The Texas Department of Motor Vehicles (department) will review 43 Texas Administrative Code, Chapter 206, Management; Chapter 218, Motor Carriers; and Chapter 221, Salvage Vehicle Dealers. This review is being conducted pursuant to Texas Government Code §2001.039.

The department will determine whether the reasons for adopting these rules continue to exist and whether the rules should be repealed, readopted, or readopted with amendments.

Any necessary repeals or amendments identified during this rule review will be proposed in a separate rulemaking document and published in the *Texas Register* under the Administrative Procedure Act, Texas Government Code Chapter 2001.

DRAFT



BOARD MEETING DATE: 12/2/2021
ACTION ITEM

To: Texas Department of Motor Vehicles Board
From: Matthew Levitt, Human Resources Division Director
Agenda Item: 6
Subject: Chapter 208, Employment Practices
Proposed new §208.113 (Relating to Family Medical Leave Pool)

RECOMMENDATION

Approval to publish the proposed new section in the *Texas Register*.

PURPOSE AND EXECUTIVE SUMMARY

The proposed new §208.113 implements House Bill 2063, 87th Legislature, Regular Session (2021).

FINANCIAL IMPACT

There will be no fiscal impact to state or local governments as a result of the enforcement or administration of new §208.113.

BACKGROUND AND DISCUSSION

House Bill 2063 amended Government Code Chapter 661 by adding new Subchapter A-1, requiring all state agencies to create and administer an employee family leave pool. The purpose of the family leave pool is to provide eligible state employees more flexibility in bonding with and caring for children during a child's first year following birth, adoption, or foster placement and for caring for a seriously ill family member or the employee. The pool must allow employees to voluntarily transfer sick or vacation leave earned by the employee to the pool while also allowing employees to apply for leave time under the pool.

Under House Bill 2063, all state agencies must adopt rules and prescribe procedures relating to the operation of the agency family leave pool. New §208.113:

- Describes the purpose of the family leave pool;
- Designates the Human Resources Director as the administrator of the pool;
- States that the pool administrator with advice and consent of the Executive Director will establish procedures for operating the pool consistent with Government Code Chapter 661;
- States the procedures adopted for the family leave pool will be published in the Human Resources Manual; and
- Requires all donations of leave time to the pool be voluntary.

TITLE 43. TRANSPORTATION
Part 10. Texas Department of Motor Vehicles
Chapter 208 – Employment Practices

Proposed Sections
Page 2 of 5

1 New Section §208.113(c) states that the procedures adopted related to the operation of the
2 family medical leave pool will be published in the department's Human Resources Manual.

3 New Section §208.113(d) requires all donations to the family leave pool be voluntary.

4 **FISCAL NOTE AND LOCAL EMPLOYMENT IMPACT STATEMENT.** Glenna Bowman, Chief Financial Officer,
5 has determined that for each year of the first five years the new sections are in effect, there will be no
6 significant fiscal impact to the state or local governments as a result of the enforcement or administration
7 of the proposal. There will be no significant costs to the department and the proposed amendments will
8 have no significant impact on revenue collections.

9 Matthew Levitt, Director of the Human Resources Division, has determined that there will be no
10 measurable effect on local employment or the local economy as a result of the proposal as the proposal
11 relates to internal operations only.

12 **PUBLIC BENEFIT AND COST NOTE.** Mr. Levitt has also determined that, for each year of the first five years
13 the proposed rules are in effect, the public benefits include providing eligible employees more flexibility
14 in bonding and caring for children during a child's first year following birth, adoption, or foster placement,
15 and caring for a seriously ill family member or the employee, including pandemic-related illnesses or
16 complications caused by a pandemic. Mr. Levitt anticipates that the proposal will create no additional
17 costs for the public.

18 **ECONOMIC IMPACT STATEMENT AND REGULATORY FLEXIBILITY ANALYSIS.** The cost analysis in the
19 Public Benefit and Cost Note section of this proposal has determined that proposed §208.113 will not
20 result in additional costs for the public, including any small businesses, micro-businesses, or rural
21 communities. Therefore, the department is not required to prepare a regulatory flexibility analysis under
22 Government Code §2006.002(2).

TITLE 43. TRANSPORTATION
Part 10. Texas Department of Motor Vehicles
Chapter 208 – Employment Practices

1 **TAKINGS IMPACT ASSESSMENT.** The department has determined that no private real property interests
2 are affected by this proposal and that this proposal does not restrict or limit an owner's right to property
3 that would otherwise exist in the absence of government action and, therefore, does not constitute a
4 taking or require a takings impact assessment under Government Code, §2007.043.

5 **GOVERNMENT GROWTH IMPACT STATEMENT.** The department has determined that each year of the first
6 five years the proposed new section is in effect, the proposed rule:

- 7 will not create or eliminate a government program;
- 8 will not require the creation of new employee positions or the elimination of existing employee
- 9 positions;
- 10 will not require an increase or decrease in future legislative appropriations to the department;
- 11 will not require an increase or decrease in fees paid to the department;
- 12 will create new regulation establishing the process for determining the maximum number of
- 13 temporary tags that may be allocated to dealers and converters and the procedures for requesting
- 14 additional tags;
- 15 will not expand existing regulations;
- 16 will not repeal existing regulations;
- 17 will not increase or decrease the number of individuals subject to the rule's applicability; and
- 18 will not positively or adversely affect the Texas economy.

19 **REQUEST FOR PUBLIC COMMENT.**

20 If you want to comment on the proposal, submit your written comments by 5:00 p.m. CST on MM, DD,
21 YYYY. A request for a public hearing must be sent separately from your written comments. Send written
22 comments or hearing requests by email to *rules@txdmv.gov* or by mail to Office of General Counsel, Texas

TITLE 43. TRANSPORTATION
Part 10. Texas Department of Motor Vehicles
Chapter 208 – Employment Practices

Proposed Sections
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1 Department of Motor Vehicles, 4000 Jackson Avenue, Austin, Texas 78731. If a hearing is held, the
2 department will consider written comments and public testimony presented at the hearing.

3 **STATUTORY AUTHORITY.** The department proposes amendments to §§208.113 under Transportation
4 §1002.001.

5 Transportation Code §1002.001 authorizes the board to adopt rules that are necessary
6 and appropriate to implement the powers and the duties of the department. Government Code
7 §661.022(c) authorizes the department to adopt rules related to the operation of the department's family
8 medical leave pool.

9 **CROSS REFERENCE TO STATUTE.** Government Code §661.021-661.028.

10

11 **TEXT.**

12

Subchapter C. FAMILY LEAVE POOL

13

43 TAC §208.113

14 §208.113. Family Leave Pool.

15 A family leave pool is established to provide eligible employees more flexibility in bonding and caring for
16 children during a child's first year following birth, adoption, or foster placement, or caring for a seriously
17 ill family member or the employee, including pandemic-related illnesses or complications caused by a
18 pandemic.

19 (a) The director of human resources is designated as the pool administrator.

20 (b) The pool administrator, with the advice and consent of the executive director, will establish
21 operating procedures consistent with the Government Code, Chapter 661, Subchapter A-1 (relating to
22 State Employee Family Leave Pool).



BOARD MEETING DATE: 12/2/2021
ACTION ITEM

To: Texas Department of Motor Vehicles Board
From: Patricia Ueckert, Vehicle Titles and Registration Division, Operations Section Director
Agenda Item: 7
Subject: Specialty Plate Designs

RECOMMENDATION

The Vehicle Titles and Registration Division (VTR) seeks board approval or denial of three plate designs submitted for your consideration. Each plate design is from the marketing vendor, My Plates.

PURPOSE AND EXECUTIVE SUMMARY

The University of Florida and The University of Texas at El Paso are both crossover plate designs. The University of Missouri is a redesign of an existing My Plates (vendor) plate.

FINANCIAL IMPACT

Costs incurred by the department related to the My Plates program and an \$8 administrative fee per plate are recouped from the My Plates vendor. Revenue generated from the sale of vendor specialty license plates is split between the state (General Revenue Fund) and My Plates. The details of the revenue splits can be found in Section IV (State/Contractor Revenue Sharing) of the Specialty License Plate Marketing (SLPM) contract.

BACKGROUND AND DISCUSSION

Statutory authority for the board to approve vendor specialty license plates and invite the public's comment on proposed vendor plate designs are in Texas Transportation Code §504.851(g) and (g-1)(1). Statutory authority for a sponsor of a specialty license plate under Texas Transportation Code, Chapter 504, Subchapter J, to contract with the private vendor authorized under Texas Transportation Code §504.851 for the marketing and sale of the specialty license plate is in Texas Transportation Code §504.6011. Statutory authority for the board to approve non-profit organization specialty license plates and invite the public's comment on proposed plate designs are in Texas Transportation Code §504.801. The board's approval criteria are clarified in Texas Administrative Code §217.45 Specialty License Plates, Symbols, Tabs, and Other Devices, and §217.52 Marketing of Specialty License Plates through a Private Vendor.

The vendor contract (Statement of Work paragraph #2, Marketing Services) specifies that following the board's contingent approval of a plate, the vendor must get at least 200 commitments within six months of the approval for a plate to be produced (*existing* plates must also maintain 200 registrations to stay in the program). My Plates' procedure is to first offer a plate to the public to register their interest. Following the board's contingent approval, My Plates then offers a plate online for prepaid orders and confirms when 200 prepaid orders are achieved. Since March 2014, the board has contingently approved 43 vendor plates. Of the 43, ten did not achieve the required 200 commitments and were not produced.



TxDMV’s procedure is to invite comments on all proposed plates ahead of the board’s review. The department’s intent is to determine if there are any unforeseen public concerns about a plate design. The department publishes a 10-day “like/dislike/comment-by-email” survey, called an eView, on its website. Although the survey counts the public’s “likes” and “dislikes,” it is unscientific and not used as an indicator of a plate’s popularity.

The University of Florida and The University of Missouri plate designs were presented to the public in an October 2021 eView, and The University of Texas at El Paso plate design was presented to the public in a November 2021 eView. No negative comments were received. The count of the public’s “like/dislikes” are below with the designs.

University of Florida	CURRENT	CROSSOVER
102 people liked this design and 133 did not		
University of Missouri	CURRENT	REDESIGN
137 people liked this design and 135 did not		
The University of Texas at El Paso	CURRENT	CROSSOVER
894 people liked this design and 205 did not		



University of Florida (Crossover)

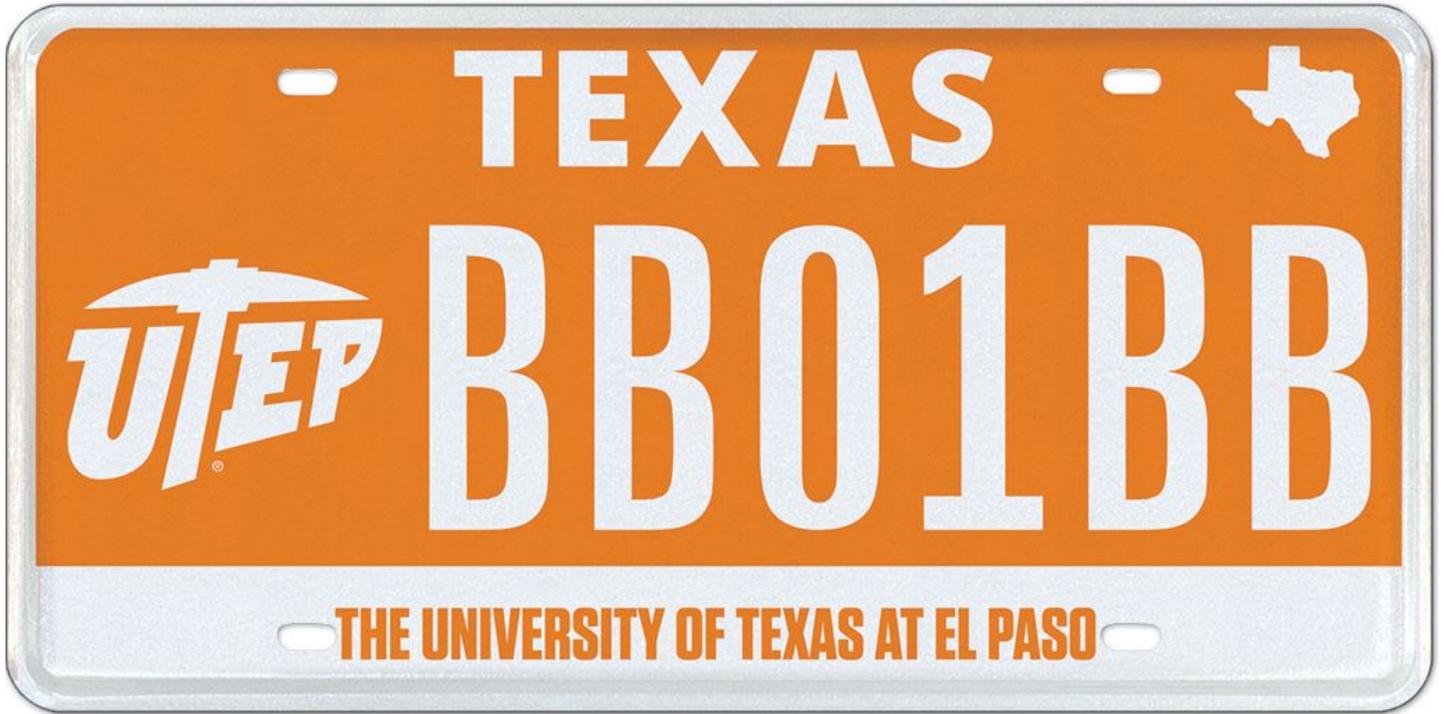


University of Missouri (Redesign)





The University of Texas at El Paso (Crossover)





BOARD MEETING DATE: 12/2/2021
BRIEFING

To: Texas Department of Motor Vehicles Board
From: Glenna Bowman, Chief Financial Officer
Agenda Item: 8.A
Subject: Facilities Update

RECOMMENDATION

Briefing item with no recommendation.

PURPOSE AND EXECUTIVE SUMMARY

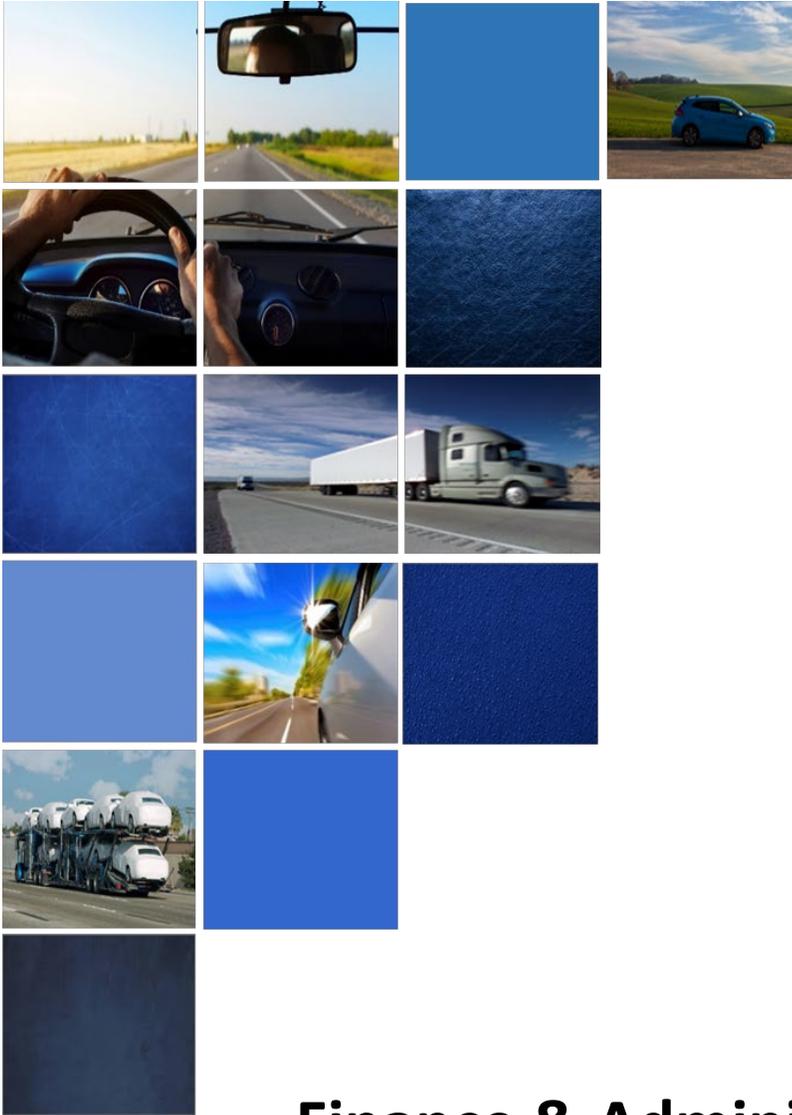
Provide update on facility activities and projects.

FINANCIAL IMPACT

Camp Hubbard Facility Improvements are paid from appropriated funds carried forward from FY 2020-21 for headquarters facility needs. Midland-Odessa Remodel project will be completed using the biennial appropriated budget set aside for regional service center facility needs. The new headquarters building design and planning project is specifically appropriated \$6.2 million in FY 2022-23.

BACKGROUND AND DISCUSSION

The department is giving the Camp Hubbard facilities a much-needed facelift. Current activities include painting lobbies and hard wall offices, replacing and refurbishing TxDMV signage, updating the Lone Star board room and modernizing the lobby elevator in Building 1. The department is working with the Texas Department of Transportation (TxDOT) to develop and implement plans to update the Midland-Odessa RSC in FY 2022-23. The department is also working with the Texas Facilities Commission to obtain bids for a vendor to develop a design and implementation plan for a new headquarters building on the Camp Hubbard campus.



Finance & Administrative Services
Projects & Operations Committee Update
Facilities Update
12/1/2021

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- 3. Midland-Odessa RSC Renovation Project with TxDOT 5

Camp Hubbard (CH) Facilities Update

The department is giving the Camp Hubbard facilities a much-needed facelift. Current projects include:

- Painting Lobbies and Hard Wall Offices in CH buildings
 - Lobbies in all buildings on the Camp Hubbard have been painted. Hard wall offices are being painted before new employees begin work at TxDMV.
- Replacing/Refurbishing TxDMV Signage
- Re-Seeding Front Lawn
- Making Irrigation System Repairs
- Installing Dog Stations
 - Installing along Jackson Avenue to promote positive interactions with residents near the Camp Hubbard facility.
- Lone Star Board Room
 - Preparing schedule to paint and install new carpet and baseboards.
 - Talking to vendors about technology replacements and upgrades
- CH-1 Lobby Elevator Enhancements
 - Working on modernizing; anticipated to be completed mid- to late-January.

Painting of CH-1 and CH-5 Lobbies and Hard Wall Offices



Replacing/Refurbishing of TxDMV Signage



Modernization of CH-1 Lobby Elevators



- Level 7: Stainless Steel Frieze
- Level 6: Stainless Steel Crown Panel
- Level 5: Wilsonart® Blackstar Granite Laminate
- Level 4: Wilsonart® Blackstar Granite Laminate
- Level 3: Stainless Steel Handrail Backer
- Level 2: Stainless Steel
- Level 1: Stainless Steel True Vent Base

New HQ Building Phase I Project with TFC

The Legislature appropriated \$6.2 million to the TxDMV for use in FY 2022-23 for Phase I architectural and engineering design and planning of a new building on the Camp Hubbard campus to replace Building 5. The department has been working with the Texas Facilities Commission (TFC) to prepare information for TFC vendor bid documents that will include preparing CH-6 and relocating staff from CH-5 to CH-6 as part of the overall project. A contract with TFC was signed by TxDMV Executive Director Whitney Brewster and sent to TFC on November 17, 2021. Texas Department of Transportation (TxDOT) staff are anticipated to move off the Camp Hubbard Campus in May 2022.

Midland-Odessa Regional Service Center (RSC) Remodel Project with TxDOT

TxDMV established a working group with staff from TxDMV and TxDOT to develop and implement plans to update the Midland-Odessa RSC in FY 2022-23. The working group meets regularly and recently completed draft cost estimates and the related timeline for completing this project.



BOARD MEETING DATE: 12/2/2021
BRIEFING

To: Texas Department of Motor Vehicles Board
From: Wendy Barron, Interim Chief Information Officer
Agenda Item: 8.B
Subject: Active Agency Projects Briefing

RECOMMENDATION

Briefing only – No recommendation.

PURPOSE AND EXECUTIVE SUMMARY

To brief the Projects and Operations Committee on the current active projects including project descriptions, current status, budget, and end dates.

FINANCIAL IMPACT

None

BACKGROUND AND DISCUSSION

The department currently has nine active projects overseen by the Information Technology Services Division (ITSD) Project Management Office (PMO). ITSD is also developing application enhancements in response to legislative changes. A briefing of each project, including an updated status, budget, and completion date as well as a brief update on the legislative application changes are included in this executive summary.

Several of the projects currently being executed by the ITSD PMO support improve services for webDEALER and its associated applications. These projects include enhancements to existing systems and new systems that deliver new and improved services for county tax assessor collectors, lienholders and Texas motor vehicle dealers. The projects currently in progress include Statewide webDEALER Adoption (SWA) Phase II, webLIEN, and webSALVAGE.

Statewide webDEALER Adoption (SWA) Phase II

Senate Bill (SB) 604, passed during the 86th Texas Legislative Session, required that webDEALER, the department's web-based system for processing title applications, be made available to all Texas motor vehicle dealers. To facilitate an increase in application throughput, maximize workflow, streamline processes, and, most importantly, encourage the participation of new users, the Statewide webDEALER Adoption project was initiated. Phase I of the project was completed in June of 2021 and included the highest priority tickets that provided webDEALER enhancements to counties and Texas motor vehicle dealers. Phase II of the project is currently being executed and will implement the remaining priority tickets to improve the system.

Project Status:

- The project is in the procurement phase.
- Contracting resources are being procured.
- Project overall health is yellow because the level of effort estimated to complete all tickets is greater than the current budget allocated to the project

Project End Date: Aug 2023

webLIEN

The department will implement webLIEN, a new web-based, self-service application for lienholders to secure liens electronically with the department that will provide an alternative to the current electronic lien title (ELT) program used by larger lienholders and their vendors. webLIEN will allow independent Texas motor vehicle dealers licensed to finance vehicles to receive electronic titles. The project will provide a web-based application to all lienholders and ELT vendors at no cost. It will eliminate paper application and manual processing. It will also create automated process that will reduce fraud, cost, and provide improved data accuracy and access to more stakeholders.

Project Status:

- Project is currently in the procurement phase.
- The Statement of Work has been written and is under review.
- Project overall health is yellow because the current Department of Information Resources (DIR) Deliverables-Based Information Technology Services (DBITS) contracts have expired. New contracts are not executed at this time, which may impact the project schedule.

Project End Date: Aug 2023

webSALVAGE

The webSALVAGE project will expand throughput of electronic titling processes in webSALVAGE and the issuance/transfer of electronic titles. webSALVAGE will allow the electronic submission of title applications by insurance companies and Texas salvage motor vehicle dealers for hail damaged, unrecovered thefts, and other non-salvage vehicles directly to county tax offices and will facilitate issuance of electronic titles to the submitting entities. The issuance of electronic titles will facilitate subsequent electronic transfer of title and required reporting for Texas salvage motor vehicle dealers. The project will expedite processing time and title issuance by eliminating manual processes for stakeholders and internal staff, reduce contract costs for the department, expand system integrations, eliminate fraud associated with paper titles, and reduce theft and fraud associated with rebuilt vehicles.

Project Status:

- Project is in the initiating phase.
- Project was approved to move forward at the October Governance Team Meeting.
- Project charter is being drafted.
- Requirements are being gathered and documented.
- The project overall health is green. The project is on time and within scope and schedule.

Project End Date: Aug 2023

Digital License Plates (DLP)

The Digital License Plate project will implement SB 604, to support statutory requirements to allow digital license plates to be displayed on motor vehicles within the state of Texas. Once complete, the project will allow registered commercial fleet owned or operated by governmental entities to equip a digital license plate on the rear of a vehicle. The project will also enhance awareness of emergency notification and public safety alerts. The new technology will benefit law enforcement through automated display of registration expiration and have a potential for use in identifying stolen vehicles.

Project Status:

- TxDMV development is underway to enable functionality in TxDMV systems that will allow the third-party vendor (Reviver) to process payments using their payment processor.

- Project overall health is yellow as the third-party vendor (Reviver) has not met the cybersecurity penetration testing requirements as specified in TxDMV rules which may impact the project schedule.

Project End Date: Feb 2022

Call Center Upgrade Phase II

The objective of Phase II of the Call Center Upgrade project is to implement a modern post call survey tool that will improve customer interaction quality with the department. The tool will collect actionable customer feedback, uncover the root cause of good or bad experiences, and track and measure customer satisfaction using industry best practices.

Project Status:

- Project is currently in the testing phase for the Consumer Relations Division module.
- Project overall health is yellow because of vendor delays in providing required cybersecurity documentation and final review and approval of the Interconnection Security Agreement.

Project End Date: Summer 2022

Texas International Registration Program (TxIRP) Upgrade

The Texas International Registration Program Rewrite project will improve the TxIRP online user experience and reduce Out-of-Service (OOS) fraud. The project will improve user experiences through website responsiveness for mobile devices, add automated financial capabilities, and improved reporting.

Project Benefits:

- The project is currently in the procurement phase.
- The Statement of Work is under review.
- Project overall health is yellow because of the delays in funds approval. Now that funds are approved the schedule and task activities are expected to move forward more quickly.

Project End Date: Sept 2024

Registration and Title System (RTS) Batch Cycle

The objective of the RTS Batch Refactoring project is to reduce run time of 33 high priority batch jobs. The project will modernize existing batch code, moving from Maxenso to Java. It will optimize the run time of these batch jobs, shortening the run times by as much as 95%.

Project Status:

- The project is in the development and testing phases.
- The first set of batch updates are currently in testing and will be released in December.
- The second set of batch updates are currently in development and will be released in February.
- The project overall health is green. The project is on time and within scope and schedule.

Project End Date: Mar 2022

Texas by Texas (TxT)

The Texas by Texas project will provide the constituents of Texas a secure, mobile-friendly platform to do business with multiple state agencies using a single user account (single sign-on). TxT will serve as a personal and portable government assistant for customers. It will allow customers to create an account, link to vehicles, and establish a personalized profile

with stored payment information, transaction history, preferences, and other features. Users will be able to choose to receive text and email renewal reminders which helps Texans renew their vehicle registration more efficiently.

Project Status:

- The web application was launched in October.
- The mobile application will be available in the Apple and Google stores in January of 2022.
- TxDMV is partnering with DIR to participate in the execution of the statewide marketing campaign.
- The project overall health is green. The project is on time and within scope and schedule.

Project End Date: Spring 2022

Motor Carrier Credentialing System (MCCS) Rewrite

The Motor Carrier Credentialing System Rewrite project will replace the existing legacy MCCS system with a modern, reliable application supported by an external vendor. The project will reduce the operational risk to the department using improved technologies and ensure long-term support and operability.

Project Status:

- The project is in the initiation phase.
- The project charter was developed and approved in November.
- Requirements are being gathered and documented.
- The project overall health is green. The project is on time and within scope and schedule.

Project End Date: Aug 2023

Legislative Application Changes

ITSD is currently developing application enhancements in response to legislative changes. Two of the more significant work efforts include modifications required by HB 3927 and SB 876. The systems impacted include the RTS, webDEALER, and eLICENSING. These changes will be released in alignment with the adoption of the rules.



BOARD MEETING DATE: 12/2/2021
BRIEFING

To: Texas Department of Motor Vehicles Board
From: Tom Shindell, Ph.D., Office of Innovation & Strategy
Agenda Item: 8.C
Subject: Operational Plan

RECOMMENDATION

Briefing Only.

PURPOSE AND EXECUTIVE SUMMARY

To provide the Projects & Operations Committee with a brief overview of enhancements included in the Fiscal Year 2022 – FY 2023 Texas Department of Motor Vehicles Operational Plan. This briefing also includes a summary of five of the thirty-six initiatives in the plan. The new Operational Plan makes the relationship clear between an activity and:

- The three Strategic Goals established by you, the Texas Department of Motor Vehicles Board
- The activities specified in department's most recent strategic plan
- The five business drivers used to select a project
- The four perspectives and thirteen objectives contained in the department's Balanced Scorecard

Enforcement Division: Improve Complaint Resolution Timeframes and Processes

Enforcement Division staff are actively engaged in identifying and recommending solutions to process inefficiencies in the compliant resolution process and implementing enhancements to policies, procedures, and motor carrier and motor vehicle reports. Specifically, Enforcement staff are taking steps to eliminate or rework processes that hinder complaint resolution and implement new ideas that serve to reduce case aging.

Human Resources Division: Internal Education Campaign

This initiative is intended to improve the quality of customer service provided to external and internal customers by the department. The most significant component of this initiative is developing and implementing customer service training for all Texas Department of Motor Vehicle employees. The training will teach TxDMV employees the skills to allow them to provide world-class customer service for both external and internal customers.

Motor Vehicle Division: eLICENSING External User Guides, Manuals, and Videos

The Motor Vehicle Division will work with the Consumer Relations Division to revise existing eLICENSING user guides, manuals, and videos. They will also create additional resources for internal staff and external licensee use. While the eLICENSING system has been successfully operational for over two years, a full-scale refresh of the supporting resources is needed.

Office of Administrative Hearings: Develop a Lemon Law Education Campaign for the Public

This activity is designed to review and update the department's external communications regarding the Lemon Law program. This will be an effort to highlight and advertise the benefits of the Lemon Law program to the public and to

develop a process to ensure that consumers receive consistent, readable, consumer-centric communications regarding the Lemon Law. This will include any necessary revisions to the department's website, plus ensuring a stronger presence on social media and establishing web search priority.

Motor Vehicle Crime Prevention Authority: Law Enforcement Coordination and Network Improvement

The Motor Vehicle Crime Prevention Authority division is implementing a new initiative to improve the targeted allocation of funding to law enforcement programs. The focus is to combat motor vehicle crime in Texas. The initiative will also improve the coordination and network activities of those funded programs. The Motor Vehicle Crime Prevention Authority will implement new types of funding streams to law enforcement that directs investigators, equipment, and other resources to better support the Authority's vision and mission. These activities will also support Texas Department of Motor Vehicles' goals and strategic initiatives.

FINANCIAL IMPACT

None.

BACKGROUND AND DISCUSSION

The department transitioned from annual to biennial Operational Plans in FY 2020. This biennial Operational Plan includes enhancements to make the connections between department activities and department strategies clear and explicit.



BOARD MEETING DATE: 12/2/2021
BRIEFING

To: Texas Department of Motor Vehicles (TxDMV) Board
From: Matthew Levitt, Human Resources Director
Agenda Item: 8.D
Subject: TxDMV Workforce Update

RECOMMENDATION

This is a briefing to provide an update of the TxDMV workforce.

PURPOSE AND EXECUTIVE SUMMARY

Provide a briefing overview of the TxDMV workforce that includes:

- Workforce Demographics

The TxDMV workforce has 802 full-time equivalent (FTE) positions; and has 733 filled positions. This overview includes comparisons of the TxDMV workforce with all Texas state agencies based on gender, race, age, and tenure (at both TxDMV and overall state employment experience). The overview also includes a breakdown of employees who work in the Austin headquarters and those who work in regional offices across the state.

- Employee Turnover

In the past, employee turnover at TxDMV had been consistently lower than that of other Texas state agencies. However, in fiscal year 2019 TxDMV experienced an increase in employee turnover. TxDMV’s employee turnover decreased slightly in FY 2020 and remained consistent in FY 2021.

- Market Salary Adjustment:

The vast majority of TxDMV employees were paid significantly below their pay range midpoint, which is the market rate of pay. TxDMV undertook a major project of increasing pay competitiveness by providing 50% of TxDMV employees salary equity adjustments at a cost of approximately \$1.4 million.



TxDMV Workforce Overview

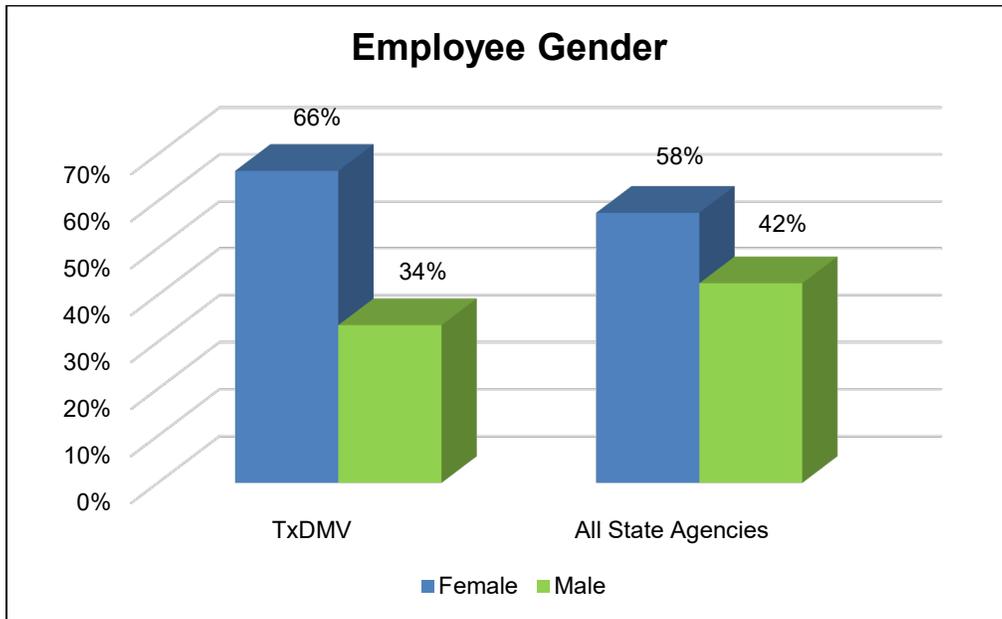
The TxDMV workforce has 802 full-time equivalent (FTE) positions and there are currently 733 filled positions. Following is an overview of the TxDMV workforce, including:

- Demographic comparisons with overall statewide employment at other Texas state agencies,
- Information on employee turnover,
- Recent market salary adjustments to increase competitiveness of pay

WORKFORCE DEMOGRAPHICS

Gender

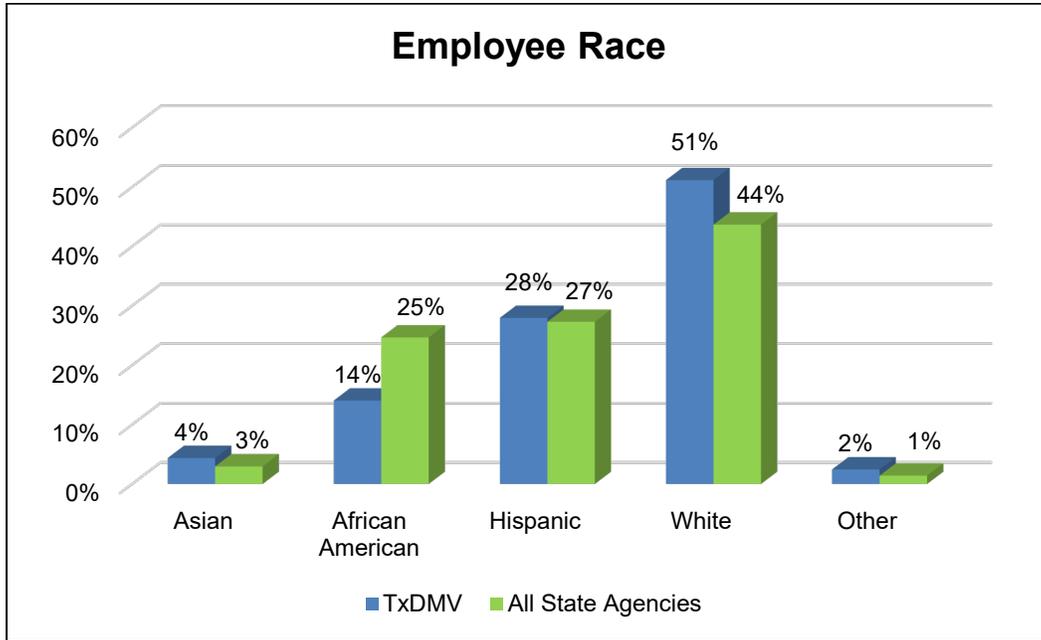
Approximately two thirds of the TxDMV workforce is female and one third is male. This is a higher percentage of women compared to other Texas state agencies at 58%. Over the past 5 years, TxDMV’s proportion of male and female employees has remained consistent.





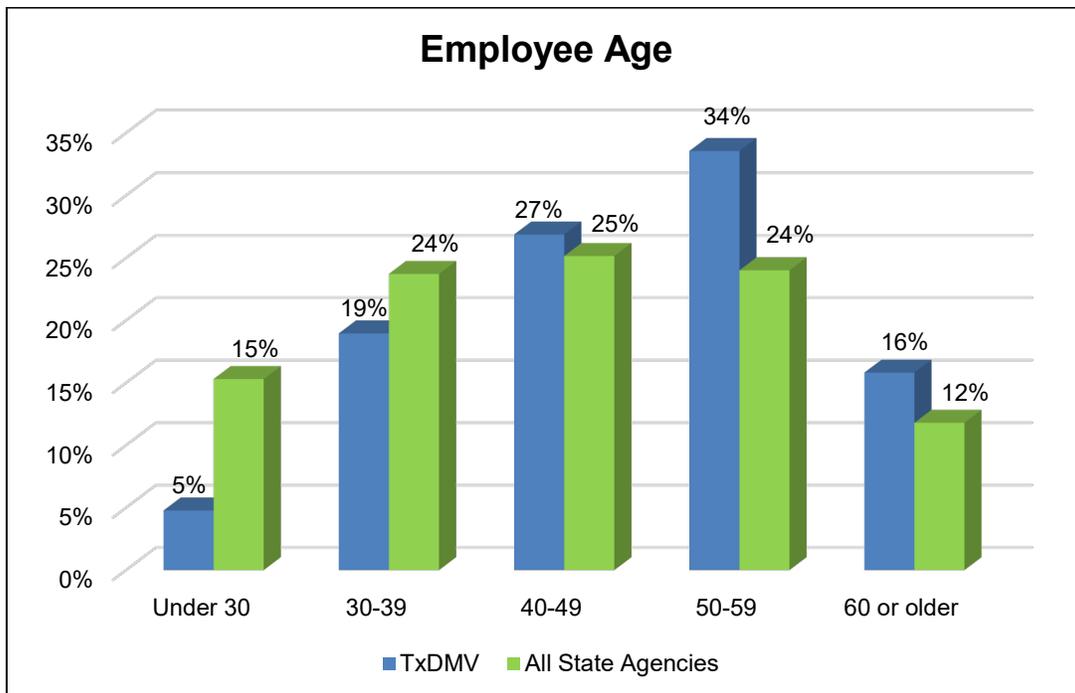
Race

TxDMV has a diverse workforce. Over the past 5 years, TxDMV’s employee ethnicity has remained fairly consistent.



Age

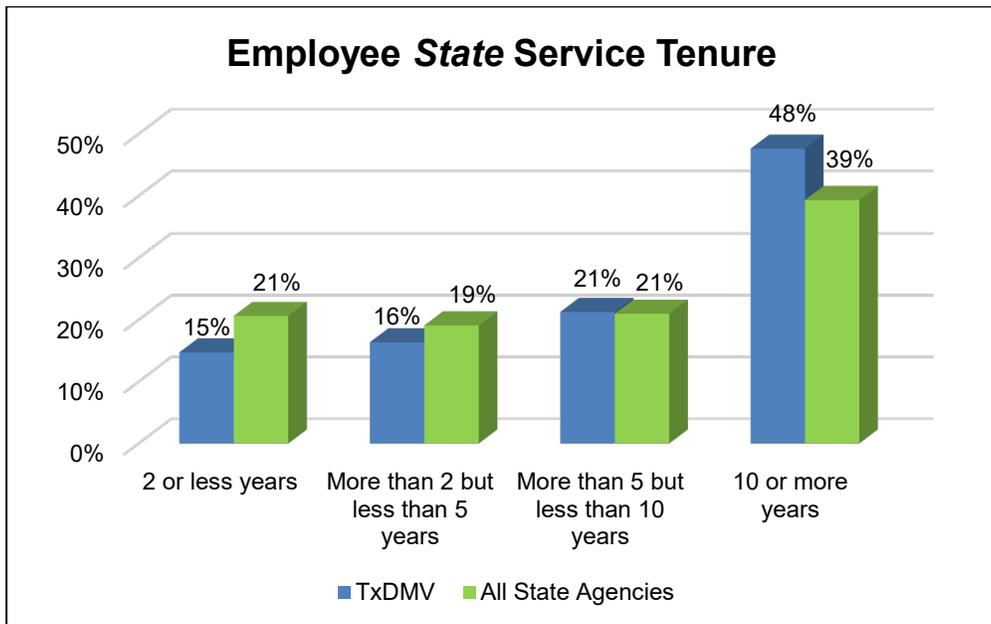
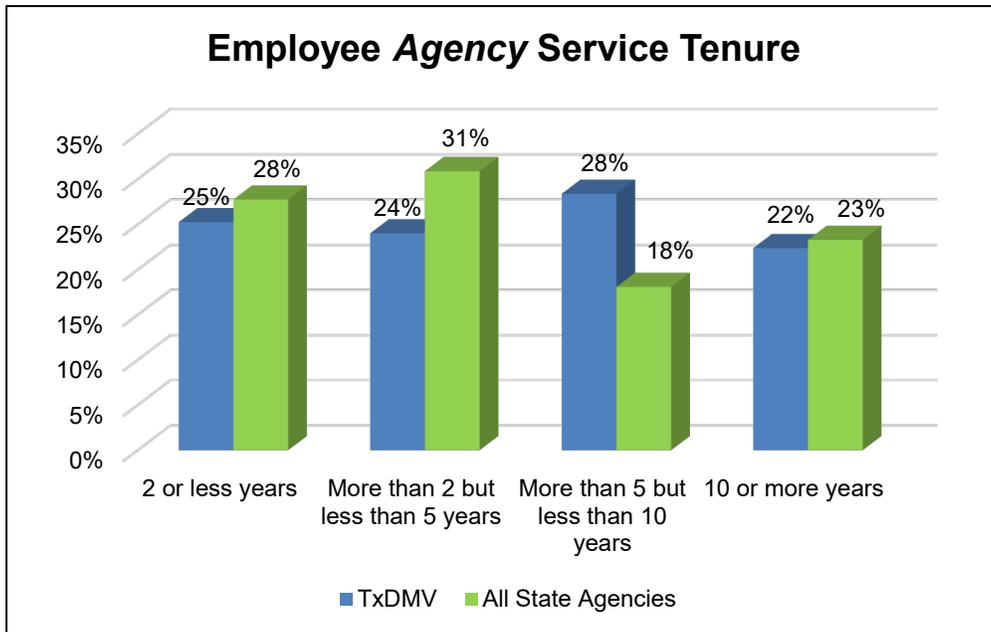
TxDMV’s workforce is older than the workforce in other Texas state agencies. More than three fourths of employees are forty or older and only five percent of employees are under thirty years old.





Employee Tenure

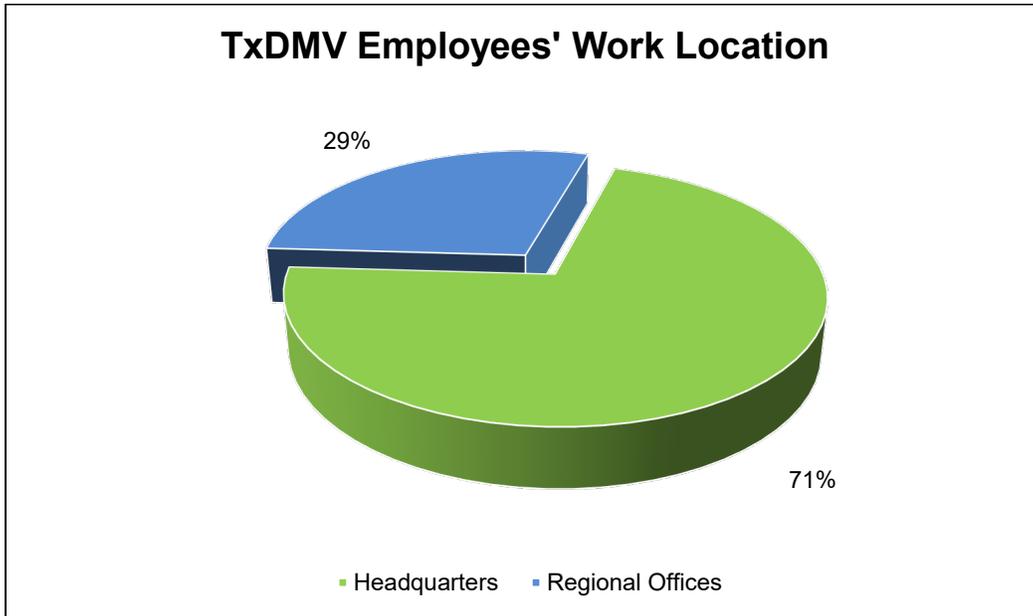
Nearly a quarter of employees (twenty two percent) have worked for TxDMV for ten or more years and half of employees have been working for TxDMV for over five years. The percentage of employees with at least five years of TxDMV tenure has remained relatively constant around 50%, whereas the percentage of employees at other Texas state agencies with at least five years of tenure with the agency has decreased from 50% in FY 2019 to 41% in FY 2020 and 2021.



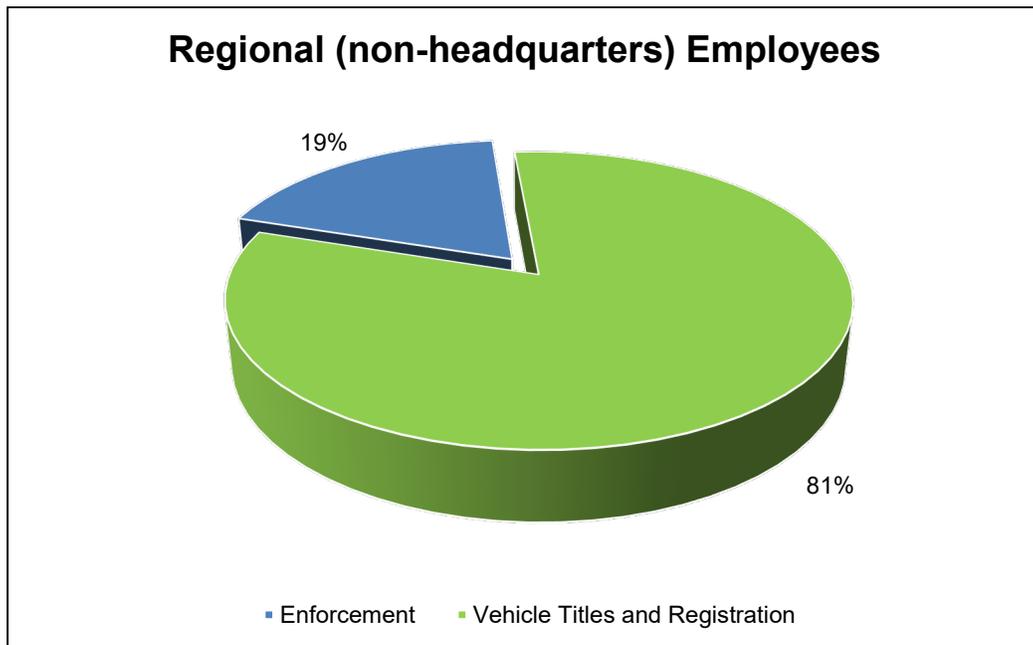


Work Location

More than seventy percent of employees work in the Austin headquarters, while over 200 employees work in regional offices around the state.



More than three fourths of the regional employees work in the Vehicle Titles and Registration Division. The remaining employees work in the Enforcement Division.





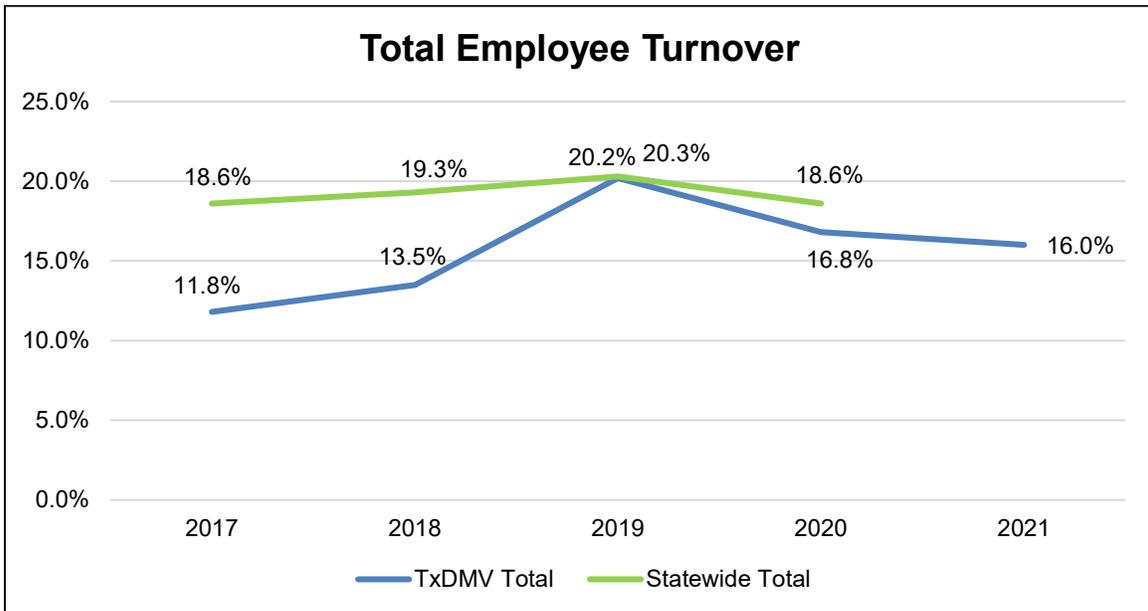
EMPLOYEE TURNOVER

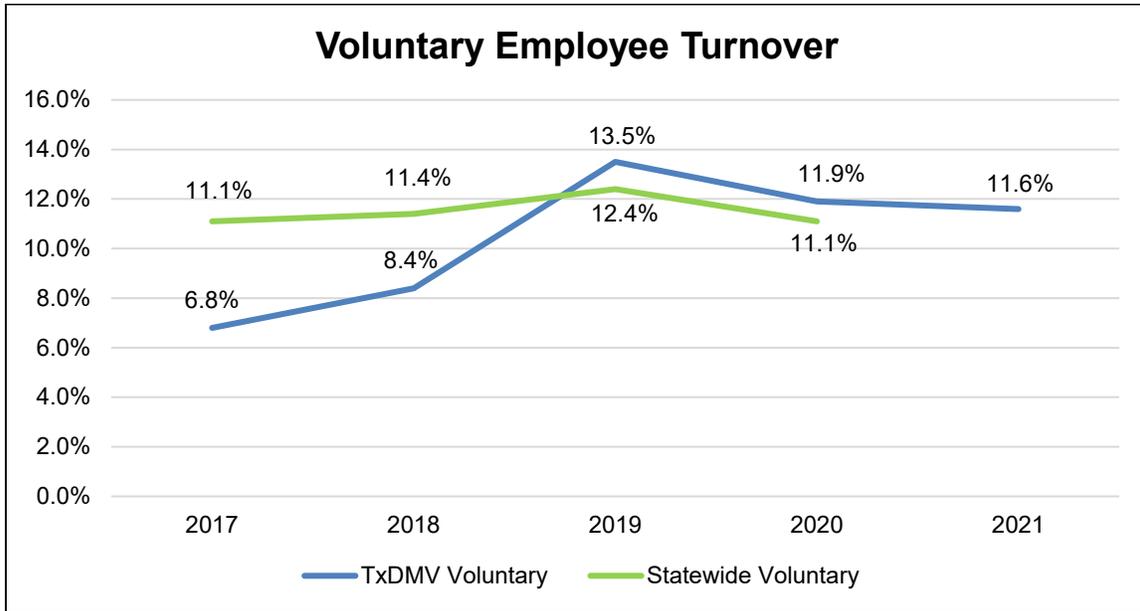
Historically, TxDMV’s turnover rate has been consistently well below the statewide rate for all Texas state agencies up until FY 2019 when the TxDMV turnover rate increased to 20.2%, nearly identical to the statewide rate. TxDMV’s employee turnover rate declined to 16.8% in FY 2020 and remained fairly consistent in FY 2021 with a turnover rate of 16.0%.

Following are the reasons for the 118 separations in 2021 and the percentage of the total TxDMV separations:

Reason	Separations	Percentage
Voluntary Separation	58	7.8%
Transfer to Another State Agency	28	3.8%
Retirement	20	2.7%
Dismissal for Cause	11	1.5%
Death	1	0.1%
Total	118	

The following graphs show the total turnover and voluntary turnover rates compared to other Texas state agencies over the last five years (*statewide data are not included for FY 2021, because the data have not yet been released*).





Following are several observations regarding employee turnover for FY 2021:

- For the last two years, the turnover rate for employees with less than two years of tenure at TxDMV has been dramatically higher than in the past. In FY 2021, 60 of the 118 separating employees were within their first two years of employment at TxDMV and the turnover rate among these new employees was 28.2%.
- For the past two years, the turnover rate for African American employees has been significantly higher than the rate for white and Hispanic employees.
- Employee job classification titles that had particularly high turnover rates include:
 - Director turnover rate increased from 9.8% in FY 2020 to 34.6% in FY 2021
 - IT infrastructure titles increased from 4.7% in FY 2020 to 23.3% in FY 2021.
 - The turnover rate for financial titles remained high in FY 2021.



MARKET SALARY ADJUSTMENT PROJECT

TxDMV undertook a major review to evaluate the competitiveness of employee pay in response to several factors, including increased employee turnover, the State Auditor's Office report identifying TxDMV as a high turnover agency, and employee dissatisfaction with pay. We found that the vast majority of TxDMV employees were paid significantly below their pay range midpoint, which is the market rate of pay as determined by the State Auditor's office.

In order to increase the competitiveness of pay compared to market rates, TxDMV evaluated all employees for consideration of a salary equity increase. A primary factor for consideration in receiving a salary equity increase was employee pay compared to their pay range midpoint. Additionally, employee salary increases were based on TxDMV tenure and employee performance. As a result of this project, salary equity increases were granted to 50% of TxDMV staff at a total cost of just over \$1.4 million. These salary equity adjustments went into effect on September 1, 2021.



BOARD MEETING DATE: 12/2/2021
BRIEFING

To: Texas Department of Motor Vehicles Board
From: Leah Leone, Employee Ombudsman/Civil Rights Officer
Agenda Item: 8.E
Subject: Ombudsman Activities

RECOMMENDATION

Briefing Only.

PURPOSE AND EXECUTIVE SUMMARY

To brief the Board on the duties and activities of the office of the Employee Ombudsman.

FINANCIAL IMPACT

No financial impact.

BACKGROUND AND DISCUSSION

The office of the Employee Ombudsman was created in FY2020 at TxDMV. The Employee Ombudsman assumed responsibilities of the office on 1 November 2020. The Employee Ombudsman acts as a neutral, impartial, and confidential resource who assists employees in informally resolving workplace conflict and process issues.

Employee Ombudsman activities include:

- Exploring and assisting employees in determining options to help resolve workplace conflict
- Bringing about awareness of systematic concerns to the attention of upper-level management for resolution
- Facilitating conversation
- Mediation
- Training and Team Building
- Conflict Coaching
- Participating in employee engagement and information forums
- Cross collaboration with senior level executives and mid-level management

Process and Function:

The Employee Ombudsman receives and responds to internal employee complaints that fall within the Ombudsman's jurisdiction within 24 to 48 hours. A key component of the Ombudsman's role is to help management and the employee learn how to navigate interpersonal issues in the workplace that

create conflict. Another important role of the Ombudsman is to educate and train the employee how to manage conflict at the employee level, using self-help techniques, enhanced communication, conflict resolution and conflict coaching.

Providing employees with direct contact to an Employee Ombudsman who can be a confidential sounding board, will ultimately help boost employee morale, and help realign the employee with the agency's mission, vision, and values.

Value Added:

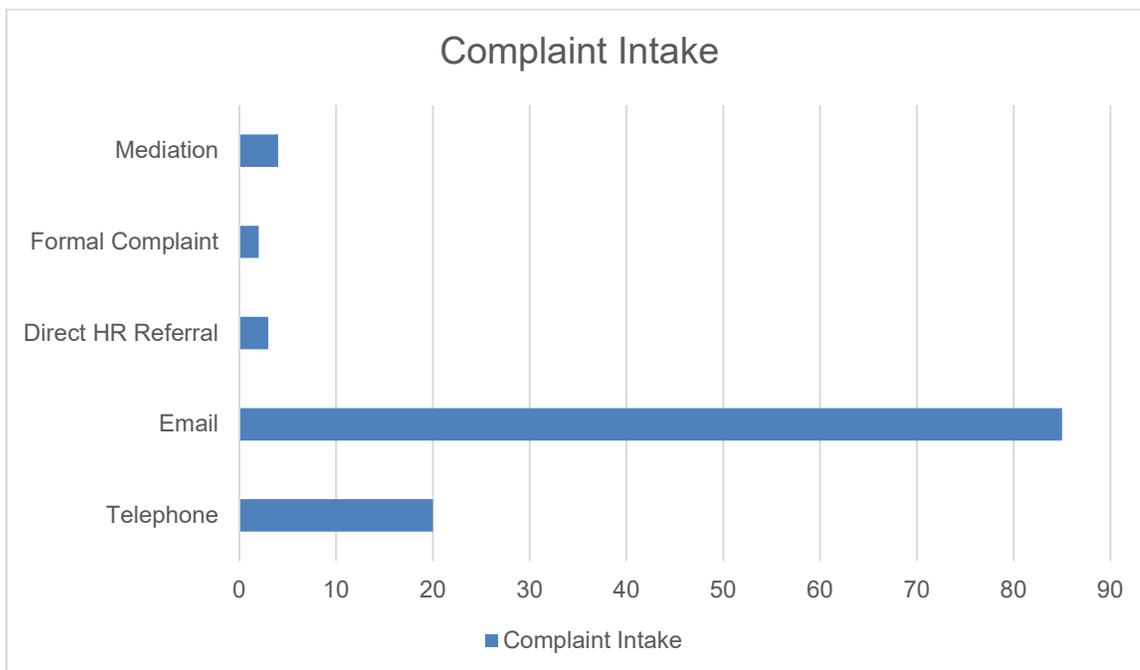
The value added of having an Employee Ombudsman is to reduce the likelihood of mismanaged, and unresolved conflict in the workplace which may result in sizeable financial and human costs to an agency.

Mediation:

Another value added is the ability to offer alternative dispute resolution to all levels of staff such as facilitated conversation, and mediation.

Properly managed workplace conflict has been shown to mitigate risk, increase productivity, decrease absenteeism, and employee turnover.

The overarching role of the Employee Ombudsman is to empower employees to successfully manage and resolve their workplace conflict at the staff level without the need to escalate up the chain of command. Such actions alleviate the need for managerial involvement which can save time, resources, and contributes to greater employee satisfaction.



[Fig. 1.]



BOARD MEETING DATE: 12/2/2021
BRIEFING

To: Texas Department of Motor Vehicles Board
From: Corrie Thompson, Enforcement Division Director
Agenda Item: 8.F
Subject: Organizational Structure Update – Compliance and Investigations Division Transferred to Enforcement Division

RECOMMENDATION

Briefing Only.

PURPOSE AND EXECUTIVE SUMMARY

Provide an update on the transition of Compliance and Investigations Division (CID) activities and staff to the Enforcement Division (ENF).

FINANCIAL IMPACT

None.

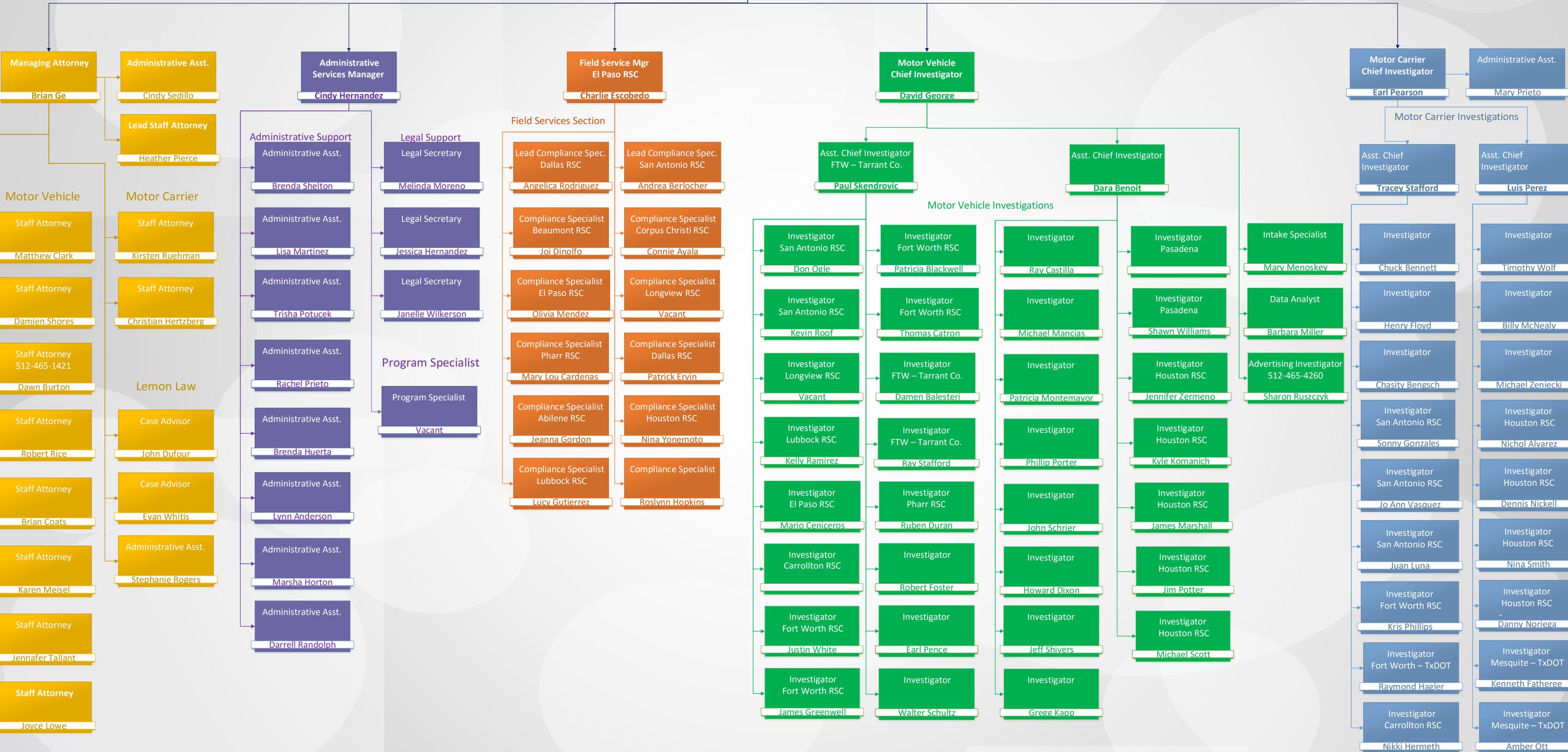
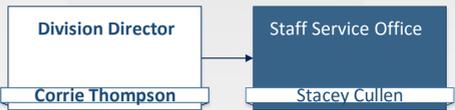
BACKGROUND AND DISCUSSION

CID became part of ENF effective August 1, 2021 to improve efficiencies in case processing and reduce confusion on where people can go for assistance. Since the transition, staff have been actively working on the following:

1. Training and Case Processing
 - a. Newly assigned CID investigators were trained on conducting investigations involving Motor Vehicle and/or Salvage dealers and on use of the ENF side of eLICENSING for case reporting.
 - b. CID data and administrative support staff were trained on the ENF side of eLICENSING, to include running of daily and end of month reports and case intake. Additional training on webDEALER and the eTAG system is also in the works.
 - c. ENF obtained authority for supervisory staff and administrative support staff to have access to RTS Core so ENF-Motor Vehicle Investigations (MVI) can add and remove legal restraints and place and remove title rejections on motor vehicle records associated with red flag cases without the need to involve Vehicle Titles and Registration Division staff.
2. County Communication
 - a. Provided a webinar hosted by VTR, ENF-Field Services Section (FSS), and ENF-MVI, to educate County Tax Assessor-Collectors (TACs) and their staff on the roles, responsibilities, and services each section provides along with contact information. The webinar was well received with a total of 295 participants.
 - b. Red Flag Referrals (RFR) – The Red Flag Referral process was transitioned to MVI effective October 2021. Previously, FSS staff provided administrative support by maintaining a spreadsheet to track transactions being received. Transitioning referral tracking to the investigative section allows compliance specialists in Austin to devote their efforts solely to compliance reviews.
 - i. A county communication detailing revisions to the RFR process that expedite processing of TAC submissions was sent November 4th. Efforts to streamline the submission process detailed in the communication include:

1. RFRs being captured through the Online Motor Vehicle Dealer Complaint Portal. This expands the tracking of red flag referrals beyond the manual spreadsheet being maintained and expedites transaction processing.
 2. A step-by-step guide was developed and distributed with this communication to assist TACs in processing the transactions through the portal.
 3. A new, easy to remember, email was implemented to streamline communications between TACs and ENF. The new email is RedFlag@txdmv.gov.
 4. A new Red Flag Submission cover sheet was created to allow county staff to submit pertinent information required for ENF to process red flag referrals.
 - ii. In the spring of 2022, the Online Motor Vehicle Dealer Complaint Portal will be enhanced to include a specific Red Flag option for county submissions as well as a new electronic complaint form.
3. Compliance Reviews
- a. A new KPI was developed to report section viability to the Board. The KPI is “Average Number of Calendar Days to Conclude a County Compliance Review”. This increases transparency with our partners by providing a measure of the acceptable turnaround time of completion of a county review. FY22 will be used to develop a baseline.
 - b. An IT ticket was submitted to modify eLICENSING pages for use with Compliance Review Reports. The expectation is to move away from typing a compliance review on MS Word and instead enter this information directly into eLICENSING. This will allow the tracking of compliance reviews electronically for streamlined reporting functions.
 - c. Several revisions are being developed to update the current Compliance Review Standard Operating Procedures. The following is a summary of the items that will be changed:
 - i. Final Disposition of County Review – Final dispositions will be transitioned from a finding of “Concerns” and “No Concerns” to a risk level system (high, medium, low). This will convey a better representation of the county’s risk exposure.
 - ii. Expand review authority of a Compliance Specialist to all counties – Continue with a hybrid model of conducting compliance reviews, where the compliance specialist is not limited to conducting reviews to assigned area counties. The expanded authority will allow for a fresh set of eyes to examine county operations and prevent complacency by reviewing specialists.

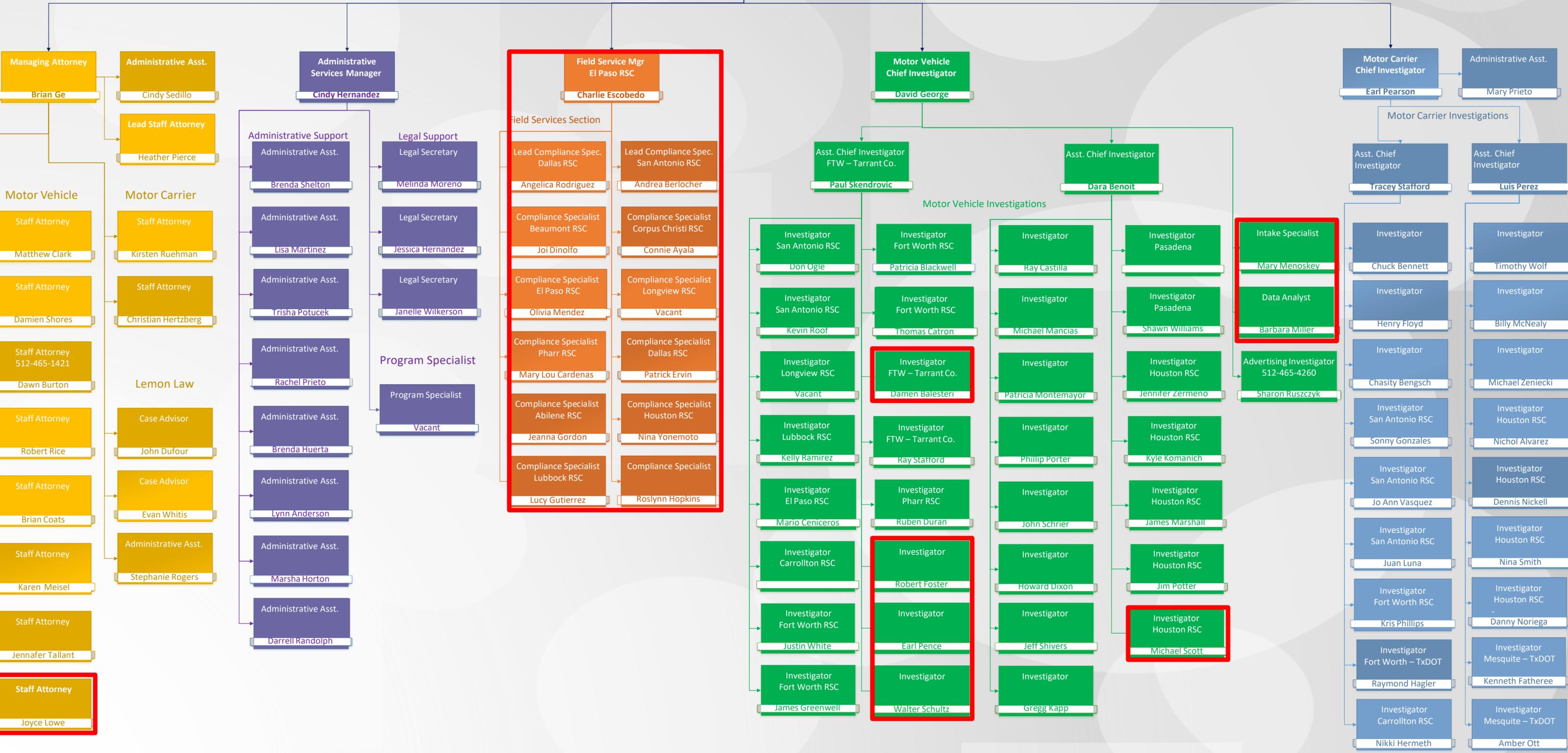
103 FTEs



103 FTEs

Division Director
Corrie Thompson

Staff Service Office
Stacey Cullen



**BOARD MEETING DATE: 12/2/2021****BRIEFING**

To: Texas Department of Motor Vehicles Board
From: Jimmy Archer, Motor Carrier Division Director
Agenda Item: 8.F
Subject: Consolidation of Motor Carrier Division's Credentialing and Commercial Fleet Services sections into the Motor Carrier Licensing and Registration Section

RECOMMENDATION

Briefing Only – No recommendation.

PURPOSE AND EXECUTIVE SUMMARY

To inform the Project and Operations Committee about a reorganization by the Motor Carrier Division (MCD) that consolidated the Credentialing and Commercial Fleet Services sections into the Motor Carrier Licensing and Registration Section.

FINANCIAL IMPACT

Some salary impacts largely offset by reducing the number of section managers by one.

BACKGROUND AND DISCUSSION

MCD saw an opportunity to serve customers more efficiently by consolidating these two sections under one manager with a vision for improving customer service.

The Credentialing business area is responsible for making sure motor carriers are properly registered with the TxDMV and/or Unified Carrier Registration and have the liability insurance coverage required by law. The Commercial Fleet Services operational area helps motor carriers to register and manage their fleets through the Commercial Fleet Program, as well as to register motor carriers in the International Registration Plan (IRP) to enable them to "apportion" their registration among the states where they travel. What these two operations have in common is registration, whether of motor carriers as a business or the vehicles used by these motor carriers.

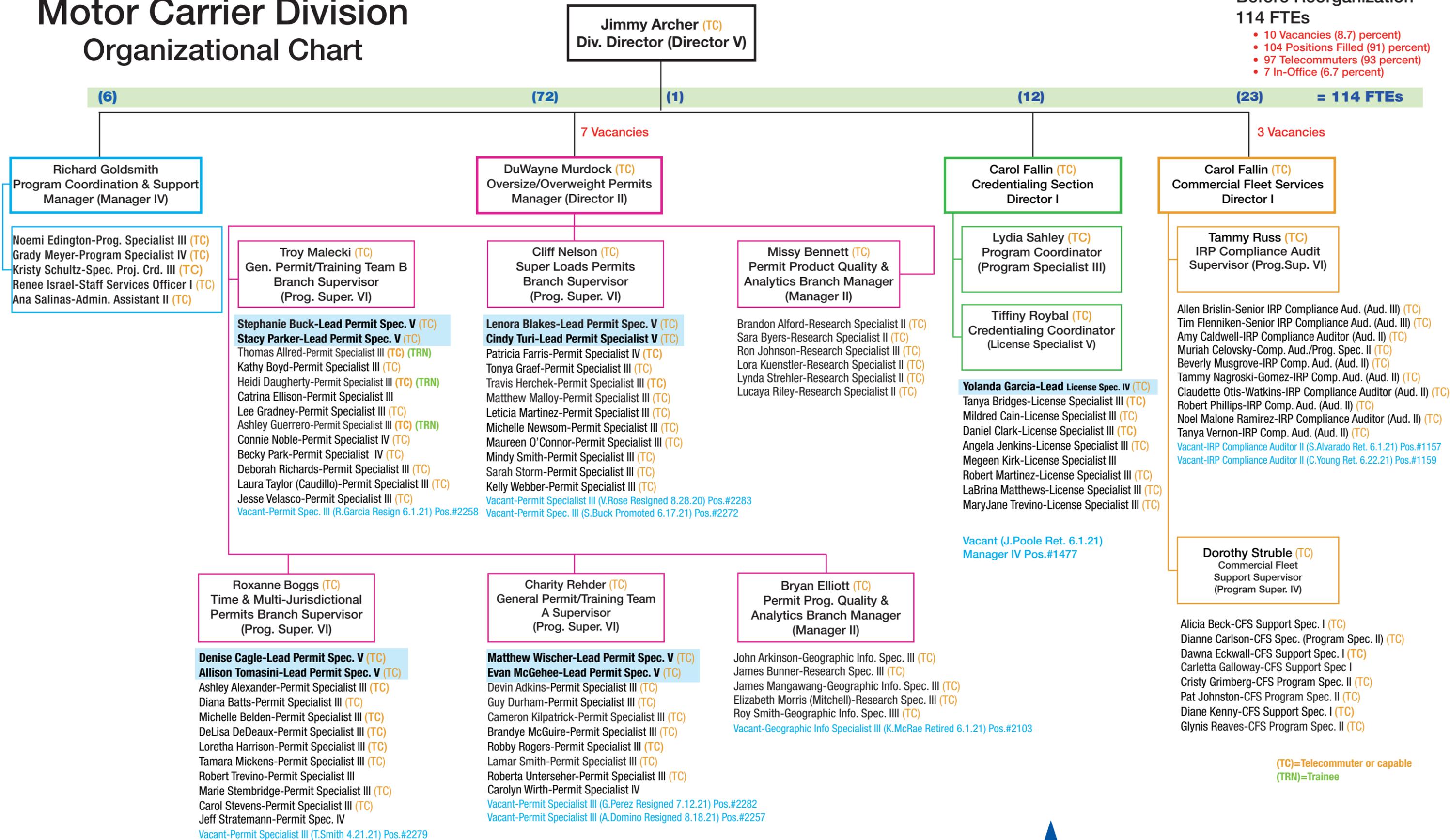
This reorganization allows MCD to realize a long-term goal of a one-stop shop for customers for licensing and registration. Call center staff for both programs will cross train to handle any customer. Customers will benefit as they will no longer need to make separate calls to multiple staff. Call center response time can suffer if one or both call centers is short staffed and call volume is high. Cross training staff will improve response times during these periods of peak demand.

The sections were formally merged on September 1, 2021, so that the change aligned with the fiscal year for budgeting purposes. Several job descriptions will be reclassified to allow these staff to be cross trained to take customer calls for either business operation.

Motor Carrier Division Organizational Chart

Before Reorganization
114 FTEs

- 10 Vacancies (8.7 percent)
- 104 Positions Filled (91 percent)
- 97 Telecommuters (93 percent)
- 7 In-Office (6.7 percent)

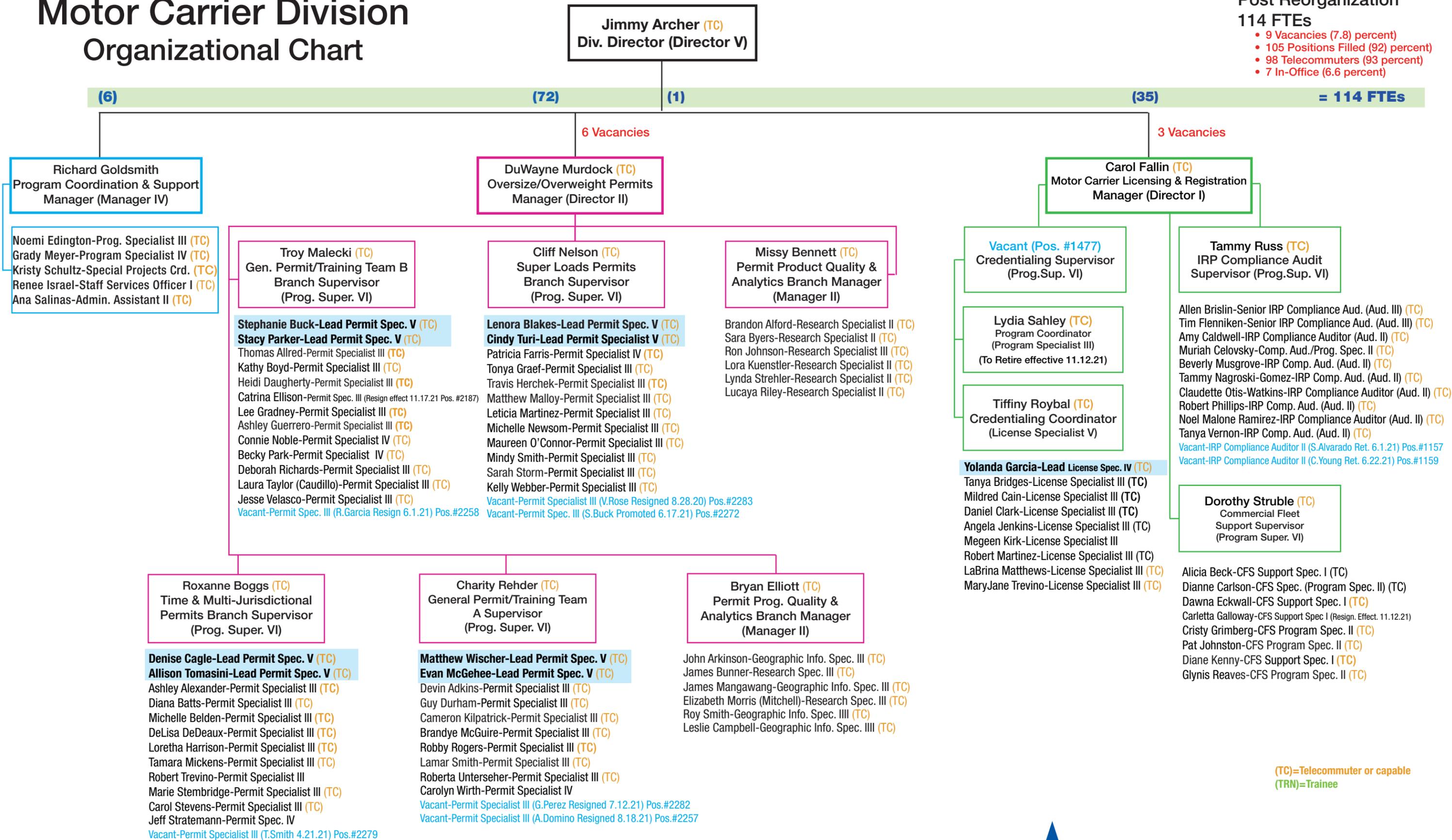


(TC)=Telecommuter or capable
(TRN)=Trainee

Motor Carrier Division Organizational Chart

Post Reorganization 114 FTEs

- 9 Vacancies (7.8 percent)
- 105 Positions Filled (92 percent)
- 98 Telecommuters (93 percent)
- 7 In-Office (6.6 percent)



(TC)=Telecommuter or capable
(TRN)=Trainee



BOARD MEETING DATE: 12/2/2021
BRIEFING

To: Texas Department of Motor Vehicles Board
From: Stefan Krisch, Vehicle Titles and Registration Division, Registration Section Director
Agenda Item: 8.F.
Subject: Organizational Structure Update – License Plate Manufacturing Transferred to Vehicle Titles and Registration Division

RECOMMENDATION

Briefing Only

PURPOSE AND EXECUTIVE SUMMARY

To outline the organizational adjustments implemented within the Department.

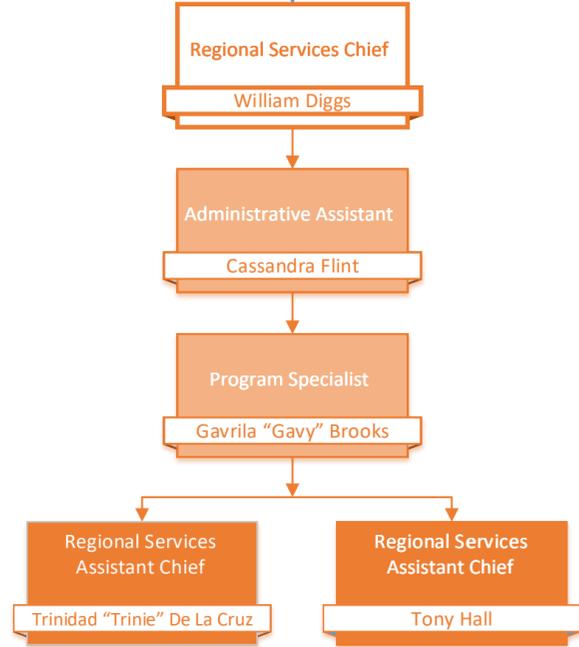
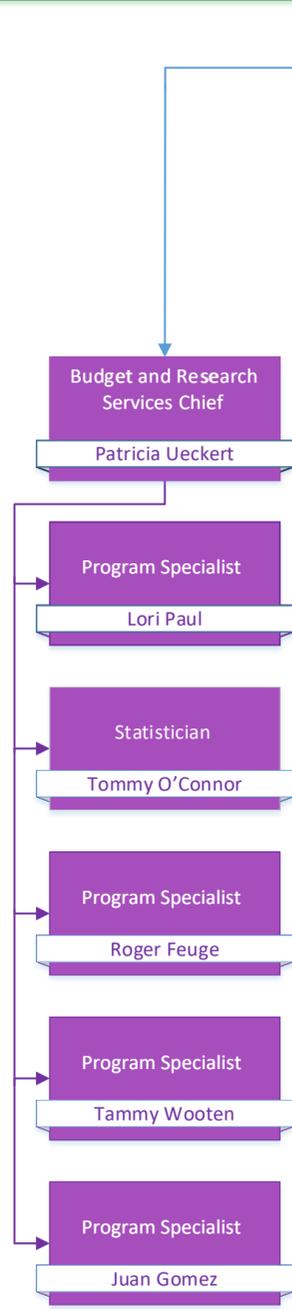
FINANCIAL IMPACT

None

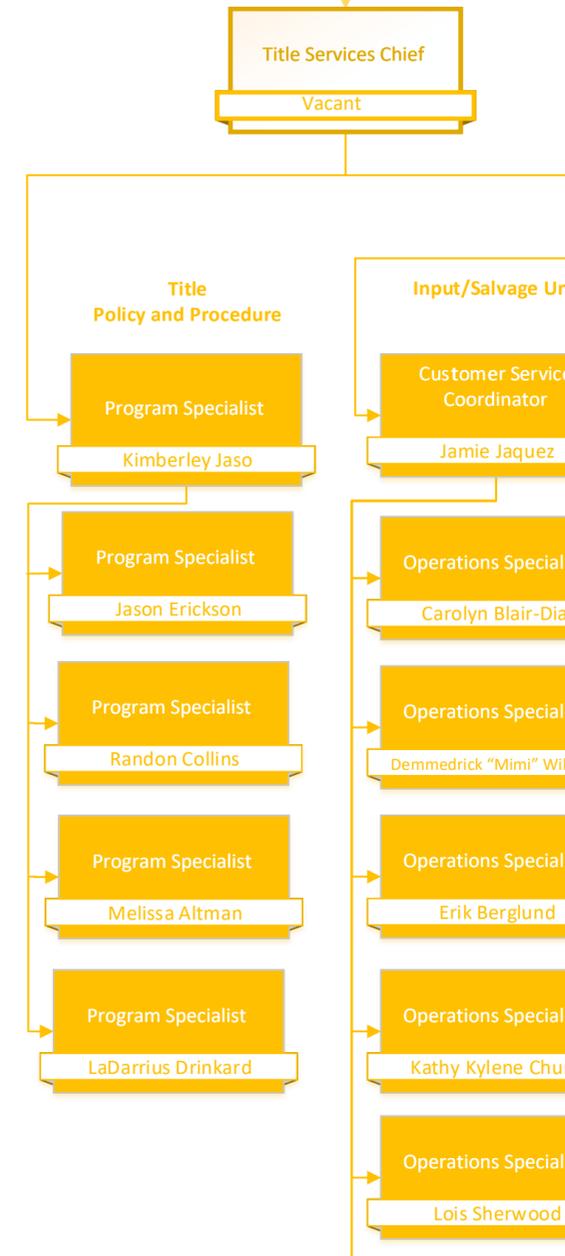
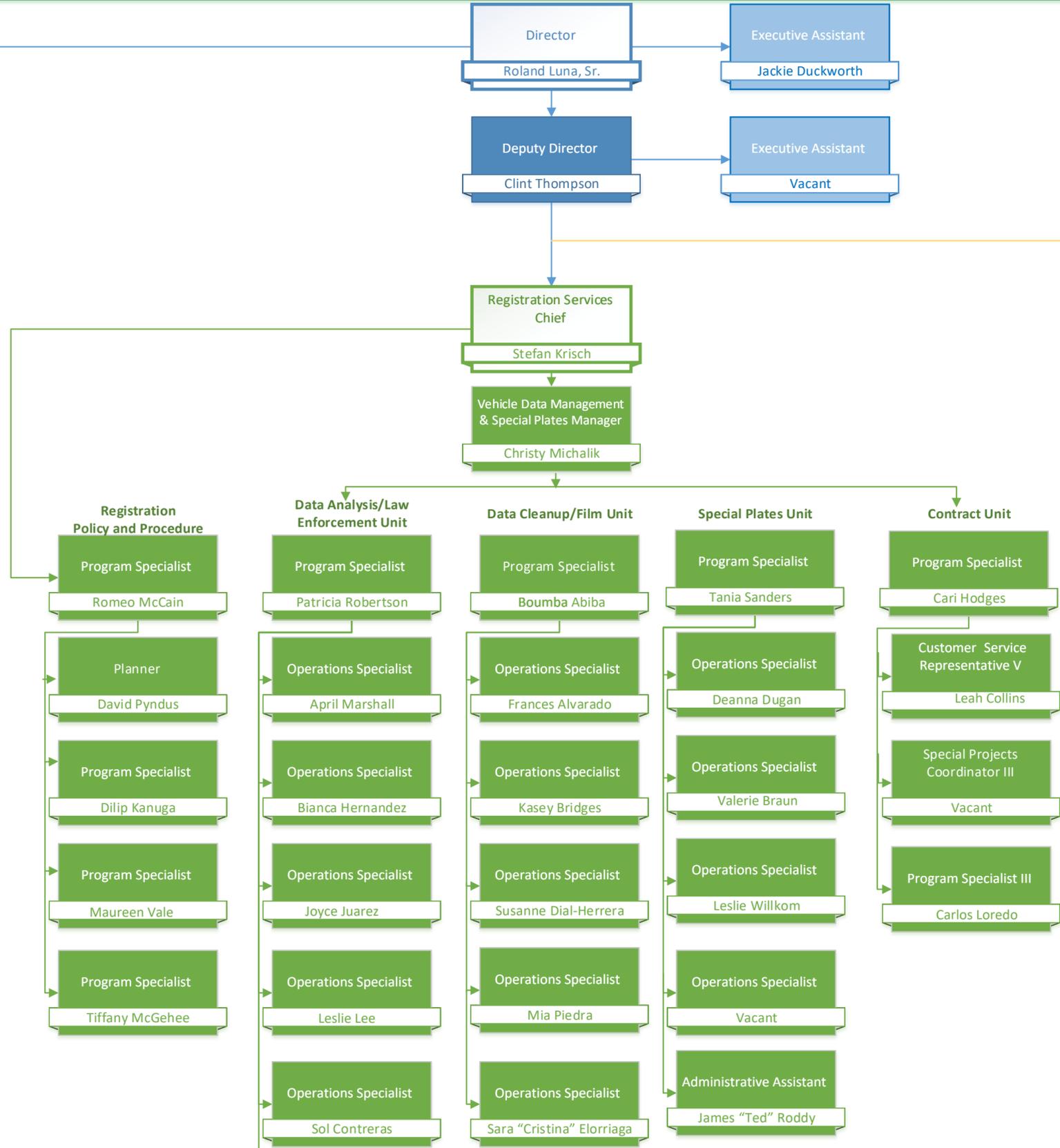
BACKGROUND AND DISCUSSION

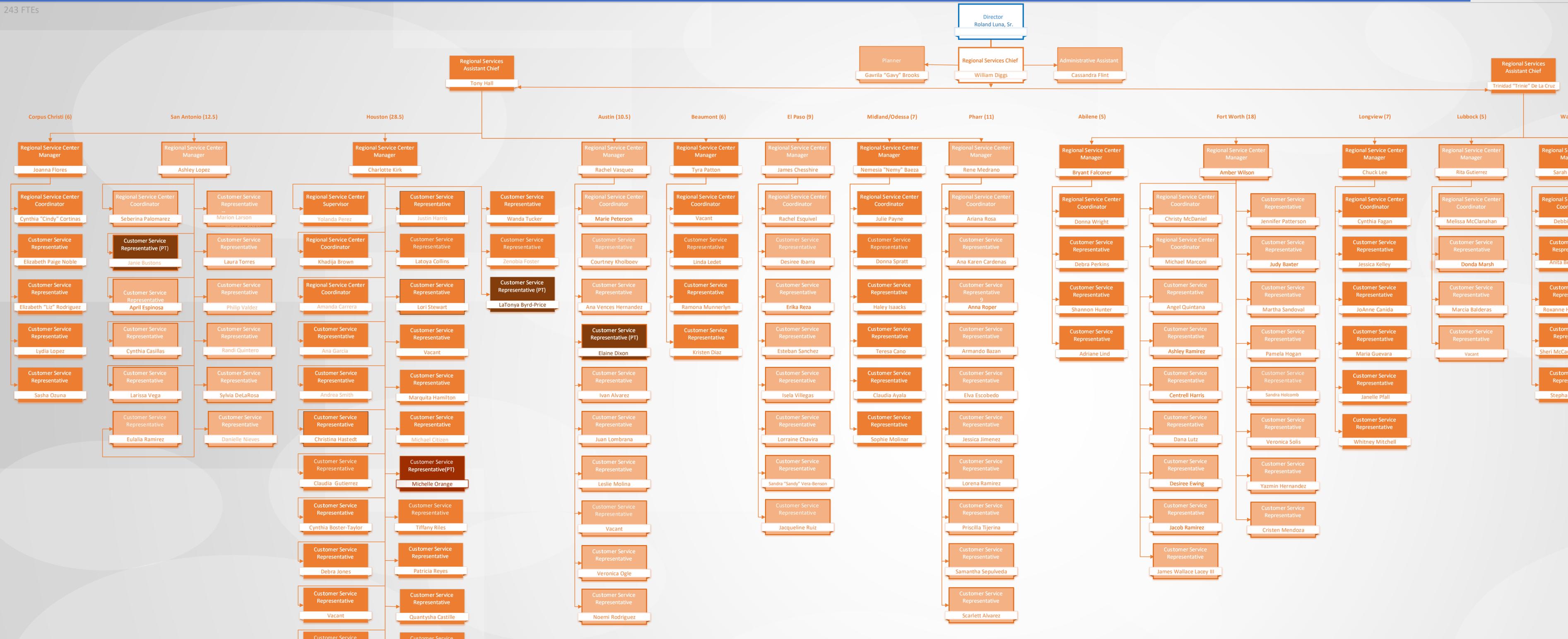
In July 2021, the Department's Internal Audit Division (IAD) concluded their License Plate Manufacturing and Monitoring audit. During the audit, IAD staff determined that 71% of the license plate manufacturing processes were monitored by VTR, but the oversight of this function was under the Finance and Administrative Services (FAS) division. In addition, VTR develops and approves omitted license plate production sequences used to create the license plates. As such, the Department transferred oversight of the operation from FAS to VTR. The transfer included three staff members, two of which work at the TDCJ Wynne Unit in Huntsville, TX, and one staff member at headquarters in Austin, TX.

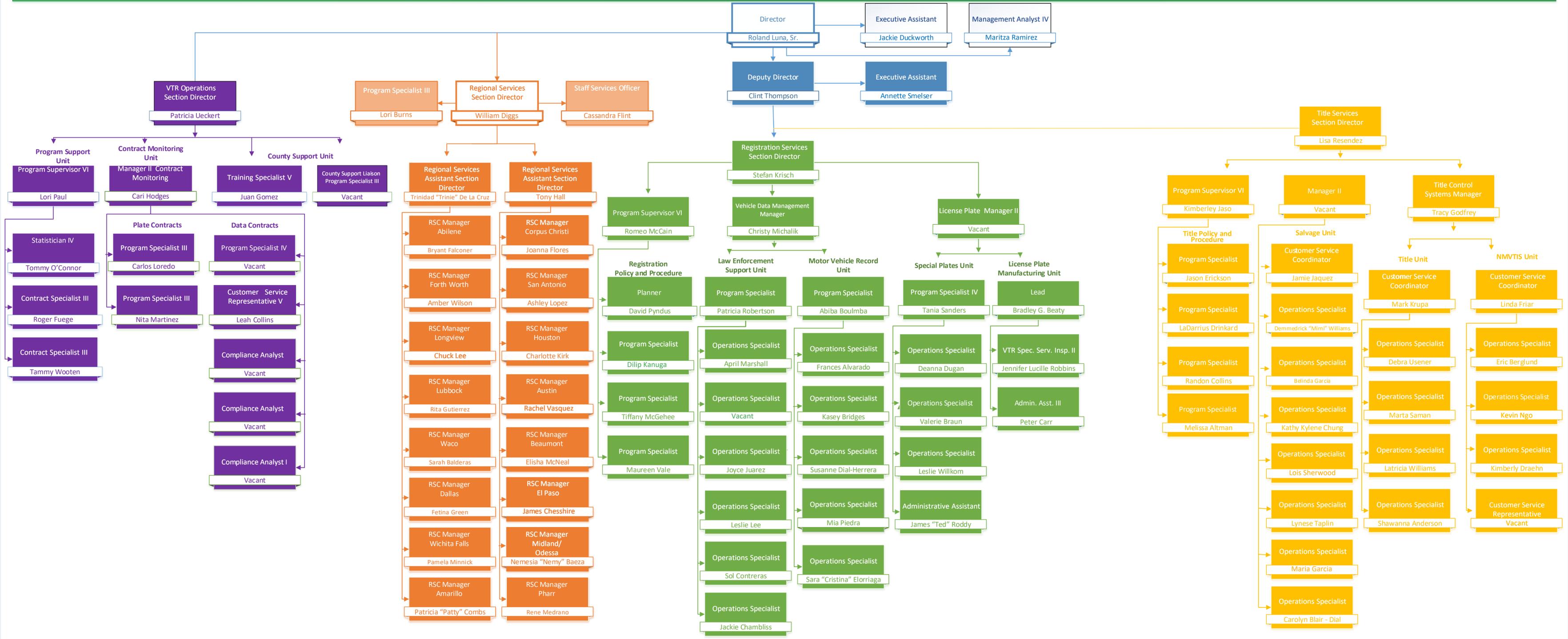
Additionally, as part of the transition, VTR conducted an extensive evaluation of program areas and sections to develop a new organizational structure. Organizational considerations included program effectiveness, efficiency, manager to staff ratio, natural alignment of programs, what made business sense, and fairness. The new structure creates a manager position to oversee the license plate manufacturing and allocation processes that reports to the Registration Services Section Director. This will allow the manager to have a deeper level of engagement in respective program areas, afford time and attention to priorities, increase program efficiency, provide an improved span of control and responsibility, and help VTR and TxDMV achieve our goals and address the audit findings.

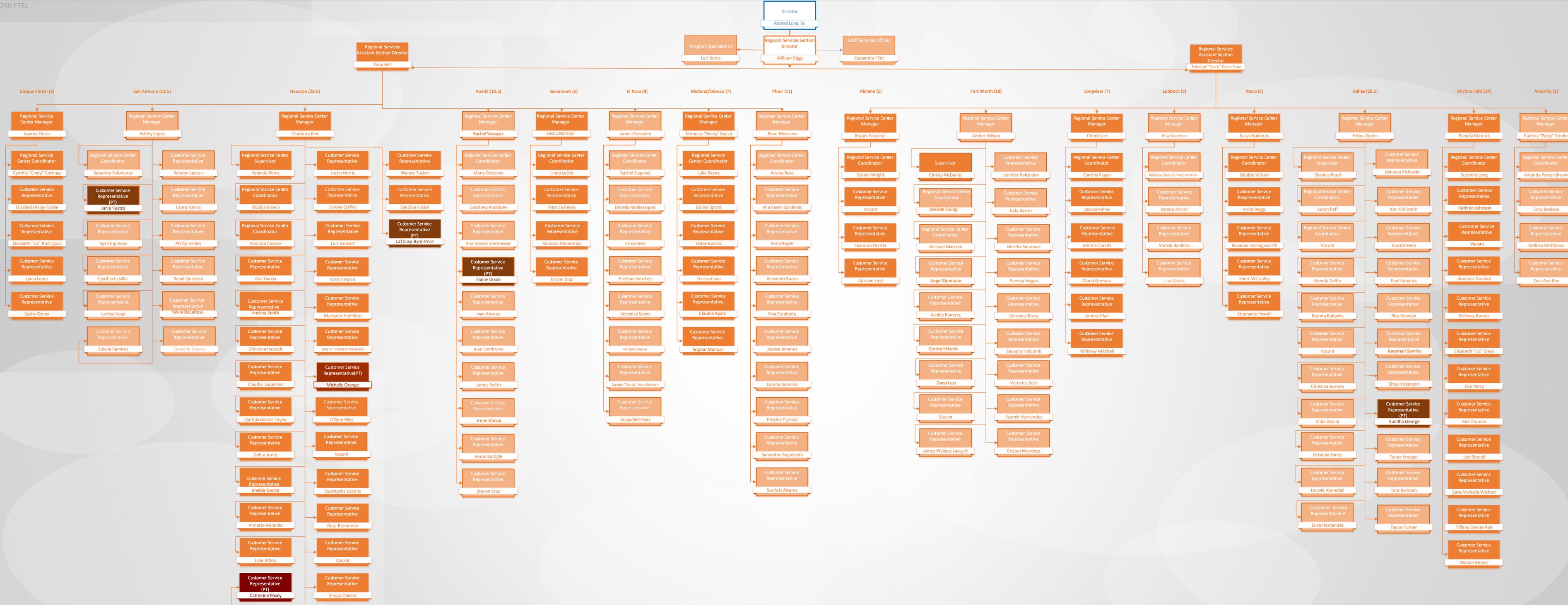


See page 2 for all Regional Services Section staff.











BOARD MEETING DATE: 12/2/2021
BRIEFING

To: Texas Department of Motor Vehicles Board
From: Jason Gonzalez, Internal Audit Division Interim Director
Agenda Item: 9.A
Subject: Internal Audit Division Status Report

RECOMMENDATION

Briefing Only – No recommendation

PURPOSE AND EXECUTIVE SUMMARY

The status update provides information on current Internal Audit Division (IAD) activities. The October 2021 update contains information on internal and external engagements.

FINANCIAL IMPACT

None.

BACKGROUND AND DISCUSSION

At every TxDMV Board meeting, IAD provides an update and status on current activities. For the December 2021 update, the IAD is providing the following information:

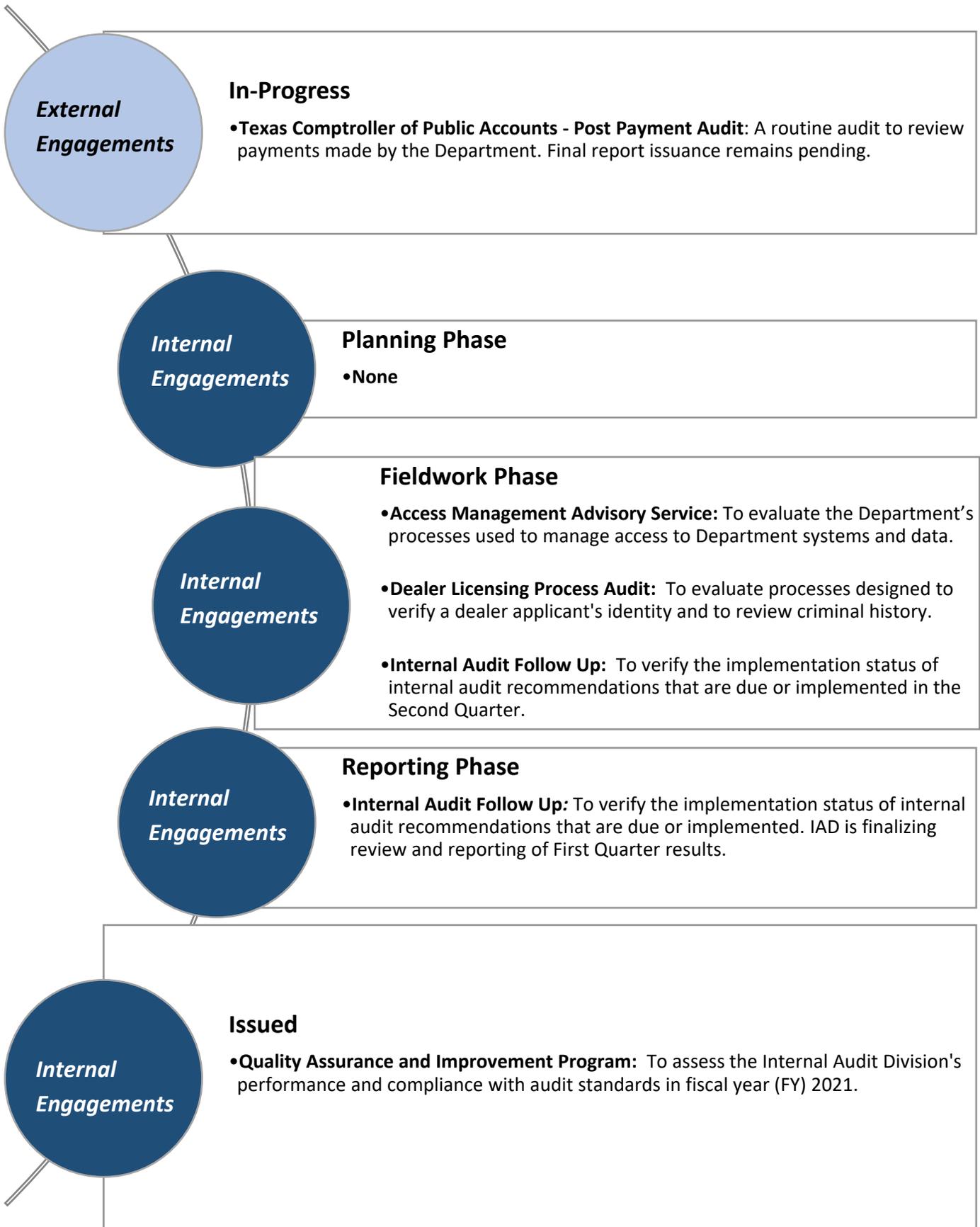
Internal Engagements

- Five engagements have been started since the beginning of fiscal year. Out of those five engagements, two engagements have been completed and the other engagements are in various stages of completion. The completed engagements are the required Annual Activities Report and the Quality Assurance and Improvement Program Report.

External Engagements

- The Texas Comptroller of Public Accounts has completed testing for the routine post payment audit. The final report remains pending.

December 2021 Internal Audit Division Status





Fully Compliant

One Opportunities of Improvement Identified:
• Retention and Recruitment Procedures

External Assessment



Tracks progress with any recommendation issued



Internal Audit Standards

Evaluates the Division's compliance with required audit standards



Implemented

Sample selection documentation included in engagement templates.

QAIP Results

Annual Assessment of Internal Audit's Effectiveness

90% of KPIs Met



Capability Model



Framework that identifies key needs for an effective Public Sector Internal Auditing function using a 5-level scale.



920 Hours Spent



223 Complaints Handled



20 Internal Allegations & Investigations



8 Allegations Substantiated



Key Performance Indicators (KPIs)

Determines IAD effectiveness based on 10 KPIs.

Level 4



Improvements

- Leveraging the Department's Management of Risk



Fraud, Waste, and Abuse

Oversees Internal Fraud, Waste, and Abuse Program and reviews all State Auditor's Office Complaints.



Texas Department *of* Motor Vehicles

HELPING TEXANS GO. HELPING TEXAS GROW.

Quality Assurance and Improvement Program Report 22 – 02

Internal Audit Division

November 2021



Texas Department of Motor Vehicles

Quality Assurance and Improvement Program, 22-02

Executive Summary

BACKGROUND

The Internal Audit Division (IAD) follows (1) the audit standards prescribed by the Institute of Internal Auditors' International Standards for the Professional Practice of Internal Auditing (IIA Standards), the Definition of Internal Auditing, the Core Principles for the Professional Practice of Internal Auditing and the Code of Ethics; (2) U.S. Government Accountability Office's (GAO) Generally Accepted Government Auditing Standards (GAGAS); and (3) Texas Internal Auditing Act, Texas Government Code, Chapter 2102 (Act). These audit standards require IAD develop and maintain a Quality Assurance and Improvement Program (QAIP) that includes both internal and external assessments.

Internal assessments are ongoing monitoring of the performance of the internal audit activity, as well as annual self-assessment reviews. The IIA Standards require the results of internal assessments be communicated to the governing board at least annually.

This report provides a summary of Internal Audit Division's fiscal year 2021 activities and compliance with applicable audit standards, including information on which Key Performance Indicators were met, on its Capability Model progress, and fraud, waste, and abuse allegation handling. It also provided information on the progress made in implementing external assessment recommendations.

RESULTS

For FY 2021, the division complied with all internal audit standards and most of its Key Performance Indicators. In addition, IAD improved to an overall *Level 4* in the Capability Model while continuing to improve in individual categories of the model.

While the division complied with all audit standards, one opportunities of improvement was identified to document the activities related to recruiting and retaining talent.

The division also tracked and handled a total of 223 fraud, waste, and abuse allegations and spent a total of 920 hours on fraud, waste, and abuse activities.

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Background

The Texas Department of Motor Vehicles (TxDMV) - Internal Audit Division (IAD) follows (1) the audit standards prescribed by the Institute of Internal Auditors' International Standards for the Professional Practice of Internal Auditing (IIA Standards), the Definition of Internal Auditing, the Core Principles for the Professional Practice of Internal Auditing and the Code of Ethics; (2) U.S. Government Accountability Office's (GAO) Generally Accepted Government Auditing Standards (GAGAS); and (3) Texas Internal Auditing Act, Texas Government Code, Chapter 2102 (Act). These audit standards require IAD develop and maintain a Quality Assurance and Improvement Program (QAIP) that includes both internal and external assessments:

- Internal assessments are ongoing monitoring of the performance of the internal audit activity, as well as annual self-assessment reviews. The IIA Standards require the results of the internal assessments be communicated to the governing board at least annually.
- External assessment (Peer Review) is a review of the IAD conducted by a qualified, knowledgeable Peer Review team. The Peer Review team will determine if the division conforms with applicable standards and the external assessment may provide feedback on operational and strategic issues.

Internal Assessments

IAD's internal assessments include ongoing monitoring as well as an annual self-assessment. The ongoing monitoring includes a review of all audit documentation, audit recommendations, and reports for each engagement conducted by the IAD in a fiscal year prior to finalizing an engagement file.

The annual self-assessment includes verifying IAD followed all required compliance and performance audit standards. In addition, IAD provides progress and result information on the following:

- Key Performance Indicators (KPIs)
- Institute of Internal Auditors (IIA) – Internal Audit Capability Model for the Public Sector (Capability Model)
- Fraud, waste, and abuse allegations and disposition
- External assessment recommendations progress

External Assessments

Every three years, the IAD Director begins the process to obtain a Peer Review team. The Peer Review team issues a public report rendering an overall opinion on whether IAD complied with the audit standards and whether QAIP provides reasonable assurance that internal audit complies with applicable professional standards in all material aspects. The IAD received its most recent Peer Review in March 2021.

Audit Engagement Team

The review was performed by Jacob Geray (Internal Auditor), Frances Barker (Internal Auditor), Naomi Marmell (Contract Auditor), Jason Gonzalez (Senior Auditor), Derrick Miller (Senior Auditor), and Sandra Menjivar-Suddeath (Internal Audit Director).

Internal Assessment Results

IAD staff conducted the self-assessment review to determine if IAD followed all required applicable compliance and performance audit standards during fiscal year (FY) 2021. In addition, IAD staff analyzed data collected throughout the fiscal year to report on the division's KPIs, Capability Model, and fraud, waste, and abuse resolution.

Overall Conclusion

Based on the review, IAD complies with the IIA Standards, the Definition of Internal Auditing, the Core Principles for the Professional Practice of Internal Auditing, the IIA's Code of Ethics, GAGAS, and the Act. While IAD complied with the audit standards, IAD should document its retention and recruitment strategy.

As for the effectiveness and efficiency of the activity, IAD did progress on the Capability Model but did not meet all the KPIs. For FY 2021, IAD met 90% of its KPIs. The only KPI that it did not meet was related to engagements staying with 10% of estimated budget hours.

IAD also implemented its External Assessment recommendation and handled several internal fraud, waste, and abuse allegations.

Compliance Audit Standards

A review of the IAD's audit charter, standard operating procedures, and engagement control programs was conducted to determine if the IAD followed all compliance audit standards. Compliance standards include the following items:

- **Purpose, Authority, and Responsibility** - The internal audit function must be formally defined in an internal audit charter, consistent with the Mission of Internal Audit and the mandatory elements of the International Professional Practices Framework (the Core Principles for the Professional Practice of Internal Auditing, the Code of Ethics, the Institute of Internal Auditors (IIA) Standards, and the Definition of Internal Auditing).
- **Independence and Objectivity** - The internal audit function must be independent and perform work in an objective manner.
- **Proficiency and Due Professional Care** - Engagements must be performed by staff who are proficient and have due professional care.
- **Quality Assurance and Improvement Program** - A quality assurance and improvement program must be established and must enable an evaluation of the internal audit function's conformance with the audit standards and any applicable other requirements. The program should, also, assess the efficiency and effectiveness of the internal audit function and identify opportunities for improvement for the function.

- **Managing the Internal Audit Activity** - The internal audit function must be effectively managed to ensure it adds value to the organization.
- **Nature of Work** - The internal audit function must evaluate and contribute to the improvement of the organization's governance, risk management, and control processes using a systematic, disciplined, and risk-based approach.
- **Monitoring Progress** - A system to monitor the disposition of results must be established, maintained, and communicated.

Conclusion

Based on the review, IAD met the compliance standards but identified one opportunity of improvement. The opportunity is to document the recruitment and retention items being conducted by the function.

Both items are being addressed and scheduled for completion by November 2021.

Performance Audit Standards

The IAD must also meet performance audit standards. To determine whether performance audit standards were met, the IAD Director selected one completed engagement (Change Management Confidential Audit) for review. Specifically, a staff member not associated with the engagement determined whether the audit engagement complied with performance audit standards. IAD must comply with the following performance audit standards:

- **Engagement Planning** - A plan must be developed and documented for each engagement.
- **Performing the Engagement** - Internal auditors must identify, analyze, evaluate, and document sufficient information to achieve the engagement's objectives.
- **Communicating Results** - Results from the audit engagements must be communicated to management and others in charge of governance.

Conclusion

Based on the review, IAD complied with performance audit standards when planning, performing, and communicating the results of engagements.

Key Performance Indicators

IAD has 10 Key Performance Indicators (KPIs) used to measure the function’s effectiveness and efficiency. The KPIs and the overall performance for the year are documented below.

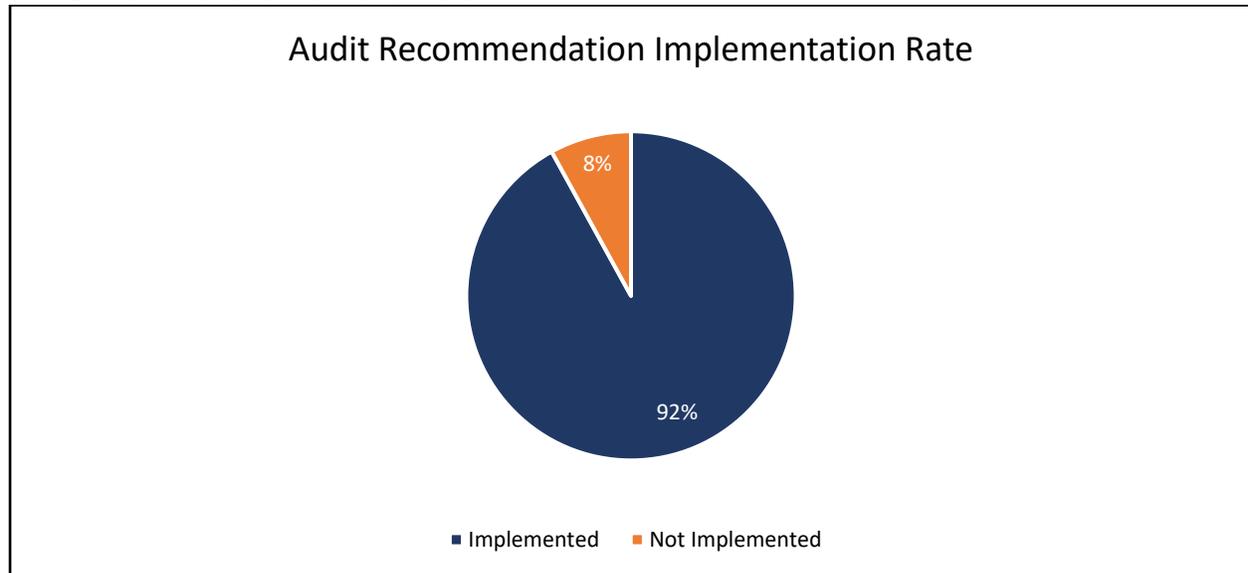
Audit Recommendations Implemented

IAD monitors the Department’s implementation rate for internal and external audit recommendations. The Department should implement 80% of audit recommendations that were due in the fiscal year.

Conclusion

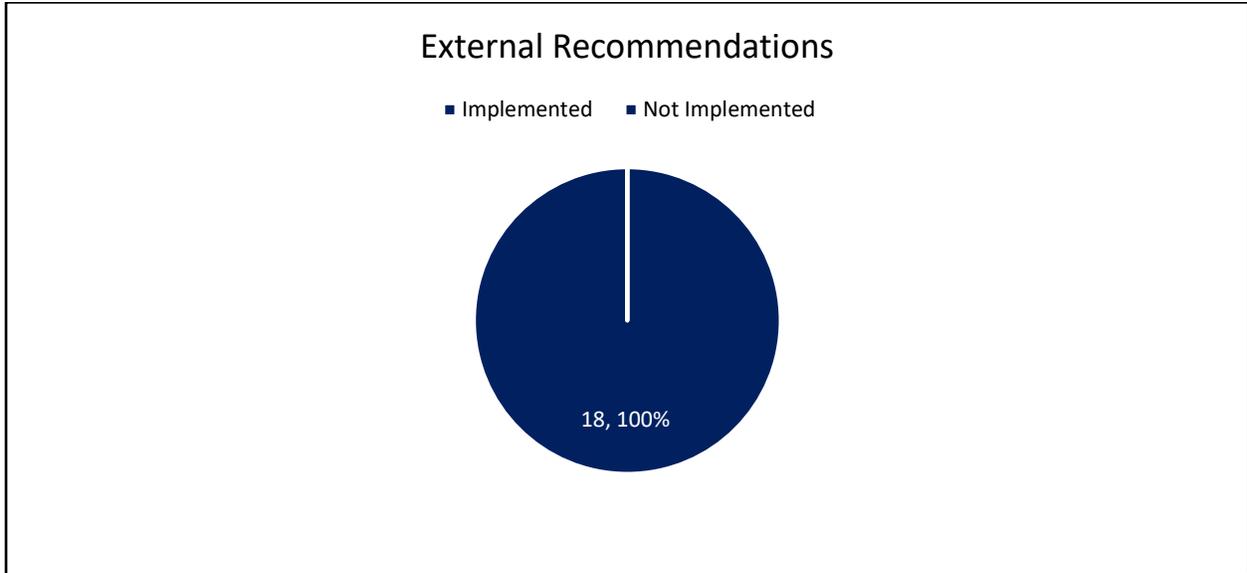
In FY 2021, TxDMV had 25 internal and external recommendations that were due. TxDMV also implemented five internal and external recommendations that were not due. In total, 23 (92%) of the internal and external audit recommendations were implemented as depicted in Chart 1.

Chart 1. Audit Recommendations Verified Status.



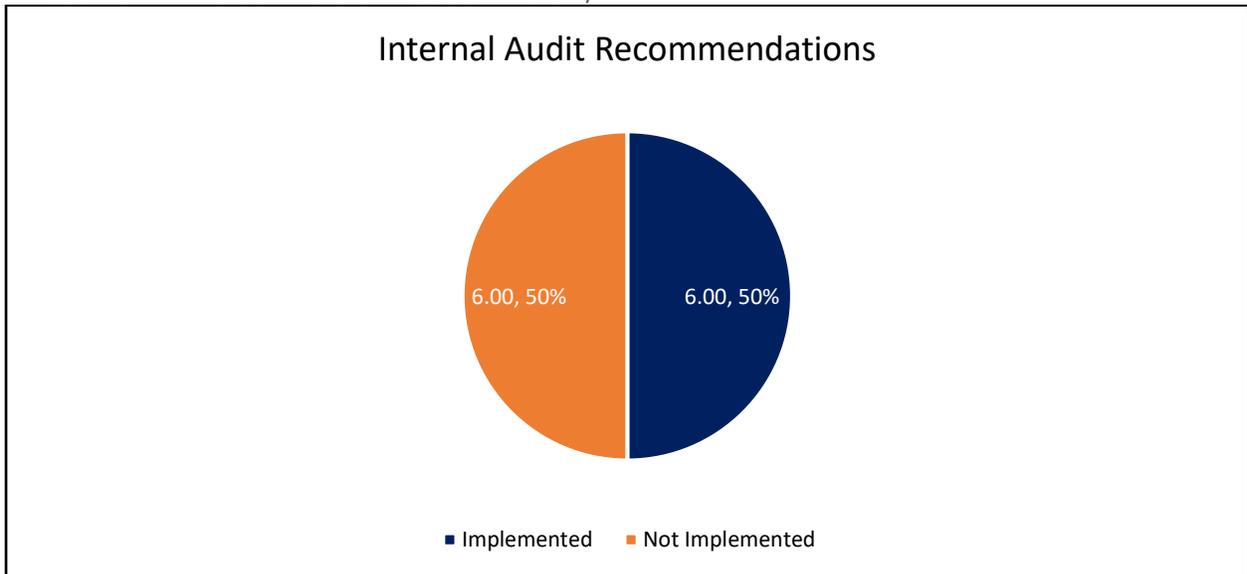
For external audit recommendations, 18 (100%) of the audit recommendation were implemented as Closed – Fully Implemented or Closed – External Entity Verification Needed as noted in Chart 2.

Chart 2. External Audit Recommendations



For internal audit recommendations, 6 (50%) recommendations were fully implemented as noted in Chart 3.

Chart 3. Internal Audit Recommendations Status and Priority



Audit Plan Completion

IAD measures how well it tracked against the approved Internal Audit Plan. IAD must complete at least 80% of the internal audit plan by the end of the fiscal year. Due to the nature of audit reporting, audit completion is defined by the number of engagements that were issued or in the reporting phase at the end of the fiscal year divided by the number of engagements listed on the audit plan.

Conclusion

IAD met this KPI. For the ten engagements, all engagements were either in reporting phased or issued. Eight (80%) engagements were issued by the end of the fiscal year while 2 (20%) were in the reporting phase. The last two engagement were completed in September.

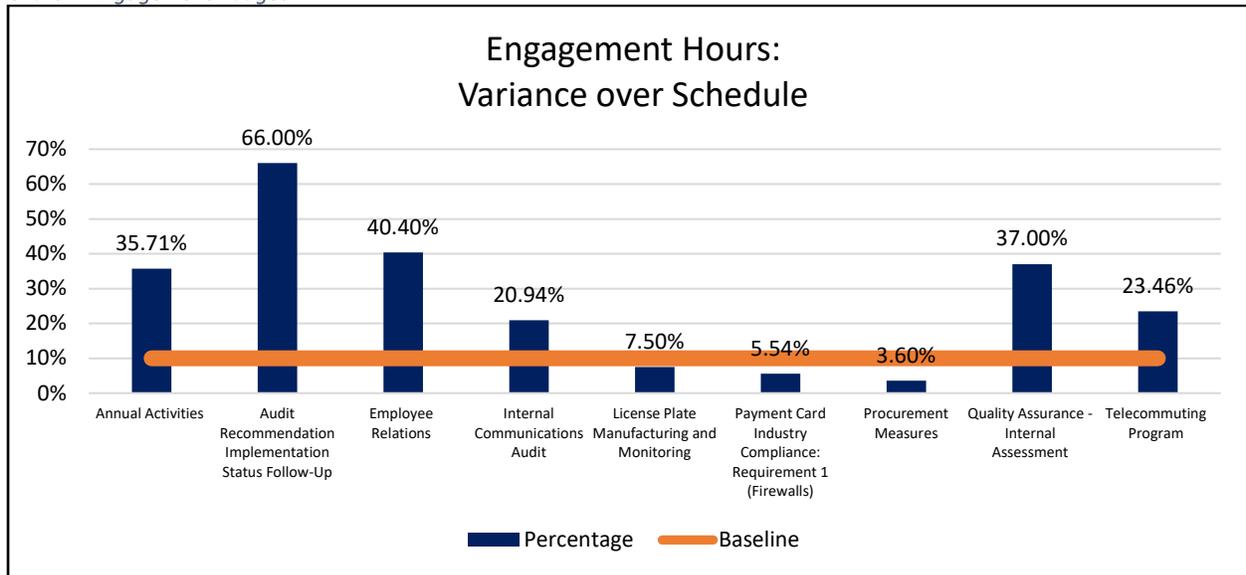
Engagement Budgets

IAD measures the time spent on engagements and how well it estimates its engagement time. IAD’s measure is that 90% of engagements are within 10% of the budgeted hours.

Conclusion

Out of the 10 engagements conducted in FY 2021, 9 engagements had assigned estimated hours. Out of those 9 engagements, 3 engagements (33%) were within 10% of the budgeted hours. Chart 4 depicts Engagement Hours.

Chart 4. Engagement Budget



Survey

For four KPIs, IAD uses surveys to determine if the TxDMV division staff feel that the IAD possess sufficient knowledge to conduct engagements (audit knowledge); provides clear and timely communication (clear communication); are satisfied with the engagement (customer satisfaction); and, whether recommendations implemented were useful and beneficial after implementation (recommendation usefulness). The current KPI for each survey is at least 80% agreement.

During FY 2021, IAD changed the timing for engagement surveys. Instead of waiting until the end of the engagement, surveys were sent at the end of each phase (planning, fieldwork, and reporting). The survey questions were also updated to reflect the interactions and activities that occur in each phase. This allowed the division to collect more responses and obtain more feedback throughout the engagement.

Conclusion

IAD met all of its KPIs in the past fiscal year. Charts 4 and 5 depict the survey results.

Chart 4. Engagement Survey Result

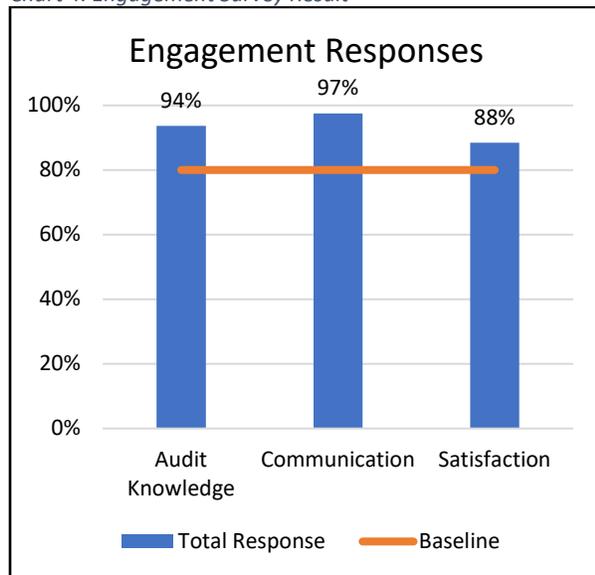
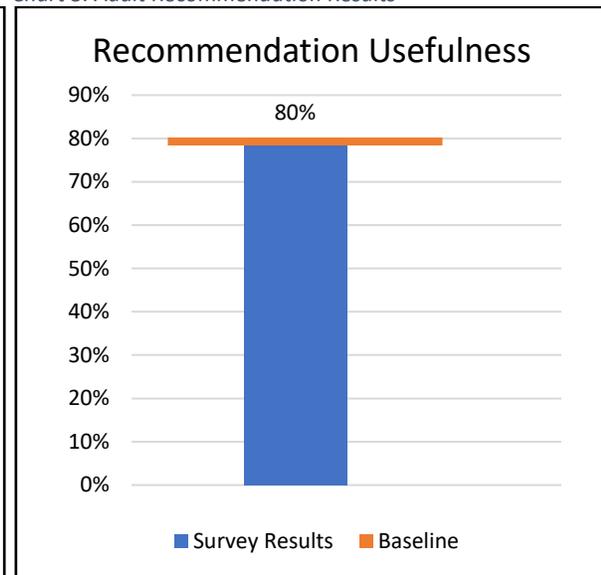


Chart 5. Audit Recommendation Results



Staff Certification

To ensure IAD has staff that can perform the necessary audit work, the IAD measures staff certifications. The current KPI is that 80% of the recognized certifications must be present with audit staff.

Conclusion

In FY 2021, 80% of the recognized certification were present with audit staff. Audit staff had the following certification:

- Certified Internal Auditor
- Certified Information Systems Auditor
- Certified Government Auditing Professional
- Certified Fraud Examiner

The only certification not present was the Certified Public Accountant.

Audit Educational Efforts

To ensure staff and stakeholders understand the role of the IAD, IAD measures how many educational efforts are done in a fiscal year. The IAD should perform at least two education efforts a year.

Conclusion

In FY 2021, IAD conducted 30 internal audit educational efforts to the Department as denoted in table 1. The events were all training events. Most of the trainings focused on the role of internal audit or fraud, waste, and abuse.

Table 1. Educational Effort Name and Date

Number	Date	Quarter	Topic	Location
1	9/26/2020	1	TeamMate + Training	Headquarters
2	3/31/2021	3	FWA Risk Assessment	Headquarters
3	4/7/2021	3	FWA Risk Assessment	Headquarters
4	4/14/2021	3	FWA Risk Assessment	Headquarters
5	4/21/2021	3	FWA Risk Assessment	Headquarters
6	4/28/2021	3	FWA Risk Assessment	Headquarters
7	5/5/2021	3	FWA Risk Assessment	Headquarters
8	5/20/2021	3	Brown Bag - Dixon Fraud	Headquarters
9	5/20/2021	3	Brown Bag - Dixon Fraud	Headquarters
10	5/20/2021	3	Brown Bag - Dixon Fraud	Headquarters
11	5/21/2021	3	Brown Bag - Dixon Fraud	Headquarters
12	5/21/2021	3	Brown Bag - Dixon Fraud	Headquarters
13	5/21/2021	3	Brown Bag - Dixon Fraud	Headquarters
14	5/21/2021	3	Brown Bag - Dixon Fraud	Headquarters
15	7/6/2021	4	RSC Training	Abilene
16	7/7/2021	4	RSC Training	Amarillo
17	7/8/2021	4	RSC Training	Austin
18	7/9/2021	4	RSC Training	Beaumont
19	7/13/2021	4	RSC Training	Corpus Christi
20	7/14/2021	4	RSC Training	Dallas
21	7/15/2021	4	RSC Training	El Paso
22	7/16/2021	4	RSC Training	Fort Worth
23	7/20/2021	4	RSC Training	Houston
24	7/21/2021	4	RSC Training	Longview
25	7/22/2021	4	RSC Training	Odessa
26	8/3/2021	4	RSC Training	Lubbock
27	8/17/2021	4	RSC Training	Pharr
28	8/18/2021	4	RSC Training	San Antonio
29	8/19/2021	4	RSC Training	Waco
30	8/20/2021	4	RSC Training	Wichita Falls

Operational Initiatives

IAD had several operational initiatives to improve its functions. During FY 2021, all staff led and participated in the operational plans.

Internal Audit Capability Model for the Public Sector (Capability Model)

Since the 2018 Peer Review, IAD tracks its effectiveness progress through the *Capability Model for the Public Sector*. The goal for the division is to achieve *Level 5, Optimizing*. After the 2018 Peer Review, IAD was at a *Level 2, Infrastructure*. Since then, IAD has consistently been improving with each fiscal year. This year, IAD improved to a *Level 4, Managed*. It will remain at a *Level 4* until the Department further organizes and manages its risk in a more cohesive manner.

While IAD leverages the organization’s risk management, it does so through its own process. IAD drives the risk conversation through its semi-annual risk assessment, which includes conversations with management throughout the Department. Without IAD, those conversations may not consistently occur. However, the Executive Director’s Office has begun requiring division directors to discuss their Very High and High risks at each quarterly divisional meeting. As this process matures and stabilizes, IAD should be able to achieve *Level 5*.

Figure 1. FY 2021 TxDMV IAD Capability Model

	Services and Role of IA	People Management	Professional Practices	Performance Management and Accountability	Organizational Relationships and Culture	Governance Structures
Level 5 – Optimizing	★ IA Recognized as Key Agent of Change	★ Leadership Involvement with Professional Bodies Workforce Projection	★ Continuous Improvement in Professional Practices Strategic IA Planning	★ Outcome Performance and Value to Organization Achieved	★ Effective and Ongoing Relationships	★ Independence, Power, and Authority of the IA Activity
Level 4 – Managed	Overall Assurance on Governance, Risk Management, and Control	Contributes to Management Development IA Activity Supports Professional Bodies Workforce Planning	Audit Strategy Leverages Organization’s Management of Risk	Integration of Qualitative and Quantitative Performance Measures	CAE Advises and Influences Top-level Management	Independent Oversight of the IA Activity CAE Reports to Top-level Authority
Level 3 – Integrated	Advisory Services Performance/Value-for-Money Audits	Team Building and Competency Professionally Qualified Staff	Quality Management Framework Risk-based Audit Plans	Performance Measures Cost Information IA Management Reports	Coordination with Other Review Groups Integral Component of Management Team	Management Oversight of the IA Activity Funding Mechanism
Level 2 – Infrastructure	Compliance Auditing	Individual Professional Development Skilled People Identified and Recruited	Professional Practices and Processes Framework Audit Plan Based on Management/ Stakeholder Priorities	IA Operating Budget IA Business Plan	Managing within the IA Activity	Full Access to the Organization’s Information, Assets, and People Reporting Relationship Established
Level 1 – Initial	Ad hoc and unstructured; isolated single audits or reviews of documents and transactions for accuracy and compliance; outputs dependent upon the skills of specific individuals holding the position; no specific professional practices established other than those provided by professional associations; funding approved by management, as needed; absence of infrastructure; auditors likely part of a larger organizational unit; no established capabilities; therefore, no specific key process areas					
★	Indicates the Internal Audit Division Desired State					
	Indicates the activity has been fully institutionalized by the Internal Audit Division					
	Indicates the activity is in progress by the Internal Audit Division					
	Indicates the activity has not been started by the Internal Audit Division					
Circle indicates current maturity level						

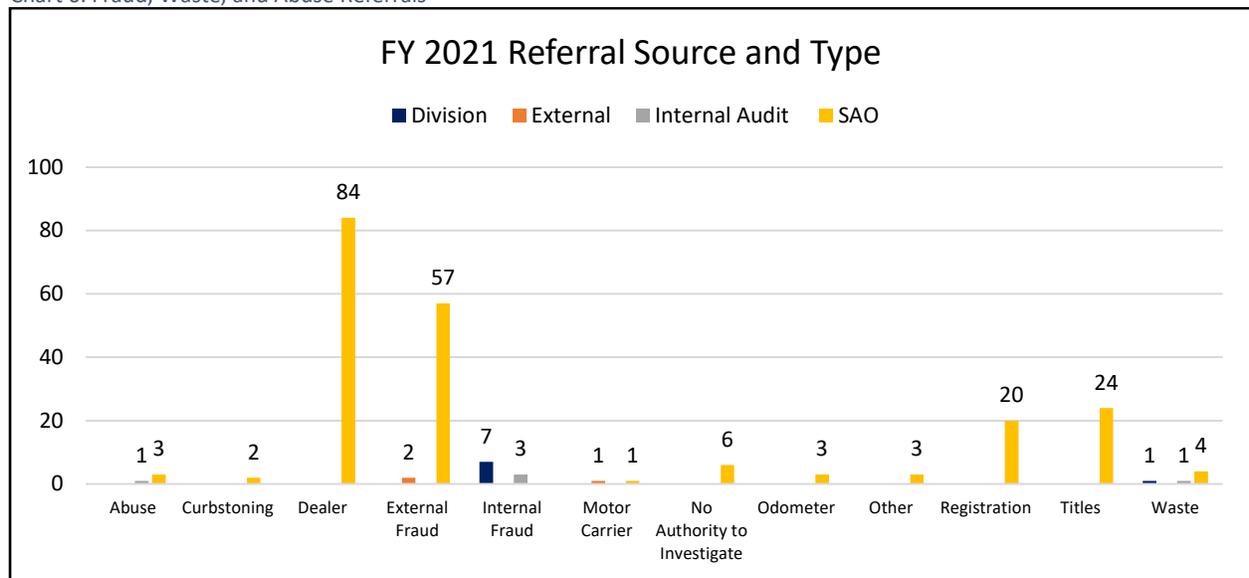
Fraud, Waste, and Abuse

Allegations and Disposition

As part of IAD’s role, the division investigates and tracks fraud, waste, and abuse allegations. The allegations are received from multiple sources, including internal complaints, State Auditor’s Office (SAO), and internal reviews. This year, IAD also received allegations from other government sources (denoted as External) as well. IAD handled 223 allegations in FY 2021, a 271% increase from the previous fiscal year. Most of the allegations were for issued related to dealers and external fraud.

20 of these allegations required IAD to review or investigated the allegation as they were related to Internal Fraud, Waste, or Abuse. Chart 6 documents the allegation type and referral source.

Chart 6. Fraud, Waste, and Abuse Referrals



For each allegation received, IAD triages the complaints to determine whether the complaint needs to be investigated by IAD, referred to a division, or referred externally. 87% of these allegations were referred to divisions. Chart 7 and 8 provides information on the final disposition of each complaint received.

Chart 7. Complaint Disposition

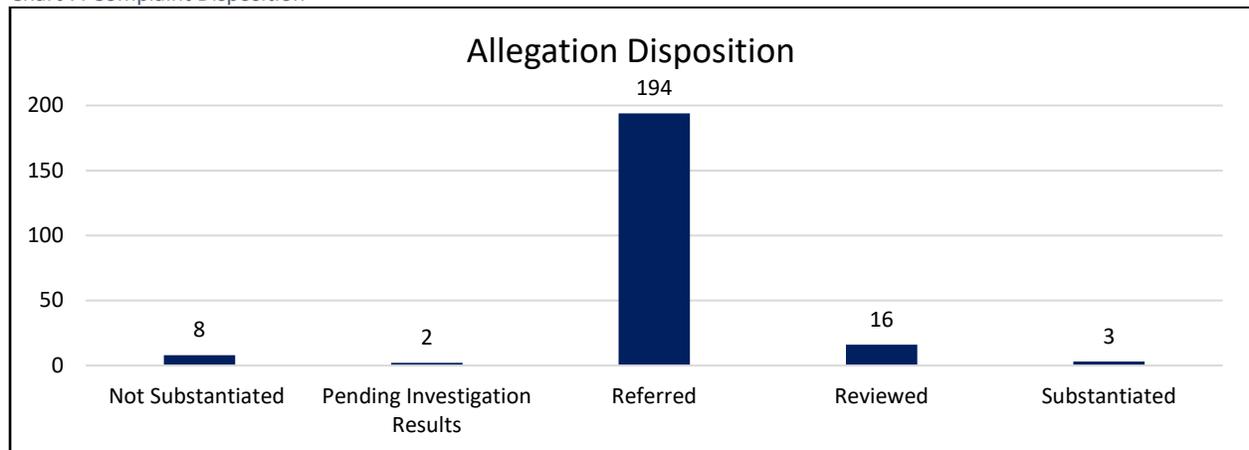
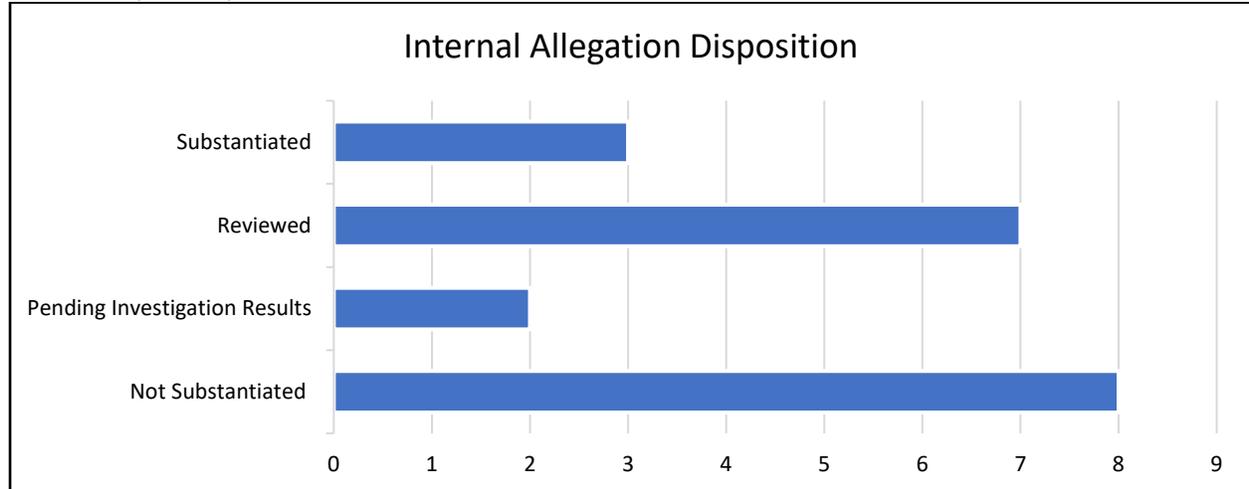


Chart 8. Complaint Disposition



Hours

IAD dedicated 920 hours to fraud, waste, and abuse in FY 2021. These hours were mostly split between investigations and detection work. IAD spent 436 hours on investigation work and 485 hours on detection work. The detection work included conducting trainings and developing Key Risk Indicators.

External assessment recommendations progress

IAD has implemented the audit recommendation from its External Assessment. The IAD obtained a Peer Review in early 2021 and released the Peer Review report in March 2021. The Peer Review team rated IAD as “pass”. The following is an excerpt from the peer review report’s overall opinion:

Based on the information received and evaluated during this external quality assurance review, it is our opinion that the Texas Department of Motor Vehicles Internal Audit Division receives a rating of “pass” and is in compliance with the Institute of Internal Auditors (IIA) International Professional Practices Framework and Code of Ethics, the United States Government Accountability Office (GAO) Government Auditing Standards and the Texas Internal Auditing Act (Texas Government Code, Chapter 2102). This opinion, which is the highest of the three possible ratings, means that policies, procedures, and practices are in place to implement the standards and requirements necessary for ensuring the independence, objectivity, and proficiency of the internal audit function.

The report noted one opportunity for improvement; the opportunity and the Internal Audit Director’s response is as follows:

Opportunity for Improvement:

The project teams could improve how it selects samples for testing. For one of the projects selected for during this external review, the audit team selected specific items for testing; however, it did not document the population of items to test, or the reason it selected those items to test. Documenting the reasons for sample selection could help the team better support why their selection is appropriate and addresses the audit objective.

Director's Response:

IAD agrees with the recommendation. While discussions did occur on the sample selection and the other sample was documented, our team did not document the sample selection for the specific items noted. IAD will be updating its templates over the summer and will require teams to document the sample selection in the end of planning meeting. In addition, IAD Director has notified the Quality Assurance team member to review and ensure sample selection is documented in the workpapers.

IAD updated its control programs that it uses to guide engagements. The control programs now have explicit details to document sample selection.

Appendix 1: Objective, Scope, and Methodology

Objective

The objective of the Quality Assurance and Improvement Program is to provide a summary of the Internal Audit Division activities and compliance with applicable audit standards.

Scope and Methodology

The scope of the audit included FY 2021 Internal Audit Division Activities.

Information and documents reviewed in the audit included the following:

- Survey Results
- Audit Charter
- IAD Standard Operating Procedures
- IAD Engagement Control Programs
- Human Resource Records
- TxDMV IAD 2021 Peer Review Report
- TxDMV Operational Plan
- TeamCentral Reports
- IIA's Capability Model
- State Agency Internal Audit Form – Peer Review Forms

Report Distribution

This report is distributed to the Board of the Texas Department of Motor Vehicles and the executive management team.



BOARD MEETING DATE: 12/2/2021
ACTION ITEM

To: Texas Department of Motor Vehicles Board
From: Jimmy Archer, Motor Carrier Division Director
Agenda Item: 9.B
Subject: Delegation of Authority to the Executive Director to Approve and Execute the Renewal of the Innovative Technology Deployment (ITD) Commercial Vehicle Information Exchange Window (CVIEW) Services Contract

RECOMMENDATION

TxDMV recommends that the board delegate the authority to the department's executive director to approve and sign the renewal of the Innovative Technology Deployment (ITD) Commercial Vehicle Information Exchange Window (CVIEW) Services Contract.

PURPOSE AND EXECUTIVE SUMMARY

The contract should be renewed so the vendor can continue to provide software maintenance, CVIEW hosting, and support in maintaining Core ITD compliance, and to assist in developing projects that comply with the Federal Motor Carrier Safety Administration's definition of innovative technologies. The contract will expire on January 31, 2022, unless the parties renew it. The department is requesting the board to delegate the authority to the department's executive director to approve and sign the contract renewal to comply with Government Code Section 2261.254(c) and (d).

FINANCIAL IMPACT

The current contract includes three, two-year renewal options. The department would like to exercise the first of the two-year renewal options. The estimated cost of the renewal will be \$600,000 per year for a total of \$1.2 million over the two-year renewal term.

BACKGROUND AND DISCUSSION

Texas receives and shares motor carrier safety data with all other states through ITD's CVIEW tool. The safety data includes real-time Out-of-Service status (when a vehicle or driver has been taken off the road for safety reasons) for on-the-road police enforcement. CVIEW is critical nationwide for data transfers 24/7.

ITD is important to the state in achieving a statewide Intelligent Transportation System (ITS) that improves safety and security; improves productivity of motor carriers, commercial vehicles and their drivers; improves efficiency and effectiveness of safety programs through targeted enforcement; improves data sharing within and between states and the Federal Motor Carrier Safety Administration (FMCSA); and reduces federal/state and industry regulatory and administration costs.

Texas joined the ITD program in 2001. TxDMV is the ITD-designated lead agency for the state. ITD is governed by a Steering Committee and Working Group comprised of representatives of the TxDMV, Texas Department of Transportation, Texas Department of Public Safety, Texas Comptroller of Public Accounts, FMCSA, Federal Highway Administration, and the Texas Trucking Association. Texas has successfully achieved and maintained Core ITD compliance by meeting FMCSA's requirements for Safety Information Exchange, Credentialing Administration, and Electronic Screening.

Due to the dollar amount of the proposed renewal, the board is required to do one of the following under Government Code Section 2261.254(c) and (d) before the department can execute the renewal: 1) approve the renewal, which must be signed by the board chairman; or 2) delegate to the department's executive director or deputy executive director the authority to approve and sign the renewal contract.



BOARD MEETING DATE: 12/2/2021
BRIEFING

To: Texas Department of Motor Vehicles Board
From: Whitney Brewster, Executive Director
Agenda Items: 10 - 12
Subject: Board Governance Documents Briefing

RECOMMENDATION

Briefing Only

PURPOSE AND EXECUTIVE SUMMARY

To provide the Board an overview of the existing TxDMV Board Governance Policy, Agency Operational Boundaries as Defined by Department, and TxDMV Guidance on Contested Cases Presented to the Board for consideration of potential amendments at upcoming Board meetings.

FINANCIAL IMPACT

No financial impact

BACKGROUND AND DISCUSSION

In carrying out its duties and responsibilities as authorized by TxDMV's enabling statutes, the Board established governance documents to ensure compliance with applicable rules and regulations as well as to enhance the efficiency and effectiveness of the Board's policy making function. The Board governance documents outline the general principles by which the board operates and are periodically reviewed and amended to ensure the policies continue to reflect the current Board's governance direction. In addition, the governance documents will be reviewed for amendments due to changes in the law or Board practice as it relates to the policy making functions of the board. Any amendments to the Board governance documents will be brought to the Board for final vote at a future open meeting.

Texas Department of Motor Vehicles TxDMV Board Governance Policy

1. PURPOSE

The directives presented in this policy address board governance of the Texas Department of Motor Vehicles (TxDMV).

2. SCOPE

The directives presented in this policy apply to the TxDMV Board and TxDMV agency personnel who interact with the Board. The TxDMV Board Governance Policy shall be one that is comprehensive and pioneering in its scope.

3. POLICY

3.1. TxDMV Board Governing Style

The Board shall govern according to the following general principles: (a) a vision for the agency, (b) diversity in points of view, (c) strategic leadership, providing day-to-day detail as necessary to achieve the agency vision, (d) clear distinction of Board and Executive Director roles, (e) collective decision making, (f) react proactively rather than reactively and with a strategic approach. Accordingly:

- 3.1.1. The Board shall provide strategic leadership to TxDMV. In order to do this, the Board shall:
 - 3.1.1.1. Be proactive and visionary in its thinking.
 - 3.1.1.2. Encourage thoughtful deliberation, incorporating a diversity of viewpoints.
 - 3.1.1.3. Work together as colleagues, encouraging mutual support and good humor.
 - 3.1.1.4. Have the courage to lead and make difficult decisions.
 - 3.1.1.5. Listen to the customers and stakeholders needs and objectives.
 - 3.1.1.6. Anticipate the future, keeping informed of issues and trends that may affect the mission and organizational health of the TxDMV.
 - 3.1.1.7. Make decisions based on an understanding that is developed by appropriate and complete stakeholder participation in the process of identifying the needs of the motoring public, motor vehicle industries,

and best practices in accordance with the mission and vision of the agency.

- 3.1.1.8. Commit to excellence in governance, including periodic monitoring, assessing and improving its own performance.
- 3.1.2. The Board shall create the linkage between the Board and the operations of the agency, via the Executive Director when policy or a directive is in order.
- 3.1.3. The Board shall cultivate a sense of group responsibility, accepting responsibility for excellence in governance. The Board shall be the initiator of policy, not merely respond to staff initiatives. The Board shall not use the expertise of individual members to substitute for the judgment of the board, although the expertise of individual members may be used to enhance the understanding of the Board as a body.
- 3.1.4. The Board shall govern the agency through the careful establishment of policies reflecting the board's values and perspectives, always focusing on the goals to be achieved and not the day-to-day administrative functions.
- 3.1.5. Continual Board development shall include orientation of new Board members in the board's governance process and periodic board discussion of how to improve its governance process.
- 3.1.6. The Board members shall fulfill group obligations, encouraging member involvement.
- 3.1.7. The Board shall evaluate its processes and performances periodically and make improvements as necessary to achieve premier governance standards.
- 3.1.8. Members shall respect confidentiality as is appropriate to issues of a sensitive nature.

3.2. TxDMV Board Primary Functions/Characteristics

TxDMV Board Governance can be seen as evolving over time. The system must be flexible and evolutionary. The functions and characteristics of the TxDMV governance system are:

- 3.2.1. Outreach
 - 3.2.1.1. Monitoring emerging trends, needs, expectations, and problems from the motoring public and the motor vehicle industries.
 - 3.2.1.2. Soliciting input from a broad base of stakeholders.

3.2.2. Stewardship

3.2.2.1. Challenging the framework and vision of the agency.

3.2.2.2. Maintaining a forward looking perspective.

3.2.2.3. Ensuring the evolution, capacity and robustness of the agency so it remains flexible and nimble.

3.2.3. Oversight of Operational Structure and Operations

3.2.3.1. Accountability functions.

3.2.3.2. Fiduciary responsibility.

3.2.3.3. Checks and balances on operations from a policy perspective.

3.2.3.4. Protecting the integrity of the agency.

3.2.4. Ambassadorial and Legitimizing

3.2.4.1. Promotion of the organization to the external stakeholders, including the Texas Legislature, based on the vision of the agency.

3.2.4.2. Ensuring the interests of a broad network of stakeholders are represented.

3.2.4.3. Board members lend their positional, professional and personal credibility to the organization through their position on the board.

3.2.5. Self-reflection and Assessment

3.2.5.1. Regular reviews of the functions and effectiveness of the Board itself.

3.2.5.2. Assessing the level of trust within the Board and the effectiveness of the group processes.

3.3. Board Governance Investment

Because poor governance costs more than learning to govern well, the Board shall invest in its governance capacity. Accordingly:

3.3.1. Board skills, methods, and supports shall be sufficient to ensure governing with excellence.

- 3.3.1.1. Training and retraining shall be used liberally to orient new members, as well as maintain and increase existing member skills and understanding.
 - 3.3.1.2. Outside monitoring assistance shall be arranged so that the board can exercise confident control over agency performance. This includes, but is not limited to, financial audits.
 - 3.3.1.3. Outreach mechanisms shall be used as needed to ensure the Board's ability to listen to stakeholder viewpoints and values.
 - 3.3.1.4. Other activities as needed to ensure the Board's ability to fulfill its ethical and legal obligations and to represent and link to the motoring public and the various motor vehicle industries.
- 3.3.2. The Board shall establish its cost of governance and it will be integrated into strategic planning and the agency's annual budgeting process.

3.4. Practice Discipline and Assess Performance

The Board shall ensure the integrity of the board's process by practicing discipline in Board behavior and continuously working to improve its performance. Accordingly:

- 3.4.1. The assigned result is that the Board operates consistently with its own rules and those legitimately imposed on it from outside the organization.
 - 3.4.1.1. Meeting discussion content shall consist solely of issues that clearly belong to the Board to decide or to monitor according to policy, rule and law. Meeting discussion shall be focused on performance targets, performance boundaries, action on items of Board authority such as conduct of administrative hearings, proposal, discussion and approval of administrative rule-making and discussion and approval of all strategic planning and fiscal matters of the agency.
 - 3.4.1.2. Board discussion during meetings shall be limited to topics posted on the agenda.
 - 3.4.1.3. Adequate time shall be given for deliberation which shall be respectful, brief, and to the point.
- 3.4.2. The Board shall strengthen its governing capacity by periodically assessing its own performance with respect to its governance model. Possible areas of assessment include, but are not limited to, the following:
 - 3.4.2.1. Are we clear and in agreement about mission and purpose?

- 3.4.2.2. Are values shared?
 - 3.4.2.3. Do we have a strong orientation for our new members?
 - 3.4.2.4. What goals have we set and how well are we accomplishing them?
 - 3.4.2.5. What can we do as a board to improve our performance in these areas?
 - 3.4.2.6. Are we providing clear and relevant direction to the Executive Director, stakeholders and partners of the TxDMV?
- 3.4.3. The Board Chair shall periodically promote regular evaluation and feedback to the whole Board on the level of its effectiveness.

Agency Operational Boundaries as Defined by Department Policies of the TxDMV Board (Board)

The Board is responsible for the policy direction of the agency. The Board's official connection to the day-to-day operation of the Texas Department of Motor Vehicles (TxDMV) and the conduct of its business is through the Executive Director of the TxDMV (ED) who is appointed by the Board and serves at its pleasure. The authority and accountability for the day-to-day operations of the agency and all members of the staff, except those members who report directly to the Board, is the sole responsibility of the ED.

In accordance with its policy-making authority the Board has established the following policy boundaries for the agency. The intent of the boundaries is not to limit the ability of the ED and agency staff to manage the day-to-day operations of the agency. To the contrary, the intent of the boundaries is to more clearly define the roles and responsibilities of the Board and the ED so as to liberate the staff from any uncertainty as to limitations on their authority to act in the best interest of the agency. The ED and staff should have certainty that they can operate on a daily basis as they see fit without having to worry about prior Board consultation or subsequent Board reversal of their acts.

The ED and all agency employees shall act at all times in an exemplary manner consistent with the responsibilities and expectations vested in their positions. The ED and all agency employees shall act in a manner consistent with Board policies as well as with those practices, activities, decisions, and organizational circumstances that are legal, prudent, and ethical. It is the responsibility of the ED to ensure that all agency employees adhere to these boundaries.

Accordingly, the TxDMV boundaries are as follows:

1. The day-to-day operations of the agency should be conducted in a manner consistent with the vision, mission, values, strategic framework, and performance metrics as established by the Board. These elements must not be disregarded or jeopardized in any way.
2. A team-oriented approach must be followed on all enterprise-wide decisions to ensure openness and transparency both internally and externally.
3. The agency must guard against allowing any financial conditions and decision which risk adverse fiscal consequences, compromise Board financial priorities, or fail to



show an acceptable level of foresight as related to the needs and benefits of agency initiatives.

4. The agency must provide timely, accurate, and honest information that will afford the Board, public, stakeholders, executive branch and the legislature the best ability to evaluate all sides of an issue or opportunity before forming an opinion or taking action on it. Any information provided that is intentionally untimely, inaccurate, misleading or one-sided will not be tolerated.
5. The agency must take all reasonable care to avoid or identify in a timely manner all conflicts of interest or even the appearance of impropriety in awarding purchases, negotiating contracts or in hiring employees.
6. The agency must maintain adequate administrative policies and procedures that are understandable and aid in staff recruitment, development and retention.
7. The agency must maintain an organizational structure that develops and promotes the program areas from an enterprise-wide perspective. No organizational silos or sub-agencies will be allowed. We are the TxDMV.
8. The agency must empower its entire staff to deliver a positive customer experience to every TxDMV customer, stakeholder or vendor to reduce their effort and make it easier for them to do business with the TxDMV.
9. The agency must at all times look to flattening its organizational structure to reduce cost as technology advances allow.
10. Agency staff shall anticipate and resolve all issues timely.
11. The agency must maximize the deployment and utilization of all of its assets – people, processes and capital equipment – in order to fully succeed.
12. The agency must not waste the goodwill and respect of our customers, stakeholders, executive branch and legislature. All communication shall be proper, honest, and transparent with timely follow-up when appropriate.
13. The agency should focus its work efforts to create value, make sure that processes, programs, or projects are properly designed, budgeted and vetted as appropriate with outside stakeholders to ensure our assumptions are correct so positive value continues to be created by the actions of the TxDMV.
14. The ED through his or her staff is responsible for the ongoing monitoring of all program and fiscal authorities and providing information to the Board to keep it apprised of all program progress and fiscal activities. This self-assessment must result in a product that adequately describes the accomplishment of all program

goals, objectives and outcomes as well as proposals to correct any identified problems.

15. In advance of all policy decisions that the Board is expected to make, the ED will provide pertinent information and ensure board members understand issues/matters related to the pending policy decision. Additionally, the ED or designee will develop a process for planning activities to be performed leading up to that particular policy decision and the timeframe for conducting these planning activities. It is imperative that the planning process describes not only when Board consideration will be expected but also when prior Board consultation and involvement in each planning activity will occur.
16. In seeking clarification on informational items Board members may directly approach the ED or his or her designee to obtain information to supplement, upgrade or enhance their knowledge and improve the Board's decision-making. Any Board member requests that require substantive work should come to the Board or Committee Chairs for direction.
17. The agency must seek stakeholder input as appropriate on matters that might affect them prior to public presentation of same to the Board.
18. The agency must measure results, track progress, and report out timely and consistently.
19. The ED and staff shall have the courage to admit a mistake or failure.
20. The ED and staff shall celebrate successes!

The Board expects the ED to work with agency staff to develop their written interpretation of each of the boundaries. The ED will then present this written interpretation to the Board prior to discussion between the Board and ED on the interpretation. The Board reserves the right to accept, reject or modify any interpretation. The intent is that the Board and the ED will come to a mutually agreeable interpretation of agency boundaries that will then form the basis of additional written thought on the part of the ED and staff as to how these boundaries will influence the actions of the agency.

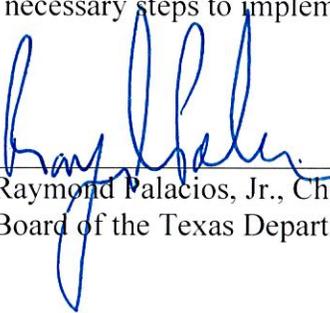
BOARD OF THE TEXAS DEPARTMENT OF MOTOR VEHICLES

RESOLUTION APPROVING THE POLICY,
TxDMV GUIDANCE ON CONTESTED CASES PRESENTED TO THE BOARD

The Board of the Texas Department of Motor Vehicles (board) has reviewed the policy, TxDMV Guidance on Contested Cases Presented to the Board, and finds the policy necessary to partially fulfill the requirements set out in the Sunset Advisory Commission's Recommendation 1.3.

IT IS THEREFORE ORDERED by the board that the attached policy, TxDMV Guidance on Contested Cases Presented to the Board, is approved.

The department is directed to take the necessary steps to implement the actions authorized in this resolution.



Raymond Palacios, Jr., Chairman
Board of the Texas Department of Motor Vehicles

Recommended by:



Sarah Swanson, Interim General Counsel
Office of General Counsel

Order Number: 19-010

Date Passed: February 7, 2019



TxDMV Guidance on Contested Cases Presented to the Board

Purpose

This policy sets forth standards for conducting and handling contested cases coming before the TxDMV Board (board) for final decision.

Scope

This policy should be used by the board and agency staff when contested cases are presented to the board for final decision in an open meeting.

Policy

1.0 General

This policy sets forth the proper standards for conducting and handling contested cases coming before the board for final decision.

2.0 Responsibilities

I. Law Applicable to Board Action on a Proposal for Decision (PFD)

Government Code, §2001.058(e):

A state agency may change a finding of fact or conclusion of law made by the administrative law judge, or may vacate or modify an order issued by the administrative judge, only if the agency determines:

- (1) that the administrative law judge did not properly apply or interpret applicable law, agency rules, written policies provided under Subsection (c), or prior administrative decisions;
- (2) that a prior administrative decision on which the administrative law judge relied is incorrect or should be changed; or
- (3) that a technical error in a finding of fact should be changed.

The agency shall state in writing the specific reason and legal basis for a change made under this subsection.

II. General Requirements and Prohibitions

- a. The board will provide a fair and open process to the parties that appear before the board in a contested case proceeding.
- b. Board members should prepare for each contested case hearing by timely reviewing the contested case material provided by the Office of General Counsel (OGC). As soon as practicable after TxDMV obtains a copy of the relevant documents from the State Office of Administrative Hearings (SOAH), OGC will provide board members with all material necessary to ensure that board members are knowledgeable of the facts and law for the contested case coming before the board for final decision.
- c. Board members should be mindful of the requirements of the Texas Open Meetings Act, including the prohibition against a walking quorum, when discussing the case with other board members.
- d. Board members should be mindful of the requirements of Government Code, §2001.061, which prohibits *ex parte* communications between board members who will render the final decision in a contested case and any other person (“a state agency, person, party, or a representative of those entities”). An *ex parte* communication occurs when the parties to the contested case are not provided with notice and an opportunity to participate in the conversation. The following exceptions to the prohibition against *ex parte* communications apply, *as long as the board members also comply with the Texas Open Meetings Act*:
 - i. Board members may communicate with TxDMV employees who have not participated in the hearing at SOAH, for the purposes of using the special skills or knowledge of the employees in evaluating the evidence.
 - ii. Board members may communicate with each other, unless prohibited by other law.
 - iii. Board members may consult with the TxDMV General Counsel as to issues of law, as long as the General Counsel has not participated in the contested case proceeding.
- e. The chairman, with the assistance of OGC, will establish well-defined procedures governing each party’s presentation before the board, including the order of presentation, requiring the parties to limit the content of their presentation to what is contained in the official SOAH record, time limits, etc. Two weeks prior to the board meeting, OGC will send to legal counsel for the parties, a detailed explanation of the limitations regarding their presentations before the board on a contested case matter.
- f. The chairman should only allow the parties to a contested case to present evidence and to make arguments contained in the official record of the SOAH proceeding. The OGC will inform the parties that they are responsible for making sure each party does not attempt to present evidence or make arguments that aren’t contained in the SOAH record. The parties are encouraged to object when another party attempts to present evidence or to make arguments that aren’t contained in the SOAH record. Also, the General Counsel, as well as the Motor Vehicle Division staff on motor vehicle cases in which TxDMV is not a party, will assist the chairman in determining whether any evidence or argument is contained in the SOAH record.

III. Board Options for Taking Action on Contested Case PFDs

The board may take any of the following actions on PFDs:

- a. Adopt the PFD as written, along with the administrative law judge’s recommended findings of fact and conclusions of law.

- b. Adopt the conclusion of the PFD, but amend specific findings of fact, conclusions of law, or sanctions. The board must state the specific reason and legal basis for all changes.
- c. Reverse the conclusion of the PFD, stating the specific reason and legal basis for all changes necessary to support the board's decision.

IV. Changing Findings of Fact, Conclusions of Law, and Sanctions

- a. The administrative law judge (ALJ) is responsible for determining the underlying facts, such as what did or did not happen. The underlying facts only affect the parties to the contested case (i.e., the "who, what, when, where, and how" disputes of a case). However, the board is authorized to correct technical errors, which are errors that do not impact the outcome of the case, such as typographical errors.

Examples of underlying facts: 1. The franchised dealer's relocation was not further than 15 miles from the like-line dealer; 2. Franchised dealer XYZ sells all 3 lines produced by the manufacturer; and 3. Both ABC and XYZ dealers provide training to their service technicians.

The ALJ reviews and weighs the evidence, hears the testimony, and makes credibility determinations of the witnesses.

- b. The board is authorized to modify the ALJ's determinations that are mixed questions of law and facts. A mixed question of law and facts involves the application of the applicable law, rule, or policy to the underlying facts. These determinations provide the foundation for developing law, rules, or policies and, consequently, affect the outcome of many cases by establishing a point of comparison for future cases.

Examples of mixed questions of law and facts: 1. There was good cause to terminate or discontinue the dealer's franchise; 2. There is good cause for a proposed modification or replacement of a dealer's franchise; and 3. Whether the advertising is false, deceptive, or misleading.

- c. The board is authorized to determine whether the ALJ correctly applied or interpreted applicable law, agency rules, policies, or prior administrative decisions.
- d. The board is authorized to reject an ALJ's recommended sanction(s).
- e. The board is required to state in writing the specific reason and legal basis for changing a finding of fact, conclusion of law, or sanction.
- f. Board decisions regarding PFDs should be guided by applicable law, rules, and policy. Although board members should not advocate for a particular industry, the members should use their expertise when:
 - i. reviewing mixed questions of law and fact;
 - ii. interpreting applicable law, agency rules, policies, or prior administrative decisions;
 - iii. determining whether a prior administrative decision on which the ALJ relied is incorrect or should be changed;
 - iv. determining whether there is a technical error in an ALJ's finding of fact; and
 - v. reviewing an ALJ's recommended sanction(s).

V. Options for Board Members to Make a Motion Changing Findings or Conclusions of a PFD

- a. If a board member wants to make a motion that would alter a finding or conclusion of a PFD, the member may consult with the General Counsel for assistance in drafting a motion prior to or during the meeting.
- b. If a board member wishes to make a motion that would change the PFD, the General Counsel may ask questions to clarify the reason for any changes. This will help the General Counsel determine whether the board is legally authorized to make the proposed change, and it will help staff to draft a legally defensible final order.
- c. There may be cases where the complexity of modifying a PFD makes it too difficult to draft an order in the time that the board is scheduled to meet. In that event, the General Counsel may request that the board allow the staff to draft an order in the days following the meeting, and either set the order for a vote at the next scheduled board meeting, or schedule a special meeting to vote on the order.

VI. Motions for Rehearing

In the event any party to the case files a Motion for Rehearing, OGC will provide the motion to the board members for consideration.

Enforcement

The OGC will provide legal assistance to the board regarding its role and responsibilities when considering an ALJ's PFD for final decision.

Associated Policies

NA

References

TEX. GOVERNMENT CODE, CH. 551
 TEX. GOVERNMENT CODE, CH. 2001
 TEX. OCCUPATIONS CODE, CH. 2301

Version History

Version number	Date of Revision	Changes Made
Version 1.0	January 18, 2019	N/A

Contact Information

Aline Aucoin, Associate General Counsel, Aline.Aucoin@txdmv.gov, (512) 465-4206

Adopted

Whitney Brewster, Executive Director

Date

Sarah Swanson, Interim General Counsel

Date

Raymond Palacios, Jr., Chairman

Date



BOARD MEETING DATE: 12/2/2021
BRIEFING

To: Texas Department of Motor Vehicles Board
From: Whitney Brewster, Executive Director
Agenda Item: 13
Subject: Vice Chair Election

RECOMMENDATION

Action Item

PURPOSE AND EXECUTIVE SUMMARY

The board shall elect one of its members as vice chair of the board under Transportation Code Section 1001.023.

FINANCIAL IMPACT

No financial impact

BACKGROUND AND DISCUSSION

Transportation Code Section 1001.023 provides that the Board shall elect a vice chair to serve at the pleasure of the Board. The Board will consider nominations for Vice Chair during the Board meeting to provide the opportunity for the Board to elect a Vice Chair.

Sec. 1001.023. CHAIR AND VICE CHAIR; DUTIES. (a) The governor shall appoint one of the board's members chair of the board. The chair serves at the pleasure of the governor. The board shall elect one of its members vice chair of the board. The vice chair serves at the pleasure of the board.

(b) The chair shall:

(1) preside over board meetings, make rulings on motions and points of order, and determine the order of business;

(2) represent the department in dealing with the governor;

(3) report to the governor on the state of affairs of the department at least quarterly;

(4) report to the board the governor's suggestions for department operations;

(5) report to the governor on efforts, including legislative requirements, to maximize the efficiency of department operations through the use of private enterprise;

(6) periodically review the department's organizational structure and submit recommendations for structural changes to the governor and the board;

(7) designate at least one employee of the department as a civil rights officer of the department and receive regular reports from the officer or officers on the department's efforts to comply with civil rights legislation and administrative rules;

(8) create subcommittees, appoint board members to subcommittees, and receive the reports of subcommittees to the board as a whole;

(9) appoint a member of the board to act in the absence of the chair and vice chair; and

(10) serve as the departmental liaison with the governor and the Office of State-Federal Relations to maximize federal funding for transportation.

Added by Acts 2009, 81st Leg., R.S., Ch. 933 (H.B. [3097](#)), Sec. 1.01, eff. September 1, 2009.

Amended by:

Acts 2011, 82nd Leg., R.S., Ch. 1290 (H.B. [2017](#)), Sec. 37, eff. September 1, 2011.

Acts 2013, 83rd Leg., R.S., Ch. 1135 (H.B. [2741](#)), Sec. 137, eff. September 1, 2013.

Acts 2021, 87th Leg., R.S., Ch. 856 (S.B. [800](#)), Sec. 24, eff. September 1, 2021.



Board Meeting Date: 12/2/2021
BRIEFING

To: Texas Department of Motor Vehicles Board
From: Whitney Brewster, Executive Director
Agenda Item: 14
Subject: Excused Absence of Board Member

RECOMMENDATION

Action Item

PURPOSE AND EXECUTIVE SUMMARY

To consider excusing absences of any Board member absent from more than half the regularly scheduled board meetings during a calendar year.

FINANCIAL IMPACT

No financial impact

BACKGROUND AND DISCUSSION

Transportation Code Section 1001.027, in part, provides that an absence of a Board member from more than half the regularly scheduled Board meetings may be excused by a majority vote of the Board.