



October 28, 2025

Division of Motor Vehicles Performance Audit

DMV Audit - Why

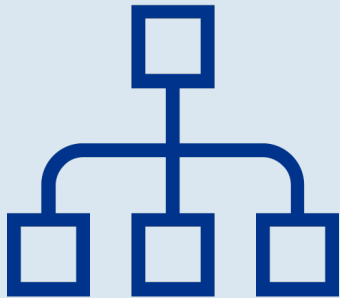


- DMV provides critical services to over 8 million residents and generates over \$2 billion in revenue for North Carolina
- Inefficiencies, delays, and low morale impact citizens and economic productivity
- Modernizing DMV operations is essential to meeting service demands

DMV Audit - Focus



DMV-DOT Relationship



Workforce Challenges



Customer Experience



IT Modernization





DMV Audit – Methodology

- Examined FY 2019-2025 financial data
- Analyzed DOT and DMV strategic plans
- Reviewed DMV survey data
- Conducted interviews with DMV and DOT employees at every level
- Site visits to driver's license offices (DLOs) across North Carolina
- Consulted with subject matter experts who have previously studied the DMV



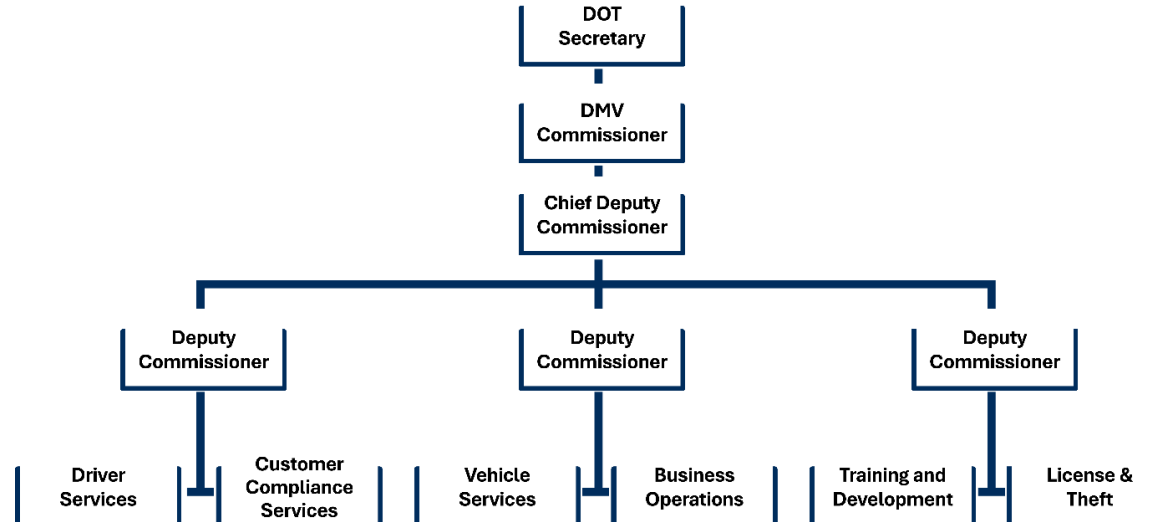
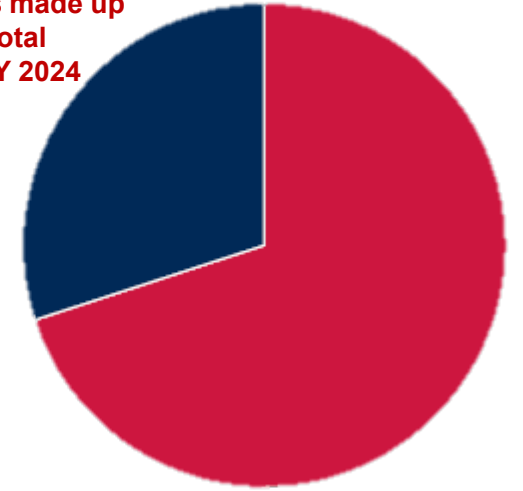
DMV Audit – Key Findings

- DMV–DOT Relationship: Limited autonomy, funding disparity, low inclusion in DOT strategy
- Customer Experience: Longer wait times, more long visits, customers bypassing closest office
- Employee Challenges: Low morale, vacancies, inadequate training
- IT Modernization: Outdated mainframe, lack of roadmap, data quality issues

Key Findings - DMV-DOT Relationship

- DMV generates 30% of DOT revenue
- Only 2.8% of DOT expenditures go to DMV
- Only 31% of DMV staffing requests included in DOT budgets
- Limited strategic input and role in modernization planning

DMV Revenues made up
30% of DOT's total
revenues for FY 2024





Key Findings – Customer Experience

- Average wait: 1 hr. 15 min (+15.5% since 2019)
- Visits over 2.5 hrs.: 13.8% (+78.8% since 2019)
- 47.5% of transactions occur outside customers' closest DLO



Key Findings – Workforce Challenges

- 47% of employees feel open communication exists
- 43% have negative views of leadership
- 160 vacancies statewide
- Burnout, inadequate training, security risks common throughout DMV



Key Findings – Population per Examiner

DLO	County	Number of Examiners	Examiner Vacancy Rate	Population per Examiner	Average Salary for Examiner I
Central North Carolina					
Lillington	Harnett	1	50%	56,639	\$44,964
Fuquay-Varina	Wake	4	33%	40,908	\$43,235
Durham East	Durham	6	25%	40,521	\$42,796
Raeford	Hoke	2	33%	38,288	\$40,484
Clayton	Johnston	3	40%	37,954	\$44,902
Cary	Wake	9	31%	36,308	\$43,703
Laurinburg	Scotland	1	67%	34,625	\$42,103
Western North Carolina					
Franklin	Macon	1	50%	40,314	\$42,103
Sylva	Jackson	1	50%	39,353	\$42,103
Hendersonville	Henderson	5	44%	33,445	\$42,349
Coastal North Carolina					
Shallotte	Brunswick	2	60%	47,522	\$45,515
Edenton	Chowan	1	50%	38,422	\$42,103



Key Recommendations

- Evaluate DMV's organizational placement.
- Develop a DMV-focused strategic plan.
- Develop a phased, data-driven staffing plan.
- Enhance transparency and performance reporting.
- Improve service delivery through targeted customer experience initiatives.



Key Findings – IT Modernization

- Relies on decades-old mainframe systems
- Must develop project plan and implementation roadmap
- Data cleansing critical before migration
- Modernization tied to improved service and efficiency





Key Recommendations – IT Modernization

- Define and document detailed business, functional, and technical requirements for the modernization program prior to contracting with an implementation vendor.
- Prepare a formal business case for the modernization program.
- Develop and maintain a unified project plan with major milestones, deadlines, roles and responsibilities, key risks, and a structured reporting framework for regular updates to the General Assembly.
- Establish a process to prioritize IT infrastructure affecting customer-facing business processes.
- Perform data cleansing in preparation for its IT modernization.
- Prepare a personnel management plan breaking out roles and responsibilities.

