

SB744 Reporting of DMV Modernization Projects

June 2019

In accordance with Senate Bill 744, Appropriations Act of 2014, the following projects are reported on Quarterly beginning October 1, 2014 to the Joint Legislative Transportation Oversight Committee and the Committee on Information Technology. This report will include the following:

1. Project Status to include any issues identified by the Enterprise Project Management Office.
2. Comparison of project status to the time line, with an explanation of any differences.
3. Any changes in project costs.
4. Actual expenditure to date.
5. Any variances from project expenditures and the reason for the variance.
6. Any potential funding shortfalls and the potential impact of the funding shortfalls.
7. Any issues identified by the DOT, with corrective action plan and a time line for resolving the issues.
8. Impact of any issues identified on the project schedule.
9. Impact of any issues identified on the project cost.
10. Any changes to the project.
11. Any change requests submitted to project vendors and the cost of those changes.

There are currently two (2) active projects and five (5) closed projects for the DMV Modernization effort under SB 744.

Active Projects

Replacement of the State Automated Driver License System (SADLS) Project

1. Project Status to include any issues identified by the Enterprise Project Management Office.

Working with Department of Information Technology and Enterprise Project Management Office, this effort has been split between the Next Generation Secure Driver's License Project (ITP.00200) and Driver 360 Project (ITP.280). NGSDL is the replacement of the user facing application for State Driver License system and Driver 360 the replacement of the backend processes that are covered by the SADLS application.

The NGSDL Project has been completed and closed out.

The Driver 360 Project (D360) contract with IDEMIA (formerly MorphoTrust) was mutually terminated effective September 12, 2018.

Following termination of the contract with IDEMIA, the decision was made to "refactor" the SADLS application which entails converting the legacy code base (COBOL) to a modern code base (.Net/C#). Refactoring will improve operational efficiency, enhance the customer experience and provide the versatility to dynamically adapt to change. As reported last period,

the Application Alignment and Inoperability Project delivered roadmaps for refactoring, re-architecting and enhancing SADLS (SADLS RR&E) for the following estimated cost and duration:

- \$20.4M – 23.25M Total Cost (Rough Order Magnitude)
- 39-51 months (First two (2) years to refactor and remaining time to re-architect and enhance).

On May 7, 2019, the SADLS Refactoring (SREF) Project (ITP.00311) commenced. The project will issue a RFI early June 2019. Information from RFI responses will be used to develop a Scope of Work for procurement of vendor services through the statewide IT services contract that is currently being established. The initial schedule for this effort is estimated to be delivered no later than July 31, 2019 and issuance of the solicitation to procure professional services when the Scope of Work is complete and the statewide IT services contract is available.

2. Comparison of project status to the time line, with an explanation of any differences.

The DMV Modernization Roadmap will be used to plan the efforts required to refactor, re-architect and enhance SADLS. The roadmap includes foundational, strategic readiness and technology initiatives. The initial schedule for this effort is estimated to be delivered no later than July 31, 2019.

3. Any changes in project costs.

The Initial Project Budget for Driver 360 was estimated at \$27,007,664. The DMV Modernization Roadmap estimates the SADLS RR&E at \$20.4M - \$23.25M. A revised budget will be prepared as part of the solicitation development process and delivered with the new schedule no later than July 31, 2019.

4. Actual expenditure to date.

NGSDL total is \$13,197,827 (project is closed out)
 Driver 360 total is \$ 721,607
 Total actual expenditure to date is \$13,919,434
 Remaining SB744 funding available is \$ 1,027,469

5. Any variances from project expenditures and the reason for the variance.

The project costs are on track with the total funding through appropriations. The total budget appropriated and expenditures for these projects are updated in the DIT Project Management tool weekly.

6. Any potential funding shortfalls and the potential impact of the funding shortfalls.

Given the estimate of \$ 23.25M for SADLS RR&E, there is not a potential funding shortfall.

- The total planned cost for NGSDL and SADLS replacement is \$ 41M
- The total actual expenditure to date is \$14M
- The remaining funding is \$27M.

7. Any issues identified by the DOT, with corrective action plan and a time line for resolving the issues.

There are no issues to report this period.

8. Impact of any issues identified on the project schedule.

Not applicable, there are no issues reported this period.

A new schedule to support SADLS refactoring will be established as part of the solicitation development process and will be delivered no later than July 31, 2019.

9. Impact of any issues identified on the project cost.

Not applicable, there are no issues reported this period.

10. Any changes to the project.

The DMV Modernization Roadmap will be used to plan the SADLS RR&E effort. The initial schedule for this effort is estimated to be delivered no later than July 31, 2019.

11. Any change requests submitted to project vendors and the cost of those changes.

Not applicable.

Division of Motor Vehicles Virtual Hearings Project

The Virtual Hearing Project (ITP.00250) will implement remote hearing capability within DMV. It was reprioritized as a result of being combined with the Hearing Fees Project. Since the ability to provide remote hearings greatly impacts the fees for hearings provided by DMV, former DMV Commissioner Thomas requested these efforts be included in the same project and Hearing Fees be implemented first. Hearing Fees was implemented January 2018.

1. Project Status to include any issues identified by the Enterprise Project Management Office.

No change in project status for this effort since the last report.

DMV is in the process of preparing a Business Project Request for the Virtual Hearings Project. The project initiation start date will be determined once the request is received and the preliminary business case is prepared.

2. Comparison of project status to the time line, with an explanation of any differences.

A new project will be established for Virtual Hearings.

3. Any changes in project costs.

None.

4. Actual expenditure to date.

Project costs to date for the combined Virtual Hearings and Hearing Fees are \$1,094,811. All funding appropriated by SB744 has been expended.

5. Any variances from project expenditures and the reason for the variance.

None.

6. Any potential funding shortfalls and the potential impact of the funding shortfalls.

No potential funding shortfalls have been identified.

7. Any issues identified by the DOT, with corrective action plan and a time line for resolving the issues.

Virtual Hearings will be reinitiated once subject matter experts are available, project approach is defined and project request is submitted to DIT Project Management Office.

8. Impact of any issues identified on the project schedule.

None.

9. Impact of any issues identified on the project cost.

None.

10. Any changes to the project.

None.

11. Any change requests submitted to project vendors and the cost of those changes.

Not applicable.

Completed Projects

Division of Motor Vehicles Hearing Fees

This effort was combined with the Virtual Hearing Project (ITP.00250) which was to implement remote hearing capability within DMV. Since the ability to provide remote hearings greatly impacts the fees for hearings provided by DMV, former DMV Commissioner Thomas requested this effort be included in the Virtual Hearing Project. This project was implemented in January 2018.

The actual costs were \$ 1,094,811.

Division of Motor Vehicles Service-Oriented Architecture

DOT IT efforts for SOA efforts and BPM have completed. The BPM deliverables included Driver Services and Vehicle Services to DMV. The DMV Commissioner with DOT IT agreement, determined the BPM effort will reside with DMV business units and remaining documentation efforts of those services, as well as maintenance of delivered services, will be done by DMV.

The project has been place in ‘On Hold’ status awaiting decision on reallocation of remaining funding to other DMV Modernization initiatives.

The actual costs were \$1,445,014.

Remaining SB744 funding available is \$1,554,986.

Division of Motor Vehicles Mobile Unit Replacement &

Division of Motor Vehicles Kiosk Pilot Program

These two items under Section 7.14.(a) are combined and included in this report under the same project, NCDMV Optimization (ITP.00255). These efforts have been identified by DMV as a subset of the Office Optimization effort. The implementation of mobile units and kiosks have been addressed as a result of DMV Offices surveys; office layout and customer flow optimization and utilization of mobile units were addressed to optimally meet the citizens’ needs for face-to-face DMV services.

The NCDMV Optimization project has completed and closed out.

The actual project costs were \$5,109,043, \$462,957 under budget.

Division of Motor Vehicles Card Payment Operations & Maintenance

This item under Section 7.14.(a) is as stated operations and maintenance (O&M) and not a project within DOT IT. As such, the reporting items stated in 7.14.(d) do not apply. The costs and expenditures for Card Payment O&M will be collected monthly.

To date the entire allocated funding from SB744, \$1,512,919 has been expended.

Division of Motor Vehicles Channel Strategy

With passage of S.L. 2016-94; HB 1030, all remaining funding for Channel Strategy Project has been moved to eCrash Replacement Project.

Channel Strategy Project was closed with actual costs of \$65,364.

The remaining funded amount, \$1,734,636 has been moved to eCrash Replacement Project.

The RFP for eCrash Replacement per legislative mandate was published on time. Four responses were received in total, each of which were removed from consideration due to non-responsiveness or non-compliance to the specifications set forth in the RFP. As was reported in an April 2018 eCrash replacement status report, the decision was made to cancel this solicitation and partner with the UNC Chapel Hill's Highway Safety Research Center (HSRC) to lead the collaborative intra-institutional team to modernize the crash system.

SB 744 Financial Summary							
Project	Name	SB 744 Title	SB 744 Funding	Plan Cost	Actual Cost	Remaining SB744 Funding	Overall Remaining Funding
Active Projects							
ITP.00200 ITP.00280	Secure Driver License System Driver 360	Replace SADLS	\$14,946,903	\$41,009,750	\$13,919,434	\$1,027,469	\$27,090,316
ITP.00311	SADLS Refactoring	Replace SADLS					
ITP.00250	Virtual Hearings & Fees	Hearing Fees	\$256,000	\$1,650,992	\$1,094,811	\$0	\$556,181
Completed Projects							
ITP.00259	DMV SOA Center	SOA	\$3,000,000	\$3,000,000	\$1,445,014	\$1,554,986	\$1,554,986
ITP.00255	NCDMV Optimization	Mobile Unit & Kiosk	\$1,396,000	\$5,572,000	\$5,109,043	\$0	\$462,957
O&M	Card Payment O&M	Card Payment Operations & Support	\$1,512,919	\$1,512,919	\$1,512,919	\$0	\$0
ITP.00251 ITP.00270 ITP.00290	Online Driver License Renewals Channel Strategy eCrash Replacement	Channel Strategy (balance moved to Crash Reporting Replacement)	\$1,800,000	\$2,442,447	\$230,966	\$1,569,034	\$2,211,481
Totals			\$22,911,822	\$55,188,108	\$23,312,187	\$4,151,489	\$31,875,921

Actual costs as of May 30, 2019, as reported in EPMO Reporting system.

Financial reporting for SADLS Refactoring (SREF) Project will begin next reporting period.