

Department of Transportation Division of Motor Vehicles

Raleigh, NC



Performance Audit Report

August 2025

State Auditor
Dave Boliek

*A Constitutional Office of the
State of North Carolina*





North Carolina Office of the State Auditor

Dave Boliek, State Auditor

Auditor's Transmittal

The Honorable Josh Stein, Governor
The Honorable Phil Berger, President Pro Tempore
The Honorable Destin Hall, Speaker of the House
Honorable Members of the North Carolina General Assembly
Joey Hopkins, P.E., Secretary, Department of Transportation
Paul Tine, Commissioner, Division of Motor Vehicles
Anthony T. Lathrop, Chair, Board of Transportation

To all:

It's my pleasure to submit to you all the North Carolina Office of the State Auditor's performance audit of the North Carolina Division of Motor Vehicles (DMV).

This audit is the culmination of six months of research, evaluation, testing, interviewing, and auditing. It covers the customer experience, the employee experience, staffing, and the structure of our government.

More than 20 auditors and specialists worked on this audit since it was first launched. We also engaged external experts including the Institute for Transportation Research and Education, the Bryan School of Business and Economics at UNC Greensboro, and the UNC School of Government, to provide independent data analysis and to benchmark DMV operations against national best practices.

What our audit shows is that the DMV faces systemic challenges from being a division of the North Carolina Department of Transportation (DOT), and separation should be explored.

To assist government leaders in getting the DMV to a place of improvement, our audit lays out structured recommendations, complete with specific timelines. While we cannot force any government agency to take up these recommendations, it would be in the best interest of all North Carolinians if the recommendations are implemented fully.

It is increasingly important across all levels of state government that metrics enabling management and the public to measure results be employed. This includes timelines for completion of projects. Our hope is that with the DMV, metrics will drive multiple operations.

I'd like to thank DOT Secretary Joey Hopkins and DMV Commissioner Paul Tine for working with our office throughout this audit. While they oppose removing the DMV from DOT, this audit shows the current governance structure is the main issue facing the DMV. The structure has stayed the same for years, and the customer experience has only gotten worse.

That said, I would note that Secretary Hopkins and Commissioner Tine have agreed with the other recommendations included in this performance audit, which our team will be following up on for periodic status updates.



North Carolina Office of the State Auditor

Dave Boliek, State Auditor

Auditor's Transmittal (Concluded)

I'd like to thank all external parties for their assistance in helping complete this audit.

Respectfully submitted,

Dave Boliek
State Auditor

Executive Summary

The North Carolina Office of the State Auditor (OSA) conducted this performance audit in accordance with Chapter 147, Article 5A of the North Carolina General Statutes concerning the Division of Motor Vehicles' (DMV) ability to effectively serve the people of North Carolina. This audit was initiated in response to stakeholder concerns about DMV's ability to deliver timely, effective, and citizen-centered services.

Audit Objective

The objective of this performance audit was to determine whether DMV's governance structure as a division of the North Carolina Department of Transportation (DOT) enabled DMV to deliver efficient, effective, and citizen-centered services. The audit also sought to:



Identify ineffective and inefficient operations affecting DMV's service delivery, staffing, and modernization efforts.



Analyze the root causes of inefficiencies, including issues related to governance structure, resource allocation, and use of performance data in decision-making.



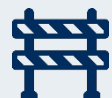
Provide actionable recommendations to DMV, DOT, and policymakers to improve DMV's ability to fulfill its mission.

What We Found

The audit identified four systemic challenges stemming from DMV's governance structure as a division of DOT. These structural barriers have directly impeded DMV's ability to deliver timely, efficient, and citizen-centered services:



Limited Strategic Input: DMV has lacked influence in statewide strategic decision-making that affected its operations and future direction. DMV played a minimal role in shaping DOT's 2023–2025 Strategic Plan and has not maintained its own strategic plan since 2019. Without a standalone, DMV-specific strategic plan, DMV cannot proactively address urgent service issues such as extended wait times, uneven staffing, and customer dissatisfaction.



Restricted Budgetary Autonomy: DMV has historically not been able to submit its budget requests directly to policymakers and has relied on DOT to advocate for its needs. As a result, critical requests for additional staffing and resources have routinely been reduced or omitted before reaching the General Assembly. For example, from 2019 to 2025, only **31%** of DMV's requested examiner positions were advanced by DOT, despite a **29% growth in the state's population** and corresponding service demand.



Insufficient Performance Data: DMV has not consistently tracked or reported key service metrics, including true customer wait times, customer satisfaction, and staffing capacity. Available metrics understate the total customer experience as reported wait times exclude hours customers spent waiting before check-in. In fiscal year 2025, **13.8%** of customer visits exceeded **2.5 hours**, a **78.8% increase** since 2019. Without robust, accurate performance data, DMV leadership cannot manage operations effectively, advocate for resources, or maintain public transparency.

Executive Summary (Continued)



Exclusion from Key Process Modernization Initiatives: Prior DMV leadership was excluded from the planning and procurement of major process modernization projects intended to improve DMV operations. Recent contracts were executed without DMV's input, resulting in solutions that failed to meet frontline operational needs. This exclusion increased the risk of wasted taxpayer dollars and further delays in service improvements.

Consequences of Inaction



If North Carolina does not act to resolve the structural barriers and operational challenges facing DMV, the state will face mounting risks that will directly affect citizens, DMV employees, and the state's economic vitality:

- **Increasing Customer Dissatisfaction and Deteriorating Service Quality**

- **Longer visits:** The average DMV visit already exceeds **1 hour and 15 minutes statewide**, with rural areas seeing a **17.9% increase** since 2019. Over **13.8%** of customers now endure **visits longer than 2.5 hours**, up nearly 79% since 2019.

Average DMV visits exceed 1 hour and 15 minutes.

- **Travel burdens:** Nearly half (**47.5%**) of DMV customers are already bypassing their nearest Driver License Office (DLO). Rural customers in particular face long drives, with **14%** that travel outside of their service area traveling **more than an hour**, increasing both costs and public frustration.
- **Missed appointments for services and prolonged delays:** Limited appointment availability and long in-office wait times will continue to force customers to seek alternative locations or reschedule visits, delaying the completion of essential transactions (such as license renewals or REAL ID issuance) and increasing the risk of expired credentials that can impact the ability to drive legally.

- **Rising Employee Burnout and Attrition**

160 Vacant Driver License Examiner Positions.

- DMV is already operating in an unsustainable staffing model. Daily examiner availability ranges between **62–75%**, and **160 examiner positions** remain vacant (63 permanent positions and 97 temporary positions).¹

¹ According to DMV leadership (January 2025 – April 2025). Includes vacancies as well as unplanned absences.

Executive Summary (Continued)

- Employee morale has been deteriorating. Only **47%** of DMV workers believed DMV fostered open communication, and **43%** expressed negative views of prior leadership support.²
- Without reforms, burnout-driven attrition could accelerate, further shrinking the workforce and compounding customer service failures. This could create a cycle of overwork and staff attrition, further straining operations and reducing service quality.

- **Delayed or Failed Modernization Efforts**



- DMV's prior exclusion from strategic planning has already led to **modernization efforts that failed to achieve meaningful operational improvements for DMV**. For example, a multi-million-dollar modernization project was executed without prior DMV leadership's involvement in key phases. DMV's own Impact Center, created to monitor such improvements, was later dismantled due to lack of sustained support.
- Without direct involvement from DMV leadership in future modernization efforts, North Carolina risks investing additional taxpayer dollars in solutions that fail to address the agency's real operational needs. This will perpetuate costly delays, inefficiencies, and missed opportunities for meaningful service improvements.

**DMV projects
executed without
prior DMV
leadership's
involvement.**

- **Negative impact on the state's economy**

If DMV inefficiencies are not addressed, the state faces increasing risks to workforce participation, business operations, and overall economic productivity.



- **The risk of workforce disruptions will grow as more customers are forced to make multiple DMV trips or endure multi-hour visits**, pulling them away from work and reducing overall productivity.
- **Businesses that rely on commercial driver licensing or vehicle services face growing risks of operational delays**, as DMV service bottlenecks could disrupt supply chains and logistics.
- **Public confidence in the efficiency and business-friendliness of North Carolina's government could erode**, increasing the risk of reputational harm that may discourage future economic investment.

² According to the 2025 DMV Employee Pulse Survey, conducted by DMV management. Survey results reflect responses collected from DMV employees as of March 2025 (prior to the new DMV administration).

Executive Summary (Continued)

Recommendations

To address the structural challenges identified in this audit and ensure DMV can deliver timely, effective, and citizen-centered services, OSA makes the following recommendations:

- 1 Evaluate DMV's Organizational Placement:** Policymakers should consider establishing DMV as an autonomous agency or authority with direct control over its budget, strategic planning, and operations. DMV currently generates 30% of DOT's revenues but accounts for only 3% of expenditures, while lacking sufficient operational authority. A detailed transition plan should be developed collaboratively by DMV, DOT, and policymakers to address organizational structure, budget authority, and governance.

Timeline: Policymakers should require DMV and DOT to deliver an initial transition plan within **6 months**, with formal progress updates provided to both the General Assembly and the Governor's Office **every 6 months** until the transition is complete.

- 2 Develop a DMV-Focused Strategic Plan:** DMV leadership should adopt a comprehensive strategic plan independent of DOT, with input from external stakeholders such as the University of North Carolina at Chapel Hill School of Government (UNC School of Government)³ or a neutral industry expert. The plan should include clear goals and performance measures (e.g., customer satisfaction, wait times, staffing targets, employee engagement), and a robust performance measurement system to link measurement to decision-making.

Timeline: DMV should deliver a draft strategic plan with measurable goals and performance metrics to the General Assembly and the Governor's Office within **9 months**, with **annual public reporting** on progress and updates thereafter.

Auditor's Note: This is **not the first time** OSA has recommended that DMV develop a DMV-Focused Strategy. **Seven years ago**, OSA's May 2018 *Division of Motor Vehicles Performance Measurement* performance audit⁴ recommended that DMV design goals and objectives specific to its functions and approve specific performance measures to ensure they are outcome-based. The audit found that failure to do so could **prevent DMV from effectively and efficiently fulfilling its mission**.

³ The UNC School of Government, established in 1931 as part of the University of North Carolina at Chapel Hill, is the largest university-based local government training, advisory, and research organization in the United States. The UNC School of Government's mission is to improve the lives of North Carolinians by improving the governance and leadership of the state's public institutions through professional education, applied research, and advising. Source: <https://www.sog.unc.edu/about>.

⁴ See Appendix C for full audit report.

Executive Summary (Continued)

③ Develop a Phased, Data-Driven Staffing Plan: DMV should conduct an in-depth staffing analysis to inform a multi-year, phased staffing plan that addresses examiner shortages and ensures service equity statewide. The plan should:

- Be developed in alignment with DMV's Strategic Plan, ensuring that staffing priorities and targets directly support DMV's service delivery goals and customer experience objectives.
- Identify staffing needs by location using objective criteria (e.g., transaction volume, examiner vacancy rates, population served).
- Prioritize high-need DLOs identified in this audit (see Table 4 on page 21).
- Include strategies for converting temporary to permanent examiner roles and adjusting pay structures where needed. This would include giving the Commissioner flexibility within DMV to address human resource requirements.

DMV should partner with experts, such as the Institute for Transportation Research and Education (ITRE)⁵ at North Carolina State University and the Bryan School of Business and Economics at the University of North Carolina at Greensboro (UNC Greensboro) to validate findings and guide implementation.

Timeline: DMV should complete and submit the staffing plan to the General Assembly and the Governor's Office within **6 months**, begin implementing priority hiring actions within **9 months**, and provide **quarterly progress updates** on hiring, vacancies, and service improvements.

④ Enhance Transparency and Performance Reporting: DMV should build and maintain a centralized performance dashboard to track and report key service metrics, including:

- Total customer visit duration (not just post-check-in wait times).
- Appointment availability and scheduling trends.
- Customer satisfaction and feedback.
- Staffing availability and examiner productivity.
- Online service usage and adoption rates.

The dashboard should support both internal management and public accountability. DMV should provide training for leadership and staff on data-driven decision-making and regularly update the dashboard as part of its strategic plan reporting requirements.

Timeline: DMV should develop and implement an internal performance dashboard within **9 months**, launch a public-facing dashboard within **12 months**, and routinely update the dashboard in accordance with the strategic plan.

⁵ ITRE was established in accordance with N.C.G.S. § 116-43.1 in 1978 to facilitate the development of a broad program of transportation research and education. ITRE works across various modes of transportation to provide capacity and expertise for municipal, state, federal, and international clients to address critical transportation issues. Today, ITRE's expertise covers numerous travel modes and services that reflect the ever-evolving nature of the transportation field.

Executive Summary (Continued)

5 Improve Service Delivery Through Targeted Customer Experience Initiatives: DMV should partner with an industry expert, such as ITRE,⁶ to develop and implement evidence-based improvements to customer experience and service delivery. The partnership should include:

- Service differentiation (spatial and temporal) to tailor DMV services by location and time.
- Incentives to encourage online transactions.
- Revised appointment management strategies to optimize system efficiency and reduce no-shows.
- Staffing models that leverage facilitators and flexible shift scheduling. Facilitators could be stationed at each DLO to assist with check-in, document verification, and determine service needs. Facilitators should continue to be trained examiners and regularly rotate this role with other examiners to reduce burnout.
- Enhanced customer communication, signage, and digital tools.
- Innovative service pilots such as Pop-Up DMV events and expanded REAL ID outreach.
- Evaluation of new technology solutions (e.g., document upload systems, translation tools, real-time queue management).
- Consideration to offer a paid 'Fast Pass' option allowing customers to move to the front of the line for driver license services. This premium service would cater to those willing to pay for expedited processing while helping to fund broader operational improvements.

Timeline: DMV should submit a detailed customer experience improvement plan within **6 months**, implement key pilots within **9–12 months**, and report measurable progress **annually** to the General Assembly and the Governor's Office.

⁶ ITRE was established in accordance with N.C.G.S. § 116-43.1 in 1978 to facilitate the development of a broad program of transportation research and education. ITRE works across various modes of transportation to provide capacity and expertise for municipal, state, federal, and international clients to address critical transportation issues. Today, ITRE's expertise covers numerous travel modes and services that reflect the ever-evolving nature of the transportation field.



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Chapter 147, Article 5A of the North Carolina General Statutes gives the Auditor broad powers to examine all books, records, files, papers, documents, and financial affairs of every state agency and any organization that receives public funding. The Auditor also has the power to summon people to produce records and to answer questions under oath.



Background

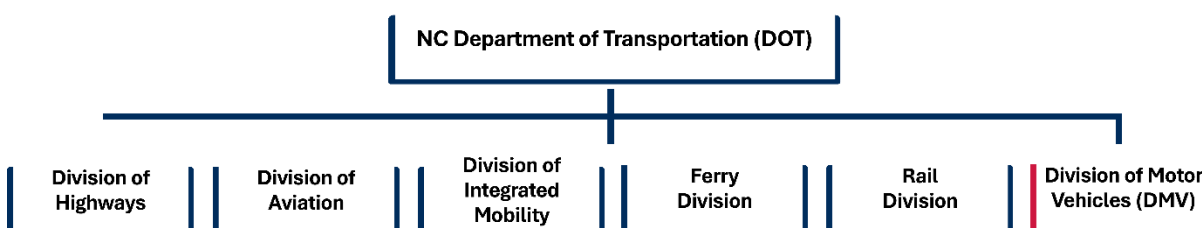
North Carolina Department of Transportation

The North Carolina Department of Transportation (DOT) is responsible for planning, developing, and maintaining the state's transportation systems, including highways, public transit, railways, airports, ferries, and infrastructure for cyclists and pedestrians.

DOT was established by North Carolina General Statute (N.C.G.S.) § 143B-345 and operates under the direction of a Secretary appointed by the Governor and a 20-member Board of Transportation.

Per state law,⁷ the Secretary of DOT is responsible for managing day-to-day operations and implementing policies approved by the Board of Transportation.

DOT is composed of six divisions: Division of Highways, Division of Aviation, Division of Integrated Mobility, Ferry Division, Rail Division, and the **Division of Motor Vehicles (DMV)**.



Division of Motor Vehicles

DMV was established by N.C.G.S. § 20-1 as “The Division of Motor Vehicles of the Department of Transportation.”

Section 20-2 of the General Statutes established a Commissioner of Motor Vehicles to administer DMV. Section § 20-3 further states that the Commissioner “shall organize and administer the D[MV] in such a manner as he may deem necessary to conduct the work of the D[MV].”

The Commissioner is appointed by and serves at the pleasure of the Secretary of DOT. N.C.G.S. § 20-2(a).

Although DMV is a division within the larger DOT, DMV generally functions as a distinct entity with its own specific responsibilities and operational focus.

DMV is primarily responsible for various vehicle and driver-related services in the state that include issuing driver licenses and learner permits, registering and titling vehicles, maintaining driving history records, conducting road tests for new drivers, and overseeing vehicle inspections.

DMV is the largest customer-facing agency in North Carolina state government, operating 115 Driver License Offices and overseeing 131 License Plate Agencies. DMV has 1,556 staff positions.⁸

⁷ N.C.G.S. § 143B-348.

⁸ As of May 2025.

The need for DMV services continues to increase. The number of licensed drivers in North Carolina increased from 7.2 million in 2015 to over 8 million in 2023, representing a growth of approximately 12.8% over an eight-year period.

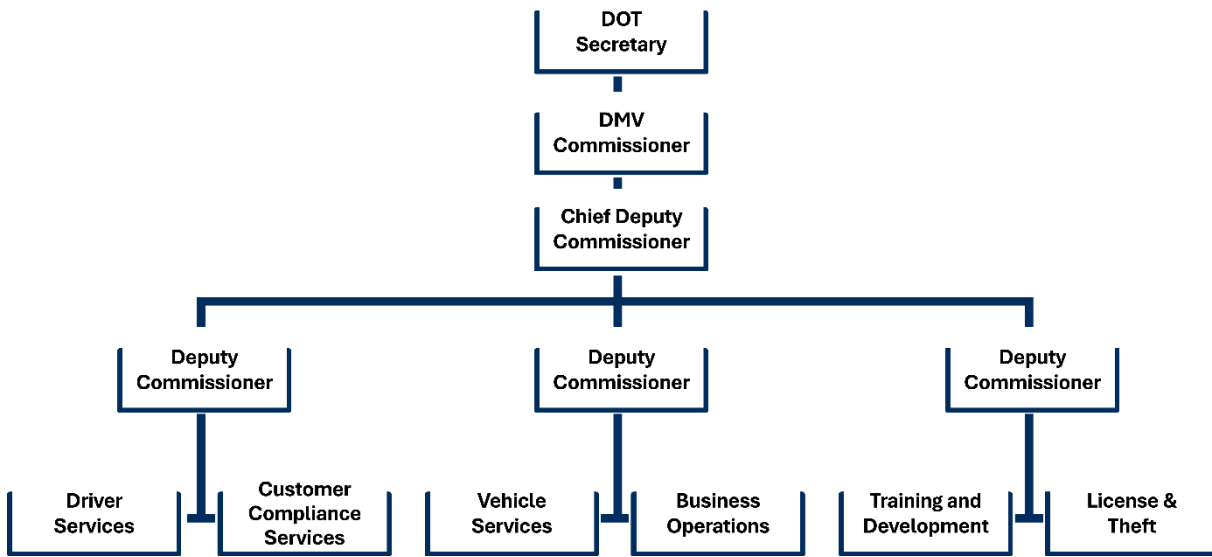
DMV operates six functional areas, in addition to the Commissioner's Office, to carry out its duties. (See the DMV Organizational Chart section for more information – page 355.)

In just 8 years, the number of licensed drivers in North Carolina has increased

12.8%



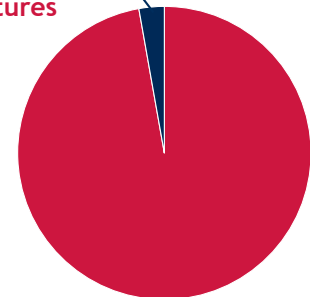
(From 7.2 million in 2015 to over 8 million in 2023)



DMV is a small part of DOT's overall spending. DMV spent \$215.6 million representing 2.8% of DOT's total expenditures of \$7.6 billion⁹ for the fiscal year ended June 30, 2024. (See DMV Spending Overview section for more information – page 270.)

In contrast, DMV generated approximately \$2.2 billion dollars in revenues for the fiscal year ended June 30, 2024, as shown on the following page.

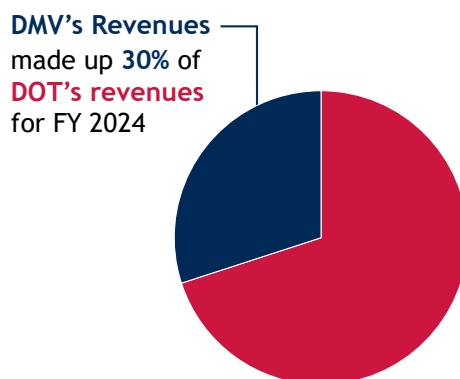
DMV's Expenditures made up only 2.8% of DOT's expenditures for FY 2024



⁹ Per DOT Cash Spending Plan Performance Audit - January 2025, page 4.
<https://www.auditor.nc.gov/documents/reports/performance/per-2025-4200/open>.

Revenue Source	Amount
Hearings	\$ 2,153,988
Driver Services Fees	\$ 140,423,414
Vehicle Services Fees	\$ 949,297,446
Highway Use Tax	\$ 1,082,899,274
Other Taxes and Fees	\$ 40,233,988
Total:	\$ 2,215,008,010
* Vehicle Property taxes of \$1.3 billion, typically included in Other Taxes and Fees, are not included in DOT's total revenues; therefore, they are excluded from the DMV revenues for comparison purposes.	

During the same period, DOT reported total revenues of \$7.3 billion, meaning DMV generated approximately 30% of DOT's overall revenue. (See DMV Revenue Overview section for more information – page 268).



Key terms discussed in this report include:

Driver License Office (DLO) – Facilities operated by DMV where individuals can complete services related to driving credentials and identity documentation. There are 115 located across the state.

Driver License Examiner – An employee of DMV responsible for administering the process of issuing, renewing, and testing for driver licenses and identification cards. Examiners perform duties such as conducting road tests, administering written and vision exams, verifying identity and legal presence using required documents, capturing photographs, signatures, and biometric data, and entering and updating records.

License Plate Agency (LPA) – A privately or publicly owned and operated office under contract with DMV that provides vehicle-related services such as titling and registration, license plate renewals, duplicate registrations, and replacement tags. There are 131 located across the state.

Performance Metrics/Performance Measures – Specific, defined data that track progress, efficiency, quality, or outcomes of operations, programs, services, or goals. Performance metrics are often expressed numerically (e.g., wait time), are tied to strategic objectives or goals, and are used to make informed decisions, improve processes, or allocate resources.

Permanent Positions – A long-term, budgeted job that is part of the regular workforce and does not have a set end date. Permanent positions are considered part of the government's ongoing operations. Personnel in permanent positions are generally eligible for state benefits.

Q-Anywhere – A queue management system used at DLOs to streamline customer flow. Customers scan a QR code at the office entrance when it is made available (generally around noon). The customers will receive a text message to join the queue, enabling them to wait in their car or somewhere nearby instead of waiting inside the DLO. Once near the front of the queue, customers receive a text message notifying them to return for their service. The Q-Anywhere system is integrated with the Q-Flow system.

Q-Flow – A commercial, off-the-shelf queue management platform utilized to monitor and manage customer service delivery times at DLOs. This system supports three primary objectives: measuring wait times, measuring service duration, and monitoring queue status—the real-time tracking of individuals currently checked into the system and their status (waiting, in service, and on hold).

Rural – Locations with less than 25,000 residents.

Strategic Plan – Per the U.S. Government Accountability Office (GAO), a strategic plan is a multi-year document that articulates an organization's mission and sets long-term goals and objectives, as well as the strategies and resources needed to achieve them.

Suburban – Locations with 25,000 to 75,000 residents.

Temporary Position – A short-term job that is not part of the permanent workforce and typically has a defined end date or limited duration. Personnel in these positions are often ineligible to receive state benefits.

Urban – Locations with greater than 75,000 residents.

Vacant Position – A budgeted job that is currently unfilled – meaning no employee is assigned to the position at the moment, but the position is authorized to be filled. These authorized positions are included in the state's position count and budget. Vacant positions can be permanent or temporary.



Findings and Recommendations

DOT's Governance Structure Creates Barriers for Effective DMV Operations

The Division of Motor Vehicles' (DMV) governance structure, under the Department of Transportation (DOT), created four challenges that have limited its ability to serve North Carolinians effectively. Specifically, DMV has historically:

- Lacked a strategic voice in decision-making.
- Lacked authority to control its own budget.
- Lacked sufficient performance data to guide operations.
- Been routinely excluded from key process modernization initiatives.

These governance-related constraints hindered DMV's ability to operate independently, secure needed resources, and deliver consistent, citizen-centered services.

As DMV's oversight body, DOT is responsible for overseeing DMV's operations and strategic direction, ensuring accountability, and making decisions necessary for DMV to achieve its objectives.¹⁰



Limited Strategic Input

State agencies are required to submit strategic plans biannually as part of the budget process. Per the Office of State Budget and Management (OSBM) Strategic Planning Guidance:

Strategic planning is a long-term, future-oriented process of assessment, goal setting, and decision-making. A strategic plan sets the course for what an agency will do over the next two to five years and how it will achieve its desired results. At its core, strategic planning is about influencing the future rather than preparing or adapting to it.

DOT submitted a strategic plan to OSBM for the 2023-2025 biennium (see Appendix A). However, when asked about DMV's involvement, the former DMV Chief Deputy stated that DMV leadership did not play a significant role in developing the plan. Of the 45 performance milestones in the DOT plan, only two directly pertained to DMV operations:

- DMV Service Reliability – Average customer service wait times at DMV facilities (measured upon check-in).
- DMV Customer Satisfaction – Satisfaction scores based on surveys of DMV customers.

DOT Strategic Plan included **only two** DMV performance measures:



Average customer service wait times



Satisfaction score of surveyed DMV customers

¹⁰ United States Government Accountability Office, Standards for Internal Control in the Federal Government September 2014.

As part of this audit, the University of North Carolina at Chapel Hill School of Government (UNC School of Government) reviewed the 2023-2025 DOT Strategic Plan and any related DMV data since **DMV did not have their own current strategic plan** (See Appendix E).

The UNC School of Government's review concluded that while the DOT strategic plan addresses two aspects of DMV effectiveness (shorter wait times and excellent customer service), **it does not comprehensively cover the purpose, priorities, and actions of DMV.**

Outside of the DOT Strategic Plan, DMV has not developed its own current strategic plan since 2019. In 2019, in response to OSA's May 2018 [Division of Motor Vehicles Performance Measurement](#) performance audit¹¹ recommendations DMV developed a strategic plan in consultation with the UNC School of Government.

In March 2020, the COVID-19 pandemic hit, and DMV's headquarters relocated from Raleigh to Rocky Mount (completed in December 2020). As a result, DMV experienced a significant amount of employee turnover and there was no further monitoring of the DMV's 2019-2023 Strategic Plan.

Without its own strategic plan, DMV has not established clear, enterprise-wide goals, milestones, or targets in key areas such as:

- Customer satisfaction/experience.
- Customer wait times.
- Driver license examiner productivity.

DMV has *lacked* a formal plan to address wait times



As a result, DMV lacked a documented roadmap to address urgent service issues, such as customer service wait times, despite widespread public concern.



Restricted Budgetary Autonomy

DMV lacked the authority to submit its budget directly to policymakers. Instead, DMV relied on DOT to include its expansion requests, which limited DMV's ability to secure funding for basic staffing needs. (See Budget Overview section for more information – page 260.)

For example, in the fiscal year 2024–2025 budget cycle, DMV submitted six expansion requests to DOT, but only one was included in DOT's submission to OSBM. DMV specifically requested 80 new examiner positions, but DOT advanced only 40.



Only 31%
of DMV's staffing requests
were included by DOT
in its budget requests to OSBM

Additionally, from 2019 to 2025, DMV requested a total of 130 new staff positions for Driver Services through budget expansion requests to DOT. However, only 40 of these positions (31%) were actually included in DOT's budget requests to OSBM.

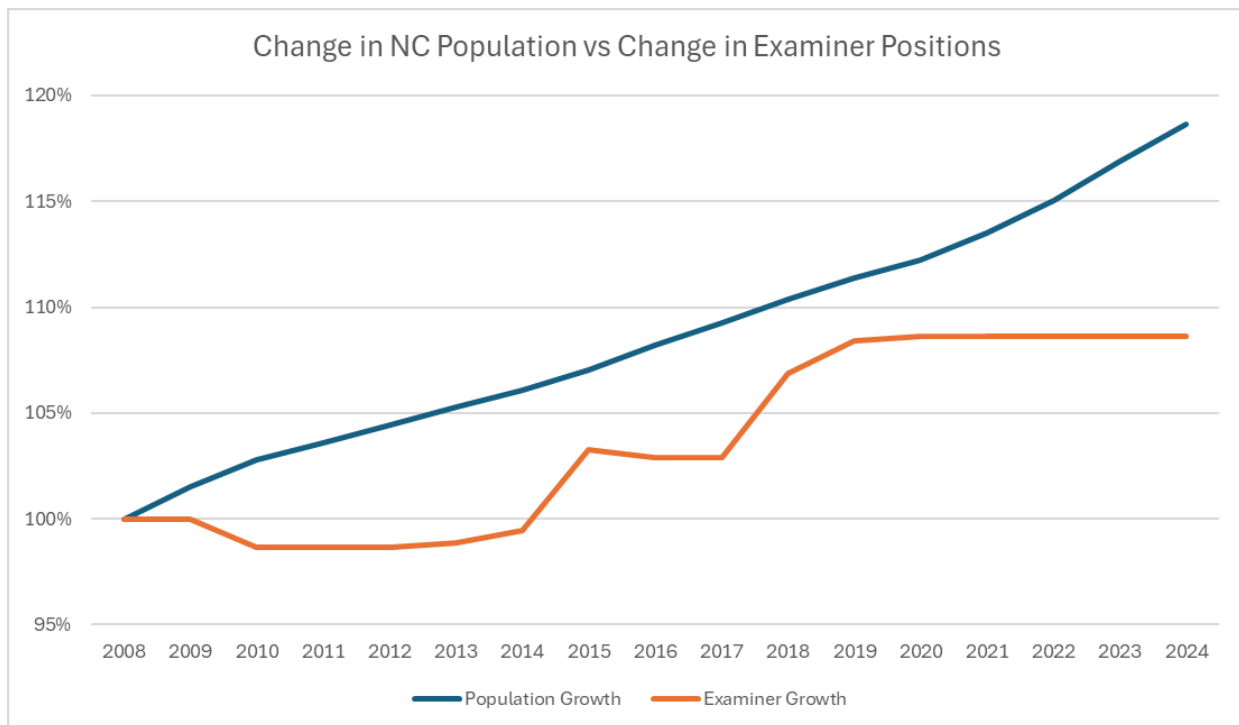
DMV leadership has historically emphasized that chronic staff shortages, coupled with North Carolina's rapidly growing population, are driving long lines and extended wait times at DMV

¹¹ See Appendix C for full audit report.

offices.¹² Over the past 15 years, North Carolina's population increased by 2.5 million people (29%). However, the number of driver license examiner positions increased by only 52 positions (10%), from 516 to 568.

This disparity between population growth and staffing levels is visually evident in the chart below. As North Carolina's population has steadily increased over the past 15 years, the number of DMV examiner positions did not grow at the same rate. The widening gap highlights how examiner staffing has not kept pace with rising service demand, contributing to longer wait times and persistent service challenges across the state.

Chart 1 – NC Population Growth vs. DMV Examiner Position Growth (2008–2024)



Source: Auditor analysis of DMV staffing and North Carolina population data.

It is important to note that DMV generates about 30% of DOT's total revenue, but accounts for less than 3% of DOT's expenditures. While DMV's funding is ultimately set by legislative appropriations from the General Assembly, DOT acts as a gatekeeper, deciding which DMV budget requests advance for legislative consideration. As a result, critical DMV needs may not be fully presented or funded, limiting the agency's ability to address operational and customer service challenges.

DOT holds the power to decide which DMV budget requests advance for legislative consideration



¹² <https://www.cbs17.com/news/capitol-report/long-wait-times-persist-at-some-dmv-offices-amid-staffing-struggles/>.



Insufficient and Unreliable Performance Data Undermine DMV Oversight and Service Improvement

Despite serving millions of North Carolinians, DMV management historically has not actively monitored or utilized key performance metrics, such as wait times and customer satisfaction, to guide operations, make improvements, or respond to oversight inquiries.

As previously stated, the 2023–2025 DOT Strategic Plan included only two performance measures that directly pertained to DMV operations: **average customer service wait times** at DMV facilities (measured from check-in) and the **satisfaction score** of surveyed DMV customers.

However, DOT did not ensure that former DMV management consistently captured, monitored, or reported on these measures.

The chart below highlights this significant gap in DMV performance measurement and accountability. Under Goal 4, “Provide Great Customer Service,” the DOT Strategic Plan set a target range of 70–85% for DMV customer satisfaction. However, as shown in the 2024 DOT Annual Performance Report, no customer satisfaction data was collected or reported for the DMV in recent years (see Appendix B). While customer satisfaction metrics were routinely reported for other DOT divisions such as rail and ferry services, DMV’s row is marked “n/a” for every year presented. This absence of data underscores the lack of consistent, reliable performance monitoring for DMV customer service, a critical measure that should inform operational decisions and service improvements.

Chart 2 – Absence of DMV Customer Satisfaction Data in 2024 DOT Annual Performance Report

GOAL 4: Provide great customer service					
NCDOT Customer Satisfaction	Percentage of surveyed customers satisfied with transportation services in North Carolina	70-85%	77%	74%	✓
DMV Customer Satisfaction	Satisfaction score of surveyed DMV customers	70-85%	n/a	n/a	n/a
Rail customer Satisfaction	Satisfaction score of surveyed rail passengers on the Carolinian and Piedmont train services	82-87%	84%	80%	✗
Ferry Customer Satisfaction	Satisfaction score of surveyed ferry passengers	82-87%	93%	93%	✓

Source: North Carolina Department of Transportation 2024 Annual Performance Report.

Although DMV has access to real-time tools like Q-Flow¹³ that can track operational metrics at DLOs, these systems were not used systematically to assess performance or inform management decisions. DMV personnel reported relying on experience-based monitoring instead of data-driven oversight. There were no standardized, routinely generated reports. Therefore, data was compiled only in response to ad hoc requests rather than for ongoing oversight.

Even when data is available, it may not reflect the true customer experience. For example, DMV defines and measures “wait time” as the period from check-in until the customer is called to the examiner workstation. However, many customers arrive hours before the office opens to secure a place in line and wait an equally long time before they are checked in – a factor not captured in official metrics.



¹³ Q-Flow is the queue management system utilized by DMV with an intended purpose of streamlining customer service at DLOs. A notable feature of this system is **Q-Anywhere**, which allows customers to check-in upon arrival at a DLO and wait outside the physical office until it's their turn.

As a result, the wait times reported by DMV underrepresent the total time customers spend waiting for service.

DMV customers and leadership report that many individuals arrive at DMV offices as early as 4:00 or 5:00 a.m., despite most locations not opening until 7:00 or 8:00 a.m. However, there was no system in place to track the amount of time customers wait prior to check-in.

A review of DMV's wait time data¹⁴ for a selection of 69 DLOs¹⁵ from July 1, 2024, to April 30, 2025, was analyzed by a subject matter expert. OSA's subject matter expert confirmed that DMV's metrics do not reflect the actual time customers spend waiting prior to check-in or their total visit duration.

DMV's own 2019-2023 Strategic Plan, developed in partnership with the UNC School of Government, called for a culture of continuous improvement and data-driven management:

Embrace a model of continuous process improvement based on data-driven decisions and modern management practices.

DMV's 2019–2023 Strategic Plan outlined specific tasks, such as:

- Implementing methods to measure customer satisfaction at all service levels by June 2022.
- Implementing "BEADLE initiative" scorecards to improve wait time monitoring by June 2021.
- Reducing the percentage of wait times exceeding two hours to less than 10% by June 2023.
- Conducting a division-wide workload analysis and implementing business process maps.

Despite these commitments, the audit found that DMV did not establish a robust performance measurement system. And this is not the first time that OSA found that DMV's performance measurement needed improvement. **Seven years ago**, OSA's May 2018 [Division of Motor Vehicles Performance Measurement](#) performance audit¹⁶ found that DMV's performance measurement lacked specific goals, objectives, and outcome-based performance measures that could prevent DMV from effectively and efficiently fulfilling its mission.

This lack of comprehensive and reliable performance data has had serious consequences such as:

- DMV leadership could not **proactively** manage operations, identify areas for improvement, evaluate the impact of operational changes or demonstrate progress toward improved customer service, or respond effectively to oversight inquiries.
- Undermining DMV leadership's ability to advocate for resources, measure success, or address public concerns.

¹⁴ Analysis based on unaudited wait time data provided by DMV.

¹⁵ There are 115 DLOs located across North Carolina (Two are temporarily closed).

¹⁶ See Appendix C for full audit report.

- DMV could not consistently provide transparency or real-time performance data through public-facing dashboards.



Exclusion from Key Process Modernization Initiatives

Historically, DMV has been excluded from the planning and procurement phases of key process modernization and service improvement efforts led by DOT. This exclusion resulted in significant **contracts and transformation initiatives** being developed and **executed without DMV's input or oversight**, raising substantial concerns about whether these initiatives address DMV's real operational needs or deliver meaningful improvements for North Carolinians.

For example, in April 2025, DOT awarded a \$1.25 million contract to the Boston Consulting Group (BCG) to “enable a strategic transformation planning effort, centering on improving North Carolina Department of Motor Vehicles (DMV) experience for constituents and employees.” (See Appendix D for a copy of the contract.)

According to former DMV management, they were not consulted during the hiring of the consultant, the development of the contract's scope of work, or the determination of deliverables and project outcomes.

Former DMV leadership
*was not aware of the
origin of a consulting
contract that cost*
\$1.25 million



This was not the first time DMV was left out of key decisions regarding major process modernization initiatives. In 2019, DOT hired the same consulting firm, BCG, to “provide strategic, policy (legislative and departmental), financial, and technical advisory services” in support of the Office of Strategic Initiatives & Program Support and other business units under a Strategic General Services Contract.

BCG was tasked, in part, with increasing DMV capacity and developing a plan to address backlogs. However, former DMV leadership stated they were unaware of the contract's results or even its origin. The original 2019 contract amount was \$2.5 million, but after six amendments, the contract's not-to-exceed cost ballooned to **\$20.5 million**.¹⁷

When asked about DMV's role in recent modernization efforts, a DMV Field Office Supervisor stated that implementing changes without involving those who interact with customers daily results in solutions that do not fit operational realities:

“It feels like we're left to clean up the mess afterward.”

Employee and stakeholder feedback gathered during DMV's 2019-2023 strategic planning process, facilitated by the UNC School of Government, consistently highlighted three themes:

**“It feels like
we're left to
clean up the
mess afterward.”**

¹⁷ The original contract was for the Department of Transportation, of which DMV is a Division.

- The need for greater involvement in setting priorities and modernizing technology to address frontline challenges such as staff shortages, outdated systems, and service bottlenecks.
- The importance of involving frontline staff in decision-making to ensure that new initiatives align with operational realities and are implemented efficiently.
- The connection between employee involvement, morale, and a sense of ownership over new processes, with staff calling for increased recognition, communication, and participation in decision-making.

Without DMV's direct involvement, substantial taxpayer investments in modernization have not achieved their intended impact, and opportunities for sustainable improvement have been missed.

Industry standards and leading public sector practices emphasize that effective organizational change and technology modernization depend on **meaningful engagement of stakeholders at all levels**. Specifically:

- The Government Finance Officers Association (GFOA) recommends that organizations involve end users and operational managers early and consistently in the planning and implementation of technology and process improvements to ensure that requirements are fully understood and addressed.
- The UNC School of Government facilitation report for DMV's strategic planning process also stresses the importance of collaboration, transparency, and the active participation of those responsible for day-to-day operations.
- Government accountability frameworks note that failure to engage key stakeholders increases the risk of missed requirements, lack of buy-in, and diminished long-term sustainability and return on investment for major initiatives.

These best practices are reinforced by feedback gathered during DMV's 2019–2023 strategic planning process, which identified stakeholder engagement as critical to effective change management and successful service delivery.

Consequences of Inaction



If the governance structure remains unchanged, North Carolina faces several escalating risks:

- Customer and operational challenges will worsen.
- Modernization delays will persist.
- Employee burnout and turnover may rise.
- Negative impact on the state's economy and perception as a business-friendly state.

Customer and Operational Challenges

DOT's historical lack of oversight and support for DMV has resulted in persistent, negative customer and operational experiences, including disproportionate DLO service demand, extended wait times, and excessive travel burdens across the state.

Disproportionate DLO Service Demand

Ideally, most customers would visit the closest DLO location to complete their DMV service. However, **many DLOs are overwhelmed, serving far more people per examiner than others.**

**Many DLOs are
overwhelmed**

OSA's subject matter expert analyzed population¹⁸ data to determine the number of people closest to 107 DLO locations¹⁹ and demonstrate the service population for each DLO examiner. This analysis accounted for population within the service area, number of examiners working at each DLO, and service population per examiner. Examiner vacancy²⁰ rates were also included to demonstrate DLOs that serve the largest populations while also experiencing the highest vacancy rates.

Analysis of DLO service population data shows notable disparities in the closest population served by each DLO and the number of examiners. Maps 1 and 2 on the following page illustrate that the DLO locations in greatest need of additional examiners to support the population in those services areas include the central corridor between Durham County and Scotland County along with western counties.

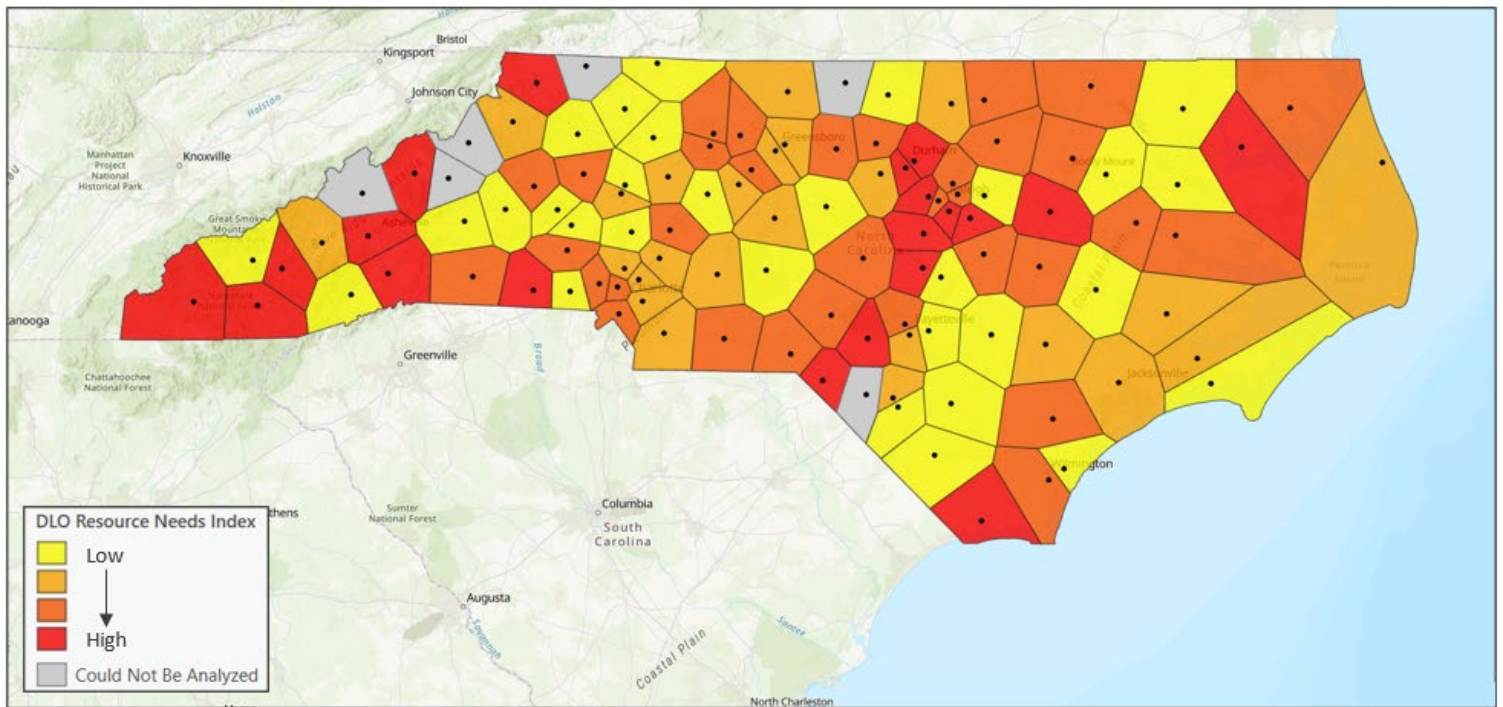
NOTE: The polygons in Maps 1 and 2 illustrate population areas closest to each DLO location and the dots represent DLO locations. For example, people living within each polygon are closest to the DLO location within that polygon. The polygons do not represent North Carolina counties, and the dots do not represent North Carolina cities.

¹⁸ Population data sourced from Environmental Systems Research Institute 2025 estimates based on the U.S. Census Bureau's American Community Survey.

¹⁹ There are 115 DLOs located across North Carolina. However, eight DLOs were excluded from the subject matter expert's analysis. Two DLOs are temporarily closed (Asheville Express and Walnut Cove), and six DLOs operate part-time or have no filled positions (Marshall and Newland, Pembroke, Sparta, Spruce Pine and Yanceyville).

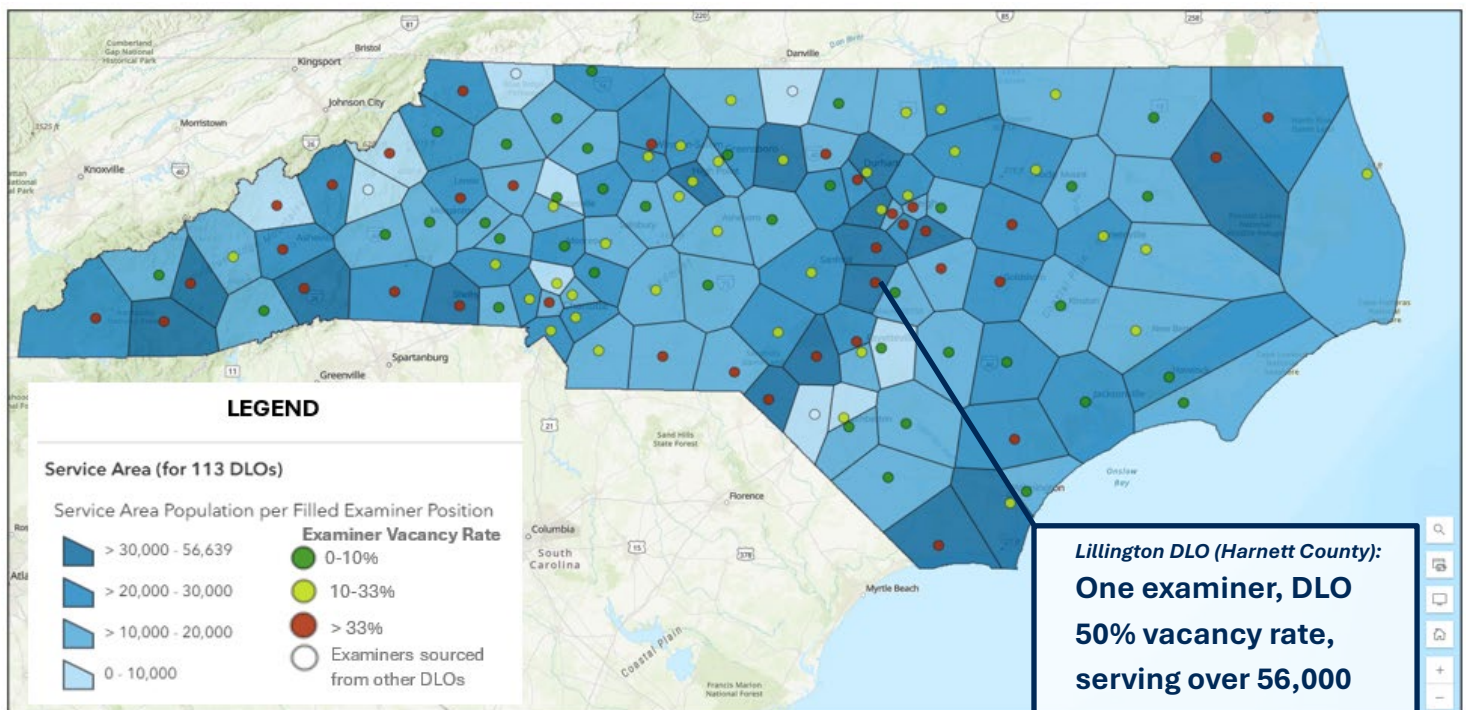
²⁰ DMV provided number of examiners employed and vacant positions at each DLO as of April 2025.

Map 1 - DLO Examiner Resource Needs



Source: Service Area Analysis (Appendix F)

Map 2 - DLO Service Area (Not County) Population and Vacancy Rates



Source: Service Area Analysis (Appendix F)

(as of April 2025)

Extended Wait Times for Service

Analysis of a portion of fiscal year 2025 (July 1, 2024, through April 30, 2025) DMV DLO wait time data shows that DMV's statewide average customer wait time for service was **27 minutes**, with similar averages observed in rural, urban, and suburban areas.²¹ (See Appendix M.)



Data collected by DMV on wait times *does not accurately reflect* the total time customers spend waiting at DLO offices

However, this metric only captures the time from check-in to service and **does not reflect the total time customers spend waiting at DLO offices**. To gain a more complete picture, OSA's subject matter expert analyzed anonymized and aggregated mobile device data to determine how long customers typically remain at each DLO location to demonstrate total visit duration. Several DLOs were removed due to limitations within the location analytics platform resulting from locations with partial or missing data²² or locations sharing a storefront²³ with other entities. As a result, the subject matter expert was able to analyze mobile device data for 69 of 113 (61.1%) DLO locations.

Analysis shows that the statewide average customer visit exceeds 1 hour 15 minutes



The analysis shows that the statewide average customer visit exceeds **1 hour 15 minutes**²⁴ with similar averages observed in rural, urban, and suburban areas. Additionally, the average customer visit duration worsened across the state from fiscal year 2019 to fiscal year 2025 with rural areas experiencing the largest increase followed by urban and suburban areas. (See Map 3 and Table 1 on the following page.)

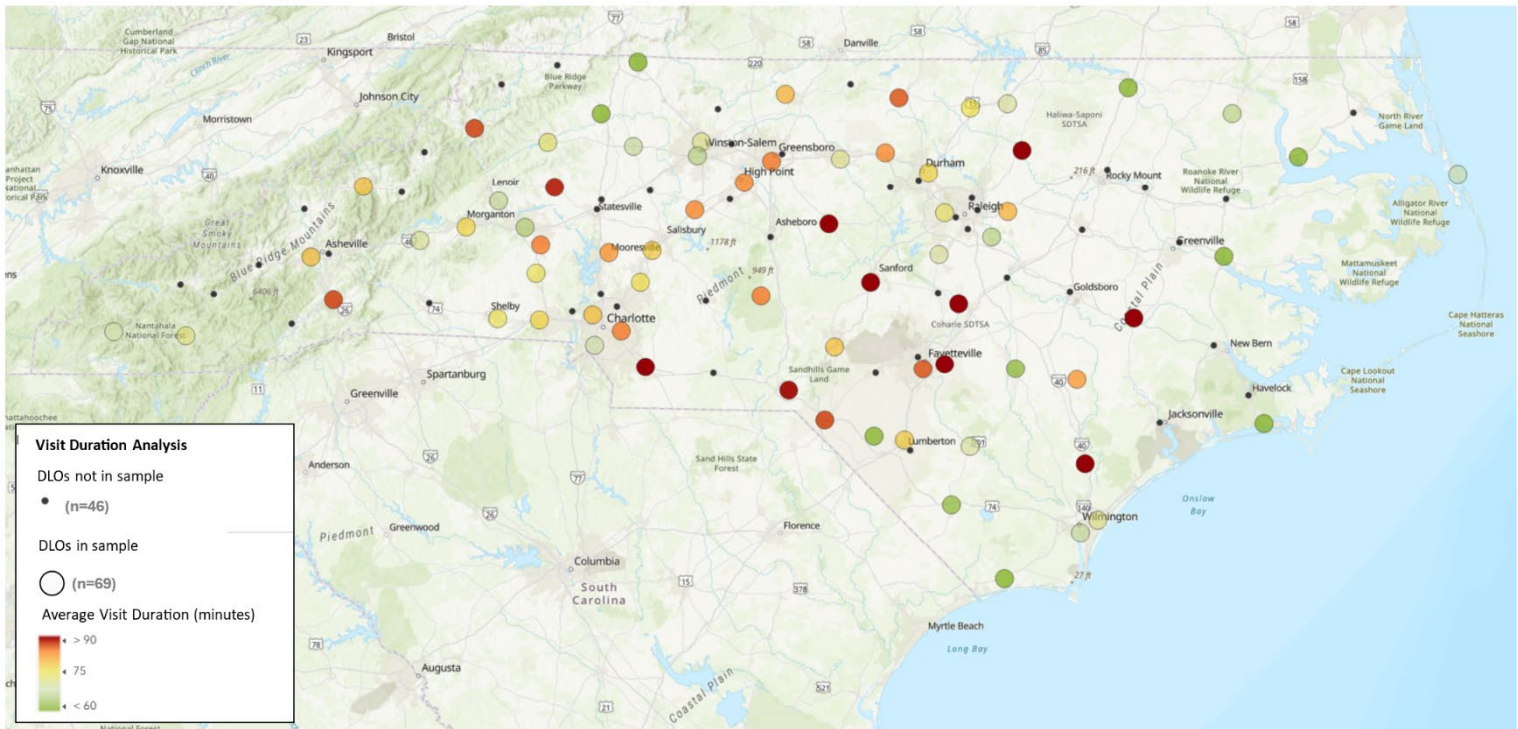
²¹ Urban, suburban, and rural DLOs were defined by the population of the city or town they reside in. Locations with less than 25,000 residents were classified as rural, locations with 25,000 to 75,000 residents were classified as suburban, and locations with a resident population greater than 75,000 were classified as urban.

²² Partial or missing data for certain locations exist due to factors such as low sample size, limited mobile device signal coverage, or privacy thresholds that prevent reporting when data volume is insufficient.

²³ DLOs located within a mall or shared commercial space where mobile device signals may not precisely distinguish between adjacent units rather than to the individual DLO.

²⁴ The statewide average includes customers who left the DLO without being seen (e.g., gave up, did not have all necessary documents, etc.) and those with appointments.

Map 3 - Average DLO Visit Duration in Minutes



Source: Driver License Office Visitor Duration Analysis (Appendix K)

Table 1 - Average DLO Visit Duration in Minutes

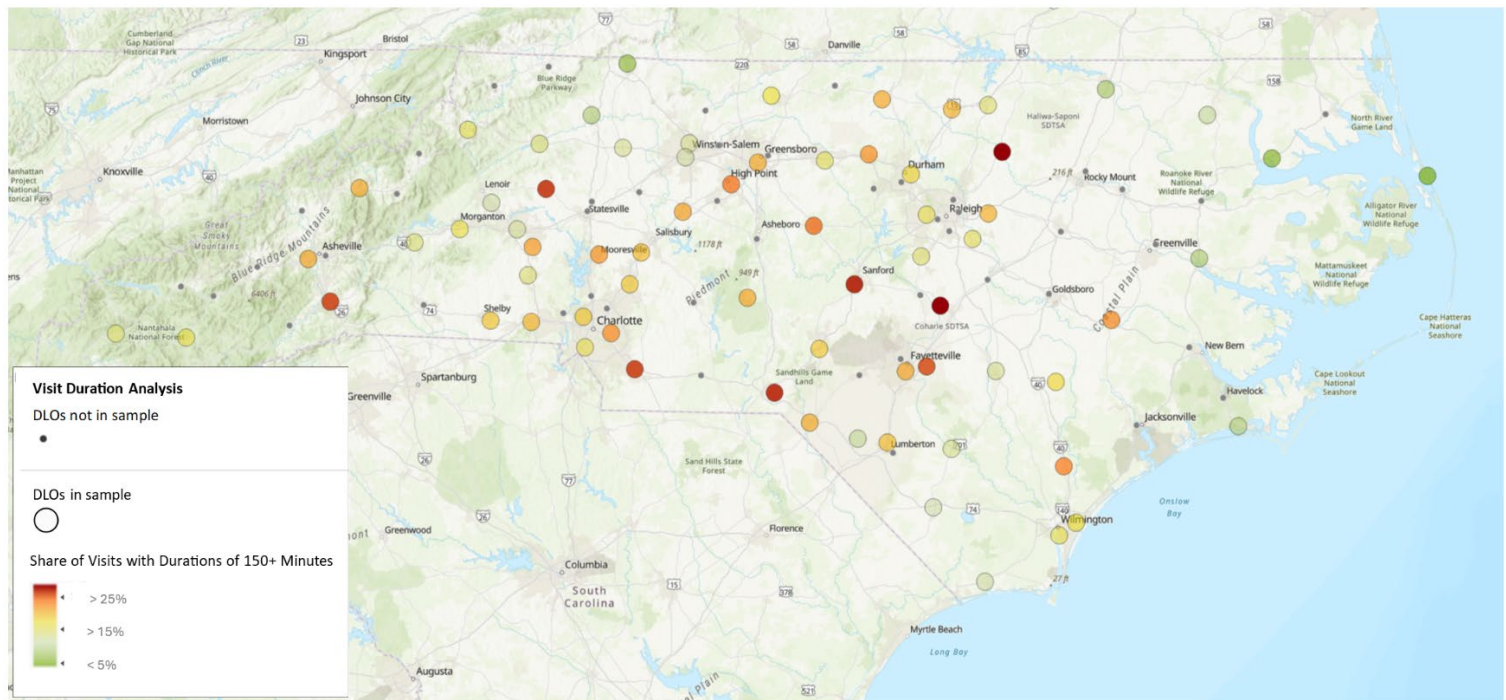
Geography	Fiscal Year 2019	Fiscal Year 2025 (10 months)	Percent Increase FY 2019 vs FY 2025
Statewide	65	75	15.5%
Rural	63	74	17.9%
Suburban	71	77	8.6%
Urban	67	75	11.9%

Source: Appendix K, Table 1.

See Appendix K for each DLO's average visit duration in FY 2019 vs FY 2025.

A significant share of customers faced far longer visits. In fiscal year 2025, **13.8% of customer visits exceeded 2.5 hours**, up from 7.7% in fiscal year 2019 – a **78.8% increase statewide**. The problem is most acute in rural and urban areas. (See Map 4 and Table 2 on the following page.)

Map 4 - Percentage of Visit Durations Exceeding 2.5 hours (150+ Minutes)



Source: Driver License Office Visitor Duration Analysis (Appendix K)

Table 2 - Percentage of Visit Durations Exceeding 2.5 hours (150+ Minutes)

Geography	Fiscal Year 2019	Fiscal Year 2025 (10 months)	Percent Increase FY 2019 vs FY 2025
Statewide	7.7%	13.8%	78.8%
Rural	7.1%	13.2%	86.1%
Suburban	10.5%	15.9%	51.3%
Urban	8.3%	14.7%	75.8%

Source: Appendix K, Table 2.

See Appendix M for each DLO's average wait time in FY 2019 vs FY 2025.

Excessive Travel Burdens for Service

Many customers are unable to access their geographically closest DLO location due to **excessive wait times, unavailable appointments, reduced service capacity, or limited office hours**. As a result, customers are forced to travel significantly farther than necessary, often to neighboring counties or rural locations. Customers experience additional travel time and transportation costs in addition to excessive wait times and visit durations.

To demonstrate additional travel time and distance, OSA's subject matter expert analyzed DMV customer transaction data by zip code to determine how far customers typically traveled to each DLO location if they did not visit their closest DLO. Analysis of customer transaction data by zip code reveals that nearly **half (47.5%) of DLO transactions in fiscal year 2025 were from customers not visiting their closest DLO.**

In 2025, nearly half of all DMV customers traveled to a DLO location NOT closest to them, seeking to be served

For customers visiting a DLO from outside the customer's closest DLO's service area, the statewide average customer traveled 24 miles representing additional travel time ranging from less than 30 minutes to more than 60 minutes. Analysis shows that customers traveling to DLOs located in rural areas experience the longest drive times with nearly 15% of customers traveling over an hour to a DLO outside of their service area – likely because customers who live in urban or suburban areas are in search of shorter wait times.

Table 3 - Distance and Drive Times for Customers Outside of DLO Service Areas

Geography	Average Distance in Miles	0-30 Minute Drive Time Transactions	30-60 Minute Drive Time Transactions	60+ Minute Drive Time Transactions
Statewide	24	58%	31%	11%
Rural	29	46%	40%	14%
Suburban	23	56%	34%	10%
Urban	18	75%	17%	8%

See Appendix J for each DLO's average distance traveled and drive times for FY 2025.

Delays in Process Modernization Projects

By not including DMV in the strategic initiatives and process modernization projects, DOT will continue to delay improvement projects.

As stated previously, DOT has engaged consultants to assist in process modernization and improvements at DMV. However, former DMV leadership was not consulted in the planning or procurement phases of either of the two major projects. As a result, the implementation of the recommendations was limited in its success.

As a result of the 2019 consultant recommendations, DMV established the 'Impact Center' to follow the progress of all projects undertaken. However, according to DMV staff, the activities and involvement of the Impact Center diminished in 2020 due to the impacts of the COVID-19 pandemic (beginning in March 2020) and the DMV headquarters relocation (ending in December 2020).

Employee Burnout and Turnover

DMV has historically had challenges in recruiting and retaining driver license examiners. As of April 2025, there were **160 vacant examiner positions** (63 permanent positions and 97 temporary positions). During OSA visits to 10 DLOs, staff cited **low salary**,

"The legislature must approve funding for NEW positions and increase the pay for employees in the DLOs (on the front line). We are taking the brunt of the frustration from the public on a daily basis. This state has grown in population greatly, yet staffing has not kept up. I feel we were better staffed 12 years ago. Also, we need more and better initial training for field staff. I enjoy what I do. However, after 21 years, the staffing issues have me looking at early retirement!!" ~ Anonymous DMV Employee

burnout, security concerns, lack of support, and inadequate training as key barriers to recruitment and retention. Indisputable evidence of this low employee morale is also available in the 2025 DMV Employee Pulse Survey which revealed that only 47% of employees believe DMV fosters open communication, and 43% expressed negative sentiment on this issue.²⁵

If no changes are made, employee burnout and turnover may rise.

"The DMV cannot be a customer-centric business at the expense of its employees."

"I have never spoken to my District Manager. I do not know who to speak to if we need Human Resources help."

"This salary does not fund the life you want to live. You can't save money for your future on this salary. I cannot buy a house on this salary. Once I graduate [from college], I want a way out."

"We work our tails off every day and do more with less. This shouldn't be something that leadership should be comfortable with. They shouldn't be piling on more."

Potential for Violence Against Examiners

- Someone accompanying a customer kicked out a glass pane by the office's entrance.
- Two examiners were assaulted at one office. Other examiners described customers lunging at them.
- Customers have followed examiners around the back of the building to employee parking.
- One examiner described being surrounded by a mob of angry people waiting in line outside the driver license office where he was the only staff member working.

Inadequate staffing, insufficient pay, and limited perceived support from leadership reduces morale and increases attrition, compounding service issues.

According to DMV leadership, since January 2025, DMV has ranged from 62–75% of all DLO examiners available to work daily. This not only includes vacancies, but also examiners that call in sick due to burnout or other unplanned absences.

DMV leadership had to shift resources daily, including reassigning examiners from one DLO location to another. Staffing was fluid and difficult to project. This placed DMV in a reactive mode to address challenges instead of being proactive.

²⁵ Source: 2025 DMV Employee Pulse Survey, conducted by DMV management. Survey results reflect responses collected from DMV employees as of March 2025.

Negative Impact on the State's Economy



While DMV operations may seem isolated, the ripple effects of long waits, travel burdens, and service bottlenecks are felt across North Carolina's economy, affecting productivity, business operations, workforce mobility, and the state's overall reputation. As stated by DMV's former Commissioner in the 2019-2023 Strategic Plan:

The division [DMV] also serves as a critical component of the state's economy as the privileges that it issues are key to people's ability to access education, jobs, health care and other opportunities.

Faster DMV service means less time away from work or family for millions of residents, saving countless hours of productivity each year. The current arrangement in many communities is for driver services and vehicles services to occur at different locations, DLOs and LPAs, respectively. A new resident must visit both facilities to complete necessary processes to be a driver in this state. As the largest public-facing, state government agency and the first that most encounter, the effectiveness and efficiency of DMV reflects generally on the government of the state.

Recommendations

OSA makes the following recommendations to improve operational efficiency and customer service at DMV. For each recommendation, DMV should be required to develop a detailed implementation plan, including specific milestones and timelines for progress, and report regularly to oversight bodies. Where recommendations require legislative action, the General Assembly should set clear deadlines and expectations for DMV to demonstrate significant progress.

① Evaluate DMV's Organizational Placement

This audit identified challenges related to DMV's placement under DOT. DMV generates roughly 30% of DOT's annual revenues but only accounts for 3% of DOT's expenditures. However, DMV lacks direct control over its budget, strategic planning, and day-to-day operations. As a result, DMV often operates in a reactive mode, shifting limited resources daily and lacking the autonomy to address staffing shortages and service bottlenecks efficiently.

These structural challenges not only affect DMV's operations but also have a ripple effect across the state's economy, impacting workforce mobility, productivity, and North Carolina's overall reputation. Further, more effective DMV service benefits millions of residents by reducing time away from work or family and supporting business operations statewide.

Recommendation: North Carolina policy makers should consider establishing DMV as an autonomous agency or authority (i.e. State Ports Authority, North Carolina Turnpike Authority, and North Carolina Global TransPark), providing direct control over its budget, strategic planning, and operational decisions.

Action Plan: DMV, in consultation with DOT and policy makers, should develop a detailed transition plan that addresses organizational structure, budget authority, and governance, including how DMV-generated revenues (currently 30% of DOT's total) will be allocated without negatively impacting transportation infrastructure projects.

Timeline: DMV and DOT should deliver an initial transition plan to the General Assembly and the Governor's Office within **6 months**, with formal progress updates provided **every 6 months** until the transition is complete.

② Develop a DMV-Focused Strategic Plan

Regardless of its organizational placement, DMV must have a strategic plan tailored to its mission and operational context. According to UNC School of Government research and industry best practices, a DMV-focused strategic plan should articulate clear goals (such as customer satisfaction, employee engagement, and external communication), establish a broad set of performance measures (including wait times, transaction volume, and employee engagement), and focus on both effectiveness and efficiency.

A robust strategic plan helps managers and staff understand priorities, avoid measuring “just what’s easy,” and connect daily decision-making to DMV’s mission.

Recommendation: DMV should develop and adopt a comprehensive strategic plan that is specific to its operations and customer service mission, regardless of its organizational placement.

Action Plan: The plan should be developed in partnership with the UNC School of Government or another neutral expert and include:

- Clear goals and performance measures tailored to DMV’s core services (e.g., customer satisfaction, wait times, examiner productivity, employee engagement).
- A robust performance measurement system linking measurement to day-to-day decision making.
- Specific milestones for plan adoption, implementation, and annual review.

Timeline: DMV should deliver a draft strategic plan with measurable goals and performance metrics to the General Assembly and Governor’s Office within **9 months**, with **annual public reporting** on progress and results thereafter.

Auditor’s Note: This is **not the first time** OSA recommended that DMV develop a DMV-Focused Strategy. **Seven years ago**, OSA’s May 2018 [Division of Motor Vehicles Performance Measurement](#) performance audit²⁶ recommended that DMV design goals and objectives specific to its functions and approve specific performance measures to ensure they are outcome-based. The audit found that failure to do so could **prevent DMV from effectively and efficiently fulfilling its mission**.

③ Develop a Phased, Data-Driven Staffing Plan

Since January 2025, only 62-75% of DMV DLO examiners were available to work each day, accounting for both vacancies and unplanned absences. This persistent shortage requires constant reassignment of staff and creates a reactive, inefficient operating environment.

²⁶ See Appendix C for full audit report.

Long waits, staff burnout, and inconsistent service are not isolated problems; they affect workforce mobility and the broader economy. DMV's multi-year staffing plan should be grounded in detailed workload analysis and transaction volume, with special attention to high-need areas (see Table 4 for those with the greatest population per examiner).

Table 4 - Top DLO Service Area Population and Vacancy Rates

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

See Appendix F for each DLO's Service Area Population and Appendix H for each DLO's Vacancy Rates for FY 2025.

Based on the data analyzed by the subject matter expert, the 12 locations above would benefit most from filling existing examiner positions or additional examiner positions.

However, DMV should establish targets, milestones, and goals related to customer wait times and service times and perform an in-depth analysis, which includes staffing capacity, vacancy rates, number of transactions each examiner can process, and service population/need, to determine the exact number of examiners that are needed in each location.

DMV should partner with an expert, such as the ITRE²⁷ at North Carolina State University and the Bryan School of Business and Economics at the University of North Carolina at Greensboro (UNC Greensboro), to perform a study to determine where the positions are most needed and prioritize staffing those locations.

²⁷ ITRE was established in accordance with N.C.G.S. § 116-43.1 in 1978 to facilitate the development of a broad program of transportation research and education. ITRE works across various modes of transportation to provide capacity and expertise for municipal, state, federal, and international clients to address critical transportation issues. Today, ITRE's expertise covers numerous travel modes and services that reflect the ever-evolving nature of the transportation field.

Further, DMV's reliance on temporary positions creates challenges. Temporary positions are harder to fill, come with fewer benefits, and create extra training costs due to high turnover. The ability to convert temporary to permanent roles and to adjust pay scales for local conditions will help attract and retain staff.

Recommendation: DMV should create a multi-year, phased staffing plan grounded in detailed workload and transaction analysis, with specific attention to examiner recruitment, retention, and deployment.

Action Plan: The plan should:

- Be developed in alignment with DMV's Strategic Plan, ensuring that staffing priorities and targets directly support DMV's service delivery goals and customer experience objectives.
- Identify current and projected staffing needs by location, using objective criteria (e.g., population served, vacancy rates, transaction volume).
- Set explicit staffing goals for high-need locations (see Table 4) and include measurable targets for reducing examiner vacancies and improving service levels.
- Include strategies for transitioning temporary driver license examiner positions to permanent roles, revising pay structures (with legislative flexibility as needed), and targeted recruitment in areas with the highest service demand. This would include giving the Commissioner flexibility within DMV to address human resource requirements.
- Partner with industry experts such as ITRE and the UNC Greensboro Bryan School of Business and Economics to validate findings and guide implementation.

Timeline: DMV should complete and submit the phased staffing plan to the General Assembly and Governor's Office within **6 months**, begin implementing priority hiring actions within **9 months**, and provide **quarterly progress updates** to oversight entities on staffing levels and service improvements.

4 Enhance Transparency and Performance Reporting

DMV leadership needs access to timely, reliable, and actionable performance data to drive improvement. Centralizing key service metrics such as wait times, customer travel distance, appointment availability, customer satisfaction, and online service use, will improve both management oversight and public accountability.

Transparent performance reporting strengthens trust with citizens and policymakers and supports continuous operational improvement.

Recommendation: DMV should build and maintain a centralized performance dashboard to track and report key service metrics, including wait times, appointment availability, customer satisfaction, and online service usage to both management and the public.

Action Plan: The dashboard should be developed as part of DMV's Strategic Plan, with clearly defined data sources, standardized collection methods, and scheduled updates. DMV must provide training for management and staff in using data for decision-making and public accountability.

Timeline: DMV should implement an internal performance dashboard within **9 months**, launch a public-facing dashboard within **12 months**, and routinely submit updates on key metrics to the General Assembly and Governor's Office.

⑤ Improve Service Delivery Through Targeted Customer Experience Initiatives

DMV should partner with an industry expert, such as ITRE and the Bryan School of Business and Economics at UNC Greensboro, to develop and implement specific, evidence-based ways to improve the customer experience for North Carolinians. (See Appendix P for a related study.)

Previous DMV consultant engagements through DOT have produced limited improvements. To ensure meaningful progress, future consultant partnerships must involve a recognized motor vehicle field expert and be paired with a clear implementation plan and commitment to timely, actionable follow-through.

To maximize impact, the industry expert should provide not only initial recommendations but also **ongoing monitoring and guidance** to ensure solutions are effectively implemented and result in demonstrable improvements. To promote accountability and timely action, the General Assembly should establish clear legislative deadlines for these improvement efforts. Failure to set deadlines risks ongoing delays and continued customer frustration. OSA also reserves the right to conduct follow-up audits or studies to verify that expert recommendations have been adopted and sustained.

Transparent communication about improvement initiatives is critical. Regularly sharing progress and outcomes will foster public trust, enhance awareness, and drive greater adoption of new services and tools.

Recommendation: DMV should partner with a qualified industry expert (e.g., ITRE and the Bryan School of Business and Economics at UNC Greensboro) to develop and implement specific, evidence-based strategies for improving customer experience and operational efficiency.

Action Plan:

- Collaborate with the expert to develop a comprehensive improvement plan, including pilots and measurable objectives.
- Implement a structured monitoring and reporting process for all recommended initiatives.
- Proactively communicate progress and results to the public via the DMV website and other channels.

Additional OSA recommendations to improve service delivery and customer experience at DMV offices (based on analysis and support from ITRE and UNC Greensboro staff)²⁸ include:



²⁸ This is not an exhaustive list of recommendations provided. See Appendix O for a complete list of recommendations.

- **Service Differentiation:** Implement 'spatial differentiation' and/or 'temporal differentiation' to tailor DMV services to better meet the needs of different customer groups, enhance efficiency, and improve the customer experience. Spatial differentiation refers to the distribution of services across locations and temporal differentiation refers to the distribution of services across time. Examples include:
 - Designating specific days or times for particular services (e.g., driving tests, license renewals, commercial drivers).
 - Offering regional locations or specific days for commercial driver license testing.
 - Creating separate lines within offices for REAL ID, renewals, or other services.
- **Encourage Online Services:** Incentivize customers to complete all eligible transactions online. Make in-person and online service costs equivalent, and, if allowed by statute, consider discounted rates for online services.
- **Staffing and Scheduling:** When extending office hours, use additional examiners rather than extending shifts for current staff. Employ facilitators at each office to assist with check-in, document verification, and determine service needs; facilitators should continue to be trained examiners and regularly rotate this role with other examiners to reduce burnout.
- **Customer Communication and Branding:** Ensure DMV locations and the DMV website is clear, concise, and accurate, with:
 - Clearly labeled, plain language service requirements.
 - An online tool to guide customers to the correct service and required documents.
 - Prominent REAL ID information, including alternative forms of federal identification that can be used until a REAL ID credential is obtained.
 - Consistent, updated signage for DMV facilities (exterior and interior).
- **Appointment and Wait Time Management:** These recommendations are based on the important principle that customer interactions should be managed to ensure maximum utilization of staff resources.
 - Revise the appointment system to allow only one active appointment per customer.
 - Consider refundable appointment deposits or a focused model for specialized services.
 - Study and optimize the operational efficiency and customer satisfaction of walk-in versus appointment-based systems.
 - Offer expedited lanes for pre-verified customers (such as those who upload documents and pay fees in advance).
 - Offer a paid 'Fast Pass' option allowing customers to move to the front of the line for driver license services. This premium service would cater to those willing to pay for expedited processing while helping to fund broader operational improvements.

- **Innovative Service Models:**

- Host Pop-Up DMV events in targeted communities for REAL ID services.
- Use interim customer interactions to offer REAL ID renewals ahead of the standard schedule.
- Study allowing certified driving school instructors to administer road tests to alleviate examiner workload.
- Consider collaborating with the General Assembly to amend the statutory 30-day validity of Driving Eligibility Certificates (DECs).²⁹ Currently, N.C.G.S. § 20-11(n)(3) requires that students (under the age of 18) applying for a driving permit or license possess a DEC that is dated within **30 days** of the application for the permit.

This timeline can present practical challenges for students and their families. DMV appointment delays often extend beyond 30 days, especially in high-demand regions. If DECs “expire” before the student can obtain a DMV appointment, the student must return to school to obtain a new certificate. This can be especially burdensome when schools are closed (summer break, holidays, etc.), for students in rural areas, or those with limited transportation access. Other states do not appear to have a timeline associated with validity (e.g., Florida).³⁰

- Continue steps to authorize “third-party testers” (e.g., private driving schools, school districts, and employers) to administer the skills test (knowledge and road tests) required for standard driving license issuances. Currently, all skills tests for new drivers in North Carolina are administered directly by DMV staff at DLO locations. This centralization can contribute to scheduling delays and wait times, especially in high-demand areas, that can delay access to permits or licenses, impacting employment, education, and daily lives of students and families.

DMV has authority under N.C.G.S. § 20-329 to allow third-party driving schools to conduct road tests for teen drivers to obtain a limited provisional license under the graduated license system. This is similar to a program that South Carolina’s Department of Motor Vehicles (SCDMV) uses successfully, which requires testers to remain under the SCDMV’s supervision and to use testing materials provided by the SCDMV.³¹

Allowing third-party testers to administer skills tests in North Carolina could relieve strain on DMV resources, reduce wait times, and improve service delivery, particularly in rural areas with limited testing sites.

²⁹ A DEC is a document that is necessary for a person younger than 18 years old to obtain a learner’s permit or a license. See N.C.G.S. § 20-11(f)(3). It is signed by the relevant person at the student’s school and verifies, among other things, that at least one of the following is met: (a) the student is currently enrolled in school and has demonstrated adequate progress toward graduation, (b) the student or their family would experience a substantial hardship if the student does not receive a DEC, or (c) the student cannot make progress toward obtaining a high school diploma or its equivalent. N.C.G.S. §§ 20-11(n)(4), (1). DECs are provided to students upon completing 30 hours of classroom and 6 hours of behind the wheel instruction.

³⁰ Fla. Stat. § 322.091(4).

³¹ S.C. Code Ann. § 56-1-15.

- **Technology and Translation Tools:**

- Provide mobile tablets to staff for real-time customer screening and queue updates.
- Offer real-time interpretation devices for customers with limited English proficiency.
- Purchase and implement a stand-alone document upload system for customer-submitted documents prior to office visits.

Timeline: DMV should develop and submit a detailed customer experience improvement plan to the General Assembly and Governor's Office within **6 months**, implement key pilot initiatives within **9 to 12 months**, and report measurable outcomes and progress **annually** to these oversight bodies.



Matters for Further Consideration

During an audit, OSA staff may identify potential items of interest that are outside of the audit objectives. Below are three such items.

1. Mobile Driver License Readiness

Although the North Carolina General Assembly authorized the issuance of mobile driver licenses (mDLs) effective **July 1, 2025**, under **House Bill 199 (Session Law 2024-30)**, the Division of Motor Vehicles (DMV) was **not operationally ready** to meet this target. Based on its own planning documents, DMV does not anticipate a full launch until **September 30, 2026**—a delay of over a year.

Timeline & Readiness Concerns:

The DMV has proposed an **18-24 month phased rollout**, including the following key milestones:

- **0-6 months:** Finalize Request for Proposal (RFP) and select a vendor.
- **6-9 months:** Project planning and engagement with Apple and Google for Wallet integration.
- **9-15 months:** System design, app development, and limited pilot testing.
- **15-18 months:** Training for DMV and law enforcement staff; launch public awareness campaign.
- **18-24 months:** Full statewide rollout and ongoing support.

Not operationally ready for Mobile Driver Licenses, need 18-24 month phased rollout

However, an accelerated timeline may be feasible if DMV utilizes its existing physical license vendor, CBN Secure Technologies (CBN), for mDLs. The CBN contract already offers optional mDL services. The DMV itself highlights that leveraging the current vendor would “reduce discrepancies, ensure system compatibility, and streamline the integration process.” Despite this, DMV has **not initiated project preparations** with CBN.

Implications:

Delaying the implementation of mDLs could undermine legislative intent and hinder DMV’s ability to realize operational efficiencies and improve customer service.

The delay also poses a financial risk. Current estimated one-time implementation costs range from **\$750,000 to \$1.4 million**, and annual maintenance and staffing costs are projected at **\$275,000 to \$600,000**. Moreover, postponement could diminish North Carolina’s standing among peer states, as over **15 states** already have operational mDLs and more than **10 others** are actively developing similar programs.

Further, DMV could follow California’s lead (and over a dozen other jurisdictions) by launching an mDL pilot. In California, mDLs are already used for ID checks at TSA airport checkpoints. The system lets users choose what information to share—like showing only their age when buying alcohol—offering more privacy and convenience.

Consideration:

DMV should immediately conduct a readiness assessment to identify gaps and mobilize internal resources. DMV should initiate collaboration with its current credentialing vendor to streamline the rollout and reduce costs. The existing CBN contract already outlines mDL solution requirements, which can be expanded into a formal implementation plan.

Additionally, DMV should consider launching a limited pilot program, modeled after California's TSA-compatible rollout, to test deployment and build public confidence. Aligning the mDL initiative with national standards and offering it as a no-cost supplement to physical IDs, as done in many states, would promote adoption while supporting interoperability and digital security best practices.

2. Timely Driver License Examiner Training

During this engagement, OSA found that there are factors limiting DMV's ability to train examiners in a timely manner to support efficient and effective execution of DMV's mission and objectives.

Within the Training & Development Division of DMV, there is a dedicated Staff Development Unit consisting of one coordinator, eight staff members, and one administrative specialist. The Staff Development Unit is responsible for coordinating and completing training for all driver license examiners, including new personnel.

Limited number of stations available for training results in reduced class sizes and delayed training for training new examiners.

New examiner training includes two weeks of virtual training and three weeks of in-person training at one of two training campuses. Each campus has six examiner stations (12 total), which are used to complete mock transactions. Per DMV management, the limited number of stations available for training results in reduced class sizes for training new examiners.

Additionally, the Driver Services Division of DMV determines which examiners are assigned to training based on regional needs and neither the Staff Development Unit

nor the Training & Development Division monitors how long it takes for new examiners to complete training after starting work with DMV. Per DMV management, examiners may not complete training for up to a year after their first day with DMV.

Delays in training new driver license examiners reduces DMV's ability to provide effective and efficient services to North Carolinians.

Consideration:

DMV management should gather and monitor data on new examiner training completion in order to take steps to minimize the time between examiner start date and training completion.

DMV management should consider whether training facilities can be expanded to accommodate more examiners in each training class.

DMV management should ensure the Training & Development and Driver Services Divisions communicate and assign examiners to training to address both regional needs and minimize time between examiner start date and training completion.

3. Expand Customer Access by Extending Operational Hours



DMV has recently taken steps to expand customer access by extending operating hours. Traditionally, most driver license offices were open from 8:00 a.m. to 5:00 p.m. on weekdays. As of April 2025, 92 (80%) of the state's 115 DLOs operate from 7:00 a.m. to 5:00 p.m. on weekdays, and 20 (17%) offices now offer Saturday walk-in hours during the summer from 8:00 a.m. to 12:00 p.m.

Despite these efforts in North Carolina, long wait times persist. For instance, some customers have reported waiting up to three months for appointments, leading to significant inconvenience and potential disruptions in their professional and personal lives.³² Prolonged wait times may limit public access to essential services, create customer dissatisfaction, and increase the risk of backlogs during peak periods. Without additional shifts or permanent changes to scheduling, these issues may persist or worsen.

Further, DMV does not currently incorporate staggered scheduling models. This presents an opportunity for DMV to consider innovative staffing approaches that may improve service coverage.

Other states have adopted similar or more extensive operating models:

- **California:**³³ From April 14 to June 27, on Mondays, Tuesdays, Thursdays, and Fridays, 18 DMV offices will open an hour early by appointment, reserved only for REAL ID appointments. Standard office hours are 8:00 a.m. to 5:00 p.m. on Monday, Tuesday, Thursday, and Friday, and 9:00 a.m. to 5:00 p.m. on Wednesdays.
- **Illinois:**³⁴ As of September 2024, most DMV locations now operate weekdays from 7:30 a.m. to 5:00 p.m. (previously 8:00 a.m. to 5:00 p.m.). Saturday hours generally run from 7:30 a.m. to 12:00 p.m.
- **Virginia:** DMV Customer Service Centers are open Monday through Friday from 8:00 a.m. to 5:00 p.m., with Saturday service available from 8:00 a.m. to 12:00 p.m.
- **Georgia:** Most offices operate Tuesday through Friday with weekday hours ranging from 8:00 a.m. to 6:00 p.m. or 7:30 a.m. to 6:30 p.m. and offer Saturday hours from 7:30 a.m. or 8:00 a.m. to 12:00 p.m.; offices are generally closed on Mondays.

³² <https://www.the-sun.com/motors/11197667/north-carolina-dmv-long-lines-frustration/>.

³³ <https://www.dmv.ca.gov/portal/news-and-media/select-dmv-offices-opening-early-for-real-id-appointments-from-april-14-to-june-27/>.

³⁴ <https://www.nbcchicago.com/news/local/new-illinois-dmv-hours-begin-monday-heres-what-time-facilities-will-now-open-close/3554803/>.

Consideration:

DMV management should continue to assess the effectiveness of its current operational hours and determine whether additional or more permanent service extensions, such as early morning, evening, or weekend shifts, are warranted.

Management should consider implementing staggered scheduling models or other staffing and scheduling strategies to optimize staff coverage, minimize overtime, and better balance staff workload, while also increasing overall operational hours (e.g., one team covering 7:00 a.m. to 3:00 p.m.; another covering 10:00 a.m. to 6:00 p.m.).



Objectives, Scope, and Methodology

Objective

The objective of this performance audit was to determine whether the Division of Motor Vehicles' (DMV) governance structure as a division of the North Carolina Department of Transportation (DOT) enabled DMV to deliver efficient, effective, and citizen-centered services. The audit also sought to:

- Identify ineffective and inefficient operations affecting DMV's service delivery, staffing, and modernization efforts.
- Analyze the root causes of inefficiencies, including issues related to governance structure, resource allocation, and use of performance data in decision-making.
- Provide actionable recommendations to DMV, DOT, and policymakers to improve DMV's ability to fulfill its mission.

Scope

The scope of the audit included DMV's organizational structure, governance processes, budgeting and staffing practices, modernization initiatives, and use of performance data. The scope covered **activities and decisions from July 1, 2019, through April 30, 2025**, with background and trend analysis dating back to 2015 where relevant.

The audit addressed DMV's interactions with DOT, the process and outcome of budget expansion requests, and the customer experience at DMV. Both DMV headquarters and selected Driver License Offices (DLOs) across North Carolina were included in the scope.

Methodology

To achieve the audit objectives, auditors:

- Interviewed DMV and DOT personnel.
- Visited DLOs across the state to interview personnel and customers.
- Reviewed DMV's and DOT's current and prior strategic plans.
- Reviewed North Carolina General Statutes related to the creation of DOT and DMV.
- Reviewed employment engagement surveys conducted by DOT.
- Reviewed and evaluated data obtained for wait times, transaction volume, zip code transaction data, service time data, and dwell time data.
- Reviewed DMV Budget Expansion Requests.

To determine the extent of the impact of DMV's operations on the customer, the Office of the State Auditor (OSA) contracted with subject matter experts (SMEs)³⁵ in the field of surface and air transportation research, training, and technical support activities. These experts analyzed customer wait times, visit duration, and service population per examiner. The SME's

³⁵ Steve Bert, MA, AICP, Program Manager, Economics and Policy Assessment Group, ITRE; Daniel Findley, PhD, PE, Associate Director, ITRE; Ryan Hassett, BS, Economist, ITRE; Joy Bhadury, PhD, Professor and Dean, Bryan School of Business and Economics.

results are used within this report, and the results of their analyses in their entirety can be found in the Appendices.

To evaluate the strategic planning initiatives within DMV, OSA contracted with a SME³⁶ in the field of performance measurement and public administration. The full report of this SME, including any applicable assumptions and limitations, is provided in the Appendices.

We did not encounter any significant constraints on the scope of our work; all requested records and personnel were made available. Our site visits included a selection of DLOs chosen to reflect geographic and operational diversity; results are not projected to the full population of offices. Analyses of wait times and visit durations used DMV-provided data and third-party data (Placer.ai), which covered approximately 69 of 115 DMV offices due to inherent data limitations; these limitations are described in the Appendices. SMEs engaged by OSA performed additional analyses; their complete methodologies and any applicable assumptions or limitations are also documented in the Appendices.

Additionally, OSA reviewed governance, performance management, and related control processes relevant to our audit objectives but did not perform a comprehensive assessment of DMV's system of internal control or test internal controls for the purpose of expressing an opinion on their effectiveness.

Because of the test nature and other inherent limitations of an audit, together with limitations of any system of internal and management controls, this audit would not necessarily disclose all performance weaknesses or lack of compliance.

We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

³⁶ Obed Pasha, Associate Professor of Public Management, UNC School of Government; Kimberly L. Nelson, Albert and Gladys Coates Distinguished Professor, UNC School of Government.



Response From the Department of Transportation



STATE OF NORTH CAROLINA
DEPARTMENT OF TRANSPORTATION

JOSH STEIN
GOVERNOR

J.R. "JOEY" HOPKINS
SECRETARY

July 16, 2025

The Honorable David Boliek, State Auditor
North Carolina Office of the State Auditor
20601 Mail Service Center
Raleigh, North Carolina 27699-0600

Dear State Auditor Boliek:

The N.C. Department of Transportation (DOT) and the Division of Motor Vehicles (DMV) extend our sincere gratitude to the State Auditor team for its thorough and comprehensive performance audit of DMV operations. Your dedication to ensuring accountability and efficiency in state government is greatly appreciated, and we value the insights provided in your report that highlight opportunities to better serve the people of North Carolina. DOT and DMV acknowledge the need for operational improvements within DMV to enhance the quality and accessibility of our services. We are committed to addressing the findings of the audit and look forward to continued collaboration with the Governor, the State Auditor, and the North Carolina General Assembly to implement meaningful changes. Our shared goal is to deliver efficient, customer-focused services that meet the needs of North Carolina's residents and businesses, and we are eager to build on this report to drive progress and innovation.

Response to recommendations

#1: Evaluate DMV's Organizational Placement

Auditor's recommendation: North Carolina policymakers should consider establishing DMV as an autonomous agency or authority (i.e., State Ports Authority, North Carolina Turnpike Authority, and North Carolina Global TransPark), providing direct control over its budget, strategic planning, and operational decisions.

Agency response: The Department disagrees with the recommendation to establish the DMV as an autonomous agency or authority. Enhanced collaboration between the DOT and the DMV is essential to accelerating progress on key customer experience and operational efficiency initiatives.

- **DOT and DMV have a shared mission to reduce fatalities and serious injuries on NC's roadways**, and they are integrated through data, policy, and technology. This alignment ensures NC meets federal safety and compliance standards while

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DMV HEADQUARTERS BUILDING
1417 NORTH CHURCH STREET
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preparing for an innovative and connected transportation future. For example, DMV collects crash reports and driver incident data that DOT uses to prioritize infrastructure and programmatic safety improvements to reduce crashes. DMV data also feeds into national highway safety performance measures required by FHWA.

- **DMV's core functions of driver licensing, driver testing, and vehicle inspection programs have direct impacts on highway safety** and could impact federal transportation funding. DOT's involvement in this process ensures that we can maximize opportunities for funding.
- **Innovation and technology continue to impact the transportation industry**, and it is essential that DOT and DMV are closely aligned so coordination on autonomous vehicle safety and public education can move forward appropriately. This will help to ensure that North Carolina takes advantage of new data and insights while considering the risks of these technological developments.
- **DOT's organization already has core functional support units, and staffing which includes** – but is not limited to – legal counsel, human resources, procurement, facilities management, communications, physical security, IT, and legislative affairs. Separating DMV from DOT would require these core units to be duplicated, which would significantly increase costs. DOT's scale and professionalism have been especially helpful recently in HR as DMV has established a new career path for Driver License Examiners and recruited interns to serve as greeters in Driver License Offices.
- **Separating DMV and DOT would require significant resources** and would distract from efforts to improve customer experience and operations at DMV. Even far smaller reorganizations, like the License & Theft Bureau's transfer to the State Highway Patrol, require expensive and time-consuming efforts to separate organization responsibilities and manage administrative issues.
- **DMV is responsible for \$2.2 billion in revenue**, which is a significant portion of DOT's budget. The current structure ensures significant and substantive oversight of this critical funding source. Additionally, this structure allows DMV to use DOT's scale and resources to its advantage, particularly in regard to personnel, state contract support, and purchasing.

DMV faces budgetary constraints that could be more effectively solved with other mechanisms. The department requests **the legislature authorize a study to assess the costs and benefits of transitioning DMV from the current biennial appropriations model to a percentage-of-fees-based funding model**. Benefits of a percentage-of-fees funding model could include:

- **Allowing DMV to keep pace with the state's growth**, including opening offices and hiring additional Driver License Examiners to match increasing demand.
- **Insulating DMV from competing budget priorities** within DOT.

The Department proposes a study that would cover:

1. **Scope:** Evaluate the costs, benefits, and feasibility of transitioning DMV from the current biennial budget allocation to a percentage-of-fees-based funding model. The study will also analyze the impact that transitioning to an alternative funding model may have on ongoing customer experience and operational improvement initiatives. The study should consider the impact of a budget that grows or shrinks based on the delivery of services.
2. **Timeline:** DMV shall initiate the study within 30 days of receiving legislative direction and submit a written report to the North Carolina General Assembly, the

Chairs of the Joint Legislative Transportation Oversight Committee, and the Fiscal Research Division no later than July 1, 2026.

3. **Reporting:** The final report will include a comprehensive analysis, findings, and a proposed implementation plan for a revised funding model that ensures operational continuity and enhances customer service and service delivery across the division.

#2: Develop a DMV-Focused Strategic Plan

Auditor's recommendation: DMV should develop and adopt a comprehensive strategic plan that is specific to its operations and customer service mission, regardless of its organizational placement.

Agency response: The Department agrees with the recommendation to create a DMV-focused strategic plan with an emphasis placed on establishing a clear, actionable roadmap for DMV's operational and customer service objectives.

In alignment with this recommendation, DMV has already initiated strategic planning efforts and engaged an external consulting firm to support the delivery of a comprehensive, five-year DMV-focused strategic plan. NCDOT anticipates completion of the plan no later than December 1, 2025 – four months ahead of the recommended timeline. The Division plans to report annually on progress toward implementing the strategic plan.

The strategic plan will lay out DMV's plan to improve service delivery and the customer experience for the people of North Carolina and will include the following key components:

- **An updated mission and vision statement** that reflects NCDMV's commitment to customer-centered service.
- **Core principles** to guide implementation of the mission and vision.
- **Strategic goals and performance measures** for each function within DMV, with leading and lagging indicators to assess progress and effectiveness.
- **Structure for a dashboard** to track progress toward strategic goals, aid in daily internal decision-making, ensure transparency, and build public trust.

The Department will remain accountable to the public and policymakers throughout the process by reporting annually on DMV's progress toward achieving the goals and laid out in the strategic plan.

- The strategic plan will be submitted to the General Assembly and the Governor's Office within five months, by December 1, 2025. The plan will also be made available to the public via NCDMV.gov.
- The Department will implement an internal performance dashboard within nine months, by April 1, 2026, and launch a public-facing dashboard within 12 months, by July 1, 2026.

#3: Develop a Phased, Data-Driven Staffing Plan

Auditor's recommendation: DMV should create a multiyear phased staffing plan grounded in detailed workload and transaction analysis, with specific attention to Examiner recruitment, retention, and deployment.

Agency response: The Department agrees with the recommendation to create a multiyear, phased staffing plan for DMV and plans to incorporate staffing goals and performance measures into the Division's five-year strategic plan. A staffing plan is critical to lasting improvements to the DMV's customer experience and service delivery.

The DMV is already taking proactive steps to address staffing concerns, including:

- **Establishing a "Command Center" for Driver Services** to provide real-time oversight and problem-solving support for Driver License Offices, enabling quicker action to address unanticipated staffing shortages.
- **Launching a career path for Driver License Examiners** to help attract and retain talent. The new path offers more competitive pay and increased opportunities for promotion from Driver License Examiner I to Driver License Examiner II.
- **Hiring additional triage personnel** to improve customer experience and improve throughput by ensuring customers are prepared for service. Triage personnel sign in and assess the needs of walk-in customers to ensure they have the proper paperwork.
- **Beginning modularizing Examiner Training** to move Examiners into the field quickly. DMV has started breaking out training for tasks with the highest impact on efficiency. The first two modules are triaging and road test examinations. To maximize the efficiency of the Division's current workforce and expand the ability to meet demand, DMV has requested the following from the North Carolina General Assembly:
- **More Examiner positions:** To ensure a minimum of one Examiner per workstation at DMV offices across the state, DMV has requested 61 additional permanent Driver License Examiner positions. The Department recognizes the need for additional Examiners to ensure consistent staffing due to vacations, illnesses, FMLA, and other time-off requests.
- **Additional offices and associated Examiners:** To meet needs in high-growth areas, DMV has requested funding to open or renovate three offices and hire 24 additional permanent Driver License Examiners to staff the new facilities.
- **Flexibility to convert temporary Examiner staff to permanent roles:** To improve retention, address vacancy rates, and speed the hiring process, DMV has requested the flexibility to convert temporary Examiner staff to permanent positions. And we're grateful to the General Assembly for passing S.L. 2025-34 which expands temporary-to-permanent hiring to all agencies.

The Department anticipates submitting this staffing plan to the North Carolina General Assembly and the Governor's Office as part of the broader strategic plan by December 1, 2025.

To ensure accountability to policymakers, the Department will provide progress updates on hiring, vacancies, and service improvements in annual strategic plan updates and via quarterly updates to the General Assembly and the Governor's Office. Once the performance dashboard is available, DMV will also make these updates available to the public.

#4: Enhance Transparency and Performance Reporting

Auditor's recommendation: DMV should build and maintain a centralized performance dashboard to track and report key service metrics, including wait times, appointment availability, customer satisfaction, and online service usage to both management and the public.

Agency response: The Department agrees with the recommendation to build and maintain a centralized performance dashboard and will deliver a public dashboard to track performance measures included in the agency's strategic plan.

This dashboard will include wait times, customer satisfaction, and online service usage in addition to other metrics. The Department encourages caution in measuring success on appointment availability, as best practices indicate appointments may be used in differing ways depending upon demand levels and the expertise or time associated with the appointment type. For example, in many states, appointments are used primarily for more time-intensive services such as road tests.

A performance dashboard will be a critical tool for improving both operational efficiency and transparency. DMV's strategic plan will offer a structure for the performance dashboard that includes:

- **Meaningful Metrics:** Data that clearly indicates the level of customer service delivery.
- **Data Sources:** Clearly defined data sources for each metric.
- **Collection Methods:** Standardized methods for collecting the performance data to ensure consistency and accuracy across all performance metrics.
- **Scheduled Updates:** A schedule for regular updates to provide timely and reliable information to management, policymakers, and the public.

It is important that data within the dashboard be as accurate and timely as possible. DMV will need to improve its systems to better collect and automate critical data elements that will populate the performance dashboard. Work is underway to assess data gaps and identify solutions.

The Department will share plans for the dashboard in DMV's strategic plan by December 1, 2025. Implementation of an internal performance dashboard for DMV staff will be completed by April 1, 2026, and a public-facing dashboard will be launched by July 1, 2026.

The Department will provide routine updates on key metrics to the General Assembly and the Governor's Office as a part of the annual reporting on DMV's strategic plan.

#5: Improve Service Delivery Through Targeted Customer Experience Initiatives

Auditor's recommendation: DMV should partner with a qualified industry expert (e.g., ITRE and the Bryan School of Business and Economics at UNC Greensboro) to develop and implement specific, evidence-based strategies for improving customer experience and operational efficiency.

Agency response: The Department agrees with the recommendation and is already working to prioritize and implement targeted customer experience initiatives.

DMV's highest priority is to improve operations and provide a high-quality experience for all customers. DMV has implemented several targeted initiatives to meaningfully enhance customer experience over the past two months and is committed to establishing a culture of continuous improvement and customer service excellence.

DMV will continue to engage industry experts from peer states, academic centers, and outside consulting firms to augment agency expertise, capacity, and capabilities, as appropriate.

The following initiatives have been launched since Commissioner Tine was appointed on May 6, 2025:

- **Refreshed website** to direct more customers to online services.
- **REAL ID tools** to ensure customers arrive with the proper documentation.
- **Immediate triage of customers** to reduce time waiting in line and confirm customers have the proper documentation.
- **SMS sign-in** to get customers out of line by allowing customers to check in with their phone number, wait anywhere, and receive a text message when it is their turn in line. Implemented in 105 offices accounting for 99% of issuance volume.
- **Upgraded scanners** to reduce the time needed to process each transaction. Potential scanners have been tested, and final testing is taking place with the vendor. The impact of these new scanners is expected to be similar to adding eight to 20 FTEs, depending on the mix of activities supported.

The business cases for further improvement initiatives are being evaluated, prioritized, and tracked with leading and lagging performance measures to ensure appropriate return on investment. Future initiatives under consideration for the medium and long term include:

- **Improving accuracy for wait times** and enabling real-time capacity management.
- **Verifying documents** and accepting application information digitally.
- **Offering appointments and dedicated capacity** for complex services (e.g., road tests).
- **Expanding payment options** (e.g., Apple Pay, Google Pay).
- **Expanding online services** (e.g., CDL, graduated license steps).
- **Digitizing paper forms.**
- **Enabling commercial driving schools to conduct road tests.**

The Department will include medium- and long-term customer experience initiatives in the strategic plan by December 1, 2025, and will begin to implement medium- and long-term initiatives by July 1, 2026.

The Department will provide annual updates on customer experience initiatives to the General Assembly and the Governor's Office as a part of the annual reporting on DMV's strategic plan.

Response to matters for further consideration

#1: Mobile Driver License Readiness

Auditor's recommendation: DMV should immediately conduct a readiness assessment and initiate collaboration with its current credentialing vendor to streamline and reduce the cost of the Mobile Driver License rollout.

Agency response: The Department agrees with the recommendation to continue pursuing a Mobile Driver License (mDL) solution.

This initiative is being prioritized alongside other technology improvements. DMV aims to identify an mDL solution that maximizes impact on customer experience, aligns with DMV's future technology architecture, and ensures the best value for the state.

#2: Timely Driver License Examiner Training

Auditor's recommendation: DMV should gather and monitor data on new Examiner training completion, consider expanding training facilities, and ensure the Training & Development and Driver Services divisions collaborate to address regional staffing needs and minimize time between Examiner start date and training completion.

Agency response: The Department agrees with the recommendation to enhance Examiner training operations.

DMV is currently focused on expanding and modularizing the Examiner Training Program to accelerate productivity and minimize delays between start date and training completion. This will allow Examiner teams to reach full effectiveness in the shortest period of time, helping to meet service demand while maintaining the quality of training needed to achieve DMV's customer service standards.

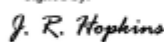
#3: Expand Customer Access by Extending Operational Hours

Auditor's recommendation: DMV should continue to assess the effectiveness of its current operational hours and determine whether additional or more permanent service extensions are warranted. Management should also consider implementing staggered scheduling models to optimize staff coverage and better balance staff workload.

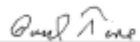
Agency response: The Department agrees with the recommendation to assess the effectiveness of current operational hours and staffing to determine whether operational changes are necessary.

DMV is continuously evaluating the Division's staffing to ensure that available staff and resources are effectively allocated and that teams are as productive as possible.

Sincerely,

Signed by:

FOI06A6A7RAT4R

Joey Hopkins, P.E., Transportation Secretary

Signed by:

299C7887332247B...

Paul Tine, Commissioner, DMV



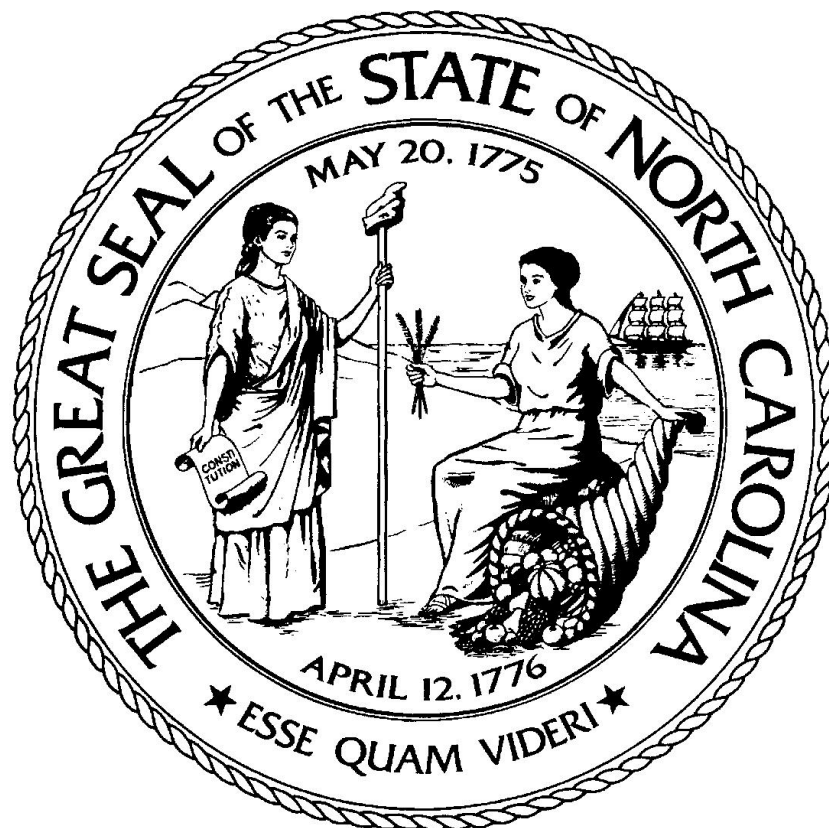
Appendices

North Carolina

Department of Transportation

Strategic Plan

2023 – 2025



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1. Strategic Plan Executive Summary

The North Carolina Department of Transportation (NCDOT) Strategic Plan clearly communicates to our customers and employees our long-term vision, core values, near-term mission statement, and eight strategic goals. Our strategic goals encompass our expected outcomes and what defines success.

NCDOT's goals are:

- *Make transportation safer / Vision Zero.*
- *Improve the reliability and connectivity of the transportation system.*
- *Deliver and maintain our infrastructure effectively and efficiently.*
- *Provide great customer service.*
- *Be a great place to work.*
- *Be a transparent and accountable organization.*
- *Be a diverse and inclusive organization.*
- *Be an innovative organization.*

NCDOT uses strategic planning to identify priorities and clearly document and communicate how it plans to achieve its goals. It is important to recognize that a strategic plan does not fully describe all the work activities an agency performs, but the critical strategic objectives to achieve its long-term vision and daily mission.

NCDOT uses a two-phase approach to refine, develop, and adopt its biennial strategic plan. The initial phase is a thorough review of the existing vision, values, mission statement, goals, and performance measures for the agency. NCDOT's senior leadership team (SLT) reviews the active mission, goal and value statements and works to refine the language of each to better reflect the current demands of our agency's services. Within the framework of this process, the SLT also identifies specific priority areas and performance measures aligned to the goals.

The next phase in the strategic planning process requires the agency to further clarify the expected results for each performance measure aligned to each goal and identify the targeted strategies that will be utilized to achieve success.

The final strategic plan provides guidance for all business units within NCDOT as they plan their work activities for the next two fiscal years. NCDOT's divisions and business units then ensure daily operations and efforts align with the overall priorities and strategies of the department. Furthermore, NCDOT's strategic planning efforts align to its employees' performance management system (NCVIP), ensuring what employees do each day is reflected in the agency's vision, values, mission, goals, and performance measures.

2. Mission, Vision, and Values

Agency Mission Statement

Connecting people, products, and places safely and efficiently with customer focus, accountability, and environmental sensitivity to enhance the economy and vitality of North Carolina.

Agency Vision Statement

North Carolina Department of Transportation: A global leader in providing innovative transportation solutions (internal vision)

North Carolina has a robust interconnected and multimodal transportation network that enhances our quality of life (external vision)

Agency Values

Safety (and Health) – We are dedicated to providing a safe transportation network and work environment.*

Customer Service – We serve our customers in a respectful, professional and timely manner.

Diversity (and Inclusion) – We respect one another while drawing strength from our diverse opinions, ideas and experiences.*

Integrity (and Ethics) – We earn and maintain trust through data-driven decisions, accountability, and transparency.*

Quality – We pursue excellence in delivering our projects, programs, services and initiatives.

Teamwork (and Collaboration) – We work together using our diverse strengths and skills, collaborating to solve problems and serve our communities.*

Innovation (and Creativity) – We promote the development and use of new and better solutions.*

**Note: values included in parentheses denote the additional statewide values as defined by the Office of State Human Resources and included in the NCVIP.*

3. Goals, Objectives, and Performance Measures

Goal 1 – Make transportation safer / Vision Zero	
Objective 1.1 – Reduce transportation-related fatalities and serious injuries with a vision of zero.	Performance Measure or Milestone 1.1 <i>Fatality Count/Rate – Total statewide fatalities per 100 million vehicle miles traveled.</i> Target: 20% Reduction
	Performance Measure or Milestone 1.2 <i>Serious Injury Count/Rate – Total statewide serious injuries per 100 million vehicle miles traveled.</i> Target: 31% Reduction
	Performance Measure or Milestone 1.3 <i>Non-Motorized Safety – Number of non-motorized fatalities and serious injuries.</i> Target: 27% Reduction
Goal 2 – Improve the reliability and connectivity of the transportation system	
Objective 2.1 – Increase the dependability of transportation and services.	Performance Measure or Milestone 2.1 <i>Highway Reliability – Percentage of acceptable travel time reliability on North Carolina roadways.</i> Target: 80-100%
	Performance Measure or Milestone 2.2 <i>Interstate Travel – Interstate travel time index.</i> Target: 1.04-1.15
	Performance Measure or Milestone 2.3 <i>Ferry Service Reliability – Percentage of planned ferry runs completed as scheduled.</i> Target: 93-97%

	Performance Measure or Milestone 2.4 <i>Rail Service Reliability – Percentage of planned passenger trains arriving on schedule (Carolinian and Piedmont only).</i> Target: 70-80%
	Performance Measure or Milestone 2.5 <i>DMV Service Reliability – Average customer wait-times at DMV facilities (upon check in).</i> Target: 15-30 Minutes
Goal 3 – Deliver and maintain our infrastructure efficiently and effectively	
Objective 3.1 – Deliver our projects on schedule and budget.	Performance Measure or Milestone 3.1 <i>Project Development on Schedule – Percentage of planned projects let to contract on schedule (STIP and Non STIP).</i> Target: 80-90%
	Performance Measure or Milestone 3.2 <i>Project Development on Budget – Percentage of total STIP dollars let to contract on schedule.</i> Target: 80-90%
	Performance Measure or Milestone 3.3 <i>Project Construction on Schedule – Percentage of construction projects completed on schedule.</i> Target: 80-90%
	Performance Measure or Milestone 3.4 <i>Project Construction on Budget – Total budget overrun for completed construction projects.</i> Target: 0-5%
Objective 3.2 – Maintain our infrastructure.	Performance Measure or Milestone 3.5 <i>Bridge Health – Percentage of bridges rated in good condition.</i> Target: 70-80%

	Performance Measure or Milestone 3.6 <i>Structurally Deficient Bridges – Percentage of bridges that are rated as structurally deficient.</i> Target: 8-12%
	Performance Measure or Milestone 3.7 <i>Pavement Health – Percentage of pavement miles rated in good condition.</i> Target: 70-80%
Goal 4 – Provide GREAT customer service	
Objective 4.1 – Achieve acceptable customer satisfaction results.	Performance Measure or Milestone 4.1 <i>NCDOT Customer Satisfaction – Percentage of surveyed customers satisfied with transportation services in North Carolina.</i> Target: 70-85%
	Performance Measure or Milestone 4.2 <i>DMV Customer Satisfaction – Satisfaction score of surveyed DMV customers.</i> Target: 70-85%
	Performance Measure or Milestone 4.3 <i>Rail Customer Satisfaction – Satisfaction score of surveyed rail passengers on the Carolinian and Piedmont train services.</i> Target: 82-87%
	Performance Measure or Milestone 4.4 <i>Ferry Customer Satisfaction – Satisfaction score of surveyed ferry passengers.</i> Target: 82-87%

Goal 5 – Be a great place to work	
Objective 5.1 – Focus on the safety and well-being of our workforce.	Performance Measure or Milestone 5.1 <i>Employee Retention – Percentage of critical career-point employees retained (with 10-25 years of service).</i> Target: 70-80%
	Performance Measure or Milestone 5.2 <i>Position Vacancy – Percentage of positions that are vacant.</i> Target: 15-18%
	Performance Measure or Milestone 5.3 <i>Employee Safety – Weighted index score for employee injury rates, equipment accident rates, and workers compensation claim rates.</i> Target: 5.07-6.16
	Performance Measure or Milestone 5.4 <i>Employee Engagement – Employee engagement survey score.</i> Target: 5.00-5.50
	Performance Measure or Milestone 5.5 <i>Workforce Development – Percentage of assigned employee LMS training completed.</i> Target: 80-95%
	Performance Measure or Milestone 5.6 <i>Workplace Conditions – Facility condition scores.</i> Target: 65-85
	Performance Measure or Milestone 5.7 <i>Payroll – Employee absenteeism rate (use of paid unplanned leave).</i> Target: 2.5-4.0

Goal 6 – Be a transparent and accountable organization	
Objective 6.1 – Maintain our fiscal responsibility.	Performance Measure or Milestone 6.1 <i>Fiscal Management – End days of cash on hand.</i> Target: 90-143 Days
	Performance Measure or Milestone 6.2 <i>Fiscal Management – Percentage of cash to commitments.</i> Target: 26-33%
	Performance Measure or Milestone 6.3 <i>Fiscal Spend Planning – Percentage of planned costs compared to actual costs.</i> Target: 90-105%
	Performance Measure or Milestone 6.4 <i>Purchasing – Percentage of NCDOT’s total budget expended on external goods, materials, and services.</i> Target: 70-85%
	Performance Measure or Milestone 6.5 <i>Internal Costs – Percentage of the overall budget for administrative costs.</i> Target: 6.0-7.6%
	Performance Measure or Milestone 6.6 <i>Agreements – Average turnaround time for encroachment agreements.</i> Target: 20-30 Days
	Performance Measure or Milestone 6.7 <i>Asset Utilization – Equipment utilization rate.</i> Target: 45-55%

Objective 6.2 – <i>Maintain our environmental responsibility.</i>	Performance Measure or Milestone 6.8 <i>Energy – Percentage reduction in building energy consumption (excluding GTP and NCSPA).</i> Target: 35-45%
	Performance Measure or Milestone 6.9 <i>Natural Environment – Average statewide environmental compliance score on construction and maintenance projects.</i> Target: 7.5-8.5
	Performance Measure or Milestone 6.10 <i>Climate – Percentage of NC registered vehicles that are zero emission vehicles (ZEVs).</i> Target: 5-10%
	Performance Measure or Milestone 6.11 <i>Resiliency – Percentage of predictive surge for coastal bridges with T-SAPP (Transportation Surge Analysis Prediction Program).</i> Target: 80-90%
Goal 7 – <i>Be a diverse and inclusive organization</i>	
Objective 7.1 – <i>Enhance the diversity of our workforce and partnerships.</i>	Performance Measure or Milestone 7.1 <i>Minority Representation – Percentage of employees whose ethnicity is identified as a minority.</i> Target: 22-31%
	Performance Measure or Milestone 7.2 <i>Gender Representation – Percentage of employees whose gender is identified as female.</i> Target: 23-48%

	Performance Measure or Milestone 7.3 <i>Diversity Spending – Percentage of the total program budget paid to minority- and women-owned businesses.</i> Target: 10-12%
	Performance Measure or Milestone 7.4 <i>Personnel Actions – Percentage of minority and female new hires and promotions.</i> Target: 25-30%
Goal 8 – Be an innovative organization	
Objective 8.1 – Embrace modernization and new ideas.	Performance Measure or Milestone 8.1 <i>Research & Development – Percentage of planned State Planning and Research Program (SPR Part B) projects implemented after completion.</i> Target: 70-80%
	Performance Measure or Milestone 8.2 <i>New Technology/Products – Number of annual lessons-learned and best practices submitted to the Internal Knowledge Management Program (CLEAR).</i> Target: 20-50
	Performance Measure or Milestone 8.3 <i>Policy Innovation – Review internal policies biennially to ensure relevant and up to date technology and processes are embedded at NCDOT.</i> Target: Biennially
	Performance Measure or Milestone 8.4 <i>National Research – Number of national research projects NCDOT is participating in.</i> Target: 50-75

4. Highlights, Collaborative Opportunities, and Priority Questions

Agency Highlights

Division of Highways: The Division of Highways is responsible for all aspects of the nearly 81,000-mile State maintained highway system, including the safe and efficient movement of traffic. It includes 14 regional offices, referred to as division offices, across the state that are comprised of multiple counties within a region. NCDOT's Incident Management Assistance Patrol, sponsored by GEICO, made 54,000 stops last year alone. Through the Adopt-a-Highway program, about 4,500 volunteer groups adopted about 9,000 miles of highway and 11,641,695 pounds of litter was collected statewide in fiscal year 2022. In October 2021, the Salem Parkway project from Division 9 was announced as the grand prize winner of the 2021 AASHTO America's Transportation Award. The project rose to the top in a competition that featured 80 nominees from 35 state transportation departments at the regional level and 12 national finalists. In February 2022, more than 1,100 tons of damaged concrete pipe were donated and used to help shore up two artificial reefs off the Brunswick County coast. Staff with the department's maintenance yards in Bladen and Columbus counties hauled the material to the Port of Wilmington. The discarded culverts accumulated over the past several years as the result of an aggressive pipe replacement program. Several of the pipes that required replacing were damaged by Hurricanes Matthew and Florence. A new, half-mile training course opened in Raleigh, allowing Incident Management Assistance Patrol and other emergency responders to train in a controlled setting for incidents that could happen on North Carolina's highways. The track has been in operation since the pandemic but celebrated its opening in June 2022.

BridgeWatch Public Safety Through Real-Time Structure Monitoring: NCDOT implemented a 3-year pilot using the BridgeWatch solution by U.S. Engineering Solutions. BridgeWatch is a bridge-monitoring application service that enables transportation professionals to proactively monitor infrastructure to prevent and protect against hazardous conditions. NCDOT professionals are tasked with protecting, maintaining, and replacing over 15,000 bridges along over 80,000 miles of roadway across North Carolina. BridgeWatch collects and processes real-time data from meteorologic, hydrologic, oceanographic, and seismologic sources, gauges, and various sensing devices. The datasets collected from BridgeWatch are being used to implement the first in the nation thresholds for rainfall alerts, storm surge alerts, freeboard alerts, low chord alerts and road overtopping.

North Carolina Clean Transportation Plan: The North Carolina Clean Transportation Plan was created in response to Governor Cooper's January 2022 Executive Order 246. Executive Order 246 ensures "North Carolina's Transformation to a Clean, Equitable Economy," setting the course for North Carolina's continued work to reduce economy-wide greenhouse gas emissions, advance environmental justice and create good paying jobs throughout the state. This executive order builds upon 2018's Executive Order 80, which established a goal to reduce greenhouse gas emissions by 40 percent and increase zero-emission vehicle (ZEV) adoption to 80,000 vehicles by 2025. The N.C. Clean Transportation Plan identifies near-term strategies and actions organized around four focus areas: governance, funding / finance, infrastructure, and communications and engagement.

Vehicle Miles Traveled Reduction Study and Toolkit: The goal of the Vehicle Miles Traveled (VMT) Reduction Study was to identify transportation demand management (TDM) measures or strategies to reduce (VMT) in urban, rural, and regional areas of North Carolina. The study was guided by a technical advisory committee, comprised of members from both NCDOT and local planning organizations, that gave direction to the study and provided both important input and insights. The research phase involved a review of VMT trends in N.C. and the U.S. The testing phase involved working with the Technical Advisory Committee to rank the TDM measures defined in the research phase and developing TDM “packages” that a consultant tested using the French Broad River Metropolitan Planning Organization (FBRMPO) and Triangle area travel demand models in the Asheville and Raleigh/Durham/Chapel Hill areas.

DMV Online Registration: The N.C. Division of Motor Vehicles continues to implement projects to improve the experience of its customers. During the summer of 2022, the division launched its latest endeavor, the Q-Anywhere project. Q-Anywhere enables customers to check in by scanning a QR code and texting a short message to get and hold their place in line. Customers are then free to queue anywhere—they can wait in their vehicle, or they can run other errands in the immediate area to pass the time. Customers are alerted via text to enter the lobby when the staff is ready to serve them. For customers without a cellphone, DMV is working to implement a mobile paging system like those used in the restaurant industry. Q-Anywhere builds on previous DMV initiatives, including an ever-increasing number of services being offered online at [MyNCDMV.gov](https://www.ncdmv.gov) and online appointment scheduling available at [SkipTheLine.ncdot.gov](https://www.ncdot.gov/skiptheline).

North Carolina Department of Transportation Mentoring: NCDOT’s biennial mentoring program was relaunched in 2022 following a hold initiated in 2015. The 2022 season begun with five protégés and five mentors. In October 2023, registration will open for the 2024 season. The year-long partnership between a mentor and a protégé allows NCDOT employees an opportunity for career development and professional growth. The program is designed to complement and not take priority over an employee’s regular job duties and responsibilities. The program challenges employees to explore personal career development objectives with the Department. Based on employees’ individual career aspirations, the mentoring coordinator strives to identify and match the protégé to a mentor capable of guiding, improving, and fulfilling the protégé’s needs. Protégés will then work with their mentor to write a Mentoring Agreement Plan, which defines the scope and developmental objectives for this partnership. The NCDOT Mentoring Program is a proven way to exchange knowledge, network, and develop talent. Mentors typically enjoy the personal growth and intrinsic rewards from helping someone in this manner, while ensuring NCDOT is building a thriving talent pipeline for the future.

Emerging Technologies: Advanced Air Mobility: Unmanned aviation will transform the way we live and work and is already creating an entirely new economy. Projections are that the total global market for unmanned aviation will be \$1 trillion by 2040; \$9 trillion by 2050.

North Carolina has been a national leader in paving the way in aviation’s new frontier to capture both the operational and economic benefits it will provide. NCDOT achieved more national firsts and completed more missions than all other states combined in the Federal Aviation Administration’s three-year Unmanned Aircraft Systems (UAS) Integration Pilot Program (IPP). That included working with innovative companies and the FAA to:

- Launch the nation’s first commercial medical package delivery operation;
- Launch the nation’s first backyard drone deliveries of food and retail products;
- Facilitate certification of the first, and three of the first five, U.S. drone delivery companies;
- Propose the first statewide unmanned traffic management (UTM) system;
- Conduct the first FAA-approved DOT drone bridge inspection; and
- Deploy the first U.S. tethered drones to support incident response on statewide Incident Management Assistance Patrol (IMAP) trucks.

Those achievements prompted FAA to select NCDOT as one of eight teams for its follow-on program, called BEYOND, which refers to “beyond visual line of sight,” or BVLOS. For drone flight to reach its full potential, FAA will need to allow drones to routinely fly BVLOS and for fleets of drones to be managed autonomously.

NCDOT is helping FAA test and demonstrate how to accomplish these operations safely and successfully. It is working with companies to move beyond the small UAS operations accomplished in the IPP to test much larger platforms that can transport both cargo and, ultimately, passengers, in both rural and urban areas – referred to as advanced air mobility.

In addition, NCDOT Aviation, Freight & Logistics and Integrated Mobility have embarked on a strategic planning process to develop a comprehensive framework for interconnected and shared autonomous multimodal deployments, building on the innovations already accomplished within those NCDOT units.

Strengthening Public Airport Operations, Management, and Impact: North Carolina has a robust public airport system that provides passenger, cargo, and a range of other services to companies and communities. N.C. public airports contribute more than \$72 billion and 330,000 jobs to the state’s economy each year and return more than \$3.7 billion in local tax revenues.

NCDOT supports the state’s public airports with infrastructure development grants, airport pavement and equipment maintenance, engineering and planning assistance, professional development, and business development services.

In recent years, the Department has pursued a range of strategies to enhance its collaboration with airports to strengthen airport management and operations, expand airport economic impacts and ensure compliant and responsible use of public investment in airport development.

Integrated Mobility Division: In the past three years, the Integrated Mobility Division has won 10 federal discretionary grants totaling over \$72 Million. The Bipartisan Infrastructure Law significantly expands federal discretionary grant programs, presenting a great opportunity for NCDOT to continue competing and winning additional funds to expedite delivery of important projects across the state. Federal discretionary grants typically require a non-federal match, often provided through a combination of state and local funding. Through the Integrated Mobility Division’s multimodal planning grant program and feasibility studies program, NCDOT is creating a pipeline of multimodal projects by helping local communities plan, study and develop project ideas.

Tethered Drones on IMAP Trucks: Two North Carolina Department of Transportation programs partnered to be the first in the nation to launch an innovative technology pilot with their safety service patrol, that would improve road safety in the state. The statewide Incident Management Assistance

Patrol (IMAP) program and the Division of Aviation's Unmanned Aircraft System (UAS) program recently assisted with the creation and implementation of tethered drone operations from select IMAP vehicles. This aids responders in assessing incidents, providing situational awareness to the NCDOT Statewide Transportation Operations Center (STOC) and Traffic Management Centers (TMCs), and assisting with overall incident traffic management. The deployment of this technology was made possible by a federal innovation grant awarded in 2020.

Disadvantaged Business Enterprise Program: The Disadvantaged Business Enterprise (DBE) Program is a legislatively-mandated United States Department of Transportation program. The DBE program ensures disadvantaged businesses have the opportunity to conduct business with the N.C. Department of Transportation. NCDOT administers several programs that certify businesses as small and or disadvantaged. NCDOT advertises and awards numerous contracts each year and encourages businesses to apply for the numerous contracting opportunities in state transportation. In June 2021, the N.C. Department of Transportation's Division of Highways, in partnership with the department's Office of Civil Rights, began hosting DBE outreach events for all 14 highway divisions. The statewide outreach events help our small, minority- and women-owned businesses learn how to they can compete for state contracting opportunities. Since June 2021, more than 500 participants representing hundreds of firms have attended these outreach workshops.

Collaborative Opportunities

NC Emergency Response Exercise on State Ferry: State, federal and local law enforcement agencies trained on how to respond effectively to an emergency aboard a state ferry in Cherry Branch. The training included a simulation of law enforcement and emergency response to an active shooter incident on board a ferry as it cruised along the Neuse River near the Cherry Branch terminal. The training was part of a series of required trainings aimed at ensuring emergency response teams know how to conduct a coordinated and timely response to a major incident on a ferry.

Participating in the training were officials with the U.S. Coast Guard, North Carolina State Highway Patrol, NCDOT's Ferry Division, the New Bern Police Department, the Pamlico County Sheriff's Office, the Craven County Sheriff's Office, the Atlantic Beach Police Department, and the North Carolina Marine Patrol.

Workforce Development for Future Generations: The North Carolina Department of Transportation and Women's Transportation Seminars (WTS) "Introduce a Girl to Engineering Day" program promotes engineering as a desirable career option for young students participate in hands-on activities related to transportation as well as question-and-answer sessions with female engineers who work at NCDOT in various disciplines. Engineers also share the daily duties and skills necessary for their jobs while encouraging young women to maintain their math and science skills, which are necessary to enter programs in college.

The NC STEM Policy Fellowships provide graduate students from North Carolina colleges and universities with opportunities to serve full-time for a year in high-level state government offices, focusing on policy topics related to science, technology, engineering, and mathematics. The STEM

Policy Fellowship offers five placement options in the N.C. Department of Transportation. Through a partnership with Sigma Xi, the international honor society of science and engineering, fellows receive additional professional development.

Aviation Workforce Development Strategic Plan: NCDOT's Division of Aviation will launch a collaborative strategic planning initiative in 2023 to develop a vision and role for the Department to help build a strong talent pipeline for the state's aviation sector. The planning process will convene stakeholders representing leading agencies and STEM partners to identify gaps in aviation workforce development and how NCDOT can help fill them.

The plan will complement the North Carolina Aviation Business Development Plan, developed by the Division and launched in 2020, in collaboration with the N.C. Department of Commerce, Economic Development Partnership of North Carolina and airports, economic and workforce development, universities, community colleges, companies and sector support organizations.

The Division already offers workforce development services such as an airport Aviation Career Education (ACE) Academy grant program, a professional development program for airport managers and staff, and support for STEM and career outreach across the state.

Integrated Mobility Healthcare Access and Microtransit: NCDOT's Integrated Mobility Division collaborates with the healthcare community to enhance non-emergency medical transportation services to healthcare for elderly, disabled and other transportation disadvantaged residents. IMD also collaborates with local governments to expand on-demand microtransit services. Microtransit is a technology-enabled transit service that typically uses shuttles or vans to provide pooled on-demand transportation with dynamic routing. While it uses similar technology such as a mobile app for requesting and scheduling rides, microtransit is different than a rideshare like Uber or Lyft. Microtransit is typically subsidized, operates in defined service zones, combines trips rather than serving single trips, provides lower fares, employs professional drivers and dedicated vehicles. Microtransit will enhance quality, coverage, and reliability of high-quality public transportation.

National Electric Vehicle Infrastructure (NEVI) Program: The North Carolina Electric Vehicle Infrastructure Deployment Plan is part of the federal National Electric Vehicle Infrastructure (NEVI) program. The program's purpose is to expand access to convenient, reliable, affordable, and equitable electric vehicle charging. The program will:

- Accelerate equitable adoption of EVs, including for those who cannot reliably charge at home;
- Reduce transportation-related greenhouse gas emissions and help put the U.S. on a path to 50 percent reduction in economy-wide net greenhouse gas pollution by 2030 (compared to a 2005 baseline) and net zero emissions by 2050; and
- Position U.S. industries to lead global transportation electrification efforts and help create family-sustaining jobs that cannot be outsourced.

NEVI program funds are apportioned from the Infrastructure Investment and Jobs Act. NEVI will provide nearly \$5 billion from July 2022 through June 2027 to help states create a network of 500,000 electric vehicle charging stations along designated alternative fuel corridors. North Carolina expects to receive up to \$109 million to build out EV infrastructure along its approved corridors.

NCDOT is operating under the following guidance and requirements set by the FHWA. EV charging station deployment must be prioritized along approved alternative fuel corridors.

Charging stations will be installed every 50 miles along the state’s portion of the interstate highway system. The stations will include at least 150 kilowatts Direct Current Fast Chargers with Combined Charging System ports capable of simultaneously charging four EVs (600kW minimum station power capability). NEVI funds can be used both to construct new EV charging infrastructure and upgrade existing charging infrastructure. The Justice40 Initiative aims to deliver 40 percent of the overall benefits of federal investments in climate and clean energy, including sustainable transportation, to disadvantaged communities. States should prioritize rural, underserved, and disadvantaged communities for EV charging infrastructure.

Renewable energy generation and storage can be considered if it leads to lower overall construction and operating costs.

Corridor Identification and Development Program: The Corridor Identification and Development program is a comprehensive intercity passenger rail planning and development program that will help guide intercity passenger rail development throughout the country and create a pipeline of intercity passenger rail projects ready for implementation. The Corridor ID Program aims to both support a sustained long-term development effort, and to set forth a capital project pipeline ready for Federal funding. The Corridor ID Program is intended to become the primary means for directing Federal financial support and technical assistance toward the development of proposals for new or improved intercity passenger rail services throughout the United States.

S-Line Local Government Engagement: Led by the Rail and Integrated Mobility Divisions, NCDOT is collaborating with local governments along the CSX S-line rail corridor from the Virginia state line to Sanford, N.C. This portion of the S-Line is targeted for additional investment as part of the ongoing Southeast Corridor development, including the possibility of significant infrastructure enhancements for intercity passenger rail from Raleigh to Richmond, V.A. Through the S-Line Transit Oriented Development Study, NCDOT is helping S-Line communities develop strategies to maximize the positive benefits of rail service, including plans for economic development, land use and zoning changes, affordable housing considerations, and enhanced multimodal connectivity. Following completion of the TOD study in Spring 2023, NCDOT will lead mobility hub feasibility studies and preliminary design in seven S-Line communities. The mobility hubs will include the traditional rail platform and amenities but also bring together other transportation modes, community services, businesses, and event space. As the S-Line project moves forward, NCDOT will continue providing guidance and technical support to help S-Line communities leverage future rail service for enhanced access, mobility, and economic vitality.

- Priority Questions
- 1. **Is NCDOT providing adequate transportation alternatives?** The North Carolina Department of Transportation is providing adequate transportation alternatives through various initiatives, such as Microtransit, S-line, mobility as a service (MaaS), connected autonomous shuttle

supporting innovation, and the National Electric Vehicle Infrastructure program. NCDOT also manages programs such as the Carbon Reduction Program and the Congestion and Mitigation Program that allow municipalities to provide additional modes of transportation, but some communities may lack the funding matching requirements. Microtransit services will provide North Carolinians with pooled on demand transportation services using shuttles and vans. The service operates in defined service zones. Microtransit will improve the standard, reach, and dependability of excellent public transportation. NCDOT's Rail and Integrated Mobility Divisions are leading NCDOT's collaboration with local governments along the CSX S-Line rail line. S-Line services will provide future high performance passenger rail services connecting communities from Raleigh to Richmond. Mobility as a service allows travelers to access their transportation modes using a single digital interface. The Connected Autonomous Shuttle Supporting Innovation (CASSI) project focuses on educating the public on the use of autonomous vehicles. CASSI has several goals, including preparing for the future deployment of AVs, improved mobility and safety for residents, development of best practices for long term AV planning, and launching AV shuttles for transportation into multiple locations. The National Electric Vehicle Infrastructure or NEVI Program established by the infrastructure law provides nearly \$5 billion from June 2022 – June 2027 to establish a network of 500,000 electric vehicle charging stations. North Carolina is projected to receive up to \$109 million to build EV infrastructure. The program will expand access to convenient, reliable, affordable, and equitable electric vehicle charging for residents who cannot reliably charge at home.

2. **Which NCDOT strategies are projected to be most effective in reducing transportation greenhouse gas (GHG) emissions?** The North Carolina Department of Transportation strategies projected to be the most effective in reducing greenhouse gas emissions are the National Electric Vehicle Infrastructure Program (NEVI), Carbon Reduction Program, Clean Transportation Plan and Vehicle Miles Traveled Reduction Study and Toolkit. The first phase of NEVI focuses on the build out compliant charging stations along North Carolinas Alternative Fuel Corridors. Phase two will focus on community-based public electric vehicle charging and other critical infrastructure needs. The North Carolina Clean Transportation Plan focuses on meeting the goal to reduce greenhouse gas emissions by 40 percent and increase zero emission vehicle adoption to 80,000 vehicles. Between 2003 and 2019, vehicle miles traveled in North Carolina grew from 93.7 billion to 123.1 billion, an overall increase of 31 percent. The Vehicle Miles Traveled Reduction Study and Toolkit will identify strategies to reduce vehicle miles traveled in urban, rural, and regional areas of North Carolina. NCDOT is currently in the developmental stages of setting a VMT reduction target. Additional efforts to reduce greenhouse gas emissions are being spearheaded by the Federal Highway Administration. In July 2022, FHWA announced a Notice of Proposed Rulemaking for states and municipalities to track and reduce greenhouse gas emissions. President Biden's Bipartisan Infrastructure Law allocates more than \$27 billion in federal funding to assist state departments of transportation and metropolitan planning organizations meet their declining GHG targets. The new rule would take two important steps to combat climate change. The rule establishes a national framework for tracking state by state progress by adding a new GHG performance management measure to current FHWA measures.

The rule also establishes a flexible system under which state DOTs and MPOs would set their own reduction targets for GHG emissions from roadway travel on the National Highway System.

3. Can we maintain and recruit an adequate and diverse workforce to achieve our goals?

NCDOT is retaining and recruiting a diverse workforce through various strategies and programs, including the Transportation Engineering Associates Program, Historically Black Colleges and Universities, Minority Serving Institutions Fellowship Program, Historically Black Colleges and Universities Internship Program, employee resource groups (ERG), and the Legacy Leadership Program. The Transportation Engineering Associates Program is offered to qualified recent graduates seeking entry-level work in civil, environmental, electrical, mechanical, chemical, aerospace or biological engineering. The program provides NCDOT with a pool of professionally trained and experienced engineers who can assume management responsibilities with confidence, while giving associates the opportunity to develop a career through a training program that provides them with a broad background and practical application of highway engineering. The HBCU/MIS fellowship offers workplace experience and learning opportunities to recent graduates of HBCUs and MSIs. Fellows serve a 2-year commitment in an NCDOT unit/division where they learn about the department and participate in professional certification and development opportunities. Fellows are placed in positions and gain knowledge and experience to prepare them for permanent employment. The Office of Historically Black Colleges and Universities Outreach Internship Program is a 10-week summer internship program. The program allows graduate and undergraduate students to gain valuable work experience at NCDOT and learn what a career in the transportation industry can offer. Essential components of the internship include professional development workshops on resume building, business writing and networking. Both programs are open to students of all majors and demonstrations. NCDOT's commitment to hire individuals of various educational backgrounds. NCDOT is the developmental stages of two different initiatives to assist with retention. NCDOT is creating its first two Employee Resource Groups (a women's group and HBCU alumni group). These groups will allow NCDOT to better meet the needs of employees and other stakeholders. ERGs foster inclusion by allowing employees to feel a sense of community. Belonging to an ERG helps employees feel authentic at work and derives more meaning and purpose from their work. Although on hiatus since August 2019, there is an intended effort to relaunch the Legacy Leadership training program. It is an innovative development program offered through NCDOT's Office of Human Resources. The program works with participants from the early stages of their professional development by combining experiential learning, independent reading, 360-degree assessments, self-reflection, and intensive team workshops to develop and improve critical leadership skills. The program has four levels: Level 1 Team Building, Level 2 Leading Others, Level 3 Leading Managers, and Level 4 Leading at the Executive Level.

N.C. DEPARTMENT OF TRANSPORTATION



ANNUAL PERFORMANCE REPORT

2024
STATE
FISCAL
YEAR





Message from Secretary of Transportation

It is my great honor to continue to serve as Transportation Secretary during a time when such advancement and transformation is taking place across North Carolina.

Transportation directly impacts us all, and getting to work, doctor appointments, the grocery store, restaurants, school, or religious and recreational opportunities requires a robust, reliable, and resilient transportation system.

We are at a pivotal moment in time and face significant challenges ahead. The cost of conducting business is also at a record high, as is our population. In 2024, North Carolina grew by 165,000 people – the fourth-largest population gain in the nation. With more than 11 million people now calling North Carolina home, the demand for our services has reached new heights. In addition to this, Hurricane Helene has impacted our state more than any other storm in our history. Our crews, contractors, consultants, and other partners have made great progress in the first few months of recovery and we are committed to continue restoring infrastructure in Western North Carolina until complete.

Meanwhile, the shift toward a cleaner transportation network continues to gain momentum. There are more options than ever for transportation that is electric, connected, and autonomous. The increasing number of electric and fuel-efficient vehicles on our roads reduces emissions, but also reduces the amount of funding we receive from the motor fuels tax, our primary revenue source. These are all challenges we will have to overcome to expand the transportation system further and keep it maintained.

The N.C. Department of Transportation has been steadfast in efforts to strengthen finances, improve project delivery, and form better relationships with the communities we serve. Transparency is key to these relationships, and we are intentional about setting realistic expectations for delivering on our projects.

Along with these efforts, I also want us to continue to prioritize safety and mobility. We must continue our work with our partners across the state to deliver a multimodal transportation system that ensures equitable access to opportunities. And I want us to continue to explore ways North Carolina can modernize transportation funding to keep up with evolving technologies.

This annual report helps the department track performance and identify potential areas for operational improvement. I am grateful for the hard work and dedication of our staff and the support from our many partners who make our successes possible. I look forward to our continued collaboration in 2025 and the years to come.

Secretary J.R. "Joey" Hopkins
North Carolina Department of Transportation

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Supporting material, including background information, definitions and rationale on the performance scorecard is available at ncdot.gov by searching "Performance Scorecard." Information in this report is based on State Fiscal Year (SFY) 2024, which covers the time period of July 1, 2023, to June 30, 2024, unless otherwise noted. This report does not include metrics related to Hurricane Helene because the storm occurred in the next fiscal year.

Goals



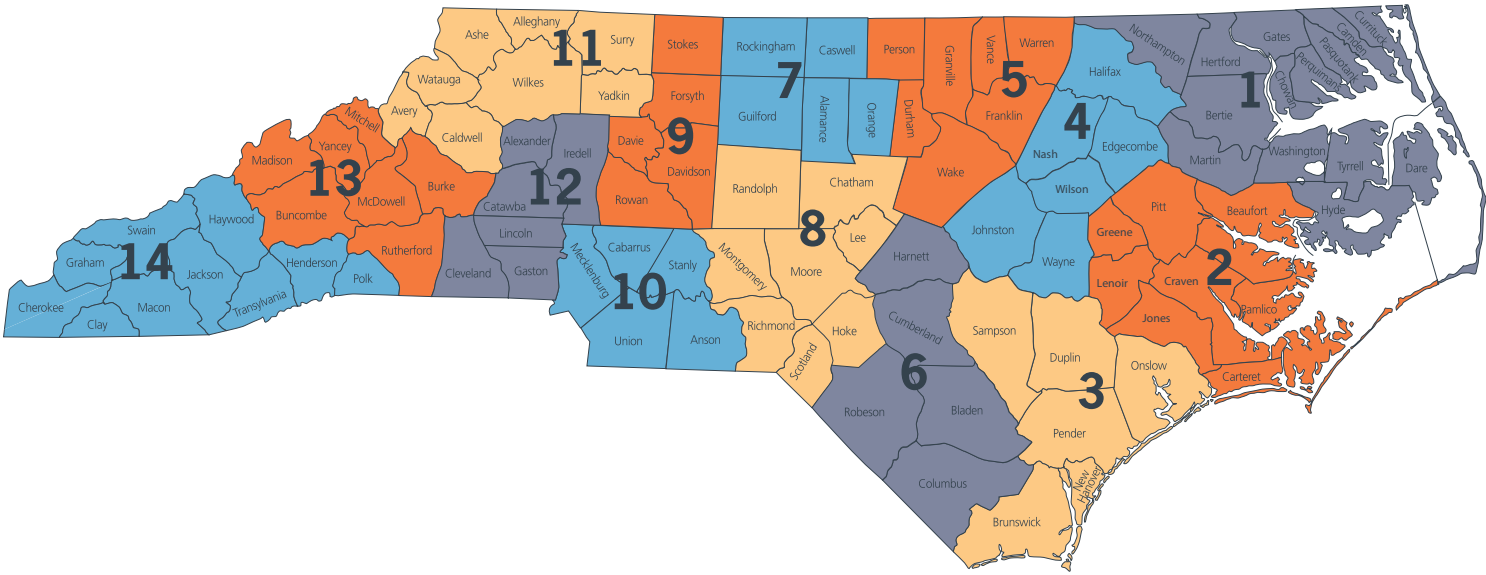
About NCDOT

The N.C. Department of Transportation is responsible for all modes of transportation in North Carolina. This includes highways, rail, aviation, ferries, public transit, and bicycle and pedestrian transportation. The department also oversees the state's Division of Motor Vehicles and the Governor's Highway Safety Program, which promotes safety awareness to reduce highway crashes and deaths. Additionally, NCDOT helps expand economic growth opportunities through oversight of the N.C. State Ports, N.C. Global TransPark and N.C. Turnpike Authority.

NCDOT is a performance-based organization with a strategic, data-driven decision making process that is transparent and accountable. This approach aligns the department's operations with its overall mission and goals.

The department's operations are led by the Secretary of Transportation. A 20-member Board of Transportation, the department's governing body, is responsible for overseeing the transportation policymaking process and monitoring performance of the agency.

Transportation Highway Divisions



NORTH CAROLINA DEPARTMENT OF TRANSPORTATION

N.C. Board of Transportation

Current as of January 2024



Michael S. Fox,
Chairman
(Division 7)



Andrew M. Perkins Jr.,
Vice Chairman
(Division 9)



N. Leo Daughtry
(At-Large)



Kathy Harrington
(At-Large)



Chuck McGrady
(At-Large)




Patrick Molamphy
(At-Large)



Stephen Rosenburgh
(At-Large)



Allen Moran
(Division 1)



Merrie Jo Alcock
(Division 2)



Landon G. Zimmer
(Division 3)



Melvin M. Mitchell
(Division 4)



Valerie D. Jordan
(Division 5)



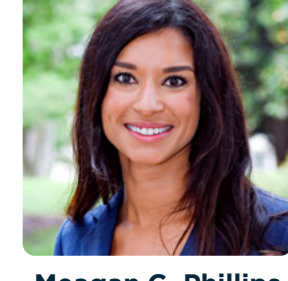
Grady Hunt
(Division 6)



Lisa Mathis
(Division 8)



Anthony T. Lathrop
(Division 10)



Meagan C. Phillips
(Division 11)



Brad C. Lail
(Division 12)



William Clarke
(Division 13)



Dirk Cody
(Division 14)

Data current as of June 2024

AVIATION




72
PUBLICLY
OWNED
AIRPORTS

\$88 billion and **427,000** jobs to the economy each year and return **\$4.8 billion** in tax revenues

More than **74 million** passengers

HIGHWAYS




ABOUT
80,500
MILES OF ROAD

2nd largest in the nation



ABOUT
13,800
BRIDGES


NCDOT Incident Management Assistance Patrol, sponsored by GEICO, made **63,719 stops**



ADOPT
A
HIGHWAY

About **5,000**
volunteer groups
Adopted about
10,000 miles

12,892,425
pounds of
litter picked
up statewide



FERRY

2nd largest state-operated ferry system in the nation

23
FERRIES



8
ROUTES

carried over **1.5 million** passengers

RAIL

MORE THAN
3,600

NC BY TRAIN

10 daily trains and growing serving NC

carried nearly **700,000** passengers

CORRIDOR MILES OF RAILROAD TRACK

3,500 total at-grade railroad crossings



98
TRANSIT
SYSTEMS

Serving residents in **all 100 counties**

provide about **50 million** passenger trips a year

GLOBAL TRANSPARK



2,500
ACRE
MULTIMODAL,
INDUSTRIAL &
BUSINESS PARK

TURNPIKE AUTHORITY

NC QUICK PASS


7 million invoices sent

220,000 app downloads

2.8 million annual customers



INTEGRATED MOBILITY



MORE THAN
3,000
MILES OF STATE
AND REGIONAL
BICYCLE ROUTES

PORTS AUTHORITY



4 million tons of general cargo annually

320,000+ TEUs annually

page
4

63

Our Divisions

AVIATION

The Division of Aviation promotes the economic well-being of North Carolina by developing a safe and robust air transportation system. As the state's aviation authority, the division manages state and federal airport development grant programs, advances the safe and expanded use of unmanned aircraft systems, supports recruitment of aviation-related businesses, delivers aviation safety education and training programs, and provides passenger and photogrammetry services that support state agency missions.

FERRY

The Ferry Division provides safe, cost-effective and dependable service for travelers. The division operates seven year-round vehicle routes across the Currituck Sound, Pamlico Sound, Cape Fear River, Neuse River, Pamlico River and Hatteras Inlet, along with a seasonal passenger ferry route between Hatteras and Ocracoke. The division can also activate an emergency route between the Dare County mainland and Hatteras Island at Rodanthe within two to three hours in the event of a long-term or emergency closure of N.C. 12. The ferry operations are supported by a full-service shipyard, dredge, crane barge, tugboats and other support vessels.

GLOBAL TRANSPARK

The N.C. Global TransPark is a 2,500-acre multimodal, industrial and business park strategically situated in Eastern North Carolina. Its on-site Composite Center is one of the most advanced workforce development training facilities in the state. With its integrated infrastructure, close proximity to Interstates 40 and 95, and to the state's two deep-water ports, the GTP is an ideal location for a variety of business types, especially companies involved in aerospace and logistics.

GOVERNOR’S HIGHWAY SAFETY PROGRAM

The Governor's Highway Safety Program is dedicated to reducing the number of traffic crashes and deaths in North Carolina by funding efforts to reduce crashes and promote safety awareness. GHSP also helps fund North Carolina's Vision Zero initiative, which is working to meet the goal of zero deaths on the state's roadways.

HIGHWAYS

The Division of Highways is responsible for all aspects of the nearly 81,000-mile state-maintained highway system, including the safe and efficient movement of traffic. It includes 14 regional offices, referred to as division offices, across the state that are comprised of multiple counties within a region (see map page 2). Each division oversees project planning, design, construction and all maintenance activities, such as mowing, pothole repair and resurfacing. Statewide units provide support and oversight for these functions.

INTEGRATED MOBILITY

The Integrated Mobility Division administers state and federal funds for public transportation and bicycle and pedestrian programs, and provides subject matter expertise related to multimodal transportation planning and innovation. The division's core mission is to provide leadership for safe, affordable and innovative multimodal transportation throughout North Carolina.

MOTOR VEHICLES

The Division of Motor Vehicles delivers quality customer support through professional driver and motor vehicle services, while promoting highway safety and protecting secure information. Among the division's many services and programs are driver license offices, license plate agencies and the License and Theft Bureau. The bureau enforces state and federal laws regulating motor vehicle operations, sales, inspections and auto theft, and conducts investigations that prevent fraud and other offenses.

RAIL

North Carolina has more than 3,600 miles of railroad tracks that benefit freight and passenger trains by providing an efficient and environmentally friendly transportation option. The Rail Division's mission is to provide safe and efficient movement of people and goods on North Carolina's railroads through passenger and freight services while supporting job creation and economic development. The Rail Division works to expand and modernize service in North Carolina and make train travel safer for everyone. The division is responsible for a wide range of programs, including freight and passenger rail infrastructure, highway crossing improvements and grade separations.

The state-supported Amtrak *Piedmont* passenger train provides daily service between Raleigh and Charlotte. Additionally, the state-supported Amtrak *Carolinian* passenger train provides service between Charlotte and Raleigh, and continues up the East Coast to New York City.

STATE PORTS

The N.C. Ports Authority owns and operates ports in Wilmington and Morehead City and an inland port in Charlotte that complement North Carolina's transportation network and strengthen the economy by supporting the seamless movement of cargo. The ports link the state's consumers, businesses, and industries to world markets, and serve as magnets to attract new business and industry to North Carolina. The state's port system combines modern facilities and abundant capacity with the commitment to excel in service to customers, without taxpayer subsidies. Port activities contribute statewide to more than 87,700 jobs and \$687 million each year in state and local tax revenues.

TURNPIKE AUTHORITY

The N.C. Turnpike Authority supports the traditional non-toll transportation system in the state by accelerating the delivery of roadway projects using alternative financing options and facilitating the development, delivery and operation of an integrated, innovative system of projects. NCTA was created in 2002 by the N.C. General Assembly in response to concerns about rapid growth, heavy congestion and dwindling resources.

Measuring Our Performance & Accountability

To be transparent and accountable, the department measures and publicly reports on its performance. The agency has identified 45 executive measures that align with its nine goals. Performance accountability starts at the top of the organization and cascades down to all employees. All functions within the agency must work together efficiently and effectively to ensure that our programs, projects and services are delivered on schedule and within budget. The Performance Scorecard shows the results in each area as compared to numerical performance targets. This information is continually updated on the online [Performance Scorecard](#), which can be found at [ncdot.gov](#) by searching “performance scorecard.”

2023-24 Performance Scorecard						✓ Measure has been met	✗ Measure has not been met
Performance Measure	How We Measure It	Target	Previous Result	Current Result	Target Met		
GOAL 1: Make transportation safer (Vision Zero)							
Serious Injury Rate	Total statewide serious injuries per 100 million vehicle miles traveled	20% reduction	4.36	4.45	✗		
Fatality Rate	Total statewide fatalities per 100 million vehicle miles traveled	30% reduction	1.42	1.42	✗		
Non- Motorized Safety	Number of non-motorized fatalities and serious injuries	27% reduction	638	676	✗		
GOAL 2: Improve the reliability and connectivity of the transportation system							
Highway Reliability	Percentage of acceptable travel time reliability on North Carolina roadways	80-100%	95%	93%	✓		
Interstate Travel	Interstate travel time index	< 1.04 minutes	.98	.98	✓		
Ferry Service Reliability	Percentage of planned ferry runs completed as scheduled	93-97%	93%	92%	✗		
Rail Service Reliability	Percentage of planned passenger trains arriving on schedule (Carolinian and Piedmont only)	70-80%	65%	64%	✗		
DMV Service Reliability	Average customer wait-times at DMV facilities (upon check in)	15-30 minutes	24.9 mins.*	31.7 mins.*	✗		
GOAL 3: Deliver and maintain our infrastructure efficiently and effectively							
Project Development on Schedule	Percentage of planned projects let to contract on schedule (STIP and Non STIP)	80-90%	68%	67%	✗		
Project Development on Budget	Percentage of total STIP dollars let to contract on schedule	80-90%	64%	56%	✗		
Project Construction on Schedule	Percentage of construction projects completed on schedule	80-90%	93%	89%	✓		
Project Construction on Budget	Total budget overrun for completed construction projects	0-5%	7%	5%	✓		
Bridge Health Index	Percentage of bridges rated in good condition	70-80%	81%	82%	✓		
Poor Condition Bridges	Percentage of bridges that are rated as poor condition	8-12%	8%	8%	✓		
Pavement Health	Percentage of pavement miles rated in good condition	70-80%	69%	69%	✗		

* The average wait time measured is from the time the customer receives a ticket and is serviced. Wait times prior to ticketing is not captured and may vary based on location and available staff.

Performance Measure	How We Measure It	Target	Previous Result	Current Result	Target Met
GOAL 4: Provide great customer service					
NCDOT Customer Satisfaction	Percentage of surveyed customers satisfied with transportation services in North Carolina	70-85%	77%	74%	✓
DMV Customer Satisfaction	Satisfaction score of surveyed DMV customers	70-85%	n/a	n/a	n/a
Rail customer Satisfaction	Satisfaction score of surveyed rail passengers on the Carolinian and Piedmont train services	82-87%	84%	80%	✗
Ferry Customer Satisfaction	Satisfaction score of surveyed ferry passengers	82-87%	93%	93%	✓
GOAL 5: Be a great place to work					
Employee Retention	Percentage of critical career-point employees retained (with 10-25 years of service)	70-80%	92%	94%	✓
Position Vacancy	Percentage of positions that are vacant	15-18%	19%	18%	✓
Employee Safety	Weighted index score for employee injury rates, equipment accident rates, and workers compensation claim rates	5.07-6.16	2.48	2.37	✓
Employee Engagement	Employee engagement survey score	5.00-5.50	n/a	5.7	✓
Workforce Development	Percentage of assigned employee LMS training completed	80-95%	86%	88%	✓
Workplace Conditions	Facility conditions scores	65-85%	63%	63%	✗
Payroll	Employee absenteeism rate (use of paid unplanned leave)	2.5-4.0%	.04%	.02%	✓
GOAL 6.1: Maintain our fiscal responsibility					
Fiscal Management	End days of cash on hand	90-143 days	120 days	119 days	✓
Fiscal Management	Percentage of cash to commitments	26-33%	30%	31%	✓
Fiscal Spend Planning	Percentage of planned costs compared to actual costs	90-105%	94%	93%	✓
Purchasing	Percentage of NCDOT's total budget expended on external goods, materials, and services	70-85%	82%	81%	✓
Internal Costs	Percentage of the overall budget for administrative costs	6.0-7.6%	5.4%	5.6%	✓
Agreements	Average turnaround time for encroachments agreements	20-30 days	34 days	58 days	✗
Asset Utilization	Equipment utilization rate	45-55%	62%	56%	✓
GOAL 6.2: Maintain our environmental responsibility					
Energy	Percentage reduction in building energy consumption (excluding GTP and NCSPA)	35-45%	36%	36%	✓
Natural Environment	Average statewide environmental compliance score on construction and maintenance projects	7.5-8.5	8.53%	8.54%	✓
Climate	Percentage of NC registered vehicles that are zero emission vehicles (ZEVs)	5-10%	.82%	1.16%	✗
Resiliency	Percentage of predictive surge for coastal bridges with T-SAPP (Transportation Surge Analysis Prediction Program)	80-90%	90%	90%	✓
GOAL 7: Be a diverse and inclusive organization					
Minority Representation	Percentage of employees whose ethnicity is identified as a minority	22-31%	24%	28%	✓
Gender Representation	Percentage of employees whose gender is identified as female	23-48%	24%	28%	✓
Diversity Spending	Percentage of the total program budget paid to minority and women owned businesses	10-12%	14%	11%	✓
Personnel Actions	Percentage of minority and female new hires and promotions	25-30%	42%	36%	✓
GOAL 8: Be an innovative organization					
Research & Development	Percentage of planned State Planning and Research Program (SPR Part B) projects implemented after completion	70-80%	44%	46%	✗
New Technology/Products	Numbers of annual lessons-learned and best practices submitted to the Internal Knowledge Management Program (CLEAR)	20-50	116	118	✓
Policy Innovation	Review internal policies biennially to ensure relevant and up to date technology and processes are embedded at NCDOT	Biennially	Annual	Annual	✓
National Research	Number of national research projects NCDOT is participating in	50-75	49	44	✗

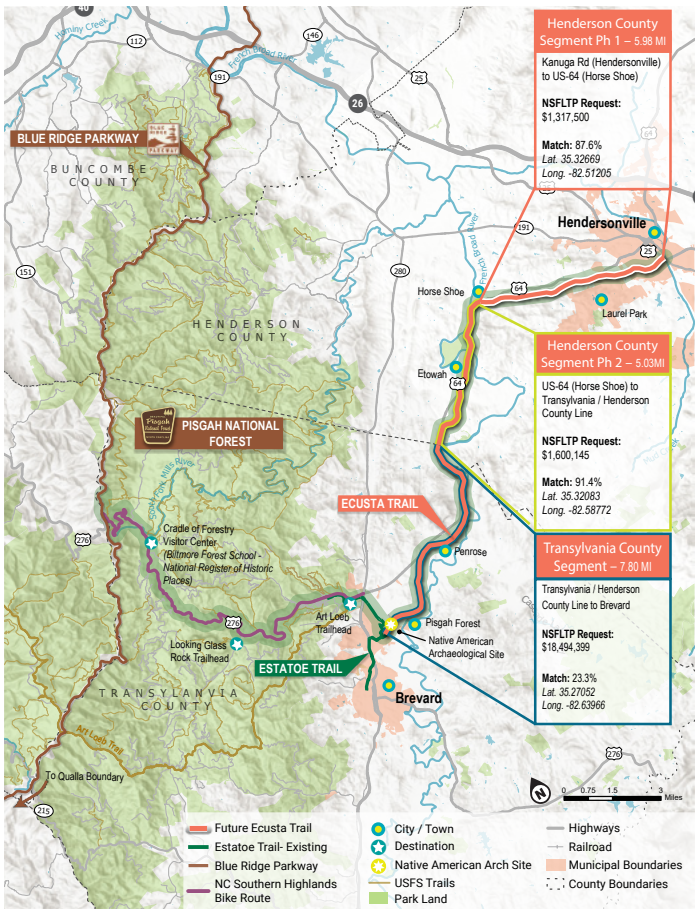
SFY 2024

Organizational Highlights

GRANT AWARDED FOR ECUSTA TRAIL PROJECT, NCDOT IMD TO ADMINISTER

JULY 12, 2023

The U.S. Department of Transportation's Federal Highway Administration (FHWA) announced the project to construct the Ecusta Trail between Brevard and Hendersonville will receive \$21.4 million through its Nationally Significant Federal Lands and Tribal Projects (NSFLTP) grant program. The project was among seven nationwide to be awarded a combined \$130.5 million in NSFLTP grants.



FIRST LIVING SHORELINE COMPLETE JULY 2023

In a first of its kind project for the department, NCDOT and its partners completed a living shoreline along N.C. 24 in Swansboro.

The construction included removing stone and asphalt, restoring marsh vegetation, and installing an artificial reef, which brings oysters to the area.

A natural design like this is not only more resilient during a storm, but also more cost-effective and sustainable.



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NEW TOOL LAUNCHES FOR ADVANCE FLOOD WARNING SYSTEM

AUG. 1, 2023

The N.C. Department of Transportation's Hydraulics Unit began using a third program, called T-SAPP (Transportation Surge Analysis Predictive Program), to its expanding advance flood warning system ahead of Tropical Storm Idalia. T-SAPP provides predictive roadway inundation days before, and up to, a hurricane landfall for 11,000 miles of roads.



NCDOT NAMED 'TOP 12' FINALIST IN AMERICA'S TRANSPORTATION AWARDS

SEPT. 14, 2023

The N.C. Department of Transportation was named as a "Top 12" finalist in the 2023 America's Transportation Awards competition for its advance flood warning system. The system uses a network of over 500 stream gauges statewide to help staff prepare for and respond quicker to hurricanes and other severe storms. The advance flood warning system also received the regional award for "Best Use of Technology and Innovation, Medium Category" in August from the American Association of State Highway and Transportation Officials.



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NCDOT WINS 2023 NATIONAL ROADWAY SAFETY AWARD NOV. 29, 2023

The department was honored during a Washington, D.C., ceremony with the 2023 National Roadway Safety Award for significantly reducing the number of fatal and serious injury crashes at rural intersections. NCDOT officials attributed the decrease in serious crashes partly to a number of new road safety features, including the addition of all-way stops at intersections in many rural areas.



HARKERS ISLAND BRIDGE OPENS TO TRAFFIC DEC. 12, 2023

A new bridge connecting Harkers Island to the mainland opened to traffic in mid-December, more than nine months ahead of schedule. The bridge is primarily made of carbon-fiber reinforced steel, making it the first structure in the state to use the material. The material is used to combat corrosion in coastal environments, which will mean the bridge will require less maintenance.



NEW SIGNS INSTALLED FOR FORT LIBERTY DECEMBER 2023

In Fayetteville, 86 directional signs were updated for the sprawling military base, which officially changed its name from Fort Bragg to Fort Liberty in summer 2023. NCDOT spent about \$160,000 on manufacturing the aluminum signs and having them installed.



NC BY TRAIN ACHIEVES RECORD BREAKING RIDERSHIP IN 2023 JAN. 16, 2024

NC By Train achieved record ridership in 2023 for the second year in a row, carrying over 641,000 passengers in 2023, 23% higher than the record set in 2022 with 522,000 passengers.



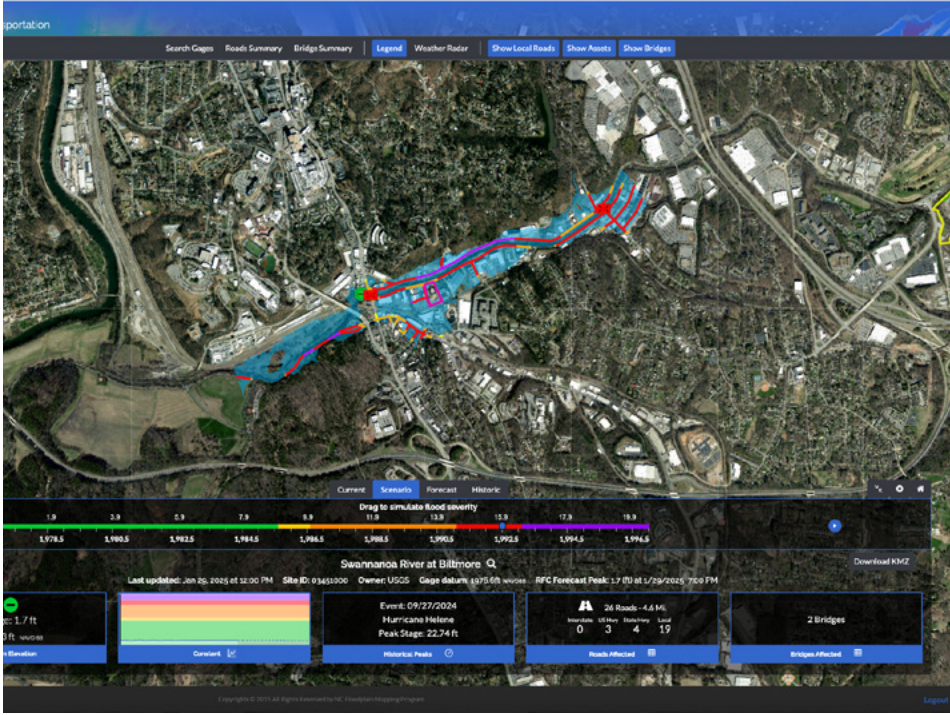
NCDMV LAUNCHES KIOSKS AT HARRIS TEETERS IN RALEIGH, CHARLOTTE, AND FAYETTEVILLE MARCH 13, 2024

The N.C. Division of Motor Vehicles announced it is piloting the use of self-service kiosks in an effort to shorten lines and wait times at offices across the state and to provide services outside of typical office hours. The first kiosks launched at Harris Teeter locations in Raleigh, Charlotte and Fayetteville.



NC BY TRAIN HAS HIGHEST RIDERSHIP MONTH IN SERVICE HISTORY
APRIL 11, 2024

NC By Train had its highest-ever combined ridership month in March 2024, carrying over 66,600 passengers. It was also announced that all *Piedmont* and *Carolinian* trains would add stops for the High Point Market in April and the Cheerwine Festival in Salisbury in May.



NCDOT'S FLOOD WARNING SYSTEM GARNERS NATIONAL AWARD
MAY 3, 2024

NCDOT won a 2024 Environmental Excellence Award for its flood warning system. The department was one of 14 recipients from across the country that were notified they had won the award presented by the Federal Highway Administration. The awards ceremony was held in June in Washington, D.C. The flood warning system allows NCDOT and its partners to deploy resources more efficiently before a storm, recover more rapidly after it and adapt to changing climate conditions.



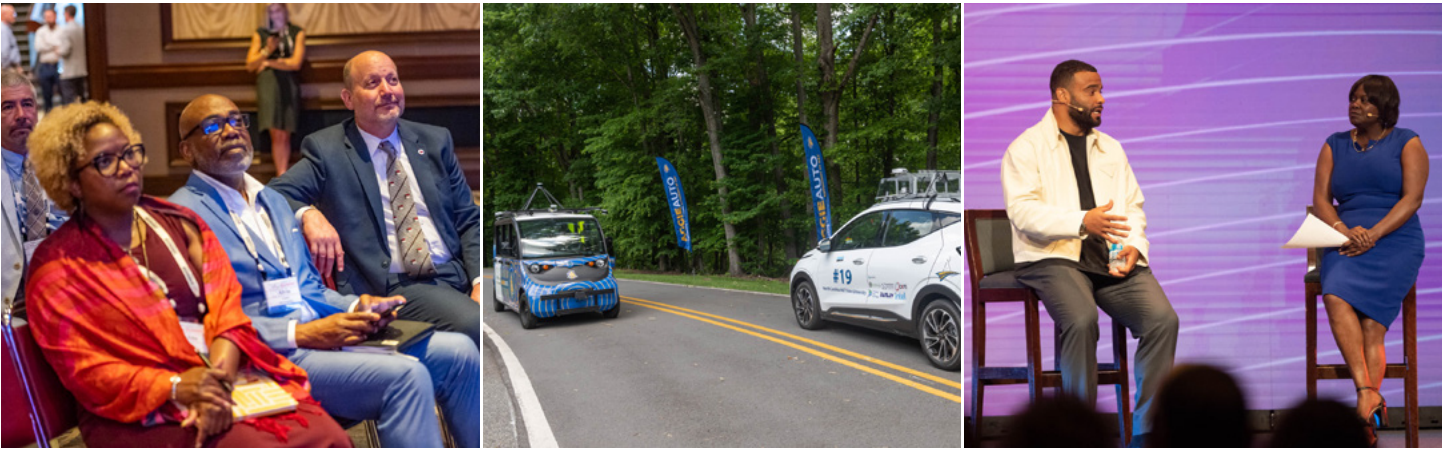
PRESERVATION OF CAPE FEAR MEMORIAL BRIDGE COMPLETED AHEAD OF SCHEDULE MAY 8, 2024

A project to preserve the Cape Fear Memorial Bridge was completed weeks ahead of schedule. The grid deck and its supporting beams, also known as stringers, were replaced. The department held press conferences and provided details and video to the media for six months to ensure transparency throughout the process.



NCDOT ANNOUNCES SPECIAL TRAIN IN JUNE FROM RALEIGH TO THE U.S. OPEN IN PINEHURST MAY 28, 2024

The N.C. Department of Transportation Rail Division's intercity passenger rail service, NC By Train, offered a special train from Raleigh to the 2024 U.S. Open in Pinehurst. The "Open Express" train ran daily between Raleigh Union Station and the Pinehurst Clubhouse near the Pinehurst No. 2 golf course from June 13-16, when championship play was scheduled for the U.S. Open.



NCDOT AND PARTNERS HOST 2024 NC TRANSPORTATION SUMMIT MAY 21-22, 2024

The N.C. Department of Transportation, alongside NC Go! and NC Chamber, hosted the 2024 N.C. Transportation Summit at the Koury Convention Center in May. The event garnered over 1,000 attendees from across the world to explore topics like artificial intelligence, transportation funding, workforce development and mental health. The event kicked off with a keynote address from New York Jets Defensive

Lineman Solomon Thomas, who spoke about mental health and supporting others through challenging times. A pre-summit Technical Tour at N.C. Agricultural and Technical State University was held to highlight research work that universities across the state are conducting to improve the transportation industry. Five North Carolina universities were awarded \$20,000 scholarships to continue transportation-related research, support students enrolled in transportation-related majors, or facilitate transportation-related workforce development.

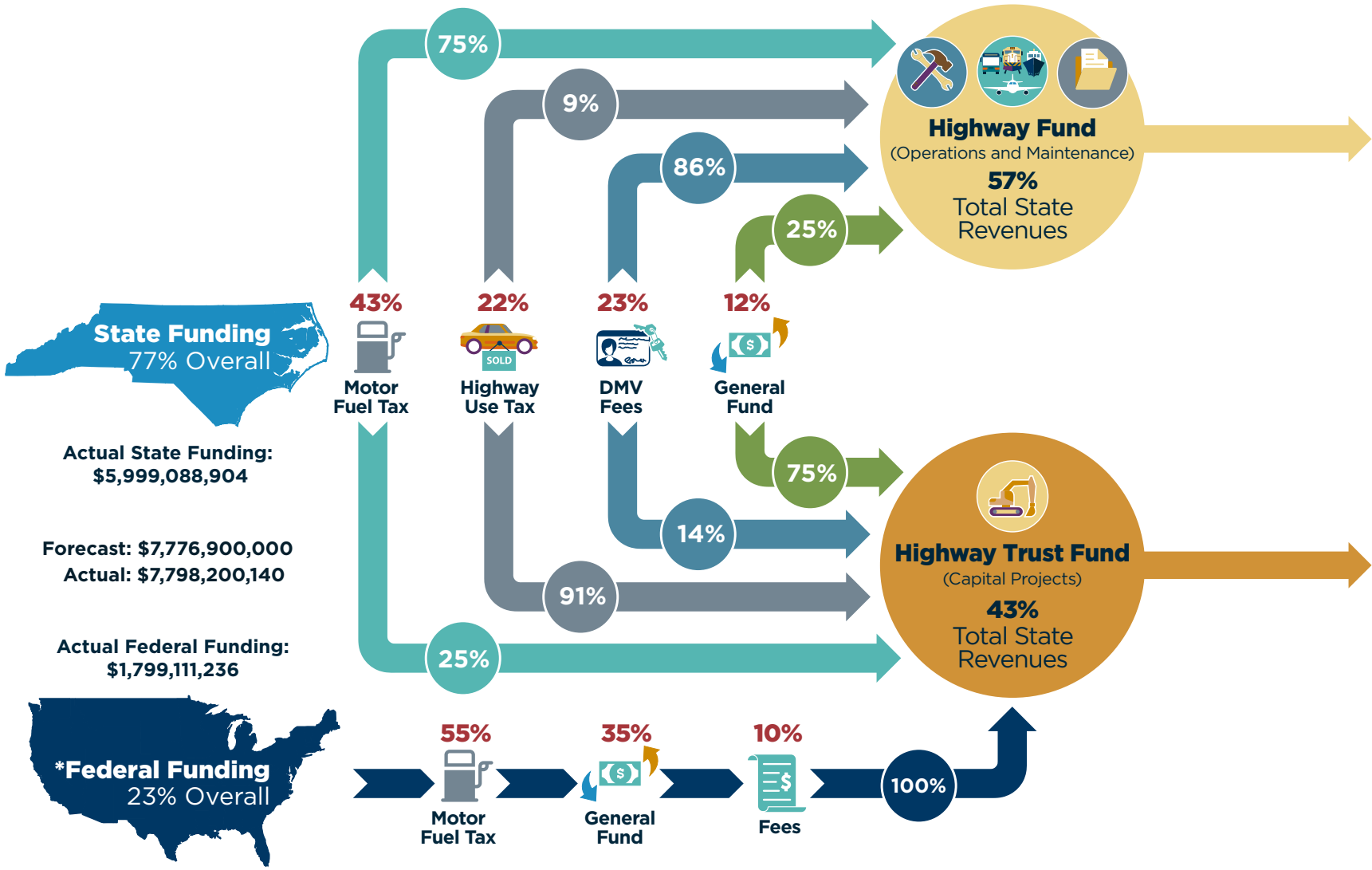
SFY 2024
Funding Sources and Allocation

In fiscal year 2024, NCDOT had an annual budget of more than \$7 billion to build, operate and maintain the state's diverse transportation network.

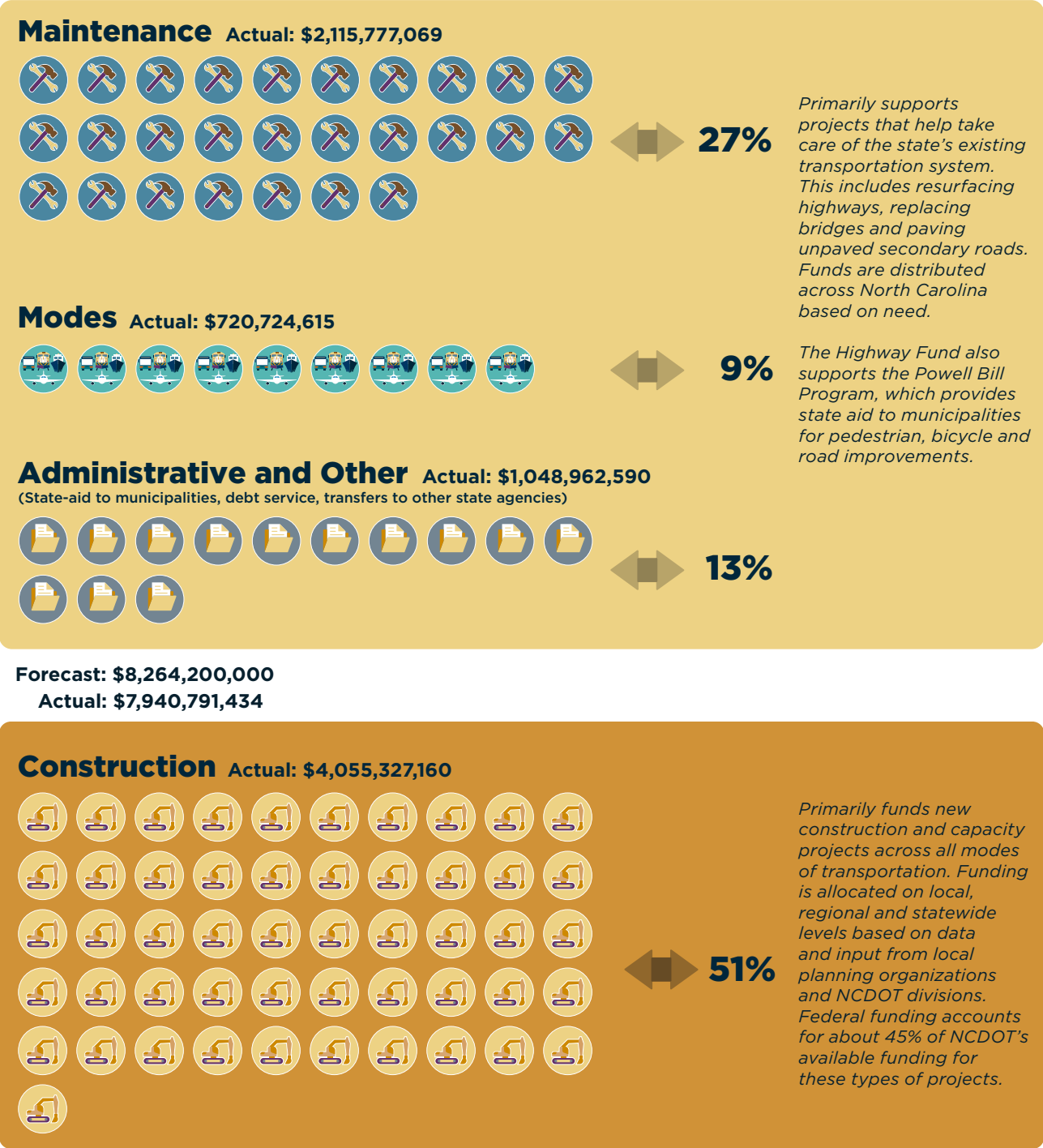
A portion of the revenues from the State Motor Fuel Tax and NCDMV fees goes to the Highway Fund and the Highway Trust Fund (Strategic Transportation Investments).

For this fiscal year, NCDOT directed 91% of the State Highway Use Tax and 100% of federal transportation appropriations to Strategic Transportation Investments.

* Federal and State Funding includes revenues, grants and financing.



SFY 2024
Expenses



SFY 2025

Performance Goals and Measures

Performance Measure	How We Measure It	Target
GOAL 1: Make transportation safer (Vision Zero)		
Serious Injury Rate	Total statewide serious injuries per 100 million vehicle miles traveled	20% reduction
Fatality Rate	Total statewide fatalities per 100 million vehicle miles traveled	31% reduction
Non- Motorized Safety	Number of non-motorized fatalities and serious injuries	27% reduction
GOAL 2: Improve the reliability and connectivity of the transportation system		
Highway Reliability	Percentage of acceptable travel time reliability on North Carolina roadways	80-100%
Interstate Travel	Interstate travel time index	1.04-1.15
Ferry Service Reliability	Percentage of planned ferry runs completed as scheduled	93-97%
Rail Service Reliability	Percentage of planned passenger trains arriving on schedule (Carolinian and Piedmont only)	70-80%
DMV Service Reliability	Average customer wait-times at DMV facilities (upon check in)	15-30 minutes
GOAL 3: Deliver and maintain our infrastructure efficiently and effectively		
Project Development on Schedule	Percentage of planned projects let to contract on schedule (STIP and Non STIP)	80-90%
Project Development on Budget	Percentage of total STIP dollars let to contract on schedule	80-90%
Project Construction on Schedule	Percentage of construction projects completed on schedule	80-90%
Project Construction on Budget	Total budget overrun for completed construction projects	0-5%
Bridge Health Index	Percentage of bridges rated in good condition	70-80%
Poor Condition Bridges	Percentage of bridges that are rated as poor condition	8-12%
Pavement Health	Percentage of pavement miles rated in good condition	70-80&
GOAL 4: Provide great customer service		
NCDOT Customer Satisfaction	Percentage of surveyed customers satisfied with transportation services in North Carolina	70-85%
DMV Customer Satisfaction	Satisfaction score of surveyed DMV customers	70-85%
Rail customer Satisfaction	Satisfaction score of surveyed rail passengers on the Carolinian and Piedmont train services	82-87%
Ferry Customer Satisfaction	Satisfaction score of surveyed ferry passengers	82-87%
GOAL 5: Be a great place to work		
Employee Retention	Percentage of critical career-point employees retained (with 10-25 years of service)	70-80%
Position Vacancy	Percentage of positions that are vacant	15-18%
Employee Safety	Weighted index score for employee injury rates, equipment accident rates, and workers compensation claim rates	5.07-6.16
Employee Engagement	Employee engagement survey score	5.00-5.50
Workforce Development	Percentage of assigned employee LMS training completed	80-95%
Workplace Conditions	Facility condition scores	65-85%
Payroll	Employee absenteeism rate (use of paid unplanned leave)	2.5-4.0
GOAL 6.1: Maintain our fiscal responsibility		
Fiscal Management	End days of cash on hand	90-143 days
Fiscal Management	Percentage of cash to commitments	26-33%
Fiscal Spend Planning	Percentage of planned costs compared to actual costs	90-105%
Purchasing	Percentage of NCDOT's total budget expended on external goods, materials, and services	70-85%
Internal Costs	Percentage of the overall budget for administrative costs	6.0-7.6%
Agreements	Average turnaround time for encroachments agreements	20-30 days
Asset Utilization	Equipment utilization rate	45-55%
GOAL 6.2: Maintain our environmental responsibility		
Energy	Percentage reduction in building energy consumption (excluding GTP and NCSA)	35-45%
Natural Environment	Average statewide environmental compliance score on construction and maintenance projects	7.5-8.5
Climate	Percentage of NC registered vehicles that are zero emission vehicles (ZEVs)	5-10%
Resiliency	Percentage of predictive surge for coastal bridges with T-SAPP (Transportation Surge Analysis Prediction Program)	80-90%
GOAL 7: Be a diverse and inclusive organization		
Minority Representation	Percentage of employees whose ethnicity is identified as a minority	22-31%
Gender Representation	Percentage of employees whose gender is identified as female	23-48%
Diversity Spending	Percentage of the total program budget paid to minority and women owned businesses	10-12%
Personnel Actions	Percentage of minority and female new hires and promotions	25-30%
GOAL 8: Be an innovative organization		
Research & Development	Percentage of planned State Planning and Research Program (SPR Part B) projects implemented after completion	70-80%
New Technology/Products	Numbers of annual lessons-learned and best practices submitted to the Internal Knowledge Management Program (CLEAR)	20-50
Policy Innovation	Review internal policies biennially to ensure relevant and up to date technology and processes are embedded at NCDOT	Biennially
National Research	Number of national research projects NCDOT is participating in	50-75

Appendix

In addition to the Performance Scorecard on pages 7–8, NCDOT maintains and tracks hundreds of various key performance measures and indicators that influence the department’s ability to move people and products safely and efficiently and provide an improved level of service to our citizens.

The detailed results of these key measures are monitored by management on an on-going basis and reported periodically throughout the year, as well as annually in the following pages of this report.

Additional information and more up-to-date results are available on the Performance Scorecard at ncdot.gov by searching “[performance scorecard](#).”

Bicycle and Pedestrian Performance Profile:
BICYCLE AND PEDESTRIAN FATALITIES

Division	SFY 2019		SFY 2020		SFY 2021		SFY 2022		SFY 2023		SFY 2024			5YrAvg		
	Bicycle	Ped.	Bicycle	Ped.	Bicycle	Ped.	Bicycle	Ped.	Bicycle	Ped.	Bicycle	Ped.	Combined	Bicycle	Ped.	Combined
1	0	10	1	2	3	8	2	7	2	3	0	8	8	1.4	6	7.4
2	3	11	1	14	2	13	1	14	1	10	4	10	14	1.8	12.4	14.2
3	5	14	1	24	3	15	0	23	2	20	2	26	28	2.4	19.4	21.8
4	1	16	1	8	0	13	2	20	2	20	5	21	26	1.2	15.6	16.8
5	0	30	1	41	2	30	3	34	5	39	3	34	37	2.2	34.2	36.4
6	1	30	4	27	3	32	4	24	2	29	4	35	39	2.6	29.8	32.4
7	1	19	3	23	3	26	2	31	3	28	2	27	29	2.2	25.4	27.6
8	2	17	0	13	0	16	1	15	1	20	6	16	22	0.8	16.4	17.2
9	2	19	2	10	0	22	3	16	2	15	3	22	25	1.8	16.4	18.2
10	5	35	3	37	4	39	2	46	1	34	6	37	43	3.2	38.2	41.4
11	0	7	1	7	0	7	0	6	0	8	2	5	7	0.2	7.4	7.6
12	0	15	6	19	0	16	0	9	0	20	2	22	24	1.2	16.2	17.4
13	0	6	3	10	4	13	1	16	3	6	5	11	16	2	10.6	12.6
14	0	8	0	8	0	9	3	2	1	5	2	6	8	0.8	6.4	7.2
Statewide	20	237	27	243	24	259	24	263	25	257	46	280	326	23.8	254.4	278.2

- Trend is down (FY 2024 compared to 5-year preceding average)
- Trend is statistically even
- Trend is up (FY 2024 compared to 5-year preceding average)

Note: The 5-year average is the preceding 5 years of data (SFY 19–23).

Passenger Rail Performance Profile:
PIEDMONT AND CAROLINIAN RIDERSHIP STATISTICS

Quarter	SFY 2019	SFY 2020	SFY 2021	SFY 2022	SFY 2023	SFY 2024
First	112,573	103,054	37,545	109,466	142,988	163,623
Second	125,307	130,118	45,639	115,947	155,865	191,195
Third	103,578	84,061	47,175	89,719	135,332	167,983
Fourth	127,058	12,532	89,603	133,978	150,943	174,304
Annual Total	468,516	329,765	219,962	449,110	585,128	697,105

- Notes:
- The 5 year average is the preceding 5 years of data (SFY 19-23).
 - In SFY 2020 and 2021, passenger rail was immensely impacted by reduction in travel due to the pandemic. Full passenger rail service was restored in April 2021.

Ferry Performance Profile:
FERRY RIDERSHIP STATISTICS

Ferry Route	SFY 2019		SFY 2020		SFY 2021		SFY 2022		SFY 2023		SFY 2024	
	VEHICLES TRANSPORTED	PASSENGERS TRANSPORTED	VEHICLES TRANSPORTED	PASSENGERS TRANSPORTED	VEHICLES TRANSPORTED	PASSENGERS TRANSPORTED	VEHICLES TRANSPORTED	PASSENGERS TRANSPORTED	VEHICLES TRANSPORTED	PASSENGERS TRANSPORTED	VEHICLES TRANSPORTED	PASSENGERS TRANSPORTED
Southport / Fort Fisher	202,440	539,446	80,452	222,270	147,554	373,604	176,430	467,373	177,456	475,088	186,830	487,464
Cherry Branch / Minnesott	203,723	357,899	168,866	286,789	170,521	282,635	193,230	325,768	201,008	321,362	206,099	339,957
Cedar Island to Ocracoke	21,131	46,712	13,749	30,949	32,453	69,148	43,607	94,744	41,395	92,315	43,024	97,254
Ocracoke to Cedar Island	21,238	49,549	14,015	31,430								
Pamlico River	45,867	63,801	39,765	53,148	36,684	49,944	40,796	55,664	42,289	57,845	35,773	48,470
Swan Quarter to Ocracoke	18,220	39,386	16,173	32,142	28,036	56,495	35,971	73,836	35,475	72,483	39,332	80,266
Ocracoke to Swan Quarter	18,153	37,829	15,267	30,489								
Hatteras Inlet	232,014	524,802	147,000	346,333	241,775	560,218	221,448	517,105	212,686	495,148	192,691	440,245
Currituck / Knotts Island	14,235	38,520	11,784	31,586	11,649	25,096	16,136	41,257	15,979	47,113	15,217	45,031
Passenger Ferry Only	N/A	10,152	N/A	16,367	N/A	8,945	N/A	24,498	N/A	21,548	N/A	16,214
Annual Summary	777,021	1,708,096	507,071	1,081,503	668,672	1,426,085	727,618	1,600,245	726,288	1,582,902	718,966	1,554,901

- Notes:
- In SFY 2019 ferry service statistics affected by Hurricane Florence in September 2018
 - In SFY 2019 the Currituck to Knotts Island ferry terminal was closed for repairs until August 8, 2018.
 - In SFY 2020 and 2021 the ferry service was immensely impacted by the pandemic and financial hardships.
 - Starting in SFY 2021 ferry service counts were combined for the Cedar Island/Ocracoke and Swan Quarter/Ocracoke routes.

Ferry Performance Profile:
PASSENGER FERRY STATISTICS

Sailing Date		2020	2021	2022	2023	2024
Passenger Only Service	May	N/A	N/A	2,513	942	1,115
	June	N/A	2,153	7,550	5,434	4,935
	July	3,465	7,380	6,111	3,518	6,736
	August	2,402	6,069	5,749	4,534	2,735
	September	925	986	3,167	2,112	854
Totals		6,792	16,588	25,090	16,540	16,375

- Notes:
- Passenger ferry service launched in May 2019
 - Results are arranged by calendar year

Highway Performance Profile:
HIGHWAY SAFETY STATISTICS

Division	VMT (per 100 MVT)		Total Crashes		Crash Rates (per 100 MVT)		Total Fatalities		Fatality Rates (per 100 MVT)		Total Injuries		Injury Rates (per 100 MVT)	
	5YrAvg**	FY 24***	5YrAvg**	FY 24	5YrAvg**	FY 24	5YrAvg**	FY 24	5YrAvg**	FY 24	5YrAvg**	FY 24	5YrAvg**	FY 24
1	33.19	34.57	5,994	5,870	180.60	169.78	57.80	48	1.74	1.39	2,326	2,283	70.08	66.03
2	50.00	51.62	14,031	14,383	280.64	278.61	83.80	87	1.68	1.69	5,667.20	5,433	113.35	105.24
3	80.12	83.73	19,778.80	20,151	246.87	240.66	130.60	140	1.63	1.67	6,777.80	6,743	84.60	80.53
4	75.37	79.83	18,279.60	18,381	242.52	230.26	132.40	145	1.76	1.82	7,344.40	7,301	97.44	91.46
5	183.39	190.34	51,652	52,935	281.65	278.10	187.40	195	1.02	1.02	17,892.40	18,035	97.56	94.75
6	78.63	81.49	20,746.40	20,298	263.84	249.08	182.80	181	2.32	2.22	8,476	7,563	107.79	92.81
7	110.19	110.89	25,438	26,906	230.86	242.64	134.80	120	1.22	1.08	12,095.80	12,034	109.77	108.52
8	60.6	61.98	13,905.40	14,297	229.45	230.66	125.80	139	2.08	2.24	5,334.80	5,321	88.03	85.85
9	90.94	91.62	23,712.80	23,497	260.75	256.47	118.80	126	1.31	1.38	8,404.40	8,359	92.42	91.24
10	191.48	195.16	54,572.20	54,871	285.01	281.15	188.80	199	0.99	1.02	22,719	22,019	118.65	112.82
11	41.61	43.15	8,507.20	8,911	204.43	206.51	64.80	64	1.56	1.48	3,099.40	2,971	74.48	68.85
12	88.89	90.73	23,855	24,018	268.36	264.71	115.60	148	1.30	1.63	8,494.60	8,883	95.56	97.90
13	59.13	60.40	14,144	13,776	239.21	228.07	75.80	93	1.28	1.54	4,681.40	4,386	79.17	72.61
14	46.34	48.50	8,859.80	9,527	191.19	196.42	57.20	56	1.23	1.15	3,002.80	3,122	64.80	64.37
Statewide	1,189.89	1,224.04	303,476.20	307,821	255.05	239.51	1656.40	1,741	1.39	1.52	116,316	114,453	97.75	88.07

- Trend is down (FY 24 compared to 5-year average)
- Trend is statistically even (+/- 2.5%)
- Trend is up (FY 24 compared to preceding 5-year average)

Notes:
1. *100 Million Vehicle Miles Traveled (MVT)
2. **5YrAvg is for FY 19-FY 23
3. ***FY 24 Vehicle Miles Traveled (VMT) is calculated by using the most current published VMT data from the Transportation Planning Division that is available at the time the statistics are compiled.

Highway Performance Profile:
PAVEMENT CONDITION RATINGS (% GOOD)

Division	Interstate	Primary	Secondary	Total
1	100.0%	88.8%	86.2%	87.5%
2	100.0%	92.3%	88.5%	90.4%
3	100.0%	88.8%	83.4%	86.9%
4	95.0%	86.6%	86.8%	87.4%
5	95.5%	84.5%	84.2%	85.9%
6	98.9%	95.3%	92.6%	94.2%
7	95.3%	80.5%	84.1%	85.6%
8	96.9%	94.4%	83.0%	86.7%
9	97.7%	82.0%	87.5%	87.2%
10	95.3%	89.6%	85.6%	88.3%
11	91.4%	79.6%	69.4%	71.3%
12	78.2%	83.5%	75.9%	77.7%
13	87.1%	74.3%	72.3%	73.9%
14	74.3%	82.3%	70.4%	72.6%
Statewide	93.2%	86.5%	79.5%	82.4%

Notes:
1. Pavement Condition is defined as the percentage of pavement miles rated in good condition.
2. Division 2 does not maintain any Interstate mileage.

Highway Performance Profile:
BRIDGE HEALTH INDEX (% GOOD)

Division	Interstate	Primary	Secondary	Total
1	100.00%	88.90%	86.60%	87.70%
2	100.00%	92.00%	87.30%	89.70%
3	100.00%	89.20%	83.40%	87.10%
4	96.30%	86.30%	86.60%	87.30%
5	95.50%	86.00%	84.30%	86.30%
6	98.90%	93.70%	92.80%	93.80%
7	95.30%	80.20%	83.70%	85.30%
8	96.90%	94.00%	82.30%	86.20%
9	97.60%	81.10%	86.90%	86.50%
10	94.70%	89.10%	85.60%	88.10%
11	91.40%	82.00%	69.10%	71.50%
12	76.90%	82.10%	76.70%	77.90%
13	87.10%	74.40%	72.50%	74.20%
14	74.30%	82.30%	70.30%	72.50%
Statewide	93.10%	86.40%	79.40%	82.30%

Notes:
• Bridge Condition is defined as the percentage of bridges rated in good condition as of July 1, 2024.

Highway Performance Profile:
POOR CONDITION BRIDGES (% POOR)

Division	Interstate	Primary	Secondary	Total
1	0.0%	3.3%	5.7%	4.6%
2	0.0%	4.0%	3.2%	3.6%
3	0.0%	5.6%	5.9%	5.3%
4	2.5%	4.9%	3.3%	3.8%
5	2.6%	6.6%	6.5%	5.9%
6	1.1%	0.8%	1.1%	1.0%
7	2.1%	13.6%	7.9%	7.8%
8	0.0%	0.0%	2.8%	1.9%
9	2.3%	8.7%	5.6%	6.0%
10	2.6%	4.1%	5.9%	4.9%
11	2.9%	10.8%	18.6%	17.1%
12	6.4%	6.8%	12.3%	10.7%
13	2.9%	11.0%	15.7%	13.9%
14	11.4%	9.2%	16.7%	15.2%
Statewide	2.7%	5.9%	10.0%	8.3%

Notes:
• This measure tracks the percentage of state maintained bridges that are considered poor condition as of July 1, 2024.

Source: SAP BW

STAY CONNECTED

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Phone: 919-707-2660

STATE OF NORTH CAROLINA

OFFICE OF THE STATE AUDITOR
BETH A. WOOD, CPA

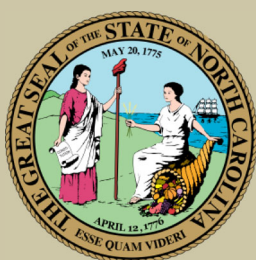


NORTH CAROLINA DEPARTMENT OF TRANSPORTATION

DIVISION OF MOTOR VEHICLES

PERFORMANCE MEASUREMENT

FINANCIAL RELATED AUDIT
MAY 2018



NCOSA
The Taxpayers' Watchdog

EXECUTIVE SUMMARY

PURPOSE

The objective of this audit was to determine whether the Department of Transportation's Division of Motor Vehicles' (DMV) performance measurement plan provides reasonable assurance that meaningful information is available to measure the DMV's performance in serving the users of its services and make budgeting decisions.

BACKGROUND

The Division of Motor Vehicles (DMV) administers and enforces laws regulating the operation of vehicles or the use of highways in North Carolina. The DMV issues commercial and personal drivers' licenses, registers vehicles, and suspends or revokes drivers' licenses.

The DMV's mission is to deliver quality customer support through professional driver and motor vehicles services while promoting highway safety and protecting accurate and secure information.

KEY FINDINGS

The DMV's performance measurement plan provides the start of a firm foundation to provide information to measure the DMV's performance and make budgeting decisions. However, two weaknesses limited the plan's usefulness for assessing performance.

- The DMV's plan lacks adequate goals and objectives specific to DMV's functions
- The DMV's plan lacks adequate outcome-based measures

KEY RECOMMENDATIONS

- The DMV should design goals and objectives specific to its functions.

Recommendations for DMV specific goals and objectives can be found in the "Assessment of North Carolina Division of Motor Vehicles Performance Management and Strategic Plan" report¹ located in the Appendix pages 9-13

- The DMV should review their performance measurement plan and approve specific measures to ensure they are outcome-based.

Recommendations for effectiveness, efficiency, and outcome-based performance measures can be found in the "Assessment of North Carolina Division of Motor Vehicles Performance Management and Strategic Plan" report¹ located in the Appendix pages 16-29

¹ Report prepared by Dr. Dale J. Roenigk, Benchmarking Director, School of Government, University of North Carolina at Chapel Hill. Dr. Roenigk served as the subject matter expert on this engagement.

STATE OF NORTH CAROLINA
Office of the State Auditor



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AUDITOR'S TRANSMITTAL

The Honorable Roy Cooper, Governor
Members of the North Carolina General Assembly
James H. Trogdon III, Secretary, Department of Transportation
Torre Jessup, Commissioner, Division of Motor Vehicles

Ladies and Gentlemen:

We are pleased to submit this financial related report titled *Department of Transportation, Division of Motor Vehicles, Performance Measurement*. The objective of this audit was to determine whether the Department of Transportation's Division of Motor Vehicles' (DMV) performance measurement plan provides reasonable assurance that meaningful information is available to measure the DMV's performance in serving the users of its services and make budgeting decisions.

The Department of Transportation Secretary, James H. Trogdon III, and Division of Motor Vehicles Commissioner, Torre Jessup, reviewed a draft copy of this report. Their written comments are included on page 34.

This audit was conducted in accordance with *Article 5A of Chapter 147 of the North Carolina General Statute*.

We appreciate the courtesy and cooperation received from management and the employees of the Department Transportation during our audit.

Respectfully submitted,

A handwritten signature in cursive script that reads "Beth A. Wood".

Beth A. Wood, CPA
State Auditor

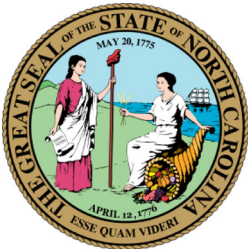


Beth A. Wood, CPA
State Auditor

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Article V, Chapter 147 of the North Carolina General Statutes, gives the Auditor broad powers to examine all books, records, files, papers, documents, and financial affairs of every state agency and any organization that receives public funding. The Auditor also has the power to summon people to produce records and to answer questions under oath.



BACKGROUND

BACKGROUND

The Department of Transportation (DOT) is one of North Carolina's largest government agencies. The DOT is responsible for all modes of transportation in North Carolina, including highways, rail, aviation, ferries, public transit, and bicycle and pedestrian transportation.

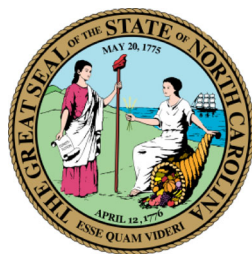
The DOT's 2015-2017 Strategic Plan lays out the DOT's mission, vision, and values. The plan also includes six major goals that align to the DOT's mission of "connecting people and places in North Carolina – safely and efficiently, with accountability and environmental sensitivity." The DOT must ensure that its divisions, business units, programs, and employees are fulfilling their responsibilities in order to fulfill its mission.

Divisions and programs under the DOT include but are not limited to: the Governor's Highway Safety Program, the North Carolina Turnpike Authority, the North Carolina State Ports Authority, the North Carolina Global TransPark, and the Division of Motor Vehicles.

The Division of Motor Vehicles (DMV) administers and enforces laws regulating the operation of vehicles and the use of highways in North Carolina. The DMV issues commercial and personal drivers' licenses, registers vehicles, and suspends or revokes drivers' licenses.

The DMV's mission is to deliver quality customer support through professional driver and motor vehicles services while promoting highway safety and protecting accurate and secure information.

The DMV has 113 driver license offices and 130 privately operated license plate agencies and registration offices that serve the state's 7.6 million licensed drivers and owners of the 9.3 million vehicles registered in North Carolina.



OBJECTIVE, SCOPE, AND METHODOLOGY

OBJECTIVE, SCOPE, AND METHODOLOGY

The objective of this audit was to determine whether the Department of Transportation's Division of Motor Vehicles' (DMV) performance measurement plan provides reasonable assurance that meaningful information is available to measure the DMV's performance in serving the users of its services and make budgeting decisions.

The audit scope included a review of the DMV activities between July 1, 2016 and June 30, 2017.

To accomplish the audit objective, the Office of the State Auditor (OSA) contracted with a subject matter expert² in the field of performance measurement and public administration to evaluate the DMV's performance measurement plan (Plan) with its connection to and construction of performance measures used in the Plan.

The subject matter expert's full assessment of the DMV performance measurement plan, including findings and recommendations, can be found in this report's Appendix starting on page 7.

Additionally, to accomplish the audit objective auditors interviewed personnel, observed operations, reviewed policies, analyzed records, and examined documentation supporting transactions, as considered necessary. Whenever sampling was used, auditors applied a nonstatistical approach. Therefore, results could not be projected to the population. This approach was determined to adequately support audit conclusions.

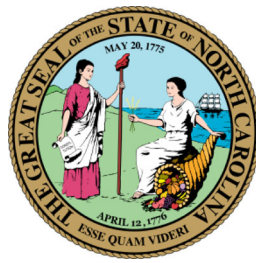
This audit did not test the accuracy and completeness of the data used to track, monitor, and measure the DMV's performance. Therefore, we express no opinion on the matter.

Because of the test nature and other inherent limitations of an audit, together with limitations of any system of internal and management controls, this audit would not necessarily disclose all performance weaknesses or lack of compliance.

As a basis for evaluating internal control, auditors applied the internal control guidance contained in professional auditing standards. As discussed in the standards, internal control consists of five interrelated components, which are (1) control environment, (2) risk assessment, (3) control activities, (4) information and communication, and (5) monitoring.

We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objective. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objective.

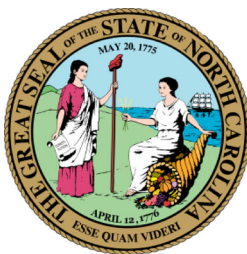
² Dr. Dale J. Roenigk, Benchmarking Director, School of Government, University of North Carolina at Chapel Hill.



RESULTS AND CONCLUSIONS

RESULTS AND CONCLUSIONS

We determined that the Department of Transportation's Division of Motor Vehicles' (DMV) performance measurement plan provides the start of a firm foundation to provide information to measure the DMV's performance and make budgeting decisions. However, two weaknesses limited the plan's usefulness for assessing performance.



FINDING, RECOMMENDATIONS, AND RESPONSE

FINDING, RECOMMENDATIONS, AND RESPONSE

THE DMV'S PERFORMANCE MEASUREMENT PLAN CONTAINS WEAKNESSES THAT LIMITS ITS USEFULNESS

The Division of Motor Vehicles' (DMV) performance measurement plan (Plan) provides the start of a firm foundation to provide information about its performance and make budgeting decisions.

However, two weaknesses in DMV's Plan limit its usefulness in assessing its performance. Specifically, DMV's Plan lacks adequate goals and objectives specific to DMV's functions and lacks adequate outcome-based measures.

As a result, improvements are necessary in order for the Plan to provide DMV management with useful performance measures.

Lack of DMV Specific Goals and Objectives

First, auditors and the subject matter expert determined that DMV's Plan lacks adequate goals and objectives specific to DMV's functions. Instead, the Plan relies largely on Departmental goals specified in the Department of Transportation (DOT) Strategic Plan.

The DOT Strategic Plan contains six major goals. Those goals are further developed into specific objectives and distinct performance measures designed to measure progress towards goal achievement. However, the DOT Strategic Plan does not contain goals and objectives specific to DMV, and much of its focus falls largely outside of the DMV's functions.

Further, even though DMV reports close to 300 distinct performance measures, goals and objectives for DMV's three main operational areas,³ and support services⁴ have not been defined.

Failure to identify specific goals and objectives could prevent DMV from effectively and efficiently fulfilling its mission. Additionally, time and effort could be wasted if spent gathering data for and reporting on unnecessary performance measures.

Best Practices recommends the identification of specific goals. According to the subject matter expert:

“The identification of goals is important as it clearly indicates agency priorities and thus highlights what should be measured to assess performance.”

Consequently, the subject matter expert provided several suggestions and recommendations for DMV specific goals that will allow DMV to better serve the users of its services. These can be found in the “Assessment of North Carolina Division of Motor Vehicles Performance Management and Strategic Plan” report located in the Appendix pages 9-13.

³ License & Plates, Licence & Theft Bureau, and Processing Services.

⁴ Business services, employee training, etc.

FINDING, RECOMMENDATIONS, AND RESPONSE

Lack of Outcome-Based Measures

Second, the subject matter expert determined that DMV's Plan lacks adequate outcome-based measures. Instead, the Plan mostly relies on workload or output measures.

The DMV currently reports close to 300 specific performance measures. According to the subject matter expert's analysis,⁵ nearly every measure is considered an output measure.

The use of more outcome-based measures will help improve performance because they inform on the quality of services and the extent to which objectives have been achieved. In contrast, workload (output) measures only report the direct results of activities and programs.

For example, DMV's Plan included specific measures that reported the number of vehicle registrations received and completed, the number of audits completed, and the number of licenses issued.

While those output measures are useful for assessing basic levels of activity, they are not useful for assessing program impact and effectiveness or showing whether expected results were achieved. Efficiency and effectiveness measures such as how much it costs on average per registration processed, what percentage of licenses are issued in a timely manner, or tracking teen death accident rates over time against various DMV safe driving initiatives could better measure program impact and help improve performance.

Best Practices recommend using of outcome-based performance measures. According to the subject matter expert:

“Whenever it is appropriate and possible, efficiency and effectiveness measures should be added alongside workload measures and should in fact be viewed as more critical than workload measures.”

Consequently, the subject matter expert provided several specific recommendations for effectiveness, efficiency, and outcome-based performance measures. These can be found in the “Assessment of North Carolina Division of Motor Vehicles Performance Management and Strategic Plan” report located in the Appendix pages 16-29.

RECOMMENDATIONS

The DMV should design goals and objectives specific to its functions. Specific recommendations for DMV specific goals and objectives can be found in the “Assessment of North Carolina Division of Motor Vehicles Performance Management and Strategic Plan” report⁶ located in the Appendix pages 9-13.

The DMV should review their performance measurement plan and approve specific measures to ensure they are outcome-based. Specific recommendations for effectiveness, efficiency, and outcome-based performance measures can be found in the “Assessment of North Carolina Division of Motor Vehicles Performance Management and Strategic Plan” report⁶ located in the Appendix pages 16-29.

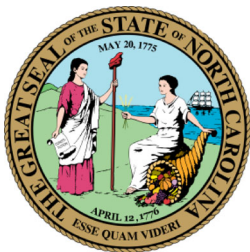
⁵ See Appendix for subject matter expert's analysis.

⁶ Report prepared by Dr. Dale J. Roenigk, Benchmarking Director, School of Government, University of North Carolina at Chapel Hill. Dr. Roenigk served as the subject matter expert on this engagement.

FINDING, RECOMMENDATIONS, AND RESPONSE

AGENCY RESPONSE

See page 34 for the agency's response to this finding.



APPENDIX

Assessment of North Carolina Division of Motor Vehicles Performance Measurement and Strategic Plan

Prepared by

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School of Government

University of North Carolina at Chapel Hill

January 25, 2018

Paper prepared for the North Carolina State Auditor's Office



Introduction

At the request of the North Carolina State Auditor's Office, I have reviewed the North Carolina Division of Motor Vehicles (NCDMV) efforts at performance measurement. The charge was to examine the connection of performance measures to the larger North Carolina Department of Transportation (NCDOT) Strategic Plan and make an assessment and offer recommendations. NCDMV does not have a separate strategic plan but does collect a wide array of data and appears to have some that it has labeled as performance measures based on the information collected by the State Auditor's Office and found in online searches. The assessment here will focus on the development of a framework for a broad system of performance measurement supporting NCDMV's mission and consistent with the larger NCDOT Strategic Plan for both accountability and operational management and improvement.

Overall my assessment of the NCDMV efforts at performance measurement is that in its current form it provides the start for building a firm foundation to provide information to measure the Division's performance. I believe, however, that with a number of changes as will be suggested below the performance measurement can be raised to a notably higher level that will enable more useful assessment of DMV efforts for accountability and also support management decision making in the Division. The first key change is that NCDMV may wish to consider a fuller specification of goals and objectives specific to the Division's functions which builds on the NCDOT Strategic Plan but develop these further to better inform staff and stakeholders and shape the performance measurement effort around the Division's aims. The second significant change DMV could carry out would be to move from the current predominance of output performance measures and make much greater use of efficiency and effectiveness measures. Along with other changes that will be offered below, I believe that consideration and adoption of some of these suggestions could produce an exemplary model of performance measurement for a state level system of vehicle and driver management.

In its current form, the NCDMV's effort adequately addresses one of three major elementsⁱ that should be part of any effective performance measurement system in that it has a broad array of performance measures. However two elements, goal clarity and use of efficiency and effectiveness measures, are in need of strengthening to provide a better picture of DMV's performance. The three elements and DMV's efforts are assessed as follows:

1. Goal Clarity – Effective performance measurement should be more than just what can be measured but measuring what is important. Agencies may choose to identify goals with a strategic plan, with budget planning documents, or other means. This identification of goals is important as it clearly indicates agency priorities and thus highlights what should be measured to assess performance. DMV's current goal specification is found partly in the North Carolina Department of Transportation Strategic Plan and partly in a NCDMV Business Unit Plan. These documents provide the start of a reasonable foundation but do not appear as complete or as focused as would be desirable. There is an opportunity to develop this strategic goal framework further to better inform Division staff and prioritize performance measures that are aimed at the specific goals for the Division.
2. An extensive set of performance measures – Performance in an agency such as DMV is not just a single target but is varied across a number of assigned functions. Appropriately rather

Assessment of North Carolina Division of Motor Vehicles Strategic Performance Measures

than relying on just a single or few measures, the DMV documents list an array of measures connected to its goals and its various efforts. This array is a necessary part of a good performance system as it permits a broader more complete picture of performance. While additional measures will be suggested to better connect to goals and capture other dimensions of performance, the breadth of performance measures is appropriate.

3. Performance measures focused on effectiveness and efficiency –Good performance measurement systems should include more performance indicators looking at quality, efficiency, and outcomes. Inclusion of more “higher order” measures as will be explained below are associated with a change in management thinking and possibly higher performance as it causes users to focus on how well rather than simply how much performance efforts are achieving. Currently the DMV performance measures are mostly output or workload measures. The DMV system of measures would be notably improved if efforts were made to add more efficiency and effectiveness measures for assessing performance.

In addition to the gaps noted here around the goal clarity and the need for efficiency and effectiveness measures, a number of other topics will be raised below. Some of these other topics if addressed would further add to the usefulness of the DMV performance measurement. Finally, I would also note that while not a focus of this report, the subject of how to move from performance measurement to performance management is an important one for the Division to deliberate upon. This means considering how the Division will make use of performance measures to guide its decision making and operations beyond the obvious use of performance measures for accountability. Suggestions will be offered on specific issues where changes in the performance measurement portion of the system could support performance management decision making.

The analysis for this report here is presented in three major sections. First, an examination is made of possible strategic goals that NCDMV might use to capture the major functions specific to the Division as a guide to the objectives of their performance measurement system. A framework with some possible alternatives is offered for consideration that can be combined into the larger Department of Transportation Strategic Plan. Second, a variety of performance measures that NCDMV might use to capture performance against these strategic goals is offered based on already collected data and possible measures that may be worth adding. Third a brief discussion is offered on some challenges that will be faced when tracking performance data over time to separate out random variation from true signals of program success

Strategic Goals for DMV Activities

An underlying assumption in performance measurement work is that managers and staff know what their goals and service expectations are. Some form of high level goal specification is therefore essential for guiding efforts at what matters most in terms of identified priorities and service expectationsⁱⁱ. Failure to have clarity around a set of goals may also leave an organization turning to simply what can be measured rather than what should be measured. This need for goal specification doesn’t require a formal strategic plan as goals can also be set in a variety of venues such as annual budgets or mission statements. Given that NCDOT has already created a full

Assessment of North Carolina Division of Motor Vehicles Strategic Performance Measures

Strategic Plan with some measures already indicated, NCDMV's work should fit within this Plan. But it may be desirable to supplement these Departmental goals where appropriate to list out further objectives and measures specific to NCDMV which can guide the Division's performance measurement efforts. Ultimately the choice of what the appropriate goals should be is not simply a technical exercise for performance measurement but rather a policy and management concern to identify organizational priorities. The argument that will be offered here is not what those priorities should be but rather the need for having a framework that is sufficiently complete and specific to NCDMV's mission so as to support good performance measurement.

NCDOT Strategic Plan Goals

The NCDOT Strategic Plan lists six separate goals.

1. Make transportation safer
2. Provide GREAT customer service
3. Deliver and maintain our infrastructure effectively and efficiently
4. Improve the reliability and connectivity of the transportation system
5. Promote economic growth through better use of our infrastructure
6. Make our organization a great place to work

Goals 3, 4, and 5 relate to purposes that appear to be largely outside of NCDMV's functions and will not be considered in this report. To stay consistent with the NCDOT Plan, I provide a possible framework for supplementing that Plan. The intent is to provide the next level down for DMV's goals. I simply offer this framework as it may prove useful as a way of organizing the bigger picture. The choice of these goals and priorities should be up to the Division consistent with state law and policy.

Make Transportation Safer – DMV Advances Safe Drivers and Safe Vehicles

In the NC DOT plan, the goal of making transportation safer is expressed with the objective to reduce fatalities by at least two percent or greater. In addition to the fatality rate, NCDOT has identified three other key measures as leading indicators of fatalities: crashes, severe injuries, and seat belt usage. Within the objective of a safer transport system, NCDOT's work might be divided into work that is aimed at producing safe roads, safe drivers, and safe vehicles. Additional activities addressing safety in non-motor vehicle transport isn't addressed here. NCDMV's work can be seen as focused on the last two objectives of **safe drivers** and **safe vehicles**. I offer this for NCDMV's consideration as the two primary ways that the Division's work might be seen as supporting making transportation safer and develop a framework under these two objectives. The intent is not to replace the broader DOT goal but dig down into the ways DMV specifically is making transportation safe. By providing a set of sub-goals that more directly relates to the actual functions that DMV is responsible for it should sharpen the focus and suggest a different way of assessing whether DMV is moving the dial on making transportation safer specifically by advancing safe drivers and safe vehicles. Critically these still support the Department's larger goal of reducing fatalities but effectively suggest stratifying the assessment to focus on the different ways that the Department's various Divisions might affect that goal. Moreover, by choosing such a framework it supports process oriented performance measures that more directly connect to NCDMV's operational responsibilities. A much broader statement of the goal such as to make transportation safer while it represents the highest level of outcome may be somewhat vague

Assessment of North Carolina Division of Motor Vehicles Strategic Performance Measures

when it comes to DMV. DMV's statutory and regulatory authorization is ultimately narrower than affecting the transportation system as a whole and instead focusses on functions around drivers and vehicles. I would argue by focusing a set of sub-goals more clearly in this way it is more directly in alignment with what DMV can and does do. This clarity should be beneficial for both external and internal audiences in saying what DMV performance should address.

A side question which DMV may want to consider is whether the tasks and measurement of Safe Drivers and Safe Vehicles if adopted as a framework should be broken into two separate categories of individual regulation on the

Simple Framework	Framework focused on drivers versus vehicles	Framework focused on individual versus commercial
Safe Drivers	Safe Drivers <ul style="list-style-type: none"> • Individuals • Commercial 	Individual <ul style="list-style-type: none"> • Safe Drivers • Safe Vehicles
Safe Vehicles	Safe Vehicles <ul style="list-style-type: none"> • Individuals • Commercial 	Commercial <ul style="list-style-type: none"> • Safe Drivers • Safe Vehicles

one hand versus commercial regulation. Arguably both categories can be seen as sharing the same aims of safe drivers and vehicles. However, either for operational purposes or clarity DMV might prefer to keep these separate though both sharing the same framework of those strategies and activities targeted at drivers and those targeted at vehicles. The choice of a framework here should be the one that best suits how DMV sees its internal workings and supports communications both internally and externally. The bulk of activity clearly is directed at individuals (drivers and vehicles). Due to what is assumed to be different work processes and probably different levels of intervention activities, it may be worth setting the commercial focused regulation separate from other efforts. The frameworks offered here are simply a suggestion for ways to more clearly communicate DMV's work and should be considered only if they appear to hold value to the agency.

Safe Drivers

NCDMV can be seen as advancing Safe Drivers by its activities which require all drivers to have valid licenses including insurance but also a variety of activities that seek to make sure eligible drivers are safe such as programs aimed at interlock systems or other efforts that restrict those with driving limitations or who have had their licenses suspended or rescinded. All of these efforts, if successful, should help support the larger DOT goal of reducing fatalities. However, by focusing on the activities related to making sure drivers are safe, it becomes possible to incorporate performance measures directly related to the programs and activities of NCDMV and not just the larger final outcomes of traffic deaths. Additionally, breaking this out also suggests some value of breaking down accidents and fatalities by cause where driver errors are identified as the major cause. Considering just the driver connected errors in the fatality data may reveal different findings than the overall traffic fatality rate. For example driver-error caused deaths may be showing a different trend than ones connected to vehicular causes not to mention other factors outside the control of DMV such as weather or road conditions.

Assessment of North Carolina Division of Motor Vehicles Strategic Performance Measures

Safe Vehicles

NCDMV primarily aims to produce Safe Vehicles by its various registration and inspection requirements aimed at keeping unsafe vehicles off the road. Additionally the inspection requirements for emissions testing is also an aspect of safety but directed at general community health and environmental impacts. Assuming these various efforts at keeping unsafe vehicles off the road are successful, it may similarly make sense again here to drill down to where the causes of accidents and fatalities might be separated out to focus on vehicle related problems.

Vehicle Theft – A possible addition to Safety for NCDMV

Although not addressed in the NCDOT Plan, vehicle theft appears to another key area of NCDMV's efforts. It is not clear from the materials reviewed for this report whether the theft related programs are considered a major or minor focus to the Division's work. The question posed here is whether addressing vehicle theft should be raised up as a third thrust for NCDMV's key performance measures under the framework offered here. The question is not whether this data should be monitored or used for operational purposes but whether it rises up to another major thrust of keeping citizens safe. If this is viewed as a relatively less critical function either in terms of resources or priorities, it need not be elevated for strategic purposes to a third leg to the stool.

Provide GREAT Customer Service

The second key goal in the NCDOT Plan relevant to NCDMV commits to delivering services with a customer focus aiming to achieve high levels of customer satisfaction. Particularly for NCDMV with its regular contact with large numbers of North Carolinians, the need to focus on keeping the customer in mind when providing services is essential. The NCDOT Plan lists four measures of success under this goal.

1. Percentage of positive customer feedback through customer surveys
2. Percentage of employee attendance in classes related to customer service
3. Percentage of customers reached
4. Percentage of change in response time (DMV customer wait time)

The first three measures appear to already be set in place through Department wide systems and will not be considered further here but will be raised again in the measurement section of the report. The last measure of wait times in NCDMV offices is noted as being new and is potentially the most visible to NCDMV's customers. Beyond these measures suggested in the NCDOT Plan, though, there are other dimensions of customer service that NCDMV might wish to consider for its own purposes. Convenience, access, errors, and efficiency are also aspects of customer service that may be worth addressing in additional Division measures. Measures particularly focused on customer satisfaction surveys may be useful for a high level outcome, but do not provide insight into the specifics of where problems may be nor do they always provide clear guidance for operational staff interested in improving service. Measures such as wait time but also errors and use of online services probably will prove more useful to staff looking to improve the customer experience. The suggestion being raised here is whether to include additional dimensions related to customer service beyond those laid out in the NCDOT Plan. Measures will be suggested in the next section of the report to address some of these other dimensions.

Assessment of North Carolina Division of Motor Vehicles Strategic Performance Measures

Make our organization a great place to work

The third major goal in NCDOT's Plan relevant to NCDMV includes a commitment to valuing its employees by making sure employees are engaged, safe, and retained. The Plan's measures of success here include:

1. Achieve an employee engagement survey score of 5.25 or greater (on a 7-point scale)
2. Percentage of DOT Employees that are paid at the market rate for their classification and level.
3. Number of preventable accidents or injuries in the work place
4. Rate of recordable employee injuries
5. Percentage of employees retained after three years

As with the earlier discussion around customer service, it appears that these measures are already in place at the Departmental level and online searching suggests some and possibly all are being produced at the Division level as well. While these should represent common ways to consider employee engagement and retention, there are additional aspects of DMV's efforts which may merit further measurement for Division level performance beyond these Department wide measures.

NCDMV Collection of Vehicle Property Taxes

A final topic under strategic goals is whether the collection of local property taxes as now handled by NCDMV needs measurement and reporting. The switch from collecting these taxes by local governments to a NCDMV responsibility presumably has had gains in terms of the overall system efficiency as well as timely payment by vehicle owners. Given that the change in state law effectively has put NCDMV in the business of tax collection, it is worth considering whether performance reporting connected to this responsibility should be elevated alongside other Division goals. If the collection of these monies and their distribution back to local governments is seen as a major Division goal then it may make sense to have performance measurement of this task alongside the other goals already listed here. Alternatively, this may be viewed primarily as a pass-through activity that while very important is not a central focus for NCDMV's strategic mission. The materials that were assessed in the various sources accessed did not reveal whether there are any Division goals and performance reporting around this tax collection function. If only to ensure that this function is being handled in an efficient and effective manner, some performance reporting in this area is probably desirable. Measures will be suggested below that may offer some ways this performance might be assessed. This might only need to be done for internal operational uses to make sure service level expectations are being met. But I would encourage consideration of whether this should be a strategic goal for NCDMV as well given the large sums of money being processed and its importance to local governments as a key customer to DMV's operations.

NCDMV Performance Measures Connected to Goals

As already noted under the discussion of strategic goals, there are already a number of performance measures specified in the NCDOT Strategic Plan. The recommendation here is to

Assessment of North Carolina Division of Motor Vehicles Strategic Performance Measures

supplement that list to include performance measures more focused on NCDMV's responsibilities and that can be useful for operational management. Before suggesting specific measures, it is important to understand two larger themes that shaped these suggestions.

A Need for Higher Order Performance Measures

Many public agencies when they focus on developing and using performance measures rely almost completely on output or workload measures. For NCDMV the number of registrations completed would be a good example of a workload measure. The predominance of workload measures in performance measurement efforts is not unique to NCDMV as it is typical for most governmental organizations at the state and local level. These types of measures are usually easy to track and report as they relate directly to work being performed and are already available from the necessary information collected to support day to day operational needs.

Measuring simple outputs or workload are useful as it provides a basic understanding of the levels of activity of an organization. Just as our financial and budget systems provide accountability of how organizations spend their money relative to set priorities, measuring outputs helps show some sense of what is accomplished or done by an agency. However, workload measures do not tell how well the agency performed in carrying out its tasks. To elevate practice, organizations need to shift to higher order performance measures that capture how efficiently and how effectively the work is being done. In shifting to these higher order measures, organizations can foster what has been labeled "managerial thinking"ⁱⁱⁱ where staff and managers are more likely to be prompted to think about service quality and efficiency. As an example, knowing that hundreds of thousands of vehicle registrations are completed each year gives us a sense of scale of NCDMV's operation and responsibilities. However, knowing how much it costs on average per registration processed (efficiency) or what percentage of registrations are completed in a timely manner (effectiveness) naturally leads us to consider if the level of performance is acceptable or whether improvement is needed. Whenever it is appropriate and possible, efficiency and effectiveness measures should be added alongside workload measures and should in fact be viewed as more critical than workload measures. But the focus should not be on one type of measure or probably even a single measure but rather a family of measures that includes workload, efficiency, and effectiveness. Having a collection of measures helps provide a more complete picture and reflects the natural need all organizations frequently have to balance out tradeoffs between being more efficient versus more effective. For example, the choice to use mobile license vans is an effort to address the effectiveness dimension of access to services but this must be counter balanced over concerns about the comparatively lower efficiency of delivering services in this manner. Having a family of measures should help understand these tradeoffs to make better management choices but requires first that we have set up and collected the data to be able to measure it.

Creating efficiency measures is typically fairly easy assuming that an organization can track its spending and personnel by function or program activity where performance is being measured. Efficiency measures are usually simple ratios between outputs (workload) and inputs (dollars or staff). In some cases it may make more sense for workload to be in the numerator and inputs in the denominator. For example registrations completed per staff member would be a readily understood measure providing some understanding of average staff productivity. In other cases

Assessment of North Carolina Division of Motor Vehicles Strategic Performance Measures

the two items might be inverted such as total costs per registration (as opposed to fees) to reflect the level of inputs in money it takes on average to process a registration. Regardless of which number is being divided by the other (output/input or input/output), the key is that we are looking for a ratio between inputs and outputs. NCDMV already clearly has output or workload measures for its main functions (e.g. number of driver licenses or vehicle registrations). I would encourage NCDMV to assess whether costs and staff in these functional areas can be appropriately measured to support the creation of efficiency measures.

Effectiveness measures usually gauge the quality of services or the extent to which service objectives are met. The NCDOT measure of death rate for motor vehicles is an example of an outcome measure. Measures of customer satisfaction and even employee engagement may also be viewed as at least intermediate outcomes. Outcome measures can be powerful expressions of the ability of program activities to effect change particularly when measured over time. The biggest caution is that some outcome measures may take years to show an effect and may be confounded by many other factors that may affect the outcomes but are outside NCDOT's or NCDMV's complete control. Vehicle deaths, injuries, or accidents are likely shaped by a host of factors including vehicle design, changes in the age of the population, urbanization, and other forces which may not always work in the same direction. Moreover sometimes these varying forces could produce positive or negative change but it would not be the result of NCDMV's efforts. For example the increase in vehicles with air bags has almost certainly lowered death rates making it harder to be clear about the effect of NCDOT's work on this trend versus other forces at play.

Another category of effectiveness measures that should be considered capture more immediate qualities of the processes or activities that NCDMV uses. As an example, NCDMV already has data for both registrations and licenses completed in local offices and online. A simple measure of the percent of total registrations or licenses completed online could be a gauge of both customer convenience and presumably agency preference as well. It would seem reasonable to assume that a rising number here would be a measure of more effective delivery even if customer satisfaction survey data did not reflect any change. When trying to consider what to measure, two big categories to consider would be measures of timeliness and measures of errors or quality. Delays and defects (timeliness and errors) are likely ways that NCDMV might think about the results of their activities that naturally suggest effectiveness measures. For example, the new measure that seeks to capture DMV wait times is a form of timeliness. Most measures of timeliness or defects are also likely to be of direct relevance for the overarching goal of better customer service as we strive for faster delivery with fewer problems.

[Balancing Accountability and Operational Needs for Performance Measures](#)

The performance measures suggested in the NCDOT Strategic Plan are arguably framed from a perspective of accountability. They are seeking to show the Department's work is addressing citizen, customer, and worker concerns. These data should prove useful to citizens, elected officials, and managers for what is being accomplished with public dollars. However, in order to focus staff and management efforts, there is also a need to consider performance measures that may be more useful from an operational perspective. There is some research that has begun to suggest that a measurement system more focused on operational decision making may lead to

Assessment of North Carolina Division of Motor Vehicles Strategic Performance Measures

better performance^{iv}. The argument is that performance data that can directly support day to day decision making has a greater likelihood of leading to change. The suggestion being made here is not to choose between an accountability orientation and an operational one, but to look for ways to balance both of these needs. Some measures may be able to meet both needs. However, guiding management and staff decisions on a practical basis especially with an aim at improving performance should require performance measures that could shape operational choices. Measures which only come out once a year or focus on statewide summaries may be sufficient for overall system accountability assessment. But that form of the data is unlikely to provide useful timely information that can help support better decision making for management and line staff. Several ways the performance measures can be made more useful for informing and supporting operational choices could include:

- Frequency or timeliness - performance measures that come out once a year won't be able to shape the need for changes in a timely manner. Depending on the volume and ease of collection, monthly or quarterly data reporting would improve the ability for management and staff to address the need for change early.
- Functional stratification – reporting on all licensing or registration activity in one number serves the accountability concern. But there is almost certainly a need to be able to drill down into subcategories. For example all licenses issued is helpful, but being able to break these down into subcategories (e.g. motorcycle, commercial, etc.) would probably prove useful to understanding where problems might be concentrated or are different than the overall trend. This functional stratification may also extend to different programs. For example efforts directed at seat belt usage versus distracted driving versus drunk driving are all valuable but the rate of problems is likely to vary as well as change over time and performance measurement at functional levels should support more targeted efforts.
- State staff versus contract operations – it appears that most state registration activities are performed by private contractors. Being able to break out performance among different offices (presumably geographic) should be valuable in assessing differences in performance for management decisions.
- Geographic division – At the strategic level, reporting performance for the entire state makes sense. However, it seems unlikely that issues are consistent across the state. Being able to drill down into lower geographic units such as regions, counties, and possibly cities, may help reveal critical differences that would support more focused management efforts which would presumably be more likely to be successful. For example, seat belt use is a broad statewide concern. But if the data shows lower conformance in certain places, a more targeted effort to raise compliance should have a higher chance of success of producing positive change.

Specific Suggestions for Performance Measures for NCDMV Goals

As already noted, NCDMV does appear to have a number of data items it is already tracking over time and labeled as performance measures. The suggestions below build on this data looking for opportunities to fit within the NCDOT goal framework and as expanded in the possible framework offered above. The aim is for a family of measures (workload, efficiency, and effectiveness) and

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ones which could be set up for operational use alongside the accountability dimension. An alternative way of reporting these measures, particularly for internal operational purposes, may be to group them relative to the various business units within NCDMV as appears to already be the case. For the purposes here these instead will be reported by the possible goals as they more naturally relate that way to the NCDOT Strategic Plan. A reworking of the measures to report by functional area should not be hard and may be an appropriate structure for internal reporting.

Make Transportation Safer

The larger NCDOT plan has already laid out the key performance measure of traffic fatalities per 100 Million Miles Driven supplemented by measures around crashes, injuries, and seat belt usage. These are good high level outcome measures. However, it should be recognized that they while they represent a natural focus for NCDOT and NCDMV, they also are likely to be heavily driven by factors outside of state control such as motor vehicle design, changes in the age of population, urbanization, and other influences. Separating out the efforts of NCDOT as it impacts on these high level outcomes may not always be easy. Additionally, given the large number of factors influencing deaths and crashes, there should be an expectation that these outcomes may vary from year to year in ways that may not reflect changes to the system or its performance but rather natural variation that all processes exhibit. This latter topic will be addressed in the last section of this report.

Safe Drivers

To advance NCDMV's efforts the suggestion was made to create **Safe Drivers** as a sub-goal for making the transportation system safer. Clearly NCDMV's driver licensing and related programs should play a role in making sure drivers on the road meet at least minimal standards. The suggestion here is to provide a group of measures to capture some of the programmatic aspects of the sub-goal of Safe Drivers.

Workload Measures

- 1) Driver Licenses Processed – The number of driver licenses issued each year should be a base measure of the work being done for this sub-goal. For reporting focused outward of the agency, this should probably just be a total of all types of licenses combined together as a reflection of this workload or output. NCDMV may wish to supplement the raw numbers with a percentage that would express annual updates as a percentage of all current licensed drivers. This would provide a reflection of the ongoing license issuance and renewal process as something that never ends for people wishing to keep driving.
 - a. For internal purposes DMV will of course want to break out the totals by the various subcategories and for new drivers with graduated or learner permits. This should be supporting internal operational needs to understand the levels of work being done. Whether these numbers are included in externally focused reporting should depend on the perception of how much detail is desired. There may be a need here to view this as a tiered set of reports aimed at different audiences.
- 2) Total Licensed Drivers in the State – In addition to the ongoing renewal of licenses, it may be useful to report on the total number of licensed drivers in the state since all of these

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drivers are effectively part of the regulatory system DMV maintains even if in any given year most do not have renewals or other contact with DMV. Presumably DMV connects licenses with various legal system outcomes (drunk driving, points on licenses, etc.) so that the total body of drivers is the real workload. It may be useful to supplement the raw numbers of licensed drivers with a percentage of all adults in NC to reflect the proportion of the driving age population that actually is licensed (15 and over presumably).

- a. As with renewals, for internal purposes this would be broken out by license subcategories.
- 3) Drivers Suspended or Restricted – This would be counts of numbers of drivers with suspension or restricted actions taken against them. A key part of assuring us of safe drivers is work that DMV does to restrict or suspend licenses. I am not aware of the entire range of programs but at a minimum I assume this includes people convicted of DWI offenses but probably other violations as well. I would recommend reporting this annual number of drivers acted upon and possibly the sum total of drivers currently suspended or restricted if these actions cover multiple years. There may also be other drivers whose privileges are removed as opposed to simply not renewed possibly due to medical or physical limitations. If these numbers are tracked they might be either reported separately or added to the total of licenses restricted or suspended. The rationale behind this measure or set of measures is to show the level of workload DMV spends on getting what would presumably be unsafe drivers off the road or at least unlicensed. Expressing this as a percentage of licensed drivers may provide a better sense of the problem removed.
 - a. Interlock systems – This may be a separate measure or it could be a subset for those with DWI convictions. The NCDMV Business unit plan suggests this number may be around 8,800 a year

Efficiency Measures

- 1) Cost per License Processed – Assuming DMV can add up all the costs associated with the various offices handling driver license issuance, this would be a basic efficiency measure. This would represent the cost to issue or renew a license from DMV's operational perspective and importantly not the fee charged for license issuance or renewal.
 - a. For operational purposes it may be helpful to break these costs out by different license types but it is unclear if that level of breakdown will be possible. It may be simply best to start off with a combined number but carefully explain this covers all categories of licenses and steps in the process (issuance, renewal, learner's permit, etc.) and thus represents an average cost.
 - b. It may also be possible to break these costs down by different geographic units around the state and use it to focus improvement efforts. Presumably some Division costs are not borne directly by the separate units so this may need to be direct costs (personnel, rent, supplies) per processed license. Since centralized costs (for example IT) would probably be allocated by number of licenses processed, this should still allow for comparative differences by working units.
 - c. Given that license renewals can now be processed online and in person, it may be worth considering if the costs for these methods of renewals can be separated

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out. My suspicion is that the staff and or the costs for these different methods cannot be easily divided and so this may not be possible. However, if it can it may be useful to report on these numbers to show the value of online processing.

- 2) Total Cost per Licensed Driver – Again assuming the licensing costs can be separated out appropriately, an alternative measure of efficiency would be all related licensing program costs divided by all licensed drivers. This measure is somewhat less intuitive than the first measure which is more closely connected with activity. However, if we assume all of DMV's efforts connected to licensure must be covered, not just the issuance and renewal each year, this would be a broader measure of subsystem efficiency for licensing. This represents a system level view of what it takes to maintain a licensure system.
- 3) Licenses Processed per Staff FTE – Assuming the staff time connected with licensing activities can be separated out, this would simply be the licenses processed by the number of FTEs associated with this activity. It should probably include direct management support but it might be done just by direct service staff as well.
 - a. Breaking out this efficiency measure by geographic unit would be another way to dig down into work unit efficiency and possibly easier than the cost measure set forth above.
- 4) All Licensed Drivers per Total Staff FTE – As with the system measure Cost per Licensed Driver, this is a high level system measure representing the workload of operating a complete licensure system in terms of staff required. The total cost measure is probably preferable as it accounts for all costs and not just staff which might be affected over time by changing technology or productivity gains. If adding this total system measure, it should probably again cover all staff associated with the licensing portion of DMV's work and not just front-line service deliverers. While offered here as an efficiency measure, this might also relate to access in terms of the density of resources available.
- 5) Cost per Interlock System Installed and Operated – My assumption here is the direct costs of installing and maintaining an interlock system are borne by the driver being monitored. But it may be there are identified costs (staff, operating materials, etc.) borne by the state in managing this program. If this is large enough it might be worth monitoring the relative efficiency of this program. Presumably this would just be for internal operational needs and not an outward focused accountability measure.
- 6) There may be other sub processes under the licensing umbrella that can be divided out by both their outputs/workload and their expenses similar to the Interlock suggestion. For example efficiency measures related to the use of mobile vans for licensing would lend itself to efficiency measures (as well as workload and effectiveness). Lacking detail on the full array of DMV processes or service offerings, I cannot specify what other functions might be examining but I would encourage NCDMV to consider whether efficiency measures focused on various sub-processes might be helpful for internal management either by process or looking at different DMV branches to help focus improvement efforts.

Effectiveness Measures

- 1) Percent of Renewals Done Online – Presumably the ability to renew licenses online is desirable from both the customer and DMV's perspectives. The data is clearly available to

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track this measure. We recommend setting this up as a percentage rather than the raw numbers. There is probably some upper limit to what proportion of licensing activities can be done online due to the need for special attention or other issues with some licenses. So while this number is never likely to go to 100 percent, it would help to track this over time to see if it continues to increase or reaches some plateau. This measure is placed here rather than under customer service though it probably touches on both areas.

- a. Breaking this out by geographic area would probably useful in understanding whether there are regional barriers or lack of understanding that might be addressed with focused efforts.
- 2) Percent of Errors with Renewals and/or License Issuance – No data was available to indicate whether a notable number of licenses have to be redone due to DMV errors or possibly quality problems with licenses breaking and needing early replacement. If data is tracked on one or more of these “quality” or error problems, it might be useful to express this error rate as a measure of quality delivered. Assuming this number is very low, the achieved percent with no errors should be above 99 percent which would indicate quality. Expressing this as percent with errors (below 1 percent) might be an easier representation.
- 3) Unlicensed Drivers as a Percent of Licensed Drivers – Assuming an important objective of the system is to have all actual drivers licensed, it may be desirable to see if some measure of illegal drivers could be created. If there is any centralized reporting of law enforcement data of people without licenses caught driving (probably just those without actual licenses as opposed to those who weren’t carrying their valid license) this could be a measure of the success of the system in making sure nearly all drivers on the road are in fact licensed. This could alternatively be expressed as a percent of all adults.
- 4) Outcome Measures on Crashes, Injuries, and Deaths Specific to Driver Error – these outcomes have already been mentioned as part of the larger NCDOT set of performance measures. However, the crash data for NC suggests that accident and even death data can be divided up into categories of cause. It may be useful to look at different rate data but only including those where at least one of the causes was “driver error” as opposed to weather, vehicle condition, or roads. This type of analysis probably would be particularly appropriate for some of the subcategories that DMV and other state agencies are most concerned about such as alcohol, distracted driving, seat belt use, and teens. The suggestion here is to include outcome data specific to some of these “driver error” outcomes as indications more specific to NCDMV’s effort to promote safe drivers. For example tracking specifically teen death accident rates over time may reveal whether various initiatives have helped reduce losses to this at-risk population of drivers.
- 5) Access to License Facilities – Being able to access licensing offices across the state and keep travel times low for customers depends on having services accessible. With 112 licensing offices across the state, this would seem to provide coverage but it may be helpful to express access in other ways. Assessing access with a statewide number may be useful, but this would probably be most helpful for analysis at the county or regional level.

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- a. Percentage of Population within 30 minutes (or 20 or some other number that represents an acceptable standard) driving time of a licensing facility would be an ideal measure. However to do this would probably require more sophisticated analysis best done with Geographic Information Systems (GIS). This may not be possible to do in an inexpensive manner so other alternatives may be preferred.
 - b. Population per License Office – This could be done for the state overall but may particularly be useful at the county (or multi-county level) as a proxy measure for access. Population may be the easiest number to use in the numerator, but adult population or even better licensed drivers would more accurately describe the target population needing access.
 - c. Population per DMV License Office FTE – Since it isn't just the number of offices but their size as measured by staff, this may represent a better measure of access than per office. Again using adult population or licensed drivers per License Office FTE might be better if the data is readily available.
 - d. The use of mobile license vans is another element of access. Mobile vans might have their own measures of people served or distance related measures showing how this improves access.
- 6) Timely Completion of License Renewals – When renewals are sent out there are deadlines attached. DMV could report on the percent of renewals completed by the stated deadline to show the degree of timely renewal completion. An alternative measure might be average days to complete renewal but the percentage measure speaks more directly to the process. Average number of days would give credit for people who renew quickly when the primary concern is probably how many are late.
 - 7) Cost Recovery for Licensing – Assuming costs can be separated out for just the licensing function, DMV might construct a cost recovery ratio defined as licensing revenues divided by licensing costs. Unknown here is whether DMV licensing fees are set with some cost recovery model in mind specific to just the licensing activities. If fees are set to fund a Division wide cost recovery model, it might be inappropriate to use this just for licensing as it would appear the license fees are set too high relative to just licensing activity not realizing fees in licensing and registration are designed to fund Division wide activities.

If DMV fees across all activities are set with a Division level cost recovery model, a cost recovery calculation may still be desirable. This would be simply fee and fine based revenue as a percent of full Division costs. Being able to calculate this overall is important if DMV is presumed to have a high or even full cost recovery objective.

Finally a set of indicators expressive of customer services connected to licensing will be discussed below rather than here even though they are connected to licensing activities. It may make the most sense for outward reporting to keep measures grouped by the overarching goal irrespective of the business unit within DMV but at the same time for internal operational reports regroup measures so they are connected to the work units most directly connected to their achievement.

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Safe Vehicles

Registration of vehicles is clearly a major thrust of NCDMV. If we assume that broadly speaking the purpose of vehicle registration is to keep unsafe vehicles off the road as well as supporting theft protection and ownership claims, then performing this task deserves measurement. Vehicle theft will be covered as a separate goal.

Workload Measures

- 1) Number of New Vehicle and Renewal Registrations Processed – This raw number represents a basic and obviously large workload for the Division. For external reporting, I would recommend reporting the total number and not making distinctions by category.
 - a. As with driver licenses it obviously makes sense for internal reporting to break out these output numbers by different registration types (private car, motorcycle, commercial, etc.)
 - b. Breaking out these workload numbers by geographic unit or registration office would obviously be useful in understanding and planning for different offices particularly as most registration offices are privately run based on my understanding.
 - c. Presumably vehicle registration is done for all vehicles every year unlike operator licenses. If there are vehicle categories that have less frequent renewal, it may be useful to have a separate measure for total vehicle registered, not just those being added or renewed in a particular year.

Efficiency Measures

1. Cost per Registration Processed – The output of renewals and new registrations is obviously available. If the budget costs for the units responsible for registration activity can be separated out from the larger DMV budget, dividing these costs by the number of registrations processed would be a simple easy way of tracking efficiency.
 - a. As with licenses, it might be desirable if this could be broken down by different registration types but that is probably not possible.
 - b. Being able to break this down by separate geographic units seems potentially possible and would be a good internal measures for comparing unit efficiency. This would particularly seem useful for assessing office efficiency since most units are run by outside contractors.
 - c. Separating these out into online versus in office might again be helpful if the expense data can be separated out that way. This presumes that the system costs and people handling online transactions are able to be separated out from other registration resources.
2. Registrations Processed per Staff FTE – Assuming that the staff working on vehicle registration can be separated out, a simple measure of the number of registrations processed divided by the number of FTEs would be a good efficiency measure. This should include supervisory staff but a separate measure targeted at just direct service delivery staff could be used as well. Since all but one of the registration offices are contract operations, it is unclear if these staff numbers are available to DMV. If they are, I would

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recommend using them as people engaged in providing the service should be a good measure of how much is being accomplished for a given set of staff.

- a. Being able to separate these by geographic work unit would be another helpful comparison point for looking at registration efficiency.
3. Registered Vehicles per Staff FTE – If all vehicles are registered every year, this would be the same as the prior measure but if some vehicles are measured less frequently, this would be a high level system efficiency measure of the workload of all registered vehicles divided by the staff doing this registration work. Again this may not be possible if staff FTEs for contractors are not available.

Effectiveness Measures

1. Percent of Renewals completed Online or by Mail-In – As with licenses, the different processes for letting vehicle owners complete their registration without going to a DMV office should be more convenient for customers and presumably more efficient for DMV. Whether online versus mail-in should be separated out for the larger numbers is not clear. At a minimum I would assume both should be combined into one larger number. But if the distinction between online versus mail-in is important, there could be two separate percentages expressed here.
 - a. As with license renewal, I would assume that drilling down in the data and looking at differences by vehicle category and by geographic unit would potentially be revealing for suggesting more targeted efforts to raise this number.
2. Percent of Renewals Requiring Vehicle Repairs – as part of the annual renewal process for vehicles, each has a safety inspection aimed at keeping unsafe vehicles off the road. If the data is available I would recommend dividing the number of vehicles that require some form of repair work for renewal by the total number of vehicles processed. The intent would be a measure of the vehicle stream that would otherwise have had safety defects but got corrected due to the DMV renewal process. Since it appears that vehicles can have repairs done immediately, it would be useful if this is focused on repairs made rather than failing the inspection if immediate repairs don't count as a failure.
3. Percent of Renewals Failing Air Quality Inspection – In addition to the safety inspection, the idea here is similar to capture the result of the percent of vehicles fixed due to failing air quality requirements. My understanding is that newer vehicles and possibly others may be exempt from this requirement so depending on how the testing regime is set up, the measure should reflect in the denominator the appropriate base of vehicles actually tested.
4. Timely Completion of Registration Renewals – When renewals are sent out there are deadlines attached. DMV could report on the percent of renewals completed by the stated deadline to show the degree of timely renewal completion. An alternative measure might be average days to complete renewal but the percentage measure speaks more directly to the concern.
5. Access to Registration Facilities – Being able to access registration offices across the state and keep travel times for customers depends on having services accessible. With 123 registration offices across the state, this would seem to provide adequate coverage but it

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may be helpful to express access in more direct ways. Addressing access with a statewide number may be useful, but this would probably be most helpful for analysis at the county or regional level.

- a. Percentage of Population within 30 minutes (or 20 or some other number that represents an acceptable standard) driving time of a registration facility would be an ideal measure. However to do this would require more sophisticated analysis best done with Geographic Information Systems (GIS). This may not be possible to do in an inexpensive manner so other alternatives may be preferred.
 - b. Population per Registration Office – This could be done for the state overall but may particularly be useful at the county (or multi-county level) as a proxy measure for access. Population may be the easiest number to use in the numerator, but adult population or even better registered vehicles would more accurately describe the target population needing access.
 - c. Population per DMV Registration Office FTE – Since it isn't just the number of offices but their size as measured by staff, this may represent a better measure of access than per office. Again using adult population or registered vehicles per Registration Office FTE might be better if the data is readily available.
6. Inspection of Testing Stations – The DMV business unit work plan indicates close to 10,000 audits of testing stations are done per year. Given the importance of these inspection stations for ensuring that vehicles are actually safe, some quality assurance measure here would seem desirable. Possibly something like Percent of Testing Audits found to be deficient (or meeting criterion to be positive) could be constructed. It may be that as part of audits, problems are corrected immediately. As with the inspections, it would be desirable to reflect any audit that resulted in a corrective action even if the audit still passed the station.
 7. Outcome Measures on Crashes, Injuries and Deaths Specific to Vehicle Problems – The crash data for NC would seem to suggest the numbers of crashes and other consequences where vehicle failure of some kind played a role might be separated out. My suggestion is that these rates of failure due to vehicle specific issues leading to crashes, injuries, and deaths, would be helpful in assessing the effectiveness of keeping unsafe cars off the road as opposed to accidents in general. Tracking this over time may help to see if vehicle failure as opposed to other causes such as driver error are increasing or decreasing in absolute or relative terms.
 8. Cost Recovery for Registration – Assuming costs can be separated out for just the registration function, DMV might construct a cost recovery ratio defined as registration revenues divided by registration costs. Unknown here is whether DMV registration fees are set with some cost recovery model in mind specific to just the registration activities. If fees are set to fund a Division wide cost recovery model, it might be inappropriate to use this just for registration as it would appear the registration fees are set too high relative to just registration activity not realizing fees in licensing and registration are designed to fund Division wide activities.

As with licensing, various measures of effectiveness related to customer service will be covered below rather than here even though they relate directly to the registration process.

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Vehicle Theft

The exact purpose and operations connected to the Theft Bureau were not determined from my online searching. However, the business plan suggests that among other purposes this unit is supposed to aid with the recovery of stolen vehicles. As noted in the section discussing Division goals, it is unclear from my investigations whether this is viewed as a major priority for the Division and therefore whether it requires a goal and performance measures for external reporting. However, given this is clearly a function aimed at citizens it seems desirable to track performance even if it is primarily done for internal management.

Workload Measures

1. Number of Stolen Vehicle Reports Processed - The business plan indicates this number would be about 900. This seemed low as I would have thought the number of stolen vehicles statewide was higher on an annual basis. If the work of this Bureau is only focused on a subset of stolen vehicles statewide, the definition should be clearly stated and incorporated into the measure's title.
2. Number of Stolen Vehicles Recovered – There was no data showing indicating the number of vehicle actually recovered, but if available this would be good to report to show the volume returned.

Efficiency Measures

1. Unit Costs per Stolen Vehicle Reported – Assuming costs directly connected to the Theft Bureau can be separated, a simple ratio here would be a useful efficiency measure to show the costs associated with reporting and possibly investigation irrespective of whether the vehicle is recovered.
2. Unit Costs per Stolen Vehicle Recovered – Again assuming costs can be separated, this is a more targeted efficiency measure as it shows what it is costing relative to those vehicles actually retrieved.

Effectiveness Measures

1. Stolen Vehicles Recovered as a Percent of Those Reported – Assuming recovery of vehicles is reported, this simple ratio represents probably the best measure of unit success. It seems unlikely this measure is a high percent given the challenges around vehicle theft and some context to help users understand that would be needed. Providing data over time or comparisons to other states may be useful.

Provide GREAT Customer Service

As already noted in the discussion of the NCDOT Strategic Plan, the Department lists four measures of success under this goal.

1. Percentage of positive customer feedback through customer surveys
2. Percentage of employee attendance in classes related to customer service

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3. Percentage of customers reached
4. Percentage of change in response time (DMV customer wait time)

All of these appear to be useful measures. We would encourage particularly for the first three that this data be gathered if possible specific to DMV but this may not be possible. The customer surveys that I have found online appear to be broader and focused on the NC Transportation system broadly. It is unclear how much these can help DMV specifically in its planning and operational decisions. If possible DMV may wish to consider its own customer surveys of its direct customers (people visiting offices, using online services, etc.) to better understand their concerns than what appears to be available in the NCDOT survey. Customer surveys for online services are increasingly common and may be a way for DMV to better understand this particular group of customers.

In addition to customer surveys, effective delivery of service can be seen as providing service in a timely, convenient, and error free manner. The timeliness question should be addressed by the DMV customer wait times when they become available.

Effectiveness Measures

1. Easy access to Service – There are several ways DMV might measure easy access and this has been discussed under the licensing and registration sections already. Access when measured by raw availability of service locations or service personnel is likely to be most useful when making comparisons within the state across different regions or counties; measures like Population per Licensing or Registration office. If estimates of travel time were possible with some GIS assistance, being able to show percent of the population within some driving standard (e.g. 30 minutes) would be useful as a state level measure but also for smaller area analysis.
2. Use of Online and Mail-in Services – The use of online services for both registration and licensing has already been mentioned. However, they might be repeated or moved here as measures of customer ease of access. Presumably higher uses of online or mail-in represents more convenient service delivery for customers.
3. Wait Times for DMV customers – I was not able to locate wait time data yet for DMV service customers. If possible I would encourage DMV to consider different ways of measuring timeliness of service. Average wait time may be the easiest but a fractile measure such as percent of customers served within some time frame (e.g. 20 minutes) might be a better way of expressing how often customers are waiting long times.
 - a. Wait times will almost certainly vary by time of month, time of day, and geographic location. I would encourage DMV to collect this data in as disaggregated manner as possible to enable careful analysis to suggest when and where the problems are most acute. A broad effort to shorten wait times is less likely to be effective than targeting where the problem is most severe whether due to resource shortages, processing issues, or other factors.
4. Errors in Processing – I was not able to find information to suggest how often DMV transactions result in errors or problems, both those directly obvious to the end customer as well as those that might be limited to work within the Division. Being able to report on these error types relative to the volume of transactions would provide an alternative

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measure of quality of service as it impacts the customers. This might include clear error processing that results in customers having to come back but might include other problem types such as licenses deteriorating.

- a. This probably would be broken out separately by registration and licensing though an overall transaction error rate might be possible.
 - b. If some form of error percent data could be reported, this again might be useful to track by different types of licenses, vehicles, and geographic offices.
5. Timely Payment – Measures for timely payment for registration and licensing have already been mentioned above. They again might be repeated or moved under customer service as indications of whether this is a problem for customers. The conclusion would not have to be this is DMV's fault but rather whether customers have difficulty meeting deadlines for DMV operations. Working to improve timely payment would seem to be desirable for all parties.

[Make our organization a great place to work](#)

The NCDOT Strategic Plan makes mention of key employee satisfaction related performance measures that appear to already be implemented or soon to be. These measures included:

1. Achieve an employee engagement survey score of 5.25 or greater (on a 7-point scale)
2. Percentage of DOT Employees that are paid at the market rate for their classification and level.
3. Number of preventable accidents or injuries in the work place
4. Rate of recordable employee injuries
5. Percentage of employees retained after three years

These all seem like good measures but we would encourage making sure this data will be available specifically for DMV separate from other Divisions and possibly even specific to some work units to allow finer understanding of differences. However, in addition to these measures, there are several others DMV may wish to consider as further ways of digging into employee satisfaction.

1. Applications Processed for DMV Job Openings per 100 DMV Employees or Applications
Process per Job Opening – This provides a measure of the workload of the HR function within DMV. However, it also provides some sense of the attractiveness to potential employees of DMV employment. When the number of applications relative to the numbers of employees climbs, outsiders are showing the relative attractiveness of these positions.
2. Vacancy Rates – The percentage of budgeted positions that are vacant can be a useful indicator of the relative attractiveness of an organizations jobs. Many factors may drive vacancy rates so it may not be possible to readily determine the cause but high vacancy rates are a sign that an organizations may not be the great place to work that is the aim here.
3. Turnover Rates – This is related to the measure of retention over three years, but provides a quicker count of possible problems. Counting up the number of employees who leave employment compared to the total number of DMV positions is an alternative way of looking at the retention question. DMV might consider further breaking this out into the percent leaving voluntarily (retirements and resignations) versus involuntarily (firing, reductions in force, death). The percent of employees who leave voluntarily and in particular due to

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resignations is a good measure of attractiveness. This number of course will vary over the economic cycle as well as due to other factors such as staff reaching retirement but there should be a baseline that can be determined. Rapid rises or falls in this percent can be early indications of problems that are not obvious from efforts like surveys.

4. Use of Sick Time – Sick time is provided as a benefit and we want staff to use it. However, high use of sick time can also be a subtle signal of employee dissatisfaction. Tracking the percent of sick time used or average hours used per employee may be easy as the data should be in the HR system. As a cautionary note, the suggestion here is not to be tracking this at the individual level as we know different individuals may have varying needs over time. But at a Division level, high use of sick time may be suggestive of dissatisfaction that might not be fully expressed in other survey methods.

[NCDMV Collection of Vehicle Property Taxes](#)

Due to changes in state law, NCDMV now collects property taxes and associated vehicle fees on behalf of counties across the state. As discussed earlier, this may not be seen as a major focus for NCDMV in the context of its performance measurement and management. However, a few measures are suggested below which may be helpful to track both for assuring DMV's customers, in this case the 100 counties in North Carolina, and to determine if there are performance issues over time.

Workload Measures

1. Number of Vehicles for Whom Property Taxes or Fees were collected – Presumably this is the same number as the number of vehicles registered each year but given there may be exceptions for publicly owned vehicles or possibly other categories, it would be useful to report the number for just those that had property tax collected.

Efficiency Measures

1. Cost per Tax Collection Transaction – Given that the process of tax collection seems to be simply a marginal effort added to the registration process, it may not be possible to separate out what it is costing DMV to process these property tax bills. However, if there are separate system costs (possibly IT systems or special staff who do just the back office processing of the collected property tax bills), a simple ratio here would show what it is costing DMV as the marginal cost to run the property tax collection work. I would not try to count some proportion of the regular service staff time spent on registration as I would assume the additional labor is marginal.

Effectiveness Measures

1. Percent of Property Tax Billings Actually Collected – This may not be worth collecting. If the registration process has effectively created a situation where all the bills are collected since registration would otherwise not be forthcoming, it may be this number is 100 percent. However, if there is some reporting and tracking that does show unpaid bills, calculating a collection rate would be a useful effectiveness measure overall. If this

Assessment of North Carolina Division of Motor Vehicles Strategic Performance Measures

number varies by county that might also be valuable to be able to report and share with the counties (the customers in this case).

2. Timely Payment to DMV by Vehicle Owners – When payment notices along with registration are sent out, presumably DMV can track what percent are paid by the deadline. Reporting on the percent of bills paid by vehicle owners by the deadline would help show timely payment by owners. An alternative measure might be average days to pay but the percent measure is preferable as it gets most directly to the issue of paying by the deadline.
3. Timely Payment to Counties for Taxes Collected – After property taxes are collected by DMV, I would assume there is some process for disbursing those collected monies to county tax collection offices. Getting those monies in a timely manner is an important concern for tax collection offices to manage local government cash flow. I have no information to indicate this is presently a concern but it might be useful if the issue arises to be able to show the average number of days to make payment or alternatively percent of payments made within some appropriate time window such as 30, 60, or 90 days.

Other Business Unit Performance Measures

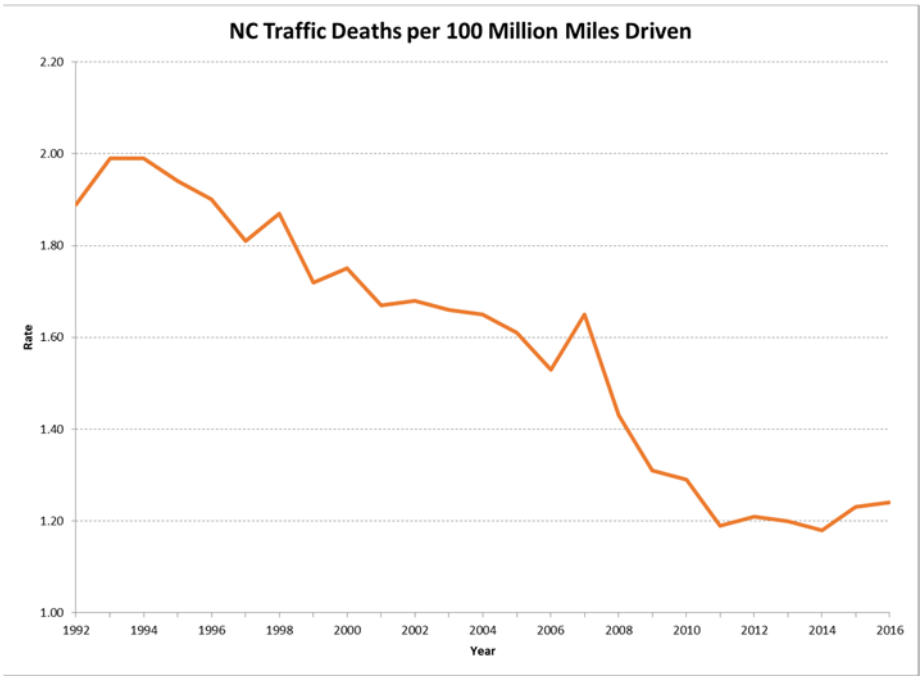
Lacking sufficient information or data on various “back office” functions such as budget or Lean Six Sigma training, I have not offered performance measures for those functions. I would encourage DMV staff in these areas to build on the workload type measures reported in the DMV Business Unit Work Plan to develop efficiency and effectiveness measures where appropriate to elevate their efforts at measuring their performance.

Tracking Performance Data Over Time

A final issue that NCDMV may wish to consider is how to understand and interpret performance measurement over time. Because of the great number of factors which are likely driving DMV’s performance and the final outcomes identified in the NCDOT Strategic Plan, there should be an expectation of variation in the performance numbers. The critical question to consider is whether differences in the numbers observed over time reflect changes in the underlying processes or are reflective of more random variation. The concern here is that seeing every difference in any given reported number as a call to correction or a cause for celebration may lead to incorrect reaction and overreactions to the changing data. The question of variation in data is a critical one to understand performance driven management. Rather than a full examination of this topic, I’ll share some perspective using some of the data on traffic deaths reported by DMV in the annual crash report to illustrate the concern. Importantly the following should not be understood to be a rejection or even minimization of the importance of measuring performance. Rather the hope here is to at least introduce a different way of understanding and interpreting performance data with the aim of better support of efforts to improve performance management.

The chart on the right shows the number of NC traffic deaths per 100 million miles driven as reported in [North Carolina 2016 Traffic Crash Facts](#) put out by NCDMV and done so annually. The chart shows the death rate when adjusted for estimated miles driven has been in decline for the last twenty five

years and indeed this declining trend precedes the period shown. Given this is the key performance measure identified in the NCDOT Strategic Plan for making transportation safer, it paints a positive picture of continuing improvement. However, it is also possible to see it

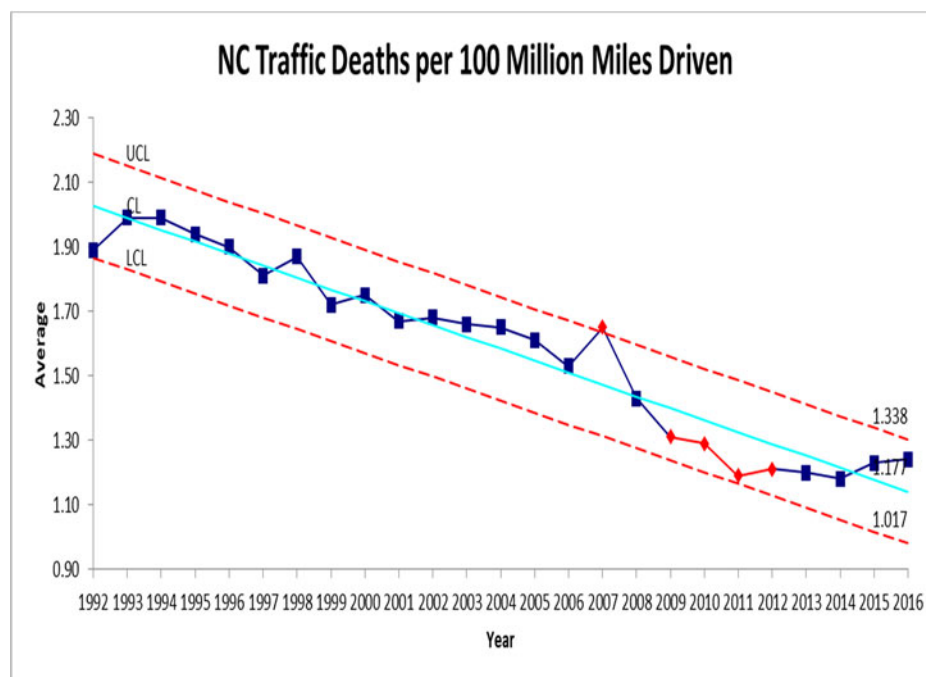


is not always consistently declining and possibly worrying may appear to be leveling out in the last few years. The NCDOT Strategic Plan lays out a specific numeric goal to see this rate decline by two percent per year. There is no rationale provided in the Plan for that specific numeric target. Over the last twenty five years the annual compounded rate is 1.7 percent decline per year which may be the basis for the target NCDOT target. However in only 16 of those 25 years did the rate actually decline and in only 11 did it decline by at least 2 percent meeting the DOT target. Assuming this downward trend continues and doesn't level off, year to year comparisons may lead to the interpretation that this goal is being missed more than half the time. If every change in the rate is in fact a function of system changes then this would be the correct interpretation. However, if we see the need to recognize and try to account for the variation, we are led to a different perspective using a different type of analysis.

The next chart shown below uses the same 25 years of data but sets boundaries based on the variation observed over time. The chart is what is known as a process behavior chart or more commonly a control chart and is used in quality improvement efforts. In this case the downward trend is recognized but has boundaries set above and below it which should contain the data if it does not exhibit unusual variation. In this case with exceptions at 2007 where it briefly popped above the outer boundary and for 2009-2012 when the numbers were closer to the bottom of the channel than would be expected by chance, the data stays within this downward channel and would be said to reflect a predictable downward trend but one that varied up and down at different times. Using this different approach for looking at the data, one would not react to each movement up or down as signaling a change but rather focus on the general trend and focus attention there for future improvement rather than the change in numbers from year to year. This representation provides an importantly different perspective for considering the

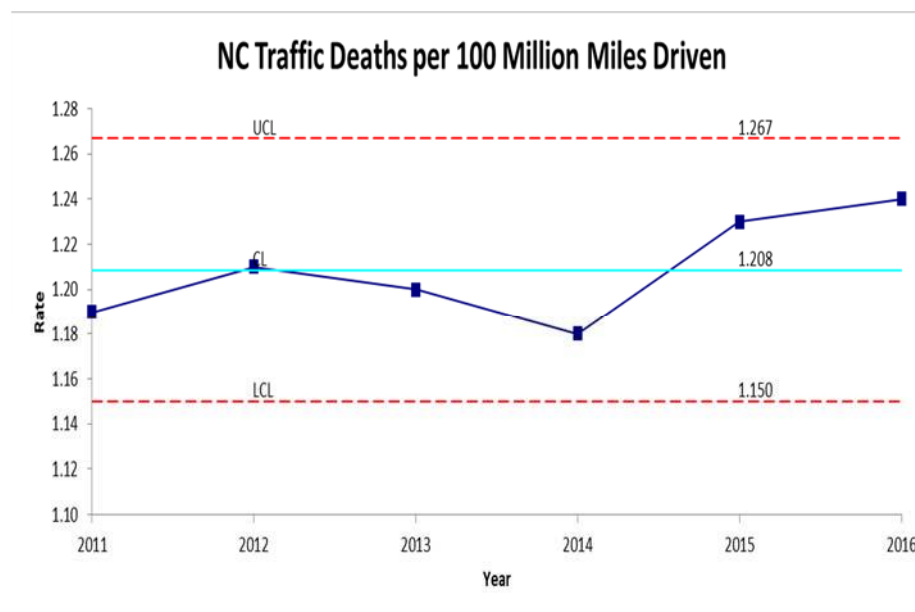
Assessment of North Carolina Division of Motor Vehicles Strategic Performance Measures

measurement of performance data over time. I am not sure if presentation of such information in this way is easily handled for external communications where we are more used to hearing about changes from year to year. However, at a minimum for operational decisions,



management and staff need to be able to see this variation to better understand what may be happening. The positive side of this understanding of variation is we don't overreact to a rise of the numbers if they stay within predictable patterns of variation, in this case a long term decline. However on the negative side, the relatively wide bands suggest that changes from year to year may vary substantially more than the Strategic Plan target of two percent and yet not reflect fundamental change in the process of the last two decades. Even a rise in the number for 2017 would not necessarily reflect a change here in our interpretation of a long downward trend in the process if it were to stay below 1.338 deaths per 100 million miles driven.

I should caution that the potential signal in the 2009-2011 period led me to look at the data for the most recent six years separately in another control chart for just those years. That chart is shown to the right. It suggests that though the most recent six years show some upward movement it should



be viewed as within predictable bounds but unfortunately a flat trend rather than the longer downward trend. Assuming this is representative of a new shift in the "system", the data suggests

Assessment of North Carolina Division of Motor Vehicles Strategic Performance Measures

we should expect the fatality rate to stay between approximately 1.15 and 1.27, averaging about 1.208. These outer numbers are respectively about two percent higher or seven percent lower than the data for 2016. Thus, a fairly wide variation is still possible here before we would be convinced that the trend had resumed its prior downward march as opposed to leveling off or even increasing based on the last six years of data. Examination of some of the monthly data looking at just raw deaths also suggests a leveling off or possibly even a shift upwards in the last two years. I would note I looked at annual fatality rate data for the state of Virginia which exhibited a similar pattern though at a lower absolute level so this does not appear to me to be a quirk of the NC crash data.

Given this is the major measure of transportation safety and the easy access to the data, it represented a quick test for this report. However, this type of analysis could be applied to data streams connected to the processes most directly under NCDMV's control and management and particularly for those seen as priority goals. I would encourage this type of analysis for performance data as a step up from looking at every data point as a signal that something may have changed. Recognizing variation and being able to use such charts correctly could help the Division more appropriately target its efforts on performance improvement by selecting appropriate strategies and not overreacting to every movement of the data. The cautionary note here is not to misinterpret the assessment offered here as a suggestion to not collect or report performance data. Instead the suggestion is to consider bringing more nuanced understanding to data from the processes we seek to measure and improve.

Assessment of North Carolina Division of Motor Vehicles Strategic Performance Measures

Useful Documents

In our search of documents and reporting from other states, several items from the State of Virginia stuck out and may be worth reading.

Assessing the Performance of Virginia's DMV 2015, prepared by the Joint Legislative Audit and Review Commission, Report No. 474. <http://ilarc.virginia.gov/pdfs/reports/Rpt474.pdf>

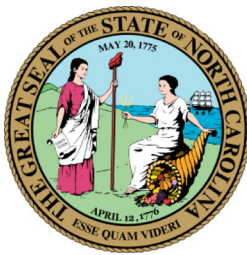
Virginia Performs – State website on performance measurement with this link being for DMV. https://solutions.virginia.gov/pbreports/rdPage.aspx?rdReport=vp_Agency&rdAgReset=True&Agency=154

ⁱ For a discussion of what is in performance management doctrine (measurement and management) see David N. Ammons and Dale J. Roenigk (2015) Performance Management In Local Government: Is Practice Influenced by Doctrine?, Public Performance and Management Review, 38, 514-541.

ⁱⁱ For example Edwin A. Locke and Gary P. Latham, (2002) Building a Practically Useful Theory of Goal Setting and Task Motivation: A 35-year Odyssey, American Psychologist, 59:9, 705-717. And M.B. Sanger (2008) From Measurement to Management: Breaking Through the Barriers to State and Local Performance, Public Administration Review, 68, Special Issue, S70-S85

ⁱⁱⁱ David N. Ammons (2002) Performance Measurement and Managerial Thinking, Public Performance and Management Review, 25:4, 344-347.

^{iv} M.B. Sanger (2008) From Measurement to Management: Breaking Through the Barriers to State and Local Performance, Public Administration Review, 68, Special Issue, S70-S85. And D.P. Moynihan, (2008) The Dynamics of Performance Measurement: Constructing Information and Reform, Washington, DC: Georgetown University Press.



RESPONSE FROM DEPARTMENT OF TRANSPORTATION


RESPONSE FROM THE DEPARTMENT OF TRANSPORTATION



STATE OF NORTH CAROLINA
DEPARTMENT OF TRANSPORTATION
DIVISION OF MOTOR VEHICLES

ROY COOPER
GOVERNOR

JAMES H. TROGDON III
SECRETARY

Date: April 25, 2018
To: Beth Wood, NC State Auditor
From: Torre Jessup, Commissioner – Division of Motor Vehicles 
CC: James H. Trogdon, III, Secretary – NC Department of Transportation
David L. Howard, Chief Deputy Secretary – NC Department of Transportation
Subject: Performance Measurement Audit – NC Division of Motor Vehicles Response

As it relates to your report of the North Carolina Department of Transportation's Division of Motor Vehicles (NC DMV) Performance Measurement Audit completed April 2018, and for the period under audit, I thank you for your staff's courtesy and cooperation in conducting the assessment.

NC DMV agrees with the findings in this audit and will take the following steps to correct these deficiencies:

Finding 1. *The DMV's plan lacks adequate goals and objectives specific to DMV's functions.*

Finding 2. *The DMV's Plan lacked adequate outcome-based measures.*

DMV needs a comprehensive strategic plan. Within the next 90 days, DMV will engage an outside expert to assist with the development of a DMV specific strategic plan. The plan will provide appropriate goals and objects for all of DMV, including, where and when appropriate, specific goals for individual business units. In addition, the strategic plan will have outcome-based measures that align with the goals and objects.

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NC DIVISION OF MOTOR VEHICLES
OFFICE OF THE COMMISSIONER
3101 MAIL SERVICE CENTER
RALEIGH NC 27697-3101

Telephone: (919) 861-3015
Fax: (919) 733-0126
Customer Service: 1-919-715-7000
Website: www.mynedmv.gov

Location:
DMV HEADQUARTERS BUILDING
1100 NEW BERN AVE.
RALEIGH, NC

ORDERING INFORMATION

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<https://itunes.apple.com/us/app/nc-state-auditor-hotline/id567315745>

For additional information contact:
Brad Young
Director of External Affairs
919-807-7513



This audit required 1,488.5 hours of auditor effort at an approximate cost of \$153,316. The cost of the specialist's effort was \$13,608. As a result, the total cost of this audit was \$166,924.



STATE OF NORTH CAROLINA
DEPARTMENT OF TRANSPORTATION

JOSH STEIN
GOVERNOR

J.R. "JOEY" HOPKINS
SECRETARY

GENERAL INFORMATION							
Notice to Proceed				Friday, April 04, 2025			
Contract Work Type				COST + FIXED FEE			
Limited Services Contract Number:				7000022101			
Purchase Order Number				6300080570			
CONTRACT WORK DESCRIPTION:							
LINE ITEM DETAIL INFORMATION:							
ITEM	WBS/ORDER NO.	DESCRIPTION	OLD VALUE	CHANGE VALUE	NEW VALUE	SHORT TEXT	MANDAYS
00010	S0761	DMV Operations Evaluation	\$0.00	\$1,250,000.00	\$1,250,000.00	DMV Solution Planning & Transformation	0.000
			\$0.00	\$1,250,000.00	\$1,250,000.00		0.000
SPECIAL NOTES / CONDITIONS / TERMS:							
OTHER DETAILS / INFORMATION:							
DATES (MM/DD/YYYY)							
COST PROPOSAL DATE (e-mail, etc.):				Revisions / Changes:			
REVISED PROPOSAL DATE (email, etc.):				PEF's Concurrence with Revisions / Changes:			

The Chief Engineer's Office has reviewed the final negotiated cost proposal and has determined that it is consistent with the above-numbered LSC's salaries and rates reviewed/approved by NCDOT's Office of Inspector General.

Chief Engineer's Office has also verified the computation of the Grand Total of the cost proposal. THEREFORE, this Notice to Proceed is given for professional services related to the scope of work and cost proposal as outlined above.

A completed and signed Subconsultant Form RS-2 must accompany this form when returning it to the NCDOT Contract Administrator. The Prime contractor and Subconsultant Form RS-2 can be found at:

[https://connect.ncdot.gov/business/consultants/_layouts/download.aspx?SourceUrl=/business/consultants/Roadway/Form%20RS-2%20Prime%20Contractor%20\(Task%20Orders%20ONLY\).pdf](https://connect.ncdot.gov/business/consultants/_layouts/download.aspx?SourceUrl=/business/consultants/Roadway/Form%20RS-2%20Prime%20Contractor%20(Task%20Orders%20ONLY).pdf)

[https://connect.ncdot.gov/business/consultants/_layouts/download.aspx?SourceUrl=/business/consultants/Roadway/Form%20RS-2%20Subcontract%20\(Task%20Orders%20ONLY\).pdf](https://connect.ncdot.gov/business/consultants/_layouts/download.aspx?SourceUrl=/business/consultants/Roadway/Form%20RS-2%20Subcontract%20(Task%20Orders%20ONLY).pdf)

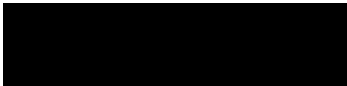
Acknowledgment and Acceptance:

108602 THE BOSTON CONSULTING GROUP INC
Vendor Number: Firm Name:

Ryan Ordway, Managing Director & Partner
Signatory:

April 4, 2025 APPROVED

Date:



DocuSigned by:
72B52699AD984D4...

Ryan Brumfield
NCDOT Director of Strategic Initiatives
North Carolina Department of Transportation
1 South Wilmington Street
Raleigh, NC 27601

March 27, 2025

Subject: Strategic General Services Contract (#7000022101), DMV solutions planning and transformation roadmap

Dear Mr. Brumfield,

The Boston Consulting Group (BCG) has been engaged to assist the NCDOT (or the Department) to enable a strategic transformation planning effort, centering on improving North Carolina Department of Motor Vehicle (DMV) experience for constituents and employees.

Based on our understanding of the Department's context and key challenges, we recommend a tailored diagnostic to identify solutions to improve constituent service experience, people and employee experience, and streamline processes across the DMV. This diagnostic will explore 1) end-to-end DMV services spanning multiple touchpoints, 2) specific moments or steps within the broader service (including driver and vehicle services) and 3) overall people and process capacity to efficiently and effectively deliver service.

The major phases in this effort can be described as follows:

Baseline Constituent Experience (CX) and Employee Experience (EX) Diagnostic:

BCG's diagnostic approach focuses on the Customer and Employee Experiences, undergoing two different and simultaneous assessments.

We will begin by identifying a prioritized list of services based on DMV priorities and goals by leveraging customer journey data (e.g., satisfaction, wait times, transaction time, backlog) and engagement with leaders to identify the highest priority constituent current state journeys. This list of priority services may contain an end-to-end service spanning multiple touchpoints (e.g., renewing a drivers license, transferring an out-of-state license, commercial special vehicle operations, etc.) or specific moments or experiences in the customer journey (e.g., scheduling an appointment, entering a queue, preparing documents).

For the Constituent Experience (CX), BCG will focus on high priority journeys and experiences to conduct an assessment use human-centered design approaches to map the journeys, identify friction points, and assess root causes. (Note: here constituent means for both driver and vehicle services, during the course of the project we expect to work with DOT leadership to determine relative prioritization of both segments).

Simultaneously, BCG will design and launch an Employee Experience (EX) assessment in people and operations, with the goal to assess gaps and friction points across processes, systems, resources, and capabilities. For this assessment, we will leverage recently-conducted employee survey results, analyze targeted HR and workforce data, and interviews to conduct people and process journey mapping. BCG will leverage process maps and insights from prior work as an initial starting point to refresh from current state.

Throughout, we will also work to build a “true” baseline for key service delivery metrics tied to root causes and engage with other state DMV leaders to assess best practices, get their feedback and ideas, and identify opportunities particularly where NC DMV lags relative to their outcomes.

Transformation Roadmap:

Across both the Employee and Constituent Experience assessments, we will identify the highest opportunities to drive value for the DMV through improved citizen service delivery, segmented across quick wins, medium-to-longer term initiatives, and key strategic decisions or “junction points” for current state operations or policy. Where possible for the latter, we will equip DMV leaders with sufficient data to make early no regrets decisions; where not possible, we will help define a path to build the right evidence base through pilots or data collection to ensure a decision can be made in the future.

BCG will also work with NC DMV leadership and front-line staff to develop a long-term transformation roadmap, sequencing initiatives and opportunities from the diagnostic. The roadmap will include key action steps, owners, and resourcing required to implement key changes. As part of this roadmap, we will include guidance to working with DMV and DIT employees to make “do now” changes, particularly to any online experiences that are expected to move the needle in the near term, as well as plans for pilots or collection of further data to inform key strategic decisions for the agency.

BCG will also compile a list of key metrics and baseline data, tied to root causes as well as tailored PMO tools to ensure effective implementation, accountability, and progress.

Deliverables

As a result of this approach, BCG will deliver the following deliverables:

- **Solutions Assessment:** A holistic evaluation of customer and employee experience with user journey and employee process-mapping and friction / pain point identification to spot opportunities for improvement and potential solutions
- **Baseline Performance:** A baseline of performance against key KPIs using existing metrics and data sources, with benchmarks to other leading and high performing public sector agencies where possible.
- **Transformation Roadmap:** A holistic execution plan for customer-centric strategic transformation including sequenced initiatives, key action steps, owners, and resourcing, segmented across quick wins, longer-term initiatives, and “junction points”, including data required to make future key decisions if not able to make with already available data and evidence

- **PMO tools** to drive progress, accountability, and ensure performance (e.g., initiative trackers, KPI dashboard)

BCG will submit draft, work-in-progress versions of the Deliverables associated with the units for which BCG is accountable at least two (2) weeks before the conclusion of the phase. Following this submission, BCG will make up to three (3) sets of revisions to the materials based on feedback received. This will be in addition to any updates, previews, and readouts that BCG provides during the course of the project process.

NCDOT will notify BCG of any issues with or required revisions to the Deliverables within 14 calendar days of delivery. After the 14-day period and unless otherwise notified by NCDOT during this 14-day acceptance period, the Deliverables will be deemed to be accepted by NCDOT to its reasonable satisfaction. Before the conclusion of this review period, BCG will not distribute any of the Deliverables to the broader NCDOT without direct approval from the NCDOT Office of Strategic Initiatives and Program Support.

Project Management:

BCG will coordinate workstreams across the consultant team to provide Deliverables. The BCG team will collect information, analyze data, draw insights, and develop foundational information to aid NC DMV in future planning efforts. Workstreams are designed so that some will depend on the outcomes of others, while others will run in parallel with many feedback loops.

Our engagement model aims to not disrupt the day-to-day operations of NC DMV staff, requiring as-needed touchpoints to diagnose the current state. We will require:

1. Primary points of contact with permission to navigate the organization, including to help fill data requests and facilitate introduction to NC DMV staff as needed
2. Endorsement to reserve time with NC DMV staff and constituents to better understand the current state
3. Timely responses to requests for data & interview scheduling

Professional Fees

The below professional fees represent 10 weeks from notice to proceed only for BCG. They represent a fixed fee and are inclusive of an investment from BCG representing our commitment to the success of the State of North Carolina.

Total Professional Fees before Investment: \$2,000,000

BCG Investment Amount: \$750,000

Total Fixed Fees: \$1,250,000

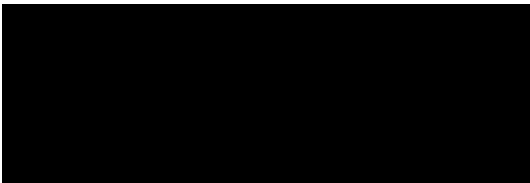
Weekly Fees with investment: \$125,000

BCG will submit monthly invoices to include high-level descriptions of work performed.

Project Timeline

This phase will be completed over the course of 10 weeks from the notice to proceed date.


The Boston Consulting Group

By: 

Name: Ryan Ordway Date:
Title: Managing Director and Partner

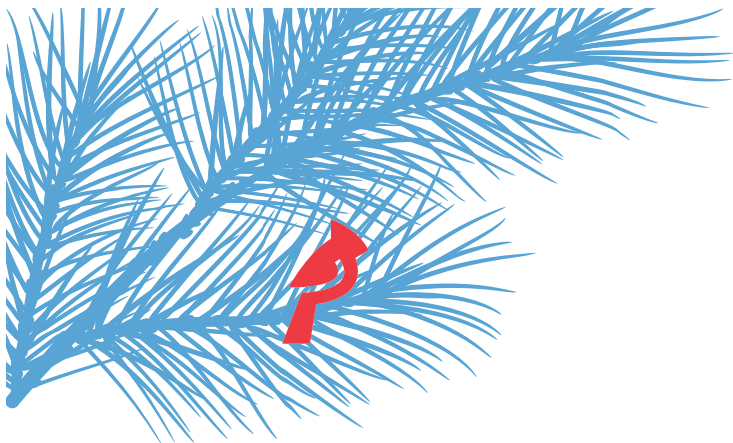
ACCEPTED AND AGREED

North Carolina Department of Transportation

By: 

Name: Ryan Brumfield Date: 04/04/2025
(Please Print)

Title: Director, Strategic Initiatives



REPORT

**Performance Management in
North Carolina Division of
Motor Vehicles**

UNC School of Government

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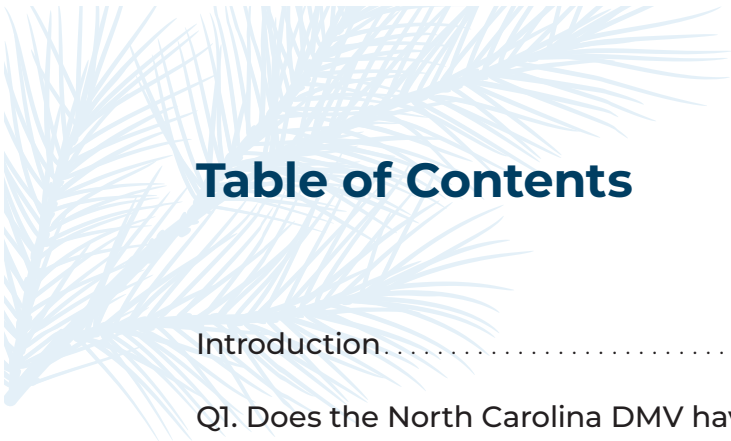


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Introduction

The Office of State Auditor (OSA) contacted the UNC School of Government to seek assistance in determining the state of performance management in the North Carolina Division of Motor Vehicles (DMV). The School of Government is honored by the State Auditor's request to provide meaningful service to the State of North Carolina, and we are excited by the prospect of working with OSA and DMV staff.

The OSA leadership communicated the following four questions for study:

1. Does the North Carolina DMV have an up-to-date strategic plan?
2. To what extent is the DMV covered by the broader Department of Transportation strategic plan?
3. Does the strategic plan demonstrate commitment to effectiveness? Does the strategic plan include goals and measures related to effectiveness?
4. Is effectiveness a part of the DMV performance measurement system?

The OSA defined effectiveness as short wait times and excellent customer experience in the attainment of driver's licenses, license plates, and other services.

The School of Government analyzed the following documents to answer the study questions:

- DMV Strategic Plan 2019–2023
- Department of Transportation Strategic Plan 2023–2025
- License and Theft Bureau Strategic Plan 2025–2030 Draft
- SESSION LAW 2024-57 SENATE BILL 382
- NCDOT Statewide Customer Service Survey 2019–2020
- DMV responses provided by the OSA¹

Below, we present the study results based on the document analysis. Currently, we have not conducted interviews or other research to assess the progress on the strategic plan goals and whether there are plans to renew or update the strategic plan.

1. Responses to the School of Government's questions were provided by the DMV to OSA.

Q1. Does the North Carolina DMV have an up-to-date strategic plan?

The DMV does not currently have an active strategic plan. The most recent strategic plan was dated 2019-2023. Strategic plans have a defined timeframe. After the end of that period, an organization should review the plan to determine whether it should be updated or replaced. While the original goals may still be relevant, an organization may determine that the original goals were not achieved or that the goal targets were too modest at the end of that timeframe. Additionally, leadership may see a need to revisit the vision, mission, or values of the organization. Given that we have not conducted interviews with NCDOT or DMV staff, we are unaware whether the NCDOT intended to institute a single strategic plan for itself and its subsidiaries.

The North Carolina DMV's 2019–2023 strategic plan has the following main elements:

Vision: Employee-powered national leader of safe driving and safe vehicles.

Mission: The North Carolina Division of Motor Vehicles facilitates safe mobility and access to opportunities that enhance the lives of the people who live, visit, and conduct business in North Carolina.

Values: Safety, accountability, teamwork, diversity, integrity, customer service, innovation, quality.

Goals:

- Customer service
- Employee investment
- Stakeholder relationships
- Organizational excellence

In addition to the DMV overall, the DMV License and Theft Bureau (the law enforcement arm of the DMV) has a draft strategic plan. The License and Theft Bureau's strategic plan is not included in this analysis since it is our understanding that the Bureau will be transferred to the State Highway Patrol. We are not aware of any other DMV subsidiary with their own strategic plan.



Q2. To what extent is the DMV covered by the broader Department of Transportation strategic plan?

The 2023–2025 NC Department of Transportation (NCDOT) strategic plan partially covers the DMV. The NCDOT strategic plan has eight goals, 10 objectives, and 45 performance milestones.

Out of the eight NCDOT goals, only the following two relate to the DMV:

- Goal 2: Improve the reliability and connectivity of the transportation system.
- Goal 4: Provide GREAT customer service.

Out of the ten NCDOT objectives, only two relate to the DMV:

- Objective 2.1: Increase the dependability of transportation and services.
- Objective 4.1: Achieve acceptable customer satisfaction results.

Out of the 45 performance milestones, only two relate to the DMV:

- Performance Measure or Milestone 2.5: DMV Service Reliability – Average customer wait times at DMV facilities (upon check-in). Target: 15–30 minutes.
- Performance Measure or Milestone 4.2: DMV Customer Satisfaction – Satisfaction score of surveyed DMV customers. Target: 70–85 percent

Q3. Does the strategic plan demonstrate commitment to effectiveness? Does the strategic plan include goals and measures related to effectiveness?

We answer this question separately for the NCDOT and DMV strategic plans.

The 2023–2025 NCDOT Strategic Plan

The DMV-relevant performance milestones in the NCDOT Strategic Plan only account for a little over four percent of the total NCDOT performance milestones, addressing the two major criteria for DMV effectiveness set by the OSA:

- Short wait times (Performance Measure or Milestones 2.5)
- Excellent customer service (Performance Measure or Milestones 4.2)

The 2019–2023 DMV Strategic Plan

Out of the four goals defined in the DMV strategic plan (2019–2023), only the following goal demonstrates commitment to effectiveness:

- CUSTOMER SERVICE: Create positive customer experience through professional communication, education, and consistent application of the law.

The DMV strategic plan (2019–2023) operationalizes this goal through three objectives and nine tasks. Out of the three objectives, the following two address effectiveness as defined by the OSA:

- Objective 1.1: Measure customer satisfaction at all service levels
- Objective 1.3: Increase timeliness of service.

Out of the nine tasks, the following meaningfully address the OSA defined effectiveness criteria, namely, short wait times and excellent customer service:

Short wait times:

- Task 1.3.2: Reduce the percentage of wait times that are greater than two hours to less than 10 percent by June 30, 2023.
- Task 1.3.4: Implement efficiencies that reduce average customer call wait time by 50 percent by June 30, 2023.

Excellent customer service:

- Task 1.1.1: Implement methods for measuring customer satisfaction by June 30, 2022.
- Task 1.3.3: Increase the percentage of transactions at driver license offices better than target to 90 percent by June 30, 2023.
- Task 1.1.2: Improve customer satisfaction by 25 percent annually.

The DMV strategic plan (2019–2023) demonstrated adequate commitment to effectiveness.

Q4. Is effectiveness a part of the DMV performance measurement system?

While the DMV strategic plan (2019-2023) includes commitment to decreasing waiting times and increasing customer satisfaction, the documents we were provided did not indicate that data regarding waiting times and customer satisfaction is collected in a consistent and comprehensive way.

Short wait times

The NCDOT strategic plan commits to maintaining average wait times at DMV facilities below 30 minutes (see Performance Measure or Milestone 2.5). Additionally, the DMV strategic plan (2019-2023) aims to reduce the percentage of waiting times exceeding two hours to less than 10 percent (see Task 1.3.2) and reduce average customer call wait time by 50 percent by June 30, 2023 (see Task 1.3.4).

We were unable to establish whether the DMV independently collects waiting time data. Instead, the NCDOT collects partial data on processing times for vehicle titles, vehicle registrations, and driver licenses on the DMV's behalf. The NCDOT system measures the following data on wait times according to the responses received from the DMV:

- The time a customer spends in queues after checking in.
- The time from when a customer is called to the service desk until the service is completed.
- Status of individuals currently checked into the system (waiting, in service, on hold).

This system, however, does not collect other critical information on waiting times such as:

- Median time from requesting an appointment to the time of actual appointment.
- Median time from accessing the DMV website to issuance of driver's license/ vehicle registration/ vehicle title (online).
- Median time from arrival at DMV facility to being invited at the kiosk.
- Percentage of first-visit issuances (for example, driver's licenses being issued on first visit to the DMV facility).
- The percentage of calls answered with three rings.
- Median waiting time for the calls until the customer is connected to a representative.

According to the documents we analyzed, DMV officials lack access to the data that would enable them to consider the actual time customers wait to receive DMV services. DMV officials noted that even the limited data available on the three waiting time items is inconsistent between the various data collection systems. Consequently, DMV facility managers are more likely to depend on their experience and judgment to address the issue of waiting times as they arise, rather than leveraging data to make proactive decisions that could prevent such issues.

Excellent customer service

The NCDOT strategic plan (2023–2025) aims to achieve at least 70 percent satisfaction score from the DMV customers surveyed (see Performance Measure or Milestone 4.2). Additionally, the 2019–2023 DMV strategic plan seeks to improve customer satisfaction by 25 percent annually (see Task 1.1.2).

According to the documents we analyzed, the DMV lacks customer satisfaction data collection. If this is the case, the DMV is less capable of tracking progress towards the above targets expressed in the NCDOT and 2019–2023 DMV strategic plans. According to our review of available documents, the DMV was not able to accomplish the following task defined in its 2019–2023 strategic plan: “Task 1.1.1: Implement methods for measuring customer satisfaction by June 30, 2022.”

The only data on customer satisfaction that we are aware of is the broader customer satisfaction data collected by the NCDOT in 2020 in partnership with the Institute for Transportation Research and Education at NC State University (see NCDOT Statewide Customer Service Survey 2019–2020). In this survey, only 32 percent of customers rated satisfaction with the length of wait time at a DMV office, 20 percent of customers were satisfied with the quality of customer service at a DMV office, and 19 percent were satisfied with the convenience of hours of operation at a DMV office.

Conclusion

The UNC School of Government set out to find responses to the following four questions posed by the OSA about the DMV:

1. Does the North Carolina DMV have an up-to-date strategic plan?
2. To what extent is the DMV covered by the broader Department of Transportation strategic plan?
3. Does the strategic plan demonstrate commitment to effectiveness? Does the strategic plan include goals and measures related to effectiveness?
4. Is effectiveness a part of the DMV performance measurement system?

The OSA defined effectiveness as short wait times and excellent customer experience in the attainment of driver’s licenses, license plates, and other services.

The School has determined that the time period of the DMV’s most recent strategic plan ended in 2023, leaving them without a current plan. The DMV only partially features in the overall NCDOT strategic plan. While the NCDOT strategic plan addresses the two aspects of effectiveness (short wait times and excellent customer service), it does not comprehensively cover the purpose, priorities, and actions of the DMV.

The School was unable to determine whether there had been consistent efforts to collect data on customer satisfaction. Data on waiting times is partial and prone to error. Collecting dependable data on customer satisfaction and waiting times would enable the DMV to monitor its performance, analyze trends, and make proactive, evidence-based decisions to enhance its services in these areas.



Recommendations

The School of Government strongly encourages the DMV to develop a strategic plan independent of the NCDOT. The DMV should also develop a performance management system that connects performance measurement with decision-making to meet the priorities defined in the strategic plan. A holistic performance management plan should cover all services within the DMV, helping the DMV realize the goals of the strategic plan by measuring and analyzing data to proactively make evidence-informed decisions. Such a system will help the DMV in the following three ways:

First, developing a strategic plan will help provide guidance for DMV on resource allocation, operations, and programming. Strategic planning helps public organizations clarify their values, identify organizational purpose and priorities, and define actions to meet those priorities¹. The strategic planning process inculcates collective action and motivates employees to better achieve the organization's purpose, resulting in better decision-making and organizational outcomes.

Second, measuring progress toward the goals and objectives stated in the strategic plan helps fill the information gap between organization leadership and frontline employees.

Finally, this system will give DMV leadership, middle management, and frontline employees the opportunity to engage in dialogue about issues and solutions, develop innovative approaches to problem-solving, and plan and implement actions to improve organizational performance as defined in the strategic plan. The improved public service delivery that results from outcomes achievement should strengthen the quality of life for all North Carolinians.



Executive Summary

This report evaluates the performance management of the North Carolina Division of Motor Vehicles (DMV) as requested by the Office of State Auditor (OSA). It assesses the current state of the DMV's strategic plan and performance measurement efforts.

- **DMV Strategic Plan Status:** The DMV lacks an active strategic plan; the latest plan had a term of 2019–2023.
- **Coverage by NCDOT Plan:** The DMV is only partially covered by the 2023–2025 North Carolina Department of Transportation (NCDOT) strategic plan. Only a small portion of the performance milestones in the NCDOT plan directly apply to the DMV.
- **Commitment to Effectiveness:** The NCDOT strategic plan (2023–2025) includes performance milestones that address key effectiveness criteria such as short wait times and customer satisfaction. The DMV plan (2019–2023) also contained goals aimed at these two criteria.
- **Performance Measurement:** We did not receive sufficient information to definitively determine that the DMV routinely collects data on customer satisfaction. Data on waiting times is unreliable and incomplete. Without this data, the DMV staff would not have been able to make proactive evidence-informed decisions regarding their services.
- **Recommendations:** The report proposes a phased approach to enhance the DMV's strategic plan and performance management system, which includes updating the strategic plan, developing performance objectives, monitoring progress, and making evidence-informed decisions to improve DMV services.

The UNC School of Government is committed to assisting the DMV in improving its operations and performance management practices, ultimately aiming to enhance service effectiveness for North Carolinians.



Driver License Office Service Area Analysis Population per Examiner & Examiner Vacancy Rates Division of Motor Vehicles ITRE & UNCG

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Disclaimer: This analysis is based on data received from NCDMV upon request and represents a “first overview” level of analysis conducted with a limited amount of data correction and cleanup. Given the field-level nature of the data, the subject matter expert research team believes that a follow-up detailed analysis conducted after a thorough data-cleansing will yield more nuanced, and likely, more accurate insights.

Driver License Office Service Area Analysis

Performing a service area population analysis using Voronoi polygons helps show the assessment of service demand across driver's license offices. By constructing Voronoi diagrams¹ around office locations, each polygon outlines the area closest to each location, showing where people are most likely to go for DLO services based on a straight-line distance. Integrating population data with these polygon service areas allows the estimation of population loads per facility. For example, the people living within each polygon are closest to the Driver License Office (DLO) location in that polygon (see Figure 1). With all else being equal, they would choose to visit that location to complete their DMV transactions.

This analysis accounts for population within the service area polygons, population per DLO terminal (a measure of how many people are serviced by a DLO terminal), and population by examiner (a measure of how many people are serviced by a currently employed examiner at a DLO). The purpose of these distinctions is to demonstrate the service population for each DLO as well as the service population for each DLO examiner. This methodology provides a framework for identifying offices that are disproportionately burdened relative to their service area population, informing operational planning, resource optimization, and strategic placement of additional service centers to enhance service equity and efficiency.

Examiner vacancy rates are also included in this analysis. DLOs with low vacancy rates (10 percent or less) are shown in green, those with moderate vacancy rates (10 to 33 percent) are shown in yellow, and DLOs with high vacancy rates (33 percent or higher) are shown in red.

Table 1 and Table 2 show how the DLOs rank based on service area population by employed examiner. Table 1 assesses the 113 open driver license offices and Table 2 accounts for all DLOs, including the two closed offices. For example, Lillington has two terminals available for personnel but currently has only one employed examiner at its location, creating a large examiner burden compared to other locations.

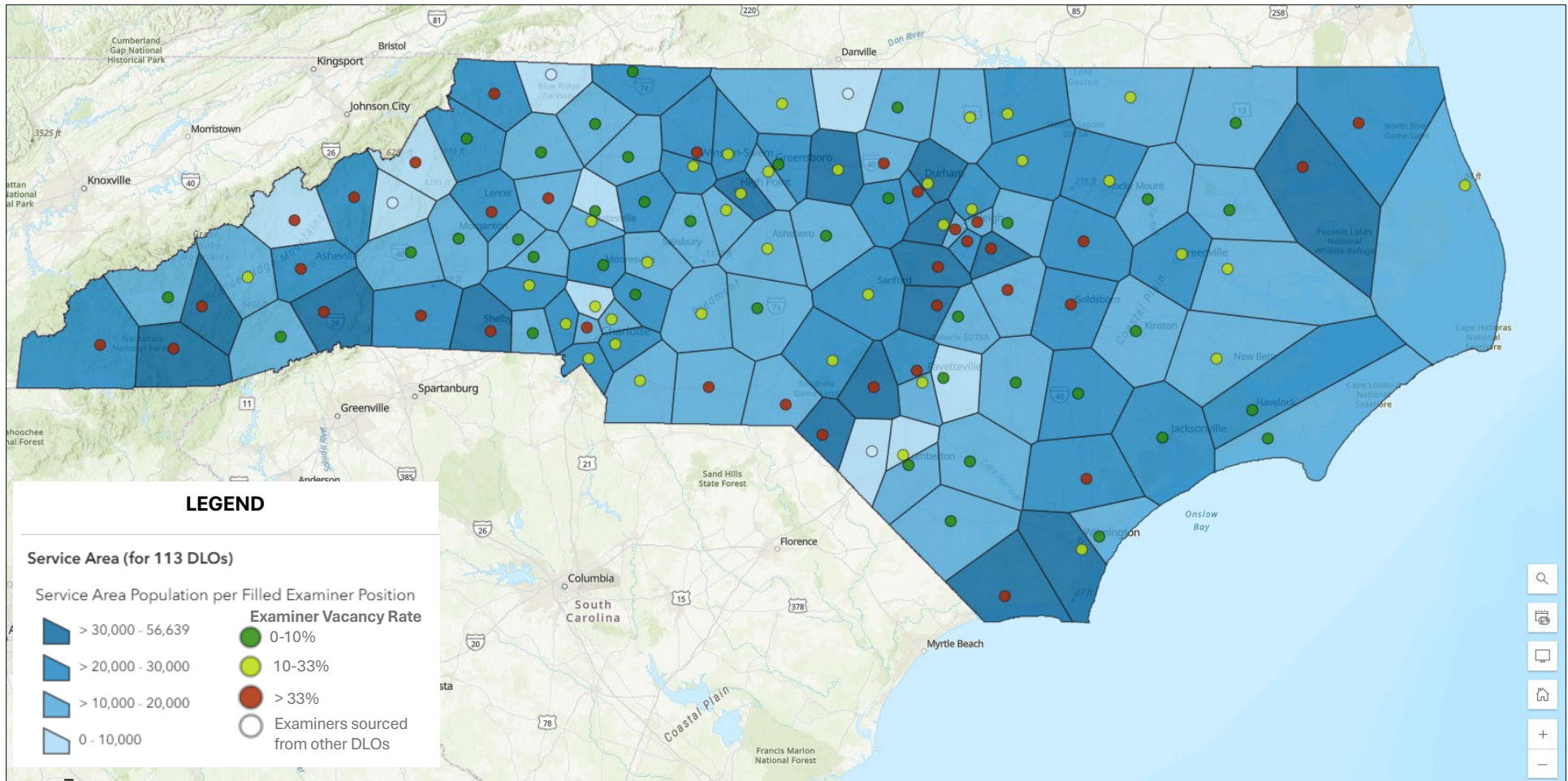
There are some important considerations for this analysis:

- The Asheville Express or Walnut Cove locations that have been closed and are not included in the analysis of the 113 DLOs.
- There are no filled positions at the Marshall or Newland DLOs. Each office has a vacant position for Driver License Examiner I position.
- There are four DLO locations that are only open part-time. These offices draw staff from other offices when they are open. These offices include:
 - Pembroke: operates only on Tuesdays from 8 a.m.-5 p.m.
 - Sparta: operates only on Wednesdays and Thursdays from 8 a.m.-4 p.m.
 - Spruce Pine: operates only on Mondays and Tuesdays from 8 a.m.-4 p.m.
 - Yanceyville: Open only on the first Wednesday of each month from 9 a.m.-12 p.m., and from 1-4 p.m.
- There are ten License and Theft Districts and NCDMV DLO Regions that don't align with each other. These are highlighted in pink in Table 1.

¹ A Voronoi diagram is a way of dividing space into regions based on the distance to a specific set of points. Each region in a Voronoi diagram contains all the points that are closer to one point than to any other.

Appendix F

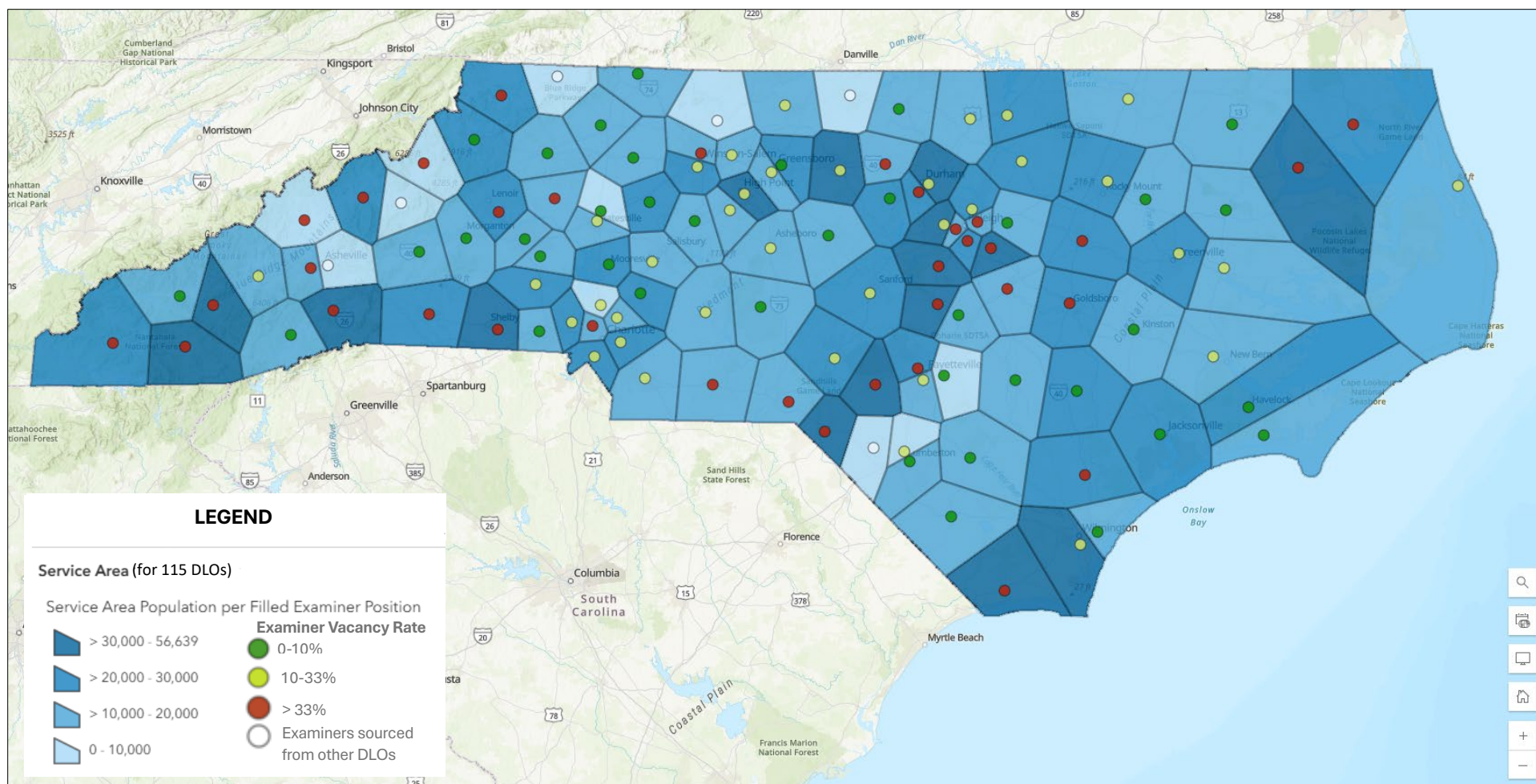
Figure 1. Driver License Office Service Area Analysis – Population per Examiner for the 113 Open DLOs



Understanding the Map. Vacancy rates for each DLO are depicted in green, yellow, and red. There are four offices where vacancies cannot be determined because these offices draw full-time and temporary staff from other DLOs. Vacancy rates are determined by taking the quotient of unfilled positions by total available positions. DLOs that are shown in green indicate office locations with a vacancy rate of 0 to 10 percent. Yellow offices have vacancy rates of 10 to 33 percent. Red offices have vacancy rates greater than 33 percent.

Service area populations for each polygon are denoted by a blue color gradient. The darker the color gradient the larger the population that each examiner has to service.

Figure 2. Driver License Office Service Area Analysis – Population per Examiner for all 115 DLOs



Understanding the Map. Vacancy rates for each DLO are depicted in green, yellow, and red. There are six offices where vacancies cannot be determined. Four of these offices draw full-time and temporary staff from other DLOs and two of them are closed. Vacancy rates are determined by taking the quotient of unfilled positions by total available positions. DLOs that are shown in green indicate office locations with a vacancy rate of 0 to 10 percent. Yellow offices have vacancy rates of 10 to 33 percent. Red offices have vacancy rates greater than 33 percent.

Service area populations for each polygon are denoted by a blue color gradient. The darker the color gradient the larger the population that each examiner has to service.

Table 1. Ranking of DLOs for Service Area Population by Currently Employed Examiner (Analysis for 113 DLOs)

Rank	DLO	County	Examiners	Terminals	Service Area Pop*	Pop By Examiner	Pop By Terminal
1	Lillington	Harnett	1	2	56,639	56,639	28,320
2	Shallotte	Brunswick	2	4	95,044	47,522	23,761
3	Fuquay-Varina	Wake	4	4	163,633	40,908	40,908
4	Durham East	Durham	6	6	243,125	40,521	40,521
5	Franklin	Macon	1	2	40,314	40,314	20,157
6	Sylva	Jackson	1	2	39,353	39,353	19,677
7	Edenton	Chowan	1	1	38,422	38,422	38,422
8	Raeford	Hoke	2	2	76,576	38,288	38,288
9	Clayton	Johnston	3	4	113,862	37,954	28,466
10	Cary	Wake	9	8	326,769	36,308	40,846
11	Wilmington South	New Hanover	6	6	217,127	36,188	36,188
12	Laurinburg	Scotland	1	2	34,625	34,625	17,313
13	Hendersonville	Henderson	5	5	167,224	33,445	33,445
14	Graham	Alamance	6	6	196,658	32,776	32,776
15	High Point	Guilford	5	6	155,876	31,175	25,979
16	Shelby	Cleveland	3	5	92,147	30,716	18,429
17	Mount Holly	Gaston	4	5	117,478	29,370	23,496
18	Jefferson	Ashe	1	2	28,855	28,855	14,428
19	Kenansville	Duplin	2	2	57,121	28,561	28,561
20	Charlotte South	Mecklenburg	14	10	394,033	28,145	39,403
21	Garner	Wake	4	5	111,959	27,990	22,392
22	Raleigh North	Wake	13	11	356,837	27,449	32,440
23	Wilson	Wilson	4	6	109,191	27,298	18,199
24	Havelock	Craven	2	2	54,118	27,059	27,059
25	Goldsboro	Wayne	5	5	131,922	26,384	26,384
26	Andrews	Cherokee	2	2	52,152	26,076	26,076
27	Lincolnton	Lincoln	3	4	78,016	26,005	19,504
28	Sanford	Lee	4	4	103,363	25,841	25,841
29	Fayetteville West	Cumberland	8	9	206,071	25,759	22,897
30	Durham South	Durham	7	7	176,613	25,230	25,230
31	Mocksville	Davie	2	3	49,734	24,867	16,578
32	Burgaw	Pender	2	3	49,542	24,771	16,514
33	Charlotte East	Mecklenburg	15	11	365,487	24,366	33,226
34	Aberdeen	Moore	4	4	96,315	24,079	24,079
35	Louisburg	Franklin	3	3	71,554	23,851	23,851
36	Burnsville	Yancey	1	1	23,820	23,820	23,820
37	Carrboro	Orange	6	5	141,990	23,665	28,398
38	Asheville	Buncombe	10	12	233,286	23,329	19,441
39	Greensboro East	Guilford	8	7	186,510	23,314	26,644
40	Concord	Cabarrus	8	7	181,317	22,665	25,902
41	Elizabeth City	Pasquotank	4	5	90,138	22,535	18,028
42	Hudson	Caldwell	4	5	88,107	22,027	17,621
43	Boone	Watauga	3	3	65,460	21,820	21,820

Rank	DLO	County	Examiners	Terminals	Service Area Pop*	Pop By Examiner	Pop By Terminal
44	Henderson	Vance	3	3	64,461	21,487	21,487
45	Jacksonville	Onslow	10	7	214,461	21,446	30,637
46	Forest City	Rutherford	4	4	85,022	21,256	21,256
47	Winston-Salem North	Forsyth	8	6	169,472	21,184	28,245
48	Kernersville	Forsyth	6	5	125,309	20,885	25,062
49	Rocky Mount	Nash	5	5	102,447	20,489	20,489
50	Mooresville	Iredell	7	4	142,438	20,348	35,610
51	Winston-Salem South	Forsyth	11	8	222,793	20,254	27,849
52	Mount Airy	Surry	3	3	60,319	20,106	20,106
53	Greenville	Pitt	9	9	180,263	20,029	20,029
54	Albemarle	Stanly	4	3	77,793	19,448	25,931
55	Taylorsville	Alexander	2	2	38,601	19,301	19,301
56	Salisbury	Rowan	6	6	114,984	19,164	19,164
57	Roanoke Rapids	Halifax	3	3	56,794	18,931	18,931
58	Tarboro	Edgecombe	2	2	37,598	18,799	18,799
59	Marion	McDowell	3	3	56,226	18,742	18,742
60	Whiteville	Columbus	3	3	53,442	17,814	17,814
61	Asheboro	Randolph	5	5	88,803	17,761	17,761
62	Bryson City	Swain	1	1	17,584	17,584	17,584
63	Wilmington North	New Hanover	8	6	139,666	17,458	23,278
64	Washington	Beaufort	3	4	52,014	17,338	13,004
65	Thomasville	Davidson	4	4	69,046	17,262	17,262
66	Statesville	Iredell	4	4	68,965	17,241	17,241
67	Lexington	Davidson	5	5	85,841	17,168	17,168
68	Troy	Montgomery	2	2	34,092	17,046	17,046
69	Morehead City	Carteret	4	4	68,145	17,036	17,036
70	Clyde	Haywood	4	4	68,091	17,023	17,023
71	Monroe	Union	14	9	237,359	16,954	26,373
72	Polkton	Anson	2	3	33,849	16,925	11,283
73	Ahoskie	Hertford	3	3	50,127	16,709	16,709
74	Hickory	Catawba	7	6	116,273	16,610	19,379
75	Williamston	Martin	2	2	33,212	16,606	16,606
76	Smithfield	Johnston	5	5	81,597	16,319	16,319
77	Fayetteville South	Cumberland	7	6	114,192	16,313	19,032
78	Hamlet	Richmond	3	3	47,878	15,959	15,959
79	Wentworth	Rockingham	6	6	94,430	15,738	15,738
80	Wendell	Wake	5	4	78,641	15,728	19,660
81	Oxford	Granville	3	3	46,452	15,484	15,484
82	Gastonia	Gaston	9	6	137,761	15,307	22,960
83	Nags Head	Dare	3	3	45,469	15,156	15,156
84	Erwin	Harnett	4	3	60,264	15,066	20,088
85	Morganton	Burke	5	5	73,796	14,759	14,759
86	Elizabethtown	Bladen	2	2	29,255	14,628	14,628
87	Greensboro West	Guilford	14	12	201,484	14,392	16,790

Rank	DLO	County	Examiners	Terminals	Service Area Pop*	Pop By Examiner	Pop By Terminal
88	Charlotte North	Mecklenburg	15	16	215,172	14,345	13,448
89	Siler City	Chatham	4	3	56,913	14,228	18,971
90	New Bern	Craven	6	5	83,084	13,847	16,617
91	Kinston	Lenoir	6	5	82,097	13,683	16,419
92	Brevard	Transylvania	3	3	40,977	13,659	13,659
93	Yadkinville	Yadkin	3	3	40,730	13,577	13,577
94	Lumberton CDL	Robeson	3	3	39,715	13,238	13,238
95	Wilkesboro	Wilkes	4	4	52,397	13,099	13,099
96	Charlotte West	Mecklenburg	13	11	167,515	12,886	15,229
97	Clinton	Sampson	4	3	50,836	12,709	16,945
98	Elkin	Surry	3	3	38,043	12,681	12,681
99	Hillsborough	Orange	4	4	48,155	12,039	12,039
100	Roxboro	Person	4	3	48,004	12,001	16,001
101	Newton	Catawba	5	4	59,663	11,933	14,916
102	Raleigh West	Wake	11	13	128,971	11,725	9,921
103	Raleigh East	Wake	10	15	115,152	11,515	7,677
104	Huntersville	Mecklenburg	17	12	168,850	9,932	14,071
105	Lumberton	Robeson	5	6	34,856	6,971	5,809
106	Statesville CDL	Iredell	3	4	20,744	6,915	5,186
107	Stedman	Cumberland	5	4	32,125	6,425	8,031
108	Marshall	Madison	0	1	48,650		48,650
109	Newland	Avery	0	1	20,206		20,206
110	Pembroke	Robeson		1	51,686		51,686
111	Sparta	Alleghany		1	15,093		15,093
112	Spruce Pine	Mitchell		1	20,914		20,914
113	Yanceyville	Caswell		1	21,663		21,663

* Population of the service area is sourced from ESRI Business Analyst’s 2025 block group estimates, which originates from the American Community Survey of the U.S. Census Bureau.

Table 2. Ranking of DLOs for Service Area Population by Currently Employed Examiner (Analysis for all 115 DLOs)

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13	Graham	Alamance	6	6	196,658	32,776	32,776
14	Hendersonville	Henderson	5	5	156,291	31,258	31,258
15	High Point	Guilford	5	6	155,876	31,175	25,979
16	Shelby	Cleveland	3	5	92,147	30,716	18,429
17	Mount Holly	Gaston	4	5	117,478	29,370	23,496
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24	Havelock	Craven	2	2	54,118	27,059	27,059
25	Goldsboro	Wayne	5	5	131,922	26,384	26,384
26	Andrews	Cherokee	2	2	52,152	26,076	26,076
27	Lincolnton	Lincoln	3	4	78,016	26,005	19,504
28	Sanford	Lee	4	4	103,363	25,841	25,841
29	Fayetteville West	Cumberland	8	9	206,071	25,759	22,897
30	Durham South	Durham	7	7	176,613	25,230	25,230
31	Mocksville	Davie	2	3	49,734	24,867	16,578
32	Burgaw	Pender	2	3	49,542	24,771	16,514
33	Charlotte East	Mecklenburg	15	11	365,487	24,366	33,226
34	Aberdeen	Moore	4	4	96,315	24,079	24,079
35	Louisburg	Franklin	3	3	71,554	23,851	23,851
36	Carrboro	Orange	6	5	141,990	23,665	28,398
37	Greensboro East	Guilford	8	7	186,510	23,314	26,644
38	Concord	Cabarrus	8	7	181,317	22,665	25,902
39	Elizabeth City	Pasquotank	4	5	90,138	22,535	18,028
40	Hudson	Caldwell	4	5	88,107	22,027	17,621
41	Burnsville	Yancey	1	1	21,880	21,880	21,880
42	Boone	Watauga	3	3	65,460	21,820	21,820
43	Henderson	Vance	3	3	64,461	21,487	21,487

Appendix F

Rank	DLO	County	Examiners	Terminals	Service Area Pop*	Pop By Examiner	Pop By Terminal
44	Jacksonville	Onslow	10	7	214,461	21,446	30,637
45	Forest City	Rutherford	4	4	85,022	21,256	21,256
46	Rocky Mount	Nash	5	5	102,447	20,489	20,489
47	Mooreville	Iredell	7	4	142,438	20,348	35,610
48	Winston-Salem South	Forsyth	11	8	222,793	20,254	27,849
49	Greenville	Pitt	9	9	180,263	20,029	20,029
50	Albemarle	Stanly	4	3	77,793	19,448	25,931
51	Mount Airy	Surry	3	3	58,032	19,344	19,344
52	Taylorsville	Alexander	2	2	38,601	19,301	19,301
53	Salisbury	Rowan	6	6	114,984	19,164	19,164
54	Roanoke Rapids	Halifax	3	3	56,794	18,931	18,931
55	Kernersville	Forsyth	6	5	113,147	18,858	22,629
56	Tarboro	Edgecombe	2	2	37,598	18,799	18,799
57	Winston-Salem North	Forsyth	8	6	146,002	18,250	24,334
58	Marion	McDowell	3	3	54,725	18,242	18,242
59	Whiteville	Columbus	3	3	53,442	17,814	17,814
60	Asheboro	Randolph	5	5	88,803	17,761	17,761
61	Bryson City	Swain	1	1	17,584	17,584	17,584
62	Wilmington North	New Hanover	8	6	139,666	17,458	23,278
63	Washington	Beaufort	3	4	52,014	17,338	13,004
64	Thomasville	Davidson	4	4	69,046	17,262	17,262
65	Statesville	Iredell	4	4	68,965	17,241	17,241
66	Lexington	Davidson	5	5	85,841	17,168	17,168
67	Troy	Montgomery	2	2	34,092	17,046	17,046
68	Morehead City	Carteret	4	4	68,145	17,036	17,036
69	Clyde	Haywood	4	4	68,091	17,023	17,023
70	Monroe	Union	14	9	237,359	16,954	26,373
71	Polkton	Anson	2	3	33,849	16,925	11,283
72	Ahoskie	Hertford	3	3	50,127	16,709	16,709
73	Hickory	Catawba	7	6	116,273	16,610	19,379
74	Williamston	Martin	2	2	33,212	16,606	16,606
75	Smithfield	Johnston	5	5	81,597	16,319	16,319
76	Fayetteville South	Cumberland	7	6	114,192	16,313	19,032
77	Hamlet	Richmond	3	3	47,878	15,959	15,959
78	Wendell	Wake	5	4	78,641	15,728	19,660
79	Oxford	Granville	3	3	46,452	15,484	15,484
80	Gastonia	Gaston	9	6	137,761	15,307	22,960
81	Nags Head	Dare	3	3	45,469	15,156	15,156
82	Erwin	Harnett	4	3	60,264	15,066	20,088
83	Morganton	Burke	5	5	73,796	14,759	14,759
84	Elizabethtown	Bladen	2	2	29,255	14,628	14,628
85	Greensboro West	Guilford	14	12	201,484	14,392	16,790
86	Charlotte North	Mecklenburg	15	16	215,172	14,345	13,448
87	Siler City	Chatham	4	3	56,913	14,228	18,971

Rank	DLO	County	Examiners	Terminals	Service Area Pop*	Pop By Examiner	Pop By Terminal
88	New Bern	Craven	6	5	83,084	13,847	16,617
89	Kinston	Lenoir	6	5	82,097	13,683	16,419
90	Brevard	Transylvania	3	3	40,977	13,659	13,659
91	Yadkinville	Yadkin	3	3	40,730	13,577	13,577
92	Wentworth	Rockingham	6	6	79,812	13,302	13,302
93	Lumberton CDL	Robeson	3	3	39,715	13,238	13,238
94	Wilkesboro	Wilkes	4	4	52,397	13,099	13,099
95	Charlotte West	Mecklenburg	13	11	167,515	12,886	15,229
96	Clinton	Sampson	4	3	50,836	12,709	16,945
97	Elkin	Surry	3	3	38,043	12,681	12,681
98	Hillsborough	Orange	4	4	48,155	12,039	12,039
99	Roxboro	Person	4	3	48,004	12,001	16,001
100	Newton	Catawba	5	4	59,663	11,933	14,916
101	Raleigh West	Wake	11	13	128,971	11,725	9,921
102	Raleigh East	Wake	10	15	115,152	11,515	7,677
103	Asheville	Buncombe	10	12	109,104	10,910	9,092
104	Huntersville	Mecklenburg	17	12	168,850	9,932	14,071
105	Lumberton	Robeson	5	6	34,856	6,971	5,809
106	Statesville CDL	Iredell	3	4	20,744	6,915	5,186
107	Stedman	Cumberland	5	4	32,125	6,425	8,031
108	Marshall	Madison	0	1	45,816		45,816
109	Newland	Avery	0	1	20,206		20,206
110	Pembroke	Robeson		1	51,686		51,686
111	Sparta	Alleghany		1	15,093		15,093
112	Spruce Pine	Mitchell		1	20,914		20,914
113	Yanceyville	Caswell		1	21,663		21,663
114	Asheville Express	Buncombe		2	141,390		70,695
115	Walnut Cove	Stokes		1	52,537		52,537

*Population of the service area is sourced from ESRI Business Analyst's 2025 block group estimates, which originates from the American Community Survey of the U.S. Census Bureau.

A review of the top 10 offices on this list demonstrate the locations in greatest need of additional staffing to support North Carolina residents. For example, Lillington is the closest DLO for 56,639 people, with only one examiner to service these residents. Thereafter Shallotte, Fuquay-Varina, Durham East, and Franklin all have service populations of more than 40,000 individuals per staffed examiner (see Table 1).

Service Area Analysis – Population per Examiner and DLO Vacancy Rates

To provide another way to visualize how DLOs compare to their peers, two service area metrics (population per examiner and DLO vacancy rate) were normalized and then combined into an index.² This index helped illustrate which DLOs were in the greatest need for additional examiners. This analysis was completed twice. Once for the service areas of all 115 DLOs, which includes the two DLOs that were closed during the period of analysis. Another time for the service areas of the 113 DLOs that are currently open to the public.

Table 3 and Table 4 show the summary statistics used for normalization and the resulting DLO Resource Needs Index for 115 and 113 DLO service areas.³ Both tables are almost identical; however, it can be observed that there is slight variation at the 75th percentile for the DLO Resource Needs Index.⁴ The full tables containing the population per examiner, examiner vacancy rates, their normalized values, and the resulting DLO Resource Needs Index can be viewed in Table 5 and Table 6.

Two service area maps, one for 115 DLOs and one for 113 DLOs were created (see Figure 3 and Figure 4).⁵ The Asheville Express and Walnut Cove locations were closed during the analysis period and were not included in the analysis of the 113 DLOs. The six offices that were not included in either analysis are Marshall, Newland, Pembroke Sparta, Spruce Pine and Yanceyville.⁶

Table 3. Population per Examiner and Examiner Vacancy Rate Statistics (Service Areas for 115 DLOs)

Statistic	Population per Examiner	Examiner Vacancy Rate	DLO Resource Needs Index (1-100)
Minimum	6,425	0%	1
Maximum	56,639	67%	88
25 th Percentile	15,232	0%	13
Mean	21,437	20%	31
75 th Percentile	25,923	33%	41

Table 4. Population per Examiner and Examiner Vacancy Rate Statistics (Service Areas for 113 DLOs)

Statistic	Population per Examiner	Examiner Vacancy Rate	DLO Resource Needs Index (1-100)
Minimum	6,425	0%	1
Maximum	56,639	67%	88
25 th Percentile	15,606	0%	13
Mean	21,672	20%	31
75 th Percentile	25,923	33%	42

² Normalization is a process used to adjust values measured on different scales to a common scale, without distorting differences in the ranges of values. Population per examiner and vacancy rates were normalized using a 1-100 scale and then averaged to create the DLO Resource Needs Index.

³ The Asheville Express DLO and the Walnut Cove DLO were closed during this analysis period. To account for representative service areas with and without the offices in operation service areas for 115 and 113 DLOs were created.

⁴ The variation in comes from the differences resulting from analyzing 113 service areas across the state versus 115 service areas.

⁵ A service area refers to the geographic region closest to a particular driver license office. All people living in the DLO's service area are closer to that DLO than any other driver license office in North Carolina.

⁶ There are no filled positions at the Marshall or Newland DLOs. Each office has a vacant position for Driver License Examiner I position. There are four DLO locations that are only open part-time. These offices draw staff from other offices when they are open, and include (Pembroke: operates only on Tuesdays from 8 a.m.-5 p.m.; Sparta: operates only on Wednesdays and Thursdays from 8 a.m.-4 p.m.; Spruce Pine: operates only on Mondays and Tuesdays from 8 a.m.-4 p.m.; Yanceyville: Open only on the first Wednesday of each month from 9 a.m.-12 p.m., and from 1-4 p.m.)

Appendix F

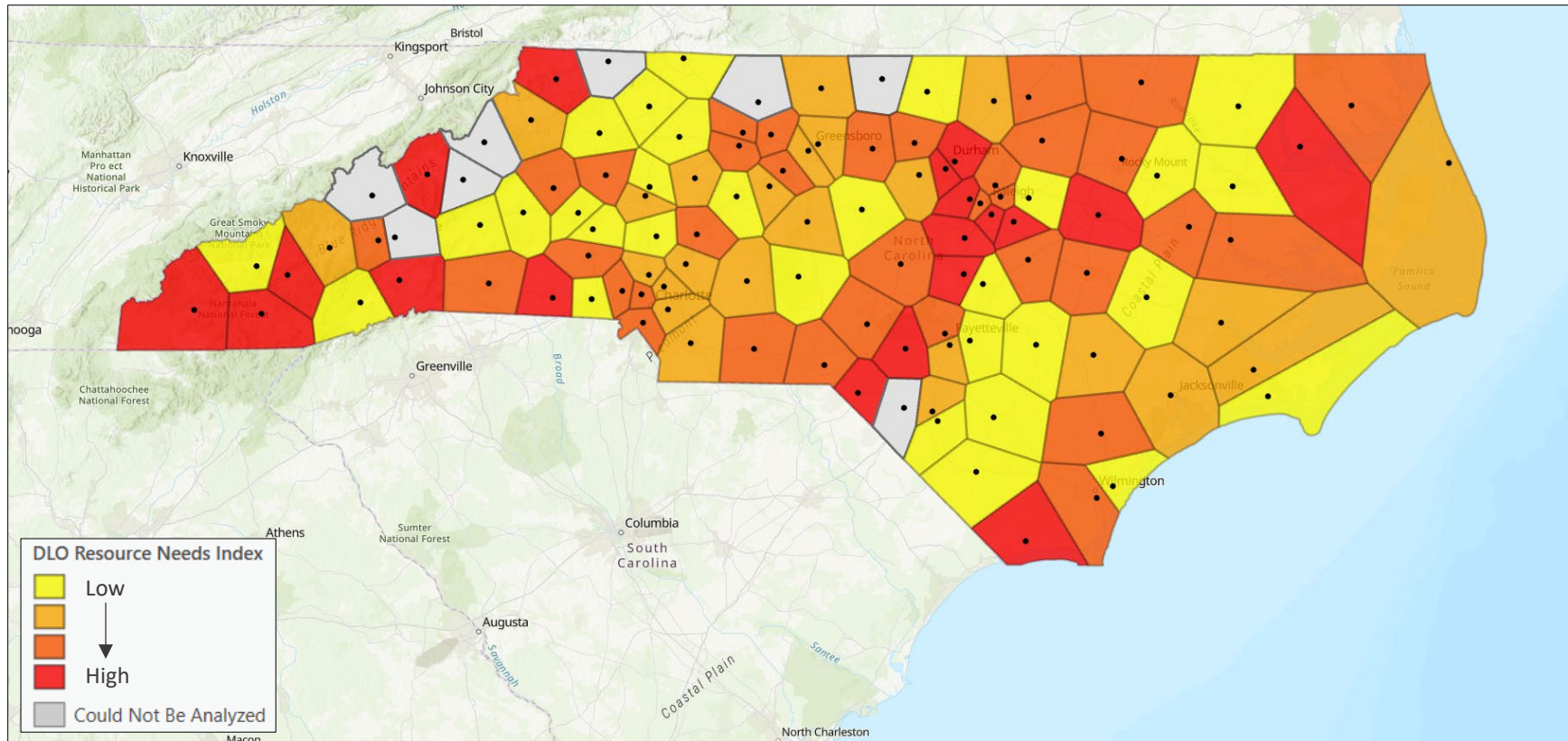


Figure 3. Relative Examiner Needs by DLO (115 DLO Service Areas)

Understanding the Map. This map shows the service areas for 115 driver license offices. The colors for each service area account for the service area population and the examiner vacancy rates, both normalized on a scale of 1-100 and averaged to create the DLO Resource Needs Index. The yellow colors on the map show a relatively low level of DLO Resource Needs, the orange colors demonstrate a moderate level of need, and the red colors show a high level of need.

There were eight driver license offices that could not be analyzed. Those included Asheville Express, Walnut Cove, Marshall, Newland, Pembroke Sparta, Spruce Pine and Yanceyville.

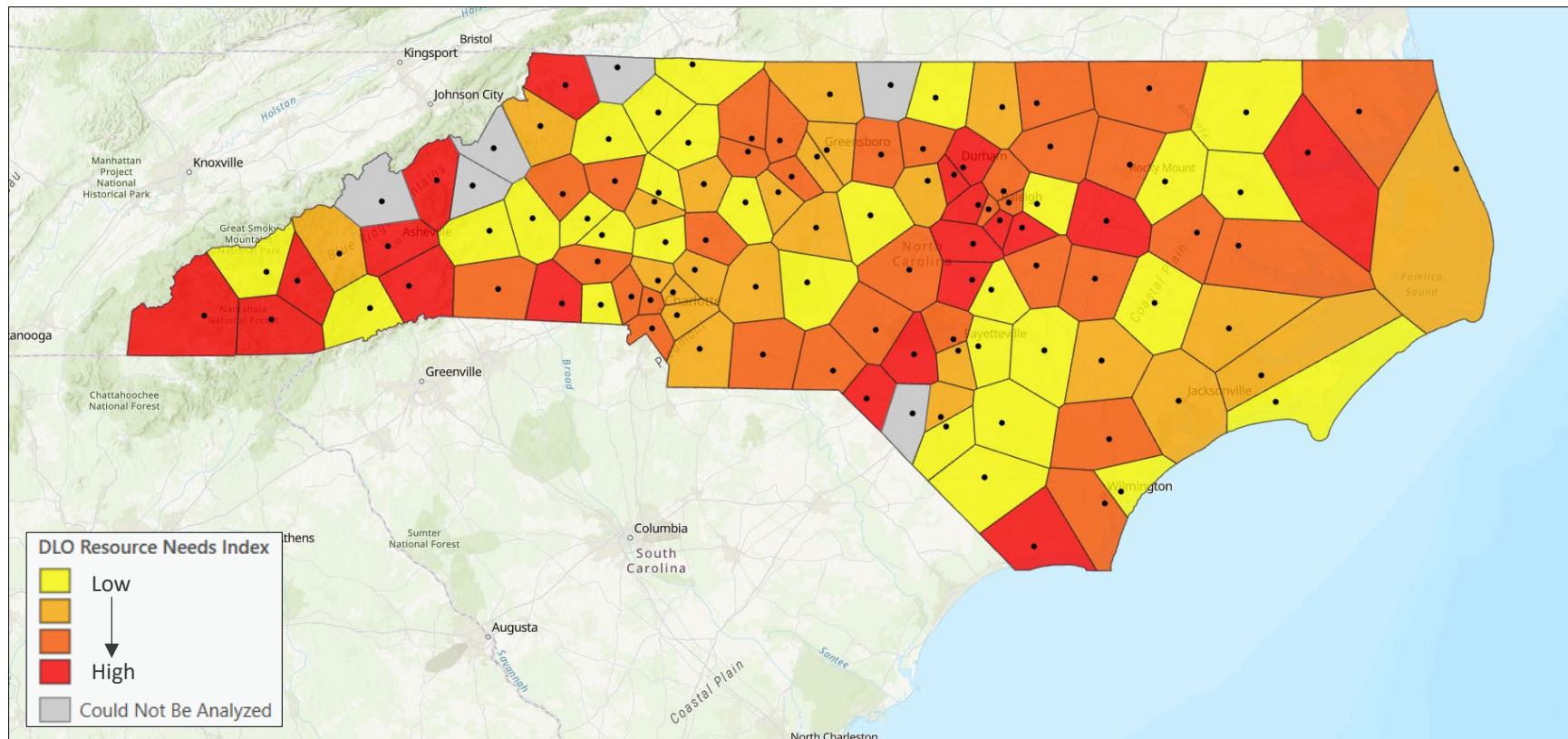


Figure 4. Relative Examiner Needs by DLO (113 DLO Service Areas)

Understanding the Map. This map shows the service areas for 115 driver license offices. The colors for each service area account for the service area population and the examiner vacancy rates, both normalized on a scale of 1-100 and averaged to create the DLO Resource Needs Index. The yellow colors on the map show a relatively low level of DLO Resource Needs, the orange colors demonstrate a moderate level of need, and the red colors show a high level of need.

There were six driver license offices that could not be analyzed. Those included Marshall, Newland, Pembroke Sparta, Spruce Pine and Yanceyville.

Table 5. DLOs Ranked by the DLO Resource Needs Index (Service Areas for 115 DLOs)

DLO	County	Geography	Service Area Population per Examiner	Normalized	Examiner Vacancy Rate	Normalized	DLO Resource Needs Index	Rank
Lillington	Harnett	Rural	56,639	100	50.0%	75	87.6	107
Shallotte	Brunswick	Rural	47,522	82	60.0%	90	86.1	106
Laurinburg	Scotland	Rural	34,625	57	66.7%	100	78.3	105
Franklin	Macon	Rural	40,314	68	50.0%	75	71.5	104
Sylva	Jackson	Rural	39,353	66	50.0%	75	70.6	103
Edenton	Chowan	Rural	38,422	64	50.0%	75	69.7	102
Clayton	Johnston	Suburban	37,954	63	40.0%	60	61.8	101
Jefferson	Ashe	Rural	28,855	45	50.0%	75	60.2	100
Fuquay-Varina	Wake	Suburban	40,908	69	33.3%	50	59.7	99
Hendersonville	Henderson	Rural	31,258	50	44.4%	67	58.5	98
Andrews	Cherokee	Rural	26,076	40	50.0%	75	57.5	97
Raeford	Hoke	Rural	38,288	64	33.3%	50	57.2	96
Shelby	Cleveland	Rural	30,716	49	40.0%	60	54.6	95
Garner	Wake	Suburban	27,990	44	42.9%	65	54.1	94
Wilson	Wilson	Suburban	27,298	42	42.9%	65	53.4	93
Burnsville	Yancey	Rural	21,880	31	50.0%	75	53.4	92
Cary	Wake	Urban	36,308	60	30.8%	47	53.3	91
Durham East	Durham	Urban	40,521	68	25.0%	38	53.2	90
Durham South	Durham	Urban	25,230	38	41.7%	63	50.5	89
Wilmington South	New Hanover	Urban	36,188	60	25.0%	38	48.9	88
Goldsboro	Wayne	Suburban	26,384	40	37.5%	57	48.5	87
Polkton	Anson	Rural	16,925	22	50.0%	75	48.5	86
Fayetteville West	Cumberland	Urban	25,759	39	33.3%	50	44.8	85
Burgaw	Pender	Rural	24,771	37	33.3%	50	43.8	84
Raleigh North	Wake	Urban	27,449	42	27.8%	42	42.4	83
Charlotte South	Mecklenburg	Urban	28,145	44	26.3%	40	42.0	82
Elizabeth City	Pasquotank	Rural	22,535	33	33.3%	50	41.6	81
Hudson	Caldwell	Rural	22,027	32	33.3%	50	41.1	80
Forest City	Rutherford	Rural	21,256	30	33.3%	50	40.4	79
Hamlet	Richmond	Rural	15,959	20	40.0%	60	40.1	78
Lincolnton	Lincoln	Rural	26,005	40	25.0%	38	38.9	77
Smithfield	Johnston	Rural	16,319	21	37.5%	57	38.6	76
Mount Holly	Gaston	Rural	29,370	46	20.0%	31	38.5	75
Taylorsville	Alexander	Rural	19,301	26	33.3%	50	38.4	74
Asheville	Buncombe	Urban	10,910	10	44.4%	67	38.4	73
High Point	Guilford	Urban	31,175	50	16.7%	26	37.8	72
Graham	Alamance	Rural	32,776	53	14.3%	22	37.6	71
Winston-Salem North	Forsyth	Urban	18,250	24	33.3%	50	37.4	70
Louisburg	Franklin	Rural	23,851	35	25.0%	38	36.7	69

DLO	County	Geography	Service Area Population per Examiner	Normalized	Examiner Vacancy Rate	Normalized	DLO Resource Needs Index	Rank
Rocky Mount	Nash	Suburban	20,489	29	28.6%	43	36.1	68
Raleigh West	Wake	Urban	11,725	11	38.9%	59	35.1	67
Sanford	Lee	Suburban	25,841	39	20.0%	31	35.0	66
Henderson	Vance	Rural	21,487	31	25.0%	38	34.4	65
Charlotte West	Mecklenburg	Urban	12,886	14	35.0%	53	33.4	64
Aberdeen	Moore	Rural	24,079	36	20.0%	31	33.3	63
Greenville	Pitt	Urban	20,029	28	25.0%	38	33.0	62
Salisbury	Rowan	Suburban	19,164	26	25.0%	38	32.1	61
Roanoke Rapids	Halifax	Rural	18,931	26	25.0%	38	31.9	60
Kernersville	Forsyth	Suburban	18,858	26	25.0%	38	31.8	59
Hillsborough	Orange	Rural	12,039	12	33.3%	50	31.3	58
Raleigh East	Wake	Urban	11,515	11	33.3%	50	30.8	57
Winston-Salem South	Forsyth	Urban	20,254	28	21.4%	33	30.5	56
Washington	Beaufort	Rural	17,338	23	25.0%	38	30.3	55
Albemarle	Stanly	Rural	19,448	27	20.0%	31	28.7	54
Oxford	Granville	Rural	15,484	19	25.0%	38	28.5	53
Nags Head	Dare	Rural	15,156	18	25.0%	38	28.2	52
Charlotte East	Mecklenburg	Urban	24,366	36	11.8%	18	27.4	51
Thomasville	Davidson	Suburban	17,262	22	20.0%	31	26.5	50
Statesville	Iredell	Suburban	17,241	22	20.0%	31	26.5	49
Clyde	Haywood	Rural	17,023	22	20.0%	31	26.3	48
Huntersville	Mecklenburg	Urban	9,932	8	29.2%	44	26.1	47
Asheboro	Randolph	Suburban	17,761	23	16.7%	26	24.5	46
Kenansville	Duplin	Rural	28,561	45	0.0%	1	22.8	45
Lumberton	Robeson	Rural	6,971	2	28.6%	43	22.8	44
Jacksonville	Onslow	Suburban	21,446	31	9.1%	14	22.6	43
Havelock	Craven	Rural	27,059	42	0.0%	1	21.3	42
Monroe	Union	Suburban	16,954	22	12.5%	20	20.7	41
Fayetteville South	Cumberland	Urban	16,313	20	12.5%	20	20.0	40
Mocksville	Davie	Rural	24,867	37	0.0%	1	19.2	39
New Bern	Craven	Suburban	13,847	16	14.3%	22	18.9	38
Wentworth	Rockingham	Rural	13,302	15	14.3%	22	18.4	37
Greensboro West	Guilford	Urban	14,392	17	12.5%	20	18.1	36
Carrboro	Orange	Rural	23,665	35	0.0%	1	18.0	35
Greensboro East	Guilford	Urban	23,314	34	0.0%	1	17.6	34
Charlotte North	Mecklenburg	Urban	14,345	17	11.8%	18	17.5	33
Concord	Cabarrus	Urban	22,665	33	0.0%	1	17.0	32
Boone	Watauga	Rural	21,820	31	0.0%	1	16.2	31
Mooresville	Iredell	Suburban	20,348	28	0.0%	1	14.7	30
Mount Airy	Surry	Rural	19,344	26	0.0%	1	13.7	29

Appendix F

DLO	County	Geography	Service Area Population per Examiner	Normalized	Examiner Vacancy Rate	Normalized	DLO Resource Needs Index	Rank
Tarboro	Edgecombe	Rural	18,799	25	0.0%	1	13.2	28
Marion	McDowell	Rural	18,242	24	0.0%	1	12.6	27
Whiteville	Columbus	Rural	17,814	23	0.0%	1	12.2	26
Bryson City	Swain	Rural	17,584	23	0.0%	1	12.0	25
Wilmington North	New Hanover	Urban	17,458	23	0.0%	1	11.9	24
Lexington	Davidson	Rural	17,168	22	0.0%	1	11.6	23
Troy	Montgomery	Rural	17,046	22	0.0%	1	11.5	22
Morehead City	Carteret	Rural	17,036	22	0.0%	1	11.5	21
Ahoskie	Hertford	Rural	16,709	21	0.0%	1	11.1	20
Hickory	Catawba	Suburban	16,610	21	0.0%	1	11.0	19
Williamston	Martin	Rural	16,606	21	0.0%	1	11.0	18
Wendell	Wake	Rural	15,728	19	0.0%	1	10.2	17
Gastonia	Gaston	Urban	15,307	19	0.0%	1	9.8	16
Erwin	Harnett	Rural	15,066	18	0.0%	1	9.5	15
Morganton	Burke	Rural	14,759	17	0.0%	1	9.2	14
Elizabethtown	Bladen	Rural	14,628	17	0.0%	1	9.1	13
Siler City	Chatham	Rural	14,228	16	0.0%	1	8.7	12
Kinston	Lenoir	Rural	13,683	15	0.0%	1	8.2	11
Brevard	Transylvania	Rural	13,659	15	0.0%	1	8.1	10
Yadkinville	Yadkin	Rural	13,577	15	0.0%	1	8.0	9
Lumberton CDL	Robeson	Rural	13,238	14	0.0%	1	7.7	8
Wilkesboro	Wilkes	Rural	13,099	14	0.0%	1	7.6	7
Clinton	Sampson	Rural	12,709	13	0.0%	1	7.2	6
Elkin	Surry	Rural	12,681	13	0.0%	1	7.2	5
Roxboro	Person	Rural	12,001	12	0.0%	1	6.5	4
Newton	Catawba	Rural	11,933	12	0.0%	1	6.4	3
Statesville CDL	Iredell		6,915	2	0.0%	1	1.5	2
Stedman	Cumberland	Rural	6,425	1	0.0%	1	1.0	1
Asheville Express	Buncombe	Urban						
Spruce Pine	Mitchell	Rural						
Marshall	Madison	Rural						
Newland	Avery	Rural						
Yanceyville	Caswell	Rural						
Sparta	Alleghany	Rural						
Walnut Cove	Stokes	Rural						
Pembroke	Robeson	Rural						

Table 6. DLOs Ranked by the DLO Resource Needs Index (Service Areas for 113 DLOs)

DLO	County	Geography	Service Area Population per Examiner	Normalized	Examiner Vacancy Rate	Normalized	DLO Resource Needs Index	Rank
Lillington	Harnett	Rural	56,639	100	50.0%	75	87.6	107
Shallotte	Brunswick	Rural	47,522	82	60.0%	90	86.1	106
Laurinburg	Scotland	Rural	34,625	57	66.7%	100	78.3	105
Franklin	Macon	Rural	40,314	68	50.0%	75	71.5	104
Sylva	Jackson	Rural	39,353	66	50.0%	75	70.6	103
Edenton	Chowan	Rural	38,422	64	50.0%	75	69.7	102
Clayton	Johnston	Suburban	37,954	63	40.0%	60	61.8	101
Hendersonville	Henderson	Rural	33,445	54	44.4%	67	60.6	100
Jefferson	Ashe	Rural	28,855	45	50.0%	75	60.2	99
Fuquay-Varina	Wake	Suburban	40,908	69	33.3%	50	59.7	98
Andrews	Cherokee	Rural	26,076	40	50.0%	75	57.5	97
Raeford	Hoke	Rural	38,288	64	33.3%	50	57.2	96
Burnsville	Yancey	Rural	23,820	35	50.0%	75	55.3	95
Shelby	Cleveland	Rural	30,716	49	40.0%	60	54.6	94
Garner	Wake	Suburban	27,990	44	42.9%	65	54.1	93
Wilson	Wilson	Suburban	27,298	42	42.9%	65	53.4	92
Cary	Wake	Urban	36,308	60	30.8%	47	53.3	91
Durham East	Durham	Urban	40,521	68	25.0%	38	53.2	90
Asheville	Buncombe	Urban	23,329	34	44.4%	67	50.7	89
Durham South	Durham	Urban	25,230	38	41.7%	63	50.5	88
Wilmington South	New Hanover	Urban	36,188	60	25.0%	38	48.9	87
Goldsboro	Wayne	Suburban	26,384	40	37.5%	57	48.5	86
Polkton	Anson	Rural	16,925	22	50.0%	75	48.5	85
Fayetteville West	Cumberland	Urban	25,759	39	33.3%	50	44.8	84
Burgaw	Pender	Rural	24,771	37	33.3%	50	43.8	83
Raleigh North	Wake	Urban	27,449	42	27.8%	42	42.4	82
Charlotte South	Mecklenburg	Urban	28,145	44	26.3%	40	42.0	81
Elizabeth City	Pasquotank	Rural	22,535	33	33.3%	50	41.6	80
Hudson	Caldwell	Rural	22,027	32	33.3%	50	41.1	79
Forest City	Rutherford	Rural	21,256	30	33.3%	50	40.4	78
Winston-Salem North	Forsyth	Urban	21,184	30	33.3%	50	40.3	77
Hamlet	Richmond	Rural	15,959	20	40.0%	60	40.1	76
Lincolnton	Lincoln	Rural	26,005	40	25.0%	38	38.9	75
Smithfield	Johnston	Rural	16,319	21	37.5%	57	38.6	74
Mount Holly	Gaston	Rural	29,370	46	20.0%	31	38.5	73
Taylorsville	Alexander	Rural	19,301	26	33.3%	50	38.4	72

DLO	County	Geography	Service Area Population per Examiner	Normalized	Examiner Vacancy Rate	Normalized	DLO Resource Needs Index	Rank
High Point	Guilford	Urban	31,175	50	16.7%	26	37.8	71
Graham	Alamance	Rural	32,776	53	14.3%	22	37.6	70
Louisburg	Franklin	Rural	23,851	35	25.0%	38	36.7	69
Rocky Mount	Nash	Suburban	20,489	29	28.6%	43	36.1	68
Raleigh West	Wake	Urban	11,725	11	38.9%	59	35.1	67
Sanford	Lee	Suburban	25,841	39	20.0%	31	35.0	66
Henderson	Vance	Rural	21,487	31	25.0%	38	34.4	65
Kernersville	Forsyth	Suburban	20,885	30	25.0%	38	33.8	64
Charlotte West	Mecklenburg	Urban	12,886	14	35.0%	53	33.4	63
Aberdeen	Moore	Rural	24,079	36	20.0%	31	33.3	62
Greenville	Pitt	Urban	20,029	28	25.0%	38	33.0	61
Salisbury	Rowan	Suburban	19,164	26	25.0%	38	32.1	60
Roanoke Rapids	Halifax	Rural	18,931	26	25.0%	38	31.9	59
Hillsborough	Orange	Rural	12,039	12	33.3%	50	31.3	58
Raleigh East	Wake	Urban	11,515	11	33.3%	50	30.8	57
Winston-Salem South	Forsyth	Urban	20,254	28	21.4%	33	30.5	56
Washington	Beaufort	Rural	17,338	23	25.0%	38	30.3	55
Albemarle	Stanly	Rural	19,448	27	20.0%	31	28.7	54
Oxford	Granville	Rural	15,484	19	25.0%	38	28.5	53
Nags Head	Dare	Rural	15,156	18	25.0%	38	28.2	52
Charlotte East	Mecklenburg	Urban	24,366	36	11.8%	18	27.4	51
Thomasville	Davidson	Suburban	17,262	22	20.0%	31	26.5	50
Statesville	Iredell	Suburban	17,241	22	20.0%	31	26.5	49
Clyde	Haywood	Rural	17,023	22	20.0%	31	26.3	48
Huntersville	Mecklenburg	Urban	9,932	8	29.2%	44	26.1	47
Asheboro	Randolph	Suburban	17,761	23	16.7%	26	24.5	46
Kenansville	Duplin	Rural	28,561	45	0.0%	1	22.8	45
Lumberton	Robeson	Rural	6,971	2	28.6%	43	22.8	44
Jacksonville	Onslow	Suburban	21,446	31	9.1%	14	22.6	43
Havelock	Craven	Rural	27,059	42	0.0%	1	21.3	42
Wentworth	Rockingham	Rural	15,738	19	14.3%	22	20.8	41
Monroe	Union	Suburban	16,954	22	12.5%	20	20.7	40
Fayetteville South	Cumberland	Urban	16,313	20	12.5%	20	20.0	39
Mocksville	Davie	Rural	24,867	37	0.0%	1	19.2	38
New Bern	Craven	Suburban	13,847	16	14.3%	22	18.9	37
Greensboro West	Guilford	Urban	14,392	17	12.5%	20	18.1	36
Carrboro	Orange	Rural	23,665	35	0.0%	1	18.0	35
Greensboro East	Guilford	Urban	23,314	34	0.0%	1	17.6	34
Charlotte North	Mecklenburg	Urban	14,345	17	11.8%	18	17.5	33
Concord	Cabarrus	Urban	22,665	33	0.0%	1	17.0	32

DLO	County	Geography	Service Area Population per Examiner	Normalized	Examiner Vacancy Rate	Normalized	DLO Resource Needs Index	Rank
Boone	Watauga	Rural	21,820	31	0.0%	1	16.2	31
Mooreville	Iredell	Suburban	20,348	28	0.0%	1	14.7	30
Mount Airy	Surry	Rural	20,106	28	0.0%	1	14.5	29
Tarboro	Edgecombe	Rural	18,799	25	0.0%	1	13.2	28
Marion	McDowell	Rural	18,742	25	0.0%	1	13.1	27
Whiteville	Columbus	Rural	17,814	23	0.0%	1	12.2	26
Bryson City	Swain	Rural	17,584	23	0.0%	1	12.0	25
Wilmington North	New Hanover	Urban	17,458	23	0.0%	1	11.9	24
Lexington	Davidson	Rural	17,168	22	0.0%	1	11.6	23
Troy	Montgomery	Rural	17,046	22	0.0%	1	11.5	22
Morehead City	Carteret	Rural	17,036	22	0.0%	1	11.5	21
Ahoskie	Hertford	Rural	16,709	21	0.0%	1	11.1	20
Hickory	Catawba	Suburban	16,610	21	0.0%	1	11.0	19
Williamston	Martin	Rural	16,606	21	0.0%	1	11.0	18
Wendell	Wake	Rural	15,728	19	0.0%	1	10.2	17
Gastonia	Gaston	Urban	15,307	19	0.0%	1	9.8	16
Erwin	Harnett	Rural	15,066	18	0.0%	1	9.5	15
Morganton	Burke	Rural	14,759	17	0.0%	1	9.2	14
Elizabethtown	Bladen	Rural	14,628	17	0.0%	1	9.1	13
Siler City	Chatham	Rural	14,228	16	0.0%	1	8.7	12
Kinston	Lenoir	Rural	13,683	15	0.0%	1	8.2	11
Brevard	Transylvania	Rural	13,659	15	0.0%	1	8.1	10
Yadkinville	Yadkin	Rural	13,577	15	0.0%	1	8.0	9
Lumberton CDL	Robeson	Rural	13,238	14	0.0%	1	7.7	8
Wilkesboro	Wilkes	Rural	13,099	14	0.0%	1	7.6	7
Clinton	Sampson	Rural	12,709	13	0.0%	1	7.2	6
Elkin	Surry	Rural	12,681	13	0.0%	1	7.2	5
Roxboro	Person	Rural	12,001	12	0.0%	1	6.5	4
Newton	Catawba	Rural	11,933	12	0.0%	1	6.4	3
Statesville CDL	Iredell		6,915	2	0.0%	1	1.5	2
Stedman	Cumberland	Rural	6,425	1	0.0%	1	1.0	1
Spruce Pine	Mitchell	Rural						
Marshall	Madison	Rural						
Newland	Avery	Rural						
Yanceyville	Caswell	Rural						
Sparta	Alleghany	Rural						
Pembroke	Robeson	Rural						

Primary Sources

NCDOT. 2025. *DMV Office Locations*. Online: <https://www.ncdot.gov/dmv/offices-services/locate-dmv-office/Pages/dmv-offices.aspx>

Examiner Data Request. Titled – “April 1 2025 Data KS and RB”

Disclaimer: This analysis is based on data received from NCDMV upon request and represents a “first overview” level of analysis conducted with a limited amount of data correction and cleanup. Given the field-level nature of the data, the subject matter expert research team believes that a follow-up detailed analysis conducted after a thorough data-cleansing will yield more nuanced, and likely, more accurate insights.

Driver License Office Terminals and Examiners

Office	Examiner Terminals	Driver License Office Examiners
Aberdeen	4	4
Ahoskie	3	2
Albemarle	3	3
Andrews	2	2
Asheboro	5	5
Asheville	12	10
Asheville Express	2	0
Boone	3	3
Brevard	3	3
Bryson City	1	1
Burgaw	3	2
Burnsville	1	1
Carrboro	5	6
Cary	8	9
Charlotte East	11	12
Charlotte North	16	15
Charlotte South	10	12
Charlotte West	11	8
Clayton	4	3
Clinton	3	3
Clyde	4	3
Concord	7	8
Durham East	6	6
Durham South	7	6
Edenton (Part Time)	1	1
Elizabeth City	5	4
Elizabethtown	2	2
Elkin	3	3
Erwin	3	3

Office	Examiner Terminals	Driver License Office Examiners
Fayetteville South	6	7
Fayetteville West	9	8
Forest City	4	4
Franklin	2	1
Fuquay-Varina	4	4
Garner	5	4
Gastonia	6	7
Goldsboro	5	5
Graham	6	6
Greensboro East	7	7
Greensboro West	12	13
Greenville	9	9
Hamlet	3	3
Havelock	2	2
Henderson	3	3
Hendersonville	5	5
Hickory	6	6
High Point	6	5
Hillsborough	4	4
Hudson	5	4
Huntersville	12	14
Jacksonville	7	9
Jefferson	2	1
Kenansville	2	2
Kernersville	5	6
Kinston	5	5
Laurinburg	2	1
Lexington	5	5
Lillington	2	1
Lincolnton	4	3

Office	Examiner Terminals	Driver License Office Examiners
Louisburg	3	3
Lumberton	6	4
Lumberton CDL	3	3
Marion	3	3
Marshall (Part Time)	1	0
Mocksville	3	2
Monroe	9	13
Mooreville	4	6
Morehead City	4	4
Morganton	5	5
Mount Airy	3	3
Mount Holly	5	4
Nags Head	3	2
New Bern	5	6
Newland (Part Time)	1	0
Newton	4	4
Oxford	3	2
Pembroke (Part Time)	1	0
Polkton	3	2
Raeford	2	2
Raleigh East	15	8
Raleigh North	11	12
Raleigh West	13	11
Roanoke Rapids	3	3
Rocky Mount	5	5
Roxboro	3	3
Salisbury	6	6
Sanford	4	3
Shallotte	4	2
Shelby	5	3

Office	Examiner Terminals	Driver License Office Examiners
Siler City	3	3
Smithfield	5	4
Sparta (Part Time)	1	0
Spruce Pine (Part Time)	1	0
Statesville	4	4
Statesville CDL	4	3
Stedman	4	4
Sylva	2	1
Tarboro	2	1
Taylorsville	2	1
Thomasville	4	4
Troy	2	2
Walnut Cove (Part Time)	1	0
Washington	4	3
Wendell	4	4
Wentworth	6	6
Whiteville	3	3
Wilkesboro	4	4
Williamston	2	2
Wilmington North	6	7
Wilmington South	6	6
Wilson	6	3
Winston-Salem North	6	8
Winston-Salem South	8	11
Yadkinville	3	3
Yanceyville (Part Time)	1	0
Total	537	505

Driver License Office Examiner Positions - as of April 2025

Driver License Location	Total Positions			Total Filled Positions			Total Vacant Positions		
	Permanent	Temporary	Total	Permanent	Temporary	Total	Permanent	Temporary	Total
Aberdeen	5	0	5	4	0	4	1	0	1
Ahoskie	2	1	3	2	1	3	0	0	0
Albemarle	3	2	5	3	1	4	0	1	1
Andrew	3	1	4	2	0	2	1	1	2
Asheboro	6	0	6	5	0	5	1	0	1
Asheville	13	5	18	10	0	10	3	5	8
*Asheville Express	0	0	0	0	0	0	0	0	0
Boone	3	0	3	3	0	3	0	0	0
Brevard	3	0	3	3	0	3	0	0	0
Bryson City	1	0	1	1	0	1	0	0	0
Burgaw	2	1	3	2	0	2	0	1	1
Burnsville	1	1	2	1	0	1	0	1	1
Carrboro	6	0	6	6	0	6	0	0	0
Cary	9	4	13	9	0	9	0	4	4
Charlotte East	13	4	17	12	3	15	1	1	2
Charlotte North	17	0	17	15	0	15	2	0	2
Charlotte South	15	4	19	12	2	14	3	2	5
Charlotte West	10	10	20	8	5	13	2	5	7
Clayton	4	1	5	3	0	3	1	1	2
Clinton	3	1	4	3	1	4	0	0	0
Clyde	3	2	5	3	1	4	0	1	1
Concord	8	0	8	8	0	8	0	0	0
Durham East	6	2	8	6	0	6	0	2	2
Durham South	7	5	12	6	1	7	1	4	5
East Greensboro	7	1	8	7	1	8	0	0	0
Edenton	2	0	2	1	0	1	1	0	1
Elizabeth City	5	1	6	4	0	4	1	1	2
Elizabethtown	2	0	2	2	0	2	0	0	0
Elkin	3	0	3	3	0	3	0	0	0
Erwin	3	1	4	3	1	4	0	0	0
Forest City	4	2	6	4	0	4	0	2	2
Franklin	2	0	2	1	0	1	1	0	1
Fuquay Varina	4	2	6	4	0	4	0	2	2
Garner	5	2	7	4	0	4	1	2	3
Gastonia	7	2	9	7	2	9	0	0	0
Goldsboro	8	0	8	5	0	5	3	0	3
Graham	7	0	7	6	0	6	1	0	1
Greenville	11	1	12	9	0	9	2	1	3
Hamlet	4	1	5	3	0	3	1	1	2
Havelock	2	0	2	2	0	2	0	0	0

* Locations do not have assigned examiners and/or are DLO locations only open part-time. Examiners assigned to locations are used to staff these locations when necessary.

Driver License Location	Total Positions				Total Filled Positions				Total Vacant Positions		
	Permanent	Temporary	Total		Permanent	Temporary	Total		Permanent	Temporary	Total
Henderson	3	1	4		3	0	3		0	1	1
Hendersonville	6	3	9		5	0	5		1	3	4
Hickory	6	1	7		6	1	7		0	0	0
High Point	6	0	6		5	0	5		1	0	1
Hillsborough	4	2	6		4	0	4		0	2	2
Hudson	4	2	6		4	0	4		0	2	2
Huntersville	16	8	24		14	3	17		2	5	7
Jacksonville	10	1	11		9	1	10		1	0	1
Jefferson	2	0	2		1	0	1		1	0	1
Kenansville	2	0	2		2	0	2		0	0	0
Kernersville	6	2	8		6	0	6		0	2	2
Kinston	5	1	6		5	1	6		0	0	0
Laurinburg	3	0	3		1	0	1		2	0	2
Lexington	5	0	5		5	0	5		0	0	0
Lillington	2	0	2		1	0	1		1	0	1
Lincolnton	4	0	4		3	0	3		1	0	1
Louisburg	3	1	4		3	0	3		0	1	1
Lumberton	6	1	7		4	1	5		2	0	2
Lumberton CDL	3	0	3		3	0	3		0	0	0
Marion	3	0	3		3	0	3		0	0	0
Marshall	1	0	1		0	0	0		1	0	1
Mocksville	2	0	2		2	0	2		0	0	0
Monroe	13	3	16		13	1	14		0	2	2
Mooresville	6	1	7		6	1	7		0	0	0
Morehead City	4	0	4		4	0	4		0	0	0
Morganton	5	0	5		5	0	5		0	0	0
Mt Holly	5	0	5		4	0	4		1	0	1
Mt. Airy	3	0	3		3	0	3		0	0	0
N. Winston	8	4	12		8	0	8		0	4	4
N. Wilmington	7	1	8		7	1	8		0	0	0
Nags Head	2	2	4		2	1	3		0	1	1
New Bern	6	1	7		6	0	6		0	1	1
*Newland	1	0	1		0	0	0		1	0	1
Newton	4	1	5		4	1	5		0	0	0
Oxford	3	1	4		2	1	3		1	0	1
Pembroke	0	0	0		0	0	0		0	0	0
Polkton	3	1	4		2	0	2		1	1	2

* Locations do not have assigned examiners and/or are DLO locations only open part-time. Examiners assigned to locations are used to staff these locations when necessary

Driver License Location	Total Positions			Total Filled Positions			Total Vacant Positions		
	Permanent	Temporary	Total	Permanent	Temporary	Total	Permanent	Temporary	Total
Raeford	3	0	3	2	0	2	1	0	1
Raleigh East	8	7	15	8	2	10	0	5	5
Raleigh North	12	6	18	12	1	13	0	5	5
Raleigh West	14	4	18	11	0	11	3	4	7
Roanoke Rapids	3	1	4	3	0	3	0	1	1
Rocky Mount	6	1	7	5	0	5	1	1	2
Roxboro	3	1	4	3	1	4	0	0	0
S. Winston	11	3	14	11	0	11	0	3	3
S. Fayetteville	7	1	8	7	0	7	0	1	1
S. Wilmington	7	1	8	6	0	6	1	1	2
Salisbury	7	1	8	6	0	6	1	1	2
Sanford	4	1	5	3	1	4	1	0	1
Shallotte	4	1	5	2	0	2	2	1	3
Shelby	4	1	5	3	0	3	1	1	2
Siler City	3	1	4	3	1	4	0	0	0
Smithfield	5	3	8	4	1	5	1	2	3
*Sparta	0	0	0	0	0	0	0	0	0
*Spruce Pine	0	0	0	0	0	0	0	0	0
Statesville	4	1	5	4	0	4	0	1	1
Statesville CDL	3	0	3	3	0	3	0	0	0
Stedman	4	1	5	4	1	5	0	0	0
Sylva	2	0	2	1	0	1	1	0	1
Tarboro	1	1	2	1	1	2	0	0	0
Taylorsville	2	1	3	1	1	2	1	0	1
Thomasville	4	1	5	4	0	4	0	1	1
Troy	2	0	2	2	0	2	0	0	0
W. Fayetteville	9	3	12	8	0	8	1	3	4
*Walnut Cove	0	0	0	0	0	0	0	0	0
Washington	4	0	4	3	0	3	1	0	1
Wendell	4	1	5	4	1	5	0	0	0
Wentworth	6	1	7	6	0	6	0	1	1
West Greensboro	14	2	16	13	1	14	1	1	2
Whiteville	3	0	3	3	0	3	0	0	0
Wilkesboro	4	0	4	4	0	4	0	0	0
Williamston	2	0	2	2	0	2	0	0	0
Wilson	5	2	7	3	1	4	2	1	3
Yadkinville	3	0	3	3	0	3	0	0	0
*Yanceyville	0	0	0	0	0	0	0	0	0
Total	568	142	710	505	45	550	63	97	160

* Locations do not have assigned examiners and/or are DLO locations only open part-time. Examiners assigned to locations are used to staff these locations when necessary

Average Salary of Driver License Examiner Positions – Fiscal Year 2024

Position Description	Position Average Salary
Driver License Examiner I	\$ 42,817.85
Driver License Examiner II	\$ 48,525.31
Driver License Supervisor	\$ 56,386.91

Average Salaries of Driver License Examiners by Location - Fiscal Year 2024

Driver License Office Location	Driver License Examiner I	Driver License Examiner II	Driver License Supervisor	Average Location Salary
Aberdeen	\$ 42,837		\$ 56,422	\$ 46,234
Ahoskie	\$ 42,103			\$ 42,103
Albemarle	\$ 42,103		\$ 56,422	\$ 46,876
Andrews	\$ 42,103			\$ 42,103
Asheboro	\$ 42,871		\$ 56,422	\$ 45,130
Asheville	\$ 42,408		\$ 56,422	\$ 44,160
Boone	\$ 43,802		\$ 56,422	\$ 48,008
Brevard	\$ 42,103			\$ 42,103
Bryson City	\$ 42,103			\$ 42,103
Burgaw	\$ 43,802			\$ 43,802
Burnsville	\$ 42,103			\$ 42,103
Carrboro	\$ 42,304		\$ 56,422	\$ 44,657
Cary	\$ 43,703	\$ 48,740	\$ 56,422	\$ 45,676
Charlotte East	\$ 42,461		\$ 56,422	\$ 44,011
Charlotte North	\$ 42,412	\$ 48,740	\$ 56,422	\$ 43,768
Charlotte South	\$ 42,133	\$ 48,740	\$ 56,422	\$ 43,526
Charlotte West	\$ 43,167	\$ 48,740	\$ 56,422	\$ 44,879
Clayton	\$ 44,902			\$ 44,902
Clinton	\$ 42,892		\$ 56,422	\$ 47,402
Clyde	\$ 42,103		\$ 56,422	\$ 46,876
Concord	\$ 43,727		\$ 56,422	\$ 45,541
Durham East	\$ 42,796		\$ 56,422	\$ 45,067
Durham South	\$ 41,755		\$ 56,422	\$ 44,689
Edenton	\$ 42,103			\$ 42,103
Elizabeth City	\$ 42,221		\$ 56,422	\$ 45,772

Driver License Office Location	Driver License Examiner I	Driver License Examiner II	Driver License Supervisor	Average Location Salary
Elizabethtown	\$ 50,208			\$ 50,208
Elkin	\$ 41,797		\$ 56,422	\$ 46,672
Erwin	\$ 45,897		\$ 56,422	\$ 51,160
Fayetteville South	\$ 44,766	\$ 46,865	\$ 56,422	\$ 46,731
Fayetteville West	\$ 42,567		\$ 56,422	\$ 44,546
Forest City	\$ 43,235		\$ 56,422	\$ 46,532
Franklin	\$ 42,103			\$ 42,103
Fuquay Varina	\$ 43,235		\$ 56,422	\$ 46,532
Garner	\$ 43,707		\$ 56,422	\$ 46,250
Gastonia	\$ 44,563		\$ 56,422	\$ 46,539
Goldsboro	\$ 43,005		\$ 56,422	\$ 44,921
Graham	\$ 43,512		\$ 56,422	\$ 46,094
Greensboro East	\$ 43,802		\$ 56,422	\$ 46,326
Greensboro West	\$ 41,992	\$ 48,740	\$ 56,422	\$ 43,986
Greenville	\$ 43,016		\$ 56,422	\$ 44,505
Hamlet	\$ 45,981		\$ 56,422	\$ 49,461
Havelock	\$ 43,802			\$ 43,802
Henderson	\$ 43,802		\$ 56,422	\$ 48,008
Hendersonville	\$ 42,349		\$ 56,422	\$ 44,695
Hickory	\$ 43,293			\$ 43,293
High Point	\$ 41,899		\$ 56,422	\$ 45,530
Hillsborough	\$ 43,571		\$ 56,422	\$ 46,784
Hudson	\$ 41,294		\$ 56,422	\$ 46,336
Huntersville	\$ 42,071		\$ 56,422	\$ 43,027
Jacksonville	\$ 42,728	\$ 48,740	\$ 55,608	\$ 45,090
Jefferson	\$ 41,797			\$ 41,797
Kenansville	\$ 46,330			\$ 46,330
Kernersville	\$ 41,545	\$ 48,740	\$ 56,422	\$ 45,224
Kinston	\$ 43,041		\$ 56,422	\$ 45,717
Laurinburg	\$ 42,103			\$ 42,103
Lexington	\$ 43,890		\$ 56,422	\$ 46,397
Lillington	\$ 44,964			\$ 44,964
Lincolnton	\$ 42,213		\$ 56,422	\$ 45,765
Louisburg	\$ 41,294			\$ 41,294
Lumberton	\$ 43,663		\$ 56,422	\$ 45,790
Lumberton CDL	\$ 42,103		\$ 56,422	\$ 46,876
Marion	\$ 42,103		\$ 56,422	\$ 46,876
Marshall	\$ 43,109			\$ 43,109
Mocksville	\$ 42,103			\$ 42,103
Monroe	\$ 41,606	\$ 48,740	\$ 56,127	\$ 43,272

Driver License Office Location	Driver License Examiner I	Driver License Examiner II	Driver License Supervisor	Average Location Salary
Mooreville	\$ 41,787		\$ 56,422	\$ 44,714
Morehead City	\$ 42,103		\$ 56,422	\$ 49,263
Morganton	\$ 42,103		\$ 56,422	\$ 46,876
Mount Airy	\$ 45,500		\$ 56,422	\$ 49,141
Mount Holly	\$ 42,696		\$ 56,422	\$ 46,127
Nags Head	\$ 42,606			\$ 42,606
New Bern	\$ 42,550		\$ 56,422	\$ 44,862
Newland	\$ 42,103			\$ 42,103
Newton	\$ 42,103		\$ 56,422	\$ 46,876
Oxford	\$ 41,471		\$ 56,422	\$ 46,455
Polkton	\$ 50,149			\$ 50,149
Raeford	\$ 40,484			\$ 40,484
Raleigh East	\$ 43,204	\$ 48,740		\$ 44,311
Raleigh North	\$ 42,332	\$ 49,055	\$ 56,422	\$ 44,066
Raleigh West	\$ 41,976	\$ 48,740	\$ 56,422	\$ 44,353
Reidsville	\$ 42,513		\$ 56,422	\$ 45,991
Roanoke Rapids	\$ 42,103		\$ 56,422	\$ 46,876
Rocky Mount	\$ 42,174		\$ 56,422	\$ 44,549
Roxboro	\$ 42,719		\$ 56,422	\$ 47,286
Salisbury	\$ 42,103		\$ 56,422	\$ 44,149
Sanford	\$ 42,103		\$ 56,422	\$ 46,876
Shallotte	\$ 45,515		\$ 56,422	\$ 48,242
Shelby	\$ 42,103		\$ 56,422	\$ 46,876
Siler City	\$ 43,516		\$ 55,608	\$ 47,547
Smithfield	\$ 43,172		\$ 56,422	\$ 45,822
Statesville	\$ 43,571		\$ 56,422	\$ 46,784
Statesville CDL	\$ 43,802			\$ 43,802
Stedman	\$ 44,283		\$ 56,422	\$ 48,329
Sylva	\$ 42,103			\$ 42,103
Tarboro	\$ 42,103			\$ 42,103

Driver License Office Location	Driver License Examiner I	Driver License Examiner II	Driver License Supervisor	Average Location Salary
Taylorsville	\$ 42,103			\$ 42,103
Thomasville	\$ 43,235		\$ 56,422	\$ 46,532
Troy	\$ 43,109			\$ 43,109
Washington	\$ 45,500		\$ 56,422	\$ 49,141
Wendell	\$ 43,571		\$ 56,422	\$ 46,784
Whiteville	\$ 41,294		\$ 56,422	\$ 46,336
Wilkesboro	\$ 45,244		\$ 56,422	\$ 48,970
Williamston	\$ 43,802			\$ 43,802
Wilmington North	\$ 42,976	\$ 48,740	\$ 56,422	\$ 45,720
Wilmington South	\$ 42,644			\$ 42,644
Wilson	\$ 42,103			\$ 42,103
Winston-Salem North	\$ 42,103	\$ 48,740	\$ 56,422	\$ 45,097
Winston-Salem South	\$ 42,370	\$ 46,865	\$ 56,422	\$ 44,224
Yadkinville	\$ 42,103		\$ 55,608	\$ 46,605

Note: 109 of 115 DLO locations are included in the salary ranges above. There are 6 DLO locations (Asheville Express, Pembroke, Sparta, Walnut Cove, Yanceyville, and Spruce Pine) that do not have staff permanently assigned to them as they are considered part-time DLOs, and thus would have no salaries to include in the data above.



Driver License Office Visitor Transaction Analysis Division of Motor Vehicles

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Disclaimer: This analysis is based on data received from NCDMV upon request and represents a “first overview” level of analysis conducted with a limited amount of data correction and cleanup. Given the field-level nature of the data, the subject matter expert research team believes that a follow-up detailed analysis conducted after a thorough data-cleansing will yield more nuanced, and likely, more accurate insights.

Customer Transactions Analysis

An analysis of transactions by ZIP code was undertaken for 10 months of transaction data within fiscal year 2025 (July 1, 2024 to April 30, 2025). This involved an evaluation of a sample of 1,510,678 ZIP Code records, which were used to estimate how far people had to travel to complete their transactions at a North Carolina DLO. An example drive-time analysis is shown in Figure 1. The transaction analysis also involved determining the share of customers who completed their transactions at the DLO within their service area compared to those who conducted a transaction at a DLO outside of their service area. An example service area analysis is shown in Figure 2.

Data Preparation and Cleaning

After receiving ZIP code data from NCDMV in three excel spreadsheets, some data cleaning and preparation was required for the analysis. These steps are documented as follows:

Removal of Non-DLO Transactions. There were several types of transactions that the North Carolina Division of Motor Vehicles conducted that did not occur at DLO's, but were included in the dataset. These transactions included DLCIR Training West, DMV Central Office, Help Desk Certification, Mobile Unit, and SB824 Issuances. These types of transactions were excluded from the analysis in addition to transactions for Asheville Express and Walnut Cove (see below). This involved the removal of 7,225 records (approximately 0.5 percent).

Centroid and Latitude and Longitude Assignment for Customer ZIP Codes. The centroid of each ZIP code was assigned to customers traveling from an outside ZIP code to the DLO Zip code.¹ When a customer commuted from within the same zip code, the weighted average of the distance from all Census block group population centroids residing within the ZIP code to the DLO were used.²

Using ZIP code and centroids to estimate how far customers traveled to reach a driver license office in North Carolina is an approximation method that provides a reasonable, though imperfect, solution. While it does not capture the exact starting point of each customer's journey, this technique offers a practical and consistent way to estimate travel distances when individual address-level data is unavailable. As such, it serves as a valuable next-best alternative for analyzing customer travel patterns across ZIP codes.

Statesville CDL, Asheville Express, Walnut Cove Cleaning. The transaction dataset acquired from NCDMV contained **DLO Name** as an identifying attribute. Of the 115 DLOs in North Carolina, the Statesville CDL office, was not coded in the dataset. There were records with the **DLO Name** listed as Statesville. However, there is a Statesville DLO. For this analysis, the research team assumed that all transactions coded to the Statesville DLO were intended for that location and that any Statesville CDL transactions were missing from the dataset.

¹ ESRI's US Postal ZIP code layer was used to assign ZIP Code centroids for the customers commuting from a ZIP code outside of the ZIP DLO's ZIP code to make a transaction. A centroid is a single point that represents the geographic center of a ZIP code or a census block group boundary. A Census block group is a statistical geographic unit used by the U.S. Census Bureau.

² ESRI Business Analyst block group population data for calendar year 2025, sourced from the American Community Survey of the US Census Bureau, were used to generate the population centroids used for weighted average distancing of customers who traveled to DLOs in the same ZIP code.

Findings

An analysis of ZIP code data focused on customers travel distances and evaluated customers traveling outside of their service areas to complete DLO transactions. When customers traveled outside of their DLO service area, beyond the DLO that was closest to them, nearly one-third of those trips involved travel times of 30 to 60 minutes and over 10 percent of trips involve one-way travel times of more than 60 minutes (see Table 1). Furthermore, customers completing transactions outside of their service areas, traveled further to complete DLO transactions in rural areas with approximately 54.2 percent of drive times requiring a minimum of 30 minutes to drive one-way. This trend is also highlighted by the longer one-way travel distance rural DLO customers make (28.6 miles) relative to suburban and urban DLO customers (23.3 and 18.3 miles respectively, see Table 2).

When evaluating DLO service areas, it can be observed that approximately 52.5 percent of transactions occur within DLO service areas and 47.5 percent occur outside of DLO service areas in the State of North Carolina (see Table 3).

Table 1. Drive Times to Complete Transactions for Customers Outside of DLO Service Areas

Geography ³	0-30 Minute Drive Time Transactions	30-60 Minute Drive Time Transactions	60+ Minute Drive Time Transactions	Totals
Statewide	57.6%	31.2%	11.3%	100%
Rural	45.8%	40.2%	14.0%	100%
Suburban	56.0%	33.7%	10.3%	100%
Urban	74.9%	17.2%	8.0%	100%

Table 2. Average Travel Distances for Customers Coming from Outside DLO Service Areas

Geography ³	Average Distance in Miles
Statewide	24.1
Rural	28.6
Suburban	23.3
Urban	18.3

Table 3. Comparing Transactions Completed within the Service Areas of DLOs by Geography

Geography ³	Transactions in Service Area	Transactions Outside Service Area (0-30min)	Transactions Outside Service Area (30-60min)	Transactions Outside Service Area (60+ Min)
Statewide	52.5%	27.3%	14.8%	5.3%
Rural	50.2%	22.8%	20.0%	7.0%
Suburban	56.2%	24.5%	14.8%	4.5%
Urban	53.6%	34.7%	8.0%	3.7%

³ For the purposes of this analysis urban, suburban, and rural DLOs were defined by the population of the city or town they reside in. DLOs in locations with less than 25,000 residents were classified as rural, locations with 25,000 to 75,000 residents were classified as suburban, and locations with a resident population greater than 75,000 were classified as urban.

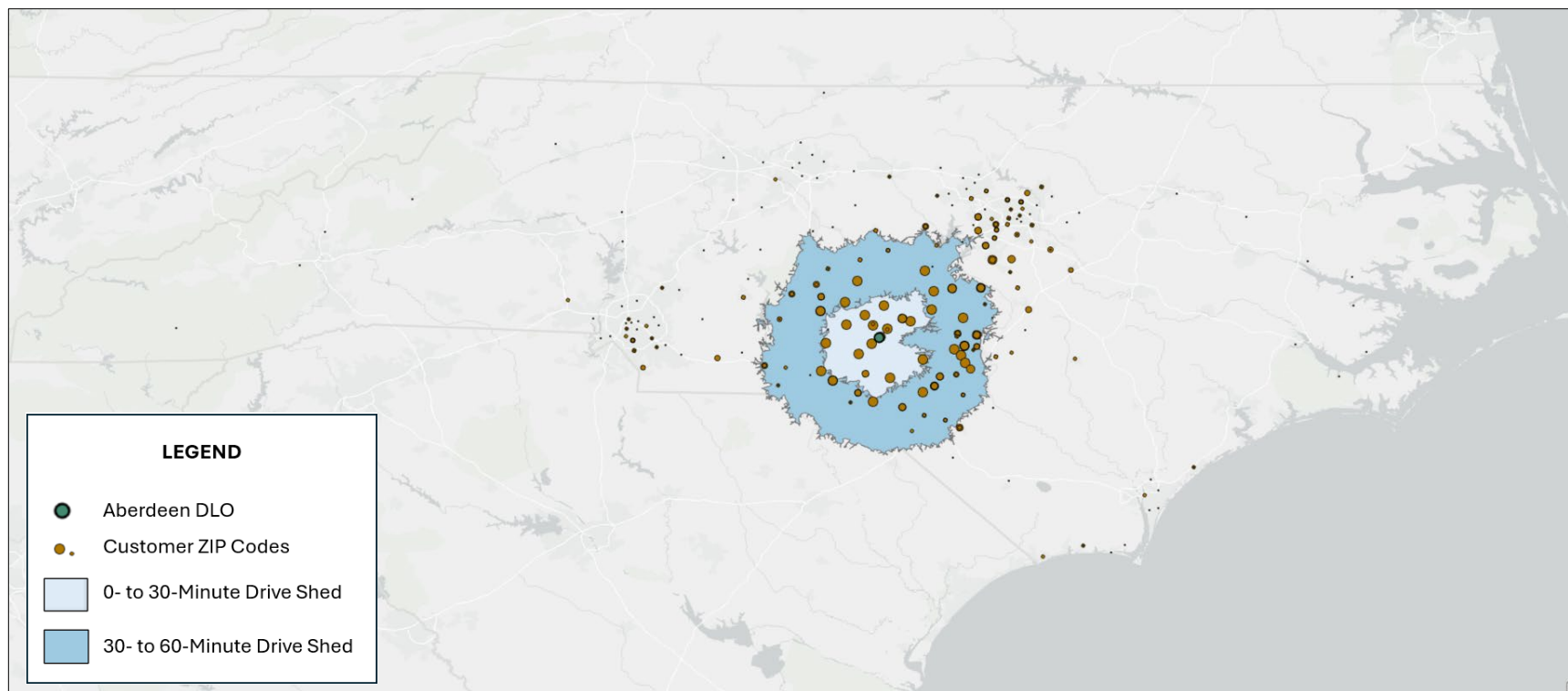


Figure 1. Customer Transactions by ZIP Code and Drive Time for Aberdeen DLO

Figure 1 offers an example of how a drive shed analysis was conducted using NCDMV transaction data. The total number of transactions occurring by customer ZIP code were summed within a 30-minute drive time, within a 30-to 60-minute drive time, and beyond a 60-minute drive time. Results are shown below and in Table 4.

- Transactions occurring for customers within a 30-minute drive time: **9,744** (79.5 percent of all transactions)
- Transactions occurring for customers within a 30-to 60-minute drive time: **2,122** (17.3 percent of all transactions)
- Transactions occurring for customers with more than a 60-minute drive time: **389** (3.2 percent of all transactions)

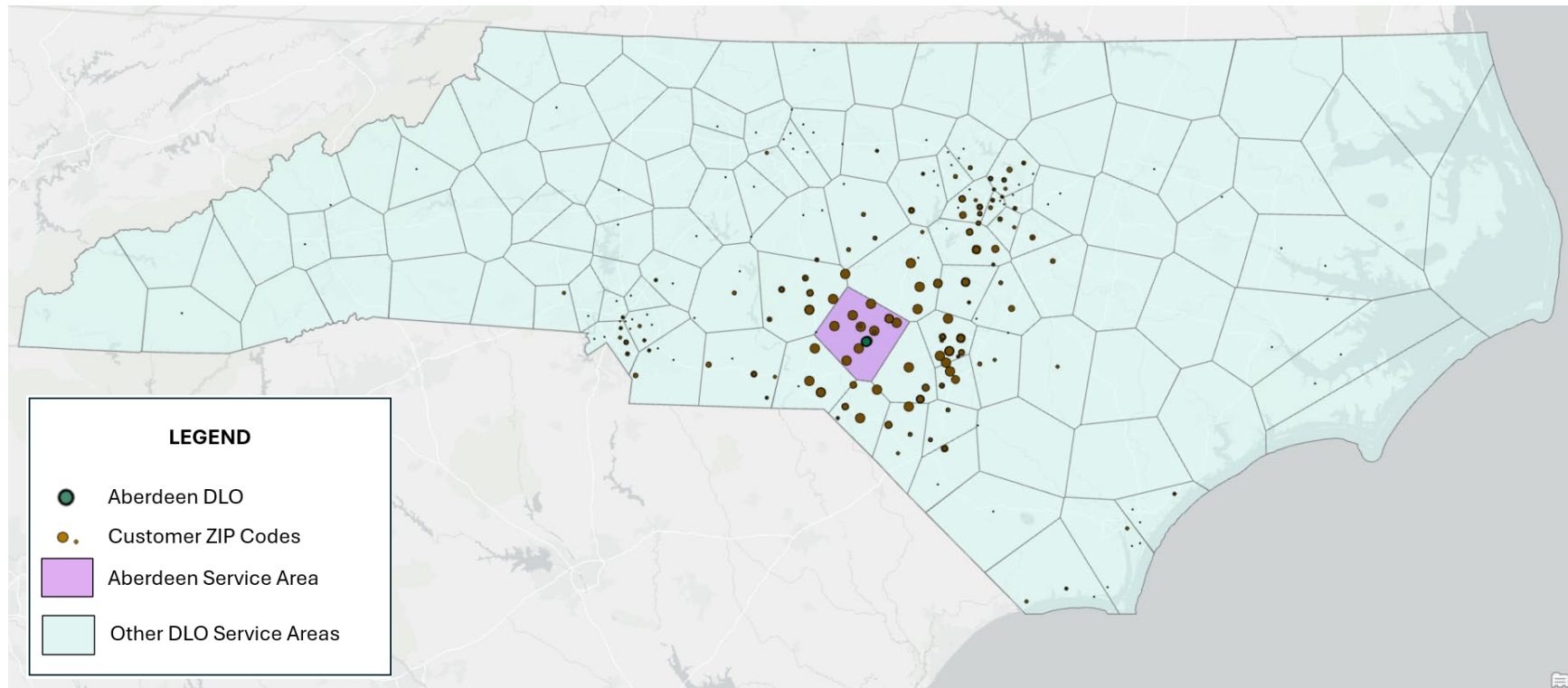


Figure 2. Customer Transactions by ZIP Code and Service Area for Aberdeen DLO

Figure 2 demonstrates how a service area analysis was undertaken using NCDMV transaction data. The total number of transactions occurring by customer ZIP code were summed within DLO service areas, and outside of their service areas. Results are shown below and in Table 4.

- Transactions occurring for customers within the Aberdeen service area: 8,293 (67.6 percent of all transactions)
- Transactions occurring for customers outside the Aberdeen service area: 3,962 (32.4 percent of all transactions)

Table 4. Transactions by for Customers Outside the DLO Service Area (July 1, 2024 to April 30, 2025)*

Driver License Office	County	Geography	Drive Times for Transactions Outside of a DLO Service Area			
			0-30 Minutes	30- to 60-minutes	60+ minutes	Totals
Aberdeen	Moore	Rural	1,451	2,122	388	3,961
Ahoskie	Hertford	Rural	380	827	1661	2,868
Albemarle	Stanly	Rural	550	3,344	382	4,276
Andrews	Cherokee	Rural	0	182	557	739
Asheboro	Randolph	Suburban	2,731	3,022	1554	7,307
Asheville	Buncombe	Urban	8,791	748	376	9,915
Asheville Express	Buncombe	Urban	DLO was closed during the period of analysis.			
Boone	Watauga	Rural	32	1,116	2283	3,431
Brevard	Transylvania	Rural	1,126	3,109	232	4,467
Bryson City	Swain	Rural	375	1,118	854	2,347
Burgaw	Pender	Rural	1,599	3,199	401	5,199
Burnsville	Yancey	Rural	651	1,719	228	2,598
Carrboro	Orange	Rural	4,871	1,867	600	7,338
Cary	Wake	Urban	4,309	1,034	221	5,564
Charlotte East	Mecklenburg	Urban	6,112	1,833	237	8,182
Charlotte North	Mecklenburg	Urban	13,317	3,917	621	17,855
Charlotte South	Mecklenburg	Urban	6,682	1,335	300	8,317
Charlotte West	Mecklenburg	Urban	11,754	1,909	366	14,029
Clayton	Johnston	Suburban	4,586	1,554	169	6,309
Clinton	Sampson	Rural	1,434	1,534	532	3,500
Clyde	Haywood	Rural	1,996	1,268	168	3,432
Concord	Cabarrus	Urban	4,721	1,801	172	6,694
Durham East	Durham	Urban	6,356	1,119	281	7,756
Durham South	Durham	Urban	7,506	1,083	366	8,955
Edenton	Chowan	Rural	469	340	129	938

Appendix J

Driver License Office	County	Geography	Drive Times for Transactions Outside of a DLO Service Area			
			0-30 Minutes	30- to 60-minutes	60+ minutes	Totals
Elizabeth City	Pasquotank	Rural	374	710	1058	2,142
Elizabethtown	Bladen	Rural	717	2,232	854	3,803
Elkin	Surry	Rural	3,367	2,914	1490	7,771
Erwin	Harnett	Rural	3,960	1,741	141	5,842
Fayetteville South	Cumberland	Urban	6,257	1,840	364	8,461
Fayetteville West	Cumberland	Urban	3,082	1,385	492	4,959
Forest City	Rutherford	Rural	1,387	1,911	613	3,911
Franklin	Macon	Rural	168	698	747	1,613
Fuquay-Varina	Wake	Suburban	3,008	2,862	356	6,226
Garner	Wake	Suburban	8,074	1,066	213	9,353
Gastonia	Gaston	Urban	3,037	4,130	236	7,403
Goldsboro	Wayne	Suburban	900	2,439	1465	4,804
Graham	Alamance	Rural	3,259	2,396	433	6,088
Greensboro East	Guilford	Urban	7,424	856	844	9,124
Greensboro West	Guilford	Urban	11,949	1,442	2367	15,758
Greenville	Pitt	Urban	1,034	2,763	3976	7,773
Hamlet	Richmond	Rural	897	1,342	886	3,125
Havelock	Craven	Rural	1,362	1,383	724	3,469
Henderson	Vance	Rural	1,405	3,046	556	5,007
Hendersonville	Henderson	Rural	1,583	929	183	2,695
Hickory	Catawba	Suburban	4,119	1,873	1175	7,167
High Point	Guilford	Urban	4,535	950	1064	6,549
Hillsborough	Orange	Rural	9,987	2,324	236	12,547
Hudson	Caldwell	Rural	2,597	1,182	745	4,524
Huntersville	Mecklenburg	Urban	20,320	3,920	382	24,622
Jacksonville	Onslow	Suburban	314	2,605	1045	3,964

Driver License Office	County	Geography	Drive Times for Transactions Outside of a DLO Service Area			
			0-30 Minutes	30- to 60-minutes	60+ minutes	Totals
Jefferson	Ashe	Rural	900	1,007	1614	3,521
Kenansville	Duplin	Rural	2,138	1,257	339	3,734
Kernersville	Forsyth	Suburban	9,263	867	510	10,640
Kinston	Lenoir	Rural	2,129	3,847	1111	7,087
Laurinburg	Scotland	Rural	2,093	1,190	256	3,539
Lexington	Davidson	Rural	3,855	1,916	728	6,499
Lillington	Harnett	Rural	740	352	22	1,114
Lincolnton	Lincoln	Rural	6,267	4,570	432	11,269
Louisburg	Franklin	Rural	5,090	3,043	199	8,332
Lumberton	Robeson	Rural	10,302	2,037	899	13,238
Lumberton CDL	Robeson	Rural	37	38	47	122
Marion	McDowell	Rural	1,942	2,943	634	5,519
Marshall	Madison	Rural	1,061	745	71	1,877
Mocksville	Davie	Rural	2,784	1,077	362	4,223
Monroe	Union	Suburban	6,817	3,109	232	10,158
Mooreville	Iredell	Suburban	3,963	2,511	270	6,744
Morehead City	Carteret	Rural	823	4,303	2626	7,752
Morganton	Burke	Rural	2,245	2,027	894	5,166
Mount Airy	Surry	Rural	490	3,580	1166	5,236
Mount Holly	Gaston	Rural	7,595	2,518	142	10,255
Nags Head	Dare	Rural	0	596	1771	2,367
New Bern	Craven	Suburban	678	2,794	921	4,393
Newland	Avery	Rural	11	320	209	540
Newton	Catawba	Rural	6,646	3,081	804	10,531
Oxford	Granville	Rural	2,525	3,436	228	6,189
Pembroke	Robeson	Rural	342	42	19	403

Appendix J

Driver License Office	County	Geography	Drive Times for Transactions Outside of a DLO Service Area			
			0-30 Minutes	30- to 60-minutes	60+ minutes	Totals
Polkton	Anson	Rural	2,144	5,258	259	7,661
Raeford	Hoke	Rural	836	217	32	1,085
Raleigh East	Wake	Urban	13,637	1,981	568	16,186
Raleigh North	Wake	Urban	5,853	1,291	420	7,564
Raleigh West	Wake	Urban	14,269	2,138	685	17,092
Roanoke Rapids	Halifax	Rural	116	1,201	1464	2,781
Rocky Mount	Nash	Suburban	1,450	2,458	1346	5,254
Roxboro	Person	Rural	2,291	3,672	789	6,752
Salisbury	Rowan	Suburban	5,462	3,701	389	9,552
Sanford	Lee	Suburban	1,197	2,472	214	3,883
Shallotte	Brunswick	Rural	33	4,292	1254	5,579
Shelby	Cleveland	Rural	1,738	1,873	576	4,187
Siler City	Chatham	Rural	3,286	6,530	734	10,550
Smithfield	Johnston	Rural	3,505	3,152	190	6,847
Sparta	Alleghany	Rural	40	38	118	196
Spruce Pine	Mitchell	Rural	773	98	43	914
Statesville	Iredell	Suburban	3,992	3,005	807	7,804
Statesville CDL	Iredell	Suburban	Transaction data was not available for the analysis.			
Stedman	Cumberland	Rural	6,897	1,424	422	8,743
Sylva	Jackson	Rural	825	1,687	477	2,989
Tarboro	Edgecombe	Rural	2,519	1,041	281	3,841
Taylorsville	Alexander	Rural	2,983	2,168	680	5,831
Thomasville	Davidson	Suburban	9,451	1,697	1140	12,288
Troy	Montgomery	Rural	861	3,132	1308	5,301
Walnut Cove	Stokes	Rural	DLO was closed during the period of analysis.			
Washington	Beaufort	Rural	3,603	2,817	2431	8,851

Driver License Office	County	Geography	Drive Times for Transactions Outside of a DLO Service Area			
			0-30 Minutes	30- to 60-minutes	60+ minutes	Totals
Wendell	Wake	Rural	7,355	2,022	161	9,538
Wentworth	Rockingham	Rural	4,789	2,807	611	8,207
Whiteville	Columbus	Rural	646	2,691	1129	4,466
Wilkesboro	Wilkes	Rural	713	1,697	1988	4,398
Williamston	Martin	Rural	319	1,316	1210	2,845
Wilmington North	New Hanover	Urban	6,876	1,188	945	9,009
Wilmington South	New Hanover	Urban	2,160	1,015	1042	4,217
Wilson	Wilson	Suburban	1,468	2,631	592	4,691
Winston-Salem North	Forsyth	Urban	7,254	1,630	1722	10,606
Winston-Salem South	Forsyth	Urban	8,420	1,287	1692	11,399
Yadkinville	Yadkin	Rural	5,665	1,242	458	7,365
Yanceyville	Caswell	Rural	67	18	7	92
Totals			411,144	222,132	80,413	713,689

*Asheville Express and Walnut Cove DLOs were closed during this analysis period. These offices were excluded from the analysis. Additionally, Statesville CDL transaction data was not coded in the dataset received for this analysis. This office was also excluded from the analysis.

Table 5. Average Distance a Customer Travels to Complete a Transaction – When Coming from Outside the DLO Service Area

Driver License Office	County	Geography	Average Distance Traveled	Transaction Count
Aberdeen	Moore	Rural	25.7	3,961
Ahoskie	Hertford	Rural	60.4	2,868
Albemarle	Stanly	Rural	27.0	4,276
Andrews	Cherokee	Rural	89.3	739
Asheboro	Randolph	Suburban	30.2	7,307
Asheville	Buncombe	Urban	13.8	9,915
Asheville Express	Buncombe	Urban	--	--
Boone	Watauga	Rural	71.7	3,431
Brevard	Transylvania	Rural	20.9	4,467
Bryson City	Swain	Rural	39.9	2,347
Burgaw	Pender	Rural	27.1	5,199
Burnsville	Yancey	Rural	25.2	2,598
Carrboro	Orange	Rural	22.0	7,338
Cary	Wake	Urban	14.5	5,564
Charlotte East	Mecklenburg	Urban	13.5	8,182
Charlotte North	Mecklenburg	Urban	15.0	17,855
Charlotte South	Mecklenburg	Urban	15.7	8,317
Charlotte West	Mecklenburg	Urban	14.4	14,029
Clayton	Johnston	Suburban	15.1	6,309
Clinton	Sampson	Rural	31.3	3,500
Clyde	Haywood	Rural	23.8	3,432
Concord	Cabarrus	Urban	18.6	6,694
Durham East	Durham	Urban	14.6	7,756
Durham South	Durham	Urban	13.2	8,955
Edenton	Chowan	Rural	28.7	938
Elizabeth City	Pasquotank	Rural	73.1	2,142
Elizabethtown	Bladen	Rural	35.8	3,803
Elkin	Surry	Rural	32.4	7,771
Erwin	Harnett	Rural	17.8	5,842
Fayetteville South	Cumberland	Urban	12.2	8,461
Fayetteville West	Cumberland	Urban	20.0	4,959
Forest City	Rutherford	Rural	29.8	3,911
Franklin	Macon	Rural	48.9	1,613
Fuquay-Varina	Wake	Suburban	19.2	6,226
Garner	Wake	Suburban	13.8	9,353
Gastonia	Gaston	Urban	21.1	7,403
Goldsboro	Wayne	Suburban	36.0	4,804
Graham	Alamance	Rural	26.4	6,088
Greensboro East	Guilford	Urban	17.1	9,124

Driver License Office	County	Geography	Average Distance Traveled	Transaction Count
Greensboro West	Guilford	Urban	22.3	15,758
Greenville	Pitt	Urban	57.6	7,773
Hamlet	Richmond	Rural	32.5	3,125
Havelock	Craven	Rural	33.4	3,469
Henderson	Vance	Rural	29.3	5,007
Hendersonville	Henderson	Rural	23.4	2,695
Hickory	Catawba	Suburban	23.8	7,167
High Point	Guilford	Urban	23.6	6,549
Hillsborough	Orange	Rural	16.8	12,547
Hudson	Caldwell	Rural	23.3	4,524
Huntersville	Mecklenburg	Urban	13.2	24,622
Jacksonville	Onslow	Suburban	42.1	3,964
Jefferson	Ashe	Rural	53.3	3,521
Kenansville	Duplin	Rural	25.8	3,734
Kernersville	Forsyth	Suburban	15.7	10,640
Kinston	Lenoir	Rural	31.1	7,087
Laurinburg	Scotland	Rural	22.8	3,539
Lexington	Davidson	Rural	26.3	6,499
Lillington	Harnett	Rural	15.8	1,114
Lincolnton	Lincoln	Rural	18.9	11,269
Louisburg	Franklin	Rural	21.2	8,332
Lumberton	Robeson	Rural	17.3	13,238
Lumberton CDL	Robeson	Rural	43.2	122
Marion	McDowell	Rural	31.1	5,519
Marshall	Madison	Rural	21.0	1,877
Mocksville	Davie	Rural	22.6	4,223
Monroe	Union	Suburban	16.1	10,158
Mooreville	Iredell	Suburban	18.9	6,744
Morehead City	Carteret	Rural	53.8	7,752
Morganton	Burke	Rural	28.7	5,166
Mount Airy	Surry	Rural	39.4	5,236
Mount Holly	Gaston	Rural	13.1	10,255
Nags Head	Dare	Rural	79.9	2,367
New Bern	Craven	Suburban	40.0	4,393
Newland	Avery	Rural	48.5	540
Newton	Catawba	Rural	19.0	10,531
Oxford	Granville	Rural	24.2	6,189
Pembroke	Robeson	Rural	15.3	403
Polkton	Anson	Rural	28.5	7,661
Raeford	Hoke	Rural	15.5	1,085
Raleigh East	Wake	Urban	14.2	16,186
Raleigh North	Wake	Urban	16.3	7,564

Driver License Office	County	Geography	Average Distance Traveled	Transaction Count
Raleigh West	Wake	Urban	14.0	17,092
Roanoke Rapids	Halifax	Rural	59.0	2,781
Rocky Mount	Nash	Suburban	37.3	5,254
Roxboro	Person	Rural	28.0	6,752
Salisbury	Rowan	Suburban	21.6	9,552
Sanford	Lee	Suburban	26.9	3,883
Shallotte	Brunswick	Rural	49.9	5,579
Shelby	Cleveland	Rural	28.5	4,187
Siler City	Chatham	Rural	28.8	10,550
Smithfield	Johnston	Rural	20.9	6,847
Sparta	Alleghany	Rural	65.7	196
Spruce Pine	Mitchell	Rural	17.4	914
Statesville	Iredell	Suburban	26.4	7,804
Statesville CDL	Iredell	Suburban	--	--
Stedman	Cumberland	Rural	16.3	8,743
Sylva	Jackson	Rural	32.0	2,989
Tarboro	Edgecombe	Rural	23.5	3,841
Taylorsville	Alexander	Rural	23.9	5,831
Thomasville	Davidson	Suburban	19.4	12,288
Troy	Montgomery	Rural	30.4	5,301
Walnut Cove	Stokes	Rural	--	--
Washington	Beaufort	Rural	37.0	8,851
Wendell	Wake	Rural	15.7	9,538
Wentworth	Rockingham	Rural	22.2	8,207
Whiteville	Columbus	Rural	39.3	4,466
Wilkesboro	Wilkes	Rural	46.4	4,398
Williamston	Martin	Rural	54.0	2,845
Wilmington North	New Hanover	Urban	21.9	9,009
Wilmington South	New Hanover	Urban	41.8	4,217
Wilson	Wilson	Suburban	31.8	4,691
Winston-Salem North	Forsyth	Urban	22.8	10,606
Winston-Salem South	Forsyth	Urban	20.9	11,399
Yadkinville	Yadkin	Rural	22.1	7,365
Yanceyville	Caswell	Rural	23.3	92
Total				713,689
Average			24.1	

Table 6. Transactions Completed Inside and Outside of the Service Area By DLO*

Driver License Office	County	Geography	Service Area Population (2025)*	Transactions Completed Within the Service Area	Transactions Originating Outside of Service Area			Total Transactions Completed
					0-30 minutes	30-60 minutes	60+ minutes	
Aberdeen	Moore	Rural	96,315	8,293	1,451	2,122	388	12,254
Ahoskie	Hertford	Rural	50,127	5,697	380	827	1661	8,565
Albemarle	Stanly	Rural	77,793	5,174	550	3,344	382	9,450
Andrews	Cherokee	Rural	52,152	5,787	0	182	557	6,526
Asheboro	Randolph	Suburban	88,803	10,104	2,731	3,022	1554	17,411
Asheville	Buncombe	Urban	109,104	5,138	8,791	748	376	15,053
Asheville Express	Buncombe	Urban	141,390	DLO was closed during the period of analysis.				
Boone	Watauga	Rural	65,460	4,465	32	1,116	2283	7,896
Brevard	Transylvania	Rural	40,977	3,346	1,126	3,109	232	7,813
Bryson City	Swain	Rural	17,584	2,233	375	1,118	854	4,580
Burgaw	Pender	Rural	49,542	3,490	1,599	3,199	401	8,689
Burnsville	Yancey	Rural	21,880	1,823	651	1,719	228	4,421
Carrboro	Orange	Rural	141,990	10,392	4,871	1,867	600	17,730
Cary	Wake	Urban	326,769	13,663	4,309	1,034	221	19,227
Charlotte East	Mecklenburg	Urban	365,487	16,183	6,112	1,833	237	24,365
Charlotte North	Mecklenburg	Urban	215,172	14,023	13,317	3,917	621	31,878
Charlotte South	Mecklenburg	Urban	394,033	19,089	6,682	1,335	300	27,406
Charlotte West	Mecklenburg	Urban	167,515	8,632	11,754	1,909	366	22,661
Clayton	Johnston	Suburban	113,862	5,792	4,586	1,554	169	12,101
Clinton	Sampson	Rural	50,836	4,326	1,434	1,534	532	7,826
Clyde	Haywood	Rural	68,091	4,989	1,996	1,268	168	8,421
Concord	Cabarrus	Urban	181,317	12,233	4,721	1,801	172	18,927
Durham East	Durham	Urban	243,125	8,255	6,356	1,119	281	16,011
Durham South	Durham	Urban	176,613	8,120	7,506	1,083	366	17,075

Appendix J

Driver License Office	County	Geography	Service Area Population (2025)*	Transactions Completed Within the Service Area	Transactions Originating Outside of Service Area			Total Transactions Completed
					0-30 minutes	30-60 minutes	60+ minutes	
Edenton	Chowan	Rural	38,422	1,867	469	340	129	2,805
Elizabeth City	Pasquotank	Rural	90,138	11,125	374	710	1058	13,267
Elizabethtown	Bladen	Rural	29,255	2,890	717	2,232	854	6,693
Elkin	Surry	Rural	38,043	4,702	3,367	2,914	1490	12,473
Erwin	Harnett	Rural	60,264	2,519	3,960	1,741	141	8,361
Fayetteville South	Cumberland	Urban	114,192	5,028	6,257	1,840	364	13,489
Fayetteville West	Cumberland	Urban	206,071	12,082	3,082	1,385	492	17,041
Forest City	Rutherford	Rural	85,022	8,668	1,387	1,911	613	12,579
Franklin	Macon	Rural	40,314	4,588	168	698	747	6,201
Fuquay-Varina	Wake	Suburban	163,633	6,722	3,008	2,862	356	12,948
Garner	Wake	Suburban	111,959	5,402	8,074	1,066	213	14,755
Gastonia	Gaston	Urban	137,761	12,014	3,037	4,130	236	19,417
Goldsboro	Wayne	Suburban	131,922	8,467	900	2,439	1465	13,271
Graham	Alamance	Rural	196,658	18,763	3,259	2,396	433	24,851
Greensboro East	Guilford	Urban	186,510	10,044	7,424	856	844	19,168
Greensboro West	Guilford	Urban	201,484	17,252	11,949	1,442	2367	33,010
Greenville	Pitt	Urban	180,263	18,134	1,034	2,763	3976	25,907
Hamlet	Richmond	Rural	47,878	4,082	897	1,342	886	7,207
Havelock	Craven	Rural	54,118	2,710	1,362	1,383	724	6,179
Henderson	Vance	Rural	64,461	6,067	1,405	3,046	556	11,074
Hendersonville	Henderson	Rural	156,291	10,958	1,583	929	183	13,653
Hickory	Catawba	Suburban	116,273	9,559	4,119	1,873	1175	16,726
High Point	Guilford	Urban	155,876	10,810	4,535	950	1064	17,359
Hillsborough	Orange	Rural	48,155	2,777	9,987	2,324	236	15,324
Hudson	Caldwell	Rural	88,107	9,754	2,597	1,182	745	14,278
Huntersville	Mecklenburg	Urban	168,850	10,191	20,320	3,920	382	34,813

Driver License Office	County	Geography	Service Area Population (2025)*	Transactions Completed Within the Service Area	Transactions Originating Outside of Service Area			Total Transactions Completed
					0-30 minutes	30-60 minutes	60+ minutes	
Jacksonville	Onslow	Suburban	214,461	17,259	314	2,605	1045	21,223
Jefferson	Ashe	Rural	28,855	3,528	900	1,007	1614	7,049
Kenansville	Duplin	Rural	57,121	3,274	2,138	1,257	339	7,008
Kernersville	Forsyth	Suburban	113,147	8,190	9,263	867	510	18,830
Kinston	Lenoir	Rural	82,097	8,658	2,129	3,847	1111	15,745
Laurinburg	Scotland	Rural	34,625	3,512	2,093	1,190	256	7,051
Lexington	Davidson	Rural	85,841	6,597	3,855	1,916	728	13,096
Lillington	Harnett	Rural	56,639	332	740	352	22	1,446
Lincolnton	Lincoln	Rural	78,016	5,263	6,267	4,570	432	16,532
Louisburg	Franklin	Rural	71,554	6,122	5,090	3,043	199	14,454
Lumberton	Robeson	Rural	34,856	2,830	10,302	2,037	899	16,068
Lumberton CDL	Robeson	Rural	39,715	9	37	38	47	131
Marion	McDowell	Rural	54,725	4,563	1,942	2,943	634	10,082
Marshall	Madison	Rural	45,816	2,676	1,061	745	71	4,553
Mocksville	Davie	Rural	49,734	3,359	2,784	1,077	362	7,582
Monroe	Union	Suburban	237,359	16,614	6,817	3,109	232	26,772
Mooresville	Iredell	Suburban	142,438	8,936	3,963	2,511	270	15,680
Morehead City	Carteret	Rural	68,145	8,546	823	4,303	2626	16,298
Morganton	Burke	Rural	73,796	7,505	2,245	2,027	894	12,671
Mount Airy	Surry	Rural	58,032	7,577	490	3,580	1166	12,813
Mount Holly	Gaston	Rural	117,478	4,680	7,595	2,518	142	14,935
Nags Head	Dare	Rural	45,469	6,375	0	596	1771	8,742
New Bern	Craven	Suburban	83,084	10,081	678	2,794	921	14,474
Newland	Avery	Rural	20,206	1,747	11	320	209	2,287
Newton	Catawba	Rural	59,663	4,582	6,646	3,081	804	15,113
Oxford	Granville	Rural	46,452	2,667	2,525	3,436	228	8,856

Appendix J

Driver License Office	County	Geography	Service Area Population (2025)*	Transactions Completed Within the Service Area	Transactions Originating Outside of Service Area			Total Transactions Completed
					0-30 minutes	30-60 minutes	60+ minutes	
Pembroke	Robeson	Rural	51,686	1,004	342	42	19	1,407
Polkton	Anson	Rural	33,849	1,849	2,144	5,258	259	9,510
Raeford	Hoke	Rural	76,576	1,091	836	217	32	2,176
Raleigh East	Wake	Urban	115,152	9,617	13,637	1,981	568	25,803
Raleigh North	Wake	Urban	356,837	17,147	5,853	1,291	420	24,711
Raleigh West	Wake	Urban	128,971	5,109	14,269	2,138	685	22,201
Roanoke Rapids	Halifax	Rural	56,794	7,303	116	1,201	1464	10,084
Rocky Mount	Nash	Suburban	102,447	9,250	1,450	2,458	1346	14,504
Roxboro	Person	Rural	48,004	5,580	2,291	3,672	789	12,332
Salisbury	Rowan	Suburban	114,984	8,453	5,462	3,701	389	18,005
Sanford	Lee	Suburban	103,363	7,707	1,197	2,472	214	11,590
Shallotte	Brunswick	Rural	95,044	9,757	33	4,292	1254	15,336
Shelby	Cleveland	Rural	92,147	9,671	1,738	1,873	576	13,858
Siler City	Chatham	Rural	56,913	3,878	3,286	6,530	734	14,428
Smithfield	Johnston	Rural	81,597	5,486	3,505	3,152	190	12,333
Sparta	Alleghany	Rural	15,093	1,046	40	38	118	1,242
Spruce Pine	Mitchell	Rural	20,914	612	773	98	43	1,526
Statesville	Iredell	Suburban	68,965	6,186	3,992	3,005	807	13,990
Statesville CDL	Iredell	Suburban	20,744	Transaction data was not available for the analysis.				
Stedman	Cumberland	Rural	32,125	3,308	6,897	1,424	422	12,051
Sylva	Jackson	Rural	39,353	2,022	825	1,687	477	5,011
Tarboro	Edgecombe	Rural	37,598	3,740	2,519	1,041	281	7,581
Taylorsville	Alexander	Rural	38,601	2,959	2,983	2,168	680	8,790
Thomasville	Davidson	Suburban	69,046	7,135	9,451	1,697	1140	19,423
Troy	Montgomery	Rural	34,092	2,627	861	3,132	1308	7,928
Walnut Cove	Stokes	Rural	52,537	DLO was closed during the period of analysis.				

Driver License Office	County	Geography	Service Area Population (2025)*	Transactions Completed Within the Service Area	Transactions Originating Outside of Service Area			Total Transactions Completed
					0-30 minutes	30-60 minutes	60+ minutes	
Washington	Beaufort	Rural	52,014	6,684	3,603	2,817	2431	15,535
Wendell	Wake	Rural	78,641	5,147	7,355	2,022	161	14,685
Wentworth	Rockingham	Rural	79,812	9,597	4,789	2,807	611	17,804
Whiteville	Columbus	Rural	53,442	6,229	646	2,691	1129	10,695
Wilkesboro	Wilkes	Rural	52,397	6,203	713	1,697	1988	10,601
Williamston	Martin	Rural	33,212	4,130	319	1,316	1210	6,975
Wilmington North	New Hanover	Urban	139,666	10,147	6,876	1,188	945	19,156
Wilmington South	New Hanover	Urban	217,127	16,594	2,160	1,015	1042	20,811
Wilson	Wilson	Suburban	109,191	8,618	1,468	2,631	592	13,309
Winston-Salem North	Forsyth	Urban	146,002	11,867	7,254	1,630	1722	22,473
Winston-Salem South	Forsyth	Urban	222,793	15,571	8,420	1,287	1692	26,970
Yadkinville	Yadkin	Rural	40,730	2,350	5,665	1,242	458	9,715
Yanceyville	Caswell	Rural	21,663	186	67	18	7	278
Totals			11,357,303	789,764	411,144	222,132	80,413	1,503,453

*Period of transactions being analyzed is from July 1, 2024 to April 30, 2025. Population of the service area is sourced from ESRI Business Analyst's 2025 block group estimates, which originates from the American Community Survey of the U.S. Census Bureau.



Driver License Office Visitor Duration Analysis Division of Motor Vehicles

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Disclaimer: This analysis is based on data received from NCDMV upon request and represents a “first overview” level of analysis conducted with a limited amount of data correction and cleanup. Given the field-level nature of the data, the subject matter expert research team believes that a follow-up detailed analysis conducted after a thorough data-cleansing will yield more nuanced, and likely, more accurate insights.

Placer Analysis

Placer.ai was used to estimate visit durations at driver license office locations in North Carolina.¹ This was done by analyzing anonymized mobile device data to determine how long visitors typically remain at each office. Visit duration metrics from FY2019 and FY2025 were used to evaluate trends in customer visit durations over time.

Findings

An analysis of the Placer.ai data demonstrated that the average visit duration for DLO customers increased from 64.7 minutes to 74.7 minutes from 2019 to 2025. This equates to an increase of approximately 15.5 percent. DLOs in rural areas experienced the largest percentage increase over the time period (17.9 percent) followed by DLOs located in urban (11.9 percent) and suburban areas (8.6 percent). This information is summarized in Table 1.

In some instances, customers face substantially higher visit durations than what is typical. For this analysis, that includes any visit durations over 150 minutes (2.5 hours). In 2019, approximately 7.7 percent of all visits resulted in visit durations of 150+ minutes. In 2025, this number nearly doubled to approximately 13.8 percent of visits resulting in visit duration times of 150+ minutes. DLOs in urban and rural areas saw the largest percentage point increases followed by DLOs in suburban areas (see Table 2).

Table 1. Comparing Average Visit Durations at DLOs Over Time

Geography ²	July 1, 2018 to June 30, 2019	July 1, 2024 to April 30, 2025 (10 months)	Percent Change from 2019 to 2025
Statewide	64.7	74.7	15.5%
Rural	62.9	74.1	17.9%
Suburban	71.1	77.3	8.6%
Urban	67.1	75.1	11.9%

Table 2. Comparing the Share of Long Visit Durations (150+ Minutes) at DLOs Over Time

Geography ²	July 1, 2018 to June 30, 2019	July 1, 2024 to April 30, 2025 (10 months)	Absolute Percentage Change from 2019 to 2025 ³	Relative Percentage Change from 2019 to 2026 ³
Statewide	7.7%	13.8%	6.1%	78.8%
Rural	7.1%	13.2%	6.1%	86.1%
Suburban	10.5%	15.9%	5.4%	51.3%
Urban	8.3%	14.7%	6.3%	75.8%

¹ Placer.ai is a location analytics and foot traffic data platform that provides insights into physical places by analyzing anonymized location data from mobile devices. It can be leveraged to estimate visit duration time at driver license office locations in North Carolina by analyzing anonymized mobile device data to determine how long visitors typically remain at each site. By aggregating visit duration metrics across multiple days and times, state agencies can identify patterns in customer wait times. This data-driven approach enables more informed decisions around staffing, scheduling, and potential office expansions to improve the overall customer experience at DMV locations.

² For the purposes of this analysis urban, suburban, and rural DLOs were defined by the population of the city or town they reside in. DLOs in locations with less than 25,000 residents were classified as rural, locations with 25,000 to 75,000 residents were classified as suburban, and locations with a resident population greater than 75,000 were classified as urban.

³ Absolute change refers to the simple difference between two percentage values and is expressed in percentage points. Relative change, on the other hand, measures the proportional difference from the original value and is expressed as a percent. For clarity, absolute change is typically used when comparing rates or proportions, while relative change is used to describe growth or decline in context.

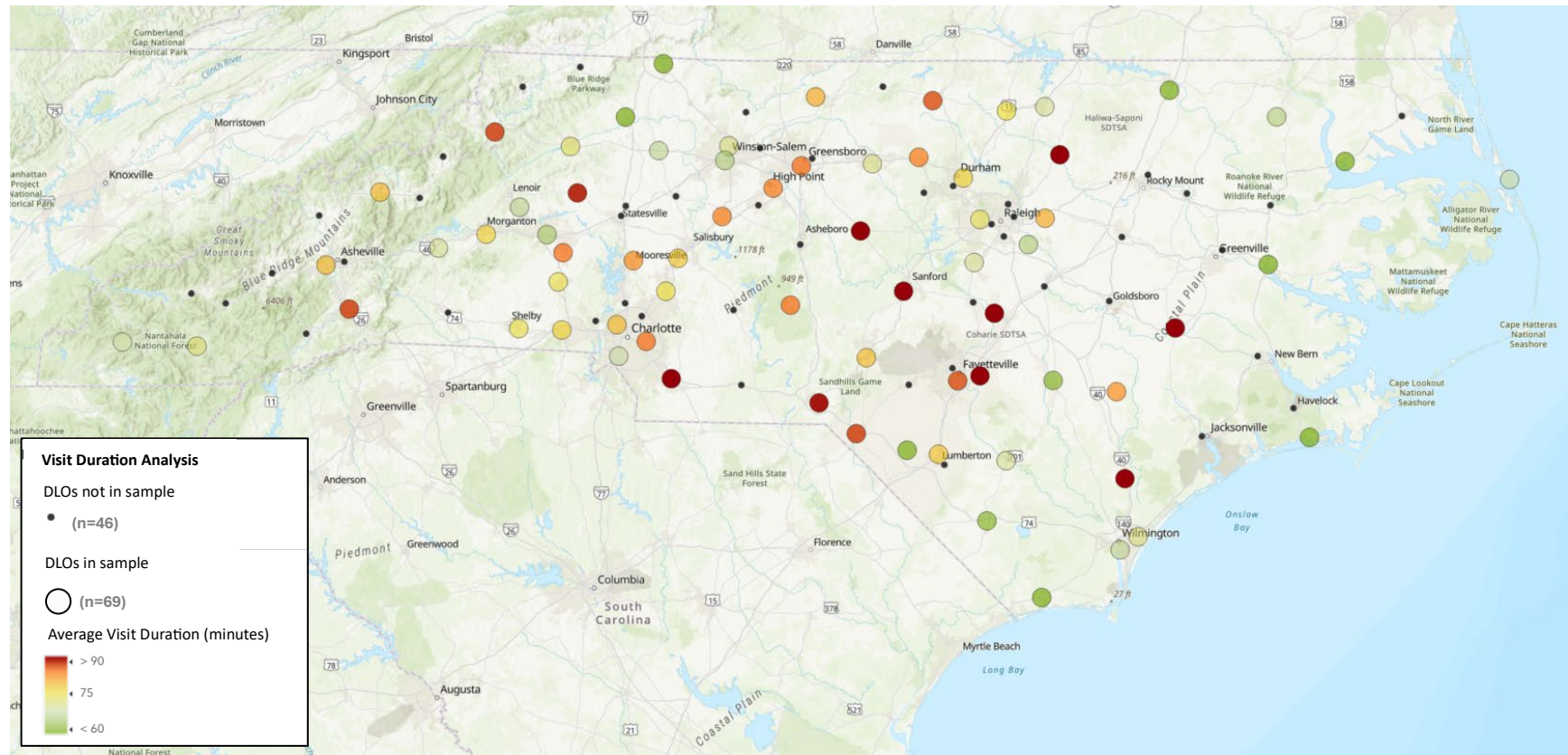


Figure 1. Average Visit Duration by Driver License Office Using Placer.ai Visit Data

Placer.ai was used to evaluate trends in average visit durations at DLOs. A sample of 69 offices (47 rural, 7 suburban, and 15 urban) were analyzed. Within the sample, 11.5 percent of DLO's (8 offices) exhibited average visit duration times above 90 minutes (1.5 hours) and more than 88 percent of DLOs (61) exhibited average visit durations above 60 minutes (1 hour). The sampled DLOs with the highest average visit durations are shown in Table 6. A map was created to visualize the differences in average visit durations. The circles on the map that have the darkest red colors represent the DLOs with the largest average visit duration times (see Figure 1).

Average visit durations times were also evaluated by rural, suburban, and urban classifications. See Figure 2 on the following page.

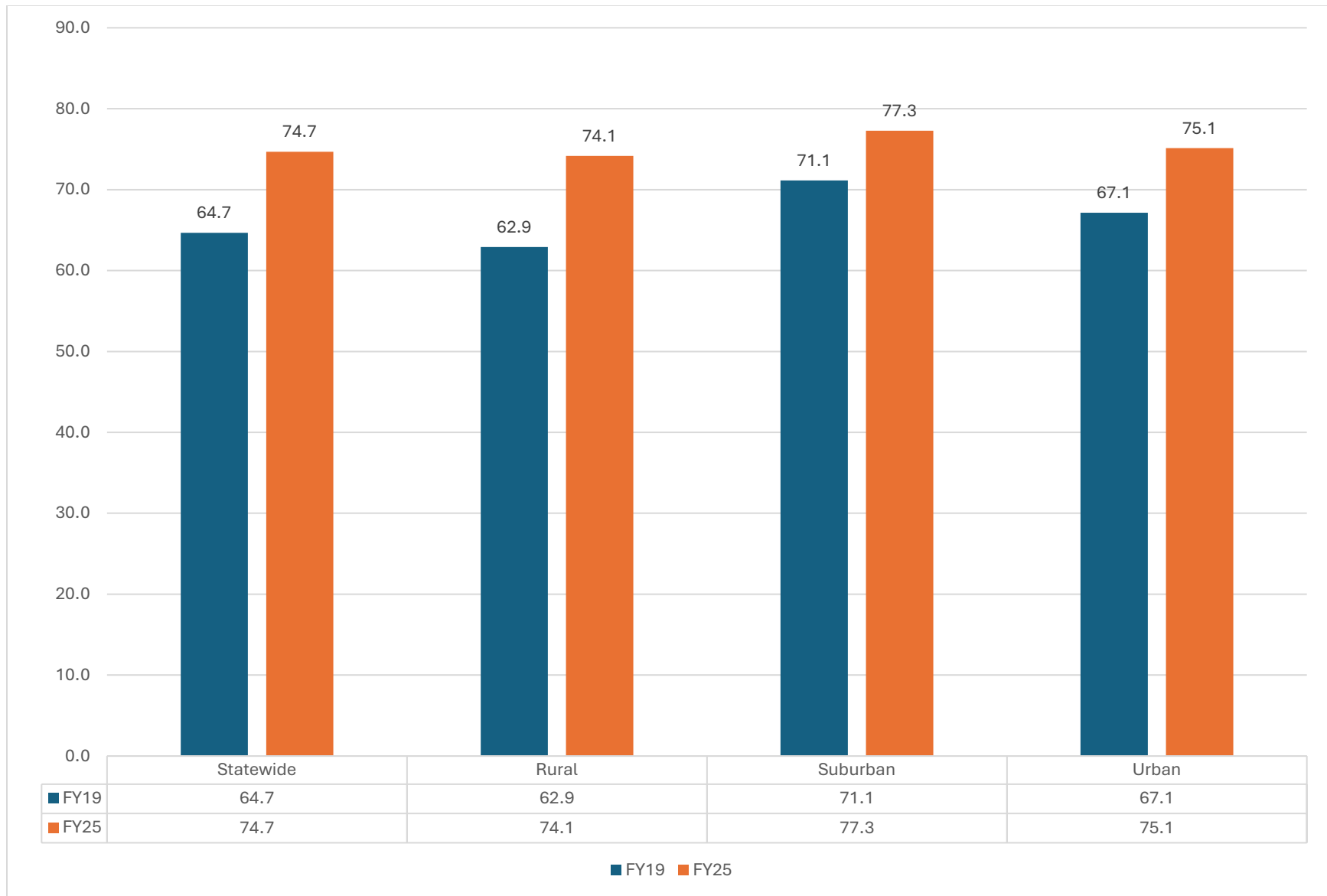


Figure 2. Average Visit Duration Time in Minutes of a Sample of DLOs

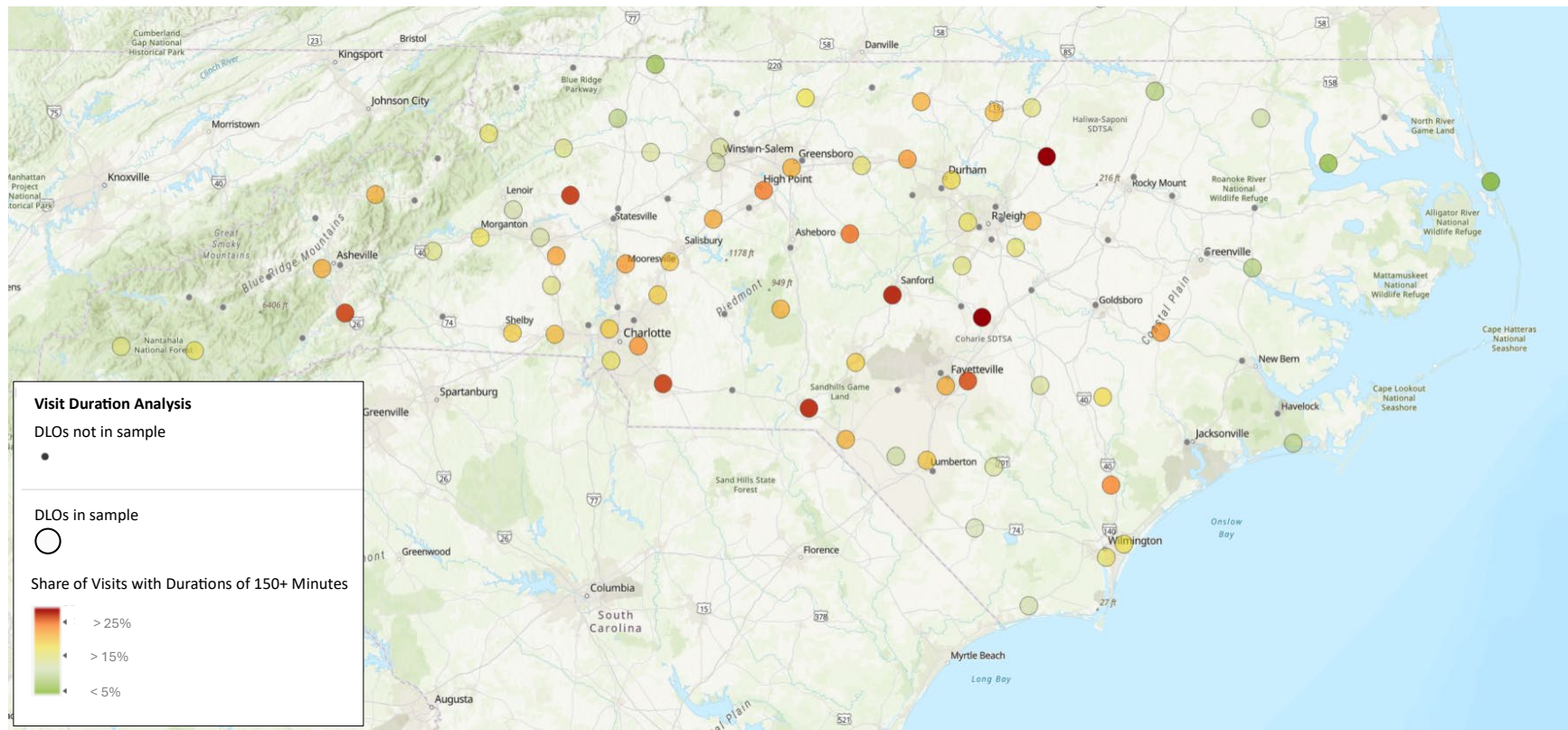


Figure 3. Share of DLO Visits with Visit Duration Times Over 150 Minutes (2.5 hours)

Placer.Ai was also used to assess potential trends for visits that lasted more than 150 minutes. The same sample of 69 offices (47 rural, 7 urban, and 15 urban) were analyzed. Within the sample, 15.9 percent of DLO's (11 offices) experienced 150+ minute visits for 20 percent or more of their overall visits. Meanwhile, approximately half of the sample population (33 offices) produced 150+ minute visit duration times for 15 percent or more of their overall visits (see Table 7). A map was created to visualize the DLOs with a share of visit durations over 150 minutes. The circles on the map that have the darkest red colors represent the DLOs with the largest proportions of 150+ visit duration time visits.

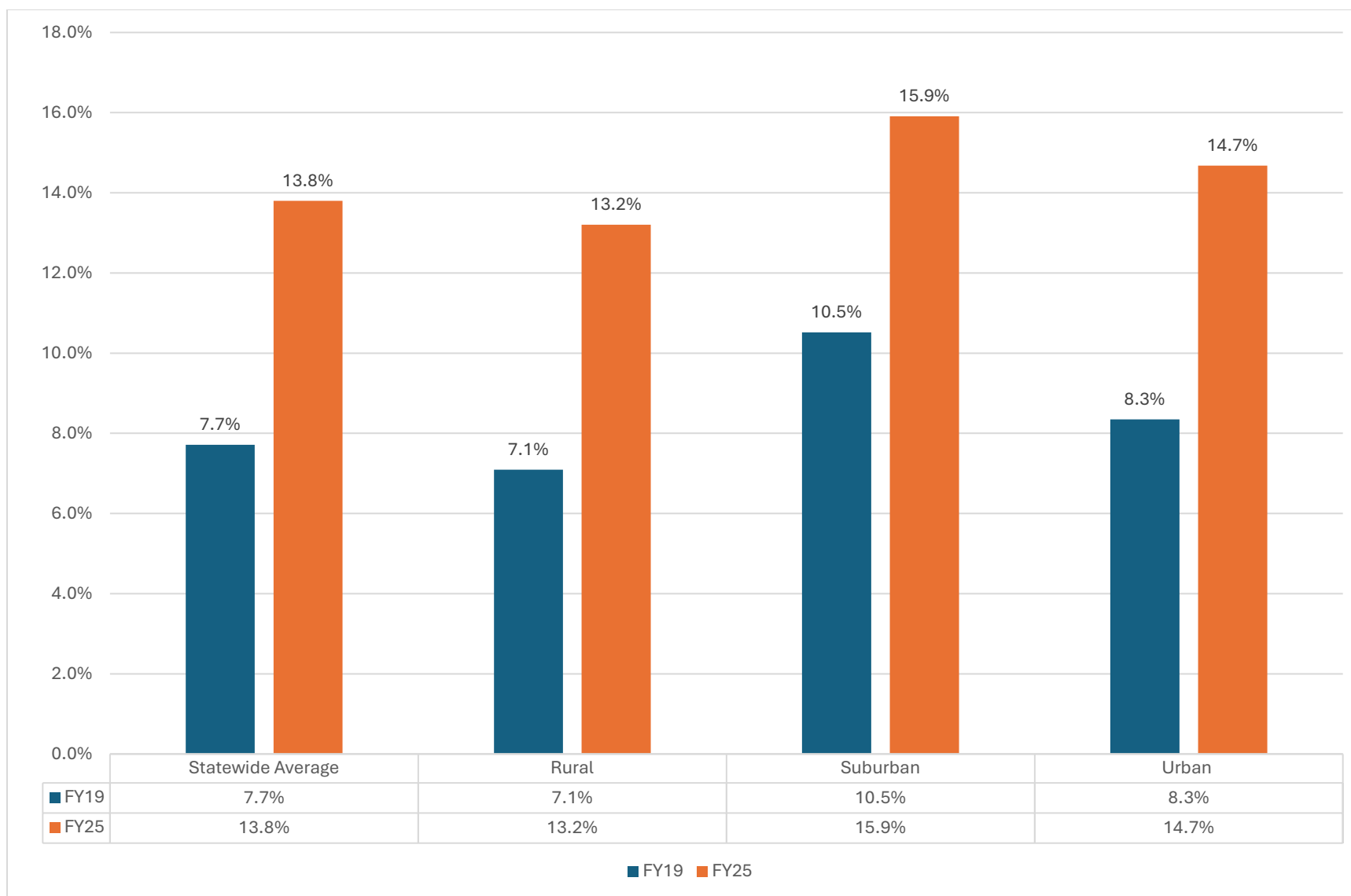


Figure 4. Share of 150+ Minute Visit Durations at DLOs

Methodology

First, the number of viable driver license offices was determined (see Table 3). There are two DLOs that are temporarily closed. Those locations were not included in the analysis.

Second, of the available DLOs, several were removed due to data limitations within the Placer Platform. These limitations primarily resulted from locations that had partial data, missing data, or shared a storefront with other entities, or yielded questionable data.⁴

Third, an outlier analysis was also undertaken. Ten records were determined to be outliers and were removed from the analysis (see Table 4). As part of the outlier analysis, DLO transactions were compared to Placer visits. A fairly strong correlation between DLO transactions and visits exists in the data ($R^2=0.73$), which helps support the validity of the placer data. This comparison can be seen in Figure 5.

The DLO records that were extracted from the placer platform are shown in Table 5.

Table 3. Sites Available for Placer Analysis

Site Suitability	Count	Percentage
Sites Available for Placer Analysis	113	98.3%
Temporarily Closed Sites	2	1.7%
Total Driver License Locations	115	100.0%

Table 4. Placer Data Analysis Considerations

Data Considerations	Count	Percentage
Sites With No Data	13	11.5%
Sites With Partial Data	8	7.1%
Sites With Questionable Data	13	11.5%
Outliers	10	8.8%
Sites with No Apparent Data Issues	69	61.1%
Total Sites	113	100.0%

⁴ Placer.ai may yield partial or missing data for certain locations due to factors such as low sample size, limited mobile device signal coverage, or privacy thresholds that prevent reporting when data volume is insufficient. Locations in rural areas, buildings with poor GPS reception, or venues with low visitor frequency are more likely to experience these data gaps. Additionally, to protect user privacy, Placer.ai may exclude data if it cannot ensure adequate anonymization, which can further limit the availability of information for specific sites.

When using Placer.ai to obtain data for a DLO located within a mall or shared commercial space, there are inherent limitations due to the nature of location data aggregation. Because mobile device signals may not precisely distinguish between adjacent units, the platform may attribute foot traffic or visit duration time to the broader area rather than to the individual DLO. This can lead to inflated or imprecise metrics, especially in densely packed environments where signal overlap is common.

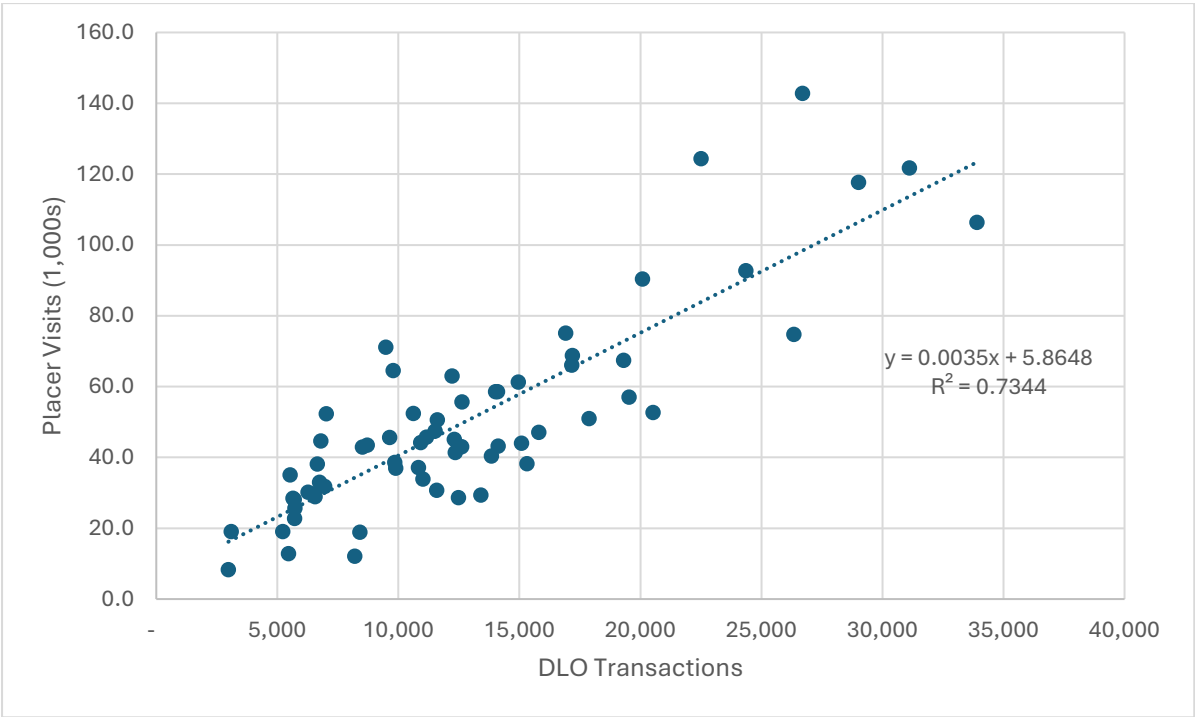


Figure 5. Comparison of DLO Transactions and Placer Visits

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Appendix K

Table 5. Placer.AI Visits Metrics Sorted by the Percentage Change of Average Visit Duration from FY2019 to FY2025*

Rank	DLO	Rural, Suburban, Urban	County	Ave Visit Duration in minutes (FY2019)	Visits with Durations of 150+ minutes (FY2019)	Ave. Annual Monthly Visits (FY2019)	Share of Visits with Durations of 150+ minutes (FY2019)	Ave Visit Duration (Partial FY2025)	Visits with Durations of 150+ Minutes (Partial FY2025)	Ave. Annual Monthly Visits (FY2025)	Share of Visits with Durations of 150+ minutes (Partial FY2025)	Percent Change in the Average Visit Duration from 2019 to 2025
1	Taylorsville	Rural	Alexander	51	928	2,517	3.1%	88	8,200	3,570	23.0%	72.5%
2	Burgaw	Rural	Pender	53	1,200	2,142	4.7%	91	5,700	2,840	20.1%	71.7%
3	Whiteville	Rural	Columbus	39	363	3,217	0.9%	61	3,100	4,170	7.4%	56.4%
4	Hamlet	Rural	Richmond	57	880	2,342	3.1%	89	6,200	2,640	23.5%	56.1%
5	Roanoke Rapids	Rural	Halifax	35	274	2,467	0.9%	54	1,400	3,540	4.0%	54.3%
6	Kenansville	Rural	Duplin	56	1,900	3,625	4.4%	81	4,200	2,890	14.5%	44.6%
7	High Point	Urban	Guilford	57	3,600	5,925	5.1%	82	11,200	5,520	20.3%	43.9%
8	Morganton	Rural	Burke	53	1,500	3,800	3.3%	76	6,000	4,590	13.1%	43.4%
9	Winston-Salem North	Urban	Forsyth	50	1,500	4,392	2.8%	70	6,400	7,230	8.9%	40.0%
10	Franklin	Rural	Macon	51	675	1,592	3.5%	71	2,000	1,570	12.7%	39.2%
11	Laurinburg	Rural	Scotland	62	1,300	2,750	3.9%	86	4,800	2,790	17.2%	38.7%
12	Mooresville	Suburban	Iredell	60	2,300	3,925	4.9%	81	7,300	3,950	18.5%	35.0%
13	Troy	Rural	Montgomery	62	1,300	1,900	5.7%	83	4,700	2,680	17.5%	33.9%
14	Charlotte West	Urban	Mecklenburg	59	6,000	11,900	4.2%	78	14,700	9,500	15.5%	32.2%
15	Elkin	Rural	Surry	44	547	2,558	1.8%	58	1,900	4,000	4.8%	31.8%
16	Gastonia	Urban	Gaston	58	3,400	5,733	4.9%	76	9,900	6,030	16.4%	31.0%
17	Newton	Rural	Catawba	64	4,800	3,367	11.9%	83	8,700	4,800	18.1%	29.7%
18	Kinston	Rural	Lenoir	72	6,800	5,375	10.5%	93	9,500	5,010	19.0%	29.2%
19	Stedman	Rural	Cumberland	71	4,000	3,625	9.2%	91	10,200	4,620	22.1%	28.2%
20	Burnsville	Rural	Yancey	61	1,100	2,467	3.7%	78	3,700	2,130	17.4%	27.9%
21	Elizabethtown	Rural	Bladen	54	537	1,067	4.2%	69	2,100	2,340	9.0%	27.8%
22	Lincolnton	Rural	Lincoln	58	985	2,383	3.4%	74	2,700	2,630	10.3%	27.6%
23	Hudson	Rural	Caldwell	52	1,800	3,950	3.8%	66	3,800	4,960	7.7%	26.9%
24	Boone	Rural	Watauga	70	1,900	2,650	6.0%	86	3,300	2,730	12.1%	22.9%
25	Louisburg	Rural	Franklin	81	4,900	3,450	11.8%	99	11,700	4,390	26.7%	22.2%
26	Clinton	Rural	Sampson	50	845	2,925	2.4%	61	2,600	2,960	8.8%	22.0%
27	Siler City	Rural	Chatham	75	4,600	2,825	13.6%	91	10,700	5,130	20.9%	21.3%
28	Erwin	Rural	Harnett	81	3,400	2,375	11.9%	98	6,900	2,650	26.0%	21.0%
29	Oxford	Rural	Granville	62	1,700	3,175	4.5%	75	5,200	3,130	16.6%	21.0%
30	Lumberton	Rural	Robeson	64	3,800	4,250	7.5%	77	9,200	5,750	16.0%	20.3%
31	Ahoskie	Rural	Hertford	55	1,200	2,408	4.2%	65	2,200	3,440	6.4%	18.2%
32	Lexington	Rural	Davidson	70	3,500	4,883	6.0%	82	8,000	4,550	17.6%	17.1%

Rank	DLO	Rural, Suburban, Urban	County	Ave Visit Duration in minutes (FY2019)	Visits with Durations of 150+ minutes (FY2019)	Ave. Annual Monthly Visits (FY2019)	Share of Visits with Durations of 150+ minutes (FY2019)	Ave Visit Duration (Partial FY2025)	Visits with Durations of 150+ Minutes (Partial FY2025)	Ave. Annual Monthly Visits (FY2025)	Share of Visits with Durations of 150+ minutes (Partial FY2025)	Percent Change in the Average Visit Duration from 2019 to 2025
33	Greensboro West	Urban	Guilford	71	10,800	8,867	10.2%	83	17,500	10,160	17.2%	16.9%
34	Monroe	Suburban	Union	80	17,200	10,142	14.1%	93	18,800	8,290	22.7%	16.3%
35	Wilkesboro	Rural	Wilkes	62	3,200	4,358	6.1%	72	4,000	4,000	10.0%	16.1%
36	Nags Head	Rural	Dare	58	1,400	1,592	7.3%	67	51	2,400	0.2%	15.5%
37	Salisbury	Suburban	Rowan	67	5,200	5,825	7.4%	77	11,300	7,010	16.1%	14.9%
38	Washington	Rural	Beaufort	49	1,500	3,758	3.3%	56	2,400	5,650	4.2%	14.3%
39	Winston-Salem South	Urban	Forsyth	57	2,100	6,225	2.8%	65	5,300	6,740	7.9%	14.0%
40	Wilmington South	Urban	New Hanover	58	5,300	6,258	7.1%	66	7,700	6,290	12.2%	13.8%
41	Roxboro	Rural	Person	75	4,200	3,183	11.0%	85	7,900	4,560	17.3%	13.3%
42	Asheville	Urban	Buncombe	69	8,000	7,725	8.6%	78	8,800	5,080	17.3%	13.0%
43	Wilmington North	Urban	New Hanover	62	4,000	5,617	5.9%	70	7,500	5,460	13.7%	12.9%
44	Shelby	Rural	Cleveland	66	4,200	4,367	8.0%	74	7,600	4,920	15.4%	12.1%
45	Clayton	Suburban	Johnston	59	2,000	3,717	4.5%	65	4,400	3,790	11.6%	10.2%
46	Charlotte East	Urban	Mecklenburg	76	15,200	10,367	12.2%	83	15,000	7,900	19.0%	9.2%
47	Fayetteville South	Urban	Cumberland	78	7,600	5,108	12.4%	85	6,300	3,600	17.5%	9.0%
48	Shallotte	Rural	Brunswick	48	1,700	4,975	2.8%	52	4,000	5,170	7.7%	8.3%
49	Andrews	Rural	Cherokee	63	996	1,575	5.3%	68	2,000	1,890	10.6%	7.9%
50	Marion	Rural	McDowell	65	2,500	3,083	6.8%	69	6,700	6,660	10.1%	6.2%
51	Sanford	Suburban	Lee	87	6,700	3,092	18.1%	92	8,900	3,770	23.6%	5.7%
52	Morehead City	Rural	Carteret	54	3,200	4,883	5.5%	57	2,300	4,700	4.9%	5.6%
53	Wendell	Rural	Wake	75	5,800	4,642	10.4%	79	8,500	5,060	16.8%	5.3%
54	Henderson	Rural	Vance	66	2,300	3,683	5.2%	69	4,400	4,150	10.6%	4.5%
55	Concord	Urban	Cabarrus	72	8,800	7,533	9.7%	75	9,400	6,160	15.3%	4.2%
56	Hendersonville	Rural	Henderson	84	10,600	5,250	16.8%	86	11,000	4,890	22.5%	2.4%
57	Pembroke	Rural	Robeson	51	713	1,033	5.8%	52	632	1,020	6.2%	2.0%
58	Aberdeen	Rural	Moore	78	5,800	3,575	13.5%	78	5,800	3,780	15.3%	0.0%
59	Durham East	Urban	Durham	77	5,900	4,217	11.7%	76	7,900	5,540	14.3%	-1.3%
60	Hickory	Suburban	Catawba	66	4,300	3,583	10.0%	64	5,000	6,010	8.3%	-3.0%
61	Yadkinville	Rural	Yadkin	73	935	1,008	7.7%	66	1,100	1,240	8.9%	-9.6%
62	Wentworth	Rural	Rockingham	88	9,500	4,750	16.7%	79	10,000	7,410	13.5%	-10.2%
63	Edenton	Rural	Chowan	54	419	692	5.0%	48	82	660	1.2%	-11.1%
64	Fuquay-Varina	Suburban	Wake	79	4,300	2,450	14.6%	69	3,300	3,130	10.5%	-12.7%
65	Charlotte South	Urban	Mecklenburg	78	14,000	9,808	11.9%	67	13,000	10,510	12.4%	-14.1%
66	Cary	Urban	Wake	85	6,900	3,667	15.7%	73	6,000	4,840	12.4%	-14.1%
67	Hillsborough	Rural	Orange	96	9,800	3,600	22.7%	82	9,400	5,010	18.8%	-14.6%
68	Graham	Rural	Alamance	86	11,000	5,508	16.6%	70	9,500	8,170	11.6%	-18.6%
69	Mount Airy	Rural	Surry	63	3,200	3,808	7.0%	50	994	4,250	2.3%	-20.6%

*A sample of DLOs were evaluated using Placer.AI data for the two following time periods FY2019 (July 1, 2018 to June 30, 2019) and 10 months of FY2025 (July 1, 2024 to April 30, 2025).

Appendix K

Table 6. Placer.Ai Visits Metrics Sorted by the Average Visit Duration for FY2025*

Rank	DLO	Rural, Suburban, Urban	County	Ave Visit Duration in minutes (FY2019)	Visits with Durations of 150+ minutes (FY2019)	Ave. Annual Monthly Visits (FY2019)	Share of Visits with Durations of 150+ minutes (FY2019)	Ave Visit Duration (Partial FY2025)	Visits with Durations of 150+ Minutes (Partial FY2025)	Ave. Annual Monthly Visits (FY2025)	Share of Visits with Durations of 150+ minutes (Partial FY2025)	Percent Change in the Average Visit Duration
1	Louisburg	Rural	Franklin	81	4,900	3,450	11.8%	99	11,700	4,390	26.7%	22.2%
2	Erwin	Rural	Harnett	81	3,400	2,375	11.9%	98	6,900	2,650	26.0%	21.0%
3	Kinston	Rural	Lenoir	72	6,800	5,375	10.5%	93	9,500	5,010	19.0%	29.2%
4	Monroe	Suburban	Union	80	17,200	10,142	14.1%	93	18,800	8,290	22.7%	16.3%
5	Sanford	Suburban	Lee	87	6,700	3,092	18.1%	92	8,900	3,770	23.6%	5.7%
6	Burgaw	Rural	Pender	53	1,200	2,142	4.7%	91	5,700	2,840	20.1%	71.7%
7	Stedman	Rural	Cumberland	71	4,000	3,625	9.2%	91	10,200	4,620	22.1%	28.2%
8	Siler City	Rural	Chatham	75	4,600	2,825	13.6%	91	10,700	5,130	20.9%	21.3%
9	Hamlet	Rural	Richmond	57	880	2,342	3.1%	89	6,200	2,640	23.5%	56.1%
10	Taylorsville	Rural	Alexander	51	928	2,517	3.1%	88	8,200	3,570	23.0%	72.5%
11	Laurinburg	Rural	Scotland	62	1,300	2,750	3.9%	86	4,800	2,790	17.2%	38.7%
12	Boone	Rural	Watauga	70	1,900	2,650	6.0%	86	3,300	2,730	12.1%	22.9%
13	Hendersonville	Rural	Henderson	84	10,600	5,250	16.8%	86	11,000	4,890	22.5%	2.4%
14	Roxboro	Rural	Person	75	4,200	3,183	11.0%	85	7,900	4,560	17.3%	13.3%
15	Fayetteville South	Urban	Cumberland	78	7,600	5,108	12.4%	85	6,300	3,600	17.5%	9.0%
16	Troy	Rural	Montgomery	62	1,300	1,900	5.7%	83	4,700	2,680	17.5%	33.9%
17	Newton	Rural	Catawba	64	4,800	3,367	11.9%	83	8,700	4,800	18.1%	29.7%
18	Greensboro West	Urban	Guilford	71	10,800	8,867	10.2%	83	17,500	10,160	17.2%	16.9%
19	Charlotte East	Urban	Mecklenburg	76	15,200	10,367	12.2%	83	15,000	7,900	19.0%	9.2%
20	High Point	Urban	Guilford	57	3,600	5,925	5.1%	82	11,200	5,520	20.3%	43.9%
21	Lexington	Rural	Davidson	70	3,500	4,883	6.0%	82	8,000	4,550	17.6%	17.1%
22	Hillsborough	Rural	Orange	96	9,800	3,600	22.7%	82	9,400	5,010	18.8%	-14.6%
23	Kenansville	Rural	Duplin	56	1,900	3,625	4.4%	81	4,200	2,890	14.5%	44.6%
24	Mooresville	Suburban	Iredell	60	2,300	3,925	4.9%	81	7,300	3,950	18.5%	35.0%
25	Wendell	Rural	Wake	75	5,800	4,642	10.4%	79	8,500	5,060	16.8%	5.3%
26	Wentworth	Rural	Rockingham	88	9,500	4,750	16.7%	79	10,000	7,410	13.5%	-10.2%
27	Charlotte West	Urban	Mecklenburg	59	6,000	11,900	4.2%	78	14,700	9,500	15.5%	32.2%
28	Burnsville	Rural	Yancey	61	1,100	2,467	3.7%	78	3,700	2,130	17.4%	27.9%
29	Asheville	Urban	Buncombe	69	8,000	7,725	8.6%	78	8,800	5,080	17.3%	13.0%
30	Aberdeen	Rural	Moore	78	5,800	3,575	13.5%	78	5,800	3,780	15.3%	0.0%
31	Lumberton	Rural	Robeson	64	3,800	4,250	7.5%	77	9,200	5,750	16.0%	20.3%
32	Salisbury	Suburban	Rowan	67	5,200	5,825	7.4%	77	11,300	7,010	16.1%	14.9%

Rank	DLO	Rural, Suburban, Urban	County	Ave Visit Duration in minutes (FY2019)	Visits with Durations of 150+ minutes (FY2019)	Ave. Annual Monthly Visits (FY2019)	Share of Visits with Durations of 150+ minutes (FY2019)	Ave Visit Duration (Partial FY2025)	Visits with Durations of 150+ Minutes (Partial FY2025)	Ave. Annual Monthly Visits (FY2025)	Share of Visits with Durations of 150+ minutes (Partial FY2025)	Percent Change in the Average Visit Duration
33	Morganton	Rural	Burke	53	1,500	3,800	3.3%	76	6,000	4,590	13.1%	43.4%
34	Gastonia	Urban	Gaston	58	3,400	5,733	4.9%	76	9,900	6,030	16.4%	31.0%
35	Durham East	Urban	Durham	77	5,900	4,217	11.7%	76	7,900	5,540	14.3%	-1.3%
36	Oxford	Rural	Granville	62	1,700	3,175	4.5%	75	5,200	3,130	16.6%	21.0%
37	Concord	Urban	Cabarrus	72	8,800	7,533	9.7%	75	9,400	6,160	15.3%	4.2%
38	Lincolnton	Rural	Lincoln	58	985	2,383	3.4%	74	2,700	2,630	10.3%	27.6%
39	Shelby	Rural	Cleveland	66	4,200	4,367	8.0%	74	7,600	4,920	15.4%	12.1%
40	Cary	Urban	Wake	85	6,900	3,667	15.7%	73	6,000	4,840	12.4%	-14.1%
41	Wilkesboro	Rural	Wilkes	62	3,200	4,358	6.1%	72	4,000	4,000	10.0%	16.1%
42	Franklin	Rural	Macon	51	675	1,592	3.5%	71	2,000	1,570	12.7%	39.2%
43	Winston-Salem North	Urban	Forsyth	50	1,500	4,392	2.8%	70	6,400	7,230	8.9%	40.0%
44	Wilmington North	Urban	New Hanover	62	4,000	5,617	5.9%	70	7,500	5,460	13.7%	12.9%
45	Graham	Rural	Alamance	86	11,000	5,508	16.6%	70	9,500	8,170	11.6%	-18.6%
46	Elizabethtown	Rural	Bladen	54	537	1,067	4.2%	69	2,100	2,340	9.0%	27.8%
47	Marion	Rural	McDowell	65	2,500	3,083	6.8%	69	6,700	6,660	10.1%	6.2%
48	Henderson	Rural	Vance	66	2,300	3,683	5.2%	69	4,400	4,150	10.6%	4.5%
49	Fuquay-Varina	Suburban	Wake	79	4,300	2,450	14.6%	69	3,300	3,130	10.5%	-12.7%
50	Andrews	Rural	Cherokee	63	996	1,575	5.3%	68	2,000	1,890	10.6%	7.9%
51	Nags Head	Rural	Dare	58	1,400	1,592	7.3%	67	51	2,400	0.2%	15.5%
52	Charlotte South	Urban	Mecklenburg	78	14,000	9,808	11.9%	67	13,000	10,510	12.4%	-14.1%
53	Hudson	Rural	Caldwell	52	1,800	3,950	3.8%	66	3,800	4,960	7.7%	26.9%
54	Wilmington South	Urban	New Hanover	58	5,300	6,258	7.1%	66	7,700	6,290	12.2%	13.8%
55	Yadkinville	Rural	Yadkin	73	935	1,008	7.7%	66	1,100	1,240	8.9%	-9.6%
56	Ahoskie	Rural	Hertford	55	1,200	2,408	4.2%	65	2,200	3,440	6.4%	18.2%
57	Winston-Salem South	Urban	Forsyth	57	2,100	6,225	2.8%	65	5,300	6,740	7.9%	14.0%
58	Clayton	Suburban	Johnston	59	2,000	3,717	4.5%	65	4,400	3,790	11.6%	10.2%
59	Hickory	Suburban	Catawba	66	4,300	3,583	10.0%	64	5,000	6,010	8.3%	-3.0%
60	Whiteville	Rural	Columbus	39	363	3,217	0.9%	61	3,100	4,170	7.4%	56.4%
61	Clinton	Rural	Sampson	50	845	2,925	2.4%	61	2,600	2,960	8.8%	22.0%
62	Elkin	Rural	Surry	44	547	2,558	1.8%	58	1,900	4,000	4.8%	31.8%
63	Morehead City	Rural	Carteret	54	3,200	4,883	5.5%	57	2,300	4,700	4.9%	5.6%
64	Washington	Rural	Beaufort	49	1,500	3,758	3.3%	56	2,400	5,650	4.2%	14.3%
65	Roanoke Rapids	Rural	Halifax	35	274	2,467	0.9%	54	1,400	3,540	4.0%	54.3%
66	Shallotte	Rural	Brunswick	48	1,700	4,975	2.8%	52	4,000	5,170	7.7%	8.3%
67	Pembroke	Rural	Robeson	51	713	1,033	5.8%	52	632	1,020	6.2%	2.0%
68	Mount Airy	Rural	Surry	63	3,200	3,808	7.0%	50	994	4,250	2.3%	-20.6%
69	Edenton	Rural	Chowan	54	419	692	5.0%	48	82	660	1.2%	-11.1%

*A sample of DLOs were evaluated using Placer.AI data for the two following time periods FY2019 (July 1, 2018 to June 30, 2019) and 10 months of FY2025 (July 1, 2024 to April 30, 2025).

Appendix K

Table 7. Placer.AI Visits Metrics Sorted by the Share of Visits with Durations of 150+ Minutes FY2025*

Rank	DLO	Rural, Suburban, Urban	County	Ave Visit Duration in minutes (FY2019)	Visits with Durations of 150+ minutes (FY2019)	Ave. Annual Monthly Visits (FY2019)	Share of Visits with Durations of 150+ minutes (FY2019)	Ave Visit Duration (Partial FY2025)	Visits with Durations of 150+ Minutes (Partial FY2025)	Ave. Annual Monthly Visits (FY2025)	Share of Visits with Durations of 150+ minutes (Partial FY2025)	Percent Change in the Average Visit Duration
1	Louisburg	Rural	Franklin	81	4,900	3,450	11.8%	99	11,700	4,390	26.7%	22.2%
2	Erwin	Rural	Harnett	81	3,400	2,375	11.9%	98	6,900	2,650	26.0%	21.0%
3	Sanford	Suburban	Lee	87	6,700	3,092	18.1%	92	8,900	3,770	23.6%	5.7%
4	Hamlet	Rural	Richmond	57	880	2,342	3.1%	89	6,200	2,640	23.5%	56.1%
5	Taylorsville	Rural	Alexander	51	928	2,517	3.1%	88	8,200	3,570	23.0%	72.5%
6	Monroe	Suburban	Union	80	17,200	10,142	14.1%	93	18,800	8,290	22.7%	16.3%
7	Hendersonville	Rural	Henderson	84	10,600	5,250	16.8%	86	11,000	4,890	22.5%	2.4%
8	Stedman	Rural	Cumberland	71	4,000	3,625	9.2%	91	10,200	4,620	22.1%	28.2%
9	Siler City	Rural	Chatham	75	4,600	2,825	13.6%	91	10,700	5,130	20.9%	21.3%
10	High Point	Urban	Guilford	57	3,600	5,925	5.1%	82	11,200	5,520	20.3%	43.9%
11	Burgaw	Rural	Pender	53	1,200	2,142	4.7%	91	5,700	2,840	20.1%	71.7%
12	Charlotte East	Urban	Mecklenburg	76	15,200	10,367	12.2%	83	15,000	7,900	19.0%	9.2%
13	Kinston	Rural	Lenoir	72	6,800	5,375	10.5%	93	9,500	5,010	19.0%	29.2%
14	Hillsborough	Rural	Orange	96	9,800	3,600	22.7%	82	9,400	5,010	18.8%	-14.6%
15	Mooresville	Suburban	Iredell	60	2,300	3,925	4.9%	81	7,300	3,950	18.5%	35.0%
16	Newton	Rural	Catawba	64	4,800	3,367	11.9%	83	8,700	4,800	18.1%	29.7%
17	Lexington	Rural	Davidson	70	3,500	4,883	6.0%	82	8,000	4,550	17.6%	17.1%
18	Troy	Rural	Montgomery	62	1,300	1,900	5.7%	83	4,700	2,680	17.5%	33.9%
19	Fayetteville South	Urban	Cumberland	78	7,600	5,108	12.4%	85	6,300	3,600	17.5%	9.0%
20	Burnsville	Rural	Yancey	61	1,100	2,467	3.7%	78	3,700	2,130	17.4%	27.9%
21	Roxboro	Rural	Person	75	4,200	3,183	11.0%	85	7,900	4,560	17.3%	13.3%
22	Asheville	Urban	Buncombe	69	8,000	7,725	8.6%	78	8,800	5,080	17.3%	13.0%
23	Greensboro West	Urban	Guilford	71	10,800	8,867	10.2%	83	17,500	10,160	17.2%	16.9%
24	Laurinburg	Rural	Scotland	62	1,300	2,750	3.9%	86	4,800	2,790	17.2%	38.7%
25	Wendell	Rural	Wake	75	5,800	4,642	10.4%	79	8,500	5,060	16.8%	5.3%
26	Oxford	Rural	Granville	62	1,700	3,175	4.5%	75	5,200	3,130	16.6%	21.0%
27	Gastonia	Urban	Gaston	58	3,400	5,733	4.9%	76	9,900	6,030	16.4%	31.0%
28	Salisbury	Suburban	Rowan	67	5,200	5,825	7.4%	77	11,300	7,010	16.1%	14.9%
29	Lumberton	Rural	Robeson	64	3,800	4,250	7.5%	77	9,200	5,750	16.0%	20.3%
30	Charlotte West	Urban	Mecklenburg	59	6,000	11,900	4.2%	78	14,700	9,500	15.5%	32.2%
31	Shelby	Rural	Cleveland	66	4,200	4,367	8.0%	74	7,600	4,920	15.4%	12.1%

Rank	DLO	Rural, Suburban, Urban	County	Ave Visit Duration in minutes (FY2019)	Visits with Durations of 150+ minutes (FY2019)	Ave. Annual Monthly Visits (FY2019)	Share of Visits with Durations of 150+ minutes (FY2019)	Ave Visit Duration (Partial FY2025)	Visits with Durations of 150+ Minutes (Partial FY2025)	Ave. Annual Monthly Visits (FY2025)	Share of Visits with Durations of 150+ minutes (Partial FY2025)	Percent Change in the Average Visit Duration
32	Aberdeen	Rural	Moore	78	5,800	3,575	13.5%	78	5,800	3,780	15.3%	0.0%
33	Concord	Urban	Cabarrus	72	8,800	7,533	9.7%	75	9,400	6,160	15.3%	4.2%
34	Kenansville	Rural	Duplin	56	1,900	3,625	4.4%	81	4,200	2,890	14.5%	44.6%
35	Durham East	Urban	Durham	77	5,900	4,217	11.7%	76	7,900	5,540	14.3%	-1.3%
36	Wilmington North	Urban	New Hanover	62	4,000	5,617	5.9%	70	7,500	5,460	13.7%	12.9%
37	Wentworth	Rural	Rockingham	88	9,500	4,750	16.7%	79	10,000	7,410	13.5%	-10.2%
38	Morganton	Rural	Burke	53	1,500	3,800	3.3%	76	6,000	4,590	13.1%	43.4%
39	Franklin	Rural	Macon	51	675	1,592	3.5%	71	2,000	1,570	12.7%	39.2%
40	Cary	Urban	Wake	85	6,900	3,667	15.7%	73	6,000	4,840	12.4%	-14.1%
41	Charlotte South	Urban	Mecklenburg	78	14,000	9,808	11.9%	67	13,000	10,510	12.4%	-14.1%
42	Wilmington South	Urban	New Hanover	58	5,300	6,258	7.1%	66	7,700	6,290	12.2%	13.8%
43	Boone	Rural	Watauga	70	1,900	2,650	6.0%	86	3,300	2,730	12.1%	22.9%
44	Graham	Rural	Alamance	86	11,000	5,508	16.6%	70	9,500	8,170	11.6%	-18.6%
45	Clayton	Suburban	Johnston	59	2,000	3,717	4.5%	65	4,400	3,790	11.6%	10.2%
46	Henderson	Rural	Vance	66	2,300	3,683	5.2%	69	4,400	4,150	10.6%	4.5%
47	Andrews	Rural	Cherokee	63	996	1,575	5.3%	68	2,000	1,890	10.6%	7.9%
48	Fuquay-Varina	Suburban	Wake	79	4,300	2,450	14.6%	69	3,300	3,130	10.5%	-12.7%
49	Lincolnton	Rural	Lincoln	58	985	2,383	3.4%	74	2,700	2,630	10.3%	27.6%
50	Marion	Rural	McDowell	65	2,500	3,083	6.8%	69	6,700	6,660	10.1%	6.2%
51	Wilkesboro	Rural	Wilkes	62	3,200	4,358	6.1%	72	4,000	4,000	10.0%	16.1%
52	Elizabethtown	Rural	Bladen	54	537	1,067	4.2%	69	2,100	2,340	9.0%	27.8%
53	Yadkinville	Rural	Yadkin	73	935	1,008	7.7%	66	1,100	1,240	8.9%	-9.6%
54	Winston-Salem North	Urban	Forsyth	50	1,500	4,392	2.8%	70	6,400	7,230	8.9%	40.0%
55	Clinton	Rural	Sampson	50	845	2,925	2.4%	61	2,600	2,960	8.8%	22.0%
56	Hickory	Suburban	Catawba	66	4,300	3,583	10.0%	64	5,000	6,010	8.3%	-3.0%
57	Winston-Salem South	Urban	Forsyth	57	2,100	6,225	2.8%	65	5,300	6,740	7.9%	14.0%
58	Shallotte	Rural	Brunswick	48	1,700	4,975	2.8%	52	4,000	5,170	7.7%	8.3%
59	Hudson	Rural	Caldwell	52	1,800	3,950	3.8%	66	3,800	4,960	7.7%	26.9%
60	Whiteville	Rural	Columbus	39	363	3,217	0.9%	61	3,100	4,170	7.4%	56.4%
61	Ahoskie	Rural	Hertford	55	1,200	2,408	4.2%	65	2,200	3,440	6.4%	18.2%
62	Pembroke	Rural	Robeson	51	713	1,033	5.8%	52	632	1,020	6.2%	2.0%
63	Morehead City	Rural	Carteret	54	3,200	4,883	5.5%	57	2,300	4,700	4.9%	5.6%
64	Elkin	Rural	Surry	44	547	2,558	1.8%	58	1,900	4,000	4.8%	31.8%
65	Washington	Rural	Beaufort	49	1,500	3,758	3.3%	56	2,400	5,650	4.2%	14.3%
66	Roanoke Rapids	Rural	Halifax	35	274	2,467	0.9%	54	1,400	3,540	4.0%	54.3%

Appendix K

Rank	DLO	Rural, Suburban, Urban	County	Ave Visit Duration in minutes (FY2019)	Visits with Durations of 150+ minutes (FY2019)	Ave. Annual Monthly Visits (FY2019)	Share of Visits with Durations of 150+ minutes (FY2019)	Ave Visit Duration (Partial FY2025)	Visits with Durations of 150+ Minutes (Partial FY2025)	Ave. Annual Monthly Visits (FY2025)	Share of Visits with Durations of 150+ minutes (Partial FY2025)	Percent Change in the Average Visit Duration
67	Mount Airy	Rural	Surry	63	3,200	3,808	7.0%	50	994	4,250	2.3%	-20.6%
68	Edenton	Rural	Chowan	54	419	692	5.0%	48	82	660	1.2%	-11.1%
69	Nags Head	Rural	Dare	58	1,400	1,592	7.3%	67	51	2,400	0.2%	15.5%

*A sample of DLOs were evaluated using Placer.Ai data for the two following time periods FY2019 (July 1, 2018 to June 30, 2019) and 10 months of FY2025 (July 1, 2024 to April 30, 2025).

***Disclaimer:** This analysis is based on data received from NCDMV upon request and represents a “first overview” level of analysis conducted with a limited amount of data correction and cleanup. Given the field-level nature of the data, the subject matter expert research team believes that a follow-up detailed analysis conducted after a thorough data-cleansing will yield more nuanced, and likely, more accurate insights.*



Driver License Office Examiner Transaction Volume Analysis Division of Motor Vehicles

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Examiner Transaction Volume Analysis

An analysis of Driver License Office transactions and examiner volume was undertaken for 10 months of transaction data within fiscal year 2025 (July 1, 2024, to April 30, 2025). This involved an evaluation of transaction volume per examiner for each driver license office in North Carolina.

Data Preparation and Cleaning

Of the 115 DLOs in North Carolina, nine offices were removed from the analysis. These offices include Asheville Express and Walnut Cove (closed during the analysis period), Marshall (zero filled positions during the analysis period), Newland, Pembroke, Sparta, Spruce Pine, and Yanceyville (these locations do not have assigned examiners and are assigned staff to these locations when necessary), and Statesville CDL, which did not have transaction data available during the time of this analysis.

Findings

Across the state, DLOs are staffed at varying levels. Some offices have relatively high and other offices have relatively low transaction volume burdens for their examiners, when compared to the statewide average. From July 1, 2024 to April 30, 2025, an examiner completed 3,128 transactions on average (see Table 1). This equates to an estimated 14.9 daily transactions per examiner (see Table 2).¹ In light of the widely reported capacity issues at DLOs,² where staffing has not kept pace with state population growth, reducing examiner burden would seem like a highly worthwhile objective to help alleviate long wait times at DLOs. Therefore, having a strong understanding of which DLOs are confronted with the largest examiner burdens could help determine which offices are in greatest need of additional staffing.

Based on the findings of this analysis, DLOs in rural areas are facing the largest examiner burdens. Over the analysis period, examiners in rural offices averaged 3,514 transactions per examiner (see Table 1), or an estimated 16.7 transactions each workday (see Table 2). Comparatively, urban offices averaged 2,315 transactions per examiner, an estimated 11 transactions each workday.

Looking beyond the rural, suburban, and urban DLO trends, there are specific offices that have substantially higher transaction burdens relative to others. For example, Shallotte, Laurinburg, and Jefferson had examiners averaging more than 7,000 transactions during the analysis period, (approximately 33 daily transactions). This level of transaction volume is more than twice the statewide average for examiners. The full list of DLOs ranked by examiner transaction volumes is shown in Table 3.

¹ Daily estimates account for weekends and standard U.S. federal holidays observed during this period. Altogether a total of 211 workdays are estimated for this period. Please note that actual working days may vary based on state-specific holidays and individual organizational calendars.

² Moore, E. (2025, April 21). Long lines, no appointments? How to complain about NC DMV problems. North Carolina News & Observer. <https://www.newsobserver.com/news/state/north-carolina/article304435666.html>

Table 1. Transaction Volume by Available Position and Active Examiner

Geography ³	Average Transactions per Examiner
Statewide	3,138
Rural	3,514
Suburban	2,877
Urban	2,315

Table 2. Estimate of Daily Transactions by Available Position and Active Examiner

Geography ³	Average Transactions per Examiner
Statewide	14.9
Rural	16.7
Suburban	13.6
Urban	11.0

Table 3. DLO Transaction Volumes by Active Examiners*

Rank	DLO	County	Geography	Transactions	Transactions per Examiner	
					July 1, 2024 to April 30, 2025	Daily Estimate
1	Shallotte	Brunswick	Rural	15,336	7,668	36.3
2	Laurinburg	Scotland	Rural	7,051	7,051	33.4
3	Jefferson	Ashe	Rural	7,049	7,049	33.4
4	Franklin	Macon	Rural	6,201	6,201	29.4
5	Lincolnton	Lincoln	Rural	16,532	5,511	26.1
6	Washington	Beaufort	Rural	15,535	5,178	24.5
7	Sylva	Jackson	Rural	5,011	5,011	23.7
8	Thomasville	Davidson	Suburban	19,423	4,856	23.0
9	Louisburg	Franklin	Rural	14,454	4,818	22.8
10	Polkton	Anson	Rural	9,510	4,755	22.5
11	Shelby	Cleveland	Rural	13,858	4,619	21.9
12	Bryson City	Swain	Rural	4,580	4,580	21.7
13	Burnsville	Yancey	Rural	4,421	4,421	21.0
14	Taylorsville	Alexander	Rural	8,790	4,395	20.8
15	Burgaw	Pender	Rural	8,689	4,345	20.6
16	Mount Airy	Surry	Rural	12,813	4,271	20.2
17	Elkin	Surry	Rural	12,473	4,158	19.7
18	Graham	Alamance	Rural	24,851	4,142	19.6
19	Morehead City	Carteret	Rural	16,298	4,075	19.3
20	Clayton	Johnston	Suburban	12,101	4,034	19.1

³ For the purposes of this analysis urban, suburban, and rural DLOs were defined by the population of the city or town they reside in. DLOs in locations with less than 25,000 residents were classified as rural, locations with 25,000 to 75,000 residents were classified as suburban, and locations with a resident population greater than 75,000 were classified as urban.

Rank	DLO	County	Geography	Transactions	Transactions per Examiner	
					July 1, 2024 to April 30, 2025	Daily Estimate
21	Troy	Montgomery	Rural	7,928	3,964	18.8
22	Hillsborough	Orange	Rural	15,324	3,831	18.2
23	Mocksville	Davie	Rural	7,582	3,791	18.0
24	Tarboro	Edgecombe	Rural	7,581	3,791	18.0
25	Mount Holly	Gaston	Rural	14,935	3,734	17.7
26	Henderson	Vance	Rural	11,074	3,691	17.5
27	Garner	Wake	Suburban	14,755	3,689	17.5
28	Siler City	Chatham	Rural	14,428	3,607	17.1
29	Hudson	Caldwell	Rural	14,278	3,570	16.9
30	Whiteville	Columbus	Rural	10,695	3,565	16.9
31	Kenansville	Duplin	Rural	7,008	3,504	16.6
32	Statesville	Iredell	Suburban	13,990	3,498	16.6
33	Williamston	Martin	Rural	6,975	3,488	16.5
34	Asheboro	Randolph	Suburban	17,411	3,482	16.5
35	High Point	Guilford	Urban	17,359	3,472	16.5
36	Wilmington South	New Hanover	Urban	20,811	3,469	16.4
37	Roanoke Rapids	Halifax	Rural	10,084	3,361	15.9
38	Marion	McDowell	Rural	10,082	3,361	15.9
39	Elizabethtown	Bladen	Rural	6,693	3,347	15.9
40	Wilson	Wilson	Suburban	13,309	3,327	15.8
41	Elizabeth City	Pasquotank	Rural	13,267	3,317	15.7
42	Andrews	Cherokee	Rural	6,526	3,263	15.5
43	Yadkinville	Yadkin	Rural	9,715	3,238	15.3
44	Fuquay-Varina	Wake	Suburban	12,948	3,237	15.3
45	Lumberton	Robeson	Rural	16,068	3,214	15.2
46	Forest City	Rutherford	Rural	12,579	3,145	14.9
47	Kernersville	Forsyth	Suburban	18,830	3,138	14.9
48	Havelock	Craven	Rural	6,179	3,090	14.6
49	Roxboro	Person	Rural	12,332	3,083	14.6
50	Aberdeen	Moore	Rural	12,254	3,064	14.5
51	Newton	Catawba	Rural	15,113	3,023	14.3
52	Salisbury	Rowan	Suburban	18,005	3,001	14.2
53	Wentworth	Rockingham	Rural	17,804	2,967	14.1
54	Carrboro	Orange	Rural	17,730	2,955	14.0
55	Oxford	Granville	Rural	8,856	2,952	14.0
56	Wendell	Wake	Rural	14,685	2,937	13.9
57	Nags Head	Dare	Rural	8,742	2,914	13.8
58	Rocky Mount	Nash	Suburban	14,504	2,901	13.7
59	Sanford	Lee	Suburban	11,590	2,898	13.7
60	Greenville	Pitt	Urban	25,907	2,879	13.6
61	Ahoskie	Hertford	Rural	8,565	2,855	13.5

Rank	DLO	County	Geography	Transactions	Transactions per Examiner	
					July 1, 2024 to April 30, 2025	Daily Estimate
62	Winston-Salem North	Forsyth	Urban	22,473	2,809	13.3
63	Edenton	Chowan	Rural	2,805	2,805	13.3
64	Hendersonville	Henderson	Rural	13,653	2,731	12.9
65	Durham East	Durham	Urban	16,011	2,669	12.6
66	Goldsboro	Wayne	Suburban	13,271	2,654	12.6
67	Wilkesboro	Wilkes	Rural	10,601	2,650	12.6
68	Boone	Watauga	Rural	7,896	2,632	12.5
69	Kinston	Lenoir	Rural	15,745	2,624	12.4
70	Lexington	Davidson	Rural	13,096	2,619	12.4
71	Brevard	Transylvania	Rural	7,813	2,604	12.3
72	Raleigh East	Wake	Urban	25,803	2,580	12.2
73	Morganton	Burke	Rural	12,671	2,534	12.0
74	Smithfield	Johnston	Rural	12,333	2,467	11.7
75	Winston-Salem South	Forsyth	Urban	26,970	2,452	11.6
76	Durham South	Durham	Urban	17,075	2,439	11.6
77	New Bern	Craven	Suburban	14,474	2,412	11.4
78	Stedman	Cumberland	Rural	12,051	2,410	11.4
79	Hamlet	Richmond	Rural	7,207	2,402	11.4
80	Greensboro East	Guilford	Urban	19,168	2,396	11.4
81	Wilmington North	New Hanover	Urban	19,156	2,395	11.3
82	Hickory	Catawba	Suburban	16,726	2,389	11.3
83	Concord	Cabarrus	Urban	18,927	2,366	11.2
84	Albemarle	Stanly	Rural	9,450	2,363	11.2
85	Greensboro West	Guilford	Urban	33,010	2,358	11.2
86	Mooreville	Iredell	Suburban	15,680	2,240	10.6
87	Gastonia	Gaston	Urban	19,417	2,157	10.2
88	Cary	Wake	Urban	19,227	2,136	10.1
89	Fayetteville West	Cumberland	Urban	17,041	2,130	10.1
90	Charlotte North	Mecklenburg	Urban	31,878	2,125	10.1
91	Jacksonville	Onslow	Suburban	21,223	2,122	10.1
92	Clyde	Haywood	Rural	8,421	2,105	10.0
93	Erwin	Harnett	Rural	8,361	2,090	9.9
94	Huntersville	Mecklenburg	Urban	34,813	2,048	9.7
95	Raleigh West	Wake	Urban	22,201	2,018	9.6
96	Charlotte South	Mecklenburg	Urban	27,406	1,958	9.3
97	Clinton	Sampson	Rural	7,826	1,957	9.3
98	Fayetteville South	Cumberland	Urban	13,489	1,927	9.1
99	Monroe	Union	Suburban	26,772	1,912	9.1
100	Raleigh North	Wake	Urban	24,711	1,901	9.0
101	Charlotte West	Mecklenburg	Urban	22,661	1,743	8.3
102	Charlotte East	Mecklenburg	Urban	24,365	1,624	7.7

Rank	DLO	County	Geography	Transactions	Transactions per Examiner	
					July 1, 2024 to April 30, 2025	Daily Estimate
103	Asheville	Buncombe	Urban	15,053	1,505	7.1
104	Lillington	Harnett	Rural	1,446	1,446	6.9
105	Raeford	Hoke	Rural	2,176	1,088	5.2
106	Lumberton CDL	Robeson	Rural	131	44	0.2
	Statesville CDL	Iredell	Suburban			
	Asheville Express	Buncombe	Urban			
	Marshall	Madison	Rural			
	Newland	Avery	Rural			
	Pembroke	Robeson	Rural			
	Sparta	Alleghany	Rural			
	Spruce Pine	Mitchell	Rural			
	Walnut Cove	Stokes	Rural			
	Yanceyville	Caswell	Rural			

*Period of transactions being analyzed is from July 1, 2024, to April 30, 2025. Daily estimates account for weekends and standard U.S. federal holidays observed during this period. Altogether a total of 211 workdays are estimated for this period. Please note that actual working days may vary based on state-specific holidays and individual organizational calendars.



Driver License Office Wait Time Analysis

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Disclaimer: This analysis is based on data received from NCDMV upon request and represents a “first overview” level of analysis conducted with a limited amount of data correction and cleanup. Given the field-level nature of the data, the subject matter expert research team believes that a follow-up detailed analysis conducted after a thorough data-cleansing will yield more nuanced, and likely, more accurate insights.

Wait Time Analysis

Driver License Office (DLO) wait time data, provided by the NCDMV, were compared to visit duration data from Placer.ai¹. These data do not directly compare the same attributes, but can be useful to understand changes over time and in comparison to other locations. Figure 1 shows the comparison of visit duration (from the time a customer arrives at a DLO premises to the time they leave the premises) as measured by Placer.ai data and wait times as recorded by NCDMV (which is the time from check-in to the time they are called for the service). Visit duration metrics from FY2019 and FY2025 were used to evaluate trends in customer visit durations over this time period. As mentioned above, Placer.ai was used to estimate visit durations at DLO locations in North Carolina. This was completed by analyzing anonymized mobile device data to determine how long visitors typically remain at each office. Therefore, since they are one component of visit duration times, the wait times provided by NCDMV are shorter than the visit duration data from Placer.ai. Table 3 shows the detailed results for each of the 69 DLOs included in the study.

The difference between visit duration and reported wait time data may, if anything, understate any increase (or overstate any decrease) since FY2019. As of 2023, almost all Driver License Office locations require appointments in the morning with walk-in customers only officially being accepted after 12 noon. These customers, at least in principle, should not be part of the wait time averages and should not be experiencing long waits, and their presence should be reducing the average visit duration for all customers while not actually decreasing the experienced visit duration for walk-in customers.

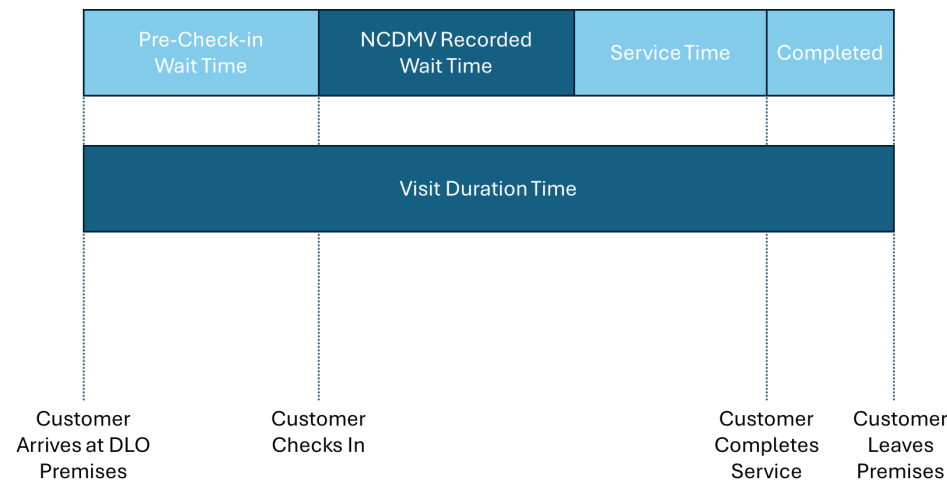


Figure 1. Conceptual Illustration of Wait Time and Visit Duration Data

¹ Placer.ai is a location analytics and foot traffic data platform that provides insights into physical places by analyzing anonymized location data from mobile devices. It can be leveraged to estimate dwell time at Driver License Office locations in North Carolina by analyzing anonymized mobile device data to determine how long visitors typically remain at each site. By aggregating visit duration metrics across multiple days and times, state agencies can identify patterns in customer wait times and service efficiency. This data-driven approach enables more informed decisions around staffing, scheduling, and potential office expansions to improve the overall customer experience at DLO locations.

Wait time data from a sample of 69 DLOs (47 rural, 7 urban, and 15 urban) were analyzed and compared to visit duration data from Placer.ai. This information is summarized in Table 1. According to the data from Placer.ai, visit durations were longer in FY2025 compared to FY2019 at 57 of the 69 offices. Conversely, the wait time data from NCDMV showed longer wait times at 23 of the 69 offices.

Table 1. Comparing Average Visit Durations and Wait Times at DLOs Over Time

Geography ²	Visit Durations from FY2019 to FY2025 [Placer.ai Data]		Wait Times from FY2019 to FY2025 [NCDMV Data]	
	Equal or Shorter in FY2025	Longer in FY2025	Equal or Shorter in FY2025	Longer in FY2025
Statewide	12	57	46	23
Rural	7	40	28	19
Suburban	2	5	6	1
Urban	3	12	12	3

Figure 2 shows a comparison of the ranking between the two datasets and Figure 3 shows a comparison between the wait time and visit duration. Overall, there is little to no relationship between these rankings. For example, in the wait time data for FY2025, the Greensboro West DLO has the lowest wait time with an average wait of 10 minutes. However, this same location has a visit duration of 83 minutes. The top 10 locations in terms of lowest wait times shares only two locations with the top 10 shortest visit durations – the Washington DLO is #5 in terms of wait time and #6 in terms of visit duration and the Mount Airy DLO is #8 in terms of wait time and #2 in terms of visit duration. In the top 10 lowest wait times, four locations are urban (Greensboro West, Fayetteville South, Winston-Salem South, and Wilmington South). In the top 10 shortest visit durations, no locations are urban (all 10 are classified as rural).

Table 2 shows the average wait time by geography. Overall, the DMV data show that wait times dropped by 24% between 2019 and 2025, with the largest decreases in wait times at Suburban and Urban DLOs.

Table 2. DMV Average DLO Wait Times (in Minutes)

Geography ²	July 1, 2018, through June 30, 2019	July 1, 2024, through April 30, 2025 (10 months)	Percent Change FY 2019 vs FY 2025
Statewide	36	27	-24%
Rural	34	28	-18%
Suburban	45	29	-35%
Urban	37	25	-34%

² For the purposes of this analysis urban, suburban, and rural DLOs were defined by the population of the city or town they reside in. DLOs in locations with less than 25,000 residents were classified as rural, locations with 25,000 to 75,000 residents were classified as suburban, and locations with a resident population greater than 75,000 were classified as urban.

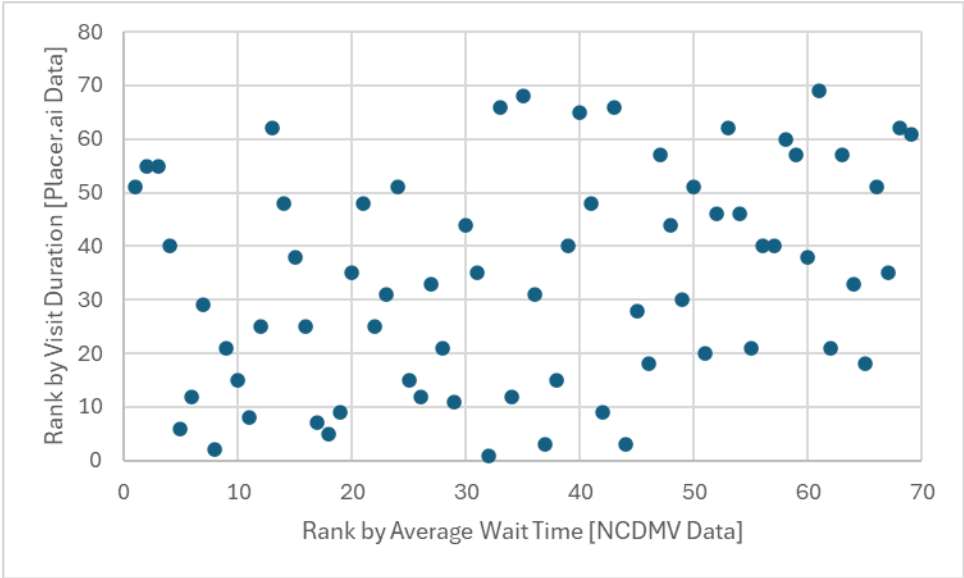


Figure 2. Rank by Average Wait Time and Visit Duration (FY2025) [R²=0.093]

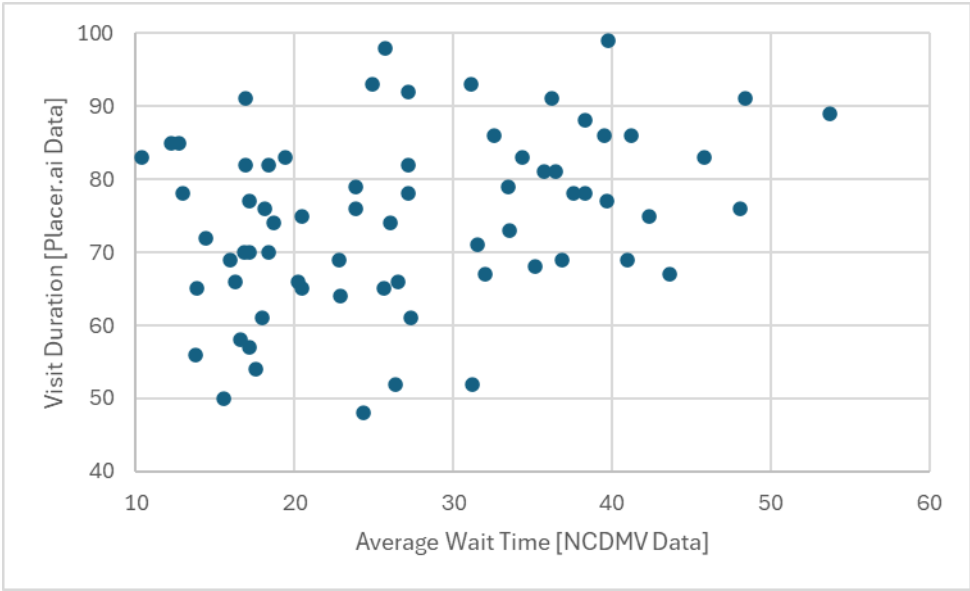


Figure 3. Average Wait Time and Visit Duration (FY2025) [R²=0.1055]

Table 3. Placer.Ai Visits Metrics Sorted by the Percentage Change of Average Visit Duration from FY2019 to FY2025*

Rank	DLO	Rural, Suburban, Urban	County	Ave Visit Duration in minutes (FY2019) [Placer]	Ave Wait Time in minutes (FY2019) [NCDMV]	Ave Visit Duration (Partial FY2025) [Placer]	Ave Wait Time in minutes (Partial FY2025) [NCDMV]	Percent Change in the Ave Visit Duration (2019 to 2025)	Percent Change in the Wait Time (2019 to 2025)
1	Taylorsville	Rural	Alexander	51	21	88	38	72.5%	82.0%
2	Burgaw	Rural	Pender	53	23	91	48	71.7%	106.1%
3	Whiteville	Rural	Columbus	39	15	61	18	56.4%	22.6%
4	Hamlet	Rural	Richmond	57	34	89	54	56.1%	59.7%
5	Roanoke Rapids	Rural	Halifax	35	8	54	18	54.3%	130.5%
6	Kenansville	Rural	Duplin	56	29	81	36	44.6%	22.4%
7	High Point	Urban	Guilford	57	30	82	18	43.9%	-38.4%
8	Morganton	Rural	Burke	53	22	76	48	43.4%	116.4%
9	Winston-Salem North	Urban	Forsyth	50	20	70	18	40.0%	-9.1%
10	Franklin	Rural	Macon	51	23	71	32	39.2%	39.5%
11	Laurinburg	Rural	Scotland	62	39	86	40	38.7%	2.2%
12	Mooreville	Suburban	Iredell	60	36	81	36	35.0%	2.4%
13	Troy	Rural	Montgomery	62	27	83	46	33.9%	67.1%
14	Charlotte West	Urban	Mecklenburg	59	21	78	27	32.2%	32.4%
15	Elkin	Rural	Surry	44	9	58	17	31.8%	85.2%
16	Gastonia	Urban	Gaston	58	34	76	18	31.0%	-46.7%
17	Newton	Rural	Catawba	64	28	83	19	29.7%	-31.4%
18	Kinston	Rural	Lenoir	72	21	93	25	29.2%	21.7%
19	Stedman	Rural	Cumberland	71	36	91	36	28.2%	0.6%
20	Burnsville	Rural	Yancey	61	34	78	13	27.9%	-61.8%
21	Elizabethtown	Rural	Bladen	54	23	69	16	27.8%	-29.9%
22	Lincolnton	Rural	Lincoln	58	31	74	19	27.6%	-39.4%
23	Hudson	Rural	Caldwell	52	16	66	27	26.9%	70.8%
24	Boone	Rural	Watauga	70	23	86	33	22.9%	44.7%
25	Louisburg	Rural	Franklin	81	47	99	40	22.2%	-15.3%
26	Clinton	Rural	Sampson	50	24	61	27	22.0%	12.4%
27	Siler City	Rural	Chatham	75	51	91	17	21.3%	-66.7%
28	Erwin	Rural	Harnett	81	67	98	26	21.0%	-61.6%
29	Oxford	Rural	Granville	62	24	75	20	21.0%	-15.0%
30	Lumberton	Rural	Robeson	64	40	77	40	20.3%	-0.1%
31	Ahoskie	Rural	Hertford	55	22	65	20	18.2%	-8.7%
32	Lexington	Rural	Davidson	70	32	82	27	17.1%	-15.3%
33	Greensboro West	Urban	Guilford	71	42	83	10	16.9%	-75.2%
34	Monroe	Suburban	Union	80	51	93	31	16.3%	-39.0%
35	Wilkesboro	Rural	Wilkes	62	23	72	14	16.1%	-37.4%
36	Nags Head	Rural	Dare	58	46	67	32	15.5%	-30.0%
37	Salisbury	Suburban	Rowan	67	33	77	17	14.9%	-48.2%
38	Washington	Rural	Beaufort	49	15	56	14	14.3%	-6.4%
39	Winston-Salem South	Urban	Forsyth	57	24	65	14	14.0%	-42.8%
40	Wilmington South	Urban	New Hanover	58	45	66	16	13.8%	-63.9%
41	Roxboro	Rural	Person	75	52	85	13	13.3%	-75.5%
42	Asheville	Urban	Buncombe	69	48	78	38	13.0%	-20.0%
43	Wilmington North	Urban	New Hanover	62	33	70	17	12.9%	-47.5%
44	Shelby	Rural	Cleveland	66	37	74	26	12.1%	-30.3%
45	Clayton	Suburban	Johnston	59	40	65	26	10.2%	-35.2%
46	Charlotte East	Urban	Mecklenburg	76	42	83	34	9.2%	-18.7%
47	Fayetteville South	Urban	Cumberland	78	48	85	12	9.0%	-74.2%
48	Shallotte	Rural	Brunswick	48	42	52	26	8.3%	-37.7%
49	Andrews	Rural	Cherokee	63	26	68	35	7.9%	33.5%

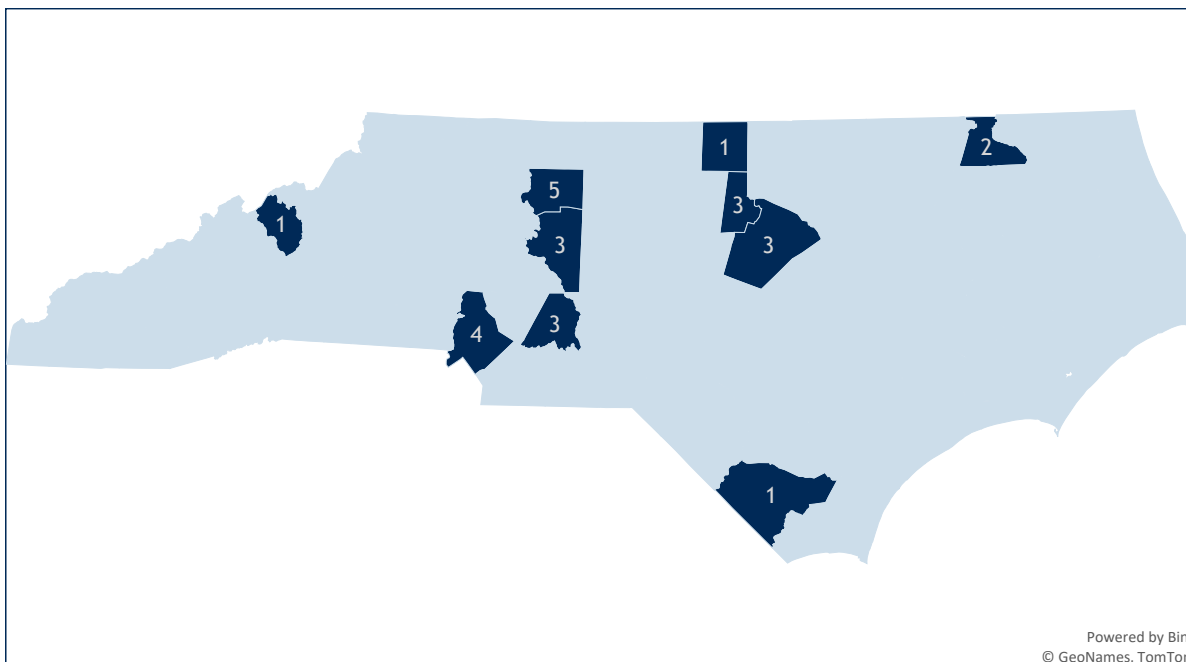
Rank	DLO	Rural, Suburban, Urban	County	Ave Visit Duration in minutes (FY2019) [Placer]	Ave Wait Time in minutes (FY2019) [NCDMV]	Ave Visit Duration (Partial FY2025) [Placer]	Ave Wait Time in minutes (Partial FY2025) [NCDMV]	Percent Change in the Ave Visit Duration (2019 to 2025)	Percent Change in the Wait Time (2019 to 2025)
50	Marion	Rural	McDowell	65	34	69	37	6.2%	7.3%
51	Sanford	Suburban	Lee	87	66	92	27	5.7%	-58.7%
52	Morehead City	Rural	Carteret	54	38	57	17	5.6%	-54.8%
53	Wendell	Rural	Wake	75	31	79	33	5.3%	6.5%
54	Henderson	Rural	Vance	66	40	69	23	4.5%	-43.1%
55	Concord	Urban	Cabarrus	72	33	75	42	4.2%	27.6%
56	Hendersonville	Rural	Henderson	84	68	86	41	2.4%	-39.2%
57	Pembroke	Rural	Robeson	51		52	31	2.0%	
58	Aberdeen	Rural	Moore	78	55	78	38	0.0%	-32.0%
59	Durham East	Urban	Durham	77	46	76	24	-1.3%	-47.8%
60	Hickory	Suburban	Catawba	66	32	64	23	-3.0%	-28.2%
61	Yadkinville	Rural	Yadkin	73	32	66	20	-9.6%	-36.0%
62	Wentworth	Rural	Rockingham	88	59	79	24	-10.2%	-59.4%
63	Edenton	Rural	Chowan	54	40	48	24	-11.1%	-39.8%
64	Fuquay-Varina	Suburban	Wake	79	55	69	41	-12.7%	-25.3%
65	Charlotte South	Urban	Mecklenburg	78	38	67	44	-14.1%	14.5%
66	Cary	Urban	Wake	85	51	73	34	-14.1%	-33.9%
67	Hillsborough	Rural	Orange	96	62	82	17	-14.6%	-72.4%
68	Graham	Rural	Alamance	86	56	70	17	-18.6%	-70.1%
69	Mount Airy	Rural	Surry	63	30	50	16	-20.6%	-47.7%

*A sample of DLOs were evaluated using Placer.Ai data for the two following time periods FY2019 (July 1, 2018 to June 30, 2019) and 10 months of FY2025 (July 1, 2024 to April 30, 2025).

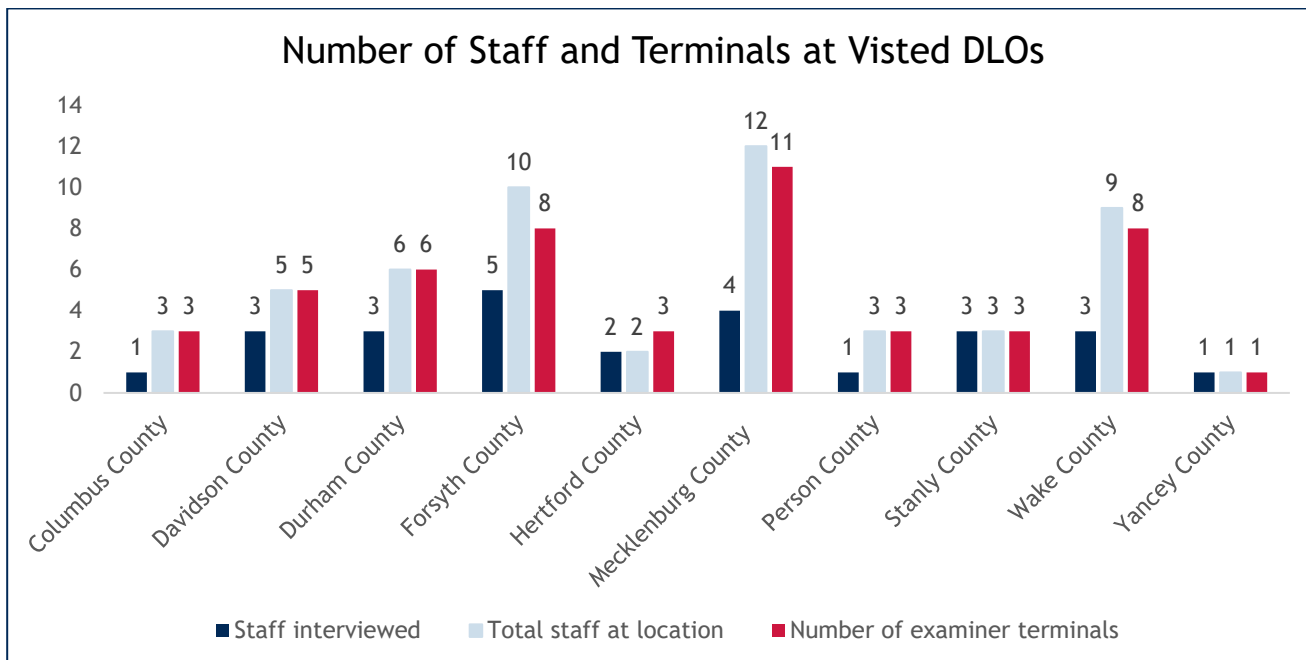
Summary of Visits to Driver License Offices

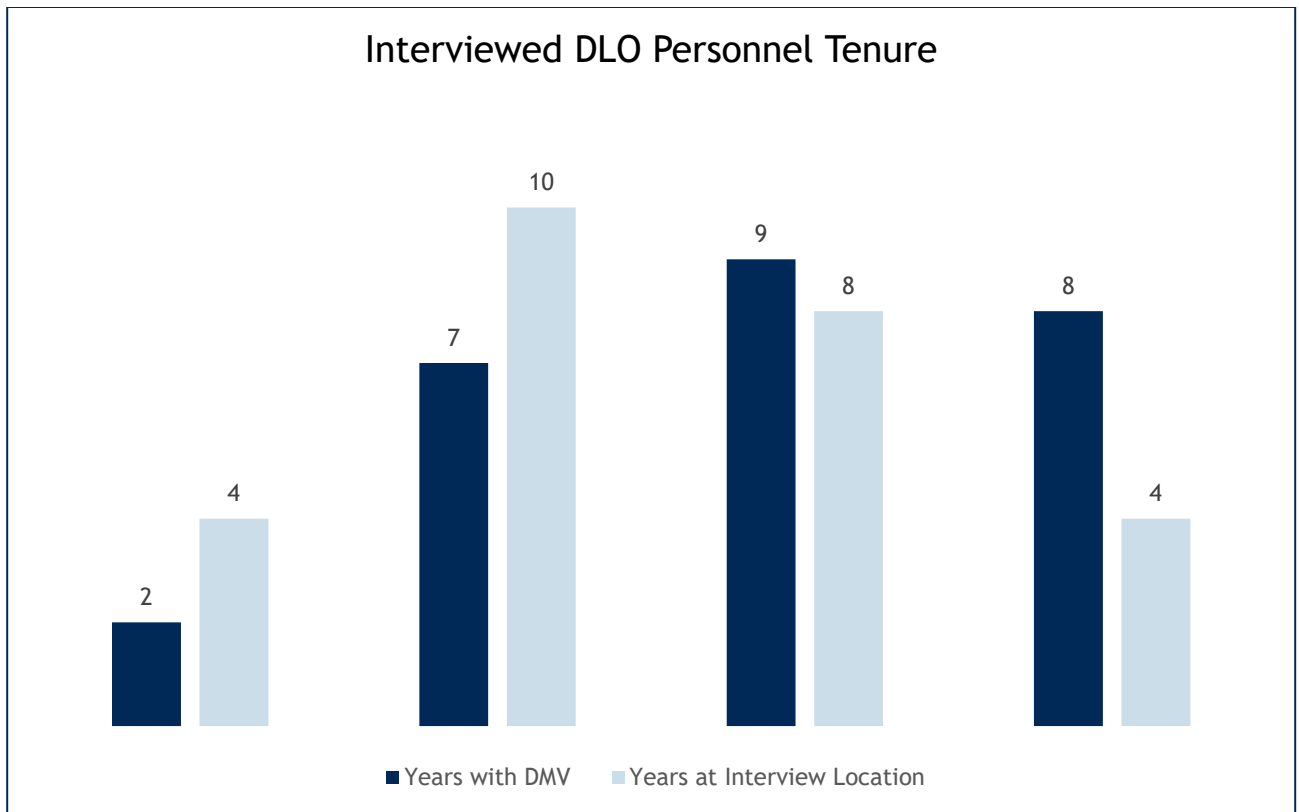
OSA visited ten DLO offices selected throughout the State to interview DLO personnel.

Number of DLO Personnel Interviewed by County



Number of Staff and Terminals at Visted DLOs





Below is a summary of the responses and suggestions received by OSA from the DLO personnel

Table 1 - Process Issues		
Key Concern Topic	Summary	Total Mentions
Customer Service Challenges		
Language Barriers	Noted that the most challenging transactions are with customers who don't speak English. In these cases, examiners have to use their personal phones to translate where able.	9
Legal Presence Increase	Noted that there has been a huge increase in Legal Presence customers, which requires heavy document checking and verification.	8
Appointments	Noted that appointments have created more issues as customers can book multiple appointments, don't always follow instructions to confirm, or forget to cancel.	9
Lack of Offices	Noted that due to a lack of new offices being created in the area, there isn't much being done to limit the constant demand. "Tie the staffing level to census numbers with a minimum of two per office, for safety and expedition of services."	3
Customer Travel	Noted that most customers are not from the local area and travel to this location due to hopes of faster service and reputation of those customer's local office.	9
REAL ID		
Documentation	Noted an issue with customers, specifically married women, pursuing a Real ID being turned away for not having the required documentation for name traceability.	10
Customer Need	Noted an issue with customers pursuing a Real ID that do not actually need one (have a passport, already have a Real ID, aren't flying).	5
Website		
Documentation	Noted that customers are frequently turned away for having the wrong type of documents, e.g. a photocopy rather than a certified copy or digital rather than paper proof of insurance	9
Scams	Noted an issue with customers getting scammed on websites they thought were the DMV.	3
Technology Needs		
Internet/Cell Service	Noted an issue with the service, as the office is in a rural location and does not have Wi-Fi.	5
System Issues	Noted that they frequently have parts of SADLS or other programs down, which creates service delays and reporting gaps.	9
Testing Computers	Noted that the office has limited testing computers and could use more.	4
Q-Anywhere	Noted that the QR system doesn't tend to work as effectively as it could, and due to a stagnant QR code, customers not being adept to the technology, and lack of facilitators to assist customers, more issues have been created.	8

Table 2 - Staffing Issues		
Key Concern Topic	Summary	Total Mentions
Staffing		
Low Staffing	Noted that there hasn't been an increase in examiners to keep up with the growth in state population.	10
Staff Burnout	Noted that job is very demanding and can create a lot of stress on examiners. "The DMV cannot be a customer-centric business at the expense of its employees."	9
Employee Incentives	Noted that all Driver License Offices have a flat pay rate and that limited, or declining, incentives have made it difficult to hire and retain staff.	8
Greeters/Facilitators	Noted that since greeters/facilitators were removed, examiners now have to perform both tasks, which creates delays in service and increased stress for examiners. "We work our tails off every day and do more with less. This shouldn't be something that leadership should be comfortable with. They shouldn't be piling on more."	10
More Hours, No Extra Staff	<ul style="list-style-type: none"> Examiners in offices with extended hours (7 am to 5 pm) noted that they were supposed to have a staggered schedule. However, since no additional staff was hired, existing staff has had to work the extra hours. For offices with Saturday hours, examiners are required to work an extra day every week. Employees noted that the overtime pay was not worth the stress created by the increased hours. 	
No Employee Input	<ul style="list-style-type: none"> One office mentioned that on hiring, examiners were told it was an 8 am open time. Then they were told they would have to be there at 7 am. No one asked if that was feasible for their schedules. Hours have been extended without any input from employees as to whether they are willing or able to work those hours - some examiners expressed that they felt that their time was taken for granted. 	
Erodes Work-Life Balance	<ul style="list-style-type: none"> Several examiners mentioned that they have long commutes to their office. With the commute and extended office hours, they have little time for anything other than work. Earlier start times are especially difficult for employees with children. 	
Safety Concerns	<ul style="list-style-type: none"> Examiners reported feeling that they were being run ragged and that their lack of sleep led to a higher likelihood of making mistakes. In the past, when hours were extended into the evening (5 pm to 6 pm), examiners experienced increased violence from customers during those evening hours. 	

Table 2 - Staffing Issues

Key Concern Topic	Summary	Total Mentions
Staff Wellbeing		
Examiner Safety	Noted that examiners don't feel secure or safe in the Driver License Offices and desire more security.	7
Motorcycle Test Safety	Noted that the area for Motorcycle Skills Tests to be performed isn't large enough or safe enough.	5
Road Test Safety	Noted that road tests can be unsafe due to language barriers, lack of appropriate space, and other concerns	5
Time Management	Noted that some staff members do not have time to eat during the day, do not have time to do mandatory trainings	5
Human Resources Contact	Noted that DMV staff don't feel supported by Human Resources (HR) or even know who their HR contacts are. <div> "I have never spoken to my District Manager. I do not know who to speak to </div>	7
Potential for Violence Against Examiners	<ul style="list-style-type: none"> Someone accompanying a customer kicked out a glass pane by the office's entrance. Two examiners were assaulted at one office. Other examiners described customers lunging at them. Customers have followed examiners around the back of the building to employee parking. One examiner described being surrounded by a mob of angry people waiting in line outside the driver license office where he was the only staff member working. 	
Gender-based Intimidation	<ul style="list-style-type: none"> One staff member commented that in her experience, men acted more intimidating towards women examiners. This staff member has called her husband to meet her in parking lot so she can leave the office safely. Several male staff members at a different office noted the same pattern, that male customers acted more aggressively towards the female examiners. 	
Dangerous Office Environment	<ul style="list-style-type: none"> One office commented that they do not have emergency exits. Staff stated they "would have to run past [a] shooter to escape the building". Leadership said that they were going to get safety equipment and have a team assess the building, but that has never happened. Driver license offices do not close for dangerous weather events, such as hurricanes or snow days. 	
Lack of Support from Leadership	<ul style="list-style-type: none"> Examiners described not receiving any support from their district manager after coworkers at another driver license office were assaulted. A customer had a heart attack and passed away in one office, and the district manager called to make sure staff immediately went back to their workstations. Examiners were told to contact their district manager rather than their human resources representative with any problems, even if the district manager was the problem. 	

Table 3 - Process Issues - Suggested Solutions	
Key Concern Topic	Suggested Solutions
Customer Service Challenges	
Language Barriers	<ol style="list-style-type: none"> 1. Add more languages to testing machines 2. Expand awareness of and access to translation technology 3. Dedicated language service offices
Appointments	<ol style="list-style-type: none"> 1. Charge a deposit fee for appointments to keep people from no-showing 2. Eliminate appointment system <p>"Go back to walk-in's only with first come, first serve. The license plate agencies have always been first come, first serve, and people know what to expect. The major complaints are against the drivers license offices."</p>
REAL ID	
Documentation	Make marriage certificate requirements more clear on the website
Website	
Documentation	<ol style="list-style-type: none"> 1. Hire a facilitator to ensure documents are correct while customers wait 2. Improve website to ensure that all requirements are clear and are in the text of the website
Scams	See if it is possible to acquire NCDMV.com
Technology Needs	
System Issues	Increase staffing of Help Desk
Q-Anywhere	<p>Stronger security measures (for example, not having static QR codes)</p> <p>Hire a facilitator for each office who can assist with triage of Q-Anywhere system</p>

Table 4. Staffing Issues - Suggested Solutions	
Key Concern Topic	Suggested Solutions
Staffing	
Staff Burnout	Increase staffing for offices where hours have increased
Employee Incentives	Increase salaries, especially in higher cost of living areas <div> "This salary does not fund the life you want to live. You can't save money for your future on this salary. I cannot buy a house on this salary. Once I graduate [from college], </div>
Greeters/Facilitators	Hire a facilitator/greeter for each office <div> The only office that did not report problems with customers bringing the wrong documentation has a facilitator on staff. The facilitator checks that waiting customers have the correct documents, ensuring that nobody waits in line for hours only to be turned away. This reduces confusion and frustration for customers and examiners. Other offices reported that newly hired examiners who had not had the chance to attend training will serve as facilitators while waiting, greatly improving customer experience during that time. </div> <div>What works?</div>
Staff Wellbeing	
Examiner Safety	1. Hire a facilitator to manage the line, keep confusion and frustration low 2. Have a policy for closing offices during dangerous weather events, such as snowstorms/hurricanes 3. Hire security and/or move offices closer to state police offices 4. Implement a policy that there must be at least two people working at all times, and staff appropriately for that policy
Motorcycle Test Safety	Restrict motorcycle testing only to locations with proper testing space
Road Test Safety	Restrict road tests to certain offices or days
Human Resources Contact	Conduct employee outreach to ensure that all employees have contact information for their human resources representative



Recommendations to Improve Service and Customer Experience Division of Motor Vehicles

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Disclaimer: This analysis is based on data received from NCDMV upon request and represents a “first overview” level of analysis conducted with a limited amount of data correction and cleanup. Given the field-level nature of the data, the subject matter expert research team believes that a follow-up detailed analysis conducted after a thorough data-cleansing will yield more nuanced, and likely, more accurate insights.

General (Near-Term) Recommendations to Improve Service and Customer Experience at DMV DLOs

Complementary to the items listed below, Figure 1 shows the potential relationship between recommendations and customer service impacts and implementation time frame. Organizing and categorizing initiatives in this format may be useful to consider these two important facets of any changes or efforts.

- The cost paid by the customer should be equal whether using in-person, online, or kiosk methods (or, to incentivize more efficiency, in-person services could be more expensive).
 - This may require contract renegotiation with PayIt and/or the kiosk vendor. The research team is concerned that these contracts may have suffered from principal-agent conflicts; NCDMV and NCDOT did not internalize the costs when it introduced these services and therefore was not incentivized to obtain the best possible deal for customers and taxpayers.
- Add extra examiners to DLOs through extended hours on weekdays and by offering services for a full weekend day.
 - Extension of hours should include extra capacity, not just shifting the start/end point for one examiner, which ultimately keeps the same capacity. This will require new examiners to be hired.
- NCDMV should consider offering a temporary “Saturday surge,” where most DLOs are open on Saturdays as the division works through its backlog of customer demand.
 - This can only be possible if staff volunteer for such roles—requiring staff to do this work will only lead to further burnout of existing staff, worsening a retention issue at a time when NCDMV needs staff most.
- Add an expedited service options, which could include an advanced electronic document review, for an additional fee for customers who need rapid assistance
- Use intermediate opportunities to offer REAL ID renewals (and other similar services) sooner than 8/16 years
- A facilitator position (a person who helps customers check-in, verify documents, and assess whether an online/kiosk renewal is possible) should be staffed in every DLO, to the extent possible. Ideally, each facilitator will also be a qualified examiner (which is currently the way facilitator positions are established because the employee working as the facilitator is also a fully-qualified examiner). The facilitator role will allow examiners to focus on serving each customer without disruptions to assist with waiting room needs. As a qualified examiner, the facilitator role could be rotated amongst the examiners employed in each DLO.
- If kiosks are used on site at Driver License Offices, they must be installed with proper staffing and training, and only in locations with a facilitator. Urban locations could be an initial focus of kiosk installations, but NCDMV should consider staff input before installation. Furthermore, if kiosks are installed in a DLO, the cost paid by the customer for using that kiosk should be equal to (or less than) the cost for receiving assistance from an examiner.
- Improved information online:

- Make sure all requirements for service are clearly labeled and listed for each type of service (including common language descriptions of the needed documents).
- An online tool should be used to help understand the specific service that a customer needs, along with the required documents (using common language descriptions).
- Information related to REAL ID should reflect that other forms of Federal IDs (such as passports) will still work for air travel.
- Simple, prominent signage at DLOs, digital pre-check systems, and online document checklists on the NCDMV website tailored to each transaction type would help customers and reduce wait times. Multilingual materials should also be introduced, given the increasing number of non-English speakers.
- Improved information on the phone:
 - Currently, phone calls are rerouted from larger offices to smaller offices—the offices that have the fewest resources available. Additionally, the lack of a phone tree means that common questions that can be answered by automated means, such as hours and location, are addressed by humans instead, while questions that could be better answered by the call center use up valuable examiner time.
- Improved in-person branding/information:
 - Inconsistent branding is used on the exterior of buildings and on the roadside.
 - Signage inside the DLO should be up-to-date, relevant, and helpful. Some DLOs reported that they are not permitted to make their own signage but also do not have signage that meets their needs.
- Consistent and reliable access to language translation services. Language barriers exist for a significant amount of customers at some locations which increases the time required to complete each transaction.
 - NCDOT and the State of North Carolina have a standing contract for telephone interpretation which could be reviewed for implementation.
 - Requests for interpretation should be made at check-in or when scheduling appointments so that staff are aware and prepared to use the telephone service.
 - Hiring priority (or pay level) for bilingual staff would add value to Driver services.
- Online Services:
 - Online services could be expanded to match what other states offer
 - Remove limits on online services that are not legally required. For example, non-citizens are currently unable to renew online even though the REAL ID regulations in CFR explicitly contemplate such renewals.
- Improved communication between DLOs and NCDMV HQ (including human resources)
 - Currently, there appears to be a lack of clear lines of communication from DLOs to either HQ or HR which hinders the DLOs' ability to conduct business effectively. A robust system for elevating concerns and addressing them effectively is needed.
 - Currently, a long time delay is present in the hiring process from job opening to posting, interviewing, selection, hiring, and training.

- NCDMV must expand its ability to train new examiners. Some DLOs report delays of over six months for space to be available to train a new examiner at NCDMV's examiner training schools in Huntersville and Rocky Mount, meaning this staff member is on payroll but not able to provide the full range of Driver Services to clients.
- Changes should be made to how NCDMV offers appointments for Driver Services at DLOs.
 - The NCDMV online reservation system allows the creation of duplicate appointments, which should be restricted to only one active appointment per client at a time. For existing NCDMV clients, the DL/ID number could be required and used to prevent booking multiple appointments.
 - A refundable deposit system for appointments could be used to reduce no-shows.
 - An alternative approach could be used, such as a more focused appointment model reserved only for specialized services (road tests, medical issues) while streamlining the walk-in process for routine transactions.
- Required interlinkages between SADLS, the imaging service, the voter registration system and sexual offender registry can cause disruptions to NCDMV services when any one of those systems is non-functional. The robustness of these systems should be considered for their impacts on NCDMV services. Similarly, internet and payment system outages are frequently noted by examiners as occasional issues in the system (though the extent of the problem has not been measured).
- DLO staff are required to log in to multiple systems, multiple times per day. A simplified login process through biometrics or a longer duration before re-verifying identity would save staff time. This will likely require other modernization efforts to execute.
- Road tests are lengthy and burdensome transactions that create bottlenecks. There is a balance between consistency across the state and solutions for local offices. For instance, some offices might benefit from limiting road tests to specific days of the week for walk-ins, while others might be able to accommodate them at any time. Local concerns and suggestions should be considered.
- Staff safety is regularly a concern at some DLOs, and NCDMV should have established procedures for responding to disgruntled and potentially physically aggressive customers. Duress alarms or panic buttons may be justified at locations with more frequent occurrences of aggressive behavior, if not all locations.
- Long-term review and continuous evaluation of NCDMV Driver Services changes/improvements, as well as, developing and assessing key performance metrics will be useful to understand the impacts of changes and help monitor progress.

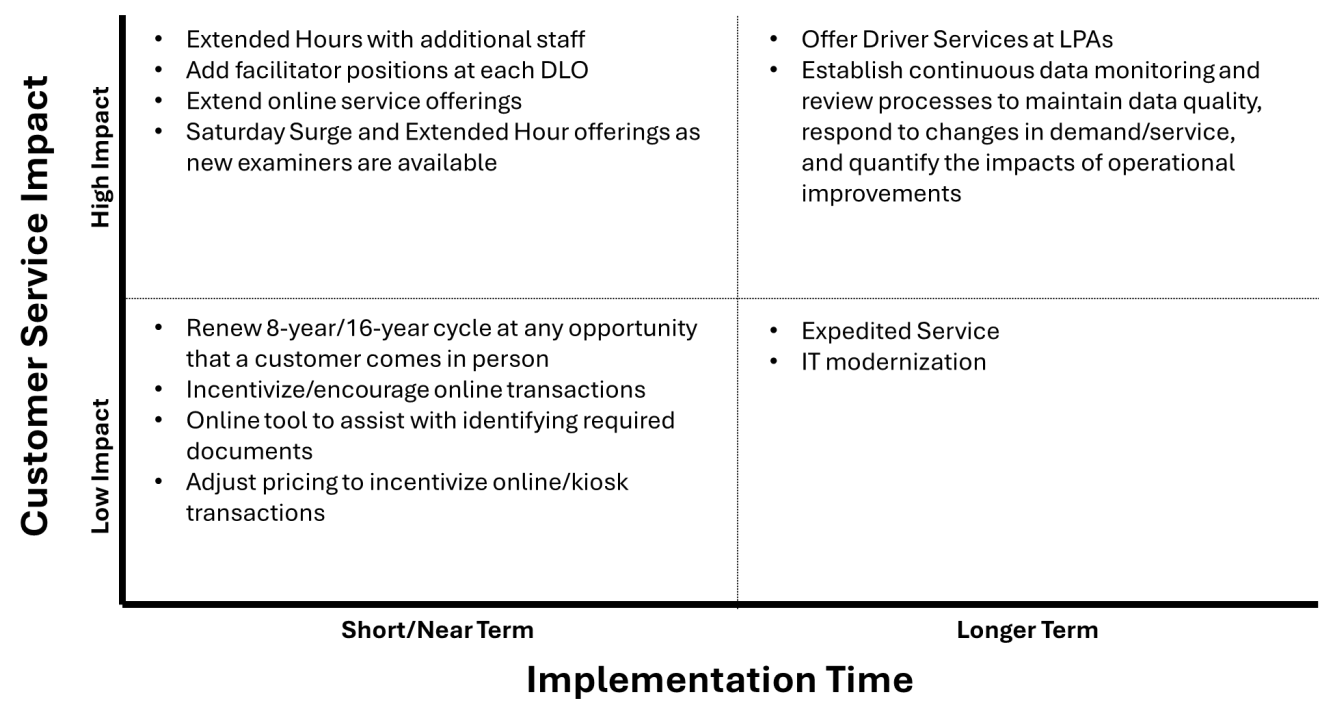


Figure 1. Potential Customer Service Impact and Implementation Time Frame of Various Recommendations



Opportunities for Modernizing and Improving NCDMV Operations

April 2024

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NCDMV Electronic Crash Records

1. BACKGROUND

The NCDOT DMV-349 Crash Report Form,¹ as enabled by North Carolina General Statute 20-166.1,² must be used to report any motor vehicle traffic crash that meets at least one of the following criteria:

- The crash resulted in a fatality or a non-fatal personal injury.
- The crash resulted in total property damage amounting to \$1,000 or more.
- The crash resulted in property damage of any amount to a vehicle seized or the vehicle has been seized and is subject to forfeiture under G. S. 20-28.3.

In order to be reportable, a motor vehicle traffic crash must occur on a road (or adjacent to the road as a result of leaving the road) or area open to personal vehicles. The responding officer must complete the DMV-349 Crash Report Form within 24 hours and the agency must submit it to the NCDOT Division of Motor Vehicles (NCDMV) within 10 days after receiving it from the officer.

2. ELECTRONIC CRASH REPORTING

A total of 385 law enforcement agencies submitted at least one crash report in 2023. Law enforcement agencies can currently submit the form electronically or by paper, and most law enforcement agencies submit crash reports electronically. Electronic submissions support efficient processes by the NCDMV. In 2023, 29,487 crash reports were submitted by paper, representing 9% of the 326,078 total crash reports. A team of three individuals is employed by the NCDMV with a primary responsibility to convert paper crash reports to an electronic format and an additional three employees serve as back-ups for this process.

Section (e) of § 20-166.1 does not currently specify the format of the crash report but could be modified to specify that crash reports must be submitted electronically as recommended by the N.C. Crash Reporting Information System (NC CRIS) project.³ The National Highway Traffic Safety Administration (NHTSA) outlines that an ideal traffic records system should include electronic collection of crash data, and recommends that submissions to the state be electronic and automatic.⁴ Nationally, the following states are known to require electronic crash reporting: Alabama, Connecticut, Idaho, Kentucky, Maine, Maryland, Minnesota, North Dakota, Rhode Island, Tennessee, Utah, Vermont, Virginia, West Virginia, and Wyoming.

The NCDMV supports two no-cost options for law enforcement agencies to submit electronic crash reports: a fillable PDF version of the form and the Traffic and Criminal Software (TraCS) system. Additionally, some law enforcement agencies use software from private vendors to submit crash reports through the Electronic Crash Reporting System (ECRS), which may be associated with a fee to the vendor. Grant funding is available from the Governor's Highway Safety Program (GHSP) to assist agencies with the transition to electronic crash reporting with Mobile Data Terminals, and 12 North Carolina agencies have received these funds since 2019.

326,078 crash reports received by DMV in 2023.

9% of crash reports were submitted on paper.

3. SUMMARY OF AGENCIES SUBMITTING PAPER CRASH REPORTS

In 2023, 170 law enforcement agencies submitted at least one paper crash report to the NCDMV for a total of 29,487 paper-based crash reports. The top forty agencies, by number of paper-based crash forms submitted, are shown in the following table – these agencies account for 94% of the paper-based crash forms submitted. Among these forty agencies, only four also submit crash forms in an electronic format: Fayetteville Police Department (17% are paper-based), Cary Police Department (25% are paper-based), NC State Highway Patrol (0.35% are paper-based), and Jacksonville Police Department (12% are paper-based). Furthermore, the top ten agencies accounted for 58% of the paper-based crash forms submitted.

10 law enforcement agencies were responsible for submitting **58%** of the paper-based crash reports in 2023.

4. RECOMMENDATION

Based on the preceding findings on the potential for process efficiency improvements and cost savings within NCDMV, a recommendation from our study is that legislation be enacted to make electronic crash reporting by law enforcement agencies mandatory. Additionally, or in lieu thereof, should NCDMV have other avenues available to it as a state agency to pursue and ensure this outcome under current statutes, our recommendation is that it do so.

¹ DMV-349 Instructional Manual. NCDOT Division of Motor Vehicles. February 2023.

² § 20-166.1. Reports and investigations required in event of accident.

³ Highway Safety Plan FY2024-2026. North Carolina Governor's Highway Safety Program.

⁴ Traffic Records Program Assessment Advisory, 2018 Edition. National Highway Traffic Safety Administration.

Paper-Based NCDOT DMV-349 Crash Report Forms Submitted by Agencies with At Least 100 Reports

Law Enforcement Agency	Number of Paper Forms Submitted in 2023	Law Enforcement Agency	Number of Paper Forms Submitted in 2023
Asheville Police Department	4,982	Mebane Police Department	382
Concord Police Department	2,514	Newton Police Department	367
Wilson Police Department	1,608	Archdale Police Department	358
Hickory Police Department	1,585	Albemarle Police Department	337
Kannapolis Police Department	1,347	Wilkesboro Police Department	326
Chapel Hill Police Department	1,208	Reidsville Police Department	314
Henderson Police Department	1,028	Jacksonville Police Department	246
Sanford Police Department	1,010	Laurinburg Police Department	226
Fayetteville Police Department	920	Dallas Police Department	170
Apex Police Department	912	Forsyth County Sheriff's Dept.	158
Clayton Police Department	880	Cumberland County Sheriff's Office	156
Wake Forest Police Department	851	Weaverville Police Department	134
Cary Police Department	829	Tarboro Police Department	133
Smithfield Police Department	738	Locust Police Department	133
Cabarrus County Sheriff's Office	712	Woodfin Police Department	119
Shelby Police Department	624	NC A and T University	111
Statesville Police Department	552	Currituck County Sheriff's Office	107
Roxboro Police Department	466	East Carolina University	106
Mount Airy Police Department	417	State Capitol Police	104
NC State Highway Patrol	411	Elon Police Department	103

NCDMV System Modernization

1. BACKGROUND

NCDMV uses numerous IT systems in the delivery of its services, with STARS (State Titling and Registration System) and SADLS (State Automated Driver License System) the two primary components of its IT architecture, supporting vehicle titling/registration and driver licensing, respectively. Between these two systems and others, N.C. Department of Information Technology's Transportation Division (NCDIT-T) provides operational support to various units within the organization, including: Driver Services, Vehicle Services, Emissions, Liability Insurance, Dealer/Salesman Licensing, License and Theft, and Inventory Management. Simply put, the IT architecture is a critical backbone of NCDMV in the delivery of its services. Dedicated staff in NCDIT-T support these systems.

Presently, NCDMV uses legacy systems relying primarily on mainframes and antiquated platforms such as DOS and COBOL. The advantages of continuing with the status quo are twofold: existence of expertise for maintenance and changes within NCDIT-T and system robustness from their years of use. However, continuing with these legacy systems also poses numerous risks including obsolescence—and more importantly, difficulty in adding new functions and a degraded ability to accommodate the growing demand for online and alternate service delivery. A state-of-the-art solution that modernizes such legacy systems, which has been adopted in states such as Arizona, is to upgrade the existing IT architecture to one based on .NET, a proprietary software platform and ecosystem developed by Microsoft that has been widely adopted across the industry. The reported advantages of using this .NET platform include easy desktop and web application (re)engineering; better adaptability for web-based services; easier application development by NCDIT-T programmers; greater flexibility in system deployment; and easier maintenance. However, NCDMV is an organization where systems are deeply interwoven and support multiple business processes, using and processing strongly interconnected data. To reap the full potential benefits, IT modernization at NCDMV must be undertaken en masse and be applied across its systems instead of focusing on modernizing only a limited number of them.

A state-of-the-art solution that modernizes such legacy systems, which has been adopted in states such as Arizona, is to upgrade the existing IT architecture to one based on .NET, a proprietary software platform and ecosystem developed by Microsoft that has been widely adopted across the industry.

In recognition of the above, the General Assembly allocated approximately \$119 million to NCDMV for a modernization of its IT systems and to ensure a complete migration of those systems to the .NET framework.⁵ The larger goal of this initiative remains a complete modernization of IT systems at NCDMV to improve its capacity for conducting its work (especially in an online environment), and increase the efficiency of its various business processes to improve customer service, especially given the current long wait times for in-person services. However, due to circumstances described in the presentation by NCDMV to the Joint Legislative Transportation Oversight Committee on February 29, 2024, there has been scant progress on this project since then.

2. NCDMV MODERNIZATION PROJECT: PRESENT & FUTURE STATUS

Presently, NCDIT-T has embarked on the above-described modernization project on behalf of NCDMV. While NCDIT-T routinely works on upgrades and patches to the systems critical to NCDMV, this is inarguably the biggest IT project undertaken on behalf of NCDMV since 1996. The systems that have been targeted for modernization run the gamut of all services offered by NCDMV including, but not limited to: Driver License/ID Issuance; Driver Enforcement; Financial Management; Payment Services; Cross-Functional Elements (e.g., Common Customer; Workflow and Reporting; Customer, Correspondence and Document Management; Scheduling & Queueing; and Audit & Fraud Management); Title and Registration; Vehicle Property Tax Collection, Citizen Portal; Motor Carrier; Safety and Emission Inspection; Liability Insurance; Inventory Management; and Dealer/Salesman Licensing. In summary, the project scope of this modernization initiative represents a large-scale comprehensive overhaul of NCDMV's IT infrastructure. Once completed, not only will the new system boost the efficiency of business processes at NCDMV, but even more importantly, it will allow customers to have a much better experience when utilizing their services. For example, once the systems integration enabled by the upgrade is complete, NCDMV clients will be able to log in under a single account and view both their driver and vehicle details, rather than needing to interact with separate systems. The upgrade will also address the current issue where changing one driver or one vehicle record can modify the record for all drivers and vehicles associated with that account. Further, the new system could also allow clients to be alerted when their details have been shared or updated, e.g., by their automobile insurer. Additionally, moving NCDMV's applications and data to a cloud computing platform as part of this project will

⁵ See Item line: 150021 at <https://www.ncdot.gov/about-us/how-we-operate/finance-budget/Documents/february-2024-summary.pdf>

improve efficiency while boosting the organization's resilience against cyber-attacks. Ultimately, successful implementation of the NCDMV Modernization Project should result in NCDMV being completely weaned off its current mainframes, with the legacy system being maintained only when historical data is needed. These modernization actions would further enable the possibility of enabling technological advancements, such as mobile driver licensing and electronic titling.

The large-scale and comprehensive scope of the system upgrade envisioned by the NCDMV Modernization Project has an exact parallel in private organizations, namely company-wide implementations of Enterprise Resource Planning (ERP) systems. While private organizations have widely adopted ERPs as part of their internal IT infrastructure, migration from legacy systems to an ERP has had mixed results across industries, and success or failure is determined principally by the management of the upgrade project—see references [2], [3], and [5]. A concise summary of the three principal lessons learned from a review of the literature on such large-scale IT upgrade projects undertaken in the public and private sectors is provided in [Appendix 1](#).

Given the successful implementation of a similar project at Arizona's DMV, NCDMV has obtained their software code for the NCDMV Modernization Project. Further, using an industry-wide best practice for such a large-scale and comprehensive software project, NCDIT-T has decided to adopt the structured framework of Software Development Lifecycle (SDLC) that consists of the following steps:

- i. Project Initiation
- ii. Project Management
- iii. Agile Development
- iv. Data Conversion
- v. Interface Development
- vi. System Testing and Correction
- vii. Training
- viii. Implementation, Operations, and Support

The research team observes that the careful thought given by NCDIT-T and NCDMV to the planning of the implementation of the NCDMV Modernization Project as described above is in keeping with recommendations available in the extant literature on similar IT projects (see References [1] and [4], as well as the findings stated in [Appendix 1](#)). However, as of the writing of this document, the NCDIT-T team in charge of this project is still in the early stages of Project Initiation and the associated planning. This includes:

- i. Performing high-level requirements/gap analysis for the solution available from Arizona to identify changes necessary to accommodate the differences between Arizona and North Carolina laws, rules, and processes and thus determine the specific needs for the development of the transfer solution.
- ii. Performing data conversion analysis and documenting the data conversion approach for the project. As intermediates in this step, data cleansing may also be needed.
- iii. Performing project analysis and documenting items such as a roles and responsibilities matrix, processes and procedures for project management, interfaces, testing, training, development, implementation, maintenance and operations, and support.

The various outcomes of this project planning are expected to include an identification of the high-level milestones for the project as well as the scope of the initiation phase and the composition of the project team. To facilitate a successful implementation, NCDMV hopes to engage the assistance of experts from Arizona DMV who were involved in their upgrade as “champions” on this modernization initiative.

2.1 Anticipated Timeline of Implementation: The summary conclusion of the research team was that as of the writing of this document, it is not clear how long the NCDMV Modernization Project will take. For comparison, Arizona's project has taken approximately eight years to complete. Unforeseen circumstantial factors make it difficult to predict how long the NCDMV Modernization Project will take to fully complete. However, based on Arizona's experience as well as the expertise of the research team, we conclude that it would not be unreasonable for that timeline to extend for several years—possibly four to six, reflecting the time savings from using Arizona's platform and prior experience. However, due to the modular implementation approach being adopted by NCDIT-T, different components of the current IT infrastructure at NCDMV will be upgraded to the new framework throughout this period. This will not only allow some results to be seen before the project is fully completed, but it will also reduce project risk by minimizing the potential disruption from any single component initially failing.

2.2 Budget Sufficiency: The research team's conversations with NCDIT-T indicate that the amount allocated by the General Assembly for this project amount seems sufficient for the moment, but that observation must be understood with the caveat that this might change during the course of project implementation should unforeseen challenges arise. This is clearly borne out by the experience of private and public sector entities in previous similar IT upgrade projects as illustrated in [Appendix 1](#). However, one aspect of the NCDMV Modernization Project will require the allocation of additional resources: the implementation and testing of every component of the new system will require substantial time from NCDMV staff who are responsible for the corresponding business processes. That, in turn, could lead to further personnel shortages at NCDMV, which risks exacerbating customer dissatisfaction with wait times, leading to public frustration with the implementation schedule.

3. NCDMV MODERNIZATION PROJECT: RECOMMENDATIONS FROM RESEARCH TEAM

The nascent nature of the implementation of the NCDMV Modernization Project at NCDMV precludes the research team from providing detailed and focused recommendations. Nonetheless, based on a study of the available materials as well as extensive conversations with NCDMV and NCDIT-T staff, the team makes the following recommendations as guidelines as the project proceeds:

1. **NCDIT-T and NCDMV need to complete their Project Planning and provide the North Carolina General Assembly with an identification of the high-level milestones for the project alongside an anticipated timeline for each.** Given the uncertainties associated with such large-scale projects, it should be understood that unforeseen circumstances might lengthen the timelines over the course of the implementation. Nonetheless, having a reasonable initial map of the milestones and their timelines will address current concerns, establish realistic expectations about the initiative and communicate a potential completion date.
2. NCDIT-T's decision to adopt a modular approach in implementing the NCDMV Modernization Project is correct. **NCDMV should prioritize the components of the current IT infrastructure that impact customer-facing business processes and that, when implemented, will directly improve customer experience.** The potential to do this will be more thoroughly understood at the completion of the Project Planning stage.
3. In upgrading each component of the current IT infrastructure, **NCDMV should critically examine the need to collect, store and share the data it currently collects.** The modular implementation approach will provide NCDMV a one-time and unique opportunity to determine the core set of data it needs to execute its business processes. By asking the critical question, "Would there be any detrimental impact if this data is absent from the upgraded system?" at each step, the probability of a more streamlined and data-efficient system post-implementation is improved, and the risk to privacy posed by future cyber-attacks is reduced.
4. In collaboration with the project team from NCDIT-T, **NCDMV needs to prepare a personnel management plan for the staff resources that will be temporarily needed for the IT modernization project, especially during the "testing and failproofing" stage.** Staff who are most familiar with the business processes associated with the component being upgraded should be included, and NCDMV should prepare a parallel personnel plan addressing how the duties of those staff members would continue to be discharged while they are engaged with this effort.
5. Even before implementation, **the price of online and kiosk NCDMV transactions should be reduced at least to that of in-office and mail transactions, and preferably be lowered below those.** Presently, customers pay more to receive NCDMV services online or at a kiosk than they would when receiving the same service in person due to fees charged by NCDMV's vendors. However, to improve customer satisfaction, customers should not just be able to transact with NCDMV online, but be actively encouraged to do so. For most customers, online transactions are quicker and easier than going into an office. Moving more transactions online will reduce demand for in-person office visits, leading to shorter wait times, which is an especially important goal given recent and ongoing staff shortages. Not only should online transactions cost customers less, they should also result in lower costs for NCDMV as online transactions do not require the same labor, equipment and real estate resources as in-person transactions. If NCDMV's own expenses for online transactions are higher than for in-person transactions, a critical examination of the division's cost structure and contracts is required. Therefore, the General Assembly should ensure that the fees associated with online services offered by NCDMV are no more than—and preferably less than—what is paid by customers for receiving the same service in person, as is the case in states such as Kansas, Colorado and Illinois. Absent pricing parity, NCDMV and its customers will be unable to reap the full benefits of the state's investment in system modernization.

Privatization at NCDMV: Present and Future

1. BACKGROUND

NCDMV has numerous activities that are currently outsourced to the private sector but subject to performance monitoring by the division, spanning almost every major unit within the organization. The extensive range of privatization runs the gamut from services that are normally outsourced within most organizations—such as printing and scanning; distribution of printer toner cartridges to DMV offices across NC; maintenance and housekeeping; document shredding services; and printing of NCDMV handbooks—to services that are more expertise-based and specialized. A partial list of such specialized services NCDMV currently outsources to private companies includes:

- Vehicle titling and registration, contracted to 129 License Plate Agencies (LPAs)
- Online payment processing for DMV services, contracted to PayIt, LLC
- In-store DMV Express kiosks, in partnership with Intellectual Technology Inc. (ITI)
- Manufacturing and central issuance of Driver Licenses and credentials, currently outsourced to IDEMIA and transitioning to CBN in July 2024
- Emissions and Safety Inspections, outsourced to licensed inspection stations throughout the state
- Certified interpreters to assist in providing services to hearing impaired and non-English-speaking NC residents
- Supplies and maintenance for NCDMV fleet vehicles
- Automated Testing Solution (ATS) that enables NCDMV to offer its Driver License knowledge test in multiple languages to NC residents at Driver License Offices
- Inspections Modem software needed to carry out essential NCDMV functions, supplied by DakotaPro, a software vendor
- Online interfaces used by 800+ private dealers, provided by Dealertrack and CVR

In addition, while outsourced to a private firm, NCDMV is mandated by NC General Statute § 66-58.(b)(15) to purchase automobile license plates from Correction Enterprises (Department of Adult Correction), totaling \$6.05 million in 2023. Finally, NCDMV spends another \$5.07 million (2023) annually to lease privately owned buildings (including its headquarters in Rocky Mount for approximately \$2.17 million per year) for its offices and facilities. NCDMV plans to outsource even more services in the near future, including real-time insurance verification via the web instead of manual random sampling of records, which is slated to be run by MV Solutions.

As a whole, in 2023, the services outsourced by NCDMV represented a net outflow of approximately \$62.4 million to private vendors. Given the approximately \$120 million allocated by the North Carolina General Assembly to NCDMV, this represents 52% of NCDMV's allocated budget that is expended directly in support of private enterprises. A detailed breakdown by NCDMV function of these 2023 funds expended in the procurement of services is provided in Figures 1 and 2. In the judgment of the research team, this represents a significant degree of privatization for a public agency. 2023 figures show that over nine million customers were served by private contractors who operate inspections stations and approximately four million customers were served by License Plate Agencies, which attests to the fact that the services received by a large number of NCDMV customers are rendered by private vendors on behalf of the Division.

52% of NCDMV's allocated budget is expended directly in support of private enterprises.

Figure 1: Privatization in NCDMV – A Breakdown (By \$)

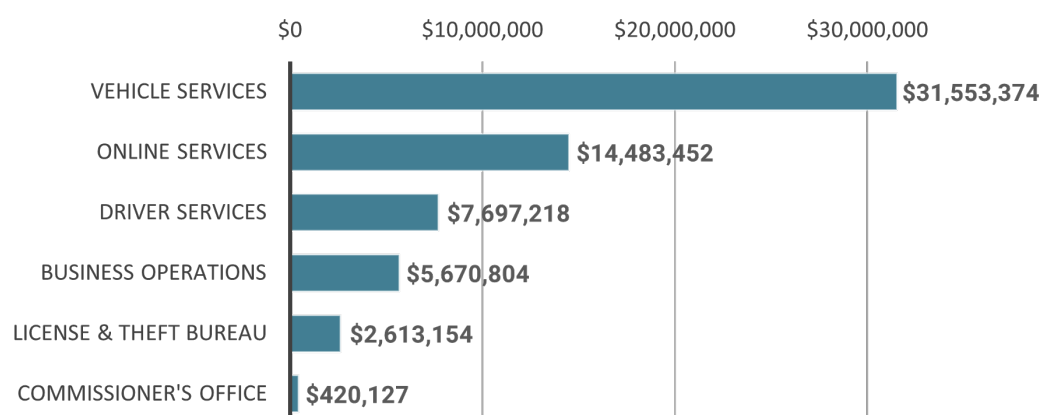
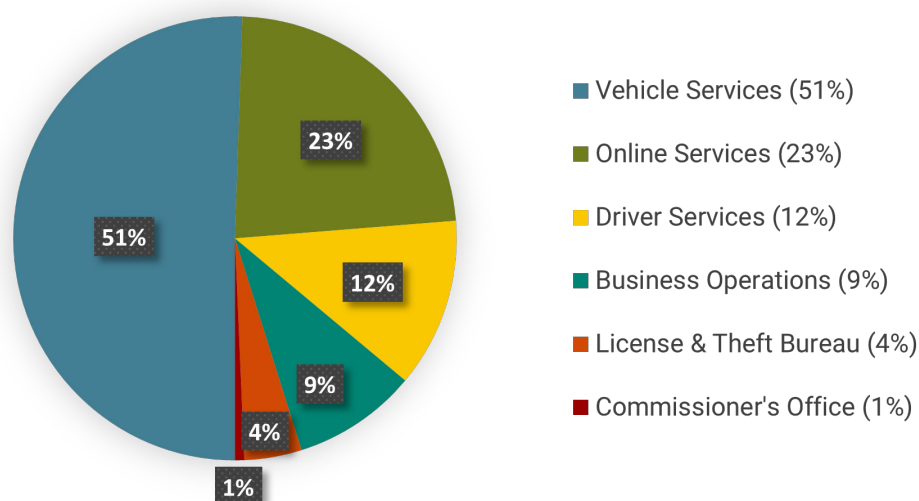


Figure 2: Privatization in NCDMV – A Breakdown (By %)



2. PRIVATIZED DMV SERVICES ACROSS THE UNITED STATES

Across the United States, outsourcing DMV services is a common practice—though to varying degrees. A sample of the various services outsourced by DMVs in different states is provided in [Appendix 2](#). As is evident from the data, commonly outsourced services categories include Driver Services (such as Driver License Renewal; Driver Testing (Knowledge Tests and Road Tests); and Vehicle Services (Titling and Registration; Emissions and/or Safety Inspections). Another commonly outsourced category is best classified as “Online Services” provided by the DMV such as online payments, appointment scheduling, and providing real-time information on wait times and waitlists. While most private vendors are local contractors, some private vendors such as AAA member clubs (Driver Services), Tyler Technologies, PayIt (Online Services), and ITI (Driver Testing) work with DMVs across multiple states.

A review of other states’ experiences with privatization of DMV services is mixed. At one end, the states that outsourced vehicle titling and registration services have largely continued to do so, indicating satisfactory performance by the private vendor(s). By contrast, Florida recently studied the issue of privatizing vehicle titling and registration with the recommendation that while existing state-run offices continue to offer services to their customers, newly opened offices could be operated by private enterprises. At the extreme end is the case of New Jersey, where in an effort to improve customer satisfaction with their DMV, all services were outsourced to private vendors in 1995. However, the objective of improved process efficiency and customer satisfaction never materialized, leading to a “FIX DMV Commission” in 2002. Based on the commission’s report, the New Jersey DMV was brought back under the administration of the government—see [Appendix 3](#) for a concise summary of the final report. More recently in NC, the formerly NCDMV-operated LPA in Raleigh was contracted to a private contract agent but had to be taken over again by NCDMV due to poor customer service provided by the selected contractor.

A 2022 study⁶ commissioned by the Idaho Transportation Department compared DMV services in their state to the provision of DMV services across the country, along with the classification of administrative structures (public vs private). This study revealed the following:

- According to Idaho DMV’s current service delivery model, county assessors are charged with performing duties related to vehicle registrations and vehicle titles while county sheriffs are responsible for duties related to driver licenses.
 - » This enables local access, flexibility, and autonomy.
 - » This has also led to a lack of standardization, blurred responsibilities between state and county decision makers, funding challenges, and unnecessary layers in delivering DMV services.
- Centralized arrangements typically enable more standardization and economies of scale but come with fewer points of access.
- Less centralized arrangements grant more local access but create inconsistencies in service delivery.
- Privatization has led to expanded access and ease of use provided by agreements with private vendors for service delivery seen as beneficial by DMV administrators.

⁶ <https://apps.itd.idaho.gov/apps/research/Completed/RP296.pdf>, Pages 11, 36-7 and 61.

- Privatization leads to cost savings and increased capacity at the county level, along with control over staff training.
- However, opening an office in a more highly populated area tends to lead to crowding and driving customers away to rural offices with lower capacity.
- Private partners can expand DMV access and ease of use.
- On the other hand, private partners can also widen inequities and require oversight from the state agency.

3. ADDITIONAL CANDIDATES FOR PRIVATIZATION AT NCDMV

A review of the above should clearly indicate that the current high level of privatization within NCDMV compares favorably to DMVs in other states. Therefore, there are relatively few immediate opportunities for additional privatization with the potential to improve customer service or internal process efficiencies in a meaningful way. Based on industry practice, two such opportunities are mentioned below. Bear in mind that neither of these would represent a significant increase in the degree of privatization within NCDMV, and as they are not customer-facing, would not have any direct positive impact on customer satisfaction.

1. **Mail Distribution and Delivery:** Mail distribution and delivery represents a modest opportunity for outsourcing or public sector cost-savings, as recommendations from the 2024 DMV mail study could be implemented (NCDMV 2024: *Study on DMV Mail Flow and Routing*). In particular, **this research team recommends a focus on the findings related to increasing the use of the Courier service to save on postage and delivery time and moving the DOT/DMV mail room and supplies from New Bern Avenue to the same building as the DOA Mail Service Center on Chapanoke Road in Raleigh.**
2. **Transportation Services within NCDMV:** NCDMV currently owns and operates three trucks for the delivery of license plates to License Plate Agencies statewide. This function could be readily outsourced to a private transportation vendor. In fact, with the right vendor, this outsourcing initiative can be coupled with #1 above so that the same vendor could manage both.

A scan of the current scope of NCDMV reveals that should the General Assembly seek to implement additional outsourcing of activities that are currently being performed by NCDMV, the sole remaining substantial opportunity would be Driver Services. As mentioned in Section 2 above, this has been done in other states across the country. Nonetheless, given the momentous scope of such an effort, **the research team strongly cautions against a hasty implementation of this Driver Services privatization, especially in light of the above-described experience of New Jersey. Should there be legislative interest in proceeding in this direction, the research team recommends adopting a modular approach based on initially conducting a thorough and comprehensive study of all services and processes currently being offered by Driver Services to identify those processes/ services that are the most ready candidates for privatization.** This effort should reflect that as of 2023, approximately \$7.7 million in services are already being outsourced to private vendors by Driver Services. Such a study could inform recommendations that we suggest should be subject to the following guidance:

1. Driver Services presently hosts highly sensitive and personal information about North Carolina citizens that is subject to federal security requirements. **Any outsourcing that risks the security of said data must be coupled with a stringent data security plan that is frequently monitored and overseen by NCDMV staff for compliance.**
2. In recommending processes for outsourcing, **the imperative must be on those that have the highest potential positive impact on directly improving customer experience with NCDMV.** Similar to studies that were performed for LPAs by NCDOT in 2014-16, the proposed prerequisite study to any consideration of privatization must collect field data on customer wait times and processing times through an extensive statewide data collection scheme to identify the “deserts” of service where customers face the longest wait times and/or have the greatest dissatisfaction. These findings can inform final recommendations about outsourcing.
3. Presently, NCDMV is involved in a significant project to upgrade its IT infrastructure. One likely outcome of this project is a change in the business processes currently utilized by NCDMV in serving its customers, resulting in new and different ways by which customers will obtain their services. As such, **the research team recommends that any further privatization efforts in Driver Services not be undertaken until appropriate upgrades to the relevant IT systems have been completed and are operational.**
4. As with outsourcing any public sector process or task, **the outsourcing plan must include a stringent plan for oversight of private vendors,** including routine audits, to ensure that all vendors maintain complete compliance with applicable laws and regulations and provide customer service at a high level. Without such a formalized oversight plan, North Carolina risks the same negative outcomes that plagued New Jersey DMV during its ill-fated privatization efforts.

NCDMV Organizational Structure and Personnel

1. SUMMARY OF RECOMMENDATIONS

Broadly, the research team found that the current organizational structure of the North Carolina Division of Motor Vehicles (NCDMV) does not appear to be a barrier for the agency's ability to carry out its responsibilities. The research team recommends that NCDMV be allowed to transition more roles to permanent positions, improving its ability to hire and retain workers in today's labor market. However, rather than being mandated to convert some temporary positions, NCDMV should be given flexibility to fill currently temporary positions on either a temporary or permanent basis according to labor market needs, as well as prioritize the offices with the longest wait times when filling vacant positions. Finally, the research team concludes that the risks of absorbing the License & Theft Bureau into the Department of Public Safety are likely to outweigh the rewards.

2. BACKGROUND

The COVID-19 pandemic significantly impacted staffing at NCDMV, as it did for many government agencies and workplaces around the world. NCDMV personnel shortages reached an all-time high in January 2022 with a 25-30 percent vacancy rate for full-time permanent driver license examiners during a period that included both the COVID-19 pandemic and the relocation of NCDMV's headquarters from Raleigh to Rocky Mount in late 2020, with more than half of Driver License Office workers leaving or retiring. Since the pandemic, targeted NCDMV policies and Labor Market Adjustment Reserve (LMAR) funds, appropriated by the North Carolina General Assembly, have helped mitigate full-time staff vacancy rates, with open permanent positions falling to 30 percent in January 2022 and then to 12 percent in March 2024. Nonetheless, as of February 29, 2024, a total of 80 full-time staff vacancies remain in Driver Services. Additionally, NCDMV is dealing with acute staff shortages for temporary positions. As of February 29, 2024, NCDMV had a vacancy rate of 77 percent for full-time temporary positions. NCDMV is authorized to hire 142 temporary employees; however, the lack of benefits and a one-month-per-year mandatory furlough have been cited as barriers to filling these positions. Additionally, NCDMV is confronting an aging workforce with many staff members approaching retirement. Across the United States, the Baby Boomer generation has reached peak retirement, with approximately 4.1 million people anticipated to retire each year from 2024 through 2027.

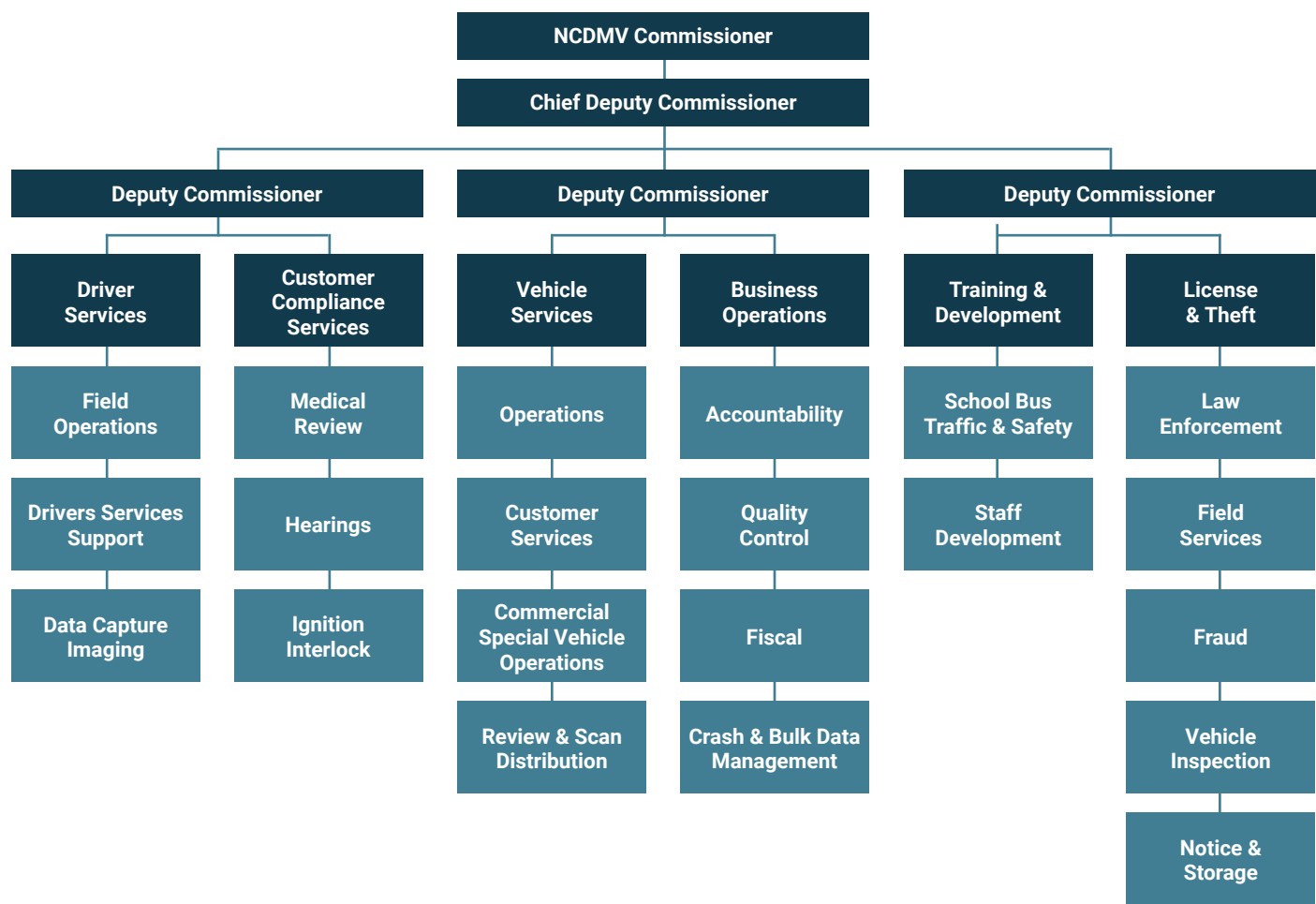
The COVID-19 pandemic significantly impacted staffing at NCDMV, as it did for many government agencies and workplaces around the world.

3. ORGANIZATIONAL STRUCTURE

Organizational structure is an important element of any organization, serving as the framework that defines how activities such as task allocation, coordination, and supervision are directed toward the achievement of organizational goals. Organizational structure outlines how power and responsibilities are distributed within an organization and may impact various aspects of functionality including efficiency, communication, decision-making, and overall mission success.

The NCDMV organizational structure consists of six directorates, three deputy commissioners, one chief deputy commissioner, and the commissioner. The commissioner is appointed by the North Carolina Department of Transportation's Secretary, a gubernatorial appointee. The commissioner oversees the entire NCDMV organization, including vehicle registration and titling, driver licenses, vehicle safety and emissions inspections, and competitive contract and vendor oversight, as well as activities to address vehicle theft and identity fraud. Second-in-command to the commissioner is the chief deputy commissioner, who plays a crucial role in managing NCDMV's operations and strategic direction. Reporting directly to the chief deputy commissioner are three deputy commissioners. One deputy commissioner oversees Driver Services and Customer Compliance Services, another oversees Vehicle Services and Business Operations, and the third oversees the License & Theft Bureau and Training & Development (see Figure 1). Information technology for the division is not in-house, but rather sourced from the North Carolina Department of Information Technology's Transportation division (NCDIT-T).

Figure 3: North Carolina Division of Motor Vehicles Organizational Structure



Driver Services has 810 staff positions.⁷ In 2023, Driver Services managed 7.2 million active driver licenses, helping to ensure road safety, regulatory compliance, and accurate identification of authorized drivers. In addition to driver licensing, Driver Services manages driver records, central issuance quality assurance, the state-to-state verification process, and the data capturing image unit, among other activities.

Customer Compliance Services employs 74 staff⁸ and is responsible for a wide range of services aimed at public adherence to the laws that govern these services. Customer Compliance Services conducts medical evaluations, assesses medical records, monitors participants in the Ignition Interlock program, conducts administrative hearings for NCDMV, and reviews driving records, among other activities.

Vehicle Services has 373 staff positions⁹ and plays a crucial role in managing the legal aspects of vehicle ownership, ensuring that vehicles on North Carolina roads are properly registered, titled, and maintained according to state laws and regulations. Vehicle Services processes approximately \$2.2 billion in revenue from registration fees, title fees, and other payments related

⁷ In 2023, Driver Services filled 781 of its 810 positions with 730 workers in Driver Services Field Operations (91 percent), 8 workers in the Commercial Driver License Unit (1 percent), 59 workers in the Central Issuance Unit (7 percent), and four employees in the Driver Services Director’s Office (1 percent). Cited from North Carolina Division of Motor Vehicles. ITRE Introduction to NCDMV Brief. December 1, 2023.

⁸ In 2023, NCDMV Customer Compliance Services employed 74 North Carolinians with 5 workers in the Administrative Support Unit (7 percent), 19 workers in the Adjudications & File Aide Unit (26 percent), 7 workers in the Liability Safety & Responsibility Unit (10 percent), 18 workers in the Field Hearing Unit (25 percent), 11 workers in the Ignition Interlock Unit (16 percent), and 11 workers in the Medical Review Unit (16 percent). Cited from North Carolina Division of Motor Vehicles. ITRE Introduction to NCDMV Brief. December 1, 2023.

⁹ NCDMV Vehicle Services has a total of 373 vehicle services positions with 38 workers in the Vehicle Operations Unit (10 percent), 44 workers in the Commercial/Special Vehicle Operations Unit (12 percent), 212 workers in the Customer Service Unit (57 percent), 69 workers in the Field Hearing Unit (18 percent), and 10 workers in the Vehicle Services Director’s Office (3 percent). Cited from North Carolina Division of Motor Vehicles. ITRE Introduction to NCDMV Brief. December 1, 2023.

to vehicle ownership and operation. Managing a host of services including operations, customer service, and quality assurance, Vehicle Services oversees approximately 850 auto dealers and 126 License Plate Agencies (LPAs), and its customer service unit handles more than 2 million calls annually.

Business Operations employs 75 staff.¹⁰ It oversees budgetary operations, mail distribution, contractual agreements between the various NCDMV units and their vendors, license plate inventory and distribution, support for law enforcement and other agencies who complete or review crash reports, and quality control for LPAs, online dealers, and other NCDMV units.

Training & Development employs 101 staff¹¹ who create, implement, and oversee programs that provide certification and training to school bus drivers, commercial drivers, local and state agencies, the general public, and LPAs.

License & Theft Bureau employs 249 staff¹² who enforce state and federal laws regulating motor vehicle operations, sales, inspection, maintenance, and theft. License and Theft also conducts investigations into fraud and other crimes against North Carolina residents. As of December 1, 2023, approximately 20 percent of the Bureau's designated positions are vacant. One reason cited for the high level of vacancies in the License & Theft Bureau is the reduced earnings potential compared to other law enforcement agencies (LEA).

4. ORGANIZATIONAL CONCERNS

4.1 License & Theft Bureau

4.1.1 Human Resources

Salaries for law enforcement officers (LEO) employed by NCDMV are generally on the lower end of the spectrum, when compared to local law enforcement positions at similar levels of experience. While the License & Theft Bureau can hire LEOs with a salary of \$45,725, it currently has an effective starting salary of \$59,443—however, unlike a typical LEA, 5 years of prior law enforcement experience is required.¹³ Compared to other LEAs with no prior experience requirement, some urban forces offer less, with Raleigh Police Department (PD) offering \$50,301, Fuquay-Varina PD \$57,705, Morrisville PD \$53,090, and Durham PD \$47,938. While LEOs similarly experienced to those starting at License and Theft could potentially earn even more, this isn't always the case—for example, Raleigh PD only offers a starting salary of \$57,120 for LEOs with 4-6 years of prior experience. However, some LEAs offer much more, with Cary PD and Rocky Mount PD offering \$60,500 and a minimum of \$60,000 respectively with no prior experience required.¹⁴

Additionally, License and Theft has significantly more restrictive rules regarding outside work compared to many other public safety employers, most notably restrictions on Bureau LEOs picking up additional law enforcement work. For example, License and Theft LEOs are unable to work outside the organization directing traffic or managing crowd control at special events and sporting events, which LEOs at most LEAs use to supplement their income. This is significant because additional compensation for secondary employment opportunities can range from \$35-\$63/hour for LEOs at Raleigh PD, Charlotte PD, and Durham PD.

4.1.2 Organizational Considerations

The research team was asked to review the potential benefits of relocating the License & Theft Bureau to the Department of Public Safety (DPS). Some similarities between the License and Theft Bureau and DPS daily operations have been offered as a rationale for a potential merger or absorption of the Bureau by DPS. After a close review of the two agencies and academic literature on organizational management, **the research team concludes that the risks of DPS absorption are likely to outweigh the rewards.**

¹⁰ In 2023, NCDMV Business Operations employed 75 staff with 4 workers in the Business Office (12 percent), 3 workers in Mail Room operations (4 percent), 12 workers in the Accountability Unit (16 percent), 14 workers in the Quality Control Unit (19 percent), 9 workers in License Plate & Inventory Distribution (12 percent), and 28 workers in the Data Management Unit (37 percent). Cited from North Carolina Division of Motor Vehicles ITRE Introduction to NCDMV Brief. December 1, 2023.

¹¹ In 2023, Training & Development employed 101 individuals with 90 employees in the School Bus & Traffic Safety Unit (89 percent), 10 employees in the Staff Development Unit (10 percent), and one employee serving as the Assistant Director for Training & Development. Cited from North Carolina Division of Motor Vehicles ITRE Introduction to NCDMV Brief.

¹² In 2023, the License & Theft Bureau employed 249 individuals with 188 staff in the Districts Unit (76 percent), 51 staff in the Programs Unit (20 percent), 5 staff in the Supply & Logistics Unit (2 percent), 5 staff Training & Development Unit (2 percent). Cited from North Carolina Division of Motor Vehicles ITRE Introduction to NCDMV Brief. December 1, 2023.

¹³ The midpoint of the NCDMV License and Theft Law Enforcement Inspector I position salary band was computed. Salary band information was provided by NCDMV.

¹⁴ According to ITRE notes taken during ITRE's visit to NCDMV HQ in December 2023, NCDMV had mentioned Rocky Mount PD starting salary being \$68,000.

This is largely due to the benefits of workforce proximity, which promotes innovation and efficiency gains as individuals and departments with similar objectives work close together. Organizational literature asserts that the closer License and Theft is to other NCDMV units, the more successful it will be.

Proximity has a profound impact on organizations, particularly when considering the location of departmental units within the physical blueprint of the organization's facilities. Research indicates that a unit's placement within proximity of the organization offers substantial benefits in terms of operational efficiency, effectiveness of communication, facilitation of innovation, and organizational adaptability.^{15, 16, 17, 18}

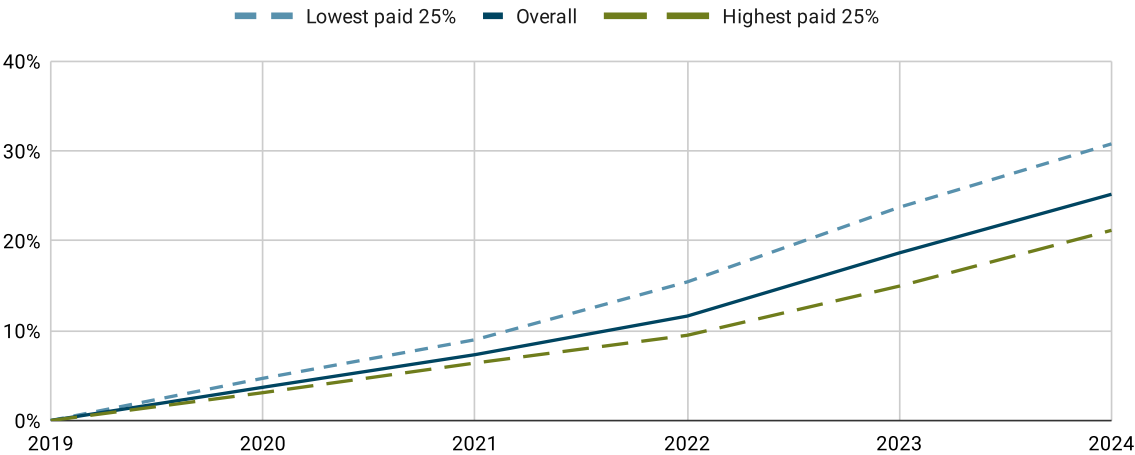
Alternatively, it is possible for the License & Theft Bureau to remain at its current physical location but change administratively to be part of another organization such as DPS to gain potential benefits from equipment purchasing, staffing resources, and joint-investigations with other law enforcement agencies. However, the research team believes that changing the administration of License and Theft could compromise several key activities such as supervisory oversight, annual evaluations, etc.

In summary, no evidence was found to suggest that measurable advantages would result from moving the the License & Theft Bureau from NCDMV to DPS.

4.2 Temporary Position Vacancies

While the staffing shortage for full-time employees has been significantly reduced, the staffing shortage for temporary employees remains acute, with a 77 percent vacancy rate. In an interview, NCDMV Commissioner Wayne Goodwin cited insufficient benefits and lack of opportunities for better pay as the two leading factors behind the shortage. Furthermore, temporary jobs are inherently less attractive than permanent jobs. Unlike permanent jobs, temporary jobs do not provide stable employment, the possibility of career advancement, and the many benefits that permanent state employees enjoy. Therefore, a far smaller pool of people is interested in pursuing temporary employment.

Figure 4: Low-End Wages Have Grown Faster Than Wages Overall
Change in National Median Hourly Wage by Income Quartile Since 2019



¹⁵ Studies by scholars such as Lawrence and Lorsch (1967) have demonstrated that close physical proximity between departments and the central organization leads to heightened operational efficiency. When teams are situated nearby, logistical challenges are minimized, allowing for swift information sharing, coordinated decision-making, and streamlined workflow processes. This results in reduced lead times, improved resource allocation, and optimized operational outputs.

¹⁶ Research by Blau (1970) and Allen and Henn (2007) discuss the pivotal role of proximity in enhancing communication effectiveness within organizations. Physical closeness fosters spontaneous interactions, informal exchanges, and immediate access to key stakeholders. As a result, communication barriers are lowered, misunderstandings are mitigated, and the likelihood of timely, accurate information dissemination is heightened. This fluid communication landscape cultivates a cohesive organizational narrative, aligning departmental efforts with overarching strategic goals.

¹⁷ Studies conducted by Burt (2004) and Uzzi (1997) demonstrate that organizational proximity is a catalyst for innovation. When individuals from diverse departments share physical space, interdisciplinary collaboration is encouraged, leading to the cross-pollination of ideas and perspectives. Chance encounters in communal areas can spark creative discussions and generate novel solutions to complex challenges. Proximity-driven innovation ecosystems promote a culture of experimentation, risk-taking, and continuous learning, among other organizational benefits.

¹⁸ Research by Eisenhardt and Tabrizi (1995) and Teece et al. (1997) demonstrate that when departments are geographically proximate to the core organization, they can swiftly adapt strategies, reconfigure processes, and capitalize on market trends with agility and precision. This adaptability fosters resilience, ensuring the organization remains nimble and responsive in the face of uncertainty.

Since 2019, wages on the lower end of the income distribution have grown faster than wages overall, making alternative employment opportunities increasingly attractive compared to entry-level, temporary positions at NCDMV.

The Labor Market Adjustment Reserve (LMAR) fund, which has helped mitigate full-time staff vacancy rates, could serve as a potential source of funding for better pay and benefits for temporary employees as well, as LMAR's eligibility criteria include time-limited positions.

4.2.1 Transitioning Temporary Employee Positions to Permanent Positions

NCDMV has presented a legislative request to transition more of its temporary employees to permanent positions, which provide higher pay and benefits. However, the division faces limits on the number of permanent employees it can hire.

Several factors must be examined when considering the transition from temporary to full-time positions. While temporary employees can be hired much more quickly and with greater flexibility in candidate selection than when hiring permanent employees, they are less likely to be as loyal to the employer as permanent employees. Most studies have shown lower organizational commitment among temporary versus permanent workers. Furthermore, temporary workers are more strongly inclined to leave the organization if they feel they are being treated unfairly due to their temporary status.

The research team recommends that NCDMV be allowed to transition more roles to permanent positions, improving its ability to hire and retain workers in today's labor market. However, rather than being mandated to convert some temporary positions, NCDMV should be given flexibility to fill currently temporary positions on either a temporary or permanent basis according to labor market needs.

As is evident from recent media reports, Driver License Offices in the state's major metropolitan areas such as Charlotte and the Triangle have been beset by unreasonable delays. Therefore, **the research team recommends that NCDMV should prioritize the offices with the longest wait times when filling vacant positions.**

An Efficient DMV for a Growing North Carolina

Near Term Recommendations to Keep NCDMV Moving Forward

Modernization efforts at NCDMV will require making big, long-term changes to prepare the organization for the times ahead. However, there are also smaller changes that can have a big impact for the public. Many of these recommendations can be implemented in the near term, meaning a more efficient NCDMV and a better experience for North Carolinians both now and in the future.

An efficient NCDMV means a leaner NCDMV but does not always mean a smaller NCDMV. While most of these recommendations would reduce costs or unlock resources for NCDMV, some may need upfront investment to realize future savings or require additional ongoing expenses. However, even in those cases, this would not mean costing customers and taxpayers more, but rather it would mean NCDMV taking on hidden costs—in both time and money—that are currently borne by customers.

In general, these recommendations would require legislative action by the General Assembly, in collaboration with NCDMV, to fully implement, and the exact details of implementing any recommendation would require further planning.

1. A BETTER DMV EXPERIENCE—IN-PERSON AND ONLINE

North Carolina is a great place to live, a great place to move to, and a great place to grow—and North Carolinians deserve a DMV that is as great as the state they call home. However, NCDMV customers do not always feel that they are receiving the experience they deserve when they interact with the division, and customers should not have to wait until long-term changes are implemented to see improvements. NCDMV should take steps to improve the customer experience, even if this may require additional fiscal resources.

1.1 Address Customer Dissatisfaction with Wait Times

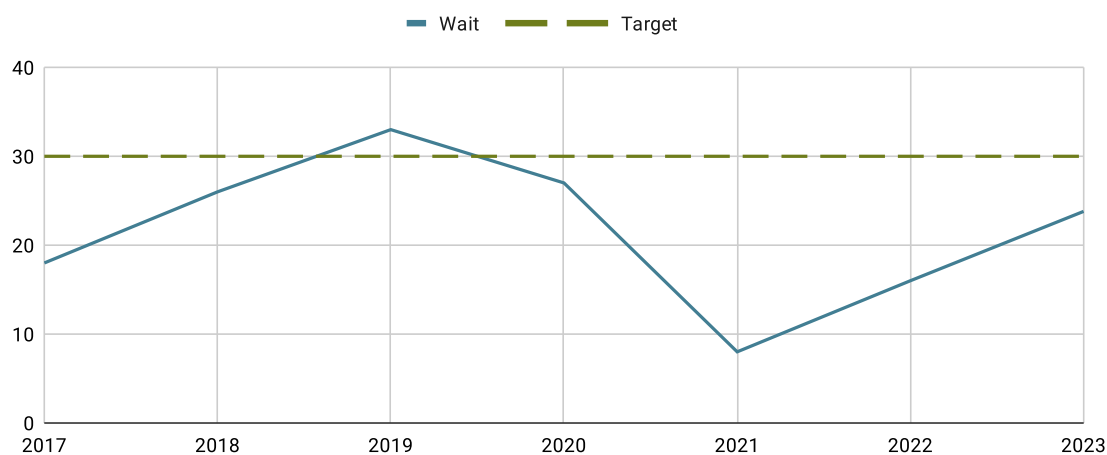
Since the pandemic, many customers have expressed frustration with their difficulty in accessing NCDMV's services to the media and to their elected representatives. Some of this may be due to increased demand caused by the "rush" to procure a REAL ID before the expected final deadline set by the Federal government as well as by appointments delayed by the pandemic. However, there are steps that NCDMV can take to reduce wait times and improve customers' experience during facility visits.

1.1.1 Examine Wait Time Targets

Despite widespread attention to reported customer dissatisfaction with accessing its services, NCDMV generally meets its wait time target of serving customers within 30 minutes of checking in. This suggests that the wait time target may be too high, misdefined or mismeasured. While on one site visit the wait time provided was highly accurate, on another, the research team waited nearly as long before being checked in as NCDMV's reported average wait time after being checked in. It is likely that by only measuring wait times from check-in that NCDMV is creating confusion among customers trying to plan their visits and failing to capture the full NCDMV customer experience in its metrics. It may also be that customers discouraged by reported waits are not visiting and instead seeking out other service delivery methods or holding out for an appointment.

Figure 5: NCDMV Meets Wait Time Target—Once Customers Check In

Average Wait in Minutes at NCDMV Facilities Once Customer Checks In by SFY



If the division is meeting its target and dissatisfaction remains, this suggests that the performance indicator may be inaccurately measured, that the target is simply insufficiently ambitious, or that dissatisfaction is infrequent but intense when it occurs. Given ongoing complaints, **NCDMV should reexamine its wait time targets** and determine whether it should retain its current target of 30 minutes, which has been in place since SFY 2017, or develop a new target entirely. Additionally, **NCDMV should ensure that wait times are being accurately measured and determine how to capture waits before customers are checked in.** If the current standard is not being met or if the standard is tightened from its current level, NCDMV will need additional resources, especially in staffing, to provide the level of service that customers deserve.

1.1.2 Reconsider Span of Service

Opening additional offices is difficult—much more difficult than using existing offices to their maximum potential. The largest expense in running a Driver License Office is labor, and the cost of labor grows with operating hours. However, the hard costs of running each office—the premises and the equipment within them—do not change, and the utilization of these assets can be improved by extending the hours each office is open, getting more from each dollar spent on these fixed costs. Furthermore, many North Carolinians have work and family lives that make meeting a traditional government office schedule difficult.

While NCDMV has offered some extended evening and Saturday service, **the Division should more aggressively provide services at Driver License Offices on nights and weekends**, especially at the highest-demand locations. To enact this recommendation, however, NCDMV must tackle its vacancy issue (discussed below), and additional resources will be needed to cover the extra personnel expenses that will be incurred. Additionally, it should consider offering incentives to LPAs to increase their own operating hours.

1.1.3 Expand Q-Anywhere to Give Customers More Flexibility

NCDMV has adopted a remote queuing system called Q-Anywhere, which allows customers to virtually "wait in line" at a Driver License Office. Despite the name, users currently need to check in while physically present at the office using a QR code—they can queue anywhere, but only once they have joined the line at an office. After checking in, customers are free to wait in their cars, visit adjoining businesses, or simply wander while waiting to be served. This system works alongside NCDMV's existing electronic queue management system, which assigns each customer a number and calls that number to a specific counter.

However, NCDMV is not using the capabilities of its queue management system to their full potential. Both NCDMV leadership and staff have expressed satisfaction with the Q-Anywhere system, with one front-line employee at a Driver License Office enthusiastically praising it. However, NCDMV only uses Q-Anywhere when their lobbies are full. When Driver License Offices have space in their waiting areas, Q-Anywhere is not usually made available, and customers must usually wait for examiner assistance to check in. To start, **NCDMV should ensure that Q-Anywhere is being offered as often as possible at as many Driver License Offices as possible.** In addition, rather than require customers to wait to be checked in by an employee on a kiosk, **NCDMV should consistently allow customers to check in on kiosks themselves.** Doing so would free examiner time and provide more consistent estimates of the time needed to be served at each location while giving NCDMV a measure for its wait time target that more accurately depicts the customer experience.

Furthermore, **NCDMV should consider allowing customers to enter the queue while still at home or at work through their website.** Other states using the same queue management system vendor have enacted a solution that allows customers to join the line online. They are provided an estimated wait time, and when they arrive and check-in, they are treated as though they had been waiting for the same amount of time in the office. Before adopting such a system, however, NCDMV must ensure that robust measures are put in place to avoid all available spaces being immediately filled, which would cause customers arriving in person to be turned away and would create a de facto second online appointment system, as well as measures to ensure that no customer can join multiple queues, wreaking havoc on the ability to predict demand.

1.1.4 Require Appointments for Some Visit Types

Some Driver License Office visits, such as a renewal, are relatively simple. However, other visit types are a significant drain on staff time—such as road tests. To improve staff scheduling accuracy and provide less variation in expected waits, **NCDMV should require more visit types to be appointment-only**, as is already the case for CDL and motorcycle testing. A data collection effort should be considered to determine which transactions cause the most disruption to examiners' workflows and should therefore require pre-scheduling.

1.2 Present Online Information More Clearly

Frequently, customers arrive at an NCDMV facility only to be told they do not have the right paperwork or that they have gone to the wrong type of facility (e.g., a Driver License Office rather than a License Plate Agency). In at least some instances, these wasted visits could have been avoided had the information customers needed been plainly presented on NCDMV’s website, but the NCDMV website can be confusing, especially for customers who are new to the state or new to driving or vehicle ownership. **NCDMV should clarify the language on its website and provide a guided assistant that tells customers which service channels they can use and, if necessary, where they must go and what they must bring to complete their desired transaction.**

1.2.1 Register the NCDMV.gov Domain

NCDMV does not currently possess the NCDMV.gov domain, the most natural URL for its website, and instead uses MyNCDMV.gov. While this does not pose a risk of of fraud,¹⁹ this has created confusion for customers, the public at large, and even within the division itself, with the more obvious—but not correct—domain appearing in news articles and even on NCDMV documents. Normally, CISA does not allow an agency to register two domains for the same service, but **NCDMV should attempt to work with the get.gov team to register the ncdmv.gov domain in parallel with the existing myncdmv.gov domain.**

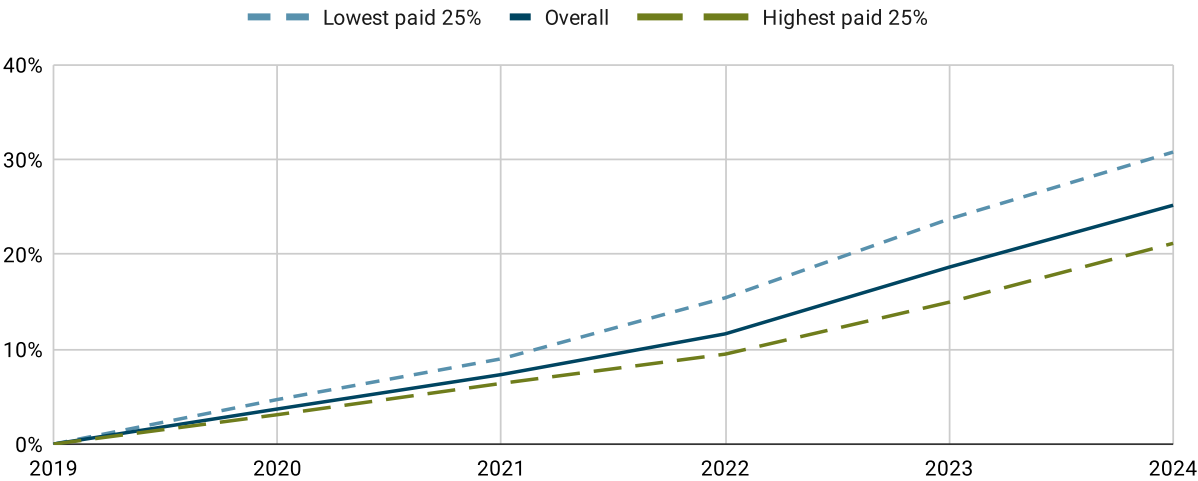
1.3 Update NCDMV’s Fee Structure to Incentivize Efficiency

Customers currently pay more to complete an NCDMV transaction online or at a kiosk—which discourages the exact transaction types that NCDMV should be encouraging. Electronic transactions not only improve customer satisfaction, they also require fewer NCDMV resources and reduce wait times at Driver License Offices and LPAs for drivers and vehicle owners who must go in person. However, customers are currently actively incentivized to go to a physical location to complete a transaction due to a \$3 fee for online transactions and a \$4.95 fee for kiosk transactions. **Not only should fees for online and kiosk transactions be removed, these transactions preferably should be discounted compared to those done in person or by mail.** Customers should be encouraged to interact with NCDMV as efficiently as possible. If NCDMV’s current contracts do not allow for shifting the fee onto NCDMV or have terms that would somehow make electronic transactions cost more to NCDMV than in-person transactions, these contracts must be renegotiated or non-renewed.

1.4 Allow Flexibility to Reallocate between Temporary and Permanent Positions

NCDMV has made progress at filling open positions and bringing down its overall vacancy rate, but this progress has been uneven. NCDMV is required to use Temporary Solutions to fill a number of positions, and filling these temporary positions, many of which are customer facing, has lagged. With limited terms and limited benefits, these positions, especially in Driver License Offices, can be uncompetitive in today’s marketplace, especially as the lowest-paid workers across the state and across the nation have seen the fastest wage gains in recent years.

Figure 6: Low-End Wages Have Grown Faster Than Wages Overall
Percent Change in National Median Hourly Wage by Income Quartile Since 2019



¹⁹ The Cybersecurity and Infrastructure Security Agency (CISA), a Federal agency, runs the get.gov registration service and would not allow a non-governmental bad actor impersonating NCDMV to register the domain instead.

To manage these labor market realities, **NCDMV should be allowed to transition more roles to permanent positions, improving its ability to hire and retain workers in today's labor market.** However, rather than being mandated to convert some temporary positions, NCDMV should be given flexibility to fill currently temporary positions on either a temporary or permanent basis according to labor market needs. Additionally, the Labor Market Adjustment Reserve (LMAR) fund, which has helped mitigate full-time staff vacancy rates, could serve as a potential source of funding for better pay and benefits for temporary employees as well, as LMAR's eligibility criteria include time-limited positions.

1.5 Provide REAL ID Renewals on Intermediate Visits

Certain driver transactions require visiting a Driver License Office in person, such as a name change following marriage. Per NCDMV, the new credential is valid only for the remaining time on the existing credential to comply with Federal regulations that require that REAL ID credentials be valid for at most 8 years and that an in-person visit and a new photograph occur at least every 16 years. However, 6 CFR 37.25 states that in-person renewal must occur and that a new photograph be taken "no less frequently than every sixteen years", while 6 CFR 37.5 requires that each REAL ID credential be "valid for a period not to exceed eight years" and that "[a] card may be valid for a shorter period based on other State or Federal requirement". There does not appear to be a restriction on "resetting the clock" at a name change or other in-person visit so long as a new photograph is taken. **When a driver visits a Driver License Office for certain visit types, such as name changes, a new photograph should be taken and the division should reset the eight- and sixteen-year clocks for when the driver needs to renew and to return in person respectively.** If this step is implemented, NCDMV should collect payment for the length of the new credential less the amount already paid for remaining time on the existing credential.

Law enforcement personnel have also suggested to the research team a preference for more recent photographs. While it may not currently be tenable given NCDMV resources and public opinion to have a more frequent cycle for photographs, any opportunity to improve law enforcement capabilities while simultaneously reducing burdens on both drivers and NCDMV should be taken.

1.6 Improve the Experience for Dealers

Motor vehicle dealers have reported frustration with delays in license renewals, with some dealers unable to wait any longer and going to Raleigh to handle matters in person. While steps have been taken to alleviate this, including extending the renewal timeline from 30 days to 60 days and the opening of an additional office in Huntersville to serve dealers in the western half of the state, dealers claim that they are still required to mail or present physical documents that could be submitted electronically. **NCDMV should be allowed and required to accept documents from motor vehicle dealers electronically when possible.**

2. A FISCALLY SUSTAINABLE DMV, TODAY AND TOMORROW

NCDMV needs the resources to grow alongside a growing North Carolina. However, while additional revenue sources may be needed, NCDMV should be empowered to free up existing resources to minimize the need to put further financial pressure on customers.

2.1 Consider Discontinuing Registration Stickers

A number of US states and Canadian provinces have eliminated registration stickers. These stickers are costly to produce and distribute, burdensome for customers to update, difficult to read at a distance, and not consistently policed by law enforcement agencies (LEAs). At traffic stops, law enforcement officers already have the ability to look up registrations through license plate numbers, and automated license plate reader (ALPR) technology, increasingly installed in police vehicles, has the ability to check more registrations more quickly and more accurately than a human ever could. Therefore, **the General Assembly should consider discontinuing registration stickers.** Discussions should occur with NCDMV and the law enforcement community on a timeline and necessary prerequisites for implementation.

2.2 Mandate Electronic Crash Reporting

Law enforcement agencies should be required to submit crash reports electronically. Conversations with NCDMV and law enforcement personnel suggest that electronic crash reporting is not only more efficient for NCDMV but also more efficient for the LEA and more accurate. Electronic crash reporting systems allow automatically prepopulating information such as driver and vehicle information based on credential or plate number, as well as online validation upon submission, in addition to inserting prefilled intersection diagrams for specific locations.

2.3 Require Personalization for Specialty Plates

At its headquarters in Rocky Mount, NCDMV currently maintains a large inventory of specialty plates, which feature alternative designs on behalf of causes and interest groups. Each specialty plate design is produced in batches and is offered in all three of NCDMV's different standard plate designs.²⁰ While specialty plate fees would cover the per-unit costs of this inventory, this assumes that the inventory is sold and those fees are paid; however, many specialty plates see very few transactions. This issue is greatly exacerbated by offering specialty plates in all three standard designs, which significantly multiplies the inventory that must be held. **Rather than keep excess inventory on hand, NCDMV should consider requiring customers ordering specialty plates to also purchase personalization,²¹ such that specialty plates are manufactured on demand only for those who want them.** At a minimum, this recommendation should be implemented to less popular specialty plate designs.

2.3.1 Consider Reducing Standard Plate Designs

Additionally, **consideration should be given to reducing the number of standard plate designs**, either for all plates or for specialty plates specifically. Even for standard-issue, non-specialty, non-personalized plates, offering three different standard plate designs adds additional, hidden complexity and cost to plate distribution, though it is especially costly for low-volume specialty plates.

2.4 Have DWI Offenders Pay for Their Own Supervision

Currently, motorists required to use an ignition-interlock device following conviction of driving while impaired must have a device installed in any vehicle they drive that prevents the car from starting when the driver's blood alcohol content (BAC) level is 0.02 or greater. While offenders pay for the cost of installation and monitoring, NCDMV bears the cost of administering this program, handling compliance issues and adjudicating cost waiver appeals; it currently devotes 11 staff members to handle these tasks. Rather than take resources from other, law-abiding motorists, **offenders should be required to pay an additional fee to cover NCDMV's costs in running the ignition interlock program**, with collection possibly administered by the vendors as part of their monthly billing process.

3. A DMV LOOKING TOWARD THE FUTURE

The state is growing, and customer expectations are growing alongside it. Customers increasingly expect to be able to access most if not all services online and on their mobile devices, just as they now do with traditional businesses such as banks, insurers, and utilities. When they need to visit a Driver License Office or License Plate Agency in person, customers expect these services to be readily available in their own communities. NCDMV should prepare now to meet the demands of an increasingly demanding public.

3.1 Bring NCDMV Services Closer to Where They are Needed

Unlike many states, driver and vehicle services are offered at two separate locations: state-run Driver License Offices for the former and privately-contracted License Plate Agencies (LPAs) for the latter. This creates confusion and complexity for NCDMV customers, especially for the new North Carolinians moving to our state each and every day. New residents are often surprised—and frustrated—to discover that obtaining a driver license and registering their vehicle requires making two visits to two separate locations. Rushing from office-to-office in their first 60 days here does not provide the warm North Carolina welcome that the state wants the new neighbors and workers helping the state grow to experience. Though consistently providing driver and vehicle services at a single office statewide is not feasible in the near term, there are steps that can be taken to ease this burden.

3.1.1 Ensure NCDMV's Network of Facilities Adequately Covers the State

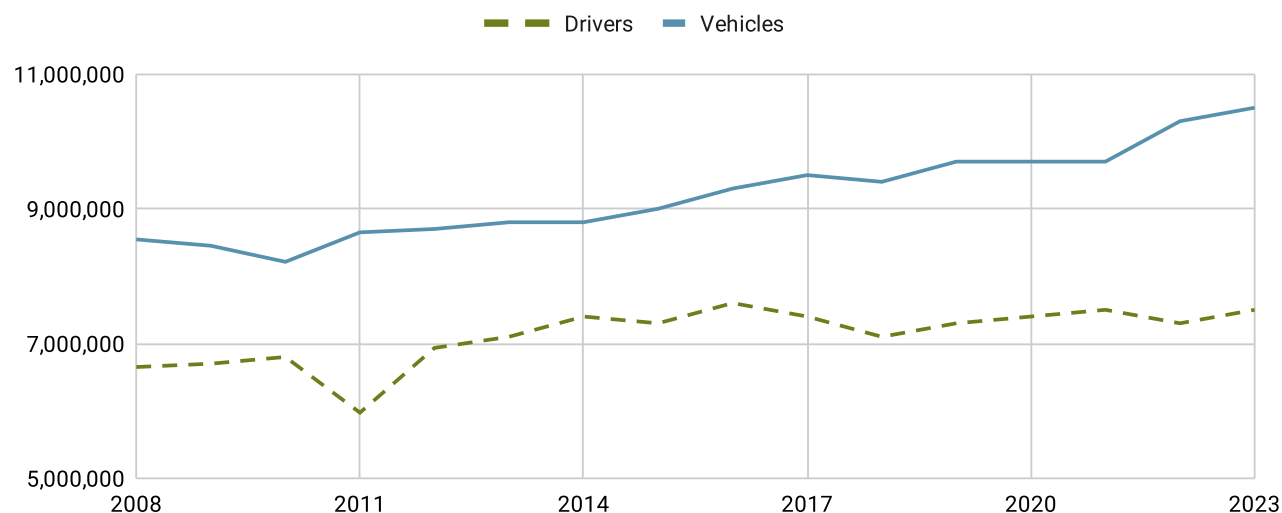
Despite recent population growth, the number of licensed drivers in North Carolina has remained relatively stable, due in part to a national trend of younger individuals delaying licensure. The same cannot be said, however, for the number of vehicles registered on North Carolina's roads.

²⁰ "First in Flight", "First in Freedom", and national/state motto ("In God We Trust"/"To Be Rather Than To Seem").

²¹ Personalization is when a customer orders a custom license plate number, such as a name.

Figure 7: Driver Counts Are Stable as Vehicles Continue to Grow

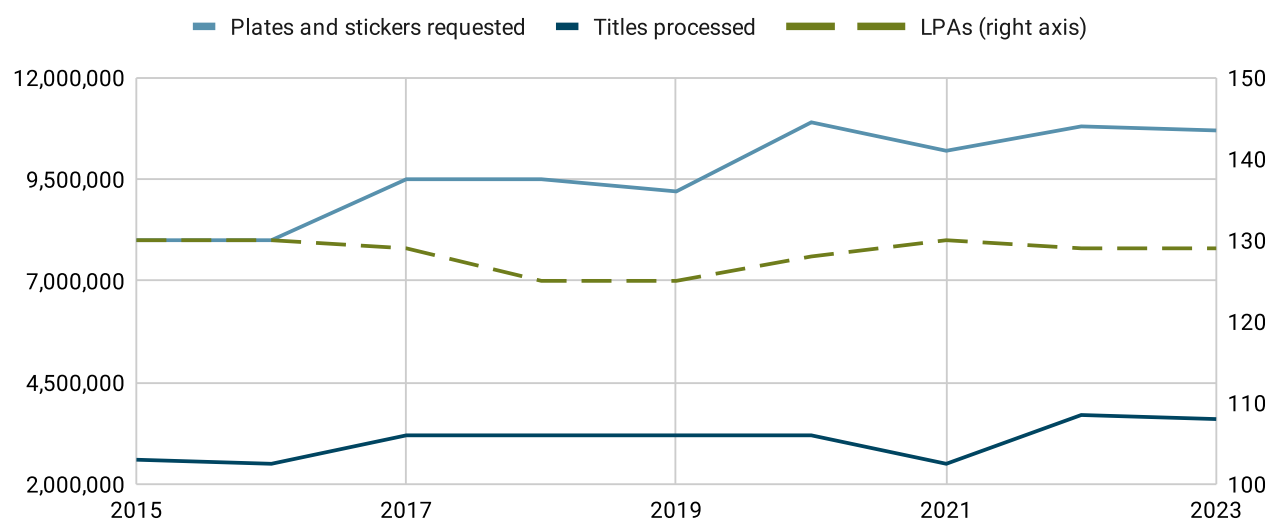
Licensed Drivers and Registered Vehicle by SFY



Despite the growing number of vehicles on North Carolina's roads, the number of LPAs has remained fairly consistent over the last decade:

Figure 8: Vehicle Transactions Increase While LPA Count Is Flat

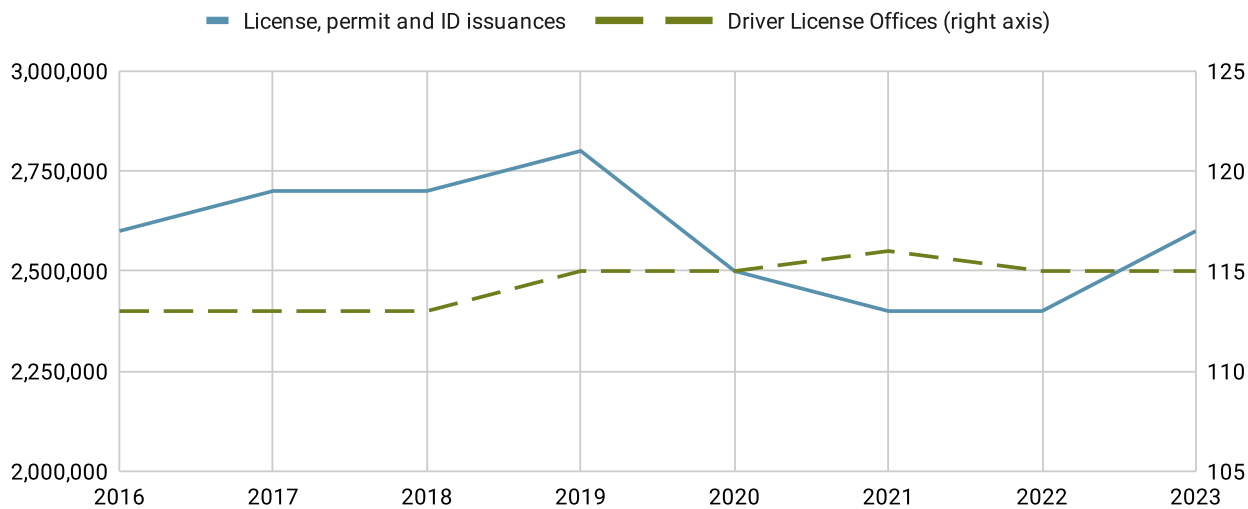
Number of Vehicle Services Transactions and License Plate Agents per SFY



The number of LPAs does not need to grow in lockstep with vehicle transactions, especially as existing technologies such as online renewals and emerging technologies such as electronic titling reduce the need to visit an agent in-person. However, **the division should examine whether the size of the current LPA network can serve existing and future demand.**

The number of driver license, permit and ID issuances (including renewals) has remained steady recently, as has the number of Driver License Offices in the state. Additionally, many customers now complete renewals and duplicate issuances online. However, the pandemic may have delayed some in-person visits, some new drivers may have been discouraged by long wait times, and the rush to obtain a REAL ID may have made in-office transactions more complex.

Figure 9: Driver Transactions and Office Count Remain Steady
Count of Credential Issuances and Driver License Offices by SFY



As complaints continue despite the relative stability in both issuances and office count, **NCDMV should study if the current number of Driver License Offices is large enough to adequately service North Carolina drivers. Such a study should also consider whether in-office transactions are becoming more complex and whether the span of service (i.e., hours and days of operation) meet customer needs.** If the wait time target is decreased, the urgency of completing such a review will increase.

Finally, while the count of Driver License Offices and LPAs has remained steady across the state, the population across the state as a whole and especially within particular regions of the state has not. **NCDMV should conduct a location analysis to determine if their network of Driver License Offices and LPAs provides sufficient coverage on a region-by-region basis and whether growing regions are underserved,** regardless of the overall count of facilities.

3.1.2 Provide One-Stop Service for Both Drivers and Vehicles

NCDMV has reported high satisfaction among customers at locations where a Driver License Office and License Plate Agency are co-located in the same building or offered in close proximity, such as in adjacent storefronts or in the same shopping center. However, both the state and LPAs operate on tight budgets, and renting and outfitting a new location is an expense that the benefits from are experienced by clients and not by the operators themselves. Therefore, **the State should offer incentives to license plate agencies for opening or moving their premises to be adjacent to Driver License Offices.** The exact amount and structure of these requires further study. Additionally, **when opening or moving Driver License Offices, NCDMV should strongly consider the location of existing LPAs,** even if this would add a moderate level of expense.

3.1.3 Expand Services at County-Operated LPAs

As some License Plate Agencies have closed, some counties, especially in rural parts of the state, have taken on these contracts as a service to their residents. **NCDMV should determine if there would be interest from counties in operating Driver License Offices alongside their LPAs and whether this would provide value for customers and be feasible before IT modernization is complete.** These Driver License Offices should be required to be co-located with a county-operated LPA, and a structure will need to be devised to compensate counties for providing these services on NCDMV’s behalf.

Allowing License Plate Agencies to provide driver services or Driver License Offices to provide vehicle services is not recommended at this time. Any such initiative should not be considered until IT modernization is complete, allowing for a better integrated single-stop experience, and after significant study is conducted to determine interest, feasibility, and value. However, allowing counties to offer driver services can act as a partial pilot that can be used to study future changes to service provision.

3.1.4 Study a New LPA Compensation Schedule

As labor and real estate costs rise and simpler vehicle transactions move online (see Prepare for Electronic Titling, below), the revenue and expense mix for license plate agents will continue to change, which may threaten the viability of these concessions. Already, a number of counties have taken over an LPA in areas where local agents have closed. **NCDMV should study an update to the LPA fee structure to ensure the viability of LPAs as transactions handled in-office become fewer in number but more complex on average.**

3.2 Embrace Emerging Technologies

Customers' expectations of what can be offered at home and on their phones are higher and higher each year—and NCDMV risks falling behind not only the benchmark set by private businesses but the online services provided by other states' DMVs as well. Many improvements to NCDMV's digital offerings may need to wait for IT modernization to be completed, but the Division should prepare now for the emerging technologies customers will expect in the future.

3.2.1 Prepare for Mobile Driver Licenses (mDL)

Technology is now available to provide drivers with a mobile driver license (mDL), a version of their credential stored on their phone that can be updated and validated in real-time. According to AAMVA,²² 13 states currently have implemented this technology in a way that is interoperable across the US and Canada, and 14 states (and the District of Columbia) are in the process of such an implementation. Additionally, 13 states (including North Carolina) and 8 Canadian provinces and territories have had mDL legislative or study activity, and Puerto Rico has implemented a non-interoperable mDL locally. **The NC General Assembly and NCDMV should prepare to offer mobile driver licenses.** Additional study is required, however, to determine if such implementation should wait until after IT modernization, as implementation before the State Automated Driver License System (SADLS) is retired may create additional work, be significantly less efficient, or stretch NCDMV resources too thin. Any mDL option ultimately offered should be interoperable, following AAMVA standards.

3.2.2 Prepare for Electronic Titling

Even though states maintain title records and AAMVA maintains an interoperable database covering 49 US states²³ and the District of Columbia, proving and transferring ownership of a vehicle remains a paper-intensive process, introducing significant labor costs and fraud risks. West Virginia currently not only allows but requires dealers to submit title work electronically, which has reduced their turnaround time for titling from 30 days to under a week, and the state is in the implementation process to offer all (in-state) title transactions electronically. **The NC General Assembly and NCDMV should prepare to offer electronic titling.** Additional study is required, however, to determine if such implementation should wait until after IT modernization, as implementation before the State Titling and Registration System (STARS) is retired may create additional work, be significantly less efficient, or stretch NCDMV resources too thin. Any electronic titling system ultimately offered should be interoperable, following AAMVA standards.

²² American Association of Motor Vehicle Administrators, which comprises the motor vehicle administrations in 50 US states, the District of Columbia and the 13 Canadian provinces and territories.

²³ All but Hawaii, which is progressing toward implementation.

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APPENDIX 1: NCDMV System Modernization

Cautionary Tales: Mainframe Modernization Case Studies

MOST PROJECTS FAIL—EVEN IN THE PRIVATE SECTOR

Few companies are willing to go on the record admitting failure, but one survey of large US and European companies found that 74% of firms had begun a legacy system modernization project which was never completed. One of the largest UK banks canceled a divestiture after spending nearly \$2 billion trying and failing to move the new company from their mainframe to a new one. Another UK bank got cold feet and canceled modernizing its applications—after spending hundreds of millions of dollars updating front-end computers.

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Many Organizations Need to Try, Try and Try Again

Public organizations have a harder time hiding abandoned modernization projects. The UK's Department of Works and Pensions only succeeded in moving its benefits system off COBOL on its fifth attempt—a relative success compared to Indiana, which spent nearly half a billion trying to migrate theirs before throwing in the towel. The Government of Canada tried and failed to transition its Social Security equivalent from COBOL, before abandoning that project and instead embarking on a piecemeal approach with a different system entirely. New Jersey and Vermont both reached settlements with vendors over moving their DMV mainframes. Despite two decades of effort, New Jersey never managed to get off COBOL, while Vermont just moved to a new system. California and Michigan, too, ended up in disputes with vendors over failed attempts to migrate departments off COBOL.

MOVING FAST CAN BREAK THINGS

Organizations that decide to “rip-and-replace” legacy systems all at once can later come to wish they had acted more cautiously and transitioned one service at a time. Following the financial crisis, another large UK bank was ordered to split in two. The new bank at first stayed on the old bank's COBOL mainframe, but after being sold, it moved to the new owner's COBOL-based system in 2018. After transitioning over one weekend in 2018, customers found themselves locked out of their accounts online—or, worse, shown others' accounts. Some issues persisted for nearly two months, including missing deposits. The disastrous migration ultimately cost the bank over US\$500 million, including a US\$60 million fine.

Government of Canada Turns Cost Savings into a Cost Crisis

In 2009, the Government of Canada decided to move all its departments and agencies, many still using legacy mainframes, to a single, modern payroll system. After a brief postponement due to warnings of critical issues, the government decided in 2016 to go ahead with a launch across 34 departments. Eager to realize efficiencies, it began laying off thousands of departmental payroll staff no longer considered necessary under a centralized system. In the four years following the cutover, nearly 75% of the Government's 300,000 employees received an incorrect paycheck. Stories emerged of underpaid employees getting personal loans from their bosses to cover the bills, while other employees were asked to repay large sums after the new system overpaid them for months. Some employees simply weren't paid at all. Payroll staff estimated that over 90% of paychecks were incorrect, and a project that was meant to save US\$52 million per year ended up costing US\$1.6 billion. The Government of Canada is now procuring a new payroll system.

COBOL ISN'T THE MAIN ISSUE

The problems that kill mainframe modernization projects are usually problems that occur in any legacy system, not use of COBOL itself. Every organization has institutional knowledge that only lives in the minds of its staff—staff who, over the years, leave and are replaced. After multiple decades, it can be hard to distinguish code that hasn't been needed for years from code that multiple other systems rely on. However, this would be true even if written in a modern programming language. As one IT manager at a financial institution told us, “[t]he issue is rarely the language but problems common to any language or platform.”

Large Financial Institution Sticking with COBOL for Now

While not the primary cause, COBOL can exacerbate these issues. It is a 1950s era programming language rarely taught today and known for code that is extremely wordy, long and repetitive compared to contemporary languages. However, the bank IT head we spoke to said that he has “no trouble getting COBOL resources” and that its wordy nature makes it “really easy to learn.” His own bank is “addicted to COBOL” for its legacy systems and has decided to put off migrating indefinitely.

APPENDIX 2: Privatization at NCDMV: Present and Future

Table 1: Privatization In DMV Offices Across USA – Driver Services

State	Agency	Service	Description	Vendor	URL1
Alaska	Division of Motor Vehicles	Driver Services Transactions		Local contractors	https://doa.alaska.gov/dmv/partners/index.htm
Arizona	Motor Vehicle Division	Driver Services Transactions		Local contractors	https://azdot.gov/mvd/services/driver-services/authorized-third-party-driver-license-locations
Connecticut	Department of Motor Vehicles	Driver Services Transactions		AAA	https://cluballiance.aaa.com/automotive/dmv-ct
Kansas	Division of Vehicles	Driver Services Transactions		AAA	https://www.ksrevenue.gov/press/2021/pr01052021.html
Maine	Bureau of Motor Vehicles	Driver Services Transactions	Driver Service Transactions	AAA	https://www.pressherald.com/2013/03/12/all-aaa-offices-now-can-renew-licenses-2013-03-13/#:~:text=Maine%20motorists%20will%20now%20be,for%20AAA%20Northern%20New%20England.
Massachusetts	Massachusetts Registry of Motor Vehicles	Driver Services Transactions	REAL ID Upgrade and only renewals of DLs	AAA	https://northeast.aaa.com/automotive/registry-services/massachusetts.html
Minnesota	Driver and Vehicle Services	Driver Services Transactions	DL Renewal	AAA, local contractors	https://minneapolis.aaa.com/automotive/license/id-permit-cards
Montana	Motor Vehicle Division	Driver Services Transactions	DL Renewal	AAA	https://mwg.aaa.com/automotive/mvd/montana-mvd-services
New Mexico	Motor Vehicle Division	Driver Services Transactions		MVD Express	https://www.mvdexpress.com/real-id-documentation-requirements/
New York	Department of Motor Vehicles	Driver Services Transactions		AAA	https://dmv.ny.gov/offices/license-and-non-driver-id-services-including-real-id-upgrades-are-available-aas
Pennsylvania	Driver & Vehicle Services	Driver Services Transactions		AAA	https://ww1.aaa.com/aaa/222/home/steph/license/index.html#:~:text=DRIVER'S%20LICENSE%20INFORMATION,PA%20Authorized%20Driver%20License%20Center.
Rhode Island	Division of Motor Vehicles	Driver Services Transactions	DL Renewal	AAA	https://dmv.ri.gov/licenses-permits-ids/drivers-licenses/license-renewal#:~:text=You%20can%20renew%20your%20Rhode,branch%20office%20(members%20only).

Table 2: Privatization In DMV Offices Across USA – Driver Testing

State	Agency	Service	Description	Vendor	URL1
Alaska	Division of Motor Vehicles	Road Test		Local contractors	
Alaska	Division of Motor Vehicles	Knowledge Test		Local contractors	
Arizona	Motor Vehicle Division	Knowledge Test		Local contractors	
Arizona	Motor Vehicle Division	Road Test		Local contractors	
Colorado	Division of Motor Vehicles	Knowledge Test		Intellectual Technology, Inc.	https://k2do-co.iti4dmv.com/at-home/Welcome
Florida	Florida Highway Safety and Motor Vehicles	Knowledge Test		Local contractors	https://www.flhsmv.gov/driver-licenses-id-cards/driver-license-exams/
Florida	Florida Highway Safety and Motor Vehicles	Road Test		Local contractors	
Georgia	Georgia Department of Driver Services	Knowledge Test		Local contractors	https://dds.georgia.gov/certified-third-party-testers
Kansas	Division of Vehicles	Knowledge Test		Intellectual Technology, Inc	https://www.ksrevenue.gov/press/2021/pr04062021.html
Louisiana	Louisiana Office of Motor Vehicles	Knowledge Test		Local contractors	https://expresslane.dps.louisiana.gov/CDLForms/CLASS%20E%20-%20Adults_upd.pdf
Michigan	Michigan Department of State	Road Test		Local contractors	https://www.michigan.gov/sos/license-id/new-drivers
Minnesota	Driver and Vehicle Services	Knowledge Test		Local contractors	https://dps.mn.gov/divisions/dvs/forms-documents/Documents/Class%20D%20Knowledge%20Test%20Proctors.pdf

(Table 2 continues on following page)

Table 2 (Continued): Privatization In DMV Offices Across USA – Driver Testing

State	Agency	Service	Description	Vendor	URL1
Nevada	Department of Motor Vehicles	Knowledge Test		Intellectual Technology, Inc.	https://knowtodrive.com/nevada/
Ohio	Ohio Bureau of Motor Vehicles	Knowledge Test	Online knowledge test	Intellectual Technology, Inc.	https://knowtodrive.com/ohio-faq/
Oregon	Oregon Driver & Motor Vehicle Services	Knowledge Test	Online knowledge test	Intellectual Technology, Inc.	https://k2do-or.iti4dmv.com/at-home/Welcome
Oregon	Oregon Driver & Motor Vehicle Services	Road Test		Local contractors	https://www.southernoregondrivered.com/thirdpartydmvdrivetests
Pennsylvania	Driver & Vehicle Services	Road Test		Local contractors	https://www.dot.state.pa.us/public/dvspubsforms/BDL/BDL%20Form/DL-105nclf.pdf
Tennessee	Department of Safety & Homeland Security	Knowledge Test	For teenagers between the ages of 15 to 17 can take the test online under a proctor's supervision (parent/legal/guardian)	IDEMIA	https://www.tn.gov/safety/driver-services/driver-license-knowledge-test-online.html
Texas	Department of Motor Vehicles	Road Test			https://www.dps.texas.gov/section/driver-license/third-party-skills-testing-program
Washington	Washington State Department of Licensing	Knowledge Test		Local contractors	https://dol.wa.gov/driver-licenses-and-permits/driver-training-and-testing/approved-driver-training-schools
Washington	Washington State Department of Licensing	Road Test		Local contractors	https://dol.wa.gov/driver-licenses-and-permits/driver-training-and-testing/approved-driver-training-schools
West Virginia	Department of Motor Vehicles	Knowledge Test	Online test	Intellectual Technology, Inc.	https://transportation.wv.gov/DMV/Drivers/Pages/KnowToDrive.aspx
District of Columbia	Department of Motor Vehicles	Knowledge Test	SmarterServices		https://takemydrivingtest.com/dc

Table 3: Privatization In DMV Offices Across USA – Vehicle Services

State	Agency	Service	Description	Vendor	URL1	URL2	URL3	URL4
North Carolina	Division of Motor Vehicles	Title/registration/ vehicle transaction handling	Transactions handled at state concessions called License Plate Agencies (LPAs)	Local contractors				
Alaska	Division of Motor Vehicles	Title/registration/ vehicle transaction handling		Local contractors				
Arizona	Motor Vehicle Division	Title/registration/ vehicle transaction handling		Local contractors				
Minnesota	Driver and Vehicle Services	Title/registration/ vehicle transaction handling		Local contractors, local governments	https://applevalleydmv.com/dmv-hours-apple-valley_burnsville_farmington_lakeville-mn	https://www.licensemn.com/	https://www.goldenvalleymn.gov/580/Department-of-Motor-Vehicles-DMV	https://www.cityofroseville.com/3177/License-Center

Table 4: Privatization In DMV Offices Across USA – Online Services

State	Agency	Service	Description	Vendor	URL1	URL2
North Carolina	Division of Motor Vehicles	Online services		Paylt		
Hawaii	State	Online services	Powered by Tyler Technologies		https://mvr.ehawaii.gov/renewals/lookup.html?county=hawaii	
Kansas	Division of Vehicles	Online services	iKan powered by Payit	PayIT	https://ikan.ks.gov/	
Maine	Bureau of Motor Vehicles	Online services	ACF Technologies	ACF Technologies	Online Appointments & ETickets (cxmflow.com)	Benefits of ACF Technologies for the DMV
Massachusetts	Massachusetts Registry of Motor Vehicles	Online services	Third-party services, such as Formstack, may provide online forms on Mass.gov. When you use such a service, your form submission is either sent directly to a Mass.gov email account (e.g., public records request forms) or is securely made to the service provider (e.g., Formstack) and stored there.	Formstack	Mass.gov Privacy Policy Mass.gov	
Mississippi	Driver Service Bureau	Online services	Tyler Technologies	Tyler Technologies	Home - TeleGov	
Nebraska	Department of Motor Vehicles	Online services	Tyler Technologies	Tyler Technologies	Renewals - Driver's License, Motorcycle and State ID Nebraska Department of Motor Vehicles	
Nevada	Department of Motor Vehicles	Online services	Qmatic	Qmatic	https://qwebbooking.dmv.nv.gov/qmaticwebbooking/index.html#/	
North Dakota	Driver License/Motor Vehicles	Online services	Nemo-Q	Nemo-Q	https://nqa3.nemoqappointment.com/Booking/Booking/Index/5KIDD4bc	
Ohio	Ohio Bureau of Motor Vehicles	Online services	Customers can use IBM Security Verify app to log into DMV portal			
Oklahoma	Oklahoma Department of Public Safety	Online services	QLess: real-time wait time and waitlist.	QLess	https://qless.com/	https://kiosk.app.qless.com/03262341-d478-4ac8-afde-2afc2f3745ae?locale=en&pinnedLocationId=b4c5037a-f53b-48c2-9c01-fc8e4a8a490c

APPENDIX 3: Privatization at NCDMV: Present and Future

NEW JERSEY DMV from 1995–2002

EXECUTIVE SUMMARY

In 1995, New Jersey Governor Christine Todd Whitman wanted to save \$4 million annually by laying off 300 DMV workers while simultaneously privatizing the remaining 23 publicly owned DMV offices. The governor's office mostly recommended fellow Republican candidates to the DMV Director to run the newly privatized DMV offices. This type of hiring selection caused a public outcry. The privately run DMV offices would provide the same DMV services as before such as road tests, driver permitting and licensing, and more. Gov. Whitman's privatization effort would later be seen as a failure and DMV services were thus reverted to the public sector as the new system struggled with several debilitating problems, such as:

- Regional Service Centers housing private contract Agencies in the same building, which led to confusion.
- Fraudulent driver licenses being issued by contractors to individuals with no legal right.
- Ill-prepared and inadequately compensated employees.
- Restrained DMV leadership.
- Lack of funding to meet rising demand.

WHY WERE DMV SERVICES PRIVATIZED?

- New Jersey Governor Christine Todd Whitman (1994–2001) wanted to realize \$4 million in annual savings (salary, health benefits, and pension costs of 300 laid off DMV workers).
- State claimed savings of \$10 million by merging with DOT in FY96.

WHO WERE THE PRIVATE DMV PROVIDERS?

45 different private non-bid contract service providers appointed by the DMV Director, but recommended by the governor's office:

- Before Gov. Whitman's privatization efforts, there were 21 private providers.
- Gov. Whitman's office recommended 23 new private providers to the DMV that would replace publicly owned DMV offices.
- 11 were Republicans, 6 Democrats, and 7 Independents.
 - » Political affiliations of these private providers were made public knowledge by the state DMV
 - » The fact that the majority of these new private providers were Republican recommended by a Republican governor led to criticism by the public.
 - » Of the 21 private providers, only 8 were DMV employees.
 - » 2 were former DMV workers.
 - » Mariann Horan, a private provider at the time, stated that she "got her job through political pull 'it's not like [Governor] Christie Todd Whitman would know who I was, but connections count.'"
- Horan had political connections due to her experience working for the state senate for 18 years.

WHAT WAS PRIVATIZED?

The DMV services that were privatized included:

- Vehicle registration and titling
- Written driver exams
- Permit issuance
- Driver licensing
- Photo license renewal
- Non-driver photo ID cards

WHY WAS PRIVATIZATION UNSUCCESSFUL?

1. Regional Service centers housed contract Agencies, which led to confusion.

- Example: A citizen would go to a Regional Service Center to pay a license restoration fee. They would pay the fee only then to be told by a state employee that they must go to a private agency, including one in the same building, to obtain the actual license document.
- Staff reallocation could not occur under the private contract mechanism.
 - » Employees could not be moved between agencies and Regional Service Centers to augment staff during peak periods.
- Computers dating back to the Reagan administration used by agency clerks were incapable of processing multiple steps in a single transaction, which also led to multiple DMV windows and lines for customers. These systems also could not verify proof of current insurance or check authenticity of Social Security numbers or immigration status.

2. Numerous Agency employees were arrested for issuing fraudulent driver licenses to individuals with no legal right.

- Agents outside of the State system did not enjoy protection from AG's office.
- If an agent had an employee or customer arrested, and that individual later sued, the DMV employee could not be represented by the State.
- A transient and poorly paid workforce was vulnerable to criminal exploitation.
- The State Police had cited as a security concern the lack of standard and consistent signage explaining the documents necessary for certain transactions and penalties for fraud throughout DMV facilities.

3. Ill-prepared and inadequately compensated employees.

- High turnover contributed heavily to poor customer service as new staff was brought in and had to train on the job.
 - » Errors were made and service times were protracted.
- Employees received insufficient training and worked under difficult conditions with low pay and no benefits.
- Because each agency was individually run, it was difficult for the State to implement consistent customer service or security procedures.
- Lack of strategic business planning process led to confused and ill-prepared staff.
 - » Created an environment where an agency simply reacted to crisis and implemented responsibilities with quick fixes. There was no integrated planning or forward thinking.

4. Restrained DMV leadership.

- Under DOT, DMV leadership was forced to endorse bad legislation because of political pressure exerted on the Commissioner of the DOT. There had been a few occasions where 180-degree shifts had occurred regarding the DOT's position on privatization, and the DMV was forced into a lock-step agreement.

5. Lack of funding to meet rising demand.

- Between FY89 and FY02, DMV expenditure was cut from \$200 million adjusted for inflation to \$130 million despite being assigned a greater number of mandated responsibilities and drastically more complex programs.
 - » This decline in funding led to forced reductions in functional areas, which in turn led to poor service turnaround times and significant security breaches.
 - » Spending devoted to Capital Improvements was nearly eliminated, declining from \$16 million in 1989 to just \$0.2 million in 2002.
- As a result, DMV facilities had fallen into disrepair. Suburban location parking was non-existent or insufficient.
 - » Some facilities did not even have public restrooms.
 - » One-third of the agencies operated on month-to-month leases that made it nearly impossible to improve even minor conditions.
 - » The presence of vended beverages and snacks was haphazard.

- This overall DMV budget cut also included a nearly 50% reduction in spending on Planning, Systems Development, Public Information and Training.
- Enforcement and Security also experienced significant 34% and 35% drops in funds expended at Motor Vehicle Agencies.
- The number of internal auditors for the 45 private agencies was cut from 14 to 4.
- Elite staff of 29 auto fraud investigators was reduced to 2.
 - » This led to fewer State Police investigating fraud and fewer monitors and accountants visiting DMV offices to make sure policies were followed and honest books were maintained.
 - » From 1990 to 2002, the Division devoted only 0.7 percent of its expenditures to capital improvements.
 - » In the face of declining real resources and staffing, the DMV was hit with major new mandated programs and underwent legislated program modifications—in many cases without any commensurate offsetting resources. Beginning in 1990 these initiatives included: the Parking Offense Adjudication Act; Commercial Driver Licensing; Federal Motor Voter Law; the issuance of 14 different cause specialty plates; Online Information Sales; International Fuel Tax Agreement; International Registration Plan; Federal Clean Air Act; School Bus Inspection Program; Commercial Bus Inspection 19 Program; Driver Privacy Protection Act; Graduated Driver License Program; and Ignition Interlock Program.

WHY DID NJ REVERT PRIVATIZATION?

- Privatization ended due to the findings and research done by General Assembly members after the DMV Commission was established through the Governor's 2002 Executive Order.
- Focus was set on meeting and exceeding customer satisfaction and expectations and issuing bona fide and secure documents.

APPENDIX 4: NCDMV Organizational Structure and Personnel

State DMV Leadership Models

After a comprehensive analysis of state DMV leadership structures,²⁴ the research team concluded that in general, DMV leaders across the nation hold similar powers and duties. Most DMVs are either led by a director (16) or by a commissioner (11), with the rest being either an administrator (6), executive director (3), or a more unique position such as registrar (2) or CEO (1). Two states have combined the offices of Secretary of State with DMV (Illinois and Michigan), with Michigan’s driver services led by a COO.

In regard to DMV leadership appointees, a significant majority of state DMV leaders are appointed by their governor (21), with (12) being appointed by someone other than the governor—typically the DOT Secretary or state legislature. The remaining (11) state DMV leaders are non-appointees, and part of the civil service.

Of the (11) states with a career bureaucrat leading their DMV, only (5) of them answer to a Department of Transportation. The majority (6) fall under the umbrella of other departments, such as the Department of Administration, Department of Public Safety, or Department of Revenue. As an example, Colorado DMV Senior Director Electra Bustle and Alaska DMV Director Jeffrey Schmitz were hired into their current positions with prior experience leading other states’ DMVs.

Table 5: Head of DMV Management Paradigms in the United States

States	Leadership Title	Appointee
Alabama	Title Manager	No
Alaska	Director	No
Arizona	Deputy Director	No
Arkansas	--	--
California	Director	Yes - Gov
Colorado	Senior Director	No
Connecticut	Commissioner	Yes - Gov
Delaware	Director	Yes - Non Gov
Florida	Executive Director	Yes - Gov
Georgia	Commissioner	Yes - Gov
Hawaii	Director	No
Idaho	Administrator	No
Illinois	—	—
Indiana	Commissioner	Yes - Gov
Iowa	Director	Yes - Non Gov
Kansas	Director	Yes - Non Gov
Kentucky	Commissioner	--
Louisiana	Commissioner	--
Maine	Deputy Secretary of State	Yes - Gov
Maryland	Administrator	Yes - Non Gov
Massachusetts	Registrar	Yes - Non Gov

(Table 5 continues on following page)

²⁴ The research team was unable to confirm Arkansas’s and Illinois’ status.

Table 5 (Continued): Head of DMV Management Paradigms in the United States

States	Leadership Title	Appointee
Michigan	COO	Yes - Non Gov
Minnesota	Director	No
Mississippi	Commissioner	Yes - Gov
Missouri	Director	--
Montana	Administrator	Yes - Non Gov
Nebraska	Director	Yes - Gov
Nevada	Director	Yes - Gov
New Hampshire	Director	Yes - Gov
New Jersey	Acting Chief Administrator	Yes - Gov
New Mexico	Director	Yes - Non Gov
New York	Commissioner	Yes - Gov
North Carolina	Commissioner	Yes - Non Gov
North Dakota	Director	No
Ohio	Registrar	Yes - Non Gov
Oklahoma	CEO	Yes - Gov
Oregon	Administrator	Yes - Gov
Pennsylvania	Deputy Secretary	No
Rhode Island	Administrator	Yes - Gov
South Carolina	Executive Director	Yes - Gov
South Dakota	DPS Director and DOR Director	No
Tennessee	(Driver Services) Assistant Commissioner	Yes --
Texas	Executive Director	Yes - Gov
Utah	Director	Yes - Non Gov
Vermont	Commissioner	Yes - Gov
Virginia	Commissioner	Yes - Gov
Washington	Director	Yes - Gov
Washington DC	Director	No
West Virginia	Commissioner	Yes - Gov
Wisconsin	Administrator	Yes - Non Gov
Wyoming	Support Services Administrator	Yes ----

LEGEND

Gov Appointed by the governor
 Non-Gov Appointed by the state's general assembly or by another agency leader
 --- No Data

Source: ITRE, 2024



DMV Budget Information

Budget Process

The DMV budget preparation process begins with the DOT Budget Office's development of the initial, base budget. The DOT Budget Office follows the Office of State Budget and Management (OSBM) North Carolina Budget Manual in the preparation of the budget for the entire Department, including DMV. DOT incorporates OSBM instruction and guideline memos in the budget process.

The DMV makes requests and proposals to amend the budget provided by DOT however, all budget proposals, revisions, transfers, and expansion requests for the DMV must go through DOT for approval.

According to the Government Finance Officers Association, best practices for government budgeting involve ensuring that the budget process is well-integrated with **planning and management functions** of the government.

While it is the responsibility of DMV to prepare and submit a list of budget priorities, budget recommendations, revisions, and expansion requests to DOT, the final decision on whether to include DMV's budget priorities in the official request for DOT to the North Carolina General Assembly rests with the DOT.

Not all budget requests are approved by DOT. For example, in the second year of the 2023-2025 biennium, a total of six budget expansion requests were submitted by the DMV to DOT. Of these six requests, DOT approved only a portion of one – A \$5.1 million request to fund 80 permanent driver license examiner positions, was approved for 40 permanent positions.

This request for additional positions was not approved by the General Assembly, and therefore did not become part of the budget for DMV.

Certified Budget

The certified budget for an agency reflects the total of all funds appropriated for that agency by the General Assembly. For the year ended June 30, 2024, the DMV’s certified budget was \$198.8 million.

Authorized Budget

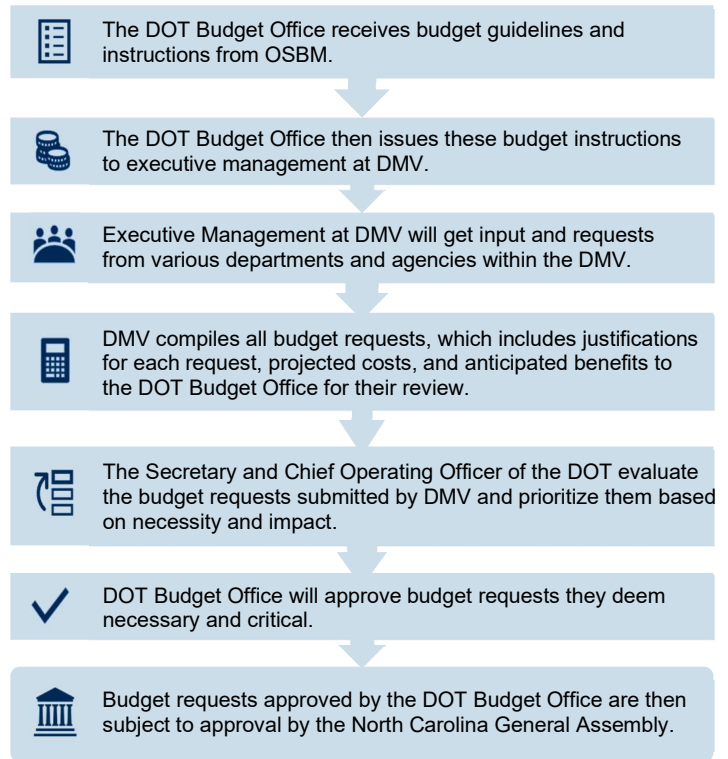
The authorized budget¹ is composed of the certified budget plus allowable internal budget revisions and adjustments that must be approved by OSBM. This is the DMV’s working budget. For the year ended June 30, 2024, the DMV’s authorized budget was \$232.6 million.

Budget Adjustments

The DMV Budget Manager oversees the DMV’s budget, ensuring that expenditures stay within approved limits. Whenever one of DMV’s functional areas has a deficit of funds, the Budget Manager moves funds from another cost center with a surplus to cover the deficit.

As stated above, changes are made to the authorized budget for various reasons, including transfers between functional areas, additional funding for salaries from the general assembly, and increases in receipts for receipt supported functional areas.

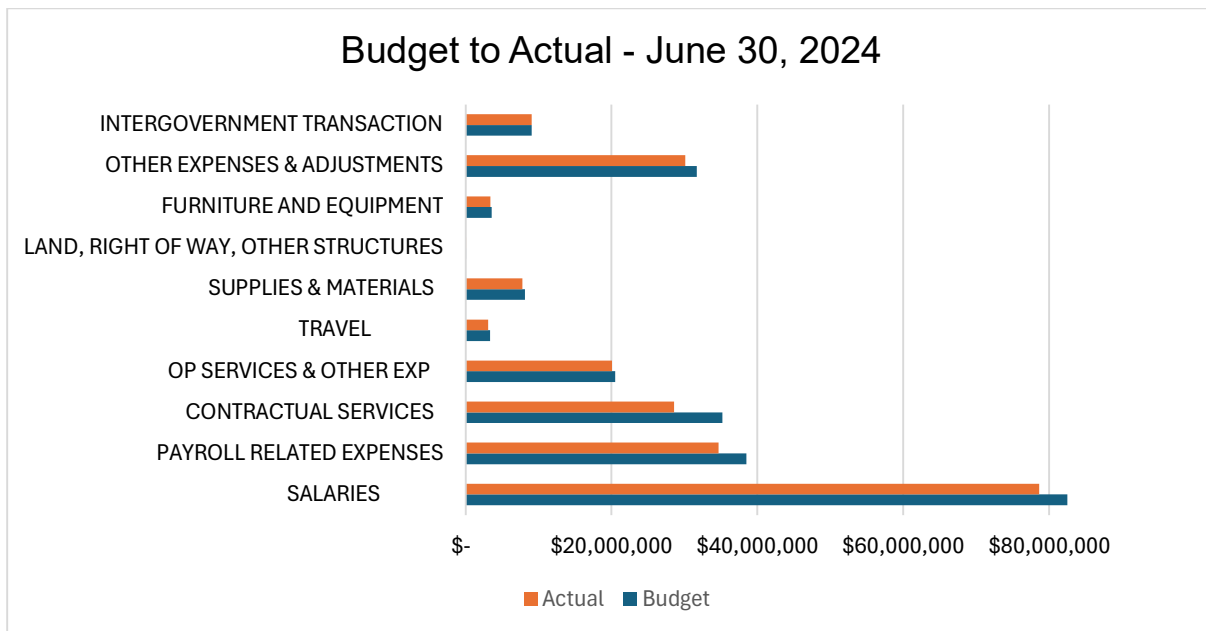
DMV Budget Process



¹ N.C.G.S. 143C-1-1(d)(1a).

Budget to Actual – Condensed – June 30, 2024²

All Functional Areas			
Account	Budget	Actuals	Difference
PERSONNEL			
SALARIES	\$ 82,494,947	\$ 78,652,505	\$ 3,842,442
PAYROLL RELATED EXPENSES	38,487,356	34,698,990	3,788,366
CONTRACTUAL SERVICES	35,218,122	28,607,791	6,610,331
Total PERSONNEL EXPENSES	\$ 156,200,425	\$ 141,959,286	\$ 14,241,139
OPERATING EXPENSES			
OP SERVICES & OTHER EXP	\$ 20,531,709	\$ 20,102,785	\$ 428,924
TRAVEL	3,358,599	3,109,655	248,944
SUPPLIES & MATERIALS	8,155,881	7,785,760	370,121
LAND, RIGHT OF WAY, OTHER STRUCTURES	1,450	1,407	43
FURNITURE AND EQUIPMENT	3,587,602	3,395,461	192,141
OTHER EXPENSES & ADJUSTMENTS	31,727,146	30,128,486	1,598,660
INTERGOVERNMENT TRANSACTION	9,072,044	9,072,044	-
Total OPERATING EXPENSES	\$ 76,434,431	\$ 73,595,598	\$ 2,838,833
Total Expenses	\$ 232,634,856	\$ 215,554,884	\$ 17,079,972



² Budget and actual data is presented as it was obtained from DMV or DOT. The data has not been audited.

Budget to Actual – Detailed – June 30, 2024

All Functional Areas			
Account	Budget	Actuals	Difference
PERSONNEL			
SALARIES			
Salaries and Wages	\$ 64,255,352	\$ 62,183,703	\$ 2,071,649
Payroll Additives Permanent Annual Rates	1,900,021	1,753,230	146,791
Temporary Labor Hourly Rate	857,481	97,055	760,426
Salary and Wages - Overtime Pay	2,956,397	2,863,079	93,318
Payroll Additives - Annual Rates Overtime	68,172	67,511	661
Salaries and Wages - Premium Pay	16,217	1,273	14,944
Payroll Additives - Annual Rates Premium Pay	461	17	444
Salaries and Wages - Longevity Pay - State Funded	940,567	846,015	94,552
Payroll Additives - Longevity Pay	34,200	20,599	13,601
LEO Salaries and Wages	10,808,970	10,225,089	583,881
Dual Employment	2,800	2,800	-
Short Term Disability Payments	322,769	281,890	40,879
Retention Bonus - Appropriated	327,300	308,397	18,903
Salary and Wages - Compensatory Leave Earned	90	-	90
Inmate Labor	2,250	-	2,250
Employee Severance Pay	1,900	1,847	53
Total SALARIES	\$ 82,494,947	\$ 78,652,505	\$ 3,842,442
EXPENSES RELATED TO PAYROLL			
Social Security Contribution	\$ 6,324,054	\$ 5,676,554	\$ 647,500
Retirement Contribution	17,513,693	16,239,427	1,274,266
Law Enforcement Officers' Retirement Contribution	3,800,631	3,078,954	721,677
Medical Insurance Contributions	10,689,220	9,545,580	1,143,640
Employee Assistance Program	7,138	6,876	262
Dependent Care - FICA Savings Operating Transfer	151,299	150,278	1,021
Pension Spike Payments	1,321	1,321	-
Total EXPENSES RELATED TO PAYROLL	\$ 38,487,356	\$ 34,698,990	\$ 3,788,366
CONTRACTUAL SERVICES			
Legal Services	\$ 1,113,496	\$ 963,319	\$ 150,177
Personal Computer and Printer Support Services	4,749,065	4,748,805	260
Waste Disposal/Recycling	428,752	411,807	16,945
Security Services	817,758	742,506	75,252
Professional Fees	1,678,460	815,352	863,108
IT Project Management and Analysis Services	645,612	568,601	77,011
Professional Fees-Assessment By Headcount	12,867	10,361	2,506
Covid Cleaning Services	20,000	19,807	193
Professional Fees Temporary Solutions	3,705,791	2,257,484	1,448,307
Mainframe Support Services	66,600	65,818	782
Branch Agent Commission-DMV Use	20,588,776	17,349,410	3,239,366
Janitorial Services	408,157	321,554	86,603
Medical Services/Drug Testing	436,512	36,421	400,091
IT Application Development/Support	13,333	12,975	358
DIT Employee Cost	532,943	283,571	249,372
Total CONTRACTUAL SERVICES	\$ 35,218,122	\$ 28,607,791	\$ 6,610,331
Total PERSONNEL EXPENSES	\$ 156,200,425	\$ 141,959,286	\$ 14,241,139

All Functional Areas			
Account	Budget	Actuals	Difference
OPERATING EXPENSES			
OPERATING SERVICES & OTHER EXPENSES			
Energy Services-Electrical	\$ 513,757	\$ 513,090	\$ 667
Energy Services - Natl Gas/Propane	38,761	37,364	1,397
Energy Services-Water and Sewer	36,331	35,951	380
Repairs To Buildings-Non Capital	23,485	16,841	6,644
Internal Issued Motor Vehicle Repair Parts	20,470	7	20,463
External Sourced Motor Vehicle Repair Parts	42,057	20,565	21,492
Repairs and Service To Equipment - Other	54,294	39,026	15,268
Repairs and Service Equipment - Wrecked	11	-	11
Repairs and Service To Voice Communication Equip	6,210	5,710	500
Repairs - Personal Computers and Printers	5,027	-	5,027
Maintenance Agreement For Other DP Equipment	235,909	222,208	13,701
Maint Agree For Pers Computers and Printers	53,350	49,964	3,386
Telephone Service	1,210,478	1,183,948	26,530
Telecommunications Data Charge	170,740	169,433	1,307
State Owned Wireless Phones	438,511	425,227	13,284
Video Transmission Charge	2,039	2,017	22
Computer Data Processing Services-Mainframe	57,401	29,757	27,644
Post,Freight and Delivery-Mail Services	4,825,437	4,823,428	2,009
Post,Freight and Delivery-Freight & Delivery	191,904	137,728	54,176
Post,Freight and Delivery-Postal Meter	335,703	330,178	5,525
Printing, Binding, Duplicate	408,688	394,018	14,670
Advertising/Marketing	59,283	39,671	19,612
In-State Training - Data Processing	10,246	-	10,246
Rent/Lease-Buildings/Offices/Mobile Units	2,556,125	2,440,807	115,318
IT Equipment Supplies/Parts	522,905	522,652	253
IT Software Subscriptions	12,617	5,530	7,087
Out-State Conference and Seminar Registration Fees	5,175	5,150	25
Out-State Educational Expenses	1,225	325	900
In-State Conference and Seminar Registration Fees	11,407	10,115	1,292
In-State Educational Expenses	36,558	32,101	4,457
Lease Interest Payments-Building	432,502	432,107	395
Maint Agree For Personal Computer Software	1,122,694	1,122,380	314
Maintenance Agreement-Other Software	826,057	819,056	7,001
Maintenance Agreement For Server Software	6,877	6,877	-
Insurance Premiums/Cost	57,048	36,461	20,587
Maintenance Agreement-Other Equipment	9,866	9,865	1
Vehicle Repair Services (No Parts)	22	-	22
Employee Moving Expenses	500	-	500
Rental Of Land Only	23	(3,970)	3,993
Rent Of Equipment From Equipment Unit	7,660	7,654	6
Rent Of Driver's License Photo Equipment	6,181,878	6,179,539	2,339
Lease Interest Payments-Land	6	5	1
State Owned/Rented Pagers	116	-	116
Internet Service Provider Charge	356	-	356
Total OP SERV & OTHER EXP	\$ 20,531,709	\$ 20,102,785	\$ 428,924

All Functional Areas			
Account	Budget	Actuals	Difference
TRAVEL			
Transportation Air - In State	\$ 1,171	\$ -	\$ 1,171
Transportation Air - Out Of State, In US	13,721	11,014	2,707
Transportation Air - Out Of Country	4,173	4,173	-
Transportation Ground Emp In State Travel	798,800	716,604	82,196
Transportation Ground Emp Out Of State Travel	2,857	2,353	504
Transportation Ground - Out Of Country	1,041	800	241
Transportation Other-In State	3,757	2,435	1,322
Transportation Other-Out Of State, In US	2,445	362	2,083
Transportation Other-Out Of Country	417	400	17
Lodging - In State	269,833	233,881	35,952
Lodging - Out Of State In US	20,915	18,261	2,654
Lodging - Out Of Country	7,558	7,472	86
Meals - In State	125,152	114,964	10,188
Meals - Out Of State	7,060	5,269	1,791
Meals - Out Of Country	1,455	1,455	-
Misc - In State	125	-	125
Misc - Out Of State	25	-	25
Perm Motor Fleet Vehicle Mileage Charge	1,848,196	1,795,091	53,105
Temporary Motor Fleet Vehicle Mileage Charge	178,466	169,172	9,294
Tolls Paid In NC For Turnpikes	9,503	9,287	216
In State Rental Car Expenses	19,803	14,796	5,007
Out of State Rental Car Expenses	2,074	1,866	208
Motor Fleet Penalty Mileage Charge	39,952	-	39,952
Rental Car Charges	100	-	100
Total TRAVEL	\$ 3,358,599	\$ 3,109,655	\$ 248,944
SUPPLIES & MATERIALS			
Office Supplies	\$ 980,870	\$ 911,455	\$ 69,415
Medical and Safety Supplies	1,078	-	1,078
Janitorial and Sanitation Supplies	61	14	47
Maintenance Materials and Supplies - Other	16	-	16
Clothing and Uniforms	193,427	127,890	65,537
Building and Grounds Materials and Supplies	399	398	1
Shop Supplies and Small Tools	7,893	5,417	2,476
Motor Fuel - For State Motorfleet Vehicles	515,417	500,285	15,132
Covid Personal Protection Equipment	9,920	9,917	3
Office Supplies-Toner	10,700	10,585	115
Motor Fuel (Other)	41,800	37,684	4,116
DMV Use Only - License Plates and Stickers	6,384,705	6,173,319	211,386
Motor Fuel For Rental Vehicle	2,656	2,622	34
Oil, Lubricants, Fluids	444	-	444
Photographic Supplies	134	-	134
Tires and Tubes	150	-	150
DMV Law Enforcement Boots	6,211	6,174	37
Total SUPPLIES & MATERIALS	\$ 8,155,881	\$ 7,785,760	\$ 370,121
LAND, RIGHT OF WAY, OTHER STRUCTURES			
Payments To Contractor Under Purchase Orders	\$ 1,450	\$ 1,407	\$ 43
Total LAND, RIGHT OF WAY, OTHER STRUCTURES	\$ 1,450	\$ 1,407	\$ 43

All Functional Areas			
Account	Budget	Actuals	Difference
FURNITURE AND EQUIPMENT			
Office Furniture	\$ 128,652	\$ 133,879	\$ (5,227)
Office Equipment	53,178	41,968	11,210
Voice Communication Equipment	56,149	9,693	46,456
Other Dp Equipment	17,012	2,843	14,169
Personal Computer and Printer Purchases	179,394	146,353	33,041
Miscellaneous Equipment	12,399	1,509	10,890
Other Computer Software	2,294,389	2,267,122	27,267
Personal Computer Software Purchases	1,035	-	1,035
Purchase Of Motor Vehicles	466,822	466,626	196
Motor Vehicles Operations	1,271	-	1,271
Accrual Of Assets Received But Not Yet Invoiced	-	(9,837)	9,837
Custody and Security Equipment	23,536	16,124	7,412
Weapons - Equipment	89,986	89,985	1
Leo Auto Accessories	263,779	229,197	34,582
Total FURNITURE AND EQUIPMENT	\$ 3,587,602	\$ 3,395,461	\$ 192,141
OTHER EXPENSES & ADJUSTMENTS			
Cash Settlements Paid By DOT	\$ 82,500	\$ 82,500	\$ -
Groundwater Runoff Fees	150	-	150
Leo Separation Allowance	1,161,814	1,151,406	10,408
Publications, Membership Dues and Subscriptions	34,795	25,883	8,912
Service Charge - Sale Of Surplus Property	1,274	1,147	127
Capital Lease Payment-Buildings	1,957,755	1,957,490	265
Electronic Payment Processing Fees	28,389,961	26,487,687	1,902,274
Public Liability Claims Paid By DOT	54	-	54
Capital Lease Payment-Land	1,954	1,953	1
Bank Service Fees - Fiscal Use Only	420	420	-
Fees Paid To Outside Collection Agencies	69,492	413,827	(344,335)
Special Investigations	10,720	805	9,915
Safety Inspection Investigations	16,257	5,368	10,889
Total OTHER EXPENSES & ADJUSTMENTS	\$ 31,727,146	\$ 30,128,486	\$ 1,598,660
INTERGOVERNMENT TRANSACTION			
Carry Forward Appropriation	\$ 9,072,044	\$ 9,072,044	\$ -
INTERGOVERNMENT TRANSACTION	\$ 9,072,044	\$ 9,072,044	\$ -
Total OPERATING EXPENSES	\$ 76,434,431	\$ 73,595,598	\$ 2,838,833
Total Expenses	\$ 232,634,856	\$ 215,554,884	\$ 17,079,972

Budget Adjustments – June 30, 2024

DMV SFY24 Budget Version Comparison between Certified Budget and Authorized Budget									
	Driver Services	Vehicle Services	License & Theft	Training & Development	Customer Compliance Services	Business Services	Commissioner's Office	DMV Strategy & Plan	Total
Authorized Budget	\$ 64,526,333	\$ 98,087,038	\$ 32,177,494	\$ 10,627,422	\$ 11,996,239	\$ 6,795,036	\$ 8,425,294	\$ -	\$ 232,634,856
Certified Budget	58,374,683	78,055,201	31,530,901	8,358,832	10,438,848	3,233,742	6,658,238	2,190,912	198,841,357
Difference between Authorized & Certified Budgets	\$ 6,151,650	\$ 20,031,837	\$ 646,593	\$ 2,268,590	\$ 1,557,391	\$ 3,561,294	\$ 1,767,056	\$ (2,190,912)	\$ 33,793,499
Budget Carryforwards & Repeat Budget Changes from Prior Year	\$ 2,067,777	\$ 6,965,490	\$ 159,395	\$ 152,080	\$ 327,679	\$ 2,053,649	\$ 816,122	\$ (1,832,994)	\$ 10,709,198
Budget Additions for Salaries	3,536,418	2,022,546	1,744,707	1,547,220	1,089,774	971,379	234,092	-	11,146,136
Transfers to/from Other Fund Centers for Operations	1,300,000	(554,620)	(40,000)	(125,000)	(75,000)	302,538	(450,000)	(357,918)	-
Receipt- Supported Budget Increases	-	10,872,837	-	-	90,859	-	-	-	10,963,696
Transfers to/from Other Fund Centers for Salaries	(752,545)	1,615,636	(2,107,561)	(280,179)	124,079	233,728	1,166,842	-	-
Budget Changes due to School Bus Grant	-	-	-	974,469	-	-	-	-	974,469
Total Budget Adjustments	\$ 6,151,650	\$ 20,921,889	\$ (243,459)	\$ 2,268,590	\$ 1,557,391	\$ 3,561,294	\$ 1,767,056	\$ (2,190,912)	\$ 33,793,499
Difference between Authorized & Certified Budgets									\$ 33,793,499
Total Budget Adjustments									\$ 33,793,499
Variance									\$ -



DMV Revenue For the Fiscal Year Ended June 30, 2024

Revenues
June 30, 2024

Revenue Source	SFY24 Revenue
Hearings	\$ 2,153,988
Driver Services Fees	\$ 140,423,414
Vehicle Services Fees	\$ 949,297,446
Highway Use Tax	\$ 1,082,899,274
Other Taxes and Fees	\$ 1,333,148,420
Total DMV Revenue	\$ 3,507,922,542
less: Other Taxes and Fees	
Vehicle Property Tax*	\$ (1,292,914,432)
Total DMV Revenue Remitted to DOT	\$ 2,215,008,110

* Vehicle Property taxes are not included in DOT's total revenues; therefore, auditors excluded them from the DMV revenues for comparison purposes. Vehicle Property taxes are not included in DOT's total revenues; therefore, auditors excluded them from the DMV revenues for comparison purposes.

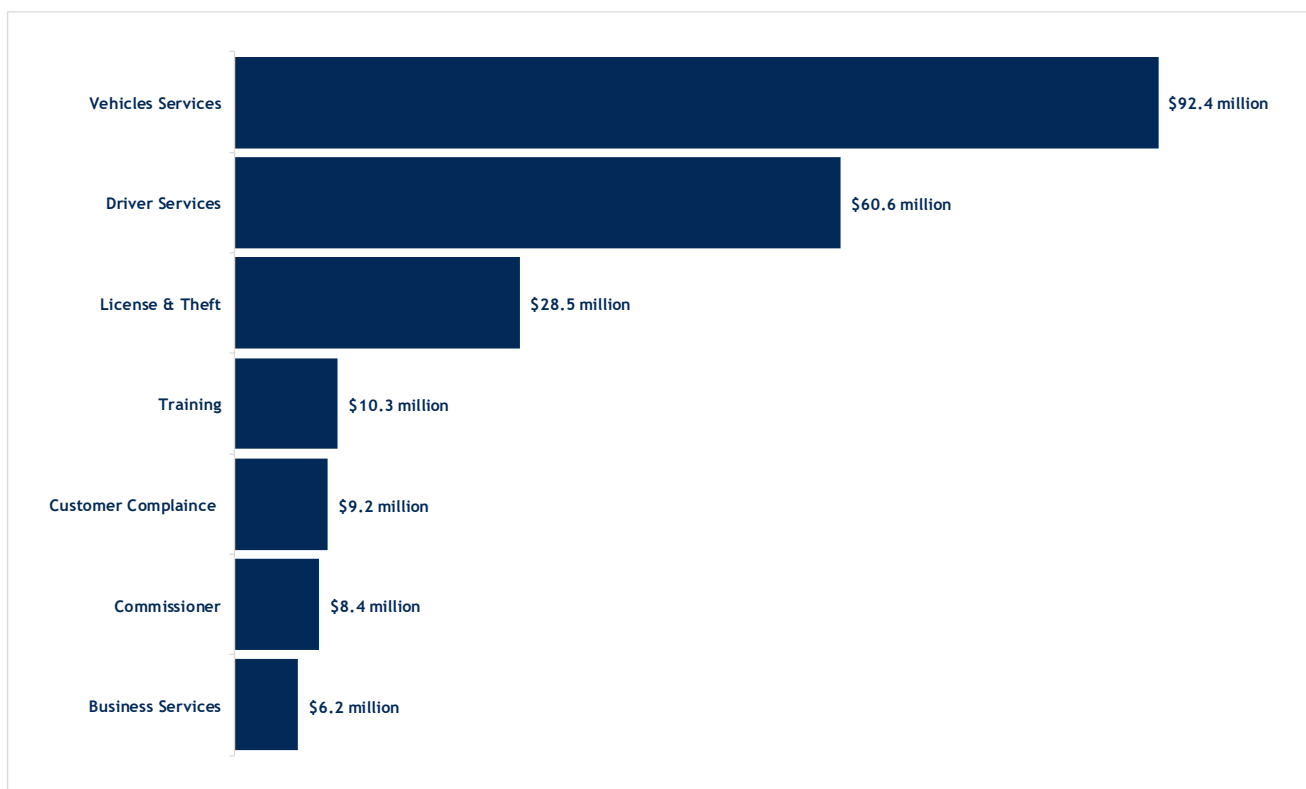
Revenues - June 30, 2024	
Detailed	
Customer Compliance Hearings	
Hearing Fees	\$ 2,153,988
Driver Services	
Driver License Fees	\$ 138,738,076
DWI Restoration Fee - Forensic Testing	398,845
Motorcycle Safety Instruction	886,969
DMV Organ Donor Website	399,524
Total Driver Services	\$ 140,423,414
Vehicle Services	
Truck Licenses	\$ 250,053,816
Title Fees	127,550,522
Staggered Registration	326,259,515
Auto Safety Equip. Inspection Fees	3,338,513
Financial Security Restoration Fees	9,262,801
Lien Recording Fees	2,602,457
Exhaust Emission Inspection	19,135,777
International Registration Plan Fees	131,534,989
Dealers' Manufacturer's License Fees	1,740,379
Penalty License & Weight Enforcement	2,228,157
Motor Carrier Safety Fees	34,011
Compensation Payable	3,299,235
Special Registration Plate Fund	3,156,822
Personalized Registration Plate	3,668,844
Coll & Cultural Attraction Plate Fund	3,848,731
Parks & Recreation Trust Fund	1,834,964
Rescue Squad Workers' Relief Fund	1,171,045
Transit Authority	20,166,532
Volunteer Rescue/EMS Fund	1,767,897
Natural Heritage Trust Fund	5,737,983
Registration Fees	24,611,788
Electronic & Bulk Data Records	2,136,109
Registration Renewal Interest	3,579,840
DMV Plug in Hybrid	576,719
Total Vehicle Services	\$ 949,297,446
Highway Use Tax	
Highway Use Tax	\$ 1,082,899,274
Other Taxes and Fees	
Sales Tax	\$ 1,109,382
Vehicle Registration Late Fee	34,728,955
Vehicle Property Tax	1,292,914,432
Process Service Fees	3,760,007
DMV Mercury Switch Removal	476,094
PART	159,550
Total Other Taxes and Fees	\$ 1,333,148,420



DMV Expenditures For the Fiscal Year Ended June 30, 2024

Total Expenditures by Functional Area – June 30, 2024³

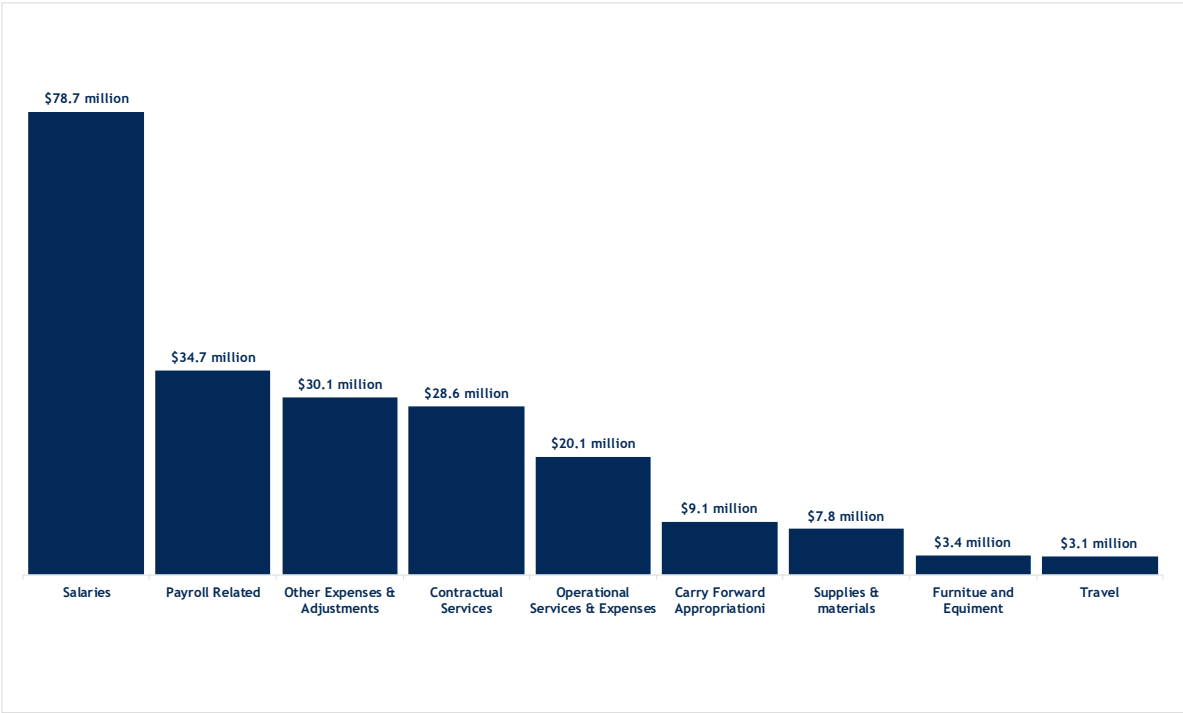
DMV Expenditures	
Functional Area	Total Spent
Business Services	\$ 6,241,957
Commissioner	8,361,415
Customer Compliance	9,208,967
Training	10,246,913
License & Theft	28,455,506
Driver Services	60,630,424
Vehicles Services	92,409,702
Total	\$ 215,554,884



³ Budget and actual data is presented as it was obtained from DMV or DOT. The data has not been audited.

Total Expenditures by Operating Function – June 30, 2024

All Functional Areas	
Account	Total Spent
PERSONNEL	
SALARIES	\$ 78,652,505
PAYROLL RELATED EXPENSES	34,698,990
CONTRACTUAL SERVICES	28,607,791
Total PERSONNEL EXPENSES	\$ 141,959,286
OPERATING EXPENSES	
OP SERVICES & OTHER EXP	\$ 20,102,785
TRAVEL	3,109,655
SUPPLIES & MATERIALS	7,785,760
LAND, RIGHT OF WAY, OTHER STRUCTURES	1,407
FURNITURE AND EQUIPMENT	3,395,461
OTHER EXPENSES & ADJUSTMENTS	30,128,486
INTERGOVERNMENT TRANSACTION	9,072,044
Total OPERATING EXPENSES	\$ 73,595,598
Total Expenses	\$ 215,554,884



List of DMV Contracts and Use
For the Fiscal Year Ended June 30, 2024*

Contract Name	Vendor Industry/Services	2024 Amount
Paylt	Credit Card transaction processing fees billed to DMV monthly for various services including vehicle registration renewal, driver license renewal, Hearing Fees, and Driving Records.	\$ 15,662,211.99
Canadian Bank Note Company, LTD. (CBN)	CBN became the DMV's driver license and identification card vendor in June 2024. The payments in SFY2024 were for product development and initial software and hardware installation.	\$ 6,960,961.00
Morpho USA, Inc. (Idemia)	Idemia was the DMV's driver license and identification card vendor from 1996 to 2024. The DMV switched to CBN Secure Technologies in June 2024.	\$ 6,179,539.14
Shi International Corp.	Software subscription licenses for Microsoft, Adobe, Visio, and others.	\$ 5,342,800.18
Leases (<i>comprised of 43 total individual contracts</i>)	The DMV pays for 43 leases, including driver license offices, license and theft offices, and the DMV headquarters.	\$ 4,690,222.76
Xerox Printing	Xerox provides printers, copiers, and multifunction devices.	\$ 3,386,379.72
American Association of Motor Vehicle Administrators (AAMVA)	AAMVA is an organization developing model programs in motor vehicle administration, law enforcement, and highway safety. The DMV pays annual dues and for access to State-To-State, a database allowing verification of licenses from different states.	\$ 936,026.30
Opus Inspections	The DMV contracts with Opus inspections to serve as the State's Vehicle Inspection Database (VID) program vendor. The Miles VID system allows for real time data transfer between inspection stations, the VID and the DMV's vehicle registration database for vehicle registration issuance and renewals.	\$ 856,746.01
Martin Edwards and Associates	Police and armed security services billed on an hourly basis.	\$ 682,047.23
Advanced Customer Flow Technologies (ACF)	ACF provides customer flow management solutions, specializing in queue management and service optimization systems for government agencies. The DMV pays for the Q-Flow/Q-Anywhere system.	\$ 447,062.15
Janitorial services (<i>comprised of 14 individual contracts</i>).	Multiple contracts with local providers	\$ 361,559.21

Contract costs per vendor are based on invoices as of payment posting date from 7/01/2023 - 6/30/2024 in the DMV's SAP system.

DMV Expenditures June 30, 2024

Contract Name	Vendor Industry/Services	FY2024
Tension Envelope Corp.	Tension Envelope Corp. manufactures and distributes envelopes and packaging products. The DMV contract is for 305R and 305T envelopes.	\$ 338,130.00
Systemic Alien Verification for Entitlements (SAVE)	SAVE is a fee-based inter-governmental initiative designed to help government agencies confirm citizenship and immigration status prior to granting benefits and licenses. SAVE queries by the DMV are billed per individual verification.	\$ 279,912.60
Shred-It	Shred-It (Stericycle Inc.) provides secure document destruction and data protection services.	\$ 205,409.38
R&R Donnelley & Sons Company	The DMV pays for MVR-191 certificate of title forms, RF-1 non-decal forms, and MVR-40 salvage forms.	\$ 197,955.48
Mac Papers and Packaging LLC	Mac Paper is a supplier and distributor of paper products and packaging materials. The DMV contract is for MVR-300A envelopes.	\$ 179,158.98
State Capital Police	The DMV has a memorandum of understanding for North Carolina State Capital Police to provide security at the Raleigh and Rocky Mount administrative offices.	\$ 165,411.97
Traffic and Criminal Software (TraCs)	TraCs, an Iowa Department of Transportation initiative, is a software system used by various state and local law enforcement agencies for electronic crash reporting, citation management, and vehicle and driver records management.	\$ 98,500.00
Municipal Emergency Services (MES)	MES is a company that provides emergency response and fire safety equipment, services, and solutions to municipalities, fire departments, and emergency services.	\$ 89,317.00
Toshiba	Toshiba provides office equipment like printers, copiers and toners.	\$ 76,239.20
SmartSafety Software, Inc.	The DMV subscribes to Easy Street Draw, an accident diagram tool.	\$ 49,998.00
Modernize, LLC	The DMV pays for MVR-4 duplicate title forms.	\$ 38,500.00
AQURIT Processing (AQ2)	AQURIT is a remittance processor that automates the receipt of payments by scanning checks alone, checks with coupons, or checks with full page documents.	\$ 27,475.87
LionBridge	Lionbridge is a global provider of language services, including interpretation and translation services. The DMV is charged per phone call for translation services.	\$ 24,887.60

Contract costs per vendor are based on invoices as of payment posting date from 7/01/2023 - 6/30/2024 in the DMV's SAP system.

Contract Name	Vendor Industry/Services	FY2024
Quench LLC	Quench LLC is a company that provides water filtration and beverage solutions for businesses.	\$ 21,013.31
The Alternative, Mailing and Shipping Solutions	The DMV has an equipment service agreement for the Winn Item Tracking System (WITS) Workstation for tracking mail.	\$ 16,371.80
LeadsOnline	LeadsOnline PowerPlus investigation system service package provides law enforcement with resources to identify leads in theft cases by providing access to pawn shop, secondhand store, and scrap metal recycler transactions.	\$ 15,824.00
Berla-iVe	Berla-iVe software is used by investigators to identify, acquire, and analyze critical information stored within vehicle systems to uncover key evidence that determines what happened, where it occurred, and who was involved in vehicle collisions.	\$ 9,750.00
Power DMS L&T	PowerPolicy professional digital management software provides a cloud-based repository to manage policies, procedures, and other documents.	\$ 8,669.52
1st Run Computer Services	Services and support provided for Kodak scanning equipment to ensure it operates efficiently.	\$ 6,981.00
Cintas	Cintas provides uniform rental and purchase services, as well as facility services.	\$ 5,986.24
JD Power	The DMV subscribes to the National Automobile Dealership Association (NADA) Guide, a web-based software database used to determine retail value of vehicles as part of the salvage rebuild process. The DMV pays for a subscription level that allows 10,000 transactions per year.	\$ 5,400.00
D.R. Myers Distributing Co.	The DMV subscribes to a Driver License eGuide online service.	\$ 4,000.00
Kahoot/Kahoot! Plus	Kahoot! is a game-based learning platform used for education, training, and engagement.	\$ 708.00
Total Cost		\$ 47,371,155.64

Contract costs per vendor are based on invoices as of payment posting date from 7/01/2023 - 6/30/2024 in the DMV's SAP system.

Lapsed Salaries Analysis June 30, 2024

Lapsed salaries refer to unspent salary funds that result when budgeted positions are vacant for a period of time.

Functional Area	Amount Generated
Business Services	\$ -
Commissioner's Office	(1,321)
Driver Services	(1,850,000)
License & Theft	(2,724,154)
Vehicle Services	(78,164)
Total Lapsed Salary Generated	\$ (4,653,639)

Functional Area	Amount Spent
Business Services	
IT Equipment Supplies/Parts	\$ 7,000
Maintenance Agreement for Personal Computers and Printers	2,500
Maintenance Agreement for Other DP Equipment	4,500
Motor Fuel - For State Motorfleet Vehicles	15,000
Lodging In-State	3,000
Meals In-State	3,000
Transportation Ground In-State	23,000
Total Business Services	\$ 58,000
Commissioner's Office	
Professional Fees	\$ 313,200
Security Services	511,800
Pension Spike Payments	1,321
Total Commissioner's Office	\$ 826,321
Driver Services	
Other Computer Software	\$ 250,000
Energy Services Electrical	40,794
Energy Services Natural Gas	4,000
Energy Services Water & Sewer	3,500
Lease Interest Payments - Building	90,860
Maintenance Agreement for Personal Computer Software	250,000
Rent of Driver's License Photo Equipment	650,000
State Owned Wireless Phones	26,000
Telecommunications Data Charge	30,000
Telephone Service	125,000
Salaries & Wages	-
Motor Fuel - For State Motorfleet Vehicles	7,000
Lodging In-State	70,000
Meals In-State	19,000
Transportation Ground In-State	262,500
Total Driver Services	\$ 1,828,654

Functional Area	Amount Spent
License & Theft	
Other Computer Software	\$ 501,405
Computer Data Processing Services - Mainframe	100
IT Equipment Supplies/Parts	47,200
Maintenance Agreement - Equipment	500
Post, Freight and Delivery - Mailing Services	500
State Owned Wireless Phones	25,200
Electronic Payment Processing Fees	60,595
Total License & Theft	\$ 635,500
Vehicle Services	
Miscellaneous Contractual Services	\$ 78,010
Salaries & Wages - Additive	110
Salaries & Wages - Overtime Pay	44
Office Furniture	67,000
Other Computer Software	15,000
Personal Computer and Printer Purchases	26,000
Insurance Premiums/Cost	43,000
IT Equipment Supplies/Parts	21,000
Maintenance Agreement for Other DP Equipment	75,000
Post, Freight and Delivery - Freight & Delivery	45,000
Capital Lease Principal Payment	10,000
License Plates & Stickers	900,000
Transportation Ground In-State	25,000
Total Vehicle Services	\$ 1,305,164
Total Lapsed Salary Spent	\$ 4,653,639



Vehicle Services

Overview of Vehicle Services

Vehicle Services is responsible for legal aspects of vehicle ownership, ensuring vehicles are titled, registered and maintained according to state laws and regulations.

With a range of responsibilities including operations, customer service, and quality assurance, Vehicle Services oversee approximately 850 auto dealers and 124 active License Plate Agencies (LPAs), and its customer service unit handles more than 2 million calls annually. As a part of these processes, Vehicle Services processes approximately \$2.2 billion⁴ in revenue from registration fees, title fees, and other payments related to vehicle ownership and operation. Vehicle Services also maintain driver records and provide school bus and traffic safety training for all county school systems in the state.

Vehicle Services consist of five units: vehicle operations, commercial and special vehicle operations, customer service, review and scan, and Vehicle Services director's office. The director's office oversees the remaining four units described below.

- Vehicle operations – this unit manages LPA contracts, online dealer vendor contracts, Raleigh central services, the Huntersville specialty office, and the salvage-title unit.
- Commercial and special vehicle operations – this unit manages the Raleigh and Charlotte international registration plan, special operations, and special license plates.
- Customer service – this unit manages customer contact centers, the field operations support help desk, and the renewals, titles, and plate unit.
- Review and scan – this unit manages the scan center, quality assurance and problem resolution, and the liability insurance unit.

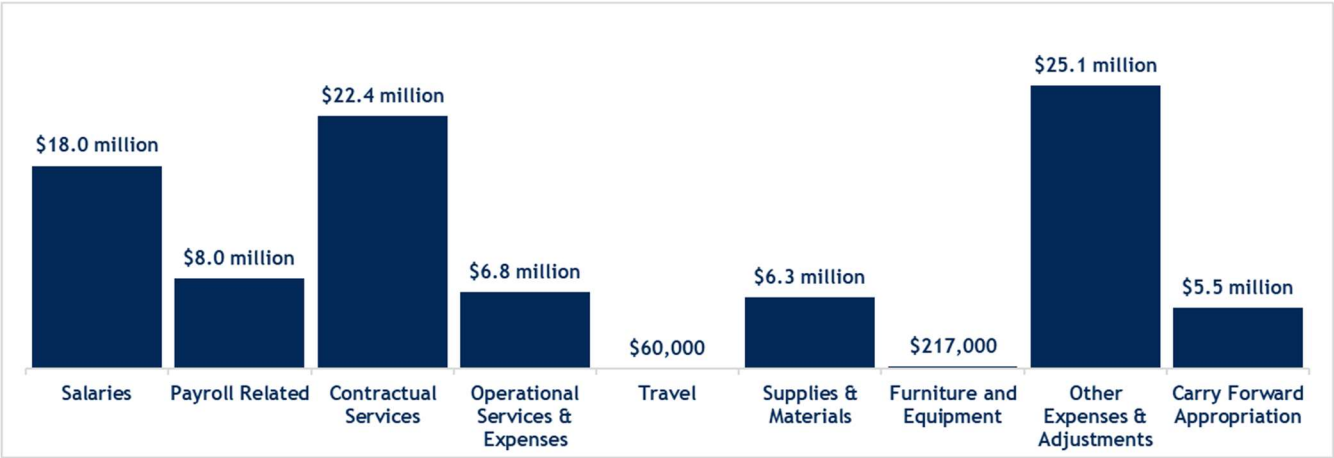
Vehicle Services has 373 positions as follows:

Unit	Personnel
Vehicle Operations	3 supervisors, 33 staff, 1 administrative specialist
Commercial and Special Vehicle Operation	3 supervisors, 36 staff, 5 administrative specialists
Customer Service	3 supervisors, 40 staff, 169 administrative personnel
Review and Scan	2 supervisors, 6 staff, 62 administrative personnel
Director's Office	1 director, 2 assistant directors, 6 staff, and 1 administrative specialist

⁴ Vehicle Service's \$2.2 billion in revenue includes \$949.3 million of revenues collected and remitted to DOT, and \$1.29 billion of vehicle property taxes also collected by the Vehicle Services Division. The \$1.29 billion of vehicle property taxes collected are not included in DOT's total revenues.

Expenditures by Operating Function – Vehicle Services

Vehicle Services	
SFY24 Expense Line Item	Actuals
Salaries	\$ 17,994,522
Payroll Related	8,040,751
Contractual Services	22,431,359
Operational Services & Expenses	6,801,174
Travel	59,771
Supplies & Materials	6,331,251
Furniture and Equipment	216,978
Other Expenses & Adjustments	25,076,188
Carry Forward Appropriation	5,457,708
Total Expenses:	\$ 92,409,702



Budget to Actual – Detail – June 30, 2024

Vehicle Services			
SFY24 Expense Line Item	Budget	Actuals	Difference
PERSONNEL			
SALARIES			
Salaries and Wages	\$ 17,012,331	\$ 17,012,251	\$ 80
Payroll Additives Permanent Annual Rates	411,930	411,567	363
Temporary Labor Hourly Rate	9,043	6,528	2,515
Salary and Wages - Overtime Pay	310,275	310,211	64
Payroll Additives - Annual Rates Overtime	7,435	7,400	35
Salaries and Wages - Premium Pay	500	-	500
Payroll Additives - Annual Rates Premium Pay	14	(3)	17
Salaries and Wages - Longevity Pay - State Funded	182,869	178,296	4,573
Payroll Additives - Longevity Pay	12,846	4,328	8,518
LEO Salaries and Wages	-	-	-
Short Term Disability Payments	55,954	54,444	1,510
Retention Bonus - Appropriated	13,500	9,500	4,000
Salary and Wages - Compensatory Leave Earned	90	-	90
Total SALARIES	\$ 18,016,787	\$ 17,994,522	\$ 22,265
EXPENSES RELATED TO PAYROLL			
Social Security Contribution	\$ 1,285,559	\$ 1,285,006	\$ 553
Retirement Contribution	4,369,799	4,369,429	370
Law Enforcement Officers' Retirement Contribution	-	-	-
Medical Insurance Contributions	2,352,242	2,351,494	748
Employee Assistance Program	1,602	1,592	10
Dependent Care - FICA Savings Operating Transfer	33,249	33,230	19
Total EXPENSES RELATED TO PAYROLL	\$ 8,042,451	\$ 8,040,751	\$ 1,700
CONTRACTUAL SERVICES			
Legal Services	\$ 10	\$ 10	\$ -
Personal Computer and Printer Support Services	3,748,651	3,748,647	4
Waste Disposal/Recycling	7,850	5,051	2,799
Security Services	9,375	-	9,375
Professional Fees	463,689	462,336	1,353
IT Project Management and Analysis Services	153,849	153,400	449
Professional Fees-Assessment By Headcount	2,872	2,399	473
Professional Fees Temporary Solutions	507,537	320,412	187,125
Mainframe Support Services	65,100	65,064	36
Branch Agent Commission-DMV Use	20,588,776	17,349,410	3,239,366
Janitorial Services	100,232	75,460	24,772
IT Application Development/Support	13,000	12,975	25
DIT Employee Cost	350,000	236,195	113,805
Total CONTRACTUAL SERVICES	\$ 26,010,941	\$ 22,431,359	\$ 3,579,582
Total PERSONNEL EXPENSES	\$ 52,070,179	\$ 48,466,632	\$ 3,603,547

Vehicle Services			
SFY24 Expense Line Item	Budget	Actuals	Difference
OPERATING EXPENSES			
OPERATING SERVICES & OTHER EXPENSES			
Energy Services-Electrical	\$ 48,403	\$ 48,280	\$ 123
Energy Services - Natl Gas/Propane	1,548	816	732
Energy Services-Water and Sewer	2,063	1,981	82
Repairs To Buildings-Non Capital	2,984	-	2,984
Internal Issued Motor Vehicle Repair Parts	7,700	-	7,700
External Sourced Motor Vehicle Repair Parts	12,100	6,769	5,331
Repairs and Service To Equipment - Other	10,992	9,114	1,878
Repairs and Service To Voice Communication Equip	606	270	336
Repairs - Personal Computers and Printers	566	-	566
Maintenance Agreement For Other DP Equipment	217,754	206,488	11,266
Maint Agree For Pers Computers and Printers	26,800	26,769	31
Telephone Service	425,479	424,652	827
Telecommunications Data Charge	21,396	21,316	80
State Owned Wireless Phones	70,561	67,661	2,900
Computer Data Processing Services-Mainframe	48,864	22,274	26,590
Post,Freight and Delivery-Mail Services	4,821,873	4,821,705	168
Post,Freight and Delivery-Freight & Delivery	145,334	134,425	10,909
Post,Freight and Delivery-Postal Meter	331,926	329,719	2,207
Printing, Binding, Duplicate	360,210	355,020	5,190
Advertising/Marketing	168	-	168
Rent/Lease-Buildings/Offices/Mobile Units	267,957	184,482	83,475
IT Equipment Supplies/Parts	60,228	60,132	96
IT Software Subscriptions	1,131	-	1,131
Out-State Conference and Seminar Registration Fees	1,100	1,075	25
Out-State Educational Expenses	100	-	100
In-State Conference and Seminar Registration Fees	937	-	937
In-State Educational Expenses	5,360	5,310	50
Lease Interest Payments-Building	21,761	21,437	324
Maint Agree For Personal Computer Software	-	-	-
Maintenance Agreement-Other Software	7,000	-	7,000
Maintenance Agreement For Server Software	6,877	6,877	-
Insurance Premiums/Cost	55,077	36,461	18,616
Maintenance Agreement-Other Equipment	8,141	8,141	-
Total OP SERV & OTHER EXP	\$ 6,992,996	\$ 6,801,174	\$ 191,822

Vehicle Services				
SFY24 Expense Line Item		Budget	Actuals	Difference
TRAVEL				
	Transportation Air - Out Of State, In US	\$ 700	\$ 604	\$ 96
	Transportation Ground Emp In State Travel	46,169	13,659	32,510
	Transportation Ground Emp Out Of State Travel	156	68	88
	Transportation Other-In State	353	80	273
	Transportation Other-Out Of State, In US	521	(397)	918
	Lodging - In State	14,045	14,009	36
	Lodging - Out Of State In US	2,032	2,013	19
	Meals - In State	7,526	7,460	66
	Meals - Out Of State	771	238	533
	Perm Motor Fleet Vehicle Mileage Charge	22,094	22,029	65
	Temporary Motor Fleet Vehicle Mileage Charge	1,416	-	1,416
	Tolls Paid In NC For Turnpikes	10	8	2
	In State Rental Car Expenses	5,000	-	5,000
	Out of State Rental Car Expenses	-	-	-
	Total TRAVEL	\$ 100,793	\$ 59,771	\$ 41,022
SUPPLIES & MATERIALS				
	Office Supplies	\$ 808,142	\$ 764,434	\$ 43,708
	Janitorial and Sanitation Supplies	-	-	-
	Clothing and Uniforms	-	-	-
	Shop Supplies and Small Tools	-	-	-
	Motor Fuel - For State Motorfleet Vehicles	7,300	7,254	46
	Office Supplies-Toner	1,113	1,059	54
	Motor Fuel (Other)	2,000	98	1,902
	DMV Use Only - License Plates and Stickers	5,759,510	5,558,406	201,104
	DMV Law Enforcement Boots	-	-	-
	Total SUPPLIES & MATERIALS	\$ 6,578,065	\$ 6,331,251	\$ 246,814
FURNITURE AND EQUIPMENT				
	Office Furniture	\$ 91,901	\$ 75,773	\$ 16,128
	Office Equipment	10,213	1,499	8,714
	Voice Communication Equipment	6,650	6,650	-
	Other Dp Equipment	2,131	-	2,131
	Personal Computer and Printer Purchases	130,349	104,956	25,393
	Miscellaneous Equipment	229	229	0
	Other Computer Software	40,753	30,522	10,231
	Personal Computer Software Purchases	479	-	479
	Motor Vehicles Operations	316	-	316
	Accrual Of Assets Received But Not Yet Invoiced	-	(2,651)	2,651
	Custody and Security Equipment	-	-	-
	Weapons - Equipment	-	-	-
	Leo Auto Accessories	-	-	-
	Total FURNITURE AND EQUIPMENT	\$ 283,021	\$ 216,978	\$ 66,043

Vehicle Services			
SFY24 Expense Line Item	Budget	Actuals	Difference
OTHER EXPENSES & ADJUSTMENTS			
Leo Separation Allowance	\$ -	\$ -	-
Publications, Membership Dues and Subscriptions	-	-	-
Service Charge - Sale Of Surplus Property	-	-	-
Capital Lease Payment-Buildings	176,866	176,627	239
Electronic Payment Processing Fees	26,427,410	24,899,561	1,527,849
Special Investigations	-	-	-
Safety Inspection Investigations	-	-	-
Total OTHER EXPENSES & ADJUSTMENTS	\$ 26,604,276	\$ 25,076,188	\$ 1,528,088
INTERGOVERNMENT TRANSACTION			
Carry Forward Appropriation	\$ 5,457,708	\$ 5,457,708	\$ -
INTERGOVERNMENT TRANSACTION	\$ 5,457,708	\$ 5,457,708	\$ -
Total OPERATING EXPENSES	\$ 46,016,859	\$ 43,943,070	\$ 2,073,789
Total Expenses	\$ 98,087,038	\$ 92,409,702	\$ 5,677,336

Chart of Employees

Vehicle Services Average Salary of Employees at June 30, 2024		
Actual Area Positions	Number of Employees	Average Salary
Vehicle Services	357	\$ 53,445
Administrative Associate II	22	38,116
Administrative Specialist I	72	51,057
Administrative Specialist II	133	53,615
DMV Director	1	125,591
DMV Program Supervisor I	1	68,582
Intern*FR	1	34,050
Program Analyst I	1	78,246
Program Coordinator I	58	51,193
Program Coordinator II	44	56,406
Program Coordinator III	4	61,982
Program Supervisor I	9	68,265
Program Supervisor II	4	79,151
Staff Development Specialist I	5	62,206
Vehicle Services Assistant Director	2	93,501
Grand Total	357	\$ 53,445

*This chart does not include temporary or vacant positions.

License Plate Agencies

License Plate Agencies (LPA) operate under DMV oversight but are managed by private businesses or local governments as independent contractors, responsible for their own employment-related obligations.

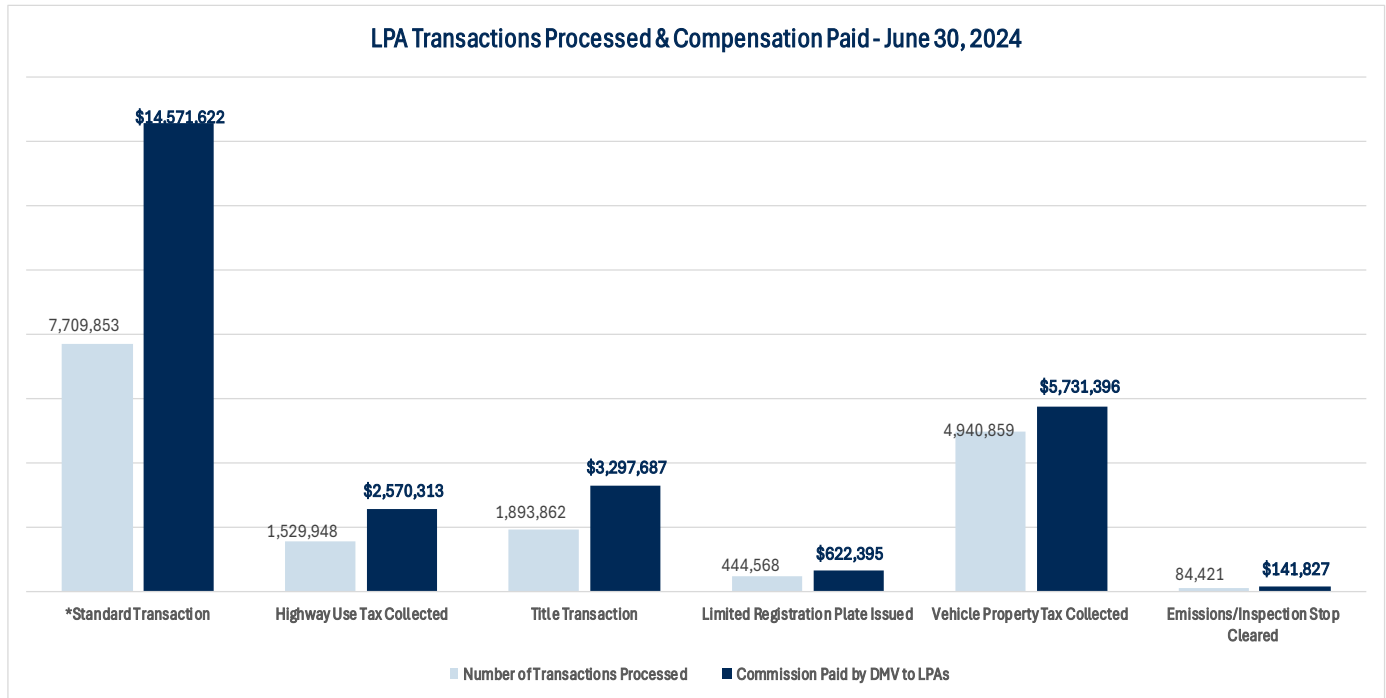
LPAs provide core motor vehicle services, such as

- vehicle registration services
- title transactions
- license plate renewals
- replacement tags
- duplicate registrations.

LPAs are supported by the DMV through the provision of necessary equipment and inventory at no cost.

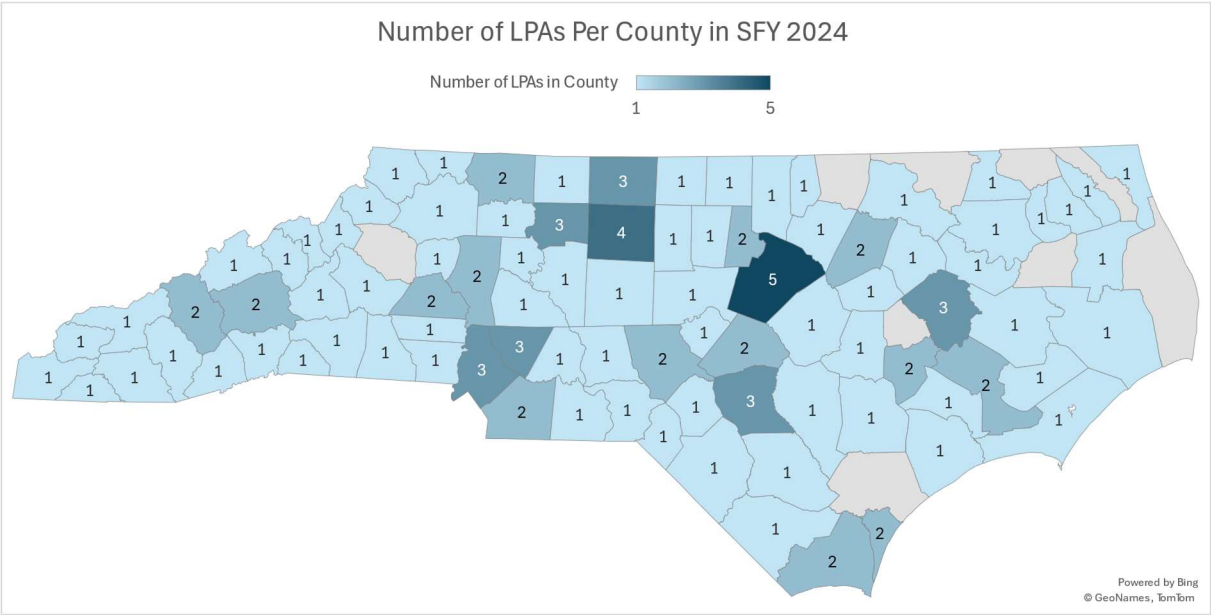
The LPAs receive compensation solely through transaction-based commissions and are paid on a per-driver basis. Specific transactions and their corresponding compensation rates include:

- Highway use tax and inspection stop removal: \$1.68
- Limited registration "T" sticker issuance: \$1.40
- Property tax collection: \$1.16
- A combined transaction involving multiple tasks can result in \$1.89 of compensation.
- LPA's receive an additional \$2.00 of compensation for any transaction assessed a fee under subdivision (a)(1), (a)(2), (a)(3), (a)(7), (a)(8), (a)(9), or (a)(12) of N.C.G.S. 20-85. These transactions primarily revolve around various certificate of title services.



* - Standard definition: The performance at the same time of one or more of the transactions below is considered a single transaction for which one dollar and eighty-nine cents (\$1.89) compensation shall be paid: N.C.G.S. 20-63 Page 5 (1) Issuance of a registration plate, a registration card, a registration sticker, or a certificate of title. (2) Issuance of a handicapped placard or handicapped identification card. (3) Acceptance of an application for a personalized registration plate. (4) Acceptance of a surrendered registration plate, registration card, or registration renewal sticker, or acceptance of an affidavit stating why a person cannot surrender a registration plate, registration card, or registration renewal sticker. (5) Cancellation of a title because the vehicle has been junked. (6) Acceptance of an application for, or issuance of, a refund for a fee or a tax, other than the highway use tax. (7) Receipt of the civil penalty imposed by N.C.G.S. 20 311 for a lapse in financial responsibility or receipt of the restoration fee imposed by that statute. (8) Acceptance of a notice of failure to maintain financial responsibility for a motor vehicle. (8a) Collection of civil penalties imposed for violations of N.C.G.S. 20 183.8A. (8b), (9) Repealed by Session Laws 2013 372, s. 2(a), effective July 1, 2013. (10) Acceptance of a temporary lien filing. (11) Conversion of an existing paper title to an electronic lien upon request of a primary lienholder.

Location of LPAs



The DMV may also award performance bonuses of up to \$90,000 annually to contractors based on their performance.

ncdot.gov

2023-24
Performance
Bonus Winners
and their scores

Tier / Place	COMPANY NAME	AMOUNT
1 / 1st (tie)	Engelhard LPA #149	\$ 2,250.00
1 / 1st (tie)	Polk County LPA #029	\$ 2,250.00
2 / 1st	Yadkin County LPA #020	\$ 7,236.00
2/2nd	Town of Walnut Cove #049	\$ 3,564.00
3 / 1st	Roxboro LPA #178	\$ 12,060.00
3/2nd(tie)	Chapel Hill LPA# 087	\$ 2,970.00
3/2nd(tie)	Albemarle LPA #126	\$ 2,970.00
4 / 1st	Whiteville LPA #186	\$ 15,678.00
4 / 2nd	Dunn LPA #006	\$ 7,722.00
5 / 1st	Greensboro LPA #185	\$ 22,311.00
5 / 2nd	Asheville LPA# 042	\$ 10,989.00

Total Compensation Paid To All License Plate Agency (LPA) Branches - State Fiscal Year 2024				
LPA #	Branch Name	County	Total Transaction Count	Total Compensation Paid by DMV to LPA
2	ASHEBORO #002	Randolph	235,896	\$ 379,365.25
6	DUNN #006	Harnett	187,792	\$ 306,897.08
8	BURLINGTON #008	Alamance	359,909	\$ 579,866.09
10	KERNERSVILLE BR 010	Forsyth	232,385	\$ 376,371.89
11	CLINTON #011	Sampson	132,361	\$ 211,904.89
12	DURHAM #012	Durham	327,106	\$ 529,043.81
13	EDENTON #013	Chowan	42,182	\$ 67,285.63
14	ELIZABETH CITY #014	Pasquotank	104,390	\$ 168,739.95
15	FAYETTEVILLE #015	Cumberland	163,456	\$ 268,232.20
16	JACKSONVILLE #016	Closed	82,442	\$ 131,167.81
17	LAURINBURG #017	Scotland	70,820	\$ 112,430.02
18	GOLDSBORO #018	Wayne	251,174	\$ 408,097.25
20	COUNTY OF YADKIN #20	Yadkin	74,628	\$ 118,759.37
21	HENDERSON #021	Vance	135,833	\$ 220,554.00
22	HENDERSONVILLE #022	Henderson	167,343	\$ 273,141.34
24	WALLACE BR 024	Duplin	154,052	\$ 248,769.44
25	KANNAPOLIS #025	Cabarrus	145,821	\$ 238,728.75
26	KINSTON #026	Lenoir	101,179	\$ 164,403.73
28	LENOIR #028	Lenoir	184,024	\$ 296,817.62
29	POLK COUNTY BR 029	Polk	53,834	\$ 86,354.07
30	LINCOLNTON #030	Lincoln	224,039	\$ 362,661.45
31	MANTEO #031	Closed	75,467	\$ 122,034.18
33	MCDOWELL COUNTY #033	McDowell	114,287	\$ 183,494.02
34	MONROE #034	Union	245,638	\$ 400,758.55
35	MORGANTON #035	Burke	203,374	\$ 329,084.88
37	NEW BERN #037	Craven	124,131	\$ 199,925.14
38	N WILKESBORO #038	Wilkes	154,662	\$ 247,792.81
39	CHEROKEE COUNTY #39	Cherokee	112,290	\$ 183,167.88
40	MOREHEAD CITY #040	Carteret	159,603	\$ 259,075.89

Total Compensation Paid To All License Plate Agency (LPA) Branches - State Fiscal Year				
LPA #	Branch Name	County	Total Transaction Count	Total Compensation Paid by DMV to LPA
42	ASHEVILLE #42	Buncombe	227,961	\$ 374,511.51
44	ROCKY MOUNT #044	Nash	144,741	\$ 232,530.63
45	CANTON #045	Haywood	60,566	\$ 96,855.14
46	SALISBURY #046	Rowan	188,449	\$ 307,838.69
47	SANFORD #047	Lee	163,658	\$ 264,160.66
48	SHELBY #048	Cleveland	221,700	\$ 358,849.23
49	TWN OF WALNUT CVE 49	Stokes	75,885	\$ 121,697.71
50	STATESVILLE #050	Iredell	175,293	\$ 287,664.96
51	ALLIANCE BR 51	Pamlico	48,594	\$ 77,673.31
53	JACKSON CO- SYLVA	Jackson	15,682	\$ 25,440.44
54	SYLVA #054	Closed	30,325	\$ 47,829.79
56	ASHEVILLE BR 056	Buncombe	195,504	\$ 319,210.69
57	SPRUCE PINE #057	Closed	10,810	\$ 16,659.02
58	BOLIVIA #058	Brunswick	133,616	\$ 218,732.94
59	NEW WILMINGTON #059	New Hanover	22,026	\$ 36,617.21
60	WILSON #060	Wilson	162,481	\$ 262,136.19
61	WINSTON SALEM #061	Forsyth	223,750	\$ 367,124.26
62	ELIZABETHTOWN #062	Bladen	95,619	\$ 153,037.06
63	WATAUGA COUNTY #063	Watauga	84,205	\$ 134,698.30
64	ROCKINGHAM #064	Richmond	125,613	\$ 203,777.38
65	INDIAN TRAIL BR 065	Union	156,642	\$ 257,074.60
69	MOCKSVILLE BR 069	Davie	145,212	\$ 234,455.89
70	ROANOKE RAPIDS #070	Halifax	112,668	\$ 180,441.12
75	ABERDEEN #075	Moore	158,674	\$ 256,936.75
77	MOORESVILLE #077	Iredell	94,636	\$ 153,231.37
78	CHARLOTTE BR 078	Mecklenburg	132,591	\$ 216,550.71
79	NEW JACKSONVILLE	Onslow	19,278	\$ 32,068.22
80	TROY #080	Montgomery	38,345	\$ 61,874.15
81	LOUISBURG #081	Franklin	127,694	\$ 206,308.37
82	TOWN OF MAYSVILLE 82	Jones	86,760	\$ 143,208.93

Total Compensation Paid To All License Plate Agency (LPA) Branches - State Fiscal Year				
LPA #	Branch Name	County	Total Transaction Count	Total Compensation Paid by DMV to LPA
83	SMITHFIELD LPA 83	Johnston	245,542	\$ 399,834.00
84	ROBBINSVILLE #084	Graham	22,204	\$ 35,536.81
87	CHAPEL HILL BR 087	Orange	114,061	\$ 184,361.40
88	WILMINGTON BR 088	New Hanover	319,499	\$ 526,962.82
89	SPRING HOPE BR#089	Nash	66,387	\$ 106,528.52
90	ELKIN #090	Surry	82,925	\$ 132,993.89
92	ZEBULON BR 092	Wake	127,934	\$ 206,633.22
93	HERTFORD #093	Perquimans	41,835	\$ 66,862.72
95	REIDSVILLE BR 095	Rockingham	129,450	\$ 208,931.09
96	ALLEGHANY CTY - 096	Alleghany	32,841	\$ 52,302.56
97	SHALLOTTE #097	Closed	63,440	\$ 100,511.70
98	ROBBINS #98	Moore	25,495	\$ 40,136.50
100	CURRITUCK #100	Currituck	82,387	\$ 134,366.82
101	NEWTON #101	Catawba	50,409	\$ 78,274.25
102	TOWN OF RURAL HALL	Forsyth	156,876	\$ 252,909.22
103	WINDSOR #103	Bertie	31,872	\$ 50,761.93
104	HAVELOCK #104	Craven	91,929	\$ 150,657.68
105	CITY OF WASHINGTON	Beaufort	76,726	\$ 122,564.31
106	HOPE MILLS #106	Cumberland	161,932	\$ 263,021.58
107	CARY #107	Wake	451,442	\$ 745,842.77
108	THOMASVILLE LPA OFFI	Guilford	195,351	\$ 316,359.57
112	SPRING LAKE #112	Closed	32,249	\$ 51,591.65
114	NEWLAND #114	Avery	39,225	\$ 62,825.68
115	N RALEIGH LPA # 115	Wake	249,785	\$ 412,103.35
117	HAYESVILLE #117	Clay	32,415	\$ 51,590.90
118	PITT CO GREENVILLE	Closed	32,696	\$ 51,532.91
120	TRANS CO. BREVARD	Transylvania	67,205	\$ 108,248.18
122	CHARLOTTE #122	Mecklenburg	233,460	\$ 382,530.48
124	HICKORY LPA #124	Catawba	236,168	\$ 382,678.47
125	FRANKLIN LPA # 125	Macon	106,531	\$ 171,003.49

Total Compensation Paid To All License Plate Agency (LPA) Branches - State Fiscal Year				
LPA #	Branch Name	County	Total Transaction Count	Total Compensation Paid by DMV to LPA
126	NEW ALBEMARLE LPA	Stanly	115,684	\$ 188,183.88
128	NEW AHOSKIE LPA	Hertford	83,955	\$ 134,040.81
130	MOUNT OLIVE #130	Closed	72,370	\$ 115,853.63
131	GASTONIA #131	Gaston	227,245	\$ 372,570.56
132	OXFORD LIC PLATE AGY	Granville	76,115	\$ 120,765.62
133	NEW LUMBERTON LPA	Robeson	105,317	\$ 171,543.44
134	GREENSBORO #134	s	279,146	\$ 454,456.89
135	FUQUAY VARINA #135	Wake	67,323	\$ 110,948.77
138	MITCHELL CO LPA	Mitchell	22,640	\$ 36,604.95
141	NEW SHALLOTTE	Brunswick	11,481	\$ 18,824.32
145	HAMPSTEAD #145	Closed	20,766	\$ 31,771.78
147	GREENVILLE #147	Pitt	160,622	\$ 260,088.65
148	WAKE FOREST #148	Wake	371,585	\$ 618,625.23
149	ENGELHARD #149	Hyde	6,457	\$ 10,277.78
150	WILMINGTON #150	Closed	35,120	\$ 53,930.40
151	ASHE COUNTY #151	Ashe	66,191	\$ 105,875.48
152	HOKE COUNTY #152	Hoke	137,845	\$ 221,949.87
153	SWAIN COUNTY #153	Swain	41,334	\$ 68,107.20
155	ANGIER COMM CHAM#155	Harnett	147,961	\$ 238,374.42
157	TWN OF FARMVILLE 157	Pitt	55,577	\$ 90,588.84
158	CHARLOTTE #158	Mecklenburg	220,666	\$ 360,575.23
161	WAYNESVILLE #161	Haywood	111,946	\$ 179,542.71
162	SPRING LAKE # 162	Cumberland	25,639	\$ 42,581.13
163	CONCORD LPA 163	Cabarrus	166,367	\$ 271,120.00
165	HIGH POINT #165	Guilford	220,244	\$ 361,583.82
166	EDGECOMBE COUNTY 166	Edgecombe	85,313	\$ 136,713.29
167	MARSHALL BR 167	Madison	67,053	\$ 107,885.08
168	MT AIRY BR 168	Surry	146,996	\$ 237,391.01
169	COUNTY OF ANSON	Anson	39,793	\$ 63,034.57

Total Compensation Paid To All License Plate Agency (LPA) Branches - State Fiscal Year				
LPA #	Branch Name	County	Total Transaction Count	Total Compensation Paid by DMV to LPA
171	MARTIN CTY LPA 171	Martin	69,379	\$ 110,926.33
172	GREENVILLE BR 172	Pitt	37,324	\$ 61,211.41
173	YANCEYVILLE BR 173	Caswell	69,859	\$ 114,035.18
175	NEW LPA-LEXINGTON	Davidson	26,293	\$ 42,963.11
176	ALEXANDER CTY BR 176	Alexander	109,282	\$ 175,733.84
177	LEXINGTON BR 177	Closed	45,883	\$ 70,368.37
178	ROXBORO BR 178	Person	117,932	\$ 189,793.22
179	DURHAM BR 179	Durham	187,844	\$ 307,309.86
180	SPINDALE LPA 180	Rutherford	140,705	\$ 225,997.56
181	TWN OF SILER CTY 181	Chatham	101,219	\$ 163,215.22
182	HARRISBURG LPA 182	Cabarrus	260,093	\$ 428,685.81
183	MADISON LPA 183	Rockingham	79,987	\$ 128,291.21
184	EDEN LPA 184	Rockingham	17,778	\$ 27,382.88
185	GREENSBORO BR 185	Guilford	213,943	\$ 347,740.71
186	WHITEVILLE BR 186	Columbus	157,637	\$ 254,819.04
188	TYRRELL CTY/COLM 188	Tyrrell	11,867	\$ 18,807.19
189	YANCEY CTY/BRNSV 189	Yancey	68,368	\$ 109,571.74
Total:			16,603,511	\$ 26,935,241

** As of June 30, 2024, there were 124 active LPAs. The chart above includes 11 locations that were open at some point during the fiscal year ended June 30, 2024, but were closed at the year end.

Credit Card Processing Fees

Credit card processing fees include charges that the DMV pays to credit card processors and payment service providers to authorize and complete credit card transactions. Processing fee amounts for state fiscal year ended June 30, 2024, were as follows.

Vendor Name	Processing Fees Amount
PAYIT LLC	\$ 15,662,212
SUNTRUST MERCHANT SERVICES LLC	7,290,265
FIRST DATA MERCHANT SERVICES LLC	2,626,016
AMERICAN EXPRESS	970,570
Total Processing Fees Paid	\$ 26,549,063

PayIt LLC – Credit Card transaction processing fees were billed to the DMV monthly for various services, including vehicle registration renewal, driver license renewal, hearing fees, and driving records. As of July 1, 2024, the DMV stopped paying PayIt, LLC credit card processing fees. Instead, the customer now pays 100% of the fees directly to PayIt, LLC, as a result of the passing of Session Law 2023-134.

SunTrust Merchant Services LLC – DMV Vehicle Registration payment transaction processing fees billed to DMV monthly. The SunTrust contract was switch over to First Data through the State Controllers Office in May 2024. SunTrust payments ended in March 2024 and First Data invoices started in May 2024.

First Data Merchant Services LLC - DMV vehicle registration transaction processing fees, beginning May 2024.

American Express - Monthly DOT American Express Merchant credit card processing fee for various merchant accounts.



Driver Services

Overview of Driver Services

Driver Services is responsible for DMV's driver field service operations, including the operation of 115 driver license offices (DLO), commercial driver license compliance, and back-office operations. Driver Services include four areas, the director's office, central issuance unit, commercial driver license unit, and field operations.

Director's Office – This unit oversees and supports the other Driver Services units and operations.

Central Issuance Unit – This unit includes the back-office operations of the Driver Services functional area to include quality assurance, support services, verification, driver records, and data capture imaging.

Commercial Driver License Unit – This unit provides a firsthand, one-week training at the Rocky Mount office location and a one-week on-the-job training onsite at the DLO locations as needed by the driver license examiners.

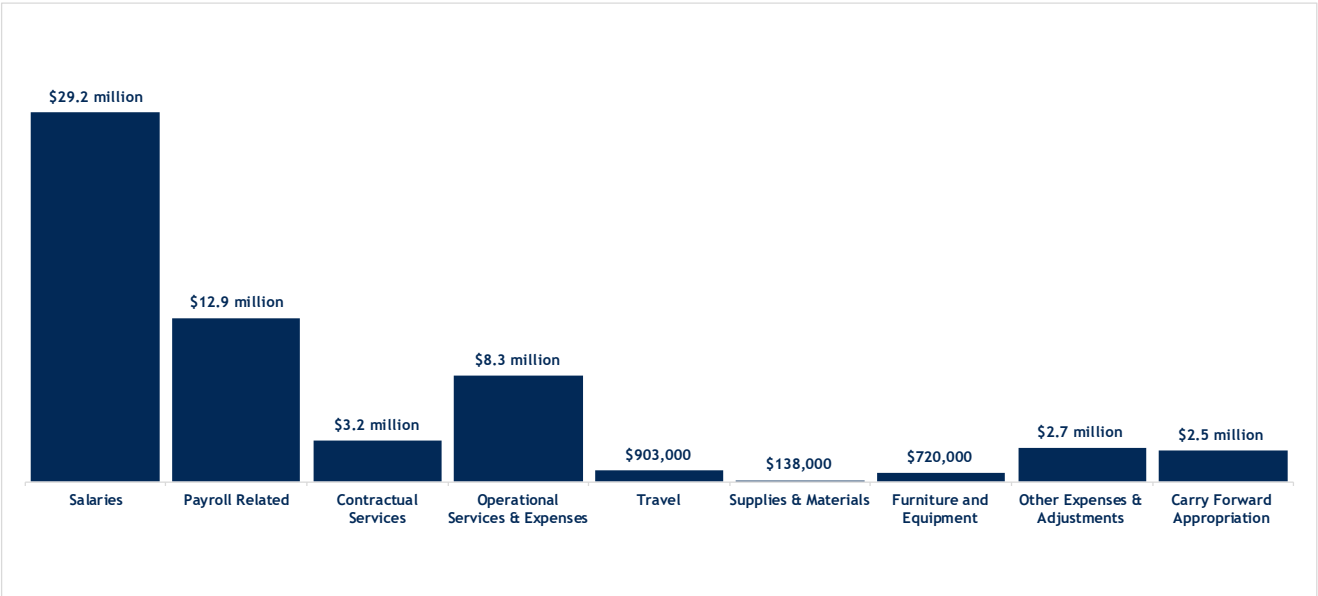
Field Operations – This unit oversees the 115 driver license offices in the seven districts across the state.

Including vacancies and temporary positions, Driver Services has 805 positions, 659 permanent positions and 146 temporary positions:

Unit	Personnel
Director's Office	1 director, 1 assistant director, 3 staff, 2 administrative specialists
Central Issuance	1 supervisor, 35 staff, 22 administrative specialists, 3 temporary administrative associates
Commercial Driver License	1 supervisor, 6 staff, 1 administrative specialist
Field Operations	7 district managers, 3 deputy district managers, 2 supervisors, 6 administrative specialists and 711 DLO positions, including 85 supervisors, 483 DL examiners, 142 temporary examiners and 1 temporary greeter

Expenditures by Operating Function – Driver Services

Driver Services	
SFY24 Expense Line Item	Actuals
Salaries	\$ 29,206,146
Payroll Related	12,948,244
Contractual Services	3,235,622
Operational Services & Expenses	8,345,633
Travel	903,332
Supplies & Materials	138,388
Furniture and Equipment	720,459
Other Expenses &	2,677,021
Carry Forward Appropriation	2,455,579
Total Expenses:	\$ 60,630,424



Budget to Actual – Detail – June 30, 2024

Driver Services			
SFY24 Expense Line Item	Budget	Actuals	Difference
PERSONNEL			
SALARIES			
Salaries and Wages	\$ 26,517,974	\$ 25,919,839	\$ 598,135
Payroll Additives Permanent Annual Rates	707,185	626,193	80,992
Temporary Labor Hourly Rate	803,231	62,520	740,711
Salary and Wages - Overtime Pay	2,164,339	2,072,496	91,843
Payroll Additives - Annual Rates Overtime	49,000	48,600	400
Salaries and Wages - Premium Pay	-	(2)	2
Payroll Additives - Annual Rates Premium Pay	-	(11)	11
Salaries and Wages - Longevity Pay - State Funded	304,879	265,802	39,077
Payroll Additives - Longevity Pay	6,863	6,492	371
Employee Severance Pay	1,900	1,847	53
Short Term Disability Payments	168,184	167,848	336
Retention Bonus - Appropriated	48,000	34,522	13,478
Total SALARIES	\$ 30,771,555	\$ 29,206,146	\$ 1,565,409
EXPENSES RELATED TO PAYROLL			
Social Security Contribution	\$ 2,321,822	\$ 2,062,621	\$ 259,201
Retirement Contribution	7,566,799	7,043,382	523,417
Medical Insurance Contributions	4,152,328	3,779,762	372,566
Employee Assistance Program	2,900	2,873	27
Dependent Care - FICA Savings Operating Transfer	60,000	59,606	394
Total EXPENSES RELATED TO PAYROLL	\$ 14,103,849	\$ 12,948,244	\$ 1,155,605
CONTRACTUAL SERVICES			
Legal Services	\$ 170	\$ 112	\$ 58
Medical Services/Drug Testing	38,805	-	38,805
Personal Computer and Printer Support Services	659,217	659,015	202
Janitorial Services	286,258	239,567	46,691
Waste Disposal/Recycling	125,402	107,344	18,058
Security Services	428,335	362,520	65,815
Professional Fees	335,018	181,799	153,219
IT Application Development/Support	333	-	333
IT Project Management and Analysis Services	241,000	240,312	688
Professional Fees-Assessment By Headcount	5,500	4,329	1,171
DIT Employee Cost	142,416	6,896	135,520
Professional Fees Temporary Solutions	2,132,745	1,433,728	699,017
Total CONTRACTUAL SERVICES	\$ 4,395,199	\$ 3,235,622	\$ 1,159,577
Total PERSONNEL	\$ 49,270,603	\$ 45,390,012	\$ 3,880,591

Driver Services				
SFY24 Expense Line Item	Budget	Actuals	Difference	
OPERATING				
OPERATING SERVICES & OTHER EXPENSES				
Energy Services-Electrical	\$ 226,029	\$ 226,028	\$	1
Energy Services - Natl Gas/Propane	16,206	16,205		1
Energy Services-Water and Sewer	21,200	21,200		-
Repairs To Buildings-Non Capital	-	(230)		230
External Sourced Motor Vehicle Repair Parts	1,335	1,334		1
Repairs and Service To Equipment - Other	4,255	4,255		-
Repairs and Service To Voice Communication Equip	5,440	5,440		-
Maintenance Agreement-Other Software	251,675	251,674		1
Maintenance Agreement For Other DP Equipment	2,279	2,278		1
Maint Agree For Pers Computers and Printers	2,608	2,608		-
Maint Agree For Personal Computer Software	204,289	204,288		1
Rental Of Land Only	-	(3,970)		3,970
Rent Of Equipment From Equipment Unit	7,655	7,654		1
Rent Of Driver's License Photo Equipment	6,181,878	6,179,539		2,339
Telephone Service	218,651	218,650		1
Telecommunications Data Charge	47,169	47,169		-
State Owned Wireless Phones	55,696	55,695		1
Computer Data Processing Services-Mainframe	7,028	7,028		-
Post,Freight and Delivery-Mail Services	172	172		-
Post,Freight and Delivery-Postal Meter	306	306		-
Printing, Binding, Duplicate	13,365	13,365		-
Advertising/Marketing	6,291	6,291		-
Rent/Lease-Buildings/Offices/Mobile Units	442,136	440,982		1,154
Maintenance Agreement-Other Equipment	1,195	1,195		-
IT Equipment Supplies/Parts	361,894	361,894		-
Lease Interest Payments-Land	6	5		1
Lease Interest Payments-Building	274,578	274,578		-
Total OPERATING SERVICES & OTHER EXPENSES	\$ 8,353,336	\$ 8,345,633	\$	7,703
TRAVEL				
Transportation Ground Emp In State Travel	\$ 546,926	\$ 546,508	\$	418
Transportation Ground Emp Out Of State Travel	85	85		-
Transportation Other-In State	350	350		-
Lodging - In State	149,018	149,018		-
Lodging - Out Of State In US	753	753		-
Meals - In State	71,748	71,747		1
Meals - Out Of State	80	79		1
Perm Motor Fleet Vehicle Mileage Charge	130,814	130,813		1
In State Rental Car Expenses	3,979	3,979		-
Total TRAVEL	\$ 903,753	\$ 903,332	\$	421

Driver Services			
SFY24 Expense Line Item	Budget	Actuals	Difference
SUPPLIES & MATERIALS			
Office Supplies	\$ 40,423	\$ 40,423	\$ -
Motor Fuel (Other)	298	298	-
Clothing and Uniforms	54,225	54,225	-
Shop Supplies and Small Tools	187	187	-
Motor Fuel For Rental Vehicle	205	204	1
Motor Fuel - For State Motorfleet Vehicles	41,127	41,126	1
Office Supplies-Toner	1,926	1,925	1
Total SUPPLIES & MATERIALS	\$ 138,391	\$ 138,388	\$ 3
FURNITURE AND EQUIPMENT			
Office Furniture	\$ -	\$ 29,107	\$ (29,107)
Office Equipment	29,108	34,884	(5,776)
Voice Communication Equipment	34,884	1,140	33,744
Other Dp Equipment	1,140	-	1,140
Personal Computer and Printer Purchases	-	10,498	(10,498)
Miscellaneous Equipment	10,498	-	10,498
Other Computer Software	652,018	652,017	1
Accrual Of Assets Received But Not Yet Invoiced	-	(7,187)	7,187
Total FURNITURE AND EQUIPMENT	\$ 727,648	\$ 720,459	\$ 7,189
OTHER EXPENSES & ADJUSTMENTS			
Electronic Payment Processing Fees	\$ 1,276,512	\$ 1,276,512	\$ -
Service Charge - Sale Of Surplus Property	34	34	-
Capital Lease Payment-Buildings	1,398,523	1,398,522	1
Capital Lease Payment-Land	1,954	1,953	1
Total OTHER EXPENSES & ADJUSTMENTS	\$ 2,677,023	\$ 2,677,021	\$ 2
INTERGOVERNMENTAL TRANSACTION			
Carry Forward Appropriation	\$ 2,455,579	\$ 2,455,579	\$ -
Total INTERGOVERNMENTAL TRANSACTION	\$ 2,455,579	\$ 2,455,579	\$ -
Total OPERATING	\$ 15,255,730	\$ 15,240,412	\$ 15,318
Total Expenses	\$ 64,526,333	\$ 60,630,424	\$ 3,895,909

Driver Services Average Salary of Employees at June 30, 2024		
Actual Area Positions	Number of Employees	Average Salary
Driver Services	580	\$ 46,796
Administrative Associate II	9	38,004
Administrative Specialist I	15	50,438
Administrative Specialist II	1	52,960
DMV Deputy District Manager	3	65,315
DMV Director	1	125,591
DMV District Manager	7	68,582
Driver License Examiner I	409	42,818
Driver License Examiner II	16	48,525
Driver License Supervisor	78	56,387
Program Analyst I	1	79,392
Program Analyst II	1	87,589
Program Coordinator II	24	55,888
Program Coordinator III	5	61,488
Program Supervisor II	4	79,392
Staff Development Specialist I	6	61,308
Grand Total	580	\$ 46,796

*This chart does not include temporary or vacant positions.

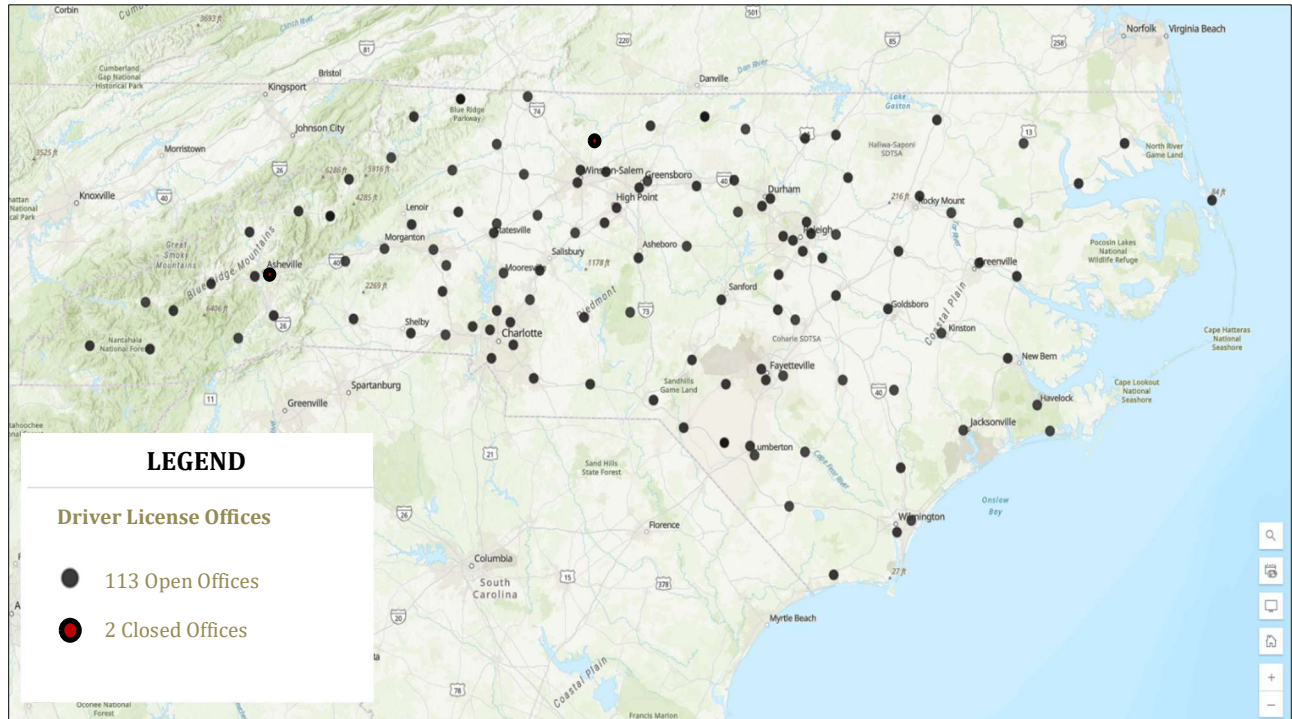
Driver License Offices – June 30, 2024

There are 115 DLOs currently in North Carolina across 7 districts. DLOs can provide the following services:

- Driver License Issuance
- Driver License Renewals
- Driver License Reinstatements
- First Year ID
- Out-of-State Transfers
- Driver Permits
- Road Tests
- Legal Presence
- Commercial Driver License
- Medical Road Tests
- Motorcycle Skills and Road Test
- Medical Certificates

See map of locations below:

Locations of Driver License Offices



Thirty-five Driver License Offices are in buildings leased by the DMV, as shown below:

Office	Monthly Rent	Annual Rent June 30, 2024
Boone	\$ 2,277	\$ 27,324
Andrews	1,061	12,732
Brevard	2,358	28,296
Burgaw	2,415	28,980
Carrboro	5,200	62,400
Cary	8,153	97,836
Charlotte East	12,252	147,024
Charlotte South	10,588	127,056
Charlotte North	10,617	127,404
Clayton	2,745	32,940
Durham South	4,288	51,456
Elizabethtown	2,048	24,576
Erwin	2,275	27,300
Fayetteville West	4,280	51,360
Garner	3,805	45,660
Hickory	2,066	24,792
Kernersville	5,052	60,624
Louisburg	2,823	33,876
Lumberton	1,575	18,900
Lumberton CDL	943	11,316
Marshall	1,500	18,000
Moorestville	2,390	28,680
Mount Holly	2,082	24,984
Nags Head	4,679	56,148
Newland	275	3,300
Raeford	1,665	19,980
Raleigh North	7,962	95,544
Raleigh West	36,848	442,176
Shallotte	3,881	46,572
Spruce Pine	984	11,808
Thomasville	2,146	25,752
Wendell	2,210	26,520
Wilmington South	2,276	27,312
Yadkinville	2,082	24,984
Raleigh East	29,054	348,648
Total Monthly Rent Expense	186,855	\$ 2,242,260
Total Annual Rent Expense	\$ 2,242,260	

License Printing

The DMV issued approximately 2.7 million driver licenses and identification (DL/ID) cards for the state fiscal year ended June 30, 2024, under the DMV contract with IDEMIA (Morpho USA) as an outsourced solution for a centralized issuance DL/ID delivery model (printing of driver licenses).

Change in Contractor:

The contract with IDEMIA was set to expire on June 30, 2024. The DMV began the process of procuring a new contract for driving license credentials in 2022. Based on market analysis of companies that make credentials and are recognized by the American Association of Motor Vehicle Administrators (AAMVA), the federal government, and state governments for their compliance, the DMV selected three companies to request presentations on their proposed products. The selected companies were IDEMIA, CBN, and Thales. In Fall 2022, each company gave a presentation to DMV, DOT, and DIT-T staff members.

DMV ultimately chose CBN as the provider of credentials.

In comparing the proposals by Idemia, CBN, and Thales, the DMV considered:

- Product presentations and first-hand knowledge of their respective facilities. One of the considerations was that the Idemia production facility had moved from Massachusetts to California, which had the potential to introduce added costs to the State of North Carolina. The CBN production facility is in Danville, Virginia.

According to court filings (Wake County Superior Court, case number 24CV005971-910), Idemia's presentation displayed less willingness to customize or adapt their proposal than CBN and Thales.

- Issues in production in recent years with their incumbent vendor. Idemia had produced cards with credential production errors (reportedly including cards printed with "State of Illinois" on them) and were delayed in their production. According to a news article from June 2024, Idemia at one point had a backlog of 354,697 cards and up to eight week wait times for customers to receive permanent licenses.
- The need to produce cards that meet top industry security standards. The polycarbonate laser-engraved cards produced by CBN meet industry best practice standards (increase counterfeit deterrence with a monolithic inseparable card body, security printing on multiple card layers, complex windows, advanced color shifting inks, and secure personalization).
- Potential for portable units to be used by the DMV. CBN produces portable units the size of carry-on airline luggage that could be introduced in the state's desired time

frame. This units would interface with the DMV system to allow the DMV to provide mobile services.

- Price difference. At the time that the contract was signed with CBN, there was a one cent per card difference between the proposed price by CBN and Idemia (\$2.55 per card for CBN versus \$2.54 per card for Idemia). Based on an estimated 2.2 million driver license and identification cards produced per year for the State of North Carolina, this would have added \$22,000 in cost per year for card production. The DMV argued that the increased security features provided by CBN made up for the price difference.

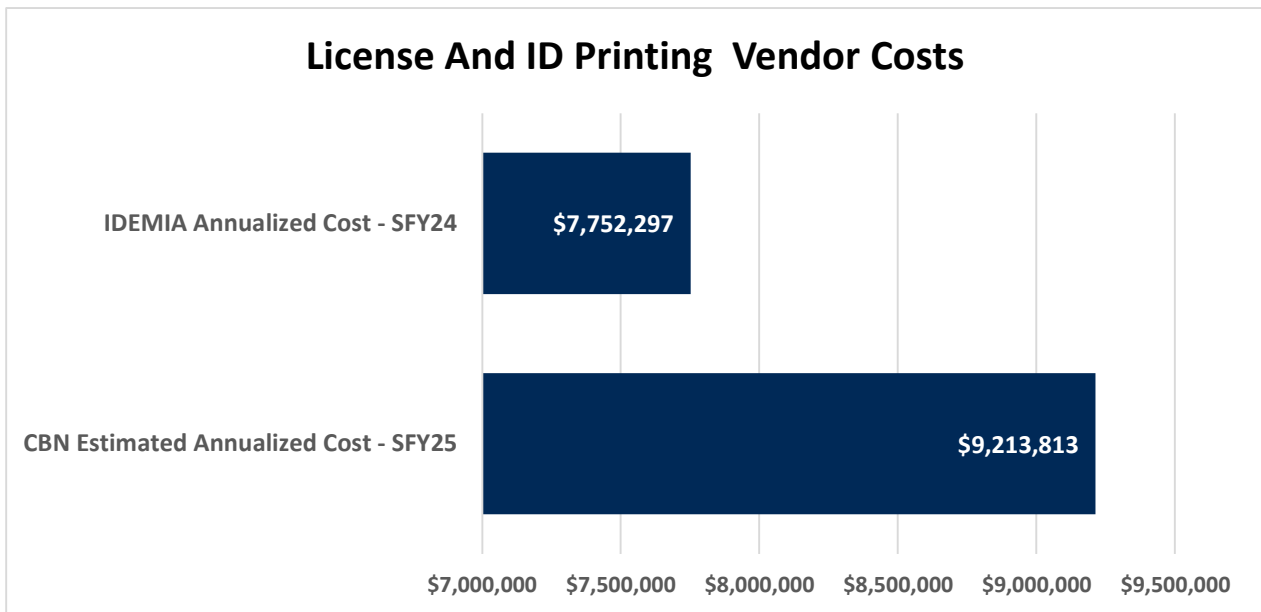
By the time that CBN began producing cards, the cost per card had risen to \$2.91 per card. It is not known whether Idemia's cost per card would have been comparable at that point.

Cost of ID Printing by Month for Fiscal Year 2024 and partial Fiscal Year 2025 for Vendors IDEMIA and CBN.

IDEMIA License Printing Costs- SFY24 (12 Months)					
Month	# IDs Printed	Rate per ID	Postage Charges	Total Cost per ID	
23-Jul	246,189	\$ 2.54	\$ 133,558	\$	758,878
23-Aug	226,234	\$ 2.28	\$ 122,730	\$	638,543
23-Sep	263,492	\$ 2.28	\$ 153,317	\$	754,078
23-Oct	235,793	\$ 2.28	\$ 139,896	\$	677,504
23-Nov	261,092	\$ 2.28	\$ 154,906	\$	750,196
23-Dec	163,785	\$ 2.28	\$ 97,174	\$	470,603
23-Jan	182,496	\$ 2.28	\$ 108,275	\$	524,366
24-Feb	265,074	\$ 2.28	\$ 157,268	\$	761,637
24-Mar	202,737	\$ 2.28	\$ 122,311	\$	584,552
24-Apr	165,830	\$ 2.28	\$ 100,045	\$	478,138
24-May	104,734	\$ 2.28	\$ 63,186	\$	301,980
24-Jun	364,798	\$ 2.28	\$ 220,083	\$	1,051,822
Total ID Printing Cost for SFY 24:				\$	7,752,297
SFY24 Average ID Printing Cost Per Month:				\$	646,025

CBN License Printing Costs- SFY25 (9 Months)				
Month	# IDs Printed	Rate per ID	Postage Charges	Total Cost per ID
24-Jul	115,151	\$ 2.91	\$ 54,159	\$ 389,248
24-Sep	253,090	\$ 2.91	\$ 126,012	\$ 862,504
24-Sep	259,114	\$ 2.91	\$ 181,707	\$ 935,729
24-Oct	217,307	\$ 2.91	\$ 152,481	\$ 784,844
24-Nov	253,435	\$ 2.91	\$ 170,243	\$ 907,739
24-Dec	219,077	\$ 2.91	\$ 113,368	\$ 750,882
25-Jan	195,970	\$ 2.91	\$ 134,661	\$ 704,934
25-Feb	232,299	\$ 2.91	\$ 123,406	\$ 799,396
25-Mar	221,377	\$ 2.91	\$ 130,877	\$ 775,084
Total ID Printing Cost for SFY 25:				\$ 6,910,360
SFY25 Average ID Printing Cost Per Month:				\$ 767,818

CBN estimated costs for a full 12 months of State Fiscal Year 2025 were annualized and estimated using the 9 months of known CBN costs above. This annualization estimation for CBN's FY2025 costs is compared to FY2024's IDEMIA costs below.



Travel related to CBN Contract:

A total of \$15,078 was spent for three DMV leadership personnel to travel to Canada for purposes related to the CBN contract. The deputy directors spent two weeks participating in the press approval process, which consisted of on site, initial reviews of the production run of driver licenses and identification cards that CBN would produce to ensure that the production would run as closely to the approved proofs as possible.

Self-Service Kiosks

Beginning in February 2024, the DMV partnered with Intellectual Technology, Inc. to deploy self-service kiosks at select Harris Teeter grocery store locations. These kiosks were introduced to increase customer access to DMV services, reduce wait times, and alleviate foot traffic at DLOs and LPAs. The initial rollout is referred to as Phase I, with a Phase II rollout if certain usage metrics are met.

Fees and Payments

The DMV did not pay set up fees for the kiosks, nor does the DMV pay fees to the Intellectual Technology, Inc. All implementation and operational costs are covered by transaction fees paid by customers.

Customers are charged a \$4.95 convenience fee per transaction, plus a 2% card processing fee. These fees are paid directly to the vendor, who is also responsible for credit/debit card processing costs. The DMV does not collect or retain any portion of the kiosk transaction fees; however, the DMV does receive the corresponding DMV fees for the transactions being processed.

Contract Terms

The kiosk contract has an initial three-year term from the effective date of August 2023. The contract includes two one-year renewal options at the discretion of the State. No upfront costs were incurred by DMV for kiosk deployment or service implementation.

Available Transactions

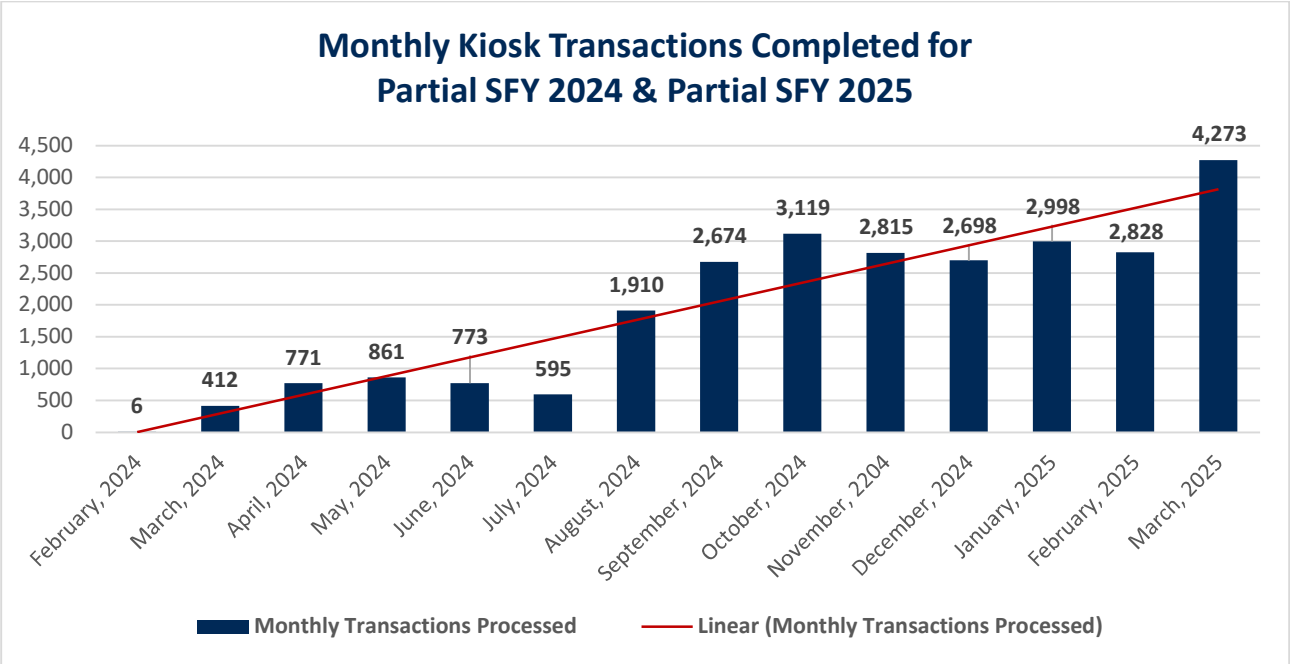
Each kiosk enables customers to independently perform a range of DMV transactions and receive printed documentation on-site.

Currently, customers can:

- Renew driver licenses and state ID cards and print temporary credentials.
- Order duplicate driver licenses, permits, and state IDs.
- Change their address on driver credentials.
- Register to vote.
- Renew vehicle registrations and print license plate stickers and registration cards.

As of March 2025, kiosks were averaging 371 transactions per month – below the Phase I success threshold of 500 transactions per month. DMV leadership has stated that this metric is not expected to be met until early 2026. A total of nine kiosks are currently live, with a tenth

location planned at Fort Liberty. DMV cannot roll out more kiosk locations (Phase II) until the threshold of 500 transactions per month is met.

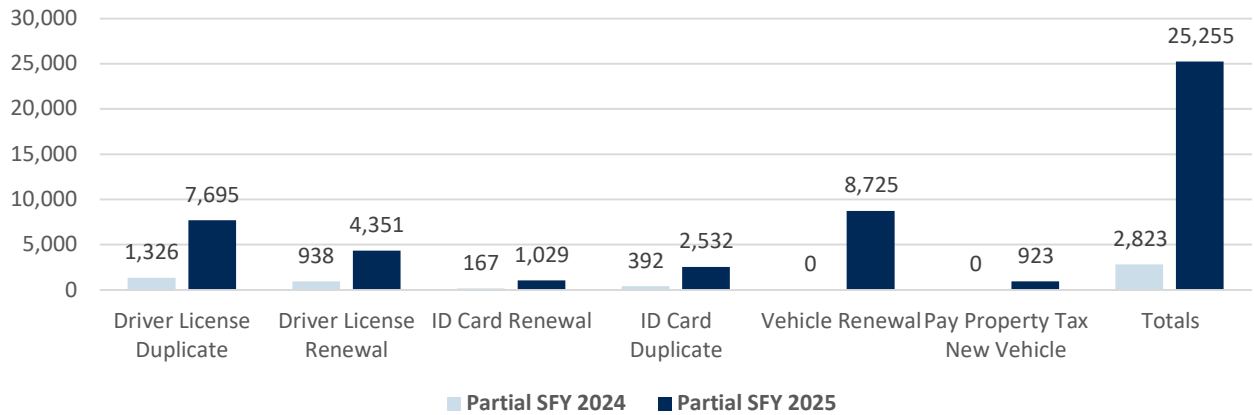


Completed Kiosk Transactions for Partial SFY 2024 and Partial SFY 2025							
Fiscal Year	Driver License Duplicate	Driver License Renewal	ID Card Renewal	ID Card Duplicate	Vehicle Renewal	Pay Property Tax New Vehicle	Totals
Partial SFY 2024	1,326	938	167	392	0	0	2,823
Partial SFY 2025	7,695	4,351	1,029	2,532	8,725	923	25,255

Total Vendor Fees Collected by Intellectual Technologies, LLC (February 2024 through April 2025):

\$132,328

Completed Kiosk Transactions for partial SFY 2024 (2/23/24 - 6/30/24) & Partial SFY 2025 (7/1/24 - 4/30/25)



DMV Harris Teeter Kiosk Locations

Raleigh Locations



Charlotte Locations



Other Locations





License and Theft Bureau

Overview of License and Theft Bureau

The License and Theft Bureau (the "Bureau"), established in 1921, is the state's oldest law enforcement agency. It is tasked with enforcing state and federal laws related to motor vehicle operations, theft, inspections, and sales, while also regulating entities such as dealerships, inspection stations, and repair businesses.

For the fiscal year ended June 30, 2024, the Bureau operated with 261 staff and expended \$28.5 million, with the majority related to payroll (\$19.8 million).

Unit	Personnel
Colonel's Office	1 director, 2 deputy directors, 2 assistant supervisor, 2 supervisors, 3 staff, 2 administrative specialists
Program Units	8 supervisors, 2 assistant supervisors, 37 staff, 4 administrative specialists
Field Operations	7 supervisors, 24 assistant supervisors, 146 inspectors, 10 administrative specialists
Supply & Logistics Sub-Unit	1 supervisor, 3 staff, 1 administrative specialists, 1 electronics technician
Training & Development Sub-Unit	1 assistant supervisor, 2 inspectors, 2 administrative specialists

The Bureau is organized into three units and seven sub-units.

- Program Units – These five units handle a wide range of responsibilities: regulating over 7,500 dealerships and 6,300 inspection stations, conducting investigations into document and identity fraud, managing stolen vehicle files, and processing unclaimed and seized vehicles. These units include:

- Dealer Unit – Responsible for the regulation and oversight of motor vehicle dealerships and associated entities throughout the state. Its core function includes processing and reviewing license applications in accordance with N.C.G.S. § 20-287(a) and § 20-288 to ensure statutory compliance. Licenses managed by the Unit include those for dealers, sales representatives, manufacturers, factory and distributor branches, and their respective representatives.

In addition, the Dealer Unit works in partnership with the Fraud Unit, which provides critical support to law enforcement agencies by managing the issuance of confidential and fictitious license plates and driver licenses. These credentials are essential tools in facilitating undercover operations and surveillance activities that enhance public safety and roadway security statewide.

- Fraud Unit – Supports federal, state, and local law enforcement by conducting forensic examinations of state-issued documents, managing stolen vehicle files,

and assisting with suspect identification through the Division's Facial Recognition System. The unit reviews unresolved driver license and ID issuances for potential fraud, assists with out-of-state identity verification, supports large-scale investigations through data processing, and conducts background checks for DMV and License and Theft Bureau personnel. It also manages confidential issuance of plates and identifications for law enforcement and contributes two staff members to the Information Sharing and Analysis Center (ISAAC Center).

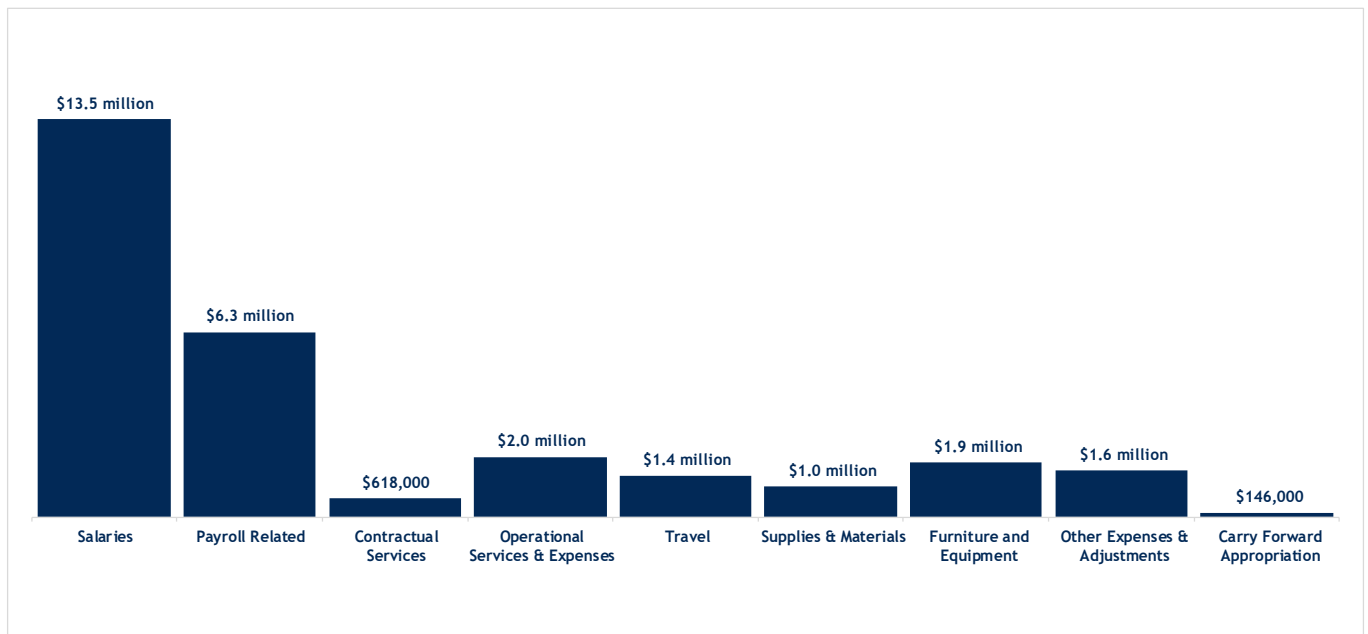
- Vehicle Examination – Sub-unit of the Fraud Unit. Supports field inspectors with the proper identification and classification of motor vehicles that are manufactured in 1980 or older, which have not been previously registered in the state of North Carolina. This also includes vehicles that are specially constructed. The process ensures for the correct classification, either antique or custom built, of a vehicle while protecting North Carolina consumers against misrepresented vehicles entering the state. This procedure also provides a second level of detecting stolen vehicles and essential parts. For the fiscal year ended June 30, 2024, the Vehicle Examination Unit completed 7,575 antique and customs vehicle reviews.
- Inspections – Responsible for the daily operation of the inspection program and licensing and evaluation of inspection stations and personnel. The Inspections Unit helps Bureau personnel, other division units, inspection stakeholders, and North Carolina citizens who are having problems with motor vehicle inspection procedures. In addition, this Unit is responsible for reviewing and notifying inspection stations, technicians and inspection customers when a penalty allegation has been alleged against them due to a violation of criminal or civil law.
- Notice and Storage – Handles unclaimed, abandoned and seized vehicle files, as well as processes required by North Carolina General Statutes § 20-77(d) and § 44A. The unit also manages Driving While Impaired (“DWI”) cases and failure to elude seizures, along with Sheriff's Office writ of execution orders.
- Field Operations – This unit represents the largest section of the License and Theft Bureau and serve as the core of the agency's law enforcement activities. Field Operations is responsible for responding to citizen and business complaints, providing DMV-related guidance, conducting investigations – including multi-jurisdictional cases – carrying out regulatory duties, supporting both criminal and civil prosecutions, and executing special operations. Field Operations also includes the two sub-units below:
 - Training and Development – Serves as the primary liaison and training facilitator for all sworn Bureau members statewide. The Unit supports recruitment and hiring by coordinating application screening, testing, interviews, polygraph scheduling, and new hire orientation. The unit is also responsible for

developing, scheduling, and delivering the Basic Inspector Academy for new hires. Additionally, it oversees the creation and implementation of Mandatory In-Service Training and Professional Development Training across multiple statewide locations, in alignment with the agency's commitment to continuous learning.

- Supply and Logistics – Responsible for issuing equipment and managing supplies for all members of the Bureau. The Unit oversees the storage and distribution of vehicles for both civilian and sworn personnel, as well as the management of ammunition and weapons. The unit also supports ongoing operational needs throughout the year, including recruitment events, basic training schools, uniform and vehicle equipment replacement, and radio supply distribution.
- Colonel's Office - The Colonel's Office includes the Colonel, Lieutenant Colonels, Majors, Internal Affairs Lieutenant, Program Analyst, Accreditation Manager, and Administrators. The Internal Affairs Unit investigates complaints from employees and the public across all 100 North Carolina counties. The Unit conducts interviews with complainants, witnesses, and involved personnel to determine the facts and address misconduct. It ensures accountability by enforcing corrective actions for policy violations, which include breaches of administrative rules, directives, or Bureau policies and procedures.

Expenditures by Operating Function – License and Theft Bureau

License and Theft	
SFY24 Expense Line Item	Actuals
Salaries	\$ 13,511,424
Payroll Related	6,283,270
Contractual Services	617,912
Operational Services &	2,047,895
Travel	1,392,816
Supplies & Materials	1,027,986
Furniture and Equipment	1,852,357
Other Expenses & Adjustments	1,575,634
Carry Forward Appropriation	146,212
Total Expenses:	\$ 28,455,506



Budget to Actual – Detailed – June 30, 2024

License & Theft			
SFY24 Expense Line Item	Budget	Actuals	Difference
PERSONNEL			
SALARIES			
Salaries and Wages	\$ 3,307,525	\$ 2,808,999	\$ 498,526
Payroll Additives Permanent Annual Rates	377,665	312,866	64,799
Temporary Labor Hourly Rate	24,307	7,220	17,087
Salary and Wages - Overtime Pay	108,381	108,366	15
Payroll Additives - Annual Rates Overtime	2,681	2,630	51
Salaries and Wages - Premium Pay	15,167	1,016	14,151
Payroll Additives - Annual Rates Premium Pay	432	25	407
Salaries and Wages - Longevity Pay - State Funded	185,483	161,231	24,252
Payroll Additives - Longevity Pay	4,556	4,018	538
Short Term Disability Payments	17,500	17,459	41
Inmate Labor	2,250	-	2,250
LEO Salaries and Wages	10,599,741	10,085,594	514,147
Retention Bonus - Appropriated	2,000	2,000	-
Total SALARIES	\$ 14,647,688	\$ 13,511,424	\$ 1,136,264
EXPENSES RELATED TO PAYROLL			
Social Security Contribution	\$ 1,292,338	\$ 1,044,683	\$ 247,655
Retirement Contribution	1,046,291	713,169	333,122
Law Enforcement Officers' Retirement Contribution	3,737,421	3,037,017	700,404
Medical Insurance Contributions	1,990,964	1,463,177	527,787
Employee Assistance Program	1,070	1,007	63
Dependent Care - FICA Savings Operating Transfer	24,700	24,217	483
Total EXPENSES RELATED TO PAYROLL	\$ 8,092,784	\$ 6,283,270	\$ 1,809,514
CONTRACTUAL SERVICES			
Legal Services	\$ 387,328	\$ 237,309	\$ 150,019
Personal Computer and Printer Support Services	114,975	114,975	-
Janitorial Services	19,667	6,527	13,141
Waste Disposal/Recycling	6,000	9,998	(3,998)
Security Services	400	356	44
Professional Fees	326,240	47,820	278,420
IT Project Management and Analysis Services	133,180	57,498	75,682
DIT Employee Cost	40,527	40,480	47
Professional Fees-Assessment By Headcount	1,700	1,517	183
Professional Fees Temporary Solutions	131,724	101,432	30,292
Total CONTRACTUAL SERVICES	1,161,741	617,912	543,829
Total PERSONNEL	\$ 23,902,213	\$ 20,412,606	\$ 3,489,607

License & Theft				
SFY24 Expense Line Item	Budget	Actuals	Difference	
OPERATING				
OPERATING SERVICES & OTHER EXPENSES				
Energy Services-Electrical	\$ 19,645	\$ 19,641	\$	4
Energy Services - Natl Gas/Propane	100	31		69
Energy Services-Water and Sewer	2,920	2,901		19
Repairs To Buildings-Non Capital	4,368	1,901		2,467
Internal Issued Motor Vehicle Repair Parts	10,008	7		10,001
External Sourced Motor Vehicle Repair Parts	21,245	8,757		12,488
Repairs and Service To Equipment - Other	4,299	3,496		803
Repairs - Personal Computers and Printers	522	-		522
Maintenance Agreement For Other DP Equipment	3,048	3,048		-
Maint Agree For Pers Computers and Printers	13,452	13,449		3
Telephone Service	161,708	161,671		37
Telecommunications Data Charge	100,899	100,877		22
State Owned Wireless Phones	192,308	191,239		1,069
Computer Data Processing Services-Mainframe	707	198		509
Post,Freight and Delivery-Mail Services	388	387		1
Post,Freight and Delivery-Freight & Delivery	210	-		210
Printing, Binding, Duplicate	18,725	17,449		1,276
Advertising/Marketing	22,113	8,754		13,359
Insurance Premiums/Cost	595	-		595
Employee Moving Expenses	500	-		500
Rent/Lease-Buildings/Offices/Mobile Units	20,191	(5,862)		26,053
Maintenance Agreement-Other Equipment	530	529		1
IT Equipment Supplies/Parts	55,847	55,805		42
IT Software Subscriptions	8,765	5,530		3,235
Out-State Conference and Seminar Registration Fees	1,400	1,400		-
Out-State Educational Expenses	600	-		600
In-State Conference and Seminar Registration Fees	7,880	7,880		-
In-State Educational Expenses	5,683	2,025		3,658
Lease Interest Payments-Building	11,321	11,307		14
Maintenance Agreement-Other Software	567,382	567,381		1
Maint Agree For Personal Computer Software	868,095	868,094		1
Total OPERATING SERVICES & OTHER EXPENSES	\$ 2,125,454	\$ 2,047,895	\$	77,559

License & Theft			
SFY24 Expense Line Item	Budget	Actuals	Difference
TRAVEL			
Transportation Air - In State	\$ 500	\$ -	\$ 500
Transportation Air - Out Of State, In US	4,228	2,358	1,870
Transportation Ground Emp In State Travel	4,883	1,862	3,021
Transportation Ground Emp Out Of State Travel	536	222	314
Transportation Other-In State	1,129	457	672
Transportation Other-Out Of State, In US	440	440	-
Lodging - In State	15,746	15,712	34
Lodging - Out Of State In US	5,010	5,007	3
Meals - In State	6,362	6,356	6
Meals - Out Of State	1,901	1,900	1
Misc - In State	100	-	100
Perm Motor Fleet Vehicle Mileage Charge	1,182,788	1,182,709	79
Temporary Motor Fleet Vehicle Mileage Charge	168,467	168,461	6
Rental Car Charges	100	-	100
Tolls Paid In NC For Turnpikes	7,057	7,050	7
Out of State Rental Car Expenses	282	282	-
Total TRAVEL	\$ 1,399,529	\$ 1,392,816	\$ 6,713
SUPPLIES & MATERIALS			
Office Supplies	\$ 39,644	\$ 33,345	\$ 6,299
Janitorial and Sanitation Supplies	15	14	1
Clothing and Uniforms	92,195	58,869	33,326
DMV Use Only - License Plates and Stickers	619,095	610,066	9,029
Shop Supplies and Small Tools	2,711	271	2,440
DMV Law Enforcement Boots	6,211	6,174	37
Motor Fuel - For State Motorfleet Vehicles	318,156	317,917	239
Photographic Supplies	134	-	134
Medical and Safety Supplies	750	-	750
Oil, Lubricants, Fluids	400	-	400
Motor Fuel (Other)	2,200	-	2,200
Tires and Tubes	150	-	150
Office Supplies-Toner	1,350	1,330	20
Total SUPPLIES & MATERIALS	\$ 1,083,011	\$ 1,027,986	\$ 55,025

License & Theft			
SFY24 Expense Line Item	Budget	Actuals	Difference
FURNITURE AND EQUIPMENT			
Office Furniture	\$ 22,533	\$ 22,458	\$ 75
Office Equipment	3,287	1,695	1,592
Voice Communication Equipment	1,256	-	1,256
Custody and Security Equipment	23,536	16,124	7,412
Weapons - Equipment	89,986	89,985	1
Other Dp Equipment	2,575	2,574	1
Personal Computer and Printer Purchases	13,285	13,283	2
Miscellaneous Equipment	1,564	1,245	319
Leo Auto Accessories	263,779	229,197	34,582
Purchase Of Motor Vehicles	2,500	2,500	-
Motor Vehicles Operations	945	-	945
Other Computer Software	1,488,488	1,473,296	15,192
Total FURNITURE AND EQUIPMENT	\$ 1,913,734	\$ 1,852,357	\$ 61,377
OTHER EXPENSES & ADJUSTMENTS			
Cash Settlements Paid By DOT	\$ 75,000	\$ 75,000	\$ -
Public Liability Claims Paid By DOT	54	-	54
Leo Separation Allowance	1,130,183	1,119,840	10,343
Publications, Membership Dues and Subscriptions	550	100	450
Special Investigations	10,720	805	9,915
Safety Inspection Investigations	16,257	5,368	10,889
Electronic Payment Processing Fees	272,198	272,168	30
Service Charge - Sale Of Surplus Property	1,115	1,113	2
Bank Service Fees - Fiscal Use Only	420	420	-
Capital Lease Payment-Buildings	100,844	100,820	24
Total OTHER EXPENSES & ADJUSTMENTS	\$ 1,607,341	\$ 1,575,634	\$ 31,707
INTERGOVERNMENTAL TRANSACTION			
Carry Forward Appropriation	\$ 146,212	\$ 146,212	\$ -
Total INTERGOVERNMENTAL TRANSACTION	\$ 146,212	\$ 146,212	\$ -
OPERATING	\$ 8,275,281	\$ 8,042,900	\$ 232,381
Total Expenses	\$ 32,177,494	\$ 28,455,506	\$ 3,721,988

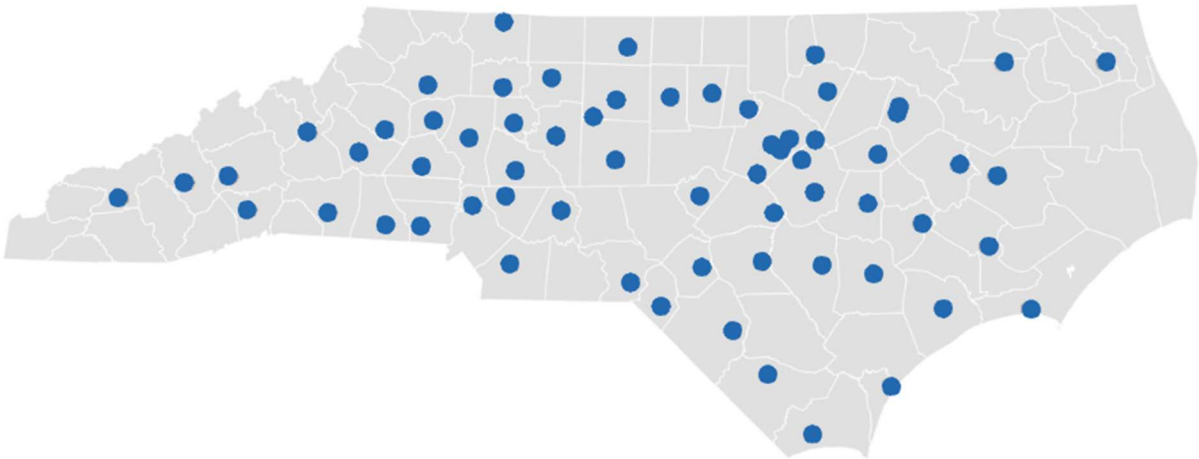
License and Theft Average Salary of Employees at June 30, 2024		
Actual Area Positions	Number of Employees	Average Salary
License & Theft	209	\$ 64,716
Administrative Specialist I	16	50,493
Administrative Specialist II	2	52,960
DMV LE Assistant Supervisor	27	81,971
DMV LE Deputy Director	2	106,614
DMV LE Director	1	125,591
DMV LE Inspector I	79	59,443
DMV LE Inspector II	30	64,585
DMV LE Supervisor	10	91,248
Electronics Technician II	1	58,389
Intern*FR	1	34,050
Program Analyst I	1	79,392
Program Coordinator I	7	50,543
Program Coordinator II	1	56,269
Program Coordinator III	26	61,308
Program Supervisor I	5	67,592
Grand Total	209	\$ 64,716

*This chart does not include temporary or vacant positions.

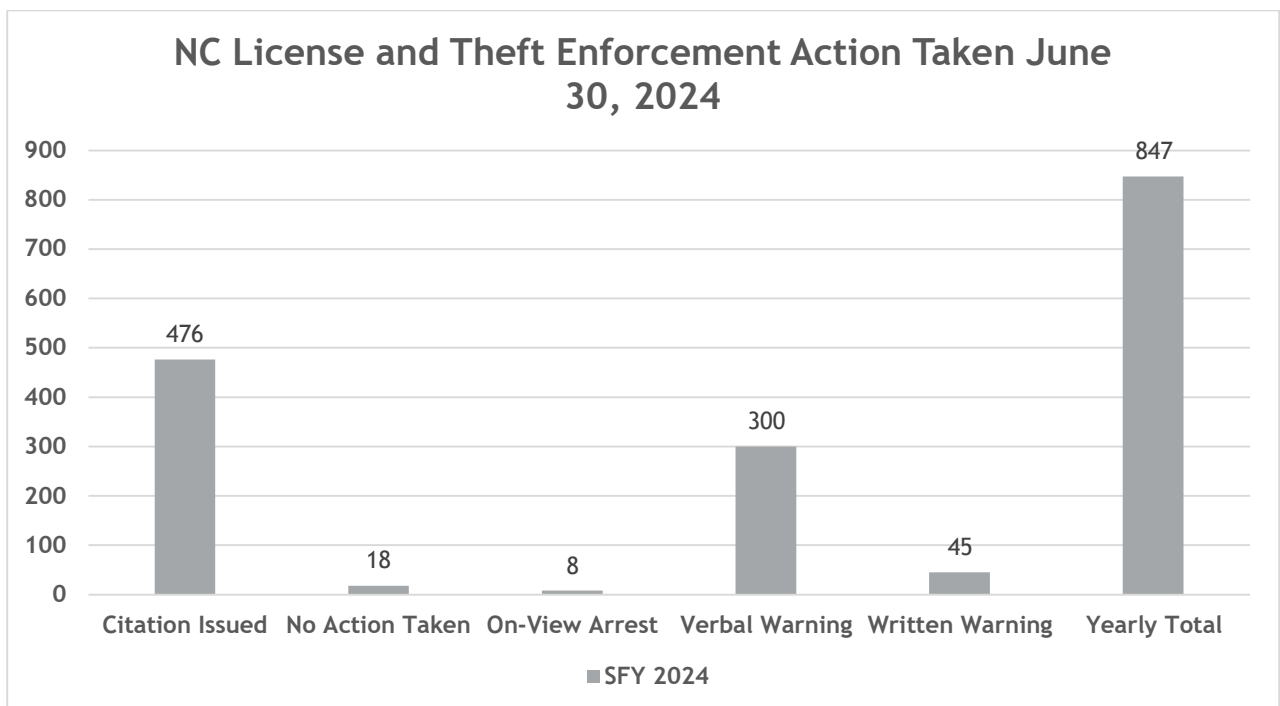
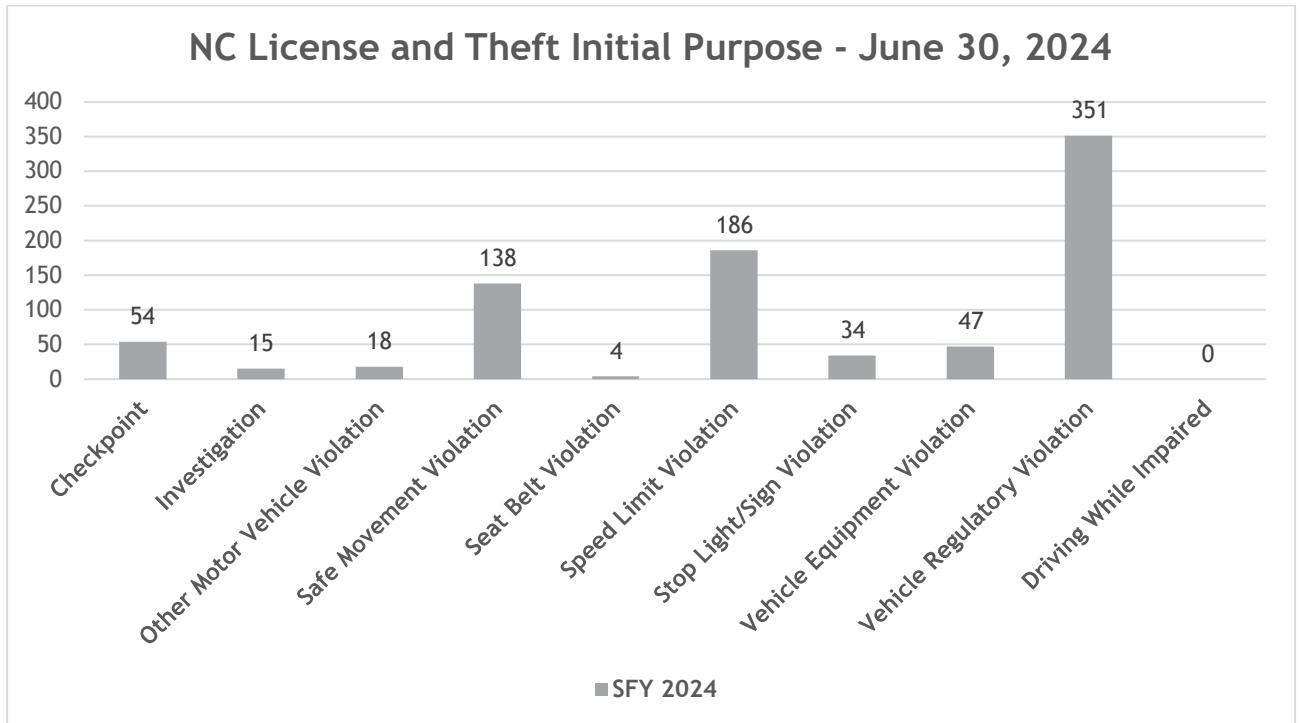
License and Theft Offices

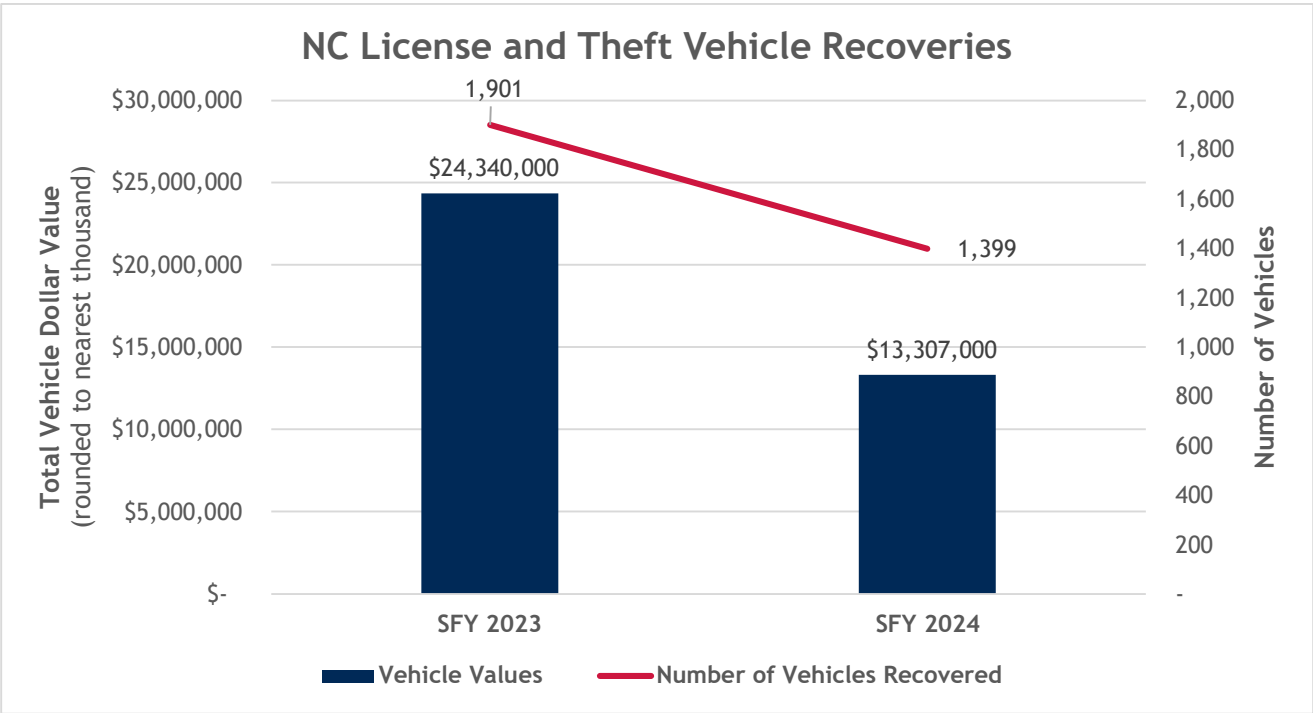
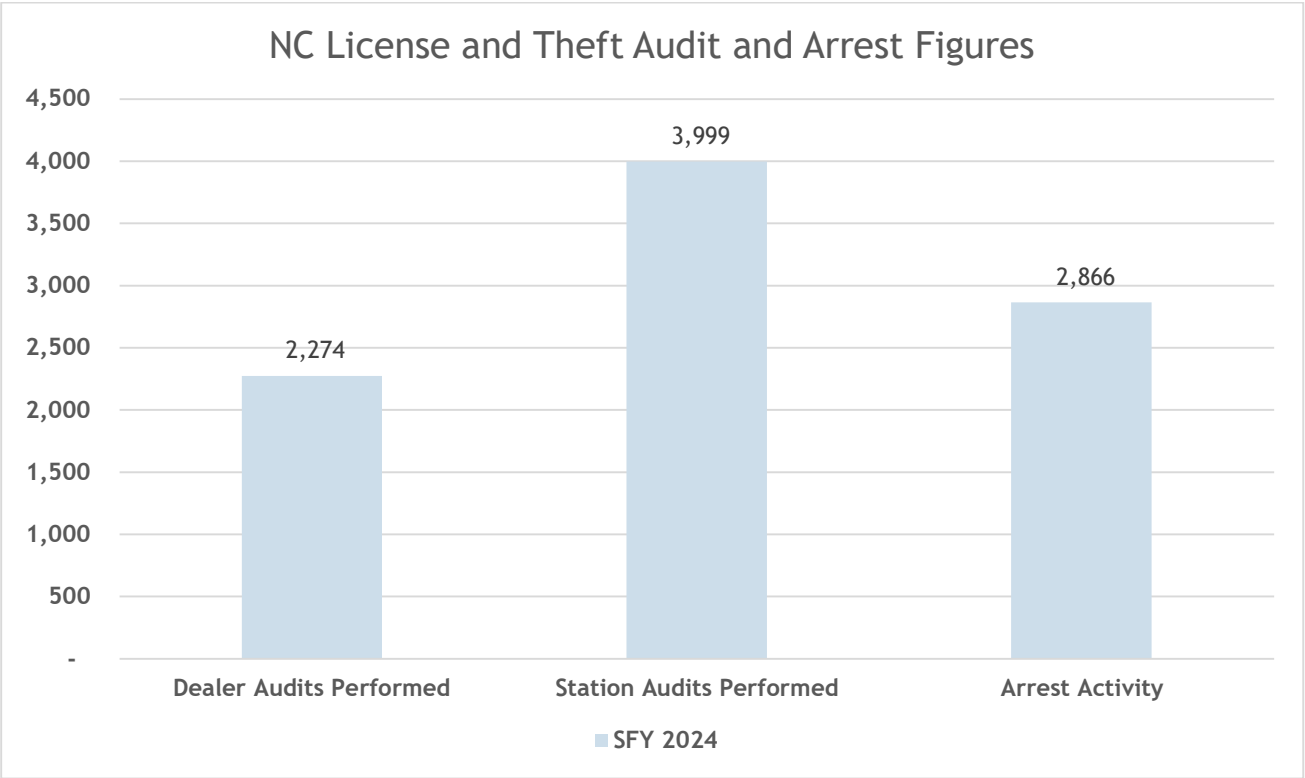
License and Theft has 68 office locations throughout the state, as shown in the map below. The offices are either owned by DMV, leased, or owned by the state.

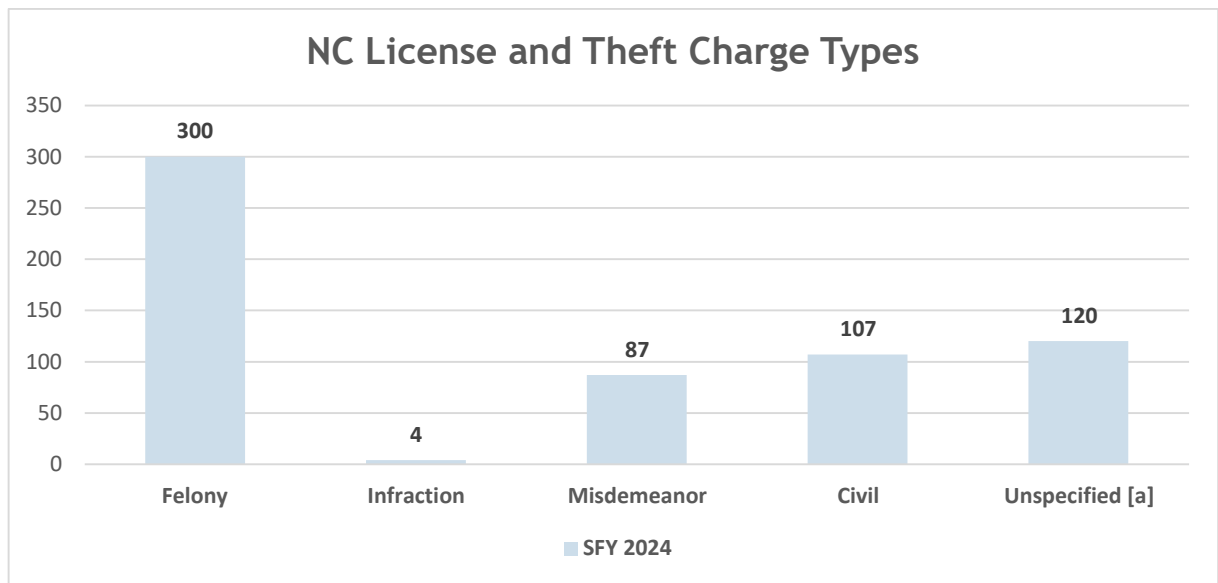
Owned/Leased	Number
Owned by DMV	52
Leased	15
State Owned	1
Grand Total	68



License and Theft Statistics







[a] - Due to system design limitations, the application does not require the officer entering the data to select a charge type. As such, there are various blank charge types in the provided data.



Training and Development

Overview of Training and Development

The Training & Development functional area of the DMV consists of three units, the Director's Office, the School Bus & Traffic Safety Unit, and the Staff Development Unit. The Director's Office oversees the activities and direction of training and development.

The School Bus & Traffic Safety Unit handles the school bus driver training and renewals, the virtual training section for school bus knowledge testing, and the commercial driver education instructor training and compliance.

The Staff Development Unit handles the Driver License Examiners Basic Training School, the Call Center, the License Plate Agency training and compliance, the State Titling & Registration Systems (STARS) training, and the International Registration Plan (a registration reciprocity agreement that provides apportioned payments of commercial vehicle registration fees based on the total distance operated in the continental United States and Canada).

Including vacancies, Training & Development has 100 total positions:

Unit	Personnel
Director's Office	1 Assistant Director, 2 administrative specialists
Staff Development Unit	1 coordinator, 8 staff, 1 administrative specialist
School Bus & Traffic Safety Unit	8 supervisors, 77 staff, 2 administrative specialists

Driver License Examiners Basic School Training

The Staff Development Unit of the Training & Development Division offers 5 to 6 Driver License Examiners Basic School classes per year. The examiner training lasts five weeks, with the first two weeks being held virtually and the following three weeks held in-person. Driver Services requested summer classes to be provided as refresher courses for all current examiners.

According to division leadership, the average trained is typically 85-125 students per year. During fiscal year 2024, only 74 examiners were trained due to the division having to cancel one class due to the deployment of the CBN software.

Driver Services determines which examiners are signed up for classes at a time based on regional/location needs of driver license offices as well as availability of examiners. Examiners could be scheduled for training anywhere from their first day to over a year after their hire date. The Training & Development Division does not track the average days an examiner has to wait for initial training.

The Training & Development Division does not track the cost to train individual examiners. Driver Services covers travel expenses of examiners in-person training.

School Bus and Traffic Safety Unit

The School Bus and Traffic Safety Unit provides School Bus Driver, Virtual and Commercial Education Instructor Training, which offers specialty trainings to all new hires/examiners and includes CDL, school buses, and farm equipment.

School bus trainings are conducted throughout the year. The training classes can accommodate up to 50 trainees but usually have between 12-30 trainees. The school bus training is held at locations across the state, including at public schools, churches and community centers. School bus driver trainees attend a training held by the School Bus & Traffic Safety Unit. School bus drivers are separate from DMV employees.

In the fiscal year ended June 30, 2024, 3,752 new school bus drivers passed in-person classroom training, 1,868 passed the virtual classroom training, and 4,039 passed in-person driver training and had new certifications issued. There were 8,334 renewals of existing school bus drivers.

The School Bus & Traffic Safety Unit is divided among seven districts, each with one Program Supervisor and 8-11 trainers per district. In the fiscal year ended June 30, 2024, the School Bus & Traffic Safety Unit had 77 trainers on staff, with 72 trainers being traditional in-person trainers and five being virtual trainers. School Bus & Traffic Safety Unit employees in the seven districts perform the following duties:

- Train and certify school bus drivers in the classroom and behind the wheel.
- Teach safe driving procedures for school bus driver defensive driving courses, driver improvement clinics and other safety programs.
- Conduct vision and medical screenings for driver education classes.
- Provide training and certification for commercial driver training instructors.
- Inspect commercial driver training schools and vehicles for compliance with state and county laws.
- Investigates complaints involving commercial driver training schools.
- Compiling and maintaining all work-related reports and files.

School Bus & Traffic Safety Unit for SFY24
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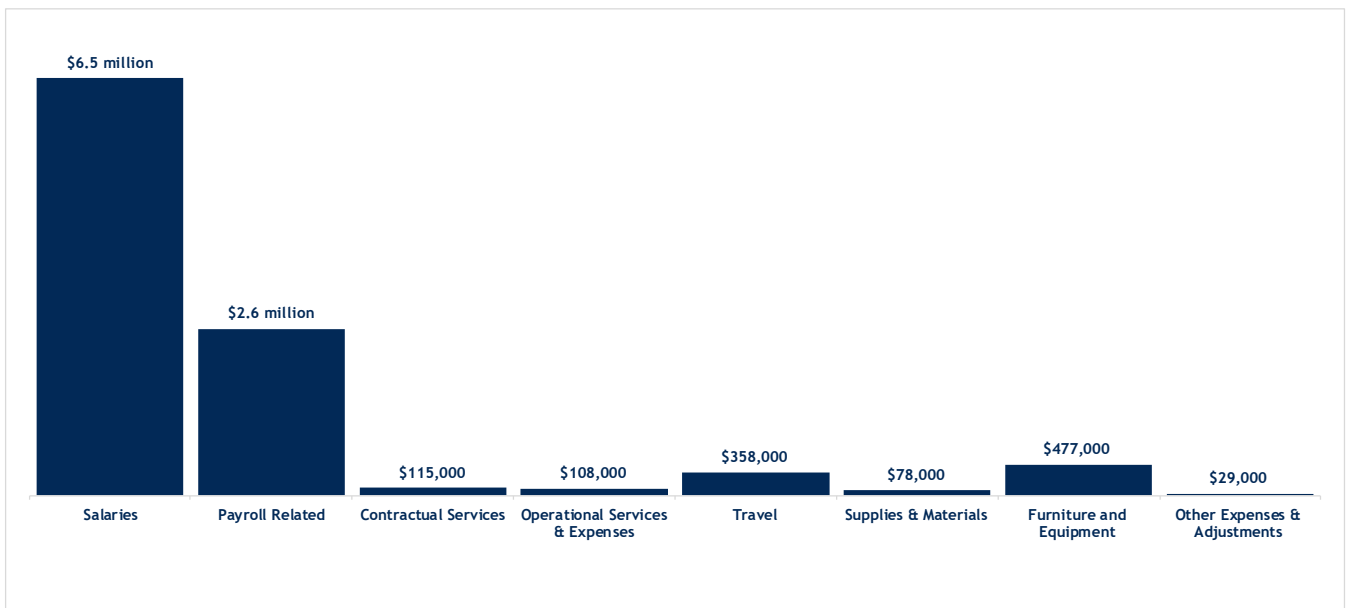
Number of Trainers:	
Traditional/In-Person	72
Virtual	5
Total Trainers	77

New School Bus Drivers Trained:	
In-Person Classroom	3,752
Virtual	1,868
In-Person Driver	4,039
Total New School Bus Drivers Trained	9,659

Existing School Bus Drivers Renewed:	
Renewals	8,334
Total Existing School Bus Drivers Renewed	8,334

Expenditures by Operating Function – Training and Development

Training	
SFY24 Expense Line Item	Actuals
Salaries	\$ 6,489,907
Payroll Related	2,592,185
Contractual Services	114,844
Operational Services & Expenses	108,066
Travel	358,362
Supplies & Materials	77,506
Furniture and Equipment	477,209
Carry Forward Appropriation	28,834
Total Expenses:	\$ 10,246,913



Budget to Actual – Detailed – June 30, 2024

Training and Development			
SFY24 Expense Line Item	Budget	Actuals	Difference
PERSONNEL			
SALARIES			
Salaries and Wages	\$ 5,830,139	\$ 5,762,847	\$ 67,292
Payroll Additives Permanent Annual Rates	140,031	139,936	95
Salary and Wages - Overtime Pay	207,777	207,359	418
Payroll Additives - Annual Rates Overtime	5,040	4,995	45
Payroll Additives - Annual Rates Premium Pay	-	(1)	1
Dual Employment	2,800	2,800	-
Salaries and Wages - Longevity Pay - State Funded	105,589	105,538	51
Payroll Additives - Longevity Pay	2,532	2,513	19
Short Term Disability Payments	5,200	5,170	30
LEO Salaries and Wages	69,657	-	69,657
Retention Bonus - Appropriated	258,800	258,750	50
Total SALARIES	\$ 6,627,565	\$ 6,489,907	\$ 137,658
EXPENSES RELATED TO PAYROLL			
Social Security Contribution	\$ 499,664	\$ 472,321	\$ 27,343
Retirement Contribution	1,452,678	1,452,368	310
Law Enforcement Officers' Retirement Contribution	21,268	-	21,268
Medical Insurance Contributions	682,929	656,107	26,822
Employee Assistance Program	479	468	11
Dependent Care - FICA Savings Operating Transfer	10,950	10,921	29
Total EXPENSES RELATED TO PAYROLL	\$ 2,667,968	\$ 2,592,185	\$ 75,783
CONTRACTUAL SERVICES			
IT Project Management and Analysis Services	\$ 39,190	\$ 39,130	\$ 60
Professional Fees-Assessment By Headcount	775	705	70
Professional Fees Temporary Solutions	158,334	75,009	83,325
Total CONTRACTUAL SERVICES	\$ 198,299	\$ 114,844	\$ 83,455
Total PERSONNEL	\$ 9,493,832	\$ 9,196,936	\$ 296,896
OPERATING			
OPERATING SERVICES & OTHER EXPENSES			
External Sourced Motor Vehicle Repair Parts	\$ 1,599	\$ 1,572	\$ 27
Repairs - Personal Computers and Printers	750	-	750
Maint Agree For Pers Computers and Printers	4,712	4,661	51
Telephone Service	8,277	8,238	39
State Owned Wireless Phones	47,854	47,805	49
Post,Freight and Delivery-Freight & Delivery	55	-	55
Printing, Binding, Duplicate	6,507	6,445	62
IT Equipment Supplies/Parts	15,889	15,872	17
In-State Conference and Seminar Registration Fees	250	-	250
In-State Educational Expenses	24,192	23,473	719
Total OPERATING SERVICES & OTHER EXPENSES	\$ 110,085	\$ 108,066	\$ 2,019

Training and Development			
SFY24 Expense Line Item	Budget	Actuals	Difference
TRAVEL			
Transportation Ground Emp In State Travel	\$ 174,000	\$ 151,600	\$ 22,400
Transportation Other-In State	258	231	27
Lodging - In State	47,628	33,127	14,501
Lodging - Out Of State In US	900	-	900
Meals - In State	19,396	19,232	164
Meals - Out Of State	1,000	-	1,000
Perm Motor Fleet Vehicle Mileage Charge	153,359	142,021	11,338
Temporary Motor Fleet Vehicle Mileage Charge	324	324	-
Tolls Paid In NC For Turnpikes	1,294	1,225	69
In State Rental Car Expenses	10,603	10,602	1
Total TRAVEL	\$ 408,762	\$ 358,362	\$ 50,400
SUPPLIES & MATERIALS			
Office Supplies	\$ 14,162	\$ 9,028	\$ 5,134
Motor Fuel (Other)	550	544	6
Clothing and Uniforms	35,000	13,634	21,366
DMV Use Only - License Plates and Stickers	6,100	6,018	82
Shop Supplies and Small Tools	1,100	1,071	29
Motor Fuel For Rental Vehicle	2,451	2,418	33
Motor Fuel - For State Motorfleet Vehicles	40,872	40,854	18
Office Supplies-Toner	3,941	3,939	2
Total SUPPLIES & MATERIALS	\$ 104,176	\$ 77,506	\$ 26,670
FURNITURE AND EQUIPMENT			
Other Dp Equipment	\$ 4,445	\$ -	\$ 6
Personal Computer and Printer Purchases	9,856	9,847	6
Purchase Of Motor Vehicles	464,127	464,126	6
Other Computer Software	3,305	3,236	6
Total FURNITURE AND EQUIPMENT	\$ 481,733	\$ 477,209	\$ 6
INTERGOVERNMENTAL TRANSACTION			
Carry Forward Appropriation	\$ 28,834	\$ 28,834	\$ -
Total INTERGOVERNMENTAL TRANSACTION	\$ 28,834	\$ 28,834	\$ -
Total OPERATING	\$ 1,133,590	\$ 1,049,977	\$ 83,613
Total Expenses	\$ 10,627,422	\$ 10,246,913	\$ 380,509

Training & Development Average Salary of Employees at June 30, 2024		
Actual Area Positions	Number of Employees	Average Salary
Training & Development	99	\$ 62,260
Administrative Officer I	1	58,389
Administrative Specialist I	2	50,438
DMV Assistant Director	1	93,501
Program Coordinator III	78	61,371
Program Supervisor I	7	67,592
Program Supervisor II	1	78,246
Staff Development Coordinator	1	82,159
Staff Development Specialist I	8	61,308
Grand Total	99	\$ 62,260

*This chart does not include temporary or vacant positions.



Customer Compliance Services

Overview of Customer Compliance Services

DMV's Customer Compliance Services (CCS) has six units: the adjudication unit, field hearings unit, administration support unit, ignition interlock unit, medical review unit, and safety responsibility unit.

- Adjudication Unit – responsibilities include responding to inquiries from Clerk of Court, judges, and transportation agencies regarding legal problems concerning driving records. This unit also serves as a Help Desk (call center) to internal staff members of different units to ensure the integrity of the customer's records and is responsible for making sure the record is accurate in accordance with NC motor vehicle laws.
- Field Hearings – responsibilities include conducting hearings and providing decisions, including potential license suspension or revocation, for drivers that may have violated motor vehicle laws or policies.
- Administration Support Unit – responsibilities include processing hearing requests, collecting hearing fees, processing refunds, rejecting under/over payments, receiving/processing written or electronic inquiries from the public, attorneys, and government officials. This unit also answers questions about and schedules hearings.
- Ignition Interlock Unit – responsibilities include monitoring program participants using the ignition interlock device, which are breathalyzers that prevent cars from starting if the driver's breath alcohol level is too high. They also review reports daily from approved interlock service providers and amending records to correct ignition interlock inaccuracies.
- Medical Review Unit – responsible for gathering and evaluating medical data of licensed drivers or applicants for driver licenses in the State of North Carolina, who are currently suffering from a medical condition that could negatively impact their ability to safely operate a motor vehicle.
- Safety Responsibility Unit – responsible for enforcing the Motor Vehicle Safety and Financial Responsibility Act of 1953 by determining whether driving privileges should be suspended for failing to deposit security with the Division following motor vehicle accident. This unit processes unsatisfied judgements, failure to comply with out of state financial responsibility violations, suspension requests, releases from customer, subrogation and insurance companies, attorneys, and local/district/federal courts. This unit will collect, deposit, and refund security deposits.

CCS has a total of 74 positions and eight temporary positions across the functional area. The director and assistant director oversee all six units, the remaining positions are as follows.

Unit	Personnel
Adjudications	1 supervisor, 12 staff, 11 administrative specialists, including 5 call center employees and 6 temporary staff
Field Hearings	2 supervisors, 12 hearing officers, 2 license & theft hearing officers, 2 administrative specialists
Administration Support	1 supervisor, 4 administrative specialists
Ignition Interlock	1 supervisor, 8 staff, 3 administrative specialists
Medical Review	1 nurse supervisor, 11 staff, 2 temporary doctors
Safety Responsibility	1 supervisor, 3 staff, 3 administrative specialists

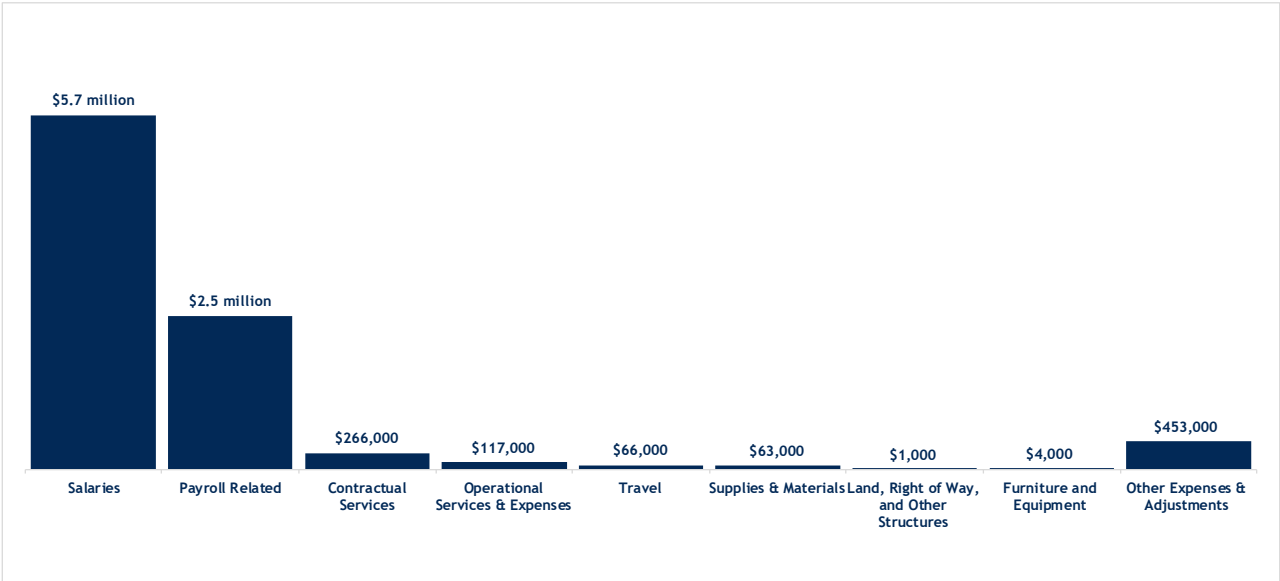
CCS is notified by a third party, or driver licenses examiner, before taking action that may result in suspension or revocation of a customer's driver license. Third parties that may notify CCS include law enforcement, courts, family members of the customer, or the customer's physician. Reasons for notification include falling asleep while driving resulting in a collision, court decisions, medical conditions that jeopardize the customer's ability to operate a motor vehicle, and other reasons for customers falling out of compliance with motor vehicle laws and policies. CCS may also be notified by driver license examiners if a medical condition is identified during a Driver License Office (DLO) visit, such as a physical disability or impaired vision that was not previously included in the customer's record. Examiners may also require a road test be completed during the DLO visit if a potential issue is identified. If the road test is passed, the customer is still referred to the medical review unit.

Depending on the nature of the customer's situation that is reported, CCS will produce either a system-generated letter or medical packet and notify the customer in writing about what actions are required. Customers may be requested to provide CCS with documentation, such as from a physician, and can request an administrative hearing to adjudicate a potential suspension or revocation of their license. If a hearing is requested, the customer is responsible for paying related fees to CCS prior to the hearing. Based on the situation, the customer's license will either be suspended, revoked, or have a preliminary suspension pending the results of the hearing. Once the hearing is held and a determination is made regarding the customer's driving privileges, CCS notifies the customer in writing of any penalties and actions required. For instance, if the customer requires an ignition interlock be installed in their vehicle, they are required to work directly with a DMV-approved vendor. CCS will monitor applicable customers for compliance with outcomes from administrative hearings and any driving privilege restrictions.

Customer Compliance Services Actions Completed in the fiscal year ended June 30, 2024	
Driver License Hearings	12,287
Administrative Hearings	10,903
Liability Insurance Hearings	2,785
Medical Hearings	106
Safety Responsibility Hearings	91
License & Theft Hearings	16
Medical Reviews	21,370
Licenses Suspended	243,471

Expenditures by Operating Function – Customer Compliance Services

Customer Compliance	
SFY24 Expense Line Item	Actuals
Salaries	\$ 5,745,158
Payroll Related	2,492,158
Contractual Services	266,208
Operational Services & Expenses	117,228
Travel	66,244
Supplies & Materials	63,410
Land, Right of Way, and Other Structures	1,407
Furniture and Equipment	3,881
Other Expenses &	453,273
Total Expenses:	\$ 9,208,967



Budget to Actual – Detailed – June 30, 2024

Customer Compliance Services			
SFY24 Expense Line Item	Budget	Actuals	Difference
PERSONNEL			
SALARIES			
Salaries and Wages	\$ 6,240,117	\$ 5,388,396	\$ 851,721
Payroll Additives Permanent Annual Rates	131,163	130,683	480
Salary and Wages - Overtime Pay	140,500	139,558	942
Payroll Additives - Annual Rates Overtime	3,350	3,286	64
Salaries and Wages - Premium Pay	50	48	2
Payroll Additives - Annual Rates Premium Pay	5	1	4
Salaries and Wages - Longevity Pay - State Funded	79,501	70,801	8,700
Payroll Additives - Longevity Pay	5,367	1,679	3,688
Short Term Disability Payments	48,000	9,081	38,919
Retention Bonus - Appropriated	3,000	1,625	1,375
Total SALARIES	\$ 6,651,053	\$ 5,745,158	\$ 905,895
EXPENSES RELATED TO PAYROLL			
Social Security Contribution	\$ 491,868	\$ 407,395	\$ 84,473
Retirement Contribution	1,642,092	1,366,663	275,429
Medical Insurance Contributions	866,294	706,513	159,781
Employee Assistance Program	550	488	62
Dependent Care - FICA Savings Operating Transfer	11,150	11,099	51
Total EXPENSES RELATED TO PAYROLL	\$ 3,011,954	\$ 2,492,158	\$ 519,796
CONTRACTUAL SERVICES			
Legal Services	\$ 130	\$ 125	\$ 5
Personal Computer and Printer Support Services	78,397	78,393	4
Professional Fees	436,918	6,986	429,932
IT Project Management and Analysis Services	40,900	40,832	68
Professional Fees-Assessment By Headcount	1,220	736	484
Professional Fees Temporary Solutions	313,972	102,715	211,257
Janitorial Services	2,000	-	2,000
Medical Services/Drug Testing	397,707	36,421	361,286
Total CONTRACTUAL SERVICES	\$ 1,271,244	\$ 266,208	\$ 1,005,036
Total PERSONNEL EXPENSES	\$ 10,934,251	\$ 8,503,524	\$ 2,430,727

Customer Compliance Services			
SFY24 Expense Line Item	Budget	Actuals	Difference
OPERATING EXPENSES			
OPERATING SERVICES & OTHER EXPENSES			
Energy Services-Electrical	\$ 494	\$ 444	\$ 50
Energy Services - Natl Gas/Propane	579	32	547
Energy Services-Water and Sewer	336	77	259
Repairs To Buildings-Non Capital	303	-	303
Internal Issued Motor Vehicle Repair Parts	2,683	-	2,683
External Sourced Motor Vehicle Repair Parts	3,683	45	3,638
Repairs and Service To Equipment - Other	10,375	1,566	8,809
Repairs and Service To Voice Communication Equip	162	-	162
Repairs - Personal Computers and Printers	1,881	-	1,881
Maintenance Agreement For Other DP Equipment	2,020	786	1,234
Maint Agree For Pers Computers and Printers	1,548	547	1,001
Telephone Service	109,147	87,526	21,621
Telecommunications Data Charge	1,203	-	1,203
State Owned Wireless Phones	31,955	24,374	7,581
Computer Data Processing Services-Mainframe	202	166	36
Post,Freight and Delivery-Mail Services	2,254	650	1,604
Post,Freight and Delivery-Freight & Delivery	29,466	-	29,466
Post,Freight and Delivery-Postal Meter	3,215	-	3,215
Printing, Binding, Duplicate	6,286	-	6,286
Advertising/Marketing	5,747	-	5,747
In-State Training - Data Processing	10,241	-	10,241
Rent/Lease-Buildings/Offices/Mobile Units	1,753	-	1,753
IT Equipment Supplies/Parts	1,025	1,015	10
IT Software Subscriptions	48	-	48
Out-State Educational Expenses	200	-	200
In-State Conference and Seminar Registration Fees	51	-	51
In-State Educational Expenses	23	-	23
Maint Agree For Personal Computer Software	310	-	310
Insurance Premiums/Cost	1,376	-	1,376
Vehicle Repair Services (No Parts)	22	-	22
Rental Of Land Only	23	-	23
Rent Of Equipment From Equipment Unit	5	-	5
State Owned/Rented Pagers	116	-	116
Internet Service Provider Charge	356	-	356
Total OP SERV & OTHER EXP	\$ 229,088	\$ 117,228	\$ 111,860

Customer Compliance Services			
SFY24 Expense Line Item	Budget	Actuals	Difference
TRAVEL			
Transportation Air - In State	\$ 663	\$ -	\$ 663
Transportation Air - Out Of State, In US	560	-	560
Transportation Ground Emp In State Travel	24,737	1,699	23,038
Transportation Ground Emp Out Of State Travel	58	-	58
Transportation Other-In State	1,301	1,196	105
Transportation Other-Out Of State, In US	72	-	72
Lodging - In State	22,342	1,377	20,965
Lodging - Out Of State In US	1,299	-	1,299
Meals - In State	9,932	107	9,825
Meals - Out Of State	231	-	231
Perm Motor Fleet Vehicle Mileage Charge	102,313	61,203	41,110
Temporary Motor Fleet Vehicle Mileage Charge	7,459	277	7,182
Tolls Paid In NC For Turnpikes	505	385	120
In State Rental Car Expenses	6	-	6
Motor Fleet Penalty Mileage Charge	37,002	-	37,002
Total TRAVEL	\$ 208,480	\$ 66,244	\$ 142,236
SUPPLIES & MATERIALS			
Office Supplies	\$ 19,765	\$ 5,958	\$ 13,807
Medical and Safety Supplies	249	-	249
Janitorial and Sanitation Supplies	45	-	45
Clothing and Uniforms	4,244	-	4,244
Shop Supplies and Small Tools	396	396	-
Motor Fuel - For State Motorfleet Vehicles	33,173	19,501	13,672
Office Supplies-Toner	811	811	-
Motor Fuel (Other)	36,752	36,744	8
Oil, Lubricants, Fluids	44	-	44
Total SUPPLIES & MATERIALS	\$ 95,479	\$ 63,410	\$ 32,069
LAND, RIGHT OF WAY, OTHER STRUCTURES			
Payments To Contractor Under Purchase Orders	\$ 1,450	\$ 1,407	\$ 43
Total LAND, RIGHT OF WAY, OTHER STRUCTURES	\$ 1,450	\$ 1,407	\$ 43

Customer Compliance Services			
SFY24 Expense Line Item	Budget	Actuals	Difference
FURNITURE AND EQUIPMENT			
Office Furniture	\$ 5,557	\$ -	\$ 5,557
Office Equipment	3,000	-	3,000
Voice Communication Equipment	2,809	-	2,809
Other Dp Equipment	4,734	-	4,734
Personal Computer and Printer Purchases	18,038	1,197	16,841
Miscellaneous Equipment	8	-	8
Other Computer Software	4,404	2,684	1,720
Personal Computer Software Purchases	247	-	247
Purchase Of Motor Vehicles	195	-	195
Motor Vehicles Operations	10	-	10
Total FURNITURE AND EQUIPMENT	\$ 39,002	\$ 3,881	\$ 35,121
OTHER EXPENSES & ADJUSTMENTS			
Publications, Membership Dues and Subscriptions	\$ 5,156	\$ -	\$ 5,156
Electronic Payment Processing Fees	413,841	39,446	374,395
Fees Paid To Outside Collection Agencies	69,492	413,827	(344,335)
Total OTHER EXPENSES & ADJUSTMENTS	\$ 488,489	\$ 453,273	\$ 35,216
Total OPERATING EXPENSES	\$ 1,061,988	\$ 705,443	\$ 356,545
Total Expenses	\$ 11,996,239	\$ 9,208,967	\$ 2,787,272

Customer Compliance Services Average Salary of Employees at June 30, 2024		
Actual Area Positions	Number of Employees	Average Salary
Customer Compliance Services	68	\$ 59,153
Administrative Specialist I	11	50,438
Administrative Specialist II	5	53,735
DMV Director	1	113,509
Nurse Consultant I	3	78,383
Nurse Supervisor I	1	88,368
Program Analyst II	1	86,267
Program Coordinator I	21	50,559
Program Coordinator III	19	61,351
Program Supervisor I	2	67,592
Program Supervisor II	4	78,246
Grand Total	68	\$ 59,153

*This chart does not include temporary or vacant positions.

Hearings

The DMV collects fees for administrative hearings. For these hearings, the DMV set up a receipt funded fund center to account for the cost of the hearings. This means all the hearing fees collected pay for the expenditures associated with the hearings and there is no appropriation from the General Assembly for these services.

Fees:

Hearing Fees			
Dealer, Franchise, State Inspection & Technician Hearings			
· Court motion – \$600			
· Dealer court filing – \$600			
Automotive Dealers & State Inspection Hearings			
· Motor vehicle dealer license or salesman license violation – \$200 (billed after hearing)			
· Technician license or inspection station license violation – \$200			
Driver License Hearings			
· Alcohol concentration restriction violation – \$450			
· Commercial driver license disqualification – \$200			
· Compliance with probation or restoration agreement –\$220 (billed after hearing)			
· Driver improvement clinic eligibility – \$40			
· Ignition interlock device restriction violation – \$450 (billed after hearing)			
· License restoration (DWI) –\$425			
· License restoration (moving violations while driving with revoked license) – \$200			
· License suspensions or revocations not otherwise listed – \$100			
· Pre-interview before license restoration (driving with revoked license or moving violations) \$100			
· Pre-interview before license restoration (situations involving alcohol-related convictions, suspensions or revocations) – \$225			
· Refusal to submit to chemical analysis –\$450			
· Violation of Safety & Responsibility law – \$200			
Ignition Interlock Hearings			
· Ignition interlock medical accommodation review – \$70			
· Ignition interlock mouth contaminant review – \$75			
Liability Insurance Hearings			
· Vehicle insurance lapse –\$60			
Other Administrative Hearings			
· Commercial driver training school – \$200			

The Hearings Fund Center generated \$2.2 million in revenue for the fiscal year ended June 30, 2024.

Hearings Fund Center			Actuals
REVENUE			
	Driver Improvement Clinic	\$	14,720
	Lapse In Fin Responsibility		166,370
	Ignition Interlock Mouth Contaminant		16,350
	Ignition Interlock Cont Alc Monitoring		31,590
	Non-Alc Pre-Hearing Via Mail		188,250
	Lic Suspension GS 20-16/20-16.1		88,300
	Motor Veh Safety and Fin Resp Act		14,150
	Driving While License Revoked		263,898
	CDL Positive Drug Test GS 20-37.20b		5,050
	Violation Of Alc Concen Restrict (ACR)		292,600
	Violation Ignition Interlock Restriction		50
	Refusal To Submit To Chemical Analysis		203,000
	DWI Interview		324,100
	License Rest For DW/DWLR		4,160
	Motor Vehicle Franchise Dealer Dispute		10,200
	DWI Restoration		287,050
	Dealer License Violation GS 20-294, 5		4,200
	Salesman License Denial Gs 20-294		200
	Salesman Violation Gs 20-294, 295 and 29		400
	Technician Violation GS 20-183.8		3,600
	Inspection Station Violation GS 20-183.8		12,600
	Cond Restor Int G.S. 20-17.4(B)		223,150
Total REVENUES			\$ 2,153,988



Commissioner's Office

Overview of Commissioner's Office

The Commissioner's Office monitors and manages the DMV directors to make sure they are executing as needed to achieve DMV mission and goals and decisions are made to make DMV a better place for North Carolinians.

The Commissioner's Office oversees the other DMV functional areas, Vehicle Services, Driver Services, Customer Compliance, License and Theft, Training, and Business Services. The Commissioner's Office also includes the DMV Safety and Security team, which is responsible for centralized technical development and engineering control of safety, health and environmental program elements.

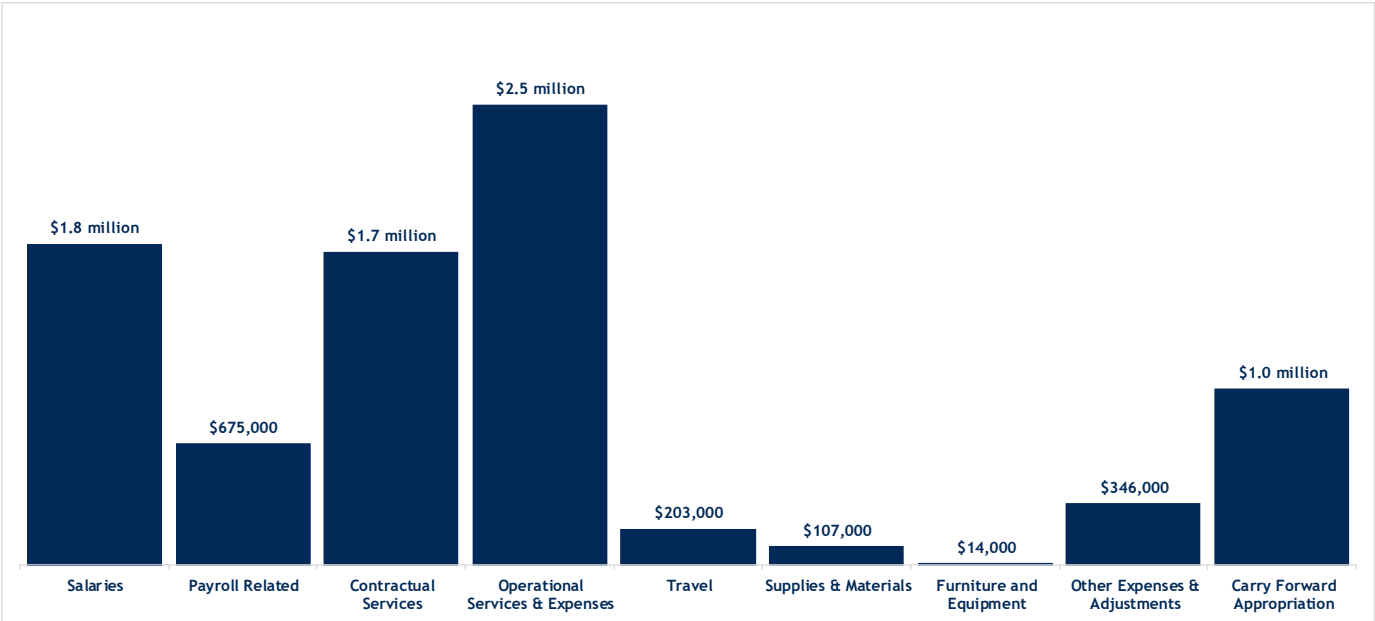
The Commissioner's Office is responsible for several DMV-wide operational and contractual expenses. The most significant operational expense is rent for the DMV headquarters in Rocky Mount, NC. Major contractual expenses include security at the DMV Raleigh Central Services Office and DMV headquarters and janitorial services for the DMV headquarters.

The Commissioner's Office consists of 18 positions and one temporary position:

Unit	Personnel
Commissioner's Office	1 Commissioner, 1 Chief Deputy Commissioner, 3 Deputy Commissioners, 4 staff, 2 executive assistants, 2 administrative specialists
Safety and Security	1 supervisor, 4 staff, and 1 temporary general utility worker

Expenditures by Operating Function – Commissioner’s Office

Commissioner	
SFY24 Expense Line Item	Actuals
Salaries	\$ 1,772,188
Payroll Related	675,266
Contractual Services	1,729,675
Operational Services & Expenses	2,539,432
Travel	202,667
Supplies & Materials	107,096
Furniture and Equipment	13,752
Other Expenses & Adjustments	346,370
Carry Forward Appropriation	974,969
Total Expenses:	\$ 8,361,415



Budget to Actual – Detailed – June 30, 2024

Commissioner's Office			
SFY24 Expense Line Item	Budget	Actuals	Difference
PERSONNEL			
SALARIES			
Salaries and Wages	\$ 1,557,229	\$ 1,556,876	\$ 353
Payroll Additives Permanent Annual Rates	41,102	41,058	44
Temporary Labor Hourly Rate	3,500	3,421	79
Salary and Wages - Overtime Pay	1,025	1,023	2
Payroll Additives - Annual Rates Overtime	55	27	28
Salaries and Wages - Premium Pay	500	285	215
Payroll Additives - Annual Rates Premium Pay	10	7	3
Salaries and Wages - Longevity Pay - State Funded	29,533	29,282	251
Payroll Additives - Longevity Pay	1,157	714	443
LEO Salaries and Wages	139,572	139,495	77
Total SALARIES	\$ 1,773,683	\$ 1,772,188	\$ 1,495
EXPENSES RELATED TO PAYROLL			
Social Security Contribution	\$ 127,980	\$ 127,922	\$ 58
Retirement Contribution	393,600	392,713	887
Law Enforcement Officers' Retirement Contribution	41,942	41,937	5
Medical Insurance Contributions	108,611	107,883	728
Employee Assistance Program	165	97	68
Dependent Care - FICA Savings Operating Transfer	3,400	3,393	7
Pension Spike Payments	1,321	1,321	-
Total EXPENSES RELATED TO PAYROLL	\$ 677,019	\$ 675,266	\$ 1,753
CONTRACTUAL SERVICES			
Legal Services	\$ 725,858	\$ 725,763	\$ 95
Personal Computer and Printer Support Services	147,825	147,775	50
Waste Disposal/Recycling	289,500	289,414	86
Security Services	379,648	379,630	18
Professional Fees	115,595	115,461	134
IT Project Management and Analysis Services	8,100	8,081	19
Professional Fees-Assessment By Headcount	225	146	79
Covid Cleaning Services	20,000	19,807	193
Professional Fees Temporary Solutions	94,374	43,598	50,776
Total CONTRACTUAL SERVICES	\$ 1,781,125	\$ 1,729,675	\$ 51,450
Total PERSONNEL	\$ 4,231,827	\$ 4,177,129	\$ 54,698

Commissioner's Office				
SFY24 Expense Line Item	Budget	Actuals	Difference	
OPERATING				
OPERATING SERVICES & OTHER EXPENSES				
Energy Services-Electrical	\$ 219,186	\$ 218,697	\$	489
Energy Services - Natl Gas/Propane	20,328	20,280		48
Energy Services-Water and Sewer	9,812	9,792		20
Repairs To Buildings-Non Capital	15,830	15,170		660
Internal Issued Motor Vehicle Repair Parts	21	-		21
External Sourced Motor Vehicle Repair Parts	1,364	1,357		7
Repairs and Service To Equipment - Other	11,317	11,281		36
Repairs and Service Equipment - Wrecked	11	-		11
Repairs and Service To Voice Communication Equip	2	-		2
Repairs - Personal Computers and Printers	185	-		185
Maintenance Agreement For Other DP Equipment	6	-		6
Maint Agree For Pers Computers and Printers	198	121		77
Telephone Service	255,330	255,234		96
Telecommunications Data Charge	73	71		2
State Owned Wireless Phones	26,236	26,210		26
Video Transmission Charge	2,039	2,017		22
Computer Data Processing Services-Mainframe	102	60		42
Post,Freight and Delivery-Mail Services	550	514		36
Post,Freight and Delivery-Freight & Delivery	3,346	3,345		1
Post,Freight and Delivery-Postal Meter	153	153		-
Printing, Binding, Duplicate	2,157	1,739		418
Advertising/Marketing	24,964	24,626		338
In-State Training - Data Processing	5	-		5
Rent/Lease-Buildings/Offices/Mobile Units	1,824,088	1,821,205		2,883
IT Equipment Supplies/Parts	67	-		67
IT Software Subscriptions	1	-		1
Out-State Conference and Seminar Registration Fees	1,475	1,475		-
Out-State Educational Expenses	325	325		-
In-State Conference and Seminar Registration Fees	226	225		1
In-State Educational Expenses	750	750		-
Lease Interest Payments-Building	124,842	124,785		57
Total OPERATING SERVICES & OTHER EXPENSES	\$ 2,544,989	\$ 2,539,432	\$	5,557

Commissioner's Office			
SFY24 Expense Line Item	Budget	Actuals	Difference
TRAVEL			
Transportation Air - In State	\$ 8	\$ -	\$ 8
Transportation Air - Out Of State, In US	1,872	1,706	166
Transportation Air - Out Of Country	4,173	4,173	-
Transportation Ground Emp In State Travel	518	307	211
Transportation Ground Emp Out Of State Travel	653	633	20
Transportation Ground - Out Of Country	1,041	800	241
Transportation Other-In State	62	-	62
Transportation Other-Out Of State, In US	10	7	3
Transportation Other-Out Of Country	417	400	17
Lodging - In State	1,422	1,017	405
Lodging - Out Of State In US	2,821	2,424	397
Lodging - Out Of Country	7,558	7,472	86
Meals - In State	388	305	83
Meals - Out Of State	560	542	18
Meals - Out Of Country	1,455	1,455	-
Misc - In State	25	-	25
Misc - Out Of State	25	-	25
Perm Motor Fleet Vehicle Mileage Charge	180,208	179,789	419
Temporary Motor Fleet Vehicle Mileage Charge	493	101	392
Tolls Paid In NC For Turnpikes	557	542	15
In State Rental Car Expenses	215	215	-
Out of State Rental Car Expenses	780	779	1
Total TRAVEL	\$ 205,261	\$ 202,667	\$ 2,594
SUPPLIES & MATERIALS			
Office Supplies	\$ 44,717	\$ 44,711	\$ 6
Medical and Safety Supplies	79	-	79
Janitorial and Sanitation Supplies	1	-	1
Maintenance Materials and Supplies - Other	16	-	16
Clothing and Uniforms	100	-	100
Building and Grounds Materials and Supplies	399	398	1
Shop Supplies and Small Tools	3,499	3,492	7
Motor Fuel - For State Motorfleet Vehicles	48,030	47,924	106
Covid Personal Protection Equipment	9,920	9,917	3
Office Supplies-Toner	680	654	26
Total SUPPLIES & MATERIALS	\$ 107,441	\$ 107,096	\$ 345

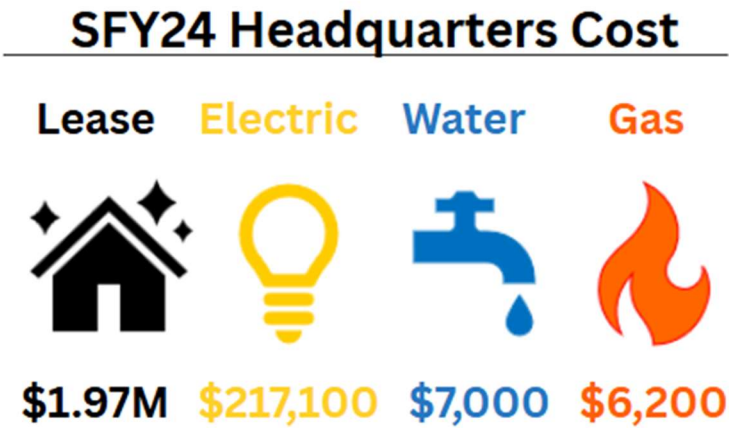
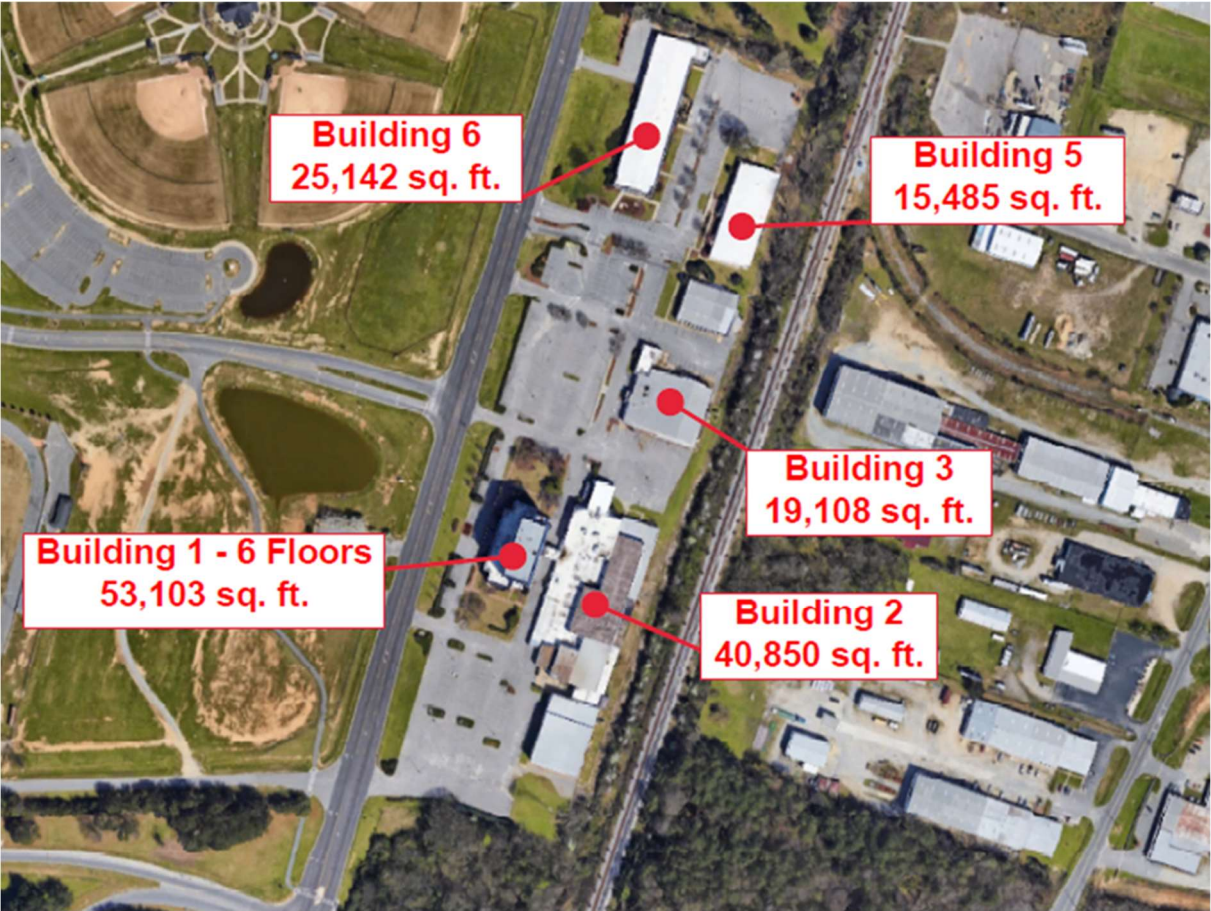
Commissioner's Office			
SFY24 Expense Line Item	Budget	Actuals	Difference
FURNITURE AND EQUIPMENT			
Office Furniture	\$ 6,661	\$ 6,541	\$ 120
Office Equipment	3,365	3,364	1
Voice Communication Equipment	653	628	25
Other Dp Equipment	20	-	20
Personal Computer and Printer Purchases	341	269	72
Miscellaneous Equipment	100	35	65
Other Computer Software	2,950	2,915	35
Personal Computer Software Purchases	6	-	6
Total FURNITURE AND EQUIPMENT	\$ 14,096	\$ 13,752	\$ 344
OTHER EXPENSES & ADJUSTMENTS			
Cash Settlements Paid By DOT	\$ 7,500	\$ 7,500	\$ -
Groundwater Runoff Fees	150	-	150
Leo Separation Allowance	31,631	31,566	65
Publications, Membership Dues and Subscriptions	25,783	25,783	-
Service Charge - Sale Of Surplus Property	125	-	125
Capital Lease Payment-Buildings	281,522	281,521	1
Total OTHER EXPENSES & ADJUSTMENTS	\$ 346,711	\$ 346,370	\$ 341
INTERGOVERNMENTAL TRANSACTION			
Carry Forward Appropriation	\$ 974,969	\$ 974,969	\$ -
Total INTERGOVERNMENTAL TRANSACTION	\$ 974,969	\$ 974,969	\$ -
Total OPERATING	\$ 4,193,467	\$ 4,184,286	\$ 9,181
Total Expenses	\$ 8,425,294	\$ 8,361,415	\$ 63,879

Commissioner's Office Average Salary of Employees at June 30, 2024		
Actual Area Positions	Number of Employees	Average Salary
Commissioner's Office	18	\$ 92,636
Administrative Specialist II	2	54,918
DMV Assistant Commissioner	2	138,820
DMV Commissioner	1	158,315
DMV LE Director	1	138,820
Executive Assistant I	2	64,333
Program Analyst I	2	79,392
Program Analyst II	3	89,389
Program Coordinator I	1	50,438
Program Coordinator IV	1	67,592
Program Director II	1	152,702
Safety Consultant	2	78,246
Grand Total	18	\$ 92,636

*This chart does not include temporary or vacant positions.

Lease and Utilities for DMV Headquarters

The most significant operational expense for the Commissioner’s Office is the rent and utilities for the DMV headquarters in Rocky Mount, NC. Total cost to operate the Rocky Mount campus is \$2.2 million.





Business Services

Overview of Business Services

The DMV's Business Services functional area is responsible for overseeing the DMV's budgetary operations, mail distribution, contracts, license plate inventory and distribution, and quality control for license plate agencies, online dealers, and other DMV units. Business Operations has five units, which expended \$6.2 million during the fiscal year ended June 30, 2024.

- Audit and Accountability Unit- The Audit Unit conducts audits to ensure compliance with state laws, standard operating procedures (SOPs), and contracts. Audit areas include contract accuracy, school bus safety, customer compliance, and data integrity.

The unit audits over 124 LPAs, 15-17 state offices (including License and Theft offices, international registration plan ("IRP") offices, title processing offices, and campus offices handling funds or inventory), 115 DLOs, and more than 850 online dealers. Fieldwork is frequent and contributes significantly to in-state lodging expenses. Audit frequency includes:

- LPAs: monthly as required by contract
- Online Dealers: every 6 months
- DLOs: every 4 months
- Law & Theft: quarterly
- Warehouse and Motor Fleet: every 6 months

Audit reviews are broader in scope and may incorporate findings from Quality Control ("QC") reviews as part of their assessments.

- Quality Control (QC) - The QC Unit focuses solely on Vehicle Services work. It samples 8–10% of LPA-submitted transactions to verify accuracy in fee collection and transaction processing. If issues are found, QC works to resolve them, including issuing refunds for overpayments. Unlike Audit, QC does not assess broader compliance or contractual obligations.
- License Plate Distribution Unit – The License Plate Unit responsibilities include ordering, stocking, and delivering over 400 types of license plates and supplies to LPAs, DLOs, and DMV offices.
- Data Management Unit – The Data Management Unit processes and keys paper crash reports received from law enforcement agencies, supporting stakeholders such as law enforcement, insurance companies, and attorneys in accessing crash data.

This unit also oversees data-sharing agreements and approves access to various DMV applications. The Unit manages the Fatality Analysis Reporting System ("FARS"), conducting quality control of fatal crash data and submitting it to the National Highway Traffic Safety Administration.

- Mailroom Operations - The Mailroom manages the distribution of both trackable and standard mail for DMV offices. Daily operations include sorting incoming mail from the Raleigh Mail Service Center (MSC), scanning trackable mail into the WITS system, and delivering it to designated DMV buildings.

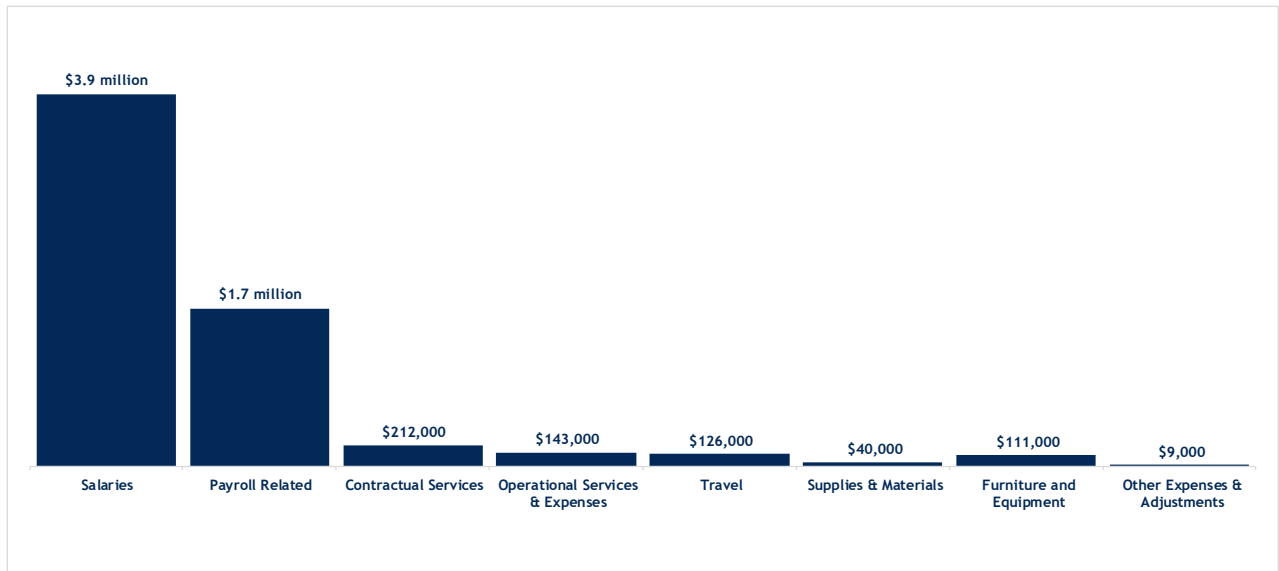
Two employees handle deliveries while the third remains in the mailroom to assist with logistics and manage outgoing mail. Supplies such as envelopes and postage are handled either by MSC (via internal transfer) or paid directly by the requesting DMV departments. Costs outside of salaries are minimal.

The Business Operations Unit is comprised of 74 staff positions (71 permanent and 3 temporary positions).

Unit	Personnel
Director's and Business Office	1 director, 1 assistant director, 1 supervisor, 7 staff, 2 administrative specialists, 1 temporary position
Audit and Accountability	1 supervisor, 11 staff
Quality Control	2 administrative specialists, 12 staff,
License Plate Distribution	4 administrative specialists, 3 equipment operators
Data Management	3 supervisors, 4 staff, 16 administrative specialists, 2 temporary positions
Mailroom Operations	2 administrative specialists, 1 staff

Expenditures by Operating Function – Business Services

Business Services	
SFY24 Expense Line Item	Actuals
Salaries	\$ 3,933,160
Payroll Related	1,667,116
Contractual Services	212,171
Operational Services & Expenses	143,357
Travel	126,463
Supplies & Materials	40,123
Furniture and Equipment	110,825
Carry Forward Appropriation	8,742
Total Expenses:	\$ 6,241,957



Budget to Actual – Detailed – June 30, 2024

Business Services			
SFY24 Expense Line Item	Budget	Actuals	Difference
PERSONNEL			
SALARIES			
Salaries and Wages	\$ 3,790,037	\$ 3,734,496	\$ 55,541
Payroll Additives Permanent Annual Rates	90,945	90,927	18
Temporary Labor Hourly Rate	17,400	17,365	35
Salary and Wages - Overtime Pay	24,100	24,067	33
Payroll Additives - Annual Rates Overtime	611	573	38
Salaries and Wages - Premium Pay	-	(75)	75
Payroll Additives - Annual Rates Premium Pay	-	(2)	2
Salaries and Wages - Longevity Pay - State Funded	52,713	35,066	17,647
Payroll Additives - Longevity Pay	879	855	24
Short Term Disability Payments	27,931	27,888	43
Retention Bonus - Appropriated	2,000	2,000	-
Total SALARIES	\$ 4,006,616	\$ 3,933,160	\$ 73,456
EXPENSES RELATED TO PAYROLL			
Social Security Contribution	\$ 304,823	\$ 276,605	\$ 28,218
Retirement Contribution	1,042,434	901,703	140,731
Medical Insurance Contributions	535,852	480,644	55,208
Employee Assistance Program	372	351	21
Dependent Care - FICA Savings Operating Transfer	7,850	7,813	37
Total EXPENSE RELATED TO PAYROLL	\$ 1,891,331	\$ 1,667,116	\$ 224,215
CONTRACTUAL SERVICES			
Mainframe Support Services	\$ 1,500	\$ 754	\$ 746
Professional Fees	1,000	950	50
IT Project Management and Analysis Services	29,393	29,348	45
Professional Fees-Assessment By Headcount	575	529	46
Professional Fees Temporary Solutions	367,105	180,590	186,515
Total CONTRACTUAL SERVICES	\$ 399,573	\$ 212,171	\$ 187,402
Total PERSONNEL	\$ 6,297,520	\$ 5,812,447	\$ 485,073

Business Services			
SFY24 Expense Line Item	Budget	Actuals	Difference
OPERATING			
OPERATING SERVICES & OTHER EXPENSES			
Internal Issued Motor Vehicle Repair Parts	\$ 58	\$ -	\$ 58
External Sourced Motor Vehicle Repair Parts	731	731	-
Repairs and Service To Equipment - Other	13,056	9,314	3,742
Repairs - Personal Computers and Printers	1,123	-	1,123
Maintenance Agreement For Other DP Equipment	10,802	9,608	1,194
Maint Agree For Pers Computers and Printers	4,032	1,809	2,223
Maint Agree For Personal Computer Software	50,000	49,998	2
Telephone Service	31,886	27,977	3,909
State Owned Wireless Phones	13,901	12,243	1,658
Computer Data Processing Services-Mainframe	498	31	467
Post,Freight and Delivery-Mail Services	200	-	200
Post,Freight and Delivery-Freight & Delivery	13,493	(42)	13,535
Post,Freight and Delivery-Postal Meter	103	-	103
Printing, Binding, Duplicate	1,438	-	1,438
IT Equipment Supplies/Parts	27,955	27,934	21
IT Software Subscriptions	2,672	-	2,672
Out-State Conference and Seminar Registration Fees	1,200	1,200	-
In-State Conference and Seminar Registration Fees	2,063	2,010	53
In-State Educational Expenses	550	544	6
Total OPERATING SERVICES & OTHER EXPENSES	\$ 175,761	\$ 143,357	\$ 32,404
TRAVEL			
Transportation Air - Out Of State, In US	\$ 6,361	\$ 6,346	\$ 15
Transportation Ground Emp In State Travel	1,567	969	598
Transportation Ground Emp Out Of State Travel	1,369	1,345	24
Transportation Other-In State	304	121	183
Transportation Other-Out Of State, In US	1,402	312	1,090
Lodging - In State	19,632	19,621	11
Lodging - Out Of State In US	8,100	8,064	36
Meals - In State	9,800	9,757	43
Meals - Out Of State	2,517	2,510	7
Perm Motor Fleet Vehicle Mileage Charge	76,620	76,527	93
Temporary Motor Fleet Vehicle Mileage Charge	307	9	298
Motor Fleet Penalty Mileage Charge	2,950	-	2,950
Tolls Paid In NC For Turnpikes	80	77	3
Out of State Rental Car Expenses	1,012	805	207
Total TRAVEL	\$ 132,021	\$ 126,463	\$ 5,558

DMV Expenditures June 30, 2024

Business Services			
SFY24 Expense Line Item	Budget	Actuals	Difference
SUPPLIES & MATERIALS			
Office Supplies	\$ 14,017	\$ 13,556	\$ 461
Clothing and Uniforms	7,663	1,162	6,501
DMV Use Only - License Plates and Stickers	-	(1,171)	1,171
Motor Fuel - For State Motorfleet Vehicles	26,759	25,709	1,050
Office Supplies-Toner	879	867	12
Total SUPPLIES & MATERIALS	\$ 49,318	\$ 40,123	\$ 9,195
FURNITURE AND EQUIPMENT			
Office Furniture	\$ 2,000	\$ -	\$ 2,000
Office Equipment	4,205	526	3,679
Voice Communication Equipment	9,897	1,275	8,622
Other Dp Equipment	1,967	269	1,698
Personal Computer and Printer Purchases	7,525	6,303	1,222
Other Computer Software	102,471	102,452	19
Personal Computer Software Purchases	303	-	303
Total FURNITURE AND EQUIPMENT	\$ 128,368	\$ 110,825	\$ 17,543
OTHER EXPENSES & ADJUSTMENTS			
Publications, Membership Dues and Subscriptions	\$ 3,306	\$ -	\$ 3,306
Total OTHER EXPENSES & ADJUSTMENTS	\$ 3,306	\$ -	\$ 3,306
			\$ -
INTERGOVERNMENTAL TRANSACTION			
Carry Forward Appropriation	\$ 8,742	\$ 8,742	\$ -
Total INTERGOVERNMENTAL TRANSACTION	\$ 8,742	\$ 8,742	\$ -
Total OPERATING	\$ 497,516	\$ 429,510	\$ 68,006
Total Expenses	\$ 6,795,036	\$ 6,241,957	\$ 553,079

Business Services Average Salary of Employees at June 30, 2024		
Actual Area Positions	Number of Employees	Average Salary
Business Services	69	\$ 57,774
Accountant II	2	67,592
Administrative Associate II	2	37,807
Administrative Specialist I	27	50,438
Administrative Specialist II	4	52,960
Business Officer II	1	94,228
DMV Assistant Director	1	96,280
DMV Director	1	123,837
General Utility Worker	1	40,040
Intern*FR	2	34,050
Program Analyst I	3	79,156
Program Analyst II	1	86,267
Program Coordinator I	3	50,438
Program Coordinator II	5	55,940
Program Coordinator IV	10	67,299
Program Supervisor I	2	67,592
Program Supervisor II	1	78,246
Vehicle/Equipment Operator III	3	46,099
Grand Total	69	\$ 57,774

*This chart does not include temporary or vacant positions.

License Plate Distribution

Plates are tracked through the STARS system, which provides monthly data on plate sales, inventory levels, and order needs. Orders are placed based on monthly LPA sales and processed by Correction Enterprises (within North Carolina Department of Adult Corrections). Completed plates are delivered to the DMV warehouse in Raleigh, and sometimes routed through Rocky Mount, which may add an extra delivery day.

Each LPA receives deliveries every three to four months, typically on Tuesdays and Thursdays. Mondays and Wednesdays are warehouse pickup days, and Fridays are reserved for restocking the Rocky Mount facility. Delivery routes cover two to eight branches per day. LPAs can request early shipments via FedEx or through a Plate Distribution Service Account.

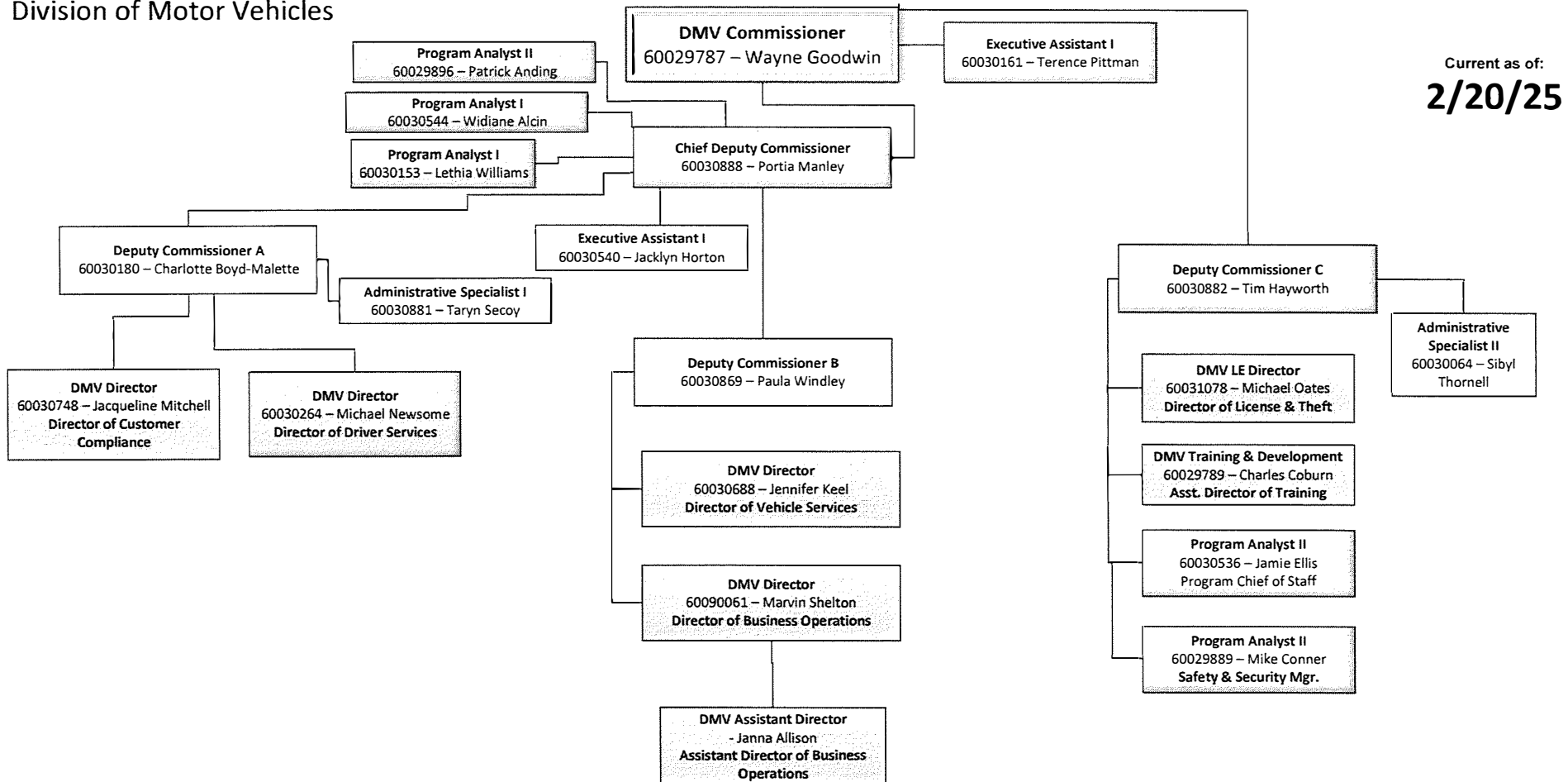
Plates cost between \$2.05 and just over \$4 per unit, depending on the type.

NC Department of Motor Vehicles License Plate Costs	
Month	Total Payments
NC DEPARTMENT OF ADULT CORRECTION	\$ 9,133,897
2023	1,526,538
July	209,823
August	785
September	854,992
October	460,938
2024	6,686,084
January	1,263,207
February	847,485
March	585,812
June	1,865,981
July	393,160
August	50,516
September	648,333
October	124,213
November	492,332
December	415,045
2025	921,275
January	426,009
February	495,266
Grand Total	\$ 9,133,897



DMV Organizational Charts

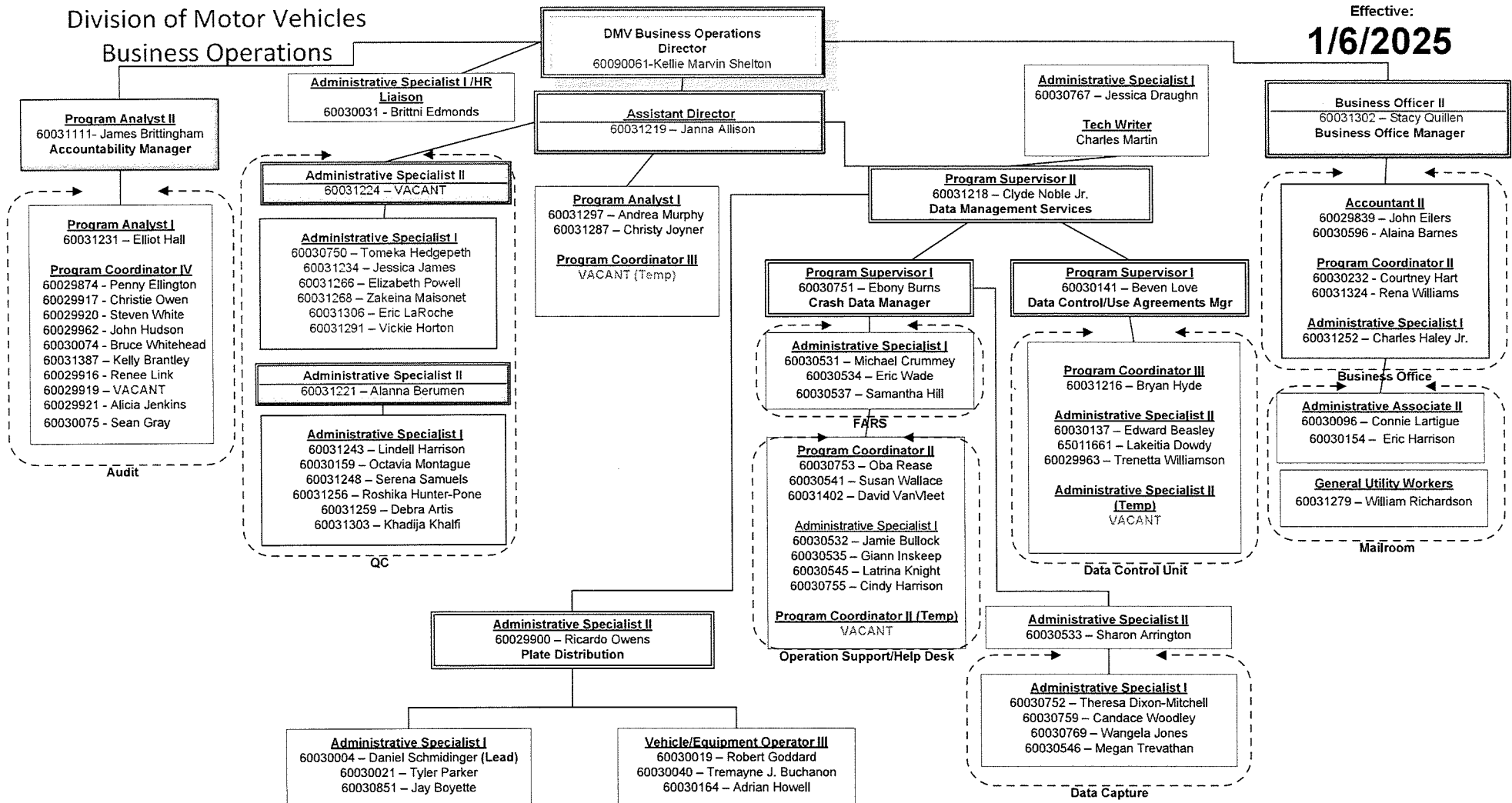
Division of Motor Vehicles



DMV Organizational Chart

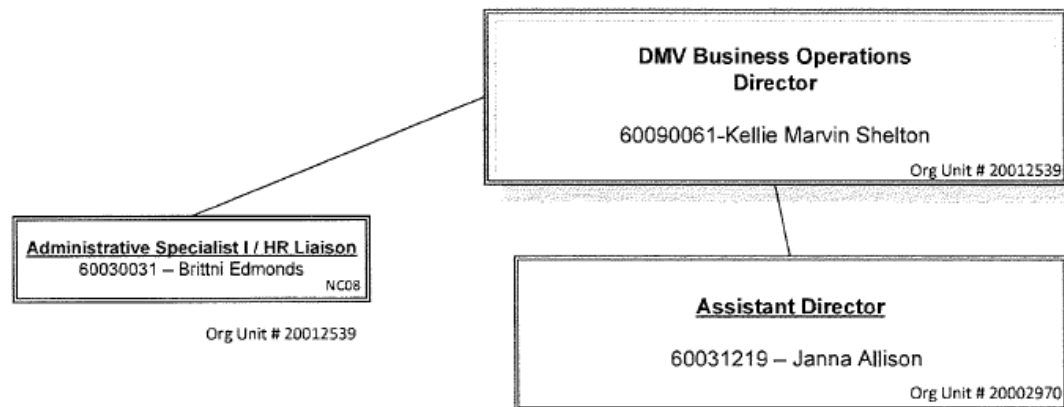
Division of Motor Vehicles Business Operations

Effective:
1/6/2025



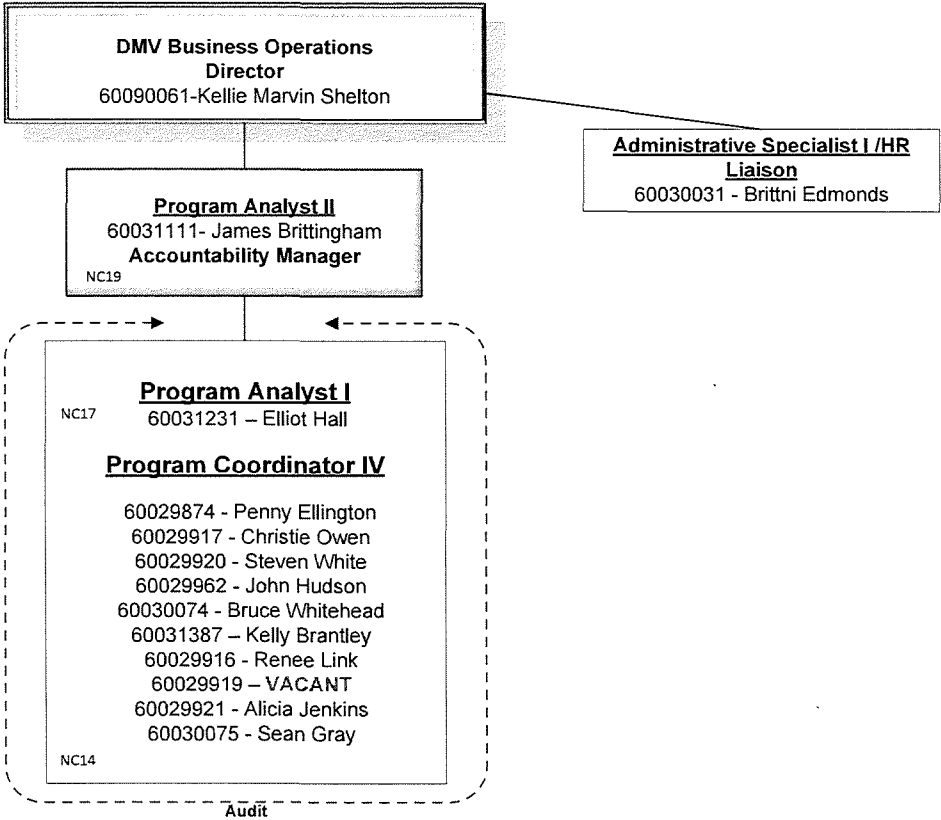
Division of Motor Vehicles
Business Operations
Director's Office

Effective:
3/12/2024



Effective:
11/22/2024

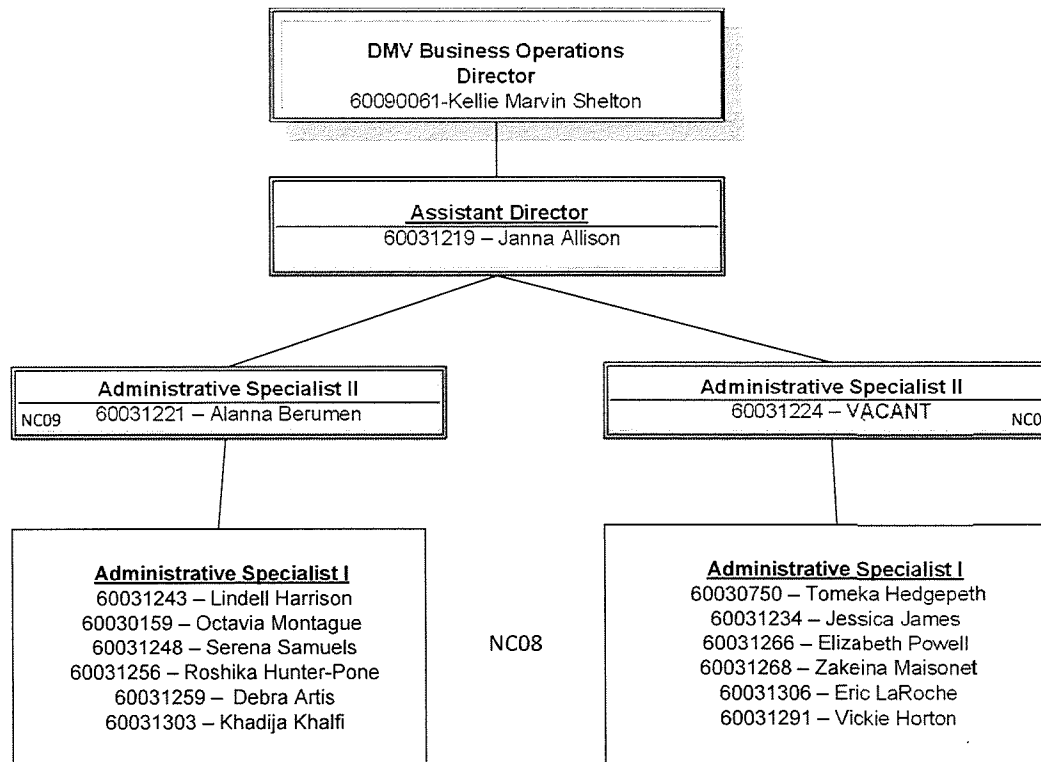
Division of Motor Vehicles
Business Operations
Audit Unit
Org Unit # 21025403



Division of Motor Vehicles
Business Operations
Quality Control

Org Unit # 20002970

Effective:
1/6/2025

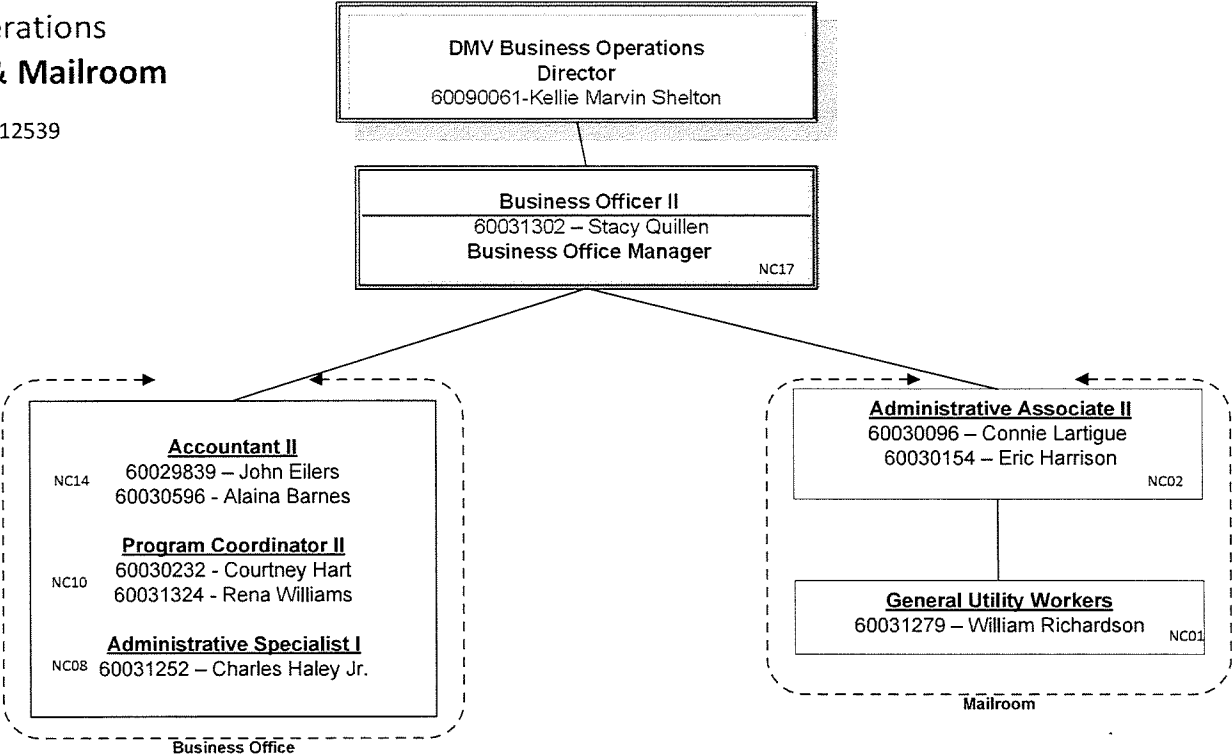


DMV Organizational Chart

Effective:
6/24/2023

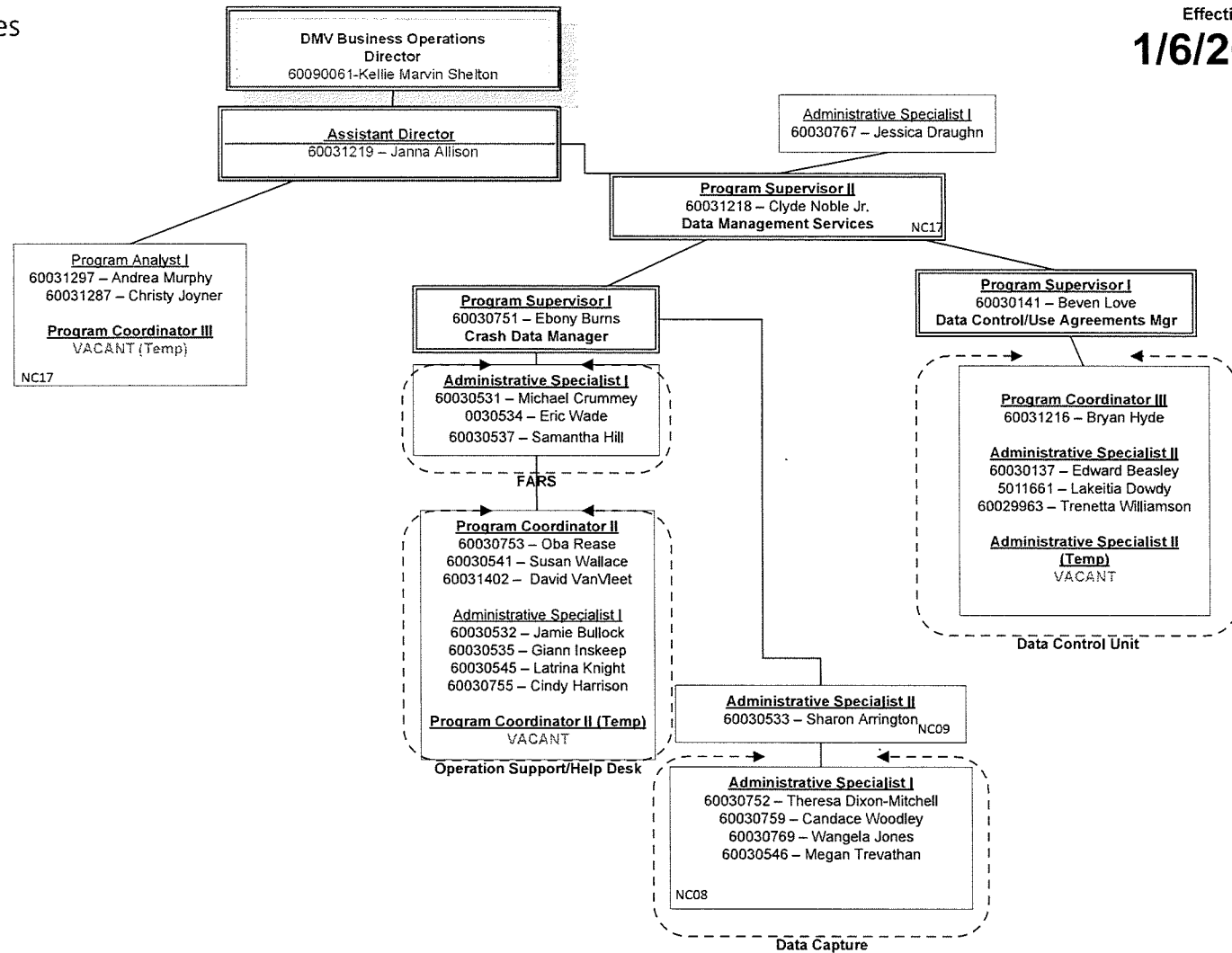
Division of Motor Vehicles
Business Operations
Business Office & Mailroom

Org Unit # 20012539



Division of Motor Vehicles
Business Operations
Data Management
Services

Effective:
1/6/2025



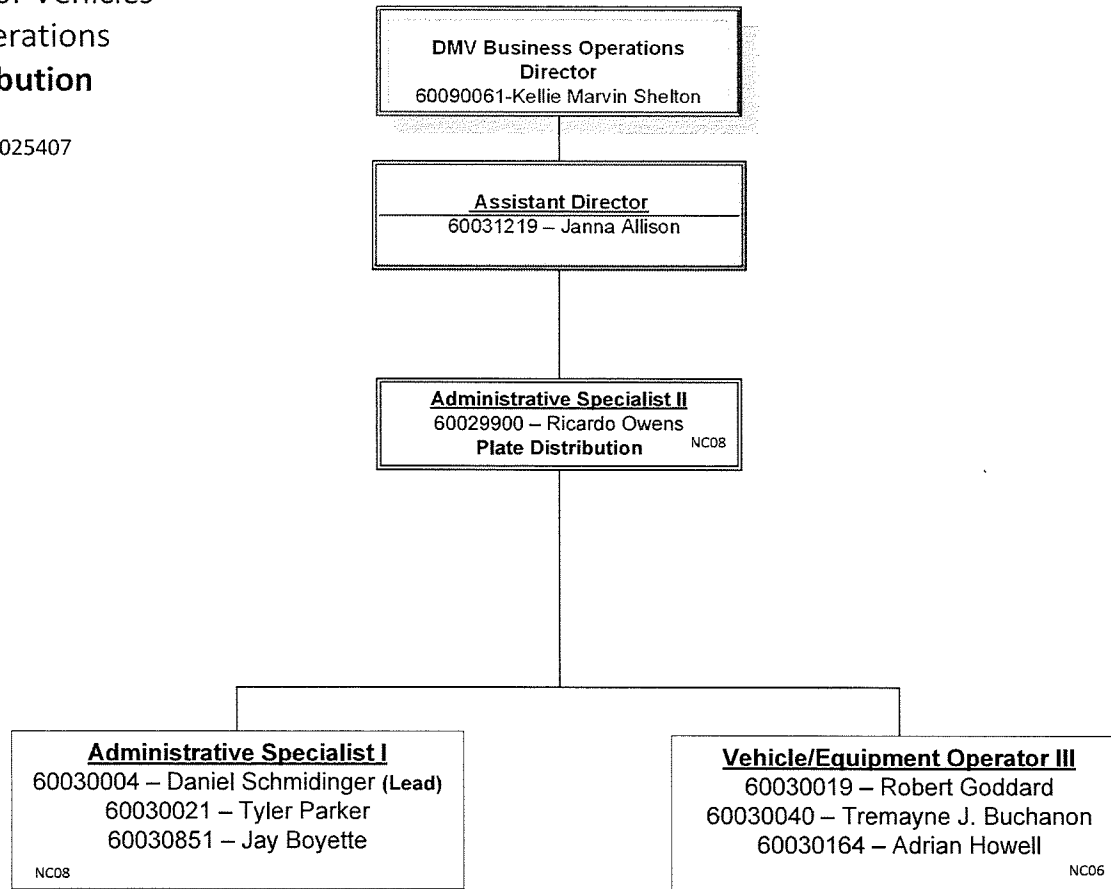
DMV Organizational Chart

Division of Motor Vehicles Business Operations Plate Distribution

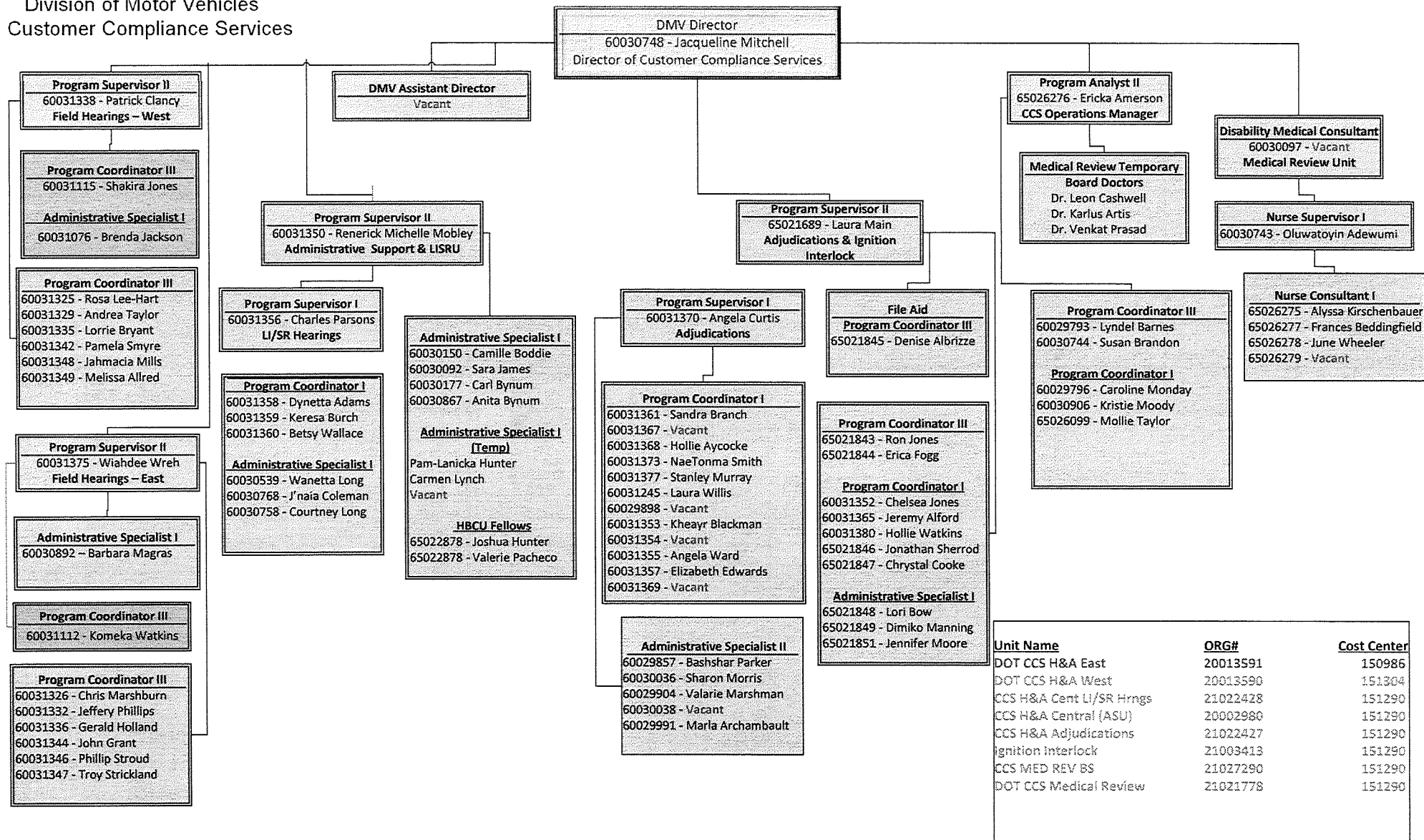
Org Unit # 21025407

Effective:

11/14/2024

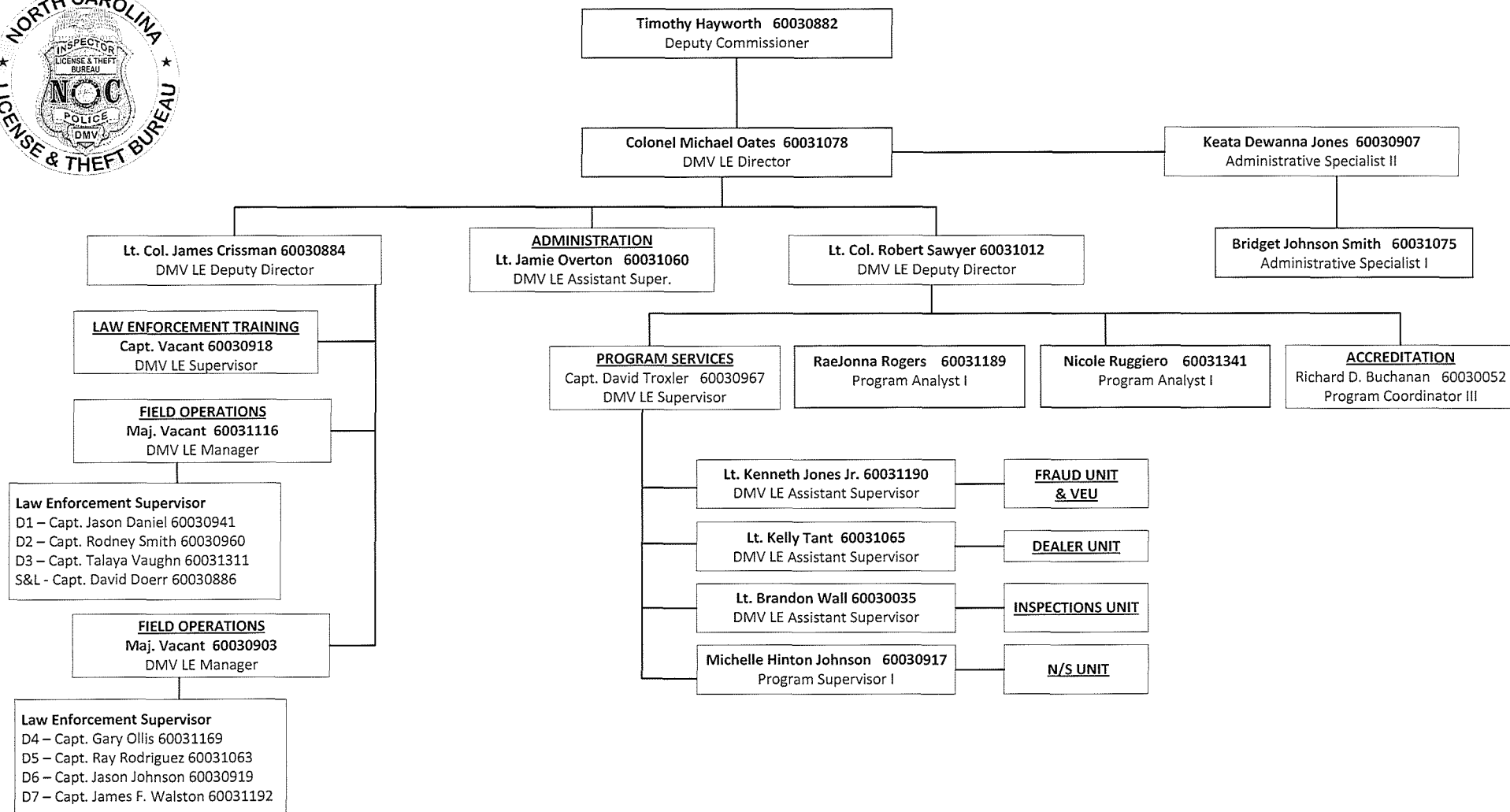


Division of Motor Vehicles Customer Compliance Services

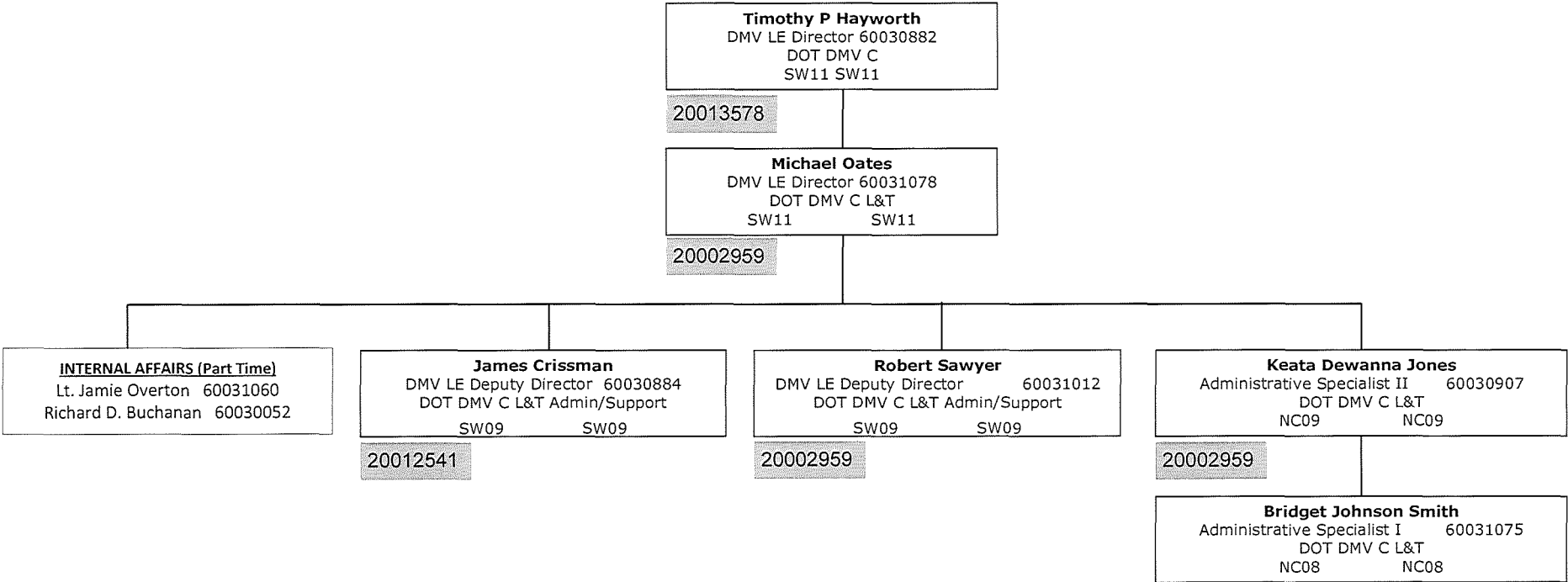


Current as of 2/19/2025

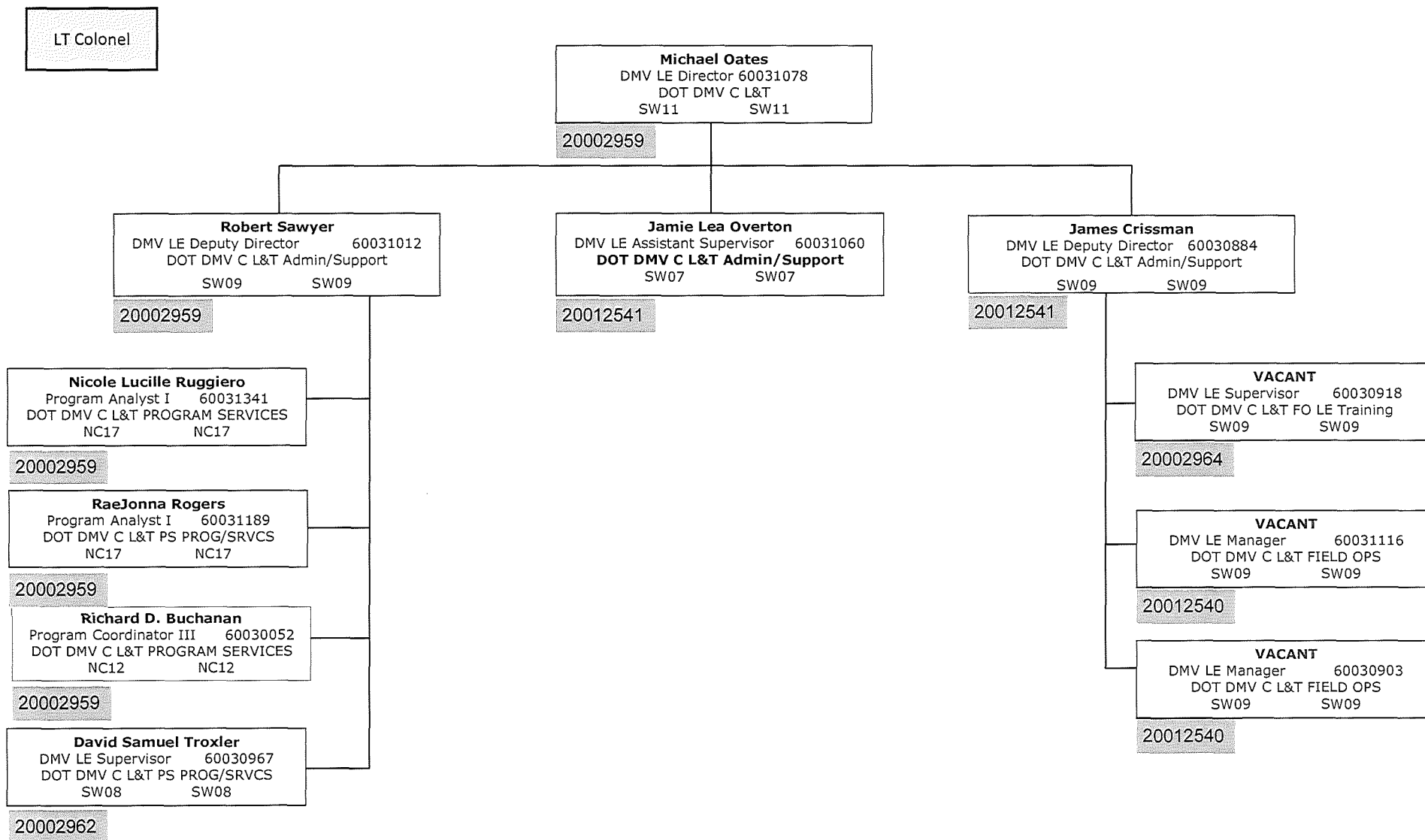
DMV Organizational Chart

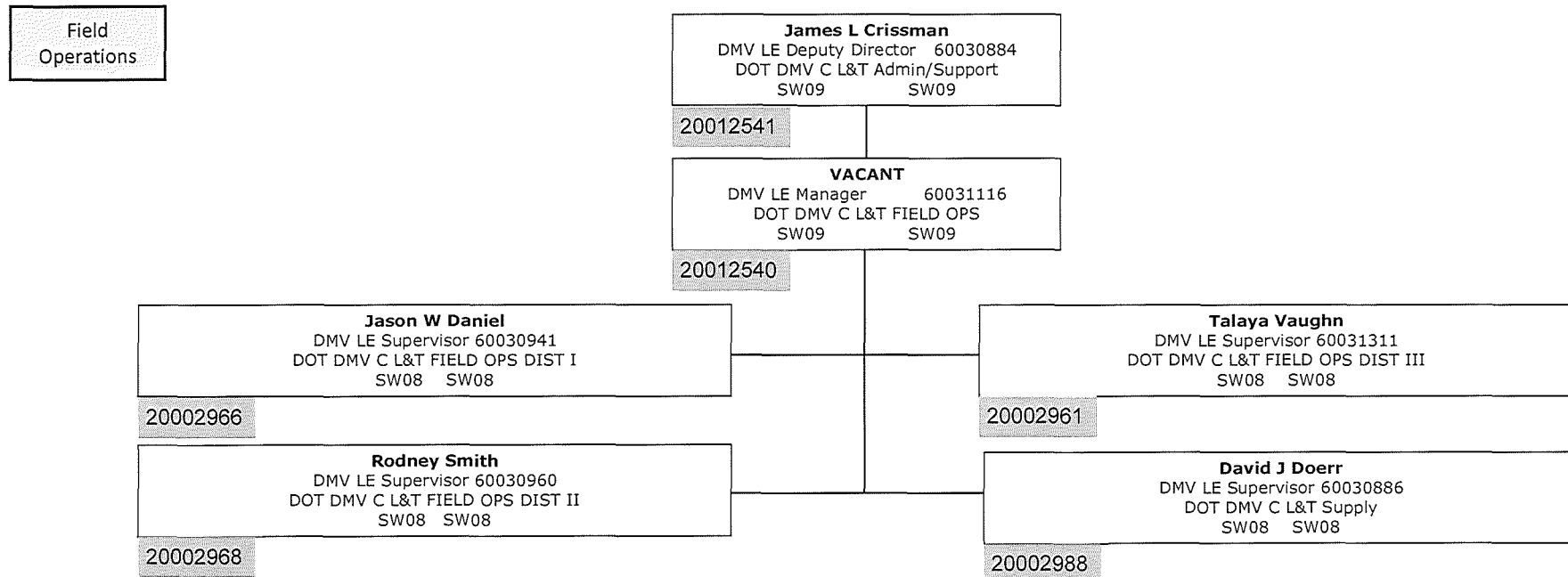


Colonel

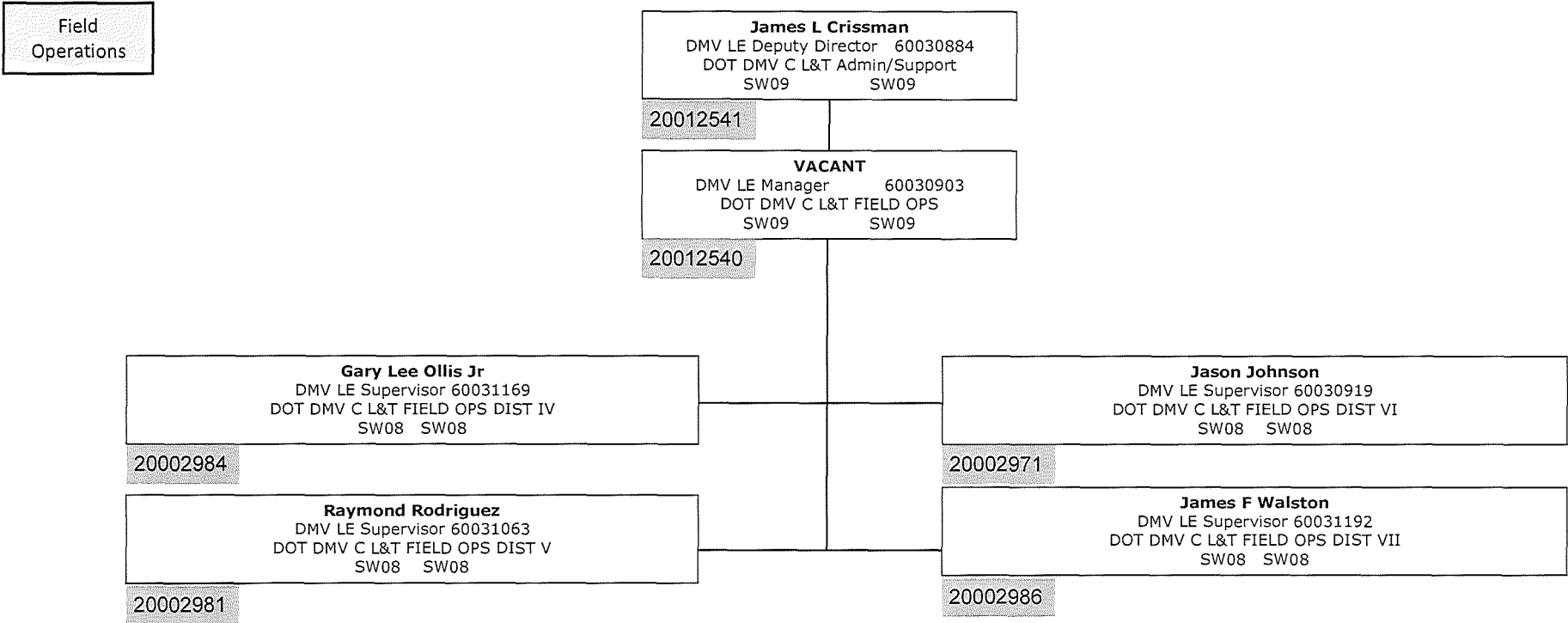


DMV Organizational Chart

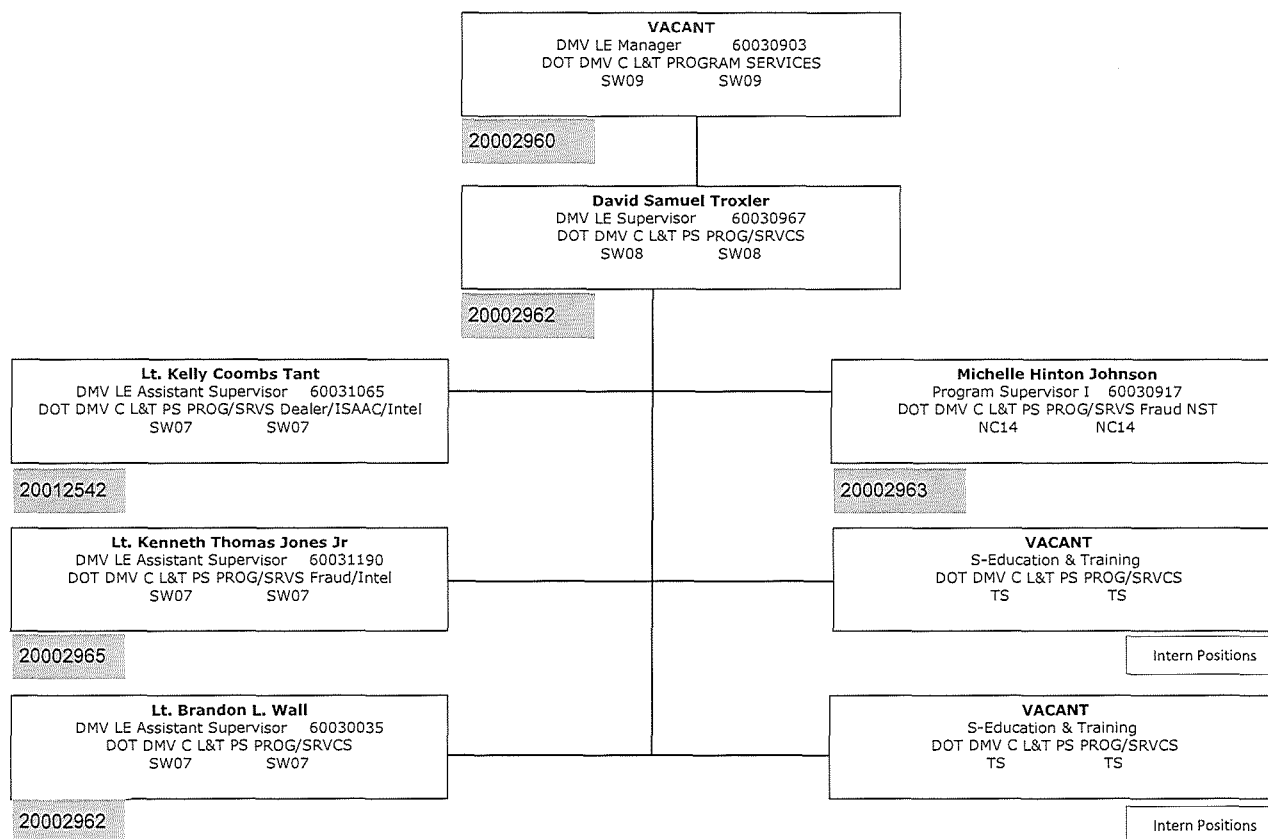




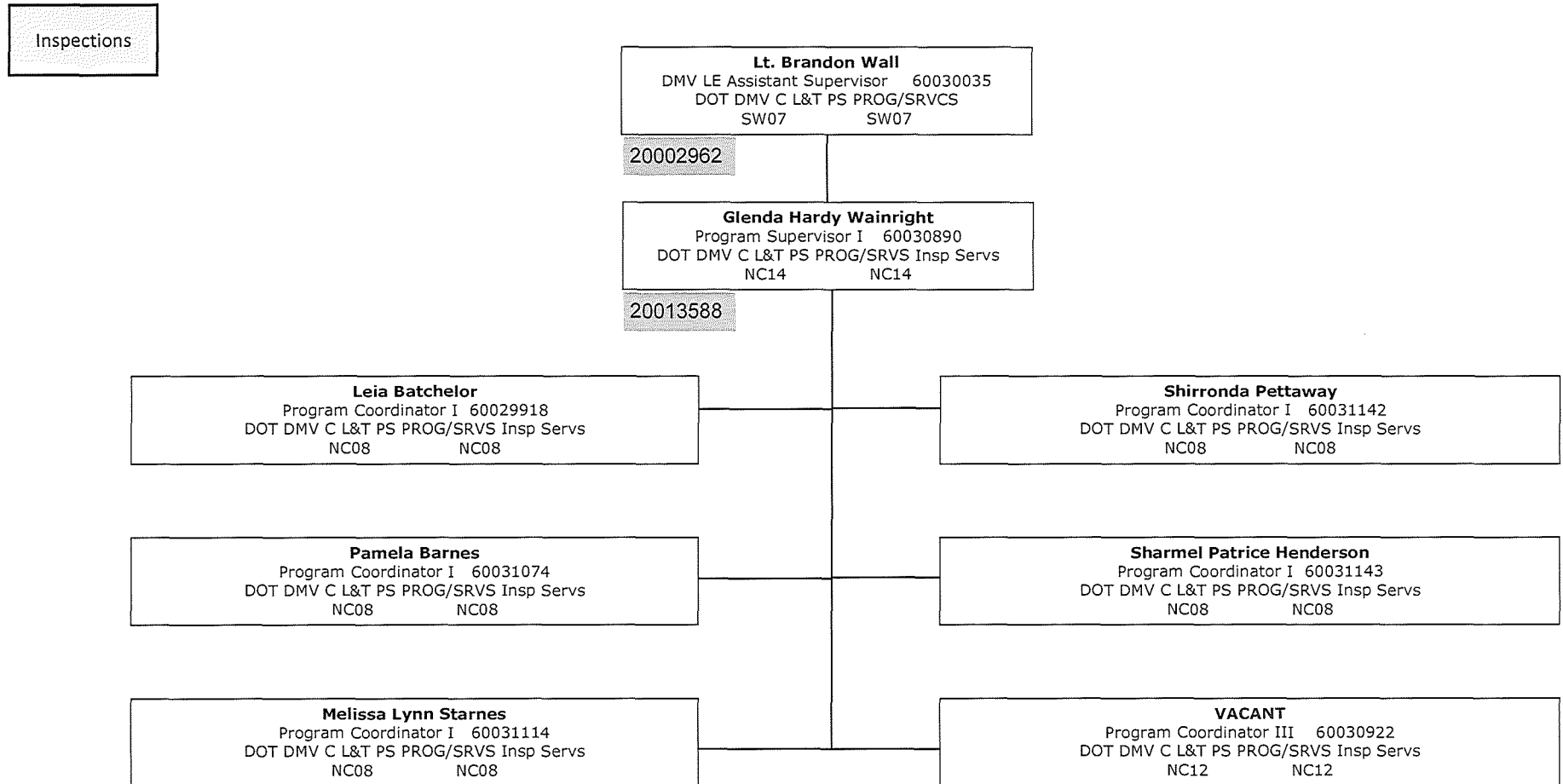
DMV Organizational Chart

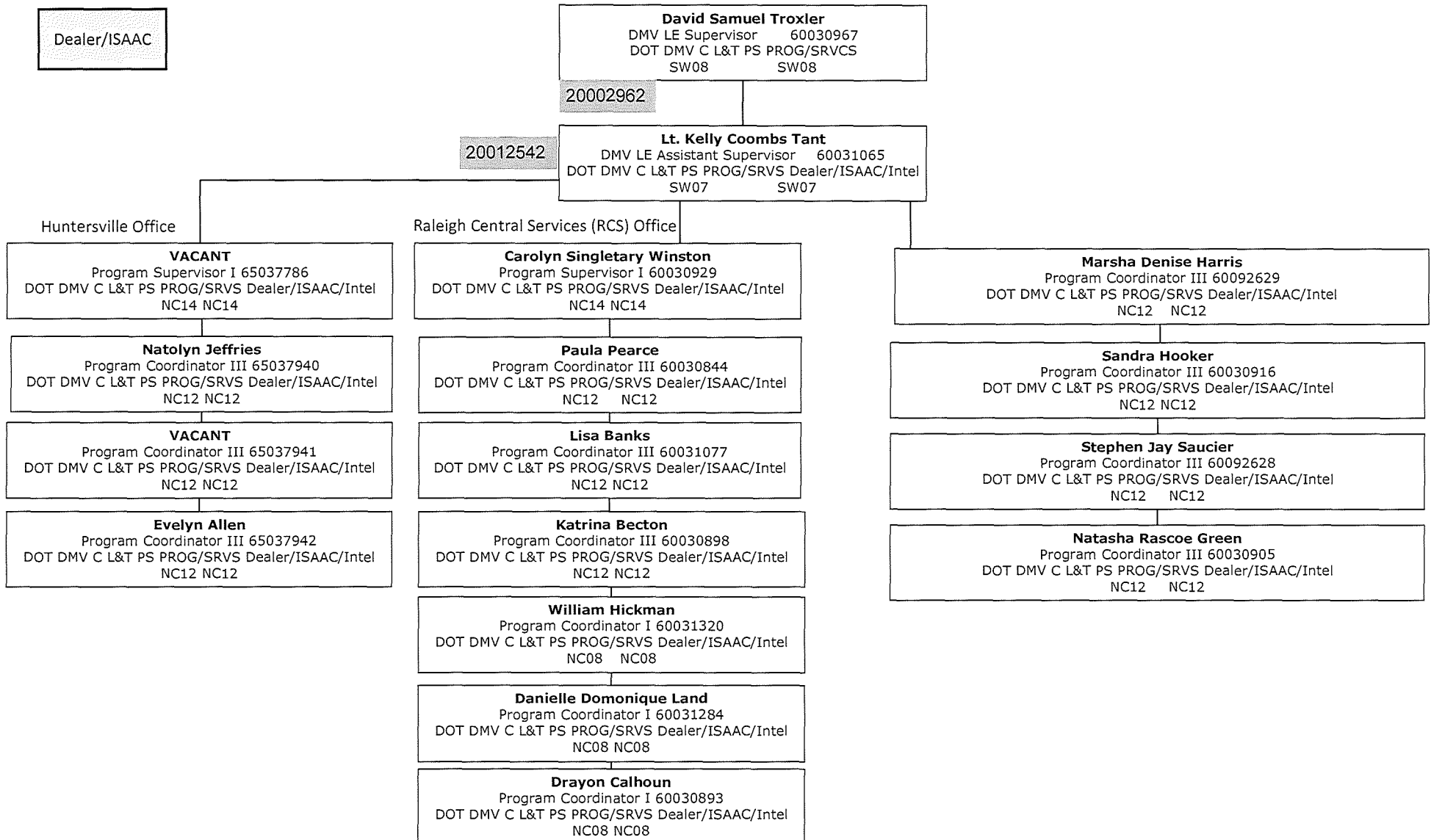


Programs Units

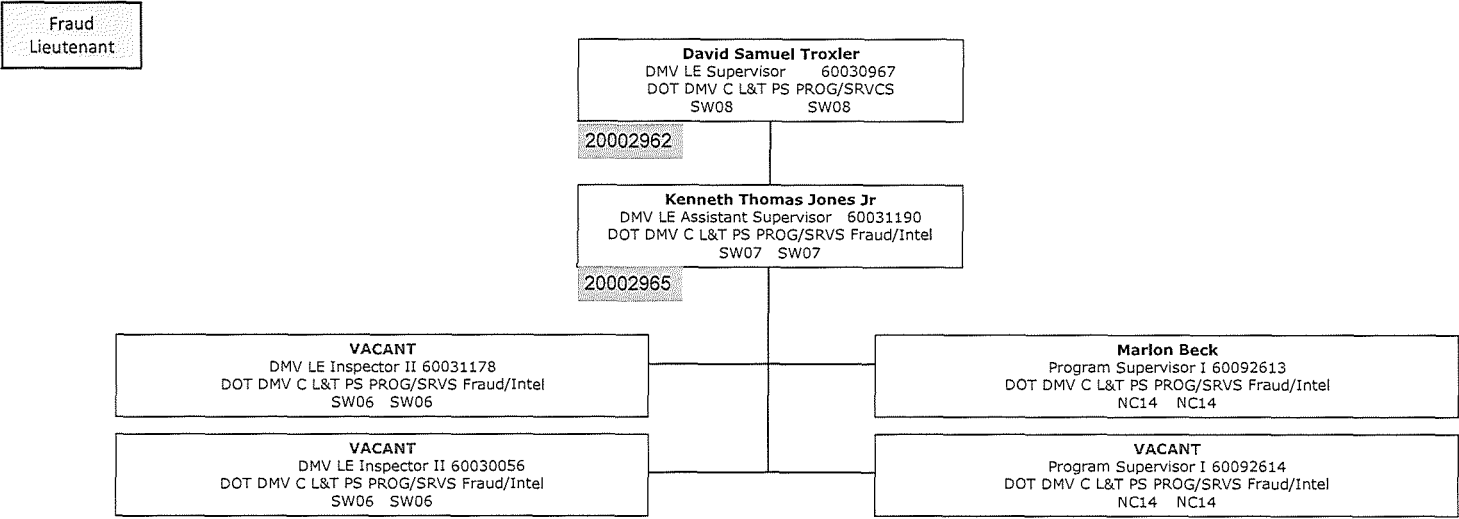


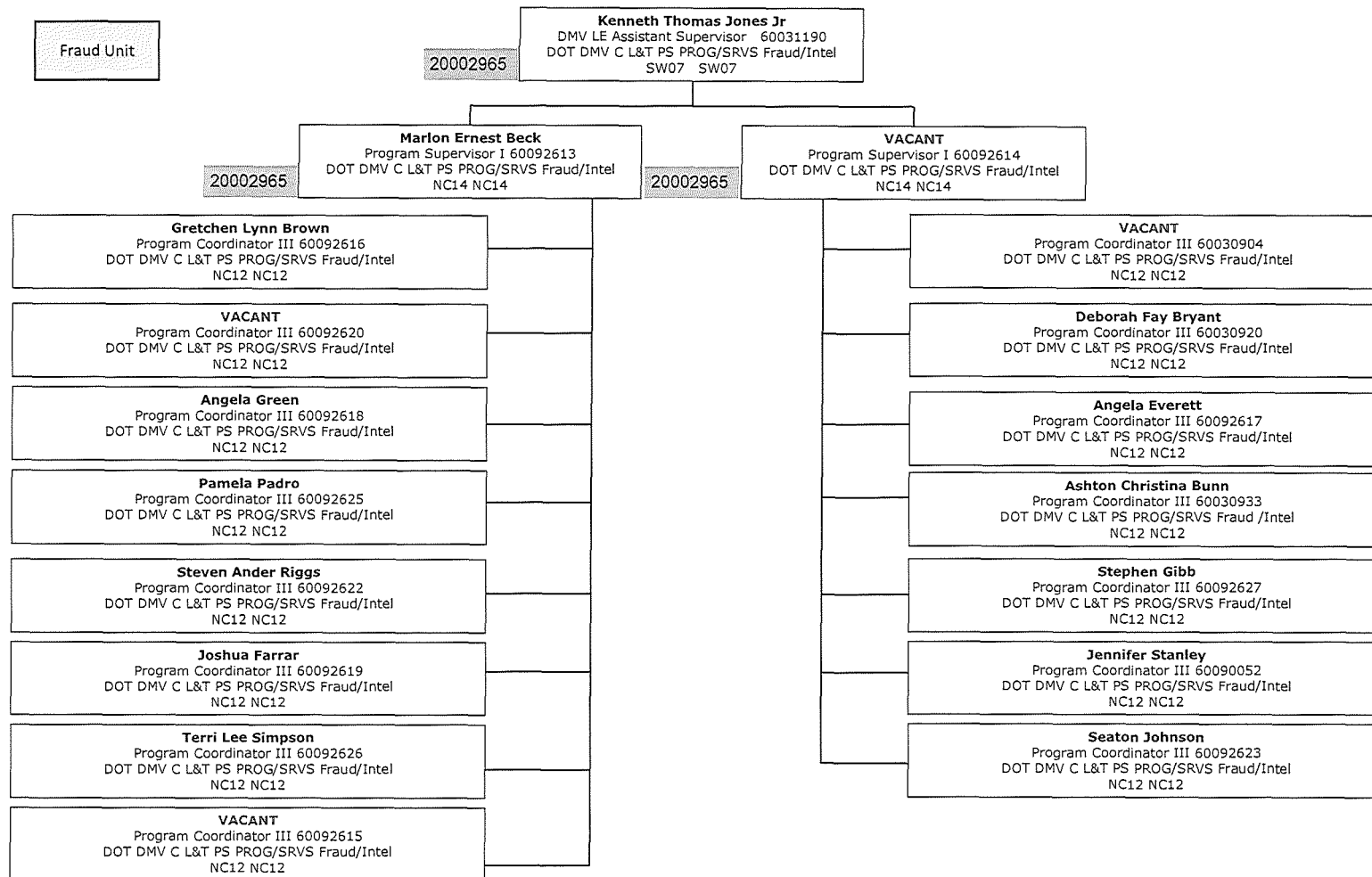
DMV Organizational Chart



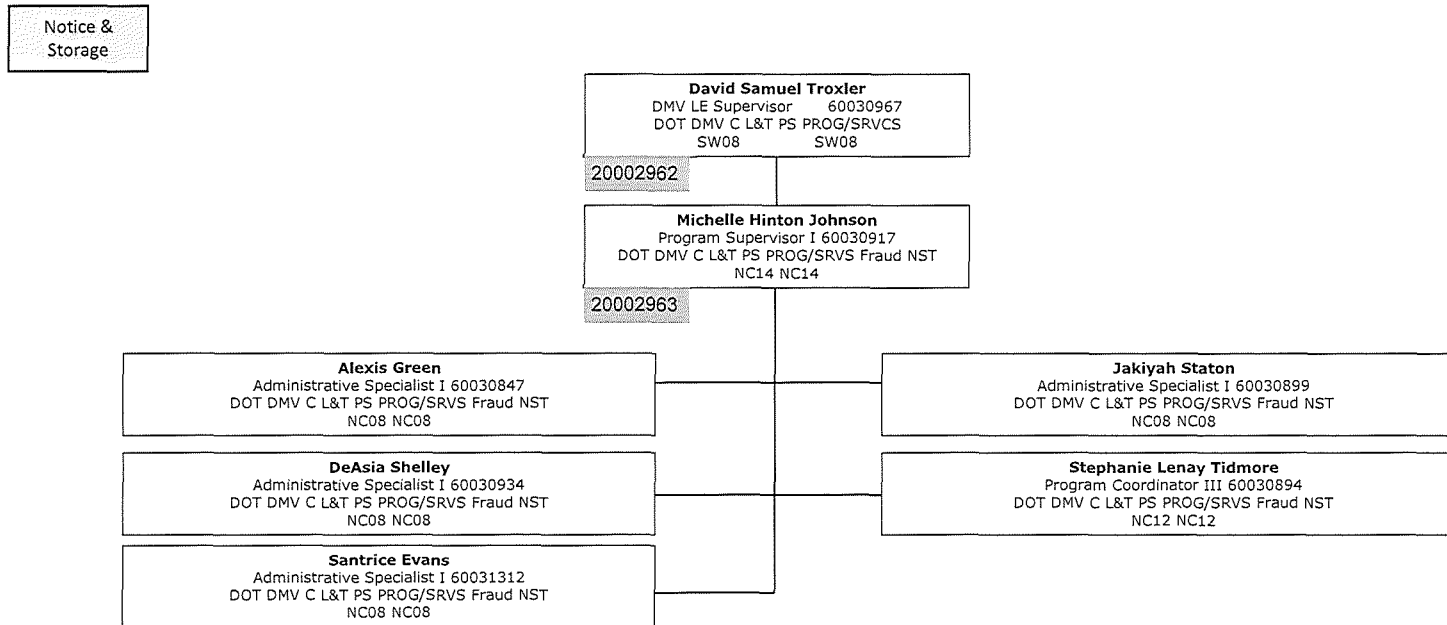


DMV Organizational Chart

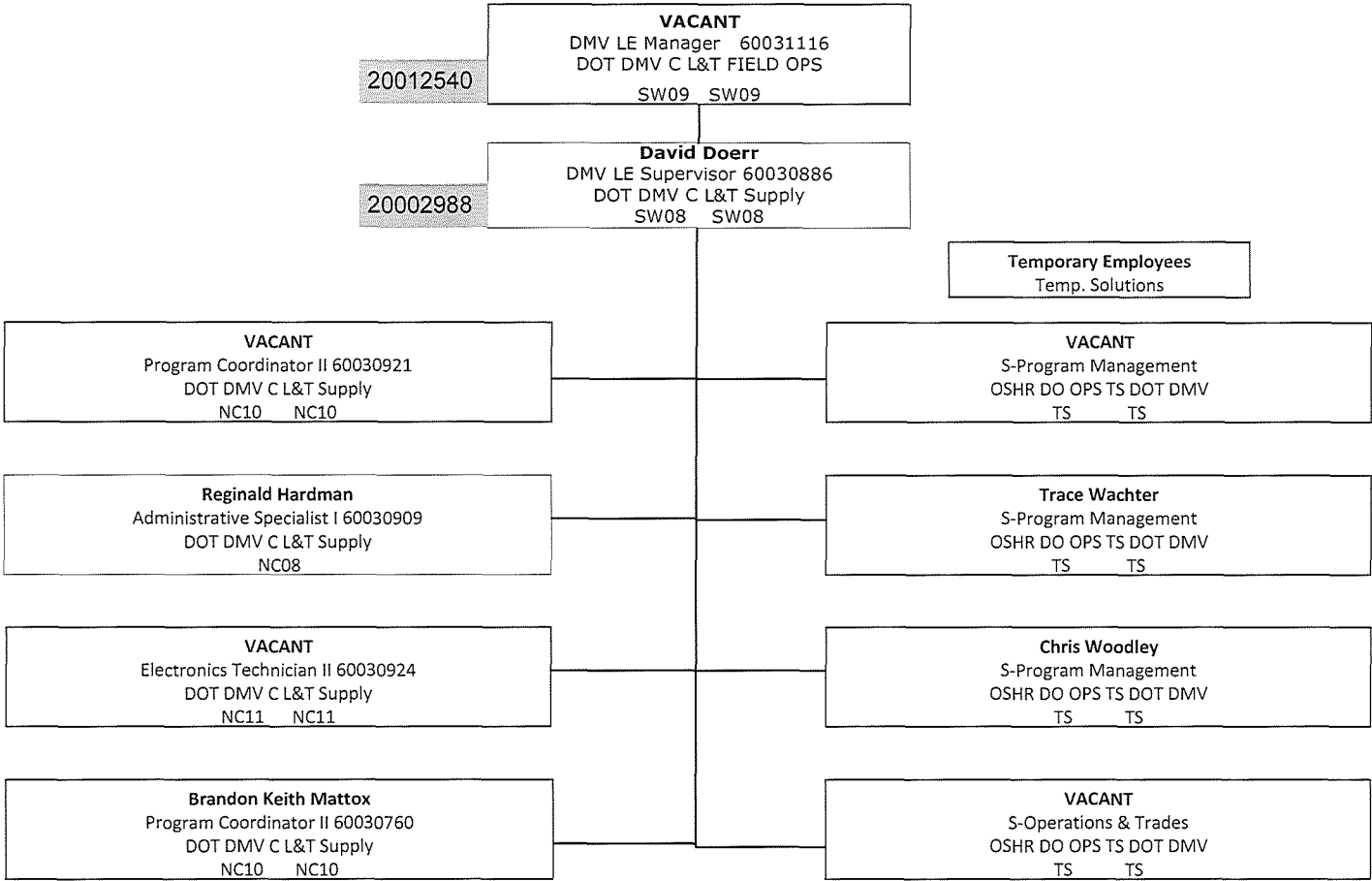




DMV Organizational Chart



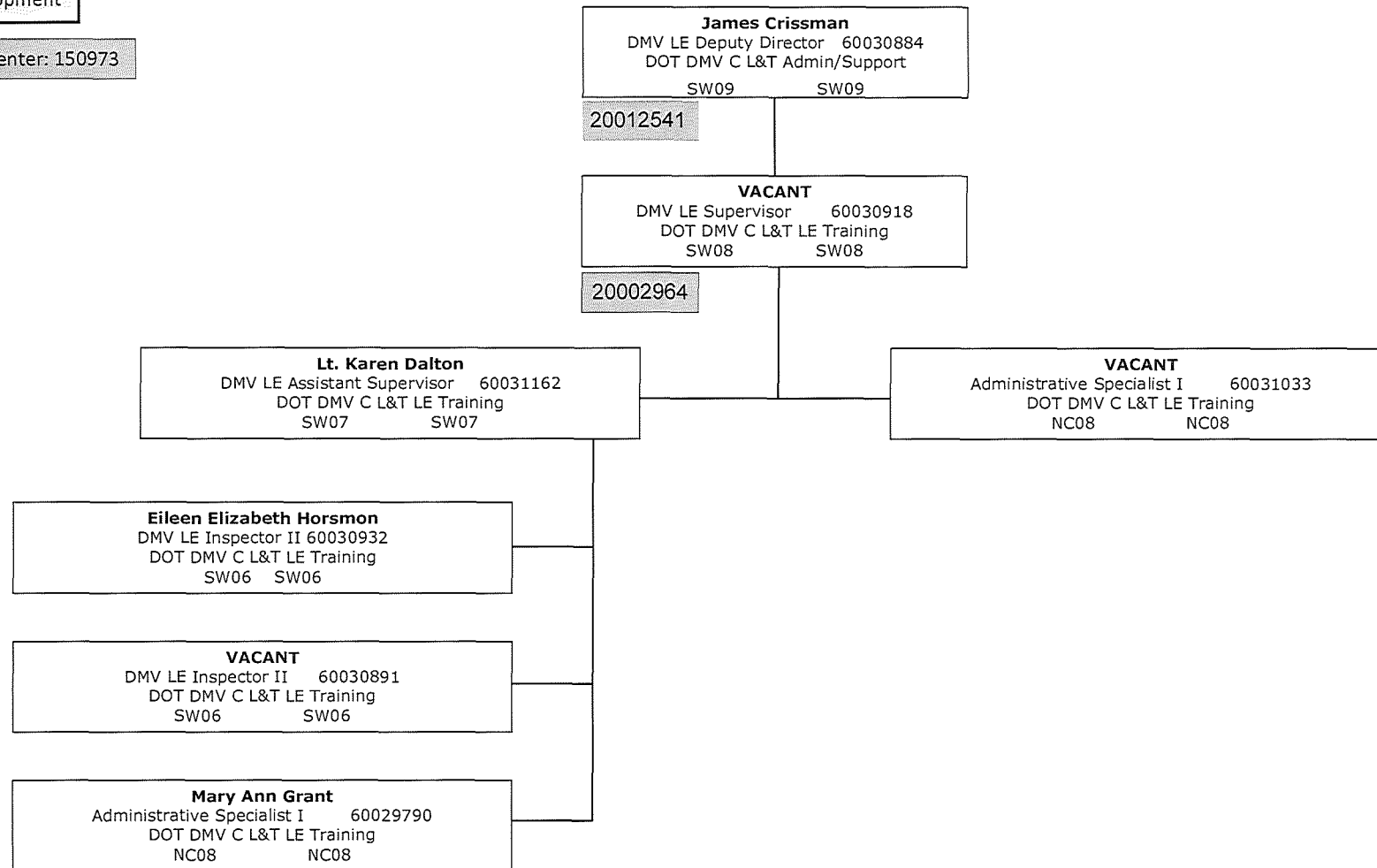
Supply &
Logistics

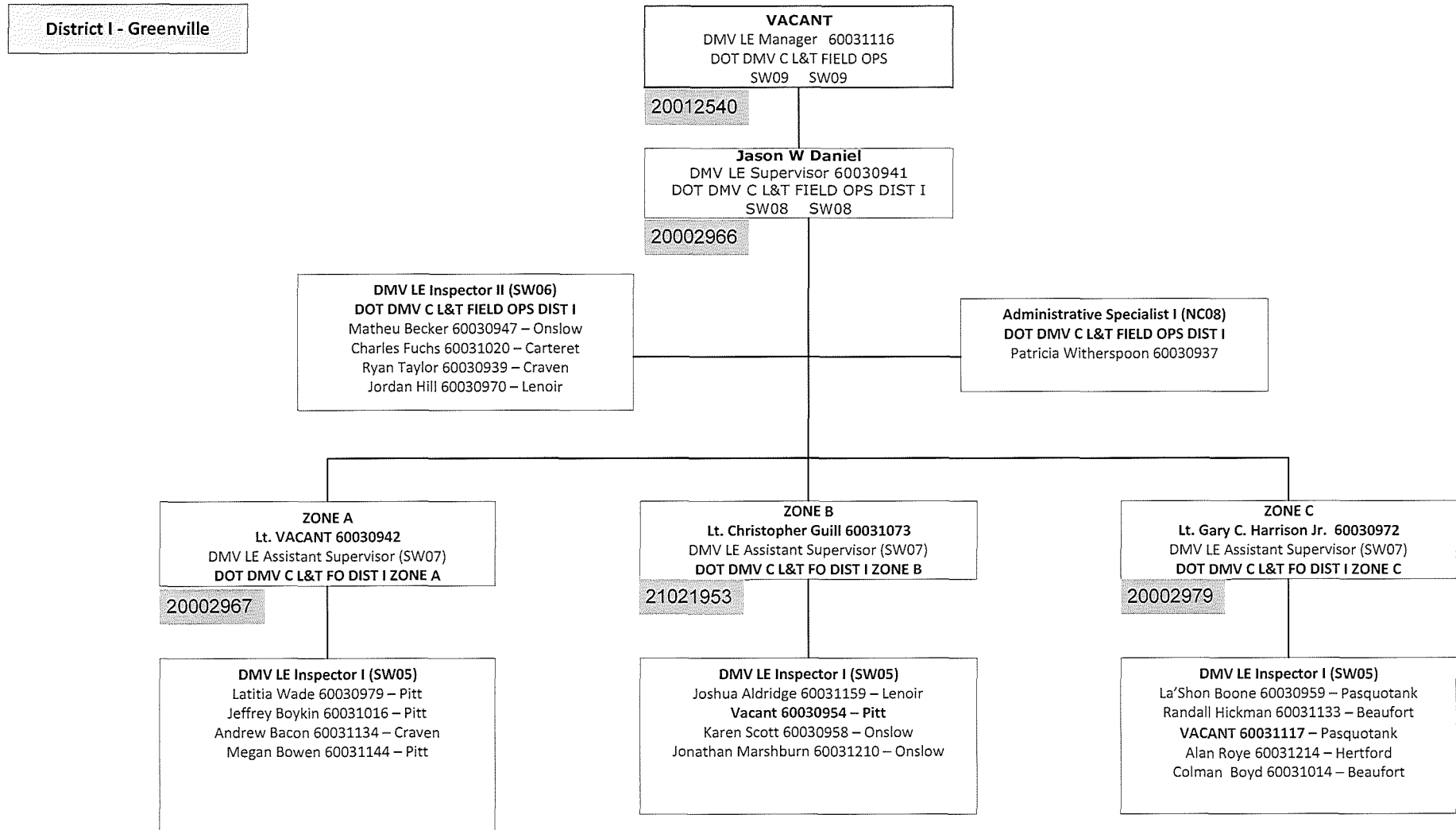


DMV Organizational Chart

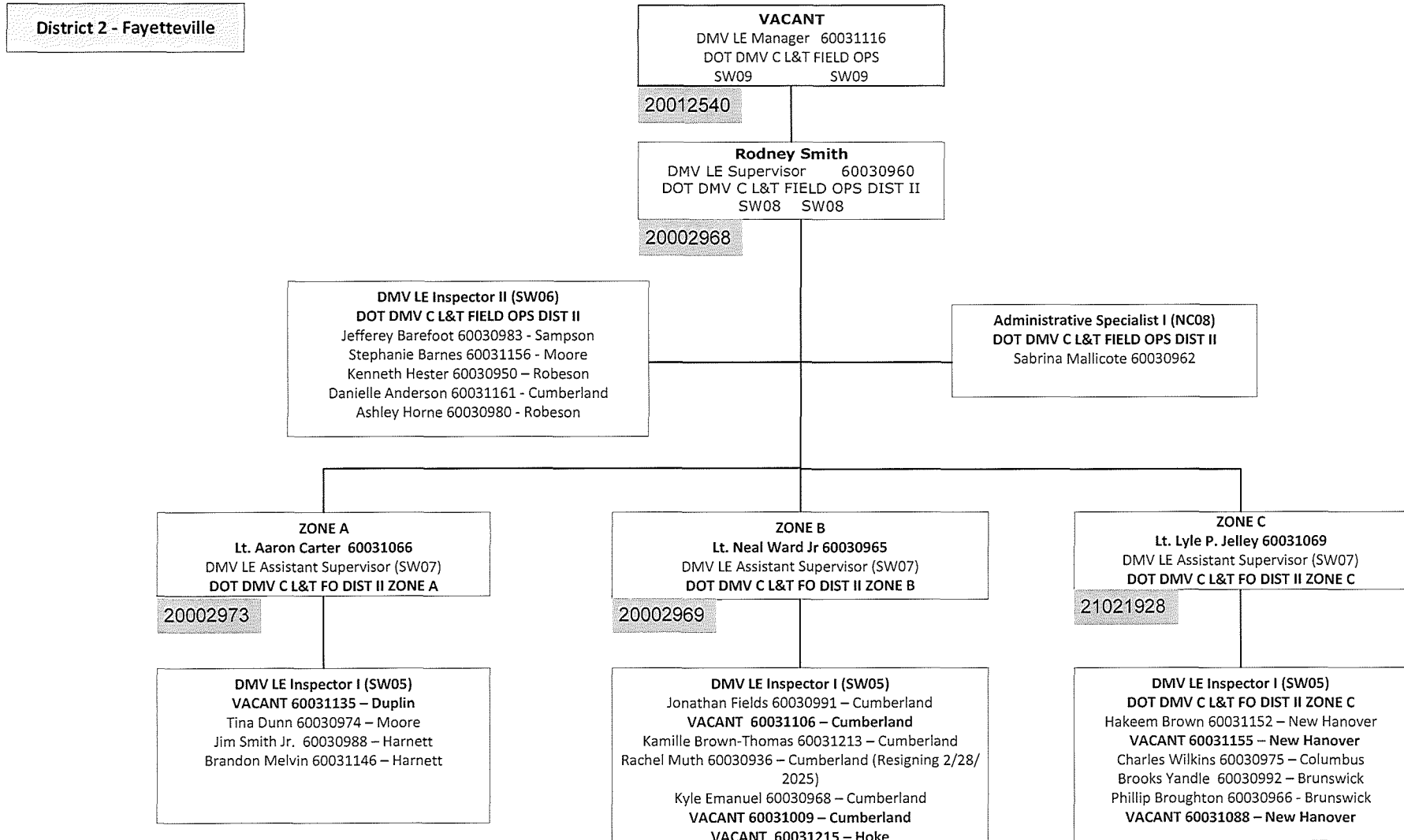
LE Training &
Development

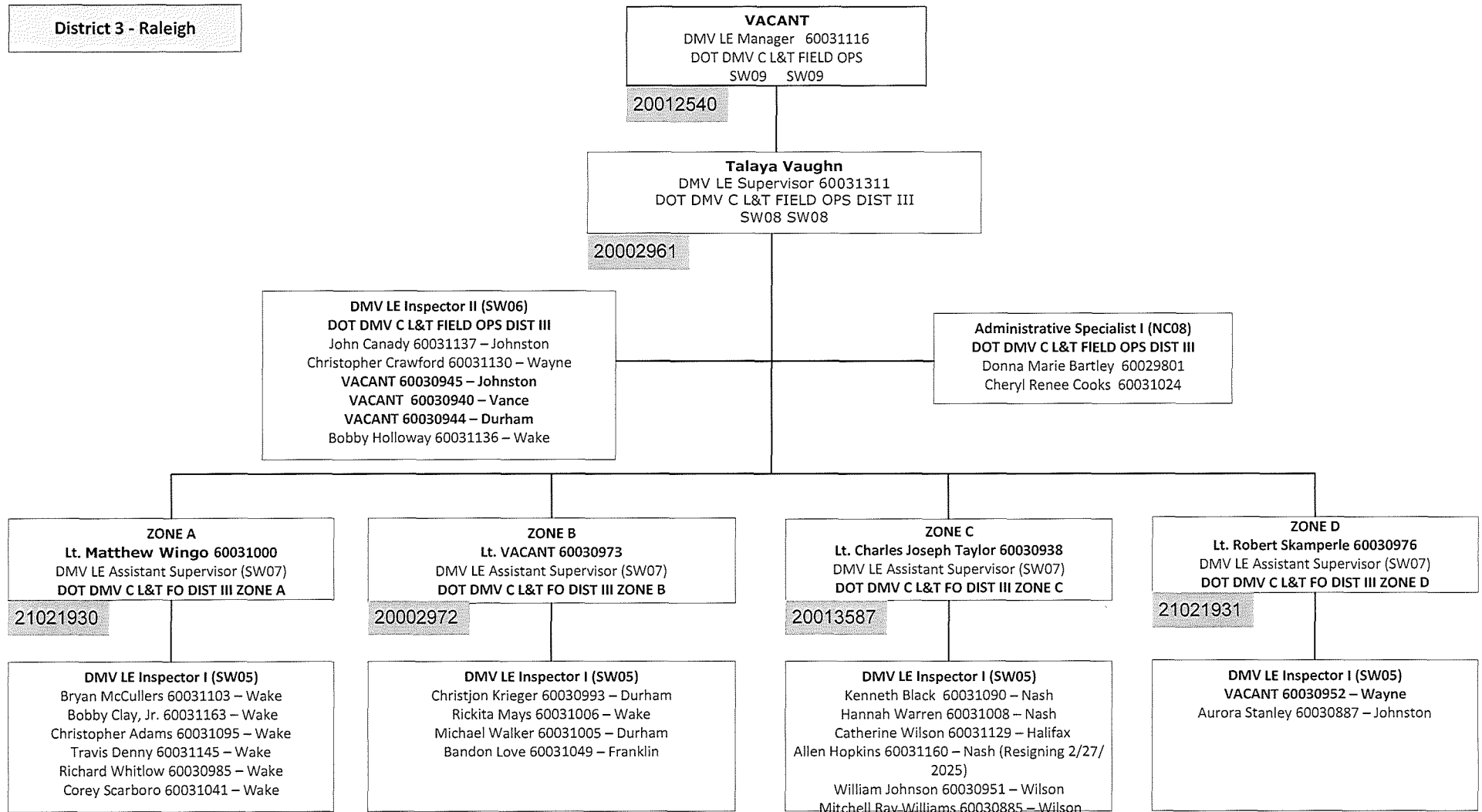
Cost Center: 150973



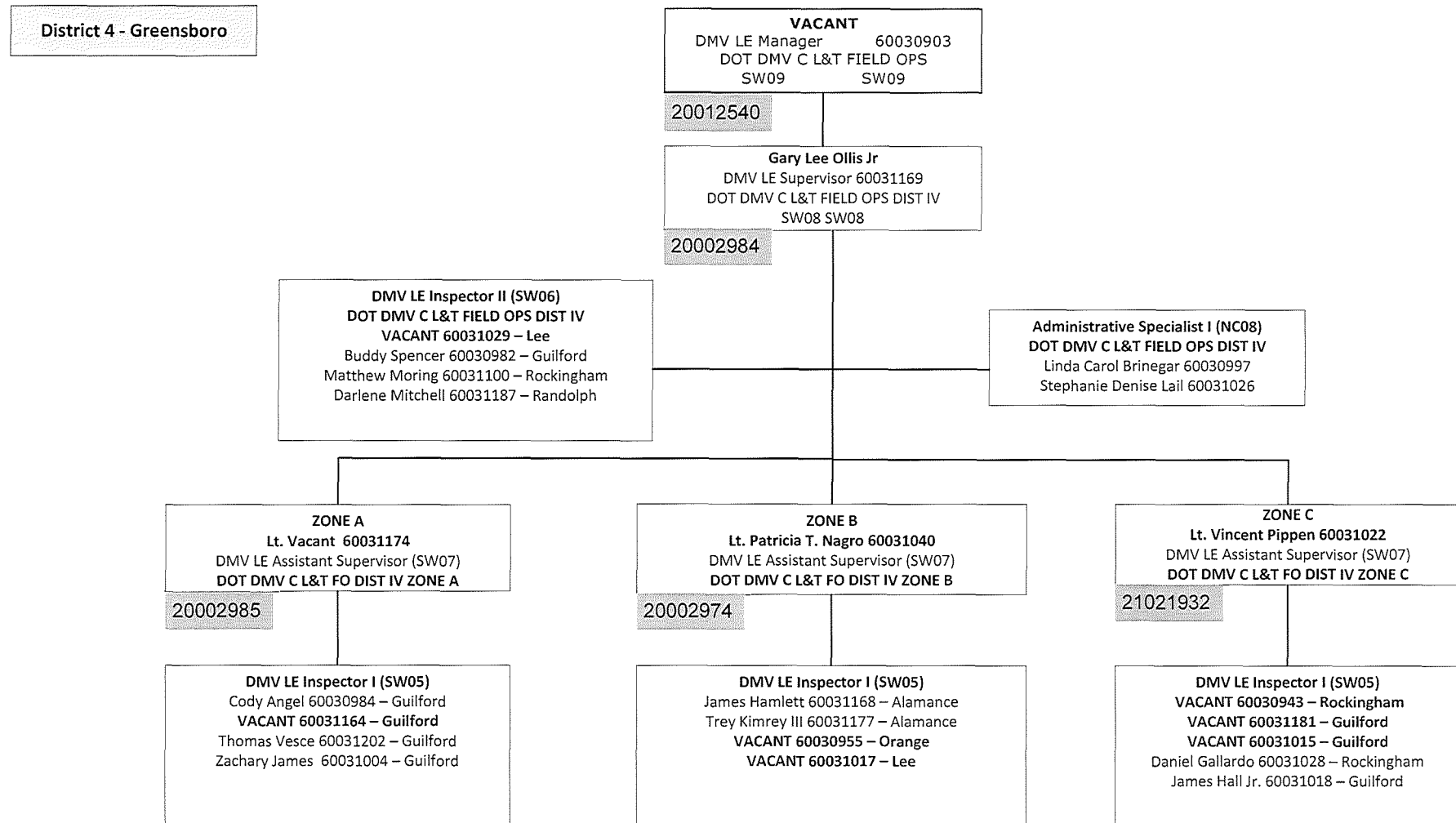


DMV Organizational Chart

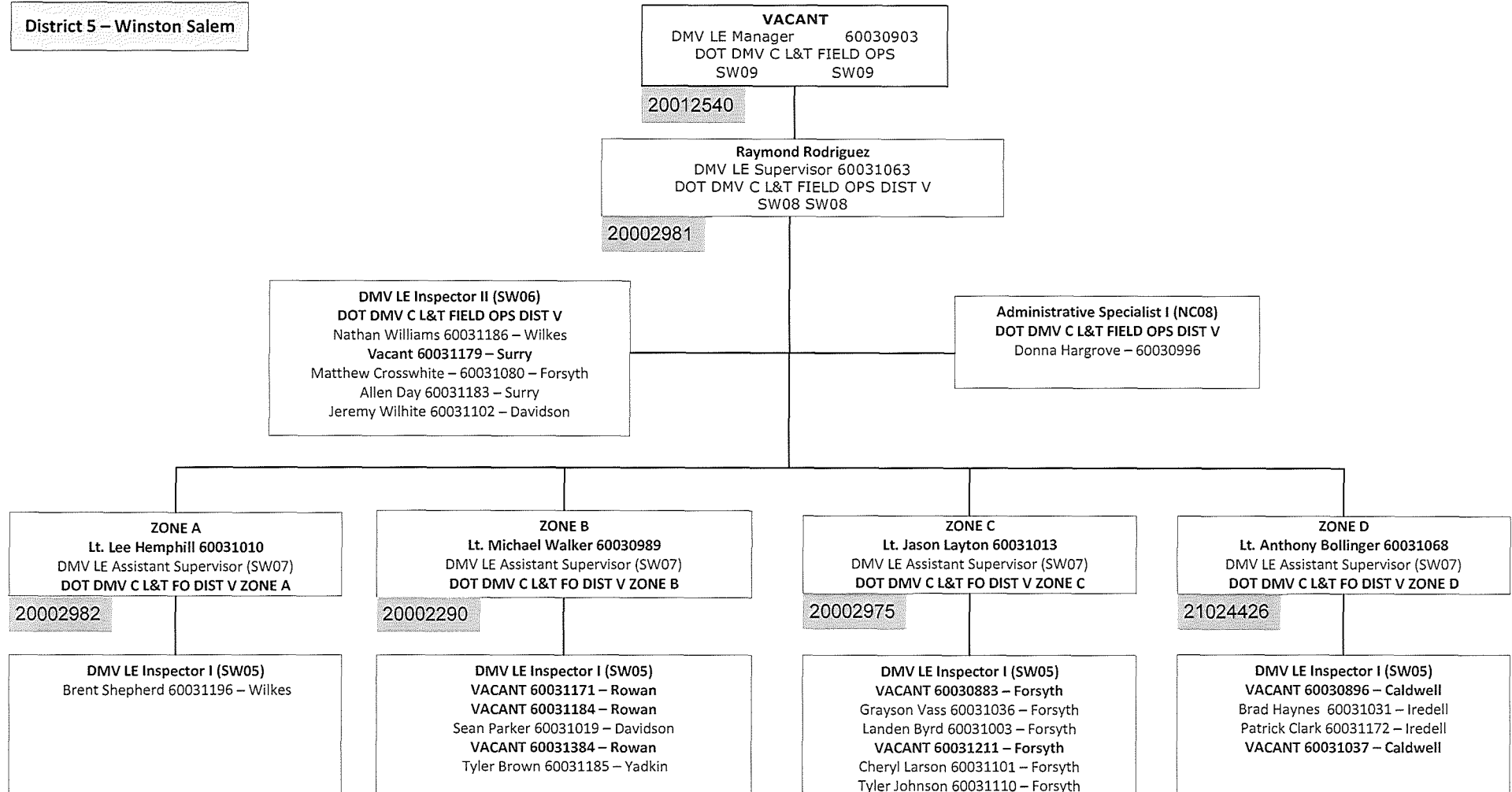




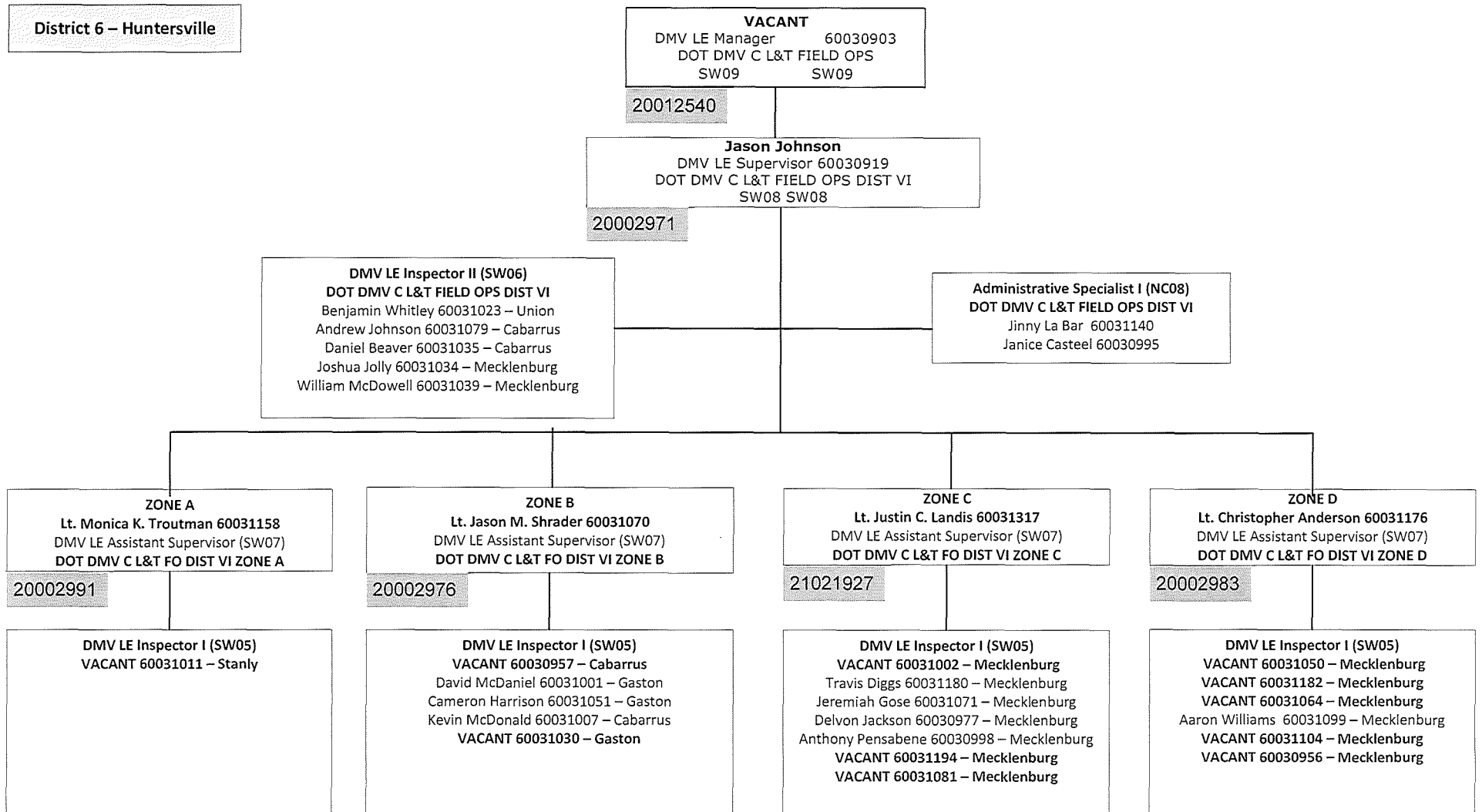
DMV Organizational Chart



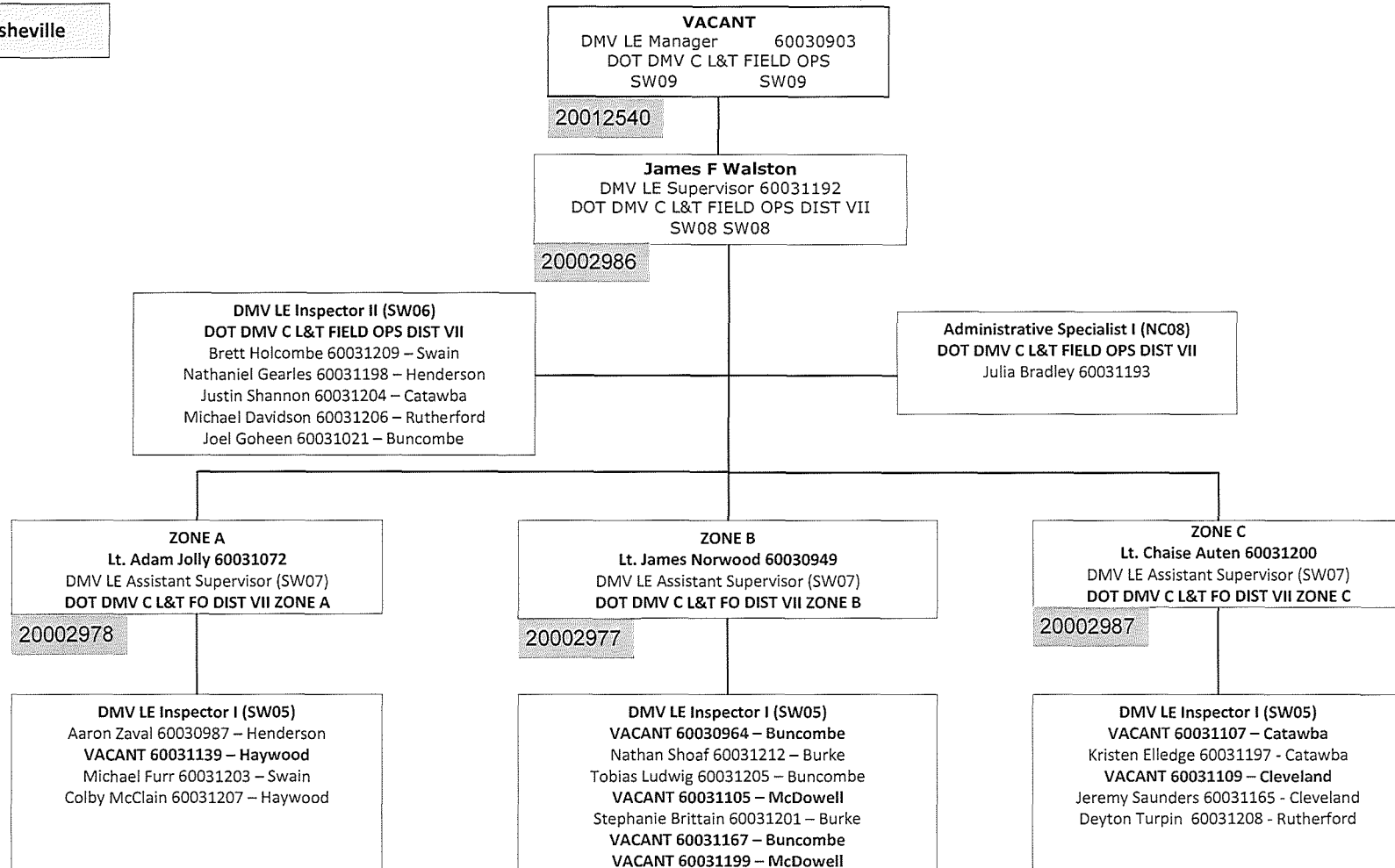
District 5 – Winston Salem



DMV Organizational Chart

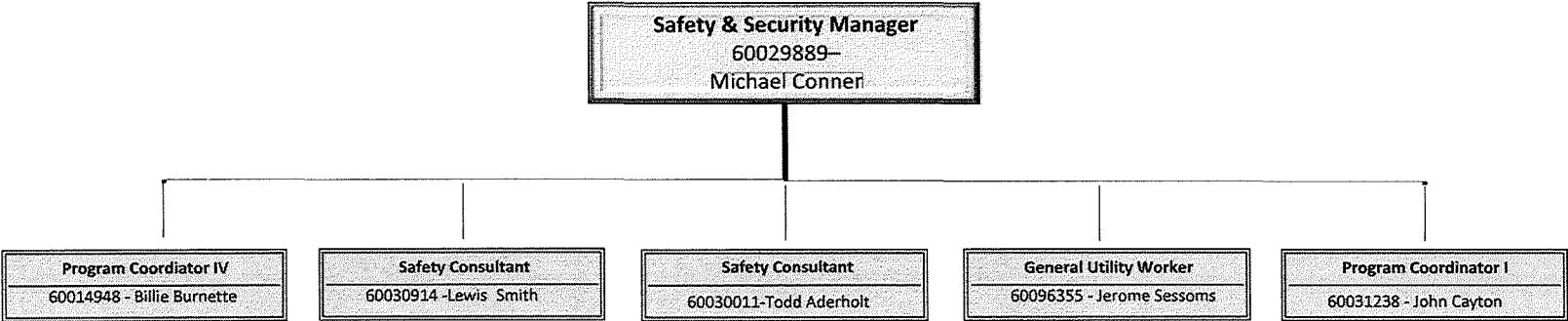


District 7 - Asheville

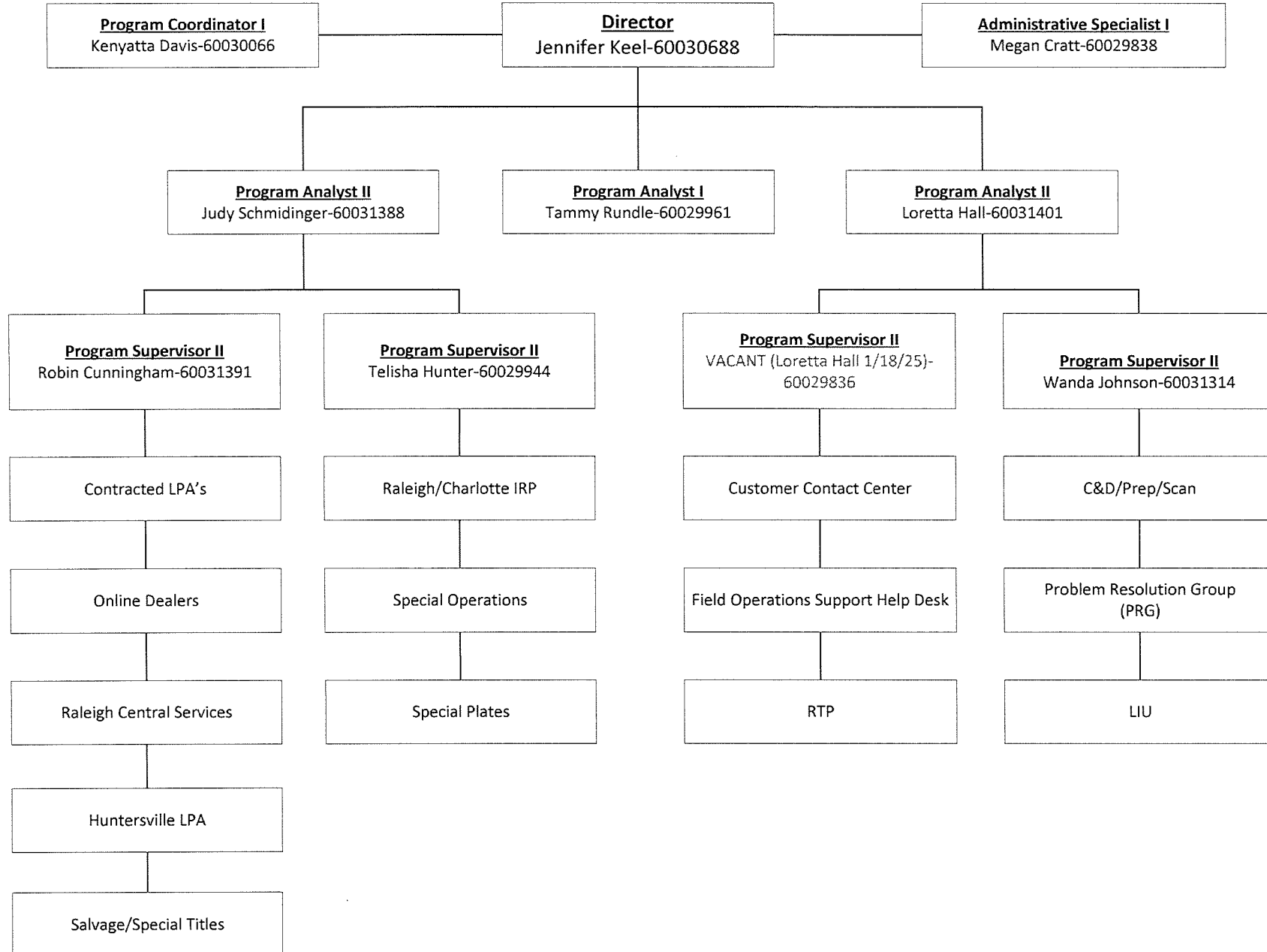


Division of Motor Vehicles
Safety & Security

Safety & Security Cost Center:
150043



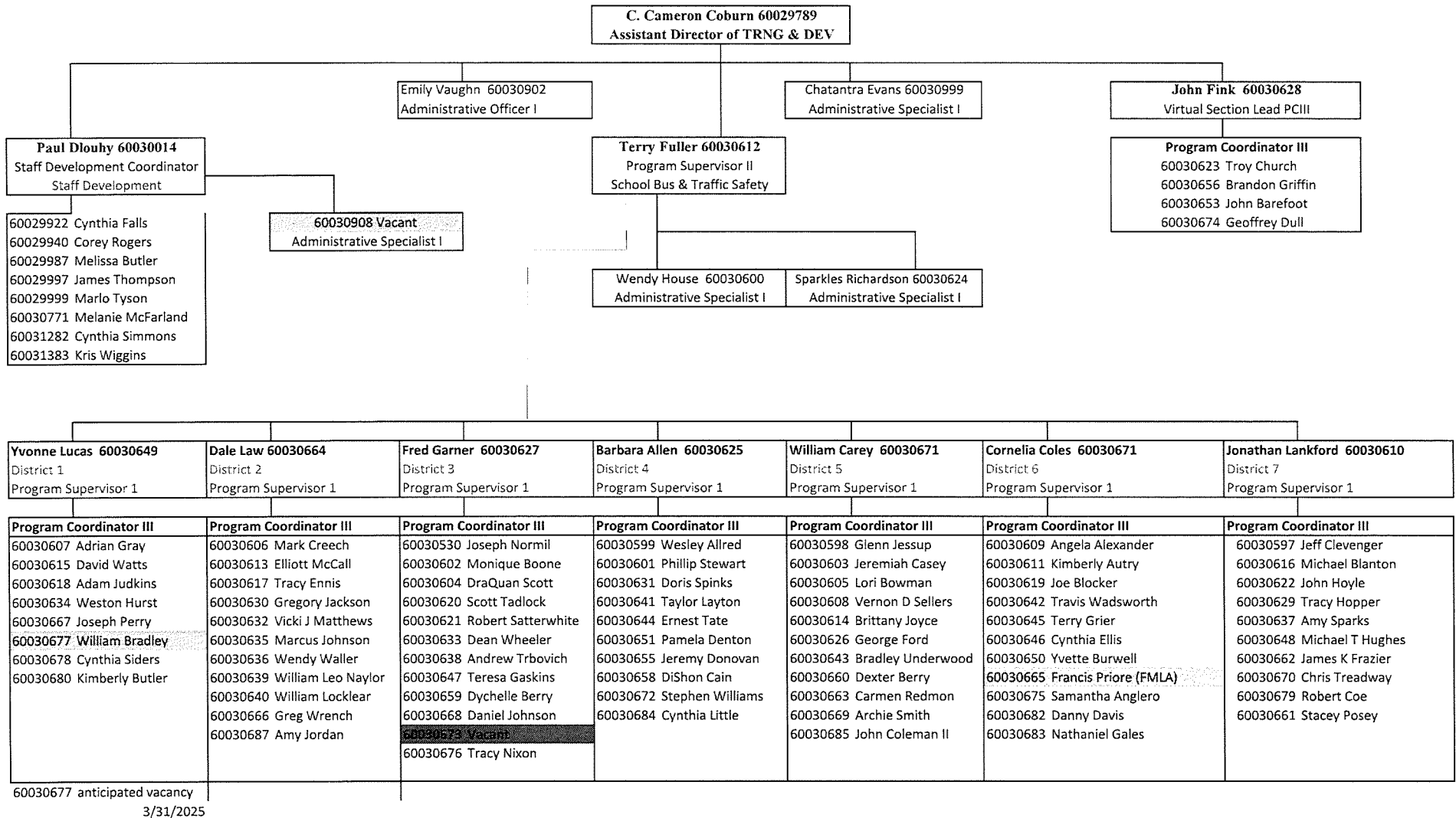
DMV Organizational Chart



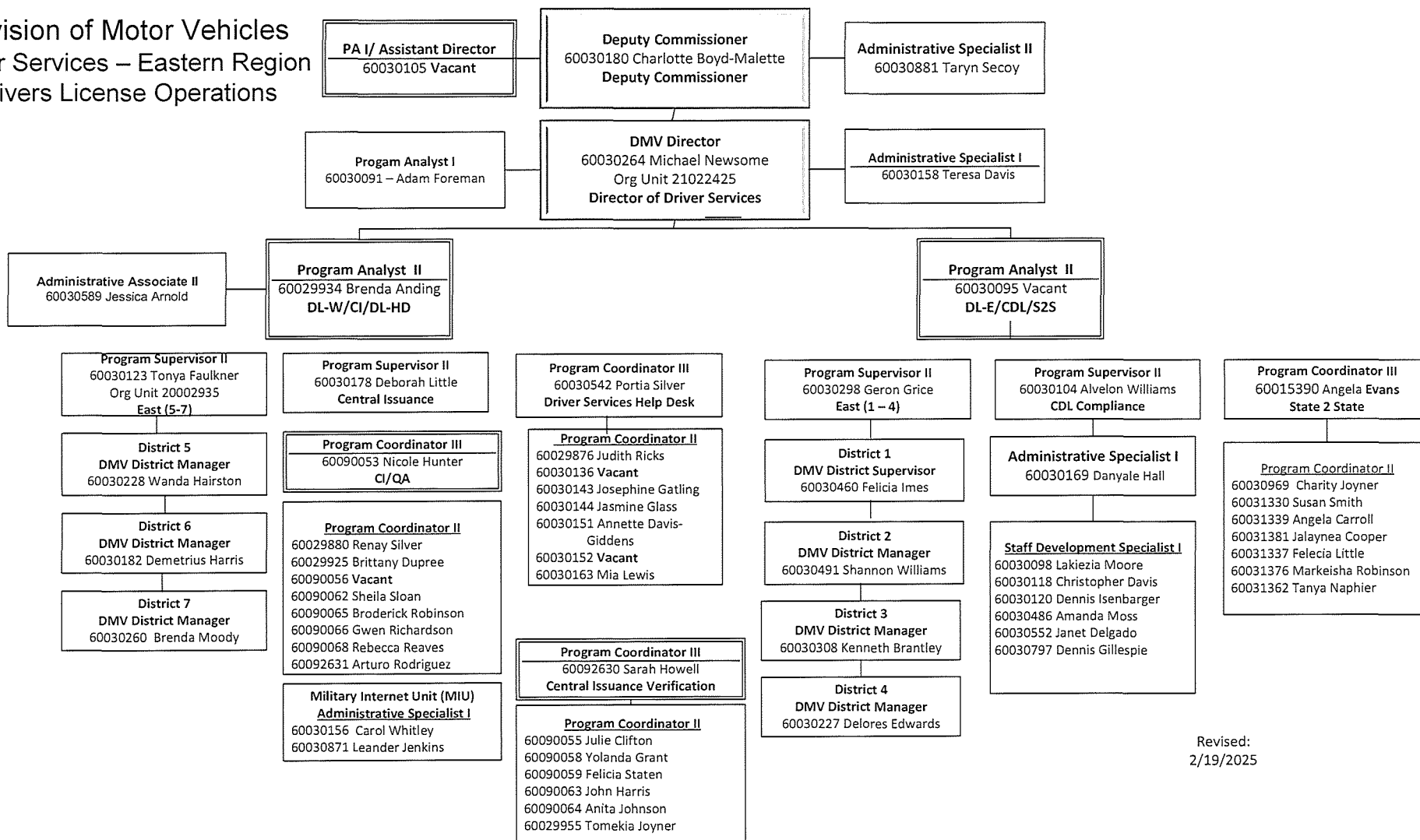
DMV Organizational Chart

Division of Motor Vehicles
Training & Development Unit

Current as of:
2/19/2025



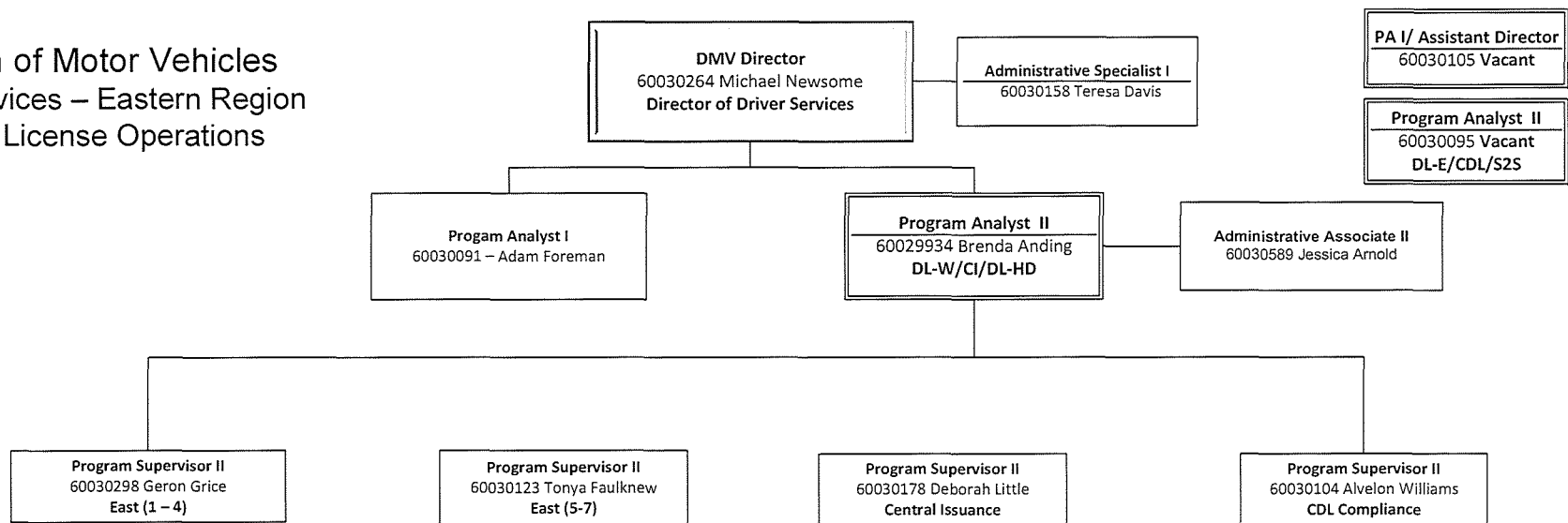
Division of Motor Vehicles Driver Services – Eastern Region Drivers License Operations



Revised:
2/19/2025

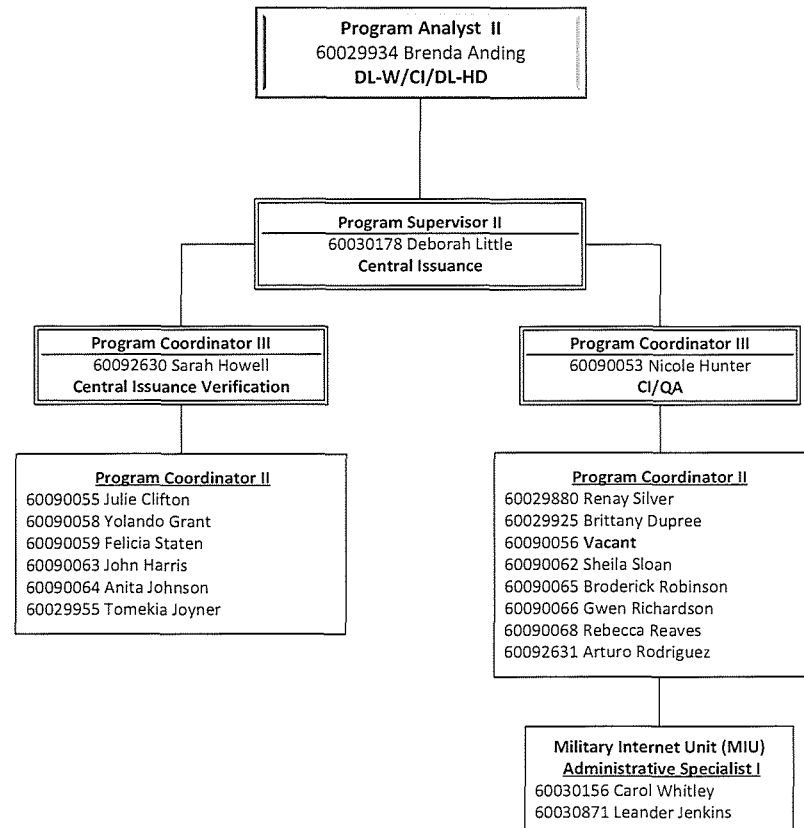
DMV Organizational Chart

Division of Motor Vehicles Driver Services – Eastern Region Drivers License Operations



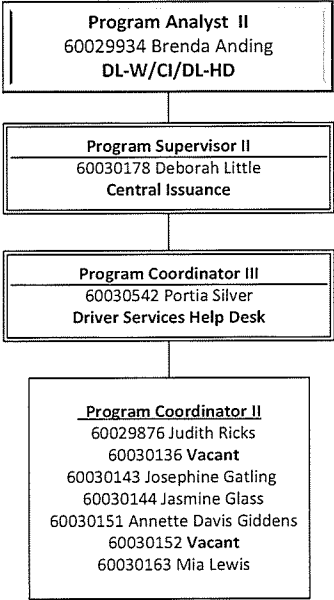
Revised:
2/19/2025

Division of Motor Vehicles
Driver Services
Drivers License Operations



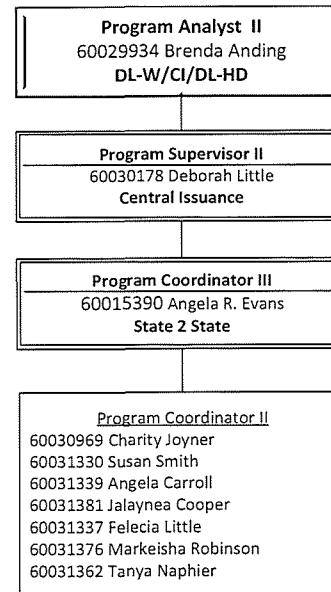
Revised:
2/19/2025

Division of Motor Vehicles
Driver Services
Drivers License Operations



Revised:
2/19/2025

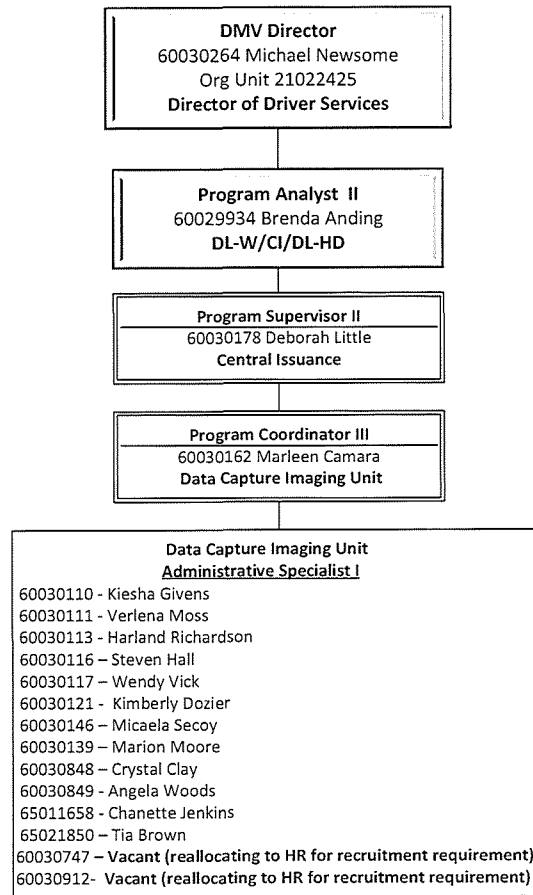
Division of Motor Vehicles
Driver Services
Drivers License Operations



Revised:
2/19/2025

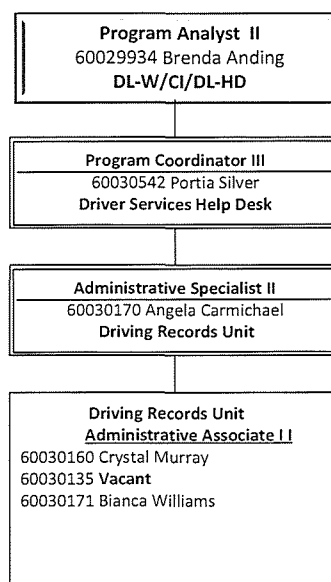
DMV Organizational Chart

Division of Motor Vehicles
Driver Services
Drivers License Operations



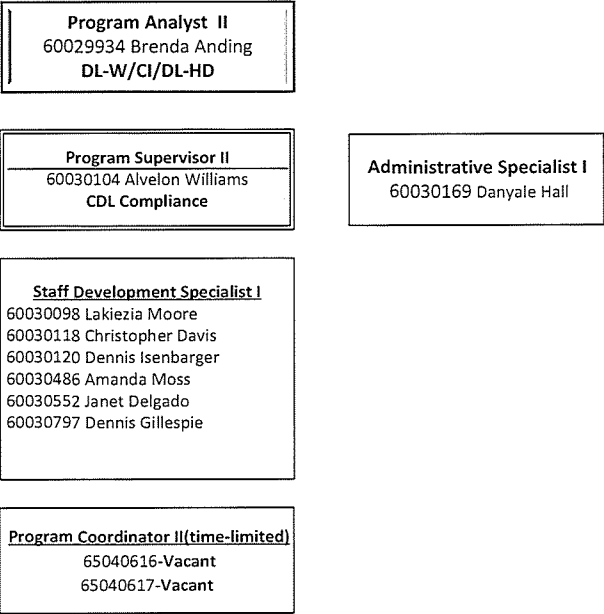
Revised:
2/19/2025

Division of Motor Vehicles
Driver Services
Drivers License Operations



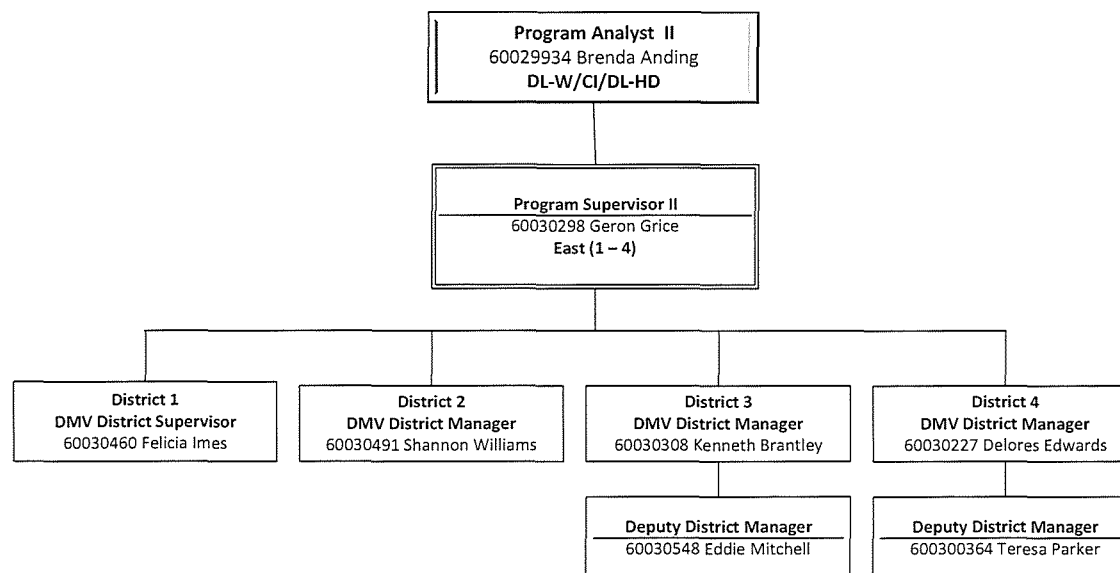
Revised:
2/19/2025

Division of Motor Vehicles
Driver Services
Drivers License Operations



Revised:
2/19/2025

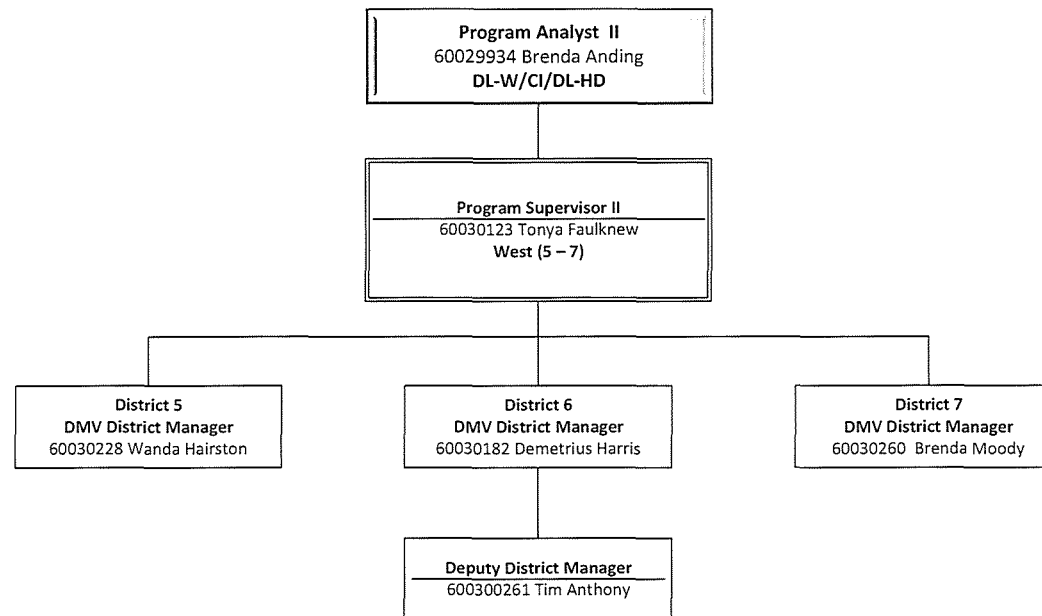
Division of Motor Vehicles
Driver Services – Eastern Region
Drivers License Operations



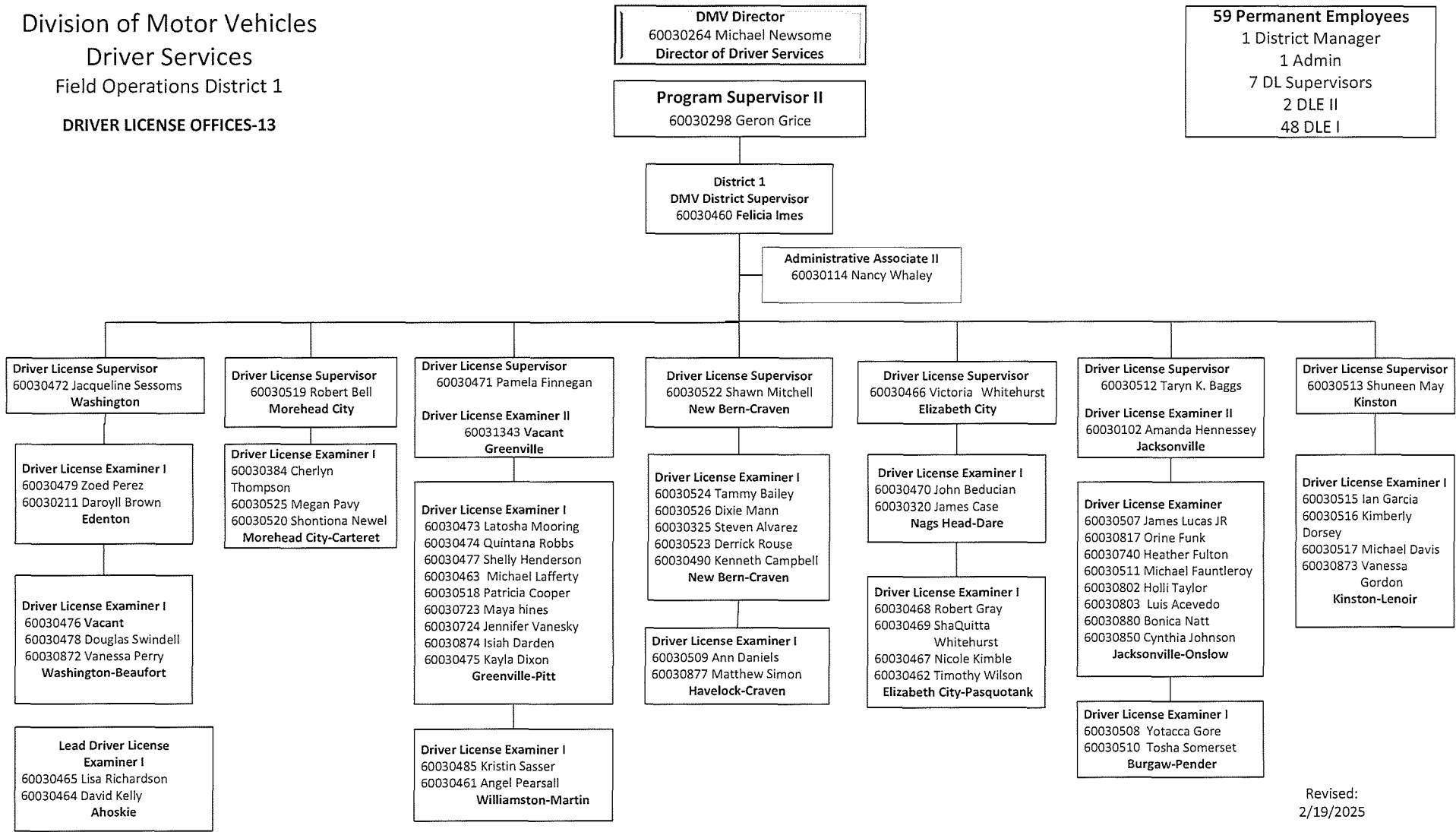
Revised:
2/19/2025

DMV Organizational Chart

Division of Motor Vehicles
Driver Services
Drivers License Operations



Division of Motor Vehicles
Driver Services
Field Operations District 1
DRIVER LICENSE OFFICES-13



Revised:
2/19/2025

DMV Organizational Chart

Division of Motor Vehicles
Driver Services
Field Operations District 2

DRIVER LICENSE OFFICES- 17

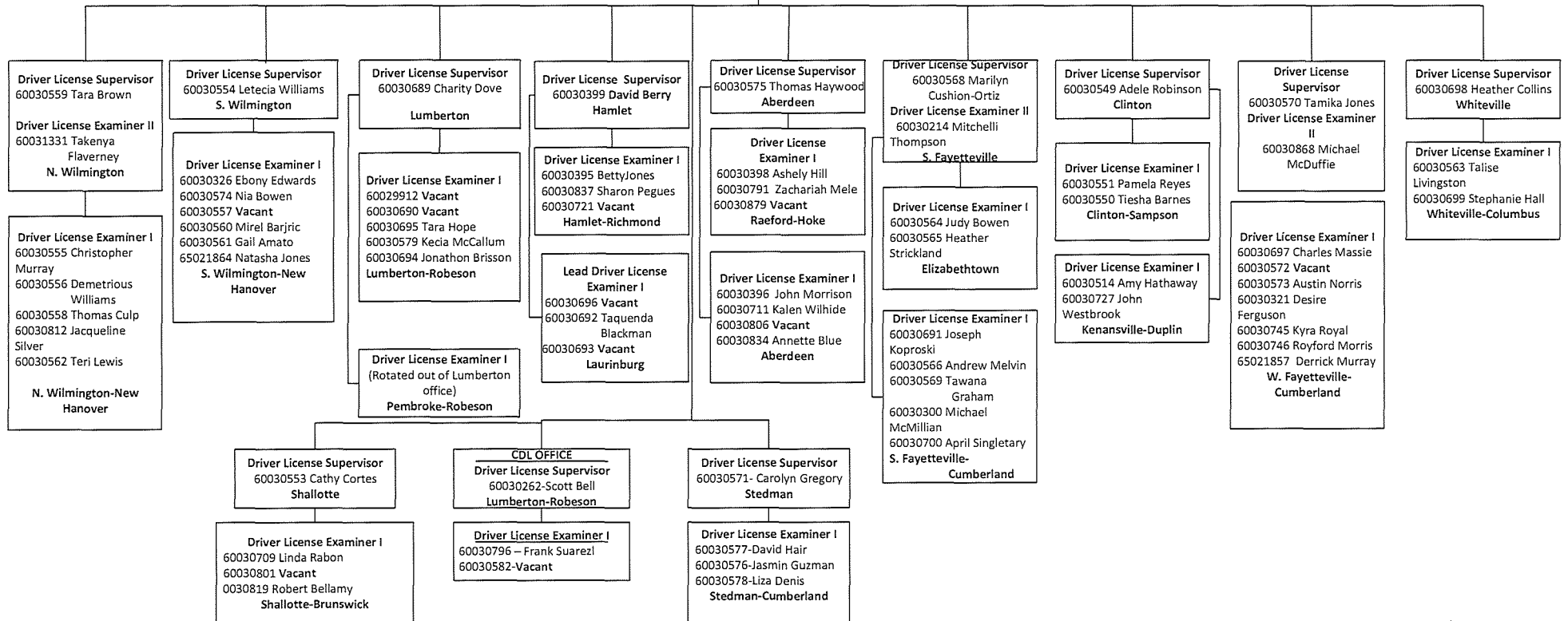
DMV Director
60030264 Michael Newsome
Director of Driver Services

Program Supervisor II
60030298 Geron Grice

District 2
DMV District Manager
60030491 Shannon Williams

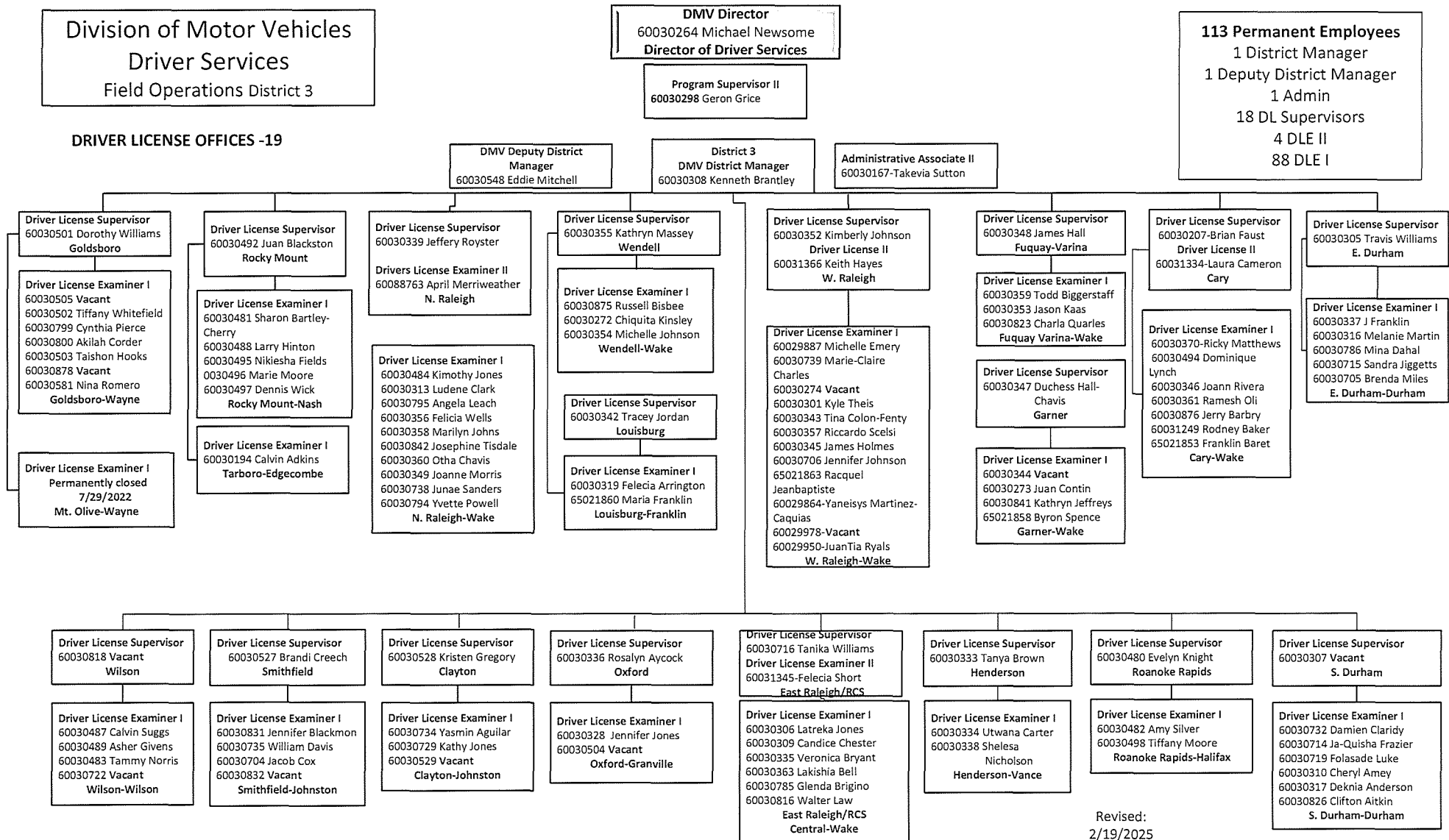
Administrative Associate II
60030584 Victoria McLaughlin-Walker
S. Fayetteville

74 Permanent Employees
1 District Manager
1 Admin
12 DL Supervisors
3 DLE II
57 DLE I



Revised:
2/19/2025

DMV Organizational Chart



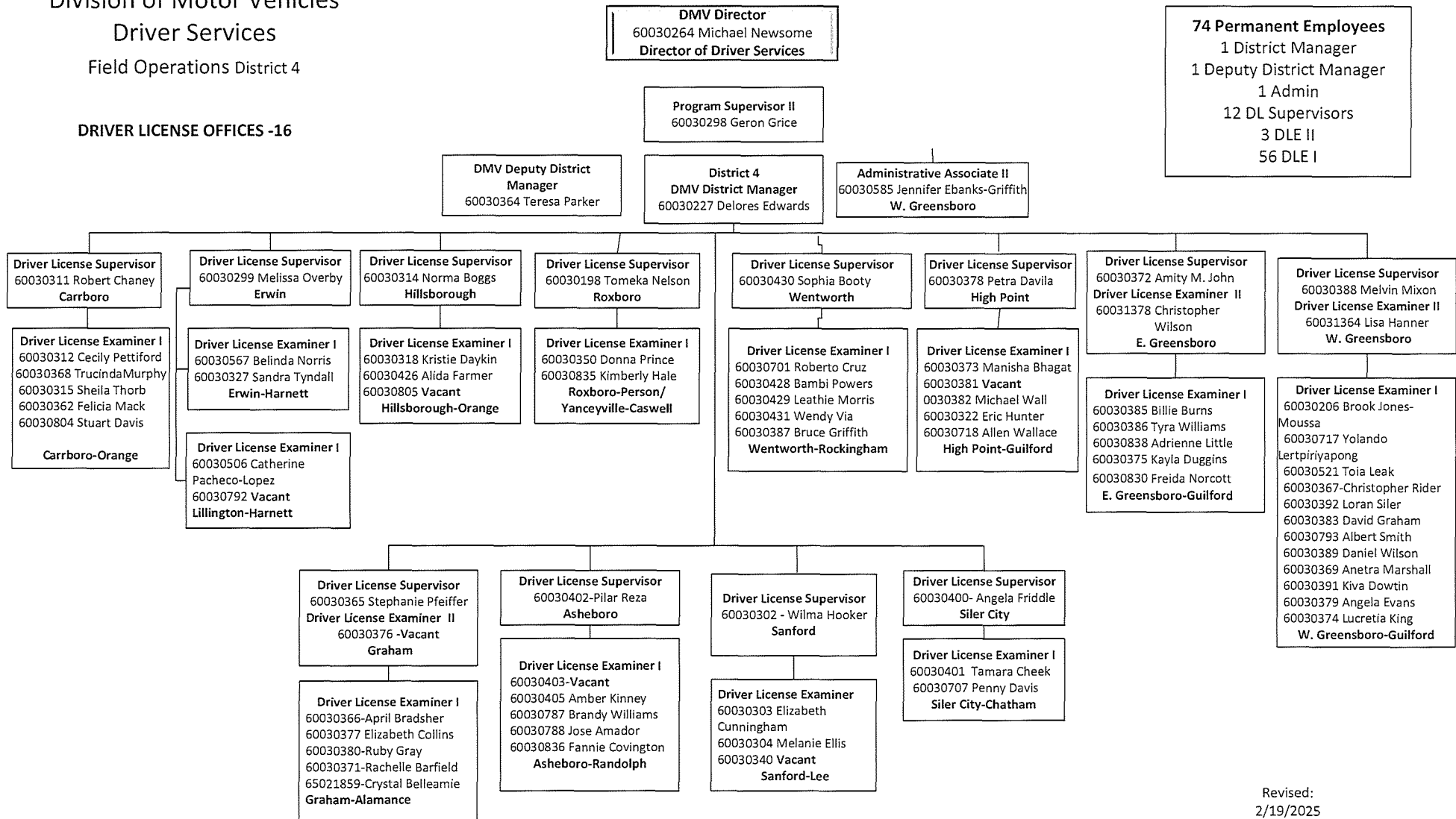
DMV Organizational Chart

Division of Motor Vehicles

Driver Services

Field Operations District 4

DRIVER LICENSE OFFICES -16



Revised:
2/19/2025

DMV Organizational Chart

Division of Motor Vehicles
Driver Services
Field Operations District 5

DRIVER LICENSE OFFICES -16

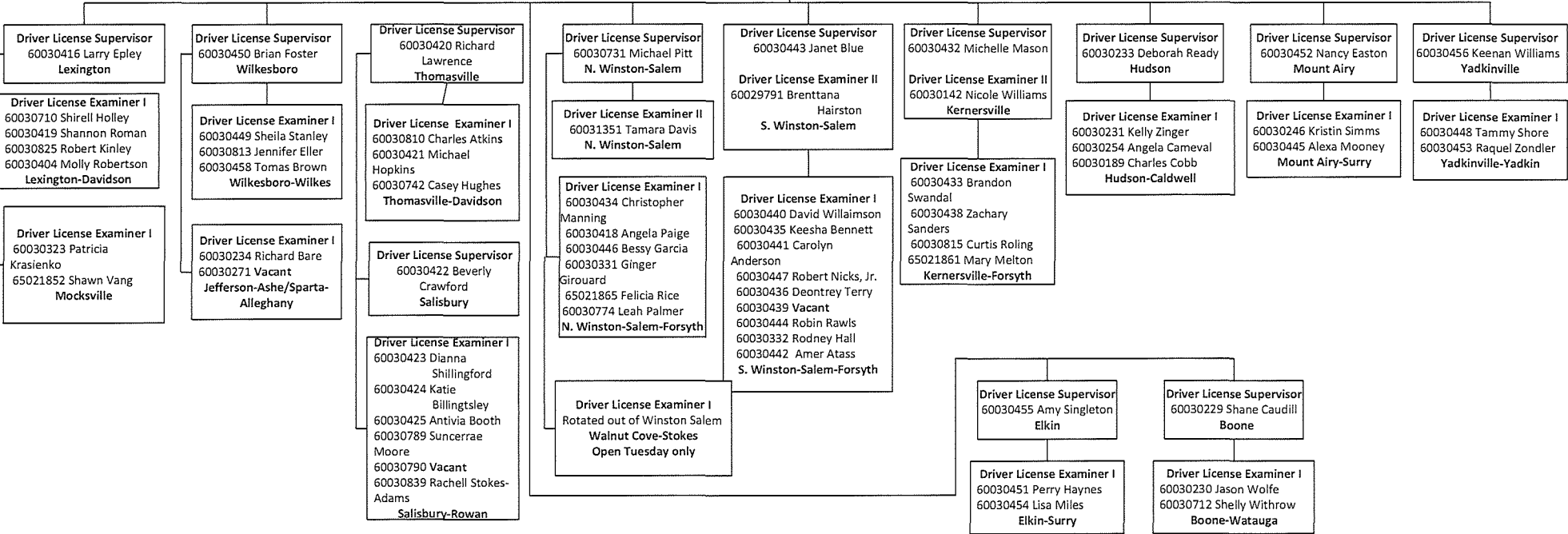
DMV Director
60030264 Michael Newsome
Director of Driver Services

Program Supervisor II
60030123 Tonya Faulkner

District 5
DMV District Manager
60030228 Wanda Hairston
Org Unit 20002940

Administrative Associate II
60030586 Michael Branch
N. Winston Salem

67 Permanent Employees
1 District Manager
1 Admin
12 DL Supervisors
3 DLE II
50 DLE I

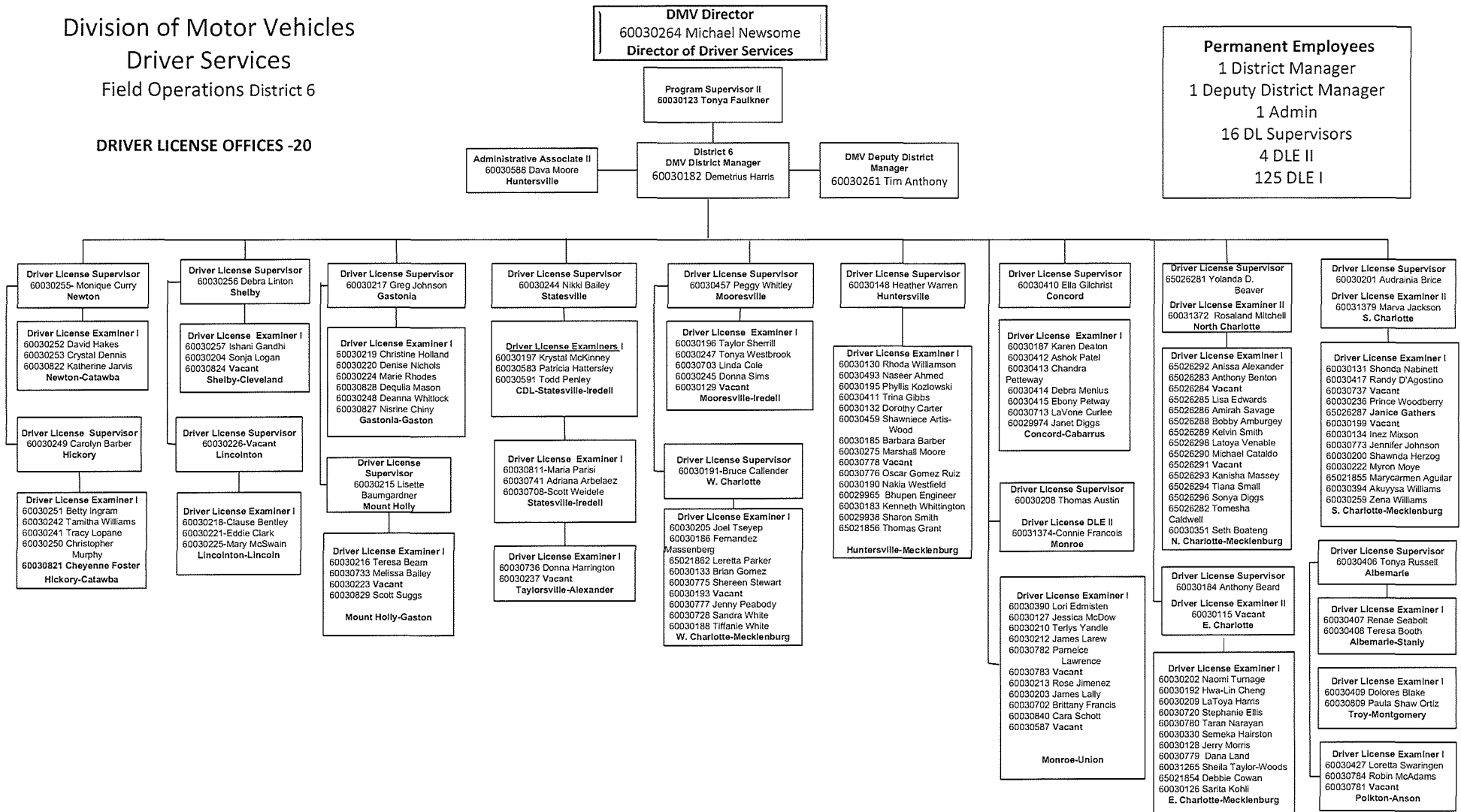


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2/19/2025

DMV Organizational Chart

Division of Motor Vehicles Driver Services Field Operations District 6

DRIVER LICENSE OFFICES -20



Permanent Employees
1 District Manager
1 Deputy District Manager
1 Admin
16 DL Supervisors
4 DLE II
125 DLE I

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2/19/2025

DMV Organizational Chart

Division of Motor Vehicles

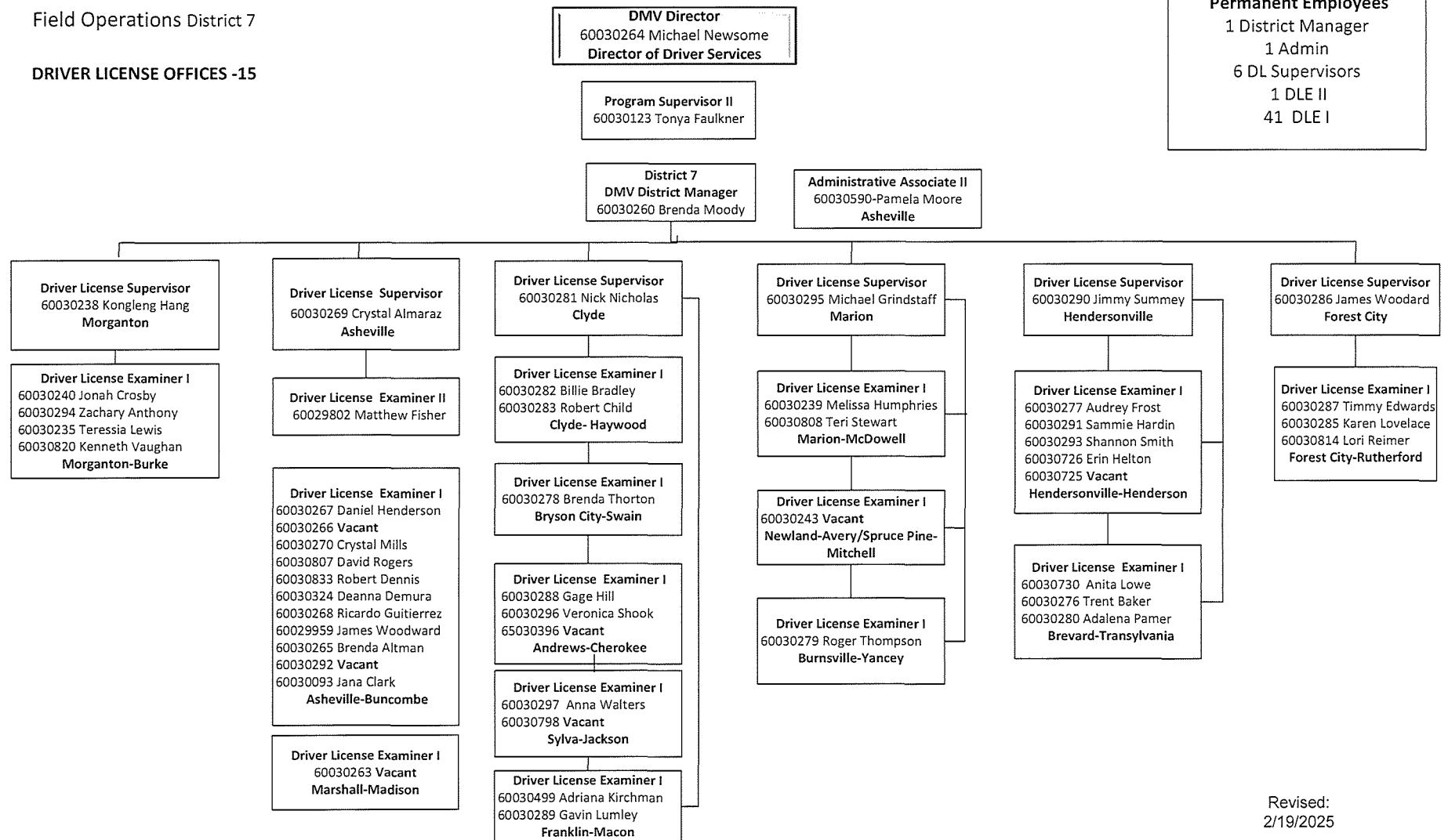
Driver Services

Field Operations District 7

DRIVER LICENSE OFFICES -15

Permanent Employees

1 District Manager
1 Admin
6 DL Supervisors
1 DLE II
41 DLE I



Revised:
2/19/2025

Ordering Information

Copies of this report may be obtained by contacting:

Office of the State Auditor
State of North Carolina
20601 Mail Service Center
Raleigh, North Carolina 27699

Telephone: 919-807-7500
Facsimile: 919-807-7647
Internet: <https://www.auditor.nc.gov>



To report alleged incidents of fraud, waste or abuse in state government contact the
Office of the State Auditor Tipline:

Telephone: 1-800-730-8477

Internet: <https://www.auditor.nc.gov/about-us/state-auditors-tipline>

For additional information contact the
North Carolina Office of the State Auditor at:
919-807-7666



This audit required 4,269 hours of auditor effort at an approximate cost of \$661,695. The cost of the specialist's effort was \$56,200. As a result, the total cost of this audit was \$717,895.