



Department of Public Safety
Driver and Vehicle Services



Driver and Vehicle Systems Project Report

June 2020

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Vehicle Title and Registration System (VTRS)

The Vehicle Title and Registration System (VTRS) project will replace the Minnesota Licensing and Registration System (MNLARS) with a commercial off the shelf (COTS) system by Fast Enterprises (FAST) called FastVS.

The project team successfully completed the base configuration phase on April 8, 2020, and testing preparation on May 20, 2020. Payments totaling \$8,662,500 were made to FAST upon the completion of the base configuration phase (\$2,812,500) and testing preparation (\$5,850,000).

Highlights from this quarter include:

- Response to the COVID-19 pandemic.
 - The project team transitioned to working on the project via telework. This will continue for the foreseeable future. Telework for the project team has been successful and no major issues or delays have occurred to the project.
- Train the trainer activities.
 - The train the trainer activities have started. Due to the COVID-19 pandemic, the project team has transitioned to an online training model. The online training model will allow deputy registrars to spread out the training their staff is required to complete instead of sending staff to regional training centers.
- Remote conversion testing by deputy registrars.
 - Due to the COVID-19 pandemic, the project team created a process for deputy registrars to complete remote conversion verification. This process allowed additional deputy registrars to view the system while confirming MNLARS records were correctly converted into VTRS.
- Testing by deputy registrars.
 - Due to demands from REAL ID and COVID-19 deputy registrar offices were not able to dedicate as many resources to the project for system testing. To address this issue the project team has created part-time testing positions and will be leveraging the four deputy registrars that are currently working on the project as testers.
- Continued remote “explore” sessions.
 - The project team completed “explore” sessions with the deputy registrars, DVS staff and dealers to allow end users to see how the system will perform.
- Creation of change management plan.
 - FAST took on the responsibilities of assigning resources and developing a change management plan for the project. The plan has been successfully completed and presented to senior leadership, DVS leadership, Executive Steering Committee, and members of the project team.

- Legislation.
 - Legislation passed this session had a positive impact on the VTRS project concerning the registration tax calculation change and relocation of the temporary motor vehicle registration permit. The two legislative items that did not pass this session that could add value to the project would be defining the costs for replacement dealer license plates and single tax exempt license plate.

Updated Risks

- Two new risks were identified this quarter and added to the project's risk log.
 - **COVID-19.** COVID-19 could impact the development and rollout of VTRS. The VTRS team teleworked and continued development, conversion, testing and training efforts during this quarter.
 - **Surge of work post stay at home order.** Deputy registrars and DVS offices are gradually resuming services after Gov. Walz allowed the stay at home order to expire. Accommodating the increase of customers over the busy summer months, while maintaining social distancing and other safety measures, may affect the ability of deputy registrars to engage fully in VTRS testing and training.
- Two risks were removed from the project's risk log.
 - **Training facilities.** The project team moved to a digital training platform with virtual classrooms due to concerns over the transmission of COVID-19. This mitigates the need for training facilities at universities and community colleges during the fall term.
 - **Explore contract.** The vendor that currently provides the registration system for IRP/IFTA transactions successfully responded to an audit completed by the Minnesota Department of Human Rights.
- One risk was deprioritized.
 - **REAL ID.** Federal enforcement of the REAL ID Act was extended to Oct. 1, 2021. This should decrease the number of customers requesting a REAL ID compliant driver's license or identification card over the VTRS training and implementation period, reducing the impact to deputy registrars and DVS offices and back office processing.

The VTRS project will be completed in two phases.

- Phase I includes functionality for title and registration, dealer management, fleet management, permits and imaging. Phase I is scheduled to roll out Nov. 16, 2020.

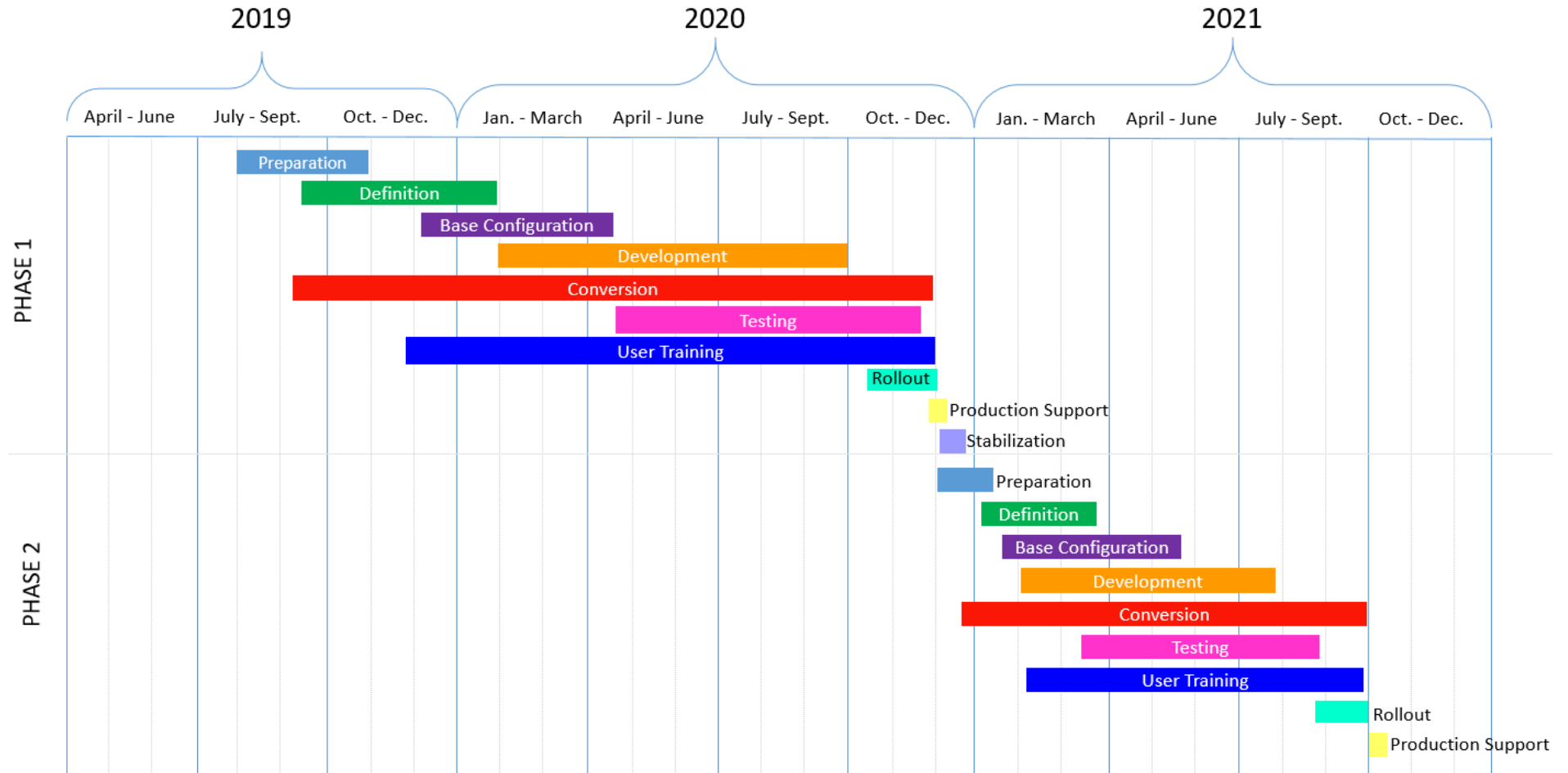
- Phase II will include functionality for motor carriers with International Fuel Tax Agreement (IFTA) and International Registration Plan (IRP). Phase II is scheduled to roll out Oct. 1, 2021.

Project Phases

The project has nine distinct phases.

- Preparation Phase
 - Develops the roadmap that defines the execution of the FastVS implementation project.
- Definition Phase
 - The first step each team takes in defining the work to deliver the lines of business.
- Base Configuration Phase
 - Structures and implements the starting point for the rollout.
- Development Phase
 - The project team uses the definition items to produce work packages that specify parameters, establish options, define thresholds, and performs other types of configuration or development of site-specific extensions.
- Conversion Phase
 - Provides the new system with a base set of data with which the business functions operate.
- Testing Phase
 - Ensures that the production system can meet the business needs in a robust and stable manner.
- User Training Phase
 - Prepares user documentation and delivers training to system users.
- Rollout Phase
 - Delivers the lines of business to production.
- Production Support Phase
 - Provides desk-side support and solution-specific help-desk support during the initial production period and operates and maintains the solution in production over the long term.

Project Timeline



Payment Schedule

The contract between the State and FAST sets forth the following schedule and payment plan.

MN VS Payment Schedule				
Milestone	Estimated Invoice Date	Cost	Retainage	Payment
FastVS License Fee	Aug. 23, 2019	\$4,000,000	\$0	\$4,000,000
FastVS Software Annual Maintenance Fee	Aug. 23, 2019	\$250,000	\$0	\$250,000
Rollout 1 (R1)				
R1 Definition Complete	Jan. 8, 2020	\$4,250,000	\$425,000	\$3,825,000
R1 Base Configuration Complete	April 8, 2020	\$3,125,000	\$312,500	\$2,812,500
R1 Testing Preparation Complete	May 20, 2020	\$6,500,000	\$650,000	\$5,850,000
FastVS Software Annual Maintenance Fee	Aug. 23, 2020	\$500,000	\$0	\$500,000
R1 System Acceptance, Product Rollout (R1 Go-Live)	Nov. 16, 2020	\$7,625,000	\$762,500	\$6,862,500
Partial Retainage Release (per Section 4.2(b))	Upon acceptance			\$1,075,000
Rollout 2 (R2)				
R2 Definition Complete	March 26, 2021	\$1,500,000	\$150,000	\$1,350,000
R2 Base Configuration Complete	May 14, 2021	\$1,125,000	\$112,500	\$1,012,500
R2 Testing Preparation Complete	June 15, 2021	\$2,250,000	\$225,000	\$2,025,000
R2 System Acceptance, Product Rollout (R2 Go-Live)	Oct. 1, 2021	\$2,625,000	\$262,500	\$2,362,500
Maintenance 8/23/2021-10/01/2021	Aug. 23, 2021	\$104,000	\$0	\$104,000
Final Retainage Release	Upon final acceptance			\$1,825,000
Total Implementation Cost		\$33,854,000		\$33,854,000

VTRS Teams

The following teams are working alongside FAST:

- Title and Registration – representatives from DVS, MNIT and Minnesota Deputy Registrar Association (MDRA)
- Dealer and Inventory – representatives from DVS, MDRA and Minnesota Automobile Dealers Association (MADA)
- Financials – representatives from DVS and Deputy Registrars Business Owners Association (DRBOA)
- Conversion – representatives from DVS, MNIT and DRBOA
- Interfaces – representatives from DVS and MNIT
- Training – representatives from DVS, MDRA and DRBOA
- Testing – representatives from MNIT, DVS, MDRA and DRBOA
- Tech & Support – representatives from MNIT

Risks

Ten risks have been documented in the project's risk log.

1. **COVID-19.** COVID-19 could impact the development and rollout of VTRS. The VTRS team teleworked and continued development, conversion, testing and training efforts during this quarter.
2. **Surge of work post stay at home order.** Deputy registrars and DVS offices are gradually resuming services after Gov. Walz allowed the stay at home order to expire. Accommodating the increase of customers over the busy summer months, while maintaining social distancing and other safety measures, may affect the ability of deputy registrars to engage fully in VTRS testing and training.
3. **Scanner deployment.** The VTRS executive steering committee voted to move forward with scanning motor vehicle documents at the deputy registrar office. The team is developing a change management plan for implementation of scanners.
4. **Managing work-in-process at the time of VTRS rollout.** DVS needs to ensure a procedure is in place to have minimal work-in-process at the time of VTRS rollout.
5. **Conversion of MNLARS records.** The conversion of MNLARS records into VTRS will be a large undertaking.
6. **REAL ID.** Federal enforcement of the REAL ID Act was extended to Oct. 1, 2021. This should decrease the number of customers requesting a REAL ID compliant driver's license or identification card over the VTRS training and implementation period, reducing the impact to deputy registrars and DVS offices and back office processing.

7. **MINNCOR replacing manual process.** The VTRS project has requested that MINNCOR replace the current manual processes with system automation. The risk to the project is if MINNCOR cannot complete the interfaces for automation.
8. **Electronic Vehicle Title and Registration (EVTR).** This is a complex business between participating dealers, deputy registrars and DVS. It was a challenge with MNLARS. The request for proposal (RFP) for vendors was published on April 27, 2020, and closed June 1, 2020. The posting of the RFP was later than anticipated.
9. **Decommissioning of MNLARS and Legacy Systems.** Decommissioning MNLARS will require thorough planning and analysis to assure all data needed for operation or retention purposes is accurately assessed and converted or stored.
10. **Scope creep.** Overall project scope creep can occur with large projects similar to VTRS.

Independent Verification and Validation (IV&V)

DVS and MNIT entered into a contractual agreement with BerryDunn to provide IV&V services for the VTRS project. The second quarter IV&V report was completed in June 2020.

Below is the updated response to the survey sent to the deputy registrars.

- Have you received any communications about the new Vehicle Title and Registration System initiative?
 - Yes – 63/68 = 92.65%
 - No – 5/68 = 7.35%
 - Similar response as the first quarter
- Are you satisfied with the frequency and content of the communication you received?
 - Yes – 54/63 = 85.71%
 - No – 9/63 = 14.29%
 - Similar response as the first quarter
- Do you feel that you have been able to provide input to the state regarding the Vehicle Title Registration System, and that your input was sufficiently addressed?
 - Yes – 40/60 = 60.60%
 - No – 26/66 = 39.40%
 - Decline of 3.50% from the first quarter

- Based on the information that has been provided to you on the Vehicle Title Registration System to date, do you feel that the state has a plan to sufficiently prepare you to use the Vehicle Title and Registration System?
 - Yes – 45/66 = 68.18%
 - No – 21/66 = 31.82%
 - Improvement of 3.24% from the first quarter
- Do you feel the Vehicle Title Registration System will meet your needs?
 - Yes – 47/62 = 75.81%
 - No – 15/60 = 24.19%
 - Improvement of 6.48% from the first quarter

Customization

Site-specific configuration is occurring and business process are updating, but no customization has occurred to the FastVS core system.

FastDS Update

DVS continues to process service requests for FastDS and is in the process of upgrading from v11 to v12. The rollout of v12 will occur from Nov. 11 to Nov. 16, in conjunction with the VTRS rollout. The FastDS team was also actively engaged in the DPS-DVS response to the needs of Minnesotans during Gov. Walz’ peacetime emergency and stay at home orders.

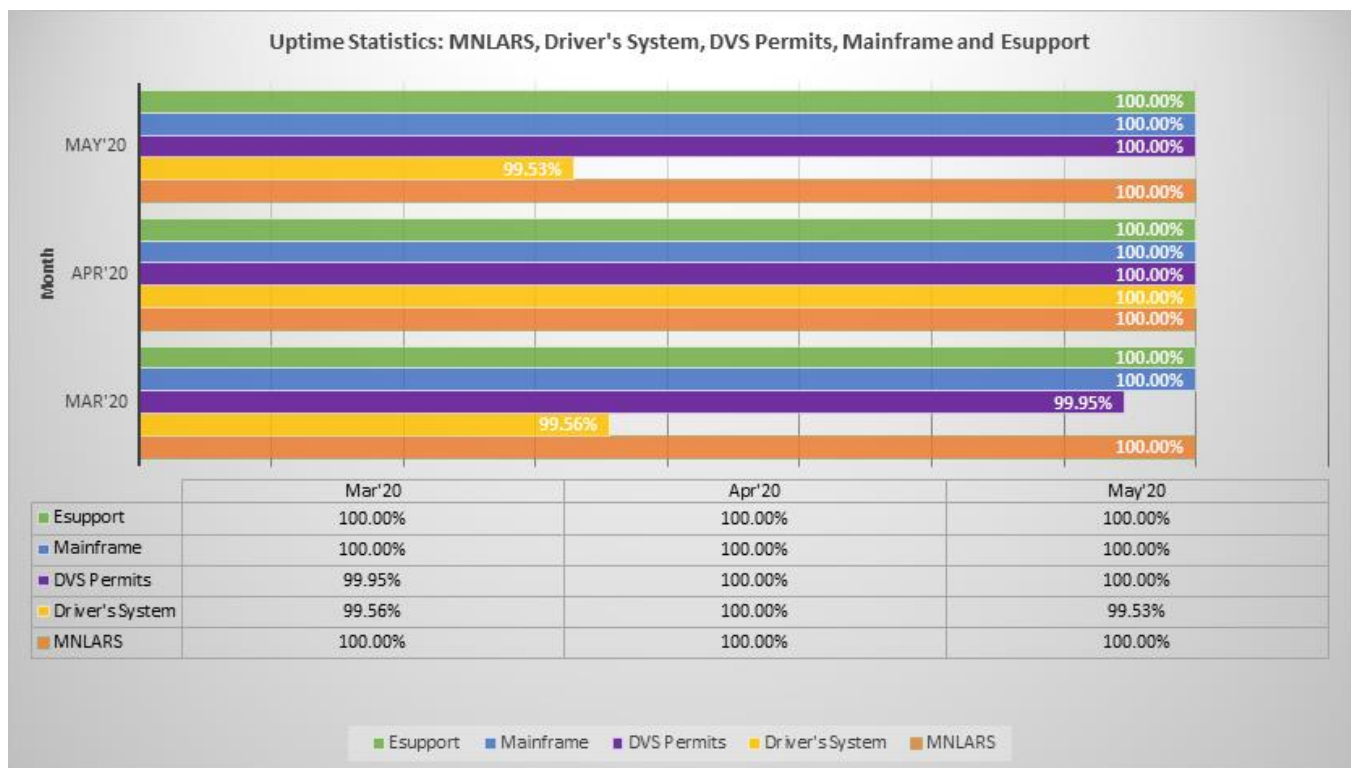
Highlights from this quarter include:

- **Driver’s License Road Tests.** Nearly 14, 000 driver’s license road tests were canceled due to COVID-19 concerns. Affected individuals received email cancelation notices and rescheduling instructions via FastDS. Those with canceled appointments were given priority through the online scheduling service. Online scheduling for road testing will open to everyone on June 8.
- **Commercial Driver’s Licenses.** While DVS exam stations and driver’s license agent offices were closed due to COVID-19, new online services allowed eligible Minnesotans to apply for a first-time seasonal farm commercial driver’s license (CDL) and upgrade a commercial license permit to a CDL.
- **Credential expiration extensions.** FastDS automatically extended the expiration of driver’s licenses, instruction permits, ID cards, medical certificates and disability parking certificates as provided for by recently passed legislation.

- **Virtual Lobby.** Successfully piloted and deployed a virtual lobby system at three DVS exam stations to support social distancing and reduce exposure to COVID-19. DVS expanded this to six additional exam stations and intends to expand the virtual lobby to other exam stations in early June.
- **Online Renewal.** Developed an online service to implement new legislation that allows Minnesotans to renew a standard driver's license or ID card, or replace a lost or stolen standard license or ID card without a new photo or vision screening. This deployed June 2.
- **REAL ID.** Updated the proof of residency documents required to obtain a REAL ID.
- **Autism and Mental Health Indicator.** Developed programming to accommodate the new autism and mental health indicator on driver's licenses and ID cards.
- Continues to manage and close out system fixes/improvements.

DVS Systems Status

System Availability



MNLARS Support and Maintenance

MNLARS is now in support mode. The support team continues to perform bi-weekly data fixes and assists the MNIT operations staff with testing and verification of operating system and security patches prior to being applied to the production system.

Usage of online renewals are at very high levels with no negative impacts to system performance. The team responds to approximately 5-10 service requests and questions from DVS staff each week. MNLARS system performance is meeting the expected goals and the team is the right size for the workload.

MNLARS and Legacy System Decommissioning

Decommissioning MNLARS and the remaining vehicle legacy systems is a parallel activity to the VTRS effort. VTRS Phase I will include all existing legacy system functionality, including all MNLARS functionality. After VTRS Phase 1 is launched and data conversion and validation is completed, the legacy applications will be temporarily maintained in a read-only state. Select business users will have access for reference and record comparison. The end of read-only access will be defined by the business but is projected to not exceed 90 days. At that time, all user access will be deleted.

Decommissioning of legacy servers will require data archiving and coordination of activities with MNIT. Any server associated with production data will not be decommissioned until after the business shuts down read-only access. All MNLARS decommissioning work is scheduled to be completed by March 22, 2021.

VTRS Phase 2, scheduled to roll out Oct. 1, 2021, includes the replacement of the Explore prorata functions for the IFTA and IRP. Explore is not supported by MNIT and it is separate from MNLARS. Explore does not have interfaces with MNLARS nor data stores in MNLARS. The Explore contract will be allowed to expire after VTRS Phase 2 rollout is complete.

Stellent Decommissioning

Stellent, the legacy Driver Services document management tool, has been decommissioned. Originally scheduled to be decommissioned after VTRS Phase 1, the timeline was escalated due to the age and vulnerability of the system. Document management is now available through FastDS.

Stellent user access ended and virtual Stellent hardware decommissioning is complete. Removal of physical hardware will occur once MNIT staff are onsite.

Budget

Table 1 – DVS Technology Account

The following DVS Technology Account (Table 1) includes a summary of year-to-date revenues.

- “Expenditures” are funds paid subject to an invoice or expense incurred.
- “Encumbrances” are funds set aside for payment after an obligation for payment has been established, but no invoice has yet been approved or paid.
- “Forecasted spend” includes planned expenditures and encumbrances that are anticipated but have yet to be either paid out or set aside.

YTD Financial Reporting for Vehicle & Driver for Reporting Period FY2020 (\$000)		YTD FY20	
Revenues	YTD	Encumbered & forecast	Total
Carryforward	4,223	-	4,223
Receipts	17,193	-	16,567
VTRS Development	52,669	-	52,669
Driver License Development	3,000	-	3,000
Total revenue	77,085	-	76,459
Expenditures - Driver	YTD spend	Encumbered & forecast	Total
FAST contract	3,755	2,333	6,088
DVS staff	280	24	304
MNIT staff	506	104	610
Technology costs	652	220	872
Other spent	38	14	52
Total Driver	5,231	2,695	7,926
Expenditures - Vehicle	YTD spend	Encumbered & forecast	Total
FAST Contract	11,940	6,500	18,440
Contractors	4,443	665	5,108
DVS staff	776	126	902
MNIT staff	2,399	321	2,720
Technology costs	1,989	1,637	3,626
Other spent	349	172	521
Total vehicle	21,896	9,421	31,317
Total Driver and Vehicle	\$27,127	\$12,116	\$39,243

Table 2 – MNLARS Deficiency Budget

The numbers contained in this table are contained in the data provided in Table 1 but are addressed separately here.

YTD MNLARS Deficiency Budget for Reporting Period FY2020 (\$000)						
Deficiency	Carry Forward from FY19	Budget	YTD	YTD FY20		
				Encumbered & forecast	Total forecast	Remaining amount
Development, Technology, Contractors	3,154	3,154	3,108	0	0	45
Total	\$3,154	\$3,154	\$3,108	\$0	\$0	\$45

Table 3 – Amount spent for contractors

Spend for MNIT contractors is shown for the reporting period for March-May 2020. Table 3 contains the amount (in thousands) paid by the MNLARS and VTRS project for each contractor. Each contractor may have one or more billed resources placed on the project or may be paid upon completion of deliverables without regard to the number of resources engaged.

Contractor	Mar-May 2020 Spend (\$000)
Capgemini America Inc	\$29,260.00
Fast Enterprises LLC	\$3,125,000.00
Knowledge It A Cooperative	\$309,391.00
Lighthouse Software Solutions	\$288,296.00
SDK Technical Services	\$65,016.00
Total	\$3,816,963.00

Spend for MNIT and DPS employees is shown for the quarterly reporting period of March-May 2020. Tables 4 and 5 contain staff charges allocated to the FAST/MNLARS vehicle project for each position, as well as an indication for each position of the number of dedicated staff and non-dedicated staff (those that spend part of their time supporting FAST/MNLARS Vehicle but were not assigned to the project).

Table 4 – Quarterly Amount Spent for MNIT Employees at DPS

Position	Dedicated staff	Non-dedicated staff	Mar-May 2020 Spend (\$000)
Developer	11	-	297
Managers/supervisors	2	1	88
Operations/ Technical Support	3	9	206
Project managers/Admin support	4	1	129
Total	20	11	\$720

Table 5 – Quarterly Amount Spent for DPS Employees

Position	Dedicated Staff	Non-dedicated Staff	Vehicle (\$000)	Driver (\$000)	Mar-May 2020 Spend (\$000)
Program Director	2	-	31	-	31
Information Officer	1	-	10	-	10
Program Supervisor	1	-	24	-	24
Business Analyst	10	-	147	38	185
Financial Analyst	1	-	10	10	20
Total	15	-	\$222	\$48	\$270