



Department of Public Safety Driver and Vehicle Services

Report on Expenditures for the Reopening of Driver Exam Stations

January 2023

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Executive Summary

The global pandemic that shuttered businesses and services across the state starting in 2020 also closed driver exam stations. Minnesota Department of Public Safety Driver and Vehicle Services division (DVS) implemented a number of solutions during these closures, such as knowledge testing at home, and extending expiration dates for credentials and disability parking certificates. In addition, DVS consolidated all 93 exam stations to 15 locations to increase efficiencies while maintaining necessary public health measures. By June of 2021, DVS was operating 26 exam stations. In June 2021, the legislature appropriated one-time funding in the amount of \$2,598,000 for FY22 and \$2,598,000 for FY23 and required DVS to use that funding to reopen all 93 exam stations to their previous service levels. The legislature required DVS to submit legislative reports by Jan. 15, 2023, and Jan. 15, 2024, regarding the use of those funds.

This report will detail the \$1,136,135 spent toward reopening all driver exam stations in FY22. Reopening exam stations presented unique challenges, including hiring and training new staff, renegotiating and executing leases, and remodeling costs. DVS implemented a phased approach to reopening and set a deadline of opening all 93 exam stations by Jan. 31, 2022. A priority was placed on hiring new examiners for the exam stations by dedicating resources within DVS and DPS Human Resources to the hiring process from start to finish. This allowed for faster turnarounds between posting positions and completing background checks, often reducing a four-to-six-week process to less than three weeks. The six-to-eight-week training needed for examiners was often completed in groups in each region instead of requiring travel to St. Paul. By Jan. 31, 2022, all 93 exam stations in Minnesota were open for business. In 2022, DVS administered over 175,000 skills exams, the most ever completed, and over 389,000 knowledge exams.

Figure 1. Table showing the location of the exam station, its region, office reopening date.

<u>Exam Station</u>	<u>Region</u>	<u>Date of Opening</u>
Gaylord	5	11/2/21
New Ulm	5	11/4/21
St. Peter	5	11/9/21
Thief River Falls	10	11/16/21
Glencoe	3	11/17/21
Red Wing	2	11/17/21
Hutchinson	3	11/18/21
Buffalo	3	12/7/21
Lindstrom	1	12/7/21
Stillwater	1	12/8/21
Park Rapids	7	12/10/21
Pine City	8	12/13/21
Elbow Lake	7	12/16/21
Milaca	8	12/16/21
Mahnomen	7	12/17/21

Mora (Exam)	8	12/17/21
Ely (Exam)	9	1/3/2022
Foley	8	1/4/2022
Warren	10	1/4/2022
Jackson	5	1/5/2022
Baudette	10	1/6/2022
Glenwood	7	1/6/2022
Ada	7	1/7/2022
Waseca	5	1/7/2022
Hallock	10	1/11/2022
Bagley	10	1/12/2022
Benson	6	1/13/2022
Breckenridge	7	1/14/2022
Ivanhoe	6	1/14/2022
Ortonville	6	1/14/2022
Two Harbors	9	1/18/2022
Blue Earth	5	1/19/2022
Montevideo	6	1/19/2022
Albert Lea	4	1/20/2022
Caledonia	4	1/20/2022
Le Center	5	1/21/2022
Long Prairie	7	1/21/2022
Madison	6	1/21/2022
Wabasha	4	1/24/2022
Windom	6	1/24/2022
Grand Marais	9	1/25/2022
International Falls	9	1/25/2022
Litchfield	6	1/25/2022
East Grand Forks	10	1/26/2022
Granite Falls	6	1/26/2022
Little Falls	8	1/26/2022
Luverne	6	1/26/2022
Olivia	6	1/26/2022
Sauk Centre	8	1/26/2022
St. James	5	1/26/2022
Crookston	10	1/27/2022
Hibbing	9	1/27/2022
La Crescent	4	1/27/2022
Moose Lake	9	1/27/2022
Paynesville	8	1/27/2022
Pipestone	6	1/27/2022
Redwood Falls	6	1/27/2022
Wadena	7	1/27/2022
Wheaton	7	1/27/2022
Aitkin	8	1/28/2022
Morris	7	1/28/2022

Preston	4	1/28/2022
Roseau	10	1/28/2022
Slayton	6	1/28/2022
Brainerd	8	1/31/2022
Fergus Falls	7	1/31/2022
Walker	10	1/31/2022

New Staff Expenses

To reopen exam stations, DVS needed to hire and train new staff in supervisory, customer service and examiner capacities. Due to the nature of the hiring process, starting dates vary. During FY22, DVS spent \$1,095,972 on new staff to open and operate closed exam stations. This total includes gross wages and salary paid to employees along with benefits paid by the state (insurance, retirement plan, etc.). Despite extensive recruiting efforts and multiple rounds of hiring, DVS is still seeking to hire enough staff to reach full staffing capacity at exam stations. Several factors contribute to this difficulty including attrition, lack of competitive pay, and working conditions requiring travel and exposure to the elements. In the three months from 10/2/21 to 1/22/22, 75 offers of employment were made, however only 56 new exam staff were hired during the entire fiscal year. Despite these challenges, DVS has kept all exam stations open and fully operational.

Figure 2. A summary of expenses associated with new staff.

Wages and Salary	\$1,050,462
Travel	\$30,988
Clothing/Uniforms	\$13,188
Background Checks	\$1,103
Warehouse Supplies	\$222
FMLA Postage	\$9
Total	\$1,095,972

A breakdown of hourly wages by position can be found in Appendix A: New Staff Expenses/Hourly.

Lease and Remodel Costs

During the state of emergency COVID-19 related closures, leases lapsed or expired for 33 DVS locations between February and July 31 of 2021. DVS began renegotiating leases for existing locations or negotiating leases for new sites in August 2021 and by January 2022, all necessary leases were in place to reopen all exam stations.

The leasing costs expended in FY22 for these 33 leases was \$32,240.50. Most locations were able to secure the site they previously occupied, however DVS moved to a new site in Brainerd

after the previous location had structural damage from a fire. The new location required physical build outs and remodeling in order to reopen. A total of \$40,193 from the one-time funding was spent related to lease and remodel costs at this new location.

Figure 4. A summary of leasing and remodel costs by location, description, and expense.

Location	Description	Expense
Brainerd	Countertop build out	\$7,952
Multiple Locations	Renewed Leasing Costs	\$32,241
	Total	\$40,193

The total dollar amounts showing locations and leasing costs can be found in Appendix B: Leasing Costs by Location.

Conclusion

DVS successfully reopened all 93 exam stations with a dedicated reopening team and a coordinated effort between DVS, DPS human resources, and the communities where exam stations are located. In FY22, DVS spent \$1,136,165 of the \$2,598,000 appropriated for exam station reopening costs. The majority of these funds went toward costs for new staff at exam station locations. Due to the length of the hiring process, including time to post the position, interview, and background check new employees, as well as the difficulty in finding qualified applicants, DVS was unable to hire enough staff in FY22 to fully utilize the appropriated funds. However, DVS continues to work to recruit and retain exam station staff and hopes to hire enough staff to reach full staffing capacity to expend the remaining appropriated funds in FY23.

Appendix

Appendix A. New Staff Expenses/Full Breakdown

Supplier	Category	Account Desc.	Expense
N/A	Payroll	Full Time – Salary	743,913.86
N/A	Payroll	Full Time – Fringe	290,816.40
N/A	Payroll	Pt, Seas, Labor Serv-Sal	4,207.68

N/A	Payroll	Pt, Seas, Labor Serv- Fringe	1,032.25
N/A	Payroll	Overtime Pay – Salary	8,062.06
N/A	Payroll	Overtime Pay – Fringe	1,192.44
N/A	Payroll	Separation Expense – Sal/Fringe	1,237.599
N/A	Payroll	Clothing Allowance	419.34
N/A	Purchased Services	Travel Expense in- state	3,433.06
N/A	Purchased Services	Private Auto Mileage in- state	14,754.11
0000237943 - US BANK	Purchased Services	Travel Expense in- state	3,662.58
0000237943 - US BANK	Purchased Services	Travel Expense in- state	6,164.30
0000237943 - US BANK	Purchased Services	Travel Expense in- state	991.00
0000237943 - US BANK	Purchased Services	Travel Expense in- state	440.50
0000237943 - US BANK	Purchased Services	Travel Expense in- state	514.20
0000237943 - US BANK	Purchased Services	Travel Expense in- state	1,028.40
0000801494 - AMERICAN DATABANK	Purchased Services	Personnel	52.79
0000801494 - AMERICAN DATABANK	Purchased Services	Personnel	60.30
0000801494 - AMERICAN DATABANK	Purchased Services	Personnel	529.80

0000801494 - AMERICAN DATABANK	Purchased Services	Personnel	191.50
0000801494 - AMERICAN DATABANK	Purchased Services	Personnel	126.40
0000801494 - AMERICAN DATABANK	Purchased Services	Personnel	28.50
0000801494 - AMERICAN DATABANK	Purchased Services	Personnel	40.80
0000801494 - AMERICAN DATABANK	Purchased Services	Personnel	32.40
0000801494 - AMERICAN DATABANK	Purchased Services	Personnel	20.40
0000801494 - AMERICAN DATABANK	Purchased Services	Personnel	20.40
0000859665 - PHUSION LLC	Supplies-Materials	Supplies, Materials, Parts	265.99
0000859665 - PHUSION LLC	Supplies-Materials	Supplies, Materials, Parts	265.99
0000859665 - PHUSION LLC	Supplies-Materials	Supplies, Materials, Parts	797.96
0000859665 - PHUSION LLC	Supplies-Materials	Supplies, Materials, Parts	531.97
0000859665 - PHUSION LLC	Supplies-Materials	Supplies, Materials, Parts	265.99
0000859665 - PHUSION LLC	Supplies-Materials	Supplies, Materials, Parts	531.97
0000859665 - PHUSION LLC	Supplies-Materials	Supplies, Materials, Parts	531.97
0000859665 - PHUSION LLC	Supplies-Materials	Supplies, Materials, Parts	531.97
0000859665 - PHUSION LLC	Supplies-Materials	Supplies, Materials, Parts	1329.94

0000859665 - PHUSION LLC	Supplies-Materials	Supplies, Materials, Parts	265.99
0000859665 - PHUSION LLC	Supplies-Materials	Supplies, Materials, Parts	531.97
0000859665 - PHUSION LLC	Supplies-Materials	Supplies, Materials, Parts	2,127.90
0000859665 - PHUSION LLC	Supplies-Materials	Supplies, Materials, Parts	265.99
0000859665 - PHUSION LLC	Supplies-Materials	Supplies, Materials, Parts	265.99
0000859665 - PHUSION LLC	Supplies-Materials	Supplies, Materials, Parts	3,723.82
0000859665 - PHUSION LLC	Supplies-Materials	Supplies, Materials, Parts	531.97
DPS Warehouse	Supplies-Materials	General office supplies	222.82
PO70000000	Purchased Services	Postage Mailing-Shipping Service	8.95
			1,095,972.21

Appendix B. Leasing Costs by Location

Location	Lessor	Start Date	FY22 \$
Little Falls	Morrison County	1/1/2021	\$ 2,745
Two Harbors	City of Two Harbors	5/1/2021	\$ 133
Caledonia	City of Caledonia	8/1/2021	\$ - *
Little Falls	City of Little Falls	8/1/2021	\$ 2,745
Walker	Cass County	8/1/2021	\$ 260
Glencoe	McLeod County	11/1/2021	\$ 150
Paynesville	Paynesville Middle School	11/1/2021	\$ - *

St Peter	Nicollet County	11/1/2021	\$ 188
Milaca	City of Milaca	12/1/2021	\$ 1,400
Ada	Norman County	1/1/2022	\$ 100
Aitkin	Arrowhead Economic Opportunity Agency	1/1/2022	\$ 600
Albert Lea	Freeborn County	1/1/2022	\$ 1,360
Bagley	Clearwater County	1/1/2022	\$ 60
Baudette	Lake of the Woods County	1/1/2022	\$ 150
Crookston	Polk County	1/1/2022	\$ 390
East Grand Forks	East Grand Forks	1/1/2022	\$ 650
Fergus Falls	Big Lake Event Center	1/1/2022	\$ 8,400
Glenwood	Glenwood Lakes Area Welcome Center	1/1/2022	\$ 150
Grand Marais	Cook County Council on Aging	1/1/2022	\$ 500
Hallock	Kittson County	1/1/2022	\$ 250
Hibbing	Hibbing Community College	1/1/2022	\$ 6,000
Litchfield	City of Litchfield	1/1/2022	\$ 1,200
Long Prairie	Long Prairie	1/1/2022	\$ 600
Morris	City of Morris	1/1/2022	\$ 600
Ortonville	City of Ortonville	1/1/2022	\$ 400
Paynesville	City of Paynesville	1/1/2022	\$ 800
Preston	City of Preston	1/1/2022	\$ 520
Roseau	City of Roseau	1/1/2022	\$ 650
St James	Watonwan County Courthouse	1/1/2022	\$ 130
Wadena	City of Wadena	1/1/2022	\$ 600
Walker	City of Walker	1/1/2022	\$ 260
Warren	Marshall County Courthouse	1/1/2022	\$ 100
Wheaton	Traverse County	1/1/2022	\$ 150
			\$ 32,241

*These are motorcycle testing sites that are leased for no cost to DVS.