



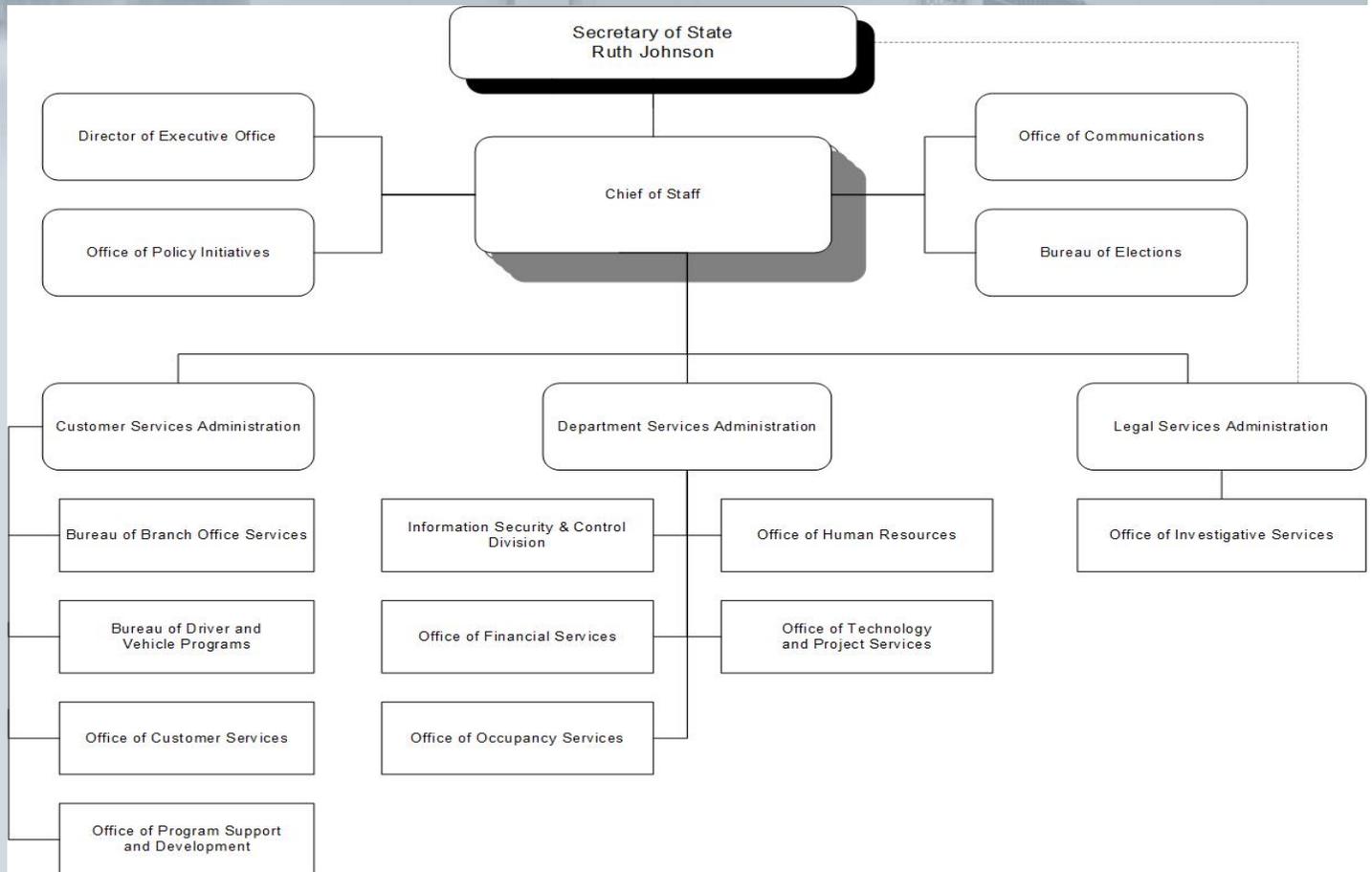
# Michigan Department of State:

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RUTH JOHNSON, SECRETARY OF STATE



# Executive Organizational Chart



# Primary Responsibilities of Department

## **Drivers License:**

- Issue Driver Licenses – 2.8M Yearly
  - Includes: REAL ID, Non-REAL ID, Commercial, Enhanced, and Graduated
  - Includes Personal Identification Cards (400K yearly)
- Organ Donor Registry
- Maintain Driver Records, Convictions, Suspensions, Administrative Actions
- Collection of Fees

## **Vehicle:**

- Issue Vehicle Titles – 3M Yearly
- Issue Plates & Tabs – 9M Yearly
  - 191 Plate Types
  - Watercraft, Snowmobiles, Moped, ORV
  - International Registration Plan (interstate commerce)
- Verify Insurance
- Issue Disability Placards/Plates
- Collection of Fees

*over local election officers*

- Register Voters
- Administrate the Qualified Voter file and train local election officials
- Receive and review campaign finance reports

## **Regulatory and Consumer Protection:**

- Conduct drivers license reexaminations and hearings; provide licensing and registration for vehicle dealers, mechanics and repair facilities; manage the third-party driver skills testing program
- Certify and regulate driver education providers and instructors
- Protect departmental records and other assets through security, audit and enforcement activities

## **Elections and Campaign Finance Administration:**

- States Chief Election Officer with supervisory control



# Primary Responsibilities of Department (Cont.)

## **Office of the Great Seal:**

- Official registry of all signed laws and other government documents
- Commission of Notaries Public
- Certify State of Michigan documents used in foreign transactions
- Notary education and training

## **Uniform Commercial Code:**

- Responsible for the filing and searching of secured transaction documents

## **Traffic Safety:**

- Drivers Education
- Motorcycle Safety Program
- Aging Driver Initiative (Safe Drivers, Smart Options)

## **Executive Directions and Central Support:**

- Accounting/Budgeting
- Project Management
- Mail, Delivery, Occupancy Services/Branch Locations
- Human Resources
- Information Technology Integration
- Information Security & Controls
- Management/Administrative Support





# Michigan Department of State:

## FY17 & FY18 Updates FY19 Budget

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# **FY17 Appropriation:** *Bureau of Elections - New Voting Equipment*

*MDOS was approved to replace our more than 12 year old voting equipment, with next generation ballot tabulators, accessibility devices for voters with disabilities and election management/ reporting software.*

## **Priority Outcome: Elections Integrity**

### **Funding:**

- \$30M Help America Vote Act (HAVA) Funds
- \$10M General Funds
- Able to include purchases and 5 years of maintenance

### **FY18:**

- Remaining purchases dependent on HAVA supplemental request
- New equipment in place statewide for August 2018 Election

### **Procurement/Delivery:**

- 1012 jurisdictions purchased (49 counties)
- \$21M - FY17
- Tracking to \$40M budget

*Notable improvements will come in the form of saved time and ease of use for county clerks from software election management improvements.*



# FY17 Appropriation: *Legacy Modernization - CARS*

*During FY17 the CARS project was launched to modernize the Department of State's antiquated Information Technology systems.*

## **Priority Outcome: Legacy Modernization**

### **Funding:**

- Development contract was awarded to FAST Enterprises for \$67 million
- IV&V, server, staffing and other miscellaneous expenses will be approximately \$16 million
- Revenue forecasts indicate \$14.1 million yearly via a look-up fee increase

### **Delivery Dates:**

- Vehicle - 2/19/19
- Driver - 2/16/21

### **Status:**

- Project milestones are on track: on time and within budget
- 16 of 21 configurations completed and demonstrated to MDOS/DTMB – progress is substantial compared to prior projects
- Training plan finalized
- IV&V on site – primary risks related to interfaces



# FY17/FY18 Appropriation: *MI-TIME Line Expansion*

FY17 \$470,000 and in FY18 \$400,000 allocated to enhancing our innovative & advanced customer management system via MI-TIME Line expansion.

## Priority Outcome: Customer Service Excellence

### MI-TIME Line Expansion:

- 2014: 10 largest offices
- Currently 35 offices (selected based on transaction volumes)
- Remainder of 2018: 8 additional offices

### Feedback:

- *“Appointments... best thing ever”*
- *“Best experience ever at Secretary of State”*
- *“Absolutely delighted with this service, fast and efficient”*
- *“Love the cell phone option to reserve a time. Thank you”*
- *“Best birthday visit ever!!!”*



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# FY18 Appropriation:

## *Office of Investigative Services Enhancements*

*Funding of \$1.4 million general fund has significantly enhanced consumer protection via fraud prevention and detection, amplified regulatory enforcement of inadequate vehicle repair facilities and mechanics.*

### **Priority Outcome: Consumer Protection**

#### **Since October 2015:**

- Implemented 293 Probation Agreements
- Summarily suspended 61 dealer licenses
- Issued 51 Cease & Desist Orders
- Assessed 33 unlicensed dealers
- Trained 1,454 in Vehicle Dealer Compliance
- Trained 483 in Repair Facility & Mechanic Compliance training

#### **Funding:**

- Office of Investigative Services – \$1.4M / 11 FTE for FY18
- Interviews begin in September – 8 completed, others in process
- Develop specialized training for new hires

#### **FY18 & Beyond:**

- Performance metrics developed for FY18 & FY19 related to additional staff

#### **Examples:**

- Increase Enforcement Reviews:
  - FY18 – 19%
  - FY19 – 33%

#### Routine Fraud Investigations:

- FY18 – 38 days
- FY19 – 30 days
- 12 Key Performance Measures (KPI) updated and tracked



# FY19 Budget: *Requests*

*For FY19 budget, MDOS is requesting changes utilizing existing funds for several key program areas.*

## **Program Increases:**

- CDL Testing Kiosk Maintenance (\$500K)

## **Current Services Baseline Adjustments:**

- Driver License Contract Increase (\$925K)
- IT IDG Authorization Increase (\$800K)
- Standard Economic Adjustments (\$3M+)





# Michigan Department of State: FY17 Stats, Facts and Figures

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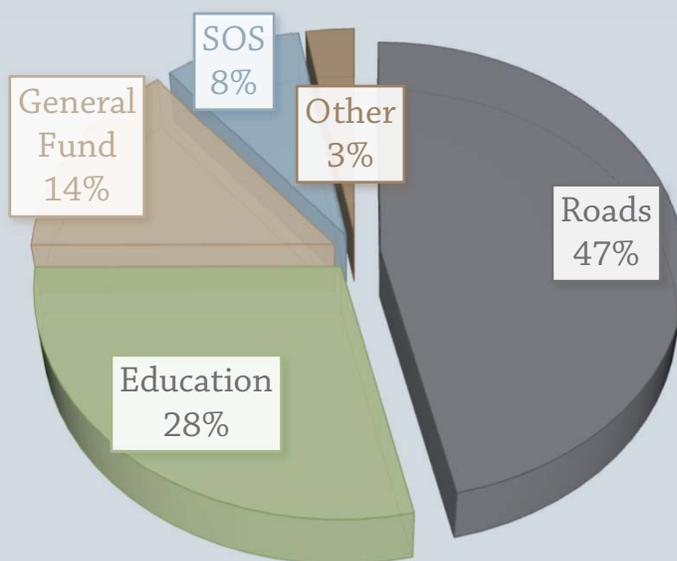


# Budget and Fiscal Management

## Budget and Fiscal Management:

- \$2.7 billion collected by SOS (FY17)
  - \$1.26 billion for roads, \$774 million for education, \$389 million to General Fund
  - \$76 million to other state entities
  - \$218 million SOS Operations (8% to SOS / 92% to other entities)
- \$249 million FY18 budget; \$19.1million General Fund (7.7%)

## SOS REVENUE DISTRIBUTION FY17



\$2.7B Revenue  
Collected by SOS for  
Michigan (FY17)



# Statewide Election Data

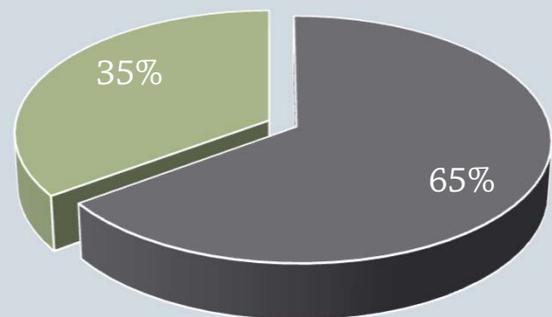
- 7.4 million registered voters in Michigan (at the close of FY17)
- 416,614 voter registrations completed in branch offices during FY17
- 1603 local and county clerks who manage and run elections, providing local control accountability and frontline knowledge of issues, candidates and the electorate

## Statistics from November 2016 Presidential Election in Michigan:

- 4.87 million voters (65% turnout) in November 2016 General Election which included 1,273,077 absentee votes (26% of total votes cast)
- 1.1 million “hits” on the Michigan Voter Information Center (MVIC) online and mobile sites during the 16 days preceding the November 2016 General Election

## 2016 General Election Turnout

■ Voted ■ Did Not Vote



# MDOS Customer Service and Operations

- 1556 employees (FY17), down 25% from FY02
- 131 branch offices, down from 177 in FY01; one mobile office

## Branch Transactions (FY17)

- 12.6 million total transactions (50k per day)
  - 527,534 change of address transactions
  - 189,234 Saturday transactions
  - 2.1M MI-TIME line customers

## Online Transactions - ExpressSOS.com and legacy site (FY17)

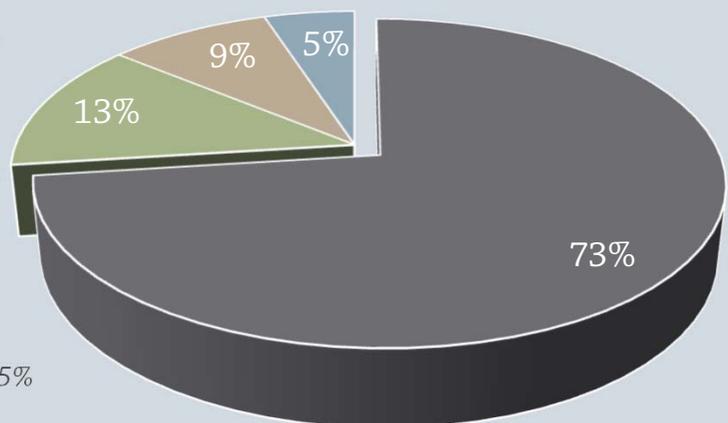
- 2.2M total online transactions
- 1.3M tab renewals (autos, motorcycles, snowmobiles, watercraft)
- 178,699 driver license renewals

## Other Transactions (FY17)

- 807,255 tab renewals via 79 self-service kiosks (up 75% from 5 years ago)
- 1.61 million renewals by mail (down 10% from FY16)
- 15,488 calls answered and 1168 email inquiries weekly
- 3,098 average daily calls answered on the public toll-free line

## FY17 Transactions

■ Branch ■ Online ■ Mail ■ Kiosks



# Organ Donor Registry

More than **2.7 million** names added to Michigan's organ donor registry during Secretary Ruth Johnson's term in office (2011-2017)

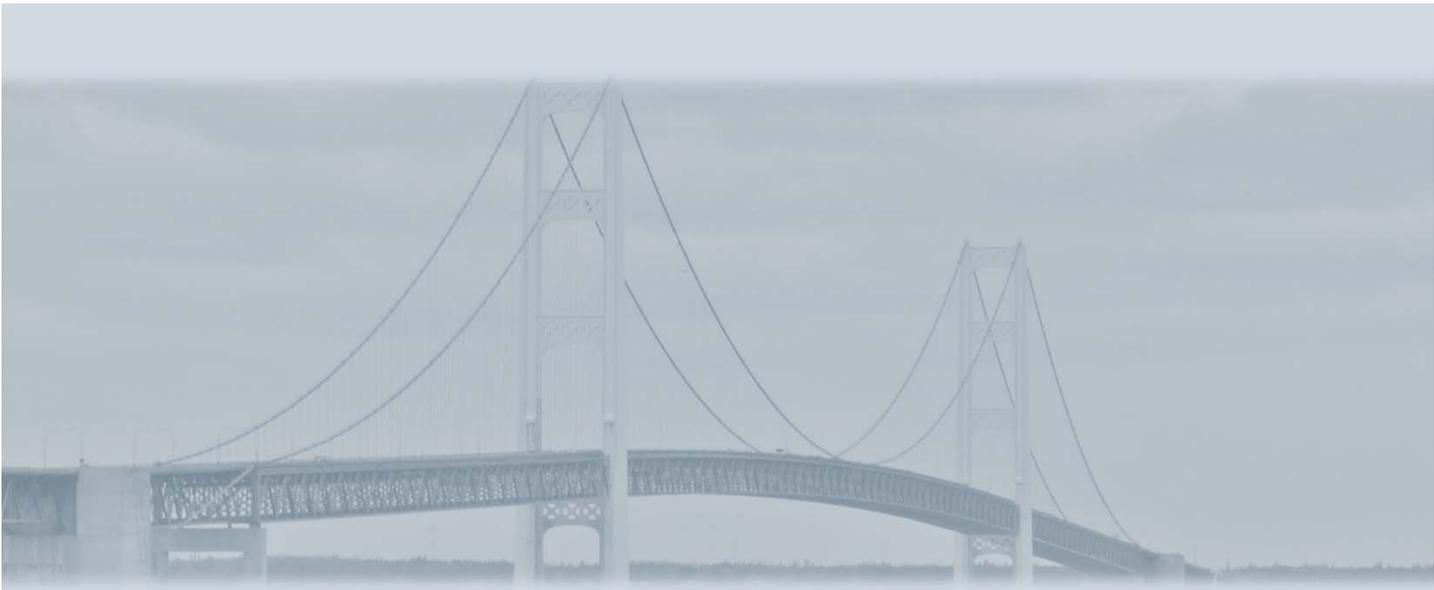
**311,488** names added in FY17

Percentage of adults on registry from 2011-2017

27%

62%





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