

## Discussion Points

### Motor Vehicle Commission

31. In the FY 2013 annual report, the Motor Vehicle Commission (MVC) provides a financial statement for the FY 2014 budget. This statement serves as an update to the information provided as a response to FY 2014 discussion points which asked for the FY 2014 requested budget amounts. A notable difference between the two displays was an increase in the reappropriation from an anticipated \$7.4 million provided in the discussion points to \$37.2 million reported in the FY 2013 annual report. This appears to have been driven largely by an apparent shift of approximately \$20 million in capital program expenditures from FY 2013 to FY 2014 which was mentioned in FY 2014 discussion points, and approximately \$12 million in reduced operating expenditures.

- **Question:** Please comment on the reduced FY 2013 actual operating expenses compared with amounts budgeted for FY 2013, specifically the line items for the Parsons Inspection Contract and Special Purpose.

**MVC Response:** At the time of budget preparations the contracted inspection rate was \$20.93 and the budget was based upon 1.945 million inspections chargeable to the operating budget. Amendment #6 provided for a rate reduction down to \$20.29 accounting for the closure of three (3) stations, a change in maximum wait-times from 30 minutes to 45 minutes (before penalties are assessed) and a limit to capital maintenance expenses for the contracted vendor. Total inspections at the State's Centralized Inspection Facilities (CIFs) were approximately 1.817 million thus creating a reduction in operating expenses. MVC did not need to utilize the budget for the Special Purpose account in FY 2013 since the Commission had sufficient balances in the appropriate line items.

- **Question:** Please provide a financial statement in the same format used for the annual reports which describes the MVC budget request for FY 2015 and updated estimates for FY 2014.

**MVC Response:** Please see attached spreadsheet.

- **Question:** Please discuss any major differences in operating expenses impacting the MVC in FY 2015. What does the MVC estimate for the FY 2014 year end surplus?

**MVC Response:** The Commission has a slight net reduction of approximately \$300,000 from its FY 2014 projected expenditures to its FY 2015 Budget (before state budget contributions). The decreases are primarily related to the elimination of one-time equipment costs and a reduction in the number of capital projects that have been offset with increases to salaries, license plate production, and professional services.

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The FY 2015 Fiscal Plan anticipates that the Commission will end FY 2014 with a \$2.0 million surplus which has been anticipated for use in the Commission's FY 2015 Budget.

32. In the proposed FY 2015 budget, evaluation data indicates that the MVC will add 88 positions for FY 2015, bringing total employment to 2,230 positions. In the FY 2014 budget, 2,233 positions were estimated for FY 2014, an increase of 52 positions; however, employment actually fell for FY 2014 by 39 positions from FY 2013 to 2014.

- **Question:** What happened in FY 2014 that caused the MVC to shift from an anticipated 52 additional employees, to a reduction in staffing by 39? How did the deferment of Capital improvements for Wayne and Eatontown, kiosks, and the fit-outs at new leased sites impact staffing levels?

**MVC Response:** MVC's full-time equivalent (FTE) for FY 2014 was established at 2,233. The Revised FY 2013 position count of 2,181 is based upon OMB paycheck reports identifying the number of employees receiving checks at a particular point in time and therefore permitted the Commission to budget for the hiring of 52 employees. Separations from State service and attrition have actually out-paced hirings for the Commission. Although the Commission was given the authority to maintain its FY 2014 established FTE at 2,233, it had since transferred three (3) positions to Treasury's Central Post Office operations, and therefore, the FY 2015 budgeted FTE level was reduced to 2,230. Based upon the Revised FY 2014 position of 2,142, this allows the MVC to backfill eighty-eight (88) FTE through FY 2015.

**MVC Response:** The scheduling of capital projects did not have an impact on staffing. The Eatontown major renovation is ongoing and the agency will remain open during this process. The construction of a new Wayne site is estimated to be completed 22 months from contract award. With the northeastern part of the State being the most populated, this new site will allow the Commission to expand the number of windows servicing our customers and provide driver conferencing services.

33. In a series of cost saving moves in 2010 and 2011 the MVC closed five leased MVC facilities in Wyckoff, Bridgeton, Elizabeth, Randolph, and Morristown. The MVC also closed three of its inspection stations in Westfield, Delanco, and Bridgeton. The closing of these facilities resulted in cost reductions as well as staffing reductions.

- **Question:** For each of these eight locations, what current economic activity is taking place at these sites? For the inspection stations which the MVC owns, what plans does it have to return these parcels to productive economic use?

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**MVC Response:** The 5 motor vehicle agencies that were closed were leased sites. The landlords of the leased spaces in Randolph, Morristown and Bridgeton have filled those spaces with other tenants. MVC is not able to tell if the landlord at Elizabeth had filled the space vacated by the Commission although they have completed an exterior renovation of the entire building. The Commission was evicted from the space in Wyckoff by the landlord because he had development plans. It does not appear that the development has moved forward yet in Wyckoff.

The State owns the Inspection Stations at Westfield, Delanco and Bridgeton. The Inspection Station at Westfield was converted into a Specialty Inspection Station after the Specialty Inspection Station at Morristown was damaged in a flood. The Inspection Station at Delanco is being used as a storage facility. The Inspection Station in Bridgeton remains part of MVC's infrastructure portfolio. The Commission is currently providing funding for maintenance, alarm systems and utilities and will make a decision in the near future regarding the property.

- **Question:** Does the MVC have any policies or procedures in place regarding unused property? How long does it take the MVC to determine whether it will find an alternative use or sell property that is no longer in use?

**MVC Response:** The Motor Vehicle Commission follows Circular Letter 08-03-DPP for excess/surplus property procedures and Circular Letter 97-10 for state agencies seeking to vacate, condemn or demolish a state-owned building.

34. The MVC has the authority to increase certain fees and surcharges without legislative approval.

- **Question:** Please note any new fees or fee changes charged by the MVC for its own purposes or those that it collects on behalf of other State entities that have taken place in the last year or are planned for the upcoming year. If there are any changes, please identify the amount of revenue expected to be generated by that change.

**MVC Response:** MVC has not increased any fees nor are there any plans for the upcoming fiscal year.

35. The MVC has a contract with Parsons Environment & Infrastructure Group, Inc. for the operation of MVC inspection facilities. This contract was renewed for three years in May of 2013. Chief Administrator Martinez testified before the Assembly Budget Committee in May 2013 that the MVC would be using this three-year contract renewal period to investigate whether it would be advantageous for the MVC to change the way it conducts inspections, including the possibility of eliminating State run facilities and having inspections conducted by private entities such as auto mechanics. Additionally it was investigating whether it

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would be advisable to administer a private inspection program internally or through a private vendor if it were to eliminate State inspection facilities.

The Chief Administrator also noted that in November 2013, the vendor that administers the database that houses inspection information, Verizon, would be getting out of the business of administering these databases. It was not clear from the Commissioner's testimony how those services would be replaced.

- **Question:** What is the cost per inspection to the State under the prior contract with Parsons and the current three year contract?

**MVC Response:** The cost per inspection was reduced from \$20.93 to \$20.29 effective May 6, 2013 through May 5, 2016 as per Amendment #6 which extended the contract for three years.

- **Question:** Who has the MVC retained to investigate how the agency should administer the inspection program once the new Parsons contract expires? When will a report of those findings be available?

**MVC Response:** Eastern Research Group – a nationally recognized environmental, engineering and business consulting firm with decades of experience in onroad/offroad emissions, support to vehicle inspection/maintenance programs, and vehicle emissions monitoring - was awarded a contract to provide the Motor Vehicle Commission with technical evaluation and research in the design and replacement planning for the State's next enhanced inspection program. It is anticipated that this report will be issued in the summer of 2014.

- **Question:** Who is administering the vehicle inspection database? What is the increase or decrease in costs associated with the new vendor?

**MVC Response:** The current vendor, Parsons Infrastructure now administers the Vehicle Information Database (VID) directly. The prior vendor, Verizon, had been a subcontractor to Parsons. The cost to administer the database is included in the per inspection cost of \$20.29

36. The MVC responded to follow up questions by the Assembly Budget Committee in May 2013 with information concerning a breakdown in MVC revenues between amounts collected for other State departments, amounts collected for MVC operations, and amounts collected from MVC based fees, but directed to the General Fund.

- **Question:** Please provide a display similar to the one provided in response to the Assembly Budget Committee Follow-up response in May, 2013, which updates the FY 2014 projections and for FY 2015 breaking down total MVC revenues with the following information: total MVC revenue, collections for other State

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departments, revenues from MVC fees, the proportion of MVC fees that go to MVC activities, and the proportion of MVC fees that go to the General Fund or other departments. For the MVC fees that go to MVC activities, please identify programs that are performed in conjunction with other departments and the breakdown of labor and funding responsibility between the MVC and the partner department. For the MVC fees that go to the General Fund or other departments, please identify the amount that is dedicated to the General Fund through the statutory proportional split, the amount that is provided to other departments through statutory language, and the amount that is provided to other departments or the General Fund as a result of budgetary language.

*MVC Response: Please see the revenue breakdown noted below.*

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NEW JERSEY MOTOR VEHICLE COMMISSION			
FY 2014 & FY 2015 Projected Revenues			
(Dollars in Millions)			
MOTOR VEHICLE COMMISSION	FY 2014		FY 2015
<b>Operating Revenues</b>			
MVC Proportional Split	\$	196.4	\$ 201.0
Increased Service Charges	\$	95.5	\$ 97.0
Security Surcharge - \$7.00	\$	42.8	\$ 42.9
Digital Photo Fee - \$6.00	\$	14.1	\$ 14.4
Other New Revenue	\$	2.6	\$ 1.7
Market Transition Facility	\$	1.5	\$ 1.5
Commercial Vehicle Enforcement Fund	\$	12.9	\$ 13.3
Sub-total: Operating Funds	\$	365.8	\$ 371.8
<b>Dedicated Revenues</b>			
Security Responsibility	\$	20.0	\$ 21.3
School Bus Program	\$	1.4	\$ 1.3
Commercial Bus Program	\$	0.7	\$ 0.7
Motorcycle Safety Education Fund	\$	0.4	\$ 0.5
Sub-total:	\$	22.5	\$ 23.8
<b>Grand Total: MVC</b>	<b>\$</b>	<b>388.3</b>	<b>\$ 395.6</b>
<b>OMB Proportional Split - General Fund</b>	<b>\$</b>	<b>328.8</b>	<b>\$ 331.4</b>
<b>Department of Health</b>	<b>\$</b>	<b>9.9</b>	<b>\$ 10.3</b>
<b>Law &amp; Public Safety</b>	<b>\$</b>	<b>43.8</b>	<b>\$ 45.5</b>
<b>Transportation</b>	<b>\$</b>	<b>76.8</b>	<b>\$ 83.6</b>
<b>Treasury</b>	<b>\$</b>	<b>323.0</b>	<b>\$ 328.5</b>
<b>Environmental Protection</b>	<b>\$</b>	<b>2.5</b>	<b>\$ 2.5</b>

The Motor Vehicle Commission partners with several State agencies that enhance the Commission’s core mission of providing excellence in motor vehicle services. The following is a list of services provided by other state agencies:

- ✓ Department of Law & Public Safety- Division of Criminal Justice (DCJ)  
MVC provides funding to DCJ with respect to the operation and funding of an investigations unit to review, investigate and prosecute criminal activity relating to suspicious motor vehicle documents and operations. The Commission reimburses DCJ for personnel and equipment costs on detailed invoices submitted to MVC on a

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quarterly basis. This Memorandum of Understanding (MOU) stipulates that reimbursements cannot exceed \$1.105 million annually.

- ✓ Department of Law & Public Safety: New Jersey State Police (NJSP)  
The Commission provides funding to the New Jersey State Police for an Auto Unit that is dedicated to the investigation of motor vehicle related crimes including document fraud. MVC reimburses the NJSP on a quarterly basis for equipment and personnel. This MOU stipulates that reimbursement cannot exceed \$400,000.
  
- ✓ Department of Law & Public Safety: New Jersey State Police (NJSP)  
MVC provides funding for security guards at the Trenton Office Complex (TOC) that are consistent with the Commission’s hours of operation. The MOU stipulates that reimbursement cannot exceed \$350,000 annually.
  
- ✓ Department of Transportation: Permitting for Over-Dimensional and Overweight Commercial Vehicles  
According to current statutes, MVC is the lead agency responsible for issuing special permits for certain conditions related to commercial vehicles. Since the Department of Transportation (DOT) is responsible for providing a safe, efficient, fully integrated and balanced transportation system for the State, MVC and DOT reached an agreement whereby DOT will verify the suitability of the routes that are traveled by over-weight and over-dimensional commercial vehicles. With the development of a fully automated web-based, online application verification process, MVC provides \$500,000 for system enhancements and personnel within DOT to determine the viability of selected routes.
  
- ✓ Department of Treasury: Division of Revenue and Enterprise Services (DORES)  
DORES has an existing Filenet repository that provides active and long-term records storage and retrieval that MVC uses for its imaging storage and retrieval of critical MVC documents that are required by statute to be retained according to Treasury’s retention schedule. MVC purchased the equipment and pays for system administration and \$.004 per document. It is estimated that these services will cost \$412,000 annually.

Budget language provides for the following amounts to be provided to other State agencies and the General Fund.

Department of Treasury	
Inter-Departmental Property Rental	\$13,440,000
Division of Property Management & Construction (DPMC)	
Capital Projects	\$ 519,000
Division of Revenue and Enterprise Services Processing Fees	\$ 4,800,000
Department of Transportation	

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Maintenance and Operations Program	\$ 5,150,000
Department of Environmental Protection	
Bureau of Forestry: Forest Fire Fighting Program	\$ 800,000
Department of Law & Public Safety	
NJSP Drunk Driving Enforcement	\$ 612,000
Office of Administrative Law	
Hearing Services	\$ 500,000
General Fund	<u>\$44,553,000</u>
Total:	<u>\$70,374,000</u>

37. In the State Auditor’s November 2012 non-payroll expenditure report, it found flaws in the way that the MVC monitors and documents the usage of its vehicle fleet and the way that fixed assets were tracked and inventoried. The MVC responded that it planned to implement policies and undertake actions to ensure that these findings were promptly corrected.

- **Question:** Has the size of the MVC vehicle fleet changed as a result of actions taken in response to the Auditor’s report?

**MVC Response:** The MVC Fleet Policy and Procedure has been updated to reflect the recommendation by the Office of the State Auditor. On a quarterly basis, mileage information is reviewed for each vehicle. If there are any discrepancies, the Director of the specific division is advised and asked to provide an explanation on the discrepancy as well as to explain why the vehicle has low mileage. If the low mileage continues at the end of the next quarter, the underutilized vehicle is reassigned. The size of the vehicle fleet has not changed.

The Office of the State Auditor provided a template for a vehicle mileage usage log which indicated date, odometer start, name, destination, odometer finish, mileage for one-way commuting, and total miles commuted. MVC compared this to the current log and made the necessary modifications. Through these modifications, the Commission was able to eliminate mileage cards and create a more useful and practical mileage log.

- **Question:** How many fixed asset items did the MVC identify as missing after it conducted a physical inventory count? Have the policies put in place by the MVC allowed the MVC to now conduct full inventory counts each year as required by the Treasurer?

**MVC Response:** The MVC completed a full asset physical inventory in accordance with the Treasury Circular Letter #11-19-OMB. Upon completion of the physical inventory audit, MVC did not find any missing items. The MVC has developed

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and put into place Policy and Procedure # 400-4.09 which thoroughly details the Yearly Physical Inventory process and is in compliance with Treasury Circular Letter #11-19-OMB.

38. In response to FY 2014 discussion points, the MVC stated that MATRX release 2 will be implemented in August 2014 and that Release 3 is scheduled to be implemented in October 2015. In response to FY 2013 discussion points, the MVC stated that the cost of the MATRX contract was originally \$36.9 million and that as of March 2012, the MVC had expended \$18.2 million, noting that the contract is a fixed price contract that is based on deliverables.

In November, 2012 the State Auditor released a report on non-payroll expenditures which identified the original MATRX contract with Hewlett Packard (HP) as being for \$59.8 million dollars with \$9.6 million in additions at the time of the report, and an additional \$19.5 million in potential additions that were being negotiated. The report also identified a contract with MATHTECH as the third-party oversight vendor on the MATRX program. The original amount of that contract was for \$2.7 million with \$12.5 million in additions at the time of the Auditor's report. It appears at this point that the MATHTECH contract expires in November 2014 and the HP contract would expire upon the completion of release 3 in October 2015 or October 2016 if the renewed contract still includes a year of operational support.

- **Question:** Please provide an update on the Status of the MATRX program. Are the releases proceeding according to schedule? Given the annual revisions to completion dates, how confident is the MVC that these release dates will be the actual implementation dates for the MATRX project? Why do the contract amounts provided to OLS in the FY 2013 discussion points regarding MATRX contract costs differ from the amounts identified in the Auditor's report?

**MVC Response:** MVC Response: MATRX, as envisioned, is a modular/component based design intended to replace the over 30-year old MVC Comprehensive "Comp" computer system. MATRX would simplify the interface with partners such as the federal government and state agencies, courts, law enforcement, and private businesses, as well as specific programs such as the Commercial Driver License (CDL), and International Registration Plan (IRP). This type of system would also allow greater flexibility when implementing legislatively mandated changes and it would allow the Commission to rollout individual business solutions, as needed, in an incremental manner, while maintaining uninterrupted services to our customers. The component services and databases include Vehicle Titling, Vehicle Registration, Driver Licensing, Business Licensing, Business Inspections, and Driver History, and all data interfaces with business partners and the vehicle inspection system. All of these modules have required thousands of specifications. Specifications or requirements

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gathering sessions conducted during the project have captured business rules (legislative and regulatory), fees and fee calculations, business processes, forms, privilege documents, notices, screen layouts and field displays - in short, every level of detail involved in every individual transaction the MVC does. Most of the requirement documents for each of the thirteen modules are nearly 500 pages in length. The thousands of requirements are converted into design documents. The design documents are then converted to code (tens of thousands of lines of code for each module). The code, as a complete "production ready" system (Release 2) is currently being tested by the vendor during "system test phase." Subsequent to the "vendor system test," and in order to ensure that all specifications are met, the MVC will then conduct its own testing of the system in the "user acceptance" testing phase. Until the entire system is implemented, the new MATRX system and the existing "comp" system must operate side-by-side and communicate with each other in real-time – sharing data back and forth. The technology solution to allow for the data sharing (what is referred to as reverse and forward flow) is both highly complex and extremely critical in order that the data remain in synch for all entities that rely upon it. This is the cornerstone and foundation of the MATRX system. Because of its importance to MVC and all of our stakeholders, this synchronization must be thoroughly tested and approved prior to the completion of Release 2.

The NJMVC, like most other motor vehicle departments around the country, has been desperately in need of technology upgrades in order to meet existing stakeholder demands and future expectations. The NJMVC's existing technology is over 30 years old and is unable to meet existing requirements and anticipated demands. Some of the benefits that would be anticipated from a completed project would include:

- Expanded functionality would allow us to provide improved customer service
- Increased security
- Document scanning - supporting documents and resulting documents will become part of the transaction record leading to greater customer convenience, departmental efficiency, and increased security
- Payment- Customers will pay for their transactions before records are updated and documents are produced – reducing refunds/error corrections
- MATRX to automatically compute fees
- Ability to Redesign Registration and Title documents to include more data
- Data collection – we will be able to extract intelligence from the data that will assist MVC with trends and projections
- Optional pre-process flow – ability to start the customer transaction at greeter/reception with scanning of documents.
- Web-based transactions – complete shopping cart functionality
- Increased ability to initiate and consummate transactions remotely

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The contract was awarded in September of 2008. The work in requirements gathering began in 2009 and is now complete.

Release 1 (of 3) of this project has been completed. This includes the digital scan of license, handicap and registration applications. This process has allowed the Commission to eliminate the storage and processing of approximately 10 million paper documents annually. As part of Release 1, there is a single sign-on for each employee supporting MVC's identity management program.

The requirements gathering for Release 2 began in 2009, and it is currently in the system test phase. The most recent schedule issued by HP projects Release 2 to be implemented by the spring of 2015. MVC has not yet accepted this schedule. In preparation for the implementation the Commission has finalized training materials and has prepared a draft roll-out plan for the agencies, agency support units and other MVC partners.

The remaining components, (in Release 3), Driver License, Business License, and Driver History are a complex major part of the new system. These components are currently in the design phase. Upon completion of this Release, business customers would see a greater service advantage as processes become more streamlined and less reliant on paperwork.

HP has suspended work on Release 3 to focus on correcting the defects in Release 2 that have been identified as of this point (vendor system testing). This will impact the Release 3 schedule.

The price provided to OLS was the cost of the services under the HP contract. The information provided in the Auditor's Report included both the HP services contract and the option in the HP contract to purchase hardware and software to support the MATRX project. The current contract had an option to purchase hardware and software from HP for the amount of \$14.8 million. Regardless of where the hardware and software was purchased the cost of the MATRX project always included at least the \$14.8 million for hardware and software purchase. In addition, MVC needed to upgrade certain components of its own hardware for the furtherance of this project.

MVC has serious concerns about HP's performance and has been talking to HP about those concerns, as well as working with the Attorney General's Office and the Department of the Treasury to protect the interests of citizens of the State in the timely delivery of a fully functional MATRX project.

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- **Question:** Please identify the cost of the original MATRX contract with HP and the oversight contract with MATHTECH. Please provide a description of every subsequent renewal or renegotiation of those contracts outlining changes in the scope of work to be done, changes in the cost of the contracts, and changes to project completion dates. Please provide a description of the total cost of MATRX related activities from the inception of the original MATHTECH contract through the expected completion of the project. With the expiration of the MATHTECH contract in November 2014, will there be any third-party oversight vendor for this contract? Is that contract being renewed? How will oversight of the MATRX project take place after November 2014?

**MVC Response:** The original MATRX contract was a fixed price contract with an award of \$36.9 million and was intended to run parallel with the MATRX project. The MATRX system was to be completed in three (3) years starting January, 2009 with a completion date of January, 2012, which was the original term of the MATRX contract

The MATRX contract has not been “renewed.” The contract is for the delivery of the MATRX system, and presently expires on September of 2016. The contract has been amended six times to include additional lines of services needed to complete the project. Those additions allowed MVC to add additional required and desirable functionality to MATRX. The total cost of these additional lines is \$9.6 million. The additional lines of services added to the existing MATRX contract fall into four categories:

- 1) Infrastructure that MVC needed to acquire or update to support MATRX.
- 2) Confidential State Police functionality required from MATRX.
- 3) Change Orders necessary to upgrade MVC database for compatibility with MATRX and complete data conversion.
- 4) Changer Orders required to resolve HP and the State’s differing views of what work was contained in the contract.

The original Mathtech contract was a \$2.7 million fixed price contract, but included hourly price lines reserved for “optional engagements”. The Mathtech contract has been extended nine times since 2006 to allow MVC the ability to obtain continued project management and technical oversight services as HP continued to build the MATRX system. In 2011, MVC determined to use the hour price lines to have Mathtech provide User Acceptance Testing (UAT expertise to MVC as the Commission prepared to test the system to determine if it was ready for implementation. These optional engagements cost \$12.5 million. The existing MATHTECH contract expires in November, 2014. MVC will seek a third-party oversight vendor for the remainder of the MATRX contract via an existing State

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Contract – Quality Assurance/Project Management Services for IT Projects – Contract #78003.

- **Question:** What protections are written into these contracts, and specifically the contract renewals, in order to ensure a timely completion of this project? Are there any penalties to the vendor for delays or nonperformance?

**MVC Response:** The MATRX contract is a fixed price contract. Penalties are inherent in that if HP does not deliver a specific deliverable in accordance with the contract, they will not be paid.

- **Question:** The MVC appears to have identified additional work required for MATRX deliverables that was not originally included in the contracts. How confident is the MVC that the current contract encompasses all MATRX related work that needs to be completed? How does the MVC explain that more than four years after the start of the contract, it was found that the scope of the contract was still lacking?

**MVC Response:** MVC believes the original contract addresses all the functionality necessary to implement MATRX as it was originally intended in 2006.

The additional lines of services added to the existing MATRX contract fall into four categories as noted above.

**Question #31 bullet #2**

**Question:** Please provide a financial statement in the same format used for the annual reports which describes the MVC budget request for FY 2015 and updated estimates for FY 2014.

**Answer:** See Financial Statement Below

**NEW JERSEY MOTOR VEHICLE COMMISSION  
PROPOSED FY 2015 ANNUAL BUDGET REPORT  
(excludes bond and grant accounts)**

	FY 2014 PROJECTIONS	FY 2015 PROPOSED BUDGET
<b>RESOURCES</b>		
<u>Reappropriation</u>		
Surplus/(Deficit) Adjustment	\$ 28,350	\$ 1,959
<u>Resources</u>		
MVC Base Budget	\$ 352,900	\$ 358,515
Dedicated Resources	35,470	37,164
<b>TOTAL RESOURCES</b>	<b>\$ 416,720</b>	<b>\$ 397,638</b>
<b>EXPENDITURES</b>		
<u>Operating Expenditures</u>		
Salaries & Fringe	\$ 160,903	\$ 163,710
Materials and Supplies	13,335	14,337
Services Other Than Personal	52,176	54,673
Parsons Inspection Contract	38,094	39,034
Maintenance and Fixed Charges	6,463	6,439
Claims and Indirect	507	507
Special Purpose	1,181	-
Additions, Improvements, Equipment	6,776	4,813
<b>Sub-Total Operating Expenditures</b>	<b>\$ 279,435</b>	<b>\$ 283,513</b>
<u>Dedicated Fund Supported Expenditures</u>		
Commercial Vehicle Enforcement Fund	\$ 6,910	\$ 7,712
Commercial Bus Inspections	2,492	2,584
School Bus Inspections	9,131	8,538
Motorcycle Safety Education Fund	370	370
Security Responsibility	20,034	21,296
<b>Sub-Total Dedicated Expenditures</b>	<b>\$ 38,937</b>	<b>\$ 40,500</b>
<u>Capital Program</u>		
Sub-Total Capital Program	\$ 9,180	\$ 3,251
<b>Sub-Total Expenses before State Budget Contributions</b>	<b>\$ 327,552</b>	<b>\$ 327,264</b>
State Budget Contributions	\$ 87,209	\$ 70,374
<b>TOTAL EXPENDITURES</b>	<b>\$ 414,761</b>	<b>\$ 397,638</b>
<b>TOTAL RESOURCES:</b>	<b>\$ 416,720</b>	<b>\$ 397,638</b>
<b>TOTAL EXPENDITURES:</b>	<b>\$ 414,761</b>	<b>\$ 397,638</b>
<b>SURPLUS/(DEFICIT):</b>	<b>\$ 1,959</b>	<b>\$ -</b>