



# AUDIT SUMMARY

## Department of Motor Vehicles

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Fiscal Years Ended June 30, 2019 and 2020

### ABOUT THE AGENCY



The principal function of the Department of Motor Vehicles (DMV) is the licensing and registering of drivers, automobiles, dealers, and repairers. The department also administers the state's auto emissions inspection program through various contractors.

### ABOUT THE AUDIT

We have audited certain operations of the Department of Motor Vehicles in fulfillment of our duties under Section 2-90 of the Connecticut General Statutes. The scope of our audit included, but was not necessarily limited to, the fiscal years ended June 30, 2019 and 2020. The objectives of our audit were to evaluate the:

1. Department's internal controls over significant management and financial functions;
2. Department's compliance with policies and procedures internal to the department or promulgated by other state agencies, as well as certain legal provisions; and
3. Effectiveness, economy, and efficiency of certain management practices and operations, including certain financial transactions.

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.

[Link to full report](#)



Our audit identified internal control deficiencies; instances of noncompliance with laws, regulations, or policies; and a need for improvement in practices and procedures that warrant management's attention.

## NOTEWORTHY FINDINGS



### Findings



### Recommendations

1

Our audit identified several deficiencies in the Department of Motor Vehicles' (DMV) billing for emissions late fees, collection of receivables, and year-end reporting of estimated uncollectible amounts. We found that the department removed 379,882 late fee accounts from its records without the necessary support to justify the write-off.

DMV should improve internal controls over the processing, collection, write-off, and reporting of emissions fees.

2

Our review of disposed equipment disclosed disposals that were not properly supported, approved, or recorded. Although DMV maintained a separate firearms inventory, it did not include most of the items as controllable items in Core-CT.

DMV should strengthen internal controls to ensure it properly records and maintains assets in accordance with the State Property Control Manual.

3

DMV has not implemented the third and final release for licensing in its Connecticut Integrated Vehicle and Licensing System (CIVLS).

DMV should identify the weaknesses in its process that resulted in the delays in implementing CIVLS modernization project and correct those deficiencies. The department should develop a solution for modernizing the licensing system that meets the long-term needs of the state but stays within the project's established budget despite the expansion in scope due to the REAL ID program.

4

DMV could not provide supporting documentation to verify that any of the ten managerial employees we reviewed had a signed Performance Assessment and Recognition System evaluation form on file for the fiscal years ended June 30, 2019 and 2020.

DMV should coordinate with the Department of Administrative Services Human Resources Division to ensure that all managers are evaluated each year using the Performance Assessment and Recognition System.

5

In our review of 30 expenditures, we noted that DMV prepaid an invoice and did not independently track the contractor's actual hours for verification of deliverables. In two instances, invoice amounts did not match contracted rates. In one instance, DMV did not obtain three quotes from a list of seven qualified Department of Administrative Services-approved contractors, and did not utilize the documentation functions in Core-CT.

DMV should strengthen its internal controls over purchasing to ensure that invoices are supported and in compliance with contractual terms. The department should obtain multiple quotes from contractors on the Department of Administrative Services approved vendor list when required and should utilize the documentation functions of Core-CT to gain efficiencies.

6

DMV maintained a spreadsheet for tracking the status of internal audits until August 2019, but did not have a current record of the status of unfinished audits identified on its 2019 spreadsheet.

DMV should implement internal controls to monitor the status of internal audits and promptly issue final reports. The department should comply with its policies and procedures by documenting explanations for audits terminated prior to completion.