DMV

Self-Service Terminal
Report to the Legislature

Gavin Newsom
Governor
State of California

Brian C. Annis
Secretary
California State Transportation Agency

Kathleen K. Webb
Acting Director
California Department of Motor Vehicles

Table of Contents

Introduction and Summary		3
Background		4
Section 1	Description and Number of Self-Service Terminals	5
Section 2	Transaction Count by Fiscal Year	11
Section 3	Estimated Cost Savings and Methodology Used	14
Section 4	Long-Term Plans and Expansion Efforts	16

Introduction and Summary

The 2016–17 Budget Act (Item 2740-001-0044) requires the Department of Motor Vehicles (DMV) to report to the fiscal committees of both houses of the Legislature, the Legislative Analyst's Office, and the Department of Finance its current and planned self-service terminal use. The report includes the following information:

- A description of the number and location of self-service terminals used by DMV and the criteria used to select the locations.
- The number and type of annual transactions handled at self-service terminals from 2015–16 through 2017–18, including the number of transactions by language and by payment method.
- An estimate of the number of customers using self-service terminals who would likely have visited a field office if the self-service terminal was not available and the associated savings. The department should also include a description of the methodology it used to estimate and account for such savings.
- DMV's long-term plans regarding the use of self-service terminals and the impact on overall DMV facilities needs and operations. For example, how the use of self-service terminals will affect the need for field offices. This report should also discuss DMV plans to expand the use of self-service terminals, such as a multiyear sequencing plan for increasing the functionality of self-service terminals by offering additional languages or transaction types.

Background

Every year in California, over 35 million vehicle registration (VR) renewals are conducted, as VR transactions are one of DMV's primary business functions that serve Californians.

The main goal of the self-service terminal (SST) program is to provide convenient customer service utilizing a self-service alternative in an attempt to reduce field office wait times. Customers benefit greatly from renewing their VR at an SST for the following reasons:

- Immediate receipt of vehicle registration card and stickers
- Allows for cash, credit, or debit payment
- Accessible outside of normal field office business hours
- No additional convenience fee or membership required

In October 2010, DMV began using freestanding SSTs inside select field offices for VR renewal transactions. The SSTs provide an alternative self-service option for VR renewal or planned non-operation (PNO) filing for customers, including the option to pay with credit/debit card or cash at specified locations. The SST interface is easy to use and allows customers to complete their transaction while seamlessly connecting with existing Vehicle Registration Internet Renewal and VR Suspension Program applications.

Intellectual Technology Inc. (ITI) supplies the SST machines, inventory products, armored car services for cash change and cash deposit, and maintenance; ITI is paid $3.95 for every successfully completed transaction. If an SST is underperforming in a retail location, DMV and ITI may mutually agree to move the machine to another location, at no cost to DMV.

Due to the overwhelming success and customer acceptance of the program, DMV has expanded its SST program multiple times. Between 2011 and 2017, DMV added 35 terminals for a total of 60 terminals located inside field offices throughout the state. In August 2016, the non-competitive bid submitted by DMV that requested to increase the contract amount and add up to 50 additional SSTs was approved. From December 2016 to January 2017, 10 of the 50 SSTs were added to existing field office locations. From April through November 2017, 40 SSTs were added to non-DMV retail locations. In June 2018, DMV designated an additional SST for fair and outreach events, for a total of 2.

As of December 2018, DMV has 70 SSTs deployed at DMV field offices and at an additional 82 external locations, including 77 grocery retailers, 3 libraries, 1 city hall, and 1 college campus, to deliver instant DMV services to the public. In addition, 2 SSTs have been designated for outreach events and fairs.

As of December 2018, the following four VR Insurance Suspension Program applications were added to all SSTs: Submit Affidavit of Non-Use (ANU), Remove ANU, Submit Proof of Insurance, and Pay VR Suspension Reinstatement Fee.

DMV plans to add 200 more SSTs in 2019—25 in field offices and 175 in retail locations throughout California. The goal is to have 100 SSTs deployed by May 2019 and the remaining 100 by July 2019.

Section 1—Description and Number of Self-Service Terminals

Internal SST Locations

Field office locations for SST placement were selected based on numerous factors, including if the office had a high number of VR renewal transactions. As VR renewals are relatively simple transactions, placing an SST inside an office with a particularly high VR renewal count helps relieve DMV employees so they can focus on more complex transactions. Directing customers to an SST shortens the customer's wait time, as they are able to complete their VR renewal and receive their registration card and stickers in minutes.

DMV also used the following criteria in determining suitable field offices for SST installation:

- Largest population regions.
- Maximum utilization potential—Grade 4 and Grade 5 offices benefit the most from having an SST, because they are the largest field offices with the highest transaction volumes, conducting over 13,000 VR renewal transactions per month.[1] These offices also have the facility space to accommodate an SST.
- Distribution—After targeting Grade 4 and Grade 5 offices, identify lower grade field offices conducting over 7,000 VR renewal transactions a month that have the facility space to accommodate an SST.

Table 1 lists the 70 DMV field office locations with an SST installed, as of December 2018.

Table 1: DMV Field Office Locations

Field Office	Street Address	City	Zip Code	Field Office Grade
Oakland Coliseum	501 85th Avenue	Oakland	94621	4
Concord	2070 Diamond Boulevard	Concord	94520	4
Pittsburg	1399 Buchanan Road	Pittsburg	94565	3
Clovis	2103 Shaw Avenue	Clovis	93611	3
Fresno	655 W. Olive Avenue	Fresno	93728	5
Fresno North	6420 N. Blackstone Avenue	Fresno	93710	4

1 Field offices are assigned a grade based on the average number of customers served. Grade 4 and Grade 5 offices are large, mostly urban offices that serve an average of 2,000-3,300 customers per week.

Table 1: DMV Field Office Locations (continued)

Field Office	Street Location	City	Zip Code	Field Office Grade
Kern County				
Bakersfield	3120 F Street	Bakersfield	93301	4
Bakersfield SW	7000 Schirra Court	Bakersfield	93313	3
Kings County				
Hanford	701 W. Hanford Armona Road	Hanford	93230	3
Los Angeles County				
Arleta	14400 Van Nuys Boulevard	Arleta	91331	5
Bell Gardens	6801 S. Garfield Avenue	Bell Gardens	90201	5
Compton	2111 S. Santa Fe Avenue	Compton	90221	5
Culver City	11400 W. Washington Boulevard	Culver City	90066	4
Glendale	1335 W. Glenoaks Boulevard	Glendale	91201	5
Hawthorne	3700 W. El Segundo Boulevard	Hawthorne	90250	4
Hollywood West	936 North Formosa Avenue	West Hollywood	90046	3
Inglewood	621 N. LaBrea Avenue	Inglewood	90302	4
Lancaster	721 West Avenue L6	Lancaster	93535	5
Lincoln Park	3529 N. Mission Road	Los Angeles	90031	5
Long Beach	3700 E. Willow Street	Long Beach	90815	4
Los Angeles	3615 S. Hope Street	Los Angeles	90007	5
Montebello	424 N. Wilcox Avenue	Montebello	90640	5
Newhall	24427 Newhall Avenue	Newhall	91321	3
Pasadena	49 S. Rosemead Boulevard	Pasadena	91107	5
Pomona	1600 S. Garey Avenue	Pomona	91766	4
Torrance	1785 W. 220th Street	Torrance	90501	4
Van Nuys	14920 Vanowen Street	Van Nuys	91405	4
West Covina	800 S. Glendora Avenue	West Covina	91790	5
Whittier	9338 S. Painter Avenue	Whittier	90605	4
Winnetka	20725 Sherman Way	Winnetka	91306	5
Madera County				
Madera	1206 Maple Street	Madera	93637	3
Marin County				
Corte Madera	75 Tamal Vista Boulevard	Corte Madera	94925	5
Merced County				
Merced	1313 W. 12th Street	Merced	95340	3
Orange County				
Costa Mesa	650 W. 19th Street	Costa Mesa	92627	4
Santa Ana	1330 E. First Street	Santa Ana	92701	5
Westminster	13700 Hoover Street	Westminster	92683	5

Table 1: DMV Field Office Locations (continued)

Field Office	Street Location	City	Zip Code	Field Office Grade
Placer County				
Rocklin	5245 South Grove	Rocklin	95677	5
Roseville	7200 Galilee Road	Roseville	95678	3
Riverside County				
Hemet	5245 South Grove	Hemet	92543	3
Norco	3201 Horseless Carriage Drive	Norco	92860	4
Palm Desert	74-740 Technology Drive	Palm Desert	92211	3
Riverside	6280 Brockton Avenue	Riverside	92506	4
Riverside East	6425 Sycamore Canyon Boulevard	Riverside	92507	4
Sacramento County				
Carmichael	5209 North Avenue	Carmichael	95608	5
Sacramento Broadway	4700 Broadway	Sacramento	95820	5
Sacramento South	7775 La Mancha Way	Sacramento	95823	5
San Bernardino County				
Fontana	8026 Hemlock Avenue	Fontana	92336	4
Rancho Cucamonga	8629 Hellman Avenue	Rancho Cucamonga	91730	4
San Bernardino	1310 N. Waterman Avenue	San Bernardino	92404	4
San Diego County				
Chula Vista	30 N. Glover Avenue	Chula Vista	91910	5
El Cajon	1450 Graves Avenue	El Cajon	92021	5
Oceanside	4005 Plaza Drive	Oceanside	92056	4
San Diego Clairemont	4375 Derrick Drive	San Diego	92117	5
San Marcos	590 Rancheros Drive	San Marcos	92069	4
San Ysidro	6111 Business Center Court	San Diego	92154	4
San Francisco County				
San Francisco	1377 Fell Street	San Francisco	94117	5
San Joaquin County				
Lodi	1222 Pixley Parkway	Lodi	95240	3
Stockton	55 S. Lincoln Street	Stockton	95203	4
Tracy	2785 Auto Plaza Drive	Tracy	95304	2
San Mateo County				
Daly City	1500 Sullivan Avenue	Daly City	94015	5
Redwood City	300 Brewster Avenue	Redwood City	94063	5

Table 1: DMV Field Office Locations (continued)

Field Office	Street Location	City	Zip Code	Field Office Grade
Santa Clara County				
Gilroy	6984 Automall Parkway	Gilroy	95020	2
Santa Clara	3665 Flora Vista Avenue	Santa Clara	95051	5
San Jose	111 W. Alma Avenue	San Jose	95110	5
Solano County				
Fairfield	160 Serrano Drive	Fairfield	94533	3
Stanislaus County				
Modesto	124 Burney Street	Modesto	95354	4
Sutter County				
Yuba City	1570 Poole Boulevard	Yuba City	95993	3
Tulare County				
Porterville	329 E. Olive Avenue	Porterville	93257	2
Ventura County				
Oxnard	4050 Saviers Road	Oxnard	93033	4
Ventura	4260 Market Street	Ventura	93003	3

External SST Locations

DMV developed two strategies for placement of external SSTs.

Strategy 1—Placement of external SSTs near DMV offices with an existing SST

DMV targeted demographic areas where customers would benefit most from the convenience and flexibility of using SSTs at non-DMV locations.

- Identify non-DMV locations near high-volume field offices that have high customer usage of the internal SST.
- Identify locations near large field offices where cash is the preferred method of payment.

Strategy 2—Placement of external SSTs near DMV offices with no SST

DMV's second strategy was to place external SSTs near DMV offices with no existing SST. DMV wanted to target customers who live in highly populated cities where commute traffic is heavy and parking is limited.

Using the most recent U.S. census report, DMV identified densely populated cities with a population that will provide foot traffic and high transaction volume to DMV SSTs. Identifying suitable SST locations outside DMV field offices were determined using the following additional criteria:

- Commercial centers—Identify highly trafficked commercial locations near DMV field offices averaging a minimum of 13,000 VR renewal transactions annually.
- Proximity and payment method—Identify locations near Grade 4 or Grade 5 DMV offices where cash is the preferred method of payment.
- Customer convenience—Identify major populated cities where traffic congestion and limited parking at DMV offices affect DMV customers.

As of December 2018, DMV has SSTs in 82 external locations (Table 2).

Table 2: External SST Locations by County

Name	Street	City	Zip
Alameda County			
Pak N Save Grocers	3889 San Pablo Avenue	Emeryville	94608
Safeway Grocers	22280 Foothill Boulevard	Hayward	94541
Safeway Grocers	39100 Argonaut Way	Fremont	94578
Pak N Save Grocers	555 Floresta Boulevard	San Leandro	94578
Safeway Grocers	2227 S. Shore Center	Alameda	94501
Contra Costa County			
Safeway Grocers	11450 San Pablo Avenue	El Cerrito	94530
Fresno County			
Mendota City Hall	643 Quince Street	Mendota	93640
Imperial County			
Vons Grocers	750 N. Imperial Avenue	El Centro	92243
Kern County			
Superior Grocers	2100 White Lane	Bakersfield	93304
Los Angeles County			
Albertsons Grocers	38727 N. Tierra Subida	Palmdale	93536
Vons Grocers	18439 Ventura Boulevard	Tarzana	91355
Vons Grocers	19333 Victory Boulevard	Reseda	91335
Vons Grocers	9119 Reseda Boulevard	Northridge	91324
Albertsons Grocers	9022 Balboa Boulevard	Northridge	91325
Vons Grocers	16550 W. Soledad Canyon Road	Santa Clarita	91387
Albertsons Grocers	43543 20th Street	Lancaster	93536
Albertsons Grocers	27631 W. Bouquet Canyon Road	Saugus	91350
Superior Grocers	10211 S. Avalon Boulevard	Los Angeles	90003
Superior Grocers	7300 Atlantic Avenue	Cudahy	90201
Superior Grocers	3831 E. Martin Luther King Jr. Boulevard	Lynwood	90262
Superior Grocers	7316 S. Compton Avenue	Los Angeles	90001
Superior Grocers	6010 Pacific Boulevard	Huntington Park	90255
Superior Grocers	5450 Cherry Avenue	Long Beach	90805
Superior Grocers	133 W. Avenue 45	Los Angeles	90065
Superior Grocers	3480 La Brea Avenue	Los Angeles	90016
Superior Grocers	10683 Valley Boulevard	El Monte	91731
Superior Grocers	12630 Hawthorne Boulevard	Hawthorne	90250
Superior Grocers	1201 W. Whittier Boulevard	Montebello	90640
Superior Grocers	14433 Ramona Boulevard	Baldwin Park	91706
Superior Grocers	111 E. Compton Boulevard	Compton	90220
Superior Grocers	8811 S. Western Avenue	Los Angeles	90047
Superior Grocers	9100 Whittier Boulevard	Pico Rivera	90660
Superior Grocers	2000 S. Central Avenue	Los Angeles	90011
Superior Grocers	151 S. Hacienda Boulevard	City of Industry	91744

Table 2: External SST Locations by County (continued)			
Name	**Street**	**City**	**Zip**
Los Angeles County (continued)			
Superior Grocers	1375 N. Citrus Avenue	Covina	91722
Superior Grocers	1010 E. Avenue J	Lancaster	93535
Superior Grocers	11202 Crenshaw Boulevard	Inglewood	90303
Superior Grocers	12721 Valley View Avenue	La Mirada	90638
Superior Grocers	4308 Slauson Avenue	Maywood	90270
Superior Grocers	9801 Laurel Canyon Boulevard	Pacoima	91331
Superior Grocers	3180 N. Garey Avenue	Pomona	91767
Ralphs Grocers	7221 Woodman Avenue	Van Nuys	91405
Orange County			
Albertsons Grocers	8880 Valley View Street	Buena Park	90620
Albertsons Grocers	16061 Brookhurst Street	Fountain Valley	92708
University of California Irvine	200 Public Services Building	Irvine	92697
Ralphs Grocers	26901 Aliso Creek Road	Aliso Viejo	92656
Ralphs Grocers	32555 Golden Lantern	Dana Point	92629
Superior Grocers	6931 La Palma Avenue	Buena Park	90620
Superior Grocers	1710 S. Main Street	Santa Ana	92707
Superior Grocers	2009 W. 1st Street	Santa Ana	92703
Riverside County			
Ralphs Grocers	23801 Washington Avenue	Murrieta	92562
Ralphs Grocers	5225 Canyon Crest Drive	Riverside	92507
Superior Grocers	1130 W. 6th Street	Corona	92882
Superior Grocers	23857 Sunnymead Boulevard	Moreno Valley	92553
Sacramento County			
Safeway Grocers	1814 19th Street	Sacramento	95818
Sacramento Central Library	828 I Street	Sacramento	95814
Carmichael Library	5605 Marconi Avenue	Carmichael	95608
San Bernardino County			
Ralphs Grocers	16225 Sierra Lakes Parkway	Fontana	92336
Superior Grocers	12375 Central Avenue	Chino	91710
Superior Grocers	16055 E. Foothill Boulevard	Fontana	92335
Superior Grocers	815 W. Holt Boulevard	Ontario	91762
Superior Grocers	151 W. Base Line Avenue	Rialto	92376
Superior Grocers	1108 W. 2nd Street #130	San Bernardino	92410
Food 4 Less	14738 La Paz Drive	Victorville	92392
San Diego County			
Albertsons Grocers	1601 S. Melrose Drive	Vista	92083
Albertsons Grocers	720 3rd Avenue	Chula Vista	91910
Albertsons Grocers	1509 E. Valley Parkway	Escondido	92027
Ralphs Grocers	11875 Carmel Mountain	San Diego	92128

Table 2: External SST Locations by County (continued)			
Name	**Street**	**City**	**Zip**
San Diego County (continued)			
Ralphs Grocers	8657 Villa La Jolla Drive	La Jolla	92037
Ralphs Grocers	7140 Avenida Encinas	Carlsbad	92011
Ralphs Grocers	3455 Del Mar Heights Road	San Diego	92130
San Francisco County			
Safeway Grocers	2300 16th Street	San Francisco	94103
San Mateo County			
Safeway Grocers	2255 Gellert Boulevard	S. San Francisco	94080
Safeway Grocers	525 El Camino Real	Menlo Park	94025
Safeway Grocers	1071 El Camino Real	Redwood City	94501
Santa Clara County			
Safeway Grocers	2980 E. Capitol Expressway	San Jose	95148
Safeway Grocers	179 Branham Lane	San Jose	95136
Safeway Grocers	20620 Homestead Road	Cupertino	95014
Safeway Grocers	1300 W. San Carlos Street	San Jose	95126
Santa Clara Central Library	2635 Homestead Road	Santa Clara	95051
Ventura County			
Vons Grocers	1855 E. Cochran Street	Simi Valley	93065
Superior Grocers	2401 Saviers Road	Oxnard	93033

Section 2—Transaction Count by Fiscal Year

Customers increasingly use SSTs, as they provide little to no wait time, instant product delivery, and do not require an appointment. Table 3 demonstrates the increase in use over the past seven fiscal years. It is evident that the percentage of repeat customers who renewed their VR at an SST the prior year continues to increase, showing a high acceptance rate of the SSTs.[2]

Workload Measure	FY 11/12	FY 12/13	FY 13/14	FY 14/15	FY 15/16	FY 16/17	FY 17/18
Total VR Renewals Processed	749,765	799,555	875,956	1,052,490	1,229,392	1,430,773	1,827,623
Percentage Increase From Previous FY		6.23%	8.72%	16.77%	14.39%	14.07%	21.73%

2 The volumes listed in Table 3 are inclusive of all transactions, including planned nonoperation (PNO) and those that are being held for smog/insurance updates. In these cases, a registration card and sticker will not be dispensed.

Table 4 shows the percentage of completed VR renewals that are processed by individual service channel. It is evident that year after year, the percentage of customers who choose to use SSTs continues to increase, as they offer instant product delivery, the option to pay using cash, credit or debit, no convenience fee, and shorter wait times.

Table 4: Overall VR Renewals Processed by Service Channel

VR Renewal Channel	FY 15/16	FY 16/17	FY 17/18
Auto Club	11.5%	11.3%	12.1%
Business Partners Automation	6.1%	6.8%	7.8%
DMV Headquarters	1.9%	3.1%	2.3%
Field Office	17.8%	16.4%	14.2%
Interactive Voice Response (IVR)	0.9%	0.9%	1.0%
Internet	31.5%	31.7%	33.2%
Renewal By Mail (RBM)	26.2%	25.2%	23.5%
SST	**4.1%**	**4.6%**	**5.9%**
Total	**100.0%**	**100.0%**	**100.0%**

Chart 1: Customers' Preferred Method of Payment — Average of Last Three FYs

Customers prefer to use either credit/debit card or cash to pay for their VR renewals using the SST.

E-check, which is no longer an option on the SSTs, was the least popular payment method. As of December 2018, e-checks are no longer accepted because of two main issues—the e-check system did not verify funds at the time of payment, so checks would often bounce due to insufficient funds, and customers would place their checks in the incorrect slot, leading to service calls.

Table 5 shows the last three FY's revenue generated from SSTs and the transaction volumes for each payment method offered, respectively.

Table 5: SST Transaction Volumes by Method of Payment/Total Revenue Generated by FY

	FY 15/16	FY 16/17	FY 17/18
Credit/Debit Card	626,990	758,310	1,114,850
Cash	577,814	643,848	694,497
E-Check	24,558	28,615	18,276
Total Transactions	1,229,392	1,430,773	1,827,623
Total Revenue Generated by FY	**$190,579,071**	**$234,659,080**	**$367,987,063**

Table 6 identifies the percentage of transactions that were completed in either English or Spanish by calendar year.

Table 6: SST Transactions by Language					
Year	**English %**	**Spanish %**	**English Count**	**Spanish Count**	**Total Count**
2011	80%	20%	375,608	93,902	**469,510**
2012	79%	21%	614,374	163,314	**777,688**
2013	79%	21%	664,256	176,575	**840,831**
2014	79%	21%	708,410	188,311	**896,721**
2015	80%	20%	954,724	238,681	**1,193,405**
2016	82%	18%	1,070,343	234,953	**1,305,296**
2017	83%	17%	1,313,826	269,097	**1,582,923**
2018	80%	20%	1,578,444	396,103	**1,974,547**

Table 7 shows monthly transactions completed by type of location for the 2018 calendar year. Retail locations became more popular during the latter half of the year, as DMV used social media and window clings in the field office to redirect customers to external locations.

Furthermore, customers appreciate the convenience of conducting their DMV transactions outside of a DMV field office and normal business hours, with little to no need to wait in line. Customers are also drawn to SSTs in retail locations because they can conduct their DMV transaction on their time and are not required to pay an additional convenience or membership fee to do so.

Table 7: 2018 SST Transactions by Type of Location					
Month	**Field Offices**	**Retail Locations**	**Libraries***	**UC Irvine**	**Total Count**
January	131,496	17,155	N/A	151	**148,802**
February	139,654	22,487	N/A	149	**162,290**
March	164,073	29,886	N/A	184	**194,143**
April	136,052	27,942	N/A	184	**164,178**
May	154,238	32,195	N/A	239	**186,672**
June	141,716	32,285	N/A	236	**174,777**
July	139,563	34,511	N/A	245	**174,319**
August	141,483	33,979	9	270	**175,741**
September	119,632	34,666	75	199	**154,572**
October	119,112	33,663	123	203	**153,101**
November	110,526	35,771	194	157	**146,648**
December	100,144	39,380	238	103	**139,865**
*January through July library totals are not available because the first library SST location was installed in late August 2018 at the Sacramento Central Library.					

Section 3—Estimated Cost Savings and Methodology Used

SSTs are designed to reduce traffic at the field offices and eliminate the need for live processing for relatively simple transactions, as in-person contact is the most expensive method of processing for VR renewals.

Table 8 identifies the cost of VR renewals by service channel. Even though costs associated with VR renewal at a field office may seem significantly higher than the other service channels, it is important to keep in mind that the unit cost for field office VR renewals includes both variable and fixed costs. About 70–75% of the unit cost for field office VR renewals is considered fixed costs (i.e. rent, utilities, overhead staff costs, etc.), which do not disappear and are not reduced by redirecting VR renewal transactions to the SSTs. This means the Field Office VR renewal transactions unit cost includes additional time associated with the more difficult/complex transactions that may require multiple visits to the field office — whereas SSTs only process simple/basic VR renewals.

Table 8: Unit Cost of VR Renewals by Service Channel by FY

Service Channel	FY 14/15 Unit Cost	FY 15/16 Unit Cost	FY 16/17 Unit Cost
Auto Club	$2.78	$2.67	$2.39
Business Partners Automation (BPA)	$2.36	$2.38	$2.05
Field Office	$23.56	$24.57	25.56
Field Office - Basic (1)	$20.83	$21.32	$22.12
Interactive Voice Response (IVR)	$7.75	$6.47	$6.72
Internet	$4.66	$4.64	$4.96
Remittance/Renewal by Mail (RBM)	$3.20	$3.11	$3.12
Self-Service Terminal (SST)	**$7.78**	**$7.51**	**$8.84**
Other - HQ (Incl. RPU/SPU, etc)*	$28.79	$21.18	$22.48

Note: Unit costs for field offices shown in the table include all direct, overhead, and central service cost elements. Unit costs for SSTs include the following: contract and customer support, credit card and automated teller machine (ATM) discount fees, postage/printing, inventory, and maintenance/updating of systems.
(1) Field Office (Basic) is the unit cost for transactions that are SST eligible, as they are simple VR renewals that do not require special processing.
*Registration Processing Unit (RPU), Special Processing Unit (SPU), and Vehicle Insurance Program (VIP) are units within DMV headquarters that are able to process VR renewal transactions.

Even though SST transaction volumes continue on a growing trend, not all transactions were shifted from field offices. In FY 17/18, approximately 31% (290,000) of VR renewals processed using an SST were processed in a field office the prior year. The other shifted transactions were pulled from a mix of channels such as remittance/mail, Internet, Interactive Voice Response (IVR), and business partners. Processing VR renewals via these channels is less costly than the SST.

Table 9 (page 15) identifies total statewide SST transactions and the percentage of customers who renewed at a different service channel the prior year. Even though the percentage from FY 16/17 to FY 17/18 decreased for SSTs, the overall volume of SST transactions continues to rise.

Table 9: Prior Year Service Channel for SST Users			
Prior Year Channel	**FY 15/16**	**FY 16/17**	**FY 17/18**
Auto Club	2.9%	3.0%	3.3%
Business Partners Automation	4.2%	4.2%	4.5%
DMV Headquarters	0.9%	0.9%	1.0%
Field Office	30.2%	33.1%	31.0%
IVR	4.8%	0.1%	0.1%
Internet	12.0%	12.2%	14.7%
RBM	7.2%	6.2%	6.5%
SST	**37.5%**	**40.1%**	**38.7%**
Other	0.3%	0.2%	0.2%
Total	**100.0%**	**100.0%**	**100.0%**

Table 10 shows the FY 16/17 variable direct unit cost for basic VR renewal service channels. Departmental overhead and fixed direct costs are not activities affected by a workload shift and would remain in place, thus excluded from the variable direct unit cost and the comparison below. The table also shows the completed basic VR renewal volumes that were shifted to the SST from a different service channel the prior year. This continues to show how valuable SSTs are as a service channel because of the wait time reduction, cost efficiency benefits, and redirection of simple transactions out of the field office.

Table 10: Volumes Shifted to SST From Previous Service Channel				
Basic VR Renewal Service Channels	**FY 16/17 Variable Direct Unit Cost**	**Volumes Shifted to SST From Previous Service Channel**		
		FY 15/16 [a]	**FY 16/17 [b]**	**FY 17/18 [c]**
SST	**$5.71**	**454,436**	**562,500**	**691,501**
Auto Club	$0.60	35,050	41,978	58,965
Business Partners Automation	$0.80	50,761	57,369	80,407
Field Office	$6.62	364,999	461,153	553,915
RBM	$2.02	87,020	86,754	116,144
Internet	$4.16	145,033	170,709	262,663
IVR	$4.13	58,013	1,399	1,787
DMV Headquarters**		13,295	15,392	21,442
Total SST Volumes		**1,208,606**	**1,399,253**	**1,786,824**

Note: The volumes presented in the table above are for completed transactions, for which customers received tabs/stickers, and therefore differ from the transaction counts by FY on page 11. They do not include incomplete/pending transactions, for which a product was not dispensed. Transactions are categorized as incomplete/pending if a customer needs to update their insurance information on record and/or if a smog check is required. In cases like these, the customer will receive a receipt of payment and their sticker and registration card will be mailed to their address on file once the pending condition has been resolved.

DMV further analyzed the cost efficiency between conducting basic VR renewal transactions using an SST and at a field office. Cost efficiency, although not necessarily a monetary savings, is important to consider because SSTs offer shorter customer wait times and customer convenience. FY 16/17 variable direct unit costs for basic VR renewal on SSTs in comparison to the other renewal channels was used in Table 11. The cost efficiency unit cost for field office identified a savings of $0.91 per transaction, as all of the other service channels were less expensive options for completion of VR renewal transactions.

Table 11: SST Expense Shift by Channel ($)

Basic VR Renewal Service Channels	Unit Cost Difference [d]	SST Expense Shift by Channel ($)		
		FY 15/16 [a] x [d]	FY 16/17 [b] x [d]	FY 17/18 [c] x [d]
SST				
Field Office	$-0.91	$-332,206	$-421,542	$-504,149
Auto Club	$5.11	$179,106	$214,508	$301,311
Business Partners Automation	$4.91	$249,237	$281,682	$394,798
Internet	$1.55	$224,801	$264,599	$407,128
IVR	$1.58	$91,661	$2,210	$2,823
RBM	$3.69	$321,104	$320,122	$428,571
Total Savings(-)/Additional Cost		**$733,701**	**$661,579**	**$1,030,483**
*The figures for [a], [b], and [c] were taken from the volumes from Table 10.				

Section 4—Long-Term Plans and Expansion Efforts

DMV is committed to expanding its self-service offerings. Due to the success of the SST program, DMV plans to continue developing alternative service channels, especially SSTs, because customer feedback has been positive and SSTs provide convenience to customers who are unable to visit a field office during normal business hours, thus improving customer service overall.

Within the next couple of years, DMV will continue to evaluate workload shift effects and impact of infrastructure needs when identifying additional locations that would be suitable and benefit from having an SST, and attempt to place relatively simple field office transactions on SSTs.

DMV will continue to leverage the existing SST network and current functionality to add additional transactions to the machines. In addition to conducting VR renewals or PNO transactions, customers will be able to perform other transactions that mirror DMV's online offerings and can be completed within a matter of minutes.

DMV has a target date of December 2019 to add the following new applications to the SSTs:

- VR/Driver License Record
- Replacement Stickers and Registration Cards

The Department is currently in the feasibility and planning stages of placing the following applications on the SSTs:

- Commercial Trip Permit
- Duplicate Driver License

While DMV is committed to deploying more kiosks to serve our customers, it is also working with our vendor and stakeholders to ensure accessibility of the machines for all of our customers and to expanding our other self-service capabilities (online, call center, and kiosks). We continue to pursue all avenues to deliver innovative solutions.

DMV also plans to place additional languages on the SSTs to further assist customers whose primary language is neither English nor Spanish. The following languages will be placed on the SSTs within the second quarter of 2019, as they have met the quota determined by the Dymally-Alatorre Bilingual Services Act:

- Arabic
- Armenian
- Chinese (Cantonese/Mandarin)
- Farsi/Persian
- Hindi
- Korean
- Punjabi
- Russian
- Tagalog
- Vietnamese

DMV will continue to market SSTs to customers through the following methods:

- DMV website
- "How To" videos
- DMV's social media channels (Facebook, Twitter, Instagram, etc.)
- SST-related content on DMV renewal envelopes
- DMV press releases and additional media outreach in partnership with DMV's Office of Public Affairs
- DMV outreach events
- Field office message boards
- Public service announcements in DMV handbooks
- Interactive Voice Response (IVR) messaging

DMV will also partner with our external locations to market SSTs with the following:

- Weekly retail ads
- Social media
- Company webpages
- In-store signage
- Ribbon cutting celebrations
- DMV graphics for use by partner locations.

Even with the expansion of the SST program, field offices will always remain an integral service channel for customers to conduct their DMV business — simply because there are certain DMV transactions that require in-person assistance and cannot be completed using a self-service alternative. For instance, customers may have more complex VR transactions (i.e. changes to title/ownership and registering out-of-state vehicles) that require an office visit.

One of DMV's main goals is to provide superior customer service. DMV is fully committed to enhancing customers' interactions with DMV by implementing innovative tools and technology. Furthermore, DMV is fully committed to redefining the customer experience by offering convenient, innovative, and virtual service options. DMV has continued to embrace alternative service channels and maintains a strategic technical inclination towards web technologies. DMV wants customers to have the flexibility of conducting their DMV business in locations other than a traditional field office, as we continue to provide service options that can be utilized outside of normal business hours. These technologies will allow DMV to reduce wait times, reduce the need for customers with relatively simple transactions to visit a field office, and fundamentally change the way the department provides services to the public.