

FROM THE COMMISSIONER



I am excited to provide an update on my second year as commissioner. There are many successes to share, along with many opportunities to grow and achieve agency goals in 2019. As an agency, we completed the second year of a three year Strategic Plan with four pillars at its foundation: Engage Customers, Sustainable Systems, Product Innovation, and Employee Investment. The pillars guide our efforts in continuing to provide best-in-class driver and vehicle services in a timely and accurate manner.

The first pillar of the Strategic Plan is dedicated to Engaging Customers. At the BMV, we challenge ourselves to enable customers to do business with us the way they want. To accomplish our goal, the BMV recently launched the first self-service BMV Connect Center

and added numerous transaction options to non-branch mediums. In addition, real-time customer service satisfaction surveying technology was implemented in all branches, an update allowing the agency to apply a real-time, qualitative measuring tool to every transaction.

The agency's second pillar, Sustainable Systems, focuses on delivering best-in-class customer service by making BMV technology work in the most effective and efficient way for our customers and employees. Throughout 2018, the agency laid the foundation to transform and improve all BMV systems, starting with the Document Management platform and STARS (System Tracking and Record Support) system.

Given today's continuous transformations in technology, the BMV is committed to being responsive to change by providing our customers with Product Innovation, our third strategic pillar. By continuing to upgrade our products, the BMV is leading the country by providing innovative services to Hoosiers. Most recently, the BMV implemented the best path to bring electronic liens and titles to Indiana in 2019.

The final pillar of BMV's Strategic Plan is Employee Investment. Our employees are the heart of our agency and we must ensure we provide them the tools and skills needed to be successful in their roles. In 2018, our greatest successes were the implementation of a regional training center model and the enhancement of the curriculum and training environment for new associates—both branch and contact center.

Along with the successes from our Strategic Plan, the BMV continues to keep average visit times under 20 minutes, collect and distribute more than \$1 billion in fees and taxes, all while maintaining a 95% customer satisfaction rating. We had a successful year and accomplished many of the objectives we set for ourselves in 2018. Significant progress occurred in all four pillars, and I could not be more proud of the work we have done this year. I look forward to our agency's achievements for Hoosiers across Indiana in the year to come.

Peter L. Lacy

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Commissioner, Indiana Bureau of Motor Vehicles

"I'm proud to say the BMV truly embraced the fifth pillar of our Next Level agenda in 2018 by delivering great customer service through increased efficiency and industry-leading innovations."

- Eric J. Holcomb, Governor, State of Indiana



WHY WE ARE HERE

OUR MISSION

Our mission is to serve all Hoosiers by providing best-in-class driver and vehicle services in a timely and accurate manner while ensuring security and transparency.

City

WHERE WE ARE GOING

OUR VISION

Our vision is to be the most efficient and trustworthy motor vehicle agency in the nation.

HOW WE ARE GOING TO GET THERE

OUR CORE VALUES

PROACTIVITY

We act before requested, identifying solutions before issues arise.

ACCOUNTABILITY

We accept responsibility for our actions, whether positive or negative.

INTEGRITY

We behave in a way that inspires trust from customers and colleagues.

EFFICIENCY

We constantly improve our processes to deliver great value to customers.

INNOVATION

We challenge the status quo by finding new ways to fulfill and expand our core charges.

OUR CORE CHARGES

VEHICLE TITLING AND REGISTRATION

The BMV issues titles and registrations for vehicles, trailers, and watercraft.

DRIVER SAFETY

The BMV certifies driver's education and training providers who provide safety education to motor vehicle operators, commercial drivers, and motorcycle riders.

DRIVER'S LICENSE AND ID PROGRAM

The BMV validates the identity of licensed drivers and ID holders, then issues licenses to drivers who have satisfied the required qualifications.

DRIVER RECORDS

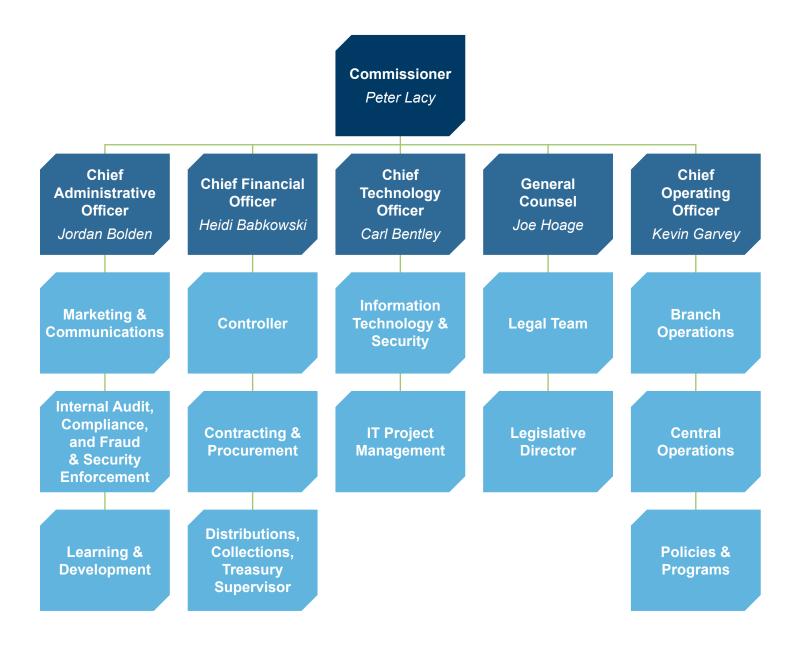
The BMV serves as the record-keeper for the identity of Hoosiers, maintaining driver records for all current and previous Indiana residents.

ANNUAL REPORT 2018

BMV LEADERSHIP

BMV leadership goes far beyond the standard C-level executives. Leadership at the BMV is comprised of approximately 50 team members from each department and region in the state. Senior leadership at the BMV knows it is important to have voices from all corners of an organization—it is what makes the agency effective.

Without the collaboration of the agency's leadership, the BMV would not have been able to accomplish our goals from the 2018 Strategic Plan.



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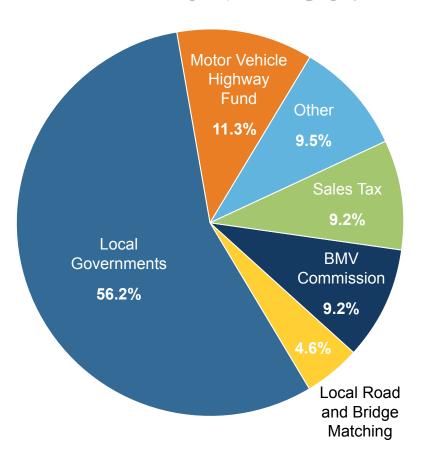
1,564 EMPLOYEES

1,809,244

CUSTOMER CALLS RECEIVED



WHERE DOES THE MONEY GO?





\$1,187,877,568

FEES AND TAXES COLLECTED

Fiscal Year 2018



NEW PERSONALIZED LICENSE PLATES ISSUED

TOP 5 SPECIALTY GROUP RECOGNITION PLATES

City











\$1.5 M.

Indiana University

\$1.3 M.

Hoosier Veterans*

\$1.2 M.

Purdue University

\$951 k.

Environmental

\$540 k.

Spay-Neuter Services of Indiana

*Hoosier Veterans specialty group consists of six unique plates, representing each branch of the United States military—Army, Navy, Marine Corps, Merchant Marines, Air Force, and Coast Guard.



7,335,106

VEHICLE REGISTRATIONS



2,277,845

DRIVER'S LICENSES AND ID CARDS PRINTED



18 min 37 sec.

AVERAGE EXPERIENCE TIME

6,428

MOTORCYCLE SAFETY COURSE STUDENTS





776,053

REAL IDs ISSUED



4,854,125

BRANCH VISITS



933,108

NEW TITLES ISSUED

2018 IN REVIEW

JANUARY

The BMV hosted the grand opening of its first BMV Connect Center at the Fort Wayne Pine Valley branch. This first-of-its-kind center consists of four 24-hour secure self-service kiosks, which offer multiple BMV services. At the ceremony, Governor Holcomb helped demonstrate the ease and convenience of the touchscreen kiosks used to complete common transactions.

MARCH

HEA 1095 was signed into law allowing electronic liens and titles to be utilized. Indiana now allows lienholders to reduce the handling, storage and mailing costs associated with paper titles by replacing them with electronic titles. Benefits also include improved data accuracy and timeliness of transactions, reduction in use and control of paper forms, reduction in mailing and printing costs for the banking industry, and improved security.

MAY

Transactions involving the replacement of driver's licenses, learner's permits, CDLs, and identification cards became available through the myBMV website and BMV Connect kiosks. Customers can now replace a learner's permit, driver's license, CDL, or identification card 10 times online before needing to visit a BMV branch.

FEBRUARY

Ride Safe Indiana (RSI) sponsored and attended the 27th Annual Indiana Motorcycle Expo. The Expo allowed the RSI program to engage with the motorcycle community, promote the RSI program, and educate booth visitors on the importance of motorcycle safety and training courses. Motorcyclists could also enroll in motorcycle training and safety courses available throughout the state while visiting the RSI booth.

APRIL

The BMV launched a second satellite contact center in Terre Haute, IN, with the goal of increasing employment in a more rural area of the state while also improving retention in positions with high turnover rates.

JUNE

Ride Safe Indiana (RSI), attended the 25th Annual Miracle Ride—one of the largest fundraisers for Riley Hospital for Children. Motorcyclists from RSI had the opportunity to ride on the Indianapolis Motor Speedway track and ride past the patients of Riley Hospital for Children, a highly anticipated event for the children at Riley Hospital.

JULY

Indiana law was amended to allow individuals to renew their credential up to 24 months in advance of their expiration date. Previously, you could only renew up to 12 months in advance.

SEPTEMBER

The BMV implemented a comprehensive salary increase initiative impacting over 1,300 BMV employees. The plan increased the starting wage for customer service representatives from \$11.00/hour to \$13.00/hour and adjusted current employee salaries to attract talent, reduce salary compression, and improve employee morale and retention.

NOVEMBER

Real-time customer service satisfaction surveys were launched in the majority of transactional mediums. The change increased survey response volume exponentially and allowed the agency to apply a qualitative measuring tool to every transaction.

Achieved the goal of completing 400,000+ transactions on BMV Connect kiosks. In order to meet the goal, the BMV team added 13 transaction options to the platform. Additional kiosks were also added to the field for a total of 32 locations across Indiana.

AUGUST

The BMV implemented enhancements and automated the Driver Ability Department Review process. Through these improvements, the BMV further guaranteed the accuracy of customer information and allowed the agency to improve and streamline from a ten-minute to two-minute transaction.

OCTOBER

The BMV contact center implemented post call surveys to capture customer feedback about their experience with the agent with whom they spoke. Satisfaction rates averaged 91.83% after the first month, exceeding the internal goal set of 90%.

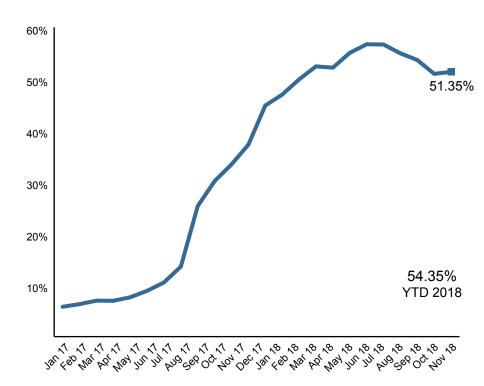
DECEMBER

The BMV increased the Real ID conversion rate from 37% in 2017 to over 50% in 2018. More than half of Hoosiers hold a Real ID—specifically, 2,498,494 of the total possible 5,303,388 credentials issued are Real ID compliant.

BMV METRICS

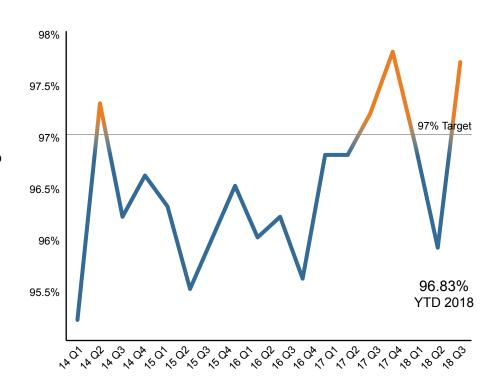
REAL ID CONVERSION RATE

As of October 1, 2020, a Real ID-compliant driver's license, permit or ID will be required to board commercial airplanes or enter certain federal facilities. The Real ID conversion rate shows the percent of customers who convert to a Real ID when renewing or amending their license or ID card. In 2018, the conversion rate increased from 37% to over 50%.



CUSTOMER SATISFACTION

Customer Satisfaction is the BMV's ultimate quality measure. The BMV aims to deliver best-in-class service to Hoosiers and relies upon their voice to provide feedback. In 2018, the BMV implemented a new survey tool focused on increasing participation and qualitative measurability.



EXPERIENCES UNDER 15 MINUTES

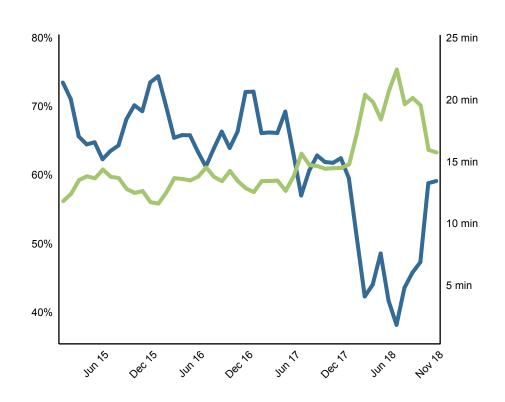
Alongside the Customer Satisfaction metric, the BMV's most objective measure is the percent of customers with a door to door experience of less than 15 minutes. The drive to deliver timely service to customers is what distinguishes the Indiana BMV from other states.



Percent Under 15 min.

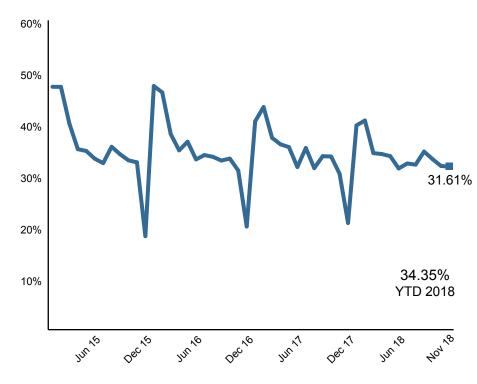


Average Visit Time



OUT OF BRANCH VISITS

The BMV strives to do business with customers when and where they want. We continually push our technology to deliver services via a variety of mediums. In 2018, we added four transactions to online and kiosk technology to make a total of 13 transactions available to Hoosiers outside of a branch.



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HOOSIERS UPGRADE TO REAL ID

The BMV made great strides in converting Hoosiers to Real ID-compliant credentials in 2018. An initial goal of converting 40 percent of credential eligible Hoosiers to Real ID by the October 1, 2020 deadline was set by members of the BMV senior staff in the beginning of 2018. The goal was surpassed in April of 2018 and more than half of all eligible Hoosiers have been upgraded to Real ID; placing Indiana far ahead of most states with regard to Real ID conversions.



The BMV utilized, developed, and implemented a multi-pronged approach to reach Hoosiers. This included a new media kit to provide accurate information to media outlets, an easy-to-use online document selection tool, a checklist tear sheet which

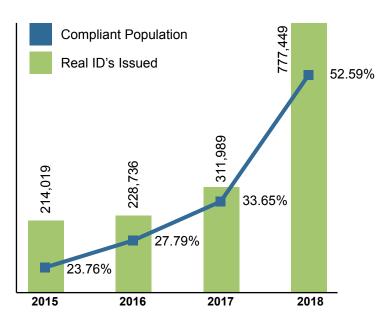
branch associates can review with customers during branch visits (offered in both English and Spanish), and a digital media campaign targeting Real ID eligible Hoosiers the month before their credential is due to expire.

The BMV partnered with the Indianapolis Indians and Indiana State Fair Commission to reach populations in need of further education or support navigating the Real ID conversion process. The public outreach, sponsorships, and Mobile Branch events educated Hoosiers who were unaware or misinformed about the federal requirement while also providing opportunities to upgrade to a Real ID-compliant credential outside a branch.

The impact of these efforts led to not only surpassing the 2020 goal, but reached new heights of achievement throughout the year. In the first ten weeks of 2018 more customers converted to Real ID than all of 2017. Indiana is well on the way to maximizing the number of Hoosiers that will be ready for the October 2020 deadline.



REAL ID CONVERSION STATISTICS



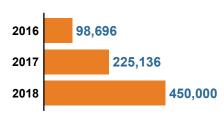
BMV CONNECT EXPANDS IN 2018

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The inception of the BMV Connect brand in 2016 enabled Hoosiers to visit a BMV branch anytime of the day to complete routine transactions. BMV Connect kiosks are 24-hour self-service terminals, where customers can conduct multiple BMV transactions.



BMV CONNECT TRANSACTIONS BY YEAR



In 2018, twelve new BMV Connect kiosks were installed at BMV branches, a second BMV Connect Center opened in Mishawaka, and four new transactions were

added to each kiosk. Hoosiers now have access to a total of 32 BMV Connect kiosks throughout the state and have the ability to complete thirteen different transactions at each.

In an effort to continue the growth of the BMV Connect brand in 2018, the 400k+ Task Force was created. Kevin Garvey, Chief Operating Officer, challenged the task force to increase the number of transactions completed at a BMV Connect.

The 400k+ Task Force was comprised of six BMV associates; Task Force leader Holly Sample, Deputy Commissioner Branch Operations; Courtney Meeks, Deputy Director Branch Operations; Lesley Mucha, Regional Manager Region 7; Chequrita Booker-Howard, Branch Manager Indianapolis Lawrence; Leann Berry, Branch Manager Franklin; and Rachel Harkin, Marketing Coordinator.

The task force helped advance new BMV Connect kiosk transaction availability, added more kiosks and centers throughout the state, and developed a marketing strategy to increase brand awareness. The task force also developed future plans to expand the BMV Connect brand into retail spaces and build two new BMV Connect Centers in 2019.

In December 2018, the total number of BMV Connect transactions surpassed the original goal when it achieved 450,000.

"The 400k+ Task Force worked diligently to develop effective strategies to increase BMV Connect brand awareness and accessibility for our customers. Along with our increased marketing, we improved

the number of available transactions and added more BMV Connect kiosks and centers throughout the state. Our branch associates also did an amazing job promoting the kiosks and explaining the benefits to our customers," explained Sample.



NEW CUSTOMER SERVICE SURVEY LAUNCHED

Prior to 2018, the BMV utilized a third party vendor to conduct customer satisfaction surveys on the agency's behalf. These surveys were accomplished by calling customers by telephone after the customer conducted business with the BMV. In the fourth quarter of 2018, the BMV implemented a new point of service customer service satisfaction surveying tool as part of the BMV Strategic Plan Pillar of Engaging Customers.

Prior to the launch of the new survey, encouraging participation and customer engagement through the use of phone surveys was a difficult task. Over the course of a quarter, approximately 1,000 responses were received using the phone surveying technique. However, the new real-time surveying tool produced nearly 100,000 responses within the first month—a vast improvement to the comprehensiveness of the reporting data. Moreover, the new tool allows the BMV to immediately connect a negative survey

response to the specific transaction (and thus, the transaction type(s), customer service representative, experience time, etc.), essentially applying a qualitative measuring tool to every transaction. BMV customers have the option to complete the survey at the end of every interaction with the BMV—whether it occurred with a branch associate, the contact center, online, or at a BMV Connect kiosk. This enables the BMV to follow-up quickly with a customer who indicated their experience was less than satisfactory.

The transition to an internally-developed surveying tool provides a cost savings to the agency and allows for immediate feedback, enhancing the agency's ability to deliver great customer service to all Hoosiers.

Since its inception in November, more than 254,845 customers have participated in the survey and the BMV has averaged a 97.39% customer satisfaction rate.



RIDE SAFE INDIANA HAS A SUCCESSFUL 2018

Motorcycle season was in full swing this summer and the Indiana Bureau of Motor Vehicles motorcycle safety program, Ride Safe Indiana (RSI), took the opportunity to educate the public on motorcycle safety.



Commissioner Peter L. Lacy speaking at the Motorcycle Safety Awareness month kickoff event on Monument Circle in May.

RSI began the summer by participating in motorcycle safety awareness month in May. Commissioner Peter L. Lacy was invited to speak at the kick off event on Monument Circle.

RSI also took advantage of having a booth at the Riley Hospital for Children's 25th Annual Miracle Ride to educate those motorcyclists in attendance about the importance of motorcycle safety and training courses, discuss how to obtain

a motorcycle endorsement, and answer questions pertaining to motorcycle safety.

During the 2018 Indiana State Fair, RSI hosted Ride Safe Indiana Day on Sunday, Aug. 5. This was the third year RSI sponsored and hosted a day at the Indiana State Fair. The first 100 motorcyclists were able to park along Main Street for the day. Visitors had the opportunity to stop by the RSI booths to learn about obtaining their motorcycle endorsement. The BMV booth located in the Exposition Hall

also promoted RSI programs during all 17 days of the fair.

"We had several great events for RSI in 2018. Our main goals were to educate new and advanced motorcyclists on the offered safety and training courses while becoming more involved within the community; we accomplished our goals this summer," explains Brittainy Hubble, Director of Central Operations.



Map showing the 33 Ride Safe Indiana locations across the state.

The RSI program will continue to focus on community engagement and involvement in 2019 as a way to educate motorcyclists and general motorists about the importance of motorcycle safety and decrease motorcycle fatalities and accidents.



RSI team members at the 25th Annual Miracle Ride.

COMMUNITY ENGAGEMENT

The BMV had a successful year partnering with local sports organizations to promote its key programs-Real ID, BMV Connect and Ride Safe Indiana (RSI).



The BMV partnered with the Indianapolis Indians, Central Indiana's minor league baseball team; the Fort Wayne Komets, a minor league hockey team located in Northern Indiana; and the Indy Fuel, a minor league

hockey team based out of Central Indiana. The BMV also partnered with Northwest Indiana's minor league baseball team, the Gary SouthShore RailCats and the Evansville Otters, a minor league baseball team located in Southern Indiana for the upcoming 2019 season. The goals of the partnerships are twofold: engage our customers within their communities and raise awareness of the available programs offered by the BMV.

The growing relationships between the BMV and local sports organizations provide unique opportunities for Hoosiers across the state to benefit from additional exposure to the BMV brand—ultimately promoting program awareness and increasing customer confidence when using innovative customer service and experience efforts, such as BMV Connect kiosks or upgrading to Real ID. In addition, the increased



marketing efforts will enhance motorcycle safety awareness throughout the state. While the BMV partners with organizations in all regions of the state as a way to diversify its target audience, the agency was also intentional in choosing specific cities and towns with consistently high rates of motorcycle injuries and fatalities.

The partnership with the Indianapolis Indians educates baseball game attendees on the process of obtaining a Real ID and why it is necessary beginning Oct. 1, 2020. The relationship between the BMV and the Fort Wayne Komets is an opportunity for Hoosiers in Fort Wayne and surrounding communities to better understand the conveniences of the BMV Connect kiosks and promote customer confidence when using the technology.

In 2017 and 2018 alone, over 5,563 motorcycle accidents occurred, with 248 resulting in fatalities. Indianapolis and the surrounding areas had 991 motorcycle



accidents, 39 resulting in fatalities; Lake and Porter counties had 436 motorcycle accidents, 20 resulting in motorcycle fatalities; and Evansville and the surrounding areas had 260 motorcycle accidents with 15 resulting in motorcycle fatalities. With the mission of reducing the number of motorcycle accidents and fatalities in Indiana, RSI is using its relationship with the Indy Fuel, Gary SouthSore RailCats and Evansville Otters to educate motorcyclists and general motorists on the importance of sharing the road, safe riding practices, and obtaining a motorcycle endorsement.

The Real ID, BMV Connect and RSI marketing initiatives directly support the Fifth Pillar of Governor Eric J. Holcomb's Next Level Agenda by providing great government service through innovation and efficient customer service to Hoosiers and research-based public education for the BMV. The BMV looks forward to engaging with Hoosier communities throughout the state while supporting local organizations in 2019!

City

GALAXY

Through the Galaxy initiative, we lay the foundation for the future of the BMV's business processes and technology platforms. The future BMV will utilize cutting edge technologies and design concepts to be more flexible, intuitive, and customer-driven than ever before, all while serving Hoosiers with the utmost transparency and accuracy.

BE ACCURATE

Transactions should be complete and correct. Systems should provide a confidence that data is correct, fees were correctly charged, and that reasonable measures were taken to remove obsolete or erroneous data.

CUSTOMER DRIVEN

Whether through true self-service channels, or through guided transactions conducted with CSRs, transactions and processes should be designed with at least as much weight given to customer driven processes as CSR driven. Future systems changes will be designed with direct customer interaction in mind.

ENABLE FLEXIBILITY

Systems should be designed in a way to be modular and allow for future enhancements and redesigns without reworking the entire systems' foundation.

BE SIMPLE AND EASY

Processes and systems should be designed with simplicity as the priority, focusing on both our customers and our internal staff. BMV processes should be simplified or automated where possible.

SALAXY

STARS MODERNIZATION

- Assess Current State of Business processes
- Assess Current State of Application Architecture
- Modernization Roadmap
- Implementation Plan

DATA WAREHOUSE MODERNIZATION

- Define a data strategy
- Establish a data governance team
- Cleanup inaccuracies and inefficiencies
- Establish an ongoing model for perpetual data and reporting management

DOCUMENT MANAGEMENT MODERNIZATION

- Introduce incremental improvements and changes to the Enterprise Document Management Systems
- Automate data capture
- Apply workflows to the document capture and document management process
- OCR capabilities to auto capture data

VEHICLE VALUATION / VIN VALIDATION

- Build more robust Vehicle Valuation toolset
- Real Time Vehicle Valuation capabilities
- VIN-based valuation on vehicles
- Allows for trailer VIN validation

STRATEGIC PLAN PILLARS

ENGAGE CUSTOMERS

The State of Indiana is home to a diverse population of citizens. We strive to engage our customers with best-in-class customer service and offer options that appeal to multiple generations.

2018 INITIATIVES

We committed to...

- Expand BMV Connect
- Capture customer satisfaction in real-time
- Lay the foundation to redesign our online transactional services
- Increase the number of citizens holding a Real ID compliant license
- Review BMV service hours to better serve customers and employees

We...

- Expanded the BMV Connect program to include 32 kiosks across the state, increasing kiosk transactions to over 450,000–an exponential increase from 2017
- Launched a customer service surveying tool on the most used transactional mediums available to BMV customers. Update increased monthly survey response volume from less than 1,000/ month to over 100,000/month. The solution also allows the BMV to apply a qualitative measuring tool to every transaction
- Reached a Real ID conversion rate of over 50%
- Surveyed internal stakeholders to better understand preferences concerning hours of work and branch schedules

SUSTAINABLE SYSTEMS

Technology is a critical component of our daily activities. We proactively seek out and implement new technologies to deliver sustainable systems to our employees and partners as well as create the best service possible for our customers.

2018 INITIATIVES

We committed to...

- Modernize credential systems
- Upgrade knowledge testing offered in branches
- Continue on the path to modernize BMV systems
- Research ways to integrate tablets into branches

We...

- Laid the operational foundation to implement an entirely new credential system in 2019
- Awarded a contract to a vendor that will enable us to improve the quality and delivery of the driver's knowledge test
- Launched an initiative focused on enhancing the BMV's business processes and technology platforms. The project will ultimately allow the BMV to utilize cutting edge technologies and design concepts to be more flexible, intuitive, and customer-driven than ever before

PRODUCT INNOVATION

We pride ourselves on being a forward-looking agency that embraces proven emerging technologies. We actively pursue innovations that will enhance our customers' interactions.

2018 INITIATIVES

We committed to...

- Start implementation of electronic liens and titles
- Explore new technologies to queue customers smartly in the branches
- Draft legislation to enable realtime insurance verification
- Identify options to reduce agency supply costs to be a greener agency

We...

- Passed legislation allowing electronic liens and titles to be utilized in Indiana. The law now allows lienholders to reduce the handling, storage, and mailing costs associated with paper titles by replacing them with electronic titles
- Completed a comparative study of existing queueing technologies and evaluated their value and viability as a solution in a BMV branch environment

EMPLOYEE INVESTMENT

A committed and talented workforce is the backbone of our agency. We seek to provide opportunities for career growth and leadership development, while investing in a culture that promotes engagement and diversity.

2018 INITIATIVES

We committed to...

- Ensure all employees receive training in the first two weeks of their career with the BMV
- · Update training curricula
- Engrain the BMV's core values deeper into the agency's culture
- Start the process to procure a training environment for employees

We...

- Launched a new, regional training center model and static training calendar
- Updated the training material to ensure it is consistent and relevant and lengthened the branch associate's training period from one week to two
- Implemented a comprehensive salary increase initiative impacting over 1,300 BMV employees and increased the starting wage from \$11.00/hour to \$13.00/hour
- Socialized and incorporated the BMV's core values into daily operations through a series of trainings, surveys, and communicative materials



2019 FOCUS AREAS

ENGAGE CUSTOMERS

Enable customers to do business with us the way they want by maximizing the number of transactions available outside of a branch.

SUSTAINABLE SYSTEMS

Make technology work for our customers and employees by ensuring system updates are implemented as soon as they are ready.

PRODUCT INNOVATION

Embrace and execute on progressive ideas with the goal of making customer experiences and business practices more efficient and convenient.

EMPLOYEE INVESTMENT

Equip employees with the tools to be successful by ensuring agency resources and information are accurate, accessible, and actionable.

