



# OAG

Office of the Auditor General

## Report Summary

### *Performance Audit*

### *Branch Operations Division (BOD)*

### *Department of State*

**Report Number:**

**231-0333-24**

**Released:**

**May 2025**

BOD provides in-person services at 131 branch offices within 9 districts in the State. BOD processes transactions related to vehicle, snowmobile, and watercraft registrations; vehicle related permits; driver's licenses; personal identification cards; motor vehicle and watercraft titles; and voter registrations. It also administers tests for various licenses and certifications. Between October 1, 2022 and May 31, 2024, branch offices expended \$136.0 million, collected \$1.3 billion in revenue, and completed an estimated 11.8 million branch office transactions. BOD employed approximately 840 employees as of May 31, 2024.

Audit Objective			Conclusion
Objective 1: To assess the sufficiency of BOD's efforts to provide efficient and convenient customer service activities at its branch offices.			Sufficient, with exceptions
Findings Related to This Audit Objective	Material Condition	Reportable Condition	Agency Preliminary Response
BOD could improve in-person customer service by collecting and analyzing customer service information, such as wait time data, to better detect and address common issues and best practices ( <a href="#">Finding 1</a> ).		X	Agrees

Audit Objective			Conclusion
Objective 2: To assess the effectiveness of BOD's efforts to properly safeguard assets.			Effective
Findings Related to This Audit Objective	Material Condition	Reportable Condition	Agency Preliminary Response
None reported.	Not applicable.		

Audit Objective			Conclusion
Objective 3: To assess the effectiveness of BOD's efforts to comply with selected State and federal requirements.			Moderately effective

<b>Findings Related to This Audit Objective</b>	<b>Material Condition</b>	<b>Reportable Condition</b>	<b>Agency Preliminary Response</b>
BOD could not show compliance with the federal REAL ID Act as BOD did not maintain federally required documentation to support issuance of 6 (50%) of 12 REAL IDs and enhanced licenses reviewed ( <u>Finding 2</u> ).		X	Agrees
BOD did not ensure branch offices properly administered knowledge tests designed to measure the test taker's understanding of concepts needed to safely operate and maintain vehicles ( <u>Finding 3</u> ).		X	Partially agrees
BOD could not validate 55 (14%) of 398 trainings assigned to branch office employees encompassing topics such as enhancing employee skills, supporting workplace safety, and improving workplace culture were completed as required ( <u>Finding 4</u> ).		X	Disagrees

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