

North Carolina Division of Motor Vehicles

License Plate Agency

Standard Operating Procedures

Effective Date: 01/01/2019

TABLE OF CONTENTS

General Provisions.....	8
1 Definitions	9
2 Application and Availability of SOP	10
2.1 Application	10
2.2 Availability	10
3 LPA Tiers	10
3.1 Basis of Tiers.....	10
3.2 Calculation of Tier Status.....	11
3.3 Notification of Tier Status	11
4 DMV Communications with LPAs.....	11
4.1 Website	11
4.2 Message Updates	11
4.3 Frequently Asked Questions	12
4.4 Log of System Problems	12
4.5 Emails	12
5 Management of LPA.....	12
5.1 Responsibility of Contractor.....	12
5.2 Designation of Manager and Contacts.....	13
6 Hours of Operation.....	13
6.1 Hours for Tier 1 LPA.....	13
6.2 Hours for Tier II and Higher LPA	13
6.3 Duty to Serve Customers in Line	13
6.4 Holidays	13
6.5 Vacation.....	14

7	Hiring and Qualifications of Employees	14
7.1	Background Check	14
7.2	Notary	14
8	Training of Employees	14
8.1	For New LPA	14
8.2	For New Hire at Existing LPA	14
8.3	For New Manager at Existing LPA	15
8.4	Continuing Training for Existing Personnel	15
8.5	On-site Training Preferred	15
8.6	Training in Specific Topics	15
8.7	Reimbursement for Training Costs	15
9	Conduct and Dress of Employees	15
9.1	General Standard	15
9.2	Specific Conduct Requirements	16
9.3	Specific Dress Requirements	16
9.4	Specific Grooming Requirements	16
9.5	Exceptions to Requirements	17
9.6	Name Tags	17
10	Additional Employees When Long Wait Times	17
10.1	Wait Time Defined	17
10.2	Report of Long Wait Times	17
10.3	Adding Employees	18
11	Departure of Employees	18
11.1	Notice to DMV	18
11.2	Action by DMV When Notified	18
12	Employee Assistance Program	18
	LPA Office Facility, Equipment, and Inventory	19
13	LPA Office Facility	19
13.1	General Requirements	19

13.2	Location	19
13.3	Restrooms	19
13.4	Designated Service Line.....	20
14	Forms, Equipment, and Associated Supplies Provided by DMV	20
14.1	Specific Items Provided	20
14.2	Responsibilities of DMV for Equipment	20
14.3	Responsibilities of LPA for Equipment	20
15	License Plates, Renewal Stickers, and Other Inventory	21
15.1	DMV Provides Inventory	21
15.2	Storage of Inventory.....	21
15.3	Delivery of Inventory	21
15.4	Categories of Inventory.....	21
15.5	Liability for Inventory	21
15.6	Damaged Inventory	21
15.7	Returning License Plates	22
16	Signs and Displays	22
16.1	Signs.....	22
16.2	Displaying Items of Local or State Interest.....	22
16.3	No Pictures of Officials	22
17	Security Cameras and Phones.....	22
17.1	Security Cameras.....	22
17.2	Phone with DMV Message	22
	Financial Transactions with Customers and DMV	23
18	Accepting Payments from Customer	23
18.1	Acceptable Forms.....	23
18.2	Cash Procedures.....	23
18.3	Personal or Business Checks	23
18.5	Money Orders or Certified Checks	24
18.6	Identification of Check Presenters	24

18.7	Liability of LPA for Bad Checks	24
18.8	Acceptable Credit and Debit Cards	25
18.9	Credit and Debit Card Procedures.....	25
19	Processing Dealer Work	25
19.1	Payment Within Five Days.....	25
19.2	Notice When Dealer Does Not Comply	25
19.3	Payment When Dealer Submits Work.....	26
20	Depositing Cash and Checks.....	26
20.1	Designation of Depository.....	26
20.2	Daily Deposits	26
20.3	Counterfeit Bills.....	27
21	Monthly Compensation.....	27
Business Practices		27
22	Notary Work.....	27
23	Watercraft Registration.....	27
24	Daily Report and STARS Documentation.....	28
24.1	Document Report.....	28
24.2	STARS Documentation.....	28
25	Restrictions on Business Conduct	28
25.1	Adherence to Law.....	28
25.2	No Incentives to Customers	28
26	Advertising at LPA Office.....	28
27	Other Business in Conjunction with LPA Office	29
28	Group Policies Obtained by DMV.....	29
28.1	Group Insurance for Theft or Damage of DMV Property or State Monies	29
28.2	Errors and Omissions Insurance	29
28.3	Robbery	29
28.4	Posting Policies.....	30
29	Preventing Unauthorized Access to Confidential Information	30

29.1 Use of RACF ID..... 30

29.2 Placement of Equipment..... 30

29.3 Reporting Unauthorized Disclosure 30

30 Storing and Destroying Confidential Documents..... 30

30.1 Confidential Documents..... 30

30.2 Approval of DMV..... 30

30.3 Frequency of Disposal 31

Errors and Complaints..... 31

31 Errors..... 31

31.1 What Constitutes an Error..... 31

31.2 Mistakes Caught By LPA 31

31.3 Determining the Acceptable Error Rate 32

31.4 Review By DMV 32

31.5 90-Day Grace Period..... 32

31.6 Excessive Error Rate 32

32 Complaints about LPA 32

32.1 On-the-Spot..... 32

32.2 Complaints To DMV..... 32

32.3 Complaints By DMV..... 33

32.4 Log of Complaints..... 33

32.5 Consequences of Substantiated Complaint 33

33 Complaints About DMV By LPA..... 33

Evaluating an LPA’s Performance 34

34 Monthly Reviews of LPA..... 34

34.1 Person Conducting Review..... 34

34.2 Scope of Review 34

34.3 Report of Review 34

34.4 Resolving Non-Compliance..... 34

35 Performance Points..... 34

36	Performance Deductions	36
36.1	Deductions Concerning Checklist Requirements	36
36.2	Other Performance Deductions	36
37	Incentive for Top Performance	36
	Responding to Crimes and Emergencies.....	37
38	Robberies and Break-ins at LPA Office.....	37
38.1	Response of LPA	37
38.2	Response of DMV	37
39	Emergency Closings of LPA Office	38
39.1	Authority	38
39.2	Notice	38
40	Closing an LPA Office due to Inclement Weather	38
40.1	Authority	38
40.2	Prior Discussion	38
40.3	Notice	38
40.4	Fire or Water Damage at LPA Office	38
40.5	Closing of Raleigh DMV Office.....	38
	Changes to SOP	39
41	Proposing a Change.....	39
41.1	Type of Change.....	39
41.2	Recommending a Change.....	39
41.3	Information for Substantive Change.....	39
42	Notice and Review of Proposed Change	39
42.1	Notice and Comment	39
42.2	Review Process.....	39
42.3	Review by LPA Advisory Committee	40
42.4	Review by Commissioner	40
42.5	Notice of Proposed Change.....	40
42.6	Effective Date of Change	40

43. Transitional Provisions 41

 43.1 Time to Comply 41

ACKNOWLEDGEMENT 42

 APPENDIX A 43

 APPENDIX B 45

General Provisions

1 Definitions

Auditor – An employee of DMV who ensures compliance with established internal control procedures by examining records, reports, operating practices, and documentation.

Commissioner – An appointee of the Secretary of the Department of Transportation, or any Deputy Commissioner, Director, Assistant Director, or employee of DMV authorized by the Commissioner to act on his or her behalf.

Contractor – The person awarded a contract under G.S. 20-63(h) to partner with DMV to provide title and registration services. The person may be an individual, a municipality, a chamber of commerce, a corporation, or another entity.

DMV – The North Carolina Division of Motor Vehicles of the North Carolina Department of Transportation.

IMS - The computer program that LPAs utilize to certify their daily deposits to the Fiscal Section of the North Carolina Department of Transportation.

Inventory – A license plate, vehicle registration renewal sticker, placard, or any other item that is issued by DMV and has a unique number by which DMV tracks its issuance, regardless of whether a fee is charged when the item is issued.

License Plate Agency (LPA) – A license plate agency operated by a contractor under G.S. 20-63(h).

LPA Liaison – An employee of DMV designated by the Commissioner as the point of contact for the LPAs.

RACF ID – The number that is assigned by DMV exclusively to each employee of an LPA and is used as the employee's user ID to log onto STARS.

SOP – The LPA Standard Operating Procedures set out in this document.

STARS – The State Titling and Registration System, a computer program that processes North Carolina vehicle titles and registrations.

2 Application and Availability of SOP

2.1 Application

This document applies to each LPA and to DMV's interactions with the LPAs. The procedures it sets out apply regardless of whether an LPA is a private contractor, an agency of local government, or a chamber of commerce.

2.2 Availability

DMV must make this document accessible to LPAs on the website required by Section 4.1. Each contractor must ensure that a copy of the SOP is available, either electronically or by hard copy, to each employee of the LPA.

3 LPA Tiers

3.1 Basis of Tiers

The LPAs are divided into tiers based on the average number of transactions they have performed for the most recent five fiscal years. For purposes of calculating placement within a tier, the number of transactions an LPA processes is considered to be the sum of the following:

1. Transactions for which the LPA received compensation at the general transaction rate, known as the standard rate, set in G.S. 20-63 (h).
2. Title transactions for which the LPA received additional compensation under G.S. 20-63(h1).

A different tier applies to each 50,000 transactions, as follows:

Tier	Average Transaction Range for Five Most Recent Fiscal Years	
	Minimum	Maximum
I	1	50,000
II	50,001	100,000
III	100,001	150,000
IV	150,001	200,000
V	200,001	250,000
VI	250,001	None

3.2 Calculation of Tier Status

By July 15 of each year, DMV must determine the tier of each LPA for the current fiscal year that started on July 1. As set out in the table in Section 3.1, the determination of tier is based on the average standard and title transactions for the most recent five fiscal years. For an LPA office that has not been in operation for the duration of the most recent five fiscal years, DMV must use the transaction data it has for that LPA to make the determination. A tier designation determined for a fiscal year remains in effect until the following fiscal year.

3.3 Notification of Tier Status

When DMV determines an LPA's tier for a fiscal year, it must notify the LPA's contractor of the LPA's tier. DMV must also post a list of the LPAs and their tiers on the website required by Section 4.1.

4 DMV Communications with LPAs

4.1 Website

DMV must maintain a website on which documents needed by or helpful to LPAs in the performance of their work is made accessible to them. Documents that must be accessible on that site include:

1. The SOP effective December 15, 2015, and any revisions to it.
2. All forms used in providing titling and registration services.
3. Frequently asked questions and answers compiled and developed in accordance with Section 4.3.
4. Any document of DMV referenced in the SOP.
5. Minutes of the LPA Advisory Committee.

4.2 Message Updates

DMV shall send messages to LPAs whenever a malfunction or outage occurs in any computer program or system that affects the ability of the LPA to process transactions or accept payments and whenever DMV takes an action or acquires information of an action that affects the LPAs. The message must be sent in a manner designed to reach all LPAs quickly. Items that must be conveyed by message to LPAs include:

1. A failure of the credit or debit card payment system.
2. An abend of the county vehicle tax program.
3. A temporary or permanent closing of an LPA.
4. A robbery or break-in at an LPA.

4.3 Frequently Asked Questions

At least once each calendar quarter, DMV shall determine the most frequently asked questions that LPAs pose to the Help Desk. DMV shall compile the questions and answers into a document and must organize the document in a manner that facilitates ease of use and understanding. This document must be published quarterly on the website required by Section 4.1.

4.4 Log of System Problems

DMV must keep a separate log of each of the following computer problems that impact the ability of LPAs to process transactions and must make these logs accessible on the website:

1. The period of “clocking” in STARS.
2. The period during which STARS is down.
3. The period during which STARS is operating but service is interrupted by an abend or other failure of STARS or a system, such as the county property tax program, that interacts with STARS.
4. The period during which payment by credit card is not available, as reflected in the iNovah message updates or otherwise.
5. The period during which payment by debit card is not available, as reflected in the iNovah message updates or otherwise.

4.5 Emails

DMV must provide a State email address to each contractor and manager of the LPA. The contractor and manager must check this address at least once each business day and, if an email requires a response, must respond within two business days.

DMV will notify each contractor and manager by email when it posts a document on the website required by Section 4.1. In addition to posting on this website, DMV must send Official Bulletins, Broadcast Messages, Special Memoranda, and LPA Complaint Forms to each contractor and manager of the LPA by email.

Personnel of LPA

5 Management of LPA

5.1 Responsibility of Contractor

The contractor is responsible for the operation of the LPA and for compliance with the contract and the SOP. The contractor is also responsible for compliance with all technical policies and procedures developed by DMV concerning vehicle titling and registration, such as the Title Manual.

5.2 Designation of Manager and Contacts

The contractor is considered the sole manager of the LPA unless the contractor provides a written notice to the LPA liaison that one or more of its employees has been designated a manager. A notice of designation of a manager must set out the name and contact information of the employee who is designated as manager. If a contractor designates more than one individual as a manager, the contractor must indicate an order of contact for the managers.

To the extent the contractor has sufficient employees, the contractor shall also designate individuals who are not managers as secondary and tertiary points of contact to act on behalf of the contractor and manager in cases of illness, vacation, or other circumstance in which the contractor and manager are unavailable.

6 Hours of Operation

6.1 Hours for Tier 1 LPA

A Tier I LPA office must be open at least (7) hours each day during the period from 8:00 a.m. to 5:00 p.m. A Tier I office is allowed to close for no more than one (1) hour each day in order for the LPA employees to go lunch and to the bank.

6.2 Hours for Tier II and Higher LPA

An LPA office that is a Tier II or higher must be open to the public for at least eight (8) consecutive hours starting at 9:00 a.m. on each business day of the Monday through Friday workweek. By agreement between the LPA and DMV, the LPA office may be open for more than eight (8) hours each day to meet business demand. The agreement to remain open for a longer period may apply to some, but not all, days of the week or the month and may apply to time increments of less than one hour. "Business demand" means a demonstrated need for additional hours based on length of lines when the LPA office opens or closes for business, average wait times at the LPA, requests from the public, the LPA's expenses in remaining open for the longer period compared to the expected transactions during that period, and other relevant factors.

6.3 Duty to Serve Customers in Line

Regardless of the hours of operation of an LPA, the LPA must serve all customers who are in line at the LPA office as of the end of business hours. This duty of service does not apply to customers who arrive at the office after the end of business hours, even if those who were in line as of the end of business hours are still being served. The LPA may, at its discretion, serve those who arrive at the office after the end of business hours.

6.4 Holidays

An LPA office must observe all State holidays for which the Raleigh DMV office is closed.

6.5 Vacation

An LPA office may close for vacation each year for five (5) consecutive days. Before closing, an LPA must obtain the written approval of DMV. To obtain approval, the LPA must submit a written request to DMV at least thirty (30) days in advance of the proposed closing and specify the dates of the closing. Closing on the 15th day of a month, the last day of a month, or the day after a holiday is not authorized. If a county has more than one LPA office, only one office in the county may be closed for vacation at the same time.

When an LPA office obtains approval for closing for vacation, it must notify the public of the pending closure as follows:

1. By posting a conspicuous sign at the LPA office at least thirty (30) days in advance informing customers of the dates the office will be closed, the location of the nearest LPA office, and the date the office will reopen after vacation.
2. By notifying the local media at least thirty (30) days in advance and providing the information required in subdivision 1 of this section.

7 Hiring and Qualifications of Employees

7.1 Background Check

An LPA must conduct a background check and a check of references before hiring an employee.

7.2 Notary

The contractor of an LPA and each manager of the LPA must be a notary. In addition, each employee who processes transactions that require notary services must be a notary.

The contractor is responsible for ensuring that all notaries employed by the contractor comply with all requirements set forth in N.C.G.S. 10B and as established by the Secretary of State's Office.

8 Training of Employees

8.1 For New LPA

Before a new LPA opens for business, all personnel of the LPA must receive training provided by DMV in the topics determined by DMV.

8.2 For New Hire at Existing LPA

The contractor for an existing LPA is responsible for ensuring that a newly hired employee of the LPA is adequately trained before the employee serves the public. The new hire's training must include any specific training required by DMV.

8.3 For New Manager at Existing LPA

When an employee at an existing LPA is promoted to be a manager of the LPA, that newly promoted manager must attend any specific training required by the DMV. If the contractor for an LPA hires a manager instead of promoting an existing employee to the position, the newly hired manager must receive the training for new employees required under Section 8.2 in addition to the training required for employees who are promoted to the position.

8.4 Continuing Training for Existing Personnel

All employees of an LPA must take any other training required by DMV. Required training includes annual training on the obligations of DMV contractors under Title VI of the Federal Civil Rights Act.

8.5 On-site Training Preferred

To the extent possible, DMV must provide training on-site at LPAs, whether on-line or by another means, and must divide the required training into segments that can be taken at successive times.

8.6 Training in Specific Topics

DMV must develop training on specific topics whenever it determines a need for the training or when the LPA Advisory Committee determines a need for the training. Need for training may be evidenced by questions LPAs pose to the Help Desk, common errors in processed transactions, or otherwise. The first training provided under this section must be on the topic of registration of for-hire vehicles, whether under the International Registration Plan or otherwise.

Training provided under this section may be a written step-by-step guide to the appropriate process, on-line instruction provided through the Learning Management System (LMS), or another form of training. If the format allows, it must be published on the website required under Section 4.1.

8.7 Reimbursement for Training Costs

DMV must reimburse an LPA for the cost of any training required by DMV, other than the initial training by DMV or refresher training necessitated by errors. Reimbursement is payable at an hourly rate per employee trained. The rate applies to the time spent in training. The hourly reimbursement rate is twelve dollars (\$12.00) an hour, unless the Commissioner sets a higher rate. A rate set by the Commissioner applies uniformly to all LPAs. Reimbursement for training must be paid to the LPA within 90 days after the last day of the month in which the training occurred.

9 Conduct and Dress of Employees

9.1 General Standard

Employees of an LPA represent DMV and the State of North Carolina. The employees are expected to treat the public with courtesy and respect and to dress, act, and present

themselves in a dignified and professional manner when providing service to the public. Nothing in this section precludes an LPA from adopting conduct, dress, or grooming requirements that are stricter than the ones in this section.

9.2 Specific Conduct Requirements

An employee of an LPA may not do any of the following:

1. Commit any criminal offense in connection with the work of the LPA.
2. Commit any offense involving moral turpitude while employed by the LPA.
3. Shout, curse, or use offensive language when talking with a customer.
4. Use a personal electronic device when talking with a customer unless the device is required to complete the transaction with the customer.
5. Eat, smoke, or chew gum when in the public's view.

9.3 Specific Dress Requirements

Business casual dress is the standard of dress for employees of an LPA. Business casual dress does not include any of the following:

1. Torn or tattered jeans, sweatpants, overalls, leggings, spandex or other form fitting clothing.
2. Flip flops, shower shoes, beach sandals, and bedroom slippers.
3. Tank tops, halter-tops, spaghetti straps and tube-tops.
4. Clothing that reveals cleavage or the midriff area.
5. Clothing that ends more than two (2) inches above the knees when standing.
6. Clothing with obscene material.
7. Sunglasses while inside.
8. Hats, caps, or other headwear of any kind, unless the employee has asked the contractor for and been granted permission to wear the headwear due to a religious conviction.
9. Clothing that creates a safety concern.
10. Clothing that potentially detracts from the daily business processes of the LPA.
11. An item that draws undue attention to the wearer.
12. Visible jewelry in piercings of the eyebrow, lips, tongue, or nose.
13. Visible obscene, provocative, or disruptive tattoos.

9.4 Specific Grooming Requirements

An employee of an LPA may not wear any of the following:

1. An excessive amount of perfume, cologne, or aftershave.
2. Fingernails that are so long they impede work duties.
3. A hairstyle that attracts undue attention because of its cut, such as a mohawk, or its color.

9.5 Exceptions to Requirements

A contractor may make exceptions to the requirements set out in other parts of Section 9 for an acceptable reason. Except for exceptions for religious and medical reasons, if the reason for an exception is expected to last more than five (5) business days, the contractor must obtain the approval of the LPA liaison before granting permission for the exception. Any of the following are acceptable reasons for an exception:

1. Religious convictions
2. Medical requirements
3. Special projects or activities
4. Adverse or inclement weather, including extreme cold or heat

9.6 Name Tags

All LPA employees shall wear a name tag provided by DMV that displays only the employee's first name. DMV shall provide one name tag for each employee free of charge. Additional name tags are subject to a replacement fee set by DMV.

10 Additional Employees When Long Wait Times

10.1 Wait Time Defined

Wait-time is the period of time that starts when a customer enters the LPA office and ends when the customer is called by an LPA employee for assistance. Wait time does not include time associated with any of the following:

1. A significant slowdown in processing in STARS, such as the "clocking" indicated by the appearance of a clock on the screen.
2. An interruption in service attributable to an abend or other failure of STARS, a payment processing system, or another system that interacts with STARS.
3. Dealer work.
4. Registration of for-hire vehicles under the International Registration Plan or otherwise.
5. An unusual, temporary circumstance such as the closure of a nearby office.

10.2 Report of Long Wait Times

A wait time of no more than 20 minutes is an acceptable wait time. If DMV finds that the average wait time of a customer at an LPA office exceeds the acceptable wait time on three or more occasions in at least two different weeks, the LPA liaison shall document the finding, report the finding to the Commissioner, and give the contractor a copy of the finding. The LPA liaison may use no fewer than eight (8) successive customers in determining an average wait time. In determining average wait time, the LPA liaison must subtract from the observed time any time that is excluded from wait time by Section 10.1. The LPA may submit a statement that explains why additional staff is not needed as a result of the reported wait times.

10.3 Adding Employees

Upon receiving a report of unacceptable wait times under Section 10.2, the Commissioner must discuss the matter with the LPA. If the Commissioner decides that the observed wait times are not the result of a temporary aberration and indicate the need for additional staff, the Commissioner may direct the LPA to add an employee for fifteen hours (15) hours each week whose hours include those reported to have unacceptable wait times. When the Commissioner notifies an LPA under this section that the LPA needs to hire an additional employee, the LPA is allowed 45 days from the date of receiving the notice to add the employee.

When the Commissioner notifies an LPA that it must hire an additional employee, DMV must provide the LPA with a workstation for the additional employee. The 45-day limit for hiring an employee is extended by any period of time in which the new workstation has not been installed.

11 Departure of Employees

11.1 Notice to DMV

The LPA must notify DMV when a vacancy occurs because an existing employee leaves, whether voluntarily or involuntarily. If an employee's departure is voluntary, such as when an employee resigns to take another job, the LPA must send both the LPA liaison and the Help Desk an email within one (1) business day after learning of the employee's intended departure that informs them of the employee's expected last day at the LPA. If an employee's departure is involuntary, such as when the employee is fired for cause, the LPA must send them an email within one (1) hour after terminating the employee informing them of the employee's departure.

11.2 Action by DMV When Notified

When notified of an employee's departure, the Help Desk must terminate the employee's RACF ID and user account. For an involuntary departure, the Help Desk must take this action immediately. When notified of an involuntary departure, the LPA liaison must determine if any additional action is required by DMV.

12 Employee Assistance Program

DMV agrees to provide an Employee Assistance Program (EAP) to employees of an LPA to serve as a resource in the event of a trauma caused by external sources, such as customers, robbery, or acts of God. DMV further agrees to reimburse LPAs and their employees for the cost of these services. These services will be reimbursed by DMV on the same schedule as if the LPA contractor or employee were a State employee. Personal or family issues or personnel issues are not subject to reimbursement.

LPA Office Facility, Equipment, and Inventory

13 LPA Office Facility

13.1 General Requirements

An LPA office must meet the following requirements:

1. Comply with all federal, state, and local laws and regulations, including the federal Americans with Disabilities Act.
2. Be cleaned regularly, presenting a professional environment.
3. Be maintained regularly, ensuring a safe environment for the LPA staff and public.
4. Be adequately heated and air conditioned.
5. Comply with the branding requirements concerning color or décor of office established by DMV's Branding Committee (optional).
6. Be smoke-free.
7. Provide an on-site restroom in accordance with section 13.3.
8. Allow only animals that are ADA service animals, as defined in 28 CFR § 36.104. Emotional support, comfort, and therapy animals are not service animals.

13.2 Location

An LPA office location must meet the following requirements:

1. Be convenient to the public.
2. Be accessible and safe and not a personal residence.
3. Be owned, leased, or rented by the contractor.
4. Provide access through either a front or back entrance for delivery of inventory by a semi-trailer or other large truck.
5. Have parking for customers within the immediate proximity of the office that includes a minimum of one (1) disability accessible parking space for every twenty-five (25) parking spaces or portion of this number of spaces.
6. Be approved by DMV. When asked by an LPA or applicant for a commission contract if space under consideration for lease by the LPA or applicant is acceptable, DMV must review the space and inform the LPA or applicant of its answer in writing. DMV may not require an LPA or applicant to sign a lease without knowing whether the leased space is acceptable to DMV.
7. Have sidewalks and entryways that are cleared and maintained prior to the start of each business day or, in the case of snow or ice accumulation, as soon as possible.

13.3 Restrooms

An LPA must provide customers access to an on-site restroom that complies with the ADA and applicable state and local plumbing codes. If the LPA office is located in a mall or another facility that provides restrooms for businesses located at the facility, the restrooms provided by the facility are considered to be on-site.

A restroom at an LPA office that is used by both employees of the LPA and customers of the LPA meets the requirement to provide access to an on-site restroom if the restroom complies with the applicable building codes and the ADA.

If an LPA and DMV disagree about whether a restroom at an LPA office complies with the ADA or applicable state and local plumbing codes, either of them may obtain a determination on the matter from the appropriate building code enforcement agency. A determination by that agency that the restroom complies with the applicable requirements and code establishes conclusively that the restroom complies with this section, unless the determination is overturned by a higher authority, including the courts.

13.4 Designated Service Line

An LPA that is a Tier II or higher must have at least one customer service line designated only for renewal of vehicle registrations and turning in license plates. The availability of the line must be indicated by appropriate signage.

14 Forms, Equipment, and Associated Supplies Provided by DMV

14.1 Specific Items Provided

DMV is responsible for providing, at no charge to the LPA, all required forms and the following equipment and supplies:

1. Computer terminals, printers, and other equipment needed to process title and registration transactions in STARS and to accept payment for these transactions. DMV must provide equipment for the number of work stations requested by an LPA, not to exceed the number of the LPA's employees, whether full-time or part-time, plus one.
2. Supplies, such as toner cartridges and computer paper, required to operate the equipment provided.
3. Two (2) canvas lock-drop deposit bags to be used by the LPA to make deposits, if the depository used by the LPA does not provide them.

14.2 Responsibilities of DMV for Equipment

When DMV provides equipment to an LPA, DMV is responsible for the following:

1. Maintaining the equipment.
2. Repairing or replacing the equipment as a result of normal wear and tear or as the result of damage or loss due to vandalism, theft, fire, flood, or a natural disaster.
3. Providing software or hardware upgrades to the equipment.

14.3 Responsibilities of LPA for Equipment

When DMV provides equipment to an LPA, the LPA is responsible for the following:

1. Operating the equipment properly and protecting it from damage.

2. The cost of repairing or replacing any equipment that is damaged as a result of intentional, negligent, or accidental acts of an employee of the LPA.

15 License Plates, Renewal Stickers, and Other Inventory

15.1 DMV Provides Inventory

DMV is responsible for providing an LPA with the inventory the LPA needs to process titles and register vehicles. DMV must provide these items and deliver them without charge to the LPA.

15.2 Storage of Inventory

An LPA must keep the inventory it receives from DMV in a secure place to which the public does not have easy access.

15.3 Delivery of Inventory

The following process applies to the delivery by DMV of inventory to an LPA:

1. Plate Distribution sends the affected LPAs an email advising them of a tentative delivery schedule at least 48 hours before delivery.
2. The LPAs check their current inventory to determine how much they have before the scheduled delivery.
3. When Plate Distribution delivers the inventory, the contractor or manager of the LPA counts and verifies the boxes of plates that were delivered. If all boxes shown on the bill of lading are delivered, the contractor or manager signs the bill of lading.
4. The LPA must report the new inventory in STARS by the end of the business day following the day it was delivered.

15.4 Categories of Inventory

Inventory is categorized into inventory that is ready to issue (RIS) and inventory that is in new inventory (INI).

15.5 Liability for Inventory

An LPA is responsible for any lost, missing, or stolen inventory, other than inventory stolen in a robbery reported to the police. If an audit of the LPA finds that the LPA cannot account for any inventory, DMV will deduct the cost of the unaccounted-for inventory from the next monthly compensation paid to the LPA for transactions performed by the LPA.

15.6 Damaged Inventory

If an item of inventory is damaged and cannot be issued, the LPA must note that the item is damaged in STARS. The LPA must hold the damaged item with its other damaged inventory for audit purposes.

15.7 Returning License Plates

An LPA must return license plates to DMV by placing them in a box that is marked "RETURNS" in red ink and is secured shut with tape. The LPA must store boxes of plates to be returned away from current inventory.

16 Signs and Displays

16.1 Signs

An LPA is required to display the signs provided or specified by DMV in a conspicuous place in the office at all times. An LPA must order or obtain a replacement sign from the LPA liaison whenever a required sign provided by DMV becomes unreadable or unrepresentable.

16.2 Displaying Items of Local or State Interest

An LPA office may display paintings, photographs, or other objects that promote the public's interest in local or state points of interest or activities. Examples include pictures of the North Carolina Zoo or a local botanical garden.

16.3 No Pictures of Officials

An LPA office may not display a picture of an elected or appointed official of this State or of any other governmental entity.

17 Security Cameras and Phones

17.1 Security Cameras

An LPA whose tier is II or higher must have one or more security cameras in its office so that the LPA has or has access to a recording of those who enter the office and their interactions with the employees of the LPA. All recordings must be retained for a minimum of 30 days.

17.2 Phone with DMV Message

Calls to an LPA office that are not answered by an employee of the LPA must be answered by a recorded message supplied or approved by DMV. If the LPA allows callers to the LPA to leave messages and a caller leaves a message asking a question for the LPA to answer in a return call, the LPA must return the call within one (1) business day.

Financial Transactions with Customers and DMV

18 Accepting Payments from Customer

18.1 Acceptable Forms

Only the following payment types are acceptable:

1. Cash
2. Check (No counter or starter checks)
3. Credit card
4. Debit card

18.2 Cash Procedures

An LPA must safeguard the cash it receives from customers. An LPA must mark each bill with a face value of at least twenty dollars (\$20.00) with a counterfeit money detection pen. An LPA must deposit the cash it receives at least once each day as required by G.S. 147-77. Monies received for state services shall be deposited daily in the form and amounts actually received from the customers.

18.3 Personal or Business Checks

An LPA may not accept a personal or business check unless the check meets the requirements set out below. These requirements apply to all personal and business checks:

1. It is made payable to DMV.
2. The check amount does not exceed the amount of the transaction.
3. For a personal check, the name and address of the check writer is pre-printed on the check. If the pre-printed address is no longer correct or is a post office box, the correct current address may be written on the check.
4. For a business check, the name and address of the business is pre-printed on the check. A post office box is an acceptable address for a business.
5. The check writer's phone number is pre-printed or written on the check.
6. The individual who presents the check to the LPA identifies himself or herself by providing one of the forms of identification set out in section 18.6. If the individual who presents the check and the check writer are not the same, the LPA must write on the check the type and identifying number of the presenter's identification, such as the presenter's North Carolina driver license number.
7. For a check written by an individual who is not the registered owner of the vehicle, the LPA enters the name and identifying information of the check writer into STARS.
8. For an estate check, Letters Testamentary are attached to the title documents.
9. For a dealer check, the dealer's license number is pre-printed or written on the check.
10. An LPA may not create a secondary account for a customer with a bad debt stop in order to accept a check written by that customer.

18.4 Third Party Checks

A third-party check is not acceptable unless all of the following apply:

1. The third-party drawer of the check is DMV.
2. The check amount does not exceed the amount of the transaction.
3. The person to whom the check is written endorses the check.

18.5 Money Orders or Certified Checks

An LPA may not accept a money order or a certified check unless it meets the following requirements:

1. It is made payable to DMV.
2. The check amount does not exceed the amount of the transaction.

18.6 Identification of Check Presenters

When an individual presents a check to an LPA, the LPA must verify the identity of that individual by means of an acceptable form of identification.

1. **Acceptable ID.** – The following forms of identification are acceptable so long as they have not expired:
 - a. North Carolina driver license.
 - b. North Carolina identification card issued by DMV.
 - c. Military ID.
 - d. U.S. Passport.
 - e. Out-of-state driver license.
 - f. Out-of-state identification card issued by the agency that issues driver licenses in that state.
2. **Unacceptable ID.** – The following forms of identification are not acceptable:
 - a. Any form of identification that would be acceptable but has expired.
 - b. Any form of identification not listed as an acceptable form of identification.
Forms of identification that are not listed as acceptable and are therefore not acceptable include a social security card, an international driver license, and an international identification card.

18.7 Liability of LPA for Bad Checks

An LPA is not liable for a bad check accepted by the LPA unless the LPA failed to comply with the check acceptance and identification requirements in the SOP. If an LPA is liable for a bad check, DMV will reduce the amount of compensation payable to the LPA by the amount of the bad check. When DMV charges an LPA for the amount of a bad check, DMV must give the LPA either a copy of the bad check or the identifying information about the writer of the check or the presenter of the check that is set out on the check. By charging an LPA for the amount of a bad check, DMV is considered to have assigned to the LPA the right to collect from the writer of the check the amount of the bad check.

18.8 Acceptable Credit and Debit Cards

Only the following credit and debit cards are acceptable:

1. Visa
2. Mastercard
3. Discover

18.9 Credit and Debit Card Procedures

The following requirements apply when a customer pays by a credit or debit card:

1. The LPA should avoid handling the customer's card.
2. The LPA must direct the customer to wait to swipe the card until asked to do so by the LPA.
3. The LPA must direct the customer to swipe the card a second time only if the LPA received the message "Transaction Denied" after the customer swiped the card the first time.
4. If the LPA received a message other than "Transaction Denied" after the customer swiped the card the first time, the LPA must contact the Help Desk to determine if the transaction was completed. If directed to do so by the Help Desk, the LPA must ask the customer to swipe the card again.
5. If a payment is accepted but it is not reflected in STARS, the LPA is not to perform a "line item delete" function. Instead, the LPA must contact the Help Desk for assistance.
6. When notified by a message from DMV that payment by credit or debit card is not available, the LPA must stop accepting credit or debit cards, as appropriate, until the LPA receives another message informing the LPA that the LPA can resume accepting payment.

19 Processing Dealer Work

19.1 Payment Within Five Days

A dealer is liable for any payments due an LPA for work the LPA processes for the dealer. A dealer is required to pay an LPA within five (5) business days after the LPA completes work for the dealer and notifies the dealer that the work is complete. An LPA may not release work to a dealer until the dealer pays the LPA the amount due for the work.

19.2 Notice When Dealer Does Not Comply

If a dealer fails to comply with the five-day payment requirement, the LPA must notify the LPA liaison of the failure. If the five-day period during which the dealer has not paid the LPA includes the last business day of the month, the LPA must also report the dealer to the License and Theft Bureau of DMV.

19.3 Payment When Dealer Submits Work

When the LPA liaison is notified two (2) or more times within a 60-day period that the same dealer has failed to comply with the five-day payment requirement in Section 19.1, the LPA liaison must inform each affected LPA that the LPA may not process work for that dealer unless the dealer pays the LPA for the work when the dealer submits the work to the LPA. The requirement of a dealer to pay when submitting work to an LPA applies until the LPA liaison gives the LPA written notice that the dealer is not required to pay when submitting work.

20 Depositing Cash and Checks

20.1 Designation of Depository

Before an LPA begins operations, the LPA liaison must inform the contractor of the closest and most appropriate financial institution to serve as the depository for the state funds paid to the LPA. The LPA must use this financial institution as the depository unless the contractor for the LPA submits a written request to DMV to use a different depository and the State Treasurer approves the request. When DMV receives a written request from a contractor, it must submit the request to the State Treasurer within five (5) days of receipt. When DMV receives a decision on the request from the State Treasurer, the LPA liaison must inform the contractor in writing of the State Treasurer's decision within five (5) days of DMV's receipt of that decision.

20.2 Daily Deposits

All payments made to an LPA by cash or check must be deposited in the depository designated under Section 20.1 on the day the payments are received. An LPA may make more than one deposit in a day and may determine the number of deposits it considers appropriate based on the level of cash it accumulates. All of the following are prohibited: (i) allowing state funds to pass through an intermediary account, such as a personal or business account, before being deposited in the designated depository account; (ii) leaving state funds at the LPA overnight or in the possession of the LPA's contractor or any employee of the LPA; and (iii) taking possession of state funds after they have been deposited at the designated depository.

The following requirements apply to deposits:

1. Deposits made for a day must be certified by the receiving depository by 2:00 p.m. on the following business day. The contractor is responsible for complying with the requirements of the depository so that a deposit is certified by the required time. The requirement for an LPA to certify a deposit by the specified time does not apply when a power outage, an equipment failure, or inclement weather prevents timely compliance. The LPA must keep a copy of each deposit slip.
2. The total amount deposited for a day must match the amount noted in STARS for that day and the amount of cash and checks deposited for a day must match the amounts for cash and checks noted in STARS for that day. If the amount deposited

is less than the amount noted in STARS, the LPA is liable for the difference. When an LPA is liable for the difference, DMV will deduct the amount from the compensation payable by DMV to the LPA. If the amount deposited is greater than the amount noted in STARS, the LPA must complete a Deposit Overage Form and attach it to the daily deposit report submitted to DMV.

3. The amount deposited for a day must be certified to IMS by 2:00 p.m. on the following business day and must match the amount certified by IMS for that day. This requirement does not apply when a power outage, an equipment failure, or inclement weather prevents timely compliance. The LPA must keep a copy of each IMS print out it receives of certified funds.

20.3 Counterfeit Bills

An LPA is not liable for counterfeit bills detected by the LPA's depository when processing a deposit if the counterfeit bill is not detectable by the type of counterfeit money pen typically used by LPAs. When a depository informs an LPA of a counterfeit bill included in the LPA's deposit and the LPA is not liable for the bill, the LPA must deduct the amount of the counterfeit bill from the deposit and submit a counterfeit bill report.

21 Monthly Compensation

DMV agrees to pay each LPA by the 10th of each month for amounts due the LPA for work done the previous month. If the 10th falls on a day that is not a business day, DMV agrees to make the payment by the last business day preceding the 10th of the month. DMV agrees to make payments to LPAs by direct deposit of the amount due into their accounts.

Business Practices

22 Notary Work

Notary services provided by an LPA must be performed in accordance with Chapter 10B of the North Carolina General Statutes. Notary revenue received by an LPA is not State revenue and is therefore not reportable to DMV and is not the responsibility of DMV.

23 Watercraft Registration

An LPA must enter into an agreement with the Wildlife Resources Commission to register watercraft on behalf of that Commission if the Commission makes a written request to the LPA to do so. Compensation payable to the LPA for the registration of watercraft is governed by the agreement between the LPA and the Wildlife Resources Commission, is not reportable to DMV, and is not the responsibility of DMV.

24 Daily Report and STARS Documentation

24.1 Document Report

At the end of each business day, an LPA must compile the title and other documents it processed that day. The LPA must mail these documents to DMV by U.S. mail or N.C. Courier Service by the end of the next business day. The LPA must include with the mailed documents a report of the contents of the package mailed.

24.2 STARS Documentation

At the end of each business day, an LPA must print out a copy of the following documents concerning transactions the LPA processed in STARS that day and must keep a copy of these documents in its records for one year:

1. Screen print of "Print STARS Deposit Slip" (VF24) after all cash drawers are closed
2. Check list
3. Reversal list
4. Credit card list
5. iNovah Report

25 Restrictions on Business Conduct

25.1 Adherence to Law

An LPA must comply with all applicable laws, rules, and regulations. Applicable federal laws and regulations include the United States Department of Transportation's Title VI Non-Discrimination Assurances required of contractors of the North Carolina Department of Transportation. Those assurances are set out in Appendices A and B of the SOP.

If an LPA believes a processing requirement or other requirement from DMV is illegal, it should express this concern to DMV outlining what it believes is illegal and why it is believed to be illegal. If in fact the requirement proves to be illegal, DMV will accept responsibility for the requirement being carried out per its instruction.

25.2 No Incentives to Customers

An LPA may not give a dealer or another person anything of value as an incentive for providing compensable transactions to the LPA. Providing a pickup or delivery service whereby an LPA picks up work from a dealer or another customer, delivers work to a dealer or another customer, or both does not violate this section.

26 Advertising at LPA Office

An LPA is authorized to advertise products and services at its LPA office and to enter into contracts to allow others to advertise at its LPA office. The specific products and services to be advertised and the specific ads to be placed at an LPA office must be submitted to DMV before they are advertised or displayed at the LPA office. DMV must approve the products,

services, and ads submitted to it unless DMV determines that they are not in keeping with commonly understood standards of public decency, or they contain nudity, overtly sexual content, vulgar or discriminatory language, or material that is unsuitable for any age group, including children. Revenue received by an LPA office from advertising at the office is not state revenue.

27 Other Business in Conjunction with LPA Office

An LPA may operate another business at the same location as long as the business does not interfere with the operation of the LPA office. Before operating another business at an LPA office, the LPA must notify the LPA liaison of its plan to do so and obtain the LPA liaison's written approval.

28 Group Policies Obtained by DMV

28.1 Group Insurance for Theft or Damage of DMV Property or State Monies

DMV agrees to exercise its authority under G.S. 20-63.01 to negotiate for and obtain a group rate for the guaranty bond that statute requires LPAs to provide. DMV must allocate the cost of the bond among all the LPAs based on their tier and must deduct each LPA's allocable premium cost from the compensation otherwise payable to the LPA for transactions performed by the LPA.

28.2 Errors and Omissions Insurance

DMV agrees to negotiate for and attempt to obtain a group rate and group policy for errors and omissions insurance for all LPAs. This insurance must include coverage for the omission of liens from titles. DMV must allocate the cost of the insurance among all the LPAs based on their tier and must deduct each LPA's allocable premium cost from the compensation otherwise payable to the LPA from transactions performed by the LPA. To avoid deducting the cost of both the group insurance obtained under Section 28.1 and the insurance obtained under this section from LPAs' compensation in the same month, DMV must set different months for their renewals.

If DMV is unable to obtain the group rate on terms agreeable to the LPAs, each LPA may contract for coverage on its own.

28.3 Robbery

DMV agrees to either indemnify LPAs against a loss of state funds due to theft or to obtain an insurance policy that provides coverage to LPAs for a loss of state funds due to robbery. An LPA may not be required to pay a deductible when a robbery occurs if it has followed all security policies and has taken reasonable precautions.

28.4 Posting Policies

DMV must post on the website required under Section 4.1 the group policies it obtains for which it charges the LPAs and any policy DMV obtains to provide coverage in the event of robbery.

29 Preventing Unauthorized Access to Confidential Information

29.1 Use of RACF ID

An LPA may not allow a RACF ID assigned to an employee of the LPA to be used by anyone other than the employee to whom it is assigned. This prohibition does not apply to a manager of an LPA who uses the RACF ID of an employee of the LPA in order to close the employee's open cash drawer when that employee is not available to do so. If DMV discovers that a RACF ID has been used in violation of this section, DMV may cancel the RACF ID immediately.

29.2 Placement of Equipment

An LPA must place equipment used to access STARS or print information stored in STARS so that it is not viewed by persons who are not employees of the LPA.

29.3 Reporting Unauthorized Disclosure

An LPA must notify DMV immediately if the LPA knows or suspects that an unauthorized disclosure of information that is protected by the federal Drivers Privacy Protection Act or another privacy law has occurred. DMV must include on the website required under Section 4.1 an explanation of the information that is protected under that Act and the name and explanation of other applicable privacy laws and the information they protect.

30 Storing and Destroying Confidential Documents

30.1 Confidential Documents

A confidential document is a document that includes the name and address of an individual or an entity or includes an account number of an individual or an entity. Examples of confidential documents include:

1. Social security card.
2. Driver license or identification card issued by DMV.
3. Utility bill or insurance card that includes the name and address of an individual or an entity.
4. Bank statement or credit card statement that includes the number of the account at the bank or the credit card account number.

30.2 Approval of DMV

At the end of each business day, an LPA must put all confidential documents in a secure place approved by DMV. An LPA may dispose of a confidential document only by a method, such as shredding, approved by DMV for that LPA.

30.3 Frequency of Disposal

An LPA must destroy all confidential documents that need to be disposed of within thirty (30) days after they are received.

Errors and Complaints

31 Errors

31.1 What Constitutes an Error

An error is a mistake that affects the validity of a title.

1. The following are examples of mistakes that affect the validity of a title and are errors:
 - a. Entering the incorrect year, make, or vehicle identification number (VIN) for a vehicle.
 - b. Omitting an owner or entering an incorrect owner.
 - c. Failing to verify the identity of a party to the transaction.
 - d. Omitting a lien from a title.
 - e. Omitting a brand from a title.
 - f. Titling a vehicle that is 10 years old or newer without the required odometer reading.
2. The following are examples of mistakes that do not affect the validity of a title and are not errors to be used in determining an LPA's error rate:
 - a. Submitting documents or pages of documents in the wrong order.
 - b. Omitting the LPA's bar code on an envelope.
 - c. Omitting the name of the principal in a notarial certificate when the name is not required under G.S. 10B-43(d).
 - d. Omitting the date when a notary's commission expires if the notary's stamp on the document states when the commission expires, and that date is legible.
 - e. Failure of an applicant for a title application, form MVR-1, to initial on the form that the blocks checked are correct when the applicant has signed the sworn statement on the form certifying that all the information on the form is correct.
 - f. Omitting a checkmark in the appropriate box on the application for a duplicate title, form MVR-4, indicating the action requested by the application.

31.2 Mistakes Caught By LPA

A mistake caught by an LPA and corrected by the LPA, by backing out a transaction or otherwise, before it is found by DMV is not considered an error and is not to be used in determining an LPA's error rate.

31.3 Determining the Acceptable Error Rate

By July 1 of each fiscal year, DMV must set an error rate for each LPA tier that applies to the evaluation of the LPAs in that tier during the fiscal year. The error rate for a tier for a fiscal year must be based on error rate data for that tier for the most recent three fiscal years for which data is available. Based on the data, DMV must determine the mean error rate and standard deviation of the error rate for each tier. The acceptable upper threshold of an error rate is the mean error rate plus the standard deviation.

31.4 Review By DMV

DMV must periodically review a sample of work submitted by each LPA, each dealer that processes its own work, and each of DMV's offices to determine their error rates. DMV must post on the website required under Section 4.1 the error rates of all LPAs, dealers, and DMV offices.

If an LPA disagrees with a purported error identified by DMV, DMV must review its initial determination, discuss the matter with the LPA, and then decide whether its initial determination that the LPA made an error is correct. An error under review may not be included in an LPA's error rate.

31.5 90-Day Grace Period

An LPA is not subject to the error rate until after the first three full months of operation.

31.6 Excessive Error Rate

DMV may require the employees of an LPA whose error rate is excessive to attend refresher training. An error rate is excessive if it exceeds the acceptable upper threshold of the LPA's error rate, as determined under Section 31.3, for more than four months in a 12-month period.

32 Complaints about LPA

32.1 On-the-Spot

If a customer at an LPA complains about an LPA while at the LPA, the LPA must address the complaint within one business day of the complaint.

32.2 Complaints To DMV

Communications between DMV and an LPA concerning a complaint must be by fax or email and must use the LPA Complaint Form when applicable.

The following steps apply when DMV receives a complaint about an LPA or an employee of an LPA:

1. DMV discusses the complaint with the individual who made the complaint.
2. DMV describes the complaint in writing.
3. DMV gives the contractor for the LPA a copy of the description of the complaint.

4. For a complaint about an LPA, DMV discusses the complaint with the LPA contractor to determine the cause of the complaint and whether the complaint can be resolved.
5. For a complaint about an employee of an LPA, the contractor for the employing LPA:
 - a. Discusses the complaint with the individual who made the complaint and with the employee to determine the cause of the complaint and whether the complaint can be resolved.
 - b. Reports his or her findings to DMV.
6. DMV reports to the LPA its findings about the complaint, its determination of whether the complaint is substantiated, and any recommendations to avoid future complaints. A complaint is substantiated if a reasonable person with knowledge of the facts and circumstances would agree that the LPA's actions warrant a complaint. A customer complaint based on the entry into STARS of incorrect information that triggers the payment of a penalty or fee not otherwise due is considered a substantiated complaint.
7. If DMV's report recommends actions the LPA can take to avoid future complaints, the LPA informs DMV within five business days of the actions the LPA will take in response to the recommendations.

32.3 Complaints By DMV

DMV may initiate a complaint about an LPA for a suspected violation of the SOP, the contract, or a law by submitting a complaint in writing to the LPA liaison. Unless the complaint involves suspected criminal activity and disclosure of the complaint would jeopardize an investigation, DMV must give the LPA a copy of the complaint and must follow the procedure that applies under Section 32.2 to a written complaint about an LPA submitted by a customer.

32.4 Log of Complaints

DMV must maintain a log of complaints made against an LPA and the resolution of the complaints. An LPA may obtain a copy of its log by submitting a written request to the LPA liaison.

32.5 Consequences of Substantiated Complaint

A substantiated complaint results in a deduction from an LPA's performance points, as described in Section 35.

33 Complaints About DMV By LPA

An LPA may submit a written complaint to DMV about any aspect of DMV's interaction with the LPA. When DMV receives a complaint from an LPA, it must initiate an investigation of the complaint within one (1) business day after receiving the complaint. Complaints against an employee of DMV must be investigated by that employee's manager.

Evaluating an LPA's Performance

34 Monthly Reviews of LPA

34.1 Person Conducting Review

A performance review of an LPA must be conducted by an auditor.

34.2 Scope of Review

The purpose of a monthly review of an LPA is to determine if the LPA is complying with the SOP and to determine the LPA's performance points or deductions for the review period. Performance reviews are conducted monthly and checklist requirements are reviewed twice a year.

As part of one monthly review each year, the person conducting the review must review the equipment assigned by DMV to the LPA and match the fixed asset numbers and serial numbers of the equipment to those in DMV's records. The person conducting a review of a checklist requirement must determine whether the LPA complied with the requirement throughout the review period.

34.3 Report of Review

The person conducting a review of an LPA must make a written report of his or her findings and must discuss these findings with the contractor of the LPA. After the reviewer discusses the findings with the contractor, both of them must acknowledge their discussion by signing the report. An LPA who disagrees with a finding in the report may attach an explanation of why the LPA disagrees.

34.4 Resolving Non-Compliance

When a monthly review of an LPA determines that the LPA's performance does not comply with the SOP, the person conducting the review and the contractor of the LPA must discuss the LPA's performance and agree upon a timeline for compliance. The auditor or another DMV representative, as appropriate, may extend the timeline for compliance if the LPA needs more time to correct the non-compliance. An auditor or DMV representative who exercises his or her discretion and allows more time must report the extension and the reason for the extension to the LPA liaison.

35 Performance Points

An LPA is awarded points for complying with various requirements in the SOP. An LPA's performance points are to be determined in the monthly review of the LPA. Except for an LPA's error rate, the auditor determines whether an LPA has earned performance points for a month. The maximum points awarded for compliance with specific requirements are as follows:

Activity	SOP Provision	Maximum Monthly Points
Certifies deposit by 2:00	20.2.1	10
Has deposit slip	20.2.1	10
Deposit slip matches amount in STARS	20.2.1	10
Deposit of cash and checks match amount in STARS	20.2.2	10
Deposit slip matches amount certified by IMS	20.2.3	10
Has IMS print out	20.2.3	10
Has STARS and iNovah documentation	24.2	10
Mails documents to DMV	24.1	5
No missing RIS inventory	15.4 -15.5	10
No more than 2 missing RIS inventory	15.4 -15.5	2
No missing INI inventory	15.4 -15.5	10
No more than 2 missing INI inventory	15.4 -15.5	2
Has all inventory items reported as damaged	15.6	10
Is missing no more than 2 inventory items reported as damaged	15.6	2
Error rate is within acceptable range	31	10
Stores confidential documents and inventory in secure place	30.2 & 15.2	10
Disposes of confidential documents within 30 days	30.3	5
Total Score		120

Checklist Items		
Required signs are posted and are readable	16.1	
Has required and operational security cameras	17.1	

36 Performance Deductions

36.1 Deductions Concerning Checklist Requirements

A maximum of ten (10) performance points for a six-month period are deducted from an LPA's performance points awarded under Section 35 for each of the following:

1. Failure to post required signs and have readable signs, as required by Section 16.1.
2. Failure to have a security camera or keep a recording of the camera, as required by Section 17.1.

36.2 Other Performance Deductions

Ten (10) points are deducted from an LPA's performance points awarded under Section 35 for each of the following that occurs during the year:

1. The LPA omits a lien from a title.
2. DMV determines that a customer complaint against the LPA is a substantiated complaint.
3. DMV determines that a Division complaint against the LPA is a substantiated complaint.
4. The LPA contractor or an LPA employee fails, without good cause, to attend training required by DMV.

37 Incentive for Top Performance

For purposes of awarding incentives for top performance, the LPAs are divided into five equal percentile groups based on the number of transactions processed by the LPAs in the preceding fiscal year, with the 1st percentile consisting of the LPAs with the lowest number of transactions. The two LPAs in each percentile group that have the most performance points of the LPAs in that group for a fiscal year are granted either of the following at the discretion of the contractor of the LPA:

1. The option of extending the LPA's contract. For the LPA with the most points, the extension is for two years. For the LPA with the second most points, the extension is for one year.
2. A cash bonus based on the tier of the LPA as set out in the following table:

Percentile Group	Top LPA	2 nd LPA
1st	TBD	TBD
2nd	TBD	TBD
3rd	TBD	TBD
4th	TBD	TBD
5th	TBD	TBD

Responding to Crimes and Emergencies

38 Robberies and Break-ins at LPA Office

38.1 Response of LPA

When a robbery occurs at an LPA office or an LPA office that is closed at the time is forcibly entered, the LPA must take the following actions:

1. Notify local law enforcement immediately.
2. Notify the LPA liaison within thirty (30) minutes of notifying local law enforcement.
3. Close the LPA office until an auditor or another representative of DMV conducts an audit of the office to determine:
 - a. What, if anything, has been stolen.
 - b. Whether anyone has gained unauthorized access into any DMV system.
 - c. Whether the LPA's inventory is secured.
4. Include in its report to the police any missing money, inventory, or equipment and any damage to the LPA facility or equipment.

38.2 Response of DMV

When notified by an LPA of a robbery or break-in at the LPA office, the LPA liaison must notify all of the following immediately:

1. The appropriate District License and Theft Bureau.
2. DMV audit manager.
3. DOT Information Technology, which must determine the type of computer forensics, if any, to apply to ensure the integrity of DMV systems and any computer equipment assigned to the LPA.

4. All LPAs by an email or message, if DMV receives notice during business hours. DMV must send the email or message by 9:00 a.m. on the next business day if it receives notice outside the business day.

39 Emergency Closings of LPA Office

39.1 Authority

A contractor or manager of an LPA has the authority to determine to close the LPA office due to an emergency that endangers LPA staff or customers.

39.2 Notice

A contractor or manager of an LPA who closes the LPA office in an emergency must notify the LPA liaison within one (1) hour after the office is closed.

40 Closing an LPA Office due to Inclement Weather

40.1 Authority

A contractor or manager of an LPA has the authority to determine to close the LPA office due to inclement weather that may jeopardize the safety of the LPA staff or customers.

40.2 Prior Discussion

Unless the inclement weather creates an emergency, as determined by the contractor or manager, the contractor or manager must discuss the potential closing with the LPA liaison before making a decision about closing. The LPA must consider the LPA liaison's comments and position but is not bound by it.

40.3 Notice

If the contractor or manager decides to close the LPA office after discussing the matter with the LPA liaison, the contractor or manager must notify the LPA liaison immediately.

40.4 Fire or Water Damage at LPA Office

If a fire or flooding occurs in an LPA office, the LPA must evacuate all customers from the office and call 911 immediately.

40.5 Closing of Raleigh DMV Office

When DMV closes its Raleigh Office or the Call Center due to an emergency or otherwise, DMV must send a message to LPAs notifying them of the closure.

Changes to SOP

41 Proposing a Change

41.1 Type of Change

A change to the SOP is either a technical change or a substantive change. A technical change is a change that corrects a technical error, such as a misspelled word, an incorrect reference, an obvious mistake in choice of words, or a similar error. All other changes are substantive changes.

41.2 Recommending a Change

Any of the following may propose a change to the SOP by submitting it to the Chair of the LPA Advisory Committee:

1. A contractor or manager of an LPA.
2. A representative of DMV.

41.3 Information for Substantive Change

A proposal for a substantive change must meet the following requirements to be considered:

1. Be in writing.
2. Set out the proposed change using strikethroughs to indicate text that is deleted and underlining to indicate text that is added.
3. Be accompanied by an explanation of the effect of the proposed change and why the change is needed.

42 Notice and Review of Proposed Change

42.1 Notice and Comment

When the Chair of the LPA Advisory Committee receives a proposed change to the SOP, the chair must give LPAs notice of the proposed change by posting the proposed change and any accompanying explanation on the website required under Section 4.1. If the proposed change is a substantive change, the notice must state that LPAs may submit written comments concerning the proposed change to the LPA Advisory Committee and must provide an email address for that purpose. The chair must set a deadline for receipt of comments on a proposed substantive change that is at least 30 days after the date the notice is posted.

42.2 Review Process

A proposed change to the SOP must be reviewed and approved by the LPA Advisory Committee before it can become effective. If the proposed change is a substantive change and one or more LPA members of the committee do not support the change, the proposed change must also be reviewed and approved by the Commissioner.

42.3 Review by LPA Advisory Committee

The chair of the LPA Advisory Committee may place on a committee agenda at any time either a proposed technical change or a proposed substantive change that is required by recently enacted state or federal legislation. The chair of the committee may place any other proposed substantive change to the SOP only on an agenda for a meeting that is held at least five (5) days after the deadline for submitting comments. The chair must notify the person who submitted the proposed change of any meeting at which it will be discussed and give that person an opportunity to present the proposed change.

After the LPA Advisory Committee reviews a proposed change, it must make a recommendation about whether to adopt the proposed change, adopt it with additional changes, or reject it and must accompany the recommendation with an explanation of the reasons for the recommendation. The recommendation must state whether all the LPA members of the committee support the proposed change. If all the LPA members do not support the recommendation, the chair must submit the proposed change to the Commissioner along with all information submitted about the change.

42.4 Review by Commissioner

The Commissioner may approve any proposed substantive change to the SOP that is not supported by all the LPA members of the LPA Advisory Committee. In reviewing a proposed substantive change that lacks unanimous LPA support, the Commissioner must discuss the proposed change with the head of the North Carolina Motor Vehicle Registration Contractors' Association and with an LPA who is not a member of that association before making a decision on the proposed change. The Commissioner must consider the financial impact on the LPAs of the proposed change. If requested by one of the LPAs with whom the Commissioner is required to discuss the proposal, the Commissioner must allow the LPA time to survey other LPAs to gather data to establish the financial impact before the Commissioner makes a decision.

42.5 Notice of Proposed Change

When the LPA Advisory Committee adopts a proposed technical change, or the Commissioner adopts a substantive change, DMV must post the proposed change on the LPA website required under Section 4.1.

42.6 Effective Date of Change

A proposed substantive change adopted by the Commissioner may become effective only on January 1 or July 1 and may not become effective sooner than 30 days after notice of the change was posted under Section 42.5. If the change affects the size, layout, or plumbing of the LPA office facility, the change may not become effective until at least 18 months after the first January 1 or July 1 on which it could have become effective but for this limitation.

43. Transitional Provisions

43.1 Time to Comply

An LPA whose commission contract term began before December 1, 2014 has until June 1, 2017 to comply with the restroom requirement in Section 13.3. Prior to June 1, 2017, LPAs will not lose performance points or receive performance deductions for failure to comply with that section.

ACKNOWLEDGEMENT

I acknowledge receiving a copy of the License Plate Agency Standard Operating Procedures

01/01/2019 Edition on this _____ day of _____, _____
(Month) (Year)

Signature

LPA Name

LPA Number

Sign and return a copy of the Acknowledgement page to:

Administrative Office, Room 132
3145 Mail Service Center
Raleigh, NC 27699-3145

NORTH CAROLINA DIVISION OF MOTOR VEHICLES

BY: _____
Commissioner of Division of Motor Vehicles

APPENDIX A

During the performance of this contract, the contractor, for itself, its assignees, and successors in interest (hereinafter referred to as the "contractor") agrees as follows:

1. **Compliance with Regulations:** The contractor (hereinafter includes consultants) will comply with the Acts and the Regulations relative to Nondiscrimination in Federally-assisted programs of the U.S. Department of Transportation, Federal Motor Carrier Safety Administration (FMCSA), as they may be amended from time to time, which are herein incorporated by reference and made a part of this contract.
2. **Nondiscrimination:** The contractor, with regard to the work performed by it during the contract, will not discriminate on the grounds of race, color, national origin, sex, age, disability, income-level, or LEP in the selection and retention of subcontractors, including procurements of materials and leases of equipment. The contractor will not participate directly or indirectly in the discrimination prohibited by the Acts and the Regulations as set forth in Appendix B, including employment practices when the contract covers any activity, project, or program set forth in Appendix B of 49 C.F.R. part 21.
3. **Solicitations for Subcontracts, Including Procurements of Materials and Equipment:** In all solicitations, either by competitive bidding or negotiation made by the contractor for work to be performed under a subcontract, including procurements of materials, or leases of equipment, each potential subcontractor or supplier will be notified by the contractor of the contractor's obligations under this contract and the Acts and the Regulations relative to Non-discrimination on the grounds of race, color, national origin, sex, age, disability, income-level, or LEP.
4. **Information and Reports:** The contractor will provide all information and reports required by the Acts, the Regulations and directives issued pursuant thereto and will permit access to its books, records, accounts, other sources of information, and its facilities as may be determined by the Recipient or the FMCSA to be pertinent to ascertain compliance with such Acts, Regulations, and Instructions. Where any information required of a contractor is in the exclusive possession of another who fails or refuses to furnish the information, the contractor will so certify to the Recipient or the FMCSA, as appropriate, and will set forth what efforts it has made to obtain the information.
5. **Sanctions for Noncompliance:** In the event of a contractor's noncompliance with the Non-discrimination provisions of the contract, the Recipient will impose such contract sanctions as it or the FMCSA may determine to be appropriate, including, but not limited to:
 - a. withholding payments to the contractor under the contract until the contractor complies; and/or
 - b. cancelling, terminating, or suspending a contract, in whole or in part.
6. **Incorporation of Provisions:** The contractor will include the provisions of paragraphs one through six in every subcontract, including procurements of materials and leases of equipment,

unless exempt by the Acts, the Regulations and directives issued pursuant thereto. The contractor will take action with respect to any subcontract or procurement as the Recipient or the FMCSA may direct that as a means of enforcing such provisions including sanctions for noncompliance.

Provided, that if the contractor becomes involved in, or is threatened with litigation by a subcontractor, or supplier because of such direction, the contractor may request the Recipient to enter into any litigation to protect the interests of the Recipient. In addition, the contractor may request the United States to enter into the litigation to protect the interests of the United States.

APPENDIX B

During the performance of this contract, the contractor, for itself, its assignees, and successors in interest (hereinafter referred to as the "contractor") agrees to comply with the following non-discrimination statutes and authorities, including but not limited to:

- Title VI of the Civil Rights Act of 1964 (78 St at. 252, 42 U.S.C. § 2000d et seq.), prohibits discrimination on the basis of race, color, national origin), as implemented by 49 C.F.R. § 21.1et seq. and 49 C.F.R. part 303;
- The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, (42. C.F.R. § 4601) (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal of Federal-aid programs and projects);
- Federal Aid Highway Act of 1973 (23 U.S.C. § 324 et seq.) (prohibits discrimination on the basis of sex);
- Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. § 794 et seq.) (prohibits discrimination on the basis of disability); and 49 C.F.R. part 27;
- The Age Discrimination Act of 1975, as amended (42 U.S.C. § 6101 et seq.) (prohibits discrimination on the basis of age);
- Airport and Airway Improvement Act of 1982 (Pub. L. 97-248 (1982)), as amended (prohibits discrimination based on race, creed, color, national origin, or sex);
- The Civil Rights restoration Act of 1987 (102 Stat. 28) (" . . . which restore[d] the broad scope of coverage and to clarify the application of title IX of the Education Amendments of 1972, section 504 of the Rehabilitation Act of 1973, the Age Discrimination Act of 1975, and title VI of the Civil Rights Act of 1964.");
- Titles II and III of the Americans with Disabilities Act, which prohibit discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities (42 U.S.C. §§ 12131-12189), as implemented by Department of Justice regulations at 28 C.F.R. parts 35 and 36, and Department of Transportation regulations at 49 C.F.R. parts 37 and 38;
- The Federal Aviation Administration's Non-discrimination statute (49 U.S.C. § 47123) (prohibits discrimination on the basis of race, color, national origin, and sex);
- Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations, which ensures non-discrimination against minority populations by discouraging programs, policies, and activities with disproportionately high and adverse human health or environmental effects on minority and low-income populations;
- Executive Order 13166, improving Access to Services for Persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination because of limited English proficiency (LEP). To ensure compliance with Title Vi, you must take reasonable steps to ensure that LEP persons have meaningful access to your programs (70 Fed. Reg. at 74087 to 74100);
- Title IX of the Education Amendments of 1972, as amended, which prohibits you from discriminating because of sex in education programs or activities (20 U.S.C. § 1681et seq).