

# **Centralized Fleet Operations Will Improve Management and Oversight of Department of Public Safety Vehicles**

A presentation to the  
Joint Legislative Program Evaluation Oversight Committee  
April 22, 2013

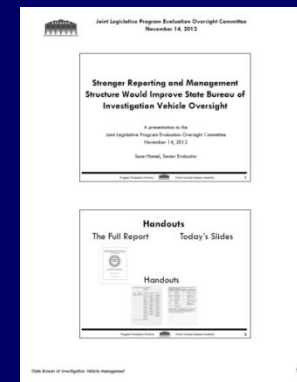
Sean Hamel, Senior Evaluator



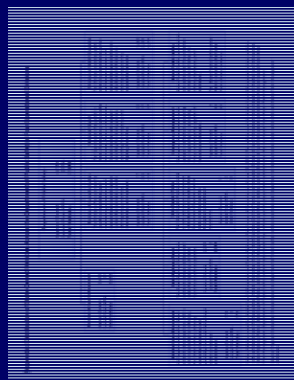
# Handouts

The Full Report

Today's Slides



# Handouts



**Exhibit 4: Division of Law Enforcement Sections Do Not Follow Fleet Management Best Practices**

Fleet Management Best Practice	Description	State Highway Patrol	Alcohol Law Enforcement	State Capitol Police
Collisions and procedures	Written policies and procedures for:			
	• who can use vehicles	●	●	○
	• how vehicles can be used	●	●	○
	• other restrictions to be used	●	○	○
	• vehicle disposition	●	○	○
Fleet information management system	Electronically track vehicle information on per-vehicle basis and other include:			
	• vehicle inventory	●	●	●
	• changes in fleet composition over time	○	○	○
	• mileage vehicle	●	●	●
Financial management	Track direct and indirect costs on a per-vehicle basis, including:			
	• maintenance and repairs	●	●	●
	• fuel	●	●	●
	• depreciation for owned vehicles	●	●	●
	• insurance	●	●	●
	• services, benefits, official travel, and transportation	●	●	●
	• operating equipment purchases for fleet management activities	●	●	●
	• operating equipment for services and repairs	●	●	●
Vehicle replacement and disposition strategy	Procedure to acquire and dispose of vehicles and/or assets (replacement of the fleet, including:			
	• volume purchasing	●	●	●
	• disposal based on mileage, condition, or vehicle type	●	●	●
	• vehicle replacement plan	○	○	○

● = Fully implemented, ● = Partially implemented, ○ = Not implemented

Notes: Alcohol Law Enforcement and State Capitol Police do not have fleet management personnel or operating equipment for fleet management activities. Both agencies have some vehicle services and repairs done by the State Highway Patrol.

Source: Program Evaluation Division based on interviews and review of documents from Alcohol Law Enforcement, State Capitol Police, and State Highway Patrol.



# Evaluation Team

Sean Hamel, Project Lead

Jim Horne, Senior Evaluator

Kiernan McGorty, Principal Evaluator

Carol Ripple, Principal Evaluator

Pamela Taylor, Statistician

Larry Yates, Principal Evaluator



# Overview

- Program Evaluation Division has issued several reports on state vehicles
- Law enforcement vehicles are exempt from certain vehicle management requirements, which prompted increased interest in these vehicles



# Overview

Series on vehicles operated by agencies with a major law enforcement mission

## Department

## Division

Justice

State Bureau of Investigation

State Highway Patrol

Public Safety

Alcohol Law Enforcement

State Capitol Police



# Overview: Findings

1. DPS management and oversight of vehicles is fragmented and decentralized
2. DPS management and oversight of vehicles is inconsistent and does not meet best practices
3. DPS lacks a formal plan to guide the consolidation of its vehicle management and oversight



# Overview: Recommendations

The General Assembly should direct DPS to:

1. Develop a plan for implementation of a centralized fleet management program
2. Submit a proposal that identifies the necessary resources to implement its plan



# Background





# Previous PED Reports on State-Owned Vehicles

- According to best practices, entities with 200 or more vehicles should engage in fleet management
- The fourteen state agencies with more than 200 vehicles met 79% of best practice criteria
  - Law enforcement entities met 70% of the best practice criteria

# Executive Order No. 85

- Created DPS by consolidating the departments of
  - Correction
  - Crime Control and Public Safety,
  - Juvenile Justice and Delinquency Prevention
- DPS Division of Law Enforcement includes
  - State Highway Patrol
  - Alcohol Law Enforcement
  - State Capitol Police
  - Emergency Management
  - Butner Public Safety

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# Benefits of Consolidation

- Consolidation can improve
  - efficiency
  - service delivery
  - costs
- Provides an opportunity to examine how management of vehicles has improved

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# Findings



## **Finding 1.**

**DPS management and oversight of law enforcement vehicles remains fragmented and decentralized, despite the directive to consolidate**

# DPS Vehicles

Department of Public Safety	
Agency Owned:	4,184
Leased from MFM:	2,906
<b>Total Vehicles:</b>	<b>7,090</b>

Division of Law Enforcement	
Agency Owned:	2,402
Leased from MFM:	51
<b>Total Vehicles:</b>	<b>2,453</b>

Division of Juvenile Justice	
The Division offers services for youth by establishing and maintaining a seamless and comprehensive juvenile justice system that promotes juvenile delinquency prevention, intervention, and treatment.	
Agency Owned:	77
Leased from MFM:	333
<b>Total Vehicles:</b>	<b>410</b>

National Guard	
The Guard assists the public in times of emergency such as after hurricanes, floods, or tornadoes. Guard aviation units support searching for missing persons, searching for marijuana, and fighting forest fires.	
Agency Owned:	22
Leased from MFM:	17
<b>Total Vehicles:</b>	<b>39</b>

Division of Adult Correction	
The Division promotes public safety by administering a fair and humane system with reasonable opportunities for adjudicated offenders to develop progressively responsible behavior.	
Agency Owned:	1,683
Leased from MFM:	2,501
<b>Total Vehicles:</b>	<b>4,184</b>

Alcohol Law Enforcement	
ALE agents enforce the State's alcoholic beverage laws. ALE is also responsible for enforcing the State's lottery, tobacco, controlled substance, and gambling laws and taking legal action on nuisance establishments.	
Agency Owned:	178
Leased from MFM:	0
<b>Total Vehicles:</b>	<b>178</b>

State Highway Patrol	
The State Highway Patrol takes actions to reduce collisions and make the highways of North Carolina as safe as possible.	
Agency Owned:	2,209
Leased from MFM:	0
<b>Total Vehicles:</b>	<b>2,209</b>

State Capitol Police	
The State Capitol Police provides a safe and secure environment within the North Carolina State Government Complex and at state-owned properties throughout jurisdictional boundaries.	
Agency Owned:	11
Leased from MFM:	2
<b>Total Vehicles:</b>	<b>13</b>

Emergency Management	
Emergency Management assists people in effectively preparing for, responding to, recovering from, and mitigating against all hazards and disasters.	
Agency Owned:	4
Leased from MFM:	46
<b>Total Vehicles:</b>	<b>50</b>

Butner Public Safety	
Butner Public Safety provides the sole police and fire protection for the town of Butner, its citizens, businesses, and institutions.	
The Butner Public Safety motor fleet is owned by the Butner Public Safety Authority.	



# DPS Consolidation Implementation Strategy

- DPS established workgroups
  - Tier I: organizational infrastructure
  - Tier II: operations
- DPS has yet to consolidate fleet operations

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# Management Structure is Fragmented and Decentralized

- Each section is responsible for the day-to-day management of their vehicles
- Supervising personnel at the district level are responsible for oversight
- Over 2,000 agents, troopers, and officers are responsible for day-to-day management of vehicles

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**Finding 2.**  
**Decentralized management and oversight of DPS vehicles is inconsistent and does not meet fleet management best practices**

# Oversight and Management Do Not Meet Best Practices

- Fleet management best practices
  - policies and procedures
  - management of vehicle utilization data
  - financial management
  - vehicle replacement and acquisition
- None of the sections has fully implemented fleet management best practices

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# Policies and Procedures

- Each section had their own set of policies and procedures
- Policies and procedures lack specificity

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# Take-home Policies

- Take-home policies result in inefficient use of vehicles
- 383 troopers are exempt from living in the county to which they are assigned
- Use of State Capital Police take-home vehicles is not justified

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# Management of Vehicle Utilization Data

- Information on fleet composition and vehicle utilization is disparate
- ALE, SCP, and SHP do not track historical inventories
- Utilization data is incomplete

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# Financial Management

- Direct and indirect costs are not tracked on a per vehicle basis
- DPS has not implemented a cost recovery system to ensure the most efficient use of its vehicles

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# Vehicle Replacement and Acquisition

- The three sections meet best practices for acquiring and disposing of vehicles
- SHP, ALE, and SCP do not have annual vehicle replacement plans and therefore cannot determine budget requirements

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# Planning Affects Vehicle Replacement

- Current planning practices are based on arbitrary mileage and funding availability
- Planning affects how efficiently vehicles are put into service

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# Vehicles Waiting for Up Fit June 2003

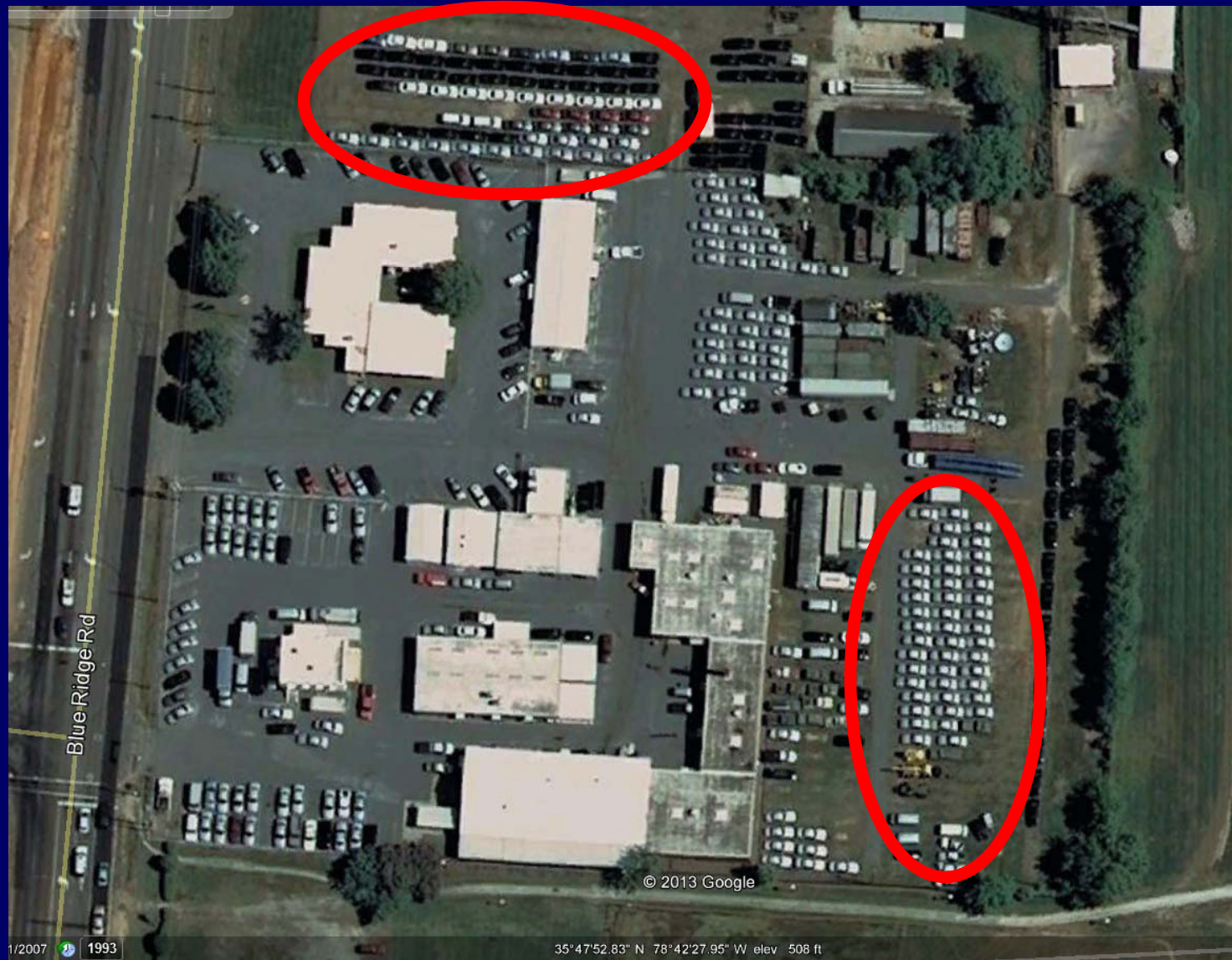


# Vehicles Waiting for Up Fit March 2006





# Vehicles Waiting for Up Fit May 2007





# Vehicles Waiting for Up Fit March 2010



# Oversight and Management Do Not Meet Best Practices

- Each section conducts periodic inspections of assigned equipment
- Line inspections are not as rigorous as audits
- DPS has the capacity to monitor vehicle oversight but has not performed audits

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**Finding 3.**  
**DPS lacks a formal plan to guide  
the consolidation of its vehicle  
management and oversight**



# DPS Has a Vision for Centralized Fleet Management, But No Plan

- Vehicle management is an important issue and a priority for the new administration
  - DPS's vision is similar to the Departments of Administration and Transportation
  - DPS estimates it would cost \$12 million to establish a centralized fleet management program
- DPS has no formal plan

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# Recommendations





**Recommendation 1.**  
**DPS should be directed to develop a  
strategic plan for implementation of  
a centralized fleet management  
program**



# Components of the Plan

- Plan should address best practices
  - policies and procedures
  - management of vehicle utilization data
  - financial management
  - vehicle replacement and acquisition
- DPS should adhere to a formal strategic planning process
- Formal plan due by December 31, 2013

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**Recommendation 2.**  
**DPS should be directed to develop a  
proposal that identifies the  
necessary resources to implement its  
strategic plan**



# Components of the Proposal

- Proposal should identify the investment needed for the centralized fleet management program, including costs for
  - a fleet management information system (FMIS)
  - central maintenance depot
  - necessary personnel
- Office of the State Controller should work with DPS to select a FMIS
- Proposal due by March 1, 2014

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# Summary

- Current management of DPS law enforcement vehicles do not meet best practices
- Two years after agency consolidation, DPS does not have a formal plan for consolidated vehicle management and oversight
- DPS should develop a plan for implementation of a centralized fleet management program that meets best practice standards



# House Bill 61 & Senate Bill 145

- Two vehicle reform bills are working their way through the legislative process
- A working group was established to refine HB 61
- Recommendations in this report are consistent with the two bills
- HB 61 & SB 145 offer a means to incorporate the recommendations from this report

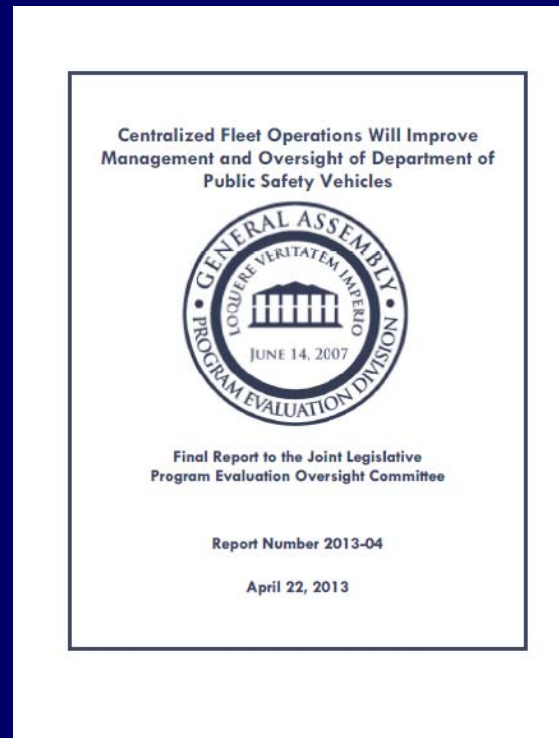


# Legislative Options

- Accept the report
- Refer it to any appropriate committees
- Instruct staff to continue working on HB 61



**Report available online at  
[www.ncleg.net/PED/Reports/reports.html](http://www.ncleg.net/PED/Reports/reports.html)**



**Sean Hamel**

**[sean.hamel@ncleg.net](mailto:sean.hamel@ncleg.net)**





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LOQUERE VERITATEM IMPERIO  
JUNE 14, 2007  
PROGRAM EVALUATION DIVISION