

# **Inadequate Data and Fleet Information Management Weaken Accountability for North Carolina's Vehicles**

A presentation to the  
Joint Legislative Program Evaluation Oversight Committee  
December 14, 2011

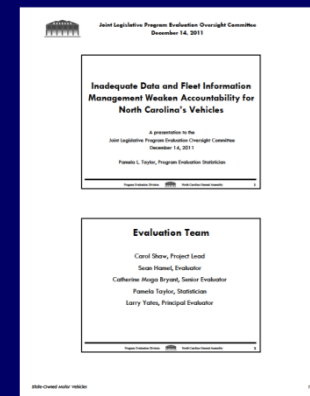
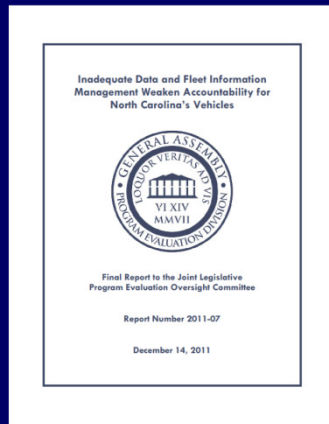
Pamela L. Taylor, Program Evaluation Statistician



# Handouts

The Full Report

Today's Slides



## Two-sided Handout

**EXHIBIT 3: Accountability and Accuracy of Vehicle Data Improves with One Fleet Manager**

Agency/Authority	Number of Subsequent Requests for Vehicle Management Data Provided
Administrative Data Services	0
North Carolina University	0
Department of Agriculture	0
Department of Transportation	0
North Carolina State University	0
Department of Health and Human Services	0
Department of Revenue and Finance Services	0
Department of Legislative and General Services	0
Department of Motor Vehicle and Public Safety	0
Public Resource Companies	0
Department of Community Development	0
Department of Justice	0
University of North Carolina at Chapel Hill	0
Department of Public Safety	0
Department of Health Services	0

*Note: Data spans September and October 2011. Some agencies indicated they had no use of the managed program.*

**EXHIBIT 5: Other States Have Addressed Fleet Management and Oversight Problems and Invested in Fleet Management Information Systems**

State	Department of Administration (Number of Fleet Managers)	Office of Administration (Number of Fleet Managers)	Department of Administration (Number of Fleet Managers)
Arizona	1	1	1
California	1	1	1
Colorado	1	1	1
Connecticut	1	1	1
Delaware	1	1	1
Florida	1	1	1
Georgia	1	1	1
Illinois	1	1	1
Indiana	1	1	1
Iowa	1	1	1
Kansas	1	1	1
Kentucky	1	1	1
Louisiana	1	1	1
Maine	1	1	1
Massachusetts	1	1	1
Michigan	1	1	1
Minnesota	1	1	1
Mississippi	1	1	1
Missouri	1	1	1
Montana	1	1	1
Nebraska	1	1	1
Nevada	1	1	1
New Hampshire	1	1	1
New Jersey	1	1	1
New Mexico	1	1	1
New York	1	1	1
North Carolina	1	1	1
Ohio	1	1	1
Oklahoma	1	1	1
Oregon	1	1	1
Pennsylvania	1	1	1
Rhode Island	1	1	1
South Carolina	1	1	1
South Dakota	1	1	1
Tennessee	1	1	1
Texas	1	1	1
Utah	1	1	1
Vermont	1	1	1
Virginia	1	1	1
Washington	1	1	1
West Virginia	1	1	1
Wisconsin	1	1	1
Wyoming	1	1	1

*Note: Program Evaluation Committee based on interviews with officials and a review of documents from their States.*



# Evaluation Team

Carol Shaw, Project Lead

Sean Hamel, Evaluator

Catherine Moga Bryant, Senior Evaluator

Pamela Taylor, Statistician

Larry Yates, Principal Evaluator



# Overview: Our Charge

- NC Session Law 2011-145
  - Focus on all passenger and non-passenger vehicles
  - Follow-up study on state aircraft (Spring 2012)
- First of three reports on state-owned motor vehicles
  - **Overview of number, use, and costs**
  - Management and oversight of passenger vehicles by the Division of Motor Fleet Management
  - Management and oversight of all other vehicles by state agencies and institutions

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# Overview: Findings

1. North Carolina lacks a central source of information for the number and cost of state-owned motor vehicles
2. Agencies and institutions lack the information needed to determine the appropriate size of their fleets
3. Other states have recognized similar problems with the management of state-owned motor vehicles



# Overview: Recommendations

1. Direct state agencies and institutions to update vehicle registration records for all state-owned vehicles
2. Require all state agencies and institutions to collect and report the appropriate data to a statewide fleet management information system



# Background



# State-Owned Motor Vehicles

- Licensed highway-use motor vehicles purchased or leased by state agencies and institutions for any purpose
- Vehicles are risky and expensive state assets

**Fiscal Year 2010-11 (estimated)**

**28,669 vehicles**

**\$182.7 million**

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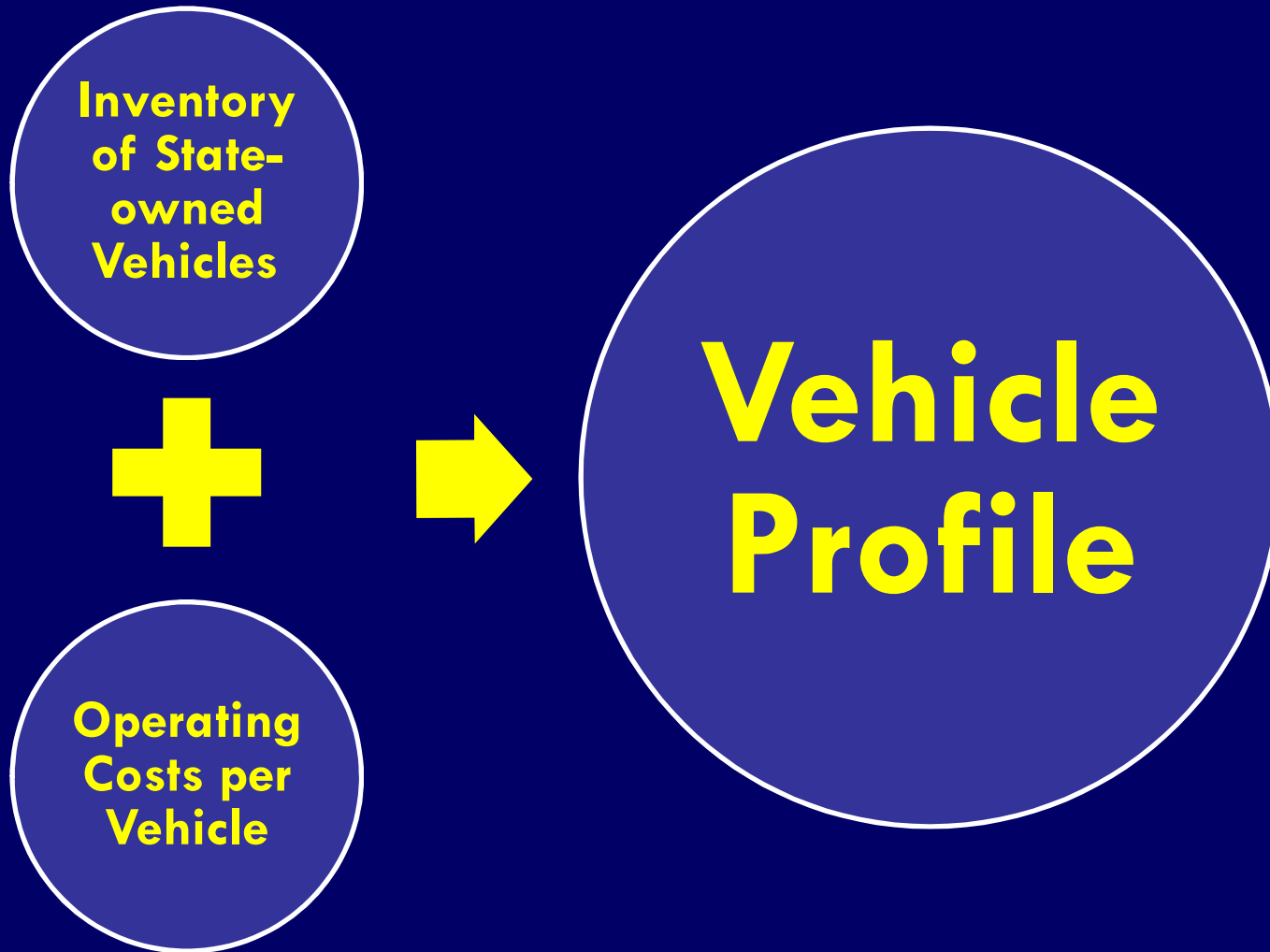


# Findings

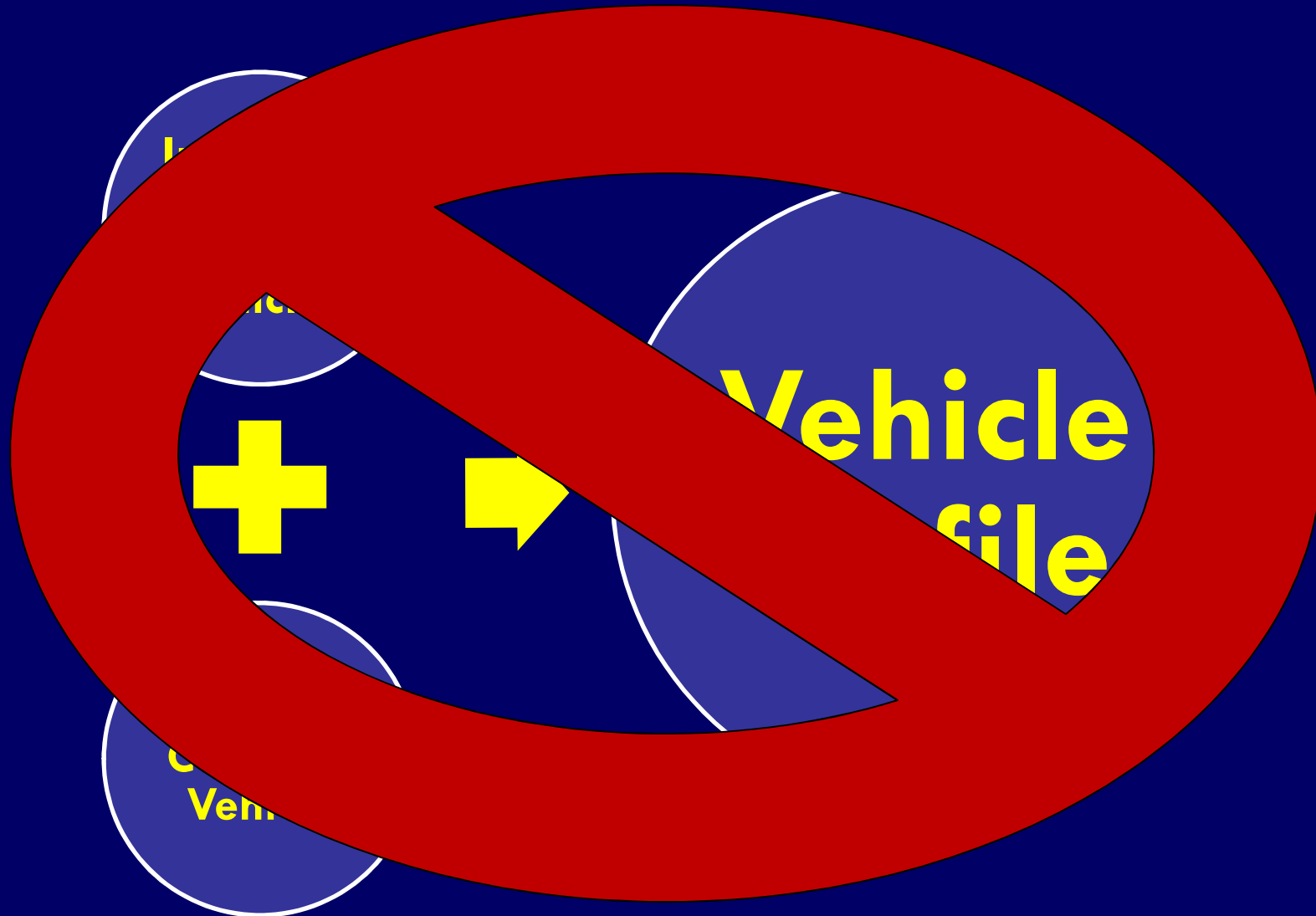


**Finding 1.**  
**North Carolina lacks a central  
source of information for the  
number and cost of state-owned  
motor vehicles**

# Components of a Vehicle Profile



# No Basic Information on Vehicles



# Number of State-Owned Vehicles is Only an Estimate

- Vehicle registration database has limitations
  - Database does not distinguish between yellow and silver permanent plates
  - Agencies and institutions did not use consistent names
- Agencies and institutions report owning 28,669 vehicles
- Number of vehicles reported by state entities does not match vehicle registration records

Report pp. 5-6, Appendix A



# Number of State-Owned Vehicles is Only an Estimate



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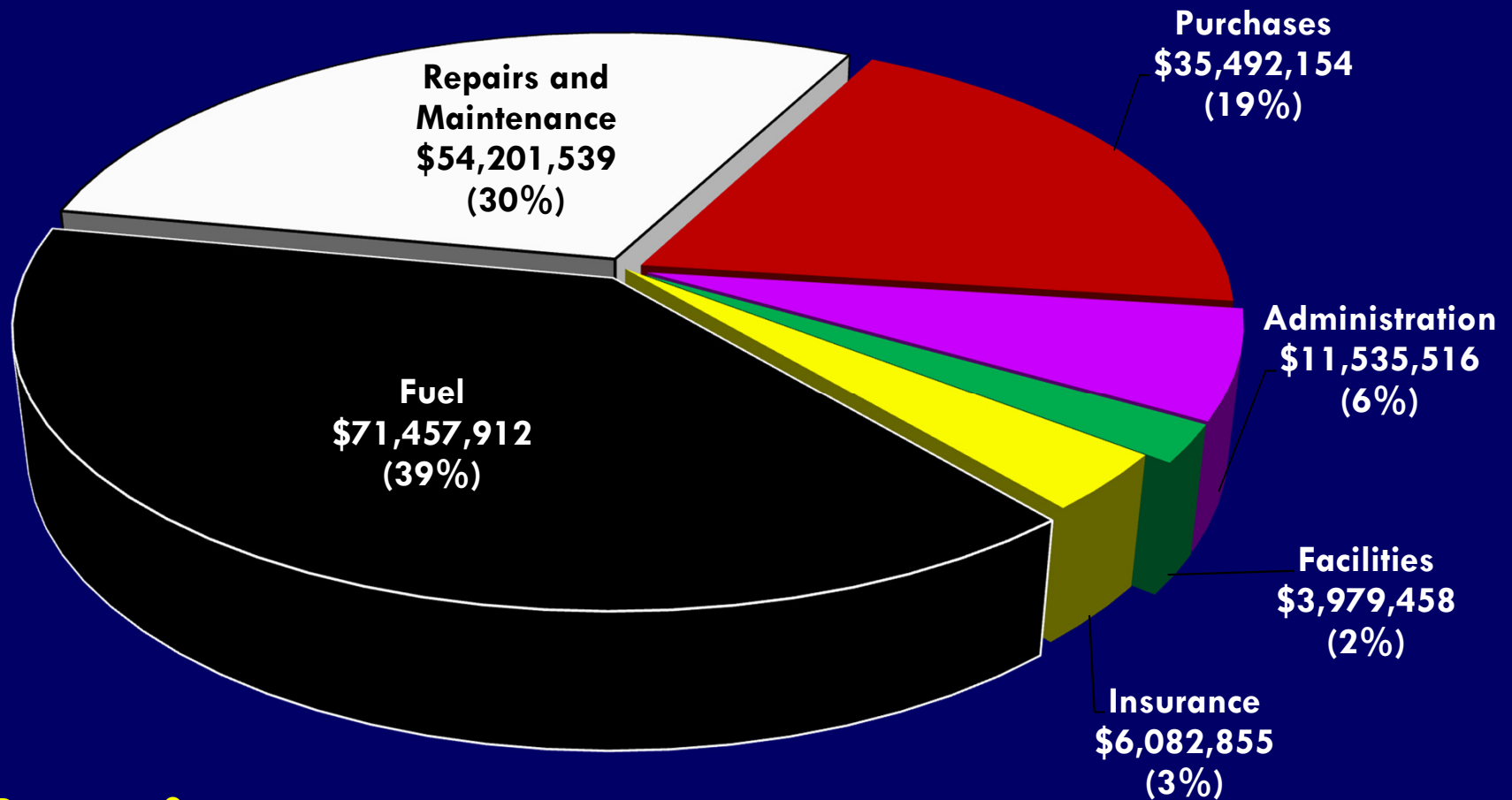
# North Carolina Spent \$182.7 Million on Vehicles

- No central repository for vehicle costs
- Agencies and institutions estimated costs for Fiscal Year 2010-11
- Wide range of total vehicle costs
  - \$1,153 for the Department of Labor
  - \$70.6 million for the Department of Transportation

Report pp. 7-8, Appendix B



# North Carolina Spent \$182.7 Million on Vehicles



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## **Finding 2.**

**North Carolina does not have the information necessary to determine the appropriate number of vehicles to meet state government needs**



# Vehicle Utilization Assessment

- Used as a best practice to determine the appropriate size of fleet
- Requires two types of information
  - Vehicle profile
  - Vehicle mileage and frequency of use

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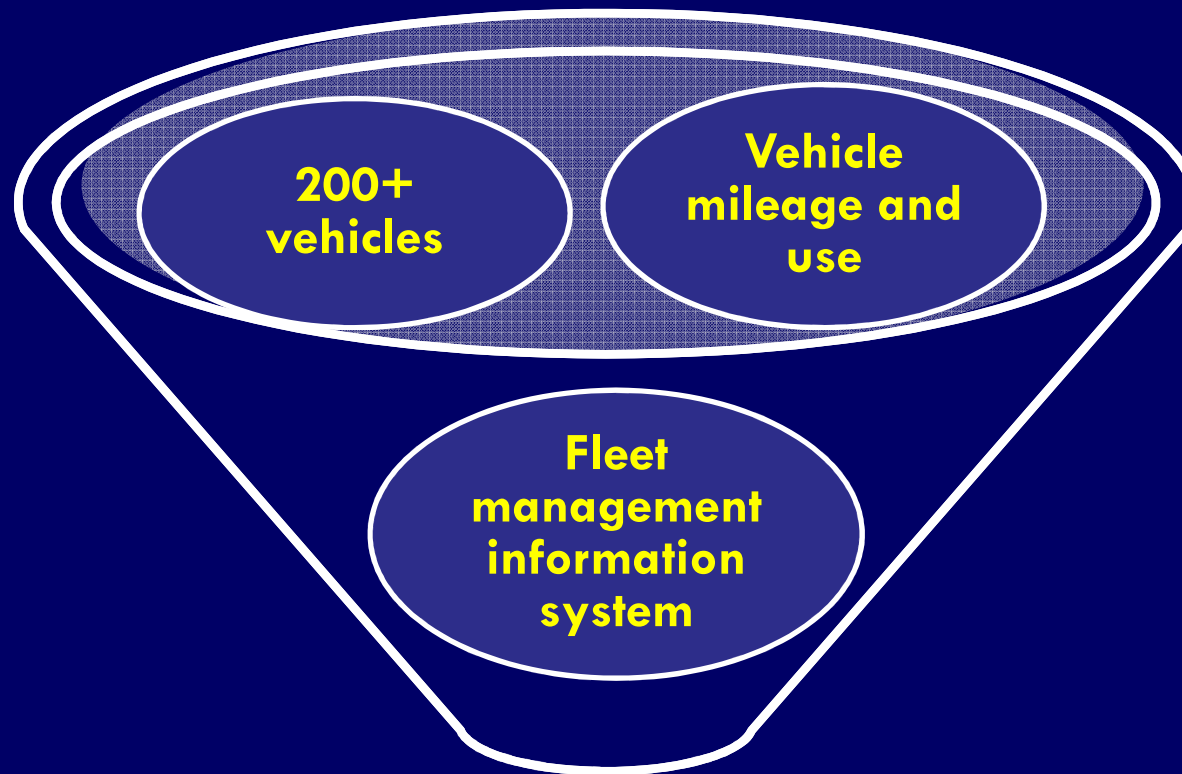
# Benefits of a Fleet Management Information System

- Most effective way to monitor a fleet
- Benefits
  - Monitor changes in fleet size and composition
  - Assess fleet utilization
  - Track and analyze vehicle costs

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# Vehicle Utilization Assessment



Appropriate Fleet Size

# Vehicle Utilization Assessment



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# North Carolina Cannot Determine the Appropriate Fleet Size

- Electronic vehicle utilization data is not consistently tracked statewide
- Agencies and institutions that do track vehicle utilization identified one fleet manager
- Other agencies and institutions have up to 20 individuals responsible for vehicles

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## **Finding 3.**

**Other states have recognized similar problems with the management of state-owned motor vehicles**



# 11 Other States Found Similar Issues

- Information for fleet management decision-making is inadequate or unused
- Fleet management is decentralized
- Difficulty determining the number and location of vehicles

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# Fleet Management Offices in Other States

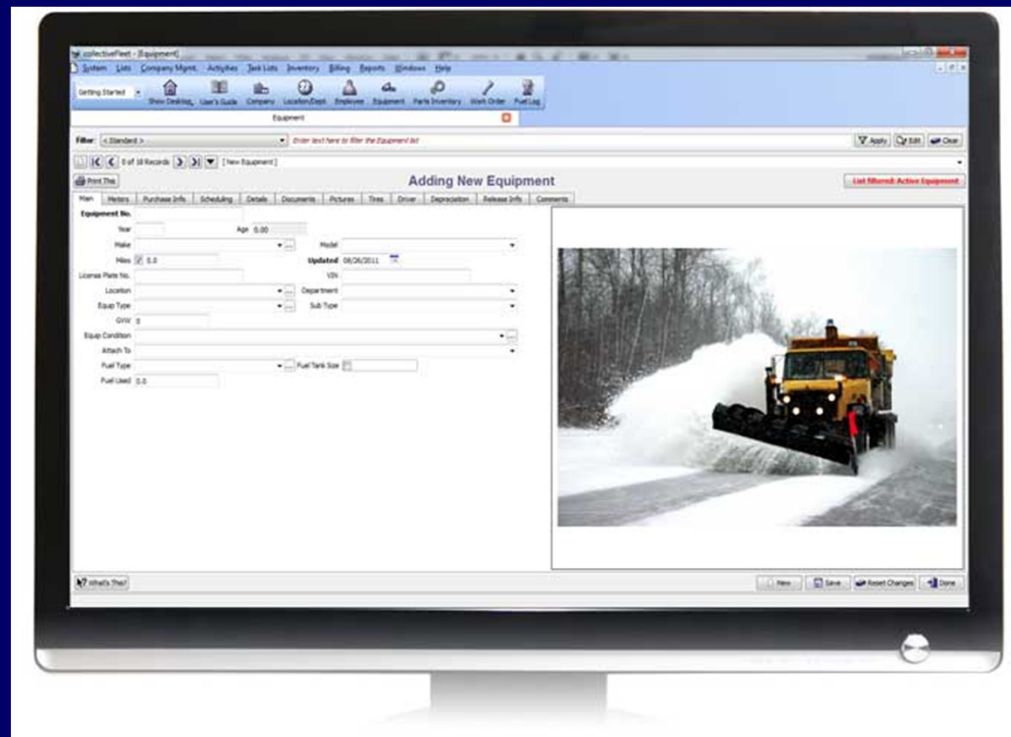
## Georgia, Missouri, and Utah

- Maintain state vehicle inventory
- Monitor agency adherence to statewide fleet policies
- Assist state agencies with fleet management issues
- Manage fleet management information system

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# Recommendations



**Recommendation 1.**  
**Direct state agencies and  
institutions to update vehicle  
registration records for all state-  
owned vehicles**



# Update Records for State-Owned Vehicles

- Direct state agencies and institutions to
  - Develop a standard naming convention
  - Reconcile the discrepancies identified in this report
  - Return or cancel inactive or lost permanent license plates
- Report to the State Auditor by October 1, 2012
- Reconciliation process is underway

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**Recommendation 2.**  
**Require agencies and institutions**  
**to collect and report vehicle data**  
**to a fleet management**  
**information system**



# Statewide Fleet Management Information System

- Require agencies and institutions to collect and report
  - Vehicle make, model, year, and location
  - Vehicle utilization in frequency and miles
  - Direct cost data

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# Statewide Fleet Management Information System

- Direct Office of State Controller to
  - Conduct a detailed needs assessment
  - Consult with state agencies and institutions owning vehicles
  - Review fleet management information systems used in North Carolina and other states
  - Determine fees to pay for initial and ongoing costs
- Recommend a system by February 1, 2013  
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# Legislative Options

- The committee may endorse any of these recommendations for action
- May instruct staff to draft legislation or take other actions



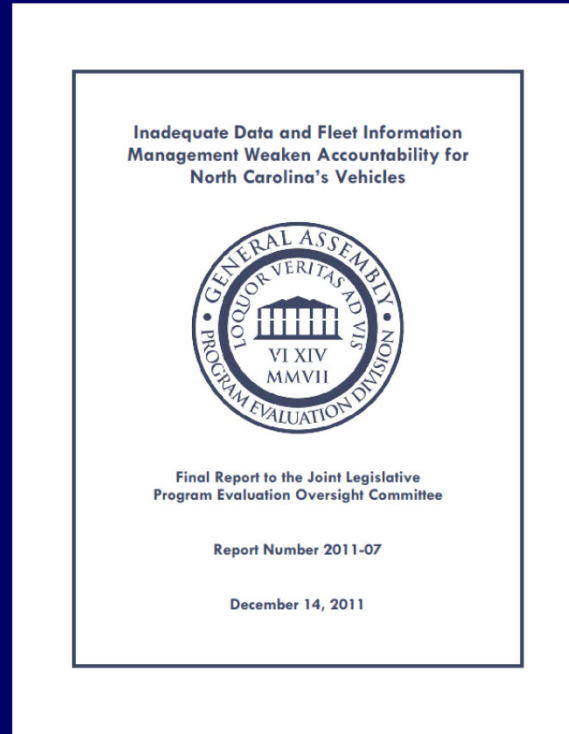


# Summary

- North Carolina lacks statewide information on the number and costs of state-owned motor vehicles
- State agencies and institutions have inadequate data to manage their fleets and should be required to collect vehicle utilization data
- Other states have addressed these problems with statewide fleet management information systems and North Carolina should do the same



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



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