



PROGRAM EVALUATION DIVISION

NORTH CAROLINA GENERAL ASSEMBLY

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

Summary

The General Assembly directed the Program Evaluation Division (PED) to study all passenger and non-passenger vehicles owned and operated by State government agencies and institutions. This first of a series of three reports provides an overview of the number, use, and operating costs of motor vehicles across all agencies and institutions.

PED found an absolute discrepancy of 2,346 vehicles between what agencies and institutions reported owning and vehicle registration records. North Carolina does not have a central source of information for the number and cost of state-owned motor vehicles. To collect such information statewide, PED had to rely on the data provided by state agencies and institutions. It is PED's opinion that the 28,669 state-owned vehicles and \$182.7 million in vehicle-related expenditures cited in this report understate the actual number and cost.

Only 5 of 14 agencies and institutions owning 200 or more vehicles collect the data needed to determine the appropriate size of their fleets. Vehicle profile and utilization data are necessary to determine the right size of the state fleet. Inconsistencies in vehicle information exist because there is no state law requiring agencies and institutions to collect data on state-owned vehicles and they have not been required to submit standardized use and cost data in order to keep vehicles or to justify acquisition of new or replacement vehicles.

Other states have identified similar fleet management and oversight problems. These states identified inadequate fleet management information, decentralized fleet management practices, and difficulty determining the number and location of vehicles as problems affecting statewide fleet management. Georgia, Missouri, and Utah have established centralized offices to address these issues and have invested in fleet management information systems to collect data and report on their state fleets.

To address the issues identified in North Carolina, two recommendations suggest action by the General Assembly. First, the General Assembly should direct state agencies and institutions to update vehicle registration records for all state-owned vehicles and direct the State Auditor to provide an independent review of the reconciliation process. Second, to improve fleet management practices statewide, the General Assembly should require the State Controller to recommend an appropriate statewide fleet management system and require state agencies and institutions to collect and report vehicle information through that system.