



PROGRAM EVALUATION DIVISION

NORTH CAROLINA GENERAL ASSEMBLY

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Ineffective Policies and Diffuse Oversight Result in Inefficient Use of State-Owned Vehicles

Summary

The General Assembly directed the Program Evaluation Division to study all passenger and non-passenger vehicles owned by state government agencies and institutions. This final report in a series of three reports describes the management of vehicles owned by state agencies and institutions.

North Carolina agencies and institutions that own 200 or more vehicles have not fully implemented fleet management best practices. These 14 agencies and institutions own 27,163 (95%) of the State's estimated 28,669 vehicles. Only the Department of Transportation has fully implemented best practices for its 7,879 vehicles.

North Carolina's weak and diffuse oversight results in inefficient use of vehicles. In spite of public concerns about inefficiency, unauthorized commuting, and misuse of state vehicles, inconsistent policies fail to deter circumvention of state laws and regulations. No single entity is responsible for ensuring appropriate and efficient use of state-owned vehicles. State law for passenger vehicles does not apply to vehicles owned by agencies and institutions. Agencies reported authorizing 1,531 employees to take vehicles home.

State agencies and institutions own 614 passenger vehicles that should be transferred to the Department of Administration. N.C. Gen. Stat. § 143-341(8).i.3 requires state agencies to transfer ownership of all passenger motor vehicles to the Department of Administration.

Statewide oversight of all state-owned vehicles improves accountability and operational efficiency. Georgia, Missouri, and Utah have centralized oversight of state-owned vehicles, adhere to fleet management best practices, and supervise statewide policies, procedures, and standards for all aspects of fleet management.

To address the identified issues, several recommendations suggest action by the General Assembly.

- Strengthen supervision of all state-owned vehicles by establishing the Division of State Fleet Management in the Department of Administration to manage passenger vehicles, supervise agencies and institutions that own non-passenger vehicles, and manage the statewide fleet management information system.
- Require agencies and institutions to transfer the 614 passenger vehicles identified in this report to the Department of Administration and mark all state-owned vehicles to indicate ownership or assignment.
- Recodify and clarify state law for state-owned vehicles.