

Management of State Agency Passenger Vehicles: A Follow-up Review

September 2002

Office of Performance Evaluations
Idaho State Legislature



Report 02-02

Created in 1994, the Legislative Office of Performance Evaluations operates under the authority of Idaho Code § 67-457 through 67-464. Its mission is to promote confidence and accountability in state government through professional and independent assessment of state agencies and activities, consistent with Legislative intent.

The eight-member, bipartisan Joint Legislative Oversight Committee approves evaluation topics and receives completed reports. Evaluations are conducted by Office of Performance Evaluations staff. The findings, conclusions, and recommendations in the reports do not necessarily reflect the views of the committee or its individual members.

Joint Legislative Oversight Committee
(through date of publication)

Senate

Betsy D. Dunklin, *Co-chair*
Stan Hawkins
Grant R. Ipsen
Bert C. Marley

House of Representatives

Debbie Field, *Co-chair*
Maxine T. Bell
Margaret Henbest
Donna Boe

Management of State Agency Passenger Vehicles: A Follow-up Review

September 2002

Report 02-02

Office of Performance Evaluations
700 W. State Street, Lower Level, Suite 10
P.O. Box 83720, Boise, Idaho 83720-0055



Office of Performance Evaluations Idaho State Legislature

Joe R. Williams Building
Lower Level, Suite 10
P.O. Box 83720
Boise, Idaho 83720-0055
(208) 334-3880
FAX (208) 334-3871
<http://www.state.id.us/ope>

September 10, 2002

Members
Joint Legislative Oversight Committee
Idaho State Legislature

Nancy Van Maren
Director

**Joint Legislative
Oversight Committee**

Senators
Betsy D. Dunklin, Co-chair
Stan Hawkins
Grant R. Ipsen
Bert C. Marley


Representatives
Debbie S. Field, Co-chair
Maxine T. Bell
Margaret Henbest
Donna H. Boe

At the direction of the Joint Legislative Oversight Committee, we have completed a follow-up evaluation of state agency passenger vehicles. This evaluation addresses questions about changes in state agency fleet management and policy development as well as vehicle use, maintenance, and disposal since our 1998 report, *Management of State Agency Passenger Vehicles*. I respectfully submit our completed evaluation for your review and consideration.

We performed our evaluation in accordance with the performance auditing standards set out in *Government Auditing Standards*, published by the Comptroller General of the United States.

We received the full cooperation of the staff of a large number of state agencies, in particular the nine agencies with the most vehicles that are highlighted in the report. We also appreciate the cooperation of Mr. Brad Foltman, Budget Bureau Chief, Division of Financial Management, who reviewed and insightfully commented on drafts of our report. This report was written and researched by A. J. Burns (lead), Paul Headlee, and Brook Smith with the assistance of other Office of Performance Evaluations staff.

Sincerely,



James H. Henderson
Acting Director

Table of Contents

	Page
Executive Summary	ix
Summary of Report Findings and Recommendations	xv
Chapter 1: Introduction	1
Idaho’s Passenger Vehicle Fleet Has Increased in Size and Changed in Composition.....	2
Fleet Acquisition and Operating Costs	5
Evaluation Methods	6
Chapter 2: Fleet Management	7
Statewide and Agency Policy Development Has Been Limited	7
Information Management Systems Improved but More Work Is Needed.....	8
Monitoring of Fleet Information Is Inconsistent.....	10
Chapter 3: Vehicle Use	13
Agency Use of Passenger Vehicles Has Improved, Although a Substantial Number of Low Mileage Vehicles Remain.....	13
Many Agencies Continue to Lack Adequate Systems to Manage Passenger Vehicle Use	19
Potential Revenue and Cost Savings.....	22
Chapter 4: Vehicle Maintenance	23
Agency Preventive Maintenance Shows Limited Improvement	23
Agency Management Generally Appears Inadequate to Ensure Timely Maintenance of Passenger Vehicles	24
Chapter 5: Vehicle Disposal	29
State Agencies Continue to Dispose of Many Passenger Vehicles Beyond the Optimal Disposal Point.....	29
Many Vehicles Currently Owned by State Agencies Have Reached or Surpassed the Optimal Point for Disposal.....	31
Agency Management of Passenger Vehicle Disposal Can Be Improved.....	32

	Page
Appendices	
Appendix A: Office of the Governor Executive Order No. 2000-16.....	35
Appendix B: Suggested Policy Areas for Passenger Vehicle Fleets.....	36
Appendix C: Suggested Fleet Information Requirements.....	37
Appendix D: Suggested Fleet Monitoring Activities.....	38

List of Figures and Tables

	Page
Figure 3.1: Vehicle Use Assessment—a Three Step Process.....	17
Table 1.1: Agency Passenger Vehicle Fleet Sizes.....	3
Table 1.2: Agencies with the Largest Fleet Growth.....	4
Table 1.3: State Agency Fleet Composition.....	5
Table 3.1: Selected States' Vehicle Use Standards.....	14
Table 3.2: Comparison of Average Annual Mileage for Agencies with 100 or More Vehicles	15
Table 3.3: Percentage of Passenger Vehicles Driven Less Than 6,000 Miles Annually for Agencies with 100 or More Vehicles	16
Table 3.4: Passenger Vehicle Use, by Vehicle Age, for Agencies with 100 or More Vehicles	20
Table 4.1: Sampled Vehicles Receiving Timely Preventative Maintenance, for Agencies with 100 or More Vehicles	25
Table 5.1: Age of State Agency-Owned Passenger Vehicles.....	31

Management of State Agency Passenger Vehicles: A Follow-up Report

Executive Summary

At the end of fiscal year 2001, the state of Idaho (excluding colleges and universities) owned or leased 4,075 passenger vehicles, an increase of 17 percent since fiscal year 1997. These vehicles represented an investment estimated at more than \$61 million.

This evaluation is in response to a November 2000 Joint Legislative Oversight Committee request for a follow-up evaluation to our 1998 report, *Management of State Agency Passenger Vehicles*. This follow-up report addresses questions raised regarding changes in state agency fleet management and policy development, as well as vehicle use, maintenance, and disposal since our 1998 report. In particular, it measures the extent to which agencies adopted vehicle management policies; improved internal vehicle management data collection and reporting systems; and used information gathered to review fleet operations. In addition, for the nine agencies with the largest fleets, it measures use of passenger vehicles in fiscal year 2001, and compares their use, maintenance, and disposal to practices in 1998, and national standards.

We reviewed passenger vehicle information from other states, federal sources, and national vehicle management organizations; collected vehicle descriptive information from statewide and agency accounting systems; reviewed vehicle mileage information from the Department of Administration's Office of Insurance Management; and conducted a survey of all state agencies regarding their vehicle management policies and practices. In addition, we interviewed agency fleet management staff, reviewed maintenance information for a random sample of vehicles, and analyzed data to identify the total miles each vehicle was driven in fiscal year 2001.

We determined the state's passenger vehicle fleet increased by 598 vehicles since fiscal year 1997. Five agencies accounted for 92 percent of the growth, with the Idaho Transportation Department alone accounting for nearly half of the increase.

State agencies owned or leased 4,075 passenger vehicles at the end of fiscal year 2001, a 17 percent increase from fiscal year 1997, representing an investment of \$61 million.

Five agencies accounted for 92 percent of the total increase in passenger vehicles between fiscal years 1997 and 2001.

Fleet Management

Despite limited improvements in agency fleet management, many agencies lacked fully developed written policies for vehicle management.

Our 1998 evaluation found that although clear written policies, accurate and timely management information, and regular monitoring were key elements to cost-effective fleet management, agency fleet management efforts were generally inadequate. Consequently, we recommended a number of improvements that included establishment of statewide written policies for use, maintenance, and disposal of passenger vehicles; routine collection of fleet information; and regular and ongoing agency reviews of fleet operations. The Governor subsequently issued Executive Order 2000-16 calling for agencies to improve fleet management in these areas.

We again reviewed agencies' practices and found that notwithstanding limited improvements, many agencies continued to lack fully developed fleet management policies, information systems, and monitoring efforts. Policies are a key component of effective fleet management because they set the standards against which performance is judged and define the process used to manage vehicles. Of the 47 agencies that owned or leased vehicles in fiscal year 2001, just 25 agencies (53 percent) reported having a written policy for vehicle disposal and 24 agencies (51 percent) reported having written policies on maintenance. We recommended state policymakers and agency officials continue to develop written fleet management policies to guide vehicle use, maintenance, and disposal.

Tracking of vehicle management information has improved, but some agencies continue to lack adequate information to manage their fleets.

In addition, although there has been some improvement with information management, we continued to find deficiencies in data collection. Three of the nine agencies with the largest fleets had taken steps to improve the information they collected about passenger vehicles. However, many agencies still did not track maintenance information for individual vehicles in an automated system, or collect data on how often vehicles were used. In addition, two of the nine agencies with the largest passenger vehicle fleets, reported collecting annual odometer readings primarily for insurance purposes, but did not review the information to assess vehicle use.

Nearly two-thirds of agencies that owned or leased passenger vehicles had not established a policy designating a single point of contact for vehicle management, as required by Executive Order. We recommend that agencies designate vehicle points of contact in policy and provide those individual with instruction on sound fleet management practices.

Vehicle Use

As part of our review, we compared state agencies' use of passenger vehicles in fiscal year 2001 with use levels reported in our 1998 report. Vehicle use is often measured in terms of annual mileage and the frequency of vehicle use during available days. None of the nine agencies reported using frequency of use for vehicle management, and only two reported collecting the information electronically.

Based on our review of fleet management literature, passenger vehicles in public sector fleets should generally be driven about 12,000 miles per year. Between fiscal year 1997 to 2001, the average annual mileage for the nine agencies with the largest fleets increased five percent, from 10,755 to 11,311 miles annually. However, we found a substantial number of passenger vehicles owned or leased by the nine agencies with the largest fleets continued to be driven well below the national standard, and 26 percent were driven fewer than 6,000 miles (half the national standard).

Staff with the agencies we reviewed reported they had some need for vehicles that, because of their function, were not driven more than 6,000 miles annually, such as those used seasonally, or those used frequently, but driven few miles per trip. However, for some vehicles we reviewed, the low annual mileage and/or frequency of use in fiscal year 2001 did not appear to be justified. In three of the nine agencies, more than 40 percent of passenger vehicles were driven fewer than 6,000 miles annually. Often these vehicles were part of an office motor pool, or were kept as a spare vehicle. Many low mileage vehicles were older vehicles with high overall mileage and/or were over ten-years-old. In fiscal year 2001, nearly 60 percent of vehicles nine-years-old or older were driven less than 6,000 miles.

We also found that many agencies still had not established effective systems for reviewing and managing use of passenger vehicles. Improved management of vehicle use could enable agencies to reduce the size and cost of their fleet. In-depth vehicle use policies could help agencies to cost-effectively manage passenger vehicles. While 70 percent of agencies with passenger vehicles reported having a policy to describe the appropriate use of a state vehicle, few agencies had developed policies specifying annual mileage and frequency of use standards, data collection requirements, vehicle review processes, and established vehicle management responsibilities. In addition,

Although vehicle use appears to have increased somewhat, agencies continue to have a substantial number of low mileage vehicles.

Although some low mileage vehicles appear to be justified, in three of the nine agencies reviewed more than 40 percent of the passenger vehicles were driven fewer than 6,000 miles per year.

Of the agencies with vehicles, many did not have effective systems for reviewing and managing passenger vehicle use.

We estimate the state could generate one-time revenue of \$420,000 and avoid \$3 million in replacement cost by disposing of underused vehicles.

Agency management efforts continued to be insufficient to ensure proper vehicle maintenance.

we found that many agencies still had not established effective systems for reviewing and managing use of passenger vehicles. We recommended agencies develop in-depth policies governing vehicle use, collect complete and accurate data, routinely review vehicle use, and require written justification for vehicles that do not meet mileage and frequency of use standards.

Establishing a better system for reviewing vehicle use could lead to cost savings. One of the major costs associated with ineffective fleet management is having too many, or the incorrect mixture of vehicles in a fleet. While we were unable to determine the exact number of low mileage vehicles that could be eliminated from agency fleets because of the lack of information about the frequency and purpose of vehicle use, eliminating even a small portion of vehicles could provide substantial savings. We estimate that if just a quarter of the vehicles that were driven fewer than 6,000 miles could be eliminated, the state could generate one-time revenue of \$420,000 for vehicle disposals, and avoid future vehicle acquisition costs of approximately \$3 million.

Vehicle Maintenance

Regular maintenance of vehicles can help prolong vehicle life, minimize repair costs, and enhance vehicle reliability and safety. We examined agency efforts to perform three basic types of preventive maintenance for their vehicles: oil changes, tire rotations, and brake inspections. The percentage of state agency passenger vehicles receiving timely oil changes increased from 55 percent in 1998 to 68 percent in 2002, while the percentage of vehicles receiving timely tire rotations and brake inspections was unchanged.

Our 1998 report identified problems with agency efforts to ensure timely maintenance of passenger vehicles, particularly in the areas of written policy development and data collection. We again found state agencies generally lacked adequate systems and practices to ensure that passenger vehicles were properly maintained. Of the 47 agencies that owned or leased vehicles, just over half reported having a written policy regarding passenger vehicle maintenance. In addition, agency vehicle maintenance information continues to be inadequate to assure timely maintenance. Agencies were able to provide complete information about oil changes, brake inspections, and tire rotations for only 65 of 374 randomly selected vehicles. We

recommended agencies improve their management of vehicle maintenance by developing written policies that specify maintenance procedures, developing maintenance tracking and scheduling procedures, and assigning responsibility for oversight of timely maintenance.

Vehicle Disposal

Timely disposal of passenger vehicles can help minimize the overall cost of vehicle ownership and problems with vehicle reliability and safety, while increasing resale value. We examined state agencies' passenger vehicle disposal practices and compared agency vehicle disposals in fiscal year 2001 to Division of Financial Management vehicle disposal guidelines, which call for replacement at 75,000 to 100,000 miles. We found that while the average mileage of vehicles at disposal more closely approximated the Division of Financial Management's guidelines in fiscal year 2001 than in fiscal year 1997, many vehicles continued to exceed the division's upper limits for disposal. In fiscal year 2001, 56 percent of the passenger vehicles disposed of by the nine agencies with the largest fleets exceeded 100,000 miles at disposal and 20 percent had been driven more than 125,000 miles at disposal.

We also found many agencies had not established a fully developed system for managing passenger vehicle disposal, and sometimes did not track all types of information needed to make sound vehicle disposal decisions. Agencies generally maintained information about the age and mileage of passenger vehicles in their fleets, but information about the condition of vehicles was less readily available. We recommended agencies establish written policies that set clear disposal requirements, track vehicle information pertinent to disposal, and establish a process for routinely reviewing the condition of the vehicle and justifying retention of older vehicles.

Many vehicles continue to be disposed of beyond state guidelines.

Summary of Report Findings and Recommendations

1. There has been limited statewide and agency development of vehicle management policies since our 1998 review. *Page 7.*
 - **We recommend state policymakers and agency officials continue to develop written fleet management policies to guide vehicle use, maintenance, and disposal.** *Page 8.*
2. Despite improvements in information management, some agencies continued to lack sufficient and accurate vehicle information to manage their fleets. *Page 9.*
3. Nearly two-thirds of agencies with passenger vehicles had not established a policy designating a point of contact for vehicle management. *Page 10.*
 - **We recommend agencies designate a single vehicle point of contact in policy and provide those individuals with instruction on sound fleet management practices.** *Page 10.*
4. Average annual mileage for state agency passenger vehicles increased slightly from fiscal years 1997 to 2001, but Idaho still remains below the nationally-recommended mileage standard. *Page 14.*
5. Although the percentage of low mileage vehicles has decreased, agencies continued to have a significant number of low mileage vehicles. *Page 16.*
6. Some agencies continued to lack adequate vehicle management policies, data tracking, and systematic monitoring practices to ensure efficient use of passenger vehicles. *Page 19.*
 - **We recommend agencies take steps to better manage vehicle use by:**
 - **developing in-depth policies that set mileage and frequency of use standards, data collection requirements, process review requirements, and designated staff responsibilities and authority;**
 - **collecting complete and accurate data and routinely compiling it agency-wide for management review;**
 - **requiring a written justification for vehicles that do not meet mileage standards, containing a description of the vehicle's intended use, and an estimate of annual mileage;**

- **analyzing vehicle data for agency-wide vehicle management purposes including potential vehicle rotation, reassignment, or disposal.** *Page 22.*
7. The percentage of state agency passenger vehicles that received timely oil changes appeared to increase from 1998 to 2002, while the percentage of vehicles receiving timely tire rotations and brake inspections was unchanged. *Page 24.*
 8. State agencies generally lacked adequate systems and practices to ensure passenger vehicles were properly maintained. *Page 25.*
 - **We recommend agencies improve their maintenance procedures and practices by:**
 - **developing written policies that specify the mileage or time intervals at which maintenance should be performed, or requiring that maintenance schedules be established for each vehicle based on manufacturer recommendations;**
 - **tracking the types of maintenance and repairs performed, and the dates on which work was completed;**
 - **assigning department-wide responsibility for ensuring maintenance of all agency vehicles is performed according to established schedules.** *Page 27.*
 9. While average mileage on passenger vehicles disposed of by state agencies more closely approximated the Division of Financial Management’s guidelines in fiscal year 2001 than in fiscal year 1997, many vehicles continued to exceed the division’s upper limits for disposal. *Page 30.*
 10. Nearly half of all passenger vehicles owned by state agencies in June 2001 were at or beyond the optimal point for vehicle disposal. *Page 31.*
 11. Many agencies have not established a fully developed system for managing passenger vehicle disposal. *Page 32.*
 - **We recommend agencies improve their vehicle disposal practices by:**
 - **establishing written policies that set clear mileage and age requirements for vehicle disposal and replacement;**
 - **tracking information on vehicle mileage, age, condition, and maintenance and repair costs for each passenger vehicle;**
 - **assigning department-wide responsibility for reviewing vehicles for disposal and replacement;**
 - **establishing a process for reviewing the condition and use of older vehicles, and justifying retention of vehicles that are kept beyond the recommended disposal point.** *Page 34.*

Introduction

Chapter 1

At the request of the Joint Legislative Oversight Committee, we reviewed state agency passenger vehicles and vehicle management for the fiscal year ending 2001. This evaluation is a follow-up to passenger vehicle evaluations released by our office in 1998 and 2000. The evaluation reviewed agency efforts to address recommendations to improve their fleet management practices. The evaluation also compared agency performance in the use, maintenance, and disposal of passenger vehicles with fiscal year 1997 passenger vehicle statistics.

This report addresses the following questions:

- To what extent have agencies adopted policies to govern the purchase, use, maintenance, disposal, and replacement of their passenger vehicles? How do these policies compare to those recommended by public fleet management experts?
- To what extent have agencies improved their internal vehicle management data collection and reporting systems since our 1998 review? How have agencies used information gathered to make decisions for vehicle management?
- What methods and processes have Idaho agencies adopted to manage their passenger vehicle fleets? What vehicle management systems have been found to be effective in Idaho agencies? Are there further opportunities for cost savings?

In addition, for the agencies with the largest fleets:

- How frequently were passenger vehicles driven in fiscal year 2001? How does Idaho's use of these vehicles compare to national standards for fleet management and the use of Idaho passenger vehicles in earlier Office of Performance Evaluation reviews?
- Have Idaho's passenger vehicles been maintained and disposed of in accordance with national standards? How do current maintenance and disposal practices compare to those found in prior reviews?

State agencies owned or leased 4,075 passenger vehicles at the end of fiscal year 2001, a 17 percent increase from fiscal year 1997.

This evaluation included all state of Idaho agencies except colleges and universities. Passenger vehicles were defined as cars, vans, pickups up to and including one ton in capacity. Patrol vehicles were included in the review but were categorized separately because of their unique uses.

Idaho's Passenger Vehicle Fleet Has Increased in Size and Changed in Composition

As of June 30, 2001, 47 state agencies or commissions owned or leased 4,075 passenger vehicles and owned 200 patrol vehicles. Table 1.1 shows individual agency fleet sizes and changes since fiscal year 1997. The number of passenger vehicles increased 17 percent from fiscal year 1997 to fiscal year 2001.¹

Five agencies accounted for 92 percent of the total increase in passenger vehicles between fiscal years 1997 and 2001.

While the size of many agency fleets increased during fiscal years 1997 to 2001, Table 1.2 shows that five agencies accounted for 92 percent of the total increase. The Idaho Transportation Department accounted for nearly one-half of this increase. Also, the increase has been relatively uniform with approximately one-half of the vehicles being added in fiscal years 1998 and 1999 and the other half in fiscal years 2000 and 2001.

The composition of agency passenger vehicle fleets has changed. Table 1.3 shows the composition of agency fleets at the end of fiscal year 2001. Compared to fiscal year 1997, there has been a five percent increase in the proportion of pickups, sport utility vehicles, and suburbans, and a corresponding decrease in the proportion of sedans and passenger vans.

Also, the number of leased vehicles has decreased 69 percent, from 232 vehicles in fiscal year 1997 to 72 vehicles in fiscal year 2001. Agency representatives and staff in the Division of Purchasing told us the decline was due to increases in lease costs that have made lease agreement terms less appealing than in the past. Our review showed that average monthly lease costs for all types of passenger vehicles increased from \$220 in fiscal year 1997 to \$373 in fiscal year 2001, a 70 percent increase. As an example, monthly lease costs for a Dodge Stratus increased from \$238 in fiscal year 1997 to \$307 in fiscal year 2001.

¹ The number of full- and part-time employees increased nine percent during fiscal years 1997 to 2001 in those agencies owning or leasing vehicles.

Table 1.1: Agency Passenger Vehicle Fleet Sizes, Fiscal Years 2001 and 1997

<u>Agency</u>	<u>2001 Vehicle Count</u>	<u>1997 Vehicle Count</u>	<u>Change in Number of Vehicles</u>
Idaho Transportation Department	857	592	265
Department of Health and Welfare	579	617	-38
Department of Fish and Game	546	469	77
Idaho State Police ^a	228	140	88
Department of Correction (inc. Correctional Industries)	373	299	74
Department of Lands	237	268	-31
Department of Parks and Recreation (inc. Lava Hot Springs)	158	137	21
Department of Agriculture	126	81	45
Department of Environmental Quality	107	106	1
Division of Building Safety (inc. Public Works Contractors Licensing Board)	92	74	18
Department of Labor	85	59	26
Department of Water Resources	59	58	1
Department of Administration	57	50	7
School for Deaf and Blind	55	41	14
Department of Juvenile Corrections	47	46	1
Idaho State Tax Commission	45	36	9
Industrial Commission	40	39	1
Brand Inspector	39	31	8
Division of Veterans' Services	23	24	-1
Vocational Rehabilitation	22	20	2
Division of Military (inc. Disaster Services)	15	12	3
Public Broadcasting	12	12	0
Department of Insurance	10	8	2
State Historical Society	9	12	-3
Office of the Attorney General	9	9	0
Department of Finance	7	7	0
State Liquor Dispensary	7	4	3
Commission for the Blind and Visually Impaired	6	4	2
Idaho State Library	6	5	1
Board of Pharmacy	5	3	2
Public Utilities Commission	3	7	-4
Racing Commission	2	2	0
Board of Medicine	1	1	0
Board of Nursing	1	1	0
Department of Commerce	1	1	0
Division of Financial Management	1	2	-1
Idaho Commission on Aging	1	1	0

Continued on next page

Table 1.1—Continued

<u>Agency</u>	<u>2001 Vehicle Count</u>	<u>1997 Vehicle Count</u>	<u>Change in Number of Vehicles</u>
Judicial Branch	1	2	-1
Outfitters and Guides Licensing Board	1	1	0
Office of the State Treasurer	1	1	0
State Appellate Public Defender	1	0	1
Superintendent of Public Instruction	0	1	-1
Idaho State Lottery	19	5	14
Dairy Products Commission	4	5	-1
Public Health Districts 1–7	<u>177</u>	<u>184</u>	<u>-7</u>
Total	4,075	3,477	598

^a Does not include 200 patrol vehicles in fiscal year 2001 and 211 patrol vehicles in fiscal year 1997.

Source: Office of Performance Evaluations' analysis of information from the Office of the State Controller's Fixed Asset System, the Office of Insurance Management, and state agencies.

Table 1.2: Agencies with the Largest Fleet Growth, Fiscal Years 1997–2001

<u>Agency</u>	<u>FY1997</u>	<u>FY1999</u>	<u>FY2001</u>	<u>Total Change FY1997 to FY2001</u>
Idaho Transportation Department	592	748	857	+265
Idaho State Police ^a	140	188	228	+88
Department of Fish and Game	469	519	546	+77
Department of Correction ^b	299	302	373	+74
Department of Agriculture	81	106	126	<u>+45</u>
Total				+549

^a Does not include patrol vehicles.

^b Includes Correctional Industries.

Source: Office of Performance Evaluations' analysis of information from the Office of the State Controller's Fixed Asset System, the Office of Insurance Management, and state agencies.

Table 1.3: State Agency Fleet Composition, As of June 30, 2001

	<u>Leased</u>	<u>Owned</u>	<u>Total</u>	<u>Percent</u>
Sedans ^a	17	1,293	1,310	32%
Pickups ^b	43	2,251	2,294	56
Passenger vans	<u>12</u>	<u>459</u>	<u>471</u>	<u>12</u>
Total	72	4,003	4,075	100%

^a Includes station wagons.

^b Includes sport utility vehicles and suburbans.

Source: Office of Performance Evaluations' analysis of information from the Office of the State Controller's Fixed Asset System, the Office of Insurance Management, and state agencies.

Passenger vehicles owned or leased by agencies in fiscal year 2001 tended to be newer than those in fiscal year 1997. Between fiscal years 1997 and 2001, the proportion of vehicles in the state's fleet five years old or newer increased by 14 percent and vehicles six to nine years old decreased 20 percent. In fiscal year 2001, vehicles averaged six years of age. About half of the patrol vehicles were under three years old with an average age of 2.4 years.

Fleet Acquisition and Operating Costs

The state of Idaho invests significant financial resources to acquire and operate its passenger vehicle fleet. Based on original purchase costs reported in the state's Fixed Asset System and the Statewide Accounting and Reporting System, we estimated that over a number of years, the state has invested over \$61 million to acquire the passenger vehicles it owned. In fiscal year 2001 alone, the State spent nearly \$8 million to purchase new or replacement passenger vehicles and \$1.5 million for patrol vehicles. We also estimated that vehicle lease costs in fiscal year 2001 were \$322,272. We reviewed fiscal year 2001 vehicle maintenance and operating cost information from the Statewide Accounting and Reporting System. Our analysis shows that state agencies spent \$12 million on vehicle repair, maintenance, fuel, oil, and lubricants.²

Over time, the State of Idaho has invested \$61 million to acquire the passenger vehicles it owned at the end of fiscal year 2001.

² Includes fuel and lubricant expenditures for motor driven equipment less than 6,000 pounds, maintenance and repair for all motor vehicles including heavy equipment, but does not include labor charges for personnel who work on their agency's vehicles.

Evaluation Methods

To conduct our evaluation we obtained information from accounting and inventory systems, interviewed agency representatives, and conducted a survey of all agencies. We also developed databases of vehicle inventory, mileage, acquisition, and disposal information. Specifically, we:

- Reviewed passenger vehicle information from the State Controller's Fixed Asset System, the Office of Insurance Management, and state agencies to create an inventory of passenger vehicles owned at the end of fiscal year 2001;
- Analyzed the age, type, and cost of the fiscal year 2001 passenger vehicle fleet;
- Surveyed all state agencies regarding vehicle management policies, vehicle points-of-contact, and information collected and how it was used;
- Interviewed officials from the nine agencies owning 100 or more passenger vehicles regarding vehicle management practices and inventory;
- Reviewed maintenance information for vehicles randomly selected from the nine agencies owning 100 or more vehicles for maintenance information;
- Collected odometer readings from the Office of Insurance Management or directly from agencies and calculated fiscal year 2001 annual mileages;
- Requested and analyzed fiscal year 2001 vehicle acquisition and disposal information.

Fleet Management

Chapter 2

Our 1998 evaluation found that although clear written policies, accurate and timely management information, and regular monitoring were key elements to cost-effective fleet management, agency fleet management efforts were generally inadequate. Consequently, we recommended a number of improvements that included establishment of statewide written policies for use, maintenance, and disposal; routine tracking of fleet information; and regular and ongoing agency reviews of fleet operations. We again reviewed agencies' practices and found that despite limited improvements in agency fleet management, many agencies continue to lack fully developed fleet management policies, information systems, and monitoring efforts.

Statewide and Agency Policy Development Has Been Limited

As noted above, in 1998 we found that many agencies had not established policies to guide their fleet management efforts. We recommended the development of statewide policies for vehicle use, maintenance, and disposal. In October 2000, the Governor issued an Executive Order calling for agencies to take a variety of steps to improve fleet management. Executive Order 2000-16 directed agencies to develop written policies, track fleet information in an equipment management system, and designate an agency wide fleet management point of contact (Appendix A).

To measure the extent to which fleet management policies have been developed, we reviewed the Idaho Board of Examiners' policies, the Division of Financial Management's *Budget Development Manual*, and interviewed and surveyed agencies regarding policy development. We found:

- **There has been limited statewide and agency development of vehicle management policies since our 1998 review.**

Despite limited improvements in agency fleet management, many agencies lack fully developed written policies for vehicle management.

Few statewide policies have been established for vehicle management.

Other than the Governor's Executive Order, Idaho continues to have minimal statewide policies governing the management of passenger vehicles. The Idaho Board of Examiners has issued policies on travel and property disposal, but these policies provide little direction for vehicle fleet management. In addition, the Division of Financial Management has published mileage guidelines for vehicle disposal in its *Budget Development Manual*, but these guidelines do not have the weight of formal policy, and few agencies cited these guidelines when responding to our survey. Further, no statewide policies have been developed for recommended annual or monthly mileage, justification for low mileage vehicles, or collection of standardized vehicle information.

In addition, many agencies continued to lack clear written policies for vehicle management. Of the 47 agencies that owned or leased vehicles in fiscal year 2001, just 25 agencies (53 percent) reported having a written policy for vehicle disposal and 24 agencies (51 percent) reported having written policies on maintenance. In addition, many policies lacked specific criteria such as age or mileage for disposal, or specific time or mileage intervals for vehicle maintenance.

Policies are a key component of effective fleet management systems because they set the standards against which fleet performance is judged and define the processes used to manage vehicles. Therefore:

We recommend state policymakers and agency officials continue to develop written fleet management policies to guide vehicle use, maintenance, and disposal.

Appendix B identifies suggested areas for fleet management policy development.

Tracking of vehicle management information has improved, but some agencies continue to lack adequate information to manage their fleets.

Information Management Systems Improved but More Work Is Needed

Collecting and tracking vehicle management information is critical to the operation of a cost-effective fleet. The U.S. General Accounting Office reports that an essential management practice is to have information management systems in place to be able to make sound decisions and to assess performance.³ Our

³ U.S. General Accounting Office, *Federal Motor Vehicles: Private and State Practices Can Improve Fleet Management* (December 1994), 4.

1998 evaluation found many agencies did not track key fleet management information and noted that information tracked was not always accurate or complete. We assessed agency progress in developing and improving information systems related to vehicle management and found:

- **Despite improvements in information management, some agencies continued to lack sufficient and accurate vehicle information to manage their fleets.**

Tracking of vehicle management information has improved since our evaluation of fleet management in fiscal year 1997. For example, vehicle information in the State Controller's Office Fixed Asset System has improved because certain vehicle inventory fields are now mandatory and data entry cannot continue without completing the field. However, ten agencies, including those with the two largest fleets, and seven health districts do not report to the Fixed Asset System and use their own systems to maintain vehicle inventories. This results in nearly one half of the state's fleet being inventoried in non-standardized information systems.

Three of the nine agencies with the largest fleets have taken steps to improve the information they collect about passenger vehicles. For example, the Department of Fish and Game has implemented a custom system that captures a variety of information on vehicle use and calculates a cost per mile for vehicle operation. The Department of Environmental Quality has developed a new vehicle tracking system in-house that is linked via an intranet to their regional offices, and the Idaho State Police reported that it would soon begin implementing a new commercially available vehicle management system.

Although there has been improvement with information management, we continued to find deficiencies in data collection. For example, only two of the nine agencies tracked information on the number of days vehicles were used, and maintenance costs for individual vehicles were not routinely collected in an automated system. Also, the data collected was not always accurate or complete, further limiting agencies' ability to manage their fleets. Incorrect or blank odometer readings, incorrect vehicle description coding, negative annual mileage calculations, and missing acquisition and disposal information were prevalent among many agencies. Appendix C provides suggested fleet information requirements.

While vehicle information in the state's Fixed Asset System has improved, agencies owning nearly half of the state's fleet do not use the system.

Much of the information agencies collected was not automated, and the data that was collected was not always accurate or complete.

Monitoring of Fleet Information Is Inconsistent

Nearly two-thirds of agencies had not established a point of contact in policy.

To help ensure effective management of passenger vehicles, the U.S. General Accounting Office recommends centralizing agency fleet management responsibilities and conducting regular assessments of vehicle use to determine appropriate fleet size and identify opportunities for cost-efficiency.⁴ Executive Order 2000-16 supports these elements and calls for agencies to identify a single point of contact for vehicle management in policy and to assess fleet operations.

We surveyed all state agencies and interviewed agency representatives regarding fleet information monitoring and found:

- **Nearly two-thirds of agencies with passenger vehicles had not established a policy designating a point of contact for vehicle management.**

Of the 47 agencies that owned or leased vehicles, 32 reported they had a designated single point of contact. However, our review of policies indicated only 17 had established policies designating a single point of contact or group responsible for vehicle management. Additionally, although a point of contact is required by Executive Order, there has been no statewide guidance on the duties for this position.

Not all agencies used the information they collected to assess vehicle use.

We also found while most agencies reported they collected some form of vehicle information, they did not always use the information to assess vehicle use. For example, two of the nine agencies we reviewed reported they collected annual odometer readings for submission to the Office of Insurance Management, but did not review this information for fleet management purposes. Other agencies reported they collected monthly odometer readings and days in use information on trip logs, but information was not automated or reviewed for vehicle management purposes such as vehicle rotation, disposal, or replacement. Therefore:

We recommend agencies designate a single vehicle point of contact in policy and provide those individuals with instruction on sound fleet management practices.

Appendix D provides suggested fleet monitoring activities to improve fleet management.

⁴ Ibid., 22.

Training on fleet management practices could include direction on how to assess agency fleet operations and compare agency performance with other state agencies. For example, guidance on conducting use assessments and fleet management practices could help agencies make cost-effective decisions about vehicle disposal, maintenance, rotation, and appropriate fleet size. Fleet management training and other resources are available from the National Conference of State Fleet Administrators, the National Association of Fleet Administrators, and the U.S. General Services Administration's Federal Vehicle Policy Division. In addition, Idaho's more experienced fleet managers could provide management expertise, and possibly training, to other agencies.

Vehicle Use

Chapter 3

Assessing vehicle use is an essential component of effective and cost-efficient fleet management. Efficient fleet management systems fully use passenger vehicles. By fully using vehicles, agencies are able to limit the number of vehicles in their fleets. We compared state agencies' use of passenger vehicles in fiscal year 2001 with use levels reported in our 1998 report. We found agencies continued to have a substantial number of low mileage vehicles, despite some improvement in overall vehicle usage. We also found many agencies still had not established effective systems for reviewing and managing use of passenger vehicles. Improved management of vehicle use could enable agencies to reduce the size and cost of their fleets.

Agency Use of Passenger Vehicles Has Improved, Although a Substantial Number of Low Mileage Vehicles Remain

Fleet management experts have identified three key factors to consider when assessing vehicle use: miles driven, frequency of use, and purpose of use. When used in combination, this information provides a comprehensive picture of how fully vehicles are used; however, agency tracking of frequency and purpose of use was limited, hampering efforts to identify under-used vehicles. As a result, we focused our review on annual mileage to gauge the level of agency passenger vehicle use.

Based on a review of fleet management practices in other states, passenger vehicles should be driven an average 12,000 miles a year. For example, Colorado requires vehicles assigned to individual employees be driven a minimum of 12,600 miles annually or be used 75 percent of available work days to justify permanent assignment. As Table 3.1 shows, annual mileage standards vary among states.

Although vehicle use appears to have increased somewhat, agencies continued to have a substantial number of low mileage vehicles.

Lack of information on frequency and purpose of use hampered efforts to identify under-used vehicles.

We focused our review of mileage on the nine agencies with the largest fleets representing 79 percent of the state's fleet.

Table 3.1: Selected States' Vehicle Use Standards

<u>State</u>	<u>Recommended Annual Mileage Standard</u>	<u>Frequency of Use Standard</u>
California	8,000	70%
Florida	10,000	none
Virginia	11,650	none
Delaware	12,000	none
Wyoming	12,000	none
Colorado	12,600	75%
Missouri	15,000	none
Kansas	15,000	none

Source: Office of Performance Evaluations' review of state agency publications.

Average annual vehicle mileage increased five percent but remained below the national standard of 12,000 miles per year.

As part of our review, we compiled annual mileage information for passenger vehicles owned or leased by the nine agencies with more than 100 passenger vehicles. These nine agencies owned or leased vehicles representing 79 percent of the state's fleet in fiscal year 2001. The agencies reviewed were the Idaho Departments of Agriculture, Environmental Quality, Lands, Parks and Recreation, Fish and Game, Health and Welfare, Corrections, Transportation, and State Police. Annual mileage information was available for 2,557 passenger vehicles (80 percent) owned or leased by these agencies.

We found:

- **Average annual mileage for state agency passenger vehicles increased slightly from fiscal years 1997 to 2001, but Idaho still remains below the nationally-recommended mileage standard.**

In fiscal year 2001, passenger vehicles owned or leased by the nine agencies with more than 100 vehicles, were driven an average of 11,311 miles annually. This represents a five percent increase from the fiscal year 1997 average of 10,755 annual miles for these same agencies.

Table 3.2 shows the average mileage and the percent change in annual mileage for each of the top nine agencies for both fiscal years 1997 and 2001. Five of these agencies averaged fewer than 12,000 miles annually in fiscal year 2001: the Departments of Environmental Quality, Lands, Parks and Recreation, Fish and Game, and Health and Welfare.

Each of the agencies that averaged below 12,000 miles annually in fiscal year 1997 substantially increased their average annual miles in fiscal year 2001, however, only the Department of Correction and the Idaho State Police increased their average annual mileage enough to meet the 12,000-mile standard. The Department of Health and Welfare increased its annual mileage by 48 percent, but still averaged well below the 12,000-mile standard in fiscal year 2001. All of those agencies that exceeded the 12,000-mile standard in fiscal year 1997 decreased their average mileage in fiscal year 2001. One agency, the Department of Fish and Game, met the 12,000-standard in fiscal year 1997 but dropped below 12,000 miles annually in fiscal year 2001.

In our review of passenger vehicles, we were asked to review use of state patrol cars. These vehicles are presented separately for informational purposes, and are not included in the analysis of

Four of the nine agencies met the 12,000 miles per year standard. Three agencies were well below the standard fiscal year 2001.

Table 3.2: Comparison of Average Annual Mileage for Agencies with 100 or More Vehicles, Fiscal Years 2001 and 1997

<u>Agency</u>	<u>FY01 Average Annual Mileage</u>	<u>FY97 Average Annual Mileage</u>	<u>Percent Change</u>
Agriculture	14,614	15,311	-5%
Correction (does not include Correctional Industries)	14,560	10,230	42
State Police, non-patrol vehicles	12,558	8,059	56
Fish and Game	11,479	18,208	-37
Environmental Quality	10,723	9,012	19
Health and Welfare	7,792	5,257	48
Parks and Recreation (includes Lava Hot Springs)	8,033	6,532	23
Lands	8,843	7,541	17
Transportation	12,973	13,818	-6

Source: Office of Performance Evaluations, *Management of State Agency Passenger Vehicles*, 98-03 (1998), and the analysis of 2001 agency passenger vehicle data.

Although the percentage of low mileage vehicles decreased, in three of the nine agencies more than 40 percent of vehicles were driven fewer than 6,000 miles annually.

passenger vehicles because they are used differently than other passenger vehicles. Patrol cars averaged 23,441 miles annually, more than twice the average mileage for passenger cars in fiscal year 2001.

We also found:

- **Although the percentage of low mileage vehicles has decreased, agencies continued to have a significant number of low mileage vehicles.**

The nine agencies with the largest fleets owned or leased 673 passenger vehicles that were driven less than 6,000 miles (half the nationally recognized fleet standard) in fiscal year 2001. These low mileage vehicles comprise 26 percent of all vehicles for which mileage information was available. In comparison, 34 percent of passenger vehicles were driven fewer than 6,000 miles in fiscal year 1997. In three of the nine agencies, more than 40 percent of passenger vehicles were driven fewer than 6,000 miles annually in fiscal year 2001. Table 3.3 provides a comparison of the percentage of vehicles driven fewer than 6,000 miles annually in fiscal years 1997 and 2001 for each of the nine agencies with the largest fleets.

Table 3.3: Percentage of Passenger Vehicles Driven Less Than 6,000 Miles Annually for Agencies with 100 or More Vehicles, Fiscal Years 2001 and 1997

<u>Agency</u>	<u>FY 01 Vehicles Driven < 6,000 Miles Per Year</u>	<u>FY 97 Vehicles Driven < 6,000 Miles Per Year</u>	<u>Increase or Decrease</u>
Agriculture	13%	4%	+9%
Correction (does not include Correctional Industries)	19	30	-11
Environmental Quality	41	32	+9
Fish and Game	24	14	+10
Health and Welfare	43	64	-21
Lands	27	43	-16
Parks and Recreation (includes Lava Hot Springs)	45	57	-12
State Police, non-patrol vehicles	21	55	-34
Transportation	16	14	+2

Source: Office of Performance Evaluations, *Management of State Agency Passenger Vehicles*, 98-03 (1998), and analysis of 2001 agency passenger vehicle data.

As part of our evaluation, we interviewed vehicle managers regarding the primary use of a sample of low mileage vehicles. While some vehicles appear to be justifiably low mileage vehicles, others may have been underused.

Each of the vehicle managers we interviewed reported their agency had some need for vehicles that, because of their function, were not driven more than 6,000 miles annually. Our interviews with vehicle managers indicated some vehicles were used seasonally, others were used frequently, but traveled a limited number of miles per trip, and a few were used for specialized purposes. Under the three-step review process outlined in Figure 3.1, these vehicles would be considered justified and would be retained. For example:

- The Department of Parks and Recreation’s Ponderosa State Park identified a 1976 pick-up truck that had an annual mileage of 633 miles in fiscal year 2001. During the park’s open season the truck is used daily to clean and maintain campgrounds, but only travels five miles each round trip. Although the annual mileage is low, the vehicle is reported to have a 100 percent frequency of use, and would therefore be considered justified.
- The Department of Correction identified a 1999 pick-up truck with an annual mileage of 2,732 in fiscal year 2001 that is used for facility maintenance at several closely located prison complexes. Again, although the mileage is low, the vehicle would be justified based on a description of its use.

Our interviews with vehicle managers indicated that some low mileage vehicles were justified.

A review process would help agencies identify appropriately low mileage vehicles and those that are not fully used.

Figure 3.1: Vehicle Use Assessment—a Three Step Process

Maintaining the correct fleet size is an important element of cost efficient fleet management. Periodic review of vehicle use can help agencies determine if vehicles are appropriately assigned, should be reassigned to an area of higher need, or can be eliminated. The following three-step process is recommended for identifying underused vehicles.

1. Review annual mileage for all vehicles and compare to agency standards. Identify vehicles that do not meet the standards.
2. Review the frequency of use for these vehicles and compare to agency standards. Identify vehicles that do not meet the standards.
3. Determine the purpose and need for vehicles that do not meet mileage and frequency of use criteria. If retention of vehicles is justified, record purpose and projected annual mileage. If not, rotate vehicles to an area of higher need or eliminate without replacement.

Source: Office of Performance Evaluations’ review of generally accepted fleet management practices.

Some other low mileage vehicles did not appear to be justified. Often these vehicles were part of an office motor pool.

For some other vehicles we reviewed, however, the low annual mileage and/or frequency of use did not appear to be justified in fiscal year 2001. Often these vehicles were part of an office motor pool, or were kept as a spare vehicle. Vehicle managers of motor pools in which the employees were able to select the vehicles they drove, often reported there were certain vehicles that were selected less often because employees were concerned about the reliability of the vehicle, or did not like driving it. These vehicles tended to have high overall mileage and/or were over ten-years-old. For example:

- In one of the Department of Environmental Quality's office motor pools, eight of the thirteen pool vehicles were driven fewer than 6,000 miles in fiscal year 2001. The vehicle manager at that location reported that during most of the year, four or five of the thirteen vehicles were used at one time, but in the summer there were days that all the vehicles were used. Three of the pool vehicles were each driven fewer than 1,000 miles in fiscal year 2001 and on average were driven 11.8, 2.4, and 1.7 times during a month.
- In fiscal year 2001, one of the Department of Health and Welfare's motor pools was made up of 44 vehicles that were used by regional staff to provide services to a large client base within a small geographical area. Of the 40 vehicles for which annual mileage was known, 98 percent had annual mileage below 12,000 miles and about two-thirds were driven fewer than 6,000 miles in fiscal year 2001. A typical vehicle at the site, an Oldsmobile sedan, was driven about 6,121 miles in fiscal year 2001 and averaged 16 trips a month. However, four vehicles were driven fewer than 1,000 miles in fiscal year 2001, including a Plymouth passenger van that was driven 280 miles and averaged less than one trip a month.
- The Idaho State Police, Lewiston office, had 22 vehicles, the majority of which were dedicated to specific job functions such as patrol. An older pickup was reported to be a spare vehicle occasionally used for hauling or investigations. This vehicle was driven 20 miles in fiscal year 2001.

Nearly 60 percent of vehicles nine-years-old or older were driven less than 6,000 miles in fiscal year 2001.

Several vehicle managers reported that older, high mileage vehicles were frequently assigned to motor pools. We found older vehicles were often driven substantially less than newer vehicles. As shown in Table 3.4, in fiscal year 2001 vehicles nine-years-old and older were driven less than half as many miles on average as vehicles under nine years of age. In addition,

nearly 60 percent of older vehicles were driven less than 6,000 in fiscal year 2001. The percentage of older vehicles driven less than 6,000 miles was highest at the Department of Health and Welfare, where nearly 90 percent of vehicles nine-years-old or older were driven less than half the annual mileage standard for public sector fleets.

Many Agencies Continue to Lack Adequate Systems to Manage Passenger Vehicle Use

In our 1998 report, we found three key elements were essential to cost-effective fleet management: clear written policies, accurate and timely management information, and regular monitoring. In addition, the Governor's Executive Order required agencies to develop policies and effective data management and reporting systems. We again reviewed agency policies, data collection methods, and management review processes. We found:

- **Some agencies continued to lack adequate vehicle management policies, data tracking, and systematic monitoring practices to ensure efficient use of passenger vehicles.**

Adequate vehicle management policies govern the use and management of passenger vehicles and provide written criteria to justify the need for new or continued use of a vehicle. Of the agencies we surveyed that owned or leased vehicles, 70 percent reported having a policy to describe the appropriate use of a state vehicle. In a review of the policies agencies submitted with their survey, few had established in-depth use policies. For example, 87 percent did not include annual mileage criteria and 64 percent did not establish a person or group responsible for vehicle management.

We further reviewed agencies' methods of managing vehicle data and found two of the nine agencies reported they did not collect any vehicle use data. The most common vehicle information collected was odometer readings.

Although 94 percent of the agencies that owned or leased vehicles reported they collect information about the number of miles individual passenger vehicles are driven, we found the ability to report vehicle information varied greatly between agencies. One agency was able to provide complete mileage data on all vehicles, while another provided information on 69 percent of its vehicles.

Of agencies with vehicles, 70 percent reported having a policy that described appropriate vehicle use. Most did not establish annual mileage criteria or vehicle management responsibilities.

Table 3.4: Passenger Vehicle Use, by Vehicle Age, for Agencies with 100 or More Vehicles, Fiscal Year 2001

	<u>Agriculture</u>	<u>Correction</u>	<u>Environ- mental Quality</u>	<u>Fish & Game</u>	<u>Health & Welfare</u>	<u>Trans- portation</u>	<u>Lands</u>	<u>State Police</u>	<u>Parks & Recreation</u>	<u>Total</u>
Vehicles < 9 years old										
# with mileage information	79	197	63	237	308	592	118	122	69	1785
# driven < 6,000 miles	3	25	13	13	60	64	7	15	17	217
% driven < 6,000 miles	4%	13%	21%	5%	19%	11%	6%	12%	25%	12%
Average mileage	17,113	15,747	13,247	14,409	10,273	14,064	10,518	14,134	10,789	13,391
Vehicles 9 years old and older										
# with mileage information	41	60	40	195	156	105	93	21	61	772
# driven < 6,000 miles	13	25	29	92	139	51	51	15	41	456
% driven < 6,000 miles	32%	42%	73%	47%	89%	49%	55%	71%	67%	59%
Average mileage	9,799	10,663	6,748	7,919	2,895	6,823	6,718	3,402	4,917	6,502

Source: Office of Performance Evaluations' review of agency vehicle age and mileage information for fiscal year 2001.

Overall, of the passenger vehicles that were owned or leased by the nine largest fleets during both fiscal years 2000 and 2001, annual mileage could not be calculated for 255 vehicles (nine percent) due to incomplete or incorrect data reporting.

Frequency of use information is not routinely tracked and reviewed by fleet managers. In our interviews with agency vehicle managers from the nine agencies with more than 100 vehicles, none reported using frequency of use to assess the need for vehicles in their fleets, and most reported the information was not readily available and would have to be retrieved manually from trip logs. For the limited number of vehicles for which we were able to gather frequency of use information, use varied widely. Vehicle managers reported frequency of use ranging from 10 percent to 100 percent of available days.

Collecting data alone is not sufficient to effectively manage passenger vehicles. The information must be routinely reviewed and analyzed for use in agency-wide fleet management decisions and plans. Of the nine agencies with more than 100 vehicles, two agencies representing 13 percent of all state vehicles in fiscal year 2001, did not use vehicle mileage data for agency-wide management purposes, other than reporting odometer readings to the Office of Insurance Management. In addition, of the 47 agencies surveyed that owned or leased vehicles, only a third reported having a vehicle management plan. Effective fleet management requires regular review of vehicle data and comparison with clearly identified vehicle standards and goals. The inherent differences in agency fleets require standards be developed to reflect the agency's individual fleet needs.

Based on our review of agency management of vehicle use:

We recommend agencies take steps to better manage vehicle use by:

- ***developing in-depth policies that set mileage and frequency of use standards, data collection requirements, process review requirements, and designated staff responsibilities and authority;***
- ***collecting complete and accurate data and routinely compiling it agency-wide for management review;***
- ***requiring a written justification for vehicles that do not meet mileage standards, containing a description of the vehicle's intended use, and an estimate of annual mileage;***

Agencies' abilities to provide complete and accurate data for individual vehicles varied greatly.

Of the 47 agencies with vehicles, one-third reported having a vehicle management plan.

- *analyzing vehicle data for agency-wide vehicle management purposes including potential vehicle rotation, reassignment, or disposal.*

We estimate the state could generate one-time revenue of \$420,000 and avoid \$3 million in replacement costs by disposing of underused vehicles.

Potential Revenue and Cost Savings

Taking steps to better manage vehicle use, such as those outlined in Figure 3.1, could result in significant cost savings. One of the major costs associated with ineffective fleet management is having too many, or the incorrect mixture of vehicles in a fleet. While we were unable to determine the exact number of low mileage vehicles that could be eliminated from agency fleets because of the lack of information about the frequency and purpose of vehicle use, eliminating even a small portion of underused vehicles could provide substantial savings. For example, if just a quarter of the vehicles driven fewer than 6,000 miles could be eliminated (170 of 673 low mileage vehicles), we estimate the state could generate a one-time revenue of \$420,000 by disposing unneeded vehicles. In addition, by not replacing these vehicles after disposal, the state could avoid future vehicle acquisition costs estimated at \$3 million.

Vehicle Maintenance

Chapter 4

As part of our review of state agency passenger vehicles, we examined agency efforts to provide basic preventive maintenance for their vehicles. Regular maintenance of vehicles can help prolong vehicle life, minimize repair costs, and enhance vehicle reliability and safety. We found a higher percentage of agency passenger vehicles received timely oil changes in 2002 than in 1998, and agencies performed other preventive maintenance at levels comparable to those reported in our previous study. However, we found agency management efforts continued to be insufficient to ensure proper maintenance of passenger vehicles.

Agency management efforts continued to be insufficient to ensure proper vehicle maintenance.

Agency Preventive Maintenance Shows Limited Improvement

We focused our review of agency maintenance efforts on three maintenance procedures that were also examined in 1998: oil changes, tire rotations, and brake inspections. According to generally accepted industry standards, oil changes should be performed every three months or 3,000 miles, tire should be rotated every 6,000 miles, and brakes should be inspected every 12,000 miles.

As in our previous study, we reviewed agency maintenance against less stringent standards to accommodate agency workloads and allow for reasonable delays in scheduling and performing preventive maintenance. Specifically, maintenance was considered timely if:

- Oil changes were performed within 6,000 miles and 6 months
- Tire rotations were performed within 9,000 miles
- Brake inspections were performed within 15,000 miles

To review vehicle maintenance, we identified a random sample of 374 vehicles from the nine agencies with the largest fleets and asked them to provide specific maintenance information.

Of a random sample of 374 vehicles, agencies were able to provide minimal maintenance information for 78 percent.

The percentage of vehicles receiving timely oil changes increased, but was unchanged for brake inspections and tire rotations.

Nearly one-third of the vehicles went more than six months or 6,000 miles between oil changes.

However, agencies were only able to provide one or more pieces of information for 292 vehicles (78 percent). Agencies were asked to report the dates and odometer readings of the two most recent oil changes, tire rotations, and brake inspections. Agencies provided information about all three maintenance procedures for only 65 vehicles (17 percent).

We found:

- **The percentage of state agency passenger vehicles that received timely oil changes appeared to increase from 1998 to 2002, while the percentage of vehicles receiving timely tire rotations and brake inspections was unchanged.**

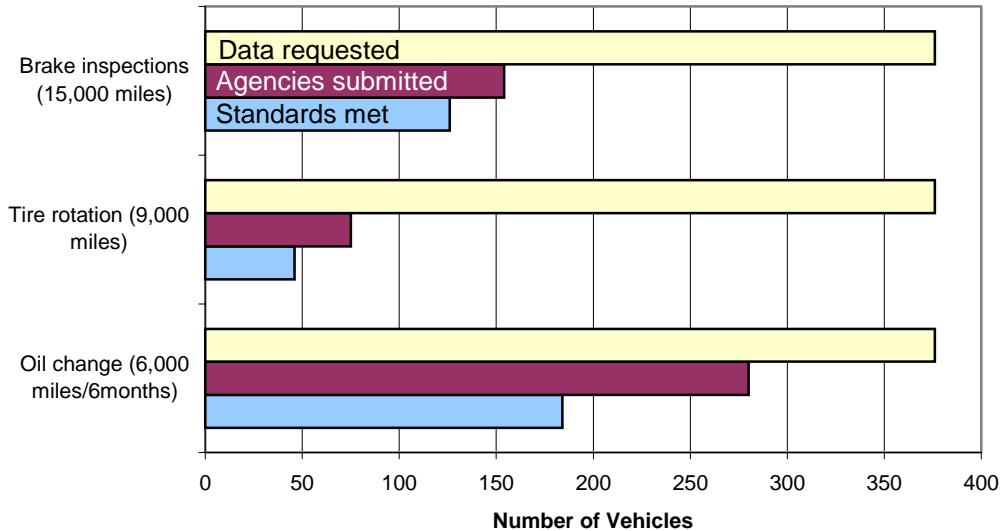
Of the 280 vehicles for which oil change information was available, nearly a third went more than six months or 6,000 miles between oil changes. The remaining vehicles (68 percent) received service within our guidelines. This compares to 55 percent receiving timely oil changes in 1998. In addition, a smaller percentage of vehicles went more than a year between oil changes in our current study than in 1998.

Slightly less than 80 percent of the vehicles for which data were available received brake inspections within our guidelines, which was roughly comparable to results reported in our 1998 study. Likewise, in both 1998 and 2002, approximately 60 percent of the vehicles for which information was available received tire rotations within 9,000 miles. Figure 4.1 shows the number of sampled vehicles for which maintenance information was provided and the number of vehicles that received timely service in the three service areas reviewed.

Agency Management Generally Appears Inadequate to Ensure Timely Maintenance of Passenger Vehicles

Our 1998 report identified problems with agency efforts to ensure timely maintenance of passenger vehicles. Weaknesses were noted with agency policies, data collection, and management oversight. In particular, concerns were raised regarding the lack of management information available about agency vehicle maintenance. We recommended changes to strengthen agency management including establishment of written maintenance

Figure 4.1: Sampled Vehicles Receiving Timely Preventive Maintenance, for Agencies with 100 or More Vehicles, Fiscal Years 2001–2002



Source: Office of Performance Evaluations' analysis of vehicle maintenance data.

guidelines, tracking maintenance performed and the dates work was done, and regular and ongoing management review. In addition, an Executive Order issued by the Governor's Office in 2000 called for agencies to develop policies and track maintenance information using equipment management systems.

To determine the extent to which agencies had addressed 1998 report recommendations and requirements of the Governor's Executive Order, we surveyed agency fleet managers and conducted follow-up interviews with the nine agencies with the largest fleets. We found:

- **State agencies generally lacked adequate systems and practices to ensure passenger vehicles were properly maintained.**

Of the 47 agencies that owned or leased passenger vehicles in fiscal year 2001, just over half reported having written policies regarding passenger vehicle maintenance. The remaining 23 agencies reported they had not established formal written policies governing routine preventive maintenance of passenger vehicles.

Of the 47 agencies with vehicles, just over half reported having written policies for vehicle maintenance.

Vehicle maintenance policies often lacked important elements.

Even when policies had been developed, they often lacked important elements. In some instances, agency policies simply required staff follow the manufacturer’s recommendations for vehicle maintenance. Eight agencies’ policies (15 percent) identified specific timeframes for the performance of routine maintenance (oil changes most frequently) and eleven agencies’ policies (23 percent) specified who was responsible for making sure maintenance was performed (in two cases the employee assigned to the vehicle was identified as responsible).

Maintenance data was often not tracked in an automated system for department-wide review.

Tracking of vehicle maintenance efforts remained limited. In our sample of 374 vehicles owned or leased by the nine agencies with the largest fleets, agencies were able to provide complete information about oil changes, brake inspections, and tire rotation for just 65 vehicles (17 percent). In addition, survey responses indicated that while most agencies with passenger vehicles collected data on type of maintenance performed and the dates on which work was done, this information was often not tracked in an automated system or database for department-wide review. For example, the Department of Fish and Game recently contracted for a new fleet management system to track information about its passenger vehicles, but opted not to track maintenance and repair information in the system.

Management of vehicle maintenance was most often handled at the regional level.

Interviews with representatives of the nine agencies with the largest passenger vehicle fleets indicated management of vehicle maintenance was most often handled at the regional level. In some instances, much of the responsibility for ensuring maintenance was performed rested with individual staff members who were assigned vehicles. In each of these agencies, there was little central oversight to ensure that preventive maintenance was being properly performed.

Proper maintenance of passenger vehicles is an important element of fleet management and helps maintain the value of the state’s investment. More specifically, timely maintenance reduces repair costs, improves resale, and enhances vehicle reliability.

Therefore:

We recommend agencies improve their maintenance procedures and practices by:

- developing written policies that specify the mileage or time intervals at which maintenance should be performed, or requiring that maintenance schedules be established for each vehicle based on manufacturer recommendations;*
- tracking the types of maintenance and repairs performed, and the dates on which work was completed;*
- assigning department-wide responsibility for ensuring maintenance of all agency vehicles is performed according to established schedules.*

Vehicle Disposal

Chapter 5

As part of our review, we examined state agencies' passenger vehicle disposal practices, and compared current practices with those in place at the time of our previous review in 1998. Timely disposal of passenger vehicles can help minimize the overall cost of vehicle ownership and problems with vehicle reliability and safety. We found the nine agencies with the largest number of passenger vehicles continue to dispose of many vehicles beyond the optimal disposal point. In addition, these agencies and others continue to lack policies, data, and monitoring practices needed for efficient management of vehicle disposal.

State Agencies Continue to Dispose of Many Passenger Vehicles Beyond the Optimal Disposal Point

Nationally, guidelines for disposal of passenger vehicles have been established for many public sector fleets. These guidelines generally specify the mileage and/or age at which vehicle disposal should be considered, and may establish different standards for different classes of vehicles.¹ Based on our review of available reports, disposal of state agency passenger vehicles is typically recommended after vehicles have been driven between 75,000 and 100,000 miles. Assuming passenger vehicles are driven approximately 12,000 miles annually—the standard for public sector fleets—passenger vehicles would reach the optimal disposal point at approximately six to eight years of age.

The Division of Financial Management has established vehicle disposal guidelines for Idaho state agencies to use in determining when to replace passenger vehicles. In its *Budget Development Manual*, the division directs agencies to consider replacing passenger vehicles when they have been driven 75,000 to 100,000

Many vehicles continue to be disposed of beyond state guidelines.

Division of Financial Management guidelines recommend replacing vehicles between 75,000 and 100,000 miles.

¹ Disposal guidelines generally call for disposal of vans and trucks at higher mileage and age than sedans.

The average mileage for vehicles disposed by the nine agencies decreased seven percent, but over half exceeded the 100,000 mile state guideline.

miles.² The division's disposal guidelines also call for agencies to consider a vehicle's condition when making disposal decisions.

We reviewed available information concerning passenger vehicles disposed of by the nine agencies with the largest passenger vehicle fleets in fiscal year 2001. These nine agencies disposed of 238 passenger vehicles and 35 patrol vehicles that year. We found:

- **While average mileage on passenger vehicles disposed of by state agencies more closely approximated the Division of Financial Management's guidelines in fiscal year 2001 than in fiscal year 1997, many vehicles continued to exceed the division's upper limits for disposal.**

The average mileage on passenger vehicles disposed of by the nine agencies with the largest fleets declined seven percent from fiscal year 1997 to fiscal year 2001. In fiscal year 1997, passenger vehicles disposed of by these agencies averaged 114,285 miles at the time of disposal. In fiscal year 2001, the average mileage for passenger vehicles disposed of by these agencies dropped to 106,006 miles. However, this average still exceeds the Division of Financial Management's upper limit for disposal of passenger vehicles, and a substantial number of passenger vehicles continue to be disposed of beyond the optimal disposal point. Of the 219 vehicles disposed of in fiscal year 2001 for which mileage information was available, 123 (56 percent) exceeded 100,000 miles at the time of disposal, and 44 of these vehicles (20 percent) had been driven more than 125,000 miles at the time of disposal.

A third of the vehicles disposed of by the nine agencies were more than 11-years-old at disposal.

The average age of passenger vehicles disposed of by state agencies in fiscal year 2001 was unchanged from our previous study. In both years, vehicles averaged 11 years of age at the time of disposal. Overall, 199 of the 238 passenger vehicles disposed of in fiscal year 2001 were more than eight-years-old at disposal, and 82 (34 percent) of these vehicles were more than 11-years-old at disposal.

For the 35 patrol vehicles disposed of by the Idaho State Police in fiscal year 2001, total mileage at disposal averaged 87,065 miles. These vehicles were much newer at the time of disposal than were

² Division of Financial Management, *Budget Development Manual, FY 2004* (2002), 29.

passenger vehicles generally. The average age of patrol cars at the time of disposal was 6.8 years.

Many Vehicles Currently Owned by State Agencies Have Reached or Surpassed the Optimal Point for Disposal

We also reviewed information concerning the age of passenger vehicles state agencies owned as of June 2001 and found:

- **Nearly half of all passenger vehicles owned by state agencies in June 2001 were at or beyond the optimal point for vehicle disposal.**

State agencies owned a sizeable number of vehicles that had reached or exceeded the optimal age for vehicle disposal. Of the 4,075 passenger vehicles owned or leased by the state agencies in fiscal year 2001, 4,003 were owned. As shown in Table 5.1, 17 percent of these were six- to eight-years-old, and 29 percent were nine-years-old or older. Likewise, agencies owned many vehicles that exceeded the 100,000-mile upper limit for vehicle disposal. As of June 2001, the nine agencies with the largest fleets owned 571 vehicles (22 percent of vehicles with mileage information) that had been driven more than 100,000 miles.

Of the vehicles still owned by the nine agencies at the end of fiscal year 2001, nearly half were beyond the optimal age of disposal.

Table 5.1: Age of State Agency-Owned Passenger Vehicles, As of June 30, 2001

<u>Vehicle Age</u>	<u>Number of Vehicles</u>	<u>Percent of Total</u>
< 3 years	1,086	27%
3–5 years	1,102	28
6–8 years	664	17
9–11 years	630	16
> 11 years	<u>521</u>	<u>13</u>
Total	4,003 ^a	100% ^b

^a Does not include leased vehicles.

^b Does not sum due to rounding.

Source: Office of Performance Evaluations' review of state agency passenger vehicle age information for fiscal year 2001.

We estimate selling vehicles at 8 years instead of 11 years could increase resale by about \$1,200 per vehicle.

Retaining vehicles beyond the optimal disposal point may not be cost effective. Older vehicles may incur higher maintenance and repair costs than newer vehicles, and are generally less reliable. In addition, as noted in Chapter 3, older vehicles were typically driven substantially less than newer vehicles.

Holding on to older vehicles beyond the optimal disposal point can also result in lower disposal revenue. Based on our review of resale values for three common vehicle models found in the state's fleets, we estimate the state could generate an additional \$1,200 per vehicle, on average, by selling vehicles at 8 rather than 11 years of age.³

Agency Management of Passenger Vehicle Disposal Can Be Improved

Only about half of all agencies with vehicles reported having a written disposal policy.

In our 1998 report, we concluded that agency management of passenger vehicle disposal was generally inadequate. We recommended development of written disposal policies, tracking of key information (i.e., vehicle age, mileage, acquisition costs, operating costs, and maintenance costs) needed to make disposal decisions, and regular and ongoing management review. The Governor's Office subsequently issued an Executive Order requiring, among other things, that agencies develop vehicle policies and plans that "incorporate disposal and replacement criteria."

To determine the extent to which agencies had addressed 1998 report recommendations and requirements of the Governor's Executive Order, we surveyed agency fleet managers and conducted follow-up interviews in the agencies with the nine largest fleets. We found:

- **Many agencies have not established a fully developed system for managing passenger vehicle disposal.**

Of the 47 agencies with passenger vehicles in fiscal year 2001, about half reported having a written disposal policy. Twelve agencies reported that they had not developed their own policies,

³ *Kelley Blue Book* (visited 20 August 2002), <<http://www.kbb.com>>. Values based on three common car and truck models found in the state fleet: the Ford Taurus, Ford Ranger, and Ford F-150.

but followed state policies or guidelines. Most of these agencies indicated that they followed the Board of Examiner's policy for general property disposal, and two said they followed the Division of Financial Management's disposal guidelines. Thirteen agencies indicated that they had established agency policies for vehicle disposal. However, these policies often focused solely on the process for disposing of vehicles, and only three agencies had policies that included specific age or mileage criteria for vehicle disposal.

In addition, agencies sometimes did not track all types of information needed to make sound vehicle disposal decisions. Agencies generally maintained information about the age and mileage of passenger vehicles in their fleets.⁴ However, as noted in Chapter 4, information about the condition of vehicles was less readily available. Agencies generally did not keep vehicle specific maintenance and repair information in an automated departmental data system, thereby limiting management's ability to conduct fleet-wide reviews of the condition of vehicles and the costs associated with keeping older vehicles. Although agencies track maintenance and repair expenses in the Statewide Accounting and Reporting System for accounting purposes, vehicle managers reported the detail provided is not sufficient to assess the condition of individual vehicles.

Agency disposal management efforts were also limited in many cases. Of the nine agencies with the largest fleets, only four reported having a plan for vehicle disposal. In addition, seven of nine agencies relied on regional or fiscal staff to determine when vehicles should be replaced, with limited oversight or involvement from department-wide fleet management staff. As a result, many of these agencies lacked systematic, department-wide review of vehicles meeting disposal criteria. In our review of other states' disposal practices, we learned the state of Oregon's vehicle replacement policy establishes a justification process to retain vehicles that have reached the optimal disposal point. Such a process would allow agencies to identify vehicles whose condition and usage justify retention, while encouraging more timely disposal of vehicles that have condition problems and/or are little used.

⁴ Agencies using the State Controller's Fixed Asset System are required to record the model year and acquisition date for vehicles purchased. In addition, agencies are required to report vehicle odometer readings each year to the Department of Administration's Office of Insurance Management.

When available, agency policies seldom included specific age or mileage criteria.

Many agencies lack systematic, department-wide review of vehicles that meet disposal criteria.

Establishing a system with clear disposal criteria; accurate and complete information about vehicle age, mileage, use, and condition; and agency-wide monitoring and review could result in more timely and efficient disposal of vehicles. Therefore:

We recommend agencies improve their vehicle disposal practices by:

- establishing written policies that set clear mileage and age requirements for vehicle disposal and replacement;*
- tracking information on vehicle mileage, age, condition, and maintenance and repair costs for each passenger vehicle;*
- assigning department-wide responsibility for reviewing vehicles for disposal and replacement;*
- establishing a process for reviewing the condition and use of older vehicles, and justifying retention of vehicles that are kept beyond the recommended disposal point.*

Executive Order No. 2000-16

Appendix A

THE OFFICE OF THE GOVERNOR

EXECUTIVE DEPARTMENT
STATE OF IDAHO
BOISE

EXECUTIVE ORDER NO. 2000-16

REGARDING THE UTILIZATION AND OVERSIGHT OF THE USE OF STATE VEHICLES BY STATE EMPLOYEES

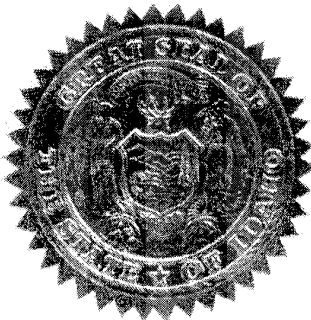
WHEREAS, it is the policy of the State of Idaho to promote the efficient use of Idaho state owned or leased vehicles and;

WHEREAS, the State of Idaho is committed to ensuring the highest level of safety and reliability of our state vehicles;

NOW THEREFORE, I, DIRK KEMPTHORNE, Governor of the State of Idaho, by the authority vested in me under the Constitution and laws of this state, do hereby order the following:

1. Each department director, agency head, or their designee will develop the departmental policies governing the use, safety, and inspection of vehicles under their control. The written vehicle policy shall be communicated and readily available to the department employees. This policy shall include the identification of an agency employee that will be the agency point of contact.
2. Vehicle policies and plans shall incorporate disposal and replacement criteria which includes maximum life cycle costing.
3. Agencies shall develop an effective recording and reporting system that will be used to assess fleet operations. The assessment shall include a periodic analysis of the comparative cost of vehicle leasing, renting, and ownership as well as routine tracking of vehicle information such as type of vehicle, acquisition date, costs, maintenance records, mileage and/or trip information, name of the person, if any, to whom the vehicle is assigned, and any other information deemed necessary by the department director or their designee.
4. Fleet information shall be current and retained in an equipment management system.

This Executive Order shall cease to be effective four years after its entry into force.



IN WITNESS WHEREOF, I have hereunto set my hand and caused to be affixed the Great Seal of the State of Idaho at the Capitol in Boise on this eleventh day of October in the year of our Lord two thousand and of the Independence of the United States of America the two hundred twenty-fourth and of the Statehood of Idaho the one hundred tenth.

A handwritten signature in black ink, appearing to read "Dirk Kempthorne".

DIRK KEMPTHORNE
GOVERNOR

A handwritten signature in black ink, appearing to read "Pete T. Cenarrusa".

PETE T. CENARRUSA
SECRETARY OF STATE

Suggested Policy Areas for Passenger Vehicle Fleets

Appendix B

Vehicle Use

Policies could be established to set clear use standards for state agency passenger vehicle fleets. Such policies could include:

- Annual mileage standard. For example, standards nationally converged on 12,000 miles per year per vehicle. Establishing a mileage standard would set a clear target for vehicle use. For vehicles driven less than the standard, agencies could review the frequency and purpose of use to determine whether the low mileage was justified.
- Annual days-in-use standard. Some vehicles are driven few miles but are driven frequently. Establishing a standard for days-in-use would provide a yardstick for assessing whether low mileage vehicles are being regularly used.
- Types of information agencies must maintain to assess vehicle use.
- Standards for conducting vehicle use assessments.

Vehicle Maintenance

Establishing policies to guide vehicle maintenance efforts could help ensure that preventive maintenance is performed in a timely fashion. Policies could specify:

- Mileage and time intervals at which various maintenance procedures are to be performed. Alternatively, policies could require agencies to establish vehicle-specific maintenance schedules based on the manufacturer's specifications.
- Maintenance and repair information the agency must maintain for its vehicles.
- Minimum requirements for monitoring (e.g., frequency, process) to ensure that preventive maintenance is done.

Vehicle Disposal

Enacting vehicle disposal policies could help ensure that vehicles are disposed of within a reasonable time after reaching the optimal disposal point. Policies could spell out:

- Age and mileage targets for vehicle replacement
- Types of information agencies must maintain to determine when passenger vehicles should be replaced

Source: Office of Performance Evaluations' review of fleet management literature.

Suggested Fleet Information Requirements

Appendix C

Basic Vehicle Information

Maintaining descriptive information about agency passenger vehicles provides the foundation for all other fleet information. Such information could include:

- Make and model of the vehicle
- Vehicle identification number (VIN) and license number
- Region or agency unit to which the vehicle is assigned
- Physical location of the vehicle
- Whether the vehicle is owned or leased and the beginning and ending dates for the lease

Vehicle Use

Information gathered to aid analysis of vehicle use could include:

- Number of miles a vehicle is driven annually and/or monthly
- Number of days a vehicle is used annually and/or monthly
- Number of trips for which a vehicle is used annually and/or monthly
- Purposes for which the vehicle is used

Vehicle Maintenance

Information maintained for vehicle maintenance and repair efforts could include:

- Maintenance and repair work performed
- Dates on which maintenance work was performed
- Costs incurred to maintain and repair each vehicle

Vehicle Disposal

Agencies could maintain information about their existing fleet of passenger vehicles to aid in determining when vehicles should be replaced. This information could include:

- Model year for the vehicle
- Acquisition date of the vehicle
- Total mileage for the vehicle
- Vehicle acquisition costs
- Vehicle operating costs for fuel, oil, and lubricant
- Vehicle maintenance and repair costs

Agencies could also maintain information about the vehicles they dispose including:

- Date of disposal
- Type of disposal (e.g., transfer to another agency, public auction, etc.)
- Revenue generated from disposal

Source: Office of Performance Evaluations' review of fleet management literature.

Suggested Fleet Monitoring Activities

Appendix D

Assigning fleet management responsibilities to selected staff can help ensure monitoring is routinely done. Fleet management experts believe that fleet management responsibilities should be centralized within the organization to aid comparison of work units, avoid duplication, and achieve economies of scale. Specifically, those assigned fleet management responsibilities should conduct:

Vehicle Use Assessments

Vehicle use assessments could be performed at regular intervals to obtain an accurate picture of fleet operations and identify opportunities for improvement. These assessments should address:

- Annual vehicle mileage
- Frequency of use
- Purpose of use
- Vehicle age
- Condition of the fleet
- Possible alternatives to current vehicle use including shared use of vehicles, reassignment, use of privately-owned and rented vehicles, or elimination of unneeded vehicles

Vehicle Maintenance Review

Regular and ongoing monitoring can be done to ensure that preventive maintenance is performed consistent with established standards or maintenance schedules.

Vehicle Disposal Tracking

Ongoing review of key fleet information can help agencies determine when vehicles should be replaced. Agencies should monitor factors such as:

- Vehicle age
- Total vehicle mileage
- Condition of vehicles
- Vehicle operating and maintenance costs

Benchmarking

Benchmarking is another tool that agencies could use to help improve fleet management practices and fleet operations. Benchmarking is a process of examining the best practices of other agencies and organizations to identify opportunities to improve agency fleet operations. An agency benchmarks by comparing its processes, costs, and performance in key areas with other organizations.

Source: Office of Performance Evaluations' review of fleet management literature.

Performance Evaluations Completed 1998–Present

<u>Pub. #</u>	<u>Report Title</u>	<u>Date Released</u>
98-01	Public School Use of Tobacco Tax Funds	January 1998
98-02	Medicaid Reimbursement for Outpatient Occupational and Speech Therapy	June 1998
98-03	Management of State Agency Passenger Vehicles	October 1998
98-04	Management Review of the Idaho Commission for the Blind and Visually Impaired	October 1998
99-01	The State Board of Pharmacy's Regulation of Prescription Controlled Substances	June 1999
99-02	The State Board of Medicine's Resolution of Complaints Against Physicians and Physician Assistants	October 1999
99-03	Employee Morale and Turnover at the Department of Correction	October 1999
00-01	A Limited Scope Evaluation of Issues Related to the Department of Fish and Game	March 2000
00-02	The Department of Fish and Game's Automated Licensing System Acquisition and Oversight	June 2000
00-03	Passenger Vehicle Purchase Authority and Practice in Selected State Agencies, Fiscal Years 1999–2000	September 2000
00-04	A Review of Selected Wildlife Programs at the Department of Fish and Game	November 2000
00-05	Idaho's Medicaid Program: The Department of Health and Welfare Has Many Opportunities for Cost Savings	November 2000
01-01	Inmate Collect Call Rates and Telephone Access: Opportunities to Address High Phone Rates	January 2001
01-02	Idaho Department of Fish and Game: Opportunities Exist to Improve Lands Program and Strengthen Public Participation Efforts	January 2001
01-03	Improvements in Data Management Needed at the Commission of Pardons and Parole: Collaboration With the Department of Correction Could Significantly Advance Efforts	May 2001
01-04	The State Board of Medicine: A Review of Complaint Investigation and Adjudication	June 2001
01-05	A Review of the Public Works Contractor Licensing Function in Idaho	November 2001
01-06	A Descriptive Summary of State Agency Fees	November 2001
02-01	The Department of Environmental Quality: Timeliness and Funding of Air Quality Permitting Programs	June 2002
02-02	Management of State Agency Passenger Vehicles: A Follow-up Review	November 2002
02-03	A Review of the Idaho Child Care Program	November 2002

Performance evaluations may be obtained free of charge from the
Office of Performance Evaluations • P.O. Box 83720 • Boise, ID 83720-0055
Phone: (208) 334-3880 • Fax: (208) 334-3871
or visit our web site at www.state.id.us/ope/

Desktop Publishing by Margaret Campbell