

Agency Name	Department of Transportation
Audit Name	Fleet Management
Audit Period	November 2014
Status Report Date	March 12, 2020

Summary of Audit Observations/Findings					
Number	Observation Title	Status [place X in status column]			
		Unresolved	Partially Resolved	Substantially Resolved	Fully Resolved
1	Periodically Review Fleet Size and Composition		X		
2	Review Controls over DOT Fleet Purchases				X
3	Adopt Formal Guidelines and Review Fleet Utilization		X		
4	Track Utilization of Rented Equipment				X
5	Consistently Report Non-Business Mileage	X			

Observation 1: Periodically Review Fleet Size and Composition

Summary of Finding: We recommend the DOT periodically conduct a right-sizing analysis to determine whether divisions and bureaus have the appropriate number and mix of vehicles and equipment to fulfill their mission. The analysis should include identifying any changes to the DOT's mission and transportation system, and whether efficiencies can be gained by employing alternate types of equipment.

Current Status: Partially Resolved

The Department received approval for a new fulltime Fleet Manager position as part of the FY20-21 budget process. The new position was filled effective February 14, 2020, and will be responsible for formally documenting efforts of the Department's Equipment Needs Committee (ENC). The Committee will reconvene to develop a process for evaluating the number, mix and alternative types of equipment.

The Department also continues to evaluate the mission and performance goals for each bureau, performed every two years during the budget process.

Observation 2: Review Controls over DOT Fleet Purchases

Summary of Finding: The Legislature may wish to consider whether the controls it has placed over DOT fleet purchases encompass all the bureaus and types of equipment the Legislature wants reviewed.

Current Status: Fully Resolved

The Department worked within the budget development process and eliminated a budget footnote that required the Capital Budget Oversight Committee and Governor and Council to approve an acquisition plan prior to any purchases. This elimination streamlines the timeline to purchase fleet units. In the 2018-2019 Budget, the budget footnote that requires the Department of Administrative Services to approve all equipment purchases was changed to include only leases or lease purchases.

The Legislature has not taken any other action to alter the controls over DOT purchases. The Department considers this item fully resolved.

Observation 3: Adopt Formal Guidelines and Review Fleet Utilization

Summary of Finding: We recommend DOT management:

- Establish formal annual utilization guidelines in order to better manage its fleet;
- Analyze utilization at a Department-wide level to determine whether opportunities exist to increase utilization of its fleet; and
- Explore ways to increase cross-utilization of equipment.

Current Status: Partially Resolved

The Department procured a vendor contract to replace the existing computer system with a Work Order, Fleet Management, and Inventory System. Implementation of the new system will enable the Department to collect and analyze fleet management data, explore methods to increase cross-utilization of equipment, and identify opportunities for improvement.

Utilization targets for fleet management have been developed and are currently awaiting formal approval.

Observation 4: Track Utilization of Rented Equipment

Summary of Finding: We recommend DOT management track the number and usage of all its rented equipment with one system.

Current Status: Fully Resolved

NHDOT made changes to its MATS software to track all rented equipment. The Department currently reports to Governor and Council annually all rented equipment expenses by vendor.

Observation 5: Consistently Report Non-Business Mileage

Summary of Finding: We recommend the DOT ensure all of its bureaus are interpreting DAS and DOT reporting of non-business miles policies in a consistent manner, including reviewing the appropriateness of allowing:

- The Bureau of Turnpikes to report non-business miles from home to when employees first enter the turnpike system, instead of when they reach their assigned work shed; and
- Bureaus to modify the definition of non-business miles.

We also recommend the DOT work with the DAS to determine the appropriateness of reporting all mileage of field-based positions as non-business miles under current policies.

Current Status: Unresolved

A subcommittee of the Department's Equipment Needs Committee developed and submitted a memo with recommendations to the Office of Attorney General (AG) for review and comment. The AG recommended that the Department await their response and for Administrative Services to update the Travel and Business Mileage Manual of Procedures (MOP).

The Department has provided input to the proposed MOP and routinely inquires when updates will be released. The Department will implement the recommended changes consistently throughout the organization once the revised guidance is received.
