

<b>Agency Name</b>	Department of Transportation
<b>Audit Name</b>	Fleet Management
<b>Audit Period</b>	November 2014
<b>Status Report Date</b>	March 20, 2024

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		

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**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:** Fully Resolved

A utilization report has been developed and currently has three years of data. An acquisition plan has been developed and distributed to appointing authorities to review and determine if the fleet unit is still needed based on usage. Appointing authorities also submit requests to "right-size" or change the unit configuration. Approval of such requests are determined by the Commissioner's Office and require the approval from the Department of Administrative Services. A flow chart showing the procedure has been developed to formally document the process.

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**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.

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**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

A utilization report has been developed for all fleet units and currently has three years of data. The report will be reviewed by the Equipment Needs Committee (ENC) to evaluate and adjust utilization targets. Formal guidelines will be developed when the ENC convenes.

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#### **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.

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#### **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 polices 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:** Partially Resolved

The Governor and Executive Council authorized a new chapter of the DAS MOP, Chapter 1301 "Reimbursement of Travel," in February 2022. The Department is in the process of fully implementing the MOP.

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