

# OFFICE OF THE STATE INSPECTOR GENERAL

## Department of General Service Fleet Management Services

*Performance Audit*

June 2022



Michael C. Westfall, CPA  
State Inspector General  
Report No. 2022-PA-005



**COMMONWEALTH OF VIRGINIA**  
***Office of the State Inspector General***

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June 27, 2022

The Honorable Governor Glenn Youngkin  
Governor of Virginia  
PO Box 1475  
Richmond, VA 23219

Dear Governor Youngkin,

The Office of the State Inspector General completed an audit of Fleet Management Services.  
Please find the final report attached.

OSIG would like to thank Department of General Services Director Joseph Damico and his staff  
for their cooperation and assistance during this audit.

Sincerely,

A handwritten signature in black ink, appearing to read "Michael C. Westfall".

Michael C. Westfall, CPA  
State Inspector General

cc:     The Honorable Jeff Goettman, Chief of Staff to Governor Youngkin  
         The Honorable Rebecca Glover, Deputy Chief of Staff to Governor Youngkin  
         The Honorable Margaret McDermid, Virginia Secretary of Administration  
         The Honorable Barry Knight, House Chair, Appropriations Committee  
         The Honorable Janet Howell, Senate Chair, Finance and Appropriations Committee  
         The Honorable Terry Austin, House Chair, Transportation Committee  
         The Honorable David Marsden, Senate Chair, Transportation Committee  
         Joseph Damico, Director, Department of General Services  
         Staci Henshaw, Auditor of Public Accounts

# Fleet Management Services

## **What OSIG Found**

### **OFMS Provides Commendable Utilization**

#### **Management and Excellent Customer Service**

The Office of Fleet Management Services provides a significant benefit to the Commonwealth by analyzing whether it is more cost effective to dispose of underutilized vehicles through auction or to rotate underutilized vehicles among agencies.

OFMS provides excellent customer service to agencies using state vehicles. The Office of the State Inspector General interviewed several agency transportation officers during the course of this audit, and the ATOs repeatedly complimented OFMS' customer service.

#### **Performance Measures Are Not Sufficient**

OFMS performance measures are not sufficient to ensure that OFMS adequately assesses the overall performance of the Commonwealth's fleet program. In order to fully evaluate the fleet program and increase transparency of state government, OFMS should enhance their performance metrics to ensure the continued success of the fleet program.

#### **State Agencies Were Not Receiving the Fuel Exception Reports**

OFMS did not send exception reports to ATOs for over two years due to a lack of succession planning. Without these reports, the risk of fraudulent use increases and could go undetected. OFMS started issuing fuel exception reports in April, 2022.

#### **DGS provides limited Oversight of Fuel Card Exceptions**

OFMS has delegated the type and extent of monitoring of fuel cards to the agencies. This increases the possibility of fraudulent fuel card use for agencies that perform less monitoring. OFMS should monitor the agencies that do not take quick corrective action or have repetitive occurrences.

Management concurred with the recommendations for three of OSIG's four findings and plans to implement corrective actions from April 2022 to December 2023.

## **HIGHLIGHTS**

### **Why OSIG Performed This Audit**

OSIG completed this audit to assess how the Commonwealth manages its pool of fleet vehicles and to identify opportunities for improvement in vehicle purchasing, disposal and monitoring. OSIG selected this audit based on the potential for increased efficiency and effectiveness for the program, as well as for the potential cost savings that could be identified.

### **What OSIG Recommends**

- Develop, monitor and report periodically on a full range of performance metrics that measure the performance of all aspects of the Commonwealth's fleet program.
- Reinstate the use of fuel card exception reports and distribute all fuel card exception reports for pool vehicles to the respective state agencies.
- Implement statewide policies establishing minimum levels of required follow-up and reporting of fuel exceptions at the agency level and the statewide level with oversight managed by OFMS.
- Automate the monthly billing process that OFMS currently completes manually.



For more information, please contact OSIG at 804-625-3255 or [www.osig.virginia.gov](http://www.osig.virginia.gov)

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## BACKGROUND

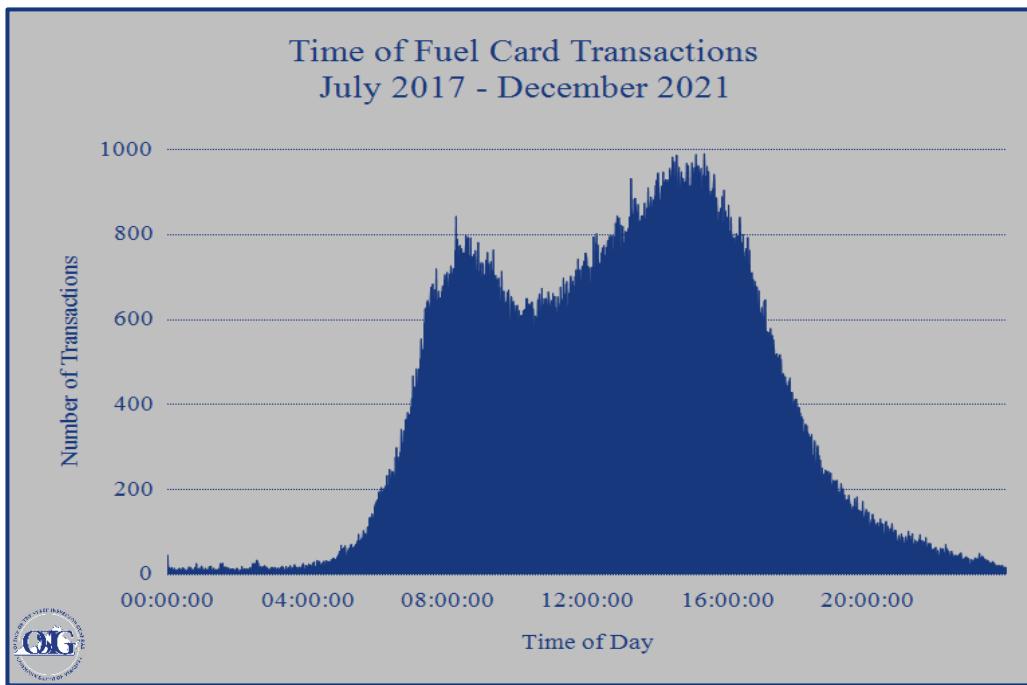
### ***Overview***

The Department of General Services' Office of Fleet Management Services is responsible for the management of the centralized fleet and for developing, administering, monitoring and enforcing all policies and procedures concerning vehicle assignment, utilization, maintenance, repair and replacement. Agency heads are responsible for monitoring and enforcing all OFMS policies and procedures governing the assignment, use, maintenance and repair of OFMS vehicles within their agency. Each agency head also designates an Agency Transportation Officer to serve as a liaison between their agency and OFMS. ATOs are responsible for carrying out the duties and responsibilities as assigned by their agency head to comply with the OFMS policies and procedures regarding the management and operation of state-owned vehicles.

To ensure full and proper use of the approximately 3,800 vehicles in the Commonwealth's fleet, OFMS purchases and assigns fleet vehicles to an agency. The agency's ATO manages the use of the vehicles in coordination with the agency head. While the ATO may use the needs of a specific employee to justify an additional assignment of a vehicle, the assigned vehicle is under the control of the ATO for use throughout the agency. *Code of Virginia* § 2.2-1178 specifies the criteria used in determining the minimum mileage and other conditions necessary for the assignment of an OFMS-leased fleet vehicle. Minimum mileages for vehicles range between 8,000 and 13,000 annually.

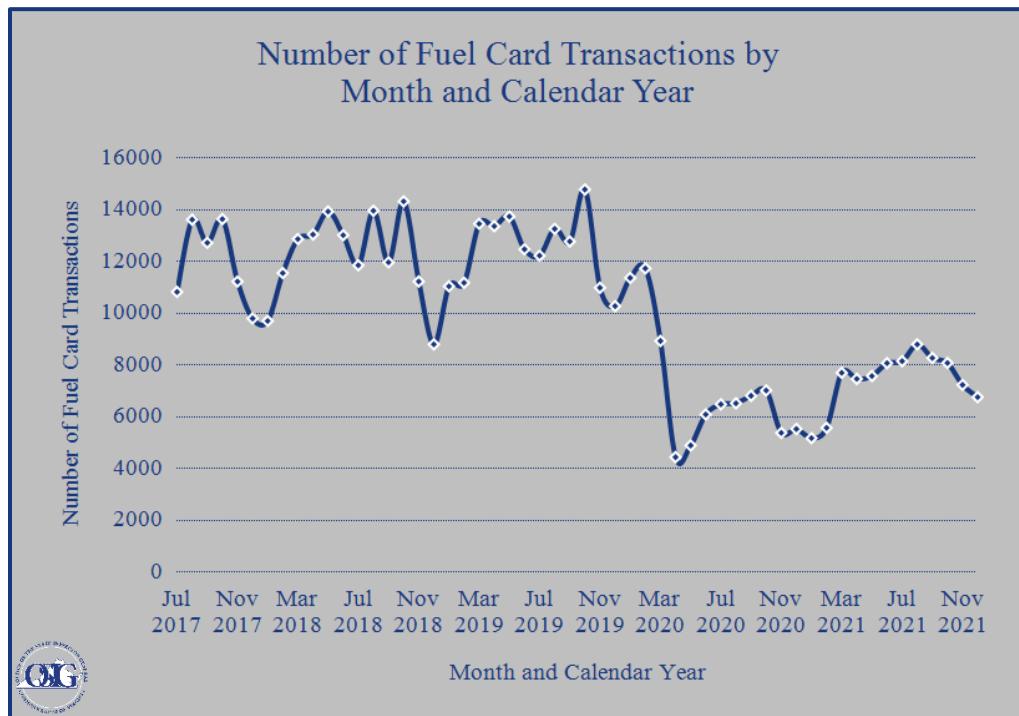
### ***Fleet Fuel Usage***

One of the items monitored by ATOs is the fuel consumed by fleet vehicles. OSIG analyzed the number of fuel card transactions and the time of day that employees fueled the vehicles from July 1, 2017, through December 31, 2021, and found that fueling patterns for fleet vehicles were consistent with OSIG's expectations, as follows:



Source: OFMS with data provided by Mansfield Oil Company, the fuel vendor for the Commonwealth.

There was a sharp decline in fuel purchasing for state vehicles starting in March 2020 due to the impact the COVID-19 pandemic had on government operations, which was consistent with OSIG's expectations, as follows:



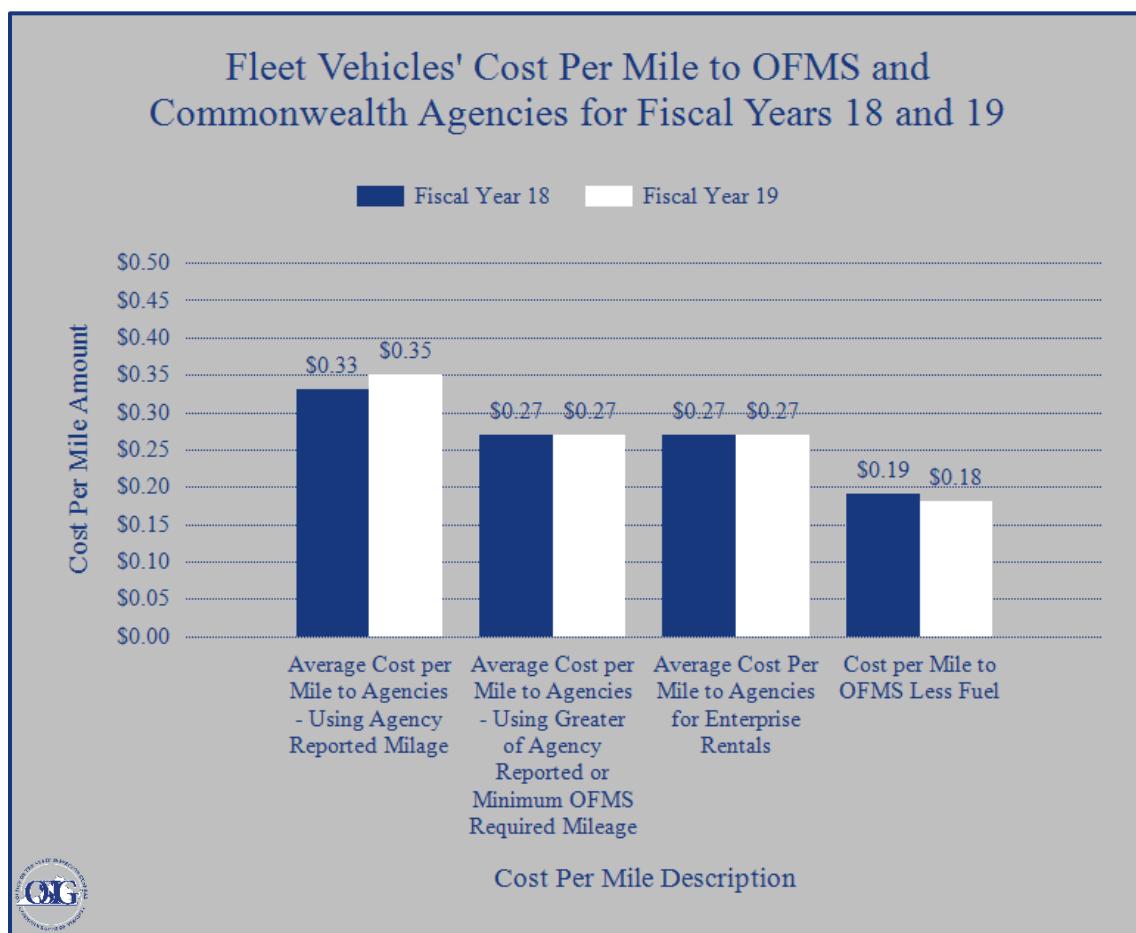
Source: OFMS with data provided by Mansfield Oil Company, the fuel vendor for the Commonwealth.

## ***Cost of Managing the Fleet Program***

OFMS bills each state agency monthly for its fleet vehicles and fuel usage. ATOs reconcile fuel purchases with receipts, and follow up on OFMS-provided fueling exception reports to identify potentially fraudulent transactions.

The cost incurred per mile is an important measurement to determine the success of the Commonwealth's fleet program. Below is a graphic showing the:

1. Average cost per mile that Commonwealth agencies pay to OFMS using the mileage that Commonwealth agencies reported for their fleet vehicles;
2. Average cost per mile that Commonwealth agencies pay to OFMS using the greater of the mileage that Commonwealth agencies reported for their fleet vehicles or the minimum annual mileage that OFMS requires vehicles to be used for;
3. Average cost per mile that Commonwealth agencies pay to use Enterprise Rental vehicles; and
4. Cost per mile that it costs OFMS to maintain the Commonwealth fleet including only: vehicle cost and interest, automobile insurance and maintenance.



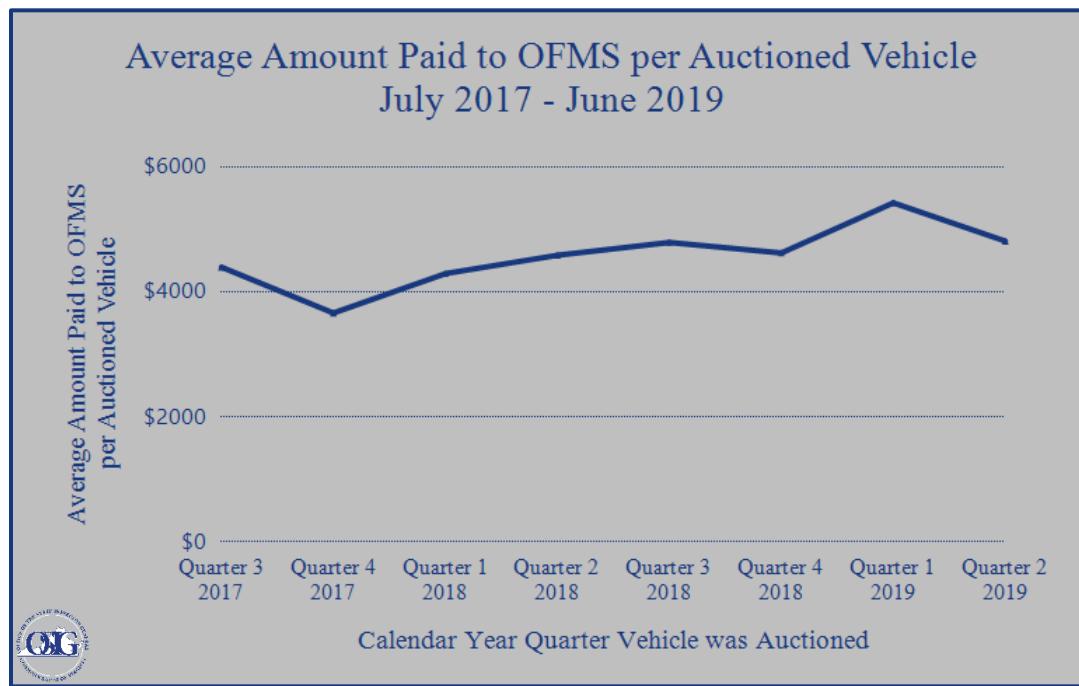
Source: OFMS as noted in the bullets explaining the calculations above.

## ***Disposal of Fleet Vehicles***

OFMS considers disposing of a leased vehicle when it meets one of the following criteria:

1. Vehicle has more than 85,000 miles.
2. Vehicle is more than nine years old.
3. Vehicle has damage or needs repair that is greater than 60% of the National Automobile Dealers Association value.
4. DGS Director has determined that the overall condition of the vehicle has deteriorated to an unrepairable state.
5. Agency has determined that it no longer needs the vehicle. Upon return to DGS, the vehicle is evaluated to determine re-assignment to another agency if the vehicle is relatively new or has low mileage.

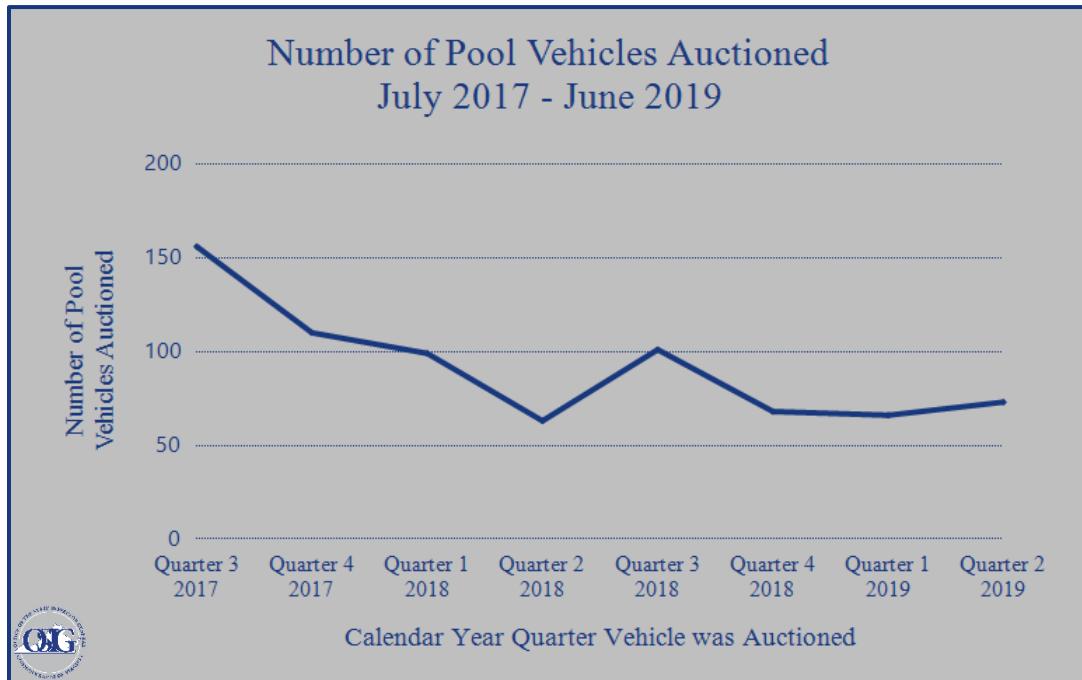
Once OFMS determines that a vehicle is to be disposed of, the agency returns the vehicle to OFMS where it is prepared and auctioned. The chart below provides an average amount received by the Commonwealth per vehicle auctioned by OFMS:



Source: OFMS.

If OFMS auctions a vehicle and the proceeds plus the amount the agency paid OFMS are greater than the purchase price of the vehicle, OFMS returns the difference to the agency. In contrast, the agency is responsible for the difference if the auctioned amount is less.

The chart below shows the number of fleet vehicles auctioned by OFMS from July 2017 through June 2019:



Source: OFMS.

## SCOPE

The audit scope covered DGS fleet management services operations from July 2017 through June 2019. OSIG selected this period to evaluate fleet operations prior to the COVID-19 pandemic. In addition, OSIG examined Commonwealth fuel usage from July 2017 through December 2021 to identify which agency currently managed the fleet vehicle associated with the corresponding fuel card.

## OBJECTIVES

Objectives of this audit were to:

- Determine if OFMS has established metrics to evaluate its overall performance.
- Determine if OFMS follows its vehicle disposal process for vehicle transfers to other state agencies or submitted for auction.
- Determine if a valid business need exists before DGS purchases new vehicles.
- Determine if ATOs monitor fuel usage.

## METHODOLOGY

OSIG conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that OSIG plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for the findings and conclusions based on the audit objectives. OSIG believes that the evidence obtained provides a reasonable basis for the findings and conclusions based on the audit objectives.

OSIG applied various methodologies during the audit process to gather and analyze information pertinent to the audit scope and to assist with developing and testing the audit objectives. The methodologies included the following:

- Conducting interviews with OFMS staff and ATOs to gain an understanding of the audit area.
- Reviewing OFMS policies and procedures.
- Selecting a sample of other states and localities to benchmark OFMS operations, business process activities and performance metrics based on their use of the M5 IT system used by OFMS.
- Collecting and analyzing relevant data and reviewing for sampling purposes.
- Selecting a sample of fleet vehicle purchases for testing to ensure that DGS properly requested and approved acquisitions.
- Selecting a sample of vehicles that state agencies were underutilizing to ensure that DGS was following the process for evaluating and potentially transferring vehicles.
- Selecting a sample of fuel exceptions to ensure that ATOs provided and reported proper oversight of fuel card transactions and followed up to protect against fraudulent transactions.
- Selecting a sample of vehicles DGS disposed of to ensure that the vehicles selected for disposal met the criteria.

## COMMENDATIONS

### ***Commendation #1 - OFMS Effectively Manages Vehicle Utilization***

OFMS monitors vehicle use and determines whether it is more cost effective to dispose of underutilized vehicles through auction or to rotate underutilized vehicles among agencies. OFMS provides a significant benefit to the Commonwealth by performing this analysis and recouping as much of the Commonwealth's investment as possible. This practice by OFMS benefits:

- Agencies underutilizing the vehicle by removing the cost of an asset no longer needed.
- Agencies receiving the underutilized vehicle by the transfer of the vehicle.
- The Commonwealth by maximizing the value of a purchased asset.

OSIG recognizes the actions taken by OFMS to maximize the Commonwealth's investment into its fleet.

### ***Commendation #2 - OFMS Provides Excellent Customer Service to Agencies***

OFMS provides excellent customer service to agencies using state vehicles. OSIG interviewed several ATOs during this audit, and ATOs repeatedly complimented OFMS' customer service. ATOs stated that OFMS staff is helpful, very friendly and responds promptly to questions and problems. OSIG recognizes OFMS commitment to customer service.

## FINDINGS

### ***Finding #1 - Performance Measures Are Not Sufficient to Report on Program Success***

In order to effectively evaluate the fleet program and promote the success of the program, performance measures should be transparent, complete, accurate and consistent to support program performance and decision-making. OFMS-reported performance measures are not sufficient to evaluate its overall performance in managing the Commonwealth's fleet program.

DGS' strategic plan indicates that OFMS will measure the maintenance cost per vehicle as well as alternative fuels used. OSIG found that OFMS reports these metrics and recognizes these measures as useful, but these metrics are not complete by themselves to evaluate the overall success of the fleet program. In order to fully evaluate the fleet program and increase transparency of state government, DGS should add performance metrics to ensure the continued success of the fleet program.

DGS does not capture certain metrics in the fleet program, including:

- The cost per mile OFMS pays for the state's fleet.
- The cost per mile agencies pay OFMS for their fleet vehicles.
- The percentage of a vehicle's purchase price recovered at auction.
- The percentage of pool vehicles cycled out of the Commonwealth's fleet on time.
- The number of fueling exceptions reported and resolved.
- The number of vehicles purchased.
- The percentage of vehicles meeting minimum mileage annually.

Establishing and reporting these measures are important for managing the program; monitoring its overall success; establishing an appropriate lease rate to charge for the use of pool vehicles; increasing transparency and promoting the success of the program. OFMS has not established these metrics because of the pandemic and various travel restrictions for state agencies, making setting appropriate measures and achieving them implausible.

### **Recommendations:**

1. Develop, monitor and report periodically on a full range of performance metrics that measure the performance of all aspects of the Commonwealth's fleet program.
2. Report a full range of relevant performance metrics externally to communicate the state of the Commonwealth's fleet program at least annually.

***Management Response:***

Management did not agree with the condition observed by OSIG but agreed with the recommendations as follows:

DGS does not agree with the observation documented above. OFMS has metrics displayed on the OFMS website and regularly reported performance measures on the VA Performs website until the prior Administration halted performance measure reporting during the COVID pandemic. DGS does agree that OFMS can expand upon and enhance visibility of current performance metrics and OSIG's suggestions are helpful.

To specifically address the metrics that OSIG has suggested and our proposal for each:

- *The cost per mile OFMS pays for the state's fleet;* OFMS currently measures the cost per mile on the OFMS website.
- *The cost per mile agencies pay OFMS for their fleet vehicles;* The fleet rate structure is provided on the OFMS website which consists of the capital cost, the operational costs, and the fuel cost being a direct pass through. After discussing this metric in more detail with OSIG, DGS understands that OSIG is suggesting that OFMS provide agencies with a more defined monthly cost using actual current data.
- *The percentage of vehicle purchase price recovered at auction;* A significant portion of this value is determined by market conditions and is not in the control of OFMS, however, this is data that can be provided.
- *The percentage of pool vehicles cycled out of the Commonwealth's fleet on time;* DGS asks consideration of removing "on time" from this metric due to the many variables that go into the decision to cycle vehicles out of the Commonwealth's fleet. We believe this metric can be incorporated in a meaningful manner into the metric above.
- *Number of fueling exceptions reported and resolved; (follow up, found)* Fuel is a pass through and agencies are aware upfront what is allowable and what isn't allowable for purchasing using fuel cards. Exception reports are provided to agencies on a daily basis and the agency has the responsibility to review the exception and determine if it is within their agency needs, or not, and to handle accordingly within their agency. OFMS does monitor the exception reports for reoccurring exceptions and will reach out to the agency if reoccurring exceptions are found for explanation and resolution. We believe this metric could be more meaningful to report on the agencies that have the same reoccurring exceptions as this means the agency is not correcting the exceptions that are not allowable on the fuel program.
- *Number of vehicles purchased; and* The number of vehicles purchased is currently captured and reported twice during annual reporting, once through the Epact report

and once to the DGS Fiscal office. The number of vehicles purchased are based on the using agencies needs and our projections of vehicle replacements. We do not believe this number correlates to the success of the fleet program, however we do see value in sharing this information in other areas other than the two reports that already capture this information.

- *Percentage of vehicles meeting minimum mileage annually.* This number is available through the existing tracking of identifying the under-utilized vehicles, which OSIG provided OFMS a commendation for on this audit.

OSIG states that OFMS needs to establish an appropriate lease rate to charge for use of pool vehicles. The formula for this was established in 2008 and is posted on the OFMS website.

While many of these metrics do not directly measure the success of the OFMS program, DGS understands the value that providing this data may bring and will work to accomplish this in a meaningful manner that contains the appropriate context required to have a thorough understanding of the fleet program.

### ***Management Corrective Action***

DGS will review and update the fleet performance metrics by December 31, 2022.

### ***OSIG's Follow-up to Management's Response:***

OSIG appreciates DGS' response to Finding 1. After reviewing DGS' response, OSIG provides the following context:

- In regards to the cost per mile, OSIG recognizes that DGS provides the maintenance cost per mile on their website. OSIG does not agree that this is representative of the actual cost per mile for the fleet program since this amount does not include the actual cost of the vehicle, insurance, or other program costs.
- In regards to the exceptions reported and resolved, DGS is responsible for sending exceptions to the agencies and obtaining follow-up from the agencies within 15 days.
- In regards to the percentage of vehicles meeting minimum mileage, OSIG recommends that the minimum mileage evaluation at the overall level represents an important metric of the program.
- OSIG understands that all variables going into these potential metrics are not controllable by DGS. However, DGS could still report on these and other potential metrics and provide the reader necessary context to appropriately interpret them.

OSIG believes these measures, if implemented and reported appropriately, would report on the success of the Commonwealth fleet program.

## ***Finding #2 - State Agencies Are Not Receiving the Fuel Exception Reports***

OFMS has not been providing agencies with fuel card exception reports. The Office of Fleet Management Services Policies and Procedures Manual requires that all state agencies monitor fuel cards and ensure that the card is used only for appropriate purchases in conjunction with state business. This same manual requires ATOs to investigate and respond to OFMS within 15 days of notification of unusual fuel transactions. These exception reports flag fuel transactions for further review by the ATO and identify items such as:

- Fuel exceeding tank capacity.
- Invalid products being purchased.
- Fueling during off hours.
- Non fuel related purchases.

These items, along with the other items flagged in the report, allow the ATOs to monitor and detect fraudulent and wasteful transactions. Without these reports, individuals using the fuel cards fraudulently are more likely to continue their fraudulent activity undetected. OSIG found that 54,837 fuel card transactions (10%) were flagged as exceptions and should have been followed up on by the ATO for the period of July 1, 2018 – December 31, 2021. The 54,837 transactions accounted for over \$1.2 million in potential exceptions that were not reviewed by agencies to determine whether or not the transactions were legitimate. There is no historical reference to ascertain what percentage of these transactions, if any, are illegitimate.

This occurred because OFMS did not ensure that the distribution of fueling exception reports continued after the fuel manager, who had been distributing these reports, retired in 2019. After the position was vacated, OFMS agency personnel did not reassign this task and provide agencies with the tools necessary to ensure proper monitoring of agency fuel cards. This left agency personnel responsible for monitoring fuel cards unable to carry out this task. Without these exception reports, agencies have not been able to monitor fuel exceptions for fraudulent fueling transactions effectively for their agency-assigned Commonwealth fleet vehicles since 2019. Because they did not receive the report, nine of 16 ATOs interviewed claimed not to have any fuel discrepancies to review, with the remaining seven claiming fewer than 10 annually.

### **Recommendations:**

1. Reinstate the use of fuel card exception reports as follows:

- a. Distribute all fuel card exception reports for pool vehicles to the respective state agencies.
  - b. Require follow-up from agencies within 15 days of notification per OFMS policy.
  - c. Require follow-up from agencies on all transactions marked as exceptions in the fuel exception reports.
2. OFMS should review plans to ensure continuity of operations when employees leave.

***Management Response:***

Management agreed with the condition observed by OSIG and agreed with the recommendations as follows:

DGS corrected this immediately when it came to light during this audit. Since April, agency ATO's have received daily exception reports again.

***Management Corrective Action***

DGS reinstated the daily fuel card exception reports in April 2022. DGS will update internal policies to ensure continuity of operations by October 1, 2022.

***Finding #3 - OFMS Provides Limited Oversight of Fuel Card Exceptions***

Oversight is a key internal control that aids in preventing and detecting fraud from occurring and continuing. The OFMS Policies and Procedures Manual states that:

- OFMS is responsible for the management of the centralized fleet and for developing, administering, monitoring and enforcing all policies and procedures concerning vehicle assignment, utilization, maintenance, repair and replacement.
- The DGS Contract Administrator will electronically monitor all fuel card accounts in the program.
- OFMS will notify ATOS about unusual fuel transactions and ATOS will have 15 days to investigate and respond to the State Fleet Administrator.

OSIG found that OFMS relies on ATOS to monitor fuel transactions and does not enforce monitoring that would ensure that it occurs consistently at the agency level across the Commonwealth. Instead, each agency determines what, if any, monitoring and investigation it does on the agency's use of fuel cards. Without OFMS monitoring at the agency level or enforcing monitoring at the agency level, fraudulent activity with the fuel cards is more likely to occur and go undetected.

## **Recommendations:**

1. Implement statewide policies establishing minimum levels of required follow-up and reporting at the agency level and the statewide level, with statewide oversight managed by OFMS.
2. Implement statewide oversight by OFMS that includes the following:
  - a. Ensuring that ATOS follow-up and report back to OFMS the results of their follow up, and
  - b. Requiring periodic quality assurance sampling of fuel exceptions and verifying that the ATO researched and took proper actions where warranted.

## ***Management Response:***

Management did not agree with the condition observed by OSIG and did not agree with the recommendations as follows:

DGS does not agree with the conditions observed in this observation. The OFMS fleet policy states that fuel card purchases are monitored at the agency level as the agency has the responsibility to ensure proper use, review and approve exceptions, and take action as deemed appropriate by the agency if any misuse is identified. OFMS is not an expert on each agencies mission and needs, this is why the monitoring responsibility lies within the using agency. OFMS does review exception reports and will reach out to agencies if reoccurring exceptions are showing at a specific agency.

DGS does not agree with the recommendations stated in this observation as policy already exists for agency level monitoring and OFMS does review exception reports and reaches out to agencies to address repetitive offenders.

## ***OSIG's Follow-up to Management's Response:***

OSIG appreciates DGS' response to Finding 3. After reviewing DGS' response, OSIG provides the following context:

- The OFMS Policies and Procedures Manual requires ATOS to respond to OFMS regarding follow-up results for unusual fuel transactions, within 15 days of receipt of the exceptions. This implies that OFMS should evaluate the responses from ATOS to ensure proper follow-up is occurring.
- Minimum standards would allow agencies to identify reported exceptions that are acceptable in their agencies' normal operations while requiring agencies to follow up on exceptions outside of the identified range of normal operations. Agencies would be able to comply with established minimum requirements to ensure consistency of follow-up statewide to help protect against fraud, waste or abuse.

- Random quality assurance reviews of exception reports by DGS will help ensure that agencies are properly protecting the Commonwealth from potential fraud, waste or abuse of the fleet card usage.

### ***Finding #4 - The Billing Process for Fleet Vehicles is Inefficient***

OFMS oversees billing for agencies leasing fleet vehicles in the Commonwealth. The billing process is inefficient because OFMS staff manually prints and mails paper bills to agencies leasing fleet vehicles on a monthly basis. OSIG found that OFMS is printing and mailing just under 200 invoices a month. Billing is a consistent, predictable process that has the potential to reap time and cost savings if automated. OFMS has not designated the resources necessary to automate this billing process. This leaves OFMS staff with the administrative burden of manually completing the billing process.

#### **Recommendation:**

Automate the monthly billing process that OFMS completes manually, so that OFMS can allocate time and resources elsewhere to develop, administer and monitor the Commonwealth's fleet program.

#### ***Management Response:***

Management agreed with the condition observed by OSIG and agreed with the recommendation.

#### ***Management Corrective Action:***

DGS will work with our IT department and the Director's Office to determine a path forward to automating the monthly billing process by December 31, 2023.

## AUDIT RESULTS

This report presents the results of OSIG's audit of Fleet Management Services. OSIG performed the following audit testing with immaterial, if any, discrepancies noted:

- OFMS' disposal process was comparable with other selected states.
- OFMS disposes or rotates vehicles across state agencies in accordance with the vehicles' utilization requirements.
- OFMS analyzes Enterprise rental car data.
- A valid business need exists for vehicle purchases.

Based on the results and findings of the audit test work conducted of Fleet Management Services, OSIG concluded that internal controls were operating properly, except as identified in the report findings.

## DGS CORRECTIVE ACTION

Finding No.	Recommendation	Corrective Action	Deliverable	Estimated Completion Date	Responsible Position
1	<ol style="list-style-type: none"> <li>1. Develop, monitor and report periodically on a full range of performance metrics that measure the performance of all aspects of the Commonwealth's fleet program.</li> <li>2. Report a full range of relevant performance metrics externally to communicate the state of the Commonwealth's fleet program at least annually.</li> </ol>	DGS will review and update the fleet performance metrics.	Performance metrics.	12/31/22	Beth Cooley, DGS Fleet Director
2	<ol style="list-style-type: none"> <li>1. Reinstate the use of fuel card exception reports as follows:           <ol style="list-style-type: none"> <li>a. Distribute all fuel card exception reports for pool vehicles to the respective state agencies.</li> <li>b. Require follow-up from agencies within 15 days of notification per OFMS policy.</li> <li>c. Require follow-up from agencies on all transactions marked as exceptions in the fuel exception reports.</li> </ol> </li> </ol>	Reinstatement of daily fuel card exception reports. Update internal policies to ensure continuity of operations.	Reinstituted daily fuel card exception reports. 1.b & c is and has been in place. Updated internal policies regarding reporting to ensure continuity of operations.	#1 completed April 2022  Update to policies: 10/1/2022	Beth Cooley, DGS Fleet Director

	2. OFMS should review plans to ensure continuity of operations when employees leave.				
3	<p>1. Implement statewide policies establishing minimum levels of required follow-up and reporting at the agency level and the statewide level, with statewide oversight managed by OFMS.</p> <p>2. Implement statewide oversight by OFMS that includes the following:</p> <ul style="list-style-type: none"> <li>a. Ensuring that ATOs follow-up and report back to OFMS the results of their follow up, and</li> <li>b. Requiring periodic quality assurance sampling of fuel exceptions and verifying that the ATO researched and took proper actions where warranted.</li> </ul>	DGS' response to this finding stated that we do not agree with the recommendations as we have current policy in place for agency level monitoring and OFMS reviews exception reports and reaches out to agencies to address repetitive offenders. In addition, action requested is duplicate to Finding No. 2.b.			
4	Automate the monthly billing process that OFMS completes manually, so that OFMS can allocate time and resources elsewhere to develop, administer and monitor the Commonwealth's fleet program.	DGS will work with our IT department and the Director's Office to determine a path forward to automating the monthly billing process.	Automated monthly billing process.	12/31/2023	Beth Cooley, DGS Fleet Director  Pam Stephenson, Acting ISS Director