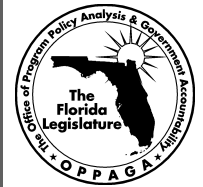




Office of Program Policy Analysis And Government Accountability



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Follow-Up Report on the Use of Assigned State Vehicles and Personal Vehicle Use by State Employees

Abstract

- Few agencies have revised their operating policies to reassign underutilized or inappropriately assigned passenger vehicles. The state could save \$2.3 million annually by changing its vehicle assignment policies.
- Four hundred employees continue to drive their personal vehicles in excess of 15,000 miles annually for state business. The state could save \$292,000 annually over the useful lives of the vehicles by providing state-owned vehicles to these employees because operating costs for state-owned vehicles are lower than the mileage reimbursement rate.

Purpose

In accordance with state law, this follow-up report informs the Legislature of actions taken by the Department of Management Services in response to two 1996 reports.^{1, 2} This report presents our assessment of the extent to which the department has addressed the 1996 findings and recommendations.

Background

The Department of Management Services, through its Support Program, is the principal state agency responsible for providing cost-effective motor vehicles to meet state agencies' transportation needs and to ensure efficient use of these vehicles. The state owns and operates a fleet of 23,600 vehicles with an acquisition cost of \$300 million and an annual operating cost

exceeding \$31 million. Although the Support Program assists state agencies with their transportation needs, the department has not established specific criteria for assigning vehicles to employees to assure maximum usage, but has delegated that authority to agency heads to make vehicle assignment decisions.

While some state employees are assigned state-owned vehicles to perform their jobs, many state employees use their own vehicles for state business and are reimbursed at a rate of 29 cents per mile. However, the operating costs over the useful life of state-owned vehicles are substantially lower than the mileage reimbursement rate when employees drive their personal vehicles in excess of 15,000 miles annually.

Prior Findings

Many state employees with assigned vehicles drive few miles for state business. Many state-owned vehicles are assigned to employees who drive fewer than 10,000 miles per year for state business, excluding commuting miles.³ Some of these vehicles are being used largely for employee commuting rather than job duties. Also, law enforcement staff who do not perform patrol functions typically are provided fully equipped pursuit vehicles; these vehicles are expensive to buy and are not needed for the employees to perform their duties. We estimated that the state could save \$2.3 million annually by requiring state agencies to reassign low-mileage cars, provide standard cars with portable emergency equipment to law enforcement staff who do

³ OPPAGA's review focused on Class C vehicles. Rule 60B-1, F.A.C., authorizes agency heads to assign vehicles to specific employees who use them during the day and drive the vehicles home at night. Class C vehicles may be assigned to specific positions as an employee benefit; to persons with law enforcement responsibilities subject to emergency calls from home; to persons who respond to emergency situations after working hours; and to persons whose official base of operation is their home.

¹ Section 11.45(7)(f), F.S.

² *Use of Assigned State Vehicles*, Report No. 96-03, July 29, 1996, and *Personal Vehicle Use by State Employees*, Report No. 96-12, October 16, 1996.

not routinely respond to emergency situations, and recover employee-commuting costs.⁴

The state could save money by providing state-owned vehicles to employees who drive personal vehicles more than 15,000 miles annually on state business. While many state employees occasionally use their personal vehicles for state travel, others drive their vehicles extensively for state business. We identified over 400 employees who use their personal vehicles in excess of 15,000 miles annually for state business and are reimbursed at a cost of 29 cents per mile.⁵ It would be more cost-effective to the state to provide vehicles to these employees because the operating costs for state-owned vehicles are lower than the mileage reimbursement rate when cars are driven extensively. We estimated that the state could save \$292,000 annually over the useful lives of the vehicles by providing state-owned vehicles to employees who drive personal cars over 15,000 miles annually for state business. The useful lives of these vehicles ranged from three years to six years, depending on the mileage driven.

Current Status

OPPAGA's recommendations for addressing reassignment of vehicles and personal vehicle use were made to the Legislature, the Executive Office of the Governor, and state agencies. Legislation was introduced during the 1998 Session but did not pass to revise statutory guidelines for the assignment of state-owned vehicles.⁶

In the absence of a statutory change, four of the ten agencies in our study having Class C vehicles revised their operating policies to reassign underutilized or inappropriately assigned state-owned passenger vehicles to assure maximum vehicle utilization.⁷ Many state employees continue to use personal vehicles for extensive state-business related driving when state-owned vehicles would be more cost effective. Our follow-up identified

⁴ The estimated savings are based on providing vehicles with a five-year useful life to law enforcement managers; reducing the number of assigned low-mileage vehicles with a six-year useful life, and recovering employee commuter cost at 29 cents per mile.

⁵ For these 400 plus employees, the annual mileage ranged from 15,000 miles to over 40,000 miles.

⁶ Senate Bill 822 was passed by the Senate, but did not pass the House.

over 400 employees in seven agencies who were reimbursed for driving personal vehicles more than 15,000 miles for state business during Fiscal Year 1996-97.⁸

Recommendations

OPPAGA continues to recommend that the Legislature change the basis for assigning state-owned vehicles to employees. Implementation of the following recommendations could achieve cost savings for the state.

The Legislature should develop specific statutory criteria for agency vehicle assignments. These criteria should provide that vehicles must be driven a minimum number of miles, excluding commuting mileage, on state business unless extenuating circumstances exist. Additionally, the criteria should provide that law enforcement managers be assigned standard sedans with portable emergency lights unless they can justify the need for pursuit vehicles.

The Legislature should also require by statute that employees with assigned vehicles reimburse the state for their commuting use of the vehicles. Agencies should be directed to give priority for vehicle assignments to employees who currently are reimbursed for driving their personal cars extensively for state business when it is more cost-effective for the state to do so.

The Executive Office of the Governor and the Legislature should revise the legislative budget request instructions to require agencies to provide information in their budget requests on the utilization of assigned Class C vehicles. Agencies should report the mileage of these vehicles and the percentage of use attributed to commuting. Agencies should also report the number of employees driving personal vehicles more than 15,000 miles annually for state business. This will allow the Governor's Office and the Legislature to consider this information when evaluating agency-funding requests for vehicle acquisitions.

⁷ The Departments of Business and Professional Regulation, Corrections, Environmental Protection, and Transportation revised their vehicle assignment policies.

⁸ These agencies are the Departments of Agriculture and Consumer Services, Insurance, Corrections, Revenue, Juvenile Justice, and Health and Rehabilitative Services.

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