THE FLORIDA LEGISLATURE Report No. 98-42

Office of
Program Policy Analysis
And Government Accountability

John W. Turcotte, Director

January 1999

Follow-Up Review on the Equipment Management Information System

Abstract

- **The Department of Management Services has taken some steps to enhance the Equipment Management Information System (EMIS) to meet agency fleet management needs. These steps have resulted in more agencies being satisfied with the performance of the current EMIS system. However, an improved system is still needed to assist agencies with their fleet management needs.**
- **The 1998 Legislature appropriated $300,000 for the Department of Management Services to redesign EMIS. The department concluded through its research that redesigning EMIS would be more cost-effective than buying commercial fleet management software. However, the State Council on Competitive Government is still considering competitive bidding for a new system.**

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 a 1996 OPPAGA report.[1, 2] This report presents our assessment of the extent to which the department has addressed our 1996 report's findings and recommendations.

Background

The Equipment Management Information System (EMIS) is a computer-based system that maintains data on motor vehicles owned by Florida state agencies, including cars, trucks, vans, heavy equipment, and watercraft. DMS began using the system in 1974. EMIS is designed to provide accountability for equipment use and expenditures, and to provide agency management with useful information for operating and managing a cost-effective and efficient state vehicle fleet. EMIS has over 900 on-line users.

DMS charges agencies $21 per year for each vehicle listed in EMIS. These fees are deposited into the Motor Vehicle Operating Trust Fund to support EMIS. In Fiscal Year 1997-98 DMS collected $498,730 in fees and expended $287,965 to operate EMIS.

Prior Findings

Many agencies were not satisfied with the performance of EMIS and were not using the system as their primary source of fleet management information. Even through EMIS is intended to serve as the state's primary fleet management system, over half of the agencies we contacted in 1996 (14 of 25) indicated that EMIS did not meet their fleet management needs. Agency managers cited three common problems. First, EMIS was difficult to use and did not provide the information agencies need. Second, EMIS's reports were untimely, outdated, and could not be used by management for scheduling critical fleet

[1] Section 11.45(7)(f), F.S.

[2] *Review of the Equipment Management Information System (EMIS),* Report No. 96-02, July 29, 1996.

management tasks such as preventative maintenance. Finally, agency staff were reluctant to use EMIS's reports because they believed the data were inaccurate and unreliable.[3]

However, three of the largest agencies were generally satisfied with EMIS. These agencies controlled almost 60% of the motor vehicles tracked by EMIS and reported that they regularly use the system for fleet management tasks. These agencies are the Department of Corrections, Department of Environmental Protection and Department of Transportation. OPPAGA concluded that the department could increase agencies' satisfaction of EMIS by soliciting agency input through user surveys and advisory groups, providing additional training for agency staff, and revising the EMIS billing structure to more equitably allocate system costs to agencies.

DMS had taken some steps to address agency concerns with EMIS, but could do more to reduce costs and make the system more useful to agencies.

At the time of our prior report, DMS had taken some steps to address agencies' problems and concerns. For example, DMS had enabled agencies to print their own reports and had established procedures to help improve data timeliness and accuracy.

Even though DMS improved EMIS by taking these steps, we concluded that a better long-term solution would be to redesign EMIS or to purchase a new system that would provide adequate fleet management information at a lower operating cost. EMIS is an old computer application that is expensive to operate, primarily because it operates on a mainframe computer system.[4] A more modern system should be easier for agencies to use, have more capabilities, and have lower operating costs. Other states reported using commercial fleet management software to manage their motor vehicle fleets.[5] OPPAGA recommended that the Department of Management Services and the State Council on Competitive Government develop specifications and issue a bid for a commercial fleet management system.

Current Status

The Department of Management Services has taken some steps, such as conducting user surveys and soliciting input from agencies, to enhance EMIS to meet agency fleet management needs. These steps have resulted in more agencies being satisfied with the performance of the current EMIS system. However, an improved system is still needed to assist agencies with their fleet management needs.

DMS has researched the feasibility of replacing EMIS with commercial fleet management software during the past year. DMS considered three options: purchase a commercial fleet management system, purchase and modify a commercial system, or redesign EMIS. Upon completion of the research, DMS recommended the redesign of EMIS. DMS staff reported that EMIS's redesign would benefit the state by developing a more efficient database for fleet vehicle management, providing user-friendly features for agencies to input data, reducing data processing charges to agencies, and making the application accessible through the state's intranet. DMS then submitted a proposal for $300,000 to redesign EMIS in its Fiscal Year 1998-99 Legislative Budget Request, which was subsequently approved by the Legislature.

However, DMS has not conducted a cost-benefit analysis or completed a plan of action for redesigning EMIS. Such an analysis and plan would provide the Office of the Governor and the Legislature with a timetable for completing the redesign and detail projected hardware, software, and maintenance costs. DMS staff indicated that a strategic plan and cost-benefit analysis would be

[3] DMS staff acknowledged that there were problems with EMIS's data, but noted that agencies were responsible for the quality of data entered into the system.

[4] In Fiscal Year 1997-98, EMIS cost $287,965 to operate, which includes mainframe charges of $125,798 or 44% of the operating cost.

[5] The states that are cited in the *Review of the Equipment Management Information System*, Report No. 96-02, July 29, 1996, reported acquiring PC-based systems ranging from $100,000 to $150,000 to manage fleets of 28,000 vehicles.

completed in February 1999 for the first phase of the project. The redesign is scheduled for completion by year 2001.

During the past fiscal year, DMS has implemented several enhancements to EMIS to better meet agencies' needs. DMS conducts training for EMIS users as they come-on-line or at the request of users. Also, DMS is in the process of conducting a customer survey on the performance of EMIS. DMS staff reported that due to the enhancements, more state agencies seem satisfied with EMIS than in the past.

However, DMS has not implemented our prior recommendations to establish a user advisory group and revise EMIS's billing structure to more equitably allocate system costs to agencies. DMS staff indicated that they would evaluate EMIS's billing costs after the trust fund has been reimbursed for the $300,000 to redesign EMIS.

The Governor and Cabinet approved the Equipment Management Information System for competitive bidding on December 10, 1996. However, staff of the State Council on Competitive Government indicate that they are currently in the process of assembling an interagency work group to define the scope and develop bid specifications for a commercial fleet management system to be considered at a future Cabinet meeting.

OPPAGA believes that the Department of Management Services should give priority to redesigning EMIS using the $300,000 that the Legislature appropriated for this purpose. To provide accountability for the resources appropriated to redesign EMIS, the department should conduct a cost-benefit analysis and develop an implementation plan specifying time frames for completing various project phases and the projected hardware, software, and maintenance costs. This analysis and plan will provide the Office of the Governor and the Legislature with basis for evaluating the department's performance in redesigning EMIS.

OPPAGA also believes that the department should continue to solicit state agencies' input regarding EMIS's redesign and use this information to develop a functional fleet management system that meets the needs of state agencies. The Department of Management Services Inspector General or the Technology Review Workgroup should perform an oversight function of EMIS's redesign. The Technology Review Workgroup is responsible for oversight with respect to information resources management initiatives or projects that involve more than one agency, an outcome that impacts another agency or exceed $500,000 in total cost over a one-year period. Such function should include reviewing and monitoring the progress of the redesign of EMIS to ensure the plan's full implementation by the Year 2001. This would help ensure that a redesigned EMIS will improve the state's ability to effectively manage its motor vehicle fleet.

The Florida Legislature

Office of Program Policy Analysis and Government Accountability

Visit *The Florida Monitor*, OPPAGA's online service. This site monitors the performance and accountability of Florida government by making OPPAGA's four primary products available online.

- OPPAGA Publications and Contracted Reviews, such as policy analyses and performance reviews, assess the efficiency and effectiveness of state policies and programs and recommend improvements for Florida government.

- Performance-Based Program Budgeting (PB^2) Reports and Information offer a variety of tools. Program Evaluation and Justification Reviews assess state programs operating under performance-based program budgeting. Also offered is performance measures information and our assessments of measures.

- Florida Government Accountability Report (FGAR) is an Internet encyclopedia of Florida state government. FGAR offers concise information about state programs, policy issues, and performance. Check out the ratings of the accountability systems of 13 state programs.

- Best Financial Management Practice Reviews for Florida School Districts. OPPAGA and the Auditor General jointly conduct reviews to determine if a school district is using best financial management practices to help school districts meet the challenge of educating their students in a cost-efficient manner.

OPPAGA provides objective, independent, professional analyses of state policies and services to assist the Florida Legislature in decision-making, to ensure government accountability, and to recommend the best use of public resources. This project was conducted in accordance with applicable evaluation standards. Copies of this report in print or alternate accessible format may be obtained by telephone (850/488-0021 or 800/531-2477), by FAX (850/487-3804), in person (Claude Pepper Building, Room 312, 111 W. Madison St.), or by mail (OPPAGA Report Production, P.O. Box 1735, Tallahassee, FL 32302).

The Florida Monitor: **http://www.oppaga.state.fl.us/**

Project supervised by: Thomas Roth (850/488-1024) Project conducted by: Cleo G. Johnson (850/487-2283)