



Office of Audits
Office of Inspector General
U.S. General Services Administration

GSA's Process for Allocating Vehicles Needs to be Improved

*Report Number A140009/O/R/F15003
February 20, 2015*



Office of Audits
Office of Inspector General
U.S. General Services Administration

REPORT ABSTRACT

OBJECTIVES

To determine if: (1) the Office of Administrative Services completed GSA's vehicle allocation methodology in accordance with GSA Bulletin Federal Management Regulation B-30; and (2) controls are in place to ensure that the Office of Administrative Services enters accurate vehicle allocation methodology data, for GSA vehicles, into the Federal Automotive Statistical Tool system.

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WHAT WE FOUND

We identified the following during our audit:

Finding 1 – Current vehicle allocation methodology processes may hinder GSA's internal fleet removal and replacement decisions.

Finding 2 – Current vehicle allocation methodology duties and responsibilities within the Office of Administrative Services could lead to inaccurate proposals for vehicle removal and replacement and fleet reports.

WHAT WE RECOMMEND

Based on our audit findings, we recommend the Chief Administrative Services Officer:

1. Develop, implement, and document processes to increase Vehicle Utilization Survey response rates and ensure adequate follow-up with non-respondents, while documenting any follow-up activities in the GSA Fleet Drive Thru system.
2. Conduct an assessment to determine the program impact of having numerous vehicle allocation methodology duties and responsibilities performed by one individual. If resource constraints limit the ability to effectively segregate these duties, develop, implement, document, and monitor compensating controls.

MANAGEMENT COMMENTS


The Office of Administrative Services concurred with the findings and recommendations in this report. Management's written comments to the draft report are included in their entirety as **Appendix B**.



**Office of Audits
Office of Inspector General
U.S. General Services Administration**

DATE: February 20, 2015

TO: Cynthia A. Metzler
Chief Administrative Services Officer (H)

FROM: Michelle L. Westrup 
Audit Manager, Program Audit Office (JA-R)

SUBJECT: GSA's Process for Allocating Vehicles Needs to be Improved
Report Number A140009/O/R/F15003

This report presents the results of our audit of GSA's vehicle allocation methodology. Our findings and recommendations are summarized in the Report Abstract. Instructions regarding the audit resolution process can be found in the email that transmitted this report.

Your written comments to the draft report are included in **Appendix B** of this report.

If you have any questions regarding this report, please contact me or any member of the audit team at the following:

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On behalf of the audit team, I would like to thank you and your staff for your assistance during this audit.

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Introduction

On May 24, 2011, the White House released Presidential Memorandum *Federal Fleet Performance*. This memorandum requires all federal agencies to determine their optimal fleet inventory using a vehicle allocation methodology developed by GSA. The purpose of the vehicle allocation methodology is to assist federal fleet managers in the elimination of unnecessary or non-essential vehicles from fleet inventories, as well as to assist agencies with vehicle purchase and lease selections. Agencies are required to achieve their optimal inventories by December 31, 2015.

In response to the presidential memorandum, GSA's Office of Governmentwide Policy issued GSA Bulletin Federal Management Regulation (FMR) B-30 – *Motor Vehicle Management*, on August 22, 2011. It outlines the steps required for agencies to develop their individual, annual vehicle allocation methodologies. Agencies' methodologies must include provisions to: (1) establish a baseline fleet inventory that tracks vehicles individually, (2) develop vehicle use criteria to justify mission-essential vehicles, (3) conduct an annual Vehicle Utilization Survey, (4) determine optimal fleet inventory, and (5) review and update the vehicle allocation methodology at least annually. After completing these steps, agencies must submit an optimal fleet attainment plan and a fleet management plan¹ to the Office of Governmentwide Policy through the Federal Automotive Statistical Tool (FAST) system.²

GSA's Office of Administrative Services (OAS) is responsible for completing the vehicle allocation methodology for GSA's internal fleet. This audit focused on the Office of Administrative Services' processes to complete GSA's fiscal year (FY) 2013 vehicle allocation methodology.

Objectives

Our audit objectives were to determine if: (1) OAS completed GSA's vehicle allocation methodology in accordance with GSA Bulletin FMR B-30; and (2) controls are in place to ensure that OAS enters accurate vehicle allocation methodology data, for GSA vehicles, into FAST.

See **Appendix A** – Purpose, Scope, and Methodology for additional details.

¹ GSA's annual fleet management plan outlines the Agency's core mission, organizational and geographic structure, and how the fleet is configured to support its mission. This includes an explanation of how GSA's vehicles are primarily used, measurable changes in its fleet size compared to GSA's annual vehicle allocation methodology projection targets, and how GSA will achieve its optimal fleet inventory.

² FAST is a web-based application that collects motor vehicle fleet-related data from federal agencies to satisfy several distinct but overlapping federal reporting requirements. It is jointly funded and managed by GSA's Office of Governmentwide Policy, the Department of Energy, and the Energy Information Administration.

Results

OAS completed GSA's vehicle allocation methodology in accordance with GSA Bulletin FMR B-30. In fact, GSA achieved its initial vehicle reduction goal of 4 percent with an approximately 17 percent reduction of its internal fleet from a baseline level. In addition, controls are in place to help ensure that OAS enters accurate vehicle allocation methodology data, for GSA vehicles, into FAST.³ However, we identified improvements that can be made for future vehicle allocation methodology processes.

Finding 1 – Current vehicle allocation methodology processes may hinder GSA's internal fleet removal and replacement decisions.

OAS did not receive Vehicle Utilization Survey data for a substantial number of the surveys issued for GSA internal fleet vehicles.⁴ In addition, OAS did not adequately document follow-up activities performed for non-respondents. As a result, OAS may not have sufficient information necessary to make effective proposals for fleet removal and replacement decisions.

OAS did not receive Vehicle Utilization Survey data for approximately 25 percent (284 of 1,141) of the surveys issued for GSA internal fleet vehicles. In an effort to increase survey responsiveness, OAS extended the Vehicle Utilization Survey deadline by approximately 4 weeks and sent a series of follow-up emails and reminders to non-respondents. OAS advised survey recipients that non-responses would have adverse effects on vehicle retention and replacement decisions; however, we did not identify any consequences for non-respondents. While GSA Bulletin FMR B-30 does not outline any requirements for survey response rates or the handling of survey non-respondents, increased data completeness would provide OAS with enhanced fleet information.

Furthermore, OAS did not adequately document follow-up activities for the vehicles associated with non-respondent surveys. GSA's fleet management system, GSA Fleet Drive Thru (Drive Thru), serves as the repository for information on GSA's fleet, including but not limited to, documentation of follow-up activities and discussions between OAS and each vehicle's point of contact.⁵ However, Drive Thru did not contain documented follow-up for approximately 65 percent of the vehicles associated with non-

³ FAST controls include automated data entry logic checks, automated data entry completion checks, and manual FAST personnel data checks. Data entry templates, data entry guidance, and data entry trainings are also available on the FAST log-in webpage.

⁴ GSA Bulletin FMR B-30 requires each agency to conduct an annual utilization survey for every vehicle in its fleet. The survey obtains specific data such as the number of miles driven and trips taken. The survey also seeks to obtain various subjective information including, but not limited to, the tasks the vehicle accomplishes, the importance of the vehicle to mission completion, and the alternatives to using the vehicle. This information can provide valuable insight into how each vehicle is used in support of the agency's mission.

⁵ Discussions are captured in the Customer Acquisition Module of Drive Thru. The Customer Acquisition Module was implemented in FY 2013.

respondent surveys.⁶ This is noncompliant with the U.S. Government Accountability Office's GAO/AIMD-00-21.3.1 – *Standards for Internal Control in the Federal Government* which states, "...significant events need to be clearly documented, and the documentation should be readily available for examination."

As the vehicle usage data obtained from these surveys is used for internal fleet management, OAS should make every effort to ensure that all surveys are completed and submitted within the required timeframes. Furthermore, OAS should take steps to maintain complete documentation of follow-up activities. Comprehensive vehicle data will enable OAS to develop more informed proposals for vehicle removal and replacement. This will allow GSA to more effectively assess and manage the internal fleet's current status and future needs.

Recommendation 1

We recommend that the Chief Administrative Services Officer develop, implement, and document processes to increase Vehicle Utilization Survey response rates and ensure adequate follow-up with non-respondents, while documenting any follow-up activities in the GSA Fleet Drive Thru system.

Management Comments

The Chief Administrative Services Officer for the Office of Administrative Services agreed with this finding and recommendation. Management's written comments to the draft report are included in their entirety as **Appendix B**.

Finding 2 – Current vehicle allocation methodology duties and responsibilities within the Office of Administrative Services could lead to inaccurate proposals for vehicle removal and replacement and fleet reports.

The OAS program lead is responsible for the majority of key tasks related to the vehicle allocation methodology. From a staffing standpoint, having the majority of key tasks completed by one individual may be efficient; however, it may negatively affect the quality of information needed by GSA management to support vehicle removal and replacement decisions. During our audit, we did not find any negative effects of the program lead's current responsibilities. However, the U.S. Government Accountability Office's GAO/AIMD-00-21.3.1 – *Standards for Internal Control in the Federal Government* states:

Key duties and responsibilities need to be divided or segregated among different people to reduce the risk of error or fraud. This should include separating the responsibilities for authorizing transactions, processing and recording them, reviewing the transactions, and handling any related

⁶ Of the 284 vehicles associated with non-respondent surveys, the Customer Acquisition Module only had comment capabilities for the 150 vehicles acquired in or after FY 2013. Of those 150 vehicles, the Customer Acquisition Module contained no comments for 97 vehicles.

assets. No one individual should control all key aspects of a transaction or event.

The program lead for the vehicle allocation methodology is responsible for following up with vehicle points of contact regarding Vehicle Utilization Survey results. Using the results of the survey and follow-up, the program lead determines GSA's current vehicle needs and proposes vehicle removals and replacements to the Federal Acquisition Service. We did not find any negative effects of the current process. However, OAS should take steps to minimize the risk of potential issues associated with vehicle removal and replacement proposals resulting from one individual handling so many related responsibilities.

In addition, the program lead has multiple interrelated responsibilities in FAST. The program lead is responsible for entering GSA's vehicle allocation methodology data into FAST. The program lead also has administrative rights in FAST and is GSA's FAST help desk representative, responsible for providing GSA users with system access (a user identification and password). This gives one individual the ability to: (1) define the Agency's FAST reporting hierarchy;⁷ (2) manage FAST user accounts; (3) manage fleet data submission deadlines; (4) enter Agency-level data; and (5) review, validate, and approve FAST data. FAST has data entry quality assurance controls in place; however, having one individual responsible for so many key tasks reduces the effectiveness of those controls. Therefore, it is essential to establish programmatic segregation of duties to ensure that appropriate checks and balances exist between key system responsibilities for the vehicle allocation methodology process. Otherwise, OAS runs the risk of inaccurate or altered vehicle fleet reporting into FAST.

Recommendation 2

We recommend that the Chief Administrative Services Officer conduct an assessment to determine the program impact of having numerous vehicle allocation methodology duties and responsibilities performed by one individual. If resource constraints limit the ability to effectively segregate these duties, develop, implement, document, and monitor compensating controls.

Management Comments

The Chief Administrative Services Officer for the Office of Administrative Services agreed with this finding and recommendation. Management's written comments to the draft report are included in their entirety as **Appendix B**.

⁷ FAST supports several different levels of users. The level determines what the user can access and complete within the system.

Conclusion

OAS completed GSA's vehicle allocation methodology in accordance with GSA Bulletin FMR B-30. In addition, controls are in place to help ensure that OAS enters accurate vehicle allocation methodology data, for GSA vehicles, into FAST. However, we identified improvements that can be made for future vehicle allocation methodology processes.

First, OAS' processes to perform the vehicle allocation methodology may inhibit effective decision-making on GSA's internal fleet. Processes should be developed to increase survey response rates. OAS should also take steps to perform and document follow-up activities with non-respondents. Second, the majority of key tasks in completing GSA's vehicle allocation methodology are the responsibility of one individual. Therefore, OAS should assess the current duties and responsibilities related to the vehicle allocation methodology and determine whether additional, compensating controls are necessary.

Appendix A – Purpose, Scope, and Methodology

Purpose

This audit was included in the GSA Office of Inspector General's FY 2014 Audit Plan.

Scope and Methodology

The audit scope was limited to GSA's FY 2013 vehicle allocation methodology, which was performed by OAS from December 2012 through March 2013.

To accomplish our objectives, we:

- Reviewed vehicle allocation methodology guidance issued by the Office of Governmentwide Policy;
- Reviewed federal standards for internal control issued by the U.S. Government Accountability Office;
- Evaluated OAS' processes for completing GSA's vehicle allocation methodology;
- Reviewed Vehicle Utilization Survey questions and responses;
- Evaluated user access and functionality of systems used in completing GSA's vehicle allocation methodology;
- Interviewed the program lead for GSA's vehicle allocation methodology;
- Obtained input from Office of Governmentwide Policy personnel regarding FAST; and
- Interviewed Federal Acquisition Service personnel regarding Drive Thru.⁸

We conducted the audit between January and July 2014 in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

Internal Controls

The scope of our work was limited to addressing the objectives of this audit. Thus, our assessment and evaluation of internal controls was restricted to those issues identified in the Results sections of this report.

⁸ Drive Thru is managed by GSA's Federal Acquisition Service.

Appendix B – Management Comments



Office of Administrative Services

January 27, 2015

MEMORANDUM FOR MARISA A. ROINSTAD
ASSOCIATE DEPUTY ASSISTANT INSPECTOR GENERAL
FOR AUDITING PROGRAM AUDIT OFFICE (JA-R)

FROM: CYNTHIA A. METZLER 
CHIEF ADMINISTRATIVE SERVICES OFFICER (H)

SUBJECT: GSA's Process for Auditing Vehicles Needs to be Improved
Report Number A140009

I am writing in response to the Office of Inspector General's draft audit on "GSA's Process for Auditing Vehicles Needs to be Improved."

The Office of Administrative Services (OAS) has reviewed the draft report and agrees with the findings and recommendations cited in the report. OAS will take the necessary actions to address those two recommendations.

If you have any questions, please do not hesitate to contact me at cynthia.metzler@gsa.gov or (202) 357-9697 or Maureen McKenna, Program Analyst – Fleet Program at maureen.mckenna@gsa.gov or (202) 501-0024.

cc: GAO/IG Audit Response Division (H1C)

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Appendix C – Report Distribution

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