



September 5, 2019

MEMORANDUM FOR: Thomas F. Gilman
Chief Financial Officer and Assistant Secretary for Administration

Carol N. Rice

FROM: Carol N. Rice
Assistant Inspector General for Audit and Evaluation

SUBJECT: *Management Alert: Inaccurate and Incomplete Fleet Inventory Data*
Final Memorandum No. OIG-19-024-M

Attached is a management alert related to our audit of the Department of Commerce's (Department's) fleet management practices. On July 17, 2018, we initiated an audit with the objective to determine whether the Department's fleet program operates in accordance with applicable federal fleet requirements for vehicle operations, acquisitions, and utilization.

While conducting data analysis for the audit, we noticed problems with the accuracy and completeness of the Department's fleet inventory. Specifically, we observed that vehicle records in Sunflower—the Department's personal property management system—are incomplete and inaccurate. We also observed inconsistencies in the Department's annual Federal Automotive Statistical Tool report to the General Services Administration in fiscal years 2017 and 2018.

We will be posting the management alert on our website. While we are not requesting a formal response to this management alert, we do plan to include the information in a full audit report to be issued at a later date.

The subsequent audit report may comment on the actions taken by your office to address the issues identified here, and a final version of that report will be posted in accordance with sections 4 and 8M of the Inspector General Act of 1978, as amended (5 U.S.C. App., §§ 4 & 8M).

We appreciate the cooperation and courtesies extended to us by your staff during our fieldwork. If you have any questions or concerns about this memorandum, please call me at (202) 482-6020 or Patricia McBarnette, Audit Director, at (202) 482-3391.

Attachment

cc: MaryAnn Mausser, Audit Liaison, Office of Acquisition Management



Management Alert

Inaccurate and Incomplete Fleet Inventory Data

September 5, 2019

Final Memorandum No. OIG-19-024-M

Key Issue

The Department of Commerce (Department) is not maintaining a complete and accurate inventory of vehicles in its fleet management information system (FMIS). This hinders the Department and its bureaus from maintaining proper oversight of their respective fleets and reporting accurate vehicle information to outside stakeholders.

Background

We initiated this audit in response to the United States Senate Committee on Appropriations requirement that our office conduct an audit of the Department's fleet management practices.¹ The objective of the audit is to determine whether the Department's fleet program operates in accordance with applicable federal fleet requirements for vehicle operations, acquisitions, and utilization. Our audit procedures include following up on the Department's actions related to previously issued OIG reports that are relevant to the objective.

On October 27, 2010, we issued an audit report to the Department titled *Commerce Should Strengthen Accountability and Internal Controls in Its Motor Pool Operations*.² We found that the Department did not provide adequate oversight of motor pool vehicle inventory, activity, or cost. To address this issue, we recommended that the Department develop a centralized FMIS for all fleet vehicle inventory that enables management to monitor—and provide adequate oversight over—the usage of motor pool vehicles and costs associated with each vehicle, whether agency-owned, leased commercially, or via the General Services Administration (GSA). In addition to our recommendation, the *Federal Management Regulation*, part 102-34, "Motor Vehicle Management," requires the Department to have a fleet management information system that identifies and collects accurate inventory data that covers the life cycle of each motor vehicle.³

¹ Departments of Commerce and Justice, Science, and Related Agencies Appropriations Bill, 2017, S. Rept. 114-239, p. 6 (2016).
Departments of Commerce and Justice, Science, and Related Agencies Appropriations Bill, 2018, S. Rept. 115-139, p. 6 (2017).

² U.S. Department of Commerce Office of Inspector General, October 27, 2010. *Commerce Should Strengthen Accountability and Internal Controls in Its Motor Pool Operations*, OIG-11-004-A. Washington, DC: DOC OIG.

³ *Do we need a fleet management information system?* 41 C.F.R. § 102-34.340.

In response to our recommendation, in January 2013, the Department deployed an FMIS called *Fleet Solutions*, a dedicated fleet module within Sunflower, the Department’s property management system of record for all fleet assets. The Department’s *Personal Property Management Manual* states that the Department and bureau-level fleet managers are responsible for “ensuring [Department] vehicle data is accurate and up-to-date” in the FMIS.⁴ To maintain the fleet inventory, vehicle asset data are required to be entered into Sunflower within 45 days of acquisition.⁵ Upon entry in Sunflower, the vehicle asset data automatically populate Fleet Solutions, which also interfaces with fuel purchase data from fleet charge cards and leasing data from GSA. Fleet Solutions data are available to fleet managers to generate reports and oversee their respective fleets.

As an FMIS, Fleet Solutions is required to satisfy the Department’s internal and external reporting requirements,⁶ including the Department’s annual reporting of vehicle-level data to GSA via the Federal Automotive Statistical Tool (FAST).⁷ The Departmental FAST data are prepared by bureau fleet managers, submitted to the Departmental fleet manager for review, and then uploaded by the Departmental fleet manager to GSA. GSA uses this information to compile the annual *Federal Fleet Report* for the federal government.⁸

Our Observations to Date

According to a Departmental official, the annual FAST reports contain the most accurate Departmental vehicle inventory information available because vehicle information is missing from Sunflower. The fiscal year (FY) 2018 FAST report showed that the Department had 2,188 vehicles during FY 2018.

Table I. Summary of Department’s FY 2018 Vehicles in Sunflower and FAST Reports^a

Data Point	Number of Vehicles
Number of unique vehicles found in Sunflower	1,938
Number of vehicles in FAST report not found in Sunflower	250
Total vehicles reported to GSA in FY 2018 FAST report	2,188

Source: OIG analysis of Departmental data

^a As part of the audit, we obtained a download of all Departmental assets in Sunflower as of October 1, 2018, as well as the Department’s FY 2017 and FY 2018 FAST reports. We reviewed the vehicle data in the Sunflower download and compared the vehicle identification numbers (VINs) in the FY 2018 FAST report to the Sunflower vehicle data. We also compared vehicle data in the FY 2018 and FY 2017 FAST reports. Department and bureau fleet management were provided opportunities to explain discrepancies found.

Our audit work confirms that, although the Department has implemented Fleet Solutions, the vehicle data in that system (the Department’s system of record) is incomplete and inaccurate (see table I). We also

⁴ U.S. Department of Commerce Office of Financial Management, December 5, 2017. *Department of Commerce Personal Property Management Manual*. Washington, DC: DOC OFM, pp. 130-131.

⁵ *Ibid.* at p. 65.

⁶ *Do we need a fleet management information system?* 41 C.F.R. § 102-34.340(b).

⁷ *How do I submit information to the General Services Administration (GSA) for the Federal Fleet Report (FFR)?* 41 C.F.R. § 102-34.335.

⁸ *What is the Federal Fleet Report?* 41 C.F.R. § 102-34.330.

observed inconsistencies in the FY 2017 and FY 2018 FAST reports. Specifically, we observed the following data issues with Sunflower and the FAST reports:

- *Vehicle records in Sunflower are incomplete.* Specifically, we found that 250 vehicles that were reported to GSA in the FY 2018 FAST report could not be matched to a record in Sunflower as of October 1, 2018.
- *Vehicle records in Sunflower are inaccurate.* For example:
 - 15 vehicles were entered into Sunflower multiple times; thus, there was more than one unique barcode number⁹ associated with the VIN in Sunflower.
 - 11 vehicles had typographical errors in the VINs in Sunflower.
 - At least 2 retired vehicles were never entered into Sunflower during their entire asset lifecycle.
 - 1 vehicle disposed of in January 2013 was not retired in Sunflower until November 28, 2018. Additionally, the replacement vehicle was not recorded in Sunflower until 5 years after its acquisition.
- *Vehicle data were not reported consistently to GSA in FYs 2017 and 2018.* For example:
 - 3 vehicles were acquired prior to FY 2017, yet they only appeared on the FY 2018 report and not the FY 2017 report.
 - 20 vehicles were not included on the FY 2018 FAST report, despite not having a disposal date noted on the FY 2017 FAST report.

Our Future Work

We will complete our audit of the Department's fleet management practices. The information in this management alert will be included in the related audit report—and will contain recommendations, along with any Departmental action taken in response to this alert.

⁹ A barcode number is assigned to an asset when it is entered into Sunflower and is used to track that unique asset.