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State Comptroller Finds Inadequate Management of State Vehicles at Department of Children and Families

Audit makes 18 recommendations to eliminate waste and improve vehicle operations

The state's Department of Children and Families (DCF) failed to properly manage the assignment and usage of its fleet of 2,900 vehicles, leaving taxpayers to cover the cost of parking tickets, suspect gasoline usage, and a series of other expenses that could have been avoided, according to an audit released today by the Office of the State Comptroller (OSC).

The audit found DCF is often unaware of basic information about its vehicles, from how much each car is being used to the identity of the driver or even the local DCF office to which each vehicle is assigned. The poor recordkeeping has led to a series of problematic consequences, rendering DCF unable to recoup parking-ticket fines from responsible employees and precluding DCF from obtaining compensation from third parties who are at fault in accidents involving DCF vehicles.

"Even in the best of economic times, taxpayer money should not be used to pay for parking tickets received by state employees," State Comptroller Matthew Boxer said. "Throughout this audit, we see instances where inadequate recordkeeping comes with a price tag. The good news is the department is moving aggressively to put a proper system in place."

The audit includes 18 recommendations for improving DCF's fleet operations. In its written response to the audit, DCF stated that the department is committed to complying with all of the recommendations contained in the audit. The department is in the process of developing a new fleet management system, which it expects will be fully operational by July of this year.

Among the audit's findings:

- DCF employees paid for only 18% of the parking fines charged to DCF vehicles over a two and one-half year period, a far smaller percentage of reimbursement than was found at other executive branch departments. In total, DCF's 2,879 vehicle fleet received 1,619 parking violations over that period, with public dollars being used to pay more than $60,000 in such fines. In most instances, DCF could not seek reimbursement because it could not identify the driver of the ticketed vehicle.

- Incomplete records have left the state's Central Motor Pool unable to determine if DCF has an appropriate number of total vehicles. For example, DCF did not submit to the Central Motor Pool required monthly mileage reports in 263 of the 835 instances OSC auditors tested. OSC attempted to independently determine if a reduction in fleet would be appropriate, but the absence of relevant documentation made a responsible assessment impossible.

- While other executive branch departments filed accident reports 95 percent of the time, DCF filed reports for only 759 of the 1,102 accidents involving DCF vehicles (69 percent). Without such reports, the state is unable to seek reimbursement from third-party drivers who may be at fault in many of these instances. In total, over $2.7 million in repair costs were assessed to DCF vehicles over the two and one-half year period reviewed.

- The state fueling system used by DCF does not require any method of validation, allowing numerous vehicles to fuel consecutively with the same access card and potentially allowing non-state vehicles to receive fuel improperly. A review of DCF vehicles receiving fuel twice in the same day found hundreds of transactions that were suspect based on the time between fuelings and the capacity of the tank.

- Because of inadequate recordkeeping, DCF and the Central Motor Pool frequently do not know which vehicles are assigned to which local DCF office. Records at the local offices themselves are similarly deficient. For example, OSC auditors found that 7% of the vehicles tested were not logged out to any DCF employee and yet were not physically present at DCF facilities. When asked about the location of the vehicles, officials at the local DCF offices acknowledged that vehicle logs were not always properly maintained.

- More than half of the 2,236 vehicles reviewed were overdue for preventive maintenance service, which ultimately adds to state expenses.

- DCF did not know which of its employees are in possession of its commercial gasoline credit cards because its lists are outdated. As a result of OSC's review, the Central Motor Pool canceled 65 commercial credit cards whose location was in dispute. The Department of the Treasury has since further limited DCF's use of commercial gasoline credit cards as part of a larger unrelated initiative.

- Savings could have been realized if DCF had purchased sedans instead of mini-vans for those DCF employees who do not transport children and families but instead use state vehicles for other business-related purposes.

In June 2008, in cases brought by the Office of the Attorney General, six DCF employees were indicted on charges of stealing gas from state fueling stations and subsequently plead guilty. The OSC initiated its audit shortly after those indictments based on, among other factors, information received from the Department of the Treasury. Boxer thanked the Department of the Treasury and the Office of the Attorney General for their assistance.

"Theft and waste occur most often where proper safeguards are not in place," Boxer said. "This audit identifies the improvements needed to ensure public assets like state vehicles and gasoline are used consistent with the public interest. We look forward to continuing to work with agency officials as those improvements are made."