FINAL REPORT

Office of Inspector General

Review of the Vehicle Management Practices
of the Fleet Management Services Division's
Administrative Vehicle Light Fleet
(Excluding Public Safety Vehicles)

December 5, 2011

Montgomery County, Maryland
Office of Inspector General

OFFICE OF INSPECTOR GENERAL

MEMORANDUM

TO: Hon. Valerie Ervin, President, County Council
Hon. Isiah Leggett, County Executive

FROM: Edward Blansitt
Inspector General

DATE: December 5, 2011

SUBJECT: Final Report, *Review of the Vehicle Management Practices of the Fleet Management Services Division's Administrative Vehicle Light Fleet (Excluding Public Safety Vehicles)*

This memorandum provides our final report with accompanying management response on the management of the County's Light Fleet (excluding public safety vehicles). The objective of our review was to determine whether internal controls are documented, implemented, and effective as designed, as well as to identify the impact of any control deficiencies.

Our report recommends that the County consider utilizing a Vehicle Allocation Methodology as a best practice for purchasing new vehicles and for evaluating usage of current vehicles, especially since so many vehicles are due for replacement. Our report also recommends that the County ensure each agency complies with administrative procedures as to the proper licensing and safe driving records of personnel operating County vehicles.

The Chief Administrative Officer's November 28, 2011 response to our draft report indicated agreement with both of our recommendations.

We appreciate the courtesies and assistance provided by the Chief Administrative Officer, department directors and staff during the audit. If you have any questions, please contact me at (240) 777-8241.

REPORT IN BRIEF

Review of the Vehicle Management Practices of the Fleet Management Services Division's Administrative Vehicle Light Fleet (excluding Public Safety Vehicles)

December 5, 2011

Background

Montgomery County owns many types of vehicles, all of which are managed by the Division of Fleet Management Services (FMS). We reviewed the County's Administrative Light Fleet comprising 668 non-public safety vehicles.

Why We Did This Review

The replacement cost to the County for automobiles and trucks in the fleet as of June 17, 2011 was approximately $11 million. Improvements to fleet management can yield significant returns with modest effort. We limited our review to the non-public safety vehicle pool to enable a swift analysis.

The objective of our review was to determine whether internal controls are documented, implemented, and effective as designed, as well as to identify the impact of any control deficiencies.

What We Found

We found a significant backlog of non-public safety vehicles slated for replacement by the end of FY 2012. Specifically, approximately 51% of the fleet, with an estimated cost to the County of approximately $5.6 million, is due for normal replacement by June 30, 2012. The County's current system for assigning vehicles is based on application of relatively limited requirements to requests from individual departments and has produced a high percentage of underutilized vehicles. As increased numbers of vehicles approach their normal disposal age, the County has an opportunity to avoid significant new investment in fleet assets by implementing more aggressive methods of determining the appropriate size and composition of the fleet, but to accomplish this a more rigorous approach is needed.

We found that not all County agencies tested adhered to Administrative Procedure (AP) 1-4, Sections 5.0.B, 5.2.A, and 5.2.B, which generally require each agency to obtain the driving record of every approved driver each January; maintain a log of each driver's license number and status; and review each driving record to identify suspensions or revocations. Failure to enforce compliance with policies pertaining to driving records and employee eligibility to operate County vehicles creates an unnecessary vulnerability for the County.

What We Recommend

In an effort to continue managing vehicle costs, the County should consider utilizing a Vehicle Allocation Methodology as a best practice for purchasing new vehicles and for usage of current vehicles, especially since so many vehicles are due for replacement. FMS needs to scrutinize vehicle usage (by considering odometer readings and other possible criteria) and evaluate whether each vehicle is absolutely necessary for efficient operations versus occasionally paying mileage to employees for use of personal vehicles.

FMS should ensure that each agency complies with Administrative Procedure 1-4, Sections 5.0.B, 5.2.A, and 5.2.B to ensure that personnel operating County vehicles are properly licensed and have maintained a safe driving record.

Review of the Vehicle Management Practices of the Fleet Management Services Division's

Administrative Vehicle Light Fleet (excluding Public Safety Vehicles)

December 5, 2011

Introduction

The Office of Inspector General (OIG) conducted an effectiveness and efficiency review of the Montgomery County Fleet Management Services' (FMS) Light Fleet as it pertains to vehicle allocation and usage. The objective of our review was to determine whether existing controls are documented, implemented, and effective as designed, as well as to identify the impact of any control deficiencies.

Background

There have been several reviews of County vehicles over the past years, each with a different focus. Prior reviews have addressed take-home vehicles' usage and guidelines; definitions of commuter miles versus work related miles; parking locations; and taxability of and reimbursement for non-business use.

We did not review the County's policies and procedures regarding fire and rescue or police/emergency vehicles. We also did not review the County's policies and procedures regarding take-home vehicles since those procedures have been a topic of recent review by members of the County Council and are still under consideration.

Instead, this review focused on compliance with the County's policies and procedures for managing the FMS Administrative Vehicle Light Fleet. We reviewed the replacement, use, and operation of fleet vehicles. We also looked at the age of the fleet and the costs of replacement. To perform our tests, we selected a judgmental sample of fleet vehicles. The data we used were for fiscal years 2010 and 2011. It should be noted the data we used for 2011 ended on June 17, 2011, a few days prior to the end of the fiscal year.

With a staff of over 200 people, FMS operates every day of the year to ensure continued service to the County. It manages and oversees the County's entire fleet of vehicles. The total County fleet includes over 2,200 automobiles, 666 pieces of heavy equipment, and 390 buses. The County's light vehicle fleet, exclusive of public safety vehicles, was 668 vehicles at June 30, 2011. The light vehicles are automobiles, sport utility vehicles, pick-up trucks, and vans.

FMS manages four main depots: the Equipment Maintenance and Operations Center (EMOC) in Gaithersburg/Shady Grove; Brookeville Maintenance Facility (BMF) in Silver Spring; Nicholson Court in White Flint/Kensington; and Seven Locks Road in

Rockville, as well as several satellite depots. These FMS shops support three different types of fleet vehicles and equipment:

- The Seven Locks location manages and maintains the County's light, or administrative, fleet, including public safety vehicles, vans, trucks, and sport utility vehicles.
- The Transit Shops located at EMOC, BMF, and Nicholson Court maintain and service the Ride-On bus fleet for Transit Services.
- The Heavy Shop at EMOC and the satellite depots maintain the fleet of dump trucks, trailers, leafing equipment, pavers, snow plow equipment, and a variety of other pieces of equipment.

FMS does not oversee vehicle maintenance for all County vehicles: the Department of Fire and Rescue maintains its fire apparatus since most pieces are unique and require different mechanical certifications.

We conducted our field work from May 2011 through August 2011, and considered the policies and procedures that had been fully implemented at that time. As stated below, a revised AP 1-4, *Assignment and Use of County Vehicles*, was in comment period at the time of issuance of this report.

See Appendix A for details regarding our review objectives, scope, and methodology.

Findings and Recommendations

Finding 1.

Based on the County's estimates of vehicle service lives, 51% of the vehicles in the fleet will have reached the end of their expected useful lives and will be due for replacement by the end of FY 2012. The County's current system for assigning vehicles is based on application of criteria to requests initiated by individual departments that have produced a high percentage of underutilized vehicles. As increased numbers of vehicles approach their normal disposal age, the County has an opportunity to avoid significant new investment in fleet assets by implementing more aggressive methods of determining the appropriate size and composition of the fleet.

It should be noted that in FY 2010, there were 700 vehicles in the fleet. By the end of FY 2011, there were 668, nearly a 5% reduction in fleet size. By not replacing those vehicles, the County achieved a savings of over $522,000 using the average 2010 replacement cost. On the surface it appears this has not affected service to the County or hampered agency efficiency.

Administrative Procedure (AP) 1-4, dated November 3, 2003[1], describes the process for obtaining or replacing a vehicle for agencies. Section 4.1 states: The criteria to receive an agency-assigned vehicle are the following:

A. Agencies with employees whose duties require them to spend the major portion of each workday engaged in field activities;

B. Agencies with employees whose duties and responsibilities require that a vehicle be available at all times during each workday so as to maintain the efficiency of the employee. (Adequate justification must be given that proper work scheduling cannot eliminate the need for a constantly available vehicle, and the department or Fleet Management Services' motor pool cannot serve the need for a vehicle); and

C. Employees whose duties require the constant use and/or storage of special equipment in the vehicle.

We understand that the proposed revision to AP 1-4 would add a fourth criterion: The vehicle is used by that position to such an extent that usage exceeds 5,000 miles of business use per fiscal year.

Each agency is responsible for determining the types of vehicles it needs. FMS currently reviews the justifications provided by each agency when a new vehicle is requested, but once a vehicle has been assigned there is no requirement for periodic reviews or updated justifications of vehicle assignments.

A large percentage of vehicles are underutilized by the County's standards.

Our review disclosed that the County does follow the procedures described in AP 1-4. However, the overall outcome suggests these procedures are not effective in optimizing the overall size of the fleet. In a review of vehicles on hand at the end of FY 2011, we identified 215 vehicles, or approximately 32% of the administrative fleet, that had been driven fewer than 5,000 miles (fewer than 20 miles per day based on a 5-day work week) in FY 2011. We used the 5,000 mile criterion as it is the basis for a proposed revision to the current AP 1-4 (see below).

The total miles driven for those vehicles were 636,254 versus the criteria used by FMS of 1,075,000, a difference of 438,746 miles. Dividing the difference by 5,000 miles suggests that there may be up to 88 excess vehicles that could be sold and not replaced, saving the County an immediate $1,437,832 [2] in future replacement costs and possibly generating additional income from the sale of excess vehicles. For FY 2011, maintenance and repairs for those 215 vehicles cost roughly $171,000.

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[1] During our review AP1-4 was revised and was in comment period.

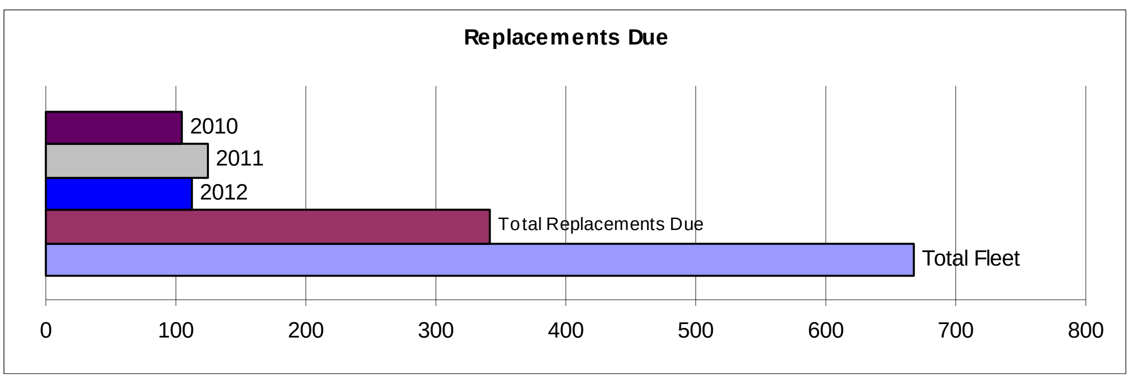
[2] Calculated as 88 vehicles x $16,339 (the average original cost per vehicle acquired in FY 2010) per vehicle

Resources for scheduled replacement of light fleet vehicles may not be available.

Our review also disclosed that in the past, each agency was assessed an annual charge to pay for future purchases of vehicles. This practice was suspended in FY 2010 due to the County's economic challenges. Some relevant points include:

- According to FMS, this charge back was partially made in FY 2010, was not made in FY 2011, and has not been made for FY 2012 to date.
- Again according to FMS, 104 vehicles should have been replaced in FY 2010 and 125 vehicles in FY 2011. Using the County's replacement policy in FY 2012, 112 should be replaced, but resources have not been budgeted for their replacement.
- The average original cost per vehicle using FY 2010 data was $16,339 which we used as our estimated average vehicle replacement cost.
- In total, 341 vehicles are due to be replaced by the end of FY 2012 (Chart 1). We calculated the replacement cost of all vehicles at $5,571,599.[3]
- As a fleet ages, repair costs tend to increase, thereby costing an agency more money and down time than would be the case with a newer fleet.

Chart 1



Based on the information we reviewed, it does not appear that resources necessary for scheduled replacement of light fleet vehicles are available[4]. Even if resources are currently available, other and perhaps more urgent, competing needs for those resources may exist.

[3] Calculated as 341 vehicles x $16,339 per vehicle

[4] In response to our inquiry, the County stated there was over $11 million at June 30, 2011 in a Replacement Sub Fund, but it is unclear whether this is to be used exclusively for light fleet replacement.

A more aggressive and effective system of optimizing the fleet size is needed.

The facts cited above illustrate both the realistic potential and urgent need for the County to reduce the size of the vehicle fleet and avoid future outlays. Many agencies outside of Montgomery County have employed a more rigorous vehicle allocation methodology as a best practice for purchasing new vehicles and for monitoring use of current vehicles. Reports suggest that agencies using this tool have reduced overall costs and become "greener" in the process. Examples of fleets that employ this tool are St. Mary's County, MD; California Department of Government Services; and the U. S. General Services Administration.

A typical Vehicle Allocation Methodology (VAM) provides fleet managers a standard way to ensure that each vehicle in the fleet is correctly sized and is appropriate for accomplishing each agency's mission. A VAM will typically cover the government's entire fleet encompassing all vehicle types, including law enforcement and emergency response vehicles. However, often government heads may exempt vehicles used for law enforcement, protective, or emergency response operations when in the best interest of the government. The fleet manager may also provide guidance on the applicability and implementation of alternative fuel vehicle requirements.

The U.S. General Services Administration (GSA) describes a typical VAM as follows.

> "An optimal vehicle allocation results not from a formula per se, but from a methodology which provides agency fleet managers with a standard way to document the objective criteria of a vehicle fleet for a specific or generic (where there are common characteristics) office/facility, program, occupational group, or other entity within an agency. Objective criteria would include, but not necessarily be limited to: number of vehicle users to include, where applicable, user/vehicle ratios; per vehicle mileage; trips per vehicle; mission; terrain; climate; and fleet condition and down-time. The input for the methodology typically is obtained by surveys and/or in-person interviews of stakeholders." [5]

A VAM generally encompasses the following steps:

A) Establish a baseline fleet inventory system that tracks vehicles individually.

B) Develop vehicle utilization criteria to justify mission-essential vehicles. Develop vehicle utilization criteria for all other vehicles. These criteria must be specific, objective thresholds that lead to the most efficient vehicle meeting mission needs.

C) Conduct a utilization survey, applying agreed-upon utilization criteria to each vehicle.

D) Determine and implement an optimal fleet inventory.

[5] GSA Bulletin FMR B-9 Motor Vehicle Management, August 26, 2005

1) Specifically identify vehicles that fall below the pre-established minimal utilization criteria. Dispose of or reassign those vehicles as needed.

2) Create an ideal list of vehicle types for each organization and mission requirement. The vehicles selected should be the most efficient size and model possible.

3) Compare existing fleet composition to the ideal list.

4) Identify vehicles that are mission essential regardless of utilization. Is the most efficient vehicle type currently serving that mission? If not, incorporate re-assignment into the agency plan.

5) Reassign vehicles as needed.

E) Review and update the VAM annually or sooner as mission needs change.[6]

Montgomery County's VAM need not be overly stringent. The objective of a VAM is to provide a standard way of analyzing the vehicle needs of every County agency. A strong vehicle allocation methodology provides agency fleet managers a standard way to ensure that each vehicle in the fleet is correctly sized and is appropriate for accomplishing the agency missions. FMS should scrutinize vehicle usage (by considering odometer readings and other possible criteria) and evaluate whether each vehicle is absolutely necessary for efficient operations. Department managers should be required to perform annual reviews using the VAM to justify their respective requirements with a review performed by FMS to ensure accuracy and consistency.

Recommendation 1

In an effort to continue managing vehicle costs, the County should employ a formal vehicle allocation methodology to aggressively manage agency requests for allocations and replacement of vehicles. This is especially important in FY 2012 since so many vehicles are due for replacement. Another consideration would be whether it would be beneficial to occasionally pay mileage to employees for use of personal vehicles. The Chief Administrative Officer would need to make that determination.

Finding 2.

County agencies are not in compliance with certain Administrative Procedures pertaining to employees' driver's licenses and employees' driving records under AP 1-4.

Our review disclosed that not all agencies tested are performing the procedures described in AP 1-4. Some agencies only require a driver's license and driving record history at the

[6] Extracted from GSA Bulletin FMR B-30 Motor Vehicle Management August 22, 2011

time of hire, with no updates. Others perform the steps outlined in the Administrative Procedure but at intervals other than what are specified. Some agencies have copies of licenses, but not driving records.

AP -1-4 Section, 5.0.B states:

> "For those employees who have an assigned County vehicle, or who regularly operate a County-owned, County-leased, County-contracted vehicle, or County heavy equipment, [an employee must] provide the employee's supervisor with a copy of the employee's driving record (as issued by the state that issued the employee's driver's license) during the month of January."

AP 1-4, Section, 5.2.A states:

> "Keep up-to-date records of employee's driver's license numbers and license status of those employees who operate or request to operate County vehicles. The department is to notify Fleet Management Services as well as the Division of Risk Management of any employee whose license is suspended or revoked. The department is to take appropriate action such as not allowing the employee to drive a County vehicle, when the department becomes aware that the employee is in violation of this Administrative Procedure."

AP 1-4, Section, 5.2.B states:

> "Upon receiving a copy of an employee's driving record each year in January, review the driving record to determine whether the employee has complied with the reporting requirements of this Administrative Procedure. Also, determine whether the employee's driving record indicates the employee's driver's license was suspended or revoked, and whether the employee was convicted of driving under the influence of alcohol or drugs (within the preceding twelve months)."

To sample compliance with these procedures, we selected two agencies, FMS and the Department of Liquor Control, for review. We reviewed 100% of the FMS authorized drivers. We found that none had an up-to-date driving history for the year. The Acting FMS Division Chief acknowledged an awareness of this oversight but stated FMS is in the process of updating all driving histories. We were advised that the Department of Liquor Control does not update driving histories annually and is therefore also not complying with these policies.

Failure to enforce compliance with policies pertaining to driving records and employee eligibility to operate County vehicles creates an unnecessary vulnerability for the County. If the employee does not submit a driving record in January, agencies may not know whether an employee's driver's license was/has been suspended or revoked during the previous twelve months.

Unless the employee informs the supervisor that driving privileges were suspended or revoked at the time of any incident after the January time period, County policy still allows an employee to operate a County vehicle for the remainder of the calendar year, which could subject the County to a significant claim if involved in an accident**.** Currently, there is no process in place to address this issue.

Recommendation 2

We recommend agencies implement procedures to ensure compliance with AP 1-4, and bring all employee records up to date.

Summary of County Comments and OIG Response

We have provided the County's response to our draft report in Appendix B. In that response, the County's Chief Administrative Officer concurred with the recommendations in the report. The response cites several current Fleet Management Services (FMS) strategies, including reallocating underutilized vehicles instead of making broad replacements; using mileage, maintenance, and repair costs as criteria for replacement; and requiring in the near future semi-annual justifications for vehicle assignment. As to monitoring employees' driving records, the response states that the latest draft of Administrative Procedure 1-4, approval of which is anticipated later this year, requires all employees driving County vehicles to provide a copy of their driving records to the County in January of each year.

We accept the County's responses in Appendix B.

Appendix A: Objectives, Scope, and Methodology

Our Objectives

The objective of our review was to determine whether internal controls are documented, implemented, and effective as designed, as well as to identify the impact of any control deficiencies.

Our Scope

This review examined the policies and procedures with respect to the vehicle management practices of the Montgomery County light vehicle fleet, excluding public safety vehicles. The review period was Fiscal Year (FY) 2010 through FY 2011.

Our Methodology

Our review methodology included:

- Reviewing vehicle acquisition and depreciation schedules
- Reviewing fleet vehicle maintenance and repair costs
- Reviewing fleet fuel expenses
- Reviewing vehicle sign-out logs
- Interviewing fleet management personnel
- Applying judgmental sampling to selected data
- Reviewing prior audit reports

To obtain an understanding of the issues surrounding vehicles in the County, we reviewed information provided to the County Council and prior audit reports. We also reviewed policies from prior periods and looked at changes involving the use and tracking of vehicles.

Appendix B:

Chief Administrative Officer's Response

OFFICES OF THE COUNTY EXECUTIVE

Isiah Leggett
County Executive

Timothy L. Firestine
Chief Administrative Officer

MEMORANDUM

November 28, 2011

TO: Edward Blansitt, Inspector General

FROM: Timothy L. Firestine, Chief Administrative Officer

SUBJECT: Response to IG Official Draft Report, *Review of the Vehicle Management Practices of the Fleet Management Services Division's Administrative Light Fleet (Excluding Public Safety Vehicles)*

This memorandum is a response to your memorandum of November 2, 2011 in which you requested written comments on the findings and recommendations that are included in the above referenced report. If you have any questions after reading this memorandum, please contact Assistant Chief Administrative Officer Kathleen Boucher at 240-777-2593.

Finding 1:

Based on the County's estimates of vehicle service lives, 51% of the vehicles in the fleet will have reached the end of their expected useful lives and will be due for replacement by the end of FY 2012. The County's current system for assigning vehicles is based on application of criteria to requests initiated by individual departments that have produced a high percentage of underutilized vehicles. As increased numbers of vehicles approach their normal disposal age, the County has an opportunity to avoid significant new investment in fleet assets by implementing more aggressive methods of determining the appropriate size and composition of the fleet.

Recommendation 1:

In an effort to continue managing vehicle costs, the County should employ a formal vehicle allocation methodology to aggressively manage agency requests for allocations and replacement of vehicles. This is especially important in FY 2012 since so many vehicles are due for replacement. Another consideration would be whether it would be beneficial to occasionally pay mileage to employees for use of personal vehicles. The Chief Administrative Officer would need to make that determination.

Comment:

Agree.

The Division of Fleet Management Services (FMS) in the Department of General Services (DGS) has been assigned the ongoing effort to reclaim and reallocate underutilized vehicles throughout the fleet. This effort has lagged over the past year as immediate attention has been directed to managing the take home use of assigned county vehicles.

You note the suspension of the charge for replacement in Fiscal Years 2010 and 2011 and the current balance in the Replacement Sub-Fund (which, to clarify, is not exclusively for light fleet replacement). You also note the suspension of replacement for the light fleet during those years. Taken together these actions have protected the fiscal health of the Fleet Fund and were taken, as you suggest, due to there being more compelling needs for the resources. Throughout the past budget cycles, FMS staff carefully monitored and reported on the vehicle replacement fund and compared replacement costs to increased maintenance costs to determine the most financially prudent step to take regarding replacement or continued maintenance. While FMS has retained vehicle beyond the point they might have been replaced in the past, your observation that "(a)s the fleet ages, repair costs tend to increase, thereby costing an agency more money and down time than would be the case with a newer fleet" is precisely what drives the ultimate determination by DGS as to when to recommend replacement as the prudent budgetary action.

The FMS strategy is to reallocate underutilized vehicles instead of making broad replacements since these vehicles have low mileage and the maintenance and repair costs are still low. We do not use Expected Life as a sole criterion in determining replacement. Instead, the criteria for replacement include mileage, maintenance, and repair costs. Using this full criteria we expect to reduce the total fleet and maximize useful life of each vehicle. This illustrates that some planning and forethought is applied to management of the County's fleet. Your reference to other local, state and federal agencies employing "more rigorous" vehicle allocation methodologies is appreciated. DGS will pursue those references, which will be instructive in improving our practices.

You stated that, "(e)ach agency is responsible for determining the types of vehicles it needs. FMS currently reviews the justifications provided by each agency when a new vehicle is requested, but once a vehicle has been assigned there is no requirement for periodic reviews or updated justifications of vehicle assignments." The latest draft of Administrative Procedure 1-4, approval of which is anticipated later this year, includes the requirement for a semi-annual justification for vehicle assignment and take-home use.

Regarding paying mileage to employees for use of personal vehicles; this practice is already in place. Many offices and departments have insufficient pool cars to address the demand at various times and employees will use personal vehicles on County business. The use of County vehicles and methodology for determining cost effectiveness of employee personal use or county vehicle assignment is addressed in the latest draft of AP1-4, approval of which is anticipated later this year.

We have no objection to your characterization of what constitutes an adequate Vehicle Allocation Methodology (VAM) and acknowledge GSA's expertise in this area. FMS has not specifically identified its fleet management practices in terms of a VAM but its practices incorporate VAM principles including; a baseline fleet inventory system that tracks vehicles individually, vehicle utilization criteria, identification of when vehicles fall below pre-established utilization criteria, and including cost-to-value ratios for sale as used cars at public auction. FMS also disposes of or reassigns vehicles as needed based on utilization expectations. Always interested in improving our operations, DGS will pursue further review of GSA and other identified best practices in fleet management.

Finding 2:

County agencies are not in compliance with certain Administrative Procedures pertaining to employees' driver's licenses and employees' driving records under AP 1-4.

Recommendation 2:

We recommend agencies implement procedures to ensure compliance with AP 1-4, and bring all employee records up to date.

Comment:

Agree.

The Division of Fleet Management Services in DGS will work with the Division of Risk Management in the Finance Department to develop procedures to implement the reporting and record keeping processes identified in AP 1-4.

Until the recent revision of AP 1-4, there was no condition requiring employees to provide a copy of their driving record or driver's license. This is one reason that AP 1-4 was revised – i.e., to better manage the risks associated with granting our employees permission to operate County vehicles. Notwithstanding current or prior versions of AP 1-4, the Division of Risk Management has for several years maintained a copy of driver's license numbers for all MCGEO employees who are required to drive County vehicles as a condition of their employment. The driver's license number is filed with the Maryland Motor Vehicle Administration (MVA). Whenever there is a change on the employee's driving record that results in points being assigned, even while driving their personal vehicles, the MVA notifies Risk Management. Depending on the infraction and/or number of points assigned, Risk Management will notify the employee's home department and recommend mitigation steps including personnel action. The list of driver's license numbers is updated annually.

Currently, no process has been established for receiving or obtaining driving records for employees with out-of-state licenses. Under the revised AP 1-4 these employees are required to provide a copy of their driving record in January of each year along with all Maryland drivers. Risk Management will investigate an automated process for other states when it starts getting drivers license numbers next year. Most other states have programs similar to the MVA. However, it is uncertain at this time whether Montgomery County can obtain employee drivers records from other states in the same manner as it does with MVA.

You state, "(t)o sample compliance with these procedures, we selected two agencies, FMS and the Liquor Control Board, for review. We reviewed 100% of the FMS authorized drivers. We found that none had an up-to-date driving history for the year. The Acting FMS Division Chief acknowledged an awareness of this oversight but stated FMS is in the process of updating all driving histories. We were advised that the Liquor Control Board does not update driving histories annually and is therefore also not complying with these policies." We believe there may be some confusion based on what file information was pulled from in respect to FMS data. It is true that the file kept by All Star, the County's administrative fleet maintenance contractor, is incomplete. However, the FMS office maintains a complete file of all FMS employee licenses and driving records and updates it annually. The awareness acknowledged by the Acting FMS Division Chief was in reference to the different files maintained by All Star and FMS. As to the Liquor Control Board records, a new record keeping process for all county drivers will be implemented under the new AP 1-4, once approved, as stated above.

c: David Dise, Director, DGS
Joe Beach, Director, Finance
Jennifer Hughes, Director, OMB
Fariba Kassiri, ACAO
Kathleen Boucher, ACAO