



**Office of
General Services**

ANDREW M. CUOMO
Governor

ROANN M. DESTITO
Commissioner

May 17, 2016

Honorable Thomas P. DiNapoli
Comptroller
Office of the State Comptroller
110 State Street
Albany, NY 12236

Dear Comptroller DiNapoli:

In accordance with Section 170 of the Executive Law, the Office of General Services (OGS) is providing the attached Corrective Action Plan related to *Audit Report 2014-S-30 – Passenger Vehicle Fleet Management*. We again appreciate your time and efforts in conducting this audit and are confident that we have addressed the recommendations in order to advance efficiencies and cost savings statewide.

If you have additional questions or comments please contact Theresa Bonneau at theresa.bonneau@ogs.ny.gov or (518) 402-5846.

Sincerely,

A blue ink signature of RoAnn M. Destito.

RoAnn M. Destito

Attachments



Corrective Action Plan for Audit Report 2014-S-30
Passenger Vehicle Fleet Management

Recommendation #1

"Formally assess the adequacy of the internal control environment at OGS, particularly as it relates to cooperation with statutorily authorized State oversight inquiries. As necessary, take steps to ensure the control environment is adequate."

Plan of Action - Already implemented.

The internal control environment within OGS is assessed on an ongoing basis to ensure compliance with State and federal standards and in order to strongly support an agency culture of accountability and responsibility. Cooperation with statutorily authorized State oversight inquiries is specifically addressed in the internal control function titled "Coordinate Responses to External Audits" and verified yearly by OGS's Bureau of Internal Audit Services.

Recommendation #2

"Complete an overall review of agency fleet needs and make formal recommendations regarding the State's fleet management."

Plan of Action - Already implemented

As indicated in its initial agency response to the OSC draft audit report, OGS has reviewed the fleet management practices of State agencies and made a large number of formal recommendations and implemented several initiatives aimed at decreasing costs and increasing efficiencies. These include but are not limited to the:

- Business Case for Vehicle Purchases Form;
- State Accident Review Board;
- Passenger Vehicle Rightsizing Initiative;
- Fleet Management Working Group; and
- Personally Owned Vehicles (POV) Mileage Reimbursement Policy.

In its comments on the OGS response to the draft audit report, OSC states that "these initiatives did not result in formal recommendations regarding the State's vehicle fleet, as otherwise required by the SAGE Commission." But OSC appears to misconstrue the nature of the SAGE Commission Report. The recommendations in the Report were just that—recommendations—not requirements. The initiatives that OGS has implemented were based on direction OGS received from the Governor's Office and the Division of the Budget. While OGS continues to look for ways to improve fleet management practices, we have not been directed to prepare any additional formal recommendations.

New programs currently under development for statewide consideration include increasing the number of alternative and environmentally friendly vehicles in the State fleet as well as the implementation of new, innovative driver safety strategies.



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Recommendation #3

"Work with State agencies to facilitate their sharing of successful and innovative practices to more efficiently and effectively manage employee vehicle travel, including establishing carpool policies, tracking rental car mileage, and performing routine vehicle purchase and lease analyses."

Plan of Action - Already implemented

OGS leads a committee of fleet managers from various agencies in a Fleet Management Working Group. This collaboration of fleet professionals accounts for the management of well over 80% of the State fleet. The group is instrumental in the development of the policies, initiatives and strategies discussed above.

Recommendation #4

"Require employees to complete a vehicle use log when they use a rental vehicle, which should include dates and times of use, the purpose of the trip, starting location and destination, and start and end odometer readings."

Plan of Action - Not Implemented

OGS lacks the authority to place specific travel requirements on employees of other State agencies. As indicated in its initial agency response to the OSC draft audit report, on the part of OGS, we will reinforce the practice of mileage log use while using a rental vehicle and disseminate a reminder to State fleet managers highlighting the need to comply with the State Vehicle Use Policy. Per the policy, vehicle use logs are required for all State vehicles, including rental vehicles used for official State business.

Recommendation #5

"Direct agencies to establish controls to ensure the Trip Calculator is completed for all trips anticipated to exceed 100 miles."

Plan of Action - Not Implemented

OGS lacks the authority to direct agencies to establish such controls. However, as previously noted, in accordance with the OGS Business Services Center (BSC) Guidelines for State Employee Travelers, the trip calculator is required when personal car mileage is claimed in lieu of renting. Conversely, requiring the trip calculator when renting a vehicle for official State business is claimed in lieu of personal car mileage would serve no purpose as an employee may not be forced to use his or her personal vehicle for official State business, even if renting a vehicle proved to be more economical.

Travel reimbursement is made in accordance with established OSC travel guidelines, as described in the BSC Guidelines mentioned above. As part of its review, for all trips exceeding 100 miles where personal car mileage is claimed, the BSC mandates that travelers attach a copy of a completed trip calculator when expense reports are submitted. The only exception to this policy is if the employee receives a waiver from his or her agency. If neither the trip calculator nor an agency waiver is included, the expense report is denied by the BSC.