

089608



UNITED STATES GENERAL ACCOUNTING OFFICE  
WASHINGTON REGIONAL OFFICE  
FIFTH FLOOR  
803 WEST BROAD STREET  
FALLS CHURCH, VIRGINIA 22046

089608

APR 14 1976

The Honorable James T. Clarke  
Assistant Secretary for Management  
U.S. Department of the Interior.

Dear Mr. Clarke:

We have been studying management procedures for assuring adherence to the Government policy requiring, under most circumstances, the acquisition of compact and subcompact passenger vehicles to conserve fuel (GAO Code 943434). We made our Government-wide study at the Department of the Interior, the General Services Administration (GSA), several other civil agencies, and the Department of Defense. Within the Department of the Interior, we met with responsible headquarters officials of the National Park Service (NPS), Fish and Wildlife Service (FWS), Bureau of Indian Affairs (BIA), and Bureau of Reclamation (BR). We reviewed vehicle management policies and procedures and vehicle acquisitions for fiscal year 1975.

Our study identified several areas which should be given added attention by Department officials so management of the vehicle fleets in the bureaus and services can be improved. We observed that there is a need

- to improve the process for evaluating justifications for large size law enforcement vehicles,
- to improve procedures for acquiring vehicles and maintaining vehicle inventory records, and
- to disseminate, throughout the Department, results of the Bureau of Reclamation's test program for compact pickup trucks.

~~910511~~

089608

We discussed these matters with the Department's Director, Office of Management Services, who generally agreed with our observations. The corrective actions taken or promised should alleviate these problems. They are discussed in detail below.

EVALUATION PROCESS OF JUSTIFICATIONS  
FOR LARGE SIZE LAW ENFORCEMENT VEHICLES  
NEEDS IMPROVEMENT

At the bureaus and services we covered, only 4.5 percent, or 47 of 1,050 passenger sedans in their inventories at June 30, 1975, were compacts or subcompacts. The prior year's percentage was 1.7, and although a number of years will be required to replace the large size vehicles now in the inventory, progress towards this end seems minimal.

Following are the June 30, 1975, vehicle inventories for the bureaus and services covered in our review.

Service/bureau	Sedans				Total	Station wagons all sizes
	Subcompact	Compact	Intermediate	Regular		
NPS	2	31	88	256	377	153
FWS	-	5	80	192	277	167
BIA	1	3	12	258	274	23
BR	<u>1</u>	<u>4</u>	<u>57</u>	<u>60</u>	<u>122</u>	<u>49</u>
Totals	<u>4</u>	<u>43</u>	<u>237</u>	<u>766</u>	<u>1,050</u>	<u>392</u>
Percentages	<u>.4</u>	<u>4.1</u>	<u>22.5</u>	<u>73.0</u>	<u>100</u>	

Federal Management Circular (FMC) 74-1 and Federal Property Management Regulation (FPMR) 101-26.501 issued in January 1974 and October 1974, respectively, established energy conservation policies and procedures for executive agencies. Both implemented the President's program for reducing energy consumption by requiring procurement of compact and subcompact sedans and station wagons unless the agency head or his designee certifies that larger vehicles are required for law enforcement or are otherwise essential to the agency's mission. A May 20, 1974, memorandum from the Office of the Secretary required each bureau and service to establish procedures requiring headquarters office reviews of all requisitions for sedans and station wagons larger than compacts.

Department and other memorandums predate the FMC and FPMR. On July 11, 1973, an FWS Director of Management Operations memorandum stressed that the Secretary was vitally interested in energy conservation and that he was "most anxious to have the Department take the lead over other Federal agencies." On July 31, 1973, the Secretary issued a memorandum with regard to ordering more compact sedans and a requirement that larger vehicles not be ordered except on submission of written justification.

The bureaus and services we visited issued memorandums and directives implementing the FPMR and Department requirements. Generally, these require the acquisition of the smallest vehicles capable of performing the stated tasks and require justification for larger passenger motor vehicles.

During fiscal year 1975, 221 large passenger motor vehicles were approved for purchase by the Department. In addition, GSA records show that 61 compact and subcompact passenger vehicles were purchased. Of the large vehicles, 208, or 94 percent, were for law enforcement use as shown below.

	<u>Law enforcement</u>		<u>Other reasons</u>	<u>Total</u>
	<u>Sedans</u>	<u>Station wagons</u>	<u>Station wagons</u>	
NPS	65	12	9	86
FWS	60	14	-	74
BIA	56	-	-	56
Geological Survey	<u>1</u>	<u>-</u>	<u>4</u>	<u>5</u>
Totals	<u>182</u>	<u>26</u>	<u>13</u>	<u>221</u>
Percentages	<u>82.3</u>	<u>11.8</u>	<u>5.9</u>	<u>100</u>

As shown in the schedule above, the most frequently used justification for large vehicles was their need for law enforcement. Generally, law enforcement justifications for large vehicles included factors such as the need to: transport law violators, pursue law violators at high speed, travel over unimproved roads, tow trailers, serve as ambulances, and carry large amounts of equipment and articles.

Agencies generally maintain that only large vehicles are suitable for law enforcement work. An available option, however, is type II, intermediate size rather than type III, regular size. BIA officials said type III has become the Bureau's standard size due to the need for the heavy duty equipment options available and the extra room for transporting law violators and equipment. As a contrast, National Capital Parks, NPS, ordered 40 type II's during fiscal year 1975 because of the concern for energy conservation. Type III's had been used in the past. In addition, heavy duty options are available on type II's.

The lack of adequate criteria for using vehicles for law enforcement functions results in officials making individual judgments when evaluating the need for large vehicles. The NPS is attempting to alleviate this situation. Special Directive 75-13, November 25, 1975, requires that larger than compact vehicles must be justified on the basis of their need for full-time use for law enforcement. Further, the need for high-speed vehicles for pursuit was not to be considered a valid justification in most instances because high speeds were hazardous and unsuitable to most park system roads.

Additionally, each NPS region is required to establish a Functional Equipment Review Board to assess equipment utilization, costs, and general operation management. The Board is to be composed of representatives from management, budget, finance, procurement, and maintenance. The need for capital equipment must be reviewed and approved by the Board before being purchased. Department, Office of Management Services, officials said that consideration was being given to establishing similar boards in the other bureaus and services.

Equipment review boards could improve vehicle fleet management and improve the process for evaluating requests for large passenger motor vehicles. To assist these boards, criteria should be established for determining when vehicles are needed for law enforcement functions.

MORE DEPARTMENT ATTENTION NEEDED TO  
HELP INSURE IMPROVED VEHICLE  
ACQUISITION PROCEDURES AND  
INVENTORY RECORDKEEPING

We observed that there was a need for more Department attention in the two areas discussed below to insure better management of the vehicle fleet.

Controls needed to help insure purchase authorizations are not exceeded

Department Property Management Regulation 114-26.501-50 requires the bureaus and services to establish and maintain controls at headquarters office levels, as necessary, to insure that purchase authorizations specified in annual appropriation acts are not exceeded. Although we did not find any instances of overprocurement, bureaus and services need to improve their controls to account on a current basis for all vehicles requisitioned.

For example, the BIA, Property Management Division, received requisitions for 9 vehicles more than the 73 police-type vehicles authorized in the fiscal year 1975 appropriation act. However, because of the diligence of a Division employee these requisitions are being held in abeyance for processing under the fiscal year 1976 authorization. This condition should not have occurred since another division, the Law Enforcement Division, is responsible for specifying the number of vehicles authorized to be purchased by the regions and also approving their requisitions before further processing. We did not attempt to determine the reasons for excess ordering by the regions. The Department, however, should review this matter to preclude similar occurrences in the future.

Although bureau and service regional offices are required to inform headquarters of their purchases of large size passenger vehicles, headquarters officials do not always know how many passenger vehicles of other sizes have been requisitioned from GSA. Consequently, headquarters lacks assurance that the aggregate of the purchases made by the regional offices are within the limits authorized by the Congress.

For example, during fiscal year 1975, NPS was authorized to purchase 167 passenger motor vehicles. A January 1976 inventory listing showed that 110 of the 167 vehicles were received. NPS officials were uncertain whether the remaining 57 vehicles had ever been ordered or were on order but undelivered.

Similarly, FWS was authorized to purchase 166 passenger motor vehicles in fiscal year 1975 and records showed that 60 large passenger vehicles were ordered. However, for the remaining number, FWS officials did not know how many had been ordered directly from GSA.

The Department should review the controls established by the bureaus and services to insure they are adequate to preclude exceeding purchase authorizations.

Need to improve accuracy of annual motor vehicle reports

GSA requires Federal agencies to provide an annual Agency Report of Motor Vehicle Data and an Agency Report on Sedan Data which includes beginning and ending inventories, acquisitions, disposals, and other data. A comparison of the Department's reports for fiscal years 1974 and 1975 shows numerous differences between ending and beginning inventories indicating that incorrect data was reported in one of the years.

The schedule below shows the differences.

<u>Sedan type</u>	<u>On hand ending FY 1974</u>	<u>On hand beginning FY 1975</u>	<u>Difference</u>
Subcompact	1	3	+ 2
Compact	18	22	+ 4
Intermediate	232	269	+37
Regular	<u>934</u>	<u>882</u>	<u>-52</u>
Total	<u>1,185</u>	<u>1,176</u>	<u>- 9</u>

Officials said these differences were probably due to errors made by the submitting offices when coding vehicle types and classifying vehicle status such as awaiting disposal.

According to Department officials, there has been an effort to develop a simplified system to improve inventory recordkeeping. The Department also should reemphasize to the bureaus and services the importance of accurate inventory reports.

RESULTS OF TEST PROGRAM FOR COMPACT TRUCKS SHOULD BE DISSEMINATED

The Bureau of Reclamation, Grand Coulee Project Office, purchased five standard size 1/2-ton pickup trucks and seven compact pickup trucks in 1974. A direct comparison of the two types of trucks was made for nearly a year under actual working conditions. During a 6-month period, the compacts averaged 64 percent better gas mileage than the

standards. Project Office officials concluded that compact pickup trucks can be used effectively in many work applications and can replace standard size pickup trucks as well as make a significant contribution to the energy conservation program. The Bureau is continuing tests on the compact vehicles to develop further statistics on repair experience and to develop appropriate replacement standards.

The results of the Bureau's tests could be beneficial to other bureaus and services which have potential uses for compact trucks. Therefore, the benefits of using compact trucks should be publicized throughout the Department.

GSA officials said specifications have been prepared for compact trucks but this type truck has not been established as a standard vehicle because only limited quantities were available from manufacturers. Agencies, however, can use the specifications when ordering from GSA.

- - - -

We trust that you will find our observations helpful in your efforts to conserve fuel in vehicle operations. No further reporting of the matters discussed in this letter is planned. Please do not hesitate to contact Mr. John P. Carroll of my staff if you have any questions, telephone 557-2151.

Sincerely yours,

*David P. Sorando*  
David P. Sorando  
Regional Manager



UNITED STATES GENERAL ACCOUNTING OFFICE  
WASHINGTON REGIONAL OFFICE  
FIFTH FLOOR  
803 WEST BROAD STREET  
FALLS CHURCH, VIRGINIA 22046

APR 14 1976

Mr. A. Reynolds  
Director, Office of Audits  
and Investigations  
Department of the Interior  
Washington, D.C. 20240

Dear Mr. Reynolds:

Enclosed for your information is a copy of our letter to the Assistant Secretary for Management, notifying him of the results of our survey of efforts to conserve fuel by acquiring compact and subcompact passenger vehicles.

Sincerely yours,

A handwritten signature in cursive script that reads "David P. Sorando".

David P. Sorando  
Regional Manager

Enclosure