

CONCLUSIONS

Audit testing shows management should review and consider revising the internal control system for personal communication devices (PCD), fleet vehicles, and fleet charge cards. The *Standards for Internal Control in the Federal Government* issued by GAO (November 1999) requires FEC management to maintain a positive attitude and culture of internal control, assess program risk, design internal control activities linked to program directives and policies, and document program activity and management's review of the activity. For FEC's PCDs, fleet vehicles, and fleet charge cards, management needs to establish, strengthen and improve these internal control standards.

The strongest internal control for the PCD program would be to assign responsibility and accountability for overall program management to one individual in a single business area. This individual should be accountable for researching and evaluating service providers, assessing employee needs, evaluating PCD usage levels, and properly segregating the purchase; tracking; distribution; and destruction of PCDs to ensure they are not subject to fraud, waste or abuse.

Also, the PCD program should be governed by one comprehensive policy for all PCD users. Program management should revise existing policies and procedures and amend the processes for requesting devices, documenting business justification, approving requests for devices, defining personal use standards, and incorporate Internal Revenue Service (IRS) regulations governing cell phones as a potential taxable fringe benefit to employees.

Management should establish policies and procedures for the use of fleet vehicles and fleet charge cards. The policies and procedures should contain adequate internal controls to address the previous occurrences of abuse and reduce the risk for future employee fraud waste, or abuse. Management should also implement and document business processes that require FEC authorized drivers to be in compliance with federal regulations. OIG has provided management with the *GSA Internal Fleet Handbook* as sample guidance for establishing qualification verification activities and defining motor vehicle operator requirements.

The OIG is confident that if management implements the recommendations of this audit, the agency will incur significant cost savings and the internal controls over PCDs, fleet vehicles, and fleet charge cards will substantially improve. Management should also take the steps necessary to ensure these properties are being used for their intended purpose. If all PCD program recommendations are implemented, the maximum cost savings to the agency is projected to be \$49,784.64 annually¹⁴. The projected savings does not account for users who need bundled plans (i.e. voice feature and data feature) due to FEC duties and other requirements such as disaster recovery, Continuity of Operations Plan (COOP), and emergency contacts. Management should fully assess PCD usage levels and employee business needs to identify and achieve the cost savings to the agency.

¹⁴ Amount includes 57 users with no voice use or only 10 percent or less voice use over the 16 month testing period.

Summary of Audit Findings and Recommendations and Management’s Response			
Finding	Recommendation	Management Response	OIG Comment
1. Personal Communication Device Policy and Procedures Need Improvement	1a. Maintain one comprehensive personal communication device policy for all PCD users that clearly defines who has the authority to request PCD devices for other staff in their business area.	<i>“Agree with recommendation: Commission Bulletin 2001-11A is outdated and does not reflect updated technology and improvements in telecommunications pricing. This bulletin has been superseded by Policy 58-4.4 and Commission Bulletin 2001-11A will be rescinded. Policy 58-4.4 will be updated to include many of the recommendations of this audit.”</i>	Management has agreed to have one comprehensive policy but has not indicated that the revised policy will define who has the authority to request PCD devices for other staff in their business area. We look forward to reviewing the revised policy to ensure it fully addresses this recommendation.
	1b. Develop and implement a Personal Communication Device Request Form for requesting PCDs that requires an adequate business justification for each PCD user and allows for increased flexibility for managers to select plan options (i.e. voice only or data only).	<i>“Disagree with recommendation. The request for the issuance of a PCD is at the discretion of the senior level managers, who will maintain the business justification for the personnel under their charge in accordance with Policy 58-4.4, and the requirements for disaster recovery and COOP. The method established for requesting is e-mail, no form will be established.”</i>	The OIG agrees with management that the issuance of the PCDs is at the discretion of the senior level managers. However, the OIG’s audit testing revealed that senior level management is not adequately informed about the PCD program costs and options in order to make an informed decision to justify and authorize PCDs. Therefore, the OIG continues to believe a standard form documenting the justification at the senior level, and then forwarded to the PCD program office for PCD issuance, is necessary. The form could also serve to inform managers about the PCD costs and options, which could be a factor in the justification process at the division level.
	1c. Require supervisors/managers to re-justify the business needs of current PCD users via a PCD request form.	<i>“Disagree with recommendation: The PCD users do not justify their business needs. The senior management team determines which key personnel requires the use of a PCD. Policy 58-4.4 will be updated to require senior management to re-certify the assigned personnel annually.”</i>	Based on the documentation reviewed during the audit, we feel management would benefit from the use of a standard form, which could be sent and received electronically, to adequately and consistently document the annual re-certifications performed by senior managers.

Summary of Audit Findings and Recommendations and Management’s Response

Finding	Recommendation	Management Response	OIG Comment
<p>1. Personal Communication Device Policy and Procedures Need Improvement</p>	<p>1d. Issue devices only after adequate justification and formal request has been provided and approved.</p>	<p><i>“Disagree with recommendation: The PCD users do not justify their business needs. The senior management team determines which key personnel requires the use of a PCD. Policy 58-4.4 will be updated to require senior management to re-certify the assigned personnel annually.”</i></p>	<p>This recommendation relates to initial request and business justification receipt prior to ITD issuing a device. We recommend ITD issue devices only after adequate justification and formal request has been provided and approved.</p>
	<p>1e. Maintain all request forms for PCD users in the agency that includes (but not limited to) the make, model, issue date, and FEC property bar code number.</p>	<p><i>“Disagree with recommendation. No request forms will be required, however the email request from senior managers authorized to make such requests shall be maintained on file, until replaced by the annual recertification emails. The assignment of a particular unit to a particular user will be maintained in the master PCD inventory tracking system.”</i></p>	<p>The OIG continues to believe management should maintain all request forms to include the initial justification and annual re-certification. Further, we recommend the request for and assignment of a device is linked to physical documentation which indicates the device model, telephone number, and the date that the device was issued to the employee. That information can then be used to support and maintain the master PCD inventory tracking system.</p>
	<p>1f. Maintain one comprehensive personal communication device policy that clearly defines what positions and/or offices can receive PCDs without a formal request due to the employees’ position and/or required FEC duties (i.e. “base group”).</p>	<p><i>“Agree with recommendation: Commission Bulletin 2001-11A is outdated and does not reflect updated technology and improvements in telecommunications pricing. This bulletin has been superseded by Policy 58-4.4 Commission Bulletin 2001-11A will be rescinded. Policy 58-4.4 will be updated to include many of the recommendations of this audit.”</i></p>	<p>Although management agrees with the recommendation, their response does not address the need for a policy that clearly defines what positions and/or offices can receive PCDs without a formal request. We look forward to reviewing the revised policy to ensure it fully addresses this recommendation.</p>

Summary of Audit Findings and Recommendations and Management's Response

Finding	Recommendation	Management Response	OIG Comment
<p>1. Personal Communication Device Policy and Procedures Need Improvement</p>	<p>1g. Maintain one comprehensive personal communication device policy that clearly identifies those in the agency with authority to approve PCD requests.</p>	<p><i>“Agree in part with recommendation: Commission Bulletin 2001-11A is outdated and does not reflect updated technology and improvements in telecommunications pricing. This bulletin has been superseded by Policy 58-4.4 Commission Bulletin 2001-11A will be rescinded. Policy 58-4.4 will be updated to include many of the recommendations of this audit. The revised policy will have to be reviewed after the revision, it is agreed that the present policy must be revised.”</i></p>	<p>Although management agrees with the recommendation, their response does not address the need for a policy that clearly identifies those in the agency with the authority to approve PCD requests. We look forward to reviewing the revised policy to ensure it fully addresses this recommendation.</p>
	<p>1h. Document the ITD re-authorization process of PCD users in ITD's Policy 58-4.4.</p>	<p><i>“Agree with recommendation: Will be included in the update to Policy 58-4.4.”</i></p>	<p>Agency's planned actions are responsive to the audit issue identified and, when fully implemented, should satisfy the intent of the audit recommendation.</p>
	<p>1i. Identify who has authority to re-authorize PCD users in ITD's Policy 58-4.4.</p>	<p><i>“Agree with recommendation: Will be included in the update to Policy58-4.4.”</i></p>	<p>Agency's planned actions are responsive to the audit issue identified and, when fully implemented, should satisfy the intent of the audit recommendation.</p>

Summary of Audit Findings and Recommendations and Management’s Response

Finding	Recommendation	Management Response	OIG Comment
	1j. FEC should adhere to the IRS regulations and revise program policies to reflect those regulations.	<i>“Disagree with recommendation: FEC senior management and Office of General Counsel will review IRS regulations to determine if any apply to the FEC policies regarding PCD use within the agency, and adjust our current policies to reflect current regulations. However, as discussed at the exit meeting, FEC management will hold in abeyance until further guidance issued by Commissioner of the IRS, in accordance with his statement dated 6/16/09”.</i>	Although the Commissioner of the IRS has “requested Congress act to make clear that there will be no tax consequences to employers or employees for personal use of work-related devices such as cell phones provided by employers,” the law is still in effect and management should take reasonable steps to adhere to current IRS requirements. These additional procedures and controls would also help ensure the program expenses were related to business activity rather than personal use.
1. Personal Communication Device Policy and Procedures Need Improvement	1k. Provide the policies and procedures for the use of PCDs to all PCD users when issuing a device.	<i>“Neither agree nor disagree here is what we will do: All policies and directives are maintained in a shared folder and is accessible to all FEC personnel. All users will be directed to that folder so they may review applicable directives.”</i>	Agency’s planned actions are responsive to the audit issue identified and, when fully implemented, should satisfy the intent of the audit recommendation.
2. Personal Communication Device Program Monitoring	2a. All unassigned devices should be suspended or service should be terminated if the device can not be immediately transferred to another user (no active spares kept in ITD). ITD retains a minimum of 10 inactive spare devices and a spare SIM. If required, a device could be activated within 24 hours.	<i>“Disagree with recommendation. ITD has in the past allowed too many devices to be at the ready, however there is a real need to maintain a minimum number of devices at the ready for immediate use in the event of a catastrophic or emergency situation and the non availability of personnel that has the authorization to activate a device. ITD will keep a minimum of three devices activated for use by any personnel designated by proper authority at a moments notice. This policy will be incorporated in the updated FEC PCD Policy.”</i>	The OIG continues to believe ITD should eliminate, or minimize to the maximum extent possible, the number of unassigned active devices. It is important to note the FEC’s recent roll-out of portable netbook computers should help alleviate the need to maintain unnecessary unassigned active devices.

Summary of Audit Findings and Recommendations and Management's Response

Finding	Recommendation	Management Response	OIG Comment
	<p>2b. Devices assigned to employees based on temporary roles should be recovered when the employee is no longer in the temporary position.</p>	<p><i>“Agreed. Project management personnel will more closely monitor PDC’s that are no longer in use.”</i></p>	<p>Agency’s planned actions are responsive to the audit issue identified and, when fully implemented, should satisfy the intent of the audit recommendation.</p>
<p>2. Personal Communication Device Program Monitoring</p>	<p>2c. Review the audit testing results for users with very limited or no usage and determine if an actual business need exists to retain the device. If a valid need exists, ensure the employee still has the device, it is serviceable, and the employee understands how to use the device.</p>	<p><i>“Disagree with recommendation. It has been determined by senior FEC management that in order to properly conduct continuous business, while both in the local FEC geographical area, or on travel in the conduct of official or non-official business, or in the event of a disaster, or emergency that certain key personnel are required to be in communication with FEC officials. These key personnel will be identified by the authorizing senior level FEC managers without question from ITD program administrators. Policy 58-4.4 will be updated to reflect the annual certification by senior level management will be used to determine that the persons assigned a PCD, are to continue to be authorized to use FEC PCD. The employees issued PCD’s will be issued them in accordance with Policy 58-4.4, it is up to the individual managers to ensure that the employees understand how to use the device, ITD training personnel are available to assist the managers in this endeavor. The authorization, use, care, and individual accountability for the devices is not the responsibility of the ITD.”</i></p>	<p>The OIG recognizes management’s intention that some employees, no matter the level of use exhibited, will be issued a device based on business continuity need. We also recognize that management may wish to reevaluate the need for some employees based on past use. The OIG believes that a device that is powered off, not carried with employees at all times, or is not serviceable, will never meet FEC management’s intended business need and is a waste of government funds. We recommend management review the historical user activity reports for users with very limited or no usage and determine if an actual business need exists to retain the device. If a valid need exists, ensure the employee still has the device, it is serviceable, and the employee understands how to use the device.</p>

Summary of Audit Findings and Recommendations and Management's Response

Finding	Recommendation	Management Response	OIG Comment
<p>2. Personal Communication Device Program Monitoring</p>	<p>2d. Document the requestor's expected need for a PCD (i.e. e-mail only, phone communication, e-mail and phone) through a request form to determine which plan feature(s) best fit the requestor's business need (i.e. data only plan, voice only, or bundled plan).</p>	<p><i>"Disagree with the recommendation. The FEC has one and only one plan based upon the desires from the senior level management, that all personnel issued a PCD have the capability for voice, data, and text communication. In order to accommodate these criteria, the ITD assisted the contracting officer in plan and device selection. It has been determined by FEC senior management that in order to be able to respond to any catastrophic or emergency situation, that all FEC PCD user's are able to access or be accessed through voice, data transmission or texting. This approach to emergency preparedness as well as the efficient conduct of daily business transactions has been deemed by senior FEC management to be the most effective use of the agency budget for this type of communication system."</i></p>	<p>The OIG understands that management has one AT&T service plan, however; this plan can be adjusted to add or remove features to best fit the agency's needs and also produce cost savings to the agency. The FEC currently has one PCD user whose plan has been adjusted to a data only plan. The OIG's <i>Employee Mobile Survey</i> combined with the OIG's audit testing indicates that the agency pays monthly service costs for several users who do not use their voice feature. We recommend that management provide managers/supervisors with the option to assign their staff with the plan features that best fit the business needs of the agency.</p>
	<p>2e. Notify managers during the reauthorization process of the ability to revise PCD plan options in the future to appropriately support the PCD user's business need (i.e. if the user requests a data and voice plan but only uses data, their standard service can be reduced to a data only plan).</p>	<p><i><u>"See response above."</u> The FEC has one plan for all users."</i></p>	<p>The OIG understands that management has one AT&T service plan, however; this plan can be adjusted to add or remove features to best fit the agency's needs and also produce cost savings to the agency.</p>
	<p>2f. PCD user information should be kept up to date and adjusted in a timely manner on the ITD master Blackberry listing and the AT&T Premier website for employee separations and new assignment of devices.</p>	<p><i>"Agree. User information will be kept up to date in a timelier manner to include the AT&T website. The Policy 58-4.4 will be updated to reflect the monitoring of the information."</i></p>	<p>Agency's planned actions are responsive to the audit issue identified and, when fully implemented, should satisfy the intent of the audit recommendation.</p>

Summary of Audit Findings and Recommendations and Management’s Response

Finding	Recommendation	Management Response	OIG Comment
<p>2. Personal Communication Device Program Monitoring</p>	<p>2g. Management should educate PCD users of all features that incur additional cost to the agency, such as:</p> <ul style="list-style-type: none"> ▪ roaming charges that result when employees place calls outside AT&T service areas; ▪ texting; ▪ directory assistance; and ▪ voice use over the pooled plan limits. 	<p><i>“Agreed. Since the beginning of this fiscal year (FY10) the FEC has gone to an all inclusive billing that allows each user 200 minutes of voice, pooled to avoid overage charges, unlimited data and unlimited text. The users will be kept abreast of plan changes.”</i></p>	<p>Although management agrees, it is important that management ensure the users are informed of plan features that incur additional charges, such as: roaming charges that result when employees place calls outside AT&T service areas; directory assistance; and voice use over the pooled plan limits.</p>
	<p>2h. Provide the international add-on plan to the standard monthly service for users who frequently travel internationally for business. Require written request for the international add-on plan for PCD users who do not frequently travel internationally for business. This request should include their beginning and ending date of travel. Based on the information, the international service option should be promptly activated and terminated.</p>	<p><i>“Agree with recommendation. When an authorized user is performing international travel, an e-mail request is submitted to the Blackberry administrator with the period of international travel. The administrator then activates international add-on plan for the period requested. When the traveler returns, an email is sent to terminate the international add-on plan. The email communication is the only communication required, no form will be necessary.”</i></p>	<p>ITD should ensure that the beginning and ending dates of travel are included in every PCD users’ e-mail requests to activate international add-on plans. Also, the Management Assistant who is responsible for activating the international add-on plan for users should establish a method that will ensure timely termination of the international add-on plan service when users return from travel.</p>
	<p>2i. ITD’s Management Assistant should annually monitor monthly PCD usage to asses if the current plan should be adjusted to appropriately meet user needs.</p>	<p><i>“Agreed. This action is performed by the contracting officer at the time of contract renewal.”</i></p>	<p>Management’s response indicates the assessment is performed at the contract renewal by the contracting officer. The OIG continues to believe the ITD Management Assistant should monitor monthly PCD usage and annually assess if the current plan should be adjusted to appropriately meet agency needs. This person reviews the monthly invoices and is most familiar with the plan features and billing details.</p>

Summary of Audit Findings and Recommendations and Management's Response

Finding	Recommendation	Management Response	OIG Comment
<p>2. Personal Communication Device Program Monitoring</p>	<p>2j. Prior to renewing PCD services or switching service plans, the Contracting Office, in consultation with the PCD Program Office, should conduct and document analysis of service plans offered by the current provider and other potential vendors on the GSA schedule to achieve best value for the agency. Further, the Contracting Office should discuss actual plan details and agency use with PCD program office and ensure any negotiated service options, such as free texting, are included in quotes from potential vendors.</p>	<p><i>“This action is the responsibility of the contracting officer and is conducted in accordance with the requirements of the FAR. The contracting officer routinely takes this action on each and every contract action he authorizes, as required by law.”</i></p>	<p>The OIG continues to believe it is in the best interest of the agency for the program area (point of contact), working with the Procurement Office, to conduct market research and obtain additional quotes prior to awarding another blanket purchase agreement (BPA) contract for personal communication devices in FY 2011, the year the current contract is scheduled to expire.</p> <p>According to the FEC’s Procurement Office policies and procedures, <i>“it is everyone’s responsibility to ensure that market research is performed for all actions that require the expenditure of appropriated funds.”</i> According to the FEC Procurement Procedures 10, <i>“the following BPA Review procedures will be coordinated via the Director of Procurement to the appropriate POCs/COTRs¹⁵ through the CFO Internal Control Program on an annual basis. The contracting officer that entered into a BPA shall-</i></p> <ul style="list-style-type: none"> <i>A. Ensure each BPA is reviewed annually and, if necessary updated any pertinent contract information at that time; and</i> <i>B. If the BPA is under a GSA schedule ensure that the most recent GSA Schedule for pricing has been distributed to the ordering officials and inserted in the file.</i> <i>C. Maintain awareness of changes in market conditions, sources of supply, and other pertinent factors that may warrant making new arrangements with different suppliers or modifying existing arrangements.</i>

¹⁵ Point of Contact (POC) and Contracting Officer’s Technical Representative (COTR)

Summary of Audit Findings and Recommendations and Management's Response

Finding	Recommendation	Management Response	OIG Comment
3. Tracking and Managing Personal Communication Devices	3a. Adhere to Commission Bulletin 2006-04 and track personal communication devices in the Fixed Asset System and apply barcodes to all devices.	<i>“Since Commission Bulletin 2006-04 address mainly cell phone and pagers, and modern PCD’s it shall be rescinded and replaced with Policy58-4.4. Policy58-4.4 is in processed of being revised to include some of the recommendations contained in this audit, and to provide additional clarity.”</i>	Management’s response does not indicate whether they agree fully with the recommendation or provide explanation of their disagreement.
	3b. Document and enforce the policies and procedures for issuing a new or upgraded device to an FEC PCD user, including return of previously issued device(s).	<i>“Policy 58-4.4 is in processed of being revised to include some of the recommendations contained in this audit, and to provide additional clarity.”</i>	Management’s response does not indicate whether they agree fully with the recommendation or provide explanation of their disagreement.
	3c. ITD staff coordinate with GSA and implement processes and procedures to ensure: <ul style="list-style-type: none"> ▪ devices no longer needed are made available to other government agencies or non-profit organizations; and ▪ obsolete or broken devices are disposed in a manner that is not detrimental to public health. 	<i>“Policy 58-4.4 shall be updated to reflect that all devices that are broken, obsolete, or have reached the end of the FEC service life shall be turned into GSA.”</i>	Agency’s planned actions are responsive to the audit issue identified and, when fully implemented, should satisfy the intent of the audit recommendation.
	3d. ITD should implement a form and process, such as the NIST Sample Sanitization Validation Form, to record sanitization (wiping) of devices, disposal and/or destruction, as appropriate.	<i>“Preparation for disposal of all PCD’s shall be in accordance with existing provisions of Policy 58.”</i>	Management’s response does not indicate whether they agree fully with the recommendation or provide explanation of their disagreement.

Summary of Audit Findings and Recommendations and Management's Response

Finding	Recommendation	Management Response	OIG Comment
<p>3. Tracking and Managing Personal Communication Devices</p>	<p>3e. Segregate the following program functions among three or more ITD staff:</p> <ul style="list-style-type: none"> ▪ Purchasing/ordering and recording assets; ▪ Authorization for purchases, including devices received free under upgrade promotion; ▪ Receipt, storage, and distributing of assets; and ▪ Destruction or disposal of surplus PCDs. 	<p><i>“ITD currently has three separate IT staff personnel involved in separate duties, one to authorize purchase, one for the recording of devices, and one to distribute the devices. Policy 58.4-4 will be updated to reflect the staff duties.”</i></p>	<p>During the period of audit, the OIG identified weak internal controls regarding the proper segregation of duties for managing the PCDs. ITD’s Policy 58-4.4 should be updated to identify the ITD personnel who will be responsible for obtaining PCDs online with AT&T; authorizing purchases, to include free devices under upgrade promotions; receiving, storing, and distributing PCDs; and the disposal and destruction of surplus PCDs.</p>
<p>4. Fleet Vehicles and Fleet Charge Card Program Controls</p>	<p>4a. Require drivers to document all use of vehicles through trip logs that record driver name, trip locations, and miles driven for each use of the vehicles, including OGC. Logs should be maintained for each vehicle and periodically reviewed by management.</p>	<p><i>“Agree with recommendation – Each vehicle will be outfitted with a trip log book to record each trip.”</i></p>	<p>Agency’s planned actions are responsive to the audit issue identified and, when fully implemented, should satisfy the intent of the audit recommendation.</p>

Summary of Audit Findings and Recommendations and Management’s Response

Finding	Recommendation	Management Response	OIG Comment
<p>4. Fleet Vehicles and Fleet Charge Card Program Controls</p>	<p>4b. Establish an expectation of fleet vehicle use based on agency needs. Review and revise the estimate based on changes in standard routes and frequency of courier runs.</p>	<p><i>“Disagree with recommendation – It has been determined based upon past history, that 2 fulltime vehicles will satisfy the agency needs to transport VIP’s (Commissioners, Staff Director, OGC, and IG) and their staff in support of agency business needs. This transportation will offset local travel claims (cab expenses, metro fares, bus tokens, etc.). This transportation will also offset investigators local travel expenses, as well as local travel needs of the OIT. The Administrative Services Division will review the usage log books of each vehicle and reassess agency need based on actual usage.”</i></p>	<p>The OIG does not disagree with the agency’s decision to have two full-time government vehicles to satisfy agency needs. Instead, the OIG’s recommendation involves management developing an expectation of what the mileage driven each month should be compared to what drivers may report in the logs for each vehicle, in order to detect vehicle misuse. The process of establishing an expectation requires management to first have an understanding of the actual driving distances for standard FEC trips, such as the daily Capital Hill run and twice monthly trips to the FEC’s security contractor, and then also the expected number of occurrences per month. Then, based on the understanding of the expected number of occurrences and established actual driving distances, management can review the vehicle logs and determine whether the data reported by the drivers is reasonable and accurate. Without an expectation of what should be reported, management will not be able to detect abuse or inaccurate reporting by drivers.</p>
	<p>4c. Segregate responsibility for monthly mileage reporting to GSA from those responsible for driving and maintaining agency vehicles.</p>	<p><i>“Agree. The Administrative Services Division management analyst will be responsible for reporting monthly mileage to GSA, while the Office Services Branch will be primarily responsible for driving and maintaining agency assets.”</i></p>	<p>Agency’s planned actions are responsive to the audit issue identified and, when fully implemented, should satisfy the intent of the audit recommendation.</p>
	<p>4d. Use the GSA on-line systems to report mileage each month. This would ensure values reported can be viewed and any errors corrected prior to submitting the final mileage.</p>	<p><i>“Agree. The ASD will take advantage of the on-line GSA systems to report mileage.”</i></p>	<p>Agency’s planned actions are responsive to the audit issue identified and, when fully implemented, should satisfy the intent of the audit recommendation.</p>

Summary of Audit Findings and Recommendations and Management's Response

Finding	Recommendation	Management Response	OIG Comment
4. Fleet Vehicles and Fleet Charge Card Program Controls	4e. Require employees maintain and submit all documentation relating to fleet charge card use, including charges for fuel, routine and major maintenance. Review GSA activity reports to ensure all documentation relating to charges is provided by staff, including OGC.	<i>"Agree. The ASD will take responsibility to maintain and submit all receipts resulting from charges to the fleet charge card use."</i>	Management's response reflects agreement on one portion of the recommendation. Comparison of charge card receipts to actual GSA activity reports is also necessary to ensure all documentation relating to charges is provided by staff, and that fleet charge cards have not been misused.
	4f. At least quarterly, access GSA systems, download fleet charge card activity reports, and monitor agency fleet activity for abnormal charges and fleet vehicle mpg results. Log-on and passwords are provided by GSA and a handbook on system use is also available on the GSA website.	<i>"Agree. ASD will make full use of the GSA charge card system to complete all necessary records, and consistent management monitoring of use."</i>	Agency's planned actions are responsive to the audit issue identified and, when fully implemented, should satisfy the intent of the audit recommendation.
	4g. Research and resolve unexpected or unusual fleet charge transactions, miles driven, or mpg results. Admin management should maintain the activity reports, driver logs and other records used to monitor program activity as evidence that adequate controls are in place and regular supervisory review occurs.	<i>"See answer above."</i>	Agency's planned actions are responsive to the audit issue identified and, when fully implemented, should satisfy the intent of the audit recommendation.

Summary of Audit Findings and Recommendations and Management's Response

Finding	Recommendation	Management Response	OIG Comment
<p>5. Fleet Vehicle Driver Qualification and Verification</p>	<p>5a. Position descriptions for all employees who currently have access to agency leased vehicles should be evaluated and revised to include a clear requirement to possess and maintain a valid license to operate the vehicle and that the employee will be subject to regular qualification verification.</p>	<p><i>“Disagree -- FEC personnel that have a need to operate a fleet vehicle are identified on an as needed basis. The requirement to operate a fleet vehicle is a valid state operator’s license and need. Not all PD’s can or will be specifically identified as the only criteria to operate a fleet vehicle. Situations arise that are not previously identified in a PD.”</i></p>	<p>According to the regulation, any employees given access to government owned or leased vehicles are subject to qualification verification. We do not feel it is reasonable to conduct driver qualification verification at the time an employee requests use of a vehicle, because the process requires obtaining information from a state licensing authority and may take days to obtain. In order to ensure employee qualification reviews are performed at least every four years as described in the regulation, management should include the element in the position descriptions and maintain a schedule of employees authorized to access agency vehicles, date last verification was performed, and the date next verification is due. The OIG recognizes situations arise that are not previously identified in a position description. In these cases, FEC must adhere to the regulation or provide alternate transportation.</p>

Summary of Audit Findings and Recommendations and Management’s Response

Finding	Recommendation	Management Response	OIG Comment
<p>5. Fleet Vehicle Driver Qualification and Verification</p>	<p>5b. FEC program management should ensure all employees who have access to fleet vehicles are currently qualified to operate the vehicles. Management may accomplish this in a number of ways. One option would be to require the employees obtain an official driving record from the Department of Motor Vehicles from the state in which they are licensed and/or the District of Columbia. Management should research and contact various authorities to determine the best approach to ensure full verification is performed for all employees with access to fleet vehicles.</p>	<p><i>“Disagree with recommendation – FEC operators will comply with existing regulations. Qualifications of driver's such as medical conditions and validity of driver's licenses will be monitored on a random basis. This monitoring will consist of asking driver's if they meet the qualifications and perhaps physical agency check if required.”</i></p>	<p>The management response provided does not ensure compliance with 5 CFR§ 930.101-115, and is therefore unresponsive. The regulation requires management to perform verification activity on <i>all</i> employees granted access to drive government owned or leased vehicles at specified intervals and also requires employees self report physical or legal impairments to operating a motor vehicle. The process should not be limited to a verbal request to view an employee’s license, or making a copy of the license presented by an employee as proof of driver qualifications. Program management is expected to request and receive evidence of driver qualification for each employee granted access to FEC leased vehicles by obtaining employee driving records from the Department of Motor Vehicles in the state in which the employee is licensed. Program management should maintain support that all driver qualification verification activities have been performed in accordance with the regulation.</p>
	<p>5c. FEC program management should design and implement a process to ensure regular qualification verification is performed in accordance with the federal regulations and that employees report all matters that may impact their driving qualifications. Guidance is provided in the GSA <i>Internal Fleet Handbook</i> as on establishing qualification verification activities and defining operator requirements.</p>	<p><i>“The FEC will comply with existing regulations.”</i></p>	<p>The management response provided does not indicate whether management agrees to implement the recommendation. The OIG continues to believe FEC program management should design and implement a process to ensure regular qualification verification is performed in accordance with the federal regulations and that employees report all matters that may impact their driving qualifications.</p>

Title 5: Administrative Personnel**PART 930—PROGRAMS FOR SPECIFIC POSITIONS AND EXAMINATIONS (MISCELLANEOUS)****Subpart A —Motor Vehicle Operators**

Authority: 5 U.S.C. 3301, 3320, 7301; 40 U.S.C. 491; E.O. 10577, 3 CFR, 1954–1958 Comp., p. 218; E.O. 11222, 3 CFR, 1964–1965 Comp., p. 306. (Separate authority is listed under §930.107).

Source: 50 FR 34669, Aug. 27, 1985, unless otherwise noted.

§ 930.101 Purpose.

This subpart governs agencies in authorizing employees to operate Government-owned or -leased (acquired for other than short term use for which the Government does not have full control and accountability) motor vehicles for official purposes within the States of the Union, the District of Columbia, Puerto Rico, and the territories and possessions of the United States.

§ 930.102 Definitions.

In this subpart:

Agency means a department, independent establishment, or other unit of the executive branch of the Federal Government, including a wholly owned Government corporation, in the States of the Union, the District of Columbia, Puerto Rico, and the territories and possessions of the United States.

Employee means an employee of an agency in either the competitive or excepted service or an enrollee of the Job Corps established by section 102 of the Economic Opportunity Act of 1964 (42 U.S.C. 2712).

Identification card means the United States Government Motor Vehicle Operator's Identification Card, Optional Form 346, or an agency-issued identification card that names the types of Government-owned or -leased vehicles the holder is authorized to operate.

Identification document means an official identification form issued by an agency that properly identifies the individual as a Federal employee of the agency.

Incidental operator means an employee, other than one occupying a position officially classified as a motor vehicle operator, who is required to operate a Government-owned or -leased motor vehicle to properly carry out his or her assigned duties.

Motor vehicle means a vehicle designed and operated principally for highway transportation of property or passengers, but does not include a vehicle (a) designed or used for military field training, combat, or tactical purposes; (b) used principally within the confines of a regularly established military post, camp, or depot; or (c) regularly used by an agency in the performance of investigative, law enforcement, or intelligence duties if the head of the agency determines that exclusive control of the vehicle is essential to the effective performance of those duties.

Operator means an employee who is regularly required to operate Government-owned or -leased motor vehicles and is occupying a position officially classified as motor vehicle operator.

Road test means OPM's Test No. 544 or similar road tests developed by Federal agencies to evaluate the competency of prospective operators.

State license means a valid driver's license that would be required for the operation of similar vehicles for other than official Government business by the States, District of Columbia, Puerto Rico, or territory or possession of the United States in which the employee is domiciled or principally employed.

§ 930.103 Coverage.

This subpart governs agencies in authorizing their employees to operate Government-owned or -leased motor vehicles for official purposes within the States of the Union, the District of Columbia, Puerto Rico, and the territories or possessions of the United States and establishes minimum procedures to ensure the safe and efficient operation of such vehicles.

§ 930.104 Objectives.

This subpart requires that agencies (a) establish an efficient and effective system to identify those Federal employees who are qualified and authorized to operate Government-owned or -leased motor vehicles while on official Government business; and (b) periodically review the competence and physical qualifications of these Federal employees to operate such vehicles safely.

§ 930.105 Minimum requirements for competitive and excepted service positions.

(a) An agency may fill motor vehicle operator positions in the competitive or excepted services by any of the methods normally authorized for filling positions. Applicants for motor vehicle operator positions and incidental operators must meet the following requirements for these positions:

- (1) Possess a safe driving record;
- (2) Possess a valid State license;
- (3) Except as provided in §930.107, pass a road test; and
- (4) Demonstrate that they are medically qualified to operate the appropriate motor vehicle safely in accordance with the standards and procedures established in this part.

(b) Agencies may establish additional requirements to assure that the objectives of this subpart are met.

[50 FR 34669, Aug. 27, 1985, as amended at 60 FR 3067, Jan. 13, 1995]

§ 930.106 Details in the competitive service.

An agency may detail an employee to an operator position in the competitive service for 30 days or less when the employee possesses a State license. For details exceeding 30 days, the employee must meet all the requirements of §930.105 and any applicable OPM and agency regulations governing such details.

[60 FR 3067, Jan. 13, 1995]

§ 930.107 Waiver of road test.

Under the following conditions, OPM or an agency head or his or her designated representative may waive the road test:

- (a) OPM waives the road test requirement for operators of vehicles of one ton load capacity or less who possess a current driver's license from one of the 50 States, District of Columbia, or Puerto Rico, where the employee is domiciled or principally employed, except for operators of buses and vehicles used for: (1) Transportation of dangerous materials; (2) law enforcement; or (3) emergency services.

(b) OPM waives the road test for operators, and agencies may waive the road test for incidental operators of any class of vehicle, who possess a current driver's license for the specific type of vehicle to be operated from one of the 50 States, District of Columbia, or Puerto Rico, where the employee is domiciled or principally employed.

(c) An agency head may waive the road test for operators and incidental operators not covered by paragraphs (a) and (b) of this section, but only when in his or her opinion it is impractical to apply it, and then only for an employee whose competence as a driver has been established by his or her past driving record.

(5 U.S.C. 1104; Pub. L. 95-454, sec. 3(5))

§ 930.108 Periodic medical evaluation.

At least once every 4 years, each agency will ensure that employees who operate Government-owned or leased vehicles are medically able to do so without undue risk to themselves or others. When there is a question about an employee's ability to operate a motor vehicle safely, the employee may be referred for a medical examination in accordance with the provisions of part 339 of this chapter.

[60 FR 3067, Jan. 13, 1995]

§ 930.109 Periodic review and renewal of authorization.

(a) At least once every 4 years, each agency will review each employee's authorization to operate Government-owned or -leased motor vehicles.

(b) An agency may renew the employee's authorization only after the appropriate agency official has determined that the employee is medically qualified and continues to demonstrate competence to operate the type of motor vehicle to which assigned based on a continued safe driving record.

[50 FR 34669, Aug. 27, 1985, as amended at 60 FR 3067, Jan. 13, 1995]

§ 930.110 Identification of authorized operators and incidental operators.

Agencies must have procedures to identify employees who are authorized to operate Government-owned or -leased motor vehicles. Such procedures must provide for adequate control of access to vehicles and assure that the other requirements of this subpart are met.

[50 FR 34669, Aug. 27, 1985, as amended at 66 FR 66712, Dec. 27, 2001]

§ 930.111 State license in possession.

An operator or incidental operator will have a State license in his or her possession at all times while driving a Government-owned or -leased motor vehicle on a public highway.

§ 930.112 Identification card or document in possession.

The operator or incidental operator will have a valid agency identification card or document (e.g., building pass or credential) in his or her possession at all times while driving a Government-owned or -leased motor vehicle.

§ 930.113 Corrective action.

An agency will take adverse, disciplinary, or other appropriate action against an operator or an incidental operator in accordance with applicable laws and regulations. Agency orders and directives will include the following reasons among those constituting sufficient cause for such action against an operator or an incidental operator:

- (a) The employee is convicted of operating under the intoxicating influence of alcohol, narcotics, or pathogenic drugs.
- (b) The employee is convicted of leaving the scene of an accident without making his or her identity known.
- (c) The employee is not qualified to operate a Government-owned or -leased vehicle safely because of a physical or medical condition. In making such a determination, agencies should consult a Federal medical officer or other medical authority as appropriate.
- (d) The employee's State license is revoked.
- (e) The employee's State license is suspended. However, the agency may continue the employee in his or her position for operation of Government-owned or -leased motor vehicles on other than public highways for not to exceed 45 days from the date of suspension of the State license.

§ 930.114 Reports required.

An agency will submit to OPM, on request (a) a copy of agency orders and directives issued in compliance with this subpart; and (b) such other reports as OPM may require for adequate administration and evaluation of the motor vehicle operator program.

§ 930.115 Requests for waiver of requirements.

Agencies may request authority from OPM to waive requirements in this subpart. OPM may grant exceptions or waivers when it finds these waivers or exceptions are in the interest of good administration and meet the objectives of this program.

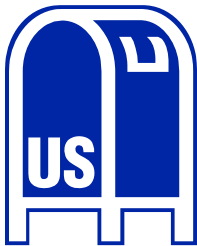
[50 FR 34669, Aug. 27, 1985, as amended at 66 FR 66712, Dec. 27, 2001]

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