

The Library of Congress
Office of the Inspector General



Integrated Support Services

*Increased Management Attention to
Transportation Services Can Result in Savings*

*Audit Report No. 2005-PA-101
March 2006*





UNITED STATES GOVERNMENT

LIBRARY OF CONGRESS

Memorandum

Office of the Inspector General

TO: James H. Billington
Librarian of Congress

March 29, 2006

FROM: Karl W. Schornagel
Inspector General

A handwritten signature in black ink, appearing to read "Karl W. Schornagel".

SUBJECT: *Increased Management Attention to Transportation Services Can Result in Savings*
Final Audit Report No. 2005-PA-101

This transmits our final report on Transportation Services prepared by the Office of the Inspector General. The Executive Summary begins on page *i*, and complete findings and recommendations appear on pages 4 to 7. All recommendations apply to Integrated Support Services. Based upon responses to the draft report, we consider all recommendations resolved.

The Integrated Support Services' response is briefly summarized in the Executive Summary and in more detail after individual recommendations. Their complete responses are attached as an Appendix.

We appreciate the cooperation and courtesies extended by personnel from Integrated Support Services during the audit.

cc: Deputy Librarian
Director, Integrated Support Services
Chief, Office System Services

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EXECUTIVE SUMMARY

Integrated Support Services (ISS), through its Office of Systems Services, manages the Transportation Services Unit (Transportation Services) and the Library's vehicle fleet, providing regular shuttle services to the Taylor Street and Landover Center Annexes, driver services, and delivery services of goods from the Landover warehouse to the Library's Capitol Hill buildings. The fleet consists of 21 vehicles: four trucks, three buses, three cargo vans, four minivans, and seven passenger cars. Most vehicles are available to staff for official business, but only personnel with a commercial vehicle driver's license can operate the larger buses and trucks. The objectives of our audit were to assess the economy and efficiency of the Library's transportation services program, and determine compliance with the Motor Carrier Safety Improvement Act of 1999. The audit included an evaluation of policies, procedures, and internal controls of Transportation Services for FY 2005.

We found that Transportation Services does not consistently collect usage data, and does not analyze the economy and efficiency of its fleet operations and lacks consistent information to do so. Based on existing usage data, about 30 percent of the fleet that is available to employees and for driver services is underutilized. Additional savings can be realized by reducing unneeded shuttle service. Also, additional controls over the Library's Commercial Vehicle Drivers Program are needed to reduce liability exposure. Our findings and recommendations are summarized below:

Transportation Services Lacks Basic Information to Effectively Manage Its Operations—

Transportation Services does not analyze utilization of its fleet of vehicles that are available for employee usage for official Library business and for driver services. Some of its vehicles were not used at all during our six-month test period. Based on our analysis of available information, the Library's fleet could be reduced by six or possibly seven vehicles, resulting in about a 30 percent reduction in the size of the fleet of vehicles. The proposed reduction would include three buses, one minivan, one or possibly two cargo vans, and one passenger car. This represents a cost savings of at least \$30,000 annually and \$150,000 over the next five years. In addition, efficiencies can be achieved through centralization of Transportation Services responsibilities. ISS agreed with our recommendations to develop or acquire a system or process to analyze its operations and centralize all Transportation Services activities.

Transportation Services provides shuttle service to the Library's Taylor Street and Landover Center annexes. It runs four daily shuttles to Taylor Street and two to Landover. Our analysis of the daily logs kept by the drivers of the shuttle service for the months of January and March 2005 disclosed that the Taylor Street shuttle carried no passengers on 77 percent of the trips in January and 34 percent in March. The Landover shuttle carried no passengers on 78 percent of the trips in January and 66 percent in March. Additional savings can be realized by reducing any unneeded shuttle services. ISS agreed with our recommendation to develop or acquire a system or process to analyze its operations.

Controls are Needed Over the Commercial Vehicle Drivers Program—The Library does not require documentation proving that its commercial vehicle drivers have valid licenses and comply with the Motor Carrier Safety Improvement Act of 1999. During the audit, Transportation Services developed a form to keep track of its driver's information, but it does not perform any verifications of the accuracy of the information. The Library could incur unnecessary and significant liability for drivers operating its vehicles. ISS agreed with our recommendation to develop policies and procedures that include certifying annually that commercial drivers comply with regulations.

INTRODUCTION

Transportation Services is a unit of the Office Systems Services Division of Integrated Support Services and manages the Library's vehicle fleet, providing regular shuttle service to Library facilities, as well as driver and delivery services, and provides certain vehicles for Library employees to use for official business. Transportation Services is located at the Library's Madison Building and vehicles are located on Capitol Hill and at the Landover Center Annex. The Library fleet consists of 21 vehicles: four trucks in excess of 26,000 pounds (three heavy duty trucks and one van body), three buses (two 14 seat buses and one 28 seat bus), three cargo vans, four minivans, and seven passenger cars. Transportation Services leases its vehicles from the General Services Administration (GSA) with the exception of the Librarian's executive sedan, which is leased from a local automobile dealership. The Library pays GSA approximately \$74,000 a year to lease its vehicles.

In accordance with Federal law, Library vehicles (cars, vans, trucks, and buses) may only be used for official Library business. To request the use of a vehicle or the services of a Library driver, employees must submit a Request for Motor Vehicle (Form 160) in advance for scheduling and availability purposes. Form 160 requests information such as the requesting office and mail code, requestor, date required and time, return date and time, destination, driver's name, number of passengers, type of cargo, type of vehicle required, purpose of travel, and signature of the requesting officer. Additionally, the form cites 41 CFR 101-38.300-301.3, Official Use of Government Motor Vehicles, for informational purposes.

The invoice manifest is the document provided to the driver of a Library vehicle by Transportation Services before its use. The document provides the driver with information regarding authorized and unauthorized use of Library vehicles, violations of state and local motor vehicle traffic laws, emergency procedures, and safety tips. The invoice manifest also requests the driver to provide information such as the driver's permit number, name of driver, division, date, tag number, odometer reading (out and in), destination, and time (out and in).

Only personnel holding a Commercial Drivers License (CDL) can operate the larger buses and trucks weighing over 26,000 pounds. To obtain a CDL, personnel are required to undergo academic and on-the-job road training, pass written and driving tests, and pass a physical examination. The Library must comply with the Motor Carrier Safety Improvement Act of 1999. The purpose of the Act is to (1) improve the administration of the Federal motor carrier safety program and establish the Federal Motor Carrier Safety Administration in the Department of Transportation, and (2) reduce the number and severity of large trucks involved in crashes through more vehicle and operator inspections and motor carrier compliance reviews, stronger enforcement measures against violators, and effective license testing, recordkeeping, and sanctions.

Transportation Services has eight employees. Three of the eight employees have a CDL and drive the Library's trucks and buses; one is the Librarian's driver; and two handle employee requests for vehicles for official Library business, maintain records, and account for receipts and maintenance costs for all vehicles. Another employee handles Copyright Office pick-ups, Department of State and Serial Record Division deliveries, and picks up overseas office shipments at the airports. The Transportation Services supervisor also serves as a backup driver. In addition to the commercial drivers in Transportation Services, the Library employs commercial drivers in Logistic Services and the Collections Access, Loan and Management Division (CALM).

BACKGROUND

Since 1954, GSA Fleet Services has provided vehicles and fleet management services to over 75 participating federal agencies. Growing from its origin to over 200,000 vehicles in 2005, the GSA fleet is one of the largest non-tactical federal fleets in the U.S. Government. The GSA fleet includes passenger cars; passenger vans; light, medium and heavy-duty trucks; buses; and ambulances. Participating federal agencies are served on a cost reimbursement basis which makes it possible to offer this diverse fleet at cost effective rates. GSA is not a mandatory source of supply for agencies. Agencies can lease vehicles from commercial sources without the approval or permission of GSA.

In 1986, Congress enacted the Consolidated Omnibus Budget Reconciliation Act of 1985. This Act requires agencies to take certain actions to improve the management and efficiency of fleets and to reduce the cost of fleet operations. The Act also requires GSA to issue regulations to implement cost comparison requirements and the Office of Management and Budget to monitor agency compliance. In 1988, the General Accounting Office (GAO) looked at actions agencies took to comply with the Act's requirements and determined that most agencies had not conducted the required cost comparison studies to determine the cost efficiency of their fleets. In 1991, the President's Council on Management Improvement established the Interagency Task Force on Fleet Management. In July 1992, the task force identified obstacles to cost efficient fleet management, including the continued lack of compliance with the Act's requirements.

The Commercial Motor Vehicle Safety Act of 1986 was enacted to improve highway safety by ensuring that drivers of large trucks and buses are qualified to operate those vehicles and to remove unsafe and unqualified drivers from the highways. The Act retained state's rights to issue driver's licenses, but established minimum national standards that states must meet when licensing commercial motor vehicle drivers.

OBJECTIVES, SCOPE, AND METHODOLOGY

The objectives of our audit were to assess the economy and efficiency of the Library's Transportation Services Program, and determine compliance with the Motor Vehicle Carrier Safety Improvement Act of 1999. We tested controls to determine whether: (1) Transportation Services has a methodology to determine that the Library has the appropriate number and type of vehicles, and (2) internal controls over transportation services are adequate.

We analyzed 370 invoice manifests, which represent all requests by employees for passenger cars, minivans, cargo vans, and driver services for the period October 1, 2004 to March 31, 2005. We sorted the information on the invoice manifests by tag number and date to determine the percentage of utilization for each vehicle. Transportation Services has control over the keys and access to all vehicles with the exception of those commercial vehicles located at the Landover Annex and CALM Division. Accordingly, there should not have been any vehicles used by employees or requests for driver services that were not documented on an invoice manifest. However, we could not determine total utilization because employees did not consistently provide information such as time of usage and mileage on the invoice manifests. Accordingly, our utilization study was based on the number of days per the invoice manifest that each vehicle was recorded as used during the test period. If a vehicle was not used or utilization was extremely low (less than five percent of the number of days during the test period) we recommended that Transportation Services consider eliminating it from the fleet. Additionally, we judgmentally decided to analyze the daily logs prepared by the shuttle drivers documenting the number of passengers per trip for the months of January and March 2005. The

shuttle drivers are required to document the number of passengers per trip for management reporting purposes.

We selected 100 percent of the Library's drivers of vehicles over 26,000 pounds to test for compliance with the Motor Carrier Safety Improvement Act of 1999. We reviewed and evaluated policies and procedures, verified that the drivers had passed the necessary tests, checked whether the Library had a copy of the driver's licenses on file, inquired if the Library had determined if its drivers had good driving records, questioned if drivers notified Transportation Services of all traffic violations, and determined whether any of its drivers had been suspended or disqualified.

We also evaluated written procedures and practices against criteria documented in Library of Congress Regulations (LCRs), federal laws, and GAO guidance. The specific laws and regulations included:

- LCR 1613, Use of Library of Congress Motor Vehicles and Other Local Transportation Services in Connection with Official Business, January 2003;
- 41 C.F.R. Part 101-26.5, GSA Procurement;
- 41 C.F.R. Part 102-34, Motor Vehicle Management;
- 41 C.F.R. Part 101-39, Interagency Fleet Management Systems;
- 48 C.F.R. Part 8-11, Leasing of Motor Vehicles;
- Commercial Motor Vehicle Safety Act of 1986;
- 49 U.S.C., Section 101-228, Motor Carrier Safety Improvement Act of 1999; and
- Consolidated Omnibus Budget Reconciliation Act of 1985.

We conducted our audit in accordance with *Government Auditing Standards* issued by the Comptroller General of the United States, and Library of Congress Regulation 1519-1, *Audits and Reviews by the Office of the Inspector General*, October 18, 1999. Our fieldwork was performed from March 2005 to August 2005.

FINDINGS AND RECOMMENDATIONS

The Library does not have a system in place to ensure that operational information is collected and analyzed to assess the performance and efficiency of its Transportation Services program. Policies and procedures are needed to allow management to: (1) assess vehicle utilization (how vehicles are used and the appropriate size and type of the fleet and to establish a baseline for fleet operations), (2) ensure that fleet management responsibilities are centralized to provide uniform guidance and identify cost efficient practices, and (3) protect the Library from liability due to unsafe drivers.

I. Transportation Services Lacks Basic Information to Effectively Manage Its Operations

We found that Transportation Services does not have a process in place for analyzing the efficiency of its operations and has not documented policies and procedures describing its critical processes. Information such as mileage, destination, and time of usage was not recorded on a consistent basis by employees using passenger cars, minivans, and cargo vans, making it difficult to determine total vehicle utilization. Transportation Services' shuttle services had not been reviewed to determine if revising schedules would provide a more cost effective service. We also found that drivers of the Library's commercial vehicles are not required to record information regarding vehicle utilization.

A. Vehicles Available for Loan and Driver Services

Using the information available, we performed a utilization analysis for the first six months of FY 2005 of all documented vehicle usage. We determined that six, or possibly seven, vehicles (30 percent) of the Library's fleet could be eliminated. The proposed reduction in the fleet is based on the documented non-utilization of vehicles. During the six month period there was no record of the three buses and one minivan being used at all. The car assigned to the Office of the Inspector General's Office of Investigation was used only 11 times over a five-month period. Transportation Services indicated that it could provide the Office of the Inspector General's Office of Investigations with a vehicle if its specific vehicle was eliminated from the Library's fleet. The utilization of the three cargo vans was so low (4 percent for the six month period) that one or possibly two could be eliminated. The proposed reduction in Library vehicles available for loan to employees and driver services would represent a cost savings to the Library of approximately \$30,000 annually and \$150,000 over the next five years.

B. Shuttle Service

Transportation Services runs four daily shuttles to Taylor Street and two to Landover. We performed an analysis of the shuttle for the months of January and March 2005 to determine the average number of employees per trip. The Taylor Street shuttle made 152 trips in January and 176 trips in March. On 117 trips in January and 60 trips in March, there were no passengers. Accordingly, the shuttle was empty 77 percent and 34 percent of the time for those respective months. For the months of January and March, the Landover shuttle made 76 and 44 trips, respectively. There were no passengers on 59 trips in January and 29 trips in March. Thus, the Landover shuttle was empty 78 percent and 66 percent of the time for those respective months.

C. Commercial Vehicles

We also found that some official Library employees whose responsibilities are solely to drive Transportation Services' commercial vehicles did not report to the Unit Head, or follow applicable policies and procedures of Transportation Services. Specifically, vehicles belonging to Transportation Services and used by employees at the Landover Annex and elsewhere in the Library had no logs or records of usage. Thus, we could not determine the utilization of those vehicles. The driver of the heavy-duty truck used by CALM reports to its respective division Chief.

Written policies and procedures would strengthen Transportation Services' ability to effectively manage its operations. For example, if Transportation Services ensured that information such as mileage, destination, time of usage, and vehicle tag numbers were filled out consistently on the invoice manifests, it could use the information to perform utilization studies and improve operations. Utilization should be determined based on the mission of the vehicle, number of trips, hours of usage, and mileage. Written policies and procedures could also provide guidance needed for scheduling and preventing logistical problems. ISS management has recently mapped Transportation Services' critical operating processes and is drafting operational procedures.

A GAO report¹ found that fleet industry officials identified certain practices that they believe are essential to cost efficient fleet management. These practices include:

- Conducting utilization assessments to determine the right fleet size;
- Having information and supporting management information systems to enable managers to assess performance and make sound decisions;
- Comparing or benchmarking the cost and performance of a fleet with those of the best fleets; and
- Centralizing fleet management responsibilities to: (1) establish written policies, procedures, and other guidance, and (2) identify opportunities for improving fleet cost efficiency.

GAO's *Standards for Internal Control in the Federal Government* states that management is responsible for developing detailed policies, procedures, and practices to fit their agency's operations and to ensure that they are built into and become an integral part of operations.

Recommendations

ISS should:

- A. Develop or acquire a system or process that will allow it to properly analyze its operations and make critical management decisions.
- B. Continue to document Transportation Services' operational and administrative policies and procedures. Additionally, all Transportation activities, personnel, and operations should be centralized and become the responsibility of Transportation Services. This would allow Transportation Services to identify opportunities to improve fleet cost efficiency.

¹ GAO-04-664, Federal Acquisition: Increased Attention to Vehicles Could Result in Savings, May 2004.

Management Response and OIG Comments

ISS agreed with our recommendations and is currently in the process of recruiting a Chief Automation Officer whose initial responsibility will include researching and implementing a simple-to-use software system to support Transportation Services activities. This system will allow ISS to record data about vehicle and driver utilization as a basis for making informed decisions on fleet size and composition. ISS had already identified the need to document operational and administrative policies and procedures. During the spring of 2005, one professional ISS staff member helped Office Systems Services (OSS) with process mapping of the Transportation Services activities. Another staff member developed a Statement of Work and consultant agreement for a technical writer to assist OSS in developing policies and procedures. The contract technical writer is currently developing policies and procedures for Transportation Services.

Additionally, ISS agreed with our recommendation that Transportation Services activities and responsibilities should be centralized for a more efficient and effective operation. ISS expressed some concern regarding the personnel aspects of such realignment due to the Library's Human Resources regulations and union contract requirements.

II. Controls Are Needed Over the Commercial Vehicle Drivers Program

Transportation Services does not require documentation to confirm that its commercial motor vehicle drivers have (1) obtained their commercial driver's license (CDL), (2) maintained good driving records, and (3) notified the Library of all traffic violations and license suspensions.

Transportation Services has not developed policies and procedures to ensure its compliance with the rules and regulations of the Motor Carrier Safety Improvement Act of 1999. During the audit, Transportation Services developed a form to capture driver's information, but it still does not certify that the information provided is accurate. The supervisor of Transportation Services is currently filling out the form. Unless Transportation Services periodically requires certification of the information, it could unknowingly allow drivers to operate vehicles in violation of the Act. The Library could incur significant liability if one of the drivers were involved in an accident.

The Commercial Motor Vehicle Safety Act of 1986 and the Motor Carrier Safety Improvement Act of 1999 were created to improve highway safety by requiring that drivers of large trucks and buses are qualified to operate those vehicles and to remove unsafe and unqualified drivers from the highways. Employees are required to notify employers of the following:

- Within 30 days of a conviction of any traffic violation, a driver must notify his/her employer, regardless of the nature of the violation or the type of vehicle driven; and
- If a driver's CDL is suspended, revoked, canceled, or if he/she is disqualified from driving, the employer must be notified by the end of the next business day following receipt of the notice of suspension, revocation, cancellation, or disqualification.

The Act also prohibits employers from using a driver that has more than one CDL or whose license has been suspended, revoked, cancelled, or is disqualified from driving. Violation of this requirement may result in civil or criminal penalties for the Library.

Recommendation

Transportation Services should develop policies and procedures that include having its employees that drive commercial vehicles for the Library sign a statement annually certifying that they are, and will notify their managers if they are not, in compliance with the rules and regulations of the Motor Carrier Safety Improvement Act of 1999.

Management Response and OIG Comments

ISS agreed with our recommendation, and the Chief of OSS (who also serves as Acting Head of Logistics) has already implemented this for the drivers with CDL licenses, both in the Transportation Unit as well as in the Logistics Section.

Major Contributors to This Report:

Anita Scala, Assistant Inspector General for IT and Security Audits
Douglas C. McLeLLan, Auditor

APPENDIX
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UNITED STATES GOVERNMENT

LIBRARY OF CONGRESS

Memorandum

Integrated Support Services

TO: Karl Schornagel
Inspector General

DATE: February 13, 2006

FROM: Mary Levering 
Director, Integrated Support Services

SUBJECT: ISS Comments on Draft Audit Report No. 2005-PA-101, January 2006, on "Transportation Services"

This is in response to your memo of January 26, 2006, requesting comments from Integrated Support Services on the Draft Audit Report No. 2005-PA-101, dated January 2006 on "Transportation Services."

Attached are the ISS Directorate and Office Systems Services comments on this draft report. ISS agrees with all the recommendations and has already taken steps to implement these. Please note however that ISS has no authority to centralize the collections transportation service currently managed by the Library Services CALM Division. This is outside of ISS authority or control and functions of collections movement and transportation are not part of ISS mission.

Thank you for giving ISS the opportunity to review and comment on this report.

Attachment: ISS Response to Draft Report

RECEIVED

FEB 23 2006

cc w/copy of attachment and draft IG Audit Report:
Rob Williams, Chief, OSS
Robert Burnette, Head, OSS Transportation Unit
Quincy Allen, Assistant Head, Logistics
Steve Herman, Chief, LS/CALM
Bob Dizard, Library Services
Deanna Marcum, Associate Librarian, Library Services

**INSPECTOR
GENERAL**

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**APPENDIX
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**Integrated Support Services/Office System Services Response
To Draft Audit Report No. 2005-PA-101
February 13, 2006**

Recommendation I: Transportation Services [needs] basic information to effectively and efficiently manage its operations.

1.A. Develop or acquire a system or process that will allow its [ISS] to properly analyze its operations and make critical management decisions.

ISS Response: Agree

ISS/OSS agrees with the need for a simple automated system or process to record data about vehicle and driver utilization in order for management to analyze ISS transportation services including vehicle utilization as a basis for informed decision-making on fleet size and composition. ISS is currently recruiting for a Chief Automation Officer for the directorate. Researching and implementing a simple-to-use software system to support Transportation Services activities will be one of this appointee's assignments in the coming year.

1.B ⁽¹⁾ Continue to document Transportation Services' operational and administrative policies and procedures.

ISS Response: Agree

ISS had already identified the need for documenting the Transportation Services' policies and procedures many months ago. During the spring of 2005, one professional ISS Directorate Office staff member helped OSS with process-mapping of the Transportation Unit activities and another staff member developed a Statement of Work and consultant agreement for a technical writer to assist OSS in documenting its policies and procedures. The contract technical writer is working on these and the process is currently well underway at the present time.

1.B ⁽²⁾ All Transportation Services' activities, personnel and operations should be centralized and the responsibility of Transportation Services, thus allowing Transportation Services to identify opportunities to improve fleet cost efficiency.

ISS Response: Agree

At the current time both Logistics and OSS/Transportation Services employ drivers who have CDL licenses and are authorized to drive the Library's trucks and buses. ISS agrees with the IG's recommendation to combine these activities and responsibilities into one centralized operation for more efficient operations. The personnel aspects of such a realignment, however, need to be considered and approached carefully within the Library's HR regulations and union contract requirements.

(Note: The CALM transportation operation is managed by Library Services, utilizing a specialized vehicle procured by Library Services for transporting collections which operates completely independent of ISS for movement of Library collections. This responsibility is outside of ISS authorized activities or control.)

Recommendation II: Controls are needed over the commercial vehicle drivers program.

III. Transportation Services should develop policies and procedures that include having its employees that drive commercial vehicles for the Library sign a statement annually certifying that they are ... in compliance with the ... Motor Carrier Safety Improvement Act of 1999.

ISS Response: Agree

ISS fully agrees with this recommendation and the Chief of Office System Services (who also serves as Acting Head of Logistics) has already implemented this for the drivers with CDL licenses, both in the Transportation Unit as well as the Logistics operation.