

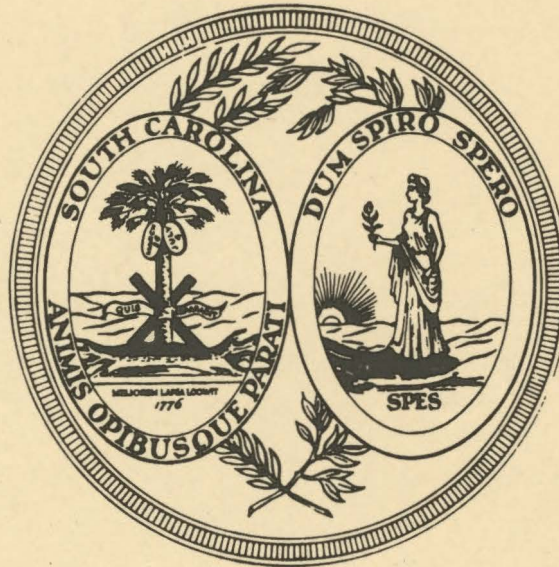
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South Carolina General Assembly



Legislative Audit Council



South Carolina General Assembly
Legislative Audit Council
Review of Compliance with the
Comprehensive Statewide
Motor Vehicle Management Program
April 8, 1980

THE STATE OF SOUTH CAROLINA

GENERAL ASSEMBLY

LEGISLATIVE AUDIT COUNCIL

REVIEW OF COMPLIANCE

WITH THE

COMPREHENSIVE STATEWIDE

MOTOR VEHICLE MANAGEMENT PROGRAM

(SECTION 24, PART II, PERMANENT PROVISIONS,

1978-79 APPROPRIATION ACT)

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INTRODUCTION

Section 24, Part II - Permanent Provisions of the South Carolina Appropriation Act of 1978-1979 created within the Budget and Control Board a Division of Motor Vehicle Management and the Motor Vehicle Management Council and required the establishment of a comprehensive Fleet Management Program. The Act requires the Legislative Audit Council to "...audit compliance by the Division of Motor Vehicle Management and the agencies with this section and publish its findings no later than April 1, 1979 and again by April 1, 1980." In keeping with this legislation the Audit Council has examined the progress made in implementing this law.

In conducting this review the Audit Council reviewed the minutes of the State Budget and Control Board and Motor Vehicle Management Council meetings. Interviews were held with officials and staff of the Division of Motor Vehicle Management. In addition, files and records of the Division of Motor Vehicle Management were reviewed and analyzed.

The following report consists of a report summary and a detailed discussion of the implementation and compliance with the Act. Each provision of the law is discussed and all actions taken to comply with the law are reviewed.

REPORT SUMMARY

On March 30, 1978 the Legislative Audit Council issued a report entitled Program and Operational Review of the Acquisition, Use and Management of South Carolina State-Owned Motor Vehicles. The Council identified major problems in all areas of management and operation of the State's motor vehicle fleet. The inadequate and wasteful practices found cost the State an estimated \$2.5 to \$3 million per year.

Many of the problems listed in the report were addressed by the General Assembly which in 1978 passed Section 24 of Act 644 (South Carolina Appropriation Act - Part II - Permanent Provisions). This legislation places more controls in the areas of motor vehicle management including assignment and use, acquisition and disposal, motor pools, maintenance, cost accounting and reporting, and vehicle identification.

In a report issued April 3, 1979 the Audit Council reviewed the progress made in implementing this Act and in achieving its stated goals and objectives. The items which were accomplished in the implementation of the law at this time included:

- Selection of the Motor Vehicle Management Council members.
- Appointment of a fleet manager.
- Establishment and adoption of vehicle assignment and use criteria.
- Transferral of the General Service Motor Pool to the Division of Motor Vehicle Management.
- The commissioning of a consultant study to develop a cost effective system of motor pools and maintenance facilities.
- The planning of the development of a statewide uniform cost accounting and reporting system.

At that time the Council found two areas of the law in which the Budget and Control Board had difficulty implementing. They were vehicle assignment and vehicle identification. The development of equitable vehicle assignment criteria took many months to complete and criteria was not adopted until March 27, 1979. In addition, some agency vehicles were exempted from using State Government license plates although the need for these exemptions were not adequately documented and justified. However, overall the Council found that efforts during the first year of the Act's implementation were productive.

In July 1979 the General Assembly passed a Concurrent Resolution which created a Joint Legislative Committee to study the regulations of the Division of Motor Vehicle Management (DMVM) and to "...Request a Delay in the Implementation of Such Regulations until the Committee Study is Completed" (see Appendix 1).

In accordance with this Resolution the Committee met, held hearings and, on January 23, 1980, issued a report. The Committee found that many of the problems presently experienced by the Division of Motor Vehicle Management were a result of inadequate communication and interaction between the Division and the various agencies. The Committee also made several recommendations designed to encourage agency directors "to provide input and direction as to how State-owned vehicles would be best utilized in his or her respective agency and to provide maximum cost effective utilization of State-owned vehicles." These recommendations are contained in Appendix 2.

Due to the request of the resolution to delay implementation of DMVM regulations, little action has taken place in implementing several areas of the law. However, there has been much progress in the

efforts by the Motor Vehicle Council and DMVM to create an efficient and effective State motor pool and maintenance system. They are:

- The establishment of a State motor pool designed to meet the needs of State agencies.
- The establishment of a State motor pool maintenance facility and preventive maintenance program.
- Continued work toward the implementation of a uniform cost accounting and reporting system.

Overall the Audit Council has found that although some progress has been made, the ultimate goal of the Motor Vehicle Management Act, to establish "a comprehensive statewide motor vehicle management program," has not been fully implemented largely because of the delay created by the Concurrent Resolution mentioned above. The Council concludes that there is a need for continued cooperation and mutual guidance on the part of the Legislature, the agencies, the Motor Vehicle Management Council and DMVM in the more subjective and controversial areas such as assignment criteria and vehicle identification.

REVIEW OF COMPLIANCE WITH THE LAW

Introduction and Background

The 1978-1979 Appropriation Act, Section 24, Part II of the permanent provisions, created within the Budget and Control Board a Division of Motor Vehicle Management and the Motor Vehicle Management Council and mandated that a "comprehensive statewide motor vehicle management program" be implemented. This program is designed to address the "acquisition, assignment, identification, replacement, disposal, maintenance and operation of motor vehicles." The task of the Board is to promulgate rules, regulations, policies and procedures to achieve the following objectives:

- (1) achieve maximum cost-effective management of motor vehicles in keeping with the objectives of State agencies;
- (2) eliminate unauthorized and unofficial use of State vehicles;
- (3) minimize individual assignment of State vehicles;
- (4) eliminate use of personally-owned vehicles when this practice is more costly than use of State vehicles; and
- (5) acquire optimum energy efficient vehicles for the tasks to be performed.

Under the law the Division of Motor Vehicle Management (DMVM) is headed by the "State Fleet Manager" who is appointed by and reports to the Board. DMVM is to control the motor pool formerly operated by the Division of General Services and to develop and implement a uniform cost accounting and reporting system to determine the cost per mile of "each motor vehicle used by the State."

Section 24 also provides that DMVM receive and possess title to all State vehicles pending their sale or disposal. The only exceptions from this practice are school buses and service vehicles of the Department of Education and all vehicles operated by the Department of Highways and Public Transportation.

The Motor Vehicle Management Council (MVMC) consists of three members of the private sector with expertise in the field of motor vehicle management. Council members are appointed for terms of four years by the Budget and Control Board with the advice and consent of the Senate except that of those first appointed, one is to serve for two years, one for three years and one for a full term.

The MVMC is assigned specific duties by law which are:

- (1) To recommend to the Budget and Control Board qualified candidates for the post of State Fleet Manager.
- (2) To supervise the detailed operations of the Division of Motor Vehicle Management.
- (3) To study and make recommendations to the Budget and Control Board concerning the development of a comprehensive State Fleet Management Program and methods to achieve the Act's objectives.
- (4) To act as a hearing board for all "disputes, complaints and any other grievances lodged against the promulgation, implementation and enforcement of regulations pursuant to... [Section 24]."

In addition to having the overall responsibility for achieving the law's objectives the Board too has specific tasks. These include:

- (1) Establishing administrative penalties for violation of procedures relating to the Fleet Management Program.
- (2) Establishing criteria for individual assignment of motor vehicles. These criteria are to be based solely on the functional requirements of

the individual's job in situations clearly cost beneficial to the State. Only the Governor and statewide elective State officials are exempt from this requirement.

- (3) Designing a standard form to log all trips to permanently assigned automobiles.
- (4) Developing a system of agency-managed and interagency motor pools that are cost beneficial to the State.
- (5) Studying the cost effectiveness of State maintenance facilities versus commercial facilities and developing a cost effective plan for vehicle maintenance. The results of this study will then be formulated into a State Maintenance Program to include:
 - (a) central purchasing of supplies and parts;
 - (b) an effective inventory control system;
 - (c) a uniform work order and record-keeping system assigning actual maintenance cost to each vehicle; and
 - (d) preventive maintenance programs for all types of vehicles.
- (6) Purchasing, acquiring, transferring, replacing and disposing of all State-owned vehicles. These processes are to be carried out based on maximum cost effectiveness and lowest anticipated life cycle costs.
- (7) Ensuring that State-owned motor vehicles are identified by State Government license plates, State Seal decals or agency decals.

The following is an examination of compliance with Paragraphs (F) through (M) of the law (Section 24, Part II, 1978-79 Appropriation Act).

Individual Assignment of Vehicles

The Act (Paragraph F) states that the Budget and Control Board shall establish criteria for individual assignment of motor vehicles.

These criteria are to be "based solely on the functional requirements of the job (emphasis added)" as opposed to previous criteria which were based mainly on a person's position or prestige. Only the Governor and other statewide elected officials are to be assigned vehicles on the basis of office.

On March 27, 1979 the Budget and Control Board approved vehicle assignment and use criteria which comply with the intent of the Act. These new criteria were based on recommendations made by the Motor Vehicle Management Council (MVMC). These recommendations used as a standard the number of actual official miles driven. The following criteria were adopted by the Board:

- (1) To justify a permanent assignment to an individual, a State vehicle must be driven 14,000 official miles per year.
- (2) All employees using State cars will maintain a log to be sent to DMVM.
- (3) For eligible employees who drive over 2,000 official miles per month a Class III will be made available.
- (4) For eligible employees who drive over 1,600 official miles per month a Class IV will be made available.
- (5) For eligible employees who drive less than 1,600 miles per month and for the general motor pool, Class V will be made available.
- (6) Agencies authorized to operate pools can buy up to 10% Class IV for longer trips.
- (7) The DMVM, upon approval by the State Budget and Control Board, may fill agency requests from the approved listing for vehicles required for the proper administrative functioning of a certain agency; these vehicles may not meet the mileage criteria, but will be subject to all other criteria.

- (8) Persons assigned cars shall pay commuting charge.

The above does not pertain to full-time law enforcement officers whose sole task is protection of life and property.

Due to the request for delay, as specified in the July 1979 Concurrent Resolution, these requirements have not been carried out. In January 1980 report to the General Assembly, the Motor Vehicle Management Review Committee made the following recommendations concerning the requirements of Paragraph F and their implementation:

- (1) Vehicle assignment - Vehicles permanently assigned to individuals should continue for one year. During this year each agency and DMVM, on the basis of trip logs and the functional requirements of each job, should determine if these assignments shall continue.
- (2) Type of vehicle assigned - The present standards should be maintained as a part of the State's energy conservation program.
- (3) Trip logs - Logs should be kept only on vehicles with a gross vehicle weight of 10,000 pounds or less. Agency directors and commissioners should not be required to maintain trip logs, however, these personnel would report aggregate mileage on an "exception" report. Trip logs will be maintained at the agency level.
- (4) Commuting fees - Commuting charges should be postponed for one year. At the conclusion of this period, agency directors and DMVM should determine to whom the charges would apply. Full-time law enforcement officers should not be charged.

Motor Pools

Paragraph (G) states that the Board shall develop a system of agency and interagency motor pools that are cost beneficial to the State. Vehicles are to be placed in motor pools rather than being individually assigned except as authorized by the Board using the criteria established in Paragraph (F). The motor pool operated by the Division of General Services is to be transferred to DMVM and all motor pool vehicles are to utilize trip log forms. These provisions do not apply to school buses and service vehicles.

A study entitled "Feasibility Analysis for Establishment of Motor Pools and Maintenance Facilities" was completed on July 31, 1979 by the firm of Carter-Goble-Roberts, Inc. which addressed the development of a system of motor pools. The study states that "The feasibility of a central, interagency motor pool is well established by the experience of (DMVM)," and that "...an expanded motor pool would have positive benefits for the State."

Presently DMVM operates an interagency motor pool (formerly operated by the Division of General Services) containing 396 vehicles. Three hundred sixty-four (364) of these vehicles are permanently leased to the various State agencies. This arrangement is highly advantageous to those agencies since they need only pay one bill a month for the use of a vehicle as opposed to several bills for gas, repairs and other costs.

DMVM also maintains 32 cars for interagency dispatch. The 1978 Audit Council report noted that only six vehicles were available at that time and that these vehicles were usually reserved one month in advance. The 1979 report stated that 15 cars were available and required one week advance notice for use. With the availability of 32 cars DMVM

can now offer services on a daily basis in most cases. As specified by law, daily trip logs are used with all motor pool vehicles.

Maintenance Facilities

Paragraph (H) addresses the maintenance of State vehicles. The Board, in consultation with agencies which operate maintenance facilities, is directed to study the cost effectiveness of these facilities in comparison to commercial alternatives and develop and implement a State vehicle maintenance program. This program is to include central purchasing, an inventory control system, a work order and record-keeping system which assigns actual maintenance cost to each vehicle, and a preventive maintenance program. Paragraph (H) also states that all fuels will be purchased from State facilities except in cases where such purchase is impossible or not cost beneficial to the State and all fuels, lubricants, parts and maintenance costs are to be charged to a State credit card.

In the April 1979 report the Audit Council reported that the MVMC recommended that the study of maintenance facilities be included in the consultant study contracted to Carter-Goble-Roberts, Inc. This study recommended that "DMVM operate a maintenance facility in the Columbia area and assume the responsibility for maintenance of all State passenger vehicles in the capital complex area." DMVM acquired a maintenance facility in December 1979 and is currently providing maintenance services to State motor vehicles.

This facility also houses DMVM's administrative offices and includes a moderate parking area. The facility is leased from a private firm and the annual rent is \$31,118 for the first year, \$35,834 the second year

and \$38,482 the third year. An additional parking area is leased for \$1,920 per year. The maintenance facility currently employs two mechanics, two mechanics' helpers and a supervisor. Equipment costs, including lifts and diagnostic equipment, were \$43,000.

Supplies are purchased under State contract. The Council examined the facility's inventory control system and found it to be adequate. A uniform work order and record-keeping system is being utilized and actual maintenance costs are assigned to each car. These data will be retained on the new accounting and reporting system. A preventive maintenance program is also in effect. DMVM receives a monthly computer printout on all motor pool vehicles and these vehicles are scheduled and maintained on a regular basis. The acquisition of this maintenance capability should result in increased accountability in the area of vehicle repair and should also result in long-term monetary savings.

During the previous audit the Council examined DMVM financial reports and found that 21.8% of all gasoline purchased for motor pool cars was obtained at commercial facilities. The Council again examined these records and determined that for the period of July 1979 through January 1980, 80,139.7 gallons or 31.7% was purchased at commercial facilities. According to DMVM this increase is the result of the State's allotment system and the accompanying shortage of gasoline supplies at State pumps.

Uniform Cost Accounting and Reporting System

Paragraph (I) charges DMVM with developing and implementing a uniform cost accounting and reporting system to ascertain the cost per mile of each State-owned vehicle. DMVM is also authorized to permit

any agency to develop a comparable cost accounting system and pay its bills directly; however, the Division is directed to audit these systems on a regular basis.

Last year the Audit Council reported that DMVM officials and the Division of General Services were conferring with the Florida Bureau of Motor Vehicles and Water Craft and planned to model the State's vehicle management information system on the Florida system and that the projected date of implementation would be July 1, 1980. However, due to the high cost of providing this service for all State vehicles (approximately \$100,000) DMVM will use a modified system which will be used to gather data on the 396 motor pool vehicles. The modified system is designed to accept data on other agencies' vehicles if desired. The new system will not provide as much detailed data as the Florida system but is sufficient to provide the data needs for life cycle costing. The operational cost of this modified vehicle management tool will vary depending on how many vehicles are included in the system. The cost for the motor pool vehicles will be approximately \$15,000.

DMVM has also begun conducting audits of agency accounting systems and motor vehicle procedures as directed by law. To date, 56 audits have been conducted. In addition to providing technical services one result of these audits has been termination of agency use of commercial credit cards in favor of the State credit card. The audits have also identified those agencies which use excessive amounts of commercial gasoline and agencies which have not complied with vehicle identification requirements.

Purchasing, Ownership and Disposal of Vehicles

Paragraph (J) specifies that the Board "shall purchase, acquire, transfer, replace and dispose of all vehicles on the basis of maximum cost effectiveness and lowest anticipated total life cycle costs." Also all State vehicles will be titled to the State and DMVM will receive and possess such titles. Titles to school buses and service vehicles of the Department of Education and vehicles operated by the Department of Highways and Public Transportation are exempt from the title requirement.

As reported by the Audit Council in 1979 DMVM has begun a program of vehicle acquisition and disposal based upon cost effectiveness and life cycle costing. This system should be greatly improved by data obtained from the new cost accounting and reporting system. In addition, DMVM has acquired title to the majority of vehicles in the State.

However, the State Law Enforcement Division (SLED), the Department of Wildlife and Marine Resources and the Department of Health and Environmental Control (DHEC) have not relinquished their vehicle titles to DMVM. The law is very clear on this matter. The only exemptions granted by law are to the Department of Highways and Public Transportation and school buses and service vehicles operated by the Department of Education. As the Motor Vehicle Management Review Committee states in its report, "Titles to vehicles are essential in order to accurately determine the number and types of vehicles in the State's vehicle fleet." The effect of this non-compliance by these agencies has been to impede progress in the implementation of an effective motor vehicle management program.

Identification of Vehicles

Paragraph (K) states that the Board shall ensure that all State-owned motor vehicles are identified through the use of "permanent State Government license plates, State Seal decals or agency decals" and that only the State Budget and Control Board may exempt a vehicle from these requirements.

The 1979 Audit Council report identified 311 vehicles which had obtained exemption from these identification requirements. As of March 1980 these same 311 vehicles have retained this status plus an additional 14 ABC Commission vehicles bringing the total to 324. Several State agencies have requested additional exemptions, however, they have yet to be approved or disapproved by the Board.

APPENDICES

APPENDIX 1

SENATE AMENDMENT

July 26, 1979

Calendar No. S. 572

By TRANSPORTATION COMMITTEE

Printer's No. 700—H.

Introduced June 28, 1979.

A CONCURRENT RESOLUTION

To Create a Committee to Study the Regulations of the Division of Motor Vehicle Management of the Budget and Control Board and to Request a Delay in the Implementation of Such Regulations Until the Committee Study Is Completed.

Amend title to conform.

Whereas, it is the duty of the members of the General Assembly to determine the most economic and efficient means by which state-owned equipment may be operated; and

Whereas, the members of the General Assembly find that a study of the regulations of the Division of Motor Vehicle Management of the Budget and Control Board should be made to determine whether or not it implements the most economic and efficient plan of state-owned vehicles; and

Whereas, the General Assembly believes that a delay in the implementation of such regulations should be effected until the study is completed and desirable changes, if any, are recommended. Now, therefore,

Be it resolved by the Senate, the House of Representatives concurring:

That the Division of Motor Vehicle Management of the Budget and Control Board is requested to delay, until April 1, 1980, the implementation of regulations adopted in accordance with Section 25 of Part II of Act 644 of 1978.

Be it further resolved that a committee of six is created to study the regulations and recommendations of the Division of Motor Vehicle Management. Three members shall be appointed by the President of the Senate from the membership of that body and three members shall be appointed by the Speaker of the House of Representatives from the membership of that body.

APPENDIX 1 (CONTINUED)

2

The committee shall meet as soon as is practicable and shall organize by electing one of its members as chairman and one as secretary and shall appoint such other officers as it may deem desirable. The committee shall meet thereafter upon call of the chairman or a majority of its members.

The Committee shall make a thorough study of the regulations and recommendations of the Division of Motor Vehicle Management of the Budget and Control Board and shall make a report with recommendations to the members of the General Assembly no later than January 8, 1980.

The members of the committee shall receive the usual per diem, mileage and subsistence to be paid from the approved accounts of both houses but not to exceed Three Thousand Dollars. The duties of the committee shall be completed no later than April 30, 1980, at which time the committee shall cease to exist.

The Legislative Council shall provide such legal services as it may require in the performance of its duties.

Be it further resolved that a copy of this resolution be forwarded to the Division of Motor Vehicle Management and the Motor Vehicle Management Council.

—XX—

APPENDIX 2

No. 150

WEDNESDAY, JANUARY 23, 1980

Received as information.

REPORT RECEIVED

The following was received:

The Motor Vehicle Management Review Committee in accordance with Concurrent Resolution S. 572 submits the following Report to the General Assembly for its consideration and concurrence.

After meeting with the Motor Vehicle Management Council, the staff of the Division of Motor Vehicle Management, and various agency heads and/or agency representatives concerned about the impact of implementation of the Division of Motor Vehicle Management regulations, the Review Committee found that many of the problems presently experienced by the Division of Motor Vehicle Management are a result of inadequate communication and interaction between the Division and the various agencies. Therefore, the following recommendations are designed to encourage the director of each state agency to provide input and direction as to how state-owned vehicles would be best utilized in his or her respective agency and to provide maximum cost-effective utilization of state-owned vehicles.

This report will deal individually with the following areas: Trip Logs, Vehicle Assignment, Commuting Charges, Identification, Type (size) Vehicle, Titles.

Trip Logs

The trip log is intended as an agency management tool to be used at the agency level for recording and analyzing data essential to an accurate portrayal of cost and cost-effectiveness of the motor vehicle fleet. Trip logs, while essential to effective vehicle management, should not place any undue burdens in terms of time or personnel on vehicle operators or agencies; therefore, it is recommended that the log be kept only on vehicles with a gross vehicle weight (GVW) of 10,000 pounds or less. Agency directors and commissioners should not be required to maintain trip logs unless it is the desire of that particular agency director. Mileage in this case could be reported by use of an "exception report" as defined below. While the trip log approved by the Budget and Control Board is recommended, consideration should be given to allow agencies to continue using existing logs with the understanding that agency logs will provide the information required by the Governor's Office for their mileage report.

With respect to "exception" reporting, this technique allows agency heads, commissioners and others designated by the agency and approved by the Budget and Control Board to report mileage considered to be an exception from the normal official

APPENDIX 2 (CONTINUED)

mileage driven. This would include personal use such as commuting. This form should be very simple and would report the total miles driven and of this total, the amount driven for personal use. destinations, purpose and other data would not be required unless desired by the agency. Additionally, consideration could be given to allow this report to be on a quarterly basis to coincide with the Governor's Mileage Report.

The trip log and the exceptions report would be retained at the agency level for use by the agency and for audit purposes required by proper jurisdiction.

Vehicle Assignment

It is recommended that vehicles permanently assigned to individuals continue for the period of one year if the agency head certifies the need individually. During this year, it is also recommended that each agency and the Division of Motor Vehicle Management study and determine, on the basis of trip logs and the functional requirements of each job, whether the permanent assignments should continue. Also, during this year, it is recommended that each agency, assisted by the Division of Motor Vehicle Management, study the feasibility of pooling vehicles in their agency rather than permanently assigning vehicles to individuals.

Commuting Charges

It is recommended that commuting charges be postponed for the period of one year. At the conclusion of that year, agency directors and the Division of Motor Vehicle Management should determine to whom the charges should apply after a thorough study of trip logs/forms and job requirements. Full-time law enforcement officers shall not be charged. The specific amount of the charge should be determined at a later date by the Budget and Control Board after consultation with the agency directors, the Motor Vehicle Management Council, the Division of Motor Vehicle Management, the Legislative Audit Council, and/or other appropriate agencies. The funds collected from the commuting charges should be credited to the agency in which the individual is employed.

With respect to "line law enforcement officers", this term should be specifically defined by each agency after receiving guidelines from the Budget and Control Board.

Identification

It is recommended that vehicles be exempt from the identification requirement only as specified in the Motor Vehicle Management Act with the understanding that this includes a broad spectrum of individual cases and needs. The recommendation of the agency director should weigh heavily on the consideration given the request by the Budget and Control Board.

APPENDIX 2 (CONTINUED)

Type (Size) Vehicle

It is recommended that the present standards be retained as a part of the State's energy conservation program with the understanding that the standards be developed by the Vehicle Specifications Committee. This committee is an existing committee, the members being designated by the major state agencies and the Energy Management Office to represent the specific needs of that agency as well as to provide expertise to the Division of Motor Vehicle Management in the preparation of vehicle specifications to be submitted to the Budget and Control Board for final approval.

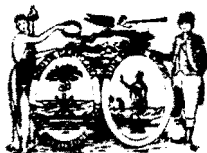
Titles

Titles to vehicles are essential in order to accurately determine the number and type of vehicles in the state's vehicle fleet. It is recommended that all titles to state-owned vehicles continue to be retained by Motor Vehicle Management as that Division is responsible for maintaining an accurate statewide vehicle inventory. As in the original act, exempted from this requirement should be the Department of Highways and Public Transportation and the school buses and service vehicles operated by the State Department of Education. Consideration should also be given to exempting those vehicles used solely in undercover law enforcement operations as information contained on the titles is available to the general public and could jeopardize the investigation and the officer's well-being should it be released.

Implementation of the above recommendations can be handled administratively.

/s/ Senator Horace C. Smith,
Chairman
Senator A. Eugene Carmichael, Jr.
Senator John C. Land, III
/s/ Rep. James M. Arthur
Rep. David O. Hawkins
Rep. Julius Murray

On motion of Mr. JAMES ARTHUR the report was ordered printed in the Journal.



STATE OF SOUTH CAROLINA
BUDGET AND CONTROL BOARD
DIVISION OF MOTOR VEHICLE MANAGEMENT
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ALLAN J. SPENCE
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March 27, 1980

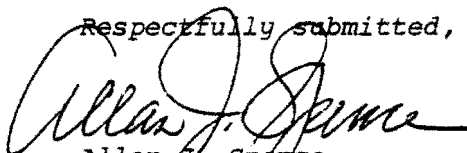
The Director, Division of Motor Vehicle Management, considers this Audit Report an accurate and objective evaluation of the current status of the Vehicle Management Program for the State of South Carolina.

As indicated by my remarks following the Audit Reports of March 30, 1978, and April 3, 1979, the audit principle established by the General Assembly, through the Legislative Audit Council, is an effective method to appraise that body of the factual performance of vehicle management in South Carolina.

The report of the Legislative Audit Council clearly indicated in several instances that the program of the Division of Motor Vehicle Management had been delayed in order to give the Joint Legislative Committee an opportunity to finish its work. However, I would like to re-emphasize that fact and to give assurance that the Division of Motor Vehicle Management will continue to pursue its responsibilities in accord with the findings of the Committee and the directives of the Budget and Control Board.

As previously stated, the Division of Motor Vehicle Management strongly endorses the audit principle and accepts this report as written. I concur with these findings contained in this report and wholeheartedly encourage acceptance and approval by the General Assembly

Respectfully submitted,


Allan J. Spence
Fleet Manager