# DHS Has Made Progress in Meeting SAVE Act Requirements But Challenges Remain for Fleet Management

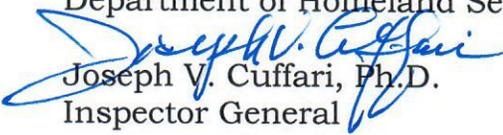Homeland
Security

**June 15, 2020**

**OIG-20-40**

June 15, 2020

MEMORANDUM FOR: The Honorable Chad F. Wolf
Acting Secretary
Department of Homeland Security

FROM: Joseph V. Cuffari, Ph.D.
Inspector General

SUBJECT: *DHS Has Made Progress in Meeting SAVE Act Requirements But Challenges Remain for Fleet Management*

Attached for your information is our final report, *DHS Has Made Progress in Meeting SAVE Act Requirements But Challenges Remain for Fleet Management.* We incorporated the formal comments provided by the Office of the Chief Readiness Support Officer in the final report.

The report contains four recommendations to enhance the vehicle fleet program's overall effectiveness. The Office of the Chief Readiness Support Officer concurred with all recommendations. Based on the information provided in your response to the draft report, we consider all four recommendations open and resolved. Once the Office of the Chief Readiness Support Officer has fully implemented the recommendations, a formal closeout letter should be submitted to us within 30 days so that we may close the recommendations. The memorandum should be accompanied by evidence of completion of agreed-upon corrective actions and of the disposition of any monetary amounts. The Office of the Chief Readiness Support Officer should send the response or closure request to OIGAuditsFollowup@oig.dhs.gov.

Consistent with our responsibility under the *Inspector General Act*, we will provide copies of our report to congressional committees with oversight and appropriation responsibility over the Department of Homeland Security. We will post a redacted version of the report on our website.

Please call me with any questions, or your staff may contact Sondra McCauley, Assistant Inspector General for Audits, at (202) 981-6000.

Attachment

cc: Office of the Chief Readiness Support Officer

# DHS OIG Highlights

### DHS Has Made Progress in Meeting SAVE Act Requirements But Challenges Remain for Fleet Management

## Why We Did This Audit

Public Law 115-38, the *DHS Stop Asset and Vehicle Excess Act* (SAVE Act), requires DHS to make specific improvements in managing its vehicle fleet and the Office of Inspector General to evaluate the implementation of its actions. We determined the extent to which DHS implemented fleet management requirements of the SAVE Act.

## What We Recommend

This report contains four recommendations that, when implemented, should improve the Department's oversight of its vehicle fleets.

## What We Found

Since passage of the SAVE Act in 2017, the Department of Homeland Security and its components have mostly complied with associated mandates. The SAVE Act requires the Office of the Chief Readiness Support Officer (OCRSO), as delegated by DHS, to collect and review components' vehicle use data, including their analyses of the data and plans for achieving the right types and sizes of vehicles to meet mission needs. Most components developed plans as required. However, only 2 of the 12 components we reviewed fully met requirements to analyze and document vehicle use and cost data to help them achieve the right type and size of fleet vehicles to meet their missions. This occurred because DHS did not require components to include data analyses in their OCRSO-reviewed submissions, as mandated by the SAVE Act. Had OCRSO thoroughly evaluated component submissions, it would have identified that components did not fully comply with SAVE Act requirements.

Upon reviewing vehicle use and cost data that components should have included in their SAVE Act submissions, we determined that four of the five components with the largest fleets did not have reliable information on their vehicles, such as number of trips, miles driven, and hours and days used. These data reliability issues occurred because OCRSO did not implement a central, automated system to collect and process components' vehicle fleet data, and components were in varying stages of implementing telematics, an automated data collection process. Finally, components did not always develop budget requests using SAVE Act submissions, as required, because components did not have fleet budget line items, component fleet offices did not have direct control over fleet funding, or both. As a result, DHS and its components cannot ensure they are achieving optimal fleet sizes and compositions or are in full compliance with the SAVE Act.

## DHS Response

DHS concurred with all four recommendations.

# Background

The Department of Homeland Security has one of the largest motor vehicle fleets in the Federal Government, with more than 50,000 vehicles. The Department's fleet is comprised of government passenger and utility vehicles used for official business to assist with accomplishing the missions of the Department and its components. Within DHS headquarters, the Office of the Chief Readiness Support Officer (OCRSO) is responsible for management and oversight of motor vehicle fleets throughout the Department. Each component has its own fleet management organization led by a fleet manager. Table 1 shows the DHS vehicle fleet inventory by component for the previous fiscal year.

**Table 1: DHS Vehicle Fleet Inventory by Component – FY 2019**

| Component | Number of Vehicles |
|---|---|
| U.S. Customs and Border Protection (CBP) | 24,306 |
| U.S. Immigration and Customs Enforcement (ICE) | 12,517 |
| United States Coast Guard (Coast Guard) | 3,602 |
| United States Secret Service (Secret Service) | 3,415 |
| Transportation Security Administration (TSA) | 3,050 |
| Cybersecurity and Infrastructure Security Agency (CISA) | 1,517 |
| Federal Law Enforcement Training Centers (FLETC) | 983 |
| Federal Emergency Management Agency (FEMA) | 727 |
| U.S. Citizenship and Immigration Services (USCIS) | 375 |
| Office of Intelligence and Analysis (I&A) | 60 |
| Headquarters | 47 |
| Science and Technology (S&T) | 30 |
| **Total** | **50,629** |

*Source*: Component SAVE Act FY 2019 2nd quarter data

In two prior reports, we identified mismanagement and inefficiencies in DHS' oversight of its vehicle fleet operations. In our 2014 report,[1] we concluded DHS did not adequately manage or have the enforcement authority over its components' fleet operations to ensure fleet sizes and compositions matched mission needs. Additionally, we reported in 2016[2] that mismanagement of the Federal Protective Services[3] fleet may have cost $2.5 million in FY 2014 alone. The report also highlighted that Federal Protective Services had more vehicles than was justified by mission needs.

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[1] *DHS Does Not Adequately Manage or Have Enforcement Authority Over Its Components' Vehicle Fleet Operations,* OIG-14-126, August 2014.
[2] *The FPS Vehicle Fleet Is Not Managed Effectively,* OIG-16-02, October 2015.
[3] Federal Protective Services was formerly under the National Protection and Programs Directorate, but in 2018 became part of CISA.

Because of these prior audits, Congress enacted the *DHS Stop Asset and Vehicle Excess (SAVE) Act* (SAVE Act)[4] to assign oversight and management of DHS vehicle fleets, establish appropriate fleet sizes, and define vehicle data requirements. The SAVE Act assigned authority to the DHS Under Secretary for Management, who delegated that authority to OCRSO.

In accordance with the SAVE Act, OCRSO is responsible for developing a vehicle allocation tool to determine baseline fleet inventories, and ensuring components document their fleet management decisions. Because the SAVE Act does not explicitly define the term "vehicle allocation tool," OCRSO interprets the tool as components' 5-year vehicle allocation methodology assessment and components' annual optimal fleet profiles.[5] Among other responsibilities, OCRSO approves annual acquisition plans, vehicle data submissions, and vehicle replacement requests.

DHS components are responsible for ensuring compliance with Federal fleet management laws and regulations as well as collecting and reporting accurate and reliable fleet data. Additionally, components must use their fleet data to develop plans to achieve and maintain appropriately sized vehicle inventories to accomplish their missions and support annual requests for fleet funding. We conducted this audit to determine the extent to which DHS implemented fleet management requirements of the SAVE Act.

## Results of Audit

## DHS Components Mostly Complied with SAVE Act Requirements

Since the passage of the SAVE Act in 2017, DHS and its components have mostly complied with associated mandates. All but one component developed a fleet management plan, as required. However, only 2 of the 12 components we reviewed fully met requirements to analyze and document vehicle use and cost data to help ensure the right types and sizes of fleet vehicles to meet their missions. This occurred because of inadequate OCRSO guidance and evaluation of component submissions. Table 2 provides a high-level summary of how components mostly complied with SAVE Act requirements.

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[4] P.L. 115-38, *DHS Stop Asset and Vehicle Excess Act*, June 6, 2017.

[5] Every 5 years components perform a vehicle allocation methodology to assess their entire fleets and establish a baseline inventory. Annually, components reassess vehicle size and type to best meet mission needs and adjust their fleet profiles accordingly.

**Table 2: Component Compliance with SAVE Act Requirements**

| Component | Fleet Management Plan | | | Vehicle Allocation Tool | |
|---|---|---|---|---|---|
| | Plan to Achieve Optimal Fleet Size | Cost Benefit Analysis to Optimal Fleet Size | Schedule to Obtain Optimal Fleet Size | Vehicle Supported Mission Requirements | Analysis of Vehicle Use Data & Costs |
| CBP | Compliant | Compliant | Compliant | Compliant | Compliant |
| CISA | Compliant | Compliant | Compliant | Compliant | Partially Compliant |
| Coast Guard | Compliant | Compliant | Compliant | Compliant | **Not Compliant** |
| FEMA | Compliant | Compliant | Compliant | Compliant | Partially Compliant |
| FLETC | Compliant | Compliant | Compliant | Compliant | **Not Compliant** |
| I&A | Compliant | Compliant | Compliant | Compliant | **Not Compliant** |
| ICE | Compliant | Compliant | Compliant | Compliant | Compliant |
| Management (MGMT) | Compliant | Compliant | Compliant | Compliant | Partially Compliant |
| S&T | Compliant | Compliant | Compliant | Compliant | Partially Compliant |
| Secret Service | Compliant | Compliant | Compliant | Compliant | Partially Compliant |
| TSA | **Not Compliant*** | **Not Compliant*** | **Not Compliant*** | Compliant | Partially Compliant |
| USCIS | Compliant | Compliant | Compliant | Compliant | Partially Compliant |

*Source*: OIG analysis of 2019 component fleet data
*TSA achieved its optimal fleet size due to reductions, but did not submit an FY 2019 fleet management plan.

## Components Generally Complied with Requirements to Develop Fleet Management Plans

The SAVE Act requires components to develop fleet management plans and a process for determining appropriate fleet composition, also known as a vehicle allocation tool.[6]  Components do so based on guidance from OCRSO about making fleet management decisions.  According to the SAVE Act, components

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[6] Section 2c(4)(C) of the SAVE Act

are to use information from the vehicle allocation tool to develop their fleet management plans.  Each plan must include:

- an explanation of how the component will achieve the best, or right, types and sizes of vehicles to meet its mission;
- a cost benefit analysis to support the plan; and
- a schedule for obtaining the right fleet size.

To ensure component vehicle fleets are of optimal size and are cost effective,[7] the SAVE Act requires components to submit documentation to OCRSO for review and approval.  Component submissions include quarterly vehicle data reports, annual fleet management plans, and annual acquisition plans.  According to OCRSO, all components, with the exception of TSA, met the fleet management plan requirement as mandated by the SAVE Act.

We independently assessed all 12 component fleet management plans and came to the same conclusion as OCRSO.  Specifically, we found components had outlined strategies for how to achieve the right types and sizes of vehicles to meet their missions, as supported by their annual acquisition plans, assurance statements, or optimal fleet profiles, defined in the textbox on the right.

> **Component Submissions Include:**
>
> Fleet Management Plan: outlines an approach to vehicle acquisition, use, maintenance, refueling, and replacement.  It also describes how vehicle fleets serve a component's mission and how fleet managers will obtain the right type, size, and number of vehicles in the fleet.
>
> Annual Acquisition Plan: describes how the component ensures establishment and sustainability of its fleet.  The plan provides justification for proposed fleet size, and identifies vehicles requiring lifecycle replacements and the maximum number of vehicles the component intends to replace or acquire in the current fiscal year.
>
> Assurance Statement: certifies the component has reviewed its vehicle inventory, and the component needs all vehicle replacements to fulfill mission requirements.
>
> Optimal Fleet Profile: helps components determine an ideal fleet size and the composition of vehicles needed to fulfill mission requirements.  This is an annual methodology resulting from the department-wide vehicle allocation study.

**Inadequate Analysis of Vehicle Use and Cost Data**

According to the SAVE Act, components must use a vehicle allocation tool that includes an analysis of vehicle data, such as mileage and operating costs.  Components must also justify how vehicles meet mission needs.  Just as it does for component fleet management plans, OCRSO conducts a quarterly review of components' vehicle allocation tool information.  Based on the information, OCRSO's FY 2019 review concluded that 10 of 12 components

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[7] Section 2c(4)(D) of the SAVE Act

were compliant with the SAVE Act requirements. (Appendix B details OCRSO's vehicle fleet scoring criteria and the results of component compliance.)

However, our independent assessment of the information disclosed that only 2 of the 12 components complied with the vehicle allocation tool information requirement. Specifically, we determined components did not always sufficiently analyze and document vehicle use and cost data. All but two components were missing written statements affirming that component fleet personnel analyzed vehicle data, supporting documentation, or both in their requests to OCRSO for new or replacement vehicles.

Insufficient analysis and documentation of vehicle use and cost data occurred because components relied upon OCRSO-issued guidance to develop their SAVE Act submissions. Specifically, the DHS *SAVE Act Execution Plan*[8] OCRSO issued did not require components to include analyses of vehicle data in their SAVE Act submissions. As a result, components did not always do so. In addition, OCRSO's review of the components' submissions was insufficient and limited. OCRSO received component submissions without fully evaluating their contents. Had OCRSO thoroughly reviewed the contents of the submissions it would have determined that components were not fully compliant with SAVE Act requirements. It may have also determined that data in components' SAVE Act submissions was not reliable to support fleet management decisions and budget requests.

<u>Component Data Was Not Reliable to Support Fleet Management Decisions</u>

According to the SAVE Act, DHS components must collect and submit to OCRSO information on fleet size, composition, cost, and vehicle use each quarter. The data should include number of trips, miles driven, hours and days used, and certain costs associated with each vehicle. Components should use this data to inform their quarterly reporting and annual submissions.

However, when we reviewed 5 of the 12 components with the largest fleets,[9] we determined that four of them lacked reliable vehicle use and cost data to support fleet management decisions. We reviewed the components' 2nd quarter FY 2019 SAVE Act submissions as well as FY 2019 year-end data. Most of the submissions contained inaccurate and incomplete information in required fields. For example, we found vehicle records included the following irregularities:

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[8] The *Stop Asset and Vehicle Excess (SAVE) Act Execution Plan*, August 31, 2018, is DHS' plan for complying with the SAVE Act. The plan serves as official DHS policy by outlining how the SAVE Act's provisions will be fulfilled.
[9] CBP, Coast Guard, ICE, Secret Service, and TSA maintain the largest vehicle fleets within DHS.

- trips made and days used, but no recorded miles;
- unreasonable number of usage hours reported; and
- where numerical data was required, components reported telematics[10] devices were still being purchased for the vehicles.

Additionally, we reviewed the same 5 components' end-of-year vehicle use data and determined that, because of inaccurate vehicle use data, 2 of the components could not justify potentially underutilized vehicles.

These data reliability issues occurred because OCRSO had not implemented a centralized, automated fleet management system to collect components' vehicle use data, as required. Instead, OCRSO relied on input from multiple component information systems that contained inaccurate and incomplete data on their vehicle fleet inventories. We previously identified this issue in our FY 2014 report.[11]

Additionally, all 12 components were at varying stages of equipping their vehicles with telematics devices that could better help them fulfill SAVE Act reporting requirements. OCRSO expects telematics devices could significantly improve their management oversight and the data reliability. Figure 1 shows more than half of the components had not yet installed the devices on their fleet vehicles.

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[10] Telematics refers to an embedded automated data collection system on a vehicle that wirelessly collects miles, hours, and days used and sends this information to a database.
[11] *DHS Does Not Adequately Manage or Have Enforcement Authority Over Its Components' Vehicle Fleet Operations*, OIG-14-126, August 2014

**Figure 1: Components' Telematics Vehicle Installation Completion**
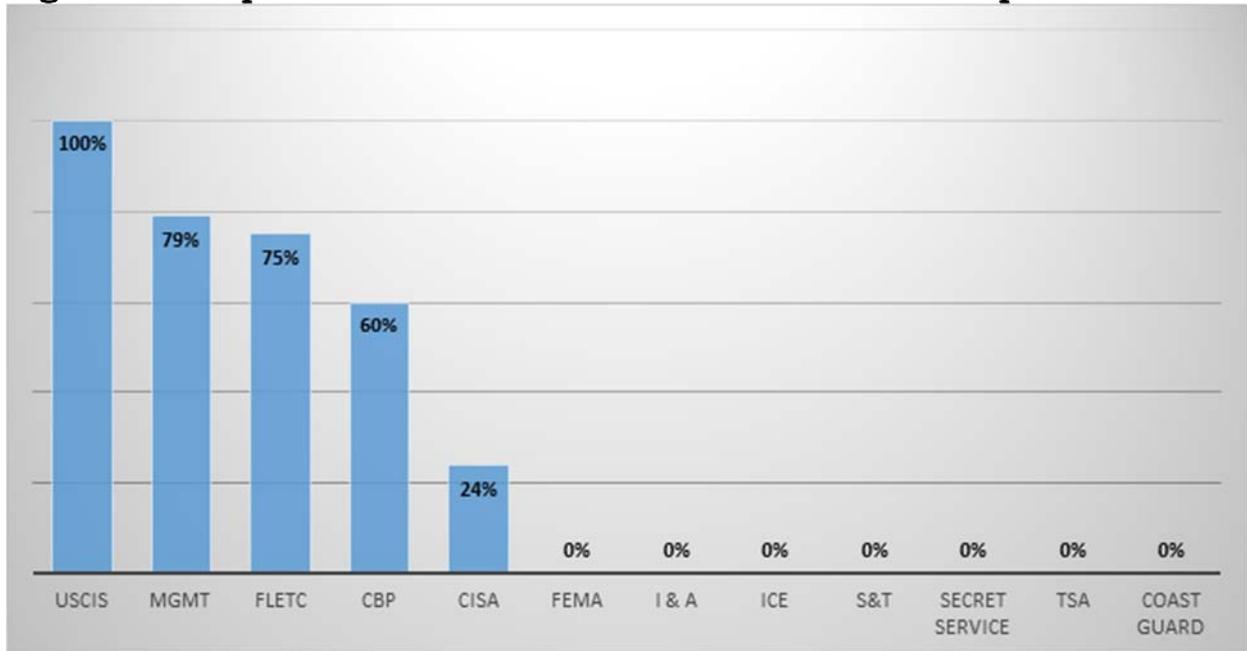


*Source:* OIG analysis of interview responses as of April 2019

Components Did Not Always Use SAVE Act Submissions to Develop Annual Requests for Fleet Funding

The SAVE Act requires that components use their SAVE Act submissions, including fleet management plans and vehicle allocation methodologies, to develop annual requests for funding to support their vehicle fleets. OCRSO must review and make determinations on these funding requests. However, not all of the five components we reviewed had developed their budget requests using their SAVE Act submissions. Further, officials from four of the five components stated they do not use the submissions to make funding decisions.

This occurred because components did not have fleet budget line items, component fleet offices did not have direct control over fleet funding, or both. Fleet management personnel could make requests for funding, but these requests were satisfied based on funds available, not mission needs. Table 3 illustrates how fleet budget processes varied by component.

**Table 3: Comparison of Component Vehicle Budget Processes**

| Component | Fleet Budget Line Item (Yes/No) | Fleet Office Budget Control (Yes/No) | Description |
|---|---|---|---|
| CBP | No | Yes | CBP obtains vehicles through four lines of program funding, which are not constant. |
| Coast Guard | Yes | No | Coast Guard's fleet budget does not fluctuate, so it makes up the vehicle budget shortfall from other programmatic funds. |
| ICE | No | No | ICE obtains fleet funding from its two program areas rather than a single budget line item. |
| Secret Service | No | No | The Secret Service fleet is funded by its program offices. Secret Service experienced a persistent fleet funding shortfall for a number of years, which is captured as unfunded requirements. |
| TSA | Yes | No | TSA has a budget line item for its fleet, but is reducing its fleet by 40 percent due to a top-down budget cut. |

*Source*: OIG assessment of component budget documentation

Because component fleet offices did not always have control over fleet budgets, some component personnel stated they faced difficulty planning for future vehicle fleet needs. For example:

- As of July 2019, more than 40 percent of ICE's fleet still needed replacement. ICE began to phase in leased vehicles in FY 2018. However, due to no budget in FY 2019 and a budget decrease expected in FY 2020, ICE would need 7 years of additional time and funding to adequately maintain its fleet.

- According to a 2018 Secret Service memorandum to the DHS Chief Financial Officer, expansion of its workforce required additional funding for vehicles. Otherwise, Secret Service would have to delay replacing aging and impaired vehicles due to inadequate funding.

Finally, OCRSO did not have visibility into, or control of, component budget processes. A DHS official stated OCRSO has no access to or influence over the fleet budget process. Rather, each component maintains and manages its own budget.

## Conclusion

Without collecting reliable component vehicle fleet data and thoroughly evaluating this data, DHS and its components cannot ensure they are managing their vehicle fleets to achieve optimal size and composition. Additionally, without adequate oversight and review of component submissions, DHS cannot ensure it is complying with SAVE Act requirements. DHS will continue to experience challenges in overseeing component vehicle fleets until it establishes a centralized, department-wide automated system to collect component fleet management data. Quality data, along with the Department's visibility of component budget processes, would allow DHS and its components to sufficiently plan for future needs and ensure their annual requests for fleet funding are based on complete and accurate information.

## Recommendations

**Recommendation 1:** We recommend the Office of the Chief Readiness Support Officer update the *SAVE Act Execution Plan* and associated guidance. Specifically, the office should update the fleet management plan template, annual acquisition plan template, and optimal fleet profile template to include specific requirements under the SAVE Act.

**Recommendation 2:** We recommend the Office of the Chief Readiness Support Officer establish formal documented feedback to components on their fleet management plans, annual acquisition plans, and optimal fleet profiles, as required by the SAVE Act.

**Recommendation 3:** We recommend the Office of the Chief Readiness Support Officer implement a centralized, department-wide system accessible by headquarters and component personnel to collect, track, and monitor vehicle miles driven, number of trips, and maintenance costs.

**Recommendation 4:** We recommend the Office of the Chief Readiness Support Officer work with component vehicle fleet managers to establish a consistent process for funding the acquisition, leasing, and maintenance of vehicles to meet mission needs.

## Management Comments and OIG Analysis

DHS concurred with all four recommendations and provided corrective action plans to address them. Appendix A contains a copy of the DHS management comments in their entirety. We also received technical comments from DHS and made revisions to the report where appropriate. A summary of DHS' reponses and our analysis follows.

**DHS Response to Recommendation 1:** Concur.  OCRSO will cooperate with component staff to establish a working group to update the *SAVE Act Execution Plan* and associated guidance, as appropriate.  OCRSO provided an estimated completion date of November 30, 2020.

**OIG Analysis:** DHS provided a corrective action plan and estimated completion date that satisfy the intent of the recommendation.  We consider this recommendation resolved, but it will remain open until OCRSO provides documentation to substantiate the planned corrective actions are completed.

**DHS Response to Recommendation 2:** Concur.  OCRSO will establish a feedback document for components on their fleet management plans, annual acquisition plans, and optimal fleet profiles, as required by the SAVE Act.  The feedback document will be put into use once reviewed and cleared by senior leadership.  This is expected to be completed by December 31, 2020.

**OIG Analysis:** DHS provided a corrective action plan and completion date that satisfy the intent of the recommendation.  We consider this recommendation resolved, but it will remain open until OCRSO provides documentation to substantiate the planned corrective actions are completed.

**DHS Response to Recommendation 3:** Concur.  OCRSO responded that it currently uses the Consolidated Asset Portfolio & Sustainability Information System to share, collect, track, and monitor vehicle miles driven information.  This information is accessible by headquarters and component personnel.  Once vehicle telematics are fully implemented, the number of trips will also be captured.  Office of the Chief Readiness Support Officer, Mobile Assets & Personal Property Branch, DHS Office of the Chief Information Officer, and component information technology office personnel are working to address outstanding security and policy configuration issues concerning the use of telematics cellular data.  The Office of the Chief Readiness Support Officer estimates it will receive cellular data for vehicle usage data by December 31, 2020.

Office of the Chief Readiness Support Officer, Mobile Assets & Personal Property Branch staff will also work with component counterparts to develop a means to capture and record maintenance costs that exceed the fleet charge card limits.  Currently, these procurement actions are captured and recorded at the component level through their financial systems.  The estimated completion date is September 30, 2021.

**OIG Analysis:** DHS provided a corrective action plan to collect, track, and monitor vehicle usage that satisfies the intent of the recommendation.  We consider this recommendation resolved, but it will remain open until OCRSO

provides documentation to substantiate the planned corrective actions are completed.

**DHS Response to Recommendation 4:** Concur. OCRSO will work with the DHS Office of the Chief Financial Officer and component staff to create a line item in component budgets for their vehicle fleet requirements. Because the budgets for fiscal years 2021 and 2022 are already established, this line item will be created at the first opportunity, with the formulation of the fiscal year 2023 budget. The estimated completion date is September 30, 2023.

**OIG Analysis:** DHS provided a corrective action plan to create a budget line for vehicle fleets that satisfies the intent of the recommendation. We consider this recommendation resolved, but it will remain open until OCRSO provides documentation to substantiate the planned corrective actions are completed.

## Objective, Scope, and Methodology

The Department of Homeland Security Office of Inspector General was established by the *Homeland Security Act of 2002* (Public Law 107−296) by amendment to the *Inspector General Act of 1978*.

We prepared this report for Congress as required by public law. The objective of our review was to determine the extent to which DHS implemented fleet management requirements of the SAVE Act. Our independent evaluation focused on actions OCRSO implemented to provide oversight and management of DHS component efforts to right-size and collect vehicle usage data on their vehicle fleets. To answer our objective, we:

- interviewed DHS officials and component fleet managers from CBP, CISA, Coast Guard, FEMA, FLETC, ICE, I&A, Headquarters, Secret Service, TSA, USCIS, and S&T. We excluded OIG to meet the generally accepted government auditing standards conceptual framework approach to independence;

- analyzed prior audit reports issued by DHS OIG and the Government Accountability Office to understand the report findings, recommendations, and any corrective actions involving DHS' vehicle fleet;

- researched laws, regulations, and internal policies to identify applicable criteria governing vehicle fleets; and

- reviewed and analyzed 12 components' documentation to determine compliance with Sections 2c(4)(B) and Section 2c(4)(C) of the SAVE Act. Specifically, we:

- assessed Section 2c(4)(B) by reviewing components' documentation to support whether they had right-sized their inventories and if they had not, how they planned to do so; and

- assessed Section 2c(4)(C) by reviewing components' documentation to support whether they used vehicle usage data to develop and support fleet management plans as required.

Additionally, we selected five components — CBP, Coast Guard, ICE, Secret Service, and TSA — to perform further analysis and reviews. We selected components based on largest fleet inventories, decentralized data collection processes, and limited numbers of vehicles with telematics devices installed. These reviews extended to testing SAVE Act usage data, determining fleet budgetary processes, and testing data reliability.

We assessed the reliability of data by (1) interviewing agency officials knowledgeable about the data and (2) limited testing of the data to identify anomalies such as incomplete or missing data. We did not compare the components' system data with documentation because this was a manual collection process that would have involved visiting multiple locations, which we deemed not cost effective.

We obtained an understanding of internal controls related to the fleet management process, and considered whether OCRSO had designed and implemented adequate internal control procedures to properly manage the DHS vehicle fleet and ensure compliance with the SAVE Act and other Federal regulations and guidelines.

We conducted this performance audit between February 2019 and January 2020 pursuant to the *Inspector General Act of 1978*, as amended, and according to generally accepted government auditing standards. Those standards require we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based upon our audit objectives. We believe the evidence obtained provides a reasonable basis for our findings and conclusions based upon our audit objectives.

The Office of Audits major contributors to this report are Patrick O'Malley, Director; Jacqueline Thompson, Audit Manager; Jeffrey Wilson, Auditor-in-Charge; Christine Alvarez, Auditor; Amos Dienye, Auditor; LaWanda Bebley, Program Analyst; Elizabeth Kelleher, Program Analyst; Helen White, Auditor; Thomas Hamlin, Communications Analyst; and Aaron Naas, Independent Reference Reviewer.

## Appendix A
## DHS Comments to the Draft Report

U.S. Department of Homeland Security
Washington, DC 20528

**Homeland Security**

May 15, 2020

MEMORANDUM FOR: Joseph V. Cuffari, Ph.D.
Inspector General

FROM: Jim H. Crumpacker, CIA, CFE
Director
Departmental GAO-OIG Liaison Office

JIM H CRUMPACKER    Digitally signed by
JIM H CRUMPACKER
Date: 2020.05.15
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SUBJECT: Management Response to Draft Report: "DHS Has Made
Progress in Meeting SAVE Act Requirements but Challenges
Remain for Fleet Management"
(Project No. 19-046-AUD-DHS)

Thank you for the opportunity to comment on this draft report. The U.S. Department of
Homeland Security (DHS or the Department) appreciates the work of the Office of
Inspector General (OIG) in planning and conducting its review and issuing this report.

DHS is pleased to note OIG's positive recognition that the Department and its
Components have mostly complied with "DHS Stop Asset and Vehicle Excess Act"
(SAVE Act) requirements. DHS remains committed to fully complying with the SAVE
Act, and continuing efforts to further improve the management of its vehicle fleet.

The draft report contained four recommendations with which the Department concurs.
Attached find our detailed response to each recommendation. DHS previously submitted
technical comments under a separate cover for OIG's consideration.

Again, thank you for the opportunity to review and comment on this draft report. Please
feel free to contact me if you have any questions. We look forward to working with you
again in the future.

Attachment

**Attachment: Management Response to Recommendations
Contained in OIG-19-046-AUD-DHS**

OIG recommended that the Office of the Chief Readiness Support Officer (OCRSO):

**Recommendation 1:** Update the SAVE Act Execution Plan and associated guidance. Specifically, the office should update the fleet management plan template, annual acquisition plan template, and optimal fleet profile template to include specific requirements under the SAVE Act.

**Response:** Concur. OCRSO Mobile Assets & Personal Property Branch staff, in cooperation with Component staff, will establish a working group to update the SAVE Act Execution Plan and associated guidance, as appropriate. Estimated Completion Date (ECD): November 30, 2020.

**Recommendation 2:** Establish formal documented feedback to components on their fleet management plans, annual acquisition plans, and optimal fleet profiles, as required by the SAVE Act.

**Response:** Concur. Following efforts to update the SAVE Act Execution Plan and associated guidance, OCRSO Mobile Assets & Personal Property Branch staff will draft a Component feedback document, which will be put into use once reviewed and cleared by senior OCRSO leadership. ECD: December 31, 2020.

**Recommendation 3:** Implement a centralized, department-wide system accessible by headquarters and component personnel to collect, track, and monitor vehicle miles driven, number of trips, and maintenance costs.

**Response:** Concur. OCRSO currently uses the Consolidated Asset Portfolio & Sustainability Information System to share, collect, track, and monitor vehicle miles driven information. This information is accessible by headquarters and Component personnel. Once vehicle telematics[1] is fully implemented, the number of trips will also be captured. OCRSO Mobile Assets & Personal Property Branch, DHS Office of the Chief Information Officer, and Component information technology office personnel are working to address outstanding security and policy configuration issues concerning the use of telematics cellular data. Barring any additional security and policy-related delays, OCRSO estimates it will be receiving cellular data for vehicle usage data by December 31, 2020.

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[1] Telematics refers to an embedded automated data collection system on a vehicle that wirelessly collects miles, hours, and days used and sends this information to a database.

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OCRSO Mobile Assets & Personal Property Branch staff will also work with Component counterparts to develop a means to capture and record maintenance costs that exceed the fleet charge card limits.  Currently, these procurement actions are captured and recorded at the Component level through their financial systems.

ECD:  September 30, 2021.

**Recommendation 4:**  Work with component vehicle fleet managers to establish a consistent process for funding the acquisition, leasing, and maintenance of vehicles to meet mission needs.

**Response:**  Concur.  OCRSO Mobile Assets & Personal Property Branch staff will work with DHS Office of the Chief Financial Officer and Component staff to create a line item in Component budgets for their vehicle fleet requirements.  As the budgets for fiscal years 2021 and 2022 are already established, this line item will be created at the first opportunity, with the budget formulation of the fiscal year 2023 budget.  ECD: September 30, 2023.

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**Appendix B**
**DHS Evaluation of Component Fleet Data for SAVE Act Compliance**

**Table 4: FY 2019 DHS SAVE ACT Compliance Scorecard**

| Component | Quarterly Utilization Reports | Fleet Management Plan | Annual Acquisition Plan | Percent Score |
|---|---|---|---|---|
| CBP | 100 | 100 | 100 | 100 |
| CISA | 100 | 100 | 100 | 100 |
| Coast Guard | 100 | 100 | 100 | 100 |
| FEMA | 75 | 100 | 100 | 91 |
| FLETC | 100 | 100 | 100 | 100 |
| I&A | 75 | 100 | 0 | 58 |
| ICE | 100 | 100 | 100 | 100 |
| MGMT | 100 | 100 | 100 | 100 |
| S&T | 100 | 100 | 100 | 100 |
| Secret Service | 75 | 100 | 100 | 91 |
| TSA | 75 | 0 | 100 | 58 |
| USCIS | 100 | 100 | 100 | 100 |

*Source:* OIG analysis of DHS scorecard

According to the DHS *SAVE Act Execution Plan*, OCRSO assesses component compliance using the following criteria:

- SAVE Act Quarterly Utilization Reports: Each component quarterly submission is worth 25 points, for 100 possible points.
- Fleet Management Plan and Annual Acquisition Plan: A yes or no score will be tallied. A complete submission receives a score of 100 and no submission receives a score of zero.
- Scores greater than or equal to 75 percent are considered compliant with the SAVE Act. DHS considers scores less than or equal to 74 percent as not compliant.

## Appendix C
## Report Distribution

**Department of Homeland Security**

Secretary
Deputy Secretary
Chief of Staff
Deputy Chiefs of Staff
General Counsel
Executive Secretary
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