



STATE OF MICHIGAN

DEPARTMENT OF TECHNOLOGY, MANAGEMENT & BUDGET

LANSING

RICK SNYDER
GOVERNOR

DAVID B. BEHEN
DIRECTOR

AUDIT

FEB 24 2015

January 21, 2015

Jeffery Bankowski, Director
Office of Internal Audit Services
State Budget Office
George W. Romney Building
111 South Capitol, 6th Floor
Lansing, Michigan 48913

Dear Mr. Bankowski:

In accordance with the State of Michigan, Financial Management Guide, Part VII, attached is a summary table identifying our responses and corrective action plans to address recommendations contained within the Office of the Auditor General's performance audit report of Vehicle and Travel Services (VTS).

Questions regarding the summary table or corrective action plans should be directed to me.

Sincerely,

Signature Redacted

Michael Gilliland, Director
DTMB Financial Services

c: Rep. Al Pscholka, Chair, House Appropriations
Senator Dave Hildenbrand, Chair, Senate Appropriations
Mark Freeman, Office of the Auditor General
Dennis Muchmore, Executive Office
Dick Posthumus, Executive Office
House Fiscal Agency
Senate Fiscal Agency
Phillip Jeffery, DTMB
Joyce VanCoevering, DTMB
John Juarez, DTMB
Rick Lowe, SBO
Scott Starr, DTMB
Caleb Buhs, DTMB

State of Michigan
Department of Technology, Management and Budget
Vehicle and Travel Services (VTS)

Summary of Agency Responses to Recommendations

1. Audit recommendations DTMB fully complied with: None
2. Audit recommendations DTMB agrees with and will comply: #1, #2, #3,
3. Audit recommendations DTMB disagrees with: None

Agency Plan to Address the Recommendations

1. Administrative Requirements for State Provided Motor Vehicles
DTMB agrees with the recommendation. VTS will continue to provide reports to departments of overdue oil changes, provide a maintenance schedule in each vehicle, and continue to promote the availability of the VTS garage at the Secondary Complex and the downtown Lansing motor pool for oil changes. In addition, VTS has implemented a new policy requiring departmental validation of non-state employee drivers which includes a reminder of the need to maintain signed driver agreements on file. VTS will continue to provide outreach and education on this requirement. Lastly, VTS will continue to communicate to departments the requirement to maintain daily mileage logs. DTMB will comply with the recommendation by June 30, 2015.
2. Fleet Vehicle Access
DTMB agrees with the recommendation. VTS has already updated the data source used to identify employees and is now placing an expiration date in the FleetCommander driver profile for non-state employees. DTMB will comply with the recommendation by June 1, 2015.
3. Fuel Card Purchases
DTMB agrees with the recommendation. VTS will provide monthly reports to departments of all non-fuel transactions requesting a review and explanation. However, after careful analysis, VTS has determined that it will not make any changes to the services and products available through the fuel card because drivers would be unable to access needed supplies and services if limits on service categories were reduced or products limits were further restricted. DTMB will comply with the recommendation by March 1, 2015.