



**New Jersey State Legislature  
Office of Legislative Services  
Office of the State Auditor**

---

---

**EXECUTIVE SUMMARY**

**DEPARTMENT OF THE TREASURY  
DIVISION OF ADMINISTRATION  
TRANSPORTATION SERVICES  
STATE CENTRAL MOTOR POOL  
July 1, 2014 to December 31, 2016**

We found that the financial transactions included in our testing were recorded properly in the accounting systems, and were reasonable and related to the Central Motor Pool (CMP) programs, except for costs related to a bus route intended to transport state employees to various office buildings in Trenton and excessive carryforward and lapse amounts. We also found fuel management system technology was not always installed in vehicles timely, therefore limiting its effectiveness. Additionally, we noted certain circular letter compliance issues regarding mileage reporting and preventive maintenance, as well as issues regarding job codes and hours that merit management's attention. We also observed that telematics could provide benefits, including potential cost savings, if implemented across the CMP fleet.

**AUDIT HIGHLIGHTS**

- We found that CMP monthly rates were inflated and carryforward amounts were excessive. The total amount billed to the participating state agencies during fiscal year 2016 was \$28.2 million of which \$25.2 million was related to billings of the monthly rate. In comparison, fiscal year 2016 CMP operating expenditures were \$18.5 million, approximately \$10 million less than total revenue. During fiscal years 2013 through 2016 a total of \$19.1 million was lapsed by OMB. The average annual carryforward amount during this period was \$7.7 million.
- Fuel rings are not being installed timely. Installing the fuel ring later in a vehicle's life reduces the effectiveness and the intent of the technology. Accurate mileage reports and data from fuel rings should be obtained from all state agencies, and unjustified vehicles not meeting mileage requirements should be reassigned or returned.
- A standard listing of jobs would enable management to generate more precise reports and have a better ability to benchmark repair activities. Accurate labor hours provide management with metrics to measure performance and provide accountability for the time a mechanic spends repairing a vehicle.
- Fleet telematics is a method to monitor the location, movement, status, and behavior of a vehicle within a fleet. This is typically achieved with a combination of a device that is installed in each vehicle that communicates with software utilized by management to visualize and analyze the data. The state may benefit from the use of telematics in monitoring the CMP fleet.

**AUDITEE RESPONSE**

The department concurs with our findings and recommendations.

For the complete audit report, click [here](#).