



North Carolina Department of Health and Human Services
Office of the Controller

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November 15, 2010

MEMORANDUM #2011-4

To: Division/Institution Directors
Division/Institution Budget Officers

From: Laketha M. Miller *Laketha M. Miller*

Subject: Motor Fleet Management Policy Changes, effective July 1, 2010

This memorandum is to communicate the changes to the existing processes that are in place for obtaining and retaining vehicles from the Department of Administration's Motor Fleet Management (MFM) Division.

As everyone is aware, the State is facing difficult times. As a result, MFM will be foregoing the purchase of new vehicles and will instead make the best use of existing vehicle resources to ensure they are utilized in a cost effective manner where they are needed most. In order to accomplish this task, MFM will enforce the following:

1. **Statutory Minimum Miles:** MFM is required to ensure that all vehicles are used at least 3,150 miles/quarter as directed by G.S. 143-341.(8).i.7a, or subject to be returned to MFM. MFM will entertain exceptions to this requirement but will rely on agencies to ensure that vehicles assigned are used as intended, or that an approved exemption is on file.
2. **Exemption from Minimum Mileage Requirement:** As of July 1, 2010, agency heads or designees were required to be the responsible party to authorize retention of a vehicle that is not meeting the statutory requirement of 3,150 miles/quarter. In order to do this, divisions will be required to request an exemption using the attached DOA Minimum Mileage Exemption Request form. **The attached form must be completed in detail and submitted to your division's designated Vehicle Coordinator for approval. In addition, the form needs to be forwarded to the DHHS Office of the Controller, Attn: Laketha M. Miller for approval and submission to the Department of Administration.**

Please note that the exemption will only be valid for one year, after which divisions will have to reapply for another exemption or return the vehicle.

3. **Designation of a Vehicle Coordinator:** Divisions will need to provide the name and email address of your designated Vehicle Coordinator and a secondary authorized person on the attached form to the DHHS Office of the Controller, Attn: Mary Ngwadam, by COB Wednesday, November 24, 2010. This information will be consolidated for the Department and sent to MFM. Your Vehicle Coordinator will serve as a liaison to MFM when there are questions or concerns related to MFM vehicles. The Vehicle Coordinator will need to work with staff to internally reallocate vehicles to ensure they achieve their minimum mileage or are returned to MFM for reallocation to other agencies with greater needs.

4. **Enforcement of Minimum Mileage Requirement After First Quarter:**
At the end of each quarter, MFM will send a listing of agency underutilized vehicles. Any vehicles deemed to be underutilized during the prior period will need to be returned to MFM within 48 hours, in absence of an approved exemption request.

The Department will continue to review this process and identify ways to streamline the process and make it more efficient for our use. If any questions regarding these changes in policies do not hesitate to contact your designated Office of the Controller, General Accounting/Financial Management Branch Head.

Attachments

cc: DHHS Executive Committee
DHHS Office of the Controller