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Uncle Sam's cars cost us \$3.4 billion last year



By JENNIFER C. KERR
The Associated Press

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WASHINGTON — Americans love their cars, and so apparently does Uncle Sam. He's got 642,233 of them.

Operating those vehicles - maintenance, leases and fuel - cost taxpayers a whopping \$3.4 billion last

year, according to General Services Administration data obtained and analyzed by The Associated Press.

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The 2007 Federal Fleet Report can be found at: <http://fastweb.inel.gov/FFR2007.doc>

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While Cabinet and other officials say they need the vehicles to do their jobs, watchdogs say mismanagement of the government fleet is costing millions of dollars a year in wasteful spending.

For example:

- At the Department of Housing and Urban Development, fuel consumption and inventory are down, yet overall costs have increased significantly. Officials there can't figure out why.
- The Interior Department was told by its own watchdog that it should cut its inventory, but it's added hundreds of vehicles.
- **The Veterans Affairs Department has some cars that are barely driven. One just disappeared.**

Add to that the cost of drivers, a perk given to high-level government officials.

Transportation Secretary Mary Peters has two drivers. Their salaries totaled more than \$128,000 last year.

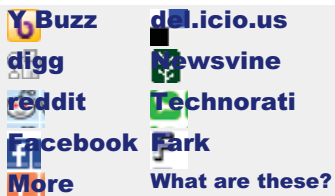
The driver for Health and Human Services Secretary Michael Leavitt earns about \$90,000 a year. That's more than double the average salary of an office manager or accountant, and about \$35,000 more than a registered nurse earns, according to a salary calculator provided by [CareerBuilder.com](http://www.careerbuilder.com).

The government owns or leases sedans, SUVs, trucks, limousines and ambulances for more than three dozen agencies, the U.S. military and the Postal Service. Are they all really necessary?

"This is one bleeding part of a budget and not just in one department but in a lot of departments," says Sen. Charles Grassley, R-Iowa, a longtime foe of what he considers wasteful federal spending. "When you have something bleeding like this, there can be a lot of money saved."

Saving taxpayer dollars should be a priority, says Washington-based Citizens Against Government Waste.

"From a management standpoint, this is something that can easily be handled," said Tom Schatz, president of the group. "It's critical use or necessary use versus 'Well, we've got the money, let's go out and buy some



more cars."

The Department of Housing and Urban Development admits problems with its fleet of about 450 vehicles.

According to an AP analysis, fleet costs at HUD have soared nearly 70 percent since 2004, to more than \$2.1 million last year. But during the same period, the agency trimmed its fleet and overall fuel consumption. While gas prices have increased since 2004, the period AP analyzed came well before today's record-high prices.

"Where that spike in overall costs came from, I have no idea," said Bradley Jewitt, director of HUD's facilities management division. Agency spokesman Jerry Brown added, "We can't explain it."

Jewitt, who came to HUD late last year, promised more accountability and oversight. The agency has begun a thorough review of its vehicles, how they are being used and whether each is justified.

HUD has cars for employees who conduct fair housing and mortgage fraud investigations and housing inspections across the country. At the Interior Department, cars and trucks are used by workers who help manage some 500 million acres of public lands. The Agriculture Department has tens of thousands of vehicles for conservationists, scientists, farm loan specialists and the Forest Service.

Federal agencies also have dedicated cars and drivers for senior officials.

In addition to the salaries for the two drivers for Transportation Secretary Peters, her car, fuel and maintenance cost \$11,500 last year. Most agency chiefs have one driver.

The department says Peters needs two because the "cost of paying one driver overtime to cover both weekday shifts and weekends would be prohibitive." A spokesman said a driver has to be on duty or available 24 hours a day, seven days a week for Peters.

The Veterans Affairs Department has five sedans assigned to Secretary James Peake, the deputy secretary and the three top officials for the health office, benefits office and national cemetery administration. Total cost for the five cars and drivers: \$353,470 a year.

Salaries for government drivers ranged from \$46,000 for the driver for Equal Employment Opportunity Commission Chair Naomi Earp to about \$90,000 for Leavitt's driver at HHS.

The latest report available from the Government Accountability Office, from 2004, looked at the fleets of five departments including Veterans Affairs, Homeland Security and the Navy. It found a number of instances where agencies were keeping vehicles they didn't need. Ditching those cars, the report said, could save the government millions of dollars.

The Interior Department was another agency singled out for wasteful spending. In a 2004 report, the

agency's inspector general found a significant portion of department vehicles weren't being driven much. Eliminating them could save \$34 million a year.

Interior cut more than 600 vehicles before the report was released, but its overall fleet has increased by more than 1,500 vehicles since then, according to an AP analysis of GSA data.

Interior ranks fourth among civilian agencies in the size of its fleet, but it spends the most money - more than \$241 million last year on vehicles, maintenance and fuel. Agriculture has the largest fleet but spends far less, about \$150 million.

Debra Sonderman, director of the office of acquisition and property management at Interior, says the department has a large number of trucks, nearly 25,000, that are costly to maintain and burn a lot of fuel.

Managers at each of the agency's bureaus review inventories annually, she said. But when pressed about who has oversight of the bureaus to ensure that fleet money is spent wisely, Sonderman hesitated, only to add, "Well, there's a budget for one thing."

Translation: If the money's there, spend it.

"Kind of a rule of thumb is the more cars you control, the more powerful you are, and so that sort of attitude of kingdom building is part of the problem here," Grassley said in an AP interview.

Only a handful of agencies said they have conducted annual audits to ensure their fleets are the right size. The Department of Homeland Security said it hasn't conducted a department-wide audit since the agency was created five years ago. The agency said it is "working toward that end" but doesn't yet have the resources to analyze its 41,000-vehicle fleet.

At Veterans Affairs, an audit last year by the inspector general's office found potential savings of about \$83,000 for underutilized vehicles, but it looked at only three VA medical centers. The VA has more than 150 centers, raising the prospect of additional underused cars and more savings.

In the case of a Cleveland VA medical center, a government-leased vehicle was driven only 16 times in nearly a year; another was driven only twice in the three months after it arrived. One sedan at the center was missing and apparently hadn't been seen in months.

All agencies are supposed to report their annual fleet numbers to the General Services Administration. However, the cost and inventory estimates in the GSA's annual report do not include Congress, which isn't required to report to GSA on its fleet.

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