



Department of Environmental Protection Office of Inspector General

September 1, 2026

Report A-2526DEP-008

Audit of Department Surplus Property

INTRODUCTION

The Florida Department of Environmental Protection (Department) Office of Inspector General (OIG) conducted an audit of Department surplus property. This audit was initiated as a result of the OIG Annual Audit Plan for Fiscal Year (FY) 2025-2026.

AUDIT SCOPE, OBJECTIVES, AND METHODOLOGY

The scope of this audit included a review of the surplus and disposal process for the Department regarding motor vehicles, watercraft, and mobile equipment from July 1, 2024, to the present.

The objective of this audit was to determine if the internal controls over the Department's surplus property disposal activities were adequate, functioning as intended, and in compliance with applicable laws, rules, policies, procedures, and directives.

To achieve our audit objectives, our methodology included:

- Reviewing applicable statutes, directives, policies, and procedures;
- Obtaining Department surplus documentation and conducting an analysis of the records and processes; and
- Interviewing appropriate Department staff, management, including Property Custodians.

BACKGROUND

Section 287.016(6), Florida Statutes (F.S.), authorizes the Department of Management Services (DMS) to adopt and enforce rules and regulations for the disposal of all state-owned watercraft, and motor vehicles. The Department's Administrative Procedures for Property Policy (ADM 320) establishes standards for the Department for managing state owned and tangible personal property, including requirements for the disposal of surplus property in a manner that is in the best interest of the State. The Division of Administrative Services (Division) is responsible for maintaining the Department's property records and is the point of contact with DMS. Each division/district/office within the Department must appoint an employee(s) to serve as its Property Custodian for property-related activities.

While ADM 320 provides oversight requirements for surplus of Department property, the Fleet, Fuel Card and Motor Policy (ADM 310) provides additional requirements for disposal and surplus of motor vehicles, watercraft, and mobile equipment which are further defined as fleet assets. The Division's Bureau of Finance and Accounting (BFA) serves as the Department's Fleet Administrator. According to ADM 310, the Department's

Fleet Administrator will obtain disposal authority from DMS, who is responsible for approving and determining the appropriate method of disposal of fleet assets. In addition to coordination between the Department's Fleet Administrator and DMS, the delegated Property Custodian and Fleet Coordinator, who is assigned by the Property Custodian, are responsible for all matters relating to fleet assets assigned to their division/district/office. According to the Department's Surplus Request Log, there have been 634 requests for the disposal of fleet assets between July 2024 to April 2026.

RESULTS OF AUDIT

During the audit, we reviewed a sample of requests for the disposal of fleet assets along with supporting documentation for compliance with State and Department requirements. The sample transactions spanned FYs 2024-2025 and 2025-2026. We also reviewed samples of fleet assets inventoried during FY 2024-2025 which were reported to be in poor condition or reported as missing. Based on our review we found the following:

Disposal of Surplus Fleet Assets

The DMS Bureau of Fleet Management and Federal Property Assistance (Bureau) reviews and approves Department requests for disposal of fleet assets in accordance with the DMS Administrative Procedure for Fleet Disposals (FMP2). According to FMP2, *All agencies must submit a MP6401 and a MP6401B by formal written request/email requesting authority to dispose or scrap state-owned motor vehicles, watercraft, aircraft and mobile equipment.* According to ADM 310, for the disposal of fleet assets, the following forms are required to be completed and sent to the Fleet Administrator:

- DMS MP6401, Request for Disposal of Mobile Equipment;
- Color photos of all sides and interior showing the current condition of the fleet asset; and
- DMS Vehicle Inspection Form.

Based on our review of 101 requests to dispose of fleet assets, there was a total of 55 approved to be disposed through auction and 46 approved to be disposed as scrap. Our review found that all sampled vehicles included the completed DMS MP6401 form and color photos of the fleet asset, as required. However, 23 of the 101 requests sampled did not include the required DMS Vehicle Inspection Form and DMS form MP6401B was not completed for any of the requests. The DMS FMP2 procedure also requires an original asset title or a bill of sale for assets not requiring a title to be submitted to DMS. Based on the review, an original title was provided when required, except for 2 vehicles. Though these titles were not found in Department files, the motor vehicles were reported as sold in the Department's Financial Information Network (FIN).

The DMS FMP2 procedure also requires the Department to complete the scrapping process within 90 days from the date of approval. Of the 46 sampled requests approved to be disposed of as scrap, there was 1 that took more than 90 days to dispose. The remaining 45 sampled vehicles were disposed of within 90 days of receiving DMS approval, as required.

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Fleet Asset Condition and Usage

According to ADM 320, *All departmental property which is determined to be obsolete, excess to the Department's needs, uneconomical or inefficient for continued use shall be disposed of in an accountable manner which is in the best interest of the Department and the State.* Chapter 60B-3.003(2), Florida Administrative Code (F.A.C.), defines an Excess Unit as *Any state-owned motor vehicle, watercraft or aircraft which has been replaced by other equipment, or which has been determined by the custodian to be excess to agency needs, or which has been determined economically unfit for continued use in normal service.* As of October 2025, the Department had 2,101 property items recorded to be in poor condition on the Department's inventory file and 525 were fleet assets. Based on our review, there were no internal controls nor criteria for a Property Custodian to identify when fleet assets are excess to the Department's needs or are unfit for continued use by the Department, such as assets that are inoperative or in poor condition.

We sampled fleet assets reported as poor condition from 1 state park and 2 National Estuarine Research Reserves (NERR). We reviewed available documentation for 55 fleet assets at these locations (see table below) and interviewed Property Custodians for the state park and the NERR.

Disposal of Fleet Assets in Poor Condition			
Location	Total Poor Condition	Total Disposed	Total Remaining
Wakulla Springs State Park	23	4	19
Apalachicola NERR	16	0	16
Rookery Bay NERR	16	10	6
	55	14	41

Of the 55 fleet assets reported to be in poor condition, only 14 were disposed of under the surplus process. Our review also found that many of the motor vehicles and vessels reportedly in poor condition had been inoperable for more than 1 year and were not being used. Based on our sample review, we completed an additional review of all motor vehicles reported in poor condition. ADM 310 requires a Monthly Vehicle Usage Log and a Monthly Vehicle Inspection Form (Monthly Log) to be completed for each motor vehicle. The Fleet Coordinator is required to document every day the asset is down, on standby, and all maintenance performed. Of the 525 fleet assets reported to be in poor condition, we determined 145 were motor vehicles that required a Monthly Log to be completed. The remaining fleet assets were vessels or mobile equipment. Though the Department's Inventory File reported the 145 motor vehicles in poor condition, the Monthly Logs did not always provide the same information, as noted in the table below.

Status of Vehicle	# of Vehicles
Inoperative	46
Poor	59
Fair	29
Good	10
Excellent	1
Total	145

Based on the Monthly Logs, 105 fleet assets were reported to be inoperative or in poor condition and 67 of those were reported to be on regular standby or not in use by the Department. Of those 67, there were 28 that had been requested for disposal. ADM 320

requires all Department property which is determined to be obsolete or inefficient for continued use to be disposed. The Department also requires that all fleet assets be maintained in accordance with the manufacturer's recommended maintenance schedule and ensure that fleet assets are kept in a safe and clean working order. A similar finding was reported in a previous OIG audit report¹ regarding fleet assets that were not being maintained or repaired. Since the report was issued, the Department updated ADM 310 to require the completion of the Monthly Logs as well as additional review by the Fleet Coordinator. Our review of ADM 310 found that the Property Custodian must complete the surplus process for fleet assets that have been declared a total loss because of an accident or when acquiring new fleet assets. However, it does not provide internal controls nor criteria for a Property Custodian to determine and request for the disposal of fleet assets that are excess to the Department's needs or are unfit for continued use by the Department, such as assets that are inoperative or in poor condition. During the review we found that some Property Custodians report that fleet assets, though ready to be surplus, may be held because a fleet asset must be provided for disposal in order to acquire a new fleet asset.

Missing Fleet Assets

According to ADM 320, All lost, missing or stolen property must be reported upon discovery to the Property Custodian to be documented on the Division Missing/Stolen Property spreadsheet. This spreadsheet must be provided to the BFA Property Section during the annual inventory All stolen property must be reported immediately to the appropriate law enforcement agency. As of the FY 2025-2026 inventory, there were 34 fleet assets reported as missing. Of those 34, there were 2 where a request to surplus the property was submitted, recorded as approved by DMS, and disposed as scrap. Of the remaining 32 missing items, it was reported to BFA that the reason the items were missing was because 23 items were disposed of with no documentation, 8 items were lost, and 1 item was stolen but no report was filed as required. Of the fleet assets lost or disposed of without documentation, 3 were reportedly lost during a hurricane and 19 were reported to have been disposed of during hurricane cleanup activities. We requested documentation for 10 of the fleet assets to determine whether they had been reported as lost or damaged for disaster recovery reimbursement at the time of the hurricane. Based on the review, only 1 of the 10 fleet assets had been included in the hurricane cost report.

According to BFA, when fleet assets are disposed of without completing the surplus process, the asset must go through the missing property process as DMS does not allow after the fact surplus approvals. This process includes reporting the item missing for 2 inventory cycles until it is written off. While we recognize the sensitive circumstances surrounding the impact of hurricanes, our review found that the loss or damage of fleet assets is not consistently reported when such events occur and controls are not in place to adequately document the loss of fleet assets during cleanup and recovery efforts.

CONCLUSION

During the audit, we reviewed a sample of requests for the disposal of fleet assets along with supporting documentation for compliance with State and Department requirements. The sample transactions spanned FYs 2024-2025 and 2025-2026. We also reviewed

¹ Audit of Department Fleet issued on May 7, 2024, (A-2324DEP-001)

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samples of fleet assets inventoried during FY 2024-2025 which were reported to be in poor condition or reported as missing. Based on our review, our findings and recommendations are listed below.

FINDINGS AND RECOMMENDATIONS

Finding 1: Fleet Assets – Fleet assets reported in poor condition or inoperable are not being requested as surplus nor are they being maintained as required.

According to ADM 320, *All departmental property which is determined to be obsolete, excess to the Department's needs, uneconomical or inefficient for continued use shall be disposed of in an accountable manner which is in the best interest of the Department and the State.* Chapter 60B-3.003(2), Florida Administrative Code (F.A.C.), defines an Excess Unit as *Any state-owned motor vehicle, watercraft or aircraft which has been replaced by other equipment, or which has been determined by the custodian to be excess to agency needs, or which has been determined economically unfit for continued use in normal service.* As of October 2025, the Department had 2,101 property items recorded to be in poor condition on the Department's inventory file and 525 were fleet assets.

We sampled 55 motor vehicles reported to be in poor condition. Of those, only 14 were disposed as surplus. Our review also found that many of the motor vehicles and vessels reported in poor condition had been inoperable for more than 1 year and were not being used. Based on our sample review, we completed an additional review of all 525 fleet assets reported in poor condition. ADM 310 requires a Monthly Log to be completed for each motor vehicle. The Fleet Coordinator is required to document every day the asset is down, on standby, and all maintenance performed. Of 525 fleet assets reported to be in poor condition, we determined 145 were motor vehicles that required a Monthly Log to be completed. The remaining fleet assets were vessels or mobile equipment. Though the Department's Inventory File reported the 145 motor vehicles in poor condition, the Monthly Logs did not always provide the same information, as noted in the table below.

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Based on the Monthly Logs, 105 fleet assets were reported to be inoperative or in poor condition and 67 of those were reported to be on regular standby or not in use by the Department. Of those 67, there were 28 that had been requested for disposal. ADM 320 requires all Department property which is determined to be obsolete or inefficient for continued use to be disposed. The Department also requires that all fleet assets be maintained in accordance with the manufacturer's recommended maintenance schedule and ensure that fleet assets are kept in a safe and clean working order.

Recommendations:

We recommend the Department ensure that fleet assets which are determined to be in poor condition or inoperable are maintained or disposed of in accordance with Department policies.

Management Response:

The Department agrees with this finding.

Pursuant to DEP Procedures for Policy, ADM 320, "All departmental property which is determined to be obsolete, excess to the Department's needs, uneconomical or inefficient for continued use shall be disposed of in an accountable manner which is in the best interest of the Department and the State. All property assigned a property number and capitalized in the accounting system must be disposed of in accordance with sections 273.05 and 273.055, F.S. and Chapter 69I-72, F.A.C."

For disposal of fleet assets, ADM 310 requires that property custodians notify DEP's Fleet Administrator when an asset is ready to be surplus so that DEP may request permission from the Department of Management Services for disposal of the asset.

RCP was under the understanding that vehicles could not be processed for surplus until a replacement vehicle had been purchased. Now that the DMS protocol is clear, all non-operational vehicles, and those in poor condition that exceed reasonable repair costs, will be surplus in a timely manner.

The Department will provide follow-up guidance to staff and property custodians through email, guidance, and training on surplus property procedures.

Finding 2: Missing Fleet Assets – Fleet Assets were disposed of without documentation or completion of the required surplus process.
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According to ADM 320, *All lost, missing or stolen property must be reported upon discovery to the Property Custodian to be documented on the Division Missing/Stolen Property spreadsheet. This spreadsheet must be provided to the BFA Property Section during the annual inventory. All stolen property must be reported immediately to the appropriate law enforcement agency.* As of the FY 2025-2026 inventory, there were 34 fleet assets reported as missing. Of those 34, there were 2 where a request to surplus the property was submitted, recorded as approved by DMS, and disposed as scrap. Of the remaining 32 missing items, it was reported to BFA that the reason the items were missing was because 23 items were disposed of with no documentation, 8 items were lost, and 1 item was stolen but no report was filed as required. Of the fleet assets lost or disposed of without documentation, 3 were reportedly lost during a hurricane and 19 were reported to have been disposed of during hurricane cleanup activities. We requested documentation for 10 of the fleet assets to determine whether they had been reported as lost or damaged for disaster recovery reimbursement at the time of the hurricane. Based on the review, only 1 of the 10 fleet assets had been included in the hurricane cost report.

According to BFA, when fleet assets are disposed of without completing the surplus process, the asset must go through the missing property process as DMS does not allow after the fact surplus approvals. This process includes reporting the item missing for 2

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inventory cycles until it is written off. While we recognize the sensitive circumstances surrounding the impact of hurricanes, our review found that the loss or damage of fleet assets is not consistently reported when such events occur and controls are not in place to adequately document the loss of fleet assets during cleanup and recovery efforts.

Recommendations:

We recommend the Department strengthen controls to ensure fleet assets are submitted for disposal in accordance with surplus requirements. We also recommend the Department implement controls to ensure adequate documentation is maintained for the reporting of fleet assets lost or disposed of during recovery efforts.

Management Response:

The Department agrees with this finding.

DEP's ADM 310 requires the following to be completed and sent to the Fleet Administrator for disposal of fleet assets:

- DMS MP-6401, Request for Disposal of Mobile Equipment
- Color photos of all sides and interior showing the current condition of the fleet asset
- DMS Vehicle Inspection form

The Department will provide follow-up guidance to staff and property custodians through email, guidance, and training on surplus property procedures

STATEMENT OF ACCORDANCE

Statement of Accordance

The Mission of the OIG is to promote accountability, integrity, and efficiency by providing quality audits, investigations, management reviews, and technical assistance.

This audit was conducted pursuant to Section 20.055, F.S., and in accordance with *Government Auditing Standards*, as published by the United States Government Accountability Office, and *Principles and Standards for Offices of Inspectors General*, as published by the Association of Inspectors General. The audit was conducted by Tessa Jordan and supervised by Susan Cureton.

We conducted this performance audit in accordance with Generally Accepted Government Auditing Standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives.

We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

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