

UCR MINI-AUDIT SUMMARY
Dave Lazarides
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BACKGROUND

The UCR Mini-Audit is a methodology for instantly assessing whether a motor carrier is likely to be under-reporting vehicles – intentionally or unintentionally - while registering under the Unified Carrier Registration (UCR) program.

The goal of the Mini-Audit is to apply corroborating IRP and MCS-150 information to a UCR registration-in-progress in order to help state administrators and the UCR Board focus on carriers who register a number of vehicles that seems inconsistent with this corroborating information.

By conducting the Mini-Audit during the registration process, we have the opportunity to involve the carrier at the “moment of truth” and initiate an audit trail in which the carrier himself is an active participant.

The Mini-Audit is not a substitute for the UCR audit program. The Mini-Audit calls attention to anomalous registration situations while they are “fresh” and asks the carrier and his Base State to do a cursory review of the situation to see if the carrier has, indeed, under-reported and underpaid. If questions remain after the Mini-Audit, the registration can be referred to UCR auditors for a more in-depth review.

CONCEPT

In the course of a normal UCR registration, a carrier declares a net number of vehicles owned or operated. The carrier then pays the UCR fee commensurate with that net number of vehicles.

The UCR Mini-Audit compares this declaration of net vehicles – prior to the payment of fees - with outside information from the IRP program and from the carrier’s USDOT MCS-150 declaration in an attempt to ensure that the carrier is paying for the correct number of vehicles.

If anomalies are discovered during this comparison, the carrier is warned prior to completion of the registration. If the registration is then completed with the anomalies still in place, the registration becomes a “registration of interest” and an alert is sent to the UCR administrator in the Base State chosen by the carrier during the registration process. The alert goes into an **Alert Tracker** which tracks the progress of the administrator toward resolution of the alert.

PHASED IMPLEMENTATION

Implementation of Mini-Audits should begin with a small number of situations where the business rules are simple, the anomalies are glaring and the administrators are already comfortable with the idea of bringing outside information to bear on UCR registrations.

Subsequent phases will focus on expanding these situations, training state administrators and incorporating lessons learned from the initial phase.

POTENTIAL ISSUES

“First, Do No Harm”

The Mini-Audit is not a punitive mechanism. The UCR Board will determine the rigor with which the Mini-Audit mechanism is to be applied and the situations under which alerts will be issued. When information is compared and cross-referenced, the “benefit of the doubt” will always go to the carrier.

Data is not 100% reliable or available

The data currently used by the Mini-Audit include MCS-150 information and IRP vehicle information. MCS-150 information is self-declared and can be changed at will by the carrier. IRP vehicle information is uploaded to FMCSA from 39 IRP agencies and appears to be somewhat inconsistent. Non-PRISM states are not required to attach DOT numbers to IRP registrations, so IRP vehicle data may not be available or discernible for some carriers.

IRP information may not be allowable

The use of IRP vehicle information to corroborate UCR registration information – even if that information is “bullet-proof” - is a new idea for many states and is not a part of the formal UCR registration process. A few states use the data in their UCR audits, however, which provides the basis and precedent for using the information during the Mini-Audit.

State transition/education is required

If the Board decides that state administrators need to act on Mini-Audit alerts, most administrators will need to upgrade both their processes and their knowledge of related programs in order to resolve these alerts.

SUMMARY

The goal of the Mini-Audit is to apply corroborating IRP and MCS-150 information to a UCR registration-in-progress in order to help state administrators and the UCR Board focus on carriers who register a number of UCR vehicles that seems inconsistent with this corroborating information.

The Mini-Audit is not punitive. Registration anomalies are identified during the registration process and carriers are made aware of these anomalies. Anomalies that are not resolved during the registration process result in an alert being issued to State Administrators for further review and closure. These alerts will be tracked by the Board.