

The Virgin Islands Consortium

Inspector General Report Unearths Fraudulent BMV Vehicle Registration Scheme, But Culprit Will Face No Disciplinary Action

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It's no secret that many Virgin Islanders have gotten their vehicles registered without their vehicles actually going through the inspection process. The practice has been so widespread, it is believed that multiple individuals -- with a financial tip on the side -- register vehicles for individuals who lament going to the Bureau of Motor Vehicles (BMV).

Yet, the practice is wrong, as it circumvents the rules and procedures of BMV; imagine a vehicle with a number of glaring deficiencies that would not come close to passing an inspection test, being driven on the road with proper registration as if it had been fully

examined and cleared.

Yet even after an Office of the Inspector General (O.I.G.) report laid bare a scheme that included forgery, the BMV employee found to be at the helm of the scheme, an office manager, will face no disciplinary action, because, according to BMV Director Lawrence Olive, the time period for such action had expired.

The O.I.G. launched an investigation into the matter after a BMV employee came forward to allege that another BMV employee had prepared and issued several vehicle registrations without those vehicles having been inspected by an authorized motor vehicle inspector, in violation of established rules and procedures.

In one instance, the O.I.G. found that a company had all thirteen of its vehicles registered, with each vehicle's road tax clearance letter furnished with a BMV inspector's stamp, but none were initialed by any inspector as proof of inspection.

Here are some of the O.I.G. findings:

Instances of Inappropriate Action

The O.I.G. said throughout the course of the investigation, it was discovered that the office manager had engaged in additional questionable practices. The O.I.G. also received several additional packets of documents relating to vehicles that were not properly inspected.

Vehicles Coming Into the Territory

The O.I.G. reviewed documents relating to four new vehicles owned by another business entity (company B). The registrations for these vehicles were processed and issued, but the vehicles were not inspected. Each packet of documents related to each of the four vehicles did not have a business license included nor did they bare the inspectors' stamp on the tax clearance letters, as required, according to the report. A BMV processor is listed as preparing the four registrations, and according to the BMV's internal computer system, no one was listed as having inspected any of the four vehicles. An invoice listing the associated registration fees for the four vehicles for company B, dated March 15, 2018, was listed as being prepared and signed by the office manager, the report added.

Vehicles Shipped Out of the Territory

The O.I.G. also reviewed three groups of document packets pertaining to vehicles that were leaving the territory. One group of document packets pertained to seven vehicles that were cleared to be shipped out of the territory. It said each packet contained each respective vehicle's application for a new certificate of title, proof of insurance, the new owner's business license, vehicle clearance form, original certificate of title, and new registration. The registrations for all seven vehicles, which were all in the name of the new owner, were listed as being prepared on September 16, 2015, according to the report. All seven of the vehicle clearance forms, normally 6 prepared and signed by an inspector, were signed and authorized by the office manager. Additionally, the office manager's initials appeared where the inspector's stamp would be placed on all seven vehicle clearance forms, which indicates that the vehicles were not inspected by an authorized inspector.

"We reviewed another group of document packets pertaining to ten other vehicles that were also cleared to be shipped out of the territory. Each document packet contained each respective vehicle's application for a new certificate of title, proof of insurance, the new owner's Business License, original certificate of title, and new registration," reads the report. "The registrations of all ten vehicles, which were in the name of the new owner, were listed as being prepared on July 27, 2017, except for one which was listed as being prepared on September 6, 2016. Additionally, all registrations for these vehicles were initialed by the Office Manager. None of these packets included vehicle clearance forms, which would normally be stamped and initialed by an inspector as proof of inspection.

"We reviewed another group of document packets pertaining to eight additional vehicles that were also cleared to be shipped out of the territory. Likewise, each document packet contained each respective vehicle's application for a new certificate of title, proof of insurance, the new owner's Business License, original certificate of title, and new registration," it added. "The registrations of these eight vehicles, which were in the name of the new owner, were listed as being prepared on August 17, 2017, except for one which was listed as being prepared on September 2, 2016. All registrations for these vehicles were initialed by the Office Manager. There were also no vehicle clearance forms present in any of the document packets related to these eight vehicles. This indicates that although they were approved for shipment out of the territory, these vehicles were not inspected."

O.I.G. Conclusion

The I.O.G. concluded by stating, "Based upon the results of the investigation, we conclude that the office manager violated the BMV's standard operating procedures when she inappropriately processed the registrations of the thirteen company vehicles and approved the processing of the registrations for the four company B vehicles without them being inspected.

"Despite her denials of such, the preponderance of the evidence seems to suggest that the office manager placed the inspector's stamps on the road tax clearance letters of the thirteen vehicles, as the documents related to the vehicles were solely in her possession until later discovered by the director," reads the report.

It added: "Furthermore, the office manager manipulated the BMV's internal computer system when she listed inspector A as the inspector of all thirteen vehicles. Regardless of whether she believed that inspector A had in fact inspected the vehicles or not, the office manager had intimate knowledge of the proper process regarding the inspection and registration of vehicles. Upon seeing that none of the stamps on the thirteen vehicles' road tax clearance letters were initialed, even if they were in fact legitimately stamped by an inspector, she should have ceased processing the registrations and inquired as to why the stamps were not initialed in order to verify whether the vehicles were actually inspected."

Strangely, following a number of recommendations from the O.I.G., Mr. Olive said the time period to take disciplinary action had expired. In lieu of disciplinary action, Mr. Olive said standard operating procedures would be reinforced and that inspection stamps would be secured.

Some of the recommendations the O.I.G. offered include:

- Consider appropriate administrative actions against the office manager, to include the possibility of removing her access to the BMV's internal computer system and revoking her authority to process registrations.
- Issue an agency-wide memorandum reinforcing the standard operating procedures pertaining to the inspection of vehicles and the processing of registrations.
- Ensure that the physical stamps used by the inspectors are properly secured to prevent unauthorized use.

With disciplinary action out of the question, the O.I.G. recommended that, "if the individual is going to maintain the same position and responsibilities, closer oversight of the activities and responsibilities should be established to ensure that proper procedures are followed. If similar violations occur, immediate action should be taken."

See the full report [here](#).