



Module 24

Daily Log Audits



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Things to think about ...

Motor carriers and Carrier Services' Investigators are responsible for ensuring that drivers operate in compliance with the Federal *Commercial Vehicle Drivers Hours of Service Regulations*.

Motor carriers must monitor each driver to ensure compliance with the Regulations. If a motor carrier fails to prevent a driver violation, the motor carrier can be held liable for the actions of the driver.

Carrier Services' Investigators monitor driver compliance by conducting daily log audits. If an investigator finds a violation, an investigator can lay a charge or an administrative penalty can be levied against the motor carrier.

What are the motor carrier's responsibilities?

What is a daily log audit?

What will I learn in this module?

- Motor carrier responsibilities
- Daily log audits

What are the motor carrier's responsibilities?



Legislative References:

- *Federal Commercial Vehicle Drivers Hours of Service Regulations (SOR/2005-313) Section 85 Distribution and Keeping of Daily Logs*
- *Federal Commercial Vehicle Drivers Hours of Service Regulations (SOR/2005-313) Section 87 Monitoring by Motor Carriers*
- *Federal Commercial Vehicle Drivers Hours of Service Regulations (SOR/2005-313) Section 99 Production of Daily Logs and Supporting Documents*
- *Federal Commercial Vehicle Drivers Hours of Service Regulations (SOR/2005-313) Schedule 3 Receipt*

Motor carriers are responsible for the following with respect to daily logs:

- Distribute and keep daily logs
- Prevent daily log tampering
- Monitor driver compliance with the Regulations
- Produce daily logs and supporting documents for inspection

Distribute and Keep Daily Logs

The *Federal Commercial Vehicle Drivers Hours of Service Regulations* specify that a motor carrier must do the following:

- Deposit the daily logs and supporting documents at its principal place of business within 30 days after receiving them from the driver
- Keep the daily logs and supporting documents in chronological order for each driver for a minimum of 6 months

Prevent Daily Log Tampering

Motor carriers must ensure that there is no tampering to daily logs. This means that no one can alter a daily log. If a motor carrier employee (i.e., Safety Officer) finds an error on a daily log and wants to “correct” a log, the officer must copy the log and edit the copy. The employee cannot alter the original record because it is a legal document. This also applies to electronic or scanned logs.



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Monitor Driver Compliance with the Regulations

Motor carriers are liable for the actions of their employees even if the carrier contends that it did not require or permit the violations to occur. Neither intent to commit, nor actual knowledge of a violation is a necessary element of liability. Carriers “permit” violations of the Regulations by their employees if they fail to have management systems in place that effectively prevent such violations.

One of the most effective ways to monitor driver compliance is for the motor carrier to conduct an internal daily log audit. This daily log audit needs to include the following:

- Verify that all drivers have a record for all calendar days (Note: see Module 17 regarding the option for recording multiple days off-duty on a single log)
- Check all drivers to ensure that drivers apply the Regulations to all roads, both public and private (forestry roads), as well as waterways (ferries) in Canada
- Check all drivers for all form and manner compliance (i.e. name, date, etc.)
- Check all drivers in detail at least once a year for fatigue-related violations (i.e., driving over hours, two logs for 1 day, false logs, etc.)





- Have written policies in their Safety program that address the following:
 - Use independent (i.e., that the driver does not create or can modify) supporting documents to verify logs (e.g. fuel receipts, tach cards, bills of lading with shipping times, etc.)
 - Check new drivers / dispatchers / safety staff more frequently until carrier is satisfied that they understand the rules
 - Check drivers / dispatchers / safety staff with previously identified problems more frequently until carrier believes they now are following the rules
 - Check a random percentage of all drivers / dispatchers / safety staff at least monthly (e.g. 10% of drivers monthly will ensure all drivers are selected at least yearly)
 - Record dates on which non-compliance occurred and record date that the motor carrier issued a notice of non-compliance
 - Identify who is responsible for performing these checks, preparing the summary reports, taking actions, etc. and ensure that these employees have the necessary skills and knowledge
 - Address all identified deficiencies with individual staff, taking appropriate actions (e.g. re-training or discipline) and documenting the actions taken in the staff's file
 - Prepare a summary report at least monthly of the findings of this internal audit, the corrective actions taken; provide this report at least to carrier's senior management; and retain all such reports for at least 6 months (longer is recommended)

It is the motor carrier's responsibility to ensure that all drivers, including new drivers, comply with the Regulations. If the motor carrier cannot obtain copies of the daily logs from the previous carrier, at the very least, the motor carrier should obtain a signed statement from the driver that specifies the total on-duty and off-duty hours for the previous 14 days.

Produce Daily Logs and Supporting Documents for Inspection

At the request of and at a location specified by an investigator, a motor carrier must immediately make available for inspection the following:

- Daily logs, supporting documents and other relevant records. A list of supporting documents is on page 7.

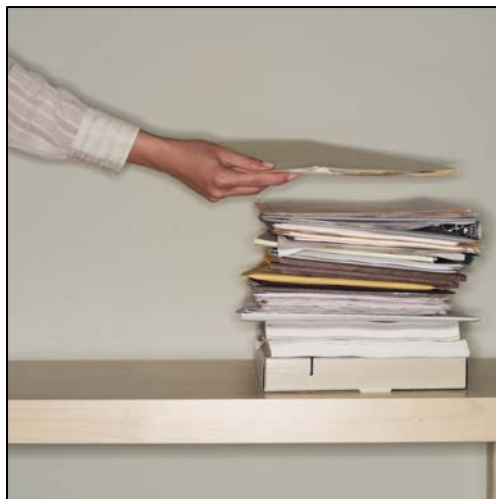
A duty status record for a radius exemption driver (refer to Module 18) is a relevant record. An investigator / inspector can request that the record be sent or faxed immediately to a Vehicle Inspection Station, government office, etc. during a carrier's normal business hours (i.e., some carriers may operate hours other than 9:00 am – 5:00 pm).

- Any permit under which the driver is operating or has been operating

The investigator will do the following:

- Immediately return the permit if it is still a current permit. The investigator can make a copy of the permit, if required.
- Give the carrier a receipt for any expired permit as well as the daily logs, supporting documents and other relevant records. A sample receipt is on page 8.
- Return the expired permits, daily logs, supporting documents and other relevant records within 14 days after receiving them

As discussed in Module 21, investigators have the legal authority to enter a motor carrier's premises to inspect daily logs, supporting documents and other relevant records. No carrier staff can obstruct or hinder, or knowingly make any false or misleading statements whether orally or in writing to an investigator.



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Examples of Supporting Documents for a Motor Carrier

Bills of lading	Lessor settlement sheets
Carrier profiles	Over/short and damage reports
Freight bills	Agricultural inspection reports
Dispatch records	CVSA reports
Driver call-in records	Accident reports
Gate record receipts	Telephone billing statements
Weight/Scale tickets	Credit card receipts
Fuel receipts	Driver fax reports
Fuel billing statements	On-board computer reports
Toll receipts	Border crossing reports
International registration plan receipts	Custom declarations
International fuel tax agreement receipts	Traffic citations
Trip permits	Overweight/oversize reports and citations
Port of entry receipts	Electronic records stored in computers by a consulting company or service provider
Cash advance receipts	
Delivery receipts	Other documents directly related to the motor carrier's operation which are retained by the motor carrier in connection with the operation of its transportation business
Lumber receipts	
Interchange and inspection reports	



SAMPLE RECEIPT

It is hereby acknowledged that, pursuant to subsection 98(4) or paragraph 99(2)(a) of the *Commercial Vehicle Drivers Hours of Service Regulations*, the following daily logs, supporting documents and other records were provided by

(Name of person)
At
(Number, street, municipality, location, province of motor carrier)
On
(Day, month, year)
Namely
(Description of daily logs, supporting documents and records received)
Dated at
(Municipality, location)
On
(Day, month, year)

Inspector's signature

What is a daily log audit?

A daily log audit is a process for testing the accuracy and completeness of information contained in a driver's daily logs. Carrier Services Investigators conduct daily log audits and issue reports on the results of the audit.



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When conducting a daily log audit, a Carrier Services investigator does the following:

- Consults with the Manager of Investigations prior to audit start
- Recognizes that the audit is not a one- or two-day process. A properly completed audit of a medium size motor carrier can take up to 39 hours and this may occur over several weeks.
- Confirms the motor carrier's full legal name, motor vehicle identification (MVID) and National Safety Code (NSC) identification details
- Gathers all available data on carrier history



- Establishes a game plan prior to meeting with the carrier, including:
 - To whom does the investigator need to talk?
 - What documents are available?
 - What is the carrier's administrative process?
- Provides the motor carrier with a detailed description of the audit process:
 - Pick sample
 - Obtain driver, vehicle and carrier information
 - Review logs
 - Obtain additional supporting documents
 - Interview staff
 - Review documents
 - Prepare reports
 - Review reports with motor carrier
 - Request carrier response and future commitment
 - Submit final report to supervisor
- Ensures that the carrier understands that charges may be laid or an Administrative Penalty may be levied as a result of the audit. The investigator is up front and honest with the carrier.
- Follows the established document sampling procedures
- Does not take a sample that will require the use of the carrier's current accounting records as this may disrupt the carrier's business too much
- Does not demand records and supporting documents to which the investigator has no right. The investigator only needs one or two types of documents (e.g. fuel statements and bills of lading). An investigator can use other types of supporting documents during a re-audit.
- Obtains the MVID and Operator's licence of all drivers sampled and checks the operator's licence status.

- Copies two sets of the daily logs, one clean copy initialed and dated for court purposes and the second for notes, to accompany the investigator's final report and audit report for carrier's review.
- Tests to see if logbook entries look reasonable
 - Does the driver show pre-trip and post-trip inspections?
 - Does the driver show loading and unloading times? Load security checks?
 - Are most of the log entries recorded on the hour?
 - Are there excessive sleeper berth times?
 - Does the vehicle driven actually have a sleeper berth?
 - Did the driver do any on-duty function on off-duty days such as fueling, loading / unloading, etc.?
 - Are there excessive periods of off-duty time?
 - Did the driver make an unaccounted trip?
 - Is the driver working for more than one carrier (e.g. more common for bus drivers)?
 - Is there a co-driver? If so, do the driver's logs match the co-driver's logs?
 - Does the previous day's ending odometer reading (or mileage) match with the current day's starting odometer reading?
- Completes the "Driver's Hours of Service Worksheets" (Complete Hours of Service in the Audit section of the ARC Program), one for each driver reviewed. The investigator submits these worksheets with the Audit report (Complete Audit Report in ARC Program).

The ARC (Assessment of Regulatory Compliance) Program is an audit program that investigators use to ensure that commercial truck and bus carriers are operating in compliance with current legislation. Investigators use ARC to conduct NSC (National Safety Code) Audits and Hours of Service Investigations:

- A NSC Audit is quantifiable, satisfies a national NSC Standard #15, meets the definition of an audit (systematic approach to gather information), and includes Hours of Service daily log audits (i.e., Hours of Service is only one part of a NSC audit).

- An Hours of Service Investigation involves the collection of data in response to complaints, poor safety performance, etc. Rather than conducting a complete NSC Audit, an investigator can conduct an Hours of Service Investigation using ARC as one tool in the investigative process. The investigation is not as restrictive as an audit and the investigator has the flexibility to identify other compliance issues, the cause of non-compliance, etc. that an audit does not allow.
- Identifies on the worksheet, all hours worked and violations identified
- Uses the same violation guidelines contained in the ARC Audit Manual
- Calculates all the daily, work shift and cycle violations
- Checks off form and manner violations by exception (i.e., marks those items missing on each daily log)
- If the investigator finds a work shift violation, the investigator notes the shift start and end times adjacent to the dates involved
- When preparing to complete the worksheets, the investigator arranges and identifies daily logs and supporting documents alphabetically by driver. The investigator keeps the information organized.



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Module Self-Check Questions

If you can answer the following questions, you are ready to move to the next module. If you can't answer the questions, please review the module again before continuing.

- 1) Identify the number of days that a motor carrier has to deposit daily logs and supporting documents at its principal place of business after receiving them from a driver.

- 2) Identify the number of months that a motor carrier must keep daily logs and supporting documents.

- 3) Identify how a motor carrier can prevent tampering to daily logs.

- 4) Identify strategies that a motor carrier can use to monitor driver compliance with the Regulations.



5) Identify the documents that a motor carrier must make available for inspection.

6) Identify what an investigator will do when given documents for inspection.

7) Describe a daily log audit, and identify some of the activities that an investigator will perform during a daily log audit.

8) In the following list, place a check mark beside the activities that an investigator will perform during a daily log audit.

- Consults with the Manager of Investigations prior to audit start
- Recognizes that the audit is not a one- or two-day process
- Confirms the motor carrier's full legal name, motor vehicle identification (MVID) and National Safety Code (NSC) identification details
- Gathers all available data on carrier history
- Establishes a game plan prior to meeting with the carrier
- Provides the motor carrier with a detailed description of the audit process
- Ensures that the carrier understands that charges may be laid or an Administrative Penalty may be levied as a result of the audit
- Follows the established sampling procedures

- Does not take a sample that will require the use of the carrier's current accounting records as this may disrupt the carrier's business too much
- Does not demand records and supporting documents to which the investigator has no right
- Obtains the MVID and Operator's licence of all drivers sampled and checks the operator's licence status
- Copies two sets of the daily logs, one clean copy initialed and dated for court purposes and the second for notes, to accompany the investigator's report and spreadsheet and for carrier review
- Tests to see if logbook entries look reasonable
- Completes the "Driver's Hours of Service Worksheets" (Complete Hours of Service in the Audit section of the ARC Program), one for each driver reviewed. The investigator submits these worksheets with the Audit report (Complete Audit Report in ARC Program)
- Identifies on the worksheet, all hours worked and violations identified
- Uses the same violation guidelines contained in the ARC Audit Manual
- Calculates all the daily, work shift and cycle violations
- Checks off form and manner violations by exception (i.e., marks those items missing on each daily log)
- If the investigator finds a work shift violation, the investigator notes the shift start and end times adjacent to the dates involved
- When preparing to complete the worksheets, the investigator arranges and identifies daily logs and supporting documents alphabetically by driver

Answers to Module Self-Check Questions

- 1) Identify the number of days that a motor carrier has to deposit daily logs and supporting documents at its principal place of business after receiving them from a driver.
 - Motor carrier has 30 days to deposit daily logs and supporting documents at its principal place of business after receiving them
- 2) Identify the number of months that a motor carrier must keep daily logs and supporting documents.
 - Motor carrier must keep daily logs and supporting documents in chronological order for each driver for a minimum of 6 months
- 3) Identify how a motor carrier can prevent tampering to daily logs.
 - No one can alter a daily log, electronic log or scanned log
 - If a motor carrier employee (i.e., Safety Officer) finds an error on a daily log, the officer must copy the log and edit the copy (cannot alter the original record because it is a legal document)
- 4) Identify strategies that a motor carrier can use to monitor driver compliance with the Regulations.
 - Verify that all drivers have a record for all calendar days
 - Check all drivers to ensure that drivers apply the Regulations to all roads, both public and private (forestry roads), as well as waterways (ferries) in Canada
 - Check all drivers for all form and manner compliance (i.e. name, date, etc.)
 - Check all drivers in detail at least once a year for fatigue-related violations (i.e., driving or hours, two logs for 1 day, false logs, etc.)
 - Have written policies in their Safety program that address the following:
 - Use independent (i.e., that the driver does not create or can modify) supporting documents to verify logs (e.g., fuel receipts, tach cards, bills of lading with shipping times, etc.)
 - Check new drivers / dispatchers / safety staff more frequently until carrier is satisfied that they understand the rules



- Check drivers / dispatchers / safety staff with previous identified problems more frequently until carrier believes they now are following the rules
 - Check a random percentage of all drivers / dispatchers/ safety staff at least monthly (e.g. 10% of drivers monthly will ensure all drivers are selected at least yearly)
 - Record dates on which non-compliance occurred and record date that the motor carrier issued a notice of non-compliance
 - Identify who is responsible for performing these checks, preparing the summary reports, taking actions, etc. and ensure that these employees have the necessary skills and knowledge
 - Address all identified deficiencies with individual staff, taking appropriate actions (e.g. re-training or discipline) and documenting the actions taken in the staff's file
 - Prepare a summary report at least monthly of the findings of this internal audit, the corrective actions taken; provide this report at least to carrier's senior management; and retain all such reports for at least 6 months (longer is recommended)
- 5) Identify the documents that a motor carrier must make available for inspection.
- Daily logs, supporting documents and other relevant records
 - Any permit under which the driver is operating or has been operating
- 6) Identify what an investigator will do when given documents for inspection.
- Immediately return the permit if it is still a current permit
 - Give the carrier a receipt for any expired permit as well as the daily logs, supporting documents and other relevant records
 - Return the expired permits, daily logs, supporting documents and other relevant records within 14 days after receiving them
- 7) Describe a daily log audit.
- Daily log audit is a process for testing the accuracy and completeness of information contained in a driver's daily logs

- 8) In the following list, place a check mark beside the activities that an investigator will perform during a daily log audit.
- Consults with the Manager of Investigations prior to audit start
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 - Gathers all available data on carrier history
 - Establishes a game plan prior to meeting with the carrier
 - Provides the motor carrier with a detailed description of the audit process
 - Ensures that the carrier understands that charges may be laid or an Administrative Penalty may be levied as a result of the audit
 - Follows the established sampling procedures
 - Does not take a sample that will require the use of the carrier's current accounting records as this may disrupt the carrier's business too much
 - Does not demand records and supporting documents to which the investigator has no right
 - Obtains the MVID and Operator's licence of all drivers sampled and checks the operator's licence status
 - Copies two sets of the daily logs, one clean copy initialed and dated for court purposes and the second for notes, to accompany the investigator's report and spreadsheet and for carrier review
 - Tests to see if logbook entries look reasonable
 - Completes the "Driver's Hours of Service Worksheets" (Complete Hours of Service in the Audit section of the ARC Program), one for each driver reviewed. The investigator submits these worksheets with the Audit report (Complete Audit Report in ARC Program)

- Identifies on the worksheet, all hours worked and violations identified
- Uses the same violation guidelines contained in the ARC Audit Manual
- Calculates all the daily, work shift and cycle violations
- Checks off form and manner violations by exception (i.e., marks those items missing on each daily log)
- If the investigator finds a work shift violation, the investigator notes the shift start and end times adjacent to the dates involved
- When preparing to complete the worksheets, the investigator arranges and identifies daily logs and supporting documents alphabetically by driver



Notes: