



MEMO

OFFICE OF THE INTERNAL AUDITOR

To: All County Council Members, and Mr. Pollitt,
From: Steve Roser
Date: 4/18/2012
Re: Scheduled Fuel Audit Follow-up

Message:

Roads Division Management met with IA on April 13, 2012 for a scheduled follow-up for the Fuel System Inventory Program Audit (report dated June 14, 2011).

In attendance:

- John Redden
- Tina Dashiell
- Janice Sprague
- Steve Roser

The remaining open findings were discussed:

1. Internal Control – Written Guide Needed

Draft written guide is complete. Roads Division will send a copy to Ed Baker for vetting and will then distribute. The guide applies to county departments only and not to outside users (Housing Authority, LSE, etc.). Another guide may be created at some point for outside users. Roads Division is still interested in charging outside users a markup for fixed overhead.

2. Fuelmaster Reports – Multiple Users

IT and Fuelmaster still need to collaborate on allowing users other than Roads Division limited access to the database.

3. Streamline Billing

The fuel manager is working with IT to develop an automated process. Some work remains to align accounting software for mechanical work with Fuelmaster. IA offered to consult with the fuel manager (with council's permission) to investigate ways to streamline the process.

4. Vehicle Designations – Assign driver’s names to vehicles

Driver's names are still assigned to vehicles. Driver names are still a back burner issue and will be addressed more thoroughly depending the outcome of item #2. The fuel manager desires more communication when drivers switch vehicles and from HR when employees leave county service. MUNIS checklist for separation should include the latter.

5. Monthly Inventory – Variance tracking

Roads Division is experiencing problems with the tank meters. They have been replaced twice since the audit and the latest ones installed were calibrated in April. The fuel manager will use the new inventory spreadsheet for the May 1 inventory. Additionally, new state regulations require more robust readings for ancillary storage tanks (Roads, Landfill, and the Airport). Storage tanks require stick readings monthly and biannual calibration.

6. Department record keeping – Standardization

Back burner issue depending on completion of items #2 and #3.

7. Fuel transport and storage – Gasoline truck

Cost benefit analysis is negative. Total estimated cost (including truck, tank, pump, and equipment) per Roads Division is near \$100,000.

8. User Authorization – Code Numbers

The fuel manager uses a random number table to assign user numbers. Roads Division senior management requested further testing of gate usage as it relates to user authorization.