



# MEMO

OFFICE OF THE INTERNAL AUDITOR

**To:** All County Council Members and Executive Culver  
**From:** Steve Roser  
**Date:** November 25, 2015  
**Re:** Scheduled follow-up for fuel Inventory Audit (report dated December 10, 2014)

**Message:**

The office of the Internal Auditor (IA) performed a scheduled follow-up for the Fuel Inventory Audit (original report dated December 10, 2014). We performed several tests with results as follows:

*Usage by Vehicle*

We tested the September 2015 usage for all vehicles. Total usage (gallons) for all fuels follows:

Diesel	21,073
Gasoline	15,976
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Total	37,049

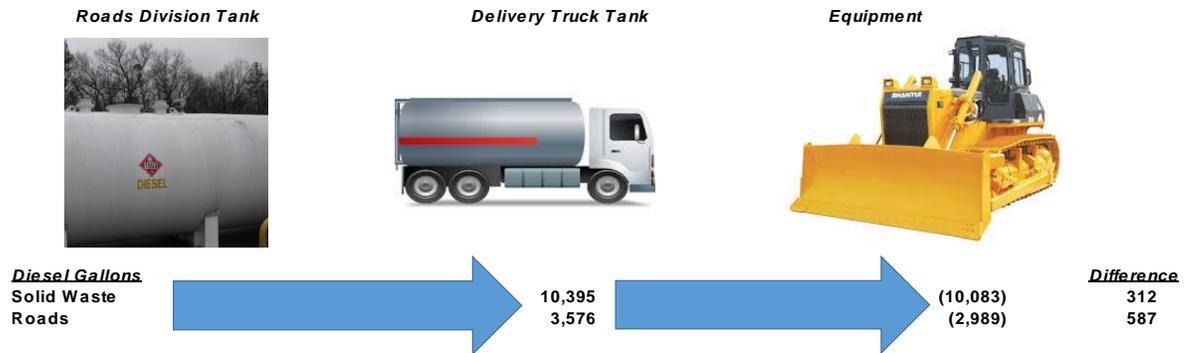
Based upon a perusal of transactions, they seem reasonable. Additionally, we compared the total September 2014 and September 2015 usage for diesel fuel at Solid Waste and found usage slightly lower for 2015.

*Aim II Unit Status*

The County installs AIM II units in all vehicles in order to provide robust internal control for the distribution of fuel. An alternative method for dispensing fuel into receptacles or vehicles that cannot accept the AIM II units is the prokey system. Prokeys are not attached to the vehicle offering less control. Prokeys should be used for small equipment gas cans and in other similar situations. We determined that 27% of all transactions for September 2015 involved the use of prokeys. System controls (and associated danger of usurpations) remain in question as long as non-compliance in this area continues.

*Storage Tanks*

Roads and Solid Waste Divisions must transport diesel fuel to field equipment. We test comparison of fuel into and out of transport tanks regularly. An illustration follows:



The calculated difference should be (and is) within the delivery truck tank capacity of 1,000 gallons. We would like to note, however, that some of the data for both input and output is associated with prokeys. Additionally, due to an equipment failure, some of the reviewed tank data was via manual input.

*Recommendation*

We recommend that County Management reassess the AIM II units in effort to determine why non-compliance remains an issue. IA offers two possible suggestions:

Assign a mechanic primary responsibility for repair and installation of the AIM II units. Provide training and support to assure the units are installed and working properly at all times. Currently, the County depends on a Contractor who must travel from Chesapeake, Virginia causing time delays and increased expense.

Investigate alternative systems and/or upgrades to County hardware including the pumps. As with any project of this nature, a cost-benefit study should be performed. IA (with Council's permission) stands ready within the Standards to assist in the process.