



**Mecklenburg County  
Department of Internal Audit**

Business Support Services Agency – Asset and Facility Management  
Fuelman Gas Card Investigation Follow-Up  
Report 1364

November 5, 2012

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**Internal Audit's Mission**

Through open communication, professionalism, expertise and trust, Internal Audit assists executive management and the Audit Review Committee in accomplishing the Board's objectives by bringing a systematic and disciplined approach to evaluate the effectiveness of the County's risk management, control and governance processes in the delivery of services.

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**Internal Audit Contacts**

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**Staff Acknowledgements**

Richard Kring, Auditor-In-Charge

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**Obtaining Copies of  
Internal Audit Reports**

This report can be found in electronic format at  
<http://charmeck.org/mecklenburg/county/Audit/Pages/Reports.aspx>



**MECKLENBURG COUNTY**  
**Department of Internal Audit**

To: Harry Jones, County Manager

From: Joanne Whitmore, Director, Department of Internal Audit

Date: November 5, 2012

Subject: Business Support Services Agency-Asset and Facility Management Fuelman Gas Card  
Investigation Follow-Up Report 1364

The Department of Internal Audit has completed follow-up procedures on reported issues from the Real Estate Services, now Business Support Services Agency – Asset and Facility Management (BSSA-AFM), Fuelman Gas Card Investigation Report 1189 issued August 23, 2011. The objective of the follow-up review was to determine with reasonable but not absolute assurance whether management took effective and timely action on the issues presented in the audit report.

Internal Audit interviewed key personnel, observed operations, reviewed written policies and procedures and other documents and tested specific transaction activity where applicable. Internal Audit conducted this audit under the guidance of the International Standards for the Professional Practice of Internal Auditing.

**RESULTS**

As noted in the following **Follow-Up Results** section, there were five recommendations in the Real Estate Services Fuelman Gas Card Investigation Report 1189. Internal Audit has determined the five recommendations were fully implemented. The cooperation and assistance of the BSSA-AFM and BSSA-Business and Financial Management (BSSA-BFM) staff are recognized and appreciated.

c: Michelle Lancaster, General Manager  
John McGillicuddy, General Manager  
Bobbie Shields, General Manager  
Leslie Johnson, Associate General Manager  
Tyrone Wade, Deputy County Attorney  
Robert Thomas, Senior Associate Attorney  
Dena Diorio, Director, Financial Services Department  
Brian Cox, Director, BSSA  
Mark Hahn, Director, BSSA-AFM  
Rodney Harris, Deputy Division Director, BSSA-BFM  
Board of County Commissioners  
Audit Review Committee

**Follow-Up Results**  
**Real Estate Services Fuelman Gas Card Investigation Report 1189**

- **Fully Implemented** – The audit issue has been adequately addressed by implementing the original or alternative corrective action (X).
- **Open/Partially Implemented** – The corrective action has been initiated but is not complete (P) or the audit issue has not been addressed but management fully intends to address the issue (O).
- **Not Implemented** – The audit issue has not been addressed and management has assumed the risk of not taking corrective action (NI).
- **Withdrawn** – The audit issue no longer exist because of changes in the auditee’s operation (W).

Issue	Risk Observation	Recommendation	Corrective Action Taken			
			Fully Implemented	Open/Partially Implemented	Not Implemented	Withdrawn
1	<p>A. The Department does not require its drivers to:</p> <ul style="list-style-type: none"> <li>• check the vehicle keys and Fuelman gas card in and out</li> <li>• record starting and ending mileage</li> <li>• record current mileage when obtaining fuel</li> <li>• provide Fuelman gas card receipts for all its vehicles from non-County fueling station purchases (County fueling stations do not provide a receipt)</li> </ul> <p>B. The Department stores the Fuelman gas cards inside the vehicles and although a unique personal identification number (PIN) is required to use the card, it provides the opportunity for someone that gained knowledge of the PIN to access and use the card.</p> <p>C. The Department does not conduct monthly reconciliations of the Fuelman gas card charges to determine if vehicle mileage and gas usage seem appropriate.</p>	<p>Internal Audit recommends that the Department of Real Estate Services establish a robust policy and procedure for both County vehicles and Fuelman gas card use to provide appropriate internal controls and oversight.</p>	X			

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2	Although the Department of Real Estate Services is in charge of all County vehicles, each department assigned a vehicle has the liberty to monitor and control vehicles and Fuelman gas card usage in its own manner, which could lead to inconsistent practices and weak controls to protect County assets.	Internal Audit recommends that the Department of Real Estate Services establish and implement a comprehensive countywide policy and procedure and require all persons using County vehicles to follow the policy and procedure to ensure proper controls over vehicle and car usage.	X			
		Internal Audit recommends that management work with the Fuelman gas card vendor to determine available information that the County could use to better control use of gas usage.	X			
		We further recommend that management require all department liaisons to conduct monthly reconciliations of vehicle and gas card usage logs and Fuelman gas card fuel statements to ensure mileage and fuel usage, as well as vehicle use purpose, are appropriate.	X			
3	There is no continuity between County fleet administrative databases, the Fuelman gas card activity database and other County information databases. Further, some information, such as the employee identification number (EIN), which is typically based off an	Internal Audit recommends that the Department of Real Estate Services develop and use a single database with accurate and meaningful information to allow management and department liaisons to provide proper oversight over vehicle and gas card usage.	X			

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	<p>individual’s driver’s license number, is not associated in a manner that provides meaningful information to be used in management reviews. As a result, management cannot always determine with any certainty who made the gas card purchases; nor would the available data support any disciplinary or legal action.</p> <p>a. More than one employee name can be associated with a single EIN and the number is not the County employee number. Of the 3,500 gas card users shown on the Fuelman PIN master list, many EINs were numeric, non-numeric or a combination thereof and did not appear to be based on a driver’s license number. Further, 56 employees had one or more EIN’s assigned to them and three had a unique EIN but two different PINs. In addition, 1,036 or 30% records had duplicate EINs: six employees had an EIN of “0”, 44 employees had an EIN of “XXX” and 16 records had an EIN of “SP” with “Spare” as the employee name.</p> <p>b. The Department states that it does not assign a Fuelman gas card to a</p>	<p>a. Ensure that the database indicates only one unique County-assigned EIN for each employee and associate it to his or her Fuelman gas card usage. Also ensure that no one employee has more than one active unique PIN.</p> <p>b. Include the Fuelman gas card number and associated vehicle equipment number and description in the database elements.</p> <p>c. Conduct an inventory of the vehicle equipment database and update accordingly to ensure that each vehicle is assigned a unique license plate number and/or a serial/vehicle identification number. Also include the appropriate fuel type to be used for each vehicle.</p> <p>d. Conduct an inventory of current cardholders to remove unauthorized or unnecessary users. Retrieve active Fuelman gas cards from existing employees assigned gas cards that have not been active in 24 months. Conduct routine database and gas card inventory reviews by the appropriate manager/department liaison to ensure the database is</p>				

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	<p>specific individual but rather to a specific vehicle. Yet, the County vehicle equipment database does not provide the gas card number with each specific vehicle equipment number and description.</p> <p>c. The County vehicle equipment database does not always assign a unique license plate and/or serial number to each vehicle. Nor does it usually designate the appropriate fuel type, such as unleaded or diesel, to help management determine if fuel used is appropriate for the vehicle.</p> <p>d. Of the 3,500 gas card user records, 1,633 or 47% gas cards remained open but had no transaction activity since at least December 31, 2008.</p>	current and only authorized employees have access to fuel cards.				