

AUDIT OF EAST SERVICE CENTER EMPLOYEE FUEL THEFT

CAO 2901-1011-04

December 1, 2010

Background

- **The City's Fleet and Transportation Services Division (Fleet Services) operates the East Service Center.**
- **East Service Center helps maintain and repair the City's 900 licensed vehicles and 200 equipment items.**
- **The City's fleet is serviced by the East and the West Service Centers.**

Background - continued

- A City employee alerted a supervisor that another City employee was taking fuel from the vehicles while they were being serviced.
- Department of Detention and Enforcement was notified and set up a surveillance of the area.
- The allegation was substantiated, the suspect was observed taking 100 gallons of fuel from 20 vehicles (3/15-4/21/2010).

Scope

- **Limited to an evaluation of the controls related to prevention of fuel theft from the East Service Center**
- **Observations of work processes, and**
- **Review adherence to the City's Policy, Procedures and applicable Guidelines**

Recommendations

Security Over Fuel In Vehicles Being Serviced:

- **Fleet Services should install appropriate security devices to prevent or minimize theft of fuel from City owned vehicles.**
- **Installation of locking fuel caps and/or anti-siphoning devices in City vehicles**

Recommendation

Controls Over Equipment Use:

- **Fleet Services Management should implement policies and procedures to control and limit the use of City-owned equipment.**

Management Response

- **Fleet Services Management has responded to both recommendations.**
- **The City Auditor's Office is working closely with Fleet Services to close out all the findings identified.**



Questions

Auditor:

Gary L. Phillips, Sr. Internal Auditor

Fleet Services