

**SUBMITTAL TO THE BOARD OF SUPERVISORS  
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**

236



**FROM:** County Auditor-Controller

**SUBMITTAL DATE:**  
May 30, 2012

**SUBJECT:** Internal Audit Report 2010-004: Riverside County Sheriff's Department, Vehicle Fleet.

**RECOMMENDED MOTION:** Receive and file Internal Audit Report 2010-004: Riverside County Sheriff's Department, Vehicle Fleet.

Departmental Concurrence

**BACKGROUND:** We have completed an audit of the Riverside County Sheriff's Department to provide management and the Board of Supervisors with an independent assessment of internal controls over the department's vehicle fleet and to identify opportunities for improving efficiencies. This audit was performed in segments between September 1, 2009, and June 30, 2011, due to the temporary reassignment of audit resources to other projects. The audit covers the period September 1, 2007, through June 30, 2011. Except for timeliness of preventive maintenance, fuel card controls, and overnight vehicle authorizations, internal controls over the department's fleet are adequate. We will follow-up with the department in one year to determine if actions were taken to correct the findings noted.

*Paul Angulo*

Paul Angulo, CPA, MA/Mgmt  
County Auditor-Controller

<b>FINANCIAL DATA</b>	Current F.Y. Total Cost:	\$ 0	In Current Year Budget:	N/A
	Current F.Y. Net County Cost:	\$ 0	Budget Adjustment:	N/A
	Annual Net County Cost:	\$ 0	For Fiscal Year:	N/A

<b>SOURCE OF FUNDS:</b> N/A	<b>Positions To Be Deleted Per A-30</b>	<input type="checkbox"/>
	<b>Requires 4/5 Vote</b>	<input type="checkbox"/>

**C.E.O. RECOMMENDATION:**

**APPROVE**

BY: *Karen L. Johnson*

Karen L. Johnson

**County Executive Office Signature**

**MINUTES OF THE BOARD OF SUPERVISORS**

On motion of Supervisor Ashley, seconded by Supervisor Stone and duly carried, IT WAS ORDERED that the above matter is received and filed approved as recommended.

Ayes: Buster, Stone and Ashley  
Nays: None  
Absent: Tavaglione and Benoit  
Date: June 26, 2012  
xc: Auditor, Sheriff

Kecia Harper-Ihem  
Clerk of the Board  
By: *[Signature]*  
Deputy

- Policy
- Policy
- Consent
- Consent

Dept's Recomm.:  
Per Exec. Ofc.:

**Prev. Ag. Ref. ATTACHMENTS FILED District: ALL Agenda Number:**

**2.5**

WITH THE CLERK OF THE BOARD



# County of Riverside

## INTERNAL AUDIT REPORT

2010-004

### Riverside County Sheriff's Department Vehicle Fleet

May 30, 2012

Office of  
**Paul Angulo, CPA, MA-Mgmt**  
County Auditor-Controller

4080 Lemon Street  
P.O. Box 1326  
Riverside, CA 92502-1326



**COUNTY OF RIVERSIDE**  
OFFICE OF THE  
AUDITOR-CONTROLLER

County Administrative Center  
4080 Lemon Street, 11<sup>th</sup> Floor  
P.O. Box 1326  
Riverside, CA 92502-1326  
(951) 955-3800  
Fax (951) 955-3802

**ACC** | AUDITOR  
CONTROLLER  
COUNTY OF RIVERSIDE

Paul Angulo, CPA, MA-Mgmt  
AUDITOR-CONTROLLER

May 30, 2012

Sheriff Stanley Sniff  
Sheriff-Coroner, County of Riverside  
4095 Lemon Street  
Riverside, CA 92502

**Subject: Internal Audit Report 2010-004: Riverside County Sheriff's Department, Vehicle Fleet**

Dear Sheriff Sniff:

We have completed an audit of the Riverside County Sheriff's Department to provide management and the Board of Supervisors with an independent assessment of internal controls over the department's vehicle fleet and to identify opportunities for improving efficiencies. This audit was performed in segments between September 1, 2009, and June 30, 2011, due to the temporary reassignment of audit resources to other projects. The audit covers the period September 1, 2007, through June 30, 2011.

We conducted our audit in accordance with the International Standards for the Professional Practice of Internal Auditing. These standards require that we plan and perform the audit to obtain reasonable assurance that our objective as described in the preceding paragraph is achieved. An audit includes examining, on a test basis, evidence about the adequacy and effectiveness of internal controls, compliance with applicable laws and regulations, and performing other procedures we considered necessary. We believe the audit provides a reasonable basis for our conclusion.

Internal controls are processes designed to provide management reasonable assurance of achieving operational efficiency, compliance with laws and regulations, and reliability of financial information. Management is responsible for establishing and maintaining adequate internal controls; our responsibility is to assess the adequacy of internal controls based upon our audit.

**Audit Conclusion**

Except for timeliness of preventive maintenance, fuel card controls, and overnight vehicle authorizations, internal controls over the department's fleet are adequate.

We met with the executive team of the department on three separate occasions in a coordinated effort to discuss the results contained in this report and incorporated their suggestions and recommendations in the body of the report.

We thank the Sheriff's Department and staff for their cooperation and assistance during the audit.

Paul Angulo, CPA, MA-Mgmt  
County Auditor-Controller

A handwritten signature in black ink that reads "Rachelle Román". The signature is written in a cursive style with a large, stylized 'R' at the beginning.

By: Rachelle Román, MPA  
Chief Internal Auditor

cc: Board of Supervisors  
County Counsel  
Grand Jury

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## Executive Summary

### Overview

The County of Riverside Sheriff's Department (department), the second largest Sheriff's office in California, provides policing services to the County's unincorporated areas and 17 contracting city agencies. In addition, the department manages five correctional facilities, performs Coroner-Public Administrator duties, and provides services to the court. The department has approximately 3,900 employees assigned to 60 stations and bureaus. As of March 31, 2011, the department's fleet consisted of 1,651 vehicles which included 948 patrol units.

### Audit Objective

Our audit objective is to provide management and the Board of Supervisors with an independent assessment of internal controls over the department's vehicle fleet and identify opportunities for improving efficiencies.

### Audit Highlights

1. Preventive vehicle maintenance was not timely in some instances. The department should coordinate with Fleet Services to improve the current vehicle preventive maintenance process.
2. Fuel transactions using the department fuel cards were not recorded in the County's fuel accounting system. As of November 7, 2011, Fleet Services is able to obtain fuel card transaction data to be recorded in the County's fuel accounting system. The accuracy and completeness of the data will be reviewed during our follow-up audit.
3. Overnight vehicle justification supporting documentation was not submitted for fiscal year 2010/2011 as required per Board Policy D-10 (Overnight Retention of County Vehicles). In addition, a process was not in place for reporting personal vehicle use as wages. The department has to comply strictly with the County's vehicle policies and ensure compliance with the IRS regulations.

### Audit Conclusion

Except for the conditions noted above, internal controls over the department's fleet are adequate.

## Vehicle Utilization

### Background

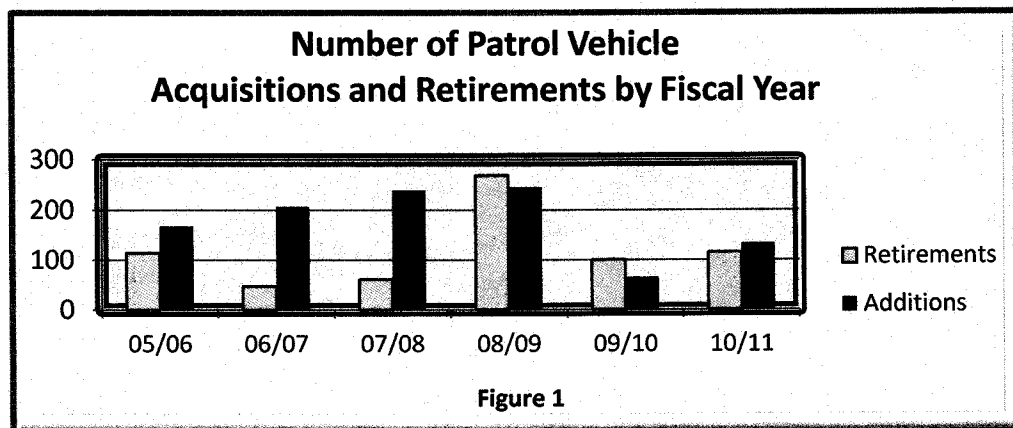
The Sheriff's Department uses a wide range of vehicles such as patrol units, unmarked sedans, sport utility vehicles, vans, trucks, buses, motor homes, pickups, and all-terrain vehicles. Table 1 shows the breakdown and age of the fleet as of March 31, 2011.

**Table 1: Breakdown of Vehicle Fleet as of March 31, 2011**

Vehicle Type	Total Number of Vehicles	Number of Vehicles by Service Years			Average Age (in years)
		Less Than 5 Years	5 to 10 Years	10 Years or More	
Patrol – Sedan and SUV	948	781	167	0	3.01
Sedan	415	171	198	46	7.70
SUV	121	49	60	12	5.15
Van	79	43	12	24	5.41
Trucks, Buses, Others	17	12	5	0	5.99
Pickup	71	32	24	15	6.05
<b>Total Vehicles in Service</b>	<b>1,651</b>	<b>1,088</b>	<b>466</b>	<b>97</b>	<b>4.11</b>

The department's fleet dispatch unit determines the number of new vehicles to be acquired based on a vehicle replacement schedule. Vehicles are scheduled for replacement when mileage reaches approximately 100,000 miles for patrol units, and 115,000 miles for other non-patrol vehicles. In 2004, the patrol vehicle mileage retirement threshold was changed from 85,000 to 100,000 miles. Trucks, buses and special purpose vehicles are retired on a case-by-case basis. County Fleet Services may retire any vehicle prior to mileage thresholds, based on a cost benefit evaluation that includes the number of miles and vehicle condition. Fleet additions are approved by the Board of Supervisors based on requests from Sheriff's Administration.

Since the beginning of fiscal year 2005/2006 the department's fleet increased by 512 vehicles. Figure 1 and Table 2 show acquisitions and retirements for patrol vehicles and the overall fleet.



**Table 2: Department Vehicle Acquisitions and Retirements (number of vehicles)**

Vehicle Type	Fiscal Years						Net Change
	2005/06 to 2006/07		2007/08 to 2008/09		2009/10 to 2010/11		
	A	R	A	R	A	R	
Patrol – Sedan and SUV	375	161	485	330	199	215	353
Sedan	132	39	114	92	27	52	90
SUV	37	8	37	34	6	13	25
Van	26	9	22	15	10	13	21
Trucks, Buses, Others	14	6	28	13	14	14	23
<b>Total</b>	<b>584</b>	<b>223</b>	<b>686</b>	<b>484</b>	<b>256</b>	<b>307</b>	<b>512</b>
<b>A = Acquisitions R = Retirements</b>							

The expenses directly related to operating the fleet averaged \$19.3 million per year during the past three fiscal years as shown in Table 3.

**Table 3: Vehicle Operating Expenses**

Fiscal Year	Leases, Maintenance, etc.	Fuel	Total
2007/2008	\$ 12,792,785	\$ 6,045,376	\$18,838,161
2008/2009	13,971,445	5,902,403	19,873,848
2009/2010	14,002,556	5,249,942	19,252,498
<b>Annual Average</b>	<b>\$13,588,929</b>	<b>\$5,732,573</b>	<b>\$19,321,502</b>
<b>Average Per Vehicle</b>	<b>\$8,231</b>	<b>\$3,472</b>	<b>\$11,703</b>
	<b>70%</b>	<b>30%</b>	<b>100%</b>

Most of the department's vehicles are leased from County Fleet Services. Lease payments on a new vehicle amount to about \$9,000 per year during the first three to four years of acquisition. Subsequently, the department pays a fixed maintenance rate based on vehicle mileage, plus approximately \$700 per year for basic administrative and stand-by maintenance fees.

The County's Fleet Services Department recommends preventive maintenance services every 4,000 miles on patrol vehicles and every 6,000 miles on all other vehicles. Table 4 illustrates the timing of these preventive maintenance services while Table 5 shows the stations having the most delays in obtaining the required maintenance.



**Table 4: Preventive Maintenance Work Orders September 1, 2007 to August 31, 2009**

Miles Over Scheduled Maintenance	Number of Work Orders	% of Work of Orders
9,000 miles	10	0.2%
6,001-9,000	49	0.8%
4,001-6,000	137	2.3%
2,001-4,000	701	11.7%
1,001-2,000	1,055	17.6%
1 to 1,000	2,590	43.3%
Early/On schedule	1,440	24.1%
<b>Total</b>	<b>5,982</b>	<b>100.0%</b>

**Table 5: Top 10 Stations with Overdue Preventive Maintenance**

Station/Bureau	Preventive Maintenance Service Overdue (By Number of Miles)				Total Work Orders
	1,000-2,000 miles	2,000-4,000 miles	4,000-6,000 miles	Over 6,000 miles	
Jurupa Valley	113	95	21	6	<b>235</b>
Indio Station	89	82	18	8	<b>197</b>
Palm Desert	108	51	10	0	<b>169</b>
Hemet	80	64	17	5	<b>166</b>
Elsinore	79	61	9	1	<b>150</b>
Moreno Valley	89	46	7	0	<b>142</b>
Cabazon	56	55	9	5	<b>125</b>
Perris	76	31	4	0	<b>111</b>
Sp. Investigations	40	39	10	2	<b>91</b>
Sp. Enforcement	39	32	17	2	<b>90</b>

**Audit Objective**

Evaluate the adequacy of internal controls over vehicle utilization.

**Audit Methodology**

We accomplished our audit objective by interviewing department staff to obtain an understanding of the current processes and practices affecting vehicle purchases, usage, and assignments; and performing an analytic review of financial and motor pool data.

**Results**

Vehicle utilization varies between stations. Vehicles assigned to rural stations tend to have higher mileages as they have wider areas to cover. Vehicles assigned to citizen patrol, training, and court services have lower utilization since these vehicles have more idle time. Newer patrol vehicles have a lower rate of utilization compared to older patrol vehicles as the older vehicles are routinely deployed first before the new ones. Some of the older vehicles are not actively used due to their old communication equipment. Depending on the vehicle's condition, the department, in cooperation with Fleet Services may upgrade the equipment on these older vehicles and place them back for more active service. This decision is based on a cost benefit review on an individual vehicle basis. The cost of the equipment upgrade is \$11,000 to \$14,000 per unit. The County's patrol vehicles are retired at approximately 100,000 miles with an average service life of 5.4 years. In comparison, according to various sources, most law

enforcement agencies retire patrol sedans between 75,000 and 125,000 miles, usually after three to five years of service.

On January 11, 2011, the department obtained the Board of Supervisors' authorization for an accelerated purchase of 359 Ford Crown Victoria patrol vehicles, a model which Ford is ending production. The submission to the Board of Supervisors' via the Form 11 indicated the purchase would save the County \$2.0 million since (1) the cost of the new patrol vehicle is higher by \$3,400 per unit and (2) new equipment and mounting brackets need not be purchased as equipment from the retired Crown Victoria vehicles can be reused saving \$2,200 per unit.

Other reasons were cited for justifying the purchase. Through the continued usage of the Crown Victoria model, additional radio equipment can be carried in the vehicles that will be used to transition to a new radio communication system. If the department used a different patrol model, additional costs would be incurred because modifications would be needed to accommodate the radio communication equipment. Furthermore, the Crown Victoria inventory will allow the department time to evaluate replacement patrol vehicle models to best fit the department's operations. The department should continue to monitor vehicle replacements and appropriate fleet size. The department may be able to prolong service life or reduce maintenance costs on its vehicle fleet through the continued improvement of its preventive maintenance schedule.

**Finding 1: Timely preventive maintenance services were not performed consistently.**

We noted 196 of 5,982 preventive maintenance work orders, comprised of 173 vehicles, were late by 4,000 miles or more from their scheduled maintenance interval. Improperly maintained vehicles may result in higher maintenance cost, shortened vehicle service life, or increasing the County's legal exposure in fatal accident cases. Reasons cited for a delay in preventive maintenance were reduced hours at the County garages and availability of other patrol vehicles. A subsequent follow-up review on March 31, 2011, showed 29 of the 173 noted vehicles were still late for service.

**Management's Reply:**

**Do Not Concur.** "This figure represents just over 3% of the total work orders tested which means 97% of the department vehicles were serviced on time. There are two factors that directly impact the Sheriff's Department's ability to get vehicles serviced. The first factor is we are a 24/7 operation and the County Garage hours are limited to four days a week, or less on weeks with holidays. Second, due to staffing reductions there is often a shortage of staff to transport the vehicles to the garage. We agree that improperly maintained vehicles may result in higher maintenance cost. With a 97% compliance rate and the inherent limitations mentioned above we believe this finding is immaterial and our internal controls in this area is adequate. Also, the Sheriff's Department has been told by County Fleet personnel that one to two thousand miles over the four thousand mile sticker is not unreasonable."

**Auditor's Comment:**

The 3% of work orders highlights the most extreme examples of past due maintenance, vehicles 4,000 miles or more past due, which effectively means vehicles have missed an entire maintenance cycle. When considering vehicles 1,000 miles or more past due, criteria that is

used by Fleet Services, the actual compliance rate was 67.4%. A December 2011 report from Fleet Services indicates a compliance rate of 91.5%. Based on this, the department is well in compliance, and we will further evaluate their fleet's maintenance in a follow-up audit.

**Recommendation 1:**

Coordinate with Fleet Services to improve the current vehicle preventive maintenance process.

**Management's Reply:**

**Do Not Concur.** "The Ford Crown Victoria owner's manual recommends that the oil be changed every 6 months or 7,500 miles. The Sheriff's Department has been told by County Fleet personnel that one to two thousand miles over the four thousand mile sticker is not unreasonable. 97% of the work orders tested were in compliance. We feel our internal controls in this area are adequate. However, the department will continue to strive to ensure our fleet is properly serviced."

**Auditor's Comment:**

The preventive maintenance service performed by Fleet Services not only includes an oil change, but inspection of the vehicle as well. Inspections help monitor the vehicle's condition and identify worn parts that require replacement. Early identification of worn parts may reduce more expensive repairs in the long run and maintain vehicle performance and safety. The department's fleet maintenance will be reviewed in a follow-up audit.

## Fuel Cards

### Background

The Sheriff's Department obtains 70 percent of its vehicle fuel needs from County-owned fueling sites. The rest of its fuel needs are obtained from gas stations and Commercial Fuel Network (CFN) fueling stations by employees using Voyager and CFN fuel credit cards. Board Policy A-62 (Credit Card Use) allows the use of a County fuel credit card when an employee is unable to obtain fuel at a County fueling facility due to location, time, or an emergency.

Two Board policies govern the use of fuel credit cards, these are:

1. Board Policy A-62 (Credit Card Use), which states:

"Effective April 14, 2008, County employees at all levels are prohibited from applying for, opening, maintaining or making County purchases using any credit cards other than the County issued Procurement Cards or the awarded Fleet Fuel Cards, except as authorized pursuant to this policy. Any exception to this policy must be made by the Board of Supervisors via the Form 11 process and the exception request must be updated annually with the Board.", and

2. Board Policy D-2 (Use and Purchase of County Vehicles), which states:

"...the County of Riverside Fleet Services Director will be responsible for establishing an effective fleet management program including, but not limited to:

- "Policies and procedures that will ensure the County of Riverside Purchasing Department issues and manages all County credit cards used to purchase fuel. These policies and procedures shall be consistent with Board of Supervisors' Policy A-62, Credit Card Use."

### Audit Objective

Evaluate the adequacy of internal controls over fuel usage.

### Audit Methodology

We accomplished our audit objective by reviewing controls for validating fuel users and vehicles, and performing an analytical review and testing of fuel card transactions.

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### Results

The department maintains its own Voyager fuel credit card account, in addition to the county Purchasing-administered Voyager account. Unlike the County Purchasing-administered Voyager account, fuel purchased using the Sheriff's Voyager account is not accounted for in the County's fuel accounting system. The County Purchasing-administered Voyager cards, as well as the CFN cards, are tied to specific vehicles. This method enables the County's Fleet

Services Department to account for and monitor specific vehicle fuel usage. The Sheriff's Voyager credit cards are assigned to specific vehicles, individuals, or stations. Since credit cards issued to individuals or stations may be used for any vehicle, there is no correlation between card usage and specific vehicles. This condition further hampers effective monitoring of fuel usage.

The department anticipated a reduction in the use of the Sheriff's Voyager cards as a result of the opening of a new County fueling station in Palm Desert. We noted the Sheriff's Voyager credit card charges were reduced by half since the opening of the Palm Desert fueling station in October, 2010 (Table 6).

**Table 6: Sheriff's Voyager Fuel Card Charges**

Fiscal Year	Amount
FY 07-08	\$ 825,342
FY 08-09	\$ 760,505
FY 09-10	\$ 626,841
FY 10-11	\$ 331,517 <sup>3</sup>

<sup>3</sup> Annualized based on July 2010 to April 2011 transactions.

**Finding 2: Fuel usage is not accurately accounted for and monitored.**

The Sheriff's Voyager fuel card transactions are not being recorded in the County's fuel accounting system. As a result, fuel monitoring cannot be effectively performed. Board Policy D-2 (Use and Purchase of County Vehicles) places responsibility on County Purchasing to issue and manage fuel credit cards. However, County Purchasing is constrained to perform this responsibility due to additional fuel credit cards that are outside of its control.

**Management's Reply:**

**Concur.** "Previously, the Voyager cards did not require the necessary information for tracking mileage for the County Fuel System. All outside vendor (Voyager and CFN) card information is contained in the outside vendor's database, which includes those issued by County Fleet Services and the Sheriff's Department. The information is available to the County and to Fleet Services as they log-on and download the information."

**Recommendation 2**

Develop a process to record a specific vehicle's fuel usage and mileage in the County's fuel system so that all fuel usage can be accurately accounted for and monitored.

**Management's Reply:**

**Concur.** "Once this question was raised during the audit process, the department issued new Voyager cards which require entry of the vehicle ID number and mileage. County Fleet now has access to the amount of fuel, the mileage, the unit ID number and the employee ID number

when the Voyager cards are used. This account information is accessible to County Fleet by logging onto the database.”

**Finding 3: Fuel card system controls are not utilized.**

Based on the Voyager transaction reports for the period September 1, 2008, to August 31, 2009, we found that:

- Only two of 27,395 transactions had odometer readings input.
- There were no driver identification numbers (Driver IDs) input for any of the credit card transactions.
- There was no limit for the amount of fuel that can be obtained per transaction or for a period of time.
- Ten of 18 fuel cards had transactions where the vehicle identification number (Vehicle ID) entered at the pump did not match the Vehicle ID the cards were assigned to. Six of the ten fuel cards had two or more different vehicle IDs entered at the pump.

Based on the CFN transaction reports for the period September 1, 2008, to August 31, 2009, we found that:

- Of 24,723 transactions, 3,700 (15%) had invalid odometer readings and 2,820 (11.4%) had invalid Vehicle IDs.
- Of the 168 cards assigned to vehicles, 53 (32%) cards had corresponding transactions in which odometer readings entered fluctuated between months. For example, one card showed the odometer reading for September was 13,647, October 95,360, and November 15,417 miles.
- Of the 459 fuel cards used, 398 were assigned to individuals rather than vehicles.
- A limit of 30 gallons or more per transaction was set for 447 active CFN cards. Patrol sedans have a maximum fuel capacity of 20 gallons. There were 256 instances (1%) where the amount of fuel dispensed on a single transaction exceeded the vehicle's 20 gallon fuel capacity, 58 of which exceeded by 10 to 26 gallons.

The above noted conditions were the result of not utilizing the system validation controls available from Voyager and CFN systems. Fuel card controls are necessary for authorization, validation and monitoring of fuel purchases. The department can identify purchases by product type and pattern exceptions through the use of fuel reports and notifications provided by Voyager and CFN.

**Management's Reply:**

**Concur.** “Previously, the Voyager cards did not require the necessary information for tracking mileage for the County Fuel System. However, all CFN and Voyager cards that are now in

service are issued to individual employees and now require the entry of the unit number and the mileage. County Fleet now has access to the amount of fuel used, the mileage, the unit ID number, and the employee ID number when the Voyager cards are used. The department believes it prudent to issue fuel cards to individuals rather than vehicles for greater internal control. We have consulted with County Fleet and they support this process.”

### **Recommendation 3**

Review available system control features offered by Voyager and CFN systems and use them to enhance internal controls. At the minimum,

- Set up fuel card parameters so that fuel users are required to enter Driver ID and odometer reading.
- Set up reasonable limits on credit card usage, per transaction, per day and per month.
- Develop validation procedures so that Driver ID and Vehicle ID are matched and obvious entry errors are detected and corrected.

### **Management's Reply:**

**Concur.** “As previously noted, this issue has been corrected by the issuance of the new cards with the new entry requirements for both accounts.”

## **Overnight Vehicle Retention**

### **Background**

Board Policy D-10 (Overnight Retention of County Vehicles) provides the process for obtaining authorization from the Executive Office for the use of take-home vehicles. Every fiscal year, the policy requires department heads to submit the prescribed forms and supporting documentations containing the list of vehicles, justification for the number of required vehicles, description of every vehicle and vehicle special equipment, and information about each employee. The policy prohibits any personal use of County vehicles other than approved personal commuting between home and work. With certain exceptions, the Internal Revenue Code treats personal commuting as a reportable taxable income to the employees.

### **Objective**

Evaluate the effectiveness of the department's internal control process over overnight vehicle retention.

### **Audit Methodology**

We accomplished our audit objective by reviewing the department's compliance with County policies and internal revenue regulations based on submitted documents on file with the Executive Office.

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### **Results**

For fiscal year 2010/2011, the department submitted overnight vehicle retention authorization requests and authorization forms for 156 vehicles and employees in the investigation, K-9 deployment, special enforcement, professional standards, and administration units. Of the 156 vehicles requested, 29 are clearly-marked police vehicles and 127 are unmarked vehicles. All but two of the 127 unmarked vehicles are assigned to law enforcement officers.

#### **Finding 4: Justification documents were not submitted for take-home vehicles.**

Although the department submitted the requests for take-home vehicle authorization for fiscal year 2010-11 to the Executive Office, they did not adhere to the specific requirements of the policy. However, the intent of the policy for law enforcement personnel was one of the principle limitations of overnight vehicle use due to their sworn status and their first responder designation.

#### **Management's Reply:**

**Do not Concur.** "For the past two years, overnight retention forms have been submitted along with supporting documentation. On November 10, 2011, the department received notification from the Executive Office that our overnight vehicle retention requests for FY 11-12 were



approved. The documentation submitted for FY 11-12 was consistent with the documentation submitted for FY 10-11."

**Auditor's Comment:**

The Executive Office did verbally confirm the overnight vehicle retention requests for fiscal year 2011/2012 were approved. We will verify the justification documentation submitted was adequate and in compliance with Board Policy D-10 and IRS regulations during a follow-up audit.

**Finding 5: Personal commuting using County vehicles is not reported to County payroll.**

Two employees, who are not sworn law enforcement officers, have been assigned take-home vehicles. The Internal Revenue Code provides that personal commuting with the use of an employer-provided vehicle is a taxable wage unless specifically exempted under the code. These two employees do not qualify for a tax exemption under the code. In accordance with Policy D-10, the department must maintain a record of personal and business vehicle mileage and report the personal vehicle uses to County payroll.

**Management's Reply:**

**Concur.** "The two employees noted, both Forensic Unit supervisors that respond to critical crime scenes throughout the County on a 24-7 basis, are no longer taking home vehicles."

**Recommendation 5**

Develop and implement procedures for tracking vehicle mileage and for reporting of personal vehicle usage to County payroll.

**Management's Reply:**

**Concur.** "As noted for recommendation 4, the employees are no longer assigned take-home vehicles."

## **Mobile Data Computers**

### **Background**

The department's patrol vehicles are equipped to handle a variety of emergencies. A typical patrol vehicle's standard equipment configuration includes light bars, sirens, weapon mounts, radios, and mobile data computers (MDC). MDCs provide patrol cars and other emergency vehicles communication with the central dispatch office. They are also used to display mapping and information relevant to the specific tasks and actions of the department. When a vehicle is replaced, equipment from the retired vehicle is installed on the replacement vehicle by the vendor. New vehicle equipment is purchased when the existing equipment requires replacement due to damage or when vehicles are added to the fleet.

### **Objective**

To evaluate the effectiveness of the department's internal control process over vehicle equipment.

### **Audit Methodology**

We accomplished our objectives by reviewing MDC purchasing and receiving documents, conducting an inspection of the storage area, verifying the inventory, and evaluating the methods used for tracking vehicle equipment.

### **Results**

The department tracks MDCs and other vehicle equipment through spreadsheets and the department's vehicle database. While this method is adequate for identifying where an asset is located, we noted 112 MDCs purchased in 2005 for \$560,000 that were not recorded in the PeopleSoft Asset Module. As required by the ACO Standard Practice Manual 913, equipment valued at \$5,000 or more are to be capitalized and recorded in the PeopleSoft Asset Module. Department staff took corrective action by recording the 112 MDCs in PeopleSoft.