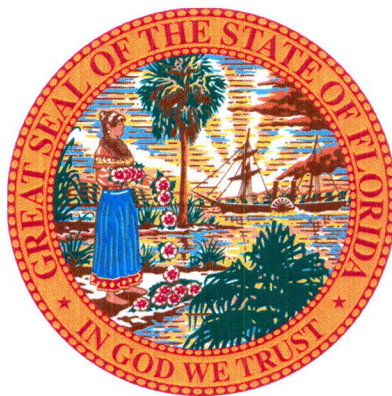


**MARYANNE MORSE  
THE CLERK OF THE CIRCUIT COURT AND COMPTROLLER  
SEMINOLE COUNTY FLORIDA**

**SPECIAL REVIEW  
OF  
WRIGHT EXPRESS CREDIT CARDS (WEX CARDS)**

**Report No. 061815**



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## *Special Review of Wright Express Credit Cards (WEX CARDS)*

### *BACKGROUND*

WEX cards are used by employees to pay for gasoline and diesel fuel for designated county vehicles and equipment. In 2001, there were only a few (3 or 4) cards; these were for employees working at the water and sewer treatment facilities. These cards were only to be used when it was not convenient to refuel at a county fuel depot. Fleet was responsible for closely monitoring the use of these cards.

There are now about 151 WEX Cards. Forty (40) assigned to Environmental Services; the other 111 to Public Safety. There are also 400 employees who have been included in the WEX system as authorized users/drivers. Although most of the cards are assigned to vehicles; some (19) are unassigned for the convenience of using with any vehicle at any time. The cards are also used for refueling equipment. Exhibit (A) below illustrates the number of fuel cards issued by year and total payments to WEX.

<b>EXHIBIT A</b>		
Year	Payments	Number of Fuel Cards
2004	\$ 9,914.01	20
2005	\$ 16,968.05	21
2006	\$ 18,301.48	30
2007	\$ 19,690.84	31
2008	\$ 22,698.50	35
2009	\$ 8,817.56	39
2010	\$ 15,683.10	41
2011	\$ 20,613.03	55
2012	\$ 32,974.60	61
2013	\$ 57,109.31	141 <sup>1</sup>
2014	\$ 165,108.43	151

<sup>1</sup> In 2013, there were 80 new fuel cards added to the program by Public Safety. There is no formal documentation to support the additional 80 new fuel cards issued in 2013.

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There are certain controls over the program that have already been established:

- Fuel cards are generally only assigned for vehicles at remote locations that are not convenient to a county owned fuel depot to refuel;
- Employees are assigned a Driver Identification Number (DIN). This number is required during the re-fueling process;
- Fuel is only dispensed after the employee enters the DIN, and, the current odometer reading;
- WEX submits a monthly accounting of transactions which Public Works downloads into the county's fuel master system; and,
- Public Works reviews the individual WEX transaction history, compares it to the receipts and to the monthly billing.

The fuel cards are very similar to the county's purchasing card (PCARDS). With that being said, the success of the program, in our opinion, requires similar management controls. In the report that follows, we include findings and recommendations for management's review.

## *Scope and Methodology*

The scope of this review included a review of the management controls over the WEX fuel cards. All records relating to the fuel card program were subject to our review. Included in this review:

- The terms and conditions of the contract;
- The assignments and justification for the fuel cards;
- The management review and approval process; and,
- Compliance with county policy.

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## OBJECTIVES

The objective is to determine if the administrative controls over the fuel credit card program is adequate and in compliance with county policy, terms and conditions of the contract, and other governmental regulations.

## EXHIBITS

Exhibit B (page 3) illustrates the gallons purchased by employees using the WEX Cards; Exhibit C (page 4) is the gallons consumed using the County Fuel Depots; and, Exhibit D (page 5) is a total summary of both.

The exhibits are presented to: (1) emphasize both the necessity for having strong internal controls; and also, (2) the need for a monthly reconciliation to ensure that the gallons consumed from the fuel depot and credit cards are within reason.

### EXHIBIT B WEX CARDS

Month	2013 Gallons Purchased	2014 Gallons Purchased	Percent Increase
January	475.50	3,615.10	660%
February	600.80	3,308.30	451%
March	823.40	3,335.80	305%
April	700.80	4,183.60	497%
May	786.40	4,429.30	463%
June	801.90	4,141.50	416%
July	1,314.50	4,886.60	272%
August	956.80	3,759.90	293%
September	2,335.00	3,883.00	66%
October	3,187.40	3,667.70	15%
November	2,887.50	3,119.30	8%
December	2,990.60	2,886.50	-3%
<b>Total</b>	<b>17,860.60</b>	<b>45,216.60</b>	<b>153%<sup>2</sup></b>

<sup>2</sup> The total gallons purchased using the WEX Cards increased by 153% during 2014.

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**EXHIBIT C  
COUNTY FUEL DEPOT**

<b>Month</b>	<b>2013 Gallons Consumed</b>	<b>2014 Gallons Consumed</b>	<b>Percent Increase</b>
January	86,353.10	85,390.00	-1%
February	86,378.60	89,036.00	3%
March	85,820.60	94,630.30	10%
April	84,361.10	93,458.70	11%
May	87,096.30	95,160.40	9%
June	81,287.50	98,325.80	21%
July	89,241.50	93,431.90	5%
August	91,678.10	97,001.20	6%
September	68,956.10	93,758.00	36%
October	102,266.70	97,743.00	-4%
November	82,316.00	76,220.60	-7%
December	86,083.50	85,523.50	-1%
<b>Total</b>	<b>1,031,839.10</b>	<b>1,099,679.40</b>	<b>7%</b>
<b>Net Increase</b>		<b>67,840.30</b>	<sup>3</sup>

<sup>3</sup> The total increase in fuel consumed at the County Fuel Depot increased by 67,840.30 gallons or 7% during 2014.

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## Exhibit D

### Total Fuel Combined Usage for WEX and Fuel Depot

Month	2013	2014	Percent Increase
January	86,828.60	89,005.10	3%
February	86,979.40	92,344.30	6%
March	86,644.00	97,966.10	13%
April	85,061.90	97,642.30	15%
May	87,882.70	99,589.70	13%
June	82,089.40	102,467.30	25%
July	90,556.00	98,318.50	9%
August	92,634.90	100,761.10	9%
September	71,291.10	97,641.00	37%
October	105,454.10	101,410.70	-4%
November	85,203.50	79,339.90	-7%
December	89,074.10	88,410.00	-1%
<b>Total</b>	<b>1,049,699.70</b>	<b>1,144,896.00</b>	<b>9%<sup>4</sup></b>
<b>Net Increase</b>		<b>95,196.30</b>	

<sup>4</sup> The total combined increase in fuel consumption during 2014 was 95,196.30 gallons or 9%.

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## *Overall Evaluation*

The internal administrative controls over this program are inadequate; and, not in compliance with county policy.

This program is similar to the county's PCARD (purchasing card) program. During the implementation of the PCARD program, county staff had input on the process and all worked toward a mutual goal of forming an effective policy.

The same approach is required for the WEX fuel card program. First step is to allow division managers a say in the process. The next step is to formally implement and provide training. And finally, once policy has been established and everyone has been trained; enforce it.

We recognize, and appreciate, that the code allows using the contracts (i.e. piggybacking) of other jurisdictions. This is per Section 3.556 (1) (c).

However, with that being said, there are also provisions in the code that provide limits on authority and direction. Per Section 3.554 5 (a) (in part):

“ The County Manager, Purchasing and Contracts Division Manager or designees shall have the authority to sign all agreements, purchase orders, contracts, work orders, change orders, release orders, and amendments in excess of FIFTY THOUSAND AND NO/100 DOLLARS (\$50,000) on Board approved agreements that are submitted via an agenda process.”

This makes reference to the authority to issue purchase orders in excess of \$50,000 if agreements have been approved via the agenda process.

Per Section 3.554 (8):

The County Manager, Purchasing and Contracts Division Manager or designee shall have authority to award and execute contract and purchase orders in excess of FIFTY THOUSAND AND NO/100 (\$50,000.00) for purchase of goods and services providing services are incidental to the goods if the awards is to the lowest responsible bidder and the amount has been approved during the budget process. This includes piggyback from existing contracts of other public entities.

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If the award of the contract or Purchase Order for purchase of goods is other than the responsible lowest bidder the award will be presented to the Board.”

This section of the code emphasizes the purchase orders in excess of \$50,000 if other than the lowest bidder will be presented to the Board.

Per Section 3.5522 (1):

“The Purchasing and Contracts Division shall determine if it is in the best interest of the County to enter into a contractual agreement. The Purchasing and Contracts Division is responsible for improving countywide contract administration. In addition, the Purchasing and Contracts Division will assist individual Departments/Offices in complying with County Purchasing policies, procedures and code. It is the Department/Office’s responsibility to ensure contact compliance and take the necessary steps to document contract performance related issues.”

This section of the code references an active role of the Purchasing and Contracts Division in role of a contract administrator. Also, there is reference above to the responsibility of the department to ensure compliance and document contract performance related issues.

The references above are all to show the defined limit of authority and to encourage more management involvement in the administrative control over the program.

The card input errors, for example, which are noted in the report, should to be taken a bit more seriously. Also, as a side note, there are 19 fuel cards that are not assigned specifically to individual vehicles. These theoretically can be used by any of the employees with DINs and on any vehicle.

From an audit perspective, we would recommend that the fuel cards be temporarily put on hold until such time as responsibilities have been clearly defined.

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The following conditions should be addressed by management:

1. There needs to be a comprehensive fuel card program policies and procedures that address:
  - Issuance of fuel cards – authority and conditions;
  - Training – user requirements;
  - Acknowledgement of responsibilities
  - Use of the cards – commercial gas station vs county fuel depot;
  - Monitoring of consumption/use; and,
  - Recordkeeping responsibilities and management
2. Odometer readings need to be accurate and reliable;
3. Refueling (and travel) outside of County should be pre-approved;
4. County fuel inventory process needs enhancements; and,
5. List of authorized should be updated.

Opportunities for Improvements are included in the report that follows.

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## ***Opportunities for Improvements***

### ***1. Comprehensive policies and procedures should be published.***

In 2001, there were only a few cards, and, with that, the need for a formalized process was not as critical. Now that the program has over 151 vehicles and 400 potential users, more management control is necessary.

Well composed policy and procedures provides quite a few benefits. Some of these include: (1) it is a guidebook for management and staff; (2) management and staff generally have input and can recommend changes to policy; (3) it can serve as a training manual; and, (4) it is formal written documentation to implement the policy in a fair and consistent manner.

The following subjects, at a minimum, should be addressed in the manual:

- **Fuel Cards**  
The policy should address which vehicles and employees are eligible for a fuel cards. This would also include the authority and conditions;
- **Management Approval**  
The policy should establish who in management is authorized to: (1) approve the issuance of fuel cards; and, (2) how is the approval to be documented. For example, a standardized form should be used to document the reason for the card and for sign off by management;
- **Required Training**  
Procedures should address employee training requirements. This should include such topics as: (1) entering the correct odometer reading into fuel pump; (2) obtaining a proper receipt; and, (3) criteria on when to use county fuel depot vs using commercial gas station.
- **Acknowledgement of responsibilities**  
There should be a requirement for each user and supervisor to sign off and acknowledge responsibilities. A copy should be maintained in the employees file;

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- **Vehicle Refueling**

Criteria should be addressed when employees should use the county fuel depot versus refueling at a commercial gas station;

- **Management Responsibilities**

There are several management issues that should be addressed in the policy manual:

1. WEX invoices are presently reviewed and signed off by Fleet Services. The department that actually incurred the fuel card charges is not engaged with this process. From an audit perspective, we believe the invoices should be initially sent to the applicable department director's office for review and approval. The card charges incurred for emergency and medical services should be signed off by the Director of Public Service or designee. The charges incurred by Water and Sewer employees should be initially approved by Environmental Services Director or designee.
2. Sound internal control requires a certain amount of segregation of duties. There are some employee duties that may need to be reassigned. For example, one employee within Fleet has complete control over: (1) ordering of fuel from distributors; (2) the processing of new fuel cards; (3) the review and approval of invoices from WEX and Serco; (4) the updating of WEX and Fuelmaster; (5) accounting of fuel usage reports; (5) preparation of the State of Florida Local Government User of Diesel Fuel Tax Return; and (6) other assigned duties.

By not having a comprehensive policy and procedure manual, management's responsibilities are not clearly defined.

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## Recommendation

1. Publish a comprehensive policy and procedure manual.
2. Reassign the duties for review and approval of invoices. Also, consider making changes to the assigned duties of the Fleet Administrator.

## Management Response

**Clerk Recommendation #1.** Public Works concurs with this recommendation. Fleet will draft a manual and work with Purchasing to include similar language to P-Card program format found in the County Manager's Policies.

**Clerk Recommendation #2.** Public Works concurs with this recommendation.

## Audit Comment

We commend Fleet management for taking the initiative to begin the process of developing the policy manual that will complement the P-Card program.

The Office of the Clerk and Comptroller will work with this management team to ensure full and complete compliance with program objectives.

There was no estimated completion dates submitted, therefore, we have added an Addendum to this report of action items (as a base-line) by staff and recommended completion dates. If the County Manager's Office requires additional time or disagrees with the dates on the Addendum they are welcome to provide a new projected completion date. (See Addendum on Page 22)

### ***2. Odometer readings should be accurate.***

When filling up at a commercial gas station, the WEX cards require employees to enter their DIN (driver identification number), and, the vehicles current odometer reading.

These odometer readings need to be accurate to ensure that the analytical control features of the WEX system can be fully utilized. A benefit of having a correct odometer reading is that it provides for a precise miles per gallon (MPG) calculation to compare with the manufacturers estimates. There is also an issue

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with staff using the same card for filling up equipment as there is no way to measure accurately the fuel purchased.

We reviewed fuel purchase activity for the period January 1, 2014 to December 31, 2014. Noted below is an exhibit illustrating incorrect odometer readings. (See Exhibit E page 12).

### EXHIBIT E

DEPART	# OF INCORRECT ODOMETER	TRANSACTION TOTAL	ERROR PERCENTAGE
Environmental Services	11	249	4.42%
Fire Rescue	357	2348	15.20%
Total	368 <sup>5</sup>	2597	14.17%

This issue needs to be taken seriously. Take for example the Exhibit F that follows. For the period February 21, 2014 to June 30, 2014, the odometer readings are inconsistent. According to Fleet, this is for a boat (with a motor). Fleet is going to work with Serco to use the engine meter for tracking purposes.

EXHIBIT F						
Vehicle ID	Date	Time	Employee	Odometer	Gallons	
18757	2/21/2014	12:32:29 PM	Lackey	1	17.685	
18757	4/4/2014	1:13:21 PM	Lackey	35809	24.82	
18757	4/10/2014	2:51:00 PM	Lackey	213745	22.088	
18757	5/22/2014	8:30:00 AM	Lackey	36071	20.963	
18757	6/3/2014	1:39:00 PM	Eby	456630	22.463	
18757	6/19/2014	4:13:26 PM	Lackey	213745	22.761	
18757	7/4/2014	12:33:13 PM	Eby	1	29.664	
18757	7/22/2014	9:22:00 AM	Lackey	213745	26.799	
18757	8/7/2014	12:18:57 PM	Lackey	3200	21.336	
18757	10/31/2014	9:22:56 AM	Eby	1	25.07	
18757	11/17/2014	12:14:37 PM	Lackey	213745	19.583	
18757	12/5/2014	8:34:00 AM	Lackey	213745	23.494	
18757	12/11/2014	9:10:39 AM	Lackey	213745	24.598	

<sup>5</sup> There were a total of 368 instances of incorrect odometer readings input into the WEX system. This results in a 14.17% error rate as noted in the exhibit above.

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## EXHIBIT G

Exhibit G is additional examples for illustration.

Fuel Card	Vehicle	Date	Time	Employee	Odometer	Gallons
4908- 1	24682	1/8/2014	6:53:00 PM	HARLAN	9065	20.092
4908- 1	24682	1/9/2014	4:25:34 PM	MICHALOWSKI	41	25.037
4908- 1	24682	1/11/2014	9:23:00 AM	JONES	91596	16.753
4908- 1	24682	1/13/2014	4:25:00 PM	HARLAN	9279	19.211
4908- 1	24682	1/14/2014	7:32:00 PM	EVERETT	9390	15.829
4908- 1	24682	7/2/2014	7:15:24 AM	GADDY	104096	24.697
4908- 1	24682	7/5/2014	5:23:36 AM	FORREST	106524	23.399
4908- 1	24682	7/6/2014	5:26:23 PM	CARTER	10758	19.767
4908- 1	24682	7/7/2014	5:05:34 PM	PANDO JR	10859	20.89
4908- 1	24682	7/9/2014	9:50:00 PM	CURTIS	10998	24.304
4908- 1	24682	7/10/2014	10:12:36 PM	GADDY	11091	20.335
4908- 1	24682	7/12/2014	8:22:24 PM	TORRES	11236	24.63
4908- 1	24682	7/14/2014	5:23:45 PM	GAGLIANO	11960	24.697
4908- 1	24682	7/15/2014	9:29:12 PM	CARTER	11500	24.697
4908- 1	24682	7/17/2014	3:09:00 AM	AUNS	11600	19.814
4908- 1	24682	7/18/2014	1:38:35 PM	DAYTON	111730	24.697
4908- 1	24682	7/19/2014	9:49:35 AM	AUNS	121271	15.1
4908- 1	24682	7/20/2014	6:03:15 PM	VANFLEET	121378	18.53
4908- 1	24682	7/21/2014	3:14:07 PM	DAYTON	121448	12.899
4908- 1	24682	7/22/2014	6:30:48 PM	GADDY	121539	14.468
4908- 1	24682	7/26/2014	5:45:00 PM	GREY	121627	9.923
4908- 1	24682	7/28/2014	6:07:00 AM	GEISE	121691	10.586
4908- 1	24682	7/29/2014	11:28:00 AM	GREY	121761	14.65
4908- 1	24682	8/13/2014	1:47:00 PM	ARMSTRONG	121185	21.09

Vehicle ID	Date	Time	Employee	Odometer	Gallons
BCC 24480	4/2/2014	2:29:00 PM	Miaoulis	15660	15.26
BCC 24480	4/4/2014	9:50:00 PM	Helenthal	119966	15.53
BCC 24480	4/8/2014	3:12:00 PM	Armstrong	15899	30.23
BCC 24480	4/10/2014	1:29:00 AM	Bonchack	15957	10.934
BCC 24480	4/10/2014	10:38:00 PM	Dickey	160117	16.46

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Vehicle ID	Date	Time	Employee	Odometer	Gallons
BCC 24482	1/7/2014	10:52:00 AM	Miaoulis	241669	4.16
BCC 24482	1/8/2014	10:12:00 AM	Cravey	7770	27.105
BCC 24482	6/10/2014	10:36:14 AM	Scott	8263	24.82
BCC 24482	6/10/2014	10:43:35 AM	Scott	8263	6.8
BCC 24482	7/23/2014	11:23:36 AM	Forrest	8819	24.697
BCC 24482	7/29/2014	11:09:36 AM	Dayton	9123	19.755
BCC 24482	8/1/2014	2:01:48 PM	Dayton	109214	24.623
BCC 24482	8/1/2014	2:07:13 PM	Dayton	109413	2.027
BCC 24482	8/6/2014	4:40:49 PM	Vanfleet	9389	25.197
BCC 24482	11/14/2014	7:22:22 PM	Pierson	10057	27.456
Vehicle ID	Date	Time	Employee	Odometer	Gallons
BCC 24594	1/7/2014	12:03:45 PM	Michalowski	42	51.726
BCC 24594	1/23/2014	2:44:00 PM	Kay	19941	15.635
BCC 24594	3/13/2014	2:18:00 PM	Sanchez	20196	18.27
BCC 24594	3/25/2014	5:23:55 PM	Beavers	20037	5.076
BCC 24594	3/25/2014	5:25:45 PM	Beavers	20037	5.314
BCC 24594	3/25/2014	5:29:03 PM	Beavers	20037	12.385
BCC 24594	3/28/2014	12:38:09 PM	Beavers	20406	18.555
BCC 24594	4/4/2014	7:30:00 PM	Wilcox	0	3.253
BCC 24594	4/4/2014	7:32:00 PM	Wilcox	0	1.703
BCC 24594	4/7/2014	5:04:00 PM	Stephens	0	3.471
BCC 24594	4/7/2014	5:05:00 PM	Stephens	20537	18.157
BCC 24594	4/7/2014	5:07:00 PM	Stephens	0	3.441
BCC 24594	4/14/2014	4:07:00 PM	Beavers	20622	17.37
BCC 24594	4/14/2014	4:10:50 PM	Beavers	20622	7.002
BCC 24594	4/14/2014	4:13:30 PM	Beavers	20622	2.953
BCC 24594	4/29/2014	6:21:55 PM	Beavers	20789	15.131
BCC 24594	4/29/2014	6:25:49 PM	Beavers	20789	2.5

By not having reliable odometer entries, management is not able to effectively monitor fuel purchased appropriately. This alone would allow inappropriate purchases to go undetected.

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## Recommendation

1. Department supervision should be responsible for doing a detailed review of all WEX transactions on a monthly basis.
2. A memorandum should be sent by department directors to staff emphasizing the need for accurate input of odometer readings.
3. Management should consider appropriate disciplinary actions for non-compliance with policy and directives. At a minimum, this might include suspending card privileges.

## Management Response

**Clerk Recommendation #1.** – Public Works concurs with this recommendation.

**Clerk Recommendation #2.** - Public Works concurs with this recommendation.

**Clerk Recommendation #3.** - Public Works concurs with this recommendation. Public Works believes crafting this message and holding departments accountable similar to the P-Card rules would be recommended.

## Audit Comment

The specifics of the divisional responsibility should be re-enforced in the new manual being developed. Also, to ensure that Fleet gets the necessary support with the new procedure manual, we recommend the County Manager formally approve the policies and send a memorandum to department directives of her expectations.

As we previously commented on Page 11, since there was no estimated completion dates submitted, we have added an Addendum to this report of action items by staff and recommended completion dates. If the County Manager's Office requires additional time or disagrees with the dates on the Addendum they are welcome to provide a new projected completion date. (See Addendum on Page 22)

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### ***3. Refueling (and travel) outside of County should be pre-approved.***

In 2014, there were 33 instances that County employees used the WEX Fuel Card to refuel outside of the boundaries of Seminole County. A listing of these refuelings is listed in Exhibit H (see page 18). Here are some of the locations high-lighted:

- Tallahassee
- Rockledge
- Daytona Beach
- Orlando
- Deltona
- Ocala
- Lakeland
- Port St Lucie

Although there may, and probably are, circumstances that require travel outside of the county, the fuel card policy should address when it is permissible to use the card and what pre-approval is required. We use the phrase pre-approval because the Seminole County Administrative Code gives management specific direction.

More specifically, Administrative Code Section 34 (Section A Purpose) states the following:

To establish the operational guidelines and policies related to the operation of County Vehicles, permanent 8-hour vehicle assignments, 24-hour vehicle assignments, and utilization of private vehicles to maximize utilization of all County vehicles to ensure the highest return available for operating, and maintenance dollars.

This section of the code is presented to emphasize the goal is to maximize utilization of county vehicles.

Per Section 34 G (1) (e) states:

“Personal use of the vehicle is restricted to the time the employee is enroute to or from work (8-hour and 24-hour vehicles only). Brief stops, such as convenience stores on route, are permitted. Using the vehicle to go to a business

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establishment or other location after returning home is not permitted, unless it is an assigned county function or meeting, or unless the employee has been specifically instructed by the county manager to have the vehicle in his/her possession for immediate response because of special , unique circumstances. Any visit to a legitimate business site while enroute to or from work should be brief and should not subject the vehicle to undue danger, nor should said business establishment be illegal or lend discredit to the County government or its operations.”

This section of the code is presented as it emphasizes that county management recognizes a need for take home vehicles but use of the vehicle for personal use it not allowed.

Per Section 34 G (1) (f) states:

“Vehicles being driven home as authorized in Section F (5), “24-hour assignment”, may deviate from the direct route to and from work or assignment location only for the purpose of picking up County employees in an authorized car pool which requires only minimal deviation from the direct route between work and the residence of the driver.”

The code also provides and defines responsibility for monitoring and controlling the utilization of County owned vehicles.

Per Section 34 G (H) (4) ( c) states:

“ It will be the responsibility of the Department Directors to monitor and control the utilization of all County-Owned vehicles in their areas. An annual vehicle assignment utilization report shall be prepared by the Public Works Department and submitted to affected Department Directors for their review prior to submission to the County Manager. Department Directors shall annually submit requests and supporting documentation to the County Manager via the Public Works Department of 24-hour vehicle assignments.

This section of the code provides and defines responsibility for monitoring and controlling the utilization.

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## EXHIBIT H

Vehicle	Driver	Trans Date	Time	Day	Merch	Address	City
Expedit 2041	Loudrmik	10/3/2014	7:44:00AM	Frid	Circle K Inc	210 E 7TH AVE	TALLAHASSEE
Expedit 2041	Loudrmik	10/6/2014	8:09:00AM	Mon	CIRCLE K 4880	2196 HOWLAND BLVD	ROCKLEDGE
Explor 4140	Loudrmik	4/2/2014	3:26:24PM	Wed	CIRCLE K 4880	2196 HOWLAND BLVD	ROCKLEDGE
Explor 4140	Loudermik	4/2/2014	3:34:44PM	Wed	CIRCLE K 4880	2196 HOWLAND BLVD	ROCKLEDGE
Explor 4140	Loudermik	4/4/2014	3:11:00PM	Frid	Live Oak Managemnt	6669 N Hwy 129 South	Live Oak
Expedit 100821	Johnmyr	6/27/2014	4:51:00PM	Frid	HESS #09361	2675 W INTERNATIONAL	DAYTONA BEACH
Ford F450 2036	Moye	6/28/2014	5:20:15PM	Sat	LIL SAMMY'S FOOD MAR	400 Welcome Center R	DELTONA
Explor 102572	Stover	3/26/2014	11:31:00AM	Wed	RACETRAC 2349	4820 SW COLLEGE ST	OCALA
Rescue 04 BCC 780639	Dayton	11/30/2014	11:20:00AM	Sun	WAWA 5113	8049 W. COLONIAL DR.	ORLANDO
Explor 102572	Hatch	11/6/2014	2:20:00PM	Thurs	CIRCLE K STORES INC	850 COUNTY LINE RD	LAKELAND
Explor 100751	Ward	1/9/2014	8:11:00PM	Thurs	FT PIERCE SHELL	MILE MARKER # 145	PORT SAINT LUCIE
Ford E350 780013-USAR	Gerry	1/9/2014	8:12:00PM	Thurs	FT PIERCE SHELL	MILE MARKER # 145	PORT SAINT LUCIE
Ford F350 780080-USAR	Edmiton	1/9/2014	8:19:00PM	Thurs	FT PIERCE SHELL	MILE MARKER # 145	PORT SAINT LUCIE
Ford F350 780106-USAR	Loudmik	1/9/2014	8:26:00PM	Thurs	FT PIERCE SHELL	MILE MARKER # 145	PORT SAINT LUCIE
Explor 100769	Hawver	9/11/2014	3:45:00PM	Thurs	CIRCLE K	6117 Duncan Rd	PUNTA GORDA
Robin Butler	Butler	4/22/2014	1:03:00PM	Tues	BP 9368630	5935 East Hwy 100	PALM COAST

As discussed throughout this report, by not having comprehensive policies and procedures that address the fuel card program might result in inefficient use of county resources.

### Recommendation

Re-fueling (and travel) outside of Seminole County should require pre-approval from department director. The approval should be in writing and properly justified and maintained in the employee's file.

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## **Management Response**

Public Works concurs with this recommendation.

## **Audit Comment**

Include as part of the new policy manual a requirement that employees include a copy of the management approval for pre-authorized travel as an attachment to the monthly WEX card statement.

As we previously commented on page 11, there was no estimated completion dates submitted, therefore, we have added an Addendum to this report (as a base-line) of action items by staff and recommended completion dates. If the County Manager's Office requires additional time or disagrees with the dates on the Addendum they are welcome to submit a new projected completion date. (See Addendum on Page 22)

### ***4. County fuel inventory process needs enhancements.***

On a daily basis, a representative from Serco uses a Petrovend machine to inventory the fuel tanks at both 5 Points and at the Landfill. This machine electronically measures the tanks as to how much fuel is in the tanks and also if there is any water in the tanks or if there are any alarm alerts.

An inventory printout is provided to the Fleet Administrator and used to order fuel. The printouts are only maintained for a few months. Other locations that are inventoried are informally reported back to Fleet. On a daily basis, the fuel consumed at the fuel pumps is downloaded into Fuelmaster.

As noted above, the inventory process is informal and formal inventory reconciliation procedures have not yet been established. This issue has been discussed with Public Works management and they acknowledge that the system in place is antiquated and an updated system will be considered.

By not having a formal documented process to perform a monthly reconciliation, there is no way to analyze book inventory balances with closing stick inventory (Petrovend readings).

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## Recommendation

1. Formalize the fuel inventory reporting process by establishing written procedures. Also, consider a Monthly Inventory Reconciliation Report which would include an analysis of book inventory balances to closing stick inventory.
2. As noted in Recommendation 2 (page 11), the duties of the Fleet Administrator should be evaluated due to issues involving the proper segregation of duties.

## Management Response

**Clerk Recommendation #1.** Public Works concurs with this recommendation.

**Clerk Recommendation #2.** Public Works concurs with this recommendation.

## Audit Comment

Per our comment on Page 11, there were no estimated completion dates submitted by county management, therefore, we have added an Addendum to this report (as a base-line) of action items by staff and recommended completion dates. If the County Manager's Office requires additional time or disagrees with the dates on the Addendum they can request a new projected completion date (See Addendum on Page 22).

### ***5. List of authorized users should be updated.***

We noted that there were some former employees still on the authorized user list for Fuelmaster and WEX. Some had terminated employment and others had transferred to other government offices.

Removing employees from the authorized user list ensures that there is no unauthorized re-fueling activity.

## Recommendation

Update authorized user list. HR should forward all termination notices and transfers to Fleet weekly so that Fleet's records can be updated.

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### **Management Response**

Public Works concurs with this recommendation and are currently working with Human Resources to remedy this situation.

### **Audit Comment**

Again, per page 11, there were no estimated completion dates submitted by county management, therefore, we have added an Addendum to this report of action items by staff and recommended completion dates. If the County Manager's Office requires additional time or disagrees with the dates on the Addendum they are welcome to submit a new projected completion date. (See Addendum on Page 22)

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## Addendum – Schedule Completion Action Items

<b>CORRECTIVE ACTION PLANS</b>	<b>RESPONSIBLE</b>	<b>COMPLETION DATE (EST)</b>	<b>STATUS</b>
<b>FINDING NO. 1</b>			
1. Draft Manual	PW Fleet	7/30/2015	OPEN
2. Reassign Duties	PW/PS/ES Dir	7/30/2015	OPEN
<b>FINDING NO. 2</b>			
1. Supervisory Review	PS/ES	Immediately	OPEN
2. Memo to Staff	PS/ES	7/30/2015	OPEN
3. Non-compliance issues	PS/ES	7/30/2015	OPEN
<b>FINDING NO. 3</b>			
1. Outside Travel	PS/ES	7/30/2015	OPEN
<b>FINDING NO. 4</b>			
1. Inventory Process	PW	9/30/2015	OPEN
2. Reassign Duties	PW	9/30/2015	OPEN
<b>FINDING NO. 5</b>			
1. Termination Notices	PW/HR	7/30/2015	OPEN

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