



CITY OF SAN ANTONIO

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September 17, 2014

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SUBJECT: Follow-up Audit Report of the SAFD Fleet Maintenance Division

Mayor and Council Members:

We are pleased to send you the final report of the SAFD Fleet Maintenance Division. This audit began in June 2014 and concluded in August 2014. Management's verbatim response is included in Appendix B of the report. The Fire Department management and staff should be commended for their cooperation and assistance during this audit.

The Office of the City Auditor is available to discuss this report with you individually at your convenience.

Respectfully Submitted,

Kevin W. Barthold, CPA, CIA, CISA
City Auditor
City of San Antonio

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CITY OF SAN ANTONIO
OFFICE OF THE CITY AUDITOR



Follow-up Audit of San Antonio Fire Department

Fleet Maintenance Division

Project No. AU14-F06

September 17, 2014

Kevin W. Barthold, CPA, CIA, CISA
City Auditor

Executive Summary

As part of our annual Audit Plan approved by City Council, we conducted a follow-up audit of the recommendations made in the Audit of the San Antonio Fire Department (SAFD) Fleet Maintenance Division dated May 20, 2013. The audit objectives, conclusions, and recommendations follow:

Did SAFD management successfully implement action plans to address prior audit recommendations relating to fleet maintenance?

Yes, the SAFD Fleet Maintenance Division has effectively implemented action plans that address all recommendations from the May 2013 report. The prior audit recommended that the SAFD Chief:

- Ensure that no FASTER users have inappropriate privileged access rights. Additionally, validate that all users have unique FASTER user IDs.
- Define and document key operational standards and performance measures for Fleet personnel that can be effectively monitored and tracked by management. Resulting measures should be incorporated into employee performance evaluations.
- Ensure that Fleet personnel are trained and required to correctly record all necessary data into FASTER. Additionally, the Chief should ensure that every work order is reviewed for accuracy and approved by a supervisor prior to being closed.
- Define and formally document a controlled process for handling new, modified, and terminated FASTER user access. Also, develop procedures and perform periodic (e.g. quarterly) reviews to ensure that no terminated employees have access.
- Require all technicians (mechanics) to become EVT and/or ASE certified.
- Ensure that the Valero Fuel Card Program's key administrative duties are appropriately segregated, that fuel charges are properly monitored, and anomalies are investigated.

The SAFD Chief has developed effective policies and procedures to ensure that FASTER privileged user access rights are appropriately assigned and user access reviews are performed periodically. Performance measures have been created and incorporated into employee performance evaluations. Fleet personnel are now required to record correct and complete data into the FASTER system which is reviewed and approved by management. The Emergency Vehicle Technician (EVT) certification is encouraged for all SAFD Fleet technicians to acquire. Lastly, the Valero Fuel Card Program key administrative roles and responsibilities are segregated and fuel charges are monitored and investigated.

The SAFD Fleet Maintenance Division Management's verbatim response is in **Appendix B** on page 5.

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Background

In May of 2013, the Office of the City Auditor completed an audit of the SAFD Fleet Maintenance Division. The objective of that audit was as follows:

Is the SAFD efficiently and effectively managing its fleet?

The Office of the City Auditor concluded that the SAFD Fleet Maintenance Division had not efficiently and effectively managed its fleet due to lack of policies and procedures, performance measures, FASTER system controls, data reliability, emergency vehicle certifications, and management of the fuel card program.

On August 7, 2013 the SAFD Fleet Maintenance Division officially opened the new Services and Logistics Facility located on Callaghan at Highway 151. This new facility provides maintenance and repairs to the SAFD's 51 stations throughout the greater San Antonio area servicing more than 360 vehicles, including emergency medical service (EMS) vehicles and emergency equipment.

The new SAFD Fleet Division's building is 56,435 square feet which includes; 12 heavy-duty bays and 6 light-duty bays, warehouse storage space containing supplies for Fire and EMS personnel, 16 business offices, a dedicated training room facility, front lobby and waiting area, lockers and changing rooms, a kitchen and dining area. The new building also has incorporated built-in security features including access badge readers, a closed circuit digital camera system and intrusion alarms.

As a comparison, the former SAFD Services and Logistics Facility had a total of 34,074 square feet and only 10 heavy-duty bays and 3 light duty bays.

Audit Scope and Methodology

The audit scope was limited to the recommendations made in the original report and corresponding action plans implemented between May 2013 and July 2013.

The audit methodology consisted of interviewing SAFD Fleet Division management to obtain an understanding of fleet maintenance and management practices, related policies and procedures, and methods used to monitor performance. We reviewed source documents such as FASTER reports, work orders, inventory sheets, and fuel card statements.

We conducted this follow-up performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

Prior Audit Recommendations and Status

A. Privileged User Rights Management – Segregation of Duties

The SAFD Chief should ensure that no FASTER users have inappropriate privileged access rights. Additionally, all SAFD Fleet users have unique FASTER user IDs.

Status: Implemented

The SAFD Chief has implemented policies and procedures ensuring FASTER privileged access rights are appropriate based on assigned FASTER user roles with consideration to job functions and assigned duties. In addition, all FASTER user IDs are unique.

B. Standards and Performance Measures

The SAFD Chief should define and document key operational standards and performance measures for Fleet personnel that can be effectively monitored and tracked by management. Resulting standards and measures should be incorporated into employee performance evaluations.

Status: Implemented

The SAFD Chief has developed formal standards and performance measures establishing time and material benchmarks for routine practices. Management produces performance reports on a weekly basis to monitor each component within the SAFD Fleet Division. These reports evaluate operational progress to assist with effective benchmarking techniques aiding in quality improvement. The SAFD Chief has integrated annual employee performance evaluations with the Human Resources department to evaluate work performance through the utilization of metrics and performance measures commencing fiscal year 2015.

C. FASTER System – Work Order Data Reliability

The SAFD Chief should ensure that Fleet personnel are trained and required to correctly record all necessary data into FASTER. Additionally, the Chief should ensure that every work order is reviewed for accuracy and approved by a supervisor prior to being closed.

Status: Implemented

The SAFD Chief has created policies and procedures to assist and direct all SAFD fleet personnel to record correct and complete data into the FASTER system. Management verifies accuracy and formally approves each work order signifying accountability throughout the work order entry process.

D. FASTER System – User Administration

The SAFD Chief should define and formally document a controlled process for handling new, modified, and terminated FASTER user access. Also, develop procedures and perform periodic (e.g. quarterly) reviews to ensure that no terminated employees have access.

Status: Implemented

The SAFD Chief has developed a controlled process to manage new, modified, and terminated FASTER user access. In addition, management monitors FASTER user privileged access rights on a quarterly basis to ensure that no terminated employees have access.

E. Technician Certifications

The SAFD Chief should require all technicians to become Emergency Vehicle Technician (EVT) and/or Automotive Service Excellence (ASE) certified.

Status: Implemented

In collaboration with the Human Resources department and the EVT Commission, the SAFD Chief has created a development plan and incentive program to support current technicians to become Emergency Vehicle Technician (EVT) certified. The SAFD Chief also modified SAFD technician job announcements to include EVT certification as a preferred qualification. Additionally, all newly hired SAFD technicians are encouraged to have their EVT certification within one year of their date of hire.

F. Valero Fuel Card Program

The SAFD chief should ensure that the Valero Fuel Card Program's key administrative duties are appropriately segregated, fuel charges are properly monitored and anomalies are investigated.

Status: Implemented

The SAFD Chief created the Valero Fuel Card Program's policies and procedures segregating appropriate key administrative roles and responsibilities. Key controls to manage Valero fuel card usage and/or charges have been implemented to effectively monitor, investigate, and resolve anomalies.

Appendix A – Staff Acknowledgement

Mark Bigler, CPA-Utah, CISA, CFE, Audit Manager
Gabe Trevino, CISA, Auditor in Charge
Michael Hurlbut, Auditor

Appendix B – Management Response



CITY OF SAN ANTONIO

SAN ANTONIO TEXAS 78283-3966

August 25, 2014

Kevin W. Barthold, CPA, CIA, CISA
City Auditor
San Antonio, Texas

RE: Management's Corrective Action Plan for the Follow-up Audit of San Antonio Fire Department
Fleet Maintenance Division

The San Antonio Fire Department has reviewed the audit report and provided its comments to the auditors. As there are no recommendations for management, no management responses are required.

San Antonio Fire Department:

Fully Agrees (provide detailed comments)

Does Not Agree (provide detailed comments)

Sincerely,

Charles N. Hood
Fire Chief
San Antonio Fire Department

9/2/14
Date

Erik Walsh
Deputy City Manager
City Manager's Office

9/2/14
Date