

April 4, 2018

Audit Committee Members
Mayor McMillan and City Council
City of Clarksville
Clarksville, Tennessee 37040

Executive Summary of Fleet Policy Audit

The following is an executive summary of the objectives, findings, and recommendations related to the internal audit report on the Fleet Policy. The full audit report is attached and contains additional details about the audit results, as well as management's responses. The full report also describes the audit methodology and provides more background and statistical information.

Objectives of the Audit

The objectives of the audit were to determine the following in relation to the Fleet Management Policy (fleet policy):

- Whether preventative maintenance is performed as required by the fleet policy and records are properly maintained
- Whether operators of City vehicles have valid driver's licenses and proper training as required by the fleet policy
- Whether departments perform proper monitoring steps for operators as required by the fleet policy
- Whether responsibilities for fleet safety and vehicle accidents are properly performed as outlined in the fleet policy

Brief Background

The City Council adopted an updated fleet policy on June 4, 2015 via Resolution 37-2014-15. The updated policy outlines various requirements in areas of fleet management, including but not limited to preventative maintenance and fleet safety. The audit included several City general departments, Clarksville Gas & Water, and Clarksville Department of Electricity.

Conclusions of Report

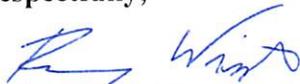
Our audit of the fleet policy resulted in the following conclusions related to our original objectives. Individual departments have varied processes for addressing requirements within the fleet policy. This inconsistency leads to non-compliance with various areas of the policy, including preventative maintenance, driver's license monitoring, training, take home vehicle monitoring, and safety.

Based on the audit results, we have made various recommendations to update the policy and revise department processes to maximize efficiency and effectiveness in fleet management.

We thank the fleet management staff and other tested departments for their help and support during the performance of this audit.

If you have any questions about the audit, the findings, or the recommendations please contact me at 648-6106.

Respectfully,



Rodney Wright
Director of Internal Audit

cc: Heather Fleming, Chief of Administration
Laurie Matta, Chief Financial Officer
Randy Reese, Fleet Manager
Will Wyatt, Director of Human Resources
Wes Golden, Health & Safety Manager
John Eskew, Risk Manager
Brian Taylor, CDE Superintendent
David Johns, CDE Chief Financial Officer
Pat Hickey, CGW General Manager
Richard Stevens, Communications Director



INTERNAL AUDIT REPORT

	AUDIT TITLE:	FLEET POLICY AUDIT
	DEPARTMENT:	FLEET MANAGEMENT DIVISION
	AUDIT PERIOD:	APRIL 1, 2016 TO MARCH 31, 2017

**CITY OF CLARKSVILLE
FLEET MANAGEMENT DIVISION
FLEET POLICY AUDIT
AUDIT #1801**

Stephanie Fox

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Auditor

Rodney Wright

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April 4, 2018

Date

**CITY OF CLARKSVILLE
INTERNAL AUDIT REPORT**

**Fleet Policy Audit
April 2016 to March 2017**

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Internal Audit Report

Origin of the Audit

This audit was conducted as a part of the annual audit plan approved by the Audit Committee for the fiscal year 2018.

Audit Objectives

The specific audit objectives were to determine the following in relation to the Fleet Management Policy (fleet policy):

- Whether preventative maintenance is performed as required by the fleet policy and records are properly maintained
- Whether operators of City vehicles have valid driver's licenses and proper training as required by the fleet policy
- Whether departments perform proper monitoring steps for operators as required by the fleet policy
- Whether responsibilities for fleet safety and vehicle accidents are properly performed as outlined in the fleet policy

Scope and Methodology of the Audit

The audit covered the time period from April 1, 2016 to March 31, 2017. Test procedures were designed to support the stated objectives related to specific areas of the fleet policy. Areas of the fleet policy not related to the objectives listed above were excluded from the scope of this audit.

Evidence to support our conclusions was gathered from inquiries of management and staff, as well as observations of source documentation and tests of the controls surrounding the fleet policy. We also considered and evaluated the following components of internal control: the control environment, risk assessment, control activities, information and communication, and monitoring.

Samples were selected from populations of City vehicles, employees who are authorized to operate vehicles, employees who are authorized to drive take home vehicles, and accidents occurring during the audit period. Sample populations included only departments who have an assigned vehicle. Smaller departments who have no vehicles were excluded. Samples were selected randomly, with some samples requiring auditor judgment; therefore, the results should not be projected to the population.

Statement of Auditing Standards

We conducted this 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.

Background

The fleet policy was most recently updated and adopted by the City Council via Resolution 37-2014-15 on June 4, 2015. The updated policy outlines various requirements in areas of fleet management, including but not limited to preventative maintenance and fleet safety. The City’s Fleet Manager is responsible for the fleet management function within the City, as well as maintaining the fleet policy. As of 2/8/18, the City Garage has 15 positions, with two unfilled. Employees include mechanics, administrative positions, materials management positions, and the Fleet Manager.

Fleet maintenance and repairs for most City departments are performed at the City Garage by ASE certified mechanics. Clarksville Department of Electricity (CDE), Clarksville Gas & Water (CGW), Clarksville Transit System (CTS), and Clarksville Fire Rescue (CFR) have mechanics and garages within their departments that perform preventative maintenance and other repairs.

RTA software is utilized by most departments to assist with fleet management. The software tracks all City vehicles, prior work orders completed, and upcoming maintenance, among various other items. CDE is the only City department that does not utilize RTA, instead they use a manual process involving accounting records.

Statistical Information

The City Garage’s budget consists of amounts for salaries and wages, operating expenses, and occasionally capital outlay. A year to year budget comparison is shown below.

	FY 2016 Actual	FY 2017 Actual	FY 2018 Budget
Salaries & Wages	\$849,093	\$922,450	\$1,023,050
Operating Expenditures	\$99,733	\$127,780	\$147,319
Capital Outlay	\$0	\$0	\$63,413
Total	\$948,826	\$1,050,230	\$1,233,782

Based on the FY 2018 City Garage budget presentation, the garage completes an average of 325 work orders per month on vehicles and equipment.

While the garages generally perform maintenance and repairs on both vehicles and equipment, for purposes of this audit, only vehicles were reviewed. As of June 2017, the total number of vehicles considered was 984. This was distributed among departments as follows:

Department	Number of Vehicles
Police	387
CGW	171
CDE	99
Street Department	90
Remaining Departments	237
Total	984

Noteworthy Accomplishments

While some improvements are needed in areas of the fleet policy and associated monitoring, there are areas where stakeholders within the fleet management process have implemented innovative techniques for monitoring or already addressed some weaknesses noted in the results below.

The Police Department has developed a matrix for addressing vehicle accidents or other safety incidents. The matrix considers multiple factors surrounding the incident before determining what disciplinary actions are needed, if any. This tool provides a consistent approach for accident discipline.

Since the audit period, the Fleet Management Division has implemented an accident module available within RTA to improve tracking for vehicle accidents. Additionally, the HR Department has created a driver training module within the Clarksville Organizational Development Institute (CODI), an online training system. The transition to electronic training will make training completion records more easily accessible, which addresses an issue noted below in the results section of the audit report.

Results of Audit

Below are the auditor's specific findings and recommendations related to the testing of the objectives stated previously. While each finding has specific causes attributable to those issues, the auditor noted two overarching issues related to fleet management and the fleet policy.

The fleet policy gives various responsibilities to individuals outside the Fleet Management Division. Specifically, responsibilities are given to individual departments and supervisors, employees within the HR Department, and others; however, the Fleet Manager does not appear to have authority over other Department Heads within the City to enforce the policy and its directives. Further, the Fleet Manager and City Garage do not have resources adequate to enforce the requirements of the fleet policy.

A centralized fleet maintenance structure, as directed in the fleet policy, would lead to consistency and efficiency for fleet maintenance and management; however, the current structure is such that this is very difficult without a higher level directive to departments to adhere to the policy.

Auditor testing and research resulted in the following findings and recommendations.

1. Preventative maintenance process needs improvement

Criteria:

The fleet policy requires:

- Preventative maintenance be performed by a qualified technician during planned intervals.
- The Fleet Management Division establishes and implements standardized guidelines for all City departments and agencies concerning the safe and cost effective acquisition, operation, maintenance and disposal of City vehicles and equipment.
- The Fleet Management Division oversees preventative maintenance of City vehicles and equipment.
- The Fleet Operation Divisions (all other City garages) are responsible for the scheduling of repairs and preventative maintenance to the City vehicle and equipment fleet.

- The Fleet Operation Divisions are responsible for the timely recording of repairs and preventative maintenance into the Fleet Management software.

The Fleet Manager considers any preventative maintenance work order within 500 miles or less of the indicated maintenance mileage acceptable. Any preventative maintenance over 500 miles past due is an issue. The Fleet Manager can deactivate the fuel cards if vehicles are overdue on preventative maintenance.

Condition:

- The auditor was unable to determine whether maintenance mechanics at all City garage locations were qualified to perform preventative maintenance, as the term “qualified” is undefined in the policy.
- Based on a sample of 30 vehicles (excluding CDE & CTS which were reviewed in a separate sample), 61 preventative maintenance work orders were identified as performed during the period. Seven out of those 61 were overdue by at least 500 miles, distributed by department as indicated below:

Department	Number of Overdue Maintenance Work Orders
CGW	3
Parks and Recreation	2
Police Department	1
Street Department	1

- From the same sample of 30 vehicles, two were identified as having no preventative maintenance performed during the audit period; however, it appeared that maintenance was overdue.
- The auditor found the following related to the preventative maintenance process at CDE:
 - CDE does not utilize an electronic work order system to monitor vehicle maintenance. Instead, they use a manual system of window stickers which relies on operators to notify maintenance staff of needed maintenance. However, they do track costs associated with each vehicle using their accounting software.
 - As CDE does not use the same fleet management software as all other City departments, the City Fleet Manager is unable to view maintenance records for their vehicles.
 - The auditor was unable to determine whether timely maintenance was performed on sampled vehicles based on the documentation provided from CDE.

Cause:

- As noted, “qualified technician” is not defined within the fleet policy.
- Vehicle operators did not bring vehicles in for maintenance in a timely manner. It is unclear if the operators were aware that service was required on their assigned vehicle or if those operators were aware of needed maintenance and chose not to bring in the vehicle. The Fleet Manager sends past due maintenance reports for only A services, rather than all past due services.

- One vehicle with no preventative maintenance work orders was transferred from Transit to Community Development (City Garage). The vehicle was not reinstated as a City General vehicle when the transfer occurred, so no service data was included. It is unclear why the other vehicle did not receive preventative service during the audit period; however, the vehicle was serviced in August 2017.
- CDE does not utilize the City Garage for vehicle repairs and does not utilize a maintenance tracking software to properly maintain records. CDE relies on timesheets and purchasing records to document vehicle maintenance, a manual process which does not allow efficient reporting and tracking, and results in maintenance information that is likely not complete.

Effect:

Maintenance work that is performed by technicians that are not qualified could result in subpar work on City vehicles. When preventative maintenance is not performed timely on City vehicles, the life of the vehicle may be shortened, resulting in higher expense for the City. Improper and untimely maintenance also creates a safety risk for the driver, passengers, other drivers, and the City.

Further, if employees are working outside their normal duties to perform maintenance on vehicles, they may not have received proper training to perform those duties. This creates a safety risk for the employee and those around him or her.

Recommendation:

- The fleet policy should be updated to identify what constitutes a qualified technician. Based on that definition, if current technicians are not qualified, management should ensure employees are properly trained to perform vehicle maintenance.
- All garages should ensure that preventative maintenance is performed timely. Garage technicians and management should periodically check with departments to ensure all vehicles are up to date and the necessary preventative maintenance work orders are assigned within the software. Communicate with vehicle operators about when their vehicles are due for service. If vehicles are still not brought in appropriately, work with departments to determine what steps need to be taken to get the vehicle in for service. Apply existing consequences when overdue service exceeds a reasonable mileage range. The Fleet Manager should determine a regular schedule for notifying departments of vehicles with upcoming or overdue maintenance, consider notifying departments weekly of A, B, and C services.
- Departments should notify the proper garage if vehicles are transferred from one department to another. The City Garage should develop a standard process document for transferring vehicles between departments and include a step to enter information in RTA when necessary.
- CDE should implement use of an electronic maintenance tracking system. Any maintenance performed on vehicles should be recorded and the vehicle maintenance history should be accessible. This would aid CDE in tracking what type of maintenance was performed and if preventative maintenance is performed timely. The City's Fleet Manager should have access to this system, as the fleet policy tasks the Fleet Management Division with overseeing preventative maintenance of City vehicles. Required use of a common system for tracking preventative maintenance would be useful.

Management Comments:

City General Response

Agree X

Disagree _____

Corrective Action Plan:

- a) Change the fleet policy so that it defines that a “qualified technician” has completed all of the requisite internal training, as identified by the Fleet Manager, inclusive in their respective job descriptions.
- b) Send cyclical emails monthly identifying overdue/upcoming service requirements.
- c) Fleet manager is currently working with Finance to better track asset assignments.
- d) This is a long term goal of the Fleet Manager.

Projected Completion Date: December 30, 2018

Responsible Manager: Respective Department Heads & Randy Reese, Fleet Manager

CDE Response

Agree X

Disagree _____

Corrective Action Plan:

CDE will continue to use the Daffron vehicle module and work order system to track both maintenance costs (as done the past 6 years) and, from now going forward, maintenance activity and history. CDE is currently working with the software vendor to provide training to additional people who will be involved in the process. It is imperative that the software system (the accounting software) that CDE uses to track costs be the same system used to track maintenance, as the costs and labor related to these activities must be tracked through the work order system and properly allocated to plant cost or expense. CDE can provide a login for the City Fleet Manager to review these reports.

Projected Completion Date: June 30, 2018

Responsible Manager: Bruce Walker, CDE Operations Manager

2. Driver’s license monitoring is inconsistent

Criteria:

The fleet policy requires:

- Operators of City vehicles to maintain a valid driver’s license (DL) appropriate for the vehicle being operated.
- Each department to ensure and document that drivers have the appropriate license for all vehicles and equipment operated, at least annually.

- The Safety Coordinator to perform annual DL reviews of all City employees.

Condition:

- Regarding department level monitoring of DLs for operators of City vehicles:
 - Sixteen of the 40 sampled employees did not have their DL monitored and/or properly documented by various departments as follows:

Department	Number of Exceptions
CGW	5
CFR	5
CDE	4
Building & Codes	2

- One of the 16 employees mentioned above was found to have had a lapse in their driver’s license, which was corrected following auditor inquiry.
- Multiple departments are not monitoring the DL of all employees, as required by policy, who are authorized drivers/operators. Instead they are only monitoring employees that are assigned a vehicle or are frequent drivers.
- Regarding Safety Coordinator monitoring of employee DLs:
 - Some departments send copies of employees’ DLs with annual evaluations to Human Resources, but the copies are filed in the personnel files without any review.
 - There is no central person in HR responsible for monitoring that DLs are valid and of the appropriate type. The Health and Safety Manager does not perform DL reviews.

Cause:

- The DL monitoring requirements within the fleet policy for individual departments have not been enforced, nor are responsibilities for enforcement defined in the fleet policy.
- Some departments have a DL monitoring process in place, but reviews were behind schedule.
- The fleet policy does not have any requirements regarding retention of DL monitoring documentation.
- Some departments are unaware that DL monitoring is required for all employees authorized to drive a City vehicle, including infrequent drivers as they are not exempted from monitoring within the fleet policy.
- Based on the fleet policy, the Health and Safety Manager interprets the Safety Coordinator’s DL monitoring requirement as a department level responsibility.

Effect:

Lack of appropriate DL monitoring may result in an employee who has an unacceptable driving record or improper license endorsements for a particular vehicle type having continued access to operate a City vehicle. This situation creates a legal risk for the City in the event of an accident or other incident.

Recommendation:

- Management should update the fleet policy to better clarify the DL monitoring process and clearly assign responsibility to departments and HR. The updated fleet policy should be distributed to all departments and management should work with departments to ensure understanding.

CDE Response

Agree X

Disagree _____

Corrective Action Plan:

CDE Lightband does in fact already run MVRs annually on all employees (whether identified as a company vehicle driver or not) through a third party, and has done so for the last 10 years. This process is required and completed by CDE's insurance company. The Safety Director reviews all MVRs to verify that employees have a valid driver's license, and reviews all, if any, citations that were issued to that driver for that period. In the past, once the MVRs were reviewed and follow up action taken, the documents were destroyed, as the Safety Director deemed them to have personally identifiable and secure information. However, knowing now that auditors will require these to be kept for documentation purposes, CDE now keeps these forms in a secure location. Additionally, accounting records show that the process is paid for each year.

Projected Completion Date: Already in place

Responsible Manager: Keith Cutshall, Safety Director

Auditor Comments in Response to Management Comments:

During audit testing, the auditors reviewed MVRs available from CDE for 5 sampled employees. Of those employees, one had a current MVR on file, two employees had most recent MVRs from September 2014, and two employees had no MVR documentation. Post fieldwork, CDE provided a letter from the insurance provider stating that MVRs are completed annually for all employees. For all departments tested, the auditor applied the same criteria during audit testing, requiring documentation to support license monitoring for each sampled employee. Enhancing documentation and retention processes, in conjunction with CDE's current stated process of getting MVRs through their insurance company, would ensure and prove adherence to the fleet policy.

3. Training records and content need improvement

Criteria:

In accordance with sections VI, X, and XI of the fleet policy:

- Departments shall ensure that all City employees who are required to operate City vehicles or equipment attend a driver/operator training (or "safe driver") class within six (6) months from the date of employment and remedial driver safety training classes when necessary.
- The City's Safety Coordinator shall offer the initial driver training class periodically or, in the alternative, City departments may use their own resources to make driver/operator training classes available. Further, the Safety Coordinator shall schedule and conduct remedial driver training classes, as necessary.
- Employees involved in preventable accidents are required to attend a remedial training class, unless excused by the Department Head in coordination with the City's Safety Coordinator.

Condition:

Since the audit period, the initial and remedial training processes for the City have changed. HR implemented a new driver safety training program through CODI, an electronically delivered training system that can be assigned to employees. The implementation of the electronic CODI system addresses weaknesses in initial training documentation, as well as remedial training documentation, as the new CODI training is assigned every three years and when an accident occurs. However, the auditor noted that it is possible to quickly click through the training.

The training attendance records for remedial driver safety training during the audit period were not available from HR when requested. The CODI software will retain training records in a central location.

In remedial training testing, 15 of the 21 sampled accidents were deemed preventable. Of those 15, 11 did not have formal remedial training. There was not any documentation provided by the departments or HR to show departments coordinated with HR before excusing remedial training.

Cause:

Documentation related to initial driver safety training was related to general orientation. Some records for initial training were aged from many years prior to the audit period. Remedial training documentation was not well maintained due to personnel changes in HR.

Departments may be unaware of the Vehicle Accidents section of the fleet policy which indicates that remedial training is required for preventable accidents. Communication between HR and departments may have been lacking regarding remedial training following accidents.

Effect:

With a lack of proper training documentation, the City may not be able to demonstrate that all employees received proper driver safety training as required by the fleet policy. Lack of a standard documentation and retention process may allow employees to inadvertently not receive proper training.

If remedial training is not assigned and attended, an employee could make future errors which compromise safety of City employees and citizens.

Recommendation:

As the new driver training through the CODI learning management system has already been implemented, tracking for initial and remedial training has been improved. HR should also set restrictions to limit the capability to quickly click through the CODI safe driving training. Should departments have additional supplemental training related to driving, the auditor recommends that each department have employees acknowledge that they participated in that training and retain the acknowledgement documents.

With the new learning management system, HR should assign remedial training to all employees involved in a preventable accident. If remedial training is excused for any reason, it should be well documented.

Since the fleet policy governs City vehicles, it is important to give specific information about the fleet policy and requirements therein. Further improvements in new driver training content could be made related to specific items within the fleet policy such as:

- Initial training should specifically cover the fleet policy and give information about where to find the policy.
- Training could give more information about disciplinary actions taken for violation of the policy.
- Discuss specific prohibition of cell phones/texting while driving.
- Training should clearly outline all driver responsibilities listed in the fleet policy.
- Mention that traffic citations are the sole responsibility of the operator.
- Could also expand training to clarify de minimis personal use and supplemental insurance requirements.
- Remedial training should be tailored to focus on the actions which prompted the remedial training.
- Training should better inform employees of risks associated with non-employee passengers in City vehicles.

Management Comments:

Agree X

Disagree _____

Corrective Action Plan:

- a) HR has already purchased additional driver training courses from Knowledge City. The plan is to rotate the training delivered, continually update the current training to meet the needs of the City, and to add the fleet policy in its entirety to the initial training and when changes are made to said policy. Training will be assigned to employees that are involved in accidents, as they happen.
- b) HR will modify the time interval between slides, limiting the ability to “click” through slides.

Projected Completion Date: May 31, 2018

Responsible Manager: Wesley Golden, Health & Safety Manager

4. Take home vehicle process is inconsistent

Criteria:

The City’s fleet policy has the following requirements for departments:

- Establish and maintain up-to-date assignment forms for departmental class B and C vehicles.
- Maintaining supplemental liability insurance when required. Departments should annually review supplemental insurance documentation.

Condition:

- Twenty employees with take home vehicles were sampled, covering six different departments. Of those departments, none used the vehicle assignment form from the fleet policy. Four of those departments used other methods for tracking take home vehicles assigned to employees.
- For 11 of the 20 sampled employees, there was no documentation to support a departmental review of the employees’ supplemental insurance during the audit period. Documentation was

5. Fleet safety responsibilities are not performed consistently

Criteria:

The City's fleet policy covers various aspects of fleet safety and vehicle accidents in Sections X and XI. These sections detail requirements for vehicles, departments, and the Safety Coordinator.

- City vehicles/equipment shall be visually inspected each day, and a vehicle/equipment pre-trip checklist shall be completed at least daily before vehicles/equipment are used.
- The Safety Coordinator shall:
 - Investigate accidents involving City vehicles/equipment
 - Review and present motor vehicle accident reports to the City's Safety Review Committee
 - Report enforcement issues to Department Heads
 - Schedule and conduct remedial driver training classes, as necessary
 - Provide each Department Head with a quarterly City vehicle summary report containing information and suggestions which may reduce the number of preventable accidents
- The Human Resource Department's Safety Coordinator will check employee driving records at least every 12 months at the time of the submittal of each employee's annual performance evaluation to ensure the employee has an acceptable record to operate a City vehicle.
- The fleet policy outlines a Driver Performance Rating Scale which considers violations and preventable accidents to determine the level of monitoring required for each operator of a City vehicle.
- Each department shall report all accidents involving City vehicles to Risk Management as soon as possible, and forward all accident reports to Risk Management within five business days.

Condition:

Regarding required daily inspections:

- Daily inspections are not completed for all City vehicles. Twenty-six of the 35 vehicles sampled (excluding CTS) did not have documented daily inspections.
- Of the buses and paratransit vehicles tested for CTS, all had appropriate daily inspections. Inspections for support vehicles were not retained and were not available for auditor review.

Regarding evaluation of employee driving performance:

- For most departments, there is no standardized process for specifically reviewing employee driving performance outside of the safety section of the normal performance review process. The safety section of the employee performance evaluation is not specifically related to driving performance. The auditor was unable to see evidence of driving performance review in the evaluation unless there was a particular incident which was mentioned.
- The HR Health & Safety Manager does not perform monitoring of driving performance for employees.
- The driver performance rating scale outlined in the fleet policy is not used.
- HR Health & Safety Manager does not report enforcement issues or provide a vehicle summary report to departments.

Regarding accidents during the audit period:

- The auditor was unable to determine if accidents were reported to Risk Management within 5 days, due to blank “Date Received by Risk Management” fields on all 21 motor vehicle accident reports sampled, excluding those related to CDE. Further, three of the sampled accident reports on file with HR had other incomplete fields.
- Safety Coordinator reviews of motor vehicle accidents are not presented to the Safety Review Committee.

Cause:

Regarding required daily inspections:

- Some departments are unaware of this requirement.
- There is not a standardized inspection checklist used by all departments and there are no apparent penalties for not completing the inspections as required.
- Retention of inspection sheets is not defined in the fleet policy.

Regarding evaluation of employee driving performance:

- The fleet policy does not outline any specific steps or processes for departments to use in monitoring driving performance. Also, the annual performance evaluation does not specifically address driver performance.
- Due to the large number of employees who operate City vehicles/equipment, reviewing the driving records of all would be a time consuming task.
- The Health & Safety Manager believes monitoring driving records is more appropriate at the department level.
- The HR Department’s Safety Coordinator position was reclassified as the City’s Health & Safety Manager, while the fleet policy was not updated to reflect this change.

Regarding accidents during the audit period:

- The fleet policy does not give specific instructions on completing the vehicle accident report form.
- No person within HR has been tasked with ensuring accident report forms are completed properly.
- The Safety Review Committee described in the fleet policy does not exist.

Effect:

When vehicle inspections are not completed regularly, necessary maintenance or repairs on vehicles may not be completed timely. Unperformed maintenance or repairs may result in vehicles which are unsafe for operators and other drivers. Additionally, when records of inspections are not properly retained and no documentation is available to substantiate performance of daily inspections, the City may bear increased liability in vehicle accidents where timely maintenance is called into question.

A lack of specific monitoring of employee driving performance by departments and the HR Department could lead to employees with questionable driving performance retaining the privilege to operate City vehicles and equipment. This situation may result in future accidents and associated legal risks for the City.

When records are not reviewed for accuracy and completeness, pertinent information could be missing or incorrect information could be reported on the motor vehicle accident report form. Since a Safety Review Committee does not exist, there is no central board with oversight of employee driving performance. This lack of oversight could allow pervasive issues within the City related to driving to go unaddressed.

Recommendation:

The Fleet Manager should work with departments to clarify an appropriate frequency of vehicle inspections, as well as retention requirements for inspection documentation. The fleet policy should be updated accordingly. A standardized inspection checklist would help ensure vehicles are inspected consistently and thoroughly. If a department chooses to use their own checklist, the Fleet Manager should review the checklist to confirm that the items listed meet a minimum standard for fleet maintenance.

The fleet policy should be updated to give guidance to departments in monitoring driver performance. For example, the policy could be specific in stating that spot checks will be used to monitor seat belt use. Responsibility for driver performance monitoring should be clearly outlined in the fleet policy and communicated to responsible individuals. Also consider updating the annual performance evaluation document to specifically address driving safety. Policy updates should also address position title changes to remove confusion about responsibility. Consider ways to streamline the driver monitoring process for increased efficiency.

HR Health and Safety Manager or Risk Manager should review motor vehicle accident reports for completeness and accuracy. HR staff should acknowledge the date the form is received and also sign and date the form once review is completed, acknowledging they agree with the information on the form. The fleet policy should be updated to include the motor vehicle accident report process under the "Vehicle Accident" section since it is mentioned as a responsibility for departments and the Safety Coordinator. Management should work with stakeholders to determine whether a Safety Review Committee is needed. It may be possible to reassign the Safety Review Committee responsibilities to HR and/or departments. The fleet policy should be updated to reflect the current structure of safety employees and clearly define responsibilities of individual department Safety Coordinators (if applicable) and the Health & Safety Manager.

Beyond the recommendations specifically made to address the issues within this finding, the auditor recommends management work with stakeholders to determine if the vehicle crash matrix process currently used by the Police Department, or something similar in nature, should be used to determine driver performance instead of the current driver performance rating scale in the fleet policy. The vehicle crash matrix addresses disciplinary actions required when the accident occurs, instead of relying on information provided by HR annually, as the current process outlined in the fleet policy. The vehicle crash matrix assigns values to certain factors related to the current accident and also any prior incidents. The total points determine the possible disciplinary actions for the employee. A new process could help streamline disciplinary actions regarding vehicle accidents and it could also help remove personal biases.

Management Comments:

Agree X

Disagree _____

Corrective Action Plan:

- a) Make changes to the fleet policy so that the only daily documented inspections are those mandated by DOT state and federal regulations. Also require documented daily inspections of equipment to meet industry standards and manufacturer recommendations.
- b) A standardized process will be developed, but checks (inspections) to heavy equipment and public safety may be more inclusive and more frequent. Non-emergency vehicles may only require daily visual inspections vs. weekly or monthly documented checks (inspections). Adherence to checks (inspections) and retention of documentation would be the burden of each respective department.
- c) Only monitor the DL of positions that are required to have a DL per the job description. Evaluate the risk versus reward for using a 3rd party DL monitoring service for positions that require a DL. Make these changes in the fleet policy. Add specifics to the performance evaluations for verification of a valid DL with the proper endorsements and driver performance. Copies of the license shall be sent with the evaluation to HR and filed in the personnel file. HR verifies that a copy of the employee's valid DL is submitted with the performance evaluation.
- d) Update the fleet policy to reflect the current Health & Safety Program.
- e) HR is currently reviewing the options for digital reporting of safety incidents including vehicle incidents. Online forms and/or specific safety reporting software is currently being reviewed. Some of the benefits from digital reporting are completeness and accuracy, notification of responsible parties, reviewing incidents, tracking corrective actions, document retention, driver performance, and reporting. In lieu of safety reporting software, a format utilizing shared documentation through google may be considered.
- f) Evaluate the implementation of a consistent City-wide disciplinary process, such as CPD's vehicle crash matrix. Determine the need for a Safety Review Committee. Make the necessary changes to the fleet policy after evaluating the needs for the disciplinary process.

Projected Completion Date: December 30, 2018

Responsible Manager: Randy Reese, Fleet Manager & Wesley Golden, Health & Safety Manager

Other Recommendations

The auditor has developed the following recommendations which are not related to specific weaknesses in the process or non-compliance. Rather, they are suggestions to enhance fleet management or the fleet policy.

Consider revising the fleet policy to incorporate the following:

- Better clarify and explain vehicle abuse
- Clarify when supplemental department fleet policies are needed
- Reformat the appendices to be more user friendly and remove references that do not exist
- Include information about consequences of drug and alcohol policy violations

