Engagement Executive Summary

AURORA

The Executive Summary should be interpreted within the context of the complete engagement report.

May 2019

BACKGROUND

Fleet Management is responsible for the acquisition and disposal, repair and maintenance of the city's vehicle and equipment assets, and the fuel that propels them.

The Fleet Maintenance staff maintains over 2,500 pieces of City owned vehicles and equipment, ranging from small grounds maintenance equipment to large, rolling fire apparatus.

The condition and availability of fleet assets is critical to maintaining public safety and delivering City services.

The City fuels its vehicle and apparatus fleet through City-owned fuel pumps and City-provided fuel cards used at local gas stations.

Fleet Management Operational Review

SCOPE
Our audit work covered the period of January 1, 2017 through April 30, 2018.

OBJECTIVES
1. Ascertain the existence and effectiveness of internal controls
2. Determine compliance with established policies and procedures
3. Evaluate the efficiency and effectiveness of the citywide fleet processes

OBJECTIVE CONCLUSIONS
1. It is our opinion that significant control weaknesses exist; internal controls are either missing or not operating effectively.
2. Due to the lack of documented policies and procedures, we could not determine compliance with established policy and procedures.
3. It is our opinion that processes are inefficient and not always effective.

KEY RECOMMENDATIONS AND RESPONSE

Controls over fuel access
We recommend that Fleet:
- Develop a process to review monthly fuel use. Identify and terminate any employees no longer actively working for the city within one month of their termination.
- Perform regular scheduled reconciliations (at a minimum, every six months) between Human Resources active employees and the Fleet Driver ID list to ensure it only includes active employees. An optional approach would be to send departments the list of user names along with the monthly fuel invoices for their review.
- Develop a standard protocol for assigning fuel user names including fixed formats. Review all current users and correct any non-compliance with the new standards and formats.

Policies & Procedures
We recommend Fleet update policies and procedures to include all of Fleet operations, such as inventory management, and address citywide Fleet topics such as ride share. Centrally store Fleet policies.

Fleet Fire Repair Service Trends
We recommend Fleet and Aurora Fire Rescue (AFR) work together to develop mutually satisfactory internal benchmarks for downtime and repair times. Fleet should expand its use of data analysis and trend monitoring for downtime, repair time, and any other key performance indicators that they find useful. Monitoring should be rigorous and sufficiently regular to allow adequate time to identify the root causes of any significant trend changes and make more data-driven decisions. Fleet should continue to collaborate with AFR in monitoring the data to ensure any process changes are making a desired impact.

We recommend Aurora Fire Rescue investigate digitizing the current manual checklists and ensure the appropriate items are included on them. Additionally, AFR should provide the completed checklists monthly to their Fleet liaison so they can monitor for compliance and proactively identify service needs.

Utilization Reviews
We recommend that Fleet develop a process for utilization following best practices and present utilization data to management at regular intervals (annually, at a minimum, and especially before budgeting decisions are made.) Fleet should also develop a schedule for regular utilization reviews for all Departments. At minimum, complete reviews annually.

Parts room processes
We recommend Fleet document their inventory processes and include the following:
- Frequency of partial inventories using a risk-based approach (higher risk, higher frequency)
- Document who performs the inventories and when
- Have the Parts Supervisor review inventory including frequency and a review of discrepancies and adjustments

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FASTER data utilization

We recommend that Fleet exploit FASTER's data and data presentation capabilities to monitor trends, identify areas where they can increase operational efficiency, and improve decision-making.

Pool Car Utilization

We recommend that Fleet create a citywide campaign to increase staff knowledge of the current pool car program. Develop and evaluate ways to expand pool car use. Methods to improve the quality of the pool car experience could include user groups and citywide surveys to obtain feedback, evaluating current vehicle locations, and employing an automated key-box system. Utilization data gathered using telematics would provide detailed utilization information including trips per day. If utilization rates do not improve, Fleet should reevaluate alternatives to the current pool car program.

Labor and overhead rates

We recommend that Fleet develop procedures to work with the Finance Budget office to recalculate the labor and overhead rates using actual expenses on an annual basis or as necessary.

Performance measures

We recommend that Fleet:
- Utilize the FASTER software to send its quality survey to 100% of its customers
- Reconfigure the survey questions format to ensure the complete results can be translated to its measures
- Include the Fire shop in the performance measures
- Work with the City Budget office to develop useful performance measures for all areas including reevaluating percentage of repairs and measures for inventory and fuel.

Scheduling services

Develop procedures utilizing FASTER to schedule services via a customer portal. Develop training and guidelines to allow customers to schedule their own services where appropriate.

Evaluate the requirements necessary to allow users to enter required information via a kiosk or desktop computer. Assess the cost of any equipment with the benefit of reducing the time required for dual entry and printed forms.

Management is actively working to implement the audit recommendations.

View complete audit report: Link