

Follow-Up of the Orange County Sheriff's Office Vehicle Usage Review

**Report by the
Office of County Comptroller**

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July 7, 2003

Kevin Beary, Orange County Sheriff

We have conducted a follow-up of the Orange County Sheriff's Office Vehicle Usage Review. Our original review included the period of March 1, 1997 to June 30, 1997. Testing of the status of the previous Recommendations for Improvement was performed for the period August 1, 2002 through September 30, 2002. Our follow-up audit was conducted in accordance with generally accepted government auditing standards and included such tests as we considered necessary in the circumstances.

The accompanying Follow-Up to Previous Recommendations for Improvement presents a summary of the previous conditions and the previous recommendations. Following the recommendations is a summary of the current status as determined in this review.

We appreciate the cooperation of the personnel of the Sheriff's Office during the course of the audit.

Martha O. Haynie, CPA
County Comptroller

c: Board of County Commissioners

**IMPLEMENTATION STATUS OF
PREVIOUS RECOMMENDATIONS
FOR IMPROVEMENT**

**FOLLOW-UP OF THE ORANGE COUNTY SHERIFF'S OFFICE VEHICLE USAGE REVIEW
STATUS OF PREVIOUS RECOMMENDATIONS FOR IMPROVEMENT**

NO.	PREVIOUS RECOMMENDATION	IMPLEMENTATION STATUS			
		IMPLEMENTED	PARTIALLY IMPLEMENTED	NOT IMPLEMENTED	NOT APPLICABLE
1.	We recommend the Sheriff's Office carefully reviews its policy of providing assigned (take home) vehicles to employees residing out-of-County. Such review should ensure that each individual assignment serves a valid public purpose, considering the costs and public benefits achieved. In addition, the reimbursement fee should be reviewed periodically to ensure it is adequate.		X		
2.	We recommend the Sheriff's Office carefully reviews each vehicle assignment to sworn personnel in non-patrol and non-investigative functions to ensure that a valid public purpose exists for the individuals having full-use of the vehicle for personal as well as business use. Detailed logs should be maintained to evidence that the individual's position and tasks call for an assigned unmarked sedan with personal use privilege.		X		
3.	We recommend the Sheriff's Office supervisory personnel ensure that personnel assigned vehicles document the location of the vehicle while individuals are on leave status to provide increased accountability of public asset use.		X		
4.	We recommend the Sheriff's Office complies with its procedures regarding vendor contact and document all negotiated transactions involving the no-cost use of vehicles or other tangible, personal property items for demonstration or other purposes.				X

**FOLLOW-UP OF THE ORANGE COUNTY SHERIFF'S OFFICE VEHICLE USAGE REVIEW
STATUS OF PREVIOUS RECOMMENDATIONS FOR IMPROVEMENT**

NO.	PREVIOUS RECOMMENDATION	IMPLEMENTATION STATUS			
		IMPLEMENTED	PARTIALLY IMPLEMENTED	NOT IMPLEMENTED	NOT APPLICABLE
5.	We recommend the Sheriff's Office adheres to its purchasing policies and procedures.	X			
6.	We recommend supervisors ensure that submitted Off-Duty Employment Forms are completed in their entirety. Further, an attempt should be made to reconcile all submitted Off-Duty Employment Forms to Off-Duty Equipment Usage Reimbursement Forms and contact individuals for which the forms are incomplete or absent.				X
7.	We recommend reconciliation and follow-up of individual fuel purchase receipts to vendor statements. Further, we urge Fleet Management to more fully utilize the capabilities of the software system installed.				X
8.	We recommend assignment and custody of commercial fuel credit cards only be made to authorized Sheriff's Office employees.				X

INTRODUCTION

Scope and Methodology

The audit scope consisted of a follow-up to the previous Special Review of Orange County Sheriff's Office Vehicle Usage. Testing of the status of the previous recommendations was performed for the audit period August 1, 2002 through September 30, 2002.

To determine whether the recommendations are implemented, partially implemented, or not implemented the following procedures were performed:

A sample of five employees (who were assigned a vehicle) that reside outside of the County were selected to determine if the Sheriff's Office evaluated whether a valid public purpose existed, and assessed the cost and benefits of the assignment.

Management was interviewed to determine the following:

- Whether the amount of the reimbursement fee for employees assigned County vehicles living outside of the County was reviewed periodically;
- If a review was performed for each vehicle assignment to sworn personnel in non-patrol and non-investigative functions, taking into consideration personal versus business use;
- Whether detailed logs were maintained to evidence that an individual's position and tasks called for an assigned unmarked sedan with personal use privilege;
- If vehicles or other personal property items had been provided at no cost for demonstration or other purposes; and
- Whether there were any fuel credit cards issued and being used during the audit period.

We also inquired in the Fiscal Department if there were any fuel credit cards being paid. The current fuel system, the Voyager card, was reviewed to determine whether there were adequate controls in place. A sample of 10 Voyager cardholders was selected to determine whether card usage and mileage was reasonable.

INTRODUCTION



A list of all personnel on leave status during the audit period was obtained to determine whether the Leave Request Form states where the assigned vehicle was located for a sample of 10 employees.

Documentation on vehicles received during the audit period was reviewed to determine whether they were procured using the bid process.

Due to the computerization of the off-duty system since the original audit, current off-duty controls were reviewed for adequacy. A sample of ten off-duty employers was selected for the audit period. Hours were recalculated and traced to the deposit slip.

We did not perform any testing on vehicle/fuel reports provided from the Sheriff's Office reporting systems to ensure completeness and accuracy of the information. However, during our review, nothing came to our attention that led us to believe the information provided was not accurate.

**FOLLOW-UP TO PREVIOUS
RECOMMENDATIONS FOR
IMPROVEMENT**

1. The Sheriff Should Provide Documentation of the Valid Public Purposes Served by the Take-Home Assignment of Vehicles to Individuals With Residences Located Outside the Geographic and Jurisdictional Boundary of Orange County

During the previous review, we noted that the Sheriff's Office allows deputies and certain non-sworn personnel living outside the geographic and jurisdictional boundaries of Orange County to take a vehicle home, if they live within ten driving miles of the jurisdictional boundary. A \$10 per pay period fuel reimbursement fee was collected from these individuals residing outside the jurisdictional boundaries. The Sheriff's Office had not prepared a detailed review of the costs, locations, reimbursement rate, and assignments of the approximate 235 vehicles assigned to individuals living outside the County boundaries and jurisdiction at that time (24 percent of the assigned fleet).

We Recommend the Sheriff's Office carefully reviews its policy of providing assigned (take-home) vehicles to employees residing out-of-County. Such review should ensure that each individual assignment serves a valid public purpose, considering the costs and public benefits achieved. In addition, the reimbursement fee should be reviewed periodically to ensure it is adequate.

Status:

Partially Implemented. We found that a documented review was not performed on six of the ten vehicle assignments to employees reviewed that reside out of Orange County to determine valid public purpose.

We Again Recommend the Sheriff's Office carefully reviews its policy of providing assigned (take-home) vehicles to employees residing out-of-County. Such review should ensure that each individual assignment serves a valid public purpose, considering the costs and public benefits achieved.

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Response:

Sheriff's Office General Order #380.0 requires Division Commanders to annually ensure that personnel living outside of the jurisdictional boundaries of Orange County are reimbursing the agency.

The new equipment/fuel deduction form has been implemented to ensure that supervisors and managers consider the benefit to the agency for vehicle assignment. The Fleet/Supply Division annually reviews the reimbursement fee to ensure that it is adequate.

2. The Sheriff's Office Should Document, for Individuals in Administrative Positions That Do Not Involve Routine Patrol or Investigative Duties, the Need of a Vehicle Assignment Based on Actual Business Usage Required

During our previous review, we found that detailed daily operational logs were not maintained to allow management to compare official business use mileage to commuting and personal use mileage. Records were not maintained of the number of times the individuals were called to respond to emergencies while off-duty.

We Recommend the Sheriff's Office carefully reviews each vehicle assignment to sworn personnel in non-patrol and non-investigative functions to ensure that a valid public purpose exists for the individuals having full-use of the vehicle for personal as well as business use. Detailed logs should be maintained to evidence that the individual's position and tasks call for an assigned unmarked sedan with personal use privilege.

Status:

Partially Implemented. The Sheriff's Office did not concur with our original recommendation. However, the Sheriff's office did state they planned to downsize vehicles to certain

**STATUS OF PREVIOUS
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FOR IMPROVEMENT**

Follow-Up of the Orange County
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positions as part of their analysis as to the assignment of unmarked sedans. We did note that the vehicles are in the process of being downsized. A documented review was not performed for vehicles assigned to sworn personnel in non-patrol and non-investigative functions, taking into consideration personal versus business use.

We Recommend The Sheriff's Office documents their analysis of the vehicle assignments to sworn personnel in non-patrol and non-investigative functions to ensure that a valid public purpose exists for the individuals having full-use of the vehicle for personal as well as business use. This analysis should include using detailed logs to evidence that the individual's position and tasks call for an assigned unmarked vehicle with personal use privilege.

Response:

Every sworn member of the agency, regardless of assignment or rank, is required to take appropriate enforcement action and be prepared to respond to a multitude of unplanned events 24 hours a day, seven days per week. Every sworn member of the agency has a role or assignment in the Agency's Disaster Preparedness and Homeland Security Plan.

Individual logs would create a bureaucratic, time consuming system that is not necessary. The preparation and equipment necessary to have managers respond and take appropriate action would significantly delay their response time if they were using a pool vehicle.

Downsizing of vehicles commenced February 1998, and continues as vehicles are replaced. In a cost savings effort, police package vehicles are no longer purchased for anyone not assigned to a Patrol function.



3. The Supervisory Personnel of the Sheriff's Office Should Ensure That Personnel Document the Location of the Assigned Vehicle and the Transfer of Custody of the Asset Whenever the Employee is on Leave or Has Relinquished Custody of the Asset

Our previous review of vehicle use records at the division level indicated that supervisory level staff did not always obtain or retain written records of assigned vehicles' location, availability or temporary transfer of custody to another individual when the individual to which the vehicle was assigned was on leave, on out-of-area training, or on disciplinary restriction.

We Recommend that the Sheriff's Office supervisory personnel ensure that personnel assigned vehicles document the location of the vehicle while individuals are on leave status to provide increased accountability of public asset use.

Status:

Partially Implemented. We found that four of the ten employees sampled did not document where their assigned car was located while on personal leave. The Sheriff's Office General Order 380.0, Section 3.D.2 requires the location to be stated on the "leave request form."

We Again Recommend that the Sheriff's Office supervisory personnel ensure that personnel assigned vehicles document the location of the vehicle while individuals are on leave status to provide increased accountability of public asset use.

Response:

The leave request form has been revised to include location and the individual who has control of the vehicle while an employee is on leave. All of the old forms that did not include this information have been disposed of.



4. The Orange County Sheriff's Office Should Adhere to Its Procedures Regarding Vendor Contact and Document All Transactions Involving the Custody and Use of Vehicles or Other Tangible Personal Property Items Provided by Others at No-Cost to the Office

During our previous review, we noted that the Sheriff's staff arranged an undocumented agreement with the Ford Motor Co. Fleet Sales Director for the provision of a vehicle to be used for demonstration purposes by Sheriff's Office personnel. This vehicle while in the custody of the Sheriff's Office was driven out of state to a business-related conference.

We Recommend the Sheriff's Office complies with its procedures regarding vendor contact and document all negotiated transactions involving the no-cost use of vehicles or other tangible, personal property items for demonstration or other purposes.

Status:

Not Applicable. Audit did not find any instances of vehicles or other tangible personal property items provided, at no cost, for demonstration or other purposes.

5. The Sheriff's Office Should Adhere to Its Purchasing Policies and Procedures Regarding Solicitation of Formal Bids for All Purchases Exceeding \$25,000

During our previous review, we noted that purchasing procedures were not followed for the purchase of a vehicle with a cost of greater than \$25,000. The Sheriff's Office did not comply with its own purchasing policy and procedures in the purchase of the vehicle.

We Recommend that the Sheriff's Office adheres to its purchasing policies and procedures.



Status:

Implemented. We found that the vehicles received during the audit period were purchased on contracts entered into at the beginning of the year through the bid process.

6. Off-Duty Employment Authorization Forms Should Be Completed in Their Entirety to Document the Proper Approval of Use of Public Assets in Private Law Enforcement Engagements

During our previous review, we were unable to determine in 25 percent of the sampled off-duty employment dates (80 of 314 dates reviewed), if the individual had received prior authorization for Sheriff's Office vehicle usage in performance of the off-duty employment. We were unable to determine if prior usage authorization had been given because:

- 1) Off-Duty Forms were not available to support dates in which an Off-Duty Equipment Usage Reimbursement Form had been submitted, or
- 2) Off-Duty Forms had not been completed in their entirety to indicate that the vehicle usage had been authorized.

We Recommend supervisors ensure that submitted Off-Duty Employment Forms are completed in their entirety. Further, an attempt should be made to reconcile all submitted Off-Duty Employment Forms to Off-Duty Equipment Usage Reimbursement Forms and contact individuals for which the forms are incomplete or absent.

Status:

Not Applicable. The off-duty tracking system in place when the previous review was performed is no longer used.

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The current system was reviewed to determine the adequacy of controls and documentation. We noted a \$128,608 overage in the amount recorded as deposited for off-duty employment in the Fiscal Department compared to what was recorded as deposited in the Off-Duty Services Unit. Although this indicated more money being deposited than collected, accurate reporting should be maintained on all accounts. Without reconciling the data maintained in the OCSO Fiscal and the Off-Duty Services Unit, amounts could be incorrectly recorded without timely detection.

We also found that the same employee is responsible for entering invoices into the computer, receiving the payments and depositing the checks for off-duty income received. Segregation of duties should exist for these functions. Without such, money could be misappropriated without timely detection.

We Recommend the OCSO perform the following:

- A) Investigate the discrepancy found between the Fiscal department and the Off-Duty Services Unit and reconcile the accounts on a periodic basis; and
- B) Segregate the functions of entering invoices into the computer, receiving payments, and depositing payments.

Response:

- A) The overage between Fiscal Management and Off Duty Services has been examined. All off duty deposits are now reconciled on an on-going basis between Off Duty Services and Fiscal Management. The new reporting system employed by the Off Duty Services Section keeps a running monthly total, which is quickly reconciled with the general ledger kept by Fiscal Management.
- B) Per the auditor's suggestions, the function of entering invoices, receiving payments, and depositing



payments have been segregated. A clerk receives the checks and logs them into a computer spreadsheet. The Off Duty Coordinator reconciles the account, runs a tape to confirm the deposit, and prepares the deposit. A supervisor then runs a second tape to ensure accuracy and makes the deposit to the Orange County Sheriff's Office fuel account. The Off Duty Coordinator sends the deposit slip and tape in a daily report to the Sheriff's Fiscal Management Unit.

7. Commercial Fuel Credit Card Statements Should Be Reconciled to Individual Receipts Submitted by Employees

We noted six percent (36 of 589) of individual paid fuel purchases reviewed did not have an original signed receipt or a vendor supplied copy of the transaction receipt to support the credit card charge shown on the monthly statement from the fuel vendor. The Sheriff's Office had paid a total of \$5,795 for these 589 invoiced amounts that included \$245 of purchases with missing receipts.

We Recommend reconciliation and follow-up of individual fuel purchase receipts to vendor statements. Further, we urge Fleet Management to more fully utilize the capabilities of the software system installed.

Status:

Not Applicable. The system in place when the original review was performed has been changed. Currently, Voyager (credit) cards are issued for each vehicle.

8. Commercial Fuel Credit Cards Should Remain in Custody of the Individual Assigned and Not Left in the Custody of Fuel Vendors

Our review of commercial fuel purchases made at local gas stations rather than at the Orange County automated fuel stations indicated that certain commercial gas stations had been given custody of Sheriff's Office credit cards to be used for fuel purchases by Sheriff's Office employees. We found that the Field Services, Specialized Patrol had left custody of cards at four area gas stations. These cards were utilized by various members of the Motorcycle and the Marine Patrol Divisions.

We Recommend assignment and custody of commercial fuel credit cards only be made to authorized Sheriff's Office employees.

Status:

Not Applicable. The current Voyager system issues a card for each vehicle. The Sheriff's Office no longer utilizes any commercial fuel cards.