



CITY OF WINSTON-SALEM REPORT ON AVL VEHICLE AND EQUIPMENT VERIFICATION PROJECT

For the Month Ended February 28, 2021

Submitted by:
Office of Performance and Accountability
Internal Audit Division
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Overview of Fleet Services Division

The Fleet Services Division (Fleet) provides maintenance for more than 1,700 vehicles and other equipment and helps with acquisition and disposal of fleet equipment for City departments. Fleet's daily activities include a priority focus on the service station, pool vehicles, heavy equipment repair, light equipment repair, auto parts, managing the City's Automated Vehicle Locator (AVL) system, and preventive maintenance.

AVL System Process

The AVL system is used to track the location and status of City fleet vehicles, realize fuel savings, increase security, and improve employee safety and productivity. The system provides Fleet staff with the ability to know the location and status of vehicles in real time. Fleet further uses the system to provide trend analysis reporting and tools to manage activities such as: swapping devices between vehicles; registering new vehicles; removing vehicles from the fleet; and troubleshooting.

Scope of Project Procedures Performed

The project concentrated on vehicles and equipment within both Fleet's FASTER and AVL systems as of February 28, 2021. The testing timeframe was limited due to the AVL software's inability to produce reports outside of a month timeframe. The overall internal control structure was considered in designing the audit procedures performed; however, the effectiveness of individual internal control procedures was not tested.

Audit procedures focused on the following attributes:

- Identify City vehicles/equipment without an AVL device.
- Identify City vehicles/equipment that have been idle for an extended period of time.
- Identify City vehicles/equipment perpetually outside of city limits.
- Identify City vehicles/equipment with impaired AVL.
- Identify City vehicles/equipment with mismatched department identifiers.
- Confirm removal of AVL access.

Internal Audit (IA) was unable to identify City vehicles/equipment with mismatched department identifiers because the reports generated by AVL and/or FASTER did not have the necessary department information; therefore, IA altered testing to identify City vehicles/equipment with mismatched vehicle numbers and Vehicle Identification Numbers (VINs).

Findings and Recommendations

1. *Two-hundred fifty-eight vehicles have no documented nor confirmed reasons for absence of AVL within vehicle.*

As of February 28, 2021, IA determined that 258 vehicles did not have AVL devices installed (See Appendix A). Moreover, Fleet had no documented or confirmed reasons as to why these vehicles had no AVL. Without the installation of AVL within their vehicles, department/division management have an inability to track and monitor their vehicles. After considering feasibility and necessity, it is recommended that Fleet ensures that AVL devices are installed in all warranted City vehicles or documents reasoning as to why an AVL is not warranted.

Management Response: Staff will assure that enough devices exist to install on vehicles.

2. *Inactive AVL vehicles are not properly monitored.*

Many instances were noted where vehicles with AVL devices had been dormant for well over thirty days. As of February 22, 2021, forty-two percent of dormant vehicles had out-of-date or no documented status. Granted, there are dormant vehicles which are either waiting on a vehicle part, used only as a 'loaner,' or only used seasonably. However, IA recommends that Fleet enhances the current monitoring process whereby it investigates a vehicle anytime its last active update becomes more than thirty days old. IA further recommends that a process is set up for verifying that vehicles returning from the auto repair shop have their AVL devices reconnected.

Management Response: Staff will monitor vehicles when performing general inspection and after being serviced with outside vendors to verify the devices are working properly.

3. *Thirteen sold vehicles were found to have active AVL devices.*

Fleet currently has a standardized control system in place where Fleet includes use of a checklist for removing the AVL device when the vehicle is either totaled, retired, or sold. As thirteen sold vehicles were found to have active AVL devices, IA recommends that Fleet ensures compliance with their control system to mitigate the chances for AVL vehicles to be sold with their AVL device intact. Furthermore, Fleet should deactivate any AVL devices which are found to still remain with the vehicle after retirement, sale, or donation.

Management Response: AVL removal will be included as a part of the process required before vehicle auction.

4. *Thirty-six mismatches between FASTER and the AVL systems were found.*

IA identified thirty-six instances where both the vehicle number and the VIN were mismatched between the FASTER and the AVL systems. Consequently, it is difficult to manage vehicles, maintain trend analysis, or troubleshoot issues if fleet vehicle data is inaccurate. As thirty-six vehicles were found to be mismatched between FASTER and the AVL system, IA recommends that Fleet researches this mismatch issue. It is further recommended that Fleet incorporates a process whereby any time there's an adjustment in the FASTER System that the AVL System should be concurrently updated as well for coinciding data fields between the two systems.

Management Response: Staff will remove discrepancies between FASTER and AVL and assure consistency between the two systems.

5. *AVL System access is not being properly monitored.*

IA identified two instances where AVL system users had retired, but were still shown to have access. AVL system access is not being properly monitored for City employees who retire, leave the City, or move to a new position not requiring access. Currently, unless notified by the department or division, Fleet is not being apprised of when to eliminate employee access to the AVL system. IA recommends that Fleet researches enhancements to mitigate the chances of City employees continuing to be able to log into the system even after their employment status deems access removal.

Management Response: Fleet Services will develop procedures and policies that will remove all employees from access when they are no longer working for the City of Winston-Salem.

Respectfully submitted,



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