

## MEMORANDUM OF TRANSMITTAL

---



**To:** Michelle McCrimmon, Deputy Chief Financial Officer

**From:** George J. McGowan, CPA  
Director, Office of Audit Services and Management Support

**Date:** February 14, 2023

**Subject:** Follow-up Review of Take Home Vehicles (Report No. 23-05)

A handwritten signature in black ink, appearing to be 'GJM', written over the 'From' field.

Attached is a summary of the status of recommendations as determined from our follow-up review of the Take Home Vehicles (Report No. 22-05), issued February 2, 2022.

This review consisted of inquiries of City personnel and examinations of supporting documentation. It is substantially less in scope than an audit. The evidence obtained provided a reasonable basis for our conclusions; however, had an audit been performed, other matters may have come to our attention that would have been reported to you and our conclusions may have needed to be modified.

We are pleased to report that the recommendations contained in the original report are implemented or planned for implementation.

We would like to thank the management of the Fleet Management Division and the Deputy Chief Financial Officer for their cooperation during this follow-up review.

GJM

### Attachment

**C:** The Honorable Buddy Dyer, Mayor  
Jody Litchford, Deputy City Attorney  
Kevin Edmonds, Chief Administrative Officer  
Chris McCullion, Chief Financial Officer

## Take Home Vehicles Follow-up Review

#	Recommendations	Concur	Partially Concur	Do Not Concur	Original Management Action Plan	Original Target Date	Implementation Status	
							Current Status	Comments
1	We recommend that a needs survey be conducted periodically on existing take-home vehicle assignments to determine whether such use is still warranted. Perhaps this survey can be triggered when each department's/division's fixed assets are being confirmed by Property Control, so that this process can take place throughout the year.	✓			Fleet's existing policy 900.5 Assignment of City Vehicles on a Twenty-Four-Hour Basis, addresses the criteria that must be met. We agree that better documentation needs to be retained and confirmed to justify that take-home vehicles are appropriately assigned. We will work on formalizing the request, approval, and annual review process.	June 2022	Planned for Implementation	We are updating policy 900.5 and will submit for City Council approval by August 2023. The amended policy will include additional guidance and requirements to maintain documentation so that the justification of a take-home vehicle assignment can be reviewed and written approval can be obtained on an annual basis.
2	We recommend that the needs survey include documenting both the business cases and the required approvals (i.e., signatures) of the arrangement on a standardized form or other document, either written or electronic.	✓			See above response	June 2022	Planned for Implementation	We are updating policy 900.5 and will submit for City Council approval by August 2023. The amended policy will include additional guidance and requirements to maintain documentation so that the justification of a take-home vehicle assignment can be reviewed and written approval can be obtained on an annual basis.
3	We recommend that the Fleet Division lead a process to determine the best procedure for ensuring that an accurate listing of take-home vehicles and users is maintained.	✓			Fleet has historically been provided updates from departments regarding employees assigned take-home vehicles. Fleet then provides that list of employees assigned a take-home vehicle to Payroll for them to evaluate and identify qualifying taxable events and record all applicable taxable fringe benefits. Payroll then reaches out to those employees to confirm information and would then update the list accordingly. Payroll has not consistently shared those changes with Fleet. Without updates from departments or Payroll, the list maintained by Fleet may be outdated or incorrect. As such, each quarter, Fleet will confirm the listing with departments and if Payroll notes any changes, they will notify Fleet.	March 2022	Implemented	Fleet is confirming take-home vehicles with the departments each quarter and providing that list to Payroll. Payroll is communicating any changes or updates they become aware of back to Fleet.

## Take Home Vehicles Follow-up Review

#	Recommendations	Concur	Partially Concur	Do Not Concur	Original Management Action Plan	Original Target Date	Implementation Status	
							Current Status	Comments
4	We recommend that the Fleet Division compare the take-home vehicles listing to the other vehicle usage reports generated by the division to periodically check its accuracy and investigate any irregularities.	✓			See above response	March 2022	Planned for Implementation	This will be incorporated into the amended policy 900.5 to be submitted to City Council by August 2023.
5	We recommend that the appropriate management convene to consider implementing a system to periodically obtain reliable information to be able to review the miles driven by each take-home vehicle driver. This will allow management to determine the ongoing cost of this vehicle classification and this information can be used during the annual needs assessment recommended above.	✓			There are several ways in which Fleet can determine mileage on City owned vehicles. Those include (a) inputs from drivers when they purchase fuel with their fuel card, (b) mileage is recorded when the vehicle is serviced at Fleet, and (c) activate the feature within our driving cameras that allows GPS to measure mileage (only for vehicles that have such cameras).	January 2023	Planned for Implementation	This will be incorporated into the amended policy 900.5 to be submitted to City Council by August 2023.
6	We recommend that management work with the fuel system vendors to develop system controls to prohibit or limit the entering of inaccurate odometer information at the fueling stations.	✓			With respect to the fuel card, Fleet is currently working with Procurement on a formal solicitation for a new fuel card vendor. We will ensure the requirement for stronger controls around erroneous inputs are included within the scope of service.	January 2023	Implemented	A formal solicitation was completed and FleetCor was selected as the fuel card provider. While odometer inputs cannot be controlled at the pump, inaccurate inputs generate exception reports which are reviewed monthly by designated Fleet staff.

## Take Home Vehicles Follow-up Review

#	Recommendations	Concur	Partially Concur	Do Not Concur	Original Management Action Plan	Original Target Date	Implementation Status	
							Current Status	Comments
7	We recommend that the department managers work with their staff and Human Resources to ensure employee licenses are up to date in all City information systems.		✓		<p>For any City employees, Risk Management will work with Human Resources and the Workday team to ensure alerts are put in Workday to notify employees to update any licenses that are out of state or that have incomplete information. HR does not require employees to update licenses that are expired within Workday. This is because when the list of employees are licenses are submitted to the state, the state reports any expired or suspended licenses based on license numbers alone.</p> <p>On a quarterly basis, Risk Management will confirm with departments that any employees that do not have drivers licenses within Workday (because they provided an alternative identification to HR such as passport) are not driving City vehicles.</p>	April 2022	Planned for Implementation	<p>Each quarter, Risk Management confirms the list of employees and drivers licenses with a third party. Numerous exceptions are returned primarily due to the fact that drivers licenses are not a required form of identification by Human Resources . Starting May 2023, Risk Management will be running drivers license checks only for employees with jobs that require a Florida Drivers License. Any exceptions will be reported to department managers so that employees can update or correct their record in Workday.</p> <p>Additionally, beginning March 2023, an alert will be put into Workday to notify employees and their managers to update any licenses that are out of state or missing.</p>