
CITY OF SAN ANTONIO

OFFICE OF THE CITY AUDITOR



Audit of Building and Equipment Services Department
Light Vehicle Replacement and Maintenance Program

Project No. AU21-009

June 16, 2022

Kevin W. Barthold, CPA, CIA, CISA
City Auditor

Executive Summary

As part of our annual Audit Plan approved by City Council, we conducted an audit of the Building and Equipment Services Department (BESD), specifically the Light Vehicle Replacement and Maintenance Program. The audit objectives, conclusions, and recommendations follow:

Determine if BESD light vehicle maintenance is operating and managed effectively and efficiently and that performance measures are supported and appropriate.

Light-duty vehicle fleet maintenance is operating and managed effectively and efficiently, and performance measures are supported and accurate. We determined that BESD has procedures in place that ensure maintenance of light-duty vehicles is complete and timely. Additionally, parts inventory is safeguarded and accurately accounted for. BESD is appropriately identifying vehicles that require replacement and the light-duty vehicles are being appropriately acquired and decommissioned. Furthermore, billing between BESD and the respective departments is accurate. Finally, performance measures are supported and appropriate.

We make no recommendations regarding the Light Vehicle Replacement and Maintenance Program; consequently, no management responses are required. Management's acknowledgement of these results is in Appendix B on page 5.

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Background

The City's fleet of light-duty vehicles is managed by BESD. BESD is responsible for acquiring, maintaining, and decommissioning the City's light-duty vehicle fleet as well as SAPD's fleet. In addition, BESD is responsible for the Equipment Renewal and Replacement Program for all City fleet and equipment, including light-duty vehicles, SAPD vehicles, SAFD vehicles, and all heavy-duty vehicles and off-road equipment, etc. The Equipment Renewal and Replacement Program governs the use of the Equipment Renewal and Replacement Funds (ERRF) used for the acquisition of new vehicles and equipment.

BESD's light-duty vehicle fleet maintenance team consists of an assistant director, operations manager, supervisor, service advisor, 14 technicians, one tire repairer and five parts room staff. In addition, there are separate fleet acquisition, fuel, and police maintenance teams. BESD performs preventative maintenance and repair activities in-house. The City has approximately 5,568 vehicles and equipment, of which approximately 1,918 are admin/light-duty vehicles. BESD is responsible for maintaining approximately 2,800 vehicles across both the Central Shop and Police Garage.

In addition to maintaining the light-duty vehicle fleet, BESD is responsible for managing the 11 fueling stations throughout the City, which dispense over five million gallons of fuel to vehicles and equipment with CANceivers or key fobs.

BESD is responsible for the results of two performance measures related to the light-duty vehicle fleet: % of light duty fleet available to users and converting 20% of the City's hybrid administrative sedan fleet to all electric vehicles by 2025. The FY21 targets for the performance measures were 95% and 4%, respectively and the actual FY21 results were 97% and 4%.

BESD utilizes the FASTER WIN system, which is a commercial fleet database application used to track vehicles, equipment, parts inventory, labor, and maintenance work based on a work order process flow. Technicians are responsible for recording their daily activities in the system including parts used, labor charged, and services performed. The system recently was upgraded from a desktop application to a web-based version in April 2022.

Audit Scope and Methodology

The audit scope was from October 2020 to January 2022.

We interviewed staff to obtain an understanding of the preventative maintenance process. Testing criteria included manufacturer vehicle guidelines, the Equipment Renewal and Replacement Standard Operating Procedure, departmental policies, City's P-card User Guide, and City Administrative Directives.

We assessed internal controls relevant to the audit objective. As part of our testing procedures, we examined the following areas:

- Physical security of the Central Shop.
- The appropriateness of preventative maintenance schedules in FASTER WIN and the timely completion of maintenance.
- The accuracy and monitoring over fleet performance measures.
- Productivity of fleet technicians.
- Monitoring over fuel usage.
- The acquisition quality check process and timely entry of acquisitions into the fleet database.
- The safeguarding and accuracy of parts inventory.
- The purchasing process of parts, including via P-cards and SAP purchase orders.
- The accuracy and completeness of billings to CoSA departments.
- Access and configuration controls in FASTER WIN.

We relied on computer-processed data in FASTER WIN and SAP to validate the preventative maintenance work, inventory received and billing to respective departments. Our reliance was based on performing direct tests on the data rather than evaluating the system's general and application controls. Our direct testing included reviewing preventative maintenance work orders for parts assignments, labor hours to complete the work order and approvals. We do not believe that the absence of testing general and application controls had an effect on the results of our audit.

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.

Audit Results and Recommendations

A. Light Vehicle Replacement and Maintenance Program

BESD has sufficient controls in place in order to maintain a safe and functioning fleet. Preventative maintenance schedules are in place for all light-duty vehicles and comply with manufacturer guidelines by vehicle type. Preventative maintenance is performed timely based on maintenance category and vehicle downtime due to maintenance is less than 3%.

Purchases of parts are appropriately approved and in accordance with policy. In addition, segregation of duties is in place through the purchasing and receiving process. Finally, parts are accurately charged to individual work orders.

The acquisition process follows the ERRF guidelines and includes reviewing vehicle utilization when creating the final annual buy-list. Furthermore, the acquisition of light-duty vehicles followed guidelines per the new unit commissioning process, ensuring timely entry of the vehicles into the FASTER database.

There are no findings. Consequently, we make no recommendations to the Building and Equipment Services Department.

Appendix A – Staff Acknowledgement

Gabe Trevino, CISA, Audit Manager
Caitlin Loomis, CPA, Auditor in Charge
Loretta Faxlanger, Auditor

Appendix B – Management Response



CITY OF SAN ANTONIO

SAN ANTONIO TEXAS 78283-3966

May 18, 2022

Kevin W. Barthold, CPA, CIA, CISA
City Auditor
San Antonio, Texas

RE: Management's Acknowledgement of its Review of Building and Equipment Services Department
– Light Vehicle Fleet Replacement and Maintenance Program

The Building and Equipment Services Department has reviewed the audit report and provided its comments to the auditors. As there are no recommendations for management, no management responses are required.

Building and Equipment Services Department:



Fully Agrees



Does Not Agree (provide detailed comments)

Sincerely,

A blue ink signature of Jorge A. Pérez, written in a cursive style.

Jorge A. Pérez
Director
Building and Equipment Services Department

5/19/22

Date

A blue ink signature of Roderick Sanchez, written in a cursive style.

Roderick Sanchez
Assistant City Manager
City Manager's Office

5/31/2022

Date