

# ARLINGTON COUNTY AUDITOR FOLLOW-UP REPORT

## FLEET MANAGEMENT (REPORT 2021-02)

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### Background

The County Auditor conducts follow-ups for each audit recommendation in an effort to assess whether recommendations that the audited department agreed to make have been implemented. During follow-up reviews, the County Auditor works with department leadership to determine the implementation status. The County Auditor makes this determination based on initial information shared by the audited department, supporting documents and data provided by the department, and subsequent interviews and observations. The County Auditor cannot compel implementation of recommendations but can provide guidance regarding what constitutes implementation.

Government Auditing Standards do not cover follow-up reviews. However, the County Auditor endeavors to apply the principles of the Standards to follow-up activities. The County Auditor's follow-up work is informed especially by the principles articulated in the following key standards: evidence; documentation of auditor's work; communication with an audited entity; reporting of audit work to those charged with management and governance; and auditor professional judgment.

### Summary:

This report presents the results of the May 2022 County Auditor follow-up conducted on the Fleet Management audit (Report 2021 – 2) which was issued in November 2021. The audit contains 8 recommendations. The following dashboard shows the current status of all 8 recommendations.

Implemented	6/8	
Partially Implemented	0/8	
Not Implemented	2/8	Recommendations 1.1 and 1.2

The Department of Environmental Services (DES), specifically the Equipment Bureau, is responsible for County fleet management. Of the eight recommendations, the follow-up review found six to be fully implemented. For implemented recommendations no more follow-up work will be performed.

Two of the eight recommendations are not implemented. DES disagreed with Recommendation 1.1, and the County Auditor does not perform follow-up on recommendations with which management disagrees unless management changes its position. DES reported that Recommendation 1.2 will be implemented but that full implementation is not expected until 2024. Therefore, no additional follow-up is needed on Recommendation 1.2 until either Spring 2024 or the recommendation has been implemented, whichever comes first.

**Closing Note:** The County Auditor appreciates the proactive assistance of the Equipment Bureau Chief during this follow-up review. The DES Safety Team, the DES Budget and Finance Division Chief, and other members of DES management and staff were also very helpful during the follow-up review. This follow-up report is being provided to DES management, members of County management, the County Board, and the Audit Committee. The report will be issued publicly on the County Auditor's webpage on May 31, 2022.

A handwritten signature in black ink, appearing to read 'Chris Horton', written in a cursive style.

Chris Horton, Ph.D., CIA, CGAP, CRMA, CCSA  
Arlington County Auditor

RECOMMENDATION	INITIAL EXPECTED COMPLETION DATE	STATUS	MANAGEMENT DISCUSSION	COUNTY AUDITOR'S DISCUSSION
<p>1.1. DES should review the feasibility of charging departments directly for maintenance costs due to accidents, including quantifying the costs and benefits of directly charging departments for accident-related maintenance costs. Subsequently, DES should determine whether it will work with DMF to institute this practice as part of the maintenance cost development process.</p>	<p>N/A</p>	<p>N/A</p>	<p>N/A</p>	<p>DES management disagreed with Recommendation 1.1. This position is equivalent to accepting the underlying risk to be addressed by the recommendation. Therefore, no additional status report is needed unless management has changed its position on implementation.</p>

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<p>2.1. Now that additional data on low utilization has been gathered since the 2018 Fleet Utilization Policy was implemented, Equipment Bureau should assess the Policy's threshold for low utilization to see if it has materially reduced the incidence of low-mileage vehicles in the County fleet, and to determine whether an increase in the low utilization threshold is needed.</p>	<p>2024</p>	<p>Not Implemented</p>		<p>This recommendation should be assessed for implementation in Spring 2024.</p>
<p>3.1. Equipment Bureau should develop and codify metrics for</p>	<p>March 2022</p>	<p>Implemented</p>		<p>County Auditor confirmed implementation. No additional follow-up is required.</p>

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<p>timely maintenance of light fleet, heavy fleet, and buses. Equipment Bureau should ensure these metrics include both "Work Finish" and "Closing" work orders.</p>				<p>The Equipment Bureau is using the metrics for timely maintenance built into the Fleet Anywhere system. These metrics are tighter than originally anticipated, but these metrics allows the Equipment Bureau leadership to use the existing system tracking tools to oversee performance on a weekly basis.</p>
<p>3.2. The Equipment Bureau should ensure that its Bureau Chief and direct reports have access to current work order performance in comparison to these standards to facilitate regular, ongoing management</p>	<p>January 2022</p>	<p>Implemented</p>		<p>County Auditor confirmed implementation. No additional follow-up is required.</p> <p>The Bureau Chief has access to weekly reports of work order performance, and the Operations Superintendent personally reviews all work orders that are not closed and documents either why they are still open, or how much time elapsed between work being finished and the work order</p>

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review and, as needed, correction.				finally being closed. This process is labor-intensive due to system limitations, but has been ongoing since January 2022.
4.1. The Equipment Bureau should continue to work with the DES Safety team to remind Equipment Bureau staff about the existence of the DES near miss reporting tool, periodically train staff on the near-miss reporting system, and develop ways to encourage the use of the near-miss reporting system.	January 2022	Implemented	During weekly safety walk throughs Management has reminded staff of the near miss reporting tool and encouraged its use. In addition we have transitioned away from paper reports for the weekly safety walk, and are instead using a Sharepoint App, which DES developed. The App now includes a section on near miss reporting (question 28) to remind Managers to be proactive about asking employees about near misses and as another way to encourage reporting. It also includes a link to the DES Near Miss Reporting System. As mentioned in our Management Response, employees continue to have multiple ways to report Near Misses. We encourage reporting as early as possible.	County Auditor confirmed implementation. No additional follow-up is required.  The near miss reporting question in the electronic safety inspection and observation form (i.e., the Sharepoint App) was added during the week of May 27, so no usage of the near miss system was yet observed. However, the near miss question, the link to the near miss reporting form within the Sharepoint App, the consistent weekly usage of the overall Sharepoint App since implementation, and the proactive effort by Equipment Bureau management and Safety team staff to implement the safety

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				recommendations in this audit are cumulatively sufficient to categorize this recommendation as <i>Implemented</i> .
4.2. The Equipment Bureau should identify ways to improve the tracking of past safety inspection findings for both supervisors and management by considering options including an electronic system for conducting and storing safety inspections.	January 2022	Implemented		County Auditor confirmed implementation. No additional follow-up is required.  An Equipment Bureau safety inspection and observation form has been developed that captures more information including photos, feeds the information into an electronic database, and allows for easy reference to past observations.
4.3. The Equipment Bureau should reinforce the need for detail in documenting safety	January 2022	Implemented		County Auditor confirmed implementation. No additional follow-up is required.

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inspections to allow for better tracking of either ongoing concerns or good safety practices.				The new safety inspection and observation form requires far more information and detailed observation, including photos of areas of concern.
4.4. The Equipment Bureau should ensure that weekly supervisor inspections are occurring.	January 2022	Implemented		County Auditor confirmed implementation. No additional follow-up is required.  In the three months since the safety inspection and observation form was implemented, weekly supervisor inspections have been documented.