
CITY OF SAN ANTONIO

OFFICE OF THE CITY AUDITOR



Audit of San Antonio Police Department

Fleet Operations

Project No. AU19-025

March 30, 2020

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City Auditor

Executive Summary

As part of our annual Audit Plan approved by City Council, we conducted an audit of the San Antonio Police Department (SAPD), specifically Fleet Operations. SAPD Fleet Operations and the Building and Equipment Services Department (BESD) work together to ensure the safety of SAPD's fleet. BESD provides for acquisition, disposal, and on-going maintenance of SAPD's fleet of vehicles. As such, our recommendations are made to the Director of BESD and the SAPD Police Chief. The audit objectives, conclusions, and recommendations follow:

Determine if SAPD fleet maintenance is operating and managed effectively and efficiently and that performance measures are supported and appropriate.

SAPD fleet maintenance is operating and managed effectively and efficiently and performance measures are supported and accurate. SAPD and BESD have procedures in place that ensure maintenance of police patrol vehicles is complete and timely. Additionally, billing between BESD and SAPD is accurate. Further, warranty work completed by BESD is being appropriately reimbursed and parts management is adequate. SAPD is appropriately identifying vehicles that require replacement and SAPD vehicles are being appropriately acquired and decommissioned. Finally, performance measures are supported and appropriate. However, there are opportunities to strengthen controls related to motorcycle maintenance and maintenance and repair approvals.

We recommend that the Chief of Police and Director of BESD:

- Continue implementing key fobs and monitor to ensure maintenance of motorcycles is complete and timely
- Ensure that procedures are established for documenting approval of maintenance and repair estimates above established thresholds and periodically verify procedures are working as intended.

SAPD & BESD Management agreed with the audit findings and have developed positive action plans to address them. Management's verbatim response is in Appendix B on page 9.

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Background

The San Antonio Police Department is responsible for maintaining and enforcing the law and providing a safe environment for the citizens of San Antonio to live and work. An important component of that mission is the work provided by patrol units who require reliable, safe, and well-equipped vehicles in order to successfully provide that environment.

SAPD patrol officers are assigned to one of six substations throughout the City of San Antonio. Each substation is assigned a set number of vehicles that are shared between various shifts. The chart below shows the number of vehicles assigned to each substation as of June 2019.

Substation¹	Patrol Vehicles Assigned
Central	73
East	65
North	67
Prue	69
South	64
West	76
All Others	281
Total	695

SAPD's goal is to maintain at least 85% vehicle availability. There are various reasons in which a vehicle would not be available including patrol units involved in accidents and preventative and unscheduled maintenance.

SAPD's fleet is managed by the Fleet Services Office (SAPD Fleet) which identifies unit needs and forecasts and prepares for potential issues. Additionally, they manage the make-ready process, which is the process of equipping SAPD vehicles with necessary equipment such as light bars, cages, and laptops; ensure maintenance is completed; and ensure that a sufficient stock of vehicles are available for use by SAPD officers. SAPD Fleet implemented a one-stop shop for the make ready process by contracting with Industrial Communications to provide the majority of

¹ The vehicles listed are those assigned to the A, B, T, & C Shifts. The A & T shifts (6 am to 2 pm & 5 pm to 3 am) share a set of number of vehicles and the B & C shifts (1:30 pm to 9:30 pm & 10:30 pm to 6:30 am) share a different set of vehicles. Additional vehicles are assigned to different units within and outside of the substations including the Training Academy, Traffic, Bike Patrol, K-9, the Crime Scene Unit, and others.

make-ready services. Their responsibilities include removing equipment from a vehicle that requires replacement, installing equipment on a new vehicle, and obtaining any necessary equipment or parts to ensure this process is completed timely.

SAPD Fleet works closely with BESD, who provides maintenance for the police fleet. In addition, they acquire and decommission the City's vehicle fleet, as well as maintaining the Equipment Renewal & Replacement Fund (ERRF). BESD Fleet Services has made great strides in becoming a premier fleet management department. This year, BESD was listed as one of the top 50 Leading Fleets in the United States, presented by Government Fleet magazine. Criteria for this award include fleet leadership, competitiveness and efficiency, planning for the future, and overcoming challenges.

A significant function within BESD Fleet Services is the acquisition, maintenance, and disposition of SAPD vehicles to include police patrol vehicles (PPV). BESD has a dedicated police garage for the repair and maintenance of police vehicles.

BESD and SAPD maintain a service level agreement (SLA) which provides for the responsibilities of each party in maintaining SAPD's fleet. It includes providing preventative maintenance, obtaining necessary approvals, and defining performance measures. The primary performance measure is equipment availability, of which the goal is 85% availability.

As of July 2019, SAPD had a total stock of 1365 vehicles, the majority of which are administrative vehicles and PPV's.

Three vehicle types make up the primary patrol vehicles as identified in the collective bargaining agreement: Ford Explorer Interceptor, Chevrolet Tahoe, and the Ford Crown Victoria Interceptor, which is being phased out. As of July 2019, there were 695 PPV's, about half of SAPD's entire Fleet. The Police Interceptor comprises 93% of the three primary patrol vehicles.

Per the September 2016 collective bargaining agreement, SAPD officers are not required to drive Chevrolet Tahoe's and Ford Crown Victoria's beyond 100,000 miles. Officers do not have to drive Ford Explorer Police Interceptors beyond 70,000 miles, pending the results of a pilot program which could increase that mileage to 100,000.

BESD also manages a central parts store that provides support to the police garage, central shop, and acquisitions team. As of July 2019, central parts maintained on-hand parts valued at approximately \$242,000 per FASTER, BESD's fleet management software system. FASTER provides both BESD and SAPD Fleet with the ability to monitor and manage the vehicle fleet, parts, work orders, and the billing process.

Audit Scope and Methodology

The audit scope was for the period October 1, 2017 through September 30, 2019. In addition, we limited our scope to police patrol vehicles and a selection of operational vehicles such as K-9 units and police academy training vehicles. Administrative vehicles were not included in testing.

To gain an understanding of the area under audit we interviewed staff including the BESD Fleet Administrator, Fleet Operations Manager and Fleet Acquisitions officer. Additionally, we interviewed SAPD Administrative Services Manager and other relevant Fleet Operations staff.

Additionally, we conducted reviews of relevant policies and procedures, service level agreements, standard operating procedures, vehicle maintenance manuals and FASTER and SAP reports. Finally, we walked through various BESD and SAPD processes in regards to vehicle acquisition, equipment management, the make ready process, building security and environmental controls, vehicle maintenance, and parts management.

Testing criteria included the SAPD Collective Bargaining Agreement dated September 2016 – September 2021, the service level agreement between BESD and SAPD, SAPD Standard Operating Procedures, the BESD Equipment Replacement Fund Policy, applicable vehicle manufacturer maintenance manuals, and relevant City Administrative Directives.

As part of our testing, we performed procedures to verify preventative maintenance was accurate, complete, and timely. Additionally, we determined that unscheduled maintenance was appropriate including obtaining approvals and reimbursements for work completed under warranty. Further, we determined that parts are properly accounted for and performed a physical inventory of a selection of parts for accuracy. Additionally, we determined if segregation of duties for parts is appropriate and P-card purchases are appropriately approved and reconciled.

Also, we performed procedures to determine if physical security over assets is sufficient and that BESD mechanics and SAPD fleet service agents are qualified to perform their duties. Additionally, we reviewed the acquisitions, make ready, and disposal processes to verify that sufficient vehicles are in stock, the make ready process is efficient, and disposal processes are appropriately controlled. Finally, we reviewed a selection of performance measure to ensure they were accurate, that SAPD billing is accurate, and invoices are reviewed and approved.

We relied on computer-processed data in the FASTER system to analyze and test maintenance activities. Our reliance was based on performing direct tests on the data. We performed limited testing of general controls including user access and data backups. Additionally, we tested accuracy of parts inventory records and enforcement of segregation of duties and system approvals.

Our direct testing included verifying the completeness and timeliness of maintenance activities, parts management, and to verify accuracy of billing and performance measures. We do not believe that the absence of testing general and application controls other than that describe above had an effect on the results of our audit.

Additionally, we relied on computer-processed data in SAP to validate the accuracy of billing, P-card, and warranty payments. 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 ensuring fleet billing matched SAP, P-card payments were appropriately approved, and payments for warranty work were received. 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. Preventative Maintenance

Preventative maintenance for PPV's is adequately managed. We tested 695 vehicles and determined that all vehicles had a preventative maintenance schedule in FASTER, which drives alerts for maintenance requiring completion.

Additionally, we sampled 50 PPV's to determine if maintenance was complete and timely. We determined all 50 vehicles had all maintenance activities completed. Additionally, overall, maintenance activities were completed timely, at an average of every 4,979 miles. Preventative maintenance activities are due every 5,000 miles.

Further we verified that maintenance work orders were approved by appropriate individuals prior to closing. We tested 7,859 work orders from June 2018 through June 2019 and found all work orders were closed by authorized individuals.

Additionally, we tested a population of 2,612 PMA's, which includes oil changes, fluid top offs, and a visual inspection of various components, between October 2017 and August 2019 to determine if PMA's were completed in a reasonable amount of time. We found that 97.3% of PMAs are completed in less than 30 minutes at the police garage.

Recommendations

None.

B. Parts Management

Parts are adequately managed. We reconciled the annual inventory count to FASTER parts data and noted an immaterial difference of \$5,327, or 2%. Additionally, we performed an inventory of 11 commonly used parts and found inventory counts to match FASTER records after accounting for reasonable spillage from operations.

Additionally, we verified that parts processes had appropriate segregation of duties. We reviewed a population of 8,451 parts purchases during FY2019 to verify the same person who purchased a part did not receive the part in FASTER and found that overall segregation of duties was well executed.

Finally, we reviewed a sample of 25 parts purchases to ensure they were appropriately approved and a sample of 25 parts to ensure they were accurately charged to work orders, without exception.

Recommendations

None.

C. Motorcycle Maintenance

Motorcycle maintenance was not complete and timely. Of the 26 motorcycles we reviewed, 15 had preventative maintenance activities that were not completed. Additionally, of the preventative maintenance activities completed, 7 motorcycles had maintenance that was not completed timely.

Per the Fleet Services Standard Operating procedure 201.00 *Area of Responsibility*, the Fleet Services office is to notify covert units and all personnel with a take home vehicle of when a vehicle is due for preventative maintenance.

Motorcycles, however, cannot be equipped with canceivers, devices that record current mileage and update to FASTER each time gasoline is acquired at a City fueling location, making it difficult for Fleet Service Agents to monitor preventative maintenance needs. Officers and agents lacked sufficient communication to overcome this.

If motorcycles do not obtain required maintenance timely, it can reduce the life of the vehicle, resulting in malfunctions, reducing operational capabilities, and increasing costs due to early replacement.

During the audit, the SAPD Fleet obtained approval to issue key fobs and assign them to each motorcycle enabling officers to periodically update mileage to FASTER. This will allow fleet service agents to monitor motorcycle mileage and communicate maintenance needs in a timely manner.

Recommendation

The Chief of Police continue implementing key FOBs and monitor to ensure maintenance of motorcycles is complete and timely.

D. Maintenance and Repair Approvals

BESD and SAPD do not document approval for all maintenance and repairs to be completed when estimates exceed \$3,000. We tested a sample of 25 maintenance and collision repair activities of which only 1 of the 25 documented approval to proceed with repairs.

BESD did provide the Office of the City Auditor with vehicle towing approvals for 22 repairs. However, these approvals did not make it clear that the cost of repairs would exceed \$3,000. As such, we could not verify that SAPD understood that these vehicle repairs were estimated to exceed \$3,000.

Per the Service Level Agreement, BESD should place requests for repairs of \$3,000 in writing to SAPD for approval. Per the Director of BESD, this provision applied to seizure vehicles. However, management is not ensuring that procedures are executed as intended.

Without written approval for major repairs, unauthorized repairs could be performed which may result in unnecessary expense.

Recommendation

The Chief of Police & the Director of BESD should ensure that procedures are established for documenting approval of maintenance and repair estimates above established thresholds and periodically verify procedures are working as intended.

Appendix A – Staff Acknowledgement

Buddy Vargas, CIA, CFE, Audit Manager
Nastasha Leach, CIA, CGAP, Auditor in Charge
Sophia Konstantinidis, Auditor
Elizabeth Reyes, Auditor
Alexis Ordaz, Auditor Intern

Appendix B – Management Response



CITY OF SAN ANTONIO

SAN ANTONIO TEXAS 78263-3966

February 27, 2020

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

RE: Management's Corrective Action Plan for SAPD Fleet Operations

SAPD & BESD reviewed the audit report and developed the Corrective Action Plans below corresponding to report recommendations.

Recommendation					
#	Description	Audit Report Page	Accept, Decline	Responsible Person's Name/Title	Completion Date
1	<p>Motorcycle Maintenance</p> <p>The Chief of Police should continue implementing key FOBs and monitor to ensure maintenance of motorcycles is complete and timely.</p>	6	Accept	Richard Riley, Assistant Police Director	April 17, 2020
	<p>Action plan: SAPD Fleet received authorization to issue fuel key fobs to all Traffic Officers assigned to the Motorcycle Unit. The fob will update mileage into FASTER, creating a database that will track mileage and usage. Reports generated from the database will provide staff the necessary tools to monitor mileage for preventative maintenance. By establishing this new process, SAPD Fleet can mirror the Police Patrol Vehicle preventative maintenance process, guarantee work orders have the necessary safeguards throughout the approval process, and ensure preventive maintenance is completed.</p>				
2	<p>Maintenance Repair & Approvals</p> <p>The Chief of Police and the Director of BESD should ensure that procedures are established for documenting approval of maintenance and repair estimates above established thresholds and periodically verify procedures are working as intended.</p>	6	Accept	Ruben Flores, BESD Fleet Services Administrator	February 10, 2020

Recommendation					
#	Description	Audit Report Page	Accept, Decline	Responsible Person's Name/Title	Completion Date
	Action plan: The SLA was revised to ensure it is aligned with service delivery operational processes. Accordingly, all repair estimates over \$3,000 for seizure units will be forwarded to SAPD for approval prior to proceeding with repairs. In addition, all major repairs (mechanical and body work) on all SAPD units, marked and unmarked, scheduled for replacement within six months will require approval from SAPD. Procedures will be verified during bi-weekly meetings and quarterly Executive meetings.				

We are committed to addressing the recommendations in the audit report and the plan of actions presented above.

Sincerely,


 William McManus
 Chief of Police
 San Antonio Police Department

2/5
 Date


 Jorge A. Pérez
 Director
 Building & Equipment Service Department

3/16/20
 Date


 María Villagómez
 Deputy City Manager
 City Manager's Office

3/10/2020
 Date


 Roderick Sanchez
 Assistant City Manager
 City Manager's Office

3-16-20
 Date