




COUNTY OF LEHIGH  
OFFICE OF THE CONTROLLER

LEHIGH COUNTY GOVERNMENT CENTER  
17 SOUTH SEVENTH STREET  
ALLENTOWN, PA 18101-2400  
(610) 782-3082 FAX: (610) 820-3335

THOMAS SLONAKER  
COUNTY CONTROLLER

JOHN A. FALK  
DEPUTY CONTROLLER

**TO:** Final Distribution  
**FROM:** Thomas Slonaker, County Controller  
**DATE:** March 3, 2010  
**RE:** Internal Audit of County of Lehigh Ordinance 1995-143  
*"Revising the Vehicle Policy for the County of Lehigh"*



---

We have recently completed an internal audit of the County of Lehigh Ordinance 1995-143, *"Revising the Vehicle Policy for the County of Lehigh"* for the calendar years 2007 and 2008. Our report number 10-4 is attached.

The results of our audit are:

- General Services is in general compliance with County of Lehigh Ordinance 1995-143.
- Several employees business use of personal vehicles exceeded 800 miles per month while 25% of the county general use vehicles were driven less than 800 miles per month.
- Control over City of Allentown gas keys is inadequate.
- As of the final audit report date, five vehicles were made available for vehicle pooling.
- County administration has decided to defer vehicle policy revisions that addressed: vehicle replacement decision making; accident reporting; a "go-green" initiative; cell phone use restrictions; and other issues.

Attachment

AUDITS/VEHICLE COMPLIANCE

COUNTY OF LEHIGH, PENNSYLVANIA

GENERAL SERVICES

**Internal Audit of County of Lehigh Ordinance 1995-143**  
***“Revising the Vehicle Policy for the County of Lehigh”***

**For the Years 2007 and 2008**

REPORT NO. 10-4

COUNTY OF LEHIGH, PENNSYLVANIA  
COUNTY VEHICLE POLICY

Table of Contents

	Page(s)
OPINION OF THOMAS SLONAKER, LEHIGH COUNTY CONTROLLER .....	1
Summary of Vehicle Inventory by Department .....	2
Schedule of Audit Findings and Recommendations .....	3 – 6
Director of General Services' Response .....	7-8



# COUNTY OF LEHIGH OFFICE OF THE CONTROLLER

LEHIGH COUNTY GOVERNMENT CENTER  
17 SOUTH SEVENTH STREET  
ALLENTOWN, PA 18101-2400  
(610) 782-3082 FAX: (610) 820-3335

THOMAS SLONAKER  
COUNTY CONTROLLER

JOHN A. FALK  
DEPUTY CONTROLLER

Ms. Jan Creedon, Director  
Office of General Services  
Lehigh County Government Center  
17 South Seventh Street  
Allentown, PA 18101

We have recently completed an internal audit of County of Lehigh Ordinance 1995-143, "*Revising the Vehicle Policy for the County of Lehigh*" as administered by the department of general services. The scope of our detail audit testing was January 1, 2007 through December 31, 2008. Our objective was to evaluate compliance with the provisions of Lehigh County Ordinance 1995-143, Lehigh County Vehicle Policy.

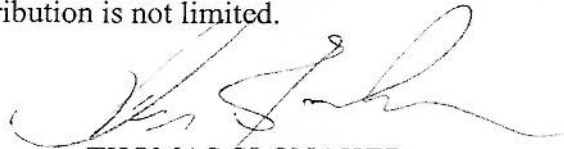
We conducted our audit in accordance with the "*International Standards for the Professional Practice of Internal Auditing*", promulgated by the Institute of Internal Auditors. Our audit included examination of the accounting records, documentation, discussions with affected personnel, and such other auditing procedures we considered necessary in the circumstances.

We concluded that:

- General services' management is in general compliance with Lehigh County Ordinance 1995-143;
- The county vehicle policy should be revised and updated;
- Continued effort will be required for the "pooling" of county vehicles concept to be implemented;

A complete description of the issues is detailed in the accompanying "*Schedule of Audit Findings and Recommendations*".

We wish to thank the general services' staff for their cooperation during the audit. This report is intended for the information and use of the department of general services and other affected county offices. However, this report is a matter of public record and its distribution is not limited.



THOMAS SLONAKER  
County Controller

February 24, 2010  
Allentown, Pennsylvania

Final Distribution:

Board of Commissioners  
Donald Cunningham, Jr., County Executive  
M. Judith Johnston, Human Resources  
Brian Kahler, Fiscal Officer  
Patricia A. Kline, General Services  
Thomas S. Muller, Director of Administration

COUNTY OF LEHIGH, PENNSYLVANIA  
VEHICLE USE POLICY

*Summary of Vehicle Inventory by Department*

<u>Department</u>	<u>As of 12/31/06</u>	<u>Additions<sup>(1)</sup></u>	<u>Deletions<sup>(1)</sup></u>	<u>As of 12/31/08</u>
Aging	5	1	1	5
Cedarbrook	11	1	2	10
Children & Youth	2	0	0	2
Compost	8	1	2	7
Coroner	2	1	0	3
District Attorney	38	21	16	43
Emergency Management/Hazmat	19	1	2	18
General Services	0	22	21 <sup>(2)</sup>	1
Maintenance	3	0	0	3
Parks	22	2	1	23
Prison	8	0	1	7
Probation-Adult	3	1	1	3
Probation-Juvenile	9	3	2	10
Sheriff	16	2	2	16
Utility Services	18	2	0	20
Work Program	<u>5</u>	<u>0</u>	<u>0</u>	<u>5</u>
<b>TOTALS</b>	<b><u>169</u></b>	<b><u>58</u></b>	<b><u>51</u></b>	<b><u>176</u></b>

(1) Includes newly purchased vehicles, transfers between departments, drug forfeiture vehicles, and grant funded vehicles.

(2) Twenty-one sold via on-line auction.

COUNTY OF LEHIGH, PENNSYLVANIA  
VEHICLE USE POLICY

*Schedule of Audit Findings and Recommendations*

1. County Vehicle Utilization/Reassignment / Replacement Policy / Vehicle Pooling

**CONDITIONS:**

Utilization/Reassignment - For calendar year 2008, 25% (8 of 31) of the vehicles currently classified as "General Use" were driven less than 800 miles per month. Current policy states an average of 800 miles per month justifies general use vehicles be assigned to a Department-Office-Bureau (DOB).

We also noted some county departments' employees incur over 800 miles per month using their personal vehicle (please refer to finding #2). Reassignment of county vehicles occurs infrequently.

- There is no connection between the reporting of county vehicle mileage and employee mileage reimbursement for use of a personal vehicle. Accordingly, there is no process to determine if:
  - Internal reassignment of current vehicles or new vehicles should be considered; or
  - Use of employee vehicles should be required.

Replacement Policy - Vehicle replacements are considered and budgeted by DOB. When vehicle replacement is considered by general services' management, normally the office staff evaluates the vehicle age, mileage, and repair cost. Similar vehicles in all other DOBs are not normally part of the replacement evaluation.

- Vehicle replacement is not evaluated by type of vehicle (regardless of assigned DOB). Vehicle replacement requests are managed from a DOB perspective rather than a functional perspective (grouping all like vehicles and analyzing the allocation of vehicles). An analysis of like vehicles (all minivans, sedans, similar pickup trucks, etc.) revealed other options may be possible by taking a county-wide approach for vehicle replacement.

Vehicle Pooling - Planning and discussion for pooling county vehicles has continued for several years; however, a pooling system has not been implemented as you indicated in the prior audit response (controller's office audit report #07-66 dated December 20, 2007).

**RECOMMENDATION:** Revise the vehicle policy to include an analysis by vehicle type (minivans, sedans, pickup trucks, etc.) for each replacement vehicle. General services' management should maintain the analysis for each request for replacement vehicle budget request. For each replacement vehicle requested, the written analysis should list all similar type county-owned vehicles in the category. Reasons for not transferring low usage vehicles to avoid or defer a vehicle replacement purchase should be documented. The documentation should also discuss the alternate option of using a personal vehicle (if applicable). General services' management should consider grouping the existing fleet into similar types of vehicles to facilitate the vehicle replacement decision making process. The vehicle policy should delineate the common vehicle type groupings to be used to perform the reassignment/replacement analysis.

Initiate a study of each DOB assigned vehicles to determine time of day usage patterns and potential for use of personal vehicle/transfer of vehicles to pool versus department assignment. As we discussed, consider moving low mileage vehicles to pools and utilize the intranet-based system recently developed to schedule these vehicles. We remain available to meet to discuss vehicle pooling again after management's study of usage patterns is completed.

COUNTY OF LEHIGH, PENNSYLVANIA  
VEHICLE USE POLICY

*Schedule of Audit Findings and Recommendations*

2. Employees Charge Over 800 Miles/Month – County Vehicles Use Under 800 Miles/Month

**CONDITION:** We performed an analysis of county-wide business miles charged by employees. County-wide, actual, employee mileage paid by the county was \$436,880 for 2008. Our analysis revealed that the six largest offices charging business miles in 2008 were:

<u>Department –Office-Bureau (DOB)</u>	<u>2008 Miles Driven</u>	<u>No. of Employees in 2008 Charging Personal Mileage</u>
Children & Youth (OCYS)	280,128	160
Mental Retardation (MR)	127,954	54
Aging (AG)	82,640	66
Mental Health (MH)	79,172	42
Adult Probation (AP)	46,404	36
Juvenile Probation (JP)	37,411	31

These six offices represent about 82% of the employee business mileage charged to the county. While some county vehicles appear to be underutilized (refer to finding # 1), we noted several county employees, within the above offices, are averaging over 800 miles per month for county business:

<u>DOB</u>	<u>Individual 2008 Mileage Expense</u>	<u>Mileage</u>	<u>Average Per Month</u>
MR	\$6,629.26	12,164	1,014
OCYS	\$6,480.09	11,890	991
OCYS	\$6,430.08	11,798	983
MR	\$5,897.46	10,821	902

The current annual 800 mile threshold for county vehicle (general use) assignment translates into an equivalent \$4,800 cash outlay for personal vehicle mileage reimbursement (800 miles/month times 12 months @ 50 cents/mile = \$4,800 per year). No written documentation is maintained for vehicle transfer decision making.

Also, we noted a 23% decrease from 2006 to 2008 in vehicles classified as “General Use”. Reducing the number of general use vehicles reduces the population of vehicles available for alternate assignment and makes fewer vehicles subject to the 800 miles per month threshold.

**RECOMMENDATIONS:** The annual review of general use vehicles should include an analysis of business miles being charged by employees. Management reports should be used each year to identify possible candidates for vehicle assignment. Written justification for internal transfer or not transferring county vehicles should be maintained by general services’ management. The department of general services’ management should consider assignment of vehicles to high mileage departments. General services’ management should review each vehicle not currently classified for general use to determine if additional vehicles can be made available for alternate assignment (inter-office transfer or pool assignment).

COUNTY OF LEHIGH, PENNSYLVANIA  
VEHICLE USE POLICY

*Schedule of Audit Findings and Recommendations*

3. Control Over City of Allentown Gas Keys

**CONDITION:** There were 47 vehicles with keys listed on the city's list (All Star, the City's gas system vendor). There were 36 vehicles with keys listed on the county's list of Active Vehicles. Looking at both lists together, there were 51 different county vehicles that showed as having a gas key. Some of these vehicles listed had fuel transactions while others did not show gas use. Some vehicles mileage readings did not follow consecutive odometer patterns which calls into question which vehicle actually received the gas.

**RECOMMENDATION:** The City of Allentown and the County of Lehigh should implement a system to review the listings of county vehicles with city gas keys. The vehicle list needs to be reviewed periodically so that the correct current vehicles are listed and accounted for properly. Adequate internal controls should be implemented to accurately handle the gas key creation, vehicle inventory, and fuel transactions for current county vehicles listed by the city and county.

If a comprehensive list of all county vehicles with City of Allentown gas keys cannot be compiled, all current gas keys should be deactivated and new ones issued.



COUNTY OF LEHIGH, PENNSYLVANIA  
VEHICLE USE POLICY

*Schedule of Audit Findings and Recommendations*

4. Vehicle Policy Revisions

**CONDITION:** There were numerous policy issues raised in the audit of the “Sheriff’s Use of a County Vehicle” that were not addressed (refer to controller’s office report #09-05 dated January 16, 2009). General services’ management response to the audit report indicated policy changes would be considered after the pooling concept was developed and implemented (as previously mentioned, the pooling of vehicles remains in-progress).

The current policy was approved by Ordinance 1995 – No.145, about 15 years ago.

**RECOMMENDATION:** In addition to the issues mentioned in the prior audit findings, the county vehicle ordinance should be amended and updated. Consideration should be given to the following:

- Reconsider the value of the current assigned vehicle thresholds (800 miles per month for general use departmental vehicle assignment, five emergency calls per month for 24-hour vehicle assignment). Consider initiating a periodic, formal, zero-based budgeting approach to vehicle assignments. Using mileage to measure vehicle usage is not the only metric useful for making vehicle assignment decisions. We suggest general services’ management initiate a study of vehicle hours of use as part of the periodic, formal, zero-based budget approach. Monitoring hours of use (dates/times) for random test periods every three to five years may prove to be a valuable tool to evaluate vehicle usage. An adaptation of the planned, internet-based vehicle pool assignment system could facilitate the compilation of the necessary management information.
- Include current accident reporting practices in the vehicle policy and the personnel manual. Intranet accident reports should be pre-numbered to facilitate internal reporting and provide a verifiable log of accident (liability) activity maintained by the office of human resources’ management.
- Consider establishing a “go-green” initiative (biodiesel, emission standards, mpg standards for new/replacement vehicles, etc.) in the county vehicle policy.
- Include in the county vehicle policy and county personnel manual a management process to monitor qualified Pennsylvania driver status. Require employees who drive on county business (personal or county vehicle) to report driver’s license suspensions to the county administration (general services’ or human resources).
- Include in the county vehicle policy rules for the use of cell phones/texting/etc. We recommend the county vehicle policy prohibit the use of cell phones (including texting) while driving, and also prohibit the use of other audio/video (IPods, etc.) entertainment equipment (external to the vehicle/car radio allowed) while driving on county business (county or personal vehicle). A safe cell phone policy should be included in the county vehicle policy. Violations of the safe cell phone policy should be included in the county personnel manual.



COUNTY OF LEHIGH  
Department of General Services

Jan K. Creedon  
Director of General Services

TO: Thomas Slonaker  
County Controller

FROM: Jan Creedon *JK*  
Director, Department of General Services

DATE: February 24, 2010

RE: Response to Internal Audit of Vehicle Use Compliance

Attached is my response to the above referenced audit performed by your office. Please call if you have any questions.

1. County Vehicle Utilization/Reassignment/Replacement Policy/Vehicle Pooling

We have asked departments to look at their assigned vehicles and place some of them into either the general pool or the law enforcement pool for use by all county agencies. This cooperation has enabled us to launch the County's computerized Pool Vehicle Reservation System. The information that we will collect as a result of the reservation form will provide useful data on vehicle usage and may aid in future reassignment of vehicles that are not special use and do not meet the 800 mile per month mileage threshold. In addition, information gathered on this system may help in reassigning vehicles to departments or individuals who incur a lot of personal mileage reimbursement.

Vehicle years of service, repair costs and mileage are the primary considerations and are the criteria for the vehicle replacement report that is generated to determine which vehicles are nearing the end of their useful life. Vehicle replacement does not center on DOB. We are able to produce a report by vehicle type rather than County vehicle number. This enables us to reassign a particular type of vehicle rather than replace it if similar vehicles are available at that time in our fleet.

2. Employees Charge Over 800 Miles/Month – County Vehicles Use Under 800 Miles/Month

While I agree that it is prudent to compare County-owned vehicle use to personal mileage reimbursement expense, the issue becomes one of having enough vehicles available at certain times of the day to satisfy the different program needs throughout the county departments. We will annually compare the amount of personal mileage expense to County vehicle use in those departments charging high amounts of mileage expense.

3. Control over Allentown Gas Keys

Control has been difficult because gas keys are to remain with the vehicle and users have removed them from the cars to be used in other vehicles without notification to General Services. We have implemented gas key fields on reports and gas card forms to aid in control and we will continue to work with the City to improve the control of the keys.

#### 4. Vehicle Policy Revisions

Any decisions to revise the vehicle policy should wait until we have sufficient data from the recently implemented pool vehicle reservation system to make any decisions that would permanently change the existing vehicle policy.

Human Resources maintains a file on all accidents. A number is assigned to each one in their incident log.

Going "green" is a great idea, but is not currently possible due to the high cost of alternate energy vehicles and the high cost and low availability of alternate fuel supplies.

A policy has been established for Driver's Licenses (see Section 34-3 VI; Driver's License/ Insurance of the personnel policy) and does not necessitate any further action in the vehicle policy.

The County defers to all State regulations as it relates to allowable activities, such as cell phone use, while operating a motor vehicle.

cc: Tom Muller, Director, Department of Administration  
Judith Johnston, Human Resource Officer  
Brian Kahler, Chief Fiscal Officer  
Pat Kline, Operations Manager