



Date: October 26, 2011

To: Thomas Bonfield, City Manager
From: Germaine Brewington, Director of Audit Services
Subject: Transmittal of Fleet Utilization Performance Audit (October 2011)

Executive Summary

The Audit Services Department completed the report on the Fleet Utilization Performance Audit dated October 2011. The purpose of the audit was to determine the adequacy of controls over the City's fleet management function including utilization, disposal of surplus vehicles and equipment, acquisition, maintenance, and fuel purchases and consumption.

Background

The Fleet Management Department's (FMD) Fleet Maintenance Division aims to provide cost effective, quality, timely vehicle repair and management services to all City departments. Services are provided through seven organizational teams: Heavy Equipment, Light Equipment, Service, Night, Fire, Parts and Administrative. The objectives of the Fleet Maintenance Division are twofold: 1) to provide cost effective and efficient maintenance services to ensure vehicles and equipment are serviced, safe and reliable including maintaining high preventative maintenance compliance; and 2) to ensure the City's fleet has high availability and that repairs are made properly. The Fleet Maintenance Division also provides refueling for all City vehicles and equipment at two operational sites.

As of September 28, 2011, there are 1,602 vehicles and equipment items in the City of Durham fleet. The acquisition cost for the 1,602 vehicles and equipment items is approximately \$68,025,761.

Issues and Analysis

The attached report details the objectives, observations, and results of the Fleet Utilization Performance Audit dated October 2011.

Recommendation

The Department of Audit Services recommends the City Council receive and accept the Fleet Utilization Performance Audit (October 2011) as presented and approved at the October 24, 2011 Audit Services Oversight Committee meeting.

Attachments