

DEPARTMENT OF GENERAL SERVICES

Investigations of Improper Activities by State Employees, January 2004 Through June 2004

INVESTIGATION I2003-0703 (REPORT I2004-2),
APRIL 2004

Department of General Services' response as of July 2004

Investigative Highlights . . .

An employee at the Office of Fleet Administration in the Department of General Services (General Services) engaged in the following improper governmental activities:

- Stole 68 gallons of gasoline worth \$136 from a General Services' garage.*
 - Failed to adequately explain inconsistencies or discrepancies involving an additional 1,910 gallons of gasoline worth \$3,752 he dispensed.*
 - Benefited from several deficiencies in General Services' controls over its gasoline that allowed the employee to steal gasoline.*
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We investigated and substantiated an allegation that an employee at the Office of Fleet Administration (fleet administration) in the Department of General Services (General Services) stole gasoline from a General Services' garage.

Finding #1: The employee improperly fueled his personal vehicle with gasoline he stole from a state garage.

The employee admitted that on at least five occasions he improperly fueled his car with gasoline from a General Services' garage. We estimate that for these five transactions, the employee stole 68 gallons of gasoline worth \$136. In addition, we identified 141 other questionable fuel transactions, occurring before 5:45 a.m. when the garage opened, by the employee between August 2001 and March 2004 involving a total of 1,910 gallons of gasoline worth \$3,752. Although the employee claimed that most of these transactions were legitimate, many involved inconsistencies or discrepancies that he could not sufficiently explain. For instance, five of these early-morning transactions indicated that the employee fueled vehicles that another employee later fueled on the same day. In one of these five transactions, the employee dispensed more fuel than the vehicle's tank was capable of holding. In another instance, the employee fueled a vehicle at 4:46 a.m. even though the vehicle log showed that the vehicle in question was not returned to the General Services garage until 7:42 a.m., almost three hours later. In each instance, the employee failed to provide an explanation for the discrepancy.

Finding #2: General Services' internal controls do not adequately prevent gasoline theft.

We noted several deficiencies in General Services' controls over its gasoline that allowed the employee to steal gasoline. Before a fleet administration employee can dispense fuel, he or she must enter their employee number and the vehicle's odometer reading and license plate number into an automated fuel tracking system via a keypad. However, this system allows employees to enter incorrect data. For example, employees may enter a valid state license plate number and then fuel a vehicle with a different license plate. In addition, although its fuel tracking system has the capability to require employees to enter a secret personal identification number, or PIN, General Services has not established PINs for most of the employees who fuel vehicles. Instead, most employees need enter only their two-digit employee access code in order to gain authorization to pump fuel. These codes were posted next to the terminal where employees enter transaction information, so anyone could have used them to operate General Services' gasoline pumps. Furthermore, the garage manager estimated that General Services had issued 30 keys to various state employees. Because General Services has issued so many keys, and because its fuel tracking system allows employees to input incorrect information, it cannot assure itself that no one will access the garage to steal gasoline.

Department Action: Pending.

General Services issued the employee a counseling memo and recovered \$139 from him for the value of the gasoline the employee admittedly stole. General Services also reported that it has strengthened its controls over gasoline dispensing activity by restricting fuel pump access hours to between 8 a.m. and 5 p.m., scheduling training for garage managers on the automated fuel management system, and pursuing the installation of a card key entry system to track employee access to the garage.