GOVERNMENT OF THE DISTRICT OF COLUMBIA
Office of the Chief Financial Officer

Office of Integrity and Oversight

TO:	Ridgely Bennett, Interim Executive Director Office of Lottery and Gaming
FROM:	Timothy Barry, Executive Director *Timothy Barry* Office of Integrity and Oversight
DATE:	May 13, 2021
SUBJECT:	Final Report: Audit of the Office of Lottery and Gaming Fleet Management Program (OIO No. 21-01-01 OLG)

The Office of the Chief Financial Officer (OCFO)'s Office of Integrity and Oversight (OIO) conducted an audit of the Office of Lottery and Gaming Fleet Management Program.   The overall objectives of the audit were to determine whether: (1) effective internal controls are in place to ensure compliance with the current Standard Operating Policies and Procedures and the related DC laws and regulations for maintaining and operating a government vehicle; and (2) the OLG maintained accurate records of fleet utilization.

OIO provided nine (9) recommendations to address the two (2) findings cited in the report. Your agency provided a written response to the draft report on May 7, 2021 and concurred with all nine (9) recommendations. The planned corrective actions planned and taken meet the intent of the recommendations.

We appreciate the assistance and cooperation that you and your staff provided OIO during this audit. Should you have any questions related to the report, please contact me at (202) 442-6433; or Tisha Edwards, Director of Internal Audit, at (202) 442-6446.

Attachment

cc: Dr. Fitzroy Lee, Interim Chief Financial Officer, Government of the District of Columbia
        Angell Jacobs, Deputy Chief Financial Officer and Chief of Staff, OCFO
        Marshelle Richardson, Chief Risk Officer, OCFO
        Gwen Washington, Director of Resource Management, OLG
        Craig Lindsey, Agency Fiscal Officer, OLG

OIO

Office of Integrity & Oversight

Government of the District of Columbia, Office of the Chief Financial Officer

May 13, 2021

AUDIT OF THE OFFICE OF LOTTERY AND GAMING's FLEET MANAGEMENT PROGRAM

OIO

Highlights

Highlights of Report 21-01-01 OLG, a report to the I n t e r i m Executive Director of the Office of Lottery and Gaming.

Why OIO Did This Audit

The Office of Integrity and Oversight (OIO) performed this audit of the Office of Lottery and Gaming's (OLG) Fleet Management Program to determine whether: (1) effective internal controls are in place to ensure compliance with the current Standard Operating Policies and Procedures and the related DC laws and regulations for maintaining and operating a government vehicle, and (2) the OLG maintained accurate records of fleet utilization. This audit was included in the OIO FY 2021 Audit Plan at the request of the agency.

What OIO Recommends

We provided the Interim Executive Director, OLG with nine (9) recommendations for corrective action. Our recommendations include but are not limited to:

- Updating procedures to provide comprehensive guidelines on the maintenance monitoring of the fleet management program.

- Enforcing submission and collection of adequate records and supporting documentation of fleet utilization.

AUDIT OF THE OFFICE OF THE LOTTERY AND GAMING's FLEET MANAGEMENT PROGRAM

What Did OIO Find

The Office of Lottery and Gaming (OLG) acquired a fleet of vehicles from the Department of Public Works (DPW) to provide OLG personnel with the transportation resources necessary to fulfill the agency's needs. These dedicated vehicles were acquired and are permitted for official business use only. The DPW Fleet Administration facilitates the purchasing and licensing of the OLG vehicles.

The OLG developed Standard Operating Policies and Procedures for the governance of its' Fleet Management Program including the administration functions and operation of its vehicles. The OLG Support Services Department is responsible for the oversight of the Office's Fleet Management Program.

Oversight of the OLG Fleet Management Program requires improvement. The OLG did not maintain adequate oversight of the Fleet Management Program. As a result, OIO noted vehicle keys were not secured; driver's activities were not monitored; non-compliance with safety and traffic laws were not identified or addressed timely; and Geotab exceptions were not identified timely. The noted issues are attributed to policies and procedures that do not provide comprehensive guidance and control activities to ensure adequate safeguarding and monitoring of the Fleet Management Program.

Recordkeeping of OLG's Fleet Management Program requires improvement. The OLG could not support or substantiate vehicle utilization, vehicle maintenance or allocated costs for the audit period. This was due to the absence of documentation and reconciliation requirements for the program. As a result, OIO could not determine if: (1) trips for shared vehicles were authorized; (2) vehicle maintenance was performed as required; and (3) the accuracy of vehicles costs billed to OLG.

Contents

Abbreviations and Acronyms

DPW	Department of Public Works
FMS	Fuel Management System
FY	Fiscal Year
GAO	Government Accountability Office
MPH	Miles Per Hour
OCFO	Office of the Chief Financial Officer
OIO	Office of Integrity and Oversight
OLG	Office of Lottery and Gaming
PM	Preventive Maintenance

Background

The Office of Lottery and Gaming (OLG) acquired a fleet of vehicles from the Department of Public Works (DPW) to provide OLG personnel with the transportation resources necessary to fulfill the agency's needs. The OLG utilizes the vehicles for business purposes including transportation to meetings, conferences, and marketing events.

The DPW Fleet Administration facilitates the purchasing and licensing of the OLG vehicles and the OLG Support Services Department is responsible for the oversight of the OLG Fleet Management Program. To administer the program, the OLG developed Standard Operating Policies and Procedures for the governance of its' fleet including the administration functions and operation of the vehicles which incorporates the DPW's Fleet Policies and Procedures related to vehicle maintenance, fueling, inspection and licensing.

OLG Fleet Inventory

The OLG's fleet consists of twenty (20) vehicles (eighteen (18) vans and two (2) sales trucks). Vehicles are assigned to select Departments and individual authorized drivers within the OLG as follows:

Table 1: OLG Vehicle Assignments

Assigned Department	Assigned Vehicles
Sales Department	8
Security & Licensing	3
Support Services	8
Sports Betting	1
Total	20

Source: OIO/OLG

- The Sales Department utilizes its vehicles for daily operations including promotion and sales of instant games to agents. Each Sales Representative has their own assigned vehicle and conducts operations within their assigned territory, or customer zones, of the District.

- The Security and Licensing staff shares vehicles assigned to the department to fulfill routine functions.

- Support Services provides loaner vehicle(s) to OLG staff. OLG staff can use a loaner vehicle when one is not available within his/her department by completing a Daily Vehicle Use Log. Additionally, Support Services arranges transportation services under the Executive Transportation program.

All vehicles must be returned to the designated parking spaces at the end of each business day. Support Services maintains a fleet inventory log of the vehicle assignments.

Authorized Drivers

To obtain driving privileges, OLG employees must register by: (1) completing the registration form, (2) providing a copy of their current, state-issued driver's license to Support Services; (3) obtaining support services authorization; and (4) completing a one-time Vehicle Operator Acknowledgement Form. The form outlines safety requirements and the responsibilities of drivers including the responsibility of payment for any infractions obtained while operating the vehicle.

Support Services maintains an authorized driver's database in Excel^{TM} which contains the driver's information and the expiration date for the drivers' license. The database is monitored monthly to keep track of license expiration dates.

Vehicle Utilization

The OLG maintains daily vehicle usage logs for vehicle utilization. The usage log records the vehicle tag, driver's name, trip destination, the time of departure and time of return. Authorized drivers are required to complete the usage log prior to receiving the vehicle keys and upon return of the vehicle. In addition, OLG policy requires vehicle operators to notate the vehicle usage log when fuel is added to a vehicle.

Fuel and Preventive Maintenance

Fuel is obtained at designated fueling stations throughout the District, through utilization of an automated Fuel Management System (FMS). An automated FMS enables fuel dispensing by

wirelessly identifying vehicles during the filling process. This system prevents dispensing fuel into unauthorized vehicles and transmits vehicle data including the amount of fuel obtained at the filling station. Data entry at the control terminal is eliminated.

Preventative Maintenance (PM) is performed based on a scheduled cycle (unique to each vehicle type) at the DPW Fleet Services location. According to the OLG Fleet Management Procedures, all OLG vehicles are assigned to a 4-month PM schedule cycle. Support Services receives an email for scheduling of services for all OLG vehicles.

The DPW allocates and bills OLG for the fuel and maintenance charges monthly.

Geotab System

A Global Positioning System for the District's fleet is provided by Assured Telematics, Inc. software, Geotab and is installed in all District government vehicles. Geotab can determine a vehicle's location, stop duration, idling times, speed acceleration, and other vehicle metrics such as emissions and engine operations. In general, the OLG uses Geotab as a monitoring tool to track trip details, distances, and idle times. The OLG has established logistical parameters in the Geotab system to indicate when vehicles are in Customer Zones, Office Zones or outside of the District.

Support Services receives weekly trip detail reports generated from the Geotab system for all OLG vehicles. Support Services disburses the trip detail reports to the Directors of the Sales, and Security and Licensing Departments.

Objectives, Scope, and Methodology

The objectives of the audit were to determine whether: (1) effective internal controls are in place to ensure compliance with the current Standard Operating Policies and Procedures and the related DC laws and regulations for maintaining and operating a government vehicle; and (2) OLG maintained accurate records of fleet utilization. Our audit scope focused on fleet usage and monitoring activities for the period FY2019 and FY 2020 as of June 30, 2020.

This was our first audit of the OLG's Fleet Management Program; therefore, there are no prior audit recommendations for follow-up.

To accomplish our objectives, OIO reviewed policies and procedures; conducted interviews with relevant OLG Staff to gain an understanding of the fleet utilization processes and the Geotab system; requested fleet records and authorized drivers' files for the audit period.

Additionally, we:

- Reviewed authorized drivers records to ensure compliance with OLG SOPs.

- Conducted testing using the Department of Motor Vehicles (DMV) website to ensure no outstanding infractions exist for OLG fleet in the District.

- Conducted Preventative Maintenance (PM) testing to ensure maintenance was performed in accordance with OLG's requirements.

- Conducted a cost analysis using the provided billing statements and supporting documentation to ensure accuracy of maintenance and fuel costs incurred.

- Conducted judgmental sample testing of vehicle trips from the Geotab system for the audit period.

OIO did not physically inspect the OLG fleet as the District offices are closed and under limited physical access due to the COVID-19 State of Emergency as of March 16, 2020.

This performance audit was conducted 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.

Finding 1: Oversight of the OLG Fleet Management Program Needs Improvement

The OLG did not maintain adequate oversight over the Fleet Management Program. The GAO Standards for Internal Controls in the Federal Government[1] (Greenbook 2014 Version) Overview Section 2.24 states, "management should design an internal control system to provide reasonable assurance regarding prevention or prompt detection and correction of unauthorized acquisition, use, or disposition of an entity's assets." Additionally, DPW Fleet Management Procedures provides best practices for fleet management within the District. However, OLG's Fleet procedures do not provide comprehensive guidance that aligns with best practices. As a result, we noted:

- Vehicle keys were not adequately secured;

- Driver's activities were not consistently monitored;

- Instances of non-compliance with safety and traffic laws were not identified or addressed timely; and

- Vehicle Geotab exceptions were not identified timely.

Without proper safeguards and monitoring in place, the OLG is prone to safety risk, theft, and unauthorized usage.

Safeguarding and Accountability of Fleet

Access to Keys

Support Services stated they maintain vehicle keys in an unsecure bin in the Chief of Support Services office. Furthermore, when vehicles are returned after business hours (primarily due to OLG marketing events), the office is left unlocked and the keys are returned to the unsecure bin.

Management should establish a process to ensure valuable assets are properly controlled and protected which will limit the risk of loss or unauthorized use. Maintaining keys in an unsecured manner increases the risk of theft, security risk, and unauthorized vehicle use.

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[1] GAO 14-704G issued September 2014, http://www.gao.gov/assets/670/665712.pdf

Vehicle Inspections

The DPW has established best practices for vehicle management which includes a checklist for vehicle operators to complete prior to operating the government vehicle. However, OLG does not have a procedure in place for vehicle operators to inspect the vehicle before usage. Such a procedure would identify any noted vehicle damage or unauthorized device removals, prior to use and strengthen OLG's controls over the fleet.

Monitoring of Authorized Drivers

Authorized drivers did not comply with procedures and traffic laws for operating a government vehicle. Authorized drivers sign a Vehicle Operator Acknowledgement Form at the time of registration which certifies they will:

- Operate government vehicle in accordance with traffic laws and regulations;

- Ensure payment and/or adjudication of any violation within 30 days of receipt; and

- Obtain approval for any travel outside of the District.

OIO analyzed Geotab reports for instances of speeding, travel outside of Customer Zones[2] and travel outside of the District. We did not note any exceptions in the travel outside of Customer zones; however, we did note instances of speed in excess of the speed limit, and one (1) unapproved trip outside the District. An analysis of a Geotab report which provides vehicle speeds in excess of the posted speed limit, revealed drivers exceeded the Miles Per Hour (MPH) limit as follows:

Table 2: Speeding Instances

Excess Speed	Instances
10-19 MPH Over the Speed Limit	47
20 MPH Over the Speed Limit	35
Total	82

Source: Geotab

In at least four (4) instances, speeds exceeded 85 Miles Per Hour.

Additionally, OIO requested all traffic violations obtained during the audit period from the OLG; and conducted testing using the District's Department of Motor Vehicles website to ensure no outstanding infractions exist for OLG fleet in the District. During our review, we noted seven (7) photo traffic violations for the audit period:

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[2] Sales Department vehicles are assigned customer zones; therefore, we conducted an analysis of Geotab data for all sales representatives to verify stops made were within the representatives assigned quadrant (customer zone) or at a District Government facility (Office Zone).

- Five (5) for failure to stop at red light infractions; and
- Two (2) for speed in excess of speed limit violations.

The balance for six (6) of the seven (7) infractions were paid; however, one (1) outstanding infraction from 2018, totaling $150, remains outstanding. OLG officials stated the outstanding infraction was obtained by a former OLG employee.

The OLG Vehicle Operator Acknowledgement Form requires payment or adjudication of infractions within 30 days; however, it does not provide for enforcement or management action in the event the driver does not comply with the requirement.

Travel outside the District

We noted one (1) instance of a trip made outside of the District where approval was not obtained from DPW as required by OLG policy. This occurred because the driver was not aware of the approval requirement.

Overall, OLG policies and procedures do not require drivers to acknowledge their responsibilities annually, which is required by DPW, or provide for enforcement/corrective action for non-compliance

Overall, the effective administration of fleet management requires that there are processes in place to ensure that vehicle with traffic laws and regulations. Non-compliance with traffic/motor vehicle laws poses extreme safety risks to OLG employees and District drivers.

Geotab Monitoring

In analyzing trip data, we noted instances where the Geotab system provided incorrect logistical information. In discussion with Geotab representatives and Support Service staff, we learned that these instances were due to an unauthorized device removal. An unauthorized device removal occurs when the device becomes loose or is tampered/unplugged from the vehicle. Vehicle tracking and communication to the Geotab system is restored when the device is reconnected. Prior to reconnection, the Geotab system reports the vehicle stopped at the location where the unauthorized device removal occurred.

These instances of unauthorized device removal were not identified immediately because a check of Geotab vehicle checks/tracking is not performed daily. Under the current operations, an unauthorized device removal may not be detected until distribution of the weekly trip detail reports. While we did not identify any instances of impropriety, the OLG should establish controls to ensure instances of unauthorized device removal are detected and corrected as soon as possible.

Further, the OLG does not fully utilize the Geotab reports available. Geotab offers a variety of risk management reports for monitoring of vehicles and vehicle operators including but not limited to-speed analysis, idling times, engine faults and unauthorized device removal.

practices comply with policy requirements. Management oversight should ensure that practices and controls such as safeguarding fleet vehicles, monitoring of vehicle operation, and effectively using the tools available to manage the fleet, function appropriately and that early and remedial action is taken where significant deficiencies are encountered or improvements are needed.

Recommendations: We recommend the Interim OLG Executive Director:

1. Update procedures to provide comprehensive guidelines on the maintenance and monitoring of the fleet management program including well defined regulatory compliance oversight roles and enforcement.

2. Train all access users on the Geotab system functions and reporting.

3. Conduct periodic reviews of Authorized Driver's to ensure driver's maintain compliance with requirements, including a periodic briefing of safety requirements.

4. Establish a vehicle operator checklist.

5. Secure payment for the outstanding ticket and going forward, ensure all traffic enforcement violations are paid timely by vehicle operators.

6. Implement a process for vehicles returned after hours that ensures access control and proper safeguarding of fleet keys.

MANAGEMENT RESPONSE AND OIO COMMENTS

Management Response (Recommendation 1)

OLG concurred with the recommendation and stated that policies and procedures will be updated to provide comprehensive guidelines on the maintenance and monitoring of the OLG fleet management program; to include well defined regulatory compliance roles and enforcement.

OIO Comment:

The planned corrective actions are responsive and meet the intent of the recommendation.

Management Response (Recommendation 2)

OLG concurred with the recommendation and plans to develop procedures and a training program to ensure all access users of the Geotab system are trained on the system's functions and reporting.

OIO Comment:

The planned corrective actions are responsive and meet the intent of the recommendation.

Management Response (Recommendation 3)

OLG concurred with the recommendation and plans to implement a monthly and semi-annual records and compliance review process.

OIO Comment:

The planned corrective actions are responsive and meet the intent of the recommendation.

Management Response (Recommendation 4)

OLG concurred with the recommendation and plans to develop a checklist for vehicle operators to complete prior to vehicle usage.

OIO Comment:

The planned corrective actions are responsive and meet the intent of the recommendation.

Management Response (Recommendation 5)

OLG concurred with the recommendation and plans to develop procedures to ensure timely payments of infractions. In instances where an employee is separated, the OLG will work with Human Resources to secure payment.

OIO Comment:

The planned corrective actions are responsive and meets the intent of the recommendation.

Management Response (Recommendation 6)

OLG concurred with the recommendation and stated the agency will procure a lock box for employees to return keys during afterhours events.

OIO Comment:

The planned corrective actions are responsive and meet the intent of the recommendation.
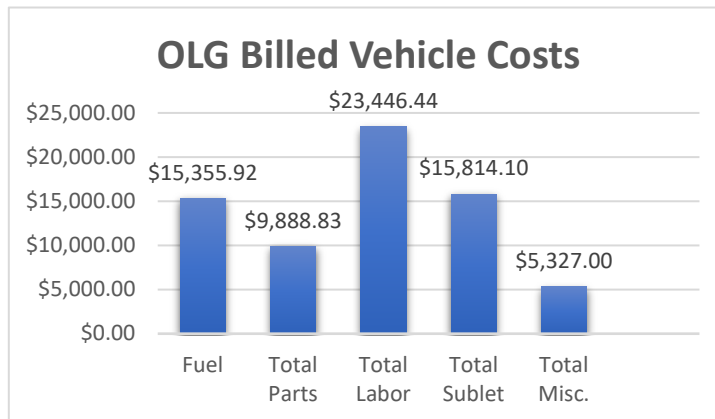
Finding 2:   **Recordkeeping within OLG's Fleet Management Program Requires Improvement**

The recordkeeping for the OLG Fleet Management Program requires improvement. Our review of cost records, maintenance records, vehicle usage logs, and authorized driver records revealed the OLG did not maintain complete records to support or substantiate allocated costs, vehicle utilization, vehicle maintenance, and drivers records for the audit period.

OLG's Fleet Procedures lack guidelines for vehicle recordkeeping requirements; however, the DPW has established best practices for the maintenance of vehicle record files for user departments. The policy requires User Department Vehicle Coordinators to establish and maintain a vehicle records file for each vehicle in use and contain life-cycle documentation for that vehicle, including all completed work orders and Vehicle Operator Checklists. These deficiencies in maintaining supporting documentation could hinder the timely identification of unauthorized vehicle usage or billing errors.

Vehicle Costs

To ensure the accuracy of vehicle costs allocated to the OLG, OIO requested the monthly billing statements for the audit period to conduct an analysis. The OLG's total billed costs for the audit period were $69,832.29 and are documented in the graph below:

OLG Billed Vehicle Costs

Category	Amount
Fuel	$15,355.92
Total Parts	$9,888.83
Total Labor	$23,446.44
Total Sublet	$15,814.10
Total Misc.	$5,327.00

Source: OIO/OLG

OIO requested the maintenance work orders and fuel logs for the audit period to conduct a reconciliation and to verify the accuracy of the vehicle costs incurred. We found the OLG's vehicle costs incurred were not always supported and verified.

Allocated Fuel and Maintenance Costs

The OLG was billed a total of $15,355.92 for fuel costs for the audit period; however, OLG does not maintain any supporting documentation for fuel as required by OLG Fleet Management Procedures. Per the procedures, the drivers are to indicate the total gallons received on the Vehicle Usage Log; however, the logs were incomplete. Due to the lack of supporting documentation, OIO was unable to verify the accuracy of the billed vehicle costs for the audit period.

The OLG was billed a total of $54,476.37 for maintenance and repair costs[3] for the audit period. While the OLG did provide some work orders for the audit period, OIO noted that OLG is missing substantial work order documentation for maintenance costs allocated during the audit period. Support Services does not collect or enforce the submission of work orders (for any maintenance performed on the vehicles) from Department's with assigned vehicles. As a result, OLG was unable to substantiate approximately ($30,000) for maintenance costs billed during the audit period.

Without the records, the OLG cannot perform a reconciliation and review to identify any inaccurate billing or excess costs.

Vehicle Utilization Records

The OLG Fleet Management Standard Operating Procedures (Section B. Process/Operation of OLG Fleet) requires the maintenance of daily vehicle usage logs to record the usage of fleet vehicles.

OIO requested vehicle usage records for the audit period to determine if accurate records were maintained for vehicle usage of shared vehicles (Support Services and Security and Licensing Departments). OIO received vehicle usage logs from Support Services however, we noted inconsistencies within the logs including incomplete sign in/out information. Additionally, the OLG Security and Licensing Department does not utilize or maintain daily vehicle usage logs as required.

As a result, OIO was unable to perform a complete analysis of Support Services and Security and Licensing's vehicle usage for the audit period. Where feasible, OIO performed a random spot check of the Support Services to confirm recorded addresses and authorized drives and noted no exceptions. While OLG's procedures are silent to the elements of the utilization logs, best practices would require completion of all applicable fields.

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[3] Maintenance and repair costs consists of Parts ($9,888.83), labor ($23,446.44), sublet ($15,814,10) and miscellaneous ($5,327), totaling $54,476.37.

Preventative Maintenance (PM) Records

The OLG Fleet Management Standard Operating Procedures (Section B. Preventive Maintenance, #2) requires all vehicles to obtain preventative maintenance based on the vehicle service schedule. OIO requested and reviewed the PM records for all OLG vehicles for the audit period to ensure compliance with their respective schedules and noted PM was not consistently performed as required.

The OLG stated the maintenance was performed as required; however, we could not verify the maintenance was performed in accordance with OLG Fleet Management Procedures due to the lack of supporting documentation.

The OLG procedures do not outline what should be maintained as it relates to vehicle records; however, DPW Fleet Procedures require a vehicle file be maintained with all applicable work orders.

Authorized Driver Records

Our review revealed Support Services did not maintain complete driver registration records. To verify that all authorized drivers were properly registered and approved, OIO reviewed the files for all 49 authorized drivers for the audit period. Our testing revealed the following:

Table 3: Authorized Drivers Attribute Testing results

Criteria	Compliance		Exceptions Noted	
	#	**%**	**#**	**%**
Authorized driver's file included a photocopy of a valid driver's license	48	98%	1	2%
The driver's license information was accurately recorded in OLG's database	47	96%	2	4%
An application to operate a government vehicle was completed and maintained	49	100%	0	0%
Approval was obtained from Support Services	44	90%	5	10%

Source: OIO/OLG

The OLG procedures state that the above criteria must be met for each driver and maintained in the file.

Recommendations: We recommend the Interim OLG Executive Director:

7. Develop recordkeeping standards and enforce submission and collection of adequate records and supporting documentation of fleet utilization.

8. Ensure adequate monitoring of Geotab and vehicle utilization logs is maintained by Support Services and Department Heads.

9. Implement a process to periodically review and analyze vehicle records and billing statements to ensure accuracy of the costs allocated to OLG.

MANAGEMENT RESPONSE AND OIO COMMENTS

Management Response (Recommendation 7)

OLG concurred with the recommendation and plans to enforce standards for the completion and review of vehicle usage logs and records.

OIO Comment:
The planned corrective actions are responsive and meet the intent of the recommendation.

Management Response (Recommendation 8)

OLG concurred with the recommendation and plans to implement a monthly and semi-annual records and compliance review process. In addition, the agency plans to enforce standards for the completion and review of vehicle usage logs and records.

OIO Comment:

The planned corrective actions are responsive and meet the intent of the recommendation.

Management Response (Recommendation 9)

OLG concurred with the recommendation and plans to establish standards for vehicle costs records. In addition, OLG plans to implement a monthly reconciliation process to ensure accuracy of allocated vehicle costs.

OIO Comment:

The planned corrective actions are responsive and meet the intent of the recommendation.

EXHIBIT A: Summary of Recommendations and Benefits

No.	Recommendation	Type of Benefit	Agency Reported Estimated Completion Date	Status[4]
1	Update procedures to provide comprehensive guidelines on the maintenance and monitoring of the fleet management program including well defined regulatory compliance oversight roles and enforcement.	Internal Control & Process Improvement	8/31/ 2021	Open
2	Train all access users on the Geotab system functions and reporting.	Internal Control & Process Improvement	8/31/ 2021	Open
3	Conduct periodic reviews of Authorized Driver's to ensure driver's maintain compliance with requirements; including a periodic briefing of safety requirements.	Internal Control & Process Improvement	7/30/2021	Open
4	Establish a vehicle operator checklist.	Internal Control & Process Improvement	7/30/2021	Open
5	Secure payment for the outstanding ticket and going forward, ensure all traffic enforcement violations are paid timely by vehicle operators.	Internal Control	7/30/2021	Open
6	Implement a process for vehicles returned after hours that ensures access control and proper safeguarding of fleet keys.	Internal Control	6/30/2021	Open

[4] This column provides the status of the recommendation as of the report date. For final reports "**Open**' means management and the OIO are in agreement on the action to be taken, but the action is not complete. "**Closed**" means that management advised that the action taken needed to correct the condition is complete. If a completion date was not provided the date of management's response was used. "**Unresolved**" means that management has neither agreed to take the recommended action nor proposed satisfactory alternative actions to correct the condition.

No.	Recommendation	Type of Benefit	Agency Reported Estimated Completion Date	Status[5]
7	Develop recordkeeping standards and enforce submission/collection of adequate records and supporting documentation of fleet utilization.	Internal Controls & Effectiveness	5/31/2021	Open
8	Ensure adequate monitoring of Geotab and vehicle utilization logs is maintained by Support Services and Department Heads.	Internal Control & Effectiveness	5/31/2021	Open
9	Implement a process to periodically review and analyze vehicle records and billing statements to ensure accuracy of the costs allocated to OLG.	Internal Controls & Process Improvement	5/31/2021	Open

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[5] This column provides the status of the recommendation as of the report date. For final reports "**Open**' means management and the OIO are in agreement on the action to be taken, but the action is not complete. "**Closed**" means that management advised that the action taken needed to correct the condition is complete. If a completion date was not provided the date of management's response was used. "**Unresolved**" means that management has neither agreed to take the recommended action nor proposed satisfactory alternative actions to correct the condition.

APPENDIX A: AGENCY RESPONSE

GOVERNMENT OF THE DISTRICT OF COLUMBIA
OFFICE OF THE CHIEF FINANCIAL OFFICER

Office of Lottery and Gaming

TO:	Timothy Barry, Executive Director Office of Integrity and Oversight
FROM:	Ridgely Bennett, Interim Executive Director Office of Lottery and Gaming
Copy:	Gwen Washington, Director of Resources Management Office of Lottery and Gaming
DATE:	May 7, 2021
SUBJECT:	**Managements Responses - Report on the Office of Lottery & Gaming's Fleet Management Program (OIO No. 21-01-01 OLG)**

Attachment A contains the Office of Lottery and Gaming's (OLG's) responses to the above referenced audit. I would like to thank OIO for its collaborative approach and constructive feedback throughout this Audit engagement. The recommendations offer meaningful opportunities to improve the OLG's oversight of its fleet management program.

Attachment A
Management's Responses
Report on the Office of Lottery & Gaming's Fleet Management Program (OIO No. 21-01-01 OLG)

FINDING 1				
Oversight of the OLG Fleet Management Program Needs Improvement				
Recommendation	**Response**	**Corrective Action that Will be Implemented**	**Projection Completion Date for the Implementation**	**Official Responsible**
1. Update procedures to provide comprehensive guidelines on the maintenance and monitoring of the fleet management program including well-defined regulatory compliance oversight roles and enforcement.	The OLG agrees with the recommendation.	The OLG will update procedures to provide comprehensive guidelines on the maintenance and monitoring of the Fleet Management Program including well-defined regulatory compliance oversight roles and enforcement.	August 31, 2021	Director of Resources Management
2. Train all access users on the Geotab system functions and reporting.	The OLG agrees with the recommendation.	The OLG will develop procedures and a training program that will ensure all access users of the Geotab system are trained in its functions and reporting.	Development of procedures and a training program will be completed by July 30, 2021. Training of current Geotab system users will be completed by August 31, 2021. All new users of Geotab will be required to receive training at the time they are given access to the system.	Director of Resources Management

Recommendation	Response	Corrective Action that Will be Implemented	Projection Completion Date for the Implementation	Official Responsible
3. Conduct periodic reviews of Authorized Drivers to ensure drivers maintain compliance with requirements, including a periodic briefing of safety requirements.	The OLG agrees with the recommendation.	The OLG will review Geotab records on a monthly basis and DMV's website on a semi-annual basis to capture instances of drivers who are not in compliance with procedures for operating a government vehicle and traffic laws. Instances of non-compliance will be brought to the attention of the employees' manager for appropriate corrective action. Instances of excessive noncompliance (more than five in a fiscal year) will be brought to the attention of the Executive Director for appropriate corrective action.	Monthly review of Geotab records for violations of procedures for operating a government vehicle and traffic laws will begin by May 31, 2021. Semi-annual reviews of DMV's website for traffic infractions will begin by June 30, 2021.	Director of Resources Management

Recommendation	Response	Corrective Action that Will be Implemented	Projection Completion Date for the Implementation	Official Responsible
4. Establish a vehicle operator checklist.	The OLG agrees with the recommendation.	The OLG will establish a checklist that must be completed by the operator prior to use.	A vehicle operator checklist will be developed and implementation of its use will begin by July 30, 2021.	Director of Resources Management
5. Secure payment for the outstanding ticket and going forward, ensure all traffic enforcement violations are paid timely by vehicle operators.	The OLG agrees with the recommendation.	The OLG will develop a procedure that requires the following: (1) That employees provide notification to the Chief of Support Services when they receive a traffic/parking citation while operating an OLG vehicle; (2) Requires that the Chief of Support Services notifies the responsible employee when the OLG receives notice of a traffic/parking citation associated with an OLG vehicle; and (3) Requires that the responsible employee pay or appeal the traffic/parking citation within the allotted timeframe. In instances where the responsible employee is no longer employed by the OCFO, the Director of Resources Management will work with the OCFO's Human Resources Department to attempt to secure payment of the traffic/parking citation.	New procedures will be developed and implemented by July 30, 2021.	Director of Resources Management
6. Implement a process for vehicles returned after hours that ensures access control and proper safeguarding of fleet keys.	The OLG agrees with the recommendation.	The OLG will procure a lock box for employees to place keys in when they return after hours. Only the Chief of Support Services and the Security Division will have a key to the lockbox.	The lock box will be procured and operational by June 30, 2021.	Director of Resources Management

FINDING 2				
Recordkeeping within OLG's Fleet Management Program Requires Improvement				
Recommendation	**Response**	**Corrective Action that Will be Implemented**	**Projection Completion Date for the Implementation**	**Official Responsible**
7. Develop recordkeeping standards and enforce submission and collection of adequate records and supporting documentation of fleet utilization.	The OLG agrees with the recommendation.	The OLG will require that all employees fully complete vehicle usage logs when using OLG vehicles. On a weekly basis, the Chief of Support Services (or the Chief's designee) will review all vehicle usage logs for completeness and accuracy. In the event an incomplete or inaccurate vehicle usage log is identified, the responsible employee will be required to correctly complete the log.	May 31, 2021	Director of Resources Management
8. Ensure adequate monitoring of Geotab and vehicle utilization logs is maintained by Support Services and Department Heads.	The OLG agrees with the recommendation.	Please see the response to Recommendation 3 for a description of how Geotab records will be reviewed and maintained. Please see the response to Recommendation 7 on how vehicle utilization logs will be reviewed and maintained.	May 31, 2021	Director of Resources Management

Recommendation	Response	Corrective Action that Will be Implemented	Projection Completion Date for the Implementation	Official Responsible
9. Implement a process to periodically review and analyze vehicle records and billing statements to ensure accuracy of the costs allocated to OLG.	The OLG agrees with the recommendation.	The OLG will request work orders from DPW Fleet Administration at the time vehicles are picked up after servicing. In instances when DPW Fleet Administration is unable to provide work orders when the vehicles are picked up, the OLG will submit a written request for the work order. On a monthly basis, OLG will reconcile monthly billings for repair services with work orders obtained by the OLG. DPW Fleet Administration has given the OLG access to their database that provides fuel amounts pumped and the associated costs. The OLG will utilize this database to serve as the official record of fuel costs for OLG vehicles. On a monthly basis, OLG will reconcile monthly billings for fuel with the information contained in DPW's fuel management database. The OLG will utilize reports generated from the database or screen shots to document information obtained from the database.	May 31, 2021	Director of Resources Management