



Date: August 5, 2021

To: Gina Hawkins, Chief of Police

From: Elizabeth Somerindyke, Internal Audit Director

Cc: Audit Committee  
Douglas J. Hewett, City Manager

Re: Follow-up 2 WEX Fuel Card Compliance Audit (A2019-05F2)  
Originally Issued May 2, 2019  
Follow-Up Issued January 28, 2021  
Follow-Up 2 Issued August 5, 2021

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Based on direction from the Audit Committee, the Office of Internal Audit completed the second follow-up on the WEX Fuel Card Compliance Audit Report approved by the Audit Committee on January 28, 2021 (originally approved on May 2, 2019).

***Objective and Scope***

Determine whether management implemented corrective actions to the audit recommendations reported by the Office of Internal Audit.

The scope of the audit follow-up was limited to 12 of the 13 recommendations still in progress for implementation. One recommendation was no longer applicable and therefore not included in the follow-up review. This approach included interviews with personnel and review of electronic files and documents, to include WEX fuel card reporting dated January 1, 2021 through May 31, 2021.

***Background***

The original audit report, dated May 2019, had 17 recommendations. At the conclusion of the initial follow-up audit, dated November 24, 2020, Internal Audit determined the status of the recommendations to be the following:

Implemented	Partially Implemented	Not Implemented	Unable to Determine Status
4	4	8	1

The original reports can be found through the Office of Internal Audit website at:  
<https://www.fayettevillenc.gov/city-services/city-manager-s-office/internal-audit/internal-audit-reports>

***Summary Results***

Overall, substantial progress was made related to the audit recommendations with 8 of 12 recommendations progressing to full resolution. The Police Department updated their WEX Fuel Card SOP on March 25, 2021 to include updates on the departmental monthly review, procedures for safeguarding fuel cards, and additional review requirement to ensure fuel card existence. The monthly review process included an evaluation of 8 WEX reports used to detect and follow-up on exceptions.

Internal Audit will continue to recommend the Police Department strengthen processes and controls for the 4 recommendations in progress:

- Ensure practices for the monthly reviews remains consistent to include the action taken for all exceptions. Use the monthly WEX report reviews to track cards for deactivation and ensure all fuel purchases outside of the guidelines within the City policy and the department's procedures are adequately addressed;
- Improve communication with the Finance Department to deactivate PINs for previous City employees, especially for those that did not go through the standard out-processing steps;
- Work with the Finance Department to confirm training is sent to all departmental employees, regardless of position, and is completed for new employees prior to assigning PINs; and
- Strengthen controls for fuel card deactivations to confirm that all cards assigned to decommissioned vehicles are returned and deactivated timely.

***Conclusion***

The Office of Internal Audit has concluded the WEX fuel card follow-up and expresses appreciation for the efforts demonstrated by departmental management which resulted in a significant number of recommendations progressing to full resolution.