



State Fleet Card

Statewide Contract Audit

Audit and Internal Investigations

Report Released July 2016

Audit Performed by
JoRay McCoy, Audit Director
Brittany Porter, Lead Auditor
Emily Harris, Auditor

Table of Contents

AUDIT HIGHLIGHTS.....	3
BACKGROUND.....	3
OVERVIEW	4
RECOMMENDATION.....	5
AUDIT CONCLUSION	5
APPENDIX.....	22
TRANSMITTAL LETTER	23

This publication is issued by the Office of Management and Enterprise Services as authorized by Title 62, Section 34. Copies have not been printed but are available through the agency website. This work is licensed under a Creative Attribution-Noncommercial-NoDerivs 3.0 Unported License.



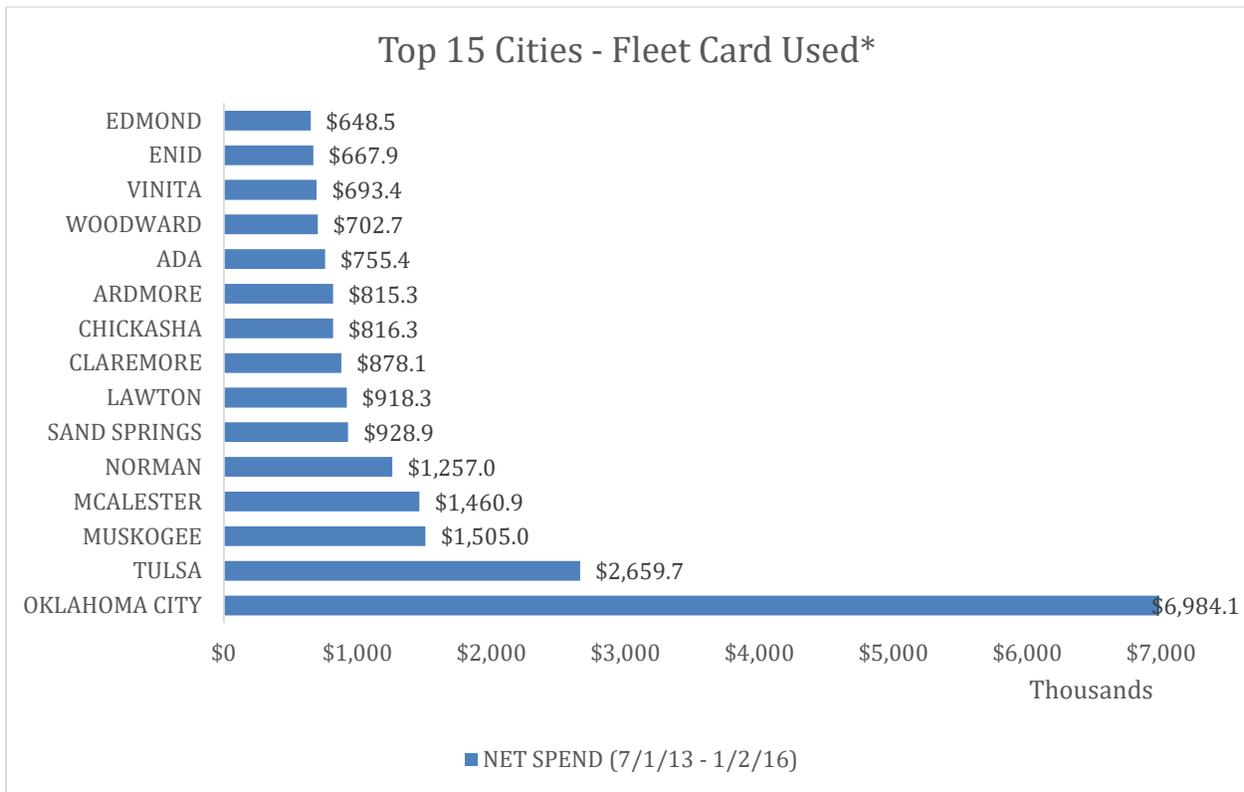
AUDIT HIGHLIGHTS

State Fleet Card – Statewide Contract Audit — Release Date (July 22, 2016)

Background

This report is the result of an audit of statewide (SW) contract number 101 (SW 101) for the state fleet card. The purpose of SW 101 is for the procurement of fuel, vehicle maintenance and management of the fleet fueling program through a fleet fuel card (Comdata card). Our objective is to assess whether the fleet card is being used for its intended purpose of purchasing either fuel or vehicle-related items.

We used data mining software to electronically examine all transactions for SW 101 for the period of July 1, 2013, through Jan. 2, 2016. During this period the state fuel card included 1.5 million transactions totaling \$67.9 million. We first removed the Oklahoma Department of Corrections transactions given that the data for this agency is part of an individual agency fleet audit. We then extracted all non-fuel related records, totaling 146,401 transactions in the amount of \$13,847,967.44. We continued filtering the population down to a sample of 1,315 records totaling \$38,083.12 for transactions that were unidentifiable or appeared questionable. This sample included data from state departments, boards, commissions, agencies and institutions, counties, school districts and municipalities.



*Chart includes all contract fleet cards purchases from 7/1/13 to 1/2/16, except for Department of Corrections.

We contacted a total of 29 contract users and requested receipts for the sample transactions selected.

We referred to the objective of the statewide fuel management solicitation as criteria when reviewing each transaction:

Section C Solicitation Specifications of SW 101 states:

C.1. Purpose of Solicitation. The purpose of this solicitation is to contract with experienced, capable suppliers, to provide a fully automated point of sale device fleet fueling management system designed to electronically capture all transactions and provide required reports to control and dispense motor fuels of all octane and cetane ratings, alternative fuels, and including but not limited to automotive repairs/service, preventative maintenance, emergency repairs and towing.

Overview

During our audit, we observed transactions on the state fleet card from merchants that do not supply products related to vehicles. We concluded 1,095 of the transactions examined were neither fuel- nor maintenance-related. Approximately 1,080 of those transactions were for food and/or lodging. These items are highlighted in the “Detailed Findings and Management Responses” section for each entity identified in this report.

Thirty of the transactions reviewed were believed to be inappropriate. After further examination, we discovered that 2 of the 9 fleet cards involved in the inappropriate transactions were still active.

We also noted at least 59 transactions that lacked proper documentation. We noted 11 transactions contained a receipt that lacked detail. Of the transactions that contained detailed receipts, eight of the purchases were concluded to be neither fuel- nor vehicle maintenance-related.

Purchases made with the fleet card are not subject to sales tax according to SW 101, however, we found at least 45 transactions that included sales tax in our audit sample.

Below is a list of state fleet card users who are linked to the detailed findings and management responses:

- [Town of Forest Park](#)
- [Oklahoma Department of Mental Health and Substance Abuse Services](#)
- [McCord Elementary School](#)
- [McCurtain County Sheriff's Office](#)
- [Washington County Sheriff's Office](#)
- [Connors State College](#)
- [Oklahoma Department of Public Safety](#)
- [University of Central Oklahoma – Athletic Department](#)
- [Oklahoma Municipal Power Authority](#)
- [Oklahoma Department of Rehabilitation Services](#)
- [Southeastern Oklahoma State University](#)

- [Oklahoma Turnpike Authority](#)
- [State of Oklahoma Fleet Management Division](#)
- [Oklahoma Department of Transportation](#)
- [Oklahoma Corporation Commission](#)
- [Grand River Dam Authority](#)
- [Oklahoma Department of Agriculture, Food, and Forestry](#)
- [Oklahoma Department of Wildlife Conservation](#)
- [Oklahoma Bureau of Narcotics of Dangerous Drugs Control](#)
- [Oklahoma Alcoholic Beverage Laws Enforcement Commission](#)
- [City of Spencer](#)
- [Carl Albert State College](#)
- [Wagoner County Sheriff's Office](#)
- [EMS of LeFlore County](#)
- [Oklahoma Department of Mines](#)
- [Choctaw County Sheriff's Office](#)

RECOMMENDATION

We recommend each entity implement a process for collecting and maintaining non-fuel receipts. This process should include informing drivers of the requirement, a reconciliation of non-fuel receipts to the Comdata online system and an approval process.

We recommend each entity deactivate any card that has been compromised or on which an unknown transaction has been discovered.

We have recommended to the three entities using the fleet card for non-vehicle related purchases to consider being a part of the state purchase card program. They have contacted the state purchase card contracting officer and have begun the process of becoming eligible for the state purchase card program.

AUDIT CONCLUSION

The records consist of 146,401 non-fuel transactions totaling \$13,847,967.44. We found exceptions in 1,175 of those transactions during our audit, totaling \$33,172.75. This represents 0.24 percent of the total cost of non-fuel transactions. Based upon the low error rate, we have determined the contract users have significantly complied with the audit objective.

DETAILED FINDINGS AND MANAGEMENT RESPONSES

Town of Forest Park

After reviewing 35 non-fuel transactions totaling \$5,296.16 for the Town of Forest Park, we confirmed the following:

- Twenty-eight non-fuel transactions did not conform to the terms of the contract based on the merchant name.
- According to the receipt, four of the transactions were neither fuel- nor maintenance-related and therefore did not conform to the terms of the contract.
- We were unable to determine if two of the non-fuel transactions did or did not conform to the terms of the contract due to lack of proper documentation.
- One transaction lacked proper documentation, however we concluded it was neither fuel- nor maintenance-related based on merchant name.

Most of the non-fuel transactions for this fleet card user were automatically noted exceptions based on the merchant name (Table 2) consequently not requiring support, however, we specifically asked for supporting documentation for the following transactions to further review:

Table 1: Non-fuel Transactions Requiring Support

	TRANSACTION DATE	MERCHANT NAME	MERCHANT STATE	CARD NUMBER	NET COST	EXCEPTION NOTED
1	10/29/2014	DOUBLETREE ORLANDO SEA	FL	7029	613.15	non-fuel/vehicle related
2	7/10/2014	PORTLAND OPTICAL, INC.	OK	7029	200.00	no support provided/ merchant name not vehicle related
3	9/9/2013	EYEMART EXPRESS #030	OK	7029	188.56	no support provided
4	6/25/2015	JCPENNEY 2942	OK	9110	174.16	non-fuel/vehicle related
5	10/16/2015	WALMART.COM	AR	9110	106.45	non-fuel/vehicle related
6	9/21/2015	WALMART.COM	AR	9110	80.76	non-fuel/vehicle related
7	9/25/2015	WALMART.COM	AR	9110	16.98	non-fuel/vehicle related

Table 2: Other Questionable Non-fuel Transactions

	TRANSACTION DATE	MERCHANT NAME	MERCHANT CITY	MERCHANT STATE	CARD NUMBER	NET COST
1	8/16/2014	HILTON HOTELS ANATOLE	DALLAS	TX	6467	668.87
2	7/3/2014	IACP	800-843-4227	VA	7029	465.00
3	9/5/2014	DELTA	DELTA.COM	CA	7029	424.20
4	7/14/2013	RENAISSANCE HOTELS & C	TULSA	OK	6467	284.08
5	4/8/2014	OKLAHOMA ASSOCIATION O	OKLAHOMA CITY	OK	7029	250.00
6	10/31/2014	CARDIAC SCIENCE CORPOR	425-4022000	WI	6467	249.00
7	9/14/2015	SPECIAL OPS UNIFORMS I	OKLAHOMA CITY	OK	7029	213.47
8	7/16/2014	INTL ASSOC OF FIRE CHI	FAIRFAX	VA	6467	200.00
9	4/13/2015	LABOR LAW POSTERS	8773214144	MI	9110	125.50
10	2/25/2015	VSN*DOTGOVREGISTRATION	877-734-4688	VA	7011	125.00
11	10/25/2014	IACP	800-843-4227	VA	7029	125.00
12	12/8/2015	OFFICE DEPOT #3321	MIDWEST CITY	OK	6467	99.50
13	7/11/2013	MARRIOTT HOTELS TULSA	TULSA	OK	6467	98.76
14	10/14/2015	OFFICE DEPOT #3321	MIDWEST CITY	OK	6467	96.84
15	7/9/2014	K-LOG, INC.	847-8726611	IL	7011	85.10
16	10/28/2014	DELTA	ORLANDO	FL	7029	60.00
17	10/24/2014	DELTA	OKLAHOMA CITY	OK	7029	60.00
18	8/20/2013	STAPLES 00110270	OKLAHOMA CITY	OK	7029	54.17
19	5/9/2014	DLX FOR BUSINESS	800-328-0304	MN	7011	52.96
20	7/23/2013	VISTAPR*VISTAPRINT.COM	866-6148002	CA	6467	48.97
21	5/13/2014	OKLAHOMA CENTER FOR NO	800-338-1798	OK	7011	25.00
22	7/2/2013	OKLAHOMA CENTER FOR NO	800-338-1798	OK	6467	25.00
23	12/19/2013	SPECIAL OPS UNIFORMS,	OKLAHOMA CITY	OK	7029	22.73
24	8/16/2013	VISTAPR*VISTAPRINT.COM	866-6148002	CA	6467	16.92
25	2/4/2014	STAPLES 00105387	ADA	OK	7029	10.93
26	1/13/2014	USPS 39612000233601964	OKLAHOMA CITY	OK	7029	10.22
27	12/24/2013	USPS 39612000233601964	OKLAHOMA CITY	OK	7029	10.22
28	12/20/2013	SPECIAL OPS UNIFORMS,	OKLAHOMA CITY	OK	7029	8.66

Cause: (per town administrator) Town clerk and chief of police are no longer employed with the city.

Management's Response

Date: March 22, 2016

Respondent: Town administrator

Response: Concur – We will only use the ComData card for gas/oil purchases.

Oklahoma Department of Mental Health and Substance Abuse Services (ODMHSAS)

After reviewing six non-fuel transactions for ODMHSAS, we confirmed two transactions that were neither fuel- nor maintenance-related, therefore not conforming to the terms of the contract.

In addition, two transactions ended up being a result of inappropriate charges. The fleet card used for these charges is currently in “blocked” status and we have been provided an incident report filed by the agency regarding the misuse.

Management’s Response

Date: 02-11-2016

Respondent: Fiscal admin. officer

Response/Corrective Action Planned (sent via email): Legal got involved and [the employee] was terminated shortly after the discovery.

McCord Elementary School

McCord Elementary School did not provide proper documentation for any of the six non-fuel transactions we reviewed, prohibiting us from determining if the purchases conformed to the terms of the contract.

Management’s Response

Date: 02-11-2016

Respondent: Secretary

Response/Corrective Action Planned (sent via email): Regarding your request for receipts for purchases made on our gas card, we do not have copies for these receipts. The employee who was in responsible for keeping records for this is no longer with McCord Elementary School. She was terminated and is being investigated for misuse of funds.

McCurtain County Sheriff’s Office

After reviewing 953 non-fuel transactions totaling \$24,053.09 for the McCurtain County Sheriff’s Office, we confirmed that none conformed to the terms of the contract. Based on merchant name, we concluded these purchases were neither fuel- nor maintenance-related.

We reviewed \$24,053.09 in non-fuel transactions with almost half consisting of lodging charges.

The top 30 merchants with the highest dollar spend are displayed in Table 3 below:

Table 3: Top Merchants with Highest Spend

	MERCHANT NAME	NO OF RECORDS	NET COST SUM	MERCHANT CITY	MERCHANT STATE
1	LA QUINTA INN SUITES	8	1571.80	ADA	OK
2	FAIRFIELD INN&SUITES E	4	1500.00	EDMOND	OK
3	HOLIDAY INNS	3	1380.89	VINITA	OK
4	SANTA FE CATTLE COMPAN	24	620.29	SHAWNEE	OK

	MERCHANT NAME	NO OF RECORDS	NET COST SUM	MERCHANT CITY	MERCHANT STATE
5	SHERATON MIDWEST CITY	4	480.61	MIDWEST CITY	OK
6	HOLIDAY INN EXPRESS HO	4	468.53	OKLAHOMA CITY	OK
7	MARRIOTT HOTELS TULSA	2	420.88	TULSA	OK
8	COMFORT SUITES	1	405.40	OKLAHOMA CITY	OK
9	HARD ROCK HOTEL TULSA	1	402.80	CATOOSA	OK
10	MCDONALD'S F35178	32	374.53	MCALESTER	OK
11	HOLIDAY INN EXPRESS	3	362.58	ADA	OK
12	COMFORT INN & SUITES	2	339.00	LITTLE ROCK	AR
13	AMERICAS BEST VALUE IN	1	286.85	HENRYETTA	OK
14	EMBASSY SUITES NORMAN	2	249.88	NORMAN	OK
15	PAM'S DINER	31	247.15	TALIHINA	OK
16	LA QUINTA YUKON	1	239.92	YUKON	OK
17	CHILI'S ADA	10	238.63	ADA	OK
18	GOLDEN CORRAL - #605	18	220.43	SHAWNEE	OK
19	HOLIDAY INN EXPRESS &	2	214.08	OKLAHOMA CITY	OK
20	DENNY'S #6840	14	213.15	SHAWNEE	OK
21	RIB CRIB #60	13	200.88	MCALESTER	OK
22	FAIRFIELD INN-PONCA CI	1	193.66	PONCA CITY	OK
23	ECONOLODGE	3	186.87	NORMAN	OK
24	QUALITY INN	1	174.58	CHICKASHA	OK
25	RIB CRIB 58	8	174.07	ADA	OK
26	WESTERN SIZZLIN STEAKH	16	170.33	MCALESTER	OK
27	SUPER 8 MOTEL	3	166.24	OKLAHOMA CITY	OK
28	SLEEP INN & SUITES	2	160.70	NORMAN	OK
29	BEST WESTERN	1	157.38	JAMAICA	NY
30	RELAX INN	3	154.56	VINITA	OK

There was a substantial amount of purchases from food merchants. The top 30 are displayed in Table 4 below:

Table 4: Top 30 Eating Places

	MERCHANT NAME	NET COST	MERCHANT CITY	MERCHANT STATE
1	SANTA FE CATTLE COMPAN	73.32	SHAWNEE	OK
2	ROSEANNAS ITALIAN FOOD	71.03	KREBS	OK
3	RIB CRIB 58	63.37	ADA	OK
4	CATTLEMANS STEAKHOUSE	57.04	OKLAHOMA CITY	OK
5	COLTON'S #622	56.70	MARION	AR
6	CHEESECAKE FACTORY #11	50.12	OKLAHOMA CITY	OK
7	TEXAS RDHSE HOLDINGS L	48.48	TULSA	OK
8	F. MCLINTOCKS - SAN LU	46.06	SAN LUIS OBIS	CA

	MERCHANT NAME	NET COST	MERCHANT CITY	MERCHANT STATE
9	SANTA FE CATTLE COMPAN	41.89	MIDWEST CITY	OK
10	CHILI'S ADA	40.87	ADA	OK
11	SANTA FE CATTLE COMPAN	39.20	SHAWNEE	OK
12	KD'S SOUTHERN CUISINE	39.02	OKLAHOMA CITY	OK
13	PETRO #376 RESTAURAN	38.50	BRAZIL	IN
14	KC ROADHOUSE	37.63	DURANT	OK
15	OUTBACK 3713	36.34	EDMOND	OK
16	RED LOBSTER US00007211	36.33	SHAWNEE	OK
17	SANTA FE CATTLE COMPAN	36.15	MIDWEST CITY	OK
18	CHILI'S MCALESTER	35.82	MCALESTER	OK
19	SANTA FE CATTLE COMPAN	35.76	SHAWNEE	OK
20	CHILI'S DURANT	34.74	DURANT	OK
21	PAPA POBLANOS P&M SANC	33.78	DE QUEEN	AR
22	IHOP 1918	32.89	SHAWNEE	OK
23	DENNY'S #8681	32.43	PALESTINE	TX
24	OUTBACK 4460	32.33	TYLER	TX
25	SANTA FE CATTLE COMPAN	31.54	SHAWNEE	OK
26	CATTLEMANS STEAKHOUSE	31.20	OKLAHOMA CITY	OK
27	TKR CATOOSA LLC	31.19	CATOOSA	OK
28	JOESCRBSHK-OKLAHOMA S.	30.97	OKLAHOMA CITY	OK
29	IHOP 1918	30.73	SHAWNEE	OK
30	SAKURA JAPANESE RESTAU	30.68	CHICKASHA	OK

Management's Response

Date: 02-11-2016

Respondent: Secretary

Response/ Corrective Action Planned (sent via email): This email is a reply to an email you sent this department yesterday. I am just letting you know that we are correcting this problem. We will no longer use this card for meal and hotel stays. We are also in the process of getting a different card to completely correct this problem. We had contacted the state auditors office when we first applied for the card to make sure what we could buy with it. By contacting the auditors we were trying to do things correctly. I hope this is enough of a reply and an explanation for the error.

[Washington County Sheriff's Office](#)

After reviewing 113 non-fuel transactions totaling \$2,039.05 for the Washington County Sheriff's Office, we confirmed none conformed to the terms of the contract and included purchases for both food and lodging. Based on merchant name, we concluded these purchases were neither fuel- nor maintenance-related.

Table 5 presents the top 20 merchants based on net cost.

Table 5: Top 20 Merchants

	MERCHANT NAME	NET COST	MERCHANT CITY	MERCHANT STATE
1	HILTON HOTELS SHRVRPRT	231.00	SHREVEPORT	LA
2	HOLLIES FLATIRON STEAK	56.96	OKLAHOMA CITY	OK
3	TED'S CAFE OKC	40.19	OKLAHOMA CITY	OK
4	EARLS RIB PALACE MOORE	34.42	MOORE	OK
5	MARGARITAVILLE RESTAUR	28.80	BOSSIER CITY	LA
6	CHILIS	26.82	SPOKANE	WA
7	CHUY'S NORMAN	26.37	NORMAN	OK
8	AERO / CA ONE GROU	25.96	DFW AIRPORT	TX
9	SANTA FE CATTLE COMPAN	25.24	ADA	OK
10	IHOP #5334	24.81	KANSAS CITY	MO
11	FUDDRUCKERS 7632	24.18	BOSSIER CITY	LA
12	GOLDEN PALACE	23.13	OKLAHOMA CITY	OK
13	FIREHOUSE SUBS #89	23.00	MOORE	OK
14	BLUE MOON CAFE	23.00	ADA	OK
15	SANTA FE CATTLE COMPAN	22.51	ADA	OK
16	CHILI'S ADA	22.00	ADA	OK
17	DOUBLETREE BY HILTON M	20.99	MODESTO	CA
18	PAPA GJORGJO NORTH	20.76	ADA	OK
19	QDOBA MEXICAN GRILL -	20.74	NORMAN	OK
20	STEAK ESCAPE - DENVER	20.65	DENVER	CO

Management's Response

Date: 02-10-16

Respondent: Washington County Sheriff

Response: Partially Concur – Washington County Sheriff's Department under the advice of the State Auditor's office and OMES will cease using the COMDATA fuel cards immediately for purchases other than fuel related expenses.

Corrective Action Plan

Contact Person: Washington County Sheriff

Anticipated Completion Date: 02-10-16

Corrective Action Planned: It was our understanding upon choosing ComData that the cards primary use was for fuel and vehicle related maintenance issues, however when we initially obtained the cards it was also our understanding that we sought advice from the auditor's office in regards to using the cards on purchases for food lodging etc. as long as they were out of county expenditures and were obviously directly job related. All of the 119 purchases reflected in this report are out of county expenditures most of which are purchases that were done by cadets in the state academy for evening meals. The state cut the budget last year which caused our deputies attending the academy to buy all of their evening meals for the 16 weeks they were in the academy in ada. The other expenditures were for meals obtained while deputies travelled to schools or on trips out of state to pick up prisoners, air etc. Based on the information received yesterday 02-09-16 all purchases other than those authorized under the state contract will cease. We have also contacted comdata to review all

of our cards to make sure they are on the fuel only restrictions and I have notified the State Auditor's office of this as well.

Connors State College

Connors State College did not provide proper documentation for either of the two transactions we reviewed, prohibiting us from determining if the purchases conformed to the terms of the contract.

Management's Response

Date: 2/29/16

Respondent: Accounts payable accountant

Response: Concur – The employee who made purchases on the Connors State College fleet card could not provide us with a receipt for the purchases.

Corrective Action Plan

Contact Person: Controller

Anticipated Completion Date: 2/29/16

Corrective Action Planned: The employee has been required to reimburse Connors State College for the charges that were erroneously made on the fleet card. In addition, they have been made aware of the policy that nothing is to be purchased on this account other than fuel.

Oklahoma Department of Public Safety (DPS)

After reviewing 29 non-fuel transactions for DPS, we confirmed nine transactions consisted of inappropriate charges. The fleet card responsible for these charges is currently in "fraud" status.

DPS did not provide proper documentation for 16 of the 29 non-fuel transactions, prohibiting us from determining if the purchases conformed to the terms of the contract.

Management's Response

Date: 02-18-2016

Respondent: DPS' Fleet Director

Response/Corrective Action Planned (sent via email): Due to trying to save money over the last few years we have not been allowed to hire someone to audit our 1200+ vehicle, full time. We have asked Troops to help, unfortunately not every Troop or trooper follows this procedure on a regular basis. However, we do continue to get better as time goes on. My only wish is that Comdata was easier to use. You have to enter 8 characters here, or 10 characters there to find a unit. DPS does need to have Comdata folks come teach us better audit procedures. For DPS to do a good job auditing monthly activity, we need about 30 Troop Secretaries trained well on ComData.

University of Central Oklahoma -Athletic Department (UCO)

Based on information provided by UCO, we confirmed the two non-fuel transactions for UCO consisted of inappropriate charges. The agency took the steps to have these charges credited. The card involved in the misuse is currently in "active" status.

Management's Response

Date: 02-17-2016

Respondent: UCO

Response/ Corrective Action Planned (sent via email): UCO card was secure during this time frame and did not make those charges. Assistant Director identified those charges were reversed in January 2016.

Oklahoma Municipal Power Authority (OMPA)

OMPA did not provide proper documentation for any of the five non-fuel transactions we reviewed (see Table 6), prohibiting us from determining if the purchases conformed to the terms of the contract.

Table 6: Reviewed Non-fuel Transactions

	AGENCY	PURCHASE DATE	POSTED DATE	MERCHANT NAME	LAST 4 DIGITS OF CARD NUMBER	POSTED AMOUNT
1	OMPA	9/3/2015	9/5/2015	LOVE S COUNTRY00000158	5882	\$ 3.28
2	OMPA	8/22/2015	8/24/2015	LOVE S COUNTRY00000158	5882	\$ 3.27
3	OMPA	8/11/2015	8/13/2015	LOVE S COUNTRY00000158	5882	\$ 2.19
4	OMPA	8/6/2015	8/8/2015	LOVE S COUNTRY00000158	2380	\$ 2.17
						\$ 5.47
						\$ 1.30
5	OMPA	2/19/2014	2/21/2014	TRIPLE T 4	1339	\$ 0.92

Management's Response

Date: 3/22/16

Respondent: Manager of accounting services

Response: Non Concur - The current OMPA accounting policy for transactions under our fuel purchasing cards is as follows:

Cash register receipts are collected, when possible, by employees for each purchase made. The receipts are reconciled to the monthly statement in our accounts payable department.

Once the reconciliations are complete, and approved by the directors of the departments responsible for the purchases, we see not beneficial reason the retain hundreds of cash register receipts.

Oklahoma Department of Rehabilitation Services (DRS)

After reviewing three non-fuel transactions for DRS, we confirmed all were inappropriate charges. The card involved in the misuse is currently in "blocked" status.

Management's Response

Date: 02-08-2016

Respondent: Administrative programs officer

Response/Corrective Action Planned (sent via email): We pulled the report for the vehicle matching the ComData card in your report. Our investigation your email prompted, validated your concern. The driver of this vehicle stated: "I have some concerns about the three transactions on 1/22- 1/30 of 2014. The only place that I moved the box truck on 1/22 was to the warehouse, and looking at the merchant that metro mart is located on S.E. 15th. The Ez go #52 is located of the turnpike headed to Tulsa. I did travel to Tulsa on 1/23/2014. But that \$6.42 I cannot think back that far. And the last Circle K is in Edmond and I don't have record of move that day. Please let me know what you find out. Cause I'm confused. I would like to know what the small purchases were made for.."

[Southeastern Oklahoma State University \(SOSU\)](#)

SOSU did not provide proper documentation for any of the transactions we reviewed, prohibiting us from determining if the purchases conformed to the terms of the contract.

Management's Response

Date: 02-09-2016

Respondent: SOSU motor pool employee

Response/Corrective Action Planned (sent via email): The vendor said that their equipment was messed up that day and was coding everything as tobacco. I asked the employee to return to the store to get a new receipt but the length of time between when the fueling was done and when the receipt was turned in caused a problem with obtaining one. The vendor did not seem to understand that we needed a correct receipt.

[Oklahoma Turnpike Authority \(OTA\)](#)

After reviewing 10 non-fuel transactions for OTA, we noted the following:

- One transaction was neither fuel- nor maintenance-related and therefore did not conform to the terms of the contract.
- One inappropriate charge.
- One transaction lacked proper documentation prohibiting us from determining if the purchase conformed to the terms of the contract.

The card used for the inappropriate charge is currently in "fraud" status.

Management's Response:

Date: 3/7/2016

Respondent: Highway patrol major

Response: Concur – All above transactions were errors of store clerks. Clerk inadvertently placed coffee purchase on card. Clerk labeled windshield wiper fluid as grocery on the [other card].

Corrective Action Plan

Contact Person: Highway patrol major

Anticipated Completion Date: N/A

Corrective Action Planned: No further action regarding troopers.

Office of Management and Enterprise Services (OMES), Fleet Management

FLEET did not provide proper documentation for 4 of the 7 non-fuel transactions we reviewed, prohibiting us from determining if the purchases conformed to the terms of the contract.

Management's Response

Date: 02-12-2016

Respondent: Accountant

Response/Corrective Action Planned (sent via email): Fleet Management will continue to review daily on Trip Card for all fleet card transactions. We also reminded them to have the sales tax charges credit back to the fuel cards.

Department of Transportation (ODOT)

ODOT did not provide proper documentation for 1 of the 8 non-fuel transactions we reviewed, prohibiting us from determining if the purchase conformed to the terms of the contract.

Management's Response:

Date: 2/29/2016

Respondent: State maintenance engineer

Response: Concur – ODOT concurs with OMES findings. Additional measures will be instituted to reduce the likelihood of this recurring in the future. We were not able to locate the receipt within ODOT. We checked with ONCUE and they were unable to provide a copy for transactions that far back (spring 2014).

Corrective Action Plan

Contact Person: Administrative programs officers

Anticipated Completion Date: Immediate

Corrective Action Planned: ODOT Maintenance Division will match all invoices with receipt prior to payment.

Oklahoma Corporation Commission (OCC)

OCC did not provide proper documentation for 1 of the 8 non-fuel transactions we reviewed, prohibiting us from determining if the purchase conformed to the terms of the contract.

Management's Response

Date: 02-12-2016

Respondent: Finance division

Response/Corrective Action Planned (sent via email): No receipt for original charges. Taxes charged on oil purchased at Guthrie Travel Plaza. Employee is reimbursing state for sales taxes charged.

Grand River Dam Authority (GRDA)

After reviewing six non-fuel transactions for GRDA, the following conditions were noted:

- one transaction lacked proper documentation prohibiting us from determining if the purchase conformed to the terms of the contract;

- one transaction was neither fuel nor maintenance related and therefore did not conform to the terms of the contract.

Management’s Response

Date: 03-22-2016

Respondent: Asst. superintendent of fiscal services

Response/Corrective Action Planned (sent via email): All information requested from OMES was provided except for a receipt totaling \$2.64. The receipt was lost, but lake patrol staff determined this transaction was for windshield wiper fluid for a lake patrol vehicle.

Oklahoma Department of Agriculture, Food, and Forestry (ODAFF)

ODAFF did not provide proper documentation for 4 of the 7 non-fuel transactions we reviewed, prohibiting us from determining if the purchase conformed to the terms of the contract.

Management’s Response

Date: 02-29-2016

Respondent: Administrative services

Response/Corrective Action Planned (sent via email): The agency has reviewed your finding and we respectfully do not concur with your findings. I will address each finding individually for clarity.

1. Finding #1 - \$7.50 – The scanned receipt originally sent to OMES appears to list the item description as “FS” and the accompanying travel log list the \$7.50 charges as “wayed truck”(Should be spelled weighed). The scanned receipt image is poor and left off the beginning portion of the word “Scales”. I have taken a picture of the receipt and attached to this email for documentation.
2. Finding #2 - \$1.98 – The scanned receipt shows a total of \$42.16 paid, of that \$42.16 it appears \$2.16 was paid in cash. I have attached below the Comdata transaction report for this purchase on 04/16/2014. Please note the credit of (\$4.14) it appears all questionable charges were reversed and paid in cash.

Transaction for \$1.98 - Peachtree Junction								
04/16/2014	213 994 56	ODV1 16	HET HER ING TON	2005 CANYON	PEACHTREE JUNCTION	STRATFO RD	UNL REG 86/87 OC	\$ 37.85
04/16/2014	213 994 56	ODV1 16	HET HER ING TON	2005 CANYON	PEACHTREE JUNCTION	STRATFO RD	Miscellan eous Food/Gro cery	\$ 1.98
04/16/2014	213 994 56	ODV1 16	HET HER ING TON	2005 CANYON	PEACHTREE JUNCTION	STRATFO RD	OTHER MISCELLA NEOUS TRANS	\$ (4.14)
04/16/2014	213 994 56	ODV1 16	HET HER ING TON	2005 CANYON	PEACHTREE JUNCTION	STRATFO RD	MISC OTHER	\$ 2.16
Transaction total								\$ 37.85

3. Finding #3 - \$0.69 – The scanned receipt shows a total of \$36.31 paid, of that \$36.31 it appears \$0.75 was paid in cash. I have attached below the Comdata transaction report for this purchase on 02/05/2014. Please note the credit of (\$1.44) it appears all questionable charges were reversed and paid in cash.

Transaction for \$0.69 - Peachtree Junction								
02/06/2014	21399456	ODV 116	HETHERINGTON	2005 CANYON	PEACHTREE JUNCTION	STRATFORD	E85 (Ethanol 85%)	\$ 33.53
02/06/2014	21399456	ODV 116	HETHERINGTON	2005 CANYON	PEACHTREE JUNCTION	STRATFORD	MISC OTHER	\$ 0.75
02/06/2014	21399456	ODV 116	HETHERINGTON	2005 CANYON	PEACHTREE JUNCTION	STRATFORD	Miscellaneous Food/Grocery	\$ 0.69
02/06/2014	21399456	ODV 116	HETHERINGTON	2005 CANYON	PEACHTREE JUNCTION	STRATFORD	OTHER MISCELLANEOUS TRANS	\$ (1.44)
Transaction total								\$ 33.53

4. Finding #4 - \$4.29 – The scanned receipt shows a description of “Grocery Exception” totaling \$4.29. The employee documented on the attached receipt and travel log, that these expenses were attributed to the purchase of windshield washer fluid.

Auditor’s Note: *Non-fuel purchases that do not contain a detailed level of support in the Comdata transaction report are not considered properly supported. Any state expenditure not supported by proper detailed documentation cannot be cleared of the exception.*

[Oklahoma Department of Wildlife Conservation \(ODWC\)](#)

ODWC did not provide proper documentation for 5 of the 12 non-fuel transactions we reviewed, prohibiting us from determining if the purchase conformed to the terms of the contract.

Management’s Response

Date: 03/01/2016

Respondent: Accounting supervisor

Response: Partially Concur – While we understand that some receipts were not located we were able to provide a copy of the Comdata invoice with documentation of the purchase by the employee. Also, the Sears receipts did have detail, however, some of the detail that was provided was very general in nature.

Corrective Action Plan

Contact Person: Accounting supervisor

Anticipated Completion Date: 03/15/2016

Corrective Action Planned: We will email the employees and remind them to keep their receipts based on the normal disposition schedule. We will also inform them of the requirement to get detailed receipts.

Oklahoma Bureau of Narcotics of Dangerous Drugs Control (OBN)

OBN did not provide proper documentation for either of the two non-fuel transactions we reviewed, prohibiting us from determining if the purchase conformed to the terms of the contract.

Management's Response

Date: 02-09-2016

Respondent: Director of fiscal services

Response/Corrective Action Planned (sent via email): These transactions were for the purchase of bags of ice during the marijuana eradication mission in Chickasha. Because of the intense physical work and heat involved with these missions, it is important to keep ice and water available for the safety and health of the agents. However, this is not an appropriate use of the Comdata card.

An email was sent to all Agent personnel on May 7, 2015 specifically stating that this card should not be used for the purchase of ice but evidently the personnel have accidentally used it for such purchase.

Also, at the time these transactions were discovered, the agents involved were instructed not to use the Comdata card for this in the future. Another message has been sent to all employees reminding them that the Comdata card is for vehicle fuel and maintenance only.

Oklahoma Alcoholic Beverage Laws Enforcement Commission (ABLE)

ABLE did not provide proper documentation for the three non-fuel transactions we reviewed, prohibiting us from determining if the purchase conformed to the terms of the contract.

Management's Response

Date: 03/03/2016

Respondent: captain

Response: Concur – Users of the card have been informed to forward all receipts to OKC Headquarters for safekeeping and, as a follow-up, written notification is being forwarded to the users through the administrative office.

Corrective Action Plan

Contact Person: captain

Anticipated Completion Date: 03/04/2016

Corrective Action Planned: Users of the card have been informed to forward all receipts to OKC Headquarters for safekeeping and, as a follow-up, written notification is being forwarded to the users through the administrative office. Written notification should be completed by 03/04/2016.

City of Spencer

City of Spencer did not provide proper documentation for the two non-fuel transactions we requested, prohibiting us from determining if the purchase conformed to the terms of the contract.

No supporting documentation/response to finding provided. Document will be forwarded to the statewide contracting officer for further review and consideration.

Carl Albert State College

Carl Albert State College did not provide proper documentation for the two non-fuel transactions we reviewed, prohibiting us from determining if the purchase conformed to the terms of the contract.

Management's Response

Date: 02-05-2016

Respondent: Assistant to the physical plant director

Response/Corrective Action Planned (sent via email): After researching this, the three transactions that took place are from a card that was lost/stolen. I checked with Comdata and this card was blocked on May 15, 2015. The card was checked out to our Athletic Director on May 6, 2015 when he was doing various recruiting trips to various locations. On May 15, 2015 he called me and said the card was missing. He did not know what exact day it was lost/stolen, but he thought he had it on May 12, 2015. Therefore, I do not have these receipts, I have to assume that the thief used the card before I could get it blocked.

Wagoner County Sheriff's Office

Wagoner did not provide proper documentation for the two non-fuel transactions we reviewed, prohibiting us from determining if the purchase conformed to the terms of the contract. One of the transactions was believed to be an inappropriate charge. The card used for the inappropriate charge is currently in "active" status.

Management's Response

Date: 02-18-2016

Respondent: Undersheriff

Response/Corrective Action Planned (sent via email): we have called Com-Data and learned that the transactions was initially declined and forced through by the merchant on the second try. The card was manually keyed in, not swiped. Com-Data is unable to provide a receipt. Based on what we have found so far it is highly likely, this appears to be a fraudulent transaction. If the deputy had mistakenly used this card, the safe guard of the pin number and the vendor not being an automotive service should have prevented the transaction. We are currently working with the vendor to see if they can provide us a receipt.

EMS of LeFlore County

EMS of LeFlore County did not provide proper documentation for the three non-fuel transactions we reviewed, prohibiting us from determining if the purchase conformed to the terms of the contract.

Management's Response: EMS of LeFlore County concurs with the finds of the audit.

Date: 02/25/2015

Respondent: EMS Director

Response: EMS of LeFlore County will reconcile each month with the Comdata statement to ensure that all receipts are accounted for. A review will be conducted each month of the receipts to ensure that EMS of LeFlore County is in compliance with the statewide contract.

Corrective Action Plan

Contact Person: EMS Director

Anticipated Completion Date: 02/26/2016

Corrective Action Planned: Accounts Payable staff have been trained on the proper procedures for verifying receipts and ensuring compliance with the Comdata contract.

Oklahoma Department of Mines (ODM)

ODM did not provide proper documentation for 1 of the 2 non-fuel transactions we reviewed, prohibiting us from determining if the purchase conformed to the terms of the contract.

Management's Response

Date: 03/31/2015

Respondent: Chief financial officer

Response: Partially Concur – The receipt in question did not have a detail of the item purchased. We concur that it is not clear that the item is an authorized vehicle purchase. However, a handwritten notation was on the receipt that described the item. In addition, the state employee provides a daily log of all vehicle purchases for each month with the monthly summary vehicle report. The Account Payable accountant reviews the receipts to verify the information that is forwarded to the OME Fleet Management office.

Corrective Action Plan

Contact Person: Chief financial officer

Anticipated Completion Date: Immediately

Corrective Action Planned: We will notify all staff with vehicle credit cards (Comdata) that receipts need to contain detailed information concerning the purchase, and that ODM recommends that the clerk at the store writes on the receipt the goods purchased, if it not complete.

Choctaw County Sheriff's Office

Choctaw County Sheriff's Office did not provide proper documentation for the two transactions we reviewed (see Table 7), prohibiting us from determining if the purchases conformed to the terms of the contract.

Table 7: Reviewed Non-fuel Transactions

	AGENCY	PURCHASE DATE	POSTED DATE	MERCHANT NAME	LAST 4 DIGITS OF CARD NUMBER	POSTED AMOUNT
1	CHOCTAW COUNTY	11/28/2014	11/29/2014	KWIK CHEK 24	3910	\$ 5.39
2	CHOCTAW COUNTY	11/18/2013	11/19/2013	ST ANTHONY VOLUNTEER L	6205	\$ 200.00

Management's Response

Date: 02-18-2016

Respondent: Office manager

Response/Corrective Action Planned (sent via email): We were not able to find the invoices you requested.

APPENDIX

Methodology

- Overall compliance with the statewide contract terms and conditions promulgated thereto were evaluated.
- Interviews were conducted with selected contracting officers and agency fleet managers.
- A sample of transactions from Comdata cards was examined.

Statewide Contract Award Information

Contract Title: Automated Fleet Fueling Management System

Vendors: Comdata Network, Inc.

Agreement Period: Nov. 1, 2013, through Oct. 31, 2018

Contract Priority: This is a mandatory contract

TRANSMITTAL LETTER

TO FERRIS BARGER, STATE PURCHASING DIRECTOR

With this letter, we transmit the report of the statewide contract audit of state fleet card for the period July 1, 2013, to Jan. 2, 2016.

We performed the audit to ensure that each user has complied with terms and conditions pertaining to the state fleet card contract.

The accompanying report presents the conditions of our findings and recommendations, as well as management's responses and corrective action plans. This report is available to the public on the Office of Management and Enterprise Services website, <http://www.ok.gov/OSF/Audit>.

Respectfully,

Carol McFarland
Director, Performance and Efficiency Division