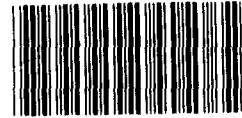




UNITED STATES GENERAL ACCOUNTING OFFICE  
WASHINGTON, D.C. 20548



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FEDERAL GOVERNMENT  
DIVISION

DEC 20 1985

B-216946

The Honorable Alan C. Nelson  
Commissioner, Immigration and  
Naturalization Service  
Department of Justice

Dear Mr. Nelson:

Subject: Vehicle Fuel: Two Border Patrol Sectors  
Inadequately Control Fuel (GAO/GGD-86-36)

As part of our review<sup>1</sup> of the Department of Justice's 1984 implementation of the Federal Managers' Financial Integrity Act of 1982 (Public Law 97-255), we noted that gasoline was not adequately controlled at two Border Patrol facilities visited. We are bringing this matter to your attention for action because similar weaknesses were identified by Department of Justice reviews during the 1981-84 period but remain uncorrected.

The control weaknesses identified apply to gasoline for vehicles supporting the Border Patrol's linewatch function--apprehending illegal aliens shortly after they cross the U.S. border--at the San Diego and El Centro sectors in California. The two sectors had 637 vehicles (sedans, trucks, buses, motorcycles, etc.) in fiscal year 1984--about 18 percent of the Service's vehicles. The two sectors spent about \$632,000 that year for vehicle fuel and lubricants.

GASOLINE WAS NOT  
ADEQUATELY CONTROLLED

Although the San Diego and El Centro sectors have their own gasoline pumps, neither sector was following procedures which the Service established as controls for bulk fuel operations. The Service's Administration Manual requires each Service location storing bulk fuel to maintain Form G299, Service Facility Motor Vehicle Fuel Record, which is to account for fuel received and issued. Space is provided on this form for listing

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<sup>1</sup>The results of this review are reported separately. See FINANCIAL INTEGRITY: Justice Made Progress but Further Improvements Needed, GAO/GGD-86-9, dated Oct. 31, 1985.

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the amount of fuel dispensed to each vehicle and the vehicle number. The amounts on the G299 are to be reconciled at least monthly with bulk receipts and pump meter readings to assure that all fuel is properly accounted for. The manual also states that at locations where the volume of traffic makes monthly reconciliation impracticable, reconciliation shall be done at more appropriate intervals--weekly, daily, or by work shifts. Discrepancies noted during reconciliation between fuel issued and received would indicate a problem and must be explained on the form.

The San Diego and El Centro sectors were not complying with these requirements. The El Centro sector did not maintain Form G299. The San Diego sector maintained Form G299 at the gas pump, but officials told us they did not reconcile fuel received with fuel dispensed. They said the large amount of work involved in reconciling gas usage requires assigning a person full-time to this task, and they were unable to spare such a person from their other duties. They stated that the large number of vehicles, difficulty in obtaining accurate dipstick readings because the stick markings are in 2-inch increments, and the tracking down of missing G299 entries and other errors make gas reconciliation a time-consuming exercise.

Although the San Diego sector was making daily dipstick readings of fuel in the storage tanks, it was not using these readings as an inventory control. The daily readings were used only as a basis for making bulk gasoline purchases when needed. San Diego officials said they requested computerized pumps several years ago to improve their control of gas consumption, but they did not know whether the pumps would be installed.

Inadequately controlling fuel makes it susceptible to theft. An El Centro official told us nothing prevents Border Patrol agents from filling their privately owned vehicles with government fuel, except the threat of losing their jobs if caught. He said all agents have a key to the gas pump and fill their government vehicles with gas when needed.

Our analysis of 14 Form G205s, Government-owned Vehicle Record,<sup>2</sup> which record gasoline used as well as repair costs, showed that miles per gallon for 14 El Centro and San Diego sector vehicles was generally lower than the Service-wide average, as shown in table 1. Causes of the low miles per gallon could include lax control over fuel usage or incorrect recording of mileage on the Form G205.

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<sup>2</sup>This form is kept with a vehicle until the end of the month, when it is sent to the regional office.

Table 1:  
Selected Mileage Data

<u>El Centro sector</u>			Average Service-wide miles per gallon for fiscal year <u>1984</u>
<u>Vehicle type</u>	<u>Model year</u>	Miles per gallon for 1 month in <u>1984</u>	
Sedan	1980	7.1	14.4
Sedan	1980	5.4	
Sedan	1980	5.1	
Sedan	1980	4.5	
Sedan	1982	13.7	
4x4 Truck	1981	7.5	9.2
4x4 Truck	1982	9.3	
4x4 Truck	1983	8.3	
<u>San Diego sector</u>			
<u>Vehicle type</u>	<u>Model year</u>	Miles per gallon for 1 month in <u>1984</u>	
Sedan	1976	12.6	14.4
Sedan	1981	11.2	
Sedan	1983	10.6	
4x2 Truck	1982	13.2	10.5
4x2 Truck	1982	9.2	
4x2 Truck	1982	8.4	

Both sectors were not adequately controlling gasoline, because they were not complying with Service-established procedures. Even if established procedures were followed, we believe they would not have provided reasonable assurance that all fuel was properly used and accounted for, unless fuel were reconciled daily instead of monthly. The nature of the reconciliation process--which requires manually tracing and checking information among many forms to satisfactorily resolve reconciliation differences if they occur--makes monthly reconciliation difficult and time consuming. The multitude of separate fuel transactions that occur in a month's fuel operations make it unlikely that Service personnel would be able to accurately identify the causes of any difference between fuel received and issued noted during a monthly reconciliation, so that appropriate corrective action could be taken. In our view, this is likely the reason why the sectors were not complying with established procedures which require monthly reconciliation. Daily reconciliation narrows the period when the difference occurred from a month to a day, thereby making it

more practicable to accurately track down incorrect and/or omitted Form G299 and G205 entries or otherwise identify the cause for the reconciliation difference.

Timely reconciliation of fuel received and issued is an accepted control practice in private industry. Commercial gasoline stations are advised by the American Petroleum Institute<sup>3</sup> to reconcile gasoline issues daily by (1) taking daily pump meter readings and (2) comparing the meter readings with amounts of fuel received and issued since the last reading and the amount of fuel in the storage tank (determined by a dipstick check of the tank).

INTERNAL CONTROL WEAKNESSES  
PERSIST DESPITE PRIOR IDENTIFICATION

The weaknesses noted in controls over gasoline usage are not new. Justice and the Service previously identified similar internal control weaknesses.

A 1981 Justice audit report on the Immigration and Naturalization Service stated that "control over INS bulk fuel use is virtually non-existent." The Service agreed at that time to take corrective action. In January 1984, the Service's Fleet Manager noted that reconciliation of bulk fuel receipts and issuances was a major problem in the San Diego sector. Finally, a February 1985 Service audit report dealing with internal controls reported that beginning and ending mileage, quantity and cost of gasoline purchased, and repair and maintenance costs were not recorded on all Form G205s reviewed.

CONCLUSIONS

The San Diego and El Centro sectors were not complying with procedures established by the Service to reasonably assure that fuel was used for official purposes only and was properly accounted for. Although these weaknesses in the Service's internal controls have been identified before by previous Justice and Service reviews, they continue to persist. Furthermore, we question whether the established procedures would provide adequate control, unless fuel is reconciled daily rather than monthly.

RECOMMENDATIONS

We recommend that the Commissioner, Immigration and Naturalization Service,

--require the Western Regional Commissioner to direct the San Diego and El Centro Border Patrol sectors to comply

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<sup>3</sup>A trade association which establishes industry-recognized technical standards for petroleum production, storage, and retail.

with established procedures for recording and reconciling fuel received and dispensed, including the use of storage tank dipstick readings to properly account for all fuel used;

- determine whether similar internal control weaknesses exist at other Border Patrol facilities, so that corrective action can be taken, if warranted; and
- determine whether established procedures should be revised to require daily, instead of monthly, reconciliation of fuel received and dispensed at sectors with their own fuel pumps.

AGENCY COMMENTS

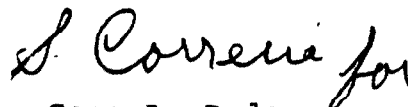
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We request that you inform us of actions taken on our recommendations.

We appreciate the courtesy and cooperation extended to our staff during the course of our work.

Sincerely yours,



Gene L. Dodaro  
Associate Director

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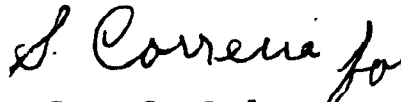
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