


**CITY OF OAKWOOD  
ADMINISTRATIVE POLICIES AND PROCEDURES**

**POLICY NO. 29**  
**SUBJECT: FUEL INVENTORY AND USAGE**  
**DATE: APRIL 15, 2022**  
**REVISED: AUGUST 7, 2023**

**RECOMMENDED BY:**   
**K. Douglas Spitzer, PE, Director of Public Works**

**CONCURRED BY:**   
**Cindy S. Stafford, CPA, Finance Director**

**APPROVED BY:**   
**Norbert S. Klopsch, City Manager**

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**POLICY:** This document sets forth the City’s policy (this “Policy”) regarding the purchase and use of fuel in government vehicles and equipment. For purposes of this Policy, the term *fuel* shall mean gasoline and diesel fuel obtained in bulk and dispensed through the fueling station located at the Foell Public Works Center, 210 Shafor Boulevard.

**PURPOSE:** The purpose of this Policy is to set forth the internal controls for fuel purchasing, inventory and usage in government vehicles and equipment. Use of the fuel station is controlled by an access system that takes the place of a station attendant. Primary users of the system are city of Oakwood employees, and Oakwood City Schools employees with permitted access as an authorized agency. Oakwood City Schools is billed monthly for the school usage. This Policy addresses: who is authorized to purchase the bulk fuel; how fuel is purchased; how the bulk fuel purchases are tracked; who has access to dispense the fuel; how the fuel usage is tracked; who monitors the fuel usage; and how the fuel is secured.

**GENERAL BACKGROUND:** The Ohio Auditor of State issued an Advisory Memo dated September 28, 2021 to all local governments, public offices, and independent public accountants to develop and maintain internal controls to protect government funds to ensure they are used for a proper public purpose. This Policy is intended to establish an accurate and transparent fuel use procedure for use in government vehicles and equipment.

## **PROCEDURE:**

### **A. Bulk Fuel Purchase**

All Public Works Foremen and the Director of Public Works are familiar with the inventory of fuel in storage and are authorized to order fuel from the vendor that provides the best price and availability. Per Administrative Policy #2, informal bidding procedures may be used if the fuel purchase is less than \$50,000. A minimum of three (3) quotes from three (3) different sources shall be requested on the Vendor Fuel Price Sheet (see attachment 1). The City will purchase fuel from the vendor that provides the lowest and best price and delivery. The Vendor Fuel Price Sheets shall be attached to the approved corresponding vendor invoice sent to finance for payment.

### **B. Tracking Bulk Fuel Purchases**

Each fuel delivery from a vendor is provided with a delivery ticket indicating the date; type of fuel; amount of fuel received; and unit cost plus applicable excise tax. All fuel deliveries are tracked on a spreadsheet that indicates the date fuel is received, gallons received and unit price of the fuel.

### **C. Access to the Fuel**

Before being granted access to the fuel system, an authorized employee from the city of Oakwood or Oakwood City Schools must provide a four-digit personal identification number (PIN) to the Streets Foreman. The Streets Foreman enters the user name and PIN into the fuel management system. To begin the fueling process, the chip key of the corresponding vehicle or piece of equipment is inserted into the controller at the fuel vending station. The authorized user must enter their four-digit PIN when prompted. The vehicle mileage or equipment hours must be entered after the user enters their PIN. Finally, the user selects the pump corresponding to the type of fuel requested – gasoline or diesel fuel – and the fuel system is ready to dispense. Only city of Oakwood or Oakwood City School employees will be assigned a PIN number so only authorized users have access to the fuel system. Problems encountered with the fuel system should be reported to the Streets Foreman or to the stand-by Foreman during non-business hours. (see attachment 2 – sample User List).

The fuel dispensing system is for official government business only, except for commuting and personal use of city vehicles as authorized by Administrative Policies #3 and #4.

### **D. Monitoring Fuel Usage**

Management of the fuel system is accomplished with a software-based user interface. The software allows for user account maintenance and various report types. Fuel usage for Oakwood City Schools is reported monthly with an accompanying invoice sent to the Schools for reimbursement to the city. Usage reports from the fuel system software track the date of transaction; type of fuel dispensed; gallons of fuel pumped; user; vehicle or equipment serviced; and odometer or hour reading. The monthly fuel usage report – “Activity Detail Report By Account For Product” (see attachment 3) shall be reviewed by the Public Works Director for correctness and reasonableness.

**E. Securing the Fuel**

Physical security of the fuel station is provided through multiple levels of control. The entire perimeter of the Public Works Center is secured with chain link fence and an access gate that requires a security code to open outside of normal work hours.

In order to dispense fuel, a user must physically insert a chip key; enter an administrator assigned four-digit PIN; enter vehicle mileage or equipment hours; and select the appropriate pump for gasoline or diesel fuel.

A security camera affixed to the adjacent water plant monitors the fuel pumps.

**F. Alternate Fuel Availability**

In the event the city of Oakwood's fuel pumps are out of service, or otherwise unavailable, authorized city of Oakwood employees have access to a fuel credit card maintained in the office of the Public Safety Dispatcher.