

STATE OF COLORADO

**DEPARTMENT OF TRANSPORTATION
Office of Government Relations**

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To: Transportation Commission

From: Herman Stockinger / Mary Frances Nevans

Date: February 21, 2013

Re: Approval of Policy Directive 6.0 Vehicle Fuels Control

Executive Summary: The Department requests that the Transportation Commission adopt Policy Directive 6.0, Vehicle Fuels Control. This Directive completely revises existing Policy Directive 6.0, which was adopted by the Commission in 1978. The Directive is a result of the collaboration of several divisions at CDOT. The vehicle fuel monitoring process continues to be improved; however, this Directive implements a baseline set of requirements for controlling vehicle fuel usage and monitoring.

1. Action Requested: Approval of Policy Directive 6.0 Vehicle Fuels Control
2. Attached Documentation:
 - A. Memorandum from Herman Stockinger
 - B. Policy 6.0 Vehicle Fuels Control
 - C. Proposed Resolution
3. Name of Policy Directive: 6.0 Vehicle Fuels Control
4. Date of Document this Policy Directive Supersedes: September 1, 1978
5. Rational for this Policy Directive: Policy Directive 6.0 has undergone considerable scrutiny and revision from all divisions and regions involved in the monitoring and use of fuels. The Policy Directive and "Fuel Guide" developed as a manual responds to findings in an internal audit report dated April 19, 2012. The more rigorous controls on fuels are a result of actions taken since the fraudulent use of fuel by a CDOT employee was discovered in 2009. These controls will continue to improve, utilizing technology in place of man hours when possible.
6. Policy Directive will be Implemented by: Maintenance and Operations (collaborating with Accounting and Procurement)
7. Fiscal Impact to Implementation: Beneficial only.
8. Reviewed by Office of Attorney General: Procedural only; no legal issues

COLORADO DEPARTMENT OF TRANSPORTATION		<input checked="" type="checkbox"/> POLICY DIRECTIVE <input type="checkbox"/> PROCEDURAL DIRECTIVE	
Subject Vehicle Fuels Control			Number 6.0
Effective 9/1/78	Supersedes All previous	Originating office Procurement	

PURPOSE

To establish written policy and reports to increase internal control and security of petroleum products, particularly gasoline, diesel fuel, and motor oil, at all dispensing locations of the Department of Highways.

AUTHORITY

Executive Director

APPLICABILITY

This directive applies to the Colorado State Department of Highways, including all administrations, districts, divisions, and subdivisions thereof.

POLICY

Gasoline, diesel fuel, and motor oil represent high-dollar and high volume expenditures, and because the quantities are great, the possibility of loss does exist. these high costs make it all the more necessary to take greater precautions regarding its control and usage.

A special fuels account shall be established for each Maintenance District and State Patrol District. Maintenance Superintendents, State Patrol District Captains, and others in charge of gasoline and diesel outlets will designate personnel responsible for the control and preparation of required forms and reports for each dispensing location.

All issues of gasoline, diesel fuel, and oil shall be properly reported on Department of Highways forms designated for that purpose and signed for by the recipient at time of original issue.

IMPLEMENTATION

This policy shall be implemented immediately upon receipt of this directive. See Procedural Directive for complete details.

(signature on file) _____
EXECUTIVE DIRECTOR

(signature on file) _____
SECRETARY, TRANSPORTATION COMMISSION

Current Directive

COLORADO DEPARTMENT OF TRANSPORTATION		<input checked="" type="checkbox"/> POLICY DIRECTIVE <input type="checkbox"/> PROCEDURAL DIRECTIVE	
Subject Vehicle Fuels Control			Number 6.0
Effective	Supersedes 09/01/1978	Originating office Maintenance and Operations	

I. PURPOSE

It is imperative for CDOT to be fiscally responsible and control the purchase and use of vehicle fuels and fuel card purchases. To this end, the Department of Transportation continues to adhere to a written Policy on internal control and security of petroleum products, particularly gasoline, diesel fuel, and alternative fuels (i.e. E-85, Compressed Natural Gas (CNG), Liquid Propane Gas (LPG), Bio-Diesel etc.), at all dispensing locations available to the Department of Transportation. CDOT continues to improve its monitoring of vehicle fuels, including setting forth the requirements of the use of fuel cards and updating the requirements regarding bulk fuel tanks.

II. AUTHORITY

Transportation Commission, pursuant to § 43-1-106, C.R.S.

III. APPLICABILITY

This Policy Directive applies to all applicable divisions, branches, regions, and offices of the Department of Transportation, the Office of Information and Technology personnel and anyone utilizing State Fleet vehicles and fuel cards assigned to CDOT.

IV. POLICY

Gasoline, diesel fuel, and alternative fuels represent high-dollar and high volume expenditures. The high risk and costs make it all the more necessary to take greater precautions regarding the control and usage of fuels. It is the responsibility of the Maintenance and Operations Branch of Staff Branches to monitor the procurement of fuel and to guard against fraud and theft. This branch will continue to research and utilize new methods to guard against losses in accordance with the requirements of the state statutes, state fiscal rules, and the state procurement code. Enforcement of the procedures that follow this policy shall include any and all remedies under the law.

A special fuels account shall be established for each Maintenance Section. Maintenance Superintendents and all other CDOT employees directly responsible for gasoline, diesel and alternative fuel dispensing locations will designate personnel responsible for the control and preparation of required forms and reports for each dispensing location.

This Policy supports CDOT personnel's adherence to the procedures for fuel monitoring set forth in Procedural Directive 6.1 Vehicle Fuels Control (Bulk and Fuel Cards) and the CDOT Fuel Guide.

V. IMPLEMENTATION PLAN

This Policy Directive shall be implemented immediately upon approval by the Transportation

Commission.

The Maintenance and Operations Branch will oversee and monitor the responsible control and purchase of vehicle fuels through the requirements and procedures set forth in Procedural Directive 6.1 “Vehicle Fuels Control (Bulk and Fuel Cards)” and the Fuel Card Usage and Reporting Standard Operating Guide (“CDOT Fuel Guide”).

The Maintenance and Operations Branch will review the CDOT Fuel Guide on an annual basis and revise it as necessary.

The Maintenance and Operations Branch will distribute this Policy to all divisions, branches, and regions of the Department and anyone utilizing State Fleet vehicles and fuel cards assigned to CDOT, upon adoption by the Transportation Commission.

VI. DOCUMENTS REFERENCED IN THIS PROCEDURAL DIRECTIVE

Procedural Directive 6.1 Vehicle Fuels Control (Bulk and Fuel Cards)

CDOT Fuel Guide (available in the CDOT Library)

VII. REVIEW DATE

This Policy Directive shall be reviewed on or before February 2016.

Secretary, Transportation Commission

Effective Date

Resolution # TC-

Adopt Policy Directive 6.0, “Vehicle Fuels Control”

WHEREAS, § 43-1-106 (8)(a), C.R.S. (2011) gives authority to the Transportation Commission of Colorado (“Commission”) to formulate the general policy with respect to the management, construction, and maintenance of public highways and other transportation systems in the state; and

WHEREAS, current Policy Directive 6.0 was adopted by the Transportation Commission on September 1, 1978; and

WHEREAS, the Department recognized a need for a Policy specifically addressing the use of fuel cards and implementing controls on the purchase and use of vehicle fuels; and

WHEREAS, CDOT has completed a revision of the existing Policy to support tighter controls on reconciliation of reports and document retention regarding vehicle fuels; and

WHEREAS, the Commission supports CDOT’s goal of ever-increasing efficiency procedures for monitoring vehicle fuels and continuing to take greater precautions concerning the control and usage of fuels.

NOW THEREFORE BE IT RESOLVED, the Commission herein approves Policy Directive 6.0 “Vehicle Fuels Control.”

**Herman Stockinger, Secretary
Transportation Commission of Colorado**