



Michigan
Office of the Auditor General
REPORT SUMMARY

Performance Audit
Motor Fuel Quality and Quantity Inspections
and Enforcement Efforts
Laboratory Division
Department of Agriculture

Report Number:
 791-0111-06

Released:
 December 2007

The mission of the Consumer Protection Section, Laboratory Division, is to prevent economic fraud and deception concerning weights and measures, motor fuel quality, and labeling and advertising of all commodities; to be responsible for environmental issues as they relate to the distribution of gasoline products; to provide National Institute of Standards and Technology traceability on the State's standards and measures; and to provide regulatory resource expertise to the public, industry, and government.

Audit Objective:

To assess the effectiveness of the Division's efforts to promote compliance with the motor fuel quality and quantity laws.

Audit Conclusion:

We concluded that the Division's efforts were moderately effective in promoting compliance with the motor fuel quality and quantity laws. We noted one material condition (Finding 1) and three reportable conditions (Findings 2 through 4).

Material Condition:

The Division did not maintain documentation supporting the calculation of assessed fines and the decisions for waiving or reducing fines (Finding 1).

Reportable Conditions:

The Division should consistently and fully use its authority when applying enforcement actions in response to violations (Finding 2).

The Division should develop standards for frequency of inspections and develop formal guidelines to prioritize inspections of retail gas stations and distributors (Finding 3).

The Division's data management systems used to track and monitor inspection results did not contain complete and accurate information (Finding 4).

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Agency Response:

Our audit report contains 4 findings and 4 corresponding recommendations. The Department of Agriculture's preliminary response indicates that it agrees with 3 recommendations and disagrees with 1 recommendation.

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A copy of the full report can be
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