



**Mecklenburg County  
Department of Internal Audit**

Land Use and Environmental Service Agency Follow-Up  
Audit Report 1365

November 5, 2012

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**Internal Audit's Mission**

Through open communication, professionalism, expertise and trust, Internal Audit assists executive management and the Audit Review Committee in accomplishing the Board's objectives by bringing a systematic and disciplined approach to evaluate the effectiveness of the County's risk management, control and governance processes in the delivery of services.

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**Internal Audit Contacts**

Joanne Whitmore, Audit Director, (704) 336-2575 or  
[joanne.whitmore@mecklenburgcountync.gov](mailto:joanne.whitmore@mecklenburgcountync.gov)

Christopher Waddell, Audit Manager, (704) 336-2599 or  
[christopher.waddell@mecklenburgcountync.gov](mailto:christopher.waddell@mecklenburgcountync.gov)

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**Staff Acknowledgements**

Richard Kring, Auditor-In-Charge

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**Obtaining Copies of  
Internal Audit Reports**

This report can be found in electronic format at  
<http://charmeck.org/mecklenburg/county/Audit/Pages/Reports.aspx>



**MECKLENBURG COUNTY**  
**Department of Internal Audit**

To: Harry Jones, County Manager

From: Joanne Whitmore, Director, Department of Internal Audit

Date: November 5, 2012

Subject: Land Use and Environmental Services Agency Follow-Up Audit Report 1365

The Department of Internal Audit has completed follow-up procedures on reported issues from the Land Use and Environmental Services Agency (LUESA) Audit Report 0961 issued October 22, 2010. The objective of the follow-up review was to determine with reasonable but not absolute assurance whether management took effective and timely action on the issues presented in the audit report.

Internal Audit interviewed key personnel, observed operations, reviewed written policies and procedures and other documents and tested specific transaction activity where applicable. Internal Audit conducted this audit under the guidance of the International Standards for the Professional Practice of Internal Auditing.

**RESULTS**

There were seven recommendations in the LUESA Audit Report 0961. Internal Audit determined in the LUESA Follow-Up Audit Report 1263 that six recommendations were fully implemented and one recommendation was partially implemented. As noted in the following **Follow-Up Results** section, Internal Audit has determined the partially implemented recommendation has been fully implemented.

The cooperation and assistance of the LUESA staff are recognized and appreciated.

c: Michelle Lancaster, General Manager  
John McGillicuddy, General Manager  
Bobbie Shields, General Manager  
Leslie Johnson, Associate General Manager  
Tyrone Wade, Deputy County Attorney  
Robert Thomas, Senior Associate Attorney  
Dena Diorio, Director, Financial Services Department  
Cary Saul, Director, LUESA  
Board of County Commissioners  
Audit Review Committee

**Follow-Up Results**  
**Land Use and Environmental Services Agency Audit 0961**

- **Fully Implemented** – The audit issue has been adequately addressed by implementing the original or alternative corrective action (X).
- **Open/Partially Implemented** – The corrective action has been initiated but is not complete (P) or the audit issue has not been addressed but management fully intends to address the issue (O).
- **Not Implemented** – The audit issue has not been addressed and management has assumed the risk of not taking corrective action (NI).
- **Withdrawn** – The audit issue no longer exist because of changes in the auditee’s operation (W).

Issue	Risk Observation	Recommendation	Corrective Action Taken			
			Fully Implemented	Open/Partially Implemented	Not Implemented	Withdrawn
1	<p>The Department does not conduct routine reconciliations between the Alpha 5 and Well and Septic Protection (WASP) health permits systems and the Navision cashier system.</p> <p>Although health inspection fees entered into Alpha 5 and WASP must be recorded into Navision, the Department’s cashier system that records fees and manages customer accounts, there is no interface between the systems that would automatically record that data. Instead staff must make redundant manual data entries for every payment into Alpha 5 or WASP and Navision to update customer accounts and reconcile cash receipts with bank deposits.</p> <p>Because staff does not conduct manual reconciliations between the systems, they would not readily detect a data entry error or omission or be able to confirm that customers have paid for all inspections conducted. Further, because the systems do not interface, there is no system-generated report that staff can use to reconcile between the systems to ensure accuracy and completeness.</p>	<p>Internal Audit recommends that management ensure routine reconciliations are conducted between the Alpha 5 and WASP systems and the Navision cashier system to ensure accuracy and completeness.</p>	X			