



**Mecklenburg County
Department of Internal Audit**

Park and Recreation Department
Sugaw Creek Recreation Center
Cash Collection Investigation Follow-Up Audit
Report 1569

April 4, 2016

**Internal Audit's
Mission**

To support key stakeholders in cultivating an environment of accountability, transparency and good governance.

Internal Audit Contacts

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**Staff
Acknowledgements**

Crystal Turner, CDFM, Auditor-In-Charge

**Obtaining Copies of
Internal Audit Reports**

This report can be found in electronic format at
<http://charmeck.org/mecklenburg/county/audit/reports/pages/default.aspx>



MECKLENBURG COUNTY
Department of Internal Audit

To: Dena Diorio, County Manager

From: Joanne Prakapas, Director, Department of Internal Audit

Date: April 4, 2016

Subject: Park and Recreation Department Sugaw Creek Recreation Center Cash Collection Investigation Follow-Up Audit Report 1569

The Department of Internal Audit completed a follow-up audit on reported issues from the Park and Recreation Department Sugaw Creek Recreation Center Cash Collection Investigation Audit Report 1288 issued August 24, 2012. The objective of the follow-up audit was to determine with reasonable but not absolute assurance whether management took effective corrective action on the issues presented in the audit report.

Internal Audit staff interviewed key personnel, observed operations, reviewed written policies and procedures and other documents, and tested specific transactions where applicable. Internal Audit conducted this audit in conformance with The Institute of Internal Auditor's International Standards for the Professional Practice of Internal Auditing.

FOLLOW-UP SUMMARY

There were eleven recommendations in the Park and Recreation Department Sugaw Creek Recreation Center Cash Collections Investigation Audit Report 1288. The following table summarizes the results of the follow-up audits performed to date.

Recommendation Summary					
Fiscal Year	Audit Report	Implemented	Open	Not Implemented	Withdrawn
2014	1466	3	8		
2015	1569	2	6		

Details regarding the most recent follow-up audit are noted in the attached **Follow-Up Results** matrix. Recommendations considered implemented will be excluded from further review. For those that remain

open, Internal Audit will conduct a follow-up audit at a later date to verify they are fully implemented and working as intended.

The cooperation and assistance of the Park and Recreation Department staff are recognized and appreciated.

- c: Deputy County Manager/Chief of Staff
- Assistant County Managers
- Deputy County Attorney
- Senior County Attorney
- Board of County Commissioners
- Audit Review Committee
- Director, Department of Park and Recreation

Follow-Up Results
Park and Recreation Department Sugaw Creek Cash Collection Investigation Audit Report 1288

- **Implemented** – Audit issue has been adequately addressed by implementing the original or alternative corrective action plan (**I**)
- **Open** – Corrective action for audit issue initiated but not completed (**P**); Implemented but not operating as intended (**IO**); Not been addressed but management fully intends to address issue (**O**)
- **Not Implemented** – Audit issue not addressed and management has assumed the risk of not taking corrective action (**NI**)
- **Withdrawn** – Audit issue no longer exist due to operational changes (**W**)

				Implementation Status	
Issue No.	Recommendation	Management's Risk Mitigation Strategy	Original Implementation Date	Current Status	Comments
1	Internal Audit recommends the Department develop and implement formal policies and procedures for youth program fee waivers and Class system access.	Agree. The Department will develop and implement formal policies and procedures for youth program fee waivers which will clearly outline waivers qualifications and the procedure for proper review, approval and outline the supporting documentation requirements. The policies and procedures will become part of the new employee orientation training as well as mandatory training updates with all programming staff on an annual basis. The formal policies and procedures for youth program fee waivers will be completed by August 17, 2012 and training of all current programming staff on the new policies and procedures will be completed by September 28, 2012.	08/2012	I	
	We further recommend management train staff on the new policies and procedures. At a minimum, the fee waiver policy and procedure should include review and approval requirements for fee waivers and supporting documentation requirements.		09/2012	P	Management indicated the recommendation is partially implemented due to miscommunication between staff regarding the ownership of the policy.
	In addition, the Class system administration policy and procedure should include allowed access levels based on staff roles and responsibilities, review requirements and frequency and deactivation requirements for staff no longer with the Department.		08/2012	I	
3	Internal Audit recommends the Department work with the Class vendor to provide system data edit checks to ensure correct program and facility rental fees are calculated and to prevent unauthorized fee changes. Management should also test the system after vendor changes are made to ensure they are working as expected prior to putting	Agree. The department has taken steps to help ensure accurate fees are charged. First, the 0.0\$ fee is no longer an option in CLASS facility booking. This was removed immediately during the employee incident investigation and will continue to be implemented. Only CLASS users with Override privileges will be able to change a set fee. Date	09/2012	P (3)	Management indicated the recommendation is partially implemented due to the process requiring the expertise of an IT Business Analyst. In addition, the ActiveNet vendor had not given the system administrator the opportunity to test changes scheduled for release.

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	the changes into production. Further, we recommend management conduct periodic reviews to ensure all fee overrides are authorized and system notes are provided to support the changes.	recognition: currently the CLASS system is not set up to automatically recognize the date and apply via default the correct weekday or weekend rental fees. This is being changed. Within four weeks, all facilities will be changed and only the correct default fees will show during a booking. This means it will no longer be possible to charge a patron a weekday rental fee for a weekend rental (or vice versa). Additionally, all fees are being checked and where needed corrected in CLASS. This will be reviewed yearly (fees are changed once per year) and updated as necessary. When the above changes to the CLASS system are in place, they will be tested to ensure accuracy and that the system is charging the correct rates. Monthly reviews of Override, Administrative Holds, and Temp Holds on facilities will be performed. These will be printed and reviewed at the end of each month by the IT Business Analyst and reviewed with Division Directors as necessary depending on the facility. This will begin on September 3, 2012 and will continue on the first working day of each month. Finally, levels of access by all current CLASS users are currently being reviewed. Many will change, with the			

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		goal to “tighten up” users and limit the number of users overall, as well as the number of Override and Administrative users. In addition, the “Frontline” user access level will be changed to “Frontline – Facility”, “Frontline – Program” and regular “Frontline.” This will enable the department to limit some staff to only Program or Facility reservation, not both as the system is currently set up. This will be completed by August 31, 2012 and will be reviewed and updated at least yearly. Additionally, internal audits by the Park and Recreation fiscal section will also now include CLASS system audits and will include reviews of fee waivers.			
4	Internal Audit recommends the Department require management to conduct periodic Class system access rights reviews and modify access as necessary.	Agree. The department’s IT Section is currently developing a protocol for routine audits of the CLASS system and access rights of employees. All user access levels are currently being reviewed. This list will be reviewed and updated yearly. Additionally, the system is currently set up to print all past and present county employees who have ever had access to CLASS when requested to list CLASS users. This makes reviewing access levels by current staff onerous. The system is being changed and previous staff will become “inactive” in the system, allowing for more efficient	10/2012	P	Management indicated the recommendation is partially implemented due to the demands of the implementation of ActiveNet.

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		regular audits of current CLASS users and access levels in the future. This change will be implemented by August 31, 2012.			
	We also recommend management reemphasize with staff the County Information Security policy addressing system access control and requirements to use only their own log-in identifications and passwords.	Additionally, unauthorized use of CLASS log-in names and passwords will be included in the revised CLASS training currently being developed. Development of the new training will be completed by September 28, 2012 and will be implemented starting in October 2012. Current CLASS users will be required to attend a refresher course (with the new training materials/info) and all new employees will be required to attend the training prior to being provided CLASS access.	10/2012	P	Management indicated the recommendation is partially implemented due to the lack of available staff to manage this task.