



**Mecklenburg County
Department of Internal Audit**

Department of Social Services
Procurement Cards Follow-Up Audit
Report 1586

January 13, 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**

Eric Davis, CIA, CISA, CRMA, 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: January 13, 2016

Subject: Department of Social Services Procurement Cards Follow-Up Audit Report 1586

The Department of Internal Audit completed a follow-up audit on reported issues from the Department of Social Services Procurement Cards Audit Report 1475 issued January 29, 2015. 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 three recommendations in the Department of Social Services Procurement Card Audit Report 1475. The following table summarizes the results of the follow-up audit(s) performed to date.

Recommendation Summary					
Fiscal Year	Audit Report	Implemented	Open	Not Implemented	Withdrawn
2015	1586	3			

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.

The cooperation and assistance of the Department of Social Services 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 Social Services

Follow-Up Results
Department of Social Services Procurement Cards Audit Report 1475

- **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	
Risk Observation	Recommendation	Management's Risk Mitigation Strategy	Original Implementation Date	Current Status	Comments
1.1	Internal Audit recommends management develop and implement formal, documented P-card policies and procedures. The policies and procedures should include, at a minimum: <ul style="list-style-type: none"> • Staff roles and responsibilities • Staff training requirements • Internal and external stakeholder communication requirements • Frequency of policy and procedure reviews and updates • Adoption of applicable County policy and procedures 	The Department of Social Services will develop department specific P-card policies and procedures and will distribute to staff. The department will develop a routine review process to ensure the policies and procedures are current and up to date with the latest County P-card policy. The department specific policies and procedures will be completed by February 27, 2015.	02/2015	I	
2.1	Internal Audit recommends management re-emphasize to P-card holders and supervisors that all purchases utilizing P-cards should be made in accordance with County policy.	The Department of Social Services will re-emphasize to P-card holders and supervisors that all purchases utilizing P-cards should be made in accordance with County policy. The policy will be re-emphasized through the department policy and procedures and during staff meetings and emails to P-card holders and supervisors. The department specific policies and procedures will be completed by February 27, 2015.	02/2015	I	
2.2	Internal Audit recommends management re-emphasize P-card document retention requirements and ensure the department retains required	The Department of Social Services will re-emphasize P-card document retention requirements and ensure the department retains required documentation. The policy will be re-	02/2015	I	

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				Implementation Status	
Risk Observation	Recommendation	Management's Risk Mitigation Strategy	Original Implementation Date	Current Status	Comments
	documentation.	emphasized through the department policy and procedures and during staff meetings and emails to P-card holders and supervisors. The department specific policies and procedures will be completed by February 27, 2015.			