



**Mecklenburg County
Department of Internal Audit**

Park and Recreation Department
Sugaw Creek Recreation Center
Cash Collection Investigation Follow-Up Audit
Report 1807

October 5, 2018

Internal Audit's Mission To support key stakeholders in cultivating an environment of accountability, transparency and good governance.

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MECKLENBURG COUNTY
Department of Internal Audit

To: Dena Diorio, County Manager

From: Joanne Prakapas, Director, Department of Internal Audit

Date: October 5, 2018

Subject: Park and Recreation Department Sugaw Creek Recreation Center Cash Collection Investigation Follow-Up Audit Report 1807

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 Report 1288 issued August 24, 2012. The follow-up audit objective 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, 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 Report 1288. The following table provides the original number of recommendations and summarizes the follow-up audit results performed to date.

Fiscal Year	Audit Report	Implemented	Open	Not Implemented¹	Withdrawn	Total Carryforward
2013	1288 ²	N/A				11
2014	1466	3	8			8
2015	1569	2	6			6
2018	1807	3	3			3

¹ Management assuming risk for not taking corrective action

² Initial report

The attached **Follow-Up Results** matrix provides details for the most recent follow-up audit. Internal Audit will review any carryforward issues later to verify recommendations 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, Park and Recreation Department

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	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.	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.	09/2012	I	

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Issue No.	Recommendation	Management's Risk Mitigation Strategy	Original Implementation Date	Implementation Status	
				Current Status	Comments
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.	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 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	09/2012	I	
	Management should also test the system after vendor changes are made to ensure they are working as expected prior to putting the changes into production.			IO	Internal Audit determined documentation needed to evidence management tested vendor changes prior to putting the changes into production was not maintained.
	Further, we recommend management conduct periodic reviews to ensure all fee overrides are authorized and system notes are provided to support the changes.			IO	Internal Audit determined some financial related overrides were not periodically reviewed.

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		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 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	10/2012	IO	Internal Audit determined documentation needed to evidence management conducted periodic ActiveNet system access rights reviews and modified access as necessary was not maintained.

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Issue No.	Recommendation	Management's Risk Mitigation Strategy	Original Implementation Date	Current Status	Comments
		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 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	I	