



**Mecklenburg County
Department of Internal Audit**

Business Support Services Agency – Information Technology
Computer Theft Investigation Follow-Up Audit
Report 1911

May 14, 2020

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

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Staff Acknowledgements Deborah Caldwell, CIA, CISA, Auditor-in-Charge

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MECKLENBURG COUNTY
Department of Internal Audit

To: Dena Diorio, County Manager
County Manager's Office

From: Joanne Prakapas, Director
Department of Internal Audit

Date: May 14, 2020

Subject: Business Support Services Agency – Information Technology Computer Theft Investigation
Follow-Up Audit Report 1911

The Department of Internal Audit completed a follow-up audit on reported issues from the Business Support Services Agency – Information Technology Computer Theft Investigation Report 1302 issued July 30, 2013. 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 ten recommendations in the Business Support Services Agency – Information Technology Computer Theft Investigation Report 1302. 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Fiscal Year	Audit Report	Implemented	Open	Not Implemented¹	Withdrawn	Total Carryforward
2014	1302 ²	N/A				10
2015	1574		2		8	2
2018	1809		2			2

¹ Management assuming risk for not taking corrective action

² Initial report

Fiscal Year	Audit Report	Implemented	Open	Not Implemented¹	Withdrawn	Total Carryforward
2019	1911		2			2

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 Information Technology Services staff are recognized and appreciated.

- c: Assistant County Managers
- County Attorney
- Senior County Attorney
- Board of County Commissioners
- Audit Review Committee
- Chief Information Officer, Information Technology Services

Follow-Up Results

Business Support Services Agency – Information Technology Computer Theft Investigation Audit Report 1302

- **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	Recommendation	Management’s Risk Mitigation Strategy	Original Implementation Date	Current Status	Comments
1	<p>Internal Audit recommends BSSA-IT develop formal, documented policies and procedures for its inventory management process for the Computer Replacement Project. The policies and procedures should include, at a minimum:</p> <ol style="list-style-type: none"> a. shipment receipt b. recordation c. physical inventory counts d. deployment e. physical security <p>In addition, the written policies and procedures should have a framework that establishes:</p> <ol style="list-style-type: none"> a. frequency of reviews b. staff roles and responsibilities c. staff training requirements d. communication requirements for internal and external stakeholders 	<p>The action plan is for BSSA-IT to record its computer replacement procedures as a formal set of guidelines. The guidelines will be presented to Mecklenburg County’s Information Services and Technology Advisory Committee (ISTAC) for endorsement. Anticipated completion of the formal guidelines, including review by ISTAC: October, 2013.</p>	10/2013	IO (2)	<p>Internal Audit determined policies and procedures did not address some key operating activities, e.g., shipment receipts and subsequent recordation. Management indicated ITS will collaborate with Asset and Facility Management to update related policies and procedures.</p>