



**Mecklenburg County
Department of Internal Audit**

Asset and Facility Management
Mobile Device Inventory Management Follow-Up Audit
Report 1915

October 18, 2019

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

Internal Audit Contacts Joanne Prakapas, CPA/CFF, CIA, CRMA, CFE, Audit Director
(980) 314-2889 or joanne.prakapas@mecklenburgcountync.gov

Christopher Waddell, CIA, CRMA, Audit Manager
(980) 314-2888 or christopher.waddell@mecklenburgcountync.gov

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

Obtaining Copies of Internal Audit Reports This report can be found in electronic format at <https://www.mecknc.gov/audit/reports/pages/default.aspx?>



MECKLENBURG COUNTY
Department of Internal Audit

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

From: Joanne Prakapas, Director
Department of Internal Audit

Date: October 18, 2019

Subject: Mobile Device Inventory Management Follow-Up Audit Report 1915

The Department of Internal Audit completed a follow-up audit on reported issues from the Information Technology Mobile Device Inventory Management Report 1662 issued December 18, 2018. 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 Information Technology Mobile Device Inventory Management Report 1662 applicable to Asset and Facility Management. 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Fiscal Year	Audit Report	Implemented	Open	Not Implemented¹	Withdrawn	Total Carryforward
2018	1662 ²	N/A				11
2019	1915	11				0

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 Asset and Facility Management 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, Asset and Facility Management

Follow-Up Results
Information Technology Mobile Device Inventory Management Report 1662

- **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
1.2	<p>Internal Audit recommends AFM management update its mobile device inventory management policies and procedures to incorporate relevant details regarding:</p> <ul style="list-style-type: none"> • Essential operational activities, e.g., inventory receipt and transfer, physical security, system access, physical inventory, segregation of duties, document retention, and management oversight • Staff training • Staff roles and responsibilities • Policy and procedure reviews and updates • Internal and external communication requirements 	<p>Mobile device procedures have been developed and warehouse policies have been revised. Policies and procedures will be reviewed annually and revised when changes are required due to changing business needs. Management is implementing additional procedures to verify that operational activities are being performed as expected. All warehouse staff have been trained on warehouse policies and procedures, and any new staff will be trained upon arrival. Due to limited staffing all warehouse staff members have shared responsibilities.</p>	06/2018	I	
3.1	<p>Internal Audit recommends AFM and ITS management limit physical access to the central warehouse and mobile device storage locations to only authorized staff with a business need. Further, management should periodically review physical access permissions. Last, management should retain documentation of their review.</p>	<p>AFM management will review security access on a quarterly basis and retain documentation to verify this review.</p>	06/2018	I (3)	

Follow-Up Results
Information Technology Mobile Device Inventory Management Report 1662

- **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
4.1	Internal Audit recommends ITS and AFM management limit AirWatch and WASP system access to staff with a valid business need. We further recommend management formally approve, document, and periodically validate AirWatch and WASP system access rights. In addition, management should retain documentation of these control activities.	AFM Management will review WASP access on a quarterly basis and retain documentation to verify this review.	06/2018	I (5)	
6.1	Internal Audit recommends ITS management provide routine staff oversight of the mobile device lifecycle, i.e., acquisition, storage/management, deployment, and retirement/disposal. In addition, Internal Audit recommends AFM management provide staff oversight of mobile device receiving, storage/management, and transfer to ITS. Both ITS and AFM management should retain documentation of their reviews.	In addition to quarterly physical inventory counts, AFM Management will perform random monthly audits of inventory received from receipt to transfer to ITS. This will be documented and retained. This will be adjusted to a quarterly basis when management feels the process is working well.	06/2018	I (2)	